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PROCEEDINGS AND DEBATES OF THE 104th CONGRESS, FIRST SESSION

SENATE—*Wednesday, September 27, 1995*

(Legislative day of Monday, September 25, 1995)

The Senate met at 9 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

The PRESIDENT pro tempore. Today's prayer will be offered by a guest Chaplain, the Reverend Dr. George Gray Toole, Towson Presbyterian Church in Baltimore, MD.

PRAYER

The guest Chaplain, the Reverend Dr. George Gray Toole, offered the following prayer:

O God, You who have created the nations and so richly blessed our Nation and its people, we acknowledge Your presence and ask for Your guidance for the U.S. Senate. As it meets under the pressure of time and with so many crucial issues before it, we ask You to minister to its Members and support staff. Where weariness prevails, give them strength. Where matters become complex, give them discernment. When hard choices are to be made, give them integrity. Cause them to work in such a way that, when all of this is past, they may be content with the work they have accomplished. We do not ask that all of them be of one opinion, but that they be of one heart in their commitment to the people and principles of this Nation and to the way You have set before each and all of us. That this may be done, we come to You now, that You may lead them first before they seek to lead the people of this Nation. Use their gifts and talents, which are great in number and variety, and have them serve in a manner that will cause the citizens of this Nation to honor them. And in all things, let all that they do praise You. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader, Senator DOLE, is recognized.

SCHEDULE

Mr. DOLE. Mr. President, there will be a period of morning business until 9:15. At 9:15, as I understand—and we do not have staff around—there will be four votes. There will be a vote in relation to the amendment offered by the Senator from West Virginia, Senator ROCKEFELLER; one vote on an amendment offered by the Senator from Montana, Senator BAUCUS; and on one amendment offered by the Senator from Maryland, Senator SARBANES.

Under the previous order, leadership time is reserved.

MORNING BUSINESS

The PRESIDENT pro tempore. Under the previous order, the Senate will now proceed to morning business, which shall not extend beyond 10 minutes, under the control of the Senator from Alabama [Mr. HEFLIN].

The able Senator from Alabama [Mr. HEFLIN] is recognized.

A BRIGHT STAR IN AMERICA'S CONSTELLATION OF RESTAURANTS

Mr. HEFLIN. Mr. President, whenever I have the pleasure of traveling in north Alabama, I try to visit Bessemer, AL, about a 15-minute drive from the city of Birmingham. One of the many attractions in Bessemer is the Bright Star, one of our Nation's very best family-owned restaurants. Its reputation has been built over the course of this century, with fresh seafood transported from the gulf coast daily, the finest cuts of meat available, and the freshest vegetables and produce.

Actually, I have dined at many fine restaurants during my lifetime, but I consider the Bright Star one of the world's very best. It is certainly on a par with the finest restaurants in New Orleans, San Francisco, Washington, New York, Paris, London, Athens, Vienna, Rome, Budapest, and Copenhagen. At one time, it had Alabama rivals in Montgomery's Elite Cafe and Mobile's Constantine's, but these are unfortunately no longer in existence.

The Bright Star is well-known for its many specialties, but its Greek-style red snapper is truly one of the most superb seafood dishes I have ever tasted. There are also a variety of steaks featured, and the beef tenderloin—which is marinated in special herbs that the Greeks know how to combine and cook in a Mediterranean style—is simply delicious. There is a variety of broiled and fried fish to choose from, as well as giant seafood platters. One of the specialties is a combination lobster and crab meat au-gratin. The broiled seafood platter is widely considered one of the very best to be found anywhere.

One can also enjoy Italian dishes at the Bright Star, such as spaghetti and other types of pasta. Their appetizers are most unique and some of the best include shrimp remoulade, shrimp arnaud, the crab claw platter, and the seafood gumbo. They offer many varieties of salads, but their Greek salad—with or without anchovies—is magnificent. They also have many standard American dishes. Fried chicken and the veal cutlet with spaghetti are popular items on the menu. The chefs have acquired a real knack for preparing vegetables southern-style. They serve everything from turnip greens to black-eyed peas. The desserts include all varieties, ranging from Greek pastries to homemade southern pies, like coconut cream and banana nut.

For a hungry person, there is a truly impressive variety of food to choose from at the Bright Star. The Texas special—consisting of the Greek-style snapper, tenderloin of beef Greek-style, and the lobster and crab meat au-gratin—is an entree that does not escape the memory for years to come.

Sunday lunch at the Bright Star is one of its busiest times. After church services, worshipers will flock from miles around, and sometimes delay their Sunday lunch until 2:30 or 3 p.m. in the afternoon, in order to avoid the overflow crowd.

After a University of Alabama football game in Birmingham, fans who

● This "bullet" symbol identifies statements or insertions which are not spoken by a member of the Senate on the floor.

have come up from Tuscaloosa will stop by on the way back after the game. In years past, it was not uncommon to see legendary Alabama football figures like Coach Bear Bryant, Hank Crisp, and Frank Thomas. At the Bright Star, political figures are frequent guests. On one occasion, I ran into Senator SHELBY and former Congressman Claude Harris at separate tables.

The history of the Bright Star is rich and quintessentially American. In 1907, Greek immigrant Tom Bonduris established the Bright Star. When its doors opened, it was only a small cafe with a horseshoe-shaped bar, but it soon outgrew three locations, moving to its present site in 1915. Bill Koikos and his brother, Peter, joined in the enterprise when they emigrated from Greece in 1920. Customers were introduced to a new dining atmosphere, complete with ceiling fans, tile floors, mirrored and marbled walls, and murals painted by a European artist traveling through the area, all creating a pleasing effect reflective of that era. While major alterations have occurred since, the same early 20th-century-style atmosphere has been largely preserved.

The Bright Star's reputation and success are easily measured simply by the satisfaction of its clientele. A place like home was the kind of climate fostered by Tom Bonduris in 1907 and kept alive today by the Koikos brothers and their descendants—Bill's wife, Anastasia, and children, Helen, Jimmy, and Nicholas.

As immigrants, Tom Bonduris and Bill and Peter Koikos knew little of the English language and had few possessions when they arrived in this country, but they worked hard and learned to please their customers. By establishing the Bright Star restaurant as a place of "philotimo"—a place of hospitality from the heart—the Koikos and Bonduris families drew upon the culture and traditions of their ancestors, striking a resounding chord of acceptance with the public which has never faded. They brought with them certain recipes from Greece, and the Koikos family has continued to use these and secret blends of herbs and spices ever since those early days to make their food unique.

Today, the Bright Star is wholly owned and run by the sons of Bill Koikos, Nick, and Jimmy. Nick oversees the general operations of the restaurant, including the kitchen, and Jimmy serves as the greeter of their patrons and as the front man. Their sister, Helen, also plays an active role, working as the cashier on Fridays and Sundays and generally helping out whenever she is needed. The Koikos family has maintained a high level of commitment to hard work over the lifetime of their restaurant.

The employees of the Bright Star are an integral part of the family there, and many of them have been with the restaurant for many years. I ask unanimous consent that a list of the employees who have been with the Bright Star for 10 years or more be printed in the RECORD following my remarks. Among these are Gwendolyn Atkinson, an employee for 32 years; Mary Sherrod, 46 years; Fannie Wright, 33 years; Walter Hoskins, 28 years; and Nita Ray, 27 years.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HEFLIN. Mr. President, the long, dedicated, and loyal service of these employees is evidence of the type of employers the Koikos brothers are and the type of family atmosphere they foster in their restaurant.

As American citizens, business owners, and participants in the democratic process, this family has developed and maintained a reputation envied by all those who look to our shores for a new start in life. Today, Koikos family members are among the best to be found in Bessemer—or anywhere, for that matter—and Alabama has an establishment in which it can take great pride. Likewise, the United States of America is a better nation because of the outstanding contributions of those from other lands like the Koikos family, whose mission has been to contribute, and whose members believe that the American dream can still be realized if one has the courage and determination to work toward that dream.

I congratulate all the members of the Koikos family on the tremendous success of the Bright Star, and I personally look forward to enjoying many more dining experiences there in the future. There are still many items on the menu which I have not yet tried, but hope to sample soon.

EXHIBIT 1

BRIGHT STAR EMPLOYEES OF 10 YEARS OR MORE

Gwendolyn Atkinson—32 years.
Betty Bailey—22 years.
Wanda Little—11 years.
Mary Sherrod—46 years.
Robert Moore—11 years.
Dorothy Patton—19 years.
Felisa Tolbert—16 years.
Carl Thomas—18 years.
Fannie Wright—33 years.
Aareen Tolbert—16 years.
Angela Sellers—13 years.
Marlon Tanksley—13 years.
Walter Hoskins—28 years.
Brenda Adams—12 years.
Fumiko Adams—19 years.
Elizabeth Gardner—19 years.
Nita Ray—27 years.
Rita Weems—12 years.
Anne Mull—15 years.
Marie Jackson—20 years.
Sarah Marshall—10 years.
Anthony Ross—10 years.
Faye Kelley—12 years.
Dale Ware—10 years.
Jerome Walker—10 years.

TRIBUTE TO LOU WHITAKER AND ALAN TRAMMELL

Mr. LEVIN. Mr. President, I rise today to pay tribute to two outstanding athletes from my home State of Michigan. They deserve our respect not only for their athletic achievements, which are considerable, but for their professional conduct and dedication to their community.

In an age when professional athletes move from city to city, it is refreshing to talk about these two men. Lou Whitaker and Alan Trammell have been the second baseman and shortstop, respectively, for the Detroit Tigers for 19 years. They have played in more than 1,915 games together. That is more than any other set of teammates in the history of the American League.

We can, and should, admire their achievements on the field. Alan Trammell has won four Golden Glove Awards, been selected for the All-Star game six times, and was voted the Most Valuable Player in the 1984 World Series. Lou Whitaker was voted American League Rookie of the Year in 1978, has won three Golden Glove Awards, and has played on four All-Star teams. More uniquely, he is one of only two second basemen in history to have played in 2,000 games, had over 2,000 hits, and over 200 homeruns. I expect that Alan Trammell and Lou Whitaker will one day be inducted into the Baseball Hall of Fame for these achievements.

Even more though, we should admire their dedication and loyalty to a team and a town—attributes that seem increasingly scarce today. Since 1976, they have been a part of Detroit. I have seen many games where Tram and Lou have turned the double play that has become their hallmark. The amazing thing to consider is the millions of fans in Michigan and across the country that have seen that same feat.

Alan Trammell and Lou Whitaker, through their consistent performance and grace, have given something special to the people of our State. For that they deserve our admiration and our thanks. They will always have a special place in the hearts of millions who have cheered their feats on and off the field.

A RESPONSE TO ABC NEWS' VIEWS OF THE EARLY ROMAN SENATE

Mr. BYRD. Mr. President, modern-day life expectancy now tops seventy years. Compare that to the life expectancy during the days of the Roman Empire, when the average Roman citizen could expect to live approximately 22 years (June 13, 1994, Gannett News Service). Twenty-two years—an amazing fact, especially when we consider that today, one must attain the age of 25 before serving in the U.S. House of Representatives and the ripe old age of 30 before contemplating service in the U.S. Senate.

I mention this not as a point of interest, however, but to underscore the fact that the august members of the Roman Senate—many of whom were in their thirties or forties—were, indeed, the "senior citizens" of their time.

Recently, ABC News aired a story in which they questioned the accuracy of two passages in my book, *The Senate of the Roman Republic*. The reporter of this news segment chose to take issue with my assertion that "the Roman Senate, as originally created was meant to be made up of a body of old men." What ABC News failed to mention, however, was the average life expectancy for that period of time—a mere twenty-two years. If the ABC reporter had just looked up the word senate in *Webster's New International Dictionary, Second Edition*, he would have seen that the very definition of senate is "literally, an assembly of old men or elders * * *." Further, when Flavius Eutropius, a fourth-century historian, was writing of the origin of Rome, he made reference to Romulus' creation of the first senate, "* * * he chose a hundred of the older men * * * whom, from their age, he named senators."

In addition, ABC disputed my claim with respect to the Roman Senate's veto power. As the following excerpts from noted historians will attest, this power of the Senate ebbed and flowed from time to time, but in the main, the Senate preserved, directly or indirectly, its authority and power of ratification or veto over the actions of Roman assemblies. I believe my case is made by the following quotes from prominent historians.

—*A History of the Roman People* (1962) by Heichelheim and Yeo:

> The senate possessed still another ancient source of authority summed by the phrases *auctoritas patrum*, which gave it the power to ratify resolutions of the popular assembly before enactment.

—*A History and Description of Roman Political Institutions* (1963) by Frank Frost Abbott:

> This view that the senate was the ultimate source of authority was the aristocratic theory of the constitution down to the end of the republican period. . .

* * * * *

> Between 449 and 339, then, in the case of both the *comitia centuriata* and the *concilium plebis*, a bill, in order to become a law, required, first, favorable action by the popular assembly, then the sanction of the patrician senators. . . Now one clause of the Publilian law, as we have already seen, provided that in the case of the centuriate *comitia* the *auctoritas patrum* should precede the action of the *comitia*."

—*Roman Political Institutions from City to State* (1962) by Leon Homo:

> *The Senate*.—Lastly, the Senate, the stronghold of the Patriciate, which it permanently represented, enjoyed a still more complete right of control. In elections and in voting of laws alike, the decision of the Centuriate Assembly must, to be fully valid and to produce its legal effects, be ratified afterwards by the Senate (*auctoritas Patrum*). Refusal of the Senate to ratify was an absolute veto; it made every decision of the Comitia Centuriata null and void, and they had no legal recourse against it.

* * * * *

> So, through the Consuls, the Senatorial oligarchy recovered, in indirect but effective form, the veto, the *auctoritas Patrum*, of which the *Lex Hortensia* had deprived it.

* * * * *

> . . . the Senate, in losing its right of veto, . . .

* * * * *

> Sulla, in the course of his Dictatorship, restored its [the Senate's] old right of veto, but it was only for a short time.

—*A History of the Roman World 753–146 BC* (1980) by H.H. Scullard, FBA, FSA:

> Though the Senate was a deliberative body which discussed and need not vote on business, it had the right to veto all acts of the assembly which were invalid without senatorial ratification.

* * * * *

> In all branches of government the Roman people was supreme, but in all the Senate overshadowed them: "senatus populusque Romanus" was not an idle phrase.

—*A History of Rome to A.D. 565* (1965) by Arthur E.R. Boak, Ph.D. and William G. Sinnigen, Ph.D.:

> The Senate also acquired the right to sanction or to veto resolutions passed by the Assembly, which could not become laws without the Senate's approval.

* * * * *

> During the early years of the Republic, the only Assembly of the People was the old Curiate Assembly of the regal period. . . . Its powers were limited to voting, for it did not have the right to initiate legislation or to discuss or amend measures that were presented to it. Its legislative power, furthermore, was limited by the Senate's right of veto.

* * * * *

> The legislative power of the Centuries was limited for a long time, however, by the veto power of the patrician senators (the *patrum auctoritas*), who had to ratify measures passed by the assembly before they became law. This restriction was practically removed by the Publilian Law (339), which required the *patres* to ratify in advance proposals that were to be presented to this assembly.

* * * * *

> Hence it was called the Council of Plebs (*concilium plebis*) and not the Tribal Assembly. Its resolutions, called plebiscites, were binding on plebeians only; but, from the late fourth century at least, if the resolutions were approved by the Senate, they became valid for all Romans. In the course of the fourth century the consuls began to summon for legislative purposes an assembly that virtually duplicated the Council of the Plebs but was called the Tribal Assembly (*comitia tributa*) because it was presided over by a magistrate with *imperium* and was open to all citizens. It voted in the same way as the Council of the Plebs and its laws were subject to the veto power of the Senate.

—*A History of Rome to the Battle of Actium* (1894) by Evelyn Shirley Shuckburgh, M.A.:

> . . . the second ordered the *auctoritas* of the fathers (that is, a resolution of the Senate) to be given beforehand in favor of laws passed in the centuriate assembly . . .

* * * * *

> It took from the senators the power of stopping the passing of a law in the centuriate assembly. . . .

Mr. President, though these two matters may seem trivial and insignificant to some, I did want to take this opportunity to assure the readers of my book, *The Senate of the Roman Republic*, that the conclusions drawn are based on a great deal of study on my part. Over the course of many years of research, I have gleaned information, not only from esteemed modern scholars in Roman history, but also from the actual historians of the time. My reference to the Roman Senate as an assembly of old men and to the veto power of the Roman Senate was garnered from these authorities. I recognize that history is sometimes subject to interpretation; therefore, one can only assume that this may have been the premise for the ABC News story.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER (Mrs. HUTCHISON). There being no further morning business, morning business is closed.

DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 1996

The PRESIDING OFFICER. The clerk will report the pending business.

The assistant legislative clerk read as follows:

> A bill (H.R. 2099) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for fiscal year ending September 30, 1996, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Sarbanes Amendment No. 2782, to restore homeless assistance funding to fiscal year 1995 levels using excess public housing agency project reserves.

Rockefeller Amendment No. 2784, to strike section 107 which limits compensation for mentally disabled veterans and offset the loss of revenues by ensuring that any tax cut benefits only those families with incomes less than $100,000.

Rockefeller Amendment No. 2785 (to committee amendment on page 8, lines 9–10), to increase funding for veterans' medical care and offset the increase in funds by ensuring that any tax cut benefits only those families with incomes less that $100,000.

Baucus Amendment No. 2786, to provide that any provision that limits implementation or enforcement of any environmental law shall not apply if the Administrator of the Environmental Protection Agency determines that application of the prohibition or limitation would diminish the protection of human health or the environment otherwise provided by law.

The PRESIDING OFFICER. Under the previous order, there are 4 minutes equally divided for debate, and a vote will follow that 4 minutes.

AMENDMENT NO. 2784

Mr. ROCKEFELLER. Madam President, speaking as a proponent of the amendment, this amendment would strike a provision in the bill which cuts off disability compensation to certain veterans who are disabled by reason of mental problems. It cuts off their savings when they reach $25,000. We do that for no other veteran. We do that for nobody else in the country, as far as I know.

The amendment is funded by limiting any tax cut under the budget resolution to families earning less than $100,000.

Madam President, there is no justification whatever for singling out mentally disabled people for discriminatory treatment. There is none.

If these veterans are disabled, we as a nation have said that they are entitled to disability compensation—entitled to it. It is in the law. We have not said they are entitled to compensation only if they are poor. We have not said they are entitled to compensation only if they have savings less than $25,000. We have not said they are entitled to compensation only if they have no sources of funds from anywhere else.

They are entitled to compensation. We have said that they are entitled because of their disability. Are we prepared to say now, for some reason, that mentally disabled people are somehow less entitled as veterans, solely because they are disabled?

This Senator is not; hence, my amendment. I urge my colleagues to waive the Budget Act and then to strike this provision which discriminates against mentally disabled veterans.

Mr. President, during last evening's debate on my amendment to strike the provision from the appropriations bill which provides for a cutoff of compensation to mentally disabled veterans when their savings reach a certain level, we were operating then under a limited time agreement, which I accepted in the interests of moving the progress of the bill. However, there were a number of points made during that debate which should not go unanswered, so I am making this further statement to describe more fully my views on this legislation.

Mr. President, one point that was made a number of times during the debate was that the mentally incompetent veterans we are talking about have all of their needs taken care of by VA. I am not certain what point was being made, but I think it is vital to note that the individuals that are covered by this amendment are not under VA care. However their needs are being addressed, it is not a result of VA activity except to the extent that the veterans use their compensation payments to pay for care.

Another point that must be addressed relates to the relationship of those who might receive some of the veteran's estate at the time of the veteran's death. As I noted in my statement last evening, it is certainly possible that some remote heirs might benefit from a mentally incapacitated veteran's estate. However, the only thing this provision ensures is that the veteran's estate will be diminished unless the veteran has dependents. There is nothing in the provision which limits its effect to noncaring, distant relatives. The existence of a loving, caring nondependent child who sees the veteran daily would not be sufficient to keep this provision from taking effect. It would be triggered in any case in which there are no dependents.

Mr. President, the suggestion was made that this provision is necessary in order to keep remote heirs from inheriting the estates of mentally disabled veterans. I note that no evidence was cited to support the proposition, nor is there any evidence that I am aware of, that would demonstrate that a mentally impaired veteran is any more likely to leave an estate to remote heirs than a mentally competent one. It is important to highlight that the VA process relating to a declaration of incompetency does not mean that a veteran does not have the ability to execute a valid will.

This concern about so-called remote heirs would apply to any disabled veteran who dies without a will. Any veteran—mentally disabled or otherwise—who is able to execute a will and who does so should not have limitations on who can be named as beneficiary under the will, nor any restriction on the amount of the estate that can pass under the will. If there is a governmental interest in restricting inheritance of estates, any part of which is made up of VA compensation—and let me be clear, I do not believe that there is—then it must apply equally to a disabled veteran who is not mentally incompetent.

As many of my colleagues know, the original enactment of this provision was challenged by the Disabled American Veterans in a lawsuit in 1991.

The Federal court that heard the case—and which declared that original enactment unconstitutional—noted that the limitation did not affect the payment of compensation to between 95 to 98 percent of the disabled veterans who have no dependents. It hardly makes sense or can be defended that this small group of mentally disabled veterans should be singled out for this treatment.

Mr. President, the only characteristic that distinguishes the class of veterans that is being singled out in this legislation is their mental injury or disease. Perhaps some believe that these veterans are less likely to object to such governmental intrusion into their lives, but that is hardly a basis for this sort of legislation which takes away compensation to which the veterans are entitled.

Mr. President, it is worth noting that about 85 percent of estates left by mentally incompetent veterans are inherited by close family members. While these individuals may or may not be dependents, that should hardly disqualify them from inheriting the veterans' estates. Indeed, it is very often these individuals—parents, nondependent children, brothers and sisters, other close family members—who have made significant personal sacrifices to care for the veteran during the veteran's lifetime.

Mr. President, it should be noted that the estates of mentally disabled veterans are frequently made up of funds from sources other than VA benefits, and the effect of this provision would be to require these veterans to reduce the overall value of their estates in order to continue to receive the compensation which is their due.

The bottom line, Mr. President, is this: No matter what arguments are put forward in an attempt to justify this provision, in the end it can only be seen as what it is—rank discrimination against mentally disabled veterans. It is unworthy of the Congress and should be rejected.

Mr. President, I am aware of the two reports—a 1982 GAO report and a 1988 VA inspector general report—that are cited as the justification for this provision. While it may be argued that some support for this provision may be found in one or both of these reports, I think that a closer examination will show that this reliance is misplaced.

For example, Mr. President, neither report provided evidence that mentally disabled veterans accumulate more assets than other veterans. Nor did either report find a basis for distinguishing mentally disabled veterans from all other disabled veterans on the issue of the disposition of their estates or as to any other element related to their VA compensation. In fact, neither report looks at competent veterans.

Both reports assumed, with no basis, that mentally disabled veterans do not have wills. This is simply not true.

Neither report studied mentally competent veterans to learn how they dispose of their estates.

The GAO report looked at a small sample—only four regional offices—hardly a sufficient basis on which to make so sweeping a change in VA compensation policy.

With respect to the inspector general's report, my colleagues may not know that the IG did not recommend that compensation payments to mentally incompetent veterans be stopped, but rather recommended that the compensation payments be paid into a special trust fund on behalf of the veterans.

Mr. President, in essence, this provision is establishing a means test for one very small group of veterans, and doing so on a very scant record. I know that both the House and Senate Veterans' Affairs Committees supported this provision in OBRA 90. We made a mistake then, and nowhere is that demonstrated more clearly than in the district court opinion in the suit brought by DAV.

Our committee could have repeated the mistake in this Congress as we worked to meet our reconciliation mandate. We did not. The Senate should not do so either.

Mr. LEAHY. Mr. President, I am an original cosponsor of the Rockefeller amendment, and I urge my colleagues to vote for its adoption. This is a simple amendment, and its passage will send an important message to America's veterans that we will not forget our obligations to them.

Veteran's medical care accounts for nearly half of the budget of the Department of Veterans Affairs. It provides for the care and treatment of eligible beneficiaries in VA hospitals, nursing homes, and outpatient facilities. When you walk down the halls VA hospitals like the one in White River Junction, VT, you see the proud faces and shattered bodies of men who have given more to their country than just lip-service and taxes. I say men because the overwhelming majority of these veterans are men, although the number of women veterans is rising.

Mr. President, if there is one area where everyone can agree that the Federal Government has a compelling role, it is in the care of our Nation's service disabled and indigent veterans. It is the Federal Government which raises armies and the Federal Government which sends our young people off to war. It is the Federal Government which is obligated to take care of veterans after the shooting stops.

The appropriations bill before us cuts the VA medical care account $511 million below the President's request. No one can stand in front of this body and say that these cuts are not going to affect veterans, because the fact is that they will. They will make a difference in the services provided at White River Junction and at VA hospitals across the country. This amendment restores the medical care fund back to the President's request, and uses the funds from Republican tax cuts to pay for it.

Everyone in this body is familiar with the $245 billion in tax cuts that have been proposed by the Republican leadership. I have been against these cuts from the start, because more than half of the benefits go toward those who make more than $100,000 a year. Let me tell you, I do not hear from too many Vermonters making that much money that say they need a tax cut. I would consider supporting tax cuts that target the lower and middle class, but not this one. By voting for this amendment, we are putting our spending priorities back where they belong, and that is on providing services for the veterans who have earned them.

I think more people around the Senate should heed the words of Abraham Lincoln, which are chiseled on a plaque at the Veterans Administration building a few blocks from here. These words ring as true today as they did in the aftermath of the bloody Civil War: "To care for him who shall have borne the battle and for his widow, and his orphan."

I urge my colleagues to join me in voting for this important amendment.

Mr. WELLSTONE. Madam President, I am very proud to be an original cosponsor, I say to my colleagues, of both of these amendments. There is, I think, a very, very direct question for each Senator to answer. In exchange for agreeing not to have any tax giveaways for individuals, families with incomes under $100,000 a year, we will make sure that we do not put into effect an egregious practice of mean testing compensation for veterans that are struggling with mental illness, service-connected.

As the Secretary has said, Jesse Brown, I think one of the best Secretaries we have, the only difference between veterans that are mentally incapacitated and physically is those that are mentally quite often cannot speak for themselves. This would be a terrible and cruel thing if we now have this unequal treatment.

Finally, Madam President, to be able to restore $511 million so we keep a quality of inpatient and outpatient care, that is what this is about; not the tax giveaways for those with high incomes and a commitment to veterans.

These are two extremely important amendments that represent a litmus test for all of us.

Madam President, I am pleased and proud to be an original cosponsor of the two amendments to H.R. 2099, the VA–HUD appropriations bill for fiscal year 1996 that specifically concern our Nation's veterans. My distinguished colleagues who are cosponsoring this amendment are to be congratulated for their efforts to ensure veterans' access to quality VA health care is not seriously compromised and to protect some mentally incompetent veterans who are being targeted for discriminatory, arbitrary, and shameful cuts in VA compensation.

Madam President, while these amendments address two different issues—veterans health care and compensation for the most vulnerable group of American veterans—they are prompted by one basic concern. Our pressing need to balance the budget. Unfortunately this pressing need is being used to justify unequal sacrifice. Veterans with service-connected disabilities and indigent veterans, many of whom earned their VA benefits at great cost on bloody battlefields are seeing those benefits whittled away, while the most affluent of our citizens are exempted from sacrifice. Instead of being asked to share the pain, the wealthy seemingly are supposed to contribute to balancing the budget by accepting substantial tax cuts. What kind of shared sacrifice is this?

I believe that one of the great strengths of these amendments is that they make a significant contribution to righting the balance. The $511 million that would be restored to the medical care account to enable the VA to meet veterans health care needs and the $170 million that is needed to ensure that all mentally ill veterans continue to receive unrestricted compensation are to be offset by limiting any tax cuts provided in the reconciliation bill to families with incomes of less than $100,000.

Our Nation's veterans are prepared to sacrifice for the good of this country as they have done so often in the past, but only if the sacrifices they are asked to make are: First, equitable; second, reasonable; and third, essential. Clearly, these sacrifices that service-connected—particularly mentally incompetent veterans—and indigent veterans are being asked to make meet none of these essential criteria.

Madam President, before I conclude I would like to discuss each of the amendments. One of the amendments would restore to the medical care account $511 million cut from the President's budget for fiscal year 1996. While there may be some doubt as to the validity of VA projections of the precise impact of such a cut on veterans health care, there is little doubt that it would result in some combination of substantial reductions in the number of veterans treated both as outpatients and inpatients as the number of VA health care personnel shrink. According to the VA, this cut could have an impact that is equivalent to closing some sizable VA medical facilities.

While not directly related to this amendment but related to the quality of VA health care generally, this bill also would eliminate all major medical construction projects requested by the President. In the process, some projects involving VA hospitals that do not meet community standards and are deteriorating would not be funded. How can we treat veterans in facilites that do not meet fire and other safety standards? In obsolete facilities that lack separate rest rooms and dressing room areas for men and women veterans? This is a travesty and no way to treat those who have defended our country. Our veterans do not deserve such shabby and undignified treatment and I will do all in my power to see that this shameful situation ends. I hope that all of my colleagues will join me in this long overdue effort.

Madam President, as I pointed out at a Veterans' Affairs Committee hearing a few months ago these cuts could not come at a worse time. We are now talking about cutting $270 billion over the next 7 years from Medicare and making deep cuts in Medicaid. This could lead to a much greater demand for VA services precisely at a time when VA health care capabilities are eroding. Would the VA be able to cope with an influx of elderly and indigent veterans eligible for health care, but currently covered by Medicare or Medicaid? There sometimes is much talk about a declining veterans population, but much less about an aging veterans population—one that disproportionately requires expensive and intensive care. What happens if this population grows even more as a result of Medicare and Medicaid cuts? Before veterans fall victim to the law of unintended consequences, I strongly urge my colleagues to give careful consideration to the cumulative impact on veterans health care of such concurrent cuts in Federal health care funding.

Regarding the other Rockefeller amendment, I was frankly appalled when I learned that both the House and Senate versions of H.R. 2099 include a provision that limits compensation benefits for mentally incompetent veterans without dependents but does not limit benefits for physically incapacitated veterans without dependents—or any other class of veterans for that matter. As I understand it, compensation for service-connected disabilities paid to mentally incompetent veterans without dependents would be terminated when the veteran's estate reached $25,000 and not reinstated until the veteran's estate fell to $10,000.

Such unequal treatment is outrageous and indefensible. How can we discriminate against veterans who became disabled while serving their country only because they are mentally ill. In eloquent and informative testimony before the Senate Veterans' Affairs Committee, Secretary of Veterans Affairs Jessie Brown, who I regard as an outstanding Cabinet officer and a singularly tenacious and effective advocate for veterans, pointed out that the only difference between veterans who have lost both arms and legs and those who have a mental condition as a result of combat fatigue, is that the latter group cannot defend themselves. Moreover, the Secretary stressed, we are not only talking about veterans who seem to have no organic basis for their mental illness, but also veterans who were shot in the head on the battlefield and as a result of brain damage cannot attend to their own affairs. And, I might add that to make matters worse, this provision amounts to means-tested compensation that applies to only one class of veterans—the mentally ill. I am aware that such a provision was enacted in OBRA 1990 and withstood court challenge, but the fact that it was held to be constitutional makes it no less abhorrent. Fortunately Congress had the good sense to let this onerous provision expire in 1992.

Victimizing the most vulnerable of our veterans while providing tax cuts to our wealthiest citizens smacks of afflicting the afflicted while comforting the comfortable. I urge my colleagues from both sides of the aisle to support the Rockefeller amendment on this subject.

Finally, Madam President, I am very proud to be a Member of the Senate, the oldest democratically elected deliberative body in the world. But I am sure the last thing any of you would want is for this great deliberative body to merely rubber stamp ill-advised actions by the House and in the case of the VA medical account to make matters even worse by appropriating $327 million less than was appropriated by the House.

The veterans health care and compensation protected by these two amendments are by no means handouts, but entitlements earned by men and women who put their lives on the line to defend this great country. They are part and parcel of America's irrevocable contract with its veterans, a contract that long predates the Contract With America we have heard so much about recently.

I have a deep commitment to Minnesota veterans to protect the veterans benefits they have earned and are entitled to and in cosponsoring these amendments I am keeping my faith with them. I urge my colleagues to join me in supporting both amendments.

Mr. ROCKEFELLER. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Madam President, thank you very much.

We should be clear about a couple of things. The money is not necessary to take care of incompetent veterans. These veterans are being taken care of through the Veterans Administration system.

They can keep up to $25,000 of their estate, but beyond that we are saying, as the House did, that we should not continue to build up their estate. These are people that do not have a spouse. They do not have a dependent child or dependent parent. This money simply goes to nondependent heirs when these incompetent veterans die.

We had to make tough choices in putting this bill together because of the limits of funds. Madam President, $170 million that would have gone into the estates of these veterans goes to veterans' medical care.

Now, the solution offered by my friend and colleague from West Virginia is to rely on a phony offset. Everybody in this Senate knows that there is no tax cut in this budget. He proposes to offset it against a tax cut. It is not there.

What this budget waiver does is ask our colleagues to waive the Budget Act, to give up on balancing the budget, to forget about our promise to the American people to end the deficit in the year 2002.

This is the ultimate budget buster. This is where the opponents of balancing the budget start the effort to unravel the budget agreement. It is a typical liberal solution—we will not make choices. If they were serious about getting this money back for these veterans, they would have offered a real offset and made choices as we have to do in the appropriations process.

They did not. They said, "Let's bust the budget. Let's have the ultimate estate builder plan, putting money into the veterans' estates," not to go to their heirs, but putting it on the credit cards of our children and grandchildren.

I urge my colleagues not to waive the Budget Act on this matter.

Mr. WELLSTONE. Madam President, I ask unanimous consent I be included as an original cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WELLSTONE. I thank the Chair.

The PRESIDING OFFICER. All time has expired. The pending question is on agreeing to the motion to waive the Budget Act for the consideration of amendment No. 2784, offered by the Senator from West Virginia [Mr. ROCKEFELLER].

The yeas and nays have been ordered.

The clerk will call the roll.

The assistant legislative clerk called the roll.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The yeas and nays resulted, yeas 47, nays 53 , as follows:

[Rollcall Vote No. 465 Leg.]

YEAS—47

Akaka
Baucus
Biden
Bingaman
Boxer
Bradley
Breaux
Bryan
Bumpers
Byrd
Cohen
Conrad
Daschle
Dodd
Dorgan
Exon
Feingold
Feinstein
Ford
Glenn
Graham
Harkin
Heflin
Hollings
Inouye
Johnston
Kennedy
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Mikulski
Moseley-Braun
Moynihan
Murray
Nunn
Pell
Pryor
Reid
Robb
Rockefeller
Sarbanes
Simon
Snowe
Wellstone

NAYS—53

Abraham
Ashcroft
Bennett
Bond
Brown
Burns
Campbell
Chafee
Coats

Cochran
Coverdell
Craig
D'Amato
DeWine
Dole
Domenici
Faircloth
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hatch
Hatfield
Helms
Hutchison
Inhofe
Jeffords
Kassebaum
Kempthorne
Kerrey
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Packwood
Pressler
Roth
Santorum
Shelby
Simpson
Smith
Specter
Stevens
Thomas
Thompson
Thurmond
Warner

The PRESIDING OFFICER. On this vote, the yeas are 47, the nays are 53. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion to waive the Budget Act is not agreed to. The point of order is sustained.

Mr. BOND. Madam President, I move to reconsider the vote.

Mr. THURMOND. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BOND. I ask unanimous consent that the remaining stacked votes be reduced to 10 minutes in length.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2785

The PRESIDING OFFICER. Under the previous order, there will be 4 minutes equally divided on the pending question.

The pending question is another motion to waive the Budget Act, amendment No. 2785, offered by the Senator from West Virginia. The Senator will have 2 minutes and the Senator from Missouri will have 2 minutes. The Senator from West Virginia is recognized as soon as the Senate comes to order.

Mr. ROCKEFELLER addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. ROCKEFELLER. I thank the Presiding Officer.

This amendment would provide funding for veterans' health care at the level requested by the President, which is $16.96 billion, and would offset the $511 million increase that that represents by limiting any tax cut under the budget resolution to families that earn less than $100,000.

Again, I think this choice is a simple one. The President simply wanted to keep the funding for veterans' health care services—the people whom we have said have a special entitlement to health care services—consistent with inflation. And it is not even health care inflation. It is regular inflation, which is 3.4 percent. Health care inflation is almost double that.

And so the President's request is below what is truly needed. We are already reducing veterans' health care, but the Senate has reduced it way, way below, and the result will be that we will close some veterans hospitals, that we will deny eligible veterans both inpatient and outpatient care, well over 100,000 of them; and interestingly and importantly, in an organization, that is fighting to hold on to its best health care people, we will lose 6,500 Veterans Affairs' health care professionals. I think this is an unsustainable proposition, and I think the President sought only a modest increase. It was not even an inflationary increase in the real terms of health care.

I hope that the motion to waive the Budget Act will be sustained, and I request the yeas and the nays.

The PRESIDING OFFICER. The yeas and nays have been requested. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays are ordered.

Mr. BOND. Madam President, I yield 1 minute to the chairman of the Veterans' Committee, the Senator from Wyoming.

The PRESIDING OFFICER. The Senator from Wyoming is recognized for 1 minute.

Mr. SIMPSON. Madam President, I chair the Veterans' Affairs Committee. It is always remarkable to have to come here to the floor and get into a debate that somehow reflects that we do not take care of our veterans in America.

When I came to this committee, we were giving veterans $20 billion. In this proposal, it is now close to $40 billion. Everything we have done with veterans health care has gone up. We have more nurses; we have more doctors. Remember this figure if you will, please. Madam President, 90 percent of the health care goes to non-service-connected disability—90 percent non-service-connected disability—not service-connected disability. This is a serious issue. If anyone can believe we do not take care of the veterans of the United States, please drop by my office. The occupancy rates at the hospitals are going down. The population is going down and the budget is going up, just as it should be.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. SIMPSON. So veterans are well taken care of. This is an assault on the budget process.

Mr. BOND. Madam President, only inside the Beltway would a $285 million increase in veterans medical care be attacked as a cut. In a very difficult time we allocated $285 million more for veterans medical care to assure that they can provide the care that is needed for veterans.

To say that this is being offset by a tax cut is more phony baloney. It is an effort to break the budget agreement. We had to make choices. If the proponents were serious about increasing money even more than we have for veterans medical care, they would have come up with a real offset.

Be clear about it: A vote to waive the Budget Act does not improve veterans health care; it merely busts the budget agreement and puts a greater deficit on the American economy and a greater burden on our children and our grandchildren who will have to bear the expense.

I urge my colleagues to vote no.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll.

The PRESIDING OFFICER (Mr. KYL). Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 51, nays 49.

[Rollcall Vote No. 466 Leg.]

YEAS—51

Akaka
Baucus
Biden
Bingaman
Boxer
Bradley
Breaux
Bryan
Bumpers
Byrd
Campbell
Cohen
Conrad
Daschle
Dodd
Dorgan
Exon
Feingold
Feinstein
Ford
Glenn
Graham
Harkin
Heflin
Hollings
Inouye
Jeffords
Johnston
Kennedy
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Mikulski
Moseley-Braun
Moynihan
Murray
Nunn
Pell
Pryor
Reid
Robb
Rockefeller
Sarbanes
Simon
Snowe
Specter
Warner
Wellstone

NAYS—49

Abraham
Ashcroft
Bennett
Bond
Brown
Burns
Chafee
Coats
Cochran
Coverdell
Craig
D'Amato
DeWine
Dole
Domenici
Faircloth
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hatch
Hatfield
Helms
Hutchison
Inhofe
Kassebaum
Kempthorne
Kerrey
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Packwood
Pressler
Roth
Santorum
Shelby
Simpson
Smith
Stevens
Thomas
Thompson
Thurmond

The PRESIDING OFFICER. On this the vote, the ayes are 51, the nays are 49. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion to waive the Budget Act is rejected. The point of order is sustained.

Mr. BOND. Mr. President, I move to reconsider the vote by which the motion was rejected.

Mr. COCHRAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2786

The PRESIDING OFFICER. The question now occurs on amendment No. 2786, offered by the Senator from Montana [Mr. BAUCUS]. There are 4 minutes for debate to be equally divided.

The Senator from Montana is recognized.

Mr. BAUCUS. Mr. President, this amendment is very simple. It provides that no rider to this appropriations bill would take effect if it would weaken protection of human health and the environment. It is designed to send a strong message, particularly to the

House, that we should not use appropriations bills for a back-door attack on environmental protection.

Last night, Senator BOND argued that the bill gives unfettered discretion to EPA and might even be unconstitutional. I might say to my colleagues, I checked with the Justice Department. The Justice Department has reviewed the amendment and concluded that the amendment is constitutional. So that is not a problem.

It is also aimed only at a set of specific rifle-shot riders, and if the administrator, under the amendment, invalidates a particular rider, the administrator would be fully bound by all of the terms and conditions of the underlying law.

Let me remind everyone why this amendment is necessary. We need to reform our environmental laws, to make them not only strong but smart. But the appropriations bill, and particularly the House, is not environmental reform. It contains riders that roll back, eliminate environmental laws. For example, it eliminates the Great Lakes initiative; it eliminates rules for toxic air emissions from hazardous waste incinerators and refineries; it eliminates enforcement of the wetlands program. In the Environment & Public Works Committee, we are dealing with the wetlands program, working to reform it. This rider eliminates it. It eliminates rules that control discharge of raw sewage into public waters. The list of riders goes on.

The Senate bill takes a much more moderate approach, and I compliment the Senator from Missouri for doing so. But we have to send a strong message to the conferees: We should not load up this bill with riders that would threaten the health and quality of American families.

I urge my colleagues to support the amendment, and I oppose the motion to table.

Mr. President, I ask unanimous consent that Senators MURRAY and WELLSTONE be added as cosponsors of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. MURRAY. Mr. President, the level of funding for EPA and the legislative riders contained in this bill mean one thing for the citizens of our Nation: a lower quality of life. To a large degree, the quality of our lives depends on the integrity of our environment; the quality of the air we breathe, the water we drink, and the soil we farm and live on. For the last 25 years EPA has set out to improve and guarantee the quality of life for all Americans by cleaning up our air, water, and soil and keeping them clean. But with inadequate funding and congressionally mandated caveats and barriers, our people and our environment will no longer be adequately protected.

We all need water to live. We are, in fact, 60 percent water ourselves. Clean water is essential to our survival. But riders in this bill would prevent EPA from protecting Americans from drinking water contaminants that are known to be harmful. Because of this bill, the public will continue to be exposed to contaminants like arsenic, radon, and the microbe cryptosporidium.

Arsenic is a known carcinogen. The current arsenic rule, implemented in 1942, poses a 1 in 50 cancer risk—10,000 times worse than is generally considered acceptable. By preventing EPA from issuing a final arsenic rule, this bill will allow over 30 million Americans to continue to drink arsenic-laced drinking water every day.

The same is true of radon. Drinking water containing radioactive radon is known to cause cancer. Controlling radon in drinking water will prevent hundreds of cancers. Over 40 million people will continue to drink radon-contaminated water unless EPA is allowed to act.

In 1994, a cryptosporidium outbreak in a contaminated well in Walla Walla, WA, sickened or hospitalized dozens of people. A groundwater disinfection rule would likely have prevented this outbreak. But this bill would prohibit EPA from requiring any groundwater to be treated to kill parasites.

We also need clean air to breathe. But this bill requires EPA to reevaluate the standards it has imposed on the oil refinery industry to utilize the Most Available Control Technology [MACT] to control emissions from valves and pumps. These leaks account for as much as one-half of total refinery emissions. Industry requested this rider because they believe that emissions have been overestimated. However, the estimated emissions of toxic pollutants from a medium-sized refinery are 240 tons per year, almost 10 times greater than the minimum statutory definition of a "major source" of toxic air pollution subject to the same control measures. It seems unlikely that EPA has made such a tremendous overestimation of emissions.

Finally, Mr. President, the report accompanying this bill contains a provision that will certainly delay cleanup of a Superfund landfill in my State of Washington. This landfill is located on the Tulalip Indian Reservation in an estuary of Puget Sound and is disgorging contaminants directly into the sound. The language in this report directs EPA to do more studies and engage in more discussion in the hopes the agency will not implement its presumptive remedy of capping the site. While I agree that the cost to these powerful PRP's might be high, the cost to the people who live around the sound, or eat fish from the sound, or recreate in the Sound is much higher. I have tried to get the committee or the provision's sponsor to insert language that forced the PRP's and EPA to act quickly to stop this seeping mess, but I was not entirely successful. The sponsor promises this will not delay cleanup and that these studies and discussions will be completed within fiscal year 1996. I, and the people who want a clean Puget Sound, can only hope that is the case.

Mr. President, we must remain committed to improving and protecting the quality of life for the citizens of our Nation. This means protecting the environment. I urge my colleagues to support efforts to increase funding for EPA and to strip the legislative riders from this bill.

Mr. LIEBERMAN. Mr. President, I rise in strong support of Senator BAUCUS' amendment because it assures that no provision in the House or the Senate appropriations bills governing EPA's budget will harm public health or the environment.

The No. 1 responsibility we have, and what people demand from us, is to protect the public we serve from harm. This means guarding our national security with a strong defense, and keeping our streets safe from crime. But that also means protecting people from breathing polluted air, from drinking poisonous water, and from eating contaminated food—in other words, protecting people from harms from which they cannot protect themselves.

We often fail to think of these problems in terms of being a threat to our safety and well-being, primarily because the Federal Government has done such a good job in guaranteeing that we have clean air and clean water and edible food. One of the great ironies here is that some of the riders in the appropriations bills this Congress may succeed in attempts to eviscerate our key environmental laws precisely because we have succeeded in diminishing environmental dangers from every day life.

Make no mistake, however, the riders particularly in the House bill will, if they find their way into law, quickly remind people of the very real dangers we have been fighting against for the last generation. The riders would severely limit the agency's ability to ensure that our water is safe, our food is safe, and our air is clean.

What makes these riders particularly outrageous is that they are being done without any opportunity for the public to comment on what would be a revolutionary shift in our national policies. This is essentially the equivalent of tacking on a provision legalizing narcotics in America to the FBI's appropriation.

The riders relating to the Clean Water Act would quite simply end enforcement and implementation of the Clean Water Act. The riders would mean widespread degradation of the water quality in Long Island Sound. It would threaten the sound's beaches and its enormous commercial shellfish industry, which has the top oyster harvest in the Nation. In fact, Long Island Sound supports $5 billion a year in water-quality dependent uses. These economic benefits are due in large part to the improvement in water quality brought about by the Clean Water Act.

The Clean Water Act riders would prevent enforcement of controls for combined sewer overflows and practices to reduce stormwater pollution. These programs were designed to keep raw sewage off beaches and out of waterways and reduce dirty runoff from streets and farms. They are critical to the cleanup and long-term health of Long Island Sound. Last year alone Connecticut had 162 beach closings from too high a count of disease-causing bacteria. These bacteria come from raw untreated sewage that still flows from sewerage treatment systems in Connecticut and New York that are old and being stressed from a growing population in coastal areas. Under the House bill, raw sewage would continue to spill into waters from outdated or inadequate sewage treatment and collection systems. Stormwater controls would be eliminated from many urban areas. The result would be widespread degradation of water quality, which would threaten the State's commercial fishing and shellfishing industry. As the Connecticut Commissioner of Environmental Protection, Sidney Holbrook, has written about the House bill: "If enacted in its current form, the bill would adversely impact important water quality and public health initiatives."

EPA does much more than enforce the law. EPA provides guidance and funding so that States and localities can upgrade and repair their aging sewerage systems. Language in the House bill would completely stop EPA from issuing stormwater permits, providing technical assistance and outreach, and enforcing against the most serious overflow problems.

Let me briefly discuss my concerns with some of the other riders.

One rider would prevent the EPA from enforcing its rule limiting emissions of hazardous air pollutants from refineries. This rule, which has just gone final, would reduce toxic emissions from refinery facilities by almost 60 percent—approximately 53,400 tons per year of toxic emissions and 277,000 tons per year of emissions of volatile organic compounds, the major contributor to smog. The health impacts of hazardous air pollutants include potential respiratory, reproductive, and neurotoxic effects.

The rule simply requires that petroleum refineries seal their storage tanks, control process vents, and detect and seal equipment leaks. About 50 percent of the 165 refining facilities in this country are already meeting or almost meeting the rule's requirements. This rule levels the playing field and provides minimum protections to all communities living in proximity to a petroleum refinery. EPA has made substantial changes from its proposed rule based on the comments of industry, resulting in much greater flexibility. Even the American Petroleum Industry by a vote of 17 to 3 supports the rule. That this rule cannot be enforced by EPA is simply a delay tactic by a small group of refineries that do not want to comply with standard industry practices.

Another rider on the House side would limit EPA's ability to gather data under the toxic release inventory that would give the public a better understanding of toxic chemicals released into their environment and where they work.

The Toxic Release Program is a nonregulatory, noncommand, and control program. It is essentially a market-based program—providing information to the public so that it can make informed choices and enter constructive dialog with facilities in their communities.

I have just mentioned a few riders in my comments—there are more than 25 others that I didn't mention but all affect EPA's duties. The Baucus amendment will assure that none of the appropriations riders will endanger current health and environmental protections that we rely upon and expect and which improve our quality of life.

For these reasons, I urge my colleagues to support this amendment.

Mr. BOND. Mr. President, last night I said that this amendment was breathtaking. First, I extend my sincere thanks to the kind words that the Senator from Montana has made about the measures we put in our bill. He addressed his arguments against the so-called legislative riders in the House bill. Regardless of how good or bad they are, how good or bad ours are, his solution is to give the EPA administrator unfettered authority to disregard a law passed by the Congress and signed by the President.

He claims that the Justice Department advised him it is not unconstitutional. I say look at the Chadha decision, and it is clearly unconstitutional. That is not the question here. The courts would have to decide it. But I do not want to see this body going on record as giving an unelected bureaucrat the authority to disregard a law passed by Congress and signed by the President. This is truly outstanding. So many people in Washington talk about Congress' solutions being "neat, simple and wrong." Well, this goes one step further; it is neat, simple, and unconstitutional.

Let me, for the benefit of my colleagues, read this to you:

> Any prohibition or limitation in this Act on the implementation or enforcement of any law administered by the Administrator of the Environmental Protection Agency shall not apply if the Administrator determines that application of the prohibition or limitation would diminish the protection of human health or the environment otherwise provided by law.

That, to me, gives the EPA Administrator the power to veto, ignore, or totally disregard a law. I am not going to move to table this. I want my colleagues to have the pleasure of voting up or down on the simple proposition.

The PRESIDING OFFICER. A motion to table has already been made.

Mr. BOND. Mr. President, I ask unanimous consent to withdraw the motion to table.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. BOND. I want my colleagues to have the pleasure of voting yes or no on this simple proposition: Do you want the unelected Administrator of the EPA to be able to change laws passed by Congress and signed by the President?

I certainly do not. I urge my colleagues to vote "no."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 39, nays 61, as follows:

[Rollcall Vote No. 467 Leg.]

YEAS—39

Akaka
Baucus
Biden
Bingaman
Boxer
Bradley
Bryan
Bumpers
Chafee
Cohen
Daschle
Dodd
Feingold
Feinstein
Glenn
Graham
Harkin
Inouye
Jeffords
Kennedy
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Mikulski
Moseley-Braun
Murray
Pell
Pryor
Reid
Robb
Rockefeller
Roth
Sarbanes
Simon
Snowe
Wellstone

NAYS—61

Abraham
Ashcroft
Bennett
Bond
Breaux
Brown
Burns
Byrd
Campbell
Coats
Cochran
Conrad
Coverdell
Craig
D'Amato
DeWine
Dole
Domenici
Dorgan
Exon
Faircloth
Ford
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hatch
Hatfield
Heflin
Helms
Hollings
Hutchison
Inhofe
Johnston
Kassebaum
Kempthorne
Kerrey
Kyl
Lott
Lugar
Mack
McCain
McConnell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pressler
Santorum
Shelby
Simpson
Smith
Specter
Stevens
Thomas
Thompson
Thurmond
Warner

So the amendment (No. 2786) was rejected.

Mr. BOND. Mr. President, I move to reconsider the vote.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2782

The PRESIDING OFFICER. The question is on the amendment numbered 2782 of the Senator from Maryland; 10 minutes will be equally divided, and the Senator from Maryland will be recognized.

Mr. SARBANES. Mr. President, could I inquire of the parliamentary situation, the time situation?

The PRESIDING OFFICER. There is 10 minutes for debate before the vote, 10 minutes equally divided.

Mr. SARBANES. Mr. President, 5 on each side?

The PRESIDING OFFICER. Right.

The Senator from Maryland.

Mr. SARBANES. Mr. President, I yield myself 2 minutes.

Mr. President, I implore my colleagues to support this amendment on the homeless. The committee has cut the money for homeless assistance by 32 percent from last year's level. In fact, the committee level is below the level of the year before last. The House has cut homeless assistance by 40 percent. If we fail to adopt this amendment, our conferees will be working with a figure of 32 percent below last year—a cut of $360 million. The House has a cut of $444 million below last year. If we pass this amendment, we will give our conferees an opportunity in conference to do something about the homeless.

We are making progress in our fight against homelessness and this amendment will advance that cause. This proposal would bring homeless funding back to last year's level—$1.1 billion. The Appropriations Committee said in its report that "The committee is worried that the block grant approach with funds less than $1 billion may disadvantage some areas with significant homeless populations and some homeless providers." This amendment will bring homeless funding back above the $1 billion level so we can move to a formula grant. A formula grant will make it possible for the States, the localities, the churches, the social service agencies, the civic organizations, and the nonprofit groups to work collectively in a more constructive and positive fashion to resolve the problem of the homeless.

The offset for this amendment comes out of the funds for the renewal of expiring section 8 contracts. The reduction in renewal resources is made possible by a provision in this amendment that allows the Secretary to require housing agencies to use section 8 reserves to renew their expiring contracts. The HUD Secretary has written to us that this offset would not create a problem in renewing expiring contracts. He writes, "Funding for renewal of expiring contracts can be reduced without any impact on existing recipients.".

The act that encompasses our homeless assistance programs is named after Stewart McKinney—the distinguished former Republican Congressman from Connecticut. Ever since Congressman McKinney's efforts to develop the homeless assistance programs, Federal policies for homeless assistance have enjoyed bipartisan support. I urge my colleagues to continue this bipartisan approach here today.

How much time is remaining?

The PRESIDING OFFICER. The Senator has 2½ remaining of the 5 minutes.

Mr. SARBANES. I yield myself 30 seconds, if the Chair will remind me.

Mrs. Lucie McKinney—the widow of the very distinguished former Republican Congressman—wrote an article a couple of weeks ago about the programs that help the homeless. Let me just quote the end of that article. She wrote:

> We do know how to end homelessness. While the cure is not cost-free, it costs a whole lot less than not facing and solving the problem. Saving lives and saving money—how can that be bad?

I urge my colleagues to support this amendment.

The PRESIDING OFFICER. The Senator has 2 minutes remaining. The Senator from Missouri.

Mr. BOND. Mr. President, I yield myself 2 minutes and ask to be advised when that 2 minutes runs.

Mr. President, this amendment proposes to increase funding for homeless activities by $360 million, certainly a noble objective. But the budgetary offset comes from the appropriations for renewal of section 8 rental subsidy contracts.

There is no dispute that more homeless assistance funding could be used. The committee looked everywhere it could to find this money, to balance the needs of the homeless with those who are now getting existing low-income housing assistance. Despite severe budgetary constraints, the committee increased House-passed homeless funding by $84 million. When combined with amounts released by HUD, homeless activities in fiscal year 1996 should be maintained at current rates.

We provided in the report, because of the tightness of funds, HUD is "expected to work through negotiated rulemaking and include recommendations made by States and localities as well as homeless assistance providers."

I find it startling that the Secretary of HUD is now saying he can do without this $360 million. They originally requested $5.8 billion for section 8 renewals. At my request, they reviewed it and came down to $4.8 billion for their request. We were only able to provide them $4.3 billion. And the very persuasive Senator from Maryland is able to convince the Secretary he can take less than $4 billion?

Make no mistake, these section 8 renewals are renewals that can be used for the elderly, the disabled, people with AIDS and others needing homeless assistance. Unfortunately, this is a shell game. It may make "letters to the editor" writers feel better, but it is a phony effort to get money where we cannot take it—from those who are without funds for their housing.

I reserve the remainder of my time.

Mr. SARBANES. I yield 1 minute to the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. SIMON. Mr. President, as I mentioned yesterday, I took a little time on Sunday to reread Will Durant's book, "The Lessons of History." He said, through the centuries nations have this struggle between those who are more fortunate and those who are less fortunate. That is what this is all about.

The less fortunate, those who are homeless, we have them on the streets like we did not have when I was a young man and when the Presiding Officer was young. It is going to get worse if we do not deal with it. This is a cutback of 32 percent and is imprudent and unwise.

I support the Sarbanes amendment.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. SARBANES. Mr. President, in closing, let me just underscore that I would prefer that we not take the money out of the section 8 reserves. But we are forced by the budget rules to find an offset. The question before us here is, amongst the priorities, which activities ought to come first? The homeless are at the very bottom of the scale. They are out on the street. We have been trying to put together an infrastructure to try to deal with their needs and we are having some success across the country. Each of you know that in your local communities you have church groups, you have civic organizations, you have community groups who are marshaling their resources to try to deal with the needs of the homeless. They need this Federal support.

The Appropriations Committee has written that the homeless assistance programs would have to get back above $1 billion in order to justify a formula approach. In the Banking Committee last year, we included a formula approach to homeless assistance that was supported unanimously in the committee. That is where we want to get. The funding in this amendment gives us a chance to get there.

The funding in this amendment also gives the chairman of the committee something to work with in the conference. The House is 40 percent below last year's figure. The current Senate figure represents a 32-percent cut. If the Senate goes to conference on that basis, you know the final outcome is going to be somewhere in between. If the Senate bill is allowed to stand, you are going to have a cut of 35 to 40 percent in the funding for the homeless when this bill comes back from conference. The amendment before you today will enable the chairman to work in conference in order to provide adequate resources to deal with this pressing national issue.

I am simply saying to my colleagues, support this amendment: Vote to shift some of this money from section 8 reserves to the homeless programs. I am not happy with doing it, but we think we can handle the section 8 renewal needs out of existing resources and the Secretary has indicated as much in his letter to us. The additional resources for the homeless in this amendment will give us a chance to put a new approach into effect.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, unfortunately, this does not solve the problem. It takes money from those who depend upon section 8 vouchers or certificates. It is saying to all those on section 8—elderly, disabled, people with AIDS—that we are taking $360 million away from the pool for renewing these contracts, and there will be people who are now dependent upon section 8 housing who could be thrown out when their contracts expire.

The Secretary, Secretary Cisneros, said after he revised it, we need $4.8 billion. We were only able in this tight budget time to give him $4.3 billion. I do not believe him when he says that he can make this work with less than $4 billion. I think that is an accommodation.

We all would like to accommodate everything. There is no money there. Unfortunately, this is a smoke and mirrors game. The amendment specifically says that notwithstanding certain provisions of this act, the $360 million "* * * shall not become available for obligation until September 30, 1996, and shall remain available until expended."

What they are saying is, we are taking money away from reserves in 1996 to throw it into spending in 1997, in hopes that it will look better in 1996. We are in danger of taking away the section 8 assistance for people who need it, to make them homeless, to increase the need for the homeless assistance.

I share the concern of the Senator from Maryland and the others for the homeless.

We have worked what I believe is a reasonable compromise. We need to stay with this plan to provide section 8 assistance for those who are now depending upon the Federal Government for their housing.

This is a smoke and mirrors effort that unfortunately does not improve and might endanger the people that we are trying to help.

I move to table the amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. SARBANES. Mr. President, will the Senator withhold the tabling motion as he did on the Baucus amendment, and allow an up-or-down vote?

Mr. BOND. I believe we need to table this one.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Missouri to lay on the table the amendment of the Senator from Maryland. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

The PRESIDING OFFICER (Mr. THOMAS). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 52, nays 48, as follows:

[Rollcall Vote No. 468 Leg.]

YEAS—52

Abraham
Ashcroft
Bennett
Bond
Brown
Burns
Campbell
Chafee
Coats
Cochran
Cohen
Coverdell
Craig
D'Amato
DeWine
Dole
Domenici
Faircloth
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hatch
Hatfield
Helms
Hutchison
Inhofe
Kassebaum
Kempthorne
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Packwood
Pressler
Roth
Santorum
Shelby
Simpson
Smith
Snowe
Stevens
Thomas
Thompson
Thurmond
Warner

NAYS—48

Akaka
Baucus
Biden
Bingaman
Boxer
Bradley
Breaux
Bryan
Bumpers
Byrd
Conrad
Daschle
Dodd
Dorgan
Exon
Feingold
Feinstein
Ford
Glenn
Graham
Harkin
Heflin
Hollings
Inouye
Jeffords
Johnston
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Mikulski
Moseley-Braun
Moynihan
Murray
Nunn
Pell
Pryor
Reid
Robb
Rockefeller
Sarbanes
Simon
Specter
Wellstone

So the motion to lay on the table the amendment (No. 2782) was agreed to.

Mr. BOND. Mr. President, I move to reconsider the vote.

Ms. MIKULSKI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The majority leader.

Mr. DOLE. Mr. President, I wonder if I might inquire of the managers when they believe we may be able to complete action on this bill?

It is my understanding it is going to be vetoed, but there are still a lot of amendments on the other side. I am not certain how many require rollcalls. If we are going to complete action on two additional bills, Labor-HHS and State-Justice-Commerce, and this is our third day on this bill, I do not know how we can do two others in 2 days. So if anybody knows, when might we complete action on this bill? Plus we will recess the Senate so we will be able to have meetings of the Finance Committee, so we probably will not do anything after this bill the rest of the day.

Mr. BOND addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. If I might respond, we have been working out a number of these amendments. I think we are very close to agreement on a number of them. Some of them clearly are going to require votes. We are ready to line up two, one with an hour time agreement, one with a 45-minute time agreement. Then I cannot say on this side that there are any more of our amendments that should require a vote. I think they can be accepted or would be included in a—excuse me, there is one Senator CHAFEE is going to offer, proposes to offer about the brown fields.

I hope that will be agreed upon. That might require a vote. It should be a short time limit. I would be interested on the minority side in what my colleague sees as the opportunities there.

Ms. MIKULSKI. Mr. President, responding to the Republican leader's desire to move this bill, we have our next two amendments lined up, the Lautenberg amendment and the Feingold amendment. When we asked for the time agreement, that is maximum. Both men are here to offer their amendments.

We intend to move very expeditiously. I recommend that after those two amendments, those votes be stacked. I truly believe we can do a lot of clear out and clean up. I am anticipating that either amendments will be worked out or that they will be withdrawn so they could be offered on other bills. I cannot guarantee that. We are working down our list, as well.

So my recommendation is Lautenberg, Feingold, stacked votes; see kind of where we are, and then we will move right along.

Mr. DOLE. We have one other amendment, the Simon-Moseley-Braun amendment. Is that being worked out?

Mr. BOND. Mr. President, I think we are working out an agreement that that one can be accepted. That is on the transfer of fair housing. I think so long as we can guarantee that the transfer will occur—we do not want to disrupt operations. Our staff is working on it, and I hope we are close to agreement on it. I think we share the same goals. I just want to make sure that the language in the amendment gets us there.

Mr. DOLE. So just let us see—11, 12, 1. Maybe we can complete action on this bill by 2 p.m.?

Ms. MIKULSKI. I think the prickly point here is what Senator BUMPERS chooses to do on the NASA-Russian reactor sale. I think that is a prickly pear.

Mr. DOLE. That could take some time, then.

Ms. MIKULSKI. I think we need to confer with Senator BUMPERS as to what his disposition is. We will do this during the debate, Mr. Leader.

Mr. DOLE. I am still trying to work it out; it may not be able to happen. But if we could do all these appropriations bills and the CR, then we would not be in session next week. But we also have to complete action in the different committees on reconciliation this week. And I understand there has been an objection to the Finance Committee meeting. The Democratic leader has already indicated this to me. I will make the request, so whoever wishes to object can object at this time, because it is very important that that committee meet. And if we have an objection, then when we finish this bill, the Senate will be in recess. Then we will meet until we complete action on that, and then come back to the additional appropriations bills. If we do not finish them this week, we will finish them next week.

OBJECTION TO PERMISSION FOR FINANCE COMMITTEE TO MEET

Mr. DOLE. Mr. President, I understand the objector is on the floor. I ask consent that the Committee on Finance be permitted to meet Wednesday, September 27, 1995, to conduct the markup of spending recommendations for the budget reconciliation legislation.

The PRESIDING OFFICER. Is there objection?

Mr. DASCHLE. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. DASCHLE. I have consulted with a number of my colleagues, some of whom are on the floor, and there is a concern on this side that we have not had an opportunity to have some hearings and discuss this matter in greater detail. The hope was that over the course of whatever period of time we will have more of an opportunity to look at it. As a result of that concern, then we will object at this time.

Mr. DOLE. Mr. President, I do understand that the Democratic leader has consented to six other committees to meet during today's session of the Senate.

I have six unanimous-consent requests for committees to meet during today's session of the Senate. They all have the approval of the Democratic leader.

I ask unanimous consent that these requests be agreed to en bloc, and that each request be printed in the RECORD.

The PRESIDING OFFICER. Is there objection to that request?

Mr. DOLE. That does not include Finance.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the requests is printed in today's RECORD under "Authority for Committees to Meet.")

Mr. DOLE. I thank my colleagues and the managers.

Mr. LAUTENBERG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey [Mr. LAUTENBERG].

Mr. WELLSTONE. I wonder if my colleague will yield for a moment? Since I was a part of this objection with the minority leader, I wanted to take 2 minutes, if that would be all right.

Mr. LAUTENBERG. Yes.

Mr. WELLSTONE. Mr. President, the minority leader and I have issued an objection to the Finance Committee meeting. The reason for that, Mr. President, is that I just think that what is going on right now here is a rush to foolishness.

Mr. President, in my State of Minnesota, we just found out a few days ago that as opposed to $2.5 billion in Medicaid cuts, we were going to be seeing $3.5 billion in Medicaid cuts. It was just yesterday that we finally got the specifics of what is going to happen in Medicare. And I just will tell you, Mr. President, that I am pleased to be a part of this with the minority leader because when I was home in Minnesota, I found that it is not that people are opposed to change, but people have this sense that there is this fast track to recklessness here, that we are not carefully evaluating what the impact is going to be on people.

What people in Minnesota are saying is, what is the rush? You all do the work you are supposed to do. How can a Finance Committee today go ahead without any public hearings on these filed proposals, pass it out of the Finance Committee, and then put it into a reconciliation process where we have limited debate?

Mr. President, it seems to me that there is no more precious commodity than health care and the health care of the people we represent. This objection, with the minority leader, is an objection to a process. And this process right now I think is really way off course.

We have no business—the Finance Committee should not pass out proposals without any public hearing, without having experts come in. We have not done that at all. We should not be doing that. Mr. President, this is supposed to be a deliberative body and it is supposed to be a representative democracy. We are supposed to be careful about the impact of what we do on the lives of people we represent. I would just say that I am very proud to be a part of this objection because somebody, somewhere, sometime has to say to people in the country that these changes are getting ramrodded through the Senate. That is what is going on here. The proposal came out yesterday, I say to my colleague from Maryland.

I will tell you, as you look at these specific proposals, I can tell you as a Senator from Minnesota that I know there is going to be a lot of pain in my State. I believe, Mr. President, that the Finance Committee needs to have the public hearing and I believe that Senators need to be back in their States now that we have specific proposals, and we need to be talking to the people who are affected by this.

Let us not be afraid of the people we represent. Let us let the people in the country take a look at what we are doing. What this effort is, is an effort to say "no" to this rush to recklessness, "no" to this fast track to foolishness. The committee ought to have a public hearing. I think it is unacceptable.

Mr. BOND. Mr. President, I object.

Mr. WELLSTONE. Do I have the floor?

Mr. BOND. The Senator from New Jersey——

The PRESIDING OFFICER. The Senator from New Jersey has the floor.

Mr. WELLSTONE. I will say to my colleague from New Jersey, may I have 1 more minute?

The PRESIDING OFFICER. The Senator from Minnesota no longer has the floor. The Senator only yielded for a question.

The Senator from New Jersey.

Mr. LAUTENBERG. I thought the time the Senator asked for would be considerably shorter, and I ask that we have a chance to move.

Mr. WELLSTONE. May I have 30 seconds?

Mr. BOND. Mr. President, I object.

Mr. WELLSTONE. Enough has been said. People have heard it.

DEPARTMENT OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 1996

The Senate continued with the consideration of the bill.

Mr. BOND. Mr. President, it is important that we move forward on this bill. We have reached an agreement I believe on both sides.

I ask unanimous consent that the Senator from New Jersey be recognized to introduce an amendment on the EPA funding, that there be 1 hour divided in the usual manner and in the usual form, that at the conclusion of that 1 hour the amendment be set aside, and that the Senator from Wisconsin, Senator FEINGOLD, be recognized to introduce an amendment on insurance redlining, that there be 45 minutes divided in the usual form and under the usual procedures, and at the end of that debate that a vote occur on or in relation to the Lautenberg amendment and that no second-degree amendments be permitted, and that the following amendment, the vote on the Feingold amendment, be 10 minutes in length and no second-degree amendments be permitted, but that the vote occur on or in relation to the Feingold amendment.

The PRESIDING OFFICER. Is there objection?

Mr. FEINGOLD. Reserving the right to object.

The PRESIDING OFFICER. There is no reserving the right to object.

Mr. FEINGOLD. Mr. President, I object.

I simply want to clarify a point with the manager.

Ms. MIKULSKI addressed the Chair.

The PRESIDING OFFICER. There was objection. Has the Senator objected?

Mr. FEINGOLD. I simply wanted to ask clarification with regard to the unanimous-consent request. I was only attempting to make sure that I can make that clarification before the unanimous-consent agreement is entered into.

I ask unanimous consent to ask a question of the manager with regard to this request.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FEINGOLD. I thank the Chair. Under our time agreement, our time is 45 minutes. My understanding is we would have 30 minutes on our side. Is that inconsistent with the Senator's understanding?

Mr. BOND. I ask there be an hour equally divided.

Mr. FEINGOLD. That will be fine. I thank the manager.

The PRESIDING OFFICER. Is there objection to the request as so modified? Without objection, it is so ordered.

Mr. LAUTENBERG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey.

PRIVILEGE OF THE FLOOR

Mr. LAUTENBERG. Mr. President, first, I ask unanimous consent that a detailee in my office, Lisa Haage, be granted the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2788

(Purpose: To increase funding for Superfund, the Office of Environmental Quality, and State revolving funds and offset the increase in funds by ensuring that any tax cut benefits only those families with incomes less than $100,000)

Mr. LAUTENBERG. Mr. President, on behalf of myself, Senators MIKULSKI, DASCHLE, BAUCUS, KERRY, BIDEN, MURRAY, SARBANES, PELL, and KENNEDY, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from New Jersey [Mr. LAUTENBERG], for himself, Ms. MIKULSKI, Mr. DASCHLE, Mr. BAUCUS, Mr. KERRY, Mr. BIDEN, Mrs. MURRAY, Mr. SARBANES, Mr. PELL, and Mr. KENNEDY, proposes an amendment numbered 2788.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 141, line 4, strike beginning with "$1,003,400,000" through page 152, line 9, and insert the following: "$1,435,000,000 to remain available until expended, consisting of $1,185,000,000 as authorized by section 517(a) of the Superfund Amendments and Reauthorization Act of 1986 (SARA), as amended by Public Law 101–508, and $250,000,000 as a payment from general revenues to the Hazardous Substance Superfund as authorized by section 517(b) of SARA, as amended by Public Law 101–508: *Provided*, That funds appropriated under this heading may be allocated to other Federal agencies in accordance with section 111(a) of CERCLA: *Provided further*, That $11,700,000 of the funds appropriated under this heading shall be transferred to the Office of Inspector General appropriation to remain available until September 30, 1996: *Provided further*, That notwithstanding section 111(m) of CERCLA or any other provision of law, not to exceed $64,000,000 of the funds appropriated under this heading shall be available to the Agency for Toxic Substances and Disease Registry to carry out activities described in sections 104(i), 111(c)(4), and 111(c)(14) of CERCLA and section 118(f) of the Superfund Amendments and Reauthorization Act of 1986: *Provided further*, That none of the funds appropriated under this heading shall be available for the Agency for Toxic Substances and Disease Registry to issue in excess of 40 toxicological profiles pursuant to section 104(i) of CERCLA during fiscal year 1996: *Provided further*, That none of the funds made available under this heading may be used by the Environmental Protection Agency to propose for listing or to list any additional facilities on the National Priorities List established by section 105 of the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), as amended (42 U.S.C. 9605), unless the Administrator receives a written request to propose for listing or to list a facility from the Governor of the State in which the facility is located, or appropriate tribal leader, or unless legislation to reauthorize CERCLA is enacted.

LEAKING UNDERGROUND STORAGE TANK TRUST FUND

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses to carry out leaking underground storage tank cleanup activities authorized by section 205 of the Superfund Amendments and Reauthorization Act of 1986, and for construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $75,000 per project, $45,827,000, to remain available until expended: *Provided*, That no more than $8,000,000 shall be available for administrative expenses: *Provided further*, That $600,000 shall be transferred to the Office of Inspector General appropriation to remain available until September 30, 1996.

OIL SPILL RESPONSE

(INCLUDING TRANSFER OF FUNDS)

For expenses necessary to carry out the Environmental Protection Agency's responsibilities under the Oil Pollution Act of 1990, $15,000,000, to be derived from the Oil Spill Liability trust fund, and to remain available until expended: *Provided*, That not more than $8,000,000 of these funds shall be available for administrative expenses.

PROGRAM AND INFRASTRUCTURE ASSISTANCE

For environmental programs and infrastructure assistance, including capitalization grants for state revolving funds and performance partnership grants, $2,668,000,000, to remain available until expended, of which $1,828,000,000 shall be for making capitalization grants for State revolving funds to support water infrastructure financing; $100,000,000 for architectural, engineering, design, construction and related activities in connection with the construction of high priority water and wastewater facilities in the area of the United States-Mexico Border, after consultation with the appropriate border commission; $50,000,000 for grants to the State of Texas, which shall be matched by an equal amount of State funds from State resources, for the purpose of improving wastewater treatment for colonias; and $15,000,000 for grants to the State of Alaska, subject to an appropriate cost share as determined by the Administrator, to address wastewater infrastructure needs of Alaska Native villages: *Provided*, That beginning in fiscal year 1996 and each fiscal year thereafter, and notwithstanding any other provision of law, the Administrator is authorized to make grants annually from funds appropriated under this heading, subject to such terms and conditions as the Administrator shall establish, to any State or federally recognized Indian tribe for multimedia or single media pollution prevention, control and abatement and related environmental activities at the request of the Governor or other appropriate State official or the tribe: *Provided further*, That from funds appropriated under this heading, the Administrator may make grants to federally recognized Indian governments for the development of multimedia environmental programs: *Provided further*, That of the $1,828,000,000 for capitalization grants for State revolving funds to support water infrastructure financing, $500,000,000 shall be for drinking water State revolving funds, but if no drinking water State revolving fund legislation is enacted by December 31, 1995, these funds shall immediately be available for making capitalization grants under title VI of the Federal Water Pollution Control Act, as amended: *Provided further*, That of the funds made available under this heading in Public Law 103–327 and in Public Law 103–124 for capitalization grants for State revolving funds to support water infrastructure financing, $225,000,000 shall be made available for capitalization grants for State revolving funds under title VI of the Federal Water Pollution Control Act, as amended, if no drinking water State revolving fund legislation is enacted by December 31, 1995.

ADMINISTRATIVE PROVISIONS

SEC. 301. MORATORIUM ON CERTAIN EMISSIONS TESTING REQUIREMENTS.

(a) MORATORIUM.—

(1) IN GENERAL.—The Administrator of the Environmental Protection Agency (referred to in this subsection as the "Administrator") shall not require adoption or implementation by a State of a test-only or I/M240 enhanced vehicle inspection and maintenance program as a means of compliance

with section 182 of the Clean Air Act (42 U.S.C. 7511a), but the Administrator may approve such a program if a State chooses to adopt the program as a means of compliance.

(2) REPEAL.—Paragraph (1) is repealed effective as of the date that is 1 year after the date of enactment of this Act.

(b) PLAN APPROVAL.—

(1) IN GENERAL.—The Administrator of the Environmental Protection Agency (referred to in this subsection as the "Administrator") shall not disapprove a State implementation plan revision under section 182 of the Clean Air Act (42 U.S.C. 7511a) on the basis of a regulation providing for a 50-percent discount for alternative test-and-repair inspection and maintenance programs.

(2) CREDIT.—If a State provides data for a proposed inspection and maintenance system for which credits are appropriate under section 182 of the Clean Air Act (42 U.S.C. 7511a), the Administrator shall allow the full amount of credit for the system that is appropriate without regard to any regulation that implements that section by requiring centralized emissions testing.

(3) DEADLINE.—The Administrator shall complete and present a technical assessment of data for a proposed inspection and maintenance system submitted by a State not later than 45 days after the date of submission.

SEC. 302. None of the funds made available in this Act may be used by the Environmental Protection Agency to impose or enforce any requirement that a State implement trip reduction measures to reduce vehicular emissions. Section 304 of the Clean Air Act (42 U.S.C. 7604) shall not apply with respect to any such requirement during the period beginning on the date of the enactment of this Act and ending September 30, 1996.

SEC. 303. None of the funds provided in this Act may be used within the Environmental Protection Agency for any final action by the Administrator or her delegate for signing and publishing for promulgation a rule concerning any new standard for arsenic, sulfates, radon, ground water disinfection, or the contaminants in phase IV B in drinking water, unless the Safe Drinking Water Act of 1986 has been reauthorized.

SEC. 304. None of the funds provided in this Act may be used during fiscal year 1996 to sign, promulgate, implement or enforce the requirement proposed as "Regulation of Fuels and Fuel Additives: Individual Foreign Refinery Baseline Requirements for Reformulated Gasoline" at volume 59 of the Federal Register at pages 22800 through 22814.

SEC. 305. None of the funds appropriated to the Environmental Protection Agency for fiscal year 1996 may be used to implement section 404(c) of the Federal Water Pollution Control Act, as amended. No pending action by the Environmental Protection Agency to implement section 404(c) with respect to an individual permit shall remain in effect after the date of enactment of this Act.

SEC. 306. Notwithstanding any other provision of law, for this fiscal year and hereafter, an industrial discharger to the Kalamazoo Water Reclamation Plant, an advanced wastewater treatment plant with activated carbon, may be exempted from categorical pretreatment standards under section 307(b) of the Federal Water Pollution Control Act, as amended, if the following conditions are met: (1) the Kalamazoo Water Reclamation Plant applies to the State of Michigan for an exemption for such industrial discharger and (2) the State or the Administrator, as applicable, approves such exemption request based upon a determination that the Kalamazoo Water Reclamation Plant will provide treatment consistent with or better than treatment requirements set forth by the EPA, and there exists an operative financial contract between the City of Kalamazoo and the industrial user and an approved local pretreatment program, including a joint monitoring program and local controls to prevent against interference and pass through.

SEC. 307. No funds appropriated by this Act may be used during fiscal year 1996 to enforce the requirements of section 211(m)(2) of the Clean Air Act that require fuel refiners, marketers, or persons who sell or dispense fuel to ultimate consumers in any carbon monoxide nonattainment area in Alaska to use methyl tertiary butyl ether (MTBE) to meet the oxygen requirements of that section.

EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF SCIENCE AND TECHNOLOGY POLICY

For necessary expenses of the Office of Science and Technology Policy, in carrying out the purposes of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6601 and 6671), hire of passenger motor vehicles, services as authorized by 5 U.S.C. 3109, not to exceed $2,500 for official reception and representation expenses, and rental of conference rooms in the District of Columbia, $4,981,000: *Provided*, That the Office of Science and Technology Policy shall reimburse other agencies for not less than one-half of the personnel compensation costs of individuals detailed to it.

COUNCIL ON ENVIRONMENTAL QUALITY AND OFFICE OF ENVIRONMENTAL QUALITY

For necessary expenses to continue functions assigned to the Council on Environmental Quality and Office of Environmental Quality pursuant to the National Environmental Policy Act of 1969, the Environmental Improvement Act of 1970 and Reorganization Plan No. 1 of 1977, $2,188,000.

ADMINISTRATIVE PROVISIONS

SEC. 401. Section 105(b) of House Concurrent Resolution 67 (104th Congress, 1st Session) is amended to read as follows:

"(b) RECONCILIATION OF REVENUE REDUCTIONS IN THE SENATE.—

"(1) CERTIFICATION.—(A) In the Senate, upon the certification pursuant to section 205(a) of this resolution, the Senate Committee on Finance shall submit its recommendations pursuant to paragraph (2) to the Senate Committee on the Budget. After receiving the recommendations, the Committee on the Budget shall add such recommendations to the recommendations submitted pursuant to subsection (a) and report a reconciliation bill carrying out all such recommendations without any substantive revision.

"(B) The Chair of the Committee on the Budget shall file with the Senate revised allocations, aggregates, and discretionary spending limits under section 201(a)(1)(B) increasing budget authority by $760,788,000 and outlays by $760,788,000.

"(2) COMMITTEE ON FINANCE.—Funding for this section shall be provided by limiting any tax cut provided in the reconciliation bill to families with incomes less than $150,000.".

Mr. LAUTENBERG. Mr. President, this amendment will do three things. It will restore funding for hazardous waste cleanup and for sewage treatment plants at last year's levels and provide funds for the Council of Environmental Quality to enable it to continue its work to meet its important responsibilities.

First, Mr. President, I commend our colleague, the chairman of the subcommittee, Senator BOND, for his work on this bill and for adding over $650 million to the EPA budget. I know that he has done his best under very difficult circumstances. He deserves credit for that. In no way should my request here be viewed as being critical of the effort. But nevertheless, Mr. President, I believe that we are going to have to do better and hope that we can find a way to do it.

I also want to thank my friend and colleague from Maryland for her hard work on the subcommittee bill and hope also she will be with me as we work our way through this to try and adopt this amendment.

Mr. President, even with the additions that were made by the subcommittee, the bill still would cut EPA by more than 22 percent from the President's request. That is far more than many other agencies.

Unfortunately, these deep cuts in EPA's budget are indicative of a much broader attack on the environment in this Congress. This year, we have seen efforts to undercut the Clean Water Act, dismantle the community right-to-know law, weaken the laws protecting endangered species and making environmental regulations that are almost impossible to promulgate. It seems that there is no end to the new majority's assault on the environment.

That is not what the American people voted for last November. They do not want environmental laws curtailed. They do not want to see the gutting of our attempt to improve the environment.

A recent Harris poll showed that over 70 percent of the American public, of both parties, believe that EPA regulations are just right or, in fact, not tough enough. Clearly, most Americans care about our environment, feeling, in many cases, very strongly about it.

Mr. President, $432 million of this amendment restores money for the Hazardous Waste Cleanup Program. The bill reported by the Appropriations Committee calls for a cut of roughly a third in hazardous site cleanup funding. That will mean many hazardous waste sites will not get cleaned up, and many people who live near these sites will continue to be exposed to dangerous and often lethal chemicals.

I recognize that some critics of the Superfund say we should not provide money to the program unless some of its problems are fixed, and I agree we have to fix the problems. But while the program has had its problems in the past, which we are presently working to correct, people still want the cleanups to continue. While the controversy surrounding the program has focused largely on the issue of liability, there is no dispute about the need to clean up these sites, nor about the need for Federal funds to help do so.

Communities concerned about the health of their citizens need this money to move ahead with cleanups, while the responsible parties, those accused of doing the pollution, who created the pollution, litigate amongst themselves trying to avoid paying for their obligation. Federal money also is needed if those responsible cannot be found or refuse payment.

In addition, while everyone agrees that responsible parties should lead cleanup efforts where possible, Government oversight is necessary to assure that agreements are met and the public health is protected.

About 260 sites in 44 States will not be cleaned up because of the funding cuts in this bill. Just look at the map, and we see that cleanups will stop, the red indicating that 1 to 5 cleanups will be delayed; in the blue area, 6 to 10 cleanups will be delayed; and in the area where we see green, including New Jersey, California, Florida, more than 10 cleanup attempts will be delayed. We cover almost the whole map. The only places where there is no delay is where we see the States outlined in white. It is a pretty ominous review that we are looking at.

Beyond the severe environmental and health consequences that are apparent by delays, this will mean also 3,500 jobs will be lost in the private sector, and that would cause enormous loss of time getting rid of the hazardous waste blight that exists across our country.

Also, sites that communities plan to use for economic redevelopment will not be available for use in the communities. As land lays contaminated and unusable, local communities will suffer economic losses that cannot be recouped.

In my own State of New Jersey, 16 sites will see their cleanup delayed or terminated. For example, efforts will be halted at the Roebling Steel site, a former steel manufacturer next to the Delaware River, a company that had an illustrious history. Material manufactured there was sent all over the world, but they fell on hard times, and now we are dealing with a contamination that was left from their operation. Runoff from the precipitation on the site may have already contaminated the Delaware River and surrounding wetlands.

Approximately 12,000 people in this area depend on ground water for their drinking water. An adjacent playground is contaminated with PCB's and heavy metals, including lead.

Mr. President, hazardous waste sites have significant negative consequences for human health, and these can range from cancer to respiratory problems to birth defects. The need to prevent these kinds of diseases more than anything else is what makes funding Superfund so important.

The second part of my amendment, Mr. President, will restore money to the States' revolving loan funds. The Clean Water Act requires that cities and towns comply with minimum waste treatment standards. States report that they will need $126 billion to comply with these requirements.

This amendment keeps funding for the State revolving loan fund at last year's level by restoring $328 million.

Finally, my amendment would add just over $1 million to continue the work for the Council on Environmental Quality. For a small amount, CEQ can coordinate the administration's environmental programs. This is important, especially with respect to the coordination of environmental impact statements.

To fund these increases, Mr. President, my amendment would reduce the tax break that otherwise will be provided in the reconciliation bill this year. From all indications, this tax break will be targeted largely at the wealthiest individuals in America and a variety of special interests.

Mr. President, the rich or poor in this country do not want to leave a contaminated environment for their children or their grandchildren, and I am sure that if this proposition that we have put forward is closely examined and we say, all right, if tax breaks are going to be given, we have to make sure that they are for the lower income, not just the top people or wage earners in our country.

So, Mr. President, I am sure that if forced to choose between a tax break for the rich and strengthening environmental protections, I believe that Americans would strongly support the environment and thusly this amendment.

I urge my colleagues to support this amendment for the well-being and health of our citizens and our environment.

Mr. President, I yield the floor.

Mr. BOND. Mr. President, I yield myself 10 minutes.

Mr. President, I thank the distinguished Senator from New Jersey for his kind words. I appreciate the comments he made about our efforts here. But I wish we could have his support for the measure as passed by the committee and sent to the floor.

I must rise in strong opposition to the amendment on substantive grounds and also the fact that it busts the subcommittee's 602(b) allocation.

I will address, as I have previously, the budgetary sleight of hand and the smoke and mirrors that have been suggested as an offset. But let me talk about some of the substantive provisions, because I agree with the Senator that they are very important.

As he noted, we worked very hard to increase funding for the environment because we have made great progress in the environment in this country. We need to continue that progress. Everything that we are doing in this bill is designed to ensure that the progress we have made continues.

We have urged the EPA to pay heed to and adopt the recommendations of the National Academy of Public Administration, who have told EPA how they can do a better job of utilizing their funds, be more effective, and make sure that we get the most for our dollars in the environmental programs.

That study was requested when my colleague, the Senator from Maryland, was chairman of the committee. It is something I support because I believe we can make progress. But I do not believe that this amendment can be supported, and I will raise a budget act point of order to it.

Let me talk, though, about the substance. First, Superfund. While there may be disagreement on how we reform the program, there is virtually no disagreement that I know of that the program must be reformed. We have studies by the dozens outlining the problems with the Superfund Program. There have been 90-day reviews and 30-day reviews to improve the program. There have been Rand studies, CBO studies, GAO reports, and the National Commission on Superfund Reform.

We are all familiar with the morass of litigation, the excessive administrative burdens, the length of time to clean up the sites. Most of us have heard from our constituents, small businesses, mom and pop operations that were bankrupted because their trash was hauled legally to a dump which later became a Superfund site and they became liable.

We have all heard the stories about EPA requiring cleanups so clean that kids can eat the dirt, even when there were no kids near the site, where it is an industrial site, where nobody has even proposed to bring in a day care center or to make it a playground for a school.

When we devote our resources to overutilization of cleanup techniques in an area where they are less necessary, we take away from funds where they can be put to uses right away, where they can have a positive impact on human health and the environment and avoid dangers.

But the list of grievances against the Superfund goes on and on and on. We have poured billions of dollars into this program with little to show for it. We have spent billions of dollars and we have only about 70 sites which have actually been cleaned up and deleted from the national priorities list. We have hundreds of studies going on at sites and even more being litigated. This is a wonderful opportunity for full employment for lawyers, for administrative hassles, and that is not what we ought to be about. We ought to be about cleaning up Superfund sites.

In his first speech to Congress, President Clinton declared, "I would like to use the Superfund to clean up pollution for a change and not just pay lawyers." I believe I was one of a large group of

Senators who stood and applauded that statement. I believe there is very strong agreement on both sides of the aisle that the President set the proper tone: clean up pollution, stop paying lawyers. There is little disagreement on either side that the program is not working, or not working as well as it should.

The committee limited Superfund funding to $1 billion, as in the House, because the committee recognized that it was time to stop throwing away money at a wasteful, broken program. The committee's recommendations will fund sites which pose an immediate threat to human health and the environment and sites which are currently at some active stage in the Superfund cleanup pipeline.

Our recommendations reflect the findings of a General Accounting Office report, which I requested. This General Accounting Office report says that two-thirds of the Superfund sites GAO looked at do not pose human health risks under current land uses.

We are spending two-thirds of the money in the current Superfund Program on sites that do not pose a significant hazard to human health now or in the future under current land uses. I am not suggesting that these sites are not important and should not be cleaned up. I am saying that for these sites, we can delay cleanups until we reform the program so that we can concentrate our efforts on those sites which will provide a benefit in lessening dangers to human health and to ensure that commonsense solutions are implemented.

The committee's recommendation reflected the fact that the reauthorization process is well underway. It will be a transition year, as it should be, for the Superfund Program. Therefore, we should only fund critical activities pending implementation of a reform program.

Now, the Senator's amendment also would double funding for the Council on Environmental Quality. I point out that this committee has recommended continuing the Council on Environmental Quality at last year's funding. We would save CEQ, where the House wants to terminate that body.

The question will be whether we terminate it or not. The ultimate conference committee will not come out with more than $1 million because we have put that amount in and the House has already passed.

Despite some concerns that many may have that the CEQ is duplicating other agencies, this committee found, and I believe that CEQ does perform a valuable function; it performs a function of coordinating the activities of the administration and all the different bodies which may act on environmental matters.

However, I think it should be limited to activities which are statutory in nature and which do not duplicate other agencies' activities. The funding provided is about the same level as the current level funding for CEQ.

Now, the third point as to State revolving funds which the Senator's amendment would add $328 million. I fully support added funding for States to meet environmental mandates. That is why the bill before us carves out a special appropriation just for State funding.

We increased funding for the State activities that comprises more than 40 percent of the EPA appropriations because that is money going to the places where it can actually clean up the environment.

We believe that with reforms that can be implemented either by legislation or through the administrative procedures, we can ensure that the States will do a better job because they will not be limited just to cleaning up one particular kind of pollution but can direct their efforts to pollution which occurs in the air, the water, and the land, and not be limited just to one medium.

Included in this funding that we have recommended is an increase of $300 million in funding for clean water State revolving funds over the current budget. Last year's bill contained some $800 million in sewer treatment earmarks. Those were nice for all of us to go home and take credit for, but they did not maximize the available funds for cleaning up the environment.

We eliminated those earmarks so we can provide adequate funding for State revolving funds. I think the bill addresses the concern about the need for State revolving funds.

I think that the bill is sound on environmental grounds, sound substantively, and I say that all of the talk about tax cuts, eliminating tax cuts, is so much political rhetoric. There are no tax cuts in this budget. There is no offset.

We had to make tough choices in the subcommittee and the full committee. We chose to increase the allocation for EPA, but we are doing so within the constraints imposed upon us by Congress in the budget resolution.

This amendment would bust the budget resolution. If the Senator was concerned, really concerned about getting more money in the environment, then he could have offered an amendment which would have proposed legitimate offsets. He did not do so.

I urge my colleagues to oppose the waiver of the Budget Act.

I reserve the time. I yield the floor.

Ms. MIKULSKI. Mr. President, I thank the Senator from New Jersey for his advocacy in the issues of environmental protection, protecting public health, safety, and having the concern particularly for the environmental problems in an urban area. Senator LAUTENBERG has been a longstanding advocate and a longstanding expert in this issue as a member of the authorizing committee.

I also want to acknowledge Senator BOND's efforts to really support a streamlining of a lot of the regulatory process.

I am pleased to be a cosponsor of Senator LAUTENBERG's amendment to partially restore funding to some of EPA's most important programs.

This amendment adds: $431.6 million to the Superfund Program, $328 million to the Water Infrastructure State revolving funds, and $1.188 million to the Council on Environmental Quality [CEQ].

I am particularly concerned about the $431.6 million cut below the current funding for the Superfund Program.

Superfund was designed to address one of our Nation's worst public health and environmental problems—hazardous waste.

There are 1,300 sites that have been placed on the national priorities list, which is the listing of the most serious hazardous waste sites in the country.

The health risks posed to people who live near these sites are significant. I think we owe it to our communities to ensure that these toxic dumps are cleaned up.

What happens if we do not restore funding to the Superfund Program?

There will be no funding for about 120 new, long-term cleanup projects, cleanup of about 160 immediate public health threats could be significantly delayed, and we risk letting polluters get off the hook because we will not be able to reach and enforce settlements for cleanups.

The Lautenberg amendment will restore funding to ensure that public health is protected, polluters continue to clean up their messes, and new research continues to develop cheaper, cleaner, and faster ways to clean up toxic wastes.

I also have serious concerns about the reduction of $586 million below the President's request that this bill contains for water infrastructure State revolving funds.

This cut means that about 107 wastewater treatment projects will not proceed.

It also means that, because State revolving fund dollars are reinvested over time, a reduction in infrastructure investments will be felt in future years.

The immediate loss of $587 million will result in a cumulative loss of $2.3 billion in funding over the next 20 years.

In my home State of Maryland this funding is a big deal.

Mr. President, Maryland's Eastern Shore relies heavily on two things, fishing and tourism. These represent a huge chunk of the local economy.

EPA's most recent water quality inventory reports that 37 percent of the Nation's shellfish beds are restricted, limited, or closed.

I'm afraid that this funding level could cause water quality to continue to decline, which is no small concern for States like mine which depend heavily on rivers and coastal waters.

In addition, last year 85 beaches in Maryland were closed to protect the public from swimming in unsafe waters.

I do not know about the rest of my colleagues, but when I go to the beach I want to take a swim or wade in the surf. None of that can happen if we do not protect our waters.

I am very concerned that this decrease in funding will have serious adverse effects on the Chesapeake Bay.

The funding that Maryland gets from the State revolving fund program is critical to preventing the water pollution that runs off into the bay. All of our efforts to clean the bay, at both the State and Federal level, will be wasted if we cannot control this runoff.

The bill also requires that the Safe Drinking Water Act be reauthorized by April 30, 1995.

If the program is not reauthorized, all drinking water State revolving funds will be transferred to clean water State revolving funds.

This means that nearly 270 projects to improve substandard drinking water systems which serve nearly 29 million Americans will not be funded if reauthorization does not occur.

I hope the Senate does not forget the recent cryptosporidium outbreak in the Milwaukee, WI, water supply which caused about 400,000 people to get sick, resulting in the deaths of 100 people.

Finally, I think it is important that this amendment funds the Council on Environmental Quality at the President's request.

CEQ is the Federal office that is responsible for coordinating our national environmental policy. If we did not have the CEQ, the job of coordinating Federal environmental policy would be left to executive level staff inside the Office of the President. This would mean that congressional oversight would be limited.

Make no mistake about it, the American people care about protecting public health and the environment.

There are many issues that have been raised about the Superfund Program, many legitimate issues raised about the safe drinking water. I do not believe we should cut the budget. I believe we should streamline the regulations.

Cutting the budget, in effect, deregulates or eliminates these regulations. We have come so far on cleaning up the environment. I am grateful in this bill that there is funding for the Chesapeake Bay Program, and we are seeing the bay come back to life.

We have seen the work that we have done on air pollution and water pollution. In Maryland we see that good environment is good business because it does affect our seafood industry. It does affect the ability of business. Good environment means that there is a reward for businesses that do comply.

There are many things I could say about this amendment but I think Senator LAUTENBERG said it best as he always does. He has my support for this amendment. He has my support for restoration of these cuts in the environmental programs in round two. I believe that President Clinton will veto this bill in round two.

I hope with the new allocation we could overcome where we are essentially cutting America's future by cutting the environmental programs.

Mr. LAUTENBERG. Mr. President, I ask the Chair how much time remains for our side on debate?

The PRESIDING OFFICER. The Senator has 14 minutes remaining.

Mr. LAUTENBERG. I want to take a few minutes to respond to the comments of the distinguished chairman of the subcommittee.

I first will explain very briefly why it is that I complimented him even as I voted against the subcommittee bill. It is fairly simple. I think yeoman work was done. I think that the distinguished Senator from Missouri gave it a good effort but I still feel that we are not adequately protecting our communities against environmental pollution.

To me it is fairly simple, because I think that the legacy that each of us in America can best leave our children, the grandchildren, and those that follow, rich or poor, is to leave them a cleaner environment; to continue the progress that has been made in some areas.

In 1973, only 40 percent of our streams were fishable and swimmable, which is really the test for the quality of the water. Now it is 60 percent.

If we do not fund the revolving fund and insist on cleaning up—treating wastewater before it gets to the streams, I do not want to be crude, but it will go in some cases direct from the toilet into the rivers, into the lakes. That is an outrageous condition for a country as well off, despite our problems, as this country of ours is.

Superfund sites—there is always a question raised by those that are skeptical about how dangerous these sites are.

Mr. President, I have to respond by talking about a condition in, coincidentally, in Forest City and Glover, MO. A 1995 study among residents who lived near Superfund sites shows an increase in reports of respiratory problems and increased pulmonary function disorder.

Investigators have reported elevated rates of birth defects in children of women living near 700 hazardous waste sites in California; children of women living near sites with high-exposure rates to solvents have greater than twice the rates of neural birth defects such as spina bifida. The study goes on. There is a real hazard there.

I can tell you this, I do not want my kids drinking water from a water supply, a groundwater supply that may have been leached into by contaminants left by a polluter.

I have to ask this question as well. Why is it that suddenly in the American diet or the American purchases in the food market—water? People walk around with bottles of water like they were a belt on their pants. It is quite remarkable that now, suddenly, that has become a major business.

Why? I bet it is because people just like spending money. I bet it is because people love carrying these water bottles in their backpacks or back pockets. It is plain they are afraid to drink the water that comes out of the tap. Face up to it.

What we are saying is we do not want a tax cut for the rich in this country, for the richest in this country—that is where the money comes from. It does not come from smoke and it does not come from mirrors; it comes from eliminating a tax break for the wealthiest in our society. I think that is a very good idea. I do not know anybody who could not use more money, even the most profligate spender, but the fact of the matter is this is a country in deep financial distress and the last thing we ought to be doing is giving a tax break for those who do not need it and who would be a lot better off if we invest our money in our society, presenting our kids with a cleaner environment, not having to worry about the air that our parents breathe or the ground our kids play on. I think that is a much better investment than a tax cut for the rich—be they idle or earned.

The fact of the matter is, Mr. President, the Superfund—and I discussed this in my office with my very able staff yesterday—the title suggests something that escapes understanding that the American people have about what it all means. Superfund ought to have a different name. It ought to be getting rid of threats to the health of people in the community. Superfund has some connotation that it is a major spending program by Government and that we all enjoy throwing money down the drainpipe.

That is hardly the case. Superfund is a program that works, and the money that we spend in litigation is not out of the Superfund trust fund. Rather, it is spent between companies trying to dislodge themselves from their liability; between insurance companies and their insured, the insurance company denying the claim, the insured saying, "You insured me for that and I want you to pay; that is why I paid those premiums." So that is where a lot of the money comes from for litigation. It is not out of the Superfund trust fund.

Mr. President, I think we have to get the definitions very clear. Superfund was and is a very complicated program. It was begun in 1980, almost in innocence, just responding to the threat of environmental pollution and the health hazards that it represented for children. We have not discussed the environment that is affected as well, the pollution of lakes and ponds and streams, water supplies, all of those things.

Mr. President, when we look at Superfund we say it is almost 15 years old now, what has happened? I will tell you what has happened. Mr. President, 289 sites have been cleaned up. That is not bad. We have 1,300 sites to go, but we are better at it. We move faster on it. And if we fail to fund it at the proper level and lose a lot of the skills and expertise that is now resident in EPA and in the Superfund department, it will take a long time to rebuild those skills and reorganize the structure. That is not a way to do business, not when you have long-term projects that are inevitably more complicated than expected.

But we are gaining knowledge all the time, and, again, every one of the sites on the Superfund list has begun to have some attention, whether it is in the drawing of specifications that would be applied to construction or just simply a track for beginning the appropriate engineering studies.

I was fortunate a few weeks ago. I was able to go to a site in the southern part of my State, a site that was one of the worst industrial pollution sites in the country. There was a responsible party. They paid a significant share of it.

By the way, I think it is very interesting to note that, of the money spent on Superfund cleanup, 70 percent came from responsible parties—not just from the trust funds, the Superfund trust fund.

I was able to go to this community. It is called the Lipari landfill site. It was a site that was contaminated over a number of years. Now it is clean enough to introduce fish back in the site. I stood there with a bunch of schoolchildren, fourth and fifth grade, and we put smallmouth bass in there and we put bigmouth bass in there. I think that was for Senators' benefit.

We put fish back in the pond. The kids were so excited. I was excited. I even got my feet wet in there. But the fact of the matter is, that was a turning point for the community. They were celebrating revival. They were celebrating almost, if I may call it in religious terms, a redemption. The community center point, a halcyon lake, was now going to be able to be used for recreational purposes by the children of the community. So we saw a Superfund success.

Once again, if I may ask, how much time do I have?

The PRESIDING OFFICER. The Senator has 4½ minutes.

Mr. LAUTENBERG. Mr. President, I yield the floor. I understand my colleague from Delaware is on his way and wants to speak. I hope I can reserve the remainder of that time.

The PRESIDING OFFICER. Who yields time?

Mr. BOND. Mr. President, I yield myself such time as I may require. I believe the Senator from New Hampshire is on his way to the floor. As chairman of the subcommittee with responsibility over Superfund, I think it is very important he share with us his views. I do hope we can yield back some of the time so we can move on. This is a very important amendment, but I believe we have outlined it rather clearly.

I would like to begin by agreeing with my colleague from New Jersey. He said many things that I agree with, particularly about largemouth bass. I love to go bass fishing, too. I want to see our waters cleaned up. We want to move together on that. He says we want to stop raw sewage going into lakes, rivers and streams. That is why, in this committee bill, we increase by $300 million the money going into the State revolving fund.

The Senator from New Jersey made a very clear case for dealing with Superfund sites where there is human health at risk. I could not agree with him more. We need to be cleaning up these Superfund sites where there are human health risks. Unfortunately, two-thirds of the money being spent right now is going to sites which do not involve immediate human health risks or risks under current land uses. So we put in $1 billion and said "prioritize those sites where human health risks exist now or might exist in the future." And then let us reform the program.

The Senator from New Jersey talked about the tremendous hassles, the litigation, the administrative time and hassle that is going into the Superfund debates. We need to get out of debates on who is responsible and move forward with cleaning up. I look forward to working with the Senator from New Jersey to do that.

He also talks about people who are afraid to drink the water. We need to authorize the safe drinking water fund. Again, we are working on that together in the Environment and Public Works Committee. I think it is very important that we cut through the chaff and get down to the serious job of making sure that our drinking water supply is safe. I look forward to working with him there.

Let me just put a couple of things into perspective. The Senator from New Jersey says that our budget for EPA is 22 percent below the request.

Let me put that in perspective. It should come as no secret to this body that we are making cuts. The subcommittee's allocation was 12 percent below last year's. There have been virtually no cuts in the Department of Veterans Affairs, the largest portion of the budget of this subcommittee.

Second, most of the reductions in the Environmental Protection Agency have come from earmarked sewage grants and unauthorized State revolving funds and Superfund, where we proposed to target the resources in Superfund to those instances where human health is at risk or may be at risk under current land uses.

We agree that protecting human health from Superfund sites is vitally important. We have not cut money for standard setting, for technical assistance, for enforcement. Those are held close to the current levels despite the subcommittee's constrained allocation. And, as I stated before, the committee's recommendation increases State grants. It recognizes the importance of fully funding the States so they can meet the environmental mandates. But, frankly, where we come down to disagreement is when the Senator contends—I believe without any justification at all—that the money for busting the budget in the environment is going to come from tax cuts from the wealthy.

Unlike President Clinton's budget, this budget does not include in its budget tax cuts for anybody, even the tax credit for working families that we would like to see involved. That is not in this budget. There is no money to be used in this budget from these cuts for tax increases. If this Senator's amendment is agreed to, and the Budget Act point of order is waived, we will break the budget. There will be no tax cuts, and we will not be on a path to balance the budget by the year 2002.

This is simply a budget busting amendment, and I urge my colleagues not to support it.

Mr. President, I see the distinguished Senator from New Hampshire has arrived.

The Senator from Delaware came in earlier. I ask the Senator from New Jersey if he wishes to proceed.

Mr. LAUTENBERG. I thank the Senator from Missouri.

Mr. President, how much time do we have?

The PRESIDING OFFICER. Four minutes and ten seconds.

Mr. BOND. Mr. President, how much remains on our side?

The PRESIDING OFFICER. Fourteen and one-half minutes.

Mr. LAUTENBERG. I yield to the Senator from Delaware 3½ minutes.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. BIDEN. Mr. President, I thank my colleague.

Mr. President, I rise to join with my colleague, the distinguished ranking member of the subcommittee, Senator MIKULSKI, in support of our environmental protection laws.

Mr. President, I think our Republican friends should be straight up.

Why do they not just eliminate the Clean Air Act, eliminate the Clean Water Act, and drastically reduce the requirements? Why do you not just do that? Otherwise, the local municipalities, the cities, and the States are not going to be able to meet the requirements of these acts.

I heard all of this talk last year about unfunded mandates. My Lord, did my Republican colleagues bleed over what we were doing to the poor States. They bled and they wept and they talked about the unholy Federal Government, and about what it was hoisting upon States. Folks, you cannot have it both ways.

I say to my friends from New Hampshire and Missouri: Either do it or do not do it. Step up to the plate with a little truth in legislating. OK? This bill is the ultimate unfunded mandate. They know darned well the voters will kill them if they denigrate the Clean Water Act; and they will kill them politically if they denigrate the Clean Air Act. They know what will happen if they attempt to gut these environmental laws. I have not had a single mother or father, or anyone, come up to me and say, "You know, you folks in the Federal Government are spending too much time determining whether my water is clean." Not one has complained about a Federal bureaucrat trying to clean their water.

So what do you do here? You do what you are getting real good at. You say, "OK, we are not going to denigrate the Clean Air Act nor the Clean Water Act. We are just not going to give the EPA the money, and we are not going to give the States money." So all the little communities now, like one in my State which has a toxic waste dump with 7,000 drums of toxic waste sitting there contaminating the water supply, have to fend for themselves. That site is contaminating the area with 2,000 people living within 1 mile of it. And what do we say with this one? We say, "We think they should still clean that up, and we do not want to give you an unfunded mandate. But you find the money, State. Clean it up."

Look. This bill is an unfunded mandate, or a backdoor way of trying to lower the water quality and lower the air quality. It is one of the two. If it is done in the name of balancing the budget, I understand that mantra. I voted for a constitutional amendment on balancing the budget. I am for balancing the budget. Let us balance people's checkbooks in terms of how much money they pay the Federal Government in taxes. Do you want to balance something? Balance it that way. Balance it that way. But do not say to the States, "We want you to keep the water clean and the air clean. We are not changing the Federal standard on that. But, by the way, we are not going to send you the money. We are not going to step in there."

What do you think you are all going to do to local taxes, folks? What do you think is going to happen here? These folks are going to save you money. Oh, they are going to save you money all right. One of two things will happen. Your water is dirty, or your local taxes are going up—one of the two. But in the meantime, people making over $100,000 bucks will get a tax cut. That is not right.

Mr. President, though not as severe as the House version, the bill before us today does much to protect businesses from liability but little to protect American families from pollution.

The addition of nearly one dozen legislative riders—or loopholes for polluters—is, in my view, just plain wrong.

An appropriations bill is not the place to hastily form policies which will affect the drinking water of every American family, the air every American child breathes.

We hear so much about unfunded mandates, in fact, one of the first pieces of legislation passed by this Congress was an unfunded mandates bill which makes it harder for the Federal Government to impose costs upon States.

As a former county councilman I support this effort. Yet, the bill before us cuts the Environmental Protection Agency's budget by a whopping $1 billion.

Who is going to pick up the cost for these necessary protection efforts? State and local governments—an unfunded mandate. That is why this amendment is so necessary.

By cutting hazardous waste cleanup efforts by 36 percent, this bill will prevent additional progress from being made at our most dangerous toxic sites.

One such site in my home State of Delaware—an industrial waste landfill in New Castle County—contains over 7,000 drums of toxic liquids and chemicals.

The soil is contaminated with heavy metals. The ground water is contaminated. About 2,000 people live within 1 mile of the site.

I want that site cleaned up. I want those families to live and raise their children in a clean, safe environment.

The level of funding in the bill would jeopardize future progress at this site—and I am not going to put Delaware's communities at risk.

The bill as currently written also cuts by over $328 million assistance to local governments in meeting their Clean Water Act responsibilities.

These funds are desperately needed by local communities to modernize facilities which treat wastewater pollution.

The cut means that raw sewage will pollute local waters, potentially reaching America's coastline, places such as Rehobeth and Dewey Beaches in Delaware.

Years ago, I literally dredged raw sewage from the floor of the Delaware Bay to demonstrate just how polluted that waterway once was.

Today it is much cleaner, and raw sewage is no longer as severe a problem.

I am not going to turn back the clock on that progress—America's beaches should be littered with vacationers, not sewage.

Lastly, Mr. President, the amendment provides an extremely modest amount of funding for the Council on Environmental Quality.

The former Republican Governor of Delaware, Mr. Russ Peterson, a man whom I have the utmost respect and admiration for, formerly chaired this Council.

It's mission is simple: To eliminate duplication and waste by coordinating the Government's use of environmental impact statements, in the process saving the taxpayers' money.

It is a wise use of resources, the return is far greater than the investment and we ought to support it.

Mr. President, this amendment will not add one penny to the Federal deficit or debt.

It is funded by simple fairness—any future tax cut provided in the budget bill both Chambers are now working on should go to the middle class only.

It is as simple as that.

The middle class has been taking a beating over the past two decades. They have played by the rules, paid their taxes, done right by their children, and yet their standard of living has fallen.

Violence has encroached upon their lives unlike any other time in our history. Women, and even men, no longer feel safe walking to their cars at night across dimly lighted parking lots. Armed robberies at automatic teller machines are now commonplace in safe suburban areas.

The middle class have earned a tax break, they deserve help sending their children to college, or buying their first home.

Mr. President, this amendment puts environmental protection for America's families, ahead of liability protection for polluting special interests and I urge its adoption.

Mr. BOND. Mr. President, I yield myself 1 minute.

I always enjoy hearing my colleague from Delaware talk. It is very entertaining. But it has nothing to do with this bill. If he is talking about unfunded mandates, the Superfund is not an unfunded mandate. Ninety percent comes from the Superfund trust fund. We are saying we must reform the program so that we spend less money on the cleanups and that the States' share of 10 percent will go down.

He is talking about not giving enough money to the States. We put $300 million more in the State revolving fund because we are concerned. It is a wonderful rhetoric, an enjoyable argument; just not this bill. And this bill is what we are talking about. The amendment has nothing to do with the comments, the very delightful comments, of my friend from Delaware.

I yield 5 minutes to the Senator from New Hampshire.

Mr. SMITH. I thank the Senator from Missouri for yielding.

Mr. President, I would like to address a few brief comments regarding the amendment that has been offered by my colleague, the Senator from New Jersey. As the Senate knows, Senator LAUTENBERG is the ranking member of the Subcommittee on Superfund, which I chair. I have worked closely with the Senator on the reauthorization of this program. I am very familiar with his concerns and understand the concerns that he has regarding this program.

But I think we must point out, Mr. President, that this program, to put it mildly, has had its share of problems over the past 15 years. It has had some successes. But its cleanup rate, success ratio, has been very, very low without getting into a lot of detail here.

This has been a failed program. It is very premature at this point in the process—given the reconciliation before us that Senator BOND has already addressed—to simply say we are going to dump $400 million into the Superfund Program without knowing at this point what the reforms are or what the reforms should be.

During the last 9 months of our subcommittee, the Senate Superfund Subcommittee has held seven hearings on Superfund. Senator LAUTENBERG attended all of those hearings. They were very extensive. I know there was a lot of information provided on how this program should be changed. There were many divergent ideas, and no one with all of the answers. There was a series of exchanges between people. Many had ideas that were in conflict with each other.

One issue, as I indicated in my opening sentence, was made very clear in all of those hearings. The bottom line as we walked out of those hearings was that Superfund was a well-intentioned program but a deeply troubled program. It makes no sense to simply out of the blue take $400 million from somewhere else, anywhere else—I do not care where it comes from, the rich or from wherever you want to take it. From wherever you take it, to put $400 million into a troubled program before we have addressed the reforms that need to be made is a mistake.

I urge my colleagues to reject this amendment at the urging of the Senator who chairs that committee, who is prepared within the next few days to present to the full Senate, certainly to the committee, Environment and Public Works Committee, and ultimately to the full Senate a comprehensive reform which I believe is fair and that I believe will address many of the concerns we feel about the Superfund Program.

Given the pendency of this reauthorization effort, I just cannot see how providing these additional moneys now to the Superfund Program is a good use of very limited financial resources. It is premature.

I am not saying, I wish to emphasize to the Senator from New Jersey, that at some point I would not like to have additional funds for that program. Maybe they would be needed. But at this point it is premature, and I must for that reason urge the rejection of the Lautenberg amendment.

If we are successful—and I believe we will be—in reauthorizing a streamlined and improved Superfund Program within the next few weeks, it is certainly possible that next year I might be here saying that when we look at the fiscal year 1997 VA-HUD-independent agencies program, money should be shifted within that program to the Superfund Program, perhaps at the expense of something else. I very well might make that case.

In view of the problems that we now face, in view of the fact that we are on the verge now of presenting these reforms, this amendment is simply premature. I think the Senate and all of my colleagues deserve the opportunity to address these concerns to see what the real problems of the Superfund Program are, to see how we are addressing those problems one by one, from the liability issue, to the State involvement issue, to the remedy issue. All of these issues are going to be fully addressed, including the funding issue, in the reform bill, and I hope my colleagues would await that bill, pass judgment on that bill, before simply dumping additional resources into the Superfund Program.

I yield back any time I might have to my colleague from Missouri.

Mr. BOND addressed the Chair.

The PRESIDING OFFICER (Mr. ASHCROFT). The Senator from Missouri.

Mr. BOND. I express my sincere thanks to the chairman of the subcommittee. I realize what a difficult job this is. We look forward to working with him. It is vitally important for the environmental health and well-being of this country to reauthorize this measure. He has taken the lead in that very difficult effort. We look forward to seeing that measure in committee and coming to the floor so we can perform some badly needed surgery to make sure the Superfund does what everybody expects it would do, and that is clean up dangerous sites and to do it on a priority basis.

Now, Mr. President, I believe there are no further speakers on my side, so I am prepared to yield back the remainder of my time. As I said before, there is no offset. It is totally smoke and mirrors. But in the technical language, Mr. President, the adoption of the pending amendment would cause the Appropriations Committee to breach its discretionary allocation as well as breach revenue amounts established in the fiscal year 1996 budget resolution. Therefore, pursuant to section 302(f) and 306 of the Congressional Budget Act, I raise a point of order against the amendment.

Mr. LAUTENBERG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. I move to waive the application of the Budget Act as it pertains to the pending amendment.

Mr. BOND. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second on the motion to waive? There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. LAUTENBERG. Mr. President, I also ask unanimous consent—since the amendment last night was prepared, there have been some amendments that were proposed here, and I simply ask unanimous consent to modify the amendment to not inadvertently strike any language that was previously adopted by the Senate. These changes make no substantial change in my amendment.

The PRESIDING OFFICER. Is there objection to the request?

The Chair hears no objection, and it is so ordered.

The amendment, as modified, is as follows:

On page 141, line 4, strike beginning with "$1,003,400,000" through page 152, line 9, and insert the following: "$1,435,000,000 to remain available until expended, consisting of $1,185,000,000 as authorized by section 517(a) of the Superfund Amendments and Reauthorization Act of 1986 (SARA), as amended by Public Law 101–508, and $250,000,000 as a payment from general revenues to the Hazardous Substance Superfund as authorized by section 517(b) of SARA, as amended by Public Law 101–508: *Provided*, That funds appropriated under this heading may be allocated to other Federal agencies in accordance with section 111(a) of CERCLA: *Provided further*, That $11,700,000 of the funds appropriated under this heading shall be transferred to the Office of Inspector General appropriation to remain available until September 30, 1996: *Provided further*, That notwithstanding section 111(m) of CERCLA or any other provision of law, not to exceed $64,000,000 of the funds appropriated under this heading shall be available to the Agency for Toxic Substances and Disease Registry to carry out activities described in sections 104(i), 111(c)(4), and 111(c)(14) of CERCLA and section 118(f) of the Superfund Amendments and Reauthorization Act of 1986: *Provided further*, That none of the funds appropriated under this heading shall be available for the Agency for Toxic Substances and Disease Registry to issue in excess of 40 toxicological profiles pursuant to section 104(i) of CERCLA during fiscal year 1996: *Provided further*, That none of the funds made available under this heading may be used by the Environmental Protection Agency to propose for listing or to list any additional facilities on the National Priorities List established by section 105 of the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), as amended (42 U.S.C. 9605), unless the Administrator receives a written request to propose for listing or to list a facility from the Governor of the State in which the facility is located, or appropriate tribal leader, or unless legislation to reauthorize CERCLA is enacted.

LEAKING UNDERGROUND STORAGE TANK TRUST FUND

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses to carry out leaking underground storage tank cleanup activities authorized by section 205 of the Superfund Amendments and Reauthorization Act of 1986, and for construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $75,000 per project, $45,827,000, to remain available until expended: *Provided*, That no more than $8,000,000 shall be available for administrative expenses: *Provided further*, That $600,000 shall be transferred to the Office of Inspector General appropriation to remain available until September 30, 1996.

OIL SPILL RESPONSE

(INCLUDING TRANSFER OF FUNDS)

For expenses necessary to carry out the Environmental Protection Agency's responsibilities under the Oil Pollution Act of 1990, $15,000,000, to be derived from the Oil Spill Liability trust fund, and to remain available until expended: *Provided*, That not more than $8,000,000 of these funds shall be available for administrative expenses.

PROGRAM AND INFRASTRUCTURE ASSISTANCE

For environmental programs and infrastructure assistance, including capitalization grants for state revolving funds and performance partnership grants, $2,668,000,000, to remain available until expended, of which $1,828,000,000 shall be for making capitalization grants for State revolving funds to support water infrastructure financing; $100,000,000 for architectural, engineering, design, construction and related activities in connection with the construction of high priority water and wastewater facilities in the area of the United States-Mexico Border, after consultation with the appropriate border commission; $50,000,000 for grants to the State of Texas, which shall be matched by an equal amount of State funds from State resources, for the purpose of improving wastewater treatment for colonias; and $15,000,000 for grants to the State of Alaska, subject to an appropriate cost share as determined by the Administrator, to address wastewater infrastructure needs of Alaska Native villages: *Provided*, That beginning in fiscal year 1996 and each fiscal year thereafter, and notwithstanding any other provision of law, the Administrator is authorized to make grants annually from funds appropriated under this heading, subject to such terms and conditions as the Administrator shall establish, to any State or federally recognized Indian tribe for multimedia or single media pollution prevention, control and abatement and related environmental activities at the request of the Governor or other appropriate State official or the tribe: *Provided further*, That from funds appropriated under this heading, the Administrator may make grants to federally recognized Indian governments for the development of multimedia environmental programs: *Provided further*, That of the $1,828,000,000 for capitalization grants for State revolving funds to support water infrastructure financing, $500,000,000 shall be for drinking water State revolving funds, but if no drinking water State revolving fund legislation is enacted by December 31, 1995, these funds shall immediately be available for making capitalization grants under title VI of the Federal Water Pollution Control Act, as amended: *Provided further*, That of the funds made available under this heading in Public Law 103–327 and in Public Law 103–124 for capitalization grants for State revolving funds to support water infrastructure financing, $225,000,000 shall be made available for capitalization grants for State revolving funds under title VI of the Federal Water Pollution Control Act, as amended, if no drinking water State revolving fund legislation is enacted by December 31, 1995.

ADMINISTRATIVE PROVISIONS

SEC. 301. MORATORIUM ON CERTAIN EMISSIONS TESTING REQUIREMENTS.

(a) MORATORIUM.—

(1) IN GENERAL.—The Administrator of the Environmental Protection Agency (referred to in this subsection as the "Administrator") shall not require adoption or implementation by a State of a test-only or I/M240 enhanced vehicle inspection and maintenance program as a means of compliance with section 182 of the Clean Air Act (42 U.S.C. 7511a), but the Administrator may approve such a program if a State chooses to adopt the program as a means of compliance.

(2) REPEAL.—Paragraph (1) is repealed effective as of the date that is 1 year after the date of enactment of this Act.

(b) PLAN APPROVAL.—

(1) IN GENERAL.—The Administrator of the Environmental Protection Agency (referred to in this subsection as the "Administrator") shall not disapprove a State implementation plan revision under section 182 of the Clean Air Act (42 U.S.C. 7511a) on the basis of a regulation providing for a 50-percent discount for alternative test-and-repair inspection and maintenance programs.

(2) CREDIT.—If a State provides data for a proposed inspection and maintenance system for which credits are appropriate under section 182 of the Clean Air Act (42 U.S.C. 7511a), the Administrator shall allow the full amount of credit for the system that is appropriate without regard to any regulation that implements that section by requiring centralized emissions testing.

(3) DEADLINE.—The Administrator shall complete and present a technical assessment of data for a proposed inspection and maintenance system submitted by a State not later than 45 days after the date of submission.

SEC. 302. None of the funds made available in this Act may be used by the Environmental Protection Agency to impose or enforce any requirement that a State implement trip reduction measures to reduce vehicular emissions. Section 304 of the Clean Air Act (42 U.S.C. 7604) shall not apply with respect to any such requirement during the period beginning on the date of the enactment of this Act and ending September 30, 1996.

SEC. 303. None of the funds provided in this Act may be used within the Environmental Protection Agency for any final action by the Administrator or her delegate for signing and publishing for promulgation a rule concerning any new standard for arsenic (for its carcinogenic effects), sulfates, radon, ground water disinfection, or the contaminants in phase IV B in drinking water, unless the Safe Drinking Water Act of 1986 has been reauthorized.

SEC. 304. None of the funds provided in this Act may be used during fiscal year 1996 to sign, promulgate, implement or enforce the requirement proposed as "Regulation of Fuels and Fuel Additives: Individual Foreign Refinery Baseline Requirements for Reformulated Gasoline" at volume 59 of the Federal Register at pages 22800 through 22814.

SEC. 305. None of the funds appropriated to the Environmental Protection Agency for fiscal year 1996 may be used to implement section 404(c) of the Federal Water Pollution Control Act, as amended. No pending action by the Environmental Protection Agency to implement section 404(c) with respect to an individual permit shall remain in effect after the date of enactment of this Act.

SEC. 306. Notwithstanding any other provision of law, for this fiscal year and hereafter, an industrial discharger to the Kalamazoo Water Reclamation Plant, an advanced wastewater treatment plant with activated carbon, may be exempted from categorical pretreatment standards under section 307(b) of the Federal Water Pollution Control Act, as amended, if the following conditions are met: (1) the Kalamazoo Water Reclamation Plant applies to the State of Michigan for an exemption for such industrial discharger and (2) the State or the Administrator, as applicable, approves such exemption request based upon a determination that the Kalamazoo Water Reclamation Plant will provide treatment consistent with or better than treatment requirements set forth by the EPA, and there exists an operative financial contract between the City of Kalamazoo and the industrial user and an approved local pretreatment program, including a joint monitoring program and local controls to prevent against interference and pass through.

SEC. 307. No funds appropriated by this Act may be used during fiscal year 1996 to enforce the requirements of section 211(m)(2) of the Clean Air Act that require fuel refiners, marketers, or persons who sell or dispense fuel to ultimate consumers in any carbon monoxide nonattainment area in Alaska to use methyl tertiary butyl ether (MTBE) to meet the oxygen requirements of that section.

SEC. 308. None of the funds appropriated under this Act may be used to implement the requirements of section 186(b)(2), section 187(b) or section 211(m) of the Clean Air Act (42 U.S.C. 7512(b)(2), 7512a(b), or 7545(m)) with respect to any moderate nonattainment area in which the average daily winter temperature is below 0 degrees Fahrenheit. The preceding sentence shall not be interpreted to preclude assistance from the Environmental Protection Agency to the State of Alaska to make progress toward meeting the carbon monoxide standard in such areas and to resolve remaining issues regarding the use of oxygenated fuels in such areas.

"SEC. . ENERGY EFFICIENCY AND ENERGY SUPPLY PROGRAMS.

(a) PRIORITY FOR SMALL BUSINESSES.—During fiscal year 1996 the Administrator of the Environmental Protection Agency shall give priority in providing assistance in its Energy Efficiency and Energy Supply programs to organizations that are recognized as small business concerns under section 3(a) of the Small Business Act (15 U.S.C. 632(a)).

(b) STUDY.—The Administrator shall perform a study to determine the feasibility of establishing fees to recover all reasonable costs incurred by EPA for assistance rendered businesses in its Energy Efficiency and Energy Supply program. The study shall include, among other things, an evaluation of making the Energy Efficiency and Energy Supply Program self-sustaining, the value of the assistance rendered to businesses, providing exemptions for small businesses, and making the fees payable directly to a fund that would be available for use by EPA as needed for this program. The Administrator shall report to Congress by March 15, 1996 on the results of this study and EPA's plan for implementation.

(c) FUNDING.—For fiscal year 1996, up to $100 million of the funds appropriated to the Environmental Protection Agency may be used by the Administrator to support global participation in the Montreal Protocol facilitation fund and for the climate change action plan programs including the green programs."

EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF SCIENCE AND TECHNOLOGY POLICY

For necessary expenses of the Office of Science and Technology Policy, in carrying out the purposes of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6601 and 6671), hire of passenger motor vehicles, services as authorized by 5 U.S.C. 3109, not to exceed $2,500 for official reception and representation expenses, and rental of conference rooms in the District of Columbia, $4,981,000: *Provided*, That the Office of Science and Technology Policy shall reimburse other agencies for not less than one-half of the personnel compensation costs of individuals detailed to it.

COUNCIL ON ENVIRONMENTAL QUALITY AND OFFICE OF ENVIRONMENTAL QUALITY

For necessary expenses to continue functions assigned to the Council on Environmental Quality and Office of Environmental Quality pursuant to the National Environmental Policy Act of 1969, the Environmental Improvement Act of 1970 and Reorganization Plan No. 1 of 1977, $2,188,000.

ADMINISTRATIVE PROVISIONS

SEC. 401. Section 105(b) of House Concurrent Resolution 67 (104th Congress, 1st Session) is amended to read as follows:

"(b) RECONCILIATION OF REVENUE REDUCTIONS IN THE SENATE.—

"(1) CERTIFICATION.—(A) In the Senate, upon the certification pursuant to section 205(a) of this resolution, the Senate Committee on Finance shall submit its recommendations pursuant to paragraph (2) to the Senate Committee on the Budget. After receiving the recommendations, the Committee on the Budget shall add such recommendations to the recommendations submitted pursuant to subsection (a) and report a reconciliation bill carrying out all such recommendations without any substantive revision.

"(B) The Chair of the Committee on the Budget shall file with the Senate revised allocations, aggregates, and discretionary spending limits under section 201(a)(1)(B) increasing budget authority by $760,788,000 and outlays by $760,788,000.

"(2) COMMITTEE ON FINANCE.—Funding for this section shall be provided by limiting any tax cut provided in the reconciliation bill to families with incomes less than $150,000.".

Mr. LAUTENBERG. Mr. President, is there any time remaining?

The PRESIDING OFFICER. The Senator's time has expired.

Mr. LAUTENBERG. I yield the remainder of my time.

AMENDMENT NO. 2789 TO THE EXCEPTED COMMITTEE AMENDMENT ON PAGE 51, LINE 3, THROUGH PAGE 128, LINE 20

(Purpose: To strike the provision relating to spending limitations on Fair Housing Act enforcement, and for other purposes)

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin is recognized.

Mr. FEINGOLD. I thank the Chair.

Mr. President, I ask unanimous consent that the pending committee amendment be temporarily set aside and it be in order to take up the committee amendment beginning on page 51, line 3.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. FEINGOLD. Mr. President, I send an amendment to the desk on behalf of myself and Senators MOSELEY-BRAUN, MIKULSKI, SIMON, KENNEDY, BRADLEY, and WELLSTONE.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows.

The Senator from Wisconsin [Mr. FEINGOLD], for himself, Ms. MOSELEY-BRAUN, Ms. MIKULSKI, Mr. SIMON, Mr. KENNEDY, Mr. BRADLEY, and Mr. WELLSTONE, proposes an amendment numbered 2789 to the excepted committee amendment on page 51, line 3, through page 128, line 20.

Mr. FEINGOLD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 125, strike lines 12 through 17.

Mr. FEINGOLD. Mr. President, I understand there is a 30-minute time allotment on our side; is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. FEINGOLD. I yield myself such time as necessary.

Mr. President, the amendment I am offering today will strike the provision buried in the VA–HUD appropriations bill that I believe would likely have serious consequences for the protection and enforcement of the civil rights laws in our country.

The committee bill, unfortunately, includes a provision that would prevent HUD from spending any of its appropriated funds to "sign, implement, or enforce any requirement or regulation relating to the application of the Fair Housing Act to the business of property insurance."

Believe it or not, this provision would banish HUD from investigating any complaints of property insurance discrimination, or "insurance redlining" as it is more commonly known. The term "redlining" actually evolved from the practice of particular individuals in the banking industry using maps with red lines drawn around certain neighborhoods. These individuals would then instruct their loan officers to avoid offering their financial services to residents of these redlined neighborhoods. These redlined neighborhoods typically were low income and minority communities, and it resulted in the unavailability of the financial services that were necessary to purchase a home or a business or an automobile.

But even as Congress identified and moved to curb these discriminatory practices in the banking industry, a disturbing and growing level of discrimination was emerging from the insurance industry that would continue to deny certain individuals the basic opportunity to own their own home or to start a small business.

Property insurance, as we all know, is almost an absolute requirement to obtaining a home loan. And this was best illustrated by Judge Frank Easterbrook of the U.S. Seventh Circuit Court of Appeals in that court's ruling that redlining practices are illegal and a violation of the Fair Housing Act.

The judge was speaking for a unanimous court when he observed:

> Lenders require their borrowers to secure property insurance. No insurance, no loan; no loan, no house; lack of insurance thus makes housing unavailable.

Mr. President, the key question, of course, is does redlining actually exist as a practice? Countless new reports and studies indicate that there is a prevalent and growing level of discriminatory underwriting in the insurance industry. Studies such as the 1979 report of the Illinois, Indiana, Michigan, Minnesota, Ohio, and Wisconsin advisory committees to the U.S. Commission on Civil Rights and the recent study on home insurance in 14 cities released by the community advocacy group ACORN have pointed out that insurance redlining practices are, in fact, widespread in America. These reports highlight the fallacies of the contention that lack of adequate insurance in many of these communities is due to economics, or that it is simply due to statistically based risk assessment.

In addition, there is, unfortunately, some substantial anecdotal evidence that suggests individuals residing in minority and low-income communities are systematically denied affordable or adequate homeowners insurance.

The ramifications of reducing access to affordable and adequate homeowners insurance have proven severe for urban areas with large minority communities. Without property insurance, an individual cannot obtain a home loan. Without a home loan, an individual cannot obtain a home. Thus, refusing to provide property insurance to an individual because he or she lives in a predominantly minority community has to be a clear violation of the civil rights protections of the Fair Housing Act.

My own interest in this matter is longstanding, but it especially grew out of a widely reported redlining abuse in the city of Milwaukee, WI, where it was well documented that insurance redlining was occurring on a widespread basis. I was outraged that this sordid, documented discrimination was occurring, not only in my own home State, but apparently in many other States as well, including Illinois, Missouri, and Ohio.

Mr. President, it is important not to forget who these redlining victims really are. They are hard-working Americans. They have played by the rules. And they are just trying to buy a home. They are trying to bring a sense of stability and vitality to their families and to their communities, many times communities that desperately need that kind of stability and vitality.

Unfortunately, as happened in Milwaukee, they often run into a brick wall of ignorance and injustice. The pattern of discrimination in Milwaukee led seven of our Milwaukee residents to join with the NAACP to file suit against the American Family Insurance Co. An unprecedented and historic out-of-court settlement was reached in this case between the parties where the insurance company actually agreed, rather than go forward with the litigation, to spend $14.5 million compensating these and other Milwaukee homeowners who had been discriminated against, as well as some of the funds for special housing programs in the city of Milwaukee.

Mr. President, for those of my colleagues who might think such discrimination in the insurance market is limited to Milwaukee, WI, I assure you this is not the case. There is ample reason to believe that insurance redlining does occur. It occurs all across this country. And we should be taking steps to enhance the Government's ability to combat this form of discrimination.

Mr. President, that is just the opposite of what is happening here. We are not taking the steps forward that need to be made. The language in this bill would actually take us about five steps backward. The provisions of this bill are a direct attempt to stop the Federal Government from investigating complaints of discrimination under the Fair Housing Act. That is what it is.

Mr. President, I have to say that I am very disturbed by this behind-closed-doors attempt to undermine the civil rights laws of this country. There have been no hearings on this proposal by either the Banking Committee or the Judiciary Committee.

Mr. President, I would like to know where the mandate for this change to our fair housing laws came from. I would like to know where the supporters of this radical language feel that the American people are somehow overprotected from racial and ethnic discrimination. Was this part of the Contract With America, to roll back the civil rights protections of this Nation? I did not see it in there.

I am very troubled that this would even be attempted. The supporters of this new language claim that the Fair Housing Act does not say one word about property insurance. It is true that the original act does not say that. But as a result of the Fair Housing Act amendments of 1988, Mr. President, which were signed by President Reagan, HUD promulgated regulations that specifically placed property insurance under the umbrella of the Fair Housing Act. These regulations were then promulgated by the Bush administration.

Let me repeat that. For those who might think HUD's involvement in combating property insurance discrimination is simply an initiative of the Clinton administration, that is categorically wrong. The regulations were as a result of a law that passed Congress with strong bipartisan support and was signed into law by President Ronald Reagan. And then the regulations were promulgated under the administration of President George Bush. So let us set aside the faulty assertion that HUD's role in enforcing the Fair Housing Act as it applies to property insurance is somehow just a new effort to expand the Federal Government's regulatory powers over a particular industry.

Mr. President, the supporters of this new language also say that regulating the insurance industry should be the sole domain of the States as mandated under the McCarran-Ferguson Act.

Mr. President, this, also, is a diversionary tactic. This is not an issue of regulating the insurance industry. The States are the regulators of the insurance industry. What this is, Mr. President, is an argument about whether the Federal Government has the ability to enforce the civil rights of those who have been discriminated against when they are attempting to purchase a home. That is what this is about—not taking away the powers of the States to regulate insurance. And this argument also fails to recognize that virtually every Federal court that has ruled on this issue, including the sixth circuit and the seventh circuit, have held that the Fair Housing Act applies to property insurance and that HUD was legally authorized to enforce the FHA as it relates to homeowners insurance.

Mr. President, I would like to begin to conclude these remarks by reading from an editorial in opposition to this ill-advised language, and that led to the attempt to strike the language.

Mr. President, this is not an article from The Washington Post or the New York Times. It is from the National Underwriter, which is the trade publication of the insurance industry. Let us see what they say about this attempt to gut the enforcement by HUD.

The editorial said:

> However receptive the Republican-controlled Congress is to business rewrites of legislation, and however large public antipathy to poverty and affirmative action programs seems, we feel the overwhelming majority of Americans believe in the fundamental principle that all U.S. citizens deserve equal access to the same goods and services, including those offered by insurers.
>
> . . . ..while the industry may not be looking to avoid redlining or civil-rights oversight, insurers certainly appear to be using a legislative end-run to keep HUD from trying to rectify legitimate insurance redlining and civil-rights wrongs.

That is what the insurance industry has even said about some of their counterparts' effort to block this.

So, Mr. President, I ask unanimous consent that the text of that editorial be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. FEINGOLD. Mr. President, I find it remarkable that the trade publication of the very industry in question has observed this is nothing more than a backdoor attempt to stop HUD from combating legitimate and real redlining abuses and discriminatory practices. I am not out here on the floor today to throw a blanket indictment on the insurance industry. I know many individuals in my home State who work in the industry, and it is my firm belief the vast majority of those people are decent, hard-working Americans who would join with me and the Senator from Maryland and the Senator from Illinois and others in condemning this sort of bigotry and discrimination. Unfortunately, it is evidence that these sort of abuses do occur. And the Federal Government has to do all it can do to enforce the Fair Housing Act as is required under current law.

I hope my colleagues will set aside their partisan and political differences and adhere to a set of principles that I think we really could all agree on. That not only includes the principle that every American should be free from discrimination wherever it may occur, but also a commitment and dedication to protecting and enforcing the civil rights in this country and continuing to battle the various forms of bigotry and discrimination that continue to pervade this Nation.

So, I urge my colleagues to reject the committee language which would quite simply block HUD's effort to fight insurance redlining, and I ask support for the amendment.

EXHIBIT 1

[From the National Underwriter, Aug. 21, 1995]

INSURER ATTACK ON HUD COULD BACKFIRE

As bald expressions of lobbying muscle go, the insurance industry's recent success in cutting off the U.S. Department of Housing and Urban Development's insurance purse strings in the House was certainly impressive.

But in the real world—that is, the world outside the D.C. Beltway—the industry's legislative coup may not play as well.

A broad coalition of insurers and their associations—led by the National Association of Mutual Insurance Companies, the National Association of Independent Insurers, State Farm and Allstate—pushed for language in this year's House version of the HUD appropriations bill which precludes the agency from using its funding for any insurance-related matter. That would effectively end HUD's much-feared initiative to set and enforce anti-redlining standards for property insurers.

Whatever their antipathies to having HUD stick its nose in their business, we think this coalition made a major miscalculation.

With recent court decisions running against them and a high level of public concern over insurers writing off rather than underwriting inner cities, insurers have simply tried to legislate away the heat without addressing the underlying problems which prompted HUD to act in the first place.

But the heat will not dissipate so easily, as National Fair Housing Alliance Executive Director Shanna Smith made clear. There are still the courts to consider—and in case the insurance industry has forgotten, if there is one thing consumer groups are good at, it is grassroots organizing of a particularly loud and visible sort that attracts the press and gives CEOs and public relations officials ulcers, not to mention shareholders.

The insurance industry—which isn't exactly held up by the public as an example of enlightened corporate interest to begin with—can almost certainly count on organized, deep and sustained consumer outrage if it pushes through the ban on funding for HUD insurance oversight.

All this for what? A one-year reprieve? (As part of an annual budget bill, the insurance funding ban is only for fiscal year 1996, and would need to be renewed annually.)

However receptive the Republican-controlled Congress is to business rewrites of legislation, and however large public antipathy to poverty and affirmative-action programs seems, we feel the overwhelming majority of Americans believe in the fundamental principle that all U.S. citizens deserve equal access to the same goods and services, including those offered by insurers.

HUD Secretary Henry Cisneros called the insurance funding ban "an affront to civil rights." And the National Association of Insurance Commissioners has unequivocally stated that urban poor and minority consumers do not have the same access to insurance products as their wealthier, suburban and white counterparts.

NAMIC's vice president of federal affairs, Pamela Allen, says insurers don't seek to avoid redlining issues or civil rights laws, but simply want to avoid dual regulation.

Perhaps this argument has some merit, but while the industry may not be looking to avoid redlining or civil-rights oversight, insurers certainly appear to be using a legislative end-run to keep HUD from trying to rectify legitimate insurance redlining and civil-rights wrongs.

Fiscally constrained state insurance regulators, with less restrictive unfair trade practices laws, do not have HUD's ability to conduct major probes and extract national settlements from large multi-state carriers.

NFHA's Ms. Smith told the National Underwriter: "I wish the presidents of the [insurance] companies would meet with us. They are sending subordinates in and they are not getting a clear picture of the seriousness of the charges against them."

If this is true, then we think insurers are jeopardizing their reputations by trying to make HUD go away. Instead of stiff-arming consumer and community-housing groups working with HUD in the process, insurers should act in good faith to seek out and repair any problems which might exist.

We know it is unlikely the industry will back off on this issue as it goes to the Senate. But suffice it to say when the next in the never-ending series of industry op-ed pieces on improving insurers' poor public image appear on these pages, we think we will be able to point out one example of what not to do.

Mr. FEINGOLD. Mr. President, how much time is remaining?

The PRESIDING OFFICER. There are 18 minutes 13 seconds left for the proponents of the amendment.

Who yields time?

Mr. BOND. Mr. President, I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. First, let me agree with my friend from Wisconsin that we do not support nor do I think the insurance industry would support redlining. We believe that everyone should have access to all services, whether they be insurance or housing or credit, not in any way limited by race, gender or other impermissible classifications.

What this language in the bill does—published, reviewed by the committee and the subcommittee, and brought here on the floor, not behind some closed doors, as he implied—is to say very simply that HUD should follow the law, a novel concept, perhaps one that may be a little foreign when one has perfect, pure motives. But even pure motives do not warrant disregard of the law.

Section 218 of the VA–HUD appropriations bill prohibits the use of any funds provided by the bill for the application of the Fair Housing Act to property insurance. This provision was also included in the House version of the bill. In theirs, however, it went farther, and I think that may have been what the Senator was addressing. He said you could not even look into the existence of it. We did not say that in our bill.

This provision, however, is an important means of eliminating duplication and wasteful expenditures of taxpayers' money. HUD's Office of Fair Housing and Equal Opportunity has devoted substantial resources to regulatory and other activities aimed at addressing alleged property insurance discrimination, purportedly pursuant to the Fair Housing Act. HUD not only has devoted its own personnel to these activities, it has paid millions of taxpayers' dollars to fund studies by outside consultants, to hire large law firms to do investigations and to fund enforcement efforts by private groups. HUD's property insurance activities and efforts to regulate insurance are unwarranted and beyond the scope of the law, beyond the scope of the Fair Housing Act and in contravention of the McCarran-Ferguson Act.

Every State and the District of Columbia have laws and regulations addressing unfair discrimination in property insurance, and they should be enforced. The States are actively enforcing these antidiscrimination provisions. Certainly, we can urge them to do better, but the law gives that responsibility to the States, and that is where the argument should be made.

The States are employing a wide variety of measures to ensure neither race nor any other factor enters into a decision whether to provide a citizen property insurance. In light of these comprehensive State-level protections, HUD's insurance-related activities do more than add another unnecessary layer of Federal bureaucracy. The application of the Fair Housing Act to property insurance not only unnecessarily duplicates State action, but it also contravenes Congress' intent regarding the scope of the law.

Congress never intended the Fair Housing Act to warrant HUD to regulate property insurance practices. The act expressly governs home sales and rentals and the services that home sellers, landlords, mortgage lenders, real estate providers and brokers provide, but it makes no mention whatsoever of the separate service of providing property insurance.

Indeed, a review of the legislative history shows that Congress specifically chose not to include the sale or underwriting of insurance within the purview of the act.

Further, application of the Fair Housing Act to insurance defies Congress' specific decision 50 years ago that in the area of insurance regulation, in particular, the States should remain unencumbered by Federal interference. In the McCarran-Ferguson Act of 1945, Congress determined that unless a Federal law "specifically relates to the business of insurance," that law shall not be deemed applicable to insurance practices. By applying the Fair Housing Act to insurance, HUD simply disregards the fact that the law does not "specifically relate to the business of insurance."

Some argue that HUD's actions are justified by court decisions, citing two appellate court rulings, one in the seventh circuit and one in the sixth circuit. But these decisions do not, in fact, confirm that the Fair Housing Act applies to insurance. Indeed, they are expressly contradictory in connection with the Fourth Circuit Court of Appeals in Mackay.

A favored position is that HUD included in the 1989 Fair Housing Act regulations a reference to nondiscrimination in the provision of property or hazard insurance or dwellings.

But HUD took this action without expressed legislative authority from Congress. Unless the Supreme Court should interpret the HUD regulation as giving itself legislative authority, then there is no national authority for applying the Fair Housing Act to property insurance.

I believe that the American people want Congress to have the Federal Government perform those functions it should perform, and it is required by constitutional law or other practice to do that effectively, to do our job well and to return to State and local governments those activities which are expressly left to the States and local governments. Regulation of insurance is one of those.

As for the Federal Government, I think we have to streamline regulatory activities, and that means hard choices. However, there is one area where Federal spending should be cut back, where it should not be a problem to determine whether cutbacks are appropriate, and that is when HUD's activities go beyond the scope of the law. If HUD is not authorized to do it, in fact, is expressly prohibited from doing it, we have said in this bill, "Don't spend any more money to do it."

This would not be in question if HUD had not been going beyond the scope of the law in spending millions of dollars already. There is simply no justification, in a time of scarce resources, when HUD needs to be providing assistance in housing for those in grave need, to take away from that vital function funds that could go for housing and apply them to insurance-related activities that duplicate existing comprehensive State regulations, at the expense of the American taxpayer and at the expense of those people who depend upon federally assisted housing for their shelter.

This should be an easy choice for this body: Provide housing assistance to those who need it, deal with the problems of the homeless, but get HUD out of an area where it has no authority, no responsibility and, in fact, has spent millions of dollars beyond its authority.

Mr. President, I reserve the remainder of my time.

Mr. FEINGOLD. Mr. President, I yield 10 minutes to the Senator from Maryland.

The PRESIDING OFFICER. The Senator from Maryland.

Ms. MIKULSKI. Mr. President, I rise as a very strong cosponsor of the Feingold/Moseley-Braun amendment. As has been stated by the author of the amendment, this amendment would strike the provisions in this bill that prohibit HUD from enforcing fair housing laws as they pertain to property insurance. What does that mean? It means that the amendment that we are cosponsoring would eliminate the prohibition that now in the law says that HUD will not be able to prevent redlining in property insurance.

The language that is currently in the bill would bar HUD from preventing insurance companies from discriminating on the basis of race, sex, nationality, religion, or disability. This has primarily manifested on the issue of race.

Property insurance, as we know, is necessary to qualify for a home mortgage loan. Allowing property insurance companies to disregard the housing act could end up denying not only insurance to homeowners but actually would be an impediment to owning homes themselves. As a Senator who has always worked for social justice, I cannot support the provision currently in this bill.

I am directly affected by this. I live in Baltimore City. I now pay more for insurance. I pay more for my property insurance. I pay more for my car insurance. I pay more not because of who I am, what I am, but because of my zip code, and there is a prejudice against that zip code simply because it is in Baltimore City.

Yes, I live 8 blocks from a public housing project. I live around the corner from a shelter for battered women. I live in a Polish community that is also now historic in gentry.

We have one of the lowest crime rates in Baltimore City. We have one of the lowest auto theft rates in the city. We have one of the lowest rates of problems related to fires, theft, robbery, assault, mayhem, but we pay more. And why? Not because we are good citizens, but because we live in a certain zip code.

Now, hey, at least, though, I can get the insurance. I pay more, perhaps unjustly, but I pay more, and so do my neighbors. So do those young students at the Johns Hopkins School of Public Health. So do the Polish ladies who belong to the Society of Sodality. So do the priests at St. Stanislaus Church, and so do the people of color who live around us in the neighborhood. Now, I do not think that happens to be right.

Also in Baltimore County and Prince Georges County we have a rising number of African-American middle-class people who have access to home ownership, often primarily because of what is in this bill.

Through the VA and through the FHA, this subcommittee—and I know this chairman has promoted home ownership. Now, though we are promoting home ownership on one side of the Federal ledger, we are going to deny the Federal Government's ability to enforce antiredlining in property insurance. I do not think that works.

At a time in our Nation's history when civil rights violations are universally rejected by people of conscience, and I know 99 other people in this body who also agree with that, I cannot understand why the Senate wants this type of provision. I hope that all Senators will find this provision as unsettling as I do. I urge my colleagues to support this amendment.

Now, we can talk about States rights. I will not start the debate here on States rights. But the phrase "States rights" has been a code word word and buzzword for so long under the guise of States rights that often there has stood prejudice in our society. I am not going to bring that up.

But what I will bring up is when we talk about duplication, about the fact that States and local governments have one set of laws and the Federal Government should not duplicate—when I was in the Baltimore City Council, I passed the first legislation in the city government to prevent discrimination on the basis of disability. Then some 12 years later, we passed a Federal law. Nobody in the Baltimore City Council said, "Oh, no, BARB, we do not need that because you did this 12 years ago." Well, we needed it there, and we need it now. When we look at the fact that it is the Federal Government that is promoting home ownership, the Federal Government has a role in making sure the people who benefit from VA and FHA can get the property insurance to protect their property.

I have a letter from the Fair Housing Coalition, and I ask unanimous consent to have it printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

SEPTEMBER 11, 1995.

Hon. BARBARA MIKULSKI,
U.S. Senate, Washington, DC.

DEAR SENATOR MIKULSKI: We are a group of national civil rights and community organizations writing to express our united opposition to anti-civil rights provisions passed as part of the FY 1996 VA-HUD appropriations bill by the U.S. House of Representatives. The first provision exempts an entire industry from complying with basic, civil rights protections under the Fair Housing Act. The second defunds the community-based infrastructure which undertakes enforcement as well as preventive efforts to eliminate all forms of housing discrimination. Together, these two provisions go beyond curtailing HUD's enforcement activities related to homeowners insurance discrimination.

The House language would bar the U.S. Department of Housing and Urban Development from preventing insurance companies from discriminating on the basis of race, sex, national origin, color, religion, familial status or disability in determining which homes or homeowners qualify for homeowners insurance. Without homeowners insurance, potential homeowners cannot qualify for a home mortgage loan and consequently cannot purchase or own their own home.

Discrimination in the provision of homeowners insurance continues to plague middle-class, working-class and integrated and minority neighborhoods. Complaints from homeowners, as well as studies and investigations demonstrate the current pervasiveness of this problem. For example, a study by the National Association of Insurance Commissioners found that it is more difficult for residents of minority and integrated neighborhoods to obtain insurance coverage and that these homeowners often pay more for inferior coverage. Equally damaging are the extra efforts African-American and Latino homeowners must undertake in order to obtain any type of coverage.

The insurance industry responds that monitoring of homeowners insurance is the purview of the states and outside the jurisdiction of the Fair Housing Act. However, the Sixth and Seventh Circuit Courts of Appeal have determined that HUD has authority to investigate insurance discrimination complaints and that the Fair Housing Act prohibits insurance redlining.

If this anti-civil rights rider remains, HUD would be required to suspend all activities pertaining to property insurance. Ordinary citizens will be denied the HUD administrative process for resolution of their complaints. In fact, HUD would be prohibited from continuing the investigation and settlement efforts of the 28 insurance discrimination complaints now pending. The benefits of an effective conciliation process will be lost, leaving only the option of costlier, private litigation—an option few ordinary citizens can afford. The ability of society as a whole to redress the consequences of discrimination in homeowners insurance will also be seriously curtailed because no state insurance law provides protection to insurance consumers equivalent to the protections of the Federal Fair Housing Act.

The House language also removes the Fair Housing Initiatives Program (FHIP) which provides funding to nonprofits, municipalities and universities across the country to enable them to provide education, outreach, enforcement and counseling to both citizens and industry associations on all forms of housing discrimination. FHIP-funded organizations provide training and information to landlords, real estate agents, mortgage lenders and other members of the real estate industry about their responsibilities and protections under the Fair Housing Act. FHIP-funded organizations are also the first resource available to victims of all forms of housing discrimination. Such agency intervention often results in informal resolution of complaints so that they never reach HUD or the courts.

The House language goes far beyond exempting the insurance industry from HUD enforcement of the Fair Housing Act. It eliminates all HUD efforts to ensure that homeowners insurance is provided to every American on an equal basis. By defunding FHIP, the U.S. Congress also would be abandoning support for the nonprofits, municipalities and universities which undertake enforcement as well as preventive measures to reduce all forms of housing discrimination.

This coalition is united in its belief that guaranteeing equal access to the opportunity of homeownership is a quintessential federal activity. The availability of homeowners insurance is no different than the availability of a home mortgage loan on equal terms.

We urge you to continue the bipartisan tradition of supporting the Fair Housing Act by opposing efforts to exempt the insurance industry from complying with this crucial civil rights protection and by supporting continued funding for FHIP.

Sincerely,

American Civil Liberties Union.
Bazelon Center for Mental Health Law.
Center for Community Change.
Lutheran Office for Governmental Affairs.
Mexican American Legal Defense and Education Fund.
National Association for the Advancement of Colored People.
NAACP Legal Defense and Educational Fund, Inc.
National Asian Pacific American Legal Consortium.
National Council of La Raza.
National Fair Housing Alliance.
National Low Income Housing Coalition.
National Puerto Rican Coalition, Inc.
National Urban League.
NETWORK: A National Catholic Social Justice Lobby.
People for the American Way.

Ms. MIKULSKI. Mr. President, what they point out is that the National Association of Insurance Commissioners found it is more difficult for residents of minority and integrated neighborhoods to obtain insurance coverage and that these homeowners often pay more for inferior coverage. Equally damaging are the efforts of African-American and Latino owners, what they must undertake in order to obtain any type of coverage. And if this civil rights rider would continue, HUD would be required to suspend most activities pertaining to property insurance and, in fact, it would even mitigate solving some of the problems we face.

I know about the McCarran-Ferguson Act. I tried to end discrimination in insurance when I was in the House of Representatives. I heard enough about that to qualify for law school. But one thing I do know is that when the insurance industry complains that it is exempt from coverage under the Fair Housing Act because of this, that is not so.

The position of the Federal Government and the courts is that the McCarran-Ferguson Act does not supersede or impair Federal authority to enforce the Fair Housing Act. While every State has property insurance laws that prohibit unfair discrimination, no State law provides the protection to insurance consumers equivalent to the protection of the Federal Fair Housing Act.

Also, the insurance industry claims that all minority or ethnic homeowners who are eligible for insurance are able to purchase it. Yet investigations by the National Fair Housing Alliance have found that while some minorities have been able to attain insurance, this coverage is often inferior. In many instances, they found out that African-Americans or Latinos, when they called an agent, did not receive a return call or a followup phone call.

Also, insurance companies claim that the disclosure of underwriting and pricing mechanisms would violate trade secrets, damaging their profits. But Connecticut requires the filing of the underwriting guidelines and makes them publicly available, and there is no evidence that it has a detrimental effect on any of the company's profits.

Also, the insurance industry claims that it costs more to provide insurance in urban neighborhoods, which is why they say it must be so high. While the industry makes that claim, they have never presented any evidence to document that. The evidence, for example, from the Missouri Insurance Commission shows that is not true.

Because, again, of the activities of the Federal Government to make home ownership available, we now have many of our African-American constituents living in the suburbs. It is a wonderful happening in Maryland. It is exciting to see that. I would hate to see that after working so hard to have access to the American dream, the ability to get insurance turns into an American nightmare because of an action taken by the Federal Government that says it is wrong to redline on the basis of race, gender, national origin, or disability, to be able to get the property that you worked so hard to get, and to not be able to have it insured.

Mr. President, I yield the floor.

Mr. WELLSTONE. Mr. President, I speak today in support of the amendment offered by Senator FEINGOLD that will strike section 218, a provision in the bill that would bar HUD from using funds to pursue claims of property insurance redlining. I am proud to be a cosponsor of this amendment.

I want to make it very clear that I believe the U.S. Senate should not set the precedent of exempting property insurance from fair housing laws. The Senate report accompanying H.R. 2099 states that section 218 "prohibits the use of any funds by HUD for any activity pertaining to property insurance." What this means is that HUD could not investigate any Fair Housing claims of property insurance redlining. If the provision is not stricken, Americans might be kept from buying houses because they might not be able to get homeowners insurance. I believe that all Americans have the right to homeowners' insurance regardless of race or ethnicity or the neighborhood where they live.

The insurance industry claims that this type of denial of coverage is not taking place, but HUD reports that it continues to process and settle thousands of claims of property insurance redlining. Unfortunately, the practice of denying coverage to Americans because of the neighborhood they live in or the color of their skin is still happening. The Wall Street Journal on September 12, 1995, reported in an article titled, "Study Finds Redlining Is Widespread in Sales of Home-Insurance Policies," that a "study by the Fair Housing Alliance and other civil rights groups found that minority callers to insurance agents were often denied service or quoted higher rates than white callers seeking insurance for similar homes in predominately white neighborhoods."

If HUD is barred from investigating claims of property insurance redlining, Americans will be denied the protection of a basic civil rights law. I do not think that insurance companies should be exempt from property insurance provisions in the Fair Housing Act.

This is a simple amendment that will protect all Americans from discrimination by insurance companies when they are trying to purchase homeowners insurance. I want to thank my colleague for offering this important amendment.

Mr. KENNEDY. The pending appropriations bill would prevent enforcement of the Fair Housing Act against the insurance industry. I rise in support of the Feingold amendment to strike this ill-considered proposal.

Equal access to housing is a right guaranteed to all Americans, and the Fair Housing Act is one of the pillars of our civil rights laws. Discrimination against racial and ethnic minorities seeking to rent or purchase housing is just as repugnant as employment discrimination or discrimination in public accommodations.

In the wake of the Supreme Court's Adarand decision, the country is currently engaged in an important debate about affirmative efforts to promote the integration of minorities into American society. But whatever the outcome of that debate, I had thought that the basic pillars of our civil rights laws—the laws that prohibit discrimination against minorities—were not up for grabs in the current Congress. Yet the attack on the Fair Housing Act embodied in the pending bill raises doubts about this Congress' commitment to eradicating discrimination.

The bill before us contains two unacceptable provisions relating to the Fair Housing Act. First, it shifts the authority to enforce violations of the Fair Housing Act from the Department of Housing and Urban Development to the Department of Justice. Second, the bill bars enforcement of the Fair Housing Act in the area of housing insurance redlining.

We have reached an agreement with the Senator from Missouri to postpone the transfer of enforcement authority while the committees of jurisdiction consider this complex question. But the insurance proposal is still in the bill, and the pending Feingold amendment would strike it.

I was one of the authors of the 1988 fair housing amendments, a comprehensive effort to improve and expand enforcement of the laws designed to protect the civil rights of those seeking to buy or rent property. One of the clear purposes of the 1988 act was to end discrimination in the provision of property insurance. Since that time, every court which has addressed the issue has agreed that the Fair Housing Act covers property insurance discrimination.

The reasoning behind the 1988 amendments is simple. The ability to obtain property insurance is a precondition to buying a home. Without property insurance, a lender will not provide a mortgage. Without a mortgage, most Americans would not be able to afford a home. The 1988 fair housing amendments were intended to insure that all Americans can apply equally for property insurance—without discrimination.

Even today, it is more difficult for residents of predominately minority communities to obtain property insurance. And when they can secure insurance, it is often at an inflated price. The Department of Housing and Urban Development, using the 1988 fair housing amendments, is successfully working to end this fundamental violation of civil rights. We cannot now take a step backward and deny millions of Americans the chance to own their own home by making it more difficult for them to obtain property insurance.

One effect of this provision would be to take enforcement of the laws against "redlining" out of Federal hands and effectively leave such enforcement to the vagaries of State law. While some States have statutes prohibiting some aspects of discrimination in the provision of property insurance, these laws do not go as far as the Fair Housing Act in preventing discrimination. For example, as of 1993, only 26 States had specific prohibitions on the offensive practice of insurance redlining.

In addition, no State law provides redress equivalent to the Federal Fair Housing Act. State laws simply do not provide the breadth of coverage or range of remedies which are currently available under Federal law. Why then, should we limit the remedies due to victims of housing discrimination?

This Congress has consistently rejected efforts to give States exclusive control over civil rights, and there are sound historical reasons for that. We should not make an exception to that simple principle. We must not move backward in the fight to end housing discrimination. We must ensure, through the pending amendment, that all Americans have equal access to the housing market—without discrimination.

Mr. BRADLEY. Mr. President, I rise in support of the Feingold amendment to strike the language in this bill barring the Department of Housing and Urban Development from enforcing the Fair Housing Act against insurance redlining. The language in this bill will deny the protection of a basic civil rights law to people subject to discrimination by a particular industry. Because insurance redlining is a reality in America, efforts to eliminate such discrimination should be aggressively undertaken. Sadly, by stripping HUD of its enforcement authority, this bill will allow such discrimination to flourish.

Mr. President, insurance redlining is a serious problem in this country. Recently, American Family Mutual Insurance Co. settled a redlining case by paying $16.5 million. The lawsuit was filed by seven African-American homeowners in Milwaukee who were either turned down, offered inferior policies, or charged more money for less coverage on home insurance policies. The insurance company settled the lawsuit after it was discovered that a manager at the company wrote to an agent who was willing to write insurance for African-Americans: "Quit writing all those Blacks."

In addition, Mr. President, the National Fair Housing Alliance conducted a 3-year investigation—partially funded with $800,000 from a HUD grant awarded when Jack Kemp was HUD Secretary—using white and minority testers posing as middle-class homeowners seeking property insurance coverage. The test covered nine major cities and targeted Allstate, State Farm, and Nationwide Insurance. The homes selected were of comparable value, size, age, style, construction, and were located in middle-class neighborhoods.

The investigation uncovered the fact that discrimination against African-American and Latino neighborhoods occurred more than 50 percent of the time. Astoundingly, in Chicago, Latino testers ran into problems in more than 95 percent of their attempts to obtain insurance, while in Toledo, African-Americans experienced discrimination by State Farm 85 percent of the time. While white testers encountered no problems obtaining insurance quotations and favorable rates, African-American and Latino testers encountered the following problems:

Failure by insurance agents to return repeated phone calls;

Failure to provide quote information;

Giving preconditions for providing quotes—inspection of property, credit rating checks;

Failure to provide replacement-cost coverage to homes of blacks and Latinos; and

Charging more money to blacks and Latinos, while providing less coverage.

Mr. President, property insurance discrimination is illegal under the Fair Housing Act. Under Secretary Cisneros, HUD has been an active participant in enforcing the Fair Housing Act and ensuring that property insurance discrimination ceases. The insurance industry has been fighting in court to restrict HUD's authority to enforce insurance redlining. The industry has not been successful in the judicial arena in its efforts to stop HUD's enforcement activities. Thus, the industry has now turned to Congress to restrain stepped-up Federal fair lending enforcement efforts.

Insurance redlining directly affects the ability of African-Americans, Asians, and Hispanics to purchase a home, because the denial of insurance results in the denial of a mortgage loan, which in turn results in the inability to purchase a home. Mr. President, opponents of affirmative action in Congress have argued that strong enforcement of civil rights laws is the appropriate mechanism to stop discrimination. However, efforts are now underway to strip the one agency that has been aggressively battling housing discrimination of its enforcement authority and remove a whole category of discrimination—insurance redlining—from the reach of the law. This effort needs to be stopped in its tracks.

The PRESIDING OFFICER. Who yields time?

Mr. BURNS. Mr. President, I want to associate myself with the words of the chairman of this committee and make a couple of points.

Whenever we start talking about Government and Government rules and regulations, first of all I do not think anybody deplores discrimination at any stage more than I do. Because we would allow this into this bill will not take care of the problems that we seem to be facing in insurance redlining.

Of course, I still believe in the jurisdiction of McCarran-Ferguson. Every State and the District of Columbia have laws and regulations addressing unfair discrimination in property insurance. Do we become redundant and put one law on top of another, thinking that the Federal enforcement will be any better than the State enforcement? I think that is a question.

Congressman KENNEDY over on the House side offered an amendment to strike the language prohibiting HUD from promulgating Federal regulations and it was soundly defeated, bipartisan, by a 266-to-157 margin.

What we are seeing with this amendment is exactly what this Senator and the American people do not want to see—the Federal Government getting involved in something where the States clearly have jurisdiction. It might surprise you that even Congressman DINGELL, former chairman over on the House side, in a letter dated November 3, 1994 to Secretary Cisneros of HUD, and Alice Rivlin, said this:

> It is important to note that the Fair Housing Act does not explicitly address discrimination in property insurance. Nor does the legislative history that accompanies the act indicate any intention to apply these provisions to business insurance.

He went on and added:

> It is also particularly significant because the legislative history of the act reveals that in 1980, in 1983, 1986, and 1988, Congress specifically rejected attempts to amend the act to cover property insurance.

So we are going into an area that clearly is the jurisdiction of the States. I think we are also going into an area where we become very, very redundant on the laws, and putting one on top of the other probably does not take care of the problem that all of us want to see taken care of.

I ask my colleagues, if redundancy is part of what we are trying to fight out in this Government, then maybe we should take a look and see what we are doing here where the States clearly have jurisdiction.

Mr. President, I yield the floor. I reserve the balance of my time.

Mr. FEINGOLD. I yield to the Senator from Illinois 4 minutes.

Ms. MOSELEY-BRAUN. Thank you, Mr. President. I do not agree with the Senator's use of the term "redundancy." If anything, this debate is kind of déjà vu all over again. This is precisely the battle lines that were drawn in the civil rights debates that happened in this very Chamber 30, 40 years ago, and that I had hoped our Nation had moved beyond.

This is an issue of civil rights. This is an issue of civil rights for all Americans—not just African Americans, not just minority Americans, but all Americans.

Mr. President, since the passage of the Civil Rights Act of 1964 and all other legislation intended to provide equality of opportunity to all Americans, since that time the Congress has consistently rejected the argument that the Federal Government should leave the enforcement of civil rights to the exclusive jurisdiction of the States.

Members may recall—before my time, certainly—but people may recall the arguments made in the 1960's about States rights and how the States should have exclusive province for enforcement of civil rights. The Congress stepped in and said, "No, that is not correct. We have a very real national interest in ensuring that all Americans have effective remedies for acts of discrimination."

Mr. President, that is precisely what this debate is about. As a recent editorial stated:

> If State laws are effective and States are actively investigating opposing penalties . . . why has every significant legal action been taken by private attorneys or the Federal Government? Why have such actions been taken almost exclusively under the jurisdiction of Federal fair housing law and not State insurance codes? Where, for example, was the Wisconsin insurance commissioner throughout the 8 years during which the case against American Family was being investigated and litigated?

In short, Mr. President, the antiredlining protections of the Federal Fair Housing Act have provided us with the ability to have enforcement of fair housing laws, have provided us with the ability to enforce antidiscrimination laws and antiredlining laws. Because of that protection, Americans are better off; our country is better off.

I plead with my colleagues not to allow this issue to become one of division among us, but rather to bring us together and allow for the protections of the law against redlining, against discrimination, to continue.

I encourage support for the amendment of Senator FEINGOLD.

The PRESIDING OFFICER. The Senator from Wisconsin has 6 minutes remaining.

Mr. FEINGOLD. I yield 3 minutes to the senior Senator from Illinois.

Mr. SIMON. Mr. President, I rise in strong support of the Feingold amendment.

It is very interesting that the Senator from Missouri, the senior Senator from Missouri, mentioned the McCarran-Ferguson Act. The Association of Attorneys General of the States unanimously wants that repealed.

I can remember when Attorney General Ed Meese, not a flaming radical, testified before the Judiciary Committee that McCarran-Ferguson ought to be repealed.

When Senator BOND says, "We do not support redlining," that is like saying we do not support going through this red light, but we are not going to arrest you if you do go through this red light. That just does not make any sense.

I am old enough, Mr. President, to remember the 1954 school desegregation decision by the U.S. Supreme Court, and we thought we were going to move into an integrated society.

But our housing pattern has prevented the kind of progress that we should have. The National Association of Insurance Commissioners recognizes that this is a serious problem. The pattern of housing discrimination is clear. It is probably one of the most blatant areas of discrimination that remains in our society.

When I was a young, green State legislator, I was a sponsor of fair housing legislation to prohibit discrimination, and I remember it was a very emotional issue at that point. I can remember talking to groups and sometimes someone would ask the question: Will this not lead to mixed marriages? And I said that I thought all marriages were mixed marriages.

The questioner would respond: Well, that is not exactly what I meant. And of course they would spell out their worry about interracial marriages, and I would say: How many of you in here married the boy or girl next door? I never, ever had anyone raise their hand. Then I said: If you really are concerned about racially mixed marriages, then have people move next door; then you will solve what you see as a problem.

The fact is, Mr. President, if we pass this without the Feingold amendment, we are going to make it easier to discriminate. That is the reality. Part of the American dream ought to be to have a home that you like and to be able to pay for that home. We should not be denying that dream. That is what this bill does without this amendment.

I hope that we can appeal to some of our colleagues on the other side of the aisle to stand up for civil rights on this issue. We should not take a step backward.

Mr. BURNS. Mr. President, I want to finish with one point here and then I think I will yield some time to the other side because I think we have pretty much made our point.

When we look at the McCarran-Ferguson Act, it says:

> No act of Congress shall be construed to invalidate, impair, or intercede any law enacted by any State for the purpose of regulating the business of insurance unless such act specifically relates to the business of insurance.

In other words, what they are saying, if we want to change the McCarran-Ferguson Act, it has to be done in freestanding legislation.

Basically, I will go right back to say that we are just adding redundancy. We are adding another layer of bureaucracy to try to deal with something the States are having success in enforcing. I think we are laying one law on top of another law.

Mr. President, I yield 10 minutes of extra time to the manager on the other side and I yield back the balance of our time.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Wisconsin now has 13 minutes and 5 seconds.

Mr. FEINGOLD. I yield myself a moment to say that I certainly thank the Senator from Montana for his great courtesy in yielding some of his time.

I will now yield 7 minutes to the junior Senator from Illinois.

Ms. MOSELEY-BRAUN. I thank Senator FEINGOLD.

Mr. President, I want to also thank the Senator from Montana and the Senator from Wisconsin for yielding me additional time. I tried to talk fast because I thought we were under greater time constraints than we are. I do want to address the whole question of regulation.

Mr. President, this issue has nothing to do with regulation. It is about civil rights. Enforcement of antiredlining provisions does not regulate insurance; rather, it prohibits discrimination. It works to ensure that insurance, like all other goods and services, is available to all citizens regardless of race.

We cannot allow, we should not allow, civil rights protections to be rolled back in the name of insurance reform. There is no reason, Mr. President, why discrimination in insurance should be treated any differently than any other form of housing discrimination.

Enforcement of the Fair Housing Act does not involve regulation. Regulation of rates or other aspects of the insurance business is indeed a State responsibility, and no one has argued that point.

What HUD is obligated to do, and what it has done under this section of the law, is to enforce civil rights laws that prohibit discrimination. No one has offered any valid explanation to show why this particular industry should be exempted from civil rights antidiscrimination laws.

In the absence of the Feingold amendment, that is what this Congress will be doing.

Mr. President, I appeal to my colleagues that the smokescreen of State rights to regulate insurance is just that in this instance. This is very clearly an issue going to the heart of enforcement of our laws prohibiting discrimination of all types.

I hope that my colleagues will support the attempt by Senator FEINGOLD to add back into the law the protections against insurance redlining that his amendment provides. I call on my colleagues to take a good, close look at what is at stake in this debate. We talked. There are a lot of words around all of these issues. But the reality of it is that when anyone has to pay more for any good or service just because of the color of his or her skin, that is a situation that these United States, I hope, has moved away from and will continue to move away from and will never go back to. To suggest we go back to that under the guise of the sloganizing about States rights is shortsighted, counterproductive, antediluvian, and I frankly would be stunned if that would be the kind of signal this Congress wants to send to the American people.

I therefore express strong support for the Feingold amendment and hope my colleagues will do so as well.

I yield the floor.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, I yield myself such time as I require.

I thank the junior Senator from Illinois not only for her statement, but for her great leadership on this issue. I share her view. I will be stunned if this body, that has risen to the occasion on many instances, actually goes forward and takes this extremely serious and harsh act with regard to the civil rights laws of our country.

There was a suggestion at the beginning by the Senator from Missouri that somehow there would still be an ability for HUD to do something about this problem if we do not reverse this. But what the language says in the current committee amendment is:

> None of the funds provided in this act will be used during fiscal year 1996 to sign, promulgate, implement, or enforce any requirement or regulation relating to the application of the Fair Housing Act to the business of property insurance.

That is pretty clear. Maybe they can think about the issue during their coffee break, but they are not going to be able to do a darned thing about it. Do not let anyone kid you, this completely guts HUD's ability to do something about property insurance discrimination.

Then there was an attempt, I know in good faith, to suggest that somehow the McCarran-Ferguson Act prevents the Federal Government from taking this step. Let us look at the plain language of the Fair Housing Act. The Fair Housing Act, which is also a law of our country just as much as the McCarran-Ferguson Act, says it is unlawful "* * * to make unavailable or deny housing because of race, and prohibits discrimination in the provision of services [in the provision of services] in connection with the sale of a dwelling."

Any American will tell you that homeowners insurance is the provision of services in connection with the sale of a dwelling. It is clearly within the ambit of that statute and it has been litigated. It has been litigated in the legal circuit that both the Senator from Illinois and I live in, the seventh circuit. They took up the question of whether the McCarran-Ferguson Act prevented the application of the Fair Housing Act to property insurance and they ruled that in fact it was perfectly consistent with and within the provisions of that law. So this, too, is a red herring. It is a red herring that attempts to obfuscate the fact that this is a direct assault on years and years of trying to do something at the national level about a widespread national effort by some elements in the insurance industry to prevent honest, hard-working Americans from owning a home.

I have come out to the floor since the November 8 election and I have voted to send some powers back to the States. I agree with that sentiment in many areas. I voted for the unfunded mandate bill. With some concern, I voted for the Senate version of the welfare bill. I voted to let the States decide what the speed limit should be. I voted to let the States decide whether we should have helmet laws. I voted to let the States decide what the drinking age should be. I even voted to let them decide whether or not to have seatbelt laws. But this goes too far. This is ridiculous, to suggest you simply leave a consistent national pattern of discrimination up to the States.

I recently received a letter from James Hall of Milwaukee. Mr. Hall was one of the lead attorneys in the Milwaukee redlining case that went to the Seventh Circuit Court of Appeals. In this letter, Mr. Hall laid out the reasons why the plaintiffs in this case chose the Federal route rather than relying on the Wisconsin State laws and courts.

I ask unanimous request that the text of the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

HALL, PATTERSON & CHARNE, S.C.,
Milwaukee, WI, September 26, 1995.

Re: Insurance Redlining.

Hon. RUSSELL FEINGOLD,
Hart Senate Office Building,
Washington, DC.

DEAR SENATOR FEINGOLD: The purpose of this letter is to discuss aspects of my involvement in the lawsuit *NAACP, et al.* vs. *American Family Mutual Insurance Company*, which was filed in United States District Court for the Eastern District of Wisconsin in July 1990 and resulted in a settlement in the spring of 1995. I understand that you are familiar with the terms of the Settlement Agreement and the involvement of the United States Justice Department in arriving at the settlement with the defendant American Family Insurance Co.

The attorneys for the plaintiffs (the NAACP and seven individuals), decided to commence the action in the United States District Court, as opposed to Wisconsin state courts. There were several reasons for our decision and why similarly situated plaintiffs may decide to utilize the federal courts:

1. We believed that the scope and range of remedies and relief obtainable under Title VIII in federal court were superior to those which we could expect to obtain in state court. There was more precedent in terms of Title VIII litigation and remedies (although not necessarily in the area of insurance redlining). This included the possibility of advancing a disparate impact theory of proof as opposed to relying totally on having to prove "intent."

2. It is very difficult to proceed with complex litigation while advancing on theories that may or may not hold water. For instance, the District Court dismissed one of the plaintiffs' causes of action based on state insurance law, finding that it was not clear that the state law intended a private cause of action. It is likely that litigants pursuing theories under state law will find themselves in uncharted waters advancing causes of action without precedent when proceeding under various state statutes. Fortunately, in our case, we had other causes of action, including the Fair Housing Act claim, which survived.

3. While the McCarran-Ferguson Act could have potentially created a problem, we advanced the theory (and the Seventh Circuit Court of Appeals agreed), that the Fair Housing Act provisions are consistent with the provisions of the Wisconsin statutes outlawing insurance discrimination. Accordingly, the McCarran-Ferguson Act was not found to have been violated. However, there may be serious questions concerning the ability to proceed in states which enact legislation providing, for instance, that state statutes are the exclusive remedy for discrimination. (It is doubtful that any state would pass legislation which is outright inconsistent with the federal Fair Housing Act, for instance, providing that insurance discrimination is lawful.)

4. Another consideration involves the situation when a national or regional insurer conducts business in several states. In order to meaningfully address that insurer's practices, it may be necessary to commence litigation in each of the various states. It is much more convenient and cost-effective to be able to utilize the federal system.

All of the above reasons, but in particular, uncertainties about the burdens of proof and the scope of remedies, resulted in our decision to bring the action in the United States District Court. We appreciate the efforts of yourself, Senator Mosley-Braun, and others aimed at continuing to allow HUD to have the ability to have meaningful involvement in this very important area of the law which affects the lives of millions of Americans.

If I may be of assistance in any way, please advise.

Sincerely,

JAMES H. HALL, Jr.

Mr. FEINGOLD. Mr. President, this should not be done, even in the name of the Contract With America, which I do not support, but I have supported some provisions of this. This really defaces the notion of devolution to the States. Some things still have to be done by the Federal Government and one thing for sure is combating discrimination in this country.

Mr. President, I urge all my colleagues to support this amendment.

How much time remains?

The PRESIDING OFFICER. There are 6 minutes and 28 seconds remaining.

Mr. FEINGOLD. Mr. President, I yield the remainder of my time.

Mr. BOND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. FEINGOLD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FEINGOLD. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. FEINGOLD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BOND. Mr. President, I move to table the Feingold amendment. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 2788

The PRESIDING OFFICER. Under the previous order, the question occurs on the motion to waive the Congressional Budget Act for the consideration of amendment number 2788 offered by the Senator from New Jersey [Mr. LAUTENBERG]. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. LOTT. I announce that the Senator from North Carolina [Mr. FAIRCLOTH] is necessarily absent.

The PRESIDING OFFICER (Mr. SANTORUM). Are there any other Senators in the Chamber who desire to vote?

The yeas and nays resulted—yeas 45, nays 54, as follows:

[Rollcall Vote No. 469 Leg.]

YEAS—45

Akaka
Baucus
Biden
Bingaman
Boxer
Bradley
Breaux
Bryan
Bumpers
Byrd
Cohen
Conrad
Daschle
Dodd
Dorgan
Feingold
Feinstein
Ford
Glenn
Graham
Harkin
Heflin
Hollings
Inouye
Johnston
Kennedy
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Mikulski
Moseley-Braun
Moynihan
Murray
Nunn
Pell
Pryor
Reid
Robb
Rockefeller
Sarbanes
Simon
Wellstone

NAYS—54

Abraham
Ashcroft
Bennett
Bond
Brown
Burns
Campbell
Chafee
Coats
Cochran
Coverdell
Craig
D'Amato
DeWine
Dole
Domenici
Exon
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hatch
Hatfield
Helms
Hutchison
Inhofe
Jeffords
Kassebaum
Kempthorne
Kerrey
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Packwood
Pressler
Roth
Santorum
Shelby
Simpson
Smith
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Warner

NOT VOTING—1

Faircloth

The PRESIDING OFFICER. If there are no other Senators wishing to vote or change their vote, on the vote the ayes are 45 and the nays are 54. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

The point of order is sustained and the amendment falls.

Mr. BOND. I move to reconsider the vote.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BOND. Mr. President, I ask unanimous consent that the call for the quorum be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2789

Mr. BOND. I ask unanimous consent that the vote ordered for amendment No. 2789 be vitiated and that the motion to table be withdrawn.

We are prepared to accept the amendment on this side.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question occurs on agreeing to the amendment.

So the amendment (No. 2789) was agreed to.

Mr. BOND. I move to reconsider the vote.

Ms. MIKULSKI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHAFEE addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

AMENDMENT NO. 2790 TO COMMITTEE AMENDMENT ON PAGE 143, LINE 17 THROUGH PAGE 151, LINE 10

Mr. CHAFEE. Mr. President, I have an amendment that has been agreed to by the managers.

I ask consent that the pending committee amendments be set aside in order to consider the committee amendment on page 143, line 17.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. CHAFEE. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Rhode Island [Mr. CHAFEE] proposes an amendment numbered 2790 to the committee amendment on page 143, line 17 through page 151, line 10.

Mr. CHAFEE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 150, strike lines 12 through 24, and insert the following: "for this fiscal year and hereafter, an industrial discharger that is a pharmaceutical manufacturing facility and discharged to the Kalamazoo Water Reclamation Plant (an advanced wastewater treatment plant with activated carbon) prior to the date of enactment of this Act may be exempted from categorical pretreatment standards under section 307(b) of the Federal Water Pollution Control Act, as amended, if the following conditions are met: (1) the owner or operator of the Kalamazoo Water Reclamation Plant applies to the State of Michigan for an exemption for such industrial discharger, (2) the State or Administrator, as applicable, approves such exemption request based upon a determination that the Kalamazoo Water Reclamation Plant will provide treatment and pollution removal consistent with or better than treatment and pollution removal requirements set forth by the Environmental Protection Agency, the State determines that the total removal of each pollutant released into the environment will not be lesser than the total removal of such pollutants that would occur in the absence of the exemption, and (3) compliance with paragraph (2) is addressed by the provisions and conditions of a permit issued to the Kalamazoo Water Reclamation Plant under section 402 of such Act, and there exists an operative."

Mr. CHAFEE. Mr. President, this deals with a pharmaceutical plant in Kalamazoo, MI, and the pretreatment requirements for that plant. We are amending the underlying language that is in the bill.

This amendment has been agreed to by those involved, such as the distinguished junior Senator from Michigan and the senior Senator from Michigan, as well as the managers of the bill.

Mr. President, let me set the stage for this amendment by saying a few words about the pretreatment program under the Clean Water Act, our most successful environmental law.

The subject we are discussing is sewage treatment. Prior to enactment of the Clean Water Act, one of our Nation's most serious water pollution problems was the discharge of untreated sewage—domestic waste collected from homes, workplaces and other institutions—collected by sewers and quite often discharged without treatment to lakes, rivers and streams.

Untreated sewage creates a host of problems. It presents health hazards to those who would use the water for recreation or fishing. The nutrients in the sewage promote the growth of algae that robs the water of oxygen needed by the fish and other organisms living in the water. And the loading of sediments and toxic chemicals can kill birds and other wildlife depending on the aquatic environment for food and habitat.

So, in 1972 we committed the Nation to solving this problem by building a series of municipal sewage treatment plants. We have invested more than $120 billion—more than $65 billion of that in Federal dollars—to build, 16,000 sewage treatment plants across the country. They remove the sludge from the water. They clarify the water before it is discharged. They kill the pathogenic organisms in the sewage that would otherwise spread disease. And they dramatically reduce the nutrient loadings.

It has been a big success. For instance, you hear that Lake Erie was brought back from the dead or that the Potomac River is once again a place for recreation. That is the result of the Clean Water Act and these sewage treatment plants.

One essential part of this effort under the Clean Water Act is called the pretreatment program. Sewage treatment plants receive more than domestic waste for our homes and workplaces. They also receive billions of gallons of industrial wastewater.

Tens of thousands of manufacturing plants and commercial businesses dump the waste from their processes into the sewer. These industrial discharges contain hundreds of different kinds of pollutants—industrial solvents, toxic metals, acids, caustic agents, oil and grease, and so on.

Sewage treatment plants are not generally designed to handle all of these industrial chemicals. In fact, the industrial discharges can cause severe damage to sewage treatment plants. And even where the plant is not damaged by the industrial chemicals, the plant does not treat the toxics—it does not destroy them—it merely passes them through to the water or to the land where the sludge from the plant is disposed.

Because of these problems with industrial waste, Congress established the pretreatment program under the Clean Water Act. It requires that industries treat their wastes before putting them into the sewer. That is why the program is called pretreatment. Pollution control equipment is installed at the industrial plant and it is operated to remove pollutants such as metals and sediment or to neutralize pollutants including acids and caustics before the wastewater is put into the sewer.

This is the background for this amendment. The Clean Water Act has fostered a very successful program to treat domestic sewage. An essential part of this program is a requirement for pretreatment of industrial wastewater before it is put into the sewer and sent to the sewage treatment plant. Substantial reductions in the toxic pollution of our rivers and lakes have been achieved by the cities that operate pretreatment programs.

Let me break down the argument for the pretreatment program into four points.

First, the pretreatment program protects sewage treatment plants from damage by these industrial chemicals. The toxics in industrial waste can interfere with the chemical and biological processes used by the centralized sewage treatment plant.

Second, because sewage treatment plants are not designed to treat many of these industrial wastes—the plant merely passes the waste along to the environment—pretreatment is required before the discharge. Treatment before the discharge is much more efficient because it occurs before the industrial waste from one plant is mixed with all the other material that goes into the sewer.

At the industrial plant you have a very concentrated waste stream. Applying control equipment to that stream can remove substantially all of the toxic agents. But put that waste into the sewer untreated and mix it with millions of gallons of wastewater from homes and workplaces and it is much more difficult to remove the toxic constituents.

It stands to reason that a treatment method applied to a small concentrated waste stream will be more effective and less costly than attempting to remove the same amount of material diluted in a large quantity of wastewater.

Third, the pretreatment program simplifies the task we face under the Clean Water Program. It would be virtually impossible to set pollution standards for every single chemical that is discharged to the environment. To know what impact a particular chemical has on a particular waterbody is a question that may take years of study to answer—for that one chemical and one lake or stream. To know how hundreds of different industrial chemicals affect the aquatic environments receiving pollution from the 16,000 different sewage treatment plants is a challenge way beyond the best science we have today.

We get around this impossible task by asking that those who discharge their industrial wastes to our rivers and lakes—and to the sewage treatment plants that discharge to our rivers and lakes—use the best available pollution control technology before the waste leaves their plant.

And fourth, the pretreatment program establishes a uniform level of controls across the whole Nation. It is no secret that the States and cities of our country are in daily competition to attract and hold jobs. One factor in locating a new business is the regulatory climate that applies in a State or city. It is cheaper to do business where the regulations are not so strict.

Prior to the Clean Water Act, many States had difficulty establishing effective pollution control programs because of their fear that business would move elsewhere. A State putting on tight controls to cleanup a lake or river faced the prospect that its employers would flee across the State line to keep production costs down. That fear was in part removed when the Clean Water Act established a uniform level of treatment required of all plants in each industry all across the Nation. Standards issued by EPA under the pretreatment program that apply to all the plants in an industry all across the country relieve some of the pressure on States that want to have good programs of their own.

So, that is the background for this amendment. The pretreatment program is a very sensible part of a very successful national effort to reduce the adverse effects of sewage discharged to our lakes, rivers and estuaries. I think the Clean Water Act has been our most successful environmental law and it has succeeded because of the technology-based controls that have been put on industrial discharges through programs like the pretreatment program.

Mr. President, there is a rider in this bill that would exempt some industrial dischargers in the city of Kalamazoo from the requirements of the pretreatment program in the Clean Water Act. The Kalamazoo sewage treatment plant is designed to achieve advanced treatment and to handle some of the wastes that are sent to it by industrial facilities. Because of this advanced capacity, it may be that some industry waste streams in Kalamazoo can be handled at the sewage treatment plant and without the need for pretreatment at the industrial facility. The purpose of the rider is to reduce compliance costs by waiving redundant treatment requirements.

I am concerned, however, on two points which I have addressed in the amendment that is now the pending business. My amendment would not eliminate the exemption. But it would tighten it up in these two ways.

First, it would only allow exemptions in Kalamazoo for pharmaceutical plants already located there. If the Senate adopted my amendment we would not be providing an exemption for all of the industrial facilities in Kalamazoo.

Second, the amendment would require EPA to determine that treatment by the Kalamazoo sewage plant is truly effective as the national standard. The exemption would be conditioned on a finding that the total loading of all pollutants to the environment through the air, surface water, ground water and to agricultural and residential lands would not be greater under the exemption than it would be if the pharmaceutical plant complied with the national standard.

With respect to determining compliance, the State of Michigan should assume that the Kalamazoo plant is operating at discharge levels consistent with the technology requirements and other requirements of the law including water quality based limitations incorporated into the permit. Any removals achieved beyond this level are available to offset the reductions that would otherwise have been achieved by the pharmaceutical plant.

If the argument made for this rider is correct—that the Kalamazoo treatment plant protects the environment with respect to the wastes from industrial sources as well as any national regulation could—well then, the pharmaceutical plant could get its exemption. If that showing cannot be made, then the pretreatment program that will apply to all of the rest of the pharmaceutical industry, would apply in this case, too.

Mr. President, I urge the adoption of this amendment.

Mr. BOND addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, I thank the distinguished chairman of the Environment and Public Works Committee and the two Senators from Michigan for working to make sure that this amendment does precisely what it was intended to.

I believe the refinements in the amendment have been worked out to the satisfaction of all parties. We think the objective is a good objective. We are prepared to accept the measure on this side.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. ABRAHAM addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. ABRAHAM. Mr. President, I add my thanks to the chairman of the committee, the Senator from Rhode Island, who has worked very hard with us to try to find language that will allow this project to go forward, to try to save the taxpayers of Kalamazoo, MI, from having to build an almost identical water treatment facility to the one that already exists to deal with problems at the existing facility. We appreciate that.

We will continue to move forward and continue to work with the Senator from Rhode Island to make sure this project successfully stays on track.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 2790) was agreed to.

Mr. BOND. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. CHAFEE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BINGAMAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

AMENDMENT NO. 2791

(Purpose: To make an amendment relating to housing assistance to residents of colonias)

Mr. BINGAMAN. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. If there is no objection, the pending committee amendments are set aside, and the clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from New Mexico [Mr. BINGAMAN], for himself, Mrs. HUTCHISON, and Mr. DOMENICI, proposes an amendment numbered 2791.

Mr. BINGAMAN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 40, line 17, insert before the period the following: ": *Provided further*, That section 916 of the Cranston-Gonzalez National Affordable Housing Act shall apply with respect to fiscal year 1996, notwithstanding section 916(f) of that Act".

Mr. BINGAMAN. Mr. President, I rise today to propose an amendment with my colleagues Senator HUTCHISON and Senator DOMENICI. This amendment would extend for 1 year the authority of the Secretary to require a set aside of up to 10 percent of a United States-Mexico border State's community development block grant allocation, as under section 916 of the Cranston-Gonzalez National Affordable Housing Act of 1990, for colonias. The colonias provision has been in effect in every year following the passage of the Cranston-Gonzalez Act in the 101st Congress, allow the original authorization lapsed in 1994. It is not a change in the status quo, and has no budget impact. Although section 916 of Cranston-Gonzalez requires States to make 10 percent of CDBG funds available for colonias, in cases like New Mexico and California, where the full 10 percent has not been utilized each year, HUD has allowed States to reallocate the funds within the State. The point is that the funding is there.

For my colleagues not familiar with colonias, these are distressed, rural, and predominantly unincorporated communities located within 150 miles of the United States-Mexico border. Texas has documented well over 1,100 colonias, while my State of New Mexico has over 30. They are often created when developers sell unimproved lots, and using sales contracts, retain title until the debt on the property is fully paid. They often do not have adequate water and sewage access.

These conditions create a serious public health, safety, and environmental risk to the border regions. Perhaps more importantly, they represent third-world conditions in the United States. I believe, and the Secretary of HUD agrees, that we must make the eradication of such conditions within the United States a national priority.

It is my hope that my colleagues will accept this amendment, addressing the problems of the colonias has been a national priority, and I believe that it should remain one.

I yield the floor.

Mr. BOND addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, I know that this amendment is supported by Senators on this side, the Senator from New Mexico and the junior Senator from Texas. We are making inquiry to determine whether they wish to speak on this amendment.

Mrs. HUTCHISON addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mrs. HUTCHISON. Mr. President, I wish to add my statement in support of Senator BINGAMAN's amendment of which I am a cosponsor. I do appreciate this 10 percent set-aside for the colonias. Colonias are places that we did not know existed in America. You would not believe it. I have walked in a colonia. They are places that people live that do not have good water, and they do not have sanitary systems or sewage treatment. They are terrible.

What we are we doing with this amendment is to say that it is a priority for our country to clear those places up so that every American has the ability to live in sanitary, basically clean conditions. I support the amendment. I appreciate Senator BOND taking this amendment for us to make sure that we serve the people in need.

The issue of designating a portion of border States' CDBG money for housing is one of giving proper recognition and emphasis to the development needs of severely distressed, rural and mostly unincorporated settlements located along the United States-Mexico border. Colonias are located within 150 miles of the Mexican border, in the States of Arizona, California, New Mexico, and Texas.

Texas has the longest border with Mexico of any state.

In 1993, Texas reported the existence of 1,193 colonias with an estimated population of 279,963 people. In 1994, New Mexico reported 34 colonias, with a population of 28,000 residents.

Senator BINGAMAN and I believe it important to formally recognize the scale of this challenge.

For fiscal year 1995, VA, HUD appropriations report language specified 10 percent of the State's share of CDBG money for housing in colonias. The conference report did not specify, "colonias," but instead, folded that commitment into $400 million for a number of new initiatives.

That money came under a sunset provision. It requires new action to continue the formal commitment from us at the Federal level.

This does not involve any new or additional funds.

It is merely a statement of urgent priority that these funds be available for housing in the colonias upon application.

This money only comes from the border States' shares. It does not impinge on any other States or their resources.

Mr. President, I urge we reaffirm that commitment to the people of the colonias that they are truly a part of American society and America's priorities.

I urge my colleagues to support the Bingaman-Hutchison amendment.

Mr. BOND. Mr. President, I suggest we proceed to a vote.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 2791) was agreed to.

Mr. BOND. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BINGAMAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader.

VISIT TO THE SENATE BY MEMBERS OF THE EUROPEAN PARLIAMENT

Mr. DOLE. Mr. President, I am honored to have the opportunity to welcome, on behalf of the entire Senate, a distinguished delegation from the European Parliament here for the 43d European Parliament and U.S. Congress interparliamentary meeting.

Led by Mr. Alan Donnelly from the United Kingdom and Ms. Karla Peijs of the Netherlands, the 18-member delegation is here to meet with Members of Congress and other American officials to discuss matters of mutual concern.

No doubt about it, the European Parliament plays a pivotal role in shaping the new Europe of the 21st century. There are many challenges ahead—assisting the new democracies as they build free-market economies and defining relations with Russia, among them. Continued contact and good relations between the European Parliament and the U.S. Congress are essential in developing better economic ties with Europe and in reinforcing our common goals.

I ask my colleagues to join me in welcoming our distinguished guests from the European Parliament.

[Applause.]

Mr. President, I ask unanimous consent that a list of the delegation be printed in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

DELEGATION OF THE EUROPEAN PARLIAMENT

MEMBERS OF THE DELEGATION OF THE EUROPEAN PARLIAMENT

Mr. Alan Donnelly, Chairman, Party of the European Socialists, United Kingdom.

Ms. Karla Peijs, Vice Chairman, European People's Party, Netherlands.

Mr. Javier Areitio Toledo, European People's Party, Spain.

Ms. Mary Banotti, European People's Party, Ireland.

Mr. Laurens Jan Brinkhorst, European Liberal Democratic and Reformist Party, Netherlands.

Mr. Bryan Cassidy, European People's Party, United Kingdom.

Mr. Jean-Pierre Cot, Party of European Socialists, France.

Mr. Gerfrid Gaigg, European People's Party, Austria.

Ms. Ilona Graenitz, Party of European Socialists, Austria.

Ms. Inga-Britt Johansson, Party of European Socialists, Sweden.

Mr. Mark Killilea, Union for Europe Group, Ireland.

Ms. Irini Lambraki, Party of European Socialists, Greece.

Mr. Franco Malerba, Union for Europe Group, Italy.

Ms. Bernie Malone, Party of European Socialists, Ireland.

Mr. Gerhard Schmid, Party of European Socialists, Germany.

Mr. Josep Verde I Aldea, Party of European Socialists, Spain.

To be determined, European People's Party.

SECRETARIAT, INTERPARLIAMENTARY DELEGATIONS

Dr. Manfred Michel, Director-General for External Relations.

EUROPEAN COMMISSION DELEGATION

Mr. Jim Currie, Charge d'Affaires, European Commission.

Mr. Bob Whiteman, Head of Congressional Affairs, EC Delegation.

RECESS

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate stand in recess so that we may personally greet Members of the European Parliament.

There being no objection, the Senate, at 1:40 p.m., recessed until 1:44 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. SANTORUM).

DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 1996

The Senate continued with the consideration of the bill.

Mr. CHAFEE. Mr. President, I ask unanimous consent that the pending committee amendments be set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2792

(Purpose: To make funds available to support continuation of the Superfund Brownfields Redevelopment Initiative)

Mr. CHAFEE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

> The Senator from Rhode Island [Mr. CHAFEE] for himself and Mr. LIEBERMAN, proposes an amendment numbered 2792.

Mr. CHAFEE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

> On page 142, line 20, after the period, insert the following: "*Provided further*, That the Administrator shall continue funding the Brownfields Economic Redevelopment Initiative from available funds at a level necessary to complete the award of 50 cumulative Brownfield Pilots planned for award by the end of FY96 and carry out other elements of the Brownfields Action Agenda in order to facilitate economic redevelopment at Brownfields sites."

Mr. CHAFEE. Mr. President, today I offer this amendment on behalf of myself and Senator LIEBERMAN to preserve a very small but important part of the Superfund Program, EPA's brownfields economic redevelopment initiative. We all know what brownfields are—they are the abandoned plant that might be contaminated, or might not be. No one knows exactly what the problems at these sites are, so people are afraid to invest in them or redevelop them, people are afraid of liability. So rather using old industrial sites, new development flees the city and tears up our open space, greenfields. In the meantime, these old sites remain a blight and a big hole in local tax bases.

EPA's brownfields economic redevelopment initiative—its brownfields program—is a Superfund success story. The brownfields initiative is a cost-effective means of ameliorating some of these unintended consequences of Superfund, especially in economically depressed urban areas. Real risk reduction is achieved when brownfields sites are cleaned up, and it is private investment money that does most of the work. The small amount of money EPA allocates to brownfields is highly leveraged.

This effort includes 50 planned pilot projects across the Nation to demonstrate that we can reuse existing contaminated sites for economic development instead of undeveloped clean sites. Each of these pilot projects are awarded up to $200,000 over 2 years. These funds are used to help with the up-front investigations and evaluation that must take place before deciding on how best to clean a site.

To date, EPA has awarded about 18 out of 50 planned grants. I think it's vitally important that EPA's brownfields effort continue as a high priority, and the purpose of my amendment is to make sure that this happens.

What is the consequence if we fail to encourage the private sector to take on brownfields sites? Often, the sites remain abandoned or orphan—as many are—they may migrate onto the NPL or State lists for publicly funded cleanup. The Superfund bill Senator SMITH is working to bring forward in the next few weeks will contain provisions to make brownfields redevelopment easier.

This is a good way to spend some of the limited Superfund dollars available this year. We get real risk reduction by examining and evaluating these sites. We are learning valuable lessons at each of the pilots on how to create public and private partnerships between the Federal Government, State and local government, and the private sector to get abandoned urban eyesores back on the tax roles, producing jobs in cities like Providence. I urge my colleagues to support this amendment to preserve one of the best things EPA has done on Superfund in the past several years.

I commend Senator BOND, a member of the Environment and Public Works Committee as well as chairman of the Committee on Small Business and the Appropriations Subcommittee with jurisdiction over Superfund, for his interest in Superfund and his commitment to helping us move forward with Superfund reform this year.

Mr. President, I ask unanimous consent that the junior Senator from Pennsylvania [Mr. SANTORUM] be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BOND. Mr. President, I am delighted that the Senator from Rhode Island has offered this amendment. I am very glad he called it to our attention. We have, in St. Louis, MO, a significant impact from the brownfields question. I think this is one of EPA's better initiatives. It may make one suspicious to look at the breadth of support of this.

But David Osborne, author of "Reinventing Government," said:

> This is an important initiative. The barriers to cleaning up urban Superfund sites have stopped redevelopment in its tracks time and time again. This initiative will begin to solve that problem. It will bring businesses back to the city, create jobs and increase the urban tax base.

Gregg Easterbrook, author of "A Moment on the Earth," said:

> EPA's Brownfields initiative represents ecological realism at its finest, balancing the needs of nature and commerce. This pathbreaking initiative shows that environmental protection can undergo genuine regulatory reform, becoming simpler and more cost-effective, without sacrifice of its underlying mission.

Philip Howard, author of "The Death of Common Sense," said:

> EPA's Brownfields initiative represents an important change in direction. It will help the environment and the economy at the same time by dealing with the problem of contaminated properties in a commonsense way.

I think this is a win-win proposition for everybody. We are delighted to accept the amendment on this side.

Ms. MIKULSKI. I wish to congratulate the Senator from Rhode Island who came forth with this amendment. Not only do we not object to the amendment, we enthusiastically support it.

Mr. CHAFEE. Mr. President, I wanted to thank the distinguished Senator from Maryland and also the manager of the bill, Senator BOND, a member of the Environment and Public Works Committee. Both have been very helpful to us as we worked our way through this amendment. I particularly am grateful to all staff who has also been very cooperative.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2792) was agreed to.

Mr. BOND. I move to reconsider the vote.

Mr. CHAFEE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2793

(Purpose: To provide funding for the Service Members Occupational Conversion and Training Program)

Mr. THURMOND. Mr. President, I send an amendment to the desk and ask for immediate consideration.

The PRESIDING OFFICER. The pending amendment is set aside.

The clerk will report.

The assistant legislative clerk read as follows:

> The Senator from South Carolina [Mr. THURMOND] proposes an amendment numbered 2793.

Mr. THURMOND. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 3, line 19, strike "$1,345,300,000" and insert "$1,352,180,000."

On page 3, strike line 24 and add "as amended; *Provided further*, That of the amounts appropriated for readjustment benefits, $6,880,000 shall be available for funding the Service Members Occupational Conversion and Training program as authorized by sections 4481–4497 of Public Law 102–484, as amended."

On page 10, line 18, strike "$88,000,000" and insert "$872,000,000."

Mr. THURMOND. Mr. President, this amendment will provide funding for the Service Members Occupational Conversion and Training Act, known as SMOCTA. SMOCTA is the common name for it.

It will provide job training for unemployed veterans, veterans whose occupational specialty in the military is not transferable to the civilian work force, and for veterans rated 30 percent disabled or higher. The amendment provides funding to continue the program for 1 year. It is paid for by transferring less than 1 percent of VA's general operating expense account, $8 million. In other words, the general operating expense fund contains $880 million; this amendment transfers only $8 million, less than 1 percent.

Mr. President, the SMOCTA program was created by the fiscal year 1993 Defense Authorization Act as a pilot program to provide training wage subsidies to employers who hire recently separated unemployed service members for new careers in the private sector. The 1993 Defense Appropriations Act appropriated $75 million for SMOCTA. Those funds have been largely obligated, and any remaining balance will not be available for obligation after September 30, 1995. This amendment will provide a minimum level of funding to carry out the program through its period of authorization, September 30, 1996. Mr. President, although there were some initial bureaucratic delays in getting the program implemented, the program has been very successful. Over 8,300 employers have certified training programs, including national corporate chains. Those employers have filed nearly 15,000 notices of intent to employ veterans. Over 50,000 veterans have been certified for the program. Approximately 10,700 veterans have been placed in job training, for a period of 12–18 months, at an average cost per veteran of approximately $4,000.

The Departments of Defense, Labor, and Veterans Affairs have worked hard to establish this program. It would be a mistake to let this program expire at this time. To not extend this program would send a message to the veterans of our Nation, caught in the military downsizing, that we do not care about their futures. It would tell employers that the Federal Government cannot be trusted in partnership agreements. I do not believe these are messages the U.S. Senate wishes to send.

Mr. President, without this amendment, SMOCTA funding will terminate at the end of the current fiscal year. My amendment will cure the conflict between the authorization period and availability of appropriations for this program.

Mr. President, there has been some debate over the proper funding source for this program. This results partly because the original funding for this program was from Defense appropriations. However, let me emphasize that this is not a program directly related to our funding military readiness or modernization. It is a program for veterans. The authorization recognized this program would require a partnership between the Defense Department, the Department of Labor, and the Department of Veterans Affairs. Passing funding responsibility from one agency to another will not aid our veterans who rely on readjustment benefits.

Mr. President, the SMOCTA program has strong support in the business community and the veterans community. I encourage my colleagues to join in supporting this amendment.

Mr. President, as I understand it, both sides have agreed to accept this amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2793) was agreed to.

Mr. THURMOND. I move to reconsider the vote.

Mr. BOND. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. THURMOND. I wish to thank the manager of the bill on behalf of the veterans of this country.

AMENDMENT NO. 2794

(Purpose: To direct the Administrator of the Environmental Protection Agency not to act under section 6 of the Toxic Substances Control Act to prohibit the manufacturing, processing, or distributing of certain fishing sinkers or lures prior to giving notice to Congress)

Ms. MIKULSKI. Mr. President, I offer an amendment on behalf of Senator HARKIN. I send the amendment to the desk.

The PRESIDING OFFICER. The pending amendment is set aside.

The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Maryland [Ms. MIKULSKI] for Mr. HARKIN, proposes an amendment numbered 2794.

Ms. MIKULSKI. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following:

SEC. . The Administrator of the Environmental Protection Agency shall not, under authority of section 6 of the Toxic Substances Control Act (15 U.S.C. 2605), take final action on the proposed rule dated February 28, 1994 (59 Fed. Reg. 11122 (March 9, 1994)) to prohibit or otherwise restrict the manufacturing, processing, distributing, or use of any fishing sinkers or lures containing lead, zinc, or brass unless the Administrator finds that the risk to waterfowl cannot be addressed through alternative means in which case, the rule making may proceed 180 days after Congress is notified of the finding.

Ms. MIKULSKI. Mr. President, this legislation deals with lead sinkers. It has been worked out on both sides. Senator HARKIN wished to have this amendment adopted. It has been cleared, I believe, by both sides, and I move its adoption.

Mr. BOND. Mr. President, since my State of Missouri is not only a leading manufacturer of fishing lures and therefore very much interested in it—Missouri happens to host a large number of people who enjoy fishing—it is therefore with great pleasure on behalf of this side that we are willing to accept the Harkin amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2794) was agreed to.

Mr. BOND. I move to reconsider the vote.

Ms. MIKULSKI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2795

(Purpose: To provide HUD with the authority to renew expiring section 8 project-based contracts through a budget-based analysis. This will provide HUD with the tools to begin to address the high-cost of section 8 project-based assistance while Congress begins to fully address options in lieu of the renewal of section 8 project-based assistance. This amendment will help provide HUD with tools to avoid foreclosure and possible displacement of tenants)

Mr. BOND. Mr. President, I send an amendment to the desk, and I ask the pending amendment be set aside.

The PRESIDING OFFICER. The clerk will report. The assistant legislative clerk read as follows:

The Senator from Missouri [Mr. BOND] for himself, Mr. D'AMATO, Mr. BENNETT, and Mr. MACK, proposes an amendment numbered 2795.

Mr. BOND. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 105, beginning on line 10, strike "SEC. 214." and all that follows through line 4 on page 107:

"SEC. 214. SECTION 8 CONTRACT RENEWAL.

"(a) IN GENERAL.—Notwithstanding any other provision of law, the Secretary shall renew upon expiration each contract for project-based assistance under section 8 of the United States Housing Act of 1937 that expires during fiscal year 1996 in accordance with this subsection.

"(b) CONTRACT TERM.—Each contract described in subsection (a) may be renewed for a term not to exceed 2 years.

"(c) RENTS AND OTHER CONTRACT TERMS.—Except as provided in subsections (d) and (e), the Secretary shall offer to renew each contract described in subsection (a) (including any contract relating to a multifamily project whose mortgage is insured or assisted under the new construction and substantial rehabilitation program under section 8 of the United States Housing Act of 1937):

"(1) at a rent equal to the budget-based rent for the project;

"(2) at the current rent, where the current rent does not exceed 120 percent of the fair market rent for the jurisdiction in which the project is located; or

"(3) at the current rent, pending the implementation of guidelines for budget-based rents.

"(d) LOAN MANAGEMENT SET-ASIDE CONTRACTS.—The Secretary shall offer to renew each loan management set-aside contract at a rent equal to the budget-based rent for the unit, as determined by the Secretary, for a period not to exceed 1 year.

"(e) TENANT-BASED ASSISTANCE OPTION.—Notwithstanding any other provision of law, the Secretary may, with the consent of the owner of a project that is subject to a contract described in subsection (a) and with notice to and in consultation with the tenants, agree to provide tenant-based rental assistance under section 8(b) or 8(o) in lieu of renewing a contract to provide project-based rental assistance under subsection (a). Subject to advance appropriations, the Secretary may offer an owner incentives to convert to tenant-based rental assistance.

"(f) DEMONSTRATION PROGRAM.—If a contract described in subsection (a) is eligible for the demonstration program under section 213, the Secretary may make the contract subject to the requirements of section 213.

"(g) DEFINITIONS.—

"(1) BUDGET-BASED RENT.—For purposes of this section, the term "budget-based rent", with respect to a multifamily housing project, means the rent that is established by the Secretary, based on the actual and projected costs of opening the project, at a level that will provide income sufficient, with respect to the project, to support—

"(A) the debt service of the project.

"(B) the operating expenses of the project, including—

(i) contributions to actual reserves;

(ii) the costs of maintenance and necessary rehabilitation, as determined by the Secretary;

(iii) other costs permitted under section 8 of the United States Housing Act of 1937, as determined by the Secretary.

"(C) an adequate allowance for potential and reasonable operating losses due to vacancies and failure to collect rents, as determined by the Secretary.

"(D) an allowance for a rate of return on equity to the owner not to exceed 6 percent.

"(E) other expenses, as determined to be necessary by the Secretary.

"(2) BASIC RENTAL CHARGE FOR SECTION 236. "A basic rental charge" determined or approved by the Secretary for a project receiving interest reduction payments under section 236 of the National Housing Act shall be deemed a "budget-based rent" within the meaning of this section.".

"(3) SECRETARY.—The term "Secretary" refers to the Secretary of Housing and Urban Development.".

Mr. BOND. Mr. President, I offer this amendment on behalf of myself, Mr. D'AMATO, Mr. BENNETT, and Mr. MACK. This is designed to provide HUD with authority to renew expiring section 8 project-based contracts through a budget-based analysis.

Now, what that means is that we are working with HUD, with OMB and the Congressional Budget Office to resolve a very difficult problem where project-based certificates have been issued in the past. The cost is above market rate. These are expensive projects.

HUD knows, we know, the budget offices know, we have to resolve this problem. Since we were unable to get an agreement on a measure to fix the problem this year and stay within our budget allocations, there was a prospect that in some areas where there was very little available housing, people who live in project-based section 8 housing could be displaced.

This problem was particularly acute in Salt Lake City, UT. Senator BENNETT brought that to our attention. We found that there are many other areas around the country where it is possible that the developments could be converted to private use, people displaced. Even though we would make available section 8 certificates for those people displaced, as a simple matter of fact, there may not have been enough housing to take care of them. This is particularly true for the elderly and disabled.

This amendment tells the Secretary to use a budget-based analysis to take a look at the costs of operating the Department and the debt service, to renew the contracts for a year on a basis which is fair both to the owner of the property and to the Federal Government so that we may continue to work on the problem of resolving the question about the expenditure on project-based certificates which are far above market rate.

This is a fix that I think is acceptable on both sides. I hope my colleagues will accept it.

Ms. MIKULSKI. Mr. President, I wish to rise in support of the amendment offered by the Senator from Missouri. I absolutely concur with his remarks.

In our hearings in the subcommittee, we found that the issues related to market rate are quite severe. They need to be addressed. They need to be addressed with some promptness and urgency. Otherwise, we could be facing the debacle not unlike some of the issues we faced in the S&L crisis.

Senator BOND of Missouri is really an expert on this issue. I believe we should follow his lead on this amendment. I support it. I am willing to accept it.

Mr. KERREY. Mr. President, I would like to ask the distinguished chairman for assistance in dealing with an issue that is very important to myself, Senator EXON and the people of the rural areas of Nebraska. As you are aware, there is currently a large differential in rents between rural and urban areas in our country. I am concerned that too large a variance would have a significant adverse effect on low income elderly populations. We must enable developers to continue to provide our rural areas with this valuable service. This is a problem not just in Nebraska but also in neighboring States that have large rural populations. I understand the need for the budgetary constraints that have been placed upon your committee. However, unrealistically low fair market rents will have a devastating impact on the numerous rural beneficiaries of assisted housing. As the fair market rent levels decline, the negative effects of excessive rent differentials between urban and nearby rural areas become more significant. I respectfully ask the chairman to do what he can to rectify this unfortunate situation in the conference.

Mr. DASCHLE. Mr. President, I share the concerns expressed by Senator KERREY. Obviously there will be some real variances between smaller, rural communities and our larger, metropolitan areas. Nonetheless, we need to continue to provide a realistic incentive for developers to build projects in areas that are experiencing a shortage of affordable housing. I would also urge the committee to review the current mechanism.

Mr. HARKIN. Mr. President, I appreciate the leadership that Senator KERREY has taken on this issue. One of the reasons that the current situation regarding fair market rents in small towns is so unfair is the history of how many of these projects were developed up to 20 years ago. The rent limitations that were used at the time were about the same for metropolitan and non-metropolitan areas. Now, at contract renewal time, the projects in smaller towns outside metropolitan areas are subject to far different rent standards than urban areas face. There are some projects that face rent levels that will actually be lower than the rents approved 20 years ago when the projects were built. These very low rent levels create a situation where projects will not be able to be maintained. Projects may be forced into foreclosure or conversion to regular rental housing. Current renters in my State, mostly the elderly and disabled, will face deteriorating buildings or eviction. They may get new section 8 certificates. But, the availability of affordable housing in homes near elderly resident's families will not, in a large number of cases, be available. I ask that this problem be examined in conference and relief fashioned to treat projects in small towns outside metropolitan areas in a fair and even handed manner.

Mr. BOND. Mr. President, I appreciate the Senator's comments. I certainly understand the severity of this problem. Missouri, as well as Nebraska, South Dakota, and Iowa is home to a largely rural population. I, too, am concerned for the future of this program. I will work with Senator MIKULSKI and members of the conference to address this issue. We include in this bill provisions which will make available budget-based rent renewal levels for project-based contracts which will remove the artificial impediment of the current "fair market" calculation. I hope this will help address this serious concern.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2795) was agreed to.

Mr. BOND. I move to reconsider the vote.

Ms. MIKULSKI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BOND. I suggest the absence of a quorum.

Mr. BOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

MACT

Mr. COCHRAN. Mr. President, I rise for the purpose of engaging in a short colloquy with the distinguished Senator from Missouri, the chairman of the VA/HUD Appropriations Subcommittee. Will the Senator assist me in clarifying an issue in the bill under consideration today?

Mr. BOND. I would be pleased to assist my colleague, the senior Senator from Mississippi and senior member of the Appropriations Committee.

Mr. COCHRAN. I thank the Senator from Missouri. The issue I wish to clarify is the Appropriations Committee's intent regarding the Environmental Protection Agency's refinery maximum achievable control technology [MACT] rule. This rulemaking is of deep concern to me, as I am sure it is to the Senator from Missouri.

In promulgating the refinery MACT rule, EPA has ignored the principles of sound science, used outdated data to establish emissions controls, developed extremely questionable estimates of the benefits to be gained from these emissions controls, and failed to take into account the impact of these regulations on the smaller refiners around the nation, including those in my home State of Mississippi.

Does the Senator from Missouri share my concerns?

Mr. BOND. Yes, sir, I do. In fact, the concerns of the Senator from Mississippi reflect the concerns of the Appropriations Committee. In the committee's report on this bill, we expressed our disapproval with the way in which EPA promulgated the refinery MACT rule. To quote from the committee report: "The committee strongly encourages EPA to reevaluate the refinery MACT and other MACT standards which are not based on sound science".

Mr. COCHRAN. I thank the Chairman. One further point. Would the Chairman agree that there is significant sentiment on the Appropriations Committee and in the Senate to talk further, and perhaps take stronger, action on this issue next year if EPA does not engage in a serious reevaluation of the refinery MACT rule during fiscal year 1996?

Mr. BOND. That is indeed the sentiment of many members of the committee. I have heard from many of my colleagues, both on the Appropriations Committee and the authorizing committee—the Environment and Public Works Committee—on the refinery MACT issue. The Senator and his colleagues can be assured that if EPA does not heed the directive contained in the Committee report on this bill, the leadership of the committee will be prepared to take additional action in the future.

Mr. COCHRAN. I thank the Chairman. I appreciate this willingness to address the refinery MACT issue in the committee report.

Mr. BURNS. Mr. President, I rise today to engage in a colloquy with chairman of the VA, HUD, and Independent Agencies Appropriations Subcommittee. I want to discuss the need for regulatory reform at the Environmental Protection Agency.

As the chairman knows, I have been extremely concerned with the petroleum refinery MACT regulation. MACT is the acronym for the term maximum achievable control technology. I would like to thank him for adding report language which reflects the committee's concerns with this rule. I strongly encourage EPA to reevaluate this rule because it is not based on sound science.

In 1980, industry did not have the extensive controls and technologies that are now in use. In fact, in 1980, the requirements from the 1977 Clean Air Act Amendments had not yet kicked in. Obviously, in the last 15 years, refineries have made significant improvements in reducing emissions. EPA has simply ignored all of these improvements and based a rule on 15-year-old data in order to inflate its benefits.

This rule will cost refineries and fuel consumers in this country at least $100 million each year. This puts refineries in Montana and throughout the Nation at economic risk. And what about the jobs these refineries provide the local communities? Well, they are at risk, too. Almost $20 million of this will be spent to meet the paperwork and monitoring requirements of the rule which do nothing to improve public health or the environmental protection.

Mr. President, I would like to make one final point. All of the information is based on EPA's own data and analysis. None of this information is based on any kind of industry study. This information can be found in the final rule published in the Federal Register on August 18, 1995. Refiners in Montana have simply asked that this rule be based on sound science, including accurate and current data. They have not asked for any rollback of environmental regulations. Since the data are the basis for the entire rulemaking, it seems to me that EPA must go back to the beginning and redo the rule from scratch.

I look forward to working with the chairman in conference regarding the refinery MACT rule; and I thank him.

Mr. BOND. The Senator from Montana has valid concerns. Other members of the subcommittee have also questioned the basis for this rule. I will work with him and other members in the conference committee regarding the regulation. This rule will serve as an important precedent for subsequent MACT regulations for other industries.

Mr. BURNS. I appreciate the chairman's comments and support.

BREVARD AND LEAVENWORTH VA FACILITIES

Mr. MACK. Mr. President, it strikes me that the VA has not given a great deal of thought to defining its mission for the next century. In its fiscal year 1996 budget submission, the VA requested funding for two new hospitals. However, it is clear that our veterans would be better served if the VA, like the rest of the Nation's health care providers, began focusing on outpatient and ambulatory care. I note with interest that the committee has not funded the VA's hospital construction request. I believe that is a result of the committee's concern about VA's lack of strategic planning as well as budgetary concerns.

Mr. BOND. Mr. President, my colleague is correct. Today, the VA is unable to provide a strategic vision of VA health care for the next century that squares with facility investment decisions. The VA's fiscal year 1996 request continues to emphasize costly and inefficient health care delivery systems that are out of step with the overall national trends in health care. Given the fact that private-sector health care providers have moved in the direction of outpatient care, coupled with plummeting Federal budgets and the demographic trends related to veterans, it would not be prudent to build additional hospitals. Similarly, other investment decisions such as building new ambulatory and long-term care facilities cannot be made rationally without an overall plan that reconciles facilities to health care goals and populations. I am also concerned about the budgetary requirements of building new facilities. Not only is construction costly but operating costs will put additional pressures on a declining budget.

Mr. MACK. Mr. President, east central Florida is a critically underserved area with a growing population of retired, limited-income veterans. Florida has the highest percentage of veterans 65 years and older in the Nation. They currently represent 30 percent of the State's veterans population and, contrary to GAO's recent report, the numbers are increasing daily. Certainly, Florida veterans, Senator GRAHAM, and I acknowledge the budget constraints before this Congress and the need for a balanced budget. For this reason, we have modified our present request to reflect fiscal reality while still meeting long identified medical service needs. Recognizing that neither the House nor the Senate intend to fund the original plan for a comprehensive medical facility at this time, we are requesting that the VA be able to use the previously appropriated fiscal year 1995 funds for the design and construction of an outpatient medical facility and long-term nursing care facility which will provide immediate relief to Florida veterans.

Mr. GRAHAM. Mr. President, I stand along side my colleague, Mr. MACK, in calling this Congress to take action in providing long promised and much needed medical services to Florida veterans. While Congress squabbled over the location of the facility, our veterans continued to wait. Finally, with the issue of location resolved, the President's fiscal year 1996 budget request included this facility, and veterans thought they saw the light at the end of the tunnel. We were extremely disappointed to say the least when that request was ignored by the House VA/HUD Subcommittee.

Mr. MACK. Mr. President, rather than a new hospital, I propose a nursing home facility and an outpatient clinic which will help complete the southeast regional and statewide network of veteran health care providers while addressing the need to provide long-term care service to veterans in east central Florida.

Mr. GRAHAM. Mr. President, I concur with my colleague from Florida regarding downgrading the request for funding a comprehensive hospital to an outpatient clinic and long-term nursing care facility. This proposal is to construct a nursing home care facility and outpatient clinic on the site contributed for the East Central Florida Medical Center to provide specialized care which is not currently available.

A 120-bed nursing home care unit will have, in addition to regular nursing home care, the capacity to provide psychogeriatric care—including that for Alzheimer's patients—and ventilator-dependent care. The ambulatory care clinic will be available to serve all veterans in the area. Approximately 30,000 patient visits per year will be accommodated. The total cost would be $35 million. We have existing funds of $17.2 million which was appropriated in fiscal year 1995 for the design and planning of the VA medical facility. We would like to use those funds toward the design and construction of the alternative proposal. In the near future, we would request that Congress provide the balance of $17.8 million to complete the project. This proposal is more than a Band-aid to the problem and is surely a more reasonable request for our veterans to make of this Congress.

Mr. DOLE. Mr. President, I agree that outpatient, ambulatory care should be the focus of future construction by the VA. In my home State of Kansas, I have been working closely with the staff of the Dwight D. Eisenhower VAMC in Leavenworth to improve outpatient care for our veterans with the addition of a new ambulatory care clinic. Currently, primary care treatment processes at the Leavenworth VAMC are unnecessarily fragmented and severely deficient in the space required for their functions. This clinic is a must if the Leavenworth VAMC is to retain its College of American Pathologists accreditation.

Last year, the Congress provided funds to begin planning and design of this facility. It is my expectation that the VA will include this project in next year's budget. However, if they do not, it is my understanding that the committee will give this project every consideration. I would ask my friend, the Chairman, is that correct?

Mr. BOND. Mr. President, the majority leader is correct. The committee is well aware of the need for the Brevard County and Leavenworth facilities. We understand that the Department of Veterans Affairs will be in a position to begin construction of the Brevard facility during fiscal year 1996 and the Leavenworth facility in fiscal year 1997. Like my colleagues, I expect the Department to consider including these projects in its fiscal year 1997 budget submission. However, if they do not, we will carefully consider both projects.

TOXIC SUBSTANCES REGISTRY

Mr. GLENN. I would like to commend my colleague from Missouri and the Chairman of the VA-HUD Subcommittee for continued funding of the Agency for Toxic Substances and Disease Registry study on minority health. I believe this is important work. I would also like to speak to a complementary research effort that will help to protect minority populations, women, infants, and other populations from the adverse health effects of consuming chemically contaminated fish. In particular, this study identifies specific populations residing in the Great Lakes basin that may be at higher risk of exposure to chemical contaminants present in one or more of the Great Lakes. To date, ATSDR has learned about the trends in Great Lakes fish consumption. For example, fish is an essential component of diets of minority populations such as Native Americans and sport-anglers. The preliminary findings from this ATSDR study are helping to clarify the actual impacts of chemical exposure through fish consumption to these specific populations. In some cases, certain effects are not as prominent as feared, but the study corroborates that there are human health effects and helps to pinpoint the trends.

However, continued research is needed to identify other susceptible populations, exposure pathways and correlation of exposure levels to health effects. Most importantly, we need to mobilize a public education effort to help members of at-risk populations and the medical community learn about the adverse human health effects of contaminated fish consumption and identify ways to minimize these harmful effects. Without continued funding the money and time invested in this research will be wasted and we will not have critical information to prevent risks to human health from contaminated fish consumption.

Mr. KOHL. The Senate has proposed a $14 million cut from fiscal year 1995 for the Agency for Toxic Substances and Disease Registry and the House proposed a $7 million cut from fiscal year 1995. The House report on H.R. 2099 specifically calls for continued ATSDR funding for this study on consumption of contaminated fish and the harmful human health effects. Continuing this incomplete study will allow us to develop strategies of prevent harmful human health effects from consumption of contaminated fish. Understanding the consumption trends of Great Lakes fish is only helpful if we can draw conclusions from that information and then develop strategies to prevent harmful human health effects from this significant exposure pathway. Will the Chairman of the Appropriations Subcommittee on VA, HUD, and Independent Agencies be willing to work with our colleagues in the House to ensure adequate funding to complete this important, far-sighted research?

Mr. BOND. I appreciate the concerns expressed by the Senators from Ohio and Wisconsin about this ATSDR study and I have a better understanding of the significance of continued funding for the research on chemically contaminated fish. I will give close consideration in Conference to securing adequate funding for the ATSDR study on the human health effects of contaminated fish consumption.

SAVANNAH SEWERS

Mr. COVERDELL. Mr. President, I would like to bring to the Chairman's attention a critically needed project in

Savannah, GA. Savannah, has been plagued with repetitive and devastating flooding over the last 15 years. The population affected is primarily low-income, distressed, and minority. These families have repeatedly been forced to leave their homes and businesses with great economic consequences.

The Federal, State and local governments have had to, on several occasions, commit significant resources to address the emergency needs of these areas. Consequently, the city of Savannah, in collaboration with the private and nonprofit sectors, has created a highly innovative plan to provide permanent solutions to the core flood areas that will significantly reduce long-term Government expenditures.

The overall plan involves over $100 million in carefully constructed engineering solutions. The city has already committed and raised $32 million of this total. They have also devised a series of retention structures, canal widening and station collector system improvements that will save the Federal Government money over the long-term and represent a true abatement commitment.

Mr. President, I seek the Chairman's support for Federal participation in this unique partnership, albeit on a limited basis. If the conference committee should decide to provide funding for EPA sewer treatment grants, I would appreciate his careful consideration of the Savannah project. The City of Savannah requests $900,000 for critical engineering studies for pumping, engineering, and canal widening work in these flood-prone areas and $10 million for crucial collector system improvements at the primary pumping station.

I would remind the Chairman that the city has already raised $32 million toward the overall cost and plan components. Therefore these EPA funds would be matched with proven commitments.

Mr. BOND. I thank the Senator for his comments and request. I am aware of the serious flooding and wastewater/sewer problems confronted by the city of Savannah. Like the Senator from Georgia, I have firsthand knowledge of the devastation that such repetitive flooding can have on families, homes and small businesses. I am impressed by the level of resources already committed by the City of Savannah to resolve this problem in a more efficient, cost-effective manner. The Senator from Georgia and the city of Savannah are to be commended for his new private-public partnership concept.

Accordingly, it would be my intention that this project receive priority consideration in conference for funding through the fiscal year 1996 allocations made under this bill for water infrastructure needs.

CIESIN FUNDING

Mr. LEVIN. I would like to engage the distinguished manager of the bill in a brief colloquy regarding concerns that have already been raised by the junior Senator from Michigan. This matter regards the fiscal 1996 funding situation of the Consortium for International Earth Science Information Network [CIESIN].

I am grateful that the chairman has provided some assurances that CIESIN will not be prohibited from competitively bidding on NASA contracts in the future, despite the committee's concurrence with the House recommendation regarding specific funding for CIESIN. I would appreciate the chairman's assistance in clarifying this statement just a little further. It is my understanding that the House report language, while not funding CIESIN specifically, does not in any way limit the opportunity for CIESIN and NASA to continue to operate under the terms of the existing contract, including option years.

Mr. BOND. The Senator from Michigan is correct. While we do not identify specific 1996 funds for CIESIN within this bill, nothing interferes with the rights and options that either party has under the existing contract.

Mr. LEVIN. I thank the Senator from Missouri for that clarification and appreciate his willingness to address our concerns. If the manager of the bill will yield further, the committee's report suggests that NASA should seek greater commercial, international, and Government participation in the EOSDIS program, with the goal of reducing costs. And, the committee has highlighted the Goddard Space Flight Center in Maryland and the Earth Resources Observation System Data Center in Sioux Falls, SD, as core elements of a revamped EOSDIS.

Given that CIESIN has already developed international partners, is broadly supported by university researchers, and has won recognition for its innovative software, including this year's Smithsonian award for innovative software development, would the chairman concur that CIESIN should be afforded appropriate recognition by NASA in the agency's development of its fiscal 1997 appropriation request, especially since the committee's report already urges NASA to integrate CIESIN activities within its EOS plan for fiscal year 1996?

Mr. BOND. That matter will, of course, be up to NASA and the administration. But, given that CIESIN is already meeting standards that this committee has set out for other components of EODIS, we would expect that CIESIN would be given full and fair consideration in the development of NASA's fiscal 1997 budget request.

Mr. LEVIN. I thank the chairman for assisting me in clarifying the committee's intentions. I also want to acknowledge and thank the distinguished ranking member for her assistance in funding CIESIN in past years.

TENANT OPPORTUNITY PROGRAM

Mr. BIDEN. Mr. President, I am wondering if the chairman of the subcommittee will engage in a colloquy with me regarding the Tenant Opportunity Program.

Mr. BOND. I would be pleased to yield to my colleague from Delaware.

Mr. BIDEN. I thank my friend. Mr. President, the Tenant Opportunity Program—known as TOP—was created by the Department of Housing and Urban Development to provide technical assistance and training for public housing residents to organize their communities. Its goal is tenant empowerment. That may be a noble goal. But, TOP is not, in my view, the best way to achieve it.

The program is poorly designed, loosely structured, and ripe for abuse. Just how ripe was evident earlier this year in the city of Wilmington, DE. Six Wilmington public housing projects were each awarded $100,000 TOP grants, and a consultant—a consultant—tried to claim $60,000 of each grant. Incredible as it may sound, my colleagues heard me correctly: 60 percent of each TOP grant in Wilmington, DE was going to be paid to a consultant. That's a total consultant fee of $360,000 from just six grants.

Mr. President, this may sound like one bad apple. And, the Department is to be commended for investigating this case, discovering that the application procedures were violated by the consultant, and canceling these particular six grants. But, the more I look into the whole program, the more I am convinced that the problem here is with the program itself.

For example, the most disorganized public housing projects in Wilmington—the ones that need this program the most—were unable to get a TOP grant because they were not organized enough. That is a classic catch-22 situation. Another example: no where does the program require that the recipients of the grants specify exactly how the taxpayers' money will be used. And, the major beneficiary of this program seems to be consultants, not public housing residents.

Now, I would like to ask the chairman of the subcommittee about the committee's intention regarding funding for TOP. The House, in its version of the VA-HUD appropriations bill, provided $15 million for the program. As I read the Senate version of the bill, no funding is provided for TOP. I want to ask the chairman if my understanding is correct—that it is the committee's intent to kill this program.

And, before he answers, let me just say that I ask this question because the Department created TOP in the first place without an explicit authorization from Congress. My concern is that without an explicit statement from Congress that TOP is to receive no funding, I fear that the Department may try to fund the program anyway, using unearmarked funds from the annual contributions for assisted housing account or funds from the Supportive Services Program under the Community Development Grants.

In other words, I am concerned about the Department playing shell games, and I want to be absolutely clear for the record. Is it the committee's intent that no money whatsoever is to be spent on the Tenant Opportunity Program?

Mr. BOND. Mr. President, yes, the Senator from Delaware is correct. This bill provides no money for the Tenant Opportunity Program—and the Department is not to use any funds to continue the program.

What we are trying to do in this bill is to make better use of limited HUD dollars—and to make sure that those dollars benefit the residents of public housing. I agree with the Senator that TOP appears to have a lot of problems in the way it is administered, and it is clearly not providing the benefits to residents that it should.

I should note, however, that within the broad parameters of the new supportive services block grant under the community development block grant appropriations, localities are encouraged to provide services and technical assistance to public and assisted housing residents to encourage and promote employment. To this end, activities with goals similar to the TOP program are permitted, but I would certainly concur that the excessive consultant payments would constitute an abuse which we will not tolerate.

Mr. BIDEN. I thank the Senator, and I yield the floor.

Mrs. FEINSTEIN. I rise to enter into a colloquy with my colleagues Senators BOND and MIKULSKI regarding NASA's plans to consolidate all research and science-based aircraft at Dryden Flight Research Center.

Mr. BOND. I am interested to discuss this important matter with the Senator.

Ms. MIKULSKI. I am also pleased to have this opportunity to discuss NASA consolidation, an issue about which I have been deeply concerned.

Mrs. FEINSTEIN. As my colleagues know, NASA has offered a plan to consolidate all flight research and science platform aircraft at NASA's Dryden Flight Research Center in California. While I agree with the goals of NASA consolidation to save taxpayers money, I have strong concerns that this aircraft consolidation plan could cost more than it would save. The current aircraft consolidation plan drafted by NASA considers the costs of moving the aircraft to Dryden Flight Research Center, but does not include the costs to operate these aircraft from their consolidated location.

Ms. MIKULSKI. I ask Senator Feinstein if any other sites have been evaluated for this aircraft consolidation?

Mrs. FEINSTEIN. I do not believe so. The only consolidation plans I have seen move aircraft to Dryden. While I certainly do not oppose Dryden as the consolidated site, I think that steps should be taken to ensure that this consolidation will truly save the taxpayers money.

Mr. BOND. Would the Senator from California be amenable to requesting that NASA submit their cost justifications for this consolidation to the subcommittee before they proceed with consolidation?

Mrs. FEINSTEIN. Yes, that would be an excellent course of action. Perhaps NASA's justifications should include the costs of and cost savings resulting from this consolidation and the operation of this aircraft from their consolidated location for the next 5 years.

Ms. MIKULSKI. Perhaps we should also request NASA provide the subcommittee with a cost-based justification of the movement of these aircraft before NASA takes action.

Mr. BOND. I think both of those suggestions are acceptable and would be happy to work with Senators MIKULSKI and FEINSTEIN to develop this language in the report of the conference with the House.

NASA'S IMPLEMENTATION OF THE ZERO-BASE REVIEW AND ITS AERONAUTICS PROGRAMS

Mr. GLENN. Mr. President, when Dan Goldin became NASA Administrator in early 1992, the agency's annual budget was about $17.5 billion and headed to about $22 billion by the end of the decade. Now, however, the annual budget is declining from $14.5 billion and will likely be below $13 billion by the end of the decade. In terms of FTE's NASA's work force has been cut too—from about 24,000 in January 1993 to less than 21,000 today, and headed to about 17,500 by the year 2000.

In order to manage these drastic cuts, over the last 9 or 10 months Mr. Goldin has conducted a so-called zero-base review. The purpose of this often painful process was to solicit ideas and develop plans on how the agency could function more efficiently. The review was conducted assuming that all existing missions will continue, but functions and missions would be streamlined or downsized. Mr. Goldin has made clear that any further budget cuts will result in elimination of core missions.

Now Mr. President, let me be clear that I think Dan Goldin has done an outstanding job in a very difficult situation. There are very few people I know who have the vision, energy, and knowledge of the NASA Administrator. He has been criticized for making the tough decisions, but these decisions have to be made. Many of the recommendations resulting from the zero-base review are now beginning to be implemented, and I believe it is imperative that Congress carefully monitor the changes taking place at NASA so that we may be sure that we are getting the most from the taxpayers' dollar. Change for change's sake alone is not always the best policy.

One recommendation of the zero-base review has been brought to my attention, and that of my colleagues, in particular the distinguished Senator from California, Senator FEINSTEIN. This proposal regards consolidating flight operations management of all aircraft, except those in support of the space shuttle, at Dryden Flight Research Center. The review concluded that after an initial investment of $23 million, about $9 million could be saved annually if this recommendation is implemented.

Currently NASA owns 65 research aircraft that support a wide range of NASA programs. Eighteen of these aircraft are scheduled to be retired by the end of fiscal year 1996 as a result of the programs they support being completed. The proposed consolidation would result in an additional 11 aircraft being retired, leaving just 36 aircraft in NASA's inventory. The proposal would also result in a reduction of 80 contractor and Federal FTE's, from 400 to 320.

Mr. President. It seems to me that the first "A" in "NASA" is at risk. As a result of budget cuts, it appears that we are nearly halving a vital component in our Nation's aeronautic research base.

These cuts hit particularly hard at a NASA facility which has made substantial, significant contributions over the past 50 years to our Nation's aeronautics industry. I am speaking about NASA's Lewis Research Center in Brookpark, OH. Currently seven research aircraft are based out of Lewis, including a newly refurbished DC–9 which is a centerpiece of Lewis' microgravity research program. It is my understanding that at least 5 of the 7 aircraft stationed at Lewis may be transferred to Dryden under the proposed consolidation.

Now I understand that it may be possible to achieve some savings through consolidation of flight operations. However, if this action adversely impacts the ability of NASA scientists and engineers to perform their mission—and to do their research—then I think we are being penny wise and pound foolish. It is my understanding that the managers of this legislation have agreed with the Senator from California, that a closer look needs to be taken at this aspect of the zero-base review before it is finally implemented. I believe that such a review is appropriate and I look forward to studying its results, as well as other ongoing studies and audits of components of the zero-base review.

OVERSIGHT

Mr. WARNER. Mr. President, I rise to offer an amendment to ensure that the Congress is permitted to conduct appropriate oversight of a new research program proposed by the Environmental Protection Agency.

This program is known as the Science To Achieve Results or STAR Program. I want to be sure that the Agency fully advises the Congress of how and at what level this program will be funded and which active research programs will be affected by this redirection of funds.

Mr. President, I recognize the need to provide the Agency with adequate flexibility to direct scarce research dollars to those problems posing the greatest risk to public health and the environment. This program, however, it not aimed at responding to environmental problems. The STAR Program is aimed at making grants to universities to do basic science research at the expense of ongoing EPA-sponsored research.

I am convinced that the result of implementing STAR will be that ongoing research for the Agency's regulatory programs will suffer, private sector contracts will be interrupted, and research currently conducted by the academic community will be terminated.

It is my understanding that EPA originally proposed to fund the STAR Program at approximately $100 million. As the committee does not provide any additional funds to finance this program, the committee gives EPA the flexibility to reprogram funds, without congressional approval, from other research accounts. I am concerned that to fund the STAR Program the Agency will move funds from laboratories it currently operates to its headquarters to dole out to a few selected universities.

Mr. President, it appears that EPA is clearly attempting to move itself into a new area of research that is already being conducted at the National Institutes of Health and the National Science Foundation. This duplication of basic science research will result in severe shortfalls in the applied science program.

I want to be sure that my colleagues understand that it is applied science research that is critical to providing information to support the Agency's regulatory program. As a member of the Environment Committee, I am concerned that EPA's regulatory programs suffer from a lack of sound science principles. Further degrading this research effort will only result in wasted dollars and regulations that are not based on sound scientific evidence.

Mr. President, if the aim of the STAR Program is to expand Federal support for university-based research, I submit that this aim is already being accomplished by the Federal laboratories under cooperative agreements. The STAR Program will simply take research dollars from some universities to give to other universities.

My greatest concern with EPA's proposal is that the Agency has failed to justify the need for such a significant redirection of resources and is attempting to fund a program without full disclosure to the Congress.

The Agency has failed to demonstrate the tradeoffs that will occur from implementing the STAR Program and failed to disclose the negative impacts that will be imposed on ongoing research.

In my view, the Agency should at the very least fully document these impacts and disclose to the Congress how this program will be funded and at what level.

My amendment does not prevent the Agency from using funds for this program. My amendment simply asks the Agency to report to the Congress on the details of this program and receive congressional approval before they move forward with the STAR Program.

I thank the chairman and the ranking member for recognizing the merits of this amendment and supporting its adoption.

IMPOSITION OF CHEMICAL USE DATA AND THE COMBUSTION STRATEGY—MACT

Mr. LOTT. Mr. President, I rise today to engage in a colloquy with my colleague from Missouri, Senator KIT BOND, the distinguished chairman of the VA, HUD, and Independent Agencies Appropriations Subcommittee. I want to discuss two topics. The first deals with EPA's expanded reporting requirements for hazardous chemicals. The second is to clarify the Senate's position on EPA's lack of statutory authority to pursue a combustion strategy.

For the first issue I am referring to EPA's plan to expand the toxic release inventory [TRI] under the Emergency Planning and Community Right-to-Know Act [EPCRA]. EPA is now working on regulations to require the reporting of data on toxic chemical use, and to extend TRI reporting requirements to additional facilities. At a time when Congress is trying to provide responsible relief from unnecessary reporting, these actions would significantly increase administrative burdens costing hundreds of millions of dollars without commensurate benefits to enhance either human health or the environment.

Moreover, the addition of chemical use data would not further EPCRA's goal of reducing chemical releases. Chemical use bears no direct relationship to emissions, waste generation, health risks or environmental hazards. Risk is a function of hazard and exposure. Chemical use will not indicate exposure. Furthermore, EPA's plans to expand regulatory requirements under the Toxic Substances Control Act to gather chemical use data is equally inappropriate.

For all of these reasons, I believe that this program requires reexamination and redirection—not expansion along the lines that EPA intends. Clearly, there is an immediate need to first compare the reduction in risks by recent substantial reductions in emissions, before simply adding new informational requirements or facilities. Risks now need to be evaluated on a benefit-to-cost or a risk-to-risk basis.

One of EPA's guiding principles in its strategic plan is pollution prevention. With the Pollution Prevention Act [PPA] of 1990 Congress established a national policy to focus EPA's actions on the reduction of wastes and releases into the environment. According to the act, pollution should be prevented or reduced at the source whenever feasible. While pollution that cannot be prevented or recycled should be treated safely, whenever possible, and safe disposal should be employed only as a last resort.

While PPA prefers reduction of wastes and emissions at the source, EPA has reinterpreted the statutory definition of pollution prevention to place an inordinate and sometimes exclusive emphasis on reduction of toxic use at the source. This mandates reductions in material or chemical use without consideration of emissions and risks posed by the substance. EPA's policy is based on two false assumptions. One, that use indicates risk, and two, that all chemical use is harmful and should be eliminated. This approach has prompted me to examine the direction this administration is taking EPA with its new TRI reporting requirements.

It is contrary to the basic objective of the manufacturing process, which is to harness reactive and toxic materials for useful and beneficial purposes. While product reformulation and substitution of less toxic substances do have a vital place in pollution prevention, the key to efficiently reducing pollution is to allow industry the flexibility to use as many tools as possible to achieve emissions reductions. Congress wisely established the pollution prevention hierarchy to allow for this flexibility. It must remain.

I believe that a timeout needs to be called on these recent changes to the TRI Program. The usefulness of chemical use data as well as expanding the list of facilities required to report data needs to be assessed through public dialogue and objective analysis before it is required.

In fact, I believe EPA's new TRI reporting approach would exceed its statutory authority. When Congress enacted EPCRA, it specifically considered the issue of whether or not EPA should have the authority to collect use information, as distinct from chemical releases information. Congress decided that EPA should not have this authority.

A majority of the Senate, as reflected through a recorded vote, believes that TRI needs to be reexamined and redirected—not expanded along the lines EPA is considering.

While I am not going to offer an amendment today to address this matter, I think the Conference Committee should accept a legislative provision that calls for a pause while Congress examines the direction in which EPA is taking the TRI Program. I look forward to your continued leadership and support of this effort.

Mr. BOND. The concerns of the Senator from Mississippi are valid and very timely. During the debate on S.343, the Senate voted to retain provisions to reform the toxic release inventory's listing and delisting criteria along the lines sketched out by the Senator. The central feature of those reforms is a greater focus on the risk posed by these chemicals. As the Senator correctly notes, risk is a function of hazard and exposure. For this reason, I too am very troubled by EPA's proposal to require reporting of the mere use of materials. It is inconsistent with a risk-based approach, and I believe there is no statutory authority for expanding the TRI to include use reporting.

I also share the Senator's concerns with the expansion of the TRI to additional types of facilities. Just last year, the EPA nearly doubled the number of chemicals subject to TRI reporting. The current reporting cycle will be the first cycle to incorporate this expansion. No further expansion should be considered until the scope of the current expansion is fully apparent and it is clear the EPA has the resources to manage the increased amount of data. I believe we should work with the House to craft mutually acceptable language redirecting EPA's efforts toward higher priority activities in fiscal year 1996, and to encourage EPA to work with Congress in the interim to develop risk-based legislative reforms to TRI.

Mr. LOTT. I appreciate the chairman's comments on TRI reform. Now, I would like to explain the issue regarding the establishment of an MACT floor. Although the current provision does not directly reference combustion or any other particular MACT standard, it does deal with an issue of concern to industrial on-site incinerators and boilers and industrial furnace operators. It is my understanding that the Report language does not prohibit EPA from pursuing its combustion strategy, but only requires certain legal and procedural safeguards be followed.

In short, the report language seems to support the conclusion that EPA cannot use appropriated moneys on: First, the use of permit conditions without required site-specific finding; second, the setting of an MACT standard under any authority other than the Clean Air Act; and third, the setting of an MACT standard without making the required finding that certain facilities are already achieving the standard.

Mr. BOND. The Senator is correct. The committee report makes particular reference to the MACT standard for refineries, as an illustrative example of the overall problem. The committee based its conclusion on input it received regarding a number of proposed and final MACT standards under consideration, including the proposed MACT standard for on-site incinerators and boilers and industrial furnace operators. Therefore, it is my belief that the provision is applicable to all MACT proposals that may be inconsistent with past precedent, the proper administrative process or the text of the Clean Air Act.

One of the most important requirements of the Clean Air Act is the proper establishment of the so called MACT floor. The act states that the MACT floor is "the average emission limitation achieved in practice by the best performing 12 percent of existing sources" that qualify for the given category or subcategory. The EPA must establish that the limitations on emissions that constitute the MACT floor are achieved, or exceeded, in practice by 12 percent of the qualifying facilities. In addition, we are also concerned that in determining the MACT floor for a given source category, EPA may divide the source category into smaller parts and calculate the MACT floor separately for each part or pollutant. The results of this impermissible approach is that typically no single major source in a source category can meet the MACT standard without installing additional controls. Congress clearly contemplated that if MACT is set at the MACT floor, the top 12 percent of major sources in a source category should not need to install additional controls to meet MACT. Of course, EPA may then go beyond the MACT floor by determining that the additional emissions limitations are justified in light of their cost, non-air quality health and environmental impacts and energy requirements. The report language is not intended in any way to stop the MACT program, but to limit the program to those efforts previously authorized by Congress.

Mr. LOTT. I sense a disturbing trend at EPA. First, EPA is conditioning Resource Conservation and Recovery Act [RCRA] permits on requirements that have not been subject to full administrative process. Second, EPA is in the process of choosing the most severe result from separate statutes to create a hybrid. Congress did not intend EPA to mix and match its authority under the Clean Air Act and RCRA. Thus, ignoring the independent limitation on authority and process imposed by each statute. Finally, EPA expressed its intention to set a separate MACT floor for each hazardous air pollutant. By adopting such an approach, EPA would be able to set multiple MACT floors that no single facility may be able to meet in practice. I believe the MACT language in the act does not allow EPA to do this. My bottom line is that EPA should comply fully with the statutory and administrative controls on rulemaking.

Mr. BOND. The EPA has stated that its use of the so called omnibus permitting authority under RCRA must be accompanied by site-specific findings in the administrative record supporting a permit that any conditions are necessary to ensure protection of human health and the environment. I expect EPA to comply fully with its own procedural requirements for omnibus permitting authority under RCRA, for MACT standards under the Clean Air Act and all other authorizing statutes. The committee would oppose any attempts by EPA to ignore its legal obligations.

I will carefully consider the views of the Senator from Mississippi on these issues, who I understand speaks for many other Senators with similar concerns, and work to ensure that EPA implements its statutory authority consistent with the intent of Congress and its own rules and regulations.

TRANSFERRING FAIR HOUSING ENFORCEMENT AUTHORITY

Mr. HATCH. Mr. President, the issue of transferring fair housing enforcement authority from the Department of Housing and Urban Development to the Department of Justice is no small matter. I am pleased that Senator BOND has agreed to delay any such transfer for 18 months. During this time, I expect the Judiciary Committee to review this issue. It may be that some or all of HUD's fair housing functions should be transferred. If so, some functions may be better transferred to agencies other than DOJ.

I have no doubt that excesses in HUD's enforcement policies have given rise to the idea of transferring its fair housing enforcement authority elsewhere. I hope HUD gets a message from this episode and reviews its policies and practices.

MERCURY-CONTAINING LAMPS

Mr. LEAHY. Mr. President, I want to bring up an issue that Senators GREGG, SNOWE, and SMITH and I have been working on during the consideration of the VA/HUD appropriations bill. The report accompanying H.R. 2099 includes language regarding the waste disposal treatment of mercury-containing flourescent light bulbs. I think it is important to clarify some of the issues raised in the report and provide additional context for the rule.

The Environmental Protection Agency [EPA] has been considering a rule which would either conditionally exempt mercury containing lightbulbs from existing hazardous waste requirements or allow lamps to be treated under the universal waste rule. The report language does not reference the two options available. Is it the Chairman's understanding that the EPA does indeed face this choice in finalizing a rule?

Mr. BOND. Mr. President, the Senator is correct. The rule does contain two options.

Mr. LEAHY. Mr. President, I understand the concerns raised by my colleagues about this rule. The point has been made that the EPA should not create a major disincentive for switching to energy efficient lamps by requiring burdensome treatment of the lamps. On the other hand, 42 States have consumption warnings for eating the fish from the streams and lakes in our towns. Mercury containing lamps are the largest single contributor of mercury to the municipal waste stream, and our policies should take that fact into consideration. Our country has a mercury pollution problem that warrants our attention, and I share the chairman's concern about addressing the problem in a way that makes sense in cost-benefit analysis context.

I also understand the chairman's concern about expediting the final rule. However, I want to point out that we are considering this bill only 3 days from the end of the fiscal year. Final passage of the conference report may not occur until late next month. The deadline included in the report language may allow for only a month for EPA to decide, with holidays. I just want to emphasize that this is a very tight timeline, and it does not provide the recycling industry enough time to adjust if necessary. I would like to work with other Senators to ensure that there is an adequate adjustment period.

Mr. BOND. Mr. President, I want to get the rule out soon, but I will work with other Senators to ensure that there is time for a reasonable transition.

Mr. LEAHY. Mr. President, I want to thank the chairman for discussing this issue on the floor. Mercury pollution is an important issue. There are some areas where almost everyone agrees, such as the need to end incineration of mercury-containing lamps.

SUPERFUND NPL PROVISION

Mr. GORTON. Madam President, would the chairman of the VA-HUD Subcommittee yield for a question?

Mr. BOND. The Senator would be happy to yield.

Mr. GORTON. I thank the Senator. The Senator has included the fiscal year 1996 VA-HUD bill a provision that prohibits the addition of any new sites to the Superfund National Priorities List, with one exception. The language enables the "governor of a state, or appropriate tribal leader" to veto the EPA Administrator's request that a site be placed on the NPL. With one reservation, I support the provision in the VA-HUD bill because this Senator wants to see Superfund reauthorized, and the prohibition provides an important time out from adding new sites to the NPL. My reservation is this: I am concerned that the phrase "appropriate tribal leader" expands the authority of tribes, beyond that which they are granted under current law, to veto a site recommended by the EPA Administrator for listing on the NPL.

The fiscal year 1995 rescission bill included a provision similar to that included in the bill before the Senate, with one exception. The bill currently before the Senate gives the authority to both the Governor of a State, or an appropriate tribal leader to veto the EPA Administrator's request that a site be added to the NPL. Was it the intent of the subcommittee chairman to expand the authority of Indian tribes under the Superfund law with this provision?

Mr. BOND. The Senator is correct, it was not the intent of the subcommittee to expand the authority of Indian tribes in this provision.

Mr. GORTON. Would the Senator yield for another question on the same issue?

Mr. BOND. The Senator would be happy to do so.

Mr. GORTON. As the Senator from Missouri knows, the chairman of the Senate Environment and Public Works Subcommittee on Superfund is working hard to put together a Superfund reauthorization bill, and bring it to the Senate floor this year. There are an entire range of issues associated with the fact that Indian tribes are not currently treated as persons under the Superfund law, and are not liable for clean up of waste that a tribe may have contributed to a site. I have discussed this issue with Senator SMITH and he told me that these issues will be looked at as he develops legislation to reauthorize the law. Consequently, I would ask that the Senator drop out the "or appropriate tribal leader" provision during conference with the House over the fiscal year 1996 VA-HUD bill.

Mr. BOND. I would be happy to work with the Senator to address this issue during conference.

AMENDMENT NO. 2781

Mr. KOHL. Mr. President, yesterday the Senate voted not to restore funding for the AmeriCorps Program and with great reluctance, I opposed the amendment offered by the distinguished Senator from Maryland. I did so not because the Corporation for National and Community Service is a bad investment. In fact, I am a strong supporter of the AmeriCorps Program and believe community service can make a big difference in our society. Unfortunately, the amendment restored AmeriCorps funding at the expense of other important Federal programs.

Mr. President, I have seen first hand the positive results of the AmeriCorps Program. It has shown great promise in addressing today's urban and rural problems by uniting communities. Program participants in Wisconsin have worked hard to fight hunger, provide child care, combat illiteracy, and build low-income housing.

By dedicating service to their communities, participants receive a small stipend and assistance to further their education. Corps participants are also able to leverage private resources in carrying out their activities, which adds to the effectiveness of the Federal investment.

I am distressed that the Senate has decided not to fund the national service program and strongly believe the AmeriCorps Program merits continuation. But the amendment relied on alternative funding sources that I could not accept, including raising FHA's loan limits.

Mr. President, it is no secret that in the past I have opposed efforts to raise the FHA's loan limits. My position on this issue is clear and I will not take this time to recite all of the reasons that I oppose raising the loan limits. I will, however, say that raising the loan limits will not help the low and moderate-income home buyers who should be the prime beneficiaries of FHA's efforts. For the record, I also note that I would have gladly worked with the authors of the amendment to find other more appropriate offsets, if only I had received sufficient advance notice of the amendment.

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND

Mr. LEAHY. Mr. President, I rise in strong support for the community development financial institutions [CDFI] fund.

The CDFI fund is a key priority for President Clinton. He and Vice President Gore campaigned in 1992 to create a new partnership with the private sector to revitalize economically distressed communities. The President and Vice President spoke passionately about their vision for supporting local community development banks.

After the election of 1992, both Republicans and Democrats in the last Congress turned the President's vision into ground-breaking legislation that created the CDFI fund. The legislation passed the Senate unanimously and was approved by a 410 to 12 vote in the House.

Unfortunately, the CDFI fund is now a hostage of partisan politics. Under this appropriations bill, the CDFI fund is terminated. Before even giving this program a chance to succeed, this bill kills it. That is a real shame.

The fund is a small but very innovative program. For a modest $50 million budget, the fund has the potential to make a significant impact in distressed communities.

The fund's investments would create new jobs, promote small business, restore neighborhoods, and generate tax revenues in communities desperate for community development.

How would the CDFI fund succeed in areas where more traditional financing has failed?

The fund would create a permanent, self-sustaining network of financial institutions that are dedicated to serving distressed communities. These financial institutions include a fast-growing industry of specialized financial service providers—community development financial institutions. The fund would also provide incentives for banks and thrifts to increase their community development activities and invest in CDFIs.

The CDFI fund's initiatives would be an innovative departure from traditional community development programs because they leverage significant private sector resources. It is estimated that every $1 of fund resources would leverage $10 in non-Federal resources. And these locally controlled CDFI's would be able to respond more quickly and effectively to market-building opportunities than traditional community development organizations.

The CDFI fund has caught the interest of many community development organizations across the Nation. Unfortunately, these fine community development organizations and many others throughout the country may never get the opportunity to receive assistance from the CDFI fund. I strongly believe that would be a short-sighted mistake—putting partisan politics ahead of our distressed communities.

I urge my colleagues to restore funding for the CDFI fund if the Senate revisits this bill during the appropriations process.

Mrs. MURRAY. Mr. President, community development financial institutions [CDFI] play an important role in my home State, and I join my friend from Vermont, Senator LEAHY, in expressing my strong support for the CDFI fund.

Community Development Financial Institutions are essential to serving communities that often find it difficult to cultivate financial support. CDFI's prove that private sector, locally controlled financial institutions can combine rigorous fiscal management with a commitment to improving communities by offering capital access along with related training and technical services when other institutions may not. CDFI's provide capital to distressed communities, as well as increase the number of joint venture loans between Federal, State, and private entities.

Mr. President, Cascadia Revolving Fund, of Seattle, is a prime example of how CDFI's can complement traditional financial institutions. Cascadia is a nonprofit community development loan fund which makes loans and provides technical assistance to low-income, minority- and women-owned businesses in addition to businesses in economically distressed areas. Over the past 10 years, Cascadia has lent over $3 million, and 90 percent of the businesses they have assisted are still in business today.

The Community Development Banking Act of 1994, which created the CDFI fund, received broad bipartisan support in the 103d Congress. The legislation passed the Senate unanimously, and was approved by a 410 to 12 vote in the House. Today, there are roughly 310 CDFI's operating in 45 States that manage more than $1 billion in primarily private sector money.

Mr. President, it would be a shame to terminate this program designed to revitalize economically distressed communities before even giving it a chance to succeed. If the Senate has the opportunity to revisit this bill during the appropriations process, I urge my colleagues to restore funding to the community development financial institutions fund.

Mr. BRADLEY. Mr. President, things are finally beginning to turn around in urban America. We have finally taken some small, tentative steps to give children a safe and nurturing environment, to help communities repair themselves, to help individuals find and get jobs, to help poor people develop assets for the future, and to restore strong financial institutions that help communities save their own money, invest, borrow, and grow.

But just as the economics of urban America were starting to improve, this bill pulls out one of the most vital initiatives to bring capital, initiative, savings, and growth to those who have been isolated from it: the Community Development Financial Institutions Program. This initiative evolved from the Community Capital Partnership Act that I introduced in 1993. I am very disappointed that the committee included no funds for community development financial institutions, and I want to remind the chairman of the subcommittee that there is significant, passionate support in the Senate for the continuation of this program.

Most of us take basic financial institutions for granted. We have savings and checking accounts, our bank lends our money to businesses in our communities, and we borrow ourselves when it comes time to buy a home or we have an inspiration to start a business. But in most American cities, the only financial institution they know is the check-cashing cubicle, which charges up to 5 percent just to cash a Government check, and takes the money back out of the community. People who want to save have nowhere to go and businesses have no access to capital. Within the 165 squares miles that make up the areas most affected by the Los Angeles riots, there are 19 bank branches, as compared to 135 check cashing establishments.

People who want to borrow have even fewer opportunities. They can buy a car or furniture on time, or on a rent-to-own plan, but if they want to borrow to get ahead, by starting a small service business or a store, they're out of luck. The "McNeil-Lehrer Newshour" last year interviewed some ambitious entrepreneurs in rural Arkansas, one of them a woman named Jesse Pearl Jackson, who owns a beauty salon. She needed a loan for new equipment, and when she went to a bank, she says the loan officer "laughed me clean out the door. She said, 'You want money for what?' She said, 'You don't walk in here and ask me for an application for a loan. That is not the way you do it.' I said, 'Well, if you will tell me what to do, then I will come back, and I will do it right the next time.' She was laughing so hard and making fun of me so bad I never went back." There is money to be made here, for any bank willing to take entrepreneurs like Ms. Jackson seriously, but large financial institutions without roots in the community are unlikely to see those opportunities.

But there are islands of hope for people who want to save and invest in troubled communities. Last year I visited La Casa de Don Pedro, which operates a credit union in a very poor section of Newark. La Casa is a multi-purpose community organization that just happens to have a credit union. While I was there, a stream of members poured into the small building which houses the credit union, day care center, and other programs, depositing $20, $50, and $100 at a time. I did not see any banks in the vicinity of La Casa. If it were not for the credit union, many of the community's residents would have no place to deposit their money, secure small loans, or take advantage of other services we often take for granted.

This fund does not, and should not, seek to create organizations that will be perpetually dependent on Government for support. Instead, it seeks to reach in at a point of leverage in capital-starved communities and get them started. It does not set development strategies for either the institutions or the communities they serve. Instead, it lets those involved in the struggle for economic recovery find their own path.

There has been such widespread support for the idea of expanding community financial institutions, even though it is a relatively new idea to many people. I still hear some wariness, though, about this investment from people who argue that poor people do not save and that distressed communities do not have the resources to support economic development.

The evidence contradicts this cynical view. In Paterson, NJ, last year, I visited one of the few banks that had not left that city. I struck up a conversation with a customer, who volunteered that she was depositing $100. Surprised, I asked her how much she generally saved in a week. She told me that she and her husband had five children and earned $20,000 last year—below the poverty line. But even on this income, they saved $3,000 that year, for health emergencies, for college, or to give their children a chance at a better life. Their experience tells me that saving for the future is a fundamental value of our country, not limited to the middle class, and that if we all had access to the institutions that make capitalism work, we could all be a part of vital, self-sufficient communities.

Mr. President, I know we expect this legislation to be vetoed, because it sets all the wrong priorities. The defunding of the CDFI initiative is only one example. I hope that we will have an opportunity to reconsider this bill, to put all its priorities in order, and that when we do, we will find a way to continue to support community development financial institutions.

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND

Mr. SIMON. Mr. President, I want to express my strong support for the community development financial institutions [CDFI] fund.

Created by legislation enacted in 1993, the CDFI fund, in a new partnership with the private sector, would revitalize economically distressed communities. The fund would create a permanent network of financial institutions that are dedicated to serving these communities.

Today many low- and moderate-income Americans across the country are unable to cash a check, borrow money to buy a home, or secure a small loan to start or invest in a business. Rural communities, because they are remote, have unique problems in this regard.

Designed to encourage community development through lending to underserved low- and moderate-income people and communities, CDFI's are especially important to the people in these communities who do not have affordable credit, capital, and basic banking services.

The CDFI's would go a long way toward stimulating the economy in those communities by helping to create new jobs and promote the development of small business. And at a small cost. CDFI's are required to provide a minimum of $1 of matching funds for each Federal dollar received.

When enacted in 1993, the CDFI fund had the overwhelming support of both Houses of Congress. The President is a strong advocate of the fund. It is not a large program; but it can be an extremely effective one. It should not be terminated before having a chance to succeed.

Mr. President, I strongly urge my colleagues to reinstate funding for this vital program.

EPA PROVISIONS

Mr. KERRY. Mr. President, as we consider the VA-HUD Appropriations bill, we will set the budget for the Environmental Protection Agency, and this budget for EPA turns back the clock on 25 years of bipartisan progress and tips the balance from the protection of people to the protection of the special interests of some industries.

The Gingrich majority and the extremists on the right have placed in jeopardy the gains we have fought for, and the progress we have made to protect the environment and ensure the health and safety of every American in the last 25 years.

Ironically, for 19 of the last 25 years Republicans were in charge of the EPA. It was Richard Nixon who signed into law the National Environmental Policy Act and declared protection of the environment to be a national priority. And today the Republican majority is turning its back on its own promise.

Twenty-five years ago environmental organizations let their voices be heard and the message was loud and clear. We must find that voice again. We must unite in our efforts and let the message resound across this Nation and through the halls of Congress—that we will not turn back the clock on environmental protection.

We will not retreat. We will not give in. We will fight for clean air, clean water, and the preservation of our land and oceans and rivers so that the world we leave our children will be the same magnificent world that was handed down to us.

I call on every one who believes in the importance of environmental protection and who has been part of this fight to stand together and renew the effort we began. We cannot assume we can change the agenda in Congress.

We cannot take anything for granted. We must rebuild, retool, reorganize, and reeducate. We must put aside whatever differences exist between groups or regions and stand up for what we know is right for the Nation and for the environmental gains we have made.

We have to start anew—as people committed to the environment—we must begin again as if this were April 22, 1970, the first Earth Day.

We must take advantage of America's attention on the 25th anniversary of that day to galvanize support across the country for what Americans believe and want for the environment: clean air, clean water, pristine rivers, and protected ecosystems, abundant species of plants and animals, clean beaches, parks and public lands that are clean and safe, cities with breathable air, industries and businesses that are willing to do all they can to protect the environment, and a government that cares.

These should be the 10 commandments for the new environmental movement, and our call to action is clear: Remember April 22, 1970. And, Mr. President, we must do so in a rational bi-partisan manner.

But this bill—this bill—Mr. President, speaks volumes about the new Republican Party and its retreat from responsible policies designed to protect the health and safety of all Americans—of all incomes, all races, and particularly those who are the most vulnerable in society today.

The central question in this debate is: What priority do we place on protecting our Nation's vital natural resources and the health of its citizens? Regrettably, I must say that the Appropriations Committee does not put as high a priority on the environment as the American people do.

This bill cuts the EPA budget by $1.7 billion—23 percent below the level originally appropriated to the EPA for the current fiscal year. In addition, it includes 11 legislative riders that eliminate critical environmental protections provided in such statutes as the Safe Drinking Water Act and the Clean Air Act.

Mr. President, I am cosponsoring several amendments today to restore some of the more egregious cuts and provisions in this bill to bring it more in line with what I believe to be the priorities of most Americans.

In addition to the EPA, the VA-HUD and Independent Agencies appropriations bill before us today includes funding for the Veterans Administration, for Housing and Urban Development, the National Science Foundation, and the National Aeronautic and Space Administration—all important Federal programs.

But of all the agencies, the agency that has the most direct impact on American lives is the EPA.

I find it ironic that it is the EPA budget that takes the largest reduction of any agency's budget in this bill—23 percent cut from funding levels originally appropriated for the current fiscal year.

Americans have, indeed, called for meaningful budget reductions and reforms and the President and Congress have serious plans to meet those reduction goals; and all departments and agencies must join in this effort if we are to succeed. But the best approach, by far, is first to eliminate wasteful spending, and then spread the reductions across agencies. Unfortunately, this is not the approach of the appropriators.

The committee this year, while cutting the EPA budget by 23 percent is reducing its other agencies by far less.

The fiscal year 1996 Senate appropriations bill for EPA would deal a harsh blow to efforts to protect public health and the environment for Massachusetts and the Nation.

While the President has proposed a balanced budget that would preserve the environment and protect the health and safety of American families, the bill before us cuts those protections dramatically, while placing severe limits on existing protections.

Let me take a moment to highlight the key cuts that would have an enormous negative impact on millions of citizens.

First, this bill cuts desperately needed assistance to State and local governments for important water infrastructure programs through the State revolving loan fund [SRF]. This bill cuts almost $600 million to provide assistance to local communities to offset the enormous costs of sewage treatment facilities in order to provide cleaner local water—cleaner water in nearby rivers and adjoining shorelines.

Of that, the $20 million which would be targeted to Massachusetts alone would assist over 300 communities across my State.

Hundreds of thousands of citizens in my State—as in dozens of States across this Nation—rely on clean water for their livelihood.

From tourism to fisheries, industries depend on the quality of water—and history shows that industry did not care about the quality of water when it had the chance—when there was no EPA. I wonder what has changed today.

My State is but one of many that had beaches closed to protect the public from unsafe waters in 1994. These closings cost millions of dollars but can be avoided with prudent, preventive clean water standards and a reliable water infrastructure system.

Local communities cannot shoulder this burden alone. That is why Congress created a Federal-State-local government partnership to finance this process.

That is why, earlier this year, we passed and the President signed into law, the Unfunded Mandates Act requiring that future legislative initiatives provide Federal financial assistance to State and local governments for implementing such large-scale undertakings.

I find it ironic that this same congressional leadership would now support cutting hundreds of millions of assistance to local and State governments when it is so urgently needed.

A second area of concern are funding cuts for the cleanup of the toxic waste sites. The Hazardous Waste Cleanup Program funding is targeted for a 36-percent reduction—$500 million.

A reduction on this scale would slow cleanups and would stall cleanup efforts in communities that have patiently waited for Federal intervention.

In Massachusetts alone, there are four new communities slated to begin cleanup efforts in 1996—New Bedford, Dartmouth, Palmer, and Tyngsborough.

All of these communities would be adversely impacted by these unprecedented cutbacks. And what do we tell the people who live there: "Don't worry. The problem will take care of itself once we get Government off our backs?"

Mr. President, the problem is that companies did not take care of these situations before there was an EPA—or before a young man named Jimmy Anderson got sick from a contaminated well in Woburn, MA. He died from lymphocytic leukemia in 1981.

Let me digress for a moment because Jimmy Anderson's story makes the point better than any rhetoric I could come up with today.

Almost 30 years ago, Jimmy's mother Anne suspected something was wrong with their water because it smelled bad, only to be assured that the water was safe. Then, in early 1972, Jimmy got sick.

Despite Mrs. Anderson's concerns and protests, the wells remained in use until 1979 when a State environmental inspection triggered by an unrelated incident detected unusually high levels of toxins.

Eventually, other leukemia victims came forward and it turned out that between 1966 and 1986 there were 28 cases of leukemia among Woburn children with victims concentrated in a section of Woburn served by two wells.

Investigations revealed that there were lagoons of arsenic, chromium, and lead discovered on a tract of land that once housed a number of chemical plants, or from a nearby abandoned tannery that had left behind a huge mound of decades old rotting horsehides that gave off a smell that commuters used to call the Woburn odor.

I say to my colleagues, before we rush headlong into getting Government out of the business of protecting people like Jimmy Anderson I think we should reflect for a moment on the consequences of turning back the clock to a time when there were no real regulations and industry did, indeed, have Government off of its back.

Let me read what Anne Anderson said to a congressional committee. She said,

> It is difficult for me to come before you today, but I do so with the realization that industry has the strength, influence, and resources that we, the victims, do not. I am here as a reminder of the tragic consequences of controlled toxic waste, and the necessity of those who are responsible for it to assume that responsibility.

Mr. President, this is why we have made the choices we did for the last 25 years. And they were the right choices.

I would submit to my colleagues that this bill throws responsibility to the wind, and begins a tragic return to the days when toxic lagoons contaminated the water in Woburn and killed Jimmy Anderson.

Now, getting back to the third point, Mr. President, the massive budget cuts proposed for EPA's enforcement and compliance programs seem extremely shortsighted. The Senate appropriators target the EPA enforcement program for a 20-percent cutback.

This is the office that goes after the bad actors in the environmental arena; they are the ones that most directly protect the public's health and safety.

Cutting back enforcement will only encourage polluters to continue breaking the law. In Massachusetts during 1994, EPA and State inspectors visited 1,091 facilities to ensure public health and safety standards. Of those visits, 117 State and Federal enforcement actions were taken to protect the public.

By weakening enforcement, more polluters are given an unfair economic advantage over responsible industry competitors play by the rules because polluters have lower production costs.

Less enforcement means more risk taking by polluters because they are less likely to get caught.

Let me tell you a tale of two companies. One bought scrubbers; the other bought lobbyists and lawyers.

In the early 1990's, Federal regulators discovered that a number of forest products companies had underestimated certain emissions at plywood and waferboard plants by a factor of 10—and had therefore failed to apply for permits under the Clean Air Act or install necessary but expensive pollution controls.

When EPA moved to require permits and installation of such equipment, Weyerhaeuser and Georgia-Pacific chose very different responses.

The one that played by the rules finds itself at a serious competitive disadvantage—if its rival can get away with it.

Weyerhaeuser more or less played by the rules, moving quickly to install tens of millions of dollars in pollution controls at its plants—according to company officials—even before EPA began its enforcement action.

The company paid a substantial fine to State regulators, though it is currently contesting any EPA decision to seek fines.

Georgia-Pacific, on the other hand, chose to fight EPA, claiming it had only followed the agency's own faulty document—though a 1983 industry-produced technical bulletin corrected and publicized the error—and that State regulators had in any event approved its plants.

The company spent its money instead on Washington lawyers and lobbyists, who managed to slip a special provision into the original Dole regulatory reform bill effectively freeing Georgia-Pacific from any obligation to install the expensive equipment.

According to Weyerhaeuser, the pollution controls add $1 million a year to operating costs at each plant. If Georgia-Pacific can get away with its plan to avoid installing any controls whatsoever, Weyerhaeuser plants will then be at a serious disadvantage during the next downturn in the highly cyclical building products industry.

By playing by the rules, Weyerhaeuser will have lost.

Weyerhaeuser's director of environmental affairs says Georgia Pacific's tactic: "sends exactly the wrong signal. We're finding ourselves in the position of being penalized for coming into compliance. We think that's unfair."

Finally, Mr. President, in addition to the unjustified draconian budget cuts, there are nearly a dozen legislative riders that have no business being added to an appropriations bill. These legislative proposals should be considered by the authorizing committees with jurisdiction.

This bill guts EPA and virtually lets the free marketeers decide what is right, and puts its faith in the perceived altruism of American capitalists who somehow and for some reason, now, in 1995, have seen the light and will do better in the future than they did in the past.

It puts its faith in industry's willingness to care more about the common man than the bottom line. It says that if Government would only leave everyone alone, everyone will do the right thing. If we stop watching where folks dump their toxic waste, what they spew into the air, and what chemicals they use, everyone will act in the common interest.

I am not sure that is the case. But I am sure that EPA balances the equation between those who care and those who don not. Why now, are we willing to tip that balance—to favor the polluters over the people.

My Republican friends will deny that this bill tips the balance or turns back the clock. They will stand here and tell us that Government has been intrusive and it has—that Government has overregulated and it has—that Government is demanding too much of small business and it is.

They will give us example after example of ludicrous regulations and I agree that those regulations should be abolished, but not at the expense of the progress we have made.

But they will not tell us is why we needed an EPA. They conveniently forget about Jimmy Anderson.

This chorus to cut Government—with its refrain of getting Government off our backs—is becoming a dirge for the common man.

And we are marching into the next century to a slow and painful funeral march for the death of common sense.

I yield the floor.

RENO VA HOSPITAL

Mr. BRYAN. Mr. President, I want to bring to the attention of the Senate the impact the proposed VA/HUD appropriations bill is having on veterans who rely on the Veterans Affairs medical center located in Reno, NV, for inpatient hospital care.

I recognize the difficult funding decisions that faced the VA/HUD Appropriations Subcommittee. And I know the subcommittee wants to provide quality health care for veterans in quality medical facilities. But the decision to not fund any major construction projects jeopardizes the ability of the Reno VA hospital to provide that quality inpatient care to its veterans.

The Reno VA hospital's $20.1 million major construction project to build an inpatient bed wing project is an authorized project. The project's construction plans will be completed in November. The project will be ready for bid award in January, 1996. The House VA/HUD appropriations bill, passed in June, includes $20.1 million for the project. But there is no funding for this authorized project in this Senate bill.

The Reno VA hospital's current inpatient bed wing was designed prior to World War II, and is today a woefully inadequate facility. The Reno VA hospital inpatient bed wind has been in noncompliance with JCAHO accreditation standards for nearly 6 years. It again faces an accreditation evaluation from JCAHO on October 10.

The hospital's inpatient wing's deficiencies include inadequate fire prevention including lacking water sprinklers, an inadequate oxygen system in patient rooms, inadequate air conditioning, and inadequate handicapped access. Further, the patient rooms lack wash basins and toilets which violate both privacy standards for the patients, and health standards for nurses and physicians who are required to wash their hands before leaving a patient's room. With the increase in women patients using the hospital, the lack of wash basins and toilets problem is further exacerbated. Can you imagine being sick in a room with no air conditioning? In a room with no toilet facility except down the hall?

I know we would all agree this situation is intolerable. This inpatient care unit is woefully inadequate to meet even the most basic of standards for care and safety. The personal dignity of all the veterans who receive their inpatient hospital care there is compromised.

This hospital critically needs the new inpatient hospital wing to ensure the center does not lose the JCAHO accreditation. To date, no Veteran Affairs medical facility has lost its accreditation. However, JCAHO has recently been under industry criticism for not being as stringent as it should be to ensure the quality of its accreditation standards. When a facility like the Reno hospital has been in noncompliance with accreditation standards for 6 years, and is unable to show JCAHO a definitive plan to correct those deficiencies, because its construction project has not been funded, it is surely not beyond the realm of possibility that Reno could be facing nonaccreditation.

And what happens should the hospital lose its accreditation? The hospital will be given a specific time period to move the current inpatient patients out of the facility, and obviously no new patients can be admitted. The hospital's medical residents from the University of Nevada-Reno medical school will have to leave the hospital immediately as they cannot practice in an unaccredited facility. The hospital's physicians will leave as soon as possible, as physicians do not further their professional standing by serving in an unaccredited facility. The hospital's research program will be dismantled because Federal research funds cannot flow to an unaccredited facility. In simple terms, Reno will no longer have an inpatient hospital.

Since coming to the Senate, I have worked to attain funding for a new inpatient bed wing. During the last budget cycle, the Reno hospital and the Department of Veterans Affairs drastically scaled back the construction project by nearly half its original cost. This revision was done to face the reality of funding constraints for major construction projects, and to ensure the hospital would have a definitive plan to meet its accreditation deficiencies. It is ironic that a construction project which has been significantly scaled back, and would solve the Reno hospital accreditation problems cannot go forward.

The subcommittee has recommended that no major construction project, whether authorized or not, should be funded. I understand the concerns of the subcommittee and the Senate Veteran's Affairs Committee that major construction projects should not go forward while the Department of Veterans Affairs is developing a new veterans health care delivery system. However, the veterans who rely upon the Reno VA hospital for inpatient medical care cannot wait.

The subcommittee increased the minor construction account funding to try to provide additional funds for facilities to use to address their accreditation, and life and safety deficiencies. But the minor construction account funding is not the answer for the Reno hospital.

The minor construction account limits funding to no more than $3 million per project. It is estimated to require $13.9 million to renovate the current inpatient bed wing; obviously over the $3 million project limit. Even if a $13.9 million expenditure could be made from the minor construction fund, the hospital would still not meet accreditation standards. This is an old building. Most of this building is uninsulated. Its electrical system is at capacity. Its steam radiator heating system is beyond economical repair. Only so much can be done within the limits of such a building. Is it wise to put millions into an old building, that will not in the end meet accreditation and life safety code requirements? I think not.

It must also be noted that the estimated $13.9 million renovation cost does not include the costs of contracting out inpatient hospital care during the disruption caused by such construction work. There is no other VA health care facility within competitive travel distance to assume any of Reno's inpatient caseload. Given the population influx of veterans into northern Nevada, and the increased patient load of California veterans due to closure of the Martinez VA facility damaged by earthquake, this hospital needs to be able to continue to serve the inpatient hospital needs of veterans for years to come.

None of us wants a VA hospital closed for accreditation noncompliance. None of us wants sick veterans receiving care in a hospital room with no air conditioning or inadequate fire protection. Given extreme budget restraints, hard decisions must be made. But when those hard decisions serve to prevent a vitally needed construction project like the Reno hospital inpatient wing from going forward, the funding priorities are skewed. Reno needs a new inpatient wing without further delay.

NATIONAL SCIENCE FOUNDATION

Mr. INOUYE. Will the chairman of the Veteran's Affairs and Housing and Urban Development, and Independent Agencies Subcommittee yield for a question?

Mr. BOND. I would be pleased to yield for a question from the senior Senator from Hawaii.

Mr. INOUYE. I thank the chairman for yielding.

As the chairman knows, starting in fiscal year 1991, the Veterans Affairs and Housing and Urban Development Subcommittee urged the creation of a new Directorate for Social, Behavioral and Economic Sciences at the National Science Foundation. This was led by our colleague Senator BARBARA MIKULSKI.

The subcommittee also was instrumental in encouraging the new NSF directorate to pursue a program called the Human Capital Initiative, which supports basic behavioral research aimed at some of our most serious national problems—such as education, substance abuse, violence, productivity, problems of aging, health, and others.

This year, for fiscal year 1966, the subcommittee has had to make some hard choices among programs to live within their 602(b) allocations. The chairman has been fair and even-handed in his efforts to craft a bill within the spending total available to him.

Is it the chairman's intention that this fairness will also carry over when final allocations are made at NSF, and that NSF's programs in the Social, Behavioral and Economic Sciences Directorate will receive equitable treatment with other research disciplines?

Mr. BOND. I thank the Senator from Hawaii for the question.

It is my intention and my expectation that the National Science Foundation would continue the current practice of recommending support levels for that directorate and for the programs represented by the Human Capital Initiative, within the overall funding recommendations of the committee in its operating plan. As you know, we generally accord the recommendations of the Foundation considerable deference given the technical nature of many of these allocation decisions, and it is my intention to continue this practice.

Ms. MIKULSKI. As the ranking minority member of the subcommittee, I also would like to thank the Senator from Hawaii for his question, and I wholeheartedly support the answer provided by Chairman BOND. It would be a matter of great concern to me if any area of research at the National Science Foundation is singled out and given inappropriate reductions in funding. Our support for the Social, Behavioral and Economic Sciences Directorate and for the Human Capital Initiative must continue to be strong and I hope to see those programs funded as generously as our appropriations will allow.

Mr. BOND. Mr. President, there are still a number of amendments left on the list. We do not believe the Senators proposing them are planning to come down. Senator DASCHLE has reserved a relevant amendment, Senator SIMPSON has reserved an amendment to eliminate the EPA SEE program. We are preparing to move to the adoption of the final managers' amendment.

I ask that, if there are any Senators who do wish to pursue these amendments, that they call the Cloakroom immediately and let us know, because as soon as we do the managers' amendment we will be ready to proceed to third reading.

I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. INHOFE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

PETROLEUM REFINERY MACT STANDARDS

Mr. INHOFE. Mr. President, I am in strong support of language at this point calling for the EPA to reevaluate the petroleum refinery MACT standards. The refinery MACT legislation is a prime example of the EPA regulations run amok.

As I said at a hearing earlier this year, refinery MACT regulation could be a poster child for nonsensical regulations. Its costs far exceed any possible benefits.

As a member of the authorizing subcommittee, I can speak for a majority of the subcommittee in saying that the EPA has taken the wrong direction in its implementation of the Clean Air Act amendments. The implementation of the act is an issue that the subcommittee will be addressing in the coming months. However, in the meantime we need to put a stop to the refinery MACT rule from taking effect.

These are the rules that were promulgated, yet the standards which were used were standards prior to 1980 when, in fact, the refineries had complied with the 1990 amendments. Those things were not taken into consideration.

We are talking about millions of dollars, if we leave these regulations in effect. This does not roll back any environmental laws. It just allows the EPA the time to fix an obviously flawed regulation.

In the defense of the EPA, I would say they were under a court-ordered deadline when this happened, and I feel this is an opportunity for us to at least have language in there suggesting we rescind compliance for that period of time.

Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BOND. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Ms. SNOWE). Without objection, it is so ordered.

REMAINING EXCEPTED COMMITTEE AMENDMENTS

Mr. BOND. Madam President, I ask unanimous consent that the remaining committee amendments previously excepted from adoption be adopted en bloc at this time.

The PRESIDING OFFICER. Is there objection?

Mr. McCAIN. Reserving the right to object, could I ask the managers of the bill to explain No. 12.

Mr. BOND. Madam President, we are referring to the items that were excepted by request of the other side.

Mr. McCAIN. I have no objection.

Mr. BOND. We are now prepared to go through the list of amendments we propose to adopt en bloc in the managers' amendments.

I will send these amendments to the desk and ask unanimous consent that they be considered en bloc.

The PRESIDING OFFICER. Without objection, the remaining committee amendments are agreed to.

AMENDMENTS NOS. 2796 TO 2808 EN BLOC

Mr. BOND. First, I send an amendment proposed by Senator SIMON and Senator MOSELEY-BRAUN providing an effective date for the transfer of the Fair Housing Act enforcement from HUD to the Attorney General;

Second, an amendment by Senator JOHNSTON providing the EPA shall enter into an arrangement with the

National Academy of Sciences to investigate and report on scientific bases for regulating indoor radon and other naturally occurring radioactive materials;

Next, an amendment by Senator BINGAMAN relating to energy savings at Federal facilities;

Next, an amendment to increase amounts provided for FEMA salaries and expenses, and Office of Inspector General, and emergency food and shelter;

Next, an amendment to make technical corrections and modifications to the committee amendment to H.R. 2099, about 10 pages of corrections primarily in language to conform to the intent of Congress in the measures adopted here, and to clarify the subsection numbers;

Next, an amendment by Senator KEMPTHORNE and myself to provide additional time to permit enactment of Safe Drinking Water Act reauthorization which will release funds for the financial assistance program;

Next, an amendment by Senator FAIRCLOTH to prevent funds being used for the filing or maintaining of nonfrivolous legal action, and achieving or preventing action by a Government official, entity, or court of competent jurisdiction;

Next, an amendment by Senator FAIRCLOTH to preserve the national occupancy standard of two persons per bedroom in the HUD regulations;

Next, an amendment by Senator FEINSTEIN to expand the eligible activities under the community development block grant to include reconstruction;

Next, an amendment by Senator WARNER to impose a moratorium on the conversion of Environmental Protection Agency contracts for research and development;

Next, an amendment by Senators MOYNIHAN and D'AMATO to transfer a special purpose grant for renovation of central terminal in Buffalo, NY, making available for central terminal and other public facilities;

Next, an amendment by me to provide $6 million for the National and Community Service Act of 1990 to resolve all responsibilities and obligations in connection with the said Corporation and the Corporation's Office of Inspector General;

And, finally, an amendment by Senator FEINGOLD to require a report from the Secretary of the Department of Housing and Urban Development on the extent to which community development block grants have been utilized to facilitate the closing of an industrial commercial plant for the substantial reduction and relocation and expansion of the plant.

Mr. MCCAIN. Reserving the right to object.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. I will not object. I would like to take this opportunity to thank the Senators from Missouri and Maryland, and their staff, for allowing Senator BROWN's staff and my staff, and Senator BROWN and myself, to review these amendments.

I think they are all very appropriate. I appreciate the degree of cooperation shown.

I remove my objection.

The PRESIDING OFFICER. Without objection, the clerk will report the amendments en bloc.

The legislative clerk read as follows:

The Senator from Missouri (Mr. BOND) for himself and others, proposes amendments numbered 2796 through and including 2808.

Mr. BOND. Madam President, I ask unanimous consent that reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments en bloc are as follows:

AMENDMENT NO. 2796

On page 169, at the end of line 7, insert before the period the following: "effective April 1, 1997; *Provided*, That none of the aforementioned authority or responsibility for enforcement of the Fair Housing Act shall be transferred to the Attorney General until adequate personnel and resources allocated to such activity at the Department of Housing and Urban Development are transferred to the Department of Justice."

Mr. KENNEDY. Mr. President, this appropriations bill, as reported by the committee, contained an ill-advised proposal to transfer all enforcement authority under the Fair Housing Act from the Department of Housing and Urban Development to the Department of Justice.

I am strongly opposed to any such transfer of authority, for reasons that I will describe in a moment.

But I and other opponents of the transfer proposal have agreed not to offer an amendment to strike the provision because the chairman of the subcommittee has agreed to include in the managers' package an amendment to postpone any transfer of enforcement authority on the transfer of adequate personnel and resources to the Department of Justice.

Let me explain my reasons for opposing the transfer of fair housing enforcement authority. At the outset, I would note that this sweeping reorganization has not been the subject of a single day of hearings in the Judiciary Committee. Since enactment of the Fair Housing Act, each Department has put in place the procedural mechanisms to fulfill its obligations under the act. In a scant 2 pages of legislative language, this bill seeks to change the fundamental structure of fair housing enforcement.

I was one of the members of the bipartisan coalition that crafted the Fair Housing Act amendments in 1988. That bill was a comprehensive, carefully considered set of improvements to the act. One of the central components of the 1988 bill was a division of responsibility for fair housing enforcement between the Department of Justice and the Department of Housing and Urban Development. In fact, the enforcement scheme was the product of lengthy discussions with the real estate industry itself.

Under the current structure, the Department of Housing and Urban Development responds to discrimination complaints and provide administrative enforcement of those complaints. It is the only agency which maintains a system of field investigators and the legal staff necessary to respond to complaints of discrimination in housing. It is the only agency which investigates housing discrimination complaints and provides administrative hearings to reduce the need for litigation. It is the only agency with a specific process to encourage voluntary compliance with the Fair Housing Act.

HUD is the only agency which can efficiently and effectively combat housing discrimination on a daily basis because it is the only agency which was set up to enforce the Fair Housing Act on a daily basis.

Only after HUD has conducted a through investigation and attempted to settle the dispute short of litigation, does the Department of Justice become involved in the case. In fact, only one in five cases is ever referred by HUD to the Department of Justice. In 1995, almost half of all complaints filed with HUD were resolved through conciliation.

The Department of Justice is the Nation's litigator. Its only investigatory branch is the FBI. The Justice Department is ill-equipped to handle the major structural change involved in assuming HUD's obligations under the Fair Housing Act. The Department would have to set up a structure to receive, investigate, process, prosecute and adjudicate over 10,000 complaints annually. Concurrently, it would have to administer field enforcement in several State offices. The Justice Department has no State offices for such purposes, and has no resources for procuring such offices. In effect, the Department of Justice would have to re-create the structure already present in HUD; all at a cost to the American taxpayer.

The Justice Department does not have the capacity, nor does it want, to take on HUD's enforcement obligations under the Fair Housing Act. It is a waste of time and money to mandate this restructuring when HUD already has a system in place—a system which works to effectively and quickly investigate and resolve discrimination complaints. Both Attorney General Reno and Secretary Cisneros oppose the transfer proposal.

If H.R. 2099 were to pass without the changes in the managers' amendment, the effect would be devastating. As of September 30, 1995, HUD's swift administrative investigation and resolution of complaints would cease. In addition HUD would be barred from seeking injunctions for plaintiffs whose injuries are immediate and irreparable, continuing settlement negotiations already in progress, investigating complaints, or even providing counsel in pending litigation. As a result, the law protecting people from discrimination in housing would become a dead letter.

My willingness to negotiate a postponement of the transfer should not be interpreted to mean that I now support the transfer of enforcement authority. I do not. I intend to work over the course of the next 18 months to prevent this transfer from taking place.

I understand the managers' amendment to mean that over the next 18 months, both the Judiciary Committee and the Banking Committee will examine this proposal and its implications. If we conclude that such transfer is unwarranted, we will act to avert it by subsequent legislation. And it is further my understanding, as one who has negotiated this compromise, that no transfer of the legal authority to enforce the Fair Housing Act shall ever take effect until and unless adequate personnel and resources are provided to the Department of Justice to enforce the act with the same rigor and dedication as HUD currently does.

Above all, I oppose any legislative effort to weaken the Fair Housing Act. The Senate wisely accepted the Feingold amendment to ensure that the insurance industry is covered by the act. And our resolution of the enforcement question ensures that there will be no precipitous transfer of authority—and perhaps no transfer at all if cooler heads prevail.

Mr. SIMON. Mr. President. I strongly object to a provision in the fiscal year 1996 Veterans Administration/Housing and Urban Development, VA-HUD, appropriations bill. The provision repeals the Department of Housing and Urban Development's, HUD, Fair Housing Act enforcement authority and transfers it to the Department of Justice, DOJ. While I appreciate the efforts of Senator BOND to work with me to improve the language of the provision and to give some time before the transfer of authority is to take place, I still believe that the approach in this bill is wrong.

The VA-HUD Subcommittee report states that "[t]he intent of this provision is not to minimize the importance of addressing housing discrimination in this Nation." Unfortunately, this provision does just that.

The subcommittee report also states that "the Justice Department with its own significant responsibilities to address all forms of discrimination represents a good place to consolidate and to provide consistency for the Federal Government to combat discrimination * * *" The Justice Department itself has said that it would not be such an appropriate place.

Make no mistake about it—the repeal of HUD's authority would severely harm fair housing enforcement. HUD receives 10,000 complaints each year filed by those alleging housing discrimination. HUD's 10 regional enforcement centers take action on every bona fide complaint, by investigating, conciliating, and otherwise overseeing the disposition of each complaint. HUD resolves most of its cases through the conciliation process.

DOJ simply cannot devote such resources to enforcement of the Fair Housing Act given its current responsibilities and structure. DOJ's Civil Rights Office is not an investigative agency with a field office structure to investigate individual complaints. DOJ's investigative arm is the FBI, which would have tremendous difficulties handling the volume of housing discrimination cases, and would be deterred from its own crucial responsibilities.

Moreover, under current law, HUD is responsible for providing administrative hearings, writing regulations, and overseeing fair housing policies. If the transfer of authority occurred, DOJ would need to develop its own national infrastructure to implement the administrative enforcement program already in place at HUD. Not only does DOJ lack experience in running administrative enforcement programs, but this transfer of authority would be extremely costly. Enforcement of this important legislation would create unnecessary transition costs to the taxpayer.

Unfortunately, the decision to transfer HUD's authority to DOJ is being done without the benefit of public deliberation and debate. It is my understanding that this proposal has not been the subject of hearings in either committee of jurisdiction—the Judiciary Committee or Banking Committee. In addition, neither HUD nor DOJ was consulted prior to the provision's inclusion in this appropriations bill. Even more importantly, both HUD and DOJ are strenuously opposed to the transfer of authority.

A host of organizations, representing a broad spectrum of interests, also opposes the provision. The Leadership Conference on Civil Rights, an umbrella group over 100 civil right groups, as well as the National Association of Realtors, Institute of Real Estate Management, National Apartment Association, National Assisted Housing Management Association, National Leased Housing Authorities, and the National Multi-Housing Council, all oppose the transfer.

In 1988, the Fair Housing Act was carefully crafted to ensure that there was an effective and efficient mechanism for addressing fair housing concerns. The Department of Housing and Urban Development, the source of policymaking and expertise in the area of housing, was determined to be the most appropriate agency to address these concerns. While it may be true that there have been problems with enforcement, certainly the solution does not lie in dismantling this carefully crafted enforcement mechanism with one stroke of the pen. In closing, I urge my colleagues to reject the inclusion of this provision in the final version of this bill, and I will be working toward that end.

Also, I concur in the views expressed by Senator KENNEDY concerning the effect of the postponement of the transfer proposal and the conditions under which that transfer would take place.

Ms. MOSELEY-BRAUN. Mr. President, while I appreciate the cooperation of the Senator from Missouri, Senator BOND, in allowing for a delay in the proposed transfer of fair housing enforcement from the Department of Housing and Urban Development to the Department of Justice, I strongly object to the transfer occurring at all.

One of the most powerful symbols of America is the home. Having a home is the American dream. Every parent wants to raise their child in a safe, decent home. Every young couple wants to live in a place of their own. Every grandparent wants a home where the family can visit.

The Fair Housing Act guarantees that every American has a chance at home—a chance that cannot be denied because of their race, gender, national origin, color, religion, family status, or disability.

In 1988, the U.S. Congress, after careful deliberation, voted overwhelmingly to strengthen enforcement of the Fair Housing Act. President Reagan and Vice President Bush strongly supported Congress' efforts.

The 1988 amendments to the Fair Housing Act established an administrative enforcement procedure within HUD to facilitate speedy investigation and resolution of fair housing complaints as an alternative to filing suit in Federal courts, where there are lengthy delays.

From 1989 to 1994, the number of discrimination complaints HUD received more than doubled. The number now stands at around 10,000 complaints a year.

Here's an example of the type of complaint HUD investigates: A woman in Chicago was being sexually harassed by her landlord. He was found to have consistently conditioned women's tenancy on their performing sexual favors for him. HUD investigated the case, the Department of Justice brought charges and he was found guilty and made to pay $180,000.

Here's another example: an African-American was turned down for an apartment in a predominantly white New England city because another African-American already lived in the building and the landlord thought the neighbors might care. HUD's Fair Housing Office negotiated a settlement and the man received $2,500.

Discrimination in granting mortgages and homeowners insurance continues to be a serious problem. Since 1989, banks have been required to report the race of their loan applicants. From that information we find that, according to the Federal Reserve, in 1990, minorities of all incomes were rejected for mortgage loans at more than twice the rate of whites.

A study by the National Community Reinvestment Coalition in 1994 found that moderate-income and minority individuals were being consistently underserved by 52 large mortgage lenders.

According to a study by the National Association of Insurance Commissioners, which examined the availability and price of homeowners insurance in 25 cities in 13 States, average premiums are higher, and availability more limited in minority areas, even when loss costs are taken into account.

According to a study by the Missouri Insurance Commissioner, among the 20 largest Missouri homeowner insurance companies, 5 have minority market shares of less than one-twentieth their share of the white markets.

I would like to take a moment to thank Majority Leader DOLE and Senator BOND for their assistance in passing Senator FEINGOLD's amendment providing for the continued enforcement of the Fair Housing Act in cases of discrimination in the granting of homeowners insurance. We preserved an important civil rights protection today.

HUD is better suited to enforcing the Fair Housing Act than the Department of Justice.

HUD's ability to enforce the Fair Housing Act was strengthened in 1988 when they were given the ability to investigate, conciliate, and bring suit in cases where discrimination was occurring. Previously, HUD was not allowed to play an official role in combating any of the housing discrimination it witnessed.

HUD investigates all complaints. If HUD finds that there is a basis for a complaint and no conciliation can be reached, the parties have the option of having a hearing before an administrative law judge or a Federal trial. If any person or HUD chooses a Federal trial that is the venue.

The Department of Housing and Urban Development now investigates 10,000 cases a year.

The Department of Housing and Urban Development is in a unique position to combat discrimination in housing and to make fair housing policy decisions within an overall housing policy framework. HUD works with tenants, landlords, mortgage lenders, advocacy groups, and others every day in nonadversarial ways.

HUD maintains a field operation to receive complaints, including 10 regional offices and has a staff of over 600 in the Office of Fair Housing and Equal Opportunity Office; of the 10,000 complaints it receives, HUD investigates each one and attempts conciliation in each case. HUD provides for administrative hearings and for administering voluntary compliance programs, grant programs and interpretive actions.

In 1994, HUD was able to resolve over 40 percent of the discrimination cases with conciliation—neither side ever had to go to court. HUD resolves over five cases through the conciliation process for every one it refers for litigation.

If HUD believes a violation of the law may have occurred, a complainant may be provided with Government representation at no cost.

The Department of Housing and Urban Development has worked hard to improve their antidiscrimination efforts and wants to continue their efforts. The Department of Justice believes that the appropriate place for these efforts is with the Department of Housing and Urban Development.

If there is a pattern or practice of housing discrimination, the Attorney General can bring civil action in a Federal district court.

Any case before HUD that goes before Federal court is handled by the Department of Justice already.

The traditional role and expertise of DOJ has been to litigate cases, not to perform administrative enforcement. HUD operates a system of administrative adjudication of complaints using administrative law judges.

The Department of Justice does not have the people or the field office structure to handle the caseload or investigate individual complaints. The Civil Rights Division of the Department of Justice is not an investigative agency. The investigative arm of the Department of Justice is the FBI.

This transfer is premature and ill-conceived. There have been no hearings, no reports issued, and no analysis recommending that the Fair Housing Act enforcement authority be transferred from HUD to the Department of Justice.

Appropriations bills are not the appropriate place to effect major policy changes. This is a proposal that should receive the consideration of the Judiciary Committee at the very least since its effects would so dramatically effect the Department of Justice.

It is true that the process for handling discrimination complaints is not flawless. The Department of Housing and Urban Development is having to work hard to make their Fair Housing Office effective and responsive. But, there is no compelling reason for a transfer of enforcement authority to occur. The practical effect of this move would be to reduce the protections afforded to the victims of housing discrimination.

The Department of Justice cannot and should not handle the investigative and conciliation functions of HUD. The administrative law judges free up the Federal courts and reduce the time it takes for disputes to be resolved.

If this is a change that should occur, the Congress should hear testimony and be presented with evidence that the transfer is in the best interests of the country and the people facing discrimination. I am willing to study the issue further.

It is my belief that we should let the Department of Housing and Urban Development continue to work with the Department of Justice to ensure that every person, every family, has the opportunity to have a home.

Mr. BRADLEY. Mr. President, I rise in support of the Moseley-Braun amendment requiring that the transfer of enforcement of housing discrimination from the Department of Housing and Urban Development [HUD] to the Department of Justice [DOJ] cannot take place unless DOJ is given adequate resources and manpower to continue administrative enforcement of the Fair Housing Act.

Mr. President, I am opposed to transferring enforcement authority from HUD to DOJ. Establishing an organizational and physical infrastructure to handle administrative enforcement of housing discrimination at the Department of Justice represents a poor policy choice and a needless expenditure of taxpayer funds. Such a transfer would not result in improvements in either efficiency or function. However, Mr. President, I support this amendment requiring that such a transfer cannot occur unless continued administrative enforcement of housing discrimination is ensured.

Pursuant to the Fair Housing Act, HUD has an administrative structure that is responsible for enforcing fair housing violations against individuals. Administrative functions include writing regulations, seeking voluntary compliance agreements with members of the housing industry, and establishing and overseeing a network of State and local agencies to process complaints under local fair housing laws and ordinances. Roughly 10,000 fair housing complaints are filed annually with HUD, and the agency has 10 regional enforcement centers around the country to process these complaints.

In contrast to HUD's mandate to investigate individual complaints and to settle disputes administratively, DOJ has independent authority under the Fair Housing Act to enforce through litigation violations of the act where it finds a pattern and practice of discrimination. DOJ does not have the infrastructure to handle individual fair housing complaints. For example, it does not have an investigative agency with a field office structure to investigate individual complaints.

Mr. President, transferring enforcement authority from HUD to DOJ would require DOJ to recreate a structure that already exists at HUD. While I oppose such a transfer, I nevertheless support my colleague from Illinois in requiring that such a transfer cannot occur unless the resources and manpower are provided to ensure continued administrative enforcement of the Fair Housing Act.

AMENDMENT NO. 2797

(Purpose: To provide for a study by the National Academy of Sciences)

At the appropriate place, insert: "Not later than 90 days after the date of enactment of this Act, the Administrator of the Environmental Protection Agency (EPA) shall enter into an arrangement with the National Academy of Sciences to investigate and report on the scientific bases for the public recommendations of the EPA with respect to indoor radon and other naturally occurring radioactive materials (NORM). The National Academy shall examine EPA's guidelines in light of the recommendations of the National Council on Radiation Protection and Measurements, and other peer-reviewed research by the National Cancer Institute, the Centers for Disease Control, and others, on radon and NORM. The National Academy shall summarize the principal areas of agreement and disagreement among the above, and shall evaluate the scientific and technical basis for any differences that exist. Not later than 18 months after the date of enactment of this Act, the Administrator shall submit to Congress the report of the National Academy and a statement of the Administrator's views on the need to revise guidelines for radon and NORM in response to the evaluation of the National Academy. Such statement shall explain and differentiate the technical and policy bases for such views."

AMENDMENT NO. 2798

(Purpose: To reduce the energy costs of Federal facilities for which funds are made available under this Act)

At the appropriate place, insert the following:

SEC. . ENERGY SAVINGS AT FEDERAL FACILITIES.

(a) REDUCTION IN FACILITIES ENERGY COSTS.—

(1) IN GENERAL.—The head of each agency for which funds are made available under this Act shall—

(A) take all actions necessary to achieve during fiscal year 1996 a 5 percent reduction, from fiscal year 1995 levels, in the energy costs of the facilities used by the agency; or

(B) enter into a sufficient number of energy savings performance contracts with private sector energy service companies under title VIII of the National Energy Conservation Policy Act (42 U.S.C. 8287 et seq.) to achieve during fiscal year 1996 at least a 5 percent reduction, from fiscal year 1995 levels, in the energy use of the facilities used by the agency.

(2) GOAL.—The activities described in paragraph (1) should be a key component of agency programs that will by the year 2000 result in a 20 percent reduction, from fiscal year 1985 levels, in the energy use of the facilities used by the agency, as required by section 543 of the National Energy Conservation Policy Act (42 U.S.C. 8253).

(b) USE OF COST SAVINGS.—An amount equal to the amount of cost savings realized by an agency under subsection (a) shall remain available for obligation through the end of fiscal year 2000, without further authorization or appropriation, as follows:

(1) CONSERVATION MEASURES.—Fifty percent of the amount shall remain available for the implementation of additional energy conservation measures and for water conservation measures at such facilities used by the agency as are designated by the head of the agency.

(2) OTHER PURPOSES.—Fifty percent of the amount shall remain available for use by the agency for such purposes as are designated by the head of the agency, consistent with applicable law.

(c) REPORTS.—

(1) BY AGENCY HEADS.—The head of each agency for which funds are made available under this Act shall include in each report of the agency to the Secretary of Energy under section 548(a) of the National Energy Conservation Policy Act (42 U.S.C. 8258(a)) a description of the results of the activities carried out under subsection (a) and recommendations concerning how to further reduce energy costs and energy consumption in the future.

(2) BY SECRETARY OF ENERGY.—The reports required under paragraph (1) shall be included in the annual reports required to be submitted to Congress by the Secretary of Energy under section 548(b) of the Act (42 U.S.C. 8258(b)).

(3) CONTENTS.—With respect to the period since the date of the preceding report, a report under paragraph (1) or (2) shall—

(A) specify the total energy costs of the facilities used by the agency;

(B) identify the reductions achieved;

(C) specify the actions that resulted in the reductions;

(D) with respect to the procurement procedures of the agency, specify what actions have been taken to—

(i) implement the procurement authorities provided by subsections (a) and (c) of section 546 of the National Energy Conservation Policy Act (42 U.S.C. 8256); and

(ii) incorporate directly, or by reference, the requirements of the regulations issued by the Secretary of Energy under title VIII of the Act (42 U.S.C. 8287 et seq.); and

(E) specify—

(i) the actions taken by the agency to achieve the goal specified in subsection (a)(2);

(ii) the procurement procedures and methods used by the agency under section 546(a)(2) of the Act (42 U.S.C. 8256(a)(2)); and

(iii) the number of energy savings performance contracts entered into by the agency under title VIII of the Act (42 U.S.C. 8287 et seq.).

Mr. **BINGAMAN**. Madam President, I rise today to commend the two floor managers of the bill, the distinguished Senator from Missouri [Mr. BOND], and the distinguished Senator from Maryland [Ms. MIKULSKI], and their staff, for their excellent and efficient management of the VA-HUD Fiscal Year 1996 Appropriations Act.

I would like to take a few moments to discuss an amendment I am offering on this appropriations bill. My amendment encourages agencies funded under the bill to become more energy efficient and directs them to reduce facility energy costs by 5 percent. The agencies will report to the Congress at the end of the year on their efforts to conserve energy and will make recommendations for further conservation efforts. I have offered this amendment to every appropriations bill that has come before the Senate this year, and it has been accepted to each one.

I believe this is a common-sense amendment: The Federal Government spends nearly $4 billion annually to heat, cool, and power its 500,000 buildings. The Office of Technology Assistance and the Alliance to Save Energy, a non-profit group which I chair with Senator JEFFORDS, estimate that Federal agencies could save $1 billion annually if they would make an effort to become more energy efficient and conserve energy.

Madam President, I hope this amendment will encourage agencies to use new energy savings technologies when making building improvements in insulation, building controls, lighting, heating, and air conditioning. The Department of Energy has made available for government-wide agency use streamlined energy saving performance contracts procedures, modeled after private sector initiatives. Unfortunately, most agencies have made little progress in this area. This amendment is an attempt to get Federal agencies to devote more attention to energy efficiency, with the goal of lowering overall costs and conserving energy.

As I mentioned, Madam President, this amendment has been accepted to every appropriations bill the Senate has passed this year. I ask that my colleagues support it.

AMENDMENT NO. 2799

(Purpose: To increase amounts provided for FEMA salaries and expenses, Office of the Inspector General, and emergency food and shelter)

On page 153, line 17, strike "$166,000,000", and insert "$168,900,000".

On page 153, line 21, strike "$4,400,000", and insert "$4,673,000".

On page 154, line 13, strike "$100,000,000", and insert "$114,173,000".

AMENDMENT NO. 2800

(Purpose: To make technical corrections and modifications to the Committee amendment to H.R. 2099)

On page 22, line 5, insert the following:

"SEC. 111. During fiscal year 1996, not to exceed $5,700,000 may be transferred from 'Medical care' to 'Medical administration and miscellaneous operating expenses.' No transfer may occur until 20 days after the Secretary of Veterans Affairs provides written notice to the House and Senate Committees on Appropriations."

On page 27, line 23, insert a comma after the word "analysis".

On page 28, line 1, strike out "program and" and insert in lieu thereof "program,".

On page 28, line 18, strike out "or court orders".

On page 28, line 20, strike out "and".

On page 29, line 13, strike out "amount" and insert in lieu of "$624,000,000".

On page 29, line 17, strike out "plan of actions" and insert in lieu thereof "plans of action".

On page 29, line 21, strike out "be closed" and insert in lieu thereof "close".

On page 29, lines 23 and 24, strike out "$624,000,000 appropriated in the preceding proviso" and insert in lieu thereof "foregoing $624,000,000".

On page 30, line 2, strike out "the discretion to give" and insert in lieu thereof "giving".

On page 30, line 12, strike out "proviso" and insert in lieu thereof "provision".

On page 32, line 10, strike out "purpose" and insert in lieu thereof "purposes".

On page 33, line 6, strike out "purpose" and insert in lieu thereof "purposes".

On page 33, line 10, strike out "determined" and insert in lieu thereof "determines".

On page 33, strike out lines 15 and 16, and insert in lieu thereof "funding made available pursuant to this paragraph and that has not been obligated by the agency and distribute such funds to one or more".

On page 33, line 23, strike out "agencies and" and insert "agencies and to".

On page 40, strike out line 9 and insert "a grant made available under the preceding proviso to the Housing Assistance Council or the National American Indian Housing Council, or a grant using funds under section 107(b)(3) of the Housing and Community Development Act of 1974)".

On page 40, beginning on line 20, strike out "public and Indian housing agencies" and insert in lieu thereof "public housing agencies (including Indian housing authorities), nonprofit corporations, and other appropriate entities".

On page 40, line 22, strike out "and" the second time it appears and insert a comma.

On page 40, line 24, insert after "143f)" the following: ", and other low-income families and individuals".

On page 41, line 5, after "*Provided*" insert "*further*".

On page 41, line 6, after "shall include" insert "congregate services for the elderly and disabled, service coordinators, and".

On page 45, line 24, strike out "originally" and insert in lieu thereof "originally".

On page 45, strike out the matter after "That" on line 26, through line 5 on page 46, and insert in lieu thereof "the Secretary may use any negative subsidy amounts from the sale of such assigned mortgage notes during fiscal year 1996 for the disposition of properties or notes under this heading.".

On page 47, strike out the matter after "That" on line 17, through "Development" on line 25, and insert in lieu thereof "the Secretary may use any negative subsidy amounts from the sale of such assigned mortgage notes during fiscal year 1996, in addition to amounts otherwise provided, for the disposition of properties or notes under this heading (including the credit subsidy for the guarantee of loans or the reduction of positive credit subsidy amounts that would otherwise be required for the sale of such properties or notes), and for any other purpose under this heading".

On page 68, line 1, after "Section 1002" insert "(d)".

On page 69, lines 5 and 6, strike out "Notwithstanding the previous sentence" and insert in lieu thereof "Where the rent determined under the previous sentence is less than $25".

On page 70, line 12, strike out "and" and insert in lieu thereof "any".

On page 71, line 1, strike out "(A) IN GENERAL.—".

On page 71, strike out lines 11 through 18.

On page 72, line 6, after "comment," insert "a".

On page 72, line 7, strike out "are" and insert "is".

On page 72, line 18, after "comment," insert "a".

On page 72, line 19, strike out "are" and insert "is".

On page 74, line 6, strike out "selection criteria" and insert in lieu thereof "system of preferences for selection".

On page 74, line 11, strike out "selection criteria" and insert in lieu thereof "system of preferences for selection".

On page 74, strike out lines 13 through 16, and redesignate subsequent paragraphs.

On page 75, line 1, strike out "selection criteria" and insert in lieu thereof "system of preferences for selection".

On page 75, strike out the matter beginning on line 12 through line 19 on page 76, and insert in lieu thereof the following:

"(B) CRANSTON-GONZALEZ NATIONAL AFFORDABLE HOUSING ACT.—Section 522(f)(b)(B) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12704 et seq.) is amended by striking 'any preferences for such assistance under section 8(d)(1)(A)(i)' and inserting 'written system of preferences for selection established pursuant to section 8(d)(1)(A)'.

"(C) HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1992.—Section 655 of the Housing and Community Development Act of 1992 (42 U.S.C. 13615) is amended by striking 'the preferences' and all that follows through the period at the end and inserting 'any preferences'.".

On page 76, line 20, strike out "(E)" and insert "(D)".

On page 77, lines 3 and 4, strike out "selection criteria" and insert in lieu thereof "system of preferences for selection".

On page 86, line 1, strike out "of issuance and".

On page 87, line 13, "evaluations of" insert "up to 15".

On page 87, line 17, strike out "(d)" and insert "(e)".

On page 90, line 2, strike out "Secretary." and insert "Secretary; and".

On page 90, line 5, strike out "agree to cooperate with" and insert in lieu thereof "participate in a".

On page 92, line 21, strike out "final".

On page 95, line 9, after "agency" insert "in connection with a program authorized under section 542 (b) or (c) of the Housing and Community Development Act of 1992".

On page 95, strike out lines 11 and 12, and insert in lieu thereof "542(c)(4) of such Act.".

On page 95, strike out the matter beginning with "a" on line 17 through "section" on line 18, and insert in lieu thereof "an assistance contract under this section, other than a contract for tenant-based assistance,".

on page 96, line 10, strike out "years" and insert "year".

On page 102, line 18, strike out "section 216(c)(4) hereof" and insert in lieu thereof "paragraph (4)".

On page 106, line 8, strike out "subject to" and insert in lieu thereof "eligible for".

On page 106, line 14, strike out "(8 NC/SR)" and insert in lieu thereof "the section 8 new construction or substantial rehabilitation program".

On page 106, line 15, strike out "subject to" and insert in lieu thereof "eligible for".

On page 107, line 6, strike out "Sec 217." and insert "Sec. 215.".

On page 117, line 8, strike out "subparagraphs" and insert "subsections".

On page 117, line 10, strike out "subsections" and insert "subparagraphs".

On page 117, line 11, strike out "subparagraph" and insert "subsection".

On page 118, strike out lines 19 through 21, and insert in lieu thereof the following:

"(1) Subsection (a) is amended by—

"(A) striking out in the first sentence 'low-income' and inserting in lieu thereof 'very low-income'; and

(B) striking out 'eligible low income housing' and inserting in lieu thereof 'housing financed under the programs set forth in section 229(1)(A) of this Act'.".

On page 120, line 2, strike out "Subsection" and insert "Paragraph".

On page 120, strike out lines 18 through 22, and insert in lieu thereof the following:

"(2) Paragraph (8) is amended—

(A) by deleting in subparagraph (A) the words 'determining the authorized return under section 219(b)(6)(ii)';

(B) by deleting in subparagraph (B) 'and 221'; and

(C) by deleting in subparagraph (B) the words 'acquisition loans under' ".

On page 121, line 3, strike out "Subsection" and insert "Paragraph".

On page 122, line 4, strike out "Subsection" and insert "Paragraph".

On page 122, line 13, strike out "Subsection" and insert "Section".

On page 122, line 21, strike out "Subsection" and insert "Section".

On page 147, line 17, before the period, insert the following:

": *Provided further*, That of the funds appropriated in the Construction Grants and Water Infrastructure/State Revolving Funds accounts since the appropriation for the fiscal year ending September 30, 1992, and hereafter, for making grants for wastewater treatment works construction projects, portions may be provided by the recipients to states for managing construction grant activities, on condition that the states agree to reimburse the recipients from state funding sources".

On page 149, line 19, strike "phase IV" and insert in lieu thereof "phase VI".

AMENDMENT NO. 2801

(Purpose: To extend the date that funds are reserved for the safe drinking water revolving fund, if authorized, to April 30, 1996. This provides additional time to permit enactment of Safe Drinking Water Act reauthorization which will release these funds to initiate a financial assistance program)

On page 147, line 6, strike "December 31, 1995" and insert "April 30, 1996".

On page 147, line 17, strike "December 31, 1995" and insert "April 30, 1996".

AMENDMENT NO. 2802

On page 128, add a new section to the bill:

SEC. . None of the funds provided in this Act may be used during Fiscal Year 1996 to investigate or prosecute under the Fair Housing Act (42 U.S.C. 3601, et seq.) any otherwise lawful activity engaged in by one or more persons, including the filing or maintaining of non-frivolous legal action, that is engaged in solely for the purposes of—

(1) achieving or preventing action by a government official, entity, or court of competent jurisdiction.

AMENDMENT NO. 2803

On page 128, add a new section to the bill:

SEC. . None of the funds provided in this Act may be used to take any enforcement action with respect to a complaint of discrimination under the Fair Housing Act (42 U.S.C. 3601, et seq.) on the basis of familial status and which involves an occupancy standard established by the housing provider except to the extent that it is found that there has been discrimination in contravention of the standards provided in the March 20, 1991 Memorandum from the General Counsel of the Department of Housing and Urban Development to all Regional Counsel or until such time that HUD issues a final rule in accordance with 5 U.S.C. 553.

Mr. KYL. Mr. President, I rise to cosponsor an amendment to H.R. 2099, the VA-HUD-independent agencies appropriations bill. I am pleased to cosponsor this amendment which will prohibit the Department of Housing and Urban Development [HUD] from enforcing a complaint of discrimination on the basis of a housing provider's occupancy standard, enforcement of which goes well beyond the standards described in the March 20, 1991 memorandum of the general counsel of HUD to all Regional Counsel.

Mr. President, an occupancy standard is one which specifies the number of people who may live in a residential rental unit. An internal 1991 HUD memorandum, issued by former HUD General Counsel Keating to all regional counsel, clearly established a straightforward occupancy standard of "two persons per bedroom" as generally reasonable.

The two-per-bedroom occupancy standard has been deemed reasonable within the enforcement of fair housing discrimination laws under the Fair Housing Act. That is until Henry Cisneros became Secretary of HUD. Secretary Cisneros and his Deputy Roberta Achtenberg have disagreed with the traditional occupancy standard, arguing that it discriminates against larger families.

In July of this year HUD General Counsel Diaz issued a memorandum which, in effect, supplants the two-per-bedroom standard, and may force housing owners to accept six, seven, eight, or even nine people into a two-bedroom apartment.

Mr. Diaz's standard is without merit. Mr. Diaz has used the BOCA—Building Officials and Code Administrators—Property Maintenance Code as a foundation for his occupancy standard. The BOCA code is a health and safety code specifically drafted by engineers and architects to provide guidance to municipalities on the maximum number of individuals who may safely occupy any building. It was never intended to alter the minimum number of family members HUD could require owners to accept under fair housing law.

The code was adopted without any consultation, public hearings, or analysis of its impact of the Nation's rental housing industries. That is wrong. It was not the intent of Congress to allow HUD to establish a national occupancy standard. Secretary Cisneros, through HUD's general counsel, has circumvented the Federal Government's rule making process by imposing this standard through an advisory without public hearings.

This amendment blocks HUD's attempt to set a national occupancy standard through an advisory. I urge my colleagues to support the amendment.

AMENDMENT NO. 2804

(Purpose: To make an amendment relating to eligible activities under section 105 of the Housing and Community Development Act of 1974, and for other purposes)

At the appropriate place in title II, insert the following new section:

SEC. . CDBG ELIGIBLE ACTIVITIES.

Section 105(a) of the Housing and Community Development Act of 1974 (42 U.S.C. 5305(a)) is amended—

(1) in paragraph (4)—

(A) by inserting "reconstruction," after "removal,"; and

(B) by striking "acquisition for rehabilitation, and rehabilitation" and inserting "acquisition for reconstruction or rehabilitation, and reconstruction or rehabilitation";

(2) in paragraph (13), by striking "and" at the end;

(3) by striking paragraph (19);

(4) in paragraph (24), by striking "and" at the end;

(5) in paragraph (25), by striking the period at the end and inserting "; and";

(6) by redesignating paragraphs (20) through (25) as paragraphs (19) through (24), respectively; and

(7) by redesignating paragraph (21) (as added by section 1012(f)(3) of the Housing and Community Development Act of 1992) as paragraph (25).

Amend the table of contents accordingly.

AMENDMENT NO. 2805

(Purpose: To impose a moratorium during fiscal year 1996, and to require a report, on the conversion of Environmental Protection Agency contracts for research and development)

At the appropriate place in title III, insert the following:

SECTION 3—EPA RESEARCH AND DEVELOPMENT ACTIVITIES AND STAFFING.

(a) STAR PROGRAM.—The Administrator of the Environmental Protection Agency may not use any funds made available under this Act to implement the Science to Achieve Results (STAR) program unless—

(1) the use of the funds would not reduce any funding available to the laboratories of the Agency for staffing, cooperative agreements, grants, or support contracts; or

(2) the Appropriations Committees of the Senate and House of Representatives grant prior approval. Transfers of funds to support STAR activities shall be considered a reprogramming of funds. Further, said approval shall be contingent upon submission of a report to the Committees as specified in Section (c)(2) below.

(b) CONTRACTOR CONVERSION.—The Administrator of the Environmental Protection Agency may not use any funds to—

(1) hire employees and create any new staff positions under the contractor conversion program in the Office of Research and Development.

(c) REPORT.—Not later than January 1, 1996, the Administrator shall submit to the Appropriations Committees of the Senate and House of Representatives a report which:

(1) provides a staffing plan for the Office of Research and Development indicating the use of Federal and contract employees;

(2) identifies the amount of funds to be reprogrammed to STAR activities, and;

(3) provides a listing of any resource reductions below fiscal year 1995 funding levels, by specific laboratory, from Federal staffing, cooperative agreements, grants, or support contracts as a result of funding for the STAR program.

AMENDMENT NO. 2806

(Purpose: To make an amendment relating to special purpose grants)

On page 43, between lines 13 and 14, insert the following:

"The amount made available for fiscal year 1995 for a special purpose grant for the renovation of the central terminal in Buffalo, New York, shall be made available for the central terminal and for other public facilities in Buffalo, New York.".

AMENDMENT NO. 2807

(Purpose: To provide funding for the Corporation for National and Community Service to permit the orderly termination of previously initiated activities and programs, including the Corporation's Office of Inspector General)

On page 130, strike out the matter beginning with line 19 through line 2 on page 131, and insert in lieu thereof the following: "For necessary expenses for the Corporation for National and Community Service in carrying out the orderly terminations of programs, activities, and initiatives under the National and Community Service Act of 1990, as amended (Public Law 103-82), $6,000,000: *Provided*, That such amount shall be utilized to resolve all responsibilities and obligations in connection with said Corporation and the Corporation's Office of Inspector General."

AMENDMENT NO. 2808

(Purpose: To provide for a report on the impact of community development grants on plant relocations and job dislocation)

At the appropriate place in the bill, add the following:

SEC. . REPORT ON IMPACT OF COMMUNITY DEVELOPMENT FUNDS ON PLAN RELOCATIONS AND JOB DISLOCATION.

Not later than October 1, 1996, the Secretary of the Department of Housing and Urban Development shall submit to the appropriate Committees of the Congress a report on—

(1) the extent to which funds provided under section 106 (Community Development Block Grants), section 107 (Special Purpose Grants), and Section 108(q) (Economic Development Grants) of the Housing and Community Development Act of 1974, have been directly used to facilitate the closing of an industrial or commercial plant or the substantial reduction of operations of a plant and result in the relocation or expansion of a plant from one state to another;

(2) the extent to which the availability of such funds has been a substantial factor in the decision to relocate a plant from one state to another;

(3) an analysis of the extent to which provisions in other laws prohibiting the use of federal funds to facilitate the closing of an industrial or commercial plant or the substantial reduction in the operations of such plant and the relocation or expansion of a plant have been effective; and

(4) recommendations as to how federal programs can be designed to prevent the use of federal funds to directly facilitate the transfer of jobs from one state to another.

THE IMPACT OF COMMUNITY DEVELOPMENT FUNDS

Mr. FEINGOLD. Madam President, I rise today, with my colleague Senator

KOHL to offer an amendment that requires the Department of Housing and Urban Development to report on the impact of the use of Federal community development funds on plant relocations and the resultant job dislocation.

Our concern was generated by an announcement made in 1994 by a major employer in Wisconsin, Briggs & Stratton, that a Milwaukee plant would be closed, and 2,000 workers would be permanently displaced. The actual economic impact upon this community is even greater since it is estimated that 1.24 related jobs will be lost for every 1 of the 2,000 Briggs jobs affected. The devastating news was compounded by the subsequent discovery that many of these jobs were being transferred to plants, which were being expanded in two other States, and that Federal community development block grant, CDBG, funds were being used to facilitate the transfer of these jobs from one State to another.

Our initial response was to introduce legislation prohibiting the use of such funds for the relocation of plants and the resultant job dislocation. The House of Representatives agreed with the approach and approved an identical amendment to the housing reauthorization bill.

We believed at the time, and now that the CDBG program was designed to foster community and economic development; not to help move jobs around the country.

Obviously, during a period of permanent economic restructuring, which results in plant closings, downsizing of Federal programs and defense industry conversion, there is tremendous competition between communities for new plants and other business expansions to offset other job losses.

States and local communities are doing everything they can to attract new business and retain existing businesses. But we believe it is simply wrong to use Federal dollars to help one community raid jobs from another State.

There is no way we can justify to the taxpayers in my State that they are sending their money to Washington to be distributed to other States so that it can be used to attract jobs out of Wisconsin, leaving behind communities whose economic stability has been destroyed. Thousands of people whose jobs are directly, or indirectly lost as a result of the transfer of these jobs out of our State are justifiably outraged by this misuse of funds.

However, Madam President, after further consideration, and consultation with the floor managers we recognize that indeed the underlying issue is complex.

Wisconsin, as are other States, is regularly involved in the activity of attracting new business to the State, and retaining existing businesses. We recognize that economic incentive proposals developed to enhance the State's opportunity often include a wide variety of financial combinations including job training funds, tax incentives, infrastructure improvements and other financing tools.

These combinations often obscure the leveraged value of the Federal funds in the package in convincing a company to make a decision to move out of State. However, recognizing these factors does not clear the picture, but begs the question of what is the impact of the Federal dollar in these situations in influencing the decisions of the targeted company.

This amendment would address the issue by directing the HUD Secretary to conduct a study over the next year, and report back to Congress with recommendations on what would be a sensible legislative approach to both protecting the workers and communities that lose businesses and employment to other States, and how Federal funds might be appropriately utilized in developing economic opportunity for communities across the Nation, without placing other communities in jeopardy.

The study would examine and investigate the extent to which Federal community development funds are used in combination with other Federal, State or local revenue sources in attracting new business from other States. The study would also examine and assess the degree to which Federal community development funds are key to a company's decision to move—are they incidental to the decision, a factor, a key decision point, or the linchpin of the deal?

An examination of the findings by the Congress upon completion of such a study would then become the basis for further legislative action if necessary.

We thank the floor managers for recognizing our legitimate concerns, and for their willingness to work in a bipartisan fashion to help perfect this amendment.

Mr. BOND. Madam President, these amendments have been cleared on both sides. They are ready for adoption.

Ms. MIKULSKI. Madam President, we have cleared these amendments with all of the relevant authorizing committees. There are no objections on our side, and in many instances they are enthusiastically either sponsored or approved.

The PRESIDING OFFICER. Without objection, the amendments are agreed to en bloc.

The amendments (Nos. 2796 through 2808) en bloc were agreed to.

Mr. BOND. Madam President, I move to reconsider the vote by which the amendments were agreed to.

Ms. MIKULSKI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BOND addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Madam President, the drill that we just went through took a little bit of time, but, frankly, I would like to commend the Senator from Arizona and the Senator from Colorado, because many times I have found that things I did not support have crept into legislation in the past. I hope that by doing this, we put all our colleagues, or at least their staffs, on notice. We are beginning what I hope will be a useful process, and I thank the Senators for recommending it.

Mr. KERRY. Madam President, I want to acknowledge the hard work of the distinguished chairman and ranking member of the VA-HUD Appropriations Subcommittee in assembling this complex appropriations bill. The diverse range of agencies funded by this bill—the Veterans Administration, the Department of Housing and Urban Development, the Environmental Protection Agency, the National Aeronautic and Space Administration, the National Science Foundation, and numerous other independent agencies—makes the VA-HUD bill one of the most difficult appropriations bills to balance.

It is clear that the resource constraints placed on the Appropriations Committee by the budget resolution this year made it impossible to fund adequately all of the programs and activities in the bill that are important to me, important to the people of Massachusetts, and important to the people of this country. Nonetheless, with respect to the way in which the bill addresses housing and related programs, I thank the chairman and ranking member are to be commended for good faith efforts to minimize the pain from the reductions.

There are several items in the bill that are quite positive, and I thank the chairman and the ranking member for including these. I am particularly pleased that the bill includes an appropriation for the Youthbuild Program. Youthbuild is working to provide kids who live in tough places with some confidence and some hope along with a solid package of job skills while contributing to their communities the products of their work in the form of rehabilitated homes and other structures. Youthbuild deserves our continued support.

I am also a strong supporter of the provisions in this bill that fund the Community Development Block Grant and HOME Programs at the 1995 appropriated levels. CDBG has a solid 20-year track record of providing flexible community development assistance to State and local governments. HOME also provides flexible resources to State and local governments for the purpose of fostering partnerships in support of affordable housing. HOME is designed to leverage the additional public and private resources and is achieving excellent results in targeting these housing resources to low-income families. Both CDBG and HOME are critical to the successes of the community-based nonprofit movement.

Another important element of the bill before the Senate is the $624 million it contains for the Low-Income Housing Preservation and Resident Homeownership Act, or LIHPRHA. I congratulate the chairman for his commitment to the preservation program's mission. We cannot afford a hiatus in preservation funding, because we would then risk losing affordable housing resources and displacing people from their homes. We all recognize that LIHPRHA has some structural problems that need correcting, and the bill has made an important contribution in pushing forward preservation program reforms. It is unfortunate that the LIHPRHA capital grant reforms in this bill are delayed a year for technical reasons related to budget scoring. However, since they are, it is important that we continue to process and preserve the projects under the old program using available resources and not stand idly waiting for the new program to be perfected, enacted, and implemented.

Finally, I would like to express relief that the bill does not repeal the Brooke amendment as some have proposed. The Brooke amendment limits the rent paid by a poor family to 30 percent of income. The bill does make some changes in the public housing rent-setting process that we will have to monitor closely. I support the provision in this bill providing public housing authorities with the flexibility to set ceiling rents and adopt policies that deduct earned income in calculating the adjusted income against which the 30 percent standard is applied. These changes should help enable working families to remain in public housing developments and improve the income mix of the public housing communities. I am less enthusiastic about a provision in the bill that requires all residents to pay a minimum rent of $25 per month, particularly in the context of other cutbacks in programs of assistance to poor families.

There are, however, Madam President, too many instances where I believe the bill takes the wrong course. First, and foremost, the bill makes major reductions in HUD's total resources. The bill cuts funding for public housing operating subsidies, public housing modernization, homeless assistance, and the section 8 tenant-based assistance. These HUD programs serve the housing needs of the poorest of the poor. Over time, underfunding public housing will erode its quality as public housing authorities cut back on maintenance due to a lack of resources. A provision delaying the reissuance of vouchers that come available will mean that homeless families which have risen to the top of local waiting lists will have to wait 6 months to receive housing assistance. The bill also reduces public housing authority fees for the administration of the section 8 program in a way that does not take into account the different cost structures for administering the program nor does it seem to have considered the distinct possibility that at least some public housing authorities will simply choose not to continue to administer the program after these cuts take effect. These cuts are an excellent reflection of the tyranny of the budget that binds the Congress.

Madam President, I would like to also register my concern about the extent of authorizing provisions in this bill. Some of these provisions have not gone through the hearing process nor have members had the opportunity to consult concerning them with all of the affected parties and other experts on program operations. I am particularly concerned that the numerous discrete, piecemeal provisions—while often helpful—will undermine or contradict efforts to engage in a more comprehensive examination of the HUD statutes. As a member of the authorizing committee, I am hopeful that we will review all of these provisions in more detail.

There are three particularly egregious authorizing provisions in this bill that highlight the need for a more orderly process of hearings and deliberation. These are the provisions transferring HUD's Office of Fair Housing to the Department of Justice, the transfer of the Office of Federal Housing Enterprise Oversight to Treasury, and a prohibition against enforcing the fair housing laws against property insurers who discriminate. I oppose the inclusion of all three provisions in this bill.

I realize that HUD is taking a disproportionate share of the budget cuts because some of its programs have been troubled and do not enjoy a positive public image. The cuts, then, underscore the need for the Congress to work harder to improve HUD's management systems, and to reduce the workload placed on HUD's staff by consolidating programs and devolving some HUD responsibilities to other capable partners. We also need to be willing to take a more aggressive approach toward the poorly managed inventory and that portion of the HUD-assisted inventory that has aged to the point of obsolescence.

So, notwithstanding my broader concerns with authorizing on an appropriations bill and authorizing out of context, I note that several provisions in this bill are helpful. For example, the bill allows HUD to consolidate seven categorical homeless programs into a formula grant program. This reform will reduce HUD's workload and allow the Department to redeploy the staff who currently spend many hours reviewing thousands of applications.

The bill also includes several provisions that may prove helpful in allowing public housing agencies to adapt to the cuts in the bill. In particular, the bill provides new, expanded, eligible activities for the public housing modernization program that deserve more hearing, but are defensible in the face of large cuts in resources. Revisiting our admission policies pertaining to public and assisted housing also is necessary not only from the perspective of shrinking resources, but from the need to reverse the overconcentration of the poor.

I am very concerned that this bill pushes forward too far and too fast on the Department's proposal to enact legislation with respect to mark-to-market of the assisted housing inventory. We need not rush into a complicated proposal that likely will result in forcing many properties into default. The administration has proposed to voucher out the public and assisted inventory. This approach may make sense in those instances where the housing has been poorly managed and low-income people have been forced to live in squalor. However, I have serious concerns about vouchers as a substitute for well-managed, well-located housing. I have concerns that vouchers do not work for everyone in every market. Vouchers are not accepted by many landlords. The available evidence suggests that if we move to vouchers, many housing assistance recipients will be displaced from a place that they currently call home.

Fundamentally, this appropriations bill does not and could not come close to meeting the housing needs of this country. More than 5 million very low income Americans face severe housing needs. They suffer from homelessness, they pay rents that take more than 50 percent of their household income, or they live in severely substandard conditions. We have not been willing to provide the resources necessary to meet these needs. Over the last 15 years of troubled housing policy, though, both Republican and Democratic administrations have been committed to making progress toward meeting these needs, albeit with different levels of energy and commitment. The resource levels in this bill are simply not adequate to the task of preserving the affordable housing gains from the past, reforming HUD's programs, compensating for previous underfunding of capital needs, and making progress against our Nation's large outstanding needs for affordable housing.

The effects of the budget on this bill and thence on these vital Government services are extremely troubling. Our Nation will pay and pay dearly—both now and even more in the future—for shortchanging these pressing needs.

Some of us—the most unfortunate—will pay more dearly than others, but their plight will affect us all.

Knowing this, we need to make the greatest possible effort to find more resources that can be devoted to meeting the objectives I have described. I hope to be joined in good faith by colleagues on both sides of the aisle in seeking that goal.

Ms. MIKULSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland.

Ms. MIKULSKI. Madam President, we are coming into the closing minutes now of this bill. We started the debate on VA-HUD appropriations around Monday at 3 o'clock. A lot has gone on since then, and I commend Senator BOND on moving this bill and the way he has handled this legislation in the Chamber.

I know this is the first time he has chaired the committee and brought the bill to the floor. I compliment him on the way we have been able to move in such an efficient way. I thank his professional staff for the many courtesies and consultation provided my staff.

I thank Mr. Rusty Mathews, Mr. Steve Crane, and Mr. Kevin Kelly, who provided technical assistance on my side.

In this bill, we won some and we lost some. We won some by preserving America's future in space. We came to an agreement on redlining. And we lost issues like national service. This is America. This is democracy. We have spoken, and I believe it is now time to vote. I believe the President will have significant concerns with this bill. I believe the President will veto it. But I believe the time now for debate has concluded, and I again wish to thank my colleagues for the support that they gave me during this time.

Mr. BOND. Madam President, let me express my appreciation to the Senator from Maryland, who has been absolutely invaluable in helping us move this forward. I must confess that until I had this pleasure, I did not understand all that went with it. I commend her for the great service she has provided this committee in the past and the help she gave me.

I join with her in thanking Rusty Mathews, Kevin Kelly, Steve Crane, the people on her side. For my part, I thank Stephen Kohashi, Carrie Apostolou, Steve Isakowitz, and the members of my staff, Julie Dammann, John Kamarck, Tracy Henke, Keith Cole, Leanne Jerome, and the others who have helped a great deal.

Let me say very briefly—we have already made the points—this bill is within the budget. It sets some priorities in a very tough time. I think with the help of committee members and the Members of this body we have fine-tuned it as best we can. It does allow the agencies to move forward with the vitally needed programs that are so important in this country in the many areas we fund.

I hope that the President, the Office of Management and Budget will communicate with us as to what their objections are and how we might solve them. I know that all my colleagues have enjoyed these 2 days. I do not wish to go through this drill again. If the administration will let us know what their objections are, we have, I think, done as good a job as possible within the dollars available, and if we are going to balance the budget as not only this body has said but I believe the people of America demand, this is what we have to work with.

Therefore, Madam President, I ask unanimous consent that the bill be read a third time and the Senate proceed immediately to vote on the passage of the bill with no other intervening action or debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. BOND. Madam President, I ask for a recorded vote, the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill pass? The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

The result was announced—yeas 55, nays 45, as follows:

[Rollcall Vote No. 470 Leg.]

YEAS—55

Abraham
Ashcroft
Bennett
Bond
Brown
Burns
Campbell
Chafee
Coats
Cochran
Cohen
Coverdell
Craig
D'Amato
DeWine
Dole
Domenici
Faircloth
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hatch
Hatfield
Helms
Hutchison
Inhofe
Jeffords
Kassebaum
Kempthorne
Kerrey
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Packwood
Pressler
Roth
Santorum
Shelby
Simpson
Smith
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Warner

NAYS—45

Akaka
Baucus
Biden
Bingaman
Boxer
Bradley
Breaux
Bryan
Bumpers
Byrd
Conrad
Daschle
Dodd
Dorgan
Exon
Feingold
Feinstein
Ford
Glenn
Graham
Harkin
Heflin
Hollings
Inouye
Johnston
Kennedy
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Mikulski
Moseley-Braun
Moynihan
Murray
Nunn
Pell
Pryor
Reid
Robb
Rockefeller
Sarbanes
Simon
Wellstone

So the bill (H.R. 2099), as amended, was passed.

Mr. BOND. Mr. President, I move to reconsider the vote by which the bill passed.

Mr. DOMENICI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BOND addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, I move that the Senate insist on its amendments, request a conference with the House on the disagreeing votes thereon, and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer (Ms. SNOWE) appointed Mr. BOND, Mr. GRAMM, Mr. BURNS, Mr. STEVENS, Mr. SHELBY, Mr. BENNETT, Mr. HATFIELD, Ms. MIKULSKI, Mr. LEAHY, Mr. JOHNSTON, Mr. LAUTENBERG, Mr. KERREY, and Mr. BYRD conferees on the part of the Senate.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I rise to congratulate Senator BOND, of Missouri, and Senator BARBARA MIKULSKI, of Maryland. They put a very good bill together. I understand that the Senator from Maryland does not support the bill in its final stages. Let me just make a few observations.

Some of us are beginning to say we need to ask some new questions about programs and projects and activities of the Federal Government. The leading question that we have to start asking ourselves is: What can we afford? We never did that for a long time. In fact, I ask Senators to reflect on the past 8 to 12 years and, for the most part, the question was never asked: Can we afford this? An amendment was offered because it sounded good, or it was something that perhaps, in a perfect economic environment, would be neat, and we looked around to see if we could get 51 votes, and we would go to conference and see if we could hold it, and all of a sudden we would have something new going.

But I believe balanced budgets and fiscal responsibility do not actually happen in huge waves and big doses of cuts. I think they come with hard work. Every chairman who has had to produce an appropriations bill this year on the domestic side has had to take less than they had the year before, and that means very simply that, through hard work and, hopefully, some wisdom, priorities had to be discussed and priorities had to be decided upon.

It is no longer the day of being able to say to every Senator that asks for things that we have taken care of you. In fact, I believe we are at the point, and there will be more years to come when we have to say to most that we cannot give you what you want.

Senator BOND had a tough job. Few Americans understand that this bill has veterans in it, has public housing in it, and at the same time has many other programs, including the space program. Who would think that one appropriations bill would cover that spectrum? He has had to balance, with less of a budget than last year, these same great demands and responsibilities that we have.

I believe this bill attempts, in very difficult times in terms of money—because we want to get to a balance sooner rather than later, and we want to make sure that we do not burden our children with more and more of our debt.

I just came to the floor to say to Senator BOND that he did an excellent job. I commend him and those who have produced bills heretofore that have met the targets. I commend them also.

Mrs. BOXER addressed the Chair.

The PRESIDING OFFICER. The Senator from California is recognized.

Mrs. BOXER. Madam President, I cannot support this legislation. In far too many ways, it fails the American people, the people of California I was sent to represent, and the principles of good government and good policy to which I subscribe. The bill turns its back on responsibility, obligation, and hope.

ENVIRONMENTAL PROTECTION

One of the primary functions of government is to protect the public's health and safety. Our Federal laws and regulations are written to improve and protect the high quality of life that we enjoy in our country. Every day, the people of our Nation enjoy the benefits of almost a century of progress in Federal laws and regulations that reduce the threat of illness, injury, and death from consumer products, workplace hazards, and environmental toxins.

The Environmental Protection Agency, created by President Nixon in 1970, is responsible for the implementation of our most fundamental environmental protection laws: The Clean Air Act; the Clean Water Act; the Safe Drinking Water Act; laws that protect us from improper disposal of hazardous waste disposal; laws that protect us from exposure to radiation and toxic substances; and laws that regulate the clean-up of hazardous waste sites all over the country. As the year 2000 approaches, Americans can look back with immense pride in the progress we have achieved in protections of our health and safety.

Unfortunately, the drastic cuts in EPA's budget in this bill will cut to the bone, jeopardizing all the progress we have made.

For example, the 23 percent cut in the EPA enforcement budget in the bill will inevitably result in a rollback of national efforts to ensure that every American breathes clean air, drinks clean water, and is safe from the dangers of hazardous waste.

The bill will reduce the ability of the EPA to respond to threats to the environment and human health. In the long run this will mean more water pollution, more smog in our cities and countryside, more food poisoning, more toxic waste problems.

Cuts will severely undercut the number of Federal and State environmental inspections, thereby increasing the risk to the public health and environment from unchecked violators. In fiscal year 1994, more than 2,600 facilities were inspected in California and 447 enforcement actions were taken by Federal or State environmental agencies.

Cuts will mean that state monitoring and inspection programs will either have to be either severely curtailed, paid for by the state or possibly eliminated.

Cuts will hurt EPA/industry compliance initiatives which are underway in key industrial sectors in my State, such as the Gillette Corporation Environmental Leadership Program, a project of the Gillette Corporation of Santa Monica, CA, and the Agriculture Compliance Assistance Services Center, which was developed in conjunction with the Agriculture Extension Service to provide "one stop shopping" for information to assist farms in complying with environmental regulations. Support for this Center—and initiatives like it underway in other industries—will be severely undercut by these cuts in the EPA budget.

In addition to the budget cuts, the bill includes a number of unacceptable riders that will: Eliminate EPA's role in issuing permits to fill wetlands; prohibit the EPA from issuing a new safeguard to protect the public from drinking water contamination; prohibit the EPA from implementing Clean Air Act programs; restrict the listing of new Superfund sites; prohibit the EPA from issuing final rules for arsenic, sulphates, radon, ground water disinfection, or the contaminants in phase IVB in drinking water.

The ban on standard-setting is the equivalent of a ban on the implementation of one of the central provisions of the Safe Drinking Water Act, and is a blow to the ongoing bipartisan negotiations in the Environment and Public Works Committee on Safe Drinking Water Act reauthorization.

EPA is under court order to issue these standards, which are now more than 6 years late. The riders in this bill are an unnecessary interference with the ongoing process and will only serve to delay it further.

Congress required the groundwater disinfection rule to be issued in 1989. The Centers for Disease Control has documented that many disease outbreaks are caused by parasite-contaminated groundwater (often from sewage, animal waste, or septic tanks). While not all groundwater must be disinfected, if the rider is in place, EPA will be barred from requiring any groundwater to be treated to kill parasites.

The bill eliminates the EPA's veto authority over the U.S. Army Corps of Engineers wetlands permits, a power that it needs in order to ensure consistent interpretation and implementation of the Clean Water Act.

EPA has used the veto sparingly—only 11 times since 1972—and in each case had to demonstrate that the discharge would have an unacceptable adverse effect on municipal water supplies, shellfish beds, fishery areas, wildlife, or recreation. Typically, a veto has involved only major projects with significant potential adverse impacts. The total waters protected by EPA veto: 7,299 acres or about 664 acres protected per veto.

The power of EPA's veto has played a very constructive role in the reaching of compromises on proposed development plans to fill wetlands. Moreover, since the Environment and Public Works Committee is now considering wetlands reform legislation, this rider is, again, an unnecessary and untimely interference with the ongoing efforts to make appropriate changes in the law.

The bill cuts the Superfund program for cleaning up hazardous waste sites by 36 percent or almost $500 million.

California has 23 sites listed on the Superfund National Priorities List—more than any other state. According to the Environmental Protection Agency, the proposed Superfund cuts would severely impact cleanup at 12 of these facilities (since the other 11 facilities are on the base closure list and oversight is paid by the base closure account, it is not clear what impact, if any, the Superfund cut will have on the 11 other sites).

Thus, in the area of environmental protection, the bill before us fails to provide even a merely adequate amount of funding for the programs and policies that protect the public health and safety.

HOUSING PROGRAMS

The cuts made by this bill in the programs of the Department of Housing and Urban Development will have a tremendous impact on communities and neighborhoods across the country.

HUD was hit particularly hard in this spending measure. Under the Senate bill, HUD would receive 19 percent less funding than what was requested by the administration and over 20 percent less than what was approved in last year's bill.

This will mean significant cuts in funding to serve our Nation's homeless. The Senate bill contains $360 million less than what was in the President's request for homeless assistance—the last safety net for homeless individuals and families. This translates into $49 million less than last year for California to address its homeless problem at a time when overall budget cuts may force more people into homelessness.

Another cruel cut is in new incremental housing vouchers. The bill provides $590 million less than the 1995 post-rescission amount. This cut will mean that low-income families, homeless families, and families with special problems will not receive the housing assistance for which they have waited so long.

Public housing modernization funds would also be significantly reduced. California will receive $17 million less than fiscal year 1995 in modernization funding.

This cut will undermine efforts to make much needed improvements to the worst public housing developments and threaten the existing supply of quality public housing in our Nation's cities. Without sufficient public housing modernization funding, we will be left with public housing that is a blight to our cities and is unfit for families who must raise their children there.

Aside from the spending cuts, I am concerned about the legislative riders in the bill which would authorize significant changes to the enforcement of the Fair Housing Act. Housing discrimination is a matter which deserves our serious attention. The transfer of this type of authority should be considered in the authorizing committee and not as a legislative rider on an appropriations measure.

The Senate bill contains provisions to reform the Low-Income Housing Preservation Program. California has an estimated 22,000 units of affordable housing which may be lost without a sufficiently funded program to preserve them. Thousands of seniors and working families in high cost housing markets like San Francisco and Los Angeles could be displaced, with no other affordable housing available to them. Adequate funding must be maintained so that this valuable housing stock can be preserved.

VETERANS HEALTH

The bill fails to provide an adequate amount of funds for veterans health programs: veterans' medicare care is more than $500 million below the President's request.

This cut will result in a serious impact on the ability of the Department to deliver quality care to deserving veterans. VA Secretary Jesse Brown estimates that 113,000 fewer veterans would be treated in fiscal year 1996 than in the previous year without the additional funding. This could mean an estimated 1 million fewer outpatient visits for the men and women who have fought for and served our country.

The Appropriations Committee's rationale for not including full funding is that the number of veterans is declining. However, we must remember that the number of older veterans is increasing, as is the number of patients VA serves. Drastic changes made to Medicaid and Medicare could result in further strains to the VA health care system.

NATIONAL SERVICE (AMERICORPS)

The national service program, signed into law on September 21, 1993, created the Corporation for National and Community Service to administer a number of service programs. AmeriCorps is the largest of those programs.

AmeriCorps programs are managed by bi-partisan State commissions. Federal funds go directly to the States to support locally designed and operated programs addressing unmet needs in the areas of education, public safety, health, housing, and the environment.

The concept of national service is to bring together Americans of all ages, backgrounds and talents to work to build-up America, to set us on a united goal of service to our Nation.

When I was a junior at Brooklyn College, President John F. Kennedy urged our Nation's young people to "ask not what your country can do for you, but what you can do for your country." More than 30 years later, those words have not lost their sense of urgency.

There are currently 20,000 AmeriCorps members and 350 programs nationwide. AmeriCorps members earn a small living allowance—about $600 per month—and receive limited health care benefits. At the end of their term of service—roughly 1,700 hours full-time over a year—they receive an education award worth $4,725. The award may be used to pay for current or future college and graduate school tuition, job training, or to repay existing student loans.

In my State, there are over 2,500 AmeriCorps members serving in approximately 27 programs throughout the State.

I believe giving young Americans an opportunity to serve our country before, during, or after college and subsequently providing them with an educational award is a good use of our dollars.

In a society of ever increasing apathy, the commitment of young people to national service is something I urge my colleagues to support and not malign.

TRAVIS VA HOSPITAL

Finally, I am profoundly disappointed by the Appropriations Committee's refusal to fund the Veterans hospital now under construction at Travis Air Force Base in Fairfield, CA.

In 1991, a severe earthquake damaged northern California's only VA hospital in Martinez. That facility served over 400,000 veterans, and its closure forced many to drive up to 8 hours to receive medical care. The Bush administration recognized the tremendous need created by the Martinez closure and promised the community that a replacement facility would be constructed in Fairfield, at Travis Air Force Base. The committee's action breaks that 4-year-old promise to the veterans of northern California.

Last year, Congress appropriated $7 million to complete design and begin construction on the Travis-VA medical center. Nearly $20 million has been spent on the project to date, and more than a year ago, Vice President GORE broke ground. Construction is now underway.

For fiscal year 1996, President Clinton requested the funds needed to complete construction. The committee has now rejected this request, which seriously jeopardizes the prospect that the hospital will ever be built.

The committee's only explanation for its action was that due to budget restrictions, it chose not to fund new construction projects. However, as I have already explained, this project is not a new facility, designed to meet an expected future need. It is a replacement hospital—promised by the past two administrations—designed to meet an existing need in northern California.

The decision not to fund the Travis-VA medical center breaks faith with California's veterans, and violates promises made by the past two Presidential administrations.

Because of the foregoing reasons, I have voted against the VA/HUD/Independent Agencies appropriations bill, and I will urge the President to exercise his veto power against it, in the hope that the ensuing negotiations will produce a better bill.

Madam President, I understand the hard work that went into this bill by both the majority and minority sides. I just hope that the President will veto this bill. As I have said, I think this bill turns its back on responsibility, it turns its back on obligation, and it turns its back on hope.

As the Senator from New Mexico says, times are tough, and the numbers we have to deal with are lower, of course. Well, I ask, why is it that we are giving the military $7 billion more than they asked for, $7 billion more than the generals and admirals asked for—and, therefore, we have to cut the heart out of our kids, our people who need housing and, for God's sake, our veterans. By the way, about 20 to 30 percent of our homeless are veterans.

So, I hope the American people have watched this debate, Madam President. This is what we have been talking about. I voted to balance the budget in 7 years, but not to do it this way, to hurt our kids, to cut out National Youth Service, and to threaten up to 22,000 units of affordable housing may be lost in California unless we can fix this problem up in conference. It is called the Low-Income Housing Preservation Program, and because landlords may opt to prepay their mortgages, we may lose this valuable housing stock if we do not sufficiently fund the program. Middle-income people and low-income people will face increases in their rents and may be thrown out on the streets.

The veterans hospital at Travis, in the Fairfield area of my State, where there was an official groundbreaking because we need a veterans hospital badly, it is zeroed out in this bill. And for what? To pay for a tax cut to those people making over $350,000 a year, who get back $20,000; to give the Pentagon more than the Pentagon asks for. I just feel very sad today. I acknowledge the hard work of the committee. Believe me, they were given a number that was very difficult to reach, and I have sympathy with that situation. I serve on the Budget Committee, and Chairman DOMENICI spoke eloquently about the problems we are facing. But I know we did not have to go about it this way.

I hope the American people get that, and I hope they do not just say this is too complicated. This is about priorities. This is about what we stand for. And we are turning our backs on the veterans of this country, and we are turning our backs on the lowest of the low, the homeless people.

We did not have to do it. We tell our young kids that you are just not worth it. And for what? As far as I am concerned, there are three bills the President ought to veto, and this is one of them. We can sustain that veto, and I hope when we really meet the crunch, there will be some give and take around this place, because this bill is unacceptable. Thank you very much.

I yield the floor.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. DORGAN. Madam President, I voted against the last appropriations bill on the floor of the Senate. I was interested in the remarks offered by the Senator from California.

I said earlier this week that the three appropriations bills that we would be confronted with this week represented probably the worst possible choices one could make. This process is all about choices. There are some who forever want people to believe that there is one side of the aisle in Congress that represents big spenders and a biding interest in spending more and more on everything while the other side of the aisle represents a bunch of frugal skinflints who really do not want to spend, the ones who are putting the brakes on and are trying to bring down the deficit.

What a bunch of hogwash, a total bunch of nonsense. The question is not whether we spend money; the question is how we spend the money. Never is it better illustrated than in what we have seen in the last week or so. We have conference committee on the defense bill reporting out in the last day or two, saying they want $3/4 billion more than the President or the Secretary of Defense said is necessary to defend this country, with B-2 bombers and star wars alone—just those two issues; $3 to $4 billion more to buy B-2 bombers and star wars. But they have said, by the way, we cannot afford the 50,000 kids who are now on Head Start. They are going to get kicked off. Yes, they all have names. They are going to lose Head Start benefits. But we want to buy 20 more B-2 bombers for $30 billion despite the fact that the Defense Department did not ask for it.

But we cannot afford to give disadvantaged kids in the inner city a little hope in the summer with a summer job. These kids who have nothing, who feel often hopeless and helpless, who look for an opportunity to get a job in a summer jobs program in the city, and we are saying to 600,000 of these kids—kids who all have a name and a dream that maybe they can get a summer job—we are sorry, we cannot afford a summer job for a disadvantaged kid like you in the inner city. But we insist on spending money to start building star wars. The Senate put in $300 million more than the President asked for, and when the bill went to conference, it got worse. Let us build interceptor missiles and laser beams.

Where does all of this end? There is no Soviet Union. The threat has changed. Yet, the appetite to spend has not changed. It is not liberal or conservative. Seven billion dollars was added to the defense budget to buy trucks that the Secretary of Defense said he does not need, jet airplanes that the Secretary of Defense said he did not want, and submarines nobody asked for. And yes, to build star wars and B-2 bombers. That is $7 billion extra that was stuck in that bill by people who say they are against public spending.

Where is the demonstration of frugality when it comes to that budget? Why is it that the sky is the limit? There is no bottom to the coin purse when it comes to the defense budget.

I am for defending this country. I do not think there is anybody here who is going to do more than I will do to support the men and women who wear the uniform in this country, who defend freedom and liberty.

The fact is, it serves no interest, especially not the interests of the men and women who devote their lives to public service, by sending the military money to build gold-plated, boondoggle weapon programs we do not need. That takes money away from the day-to-day needs of the men and women in the military.

More important than that, it finally is a matter of choice. It is a choice of saying the star wars program is more important than Head Start. Buying B-2 bombers that the Secretary of Defense says we do not need is more important than giving kids a job for the summer or a tax cut, 50 percent of which will go to the most affluent in the country. Fifty percent of the benefits of the $245 billion tax cut, at a time when we are up to our neck in debt, goes to families whose incomes are over $100,000. A tax cut is more important than the benefits for incapacitated veterans?

I am telling you, there is something wrong with those choices. It is not a matter of saying spend, spend, spend, but a matter of saying make the right choice. Thomas Jefferson said those who think that a country can be both ignorant and free think of something that never was and never can be. If we do not understand that our future is not in building star wars, but our future is investing in this country's kids, investing in education, investing for the future, if we do not understand that, I am telling you that these choices we make today, as viewed by historians 100 years from now, will cause them to scratch their heads and say, "What on Earth were they thinking about? What on Earth could their values have been to suggest somehow that kids are not very important?"

I yield to the Senator.

Mrs. BOXER. I want to thank the Senator for putting perspective on this bill. I want to just enter into a couple questions with my friend.

Does the Senator know how much the Republicans would like to cut from Medicare over the next 7 years?

Mr. DORGAN. The proposed cut in the baseline that is needed to meet Medicare expenditures for those who are eligible is $270 billion over the 7 years.

Mrs. BOXER. So they are proposing to cut $270 billion, which they say is not a cut, but, in fact, if the population keeps aging and if medical technology keeps moving forward, this is what is anticipated. They want to take $270 billion out over 7 years.

Does the Senator know how much Health and Human Services said is needed in order to make Medicare sound, is needed to cut out of the program?

Mr. DORGAN. The adjustments that are necessary in Medicare are about $89 billion, not $270 billion.

Incidentally, those who say you can cut $270 billion out of Medicare without having any impact on senior citizens must go to sleep and put their teeth under the pillow hoping a dollar shows up the next morning.

Where on Earth do they get these fanciful notions that you can do this without affecting senior citizens? Of course, if you cut $270 billion from Medicare, you are going to wind up with a health care program for senior citizens that costs senior citizens more money and gives them less health care. That is the point.

Why do we have that equation? Well, it is simple. The $270 billion proposed cut in the amount needed for Medicare is, I think, proposed in order to allow room for a $245 billion tax cut.

Now, I recognize and freely admit that for someone to stand up in the Senate and say, look, I serve in the U.S. Senate and I want to exhibit great courage today and my courage propels me to suggest we should have a tax cut. Well, what a wildly popular thing. It is like putting a raft in whitewater and rushing downstream. Wildly popular concept, having a tax cut. If you want to be popular, stand here and call for a tax cut.

My view is that the same people who are calling for a tax cut are the ones who were saying we ought to balance the budget. I say we should balance the budget. Talk about tax cuts after the budget is balanced. But why are they talking about Medicare cuts now? So they can talk about a tax cut at the same time. That is the linchpin of all of this.

I do not think it adds up. My sense is, yes, I would like everybody to pay lower taxes. I would like there to be zero taxes. Of course, we have to have police, we have to have roads, we have to send our kids to school. There are a number of things we do in the public sector that are enormously important. Many were in this piece of legislation I just voted against because I thought it took money away from the good choices and gave them to the poorer choices.

It seems to me we must be serious about a lot of things if we want to reduce the Federal deficit. Therefore, if we are serious—and I am—do not talk about tax cuts until that job is done. Then talk about tax cuts.

Even more importantly, let us not talk about ravaging a health care program that has been so successful for senior citizens in this country in order to accommodate a tax cut, half of which will go to people with incomes over $100,000 a year.

Mrs. BOXER. One final question I want to ask of my friend. If we were to take that tax cut and put it aside for the moment, and if we were just to give the Pentagon what the Pentagon asked for and not more, which is what the Republican Congress has done, and it adds up to $30 billion-plus more than they asked for, would that not make it possible for us to take care of the Medicare problem and resolve it out 10 years so that it is fiscally sound? Would that not make it possible for us not to go to an elderly couple and tell the husband whose wife is in a nursing home, "Sorry, sell your house, sell the car, because we are going after your assets"? Would it not make it possible for us to take care of those kids in Head Start that you talked about, keep a national service program, meet our obligations to veterans, do the things we need to do to keep our environment safe?

Would it not be possible to meet those obligations, balance the budget if we set aside those enormous tax cuts out there which benefit the very wealthiest, and just give the Pentagon what they asked for and not all these billions more that has been thrown at them?

Mr. DORGAN. Well, the Senator from California is correct. This is ultimately about choices. We choose to do one thing or we choose to do another. We make a choice and decide which of these choices are more important for the future of the country. That is what this process is all about.

I am not somebody who believes that one side has all the answers and the other side causes all the problems. I think this country would be a lot better off if we got the best of what both parties have to offer, rather than end up with the worst of what the two give us. I want to see much more bipartisanship in these decisions.

The plain fact is we are dealing with legislation coming to the floor where choices have already been made, and the choice that has been laid before us on these appropriations bills is to take 50,000 kids off Head Start, deny 100,000 disadvantaged youth summer jobs, and 170,000 incapacitated veterans on fewer benefits.

My point is, these choices do not seem logical to me in the face of other spending choices that were made.

Build star wars, build 20 new B-2 bombers. I responded to a column in the newspaper very critical of me for opposing star wars, and I said when the defense bill came to the floor of the Senate, I said it smelled a little like my mom's kitchen when she used to render lard when I was a kid. I could hardly walk in the house because when you render lard, it has an awful smell.

This defense bill has $7 billion in extra spending. I talked about the trucks that were not asked for, jet planes nobody needed. The hood ornament on this irresponsibility was blimps. They wanted to buy $60 million worth of blimps. I have talked about it half a dozen times on the floor, trying to figure out who wants blimps. What are the blimps for?

Sixty million dollars is provided for in the defense bill by people who say they are conservative, in order to build lighter-than-air airships; translated, that means blimps. Only in Washington would you say lighter-than-air airships—blimps is what they are. I do not know whether they will paint Snoopy on them or paint Goodyear, but somebody wants to build $60 million worth of blimps.

I think it is pretty hard to look into the face of a 3-year-old or 4-year-old kid who is benefiting by getting a head-start in life, through a program we know works and works well, and say, "We are sorry, we cannot afford you because we are off buying blimps." Lord only knows what they want to buy blimps for in the defense bill, but there is example after example of that.

When you come to the floor and talk about these issues, investing in things that are important, you get letters and calls. I saw a letter today. A fellow from Houston, TX, wrote and said he heard me on the floor talking about kids. It is true. I talked about a young man from New York City named David Bright. I have never forgotten his testimony. He was 10 years old, from New York City. He lived in a homeless shelter. He said, "No kid like me should have to put his head down on his desk in the afternoon because it hurts to be hungry." He was talking about hunger and being homeless and having nothing.

The guy from Houston, TX, was writing to me after watching C-SPAN. He said: "All you nut cases ought to stop spending money on all this liberal stuff."

If we have people out there who decide that kids do not matter, that hunger does not matter, that star wars is where it is at in the future, in my judgment they are not thinking much about the future of this country. This country's future is with its kids, with education, with opportunity, and a commitment by this Congress to those kids.

The only reason I rose to speak was because the Senator from California talked about this piece of legislation. I voted against it because, frankly, I think it makes the wrong choices.

I would like just for a moment to continue discussing Medicare because that is the subject of some hearings this afternoon that will occur in the Senate Finance Committee. It is, I think, one of the largest issues ricocheting around the Congress.

I respect the fact there are some who say we want to save Medicare while others want to kill it. The proposal to cut $270 million from what is needed to finance Medicare is offered by those who say we are the ones who want to save it. I only observe that at least 95 to 97 percent of those who say they want to save Medicare with this very large cut in funding—95 to 97 percent of them voted against the program in the first place, at least those in their party did 30 years ago. It seems unlikely to me that the party that harbors some who think Medicare is socialism and really should not continue is going to propose a $270 billion cut in order to save it.

It is far more likely, it seems to me, that we will save the Medicare Program—and we should save the Medicare Program—by having Republicans and Democrats get together and decide that this program makes sense, that this program helps make us a better country.

When the Medicare Program was developed, fewer than 50 percent of the senior citizens of this country had any health care coverage at all. Now 97 to 99 percent of the senior citizens in

America have health care coverage. It is a remarkable success story. Frankly, people are living longer.

All of us know that one of the pressures on us, from the Medicare financing perspective, is that people live longer and expect more. It is not unusual to run into a senior citizen someplace who is in his midseventies and has had heart surgery to unplug all the arteries from the heart that got plugged from eating all this fatty food. They have had cataract surgery, replaced both knees, replaced a hip. So here they are, 75 years old, and they have their heart unplugged, they have their arteries all clear, with blood pumping away in there. They are feeling good. They are walking and running and jogging with good knees and hips. They can see like a million bucks because they had cataract surgery.

That costs a lot of money. It is the result of remarkable, wonderful, breathtaking technology. But it is also very expensive. In some ways, that is a sign of success, is it not? Thirty years ago, they would have been dead; dead, or in a wheelchair, or unable to see. The alternative? Remarkable, breathtaking achievements in health care and a Medicare Program that works. Expensive? Yes. Does it need adjustments? Of course. Should we make them? Yes.

But should we take from the Medicare Program substantial moneys so we can give a tax cut to some of the most affluent in the country? The answer, in my judgment, is no. That is not a choice that makes sense. That is not a choice that will strengthen this country or advance our interests.

We have about 2 or 3 months left in this session of Congress. The agonizing choices that all of us will make about what is important will be made, finally, in these appropriations bills and in the reconciliation bill. I come from a town of 300 people. My background is from a very small, rural community. I have no interest in being dogmatic or being an idealogue about one issue or another. But I do have a very significant interest in expressing the passion I have for the choices which I think are good for this country.

This country has to get out of its present economic circumstances, balance its budget, and make the right choices with respect to investments. I have not talked today about trade, but I will at some point in the coming days. We have to solve our trade problem. We are sinking in trade debt, and we are getting kicked around international marketplaces. We have to stand up for America's economic interests and change that. All of those things need to be discussed, debated, and resolved.

A lot of people wring their hands and grit their teeth because we have raucous debates about these things. These debates are good and necessary. I hope we have more and more divergent views brought to the floor of the Senate so we can understand the range of ideas that exist and select the best of them. Someone once said when everyone in the room is thinking the same thing, no one is thinking very much.

I do not shy from debate. I do not think it is unhealthy. But at the end of the debate, let us try to find out what is wrong in this country and fix it, and advance the economic interests to give everybody in America more opportunity in the future.

I yield the floor.

MORNING BUSINESS

Mr. DORGAN. Mr. President, I ask unanimous consent there now be a period for the transaction of routine morning business, with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER (Mr. GREGG). Without objection, it is so ordered.

The Chair, in his capacity as a Senator from New Hampshire, suggests the absence of a quorum.

The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. PRYOR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. THOMPSON). Without objection, it is so ordered.

Mr. PRYOR. Mr. President, I ask unanimous consent I may proceed in morning business for up to 20 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

TAX FARMING

Mr. PRYOR. Mr. President, yesterday, in the New York Times, on page 1, an article was written by Robert D. Hershey, Jr. I would like to extrapolate a few lines from this particular article, not only to bring it to the attention of our colleagues in the Senate, but also to bring it to the attention of the conferees who are now dealing with certain appropriations bills in conference at this time. That particular conference is certainly on the Treasury, Postal Service, and general Government appropriations bill.

There is stuck in this appropriation a sum of $13 million. It does not sound like a lot when we start thinking about the billions and billions that we discuss on the floor of the U.S. Senate, but a $13 million appropriation to initiate a program to utilize private counsel law firms and debt collection agencies in the collection activities of the Internal Revenue Service, as we know it, the IRS.

The first paragraph of Mr. Hershey's article in the New York Times yesterday states:

> Congressional Republicans are poised to pass legislation requiring the Internal Revenue Service to turn over some debt collection to commercial interests, thereby giving certain private citizens access to confidential taxpayer information for the first time. . . . The Republican initiative, which would be limited initially to a pilot program, has raised alarms throughout the agency. "I have grave reservations about starting down the path of using private contractors to contact taxpayers regarding their delinquent tax debts," Margaret Milner-Richardson, the Commissioner of the I.R.S., said.

This was a statement written in a letter signed by Margaret Milner-Richardson, the Commissioner of the Internal Revenue Service.

For the last several years I have been one who has complained, I think fairly substantially and often, about some of the activities, and the heavyhanded activities, of the Internal Revenue Service. But I can say without reservation, this is an issue which Margaret Milner-Richardson, the Commissioner of the IRS, and myself, agree on 100 percent.

On the 12th of September, I, along with Senator ALFONSE D'AMATO of the State of New York, wrote a letter to the conferees relating to this particular conference, which is now in session. Senator D'AMATO and myself stated in the third paragraph, about this particular provision that now exists in the debate between the conferees—we wrote the following:

> We are writing to express our concern regarding the possibility of inclusion of the House provision in the final bill and respectfully request your assistance to eliminate any provision allowing private bill collectors to collect the debts of the American taxpayer.
>
> For over 200 years, when the Federal Government has imposed a tax, it has also assumed the responsibility and the blame for collecting [that tax]. In fact, we have an obligation to ensure that the privacy and the confidentiality of every American taxpayer is protected. Contracting out the tax collection responsibilities of government would be in contradiction of that duty, and would no doubt put the privacy of all American taxpayers in jeopardy.

Senator D'AMATO and myself continue by stating to the conferees:

> While we are very concerned about the impact of the House provision on the rights of American taxpayers in their dealings with these private bill collectors, the Commissioner of the Internal Revenue Service has also raised serious questions about the provision. We, therefore, urge you to be persistent in your efforts to keep such a provision out of the final conference report.

The article, written in the New York Times yesterday, further States:

> Such concerns are in spite of the bill's requirement that the private debt collectors must comply with the Fair Debt Collection Practices Act and "safeguard the confidentiality" of taxpayer data.

Mr. President, I have seen a lot of ideas in some 17 years in the Senate. But I have never seen a worse idea, an idea that was so misdirected, in my 17 years of service, as one that is being proposed to become the law of the land.

I would like to pose, also—or at least to make an observation. This is not a new idea of basically farming out some of our tax collections to the private sector. But I would say, in over 200 years of our Federal Government, we have never turned over the business of collecting taxes to the private sector. But I must point out, as I did in a floor statement on August 4, in the U.S. Senate, that this is a dubious practice and it is as old as the hills, and it dates back to at least ancient Greece. This practice of private tax collection even has a name. It is called, "tax farming," and its modern history is chronicled in a book authored by Charles Adams, a noted lawyer and a noted history professor. The book is named, "For Good And Evil, The Impact of Taxes on the Course of Civilization."

In this book, Charles Adams recounts many tales of how the world has suffered under the oppression of tax farmers. He specifically describes the tax farmers sent by the Greek kings to the island of Cos as thugs, and even the privacy of a person's home was not secure from them. He further notes that a respected lady of Cos around 200 B.C. wrote, "Every door trembles at the tax farmers." In the latter Greek and Roman world, no social class was hated more than the tax farmer. The leading historian of that period described tax farmers with these words.

> The publican keepers of the public house certainly were ruthless tax collectors, and dangerous and unscrupulous rivals in business. They were often dishonest and probably always cruel. Tax farming flourished as a monster of oppression in many forms in Western civilization for over 2,500 years, until it finally met its demise after World War I. Tax farming brutalized prerevolutionary France. The French court paid the price during the reign of terror when the people were incensed. They rounded up the tax farmers, tried them in the people's courts and condemned the tax farmers to death. Accounts of this time tell of the taxpayers cheering while the heads of the tax farmers tumbled from the guillotine.

In the 17th century, Mr. President, under Charles II in England, the King imposed a hearth tax assessing two shillings per chimney for each house. To collect it, the King did not have civil servants responsible to the King to collect from these private families. But he named individual tax collectors. They called them "chimney men." They went throughout England. These chimney men were ruthless, and they were hated by the people of England. The hatred of the privately collected tax helped depose Charles' brother, James II. And as soon as the new monarchs, William and Mary, were installed, the House of Commons abolished the tax ending a bond of slavery upon the whole people that allowed every man's house to be entered and searched and at the pleasure of people unknown to him.

Clearly, Mr. President, history has taught us that contracting out the tax collection responsibilities of a democratic government is not a good idea.

These are the questions that I would like to respectfully pose to our colleagues from the Senate and the House who now make up the conference on this particular issue and who are now debating what issues to include and to exclude. These are the questions that I respectfully think should be asked.

Who will these people be?

Which debt collection services will be hired?

How will they be hired?

Who will hire them?

Who will train them?

Who will oversee them?

Which taxpayers' cases will they work on?

What arena of confidentiality?

What standard, I should say, of confidentiality will be imposed upon these private debt collectors as they search through our private tax records?

What type of taxpayer information will be made available to these tax collectors?

How will that information be safeguarded, and how will the security and the privacy of these issues be retained?

How, Mr. President—and what a key question this is—are these private bill collectors going to be paid? Will they be paid 25 percent, 50 percent, and will not this actually amount to a bounty hunter situation that we are creating within the Internal Revenue Service?

In 1988, I sponsored, with the help of many of my colleagues, the Taxpayer Bill of Rights. It was passed into law. One of the provisions that we were proudest of in the Taxpayer Bill of Rights No. 1—and now we hope to expand it this year into the Taxpayer Bill of Rights No. 2—in the Taxpayer Bill of Rights No. 1 was a provision that the Internal Revenue Service could no longer use quotas in which to promote or demote collection agents within the Internal Revenue Service. We said you have done it in the past but that day is over, and no longer can an IRS collection agent have his job or his salary or his position basically based upon how much he is collecting.

So, Mr. President, what we have is we may be on the eve of making an enormous mistake. It could be a mistake that we could never fix. I am very hopeful that the conferees on the Treasury, Postal, and general Government appropriations bill will take heed and will realize what history has to teach us about private tax collectors being hired to collect Federal debt.

Mr. President, I ask unanimous consent that the letter dated September 12 sent by Senator D'AMATO and myself to Senators SHELBY, KERREY, and the other conferees be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, September 12, 1995.

DEAR SENATOR SHELBY AND SENATOR KERREY: Thank you for accepting our amendment to the Treasury, Postal Service, and General Government Appropriations bill which struck an appropriation of $13 million to initiate a program to utilize private counsel law firms and debt collection agencies in the collection activities of the Internal Revenue Service.

A similar provision has been included in the final version of the House Treasury, Postal Service, and General Government Appropriations bill, which, as you know, will be a matter to be considered by House and Senate conferees at conference.

We are writing to express our concern regarding the possibility of inclusion of the House provision in the final bill and respectfully request your assistance to eliminate any provision allowing private bill collectors to collect the debts of the American taxpayer.

For over 200 years, when the Federal Government has imposed a tax, it has also assumed the responsibility, and the blame, for collecting them. In fact, we have an obligation to ensure that the privacy and confidentiality of every American taxpayer is protected. Contracting out the tax collection responsibilities of government would be in contradiction of that duty, and would, no doubt put the privacy of all American taxpayers in jeopardy.

While we are very concerned about the impact of the House provision on the rights of American taxpayers in their dealings with these private bill collectors, the Commissioner of the Internal Revenue Service has also raised serious questions about the provision. We, therefore urge you to be persistent in your efforts to keep such a provision out of the final conference report.

If we may assist you in any way, please do not hesitate to call on us or our staff.

Sincerely,

DAVID PRYOR.

Mr. PRYOR. Mr. President, I ask unanimous consent that the article which I made reference to a few moments ago dated Tuesday, September 26, in the New York Times written by Mr. Robert D. Hershey, Jr., be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

G.O.P. WANTS I.R.S. TO USE OUTSIDERS

BILL COLLECTORS WOULD HAVE ACCESS TO TAXPAYER DATA

(By Robert D. Hershey, Jr.)

WASHINGTON, DC, Sept. 25—Congressional Republicans are poised to pass legislation requiring the Internal Revenue Service to turn over some debt collection to commercial interests, thereby giving certain private citizens access to confidential taxpayer information for the first time.

The agency's appropriations bill, now stalled in a Senate-House conference over an unrelated issue, would provide $13 million for the I.R.S. to test whether private bill collectors could do a better job than the agency's own employees, even though they would be denied such governmental powers as the ability to seize property.

The bill suggests a regional experiment, which would be likely to focus on individual returns, and directs that small collection agencies—perhaps even individual lawyers—be allowed to participate.

The Republican initiative, which would be limited initially to a pilot program, has raised alarms throughout the agency. "I have grave reservations about starting down the path of using private contractors to contact taxpayers regarding their delinquent tax debts," Margaret Milner Richardson, the Commissioner of the I.R.S., said.

In addition to privacy concerns, Ms. Richardson contends that the use of private collectors could further undermine public perceptions of the fairness of Federal tax administration.

But Congressional Republicans, sensing a negative public perception of the agency, are pressing the plan on a number of fronts. They rejected the Clinton Administration's request for an I.R.S. budget increase of nearly 10 percent, to $8.23 billion, deciding instead to cut the I.R.S. budget almost 2 percent.

By a widely accepted rule of thumb, additional enforcers bring in five times their salaries. But Republicans, intent on reining in a symbol of big government, do not accept the argument of I.R.S. officials that spending more on the agency would help meet the goal of a balanced Federal budget.

Citing findings of the General Accounting Office that I.R.S. collections have slumped about 8 percent since 1990, Republicans led by Representative Jim Lightfoot of Iowa, contend that this reflects the I.R.S.'s "lengthy and inefficient collection process, which does not incorporate techniques used by the private sector."

Others have contended that a lack of diligence has allowed uncollected debts to swell to more than $150 billion.

Farther down the Republican agenda are plans for an even broader assault on the tax agency. "The I.R.S. was never meant to be such an intrusive, oppressive presence in American life," Senator Bob Dole, the majority leader, told a Chicago audience recently in proposing a radical simplification of the tax law that "would end the I.R.S. as we know it."

The attack on its budget has already prompted the I.R.S. to decide on a two-month delay in its Taxpayer Compliance Measurement Program under which it had planned, beginning next week, to select about 153,000 tax returns for intensive audits in a periodic effort to gauge sources of cheating and to develop countermeasures. Accurate targeting of enforcement efforts is crucial since routine auditing has slipped well below 1 percent of individual returns.

If the agency fails to get a bigger budget than the $7.35 billion now scheduled, the I.R.S. will have to cut its 112,000-member staff by the equivalent of 7,000 employees; much of this would be by attrition and shorter hours for seasonal workers, Ms. Richardson said in an interview.

"No sound business person would not spend money to make money," she added, charging the Republican budget-cutters with pound-foolish penny-pinching. "I think you ought to look differently at the side of the house that raises money."

Privatizing the collection of delinquent debt was first proposed in early 1993 by the newly installed Clinton Administration but the idea went nowhere in a Congress then dominated by the President's fellow Democrats. However, many states use private companies to help collect taxes, according to the Federation of Tax Administrators. At least three states—Minnesota, Nevada and South Carolina—already use outsiders to collect money in person. And at least 10 other states hire private agencies to make telephone calls to delinquent taxpayers.

Moreover, some states, notably Pennsylvania, use private companies routinely to collect current, as opposed to delinquent, taxes.

The I.R.S. does use private companies for finding, say, the addresses of delinquent taxpayers, spending about $5 million a year for such information, but this does not lead to direct contact with taxpayers by outsiders.

Frank Keith, an I.R.S. spokesman, said today that the agency had not yet developed any plans to carry out a debt-collection test, including what region might initially be involved.

Among those objecting to the idea was Donald C. Alexander, a Washington lawyer who served as I.R.S. commissioner from 1973 to 1977.

"Contracting out anything dealing with enforcement is absolutely absurd," he said, contending that it was improper for people "with a stake in the outcome" to collect the Government's taxes, whether on commission or under a contract they would presumably have an incentive to extend.

Such concerns are in spite of the bill's requirement that the private debt collectors must comply with the Fair Debt Collection Practices Act and "safeguard the confidentiality" of taxpayer data.

Passage of the legislation is being held up because of an impasse over an amendment from Ernest Jim Istook Jr., an Oklahoma Republican, to severely limit lobbying efforts of nonprofit, and therefore tax-exempt, organizations that get Federal grants.

The provision in the conference bill that would extend debt-collection authorization to private law firms as well as collection companies is backed by Senator Richard C. Shelby, an Alabama Republican. An aide said the Senator believed that many resources were needed to collect outstanding debt and that privacy concerns "are overblown by the I.R.S."

Mr. Keith estimated that about half the $150 billion of receivables on the books at the end of the fiscal year 1994 was collectible; the rest has probably been lost because of bankruptcy, death or other reasons.

Mr. PRYOR. Mr. President, I ask unanimous consent that a letter sent to me dated August 4 written by Margaret Milner Richardson, the Commissioner of the Internal Revenue Service, expressing her strong opposition and the Revenue Service's strong opposition to even considering this practice be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE TREASURY,
INTERNAL REVENUE SERVICE,
Washington, DC, August 4, 1995.

Hon. DAVID PRYOR,
U.S. Senate, Washington, DC.

DEAR SENATOR PRYOR: I am writing to express my concern regarding statutory language in the FY 1996 Appropriations Committee Bill (H.R. 2020) for Treasury, Postal Service and General Government that would mandate the Internal Revenue Service (IRS) spend $13 million "to initiate a program to utilize private counsel law firms and debt collection activities . . . ". I have grave reservations about starting down the path of using private contractors to contact taxpayers regarding their delinquent tax debts without Congress having thorough understanding of the costs, benefits and risks of embarking on such a course.

There are some administrative and support functions in the collection activity that do lend themselves to performance by private sector enterprises under contract to the IRS. For example, in FY 1994, the IRS spent nearly $5 million for contracts to acquire addresses and telephone numbers for taxpayers with delinquent accounts. In addition, we are taking many steps to emulate the best collection practices of the private sector to the extent they are compatible with safeguarding taxpayer rights. However, to this point, the IRS has not engaged contractors to make direct contact with taxpayers regarding delinquent taxes as is envisioned in H.R. 2020. Before taking this step, I strongly recommend that all parties with an interest obtain solid information on the following key issues;

(1) What impact would private debt collectors have on the public's perception of the fairness of tax administration and of the security of the financial information provided to the IRS? A recent survey conducted by Anderson Consulting revealed that 59% of Americans oppose state tax agencies contracting with private companies to administer and collect taxes while only 35% favor such a proposal. In all likelihood, the proportion of those opposed would be even higher for Federal taxes. Addressing potential public misgivings should be a priority concern.

(2) How would taxpayers rights be protected and privacy be guaranteed once tax information was released to private debt collectors? Would the financial incentives common to private debt collection (keeping a percentage of the amount collected) result in reduced rights for certain taxpayers whose accounts had been privatized? Using private collectors to contact taxpayers on collection matters would pose unique oversight problems for the IRS to assure that Taxpayers Bill of Rights and privacy rights are protected for all taxpayers. Commingling of tax and non-tax data by contractors is a risk as is the use of tax information for purposes other than intended.

(3) Is privatizing collection of tax debt a good business decision for the Federal Government? Private contractors have none of the collection powers the Congress has given to the IRS. Therefore, their success in collection may not yield the same return as a similar amount invested in IRS telephone or field collection activities where the capability to contact taxpayers is linked with the ability to institute liens and levy on property if need be. Currently, the IRS telephone collection efforts yield about $26 collected for every dollar expended. More complex and difficult cases dealt with in the field yield about $10 for every dollar spent.

I strongly believe a more extensive dialogue is needed on the matter of contracting out collection activity before the IRS proceeds to implement such a provision. Please let me know if I can provide any additional information that would be of value to you as Congress considers this matter.

Sincerely,

MARGARET MILNER RICHARDSON.

Mr. PRYOR. Mr. President, I have no further items to submit. I have no further statement to make. Therefore, I yield the floor.

I thank the President for recognizing me.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

INTERNATIONAL TRADE

Mr. DORGAN. Mr. President, inasmuch as the Senate is in morning business, I would like to say a few words about the subject of international trade.

I, along with several of my colleagues, today had lunch with Eamonn Fingleton, the author of a new book called Blind Side, which describes in very interesting and provocative terms our trade strategy, our trade relationships with Japan and others.

It reminded me again of what is happening this year with respect to trade. Our fiscal policy deficit, the budget deficit this year will be somewhere around $160 billion, we are told. Our merchandise trade deficit, however, will be close to $200 billion, a new record, the highest in the history of this country.

When you talk about international trade, the minute you discuss it people begin to yawn. There is rarely thoughtful discussion about trade policy in this Chamber, or in the other body; rarely any thoughtful notion that I can discern in Washington, DC, about what our trade policy ought to be.

The minute you start talking about the fact that our current trade strategy is injuring this country, you get turned off. You are tagged as some sort of a protectionist, xenophobic stooge. There are two camps here in trade. Either you are a free trader, you have a world view, you think in global terms, or you are some sort of protectionist isolation xenophobic. Those are the two descriptions.

Let us evaluate that just a bit. What does a trade deficit mean? Why could people care about it? I have a theory about the sour mood about politics in this country these days. I have a theory that people are sour in this country because few in this Chamber, not Democrats nor Republicans, are addressing the central core of the issue that affects most families.

Sixty percent of the American families will sit down for supper tonight around the table and have their family there and talk about their circumstances. And 60 percent of the American families will understand they make less money now in real terms—as adjusted for inflation—than they did 20 years ago.

Why would that be the case? Why, if everything is going so well in this country, are more than half of the American families suffering from a loss of income even though they work longer hours than 20 years ago?

At least part of it, in my judgment, is the construct of international trade. Since the Second World War we had a foreign policy and a trade policy that were married. The Second World War left Europe and Japan in tatters. War-torn Europe needed to be rebuilt. We did that. We pitched in a significant way and helped rebuild it. Japan was decimated, and we helped to rebuild Japan, too.

In the first 25 years of the post-World War II period we could not only help them rebuild but we could largely construct a trade policy in which we say, "By the way, ship all your goods here. It is not a problem." We were so strong and we were so big that we could compete with one hand tied behind our back. We were the biggest. We were the best. We won, and nobody could outtrade us and nobody could outproduce us. We won hands down.

All during that 25-year period after the Second World War incomes were on the rise in this country. Our economy expanded and improved. And so did opportunity and incomes for the American family.

Then what happened? Europe became a competitor. The European countries became tough and shrewd competitors. Japan grew up to be a tough economic competitor. And we still had the same old trade policy, a foreign policy masquerading as a trade policy. We still allow the circumstances to exist where we said our market is open to you but it does not matter that your market is closed to us.

That is a fine relationship. We do not want to offend them so we just keep doing what we are doing. Meanwhile, corporations, many of which no longer say the Pledge of Allegiance and no longer sing the national anthem, but have become international conglomerates responsible only to the stockholders, have decided they would like, under the construct of this trade policy, to decide what is good for them.

What is good for them? Well, what is good for them is to produce where it is cheap. Take your product and find a way to produce it in Malaysia, Indonesia, China, Bangladesh, Sri Lanka, and then bring it back to the United States to an established marketplace where people have money to spend and sell it in Pittsburgh, San Francisco, Fargo, and Denver.

The problem with that is you disconnect. You move jobs away from America, offshore, overseas, so corporations can maximize profits, then ship the product back into our country. Then what you have is a wholesale loss of jobs in America and eventually a loss of income in this country.

Manufacturing jobs are on the decrease in this country. Oh, the last couple years we have seen a small increase. After having lost millions and millions of manufacturing jobs, we have seen several hundred thousand additional jobs over the last few years. That is fine. But it does not replace the manufacturing base we have consistently lost.

We have the folks who keep score down at the Federal Reserve Board and elsewhere in the Government. We have economists who are in the engine room or the boiler room of this ship of state and they read the little meters and gauges and dials, and they keep score by saying every month: Gee, America is really doing well. We are consuming this much; we are consuming that much; we are buying this much.

All of it is consumption. All the indices of progress in this country are how much did we spend; how much did we consume.

These economists and others who sit down there—I have said before they could sit in a concrete bunker. They need not ever see the Sun. They could sit in a concrete bunker and read these little numbers of theirs and give us all this nonsense about how healthy we are because of what we spend. It is not what we consume, it is what we produce that represents the economic base of progress in this country.

It is interesting; the economic model, the basis for what economists tell us. For instance, when Hurricane Andrew hit Florida and decimated that State, guess what? Their model, of course, does not measure damage. So they said that Hurricane Andrew contributed a one-half of 1 percent growth to the gross domestic product of America because all they count is the repairmen who came in and rebuilt the houses, not the damage that destroyed them.

Take another example; A car accident outside this building this afternoon. Somebody runs into another car. Economists call that economic growth because somebody is going to get to fix the fender.

We do not need that sort of nonsense to tell us what is going on in the country. They can talk about consumption until they are blue, these economists. The fact is our country has lost economic strength because jobs have moved offshore, overseas.

What has happened with the balance of trade as a result of all of this going on? Let us take a look at it regionally.

First, let us look at Japan. We have a $65 billion trade deficit with Japan—$65 billion. That means things are produced in Japan and sold here. Jobs that used to be here are now in Japan. It means income from the American consumer goes to Japan in the form of profits.

Is that healthy for our country? Of course not. Should we have this kind of trade deficit with Japan? Of course, we should not. Then why do we have it? Because we do not have the will to say to the Japanese: Look, if you want to ship your goods to America, God bless you; we want our consumers to have the widest range of choices from all goods produced in this world, but we expect something from you in return. You must have your markets wide open to American producers and American workers as well. And if you do not, then you will not find open markets here. We need reciprocal trade policies that say to other countries: straighten up. If you want to access the American marketplace, then your marketplace must be open to America. We insist, literally demand fair trade. We demand it. But we have not had the will or the strength or the interest to even begin talking in those terms with Japan.

It costs $30 a pound to buy T-bone in Tokyo, T-bone steak. The Japanese want a lot of it. They would like to buy a lot of it. Why is it so expensive? Because they do not have enough beef produced in Japan. So will they buy sufficient quantities of American beef? They are buying more now because we have a beef agreement with Japan. And all those folks who negotiated it almost jumped right out of their cowboy boots with the success. They almost thought they should demand a medal because of the successful agreement with Japan.

Guess what? When the agreement is finally phased in over the years, there will remain a 50-percent tariff on all American beef going into Japan. And we consider that a success because our expectations are so low with respect to what Japan will allow into their marketplace.

We ought not consider those things success. We ought to demand of countries like Japan that have such an enormous trade surplus with us that their market must be open to us or we will take action. We ought not accept this one-way trade anymore.

What about China? China now has a $30 billion trade surplus with us, or we a $30 billion deficit with them. We are a sponge for Chinese shoes and shirts and trinkets and goods. They move all their goods to America and we are a cash cow for the Chinese, who need hard currency.

Now, China needs to buy some airplanes. Guess what? Does China go to the American plane companies, Boeing, for example, and say: By the way, we need to buy some planes from you. No, that is not what they do. They go to Boeing and they say: We are interested in some airplanes, on the condition, of course, that you manufacture those airplanes in China.

This country ought to say to China: Wait a second. You do not understand how this works. You want America to be a sponge for all you produce. Then when you need something that we have, you buy it here. That is responsibility. And that is what we expect from you, China.

China needs grain. They need more wheat. They are off price shopping in Venezuela and Canada when they are running a $30 billion trade surplus with us.

It is time for this country to have a little nerve and demand of other countries reciprocal trade policies that are fair.

Now NAFTA. We had people who had apoplectic seizures over this NAFTA debate in the Senate in recent years. We had economists that were out waving their arms on the steps of the Senate talking about 270,000 new jobs if we would just construct a new trade agreement with Mexico—270,000 new jobs. What is the record?

The record is that the year before the free trade agreement with Mexico was negotiated we had a $2 billion surplus with the country of Mexico. We had a $2 billion trade surplus the year before the Mexican free trade agreement. This year it will be a $18 billion deficit. I would like to round up all of those disciples of this trade agreement somewhere up near the Capitol and have them explain one by one what has happened.

What has happened? We know what has happened. All the jobs are moving south, two or three plants every single day being approved. They are moving to maquiladora plants over on the Mexican side because that is where you can get cheap labor; you can still pollute; and you can produce and ship back to America. It is not the kind of goods that we were talking about when NAFTA was developed.

You take a look at what is causing our trade deficit with Mexico. It is automobiles, automobile parts, electronics; it is high technology goods, good jobs. And that is the problem. If you do not want to get technical with NAFTA, just travel across the United States-Mexican border and you will find you cannot get a raw potato across the Mexican border. Lord only knows why. You just cannot. Mexico will not allow one American raw potato across the border. But guess what? Even as U.S. raw potatoes are stopped going south, just watch tons of Mexican french fried potatoes going north. I would like to get the folks who negotiated that agreement in this building and ask them why.

The devil is always in the details, whether it is potatoes or airplanes or beef or cars. But in the aggregate, the question this country needs to start asking Mexico, Japan, China, and others is: Will you not decide for a change that as a condition of trade, if you expect to enter the American marketplace, you will open your markets to American goods, American workers, and American producers? If you do not, then this country is going to reconstruct its trade model.

We as a country do not have to continue down this path. We do not have to believe this corporate baloney that they need to produce in Sri Lanka to be competitive. We can decide there is an admission price to the American economy, the American marketplace. The admission price is: you have to give a living wage, you cannot pollute the water, and you cannot hire 12-year-old kids to work 12 hours a day and work for 12 cents an hour. That is not fair trade. And we should not expect the American worker or the American corporation to compete against that.

You say, "Well, all that is abstract." Well, talk to the people who testified before the Senate who described little kids making carpets, with needles going through the carpet cutting all their fingertips, causing them to miss work. What do you think the carpetmakers would do so these children do not miss days of work? They would take the fingertips of these 10- and 12-year-old kids, and they would put gunpowder on them and set them afire so that they eventually scar these fingertips. They do this so that eventually when these little kids who are working with needles on carpets it will not hurt because their scar tissue is so big it will not hurt. Then they will not lose time and cut themselves on the needles.

The products made by those kids come to the American marketplace. We are told by economists this is a wonderful thing because it is cheap. The American consumer can buy cheap foreign goods.

What about the two girls who testified not so long ago about the designer-label blouses made in Honduras by kids working 14 hours a day, are not permitted to go to the bathroom. Then the blouses are shipped to a shop in New York to be sold under a designer label to American women shopping for blouses.

Do you think someone shopping for a blouse in this country should expect to buy the product made by a 12- or 14-year-old kept in a plant for 16, 18 hours, who is paid less than 40 cents an hour, $1 an hour? You think that? I do not think that is fair trade. I do not think we ought to expect that in this country.

I am not suggesting that we build walls around our country and I am not suggesting that we ought to develop a strategy in which we decide the rest of the world does not matter. I am saying this country ought not stand for being kicked around anymore. We are big enough and strong enough to insist that the central issue in this country still must be jobs.

When we ask American workers to compete against others, it ought to be fair. They cannot compete and should not compete if they are competing with 2 or 3 billion people that are willing to earn 20 cents or 60 cents an hour and work in unsafe conditions and work 16 hours a day. We have got to start caring about keeping jobs in this country.

There are dozens of ways to do that. We have a perverse little tax incentive in our Tax Code that I have been trying to get changed for years which rewards companies who take their jobs elsewhere, close their plant in America, move it overseas to a tax haven, make the same product, and then ship it back to Nashville, TN. And we say, "Guess what? We're going to reward you for shutting down your plant. You get a tax incentive and you get to defer income tax on the profits you make in that plant until repatriation. Just close your American plant, move overseas, hire foreigners rather than Americans, and we say, 'Hosanna, hallelujah. You get a tax break.' "

I mean, if you cannot fix that little thing and take the first step on the road to saying that creating jobs is important in this country; then, by taking that step saying that the production base is important to this country's future, there is not a chance, in my judgment, to respond to the real concerns of Americans.

The real concern of American families I think is the opportunity for themselves and their children to have a good job with decent income and a future of hope and opportunity. It is time—long past the time, in my judgment—where Republicans and Democrats should decide together that we need a new strategy.

We need a new Bretton Woods conference, a new set of designs on international finance and international trade relationships that does not represent foreign policy. A strategy that represents some semblance of national interests for us in our country, not to the exclusion of everything else, but at least to stand up and say what happens in our country to our jobs and our productive sector matters.

I said last week that, you know, next year we are going to have an Olympics. And it is going be on American soil this time. You know what will happen? We will put all these young athletes, trim and wonderful athletes, in these red, white and blue uniforms. The country will yell like crazy in support of our athletes. I will be among them.

I love the Olympics. I want our team to do well. But is it not interesting that we are willing to become so involved in national competition, in an international event on an athletic field, and we are so uninterested, as leaders, in the question of how well we compete in the area of economic growth and jobs?

After all, this is a circumstance where there is international economic competition and there are winners and losers. And the winners, which have been Japan, Germany, and others, will experience a future of growth, opportunity, and expansion. And the losers, subject to the British disease, which is long, slow, economic decline stemming from a philosophy that what you consume is a reflection of future economic health. This is a philosophy rooted, in my judgment, in the most confounding, confusing doctrine that I have ever heard. All the economics I have studied—I studied some and taught some economics in college—tells me that the source of long-term economic health in this country is our production.

If you lose a manufacturing base, if you lose your productive sector, if you lose your ability to produce real things, you will not long be a world economic power. You will not long dominate in world commerce. And that is why it is not too late for this country to decide it is time for a new national economic strategy, not one of protectionism.

Although if you want to use the word "protection" in a pejorative way, I am not so interested in the typical debate. However, if you want to use the word "protection" to mean protecting the economic interests of this country, count me in, because that is one of the reasons I am here. But we have to define some new economic strategy that tries to preserve our manufacturing base and tries to decide that our marketplace and our manufacturing base are important national assets. Assets that represent the opportunity for expansion and hope for the American family.

The course we are on, the path that led to the largest trade deficits in history, a wholesale loss of American jobs overseas, is a destructive course, one that is wrong for our country. And I think it is part of the undercurrent of all the angst out there in the country with families knowing this is not working. This is a model that might make international corporations wealthy but people who do not have jobs are poor. It means a future of less opportunity for them. That is what I think is at work in this country. I know it is not quite as simple as all of that, but that, I think, plays a major role.

You know something? All the things we do in this Chamber, over all of these months, all ignore that central fact. There has not been, in my judgment, one day of thoughtful, interesting debate about the central economic tenant of our times, and that is the issue of what the global economy means to the future of America, to the future of American families and American workers.

Mr. President, there are some who will say that I am truly a broken record, and that is fine with me because I want to continue to repeat month after month what I think is one of the most serious problems we face in this country. And, along with recommendations, I want to be sure that we finally debate and we finally come to grips with the need for a new economic national strategy that moves our country forward. I want a strategy that gives our country an opportunity to win once again.

Mr. President, having spoken for the full 10 minutes in morning business, I now yield back the entire balance of my time.

Mr. President, I would suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BURNS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ABRAHAM). Without objection, it is so ordered.

Mr. BURNS. Mr. President, I ask unanimous consent to proceed as in morning business for no more than 5 minutes.

The PRESIDING OFFICER. Morning business is in order.

Mr. BURNS. I thank the Chair.

(The remarks of Mr. BURNS pertaining to the introduction of S. 1278 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

TRIBUTE TO HOWARD SCHROEDER

Mr. BIDEN. Mr. President, Howard Schroeder first encountered southern Delaware during his Army service in World War II. His job was to protect the coast, which he did by applying his military training and muscle to help lay mines in the bay, and by applying his artist's eye and talent to help record the landscape of the area.

Some of those first Schroeder landscapes remain on display today in the Lewes, DE, public library and middle school, testaments to a love affair that lasted a lifetime.

Even beyond a lifetime—when he died at his Lewes home on Friday, September 8, at the age of 84, Howard's family announced that, in accordance with his wishes, his ashes would be scattered over the sand dunes and in the water at nearby Cape Henlopen State Park.

The people of my State take great comfort in knowing that Howard Schroeder is still guarding our coast, not only in the resting place he chose but in the legacy of his love for the beaches, the small towns, the fishing boats, the marshes, the old buildings, the people—everything that is the beauty and heart of Delaware's coastline.

It is a recorded legacy of work, literally thousands of sketches and paintings that, as one Delaware reporter wrote, "virtually define our mental image" of parts of our State. Howard said that he was always "looking for the unspoiled," and he was able to find it, and to share it, not because he knew where to look but because he knew how to look.

It is a living legacy of teaching, because Howard Schroeder was, always, inspired to inspire others. He taught at the St. Andrew's School, at the Rehoboth Art League, which he had served as president, and in workshops that he founded in towns through Kent and Sussex Counties. He started the Artists' Sketch Group to help local artists bring out the best in each other, and he was a founding member of the Sussex County Arts Council.

He was, as his friend and fellow artist Jack Lewis wrote, "a champion for the arts," and his drive to teach wherever there was someone willing to learn has left a permanent and deep imprint on the artistic community in and well beyond Delaware.

Howard Schroeder's personal legacy is rich in family and friends. His wife, Marian, was his partner in every way, including the years she and Howard sold his work at their Rehoboth Beach art supply and gift store. Together, they raised six children, at a time when it was, as Jack Lewis said, "unheard of" to make a family living on an artist's earnings. Marian and Howard succeeded in doing the unheard of.

Their son John, a Delaware State legislator, published a biography of his father, and remembers Howard as working until late at night in his studio but always making time for his children. Daughter Carole memorialized her father in a poem, in which she wrote:

"You showed me the beauty of life
Through your music and your art
Through history and words of prose
But mostly, by living it."

Howard shared his life's lessons also with sons Stephen, Howard, and Robert and daughter Gail, with their families, and with countless fortunate friends and admirers.

Mr. President, Howard Schroeder worked all over the world, he was profiled on national television, he was raised in the Bronx and in northern New Jersey. But he chose Delaware, and we remember him, gratefully, as a Delaware State treasure, a treasure that we were proud to share in his lifetime and that I am proud to share, and to honor, in the Senate today.

Howard Schroeder was a neighbor with a special gift to see, and to teach us to see, the unspoiled in our own backyard. By his vision and his talent, and by the sincerity of his love, he led us to the best in ourselves, which may well be the greatest accomplishment and contribution of all.

ON THE NEW $100 BILL

Mr. LEAHY. Mr. President, today, the Treasury Department is unveiling a newly designed 1996 series $100 bill that incorporates many state-of-the-art anticounterfeiting features. I commend Secretary Rubin and the Treasury Department. Today's unveiling at the Treasury Department starts the process of reassuring the public, both here and abroad, of the abiding strength and integrity of our currency. That process will continue through next year when the new $100 bills in the 1996 series are circulated for the first time.

This country faces a serious challenge from new technologies that enable counterfeiters to turn out excellent reproductions. Unfortunately, U.S. currency has been among the most susceptible to counterfeiting in the world. Although updated in 1990 with a deterrent security strip, our bills have not had the watermarks or sophisticated dying and engraving techniques that other countries use to defeat counterfeiters.

In the past two Congresses, I have introduced, with Senator JOHN KERRY, legislation to address the growing problem of hi-tech counterfeiting. I am delighted that the Treasury has adopted many of the features we have been recommending.

According to the Secret Service, which has from its inception been combatting counterfeiting, the counterfeiting of U.S. currency has increased dramatically in recent years. Over the past 5 years, the Secret Service seized an average of $58 million annually within the United States. But in the first 4 months of 1995, alone, the Service seized more than $50 million in counterfeit U.S. currency. Likewise, seizure of counterfeit U.S. currency overseas has increased fourfold to $120.7 million in 1993 and $137.7 million in 1994.

I know from personal experience the impact that counterfeiting has had on acceptance of our currency abroad. Over the summer, I took a trip with my family to Ireland. I carried with me a few $100 bills just in case some places did not accept travelers' checks. To my surprise, I found more places that refused to accept my $100 bills. Let there be no doubt, counterfeiters undermine confidence in our currency.

Senator KERRY and I first introduced our legislation in May 1994, to stop counterfeiters from using fake American currency as a free meal ticket. Our bill would have required the Secretary of the Treasury to design a new $100 bill that incorporates some of the counterfeit-resistant features, such as watermarks, multicolored dyes, and sophisticated engraving techniques.

We were encouraged last summer when then-Treasury Secretary Bentsen announced plans for modernizing U.S. currency with new deterrence features. The results of that modernization effort are reflected in the newly-designed 1996 series $100 bill.

I examined one of these new bills earlier this week. To defeat hi-tech counterfeiting technology, this bill has a watermark, and color-shifting ink, new microprinting that requires a magnifying glass to see, and concentric, fineline moire patterns that are difficult to copy.

I congratulate Secretary Rubin and the Treasury Department for putting this country in a better position to combat counterfeiting and protect our currency. I commend the National Academy of Sciences and the Secret Service for their efforts in connection with this project and thank the talented engravers, printers, and technicians who are bringing these changes to fruition.

I also want to highlight a related development: the establishment of the Securities Technology Institute, a research facility with the Johns Hopkins Applied Physics Laboratory, to assess emerging technology and evaluate features and additional protections for currency and other security documents.

This is the most significant redesign of our currency in the last 70 years, since the "Big Bill" was replaced by the "Small William" in 1929. We have come a long way from the time when people could only tell a good Continental Congress note by the misspelling of Philadelphia. On the new $100 bill, the portrait of Benjamin Franklin, the father of paper currency in this country, and the familiar sight of Independence Hall remain. But they are now joined by a number of improved security features.

I am delighted that this day has come and look forward to working with Secretary Rubin to serve our mutual goals of deterring currency counterfeiting and increasing confidence in our currency and our economy in Vermont, across the country, and around the world.

REMINDERS OF HOME

Mr. PRESSLER. Mr. President, I rise today to pay tribute to the people of my beloved home State of South Dakota. The daily grind of life inside the beltway leaves me searching constantly for reminders of the sights, the sounds, and the citizens of the State I love. I always enjoy those moments when South Dakotans from back home visit my Washington, DC, office. I also look forward to the times when I can return to the people and the places I hold dear.

As my colleagues know well, without the constant input I receive from the folks back home, we could not do our jobs effectively here in Congress. I am very fortunate that my fellow South Dakotans keep me in frequent touch with the issues of concern to them. I also enjoy the many letters from, and conversations with, South Dakotans regarding the diverse beauty of our home—the rolling fields of grain, the endless prairie, the majestic Black Hills, the sunsets against a backdrop sky of pink, orange, and purple hues, and the wide Missouri River.

These daily visits and the calls and letters from South Dakotans mean a great deal to me. I cherish my home. I cherish the people of my State. Every day, through them, I feel a renewed pride in being South Dakota's U.S. Senator. Every day, through them, I am proud to be a South Dakotan.

Mr. President, recently an article by Robert Pore appeared in the Huron, SD, Plainsman newspaper, describing many of the issues that are pertinent to the people of South Dakota. I would like to share these concerns and ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE MALL REMINDS PRESSLER OF SOUTH DAKOTA

(By Robert Pore)

WASHINGTON.—Every morning Sen. Larry Pressler starts his day with a jog along The Mall in Washington.

The shrines, monuments and museums alongside The Mall from the Capitol to the Lincoln Memorial seem a million miles away from the prairies of South Dakota.

But with a little imagination, as Pressler runs by the grass and trees that line The Mall, he imagines his home state and the people he represents who give meaning to his job.

"It makes me feel like I'm in South Dakota," Pressler said during an interview Wednesday in his office in the Russell Building. "It gives me a little time alone."

But along with running, Pressler seeks another form of strength to cope with the rigors and demands of life in the nation's capital.

"I belong to a weekly Senate prayer group that gets together to collect our thoughts and exchange ideas on the problems and promises we experience in life," he said.

Pressler lives a couple of blocks from his Senate office, which is located across the street from the Capitol. He said work sometimes seems to be never ending, especially as he has taken on the pressure of heading the Senate Commerce Committee.

But he makes a point to go home every night he can to have dinner with his wife.

"It gives me a little time away from the Capitol," Pressler said.

Because Pressler holds a position of power as a committee chairman and he is from a rural state, he understands that the insults and jokes about him are part of the political game. But at times they are personal and they hurt.

Recent newspaper ads indicating Pressler needs to change his opinion on Medicaid because it hurts people with Alzheimer's disease went too far, he has said.

"My father died of Alzheimer's disease, so I know first hand the tragedy of an illness in a family," he said.

After serving South Dakota for more than 20 years in both the House and Senate, Pressler always looks forward to going home.

"We have an acreage back in Hot Springs where we hope to build a vacation home," he said. "We are pricing logs right now, which are pretty expensive. We also have a farm near Humboldt."

When he's not meeting with his constituents or spending time with his family and friends in South Dakota, Pressler also likes to ride his Harley-Davidson motorcycle or his old Model D John Deere tractor, especially in small-town parades.

On his Senate office desk, Pressler has a model of his John Deere tractor as a little reminder of home.

"I get a little fun from that," he said with a smile.

What also brings a smile to Pressler's face is when he meets with South Dakotans who have made their way to Washington, either to vacation or to voice their concerns about an important issue.

"It means a lot to me," he said. "They are helping me do my job. Whether they talk to me, my staff or another senator, their presence helps our cause."

This week, Pressler visited with South Dakota farmers and ranchers in Washington as part of the National Farmers Union fly-in.

"Agriculture is a big industry, but it is getting smaller in numbers" he said. "A lot of farmers have given up. Therefore, it is important that they come here and see how the federal government works."

Pressler's concern about the people who make up South Dakota's No. 1 industry has deep roots going back to his youth on a small family farm near Humboldt.

"We have to be very careful to protect our smaller family farms," he said. "Growing up on a family farm, I showed livestock in 4–H and at the State Fair. I consider myself a farmer. I'm interested in the welfare of our family farmers and ranchers."

Pressler said instead of rushing through legislation that he feels would be a detriment of the state's family farming heritage, he would rather see a continuing resolution that will extend the 1990 Farm Bill for another year if there's an impasse on farm bill legislation.

"Farm bills are always late because they are so controversial and they require so much work," he said, "this year in particular because of the severe budgetary crisis we are in.

"We have producers in South Dakota who are not in the farm program, such as many of our cow-calf operators. We have to think about them in terms of international trade and exports. But we also have to think about the impact the huge deficit has on farmers. If the deficit stays as high as it is, it will mean higher interest rates."

"While balancing the budget is a top priority for Pressler, he doesn't want the numbers game to take priority over the people he represents.

"I come from a family farm and I have seen how farm families struggle on the land," he said. "We have to be very careful, but on the other hand we have to be honest with people. There's a lot of stuff floating around this year from the inside-the-Beltway bureaucrats. Every time we have asked the bureaucrats to reorganize they have threatened to close some local offices or take away some local services."

Pressler said the new farm bill must help producers make a decent living and allow them flexibility about what and where they can plant without all the hassle of government rules and regulations.

But he said the most important thing lawmakers can do when writing the farm bill is to provide a framework that assists beginning farmers and provides opportunities for the next generation of South Dakota agricultural producers.

During the 20 years Pressler has been in Washington, the number of farms in South Dakota has dropped from 43,000 to 33,000 this year.

"When I was in 4–H there was a lot of young farmers who went into farming and that was their dream," he said. "But nowadays many of the young 4–H'ers I talk to don't go into farming or ranching. They go out of state in many cases to take jobs."

He said technological changes are a big factor, making it more expensive to get started in farming. But he said young people also don't have the opportunity to borrow the seed money they need.

"We have to be constantly tailoring some of these loan programs for young farmers, change the estate tax law (which I'm trying to do as a member of the Senate Finance Committee) and income averaging for farmers, so young producers can get started," Pressler said.

Getting the message about the needs of South Dakota farmers across to his colleagues is hard, especially when farmers only make up about 2 percent of the nation's population of 700,000 plus is a mere drop in the bucket to the country's 260 million people.

"It is very, very hard because people don't want to listen sometimes," Pressler said. "They think that our farmers are doing OK and they read about the subsidies they receive. There's a lot of disinformation out there that really makes my job a challenge."

THANKS TO THE STAFF

Mr. LEAHY. Mr. President, last Thursday, the Senate passed the fiscal year 1996 foreign operations bill. The vote was 91 to 9. That is the largest number of Senators to vote for a foreign aid appropriations bill that I can recall. I want to congratulate Senator MCCONNELL for his efforts in getting the bill done, and for the overwhelming bipartisan vote. I think it shows that despite assertions to the contrary, the Senate and the American people do support foreign aid.

I also want to thank a number of other people who contributed greatly to putting this bill together, and getting it passed.

In the Congress, the majority clerk of the Foreign Operations Subcommittee, Jim Bond, was indispensable. Jim has been around here a long time, and has gained the unqualified respect of both sides of the aisle. Senator HATFIELD could not have a more competent and dedicated adviser to the subcommittee. Jim was very ably assisted by Juanita Rilling, who has also gained an expertise in the foreign assistance programs.

On Senator MCCONNELL's personal staff, Robin Cleveland was instrumental in preparing the fiscal year 1996 bill, and in finding common ground with my staff in developing a product that Senator MCCONNELL and I could support and defend. Robin did a superb job in her first year as the subcommittee chairman's principal adviser on a wide range of foreign aid issues. Robin also had the very able and tireless assistance of Billy Piper.

On my side, Tim Rieser, who was a member of the subcommittee staff during my 6 years as chairman, gave me fine assistance throughout. Dick D'Amato, a member of the committee staff, expertly handled several important and difficult issues, including the compromise that was reached on the language concerning Korea and several amendments on the former Yugoslavia. I want to thank him and Senator BYRD for his contribution.

Janice O'Connell and Diana Olbaum of the Foreign Relations Committee staff helped resolve several difficult issues. Pam Norick on Senator MURRAY's staff and Robin Lieberman on Senator FEINGOLD's staff were very helpful in preparing for the contentious debate on international family planning.

There are many people in the administration who deserve mention. While I cannot name them all, I do want to recognize Wendy Sherman, the Assistant Secretary for Legislative Affairs at the State Department. Wendy has been a tireless advocate for the Secretary, and for the American people. Her deputy, Will Davis, was an indispensable link between me and my staff, and the State Department. Will's good natured manner and willingness to search for the answer to any question we had was greatly appreciated.

At the Agency for International Development, Jill Buckley, Assistant Administrator for Legislative and Public Affairs, with the assistance of Bob Boyer and Marianne O'Sullivan, and so many other people, made it possible for us to manage with a very difficult budget situation. I also want to single out Bob Lester, whose extraordinary knowledge of the Foreign Assistance Act prevented us from making any egregious drafting errors. Without Bob, I hate to think what kind of laws we would pass.

At the Treasury Department, Robert Baker and Victor Rojas did their best to convince a skeptical Congress of the importance of maintaining U.S. leadership in the international financial institutions.

At the Defense Security Assistance Agency, Michael Friend and Vanessa Murray were always ready to help.

Mr. President, I am sure that I have left out people I should not have. For that I apologize. let me simply conclude by saying that I have greatly appreciated the help of all these dedicated people in getting the foreign operations bill through the Senate. I often wish that critics of the Federal Government would come to Washington and see what people like those I have mentioned do every day. They would see that they are exceptionally intelligent, committed people who work extremely long hours at a fraction of the pay many of them could earn in the private sector. They deserve our respect, and our thanks.

THE PASSING OF CHRISTOPHER VAUGHN

Ms. MOSELEY-BRAUN. Mr. President, I would like to take a moment to remember Christopher Vaughn. A good man died on Sunday and he will be missed by his friends, family, and loved ones. Christopher Vaughn was a joyful, fun loving, and giving person. Every time I had the chance to be around him I felt lucky. I enjoyed our conversations and remember the laughter and smiles that always accompanied those occasions.

Christopher Vaughn was an incredible talent. He was a scholar in Renaissance history, and he had a natural flair for the world of entertainment. It is a great thing for a person to use a natural ability to its fullest, and that is what he did.

Chris began his career writing scholarly papers in Spain and then turned his literary skills to the entertainment industry when he joined the Hollywood Reporter in 1987. It is clear why he was such a success. He was smart, witty, and eloquent. His promotion to managing editor of special issues was a surprise to no one, I am sure. Working at Nickelodeon as the director of talent relations, he brought great talent to the network.

His work at Dolores Robinson Entertainment certainly paved the way. He and Delores were the team who adopted me in the early days of my effort to be elected to the U.S. Senate. Of course, it was Chris who attended to the details. He understood that history is written from the details, and that each person can make a difference in the way that challenges are resolved. Perhaps it was his appreciation for history that made him such an advocate for my election, but I like to think it was more his vision for the future which so inspired him.

While his résumé is impressive, it is the goodness of the man I will remember. His name was not in the headlines every day, but he touched the lives of everyone he met. He was a man who did much to leave this world a better place than he found it. The entertainment world will miss him, his family will miss him, and together with all of his other friends, I will miss him.

THE BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, on the memorable evening in 1972 when I was first elected to the Senate, I made a commitment to myself that I would never fail to see a young person, or a group of young people, who wanted to see me.

It has proved enormously beneficial to me because I have been inspired by the estimated 60,000 young people with whom I have visited during the nearly 23 years I have been in the Senate.

Most of them have been concerned about the enormity of the Federal debt that Congress has run up for the coming generations to pay.

The young people and I almost always discuss the fact that under the U.S. Constitution, no President can spend a dime of Federal money that has not been authorized and appropriated by both the House and Senate of the United States.

That is why I began making these daily reports to the Senate on February 22, 1992. I wanted to make a matter of daily record of the precise size of the Federal debt which as of yesterday, Tuesday, September 26, stood at $4,953,250,764,121.84 or $18,802.63 for every man, woman, and child in America on a per capita basis.

Mr. BURNS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. KERREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KERREY. Mr. President, I ask unanimous consent I be allowed to speak for 15 minutes as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRESSIVE POLICY INSTITUTE

Mr. KERREY. Mr. President, this morning, myself, Senator BREAUX, Senator LIEBERMAN and Senator NUNN stood with an organization called the Progressive Policy Institute to embrace some recommendations, an outline of recommendations they made to reform both the Medicare Program—a $170 billion program that is funded with the combination of a 2.9-percent payroll tax and a health insurance premium paid for by 37 million beneficiaries over the age of 65 with $46 or so a month, that funds about 30 percent of the part B, the doctor's payment, as well as $80 billion program for Medicaid.

These are the most rapidly growing items in the budget. They are not the most, but in terms of total dollars, this $250 billion collective program has gotten quite expensive. It has tormented a lot of Members who have been trying to figure out what to do to control the growth, in particular, of entitlements.

Last year, Senator Danforth, a former Senator from Missouri, and I made some recommendations about what should be done to reform entitlements. The purpose of our recommendation was to say to Americans that we should agree that no more than a certain percentage of our budget would go to entitlements, plus net interest.

Looking at the future, given the current trend lines particularly with the enormous demographic problem, mostly demographic not political problem, of 60 million baby boomers starting to retire in 2008, look at that problem and the cost of our entitlements not too long after the year 2008—all of our budget will be consumed by entitlement spending.

When I say all, there are not very many things in Washington, DC, that have stayed constant over the years. One that has stayed constant, except for two periods in this century, World War II and for a period during the Vietnam war, the percent that has been withdrawn from the economy to fund Federal programs, approximately 19 percent, about how much we withdraw from the economy, a fifth of the U.S. economy is used to fund Federal programs. That really has not changed except for two wartime situations.

It is likely that indicates that is about what Americans think we ought to be withdrawing from the U.S. economy for the Federal Government. There may be some that would argue we ought to do more, not very many; and maybe some would argue we should do dramatically less. Probably it means we will spend about 19 percent.

If that is the constant, Mr. President, it is very alarming to see the growth of entitlements in net interest because as it grows it decreases the amount of money available to defend our country, to keep our cities safe, educate our children, to build our roads, our sewers, our water system, space exploration—all those sorts of things.

This year's budget, 67 percent of our budget goes to entitlements and net interest, and in the year 2002 at the end of the 7-year budget resolution that we are operating under, it will be 75 percent—an 8 point increase in a span of 7 years. That is a lot of money, about $135 billion or $140 billion increase in entitlements, if you do it in a single year.

As I said, Mr. President, that trend really rapidly accelerates when the baby boomers retire some 6 years later. The entitlement commission tried to say to Americans, "Let's make changes in our programs sooner rather than later." The sooner we do them the bigger the future impact and the more time we can give beneficiaries or recipients, in the case of Medicaid, with time to plan.

They can begin to adjust their own thinking about planning. If you have to adjust the eligibility age, which we recommended over a period of time; or if you have to phase in some change in premium payments, or whatever. Give people time to plan. It is more likely they can adjust.

There are tough recommendations, Mr. President. Contained inside of the recommendations was another presumption which is that we are seeing the marketplace work. It is a relatively recent change in health care.

When we debated health care 4 years ago, the facts as presented to the American people would cause you to believe that actually the Government was doing a better job of controlling costs than the private sector. Private sector costs exceeded the public side.

Today not only is that reversed, but strikingly so. We are seeing in some parts of the country where a high percentage of managed care, even some declines in overall cost of health care, where the public sector continues to grow in double digits.

That sort of frames a little bit, in a preliminary fashion, why I was pleased with the Progressive Policy Institute's proposal. It does propose to address the problem of growing entitlements, and it does propose to take advantage of the changes that are occurring in the marketplace, to restructure Medicare and Medicaid to take advantage of the changes that are occurring.

Let me say, Mr. President, one of the things I do when I am at home and talking about the current debate about Medicare and Medicaid is to say I am pleased that Republicans are trying to preserve and protect the program. Many Republicans were not, as you know. Some Republicans were opposed to this over the years. Now what we have appears to be almost unanimous—Republicans saying not only do we think Medicare is a good idea, we want to preserve Medicare for our children and for our grandchildren.

Mr. President, let me point out that underneath the program is a presumption, an assumption that we have to believe before the program itself can stand, before we can reach the conclusion that we want to preserve and protect it. That assumption is this: No matter what we do with the marketplace, no matter what happens with our economy, there is apt to be some Americans that will not be able to afford to buy health insurance, for whatever the reason. They may be disabled. In this case with Medicare it is the elderly. Say they are over 65 and likely not to be working. Their health costs have gone up. They are in a higher-risk population. It costs more. They are not working any longer. Thus, design a program to help them purchase insurance.

I point that out, Mr. President, because it basically means Republicans and Democrats have agreed that there is a role for Government to help Americans who cannot purchase, who cannot afford to purchase health insurance. We have agreed on that.

In this case a rather expensive Government role—$170 billion for Medicare and $80 billion for the Medicaid program.

The proposal that the Progressive Policy Institute put forward this morning, and I am here this afternoon to talk about it at great length, does not view Medicare as a source of money to fund deficit reduction although I believe we have to look because of the cost of the program to Medicare for deficit reduction.

It says, instead, that we need to transform the Medicare program from what is essentially a very maternalistic program into an instrument for empowering citizens to solve common problems. A rather simple but very important change in the policy.

Medicare today is run by the Federal Government, does not take much advantage of what is going on out in the market, does not take much advantage of competitive forces. It is much more of a maternalistic—we will figure out what is good for you and tell you how the program is operated.

Their proposal, which I like very, very much, says we should move in the direction of empowering Americans to make more of their own decisions about this problem of acquiring health care and making health care decisions.

Second, those of us who have spent a great deal of time with entitlements and who have long ago reached the conclusion that Medicare is a good program that deserves our support, know health care entitlements are very archaic. They no longer fit inside the context of what we see going on in the private sector. They are governed by arbitrary political and budget goals. They are managed by command and control regulation. And, very often, they tend to reproduce inefficiencies in other sectors of the health care system.

Third, and very important, if you buy into this idea the Republicans and Democrats now agree, since I believe most if not all Republicans now say we should preserve and protect Medicare—that is what I am hearing, at least, from Speaker GINGRICH and others—if that is the case, underneath that is a presumption that we have Americans out there who cannot afford to buy.

What we ought to be trying to do is fashion the program so those who cannot afford have the means to make the purchase and those who can are required to make the purchase on their own. It seems to me Medicare and Medicaid, as they are currently constituted, are an obstacle. I emphasize this. They have become an obstacle to getting to the point where every single American, just because he or she is an American, knows with certainty that they are covered and they are going to be required to pay according to their capacity to pay. But they do not doubt, whether they are 65 or 25 or 55; they ought not doubt.

We spend $400 billion a year, direct and indirect—either direct with tax expenditures or indirectly with tax subsidies—on health care at the Federal level every single year. That is plenty to get everybody covered.

The way the current programs are designed, they are a structural barrier, a fiscal barrier, and need I say, it ought to be obvious from the current debate, a political barrier to getting ourselves to the point where all Americans know with certainty they are covered, know with certainty they have a responsibility to pay, have the information upon which they can make decisions about quality, about price.

One of the most powerful bumper stickers we had in the health care debate is true, which was, "If you think health care is expensive now, wait until health care is free."

In short, Americans need to understand that there is a cost attached to demands. The current system, I believe, the way we have Medicare structured and the way Medicaid is structured and the way the VA is structured and the way our income tax system is structured, provides a barrier, really, as I said, a political, a structural, as well as a fiscal barrier to getting us where I think most of us want to go, which is every American knows with certainty they are covered, knows that they have responsibilities in the system, knows clearly what those responsibilities are, and knows not to ask for more than what is, in fact, reasonable.

There are flaws in the Republican proposal. I will mention them briefly. I do not want to dwell too long on them here because I am really not trying this afternoon to attack the Republican proposal. More, I am trying to see if it is possible to reach some consensus with Republicans who indeed want to reform this system; to make sure, when we take action that might be politically difficult, that we have an exciting and constructive improvement in the system.

I believe the proposal ignores the baby-boom generation. I have mentioned it before. This solution takes us out to 2002, maybe 2005. We have not seen anything yet when the demographics of the baby-boom generation become apparent to us. We are, I think, going to be very sorry we did not take action sooner rather than later. It, in many ways, continues the status quo. It does provide people with more choice in the private sector, but not in the kind of vigorous competitive environment that we need if we expect to see the forces of the marketplace work the kind of, really, miracles that we have seen in the private sector. In other words, it tends to privatize but does not provide a competitive environment.

The proposal we presented this morning, .over the next 5 years does four things that are very important. It does not get everything done over the next 5 years, but it does four things that are terribly important.

No. 1, it privatizes insurance for Medicare beneficiaries. We say the Federal Government ought to do a much more limited number of things than they are doing today. It ought to make certain we have a market. It ought to make certain Medicare can use its tremendous purchasing power to get cost savings from the private sector. There are lots of things that Medicare can do, but it ought not try to micromanage the health care environment.

So that is Medicare. We ought to privatize it and move it in the direction of becoming a privatized insurance for Medicare beneficiaries. In the area of Medicare, we need not only to cap the individual amount for acute care, but we also need to deregulate the States so they can continue to use the market at the State level, to continue to use the private sector to produce the kind of cost savings that the private sector has produced in the last 2, 3, 4 years.

So capping the Medicaid entitlement, the individual entitlement is critical. But deregulating the States for that acute care is equally critical so they can begin to fashion programs.

I believe it will be a mistake to block grant Medicaid at this point. Perhaps 6, 7, 8 years down the road, after we have really seen this thing move more aggressively in the private sector. We have a bit of a problem because of the Federal-State relationship. I think it would be far—not think, I very strongly believe it would be far sounder for us to cap the entitlement and deregulate so the States could use the market much more as a consequence.

Long-term care is much more of a problem. As people who have looked at it know, the long-term piece, although it is a much smaller number of people covered, it is a very large part of the total Medicaid spending—the long-term piece. We are also, in my judgment, going to have to have some capitation of payment. But we are going to have to encourage States to develop private sector solutions. We simply cannot provide, through the Government, all the long-term care requirements that are out there. We have to basically take the Medicaid Program, as we were proposing to do with Medicare, move it as quickly as possible toward a private sector solution.

The third thing that we are saying is, "make health care subsidies fair." The most important thing we do there is to cap the income tax deduction. Some will say, "You are increasing taxes on my health insurance." Our proposal caps it at a high enough level inside of the market that nobody is going to be able to say that they are paying taxes on normal health care. They are going to be paying taxes on that beyond what the market judges to be in the median range.

It is very uncomfortable for upper-income people to have to consider that one of the things that is going on if they are in the 40-percent tax bracket, let us say, is that if they are buying a health insurance policy of $7,000 or $8,000 a year, they are receiving a $2,800 to $3,200 subsidy as a result of receiving that deduction, and very often receiving that subsidy from people who do not have health insurance.

So this says, let us make it fair. Let us keep the deduction in place so you can encourage the individuals to purchase and encourage the employers to provide it, but let us cap it out so those subsidies end up being not only fair but consistent with our desire to make sure that we provide subsidies to people who need them but do not provide subsidies to people who do not.

The fourth thing we are attempting to do—there are a whole series of things that need to be done, including the creation of a health care network and additional information provided to consumers—we are trying to create a universal health care marketplace. So the decisions and choices that are made by individuals about price and the decisions and choices made by individuals about quality will determine the nature of our delivery system, the nature of our payment system. Again, for emphasis, we want the negotiation for price to occur out there in the market.

We do not want the negotiations for price to occur here in Washington, DC. That kind of top-down, paternalistic system I think is a recipe for either increased regulation or unsuccessful efforts to control costs.

So the proposal in its early stages is relatively simple. It is not easy, but it is based upon a vision of a universal marketplace for all Americans where everybody knows they are covered, where everybody knows what their responsibilities are, and where everybody knows the costs attached to their demand.

There are seven things I would like to emphasize inside trying to create this buyers' market for Medicare and Medicaid. Again, division for me is removing from a paternalistic federalized system into a system where everybody knows that they are covered but their decisions are shaping both the delivery and the payer system for the kinds of products that companies offer for sale.

First, we use market mechanisms to determine proper levels of supply and demand. Let the market make that decision. If we try to make that decision here in a political environment, it is very difficult for us to say no and very difficult for the majority of us, when appeal is made, to say no. It is not altogether likely that we are going to be honest and say to somebody, if we say yes, "By the way, here is the cost, and we would like to have you pay for it." We typically try to spread the cost over somebody else's income.

Second, we should protect the value of the subsidy while avoiding an unlimited subsidy. It is a very important thing for us to do. We need to protect the value of the subsidy so that it moves with inflation. But we cannot continue with a system that says the subsidy is unlimited, the sky is the limit, and whatever you need we will pay for it regardless of what contributions you have made, regardless of what your income is, and regardless of your wealth status.

Third, we need to maintain the collective purchasing power of Medicare and Medicaid. That is extremely important. The Government can help drive down the cost if they use that purchasing power in a constructive fashion instead of sort of laying back and saying we will pay out whatever is submitted to us. The law currently does not allow HCFA to do that sort of thing. We are talking about not eliminating HCFA but moving HCFA in a direction where it does a different set of things than it is currently being asked by our laws to do.

Fourth, we must enable beneficiaries—250 million to 260 million—to become more informed. At the end of the day we are the ones that create the demand. We are the ones, as a consequence of our own evaluation of health and what we are willing to do, who create the demand. We have to become better informed both about cost and about quality.

Fifth, we have to align Medicare and Medicaid with trends toward cost-effective care in the private sector rather than again just engaging in a debate about, are we cutting too much, and are we cutting too little? We need to take advantage of what is going on in the private sector with the objective of getting every single American inside the system.

Next, we have to create a privately run, decentralized system to deliver our health insurance as opposed to, again, a centralized system that tends to be more paternalistic and not terribly creative, not nearly as creative as what the market can do.

Seventh, we should limit the Government role to the essential.

This gets me back where I was at the beginning. Mr. President, it is terribly important to argue and decide what do we want the Federal Government to do. It appears to me that we have achieved consensus that there is a legitimate role for Government, at least for 37 million Americans who are over the age of 65. It seems to me that we have reached consensus. The principle ought to be that the reason we are helping people over 65 is they cannot buy. They are having trouble buying. Let us limit the role of Government to help those who cannot buy purchase it. But let us not subsidize—whether it is me or you, Mr. President, or anybody else—people that do not need to be subsidized. Let us not have the Federal Government commanding the system to do something that is going to cost the taxpayer more and perhaps end up delivering lower quality care.

In closing, one of the most exciting areas of effort that is ongoing right now in the area of waste, fraud, and abuse is by Senator GRAHAM of Florida and Senator HARKIN of Iowa. A long time ago a rather clever fellow by the name of Willie Sutton said, "The reason I rob banks is that's where the money is". At $250 billion, if Willie were around today, he would be apt to be looking at Medicare and Medicaid. People are getting ripped off by a substantial amount. They know how to game the system. They are well organized. I am not talking typically about individuals. I am talking about people who are in it for the money, for the dough.

I think we have an obligation to do everything that we can to use competition, not only to get the price down as low as possible, but to make sure that we hold to a very high standard of accountability those people who find themselves being qualified as providers.

Mr. President, again, I applaud what I see as essentially a Republican conversion that Medicare is a good program, that we ought to preserve and save it. I think that is an awfully good piece of news. The underlying principle that should enable us to make decisions, not just for the short term where in truth not much effort is needed to save Medicare in the short term over the next 7 to 10 years—not that much change is required—but to take advantage of the marketplace and to solve the problem that is created when the baby boomers retire. A good deal more than what I have seen thus far in the Republican proposal needs to be done.

So I am hoping that this statement—and others that I will make on this issue of Medicare and Medicaid, if not this year in the budget deliberations, throughout the next year as we begin to do next year's budget deliberations—I am hoping that we can, in fact, build some bipartisan coalition around the need to control the rapidly rising cost of entitlements that is squeezing out our ability to make long-term investments in our future, and the increasing insecurity that all Americans feel as a consequence, I think, of very inefficiently run Federal programs.

Mr. President, I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SPECTER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION APPROPRIATIONS

Mr. SPECTER. Mr. President, we have been in a quorum call trying to work out an arrangement on the bill on Labor, Health and Human Services and Education, of which I am the manager for the majority as chairman of the appropriations subcommittee, and in the absence of any action on the bill up to the moment—we are optimistic we will have agreement on a procedure to move ahead—I thought it would be useful to take this time to make what would in effect be an opening statement on the bill so that people will be aware of what this bill means.

The Labor, Health and Human Services and Education bill, which will shortly be before the Senate, totals $62.8 billion in discretionary budget authority, including $65 million in funds from the Violent Crime Reduction Trust Fund. Mandatory spending totals $200.9 billion, an increase of $17.7 billion over the 1995 levels, but those are mandatory expenditures over which we have no control, entitlements. These totals are within the subcommittee's 602(b) allocation for both budget authority and outlays, according to the Congressional Budget Office. The allocation falls over $7 billion below the original appropriated funds for fiscal year 1995 and $4.4 billion below the postrescission levels.

That means we have an enormous cut this year, but this is on a trend line to have a balanced budget by the year 2002 so that we do not burden further generations with excessive spending in the present.

In structuring this bill, we have tried to deal with this budget with a scalpel instead of a meat ax and very carefully approaching the allocations for the most important items, and I think we have succeeded in doing that.

This year has been an extremely difficult one for the subcommittee, and very many difficult decisions had to be made in order to stay within that allocation.

Senator HARKIN and I have taken a careful look at all of the programs within the bill and have sought to make some modifications in some of the proposals made by the House, particularly in education, workplace safety, and also funding for programs to protect women against violence.

I take this opportunity to thank my distinguished colleague, Senator HARKIN, for his help and cooperation in bringing this bill forward to this point. Senator HARKIN and I have worked together on this subcommittee. Last year, in the 103d Congress, he was the chairman, I ranking; this year it is nicer to be chairman, and Senator HARKIN has been a very cooperative ranking member.

The important programs funded within this subcommittee's jurisdiction provide moneys to improve the public health, strengthen biomedical research, assure a quality education for America's children, and job training activities to keep America's work force competitive within world markets.

The funds are not adequate, Mr. President, but they are the best that can be done under the circumstances. The House budget was less than ours. We had almost $1.6 billion additional funding, and we have put all of that money into education.

That is a subject, Mr. President, that I feel very strongly about from my days growing up where education was very heavily stressed in the Specter household really because my parents had so little of it.

My father, as an immigrant from Russia, coming to this country as a young man of 18, had no formal education at all. My mother came with her family when she was 5 years old from a small town on the Russian-Polish border and she went to only the eighth grade. Her father, my grandfather, died of a heart attack in his mid-forties, and she had to leave school in the eighth grade to help support the family. My brother, my two sisters and I, having had excellent educational opportunities, have been able to share in the American dream.

I think in the long run education is the answer. If you take a look at virtually all of the problems that beset our society, problems of welfare, problems of teenage pregnancy, problems of disintegration of the family, problems of crime, education would be the long-range answer.

Twenty-eight years ago, when I was an official in the city of Philadelphia, working as district attorney and a candidate that year for mayor, there was an impressive book written, "Cities in a Race with Time," and not a whole lot has changed because we really have not dug into the educational system in America.

One of the proposals in this bill which we have funded in the Senate but was not funded in the House has been the Goals 2000 program, initiated under a Republican President, President Bush, carried forward under a Democratic President, President Clinton.

There are two States which have not taken funding under Goals 2000, the State of Virginia and the State of New Hampshire, and one State, Montana, will not take funding next year.

It is my view, Mr. President, that Goals 2000 constitutes a very important step forward. They are voluntary goals. They are not mandatory. States may adopt other goals as they see fit. There are some standards. Terrel Bell, in 1983, was Secretary of Education when a book came forward talking about the crisis in the American educational system, and still we have failed to deal adequately with that issue.

We held hearings in the Labor, HHS and Education Appropriations Subcommittee, on September 12, looking for a way to eliminate some of the Federal strings to satisfy all of the States, and we may have found changes to pursue in an authorization bill.

Also, there is a possibility that funds might be given directly to local school districts subject to veto power by the State which has sovereignty. But it is my hope that States will use Goals 2000 to set these standards to strengthen education in America.

On biomedical research, Mr. President, we have for the National Institutes of Health nearly $11.6 billion, an increase of some $300 million over the fiscal year 1995 appropriations. These funds will boost the biomedical research appropriations to maintain and strengthen the tremendous strides which have been made in unlocking medical mysteries which lead to new treatments and cures. Gene therapy offers great promise for the future. In the 15 years that I have been in the Senate, all those years on the appropriations subcommittee dealing with health and human services, where cuts have been proposed by Presidents, both Democrat and Republican, we have increased funding for medical research, which I think is very important.

Two years ago, I had a medical problem and was the beneficiary of the MRI developed in 1985, after I had come to the Senate, a life-saving procedure to detect an intracranial lesion. So I have professional, political, and personal experiences to attest to the importance of health research funding.

On Alzheimer's disease, Mr. President, this last year the United States spent over $90 billion to care for Alzheimer's patients. This devastating disease robs its victims of their minds while depriving families of the well-being and security they deserve.

We have been working to focus more attention and more money into the causes and cures of Alzheimer's. To address this problem, the bill contains increased funding for research into finding the cause and cures for Alzheimer's disease. The bill also includes nearly $5 million for a State grant program to help families caring for Alzheimer's patients at home. The statistics are enormously impressive, Mr. President, that if we could delay the onset of Alzheimer's disease, we could save billions of dollars.

On women's health, in 1995, 182,000 women will be diagnosed as having breast cancer and some 46,000 women will die from the disease. The investment in education and treatment advances led to the announcement last year that the breast cancer death rates in American women declined by 4.7 percent between 1989 and 1992, the largest such short-term decline since 1950.

And while this was encouraging news, it only highlighted the fact that the Federal Government investment is beginning to pay off. While it was difficult in a tight budget year to raise funding levels, the subcommittee placed a very high priority on women's health issues. The bill before the Senate contains an increase of $25 million for breast and cervical cancer screening, increases to expand research on the breast cancer gene, to permit the development of a diagnostic test to identify women who are at risk, and speed research to develop effective methods of prevention, early detection and treatment.

Funding for the Office of Women's Health has also been doubled to continue the national action plan on breast cancer, and to develop and establish a clearinghouse to provide health care professionals with a broad range of women's health-related information. This increase has been recommended for the Office of Women's Health, because of the very effective work that that office has been doing.

On Healthy Start, Mr. President, children born of low birthweight is the leading cause of infant mortality. Infants who have been exposed to drugs, alcohol or tobacco in utero are more likely to be born prematurely and of low birthweight. We have in our society, Mr. President, thousands of children born each year no bigger than the size of my hand, weighing a pound, some even as little as 12 ounces. They are human tragedies at birth carrying scars for a lifetime. They are enormously expensive, costing more than $200,000 until they are released from the hospital.

Years ago, Dr. Koop outlined the way to deal with this issue by prenatal visits. The Healthy Start program was initiated, and has been carried forward, to target resources for prenatal care to high incidence communities; it is funded as well as we could under this bill with increases as I have noted.

On AIDS, the bill contains $2.6 billion for research, education, prevention and services to embattle the scourge of AIDS, including $379 million for emergency aid to the 42 cities hardest hit by this disease.

When it comes to the subject of violence against women, it is one of the epidemic problems in our society. The Department of Justice reports that each year women are the victims of more than 4.5 million violent crimes, including an estimated 500,000 rapes or other sexual assaults.

But crime statistics do not tell the whole story. I have visited many shelters, Mr. President, in Harrisburg and Pittsburgh and have seen firsthand the physical and emotional suffering so many women are enduring. In a sad, ironic way the women I saw were the lucky ones because they survived violent attacks.

The Labor-HHS-Education bill contains $96 million for programs authorized by the Violent Crime Reduction Act. The bill before the Senate contains the full amount authorized for these programs, including $50 million for battered-women shelters, $35 million for rape prevention programs, $7 million for runaway youth, and $4.9 million for community demonstration programs, the operation of the hotline and education programs for youth. These funds have been appropriated, Mr. President, after very, very careful analysis as to where the subcommittee and the full committee felt the money could best be spent.

On the school-to-work program, the committee recommends $245 million within the Departments of Labor and Education, which is maintenance of the level provided in 1995. We would like to have had more money, but that was the best we could do considering the other cuts.

On nutrition programs for the elderly, for the congregate and home-delivered meals program, the bill provides almost $475 million. Within this amount is $110.3 million for the home-delivered meals program, an increase of $16.2 million over the 1995 appropriation because there are such long waiting lists, so many seniors who really depend upon this for basic subsistence.

On education, we have allocated the full amount of the increase that our subcommittee received, some $1.6 billion. The bill does not contain all of the funds we would like to have provided, but it is a maximum effort on this important subject.

As to job training, Mr. President, we know all too well that high unemployment means a waste of valuable human resources, inevitably depresses consumer spending, and weakens our economy. The bill before us today includes $3.4 billion for job training programs. And again, candidly, I would like to see more, Mr. President, but this is the maximum that we could allocate.

As to workplace safety, the bill contains an increase of $62 million over the amount recommended by the House for worker protection programs. While progress has been made in this area, there are still far too many work-related injuries and illnesses, and these funds will provide programs and inspect businesses and industry, weed out occupational hazards, and protect worker pensions within reasonable bounds.

LIHEAP is a program which is very important, Mr. President, to much of America. It provides low-income heating and fuel assistance. Eighty percent of those who receive LIHEAP assistance earn less than $7,000 a year. It is a program which was zeroed out by the House, and we have reinstated it in this bill. We have effectively included a total of $1 billion here, $100 million of which is carryover funds, as we understand the current state of affairs, although it is hard to get an exact figure, and an additional $900 million.

As the Congress consolidates and streamlines programs, Federal administrative costs must also be downsized. In this bill, with the exception of the Social Security Administration, we have cut program management an average of 8 percent. Many view administrative costs as waste and others suggest that deeper cuts are justified. It is our judgment that any further reductions would be counterproductive.

In closing, Mr. President, I want to thank the extraordinary staffs who have worked on this program. On the Senate side, Bettilou Taylor and Craig Higgins have been extraordinary and professional in taking inordinately complicated printouts and working through a careful analysis of the priorities.

We received requests from many of our colleagues. And to the maximum extent, we have accommodated those requests. We have received many requests from people around the country. We have accommodated as many requests for personal meetings as we could, both with the Senators and with their staffs. And we think this is a very significant bill.

There are people on both sides who have objected to provisions of the bill. When a motion to proceed is offered, it is my hope that we will proceed to take up this bill and that we will pass it. We are aware that there has been the threat of a veto from the executive branch, and I invite the President or any of his officials to suggest improvements if they feel they can do it better.

There is a commitment in America to a balanced budget and, that is something we have to do. We have structured our program to have that balanced budget within 7 years by the year 2002. The President talks about a balanced budget within 9 years. I suggest that our targeting is the preferable target.

To the extent people have suggestions on better allocations, we are prepared to listen, but this is our best judgment. We urge the Senate to proceed with this bill.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. DOLE. Mr. President, we have been trying to figure out some way to move this bill out of the Senate. As the Senator from Pennsylvania has been explaining, it is a very important bill. We understand the President is going to veto it. We have been trying to determine how can we get it to the President quickly.

Of course, one way to do it is to pass it without any amendments, have him veto it, and then have the fight on all these different amendments at a later time. Unfortunately, we do not seem to have an agreement on that procedure. But the two leaders have agreed to a request, and it has been signed off on by the Senator from Pennsylvania, Senator SPECTER, the chairman of the subcommittee, and Senator HARKIN from Iowa, the ranking member on the subcommittee. I will propound that request.

Let me first explain to all Senators that we have a problem here because we could not come together. There would have been a filibuster on a motion to proceed. In order to have a motion to proceed, it takes 60 affirmative votes to shut off debate so you can go to the bill. That also requires that you set up getting a cloture motion signed. Then it must be filed and there must be one intervening day of the Senate's session. We are within a couple of days of completing our work on the appropriations bills prior to the end of the fiscal year. It seems to me the agreement I will ask for in a minute seems to achieve this 60-vote test without having to file cloture motions to comply with all other provisions of rule XXII.

I will now make the request.

UNANIMOUS CONSENT AGREEMENT—H.R. 2127

Mr. DOLE. Mr. President, I ask unanimous consent that at 9 a.m. on Thursday, I be recognized to make a motion to proceed to consideration of H.R. 2127; that a vote occur on the motion to proceed at 10 a.m. on Thursday; that the time between 9 a.m. and 10 a.m. be equally divided in the usual form.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. DOLE. Mr. President, I further ask unanimous consent that if the motion to proceed does not receive 60 or more votes, there then be a second vote on the motion to proceed at 11 a.m. on Thursday, with the time between votes to be equally divided in the usual form.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. DOLE. Mr. President, I further ask unanimous consent that if the second vote on the motion to proceed does not receive 60 votes in the affirmative, the motion automatically be withdrawn.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I think I have explained this. This, in effect, saves a couple of days going through the cloture route, intervening days and all these things. It seems to me we have so many differences on each side that this bill is in great difficulty, notwithstanding the splendid efforts made by the managers, particularly the chairman of the subcommittee.

But it also seems to me if we are not going to have any movement on the bill, we at least ought to make the effort and then withdraw the motion to proceed and lay the bill aside.

That would leave us one additional bill, State, Justice, Commerce appropriations to deal with yet this week, and also the continuing resolution, and also to complete in the Finance Committee and the Agriculture Committee our reconciliation obligations.

I think the other committees, as far as I know, have completed them. The Finance Committee will meet this evening as soon as we recess, which will be in a few moments.

So I hope this procedure will expedite something. I am not certain what. Maybe it will expedite getting out this week.

Hopefully, this may not happen, but I have discussed this with the manager, Senator SPECTER, after we have these two votes, if we do not receive 60 votes, maybe then we can convince our colleagues on each side to let us pass this by voice vote, send it to conference, and get it down to the President. He already said he is going to veto it. There is no question about a veto. The veto cannot be overridden. Then we initiate a new bill in the House, it will come back to the Senate, and then we have our fight sometime probably late October. In the meantime, it will be wrapped in the continuing resolution.

MEASURE READ FOR FIRST TIME—H.R. 927

Mr. DOLE. Mr. President, I inquire of the chair if H.R. 927 has arrived from the House of Representatives.

The PRESIDING OFFICER. It has arrived.

Mr. DOLE. Therefore, I ask for its first reading.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 927) to seek international sanctions against the Castro government in Cuba, to plan for support of a transition government leading to a democratically elected government in Cuba, and for other purposes.

Mr. DOLE. I now ask for its second reading.

The PRESIDING OFFICER. Is there objection?

Mr. SPECTER. Mr. President, as a pro forma matter, I voice an objection at this time since there is no other Senator on the floor to raise that objection. I do so pro forma to protect the record, not because I would not like personally to see us proceed.

The PRESIDING OFFICER. Objection is heard.

Mr. DOLE. I thank my colleague from Pennsylvania. Senator DASCHLE would have objected and appreciates you doing that for him.

Mr. DOLE. As I understand, the bill remains at the desk?

The PRESIDING OFFICER. The bill will be read a second time on the next legislative day.

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

THE RUSSELL, KS, DELEGATION

Mr. SPECTER. Mr. President, I thank the distinguished majority leader for working out this procedure. I have been here almost 15 years. This is the first time, I think, that only Senator DOLE and I have been on the floor at the same time. I hope everyone in Russell, KS, who has C–SPAN 2 is watching this proceeding. This is a full Russell, KS, delegation now on the floor conducting the Senate business. I do hope if Russell High School has not yet initiated a course in Senate procedure, they do so very, very promptly. Perhaps Senator DOLE and I can nominate Mrs. Alice Mills, the sole remaining teacher who taught both of us, to be emeritus instructor of that course.

Mr. DOLE. I thank the Senator from Pennsylvania. I do hope people in our hometown are watching. It is a small place, but a lot of good people there. They are friends of both of ours. They are having great difficulties sorting out all this 1996 Presidential politics in Russell, KS.

Mr. SPECTER. That is the most encouraging thing I have heard today, Mr. President.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Thomas, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 2:30 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 927. An act to seek international sanctions against the Castro government in Cuba, to plan for support of a transition government leading to a democratically elected government in Cuba, and for other purposes.

H.R. 2399. An act to amend the Truth in Lending Act to clarify the intent of such Act and to reduce burdensome regulatory requirements on creditors.

MEASURES READ THE FIRST TIME

The following bill was read the first time:

H.R. 927. An act to seek international sanctions against the Castro government in Cuba, to plan for support of a transition government leading to a democratically elected government in Cuba, and for other purposes.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on September 22, 1995 he had presented to the President of the United States, the following enrolled bills:

S. 464. An act to make the reporting deadlines for studies conducted in Federal court demonstration districts consistent with the deadlines for pilot districts, and for other purposes.

S. 532. An act to clarify the rules governing venue, and for other purposes.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. GRASSLEY:

S. 1276. A bill to permit agricultural producers to enter into market transition contracts and receive loans, to require a pilot revenue insurance program, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. BROWN (for himself and Mr. PRYOR):

S. 1277. A bill to provide equitable relief for the generic drug industry, and for other purposes; to the Committee on the Judiciary.

By Mr. BURNS:

S. 1278. A bill to establish an education satellite loan guarantee program for communications among education, Federal, State, and local institutions and agencies and instructional and educational resource providers; to the Committee on Commerce, Science, and Transportation.

By Mr. DOLE (for himself, Mr. HATCH, Mr. ABRAHAM, Mr. KYL, Mr. REID, Mr. SPECTER, Mrs. HUTCHISON, Mr. THURMOND, Mr. SANTORUM, Mr. BOND, Mr. D'AMATO, and Mr. GRAMM):

S. 1279. A bill to provide for appropriate remedies for prison condition lawsuits, to discourage frivolous and abusive prison lawsuits, and for other purposes; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. GRASSLEY:

S. 1276. A bill to permit agricultural producers to enter into market transition contracts and receive loans, to require a pilot revenue insurance program, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

THE FARM INCOME TRANSITION ACT OF 1995

Mr. GRASSLEY. Mr. President, today the Senate Agriculture Committee began marking up the commodity title to the 1995 farm bill. Although I am no longer a member of that committee, the farm bill has as much impact on my State as any other piece of legislation considered before this body.

For that reason, Mr. President, I have used my position on other committees to indirectly influence farm policy. I have also formed a group, the Farm Policy Coalition, that is cochaired by Senator DORGAN and consists of 52 Members of the Senate. In order to more directly influence the debate.

Today, however, the Agriculture Committee was not able to agree on a farm bill to take to reconciliation. And there are rumors that the Budget Committee may have to act to make the necessary cuts in farm spending. As a member of the Budget Committee, I publicly stated that the Agriculture Committee, and not the Budget Committee, is the best place to write the farm bill.

But now with the Agriculture Committee deadlocked, I feel it necessary to send a clear signal, as a Budget Committee member and a Senator interested in the future of agriculture, on how I believe we should proceed on the 1995 farm bill; taking into consideration what is in the best interests of my State and American agriculture as a whole.

Therefore, Mr. President, I rise today to introduce the Farm Income Transition Act of 1995. This bill is similar to one introduced by the distinguished chairman of the House Agriculture Committee, PAT ROBERTS, known as the Freedom to Farm Act.

My bill represents a transition to a new era of farm programs; an era that will be characterized by limited Government intrusion in the market and the unleashing of the productivity of American agriculture. Yet the Federal Government will still play a role in providing a safety-net for the family farmer.

Mr. President, this bill is a dramatic departure from the farm programs of the past. We all know that our current farm programs were established during the Great Depression of the 1930's.

The intent of the program then, as it is now, was to stabilize farm income while ensuring a dependable, abundant, and inexpensive food supply. This is accomplished mainly by making direct payments to farmers when commodity prices are low, and implementing production controls to limit the supply of commodities.

To a large extent, the programs of the past have been successful. The American consumer spends less than 10 percent of their disposable income on food; the lowest of any Nation in the world.

Despite its success, the farm program has had many critics. Some criticize the program for its high degree of Government intervention. Others argue that the benefits go primarily to large, corporate farms. Many farmers, themselves, have grown tired of the endless amount of paperwork and redtape associated with the program.

Through all the criticism, however, the farm program has remained virtually unchanged for the last 50 years. But times have changed. And these changes mandate that a new direction be taken on farm programs.

The crisis of the 1930's was rampant unemployment and poverty. Drastic action was needed to support the income of ordinary Americans.

The crisis of the 1990's is rampant Government spending and intervention into the lives of ordinary Americans. The voters told us in no uncertain terms last November that they wanted the Government out of their lives and the budget deficit brought under control.

Mr. President, the Senate approved a budget resolution this spring that will bring the Federal budget into balance in the year 2002. This resolution contains a sense-of-the Senate calling for a cut in spending on agriculture commodity programs of about $9.6 billion over the next 7 years.

During the debate on the budget, I voiced my strong opposition to further cuts in agriculture spending. I will not repeat all of the arguments I made at that time, but it is clear to me that agriculture has contributed disproportionately to deficit reduction in the past. All I asked for at that time, Mr. President, was that agriculture be treated equitably in the budget process.

I also argued during the budget debate that agriculture, more than any other sector of this economy, has much to gain by achieving a balanced budget.

Agriculture is a capital-intensive business, its success dependent on low-interest rates. Only by getting our fiscal house in order can we ensure a sustained period of low-interest rates and the continued success of the family farmer.

So although Federal spending on agriculture will be reduced, because this reduction is within the context of a balanced budget, agriculture will benefit greatly in the long run.

But, Mr. President, it is vital that as Federal spending on agriculture is reduced, the regulations and restrictions on individual farmers are reduced accordingly. Because if farmers are getting less from the Government, they must have the tools to earn more income from the marketplace.

This bill meets both of these goals: It reduces spending to meet the requirements of my sense-of-the Senate in the budget resolution and it dramatically reduces the regulatory burden placed on farmers.

Mr. President, I will take a moment to describe how this bill accomplishes these goals. First, it mirrors the Freedom to Farm Act by providing farmers with a 7-year contract consisting of annual payments. In return, the farmer must maintain compliance with current conservation requirements. The total payments over the 7-year period are capped at $43 billion, which meets the requirements of the budget resolution.

Furthermore, the regulatory burden on farmers is significantly diminished. For many years, the planting decisions of American farmers have been dictated, in part, by the U.S. Congress and the Department of Agriculture. This limits a farmer's ability to maximize his profit from the marketplace. These decisions must be removed from the hands of bureaucrats and put back into the hands of the farmers.

My bill provides for full planting flexibility. Farmers' planting decisions will no longer be restricted by their historical crop base. This will allow farmers to plant for the marketplace and not the Federal farm program.

The bill also eliminates the acreage reduction program. No longer will farmers be required to leave a portion of their productive land unplanted because of a mandate imposed by Washington.

Furthermore, the bill maintains certain aspects of the current farm program while reforming others. For instance, nonrecourse loans will continue to be made available. This is a necessary and important marketing tool for farmers that does not require direct Government spending.

On the other hand, the three-entity rule is eliminated. Payments will now be directly attributed to farmers instead of corporations and other entities.

Last, the bill provides for a new era of farm programs based on risk management. Specifically, it directs the Secretary to initiate a revenue insurance pilot program as an alternative to the crop insurance program.

Revenue insurance will cost the Federal Government no more than the current crop insurance program. But it will give the farmer a solid and dependable safety net.

The program will allow a farmer to pay a premium to protect himself from a significant decline in revenue, whether it is caused by crop loss or low prices. Thus unlike crop insurance, the farmer is protected from both natural disasters and from situations when too much grain on the market causes extremely low prices.

This revenue insurance program truly represents a revolutionary new farm program.

Mr. President, the future of American agriculture is not in Government payments and subsidies. The future of American agriculture rests on the ability of farmers to remain competitive in a world marketplace.

The role of government consists of opening access to new markets for agricultural products, providing research for the development of better crops and new uses for existing commodities, and providing a safety net for the family farm structure.

Mr. President, I am convinced that not only will American agriculture reach unprecedented levels of productivity and profitability in the future, but there will continue to be a vital role for the family farmer.

The independent, family farmer is still the backbone of the agricultural economy in my State of Iowa. These farmers tell me that they can compete with the large farms, if they only have a level playing field and equal access to markets and information.

Government should do everything in its power to provide this level playing field. I believe that the bill I have introduced today helps put all farmers on an equal footing as agriculture approaches the 21st century.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1276

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Farm Income Transition Act of 1995 ".

SEC. 2. CERTAINTY AND FLEXIBILITY FOR AGRICULTURAL PROGRAMS.

The Agricultural Act of 1949 (7 U.S.C. 1441 et seq.) is amended—

(1) by transferring sections 106, 106A, and 106B to the end of part I of subtitle B of title III of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1311 et seq.) and redesignating the sections as sections 320D, 320E, and 320F, respectively;

(2) by moving sections 104, 111, 112, 114, and 202 to the end of title IV and redesignating the sections as sections 428, 429, 430, 431, and 432 respectively;

(3) by moving sections 108B, 204, and 206 to the end of title IV (as amended by paragraph (2)) and redesignating the sections as sections 433, 434, and 435, respectively; and

(4) by striking titles I through III and inserting the following:

"SEC. 2. DEFINITIONS.

"In this Act:

"(1) CONSIDERED PLANTED.—The term 'considered planted', with respect to acreage on a farm, means acreage considered planted to a covered commodity (as defined in section 201(a)) in the conservation reserve, or under a program in effect under this Act through the 1995 crop of a commodity or the 1996 crop of winter wheat on—

"(A) any reduced acreage on the farm;

"(B) any acreage on the farm that producers were prevented from planting to the commodity because of drought, flood, or other natural disaster, or other condition beyond the control of the producers;

"(C) acreage in a quantity equal to the difference between the permitted acreage for a commodity and the acreage planted to the commodity, if the acreage considered to be planted is devoted to conservation uses or the production of crops permitted by the Secretary under the programs established for any of the 1990 through 1994 crops of a commodity; or

"(D) any acreage on the farm that the Secretary determines is necessary to be included in establishing a fair and equitable crop acreage base.

"(2) CROP ACREAGE BASE.—The term 'crop acreage base' means the average of the quantity of acres planted and considered planted to the commodity for the 1990 through 1994 crops, including the crop acreage base for extra long staple cotton established under section 103(h)(5) (as in effect prior to the date of enactment of the Farm Income Transition Act of 1995).

"(3) DOUBLE CROPPING.—The term 'double cropping' means a farming practice, as defined by the Secretary, that has been carried out on a farm during at least 3 of the 5 crop years immediately preceding the crop year for which the crop acreage base for the farm is established.

"(4) MARKET TRANSITION PAYMENT.—The term 'market transition payment' means a payment made pursuant to a contract entered into under section 201 with producers on a farm who—

"(A) satisfy the eligibility requirements of section 201(c); and

"(B) in exchange for annual payments, are in compliance with the conservation compliance plan for the farm prepared in accordance with section 1212 of the Food Security Act of 1985 (16 U.S.C. 3812) and wetland protection requirements applicable to the farm under subtitle C of title XII of the Act (16 U.S.C. 3821 et seq.).

"(5) NONRECOURSE COMMODITY LOAN.—The term 'nonrecourse commodity loan' means a nonrecourse loan paid to producers on a farm under the terms provided in section 202.

"(6) PERSON.—The term 'person' means an individual, corporation, or other entity, as defined by the Secretary.

"(7) PRODUCERS.—The term 'producers' means 1 or more individual persons who, as determined by the Secretary—

"(A) share in the risk of production of a commodity; and

"(B) is, or would have been, entitled to a share of the proceeds from the marketing of the commodity.

"(8) SECRETARY.—The term 'Secretary' means the Secretary of Agriculture.

"(9) UNITED STATES.—The term 'United States' means the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the other territories and possessions of the United States.

"TITLE I—FUNDING FOR FEDERAL FARM PROGRAM COMMODITY PAYMENTS

"SEC. 101. EXPENDITURES FOR MARKET TRANSITION PAYMENTS FOR 1996 THROUGH 2002 CROP YEARS.

"(a) TOTAL EXPENDITURES.—The total amount of funds expended by the Commodity Credit Corporation under this title may not exceed $46,920,000,000 for—

"(1) payments made for the 1995 crop of a commodity after September 30, 1995; and

"(2) market transition payments for a commodity for the 1996 through 2002 crops.

"(b) TOTAL EXPENDITURES PER CROP YEAR.—The Secretary shall, to the maximum extent practicable, expend not more than the following amounts on market transition payments:

"(1) For the 1996 crop, $8,260,000,000.

"(2) For the 1997 crop, $7,240,000,000.

"(3) For the 1998 crop, $7,080,000,000.

"(4) For the 1999 crop, $6,850,000,000.

"(5) For the 2000 crop, $6,590,000,000.

"(6) For the 2001 crop, $5,490,000,000.

"(7) For the 2002 crop, $5,380,000,000.

"(c) COMMODITY CREDIT CORPORATION.—

"(1) SALARIES AND EXPENSES.—No funds of the Commodity Credit Corporation may be used to pay any salary or expense of an officer or employee of the Department of Agriculture in connection with the administration of market transition payments or nonrecourse commodity loans.

"(2) AGRICULTURAL PRODUCTION.—No funds of the Commodity Credit Corporation in excess of the amounts authorized by subsection (b) may be used to support—

"(A) the price of a covered commodity (as defined in section 201(a)) or any similar activity in relation to the commodity; or

"(B) the income of producers on a farm.

"TITLE II—MULTIYEAR PAYMENTS TO IMPROVE FARMING CERTAINTY AND FLEXIBILITY

"SEC. 201. MARKET TRANSITION PAYMENTS.

"(a) DEFINITION OF COVERED COMMODITY.—In this section, the term 'covered commodity' means wheat, corn, grain sorghums, barley, oats, upland cotton, extra long staple cotton, and rice.

"(b) MARKET TRANSITION CONTRACTS.—

"(1) OFFER AND CONSIDERATION.—Beginning as soon as practicable after the date of enactment of the Farm Income Transition Act of 1995, but not later than February 1, 1996, the Secretary shall offer to enter into a market transition contract with producers on a farm who satisfy the requirements of subsection (c). Participating producers shall agree, in exchange for annual payments, to comply with the conservation compliance plan for the farm established under section 1212 of the Food Security Act of 1985 (16 U.S.C. 3812) and the wetland protection requirements applicable to the farm under subtitle C of title XII of the Act (16 U.S.C. 3821 et seq.).

"(2) ENTRY INTO CONTRACTS.—

"(A) DEADLINE.—Except as provided in subparagraphs (B) and (C), producers on a farm shall elect whether to enter into a market transition contract not later than April 15, 1996.

"(B) CONSERVATION RESERVE LANDS.—

"(i) IN GENERAL.—In the case of a conservation reserve contract applicable to cropland on a farm that expires after April 15, 1996, producers on the farm shall have the option of including the cropland on the farm that has considered planting history (as determined by the Secretary) in a market transition contract of the producers. To be eligible, the cropland must include 1 or more crop acreage bases attributable to the cropland (as determined by the Secretary).

"(ii) WHOLE FARM ENROLLED IN CONSERVATION RESERVE.—Producers on a farm who have enrolled the entire cropland on the farm, as determined by the Secretary, into the conservation reserve shall have the option, on expiration of the conservation reserve contract, to enter into a market transition contract.

"(iii) AMOUNT.—Market transition payments made for cropland under this subparagraph shall be made at the rate and amount applicable to the market transition payment level for that year.

"(C) 1996 CROP OF WINTER WHEAT.—

"(i) IN GENERAL.—Producers on a farm who plant a 1996 crop of winter wheat in 1995 may elect to enter into a market transition contract, or obtain loans and payments for the 1996 crop of winter wheat, under the same terms and conditions as were in effect for the 1995 crop of winter wheat.

"(ii) TIMING OF PAYMENTS.—The Secretary shall, if the Secretary determines practicable, pay producers on a farm who plant a 1996 crop of winter wheat and elect to enter into a market transition contract for the crop—

"(I) an advance payment not later than June 1, 1996; and

"(II) a final payment not later than September 30, 1996.

"(iii) SUBSEQUENT CROPS.—Producers on a farm who plant a 1996 crop of winter wheat shall elect whether to enter into a market transition contract for each of the 1997 through 2002 crops not later than April 15, 1996.

"(3) DURATION OF CONTRACT.—Except for the 1996 crop of winter wheat, a market transition contract shall apply to the 1996 crop of a covered commodity and terminate on December 31, 2002.

"(c) ELIGIBILITY FOR MARKET TRANSITION PAYMENTS.—

"(1) IN GENERAL.—To be eligible for market transition payments, producers on a farm must—

"(A) own, rent, or crop share land that has a crop acreage base that is attributable to the farm, as determined by the Secretary; and

"(B) satisfy the criteria under paragraph (2).

"(2) PAYMENTS BASED ON PRODUCTION HISTORY.—Producers on a farm shall be eligible for market transition payments if deficiency payments and, if applicable, conservation reserve payments were made for covered commodities that were planted, or considered planted, on a crop acreage base established on the farm for at least 2 of the 1990 through 1994 crops.

"(d) Amount of Market Transition Payments.—

"(1) Definition of payments.—In this subsection (except as otherwise specifically provided), the term 'payments' means—

"(A) deficiency payments; and

"(B) if applicable, the lesser of—

"(i) conservation reserve payments; or

"(ii) the amount of deficiency payments that would have been made for the quantity of the covered commodity considered planted if the commodity had been planted, as determined by the Secretary.

"(2) 1990-1994 payments.—The Secretary shall determine the total amount of payments—

"(A) made to producers on a farm for all covered commodities that were planted or considered planted on the farm for the 1990 through 1994 crops; and

"(B) made for all covered commodities that were planted and considered planted throughout the United States for the 1990 through 1994 crops.

"(3) Market transition payment for 1996-2002 crops.—The annual market transition payment for each of the 1996 through 2002 crops shall equal the product of—

"(A) the total amount of payments made to producers on a farm determined under paragraph (2)(A) divided by the total amount of payments made throughout the United States determined under paragraph (2)(C); and

"(B) the annual funding available for the crop under section 101(b).

"(4) Adjustment.—To maintain equity and fairness in market transition payments, the Secretary shall, as determined appropriate, adjust the payments to producers on a farm to reflect the ratio of—

"(A) the land on the farm on which there is historical production and considered planting history on 1 or more crop acreage bases; to

"(B) the land on the farm for which the producers on the farm are at risk in the year of the market transition payment.

"(e) Receipt of Market Transition Payments.—

"(1) Annual payment estimate.—The Secretary shall announce the estimated minimum payment to producers entering into a market transition contract not later than March 15 of each year of the term of the contract. The producers may terminate the contract without penalty not later than 15 days after the date of the announcement.

"(2) Timing of payments.—

"(A) In general.—Payments shall be made not later than September 30 of the year covered by the contract.

"(B) Advance payment.—

"(i) In general.—Subject to clause (ii), the Secretary may provide ½ of the annual payment in advance to producers on a farm not later than March 15 of the same year, at the option of the producers.

"(ii) 1996 crop.—If the Secretary elects to provide advance payments for the 1996 crop, the Secretary shall make the advance payments as soon as practicable after the date of enactment of the Farm Income Transition Act of 1995, as determined by the Secretary.

"(3) Eligibility.—Producers on a farm who have entered into a market transition contract shall be eligible to receive market transition payments if the producers comply with the conservation compliance plan for the farm and applicable wetland protection requirements, as determined by the Secretary.

"(f) Planting Flexibility.—Producers on a farm who possess 1 or more crop acreage bases shall plant any crop or conserving crop on the acreage base to receive a market transition payment. If a perennial conserving crop is planted, the producers shall not be required to replant the crop in the subsequent year.

"(g) Payment Limitation.—

"(1) Amount.—The total amount of payments made to a person under a market transition contract for any year may not exceed $50,000.

"(2) Attribution.—The Secretary shall attribute payments to a natural person in proportion to the ownership interests of the person in a corporation, limited partnership, or other entity (as determined by the Secretary).

"(3) Scheme or device.—If the Secretary determines that a person has knowingly adopted a material scheme or device to obtain market transition payments to which the person is not entitled, has evaded the requirements of this section, or has acted with the purpose of evading the requirements of this section, the person shall be ineligible to receive all payments applicable to the crop year for which the scheme or device was adopted and the succeeding crop year. The authority provided by this paragraph shall be in addition to, and shall not supplant, the authority provided by subsection (h).

"(4) Regulations.—The Secretary shall issue regulations—

"(A) defining the term 'person', as used in this subsection, in a manner that conforms, to the maximum extent practicable, to the regulations defining the term 'person' issued under section 1001 of the Food Security Act of 1985 (7 U.S.C. 1308);

"(B) prescribing such rules as the Secretary determines are necessary to ensure a fair and reasonable application of the limitation established under this subsection; and

"(C) providing for the tracking of payments made or attributed to a person or entity (as determined by the Secretary) on the basis of the social security account number of the person or the employer identification number of the entity.

"(h) Violation of Contract.—

"(1) In general.—Except as provided in paragraph (2), if the Secretary determines that producers on a farm are in violation of, or have violated, the conservation compliance plan for the farm or wetland protection requirements applicable to the farm, the Secretary may terminate the market transition contract with respect to the producers. On termination, the producers shall forfeit all rights to receive future payments under the contract and shall refund to the Secretary all payments received by the producers during the period of the violation with interest (as determined by the Secretary).

"(2) Refund or adjustment.—If the Secretary determines that a violation does not warrant termination of the contract, the Secretary shall require the producers to—

"(A) refund to the Secretary a portion of the payments received during the period of the violation, together with interest, that is proportionate to the severity of the violation (as determined by the Secretary); or

"(B) accept a reduction in the amount of future payments that is proportionate to the severity of the violation (as determined by the Secretary).

"(i) Transfer of Interest in Land Subject to Contract.—

"(1) Effect of transfer.—Except as provided in paragraph (2), if producers on a farm who have entered into a market transition contract transfer title of the land of the farm to another person, or otherwise transfer the right to receive market transition payments, the transfer shall void the contract with the producers on the farm, effective as of the date of the transfer, unless—

"(A) the transferee of the land or the right to receive the remaining market transition payments agrees to assume all or a portion of the obligations of the contract in proportion to the transfer (as determined by the Secretary); and

"(B) the transferor agrees to transfer all or a portion of the remaining transition payments in proportion to the transfer (as determined by the Secretary).

"(2) Exception.—If a producer who is eligible for payments under a market transition contract dies, becomes incompetent, or is otherwise unable to receive the payments, the Secretary shall make the payments in accordance with regulations prescribed by the Secretary.

"SEC. 202. NONRECOURSE AND MARKETING LOANS.

"(a) Definition of Covered Commodity.—In this section, the term 'covered commodity' means corn, grain sorghums, barley, oats, rye, wheat, upland cotton, extra long staple cotton, rice, soybeans, sunflower seed, rapeseed, canola, safflower, flaxseed, and mustard seed.

"(b) Nonrecourse Loans.—For each of the 1996 through 2002 crops of a covered commodity, the Secretary shall make available to producers on a farm a nonrecourse commodity loan under terms and conditions prescribed by the Secretary. A nonrecourse commodity loan shall have a term of 9 months, beginning on the first day of the first month after the month in which the loan is made and may be extended at the discretion of the Secretary.

"(c) Loan Rate.—

"(1) In general.—The Secretary shall announce the loan rate for each covered commodity not later than the first day of the marketing year for which the loan rate is to be in effect.

"(2) Calculation.—The loan rate for a marketing transition loan for a crop shall be equal to 80 percent of the simple average price received by the producer for the covered commodity during the immediately preceding 5 marketing years for the commodity, excluding the year in which the average price was lowest and the year in which the average price was highest.

"(3) Simple average price.—For purposes of paragraph (2), the Secretary shall determine the simple average price received by producers of a covered commodity for the immediately preceding marketing year.

"(d) Marketing Loans.—

"(1) In general.—The Secretary may permit producers on a farm to repay a loan made under this section for a covered commodity at a level that is the lesser of—

"(A) the loan level; or

"(B) the prevailing world market price for the commodity (adjusted to United States quality and location), as determined by the Secretary.

"(2) Prevailing world market price.—If the Secretary permits producers on a farm to repay a loan in accordance with paragraph (1), the Secretary shall prescribe by regulation—

"(A) a formula to determine the prevailing world market price for the crop of a covered commodity, adjusted to United States quality and location; and

"(B) a mechanism by which the Secretary shall announce periodically the prevailing world market price for the crop of the commodity.

"TITLE III—ADMINISTRATION

"SEC. 301. REVENUE INSURANCE.

"(a) Pilot Program.—Not later than December 31, 1996, the Secretary shall carry out a pilot program in a limited number of States or groups of States, as determined by the Secretary, under which a producer of an agricultural commodity can elect to receive revenue insurance that will ensure that the producer receives an indemnity if the producer suffers a loss of revenue, as determined by the Secretary.

"(b) National Program.—Not later than December 31, 2000, the Secretary shall offer revenue insurance to agricultural producers at 1 or more levels of coverage that is in addition to, or in place of, catastrophic and higher levels of crop insurance.

"(c) Administration.—Revenue insurance under this section shall—

"(1) be offered through reinsurance arrangements with private insurance companies;

"(2) offer at least a minimum level of coverage that is an alternative to catastrophic crop insurance;

"(3) be actuarily sound; and

"(4) require the payment of premiums and administrative fees by participating producers.

"SEC. 302. ADMINISTRATION.

"(a) Equitable Relief.—

"(1) Loans and payments.—Notwithstanding section 201(h), if the failure of producers on a farm to comply fully with the terms and conditions of the program conducted under titles I through III precludes the making of loans and payments, the Secretary may, notwithstanding the failure, make the loans and payments in such amounts as the Secretary determines are equitable in relation to the seriousness of the failure. The Secretary may consider whether the producers made a good faith effort to comply fully with the terms and conditions of the program in determining whether equitable relief is warranted under this paragraph.

"(2) Deadlines and program requirements.—The Secretary may authorize the county and State committees established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) to waive or modify deadlines and other program requirements in cases in which lateness or failure to meet the other requirements does not affect adversely the operation of the program.

"(b) Commodity Credit Corporation.—The Secretary shall carry out the programs authorized by title I through this title through the Commodity Credit Corporation.

"(c) Assignment of Payments.—Section 8(g) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(g)) shall apply to payments or loans made under title I through this title.

"(d) Sharing of Payments.—The Secretary shall provide for the sharing of payments made under title I through this title for any farm among the producers on the farm on a fair and equitable basis.

"(e) Tenants and Sharecroppers.—In carrying out this Act, the Secretary shall provide adequate safeguards to protect the interests of tenants and sharecroppers.".

SEC. 3. CONFORMING AMENDMENTS.

Title X of the Food Security Act of 1985 is amended by striking sections 1001, 1001A, 1001B, and 1001D (7 U.S.C. 1308 et seq.).

SEC. 4. EFFECTIVE DATE.

(a) Effective Date.—

(1) In general.—Except as provided in this subsection and as otherwise specifically provided in this Act, this Act and the amendments made by this Act shall apply beginning with the earlier of—

(A) the 1996 crop of an agricultural commodity; or

(B) December 1, 1995.

(2) Market transition contract.—Title II of the Agricultural Act of 1949 (as amended by section 2(4)) shall apply as of the beginning of signup for market transition payments under section 201 of the Act.

(b) Prior Crops.—

(1) In general.—Except as otherwise specifically provided and notwithstanding any other provision of law, this Act and the amendments made by this Act shall not affect the authority of the Secretary of Agriculture to carry out a price support or production adjustment program for any of the 1991 through 1995 crops of an agricultural commodity established under a provision of law in effect immediately before the effective date specified in subsection (a).

(2) Liability.—A provision of this Act or an amendment made by this Act shall not affect the liability of any person under any provision of law as in effect before the application of the provision in accordance with subsection (a).

By Mr. BURNS:

S. 1278. A bill to establish an education satellite loan guarantee program for communications among education, Federal, State, and local institutions and agencies and instructional and educational resource providers; to the Committee on Commerce, Science, and Transportation.

THE EDUCATIONAL SATELLITE LOAN GUARANTEE PROGRAM ACT

Mr. BURNS. Mr. President, today I introduced a bill to establish an education satellite loan guarantee program from communications among education, Federal, State, and local institutions and agencies and instructional and educational resource providers. Americans face many problems and challenges in education. From Montana to Maine, local school districts to large universities, educators are being asked to do more with less. There is overcrowding in urban areas and a lack of access to educational opportunities in many rural areas. We are being challenged as a nation, and we must react as a nation with unity of purpose. We must marshall our resources and save our children's future. Over this Nation's history, we have used good old American creativity to conquer many challenges and force new horizons. I believe that technology plays a key role in making us world leaders. In the areas of space and defense, our technological know-how has made us second to none.

We should act now to apply our same know-how to education. Whether it be through copper wire, glass, or satellites, distance learning can provide access to the vast educational resources of our Nation, regardless of wealth or geographic location. There is a crisis facing America's distance education providers and users at all levels of schooling due to shortages and price increases in satellite capacity. This crisis in the distance education field has been noted and documented by the satellite and broadcasting industries and the National Education Telecommunications Organization [NETO]. The crisis facing the educators is a lack of availability of satellite capacity and dramatically escalating costs which puts an educational institution's ability to equitably transmit instructions at high risk. We must start right here, right now, by taking advantage of the satellite technology that exist today.

More than 90 American college provide education and instruction to K-12 school districts, colleges, libraries, and students in other distant education centers, nationwide and internationally. In my own State of Montana and throughout the country from Washington State through Texas to Maine, teaches and students are receiving word that they will not have access to instruction heretofore received in science, math, language, and other special events. Rural and urban school districts, family health centers in hard-to-reach areas and rural hospitals will be immediately impacted at the start-up of the fall 1995 semester. If nothing is done to ameliorate the crisis more than 200 small education entrepreneurial communications centers are at risk by the fall of 1996. These are communications centers in America's colleges, school districts, and education consortia which include State education and television agencies who have invested State and local taxes to create cost-effective, equitable transmission using satellite, telephone, and cable to deliver instruction and training in classrooms throughout the Nation.

For an interim solution to the crisis, Congresswoman Constance Morella, Congressman George E. Brown, Jr., and I have asked NASA to dedicate unused satellite capacity to the education sector as the prime users for a period up to 3 years. However, we must begin to create an adequate satellite system dedicated to education to meet the educational needs and demands of America's students, teachers, and workers for the future.

The bill introduced today will facilitate the acquisition by an appropriate nonprofit, public corporation of a communications satellite system dedicated to the transmission of instructions, education, and training programming that is not subject to preemptive use by Federal Government for purposes of national security. The bill would authorize the Secretary of Interior to carry out a loan guarantee program under which a non-profit, public corporation could borrow funds to buy or lease satellites dedicated to instructional programming. A dedicated educational satellite will allow us to address two barriers faced by those involved in distance learning via satellite. First, it will insure instructional programmers that they will be able to obtain affordable satellite transmission time without risk of preemption by commercial users. Second, it will allow educators using the programming to have one dish focused on one satellite off which they can receive at least 24 channels of instructional programming—every hour of the school year.

There is no doubt in my mind that distance learning is a growth area and that there is a role for the Federal Government in facilitating that growth. The Office of Technology Assessment's 1989 report, "Linking for Learning: A New Course for Education" documents the recent growth of distance learning, calling the growth in the K–12 sector dramatic. OTA anticipates this growth to continue. The National Governors' Association in 1988 found that while fewer than 10 States were promoting distance learning in 1987; 1 year later two-thirds of the States reported involvement. The NGA passed a resolution in 1988, and revised it in 1991, expressing their support for a dedicated education and public purpose satellite-based telecommunications network. Following their 1989 education summit in Charlottesville, VA where former Governor Wallace Wilkinson of Kentucky and other Governors raised with President Bush the proposal for this dedicated system, the EDSAT Institute was formed to analyze the proposal. In 1991, they issued a report entitled "Analysis of a Proposal for an Education Satellite," and they found as did the OTA report, that individual States and consortiums of States are investing heavily in distance learning technologies and that the education sector is a significant market.

The organization, the National Educations Telecommunications Organization [NETO], was formed after the EDSAT Institute held seven regional meetings during the summer of 1991. Through these meetings, they recognized the need to aggregate the education market for distance learning and concluded that an education programming users organization was needed. NETO has a distinguished board of educators, public policy officials, State education agencies, and telecommunications experts who are committed to the goal of developing an integrated telecommunications system dedicated to education. The first step is what we are facilitating through Federal loan guarantees.

If this legislation passes, the Federal Government will be setting a national policy in support of a telecommunications infrastructure for distance learning. A policy that will cost the government relatively little compared to the benefits our Nation will receive through improved education and educational access. The risk to the Federal Government is minimal. The only risk the Government is assuming is the risk that the distance learning market will dissipate. I think the findings of the National Governors' Association, the OTA, and the EDSAT Institute prove highly unlikely. But I also believe that with distance learning, as with transportation and other infrastructure-dependent markets, once an infrastructure is in place the market will expand beyond our current expectations.

A dedicated satellite system will bring instructional programming which is now scattered across 12 to 15 satellites into one place in the sky. This collocation will allow educators to receive a variety of instructional programs without having to constantly reorient their satellite dish. By making the investment in a dedicated system on the front end, we are reducing distance learning costs for educators on the State and local levels. The programmers will benefit because they will be able to market their programming to a wider audience and will be guaranteed reliable satellite time at an affordable rate. A rate that will be equal no matter how much time they buy. Programmers include public schools, colleges, universities, State agencies, private sector corporations and consortiums, such as the star schools consortiums, and independents. The users will benefit because their investment in equipment to receive instructional programming may be reduced because of the technological advantages of focusing on one point in the sky. Users include primary and secondary students, college, and university students, professionals interested in continuing education, community members, and government bodies. The benefits far outweigh the costs in my mind.

A dedicated educational satellite will allow our kids to benefit from equal access to quality education. This is really just the first step. Both NETO and I believe that a telecommunications infrastructure for use by the educational sector should not be technology specific. I plan to continue pushing for passage of S. 1200 to make a national broadband fiber-optic network a reality. NETO's vision is for an integrated, nationwide telecommunications system, a transparent highway that encompasses land and space, over which educational and instructional resources can be delivered. They envision bringing together the land-based systems that are already in place, not replacing them. This is an inclusive effort, not an exclusive one. I hope that my colleagues will join me in making this a reality.

Technology has transformed every sector of our lives. It can transform education as well. It will not replace teachers, it will empower them with better teaching tools. It will inspire our young people to actively engage in their education. It will expose them to the world around them and broaden their horizons. Our Nation's children deserve no less.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1278

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PURPOSE.

It is the purpose of this Act to facilitate the acquisition of a dedicated communications satellite system on which instruction, education, and training programming can be collocated and free from preemption.

SEC. 2. EDUCATIONAL SATELLITE LOAN GUARANTEE PROGRAM.

(a) PROGRAM AUTHORIZED.—

(1) IN GENERAL.—The Secretary of Commerce may carry out a program to guarantee any lender against loss of principal or interest on a loan described in subsection (b) made by such lender to a nonprofit, public corporation that—

(A) is recognized for expertise in governing and operating educational and instructional telecommunications in schools, colleges, libraries, State agencies, workplaces, and other distant education centers;

(B) was in existence as of January 1, 1992;

(C) the charter of which is designed for affiliation with Federal, State, and local educational and instructional institutions and agencies, and other distant education and instructional resource providers;

(D) has a governing board that includes members representing elementary and secondary education, community and State colleges, universities, elected officials, and the private sector; and

(E) has as its sole purpose the acquisition and operation of an integrated communications satellite system and other telecommunications facilities dedicated to transmitting instruction, education, and training programming.

(2) INTERIM ACQUISITION OF TRANSPONDER CAPACITY.—As an interim measure to acquire a communications satellite system dedicated to instruction, education, and training programming, a corporation that meets the requirements of paragraph (1) may acquire unused satellite transponder capacity owned or leased by a department or agency of the Federal Government or unused satellite transponder capacity owned or leased by a non-Federal broadcast organization for reuse by schools, colleges, community colleges, universities, State agencies, libraries, and other distant education centers at competitive, low costs, subject only to preemption for national security purposes.

(3) ENCOURAGEMENT OF INTERCONNECTIVITY.—A corporation that meets the requirements of paragraph (1) shall encourage the interconnectivity of elementary and secondary schools, colleges, and community colleges, universities, State agencies, libraries, and other distant education centers with ground facilities and services of United States domestic common carriers and international common carriers and ground facilities and services of satellite, cable, and other

private communications systems in order to ensure technical compatibility and interconnectivity of the space segment with existing communications facilities in the United States and foreign countries to best serve United States education, instruction, and training needs and to achieve cost-effective, interoperability for friendly end-user, "last mile" access and use.

(4) TECHNICAL AND TRAINING NEEDS.—A corporation that meets the requirements of paragraph (1) shall determine the technical and training needs of educations users and providers to facilitate coordinated and efficient use of a communications satellite system dedicated to instruction, education, and training to further unlimited access for schools, colleges, community colleges, universities, State agencies, libraries, and other distant education centers.

(b) ELIGIBLE LOANS.—The Secretary of Commerce may guarantee a loan under this section only if—

(1) the corporation described in subsection (a)(1) has—

(A) investigated all practical means of acquiring a communications satellite system;

(B) reported to the Secretary the findings of such investigation; and

(C) identified for acquisition the most cost-effective, high-quality communications satellite system to meet the purpose of this Act; and

(2) the proceeds of such loan are used solely to acquire and operate a communications satellite system dedicated to transmitting instruction, education, and training programming.

(c) LOAN GUARANTEE LIMITATIONS.—The Secretary of Commerce may not guarantee more than $270,000,000 in loans under the program under this section, of which—

(1) not more than $250,000,000 shall be for the guarantee of such loans the proceeds of which are used to acquire a communications satellite system; and

(2) not more than $20,000,000 shall be used for the guarantee of such loans the proceeds of which are used to pay the costs of not more than 4 years of operating and management expenses associated with providing integrated communications satellite system services through the integrated communications satellite system referred to in subsection (a)(1)(E).

(d) LIQUIDATION OR ASSIGNMENT.—

(1) IN GENERAL.—In order for a lender to receive a loan guarantee under this section the lender shall agree to assign to the United States any right or interest in the communications satellite system or communications satellite system services that such lender possesses upon payment by the Secretary of Commerce on such loan guarantee.

(2) DISPOSITION.—The Secretary may exercise, retain, or dispose of any right or interest acquired pursuant to paragraph (1) in any manner that the Secretary considers appropriate.

(e) SPECIAL RULE.—Any loan guarantee under this section shall be guaranteed with full faith and credit of the United States.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary for each fiscal year to carry out this section.

(g) DEFINITIONS.—In this section:

(1) The term "acquire" includes acquisition through lease, purchase, or donation.

(2) The term "communications satellite system" means one or more communications satellites capable of providing service from space, including transponder capacity, on such satellite or satellites.

(3) The term "national security preemption" means preemption by the Federal Government for national security purposes.

Mr. DOLE (for himself, Mr. HATCH, Mr. ABRAHAM, Mr. KYL, Mr. REID, Mr. SPECTER, Mrs. HUTCHISON, Mr. THURMOND, Mr. SANTORUM, Mr. BOND, Mr. D'AMATO, and Mr. GRAMM):

S. 1279. A bill to provide for appropriate remedies for prison condition lawsuits, to discourage frivolous and abusive prison lawsuits, and for other purposes; to the Committee on the Judiciary.

THE PRISON LITIGATION REFORM ACT OF 1995

Mr. DOLE. Mr. President, I am pleased to join today with my distinguished colleagues, Senators HATCH, KYL, ABRAHAM, HUTCHISON, REID, THURMOND, SPECTER, SANTORUM, D'AMATO, GRAMM, and BOND, in introducing the Prison Litigation Reform Act of 1995.

This legislation is a new and improved version of S. 866, which I introduced earlier this year to address the alarming explosion in the number of frivolous lawsuits filed by State and Federal prisoners. It also builds on the stop-turning-out-prisoners legislation, championed by Senators KAY BAILEY HUTCHISON and SPENCER ABRAHAM, by making it much more difficult for Federal judges to issue orders directing the release of convicted criminals from prison custody.

INMATE LITIGATION

Unfortunately, the litigation explosion now plaguing our country does not stop at the prison gate. According to Enterprise Institute scholar Walter Berns, the number of "due-process and cruel and unusual punishment" complaints filed by prisoners has grown astronomically—from 6,600 in 1975 to more than 39,000 in 1994. These suits can involve such grievances as insufficient storage locker space, a defective haircut by a prison barber, the failure of prison officials to invite a prisoner to a pizza party for a departing prison employee, and yes, being served chunky peanut butter instead of the creamy variety. The list goes on and on.

These legal claims may sound far-fetched, almost funny, but unfortunately, prisoner litigation does not operate in a vacuum. Frivolous lawsuits filed by prisoners tie up the courts, waste valuable legal resources, and affect the quality of justice enjoyed by law-abiding citizens. The time and money spent defending these cases are clearly time and money better spent prosecuting violent criminals, fighting illegal drugs, or cracking down on consumer fraud.

The National Association of Attorneys General estimates that inmate civil rights litigation costs the States more than $81 million each year. Of course, most of these costs are incurred defending lawsuits that have no merit whatsoever.

Let me be more specific. According the Arizona Attorney General Grant Woods, a staggering 45 percent of the civil cases filed in Arizona's Federal courts last year were filed by State prisoners. That means that 20,000 prisoners in Arizona filed almost as many cases as Arizona's 3.5 million law-abiding citizens. And most of these prisoner lawsuits were filed free of charge. No court costs. No filing fees. This is outrageous and it must stop.

GARNISHMENT

Mr. President, I happen to believe that prisons should be just that—prisons, not law firms. That is why the Prison Litigation Reform Act proposes several important reforms that would dramatically reduce the number of meritless prisoner lawsuits.

For starters, the act would require inmates who file lawsuits to pay the full amount of their court fees and other costs.

Many prisoners filing lawsuits today in Federal court claim indigent status. As indigents, prisoners are generally not required to pay the fees that normally accompany the filing of a lawsuit. In other words, there is no economic disincentive to going to court.

The Prison Litigation Reform Act would change this by establishing a garnishment procedure: If a prisoner is unable to fully pay court fees and other costs at the time of filing a lawsuit, 20 percent of the funds in his trust account would be garnished for this purpose. Every month thereafter, an additional 20 percent of the income credited to the prisoner's account would be garnished, until the full amount of the court fees and costs are paid-off.

When average law-abiding citizens file a lawsuit, they recognize that there could be an economic downside to going to court. Convicted criminals should not get preferential treatment: If a law-abiding citizen has to pay the costs associated with a lawsuit, so too should a convicted criminal.

In addition, when prisoners know that they will have to pay these costs—perhaps not at the time of filing, but eventually—they will be less inclined to file a lawsuit in the first place.

JUDICIAL SCREENING

Another provision of the Prison Litigation Reform Act would require judicial screening, before docketing, of any civil complaint filed by a prisoner seeking relief from the Government. This provision would allow a Federal judge to immediately dismiss a complaint if either of two conditions is met: First, the complaint does not state a claim upon which relief may be granted, or second, the defendant is immune from suit.

OTHER REFORMS

The Prison Litigation Reform Act would also allow Federal courts to revoke any good-time credits accumulated by a prisoner who files a frivolous suit. It requires State prisoners to exhaust all administrative remedies before filing a lawsuit in Federal court. And it prohibits prisoners from suing the Government for mental or emotional injury, absent a prior showing of physical injury.

If enacted, all of these provisions would go a long way to take the frivolity out of frivolous inmate litigation.

STOP TURNING OUT PRISONERS

The second major section of the Prison Litigation Reform Act establishes some tough new guidelines for Federal courts when evaluating legal challenges to prison conditions. These guidelines will work to restrain liberal Federal judges who see violations on constitutional rights in every prisoner complaint and who have used these complaints to micromanage State and local prison systems.

Perhaps the most pernicious form of judicial micromanagement is the so-called prison population cap.

In 1993, for example, the State of Florida put 20,000 prisoners on early release because of a prison cap order issued by a Federal judge who thought the Florida system was overcrowded and thereby inflected cruel and unusual punishment on the State's prisoners.

And, then, there's the case of Philadelphia, where a court-ordered prison cap has put thousands of violent criminals back on the city's streets, often with disastrous consequences. As Pro. John Diiulio has pointed out: "Federal Judge Norma Shapiro has single-handedly decriminalized property and drug crimes in the City of Brotherly Love * * * Judge Shapiro has done what the city's organized crime bosses never could; namely, turn the town into a major drug smuggling port."

By establishing tough new conditions that a Federal court must meet before issuing a prison cap order, this bill will help slam-shut the revolving prison door.

CONCLUSION

Finally, Mr. President, I want to express my special thanks to Arizona Attorney General Grant Woods and to the National Association of Attorneys General. Their input these past several months has been invaluable as we have attempted to draft a better, more effective piece of legislation.

Mr. President, I ask unanimous consent that the full text of the Prison Litigation Reform, as well as a letter from the National Association of Attorneys General and a section-by-section summary, be reprinted in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1279

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Prison Litigation Reform Act of 1995".

SEC. 2. APPROPRIATE REMEDIES FOR PRISON CONDITIONS.

(a) IN GENERAL.—Section 3626 of title 18, United States Code, is amended to read as follows:

"§3626. Appropriate remedies with respect to prison conditions

"(a) REQUIREMENTS FOR RELIEF.—

"(1) PROSPECTIVE RELIEF.—(A) Prospective relief in any civil action with respect to prison conditions shall extend no further than necessary to correct the violation of the Federal right of a particular plaintiff or plaintiffs. The court shall not grant or approve any prospective relief unless the court finds that such relief is narrowly drawn, extends no further than necessary to correct the violation of the Federal right, and is the least intrusive means necessary to correct the violation of the Federal right. The court shall give substantial weight to any adverse impact on public safety or the operation of a criminal justice system caused by the relief.

"(B) Nothing in this section shall be construed to authorize the courts, in exercising their remedial powers, to order the construction of prisons or the raising of taxes, or to repeal or detract from otherwise applicable limitations on the remedial powers of the courts.

"(2) PRELIMINARY INJUNCTIVE RELIEF.—In any civil action with respect to prison conditions, to the extent otherwise authorized by law, the court may enter a temporary restraining order or an order for preliminary injunctive relief. Preliminary injunctive relief must be narrowly drawn, extend no further than necessary to correct the harm the court finds requires preliminary relief, and be the least intrusive means necessary to correct that harm. Preliminary injunctive relief shall automatically expire on the date that is 90 days after its entry, unless the court makes the findings required under subsection (a)(1) for the entry of prospective relief and makes the order final before the expiration of the 90-day period.

"(3) PRISONER RELEASE ORDER.—(A) In any civil action with respect to prison conditions, no prisoner release order shall be entered unless—

"(i) a court has previously entered an order for less intrusive relief that has failed to remedy the deprivation of the Federal right sought to be remedied through the prisoner release order; and

"(ii) the defendant has had a reasonable amount of time to comply with the previous court orders.

"(B) In any civil action in Federal court with respect to prison conditions, a prisoner release order shall be entered only by a three-judge court in accordance with section 2284 of title 28, if the requirements of subparagraph (E) have been met.

"(C) A party seeking a prisoner release order in Federal court shall file with any request for such relief, a request for a three-judge court and materials sufficient to demonstrate that the requirements of subparagraph (A) have been met.

"(D) If the requirements under subparagraph (A) have been met, a Federal judge before whom a civil action with respect to prison conditions is pending who believes that a prison release order should be considered may sua sponte request the convening of a three-judge court to determine whether a prisoner release order should be entered.

"(E) The court shall enter a prisoner release order only if the court finds—

"(i) by clear and convincing evidence—

"(I) that crowding is the primary cause of the violation of a Federal right; and

"(II) that no other relief will remedy the violation of the Federal right; and

"(ii) by a preponderance of the evidence—

"(I) that crowding has deprived a particular plaintiff or plaintiffs of at least one essential, identifiable human need; and

"(II) that prison officials have acted with obduracy and wantonness in depriving the particular plaintiff or plaintiffs of the one essential, identifiable human need caused by the crowding.

"(F) Any State or local official or unit of government whose jurisdiction or function includes the prosecution or custody of persons who may be released from, or not admitted to, a prison as a result of a prisoner release order shall have standing to oppose the imposition or continuation in effect of such relief and to seek termination of such relief, and shall have the right to intervene in any proceeding relating to such relief.

"(b) TERMINATION OF RELIEF.—

"(1) TERMINATION OF PROSPECTIVE RELIEF.—(A) In any civil action with respect to prison conditions in which prospective relief is ordered, such relief shall be terminable upon the motion of any party—

"(i) 2 years after the date the court granted or approved the prospective relief;

"(ii) 1 year after the date the court has entered an order denying termination of prospective relief under this paragraph; or

"(iii) in the case of an order issued on or before the date of enactment of the Prison Litigation Reform Act, 2 years after such date of enactment.

"(B) Nothing in this section shall prevent the parties from agreeing to terminate or modify relief before the relief is terminated under subparagraph (A).

"(2) IMMEDIATE TERMINATION OF PROSPECTIVE RELIEF.—In any civil action with respect to prison conditions, a defendant or intervener shall be entitled to the immediate termination of any prospective relief if the relief was approved or granted in the absence of a finding by the court that the relief is narrowly drawn, extends no further than necessary to correct the violation of the Federal right, and is the least intrusive means necessary to correct the violation of the Federal right.

"(3) LIMITATION.—Prospective relief shall not terminate if the court makes written findings based on the record that prospective relief remains necessary to correct a current or ongoing violation of the Federal right, extends no further than necessary to correct the violation of the Federal right, and that the prospective relief is narrowly drawn and the least intrusive means to correct the violation.

"(4) TERMINATION OR MODIFICATION OF RELIEF.—Nothing in this section shall prevent any party from seeking modification or termination before the relief is terminable under paragraph (1) or (2), to the extent that modification or termination would otherwise be legally permissible.

"(c) SETTLEMENTS.—

"(1) CONSENT DECREES.—In any civil action with respect to prison conditions, the court shall not enter or approve a consent decree unless it complies with the limitations on relief set forth in subsection (a).

"(2) PRIVATE SETTLEMENT AGREEMENTS.—(A) Nothing in this section shall preclude parties from entering into a private settlement agreement that does not comply with the limitations on relief set forth in subsection (a), if the terms of that agreement are not subject to court enforcement other than the reinstatement of the civil proceeding that the agreement settled.

"(B) Nothing in this section shall preclude any party claiming that a private settlement agreement has been breached from seeking in State court any remedy for breach of contract available under State law.

"(d) State Law Remedies.—The limitations on remedies in this section shall not apply to relief entered by a State court based solely upon claims arising under State law.

"(e) Procedure for Motions Affecting Prospective Relief.—

"(1) Generally.—The court shall promptly rule on any motion to modify or terminate prospective relief in a civil action with respect to prison conditions.

"(2) Automatic stay.—Any prospective relief subject to a pending motion shall be automatically stayed during the period—

"(A)(i) beginning on the 30th day after such motion is filed, in the case of a motion made under paragraph (1) or (2) of subsection (b); or

"(ii) beginning on the 180th day after such motion is filed, in the case of a motion made under subsection (b)(4); and

"(B) ending on the date the court enters a final order ruling on the motion.

"(f) Special Masters.—

"(1) In general.—(A) In any civil action in a Federal court with respect to prison conditions, the court may appoint a disinterested and objective special master, who will give due regard to the public safety, to conduct hearings on the record and prepare proposed findings of fact.

"(B) The court shall appoint a special master under this subsection during the remedial phase of the action only upon a finding that the remedial phase will be sufficiently complex to warrant the appointment.

"(2) Appointment.—(A) If the court determines that the appointment of a special master is necessary, the court shall request that the defendant institution and the plaintiff each submit a list of not more than 5 persons to serve as a special master.

"(B) Each party shall have the opportunity to remove up to 3 persons from the opposing party's list.

"(C) The court shall select the master from the persons remaining on the list after the operation of subparagraph (B).

"(3) Interlocutory appeal.—Any party shall have the right to an interlocutory appeal of the judge's selection of the special master under this subsection, on the ground of partiality.

"(4) Compensation.—The compensation to be allowed to a special master under this section shall be based on an hourly rate not greater than the hourly rate established under section 3006A for payment of court-appointed counsel, plus costs reasonably incurred by the special master. Such compensation and costs shall be paid with funds appropriated to the Federal Judiciary.

"(5) Regular review of appointment.—In any civil action with respect to prison conditions in which a special master is appointed under this subsection, the court shall review the appointment of the special master every 6 months to determine whether the services of the special master continue to be required under paragraph (1). In no event shall the appointment of a special master extend beyond the termination of the relief.

"(6) Limitations on powers and duties.—A special master appointed under this subsection—

"(A) shall make any findings based on the record as a whole;

"(B) shall not make any findings or communications ex parte; and

"(C) may be removed at any time, but shall be relieved of the appointment upon the termination of relief.

"(g) Definitions.—As used in this section—

"(1) the term 'consent decree' means any relief entered by the court that is based in whole or in part upon the consent or acquiescence of the parties but dues not include private settlements;

"(2) the term 'civil action with respect to prison conditions' means any civil proceeding arising under Federal law with respect to the conditions of confinement or the effects of actions by government officials on the lives of persons confined in prison, but does not include habeas corpus proceedings challenging the fact or duration of confinement in prison;

"(3) the term 'prisoner' means any person subject to incarceration, detention, or admission to any facility who is accused of, convicted of, sentenced for, or adjudicated delinquent for, violations of criminal law or the terms and conditions of parole, probation, pretrial release, or diversionary program;

"(4) the term 'prisoner release order' includes any order, including a temporary restraining order or preliminary injunctive relief, that has the purpose or effect of reducing or limiting the prison population, or that directs the release from or nonadmission of prisoners to a prison;

"(5) the term 'prison' means any Federal, State, or local facility that incarcerates or detains juveniles or adults accused of, convicted of, sentenced for, or adjudicated delinquent for, violations of criminal law;

"(6) the term 'private settlement agreement' means an agreement entered into among the parties that is not subject to judicial enforcement other than the reinstatement of the civil proceeding that the agreement settled;

"(7) the term 'prospective relief' means all relief other than compensatory monetary damages; and

"(8) the term 'relief' means all relief in any form that may be granted or approved by the court, and includes consent decrees but does not include private settlement agreements.".

(b) Application of Amendment.—

(1) In general.—Section 3626 of title 18, United States Code, as amended by this section, shall apply with respect to all prospective relief whether such relief was originally granted or approved before, on, or after the date of the enactment of this Act.

(2) Technical amendment.—Subsections (b) and (d) of section 20409 of the Violent Crime Control and Law Enforcement Act of 1994 are repealed.

(c) Clerical Amendment.—The table of sections at the beginning of subchapter C of chapter 229 of title 18, United States Code, is amended to read as follows:

"3626. Appropriate remedies with respect to prison conditions.".

SEC. 3. AMENDMENTS TO CIVIL RIGHTS OF INSTITUTIONALIZED PERSONS ACT.

(a) Initiation of Civil Actions.—Section 3(c) of the Civil Rights of Institutionalized Persons Act (42 U.S.C. 1997a(c)) (referred to in this section as the "Act") is amended to read as follows:

"(c) The Attorney General shall personally sign any complaint filed pursuant to this section.".

(b) Certification Requirements.—Section 4 of the Act (42 U.S.C. 1997b) is amended—

(1) in subsection (a)—

(A) by striking "he" each place it appears and inserting "the Attorney General"; and

(B) by striking "his" and inserting "the Attorney General's"; and

(2) by amending subsection (b) to read as follows:

"(b) The Attorney General shall personally sign any certification made pursuant to this section.".

(c) Intervention in Actions.—Section 5 of the Act (42 U.S.C. 1997c) is amended—

(1) in subsection (b)—

(A) in paragraph (1), by striking "he" each place it appears and inserting "the Attorney General"; and

(B) by amending paragraph (2) to read as follows:

"(2) The Attorney General shall personally sign any certification made pursuant to this section."; and

(2) by amending subsection (c) to read as follows:

"(c) The Attorney General shall personally sign any motion to intervene made pursuant to this section.".

(d) Suits by Prisoners.—Section 7 of the Act (42 U.S.C. 1997e) is amended to read as follows:

"SEC. 7. SUITS BY PRISONERS.

"(a) Applicability of Administrative Remedies.—No action shall be brought with respect to prison conditions under section 1979 of the Revised Statutes of the United States (42 U.S.C. 1983), or any other law, by a prisoner confined in any jail, prison, or other correctional facility until such administrative remedies as are available are exhausted.

"(b) Failure of State To Adopt or Adhere to Administrative Grievance Procedure.—The failure of a State to adopt or adhere to an administrative grievance procedure shall not constitute the basis for an action under section 3 or 5 of this Act.

"(c) Dismissal.—(1) The court shall on its own motion or on the motion of a party dismiss any action brought with respect to prison conditions under section 1979 of the Revised Statutes of the United States (42 U.S.C. 1983), or any other law, by a prisoner confined in any jail, prison, or other correctional facility if the court is satisfied that the action fails to state a claim upon which relief can be granted or is frivolous or malicious.

"(2) In the event that a claim is, on its face, frivolous or malicious, the court may dismiss the underlying claim without first requiring the exhaustion of administrative remedies.

"(d) Attorney's Fees.—(1) In any action brought by a prisoner who is confined to any jail, prison, or other correctional facility, in which attorney's fees are authorized under section 2 of the Revised Statutes of the United States (42 U.S.C. 1988), such fees shall not be awarded, except to the extent that—

"(A) the fee was directly and reasonably incurred in proving an actual violation of the plaintiff's rights protected by a statute pursuant to which a fee may be awarded under section 2 of the Revised Statutes; and

"(B) the amount of the fee is proportionately related to the court ordered relief for the violation.

"(2) Whenever a monetary judgment is awarded in an action described in paragraph (1), a portion of the judgment (not to exceed 25 percent) shall be applied to satisfy the amount of attorney's fees awarded against the defendant. If the award of attorney's fees is greater than 25 percent of the judgment, the excess shall be paid by the defendant.

"(3) No award of attorney's fees in an action described in paragraph (1) shall be based on an hourly rate greater than the hourly rate established under section 3006A of title 18, United States Code, for payment of court-appointed counsel.

"(4) Nothing in this subsection shall prohibit a prisoner from entering into an agreement to pay an attorney's fee in an amount greater than the amount authorized under this subsection, if the fee is paid by the individual rather than by the defendant pursuant to section 2 of the Revised Statutes of the United States (42 U.S.C. 1988).

"(e) Limitation on Recovery.—No Federal civil action may be brought by a prisoner confined in a jail, prison, or other correctional facility, for mental or emotional injury suffered while in custody without a prior showing of physical injury.

"(f) Hearing Location.—To the extent practicable, in any action brought with respect to prison conditions in Federal court pursuant to section 1979 of the Revised Statutes of the United States (42 U.S.C. 1983), or any other law, by a prisoner confined in any jail, prison, or other correctional facility, pretrial proceedings in which the prisoner's participation is required or permitted shall be conducted—

"(1) at the facility; or

"(2) by telephone or video conference without removing the prisoner from the facility in which the prisoner is confined.

Any State may adopt a similar requirement regarding hearings in such actions in that State's courts.

"(g) Waiver of Reply.—(1) Any defendant may waive the right to reply to any action brought by a prisoner confined in any jail, prison, or other correctional facility under section 1979 of the Revised Statutes of the United States (42 U.S.C. 1983) or any other law. Notwithstanding any other law or rule of procedure, such waiver shall not constitute an admission of the allegations contained in the complaint. No relief shall be granted to the plaintiff unless a reply has been filed.

"(2) The court may, in its discretion, require any defendant to reply to a complaint commenced under this section.

"(h) Definition.—As used in this section, the term 'prisoner' means any person incarcerated or detained in any facility who is accused of, convicted of, sentenced for, or adjudicated delinquent for, violations of criminal law or the terms and conditions of parole, probation, pretrial release, or diversionary program.".

(e) Report to Congress.—Section 8 of the Act (42 U.S.C. 1997f) is amended by striking "his report" and inserting "the report".

(f) Notice to Federal Departments.—Section 10 of the Act (42 U.S.C. 1997h) is amended—

(1) by striking "his action" and inserting "the action"; and

(2) by striking "he is satisfied" and inserting "the Attorney General is satisfied".

SEC. 4. PROCEEDINGS IN FORMA PAUPERIS.

(a) Filing Fees.—Section 1915 of title 28, United States Code, is amended—

(1) in subsection (a)—

(A) by striking "(a) Any" and inserting "(a)(1) Subject to subsection (b), any";

(B) by striking "and costs";

(C) by striking "makes affidavit" and inserting "submits an affidavit";

(D) by striking "such costs" and inserting "such fees";

(E) by striking "he" each place it appears and inserting "the person";

(F) by adding immediately after paragraph (1), the following new paragraph:

"(2) A prisoner seeking to bring a civil action or appeal a judgment in a civil action or proceeding without prepayment of fees or security therefor, in addition to filing the affidavit filed under paragraph (1), shall submit a certified copy of the trust fund account statement (or institutional equivalent) for the prisoner for the 6-month period immediately preceding the filing of the complaint or notice of appeal, obtained from the appropriate official of each prison at which the prisoner is or was confined."; and

(G) by striking "An appeal" and inserting "(3) An appeal";

(2) by redesignating subsections (b), (c), (d), and (e) as subsections (c), (d), (e), and (f), respectively;

(3) by inserting after subsection (a) the following new subsection:

"(b)(1) Notwithstanding subsection (a), if a prisoner brings a civil action or files an appeal in forma pauperis, the prisoner shall be required to pay the full amount of a filing fee. The court shall assess, and when funds exist, collect, as a partial payment of any court fees required by law, an initial partial filing fee of 20 percent of the greater of—

"(A) the average monthly deposits to the prisoner's account; or

"(B) the average monthly balance in the prisoner's account for the 6-month period immediately preceding the filing of the complaint or notice of appeal.

"(2) After payment of the initial partial filing fee, the prisoner shall be required to make monthly payments of 20 percent of the preceding month's income credited to the prisoner's account. The agency having custody of the prisoner shall forward payments from the prisoner's account to the clerk of the court each time the amount in the account exceeds $10 until the filing fees are paid.

"(3) In no event shall the filing fee collected exceed the amount of fees permitted by statute for the commencement of a civil action or an appeal of a civil action or criminal judgment.

"(4) In no event shall a prisoner be prohibited from bringing a civil action or appealing a civil or criminal judgment for the reason that the prisoner has no assets and no means by which to pay the initial partial filing fee.";

(4) in subsection (c), as redesignated by paragraph (2), by striking "subsection (a) of this section" and inserting "subsections (a) and (b) and the prepayment of any partial filing fee as may be required under subsection (b)"; and

(5) by amending subsection (e), as redesignated by paragraph (2), to read as follows:

"(e)(1) The court may request an attorney to represent any person unable to afford counsel.

"(2) Notwithstanding any filing fee that may have been paid, the court shall dismiss the case at any time if the court determines that—

"(A) the allegation of poverty is untrue; or

"(B) the action or appeal—

"(i) is frivolous or malicious; or

"(ii) fails to state a claim on which relief may be granted.".

(b) Costs.—Section 1915(f) of title 28, United States Code (as redesignated by subsection (a)(2)), is amended—

(1) by striking "(f) Judgment" and inserting "(f)(1) Judgment";

(2) by striking "cases" and inserting "proceedings"; and

(3) by adding at the end the following new paragraph:

"(2)(A) If the judgment against a prisoner includes the payment of costs under this subsection, the prisoner shall be required to pay the full amount of the costs ordered.

"(B) The prisoner shall be required to make payments for costs under this subsection in the same manner as is provided for filing fees under subsection (a)(2).

"(C) In no event shall the costs collected exceed the amount of the costs ordered by the court.".

(c) Successive Claims.—Section 1915 of title 28, United States Code, is amended by adding at the end the following new subsection:

"(g) In no event shall a prisoner in any prison bring a civil action or appeal a judgment in a civil action or proceeding under this section if the prisoner has, on 3 or more prior occasions, brought an action or appeal in a court of the United States that was dismissed on the grounds that it is frivolous, malicious, or fails to state a claim upon which relief may be granted, unless the prisoner is under imminent danger of serious bodily harm.".

(d) Definition.—Section 1915 of title 28, United States Code, is amended by adding at the end the following new subsection:

"(h) As used in this section, the term 'prisoner' means any person incarcerated or detained in any facility who is accused of, convicted of, sentenced for, or adjudicated delinquent for, violations of criminal law or the terms and conditions of parole, probation, pretrial release, or diversionary program.".

SEC. 5. JUDICIAL SCREENING.

(a) In General.—Chapter 123 of title 28, United States Code, is amended by inserting after section 1915 the following new section:

"§ 1915A. Screening

"(a) Screening.—The court shall review, before docketing, if feasible or, in any event, as soon as practicable after docketing, a complaint in a civil action in which a prisoner seeks redress from a governmental entity or officer or employee of a governmental entity.

"(b) Grounds for Dismissal.—On review, the court shall dismiss the complaint, or any portion of the complaint, if the complaint—

"(1) fails to state a claim upon which relief may be granted; or

"(2) seeks monetary relief from a defendant who is immune from such relief.

"(c) Definition.—As used in this section, the term 'prisoner' means any person incarcerated or detained in any facility who is accused of, convicted of, sentenced for, or adjudicated delinquent for, violations of criminal law or the terms and conditions of parole, probation, pretrial release, or diversionary program.".

(b) Technical Amendment.—The analysis for chapter 123 of title 28, United States Code, is amended by inserting after the item relating to section 1915 the following new item:

"1915A. Screening.".

SEC. 6. FEDERAL TORT CLAIMS.

Section 1346(b) of title 28, United States Code, is amended—

(1) by striking "(b)" and inserting "(b)(1)"; and

(2) by adding at the end the following:

"(2) No person convicted of a felony who is incarcerated while awaiting sentencing or while serving a sentence may bring a civil action against the United States or an agency, officer, or employee of the Government, for mental or emotional injury suffered while in custody without a prior showing of physical injury.".

SEC. 7. EARNED RELEASE CREDIT OR GOOD TIME CREDIT REVOCATION.

(a) In General.—Chapter 123 of title 28, United States Code, is amended by adding at the end the following new section:

"§ 1932. Revocation of earned release credit

"In any civil action brought by an adult convicted of a crime and confined in a Federal correctional facility, the court may order the revocation of such earned good time credit under section 3624(b) of title 18, United States Code, that has not yet vested, if, on its own motion or the motion of any party, the court finds that—

"(1) the claim was filed for a malicious purpose;

"(2) the claim was filed solely to harass the party against which it was filed; or

"(3) the claimant testifies falsely or otherwise knowingly presents false evidence or information to the court.".

(b) TECHNICAL AMENDMENT.—The analysis for chapter 123 of title 28, United States Code, is amended by inserting after the item relating to section 1931 the following:

"1932. Revocation of earned release credit.".

(c) AMENDMENT OF SECTION 3624 OF TITLE 18.—Section 3624(b) of title 18, United States Code, is amended—

(1) in paragraph (1)—

(A) by striking the first sentence;

(B) in the second sentence—

(i) by striking "A prisoner" and inserting "Subject to paragraph (2), a prisoner";

(ii) by striking "for a crime of violence,"; and

(iii) by striking "such";

(C) in the third sentence, by striking "If the Bureau" and inserting "Subject to paragraph (2), if the Bureau";

(D) by striking the fourth sentence and inserting the following: "In awarding credit under this section, the Bureau shall consider whether the prisoner, during the relevant period, has earned, or is making satisfactory progress toward earning, a high school diploma or an equivalent degree."; and

(E) in the sixth sentence, by striking "Credit for the last" and inserting "Subject to paragraph (2), credit for the last"; and

(2) by amending paragraph (2) to read as follows:

"(2) Notwithstanding any other law, credit awarded under this subsection after the date of enactment of the Prison Litigation Reform Act shall vest on the date the prisoner is released from custody.".

PRISON LITIGATION REFORM ACT OF 1995—SECTION SUMMARY

Section 1: Short Title:

Entitles the Act as the "Prison Litigation Reform Act of 1995."

Section 2: Appropriate Remedies for Prison Conditions:

This section limits the remedies available to federal courts in suits challenging conditions of confinement and defines the procedures for seeking, enforcing, and terminating remedial relief in these cases. Highlights include appointment of a special 3-judge panel to consider any order that would impose a population cap on a prison or jail.

Prospective relief in prison conditions cases would not be allowed to extend any further than necessary to correct the violation of a federal right of an identifiable plaintiff. Federal courts would have to ensure that the relief is narrowly drawn and that it is the least intrusive means of correcting the violation, giving substantial weight to any adverse impact the relief might have on public safety.

Preliminary injunctive relief would expire after 90 days, unless made final before that date.

No prison population cap could be imposed unless:

(a) the court had previously entered an order for a less intrusive remedy that, after sufficient time for implementation, failed to correct the violation of the federal right; and

(b) a 3-judge panel finds by clear and convincing evidence that crowding is the primary cause of the violation and no other relief will remedy it, and finds by a preponderance of the evidence that crowding has deprived an identifiable plaintiff of an essential human need.

Public officials whose function includes the prosecution or custody of persons who could be released from, or not admitted to, a prison or jail as a result of a population cap would have standing to challenge the imposition or continuation of such a cap.

Prosective relief granted in conditions of confinement cases may be terminated on the motion of either party unless the court finds, based on the record, that the relief remains necessary to correct a current, ongoing violation of a federal right, and that the relief extends no further than necessary, is narrowly drawn, and is the least intrusive means to correct the violation of the right.

Federal court approval of consent decrees would be subject to the same limitations. Private settlements and remedies under state law would be unaffected.

The court would be required to rule promptly on any motion to modify or terminate prospective relief. After 30 days, an automatic stay on the prospective relief would apply during the pendency of the motion.

Courts would be authorized to employ an impartial special master for the preparation of proposed findings of fact in the remedial phase of complex prison conditions cases. The special master would be appointed from lists submitted by both parties, and would be compensated at a rate no higher than that for federal court-appointed counsel. The appointment would be reviewed every 6 months, and would lapse at the termination of the prospective relief. The special master's findings would be required to be on the record, and no ex parte findings or communications would be permitted.

Section 3: Amendments to Civil Rights of Institutionalized Persons Act (CRIPA):

Subsections (a) through (c): Technical amendments concerning references to the Attorney General.

Subsection (d): Suits by Prisoners.

This subsection rewrites Section 7 of CRIPA (42 U.S.C. 1997e), which is currently limited to provisions related to administrative remedies in connection with inmate lawsuits, to establish broader standards to govern suits filed by prisoners.

Requires inmates' administrative remedies be exhausted prior to the filing of a suit in federal court; removes requirement that state administrative remedies be certified by the Attorney General of the United States. Retains provision of current law stating that the absence of administrative remedies by itself does not provide the Attorney General with grounds to bring or intervene in a suit against a state or local prison.

Permits the court to dismiss, without hearing, inmate suits that are frivolous or malicious.

Limits attorney's fees that may be awarded to successful inmate plaintiffs. Fees must be directly and reasonably incurred in proving an actual violation of a plaintiff's rights, and would be based on an hourly rate no higher than that for other federal court appointed counsel. Also requires that up to 25% of a plaintiff's monetary judgement be applied towards attorney's fees.

Limits prisoner suits in federal court for mental or emotional injury to instances where the plaintiff shows physical injury as well.

Provides that in civil suits brought by a prisoner, any pretrial proceedings in which the prisoner must or may participate may be conducted at the prison or jail, by teleconference, or by videoconference whenever practicable.

Permits the defendant in a prisoner-initiated suit to waive reply without default, unless the reply is required by the court.

Subsections (e) and (f): Technical amendments concerning references to the Attorney General.

Section 4: Proceedings In Forma Pauperis:

This section reforms the filing of suits in forma pauperis by prisoners.

Requires an inmate seeking to file in forma pauperis to submit to the court a certified copy of the inmate's prison trust fund account.

Requires prisoners seeking to file in forma pauperis to pay, in installments, the full amount of filing fees, unless the prisoner has absolutely no assets.

Provides for appointed counsel for indigent in forma pauperis litigants, and requires the court to dismiss a suit filed in forma pauperis if the allegation of poverty is untrue, or if the suit is frivolous or malicious.

Requires payment of costs by unsuccessful prisoner litigants in the same manner as filing fees, if the judgment against the prisoner includes costs.

Prohibits, except in narrow circumstances, the filing of an in forma pauperis suit by a prisoner, who, on at least 3 prior occasions, has brought a suit that was dismissed because it was frivolous, malicious, or failed to state a claim upon which relief could be granted.

Section 5: Judicial Screening:

Requires judicial pre-screening of prisoner suits against government entities or employees; requires dismissal of suits which fail to state a claim upon which relief can be granted, or which seek monetary damages from an immune defendant.

Section 6: Federal Tort Claims:

Limits prisoner suits against the federal government for mental or emotional injury under the Federal Tort Claims Act to instances where the plaintiff shows physical injury as well.

Section 7: Earned Release Credit or Good Time Credit Revocation:

Reforms provisions governing the awarding of "good time" credit in the federal prison system.

Subsections (a) and (b): Permits a federal court to order the revocation of a federal prisoner's good time credit as a sanction for the filing of malicious or harassing claims, or for the knowing presentation of false evidence to the court.

Subsection (c): Revises present "good time" statute.

Requires exemplary adherence to prison rules by all prisoners in order to qualify for good time credit and permits Bureau of Prisons to award partial credit at its option.

Provides that progress toward a high school equivalency degree should be a factor for consideration in awarding good time credit.

Provides that future awards of good time credit will not vest prior to the prisoner's actual release date. Returns to the standard that applied prior to the enactment of the Sentencing Reform Act of 1986.

NATIONAL ASSOCIATION OF
ATTORNEYS GENERAL,
Washington, DC, September 19, 1995.

Re Frivolous Inmate Litigation: Proposed Amendment to the Commerce, Justice, State Appropriations Bill.

Hon. BOB DOLE,
Senate Majority Leader, U.S. Senate, Washington, DC.

DEAR SENATOR DOLE: We write on behalf of the Inmate Litigation Task Force of the National Association of Attorneys General to express our strong support for the Prison Litigation Reform Act, which we understand you intend to offer as an amendment to the Appropriations Bill for Commerce, Justice, State and Related Agencies. As you know, the issue of frivolous inmate litigation has been a major priority of this Association for a number of years. Although a number of states—including our own—have enacted state legislation to address this issue, the states alone cannot solve this problem because the vast majority of these suits are brought in federal courts under federal laws. We thank you for recognizing the importance of federal legislation to curb the epidemic of frivolous inmate litigation that is plaguing this country.

Although numbers are not available for all of the states, 33 states have estimated that together inmate civil rights suits cost them at least $54.5 million annually. Extrapolating this figure to all 50 states, we estimate that inmate civil rights suits cost states at least $81.3 million per year. Experience at both the federal and state level suggests that, while all of these cases are not frivolous, more than 95 percent of inmate civil rights suits are dismissed without the inmate receiving anything. Although occasional meritorious claims absorb state resources, nonetheless, we believe the vast majority of the $81.3 million figure is attributable to the non-meritorious cases.

We have not had an opportunity to discuss the specifics of the amendment with every Attorney General, however, we are confident that they would concur in our view that this amendment will take us a long way toward curing the vexatious and expensive problem of frivolous inmate lawsuits. Thank you again for championing this important issue, along with Senators Hatch, Kyl, Reid and others, as it is a top priority for virtually every Attorney General. Your leadership on this issue and your continued commitment to this common sense legal reform is very important to us and our colleagues.

Sincerely,

FRANKIE SUE DEL PAPA,
Attorney General of Nevada, Chair, NAAG Inmate Litigation Task Force.
DANIEL E. LUNGREN,
Attorney General of California, Chair, NAAG Criminal Law Committee,
GRANT WOODS,
Attorney General of Arizona, Vice-Chair, NAAG Inmate Litigation Task Force,
JEREMIAH W. NIXON,
Attorney General of Missouri, Vice-Chair, NAAG Criminal Law Committee.

Mr. HATCH. Mr. President, I am pleased to be joined by the majority leader and Senators KYL, ABRAHAM, REID, THURMOND, SPECTER, HUTCHISON, D'AMATO, SANTORUM, and GRAMM in introducing the Prison Litigation Reform Act of 1995. This landmark legislation will help bring relief to a civil justice system overburdened by frivolous prisoner lawsuits. Jailhouse lawyers with little else to do are tying our courts in knots with an endless flood of frivolous litigation.

Our legislation will also help restore balance to prison conditions litigation and will ensure that Federal court orders are limited to remedying actual violations of prisoners' rights, not letting prisoners out of jail. It is past time to slam shut the revolving door on the prison gate and to put the key safely out of reach of overzealous Federal courts.

As of January 1994, 24 corrections agencies reported having court-mandated population caps. Nearly every day we hear of vicious crimes committed by individuals who should have been locked up. Not all of these tragedies are the result of court-ordered population caps, of course, but such caps are a part of the problem. While prison conditions that actually violate the Constitution should not be allowed to persist, I believe that the courts have gone too far in micromanaging our Nation's prisons.

Our legislation also addresses the flood of frivolous lawsuits brought by inmates. In 1994, over 39,000 lawsuits were filed by inmates in Federal courts, a staggering 15 percent increase over the number filed the previous year. The vast majority of these suits are completely without merit. Indeed, roughly 94.7 percent are dismissed before the pretrial phase, and only a scant 3.1 percent have enough validity to reach trial. In my State of Utah, 297 inmate suits were filed in Federal courts during 1994, which accounted for 22 percent of all Federal civil cases filed in Utah last year. I should emphasize that these numbers do not include habeas corpus petitions or other cases challenging the inmate's conviction or sentence. The crushing burden of these frivolous suits makes it difficult for courts to consider meritorious claims.

In one frivolous case in Utah, an inmate sued demanding that he be issued Reebok or L.A. Gear brand shoes instead of the Converse brand being issued. In another case, an inmate deliberately flooded his cell, and then sued the officers who cleaned up the mess because they got his Pinochle cards wet.

It is time to stop this ridiculous waste of the taxpayers' money. The huge costs imposed on State governments to defend against these meritless suits is another kind of crime committed against law-abiding citizens.

Mr. President, this legislation enjoys broad, bipartisan support from State attorneys general across the Nation. We believe with them that it is time to wrest control of our prisons from the lawyers and the inmates and return that control to competent administrators appointed to look out for society's interests as well as the legitimate needs of prisoners. I urge my colleagues to support this bill, and look forward to securing its quick passage by the Senate.

Mr. KYL. Mr. President, special masters, who are supposed to assist judges as factfinders in complex litigation, have all too often been improperly used in prison condition cases. In Arizona, special masters have micromanaged the department of corrections, and have performed all manner of services in behalf of convicted felons, from maintaining lavish law libraries to distributing up to 750 tons of Christmas packages each year. Special masters appointed to oversee prison litigation have cost Arizona taxpayers more than $320,000 since 1992. One special master was even allowed to hire a chauffeur, at taxpayers' expense, because he said he had a bad back.

The Prison Litigation Reform Act, introduced as an amendment to the Commerce/Justice/State appropriations bill, requires the Federal judiciary, not the States, to foot the bill for special masters in prison litigation cases. Last July the Arizona legislature and Governor Symington cut off funds to special masters. It's time we take the Arizona model to the rest of the States.

The amendment also addresses prison litigation reform. Many people think of prison inmates as spending their free time in the weight room or the television lounge. But the most crowded place in today's prisons may be the law library. Federal prison lawsuits have risen from 2,000 in 1970 to 39,000 in 1994. In the words of the Third Circuit Court of Appeals, suing has because, recreational activity for long-term residents of our prisons.

Today's system seems to encourage prisoners to file with impunity. After all, it's free. And a courtroom is certainly a more hospitable place to spend an afternoon than a prison cell. Prisoners file free lawsuits in response to almost any perceived slight or inconvenience—being served chunky instead of creamy peanut butter, for instance, or being denied the use of a Gameboy video game—a case which prompted a lawsuit in my home State of Arizona.

These prisoners are victimizing society twice—first when they commit the crime that put them in prison, and second when they waste our hard-earned tax dollars while cases based on serious grievances languish on the court calendar.

In Arizona, Attorney General Grant Woods, who is here with us today, used to spend well over $1 million a year processing and defending against frivolous inmate lawsuits. But Grant successfully championed a reform bill, which went into effect last year, and the number of prison lawsuits was cut in half. Arizona prisoners still have the right to seek legal redress for meritorious claims, but the time and money once spent defending frivolous suits is now used to settle legitimate claims in a timely manner.

But the States alone cannot solve this problem. The vast majority of frivolous suits are brought in Federal courts under Federal laws—which is why I introduced the Prison Litigation Reform Act of 1995 last may with Senators DOLE and HATCH. We are incorporating that legislation into the Commerce/Justice/State amendment.

Federal prisoners are churning out lawsuits with no regard to this cost to the taxpayers or their legal merit. We can no longer ignore this abuse of our court system and taxpayers' funds. With the support of attorneys general around the country, I am confident that we will see real reform on this issue.

Mr. ABRAHAM. Mr. President, the legislation we are introducing today will play a critical role in restoring public confidence in Government's ability to protect the public safety. Moreover, it will accomplish this important purpose not by spending more taxpayer money but by saving it.

I would like to focus my remarks on the provisions addressing the proper scope of court-ordered remedies in prison conditions cases.

In many jurisdictions, including my own State of Michigan, judicial orders entered under Federal law have effectively turned control of the prison system away from elected officials accountable to the taxpayer, and over to the courts. The courts, in turn, raise the costs of running prisons far beyond what is necessary. In the process, they also undermine the legitimacy and punitive and deterrent effect of prison sentences.

Let me tell you a little bit about how this works.

Under a series of judicial decrees resulting from Justice Department suits against the Michigan Department of Corrections, the Federal courts now monitor our State prisons to determine.

First, how warm the food is; second, how bright the lights are; third, whether there are electrical outlets in each cell; fourth, whether windows are inspected and up to code; fifth, whether prisoners' hair is cut only by licensed barbers; and sixth, and whether air and water temperatures are comfortable.

This would be bad enough if a court had ever found that Michigan's prison system was at some point in violation of the Constitution, or if conditions there had been inhumane. But that is not the case.

To the contrary, nearly all of Michigan's facilities are fully accredited by the American Corrections Association. We have what may be the most extensive training program in the Nation for corrections officers. Our rate of prison violence is among the lowest of any State. And we spend an average of $4,000 a year per prisoner for health care, including nearly $1,700 for mental health services.

Rather, the judicial intervention is the result of a consent decree that Michigan entered into in 1982—13 years ago—that was supposed to end a lawsuit filed at the same time. Instead, the decree has been a source of continuous litigation and intervention by the court into the minutia of prison operations.

I think this is all wrong. People deserve to keep their tax dollars or have them spent on projects they approve. They deserve better than to have their money spent, on keeping prisoners in conditions some Federal judge feels are desirable, although not required by any provision of the Constitution or any law. And they certainly don't need it spent on defending against endless prisoner lawsuits.

Meanwhile, criminals, while they must be accorded their constitutional rights, deserve to be punished. Obviously, they should not be tortured or treated cruelly. At the same time, they also should not have all the rights and privileges the rest of us enjoy. Rather, their lives should, on the whole, be describable by the old concept known as "hard time."

By interfering with the fulfillment of this punitive function, the courts are effectively seriously undermining the entire criminal justice system. The legislation we are introducing today will return sanity and State control to our prison systems.

Our bill forbids courts from entering orders for prospective relief (such as regulating food temperatures) unless the order is necessary to correct violations of individual plaintiffs' Federal rights. It also requires that the relief be narrowly drawn and be the least intrusive means of protecting the Federal rights. And it directs courts to give substantial weight to any adverse impact on public safety or the operation of the criminal justice system caused by the relief.

It also provides that any party can seek to have a court decree ended after 2 years, and that the court will order it ended unless there is still a constitutional violation that needs to be corrected.

As a result, no longer will prison administration be turned over to Federal judges for the indefinite future for the slightest reason. Instead, the States will be able to run prisons as they see fit unless there is a constitutional violation, in which case a narrowly tailored order to correct the violation may be entered.

This is a balanced bill that allows the courts to step in where they are needed, but puts an end to unnecessary judicial intervention and micromanagement. I thank all my colleagues for their interest in this matter and hope we will be able to get something enacted soon.

ADDITIONAL COSPONSORS

S. 773

At the request of Mrs. KASSEBAUM, the name of the Senator from Alaska [Mr. STEVENS] was added as a cosponsor of S. 773, a bill to amend the Federal Food, Drug, and Cosmetic Act to provide for improvements in the process of approving and using animal drugs, and for other purposes.

S. 881

At the request of Mr. PRYOR, the names of the Senator from Vermont [Mr. LEAHY] and the Senator from Mississippi [Mr. LOTT] were added as cosponsors of S. 881, a bill to amend the Internal Revenue Code of 1986 to clarify provisions relating to church pension benefit plans, to modify certain provisions relating to participants in such plans, to reduce the complexity of and to bring workable consistency to the applicable rules, to promote retirement savings and benefits, and for other purposes.

S. 896

At the request of Mr. CHAFEE, the name of the Senator from North Dakota [Mr. DORGAN] was added as a cosponsor of S. 896, a bill to amend title XIX of the Social Security Act to make certain technical corrections relating to physicians' services, and for other purposes.

S. 949

At the request of Mr. GRAHAM, the names of the Senator from Kansas [Mr. DOLE], the Senator from Louisiana [Mr. JOHNSTON], the Senator from Illinois [Ms. MOSELEY-BRAUN], and the Senator from Minnesota [Mr. WELLSTONE] were added as cosponsors of S. 949, a bill to require the Secretary of the Treasury to mint coins in commemoration of the 200th anniversary of the death of George Washington.

S. 953

At the request of Mr. CHAFEE, the name of the Senator from North Dakota [Mr. CONRAD] was added as a cosponsor of S. 953, a bill to require the Secretary of the Treasury to mint coins in commemoration of black Revolutionary War patriots.

S. 955

At the request of Mr. HATCH, the name of the Senator from Vermont [Mr. JEFFORDS] was added as a cosponsor of S. 955, a bill to clarify the scope of coverage and amount of payment under the medicare program of items and services associated with the use in the furnishing of inpatient hospital services of certain medical devices approved for investigational use.

S. 1006

At the request of Mr. PRYOR, the name of the Senator from Wyoming [Mr. SIMPSON] was added as a cosponsor of S. 1006, a bill to amend the Internal Revenue Code of 1986 to simplify the pension laws, and for other purposes.

S. 1052

At the request of Mr. HATCH, the name of the Senator from New Hampshire [Mr. GREGG] was added as a cosponsor of S. 1052, a bill to amend the Internal Revenue Code of 1986 to make permanent the credit for clinical testing expenses for certain drugs for rare diseases or conditions and to provide for carryovers and carrybacks of unused credits.

S. 1200

At the request of Ms. SNOWE, the name of the Senator from Virginia [Mr. ROBB] was added as a cosponsor of S. 1200, a bill to establish and implement efforts to eliminate restrictions on the enclaved people of Cyprus.

S. 1219

At the request of Mr. FEINGOLD, the name of the Senator from New Mexico [Mr. BINGAMAN] was added as a cosponsor of S. 1219, a bill to reform the financing of Federal elections, and for other purposes.

AMENDMENT NO. 2784

At the request of Mr. KERRY his name was added as a cosponsor of amendment No. 2784 proposed to H.R. 2099, a bill making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for fiscal year ending September 30, 1996, and for other purposes.

AMENDMENT NO. 2785

At the request of Mr. ROCKEFELLER the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of amendment No. 2785 proposed to H.R. 2099, a bill making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for fiscal year ending September 30, 1996, and for other purposes.

AMENDMENT NO. 2786

At the request of Mr. BAUCUS the names of the Senator from Washington [Mrs. MURRAY] and the Senator from Minnesota [Mr. WELLSTONE] were added as cosponsors of Amendment No. 2786 proposed to H.R. 2099, a bill making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for fiscal year ending September 30, 1996, and for other purposes.

AMENDMENTS SUBMITTED

THE VA-HUD APPROPRIATIONS ACT FOR FISCAL YEAR 1996

LAUTENBERG (AND ROBB)
AMENDMENT NO. 2788

Mr. LAUTENBERG (for himself and Mr. ROBB) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for fiscal year ending September 30, 1996, and for other purposes; as follows:

On page 141, line 4, strike beginning with "$1,003,400,000" through page 152, line 9, and insert the following: "$1,435,000,000 to remain available until expended, consisting of $1,185,000,000 as authorized by section 517(a) of the Superfund Amendments and Reauthorization Act of 1986 (SARA), as amended by Public Law 101–508, and $250,000,000 as a payment from general revenues to the Hazardous Substance Superfund as authorized by section 517(b) of SARA, as amended by Public Law 101–508: *Provided*, That funds appropriated under this heading may be allocated to other Federal agencies in accordance with section 111(a) of CERCLA: *Provided further*, That $11,700,000 of the funds appropriated under this heading shall be transferred to the Office of Inspector General appropriation to remain available until September 30, 1996: *Provided further*, That notwithstanding section 111(m) of CERCLA or any other provision of law, not to exceed $64,000,000 of the funds appropriated under this heading shall be available to the Agency for Toxic Substances and Disease Registry to carry out activities described in sections 104(i), 111(c)(4), and 111(c)(14) of CERCLA and section 118(f) of the Superfund Amendments and Reauthorization Act of 1986: *Provided further*, That none of the funds appropriated under this heading shall be available for the Agency for Toxic Substances and Disease Registry to issue in excess of 40 toxicological profiles pursuant to section 104(i) of CERCLA during fiscal year 1996: *Provided further*, That none of the funds made available under this heading may be used by the Environmental Protection Agency to propose for listing or to list any additional facilities on the National Priorities List established by section 105 of the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), as amended (42 U.S.C. 9605), unless the Administrator receives a written request to propose for listing or to list a facility from the Governor of the State in which the facility is located, or appropriate tribal leader, or unless legislation to reauthorize CERCLA is enacted.

LEAKING UNDERGROUND STORAGE TANK TRUST FUND

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses to carry out leaking underground storage tank cleanup activities authorized by section 205 of the Superfund Amendments and Reauthorization Act of 1986, and for construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $75,000 per project, $45,827,000, to remain available until expended: *Provided*, That no more than $8,000,000 shall be available for administrative expenses: *Provided further*, That $600,000 shall be transferred to the Office of Inspector General appropriation to remain available until September 30, 1996.

OIL SPILL RESPONSE

(INCLUDING TRANSFER OF FUNDS)

For expenses necessary to carry out the Environmental Protection Agency's responsibilities under the Oil Pollution Act of 1990, $15,000,000, to be derived from the Oil Spill Liability trust fund, and to remain available until expended: *Provided*, That not more than $8,000,000 of these funds shall be available for administrative expenses.

PROGRAM AND INFRASTRUCTURE ASSISTANCE

For environmental programs and infrastructure assistance, including capitalization grants for state revolving funds and performance partnership grants, $2,668,000,000, to remain available until expended, of which $1,828,000,000 shall be for making capitalization grants for State revolving funds to support water infrastructure financing; $100,000,000 for architectural, engineering, design, construction and related activities in connection with the construction of high priority water and wastewater facilities in the area of the United States-Mexico Border, after consultation with the appropriate border commission; $50,000,000 for grants to the State of Texas, which shall be matched by an equal amount of State funds from State resources, for the purpose of improving wastewater treatment for colonias; and $15,000,000 for grants to the State of Alaska, subject to an appropriate cost share as determined by the Administrator, to address wastewater infrastructure needs of Alaska Native villages: *Provided*, That beginning in fiscal year 1996 and each fiscal year thereafter, and notwithstanding any other provision of law, the Administrator is authorized to make grants annually from funds appropriated under this heading, subject to such terms and conditions as the Administrator shall establish, to any State or federally recognized Indian tribe for multimedia or single media pollution prevention, control and abatement and related environmental activities at the request of the Governor or other appropriate State official or the tribe: *Provided further*, That from funds appropriated under this heading, the Administrator may make grants to federally recognized Indian governments for the development of multimedia environmental programs: *Provided further*, That of the $1,828,000,000 for capitalization grants for State revolving funds to support water infrastructure financing, $500,000,000 shall be for drinking water State revolving funds, but if no drinking water State revolving fund legislation is enacted by December 31, 1995, these funds shall immediately be available for making capitalization grants under title VI of the Federal Water Pollution Control Act, as amended: *Provided further*, That of the funds made available under this heading in Public Law 103–327 and in Public Law 103–124 for capitalization grants for State revolving funds to support water infrastructure financing, $225,000,000 shall be made available for capitalization grants for State revolving funds under title VI of the Federal Water Pollution Control Act, as amended, if no drinking water State revolving fund legislation is enacted by December 31, 1995.

ADMINISTRATIVE PROVISIONS

SEC. 301. MORATORIUM ON CERTAIN EMISSIONS TESTING REQUIREMENTS.

(a) MORATORIUM.—

(1) IN GENERAL.—The Administrator of the Environmental Protection Agency (referred to in this subsection as the "Administrator") shall not require adoption or implementation by a State of a test-only or I/M240 enhanced vehicle inspection and maintenance program as a means of compliance with section 182 of the Clean Air Act (42 U.S.C. 7511a), but the Administrator may approve such a program if a State chooses to adopt the program as a means of compliance.

(2) REPEAL.—Paragraph (1) is repealed effective as of the date that is 1 year after the date of enactment of this Act.

(b) PLAN APPROVAL.—

(1) IN GENERAL.—The Administrator of the Environmental Protection Agency (referred

to in this subsection as the "Administrator") shall not disapprove a State implementation plan revision under section 182 of the Clean Air Act (42 U.S.C. 7511a) on the basis of a regulation providing for a 50-percent discount for alternative test-and-repair inspection and maintenance programs.

(2) CREDIT.—If a State provides data for a proposed inspection and maintenance system for which credits are appropriate under section 182 of the Clean Air Act (42 U.S.C. 7511a), the Administrator shall allow the full amount of credit for the system that is appropriate without regard to any regulation that implements that section by requiring centralized emissions testing.

(3) DEADLINE.—The Administrator shall complete and present a technical assessment of data for a proposed inspection and maintenance system submitted by a State not later than 45 days after the date of submission.

SEC. 302. None of the funds made available in this Act may be used by the Environmental Protection Agency to impose or enforce any requirement that a State implement trip reduction measures to reduce vehicular emissions. Section 304 of the Clean Air Act (42 U.S.C. 7604) shall not apply with respect to any such requirement during the period beginning on the date of the enactment of this Act and ending September 30, 1996.

SEC. 303. None of the funds provided in this Act may be used within the Environmental Protection Agency for any final action by the Administrator or her delegate for signing and publishing for promulgation a rule concerning any new standard for arsenic, sulfates, radon, ground water disinfection, or the contaminants in phase IV B in drinking water, unless the Safe Drinking Water Act of 1986 has been reauthorized.

SEC. 304. None of the funds provided in this Act may be used during fiscal year 1996 to sign, promulgate, implement or enforce the requirement proposed as "Regulation of Fuels and Fuel Additives: Individual Foreign Refinery Baseline Requirements for Reformulated Gasoline" at volume 59 of the Federal Register at pages 22800 through 22814.

SEC. 305. None of the funds appropriated to the Environmental Protection Agency for fiscal year 1996 may be used to implement section 404(c) of the Federal Water Pollution Control Act, as amended. No pending action by the Environmental Protection Agency to implement section 404(c) with respect to an individual permit shall remain in effect after the date of enactment of this Act.

SEC. 306. Notwithstanding any other provision of law, for this fiscal year and hereafter, an industrial discharger to the Kalamazoo Water Reclamation Plant, an advanced wastewater treatment plant with activated carbon, may be exempted from categorical pretreatment standards under section 307(b) of the Federal Water Pollution Control Act, as amended, if the following conditions are met: (1) the Kalamazoo Water Reclamation Plant applies to the State of Michigan for an exemption for such industrial discharger and (2) the State or the Administrator, as applicable, approves such exemption request based upon a determination that the Kalamazoo Water Reclamation Plant will provide treatment consistent with or better than treatment requirements set forth by the EPA, and there exists an operative financial contract between the City of Kalamazoo and the industrial user and an approved local pretreatment program, including a joint monitoring program and local controls to prevent against interference and pass through.

SEC. 307. No funds appropriated by this Act may be used during fiscal year 1996 to enforce the requirements of section 211(m)(2) of the Clean Air Act that require fuel refiners, marketers, or persons who sell or dispense fuel to ultimate consumers in any carbon monoxide nonattainment area in Alaska to use methyl tertiary butyl ether (MTBE) to meet the oxygen requirements of that section.

EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF SCIENCE AND TECHNOLOGY POLICY

For necessary expenses of the Office of Science and Technology Policy, in carrying out the purposes of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6601 and 6671), hire of passenger motor vehicles, services as authorized by 5 U.S.C. 3109, not to exceed $2,500 for official reception and representation expenses, and rental of conference rooms in the District of Columbia, $4,981,000: *Provided*, That the Office of Science and Technology Policy shall reimburse other agencies for not less than one-half of the personnel compensation costs of individuals detailed to it.

COUNCIL ON ENVIRONMENTAL QUALITY AND OFFICE OF ENVIRONMENTAL QUALITY

For necessary expenses to continue functions assigned to the Council on Environmental Quality and Office of Environmental Quality pursuant to the National Environmental Policy Act of 1969, the Environmental Improvement Act of 1970 and Reorganization Plan No. 1 of 1977, $2,188,000.

ADMINISTRATIVE PROVISIONS

SEC. 401. Section 105(b) of House Concurrent Resolution 67 (104th Congress, 1st Session) is amended to read as follows:

"(b) RECONCILIATION OF REVENUE REDUCTIONS IN THE SENATE.—

"(1) CERTIFICATION.—(A) In the Senate, upon the certification pursuant to section 205(a) of this resolution, the Senate Committee on Finance shall submit its recommendations pursuant to paragraph (2) to the Senate Committee on the Budget. After receiving the recommendations, the Committee on the Budget shall add such recommendations to the recommendations submitted pursuant to subsection (a) and report a reconciliation bill carrying out all such recommendations without any substantive revision.

"(B) The Chair of the Committee on the Budget shall file with the Senate revised allocations, aggregates, and discretionary spending limits under section 201(a)(1)(B) increasing budget authority by $760,788,000 and outlays by $760,788,000.

"(2) COMMITTEE ON FINANCE.—Funding for this section shall be provided by limiting any tax cut provided in the reconciliation bill to families with incomes less than $150,000.".

FEINGOLD (AND OTHERS) AMENDMENT NO. 2789

Mr. FEINGOLD (for himself, Ms. MOSELEY-BRAUN, Mr. KENNEDY, Mr. BRADLEY, Mr. WELLSTONE, Ms. MIKULSKI, and Mr. SIMON) proposed an amendment to the bill H.R. 2099, supra; as follows:

On page 125, strike lines 12 through 17.

CHAFEE (AND LEVIN) AMENDMENT NO. 2790

Mr. CHAFEE (for himself and Mr. LEVIN) proposed an amendment to the bill H.R. 2099, supra; as follows:

On page 150, strike lines 12 through 24, and insert the following: "for this fiscal year and hereafter, an industrial discharger that is a pharmaceutical manufacturing facility and discharged to the Kalamazoo Water Reclamation Plant (an advanced wastewater treatment plant with activated carbon) prior to the date of enactment of this Act may be exempted from categorical pretreatment standards under section 307(b) of the Federal Water Pollution Control Act, as amended, if the following conditions are met: (1) the owner or operator of the Kalamazoo Water Reclamation Plant applies to the State of Michigan for an exemption for such industrial discharger, (2) the State or Administrator, as applicable, approves such exemption request based upon a determination that the Kalamazoo Water Reclamation Plant will provide treatment and pollution removal consistent with or better than treatment and pollution removal requirements set forth by the Environmental Protection Agency, the State determines that the total removal of each pollutant released into the environment will not be lesser than the total removal of such pollutants that would occur in the absence of the exemption, and (3) compliance with paragraph (2) is addressed by the provisions and conditions of a permit issued to the Kalamazoo Water Reclamation Plant under section 402 of such Act, and there exists an operative".

BINGAMAN (AND OTHERS) AMENDMENT NO. 2791

Mr. BINGAMAN (for himself, Mrs. HUTCHISON, and Mr. DOMENICI) proposed an amendment to the bill H.R. 2099, supra; as follows:

On page 40, line 17, insert before the period the following: ": *Provided further*, That section 916 of the Cranston-Gonzalez National Affordable Housing Act shall apply with respect to fiscal year 1996, notwithstanding section 916(f) of that Act".

CHAFEE (AND OTHERS) AMENDMENT NO. 2792

Mr. CHAFEE (for himself, Mr. LIEBERMAN, and Mr. SANTORUM) proposed an amendment to the bill H.R. 2099, supra; as follows:

On page 142, line 20, after the period, insert the following: "*Provided further*, That the Administrator shall continue funding the Brownfields Economic Redevelopment Initiative from available funds at a level necessary to complete the award of 50 cumulative Brownfields Pilots planned for award by the end of FY96 and carry out other elements of the Brownfields Action Agenda in order to facilitate economic redevelopment at Brownfields sites."

THURMOND AMENDMENT NO. 2793

Mr. THURMOND proposed an amendment to the bill H.R. 2099, supra; as follows:

On page 3, line 19, strike "$1,345,300,000" and insert "$1,352,180,000."

On page 3, strike line 24 and add "as amended: *Provided further*, That of the amounts appropriated for readjustment benefits, $6,880,000 shall be available for funding the Service Members Occupational Conversion and Training program as authorized by sections 4481–4497 of Public Law 102–484, as amended."

On page 10, line 18, strike "$880,000,000" and insert "$872,000,000."

HARKIN AMENDMENT NO. 2794

Ms. MIKULSKI (for Mr. HARKIN) proposed an amendment to the bill H.R. 2099, supra; as follows:

At the appropriate place, insert the following:

SEC. . The Administrator of the Environmental Protection Agency shall not, under authority of section 6 of the Toxic Substances Control Act (15 U.S.C. 2605), take final action on the proposed rule dated February 28, 1994 (59 Fed. Reg. 11122 (March 9, 1994)) to prohibit or otherwise restrict the manufacturing, processing, distributing, or use of any fishing sinkers or lures containing lead, zinc, or brass unless the Administrator finds that the risk to waterfowl cannot be addressed through alternative means in which case, the rule making may proceed 180 days after Congress is notified of the finding.

BOND (AND OTHERS) AMENDMENT NO. 2795

Mr. BOND (for himself, Mr. D'AMATO, Mr. BENNETT, and Mr. MACK) proposed an amendment to the bill H.R. 2099, supra; as follows:

On page 105, beginning on line 10, strike "SEC. 214." and all that follows through line 4 on page 107:

"SEC. 214. SECTION 8 CONTRACT RENEWAL.

"(a) IN GENERAL.—Notwithstanding any other provision of law, the Secretary shall renew upon expiration each contract for project-based assistance under section 8 of the United States Housing Act of 1937 that expires during fiscal year 1996 in accordance with this subsection.

"(b) CONTRACT TERM.—Each contract described in subsection (a) may be renewed for a term not to exceed 2 years.

"(c) RENTS AND OTHER CONTRACT TERMS.—Except as provided in subsections (d) and (e), the Secretary shall offer to renew each contract described in subsection (a) (including any contract relating to a multifamily project whose mortgage is insured or assisted under the new construction and substantial rehabilitation program under section 8 of the United States Housing Act of 1937):

"(1) at a rent equal to the budget-based rent for the project;

"(2) at the current rent, where the current rent does not exceed 120 percent of the fair market rent for the jurisdiction in which the project is located; or

"(3) at the current rent, pending the implementation of guidelines for budget-based rents.

"(d) LOAN MANAGEMENT SET-ASIDE CONTRACTS.—The Secretary shall offer to renew each loan management set-aside contract at a rent equal to the budget-based rent for the unit, as determined by the Secretary, for a period not to exceed 1 year.

"(e) TENANT-BASED ASSISTANCE OPTION.—Notwithstanding any other provision of law, the Secretary may, with the consent of the owner of a project that is subject to a contract described in subsection (a) and with notice to and in consultation with the tenants, agree to provide tenant-based rental assistance under section 8(b) or 8(o) in lieu of renewing a contract to provide project-based rental assistance under subsection (a). Subject to advance appropriations, the Secretary may offer an owner incentives to convert to tenant-based rental assistance.

"(f) DEMONSTRATION PROGRAM.—If a contract described in subsection (a) is eligible for the demonstration program under section 213, the Secretary may make the contract subject to the requirements of section 213.

"(g) DEFINITIONS.—

"(1) BUDGET-BASED RENT.—For purposes of this section, the term "budget-based rent", with respect to a multifamily housing project, means the rent that is established by the Secretary, based on the actual and projected costs of operating the project, at a level that will provide income sufficient, with respect to the project, to support—

"(A) the debt service of the project.

"(B) the operating expenses of the project, including—

(i) contributions to actual reserves;

(ii) the costs of maintenance and necessary rehabilitation, as determined by the Secretary;

(iii) other costs permitted under section 8 of the United States Housing Act of 1937, as determined by the Secretary.

"(C) an adequate allowance for potential and reasonable operating losses due to vacancies and failure to collect rents, as determined by the Secretary.

"(D) an allowance for a rate of return on equity to the owner not to exceed 6 percent.

"(E) other expenses, as determined to be necessary by the Secretary.

"(2) BASIC RENTAL CHARGE FOR SECTION 236. "A basic rental charge" determined or approved by the Secretary for a project receiving interest reduction payments under section 236 of the National Housing Act shall be deemed a "budget-based rent" within the meaning of this section.".

"(3) SECRETARY.—The term "Secretary" refers to the Secretary of Housing and Urban Development.".

SIMON (AND MOSELEY-BRAUN) AMENDMENT NO. 2796

Mr. BOND (for Mr. SIMON for himself and Ms. MOSELEY-BRAUN) proposed an amendment to the bill H.R. 2099, supra; as follows:

On page 169, at the end of line 7, insert before the period the following: "effective April 1, 1997: *Provided*, That none of the aforementioned authority or responsibility for enforcement of the Fair Housing Act shall be transferred to the Attorney General until adequate personnel and resources allocated to such activity at the Department of Housing and Urban Development are transferred to the Department of Justice."

JOHNSTON AMENDMENT NO. 2797

Mr. BOND (for Mr. JOHNSTON) proposed an amendment to the bill H.R. 2099, supra; as follows:

At the appropriate place, insert: "Not later than 90 days after the date of enactment of this Act, the Administrator of the Environmental Protection Agency (EPA) shall enter into an arrangement with the National Academy of Sciences to investigate and report on the scientific bases for the public recommendations of the EPA with respect to indoor radon and other naturally occurring radioactive materials (NORM). The National Academy shall examine EPA's guidelines in light of the recommendations of the National Council on Radiation Protection and Measurements, and other peer-reviewed research by the National Cancer Institute, the Centers for Disease Control, and others, on radon and NORM. The National Academy shall summarize the principal areas of agreement and disagreement among the above, and shall evaluate the scientific and technical basis for any differences that exist. Not later than 18 months after the date of enactment of this Act, the Administrator shall submit to Congress the report of the National Academy and a statement, the Administrator's views on the need to revise guidelines for radon and NORM in response to the evaluation of the National Academy. Such statement shall explain and differentiate the technical and policy bases for such views."

BINGAMAN AMENDMENT NO. 2798

Mr. BOND (for Mr. BINGAMAN) proposed an amendment to the bill H.R. 2099, supra; as follows:

At the appropriate place, insert the following:

SEC. . ENERGY SAVINGS AT FEDERAL FACILITIES.

(a) REDUCTION IN FACILITIES ENERGY COSTS.—

(1) IN GENERAL.—The head of each agency for which funds are made available under this Act shall—

(A) take all actions necessary to achieve during fiscal year 1996 a 5 percent reduction, from fiscal year 1995 levels, in the energy costs of the facilities used by the agency; or

(B) enter into a sufficient number of energy savings performance contracts with private sector energy service companies under title VIII of the National Energy Conservation Policy Act (42 U.S.C. 8287 et seq.) to achieve during fiscal year 1996 at least a 5 percent reduction, from fiscal year 1995 levels, in the energy use of the facilities used by the agency.

(2) GOAL.—The activities described in paragraph (1) should be a key component of agency programs that will by the year 2000 result in a 20 percent reduction, from fiscal year 1985 levels, in the energy use of the facilities used by the agency, as required by section 543 of the National Energy Conservation Policy Act (42 U.S.C. 8253).

(b) USE OF COST SAVINGS.—An amount equal to the amount of cost savings realized by an agency under subsection (a) shall remain available for obligation through the end of fiscal year 2000, without further authorization or appropriation, as follows:

(1) CONSERVATION MEASURES.—Fifty percent of the amount shall remain available for the implementation of additional energy conservation measures and for water conservation measures at such facilities used by the agency as are designated by the head of the agency.

(2) OTHER PURPOSES.—Fifty percent of the amount shall remain available for use by the agency for such purposes as are designated by the head of the agency, consistent with applicable law.

(c) REPORTS.—

(1) BY AGENCY HEADS.—The head of each agency for which funds are made available under this Act shall include in each report of the agency to the Secretary of Energy under section 548(a) of the National Energy Conservation Policy Act (42 U.S.C. 8258(a)) a description of the results of the activities carried out under subsection (a) and recommendations concerning how to further reduce energy costs and energy consumption in the future.

(2) BY SECRETARY OF ENERGY.—The reports required under paragraph (1) shall be included in the annual reports required to be submitted to Congress by the Secretary of Energy under section 548(b) of the Act (42 U.S.C. 8258(b)).

(3) CONTENTS.—With respect to the period since the date of the preceding report, a report under paragraph (1) or (2) shall—

(A) specify the total energy costs of the facilities used by the agency;

(B) identify the reductions achieved;

(C) specify the actions that resulted in the reductions;

(D) with respect to the procurement procedures of the agency, specify what actions have been taken to—

(i) implement the procurement authorities provided by subsections (a) and (c) of section 546 of the National Energy Conservation Policy Act (42 U.S.C. 8256); and

(ii) incorporate directly, or by reference, the requirements of the regulations issued by the Secretary of Energy under title VIII of the Act (42 U.S.C. 8287 et seq.); and

(E) specify—

(i) the actions taken by the agency to achieve the goal specified in subsection (a)(2);

(ii) the procurement procedures and methods used by the agency under section 546(a)(2) of the Act (42 U.S.C. 8256(a)(2)); and

(iii) the number of energy savings performance contracts entered into by the agency under title VIII of the Act (42 U.S.C. 8287 et seq.).

BOND AMENDMENT NO. 2799

Mr. BOND proposed an amendment to the bill H.R. 2099, supra; as follows:

On page 153, line 17, strike "$166,000,000", and insert "$168,900,000".

On page 153, line 21, strike "$4,400,000", and insert "$4,673,000".

On page 154, line 13, strike "$100,000,000", and insert "$114,173,000".

BOND AMENDMENT NO. 2800

Mr. BOND proposed an amendment to the bill H.R. 2099, supra; as follows:

On page 22, line 5, insert the following:

"SEC. 111. During fiscal year 1996, not to exceed $5,700,000 may be transferred from 'Medical `care' to 'Medical administration and miscellaneous operating expenses.' No transfer may occur until 20 days after the Secretary of Veterans Affairs provides written notice to the House and Senate Committees on Appropriations."

On page 27, line 23, insert a comma after the word "analysis".

On page 28, line 1, strike out "program and" and insert in lieu thereof "program,".

On page 28, line 18, strike out "or court orders".

On page 28, line 20, strike out "and".

On page 29, line 13, strike out "amount" and insert in lieu thereof "$624,000,000".

On page 29, line 17, strike out "plan of actions" and insert in lieu thereof "plans of action".

On page 29, line 21, strike out "be closed" and insert in lieu thereof "close".

On page 29, lines 23 and 24, strike out "$624,000,000 appropriated in the preceding proviso" and insert in lieu thereof "foregoing $624,000,000".

On page 30, line 2, strike out "the discretion to give" and insert in lieu thereof "giving".

On page 30, line 12, strike out "proviso" and insert in lieu thereof "provision".

On page 32, line 10, strike out "purpose" and insert in lieu thereof "purposes".

On page 33, line 6, strike out "purpose" and insert in lieu thereof "purposes".

On page 33, line 10, strike out "determined" and insert in lieu thereof "determines".

On page 33, strike out lines 15 and 15, and insert in lieu thereof "funding made available pursuant to this paragraph and that has not been obligated by the agency and distribute such funds to one or more".

On page 33, line 23, strike out "agencies and" and insert "agencies and to".

On page 40, strike out line 9 and insert "a grant made available under the preceding proviso to the Housing Assistance Council or the National American Indian Housing Council, or a grant using funds under section 107(b)(3) of the Housing and Community Development Act of 1974)".

On page 40, beginning on line 20, strike out "public and Indian housing agencies" and insert in lieu thereof "public housing agencies (including Indian housing authorities), nonprofit corporations, and other appropriate entities".

On page 40, line 22, strike out "and" the second time it appears and insert a comma.

On page 40, line 24, insert after "1437f)" the following: ", and other low-income families and individuals".

On page 41, line 5, after "*Provided*" insert "*further*".

On page 41, line 6, after "shall include" insert "congregate services for the elderly and disabled, service coordinators, and".

On page 45, line 24, strike out "orginally" and insert in lieu thereof "originally".

On page 45, strike out the matter after "That" on line 26, through line 5 on page 46, and insert in lieu thereof "the Secretary may use any negative subsidy amounts from the sale of such assigned mortgage notes during fiscal year 1996 for the disposition of properties or notes under this heading.".

On page 47, strike out the matter after "That" on line 17, through "Development" on line 25, and insert in lieu thereof "the Secretary may use any negative subsidy amounts from the sale of such assigned mortgage notes during fiscal year 1996, in addition to amounts otherwise provided, for the disposition of properties or notes under this heading (including the credit subsidy for the guarantee of loans or the reduction of positive credit subsidy amounts that would otherwise be required for the sale of such properties or notes), and for any other purpose under this heading".

On page 68, line 1, after "Section 1002" insert "(d)".

On page 69, lines 5 and 6, strike out "Notwithstanding the previous sentence" and insert in lieu thereof "Where the rent determined under the previous sentence is less than $25".

On page 70, line 12, strike out "and" and insert in lieu thereof "any".

On page 71, line 1, strike out "(A) IN GENERAL.—".

On page 71, strike out lines 11 through 18.

On page 72, line 6, after "comment," insert "a".

On page 72, line 7, strike out "are" and insert "is".

On page 72, line 18, after "comment," insert "a".

On page 72, line 19, strike out "are" and insert "is".

On page 74, line 6, strike out "selection criteria" and insert in lieu thereof "system of preferences for selection".

On page 74, line 11, strike out "selection criteria" and insert in lieu thereof "system of preferences for selection".

On page 74, strike out lines 13 through 16, and redesignate subsequent paragraphs.

On page 75, line 1, strike out "selection criteria" and insert in lieu thereof "system of preferences for selection".

On page 75, strike out the matter beginning on line 12 through line 19 on page 76, and insert in lieu thereof the following:

"(B) CRANSTON-GONZALEZ NATIONAL AFFORDABLE HOUSING ACT.—Section 522(f)(b)(B) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12704 et seq.) is amended by striking 'any preferences for such assistance under section 8(d)(1)(A)(i)' and inserting 'written system of preferences for selection established pursuant to section 8(d)(1)(A)'.

"(C) HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1992.—Section 655 of the Housing and Community Development Act of 1992 (42 U.S.C. 13615) is amended by striking 'the preferences' and all that follows through the period at the end and inserting 'any preferences'.".

On page 76, line 20, strike out "(E)" and insert "(D)".

On page 77, lines 3 and 4, strike out "selection criteria" and insert in lieu thereof "system of preferences for selection".

On page 86, line 1, strike out "of issuance and".

On page 87, line 13, after "evaluations of", insert "up to 15".

On page 87, line 17, strike out "(d)" and insert "(e)".

On page 90, line 2, strike out "Secretary." and insert "Secretary; and".

On page 90, line 5, strike out "agree to cooperate with" and insert in lieu thereof "participate in a".

On page 92, line 21, strike out "final".

On page 95, line 9, after "agency" insert "in connection with a program authorized under section 542 (b) or (c) of the Housing and Community Development Act of 1992".

On page 95, strike out lines 11 and 12, and insert in lieu thereof "542(c)(4) of such Act.".

On page 95, strike out the matter beginning with "a" on line 17 through "section" on line 18, and insert in lieu thereof "an assistance contract under this section, other than a contract for tenant-based assistance,".

On page 96, line 10, strike out "years" and insert "year".

On page 102, line 18, strike out "section 216(c)(4) hereof" and insert in lieu thereof "paragraph (4)".

On page 106, line 8, strike out "subject to" and insert in lieu thereof "eligible for".

On page 106, line 14, strike out "(8 NC/SR)" and insert in lieu thereof "the section 8 new construction or substantial rehabilitation program".

On page 106, line 15, strike out "subject to" and insert in lieu thereof "eligible for".

On page 107, line 6, strike out "Sec. 217." and insert "Sec. 215.".

On page 117, line 8, strike out "subparagraphs" and insert "subsections".

On page 117, line 10, strike out "subsections" and insert "subparagraphs".

On page 117, line 11, strike out "subparagraph" and insert "subsection".

On page 118, strike out lines 19 through 21, and insert in lieu thereof the following:

"(1) Subsection (a) is amended by—

(A) striking out in the first sentence 'low-income' and inserting in lieu thereof 'very low-income'; and

(B) striking out 'eligible low income housing' and inserting in lieu thereof 'housing financed under the programs set forth in section 229(1)(A) of this Act'.".

On page 120, line 2, strike out "Subsection" and insert "Paragraph".

On page 120, strike out lines 18 through 22, and insert in lieu thereof the following:

"(2) Paragraph (8) is amended—

(A) by deleting in subparagraph (A) the words 'determining the authorized return under section 219(b)(6)(ii)';

(B) by deleting in subparagraph (B) 'and 221'; and

(C) by deleting in subparagraph (B) the words 'acquisition loans under''.

On page 121, line 3, strike out "Subsection" and insert "Paragraph".

On page 122, line 4, strike out "Subsection" and insert "Paragraph".

On page 122, line 13, strike out "Subsection" and insert "Section".

On page 122, line 21, strike out "Subsection" and insert "Section".

On page 147, line 17, before the period, insert the following:

": *Provided further*, That of the funds appropriated in the Construction Grants and Water Infrastructure/State Revolving Funds accounts since the appropriation for the fiscal year ending September 30, 1992, and hereafter, for making grants for wastewater treatment works construction projects, portions may be provided by the recipients to states for managing construction grant activities, on condition that the states agree to reimburse the recipients from state funding sources".

On page 149, line 19, strike "phase IV" and insert in lieu thereof "phase VI".

KEMPTHORNE (AND BOND) AMENDMENT NO. 2801

Mr. BOND (for Mr. KEMPTHORNE for himself and Mr. BOND) proposed an amendment to the bill, H.R. 2099, supra; as follows:

On page 147, line 6, strike "December 31, 1995" and insert "April 30, 1996".

On page 147, line 17, strike "December 31, 1995" and insert "April 30, 1996".

FAIRCLOTH AMENDMENT NO. 2802

Mr. BOND (for Mr. FAIRCLOTH) proposed an amendment to the bill, H.R. 2099, supra; as follows:

On page 128, add a new section to the bill: "SEC. . None of the funds provided in this Act may be used during fiscal year 1996 to investigate or prosecute under the Fair Housing Act (42 U.S.C. 3601, et seq.) any otherwise lawful activity engaged in by one or more persons, including the filing or maintaining of nonfrivolous legal action, that is engaged in solely for the purposes of—

"(1) achieving or preventing action by a Government official, entity, or court of competent jurisdiction.".

FAIRCLOTH (AND KYL) AMENDMENT NO. 2803

Mr. BOND (for Mr. FAIRCLOTH for himself and Mr. KYL) proposed an amendment to the bill, H.R. 2099, supra; as follows:

On page 128, add a new section to the bill: "SEC. . None of the funds provided in this Act may be used to take any enforcement action with respect to a complaint of discrimination under the Fair Housing Act (42 U.S.C. 3601, et seq.) on the basis of familial status and which involves an occupancy standard established by the housing provider except to the extent that it is found that there has been discrimination in contravention of the standards provided in the March 20, 1991, Memorandum from the General Counsel of the Department of Housing and Urban Development of all Regional Counsels or until such time that HUD issues a final rule in accordance with 5 U.S.C. 553.".

FEINSTEIN AMENDMENT NO. 2804

Mr. BOND (for Mrs. FEINSTEIN) proposed an amendment to the bill, H.R. 2099, supra; as follows:

At the appropriate place in title II, insert the following new section:

SEC.—. CDBG ELIGIBLE ACTIVITIES.

Section 105(a) of the Housing and Community Development Act of 1974 (42 U.S.C. 5305(a)) is amended—

(1) in paragraph (4)—

(A) by inserting "reconstruction," after "removal,"; and

(B) by striking "acquisition for rehabilitation, and rehabilition" and inserting "acquisition for reconstruction or rehabilitation, and reconstruction or rehabilitation";

(2) in paragraph (13), by striking "and" at the end;

(3) by striking paragraph (19);

(4) in paragraph (24), by striking "and" at the end;

(5) in paragraph (25), by striking the period at the end and inserting "; and";

(6) by redesignating paragraphs (20) through (25) as paragraphs (19) through (24), respectively; and

(7) by redesignating paragraph (21) (as added by section 1012(f)(3) of the Housing and Community Development Act of 1992) as paragraph (25).

WARNER (AND NICKLES) AMENDMENT NO. 2805

Mr. BOND (for Mr. WARNER, for himself and Mr. NICKLES) proposed an amendment to the bill H.R. 2099, supra; as follows:

At the appropriate place in title III, insert the following:

SEC. 3. EPA RESEARCH AND DEVELOPMENT ACTIVITIES AND STAFFING.

(a) STAR PROGRAM.—The Administrator of the Environmental Protection Agency may not use any funds made available under this Act to implement the Science to Achieve Results [STAR] Program unless—

(1) the use of the funds would not reduce any funding available to the laboratories of the Agency for staffing, cooperative agreements, grants, or support contracts; or

(2) the Appropriations Committees of the Senate and House of Representatives grant prior approval. Transfers of funds to support STAR activities shall be considered a reprogramming of funds. Further, said approval shall be contingent upon submission of a report to the Committees as specified in section (c)(2) below.

(b) CONTRACTOR CONVERSION.—The Administrator of the Environmental Protection Agency may not use any funds to—

(1) hire employees and create any new staff positions under the contractor conversion program in the Office of Research and Development.

(c) REPORT.—Not later than January 1, 1996, the Administrator shall submit to the Appropriations Committees of the Senate and House of Representatives a report which—

(1) provides a staffing plan for the Office of Research and Development indicating the use of Federal and contract employees;

(2) identifies the amount of funds to be reprogrammed to STAR activities; and

(3) provides a listing of any resource reductions below fiscal year 1995 funding levels, by specific laboratory, from Federal staffing, cooperative agreements, grants, or support contracts as a result of funding for the STAR Program.

MOYNIHAN (AND D'AMATO) AMENDMENT NO. 2806

Mr. BOND (for Mr. MOYNIHAN, for himself, and Mr. D'AMATO) proposed an amendment to the bill H.R. 2099, supra; as follows:

On page 43, between lines 13 and 14, insert the following:

"The amount made available for fiscal year 1995 for a special purpose grant for the renovation of the central terminal in Buffalo, New York, shall be made available for the central terminal and for other public facilities in Buffalo, New York.".

BOND AMENDMENT NO. 2807

Mr. BOND proposed an amendment to the bill H.R. 2099, supra; as follows:

On page 130, strike out the matter beginning with line 19 through line 2 on page 131, and insert in lieu thereof the following: "For necessary expenses for the Corporation for National and Community Service in carrying out the orderly terminations of programs, activities, and initiatives under the National and Community Service Act of 1990, as amended (Public Law 103-82), $6,000,000: *Provided*, That such amount shall be utilized to resolve all responsibilities and obligations in connection with said Corporation and the Corporation's Office of Inspector General."

FEINGOLD AMENDMENT NO. 2808

Mr. BOND (for Mr. FEINGOLD) proposed an amendment to the bill H.R. 2099, supra; as follows:

At the appropriate place in the bill, add the following:

SEC. . REPORT ON IMPACT OF COMMUNITY DEVELOPMENT FUNDS ON PLAN RELOCATIONS AND JOB DISLOCATION.

Not later than October 1, 1996, the Secretary of the Department of Housing and Urban Development shall submit to the appropriate Committees of the Congress a report on—

(1) the extent to which funds provided under section 106 (Community Development Block Grants), section 107 (Special Purpose Grants), and Section 108(q) (Economic Development Grants) of the Housing and Community Development Act of 1974, have been used to facilitate the closing of an industrial or commercial plant or the substantial reduction of operations of a plant and result in the relocation or expansion of a plant from one state to another;

(2) substantial the extent to which the availability of such funds has been a factor in the decision to relocate a plant from one state to another;

(3) an analysis of the extent to which provisions in other laws prohibiting the use of federal funds to facilitate the closing of an industrial or commercial plant or the substantial reduction in the operations of such plant and the relocation or expansion of a plant have been effective; and

(4) recommendations as to how federal programs can be designed to prevent the use of federal funds to facilitate the transfer of jobs from one state to another.

DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1996

CRAIG AMENDMENT NO. 2809

(Ordered to lie on table.)

Mr. CRAIG submitted an amendment intended to be proposed by him to the bill (H.R. 2127) making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies, for the fiscal year ending September 30, 1996, and for other purposes; as follows:

At the appropriate place in title I, insert the following new section:

SEC. . None of the funds appropriated in this Act may be obligated or expended by the Department of Labor for the purposes of enforcement and the issuance of fines under Hazardous Occupation Order Number 12 (HO 12) with respect to the placement or loading of materials by a person under 18 years of age into a cardboard baler that is in compliance with the American National Standards Institute safety standard ANSI Z245.5 1990, and a compactor that is in compliance with the American National Standards Institute safety standard ANSI Z245.2 1992.

ABRAHAM AMENDMENT NO. 2810

(Ordered to lie on the table.)

Mr. ABRAHAM submitted an amendment intended to be proposed by him to the bill H.R. 2127, supra; as follows:

On page 48, lines 15 and 16, strike "titles III and IV of the Goals 2000: Educate America Act" and insert "the Educational Choice and Equity Act of 1995".

On page 48, strike lines 18 through 20, and insert the following:

$432,500,000, of which $280,000,000 shall be available to carry out the Educational Choice and Equity Act of 1995, $30,000,000 shall be available to the Secretary of Education for grants to States to enable such States to support charter school programs, and $122,500,000 shall be available to carry out the School-to-Work Opportunities Act of 1994, shall become available on July 1,

On page 48, line 21, strike the colon and insert a period.

On page 48, beginning with line 22, strike all through page 49, line 2.

On page 58, line 4, insert "and" after "of title X,".

On page 58, lines 6 and 7, strike "and title VI of the Goals 2000: Educate America Act,".

On page 68, strike lines 19 through 22.

On page 108, between lines 15 and 16, insert the following:

TITLE ___—EDUCATIONAL CHOICE AND EQUITY

SEC. ___01. SHORT TITLE.

This title may be cited as the "Educational Choice and Equity Act of 1995".

SEC. ___02. PURPOSE.

The purpose of this title is to determine the effects on students and schools of providing financial assistance to low-income parents to enable such parents to select the public or private schools their children will attend.

SEC. ___03. DEFINITIONS.

As used in this title—

(1) the term "choice school" means any public or private school, including a private sectarian school or a public charter school, that is involved in a demonstration project assisted under this title;

(2) the term "eligible child" means a child in grades 1 through 12 who is eligible for free or reduced price lunches under the National School Lunch Act (42 U.S.C. 1751 et seq.);

(3) the term "eligible entity" means a public agency, institution, or organization, such as a State, a State or local educational agency, a consortium of public agencies, or a consortium of public and private nonprofit organizations, that can demonstrate, to the satisfaction of the Secretary, its ability to—

(A) receive, disburse, and account for Federal funds; and

(B) carry out the activities described in its application under this title;

(4) the term "evaluating agency" means any academic institution, consortium of professionals, or private or nonprofit organization, with demonstrated experience in conducting evaluations, that is not an agency or instrumentality of the Federal Government;

(5) the term "local educational agency" has the meaning given that term in section 14101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801);

(6) the term "parent" includes a legal guardian or other individual acting in loco parentis;

(7) the term "school" means a school that provides elementary education or secondary education (through grade 12), as determined under State law; and

(8) the term "Secretary" means the Secretary of Education.

SEC. ___04. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated $600,000,000 for fiscal year 1996 and such sums as may be necessary for each of the fiscal years 1997, 1998, 1999, and 2000 to carry out this title.

SEC. ___05. PROGRAM AUTHORIZED.

(a) RESERVATION.—From the amount appropriated pursuant to the authority of section ___04 in any fiscal year, the Secretary shall reserve and make available to the Comptroller General of the United States 2 percent for evaluation of the demonstration projects assisted under this title in accordance with section ___11.

(b) GRANTS.—

(1) IN GENERAL.—From the amount appropriated pursuant to the authority of section ___04 and not reserved under subsection (a) for any fiscal year, the Secretary shall award grants to eligible entities to enable such entities to carry out at least 100 demonstration projects under which low-income parents receive education certificates for the costs of enrolling their eligible children in a choice school.

(2) AMOUNT.—The Secretary shall award grants under paragraph (1) for fiscal year 1996 in amounts of $5,000,000 or less.

(3) CONTINUING ELIGIBILITY.—The Secretary shall continue a demonstration project under this title by awarding a grant under paragraph (1) to an eligible entity that received such a grant for a fiscal year preceding the fiscal year for which the determination is made, if the Secretary determines that such eligible entity was in compliance with this title for such preceding fiscal year.

(c) USE OF GRANTS.—Grants awarded under subsection (b) shall be used to pay the costs of—

(1) providing education certificates to low-income parents to enable such parents to pay the tuition, the fees, the allowable costs of transportation, if any, and the costs of complying with section ___09(a)(1), if any, for their eligible children to attend a choice school; and

(2) administration of the demonstration project, which shall not exceed 15 percent of the amount received under the grant for the first fiscal year for which the eligible entity provides education certificates under this title or 10 percent of such amount for any subsequent year, including—

(A) seeking the involvement of choice schools in the demonstration project;

(B) providing information about the demonstration project, and the schools involved in the demonstration project, to parents of eligible children;

(C) making determinations of eligibility for participation in the demonstration project for eligible children;

(D) selecting students to participate in the demonstration project;

(E) determining the amount of, and issuing, education certificates;

(F) compiling and maintaining such financial and programmatic records as the Secretary may prescribe; and

(G) collecting such information about the effects of the demonstration project as the evaluating agency may need to conduct the evaluation described in section ___11.

(d) SPECIAL RULE.—Each school participating in a demonstration project under this title shall comply with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.) which prohibits discrimination on the basis of race, color, or national origin.

SEC. ___06. AUTHORIZED PROJECTS; PRIORITY.

(a) AUTHORIZED PROJECTS.—The Secretary may award a grant under this title only for a demonstration project that—

(1) involves at least one local educational agency that—

(A) receives funds under section 1124A of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6334); and

(B) is among the 20 percent of local educational agencies receiving funds under section 1124A of such Act (20 U.S.C. 6334) in the State that have the highest number of children described in section 1124(c) of such Act (20 U.S.C. 6333(c)); and

(2) includes the involvement of a sufficient number of public and private choice schools, in the judgment of the Secretary, to allow for a valid demonstration project.

(b) PRIORITY.—In awarding grants under this title, the Secretary shall give priority to demonstration projects—

(1) in which choice schools offer an enrollment opportunity to the broadest range of eligible children;

(2) that involve diverse types of choice schools; and

(3) that will contribute to the geographic diversity of demonstration projects assisted under this title, including awarding grants for demonstration projects in States that are primarily rural and awarding grants for demonstration projects in States that are primarily urban.

SEC. ___07. APPLICATIONS.

(a) IN GENERAL.—Any eligible entity that wishes to receive a grant under this title shall submit an application to the Secretary at such time and in such manner as the Secretary may prescribe.

(b) CONTENTS.—Each application described in subsection (a) shall contain—

(1) information demonstrating the eligibility of the eligible entity for participation in the demonstration project;

(2) with respect to choice schools—

(A) a description of the standards used by the eligible entity to determine which public and private schools are within a reasonable commuting distance of eligible children and present a reasonable commuting cost for such eligible children;

(B) a description of the types of potential choice schools that will be involved in the demonstration project;

(C)(i) a description of the procedures used to encourage public and private schools to be involved in the demonstration project; and

(ii) a description of how the eligible entity will annually determine the number of spaces available for eligible children in each choice school;

(D) an assurance that each choice school will not impose higher standards for admission or participation in its programs and activities for eligible children provided education certificates under this title than the choice school does for other children;

(E) an assurance that each choice school operated, for at least 1 year prior to accepting education certificates under this title, an educational program similar to the educational program for which such choice school will accept such education certificates;

(F) an assurance that the eligible entity will terminate the involvement of any choice school that fails to comply with the conditions of its involvement in the demonstration project; and

(G) a description of the extent to which choice schools will accept education certificates under this title as full or partial payment for tuition and fees;

(3) with respect to the participation in the demonstration project of eligible children—

(A) a description of the procedures to be used to make a determination of the eligibility of an eligible child for participation in the demonstration project, which shall include—

(i) the procedures used to determine eligibility for free or reduced price lunches under the National School Lunch Act (42 U.S.C. 1751 et seq.); or

(ii) any other procedure, subject to the Secretary's approval, that accurately establishes the eligibility of an eligible child for such participation;

(B) a description of the procedures to be used to ensure that, in selecting eligible children to participate in the demonstration project, the eligible entity will—

(i) apply the same criteria to both public and private school eligible children; and

(ii) give priority to eligible children from the lowest income families;

(C) a description of the procedures to be used to ensure maximum choice of schools for participating eligible children, including procedures to be used when—

(i) the number of parents provided education certificates under this title who desire to enroll their eligible children in a particular choice school exceeds the number of eligible children that the choice school will accept; and

(ii) grant funds and funds from local sources are insufficient to support the total cost of choices made by parents with education certificates under this title; and

(D) a description of the procedures to be used to ensure compliance with section ____09(a)(1), which may include—

(i) the direct provision of services by a local educational agency; and

(ii) arrangements made by a local educational agency with other service providers;

(4) with respect to the operation of the demonstration project—

(A) a description of the geographic area to be served;

(B) a timetable for carrying out the demonstration project;

(C) a description of the procedures to be used for the issuance and redemption of education certificates under this title;

(D) a description of the procedures by which a choice school will make a pro rata refund of the education certificate under this title for any participating eligible child who withdraws from the school for any reason, before completing 75 percent of the school attendance period for which the education certificate was issued;

(E) a description of the procedures to be used to provide the parental notification described in section ____10;

(F) an assurance that the eligible entity will place all funds received under this title into a separate account, and that no other funds will be placed in such account;

(G) an assurance that the eligible entity will provide the Secretary periodic reports on the status of such funds;

(H) an assurance that the eligible entity will cooperate with the Comptroller General of the United States and the evaluating agency in carrying out the evaluations described in section ____11; and

(I) an assurance that the eligible entity will—

(i) maintain such records as the Secretary may require; and

(ii) comply with reasonable requests from the Secretary for information; and

(5) such other assurances and information as the Secretary may require.

SEC. ____08. EDUCATION CERTIFICATES.

(a) EDUCATION CERTIFICATES.—

(1) AMOUNT.—The amount of an eligible child's education certificate under this title shall be determined by the eligible entity, but shall be an amount that provides to the recipient of the education certificate the maximum degree of choice in selecting the choice school the eligible child will attend.

(2) CONSIDERATIONS.—

(A) IN GENERAL.—Subject to such regulations as the Secretary shall prescribe, in determining the amount of an education certificate under this title an eligible entity shall consider—

(i) the additional reasonable costs of transportation directly attributable to the eligible child's participation in the demonstration project; and

(ii) the cost of complying with section ____09(a)(1).

(B) SCHOOLS CHARGING TUITION.—If an eligible child participating in a demonstration project under this title was attending a public or private school that charged tuition for the year preceding the first year of such participation, then in determining the amount of an education certificate for such eligible child under this title the eligible entity shall consider—

(i) the tuition charged by such school for such eligible child in such preceding year; and

(ii) the amount of the education certificates under this title that are provided to other eligible children.

(3) SPECIAL RULE.—An eligible entity may provide an education certificate under this title to the parent of an eligible child who chooses to attend a school that does not charge tuition or fees, to pay the additional reasonable costs of transportation directly attributable to the eligible child's participation in the demonstration project or the cost of complying with section ____09(a)(1).

(b) ADJUSTMENT.—The amount of the education certificate for a fiscal year may be adjusted in the second and third years of an eligible child's participation in a demonstration project under this title to reflect any increase or decrease in the tuition, fees, or transportation costs directly attributable to that eligible child's continued attendance at a choice school, but shall not be increased for this purpose by more than 10 percent of the amount of the education certificate for the fiscal year preceding the fiscal year for which the determination is made. The amount of the education certificate may also be adjusted in any fiscal year to comply with section ____09(a)(1).

(c) MAXIMUM AMOUNT.—Notwithstanding any other provision of this section, the amount of an eligible child's education certificate shall not exceed the per pupil expenditure for elementary or secondary education, as appropriate, by the local educational agency in which the public school to which the eligible child would normally be assigned is located for the fiscal year preceding the fiscal year for which the determination is made.

(d) INCOME.—An education certificate under this title, and funds provided under the education certificate, shall not be treated as income of the parents for purposes of Federal tax laws or for determining eligibility for any other Federal program.

SEC. ____09. EFFECT ON OTHER PROGRAMS; USE OF SCHOOL LUNCH DATA; CONSTRUCTION PROVISIONS.

(a) EFFECT ON OTHER PROGRAMS.—

(1) IN GENERAL.—An eligible child participating in a demonstration project under this title, who, in the absence of such a demonstration project, would have received services under part A of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311 et seq.) shall be provided such services.

(2) PART B OF THE INDIVIDUALS WITH DISABILITIES EDUCATION ACT.—Nothing in this title shall be construed to affect the requirements of part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.).

(3) COUNTING OF ELIGIBLE CHILDREN.—Notwithstanding any other provision of law, any local educational agency participating in a demonstration project under this title may count eligible children who, in the absence of such a demonstration project, would attend the schools of such agency, for purposes of receiving funds under any program administered by the Secretary.

(b) USE OF SCHOOL LUNCH DATA.—Notwithstanding section 9 of the National School Lunch Act (42 U.S.C. 1751 et seq.), an eligible entity receiving a grant under this title may use information collected for the purpose of determining eligibility for free or reduced price lunches to determine an eligible child's eligibility to participate in a demonstration project under this title and, if needed, to rank families by income, in accordance with section ____07(b)(3)(B)(ii). All such information shall otherwise remain confidential, and information pertaining to income may be disclosed only to persons who need that information for the purposes of a demonstration project under this title.

(c) CONSTRUCTION PROVISIONS.—

(1) OTHER INSTITUTIONS.—Nothing in this title shall be construed to supersede or modify any provision of a State constitution or State law that prohibits the expenditure of public funds in or by religious or other private institutions, except that no provision of a State constitution or State law shall be construed or applied to prohibit—

(A) any eligible entity receiving funds under this title from using such funds to pay the administrative costs of a demonstration project under this title; or

(B) the expenditure in or by religious or other private institutions of any Federal funds provided under this title.

(2) DESEGREGATION PLANS.—Nothing in this title shall be construed to interfere with any desegregation plans that involve school attendance areas affected by this title.

(3) PROHIBITION OF FEDERAL DIRECTOR, SUPERVISION OR CONTROL.—Nothing in this title shall be construed to authorize the Secretary or any employee, officer, or agency of the Department of Education to exercise any direction, supervision, or control over the curriculum, program of instruction, or personnel decisions of any educational institution or school participating in a demonstration project assisted under this title.

SEC. ____10. PARENTAL NOTIFICATION.

Each eligible entity receiving a grant under this title shall provide timely notice of the demonstration project to parents of eligible children residing in the area to be served by the demonstration project. At a minimum, such notice shall—

(1) describe the demonstration project;

(2) describe the eligibility requirements for participation in the demonstration project;

(3) describe the information needed to make a determination of eligibility for participation in the demonstration project for an eligible child;

(4) describe the selection procedures to be used if the number of eligible children seeking to participate in the demonstration project exceeds the number that can be accommodated in the demonstration project;

(5) provide information about each choice school participating in the demonstration project, including information about any admission requirements or criteria for each choice school participating in the demonstration project; and

(6) include the schedule for parents to apply for their eligible children to participate in the demonstration project.

SEC. ____11. EVALUATION.

(a) ANNUAL EVALUATION.—

(1) CONTRACT.—The Comptroller General of the United States shall enter into a contract, with an evaluating agency that has demonstrated experience in conducting evaluations, for the conduct of an ongoing rigorous evaluation of the demonstration projects under this title.

(2) ANNUAL EVALUATION REQUIREMENT.—The contract described in paragraph (1) shall require the evaluating agency entering into such contract to annually evaluate each demonstration project under this title in accordance with the evaluation criteria described in subsection (b).

(3) TRANSMISSION.—The contract described in paragraph (1) shall require the evaluating agency entering into such contract to transmit to the Comptroller General of the United States—

(A) the findings of each annual evaluation under paragraph (1); and

(B) a copy of each report received pursuant to section ____12(a) for the applicable year.

(b) EVALUATION CRITERIA.—The Comptroller General of the United States, in consultation with the Secretary, shall establish minimum criteria for evaluating the demonstration projects under this title. Such criteria shall provide for—

(1) a description of the implementation of each demonstration project under this title and the demonstration project's effects on all participants, schools, and communities in the demonstration project area, with particular attention given to the effect of parent participation in the life of the school and the level of parental satisfaction with the demonstration project; and

(2) a comparison of the educational achievement of all students in the demonstration project area, including a comparison of—

(A) students receiving education certificates under this title; and

(B) students not receiving education certificates under this title.

SEC. ____12. REPORTS.

(a) REPORT BY GRANT RECIPIENT.—Each eligible entity receiving a grant under this title shall submit to the evaluating agency entering into the contract under section ____11(a)(1) an annual report regarding the demonstration project under this title. Each such report shall be submitted at such time, in such manner, and accompanied by such information, as such evaluating agency may require.

(b) REPORTS BY COMPTROLLER GENERAL.—

(1) ANNUAL REPORTS.—The Comptroller General of the United States shall report annually to the Congress on the findings of the annual evaluation under section ____11(a)(2) of each demonstration project under this title. Each such report shall contain a copy of—

(A) the annual evaluation under section ____11(a)(2) of each demonstration project under this title; and

(B) each report received under subsection (a) for the applicable year.

(2) FINAL REPORT.—The Comptroller General shall submit a final report to the Congress within 9 months after the conclusion of the demonstration projects under this title that summarizes the findings of the annual evaluations conducted pursuant to section ____11(a)(2).

SEC. ____13. REPEAL.

(a) AMENDMENT.—The Goals 2000: Educate America Act (20 U.S.C. 5801 et seq.) is repealed.

(b) RECOMMENDED LEGISLATION.—

(1) IN GENERAL.—The Secretary of Education, in consultation with the appropriate committees of the Congress, shall prepare and submit to the Congress recommended legislation containing technical and conforming amendments to reflect the amendment made by subsection (a).

(2) SUBMISSION DATE.—Not later than 6 months after the date of enactment of this Act, the Secretary of Education shall submit the recommended legislation referred to under paragraph (1).

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be allowed to meet during the session of the Senate on Wednesday, September 27, 1995, at 9 a.m., in SR–332, to mark up the committee's budget reconciliation instructions.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Wednesday, September 27, 1995, to conduct a markup of S. 650, the Economic Growth and Regulatory Paperwork Reduction Act of 1995.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be allowed to meet during the Wednesday, September 27, 1995, session of the Senate for the purpose of conducting a hearing on S. 1239, the Air Traffic Management System Performance Improvement Act of 1995.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. DOLE. Mr. President, I ask unanimous consent that the full Committee on Environment and Public Works be granted permission to conduct a nomination hearing to receive testimony from Kathleen A. McGinty to be a member of the Council on Environmental Quality, Wednesday, September 27, at 9:30 a.m., Hearing Room (SD–406).

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be authorized to meet for an executive session, during the session of the Senate on Wednesday, September 27, 1995, at 9:30 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate Select Committee on Intelligence be authorized to meet during the session of the Senate on September 27, 1995, at 2 p.m. to hold a hearing on intelligence matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

PRISON, PROBATION ROLLS SOARING

• Mr. SIMON. Mr. President, as we move toward consideration of the Senate Commerce, Justice, State appropriations bill, which increases funding for State prison construction by $250 million and allocates not one penny for crime prevention programs, it is important to take time to examine our current policies and consider our direction.

The Justice Department recently released a survey of our Nation's prisons, jails, parole, and probation services. According to the report, a record 5.1 million Americans—2.7 percent of all adults—were behind bars, on probation or on parole in 1994. Last year the Justice Department reported that we passed the mark of having 1 million people in prison. That puts the United States in the dubious position of having the second highest incarceration rate in the industrialized world. As our prison population has soared, our crime rate has been unaffected. Before we allocate scarce resources on more prisons, it makes sense to consider our alternatives and consult with experts.

Last December, I sponsored a survey of wardens and inmates in eight States in an effort to inform this debate. Rather than an all-or-nothing distribution of funds, when asked how they would spend an extra $10 million to fight crime in their communities, wardens split the money evenly: 43 percent on prevention and 57 percent on punishment. Even the 1994 crime bill fell far short of this equation, spending 75 percent of its funding on punishment and a mere 25 percent for prevention programs. This appropriations bill would further the imbalance by denying any funds for the crime bill's prevention programs.

Mr. President, I ask that a Chicago Sun-Times article on the Justice Department survey be included in the RECORD at this point.

The article follows:

[From the Chicago Sun-Times, Aug. 28, 1995]

PRISON, PROBATION ROLLS SOARING: TOTAL HITS 5.1 MILLION, 2.7 PERCENT OF ALL ADULTS

(By Alan C. Miller)

WASHINGTON.—A record 5.1 million Americans—2.7 percent of the nation's adult population—were behind bars, on probation or on parole last year, the Justice Department reported Sunday.

Since 1980, state and federal prison populations have increased by 213 percent, and probation rolls have jumped by 165 percent. The average annual rate of growth has been 7.6 percent; the figure for 1994 was 3.9 percent.

Nearly 3 million people were on probation as of last Dec. 31, a Bureau of Justice Statistics study found.

Half of those on probation were found guilty of committing a felony; one in seven had been convicted of driving under the influence of alcohol.

Another 690,000 people were on parole, or conditionally released under supervision, after serving a prison term. Parolees can be returned to prison for violating a set of rules or committing another offense. All but 5 percent had served time for felonies.

The Justice Department survey found that 82 percent of those on probation and parole had maintained regular contact with a supervising agency as required. Another 9 percent had failed to report or could not be located. The rest were not required to maintain regular contact.

Texas had the most people on probation and parole, 503,000—more than 3.8 percent of the state's adults. California followed with 370,000.

Illinois had about 103,000 people on probation and parole.

Twelve states and the federal probation system showed a decrease in the number of people on probation. The biggest decrease was in South Dakota, down 6.2 percent, followed by California, down 5.8 percent.

The figures show that a higher percentage of men and white people are on probation than are in the prison system. Women make up 21 percent of all probationers and only 6 percent of all prisoners. Blacks make up 32 percent of those on probation and 50 percent of the prison population.

Half of those in prison have committed a violent crime; 80 percent have previous convictions.

Prisons are running at 20 percent over capacity, and thus more than 4 percent of those sentenced to prison terms are being held in local jails despite considerable prison construction, forcing the early release of some inmates, said Lawrence A. Greenfeld, a deputy director of the Bureau of Justice Statistics.

Criminal justice experts said the sharp increases reflect tougher sentencing on a range of crimes as well as a greater proportion of drug arrests involving longer prison terms.

At the same time, they said the consequent pressure to ease congestion in packed prisons and jails has led to expanded use of alternatives to incarceration or early release.

Alfred A. Blumstein, a criminologist at the Heinz School of Public Policy and Management at Carnegie Mellon University in Pittsburgh, Pa., said he believes the criminal justice system "may be overextending itself" and that increased emphasis on such programs as drug treatment and prevention may be more effective in the long run than meting out harsher sentences.

"Just by locking away more people, we do avert crimes, but at a cost," Blumstein said. "We have no good estimates of how much benefit we get for . . . the cost of $25,000 per person per year in prison or jail."•

GREEN LIGHTS, MONTREAL PROTOCOL

• Mr. JEFFORDS. Mr. President, the amendment I offered yesterday will restore the EPA Administrator's ability to fulfill our obligations under the Montreal Protocol. In addition, it will authorize the EPA Administrator to fund the successful Green programs, including the Green Lights Program and Energy Star Buildings Programs.

I need not go into detail on the importance of the Montreal Protocol. Last year, the Congress appropriated $119 million for these important programs—$101 million for the Green programs and roughly $17 million for the Montreal Protocol multilateral fund. This amendment will allow the Administrator to spend up to $100 million on these programs, a 13-percent cut from last years levels.

Negotiated and signed by President Reagan and expanded and implemented by President Bush, the Montreal Protocol is working to reduce the production and use of ozone-depleting substances. President Reagan believed it was vital that we fulfill our commitments under this important treaty. President Bush took a leadership position and urged the rest of the world to agree to a complete phase out of a number of ozone depleting substances. President Bush also concluded the negotiations, begun by President Reagan, to establish the multilateral fund.

Now, let me explain the fund, because this is what we are debating today. The multilateral fund was created in 1990 in order to assist developing countries in their efforts to phaseout ozone depleters. Since the development of the fund, 100 developing countries have ratified the protocol and agreed to the protocol's strict reduction requirements. They did this with the understanding that the fund would assist these developing countries in transferring the technology necessary to end this use of ozone-depleting substances. Most of this technology comes from the United States.

Failure to pay our share of the fund would force developing countries to end their protocol obligations. This would lead to increased use of ozone-depleting substances in developing countries and offset the tens of billions of dollars spent by the developed countries to phase them out.

Let me summarize.

No money to the fund.

Violation of our commitment to the treaty.

Greater use of CFC's by developing countries.

Faster depletion rates of the ozone.

More negative health effects, such as skin cancer and cataracts.

We must maintain our commitment to protect the ozone layer.

My colleagues may argue that funds for the Montreal Protocol belong in the State Department budget, not the EPA budget. As a member of the Foreign Operations Appropriations Subcommittee, I am continuing to work to ensure that the protocol has adequately funded the State Department budget. However, I believe that funding for international programs is so limited, that offsetting the loss in this bill would be impossible.

Since 1991, almost one-third of the money for the fund has come from EPA. We made the decision, in 1990, to require EPA to assist the State Department. Let me read from section 617b of the Clean Air Act Amendments of 1990, which many of us here today voted for. Quote:

> The Administrator, in consultation with the Secretary of State, shall support global participation in the Montreal protocol by providing technical and financial assistance to developing countries.

And at that time we authorized $30 million to be spent for the fund.

The phaseout of CFC's is not just an international political issue, it is a technical, industrial, and environmental issue, on which EPA is respected globally. Further, through its experience in the United States of ridding the country of ozone-depleting substances, EPA has a good understanding of the benefits of U.S. technologies, and has been able to promote those technologies in other countries.

This is no time to end this progress.

Let me spend a minute on the Green Lights Program. I remember President Bush searching for alternatives to the overregulation, command and control policies of the 1970's and 1980's. He longed to find a way to control pollution in a nonregulatory, free-market manner. His legacy to the environment is his success in developing just such a program.

The Green Lights Program, and Energy Star Programs, are a testament to the type of innovative programs we must implement if we wish to reduce the regulatory burden faced by industry today. The programs are voluntary, reduce energy use, decrease our dependence on foreign energy, save business money, and stimulate markets for clean, alternative energy technologies and services.

Green Lights is simple. EPA provides technical assistance to help a company survey its facilities and upgrade its lighting. That's it. Since its inception, Green Lights has saved companies hundreds of millions of dollars and dramatically reduced air pollution emissions. All this without one regulation.

This is the most successful public-private partnership running. Just ask companies in my own State, such as IBM, our largest utility—Green Mountain Power, Jay Peak Ski area, and others.

Ask the Mobile Corp., who points out in this article in Time magazine that with the help of EPA Green Lights they have reduced their lighting energy costs by 49 percent.

Eliminating this program now would be unwise. This program reduces the need for regulation. Without Green Lights we might need more regulation to accomplish what is now being done with a voluntary partnership.

I believe one of the reasons this program is slated for elimination is that it is considered corporate welfare. Let me tell you why it is not.

EPA does not give any grants or financial assistance to Green Lights partners.

All funds are spent for information dissemination and communication.

The resulting investment by participants is more than 50 times the Federal investment.

Green Lights participants represent a wide range of entities, including 360 schools, 193 hospitals, numerous churches, local governments, small businesses, and nonprofit groups.

Overcoming market barriers is valuable to many, but beyond the reach of individual organizations. Many businesses cannot afford to keep on hand the technical expertise that EPA has assembled to help business succeed in reducing their energy costs in this manner.

Green Lights is a successful public-private partnership. It creates jobs and opportunities for sound energy use and savings, while at the same time preventing pollution. This is a model, nonregulatory program.

Mr. President, I urge my colleagues to seriously consider the consequences of ending these two vital programs. My amendment does not increase spending, nor does it cut from other areas of the bill. The amendment simply requests that the EPA Administrator be allowed to spend, within available funds, enough funds to keep these important programs up and running.•

TRIBUTE TO ABRAHAM SACKS

• Mr. LEVIN. Mr. President, I rise today to pay tribute to a great citizen of the State of Michigan, Abraham Sacks. On October 7, 1995, 50 years to the month when 1st Lt. Abraham Sacks returned to the United States from Europe, civilian Abraham "Abe" Sacks will receive his World War II medals. Fifty years—for some people that is a lifetime; in many families that is two generations. For Abe Sacks, it has not even been something to think about.

Abe served 5 years in the U.S. Army from 1941 until his discharge in January 1946. And since then, he has not had the time to think about the medals he never received. Abe and his wife Bea have been too busy living their lives. They settled into their new home in Huntington Woods, MI. They were blessed with two children, and have since watched their children grow and start families of their own. They have become involved in their community by volunteering at their local synagogue and for political campaigns. Although they have now retired, they have continued to volunteer at the synagogue and with SCORE. Has Abe had time to think about medals he earned but never received? That was not Abe's style and still is not.

Several months ago when Bea discovered some papers in Abe's Army chest showing that he never received his medals, she took it upon herself to correct this oversight. She contacted the powers that be, and on October 7, 1995, at a gathering of family, friends, and other veterans, 1st Lt. Abraham Sacks will receive the medals he earned fighting for his country in World War II. Abe will be the recipient of the European-African-Middle Eastern Medal with Silver Star, the African Campaign Medal, the American Defense Service Medal, the World War II Victory Medal, the Army of Occupation Medal with Germany, and the Good Conduct Medal. On behalf of a country that is grateful to the men and women of our military forces, I want to congratulate 1st Lt. and dear friend Abe Sacks. It is never too late to honor someone of his caliber, goodness, and integrity. I know Abe will display these medals with the same pride he exhibited when he served his country.•

TRIBUTE TO THOMAS L. AYRES ON HIS RETIREMENT FROM THE DEPARTMENT OF VETERANS AFFAIRS

• Mr. NUNN. Mr. President, I would like for the Senate to recognize the retirement of Thomas L. Ayres from the Department of Veterans Affairs after more than 41 years of exemplary service in providing health care to the armed service members and veterans of our Nation. On September 30, 1995, Mr. Ayres will retire from his position as the Director of the Department of Veterans Affairs Medical Center in Augusta, GA.

Tom Ayres began providing health care during his service with the United States Army from 1955 until 1959 at the 279th Station Hospital in Berlin. After his service in the Army, he started his career with the Veterans Administration by becoming a nursing assistant at the Veterans Administration Hospital in Marion, Indiana. From 1962 until 1969, Tom Ayres worked as a supervisory recreation specialist at the Veterans Hospital in Brecksville, OH. From 1969 until 1972, he served as a voluntary services officer at Veterans Administration Hospitals in both Madison, WI and Gainesville, FL. In 1972, Tom Ayres became a medical administration assistant at the Veterans Hospital in Madison, WI.

Since 1972, Tom Ayres has earned appointments to positions of increased responsibility within the Department of Veterans Affairs. In 1976, he became a hospital administration specialist and soon thereafter was transferred to the Veterans Affairs central office and served as the executive assistant to the Associate Chief Medical Director for Operations.

Tom Ayres received an appointment to the position of Medical Center Director of the Veterans Administration Hospital in Salisbury, NC in 1981. Nine years later, he became the Director of the two-division Veterans Administration Medical Center in Augusta, GA. He also serves as the Associate Administrator for Veterans Affairs at the Medical College of Georgia and as a member of the Medical College of Georgia's Clinical Enterprise Executive Committee.

Throughout his long and distinguished career in providing health services for U.S. veterans throughout our great Nation, Tom Ayres has received numerous awards based on the exemplary performance of his duties. His awards include the National Daughters of American Veterans Commander Award, the Award for Valor from the Secretary of Veterans Affairs, three Superior Performance Awards, and five consecutive Executive Performance awards. In 1990, he received the Presidential Rank Award from the President of the United States.

It is important to note that his compassion and sense of civic responsibility does not start and end with his job.

Tom Ayres is an active participant with the local United Way, Kiwanis Club, American Legion, Senior Executive Association, and the American College of Hospital Administrators. In addition, he serves on the administrative board of Trinity on the Hill Church and is a life member of the Disabled American Veterans and the Veterans of Foreign Wars.

Mr. President, I ask my colleagues to join me in thanking Thomas L. Ayres for his outstanding career spent in service to our Nation's veterans. He is a model citizen in every sense of the term. We wish him, his wife Christa, and their children and grandchildren Godspeed and every success for the future.●

OUT OF PRINT

● Mr. SIMON. Mr. President, recently, Bob Samuelson had a column in the Washington Post on the scarcity of various Government statistics in printed form.

Mr. Samuelson wrote that some of the reports published by the Census Bureau are going out of print. He cited the fact that the Census Bureau issued only 635 printed reports in 1994 as opposed to over 1,000 the Bureau printed in 1992.

His concern over the scarcity of printed statistics led him to contact the Census Bureau. Mr. Samuelson learned that the Census Bureau is still researching and compiling all of the same data and information it has in the past. Only now, rather than publishing its reports in printed form, the Census is circulating statistics on the Internet.

Lately there has been a great deal of attention surrounding the Internet and the information superhighway.

I have to confess that my knowledge of the Internet is limited. Although, I do understand that a large and varied amount of information may be accessed by using the system.

I join Mr. Samuelson in his concern that those who do not have access to the Internet, or choose not to use the information superhighway, will not have the same access to the vital statistics published by the Census Bureau that they have had in the past.

While I do not dispute the benefits that accompany the Internet and other similar technological advances—especially in the field of education—I am concerned that we might overlook the usefulness and practicality of printed materials in the name of progress.

Having access to a wide range of information at our fingertips is definitely an advantage of the Internet. We must be mindful, however, that there is no substitute for the printed word.

Mr. President, I ask that Robert Samuelson's column entitled "Out of Print" be printed in the RECORD at this point.

The column follows:

[From the Washington Post]

OUT OF PRINT

(By Robert J. Samuelson)

My name is Robert, and I am a numbers junkie. I compulsively scour the Statistical Abstract for intriguing indicators of our national condition—the fact, for example, that state lotteries collect $25 billion annually. Naturally, I am also a big fan of the Census Bureau, which publishes the abstract and conducts surveys on everything from our incomes to our housing patterns. So it pains me to report that Census is now committing a colossal blunder. It is slowly going out of print. Literally.

The Statistical Abstract momentarily seems safe, but scores of other printed reports are simply being eliminated. In 1992 Census issued 1,035 reports; last year the number was 635, and the retreat from print has only begun. Gone are, among others: "Earnings by Occupation and Education," "Poverty Areas in the United States" and "Language Use in the United States." This is absurd. We go to great trouble to collect this information, and now Census is suppressing it.

The losers are not just statistics addicts. Our public conversations depend heavily on these dry numbers. They shape our concept of who we are, of how society is performing and of what government should or shouldn't do. Political speeches routinely spit out statistics that can be made to tell stories: some true, some not so true. Keeping the conversations honest requires that the basic data be easily accessible to anyone who wants them.

When I say Census is "suppressing," I don't mean that it's deliberately hiding its surveys. As a reporter, I've asked Census for information hundreds of times; I can't recall an instance when answers, when available, weren't provided quickly. The culture of the place is to release information. By its lights, Census isn't abandoning print so much as it's shifting its data to the Information Superhighway. Statistics are being distributed by CD-ROMs and the Internet. Already, Census brags that its World Wide Web site is receiving 50,000 hits a day. Sounds amazing.

It isn't. Those 50,000 daily hits are a lot less breathtaking than they seem, even if the figure is accurate (and I have my doubts). In May, Interactive Age, a trade publication, surveyed Internet sites. It reported that Pathfinder (the site for Time Warner publications, such as Time and People) had about 686,000 daily hits, Playboy had about 675,000, and HotWired (the site for Wired magazine) had about 429,000. I mention these popular sites because they belong to magazines. As yet, none is forsaking the printed page for the glories of the Internet.

There are good reasons for this. One is that the number of daily hits on a Web site exaggerates how many people use it; the same person may hit the same site repeatedly. Another reason is that the Internet hasn't yet evolved into an effective platform for advertising. But the main reason is that, for many purposes, the printed page is still superior to the computer screen. You can flip pages faster than you can search computer files. You can read a magazine standing in a subway or lying in a hammock.

Census's shift from print clearly discriminates against people (including me) who don't surf the Internet or use CD-ROMs. We remain the vast majority. American Demographics magazine recently reported a number of surveys that tried to measure U.S. Internet use in 1994. The surveys put usage of the World Wide Web between 2 million and 13.5 million people, which is at most about 5 percent. The average income of Internet households was $67,000, which is the richest fifth of Americans. But it's not just computer clods or the unaffluent who will suffer.

Carl Haub is a demographer at the Population Reference Bureau in Washington. He's a big user of Census statistics and is comfortable cruising in cyberspace. "It's going to be a disaster for the average analyst," he says. Downloading and printing data from the Internet can take hours. Getting a number from a CD-ROM is often a lot harder than getting it from a book. To Haub, Census is transferring a lot of the cost—in time and money—of making statistical information useful to people like him.

Martha Farnsworth Riche, director of the Census Bureau, admits as much. "If someone else can do it, let's shift it to the outside," she says. "We've had a hiring freeze since at least 1992, and those [printed] reports take an enormous amount of time from professionals." They need to concentrate on doing surveys of "an economy and population that are changing dramatically. Our statistics have fallen behind." Only Census can collect much of this data, she says. Let academics and analysts prepare reports.

Up to a point, Riche has my sympathies. The Constitution created the census (Article 1, Section 2), and social and economic surveys are a basic function of modern government. Some congressional proposals to cut the agency's budget sharply are stupid beyond words. But that said, the new approach is misguided. The danger of over-relying on outsiders to organize and analyze basic data is that statistics may fall hostage to special pleaders or incompetents. Printed Census reports provide an easy way to check self-interested or faulty claims.

Print's other great virtue is that it guarantees a historic record. Computer technology is changing so rapidly that data committed to one technology may no longer be easily accessible if that technology vanishes. "The CD-ROMs that we're so excited about today—20 years from now, no one will use them," says Richard Rockwell, director of the Inter-University Consortium for Political and Social Research. "The book is a highly advanced technology for preserving some kinds of information." Exactly.

Let's not become too infatuated too soon with the Information Superhighway. Census should be issuing its data in computer-friendly ways, but not as a substitute for printed reports. A jaunt on the Internet—piloted by my friend Steve—only affirmed my skepticism. Steve typed the Census Web address (http://www.census.gov), and up popped the "home page" designating me as the 567,352nd visitor. Unless the count began 10 days earlier (and it didn't), that was a lot fewer than 50,000 daily hits. I informed a Census official. He was mystified. After checking, he said there were other ways of accessing the Web site that didn't raise the count. Hmm. Could be. But it also shows how, on the Information Superhighway, we're still navigating in the dark.●

SPARKY ANDERSON

● Mr. LEVIN. Mr. President, "It was the best of times. It was the worst of times." It was 1984, and the Detroit Tigers won it all, from opening day in April until the final game of the World Series in October, a perfect season, never out of first place, with Sparky at the helm. It is 1995, a not so perfect season; in fact, a bummer of a season, with Sparky at the helm, getting a look at the new, young players, and most likely closing out the 1984 era.

On Sunday, October 1, in Baltimore, the Orioles play the Tigers in the last regular game of the season. But to me, what is most poignant is that I believe we will be seeing Sparky Anderson in a Detroit Tigers uniform for the last time. And when he leaves the field that day, along with Alan Trammell and Lou Whitaker, the last of the 1984 Tigers' team will be gone.

Sparky Anderson is baseball. As a kid, his dream was to be a player, but from all early indications—he played only 1 year in the majors—he was meant to be a manager. He studied the game constantly from boyhood to this day. When he sits in the dugout, you can see those eyes darting around the field, taking in every movement of everyone on the field and at the plate, incessantly studying and instructing his players, both veterans and rookies.

Sparky Anderson has a remarkable record as a manager. He is the third winningest manager in big league history—only Connie Mack and John McGraw won more games. But he is the only manager to win a World Series in each league, with the Cincinnati Reds and the Tigers, and he is the first to win 100 games in each league. He is, without question, headed for the Baseball Hall of Fame.

Every indication is that Sparky will be leaving the Detroit Tigers and will announce this shortly after the season ends on October 1. But, I do not think Sparky will leave baseball. He will be in some baseball uniform next year. I am sure that we will turn on the television some day and see Sparky going to home plate to hand the umpire the starting lineup, we will see him sitting in the dugout, chewing his bubblegum or his sunflower seeds, and his eyes will be darting around the field, and we will see him walk to the pitcher's mound in the late innings, with that familiar skip to avoid stepping on the third base foul line.

Maybe we will get to see one of those nose-to-nose arguments with the umpire, and we will certainly look forward to hearing a post-game analysis, and in spite of that fractured English of his, we will get a first rate lesson in the way this great game of baseball works, for more than anything else, Sparky is a baseball purist, a lover of the game and totally loyal to the institution we call baseball.

Detroit will miss Sparky Anderson, but we hope he will hang around the game long enough to break John McGraw's record, and maybe even, someday, overtake the record of the great Connie Mack.●

ORDERS FOR THURSDAY, SEPTEMBER 28, 1995

Mr. DOLE. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until the hour of 9 a.m. on Thursday, September 28, 1995; that following the prayer, the Journal of proceedings be approved to date, the time for the two leaders be reserved for their use later in the day, and then the majority leader be recognized as under the previous order.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. DOLE. Mr. President, I will just say for the information of all Senators, under the agreement that has just been obtained, I will make a motion to proceed to the Labor-HHS appropriations bill tomorrow morning. A rollcall vote will occur on the motion to proceed at 10 a.m., and, in accordance with the unanimous consent agreement, a second vote will occur at 11 a.m. on the motion if 60 votes are not obtained on the first vote.

If 60 votes are not obtained on the motion to proceed on the second vote, it is expected I will recess the Senate until later in the afternoon on Thursday to enable the Finance Committee to meet to complete reconciliation instructions.

The Senate is then expected to reconvene later to begin consideration of Commerce, State, Justice appropriations. Therefore, the Senate could be asked to be in session late into the evening on Thursday in order to complete the appropriations process prior to the end of the fiscal year.

I also will indicate that I think the House will take up the continuing resolution tomorrow. I talked with Speaker Gingrich this morning. He indicated earlier, at least I was informed, he had signed off on the continuing resolution, and they will take that up tomorrow, as I understand it, in the House. Then it will come to the Senate.

It is my hope we can dispose of that without amendment and perhaps by voice vote.

RECESS UNTIL 9 A.M. TOMORROW

Mr. DOLE. Mr. President, if there is no further business to come before the Senate, I ask that the Senate stand in recess under the previous order.

There being no objection, the Senate, at 6:20 p.m., recessed until Thursday, September 28, 1995, at 9 a.m.

NOMINATIONS

Executive nominations received by the Senate September 27, 1995:

DEPARTMENT OF AGRICULTURE

MICHAEL V. DUNN, OF IOWA, TO BE AN ASSISTANT SECRETARY OF AGRICULTURE, VICE EUGENE BRANSTOOL, RESIGNED.

COMMODITY CREDIT CORPORATION

MICHAEL V. DUNN, OF IOWA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE COMMODITY CREDIT CORPORATION, VICE EUGENE BRANSTOOL, RESIGNED.

IN THE ARMY

THE FOLLOWING-NAMED OFFICERS FOR PROMOTION IN THE REGULAR ARMY OF THE UNITED STATES TO THE GRADE INDICATED, UNDER TITLE 10, UNITED STATES CODE, SECTIONS 611(A) AND 624:

To be brigadier general

COL. JOHN P. ABIZAID [redacted] U.S. ARMY.
COL. JOSEPH W. ARBUCKLE [redacted] U.S. ARMY.
COL. BARRY D. BATES, [redacted] U.S. ARMY.
COL. WILLIAM G. BOYKIN, [redacted] U.S. ARMY.
COL. CHARLES M. BURKE, [redacted] U.S. ARMY.
COL. CHARLES C. CAMPBELL [redacted] U.S. ARMY.
COL. JAMES L. CAMPBELL [redacted] U.S. ARMY.
COL. JOSEPH R. CAPKA [redacted] U.S. ARMY.
COL. GEORGE W. CASEY, JR. [redacted] U.S. ARMY.
COL. JOHN T. CASEY [redacted] U.S. ARMY.
COL. DEAN W. CASH, [redacted] U.S. ARMY.
COL. DENNIS D. CAVIN, [redacted] U.S. ARMY.
COL. ROBERT F. DEES [redacted] U.S. ARMY.
COL. LARRY J. DODGEN [redacted] U.S. ARMY.
COL. JOHN C. DOESBURG, [redacted] U.S. ARMY.
COL. JAMES E. DONALD [redacted] U.S. ARMY.
COL. DAVID W. FOLEY, [redacted] U.S. ARMY.
COL. HARRY D. GATANAS, [redacted] U.S. ARMY.
COL. ROBERT A. HARDING, [redacted] U.S. ARMY.
COL. RODERICK J. ISLER [redacted] U.S. ARMY.
COL. DENNIS K. JACKSON [redacted] U.S. ARMY.
COL. ALAN D. JOHNSON, [redacted] U.S. ARMY.
COL. ANTHONY R. JONES, [redacted] U.S. ARMY.
COL. DANEIL L. LABIN [redacted] U.S. ARMY.
COL. WILLIAM J. LENNOX, JR. [redacted] U.S. ARMY.
COL. JAMES J. LOVELACE, JR. [redacted] U.S. ARMY.
COL. JERRY W. MCELWEE [redacted] U.S. ARMY.
COL. DAVID D. MCKIERNAN, [redacted] U.S. ARMY.
COL. CLAYTON E. MELTON [redacted] U.S. ARMY.
COL. DANIEL L. MONTGOMERY [redacted] U.S. ARMY.
COL. WILLIE B. NANCE, JR. [redacted] U.S. ARMY.
COL. ROBERT W. NOONAN, JR. [redacted] U.S. ARMY.
COL. KENNETH L. PRIVRATSKY [redacted] U.S. ARMY.
COL. HAWTHORNE L. PROCTOR, [redacted] U.S. ARMY.
COL. RALPH R. RIPLEY [redacted] U.S. ARMY.
COL. JOSEPH J. SIMMONS IV [redacted] U.S. ARMY.
COL. EARL M. SIMMS, [redacted] U.S. ARMY.
COL. ZANNIE O. SMITH [redacted] U.S. ARMY.
COL. ROBERT L. VANANTWERP, JR. [redacted] U.S. ARMY.
COL. HANS A. VANWINKLE, [redacted] U.S. ARMY.
COL. ROBERT W. WAGNER, [redacted] U.S. ARMY.
COL. DANIEL R. ZANINI, [redacted] U.S. ARMY.

HOUSE OF REPRESENTATIVES—*Wednesday, September 27, 1995*

The House met at 12 noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We acknowledge, O God, that there is the temporal and the eternal in our lives and in the affairs of every person. We know too that so much that we think important and necessary passes away and remains as a fading memory. We know also the daily reality of a vibrant faith that we can have in Your word, a trust that transcends all the power and pomp of a busy world. Teach us, gracious God, to focus not on the transient, but on the eternal, so we may truly gain a heart of wisdom. In Your name we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. BARRETT of Nebraska. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

Mr. SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. BARRETT of Nebraska. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Pursuant to the provisions of clause 1, rule I, the Chair will postpone the vote until later in the day.

The point of no quorum is considered withdrawn.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentlewoman from Florida [Ms. BROWN] come forward and lead the House in the Pledge of Allegiance.

Ms. BROWN of Florida led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. A recent misuse of handouts on the floor of the House has been called to the attention of the Chair and the House. At the bipartisan request of the Committee on Standards of Official Conduct, the Chair announces that all handouts distributed on or adjacent to the House floor by Members during House proceedings must bear the name of the Member authorizing their distribution. In addition, the content of those materials must comport with standards of propriety applicable to words spoken in debate or inserted in the RECORD. Failure to comply with this admonition may constitute a breach of decorum and may give rise to a question of privilege.

The Chair would also remind Members that pursuant to clause 4, rule XXXII, staff are prohibited from engaging in efforts in the Hall of the House or rooms leading thereto to influence Members with regard to the legislation being amended. Staff cannot distribute handouts.

In order to enhance the quality of debate in the House, the Chair would ask Members to minimize the use of handouts.

RESIGNATION FROM THE HOUSE OF REPRESENTATIVES

The SPEAKER laid before the House the following resignation from the House of Representatives:

OFFICE OF THE GOVERNOR,
Springfield, IL, September 8, 1995.

Hon. NEWT GINGRICH,
Speaker of the House of Representatives, U.S. Congress, Washington, DC.

DEAR SPEAKER GINGRICH: Attached please find the official letter of resignation from Congressman Mel Reynolds of Illinois' Second Congressional District.

Pursuant to state law, I will take the appropriate steps to fill the vacancy created by Congressman Reynolds' resignation. Please do not hesitate to let me know if you have any questions regarding this or any other matter.

Sincerely,

JIM EDGAR,
Governor.

Attachment.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, September 1, 1995.

Hon. JIM EDGAR,
Governor, State of Illinois, Springfield, IL.

DEAR GOVERNOR: Tonight I shall be announcing my resignation from the 104th Congress. Please receive this letter as formal notice to you of my official resignation effective October 1, 1995.

It has been both an honor and a privilege to serve the people of the Second Congressional District of Illinois.

Sincerely,

MEL REYNOLDS.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

OFFICE OF THE CLERK,
U.S. HOUSE OF REPRESENTATIVES,
Washington, DC, September 27, 1995.

Hon. NEWT GINGRICH,
The Speaker, U.S. House of Representatives, Washington, DC.

DEAR SPEAKER GINGRICH: Pursuant to the permission granted in clause 5 of rule III of the Rules of the U.S. House of Representatives, the Clerk received the following messages from the Secretary of the Senate on Tuesday, September 26, 1995 at 11:10 a.m.:

That the Senate agreed to the conference report on H.R. 1817; that the Senate passed with amendments and requested conference on H.R. 1868; that the Senate disagreed to House amendments and agreed to conference on S. 440; that the Senate passed S. 619; that the Senate agreed to conference report on H.R. 1854.

With warm regards,

ROBIN H. CARLE,
Clerk, House of Representatives.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair will entertain fifteen 1-minutes on each side.

REFLECTIONS ON THE 1-YEAR ANNIVERSARY OF THE CONTRACT

(Mr. DELAY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DELAY. Mr. Speaker, it has been 1 year since House Republicans stood on the west front of the Capitol and promised to change dramatically the way Congress works. We signed a contract that said that we will bring to the floor 10 legislative priorities important to the American people. We brought those bills to the floor and passed nine of them. We kept our promises. We proved that politicians can tell the truth. We proved that real change is possible in Washington.

Mr. Speaker, Rome was not built in a day, and completely reforming the Congress will take more than 1 year. But we have made great strides.

This fall we will focus on four issues critical to our Nation's future: We will pass a budget that balances in 7 years; we will strengthen and protect the Medicare System; we will get tax relief to families who need to have more money to raise their children; and we will reform welfare to give folks a hand up and not a handout.

Columnist David Broder has called this Congress "a rout of historic proportions." Is it not amazing what can happen when you keep your promises to the American people?

SHUTTING OUT THE AMERICAN PEOPLE ON MEDICARE

Ms. DELAURO. Mr. Speaker, a story in yesterday's USA Today regarding Republican plans to cut more than $270 billion from Medicare quoted 76-year-old Naomi Cutrer. Naomi voiced concern that Republicans are rushing through these Medicare cuts, without public hearings. She said:

> We need to slow down. They've only held one hearing on Medicare, and I don't know how many on Ruby Ridge and Whitewater.

Well, Naomi, here's your answer—Congress has had 10 days of hearings on Ruby Ridge, 10 days of hearings on Waco, 28 days of hearings on Whitewater and only a single hearing on Medicare.

Naomi Cutrer and seniors like her all across this country are right to be concerned about attempts by Republicans to ram through these Medicare cuts, without public hearings and without public input. This is supposed to be a government of, by, and for the people, but when it comes to Medicare the American people are being shut up and shut out.

DUCKING RESPONSIBILITY ON MEDICARE

Mr. EHLERS. Mr. Speaker, over the past several months, the Democrats, during our continuing debate over Medicare, have often accused the Republicans of many things which we are not doing, as we have tried to outline our plans. The comment you heard from the previous speaker is an example of that, ignoring the fact that a number of hearings were held on Medicare before the plan was issued.

The Washington Post has this to say about the Democrats' MediScare campaign.

> They have no plan. Mr. Gephardt says they can't offer one because the Republicans would simply pocket the money to finance their tax cut. It is the perfect defense. The Democrats can't do the right thing because the Republicans would then do the wrong one. But that has nothing to do with Medicare. The Democrats have fabricated the Medicare-tax-cut connection because it is useful politically. It allows them to attack and to duck responsibility both at the same time. We think it is wrong.

Mr. Speaker, I agree with the Washington Post. I believe the American public agrees with the Washington Post. We are doing the right thing. We have the courage to do the right thing, and we will do it.

GUTTING MEDICARE

(Ms. BROWN of Florida asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. BROWN of Florida. Mr. Speaker, Webster's Dictionary defines the verb to cut as to hit sharply, to constrict, to reduce, to lessen, to hurt.

I understand that the Republican leadership is unhappy about us using the word "cut" to describe the Republican's revolting and offensive Medicare plan. OK, fine. Maybe "cut" is not quite the right word. Well how about gut? According to Webster's, to gut is to demolish, to destroy. How do you like the word gut? The fact is that Republicans want to destroy Medicare's security and leave our seniors stranded to fend for themselves. Perhaps gut is a more appropriate word.

Mr. Speaker, during the August recess, I held 13 town meetings and met with 3,000 of my constituents. My constituents told me that they are outraged about the Republican's reverse Robin Hood tactics—taking Medicare benefits from seniors in order to pay for a tax break for the wealthy.

Republicans call it a cut in the growth of spending. They call it progress. I call it the good old-fashioned bait and switch.

SAVING MEDICARE MORE IMPORTANT THAN POLITICS

(Mr. CHABOT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CHABOT. Mr. Speaker, we Republicans in Congress have been working very hard to come up with a plan to save Medicare from bankruptcy. Unfortunately, the Democrats in Congress here are refusing to help us, choosing instead to push a MediScare campaign.

This is a prime example of putting partisan politics above the needs of the American people. These liberal Democrats claim that the Republican plan will cut Medicare to pay for a so-called tax break for the rich.

Mr. Speaker, those tax cuts were paid for last April and mainly benefited working families, not the wealthy. Now Democrats are even running TV ads that are designed to help mislead the American people into believing their partisan fantasies.

But Republicans will not be sidetracked. We remain committed to the task at hand, saving Medicare and preserving it for this generation and for future generations. We do not believe that politics should stand in the way of this goal. Saving Medicare is too important.

WAKE UP CALL ON VIOLENCE

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, another public official, a prosecutor this time, fighting drugs and gangs, was gunned down in cold blood. I am not talking about Colombia. This was Boston, MA, Congress. Police say that tennage gang leaders ordered this assassination.

Unbelievable. From Boston to Seattle, New York to Los Angeles, your town to my town, American is bleeding, unsafe, and dangerous. I say it is time to treat these teenagers as adults, charged with murder, and they should be put to death. Whether it is a deterrent or not, one thing about capital punishment, there is no recidivism. It is time.

Think about it. When Boston goes from Minuteman to triggerman, all Congress and America should be hearing this wake up call.

I yield back the balance of this violence.

FIXING MEDICARE

(Mr. FRELINGHUYSEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FRELINGHUYSEN. Mr. Speaker, the American people elect politicians to help fix problems with Government. Pretty simple stuff, one would imagine. But, unfortunately, some politicians do not see things quite so clearly. They see no wrong with Government. Government could never do anything inefficiently or ill-advised.

Take, for example, on this side of the aisle, there are politicians who want to strengthen Medicare, make it a better program, and allow seniors more choices in making their own health care decisions. On the other side of the aisle we have some politicians who passionately defend the status quo, even though the status quo is 30 years old without revisions. They would rather deny Medicare to those in need down the road than do anything to fix it now.

Mr. Speaker, there is no excuse for this irresponsibility. Medicare is in serious need of reform. Republicans want to fix Medicare and make sure it exists for many years to come.

ATTACKING MEDICARE AT EXPENSE OF SENIORS

(Ms. VELÁZQUEZ asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. VELÁZQUEZ. Mr. Speaker, the Republicans' plan to hold just 1 day of hearings on Medicare is an attack on democracy.

I ask where are our priorities? We had 10 days of hearings on Waco and 11 days of hearings on Ruby Ridge so far. Even more alarming, we held over a month of hearings on Whitewater, an issue that most Americans don't care about. Yet, we had only 1 day of hearings for Medicare.

Americans are scared about cuts in Medicare, scared about their future. There should be more than 1 day of hearings on an issue that will affect 37 million seniors. Lets come clean and let Americans know that the real reason Republicans are cutting Medicare by $270 billion is to fund corporate welfare, defense spending, and tax cuts to the rich—all at the expense of the health and well being of senior citizens.

□ 1215

PROMISES MADE AND PROMISES KEPT

(Mr. RIGGS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RIGGS. Mr. Speaker, these claims coming from the other side of the aisle would have a little more credence if in fact House Democrats had put forth their own plan for preserving and strengthening Medicare. And let us get one thing straight right now. We have had dozens and dozens of hearings in the House of Representatives on what we must do as a Nation to preserve and strengthen Medicare.

I wanted to rise today, though, to point out that 1 year ago I and more than 300 Republican candidates for Congress stood outside the steps of this historic building and signed our name to a Contract With America. Let me read the very first sentence of the contract: "As Republican Members of the House of Representatives and as citizens seeking to join that body, we propose not just to change its policies, but even more important, to restore the bonds of trust between the people and their elected officials."

Mr. Speaker, last January a new majority took control of this House. We came, we saw, and to date we have kept our word. So let us never forget, Mr. Speaker, the power of promises made and the power of promises kept.

ALLOW MEDICARE TRUSTEES TO REVIEW PLANNED CUTS

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, let me answer the prior speaker in the well. The trustees of Medicare said $89 billion was necessary to fix it, and so they are cutting $270 billion to save it. They only had 1 day of hearings on this very important issue that affects 37 million people. They have had more hearings on the Chinese prison system that we cannot do anything about from here.

Now, Mr. Speaker, it seems to me that as they wave the trustees report saying they needed to fix it, they better not do anything unless they run the new bill and the new proposal in front of the trustees. That is how we take it out of politics. Take the bill, I say to those on this side of the aisle, take the bill to save Medicare and put it in front of the trustees and see if they believe the $270 billion are really needed.

I think what is happening here is they are trying to get the cake to the fat cats and the cuts to the middle class.

SUPPORT H.R. 743, TEAM ACT

(Mr. BARRETT of Nebraska asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARRETT of Nebraska. Mr. Speaker, when the National Labor Relations Act passed in 1935, the idea of the high performance workplace was an unknown concept. Management either issued orders from on high or bargained with the unions over terms and conditions of employment. Since that time, however, and especially during the last 10 years, the concept of employee involvement has blossomed in workplaces all over America. How ironic, then, that the National Labor Relations Board has determined an employer may solicit employee input on what changes are needed in the workplace but it is illegal for an employer to make changes developed in consultation with employees unless those employees are represented by a union.

Mr. Speaker, why should employees be barred from dealing directly with management? The TEAM Act allows employees and employers to resolve workplace problems through team-based employee involvement and enables American companies to compete in the world marketplace.

Mr. Speaker, I urge my colleagues to support the TEAM Act.

THE DEBT CEILING

(Mr. DOGGETT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DOGGETT. Mr. Speaker, Pat Buchanan's America First campaign, move over. The Speaker is going one better by launching the America Second campaign.

Friday, in New York, he stood, defiant to default. "I don't care what the price is," he proclaimed. "I don't care if we have no executive offices and no bonds for 60 days—not this time."

True, the dollar immediately plunged 5 percent and interest rates shot up. The Wall Street Journal coined a new term, the "Newt Factor." I would call it a "Newtron bomb."

But not to worry. Drive the dollar through the floor, let the interest rates soar, because America and its needs must take second place to the political posturing of the Speaker. America second, NEWT first. That is the spirit of these zealots who say it is NEWT's way or no way.

TEAM ACT DOES NOT APPLY WHERE COLLECTIVE BARGAINING ALREADY EXISTS

(Mr. PETRI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PETRI. Mr. Speaker, as we enter the debate over the application of the TEAM Act to American workplaces, let's be clear at the outset on one important point.

This bill has no application to companies which currently operate under a collective-bargaining agreement with an organized group of employees.

Opponents of the TEAM Act claim that the bill would let employers undermine established unions by creating workplace committees or sham company unions to take their place. This claim is false. The bill does not address work relationships in union settings.

It only affects employer/employee relations in nonunion settings. The bill would leave untouched restrictions prohibiting employers in unionized settings from dealing directly with employees.

To establish an employee involvement program in a unionized company, the management would still have to work directly through the unions or else be guilty of an unfair labor practice.

The language of the TEAM Act makes it clear that employee teams are legal only if they do not assume the rule of a labor union.

The TEAM Act thus clearly preserves union veto power over employee involvement.

Please support the TEAM Act when it comes to the floor today.

SUPPORT H.R. 743, THE TEAM ACT, WITHOUT AMENDMENT

(Mr. WELDON of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WELDON of Florida. Mr. Speaker, I rise in support of the Teamwork Act, and I would like to talk about a particular employee who is somebody who can benefit by this piece of legislation, a fellow by the name of Joe who worked for one of America's largest companies.

It seemed one of their major customers was dissatisfied with the quality of the service and product that was sent to them and was threatening to switch vendors. The employee, Joe, was working in the manufacturing section of the company and it was discovered that Joe was responsible for 73 percent of the defects for his work crew and 50 percent for the entire department.

Joe's defect rate was brought up to a team meeting, and the team agreed to support Joe completely and help him find ways of discovering defects earlier and faster. They also discovered a key reason for the high rate of Joe's defects was the amount of socialism between operators.

The team was able to redesign the work area, and the result was they developed a quality ladder with five rungs depicting quality that team members may achieve, and Joe is now at the top of the ladder.

Mr. Speaker, I rise in support of the TEAM Act and urge all my colleagues to support it.

DO NOT RUSH MEDICARE PLAN THROUGH THE HOUSE

(Mr. FORD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FORD. Mr. Speaker, the trustees and experts as they relate to the Medicare trust fund have indicated there is only $98 billion needed in order to bring about the solvency for the Medicare Program, not the $270 billion that is being proposed by the Republicans. The Republicans are rushing their reckless Medicare plan through the House Committee on Ways and Means, and the only thing we have seen as of today is a 60-page press release.

To increase the Medicare part B premiums on the senior citizens of this country, to double those premiums over the next 6 or 7 years on the seniors who are on fixed, limited incomes is absolutely wrong. I would hope the Republicans would get that message and listen to what Naomi Cutrer said in the USA Today newspaper yesterday, that it is a shame for the Republicans to rush it through and to add these increases and to bring about this hardship in the Medicare Program.

AMERICANS WANT REAL ANSWERS TO PROBLEMS

(Mr. GUTKNECHT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GUTKNECHT. Mr. Speaker, this past week the Democrats' Special Caucus Task Force on Medicare held a series of mock Medicare hearings. Let us examine the record. Can anyone remember the exact number of Medicare reforms the Democrats Special Task Force on Medicare has proposed? The answer is zippo, zilch, nada, zero, the big goose egg.

Liberals love to pose and posture. They love to pretend and feign concern. One week it is school lunches, the next it is student loans, and now it is Medicare. But the routine is pretty predictable. They distort the Republican position and make us look like monsters, but then they never propose any solutions for their own to deal with whatever the problem is.

Mr. Speaker, the American people are completely fed up with this style of leadership. They want real answers to the real problems faced by their Government. They do not want mock hearings or mock concern about Medicare.

SAVE HEALTH CARE BENEFITS FOR COAL MINERS

(Mr. POSHARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. POSHARD. Mr. Speaker, we have over 100,000 retired coal miners in America today, men and women who for 25, 30, even for 40 years exposed themselves to great danger to provide for the energy needs of America.

In 1946 this Congress, working with the coal companies, developed a health care plan to make sure these miners would be provided adequate health care in their later years. But over the years many companies refused to honor their obligations to contribute to the employer funded UMWA health and retirement funds, creating a crisis which threatened the health and security of well over 100,000 retirees.

This Congress responded, and in 1992 we enacted the Coal Industry Retiree Health Benefits Act to make sure companies paid their fair share, to make sure that health care for current and retired coal miners would be preserved for now and in the future.

Last week, Mr. Speaker, that act was overturned in the Ways and Means Committee, leaving these miners to face an uncertain future with regard to their health care. This is wrong, Mr. Speaker, and I plead with this Congress not to enact this act.

SUPPORT H.R. 743, THE TEAM ACT

(Mr. BALLENGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BALLENGER. Mr. Speaker, should cooperation between employees and employers be illegal? Today, 88 percent of the private sector work force cannot influence the terms and conditions of their employment by sitting down as a group with management and sharing ideas on improving the company. Those 88 percent are nonunionized workers, and it is illegal for employees and an employer to work together to resolve workplace issues using committees or teams that fall within the definition of a labor organization, unless those employees are represented by a union.

An employer can have a suggestion box or hold a conference to discuss ideas in the abstract with employees, but it is illegal for an employer to follow through on any of these activities with actual workplace changes that are developed in consultation with the employees, unless those workers are represented by a union.

The TEAM Act would give nonunion employees the same right as union employees—the right to work with the employer to resolve workplace issues. Join me in supporting H.R. 743, the TEAM Act so that all employees are fairly treated and able to participate in the process of workplace improvement.

WHAT ARE REPUBLICANS HIDING?

(Mr. LEWIS of Georgia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEWIS of Georgia. Mr. Speaker, we are still waiting to see the details of how the Republicans will cut $270 billion from Medicare. The Ways and Means Committee held one—only one—hearing. Even after that hearing, we do not know how they will cut Medicare. We do not have a bill.

It is a shame and disgrace that we are shut out of the process, and the details are carefully guarded from us. This is an affront—not just to Democrats, not just to Members of Congress, but to our senior citizens and the American people.

Mr. Speaker, it was Robert Frost who said, "When you build a wall, who are you trying to fence out?"

So I ask, Why is there only one hearing on this very important plan? What do my colleagues have to hide?

Do not hide the plan. Hold hearings. Let the American people be a part of this process.

□ 1230

REPUBLICANS DEDICATED TO PROMISES OF THE CONTRACT WITH AMERICA

(Mrs. SEASTRAND asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SEASTRAND. Mr. Speaker, it has been 1 year since hundreds of Republican House Members and candidates gathered on the steps of the Capitol and signed a Contract With America. Since then, the Republican Party has gone on to revolutionize American politics and to change business as usual inside the beltway.

In the contract, we made specific promises to vote on specific pieces of legislation. We kept our word. We showed the American people that politicians can come to Washington and actually keep promises—something they have not seen for many years.

Mr. Speaker, Republicans are still dedicated to the promises we made in the contract. We will reduce the size and scope of the Federal Government.

We will cut taxes for working families. We will reform welfare. We will balance the budget.

In short, Mr. Speaker, we will continue to fight for the change that the American people demanded last November, and we will not rest until we have accomplished our goal.

DO NOT EXCLUDE AMERICAN PEOPLE FROM THE MEDICARE DEBATE

(Mr. DINGELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DINGELL. Mr. Speaker, we have had 28 days of hearings on Whitewater, 14 days of hearings on Waco-Ruby Ridge. We had 2 days of hearings on the Chinese prison system.

Mr. Speaker, 1 day of hearing has been held on Medicare. We were supposed to commence the markup of this legislation right after we returned from the August recess. The legislation was supposed to be ready for the floor. Yet time after time, this proposal has been postponed.

We have not had but 1 day of hearing. We have not considered the legislation. The clock is running. The calendar is turning.

Mr. Speaker, I would urge my colleagues to be fair. What do my Republican colleagues have to hide? Why is it that they are afraid to bring the American people into consideration of their proposal to cut Medicare $270 billion, to make a savings that is only necessary to be $89 billion, according to the trustees of the Social Security System?

Let us be fair. Let us be open. Let us have hearings. Let us not continue this process of delay, while we at the same time exclude the American people from the process.

REPUBLICANS ARE STRENGTHENING, PROTECTING, AND PRESERVING MEDICARE

(Mr. DREIER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DREIER. Mr. Speaker, the gentleman from California [Mr. MCKEON], my colleague from Santa Clarita, was telling me that over the weekend he talked to a constituent who said to him,

> It was interesting. Last Friday I turned on CNN and I saw the Democrats out on the lawn in the rain holding these hearings, claiming that Republicans were not holding hearings on Medicare. And then I flipped to C-SPAN, and there was the hearings in the Committee on Ways and Means on the issue of health care reform and Medicare.

Mr. Speaker, I am struck to hear the gentleman from Michigan [Mr. DINGELL] talk about the litany of hearings on other issues. The Committee on Ways and Means and the Committee on Commerce held 26 hearings. Last Friday's was the 27th hearing on the issue of Medicare.

Mr. Speaker, I tore out a letter in yesterday's L.A. Times in which this fellow, Frank Anderson from Irvine, said that,

> On January 3, 1992, at age 65, my Medicare part B premiums were $31.80 per month. To and including January 3, 1995, I have had 3 increases, about $5 each, to raise my premium to $46.10 per month. If nothing is done, and continuing at this rate for the next 7 years, I would expect 7 more $5 increases to raise the premium to about $81.10 per month.

Mr. Speaker, he goes on to point to the fact that our total would be about $90; President Clinton's, $83. We are strengthening, protecting, and preserving Medicare.

THE RICH GET RICHER AND YOU KNOW THE REST

(Miss COLLINS of Michigan asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Miss COLLINS of Michigan. Mr. Speaker, I rise to question the direction of our economy. A recent study by the Economic Policy Institute indicates that although our economic growth has been healthy, living standards for the average American family have continued to fall. The study suggests that there are two types of inequality that have led to the disconnect between economic growth and living standards. First, in the 1990's, overall wage growth has been dampened by a redistribution of income from labor to owners of capital in the form of profits. The report indicates that the economic return to capital, has actually reached historically high levels in this country. Second, however, the growth of wage inequality that began in the 1980's and persisted throughout the 1990's has prevented middle- and low-wage earners from achieving higher wages and has forced them to accept reductions in their real wages. In addition, of course, earnings have failed to keep up with inflation.

Mr. Speaker, I would suggest to you and the leadership of this House that if these trends continue, your make-believe revolution may prompt a real revolution and it will not be economic. Have a nice day.

IN SUPPORT OF THE TEAM ACT

(Mr. TALENT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TALENT. Mr. Speaker, there has been an outstanding practice going on in American workplaces and it is picking up speed. It has been going on for the last 10 or 15 years. It is called employee involvement or TEAMS.

People know this kind of practice as quality circles or safety committees. They can be relatively formal or informal. Here's an example: Employees have a problem with scheduling, and the employer, instead of deciding these things unilaterally says to his supervisors, "Get together with some of the employees and figure out what you are going to do."

This TEAM concept has increased employee satisfaction and American productivity and competitiveness around the world. But unfortunately it is probably illegal under the National Labor Relations Act, because the NLRB thinks of TEAMS as company unions, according to a 60-year-old statute.

Mr. Speaker, we are going to have a chance to do something about that today with the TEAM Act. That is an act that will legalize the kind of employee involvement that is already going on in tens of thousands of workplaces around the country today. It is something that employees want. It will empower them and improve employee satisfaction and American competitiveness.

The bill specifically says company unions are still illegal. It does not apply in organized workplaces. The House ought to pass it today.

NO BUDGET, NO PAY

(Mr. DURBIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DURBIN. Mr. Speaker, Speaker NEWT GINGRICH announced last week that if political gridlock in Washington results in closing down Federal services to our Nation, so be it.

The Speaker also went on to say that he, as the Speaker, is prepared to force America into a default on its debt for the first time in our history if he does not get his way.

Mr. Speaker, too many politicians on Capitol Hill are talking about a political train wreck as if we are playing with toy trains. A shutdown of Federal services is a serious matter. Members of Congress should take it seriously.

That is why I have introduced legislation that would cut off the paychecks of Members of Congress and the President if the Federal Government shuts down because of budgetary gridlock. No budget, no pay. If we do not finish the job, we do not get paid. It is just that simple.

We were sent to Washington to solve problems, to work together, to do things in a constructive way. Gridlock and train wrecks are politics as usual. If the political leaders in this town fail, the salaries of Congress and the President should be the first on the budget chopping block.

CONGRESS SHOULD LET EMPLOYEES SPEAK FOR THEMSELVES

(Mr. MCKEON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MCKEON. Mr. Speaker, today the voices of the majority of American workers go unheard—not because American employers are oppressive, but because American law prohibits it. Under current labor law, employers and employees cannot work together to resolve important workplace issues that might involve terms and conditions of employment unless those employees are represented by a union.

While it is legal for an employer to have a meeting or hold a conference with employees to discuss ideas in the abstract, it is illegal for an employer to follow through on any actual workplace changes developed in consultation with the employees, unless those workers are represented by a union. The 88 percent of the private sector work force that is not unionized is, therefore, not allowed to discuss issues which affect the conditions of their employment.

The TEAM Act permits employee involvement in workplace decisionmaking. Companies want their employees to develop new methods and ideas for improving the workplace. It's about time we let employees speak for themselves.

Vote in favor of H.R. 743, the TEAM Act.

DEMOCRATS ON MEDICARE: POLITICS AS USUAL

(Mr. HOKE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOKE. Mr. Speaker, it is true that politics does make strange bedfellows, and we find ourselves once more lying down with the Washington Post, not normally friend to Republicans. But the fact is that they set up an editorial 2 days ago with respect to the "Medigoguing," as they call it, of the Democrat leadership and Democratic Members of Congress.

Mr. Speaker, talking about the letter of minority leader DICK GEPHARDT, they say:

> The letter itself seems to tell us more of the same. It tells you just about everything the Democrats think about Medicare, except how to cut the cost. Medicare and Medicaid together are now a sixth of the budget and a fourth of all spending for other than interest and defense.
>
> If nothing is done, those shares are going to rise, particularly as the baby boomers begin to retire early in the next century. Republicans have nonetheless stepped up to the issue. They have taken a huge political risk just in calling for the cuts that they have.
>
> What the Democrats have done, in turn, is confirm the risk. The Republicans are going to take away your Medicare, they say. That is their only message. They have no plan. The Democrats have fabricated the Medicare tax cut connection because it is useful politically. We think it is wrong.

Mr. Speaker, we agree.

PERMISSION FOR SUNDRY COMMITTEES AND THEIR SUBCOMMITTEES TO SIT TODAY DURING 5-MINUTE RULE

Mrs. WALDHOLTZ. Mr. Speaker, I ask unanimous consent that the following committees and their subcommittees be permitted to sit today while the House is meeting in the Committee of the Whole under the 5-minute rule.

Committee on Agriculture; Committee on Banking and Financial Services; Committee on Commerce; Committee on Economic and Educational Opportunities; Committee on International Relations; Committee on the Judiciary; Committee on Resources; Committee on Science; and Committee on Veterans' Affairs.

It is my understanding that the minority has been consulted and that there is no objection to these requests.

The SPEAKER pro tempore (Mr. EVERETT). Is there objection to the request of the gentlewoman from Utah?

There was no objection.

THE EXTENSION OF DEADLINE FOR INFORMATION RETRIEVAL SYSTEMS IMPLEMENTATION

Mr. SHAW. Mr. Speaker, I ask unanimous consent the immediate consideration of the bill (H.R. 2288) to amend part D of title IV of the Social Security Act to extend for 2 years the deadline by which States are required to have in effect an automated data processing and information retrieval system for use in the administration of State plans for child and spousal support.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

Mr. FORD. Mr. Speaker, reserving the right to object, I yield to the gentleman from Florida [Mr. SHAW] for the purposes of briefly explaining the bill.

Mr. SHAW. Mr. Speaker, I thank the gentleman for yielding under his reservation.

H.R. 2288 simply gives States an additional 2 years to implement data processing requirements that Congress imposed on their child support programs in 1988. H.R. 2288 was approved on September 12, by unanimous voice vote of the Ways and Means Committee. According to CBO, the bill has no budget impact. As far as we have been able to determine, there are no Republicans or Democrats who oppose the bill.

Several factors have prevented States from meeting the October 1, 1995, deadline for meeting Federal data processing requirements. To date—less than a week before the deadline—only one State has actually finished its system.

So beginning October 1, if we don't take action, 49 States will be subject to financial penalties and mandatory correction procedures.

Clearly, if only one State can meet a deadline, something is wrong. That is why I rise to ask unanimous consent to extend this deadline for 2 years.

Mr. FORD. Mr. Speaker, further reserving the right to object, I rise in support of H.R. 2288, a bill to extend the deadline for State child support computer systems.

One of the most important reforms of the Family Support Act of 1988 was the mandated implementation of a statewide child support enforcement computer system by October 1, 1995. Without such a computer network, States cannot hope to effectively track and enforce child support obligations. In fact, back in the mid-1980's we frequently heard anecdotes about States keeping child support records in shoe boxes. It was no wonder that they had such a poor record of collecting child support.

In response, Congress mandated a statewide computer system, authorized extra Federal funding to develop these systems, and set what we thought was a reasonable timetable—October 1, 1995—for implementation of the system. Now, as the deadline approaches we are told that only one State—Montana—has met this requirement and that we cannot expect many more to comply in the next 6 months.

Are the States to blame for this failure? Only partially. The real culprit is the Bush administration—which waited 4 years after the legislation was signed into law to issue the specifications for this system. Until then, States simply did not know what standards the Federal Government would use to judge whether they met the requirements. In dragging its feet, the Bush administration was both irresponsible and wasteful of our scarce resources.

So, here we are. It's a few days before the deadline and the Republican majority has finally brought to the floor a bill to extend it. I have no doubts about the Senate acting quickly enough on this measure for it to be signed into law by October 1. We have a chance to do the right thing. I urge my colleagues to support H.R. 2288.

☐ 1245

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. EVERETT). Is there objection to the request of the gentleman from Florida?

There was no objection.

The Clerk read the bill, as follows:

H.R. 2288

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. 2-YEAR EXTENSION OF AUTOMATION DEADLINE.

(a) IN GENERAL.—Section 454(24) of the Social Security Act (42 U.S.C. 654(24)) is amended by striking "1995" and inserting "1997".

(b) TECHNICAL AMENDMENTS RELATED TO THE REPEAL OF FEDERAL FUNDING.—Section 452 of such Act (42 U.S.C. 652) is amended in each of subsections (d)(1)(B), (d)(2)(A), (d)(2)(B), and (e), by striking "455(a)(1)(B)" and inserting "454(16)"

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TRUTH IN LENDING ACT AMENDMENTS OF 1995

Mr. LEACH. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Financial Services be discharged from further consideration of the bill (H.R. 2399) to amend the Truth in Lending Act to clarify the intent of such Act and to reduce burdensome regulatory requirements on creditors, and ask for its immediate consideration in the House.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The Clerk read the bill, as follows:

H.R. 2399

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Truth in Lending Act Amendments of 1995"

SEC. 2. CERTAIN CHARGES.

(a) THIRD PARTY FEES.—Section 106(a) of the Truth in Lending Act (15 U.S.C. 1605(a)) is amended by adding after the 2d sentence the following new sentence: "The finance charge shall not include fees and amounts imposed by third party closing agents (including settlement agents, attorneys, and escrow and title companies) if the creditor does not require the imposition of the charges or the services provided and does not retain the charges.".

(b) BORROWER-PAID MORTGAGE BROKER FEES.—

(1) INCLUSION IN FINANCE CHARGE.—Section 106(a) of the Truth in Lending Act (15 U.S.C. 1605(a)) is amended by adding at the end the following new paragraph:

"(6) Borrower-paid mortgage broker fees, including fees paid directly to the broker or the lender (for delivery to the broker) whether such fees are paid in cash or financed."

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall take effect on the earlier of—

(A) 60 days after the date on which the Board of Governors of the Federal Reserve System issues final regulations under paragraph (3); or

(B) the date that is 12 months after the date of the enactment of this Act.

(3) REGULATIONS IMPLEMENTING BORROWER-PAID MORTGAGE BROKER FEES.—The Board of Governors of the Federal Reserve System shall promulgate regulations implementing the amendment made by paragraph (1) by no later than 6 months after the date of the enactment of this Act.

(c) TAXES ON SECURITY INSTRUMENTS OR EVIDENCES OF INDEBTEDNESS.—Section 106(d) of the Truth in Lending Act (15 U.S.C. 1605(d)) is amended by adding at the end the following new paragraph:

"(3) Any tax levied on security instruments or on documents evidencing indebtedness if the payment of such taxes is a precondition for recording the instrument securing the evidence of indebtedness.".

(d) PREPARATION OF LOAN DOCUMENTS.—Section 106(e)(2) of the Truth in Lending Act (15 U.S.C. 1605(e)(2)) is amended to read as follows:

"(2) Fees for preparation of loan-related documents.".

(e) FEES RELATING TO PEST INFESTATIONS, INSPECTIONS, AND HAZARDS.—Section 106(e)(5) of the Truth in Lending Act (15 U.S.C. 1605(e)(5)) is amended by inserting ", including fees related to any pest infestation or flood hazard inspections conducted prior to closing" before the period.

(f) ENSURING FINANCE CHARGES REFLECT COST OF CREDIT.—

(1) REPORT.—

(A) IN GENERAL.—Not later than 6 months after the date of the enactment of this Act, the Board of Governors of the Federal Reserve System shall submit to the Congress a report containing recommendations on any regulatory or statutory changes necessary—

(i) to ensure that finance charges imposed in connection with consumer credit transactions more accurately reflect the cost of providing credit; and

(ii) to address abusive refinancing practices engaged in for the purpose of avoiding rescission.

(B) REPORT REQUIREMENTS.—In preparing the report under this paragraph, the Board shall—

(i) consider the extent to which it is feasible to include in finance charges all charges payable directly or indirectly by the consumer to whom credit is extended, and imposed directly or indirectly by the creditor as an incident to the extension of credit (especially those charges excluded from finance charges under section 106 of the Truth in Lending Act as of the date of the enactment of this Act), excepting only those charges which are payable in a comparable cash transaction; and

(ii) consult with and consider the views of affected industries and consumer groups.

(2) REGULATIONS.—The Board of Governors of the Federal Reserve System shall prescribe any appropriate regulation in order to effect any change included in the report under paragraph (1), and shall publish the regulation in the Federal Register before the end of the 1-year period beginning on the date of enactment of this Act.

SEC. 3. TOLERANCES; BASIS OF DISCLOSURES.

(a) TOLERANCES FOR ACCURACY.—Section 106 of the Truth in Lending Act (15 U.S.C. 1605) is amended by adding at the end the following new subsection:

"(f) TOLERANCES FOR ACCURACY.—In connection with credit transactions not under an open end credit plan that are secured by real property or a dwelling, the disclosure of the finance charge and other disclosures affected by any finance charge—

"(1) shall be treated as being accurate for purposes of this title if the amount disclosed as the finance charge—

"(A) does not vary from the actual finance charge by more than $100; or

"(B) is greater than the amount required to be disclosed under this title; and

"(2) shall be treated as being accurate for purposes of section 125 if—

"(A) except as provided in subparagraph (B), the amount disclosed as the finance charge does not vary from the actual finance charge by more than an amount equal to one-half of one percent of the total amount of credit extended; or

"(B) in the case of a transaction, other than a mortgage referred to in section 103(aa), which—

"(i) is a refinancing of the principal balance then due and any accrued and unpaid finance charges of a residential mortgage transaction as defined in section 103(w), or is any subsequent refinancing of such a transaction; and

"(ii) does not provide any new consolidation or new advance;

if the amount disclosed as the finance charge does not vary from the actual finance charge by more than an amount equal to one percent of the total amount of credit extended.".

(b) BASIS OF DISCLOSURE FOR PER DIEM INTEREST.—Section 121(c) of the Truth in Lending Act (15 U.S.C. 1631(c)) is amended by adding at the end the following new sentence: "In the case of any consumer credit transaction a portion of the interest on which is determined on a per diem basis and is to be collected upon the consummation of such transaction, any disclosure with respect to such portion of interest shall be deemed to be accurate for purposes of this title if the disclosure is based on information actually known to the creditor at the time that the disclosure documents are being prepared for the consummation of the transaction.".

SEC. 4. LIMITATION ON LIABILITY.

(a) IN GENERAL.—Chapter 2 of the Truth in Lending Act (15 U.S.C. 1631 et seq.) is amended by adding at the end the following new section:

"SEC. 139. CERTAIN LIMITATIONS ON LIABILITY.

"(a) LIMITATIONS ON LIABILITY.—For any consumer credit transaction subject to this title that is consummated before the date of the enactment of the Truth in Lending Act Amendments of 1995, a creditor or any assignee of a creditor shall have no civil, administrative, or criminal liability under this title for, and a consumer shall have no extended rescission rights under section 125(f) with respect to—

"(1) the creditor's treatment, for disclosure purposes, of—

"(A) taxes described in section 106(d)(3);

"(B) fees described in section 106(e)(2) and (5);

"(C) fees and amounts referred to in the 3rd sentence of section 106(a); or

"(D) borrower-paid mortgage broker fees referred to in section 106(a)(6);

"(2) the form of written notice used by the creditor to inform the obligor of the rights of the obligor under section 125 if the creditor provided the obligor with a properly dated form of written notice published and adopted by the Board or a comparable written notice, and otherwise complied with all the requirements of this section regarding notice; or

"(3) any disclosure relating to the finance charge imposed with respect to the transaction if the amount or percentage actually disclosed—

"(A) may be treated as accurate for purposes of this title if the amount disclosed as the finance charge does not vary from the actual finance charge by more than $200;

"(B) may, under section 106(f)(2), be treated as accurate for purposes of section 125; or

"(C) is greater than the amount or percentage required to be disclosed under this title.

"(b) EXCEPTIONS.—Subsection (a) shall not apply to—

"(1) any individual action or counterclaim brought under this title which was filed before June 1, 1995;

"(2) any class action brought under this title for which a final order certifying a class was entered before January 1, 1995;

"(3) the named individual plaintiffs in any class action brought under this title which was filed before June 1, 1995; or

"(4) any consumer credit transaction with respect to which a timely notice of rescission was sent to the creditor before June 1, 1995.".

(b) CLERICAL AMENDMENT.—The table of sections for chapter 2 of the Truth in Lending Act is amended by inserting after the item relating to section 138 the following new item:

"139. Certain limitations on liability."

SEC. 5. LIMITATION ON RESCISSION LIABILITY.

Section 125 of the Truth in Lending Act (15 U.S.C. 1635) is further amended by adding at the end the following new subsection:

"(h) LIMITATION ON RESCISSION.—An obligor shall have no rescission rights arising solely from the form of written notice used by the creditor to inform the obligor of the rights of the obligor under this section, if the creditor provided the obligor the appropriate form of written notice published and adopted by the Board, or a comparable written notice of the rights of the obligor, that was properly completed by the creditor, and otherwise complied with all other requirements of this section regarding notice.".

SEC. 6. CALCULATION OF DAMAGES.

Section 130(a)(2)(A) of the Truth in Lending Act (15 U.S.C. 1640(a)(2)(A)) is amended—

(1) by striking "or (ii)" and inserting "(ii)"; and

(2) by inserting before the semicolon at the end the following: ", or (iii) in the case of an individual action relating to a credit transaction not under an open end credit plan that is secured by real property or a dwelling, not less than $200 or greater than $2,000".

SEC. 7. ASSIGNEE LIABILITY.

(a) VIOLATIONS APPARENT ON THE FACE OF TRANSACTION DOCUMENTS.—Section 131 of the Truth in Lending Act (15 U.S.C. 1641) is amended by adding at the end the following new subsection:

"(e) LIABILITY OF ASSIGNEE FOR CONSUMER CREDIT TRANSACTIONS SECURED BY REAL PROPERTY.—

"(1) IN GENERAL.—Except as otherwise specifically provided in this title, any civil action against a creditor for a violation of this title, and any proceeding under section 108 against a creditor, with respect to a consumer credit transaction secured by real property may be maintained against any assignee of such creditor only if—

"(A) the violation for which such action or proceeding is brought is apparent on the face of the disclosure statement provided in connection with such transaction pursuant to this title; and

"(B) the assignment to the assignee was voluntary.

"(2) VIOLATION APPARENT ON THE FACE OF THE DISCLOSURE DESCRIBED.—For the purpose of this section, a violation is apparent on the face of the disclosure statement if—

"(A) the disclosure can be determined to be incomplete or inaccurate by a comparison among the disclosure statement, any itemization of the amount financed, the note, or any other disclosure of disbursement; or

"(B) the disclosure statement does not use the terms or format required to be used by this title.".

(b) SERVICER NOT TREATED AS ASSIGNEE.—Section 131 of the Truth in Lending Act (15 U.S.C. 1641) is further amended by adding after subsection (e) (as added by subsection (a) of this section) the following new subsection:

"(f) TREATMENT OF SERVICER.—

"(1) IN GENERAL.—A servicer of a consumer obligation arising from a consumer credit transaction shall not be treated as an assignee of such obligation for purposes of this section unless the servicer is or was the owner of the obligation.

"(2) SERVICER NOT TREATED AS OWNER ON BASIS OF ASSIGNMENT FOR ADMINISTRATIVE CONVENIENCE.—A servicer of a consumer obligation arising from a consumer credit transaction shall not be treated as the owner of the obligation for purposes of this section on the basis of an assignment of the obligation from the creditor or another assignee to the servicer solely for the administrative convenience of the servicer in servicing the obligation. Upon written request by the obligor, the servicer shall provide the obligor, to the best knowledge of the servicer, with the name, address, and telephone number of the owner of the obligation or the master servicer of the obligation.

"(3) SERVICER DEFINED.—For purposes of this subsection, the term 'servicer' has the same meaning as in section 6(i)(2) of the Real Estate Settlement Procedures Act of 1974.

"(4) APPLICABILITY.—This subsection shall apply to all consumer credit transactions in existence or consummated on or after the date of the enactment of the Truth in Lending Act Amendments of 1995.".

SEC. 8. RESCISSION RIGHTS IN FORECLOSURE.

Section 125 of the Truth in Lending Act (15 U.S.C. 1635) is amended by inserting after subsection (h) (as added by section 5 of this Act) the following new subsection:

"(i) RESCISSION RIGHTS IN FORECLOSURE.—

"(1) IN GENERAL.—Notwithstanding section 139, and subject to the time period provided in subsection (f), in addition to any other right of rescission available under this section for a transaction, after the initiation of any judicial or nonjudicial foreclosure process on the primary dwelling of an obligor securing an extension of credit, the obligor shall have a right to rescind the transaction equivalent to other rescission rights provided by this section, if—

"(A) a mortgage broker fee is not included in the finance charge in accordance with the laws and regulations in effect at the time the consumer credit transaction was consummated; or

"(B) the form of notice of rescission for the transaction is not the appropriate form of written notice published and adopted by the Board or a comparable written notice, and otherwise complied with all the requirements of this section regarding notice.

"(2) TOLERANCE FOR DISCLOSURES.—Notwithstanding section 106(f), and subject to the time period provided in subsection (f), for the purposes of exercising any rescission rights after the initiation of any judicial or nonjudicial foreclosure process on the principal dwelling of the obligor securing an extension of credit, the disclosure of the finance charge and other disclosures affected by any finance charge shall be treated as being accurate for purposes of this section if the amount disclosed as the finance charge does not vary from the actual finance charge by more than $35 or is greater than the amount required to be disclosed under this title.

"(3) RIGHT OF RECOUPMENT UNDER STATE LAW.—Nothing in this subsection affects a consumer's right of rescission in recoupment under State law.

"(4) APPLICABILITY.—This subsection shall apply to all consumer credit transactions in existence or consummated on or after the date of the enactment of the Truth in Lending Act Amendments of 1995.".

The SPEAKER pro tempore. The gentleman from Iowa [Mr. LEACH] is recognized for 1 hour.

Mr. LEACH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to thank the gentleman from Florida [Mr. MCCOLLUM] for his hard work on this bill. This bill is a testament to his judgment and stick-to-itiveness. I would also like to thank the ranking member, the gentleman from Texas [Mr. GONZALEZ], and the ranking member of the financial institutions subcommittee, the gentleman from Minnesota [Mr. VENTO], who is also the original cosponsor of the provisions included in the regulatory relief bill for all of his efforts in resolving this matter.

This bill was considered as one section of the regulatory burden relief bill that was reported favorably out of the Committee on Banking and Financial Services this past June. The reason for moving this section independently from the regulatory burden relief bill is that the moratorium on class action lawsuits which was passed earlier this Congress (H.R. 1380) expires on October 1, 1995.

In committee consideration the provisions of this bill received widespread support on both sides of the aisle. In addition, in an inverted process manner, extensive negotiations have taken place with the other body and several modifications to the House Banking Committee product have been made.

This bill addresses certain changes to the Truth in Lending Act due to the flood of class action lawsuits that followed the decision in Rodash versus AIB Mortgage Co. This relief is necessary because of the ambiguity surrounding the proper treatment of a number of fees under current law and the extremely low tolerance for lender flexibility in fee disclosure. For example, in the Rodash case the court held that a $22 courier fee is a finance charge under the Truth in Lending Act. Because the creditor had treated the courier fee as part of the amount financed instead of as a finance charge, the court held that the lender disclosures violated the law. And because the courts have held that a loan is rescindable under the Truth in Lending Act for even minor disclosure variance, the borrower has the right to rescind up to 3 years from consummation of the loan.

Hence, numerous class action lawsuits have been filed in the wake of the Rodash decision, which exposes the mortgage industry to extraordinary liability that may threaten the solvency of the industry. Here let me stress that this issue is not a matter of nondisclosure or industry efforts to mischievously mislead borrowers. All fees were disclosed to the consumer in these cases. The issue is whether the fees were categorized in one particular way under one particular statute. The problem is that an honest mistake of no consequence to any of the parties involved has become the subject of shark instincts of the plaintiff's bar.

This Congress, above all institutions in society, has an obligation to respect and advance the rule of law. As a general benchmark, caution should be applied to changing law in such a manner as to affect existent litigation. But I know of few instances of litigious which reflect more the unnecessarily litigious nature of America at this time. Sometimes a litigant may be right on a small point, but desperately wrong in the big perspective. That is the case here. The bar that has brought this class action effort should be chastised, not rewarded. Out of common sense this Congress must act.

Again, I would like to commend the Members who worked on this time-sensitive legislation.

Mr. Speaker, I yield to the gentleman from Texas [Mr. GONZALEZ], the distinguished ranking member of the full committee.

Mr. GONZALEZ. Mr. Speaker, I commend the authors of this legislation, the gentleman from Florida [Mr. MCCOLLUM] and the gentleman from Minnesota [Mr. VENTO] for their efforts to give the mortgage industry relief without unduly trampling important consumer rights, which is always a difficult project.

I also want to compliment the bipartisan manner in which this compromise was achieved. This process should serve as a model for other legislation, moving through the Committee on Banking and Financial Services and the House as well. Where there is a will on both sides, a consensus can always emerge.

Second, I want to emphasize that this bill is a compromise. It is not a perfect product, but it does address a legitimate concern of the mortgage banking industry about the Truth in Lending Act. In crafting this legislation, pains were taken to ensure that important consumer safeguards were not dismantled. The right of rescission is an extraordinary right that TILA provides for consumers to safeguard their homes. I am pleased that this right was largely preserved and that the consumer will be able to rescind loans where the lender has made an egregious error or in particular circumstances against foreclosure.

I am also heartened that consumers will retain the so-called cooling-off period after refinancing their homes. With this right, consumers can walk away from a bad deal within 3 days.

Mrs. ROUKEMA. Mr. Speaker, I rise today in strong support of this legislation. H.R. 2399 addresses the needed changes to the Truth in Lending Act [TILA] required by the recent court decisions and the unintended exposures for the mortgage industry created by technical violations, without affecting the protections afforded to consumers that the TILA was originally intended to provide. The TILA has become a weapon used against mortgage lenders without justification. Complying with overly complex and often unclear disclosure rules has become overly burdensome and potential liability is a cause of concern. Equally important, such use of this regulation provides no real benefit to consumers, but only results in inefficiency and increased costs.

Specifically, this legislation addresses the eleventh circuit's decision in Rodash versus AIB Mortgage Co., a case involving the Truth in Lending Act [TILA]. The TILA requires lenders to disclose credit terms to borrows in a manner that allows them to objectively compare various credit products. For example, the Truth in Lending Act requires lenders to characterize certain charges associated with a loan as finance charges and requires them to aggregate all such charges into one finance charge to be disclosed at closing. The TILA allows borrowers to rescind transactions even for technical violations of the disclosure provisions of the statute.

On March 21, 1994, the U.S. Court of Appeals for the Eleventh Circuit in Rodash versus AIB, ruled that certain taxes and fees—example, a $20 Federal Express delivery charge—must be characterized as finance charges under the Truth in Lending Act, including some fees that are assessed by third parties other than the lender.

As a result of these technical violations of the Truth in Lending Act, borrowers are able to rescind their mortgages. When a mortgage is rescinded, the borrower is released from the mortgage lien leaving the lender with an unsecured loan, and the borrower is entitled to repayment of interest and all other payments made on the loan.

The eleventh circuit's ruling has sparked numerous class action lawsuits against lenders who have not characterized or disclosed such taxes and fees as finance charges in the past. It is argued that Rodash could have disastrous consequences for both originators of mortgage loans and the secondary market. The potential cost of rescinding all refinanced mortgages made in the last 3 years—the time allowed under the Truth in Lending Act to exercise the rescission right—has been estimated to be as high as $217 billion.

On April 4, 1995, with bipartisan support, the House under a suspension of the rules passed H.R. 1380, the Truth in Lending Class Action Relief Act of 1995. The Senate passed H.R. 1380 by unanimous consent on April 24, 1995. H.R. 1380 imposes a moratorium until October 1, 1995, on certain TILA class action certifications, including Rodash-styled class actions brought in connection with first liens on real property or dwellings that constitute a refinancing or consolidation of a debt.

This legislation that we are considering here today addresses the Rodash problem by exempting a number of charges from inclusion in the finance charge and provides a tiered tolerance approach on finance charge miscalculations. The bill does not extend any exemptions from the right of rescission. This legislation provides retroactive relief from liability for certain nondisclosures. The bill also contains limitations on the liability of assignees and services of home mortgages.

The moratorium expires on October 1, and the Congress must make the needed changes to the Truth in Lending Act.

Mr. McCOLLUM. Mr. Speaker, the Truth in Lending Act Amendments of 1995 will finally bring an end to the massive potential liability facing the mortgage industry as a result of extraordinary penalties under the Truth in Lending Act [TILA] for technical errors. Recognizing the threat to mortgage lending, we placed a moratorium on class actions for certain technical violations under TILA to give us an opportunity to develop a solution. The Truth in Lending Act Amendments of 1995 provide that solution.

The provisions of the Truth in Lending Act Amendments of 1995, H.R. 2399, were originally reported out of the House Banking Committee as part of the Financial Institutions Regulatory Reform Act of 1995, H.R. 1858. The provisions of H.R. 1858 were explained in House Report 104–193. A number of changes, which are described below, have been made to the provisions.

This bill does a number of important things.

First, it provides retroactive relief to the mortgage industry from the extreme potential liability that was caused by the Rodash versus AIB Mortgage Co. case. This problems, which seriously threatened the viability of residential mortgage lending in this country including the mortgage-backed securities markets, was caused by the ambiguity surrounding the proper treatment of certain charges, and the extremely low tolerance for any error in making disclosures. The current treatment of fees, such as mortgage broker fees, is very ambiguous under current law. Section 106(a) of TILA has been revised to clarify prospectively that the inclusion of mortgage broker fees in the finance charge extends only to borrower paid fees, regardless of whether such fees are paid by the borrower directly to the broker or to the lender for delivery to broker, or whether such fees are paid in cash or financed. Lender paid broker fees, including yield spread premiums and service release fees, will continue to be excluded from the finance charge. It is not fair to subject lenders to extreme penalities for their treatment of these fees—which some are now trying to recharacterize as finder's fees—when the rules were not clear. With this legislation, lenders will now be able to get on with the business of making loans.

Second, on a going forward basis, the bill clarifies the treatment of specific charges such as intangible taxes and courier fees. Costs such as these that are incurred by settlement agents and are passed on to consumers, which are not in fact required by the creditor—whether the creditor has any knowledge of such charges—and are not retained by the creditor are intended to be excluded from the finance charge. This clarification gives creditors greater certainty and provides consumers with more accurate disclosures through uniform treatment of charges. The Federal Reserve is also directed to review the finance charge disclosure and make recommendations to make it more accurately reflect the cost of credit and eliminate any abusive practices that have developed.

Third, recognizing the highly technical nature of the Truth in Lending Act, the bill raises the tolerance level for understated disclosures, going forward, from $10 to $100 for civil liability purposes. Regarding the tolerance related to the award of statutory damages under section 130 of the act, the finance charge will be considered accurate on a prospective basis if the disclosed amount is within $100 of the actual amount; the accuracy tolerance for civil liability on past transaction is set at $200. Overstatements continue to be allowed without imposing liability. For errors which can lead to rescission of the loan, which is a much more extreme penalty, the tolerance is one-half of 1 percent of the loan amount. However, for certain refinance loans where the refinancing borrower did not receive additional new advances from the creditor, as addressed in House Report 104–193 at page 197, the tolerance is 1 percent of the loan amount. In accordance with current Federal Reserve regulations, money to finance the closing costs of the transaction do not constitute new money.

Fourth, the bill clarifies that loan servicers are not assignees for purposes of truth in lending liability if they only own legal title for servicing purposes.

Fifth, the bill raises the statutory damages for individual actions from $1,000 to $2,000. Section 130(a) of TILA allows a consumer to recover both actual and statutory damages in connection with TILA violations. However, statutory damages are provided in TILA because actual damages, which require proof that the borrower suffered a loss in reliance upon the inaccurate disclosure, are extremely difficult to establish. To recover actual damages, consumers must show that they suffered a loss because they relied on an inaccurate or incomplete disclosure. A number of lawsuits have been filed in which plaintiffs have claims as actual damages the amount of the fees or charges that have been misdisclosed. This is not the meaning of actual damages. The proper meaning of damages is discussed in *Adiel v. Chase Federal Savings & Loan Association*, 630 F. Supp. 131 (S.D. Fla. 1986), aff'd 810 F.2d 1051 (11th Cir. 1987).

Sixth, the bill preserves the consumer's 3-day rescission period for all refinance loans with different creditors. As currently set forth in the Truth in Lending Act, this cooling off period expires absolutely in 3 years, after consummation of the transaction or the consumer's sale of the property in cases where the TILA disclosures contained an error in a material disclosure or were not provided to the consumer. Contrary to some court decisions which have allowed this rescission period to extend for as long as 8 years after the loan was closed in the context of recoupment, the existing statutory language is clear, 3-years means 3 years and the time period shall not be extended except as explicitly provided in section 125(f). Section 8 of the bill, which deals with rescission in the context of recoupment, cross-references the 3 year limit set forth in section 125(f).

Moreover, as is currently set forth in the Federal Reserve regulations, when a borrower refinances an existing loan and takes out new money, only the new money is subject to rescission.

I am very proud to have achieved this legislation, which has support from both sides of the aisle, to rectify a serious problem, and preserve meaningful consumer disclosures in the future.

Mr. LEACH. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. LEACH. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks and include extraneous material on H.R. 2399, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 743, TEAMWORK FOR EMPLOYEES AND MANAGERS ACT OF 1995

Mrs. WALDHOLTZ. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 226 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 226

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 743) to amend the National Labor Relations Act to allow labor management cooperative efforts that improve economic competitiveness in the United States to continue to thrive, and for other purposes. The first reading of the bill shall dispensed with. Points of order against consideration of the bill for failure to comply with clause 2(l)(2)(B) of rule XI are waived. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Economic and Educational Opportunities. After general debate the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule the amendment in the nature of a substitute recommended by the Committee on Economic and Educational Opportunities now printed in the bill. Each section of the committee amendment in the nature of a substitute shall be considered as read. During consideration of the bill for amendment, the Chairman of the Committee of the Whole may accord priority in recognition on the basis of whether the Member offering an amendment has caused it to be printed in the portion of the Congressional Record designated for that purpose in clause 6 of rule XXIII. Amendments so printed shall be considered as read. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentlewoman from Utah [Mrs. WALDHOLTZ] is recognized for 1 hour.

Mrs. WALDHOLTZ. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from Texas [Mr. FROST], pending which I yield myself such time as I may consume.

During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, House Resolution 226 is an open rule, providing for consideration of H.R. 743, the Teamwork for Employees and Managers Act of 1995. The resolution provides for 1 hour of general debate, to be equally divided between the chairman and ranking minority member of the Committee on Economic and Educational Opportunities. The rule makes in order the committee amendment in the nature of a substitute as an original bill for purpose of amendment, with each section considered as read. Further, the rule authorizes the Chair to give priority recognition to members who have had their amendment preprinted in the CONGRESSIONAL RECORD, and the rule provides one motion to recommit, with or without instructions.

The rule also waives clause 2(l)(2)(B) of rule XI, which requires the publication of rollcall votes in committee reports. The Economic and Educational Opportunities Report 104–248 on H.R. 743 contains incorrect information on rollcall votes due to typographical errors during the printing process. The votes were correctly reported in the original report filed with the Clerk. However, a star print—report No. 99–006—has been issued which contains the correct rollcall information.

Mr. Speaker, the workplace model used to craft labor laws of the early 20th century no longer meet the needs and reality of the current marketplace and employer-employee relations. The TEAM Act recognizes that the most effective workplaces are those where employees and employers cooperatively work together, and makes the necessary changes to our labor laws to allow this new workplace dynamic to flourish.

The TEAM Act will help to promote greater employee involvement in the workplace by clarifying that it is not impermissible for an employer to establish or participate in any organization in which employees are involved to address workplace issues such as quality, productivity, and efficiency. These organizations will not have the authority to enter into or negotiate collective-bargaining agreements—all of those rights remain unchanged. The act also specifies that unionized workplaces will not be affected.

Greater employee involvement in the workplace has proven to be an effective tool to increase the job satisfaction each employee derives from the workplace, and brings greater value to the production process. The TEAM Act recognizes that employers and employees can work together based on cooperation, not confrontation.

Mr. Speaker, I urge my colleagues to support the rule for consideration of H.R. 743. This open rule provides for fair debate of the bill and permits Members to offer amendments for consideration by the full House.

Mr. Speaker, I include for the RECORD the following statistical information from the Committee on Rules establishing for the RECORD the openness of the rules process in the 104th Congress:

THE AMENDMENT PROCESS UNDER SPECIAL RULES REPORTED BY THE RULES COMMITTEE,[1] 103D CONGRESS V. 104TH CONGRESS

[As of September 26, 1995]

Rule type	103d Congress		104th Congress	
	Number of rules	Percent of total	Number of rules	Percent of total
Open/Modified-open[2]	46	44	50	75
Modified Closed[3]	49	47	15	22
Closed[4]	9	9	2	3
Totals:	104	100	67	100

[1] This table applies only to rules which provide for the original consideration of bills, joint resolutions or budget resolutions and which provide for an amendment process. It does not apply to special rules which only waive points of order against appropriations bills which are already privileged and are considered under an open amendment process under House rules.

[2] An open rule is one under which any Member may offer a germane amendment under the five-minute rule. A modified open rule is one under which any Member may offer a germane amendment under the five-minute rule subject only to an overall time limit on the amendment process and/or a requirement that the amendment be preprinted in the Congressional Record.

[3] A modified closed rule is one under which the Rules Committee limits the amendments that may be offered only to those amendments designated in the special rule or the Rules Committee report to accompany it, or which preclude amendments to a particular portion of a bill, even though the rest of the bill may be completely open to amendment.

[4] A closed rule is one under which no amendments may be offered (other than amendments recommended by the committee in reporting the bill).

SPECIAL RULES REPORTED BY THE RULES COMMITTEE, 104TH CONGRESS

[As of September 26, 1995]

H. Res. No. (Date rept.)	Rule type	Bill No.	Subject	Disposition of rule
H. Res. 38 (1/18/95)	O	H.R. 5	Unfunded Mandate Reform	A: 350–71 (1/19/95).
H. Res. 44 (1/24/95)	MC	H. Con. Res. 17	Social Security	A: 255–172 (1/25/95).
		H.J. Res. 1	Balanced Budget Amdt	
H. Res. 51 (1/31/95)	O	H.R. 101	Land Transfer, Taos Pueblo Indians	A: voice vote (2/1/95).
H. Res. 52 (1/31/95)	O	H.R. 400	Land Exchange, Arctic Nat'l. Park and Preserve	A: voice vote (2/1/95).
H. Res. 53 (1/31/95)	O	H.R. 440	Land Conveyance, Butte County, Calif	A: voice vote (2/1/95).
H. Res. 55 (2/1/95)	O	H.R. 2	Line Item Veto	A: voice vote (2/2/95).
H. Res. 60 (2/6/95)	O	H.R. 665	Victim Restitution	A: voice vote (2/7/95).
H. Res. 61 (2/6/95)	O	H.R. 666	Exclusionary Rule Reform	A: voice vote (2/7/95).
H. Res. 63 (2/8/95)	MO	H.R. 667	Violent Criminal Incarceration	A: voice vote (2/9/95).
H. Res. 69 (2/9/95)	O	H.R. 668	Criminal Alien Deportation	A: voice vote (2/10/95).
H. Res. 79 (2/10/95)	MO	H.R. 728	Law Enforcement Block Grants	A: voice vote (2/13/95).
H. Res. 83 (2/13/95)	MO	H.R. 7	National Security Revitalization	PQ: 229–100; A: 227–127 (2/15/95).
H. Res. 88 (2/16/95)	MC	H.R. 831	Health Insurance Deductibility	PQ: 230–191; A: 229–188 (2/21/95).
H. Res. 91 (2/21/95)	O	H.R. 830	Paperwork Reduction Act	A: voice vote (2/22/95).
H. Res. 92 (2/21/95)	MC	H.R. 889	Defense Supplemental	A: 282–144 (2/22/95).
H. Res. 93 (2/22/95)	MO	H.R. 450	Regulatory Transition Act	A: 252–175 (2/23/95).
H. Res. 96 (2/24/95)	MO	H.R. 1022	Risk Assessment	A: 253–165 (2/27/95).
H. Res. 100 (2/27/95)	O	H.R. 926	Regulatory Reform and Relief Act	A: voice vote (2/28/95).
H. Res. 101 (2/28/95)	MO	H.R. 925	Private Property Protection Act	A: 271–151 (3/2/95).
H. Res. 103 (3/3/95)	MO	H.R. 1058	Securities Litigation Reform	
H. Res. 104 (3/3/95)	MO	H.R. 988	Attorney Accountability Act	A: voice vote (3/6/95).
H. Res. 105 (3/6/95)	MO			A: 257–155 (3/7/95).
H. Res. 108 (3/7/95)	Debate	H.R. 956	Product Liability Reform	A: voice vote (3/8/95).
H. Res. 109 (3/8/95)	MC			PQ: 234–191 A: 247–181 (3/9/95).
H. Res. 115 (3/14/95)	MO	H.R. 1159	Making Emergency Supp. Approps.	A: 242–190 (3/15/95).
H. Res. 116 (3/15/95)	MC	H.J. Res. 73	Term Limits Const. Amdt	A: voice vote (3/28/95).
H. Res. 117 (3/16/95)	Debate	H.R. 4	Personal Responsibility Act of 1995	A: voice vote (3/21/95).
H. Res. 119 (3/21/95)	MC			A: 217–211 (3/22/95).
H. Res. 125 (4/3/95)	O	H.R. 1271	Family Privacy Protection Act	A: 423–1 (4/4/95).
H. Res. 126 (4/3/95)	O	H.R. 660	Older Persons Housing Act	A: voice vote (4/6/95).
H. Res. 128 (4/4/95)	MC	H.R. 1215	Contract With America Tax Relief Act of 1995	A: 228–204 (4/5/95).
H. Res. 130 (4/5/95)	MC	H.R. 483	Medicare Select Expansion	A: 253–172 (4/6/95).
H. Res. 136 (5/1/95)	O	H.R. 655	Hydrogen Future Act of 1995	A: voice vote (5/2/95).
H. Res. 139 (5/3/95)	O	H.R. 1361	Coast Guard Auth. FY 1996	A: voice vote (5/9/95).
H. Res. 140 (5/9/95)	O	H.R. 961	Clean Water Amendments	A: 414–4 (5/10/95).
H. Res. 144 (5/11/95)	O	H.R. 535	Fish Hatchery—Arkansas	A: voice vote (5/15/95).
H. Res. 145 (5/11/95)	O	H.R. 584	Fish Hatchery—Iowa	A: voice vote (5/15/95).
H. Res. 146 (5/11/95)	O	H.R. 614	Fish Hatchery—Minnesota	A: voice vote (5/15/95).
H. Res. 149 (5/16/95)	MC	H. Con. Res. 67	Budget Resolution FY 1996	PQ: 252–170 A: 255–168 (5/17/95).
H. Res. 155 (5/22/95)	MO	H.R. 1561	American Overseas Interests Act	A: 233–176 (5/23/95).
H. Res. 164 (6/8/95)	MC	H.R. 1530	Nat. Defense Auth. FY 1996	PQ: 225–191 A: 233–183 (6/13/95).
H. Res. 167 (6/15/95)	O	H.R. 1817	MilCon Appropriations FY 1996	PQ: 223–180 A: 245–155 (6/16/95).
H. Res. 169 (6/19/95)	MC	H.R. 1854	Leg. Branch Approps. FY 1996	PQ: 232–196 A: 236–191 (6/20/95).
H. Res. 170 (6/20/95)	O	H.R. 1868	For. Ops. Approps. FY 1996	PQ: 221–178 A: 217–175 (6/22/95).
H. Res. 171 (6/22/95)	O	H.R. 1905	Energy & Water Approps. FY 1996	A: voice vote (7/12/95).
H. Res. 173 (6/27/95)	C	H.J. Res. 79	Flag Constitutional Amendment	PQ: 258–170 A: 271–152 (6/28/95).
H. Res. 176 (6/28/95)	MC	H.R. 1944	Emer. Supp. Approps.	PQ: 236–194 A: 234–192 (6/29/95).
H. Res. 185 (7/11/95)	O	H.R. 1977	Interior Approps. FY 1996	PQ: 235–193 D: 192–238 (7/12/95).
H. Res. 187 (7/12/95)	O	H.R. 1977	Interior Approps. FY 1996 #2	PQ: 230–194 A: 229–195 (7/13/95).
H. Res. 188 (7/12/95)	O	H.R. 1976	Agriculture Approps. FY 1996	PQ: 242–185 A: voice vote (7/18/95).
H. Res. 190 (7/17/95)	O	H.R. 2020	Treasury/Postal Approps. FY 1996	PQ: 232–192 A: voice vote (7/18/95).
H. Res. 193 (7/19/95)	C	H.J. Res. 96	Disapproval of MFN to China	A: voice vote (7/20/95).
H. Res. 194 (7/19/95)	O	H.R. 2002	Transportation Approps. FY 1996	PQ: 217–202 (7/21/95).
H. Res. 197 (7/21/95)	O	H.R. 70	Exports of Alaskan Crude Oil	A: voice vote (7/24/95).
H. Res. 198 (7/21/95)	O	H.R. 2076	Commerce, State Approps. FY 1996	A: voice vote (7/25/95).
H. Res. 201 (7/25/95)	O	H.R. 2099	VA/HUD Approps. FY 1996	A: 230–189 (7/25/95).
H. Res. 204 (7/28/95)	MC	S. 21	Terminating U.S. Arms Embargo on Bosnia	A: voice vote (8/1/95).
H. Res. 205 (7/28/95)	O	H.R. 2126	Defense Approps. FY 1996	A: 409–1 (7/31/95).
H. Res. 207 (8/1/95)	MC	H.R. 1555	Communications Act of 1995	A: 255–156 (8/2/95).
H. Res. 208 (8/1/95)	O	H.R. 2127	Labor, HHS Approps. FY 1996	A: 323–104 (8/2/95).
H. Res. 215 (9/7/95)	O	H.R. 1594	Economically Targeted Investments	A: voice vote (9/12/95).
H. Res. 216 (9/7/95)	MO	H.R. 1655	Intelligence Authorization FY 1996	A: voice vote (9/12/95).
H. Res. 218 (9/12/95)	O	H.R. 1162	Deficit Reduction Lockbox	A: voice vote (9/13/95).
H. Res. 219 (9/12/95)	O	H.R. 1670	Federal Acquisition Reform Act	A: 414–0 (9/13/95).
H. Res. 222 (9/18/95)	O	H.R. 1617	CAREERS Act	A: 388–2 (9/19/95).
H. Res. 224 (9/19/95)	O	H.R. 2274	Natl. Highway System	PQ: 241–173 A: 375–39–1 (9/20/95).
H. Res. 225 (9/19/95)	MC	H.R. 927	Cuban Liberty & Dem. Solidarity	A: 304–118 (9/20/95).

SPECIAL RULES REPORTED BY THE RULES COMMITTEE, 104TH CONGRESS—Continued

[As of September 26, 1995]

H. Res. No. (Date rept.)	Rule type	Bill No.	Subject	Disposition of rule
H. Res. 226 (9/21/95)	0	H.R. 743	Team Act	
H. Res. 227 (9/21/95)	0	H.R. 1170	3-Judge Court	
H. Res. 228 (9/21/95)	0	H.R. 1601	Internatl. Space Station	

Codes: O-open rule; MO-modified open rule; MC-modified closed rule; C-closed rule; A-adoption vote; D-defeated; PQ-previous question vote. Source: Notices of Action Taken, Committee on Rules, 104th Congress.

Mrs. WALDHOLTZ. Mr. Speaker, I reserve the balance of my time.

Mr. FROST. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong opposition to H.R. 743 and to rule which provides for its consideration. This bill is nothing more than a thinly disguised attempt to return to the old days of company unions. Supporters of this bill represent it as a means of empowering employees in the 21st century workplace. But, I submit Mr. Speaker, that rather than looking forward, this bill represents a return to the early 20th century when employers controlled both sides of a bargaining table, if indeed such a table existed.

Mr. Speaker, this legislation effectively repeals a worker protection that has been in place for 60 years. In 1935, when the Wagner Act was enacted, the Congress chose to extend a guarantee of a fundamental principle of democracy to the workplace. That principle, in essence, is the freedom of association, the right of employees to choose their own independent representative to negotiate with an employer over wages, hours, or conditions of employment. Common sense and decency demand no less for the working men and women in this country, most especially as we enter the 21st century.

This democratic principle should serve as a moral compass as we, as a Nation, negotiate our place in the global economy. If we are indeed the greatest democratic Nation in the history of the planet, then how can we deny such a fundamental principle of democracy to our own workers, for are they not the backbone of our country and all it stands for?

Proponents of this legislation claim that in order for business to compete in the new century that new efficiencies must be implemented in the workplace, by establishing work teams or labor-management cooperation programs. They claim section 8(a)(2) precludes such labor-management association. But I would beg to differ. Mr. Speaker, innovations such as employee work teams are already flourishing in the shops, businesses, and factories of this country, in spite of the existence of section 8(a)(2).

In fact, the NLRB has already held, in General Foods, that the employer has the right to set up a method of production which delegated significant managerial responsibilities to employee work teams. And, in the Electromation case, the very case the proponents cite as a powerful example of the need for this change in the law, the court of appeals held that section 8(a)(2) does not foreclose appropriate employee involvement which focused solely on increasing company productivity, efficiency, and quality control.

If one examines the law, one can see that section 8(a)(2) does not prohibit employee involvement, it merely distinguishes between legitimate and illegitimate activity. Section 8(a)(2) prohibits only one form of employee involvement: The employee program which is dominated by the employer and which deals with employees' wages or other terms or conditions of employment. Section 8(a)(2) merely seeks to assure workers that they will have the right to determine who speaks for them and who will ultimately be responsible to them.

Mr. Speaker, if issues were left open by the Electromation case, then let us address those specific issues. If there was a chilling effect on existing employee involvement programs, then let us fix that problem. But H.R. 743 is not a fix: It is, instead, a fundamental change in the rights of working men and women. And it is a change that is unfair and unreasonable and I urge defeat of the bill.

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Mrs. WALDHOLTZ. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin [Mr. PETRI].

Mr. PETRI. Mr. Speaker, I thank my colleague for yielding me this time.

Mr. Speaker, this rule should be adopted and we should move swiftly to enact the TEAM Act, because it is necessary for us to do that to enable modern business practices to be continued and expanded here in the United States.

We have come a long way since the World War I Henry Ford-style mass production, where you do what you are told and you show up. Henry Ford used to say "The only trouble I have with employees is that I am hiring their mind along with their hands." He just wanted people who would do what they were told and be as productive as possible and not bring all of their abilities to building quality into their product.

We have come a long way from that. To have a sophisticated modern economy, we need to involve employees' abilities as fully as possible in the workplace and in the enterprise in which they are active.

I had a meeting some years ago when we were worried about the Japanese threat, and one of the Japanese businessmen who was there said "Well, you know, we are going to beat you every time in the marketplace." I asked "Why is that?" He said "Because when we compete with an American corporation with 10,000 employees, we are only competing really with 10 or 15 brains. The rest are just doing what they are told. I have 5,000 Japanese employees, and all of their brains are actively working to maximize our quality and our cost effectiveness in the workplace."

We have changed that here in America. We have got to keep on changing that through employee involvement, employee circles, working to give everyone a greater say in how their jobs are operated and in the goods that they produce and the quality that is built into them. That is what employee involvement is all about.

Unfortunately, under some outdated—in this new world—labor legislation passed in other times, courts have held that employee involvement practices violate legal standards. For example, here is a case of the Donnelly Corp., whose employee involvement program really resulted in a classic catch-22 situation and would be in violation of law if we fail to pass the TEAM Act.

That company had a program which was lauded by the U.S. Department of Labor for its innovations in worker-management relations. But, ironically, as a result of Donnelly's testimony before the Dunlop Commission on the future of worker-management relations as they worked to try to improve our competitiveness and the fulfilling nature of employment in our country, their program is regarded as in jeopardy.

The National Labor Relations Board is challenging the program of the Donnelly Corp. as a violation of section 8(a)(2) of the National Labor Relations Act. Donnelly's program, as I said, was praised for its reliance on the principle that workers, when given the opportunity, make an invaluable contribution to the success of their companies. They do not have to be told what to do. They can decide for themselves. The development of the Donnelly program was directly intended to empower employees and push decisionmaking authority down to the shop floor. Unfortunately, a single labor law professor who heard their innovative story decided to punish them and their employer for the sake of preserving the 1930 style of collective bargaining.

So the TEAM Act would ensure that proceedings like that now involving the Donnelly Corp. before the National Labor Relations Board could not be brought because it would clarify the law and make it clear that employee involvement would not violate section 8(a)(2) of the National Labor Relations Act.

For that reason I would urge adoption of this rule and the passage of the TEAM Act.

Mr. FROST. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. NADLER].

Mr. NADLER. Mr. Speaker, I rise to oppose this rule on H.R. 743, the so-called TEAM Act. This bill would be a flagrant violation of the rights of workers and is in absolute disregard of the democratic values of this country.

Sixty years ago, this Nation enacted laws to protect its workers by ensuring their right to have an independent voice in the conditions of their workplaces. Workers were permitted and guaranteed by law the right to have a separate negotiating body on which they could rely in effectively representing their interests. As a result of the efforts of these organized employee representative bodies, or unions, for the first time substantial protection of workers' rights were achieved in this country, and many unfair labor practices and unsafe working environments were addressed and improved, not to mention improvements in wages and hours.

This bill, however, ironically in the name of teamwork, would rob workers of that independent voice and thwart organizing efforts, leaving employees vulnerable to abuse by employers. This bill would give the management under certain circumstances the exclusive authority to set conditions of employment, wages and hours, sole authority to deal with labor disputes and grievances under certain circumstances, authority to select and appoint members of workplace teams, and the authority in some cases to set the agenda and even terminate employees at will. By dictating to workers who will represent them in discussions concerning the conditions of their workplaces, it strips workers of their basic rights to organize and to be represented independently. This kind of so-called cooperation between employees and employers would put workers in the most compromising position, in effect back where they were before the passage of the National Labor Relations Act in 1935.

This bill is not about teamwork. What it really is about is employer domination and destruction of the rights of workers. This bill fosters the exploitation of workers and denies them a democratic voice in their workplace. The so-called TEAM Act is destructive of the democratic progress this Nation has made, as have been so many of the Republican bills that have come to this floor in this session.

For the sake of fairness and for the preservation of the basic rights of workers, I urge my colleagues to oppose this very reactionary and very misguided legislation.

Mrs. WALDHOLTZ. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Speaker, I rise in strong support of H.R. 743, the TEAM Act. Today, an employer who works together with employees to improve work safety, boost productivity or address employee morale, is violating the law. I have got union groups in my particular district. Labor works with management, management works with labor, and it is as it should be. But in all circumstances it does not work that smooth. As a matter of fact, these individuals sit down and they plan the goals, plan how much work is to be done, and the group, labor and management, actually sits down and determines if they want to shut down because they cannot reach their goal or if it is good for business, because they are smart enough to realize it is better to be working than not working, and they work very closely together.

But for management to be able to sit down with workers and organize as far as what is good for that company and be in violation of the law, it is just not good common sense.

Mr. Speaker, the labor unions represent less than 12 percent of the work force in this country. The rest of the work force, over 82 percent, is made up of small and large business in private industry, and the opposite side of the aisle say they constantly represent the worker. If that was the case, they would represent 82 percent of the private enterprise and the unions. But that is not the direction they want to go.

The TEAM Act says simply that an employer can work with employees, period. It does not permit illegal employer unions. It does not affect union shops at all. It does not intrude on collective bargaining. It simply allows employers and employees to work together. That is good common sense. Unfortunately, that does not exist in this body many times.

The TEAM Act has a broad range of support, because happy employees who are involved in their work are unlikely to join labor unions and pay union dues. The TEAM Act is opposed, of course, by organized labor.

Vote "yes" on the TEAM Act and oppose weakening amendments and support a strong labor force, both private and union.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentleman from Rhode Island [Mr. KENNEDY].

Mr. KENNEDY of Rhode Island. Mr. Speaker, the Teamwork for Employers and Managers Act is a euphemism. It perverts the notion that labor and management are on the same team, when only the management gets to call the plays.

In my State of Rhode Island, we would call this bill the Waybosset bill. If anybody has even been to Providence, RI, and driven down Waybosset Street, they would know that I mean. it is a one-way street.

That is what we are calling for in this bill, the TEAM Act. It is saying management can choose who they are going to bargain with. That does not sound fair to me. That perverts the whole idea of bargaining. How is labor going to have representation at the table if they cannot even choose their own representatives? This bill says that management is going to decide who represents labor.

My colleagues, just think of what we have already done this session. The Republicans have dismantled OSHA. They have also said that when it comes to worker health and safety, that is voluntary. That is like saying stoplights should be voluntary. How often do you think a manager is going to go into their own workplace and say "This is unsafe for the workers," when in essence they would be criticizing themselves? Managers do not even have to keep track of or records now of their own inspections.

Mr. Speaker, no one should be fooled by the rhetoric here. This TEAM Act is a euphemism. It is nothing more than a one-way street for management to call the plays and expect labor to run their own plays.

Mr. Speaker, I urge my colleagues to reject the TEAM Act.

Mrs. WALDHOLTZ. Mr. Speaker, I yield 5 minutes to the gentleman from Missouri [Mr. TALENT].

Mr. TALENT. Mr. Speaker, I thank the gentlewoman for yielding me this time.

Mr. Speaker, I will agree with one thing my colleague just said, that we ought not to believe the rhetoric that people are saying about this bill. Let me describe what the bill does and why we need it. One of the really important developments, Mr. Speaker, of the last 10 to 15 years in particular has been the development of something called employee involvement or employee teams. There are millions of Americans familiar with it because they are participating in them.

These are a very flexible, diverse kind of way to get employees involved in making decisions which otherwise would have to be made entirely by management. It can cover everything from scheduling decisions to safety to productivity. It can be as formal as a regular safety committee, or as informal as people getting together for a few days to talk about scheduling or talk about how we deal with this problem on the production line. It increases employee satisfaction, it increases productivity, it has made American industry more competitive internationally.

It is a good thing, and we have dozens and dozens and dozens of people come and testify and tell us that. And these were employees.

I have been out in shops and touring places in my district, and they all wanted to be able to do this. And the problem is that that form of employee involvement is quite probably illegal under the National Labor Relations Act, because 60 years ago, Congress quite properly outlawed company unions, and the National Labor Relations Board has interpreted these things as to be in effect company unions. Now we need to be able to provide relief to these millions of Americans who are doing something they want to do and helping the economy at the same time.

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Now, the arguments against this that we have heard made and are going to be made by the other side is this will hurt union shops, it will circumvent workplaces that are collectively bargained and the proper role of the collective bargaining agent.

The answer to that, the bill exempts workshops that are organized by unions. It does not apply there. We will hear argued that the bill permits company unions. The truth is the bill explicitly prohibits company unions because it says if one of these employee entities has or claims the right to bargain collectively, and that is the essence of a union, an entity that claims the right to bargain collectively, is not covered by the bill. It is not protected by the proviso.

We will hear it is not needed; that, in fact, there is nothing wrong out there; that people are doing this now and are not under threat. Mr. Speaker, there are dozens of cases pending before the National Labor Relations Board in which these arguments are being challenged now, and I do not think the board is wrong in doing that, because under the bipolar world of the National Labor Relations Act as it was passed in 1935, employee relations had to be necessarily adversarial. Either management and labor eyed each other across the bargaining table in an adversarial fashion or the only other model was employers ramming it down the throat of employees. They did not anticipate what would happen 45 or 50 years later when people would work together and cooperate.

These things are foreign to the scheme of the NLRA as it was passed 60 years ago. That is why we need to update it. Do we really think there is no problem? Well, here is what this Congress said last year when it was controlled by the other side in a committee report on an OSHA bill. "Substantial uncertainty exists over the impact of the Electromation and DuPont decisions", and those are the decisions we are talking about, "on joint safety and health committees".

In other words, Mr. Speaker, these committees may be illegal under the law. Mr. William Gould, who is the chairman of the National Labor Relations Board, said exactly what I said a minute ago. He said, "The difficulty here is that Federal labor law, because it is still rooted in the Great Depression reaction to company unions through which employers controlled labor organizations, prohibits financial assistance by employers to any labor organization". That is his quote, and he meant including any kind of employee involvement. He suggested amendments to the NLRA that allowed for cooperative relationships.

Mr. Speaker, it is possible to have win-win kinds of legislation. It is possible to have legislation which empowers people to do good things. That is what we are trying to do here. I urge the House to consider this dispassionately, to discount the rhetoric against this kind of thing. This is something that people really want. Let us do something people really want rather than allowing them to be bound by the concepts and the laws on those concepts of 60 years ago when the world was a very, very different place than it is now.

Mr. FROST. Mr. Speaker, I yield 4 minutes to the gentleman from Illinois [Mr. DURBIN].

Mr. DURBIN. Mr. Speaker, let me confess at the outset that I come from a union family. My mother, father, two brothers and I all worked for a railroad. We were all proud members of the Brotherhood of Railway Clerks, and that is part of my core value. I believe in unionism.

I believe that labor organizations have an important place in the American economy, but let me tell Members a story; 2 or maybe 3 years ago the Democratic Caucus had a meeting, and we invited in the head manager and the top union representative from the Saturn plant in Tennessee. We have seen all the ads about their teamwork there. These two men came to the stage both wearing khaki pants and a white button-down shirt and a red cardigan sweater. They sat down and started talking about their team concept in building cars, and for the first 10 minutes, I swear, I could not tell which was on the management side and which was on the labor side. It was clearly the best of all possible worlds. Here was a workplace situation where workers were being treated with dignity, brought into the decision process. The kind of team approach which we all hope will become part of American business and the American labor experience.

Mr. Speaker, I can say with some certitude, because I have heard it from those who support this TEAM Act, that this is not an exception at the Saturn plant. In fact, what we are told is that 80 percent of the largest companies in the United States are already doing this; that some 30,000 workplaces across the country have tried these concepts where the workers and the management sit down and work together and it works. The productivity of the workers is shown in the wages and in the quality of the product and the profits for the company, and that is certainly what we all want.

So the obvious question, if this is taking place in so many businesses across the United States, why do we need this law? If Congress is going to spend its time passing laws to enact things that already exist, we are going to have a pretty busy schedule, and there are a lot of things we should be spending our time on and problems that need to be solved.

Well, when we open up the lid and look inside the TEAM Act, we find it is much more than I just described and much more than we heard form the Republicans who are supporting it. It is not a question of employee and employer cooperation. We all want that. What they are trying to do is twofold. First, they have three companies that have gone over the line and pushed it too far. They have cases ending before the National Labor Relations Board. These companies, these special interests, are pushing for this legislation to get them off the hook.

Second, many companies think if they can create this kind of a company union, they can break efforts to organize plants and businesses across the United States by labor organizations. They will come in and say, do not sign up with the international union, we will create our little company union here and, therefore, you will not have to do business with them. It is a way to break down an effort to organize a plant.

Mr. Speaker, I do not think that is a good thing for us to see in this country. The single biggest problem we face in our economy is that working families, middle-class families, are working harder, putting in more hours, going to work, husbands and wives both playing by the rules and beating their heads against the wall. The productivity is up, corporate profits are up, and wages are not up.

Wages are stagnant and people are frustrated and angry and they should be. It is no coincidence we have seen a decline in the size and quality of the middle class in America as we have seen a decline in the size of labor unionism, because those workers no longer have a place at the table in collective bargaining. The TEAM Act is an effort to keep those workers away from the table, put them in little company unions where they can be controlled.

What we need in this country is an honest approach. Collective bargaining. Hard work should be rewarded. People should get a decent paycheck.

That is part of the American dream, and it is a darned good reason to vote against the TEAM Act.

Mrs. WALDHOLTZ. Mr. Speaker, I yield 30 seconds to the gentleman from Pennsylvania [Mr. GOODLING,] the chairman of the committee.

Mr. GOODLING. Mr. Speaker, I thank the gentlewoman for yielding me time.

Mr. Speaker, I want to respond to the gentleman from Illinois [Mr. DURBIN] who talked about the beautiful operation going on in union settings between labor and management, and that is true, and that is what we want to do for the rest of the people in the United States. At the present time that cannot happen if you are not a unionized plant. Either management dictates everything or employees dictate everything. They cannot work together as they do in a union setting. That is why the necessity for the legislation that is on the floor today.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentlewoman from New York [Ms. VELÁZQUEZ].

Ms. VELÁZQUEZ. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in strong opposition to the rule and the bill.

The most important reason workers organize or join a union at their workplace is so that they have some collective clout. Every employee knows that without a union, the employer makes all the rules—pay, hours, overtime, working conditions. The employer owns the job and workers can be fired without cause.

Only the legal protection of the National Labor Relations Act and its 8(a)(2) provision, ensures that people have the right to elect representatives of their own choosing to negotiate on the employees behalf. If we change this critical protection in the law, then democracy fails.

Employers understand this very well. It is no accident that the U.S. Chamber of Commerce and the National Association of Manufacturers support this bill. If these business representatives—who were not chosen by the employees—were interested in employee participation, as they claim, then let them prove it by supporting union organizing efforts by unions of the employees choice. Democracy succeeds when the rights of workers are respected—not eliminated.

I urge my colleagues to defeat this dangerous bill.

Mrs. WALDHOLTZ. Mr. Speaker, I yield 2 minutes to the gentleman from North Carolina [Mr. BALLENGER].

Mr. BALLENGER. Mr. Speaker, I thank the gentlewoman for yielding me time.

Mr. Speaker, I want to make one point about the impact of this bill on union organizing. An employer cannot use a team or committee to interfere with employees' ability to organize or engage in other concerted activities for mutual aid or protection. The law which makes it an unfair labor practice for employers to interfere with, restrain, or coerce employees in the exercise of their rights, guaranteed by section 7 of the NLRA, to organize and bargain collectively through representatives of their own choosing—remains untouched by the TEAM Act. In a recent case, it was found that an employer's promise, the day before a union election, to establish a communications committee to deal with employee grievances was a violation of section 8(a)(1) because it was used as an inducement to persuade employees to vote against the union. This case remains good law even after passage of the TEAM Act.

The bill specifically states that "it shall not constitute or be evidence of a violation under this paragraph for an employer" to establish and participate in an employee involvement structure. H.R. 743 also specifically provides in section four that "Nothing in this Act shall affect employee rights and responsibilities contained in provisions other than section 8(a)(2) of the National Labor Relations Act, as amended."

Thus, the other protections in section 8(a) of the NLRA which prohibit employer conduct that interferes with the right of employees to freely choose independent representation remain in full force. If employee involvement structures do not prove to be an effective means for employees to have input into the production and management policies that impact them, those employees have every right, and every reason, to formally organize.

Mrs. WALDHOLTZ. Mr. Speaker, I yield 3 minutes to the gentleman from Texas [Mr. SAM JOHNSON].

Mr. SAM JOHNSON of Texas. Mr. Speaker, we are not here to try to undercut unions. On the other hand, I do not want somebody that is elected by a union to come and talk common sense, and you know this TEAM Act is probably one of the most commonsense pieces of labor legislation that this House has ever seen.

The TEAM Act will allow employers and employees to come together and discuss how they as a team, as the bill says, can make their workplace safer, more efficient, and produce a higher quality product, all without the threat of union legal battles. The aim of the legislation is to allow companies to bring their employees into the planning process by giving them a hand in formulating their work policy.

Mr. Speaker, we all know big labor will paint this as detrimental to the American worker. It is simply false. The bill makes it clear that employer-employee organizations may not enter into or negotiate collective bargaining agreements or amend existing collective bargaining agreements.

The real reason that unions are screaming is they are afraid of losing power by allowing employees to work with their employers to solve basic problems without the heavy hand of union interference.

As we prepare our work force for the 21st century, we cannot continue to hold on to obsolete rules that stifle creative solutions to challenges in the workplace, and unions need to change, too. Both employees and employers want the ability to improve their performance and working conditions. The TEAM Act does that while still protecting the rights of the employees.

Do what is right for American workers, support teamwork. Let us vote for this rule and the TEAM Act.

Mrs. WALDHOLTZ. Mr. Speaker, I yield 2 minutes to the gentleman from South Carolina [Mr. GRAHAM].

Mr. GRAHAM. Mr. Speaker, I thank the gentlewoman for yielding me time.

Mr. Speaker, I would like to compliment the gentleman from Wisconsin [Mr. GUNDERSON] on putting this act together. This will revolutionize the way we do business in America, and unfortunately there is some case law out there that stands in the way of businesses being competitive in the 21st century.

☐ 1330

The Third District of South Carolina has transformed itself in the last 30 or 40 years from being a district dominated by the textile industry.

When I was growing up, there was a paternalistic society where people were not asked to give their ideas. They were told what to do and when to be there and they were treated like children.

Mr. Speaker, I have seen that industry itself change where now business leaders are looking at their employees as assets and they are asking them: How can we make our product better? They are talking to them about safety in the workplace and about benefit packages.

Mr. Speaker, there is nothing in this bill that prevents people from organizing unions, if they want to. What we are trying to do is to make sure that when employees and employers want to, they can sit down and discuss how to run a business; how to make it better for the employer and better for the employee.

Unless we pass this legislation, there is a legal ruling that will stand in the way of that from happening. If that cannot happen in the Third Congressional District of South Carolina, we are going to be left behind, because employees are assets that have good minds and good hearts. They want to give back to the company. They want to be asked how to do business. They want to be a part of the process.

Mr. Speaker, as I go through my district touring plants, I am now shown the plant by team leaders. They take a lot of pride in what they do. There is dignity in the workplace. This is an absolute, essential piece of legislation to allow American businesses to grow. If we do not pass this, we are going to go back to the time when workers were treated like children and the only people who could talk were unions, and that is not fair.

Mr. FROST. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. ENGEL].

Mr. ENGEL. Mr. Speaker, I rise to urge defeat of the rule and defeat of the TEAM Act.

Mr. Speaker, the continuing assault on the American worker by this Congress continues today with the consideration of the TEAM Act. I strongly urge the defeat of this proposal.

This bill, in my opinion, creates more problems than it solves. The so-called TEAM Act has nothing to do with teamwork, with workplace cooperation, or with empowering employees.

Under the guise of empowering employees, H.R. 743 guts section 8(a)(2) of the National Labor Relations Act, allowing an employer to create an organization of employees, determine its procedures, and select the organization's leaders. The bill would reestablish company unions, because employers could negotiate the terms and conditions of employment with this new organization, so long as the employer does not enter into a new contract.

Mr. Speaker, eliminating the basic right of employees to be represented by their own independent representatives in collective bargaining will not improve the situations of employers or employees. The TEAM Act would turn existing cooperative labor-management groups into adversarial relationships. Undermining the basic rights of employees is not teamwork, but is an attack on basic rights of workers to have independent representation.

The assault on the workers continues in this Congress. It must be stopped. The very first thing we saw at the start of this Congress with the Education and Labor Committee was the elimination of the word "labor" in the name of the new committee.

Then we saw an assault on the minimum wage. Not only has the majority refused to raise the minimum wage; they want to eliminate the minimum wage totally. We see the OSHA laws, the safety of the American worker which is so important, they want to undermine it and eliminate it and scrap it. That continues to march on.

The National Labor Relations Board, we saw in the funding bills, they want to eliminate a lot of moneys to fund that. That is supposed to monitor unfair labor practices.

We talk about Davis-Bacon which is supposed to provide construction workers with a prevailing wage. They want to repeal Davis-Bacon.

Mr. Speaker, this TEAM Act is just another in a set of measures by the majority Republicans in this Congress to try to undermine the well-being of the American worker, to try to assault the American worker. It really ought to be defeated.

Mr. FROST. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, I urge defeat of the rule and defeat of this bill. This is a terrible piece of legislation. My colleagues have heard the speakers on our side. It would change 60 years of settled law in this country.

Mr. Speaker, I urge the defeat of this rule.

Mr. Speaker, I yield back the balance of my time.

Mrs. WALDHOLTZ. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, I am somewhat disappointed to hear my colleague from Texas urging defeat of this rule, as this is a completely open rule. This rule allows any Member of this House to come forward with any amendment that they feel needs to be discussed by the House.

Mr. Speaker, there are no preprinting requirements. There are no time limitations. This is an open rule. This is the best way to bring debate to this floor.

Mr. Speaker, I would urge my colleagues to support adoption of this rule, despite whatever misgivings they may have to the underlying legislation. I urge my colleagues to support this rule, Mr. Speaker.

Mr. Speaker, I yield back the balance of my time and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore (Mr. EVERETT). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. FROST. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 267, nays 149, not voting 18, as follows:

[Roll No. 686]

YEAS—267

Allard
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Beilenson
Bereuter
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Boucher
Brewster
Brownback
Bunn
Bunning
Burr
Burton
Buyer
Calvert
Camp
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clement
Clinger
Coble
Coburn
Collins (GA)
Combest
Condit
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLauro
DeLay
Diaz-Balart
Dickey
Dicks
Doggett
Dooley
Doolittle
Dornan
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Forbes
Ford
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Geren
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Gordon
Goss
Graham
Greenwood
Gunderson
Gutknecht
Hall (TX)
Hamilton
Hancock
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Horn
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Livingston
LoBiondo
Longley
Lowey
Lucas
Luther
Manzullo
Martini
McCarthy
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Molinari
Montgomery
Moorhead
Moran
Morella
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Olver
Orton
Oxley
Packard
Parker
Paxon
Payne (VA)
Petri
Pickett
Pombo
Porter
Portman
Pryce
Quillen
Quinn
Radanovich
Ramstad
Reed
Regula
Riggs
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Royce
Salmon
Sanford
Sawyer
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Sisisky
Skaggs
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stenholm
Stockman
Stump
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Tiahrt
Torkildsen
Traficant
Upton
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Ward
Watt (NC)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Zeliff
Zimmer

NAYS—149

Abercrombie
Ackerman
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Bentsen
Berman
Bevill
Bonior
Borski
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Cardin
Chapman
Clay
Clayton
Clyburn
Coleman
Collins (IL)
Collins (MI)
Conyers
Costello
Coyne
Cramer
Danner
de la Garza
DeFazio
Dellums
Deutsch
Dingell
Dixon
Doyle
Durbin
Edwards
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Flake
Foglietta
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gibbons
Gonzalez

Green
Gutierrez
Hall (OH)
Harman
Hastings (FL)
Hilliard
Hinchey
Holden
Hoyer
Jackson-Lee
Johnson (SD)
Johnson, E. B.
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kleczka
Klink
LaFalce
Lantos
Levin
Lewis (GA)
Lipinski
Lofgren
Maloney
Manton
Markey
Martinez
Mascara
Matsui
McDermott
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Mfume
Mineta
Minge
Mink
Mollohan
Murtha
Nadler
Neal
Oberstar
Obey
Ortiz
Owens
Pallone
Pastor
Payne (NJ)
Pelosi
Peterson (FL)
Peterson (MN)
Pomeroy
Poshard
Rahall
Rangel
Richardson
Rivers
Roybal-Allard
Rush
Sabo
Sanders
Schroeder
Schumer
Scott
Serrano
Slaughter
Spratt
Stark
Stokes
Studds
Stupak
Thompson
Thornton
Thurman
Torres
Velazquez
Vento
Visclosky
Waters
Waxman
Williams
Wilson
Wise
Woolsey
Wyden
Wynn
Yates

NOT VOTING—18

Bryant (TN)
Callahan
Jacobs
Jefferson
Johnston
Kanjorski
Miller (CA)
Miller (FL)
Moakley
Reynolds
Tejeda
Torricelli
Towns
Tucker
Volkmer
Watts (OK)
Young (AK)
Young (FL)

□ 1356

Mr. BEVILL and Mr. RICHARDSON changed their vote from "yea" to "nay."

Mrs. CHENOWETH and Mr. SKAGGS changed their vote from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

THE JOURNAL

The SPEAKER pro tempore (Mr. EVERETT). Pursuant to clause 5 of rule I, the pending business is the question of the Speaker's approval of the Journal.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. DREIER. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 344, noes 66, answered "present" 1, not voting 23, as follows:

[Roll No. 687]

AYES—344

Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Beilenson
Bentsen
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehlert
Bonilla
Bono
Boucher
Brewster
Browder
Brownback
Bryant (TX)
Bunn
Bunning
Burr
Burton
Buyer
Calvert
Camp
Canady
Cardin
Castle
Chabot
Chambliss
Chapman
Chenoweth
Christensen
Chrysler
Clayton
Clement
Clinger
Coble
Coburn
Coleman
Collins (GA)
Combest
Condit
Cooley
Cox
Coyne
Cramer
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
de la Garza
Deal
DeFazio
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Everett
Ewing
Farr
Fawell
Fields (TX)
Flake
Flanagan
Foglietta
Foley
Forbes
Ford
Fowler
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Gallegly
Ganske
Gejdenson
Gekas
Geren
Gilchrest
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Green
Greenwood
Gunderson
Hall (TX)
Hamilton
Hancock
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefner
Heineman
Herger
Hilleary
Hoekstra
Hoke
Holden
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson-Lee
Johnson (CT)
Johnson (SD)
Johnson, Sam
Jones
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaHood
Lantos
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Livingston
LoBiondo
Lofgren
Longley
Lowey
Lucas
Luther
Manton
Manzullo
Markey
Martini
Mascara
Matsui
McCarthy
McCollum
McCrery
McDade
McHale
McHugh
McInnis
McIntosh
McKeon
McKinney
Meehan
Metcalf
Meyers
Mica
Minge
Mink
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Myrick
Nadler
Neal
Nethercutt
Neumann
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Orton
Oxley
Packard
Parker
Pastor
Paxon
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Petri
Porter
Portman
Pryce
Quillen
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Richardson
Riggs
Rivers
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Roybal-Allard
Royce
Salmon
Sanders
Sanford
Sawyer
Saxton
Schaefer
Schiff
Schumer
Scott
Seastrand
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Spence
Spratt
Stearns
Stenholm
Stokes
Studds
Stump
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (NC)
Thomas
Thornberry
Thornton
Thurman
Tiahrt
Torkildsen
Torres
Torricelli
Traficant
Upton
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Ward
Waters
Watt (NC)
Waxman
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Williams
Wise
Wolf
Wyden
Wynn
Young (AK)
Young (FL)
Zeliff

NOES—66

Abercrombie
Ackerman
Becerra
Bonior
Borski
Brown (CA)
Brown (FL)
Brown (OH)
Clay
Clyburn
Collins (IL)
Collins (MI)
Conyers
Costello
Crane
Durbin
Ensign
Evans
Fattah
Fazio
Filner
Funderburk
Furse
Gephardt
Gillmor
Gutierrez
Gutknecht
Hall (OH)
Hastings (FL)
Hefley
Hilliard
Hinchey
Johnson, E.B.
Kennedy (RI)
LaFalce
Levin
Lewis (GA)
Lipinski
Maloney
McNulty
Meek
Menendez
Mfume
Miller (CA)
Mineta
Ney
Pallone
Payne (NJ)
Pickett
Pombo
Pomeroy
Poshard
Rush
Sabo
Scarborough
Schroeder
Stark
Stockman
Taylor (MS)
Thompson
Velazquez
Vento
Visclosky
Woolsey
Yates
Zimmer

ANSWERED "PRESENT"—1

Harman

NOT VOTING—23

Boehner
Bryant (TN)
Callahan
Fields (LA)
Gibbons
Hobson
Jacobs
Jefferson
Johnston
Kanjorski
Martinez
McDermott
Miller (FL)
Moakley
Owens
Reynolds
Souder
Tejeda
Towns
Tucker
Volkmer
Watts (OK)
Wilson

□ 1414

So the Journal was approved.

The result of the vote was announced as above recorded.

□ 1415

COMMUNICATION FROM THE CHIEF ADMINISTRATIVE OFFICER OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Chief Administrative Officer of the House of Representatives:

HOUSE OF REPRESENTATIVES,
CHIEF ADMINISTRATIVE OFFICER,
Washington, DC, September 22, 1995.

Re: Searcy et al. and U.S., ex rel. *Bortner* v. *Philips Electronics*, et al.

Hon. NEWT GINGRICH,
Speaker, House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: This is to formally notify you pursuant to Rule L (50) of the Rules of the House that my Office has been served with a subpoena issued by the United States District Court for the District of Columbia.

After consultation with the General Counsel, I have determined that compliance with the subpoena is consistent with the privileges and precedents of the House.

Sincerely,

SCOT M. FAULKNER,
Chief Administrative Officer.

TEAMWORK FOR EMPLOYEES AND MANAGERS ACT OF 1995

The SPEAKER pro tempore (Mr. EVERETT). Pursuant to House Resolution 226 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 743.

□ 1415

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 743) to amend the National Labor Relations Act to allow labor-management cooperative efforts that improve economic competitiveness in the United States to continue to thrive, and for other purposes, with Mr. KOLBE in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Pennsylvania [Mr. GOODLING] will be recognized for 30 minutes, and the gentleman from Missouri [Mr. CLAY] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. GOODLING].

Mr. GOODLING. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. GUNDERSON], the author of the legislation and a member of the committee.

Mr. GUNDERSON. Mr. Chairman, I thank the gentleman from Pennsylvania, Chairman GOODLING, for yielding me this time.

Mr. Chairman, last week we talked about improving the work force through the CAREERS Act. Today we have a chance of improving the workplace. Now, I know we are all busy, we are consumed with reconciliation and everything else, so let us not make this an intellectual debating society. Let us make this as simple as we can.

The facts are that today management in a nonunion setting can tell employees to do whatever they want and it is legal. Today, if management in a nonunion setting sits down and, voluntarily working with employees, reaches a mutual conclusion on how to make changes within the workplace, it is illegal. It is that simple.

Management can do it, but if they work with the employees it is a violation of the National Labor Relations Act. Why is that the case? Take a look at these two lines: The definition of a labor organization under existing law is any organization of any kind in which employees participate and which exists for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment, or conditions of work.

Now, what is 8(a)(2), this whole issue we are talking about; when does an employer dominate a labor organization? It shall be an unfair labor practice for an employer to dominate or interfere with the formation or administration of any labor organization.

Well, if any group that meets to talk about any of these conditions is a labor organization, then you have got a problem if management is involved in any way, shape, or form.

Many people do not remember how labor law was developed in this country 60 years ago. It was actually in 1933 under the National Industrial Recovery Act, during the Great Depression, when Congress created the right for employees to organize and bargain collectively. But in the process of doing that, we found out over the next couple of years that management could create that collective bargaining unit within the company, and it became what we call sham unions.

So in 1935, to prevent that, we defined what is domination of labor organization to prevent employers from using company unions to avoid recognizing and collectively bargaining with independently organized unions.

Let me read from that report, literally 60 years ago The object of prohibiting employer dominated unions is to remove from the industrial scene unfair pressure, unfair discussion.

Why are we here this afternoon? Well, in December 1992, the National Labor Relations Board unanimously ruled that Electromation, Inc., from Indiana, had violated section 8(a)(2) of the act. Why? Because Electromation, Inc., had created five what are called action teams between management and employees to discuss, of all things, a nonsmoking policy, absenteeism, internal communications, and the like.

The National Labor Relations Board ruled that these committees were indeed by definition labor organizations under (2)(v), and get this, because the company dictated the size of the action teams, the responsibilities of the action teams, the goals and agendas of the action teams, it was somehow dominating the committees, and therefore it was an illegal company union.

I do not need to tell anyone in this place, and I hope no one in America, about the need for employee-employer joint management and cooperative teams in 1995. Members have all heard about total quality management, they have heard about quality circles, they have heard about quality of life, quality of work programs, self-directed work teams, productivity teams, and all the like. As we try to deal with these issues to be competitive in an international arena, it is essential that in nonunion settings they may occur without being a violation of law.

Every one of us in our district has some kind of company, as small as they are, that try to deal with this today, and they simply do not know they are illegal. So today we bring you H.R. 743. We eliminate no existing language in the National Labor Relations Act, we do not redefine labor organizations, we do not allow sham unions or nonunion collective bargaining and we do not allow employee involvement teams in organized labor workplaces. Rather, we simply say it is not a violation of the law for employees and employers in nonunion settings to work together. That is all this is. Mr. Chairman, I encourage Members' support.

Mr. CLAY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise today to oppose H.R. 743. Not only is this so-called TEAM Act ill-conceived and unwarranted, those problems alone would be sufficient reasons for me to oppose the bill. My opposition goes far deeper. This bill undermines workplace democracy and threatens the very foundation of collective bargaining. I applaud President Clinton for promising to veto this misnamed bill.

H.R. 743 is the latest installment in the campaign by the new Republican majority to eradicate protections afforded our work force. At a time when millions of workers and their families see the real value of their wages declining; at a time when millions of workers and their families struggle to exist on minimum wage pay; at a time when the working poor desperately need help to boost their standard of living, the Republican majority puts forth legislation that is contrary to the needs and aspirations of working families. They promise a tax break for the most wealthy while wiping out the earned income tax credit for the most needy. Today, they call up a bill that will tip the scales of collective bargaining heavily in favor of employers.

Mr. Chairman, proponents of the so-called TEAM Act argue that the bill is needed to promote worker-management cooperation. Who could argue against the goals of greater employee participation and greater cooperation between employers and employees? But, the measure before us runs completely counter to those laudable goals. This so-called TEAM Act would hinder, not foster, development of genuine labor-management cooperation. It places in grave jeopardy the right of workers to organize independently and bargain collectively.

This bill would destroy one of the most essential protections provided under the National Labor Relations Act: the protection against company-dominated, sham unions. As noted labor historian Dr. David Brody has written: "Abhorrence of company domination is a corollary to the principal of freedom of association central in our labor law."

Mr. Chairman, no change in the law is needed to promote greater labor-management cooperation. Lawful employee involvement programs are flourishing in both union and nonunion settings. They will continue to flourish without this Congress sacrificing the right of workers to choose their own independent representatives.

My colleagues, you will hear proponents of this legislation complain about the so-called Electromation problem. Do not be confused by their strawman arguments. As Edward Miller, former Chairman of the National Labor Relations Board and a noted management attorney, testified recently before the Dunlop Commission:

> The so-called Electromation problem . . . is another myth . . . it is indeed possible to have effective (employee involvement) programs . . . in both union and nonunion companies without a change in the law. If 8(a)(2) were to be repealed I have no doubt that in not too many years, sham company unions would again recur.

Mr. Chairman, make no mistake about it; H.R. 743 would effectively repeal section 8(a)(2). It would permit management to negotiate with itself while claiming that it is carrying on discussions with representatives chosen not by those they purport to represent, but by management itself.

It is indeed ironic that many of those who today will call for passage of this so-called Team Act opposed the Workplace Fairness Act. They claimed then that it would have upset the delicate balance in our labor laws. How ironic that they would have us consider this bill that without question will upset that balance.

When this bill is open for amendment, I urge my colleagues to support the Sawyer substitute. His proposal truly and fairly responds to legitimate concerns about the legality of employee involvement programs by creating safe harbors for workplace productivity teams. If the Sawyer substitute fails, join me in opposing final passage of this misnamed and blatantly unfair proposal.

Mr. Chairman, I reserve the balance of my time.

Mr. GOODLING. Mr. Chairman, I yield 4½ minutes to the gentleman from Illinois [Mr. FAWELL], the subcommittee chairman who had the hearings on this legislation.

Mr. FAWELL. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, all this bill does is to simply allow teams of employees in a nonunion setting to freely interact with management regarding terms and conditions of their employment. It should be called a Freedom of Employees Act.

The debate today involves the interesting question of why employers are being charged with setting up sham or company unions simply because they are increasingly interacting with new and innovative employee involvement teams.

The basic reason is because of a broad and archaic definition of the words "labor organization" passed back in 1935, and the understandable intent of Congress back in 1935 to stop employers from organizing employer-sponsored unions, called sham or company unions, which were all too common before the passage of the NLRA. The story goes like this.

The NLRA was passed 60 years ago and section 8(a)(2) was drafted to make it clear that it is an unfair labor practice for an employer to form a sham union, that is, to dominate or interfere with the formation or the administration of any labor organization or to contribute financial or other support to the labor organization.

Well, so far, so good. However, the drafters of the NLRA also added section 2(5) to that act which defines labor organization so broadly that it includes any group of employees "which exists for the purpose, in whole or in part, of dealing with employers concerning," among other things, "conditions of work."

Since employee involvement teams usually, of course, deal at least partially with conditions of work, the National Labor Relations Board has ruled that such employee teams fit the 1935 definition of a labor organization, if the employer is involved to any significant degree.

Hence, an employer who supports employee involvement teams, in order to produce greater workplace quality, health and safety, or production quotas, for instance, is deemed guilty, ipso facto, of spawning a company union.

What we have here, of course, is a fossilized 60-year-old definition of labor organization colliding head-on with dynamic new concepts of doing business in today's fast evolving, information-centered economy and society.

H.R. 743 therefore says the obvious: that teams of employees which interact with their employer, with the goal of improving quality and conditions of work, are excepted from that 1935 definition of a labor organization. The bill thus allows employees and employers to participate in employer involvement groups in a nonunion setting without that employee team being called a sham union. On the other hand, the bill also makes it clear that no such employee team can claim to be a union or seek authority to be the exclusive bargaining representative of its employees.

H.R. 743 also protects the existing rights of employees to seek formal union organization whenever they may choose. The law also continues to proscribe an employer from creating a sham labor organization, as well as in any way interfering with the right of employees to freely choose union representation.

Mr. Chairman, in the final analysis, one must understand that the world has changed a lot since 1935. Employers no longer rely on top-down decision making. We live in a global economy. And employee involvement teams are obviously not sham unions. Nor should they be looked upon as such, or God help us, regulated and regimented as mini-unions within the nonunion setting, as some suggest. They are teams of employees who, under an infinite number of methods, are freely experimenting, usually quite informally and successfully, with new and exciting ways of pursuing quality, and greater productivity and satisfaction at the place of employment. They were unimagined in the thirties and are a win-win phenomenon in all segments of our industrial policy. This bill is 21st century stuff. It's employees and employers cooperating and doing their thing in the nonunion setting. It is a threat to no one except to those who fear happier and more productive employees.

□ 1430

Mr. CLAY. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan [Mr. BONIOR].

Mr. BONIOR. Mr. Chairman, let me see if I've got this straight. Over the past 9 months, the Gingrich Republicans have voted to make it easier for employers: to ignore the 40-hour work week; to get away with health and safety violations; to ignore environmental safeguards; to ignore the National Labor Relations Board; to raid pension funds; to permanently replace workers; and all in all, to give away the store to special interests and wealthy corporations.

At the same time, they've voted to: put employee pensions at risk; cut job training; slash school-to-work; raise taxes on low-income workers; cut student loans; cut Medicare; and all in all, do everything they could to tip the balance against working families.

And yet today they come to this floor and say they want to promote teamwork in the workplace?

Sure they do, as long as workers agree to play with both hands tied behind their backs.

I say to my friends on the other side of the aisle: Don't come to this floor today and talk about teamwork. Because we all know that under current law employers can already do exactly what you say you're trying to do here today.

They already can set up worker teams.

They already can promote cooperation.

And the vast majority of companies already do.

The only thing corporations can't do today is decide who is going to speak for employees. The only thing they can't do is hand-pick the people who represent employees at the bargaining table.

Because as a nation we have always believed that it was in the best traditions of freedom and democracy that people ought to have the right to elect the people who speak for them.

But under this bill, not only would employers have the right to hand-pick employee representatives, they would have the exclusive right to appoint team members, set their agenda, terminate people at will, bypass democratically elected representatives, and undermine agreements negotiated in good faith.

This bill is nothing but a back-door attempt to silence working people, crush unions, undermine collective bargaining, and give corporations free reign.

But after watching Speaker GINGRICH's top-down assault on working people the past 9 months, it really comes as no surprise that this is your idea of teamwork.

We should be promoting real cooperation in the workplace. This bill not only undermines the traditions that made this country great, it undermines the democratic principles that this Nation was founded upon.

I urge my colleagues to vote against this bill.

Mr. GOODLING. Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. STENHOLM].

Mr. STENHOLM. Mr. Chairman, as an original cosponsor of this bill, I am pleased to speak in support of H.R. 743, the Teamwork for Employees and Managers Act. When my colleague from across the aisle, the gentleman from Wisconsin [Mr. GUNDERSON], asked me to sign on to this bill, I quickly agreed because I knew the gentleman was sincere in his desire to address this issue in a fair and constructive manner. The ability of our country's work force to successfully compete in the international arena is too important an issue to fall victim to the partisan politics of business as usual.

My own experience as the manager of a rural electrical cooperative in west Texas convinced me of the wisdom of this legislation. Nothing should restrict employers and employees from talking about their workplace and making plans to improve the product or services they offer. The cooperative I managed was far more effective because the employees and I enjoyed open dialog on all matters.

We can argue in this Chamber about the necessity of this measure, but we cannot argue with what we are hearing from the folks working in the factories, shops, and other small businesses back home. Mr. Chairman, employees from the 3M plant in Brownwood, TX, and the Goodyear Proving Grounds in San Angelo, TX, support this measure. It is with these workers in mind that I plan to cast my vote for the future of the American work force and vote for the TEAM Act. They want this legislation.

It all comes down to this: This is not a bill for employers. It is not a bill for employees. It is a bill for employees and employers. In the modern international marketplace, people all across the country are losing their jobs because their employers are trying to stay competitive. We read every week about another 2,000 or 4,000 or 8,500 who have been laid off.

Are employees interested in keeping their companies competitive? Absolutely they are. They have the mortgage and the car payments and the child care and the health care and the groceries to think of. Keeping their company strong means keeping food on their tables. Employees have a vested interest in the passage of this legislation. They want to be part of their future.

Mr. Chairman, confrontation is destroying jobs in America. I urge Members to support this legislation.

Mr. CLAY. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Chairman, I rise in opposition to the TEAM Act because it would undermine the current successful balance between employers and employees. The National Labor Relations Act was designed to make companies more productive and efficient by ensuring employees independence and freedom, and the National Labor Relations Act is working.

Mr. Chairman, over the last decade American workers have become the most productive workers in the world. In every industry, large and small, American workers today are the most productive in the world. The increased productivity is partially the result of managers and employees working together in teams at companies like Nabisco, Saturn, Boeing, Chrysler, Xerox, Levi Strauss, and United States Steel. All of these companies, and many, many, many more small companies, have successful labor-management teams today under the current law.

The essential ingredient in their success, Mr. Chairman, is the ability of the employees to have an independent voice on issues that impact the conditions of their employment. Because conditions of employment, such as work time, wages, health, safety issues, dramatically impact the lives of the employees. These issues must continue to be left to independent employee organizations to deal with without employer control.

That is what this bill seeks to do, Mr. Chairman, to take away the independence of those employee organizations and insert employer dominance. Where the employer can set up an organization that is the fundamental equivalent of an independent organization, then employees lose that independent voice and, instead, we now have an adversarial system where once again we are dictating top-down from the employer to the lineworkers what is best for them.

Under the TEAM Act, the employers would be free to exclude from a labor-management team individuals who want to express an independent voice through a union. Employers would be able to start up a team whenever they want to stop a union drive. This is not employee empowerment. This is employer domination. Management can now set up worker organizations to deal with productivity and efficiency.

If that is all the Republicans care about, then the current law should not be changed. If they want more, if they want employer domination, then we must change the law. If there is a perception that the law is unclear whether labor-management teams can sometimes deal with the conditions of employment, then those can be dealt with under the Sawyer substitute. But the TEAM Act should be rejected because it ends the cooperative arrangement and it creates the adversarial arrangement.

Mr. Chairman, the fact is, if we look at the Dunlop Report, and we look at the others, the thousands and thousands of American corporations now deal, and workplaces deal, with team relationships with the workers, but they are working with independently chosen worker organizations as opposed to those dominated, and we ought to reject the TEAM Act and reject that kind of one-sided domination of the American workplace.

Mr. GOODLING. Mr. Chairman, I yield 1½ minutes to the gentleman from Michigan [Mr. KNOLLENBERG].

Mr. KNOLLENBERG. Mr. Chairman, I thank the gentleman from Pennsylvania [Mr. GOODLING], the distinguished chairman, for yielding me time.

Mr. Chairman, the TEAM Act is not about the return of company unions, as my colleagues on the other side would like you to think. It is about moving the National Labor Relations Act from the Depression-era 1930's to 1990's. It is about telling American workers they are a valuable resource, and their input is vital to the success of American business. Above all, it is about keeping American companies competitive in the global economy.

Without the TEAM Act, we are in effect saying to the American worker, "we don't believe you can make managerial decisions on how to make a product better." We are saying "work, don't think."

Mr. Chairman, it is 1995 not 1935. Adversarial labor-management relationships were unavoidable 60 years ago, but today, it is time to move employee relations into the 21st century. Vote for H.R. 743. It is a solid step in the right direction.

Mr. CLAY. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. OWENS].

Mr. OWENS. Mr. Chairman, this is not an exercise in conflict resolution for a Sunday school, this is the opening shot in a blitzkrieg against organized labor in America. The gentleman from Georgia, Speaker GINGRICH, has said that politics is a war without blood, and the war is on against labor. The campaign against labor begins here in the context of the move to destroy the National Labor Relations Board, the curtailment of the functions of OSHA and MSHA, the reduction in overtime, and the National Labor Relations Act. There is a whole battle plan where the panzers and the dive bombers and all of that will be released against organized labor.

Organized labor must be wiped out because in this politics war that the Speaker talks about, labor is a strong resisting force. There are not many forces out there that can resist the remaking of America the way Speaker GINGRICH and the Republican majority wants to remake it against organized labor.

The goal is Chinese capitalism. Chinese capitalism means that we have public policies, government policies which control the labor market. They control the workers so that the workers are manipulated for the benefit of the entrepreneurs and the management in order to produce a return suitable to the government and the entrepreneurs and the corporation. That is what we are talking about, a war against labor that begins today.

Mr. Chairman, we have had the guerilla warfare, we have had the sabotage, the black bag stuff in the appropriations bills and the budget bills, now it is open war. This legislation will undermine employee protections in two major ways: One, by allowing nonunion employees to establish sham unions; and, two, by allowing other employees to establish company-dominated alternative organizations while employees are in the process of democratically deciding whether to be represented by a labor organization.

□ 1445

Neither of these possibilities are permitted under current law. You get rid of current law, and the way is open. The points I have raised against the bill I assure you do not overstate the truth. Edward Miller, a former chairman of the National Labor Relations Board, said in testimony before the Dunlop Commission "If 8(a)(2) were to be repealed, I have no doubt that in not too many years sham company unions would again recur."

We cannot forget that the collective bargaining brought about by the National Labor Relations Act has helped bring prosperity to the Nation by increasing the wages of workers. Without equality of bargaining position, recurrent business recessions would be aggravated by the depression of wage rates and worker purchasing power.

Mr. Speaker, we cannot allow sham unions to carry the day once more and strip workers of the independence they earned through blood, sweat, and tears. I urge my colleagues to vote against this bill, which gives management an overwhelming advantage over American workers. We do not need Chinese capitalism in America.

Mr. GOODLING. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. HOUGHTON].

Mr. HOUGHTON. Mr. Chairman, I wonder sometimes about the arguments in this House floor. We tend to put such a fine point on our issues. We tend to marshal our forces and it is team A against team B. I hope this is not going to be the case here.

Mr. Chairman, I will say in all candor, and I think I am right, I have probably, with the exception of one or two people, helped organize more unions and helped put more unions into plants than anybody in this House. I believe in unionism. I put them in all the plants that I have had anything to do with and have urged others to do this.

But I find now that all the sudden it is union versus nonunion. It is management versus people, and I think that is a shame.

The argument is that employers can do now what the bill already says. That is true, if it is interpreted properly. But it has not been interpreted properly.

Mr. Chairman, one of the reasons that I have felt that this is so important, because of the concept of working together, we have lost that in this country. I remember when I first started to work, somebody said, "Do not you forget, just because you are out of management school, that you are going to make the big decisions. You are not. The people on the floor who make the product are going to make the big decisions."

And so, therefore, I have always realized the potential of bringing people together and working in teams.

If my colleagues would take a look, and I am not going to wax eloquent about this country, but if the value of the currency, if the value of a piece of America is to be solidified and straightened out, it is going to be because of increased productivity and that is going to be because of what we are talking about here.

The role of management is to make decisions, but they cannot make decisions on their own. They must go to a variety of different people, the critical people they must go to. They must go to the people who do the work. That is the critical issue here.

In a union shop, the protection against abuse is the union. In a nonunion shop, the protection here is if a management abuses this privilege, it will become unionized. So, therefore, I think there is sort of a self-correcting process that goes on.

In a company there are stockholders, there is management, there are employees, and there are the unions. Frankly, this is not a stockholder, not a management, not a union. This is an employee's bill. I see it work. I think there is protection here, and I would hope that H.R. 743 would be approved.

Mr. SANDERS. Mr. Chairman, will the gentleman yield?

Mr. HOUGHTON. I yield to the gentleman from Vermont.

Mr. SANDERS. Mr. Chairman, the gentleman from New York [Mr. HOUGHTON] talked about the benefits of people working together, and we are all in agreement on that. But the gentleman cannot deny that over the last 20 years, corporate America has been hitting the working people of this country over the head.

Mr. HOUGHTON. Mr. Chairman, reclaiming my time, I do not have any time to reply. Maybe I can do this individually afterward. I do not agree with that statement.

Mr. CLAY. Mr. Chairman, I yield such time as he may consume to the gentleman from Ohio [Mr. SAWYER].

Mr. SAWYER. Mr. Chairman, I rise in measured opposition to H.R. 743.

Mr. Chairman, last year the Dunlop Commission, a bipartisan panel of labor law experts, cited the principal danger of altering section 8(a)(2) of the National Labor Relations Act—that such action might adversely affect employees' ability to select union representation, if they so desire.

This panel went on to reaffirm the basic principle that: employer-sponsored programs should not substitute for independent unions. Employee participation programs are a means for employees to be involved in some workplace issues. They are not a form of independent representation for employees, and thus should not be legally permitted to deal with the full scope of issues normally covered by collective bargaining.

At the appropriate time today, I will offer a substitute which embodies the principal recommendation of this Commission in the area of employee involvement. It is intended to promote workplace cooperation without either jeopardizing workers' rights or leaving open to question the legality of legitimate employee involvement programs under section 8(a)(2).

Mr. Chairman, we have heard a great deal in recent months about laws and programs which were enacted with the best of intentions, but which had—in the view of some—unintended—and serious—side effects. In crafting this law, we must consider not only what we have is the intended good that may come of it, but also what potential dangers it may cause. I urge my colleagues to support my substitute, and to oppose this well-intentioned, but dangerous, bill.

Mr. CLAY. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. MARTINEZ].

Mr. MARTINEZ. Mr. Chairman, I was interested in what the gentleman from New York [Mr. HOUGHTON], my friend, had to say. And I understand the sincerity. But I say to the gentleman, listen very carefully.

Mr. Chairman, I rise in opposition to this bill.

Mr. Chairman, this bill was written to suppress the rights of workers. What is worse is that the one case that they cite as an example of the need for this legislation, electromation, was one of the most glaring abuses of workers' rights that has come before the NLRB in a long time—so glaring that all five of the Reagan-Bush appointed board members voted against the company, a decision confirmed by the Seventh Circuit Court of Appeals.

There is nothing in the law or the policy of the NLRB that threatens or discourages employers from forming work improvement teams. The law does allow, and there do exist, employee groups for those purposes in both unionized and nonunion workplaces.

This amendment to the National Labor Relations Act, however, would change that and would give employers greater capacity to discourage employees from organizing themselves.

That fits in with the notion that some employers and some Members of this Congress have that unions are inherently evil and must be destroyed.

Mr. Chairman, I was the owner of a small business before coming to Congress—one where I was quite successful, and where I had assembled a cadre of employees with whom I worked closely to ensure that they were successful as well. Before I created that business, I was an ordinary worker—both in union and nonunion settings. As a business owner and as a worker, I recognized the benefits of cooperation in the factory.

Cooperative approaches to day to day work leads to more acceptance of the rules and less contention in the shop.

If workers are offered the opportunity to make suggestions, communicate their concerns, and explore their ideas, both workers and management will benefit.

And, we are told, since the 1970's, the number of cooperative working arrangements that exist in America's workplaces has exploded—over 30,000 employers, 96 percent of the country's largest companies, use some form of teamwork in their operations.

To say that there is a chilling effect on the formation and continued operation of these cooperative working groups because of the very few cases that have arisen in the past 20 years is simply not supported by the facts.

Remember the avowed purposes for this act? Quote "To protect legitimate employee involvement programs, from governmental interference," unquote.

Well, I submit that the bill goes well beyond those purposes.

Legitimate employer involvement programs—those that do not abridge the rights of employees under collective bargaining agreements, are already legal under the National Labor Relations Act.

There is no need for this bill to protect legitimate programs.

Mr. GOODLING. Mr. Chairman, I yield such time as he may consume to the gentleman from Texas [Mr. HALL].

Mr. HALL of Texas. Mr. Chairman, I am pleased to rise today in support of H.R. 743, Teamwork for Employees and Managers Act of 1995.

Mr. Chairman, I am pleased to rise today in support of H.R. 743, the Teamwork for Employees and Managers Act of 1995. The TEAM Act will clarify the legal ambiguity surrounding the use of worker-management teams in nonunion companies like many in my district. These teams provide the opportunity for development and improvement through an employee/manager relationship.

Several of my constituents from the Texas Instruments Sherman plant testified in support of this legislation before the Economic and Educational Opportunities Committee. One of those testifying was Mike Mitchell, who stated that "teaming efforts within our company are merited with improvement strategies and actions resulting in cost savings of literally millions of dollars annually." Shane Jackson, another constituent, said, "Without being able to have our teams, I feel we will cease to be competitive and fade away."

I personally believe that the teaming concept will result in successful advances and will enable a company to remain competitive. Teaming does make a difference. Mr. Chairman, I support H.R. 743 and urge my colleagues to approve this legislation.

Mr. GOODLING. Mr. Chairman, I yield 1½ minutes to the gentleman from Nevada [Mr. ENSIGN].

Mr. ENSIGN. Mr. Chairman, I rise to tell a story and to address the last gentleman's comments that in forming these teams, that management would only choose the people that were in support of that management.

Mr. Chairman, when I was in the private sector, the National Labor Relations Board had not interpreted these activities to be violating the National Labor Relations Act. But under current conditions and under the current board, they would interpret this as a violation of the law.

Mr. Chairman, we formed several teams in the company that I was working in. The way that we formed those teams is that management would submit some names to the team and the workers would submit some members to the team. We would vote on those from labor side. We would vote on it from management side, and we got together and we formed some of the most productive teams that helped efficiency, that helped scheduling, that helped all kinds of ways to improve the worker's lives.

Mr. Chairman, I think the bottom line that we have to look at here is who is looking out for the worker? That is the question that we have to ask. Who is looking out for the worker? This bill will help the worker. Period.

That is what we are trying to do here. If I thought that this bill would be against the worker, I would not do it. I would not vote for it. That is why, when I formed the teams in the company that I was working in, I was looking out for what was best for the worker, what was better for the employee, better for the management, and ultimately better for the customer.

Mr. CLAY. Mr. Chairman, I yield 2 minutes to the gentleman from Texas, Mr. GENE GREEN.

Mr. GENE GREEN of Texas. Mr. Chairman, I rise today in opposition to the so-called TEAM Act, H.R. 743. This bill amends section 8(a)(2) of the National Labor Relations Act, the portion which prohibits the establishment of company unions, and it eliminates employee protections.

Mr. Chairman, in an earlier life, before I was elected to Congress, I actually helped manage a business. But I was also a union member at the same time. In small businesses, we have been using the team idea for many years. We did not know that is what it was called. But we also recognize that there were protections that were provided by Federal law.

Mr. Chairman, the intent of this legislation may be good, but its impact is to dismantle employee organizations and possibly set up sham unions or sham employee groups. I strongly favor a comprehensive labor reform bill, but not at the expense of the protections of the American workers. We should be fair not only to employers, but also to employees.

My colleague, the gentleman from Wisconsin [Mr. GUNDERSON], wants to resolve the question of whether workplace teams are legal under 8(a)(2). However, there is nothing under the NLRA, or any decision by the National Labor Relations Board or the courts, which prohibits teams or workplace cooperation.

The entire point of the National Labor Relations Act is to encourage employee empowerment. Employee empowerment is a creative and successful way to manage a business and increase productivity, as the gentleman from New York said, if it is done right. But there are no protections in this bill to keep someone from coming in and saying, "We are going to empower our employees, but we are going to select them. We are going to let them decide, but we are going to select who is going to make the decision on your pay." That is not what labor law is about.

Under current law and NLRB decisions, employers are free to use methods of production which rely on work teams. In 1977, the NLRB held that an employer has the right to set up a method of production which delegated significant managerial responsibilities to employee work teams.

This bill is a bill whose time has not come. Under current law and NLRB decisions, employers are free to use employee committees to consider issues. And, again, I support the idea of the team effort, but this bill actually takes away protections that we have enjoyed for 50 years.

Mr. GOODLING. Mr. Chairman, I yield 1½ minutes to the gentlewoman from Kansas [Mrs. MEYERS], a member of the committee.

Mrs. MEYERS. Mr. Chairman, last week I sent around a "Dear Colleague" which described a situation which could occur in any small business—an employee made a suggestion about summer hours to her supervisor, and the supervisor though it was a good idea. The supervisor liked the idea, and asked the employee to get a group together to discuss the matter, and found a room for the group to meet.

Unfortunately, under current law, this kind of situation could lead to problems for the employer. We aren't living in a vacuum anymore—globalization has taken over, and we need a team approach in the workplace to meet the challenges of the next century. We can't continue to isolate management and labor, as we have in the past.

This legislation simply allows team participation, on a voluntary basis, in the workplace. It would address the above situation by allowing employees to meet to discuss whether or not changes in the hours of work during the summer months would help them care for their family. It does not allow sham unions to be set up by an employer, and it is not an attempt to undermine legitimate union organization.

Let's give our workers the tools they need to compete and to determine their future. Support this bill.

Mr. CLAY. Mr. Chairman, I yield 2 minutes to the gentleman from North Carolina [Mr. ROSE].

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Mr. ROSE. Mr. Chairman, I thank the ranking member for yielding time to me.

I come to the floor today to speak in opposition to H.R. 743, the Teamwork for Employees and Managers Act of 1995. Let me begin by saying that I support employee teams. This issue hits close to home for me. I represent a congressional district in a right-to-work State where many companies are on the leading edge of employee-manager teams. I have seen first hand that in the globally competitive economy of the 1990's, employee participation and cooperation in running a business is absolutely essential.

This is true throughout the economy. Statistics show that employees and employers are taking advantage of labor-management cooperative strategies. It is estimated that as many as 30,000 employers have some form of employee team or committee. In fact, 96 percent of large companies have them. Just today I heard from more than three of the major employers in my district who told me that they have long utilized employee teams with great success. After hearing how well these employee teams are working, I was left with a fundamental question: Why do we need to change the law that has allowed employee teams to proliferate so widely throughout the economy? The fact is we don't.

Whether or not this legislation passes, companies will still have the legal right to have a legitimate employee participation organization that deals with issues of productivity and quality. The question we're confronted with today is whether or not we want to expand this capability to allow company dominated committees that could discuss issues involving terms and conditions of employment? In my opinion this would be a mistake. Doing so would allow unscrupulous companies to allow these committees, hand picked by company management, to act as a bargaining agent with their employees. This would be a slap in the face to the working men and women who have already seen their wages and benefits stagnate over the past decade.

During the 104th Congress, I have cooperated with my Republican colleagues on many pro-business initiatives. I have done so because I believe that Congress has too long shackled American businesses with unnecessary and burdensome regulations. However, I cannot support this attempt to repeal a principle tenet of our Federal labor laws that has served both employees and management well for the last 60 years.

Let's not turn back the clock on 60 years of labor-management relations. Let's not change a law that has allowed employee-management teams to spring up in almost every major company in the country. Let's reject H.R. 743 when it comes before us later today.

Mr. GOODLING. Mr. Chairman, I yield 1 minute to the gentleman from Delaware [Mr. CASTLE], a member of the committee.

Mr. CASTLE. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I rise in support of the TEAM Act, and want to thank Representative GUNDERSON for all his good work on this important legislation.

My colleagues, if we are truly concerned about our ability to successfully compete globally in the 21st century, the TEAM Act should pass. The House passed the CAREERS Act last week which assisted in preparing our national workforce; today, we will pass the TEAM Act which will help modernize the workplace.

Global competition has caused many American companies—including those in the State of Delaware—to abandon top-down decisionmaking in favor of giving employees a greater voice in the company's operations. Unfortunately, employee-employer cooperation is illegal under current law—section 8(a)(2) of the National Labor Relations AcT. The TEAM Act enables our companies to compete in the world marketplace that demands and requires the intellectual engagement of everyone involved—especially the employees. Employee empowerment in the workplace is not just a luxury, but a necessity.

To be sure, America's businesses will face great challenges from our global competitors as we move into the integrated marketplace of the 21st century. We will face these tests head-on. But, we cannot afford to remain encumbered by perhaps the biggest rival of all, Depression-era labor laws that inhibit productivity, cooperation, and the ability to promote employee job security.

Let's pass a commonsense act which will make today's often practiced employee-employer cooperation legal.

Mr. CLAY. Mr. Chairman, I yield 2 minutes to the gentleman from Vermont [Mr. SANDERS].

Mr. SANDERS. Mr. Chairman, a few moments ago my friend, the gentleman from New York [Mr. HOUGHTON], talked about the need of people to work together, and he is right. If this country is going to succeed, we all need to work together. But that is not what is happening in America today. The fault for that is not the working people, it is not the unions, but it is to a very large degree corporate America. It is not working together when companies replace striking workers with permanent replacement workers. And that is happening. That is not working together.

It is not working together when CEO's of large corporations pay themselves now 15 times more than what the workers are earning and give themselves huge bonuses at the same time as they cut back on wages and health benefits for their workers. Corporate profits are soaring. Wages, incomes are in decline. That is not working together.

It is not working together when corporate America says to its workers: Thank you for 30 years of your effort but we are taking the company to Mexico or China because we can get workers there for 20 cents an hour or 50 cents an hour. That is not working together. That is greed.

It is not working together when companies get in new automation and then throw their workers out on the street, as large corporations are doing by the millions all over America, rather than developing a plan to rehire and retrain their workers. It is not working together when corporate America fights those of us who are trying to raise the minimum wage from the starvation level of $4.25 an hour. The only effective way that workers have to protect their interests is to join a union. This law would help weaken unions. It is bad. Let us defeat it.

Mr. GOODLING. Mr. Chairman, I yield 4 minutes to the gentleman from Missouri [Mr. TALENT], a member of the committee.

Mr. TALENT. Mr. Chairman, I thank the gentleman for yielding time to me.

I too want to congratulate the gentleman from Wisconsin [Mr. GUNDERSON] on his fine work on this bill, which is a bill that frankly should be passing more easily than it is evidently going to pass. Let me give a concrete example of why we need this bill. Maybe we need to bring it down to concrete examples.

Suppose there is a workshop today, fairly small size, does not matter, 30 or 40 people. They have been doing a lot of overtime work. They have been busy, which is a good thing. The supervisor goes to the plant manager and says, some of the people are complaining about the scheduling. We are doing all this overtime. It is interfering with people's ability to pick up their kids. Maybe when the day care at the end of the day care day or some people want to go on a couple day hunting trips they have been planning because deer season is starting and some of the people want to get together and talk about it. What are their options under current law? One of them the employers could form a union. They had that option under current law. They would have that option untouched, unchanged under this legislation.

The other is for the manager to decide what he is going to do and just do it. And if he did that, by the way, there is no problem with the National Labor Relations Act. He can be as dictatorial as he wants. There is no problem.

But if the manager says what we hope people would want to say in those circumstances, which is, sit down with a couple of your line supervisors, sit down with these folks and talk it over, come up with a couple of proposals, then come to see me about it and let us see what we can do, he is quite probably violating the National Labor Relations Act and we ought to change that. That is going on in tens of thousands of work places around the country and is quite probably illegal by virtue of several decisions, recent decisions of the National Labor Relations Board. That is why we need this bill.

The argument on the other side seems to be several-fold. I talked about a few of them earlier One of them is, there is really no problem, we do not need to do anything.

Here is what Chairman Gould, the Chairman of the National Labor Relations Board, appointed by President Clinton 2 years ago said. Let me read this real slowly, specifically addressing this issue. He says: "The difficulty here is that Federal labor law because, it is still rooted in the Great Depression reaction to company unions through which employers controlled labor organizations, prohibits financial assistance by employers to any labor organization that might affect employment conditions and additionally"—here is what he said the additional problem was—"the term 'labor organization' has been provided with a definition so broad as to include, potentially, employee quality work circles, other employee groups, 'teams,' and the like. Amendments to the NLRA that allow for cooperative relationships between employees and the employer are desirable."

That is what we are trying to do with this legislation.

People say there is not any problem, take it up with the Chairman of National Labor Relations Board. He says there is a problem and so do the employees and the employers and the consultants who came and testified at these hearings.

The other objection to this was pretty well highlighted by my friend, the gentleman from Vermont [Mr. SANDERS]. He said basically: Look, the employers of this country are big corporations, and they are going after the people, and we cannot trust them. I think there is a mind-set on the part of some of my distinguished colleagues in this body that really we cannot ever have cooperation, that it is a sham, that employees cannot protect their own interests, that the alternative of a union is not good enough for them and that we have to keep people from cooperating like this because really it is not a good thing and it will only result in bad things.

I understand that mind-set and the sincerity of it. It does not reflect modern America. It does not reflect what people want to do. Let us let people do something that has increased employee satisfaction, that has made our economy more competitive with economies abroad and competitors abroad. Let us just allow people to do this without a fear that a 60-year-old statute may come in and stop them from doing something that they like and that is good for America.

Mr. CLAY. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. BECERRA].

Mr. BECERRA. Mr. Chairman, let us try to make sure one thing is clear in this debate, both those who support and oppose the bill. No one objects to employee involvement committees. In fact, I think everyone would agree that, if we are going to remain the supreme economic force in this world, we must promote harmony between employees and employers. That is not the issue here.

The issue is how you look at section 8(a)(2) of the National Labor Relations Act. Most folks do not take the time to read it, but if we take a close look, what we will realize is that section 8(a)(2) has been the pillar protecting American workers against sham union companies created by employers. Maybe that is not a problem now, but 60 years ago that was.

Now to eliminate that protection under 8(a)(2) concerns a great number of people, not because we have companies that are doing this the right way with their employees, it is because we still have companies that are not doing it the right way.

Do we need H.R. 743? No, we do not. We do not need H.R. 743 because, as the majority, the sponsors of this bill admit in their own legislation, 80 percent of all large employers are already using employee involvement committees and over 30,000 workplaces already use them.

We have them. They have been growing even after the case that has been cited so often, Electromation, as the cause of H.R. 743. What we do find, however, is that, if we provide an allowance to an employer, he or she may begin to deal with employees on issues of wages, of working conditions, of benefits, health care, for example, than why should the employer go to a union or to employees that want to be unionized when in fact they can create its own committee and claim that it is now dealing with an employee organization. Then we get into the situation of a sham union. That is what concerns so many of us.

We do not need to change section 8(a)(2) to allow for employee involvement committees. We have them. And we have them flourishing even after the Electromation case that is the supposed reason for this legislation. But what we do find is that there is an undercurrent to try to undo the protection for workers.

If a worker knows that there is an employee committee out there, the worker probably wants to participate. But if the worker cannot decide who will serve on that employee committee, cannot decide what the basis of consideration will be for that committee's work and cannot decide when and if someone can be removed because that committee is no longer representing employees, we find ourselves working with not an employee committee but an employer-created employee committee. That is what we want to avoid.

Working men and women have never said: Let us make the decisions for this company. We are the workers. But let us be productive and let us to the degree we can, work together in making this company productive.

Do not let section 8(a) go. It has been the pillar of protection for workers against sham unions.

Mr. GOODLING. Mr. Chairman, I yield 1 minute and 30 seconds to the gentleman from Michigan [Mr. HOEKSTRA], a member of the committee.

Mr. HOEKSTRA. Mr. Chairman, I thank the gentleman for yielding time to me.

As chairman of the Subcommittee on Oversight and Investigations of the Committee on Economic and Educational Opportunities, this is one of the many areas that we have taken a look at. It is absolutely true that perhaps this was a problem 60 years ago. But today it is not a problem.

Today what we actually need to be doing is updating American labor law to not only enable American corporations and American employees to be competing in 1995, but we need to be laying out and creating the framework that these individuals and these corporations are going to be successful and are going to be creating world class jobs in America in the year 2000 and the year 2010.

Corporations and companies are participating in participative management. They are now doing it at their peril. Corporations in my district have been recognized consistently as being some of the best managed and the most innovative corporations in America. They have been recognized as some of the most innovative and some of the best world class corporations in the world because of this partnership that they have developed between employees and management.

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Mr. Chairman, when we go into these corporations, and we talk to management, they would like to do much more, their employees would like to do much more, but they are being constrained by the National Labor Relations Act. We need to make changes. This is a step forward, this is progress, this is going to help corporations and employees around the country.

Mr. CLAY. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, much has been made today about a statement made that was uttered by the Democratic Chairman of the National Labor Relations Board. I would like to read into the RECORD what a former Chairman, Republican Chairman, of the National Labor Relations Board has said, and I quote. He says, and this is Mr. Edward Miller:

> If section 8(a)(2) were to be repealed—

And that is what this legislation would do—

> I have no doubt that in not too many months or years sham company unions would recur again.

He also said, Mr. Chairman, and I quote:

> . . . the so-called Electromation problem . . . is another myth. It is indeed possible to have effective [employee-involvment] programs . . . in both union and nonunion companies without the necessity of any changes in current law.

Mr. Chairman, I think that speaks accurately to this bill today. It tells us why it is not necessary, because it will permit those sham company unions.

Mr. Chairman, I reserve the balance of my time.

Mr. GOODLING. Mr. Chairman, I yield myself such time as I might consume.

Mr. Chairman, first of all I would like to indicate that what the whip said and what my good friend from North Carolina said is positively incorrect. There cannot be a cooperative committee at the present time, not particularly because of the law, but because of the interpretation of that law, and we believe that 85 percent of the employees who are nonunion should have the same opportunity to develop a cooperative workplace agenda with management as the other 15 percent do under organized labor.

Now it is very clear at the present time the interpretation is it is legal if employer management calls all the shots in the workplace. That is legal. It is legal if management wants to abdicate their decisionmaking responsibility and have employees call all the shots. That is legal. The interpretation, however, of the board at the present time is it illegal if management and labor want to cooperate through a committee process to improve the quality, the safety, and the productivity of the workplace.

As it was mentioned before, and I quote Chairman Gould:

> But, whether it be financial or otherwise, assistance to any groups that are involved in employment conditions ought not to trigger an unfair labor practice proceeding under the National Labor Relations Act. Amendments to the act that allow for cooperative relationships between employees and the employer are desirable.

Mr. Chairman, let me emphasize just as much as I possible can that we do not, I repeat we do not, eliminate section 8(a)(2). Section 8(a)(2) is still there to stop sham unions. My colleagues have heard that mentioned over and over again.

Opponents of H.R. 743 argue that the bill would undermine unions or impede the ability of workers to organize. Mr. Chairman, the legislation we are considering today does neither of these things. H.R. 743 is very narrowly crafted to eliminate any threat to the well-protected right of employees to select representatives of their own choosing to act as their exclusive bargaining agent. As reported by the committee, the bill specifically provides that it does not, I repeat "not," apply in unionized workplaces thus ensuring that unions, and only unions, will speak for employees in those workplaces that are organized. This bill does not create any opportunity whatsoever for employers to avoid their obligation to bargain with unions.

Even in nonunion workplaces, the reported bill contains many provisions designed to protect the right of employees to elect union representation should that be desired. The bill provides that work teams or committees may not negotiate collective bargaining agreements, nor may they act as exclusive representatives of employees. Thus, employees who want independent representation through a union always retain that right no matter how many committees or teams exist in the workplace. No employee is denied the right to democratic representation, as many critics charge, under this bill. Beyond the provisions dealing with the role of employers in workplace organizations, the bill retains every protection in current law designed to safeguard the access of employees to independent representation.

Again, Mr. Chairman, when we look at what is happening with the 15 percent, and I can think of a company in my district where these committees work beautifully, management and labor together, as was mentioned over and other again, and of course they mention many of the big corporations which, in many instances, are unionized; the beauty of that operation is that in the one workplace they even determine, the employee, whether the bike goes out to be sold or not, but for the 85 percent in my area who are not union, they do not have that opportunity. They either have to hope that management gives them total control, or they are stuck with the fact that management legally can have total control.

So I would hope that we would put some of this nonsense to rest and give all 100 percent of our employees an equal opportunity to determine how things will be in their workplace.

Mr. CLAY. Mr. Chairman, I yield 3½ minutes to the distinguished gentleman from Missouri [Mr. GEPHARDT], the minority leader.

Mr. GEPHARDT. Mr. Chairman, I rise today to urge my colleagues to strike down the so-called Teamwork Act which in my view would deal a devastating blow to the working people of this country, and bring us back to a time when workers could be legally and openly exploited for the sake of a few corporate dimes.

My colleagues, even if the 104th Congress were to adjourn on this very day, without another vote, I believe this Congress would be remembered as the most antiworker Congress in the history of this country.

The fact is, at a time of declining wages and eroding job security, not only are the Republicans of this Congress failing to address the problem—they are actually making it worse.

They want to shred every last worker and workplace protection and on the alter of trickle-down tax cuts—lavishing more on those who already have the most, and taking it out of the hides of working families.

Why else would they oppose even a small increase in the minimum wage that is designed to make work pay more than welfare?

Why would we gut basic workplace safety laws that have protected tens of millions of workers from dangerous and even life-threatening abuse?

Why else would they cut back on enforcement of crucial wage and hour laws, which prevent hard-working people from being exploited on the job?

It does not take an economist to know that these cuts are regressive and wrong. Just consider this fact:

Corporate profits in the last 3 years have grown faster and larger than probably at any time in our history, and at the very same time wages have been falling by a greater rate than at any time in the last century. But this Republican Congress is not satisfied. They want to pass this so-called Teamwork Act which allows the kind of employer-dominated company unions that deny workers the freedom to represent their own interest fairly and independently.

Mr. Chairman, this bill would let employers and managers at nonunionized companies dictate the terms of all labor-management discussion and negotiations, even though we outlawed that kind of dictatorship 60 years ago because it led to rampant employee abuse and exploitation.

If this bill passes, tens of millions of Americans will be forced to abandon the basic rights and protection of real collective bargaining, and herded into these sham unions. In effect, they will surrender all power and independence to their employers, whether they want to do it or not.

The result would be a damaging downward spiral, and the kind of America we read about earlier in the century in Upton Sinclair's "The Jungle": even more of the kinds of workplace atrocities and sweatshop standards that we have strived to eliminate for nearly a century.

The Republicans will tell us that we need this legislation to get workers and managers to cooperate. But the fact is, hundreds of leading corporations, unionized or not, are models of cooperation already. We do not need this to get cooperation, and how can there be cooperation if one side has all the power, all the prerogatives, and all the authority?

Does anyone really believe that multinational corporations do not have enough power now? Or that workers' interests do not need to be defended or protected?

This bill should not be called the Teamwork Act, it should be called the Unfair Play Act.

If it was not clear already, it should be painfully clear today: the Republican agenda is an extreme agenda—a partisan package of perks for the few and punishment for the many. I say to my colleagues, if you're a corporate giant or a millionaire stock speculator, then you're in luck. But if you're a hard-working American family who's struggling to survive, then these kinds of actions are an absolute nightmare.

Let us stop this wrong-headed bill, and let us get back to preserving our basic commitment to the hard-working families of this country. They are the backbone of this country, they made this country great, and it is time to stand with them and fight for them rather than trying to erode the hard-earned rights that they have worked for all these years.

I urge my colleagues to defeat this bill.

Mr. CLAY. Mr. Chairman, I yield myself the balance of my time.

The CHAIRMAN. The gentleman from Missouri is recognized for 30 seconds.

Mr. CLAY. Mr. Chairman, today we have heard that section 8(a)(2) is a product of the 1930's that needs to be updated. In fact, section 8(a)(2) dates from the 1770's, not the 1930's. It stands for the basic democratic principle that representatives should be responsible solely to those they represent. That principle is as valid today as it was in 1776 or in 1935, and I urge defeat of this bill.

Mr. POMEROY. Mr. Chairman, I rise today in strong opposition to the so-called TEAM Act.

Proponents of the TEAM Act claim that employer-employee cooperation is the objective of their legislation. But as even the supporters of the bill state, 80 percent of America's largest corporations already utilize employer-employee teams to improve workplace productivity. That fact is, current law allows the creation of employee involvement programs to explore issues of quality, productivity, and efficiency.

So if teamwork is the goal, then this legislation is simply redundant. Unfortunately, the details of this legislation reveal that its effects are much more serious.

The TEAM Act would fundamentally undermine the rights of workers by allowing companies to hand-pick employee representatives of their workers. The problem with such a situation is obvious to anyone who has ever held a job. All of us have known coworkers whose sole mission in life is to ingratiate themselves with the boss. In North Dakota, we call them brown-nosers.

Whatever you call them, these people are the obvious choice of employers to represent the workers. Why? Because they are beholden to and serve the interests of the boss. I do not know of a workplace in America that would freely elect a patsy of the employer to represent their economic interests.

So I urge my colleagues to vote for the Sawyer amendment, which clarifies the legitimate function of employee involvement programs to improve quality, productivity, and efficiency. But vote against this bill and preserve the right of workers to freely assemble, elect their own leaders, and promote their own economic interests.

Mr. SKAGGS. Mr. Chairman, I urge my colleagues to defeat this bill and protect the right of working Americans to elect their own representatives to provide fair and independent representation at the bargaining table.

Working people have not always enjoyed an independent voice on the job in this country. Until the passage of the National Labor Relations Act [NLRA] in 1935, workers were not guaranteed the right to organize, the right to bargain collectively, or the right to engage in peaceful strikes and picketing.

Employers effectively fought off the attempts of their employees to form independent unions by setting up sham unions. Sham unions were employee groups set up and controlled by management. The purpose of the sham unions was to give employees the false impression that management was bargaining in good faith with its employees.

Under these conditions, true arm's-length bargaining between workers and management was not possible. The result was chaos in employee-employer relations. The economy and the social fabric of the country was torn apart by strikes and violent clashes between workers and management.

Senator Wagner of New York, who sponsored the NLRA, understood this. He believed that both the American economy and American society would improve if industrial relations were based on the same values as our democratic system of Government. His vision was a system of collective bargaining in which workers and management would sit down as equal parties, each capable of protecting themselves from intimidation.

Wagner believed that "the greatest obstacle to collective bargaining was employer dominated unions." To remove that obstacle, section 8(a)(2) of the NLRA makes it illegal for employers to "dominate or interfere with information or administration of any labor organization or contribute to financial or other support to it."

This protection has ensured that working people can elect their own representatives and organize without worrying about employer infiltration or meddling. It has given employees confidence that their interests are truly being represented in negotiations with management. The resulting peace between workers and management has contributed to the stability of the Amercan economy and to the prosperity that we have enjoyed since the Great Depression.

This measure risks undermining these fundamental protections in the NLRA by removing legal barriers which prevent companies from forming their own unions. It would amend section 8(a)(2) to allow employers to establish or participate in any organization or entity of any kind, in which employees participate, to address a range of issues including workplace conditions. The employee participation committees set up by employers could then be used by unscrupulous managers to bypass legitimate worker representative organizations.

There is nothing now in the NLRA that prevents employers and employees from working together in teams or legitimate cooperative arrangements as long as these arrangements do not act as a bargaining agent for workers. In other words—contrary to the claims of the supporters of this bill—there is nothing in the NLRA preventing management from setting up partnerships with labor to develop innovative and effective ways to improve workplace conditions and increase productivity. In fact, The National Labor Relations Board [NLRB], ruled in 1977 that employers have the right to set up work teams as administrative subdivisions if management decides that these units are "the best way to organize the work force to get work done."

The supporters of this legislation say that we need these reforms in labor law to deal effectively with the global economy of the 21st century. They say that we need to reform labor law to make it possible to have effective programs to involve employees in workplace initiatives. But in fact nothing in the current labor law invalidates employee participation in worker-management teams. The best proof of this is the number of employee involvement programs flourishing today. In fact, employee involvement is practiced in 96 percent of large firms today.

Just to make sure there was no question about this, the gentleman from Ohio, [Mr. SAWYER] offered his proposal to make more explicit that it is lawful to organize employee groups to address competitiveness issues. Unfortunately, the Sawyer amendment was defeated.

If the TEAM Act really is not about teamwork, why is it being pushed by the Republican leadership? The truth is that the Republicans do not really want to take us forward, they want to take us back in time. They want to give employers much of the power they had 60 years ago to enable them to break the efforts of workers to organize and have a voice to negotiate fair wages and decent working conditions.

If this measure ever became law, it would threaten to overturn the system of workplace democracy that has promoted industrial peace and economic prosperity for three generations in America. Senator Wagner said it best, "The right to bargain collectively is at the bottom of social justice for the worker * * * The denial or observance of this right means the difference between despotism and democracy."

The Republican leadership has initiated an all out assault on working American families. They have pushed legislation through this Congress to undercut health and safety regulations in the workplace. They have cut pension protection activities and wage and hour enforcement operations. Now they want to bring back company unions. Enough is enough. I urge my colleagues to vote against this authorization measure.

Mr. HOYER. Mr. Chairman, I rise in support of the Sawyer substitute to the TEAM Act which is before us today.

Over the past two decades, the American workplace has undergone significant changes. One of the most important of these is the recognition that often, company employees are the best experts on increasing efficiency, improving product quality, and implementing new, innovative ideas. If America is to compete in the global marketplace, management and labor must work together to tap this built-in reservoir of knowledge, using it to strengthen our Nation's economy, generate fair profit, and create jobs.

And across this country, companies are doing just that. More than 30,000 employers have instituted employee involvement plans, including more than 96 percent of large firms. Employee recommendations on a wide range of issues, both large and small, are contributing to company productivity, workplace safety, employee satisfaction, and the bottom line.

The authors of the TEAM Act state that companies are confused about what sort of employee involvement is permitted under the law. The TEAM Act authors ask Congress to legalize employee involvement. Clearly, employee involvement is currently legal. In fact, employee involvement is breaking out all over.

The TEAM Act would undermine, not improve, employee involvement in company decisions. Under the TEAM Act, employers would be permitted to establish company-controlled employee organizations. Not only does this fly in the face of 60 years of labor law, company control of these organizations contradicts the very premise of employee involvement: That the employees, who know the workings of the company as well as management, ought to be respected as full partners in efforts to improve them.

The TEAM Act is unnecessary and unwise. In attempting to address confusion in the area of what employee involvement teams are acceptable, it undermines the right of employees to select their own representatives in employer-employee bargaining situations. The Sawyer substitute, which I support, would clarify the range of acceptable employee involvement practices while preserving the spirit and the letter of employee self-representation. I urge my colleagues to vote yes on the Sawyer substitute.

Mr. CONYERS. Mr. Chairman, I grew up in a family that strongly supported the notion that working people ought to be able to join a union and have collective bargaining to determine their wages, benefits, and working conditions.

My father rose through the ranks of the United Automobile Workers, and when he retired, he was an international representative for the Chrysler Department at Solidarity House in Detroit, MI. So for me, nothing could be clearer, than the myriad problems that are presented with this legislation we are debating today. I have little inclination to further weaken the rights of America's working men and women, in terms with their relationship with their employer.

Proponents of this measure claim that the bill will promote a team-like relationship between management and labor. This legislation will not promote cooperation between management and labor, but rather undermine independent representation in the workplace.

This bill will create an unfair balance of labor relations in favor of management. Management will be able to determine the employees representative, write organization bylaws, and establish the organization's mission, jurisdiction, and function. This will take working Americans back 60 years, to the days when company unions were legal. In 1935, Congress enacted the provision of the National Labor Relations Act which specifically prohibited against employer-dominated worker organizations. We saw first hand the dangers of company unions—we cannot afford to see them again.

The enaction of this bill would be devastating to the state of the American work force. While productivity and corporate profits are up, wages for the majority of American workers continue to decline. Workers must take on second and third jobs just to provide for their family the same as they did 20 years ago. The Team Act would further limit the workers' voice during bargaining, leaving union and nonunion workers in worse shape. It is no wonder that this bill has virtually no support from workers—it is unfair and undemocratic.

I ask that two letters be included with my comments. These letters are from people who certainly understand the potential dangers of this legislation. One is from Joseph Lyscas, from Shopmen's Local Union No. 508, of the International Association of Bridge, Structural and Ornamental Iron Workers Union, in Dearborn Heights, MI. The other letter is a gentle reminder of the president of local 26, of the United Food and Commercial Workers, Mr. James Franze.

I urge my colleagues to reject this unfair legislation.

SHOPMEN'S LOCAL UNION NO. 508,
INTERNATIONAL ASSOCIATION OF BRIDGE, STRUCTURAL AND ORNAMENTAL IRON WORKERS, AFL–CIO,
Dearborn Heights, MI, September 26, 1995.

Representative JOHN CONYERS, Jr.,
House of Representatives, Washington, DC.

HONORABLE JOHN CONYERS, JR.: As a strong supporter of yours for years, we are requesting that you vote no on H.R. 743. Teamwork For Employees and Managers Act of 1995 ("Team-Act") on Wednesday, September 27, 1995.

H.R. 743 is another union busting scheme designed by the Republican House Leadership. Section 8(A)2 of the National Labor Relations Act prohibits employer-dominated worker organizations. The Team-Act would change Section 8(A)2 by allowing management to create the types of employer-dominated entities. The original law was designed to prohibit, specifically "Company Unions". It would not foster cooperation, but would perpetuate dysfunctional work relationships, and would threaten basic collective bargaining rights. In short, the legislation would limit the basic worker rights of independent employee representation.

The Team-Act promotes a brand of "Company Unionism" that was outlawed over sixty (60) years ago. This legislation will not promote cooperation between management and labor, but rather undermine independent representation in the workplace.

We have every confidence you will vote no on H.R. 743 and do what is right for Michigan's working families.

Sincerely yours,
JOSEPH F. LYSCAS,
Business Agent,
Shopmen's Local Union No. 408.

LOCAL 26, UNITED FOOD & COMMERCIAL WORKERS, AFL–CIO,
Detroit, MI, September 22, 1995.

Congressman JOHN CONYERS,
House of Representatives, Washington, DC.

DEAR CONGRESSMAN CONYERS: The 2500 members and registered voters of UFCW Local 26 strongly urge that you and your colleagues protect independent representation in the workplace and vote against H.R. 743, the TEAM Act, when it comes to the House floor Wednesday, September 27. UFCW Local 26 and the UFCW International, which represents 1.4 million members, will be watching to see how you vote on this crucial legislation.

Sincerely,
JAMES V. FRANZE,
President.

Mrs. SMITH of Washington. Mr. Chairman, I am glad that the Congress is taking up the issue of high performance teams in the workplace. I have had an opportunity to work with some of the most knowledgeable people on this subject, the hardworking members of the AWPPW. These hardworking men and women have forged good teamwork relations at the James River's Camas mill to boost production, cut costs, improve working conditions and move their company into a better competitive position. Because they are unionized, the National Labor Relations Act allows them to form teams to improve their working conditions and improve their company's competitive standing.

Hundreds of thousands of American workers are denied the benefit of becoming involved in the decisionmaking process in the workplace because the National Labor Relations Act does not recognize their right to take part in the team process because they are not a part of a union. Every American, union member or not, should have a fundamental right to be more than a worker for their company. They deserve the right to be part of the success of that company. The Team Act will allow them to do so by giving employers and employees the right to address critical issues in the workplace and an ad hoc or more formal basis. We cannot miss this opportunity to empower employees by giving them a voice in the workplace through employee involvement in high performance teams.

The Team Act is not a tool to be used to deprive workers of their fundamental right to be represented by a union and people of their choice. The Petri amendment assures us that teams cannot be formed in union shops without the consent of the union. Many workers I know have welcomed the formation of teams. No longer must they wait the next collective bargaining round to recommend better safety measures or work processes. No longer must they struggle through the bureaucracy of their union or the bureaucracy of their company to better their lives and the productivity of their workplace. Now, because of labor's involvement, the Petri amendment guarantees organized labor's rights will not be diminished in union shops. I believe that it is the intent of the Team Act to promote better efficiency and cooperation in the workplace. We can do this with labor and management working together.

Mr. MARTINEZ. Mr. Chairman, I rise in opposition to this bill.

Mr. Chairman, this bill was written to suppress the rights of workers. What is worse is that the one case that they cite as an example of the need for this legislation, electromation, was one of the most glaring abuses of workers' rights that has come before the NLRB in a long time—so glaring that all five of the Reagan-Bush appointed board members voted against the company, a decision confirmed by the Seventh Circuit Court of Appeals.

There is nothing in the law or the policy of the NLRB that threatens or discourages employers from forming work improvement teams. The law does allow, and there do exist, employee groups for those purposes in both unionized and nonunion workplaces.

This amendment to the National Labor Relations Act, however, would change that and would give employers greater capacity to discourage employees from organizing themselves.

That fits in with the notion that some employers and some Members of this Congress have that unions are inherently evil and must be destroyed.

Mr. Chairman, I was the owner of a small business before coming to Congress, one where I was quite successful, and where I had assembled a cadre of employees with whom I worked closely to ensure that they were successful as well. Before I created that business, I was an ordinary worker, both in union and nonunion settings. As a business owner and as a worker, I recognized the benefits of cooperation in the factory.

Cooperative approaches to day-to-day work leads to more acceptance of the rules and less contention in the shop.

If workers are offered the opportunity to make suggestions, communicate their concerns, and explore their ideas, both workers and management will benefit.

And, we are told, since the 1970's the number of cooperative working arrangements that exist in America's workplaces has exploded, over 30,000 employers, 96 percent of the country's largest companies, use some form of teamwork in their operations.

To say that there is a chilling effect on the formation and continued operation of these cooperative working groups because of the very few cases that have arisen in the past 20 years is simply not supported by the facts.

Remember the avowed purposes for this act? "To protect legitimate employee involvement programs, from governmental interference."

Well, I submit that the bill goes well beyond those purposes.

Legitimate employer involvement programs, those that do not abridge the rights of employees under collective bargaining agreements, are already legal under the National Labor Relations Act.

There is no need for this bill to protect legitimate programs.

This bill, I submit, protects illegitimate programs, those that are the equivalent of company unions about which my father and many other fathers warned us.

Company unions formed and nurtured by employers who would emasculate their workers and keep them in substandard workplaces, with no benefits.

Another avowed purpose is to preserve existing protections against deceptive and coercive employer practices but there is nothing in the bill that protects employees at all.

The third purpose says it all: "To allow legitimate employee involvement programs, in which workers may discuss issues involving terms and conditions of employment, to continue to evolve and proliferate."

Whenever employees meet with employers to discuss terms and conditions of employment, there is the potential for conflict.

As a worker, the employee wants more pay or more benefits as a condition of continued employment.

Management, on the other hand, wants to keep its labor costs low.

That is the nature of the workplace.

To say that management should be able to form teams, select the members of those teams, both management and worker members, and set the agenda for the team, this is clearly a company union that Senator Wagner argued so forcefully against at about the time I was born.

The conditions have not changed in my lifetime.

The Wagner Act has stood the test of time, it has enabled both management and labor to meet and negotiate on a level playing field.

Rather than empowering employees to cooperate with management, this TEAM Act will drive a wedge between management and labor and will, I predict, lead to the greatest labor strife we have had since the Second World War.

This is a bad bill, vote against it.

Mr. VENTO. Mr. Chairman, I rise in strong opposition to the pending legislation. H.R. 743 is an unneeded intrusion into worker-management relations that so corrupts the negotiation process to make it virtually meaningless.

Once again, the Republican majority party in this House seeks to roll back the rights of working men and women and once again they claim that that is not the case.

The proponents of H.R. 743 claim that this legislation is needed to overturn a National Labor Relations Board decision. However, the facts indicate that this legislation is not needed. Such organizations continue and the number of businesses utilizing them is growing. As the statement of findings in this very legislation points out, employee involvement programs have been established by over 80 percent of the largest employers in the United States. In addition, such activities are ongoing today and the Court of Appeals decision, which upheld the NLRB, specifically stated that its ruling "does not foreclose the lawful use of legitimate employee participation organization." However, these communication activities must not and should not interfere with the National Labor Relations Act.

Unfortunately, the real effect of this legislation is to permit employers to impose on their employees worker representation organizations under the employers' control. This bill harkens back to the earlier history of company-controlled unions. These organizations can then be used to impede employee efforts to organize or undermine the authority of an existing union. In essence, this proposal will destroy the fragile balance between employee rights to organize and bargain collectively and employer-employee communications.

American businesses and workers face many challenges in the international marketplace. In order to remain competitive, a spirit of cooperation between employers and employees must be the hallmark of operations. However, the reestablishment of these corporate unions will not accomplish that goal. Instead these employer dominated unions would drive a wedge into employer-employee relations, co-opting the formal tenants of the National Labor Relations Act in the name of harmony. In the end hurting working families and creating mistrust.

Mr. Speaker, in a 1989 joint session of the House and Senate, the American people heard Lech Walesa, then chairman of Solidarity, speak about the long and successful struggle of the Polish workers against the totalitarian, communist regime in Poland and the victory of democracy in all of Central Europe. In that moving address, Chairman Walesa thanked the American people and Congress for our support and assistance. He spoke of the United States as a beacon of freedom for working men and women worldwide. He spoke of the moral support that Americans provided. He spoke of President Bush, speaking in Gdansk in front of the Fallen Shipyard Workers Monument, and sending a message to Polish workers that the American people strongly supported their right to organize and to oppose company and party controlled unions.

Today, the Republican majority, with this legislation, is dimming the American beacon of freedom and the rights of American working men and women, setting back what has offered hope around the world to working families. By enshrining business controlled unions with a congressional seal of approval, the Republicans are seeking to stifle American working men and women and to deny them the right to legitimate union representation. I urge my colleagues to reject this bad retrenchment in workers rights and to respect the rights of the millions of working families we in Congress represent. I urge the defeat of H.R. 743.

Mr. STOKER. Mr. Chairman, I rise today in strong opposition to H.R. 743, the Teamwork for Employees and Managers [TEAM] Act. Under the current Republican leadership in the Congress we have been faced with an unprecedented amount of legislation that negatively affects the rights of working Americans.

Unfortunately, in the rush to pass legislation implementing the Republican "Contract With America," there has been little time to analyze and consider the implications of these bills. From challenges to collective bargaining rights in the repeal of section 13(c) of the Federal Transit Act to efforts to weaken workplace safety requirements in H.R. 5, the Unfunded Mandates Reform Act, a clear pattern has emerged that is clearly hostile to the American worker.

Today, the House is considering H.R. 743, the Teamwork for Employees and Managers Act. This measure is designed to amend section 8(a)(2) of the National Labor Relations Act [NLRA] to greatly expand employers' abilities to establish employee involvement programs. Section 8(a)(2) of the NLRA states that it is an unfair labor practice for an employer to dominate or interfere with the formation or administration of any labor organization. This provision protects employees from the practice of an unscrupulous employer attempting to create company, or sham, unions, although H.R. 743 does not state an intent to repeal the protection provided by section 8(a)(2), H.R. 743 would undermine employees protections in at least two key ways. First, the bill would permit non-union employers to establish company unions. Second, it would allow employers to establish company-dominated alternative organizations designed to undermine employee self determination. Unfortunately, the amendment of section 8(a)(2) represents a clear and unrestrained attack on the working men and women of this country.

Mr. Speaker, the scope of this legislation is tremendous, H.R. 743 would be applicable to approximately 90 percent of all American workers. The large reach of this bill will ensure that two sets of workplace rules are established, one for unionized firms and another for non-unionized firms. Under current law, this two-tier set of rules is not permissible or desirable. We should maintain our current commitment to employee independence and democracy protected by section 8(a)(2). We should not enact laws that experience has demonstrated would simply be disadvantageous to the Nations working people and workplace democracy.

Contrary to the claims of the new Republican majority that the amendment of section 8(a)(2) will result in cost savings and increased efficiency, the majority's real objective is to take away from the American worker the rights and privileges they have worked so hard and so long to achieve. I have been a consistent and steadfast supporter of greater flexibility and improved management techniques in the workplace. To be more competitive and effective in domestic and international markets industry should strive to incorporate innovative thinking. But the price for this innovation should not be the basic rights of American workers. Under current law, the creation of employee involvement programs that explore issues of quality, productivity, and efficiency, with the appropriate precautions is not only permissible but is strongly encouraged.

Section 8(a)(2) in no way prohibits employee involvement; the law merely establishes a single ground rule by making it unlawful for an employer to involve employees in dealing with wages or other terms of employment through an employer-dominated employee organization or employee representation plan. Employer-dominated representation in dealing with employment conditions is thus the only form of employee involvement prohibited by section 8(a)(2). All other types of employee involvement programs, including for example work teams, quality circles, suggestion boxes, or other communication devices are entirely lawful under current law. The fact is that H.R. 743 goes well beyond its legitimate objectives, and ignores the fact that a less intrusive means to achieve the same goal exists now.

Mr. Speaker, there is no doubt that section 8(a)(2) now under attack has helped maintain a workplace environment conductive to progress in the areas of job security, fair wages, and working conditions for thousands of America's union and non-union workers alike. H.R. 743 is a one-sided bill which, if amended as proposed, would tilt the scales in the favor of any anti-union employer that wants to exploit this proposed legislation. This legislation overturns well settled labor law. The delicate balance between labor and management that has been fashioned over the years will be upset by this legislation, because it gives employers the ability to control all aspects of workplace decisionmaking.

Beyond the fact that the section 8(a)(2) has been good for America, it has also proven to be the right thing to do. The rights of workers to choose whether or not to—and how to—organize themselves is essential to the American labor force. The rights of union and non-union workers to choose their representatives is fundamental. With limited opportunity for debate and hearings this amendment of the section 8(a)(2) is clearly an unjustifiable circumvention of the procedures of the U.S. House of Representatives. This attempt to short circuit the process can only have one result, the compromise of not only the rights of American workers but also the rights of the entire American public.

Mr. Speaker, in closing, H.R. 743 reflects my colleagues' desire to sacrifice the interests and obligations of this country to the working men and women of America in exchange for short-term gain and inequality. I urge my colleagues to vote against this bill.

Ms. PELOSI. Mr. Chairman, I rise today to oppose this legislation. This legislation will actually legalize employer domination of worker organizations and represents a return to the bad old days of company unions.

Under this bill, corporate chieftains would be entirely free to create, mold, and terminate employee organizations dealing with wages, benefits, and working conditions. This bill allows management to select employee representatives, determine the employee organization's governing structure, and establish the employee organization's mission. Where is the worker's voice?

Furthermore, the bill gives employers the unfettered right to fashion employee organizations to the employer's own liking, and to disband them if and when the employer chooses.

Mr. Speaker, when the National Labor Relations Act became law, it stood for the fundamental proposition that representatives of working men and women should be exclusively responsible to those they represent. If they are responsible to management, they cannot be an independent voice for workers.

In a Congress where the majority party has attempted to eliminate OSHA and defund the NLRB, H.R. 743 represents yet another attack on our Nation's working people.

I urge my colleagues to honor their working constituents and vote "no" on H.R. 743.

Mr. BROWN of California. Mr. Chairman, I rise today in strong opposition to H.R. 743, the so-called TEAM Act.

Although the bill's name appears to promote collaboration between labor and management, in reality I believe that it would undermine the right of workers to form their own independent organizations.

I support the idea of creating workplace productivity teams. It's clear that such labor-management cooperation is necessary so that American workplaces continuously improve and increase productivity and worker satisfaction. However, I strongly believe that such teams should be convened through the chosen organizations of workers.

As the TEAM Act stands, I am afraid that it would cause unnecessary friction in labor-management relations in our Nation. Employers would be given carte blanche to pick and choose which employees will serve on employer created committees, control the agenda, and basically gag employee rights to represent themselves freely and independently. In effect, this bill would return the American worker to an era governed by employer dominated "company" unions.

The guaranteed protection of workers' rights to form independent labor organizations is essential both to guarantee that employees enjoy the democratic right to choose their own representatives, and to assure that a chosen employee representative is accountable only to the union he/she represents.

When it originally enacted the National Labor Relations Act [NLRA] in 1935, Congress made a pact with American workers. In this pact Congress declared, in no uncertain terms, that when it came to balancing the interests of employers and workers it should not be one sided. A specific prohibition against employer dominated worker organizations was thus included as a cornerstone of the NLRA.

The fact is that real labor-management cooperation is designed to promote quality and productivity, and Congress has long recognized that to allow employers to completely dominate workers is fundamentally antidemocratic and contrary to basic American values and beliefs.

Mr. MORAN. Mr. Chairman, I agree that we need to give businesses the flexibility to creatively address the problems that occur in today's workplace. Unfortunately, this legislation's bottom line is that management will have carte blanche authority to create, mold, and terminate employee organizations dealing with issues such as wages and benefits.

The amendment that I offer does not affect the tens of thousands of currently existing employee involvement groups. It does require that groups formed to discuss terms and conditions of employment be democratically elected.

Employee involvement groups have been successful at developing creative solutions in a flexible environment. Such issues as wages and benefits, however, deserve a higher level of scrutiny. My amendment provides that higher level of scrutiny. If management wants to create a group to discuss such issues, it can not pick the employees' representatives.

The National Labor Relations Act does not allow these groups to discuss terms and conditions of employment. The TEAM Act would abolish this restriction and allow employee involvement groups to address any topic. The Sponsors of this bill will tell you that this change is necessary to remove an obstruction to greater productivity, and that without it's removal American businesses will fall far behind their foreign competitors.

This portion of the National Labor Relations Act was enacted in 1935 to abolish sham unions. Sham unions flourished in the 1920's and 1930's, but they are not a thing of the past. The courts in this country see dozens of sham union cases each year. The statute we are replacing today is the only mechanism preventing the formation of sham unions.

Former NLRB Chairman Miller, now an attorney representing management interests, recognized this. He said "If [this section] were repealed I have no doubt that in not too many months or years sham company unions would again recur."

As the Congress proceeds to change labor law, we must not deprive workers of the basic right of choosing their own representatives. My amendment allows employee involvement groups to discuss these issues, and it guarantees fairness by requiring elections.

Ms. BROWN of Florida. I rise in opposition to the Teamwork for Employers and Managers [TEAM] Act. The so-called TEAM Act is anything but a team act.

This one-sided bill would dramatically tip the scales in management's favor by allowing them to create, mold and terminate employee organizations at will. The result would be devastating for workers in existing unions.

The TEAM Act would, by allowing company unions, deny fundamental democratic rights that employees currently enjoy, both union and nonunion workers.

The employee organizations created by management under TEAM Act would be under the total control of management, allowing them complete control over the workers in the employee organization.

Under TEAM Act, any understanding between employers and employees would not be legally binding, so the employer could rescind any agreement at their discretion.

Mr. Chairman, this is a bad bill. I urge my colleagues to vote against the TEAM Act.

Mr. TORRES. Mr. Chairman, the so-called TEAM Act would deny employees one of their fundamental rights under the National Labor Relations Act, which is the right to be represented by their own, independent representatives, who are accountable only to the employees, in their dealings with management regarding the terms and conditions of their employment.

This right has been established through a historic process of workers struggles. This right, which would now be abrogated by the TEAM Act has been a cornerstone in the legislation which as provided industrial democracy and true teamwork since its enactment.

This legislation, if enacted, would return this country to the laizze-faire, industrial practices of the 1920's and 1930's, in that it would open the doors for companies to form "company" associations whenever they felt the need to do so.

Feeling confident of their vote majority in the House of Representatives, the Republican leadership, with this legislation, is continuing its assault upon the institutions and protections of working Americans.

Current efforts to correct deficiencies in H.R. 743, specifically the Petri amendment perpetuate the antiworker democracy provisions of the TEAM Act, and leaves in place the anticollective bargaining implications of H.R. 743.

This legislation will provide valuable assets to those who seek to teardown the legal protections which have provided a level playing field in the area of worker and management relations.

This legislation is one more effort by the new Republican majority to dismantle protections which have been established over the past sixty years for working Americans. This legislation is a key plank in the Republicans radical and revolutionary efforts to bring down working American's wages and benefits, to compete with Third World economies.

The Team Act is bad legislation, will be used against the legitimate democratic rights of American workers, will further the polarization of employees against employers. It is written in words which appear to represent the needs of workers, but in fact is a trojan horse which will further dismantle working American's protections and rights.

For the sake of balance and fairness in the American workplace, I urge you to defeat this bad bill.

Mr. LIPINSKI. Mr. Chairman, I rise today in opposition to H.R. 743, the so-called TEAM Act. This bill would fundamentally change the National Labor Relations Act by amending section 8(A)(2), which makes employer-dominated workplace committees illegal.

Supporters of the TEAM Act claim that this bill is necessary for businesses to encourage employee involvement in labor-management work teams. There is no doubt that teamwork is key to successful efforts to design, manufacture, and deliver new and improved products and services. However, close to 30,000 employee involvement programs already exist in businesses throughout the Nation. There is nothing in the law that prevents employers from forming cooperative labor-management committees.

What section 8(A)(2) does prohibit is an employer organization that dominates or interferes with an employee organization that deals with the employer on terms and conditions of employment. This restriction is a fundamental feature of American labor law, established to ensure employee independence and freedom. By removing the protection of section 8(A)(2), employers would be able to form employee organizations that would address terms and conditions of employment, such as wages, hours, and work conditions. Employers would also be able to select its leaders and dictate exactly which issues would be discussed.

In effect, employees would lose their democratic rights in the workplace. Their right to organize would seriously be impeded. Under employer-dominated organizations, they would no longer be able to chose their own representatives. They would not even be able to decide which issues of concern would be discussed. This is not employee involvement—it is employer control.

By allowing employer dominated employee organizations, the TEAM Act will simply place yet another barrier between employers and workers who want to have a true voice on the job. Only when employee representatives are free from employer manipulation are the interests and concerns of the represented thorougly and adequately voiced.

The TEAM Act is an unwarranted piece of legislation that will once again silence workers, bringing back sham company unions to the American workplace. We cannot afford to regress back to the days when workers had no rights. Please join me in opposition to H.R. 743, the TEAM Act. Thank you.

Mr. ROEMER. Mr. Chairman, I rise in opposition to H.R. 743, the Teamwork for Employers and Managers Act. This legislation grew out of a 1992 National Labor Relations Board decision involving the Electromation case in Elkhart, Indiana, which is located in my District. It was this case that refocused attention on the National Labor Relations Act and employee involvement programs. Sponsors of legislation argue that it is this case that clearly points out the need for change in the current law.

The Electromation case arose when new management of the company decided to alter wage increases for employees. Within 2 weeks of the changes, a group of employees submitted a petition to management protesting the loss of benefits while at the same time, employees sought to form a union to represent their interests. In response to the employees' action, the company formed five Action Committees and selected the employees who were to serve on the committees and decided the areas of each committee's jurisdiction. The company established the size, responsibilities and goals of each committee and decided when the committees would meet. The committees had no authority to implement decisions, rather, they could only draft proposals for management's acceptance or rejection.

The case went before the National Labor Relations Board, which was composed of 5 members appointed by President Reagan and Bush. The board unanimously decided that the company had violated Section 8(a)(2) of the National Labor Relations Act which prohibits an employer from dominating or controlling the employee representatives who deal with management on employee wages or other terms of employment. In 1994, the U.S. Court of Appeals for the Seventh Circuit unanimously affirmed the NLRB's decision.

Mr. Chairman, the proponents of H.R. 743 maintain that Section 8(a)(2) prevents or inhibits cooperative labor-management efforts to make the workplace more productive. There is nothing in the current law that prohibits legitimate labor management cooperation. In fact, there are tens of thousands of these labor-management cooperation programs in existence today. The proponents argue that a change in the law is necessary to enable employers to establish work terms or legitimate labor management cooperation programs.

As the minority views in the Committee's report on H.R. 743 so clearly point out, "we believe that this Nation must prosper in an increasingly competitive and information driven economy where, at every level of a company, employees must have an understanding of, and a role in the entire business operation. Moreover, in order to deal with the globally competitive economy of the 21st Century, it is important that U.S. workplace policies reflect a new era of labor-management relations—one that fosters cooperation, not confrontation".

H.R. 743 does not promote an atmosphere of cooperation in the workplace. Rather, it would undermine the rights of workers and the efforts to achieve real "teamwork" in the workplace. I urge my colleagues to vote against this legislation.

Mr. GUNDERSON. Mr. Chairman, the Teamwork for Employees and Managers Act of 1995 enables increased employee involvement in nonunion workplaces. However, in order to have an honest debate, we need to have an understanding as to the nature of the problem. And there is a problem.

Given the intricacies of labor law and the fact that most of us here are not labor lawyers, let me make this as simple as possible. Today, a nonunion employer may unilaterally impose any decision regarding how employees work, when they work and the job they do. If the employer seeks to work with their employees to devise a mutually beneficial solution to those issues, the employer violates the National Labor Relations Act of 1935 [NLRB].

Joint decisions are illegal in nonunion workplaces because of the interaction of two sections of the NLRB: Sections 8(a)(2) and section 2(5). The pertinent part of section 8(a)(2) reads:

> 8(a) It shall be an unfair labor practice for an employer:
>
> (2) To dominate or interfere with the formation or administration of any labor organization or contribute financial or other support to it; NLRB sec. 8(a) (2); 29 U.S.C. sec. 158(a)(2).

So it appears as if a nonunion employer cannot dominate or interfere with a union. A quick look at the definitions section of the NLRB makes clear that the legal definition of "labor organization" is much broader than labor union, however. Section 2(5) reads:

> Labor Organization—The term "labor organization" means any organization of any kind, or any agency or employee representation committee or plan, in which employees participate and which exists for the purpose, in whole or in part of dealing with employers concerning grievances, labor disputes, wages, rate of pay, hours, of employment, or *conditions of work*. (emphasis added). NLRA sec. 2(5) 29 U.S.C. sec. 152(5).

Essentially, a "labor organization" is any group of employees that "deals with" employers on conditions of work. The phrase "dealing with" is very important here. In *NLRB* v. *Cabot Carbon Co.,* 360 U.S. 203 (1959), the Supreme Court defined "dealing with" as broader than just collective bargaining. Instead, the term "dealing with" involves any back and forth discussion between a group of employees and the employer. In short, the definition of labor organization makes it illegal under section 8(a)(2) for nonunion employers to start up teams to address and resolve issues with their employees.

Let's look at an example. Suppose a small, nonunion manufacturing company has dramatically increasing worker's compensation rates. A reasonable assumption is that plant safety has decreased, resulting in more injuries and lost workdays. In response, the management implements a plant-wide health and safety committee by asking for volunteers from every area of the company from design to accounting to line and shipping employees.

The committee is established, meets on company time and the company furnishes the supplies—paper, pencils, current safety plan, etc. After three meetings over the course of six weeks, the committee pinpoints that many of the injuries are eye injuries and foot injuries. Working together, the committee devises a custom-made set of safety glasses and agrees that the company should purchase lighter but sturdier safety shoes.

The example is oversimplified, but the establishment and operation of this committee is a clear violation of section 8(a)(2). The group of employees participated in a group that "dealt with" management. The issue they addressed—health and safety—involved conditions of work, namely the safety equipment production and shipping employees were expected to wear. The employer dominated and interfered with the group by initially asking for volunteers and by having it meet on company time and with company supplies. In an era of global competition, it appears that the law is antagonistic to cooperation.

WHY THE NLRA IS SO BROAD

After the Great Depression, in 1933, Congress passed the National Industrial Recovery Act to give employees the right to bargain collectively through independent unions. However, the Recovery Act did not adequately protect that right and lacked sufficient enforcement mechanisms. In many companies, management set up company-dominated or "sham" unions where union leaders were merely tools of management. Management then blocked the formation of independent unions on the grounds that employees were already represented by the company-dominated organization.

The NLRA was drafted to level the playing field between employers and employees and to end employer domination of employees through sham unions. Legislative history from the debate over the NLRA indicates that Congress intended to prohibit the practice of company-dominated unions; however, even Senator Wagner, the sponsor of the Act, stated that "[t]he object of [prohibiting employer-dominated unions] is to remove from the industrial scene unfair pressure, not fair discussion." In other words, it appears that Congress intended to remove obstacles to independent unions for collective bargaining, yet intended to permit structures which promote employer-employee discussion and cooperation.

THE ELECTROMATION CASE

On December 16, 1992, the National Labor Relation Board [NLRB or Board] issued its decision in Electromation, Inc. The case was considered both a litmus test for how the Board would treat cooperation cases and a chance for the Board to clarify what types of cooperation were legal under Section 8(a)(2) of the NLRA. The Board ruled unanimously that the company Electromation had violated Section 8(a)(2) by establishing five "action committees" to deal with workplace issues: absenteeism; no smoking policy; communications; pay progression; and attendance bonus.

The Board found that by establishing and setting the size, responsibilities and goals of the five committees, the company dominated or interfered with a labor organization: a group of employees (the committee members), which dealt with management, on terms and conditions of employment (the subjects the committees dealt with). Far from clarifying the breadth of cooperation, the Board's decision in Electromation and subsequent cases have muddied the employee involvement waters.

EMPLOYEE INVOLVEMENT IS USED WIDELY

Today's modern workplace includes employee participation committees and teams of all sorts which are as unique as the workplaces in which they are established. From total quality management committees which include gainsharing to self-directed work teams, over 30,000 workplaces nation-wide are using cooperation to improve employee morale and increase productivity and competitiveness in the workplace.

This has been acknowledged by many officials in the Clinton administration. Secretary of Labor Robert Reich noted: "High-performance workplaces are gradually replacing the factories and offices where Americans used to work, where decisions were made at the top and most employees merely followed instruction. The old top-down workplace doesn't work any more."

Perhaps even more enlightening is Vice President Al Gore's recent report on reinventing government. On page 26 of the report, the Vice President lauds the Maine 200 OSHA program because it requires employee involvement: "Employer/worker safety teams in the participating firms are identifying—and fixing—14 times more hazards than OSHA's inspectors ever could have found * * *" What the Vice President neglects to mention is that it is illegal for worker teams to fix safety problems if it is a nonunion company.

Employee involvement is found nationwide. In my rural western Wisconsin district, I have several companies which use teaming. Jerome Foods, a major turkey farming and manufacturing company in Barron, has experienced substantial gains both in employee morale, customer service, and productivity through teaming.

For example, in its farming operation, the company has reduced back stress by redesigning the equipment it uses to transfer young turkeys from the nursery to the main barn. As a result, employees no longer have to lift a 100-pound gate.

In its manufacturing operation, the White Meat Boning Process Improvement Team revised how the meat is cut, added drip pans to reduce floor waste (improving safety) and revised inspection procedures. These rather minor changes save over $60,000 per year and improves food quality.

In its packaging operation, 16 Jerome team members redesigned the box department to make it ergonomically sound. The team members added vacuum pumps to lift heavy loads, changed the process used in the department and reduced back stress by 85 percent.

As the examples show, teaming works for employees, it works for companies and it will help keep America competitive into the 21st Century. Some who oppose the TEAM Act fear that it would erode the protections in the NLRA and allow companies to again establish sham company unions, robbing employees of any voice in the workplace.

The TEAM Act is not an attempt to undermine unions or undermine the rights of individual workers. As written, the TEAM Act eliminates no existing language in the NLRA. The Act simply creates an exception in Section 8(a)(2) so that cooperation is not labeled domination. There is no change to the broad definition of labor organization, and we explicitly prohibit teams or committees from collectively bargaining with employers in both union and nonunion firms. The Act also reaffirms the fact that unionized employers can't establish teams to avoid the obligation to bargain with their unions. Unions have veto power over teams in the workplace.

Finally, we don't allow sham company unions. Where employers have tried to thwart an organizing attempt by establishing a workplace committee and then bargaining with the committee, Section 8(a)(2) would render the employers actions illegal. Where an employer establishes teams to thwart organizing, the employer would still violate existing protections under Section 8 of the NLRA. Further, nothing in this bill would prevent nonunionized employees from forming a union if they so choose.

Mr. Chairman, the NLRA served us well for many years, but just as digital telecommunications has necessitated a new telecommunications policy, we must revise our 1930's labor law to apply to a 1990's workplace. As a moderate Republican, I believe that this bill provides the flexibility needed for high-performance workplaces while providing protections to ensure that our employees are treated fairly. I strongly urge my colleagues to support the TEAM Act.

The CHAIRMAN. All time for general debate has expired.

The Committee amendment in the nature of a substitute printed in the bill shall be considered by sections as an original bill for the purpose of amendment, and pursuant to the rule each section is considered read.

During consideration of the bill for amendment the Chairman of the Committee of the Whole may accord priority in recognition to a Member offering an amendment that has been printed in the designated place in the CONGRESSIONAL RECORD.

Those amendments will be considered read.

Clerk will designate section 1.

The text of section 1 is as follows:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Teamwork for Employees and Managers Act of 1995".

The CHAIRMAN. Are there any amendments to section 1?

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. SAWYER

Mr. SAWYER. Mr. Chairman, I offer an amendment in the nature of a substitute.

The CHAIRMAN. The Clerk will designate the amendment in the nature of a substitute.

The text of the amendment in the nature of a substitute is as follows:

Amendment in the nature of a substitute offered by Mr. SAWYER: Strike all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Teamwork for Employees and Managers Act of 1995".

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) the escalating demands of global competition have compelled an increasing number of employers in the United States to make dramatic changes in workplace and employer-employee relationships;

(2) such changes involve an enhanced role for the employee in workplace decisionmaking, often referred to as "Employee Involvement", which has taken many forms, including self-managed work teams, quality-of-worklife, quality circles, and joint labor-management committees;

(3) Employee Involvement programs, which operate successfully in both unionized settings, have been established by over 80 percent of the largest employers in the United States and exist in an estimated 30,000 workplaces;

(4) in addition to enhancing the productivity and competitiveness of businesses in the United States, Employee Involvement programs have had a positive impact on the lives of such employees, better enabling them to each their potential in the workforce;

(5) recognizing that foreign competitors have successfully utilized Employee Involvement techniques, the Congress has consistently joined business, labor and academic leaders in encouraging and recognizing successful Employee Involvement programs in the workplace through such incentives as the Malcolm Baldrige National Quality Award;

(6) most employers who have instituted legitimate Employee Involvement programs have done so in order to enhance efficiency and quality rather than to interfere with the rights guaranteed to employees by the National Labor Relations Act; and

(7) the prohibition of the National Labor Relations Act against employer domination or interference with the formation or administration of a labor organization has produced some uncertainty and apprehension among employers regarding the continued development of Employee Involvement programs.

(b) PURPOSES.—The purpose of this Act is—

(1) to protect legitimate Employee Involvement programs against governmental interference;

(2) to preserve existing protections against deceptive, coercive employer practices; and

(3) to promote the enhanced competitiveness of American business by providing for the continued development of legitimate Employee Involvement programs.

SEC. 3. EMPLOYER EXCEPTION.

Section 8(a)(2) of the National Labor Relations Act is amended by striking the semicolon and inserting the following:

": *Provided further*, That it shall not constitute or be evidence of an unfair labor practice under this paragraph for an employer to establish, assist, maintain, or participate in—

"(i) a method of work organization based upon employee-managed work units, notwithstanding the fact that such work units may hold periodic meetings in which all employees assigned to the unit discuss and, subject to agreement with the exclusive bargaining representative, if any, decide upon conditions of work within the work unit;

"(ii) a method of work organization based upon supervisor-managed work units, notwithstanding the fact that such work units may hold periodic meetings of all employees and supervisors assigned to the unit to discuss the unit's work responsibilities and in the course of such meetings on occasion discuss conditions of work within the work unit; or

"(iii) committees created to recommend or to decide upon means of improving the design, quality, or method of producing, distributing, or selling the employer's product of service, notwithstanding the fact that such committees on isolated occasions, in considering design quality, or production issues, may discuss directly related issues concerning conditions of work: *Provided further*, That the preceding proviso shall not apply if—

"(A) a labor organization is the representative of such employees as provided in section 9(a);

"(B) the employer creates or alters the work unit or committee during organizational activity among the employer's employees or discourages employees from exercising their rights under section 7 of the Act;

"(C) the employer interferes with, restrains, or coerces any employee because of the employee's participation in or refusal to participate in discussions of conditions of work which otherwise would be permitted by subparagraph (i), (ii), or (iii); or

"(D) an employer establishes or maintains an entity authorized by subparagraph (i), (ii), or (iii) which discusses conditions of work of employees who are represented under section 9 of the Act without first engaging in the collective bargaining required by the Act: *Provided further*, That individuals who participate in an entity established pursuant to subparagraph (i), (ii), or (iii) shall not be deemed to be supervisors or managers by virtue of such participation.".

□ 1530

Mr. SAWYER. Mr. Chairman, the proponent of the Teamwork Act has stressed today how important it can be to long-term competitiveness. I completely agree. It is important to repeat again, though, that managers and employees can presently exchange ideas on efficiency, productivity, or other competitiveness issues.

However, I understand the argument that discussions of improving workplace output may be tied to those subjects which employers and employees cannot currently talk about outside of the collective-bargaining process, subjects like wages and hours and other terms and conditions of work.

For that reason, Mr. Chairman, I rise today to offer a substitute to H.R. 743 which would clarify that a team's discussions of competitiveness issues are absolutely legal, even if its members from time to time talked about conditions of work that were directly related to the team's primary task of improving competitiveness. Sometimes, Mr. Chairman, they are simply inextricable in the modern workplace.

I believe it provides employers with areas of far greater legal certainty and would protect both workers' rights and the vast majority of more than 30,000 employee involvement structures in America today. My substitute bill would not apply to unionized workplace, but the purpose of 882 is really to protect workers who do not have that kind of representation. It is nonunion members who lack that strength who are the workers most threatened by the prospect of company unions.

My substitute embodies the principal recommendation on the issue of workplace cooperation of a bipartisan panel of labor law experts headed by President Ford's Labor Secretary, John Dunlop. In its final report, the Dunlop Commission recommended that nonunion employee participation programs should not be unlawful simply because they involve discussions of terms and conditions of work or compensation, where such discussion is incidental to the broad purposes of those programs.

H.R. 743 would undoubtedly allow these discussions as well. I take no issue with that. Unfortunately, it would also allow conditions of work to be the sole focus of workplace teams, and this simply goes too far. It would give a few perhaps unscrupulous employers a powerful tool to undermine employee efforts to obtain independent representation. This is not just my view. The Dunlop Commission also concluded that employee participation programs, and I quote, "are not a forum of independent representation for employees and thus should not be legally permitted to deal with the full scope of issues normally covered by collective bargaining." I recognize that the legality of some teams under current law is not entirely clear.

I also understand the desire of employees to have greater certainty about the legality of their terms, so I offer this substitute in an attempt to provide statutory guidance to the NLRB, which defines areas in which workplace discussions of conditions of work should be legal and appropriate, and can be.

Mr. Chairman, some of the members of the team coalition are, of course, interested in how their particular member companies would benefit if the TEAM Act passed. They have no particular reason to be concerned with potential abuse by less principled employees. I am first to concede that those who are the strongest advocates for this measure are well intentioned. They have no reason to be concerned with those abused by less principled employees, but we must be. That is why this debate cannot be about individual cases or individual companies.

The central question is not whether some good things might happen if the TEAM Act is passed. Good things would happen. That is very clear. Good things are happening now under current law in over 30,000 workplaces across the Nation. The central question which my substitute seeks to address is whether we can promote workplace cooperation in a way that will not invite the kind of abuse that gave rise to this law 60 years ago.

This measure ought to be looking toward the future, and not simply back 60 years. I believe that we can, so I offer this substitute as an attempt. I urge my colleagues to support it.

Mr. FAWELL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this amendment has a surface appeal until one just centers upon what this issue is all about. One has to begin with the assumption that there is no reason at all why, in the nonunion setting, employee teams cannot talk to their employers on any subject. On any subject. That also includes terms and conditions of employment. We cannot define terms and conditions of employment when we come right down to it.

The National Labor Relations Act has, from time to time, in construing conduct under union law, pretended to unions that workplace health and safety, rewards for efficiency and productivity, work assignments, compensation, work rules, job descriptions and classifications, production quotas, use of bulletin boards, workloads, scheduling, changes in machinery, discipline, hiring and firing, promotions and demotions, these are all conditions, terms and conditions of work. There are many, many more.

What the amendment is now basically trying to do is to come in and, from my viewpoint, produce many union restrictions and constrictions upon the exercise of the rights of free people as employees to simply negotiate and interact with their employer. They can do that now. As has been said, it is flourishing rather well. The problem is there are corporations like Polaroid, Donnelly, others that have been named, the best employers in America, who are being dragged before the NLRB, and because, unfortunately, there is an interpretation that there were terms and conditions of employment, when some team of employees was interacting with the employer, bango, that is an unfair labor practice: "You cannot do that, only unions can do that."

But look, these employees obviously can opt to join a union, to petition for a union in the workplace. If those employee groups are not working, if they are not going well, if the employer is being a dictator, if he is taking advantage of the people, we have not gotten rid of the sham corporation law. We have not repealed 882. We have only tried to carve out an exception, which is common sense, to say that when employers and employees, and it is really a bill of rights for employees, that when they get together and say, "Yes, why don't we sit down with the head of the department and try to work something out," that they can do it.

My good friend, the gentleman from Ohio [Mr. SAWYER] who has an all-American name and is an all-American person, and a fine person, what he is doing here, he is going to start saying, "There are going to be certain types of these groups. If it is entirely employee-controlled, OK, you can do anything you want, but if it is a supervisory-managed work unit, watch out, watch out. But what we are going to do, we are going to let you occasionally discuss conditions of work when it might be relevant to the subject matter," you see.

Here we go. Who is going to supervise this? I suppose the National Labor Relations Board now? Are we going to get all kinds of new rules and regulations? What are we doing? Stop and think of what we are doing. We are now saying, let us say a group of women who get together and they want to call upon a department head and sit down and work with them, they would say no. Now see what we are doing? We are beginning to restrict, constrict, dictate. We are going to have amendments that say "There have to be elections, too." What, NLRB elections to determine whether an ad hoc business employee group can get together? These groups' common goal, they are up one month, they are gone the next month. You have changing membership, you have changing chairmen or chairwomen. This is completely impractical. It guts the bill, because nobody in business would want to have this legislation. They are better off now, at least as long as they do not get caught, and so far the NLRB has zeroed in on major targets. But as has been said, it is otherwise flourishing. It is flourishing because it is cooperation.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. FAWELL] has expired.

(By unanimous consent, Mr. FAWELL was allowed to proceed for 2 additional minutes.)

Mr. FAWELL. Mr. Chairman, what we have right now is cooperation. It is there. It is working. Congress should not get in the way and screw things up and start micromanaging. It is employees and employers working together. It can happen. If it does not work out, they can go and a union will be organized, as has been said. If they bungle the job, then we will find employees that are dissatisfied. However, we ought not to go down the slippery slope of trying to now move into the nonunion setting and start micromanaging with all kinds of laws. We will equal the volumes, and the volumes by the thousands, that are already there in the National Labor Relations Act in regard, correctly, in regard to your basic formal unions.

That is why, I would say to the gentleman from Ohio, I cannot accept the amendment. I know it is offered with the very best of intentions, but it would destroy the genius of what is happening right now of this cooperation, this working togetherness, no bounds, anything they want to talk about; it is there, and the last thing we should do is to regulate it.

Mr. SAWYER. Mr. Chairman, will gentleman yield?

Mr. FAWELL. I yield to the gentleman from Ohio.

Mr. SAWYER. Mr. Chairman, I thank the gentleman from Illinois, the chairman of the subcommittee, for yielding to me.

Mr. Chairman, the gentleman has said repeatedly that employees cannot, under current law, discuss any of these topics with their employers. The truth of the matter is that any employee can come together in groups or individually and discuss these matters with their employers. What is prohibited is for the employer to dominate the employee organization in lieu of a labor organization. That is the difficulty.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. FAWELL] has expired.

(By unanimous consent, Mr. FAWELL was allowed to proceed for 1 additional minute.)

Mr. FAWELL. Mr. Chairman, I would tell the gentleman, as soon as the employee group begins to interact with the employer, the law also states "* * * if the employer supports, financially or otherwise, as well as dominates." All the employer has to come into the picture and that employee team becomes a sham union, unless the employee just sits there and does nothing. But if he supports, financially or otherwise, or if he dominates, and "dominates" has been construed to mean if the employer has, basically, the right to tell these employees what to do; of course, the employer is still the employer.

I simply want to stress that the last thing in the world we should begin to do is to try to create little miniunions within the nonunion setup, and destroy what is a valuable revolution and dynamic change taking place in America.

Mr. SANDERS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, my friend, the gentleman from Illinois, just used the expression, he said "the genius of what is happening." I think that is what he said. I am a little confused.

My understanding is that what is happening in the economy today is that the real wages of American workers are plummeting. Real wages have gone down by 16 percent since 1973. My understanding of what is going on in the economy today is that the new jobs that are being created are low-wage jobs, part-time jobs, temporary jobs, often without benefits. My understanding of what is going on in the economy today is that while corporate profits are soaring, and the incomes of the chief executive officers are now 150 times what the workers are making, more and more companies are taking our jobs to Mexico and to China.

I would like to ask my friend, the gentleman from Illinois, tell me, what is the genius of all of that?

Mr. FAWELL. Mr. Chairman, will the gentleman yield?

Mr. SANDERS. I yield to the gentleman from Illinois.

Mr. FAWELL. Mr. Chairman, I would tell the gentleman, I was referring to the employee teams and their ability to cooperate with the employers and to be able to take over many of the operations which, normally speaking, in a top-down old-fashioned concept of employment, are vanishing.

If we want an opportunity to have a turnaround, I do not agree with all the gentleman's conclusions, by any means, but the genius of what is occurring is employer-employee cooperation, where employees are increasingly taking over responsibilities in terms of efficiency, in terms or productivity, that they have never had before. That is the genius.

Mr. SANDERS. Reclaiming my time, Mr. Chairman, obviously, all of that is not working. Twenty years ago, as the gentleman knows, this country led the world in terms of the wages and benefits our workers received. With all of that genius, with all of that so-called worker-management cooperation, does the gentleman know what place our workers are now in the industrialized world? We are in 13th place. We are falling behind much of Europe and Scandinavia.

I would argue that if there is any reason that workers have enjoyed decent benefits, decent working conditions, and decent workers in this country, it is because they have had unions. The evidence is pretty clear that this team effort will make it harder for workers to join unions.

Mr. FAWELL. If the gentleman will yield further, there is nothing in this legislation that would proscribe in any way the right of these employees, if they are not in accord with the policies of the employer, to go ahead and petition for the formation of a union.

We do nothing whatsoever to proscribe that. All that we try to do is to say that all that is occurring out here right now is lawful, because there is this ancient definition of a labor organization that was created back in 1935, when women were not even a part of the work force. They are a vital part of employee teams today that are doing things that in the 1930's were not even contemplated.

Mr. SANDERS. Mr. Chairman, reclaiming my time, the gentleman is aware that this TEAM Act takes place within the context of a savage assault on labor unions throughout this country.

Mr. FAWELL. I certainly would not agree with that conclusion.

Mr. SANDERS. The gentleman is aware that time after time when workers form unions, companies refuse to negotiate a first contract. The gentleman should be aware that workers all over this country are being fired as they try to organize unions. The gentleman should be aware in an unprecedented way, when workers now go out on strike, they are being replaced by permanent replacement workers. The gentleman knows all of that. And the gentleman knows right now that workers in unions are under assault, that companies are hiring consultants to break unions, to decertify unions, and this TEAM Act takes place within that context.

Mr. GUNDERSON. Mr. Chairman, will the gentleman yield?

Mr. SANDERS. I yield to the gentleman from Wisconsin.

Mr. GUNDERSON. Mr. Chairman, I appreciate the gentleman yielding, because I think everybody ought to understand that if there is any attempt by any management of any company anywhere in America at any time to in any way to interfere with an attempt to collectively bargain and organize that work force, it is a violation of section 8(a)(1) of the law today, and this bill does not touch that in any way, shape, or form. That is law at 3:45 in the afternoon, and it is going to be law when this bill passes.

The CHAIRMAN. The time of the gentleman from Vermont [Mr. SANDERS] has expired.

(By unanimous consent, Mr. SANDERS was allowed to proceed for 2 additional minutes.)

Mr. SANDERS. Mr. Chairman, my friend from Wisconsin makes the point about it being illegal to try to impede the creation of a union. But that gentleman's party has supported, as I understand it, a 30-percent cut in the funding of the National Labor Relations Board, the one Board in this country that exists to try to protect workers. So it is very clear where our friends on the other side are coming from.

Mr. GUNDERSON. If the gentleman will yield further, first of all, me, I voted no on the appropriation bill.

Mr. SANDERS. Mr. Chairman, reclaiming my time, the problem is, this stuff does not come out of the blue. The gentleman's party has supported a

30-percent cut in the funding of the NLRB, which would make that organization overwhelmed, without staff, and powerless to protect workers. Now the gentleman walks in and says "oh, this TEAM Act is innocuous.".

Mr. GUNDERSON. If the gentleman will yield further, the gentleman is not a Democrat. He happens to be, I think, a socialist, right?

Mr. SANDERS. I am an independent.

Mr. GUNDERSON. Then the gentleman does not have a party.

Mr. SANDERS. I am with the majority of Americans.

Mr. GUNDERSON. That is true at the moment, and I appreciate that. But would the gentleman suggest that because the Democrats have supported tax increases in the past, that we can never talk about the Democrats without calling them big spenders and tax increasers?

Mr. SANDERS. I missed the point my friend is making.

Mr. GUNDERSON. The point is because somebody decided that they were going to make some tough calls to try to balance the budget, the gentleman is saying we have no credibility on labor law.

Mr. SANDERS. Mr. Chairman, reclaiming my time, what I am saying is we have to look at this legislation within the context of everything else that is happening in this session. The gentleman, I hope, who is an honorable man, would recognize that probably never before in the modern history of this country has there been such an assault on the rights of working people and the needs of working people as is taking place in this Congress.

Mr. LEVIN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have been listening to this discussion, and I just want to comment about the reality on the ground. Labor management relations are changing in this country. If you go to virtually any plant in the district I represent, you see that.

I think there are more auto-related plants in my district than perhaps any other in the country. When you go into these plants, you see a partnership. You see management and labor which has moved away from an adversarial relationship into teamwork. You do not need to change the present law for management and labor to act differently than was generally true 40 or 50 years ago, even 30 years ago, when there was a much more adversarial relationship. The word team means that in reality on the shop floor.

Mr. GUNDERSON. Mr. Gunderson, will the gentleman yield?

Mr. LEVIN. I yield to the gentleman from Wisconsin.

Mr. GUNDERSON. Mr. Chairman, so would the gentleman say then that there was no basis for the Electromation case?

Mr. LEVIN. Mr. Chairman, reclaiming my time, the basis for it there was there was an intervention by management far more into the workplace than simply being a partner.

Mr. GUNDERSON. But does the gentleman understand what the National Labor Relations Board ruled was the domination of Electromation in that case? The fact is they said the action committees agendas only were such things such as nonsmoking and interoffice communications; that that was, according to the national labor relations board, quote-unquote, dominating, and therefore that was a violation of 8(a)(2). Is the gentleman saying that is not a problem?

Mr. LEVIN. Mr. Chairman, reclaiming my time, I will say, because when you look at the environment, the entire context of that case and what was involved there, it was far more than a discussion of smoking. That is what that case is about. That was not the role of the employer in that case. That case was decided under conservative administrations. What they said was they wanted to make sure that the thrust of 8(a)(2) remained, and that was that employers did not set up nor actively participate in the creation of employee organizations. Now, that is what the essence of that case was about. You are taking that case and trying to exaggerate it and twist it out of shape. That is what you are doing. You are using it as a smoke screen in order to make much more basic changes.

Now, what disturbs me is, look, the Dunlop Commission worked on this for months and months and months. They had representatives of management and labor on it. They are unanimously opposed to what you are doing, as I understand it.

Mr. GUNDERSON. If the gentleman would yield on that, if you read the Dunlop Commission, you will find out they clearly support changes in 8(a)(2). What they would like is also in addition to that some amendments only making union organization easier at the same time. I would urge the gentleman, if he wants to be credible, to offer an amendment on the other half of the Dunlop Commission.

Mr. LEVIN. Reclaiming my time, I fully understand that was a discussion. They thought that you should take the developing reality within the workplace and have the law encompass that. What the gentleman is doing is taking one piece of it, and you are excluding the rest of it. I just wanted to tell you, as I understand it, and the gentleman has to face this, that the commission unanimously opposes what the gentleman is doing.

Mr. GUNDERSON. I do not agree with that at all.

Mr. LEVIN. I tried to reach Dr. Dunlop this morning and he was not there. That is my understanding. I will get a statement from them as to what they think about what the gentleman is doing.

What disturbs me is I think what the gentleman is doing in the name of teamwork, the gentleman is polarizing. That is exactly what the gentleman is doing. He is taking a burgeoning and I think a constructive development in our society, and that is a less adversarial relationship on the workshop, and is bringing up this idea in the most adversarial way, the most polarizing way. It is absolutely contrary to the spirit of the Dunlop Commission.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. LEVIN] has expired.

(By unanimous consent, Mr. LEVIN was allowed to proceed for 2 additional minutes.)

Mr. LEVIN. Mr. Chairman, the minority report says that the members of the commission, including three former Secretaries of Labor, several scholars, the chief officer of Xerox, and a representative of the small business community, unanimously oppose enactment of this bill.

I would like to see any different statement from Dr. Dunlop. My guess is you cannot get that.

Mr. GUNDERSON. If the gentleman will yield further, I think if you would ask the gentleman from Ohio [Mr. SAWYER], he would be the first to tell you, because when we were talking about this, he was trying to confirm what I said, and that is that the Dunlop Commission is very specific in their recommendations. They wanted modifications in 8(a)(2). They also wanted changes in labor law.

Mr. LEVIN. Mr. Chairman, reclaiming my time the gentleman made my point. What they did was to come up with what they thought was a balanced comprehensive approach. The gentleman is picking one piece of this. They have stated, as I understand it, they are opposed to this bill. They are. It is contrary to what they were striving to do. Instead of the gentleman trying to promote more of this teamwork, what the gentleman is going to do is to promote more conflict. What the gentleman is trying to do is to allow employers essentially to move in more easily to make it more difficult for labor organizations to essentially organize workers. I think that is a sad mistake.

Mr. CLAY. Mr. Chairman, will the gentleman yield?.

Mr. LEVIN. I yield to the gentleman from Missouri.

Mr. CLAY. Mr. Chairman, I thank the gentleman for yielding. Let me say, to come to this floor and suggest that all this decision was about at the NLRB was about nonsmoking is ridiculous and it is trite. Let me tell you that the circuit court upheld the NLRB decision, and this is why. They said that the company posted a memorandum to all employees.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. LEVIN] has again expired.

(By unanimous consent, Mr. LEVIN was allowed to proceed for 2 additional minutes.)

Mr. LEVIN. I yield to the gentleman from Missouri.

Mr. CLAY. Mr. Chairman, the circuit court said that the employees announced the formation of the following five action committees: One, absenteeism infractions; two, no smoking policy; three, communication network; four, pay progression for premium positions; and attendance bonus programs.

That my friend, is setting conditions, work conditions, terms of conditions and pay. So it was more than a team.

Mr. LEVIN. Mr. Chairman, reclaiming my time, I think the gentleman is using the nonsmoking as a smoke screen. The gentleman really is. It is too bad that the gentleman's side is taking one piece of Dunlop and leaving the rest of it. It is a disservice. It is another example, I think, of your extremism. There is no need to do this. We ought to try to work within the spirit of the Dunlop Commission.

The gentleman is polarizing, and I do not know why he is doing it. I do not think you are going to get this through the Senate, and if it were to happen, it would not be signed. Why is the gentleman bringing it up?

I am not on the committee that has jurisdiction, but I urge that the gentleman from Wisconsin [Mr. GUNDERSON] go back to the drawing board, and that you sit down, instead of in a polarized way, Republican against Democrat, you try to sit down and talk about what is good for amicable relations between management and labor, what is good on the work floor of Ford and Chrysler and GM. You go there and ask them. And there is not a single person, I think, of the plant managers who would say what you are doing is a good idea. They say work together, instead of adversarially. You are trying to tilt this balance. You are using the 21st century as an excuse to undo the work that happened in and the progress that was made in the 20th century.

Mr. Chairman, I urge that we reject the gentleman's proposal.

Mr. TALENT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, my friend from Michigan, Mr. LEVIN, accused us of polarizing this debate, just after our friend from Vermont spent 4 or 5 minutes talking about sustained assaults on the rights of the working men and corporations busting unions, and yet we are polarizing the debate. Let me in the interests of trying to maybe nonpolarize this debate ask my friend, the sponsor of the amendment, to enter into a colloquy with me. I have a couple questions about the amendment.

Mr. SAWYER. Mr. Chairman, I am happy to respond to questions.

□ 1600

Mr. TALENT. I know the gentleman has worked hard on this and he has a substitute which does change the existing law, so I assume he agrees that something does need to be done to existing law; is that right?

Mr. SAWYER. Mr. Chairman, if the gentleman will yield, indeed.

Mr. TALENT. So those and other colleagues on the other side of the aisle who spend a lot of time in general debate saying we do not need to do anything, the gentleman would disagree with that?

Mr. SAWYER. Mr. Chairman, if the gentleman will continue to yield, my view is if there are areas of uncertainty within the interpretation of 8(a)(2) as it currently exists, that recognizing the changes that have taken place in recent years in the American workplace and the kind of cooperation we are all trying to nurture, that the law ought to recognize those changes and encourage them.

Mr. TALENT. So the gentleman agrees with Chairman Gould who says amendments to the NLRA that allow for cooperative relationships between employees and the employers are desirable. There is a need to do something. I hope in the interest of not polarizing this we can establish a consensus that there is a need to do something.

Mr. SAWYER. Mr. Chairman, indeed, and I agree with the Dunlop Commission that we ought to facilitate that growth of employee involvement. But I also agree with Chairman Gould when he argues that he does not support the TEAM Act because it does not contain the basic safeguards against company unions that he feels are absolutely necessary.

Mr. TALENT. Mr. Chairman, I appreciate the fact that the gentleman and I disagree on what ought to be done, and he thinks the bill does some things it should not do. I want to get into that and ask him a question.

I have read the gentleman's substitute. I gave an example before of what is really going on out there in the workplace. So let us suppose, and I will give the gentleman a hypothetical just to explore the differences between the gentleman's substitute and the bill we are working on.

A supervisor goes to the plant manager and says people are upset because they are working a lot of overtime. The schedules, they say, are not right. They want some changes so they can get to the day care centers, a couple of guys have hunting vacations planned. What shall we do? The manager says, well, I would like you to sit down and work with them and then come to me with a proposal. Why do we not want them to be able to do that?

Mr. SAWYER. Mr. Chairman, if the gentleman will continue to yield, I do want them to do that. In fact, my substitute permits that.

Mr. TALENT. Mr. Chairman, the gentleman will agree that scheduling is a term and condition of employment; is it not?

Mr. SAWYER. Indeed, Mr. Chairman.

Mr. TALENT. The gentleman's substitute prohibits those kinds of discussions about terms and conditions of employment.

Mr. SAWYER. Mr. Chairman, only when it is exclusively the subject of those terms and conditions of employment and the organization is dominated by the employer instead of representative of employees.

Mr. TALENT. And under the current law there is no question if that supervisor goes out there and says, OK, Bill and Bob, let us talk about it and sit down and Jane. And, by the way, we better get Mel and Fred, because I know they are upset about this too. That is dominating because the supervisor is involved in choosing which employees are involved in the discussion; is that not right.

Mr. SAWYER. Indeed.

Mr. TALENT. So under my hypothetical the gentleman's substitute would make that situation illegal.

Mr. SAWYER. Mr. Chairman, the employer cannot go out and name the members of the employee participation team because that includes domination in matters of terms and conditions of employment.

The fact of the matter is, that is precisely the kind of condition that the Dunlop Commission urged be exempted from the changes that they recommended in 8(a)(2).

Mr. TALENT. Mr. Chairman, reclaiming my time, I thank the gentleman for his candor and his attempt to work this out. He has been nonpolarizing from the beginning. He is offering, I think, a realistic substitute. I think the problem with it, he is trying to confine the literally hundreds of thousands of workplace situations into a code of federally prescribed mandate that simply does not comport with the reality in the workplace today.

There are a whole lot of situations where people want to talk about terms and conditions that have impact upon them. Maybe safety. Scheduling is a classic thing. Vacations. The gentleman has just said his substitute would make that illegal.

Why should we say to those people the only way they can talk this over with management and have them respond and try to work this out is if they decide they want to go out and form a union?

Mr. Chairman, I think the problem here, and we have heard it in a couple of the speeches before this interchange that the gentleman and I have had is, there is a mindset on the part of some on the other side of the aisle.

The CHAIRMAN. The time of the gentleman from Missouri [Mr. TALENT] has expired.

(By unanimous consent, Mr. TALENT was allowed to proceed for 2 additional minutes.)

Mr. TALENT. Mr. Chairman, there is a mindset on the part of some on the other side of the aisle that in the first place all the employers out there are trying to bust all the unions. There are bad employers and there are also bad unions. That is why we have this law. There are some employers, some unions that would try to act in an unfair manner. That is why we have the National Labor Relations Act. I do not think most employers or most unions are out to do anything except to conduct their business or the unions to try to represent people.

There is also a mindset, frankly, that people cannot protect themselves; that employees cannot make choices on their own; that even though the law gives them the right to pick a union if they want to, gives them the right to organize and have formal collective bargaining, and nothing in this act changes that, that that is not adequate enough safeguard; that they are going to be so influenced by an employer and an employee sitting down and talking over these kinds of things, that they cannot freely exercise their right to have a union, if they feel that that is necessary in order to protect their rights in the workplace.

Mr. Chairman, it is a kind of patronizing attitude. It was the attitude that dominated in the 1930's. It simply does not describe reality today, and now I would be happy to yield to the gentleman now.

Mr. SAWYER. Mr. Chairman, if the gentleman will continue to yield, I thank the gentleman and appreciate his kind words and would reciprocate them.

I want to emphasize that as long as employees voluntarily interact with employers, there is no difficulty today and it is not my intent to provide any difficulty into the future. It is only when employers dominate the employee participation in employee involvement teams that we run into difficulty under the broadest interpretation of current law for the last 60 years, and really flies in the face of the recommendations of the Dunlop Commission.

Mr. TALENT. Mr. Chairman, reclaiming my time, and in closing, I want to say the gentleman has with great candor admitted, first, we have to do something or these teams around the country are in danger under current law. So all the argument we heard before that we do not have to do anything, we have now established a kind of consensus on both sides of the aisle that, yes, indeed, we do need to do something. And, also, the hypothetical I gave before, where people want to talk about scheduling would be illegal under the gentleman's substitute.

Mr. GENE GREEN of Texas. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to thank my colleague from Ohio for his amendment and his hard work and dedication, not just today but through the committee process. My colleague from Missouri, whose point was that we need to change, well, granted, there are wrinkles in the problem, but this bill is like using a canon to deal with something that a BB gun could address.

The Sawyer amendment clarifies that a workplace team creates an improved competitiveness is not prohibited under the National Labor Relations Act even if its members occasionally discuss conditions of employment, such as wages and hours and working conditions. The amendment is a good faith effort to meet the concern of the majority, no matter how unfounded those concerns may be.

The Sawyer substitute specifically protects three types of teams: Self-directed teams of employees, supervisor-managed work teams focused on improving specific production processes, and broad or ad hoc teams of employees and managers. The gentleman from Iowa's amendment is designed to create a safe harbor for employers genuinely concerned about their ability to create team systems for work organizations.

Mr. Chairman, this amendment is a good compromise, and it should have been adopted in committee, but, as I recall, it was defeated on a party line vote. The Sawyer substitute would protect those employers truly concerned with teamwork and employee involvement and will assure American workers' rights and retain their right of legitimate employee representation. That is why I urge an aye vote.

Mr. Chairman, like I said, I like the idea, as a manager of a business, of the team aspect, but, again, we need to look at it in comprehensive form. This needs to be addressed, but I would hope that somewhere in the next year we would look at comprehensive labor law reform. This is one part of it, but there needs to be more to it than just this one issue. I would hope we might be able to address it later on or maybe even just put this bill off until we can address it comprehensively, and I would hope that would happen.

Mr. GOODLING. Mr. Chairman, I move to strike the requisite number of words and rise in opposition to this amendment.

First, I have to take a minute, I suppose one might say it is not relevant to this legislation, but then, I think, in my estimation, 50 percent of what the minority leader said was really not relevant to this legislation. I do want to take him to task on one area. He was talking about trickle down tax cuts. Had nothing to do with this legislation.

I simply want to say, as I have said over and over again, usually it is taking from the poor giving to the rich, is the way it is analyzed, but I want to again say, is a $500 credit toward long-term care insurance trickle down tax cut? Is it taking from the poor and giving to the rich? It is the No. 1 issue on the minds of all senior citizens, including those who are soon to be senior citizens. Is a $500 credit toward home care? Where do they want to be? Where do your loved ones want to be? They want to be at home. That is not trickle down tax cut.

Is a $5,000, up to $5,000 credit available for adoption trickle down? I would say it is not trickle down at all. We get into this pro-life, pro-choice debate all the time. Here we are giving people who could adopt children an opportunity to do that and provide excellent homes.

Is a $145 credit toward eliminating the marriage tax penalty trickle down? I would hardly think so. Is an IRA for the spouse that stays at home with the family trickle down? I would hardly think so.

Mr. Chairman, I moved to strike the last word primarily because I wanted to applaud the gentleman for recognizing there is a problem with current law, notwithstanding what some on the other side of the aisle have argued. However, the substitute attempts to micromanage employee involvement when the goal of the TEAM Act is the exact opposite. It is both overly prescriptive and too narrow to give comfort to employers and employees who want the flexibility to develop innovative solutions to workplace decision-making.

For example, in supervisor managed work units, the substitute allows managers and employees to participate in meetings with employees but only if all employees in the unit participate. Is that overly prescriptive? I would certainly think so. What if someone is out sick? And only if conditions of work are discussed on occasion.

Similarly, the substitute seems to allow committees established to address issues related to productivity or quality, but these committees may only address directly related conditions of work and only isolated occasions. I hate to think of the rules and regulations that will be promulgated if something of this nature gets downtown.

The substitute seems to give with one end and take away with the other. For example, one provision of the substitute seems to address self-directed work teams, which are already legal under current law. However, a second provision provides that even self-directed work teams are illegal if the employer creates or alters the work unit or committee during organizational activity among the employer's employees.

What constitutes altering a work unit or organizational activity? What ensures the employers are on notice that such activity is occurring? It is certainly not very well explained, in my estimation, by the substitute.

Mr. Chairman, the major problem with the substitute is that many of the strategies used by companies to involve employees in workplace decisionmaking would remain illegal. For example, a committee set up to address how the use of flexible scheduling could meet the needs of working parents or one established to discuss how to better match productivity increases with employee bonuses would fail to pass muster.

Far from clarifying the legality of employee involvement, Mr. Chairman, the substitute draws an artificial line restricting what teams can and cannot talk about and how they can and cannot be structured. It also raises a host of new legal terms which each will be subject to years of litigation in the courts. This substitute does not address the problem and, in fact, I believe, will further complicate the legal questions.

Mr. Chairman, I would like to read a letter I received from IBM, Texas Instruments, and Motorola.

> We write to you as former winners of the Malcolm Baldrige National Quality Award to express our unequivocal support of H.R. 743, the Teamwork for Employees and Managers Act of 1995.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. GOODLING] has expired.

(By unanimous consent, Mr. GOODLING was allowed to proceed for 1 additional minute.)

Mr. GOODLING. Mr. Chairman, continuing to quote:

> This important legislation, which will be considered by the House of Representatives would eliminate legal barriers that currently restrict employees and employers from working together as partners to meet the challenges of today's competitive global markets.
>
> As you may be aware, the Malcolm Baldrige National Quality Award was created by Congress to recognize U.S. companies dedicated to the principle of quality in manufacturing, service, and small business. The Baldrige Award recognizes, among other criteria, excellence in human resources, development and management. Key aspects include work and jobs that allow: First, employee opportunities for initiative and self-directed responsibility; second, flexibility and rapid response to changing requirements; third, effective communications across functions and units.

□ 1615

You can see that the Baldrige criteria strongly promotes teamwork and employee involvement. The continuing success of companies like ours, and other Baldrige Award winners, is dependent on the development of these innovative and team environments.

Mr. ROEMER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, some years ago a book was written by Thomas Kuhn, and it was entitled, "The Structure of Scientific Revolutions." Now, you might say, what does science have to do with the discussion of the TEAM Act and labor and management and business and government and employees and CEO's?

In this book, Kuhn writes very forcefully about how paradigm shifts take place in science from Einstein to new scientists, though people talk about issues in brandnew ways and develop new models to move the Nation forward in science.

Mr. Chairman, I think that is what the American people voted for in elections, to move toward new ideas and not always use the same terminology, resort to the same fights in Congress that we have over the past decades. Let us move toward new ideas.

I think that some people in this Chamber are trying to work in that direction. Now, I disagree with the TEAM Act here today, because it uses the same ideology, the old words, the old fights, that we have used over the last 25 years. It does not encourage this teamwork and cooperation and innovation and creativity that we are seeing in the workplace today.

Mr. Chairman, I may be naive, but in Indiana, in my district, when I go and visit my businesses, almost any time I can when I am back home, I see these businesses, already developing these employee teams. They are working on productivity. They are working on morale. They are working on cutting down the number of defects on the assembly line. They are working on computer teams. They are teaching courses in the classroom in the businesses on blueprint plans, on algebra, on a host of things to make the worker a better worker and work with the management to do that.

Now, I think this act takes us back 20 years. It says: Let us continue to have a fight, management versus labor, worker versus CEO.

Another book written just recently by Hedrick Smith, called "Rethinking America", says very forcefully we are doing these things. We are spending 8 hours now in the U.S. Congress talking about old ideas, rather than moving forward on new ideas that Smith talks about in his book, whether it was Peterson at Ford company, he started these employee circles, working in innovative ways on the assembly line to cut down on defects, to cut down on inefficiencies, to stop the assembly line if it needed to be stopped in midday.

But here in Congress, we resort to fights. We resort to partisanship. We resort to old terminology, rather than the new paradigms and models that people like Kuhn and Hedrick Smith are pushing us toward in the new century.

A lot has been said about the Electromation case. That took place in my district. That took place right in the heart of my district. That case is not based upon a nonsmoking committee. That case is not based upon worker wages, per se. That case is not based upon absenteeism committees. It is based upon the circuit court's decision that said, "Companies organizing committees and creating them through nature and structure and determining their functions, that is the problem. It cannot be created and dominated by one side or the other."

That is not teamwork. That is not cooperation. If an employer comes to the workplace and to the floor of the workplace and says, "Harry, Betty, Joe, Tom, Sally, you are on the committee. We are going to schedule this. We are going to determine what is best for the workplace." That is not teamwork. That is the old idea of teamwork, not the new century and the 21st century idea of teamwork.

If we are going to beat the Japanese and the Germans in the workplace, if we are going to be in the international competitive forefront, if we are going to have the best jobs and we do create the best product in America and we are going to win this race, we have to not talk about the ideas in this old, old-modeled way, but push this country forward in new ideas and cooperation.

Now, the Electromation case did not address what is going on in America today, and that is so much innovation. That is so much creativity. That is these new teams in union shops and in nonunion shops working together.

Mr. Chairman, I would encourage us in Congress to encourage this kind of cooperation in the workplace and to see that America, not a Democratic proposal or a Republican proposal, but American workers and CEO's move forward in this environment.

Mr. GUNDERSON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think we all have a problem. That we are convinced we are bipartisan and the other guys are not. My suggestion to my friends on the other side of the aisle is that I think we are all nonproductive. We are operating a 1935 labor law. We are trying to take the most noncontroversial aspect of 1935 labor law and bring it at least into the 1990's, if not the 21st century. And you would swear we are trying to eliminate the act.

So if we cannot do this, we can quickly understand why it is going to be another 60 years before we get any modernization of American labor law here.

Mr. Chairman, there is a problem with that. There is a problem with that because, frankly, in the last session of Congress it was my friends on the Democratic side who said we had to have these very kind of joint labor-management teams to deal with OSHA, to deal with safety committees that, frankly, under the language of the substitute that is in front of us would be illegal.

So what has changed between last session and this session, except that the Republicans are in control now and we brought the bill up?

The problem with this amendment, and the gentleman from Ohio deserves a lot of credit, because to be honest, he is one of the few Members in the Congress who has sincerely and legitimately tried to find a middle ground on this issue. I think he is as disturbed as I am by the fact that we are making no progress in modernizing our labor law and that the labor management relations in this country are growing more confrontational, not more cooperative. I think the amendment is a sincere attempt by the gentleman to try to find that middle ground.

Mr. Chairman, the reason that I have to oppose the amendment is because the amendment creates the same ambiguity that we are trying to solve with the major bill.

The reason we are here is because of the definition of the National Labor Relations Board of what "dominating" means. The problem with the amendment is that it uses such words as it is OK if it is only done on occasion, and that it is only if periodic meetings of all employees, or he goes on and says that it can be done company wide, but only if it is on isolated occasions.

Now, all that does is guarantee full employment for labor lawyers. Mr. Chairman, if we do nothing today, if my colleagues decide to kill the bill because they want to get a nice star on their labor voting record, go ahead and vote against the bill. But for gosh sakes, do not, when we leave here today, say that the one thing we did on Wednesday afternoon was guarantee full employment for labor lawyers. None of us wants that, and unfortunately, that is what the substitute does.

Mr. Chairman, I encourage my colleagues on both sides of the aisle to vote as they must for political reasons on final passage, but we all ought to agree that in the process we are not going to give full employment to labor lawyers.

Mr. ROEMER. Mr. Chairman, will the gentleman yield?

Mr. GUNDERSON. I yield to the gentleman from Indiana.

Mr. ROEMER. Mr. Chairman, I would say to the gentleman from Wisconsin [Mr. GUNDERSON], the gentleman started his discussion on this matter by saying that we needed to update a 1935 law. Certainly, because a law is old does not mean that it is bad. But certainly we should look at how many times this law has been abused or how many cases are filed per year or how it is being interpreted throughout the years.

Mr. Chairman, the gentleman from Wisconsin would probably agree that there are, what, about 12 violations brought before the National Labor Relations Board each year?

Mr. GUNDERSON. Mr. Chairman, reclaiming my time, I do not know the number. I am not going to try. I do not agree or disagree. I yield to the gentleman from Indiana on that.

Mr. ROEMER. Mr. Chairman, if the gentleman would continue to yield, the number is 12 per year. We have hundreds of thousands of businesses in the United States of America. Twelve violations. Twelve cases are brought before the board each year. Three were then determined that the companies need to be disbanded. Now, is that a reason, whether a law is from 1935 or 1965 or 1985?

Mr. GUNDERSON. Mr. Chairman, reclaiming my time before I run out, because I know both sides are trying to expedite the debate, the only people that are going to contest a case up to the NLRB are going to be large enough companies with in-house corporate counsel that they can do it.

Frankly, I do not care about them. That is not why I am here today. I am here today because every one of those small businesses that everyone talks about, when we go in and tell them that they are violating the National Labor Relations Act by having that voluntary team that is in existence today, they say, "Fine, we will eliminate it," because they are not going to hire the lawyers to contest the case.

Mr. ROEMER. Mr. Chairman, if the gentleman would yield further, but it is the small businesses that are already doing this.

Mr. KILDEE. Mr. Chairman, I move to strike the requisite words.

Mr. SANDERS. Mr. Chairman, will the gentleman yield?

Mr. KILDEE. I yield to the gentleman from Vermont.

Mr. SANDERS. Mr. Chairman, I wanted to say a brief word to set the record straight. The gentleman from Pennsylvania [Mr. GOODLING] a few moments ago was critical of the statement of the gentleman from Missouri [Mr. GEPHARDT] talking about trickle-down tax breaks. I think we should set the record straight, not to deter from the debate.

Mr. Chairman, half of the tax breaks in the Republican proposal will go to people earning $100,000 a year or more. A quarter of the tax breaks go to people making $200,000 a year or more. The upper income 1 percent get more tax breaks than do the bottom 60 percent.

Recently, the Republicans have proposed a $23 billion cutback on the earned income tax credit, which hits the working poor and at the same time, several months ago, proposed to eliminate the corporate minimum tax, so that the largest corporations in America will pay nothing in taxes.

Mr. Chairman, it sounds to me like the gentleman from Missouri [Mr. GEPHARDT] was right and this is a trickle-down tax break.

Mr. KILDEE. Mr. Chairman, reclaiming my time, I believe that the bill introduced by the gentleman from Wisconsin [Mr. GUNDERSON] will really make it more difficult to form real labor unions.

Mr. Chairman, my dad belonged to a company union back in the 1930's, and all we got out of that, I got one tube of Ipana toothpaste and a couple of free movies and my dad got low wages and speedups in the GM factories.

My dad was one of the mildest men I ever met. I never heard my dad swear once in his life; a kindly gentleman. But during one of those speedups when we had company unions, my dad had his work sped up several times. Finally, he came home and told my mother, "I cannot keep it up." My dad was older. "I cannot keep that work up."

The next day he went to work under that company union arrangement and he got his production out. The boss came over and counted the number of pieces he had put out. He took out the famous pink slip to write it out under that company union. My dad, that mild-mannered person, removed has glasses and laid them on the machine. He said to the boss, "Bob," the boss's name was Bob Schoars, "Bob, if you sign that pink slip, they are going to carry one of us out of here, because I have 5 children at home to feed and I am going to fight for my job."

That was a mild-mannered person who went to mass every Sunday, and when he retired, every day. A mild-mannered person driven to that. When the UAW came in, things changed. My dad got justice on the job.

Mr. Chairman, that is the difference. I think this bill will lead to really, in effect, company unions rather than real unions that brought justice to the Kildee family. My mother died last year at age 94, and from 1937 on, my mother prayed for Walter Reuther and the UAW every day of her life.

□ 1630

As a matter of fact, Friday—and I invite some of my colleagues over there—Friday, President Clinton is honoring Walter Reuther for what he did.

We need real labor unions in this country. We do not need something that can lead again to that type of situation, company unions, that my dad had to work under and gave me one tube of Ipana toothpaste.

Mr. WHITE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I yield to the gentleman from Pennsylvania [Mr. GOODLING].

Mr. GOODLING. Mr. Chairman, was it politically stupid to say $200,000? Of course, it was politically stupid to say that. That has nothing to do with where the money went. The first 30 percent goes to $30,000 and below, much of which goes to $18,000 and below. The next 30 percent goes to $50,000 and below, and the next 30 percent goes to

$75,000 and below. So debunk that nonsense.

Ms. WATERS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the Sawyer substitute amendment, and in strenuous opposition to the so-called TEAM Act.

This bill is a power grab. It is an attempt by the Republican majority—on behalf of their company benefactors—to further tilt the power balance in favor of employers over employees.

Labor relations in this country are predicted on a balance of power between workers and owners. That balance has been severely undercut in recent years. The legislation before us would exacerbate that situation.

This bill is designed to solve a problem that doesn't exist. The bill's sponsors say employer-employee teams are threatened under current law. However, the law clearly permits suggestion box procedures, staff meetings about issues of quality or customer care, the delegation of managerial responsibilities to employee work teams, and direct contact concerning all terms and conditions of employment.

The National Labor Relations Act does prohibit employer-controlled units from representing workers in discussions of the terms and conditions of their employment. This is a fundamental right of all American workers.

This bill would take that away. Despite the success thousands of U.S. employers have had destroying unions, intimidating workers, and exporting U.S. jobs to Third World countries for cheap labor—they want more. This bill will take away one more basic worker right.

The Sawyer substitute would clarify some of the law in this area. It would allow companies to engage in certain types, with their workers, of activities that can improve productivity.

This amendment is necessary to address erroneous claims of the bill's supporters that legitimate activities are currently threatened. Of course workers should help management improve production techniques. Of course workers have a lot to offer their companies to make the workplace more efficient.

However, what must not happen, is to allow companies to undermine fundamental labor law to make it easier to establish company unions. Collective bargaining, the right for workers to freely elect their representatives is a basic American right.

Just because one political party—one which represents the most conservative, antiunion businesses—comes to power in one election, is no reason to throw out 60 years of labor law. If anything, this Congress should be considering legislation to enhance workers' ability to represent themselves. Workers rights have deteriorated badly. This bill would only make matters worse.

Let's not turn our back on America's workers. Let's defeat this mean-spirited power grab by corporate special interests. Support the Sawyer substitute.

And while I am standing here, Mr. Chairman, let me just say that I do not know if those on the other side of the aisle have any real credibility in talking about the rights of workers. I am sick and tired of workers right here in this Congress of the United States coming to Members to try and get someone to act on their behalf because they are being treated badly.

We have wiped out the lowest paid workers down in the folding room. Now I am told that, and I am absolutely disturbed by it, our own clerks and people who work here for us hours into the night, for long hours, are being told they cannot use their compensatory time. Too bad if they have to work overtime until the end of the year, they cannot use it. That is wrong.

Our employees right here need protection. And let me tell Members, this gentlewoman will continue to force the other side of the aisle to deal with what they are doing to their own employees. We know that we are not covered by the labor laws until January. So they can wipe people out now before January comes. They can take away their compensatory time. They can treat them badly. They can fire them. They will not be able to bargain or negotiate.

But let me say, if they want credibility in talking about worker rights and what should happen, treat their own employees right first, and then perhaps someone will believe them.

Mr. GOODLING. Mr. Chairman, I ask unanimous consent that all debate on this amendment and any amendments thereto end in 10 minutes, 5 minutes on either side.

The CHAIRMAN. Is there objection to the request to the gentleman from Pennsylvania?

Mr. TRAFICANT. Reserving the right to object, I would like my opportunity to speak, Mr. Chairman. I have been here for about an hour. There are only two other Members here.

The CHAIRMAN. Is there objection to the request to the gentleman from Pennsylvania?

Mr. TRAFICANT. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. TRAFICANT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I do not believe that the gentleman from Pennsylvania [Mr. GOODLING] and the gentleman from Wisconsin [Mr. GUNDERSON] are trying to screw anybody.

I did vote for the tax cuts. I am a Democrat that supports tax cuts. I do not want to see those tax cuts be directed, though, in a mean-spirited way. I am going to support the substitute. But I would just like to say this. Most of the jobs we are talking about seem to be going to Mexico anyway. Most workers have a Gatling gun pointed to their head anymore with these trade agreements.

The reason for the law that exists now is to protect workers from company unions. That is one fact. I know the big heavy hitters here are off in their own world. From 1983 to 1993, there were only 17 cases where employer-created organizations were ordered to disband; 10 years, only 17. That would seem to some on this side of the aisle as the good news. The bad news is that nearly all of them were ordered to disband because their purpose was to thwart the creation of a union.

With that in mind, I do not know how this substitute is going to fare, but I have an amendment. I am getting calls from Democrats saying that they wish I would not offer my amendment because it improves the bill. The Democrats do not trust the legislation, and the Republicans do not want it to be micromanaged.

Now somewhere this bill is going to go to the White House, and everybody keeps telling me what the White House is going to do. The White House is making more deals than Monte Hall, and I do not know what the White House is going to do. After NAFTA and GATT, I do not know if I would trust them to do something on this.

The Traficant amendment says that whoever these representatives are from the employees, they would be elected in a secret ballot and, second of all, they would be of fair and equal representation on that team.

Clear and existing labor law covers that provision. Section 302 of the 1947 Taft-Hartley Act allows multiemployer pension funds to be administered by a joint labor-management board of trustees so long as both sides are equally represented; both sides equally represented is what we should be talking about here.

I know the nature of the gentleman from Ohio. He is not trying to hurt anybody. I am going to support his substitute. I do not know if that substitute is going to pass. I doubt it from the position taken by the majority party here.

But let me say this: All the Democrats think the White House is just going to carry the banner of all these labor practices. We still do not have a striker-replacement law, and we had a Democrat House, a Democrat Senate, and Democrat in the White House. Now we are doing it through Executive order. Come on now, this is JIMMY from Ohio. After NAFTA and GATT, this is going to be put on the table in the negotiation process. If not this, support my amendment. We should be considering improving this bill in the event that all of these well-wishing, big Democrats over at the White House just decide to make another damn deal with the American workers.

Mr. VISCLOSKY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the Sawyer substitute and in strong opposition to the TEAM Act, H.R. 743.

The Sawyer substitute specifically clarifies that the National Labor Relations Act allows the creation of workplace teams to improve competitiveness. The substitute ensures that employers will be able to get full, cooperative benefit from the ingenuity and skill of employees so that—together—both will prosper.

The fundamental difference between the Sawyer substitute and the TEAM Act has nothing to do with the legality of employee involvement programs and labor-management cooperative efforts affecting company performance and productivity. Under the Sawyer substitute, employee representatives must be independent of the employer and cannot be dominated by the employer during discussions on terms and conditions of employment. This is an important difference and my colleague from Ohio, Mr. SAWYER should be commended for his excellent amendment.

Predictably, the TEAM Act is just the latest assault on the rights of men and women across the Nation, who work hard and play by the rules. It would allow employers to handpick and control employees to represent other employees in discussions over terms and conditions of employment. This legislation flies directly in the face of the problems middle-class Americans face every day to make ends meet, educate their children, afford health care, and pay the mortgage.

The American people are angry because in spite of being proud citizens of the world's only superpower, they are working harder, longer, and better for less money while the national economy continues to grow all around them. For people in the northwest Indiana district I represent, this means a 20-percent decrease in wages. It just doesn't make any sense that people are getting paid less to produce more. Instead of addressing this very real problem, the TEAM Act takes another swipe at the American worker.

Robert Kuttner lists the essential facts that every Member of this body should pay close attention to.

Productivity is rising, but the median wage is declining. Between 1989 and 1993, productivity per hour rose about 1.2 percent a year, while the median wage declined about 1 percent a year. In 1995, productivity has been increasing at about twice the rate of pay and benefits to workers.

In 1979, median household income was $38,250. In 1993, adjusted for inflation, it was $36,250. During the same period, the economy grew by 35 percent.

It's clear that the typical American family—the backbone of our Nation—has been passed over by the wave of economic growth and wealth they worked so hard to create. This is a crisis that threatens the American way of life.

The falling living standards of the typical American family is mirrored by a decline in union membership. Since 1978, the absolute number of union members has been falling. Today, union members represent only 15.5 percent of the work force.

I know there are people in this Chamber who see organized labor as an inconvenient hurdle to the creation of wealth. You're wrong. Unions want wealth created and have fought to ensure that workers share in the prosperity they create. Unions have boosted wages, improved working conditions, and improved the quality of life for every American—whether they belong to a union or not. Without unions the American middle class we all talk so much about would be smaller and poorer.

The TEAM Act is a direct assault on unions and organized labor's ability to bargain collectively. Workers and unions want their companies to profit and grow so that they can continue to share in the wealth. It is preposterous to claim otherwise.

If you think the American workers are overpaid, defeat Sawyer, vote for TEAM, and deal another ace to the employer's stacked hand.

I urge my colleagues to pass Sawyer and support America's working families.

Mr. CLAY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to support the substitute offered by my colleague, Mr. SAWYER. While I question the need for this legislation, the Sawyer substitute is a sensible alternative that respects workplace democracy and genuine collective bargaining. It helps to clarify the legitimacy of employee involvement programs.

Supporters of this TEAM Act claim that existing law restricts the ability of employers to delegate decisions affecting matters such as productivity and quality to their employees. And yet, they cannot cite a single ruling that section 8(a)(2) imposes such limitations. That's because no such administrative or judicial interpretation exists. Nevertheless, to remove even the slightest doubt as to what is permissible under section 8(a)(2), the Sawyer substitute expressly provides that employers may delegate such decisions to their employees.

This bill's supporters claim that section 8(a)(2) discourages employers from forming new employee involvement programs. But the they contradict themselves by admitting that more than 80 percent of large employers and tens of thousands of small employers develop new employee involvement programs every day. Obviously, those conflicting propositions cannot both be true.

Mr. Chairman, H.R. 743 is not some benign proposal designed simply to encourage methods of work organization in which teams of employees develop new methods and ideas for improving the workplace. This misnamed bill has nothing to do with teamwork or genuine employee involvement in decisions affecting productivity and quality. This bill stands for employer domination and dominion over the workplace.

Finally, Mr. Chairman, this bill's supporters claim that the Sawyer substitute is fundamentally flawed because it does not allow employers to create, mold, and terminate employee organizations to deal with wages, benefits, and working conditions. Do they mean to suggest that the interests of employers and the interests of workers, as they relate to wages, benefits, and working conditions, are identical? Our labor laws have long recognized that those interests conflict. The fundamental purpose of section 8(a)(2) is to allow all employees—union and nonunion—to speak for themselves, free from employer domination. The Sawyer substitute acknowledges that purpose.

Mr. Chairman, in closing, I commend my colleague, Mr. SAWYER for crafting this sensible alternative to what is otherwise a bad bill. This substitute encourages employee involvement programs without trampling on the fundamental rights of workers. I urge my colleagues to support this substitute.

Mr. Chairman, I yield to the gentleman from Ohio [Mr. SAWYER].

Mr. SAWYER. Mr. Chairman, I thank the gentleman from Missouri for yielding to me.

I just want to take these few brief moments in closing to thank the chairman of the committee, the gentleman from Pennsylvania [Mr. GOODLING], to thank both the gentleman from Missouri and the gentleman from Illinois and particularly to thank the gentleman from Wisconsin for his work on this measure.

There are some on this side who disagree with what the gentleman has done in his proposal. But I think few disagree with what we are confident are the sound intentions of broadening employee involvement in the American workplace.

☐ 1445

I thank him for his kind words to essentially the same effect on my behalf.

In the end let me just mention three basic ideas. Some think that the law needs to be changed, and some have suggested that it does not. But I would suggest that, if it does need to be changed, it is because employers, not employees, employers, have sensed an uncertainty in the interpretation of a 60-year-old law in a new setting and a new environment. Any need to change arises from that uncertainty, and so it is the goal of the Sawyer amendment to end any conceivable uncertainty by creating safe havens that make it absolutely sure that employers can establish, assist, maintain, and participate in any employee-involvement program for the purpose of improving design, quality, or methods of producing, distributing, or selling a product or service, and additional discussion of related terms and conditions of employment are not in evidence of a violation of 8(a)(2), and it does so by creating broad descriptions of the full range of circumstances in which that kind of employee-employer discussion can take place and not limit them in arbitrary ways.

While there may be disagreement about that, I can express that as the clear goal, and to move beyond some of the hidebound language of the last 60 years, and to use terminology describing those that are quite straightforward, are grounded in common sense in straightforward dictionary meanings, not arcane or esoteric terms. Many of the terms are easily understood. Employee-managed work units, discussed, work responsibilities, design quality production issues are clearly understood. I would admit that some of these words might require interpretation and over time acquire interpretation, and I suspect that those are terms like isolated occasions indirectly related, but that is important in evolving new law and not simply returning to the old.

In the end, Mr. Chairman, let me just suggest that the fundamental difference between Sawyer and the TEAM Act, as it was originally introduced, is that under TEAM employers control who speaks for workers; under Sawyer, nonunion employer representatives are responsible for those whom they represent. Under TEAM employees have a protected right to speak for themselves only if they form a union, and Sawyer protects the basic democratic right of nonunion workers to represent themselves.

In the end, Mr. Chairman, just let me simply add we probably crossed the Udall threshold. Everything that has been said, that needs to be said, has been said, and finally, perhaps, everyone has said it.

Mr. WELDON of Florida. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the original TEAM Act language and in opposition to the proposal of the substitute offered by the gentleman from Ohio [Mr. SAWYER].

One of the things that has really hit home to me over recent years is things change. Things are always changing, and all aspects of our society are in a constant state of dynamic flux, and growth, and development, and one of those areas is in the area of employer-employee relations.

The model of employer-employee relations that existed, that grew out of labor disputes that occurred in the 1930's in this country, is no longer applicable. We have competitors on the international scene today who do not have unions in their country, but have very, very robust work forces, and we have to, as a Nation, evolve and develop methods of competing on that international landscape within the constraints of what our system is like here in the United States, and I think the original language of H.R. 743 meets that requirement in that it allows these teams to develop in the workplace that allow employees to get together, and set some standards and enable the operation that they are working in to be as efficient as possible, and I spoke on this floor this morning about a particular instance which I think is really a hallmark of how successful this can be, and I talked about a company, a major corporation in the United States, that had an employee that was accounting for 73 percent of the defects within their organization, and he was clearly the most affected one, and in the old model he probably would have been fired. But this company set up a team, and they developed ways to help him to be more efficient and to deal with the problem of the large number of defective products that he was producing in their operation, and the amazing end of the story is this guy ended up working with his employees and adjusting the work environment to ending up being their most successful employee in the organization, and it clearly shows that this act is worker-friendly, it helps our businesses to be as competitive and effective as they possibly can be, and it also, when we look at the case of Joe, how he was able to be the best that he could be.

I think this is an act for the 1990's. It is the kind of legislation that we need to help us move into the next century and continue to be the world's most productive nation in the world, and with that I again reiterate my support for the original language.

The CHAIRMAN. The question is on the amendment in the nature of a substitute offered by the gentleman from Ohio [Mr. SAWYER].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. SAWYER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 204, noes 221, not voting 9, as follows:

[Roll No. 688]

AYES—204

Abercrombie
Ackerman
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Beilenson
Bentsen
Berman
Bevill
Bishop
Boehlert
Bonior
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Cardin
Chabot
Chapman
Clay
Clayton
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Condit
Conyers
Costello
Coyne
Cramer
Danner
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Doyle
Duncan
Durbin
Edwards
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Flake
Foglietta
Forbes
Ford
Fox
Frank (MA)
Frisa
Frost
Furse
Gejdenson
Gephardt
Gibbons
Gonzalez
Gordon
Green
Gutierrez
Hall (OH)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hoke
Holden
Houghton
Hoyer
Jackson-Lee
Jacobs
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
King
Kleczka
Klink
LaFalce
Lantos
Levin
Lewis (GA)
LoBiondo
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McDermott
McHale
McHugh
McKinney
McNulty
Meehan
Meek
Metcalf
Mfume
Miller (CA)
Mineta
Minge
Mink
Mollohan
Moran
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Pastor
Payne (NJ)
Pelosi
Peterson (FL)
Peterson (MN)
Pickett
Pomeroy
Poshard
Quinn
Rahall
Rangel
Reed
Regula
Richardson
Rivers
Roemer
Rose
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Scott
Serrano
Sisisky
Skaggs
Skelton
Slaughter
Smith (NJ)
Spratt
Stark
Stockman
Stokes
Studds
Stupak
Tejeda
Thompson
Thornton
Thurman
Torres
Torricelli
Towns
Traficant
Velazquez
Vento
Visclosky
Walsh
Ward
Waters
Watt (NC)
Waxman
Weldon (PA)
Williams
Wilson
Wise
Woolsey
Wyden
Wynn
Yates
Young (AK)

NOES—221

Allard
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilirakis
Bliley
Blute
Boehner
Bonilla
Bono
Brownback
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Castle
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Diaz-Balart
Dickey
Dooley
Doolittle
Dornan
Dreier
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Fowler
Franks (CT)
Franks (NJ)
Frelinghuysen
Funderburk
Gallegly
Ganske
Gekas
Geren
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Goss
Graham
Greenwood
Gunderson
Gutknecht
Hall (TX)
Hancock
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kim
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot

Lincoln
Linder
Lipinski
Livingston
Longley
Lucas
Manzullo
McCollum
McCrery
McDade
McInnis
McIntosh
McKeon
Menendez
Meyers
Mica
Miller (FL)
Molinari
Montgomery
Moorhead
Morella
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Oxley
Packard
Parker
Paxon
Payne (VA)
Petri
Pombo
Porter
Portman
Pryce
Quillen
Radanovich
Ramstad
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Skeen
Smith (MI)
Smith (TX)
Smith (WA)
Souder
Spence
Stearns
Stenholm
Stump
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Tiahrt
Torkildsen
Upton
Vucanovich
Waldholtz
Walker
Wamp
Watts (OK)
Weldon (FL)
Weller
White
Whitfield
Wicker
Wolf
Young (FL)
Zeliff
Zimmer

NOT VOTING—9

Bilbray
Bryant (TN)
Jefferson
Moakley
Reynolds
Schumer
Solomon
Tucker
Volkmer

☐ 1710

Mr. BARTLETT of Maryland and Mr. LEWIS of California changed their vote from "aye" to "no."

Mrs. CLAYTON and Messrs. GEJDENSON, HOKE, GIBBONS, FORBES, and ENGEL changed their vote from "no" to "aye."

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. Are there further amendments to section 1?

Mrs. ROUKEMA. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in strong support of the TEAM Act, and would like to commend Congressman GUNDERSON, Chairman GOODLING, and Subcommittee Chairman FAWELL for their continued efforts in bringing this bill to the floor. As a member of both the subcommittee and full committee, I can tell you that legislation aimed at increasing employer-employee cooperation has been in the works for years, and I am happy to say that today we finally have the opportunity to make this small but significant change in workplace policy.

Mr. Chairman, as I just alluded to, the TEAM Act is long overdue legislation. For 60 years, the National Labor Relations Act has played a critical and necessary role in protecting the rights of employees from being exploited by their employers. And, in 1995, it plays just as important of a role in ensuring that these rights continue to be protected, which is why employees have the ability to collectively bargain. But, times have changed, Mr. Chairman.

In this global economy, it is imperative for there to be greater dialog and interaction between employer and employee. Considering that a company's employees are closest to production, it is essential that employers have the opportunity to discuss with them circumstances which impact efficiency and productivity and that make a company better-equipped to compete in today's international market.

It is time that we recognize this, and the TEAM Act is an important step in this direction.

What the TEAM Act does is amend section 8(a)(2) of the National labor Relations Act to make employee-involvement committees legal in nonunion settings. These committees would be able to discuss issues of mutual interest such as quality and health and safety, but they could not "have, claim, or seek authority to be the exclusive bargaining representative of the employees or to negotiate or enter into collective bargaining agreements * * *"

What this means is that an employee-involvement committee cannot assume the role of a union. And, in numerous rulings over the years, the National labor Relations Board has ruled various employee involvement committees to be illegal because they violated section 8(a)(2) by seeking to be the exclusive bargaining representative.

In union settings, if an employer sought the formation of an employee-involvement committee, he would have to consult the operating union and seek its approval. So, the union has the final say and can veto the employer's request, thereby preventing the creation of such a committee. And, no one can honestly believe that a union would allow the establishment of an employee-involvement committee which could potentially undermine the union's collective bargaining powers.

Unfortunately, unions too readily assume that, if an employer is involved in setting up an employee-involvement committee, then he or she will only seek to dominate and take advantage of employees. This argument might have been 100 percent valid 60 years ago, which is why the National Labor Relations Act is so proscriptive, but it is certainly not the case today.

The bottom line is that the National Labor Relations Act is so broadly written and so widely interpreted so as to deem illegal anything that remotely resembles a labor organization. The TEAM Act seeks to reconcile this ambiguity by permitting some employer-employee cooperation in nonunion settings.

Mr. Chairman, it is time we stop assuming that an employer's main function is to control and restrict the rights of the people who work for him. Maybe 60 years ago, but not now. A tremendous amount can be gained when employers and employees work as a team. And, if we continue to prevent this increased dialog from taking place, we are placing U.S. companies and businesses at a significant competitive disadvantage as we enter the 21st century.

I urge my colleagues to support this important legislation.

The CHAIRMAN. Are there further amendments to section 1? If not, the Clerk will designate section 2.

The text of section 2 is as follows:

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) the escalating demands of global competition have compelled an increasing number of employers in the United States to make dramatic changes in workplace and employer-employee relationships;

(2) such changes involve an enhanced role for the employee in workplace decisionmaking, often referred to as "Employee Involvement", which has taken many forms, including self-managed work teams, quality-of-worklife, quality circles, and joint labor-management committees;

(3) Employee Involvement programs, which operate successfully in both unionized and nonunionized settings, have been established by over 80 percent of the largest employers in the United States and exist in an estimated 30,000 workplaces;

(4) in addition to enhancing the productivity and competitiveness of businesses in the United States, Employee Involvement programs have had a positive impact on the lives of such employees, better enabling them to reach their potential in the workforce;

(5) recognizing that foreign competitors have successfully utilized Employee Involvement techniques, the Congress has consistently joined business, labor and academic leaders in encouraging and recognizing successful Employee Involvement programs in the workplace through such incentives as the Malcolm Baldrige National Quality Award;

(6) employers who have instituted legitimate Employee Involvement programs have not done so to interfere with the collective bargaining rights guaranteed by the labor laws, as was the case in the 1930's when employers established deceptive sham "company unions" to avoid unionization; and

(7) Employee Involvement is currently threatened by legal interpretations of the prohibition against employer-dominated "company unions".

(b) PURPOSES.—The purpose of this Act is—

(1) to protect legitimate Employee Involvement programs against governmental interference;

(2) to preserve existing protections against deceptive, coercive employer practices; and

(3) to allow legitimate Employee Involvement programs, in which workers may discuss issues involving terms and conditions of employment, to continue to evolve and proliferate.

The CHAIRMAN. Are there amendments to section 2?

If not, the Clerk will designate section 3.

The text of section 3 is as follows:

SEC. 3. EMPLOYER EXCEPTION.

Section 8(a)(2) of the National Labor Relations Act is amended by striking the semicolon and inserting the following: ": Provided further, That it shall not constitute or be evidence of an unfair labor practice under this paragraph for an employer to establish, assist, maintain, or participate in any organization or entity of any kind, in which employees participate, to address matters of mutual interest, including, but not limited to, issues of quality, productivity, efficiency, and safety and health, and which does not have, claim, or seek authority to be the exclusive bargaining representative of the employees or to negotiate or enter into collective bargaining agreements with the employer or to amend existing collective bargaining agreements between the employer and any labor organization, except that in a case in which a labor organization is the representative of such employees as provided in section 9(a), this proviso shall not apply;"

AMENDMENT OFFERED BY MR. MORAN

Mr. MORAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MORAN: Page 7, line 16, strike "employees" and insert "representatives of employees, elected by a majority of employees by secret ballot,".

□ 1715

Mr. MORAN. Mr. Chairman, I had the Clerk read the entire amendment because it is so short. It is very simple: It says that if you are going to have employee representatives, those people ought to in fact be representative of the employees. The only way that you can get fair representation is through a democratic process.

Mr. Chairman, if you are going to have legitimate representatives of employee groups, then they ought to be elected. I cannot think of any other legitimate way to decide who ought to represent a group of individuals than through the democratic process. All this amendment does is to say that for employee representatives, they will be chosen through a democratic process by the employees themselves. That is all it does.

I agree that we ought to have more creativity and flexibility in the workplace to deal with the advances in technology and the globalization of our economy. The problem is that this legislation's bottom line, if it is not corrected by this amendment, will give carte blanche authority to management to create, to mold, and to in fact terminate employee organizations dealings with issues such as wages and benefits, the guts of employee-management relationships.

The amendment I offer does not affect the tens of thousands of currently existing employee involvement groups. It does not affect them at all. It does require that when groups are formed to discuss the terms and conditions of employment, that they be democratically elected, and that is the whole purpose for this bill, because currently the National Labor Relations Act precludes employee groups from being able to determine the wages and conditions of employment.

If you are going to get into that area, then the people that you negotiate with ought to be truly representative of the work force.

Employee involvement groups have been successful at developing a number of creative solutions in a flexible environment, but they have not to date dealt with wages and benefits. That issue deserves a higher level of scrutiny. This will provide that higher level of scrutiny. It will make sure that the only people who are representing the employees are not the teacher's pet types of individuals who in fact are not representative. Some of them may be; some of them, we are sure, will not be. The only way to determine if they are representative is to let the employee choose them, and that is what this amendment does.

The TEAM Act abolishes the restriction in the National Labor Relations Act that restricts these employee involvement groups to discussing the terms and conditions of employment. We are told that this is not an obstruction to anything that currently exists within the workplace on the one hand by management. We are told by labor unions that all this is is an attempt to create sham unions.

You cannot have it both ways. It will in fact be a confirmation that they are sham unions if the employee representatives are not democratically selected.

Mr. Chairman, this part of the National Labor Relations Act was enacted in 1935 specifically to abolish sham unions. They flourished in the 1920's and 1930's. They are not entirely a thing of the past now. The courts in this country see dozens of sham union cases each year.

The statute we are replacing today is the only mechanism that prevents the deliberate formation of sham unions. The National Labor Relations Board former chairman, Edward Miller, now an attorney representing management interests, recognized this. He said, "If this section were repealed, I have no doubt in not too many months or years sham company unions would again occur. As the Congress proceeds to change labor law in such a profound fashion, we should not deprive workers of the basic right of choosing their own representatives."

My amendment allows employee involvement groups to discuss these conditions. It guarantees fairness by requiring democratic elections. It is a simple amendment. It makes common sense. I think it is the only way that Members in good conscience should support the kind of bill we are considering today.

Mr. WELDON of Florida. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I think one of the mistakes this body has made for a very long time is that they do not look at what is going on out there in the marketplace. They make a decision as to what they think would be best, and then try to force that decision on the marketplace.

I know in my particular circumstances, in my district I have a very large employer that has a very long track record of having a very successful experience with teams. They have many different divisions and they have many different departments within each division. In most of these places they have teams. In some of the offices, the teams are actually elected, and some of them they are not, they are decided by acclamation.

I think it would be a mistake for us to come along and say in this TEAM Act that you have to do it the way we think it is done best. In our legislation, we do not mandate it, and I personally believe it would be a mistake in this particular circumstance to make a change like this.

I think the businesses that are working with this concept have devised a variety of different ways to make it work most successfully within the teams. The whole concept of this is that you get away from an adversarial environment where everybody is kind of coming together and everybody is giving their input into the process. Usually it is extremely democratic. If it is not, you do not get the level of satisfaction, the high level of satisfaction and the high level of morale that these teams have shown repeatedly in business after business that it works so well in.

For us here in Washington to say no, no, no, you have got to do it a certain way, I think it would be in my opinion a real mistake. The teams that are working in the businesses in my district, it is very, very democratic. In some instances it is by election, in some instances it is the whole department working together as a team. So to have an election is kind of ludicrous, where everybody in the office is taking part in the decisionmaking process.

So I respectfully rise in opposition to my good colleague's amendment, and I would encourage my colleagues to vote against the Moran amendment.

Mr. MORAN. Mr. Chairman, will the gentleman yield?

Mr. WELDON of Florida. I yield to the gentleman from Virginia.

Mr. MORAN. Mr. Chairman, I would like to ask the gentleman, since he has emphasized the point that most of these teams are in fact democratically elected, what is wrong with ensuring that they all be democratically elected? Apparently, it would not change most of the structure of these team units.

Mr. WELDON of Florida. Mr. Chairman, reclaiming my time, the point is basically this. In some of the teams it is everybody. So the point of having an election is unnecessary. In some of the teams it is by acclamation. To have the NLRB making sure that all of these teams are elected, considering how politicized the NLRB is, I think would be a very, very big mistake.

We have businesses that are thriving using this technique. They are becoming more and more competitive. The business I am referring to would have had to have laid 1,000 people off, more than they ended up having to lay off because of the defense cutbacks, were it not for the fact they were able to dramatically expand their international sales. One of the ways they have been able to maintain a high level of productivity and efficiency is through the implementation of these team concepts.

For us to interject another regulation and another level of Federal bureaucracy into the process I think would be a grave mistake. I understand the good gentleman's legitimate concern to make sure it is a Democratic process, but I respectfully rise in opposition.

Mr. MORAN. Mr. Chairman, if the gentleman would yield further, I would inform the gentleman there is no mention of a Federal bureaucracy in the amendment. The amendment simply says that they would be representatives of employees elected by a majority of employees by secret ballot. A very simple amendment.

Mr. WELDON of Florida. Mr. Chairman, I agree. You know how that would be enforced, through the NLRB.

Ms. HARMAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the Moran amendment and in opposition to the bill in its present form.

The Moran amendment highlights what is wrong with this bill—the bill permits company domination of cooperative workplace organizations, including, most importantly, the selection of the members of these organizations.

Proponents of the bill insist that the Moran amendment is unnecessary—that nothing in the bill precludes the election of employee members to these organizations.

Yet nothing in the bill guarantees the democratic election of worker representatives. Without the amendment, companies can organize, hand-pick, and set the agenda for employee representation committees and then portray the committees as legitimate employee involvement. That is wrong.

If the Moran amendment is unnecessary, then this bill is unnecessary. For nothing in section 8(a)(2) of the National Labor Relations Act precludes employee involvement in workplace organizations that discuss productivity, efficiency, and safety and health. Nothing in current law and in current NLRB decisions prevents workers and management from addressing and responding to the internationally competitive business environment.

Proponents of the bill argue that the NLRB's decision in the case of Electomation, Inc. caused a "chilling effect" on employee involvement programs, yet the data indicate the contrary. In the 2½ years since the decision, employee involvement programs have continued to grow at a healthy pace, especially in small firms.

To the extent that the Electromation ruling may have clouded the law, the Sawyer amendment, which I also support, clarifies it. But, in my view, the unanimous decision in the Electromation case by a Reagan-Bush appointed NLRB and a Seventh Circuit U.S. Court of Appeals panel clearly distinguishes the facts in that case. Perhaps that is why the National Association of Manufacturers testified in September, 1994 before the Commission on the Future of Worker-Management Relations that it did not see the need for, and did not propose or support, legislative changes to section 8(a)(2).

Mr. Chairman, workplace cooperation is certainly critical to our Nation's ability to compete in the next century. But such cooperation is already possible, indeed, it is flourishing under current law. The key to the success of this cooperation is true independence and freedom of association and representation. It is anathema to our Nation's core values to suggest that company domination of such workplace organizations is the path we must follow to be competitive in the future.

Employees and employers can work together now, without Congress resorting to legislation legitimizing company dominated and controlled unions.

I urge support of the Moran amendment and defeat of the bill in its present form.

Mr. FAWELL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I also have to oppose the amendment, the concept of introducing an election into this area of voluntary employee teams. Again, I would ask that one stop and recognize that all of what is happening right now in the nonunion sector, where you have obviously all these thousands and thousands of employee teams to which reference has been made, and what we would be doing now is to introduce the concept of an election, and that in turn raises all kinds of questions.

You see, we would begin to now restrict and to regulate that which is totally, freely functioning right now. Questions would abound. How would the employer determine who is being represented and gets to vote in the secret ballot election? What management members of the team also represent the employees? If so, would they have to be elected? How long would the campaign period have to be before the election? How would the employer determine whether employees represent other employees? Would the NLRB conduct the election? If not, who would police it to make sure the ballot is truly secret and there is no coercion?

One can go on and on and on.

□ 1730

We must remember that workplaces continuously form numerous teams; some are permanent, some are just ad hoc, performing a wide variety of tasks, and of a very temporary nature. Teams can be formed to address emergency situations, such as determining scheduling and job responsibilities. Membership changes continuously.

Mr. Chairman, this introduces a morass of problems which, understandably, upon first blush, especially if one is not familiar with the National Labor Relations Act and the National Labor Relations Board, it introduces all kinds of problems. It sounds good. I know the gentleman's intentions are good, but, once again, we have a good thing going, it is flourishing, and we ought not to do harm. We should follow the Hippocratic oath and first do no harm. This would do a lot of harm.

Mr. ABERCROMBIE. Mr. Chairman, I move to strike the requisite number of words.

Mr. CLAY. Mr. Chairman, I ask unanimous consent that we limit debate on each of the amendments, including this one, to 10 minutes, to be equally divided between both sides, 5 minutes each, and permission to roll the votes.

The CHAIRMAN. The Chair would state it is not possible in the Committee of the Whole to get permission to postpone votes.

Will the gentleman from Missouri [Mr. CLAY] withhold his request until the gentleman from Hawaii has completed his statement and renew the request at that time.

The gentleman from Hawaii [Mr. ABERCROMBIE] is recognized for 5 minutes.

Mr. ABERCROMBIE. Mr. Chairman, I find this a profoundly sad day. We are talking here, and actually having people stand up on the floor of the House of Representatives, the people's House in the United States of America and saying that if the Moran amendment passes we will be introducing the concept of elections to working people with respect to who might represent their positions as to the terms and conditions of their activities in the workplace.

That is what the whole collective bargaining idea has been about. Yes, it probably is strange to some of the people in this body, I am sorry to say, that workers might have an idea about who could represent them; that the condescending patronizing idea that possibly workers know what is good for them and can organize themselves accordingly some people still find strange.

Mr. Chairman, what I find strange is I know that my mother was fired from her job for marrying my father. My mother. This is not ancient history. My mother was fired from her job teaching in Buffalo, NY, for marrying my father. And I remember her saying to me when I first got involved with organizing labor, that all she could do was go to the principal's office, then go to see the superintendent of schools and stamp her foot. There was nothing she could do. It was the depression and the assumption was that if a woman married, then it was up to the husband to provide and she lost her job. No recourse.

I do not know what team was involved there. I do not know what organization got put together by management in Buffalo, NY, during the depression.

What about all these mergers and layoffs? Is there a team put together to discuss what the compensation for Ted Turner is going to be? I know he got on television and said he was never going to starve again. Well, I am certainly very happy about that, but I do not know if any team got together to discuss it. I know that with virtually every merger that takes place in this country, thousands of people are laid off of their jobs. Has it been discussed with them? Is that a concept? Yes, in this private sector out there, which is a nonunion sector right now, I guess it does strike people strange that people might want to organize.

Let us go over what the Moran amendment says. It says that employee involvement groups that discuss the terms and conditions of employment must be elected by the employees. This is the United States of America. I do not think we would find this strange in the Solidarity movement in Poland. I think we are suggesting the same thing in Burma. I think we are suggesting the same thing all over the world and yet we want to take it away from ourselves?

Mr. Chairman, we have to vote on this. This is going to make a statement for all of us in here as to whether or not we believe that the working people of the United States of America are not only capable of making decisions about the terms and conditions of their life and their workplace, but that we, in fact, as Americans, proud Americans, free men and women, are encouraging that and supporting that. That has made the difference for labor and management in terms of freedom and democracy in this country ever since this Congress, this House of Representatives, this legislative body, this national representative body said that organizing for collective bargaining purposes was a fundamental right of working men and women in this country.

To vote against the Moran amendment is to say that we oppose free elections by free men and women with respect to the conditions of work that they want to endure or undergo. Of course they can speak with management. Will they discuss the salaries and compensation of management? Will that be part of the team effort? I doubt it. It has not been that up to this time.

Mr. Chairman, what I say is if we are in favor of men and women being able to determine the terms and conditions of their work in a cooperative setting, then allow them to elect the people who are going to represent that point of view. To do anything less is to undermine the very basis of collective bargaining in this Nation.

Miss COLLINS of Michigan. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the Moran amendment that would require that employee representatives who discuss the terms and conditions of employment with management be elected by fellow employees. The so-called TEAM Act would amend section 8(a)(2) of the National Labor Relations Act to allow employers to establish, finance, maintain, and control employee-participation committees to deal with workers regarding their wages, hours, and other conditions of employment. Mr. Chairman, it seems to me that the employees would be the best source for information when it comes down to their working conditions.

Mr. Chairman, this TEAM Act, if passed in present form, would violate the fundamental notions of democracy which underlie our Nation's system of labor relations. It seems to me that my colleagues on the other side of the aisle believe that workers must not be allowed to choose their own representatives but have them dictated by their respective company. This is a prime example of a Contract on America and its workers.

Mr. Chairman, this TEAM Act also gives unscrupulous employers a powerful weapon for undermining union organizing drives in nonunion workplaces. Whenever an employer gets wind that workers are considering joining a legitimate labor union, it would be an easy matter to establish a phony company-dominated employee-participation committee as a device for suppressing the ability of workers to have meaningful, independent representation.

Mr. Chairman, the TEAM Act is a radical piece of legislation that would allow employers to dictate to workers who will represent them in discussions concerning basic conditions of employment. By doing this, it would rob workers of their right to have their own independent voice. This in turn will inevitably undermine their ability to act collectively to maintain a middle-class standard of living.

Mr. Chairman, I urge all my colleagues to support the Moran amendment.

Mr. HOUGHTON. Mr. Chairman, I move to strike the requisite number of words and rise in opposition to the amendment. I will not speak for 5 minutes, Mr. Chairman, but I appreciate your letting me speak at all, since I have already spoken on this issue.

I would like to talk about the Moran amendment for just a minute. I have tremendous respect for the gentleman from Virginia [Mr. MORAN]. He is one of the outstanding Members of this body. The key issue here is fair representation without challenging management rights, and we do that through a secret ballot, and we do it through a secret ballot because we want to get the right people. I understand that. I understand what the gentleman is driving at.

Mr. Chairman, I happen to agree with the gentleman from Ohio [Mr. SAWYER], and I voted for his amendment, but I think this is wrong, and I tell Members why. I cannot really talk about offices too much but I can talk about factories. There are certain dynamics and culture on the factory floor which cannot be regulated this way. Therefore, I think, from a practical standpoint, it will not work. Frankly, in the long run, I do not think it will be fair.

Mr. WISE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in favor of the Moran amendment. I think it brings some balance to this bill. I have gone back and forth on this TEAM Act, and, quite frankly, I have been undecided until recently. I have listened to the arguments, and all sides bring a lot to it. In talking to people that I have a great deal of respect for, both on the management side and the union side, I have come away a little confused.

Mr. Chairman, both make powerful arguments, but I guess I started looking at some statistics and some facts and the concern was, as I understand it, the purpose of the TEAM Act is to permit nonunion operations to be able to form quality groups, to be free of what they consider to be the fetters of the National Labor Relations Act. I began looking to see what the situation is, and what I found is that nonunion companies, as well as union companies, but nonunion companies have already been free.

I look at the statistics and see that productivity in this country is at an all-time high and on a sustained basis. In fact, Business Week magazine just ran an article a few weeks ago talking about how productivity is up, profits are up, but there is a disconnect because wages are tending to go down.

Mr. Chairman, that tells me that productivity is up and so something must be occurring. I have looked at some of the companies that have come and said they need TEAM. One was in my office today. I am fascinated because they just went through a grueling restructuring in which they created new divisions. They have greatly improved their operation. They are back to being a truly world class competitor once again, and they have done it without TEAM. They have been able to form the employee consultation that they needed. They do not agree with my analysis, but yet that is the way it seems to be.

I look at other major companies. How did, for instance, Nissan in Tennessee, and how did Toyota in Ohio, and how did Motorola and others begin to be once again the economic juggernauts of industrial forces. The reality is they have been able to do it all and without TEAM.

Finally, Mr. Chairman, I looked at the National Labor Relations Board and found that since the Electromation case in 1992, which is really sort of what brought this on, I found there had been a handful, at best, of complaints filed by companies saying that they do not have this ability.

For all of those reasons, Mr. Chairman, I rise to oppose the act. But if the act is going to pass, certainly I would hope the Moran amendment would be passed to bring some balance to it.

☐ 1745

Mr. GOODLING. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. SALMON] having assumed the chair, Mr. KOLBE, Chairman of the Committee of the Whole House on the State of the Union, reported that the Committee, having had under consideration the bill (H.R. 743) to amend the National Labor Relations Act to allow labor management cooperative efforts that improve economic competitiveness in the United States to continue to thrive, and for other purposes, had come to no resolution thereon.

PROVIDING FOR FURTHER CONSIDERATION OF H.R. 743, TEAMWORK FOR EMPLOYEES AND MANAGERS ACT OF 1995

Mr. CLAY. Mr. Speaker, I have a unanimous-consent request at the desk.

The SPEAKER pro tempore (Mr. SALMON). The Clerk will report the request.

The Clerk read the following:

Mr. CLAY asks unanimous consent that during further consideration of the bill H.R. 743 in the Committee of the Whole pursuant to House Resolution 226, no further amendment shall be in order except the following—

(1) the amendment of Representative Traficant of Ohio, to be debatable for 10 minutes; and

(2) the amendment of Representative Doggett of Texas, to be debatable for 10 minutes; and

further, that each amendment—

(1) may be offered only in the order specified;

(2) may be offered only by the specified proponent or a designee;

(3) shall be considered as read;

(4) shall be debatable for the time specified, equally divided and controlled by the proponent and an opponent;

(5) shall not be subject to amendment; and

(6) shall not be subject to a demand for division of the question, and further, that the chairman of the Committee of the Whole may postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment, and that the chairman of the Committee of the Whole may reduce to not less than five minute the time for voting by electronic device on any postponed question that immediately follows another vote by electronic device without intervening business, provided that the time for voting by electronic device on the first in any series of questions shall be not less than 15 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

Mr. GOODLING. Mr. Speaker, reserving the right to object, I ask unanimous consent that we have 2½ minutes on each side to complete the amendment of the gentleman from Virginia [Mr. MORAN], because all of those Members that got up and spoke over there, after we agreed that no more would get up and speak, I told my side they could get up and speak. So now we have to give 2½ minutes to either side on the amendment of the gentleman from Virginia [Mr. MORAN].

Mr. GOODLING. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

Mr. CLAY. Mr. Speaker, reserving the right to object, nobody was listening to the speakers and I suggest that nobody is going to listen to the ones that the gentleman brings forth now.

Mr. Speaker, I have no objection to the unanimous consent request.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania to modify the unanimous-consent request of the gentleman from Missouri?

There was no objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri [Mr. CLAY], as modified?

There was no objection.

TEAMWORK FOR EMPLOYEES AND MANAGERS ACT OF 1995

The SPEAKER pro tempore (Mr. SALMON). Pursuant to House Resolution 226 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 743.

☐ 1747

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 743) to amend the National Labor Relations Act to allow labor management cooperative efforts that improve economic competitiveness in the United States to continue to thrive, and for other purposes, with Mr. KOLBE in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose earlier today, section 3 had been designated and pending was the amendment offered by the gentleman from Virginia [Mr. MORAN].

Pursuant to the order of the House of today, the Chairman of the Committee of the Whole may postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment and may reduce to not less than 5 minutes the time for voting by electronic device on any postponed question that immediately follows another vote by electronic device without intervening business, provided that the time for voting by electronic device on the first in any series of questions shall not be less than 15 minutes.

Debate on each further amendment to the bill will be debatable for 10 minutes, equally divided between the proponent and an opponent of the amendment.

Two and one-half minutes remain on each side on the Moran amendment. The gentleman from Virginia [Mr. MORAN] controls 2½ minutes and the gentleman from Pennsylvania [Mr. GOODLING] controls 2½ minutes and will be entitled to close the debate.

Mr. MORAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, there are some things that I want to emphasize in this, because some of my very good friends have spoken on this, and perhaps there may be some misunderstanding.

In the first place, this does not affect any of the teams that currently exist that enable employers to deal with employees. This only affects groups that are set up to discuss the wages and working conditions. Those specific, most profound issues that are restricted by the National Labor Relations Act. Because the Labor Relations Act says that if you are going to discuss the wages and conditions of employment, then you really need legitimate elected representatives.

Mr. Chairman, that is all this amendment does. This amendment simply says that if you are going to have people making those determinations, the most important determinations in terms of the work force, then those representatives of the employees ought to be democratically elected by the employees.

It does not go into a lot of rigamarole on how it might occur. I am sure there might be many ways of doing it, but it has to be a secret ballot and that is all that we ask. We do not tie it to any Federal bureaucracy. But I know that this is an aspect of fairness that not only legitimizes this bill, if it were to pass, but legitimizes the labor-management relationship within the work force.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. GOODLING] is recognized for 2½ minutes.

Mr. GOODLING. Mr. Chairman, I yield such time as he may consume to the gentleman from Missouri [Mr. TALENT].

Mr. TALENT. Mr. Chairman, let me describe why this amendment is not going to work and why it reflects the mentality that simply does not reflect what is going on in the workplace today.

Let us take again a real-life example; not something that is going on in the Congress. People in the workshop are upset. They have been working a lot of overtime and maybe they do not like that. They have been complaining to the supervisor.

No union is present and no organizing. The supervisor goes to the plant manager. What can the plant manager do? The other side has admitted that there is a problem. That the plant manager cannot just form some kind of a team under current law to examine it; that it would be illegal under current law. So what can the plant manager do?

Mr. Chairman, he can just say, "Forget it. I am going to make the decision myself. We are going to continue working the way we are." What we want to say is let him do what people are already trying to do in thousands of places around the country. Say, "Okay. You talk to the people involved in it. Make sure you talk to Bill and Fred. Get them together and come up with a solution."

Mr. Chairman, what the amendment would say, before he can do that he has got to have an election with a secret ballot. What unit are you going to use? Just the craft unit in the plant? Are you going to use the whole unit? What day are you going to have the election? How many weeks are they going to have beforehand? What is the nominating process? How are they going to conduct the secret ballot?

Mr. Chairman, it is going to take months to resolve something that people in the real world outside of Government need to get resolved quickly. The effect of this amendment, or the defeat of this bill, would be to say, in effect, management must act dictatorially unless the employees choose the union.

Mr. Chairman, why do we want to force that in the workplaces on the employees and the employees in the United States? If people have a representative who will go in and collectively bargain and want a secret ballot and they want the months and months of campaigning, there is a method to get that. Under current law, it is called a union. If that is what they want, they can have it.

Mr. Chairman, we should not foreclose this expeditious means of getting people involved in decisions that are going to have to be made dictatorially by management. There is a problem. We have established consensus. This is a narrowly tailored bill to achieve it. The amendment, although offered in good faith, and I respect the work of the gentleman from Virginia [Mr. MORAN], is unworkable. Defeat the amendment and pass the bill.

The CHAIRMAN. All time on this amendment has expired.

The question is on the amendment offered by the gentleman from Virginia [Mr. MORAN].

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. GOODLING. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to the order of the House of today, further proceedings on the amendment offered by the gentleman from Virginia [Mr. MORAN], will be postponed.

AMENDMENT OFFERED BY MR. TRAFICANT

Mr. TRAFICANT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TRAFICANT: Page 7, line 16, strike "employees" and insert "who participate to at least the same extent practicable as representatives of management,".

The CHAIRMAN. Pursuant to the unanimous-consent request, the gentleman from Ohio [Mr. TRAFICANT] will be recognized for 5 minutes, and the gentleman from Pennsylvania [Mr. GOODLING] will be recognized for 5 minutes.

The Chair recognizes the gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the amendment basically says, page 7, line 16, after "employees," insert, "who participate to at least the same extent practicable as representatives of management."

Mr. Chairman, this amendment is predicated on legal precedents of law now. Section 302 of the 1947 Taft-Hartley Act allows multi-employer pension funds in this case to be administered by a joint labor management board of trustees.

The key language in this legislation foundation is so long as both sides are equally represented. The statutory requirement ensures that equality is not illusory, but real. This does not micromanage business and it would offer some basic protections as it deals with fairness.

Now, there have been some attempts to reach common ground on this language, but I believe the language is, in fact, a basic, commonsense fairness provision.

Mr. GUNDERSON. Mr. Chairman, will the gentleman yield?

Mr. TRAFICANT. I yield to the gentleman from Wisconsin.

Mr. GUNDERSON. Mr. Chairman, I want to compliment the gentleman for his effort in trying to work something out here. Let us clarify. I ask the gentleman whether I understand the amendment correctly. What the gentleman from Ohio is saying is that to the extent practicable, a team ought to have the same number of employers as employees?

Mr. TRAFICANT. Mr. Chairman, reclaiming my time, to the greatest extent practicable all those matters of representation should be on an equal footing. I have left the language open in the event that there are some other mitigating factors which might cause some confusion.

Mr. GUNDERSON. Mr. Chairman, if the gentleman would yield further, and in our previous discussions that the gentleman and I had before he brought the amendment up, in a situation, for example, in a small business where I happen to be the employer and I happen to have 30 employees, that does not mean that we would limit the team to 1 employee.

Mr. TRAFICANT. Mr. Chairman, reclaiming my time, no, it would not. To the greatest extent practicable, fairness, and where it can be reached, equality in reaching these cooperative provisions that the bill espouses. Where they can be obtained, to the greatest extent practicable that shall be the benchmark and the guiding mark.

Mr. GUNDERSON. Mr. Chairman, I appreciate the gentleman's clarification.

Mr. TRAFICANT. Mr. Chairman, let me say this. Democrats are looking for some sinister side to this. The Republicans are not; they are saying it is all well-intentioned. Frankly, I do not know. All I know is this. If we are going to have these teams, there has been a statutory benchmark that says, Look, when we have joint employer-employee groups, the key legislative legal language is "fair and equal representation." Everybody having the same input as possible.

Now, I would be willing to work out anything that would reach the intent of that language, but I do not believe that there is much of a difference in the positions that we have discussed.

□ 1800

I believe the language is self-explanatory to the greatest extent practicable, but it ensures that fairness provision, as listed in section 302 of the Taft-Hartley Act, which speaks to participatory committees.

Mr. GUNDERSON. Mr. Chairman, if the gentleman will continue to yield, who defines whether it is practicable?

Mr. FAWELL. Mr. Chairman, will the gentleman yield?

Mr. TRAFICANT. I yield to the gentleman from Illinois.

Mr. FAWELL. Mr. Chairman, the question that I have here, and I am not trying to be difficult, basically, as I understand the gentleman's amendment, section 3 would read that, it shall not constitute or be evidence of an unfair labor practice under this paragraph for an employer to establish, assist, maintain or participate in any organization or entity of any kind in which employees participate.

The CHAIRMAN. The time of the gentleman from Ohio [Mr. TRAFICANT] has expired.

Mr. GOODLING. Mr. Chairman, I yield 1 minute to the gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. Mr. Chairman, I yield to the gentleman from Illinois [Mr. FAWELL].

Mr. FAWELL. Mr. Chairman, in which employees participate to at least the same extent practicable as representatives of management.

My question is, how do we determine whether or not the employees are participating to the same extent as representatives of management? It is not just a case of numbers. Now you are talking about a very subjective question of, are the employees participating to the same extent as are representatives of management. I do not know how that can be. I can see it being the formation of an awful lot of lawsuits.

Mr. TRAFICANT. Mr. Chairman, reclaiming my time, the existing language that deals with participatory committees under a labor setting is as long as both sides are equally represented. Now, I leave it open and broad enough, and to answer the gentleman from Wisconsin, that could be determined by the committee itself, those equally represented groups there, as to how and what in fact it is. It does not have to entail a big legal process. That would be my legislative intent.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. GOODLING] has 4 minutes remaining.

Mr. GOODLING. Mr. Chairman, I yield 3 minutes to the gentleman from Missouri [Mr. TALENT].

Mr. TALENT. Mr. Chairman, I wonder if the gentleman would answer a question. I can explain the problem I have got with his amendment. I see what the gentleman is driving at, but I want to explore why the gentleman thinks it is necessary, if I could.

Again, we are talking about real life problems that arise in the workplace. If the workplace is organized, if there is a union representing the employees, this bill does not apply. So we are talking about unorganized workplaces. So there is no union present.

Now, where there is no union present, without this bill, there is no question that management can decide these issues on its own without talking to anybody, can just say, we are going to change the scheduling and we are not going to change it. We do not care what people think. They just decide it on their own and do it. And that is perfectly legal.

So the question I have to ask the gentleman is, if a manager who decided on his own wants to say, well, look to the supervisor Joe, Joe, you and Fred go talk to Jane. So now there is two supervisors and Jane. What is wrong with allowing management to sample some employee opinion? Why do we have to require that they have some kind of equality when all that may result is management making the decision dictatorially.

Mr. TRAFICANT. Mr. Chairman, will the gentleman yield?

Mr. TALENT. I yield to the gentleman from Ohio.

Mr. TRAFICANT. Mr. Chairman, I am going to try to give as brief an answer as I can. I understand the gentleman's position. I accept it 101 percent. But if we also take that a step further, is it not the intent of this legislation to provide for those nonunion workplaces an opportunity for team coordination and cooperation to move the company forward?

With that in mind, every existing statute that covers participatory employer/employee groups has one basic bit of language, and it talks about equal opportunities within that group for both management and labor.

The Traficant amendment basically says to the greatest extent practicable that each side should have an equal opportunity to address those issues and have their say.

Mr. TALENT. Mr. Chairman, I would just say to the gentleman, I am not aware of every statute that says some kind of an equal participatory requirement. I mean, there is right now, what the statute provides is either management doing it entirely on its own without the participation of employees at all or a union being certified which is exclusively employees. So it seems to me the gentleman is trying to introduce a new concept. I do not know that it makes that much practical difference, but I think it is based on a misconception of what is going on out there again and what the act is designed to do.

So I thank the gentleman for offering it. I know it is in good faith, but I do not know that it is workable.

Mr. GOODLING. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I need to have the gentleman make a change. Where he says strike and insert, and then he has to put employees back in before we go to who, "employees who participate."

Mr. TRAFICANT. Mr. Chairman, will the gentleman yield?

Mr. GOODLING. I yield to the gentleman from Ohio.

MODIFICATION OF AMENDMENT OFFERED BY MR. TRAFICANT

Mr. TRAFICANT. Mr. Chairman, I ask unanimous consent that page 7, line 16, "employees" would be listed there before "who participate to at least the same extent practicable as representatives of management."

The CHAIRMAN. The Clerk will report the amendment, as modified.

The Clerk read as follows:

> Amendment, as modified, offered by Mr. TRAFICANT:
>
> Page 7, line 16, strike "employees" and insert "who participate to at least the same extent practicable as representatives of management.".

Mr. GOODLING. Mr. Chairman, we accept the gentleman's amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. GOODLING. I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment, as modified, offered by the gentleman from Ohio [Mr. TRAFICANT].

The amendment, as modified, was agreed to.

AMENDMENT OFFERED BY MR. DOGGETT

Mr. DOGGETT. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

> Amendment offered by Mr. DOGGETT:
>
> Page 7, beginning on line 23, strike "in a case in which" and all that follows through page 8, line 2, and insert the following:
>
> "this proviso shall not apply in a case in which—
>
> (1) a labor organization is the representative of such employees as provided in section 9(a), or
>
> (2) the employer creates or alters the work unit or committee during organizational or other concerted activities for the purpose of collective bargaining or other mutual aid or protection among such employees or seeks to discourage employees from exercising their rights under section 7 of the Act;".

The CHAIRMAN. Pursuant to the unanimous-consent agreement of today, the gentleman from Texas [Mr. DOGGETT] and the gentleman from Pennsylvania [Mr. GOODLING] will each be recognized for 5 minutes.

The Chair recognizes the gentleman from Texas [Mr. DOGGETT].

Mr. DOGGETT. Mr. Chairman, I yield myself such time as I may consume.

Early in the consideration of this legislation, I met with employers in Austin, TX, folks like 3M and Texas Instruments, Motorola, IBM. I have personally seen teams at work in those kind of manufacturing plants that are vital to consistently maintaining our unemployment in central Texas below 4 percent. I personally believe in the team concept. It is already in abundant use in my area, and it is helping to keep American firms competitive in the international marketplace.

Used appropriately, teams represent a process through which every employee is offered an opportunity to contribute to the maximum of that employee's potential. This approach represents one way for us to continue outperforming other countries.

Some of these employers apparently fear, because of one case, that there is the possibility of being involved in litigation with unscrupulous employees for doing what they are already doing, for doing what is occurring at the very moment that we are debating this bill down in Austin, TX and in progressive workplaces across America.

I do not have any personal problem with clarifying and protecting those employers under H.R. 743. But I think if we are going to protect the employer, we should also offer protection for the employee.

My amendment is targeted to do just that. Just as there could be an unscrupulous employee stirring up litigation, so there could be an unscrupulous employer. My amendment is an attempt to reap the benefits of the TEAM Act without allowing abuse of the employee.

It would simply make clear in a much more narrow way than my colleague, the gentleman from Ohio [Mr. SAWYER], attempted to do earlier that the TEAM Act itself is there, but it would be unfair for an employer to use a team to thwart an organizing drive. It says that the employer cannot create or alter a team during organizational or other concerted activities among employees.

In other words, an employer cannot start a team or stack a team to thwart an organizing drive. And it is entirely neutral on whether people should be organized. Just as with the sponsors of this act, I do not take a position one way or another as to whether people should be in unions. That is up to them. We just should not have another tool in that process that could thwart their choice to belong to a union.

The business leaders that I have talked to in Texas have said they are not out to create company unions or to thwart union drives through this legislation. So my amendment is consistent with what they say they need as well as with what they say they do not need.

Since our colleagues who are offering the TEAM Act say they also have no intention of interfering in union organization, I would say, let us just spell it out in the bill. That is what this amendment does.

I know that achieving moderation in this Congress when the issue is employer-employee relations, labor-management relations, is not an easy task. But that is what we ought to do here tonight. I personally voted today for the resolution that permitted the consideration of H.R. 743. I want to support the TEAM Act and vote for this bill. But let us be sure that we have provided protection for those employees who want the right to organize and that they do not get teamed up on.

Let us pass this amendment, because with it we can protect employees while giving employers the flexibility that the sponsors say they need and which I believe they need to compete globally.

Mr. Chairman, I reserve the balance of my time.

Mr. GOODLING. Mr. Chairman, I yield myself 1½ minutes.

Mr. Chairman, first of all I want to make sure that everybody understands that if an employer uses a team or committee to interfere with the right of employees to organize, that is prohibited by law and the TEAM Act would not change that in any way. All the protections in the National Labor Relations Act safeguarding the rights of employees to organize and form unions remains unaffected by the TEAM Act. Employers are still prohibited from interfering with the employees' ability to organize under section 8(a)(1) and are prohibited under section 8(a)(3) from discriminating against employees on the basis of union activity.

Prohibiting the creation of a team or alteration of a work unit during organizational activity would potentially call into question every team used because there is no way of ensuring that employers will be on notice that such activity is taking place in the workplace.

Is a discussion between two employees about the benefits of a union organization an activity, an organizational activity? What about offsite meetings between the local and several employees? Prohibiting the same activity during concerted activities makes matters even worse, as that concept is extremely broad under the National Labor Relations Act. Indeed, it can cover any time two employees are talking about a term or a condition of employment.

So the amendment would really cause all sorts of confusion and I suppose all sorts of litigation also.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The gentleman from Texas [Mr. DOGGETT] has 1½ minutes remaining.

Mr. GOODLING. Mr. Chairman, I yield 1 minute to the gentleman from Illinois [Mr. FAWELL].

Mr. FAWELL. Mr. Chairman, I rise in opposition. An employer cannot use a team or committee to interfere with the employees ability to organize or engage in other concerted activities for mutual aid or protection. Interestingly enough, this is set forth right in section (a)(1) which makes it an unfair labor practice for employers to interfere with, to restrain, or coerce employees in the exercise of their rights guaranteed by section 7 of the National Labor Relations Act or to organize or bargain collectively through representatives of their own choosing. That remains untouched by this act.

In a recent case, it was found that an employer's promise, the day before a union election, to establish a communications committee to deal with employee grievances was a violation in fact of section 8(a)(1), because it was used as an inducement to persuade employees to vote against the union.

Again, I just urge Members not to start filling in all of these various types of laws in this bill. It is already taken care of.

Mr. DOGGETT. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, as I hear the arguments against the amendment, they seem to boil down to that it is already against the law to do what I want to accomplish through this amendment and, on the other hand, that the amendment is too broad to do what is already in the law. If it is already in the law and there is no intent to use the TEAM Act in order to thwart organizing drives, then why not put it in again and clarify it and assure those who have been concerned that that is the purpose of this act that in fact we are prohibiting it.

As far as whether the second argument, that the amendment is too broad, I have drawn it directly from section 7 of the act and have not included any new terms of art but have relied on those terms that are already in as codified 29 U.S.C. 157, where we already have a body of court law concerning what these terms mean.

As to the final point, which I wonder if offered almost frivolously, that perhaps the employer would not know when employees were engaged in an organizing drive, I guarantee my colleagues that any of the Texas employers that I know, they are going to know if there is an organizing drive going on in their plant.

This is a narrow amendment. It does not use the categories, nor is it subject to the kind of objections that were raised to the amendment which I thought was a good one, of my colleague, the gentleman from Ohio [Mr. SAWYER].

It is designed only to assure employees that they are not going to be teamed up on. If we do that, then I can certainly join this bill. I think the bill is basically a good concept. I want to support the bill. I want to see a bill that can be signed by the President into law and one that is equally fair to employer and employee.

Mr. GOODLING. Mr. Chairman, I yield the balance of my time to the gentleman from Wisconsin [Mr. GUNDERSON].

The CHAIRMAN. The gentleman from Wisconsin [Mr. GUNDERSON] is recognized for 2½ minutes.

□ 1815

Mr. GUNDERSON. Mr. Chairman, I certainly do not question the intent of our colleague from Texas. The concern I have is that section 7 of the act, which he took it from, talks about interfering. The problem with the amendment is that it says, if this happens at the same time, whether there is interference or not, then there is an automatic violation, and that becomes a problem when we look at our paren 2 where the employer alters the work unit. The gentleman and I know that simply any kind of change of the work force or the change of the production line alters the word unit. Now my colleague would say he has got that during an organizational or other concerted activity for the purpose of collective bargaining, or mutual aid, or protection among the employees. So, if we are altering the work unit, changing the production line for the mutual aid or protection of the employees making the place safer for the work force, if that were happening at the same time the TEAM were in effect, it would not have to be interference, but if it is happening at the same time, it becomes a problem.

I have to tell my colleague I think most people on this side of the aisle do not want TEAM to become an excuse and tactic to prevent organization, and if during this process, as we move through the Senate and conference, if we can talk this out, I think some of us want to work with the gentleman on that. Our concern is that the language the gentleman has seems to go beyond that, and we have some concerns, so that is why I would encourage my colleagues not to support the amendment at this time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. DOGGETT].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. DOGGETT. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to the order of the House of today, further proceedings on the amendment offered by the gentleman from Texas [Mr. DOGGETT] will be postponed.

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The CHAIRMAN. Pursuant to the order of the House of today, proceedings will now resume on those amendments on which further proceedings were postponed in the following order: The amendment offered by the gentleman from Virginia [Mr. MORAN]; the amendment offered by the gentleman from Texas [Mr. DOGGETT].

AMENDMENT OFFERED BY MR. MORAN

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Virginia [Mr. MORAN] on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will designate the amendment.

The Clerk designated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. Pursuant to the order of the House of today, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device will be taken on the additional amendment on which the Chair has postponed further proceedings.

PARLIAMENTARY INQUIRY

Mr. DOGGETT. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. DOGGETT. Mr. Chairman, is it necessary to ask for a recorded vote again?

The CHAIRMAN. At the appropriate time Members will be asked to stand for a recorded vote.

The vote was taken by electronic device, and there were—ayes 195, noes 228, not voting 11, as follows:

[Roll No. 689]

AYES—195

Abercrombie
Ackerman
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Beilenson
Bentsen
Berman
Bevill
Bishop
Bonior
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Bunn
Cardin
Chabot
Chapman
Clay
Clayton
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Condit
Conyers
Costello
Coyne
Cramer
Danner
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Diaz-Balart
Dicks
Dingell
Dixon
Doyle
Duncan
Durbin
Edwards
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Flake
Flanagan
Foglietta
Ford
Frank (MA)
Franks (NJ)
Frost
Furse
Gejdenson
Gephardt
Gibbons
Gilman
Gonzalez
Gordon
Green
Gutierrez
Hall (OH)
Hamilton
Harman
Hastings (FL)
Hayes
Hefner
Hilliard
Hinchey
Holden
Horn
Hoyer
Jackson-Lee
Jacobs
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kleczka
Klink
LaFalce
Lantos
Levin
Lewis (GA)
Lincoln
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Mascara
Matsui
McCarthy
McDermott
McHale
McKinney
McNulty
Meehan
Meek
Metcalf
Mfume
Miller (CA)
Mineta
Minge
Mink
Mollohan
Moran
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Pastor
Payne (NJ)
Pelosi
Peterson (FL)
Peterson (MN)
Pomeroy
Poshard
Rahall
Rangel
Reed
Richardson
Rivers
Roemer
Rose
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Scott
Serrano
Skaggs
Slaughter
Smith (NJ)
Smith (WA)
Spratt
Stark
Stockman
Stokes
Studds
Stupak
Tanner
Tejeda
Thompson
Thurman
Torricelli
Towns
Traficant
Velazquez
Vento
Visclosky
Ward
Waters
Watt (NC)
Waxman
Weldon (PA)
Whitfield
Williams
Wilson
Wise
Woolsey
Wyden
Wynn
Yates
Young (AK)
Zimmer

NOES—228

Allard
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Brownback
Bryant (TN)
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Castle
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Dickey
Doggett
Dooley
Doolittle
Dornan
Dreier
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Fields (TX)
Foley
Forbes
Fowler
Fox
Franks (CT)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Geren
Gilchrest
Gillmor
Goodlatte
Goodling
Goss
Graham
Greenwood
Gunderson
Gutknecht
Hall (TX)
Hancock
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Lipinski
Livingston
LoBiondo
Longley
Lucas
Manzullo
Martini
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Menendez
Meyers
Mica
Miller (FL)
Molinari
Montgomery
Moorhead
Morella
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Oxley
Packard
Parker
Paxon
Payne (VA)
Petri
Pickett
Pombo
Porter
Portman
Pryce
Quillen
Quinn
Radanovich
Ramstad
Regula
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Sisisky
Skeen
Skelton
Smith (MI)
Smith (TX)
Souder
Spence
Stearns
Stenholm
Stump
Talent
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thornton
Tiahrt
Torkildsen
Torres
Upton
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Weldon (FL)
Weller
White
Wicker
Wolf
Zeliff

NOT VOTING—11

Hoke
Jefferson
Martinez
Moakley
Reynolds
Schumer
Solomon
Tucker
Volkmer
Watts (OK)
Young (FL)

☐ 1837

Mr. SKELTON changed his vote from "aye" to "no."

Mr. ORITZ and Ms. BROWN of Florida changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. DOGGETT

The CHAIRMAN. The pending business is the request for a recorded vote on the amendment offered by the gentleman from Texas [Mr. DOGGETT] on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 187, noes 234, not voting 13, as follows:

[Roll No. 690]

AYES—187

Abercrombie
Ackerman
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Beilenson
Bentsen
Berman
Bevill
Bishop
Bonior
Borski
Boucher
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Cardin
Chapman
Clay
Clayton
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Condit
Conyers
Costello
Coyne
Cramer
Danner
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Diaz-Balart
Dicks
Dingell
Dixon
Doggett
Doyle
Durbin
Edwards
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Flake
Foglietta
Ford
Frank (MA)
Franks (NJ)
Frost
Furse
Gejdenson
Gephardt
Gibbons
Gilman
Gonzalez
Gordon
Green
Gutierrez
Hall (OH)
Hamilton
Harman
Hastings (FL)
Hefner
Hinchey
Hoke
Holden
Hoyer
Jackson-Lee
Jacobs
Johnson (SD)
Johnson, E.B.
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kleczka
Klink
LaFalce
Lantos
Levin
Lewis (GA)
Lincoln
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Mascara
Matsui
McCarthy
McDermott
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Mfume
Miller (CA)
Mineta
Minge
Mink
Mollohan
Moran
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Pastor
Payne (NJ)
Pelosi
Peterson (FL)
Peterson (MN)
Pomeroy
Portman
Poshard
Rahall
Rangel
Reed
Regula
Richardson
Riggs
Rivers
Roemer
Rose
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Scott
Serrano
Skaggs
Slaughter
Smith (NJ)
Spratt
Stark
Stokes
Studds
Stupak
Tanner
Tejeda
Thompson
Thornton
Thurman
Torricelli
Towns
Traficant
Velazquez
Vento
Visclosky
Ward
Waters
Watt (NC)
Waxman
Williams
Wilson
Wise
Woolsey
Wyden
Wynn
Yates

NOES—234

Allard
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Brewster
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Dickey
Dooley
Doolittle
Dornan
Dreier
Duncan
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Geren
Gilchrest
Gillmor
Goodlatte
Goodling
Goss
Graham
Greenwood
Gunderson
Gutknecht
Hall (TX)
Hancock
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Lipinski
Livingston
LoBiondo
Longley
Lucas
Manzullo
Martini
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Meyers
Mica
Miller (FL)
Molinari
Montgomery
Moorhead
Morella
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Oxley
Packard
Parker
Paxon
Payne (VA)
Petri
Pickett
Pombo
Porter
Pryce
Quillen
Quinn
Radanovich
Ramstad
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Sisisky
Skeen
Skelton
Smith (MI)
Smith (TX)
Smith (WA)
Souder
Spence
Stearns
Stenholm
Stockman
Stump
Talent
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Tiahrt
Torkildsen
Torres
Upton
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Zeliff
Zimmer

NOT VOTING—13

Dunn
Hilliard
Jefferson
Martinez
Metcalf
Moakley
Reynolds
Schumer
Solomon
Tucker
Volkmer
Watts (OK)
Young (FL)

□ 1845

So the amendment was rejected.

The result of the vote was announced as above recorded.

□ 1845

The CHAIRMAN. The Clerk will designate section 4.

The text of section 4 is as follows:

SEC. 4. LIMITATION ON EFFECT OF ACT.

Nothing in this Act shall affect employee rights and responsibilities contained in provisions other than section 8(a)(2) of the National Labor Relations Act, as amended.

The CHAIRMAN. The question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. LAHOOD) having assumed the chair, Mr. KOLBE, chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 743), to amend the National Labor Relations Act to allow labor management cooperative efforts that improve economic competitiveness in the United States to continue to thrive, and for other purposes, pursuant to House Resolution 226, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore (Mr. LAHOOD). Under the rule, the previous question is ordered.

Is a separate vote demanded on the amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER pro tempore. The question is on passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. KILDEE. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 221, noes 202, not voting 11, as follows:

[Roll No. 691]

AYES—221

Allard
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blute
Boehner
Bonilla
Bono
Brewster
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Dickey
Dooley
Doolittle
Dornan
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Ensign
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Fowler
Franks (CT)
Franks (NJ)
Frelinghuysen
Funderburk
Gallegly
Ganske
Gekas
Geren
Gilchrest
Gillmor
Goodlatte
Goodling
Goss
Graham
Greenwood
Gunderson
Gutknecht

Hall (TX)
Hancock
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Horn
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kim
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Leach
Lewis (KY)
Lightfoot
Lincoln
Linder
Livingston
Longley
Lucas
Manzullo
McCollum
McCrery
McInnis
McIntosh
McKeon
Meyers
Mica
Miller (FL)
Molinari
Montgomery
Moorhead
Morella
Myers
Myrick
Nethercutt
Neumann
Norwood
Nussle
Oxley
Packard
Parker
Paxon
Payne (VA)
Petri
Pombo
Porter
Portman
Pryce
Quillen
Radanovich
Ramstad
Regula
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Skeen
Smith (MI)
Smith (TX)
Smith (WA)
Souder
Spence
Spratt
Stearns
Stenholm
Stump
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Tiahrt
Torkildsen
Traficant
Upton
Vucanovich
Waldholtz
Walker
Wamp
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Zeliff
Zimmer

NOES—202

Abercrombie
Ackerman
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Beilenson
Bentsen
Berman
Bevill
Bishop
Boehlert
Bonior
Borski
Boucher
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Cardin
Chapman
Clay
Clayton
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Condit
Conyers
Costello
Coyne
Cramer
Danner
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Diaz-Balart
Dicks
Dingell
Dixon
Doggett
Doyle
Durbin
Engel
English
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Flake
Foglietta
Forbes
Ford
Fox
Frank (MA)
Frisa
Frost
Furse
Gejdenson
Gephardt
Gibbons
Gilman
Gonzalez
Gordon
Green
Gutierrez
Hall (OH)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Holden
Hoyer
Jackson-Lee
Jacobs
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
King
Kleczka
Klink
LaFalce
Lantos
Lazio
Levin
Lewis (GA)
Lipinski
LoBiondo
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Martini
Mascara
Matsui
McCarthy
McDade
McDermott
McHale
McHugh
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Mfume
Miller (CA)
Mineta
Minge
Mink
Mollohan
Moran
Murtha
Nadler
Neal
Ney
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Pastor
Payne (NJ)
Pelosi
Peterson (FL)
Peterson (MN)
Pickett
Pomeroy
Poshard
Quinn
Rahall
Rangel
Reed
Richardson
Rivers
Roemer
Rose
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schaefer
Schroeder
Scott
Serrano
Sisisky
Skaggs
Skelton
Slaughter
Smith (NJ)
Stark
Stockman
Stokes
Studds
Stupak
Tejeda
Thompson
Thornton
Thurman
Torres
Torricelli
Towns
Velazquez
Vento
Visclosky
Walsh
Ward
Waters
Watt (NC)
Waxman
Williams
Wilson
Wise
Woolsey
Wyden
Wynn
Yates
Young (AK)

NOT VOTING—11

Jefferson
Lewis (CA)
Martinez
Moakley
Reynolds
Schumer
Solomon
Tucker
Volkmer
Watts (OK)
Young (FL)

□ 1903

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. WATTS of Oklahoma. Mr. Speaker, I was unavoidably detained with the Governor of Oklahoma and the President on rollcall Nos. 689, 690, and 691.

On rollcall Nos. 686 and 687 I was unavoidably detained in the Atlanta airport.

Had I been present, I would have voted "yes" on Nos. 686, 687, and 691 and "no" on Nos. 689 and 690.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 743, TEAMWORK FOR EMPLOYEES AND MANAGERS ACT OF 1995

Mr. GOODLING. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill, H.R. 743, the Clerk be authorized to make technical corrections and conforming changes to the bill.

The SPEAKER pro tempore (Mr. LAHOOD). Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

GENERAL LEAVE

Mr. GOODLING. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 743, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

ELECTION OF MEMBERS TO COMMITTEE ON COMMERCE AND DESIGNATION OF RANKING MEMBER OF COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

Mr. FAZIO of California. Mr. Speaker, I offer a privileged resolution (H. Res. 229) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 229

Resolved, That the following named Members be, and they are hereby, elected to the following standing committee of the House of Representatives:

To the Committee on Commerce:

Cardiss Collins of Illinois, to rank above Ron Wyden of Oregon;

Bill Richardson of New Mexico, to rank above John Bryant of Texas.

Resolved, That the following named Member be, and is hereby, designated ranking minority Member of the following standing committee of the House of Representatives:

On the Committee on Transportation and Infrastructure:

James Oberstar of Minnesota, to rank above Norman Mineta of California.

The resolution was agreed to.

A motion to reconsider was laid on the table.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1915 AND H.R. 2202

Mr. KIM. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of both H.R. 1915 and H.R. 2202.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

PERMISSION FOR SUNDRY COMMITTEES AND THEIR SUBCOMMITTEES TO SIT TOMORROW, THURSDAY, SEPTEMBER 28, 1995, DURING THE 5-MINUTE RULE

Ms. PRYCE. Mr. Speaker, I ask unanimous consent that the following committees and their subcommittees be permitted to sit tomorrow while the house is meeting in the Committee of the Whole House under the 5-minute rule:

Committee on Agriculture; Committee on Banking and Financial Services; Committee on Economic and Educational Opportunities; Committee on Government Reform and Oversight; Committee on International Relations; Committee on the Judiciary; Committee on Resources; Committee on Science; Committee on Small Business; Committee on Transportation and Infrastructure; and Committee on Veterans' Affairs.

It is my understanding that the minority has been consulted and that there is no objection to these requests.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF HOUSE JOINT RESOLUTION 108, CONTINUING APPROPRIATIONS FOR FISCAL YEAR 1996

Ms. PRYCE, from the Committee on Rules, submitted a privileged report (Rept. No. 104–263) on the resolution (H. Res. 23) providing for the consideration of the joint resolution (H.J. Res. 108) making continuing appropriations for the fiscal year 1996, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION WAIVING POINTS OF ORDER AGAINST CONFERENCE REPORT ON H.R. 1977, DEPARTMENT OF INTERIOR AND RELATED AGENCIES APPROPRIATION ACT, 1996

Ms. PRYCE, from the Committee on Rules, submitted a privileged report (Rept. No. 104–264) on the resolution (H. Res. 231) waiving points of order against the conference report to accompany the bill (H.R. 1977) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1996, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION WAIVING POINTS OF ORDER AGAINST CONFERENCE REPORT ON H.R. 2126, DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 1996

Ms. PRYCE, from the Committee on Rules, submitted a privileged report (Rept. No. 104–265) on the resolution (H. Res. 232) waiving points of order against the conference report to accompany the bill (H.R. 2126) making appropriations for the Department of Defense for the fiscal year ending September 30, 1996, and for other purposes, which was referred to the House Calendar and ordered to be printed.

INTERNATIONAL SPACE STATION AUTHORIZATION ACT OF 1995

Ms. PRYCE. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 228 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 228

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 1601) to authorize appropriations to the National Aeronautics and Space Administration to develop, assemble, and operate the International Space Station. The first reading of the bill shall be dispensed with. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Science. After general debate the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule the amendment in the nature of a substitute recommended by the Committee on Science now printed in the bill. Each section of the committee amendment in the nature of a substitute shall be considered as read. During consideration of the bill for amendment, the Chairman of the Committee of the Whole may accord priority in recognition on the basis of whether the Member offering an amendment has caused it to be printed in the portion of the Congressional Record designated for that purpose in clause 6 of rule XXIII. Amendments so printed shall be considered as read. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentlewoman from Ohio [Ms. PRYCE] is recognized for 1 hour.

Ms. PRYCE. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Ohio [Mr. HALL], pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, I am very pleased to bring to the floor of the House today a straightforward open rule providing for the consideration of H.R. 1601, the International Space Station Authorization Act of 1995.

The rule provides for 1 hour of general debate equally divided and controlled by the chairman and ranking minority member of the Committee on Science, after which time the bill shall be considered for amendment under the 5-minute rule.

The rule makes in order the amendment in the nature of a substitute recommended by the Committee on Science, now printed in the bill, as an original bill for the purpose of amendment, and provides that each section shall be considered as read.

The rule also accords priority in recognition to Members who have preprinted their amendments in the CONGRESSIONAL RECORD. Any such amendments shall be considered as read.

Finally, the rule permits one motion to recommit the bill, with or without instructions, as is the right of the minority.

Mr. Speaker, the rule before us makes in order a very important piece of legislation which, by many accounts, could be called the Space Station Stability, Credibility, and Accountability Act.

H.R. 1601 restores a sense of stability to the Nation's space program by recommending a full-program, multiyear authorization of all funds needed to complete assembly of the space station by the year 2002. By reducing the need for yearly authorizations, H.R. 1601 signals Congress' strong commitment to completing the international space station on-time and just as importantly, on-budget.

H.R. 1601 also restores credibility to the space station program by declaring our Nation's intent to honor commitments to our international partners in this historic joint effort.

While the United States has clearly led the effort to design, construct, and operate the space station, this legislation recognizes that the continued support and participation of our international partners is essential to making space station *Alpha* a success.

Finally, the bill brings a welcome degree of accountability to the American people by requiring the Administrator of NASA to certify annually to Congress that the space station is on schedule and capable of staying within its budget.

The bill requires NASA to provide Congress each year with a full accounting of all costs associated with the space station, including payments which are made to Russia. In these budget-conscious times, Congress must ensure that the taxpayers are getting their money's worth.

Mr. Speaker, in 1993 the space station was significantly redesigned in order to reduce costs and simplify its management structure. H.R. 1601 continues that spirit of fiscal responsibility by capping the funds which may be appropriated in one fiscal year during the multiyear authorization.

However, spending on the space station would still be subject to the annual appropriations process—an important point to keep in mind as we further discuss budget priorities.

While Americans eagerly await the completion of this historic chapter in human spaceflight, Congress still has the obligation to review and debate the costs involved. H.R. 1601 offers the House a clear-cut, up-or-down vote on whether we will reaffirm our commitment to building the space station or if we will resign ourselves to lesser goals for the future of human space exploration.

Mr. Speaker, Chairman WALKER and the members of the Science Committee have put together a very responsible bill, and under the open rule, Members will have the opportunity to freely debate the many issues associated with the space station, not the least of which is its pricetag.

Although an amendment offered by our colleague from Indiana, Mr. ROEMER, to cancel the space station was defeated in the Science Committee, such an amendment can be brought before the entire House under this completely open rule.

Mr. Speaker, let me emphasize that House Resolution 228 is a simple, straightforward open rule. It was approved unanimously by the Rules Committee last week, and I urge my colleagues on both sides of the aisle to give it their full support.

Mr. Speaker, I include material compiled by the Committee on Rules for the RECORD, as follows:

THE AMENDMENT PROCESS UNDER SPECIAL RULES REPORTED BY THE RULES COMMITTEE,[1] 103D CONGRESS V. 104TH CONGRESS

[As of September 27, 1995]

Rule type	103d Congress		104th Congress	
	Number of rules	Percent of total	Number of rules	Percent of total
Open/Modified-open [2]	46	44	50	74
Modified Closed [3]	49	47	15	22
Closed [4]	9	9	3	4
Totals:	104	100	68	100

[1] This table applies only to rules which provide for the original consideration of bills, joint resolutions or budget resolutions and which provide for an amendment process. It does not apply to special rules which only waive points of order against appropriations bills which are already privileged and are considered under an open amendment process under House rules.

[2] An open rule is one under which any Member may offer a germane amendment under the five-minute rule. A modified open rule is one under which any Member may offer a germane amendment under the five-minute rule subject only to an overall time limit on the amendment process and/or a requirement that the amendment be preprinted in the Congressional Record.

[3] A modified closed rule is one under which the Rules Committee limits the amendments that may be offered only to those amendments designated in the special rule or the Rules Committee report to accompany it, or which preclude amendments to a particular portion of a bill, even though the rest of the bill may be completely open to amendment.

[4] A closed rule is one under which no amendments may be offered (other than amendments recommended by the committee in reporting the bill).

SPECIAL RULES REPORTED BY THE RULES COMMITTEE, 104TH CONGRESS

[As of September 27, 1995]

H. Res. No. (Date rept.)	Rule type	Bill No.	Subject	Disposition of rule
H. Res. 38 (1/18/95)	O	H.R. 5	Unfunded Mandate Reform	A: 350–71 (1/19/95).
H. Res. 44 (1/24/95)	MC	H. Con. Res. 17	Social Security	A: 255–172 (1/25/95).
		H.J. Res. 1	Balanced Budget Amdt	
H. Res. 51 (1/31/95)	O	H.R. 101	Land Transfer, Taos Pueblo Indians	A: voice vote (2/1/95).
H. Res. 52 (1/31/95)	O	H.R. 400	Land Exchange, Arctic Nat'l. Park and Preserve	A: voice vote (2/1/95).
H. Res. 53 (1/31/95)	O	H.R. 440	Land Conveyance, Butte County, Calif	A: voice vote (2/1/95).
H. Res. 55 (2/1/95)	O	H.R. 2	Line Item Veto	A: voice vote (2/2/95).
H. Res. 60 (2/6/95)	O	H.R. 665	Victim Restitution	A: voice vote (2/7/95).
H. Res. 61 (2/6/95)	O	H.R. 666	Exclusionary Rule Reform	A: voice vote (2/7/95).
H. Res. 63 (2/8/95)	MO	H.R. 667	Violent Criminal Incarceration	A: voice vote (2/9/95).
H. Res. 69 (2/9/95)	O	H.R. 668	Criminal Alien Deportation	A: voice vote (2/10/95).
H. Res. 79 (2/10/95)	MO	H.R. 728	Law Enforcement Block Grants	A: voice vote (2/13/95).
H. Res. 83 (2/13/95)	MO	H.R. 7	National Security Revitalization	PQ: 229–100; A: 227–127 (2/15/95).
H. Res. 88 (2/16/95)	MC	H.R. 831	Health Insurance Deductibility	PQ: 230–191; A: 229–188 (2/21/95).
H. Res. 91 (2/21/95)	O	H.R. 830	Paperwork Reduction Act	A: voice vote (2/22/95).
H. Res. 92 (2/21/95)	MC	H.R. 889	Defense Supplemental	A: 282–144 (2/22/95).
H. Res. 93 (2/22/95)	MO	H.R. 450	Regulatory Transition Act	A: 252–175 (2/23/95).
H. Res. 96 (2/24/95)	MO	H.R. 1022	Risk Assessment	A: 253–165 (2/27/95).
H. Res. 100 (2/27/95)	O	H.R. 926	Regulatory Reform and Relief Act	A: voice vote (2/28/95).
H. Res. 101 (2/28/95)	MO	H.R. 925	Private Property Protection Act	A: 271–151 (3/2/95).
H. Res. 103 (3/3/95)	MO	H.R. 1058	Securities Litigation Reform	
H. Res. 104 (3/3/95)	MO	H.R. 988	Attorney Accountability Act	A: voice vote (3/6/95).
H. Res. 105 (3/6/95)	MO			A: 257–155 (3/7/95).
H. Res. 108 (3/7/95)	Debate	H.R. 956	Product Liability Reform	A: voice vote (3/8/95).
H. Res. 109 (3/8/95)	MC			PQ: 234–191 A: 247–181 (3/9/95).
H. Res. 115 (3/14/95)	MO	H.R. 1159	Making Emergency Supp. Approps.	A: 242–190 (3/15/95).
H. Res. 116 (3/15/95)	MC	H.J. Res. 73	Term Limits Const. Amdt	A: voice vote (3/28/95).
H. Res. 117 (3/16/95)	Debate	H.R. 4	Personal Responsibility Act of 1995	A: voice vote (3/21/95).
H. Res. 119 (3/21/95)	MC			A: 217–211 (3/22/95).
H. Res. 125 (4/3/95)	O	H.R. 1271	Family Privacy Protection Act	A: 423–1 (4/4/95).
H. Res. 126 (4/3/95)	O	H.R. 660	Older Persons Housing Act	A: voice vote (4/6/95).
H. Res. 128 (4/4/95)	MC	H.R. 1215	Contract With America Tax Relief Act of 1995	A: 228–204 (4/5/95).
H. Res. 130 (4/5/95)	MC	H.R. 483	Medicare Select Expansion	A: 253–172 (4/6/95).
H. Res. 136 (5/1/95)	O	H.R. 655	Hydrogen Future Act of 1995	A: voice vote (5/2/95).
H. Res. 139 (5/3/95)	O	H.R. 1361	Coast Guard Auth. FY 1996	A: voice vote (5/9/95).
H. Res. 140 (5/9/95)	O	H.R. 961	Clean Water Amendments	A: 414–4 (5/10/95).
H. Res. 144 (5/11/95)	O	H.R. 535	Fish Hatchery—Arkansas	A: voice vote (5/15/95).
H. Res. 145 (5/11/95)	O	H.R. 584	Fish Hatchery—Iowa	A: voice vote (5/15/95).
H. Res. 146 (5/11/95)	O	H.R. 614	Fish Hatchery—Minnesota	A: voice vote (5/15/95).
H. Res. 149 (5/16/95)	MC	H. Con. Res. 67	Budget Resolution FY 1996	PQ: 252–170 A: 255–168 (5/17/95).
H. Res. 155 (5/22/95)	MO	H.R. 1561	American Overseas Interests Act	A: 233–176 (5/23/95).
H. Res. 164 (6/8/95)	MC	H.R. 1530	Nat. Defense Auth. FY 1996	PQ: 225–191 A: 233–183 (6/13/95).
H. Res. 167 (6/15/95)	O	H.R. 1817	MilCon Appropriations FY 1996	PQ: 223–180 A: 245–155 (6/16/95).
H. Res. 169 (6/19/95)	MC	H.R. 1854	Leg. Branch Approps. FY 1996	PQ: 232–196 A: 236–191 (6/20/95).
H. Res. 170 (6/20/95)	O	H.R. 1868	For. Ops. Approps. FY 1996	PQ: 221–178 A: 217–175 (6/22/95).
H. Res. 171 (6/22/95)	O	H.R. 1905	Energy & Water Approps. FY 1996	A: voice vote (7/12/95).
H. Res. 173 (6/27/95)	C	H.J. Res. 79	Flag Constitutional Amendment	PQ: 258–170 A: 271–152 (6/28/95).
H. Res. 176 (6/28/95)	MC	H.R. 1944	Emer. Supp. Approps.	PQ: 236–194 A: 234–192 (6/29/95).
H. Res. 185 (7/11/95)	O	H.R. 1977	Interior Approps. FY 1996	PQ: 235–193 D: 192–238 (7/12/95).
H. Res. 187 (7/12/95)	O	H.R. 1977	Interior Approps. FY 1996 #2	PQ: 230–194 A: 229–195 (7/13/95).
H. Res. 188 (7/12/95)	O	H.R. 1976	Agriculture Approps. FY 1996	PQ: 242–185 A: voice vote (7/18/95).
H. Res. 190 (7/17/95)	O	H.R. 2020	Treasury/Postal Approps. FY 1996	PQ: 232–192 A: voice vote (7/18/95).
H. Res. 193 (7/19/95)	C	H.J. Res. 96	Disapproval of MFN to China	A: voice vote (7/20/95).
H. Res. 194 (7/19/95)	O	H.R. 2002	Transportation Approps. FY 1996	PQ: 217–202 (7/21/95).
H. Res. 197 (7/21/95)	O	H.R. 70	Exports of Alaskan Crude Oil	A: voice vote (7/24/95).
H. Res. 198 (7/21/95)	O	H.R. 2076	Commerce, State Approps. FY 1996	A: voice vote (7/25/95).
H. Res. 201 (7/25/95)	O	H.R. 2099	VA/HUD Approps. FY 1996	A: 230–189 (7/25/95).
H. Res. 204 (7/28/95)	MC	S. 21	Terminating U.S. Arms Embargo on Bosnia	A: voice vote (8/1/95).
H. Res. 205 (7/28/95)	O	H.R. 2126	Defense Approps. FY 1996	A: 409–1 (7/31/95).
H. Res. 207 (8/1/95)	MC	H.R. 1555	Communications Act of 1995	A: 255–156 (8/2/95).
H. Res. 208 (8/1/95)	O	H.R. 2127	Labor, HHS Approps. FY 1996	A: 323–104 (8/2/95).
H. Res. 215 (9/7/95)	O	H.R. 1594	Economically Targeted Investments	A: voice vote (9/12/95).
H. Res. 216 (9/7/95)	MO	H.R. 1655	Intelligence Authorization FY 1996	A: voice vote (9/12/95).
H. Res. 218 (9/12/95)	O	H.R. 1162	Deficit Reduction Lockbox	A: voice vote (9/13/95).
H. Res. 219 (9/12/95)	O	H.R. 1670	Federal Acquisition Reform Act	A: 414–0 (9/13/95).
H. Res. 222 (9/18/95)	O	H.R. 1617	CAREERS Act	A: 388–2 (9/19/95).
H. Res. 224 (9/19/95)	O	H.R. 2274	Natl. Highway System	PQ: 241–173 A: 375–39–1 (9/20/95).

SPECIAL RULES REPORTED BY THE RULES COMMITTEE, 104TH CONGRESS—Continued—Continued

[As of September 27, 1995]

H. Res. No. (Date rept.)	Rule type	Bill No.	Subject	Disposition of rule
H. Res. 225 (9/19/95)	MC	H.R. 927	Cuban Liberty & Dem. Solidarity	A: 304–118 (9/20/95).
H. Res. 226 (9/21/95)	O	H.R. 743	Team Act	A: 344–66–1 (9/27/95).
H. Res. 227 (9/21/95)	O	H.R. 1170	3–Judge Court	
H. Res. 228 (9/21/95)	O	H.R. 1601	Internatl. Space Station	
H. Res. ____ (9/27/95)	C	H.J. Res. 108	Continuing Resolution FY 1996	

Codes: O-open rule; MO-modified open rule; MC-modified closed rule; C-closed rule; A-adoption vote; D-defeated; PQ-previous question vote. Source: Notices of Action Taken, Committee on Rules, 104th Congress.

Ms. PRYCE. Mr. Speaker, I reserve the balance of my time.

Mr. HALL of Ohio. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to commend my fellow Ohioan, Ms. PRYCE, as well as my colleagues on the other side of the aisle for bringing this rule to the floor.

House Resolution 228 is an open rule which will allow full and fair debate on H.R. 1601, a bill to authorize appropriations to the National Aeronautics and Space Administration to develop, assemble, and operate the international space station.

As my colleague from Ohio has ably described, this rule provides 1 hour of general debate, equally divided and controlled by the chairman and ranking minority member of the Committee on Science.

Under the rule, germane amendments will be allowed under the 5-minute rule, the normal amending process in the House. All Members, on both sides of the aisle, will have the opportunity to offer amendments. I am pleased that the Rules Committee reported this rule by voice vote without opposition and urge its adoption.

The international space station will expand our knowledge of the universe and assist a wise range of scientific programs. By forming a partnership with other nations, we will help defray some costs and foster closer relations between our peoples.

The bill provides authorization levels through fiscal year 2002. This will give the project needed stability, while still allowing congressional oversight through the annual appropriations process.

Mr. Speaker, this open rule will permit full discussion of these issues and given Members an opportunity to amend the bill. I urge adoption of the rule.

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Mr. Speaker, I reserve the balance of my time.

Ms. PRYCE. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Utah [Mr. HANSEN].

Mr. HANSEN. Mr. Speaker, I thank the gentlewoman for yielding me this time.

Mr. Speaker, I rise today in strong support of H.R. 1601 and full program authorization for the international space station.

This past summer the attention of America was once again captured by the thrilling story of Apollo 13. The only thing more incredible than the story this movie told, was the fact that it is all true—that over 20 years ago, this Nation was united in the greatest technological leap the human race had ever undertaken.

All of America was rightly proud of our astronauts and the thousands of dedicated workers that sent them to the Moon and brought them home safely.

We now have a chance to revive that spirit, and display the vision of a better future and the leadership of mankind, that has always made America great. The international space station is that future.

And while the space station represents the dreams of our children, it is no idle fantasy. To date over 48,000 pounds of station hardware has been completed and production remains ahead of schedule. The first launch of this hardware is scheduled for November 1997, aboard a Russian Proton rocket.

The United States, and especially the people of Utah, have always been pioneers. And I think I've heard someone say, "space, is the final frontier." I, for one, believe that Americans should continue to lead the world into the new millennium. And while we will—and must—lead the way, we will not be alone. Many of our allies in the European Community, Canada, Japan, and Russia are making very significant contributions of people, hardware and financial support. This spirit of a new cooperation in space was never more clearly demonstrated than last June when the space shuttle Altantis docked with the Russian space station Mir and returned to Earth with two Russian cosmonauts and American astronaut Norm Thagard.

However, even with the critical support provided by our international partners, it will always require America's technological expertise, international leadership, and can-do attitude to make this vision a success. Let us now send a clear message to our partners in space that America will proudly accept the mantle of leadership.

I urge all of my colleagues to vote for the future of the human race, and to vote for continued American leadership. I urge you all to vote for rule and the international space station and support H.R. 1601.

Ms. PRYCE. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Florida [Mr. WELDON], a valuable new Member of the Congress.

Mr. WELDON of Florida. Mr. Speaker, I thank the gentlewoman for yielding me this time, and I rise in support of this rule and in support of H.R. 1601, the 7-year authorization of the international space station.

We, here in Congress, are about the important work of the people's business, work like protecting and preserving Medicare for our senior citizens, balancing our budget and meaningful welfare reform that restores the value of hard work and family.

But although those issues are very, very important, I know that those are not the issues that allow our children to dream about the future, and it is things like our space program, and I can say that not only from talking to my daughter and children in my district when I talk to them about our space program, but also I know that from experience because I one day as a young man was able to watch programs like Mercury and Apollo and dream someday of being a part of that, myself.

This international space station program, I think, is the next logical step for our space program, and it is amazingly on budget and on time, which is truly a rarity for the institution that we work in.

Each year, the Congress has consistently voted in support of our space station, and each year the numbers have grown and grown and grown. This year, as the distinguished gentlewoman from Ohio alluded to, the number was again very, very high, almost 2-to-1 voting in support of our space station.

We now have before us a rule on a bill to authorize this so we no longer are getting in the process of redebating this over and over again. I think this is a good rule. It allows for amendments. It allows for open debate. I thoroughly support it.

I think the MIR docking mission that my colleague from Utah was speaking of earlier clearly shows that the United States has the ability to proceed with this program. The question before us is: Do we have the will? From the previous votes in this body, it has been demonstrated that clearly the will is there, and I applaud my colleagues on the Committee on Science who have brought this final bill to the floor for a vote. I applaud my colleagues on the Committee on Rules on this rule.

I encourage all of my colleagues to support the rule and support the final bill in passage.

Mr. SENSENBRENNER. Mr. Speaker, I would like to commend the Rules Committee for its decision allowing a 1-hour open rule to debate H.R. 1601, the multiyear authorization of the international space station. In giving preference to amendments preprinted in the CONGRESSIONAL RECORD, the committee has made our efforts family-friendly, which we can all appreciate. Finally, the Rules Committee's decisions give us the change for a fair and open discussion of the space station, its benefits, and the need for a multiyear authorization.

The international space station is about America's future. With an orbiting space station, the United States will have long term access to the unique environment of space, which will enable us to conduct cutting-edge research in the life and microgravity sciences that we cannot do on earth. The space shuttle has been an excellent platform from which to conduct research into medicines, materials, and physical processes, but our research capabilities are now bumping against the shuttle's most significant limitation as a research platform: time. The shuttle cannot stay in orbit for more than a few days and flight opportunities occur only a few times every year. So, we cannot conduct the kinds of long-term experiments necessary to push the state of our knowledge to the next level. By operating as a continually manned-platform, 24 hours a day, 365 days a year, the space station will solve that problem. With a functioning space station, we can look forward to breakthroughs in crystal formation, medical research, biological behavior, materials science, and a host of other disciplines that will improve our standard of living.

That's why members of The Seniors Coalition wrote me to express their support for the space station and the benefits it will bring to the study of aging. That's why the Multiple Sclerosis Association of America supports the space station and the potential research benefits it will bring to children afflicted by MS. That's why the American Medical Women's Association is in favor of the space station and all the opportunities it creates to improve women's health.

The space station program we are considering now is not the same one that NASA began in 1984. This space station is managed under a streamlined singled-prime contractor scheme that reduces bureaucracy and saves money. This space station is capped at $2.1 billion per year, less than 15 percent of NASA's annual budget. The station will cost $13.2 billion to complete in 2002, by which time it will have already begun producing the research results that will benefit every American. The space station program we are dealing with today is on budget and on schedule for orbital assembly to begin in 1997. American companies and our foreign partners have already built over 48,000 pounds of hardware. This space station program is a success.

H.R. 1601, the multiyear space station authorization, will provide the funding stability that ensure the space station remains on budget and on schedule. In past years, constant redesigns and rescopings denied the station that stability and caused delays and cost increases. This Congress must not allow that to happen again. We fulfill our role by providing NASA the resources it needs to do the job right, and then by demanding the accountability and responsible management that the space station program is currently demonstrating. We begin doing our part by passing H.R. 1601.

Mr. HALL of Ohio. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Ms. PRYCE. Mr. Speaker, I have no further requests for time, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Pursuant to House Resolution 228 and rule XXII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 1601.

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IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1601) to authorize appropriations for the National Aeronautics and Space Administration to develop, assemble, and operate the international space station, with Mr. HOBSON in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Pennsylvania [Mr. WALKER] will be recognized for 30 minutes, and the gentleman from Texas [Mr. HALL] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Chairman, I yield 3 minutes to the gentleman from Wisconsin [Mr. SENSENBRENNER], the chairman of the Subcommittee on Space and Aeronautics.

Mr. SENSENBRENNER. Mr. Chairman, I rise in support of H.R. 1601, the International Space Station Authorization Act of 1995. Many have risen to explain the benefits of the space station today in this Chamber and on numerous occasions in the past. I will not repeat those reasons here. Instead, I will explain why H.R. 1601 is an important part of enabling us to realize those benefits.

The gentleman from Pennsylvania and I cosponsored this bill because it places NASA and the space station on the path of fiscal responsibility. For years, NASA and the White House have been hard-pressed to settle on a space station design and budget that Congress could support. NASA has finally rectified that problem through a series of positive steps, that make the international step station an excellent foundation on which to build the future of our civilian space program.

First, NASA finalized the design into its current form, which includes participation from Europe, Japan, and Canada. The Russians are full partners in the international space station, giving us access to their advanced space hardware, their space industrial base, and their years of experience of living and working in space. With the Russians and Europeans as partners, NASA has designed a space station that will cost the American taxpayers less than its predecessors and have nearly double the capacity.

Second, NASA streamlined management of the space station program by placing the program under a single prime contractor. This reduced bureaucratic and contractor overhead and improved management, enabling NASA to build the station under a budget cap of $2.1 billion a year, about 15 percent of its annual debt.

Third, NASA has begun exploring means of commercializing and privatizing space station operations to lower operational costs. NASA has gone so far as to begin discussions with companies that design business parks to see which concepts they can apply to the station's future in space. H.R. 1601 encourages this process by making station commercialization a provision of law.

As a result of these actions, the station is on time and on budget. We have built over 48,000 pounds of hardware for delivery to orbit and will launch the first station element in 1997.

Taken in its entirety, H.R. 1601 authorizes $13.1 billion to complete and operate the space station through final assembly in fiscal year 2002. H.R. 1601 also includes an annual cap of $2.1 billion for the space station. The multiyear authorization gives NASA the financial and programmatic stability it needs to complete the station on time and on budget, while the annual cap forces NASA to maintain its fiscal discipline. H.R. 1601 and the space station are NASA's highest priority and fall well within our own plans to balance the Federal budget within the next 7 years.

The space station is about our future. It is about progress, and improving the technological seed corn of future economic growth. We need it. H.R. 1601 is about fiscal responsibility; about stepping up to our obligation as legislators to enable bureaucracies to do those things we ask them to do with greater efficiency and effectiveness. The American people have made it clear that they support our future in space. And we made it clear that we heard them when this Congress rejected 2 attempts to cancel the space station by huge margins of 173 and 153 votes. Now it is the time to provide the stability needed to achieve the efficiencies and savings that Americans demand from their Government by passing H.R. 1601.

Mr. HALL of Texas. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I think it comes as no surprise to anyone in this Chamber that I am prepared to speak on behalf of the space station program. I have supported this program in the past, in good times and bad, and I will continue to do so.

You will hear many speakers today describe the importance of the space station, and you may also hear from a few Members who believe that the money could better be used elsewhere. I obviously don't agree with that latter group of Members, but I respect their right to be wrong on this issue. And I assure them that they will receive time to speak.

Why do I continue to support the space station? There are many reasons that I could give. First, the station is a fundamental part of the Nation's space program and it is the logical next step in human spaceflight. I my years on the Space Subcommittee, I have become even more certain that the space station is a key element of a balanced program of space exploration, scientific research, and practical applications.

Second, the space station program helps the Nation maintain and strengthen its pool of skilled scientific and technological talent—which will be so critical to our economic competitiveness in the 21st century.

Third, the space station represents the most significant cooperative, cost-sharing undertaking in science and technology probably in the history of the world. The United States, Russia, Europe, Japan, and Canada are all working together and sharing the cost of this program. It is an approach that makes good sense, and one which will strengthen the bonds between these nations and certainly has a very good product.

Finally, and for me, most importantly, research conducted on the space station offers the promise of helping us to make significant advances in our understanding of terrestrial diseases and medical conditions that have afflicted our people—young and old—male and female.

Over the past 3 years, the Space Subcommittee has held a series of hearings on the potential benefits of biomedical research conducted in space. I chaired those hearings, and I am here to report that the results achieved to date from the limited research that can be done on the shuttle are truly impressive, but much more remains to be done.

All of the witness, or most of the witnesses, that have testified at those hearings are convinced that the opportunity to conduct long-duration research on a permanently-manned space station is indispensable if we are to continue to make advances. As the noted surgeon and researcher, Dr. Michael DeBakey put it,

> The Space Station is not a luxury any more than a medical research center at Baylor College of Medicine is a luxury.

He knows that in the weightless environment of space, that just might spawn the answers to those who are wasting away in cancer wards, young girls and young boys who have to hit themselves with the vaccination for the dreaded disease of diabetes and on and on.

I could quote many other eminent researchers that echo his view, but I know that other Members are waiting to speak.

I would just like to conclude by saying even in these tough budgetary times, the space station is an investment that will pay back enormous benefits, enormous dividends.

I urge Members to support it.

Mr. Chairman, I reserve the balance of my time.

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Mr. WALKER. Mr. Chairman, I yield 3 minutes to the gentleman from New Mexico [Mr. SCHIFF].

Mr. SCHIFF. Mr. Chairman, I thank the chairman of our committee for yielding time to me.

I want to say that every time we reach this point of the debate on the space station, I cannot help but think back 500 years and a little bit more, and I am very grateful that nobody was able to persuade Queen Isabella of Spain, please do not finance this exploration across the ocean to the unknown when we have unmet needs here in Spain.

I am sure that Spain at that time, just as all countries at this time, did have unmet needs. I am sure that money that financed Christopher Columbus' voyage could have been spent very usefully inside Spain at that time. But instead, the Spanish Government decided to invest in exploration. They did not know what they would get back for it. They did know if they would get anything back for it. I am sure they must have had serious doubts whether they would ever see those ships again. The result is that the United States of America exists today as a country in part as a direct result of that exploration more than 500 years ago.

Mr. Chairman, I feel the same way about the space station. There are many other reasonable and important needs which can readily be identified by any Member of this body as to where else we could put the money, and they would all be legitimate points, I am sure. Further, those of us who support the space station cannot tell Members today exactly what we will have as a result of it in the future. But we can say this. We can say first that exploration and scientific research has always produced advances for mankind, has always increased our knowledge.

Second, exploration and scientific research have always come back to help the economy and to help consumers. We already know that many of the everyday items we use were developed in research originally intended for the space program.

So for those reasons, Mr. Chairman, I support the passage of H.R. 1601.

Mr. HALL of Texas. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. BROWN], longtime chairman of the Committee on Science and ranking member.

Mr. BROWN of California. Mr. Chairman, I thank the gentleman for this opportunity and I will try and be brief.

First of all, I admire the statements made by both the gentleman from Wisconsin [Mr. SENSENBRENNER] and the gentleman from Texas [Mr. HALL] in support of the space station. I have made many similar speeches over the years.

I have come to an unfortunate conclusion which was reflected in my vote on the appropriations bill, that we are heading down a path which endangers the future success of the space station; namely, a continued decrease in the NASA budget with a provision that protects the space station against any cuts and, therefore, these cuts must be taken out of other NASA programs such as aeronautical research or mission to planet Earth, other very important programs.

My fear has been, and I hope that I am wrong, that as we unravel these other programs, we will unravel the political support for the space station and for the whole of NASA. I have used this opportunity for a debate on the space station to reveal my concerns about what may happen in the future.

I hope that I am wrong. I firmly believe that we need a space station in the future of this country and in the future of our space program. While I do not want to be a Cassandra, I am deeply concerned. I have expressed my concern to everybody who would listen. We cannot continue to support and protect this particular part of our great adventure in space without wondering about being concerned about what is happening overall to the totality. And it is the totality of the interests which support the space program that will allow it to continue into the future.

Mr. Chairman, I will be brief in my remarks, because the debate on H.R. 1601 has little to do with the reality of what is happening to NASA this year. H.R. 1601 is a feel good—but fundamentally irrelevant—bill that gives Members the illusion that they are providing long term funding stability to the space station program. Of course, this legislation will do no such thing, but it is a comforting fiction to embrace in the current chaotic budgetary environment.

Like many issues that have come to the floor this year, there is little in the public record or in the hearing process to justify this legislation. If station is truly the only priority for the space program, what will be the implications if we decimate all other areas of NASA? Will a space station still make sense as a national policy? In addition, can the space station actually remain on track within the budget climate that has been promised by the Republicans? For better or worse, H.R. 1601 has now reached the floor of the House, and I am sure that its supporters have diligently counted votes. In all likelihood it will pass by a comfortable margin. What then will be the impact of its passage?

I submit that very little will have changed. We need only look as far as the House and Senate VA-HUD and Independent Agencies appropriation bills for proof. In both cases, the Appropriations Committees had to fence $390 million in space station spending until almost the end of fiscal year 1996 because they needed to fix an outlay problem in the overall bills. That is not a particularly auspicious start to providing funding stability to the space station program. Indeed, it seems eerily reminiscent of the bad old days of budgetary smoke and mirrors. And it can only get worse as the ill-considered assumptions behind the Republican budgetary proposals require ever greater contortions in the years ahead.

Consider the assumptions behind the House Republican proposals for the NASA budget over the next 5 years. They assumed that Mission to Planet Earth could be restructured to save almost $3 billion. When the National Academy of Sciences reported on its recent review of the program, it could find no credible justification for such cuts and indeed recommended that no further cuts be made to the program.

Next, consider the House Republican budgetary assumptions regarding the space shuttle. They assumed that the shuttle budget could be reduced an additional $1.5 billion below the President's planned reductions by privatizing the shuttle. While it sounds good, the Space Subcommittee held a hearing today in which witnesses expressed concern over the potential safety impacts of funding cuts already made to the shuttle program, let alone the impact of additional massive reductions.

As you can tell, I think these budgetary proposals are wrongheaded and if sustained will do significant damage to our Nation's space program and to our R&D infrastructure. I will continue to speak out against them. Until we address the fundamental question of whether or not we are prepared to fund a vital and robust space program, bills such as H.R. 1601 will be no more than meaningless diversions.

Mr. WALKER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, Just 2 months ago, in July, the House voted twice on amendments to terminate NASA's International Space Station Program. Both of these amendments were defeated by record margins, the first by a vote of 126 yeas to 299 nays and the second by 132 yeas to 287 nays.

So, Mr. Chairman, to most of my colleagues, the question of building the space station is behind us and America's future in space has been secured. We can all be proud of the votes that we cast in July and be assured that the international space station is on schedule and on budget; that is, until next year.

The reason why I bring H.R. 1601 before the House today is to give the international space station a full program, multiyear commitment to finish the job on time and on budget.

H.R. 1601 will set in law NASA's timetable and their budget for completing what we have started. H.R. 1601 sends a powerful signal to our international partners that Congress is up to the job of finishing this project on time. But it also sends a powerful signal here to ourselves about the way that we want NASA to do the people's business. How many times has this House debated whether to proceed with the station? How many times has Congress caused NASA to redesign the program by cutting the annual appropriation to pay for some other need some year? How many years have been lost by redesigning and rephasing the project? How much money has been wasted through trial and error as Congress has ordered one change after another? Too many times, too many years, too much waste, too many changes, Mr. Chairman.

How often in the past 5 years has this House devoted its precious time and conducted purposeful debates on the fate of the space station, only to conclude each time to continue building it?

Mr. Chairman, the House has consistently voted to support space station's development every time since it was proposed in 1984 under Republican and Democratic Presidents, through four significant redesign efforts and under equally distressing fiscal circumstances.

In November, the American people voted for change in the way Congress does business. Surely the American people want Congress to stop wasting money on programs and the subsidies that they can neither see nor understand. But I believe the succession of votes the House has taken over 10 years to build the space station demonstrates that consternation over building it lays only with some Members of the House and not with the American people.

This legislation to commit the Nation to finish what it has started is a new way of doing business. It represents a change in the way Congress does business because it says, here is our highest space priority and we are going to finish it. Passage of a full program authorization for the space station will be a breath of fresh air to those who have watched in amazement while successive Congresses have revisited, revised, and reinvented space station year after year.

America would have a space station orbiting the earth today had it not been for the on again off again commitment by previous Congresses to finish the project. H.R. 1601 says that the space station belongs to the American people. Congress has not canceled the program but has done something worse. Each year we have allowed the program to be bled to near death only to watch its schedule slip, its design change, and its future be jeopardized.

Mr. Chairman, the overwhelming vote in the House this year to continue funding of space station is owed to one essential fact: Since being redesigned in 1993, the space station program has produce on its commitment for the Congress. The space station program has produce 54,000 pounds of flight hardware in less than 2 years. Our international partners have built some 60,000 pounds for flight. This program now keeps its schedule and has stayed below its annual funding cap.

The reason for H.R. 1601 is to capture the success of the new design. We have had 2 years without a redesign, 2 years of stable funding and 2 years of remarkable progress. I believe that NASA Administrator Dan Goldin is to be commended for providing the leadership and for turning the project around. This is the new NASA at work, and I am very proud to recognize this turnaround with this bill.

How does H.R. 1601 work? First, it sets an annual cap of $2.1 billion for any 1 fiscal year of the program between the years 1996 and 2002. Second, it sets a total cost to complete and provide initial operational funds at $13.1 billion. The practical effect of those two numbers, Mr. Chairman, is that it forces NASA to ramp down spending on the project in fiscal years 1998 through completion in the year 2002. In other words, H.R. 1601 assures us that annual appropriations requested to finish the project diminish over time.

It is important to note that while H.R. 1601 provides a full program authorization, annual appropriations are still necessary. Under the bill, when the President submits the annual budget request for space station, NASA must certify to Congress that the program can be completed on time and on budget. It must also certify that no delays are foreseen at the time of the certification and that the program reserves cover all potential unbudgeted cost threats.

Our strategy is to continue to oversee the program's execution through the parameters set by H.R. 1601, which are based on NASA's own projections of cost. For a change, we take Congress out of the design loop and let NASA build what it promised us we could have. Having said that, I believe NASA is being put under the gun by H.R. 1601. These promises will be hard to live by, but they are exactly what we need to keep the program on schedule.

There are two reasons why schedule is important, Mr. Chairman. First, finishing the program on time saves money. Second, keeping on schedule means keeping our partners in Europe, Japan, Canada, and Russia on time and keeping their costs as partners under control.

Back in July, when this House defeated the naysayers and voted to continue building America's future in space, many of us recognized the impact that terminating space station would have on our international partnerships. Had the program been canceled, clearly there would have been no chance to attempt other far-reaching science projects too expensive for America to pay for by itself. We recognized the long-range impact such a failure would have on any cooperation in science.

Back in July, I spoke about the need to explore and to expand the human spirit. I talked about being bold and being free.

Mr. Chairman, now that we have said that the space station deserves its one-tenth of 1 percent of the Federal budget, can we also say that we have the vision to complete this project on time? I am tempted to say more, much more about the creation of knowledge about diseases and materials that can only be found in the vacuum of space or in the absence of gravity. I am tempted to point out to my colleagues that we have a vision of space development that merely begins with this NASA-sponsored outpost but which flourishes into an Earth-space economy based upon inventions and materials that we have not thought of here on Earth because our vision is too weighted down by the power of gravity.

But today is not about the survival of the space station. It is really a debate about how we choose to do business and how we choose to manage the public tax dollars. We are going to build the international space station. The real questions are how, when, and for how much. H.R. 1601 says, here it is, finish it by the year 2002, and do not ask for more money.

Mr. Chairman, to conclude, H.R. 1601 is an insurance policy on the votes we cast in July to continue this vital international space venture. It underwrites our investment this year by setting a schedule and a budget for completion.

We believe this legislation is good for NASA and good for the American people. The space station is theirs. They deserve it. Let us once and for all commit ourselves to finishing what we have struggled over the years to start. Before us is an opportunity to draw a big, bold circle around one of humankind's most astonishing new frontiers. So join me in closing the loop. Join me in voting for H.R. 1601, our commitment to finish the job on the space station.

Mr. Chairman, I reserve the balance of my time.

Mr. HALL of Texas. Mr. Chairman, I yield 4 minutes to the gentleman from Indiana [Mr. ROEMER], a very affable and very valuable member of the Committee on Science.

Mr. ROEMER. Mr. Chairman, I would like to salute the distinguished gentleman from Texas, who I have the utmost respect for and enjoy his sense of humor in our Committee on Science. He usually whups me out here on the floor on the space station battle, but I can only say that the fighting Irish of Notre Dame took it to them in the football game this past Saturday. That is where I have to go for my wins these days, not on the House floor, but I have a great deal of respect for Mr. HALL.

Mr. Chairman, this bill is not about whether we are for or against the space station. That is absolutely not what we are talking about in H.R. 1601. As the chairman of the committee said, we had that fight. I lost. We lost. But the last thing that one does when one is fighting in these kinds of times when we are trying to make tough decisions to balance the budget, when we are trying to cut back on some Government programs that have been around forever, which I support cutting back on a number of these programs, when some Members are talking about kicking children out of Head Start programs, cutting back on Medicare, is to give a free ride to the space station, to give $13.1 billion over the next 7 years to the space station. That is not an insurance policy, it is an insulation policy.

We are saying for 7 years we are going to give them $13 billion, and we are not going to have the kind of oversight, we are not going to have the kind of jurisdiction, we are not going to have the kind of tough hearings that every Government program should have, whether it is Head Start. We can do Head Start better.

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Mr. Chairman, I fully support Head Start programs, but we can do it better. We should have hearings on Head Start. But here we go on a $13.1 billion, 7-year authorization bill. Let us have this battle every year. Let us make sure that they are on budget if Congress decides to fund this program. Let us make sure they are not slipping behind 2, and 3, and 4 years. Let us make sure it is an international space station.

Mr. Chairman, the Italians dropped out of this program. Who else is going to drop out of this program in the next few years? The Russians are negotiating with the Americans in Houston. They want control over the propulsion and navigation systems. Does that make it possible that the Russians would have total control over the space station in the year 2002 or 2008, whenever it is finished, and the United States would not even be the first ones into the space station?

What about our role as representatives to oversee how tax dollars are spent in Washington, DC? Let us be accountable to the taxpayers of this country and not give a $13.1 billion, 7-year authorization to a space station that has moved from $8 billion in 1984 to $94 billion total cost projected by the year 2015 when maintenance and everything else is done on this space station.

Now I am not too worried, Mr. Chairman, because I do not think the Senate is going to take this up. I think this bill is going to die in the rotunda and not get any further over to the Senate floor, and I hope that is where it dies. But I certainly think that we have a responsibility when we are in this tough budgetary environment, when we are going to fight for a balanced budget by the year 2002, when we are going to make tough decisions to cut programs.

I can only say, Mr. Chairman, that this reminds me of when I used to play Monopoly when I was a kid and there was a card that they used to give us that we could just go around "Go," did not have to stop, did not have to take any risks, did not have to risk jail, or go across Boardwalk, or buy any homes, take any responsibility. One got a free ride, the free-ride card. That is what this is. This is the free-ride bill.

H.R. 1601 is not about whether my colleagues support the space station. It is about whether or not they want to do their job as a Representative of the taxpaying citizens of this country and make the space station accountable, just as the Hubble is accountable, just as Head Start is accountable, and just as every government program should be accountable.

Again I thank the distinguished gentleman from the State of Texas [Mr. HALL] for having yielded this time to me.

Mr. WALKER. Mr. Chairman, I yield myself such time as I may consume before yielding to the gentleman from California [Mr. ROHRABACHER].

Mr. Chairman, I just think it is important to correct a couple of points made by the gentleman from Indiana [Mr. ROEMER].

First of all, this is not a giveaway of any money. This is a cap; this is a spending cap. The very problems that the gentleman outlines are what this bill addresses by assuring that we are operating within spending caps in a year and we are operating with an overall spending cap. The $13.1 billion that he suggests is an overall spending cap in the bill. It is, in fact, a definition of fiscal responsibility, of what we are doing here.

Second, the gentleman mentioned in his remarks that the Italians have dropped out of the program. That has not happened. There are, in fact, some allocation questions that are now occurring in the European space community, but the Italians have distinctly not dropped out of the program at the present time.

In addition the gentleman is also wrong with regard to the prospects of this bill in the U.S. Senate. This is a bill which I have talked to the chairman of the authorizing subcommittee in the Senate, and he is very interested in proceeding with this bill. So we do have an opportunity with this bill to attain the kind of fiscal responsibility that I think all programs should have, and the fact is, as the gentleman mentions some educational programs, a number of those programs in the educational area are forward-funded. They do have multiyear approaches, and we in fact did go back and review them on a regular basis, and every year we still have appropriations bills coming here so that we can review these issues. Every year this committee is going to hold hearings on the overall NASA programs, and we are going to look at how the space station program is proceeding. All this does is assures that we are doing it within the constraints that NASA itself says are appropriate for doing this station, and I just beg to differ with the gentleman with regard to what we are doing here.

Mr. Chairman, we are doing the fiscally responsible thing for once. We very seldom have done that in a lot of these science programs.

Mr. ROEMER. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Indiana.

Mr. ROEMER. Mr. Chairman, I would just respectfully disagree with a number of things the gentleman from Pennsylvania [Mr. WALKER] has said.

First of all, it is called an international space station when in fact we send about $400 million to the Russians to get their participation in the space station.

Mr. WALKER. Mr. Chairman, we are buying goods from them. The gentleman understands that what we are doing is we are buying products and services from the Russians as a part of the overall effort. It is not a giveaway to them. We actually get hardware and services in return for the money that we are paying.

Mr. ROEMER. If that is the gentleman's idea of a partnership in international space, I wish somebody was doing that with me with my investments in mutual funds, or whatever I decided to, that they would put up the money, and take the risk, and just give me the money to do it.

An international space station; I think the connotations are that people put up their money, and it is not the U.S. taxpayer sending money off to the Russians.

Mr. WALKER. But in fact, I would say to the gentleman, is that several of our allies have devoted several billion dollars of spending of their own in this partnership. The Europeans and the Japanese have both put up hundreds of millions of dollars, into the billions of dollars railroad already in the program, and will put up substantially more in the future.

So again I think the gentleman misrepresents the situation. I do have to yield to the gentleman from California.

Mr. ROEMER. Could I just make one point?

Mr. WALKER. Yes; I yield to the gentleman briefly.

Mr. ROEMER. As the distinguished gentleman from Pennsylvania [Mr. WALKER] knows, in our rules of the House it does state that we will in the Committee on Science have a continuing review of the different programs under our jurisdiction, and I just want the gentleman to give us assurances that we will continue to have oversight hearings of the space station, both pro and critical hearings.

Mr. WALKER. Absolutely. This in no way will interfere with our ability or willingness to do that. Our committee is going to continue to maintain a very firm jurisdictional interest in what goes on in space station, but we are also going to make certain that the program is stabilized in a way that assures that it remains on budget and on time.

Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. ROHRABACHER].

Mr. ROHRABACHER. Mr. Chairman, I rise in strong support of this legislation and the priority and direction it gives to the space station program. I would like to praise the chairman of the Science Committee, Mr. WALKER, my subcommittee chairman, Mr. SENSENBRENNER, and the former chairman, Mr. HALL of Texas, for their hard work in bringing this bill to the floor.

This multiyear authorization of the international space station is a bold and timely move which will send an unmistakable message to the other body, to the President, to our international partners, to many entrepreneurs and scientists who will use the space station, and to the American people.

Why are we authorizing the space station through to completion this year? Not just because the space station has been restructured and is now on a steady course within budgetary limits. Not just because the space station will be an invaluable research laboratory in the unique environment of space. Not just because with the decline of the defense budget, it is vital to engage American and Russian aerospace industries in a positive joint effort.

Mr. Chairman, to me this multiyear authorization of space station is possible and desirable because of two significant developments championed by the Science Committee. First NASA has finally begun a reusable launch vehicle technology program which will lead to radically cheaper access to space, enabling much greater and easier use of the space station. Second, this legislation directs NASA to begin planning for the commercialization of the U.S. portions of the space station, including its operation, servicing, growth, and utilization.

Together, these two steps make possible the real reason I feel we are building the space station: to begin the expansion of American civilization, powered by free enterprise, into the space frontier. And that is why we are passing this multiyear authorization of space station separately from the rest of the NASA budget. By passing this bill we are sending a message that this is our priority: opening space to human enterprise, and propelling all of mankind into a new era of technology, freedom, and prosperity.

Mr. HALL of Texas. Mr. Chairman, I yield 2 minutes to the gentleman from Alabama [Mr. CRAMER], who represents the Marshall Space Center in Huntsville.

Mr. CRAMER. Mr. Chairman, I rise in strong support of the International Space Station Authorization Act, and I want to congratulate the chairman of the full committee. I also want to congratulate the ranking member of the Subcommittee on Space and Aeronautics. As these two fine gentlemen know, every year we dot every "i" and cross every "t" with regard to NASA. Unfortunately, my colleague, the gentleman from Indiana [Mr. ROEMER], who has already left the Chamber, cannot see that. He participates in that, but he just cannot let go of that.

There have been nine votes in the House to terminate the space station since I came to Congress in 1991, and the space station has survived every vote. Now along the way we have, in fact, held NASA's feet to the fire. The space station was redesigned in 1993. The goals of NASA have been refocused and reformed, and I think this process has allowed us to refocus that and to accomplish many things, but enough already. I think this bill is the right thing to do, and this is the right time to do it.

The Congress has spoken definitively in its support for space station. I think the margin of votes recently is a reflection of that. Now is the time to put this debate to rest, and I think this multiyear bill will accomplish that goal.

My colleague from Indiana as well has made it sound as if, once this piece of legislation is passed, that that will be the end of the monitoring period. Of course it will not. As the chairman has pointed out, we will still have our annual appropriations process that we must go through so we have an opportunity to adjust when and if we need to do that.

I think, as well as I must add, that for the benefit of the fine NASA employees that are out there that have given their good careers to work in this program that this is a bill that makes sense. Let us do it. Let us get on with it. I thank the chairman for giving us that opportunity.

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Mr. HALL of Texas. Mr. Chairman, as they are doing out in the western part of this country, they are saving their best lawyer for the closing arguments in Los Angeles tonight. We have probably one of our very best to make the last argument for the space center.

Mr. Chairman, I yield 5 minutes to the gentlewoman from Houston, TX, the Honorable SHEILA JACKSON-LEE, who represents Johnson Space Center very ably.

Ms. JACKSON-LEE. Mr. Chairman, I thank the ranking member for yielding time to me, and I would like to pay tribute to him for his longstanding effort on this, and for the work he has done in support of the space station and also in support of NASA. I thank the gentleman from Pennsylvania [Mr. WALKER] for his commitment and willingness in many instances to compromise on some very important issues.

Might I say for just a moment, Mr. Chairman, I would like to give appreciation to the many employees at our respective centers around the Nation, for they have downsized and cutsized and modernized and attempted to make this thing called NASA and the space station work effectively and efficiently.

For as long as man has walked this Earth, he has explored his surroundings and expanded his frontiers. History has demonstrated that as an inherent part of our genetic makeup as humans we pursue knowledge and understanding of ourselves and the universe in which we live. It is unassailable that these very tendencies are responsible for everything we take for granted today.

Clearly, I believe H.R. 1601 should be supported, because I happen to think that the space station is the work of the 21st century. Along with the research in medical technology and biomedical technology and the new technologies that will be forged through this research, I can see into the future the opportunities for children in inner city communities to grow up and be trained and to work in those researches that may be garnered through the space station. We must create a new work for America, and that work has to be technological work.

I would say that H.R. 1601 is not a waste of money, but in fact contributes to the future of this Nation. These are terrible times, with cuts in Medicare and Medicaid. Unfortunately, in these days of budget reductions and seemingly intractable social problems, there are those who protest these very activities. I want to see a fix to Medicare and Medicaid, but I would want us not to turn inward, abandoning discovery, in a scornful rebuke of our very nature.

From this country's inception, and specifically after World War II, the United States has played a leadership role in science and technology. Indeed, it has been one of the hallmarks of our Nation. In our budget-cutting and political feuding, it is important that we not forget nor forsake this amazing heritage and the prosperity and advancement it has brought.

Space Station Alpha is such an opportunity. In conjunction with our international partners we have forged a chance to begin our journey to the next frontier. Should we let them dominate us? Of course not. I hope the Committee on Science will be in the forthright position to oversee those relationships, and assure that this country remains in the forefront, in a leadership role on the space station.

Alpha will allow parallel possibilities in long-term biological materials and environmental research. In pursuit of this noble goal, we have before us today a bill which will allow the timely and successful completion of this project. I would have hoped that we would have intertwined it with massive spending. I do hope that NASA and space station are strong, and the gentleman and I had offered an amendment in committee to assure that.

I will not do so this time, but I will admonish all of us as members of the committee and of the House to ensure that all the sciences will be safe, and that space station continues to grow and will be strong, along with NASA and its other sciences. We hope H.R. 1601 will provide NASA with a 7-year stable funding base which, in terms of time, will limit the costly delays and weakened confidence of our international partners.

I am gratified to say, as my colleague, the gentleman from Texas, has indicated, with his leadership, the innovative efforts with biological research that are being forthrightly discussed by leaders of the Texas Medical Center represent an exciting opportunity for space station.

This bill, H.R. 1601, allows that to happen if this measure is passed, but it also ensures that the station and the program will remain on time and on budget, with annual certifications by NASA, that additional funds will not be required, that the program funding reserves are adequate, and that no production and construction delays are anticipated.

I would say to the gentleman from Pennsylvania [Mr. WALKER], I am gratified by the fact that he has made it very clear that the Committee on Science will continue its oversight and that we will hold NASA to be accountable. It is important that we safeguard this country's investment of time, money and effort in this great effort.

Let me raise, however, two serious points. I would raise the serious concern regarding the implementation of safety oversight. I would argue vigorously that NASA should be a real partner in space station privatization. Further, I reemphasize the importance that Congress should continue its oversight in making sure that the space station, despite its multiyear funding, is efficient, that it maintains its safety record, and that we have real involvement as it proceeds to become the work of the 21st century.

So I do, in spite of these concerns, ask my colleagues to support H.R. 1601. I believe it is in the best interests of our Nation, our future, and our children, and it assures our continued international leadership and world leadership in technology and, as well, biomedical research.

Mr. WALKER. Mr. Chairman, I yield 2 minutes to the gentleman from Arizona [Mr. SALMON].

Mr. SALMON. Mr. Chairman, why is it so important that we come together and pass this bill today? Since 1969 the United States has focused its space program on the construction of a space station to serve as a laboratory for scientific experiments and extended habitation of humans in space. To this end, Americans will have spent billions of dollars, and in the process developed the space shuttle, a reusable launch transport system to service it.

The knowledge we have gained in this process has been invaluable. Technology developed for the space shuttle is helping make airline flights safer and more efficient. Medical advances and equipment and the study of diseases is helping to save lives here on Earth. We can expect more progress in these areas from the international Space Station Alpha, as well as advances across a spectrum of emerging technologies.

The money we spend on space station finds practical applications for daily life on Earth, and it is money well spent. Unlike other Government programs, every dollar spent on space programs returns at least $2 in direct and indirect benefits.

Why is it important for us to pass a multiyear authorization? In order to achieve the best, most cost-effective space station to meet the operating goal of 1998, the program requires stability. Yearly budget balances just serve to distract NASA from its mission. Space Station Alpha is already under construction at Marshall Space Flight Center and other centers around the country. In order to meet the scheduled launch of the first module in December 1997, NASA is committed to delivering the space station on time and on budget. H.R. 1601 ensures this by requiring the administrator to certify these conditions are met.

In addition, this bill sets up an annual authorizing cap through 2002, thus steering clear of cost overruns that have plagued the program in the past. We are taking responsibility by providing the proper level of oversight to avoid budgetary problems down the line. Our support is vital for the success of this program. The space shuttle will at last fulfill its envisioned mission as a primary vehicle for space station assembly, and a link between Earth and Alpha. We can only imagine the scientific advances developed on Alpha that will be an integral part of human life in the next century.

Mr. GANSKE. Mr. Chairman, I rise today in opposition to H.R. 1601, the International Space Station Authorization Act of 1995.

The American people are tired of Washington wasting their money on frivolous projects. Projects that begin with good intentions. Projects that grow in size and price and begin to take on a life of their own because no one has the courage to stop them.

Proponents of this bill state that we must authorize the space station for the next 7 years to demonstrate a commitment to our international partners. Meanwhile, we leave ourselves no way out should any of our partners decide to end or decrease their participation. And if they do drop out, we will be forced to increase our spending to pick up the slack, or publicly admit that we have spent billions on a failed program.

Full program authorization is premature and ill-advised. Boeing has still not signed contracts with major subcontractors. International agreements have not been reached.

Space station supporters recognize that the program may not have the financial reserves to cover overruns. They acknowledge that our international partners are facing budget constraints and may not be able to fully participate. What they refuse to admit is that we do not need to spend $94 billion to construct and maintain the space station until 2012 in order to demonstrate a cooperative international effort in space.

I have too many questions and far too many doubts about the space station to support a 1-year, let alone a 7-year, $13 billion authorization. We cannot afford the space station and we cannot afford to make the space station NASA's top priority at the expense of other worthwhile programs.

Mr. DELAY. Mr. Chairman, I rise in strong support of this bill which authorizes the international space station through completion in 2002. This House, during consideration of the VA/HUD appropriations bill, and the Senate, just yesterday, made very clear America's commitment to our international space station program.

Efforts to kill this very important program have been soundly defeated because the American people understand the significance of our manned space program to our nation's future. They share the excitement of the exploration of space because it touches the core of our American identity as pioneering adventurers.

And the success of the space station bears directly on how our future here on Earth, in the United States, in our schools, and hospitals, offices and factories will be shaped.

The opponents of the space station program have fought their hardest and they have lost. It's time for them to accept the will of the country.

This doesn't mean they shouldn't be watchdogs of the program—this bill requires certification that the program be on schedule and on budget each year in order for the authorization to remain in effect. But let me be clear, the debate over the existence of the program should end.

Mr. Chairman, just a few months ago, many around the world shared the excitement of the successful Shuttle-Mir docking. It was a nail-biting effort that required precision within thousandths-of-an-inch.

There can be no doubt that this was a significant achievement, but I wish it wasn't. At one point, watching the shuttle take off became commonplace. At one point, even the act of landing on the Moon became just another landing.

I'm looking forward to the day when the shuttle docking with the space station miles above the Earth no longer attracts attention because it's routine. This bill is an important step toward that day.

I urge my colleagues to support this bill—it gives stability to the station program, certainty to our international partners and it represents America's long-term commitment to our manned space program and the international space station.

Mrs. SCHROEDER. Mr. Chairman. This Congress has made budget cutting a priority. We have cut housing programs by $4.9 billion, directly effecting the poor and elderly. We have cut the EPA by $2.3 billion, threatening our water, air, and food safety. We have cut student loan programs by $918 million. We have eliminated summer youth programs to save $871 million. These budget cuts will affect every American, and come out of every pocket. Well, almost every pocket. The Science Committee has recommended that NASA should receive $2.1 billion next year to build a space station. NASA's space station budget went untouched in this appropriations cycle, and received the same amount it got last year. However, all of NASA's nonspace station programs were cut by 6 percent. We will gouge our seniors, our children, and our environment, but not the space station.

This authorization bill would give NASA $13.1 billion over the next 7 years, to conduct experiments in a permanent space station. The Republican budget requires us to cut $10.1 billion from student loans over the same period.

Budgeting priorities aside, this program is a bad idea. In 1984, the space station was originally budgeted at $8 billion over the 40-year life of the project. We've already spent $11 billion. According to a recent GAO estimate, the figure for completion has risen to $93 billion. Perhaps we should spend our money improving this planet before we start wasting money on outer space.

Mr. HALL of Texas. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. WALKER. Mr. Chairman, I thank the Members for the debate, and I yield back the balance of my time.

Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. SALMON) having assumed the chair, Mr. HOBSON, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill, (H.R. 1601) to authorize appropriations to the National Aeronautics and Space Administration to develop, assemble, and operate the International Space Station, had come to no resolution thereon.

POLITICAL SUPPRESSION HEARINGS

(Mr. SKAGGS asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous material.)

Mr. SKAGGS. Mr. Speaker, political suppression hearings in the Committee on Government Reform and Oversight begin tomorrow and its first victim, if Members can believe it, is the YMCA.

In today's New York Times, the gentleman from Indiana [Mr. MCINTOSH], the subcommittee chairman, makes it clear these hearings will be used to investigate groups who have opposed the Republican agenda.

First, the majority attached the Istook political suppression amendment to the Labor-HHS appropriations bill. Next they poisoned the conference on the Treasury Postal bill by insisting on it there. Now the cancer has spread to the Committee on Government Reform and Oversight.

The Istook amendment restricting so-called political advocacy might have been written as satire by George Orwell, or, in all seriousness, by Joe McCarthy. It is an intrusive regulatory scheme designed to gag groups who wish to participate in the political life of America.

If you have any doubt, Mr. Speaker, just look at this demand for the production of documents issued by the subcommittee chairman to witnesses at the hearing, requiring them to produce exhaustive reports on their participation for 5 years in public affairs. All freedom-loving Americans should oppose this attack on the core principal of our democracy.

Mr. Speaker, I include the document for the RECORD.

HOUSE OF REPRESENTATIVES, COMMITTEE ON GOVERNMENT REFORM AND OVERSIGHT,
Washington, DC.

Memo to: Executive Director.
From: Chairman David McIntosh.
Date: September 20, 1995.
Re: Oversight Questions Concerning Political Activity of Federal Grantees.

The Subcommittee on National Economic Growth, Natural Resources, and Regulatory Affairs will conduct a series of oversight hearings regarding Federal grantees' use of Federal funds for political activity. Thank you for agreeing to testify at the first such hearing.

Pursuant your conversation yesterday with Mildred Webber, Staff Director for the Subcommittee, attached are several questions and requests for documents that are relevant to our oversight investigation. In addition, Subcommittee counsel may contact you prior to the hearing to set up a meeting to ask any follow up questions we may have concerning your responses.

Please respond to each of the attached questions in writing by 5:00 p.m. Monday, September 25. Deliver your responses to Room B377 Rayburn H.O.B. If you have any questions regarding the scope or meaning of any of the questions, please contact Jon Praed, counsel to the Subcommittee, at 202–225–4407.

Thank you for your cooperation. I look forward to your testimony next week.

REQUESTS FOR DOCUMENTS

1. Please produce complete copies of your organization's publicity available Form 990 tax forms for the past two years.

2. Please produce a copy of the founding documents and/or charter for your organization that sets forward its founding or guiding principles.

3. Please produce a copy of your organization's annual report for the past two years.

4. Please produce all independent audits conducted of your organization in the past two years.

GENERAL BACKGROUND QUESTIONS

1. What is the tax status of your organization under Internal Revenue Code (IRC) section 501(c)?

2. If your organization is a section 501(c)(3) tax exempt organization, has it made the 501(h) election for purposes of political advocacy? If not, why not?

3. Identify each organization affiliated with your organization (by stating the affiliate's name, tax-status, tax identification number, place of incorporation, principal business address, telephone and facsimile number). For each affiliate that is a section 501(c)(3) tax-exempt organization, state whether it has made the 501(h) election for purposes of political advocacy. If not, explain why not.

4. Identify all transfers of monetary or non-monetary assets from your organization to any affiliated organizations, and from any affiliated organizations to your organization for the past 12 months.

5. How much federal taxes would your organization have owed last year had your organization not been tax-exempt? In the past 5 years? During the existence of your organization?

6. In addition to the tax windfall enjoyed by your organization, identify all other benefits your organization gains from its tax-exempt status, including mail postage rate discounts (by describing the benefits and estimating the annual value of this benefit).

7. What is your understanding of the justification for your organization's tax-exempt status?

8. Does your organization believe that the current IRC limitations on the amount of non-Federal funds that can be spent by tax-exempt organizations on political advocacy, lobbying, and electioneering violate the First Amendment, or are otherwise unconstitutional? If so, please identity the limitations that are unconstitutional and explain the basis for your organization's belief. Is it your organization's belief that any of the limitations contained in the attached legislation violate the First Amendment or are otherwise unconstitutional? If so, please identify the limitations, explain the basis for your organization's belief, and distinguish this belief from its belief on the constitutionality of the current IRC limitations.

9. Does your organization engage in any non-tax-exempt business activities? If so, please describe those activities, and estimate the amount of revenue earned from those activities?

10. In the past five years, has your organization endorsed any products, goods or services? If so, identify the endorsements, and state the amount of any compensation your organization received for these endorsements.

11. How would your organization spend an extra $1,000 this year? $100,000? $1,000,000?

12. For each of the past five years: state your organization's expenditures on salaries (including wages, bonuses, expense accounts and all other forms of compensation); itemize the salaries (including wages, bonuses, expense accounts and all other forms of compensation) paid to your top five officers and directors for the past five years.

13. What percentage of your organization's annual revenues are spent on fund raising?

14. If your organization is a coalition or association of organizations, please identify the member organizations by stating their full names, tax status, principal business address, telephone and facsimile numbers, and chief executive officer, and please state the amount of annual dues or membership fees paid to your organization by each member organization.

POLITICAL ADVOCACY INFORMATION

1. In the past five years, has your organization engaged in political advocacy as defined in the attached legislation? If so, please provide a brief description of the type of political advocacy engaged in, and a good faith estimate of the expenditures on each activity. Please answer for each affiliated organization.

2. Does your organization devote more than an insubstantial part of its activities to attempting to influence legislation by propaganda or otherwise, as that term is used in the Internal Revenue Code? What safeguards has your organization created, if any, to ensure that this limitation is not exceeded?

3. What percentage of your non-federal budget do you spend on political advocacy (as defined in the attached legislation), and what is the total amount?

4. Does your organization directly or indirectly participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of or in opposition to any candidate for public office? If so, please describe your organization's activities.

5. Does your organization disclose its political advocacy activities to its donors and potential donors? If so, please produce copies of all documents containing such disclosures. If not, please explain why not. Also, please produce copies of all promotional and fundraising materials distributed to potential donors.

GRANT INFORMATION

1. Has your organization received any federal grant funds since 1990? If so, please itemize for each grant received: the grant identification number; the amount or value of the grant (including all administrative and overhead costs awarded); a brief description of the purpose or purposes for which the grant was awarded; the identity of each Federal, State, local and tribal government entity awarding or administering the grant, and program thereunder; the name and tax identification number of each individual, entity or organization to whom your organization made a grant. Please answer this question with respect to each affiliate organization.

2. Does your organization receive donations, membership fees or dues from any other organizations that receive federal grant funds? If so, please identify the organizations and the amount(s) each of them have transferred to your organizations for the past two years. Were these organizations' contributions made possible by their receipt of federal grant funds? If not, how do you know? If so, justify your organization's decision to accept these contributions.

3. How does your organization separate federal grant funds from its non-federal funding? Is this record-keeping available to the public for inspection? Will you please make it available to the subcommittee for our review?

QUESTIONS REGARDING ABILITY TO COMPLY WITH THE PROPOSED LEGISLATION

1. Does your organization maintain accounting books and records relating to its activities? Are these books and records based on Generally Accepted Accounting Principles (GAAP)? If not, why are they not based on GAAP?

2. Does your organization allocate, disburse, or contribute any monetary or in-kind support to any individual, entity, or organization whose expenditures for political advocacy in any of the past five years exceeded 15 percent of its total expenditures for that year? 25%? 50%? 75%? 95%? For each of these thresholds, please identify each individual, entity or organization receiving the support, and the amount of support provided. If you are unable to answer this question for any of these thresholds, please explain why you are unable to answer.

3. Does your organization make available the results of nonpartisan analysis, study, research, or debate? If so, please identify the types of work made available by your organization in the past year.

4. Does your organization provide technical advice or assistance to a governmental body or to a committee or other subdivision thereof in response to a written request by such body or subdivision? If so, please identify the type of technical advice or assistance provided and the governmental body receiving it.

DROP SUNSET PROVISION FOR LOW INCOME HOUSING TAX CREDIT

(Mr. ORTON asked and was given permission to address the House for 1 minute and to include extraneous material.)

Mr. ORTON. Mr. Speaker, I rise today to express my strong opposition to the Ways and Means Committee proposal to sunset the low-income housing tax credit, which is to be included in the House reconciliation bill.

As evidence of how unwise this proposal is, I would like to enter into the RECORD a letter I received from the Governor of my home State, Mike Leavitt. This letter urges the deletion of the committee's sunset of the low-income housing tax credit. It also points out that this private sector tax incentive accounts for virtually all of new construction of Utah's apartment units which are affordable to hard working, low income renters.

Mr. Speaker I urge my colleagues on the other side to listen to Governor Leavitt, who incidentally is the chair of the Republican Governors Association. Let's drop this misguided proposal from the reconciliation bill.

Mr. Speaker, I submit the following for the RECORD.

STATE OF UTAH,
WASHINGTON OFFICE OF THE GOVERNOR,
Washington, DC., September 19, 1995.

Hon. BILL ORTON,
House of Representatives,
Washington, DC.

DEAR REPRESENTATIVE ORTON: House Ways and Means Committee Chairman Bill Archer has released his proposed Budget Reconciliation to members of his Committee. It calls for the sunset of the Low Income Housing Tax Credit [LIHTC] after December 31, 1997.

As you know, the LIHTC is the only incentive remaining today in Utah, as well as the nation, for the production of affordable rental housing. According to the Utah Housing Finance Agency which administers the tax credit program for our state, the 6,000 units financed in Utah by LIHTC accounts for virtually all this state's apartment construction that have rents which are affordable to hard-working, yet lower income renters. This represents fully half of all the new apartments that have been constructed in Utah since 1987. It also finances rehabilitation of large numbers of old apartments into decent and affordable places for low income families to live.

The LIHTC is not a direct spending program of the federal government like so many other housing programs, but rather offers tax incentives to the private sector to invest capital into these difficult to finance housing efforts. Although corporations are the principal investors in the tax credits which finance these low income apartments, the LIHTC is not in any way a form of "corporate welfare". The LIHTC builds partnerships between public and private sectors to very efficiently draw capital into solving this nation's housing dilemma.

Additionally, the LIHTC has played an important role in sustaining the apartment construction industry in Utah for nearly a decade. It is playing a prominent part in the resurgence of a healthy Utah real estate industry. Vastly more important, the LIHTC has produced more than 6,000 rental homes, housing in excess of 25,000 lower income parents and children, in nearly every community in our state. Those decent and affordable places to live simply would not exist without the LIHTC.

Please contact Chairman Archer and ask him to delete the LIHTC sunset proposal from his Budget Reconciliation Bill.

Thank you for your attention to this important matter.

Sincerely,

MICHAEL O. LEAVITT,
Governor.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

THE BLACK CAUCUS AGENDA TO FIGHT THE DEATH OF ENTITLEMENTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. OWENS] is recognized for 5 minutes.

Mr. OWENS. Mr. Speaker, last weekend, from September 20 to 23, the Congressional Black Caucus held its annual legislative weekend conference. More than 20,000 people participated in the various activities of the Congressional Black Caucus' annual legislative conference. It was our 25th anniversary.

I think it was a clear indication to all who are concerned that the Congressional Black Caucus is still very much alive and a very potent force in the politics of this Nation. Some 20,000 people came to various activities, including workshops on major issues like education, transportation, health, et cetera. We reaffirmed a clear Congressional Black Caucus agenda. We call it the Congressional Black Caucus and the Caring Majority Agenda, because it includes so many more people than people who are black. The overwhelming majority of Americans agree with the agenda that we set forth.

We started this agenda when we offered the Congressional Black Caucus alternative budget on the floor of the House, and we continue the fight. Today and tomorrow we particularly want to emphasize the fact that we are very upset about the death of the welfare entitlement, the death of the entitlement for poor people in need of assistance. The entitlement is on its last breath, its last gasp, almost. The Senate has agreed to end the entitlement, and the House has previously agreed to end the entitlement. We are afraid the President will not veto this end of entitlements that have existed since Franklin Roosevelt created Social Security.

We are going to particularly focus on that. In fact, we are going to wear black arm bands tomorrow to mourn the death of entitlements, the entitlements related to assistance to the poor. That is just the beginning. We understand that on the table now, everybody should know that on the table now is a proposal to kill the entitlement for Medicaid. We have almost killed the entitlement for assistance to poor people. We have set a precedent, so now we are going to go on to kill the entitlement for Medicaid, which means that many fewer people will be eligible for assistance with health care than were eligible last year, when we were talking about moving toward universal health care.

We have an agenda. We want to fight this. We want to fight the death of entitlements. We want to fight aggressive racist attacks in all forms. The Congressional Black Caucus has pledged to continue the fight against the attacks on affirmative action, we are pledged to continue the fight against school desegregation, set-asides, and the Voting Rights Act. We want to fight for education as a national priority. The CBC alternative budget demanded a 25-percent increase in funding for education. President Clinton has also proposed a large increase for education. We want to fight for this increase. We do not want the President to lose sight of this priority.

We want to fight to stop all of the cuts in Medicaid as well as Medicare. This Nation needs a national health insurance program with universal coverage. We should not take a step backward and end the entitlement for Medicaid. We want to fight to increase the minimum wage, to guarantee the right to organize unions, to end the striker replacement activities, and to maintain safe and healthy conditions in the workplace.

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We want to fight to balance the Nation's tax burden by lowering taxes on families and individuals, while forcing corporations to pay their fair share of the taxes. At present, corporations cover only 11 percent of the tax burden, while individuals and families shoulder 44 percent of the tax load. We want to fight this injustice and balance the tax burden. Mr. Speaker, if we want to balance the budget, first balance the tax burden and relieve individuals from high taxes while we raise the burden on corporations up to a more reasonable level.

Mr. Speaker, we want to fight for an increase in foreign aid to Africa, the Caribbean, Haiti, and other third world countries to assist with vital health and education needs. During this weekend we passed a specific resolution related to education.

Mr. Speaker, I am the chairman of the Education Brain Trust of the Congressional Black Caucus and the National Commission for African-American Education, along with the Congressional Black Caucus Brain Trust Assembly, and those organizations declared their full support for the organization of a National Education Funding Support day on Wednesday, November 15, 1995, during open school week. Just about 6 weeks from now, during open school week on November 15, 1995, we would like for people to come out in large numbers.

We want all of the community groups, senior citizens, businesses, all kinds of people, churches, unions, to mobilize and bring people out on the morning of November 15, to the nearest public school. Everybody come out to the nearest public school to show that in America, there is overwhelming support for education, that there is overwhelming support from all walks of life, and we want to reaffirm this on November 15, during open school week. So please come out and participate. This is a particular and specific outcome of the Congressional Black Caucus weekend and we would like the support of every individual across the Nation.

REPEAL OF THE DAVIS-BACON ACT

The SPEAKER pro tempore (Mr. HOBSON). Under a previous order of the House, the gentleman from Arizona [Mr. SALMON] is recognized for 5 minutes.

Mr. SALMON. Mr. Speaker, I rise tonight in strong support of the repeal of the Davis-Bacon Act. Davis-Bacon is over 60 years old, but has already lived out its usefulness by that long in dog years.

This act is an example of the command and control economics practiced by the failed Soviet state. Instead of the free market determining the wages of workers employed by Federal construction contractors, we have a handful of bureaucrats in the Labor Department right here in Washington deciding how much their fair pay should be.

That's right, the same Government that spent the American taxpayer's money to study the effects of cow flatulence on the ozone layer has decided to give electricians in Philadelphia a raise from the $15.76 market average to $37.97 per hour just for working on a Federal building.

I would love for somebody to show me how the federally determined prevailing wage can be over twice as high as the city-wide average.

From its creation in 1931, Davis-Bacon has been used to freeze lower-wage, nonunion workers out of Federal construction projects. That was its purpose then, and that is what is does now. By equating the prevailing wage with higher wages, the Department of Labor is still protecting unions from being undercut by their less costly nonunion competitors who are paying wages determined by the free market.

That is why small business organizations like the NFIB and the U.S. Chamber of Commerce so strongly support the repeal of Davis-Bacon. By requiring firms to pay their employees the higher wage, small businesses are virtually frozen out of every phase of virtually every Davis-Bacon contract. We should be committed to expanding opportunities for small businesses, not continuing unsound policies that limit their participation in Government contracts.

Davis-Bacon is also costly to the American people. The act has cost taxpayers billions of dollars over the years as the taxpayer has been forced to pay too much for construction work that could and should have been done for less. The CBO estimates that the act costs at least $1.5 billion per year. For this reason, the GAO has been arguing for its repeal since 1979. In these tough budgetary times, not repealing this act is simply irresponsible.

This act also costs our States and localities in terms of added paperwork. Dallas TX, estimates that their officials spend 4,000 hours just to comply with the mandates of the act. That is 167 days, or almost 6 entire months! This is just time spent on compliance, not even the actual building Davis-Bacon projects—unless you consider the towers of paperwork a construction contract.

It has also been estimated that Davis-Bacon adds 10 percent to the cost of inner-city construction nationwide. This is the equivalent of adding a full percentage point on an 8 percent, 30-year mortgage. How do you think our constituents would feel if they woke up paying another full percentage point on their home loans. Well, if you don't think they would like it, you had better not tell them about the Davis-Bacon Act.

This act is a bureaucratic nightmare, it inflates costs for States, localities and for the American people, and it freezes small business out of Federal construction contracts. It does not ensure higher quality, or faster work for all the extra cost, it just protects higher-paying union shops from getting undercut by their more efficient nonunion competitors. It is counter-intuitive and antifree market. It is an idea whose time may never really have come, but clearly has gone.

If we had a chance to put this law on the books today, I don't think that we would take it. We will soon have an opportunity to repeal the Davis-Bacon Act. Let's reaffirm our commitment to the free market, to open and fair competition, and most of all, to the American taxpayer. I urge my colleagues to join me in supporting the repeal of the Davis-Bacon Act.

A NEW THINKING IN WASHINGTON

The SPEAKER pro tempore (Mr. SALMON). Under a previous order of the House, the gentlewoman from North Carolina [Mrs. CLAYTON] is recognized for 5 minutes.

Mrs. CLAYTON. Mr. Speaker, I also want to join my colleague, the gentleman from New York [Mr. OWENS], in stating that indeed, the Congressional Black Caucus had a very substantive and meaningful weekend wherein they not only spoke of issues that affect African-Americans, but they talked about issues that affect Americans as a whole, and wanted to see how the quality of life for all Americans can improve. To that vein, Mr. Speaker, we are reminded, and they reminded us, that people are suffering.

Mr. Speaker, like never before, Congress is seeking to change America, changing the role that the Government will have in the lives of Americans by reducing and eliminating social programs, restructuring college loans and grants, revisiting nutrition programs and cutting Medicare and Medicaid. These programs have increased the quality of American lives and have added to the productivity of this Nation. This budget cutting affects all Americans, young and old, men and women, low- and middle-income, black and white.

There is now a new thinking in Washington, Mr. Speaker, a new thinking that does not seem to care or to focus on inspirational leadership, a new thinking driven by a desire to abandon the collective spirit of uniting all Americans, the unity that built this Nation. This new thinking seems to embrace the individual and isolate each of us from one another. That kind of thinking can only lead to weakening the very fabric that makes America strong.

Mr. Speaker, if some in Congress have their way, Government would shift from the halls of Congress and the corridors of the Federal executive to places where State and local government officials can treat their people and citizens differently from what America stands for. In many instances, Congress is dumping on State and local governments, and they should not do this.

If some in Washington have their way, infants may not have immunizations, children may not have school lunches, and high school students may not have summer jobs, and students may not have loans to foster their education. More importantly, senior citizens may not have the opportunity for quality health care.

Mr. Speaker, I would suggest if these new thinkers in Washington really want change, they should indeed change the minimum wage. They should have meaningful change. They should change the tax cut that they are proposing and make sure that they not only give a break to the wealthiest Americans, but give a break to all Americans. If they want real change, they should restore school lunches for children who need it. If they want to make significant change, they should change their mind about cutting Medicare and cutting Medicaid.

Mr. Speaker, I am fully aware that these are difficult times and we all must and should be expected to make sacrifices. That is the point, that all of us should make the sacrifice, not just the poor.

One of our priorities must be to reduce the Federal deficit. However, I believe we can achieve a better and more efficient use of our spending priorities without cutting education programs that have been the national priority for many years, without eliminating job programs that provide hope and a way out, without cutting nutritional programs that allow children to grow and live, without cutting farm programs that produce the food for all of us to eat, and without cutting Medicare and Medicaid. Medicare and Medicaid is a true contract with America.

Mr. Speaker, we are strong because historically we have been able to make a place for all who live here, including those who are least able to help themselves: the young, the old, the poor, the frail, and the disabled. What makes us a great Nation is the compassion we show to those who live in the shadow of life.

In this time of increased scrutiny, I believe we must examine each and every program, but we must also consider each and every person affected by our changes. We must ask the question: who is helped and who is hurt?

Mr. Speaker, we live in a time of many problems, yet we live in a time of much promise. It concerns me that there are so many young people these days at the sunrise of their lives engaged in such destructive behavior as teenage pregnancy, drugs, and killing each other. Those are some of the problems. Too many are planning their funerals instead of their future.

The hope for America rests with our young people; our children truly are our future. Unfortunately, Mr. Speaker, the majority in Congress has launched an assault on the education of young people and other programs like nothing we have ever witnessed in the history of our Nation.

Under the pretense of "gliding toward a balanced budget," their assault is relentless and damaging for all. The Labor-Health and Education bill, which passed recently, clearly demonstrates the difference between the policy of the Democrats and the extreme policies of the Republican majority. But worse, the bill ignores the pain it will cause to children, youth, and the elderly of America.

Rather than promoting education, the bill is an obstruction to education. Half of that bill, some $4.5 billion, comes from education. Title I is cut by $1.1 billion, and nine critical basis education opportunities which make our nation strong.

Mr. Speaker, this is no way to build America. I ask all of our colleagues, the time is not too late to change our minds and make sure we carry ourselves on the right path to restoring America.

THE CLOCK IS TICKING ON MEDICARE REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey [Mr. PALLONE] is recognized for 5 minutes.

Mr. PALLONE. Mr. Speaker, today is Wednesday, and the House is back in session. I was told that today in the Committee on Commerce, which I am a member of, that we were going to have a Medicare bill from the Republican leadership and that we would begin marking up the Medicare bill today. Of course, we did not receive a bill. We do not know when we are going to receive a bill. The latest information is that apparently a bill may be forthcoming either Friday or sometime over the weekend, or maybe not for another week or so.

So the clock keeps ticking and still Speaker GINGRICH and the Republican leadership have not given us a Medicare bill. I think it is very unfortunate. We really do not know what the Republican leadership is proposing with these vast changes in Medicare that have gradually been leaked out, and we certainly have not had any opportunity for any real hearings.

As some may know, the House Committee on Ways and Means had one day of hearings last week. That obviously was not acceptable. We think the Democrats feel, and I feel very strongly, that we should have about a month worth of hearings and debate on something so important as Medicare. As a result, we have decided to have alternative hearings, and today was the second day of those alternative hearings out on the lawn in front of the Capitol where we heard from people from various parts of the community about the problems with the Republican leadership's proposal to change Medicare and take some $270 billion in cuts in Medicare in order to fund tax cuts primarily for the rich.

Mr. Speaker, I just wanted to say, I was very pleased today, because I have noticed now that not only on Medicare, but also on Medicaid, the health care program for poor people, that this is no longer a partisan issue in my home State of New Jersey. Increasingly, Republican legislators have come out, both on the State and the Federal level, and criticized their own party for what is happening to Medicare and Medicaid. On the Medicare program for the seniors, today, or I guess it was yesterday, in Ocean County, which is the county that I used to represent, three State legislators, including Senator Conners and also Assemblyman Moran, both of whom have been in the State legislature for a long time, came out and had a press conference, sent a letter to Senator DOLE and to Speaker GINGRICH saying that they should scrap the Medicare proposal as it is, said that it was not fair to take away the money from Medicare to the tune of $270 billion and use it to finance a tax cut for wealthy Americans.

□ 2030

They asked the Speaker and Senator DOLE to simply throw the thing away. They pointed out, which I thought was very significant, that the proposal by Speaker GINGRICH to double the Medicare Part B premium for doctor bills over the next 7 years was totally unacceptable and that seniors in their part of New Jersey, in Ocean County, would not be able to pay that Part B premium.

This is something that myself and other Democrats have been complaining about now for several weeks but now we are also seeing Republicans in New Jersey coming out very strongly against these proposals.

One of the worst things that happened, not only with regard to Medicare but also with regard to Medicaid is that my own committee, the Committee on Commerce, last Friday reported out the Medicaid bill that essentially the Republican leadership had put together. I have rarely seen such a travesty committed against the American people, particularly poor people, particularly elderly people.

The New York Times in an editorial today called it a cruel revision of Medicaid. They said, "Congress shows no signs of slowing its assault on the social safety net stitched together over 6 decades. The House Commerce Committee tore another hole in the net on Friday by eliminating the Federal guarantee of Medicaid insurance for millions of poor families. At the same time it voted to slash Federal Medicaid spending, virtually forcing States to kick millions of poor children out of the program."

Let me tell just briefly some of the things that the Committee on Commerce did on Friday by a strictly partisan vote, all the Republicans voting for it and most except I think for one Democrat voting against it. First of all they eliminated all standards for nursing homes. They are giving money under Medicaid to the States for the Medicaid program which primarily pays for nursing home care in this country and they are eliminating all nursing home standards. Basically unless the State steps in, the nursing homes can do whatever they want.

The other thing they did was to eliminate any protection for seniors, the spouse who stays back at home when the other spouse goes to a nursing home. Right now if your spouse has to go to a nursing home and pay for it by Medicaid, you can keep your home, you can keep your car, you can keep something like $14,000 in assets. That is gone.

The assault on senior citizens both with the changes in Medicare and Medicaid continues. It is very unfortunate. I think it is incumbent upon us to continue to speak out against it.

REPUBLICAN LEADERSHIP ON MEDICARE

The SPEAKER pro tempore (Mr. SALMON). Under a previous order of the House, the gentleman from Pennsylvania [Mr. FOX] is recognized for 5 minutes.

Mr. FOX of Pennsylvania. Mr. Speaker, I rise to underscore the importance of the Republican leadership in being at the forefront to help senior citizens here in the United States.

We have looked to the leadership of this House, the Republicans, who in a bipartisan fashion this year rolled back the unfair tax that is on our Social Security recipients that was placed there in 1993. As well, under that same leadership, in a bipartisan vote but led by

Republicans, the seniors, who have been capped at $11,280 for income for those under 70 without having deductions from their Social Security allotment, in fact now can earn under our new legislation up to $30,000 a year without any deductions from Social Security payments.

This is what many senior groups have asked for and we have responded by in fact approving such legislation in this House.

Now let us look to the major problem that we need to face to make sure that Medicare is in fact here not only for the seniors of today but for the seniors of tomorrow. We look to the fact that Republicans and Democrats in the House are looking to preserve, protect and hopefully strengthen Medicare.

Just look to the President's trustees, Mr. Speaker, back here in the spring of the year, when they determined, and that is the Secretary of Treasury Rubin, Secretary of Health Shalala and the Secretary of Labor Reich, they all said that by the year 2002 if we do nothing, Medicare goes bankrupt. No representative in this House or in the Senate could responsibly go home after this session and say we did nothing to preserve, protect or strengthen Medicare.

Therefore, we need to look to alternatives of what to do. How do we strengthen this system that has provided valuable health care services to our seniors the last 30 years?

We look at health care costs in the country today, Mr. Speaker. Four percent is the average health care cost increase that we are having. But Medicare has gone up 10 or 11 percent a year. If you just look to the fact that fraud, abuse and waste is taking $30 billion a year, that has been documented by every important Government agency, including the GAO, you will find that that is a large part of how we can solve the Medicare crisis.

I had a Medicare preservation task force meet throughout my district this summer, a bipartisan group, asked seniors, those who are subscribers, insurance companies, they talked to people who are involved in the health care field and said, "What can we do to change it?" They came up with some solutions which I have passed on to legislative leaders of the House and we hope that as a result of those task force recommendations, Mr. Speaker, we will have some fundamental changes.

One of the changes they want to see is first, of course, the fraud, abuse, and waste eliminated but also the 12-percent cost we put toward paperwork—paperwork, Mr. Speaker—instead of health care. We have to reduce that. We also had from our task force recommendations that beyond having the fee-for-service as an option for our seniors, the continued fee-for-service, also talking about the possibility of a managed care option, with more services to seniors that they are not now getting, possibly dentures or eye care or pharmaceuticals included. Also talking about Medisave accounts, where you get $4,800 a year as you do now, of course, up to $6,700 by the year 2002, but whatever funds you would not use in your visits to the doctor, et cetera, will be rolled over, you keep the money or rolled over to the following year. Also our task force called for the Inspector General to actually implement some of the reforms from the HHS Inspector General which call for not paying those subscribers, not paying those who provide the health care service substandard care, that we make sure we get reimbursement to the system.

I am also working with the gentleman from New Mexico [Mr. SCHIFF] and the gentleman from Connecticut [Mr. SHAYS] on legislation to speed up the enforcement, investigation and prosecution of those who would commit the fraud, abuse and waste.

I think that we can see, Mr. Speaker, that by working together in a bipartisan fashion, we can not only make sure that we have a health care system under Medicare for our seniors that is strong and is preserved for this generation of seniors but for the next generation of seniors to whom we also owe a responsibility.

REPUBLICANS WILL GET MEDICARE

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Florida [Ms. BROWN] is recognized for 5 minutes.

Ms. BROWN of Florida. Mr. Speaker, the 104th Congress came here with a mission: to balance the budget. I don't think there are many who would disagree that balancing the budget is a top priority. But I cannot, in good faith, balance the budget on the backs of the poor women, children, the elderly, and the disabled—people who need help the most. It is wrong for this Congress to abandon Americans in need.

Mr. Speaker, Webster's Dictionary defines the verb to "cut" as to hit sharply, to constrict, to reduce, to lessen, to hurt.

I understand that the Republican leadership is unhappy about us using the word "cut" to describe the Republicans' revolting and offensive Medicare plan. OK, fine, Maybe cut is not quite the right word. Well how about g-u-t? According to Webster's, to gut is to demolish, to destroy. How do you like the word gut? The fact is that Republicans want to destroy Medicare's security and leave our seniors stranded to fend for themselves. Perhaps gut is a more appropriate word!

Mr. Speaker, during the August recess, I held 13 town meetings and met with 3,000 of my constituents. My constituents told me that they are outraged about the Republicans' reverse Robin Hood tactics—taking Medicare benefits from seniors in order to pay for a tax break for the wealthy.

The Republicans are trying to pull the wool over the eyes of 37 million of our Nation's seniors. Many of these folks will be forced to give up their doctors, premiums will rise, as will deductibles and copayments. For many of our Nation's low-income seniors, these cuts will be devastating. A thousand dollars extra per year is not small change.

Republican call it a cut in the growth of spending. I call a sneaky attempt to fool seniors. They say they are offering seniors choices. The truth is that seniors will pay more and get less. They call it progress. I call it a good old-fashioned bait and switch.

You know, the Republican Medicare plan reminds me of an old saying: you can fool some of the people some of the time, but you can't fool all of the people all of the time. The American people will not be fooled by this game being played with the health care of the elderly.

Mr. Speaker, we are sent here to Congress to be a protector of the people. Thirty years ago, when President Lyndon Johnson signed Medicare into law, Congress made a social contract with the seniors of our Nation. Well, guess who opposed Medicare in 1965? The Republicans. Even before that, during the Eisenhower and Truman administrations, the Republicans opposed passing Medicare. That's why it's no surprise to me that the Republicans are trying to gut Medicare now. Now, when the program serves as a security blanket for 37 million Americans. Now, when Medicare serves as a lifeline to our seniors. Well, let me say this to my Republican colleagues: we cannot balance the budget on the backs of our seniors. We should be celebrating and embracing our seniors, not stabbing them in the back by taking away their health care.

REPUBLICANS WORKING TO SAVE MEDICARE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Colorado [Mr. McINNIS] is recognized for 5 minutes.

Mr. McINNIS. Mr. Speaker, shame on you, to my colleague from the fine State of Florida. What are you trying to do utilizing these scare tactics? You know they are inaccurate. You know they are false.

I just went to the Webster's dictionary. You like to quote the Webster dictionary. Let us quote another word out of the Webster's dictionary, called "save." Save means to rescue, save means to keep safe. Save means to preserve.

Do you think this is going to go away if you put your head in the sand? Do you think if you tell American people enough times that we are going to throw seniors out in the streets, that people are going to go hungry, that there is not going to be medicine provided by this fine and great country of ours, that they are going to begin to ignore the crisis that we have in Medicare?

When are you going to come to your sense that this thing is going broke?

Your President, my President, has. He appointed trustees and they came out and said if we do not do something about this program by the year 2002——

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The gentleman will address his remarks to the Chair.

Mr. McINNIS. I thank the Speaker.

Mr. Speaker, when will the gentlewoman recognize the fact that the Medicare Program is in very serious trouble? The President's trustees themselves have said that that program will be broke by the year 2002.

Is it the theory of some of the people—mind you, not all of the Democrats are opposing this. We have some bipartisan support to save Medicare, to rescue Medicare, to preserve Medicare. But there are some people out there who, by the way, do not have a plan of their own, who, by the way, do not talk about solutions, all they talk about is how do we use scare tactics, how do we scare the Republicans, how do we win the elections in November?

Why do they not put that selfishness aside and talk about the senior citizens in such a way to save the Medicare Program for them, to preserve the Medicare Program for them? Sure it is easy to criticize the first person out of the foxhole.

We have been willing to take that leadership challenge. We are willing to be the first people out of the foxhole, because if somebody does not do it, Medicare is going to go bankrupt.

There are a lot of my colleagues who did the same kind of yelling and pulled the same kind of tactics on the deficit, a deficit that accumulates at a rate of $35 million an hour. They hid their head in the sand, they told the American people, "Ignore it, ignore it, it's not happening, it's not happening, it's not happening," and they became convinced that some of the American people were becoming convinced that the deficit was not a problem.

□ 2045

Look where we are today. Look at the suffering that the American people have today because this Congress did not take the responsibility of running a balanced budget in the last 25 years. But to my colleagues on the House floor, we are going to face exactly the same kind of crisis with Medicare if we do not accept that responsibility. If you do not like the plan we have got, come out with a solution. Do not spend our fine time tonight addressing the people in this House, our colleagues, telling them criticism after criticism, quoting Webster's Dictionary. Go look up the word "solution" in Webster's Dictionary. That is where we ought to be working, Democrats, Republicans, unaffiliated. Let us all work for a solution.

I think it can work. I want Medicare saved. I want it rescued. I want it kept safe.

My dear colleague from the State of New Jersey, same kind of thing, same kind of rhetoric. Stand on this House floor, tell the American people that the seniors are going to go without health care, that they will not get to choose their doctors, mislead all you want, be inaccurate as you want, put in a scare tactic and ignore the true problem, that problem being that if we do not do something with Medicare, my colleagues, this thing is going to go belly up. It is not going to go belly up 20 years from now. It is going to go belly up while many of you are still serving in this House.

It is our obligation, a fundamental responsibility of our duty to this country, to save that program, to save the senior citizens, to make sure that senior citizens of this country do have the medical attention that is necessary. When we are done with that, we have got a lot of other things that we need to address, the deficit. And we are trying to address it.

I think we will get it done. I am optimistic we are going to be able to save Medicare.

I am used to people criticizing and never joining the team. We have got a lot of people that like to ride the wagon and not pull it. If some of my colleagues preceding me speaking tonight would instead help pull the wagon instead of trying to get a ride on it or sitting on the side criticizing why we are not getting that wagon out of deep mud, we may not be able to get it out.

If some of my colleagues who spoke earlier come up with some solutions, work with us in a bipartisan fashion, we can pull that wagon out of the mud, and we can save the program.

REQUEST FOR ADDITIONAL TIME IN SPECIAL ORDERS

Ms. BROWN of Florida. Mr. Speaker, would I get an opportunity, maybe 30 seconds, to respond, since the gentleman called my name during his presentation?

The SPEAKER pro tempore (Mr. SALMON). The gentlewoman cannot be recognized for that purpose. She has already spoken for 5 minutes. However, if the gentlewoman would like to get some time from one of the Members speaking later, that would be acceptable.

TRIBUTE TO THE HONORABLE NORMAN Y. MINETA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California is recognized for 60 minutes.

Mr. BROWN of California. Mr. Speaker, I hope that we can pause for a moment from the policy issues which divide us at this particular time, and they are extremely important issues, and move on to something that I think we can find a great deal more unanimity about.

I have taken the time this evening to say a few words in praise of our colleague, the distinguished gentleman from California [Mr. MINETA], and before I make my own remarks on this matter, I would like to yield to the distinguished gentleman from California [Mr. MATSUI] for a few words on this subject.

Mr. MATSUI. I would like to thank the distinguished dean of the California delegation for yielding to me and also setting up this special order tonight on behalf of our dear colleague, the gentleman from California [Mr. MINETA], from San Jose, CA. I am only going to take a few moments.

But I would like to just say on behalf of the people of the State of California, certainly my colleagues in the U.S. Congress and certainly the Asian-American community and people of color generally that we are losing in this institution in the next few weeks truly one of the champions and one of the leaders that, in my opinion, will go down in history as truly an outstanding legislator.

When I decided to run for Congress in 1978, one of the first individuals that called me was NORM MINETA to offer his assistance, even though I was going to be engaged in a very, very difficult Democratic primary. I cannot tell you how much that moment meant to me when that phone call came in, and from that time on I have looked upon NORM MINETA as really not only a colleague and a dear friend but as a mentor, as somebody that I would look to in terms of a rule model for leadership, for values of what it is to be a legislator.

I think that all of us, as a result of NORM's leaving this institution and going in the private sector, will miss him truly, dearly.

As many know, he was born in 1931 in San Jose, CA. One of the great achievements, I believe, of this institution over the last 20 years was the passage of House bill 442, which was the bill to provide compensation to Americans of Japanese ancestry, a bill that NORM MINETA introduced and which NORM was really the singular most important leader in moving that legislation through this institution.

NORM was 10 years old in 1942, 11 years old. He was a member of the Boy Scouts in San Jose, Cub Scouts in San Jose. His father was in the insurance business, and his mother and other brothers and sisters were living in San Jose. As I mentioned, he was born in San Jose, 11 years earlier, in 1931.

In 1942, in April, Executive Order 9066 was passed, which asked that Americans, Americans of Japanese ancestry, be interned for the duration of World War II. As I said, NORM was 11 years old. No charges were filed against him, although he was an American citizen. No trial was had. But NORM was incarcerated, along with his parents, brothers and sisters, and 120,000 other Americans of Japanese ancestry for a period of 4 years.

Some 40 years went by before Americans of Japanese ancestry were even able to talk about this, and one of the real problems that we had was the fact that to talk about the incarceration by your own Government raised the specter of disloyalty, and so it was something that we had a very difficult time discussing. It was better to hide it than to bring it out. I remember when I was in junior high school and we were discussing World War II, and one of my teachers, very well-intentioned, said to me, "BOB, weren't you in one of those camps?" I was a 6-month-old infant when I was interned, and I recall looking around my at my classmates, and I denied it, because it was easier to deny it than to explain why you were jailed by your own Government because that would raise the issue of whether or not you were loyal or not.

Well, NORM MINETA, when he came to Congress, decided that he was going to rectify that wrong, that injustice. Over the years, NORM introduced, as I mentioned, House bill 442, which would provide an apology by the U.S. Government to those surviving Americans of Japanese ancestry, 66,000 at the time, about a half of the 120,000, and also token compensation of $20,000 per surviving internee, and as everyone knows, on September 17, 1987, the 200th anniversary of the signing of the Constitution of the United States, and that date was picked by then Speaker Jim Wright after NORM MINETA requested that he pick that date, the House of Representatives, by an overwhelming majority, passed that legislation. It went to the Senate, and Senator INOUYE, Senator Matsunaga, and a number of others were very instrumental in having that legislation passed, and then President Reagan, in August 1988, signed that legislation.

I have to say that if that were NORM's only feat, he would go down, in my opinion, and I think in the opinion of many, as a giant, a legislative giant, because in the middle of a period of austerity, to pass that kind of legislation, in my opinion, most people would have thought was impossible.

NORM is now known only for those kinds of achievements. NORM, as many recall, was the chairman of the House Public Works and Environment Committee. He was the leader in moving the legislation, which later was known as ISTEA, a bill that provided sums of money to localities to build up and repair the infrastructure of this country, which, in my opinion, still in America is so sorely needed, but with NORM's leadership we were able to do this in a very, very important, environmentally secure way.

I will not take any more time, I say to the gentleman from California [Mr. BROWN], but I would like to just close by making one final observation, if I may. There is so much that one can say about my colleague, NORM MINETA, but I would like to just close by making this one final observation about him. I think that if one looks back at history 50 years from now and one looks at this period, one will find that the legislation that he led and sponsored to provide compensation to Americans of Japanese ancestry will go down in history as one of the most monumental legislative feats that has occurred in the last 25, maybe 30 or even 40 or 50 years.

The reason I say this is because it is not often when a government can admit it is wrong. It is not often when a government is willing to say to its own citizens, "We made a mistake, and we want to provide an apology and some minor token redress to you." I think what NORM's career in this institution and as a legislator represents is that one person, one person in this great country of ours, can indeed make a difference.

I would just like to say to NORM and his wife, Danny, and his children, thank you for your dedication, your commitment, and your courage of being a legislator in this great country of ours.

Mr. BROWN of California. I thank the gentleman from California [Mr. MATSUI] very much for those extremely eloquent remarks.

As I indicated, we are here to take note of NORM's departure and to say farewell to him.

I think we are all aware that he has announced that he will be leaving us early in October to take a position in the private sector with one of the Nation's largest firms in an area in which Mr. MINETA has achieved nationwide, if not worldwide, recognition as a leader in the field of intelligent transportation systems and related activities, which I think will provide him with an opportunity, if it is possible to say this, for even greater public service than the opportunities that he has had here in Congress for more than 20 years.

I said, and I was not being entirely facetious, that this was an offer that would be hard to refuse and that I would be making the same decision that he made if I had received an offer such as that.

NORM has been a leader, a voice of reason, and a voice of conscience since he was first elected to this House in 1974.

I would say that, in addition to the things that the gentleman from California [Mr. MATSUI] has already indicated about NORM's career, that he has already more than justified a position in American politics which will be very difficult to match. The fact, as has already been mentioned, that he suffered the indignity of incarceration in a so-called relocation camp, and that this did not affect his commitment to public service, his love of his country, and his desire to excel in providing leadership in this country is remarkable in itself. But he has been a community leader all of his life. He has a record of community activity in his home city of San Jose which is unexcelled. He has risen in the political hierarchy there as a member of the city council and then as mayor of that city, which, I am sure, will be remembered.

I had the pleasure of participating in the dedication of the portrait that he will have and has had mounted in the Committee on Transportation and Infrastructure, a marvelous portrait, I might say, but I am inclined to predict that that will be only one of many memorials that will be created in his honor over the next few years.

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I would not be surprised if there is a statue in the town hall of San Jose, or the town square, that will commemorate his service as one of the outstanding citizens of that community.

The gentleman from California [Mr. MATSUI] has made some reference to the kind of service and leadership that he has given in the House. I want to mention some of the things that have not been covered.

He has, in addition to serving on the committee which was then Public Works and Transportation as chairman during the 103d Congress, he served as also chairman of several of the major subcommittees of that full committee. Noteworthy of course was the Surface Transportation Subcommittee, on which he made very great contributions to and, I think, advanced the cause of investment in transportation infrastructures as no other person could do. He served as chairman of the Aviation Subcommittee, and the stories about his contributions to aviation, and improvement of aviation safety, and service to the public are manyfold, and I will not put them all into the RECORD at this time. He also served on the Committee on Science, which I had the honor of chairing for a couple of terms, and I can tell my colleagues that he was one of the outstanding leaders on that committee. I regret that he had committed so much of his time to other major committees as he did, but he also provided that vital linkage between the two committees, and it was reflected, of course, in his commitment to the technological advancement in transportation, both surface and aviation, that he pioneered in that committee. But he was a voice of reason and of perspective on the future in the Committee on Science, and I want to pay tribute to the great service that he gave on that committee as we worked together on issues of importance to the Nation and to our home State of California.

I suppose it is important that I should mention incidentally that he served on two other major very important committees, the House Committee on the Budget in which he was also a leading force for a number of years, and the House Permanent Select Committee on Intelligence. It was in part because of my respect for the work that he did on that committee that I sought to follow him briefly on the Permanent Select Committee on Intelligence, and I learned a great deal from my conversations with him about that very important subject.

He is, of course it goes without saying, a very hard-working Member, and I would particularly point out the contribution he made in some of those great debates that we had on the space station in the committee that I was chairing, the Committee on Science. It was normal that we counted on him to round up the votes, to count the votes that were necessary, in some of those very close fights we had over continuing that very important part of our space program. I doubt if I have ever thanked him adequately for that service, and I certainly will do so today. He took it as a matter of course that, if something needed to be done, you pitch in, and you do it, and you do it extremely well. I can think of no other Member of Congress that I would want to have on my side on a hotly contested policy issue than NORM MINETA.

We have already heard some reference to his responsibility on the Committee on Transportation and Infrastructure, the role he played in the passage of the Surface Transportation Act of 1991 and the way that legislation has helped us map out new direction for transportation policy in this Nation. He has also been a steadfast defender of the environment, an issue which over the decades has been a major importance to our State of California and to the Nation, and the work that he has done on things like the Clean Water Act and on other very important pieces of environmental legislation that go through that committee.

Many of us can remember other significant accomplishments that the gentleman from California [Mr. MINETA] was engaged in. If I might mention, for example, one of the ones that impressed me the most was the fight that he carried on to protect the prerogatives of his committee, an authorizing committee, against what we who are on authorizing committees regard as the inroads and depredations of the appropriators even though they are our very good friends, and many of you will remember what I consider to be that historic battle, if we may call it that, between him and the chairman of the Transportation Subcommittee with regard to how we would handle the appropriation and authorization for the highway program, and this was a battle in which the appropriators sought to usurp what was clearly the responsibility of the Committee on Transportation, and in that fight, of course without any effort to derogate the great work of the appropriators, the gentleman from California [Mr. MINETA] prevailed in upholding the responsibility of his committee, and I want to commend him again for that great job that he did. I wish I could have been half as successful in my own battles with the appropriators.

His landmark contribution to civil rights of course has already been noted by the gentleman from California [Mr. MATSUI] in connection with the legislation which made some inadequate amends for the incarceration of the Japanese-American citizens during World War II. I probably am not in a position to fully respect all the work that went into that. I followed it as an interested supporter and observer and admired the way in which the gentleman from California [Mr. MINETA] handled that issue, and I think that as the gentleman from California [Mr. MATSUI] has already said, that he will be remembered in history for that great contribution he made to redressing a wrong perpetrated by our great country on our Japanese-American minority.

Despite the fact that I was not as active a player in that, I felt the significance of it perhaps more than the gentleman from California [Mr. MINETA] will appreciate because I fought that action by our Government, and at the time that it occurred I was an employee of the city of Los Angeles where the mayor had taken the lead in removing all Japanese from city employment as his contribution to keeping our country safe, and at that point I sort of made myself obnoxious by forming a committee of city employees who went to the mayor and protested this action. I can still remember that I was accused of being a subversive for wanting to support fair play for our Japanese-American citizens in those very difficult times, and I want to personally express my thanks to the gentleman from California [Mr. MINETA] for the effort that he made, the successful effort that he made, to finally bring about a public official apology on the part of the citizens of this country for that kind of activity.

All of these actions that I have described are tributes to his legislative skill, to his dedication, to his tenacity, his willingness to work hard, and it is for these kinds of reasons that I say that the gentleman from California [Mr. MINETA] will go down in history as a native son of California of whom the entire State can be proud, and of course his own city of San Jose, I know, will be proud of him. He has been a leading citizen of San Jose and of the counties of Santa Clara and Santa Cruz since he began his public service now nearly 30 years ago.

I remember when he came to Washington in 1974. I enjoyed working with him as a part of the California delegation. He is one of the regulars who we count on to keep the delegation together, and we are going to hold open at least an honorary seat for him in all of our regular Wednesday morning breakfasts because he is one of those who will be impossible to replace.

I am both glad and sad about his decision to leave. I am glad of the opportunity that it gives him. As I said earlier, I think that we will see a great deal more of him in the future. I expect him to make an even greater contribution to the expansion of modern high-technology surface transportation and related kinds of activities in his career with Lockheed Martin, and I may even visit with him once in a while to find out what I can learn to help us here in the Congress in terms of improving our national transportation system.

We will miss him, but we know he is not dropping out of sight. We expect to see more of him. He will merely be changing his point of view as we discuss the important policy issues of this country.

Mr. Speaker, there were a number of others who wanted to participate in this, but we all recognize that the lateness of the hour and the turbulence of these times makes that difficult. There are a number whose names I will not mention who had intended to participate.

Mr. Speaker, we have asked for time today to say farewell to our colleague, Congressman NORM MINETA. Mr. MINETA has announced that he is leaving public service to take a well-deserved job in the private sector. Those of us who stay here in Congress, we who have not been given an "offer we could not refuse," will miss him. Mr. MINETA has been a leader, a voice of reason, and a voice of conscience since he was first elected in 1974.

Mr. MINETA has served on a number of committees during his time in the House of Representatives. He has been on the Budget and the Select Intelligence Committees. He was also on the House Science Committee until he became chair of the Public Works and Transportation Committee. During his 9 years of service on the Science Committee I got to know him well, as we worked together on issues of importance to the Nation and to our home State of California. Mr. MINETA is one of the hardest working Members of this body that I know and many of the votes on the space station might have gone the other way if not for Mr. MINETA's tireless effort to round up supporters. I can think of no other Member I would like in my corner than Mr. MINETA.

Mr. MINETA has been known most recently for his work on the House Public Works and Transportation Committee. He was responsible for the 1991 Surface Transportation Act that mapped a new direction for transportation policy in this nation. He has also been a steadfast defender of the environment, working to fashion a solid Clean Water Act reauthorization bill. Throughout his congressional service, Mr. MINETA has been one of the best defenders of the environment and he took his stewardship perspective to the Public Works Committee.

Many of us remember Mr. MINETA's other significant accomplishments, most notably his work on behalf of Japanese-Americans interned by the United States government during World War II. Mr. MINETA spent part of his childhood in one of those internment camps and he spent part of his adulthood making sure that the Federal Government made partial restitution and a public apology. The legislation that Mr. MINETA authored and shepherded through the legislative process is a testimony to his legislative skills and his sense of honor.

Within the California delegation, Mr. MINETA has been a native son of whom the State can be proud. Mr. MINETA has represented his home town of San Jose and the other parts of Santa Clara County and Santa Cruz County since he began his public service with his election to the San Jose City Council in 1967. He was later elected as mayor of San Jose and then came to Congress in the Watergate class of 1974. I have enjoyed working with Mr. MINETA as part of the California delegation and he will be sorely missed. We are going to hold open a chair for him at our Wednesday Democratic delegation breakfasts, an event to which he was a regular.

I am both glad and sad with Mr. MINETA's decision to leave us. I am glad for Mr. MINETA and the opportunity that this move represents for him. I am sad to see him leave and to lose his presence in the House. We will miss you, but we know that you aren't dropping out of sight, just changing your view.

Ms. ESHOO. Mr. Speaker, when NORMAN Y. MINETA—whose constituents all know as NORM—announced his retirement from the House of Representatives earlier this month, it marked the end of a congressional career that has spanned 20 years and enriched the lives of people in California's 15th Congressional District and throughout our entire Nation. His leadership will be missed, and his special friendship with many in this institution will never be forgotten.

NORM's hometown newspaper called him a calming voice for civility, compassion, and reason. I agree. His service to America is more than the sum of his votes and his legislation.

It is more than his reputation as Mr. Transportation—even though NORM certainly deserves to be recognized as the person who heralded a new era for public transportation in the South Bay area and the country as a whole.

It's more than his expertise on high technology and science issues—although NORM can certainly take credit for being one of the leading spokespeople for Silicon Valley and educating everyone in Congress about the importance of high technology to America's economy, work force, and future in the international market.

And it's more than his ability to know and represent successfully the views and interests of his constituents—even though NORM's highly regarded as a classic public servant who started in local government as a member of the San Jose Human Relations Commission, a San Jose City Councilman, and mayor of San Jose before he was elected to Congress.

To truly understand who NORM MINETA is, you must understand where he has come from and how that has shaped his life.

When he was a 10-year-old boy at the beginning of World War II, NORM was sent to an internment camp where Japanese-Americans were held for no other reason than their national ancestry.

He was still wearing his Cub Scout uniform and clutching his baseball, glove, and cap when his family was rounded up and shipped off to Wyoming. NORM says that "a lot of what I am today is really that 10-plus-year-old kid who got on that train" in May 1942.

He could have emerged from that humiliating and stressful experience as a bitter person, and no one would have blamed him. Instead, NORM MINETA gained a greater appreciation for the need to champion justice in our society. That appreciation led him to launch a public career that made NORM the first Japanese-American elected to Congress from the mainland.

His passion for justice and his recognition of the need for someone to speak out on behalf of Asian-Americans are woven like threads throughout his years of service.

And those threads can clearly be seen in the crowning achievement of his congressional career—the Civil Liberties Act of 1988, with which he won a formal apology and compensation for all Japanese-Americans thrown into internment camps by the United States Government.

NORM has taken his sense of fairness and applied it in other ways, too, both large and small. It's no accident that when you walk down the Halls of the House, he can be heard saying hello by name not only to Members of Congress, but also the guards, elevator operators, and other workers. He takes the time to know them all.

NORM also has taken the time to keep himself firmly rooted in the community that sent him to Congress. He was asked on several occasions to run for statewide office. And while he doesn't talk about it much, it's generally known that he was President Clinton's first choice for Secretary of Transportation.

But NORM turned down those opportunities because he wanted to represent people—his people, his community—rather than a State or an agency.

And when he announced his retirement, he didn't do it in Washington. He did it the only way he knew how—back home at his father's house in San Jose among his family, friends, and constituents.

His internal compass has always pointed home. It's only fitting that he chose to end his career where it all began.

In closing, let me say that I shall miss NORM's comradery in the House and his extraordinary service to our country.

NORM always finishes his speeches by saying "Thanks a million." And as he finishes his career on Capitol Hill, I ask my colleagues to join me in saying "Thanks a million, NORM" for giving so much of yourself to help build a more compassionate, progressive Nation. We wish you every success in the next chapter of your life.

Ms. PELOSI. Mr. Speaker, I rise today to pay tribute to NORM MINETA. NORM is leaving this House after 21 years of exceptional service to the people of California's 15th Congressional District. He has been a leader in the Democratic Party, a leader in our State's delegation, and a leading voice on national transportation and infrastructure policy.

First elected as a Member of the post-Watergate class of 1974, NORM has become one of the most prominent Asian-Americans in politics. He was a driving force behind the 1988 legislation to compensate Japanese-Americans interned by the United States Government during World War II.

NORM worked to redress this "act born of racism" for more than a decade. As someone who himself had suffered the indignity of internment during the war, NORM's voice and passion on this issue carried added moral authority during the debate on this bill.

In addition to this landmark legislation NORM has used his position as the chairman of the House Subcommittee on Aviation to make air travel safer, to protect the rights of transportation industry workers, and to benefit consumers. As chairman of the House Public Works and Transportation Committee during the 103d Congress, NORM continued these efforts and expanded them into the fields of maritime and surface transportation, water resources, public building construction, and the environment.

When viewed separately, any of NORM's accomplishments would be considered to be the crowning achievement of one's congressional career. Yet, this is what has made NORM's tenure even more impressive. He has accomplished so many important things in so many different areas. This House will surely miss his drive, his intellect, and his dedication to realizing many difficult legislative goals.

As a fellow Californian and member of the San Francisco Bay area delegation, I will miss NORM more than most. From my first days in Congress, we have worked together on many projects of importance to our region. He has been a leader, teacher, and a true friend.

We will all miss him very much and wish him all the best in his new endeavor.

Mr. WAXMAN. Mr. Speaker, I want to extend my best wishes to NORM as he leaves the House of Representatives to begin a new chapter in his life. I do so sadly, though, because he embodies the qualities that every American should have in their representative. NORM's integrity and tireless commitment to the public interest has served his district and our Nation extraordinarily well.

I have always thought of NORM as a pragmatic idealist, and that rare combination has made possibie his many legislative efforts in the House of Representatives.

NORM and I both came to Congress as part of the historic Watergate class. Like our other Democratic classmates, we came to Washington with the purpose of opening the decision-making process to the American public and making the Federal Government more responsive to its citizens. As Californians, we often found ourselves working on issues together, and I soon discovered that he was one of the best allies one could ever hope to have. I won't list his many achievements that improved the quality of our environment now, but I do want to note that his work has been instrumental in enhancing the quality of our air, water, and natural resources.

Of course, the enactment of legislation that brought compensation to Japanese-Americans uprooted and forced into internment camps during World War II was NORM's greatest personal achievement. NORM worked to rectify a grievous wrong, and it was a grievous wrong that he and his own family experienced. This law would not have been possible without the unquestionable moral authority NORM brought to the debate and his insistence that our Nation live up to its commitment to justice and equality.

NORM MINETA may leave this House, but I know we will continue to have the warmth of his friendship and the benefit of his dedication and ability.

Mr. DELLUMS. Mr. Speaker, I rise to join my colleagues to honor and congratulate my dear friend NORMAN MINETA. We have truly benefited from his devotion to duty and his commitment to open up doors and opportunity for all Americans, regardless of national origin, race, gender, age, or economic status.

For years NORM has been in the forefront of the struggle for human and civil rights and social justice. During the historic 100th Congress, NORM was the driving force behind the passage of H.R. 442, the Civil Liberties Act of 1988, which redressed the injustices endured by Americans of Japanese ancestry during the World War II.

During 103d Congress, he was elected chair of the House Committee on Public Works and Transportation, thereby becoming the first American of Asian ancestry to chair a major committee in the Congress. Also during 103d Congress, NORM was an original cofounder with nine colleagues from the House and Senate, of the Congressional Asian Pacific Caucus, the Asian American and Pacific Islander counterpart to the Congressional Black and Hispanic Caucus. He currently serves as deputy whip, House Democratic leadership.

NORMAN MINETA was just recently honored by George Washington University with the Dr. Martin Luther King, Jr., Commemorative Award for Professional Achievement in the area of civil and human rights. We should all be in his debt because of his commitment, courage and determination to have this Nation live out the principles proclaimed in our own Declaration of Independence. There are many men for the moment, but NORM MINETA is truly a man for all seasons. His dedicated struggle for the cause of all humanity, and the testament of his personal courage cannot be understated.

So, on this day, I pay special tribute to my distinguished colleague and applaud his record of public service. More importantly, I am proud to call him friend.

Mr. LANTOS. Mr. Speaker, I rise today to commend my colleague, friend, and neighbor, the Honorable NORMAN MINETA. As an exofficio member of each of the six transportation subcommittees, chairman of Public Works and Transportation Committee, and currently, the ranking Democrat of the Transportation and Infrastructure Committee, Congressman MINETA championed highway safety standards for the Nation, and particularly, the entire San Francisco Bay Area, where his district is located.

Throughout his career, spanning more than two decades, Mr. MINETA has made a great contribution toward maintaining and improving the infrastructure of this country, to the U.S. Congress and the people of California. His wisdom, knowledge, and dedication will truly be missed by those who were privileged to serve with him and by those whom he has served with distinction.

Concern for human rights and and dignity is a personal issue for NORMAN MINETA. As a child, MINETA and his family, along with 120,000 Japanese-Americans, were sent by the United States Government to live in internment camps during World War II. One of the highlights of Congressman MINETA's career was realized when the 100th Congress passed the Civil Liberties Act of 1988, granting redress and a formal apology by the United States Government to the 60,000 surviving Japanese-Americans who suffered injustices by the Government of their own country during World War II.

I salute Congressman MINETA for his distinguished service in the U.S. Congress and for his unyielding dedication to his constituents. I truly wish him all the best in his future endeavors.

Mr. BERMAN. Mr. Speaker, it is with decidedly mixed feelings that I rise today to pay tribute to my friend and colleague, NORM MINETA. I am delighted with his pleasure at beginning a new and rewarding career, but I am also among those who will miss his acumen, his dedication and his great contribution to matters of importance to California.

The story of NORM MINETA, who was sent to an internment camp in Wyoming during World War II—and then became the instrument by which the injustice suffered by Americans of Japanese ancestry was redressed—is one of enormous interest and appeal. The young boy wearing a Cub Scout uniform became friends with another youth who would grow up to be a U.S. Senator. ALAN SIMPSON and NORM MINETA, decades later, worked together until the Japanese-American redress bill, apologizing for the internment and providing compensation for those detained, became the law of the land.

A distinguished military veteran of tours in Japan and Korea who then became a successful business executive, NORM was a natural for public service.

His outstanding record as mayor of San Jose led him to run for Congress, where he was the president of the Watergate class of 1974. He helped push through many of the House reforms associated with that large group of House freshmen.

It was a great boon to the California delegation to see NORM take the helm of the House Public Works Committee, where he worked with all his might to protect the environment and to maintain and improve the infrastructure of the United States. He also earned the gratitude of America's working men and women by his work in protecting labor rights.

NORM also is much admired for his help in enacting the Americans With Disabilities Act, which requires increased accessibility to handicapped individuals.

NORMAN is a gentleman, a fine individual, and an outstanding legislator. We will greatly miss him here in Congress.

Ms. LOFGREN. Mr. Speaker, I am honored to join with my colleagues tonight to pay tribute to our distinguished colleague and my dear friend from California, Congressman NORMAN Y. MINETA who is leaving Congress after 21 years of service. When I came to Congress in January of this year, I was excited about the prospect of a long-working relationship with NORM in representing the people of San Jose and am sad that he is leaving so soon after my arrival.

I have long admired NORMAN MINETA not only for his astounding record of achievement as a public servant, but also for his sense of dignity and grace. NORM is a true gentleman and has earned the reputation of being one of the brightest, most respected, and well-liked Members of Congress.

Before coming to Congress, NORM distinguished himself as a highly respected businessperson and public servant. He assumed his first public post in 1962 as a member of San Jose's human relations commission followed by an appointment to the housing authority board of directors. In 1967, he was appointed to fill a vacancy on the city council and in 1969 won election to a seat on the city council and then became vice mayor by appointment. In 1971 he was elected mayor of San Jose and served in that capacity until his election to Congress in 1974.

As a freshman in the 94th Congress, he quickly distinguished himself as one of the leaders of the 75 new Democratic Members and was elected to chair the New Members Caucus. Although he enjoyed many legislative accomplishments, the passage of the Civil Liberties Act of 1988, which provided reparations for Japanese-Americans imprisoned during World War II was the most notable in his congressional career making him a hero to the Japanese-American community and other Americans who cherish civil rights and liberty.

NORMAN's broad legislative expertise includes transportation, trade, high technology, NASA, the American space program, the Federal budget, civil rights, and issues of specific importance to Americans of Asian and Pacific Islands ancestry. During his tenure in Congress he continued to maintain strong ties back home as a friend to Silicon Valley and the environment and at the same time keeping a close eye on local issues. As chairman of the House Public Works and Transportation Committee in the 102d Congress, he was successful in directing hundreds of millions of dollars for South Bay highways, railways, and wetlands.

It is with a sad heart that I say goodbye to my dear friend. NORM you have been an inspiration to me and a great void will be left with your departure. The world and this country is a better place because of your service. You have been a true friend to the people of California and indeed all Americans and we wish you well and best of luck in this new chapter of your life.

Mr. FARR. Mr. Speaker, I rise today to honor my colleague, my neighbor Congressman, and my friend, NORMAN MINETA.

His departure from Congress is not only a tremendous loss to his district and the great State of California, but also to this Nation. Many people have served in the U.S. Congress. NORM's election was history. He was the first and only native-born Japanese-American forced into an internment camp to be elected to the United States Congress.

During his youth in the Santa Clara Valley, he was surrounded by orchards and vineyards. San Jose has since grown to be the third largest city in California. His lifetime experienced the switch from an agricultural center to a center of Silicon Valley; from his Boy Scout troop days to the days of a major league hockey team, the San Jose Sharks.

Perhaps history will show that no other Member of Congress did more to help those who were wronged by our Government. From being interned to authoring the 1988 Japanese-American redress bill, which officially apologized for the internment and provided a $20,000 payment to each surviving member of the camps, NORM always tried to help those less fortunate than him.

NORM's love for aviation not only found him in the jump seat of most flights to the west coast, but also led him to marrying a flight attendant, his lovely wife, Danealia. He became chair of the House Committee on Public Works and Transportation and was able to achieve major policy changes in transportation planning and policy, including the historical passage of the Surface Transportation Act of 1991 which for the first time shifted the decisionmaking power for proposed projects to local governments.

I will miss NORM not only for the leadership he has provided in the House and for the role model he is to Asian-Americans but most of all for his passion for justice and compassion for people. NORM brings every young child he meets to the floor; instills them with a sense of belonging to the House of the people, and tells them that they, too, may someday serve here.

NORM has wit and humor. Our staffs have been playing softball in a joint team for the past 2 years. Our team is called, Farr from the Norm. My predecessor, Leon Panetta and NORM had a softball team called, The Sign of the Rising Pizza.

NORM has never forgotten how to give back to his community from being mayor of San Jose, serving on the board of regents at Santa Clara University, and being a member of the board of directors of Smart Valley, Inc. In Washington, he has been chair of the visitors committee for the Freer Gallery, an active member of the board of regents of the Smithsonian Institution and a member of the board of directors of the Kennedy Center.

NORM's energy, enthusiasm, wit, and compassion will be missed. His ability to explain every detail about cross country jet travel, his knowledge of the transportation industry, and his ability to know the name of everyone and introduce them is remarkable. The northern California teammates GEORGE MILLER, ANNA ESHOO, PETER STARK, TOM LANTOS, NANCY PELOSI, ZOE LOFGREN, and me will carry on in your tradition, but Congress will never be the same without you.

Good luck and goodnight but never goodbye. You have left your mark. God bless you. Thank you, NORM, for making this country a better place in which to raise our children.

Mr. TORRES. Mr. Speaker, I rise to honor NORM MINETA, a great American. In the spring of 1942, Sidney Yamaguchi, a schoolmate of mine, was absent on Monday morning at Soto Street School. The teacher informed us that Sidney was going on a long trip to Utah or Wyoming. I don't recall which State for sure.

After school I walked across the street to the Yamaguchi house to see Sidney and learn more about his move. Too late, the Yamaguchi family was gone. I never saw Sidney again. I later learned from my mother the fate of the Yamaguchi family, they had been removed to an internment camp for Japanese-Americans.

The incident had a lasting effect on me and throughout my growing up I continued to believe that our country had carried out a grave injustice to Japanese-Americans.

NORM MINETA, much like Sidney, had become a victim of President Franklin Roosevelt's Executive Order No. 9066 which gave the U.S. military authority to take action against aliens. It is important to note that while the Executive order did not mention Japanese-Americans by name, General L. DeWitt, the west coast commander recommended Japanese removal. U.S. Attorney General Biddle had already declared German and Italian citizens living here not to be considered enemy aliens.

With few days to dispose of their possessions, the Mineta family was initially removed to Santa Anita, CA, and later transferred to Heart Mountain, WY.

Those were sad and painful years for our Japanese-American citizens. Our Government was wrong to act in this way against citizens which had manifested no disloyalty, but in fact had contributed so much to the building and the defense of our Nation.

In 1945, the internment camps closed and the Japanese-Americans began the long, sad trek back to the businesses, farms, jobs, and homes they had now lost. There was never an apology, a sign of regret or an attempt of compensation for their losses.

Years after, as a Representative in Congress, I was proud to stand with my colleague, NORM MINETA, and cast a vote on H.R. 442, the bill providing redress and compensation to the many Japanese-Americans who had suffered innumerable losses during their internment. In voting along with NORM MINETA and BOB MATSUI, I felt that I was vindicating Sidney.

NORM MINETA rose to the occasion and courageously guided the critical legislation through troubled waters never relenting against the arguments that it was a money grab that would establish a terrible precedent for the United States. NORM stood in the well of the House and declared:

> I realize that there are some who say that these payments are inappropriate. Liberty is priceless, they say, and you cannot put a price on freedom. That's an easy statement when you have your freedom. But to say that because constitutional rights are priceless and they really have no value at all is to turn the argument on its head. Would I sell my civil and constitutional rights for $20,000? No. But having had those rights ripped away from me, do I think I am entitled to compensation? Absolutely. We are not talking here about the wartime sacrifices that we all made to support and defend our nation. At issue here is the wholesale violation, based on race, of those very legal principles we were fighting to defend.

In the end, the legislation prevailed in large part to NORM's shaking discourse which struck the conscience of the assembled House. Days later, President Reagan sent a letter to the Speaker announcing his change of position on redress. He later signed the act and it became the law of the land. Such has been the leadership role that I remember NORM MINETA best. He stands tall in the defense of civil rights; to this he's never been a stranger. His position on the Civil Rights Act and the Wards Cove amendment reflect his passion for equality.

As the founding chair of the Congress of Asian Pacific Americans, he has become a mentor to the young men and women who follow in his political leadership footsteps.

I am proud to have served with him, to have known his family, to have shared his dreams for America.

GENERAL LEAVE

Mr. BROWN of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the subject of this special order tonight.

The SPEAKER pro tempore (Mr. SALMON). Is there objection to the request of the gentleman from California?

There was no objection.

THE DEMOCRAT PLAN IS BETTER

The SPEAKER pro tempore. The gentleman from Wisconsin [Mr. BARRETT] is recognized for 30 minutes to conclude the time designated for the minority.

Mr. BARRETT of Wisconsin. Mr. Speaker, I want to pay tribute to the gentleman from California [Mr. MINETA] too. As a newer Member I can say that the highest compliment I can pay him is that I consider him a normal person. He is a person who is very approachable, one who has treated the younger, newer Members with a lot of respect, and I think he has done a great job for this institution, and I am sorry to see him leaving this fine institution.

Mr. Speaker, I was in my office earlier tonight, and I was listening to some of the discourse on the floor here and several of my colleagues talking about the Medicare debate that is going on in the House right now, and I was listening to one of my colleagues talking about the terrible crisis, the terrible crisis we are facing in Medicare and how can the Democrats possibly ignore the crisis, that this system is falling apart, that we have to do something now, right now, to insure stability for people in this country to have health care.

Mr. Speaker, as I was listening to that debate, I thought back to my hometown of Milwaukee, and I thought back to two older women I know in my community that I had the pleasure of working with several years ago, and there were two sisters who lived together, and they were living in the home that they had owned for many, many years, and they noticed there was some water in the basement, and they thought, "Well, we should deal with this problem. We are willing to pay the price to fix the damage of water in our basement."

So what they did was they called the contractor, and the contractor came out and said, "Yes, there is water in your basement. The foundation of your home is collapsing. We are going to have to tear down a wall and rebuild it."

Well, the two older women were on fixed incomes, and obviously they were very shook up by this news, but they wanted to do the right thing, they wanted to pay their fair share, and they wanted to have the problem solved. So they agreed to do that. They agreed to pay several thousand dollars to have the wall replaced and rebuilt.

Mr. Speaker, no sooner had these contractors ripped down and built up a new wall in the basement, than they came back to the two sisters and said, "We have got even worse news for you. Doing the one wall isn't enough. We are going to have to rip down another wall, and rebuild that one." And ultimately it became a third wall.

□ 2115

The two sisters who had water in their basement and knew they had a problem, a problem that had to be solved, were faced with basically a $10,000 bill for having three walls rebuilt in their basement.

What does that story have to do with Medicare? The reason that story is similar to Medicare is because the people in this country, and the older people in this country, recognize that there are some problems with Medicare. They are willing to pay a fair price to have the Medicare problem resolved, to fix the system, to get the water out of the basement, to make sure their home is stable. However, they are not willing to be duped by con artists who come in and tell them that their whole house is crumbling; that instead of having to pay $1,000 or $2,000 to repair a problem, they are going to have to pay $10,000 or their entire house is going to collapse, and have the contractor run away with the money and pocket it for himself or for his friends.

I think that story is very, very analogous to the debate going on in Congress right now. As this debate has unfolded, I have listened to my colleagues on the other side of the aisle talk about the problems. I have tried to listen to them and agree with them where I think they are on the mark. But what I have noticed is while they make several statements that are true and that I agree with, and I think a majority of Americans agree with, they do not tell, as Paul Harvey would say, the rest of the story. That story, or the rest of that story, is why this Republican plan is so wrong, and should be rejected by this House.

Let me start out by telling the parts of the story that are being put forth by the Republicans that I agree with. I agree that the President and his trustees have said that there are problems with the Medicare system. This is, of course, something they have said many times before, and Congress has always acted responsibly, without raising the flags and hooting and hollering and saying that the sky is falling. Congress has always addressed those problems. In fact, the trustees' report from last year says that the problem was worse than the problem this year. Of course, when the Democrats stepped to the plate to address the problem, the Republicans said they are too taking too much of a cut out of Medicare.

But now the situation is different. Now the Republicans are in control. They are saying, "Let us cut the growth." There is growth in Medicare, but they are saying, "Let us cut that growth $270 billion," and at the same time they are saying, "Let us give a $245 billion tax cut that disproportionately benefits the wealthy in this country."

I think what is going on there is very similar to the situation with the two older women with the basement. We do have some problems with Medicare. They should be fixed. They can be fixed for about $90 billion.

The other $180 billion is going to that tax cut that disproportionately benefits the wealthy in this country, and I think that is dead wrong. I think that is something that Congress should reject.

Mr. Speaker, the other place where I agree with the Republicans, and I actually had my staff check this because so many times I heard Members from the Republican Party step in this well and say, "Hey, there is growth in Medicare. We are not cutting spending. In fact," they say, "the spending per recipient is going to go from $4,700 per recipient to $6,800 in the year 2002."

The first time I heard that, I thought, "Wow, that sounds pretty good. It has gone from $4,700 per recipient to $6,080 per recipient." I actually did the math. It is a 45-percent increase. I thought, "All right, I'm not going to dispute that. I'm not going to say they are not telling the truth, because I have checked the figures and they are going to be spending 45 percent more in the year 2002 than they are in the year 1995."

However, as I talked to seniors in my district, and discussed with them this issue, their reaction was "Well, I'm not really that interested in what the spending is by the government per recipient, because that is the money that goes to physicians and hospitals and nursing homes, home health providers, groups like that. That really does not address the amount of money that I am paying out of my pocket." How much is that 68- or 69-year-old widow on a fixed income paying out of her pocket for Medicare? That is where we have to hear the rest of the story.

Let us use the 2 years that the Republicans have used in bragging about the growth in Medicare. Let us use 1995, and let us use the year 2002. Those are the 2 years that we have heard literally hundreds of times in this well talking about the growth of Medicare. Again, it is going to go from $4,700 or $4,800 to $6,080 a year, a 45-percent increase.

I have not heard a single Republican stand in this well and talk about what the premium growth is going to be over that same period. Not a single Republican has done what Paul Harvey does, and that is tell the rest of the story. Let us tell the rest of the story in terms of what the premium increases are going to be for that 68-year-old widow on a fixed income.

Right now, that senior is paying $46.10 per month. It comes out to $500 a year, somewhere around there. Under the plan that is being put forth by the majority, by the Republican Party, that amount is going to go to $90 to $93 a month, at least. We have not seen the figures. We do not know how much of a shortfall there is going to be, but we can be certain it is going to go from $46.10 a month to at least $90 to $93 a month.

Why have we not heard from the Republicans the rest of the story? Why have they not stood in the well to tell us that? The reason is obvious. The reason is because it is a 100-percent increase, that is, a 100-percent increase in the amount that senior citizens are going to pay for monthly premiums.

Again, it is important to note that I am using the same base year and the same outyear that the Republicans used when they brag about this 45-percent increase in the spending per recipient. That figure is correct, the Republicans are correct, the Government will spend 45 percent more per recipient. They are slowing the growth there. However, they are not slowing the growth as to what the recipients, what the beneficiaries, the widows in our communities, are going to be paying. So on the one hand, you see a 45-percent growth in what the Government is spending, but as far as that person who lives in the heartland, they are going to see a 100-percent increase under this plan.

Let us use the figures a little bit and talk about how that compares to the tax package. If we have a senior citizen who is paying $90 to $93 a month for their benefits under Medicare, that comes out to just about $1,100 a year. If you are a senior citizen who is on a fixed income of $8,000 a year, and your rent is, say, $500 a month, right there you are talking $6,000. You are going to put another $1,100 for Medicare. What are they going to live on? What are they going to live on?

Traditionally what we have done is we have allowed the States to use their Medicaid dollars to supplement that, to help them pay their premiums, but that is not something we want to do in this Congress. We are not going to require them to help pay their Medicare premiums. What is even more striking to me is that this Congress, under the bill that has not yet been introduced but that is being discussed, is going to have seniors paying $1,100 a year for Medicare premiums and at the same time it is going to tell a couple with an income of $200,000, who has two dependents, that they should get a tax credit of $1,000. So we are telling the couple with $200,000 income, "You get a $1,000 tax credit," and we are telling the single widow on a fixed income, "You are now going to pay $1,100 per year for your health care premiums under Medicare."

The response, of course, probably from my colleagues on the other side, "We are just letting them pay the same percentage that they are paying now. They do not mention that under current law it is supposed to drop back down to 25 percent. They are saying, "Let us just continue and have them pay 31½ percent."

That gets to the very essence as to why we are missing the boat in health care reform. There is absolutely no attempt being made to seriously deal with those costs. It does not matter to the people who are pushing this package that the costs are going to continue to rise. They are going to slow down what the Government plans to pay for those costs, but they are not seriously going to deal with the costs. They are going to allow that gap between what the Government pays and what the individual has to pay out of their pocket to grow and grow and grow, so the providers will not want to provide the services, hospitals will not want to provide the services, seniors will have to pay more out of their pocket, and all of this is being done so we can have a $245 billion tax cut that disproportionately benefits the wealthy in this country.

Mr. Speaker, what do the American people want to have done? It is clear. The American people want the Medicare system to be working. They want to make sure that it does not fail, they want it to be fixed if there are problems, and I think we should do that. That is why the Democrats are now moving forward with their bill that will fix the problems of Medicare at the tune of $90 billion, not $270 billion, $90 billion. The reason they can do it for $90 billion, rather than $270 billion, is that they are not shaving $180 billion off. They are not building an extra two walls, if you will, or tearing down two walls in the basement that do not need to be torn down. They are solving the problem.

The other issue we have to face is when the Republicans talk about fixing the system, they are not talking about fixing the system for the baby boomers, they are talking about plugging the hole for another 5 years so the system will be flush through the year 2006.

That is exactly what the Democratic proposal that is going to be introduced later this week is also going to do. It is going to take care of the problem through the year 2006, it is going to do so without doubling the premiums that senior citizens pay, it is going to do so in a fair way.

They can do so in a fair way because it does not have this tradeoff that on the one hand says, "All right, senior citizens, in the year 2002 you are going to pay $1,100 for your health care premiums; a family with an income of $200,000 we are going to give you a $1,000 tax credit."

I would ask the people in this body to do what the American people want us to do. They want us to fix the health care system. They want us to get rid of the deficit. Those are their two major concerns. We can do both of those, we should do both of those, and we should forget about this tax cut that disproportionately benefits the wealthiest people in this country, because if we do that we can solve this problem, and we can do so without doubling the insurance premiums that the older people in this country pay each year.

THE ACCOMPLISHMENTS OF REPUBLICANS DURING THE LAST YEAR, AND THE REPUBLICAN PLAN TO SAVE MEDICARE

The SPEAKER pro tempore (Mr. SALMON). Under the Speaker's announced policy of May 12, 1995, the gentleman from North Carolina [Mr. JONES] is recognized for 60 minutes as the designee of the majority leader.

Mr. JONES. Mr. Speaker, the gentleman from Ohio [Mr. CHABOT] will be joining us, and also the gentleman from Washington [Mr. TATE], and we look forward to an hour of trying to give accurate information to those that might be viewing this 1 hour.

Mr. Speaker, I yield to the gentleman from Ohio [Mr. CHABOT].

Mr. CHABOT. Mr. Speaker, I appreciate the gentleman yielding to me, and we appreciate the gentleman from North Carolina [Mr. JONES] getting the time this evening so we could talk among ourselves and talk to the American public this evening, first of all about what we accomplished in the last year, and then we would also like to go into considerable detail about the Republican plan to save Medicare.

Mr. Speaker, the interesting thing is it was 1 year ago today, as a matter of fact, that all three of us and many of our colleagues came to this city from communities all over the country. My district is the First District of Ohio, most of the city of Cincinnati, and many of the western suburban areas of Cincinnati, and I came from that area, and you gentlemen came from your districts. We came here to Washington to sign what I really believe was an historic document.

I had talked to a lot of people in my community, and I asked them, "If you were Congress, what would you do? What do you think this Congress should be about? What kind of changes would you like to see made?" I heard the same types of things, it turns out, that you gentlemen were hearing in your districts: that people thought taxes were way too high, they were sick and tired of money being spent up here in Washington so excessively that we had such a huge debt, they wanted us to balance the budget, they wanted us to reform welfare, they wanted regulatory reform, they wanted tort reform, and so many things.

So we signed a document, we put our name on the line, and we told the people of this Nation that if we had a Republican majority here in the House of Representatives, where we are tonight, if we had a majority of Republicans in the House within the first 100 days, the first 100 days of us being here, we would have an open debate on the floor of this room we are in right now and a vote on 10 specific items.

The interesting thing is a lot of people thought, "Maybe that is just politicians' talk, and they never really carry out their promises," but we kept our promises. We did what we said we were going to do, we had an open debate and a vote on the floor of this House on all those items within the first 100 days. In fact, we did it within 93 days.

□ 2130

Most of those items, all but one, passed in the House. I think it was one of the most proud times I have had in my whole life, was actually carrying out the promises that we made to the people back home. I think probably what would be a good thing for us to do is to discuss specifically what those items were we did, first of all, since it was exactly 1 year ago today that we made that promise, and how in the first 100 days we kept those promises. So perhaps the gentleman from North Carolina [Mr. JONES] might want to take over from there and discuss those promises that we kept.

Mr. JONES. I appreciate that, Mr. CHABOT, and I am delighted to take just a couple of minutes to add to what the gentleman from Ohio, Mr. CHABOT, said, and I am sure that the gentleman from the State of Washington, Mr. TATE, will also join in.

I think the Contract With America set a new direction for campaigns in this country, because for the first time in memory we had a political party that said, we will put into writing what we are willing to do if you give us the privilege and the honor to become the majority in the U.S. House of Representatives.

As the gentleman said, we promised the American people that we would get 10 major items to the floor of the House for debate and a vote. I want to remind those that are watching tonight that the 10 items came from extensive polling nationally by the Republican party to find out what issues were at the foremost on the American citizen's minds, and certainly there are more concerns than just these 10. The majority felt that these 10 items must be addressed, and I will just touch on 2 or 3 and let the gentleman from Washington [Mr. TATE] touch on a few others, and then the gentleman from Ohio [Mr. CHABOT].

Mr. Speaker, obviously, balancing the budget and a line-item veto for the President were two of the issues that the majority of the people said we must deal with; especially balancing the budget. The budget today is about $4.9 trillion in debt. That is growing by the moment. We are talking about a child born this year in our country, the first breath he or she takes as a newborn, they owe $187,000 in taxes, and that is because the Congress has not been responsible in trying to balance the budget.

So the Republican Party, the new majority promised in the Contract With America that, if elected, the majority would, by the year 2002, have a balanced budget. That means we would be the first Congress in about 23 or 24 years that would balance the budget. That does not mean we get to a zero debt. We need to balance the budget every year for the next 25 years after 2002 to get a zero debt, but that is the importance of having a balanced budget amendment.

We passed a balanced budget amendment on the floor of the House, and we did have help from conservative Democrats that joined us, meaning the Republican majority, to pass the balanced budget amendment. Mr. Speaker, as you know, it is still over on the Senate side. They seem to be one vote short, and we certainly hope that they will come up with that one vote, because I think it is absolutely necessary, as do the American people, that we have a balanced budget amendment.

Mr. CHABOT. Mr. Speaker, will the gentleman yield?

Mr. JONES. I yield to the gentleman from Ohio.

Mr. CHABOT. Mr. Speaker, if I could just mention one thing in followup on that, even though they still need one more vote over in the Senate to actually pass a balanced budget amendment to put it into the Constitution, nonetheless, we in this House passed the first balanced budget resolution in about 30 years. So the budget that we are acting on right now, the spending up here in Washington that goes all over the country and is spent for services here in Washington, this is a balanced budget resolution, and it will put us in balance over the next 7 years. Some of us voted to do that even quicker. I voted to do it in 5 years.

The President has come around to some degree. He is now talking at least about 10 years. So we are heading in the right direction, but even though the balanced budget amendment did not pass, unfortunately, we are still pushing to balance this budget and we are dedicated to doing that.

I would like at this time to yield to the gentleman from the State of Washington [Mr. TATE].

Mr. TATE. I would like to thank the gentleman from Ohio and the gentleman from North Carolina. It has been a privilege to serve with both of the gentlemen, and when we were all back here together, as you stated, on September 27, 1994, when we all came back here and signed the Contract With America, we did not sign it with any particular leader. When I signed it, I signed it for the people back in my district.

These are the issues that I heard about over and over and over again, as I went door to door through my district. In Burien, which is the northern part of my district, down through Tacoma and down into Thurston County, I heard people talk over and over again about how politicians keep making promises and then something changes the day after election. They always change. That is why I thought the contract was so important, because we said, if we do not do what we say, kick us out.

Mr. Speaker, we did exactly what we said, starting on day one. We spent 14 hours, 14 hours on January 4, that seems like years ago now, because of the many issues that we have worked on, but 14 hours on the House floor in passing the kind of reforms that have reformed our own house.

I believe very strongly that if you are going to tell other people what to do, you better get your own house in order first, and we passed the law that Congress follow the same laws that apply to every other American, retroactively. That is so important. There are so many reforms that Congress passes and then says, sorry, I do not want to live by those laws. Well, no longer. We are changing that. I am hoping we can review some of those laws and maybe Congress will not be so quick to pass laws that we now have to live under.

We also passed the committee structure, eliminating some of the staff in this place, learning to do more with less. We also made changes, for example, requiring hearings now to be in public. Now, there is a novel concept. If you are going to have a hearing and you are going to raise taxes, it should be in public. It is called the sunshine law and I have been told many times that the best disinfectant is a little bit of sunshine.

I think we are getting our own house in order here in Congress, actually requiring Members to be in committee to vote, because for years, Congressmen did not have to be in committee to vote, and they did not have to live by the same laws as every other American. So those are the kinds of reforms that require us to get our own house in order.

I think we have to lead by example. There are many changes that need to occur. The thing that is exciting to me is we brought up every one of these items for a vote. Some, like term limits which were never allowed, ever, in the history of the United States on this floor to even be voted on. We can argue for and against the merits of term limits, but by gosh, they should at least have an opportunity to have a vote on the floor. That is what we did on three or four different versions, if my memory serves me well.

So we have kept our contract; promises made, promises kept, the ones we made 1 year ago on the Capitol steps, we have kept the faith with the American people.

Mr. CHABOT. Mr. Speaker, relative to term limits, a couple of things I would like to point out, as the gentleman mentioned, in reforming Congress itself.

On the very first day of Congress, we passed term limits for committee chairmen, and the reason that is important, one of the main problems up here in Washington and in the Congress is we have some of these old bulls, these committee chairmen that have been in power for decades, sometimes, and their power was sometimes corrupting, and oftentimes just not healthy for the system. So we passed term limits for committee chairmen of 6 years, and after 6 years they can no longer be chairman of that committee.

Relative to term limits for all of Congress, the reason that it did not pass in the House is because it was a constitutional amendment, and therefore, we needed two-thirds, not just 50 percent of this body to vote for it, but two-thirds of this House to vote for term limits.

Now, we got 85 percent of the Republican Members of Congress to vote for term limits, 85 percent of us did. Unfortunately, 82 percent of our democratic colleagues in Congress voted against term limits, and that is why that failed in the House. The Speaker, NEWT GINGRICH, has indicated the very first bill that will be introduced in the House, assuming we have a Republican majority next time and therefore we have a Republican speaker, will be term limits, once again, and if we have more folks that support term limits, hopefully we will be able to pass it next time.

Mr. JONES. Mr. Speaker, I would like to add to something that the gentleman from Washington said about the first day that I think is unique, and really I think said to the American people, we did hear you, we heard you clearly.

In addition to what the gentleman from Washington said, that very first day, the first 12 hours, in addition to the reforms that the gentleman from Ohio and the gentleman from Washington [Mr. TATE] mentioned, we saved the taxpayers $72 million in the very first 12 hours. We did it, as the gentleman from Washington said, by reducing the committee staffs by one-third, saving roughly $67 million. A lot of people did not know this, but in the past, the caucuses that we have within the House of Representatives, those caucuses were being paid for by the taxpayers to the tune of about $5 million. So the first 12 hours of the first day of the new Republican Congress, we saved the taxpayers $72 million in addition to the reforms that Mr. TATE and Mr. CHABOT mentioned.

Mr. CHABOT. Mr. Speaker, if the gentleman would yield, I think that is an excellent point. Another thing we did, and I am sure that the gentlemen remember this very well. I remember I had my little son, who is 6 years old now, he was 5 years old at the time, sitting in a chair right over there, the day we got sworn in, and that was around noon, and we were here until 1 or 2 o'clock in the morning, because we had promised that we would take action on all of these items the very first day.

To give credit where it is due, many of our colleagues, many of the Democrats on the other side of the aisle, joined us in these reforms the very first day. One of the most important reforms we made the first day, I think, is the fact that we made it tougher than ever for Congress again to raise taxes on the American public, because as the gentleman from Washington mentioned, when he was going around his district, he kept hearing people saying the same thing: balance the budget and cut taxes. It has been too easy to raise taxes on people, so from now on, rather than a simple majority, 50 percent plus one to raise taxes, we have to have 60 percent of this body to ever raise taxes again. That will make it tougher to raise taxes, and that is the way it ought to be.

Mr. TATE. Mr. Speaker, if the gentleman from North Carolina will yield, a couple of points I would like to make. One of the things that I was involved with is the Barton-Hyde-Tate constitutional amendment. We changed on day one in our own rules that we wanted to live by, regardless if we had a constitutional amendment, but we had a vote, and it came close, we still had a vast majority of the Republicans voting in favor, making it more difficult, a 60-percent majority, required to raise taxes. It should not be easy for the government to take my money. And that one failed, but it was close.

The Speaker has promised that next year on April 15, or 16, I think April 15 falls on a Sunday, but around tax day, we are going to bring that up for a vote again, and one more opportunity for that commitment, promises made, promises kept.

Another important part of the contract is we reduced the tax burden. In 1993 the Clinton administration raised taxes. We cut taxes. I guess I am not apologetic for giving people back their own money. What we are saying is, we are not going to take as much so you can spend it on your family to pay for your health care, for your clothes, for your trip to Disney Land, whatever your family needs, and that is a huge change, letting people control their own money, even before it gets to Washington, DC, and that is what excites me about the Contract With America.

Mr. CHABOT. Mr. Speaker, I think the gentleman from Washington makes some excellent points, and relative to balancing the budget and taxes, there were many of our critics whom we remember when we were running last year, and I kept saying, I want to balance the budget, I do not want to raise taxes. I had some of the folks in the press, and my opponent, over and over again, and many of our critics said, you cannot possibly balance the budget without raising taxes. Well, we proved them wrong.

We absolutely have to balance this budget. It is immoral to continue to spend and spend and spend the people of America's money up here in Washington and turn that debt over to our children. It is immoral to continue to do that. So we are going to balance the budget, but we are not going to balance the budget by raising taxes. We are going to balance this budget by cutting spending. That was our commitment, that is what we are going to do.

Mr. JONES. Mr. Speaker, I represent the third district in North Carolina, which is the coastal area of the eastern part of the State. During the campaign for Congress, and again as the gentleman from Ohio and the gentleman from Washington said, I used the contract with every civic club I had a chance to speak to. Every time I had a chance to meet with any group or any individual, I talked about the Contract With America.

So many times I would hear from working men and women, we cannot afford more taxes. We cannot afford this government to continue to grow on our backs as we are working two jobs, in many cases. This came to me in conversation with an individual: I am working two jobs, my wife is working two jobs, we are doing the best we can, but we see that the harder we work, the further we get behind.

The reason for that, and I appreciate the gentleman from Ohio talking about the fact of balancing the budget without raising taxes. In this country today, the average working family would spend more on paying taxes than that same average working family would spend on clothing, housing or food. How can they ever realize the American dream when they work more and longer hours, they pay more in taxes? That is not what this country should be about, and again, I think that is another reason why we have the opportunity and the privilege that we have to make the changes in this country that the American people would like to see made.

☐ 2145

Mr. TATE. I think the gentleman from North Carolina hits a salient point by talking about the tax burden. Because as we finished the Contract With America, May 6 was Tax Freedom Day. If you add up all the State and local and Federal taxes, you have to work now until April 6 before you start earning your own money.

If you add in all the Federal regulations and State regulations and county regulations and city regulations and all the taxes, you have to work until the middle of July before you start earning your own money. You have to work almost half a year before you get to keep some of your own money to spend on your family, to pay for your education, as I stated before.

I think that what we are doing is reducing that burden, allowing people to keep more of their own money, to make more of their own decisions at home instead of some bureaucrat that fills some building here on the Potomac telling the people in the towns in my district where these bureaucrats do not even know where they are, they cannot even pronounce it, yet they are taking their money and making their decisions for them.

I would rather keep it at home and let them make their decisions. That is the difference in this freshman class and this new Congress, is we are allowing the people to make their own decisions, letting States make the decisions, not bureaucrats, empowering people.

Mr. CHABOT. The problem and the reason that previous Congresses and the folks in control of this House for the past 40 years were unable to balance the budget is they really had it all wrong. The way they looked at things is not that the government overspent. They thought that the people of this country were just undertaxed. We think just the opposite. The problem is not that people pay too few taxes. It is just that they overspend up here in Washington.

When we talk about the tax burden, I think it is important that we look at the trend that has happened in this country. I was born in 1953. Right around that time, in the early 1950's, the average American family sent about 5 percent of what they earn up here to Washington in the form of taxes. That has increased over the past 40 years to about 25 percent, from 5 percent to 25 percent of what the average American family earns comes up here to Washington in the form of taxes.

If you add into that city taxes and county taxes and State taxes and Social Security taxes and real estate taxes and property taxes, and God knows what all the taxes we all pay every day, the average American family now pays 40 to 50 percent of what they earn in one form of taxes or another.

The folks on the other side of the aisle, the liberals in this institution, keep attacking us on a daily basis, saying, oh, well, we are just trying to give tax cuts to the rich. That could not be further from the truth. Seventy-five percent of the tax cuts that we passed this year go to people who earn under $75,000. Things like a $500 tax credit per child for families. Those are the types of taxes that we really need to encourage. Capital gains taxes, so that businesses can create more jobs, so rather than people being on welfare, people are working. Those are the types of positive changes that this Republican majority who now controls the House has been trying to enact.

Mr. JONES. I want to add to that list. The gentleman is absolutely right. When we can help working families with children, that is the right thing to do. The other side, I certainly do not criticize them, even though I do not agree with them, but certainly in my opinion, they are out of touch with the working man and woman in this country.

You listed some of the changes that we want to see as it relates to taxes. I was pleased this past couple of weeks, the gentleman from California [Mr. COX], a Republican, one of the young leaders in this House of Representatives, introduced a bill to repeal the inheritance tax. I do not know about your State and your district, but I can tell you that in my district, eastern North Carolina, the people of my district think one of the most unfair taxes, maybe the most unfair tax is the inheritance tax. When a man, a women has worked all their life, paid taxes all their life, to accumulate and hopefully leave something to their child or their children and then the children have to pay taxes on it. I want to commend the gentleman from California [Mr. COX] and the new Republican leadership for being willing to at least get this debate started on repealing the inheritance tax. There are so many good things that we are doing.

Mr. CHABOT. That is, I think, an excellent point. What we have seen across the country is, for example, when you have had a family who has owned a farm, and wants to pass that farm on to the next generation, either their sons or their daughters, to run that farm, they have oftentimes been unable to do so because of the exorbitant inheritance taxes. In essence they have had to sell the farm in order to pay their taxes. That is not fair to that family and it is certainly not healthy to our agricultural communities across this country.

We have had the same problem with small business owners, somebody owns a business and they want to pass that business on to the next generation. Sometimes the businesses get sold down the river to pay the taxes. What happens to those people that worked there, the employees? Many, many people get hurt besides just the business owner and his family.

I agree very much with the proposal of the gentleman from California [Mr. COX] to try to reform the inheritance tax system in this country because it has been very, very unfortunate what it has done in many instances.

Mr. TATE. I agree 100 percent in what you are doing on that particular issue. Another part of our tax proposal that helps people in their retirement years, some of the things we do for senior citizens. We have heard a lot about Medicare and the so-called tax cuts for the rich. I do not know what their definition happens to be, anybody who has a job, anybody who pays taxes must be considered the rich, because we are tying to provide as much tax relief as we possibly can for working Americans.

One of the things I think gets overlooked, especially in the House proposal, is in 1993, Clinton raised taxes on senior citizens, especially under their Social Security benefits by 70 percent. Where I come from, 70 percent is a huge increase in your taxes. What we did is we are repealing that under the House proposal, allowing senior citizens under our House proposal to work longer, under our Contract With America.

Right now if you make over $11,000 a year and you are on Social Security, you start losing your Social Security benefits. That does not make any sense. If people want to work, they should be able to. They should not be punished for working. We allow them to make up to $30,000 a year. We allow them, one provision I have listed here is provides tax incentives to encourage individuals to purchase and employers to offer long-term care coverage.

These are the kind of things that seniors are concerned about. We also provide incentives for working families if they want to purchase a home or post-secondary education or medical expenses. Those were all part of the Contract With America that the Members out here voted for. Those are those so-called tax cuts for the rich we always hear about are really the working Americans that live in all our districts that we go home and see every weekend, we have town halls with, we run into at the grocery store. Those are the people we are trying to help. I think we are straight forward. There are a lot of attacks. But I wanted to get the truth out on the tax cuts we have passed on the floor of the House.

Mr. JONES. Just a couple of other points with the Contract With America. The American people want to see a real true welfare reform bill. They want to see the Congress strengthen our military defenses so that we are adequately prepared to protect this Nation. I want to touch on that just a moment because I am on National Security, and I also have 3 bases that are in my district.

For the past few years, the Congress in passing the Department of Defense budget, many times in that Department of Defense budget were allocations for nondefense items. I want to touch on that just a moment.

Between 1990 and 1993, the GAO, the General Accounting Office, said that the Department of Defense budget between 1990 and 1993, $10.4 billion in those 3 years went to nondefense spending. As the new Republican majority in our Contract With America, we have established a fire wall, so that no dollars under the Republican leadership that are going to the defenses of this Nation can be used for nondefense items. I think that is extremely important, because quite frankly over the past few years, our defenses have not gotten what they need to protect this Nation.

I think that is just one of many items in our Contract With America, to help strengthen our defenses. I just wanted to mention that.

Mr. CHABOT. I believe the gentleman makes some very important points about our defense. Another item that you mentioned was welfare reform.

This was one of the things that I saw up front and very close in my community in the city of Cincinnati. I was on the Cincinnati City Council for 5 years and I was a Hamilton County commissioner in Cincinnati for 5 years.

One of the greatest problems, one of the most frustrating things that I saw was how destructive the welfare system was in Cincinnati. I am sure that was repeated all over this country. We passed, I believe, a very positive welfare reform package in the House earlier this year. I think, and I have heard again some of the folks on the other side attacked us as being mean-spirited, not caring about the poor, because we were trying to change welfare. But I would argue that there was nothing more mean-spirited, nothing more corrupting, nothing more damaging to children in this country than the present welfare system, which basically for many years has encouraged families to break up, has encouraged fathers not to live in the home but to go away from the home, not to support their own kids. Kids all over this country grow up in homes where they never see an adult go to work. They then fall into that same pattern of behavior.

Our plan emphasizes work. It gives job training, it gives job opportunities and basically assists people into getting into work in the private sector, not some government make-work-type jobs but jobs in the private sector. We have got to get people working, supporting themselves and supporting their own families.

I would argue it is really not fair to require other families that oftentimes both the mother and the father have to work, sometimes work two jobs to support their own kids, and then they get their money taken and sent here to Washington and sent to folks on welfare who for the most part ought to be supporting themselves and supporting their own children.

I am all for helping the truly needy, but too often welfare in this country has become a permanent way of life, generation after generation after generation on welfare.

I think our plan was a step in the right direction, requiring people to work, and support their own children, and emphasizing families staying together. That is the direction we should be heading.

Mr. JONES. Am I correct, and please correct me, the gentleman from Ohio as well as the gentleman from Washington, I believe I have seen or read that since the beginning of the Great Society in the mid 1960's, this Nation has spent over $5 trillion on welfare-type programs.

Mr. CHABOT. That is exactly right. It is interesting that that $5 trillion is almost the same amount as our national debt right now, of which 14 cents of every dollar that comes up here to Washington just goes to pay the interest on that debt. We have spent a tremendous amount of money on welfare. Most of that money I would argue has been counterproductive and just has not worked. Most of that money, the explosion in the spending started back in the 1960's during Lyndon Johnson's Great Society. I think the intentions were good but the results have been tragic for this country.

Mr. TATE. I would agree that we have spent over $5 trillion, that is with a T, trillion since the 1960's. But even more important than the money, more than the $5 trillion, if you added up the human toll that these problems have really caused for many Americans. It has spread the wrong kind of dependence.

It is a system that to me you subsidize, I have heard many times, subsidize what you want more of and tax what you want less of. What we have done is subsidize irresponsible behavior. If you have more and more children and you are not responsible, we are going to give you more and more money under the current plan.

We are trying to encourage people to be more responsible, requiring people to work. I can tell you there is no better self-esteem or social program than someone having a job, someone feeling the pride in getting up every day and going to work. If we want to help people, let us teach them to work, not just teach them, "If I stay home, I'll get a check." That does not teach people the right kind of thing. Let us get them a job. It helps them to be accountable to the taxpayer as well and to themselves. So we break that cycle of dependence, we give them the self-esteem that a job brings, we hold them to be responsible for their action because we are not going to subsidize irresponsible behavior and we give States the flexibility to come up with plans that work.

Because I can tell you, south Tacoma is a lot different than the south Bronx or South Dakota. We need plans that fit those local neighborhoods.

Mr. JONES. Is it true that the President, President Clinton as a candidate for the presidency campaigned and said he is going to insist that we have welfare reform, he is going to see that welfare reform takes place, and I sincerely believe, I do not know if you would agree or not, that had it not been for the American people electing a Republican majority in the House and the Senate, I doubt we would have welfare reform which today we have on the House and Senate side, we are passing a major welfare reform bill.

Mr. TATE. The gentleman is exactly right. The President actually campaigned, and I hope I got the quote exactly right, to end welfare as we know it. Basically the plans that we have seen from the administration have been to tinker with welfare as we know it. Window dressing, maybe a fresh coat of paint, call it Workfare, but it is basically the same old packaged plan. We are trying to come up with a plan that transforms, gets people out of that cycle of dependency, out of the system that really brings them down and trying to change the system.

□ 2200

I believe the Democrats controlled the White House, the Senate, and the House of Representatives for 2 years, and I do not remember any welfare proposals passing. But we have been able, and some people can agree or disagree with the proposal or the fine print, we have come up with a plan that I think transforms the welfare system and really gives people the hand up they really need instead of just a handout that traps them there.

Mr. CHABOT. Moving along with the items in the Contract With America that we passed in the House this year, another item that I think was very important was we rewrote the so-called crime bill that was passed in this House last year. I think we would all agree that crime in this country is far too high, the fact that people, oftentimes many of our senior citizens, are prisoners in their own homes, cannot take a walk on the street because they are worried about being mugged or being raped or something just awful happening; I mean, it is a crime itself that that level of crime has been able to go on all of these days, and much of it is linked to the drug problems that we have, much of it is linked to the fact that kids do not have appropriate parental supervision at home. They hang out on the street corners. They get involved in crack dealing and shoot each other, and it is just a mess.

So, unfortunately, the crime bill that was passed last time I do not think did much good. There were a lot of social programs in there. There was midnight basketball and many of us, in talking with the people in our districts last time when we were running, heard over and over again, "We want a real crime bill. We want something that is really going to battle crime in this Nation and not just have some feel-good legislation that makes people think something happened." So we passed, I think, a very, very good, comprehensive crime bill earlier this year. It gave flexibility to the States to determine what really worked in those particular communities. If midnight basketball works in a community, that is something they can have an option to do. Other communities may choose to do something entirely different. It required truth-in-sentencing where, if you have a violent criminal, they are going to be locked up because when they are behind bars, they are not out on the streets preying on the public.

It toughened the death penalty in this country. I firmly believe in the death penalty. Most of the people in this country believe in the death penalty. There are some people that have just a moral feeling about it. They do not agree. That is fine. It is a free country. We can have both sides of the issue. We do have a death penalty in most States. The problem with the death penalty, and some people argue it is not a deterrent, the poor deterrence is the fact of the way we handle the death penalty in this country. We let people sit in death row for 15 years, 16 years. We need a short appeals process, and then the death penalty, I believe, should be carried out. Then I think it would be a deterrent. That is one of the things this crime bill did. It shortened the death penalty appeals process. I think we need to go even further in that area. It was certainly a step in the right direction.

The levels of crime has gotten far too high in this country. We are actually doing something about that finally in this House.

Mr. TATE. I want to commend the gentleman for his work on the Committee on the Judiciary on these issues. I remember the gentleman speaking several times on the floor trying to toughen the legislation, and I think the gentleman should be commended. He hit it right on the nose: Block grants, once again letting the cities and States decide how the money should be spent. Instead of mandating what I call hug-a-thug social programs down on to local governments, we are going to let the local governments come up with their own plans, community policing, more police, more equipment, whatever they need. Every community is different. Cincinnati is probably different than Seattle. The cities in North Carolina are different than the city of Tacoma.

Mr. CHABOT. We have a better baseball team.

Mr. TATE. I would have to dispute the gentleman from Ohio on that particular phrase. That was not part of the contract.

But I appreciate his comments. But once again, truth-in-sentencing, you hit it on the nose. If someone is caught and convicted and sentenced, should they not serve at least 85 percent of their sentence? Once again, we want to bring credibility back to our system, whether it be in our own House as we pass reforms, or in our justice system to make sure we truly have a justice system, not just a legal system. We want to make sure there is some justice in our system where, if you commit a crime against society or against an individual, you ought to serve time.

Mr. CHABOT. The gentleman mentioned I am on the Committee on the Judiciary. A couple of the other things in the contract, many of the items passed through the Committee on the Judiciary, so we had our hands full in that earlier 100 days. Tort reform, for example, was something passed through the Committee on the Judiciary.

We had a lottery system in this country where trial lawyers oftentimes benefited, made tremendous amounts of money. It is arguable whether the people that got hurt got very much at all. We wanted to change the lottery system.

There was a case in New York City, for example, that gives you an example of what was wrong with the system. There was a case where a homeless person decided to commit suicide, threw himself in front of a subway train. He was unsuccessful. He did not die, but he was injured seriously. He turned around and sued the city of New York, and he won, and that just shows one of the ridiculous types of cases that, under the existing laws, happened.

Another case a lot of people have heard about is the lady who spilled coffee on herself at McDonald's Restaurant, turns around and sues McDonald's and gets a multimillion-dollar verdict. It was reduced somewhat to the hundreds of thousands, but we all pay for higher insurance premiums, and we need to have a system that, rather than just lawyers making out, we need for people who have really been injured and people who need justice to be able to get fair and equal justice under the system, and that is what our bill attempted to do.

Mr. JONES. If the gentleman will yield to touch on another subject or item in the Contract With America, and the gentleman or the gentleman from Washington [Mr. TATE] might speak to this, that we had legislation that would strengthen families by giving greater control to parents as it related to education. We also strengthened the child support programs so that the fathers that were not meeting their responsibilities of being a father in a divorce situation, that they would have come up with the money to support that child and also we got tough with child pornography. I believe that these were part of the Contract With America and, generically speaking, some of the areas that we spoke to in our legislation, again, what the American public wanted to see.

Mr. CHABOT. Those are very good issues, points, and things that we certainly made progress in.

One of those things which is near and dear to my heart is the area of education. The gentleman from Florida [Mr. SCARBOROUGH] and I are cochairmen of a group that has been trying to get rid of the Federal Department of Education up here in Washington, so that instead of bureaucrats making the decision about how our kids are going to be educated, we let parents and teachers and local school boards determine how the money ought to be sent and how the education ought to be carried out and what books they ought to have instead of some nameless, faceless bureaucrat up here in Washington, and we would save billions of dollars in the process.

Mr. TATE. Is there anyone that sits in that big building out there, I think on Independence Avenue, in the Department of Education, anybody in that building teach anywhere in the district of Ohio that you represent?

Mr. CHABOT. The gentleman has got me stumped. I cannot guarantee that there is not somebody in there.

Mr. TATE. I can tell you I do not know of anybody there that teaches anywhere in the Ninth District of Washington. That is our point, once again these are people, good family people that work there. They do not know the families in my district. So why are they making decisions? I think you made a good point.

Mr. CHABOT. The bill that we have sponsored up here is called the Back to Basics Education Act, and we have 111 cosponsors, meaning that 111 Members of this body have indicated they support this legislation. Again, what it does is it takes the power away from the bureaucrats up here in Washington and gives it back to the folks at the local level, parents, teachers, and local school boards.

Education is a very, very important issue with me. I am a former schoolteacher. I taught in an urban school in downtown Cincinnati and taught the seventh and eighth grades. In fact, my daughter is in the eighth grade this year, so I can identify very much with her and the kids we taught and why this particular bill is so important to the education of children all over this country.

It saves money, too, which is important to the taxpayers.

Mr. JONES. If the gentleman will yield, I join you and the gentleman from Florida [Mr. SCARBOROUGH] in your efforts. I think I am a cosponsor of the bill, and I join you in looking at the possibility of downsizing or totally eliminating the Department of Education. I could not agree more, having served in the North Carolina General Assembly for 10 years; I know the States can do a better job of working with the counties, working with the teachers and the parents in the counties and throughout the State, of doing a better job of educating our young people than the Federal Government can.

Mr. CHABOT. What we have done thus far this evening is we have kind of talked about what we did during the first 100 days, and the time after that, the Contract With America, what we passed, what we still have to do. We are in September now. We have got a few more months left in this year, and at this time we are setting the budget for next year and we are in very significant times for the future of this Congress and the future of this country, and I think what might be helpful at this time is to show what are the most important issues right now that we have facing us and perhaps discuss those.

I have here a chart which shows four of the issues, and perhaps one of my colleagues might like to indicate what we see here and what the significance of these issues is.

Mr. TATE. The thing that really strikes me is if we just passed just one of those this year, this would be a truly historic Congress. If we just balanced the budget for the first time since 1969, we could go home and say we have accomplished something, that is goal No. 1, in 7 years, and as the gentleman from North Carolina stated, a child born today will have $187,150 in taxes that they will have to pay in their lifetime just to the Federal Government just to finance the national debt, not to pay it off, but to finance it.

Mr. CHABOT. Why do we not drop down to the third item and maybe come up to the second item last?

Mr. TATE. Under welfare reform, as we talked earlier, I mean, truly historic as well. If we come up with welfare reform between now and the rest of the year, one has passed the House, one has passed the Senate, we are going to work out the differences and some fine-tuning to do between now and the middle of November, come up with plans to give States more flexibility, come up with plans to truly break the cycle of dependency.

The fourth item on there is providing tax relief for working families and job creation, giving more working families money back to them, creating jobs so those people on welfare will not be stuck in a cycle of dependency but will have a job that pays good wages, that gets the engine of the economy going, which is small business.

Mr. CHABOT. The four items that we have up here are the important issues we still have facing us this year, the ones we really want to accomplish, the ones we will not back down on, we will not blink on, we will not flinch on in dealing with the President, things that absolutely have to be done for the future of this country.

The next item that we want to talk about now, for the balance of the time that we have left this evening, is the fact that we have to save Medicare from bankruptcy, and that is the issue that I think is so important that we are going to spend the rest of the time that we have here this evening discussing how we are going to save Medicare and why it is so critically important.

I think the way we want to start out here is that, first of all, I think most people around the country realize now that Medicare is in serious trouble, and Medicare's own trustees, including the Clinton administration Cabinet secretaries, Donna Shalala, Robert Rubin, and Robert Reich, have indicated that Medicare starts losing money next year and goes bankrupt in the year 2002. So that is what this next chart here indicates.

This is the conclusion of the Medicare trustees. This was in April of 1995. Again, I want to emphasize that three of these trustees, these are not Republican Members of Congress, they are not our staff people. These are President Clinton's top Cabinet officials, Donna Shalala, Robert Rubin, and Robert Reich, and what it says here, "The fund is projected to be exhausted in 2001." By funds, they are talking about Medicare funds. The funds will be exhausted in the year 2001.

Here are their signatures. Here are their names right down here.

Mr. JONES. If the gentleman will yield, is it not correct that 1996 will be the first year that there will be more money going out of the fund than coming in, and, for an example, what we are talking about is $1 billion more going out of the fund in 1996 than coming in?

Mr. CHABOT. That is one of the scary things, that it goes bankrupt in 7 years, but it starts losing money next year, and this has not happened before. This is the first time in history it goes completely bankrupt in the next 7 years.

I would argue very strongly that it would be immoral for us to let that happen. My mom and dad, you know, are on Medicare. They receive the benefits. Many of our relatives do. People in my district do, thousands and thousands of people. It is something that they paid into. It is something that was sacred, that the Government basically made a contract with them just like we made a contract with America this year.

I think it is our responsibility, as Members of Congress, to not let Medicare go bankrupt. We have to save it. We have to preserve it. We have to protect it for the seniors now, for this generation and for future generations. That is absolutely critical.

Mr. TATE. If the gentleman will yield, I could not agree more. This is to me, to sit back and do nothing is the absolute worst thing we could do. We cannot just bury our heads in the sand. We cannot just say, "I wish it would go away." That is not the way things work.

We are elected to be responsible. We are elected to save programs that the public believes are important and come up with ways to save it.

I happen to have a copy of the summary right here, "Status of social security and Medicare programs," and it clearly states the HI, the hospital insurance fund, which pays for hospital bills, continues to be severely out of balance and is projected to be exhausted in about 7 years.

□ 2215

I mean that is about as clear as it gets. It is projected to be exhausted in 7 years.

I guess I cannot look at the grandparents, the retired folks in my district, the people that depend on Medicare, in the face and say, "I'm sorry. I'm not going to do anything. I hope it goes away."

I mean we have to do something. We cannot afford not to. We have a moral responsibility, a moral imperative, to do something, and I just appreciate the gentleman bringing this issue out tonight because I can think of no more important issue than keeping what I call the original Contract With America, a contract from one generation to the next to help our seniors, and, boy, I would do everything I can to preserve, protect, and strengthen it, and that is what our program is all about.

Mr. CHABOT. Mr. Speaker, I think one thing that we absolutely should make clear is that although some of the folks who want to scare senior citizens across this country are talking about us cutting Medicare, that could not be further from the truth. What we are talking about doing is increasing the spending on Medicare, but at a slower rate. Right now in the private sector medical care has been increasing at about 5 percent, 6 percent, thereabouts, a year. Medicare has been going up 10 percent, 11 percent a year, so just about double what it has been in the private sector.

So what we have to do is we have to slow the growth of Medicare so it is more consistent with what is going on in the private sector so that we can save Medicare, and in fact the dollars in our plan go up, and I will give you the dollar amounts. Right now for every senior in this country on average, Mr. Speaker, we spend $4,800. The U.S. Government spends $4,800 on Medicare per senior citizen this year. Under our plan over that 7 years' period of time it will go from $4,800 up to $6,700, and that is more than the rate of inflation every year. So we are talking about increasing spending from $4,800 to $6,700.

Now, Mr. Speaker, I say to my colleagues, that ain't a cut, and even up here in Washington when oftentimes folks on the other side of the aisle are trying to scare seniors and trying to mislead, that is not a cut, it is an increase, and that's the way we have to save Medicare.

Mr. JONES. Mr. Speaker, I want to touch on something the gentleman is going to touch on in a second. I just want to read a paragraph to him and the gentleman from Washington that is in the Washington Post dated September 15, Friday, and I do not think any one of us could say that the Washington Post is pro-Republican philosophy. So, therefore, I think it is worthy that I should read this to you and those that might be viewing. It says:

> Newt Gingrich and Bob Dole accused the Democrats and their allies yesterday of conducting a campaign based on distortion and fear to block the cuts in projected Medicare spending that are the core of the Republican effort to balance the budget in the next seven years. They're right; that's precisely what the Democrats are doing—it's pretty much all they're doing—and it's crummy stuff.

This is from the Washington Post, September 15, and I read that because of what you just said. I want to share with you and the gentleman from Washington [Mr. TATE] that back in my district we are basically a rural district. Many of the senior citizens are so dependent on Medicare, and I can honestly tell you that right now they believe that we are sincere, that we are going to do what has to be done to preserve, protect, and strengthen the Medicare for our senior citizens, and I can tell you even though the other side, and not everybody on the other side, but some, are trying to scare the senior citizens in my district, it is not working.

I yield to the gentleman from Ohio.

Mr. CHABOT. You have mentioned the Washington Post. I have a couple of articles here. This is exact wording from the Washington Post here, and I would just like to refer to a couple of these things, what the Post has to say about the Democrats' mediscare campaign. This is an exact quote from the Washington Post:

> They have no plan. Mr. Gephardt says they can't offer one because the Republicans would simply pocket the money to finance their tax cut. It's the perfect defense. The Democrats can't do the right thing because the Republicans would then do the wrong one. But that has nothing to do with Medicare. The Democrats have fabricated the Medicare tax cut connection because it is useful politically. It allows them to attack and to duck responsibility, both at the same time. We think it is wrong.

This is the Washington Post.

Mr. JONES. Mr. Speaker, I would like to ask the gentleman from Washington because in this display of distortion by the other side, and again not talking about every individual, but talking about the—those of a very liberal nature that are not willing to address this every serious problem facing Medicare in the future. Congressman TATE, is it not true that the other side has been running some very distorted, unfair ads in your district pointed at you?

Mr. TATE. Mr. Speaker, I wish I could say that was not so, but, you know what? It is. In face, they have purchased about $85,000 over the last week or so, running ads on television, running advertising on the radio, having Medicare vans going through the district.

The amazing thing is these same organizations are also people that receive grants from the public government, which is amazing, taxpayer funding of the big lie, saying that somehow we are cutting Medicare, and I can tell you the people in my district have been calling our office, and as of last Thursday or Friday we had over 700-some calls, and only 22 have called in and said, "You know, don't cut Medicare," and the vast majority of whom, or 90-some percent, said, "RANDY, we're not going to listen to these ads. We're tired of outside groups coming in trying to scare us, trying to threaten us, saying the sky is going to fall, the Chicken Little approach," and I can tell you that the people in my district understand that Medicare is going broke. The trustees have come out and said that we need to save it, that we are going to increase the amount that we are going to spend on it.

Mr. Speaker, I have had town halls. I know probably all of us have had town halls, senior advisory committees. They have had 20-some hearings, Ways and Means, Commerce Committee this year, soliciting ideas. Instead of a top-down approach, we have gone out to the people in our districts and asked, "How can we fix the plan? Here is the problem. What's your solution?"

And that is what we are trying to incorporate. The people in my district are ignoring the ads. They are saying they are tired of the lies, they are tired of it being financed by their own dollars. You know, these are same groups, the same American Families Coalition, who receive money from the Federal Government. It is outrageous and it is blatant.

Mr. CHABOT. Mr. Speaker, I have another Washington Post, and obviously these are blowups here, but what the Post has to say about the Republicans' Medicare plan—this is the Washington Post:

> Congressional Republicans have confounded the skeptics. It's incredible. It's gutsy. It addresses a genuine problem that is only going to get worse.

This is the Washington Post talking about the Republicans' Medicare plan, and I brought a couple of articles here from two of my hometown newspapers, the Cincinnati Post and the Cincinnati Enquirer. I am not going to read the entire articles, but I would just like to read a couple of quotes. This is from my district in Cincinnati. This is the Cincinnati Post talking about the Republican Medicare plan. It says:

> Will the Republican plan actually cut anything? No. It just slows the rate of growth.
>
> But it is extraordinary, in an age when political truth-telling and courage are often thought in meager supply, that the Contract-With-America crowd is following through on its pledge to balance the budget and is going about it the only way possible, by reforming an entitlement program hugely popular with middle-class voters.
>
> And the plan is, in fact, meritorious, not only because it would save billions upon billions of dollars if enacted, but chiefly because it would introduce market principles into the program, enabling the elderly to shop around for what suits them best.
>
> Democrats, carrying on as if the Republicans were caught building concentration camps, have been trying to scare the elderly into paroxysms of protest, so far to no avail.
>
> Perhaps the elderly have noticed that per capita spending under the Republican plan would rise from $4,816 this year to $8,734 in 2002. That's just a few hundred dollars less than without the proposed changes.
>
> Still, action, above all, is what's needed. Now, that is why the House Republicans' plan is such a valuable start to badly needed Medicare reform.

That is the Cincinnati Post.

Let me read briefly from the Cincinnati Enquirer.

> The quacks who have been playing doctor with Medicare for decades always prescribe the same treatment: Bleed taxpayers to keep the cash transfusions coming, but don't close the wounds—that would be painful.
>
> Finally, Republicans have dared to propose some surgery to get Medicare healthy again. And the response from the Clinton administration has been the same old faith-healing.

And then they quote Donna Shalala's response to our plan. They quote Donna Shalala as saying:

> We will not go back to the days when older Americans brought bags of apples to pay for their doctor visits," was the panic-inducing response from Health and Human Services Secretary Donna Shalala.

And what the Enquirer says to her response, "That's snake oil."

"Considering the critical condition of Medicare, the Republican therapy is fairly painless."

And then it goes into some of the details about our plan, and it says:

> Unless something is done, Medicare could go broke and double the federal deficit by 2005, soaking taxpayers and the elderly with increases measured like a runaway fever chart.
>
> It's long past time for a healthy cure before Medicare has a massive stroke. The Republican remedy is a good place to start.

That is a Cincinnati Enquirer.

Mr. JONES. Would you clarify, you or Mr. TATE, for those that might be watching that the tax cuts that have been proposed, $245 billion in tax cuts for working families are more than offset by reductions in savings in Government spending over the next 7 years excluding, excluding Medicare and Medicaid?

Mr. CHABOT. That is exactly correct. The liberals on the other side of the aisle are trying to link the two. They have absolutely nothing to do with each other. The Medicare pay cuts or, excuse me, the tax cuts, were taken care of earlier back in April, and we have a plan that does not affect Medicare at all. The two are entirely separate, but what they are trying to do is play the old political partisan game and scare senior citizens. I think that is reprehensible for them to play that game. What I wish they would do is come with us and work together with us so we can actually solve this Medicare crisis, and I hope the President ultimately will do the right thing as well.

Mr. TATE. Mr. Speaker, I know that our time is running short, very short.

The SPEAKER pro tempore. Actually the time is expired.

Mr. TATE. I just want to thank the gentleman from Ohio and the gentleman from North Carolina for letting me engage in this colloquy with you tonight, and working on the Contract With America, and preserving and protecting Medicare, and I just want to thank you for the opportunity.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair reminds Members that are going to be speaking during the remainder of tonght's activity that they should direct their remarks to the Chair and not to the television audience.

REDISTRICTING IN THE STATE OF GEORGIA

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentlewoman from Georgia [Ms. MCKINNEY] is recognized for 60 minutes.

Ms. MCKINNEY. Mr. Speaker, as this legislative week begins, I would like to take an opportunity to once again commend the members of the Georgia Legislative Black Caucus who are now preparing to have their annual conference weekend with workshops, and I am absolutely certain that the issue of redistricting will take center stage in that conference weekend.

□ 2230

The Georgia Legislative Black Caucus, under the leadership of State Senator Diane Harvey Johnson, has done a wonderful job, and can never really be commended enough for its dedication and its ability to withstand all of the trials and tribulations of the recently adjourned special session under the leadership of the redistricting task force that, with David Scott at its helm, the Georgia Legislative Black Caucus was able to wade through very treacherous waters.

While the Georgia General Assembly failed to provide the citizens of the State of Georgia with a redistricting plan, certainly the Georgia Legislative Black Caucus can be credited with preventing a horrendous plan from passing onto the desk of the Governor.

I would also like to take a moment to say a few words about one of my leaders in the Georgia Legislative Black Caucus, State Representative Tyrone Brooks. When I was elected to the Georgia House of Representatives in 1988, I began, after having been sworn in in January 1989, to serve with my father, and the two of us became the only father-daughter legislative team in the country. Of course, we were much celebrated, but even though my father had been a member of the Georgia Legislature for over 20 years, it was to State Representative Tyrone Brooks that I have turned for leadership. I am proud that he took me under his wing and made me into half the legislator and civil rights leader that he is for the residents of the State of Georgia.

Mr. Speaker, on the grounds of the Georgia State Capitol there is a statue. The name of that statue is expelled because of color. This statue commemorates the service of 33 black people who were elected, duly elected, to the Georgia legislature, but who in 1868 were expelled for no other reason than the color of their skin.

Since 1965, the Voting Rights Act has utilized the tool of redistricting to enhance equal opportunity in the area of politics, but in 1993, something happened. That something was the Shaw versus Reno case, which set a new standard in redistricting principles. That new standard is a beauty standard, the beauty standard being that districts have to look a certain way in order to be effective, and if those districts do not conform to a particular standard of beauty, then there is something inherently wrong with those districts.

It is through this tool of resdistricting that we have been able to perfect our democracy. I recall from a publication called "Sister Outsider" a quote. The quote is, "For the master's tools will never dismantle the master's house. They may allow us temporarily to beat him at his own game, but they will never enable us to bring about genuine change."

The question I pose is does my presence in this body, in the United States House of Representatives, dismantle the master's house? What is it about the presence of African-Americans, women, Latinos, other people of color, that causes discomfort to some people in this country? Could it be the things that I dare say, or is it merely just the way I look that causes some people to say, "This is not your place"? Then, of course, that would compel the highest court in the land, the United States Supreme Court, to apply a double standard.

I have an article here written by one of the members of that community of dedicated lawyers who are out there laboring long and hard, and their only effort is to try and make this country a better place for all Americans. The title of this article is "Gerrymander Hypocrisy: Supreme Court's Double Standard." It was written by Jamon B. Raskin, professor of constitutional law and associate dean at the Washington College of Law at the American University.

It begins:

> Racial double standards are nothing new in American law, but the Supreme Court's voting rights jurisprudence has turned farcical. State legislators redrawing Congressional and State legislative districts in the 1990s now carry both a license and a warning from the Court. The license, granted for decades, is to draw far-flung, squiggly lines all over the map in order to guarantee the legislators' reelection or the reelection of incumbent white U.S. House Members. The warning, issued in the Court's 1993 Shaw v. Reno decision, is not to draw any such bizarre districts with the purpose of creating African-American or Latino political majorities.
>
> These two Supreme Court positions are on a logical collision course. From the day it was decided, Shaw looked deeply suspicious, since it imposed strict scrutiny on only those oddly shaped districts where African-Americans or Latinos are in a majority. The Court had never before found that the Constitution required districts to have certain shapes, sizes, or looks. District appearance was a question for the States. Now, in the name of tidy district lines and fighting what Justice Sandra Day O'Connor called "political apartheid," a term never used by the Court to describe slavery, Jim Crow, poll taxes, literacy tests, or white primaries, the court cast doubt on dozens of racially integrated districts represented by blacks and Latinos.
>
> In the illustrative case of Vera versus Richards last August, a panel of three Republican judges threw out as racial gerrymander two majority-black congressional districts and one majority-Latino district in Texas, solemnly invoking Martin Luther King all along the way.
>
> Meanwhile, the same panel categorically rejected challenges to majority-white districts whose perimeters looked every bit as peculiar as those of the minority districts. The panel was not disturbed that House incumbents from Texas were actively involved in the redistricting process, or that they were so influential in getting districts drawn for incumbency protection that all but one of them had been reelected in 1992. Neither were the judges troubled by the fact that minority districts appear contorted precisely because white Democratic incumbents, looking for liberal votes, took big geographic bites out of minority communities.
>
> By blessing the entrenchment of white incumbents and wiping out black and Latino majority districts, the district court is only following the perverse logic of Supreme Court doctrine. The "equal protection" clause of the 14th Amendment, enacted in 1868 to dismantle white supremacy, has been twisted by the Court to mean that African-Americans and other minorities may not form a numerical majority in any district unless they are in communities that are geographically compact and residentially isolated.
>
> Without consciously drawn minority districts, most States would continue to have lily white House delegations. No black has ever been elected to Congress from the South in a majority-white district. Even today, with the new districts (hanging on by a thread), minorities remain underrepresented in Congress and in every State legislature.
>
> Furthermore, these districts discriminate against no one.
>
> On the other hand, "incumbency protection" districts are deeply offensive to democratic values.
>
> By fencing out unfriendly voters and potential rivals, incumbents make districts in their own image, and turn elections into a formality. In our self-perpetuating incumbentocracy, voters don't really pick public officials on Election Day because public officials pick voters on redistricting day.
>
> But in the Court's new racial Rorschach test, incumbent-friendly ink blot districts are lawful if the race in the majority is white.

We have, through these districts, the opportunity to elect people who would otherwise not grace these halls, and there has been a lot of misinformation about these districts. Laughlin McDonald is the voting rights litigator for the ACLU. In an effort to try and dispel some of the misinformation about these districts, he wrote two pieces, one of them entitled "Exploding Redistricting Myths" and the other one entitled "Drown in a Sea of Misinformation." I will submit both of these pieces to the RECORD, because it is important that all of the misinformation that has been thrown out by various scholarly people be challenged and rebutted at each step along the way.

Mr. Speaker, in the most recently adjourned special session of the Georgia

Legislature, we had something very unfortunate happen. Of course, we understood that the 11th Congressional District had been challenged by primarily the Democratic candidate who ran against me, who lost because of an ineffective message, and so was able to find some recourse in the courts. However, something else happened. That something else was that the Second Congressional District was added into the mix, so now the lower court, the same lower court in Georgia that found the 11th Congressional District to be unconstitutional, now is going to have a hearing on the constitutionality of the Second Congressional District of Georgia, which is also a majority-minority district.

The Georgia Legislative News of August 21 chronicles what happens. The headline is "Parks Attacks Second District," and it begins:

> In an unexpected legal maneuver, Georgia's Second Congressional District is under attack by Lee Parks, attorney for the original plaintiffs in the Johnson v. Miller suit, which resulted in the 11th District being declared unconstitutional.

What started out as one majority-black district under attack now results in two majority-black districts being under attack. Unfortunately, in the September 26 edition of the Atlanta Constitution, the headline reads, "Another Majority-Black District At Risk." First there was one, and now there are two.

It begins:

> About Face: State Admits Racial Gerrymandering. The United States Justice Department has abandoned its defense of Georgia's Second Congressional District, and State attorneys on Monday admitted that race dictated the drawing of its lines, putting the future of another majority-black district in jeopardy.

Now, I know that we have at the Justice Department very young, idealistic, dedicated attorneys who have experienced 30 years of victory in the area of voting rights, and all of a sudden now, after Shaw versus Reno, we have 30 years of precedent being rapidly eroded.

□ 2245

I would just hope that the Justice Department is not losing its will, that it is not punch-drunk after the first round. Now, more than ever, we need people who are dedicated to the proposition that everybody deserves a voice in this Government, to be prepared to fight, to make sure that everyone does have a voice in this Government.

Mr. Speaker, I have been through the story of how in the Georgia legislative special session a particular special interest became so pronounced that it was impossible for the legislature to conclude with a congressional map, and that particular special interest is the kaolin industry that pervades the economy of the State of Georgia and as well the legislature of the State of Georgia. There were maps that were produced, but those maps conveniently excluded the kaolin belt from the 11th Congressional District of Georgia, which I represent.

Mr. Speaker, because it is only fair that those counties be included in the 11th Congressional District, the Georgia legislative Black Caucus fought for the opportunity of the residents of those counties to be able to elect their candidate of choice, and so by fighting, we were not able to have a map.

The whole issue of the double standard can be seen in these maps that I have. The 6th district of Illinois contains a super- majority that is white, of 95 percent, the 6th Congressional District of Illinois has not been challenged in any court.

Mr. Speaker, we also have the 6th Congressional District of Texas, which has a supermajority. That supermajority is white. This district has gone through the same scrutiny as has the 11th Congressional District of Georgia. This district, with its squiggly lines, apparently conforms to the beauty standard. It passes the beauty test. It is a beautiful district, so ruled by the courts. It is constitutional.

Yet the 11th Congressional District of Georgia, which, I think, is one of the most beautiful districts ever drawn by any legislature in the State of Georgia, has also a supermajority of 64 percent that happens to be black, has undergone the same kind of scrutiny as the 6th Congressional District of Texas, but Georgia's 11th Congressional District has been declared unconstitutional by the lower court and even our own U.S. Supreme Court.

So I stand today before this body as a representative without a district representing people who deserve to have their voices heard in the area of public policymaking. Of course, whatever happens will be determined by the lower court in Georgia, and we will be forced to abide by and will happily abide by the dictates of the law of the land, but of course it does not mean that the law is always right, and it certainly does not mean that the law is color blind.

In 1868 those 33 black members of the Georgia Legislature were expelled because of the color of their skin, and here I stand facing the same fate, but I do not stand alone, and that is because there too have been others, even from this body, who have preceded me. Thank goodness we have this thing called a CONGRESSIONAL RECORD, because we can go back and we can search the RECORD and find the words of other Members of Congress, others similarly situated, others who also faced expulsion for no other reason than the color of their skin.

Mr. Speaker, one such representative, the last, in fact to grace these halls in the beginning of the 20th century was Representative George White from North Carolina. I would like to read what Representative White had to say. This is in 1901:

> I want to enter a plea for the colored man, the colored woman, the colored boy, and the colored girl of this country. I would not thus digress from the question at issue and detain the House in a discussion of the interests of this particular people at this time but for the constant and the persistent efforts of certain gentlemen upon this floor to mold and rivet public sentiment against us.
>
> At no time perhaps during the 56th Congress were these charges and countercharges containing as they do slanderous statements more persistently magnified and pressed upon the attention of the Nation than during the consideration of the recent reapportionment bill. As stated some days ago on this floor by me, I then sought diligently to obtain an opportunity to answer some of the statements made by gentlemen from different States, but the privilege was denied me, and I therefore must embrace this opportunity to say out of season, perhaps, that which I was not permitted to say in season.
>
> Now, Mr. Chairman, before concluding my remarks, I want to submit a brief recipe for the solution of the so-called American Negro problem. He asks no special favors, but simply demands that he be given the same chance for existence, for earning a livelihood, for raising himself in the scales of manhood and womanhood, that are accorded to kindred nationalities. Treat him as a man. Go into his home and learn of his social conditions, learn of his cares, his troubles, and his hopes for the future. Gain his confidence, open the doors of industry to him.
>
> This, Mr. Chairman, is perhaps the Negro's temporary farewell to the American Congress. But let me say phoenix-like, he will rise up someday and come again. These parting words are in behalf of an outraged, heartbroken, bruised and bleeding, but God-fearing people; faithful, industrious, loyal people, rising people, full of potential force.
>
> Sir, I am pleading for the life of a human being. The only apology that I have to make for the earnestness with which I have spoken is that I am pleading for the life, the liberty, the future happiness, and manhood suffrage for one-eighth of the entire population of the United States.

George White did not leave Congress quietly. He fixed the record. For as long as there will be a United States of America, there will be people who can pull this CONGRESSIONAL RECORD and find his words there.

I guess you could say I am doing the same thing. For if it is the will of this country that African-Americans can no longer serve in the U.S. Congress, I guarantee you that I will fix this record. I, too, will speak on behalf of an outraged people who only want the opportunity to participate as full citizens in their Government.

The State of Georgia did not want us, three of us; the State of Georgia did not defend the congressional map that produced its most diverse congressional delegation in history, and so the State of Georgia is now prepared to say goodbye to that diversity.

I found a book entitled "The Passion of Claude McKay." Claude McKay did a poem that I would like to read. The title of the poem is, "If We Must Die."

> If we must die, let it not be like hogs, hunted and pinned in an inglorious spot.

While round us bark the mad and hungry dogs, making their mock at our accursed lot. If we must die, oh, let us nobly die so that our precarious blood may not be shed in vain, then even the monsters we defy shall be constrained to honor us, though dead. Oh, kinsmen, we must meet the common foe. Though far outnumbered, let us show us brave and for their thousand blows deal one death blow, what though before us lies the open grave. Like men will face the murderous, cowardly pack, pressed to the wall, dying, but fighting back.

Mr. Speaker, I intend to carry this fight for the preservation of democracy in America, for as long and as far as we can take it. I would like to take this opportunity to thank my colleagues who have all been so kind, courteous, concerned, and committed.

I would like to thank the people from around the country who have taken the time to write letters to us, to place telephone calls to our office, to share their concern about the evil turn that this country has taken, and what it means for average, ordinary Americans, that their representation could be yanked away from them. If it starts with the 11th Congressional District of Georgia, and then moves over to the Second Congressional District of Georgia, and then sweeps across the South and moves up to the North in Illinois and New York, where will it end?

□ 2300

In fact, we have a very renowned writer in Georgia, Bill Ship, who poses the question, "Are the bad old days back?" Of course we certainly hope not.

I do not want there to be a statue on the Grounds of the U.S. Capitol commemorating the service of the 40 plus African-Americans, the Latino-Americans, the Asian-Americans who may too very well be expelled if this awful page in our history is allowed to be written. I certainly do not want another statue on the grounds of the Georgia State Capitol commemorating my service in that body and my service in this body and my expulsion, either.

So I guess I would have to say that it all depends now on the will of the American people. Do we want to assure that our democracy is one that includes everybody, even people like me who do not come from wealth, who are not able to finance the tremendous amounts that it takes to run campaigns and to try and beat back the block voting that occurs in our State, along with the fact that we still have the second primary which requires a candidate to win three times when they should not really have to win but once.

I hope the bad old days are not coming back. I know that they will not come back if the American people will say enough is enough and that what we meant was certainly not this.

Mr. Speaker, I include the two articles referred to in my special order for the RECORD, as follows:

DROWNING IN A SEA OF MISINFORMATION

(By Laughlin McDonald)

The debate over majority-minority voting districts is threatened with death by drowning in a sea of misinformation and speculative assumptions. The hard facts are that the increase in the number of minority elected officials, particularly in the South, is the product of the increase in the number of majority-minority districts and not minorities being elected from majority white districts. And because of the prevalence of white bloc voting, minority populations well above 50% are generally necessary for minorities to have a realistic opportunity to elect candidates of their choice.

Of the 17 African-Americans elected to Congress in 1992 and 1994 from the states of the old Confederacy, all were elected from majority-minority districts. The only black in the 20th century to win a seat in Congress from a majority white district in one of the nine southern states targeted by the special preclearance provisions of the Voting Rights Act was Andrew Young of Georgia. He was elected in the bi-racial afterglow of the civil rights movement in 1972 from the Fifth District where blacks were 44% of the voting age population. Still, voting was racially polarized and he got just 25% of the white vote.

Those who have claimed that racial bloc voting was a relic of the past in the new South always brought up the example of Andrew Young. His election was proof that a moderate black candidate who knew how to organize a campaign could pile up white votes and win anywhere, they said. Young proved them wrong. In 1981, after serving in Congress for three terms, being ambassador to the United Nations, and raising more money than in previous campaigns, Young got only 9% of the white vote in his election as mayor of majority black Atlanta. In 1990, Young ran for governor of Georgia. In both the primary and runoff he got about a quarter of the white vote, but running statewide where blacks are 27% of the population, he was defeated. Even for a candidate with extraordinary qualifications, such as Young, racial bloc voting is a political fact of life.

A pattern of office holding similar to that in Congress exists for southern state legislatures. Approximately 90% of all southern black legislators in the 1980s were elected from majority black districts. No blacks were elected from majority white districts in Alabama, Arkansas, Louisiana, Mississippi, and South Carolina.

By 1994, there were 262 black state legislators in the southern states, 234 (89%) of whom were elected from majority black districts. Of the 1,495 majority white legislative districts, only 28 (2%) were represented by blacks, a percentage basically unchanged since the 1970s. For blacks to have a realistic chance of winning, they have had to run in majority black districts.

There has also been a substantial increase in the number of minorities elected to city and county offices throughout the South. As with Congress and state legislatures, the increase can be traced directly to the creation of majority-minority voting districts.

It is possible, of course, to conflate the exceptions such as Andrew Young with the general rule, but to do so requires one to rely upon anecdotal evidence and ignore the facts. One scholar has concluded based upon a recent study funded by the National Science Foundation, by far the most comprehensive study to date of the impact of the Voting Rights Act, that "[t]he arguments that Blacks need not run in 'safe' minority districts to be elected, that White voters increasingly support Black politicians, that racial-bloc voting is now unusual—all turn out to be among the great myths currently distorting public discussion."[1]

Numerous decisions of federal courts support these conclusions. To cite just a few, in Burke County, Georgia the court found "overwhelming evidence of bloc voting along racial lines." In Chattanooga, Tennessee black and white voters "vote differently most of the time." In Arkansas voting patterns were described as being "highly racially polarized." In Springfield, Illinois there was "extreme racially polarized voting." In northern Florida voting was not only polarized but was "driven by racial bias."

If whites voted freely for minorities there would be no need to include race in the redistricting calculus, and in places where significant racial bloc voting does not exist the courts have not required the creation of majority-minority districts. But because whites generally vote on racial lines, majority-minority districts are necessary to provide minorities the equal opportunity to elect representatives of their choice.

Some have argued that partisanship, not race, is the determinative factor in elections. Blacks, however, have generally been unable to win in majority white districts no matter whether they were controlled by Democrats or Republicans. The argument also ignores the fact that partisanship is inextricably bound up with race. Much of the political dealignment and realignment that has taken place in this country over the last 30 years has itself been driven by race. Conservative whites have fled the Democratic party for various reasons, but important among them have been the increased participation of blacks in party affairs and the belief that the party was too preoccupied with civil rights.

Majority-minority districts are not a form of segregation, as some have charged. The majority-minority congressional districts in the South are actually the most racially integrated districts in the country and contain substantial numbers of white voters, an average of 45%. Moreover, blacks in the South continue to be represented more often by white than by black members of Congress, 58% versus 42%. No one who has lived through it could ever confuse existing redistricting plans, with their highly integrated districts, with racial segregation under which blacks were not allowed to vote or run for office.

While the converse is exceptional, whites are frequently elected from majority-minority districts. During the 1970s whites won in 48% of the majority black legislative districts in the South, and in the 1980s in 27%. In Georgia in 1994 whites won in 26% of the majority black legislative districts. Given these levels of white success, racially integrated majority-minority districts cannot be dismissed simply as "quotas" or "set-asides" for minorities.

There is also no evidence that the majority-minority districts cause harm or increase racial tension. In *Miller v. Johnson* (1994) the Supreme Court invalidated Georgia's majority black Eleventh District on the grounds that race was the predominant factor in the redistricting process and the state impermissibly subordinated its traditional redistricting principles to race. The trial court, however, expressly found that the plaintiffs "suffered no individual harm; the

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[1] Richard Pildes, "The Politics of Race," 108 Harv.L.Rev. 1359, 1367 (1995).

1992 congressional redistricting plans had no adverse consequences for these white voters." The Supreme Court did not disturb these findings.

Far from causing harm, the evidence suggests that integrated majority-minority districts have promoted the formation of biracial conditions and actually dampened racial bloc voting. In Mississippi, after the creation of the majority black Second Congressional District, Mike Espy, an African-American, was elected in 1986 with about 11% of the white vote and 52% of the vote overall. In 1988 he won re-election with 40% of the white vote and 66% of the vote overall.

In Georgia, the Second and Eleventh Congressional Districts became majority black for the first time in 1992. From 1984 to 1990, only 1% of white voters in the precincts within the Second, and 4% of the white voters in the precincts within the Eleventh, voted for minority candidates in statewide elections. A dramatic and encouraging increase in white crossover voting occurred in 1992. Twenty-nine percent of white voters in the Second and 37% of white voters in the Eleventh voted for minority candidates in statewide elections that year. Whether these trends are temporary or not, they undercut the argument that majority-minority districts have exacerbated racial bloc voting.

In *Miller* the Court stopped far short of saying that a jurisdiction couldn't take race into account in redistricting or that it couldn't draw majority-minority districts. Indeed, Justice O'Connor, who was the crucial vote for the five member majority, wrote in a concurring opinion that where a state redistricts in accordance with its "customary districting principles" it "may well" consider race, and that judicial review was limited to "extreme instances of gerrymandering." Such a view is consistent with the Voting Rights Act and the interpretation it has always been given that a jurisdiction must take race into account to avoid diluting minority voting strength.

As a practical matter it is probably impossible to avoid considering race in redistricting. Members of the Court have frequently observed that one of the purposes of redistricting is to reconcile the competing claims of political, religious, ethnic, racial, and other groups. Legislators necessarily make judgments about how racial and ethnic groups will vote. According to Justice Brennal, "[I]t would be naive to suppose that racial considerations do not enter into apportionment decisions."

Redistricting by its nature is fundamentally different from other forms of governmental action where, for instance, scarce employment or contractual opportunities are allocated on a race conscious basis. A contractor denied the opportunity to bid on 10% of a city's construction contracts, or a white applicant denied the chance to compete for all the openings in a medical school class, have independent claims of entitlement and injury. But a resident who has not been harmed by a redistricting plan has no legitimate grounds for complaint simply because race was one of the factors the legislature took into account.

Voting districts have traditionally been drawn to accommodate the interests of various racial or ethnic groups—Irish Catholics in San Francisco, Italian-Americans in South Philadelphia, Polish-Americans in Chicago. No court has ever held these districts to be constitutionally suspect or invalid. To apply a different standard in redistricting to African-Americans based upon speculative assumptions about segregation and harm would deny them the recognition given to others. To do so in the name of colorblindness of the Fourteenth Amendment, whose very purpose was to guarantee equal treatment for blacks, would be ironic indeed.

Integrated majority-minority districts are good for minorities because they provide them equal electoral opportunities. But they are also good for our democracy. They help break down racial isolation and polarization. They help ensure that government is less prone to bias, and is more inclusive, reliable, and legitimate. These are goals that all Americans should support.

EXPLODING REDISTRICTING MYTHS

(By Laughlin McDonald)

After the Supreme Court held Georgia's majority black Eleventh Congressional District unconstitutional as an instance of extreme gerrymandering, the governor called the legislature into special session to repair the damage. But it couldn't agree on a new map and has dumped the matter back into the lap of the federal court. As the court prepares to act, let us reconsider, and reject, two of the myths surrounding majority black districts—that they are unnecessary and that they are part of a Republican/African-American cabal that has mortally wounded the Democratic party.

Because of white bloc voting, minority populations well above 50% are generally necessary for minorities to have a realistic chance to electing candidates of their choice. Of the 17 African-Americans elected to Congress in 1992 and 1994 from the states of the old Confederacy, all were elected from majority-minority districts. The only black in this century to win a seat in Congress from a majority white district in one of the nine southern states targeted by the special preclearance provisions of the Voting Rights Act was Andrew Young. He was elected in the biracial afterglow of the civil rights movement in 1972 from the Fifth District where blacks were 44% of the voting age population.

It is possible to conflate the exceptions such as Young with the rule, but to do so one has to ignore the facts. The notion that racial bloc voting is rare and that minorities have an equal chance in majority white districts in the South is simply a myth that continues to cloud public debate over redistricting.

The claim that majority-minority congressional districts are the cause of the decline in fortunes of the Democratic party is also largely a bum rap. White Democrats have been elected to Congress from Georgia under the existing plan. Three were elected in 1992, along with three black Democrats. A white Democrat was also elected in 1994, Nathan Deal, but he defected to the Republican party earlier this year.

Democrats suffered a major reversal in 1992 when a Republican defeated Democratic incumbent Wyche Fowler for the U.S. Senate. Two years later, the state's long time attorney general, a Democrat, left the party and was reelected as a Republican. Neither the statewide election of Republicans nor the defection of Democrats can be laid at the feet of majority black congressional districts.

Democrats have lost ground in Georgia—statewide, in the U.S. Senate, and in the House—for a lot of reasons, including their failure to deliver on health care and campaign finance reform, not to mention the house banking scandal which helped defeat white Democrat Buddy Darden in 1994. But mainly Democrats have been hurt because conservative whites have left the party in growing numbers—a backlash that set in after passage of the major civil rights acts of the 1960s.

Some observers question whether redrawing congressional district lines in Georgia would do much to reverse Republican gains. It is possible, however, to draw constitutionally acceptable plans that protect the black incumbent and create up to three additional Democratic "opportunity districts." But many white Democrats refused to join with blacks in supporting such plans during the abortive special session, either because they wanted the black incumbents out, they thought the party would damage itself further by seeming to give in to black demands, or they were on the verge of quitting the party themselves. Clearly, some of the party's redistricting wounds are self-inflicted.

Deconstructing the majority black districts, whatever its partisan impact, would surely bleach the Congress. That might suit some people just fine, but no system that treats blacks as second class voters and denies them the opportunity that others have to elect candidates of their choice, should pretend to be a real democracy.

Majority-minority districts are not only good for minorities, they are good for the country as a whole. Because they are highly integrated (45% white on average) they help break down racial isolation and encourage biracial coalition building. That has happened in Georgia where white crossover voting increased substantially in the precincts within the Eleventh District after it was created in 1992. Majority-minority districts also help insure that government is more inclusive, reliable, and legitimate. These are goals that all Americans should support.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. TUCKER (at the request of Mr. GEPHARDT) for today and the balance of the week, on account of official business.

Mr. VOLKMER (at the request of Mr. GEPHARDT) for today and the balance of the week, on account of family illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. MATSUI) to revise and extend their remarks and include extraneous material:)

Mr. GIBBONS, for 5 minutes, today.

Mr. SKAGGS, for 5 minutes, today.

Ms. KAPTUR, for 5 minutes, today.

Mr. OWENS, for 5 minutes, today.

Mr. CLAYTON, for 5 minutes, today.

Mr. PALLONE, for 5 minutes, today.

Ms. BROWN of Florida, for 5 minutes, today.

Mr. FARR, for 5 minutes, today.

Mr. BROWN of Ohio, for 5 minutes, today.

(The following Members (at the request of Mr. WALKER) and to include extraneous matter:)

Mr. COBURN, for 5 minutes, on September 28.

Mr. HOEKSTRA, for 5 minutes each day, today and on September 28.

Mr. BALLENGER, for 5 minutes, on September 28.

Mr. SMITH of Washington, for 5 minutes each day, today and on September 28.

Mr. SALMON, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. FOX of Pennsylvania, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. MCINNIS, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. CONYERS on H.R. 743 in the Committee of the Whole today.

(The following Members (at the request of Mr. MATSUI) and to include extraneous matter:)

Mr. VISCLOSKY.
Mr. MORAN.
Mrs. THURMAN.
Mr. GORDON.
Mr. LAFALCE.
Mr. BONIOR.
Mr. TORRES in two instances.
Mr. MINETA.
Mr. LANTOS.
Mr. DINGELL.
Mr. HAMILTON in two instances.
Mr. STOKES.
Mr. MATSUI.
Mr. MENENDEZ in four instances.
Mr. KLECZKA in two instances.
Mr. LEVIN in four instances.
Mr. RICHARDSON in two instances.
Mr. PALLONE.
Mr. COSTELLO.
Mr. GEJDENSON.
Mr. CLAY.
Mr. SCHUMER.
Mr. DELLUMS.
Mr. ORTIZ.
Mr. MILLER of California.
Mrs. MALONEY in two instances.
Mr. BARCIA.
Ms. LOFGREN.
Mr. POSHARD in two instances.
Mr. BEVILL.
Mr. SKAGGS.

(The following Members (at the request of Mr. WALKER) and to include extraneous matter:)

Mr. SMITH of New Jersey.
Mr. LEWIS of California in three instances.
Mr. PACKARD.
Mr. BAKER of California.
Mr. CHAMBLISS.
Mr. SHUSTER.
Mr. YOUNG of Florida.
Mr. DAVIS.
Mr. FLANAGAN.
Mr. BEREUTER.
Mr. BASS.
Mr. OXLEY.
Mr. WALKER.

(The following Members (at the request of Ms. MCKINNEY) and to include extraneous matter:)

Mr. BRYANT of Texas.
Mrs. KENNELLY.

SENATE BILL AND CONCURRENT RESOLUTION REFERRED

A bill and a concurrent resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 619. An act to phase out the use of mercury in batteries and provide for the efficient and cost-effective collection and recycling or proper disposal of used nickel cadmium batteries, small sealed lead-acid batteries, and certain other batteries, and for other purposes; to the Committee on Commerce.

S. Con. Res. 21. Concurrent resolution directing that the "Portrait Monument" carved in the likeness of Lucretia Mott, Susan B. Anthony, and Elizabeth Cady Stanton, now in the Crypt of the Capitol, be restored to its original state and be placed in the Capitol rotunda; to the Committee on House Oversight.

ENROLLED BILLS SIGNED

Mr. THOMAS, from the Committee on House Oversight, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 1817. An act making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 1996, and for other purposes.

H.R. 1854. An act making appropriations for the legislative branch for the fiscal year ending September 30, 1996, and for other purposes.

BILLS PRESENTED TO THE PRESIDENT

Mr. THOMAS, from the Committee on House Oversight, reported that that committee did on the following date present to the President, for his approval, bills of the House of the following titles:

On September 26, 1995:

H.R. 1854. An act making appropriations for the legislative branch for the fiscal year ending September 30, 1996, and for other purposes.

H.R. 1817. An act making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 1996, and for other purposes.

ADJOURNMENT

Ms. MCKINNEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 4 minutes p.m.), the House adjourned until tomorrow, Thursday, September 28, 1995, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1460. A letter from the Under Secretary of Defense, transmitting a report of a violation of the Anti-Deficiency Act which occurred at the New Orleans District, U.S. Army Corps of Engineers, pursuant to 31 U.S.C. 1517(b); to the Committee on Appropriations.

1461. A communication from the President of the United States, transmitting notification that the Federal Government frequency assignments in the spectrum identified for reallocation for exclusive nonfederal use have been withdrawn by the National Telecommunications and Information Administration [NTIA]; to the Committee on Commerce.

1462. A communication from the President of the United States, transmitting an update on the deployment of combat-equipped United States Armed Forces to Haiti as part of the multinational force [MNF] (H. Doc. No. 104–119); to the Committee on International Relations and ordered to be printed.

1463. A letter from the Comptroller General, General Accounting Office, transmitting the list of all reports issued or released in August 1995, pursuant to 31 U.S.C. 717(h); to the Committee on Government Reform and Oversight.

1464. A letter from the Deputy Associate Director for Compliance, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Resources.

1465. A letter from the Secretary of Energy, transmitting the Department's fifth annual report for the Demonstration and Commercial Application of Renewable Energy and Energy Efficiency Technologies Program, pursuant to section 9 of the Renewable Energy and Efficiency Technology Competitiveness Act of 1989; jointly, to the Committees on Commerce and Science.

1466. A letter from the Comptroller General of the United States, transmitting a copy of a report entitled "Financial Audit: Congressional Award Foundation's Financial Statements for the Fiscal Year Ended September 30, 1994," GAO/AIMD–95–172; jointly, to the Committees on Government Reform and Oversight and Economic and Educational Opportunities.

1467. A letter from the Assistant Comptroller General of the United States, transmitting a copy of a report entitled, "U.S.-Japan Cooperative Development: Progress on the FS–X Program Enhances Japanese Aerospace Capabilities," GAO/NSIAD–95–145; jointly, to the Committees on Appropriations, International Relations, and Government Reform and Oversight.

1468. A letter from the Assistant Secretary for Land and Minerals Management, Department of the Interior, transmitting a draft of proposed legislation entitled the "Yakima Firing Center Withdrawal Act"; jointly, to the Committees on National Security, Resources, Ways and Means, and Transportation and Infrastructure.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ROBERTS: Committee on Agriculture. H.R. 436. A bill to require the head of any Federal agency to differentiate between fats, oils, and greases of animal, marine, or vegetable origin, and other oils and greases, in issuing certain regulations, and for other purposes; with an amendment (Rept. 104-262, Pt. 1). Ordered to be printed.

Mr. BLILEY: Committee on Commerce. H.R. 436. A bill to require the head of any Federal agency to differentiate between fats, oils, and greases of animal, marine, or vegetable origin, and other oils and greases, in issuing certain regulations, and for other purposes; with an amendment (Rept. 104-262 Pt. 2). Referred to the Committee of the Whole House on the State of the Union.

Mr. DREIER: Committee on Rules. House Resolution 230. Resolution providing for the consideration of the joint resolution (H.J. Res. 108) making continuing appropriations for the fiscal year 1996, and for other purposes (Rept. 104-263). Referred to the House Calendar.

Ms. PRYCE: Committee on Rules. House Resolution 231. Resolution waiving points of order against the conference report to accompany the bill (H.R. 1977) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1996, and for other purposes (Rept. 104-264). Referred to the House Calendar.

Mr. GOSS: Committee on Rules. House Resolution 232. Resolution waiving points of order against the conference report to accompany the bill (H.R. 2126) making appropriations for the Department of Defense for the fiscal year ending September 30, 1996, and for other purposes (Rept. 104-265). Referred to the House Calendar.

Mr. LIVINGSTON: Committee on Appropriations. Report on the revised subdivision of budget totals for fiscal year 1996 (Rept. 104-266). Referred to the Committee of the whole House on the State of the Union.

Mr. CANADY: Committee on the Judiciary. H.R. 1833. A bill to amend title 18, United States Code, to ban partial-birth abortions; with an amendment (Rept. 104-267). Referred to the Committee of the Whole House on the State of the Union.

BILLS PLACED ON THE CORRECTIONS CALENDAR

Under clause 4 of rule XIII, the Speaker filed with the Clerk a notice requesting that the following bills be placed upon the Corrections Calendar:

H.R. 436. A bill to require the head of any Federal agency to differentiate between fats, oils, and greases of animal, marine, or vegetable origin, and other oils and greases, in issuing certain regulations, and for other purposes.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDREWS:

H.R. 2398. A bill to amend the General Education Provisions Act to allow State and county prosecutors access to student records in certain cases; to the Committee on Economic and Educational Opportunities.

By Mr. MCCOLLUM (for himself, Mr. LEACH, Mrs. ROUKEMA, Mr. GONZALEZ, Mr. VENTO, Mr. ROTH, Mr. LAFALCE, Mr. BAKER of Louisiana, Mr. LAZIO of New York, Mr. KING, Mr. CASTLE, Mr. WELLER, and Mr. EHRLICH):

H.R. 2399. A bill to amend the Truth in Lending Act to clarify the intent of such act and to reduce burdensome regulatory requirements on creditors; to the Committee on Banking and Financial Services.

By Mr. NORWOOD (for himself and Mr. BREWSTER):

H.R. 2400. A bill to establish standards for health plan relationships with enrollees, health professionals, and providers; to the Committee on Commerce.

By Mr. HYDE (for himself and Mr. FAWELL):

H.R. 2401. A bill to provide for monthly payments by the Secretary of Veterans Affairs to certain children of veterans exposed to ionizing radiation while in military service; to the Committee on Veterans' Affairs.

By Mr. HANSEN:

H.R. 2402. A bill to authorize an exchange of lands in the State of Utah at Snowbasin Ski Area; to the Committee on Resources.

By Mr. CLEMENT:

H.R. 2403. A bill to amend title 49, United States Code, with respect to the regulation of interstate transportation by common carriers engaged in civil aviation, and for other purposes; to the Committee on Transportation and Infrastructure, and in addition to the Committees on Small Business, Government Reform and Oversight, National Security, and Rules, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. GILMAN:

H.R. 2404. A bill to extend authorities under the Middle East Peace Facilitation Act of 1994 until November 1, 1995, and for other purposes; to the Committee on International Relations.

By Mr. WALKER (for himself, Mr. SENSENBRENNER, Mrs. MORELLA, Mr. ROHRABACHER, and Mr. SCHIFF):

H.R. 2405. A bill to authorize appropriations for fiscal years 1996 and 1997 for civilian science activities of the Federal Government, and for other purposes; to the Committee on Science, and in addition to the Committees on Resources, and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. LAZIO of New York (for himself, Mr. LEACH, Mr. MCCOLLUM, Mr. BAKER of Louisiana, Mr. CASTLE, Mr. WELLER, Mr. BONO, Mr. EHRLICH, Mr. CREMEANS, Mr. FOX, Mr. HEINEMAN, and Mrs. KELLY):

H.R. 2406. A bill to repeal the United States Housing Act of 1937, deregulate the Public Housing Program and the program for rental housing assistance for low-income families, and increase community control over such programs, and for other purposes; to the Committee on Banking and Financial Services.

By Mr. BRYANT of Texas (for himself, and Mr. SHAYS):

H.R. 2407. A bill to amend the Forest and Rangeland Renewable Resources Planning Act of 1974, the Federal Land Policy and Management Act of 1976, the National Wildlife Refuge System Administration Act of 1966, the National Indian Forest Resources Management Act, and title 10, United States Code, to strengthen the protection of native biodiversity and to place restraints upon clearcutting and certain other cutting practices on the forests of the United States; to the Committee on Agriculture, and in addition to the Committees on Resources, and National Security, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. COBURN:

H.R. 2408. A bill to provide for enhanced penalties for health care fraud, and for other purposes; to the Committee on Commerce, and in addition to the Committees on Ways and Means, the Judiciary, and Government Reform and Oversight, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. KENNEDY of Massachusetts:

H.R. 2409. A bill to increase the public debt limit; to the Committee on Ways and Means.

By Mr. MURTHA:

H.R. 2410. A bill to amend the Internal Revenue Code of 1986 to provide reductions in required contributions to the United Mine Workers of America combined benefit fund, and for other purposes; to the Committee on Ways and Means.

By Mr. ROBERTS (for himself, Mr. STENHOLM, Mr. GUNDERSON, and Mr. POSHARD):

H.R. 2411. A bill to provide assistance for the establishment of community rural health networks in chronically underserved areas, to provide incentives for providers of health care services to furnish services in such areas, and for other purposes; to the Committee on Commerce, and in addition to the Committee on Ways and Means, and the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. YOUNG of Alaska:

H.R. 2412. A bill to improve the economic conditions and supply of housing in native American communities by creating the Native American Financial Services Organization, and for other purposes; to the Committee on Banking and Financial Services, and in addition to the Committee on Resources, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. LIVINGSTON:

H.J. Res. 108. Joint resolution making continuing appropriations for the fiscal year 1996, and for other purposes; to the Committee on Appropriations.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 127: Mr. BARTON of Texas, Mr. SAXTON, and Mr. ENGEL.

H.R. 156: Mr. GENE GREEN of Texas.

H.R. 250: Mr. DELLUMS.

H.R. 350: Mr. WELDON of Pennsylvania.

H.R. 351: Mr. STOCKMAN, Mr. NORWOOD, and Mrs. CHENOWETH.

H.R. 367: Mr. JOHNSTON of Florida.

H.R. 394: Mr. MINETA, Mr. HINCHEY, and Mr. LANTOS.

H.R. 436: Mr. HANCOCK.

H.R. 491: Mr. MCKEON, Mr. RIGGS, Mr. THORNBERRY, and Mr. BACHUS.

H.R. 497: Mr. UNDERWOOD, Mr. BONIOR, Mr. HOKE, Mr. WISE, Mr. CRAPO, Mr. BARR, Mr. DELAY, Mr. HEINEMAN, Mr. HOBSON, Ms. PELOSI, Mr. DIXON, Mr. HOUGHTON, Mr. GILCHREST, Mr. BOUCHER, Mr. OXLEY, Mr. MEEHAN, Mr. FLANAGAN, and Mr. INGLIS of South Carolina.

H.R. 519: Mr. ROYCE.

H.R. 528: Ms. SLAUGHTER, Mr. QUILLEN, Mr. RAHALL, Mr. CRAPO, Mr. STEARNS, Mr. THORNTON, Mr. MOORHEAD, Mr. SPRATT, Mr. HEFNER, Mr. HILLIARD, Mr. BRYANT of Texas, and Mr. BURTON of Indiana.

H.R. 559: Mr. ENGEL.

H.R. 580: Mr. DOOLEY AND MR. HASTINGS of Washington.

H.R. 596: Mr. ENSIGN.

H.R. 619: Miss COLLINS of Michigan.

H.R. 620: Mr. LIPINSKI.

H.R. 662: Mr. CALVERT and Mr. COX.

H.R. 677: Mr. MEEHAN.

H.R. 682: Mr. PACKARD.

H.R. 777: Mr. BURTON of Indiana.

H.R. 778: Mr. BURTON of Indiana.

H.R. 789: Mr. CHABOT, Mr. NEAL of Massachusetts, Mr. DAVIS, Mr. SAXTON, Mr. BALDACCI, Mr. SPENCE, and Mrs. LINCOLN.

H.R. 911: Mr. RAMSTAD.

H.R. 1005: Mr. LINDER.

H.R. 1023: Mr. EMERSON, Mr. KENNEDY of Massachusetts, and Ms. MCKINNEY.

H.R. 1131: Mr. HASTERT.

H.R. 1278: Mr. JOHNSTON of Florida, Mr. FARR, Mr. FILNER, and Mr. ENGEL.

H.R. 1488: Mr. ZELIFF, Mr. COBURN, Mr. WALKER, Mr. ROBERTS, Mr. SKELTON, Mr. TATE, Mr. WATTS of Oklahoma, Mr. LINDER, and Mr. GRAHAM.

H.R. 1552: Mr. BARCIA of Michigan, Mr. WELDON of Florida, Mr. FOGLIETTA, and Mr. GUTIERREZ.

H.R. 1589: Mr. GREENWOOD.

H.R. 1619: Mr. STARK.

H.R. 1625: Mr. BURTON of Indiana and Mr. LEWIS of Kentucky.

H.R. 1627: Mr. DREIER and Mr. BARTLETT of Maryland.

H.R. 1684: Mr. SABO.

H.R. 1701: Mr. REED.

H.R. 1702: Ms. ROYBAL-ALLARD.

H.R. 1703: Ms. ROYBAL-ALLARD.

H.R. 1704: Ms. ROYBAL-ALLARD.

H.R. 1713: Mr. CUNNINGHAM and Mr. ROYCE.

H.R. 1744: Mr. OWENS.

H.R. 1834: Mr. BAKER of Louisiana, Mr. SHUSTER, Mr. BACHUS, Mr. SHAW, Mrs. WALDHOLTZ, Mr. SAXTON Mr. MONTGOMERY, Mr. NUSSLE, Mr. QUILLEN, and Mr. KIM.

H.R. 1893: Mr. LAZIO of New York, Mr. WYNN, and Mr. KING.

H.R. 1916: Mr. HAYWORTH.

H.R. 1923: Mr. ROTH, Mr. HOSTETTLER, and Mr. ROYCE.

H.R. 1936: Ms. PELOSI, Ms. LOFGREN, Mr. WYNN, Mr. HILLIARD, and Ms. SLAUGHTER.

H.R. 1948: Mr. DURBIN, Ms. LOFGREN, Mr. WYNN, Mr. FRAZER, Ms. SLAUGHTER, Mr. COLEMAN, and Mr. WAXMAN.

H.R. 1963: Mr. BLUTE and Mr. OWENS.

H.R. 1965: Mr. HASTINGS of Florida, Mrs. CLAYTON, Mr. RIGGS, Ms. RIVERS, Mr. BROWN of California, Mr. ROSE, Mr. FRANKS of New Jersey, and Mr. BORSKI.

H.R. 1968: Mr. FOX.

H.R. 1972: Mr. QUINN, Mr. HEFLEY, Mr. FORBES, Mr. COOLEY, Mr. FRANKS of New Jersey, Ms. LOFGREN, Mr. RICHARDSON, Mr. BAKER of California, and Mr. THORNBERRY.

H.R. 2026: Mr. WILSON, Mr. DINGELL, Mr. SABO, Mr. WAXMAN, Mr. FOX, Mrs. MEEK of Florida, Mr. EHRLICH, Mr. BASS, Mr. LATOURETTE, Mr. SERRANO, and Mr. RAHALL.

H.R. 2071: Mr. FROST and Ms. MCKINNEY.

H.R. 2072: Mr. SMITH of Michigan and Mr. LEACH.

H.R. 2089: Mr. HOEKSTRA, Ms. DUNN of Washington, Mr. DAVIS, Mr. STUMP, Mr. FRANKS of Connecticut, Mr. HASTINGS of Washington, Mr. CUNNINGHAM, Mr. CHRISTENSEN, Mr. POMEROY, Mr. GANSKE, Mr. PETE GEREN of Texas, and Mr. TIAHRT.

H.R. 2098: Mr. STEARNS, Mr. HOSTETTLER, Mr. SCARBOROUGH, Mr. CHRISTENSEN, Mr. BARCIA of Michigan, Mr. CHRYSLER, Mr. COX, Mr. LARGENT, Mr. ROHRABACHER, Mr. SHADEGG, and Mr. BARTON of Texas.

H.R. 2137: Mr. PETE GEREN of Texas.

H.R. 2143: Mr. EVANS.

H.R. 2181: Mr. GENE GREEN of Texas and Ms. SLAUGHTER.

H.R. 2190: Mr. WILSON, Mr. BRYANT of Texas, Mr. WHITE, Mr. LATOURETTE, Mr. THORNBERRY, Mr. DE LA GARZA, Mr. STEARNS, Mr. YOUNG of Alaska, Mr. SHADEGG, Mr. INGLIS of South Carolina, and Mr. LEACH.

H.R. 2193: Mr. BRYANT of Texas, Mr. FILNER, Mr. GONZALEZ, Mr. EDWARDS, Mr. TEJEDA, Mr. OBEY, Mr. FROST, Mr. BARRETT of Wisconsin, Mr. DE LA GARZA, Mr. WYDEN, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. HALL of Texas, Ms. FURSE, Mr. GENE GREEN of Texas, and Mr. MATSUI.

H.R. 2199: Mrs. THURMAN.

H.R. 2200: Mr. DREIER, Mr. HOEKSTRA, Mr. RIGGS, Mr. SCHIFF, Mr. HOKE, Mr. CUNNINGHAM, Mr. HAYWORTH, Mrs. LINCOLN, Mr. HAYES, Mr. BONILLA, Mr. WHITFIELD, Mr. FROST, Mr. CANADY, Mr. KLINK, Mr. GILLMOR, Mr. LATOURETTE, Mr. DICKEY, Mr. CHRISTENSEN, and Mrs. CHENOWETH.

H.R. 2240: Mr. WAXMAN.

H.R. 2265: Mr. STUMP and Mr. WATTS of Oklahoma.

H.R. 2270: Mr. SCARBOROUGH, Mr. STEARNS, Mr. BROWNBACK, Mr. WICKER, Mrs. CHENOWETH, and Mr. TIAHRT.

H.R. 2278: Mr. ROSE.

H.R. 2290: Mr. LIPINSKI, Mr. UNDERWOOD, Mr. GUTKNECHT, Mr. TAYLOR of North Carolina, Mr. SOUDER, Mr. LARGENT, and Mr. ENGLISH of Pennsylvania.

H.R. 2306: Mr. BEREUTER.

H.R. 2310: Mr. MOAKLEY and Ms. VELAZQUEZ.

H.R. 2326: Mr. GENE GREEN of Texas and Mrs. SMITH of New Jersey.

H.R. 2341: Mr. SOUDER and Mr. PACKARD.

H.R. 2344: Mr. TOWNS, Mrs. KELLY, Mr. FILNER, Mr. ACKERMAN, Mr. SCHUMER, and Mr. VENTO.

H.R. 2351: Mr. FOX, Mr. COBLE, and Mr. SOUDER.

H.R. 2374: Mr. WALSH, Mr. GOSS, and Mr. TORKILDSEN.

H. Con. Res. 50: Mr. ROSE.

H. Con. Res. 97: Mr. FILNER.

H. Res. 200: Mr. LIPINSKI, Ms. SLAUGHTER, Mr. WAXMAN, and Mrs. LOWEY.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 1915: Mr. KIM.

H.R. 2202: Mr. KIM.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

42. The SPEAKER presented a petition of the Atlanta City Council, Atlanta, GA, relative to Federal drug abuse prevention programs; which was referred to the Committee on Economic and Educational Opportunities.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 743

OFFERED BY: MR. GENE GREEN OF TEXAS

AMENDMENT NO. 4: Page 8, line 2, strike the semicolon and insert the following:

": *Provided further*, That if an employer is found to have violated this section—

"(A) the Board shall order the employer to take such affirmative action as is necessary to correct the effects of the violation, including requiring the employer to grant independent labor organizations reasonable access, in a manner that does not interfere with the employer's operation of the facility where the violation occurred, and the Board shall issue a cease and desist order directing the employer not to violate this paragraph at any of its facilities,

"(B) on 3 occasions, the preceding proviso shall not apply;".

H.R. 743

OFFERED BY: MR. TRAFICANT

AMENDMENT NO. 5: Page 7, line 16, strike "employees" and insert "representatives of employees, elected by a majority of employees by secret ballot who participate to at least the same extent as representatives of management,".

EXTENSIONS OF REMARKS

IN HONOR OF THE MARY T. NORTON CONGRESSIONAL AWARD RECIPIENTS

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Mr. MENENDEZ. Mr. Speaker, today I rise before the House of Representatives to pay tribute to Joanne L. Smith, Elnora Watson, and Carol Ann Wilson, this year's recipients of the Mary T. Norton Congressional Award. This prestigious award, sponsored by the United Way Partners in Caring, will be presented at its 60th Annual Campaign Kick-Off Luncheon on September 26, 1995.

The United Way of Hudson County, founded in 1935, works to meet human service needs with the help of a staff of volunteers, including approximately 1,100 corporate, labor, government, and civil leaders. The United Way initiated this award in 1990 in recognition of Congresswoman NORTON's commitment to human services. This award recognizes women who make an outstanding effort in furthering the success of United Way Programs in our community and statewide.

Joanne L. Smith, born, raised, and educated in Jersey City, holds a bachelor's degree in urban studies from St. Peter's College. As executive director of Let's Celebrate, a local United Way organization feeding the hungry, she serves the community by moving people from hunger to wholeness. She has developed a 19-week job training program called Job Power. Ms. Smith serves as a volunteer for many organizations, including homeless shelters and a 24-hour helpline.

Elnora Watson is a native of Jersey City who serves as the president and chief executive officer of the Urban League of Hudson County. Ms. Watson, a St. Peter's College graduate, has been employed at the Urban League for the past 19 years. The Urban League promotes racial harmony by working to stamp out prejudice and intolerance in communities throughout the Nation. As leader of the Urban League of Hudson County, she has developed numerous outreach programs in an effort to help bring the promise of America to those less fortunate.

Carol Ann Wilson, a graduate of Seton Hill College in Pennsylvania, was elected to Who's Who in American Colleges and Universities. She holds a master's degree in educational psychology from Fordham University. As an educator and director of special services in the Secaucus Public School District, she developed special education programs which assist children with special needs. In the past, she was named "New Jersey's Outstanding Young Woman" and "New Jersey Woman of the Year." Ms. Wilson was involved in generating funds for community mental health programs. As director of the Hudson County Department of Human Services, she developed the AIDS Network of Care which attempts to work with AIDS patients who also suffer from substance abuse.

These three individuals, the United Way and all of the volunteers of America should be commended for their compassion for and dedication to the needs of their fellow Americans. I salute them today.

MILWAUKEE'S SOUTH SIDE BUSINESS CLUB NAMES LEONARD W. ZIOLKOWSKI MAN OF THE YEAR

HON. GERALD D. KLECZKA

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Mr. KLECZKA. Mr. Speaker, I rise today to congratulate Mr. Leonard Ziolkowski on being named 1995 Man of the Year by Milwaukee's South Side Business Club.

In naming Mr. Ziolkowski as Man of the Year, the South Side Business Club honors a man who has dedicated his career to community service. Mr. Ziolkowski's 45 years of service to the people of Milwaukee began in 1950 when he joined the Milwaukee Police Department. Mr. Ziolkowski's outstanding abilities and sense of dedication served him well as he rose through department ranks from patrolman to inspector of police at the Police Academy.

After retiring from the police department, he went on to share his considerable knowledge and experience by assuming the position of supervisor of the Milwaukee Area Technical College's Police Science Program. Len continues to guide the direction of law enforcement in our community through his current service as chairman of Milwaukee's Police and Fire Commission.

In addition to his outstanding achievements in the field of law enforcement, Leonard Ziolkowski has been active in numerous charitable and civic organizations, and is also a proud and active member of Milwaukee's Polish-American community. Through his involvement in groups such as the St. Joseph's Foundation, St. Jude's League, the Polish National Alliance, and the South Side Business Club, Mr. Ziolkowski has done much to improve the lives of others in our community.

Mr. Speaker, I commend Leonard Ziolkowski on his years of service to our community and I congratulate him on being named 1995 Man of the Year.

A TRIBUTE TO A WEEK WITHOUT VIOLENCE

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Mr. LEWIS of California. Mr. Speaker, I would like to bring to your attention the fine work and outstanding public service of a group of committed organizations in California's Inland Empire dedicated to the common goal of a world without violence. In October, these civic organizations will launch the Week Without Violence, a community based effort designed to promote a better and safer world.

The short-term goal of the Week Without Violence campaign is to engage the press and public for 7 days in simple, thought-provoking activities and dialog that demonstrate practical, sustainable alternatives to violence. Over the long term, sponsors of the program are hopeful that this will be the beginning of a new way of thinking and acting in our community and across the Nation.

The Week Without Violence begins on October 15 with a day of remembrance dedicated to the memory of those touched by violence and including church services for people of all faiths. Monday and Tuesday are dedicated to protecting our children and keeping our schools safe. Area schoolteachers and administrators will work with students of all ages in promoting safety and nonviolence. The balance of the week is dedicated to confronting violence against women, facing violence among men, eliminating racism and hate crime, and replacing violence with sports and fitness.

The Week Without Violence is the result of a unique partnership among a great many area agencies. They include Arrowhead United Way; Children's Network; City of Highland Police; Community Against Drugs; Housing Authority of San Bernardino; Inland Congregations United for Change; Option House; San Bernardino Unified School District; San Bernardino County Health Department; San Bernardino County Probation Department; San Bernardino County Schools; San Bernardino County Sheriff's Department; San Bernardino County Sexual Assault Services; San Bernardino Parks, Recreation, and Community Service; San Bernardino Police Department; San Bernardino Public Library; San Manuel Indian Reservation; West Side Action; and the YWCA. Specifically worthy of mention for this tremendous effort is Ann Ivey, the chief of Community Health Services for the San Bernardino County Health Department and the chair of the Week Without Violence planning committee.

Mr. Speaker, I ask that you join me and our colleagues in recognizing this unique and valuable community-based endeavor to promote safety and nonviolence. Not only am I deeply

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

impressed by the fantastic cooperation among area agencies, I am grateful to see concerned citizens coming together at the local level to make a difference in our community and our country. The Week Without Violence is likely to become a model for the Nation and I believe it is only fitting that the House of Representatives recognize this outstanding effort today.

CONGRATULATIONS BASEBALL STANDOUT STEVE RUGGERI

HON. GLENN POSHARD

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Mr. POSHARD. Mr. Speaker, I rise today to pay special tribute to Mr. Steve Ruggeri who was recently invited to play in the U.S. Olympic Festival baseball competition held in Colorado Springs, CO. Now a senior at Johnston City High, Steve is considered one of the top baseball players in southern Illinois. He is known throughout the State for his commanding presence at shortstop, and played last season for the Herrin Thunderbirds American Legion team and the Herrin High School Tigers.

I trust that Steve's experience at the U.S. Olympic Festival was as memorable for him as it was for his family. Becoming an award winning baseball player takes more than simply raw talent. It takes a strong commitment to working hard, always doing your best, and most importantly it takes family support. Steve has been blessed with these precious gifts, and I wish him the best of luck in all he does.

Mr. Speaker, I applaud Steve Ruggeri's determination to make his baseball dreams come true. Being selected to play in the U.S. Olympic Festival is a marvelous accomplishment, and I am proud to represent this outstanding athlete and his family in Congress.

HELPING SMALL BUSINESS EXPORT

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, September 27, 1995, into the CONGRESSIONAL RECORD.

HELPING SMALL BUSINESS EXPORT

I recently held some meetings with 9th District businesses on ways to help them export, and I was impressed by the extent to which several are already involved in exporting. Local companies are exporting products ranging from chairs and machines to popcorn and sewer pipe. Hossiers are sending their products not just to Canada and Mexico but also to Japan, South Korea, and Australia. For some companies, exports represent as much as half of their business. There is an increasing recognition among local businesses that much of their future growth lies in exports. Yet smaller businesses in particular need more information and assistance with how to pursue export opportunities.

IMPORTANCE OF EXPORTS

Exports are an increasingly important factor in our economy—both in Indiana and nationwide. Since 1988, exports have accounted for more than one-third of our nation's economic growth, and export-related jobs have grown eight times faster than total employment. Strong export growth is good news for our economy. Exports tend to support jobs that are higher-skilled and higher-paying—some 15% higher—than average U.S. jobs.

In Indiana, exports have nearly doubled since 1988, reaching a record $9.2 billion last year. The leading export industries in Indiana are transportation equipment, industrial machinery and computer equipment, chemicals, and electronic equipment. Nearly 80% of Hoosier exports are from the manufacturing sector, with the rest coming from mining (17%) and agriculture (4%). Indiana exports support roughly 180,000 Hoosier jobs. In the 9th District, more than 700 manufacturers are pursuing export opportunities. Despite these successes, I find that most Hoosiers are not fully aware of the extent to which current and future jobs in their communities are linked to exports. It is no exaggeration to say that much of our area's economic future—including our ability to create good-paying jobs—is linked to our ability to export and be competitive in the world market.

NEW OPPORTUNITIES

U.S. export prospects look good for the remainder of this decade. World economic growth is expected to be strong over the next several years, generating increased demand for U.S. products and services. Recent international trade agreements are lowering trade barriers and opening promising new markets to U.S. companies. Continued low U.S. inflation will boost the price competitiveness of our products. Overall, U.S. exports are expected to grow between 8.5% and 10% annually for the rest of this decade. Increased exports mean business growth, greater profits, and more and better jobs for U.S. workers.

CHALLENGE FOR SMALL BUSINESS

I find that large corporations in the District are generally well-informed about the importance of exports. They often have employees who specialized in identifying and exploiting export opportunities. But many small businesses—those with 50 or fewer employees—still find the prospect of exporting daunting. Small businesses account for 24% of the manufacturing sector's total sales, but only 12% of its exports. Even when they have a product or service they believe will be attractive overseas, many small businesses do not know how to get started or how to explore potential markets.

Certainly companies can get help from the local business community and from business organizations such as the Chamber of Commerce. And they can hire export management companies to help them establish overseas markets for their products. But government can also play a supportive role.

STATE EFFORTS

The Indiana state government has fourteen Small Business Development Centers located throughout the state to assist companies that are relatively new to exporting. These Centers help companies prepare international marketing plans and target certain foreign markets for their products. The International Trade Division of the Indiana Department of Commerce offers financial and technical assistance to small and medium-sized firms, and maintains seven foreign trade offices in Canada, Mexico, Europe and Asia to help Hoosier companies enter new markets.

FEDERAL EFFORTS

At the most general level, the federal government gets involved by negotiating the reduction or removal of foreign trade barriers to our products and by working to maintain a stable international economy. By working to promote stability and prosperity in the world economy, U.S. policy creates new opportunities for U.S. firms abroad.

But the federal government also assists Hoosier companies more directly. U.S. officials act as advocates overseas for companies bidding on foreign contracts, especially on government contracts. Federal agencies such as the Export-Import Bank and the Small Business Administration help finance projects in countries where private banks will not tread. The U.S. Department of Commerce—the lead agency for trade policy and export promotion—provides export counseling, country and regional market information, and overseas promotion services. It provides information to local businesses on the latest export opportunities and resources through newsletters, faxes, and on-line computer services. Export Assistance Centers have been set up to provide a single point of contact for all federal export promotion and finance programs.

BUDGET PRESSURES

The effort to balance the federal budget is forcing a reevaluation of many U.S. government programs that support business. The congressional budget plan passed earlier this year recommends eliminating the Commerce Department, terminating federal assistance for Small Business Development Centers, and reducing funding for the Export-Import Bank. Certainly some cutbacks can be made, and various programs could be streamlined or combined with others to make them run better at less cost. But we should not gut worthwhile programs that help create profits and jobs for American enterprises. It would be short-sighted to end export programs that are producing significant results and are helping to improve our country's long-term economic outlook.

CONCLUSION

Exports are critical to our nation's economic future and to the job prospects of many of our young people today. U.S. businesses both large and small need to think globally and try to tap into the vast and rapidly growing markets overseas.

TRIBUTE TO VINCENT M. PICCIANO

HON. THOMAS M. DAVIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Mr. DAVIS. Mr. Speaker, I rise today to pay tribute to Mr. Vincent M. Picciano who is retiring as the director of court services for the Juvenile and Domestic Relations Court in Fairfax County, VA.

For the past 34 years Vince has served the court, first as a probation counselor, then as probation supervisor. In 1965, he became its director where he was responsible for a wide range of intake, probation, detention, and other residential services. At the court he has been instrumental in implementing an extensive management information system and has overseen the design and construction of a major juvenile courthouse renovation project plus four youth residential programs with several new ones planned.

In addition to his duties as director of the court, Mr. Picciano has served as chair of the Virginia Court Directors Association, the Virginia Juvenile Officers Association as well as other local and regional groups addressing the needs of youth and families in trouble. He is currently president of CASA, Fairfax County's Court Appointed Special Advocate program for abused and neglected children.

Mr. Speaker, I know my colleagues join me in honoring Vincent M. Picciano for his many years of service to the Juvenile and Domestic Relations Court and his community of Fairfax, VA and wish him well in his retirement.

IN HONOR OF THE BAYWAY CHEMICAL PLANT ON ITS 75TH YEAR ANNIVERSARY

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Mr. MENENDEZ. Mr. Speaker, I rise today before the House of Representatives to pay tribute to the Exxon Chemical Company's Bayway chemical plant as it celebrates 75 years of doing business in Union County. It will commemorate its platinum anniversary on September 27, in Linden, NJ.

The Bayway chemical plant has been a good corporate neighbor and has contributed a great deal to our community and our Nation. For 75 years, Bayway has done an excellent job in creating a good relationship between the plant and the community. The Bayway chemical plant is a vital and a responsible part of the community, creating well-paying jobs and providing benefits to the residents of Union County.

At the Bayway chemical plant, the petrochemical age began 75 years ago. By producing a chemical widely used in rubbing alcohol, the plant heralded the dawn of a new era. In the decades that followed, Bayway helped to meet the ever-increasing demand for petrochemicals. From the earliest efforts of marketing isopropyl alcohol to today's commitment to safe and environmentally-sound operations, Bayway has managed to answer the needs of a changing marketplace and to maintain leadership in the chemical manufacturing business.

The Bayway chemical plant should also be applauded for its safety procedures and utmost respect for the environment. In 1994, the employees earned safety through accountability certification, the top level of achievement in the U.S. Occupational and Health Administration Voluntary Protection Program. Responsible care, the Chemical Manufacturers Association program, is committed to improving the industry's responsible management of chemicals. Since 1989, the Bayway chemical plant has reduced its emissions 66 percent. This has been accomplished through the careful updating and refitting of equipment.

The Exxon Chemical Company's Bayway chemical plant should be commended for its 75 years of invention and innovation in chemical manufacturing. I salute the employees for their outstanding service and dedication to fulfilling the needs of fellow Americans. I wish them the best of luck for the next 75 years.

TRIBUTE TO RETIRING MILWAUKEE COUNTY SHERIFF RICHARD E. ARTISON

HON. GERALD D. KLECZKA

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Mr. KLECZKA. Mr. Speaker, I rise today to congratulate my friend Sheriff Richard E. Artison on his retirement.

At the time he was appointed Milwaukee County sheriff in 1983, Richard Artison had already shown himself to be a multitalented law enforcement professional. Prior to his appointment, he had served as a special agent for the U.S. Army Counter Intelligence Corps, a patrolman and detective for the Omaha Police Department, a criminal investigator for the U.S. Treasury, a special agent for the Secret Service, and a community relations specialist for the Milwaukee Fire and Police Commission.

As the chief law enforcement officer for Milwaukee County, Sheriff Artison faced a difficult and challenging job. He has consistently and effectively risen to the demands of his office and has done so with grace and style. Following his appointment, Sheriff Artison quickly earned the respect of his coworkers and the general public. The esteem in which Sheriff Artison was held is evidenced by the fact that the voters of Milwaukee County reelected him to five terms as sheriff.

Mr. Speaker, I commend Sheriff Artison on his years of outstanding service and dedication to the people of Milwaukee County. I wish him happiness and health in his retirement.

A TRIBUTE TO THE SAN BERNARDINO COUNTY COMMUNITY SERVICES DEPARTMENT

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Mr. LEWIS of California. Mr. Speaker, I would like to bring to your attention the fine work and outstanding public service of the San Bernardino County Community Services Department. In early November, an anniversary dinner will be held honoring the community services department as it celebrates 30 years of service to the low-income community.

In his first State of the Union Address in 1964, President Lyndon Johnson declared an unconditional war on poverty in the United States. Later that year, the Economic Opportunity Act was signed into law with the goal of eliminating the paradox of poverty in the midst of plenty. Out of this effort emerged the dependency prevention commission in San Bernardino County. Committed to the elimination of poverty, the dependency prevention commission pioneered many original antipoverty programs at the local level including Head Start, Job Corps, VISTA, Neighborhood Service Centers, and Neighborhood Youth Corps. The dependency prevention commission was renamed the community services department in 1975.

Over the years, the community services department has achieved national recognition for implementing creative, cost-effective programs to serve the poor and homeless. Impressive steps have been taken to provide these services through the San Bernardino County Food Bank, Nutrition for Seniors, Energy Conservation Program, Sure Steps Family Sufficiency Program, and Children's Learning Excursions and Summer Camp Program.

Mr. Speaker, I ask that you join me and our colleagues in recognizing the San Bernardino County Community Services Department for three decades of concern, service, and dedication on behalf of those in need. Having achieved an outstanding record of success, it is only fitting that the House of Representatives recognize them today.

IN MEMORY OF MRS. BONNIE WOLF

HON. GLENN POSHARD

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Mr. POSHARD. Mr. Speaker, I rise today to pay special tribute to Mrs. Bonnie Wolf of Pana, IL. Bonnie passed away September 12, and it is with sorrow that I speak here today of this fine woman.

Known throughout Christian County as "Mrs. Democrat," Bonnie faithfully served the people of her community. She was a member of the Christian County Zoning Board, was the first woman alderman in Pana, a member of the Democrat Women's Auxiliary, a former Christian County Democrat chairwoman, and a Democratic precinct committeewoman for 32 years. Her lifetime of service to the people of Christian County, and the Democratic Party, strengthened the belief that one person can make a positive difference in the lives of many.

Bonnie's passing is a great loss to all who knew her, and the community she worked hard to improve. Bonnie Wolf dedicated her life to helping the people of Christian County, and her never ending determination to help her neighbors will not be forgotten. Mr. Speaker, Bonnie was a wonderful woman who will always have a special place in the hearts of those who knew her, and it is with great sadness that I offer my condolences to her family.

IN HONOR OF BARBARA ERICKSON LONDON

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Mr. MINETA. Mr. Speaker, 3 weeks ago, a remarkable woman stood on the deck of the U.S.S. *Missouri* in Bremerton, WA. Our colleagues will recall that it was on the deck of that ship in 1945 that the Empire of Japan formally surrendered to the United States and our allies, thereby ending the Second World War.

Fifty years later, on September 2, 1995, that ship and that occasion was marked and honored with the presence of Barbara Erickson

London, the only Women's Army Service pilot to receive the prestigious Air Medal during the Second World War.

Born in the Pacific Northwest and now a resident of Long Beach, CA, Barbara Erickson London entered the Civilian Pilot Training Program while a student at the University of Washington. She was 1 of 4 women in a class of 40, and quickly proved herself to be a natural aviator. So it was no surprise that by 1942, with the Nation at war, she would join the Women's Auxiliary Ferry Squadron at Wilmington, DE.

Barbara Erickson London's technical skills and leadership talents were soon recognized, and she was named squadron commander of the 6th Ferry Group. At age 23, she organized and trained a cohesive group of 80 women to fly P–51 Mustangs, P–38 Lightnings, C–54 Skymasters, B–25 Mitchells, and B–17 Flying Fortresses from their Long Beach Airport base to their delivery destinations. "We were badly needed and sometimes flew two and three planes in a day," she recently remembered to the Long Beach Press Telegram.

By 1943, Major London and the other ferry pilots were pushed to their limits in response to Allied demands for more planes in Europe. She made four 2,000-mile trips delivering P–47, P–51 and C–47 aircraft in less than a week. This particular effort, combined with her distinguished service, was cited when she was awarded the Air Medal by General "Hap" Arnold, commanding general of the U.S. Army Air Force.

Married to Jack London, Jr., after the war, she raised two daughters, Terry and Kristy, each becoming pilots in their own right, and all three women continuing to make contributions to American aviation.

Mr. Speaker, the story of Barbara Erickson London is one of many stories of American heroism during the Second World War. But her story is especially notable for her achievement and for her groundbreaking role as a woman in our armed services.

On July 28 of this year, 60 of the women fliers, including Barbara Erickson London, were reunited in Long Beach as part of the Freedom Flight America celebration of the war's end. That cross-country armada of vintage military aircraft was designed as an event never to be repeated so to honor the courage and sacrifices made 50 and more years ago.

Mr. Speaker, Barbara Erickson London was one of those Americans who helped us to win that global conflict 50 years ago. I ask you and our colleagues to join with me in saluting her on this anniversary of war's end, and to wish her and her family the continued appreciation of a grateful Nation.

MORE DISTURBING SIGNS OF RESTRICTIONS ON FREEDOM OF THE PRESS IN RUSSIA

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Mr. LANTOS. Mr. Speaker, I rise to call to the attention of my colleagues the silencing of another powerful Russian voice: that of Aleksandr Solzhenitsyn, viewed by many as the national conscience of Russia. My colleagues may have heard the report by Anne Garrells yesterday morning on National Public Radio.

The Nobel Laureate and world-renowned author was given a hero's welcome last year after his return to Russia from long years of exile in the United States. Since then he has shared with Russian television audiences his strong views on the course of Russia's post-cold war development, often voicing sharp criticism of government actions. ORT, the largest Russian television network and the only channel to reach the entire area of Russia and the former Soviet Union, recently announced that it had dropped Solzhenitsyn from its fall lineup.

ORT claims it canceled Solzhenitsyn's show due to low ratings, but Solzhenitsyn's supporters believe it is actually a case of censorship. They assert that with the approach of parliamentary elections in December, the Russian Government wanted an end to the weekly drubbing it has been receiving from Solzhenitsyn.

The reasons for the show's cancellation may be debatable, but there is a pattern of recurring government interference with independent media and government efforts to intimidate the media in general that make the cancellation worrisome. In House Concurrent Resolution 95, legislation introduced by Representative GILMAN and myself, we draw attention to several incidents that raise serious questions about freedom of the press in Russia, including: The Russian Prosecutor General's filing of criminal charges against a satirical show that pokes fun at public figures, the Russian Government's failure to solve the murders of television journalist Vladimir Listeyev and reporter Dmitri Kholodov, and the possible involvement of Presidential security forces in the assault on the offices of the MOST Group, which owns independent television station NTV.

The development of a democratic Russia is very much in our national interest, and nothing is more crucial to the maintenance of a pluralistic society than a free and unfettered press. I am deeply concerned that the Russian Government may be trying to restrict, through tactics of censorship and intimidation, including bodily harm, the right of individual journalists to report objectively on domestic and foreign news and the right of private entrepreneurs to establish, operate, and maintain independent media outlets.

Therefore, Mr. Speaker, I urge my colleagues in the legislative branch and officials in the executive branch to raise the United States commitment to freedom of the press with Russian Government leaders at every opportunity.

TRIBUTE TO THE SISTERS, SERVANTS OF THE IMMACULATE HEART OF MARY

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Mr. DINGELL. Mr. Speaker, I rise today to call the attention of my colleagues to a most significant event taking place in Monroe, MI. The year 1995 marks the 150th anniversary of the founding of a congregation of extraordinary women devoted to the service of God, their community, their nation, and the world.

The Sisters, Servants of the Immaculate Heart of Mary congregation was established in Monroe in 1845 to meet a pressing need for Christian instruction in a parish that was maturing quickly, but was not far removed from its frontier past.

The zeal and enthusiasm of Rev. Louis Florent Gillett, a Redemptorist missionary, drew the first three members of the community, Marie Theresa Maxis, Charlotte Shaff, and Theresa Renaud. Their first convent was a log cabin on the banks of the River Raisin. The early days were difficult, as poverty and disease sapped the congregation. The community grew in numbers nonetheless, and expanded its educational works.

For this first century the congregation served Catholic communities in and near the dioceses of southern Michigan, especially the Archdiocese of Detroit, by providing Catholic education at all levels in local parochial schools and in their own private schools and college.

The people of Monroe benefited greatly over the years by the presence of outstanding schools operated by the IHM sisters. St. Mary's School, the first opened by the sisters, provided the young women of Monroe and the surrounding area the chance to get a first-rate education. The Hall of Divine Child, a school for boys, instilled discipline and curiosity in generations of boys. I can vouch for the skill and efficiency of the sisters myself, because I attended this school.

Other schools founded and built by the IHM sisters include Immaculata High School in Detroit, Marian High School in Birmingham, MI, and IHM High School in Westchester, IL.

In 1910 they established Marygrove College, which was moved from Monroe to Detroit in 1927. IHM sisters have also served in other colleges and universities in the United States, Canada, and throughout the world.

Over the past 50 years the IHM congregation has extended its reach, staffing schools in Puerto Rico, and several Western and Southern States in the United States. While the majority of the sisters have devoted themselves to education, some have committed themselves to religious education, parish ministry, health care, social actions, and other forms of service. A small group of sisters began serving among the poor in Latin America, the Caribbean, Africa, and Asia. The sisters also are vocal when it comes to local, national, and international affairs. I can tell you that a week seldom passes that I do not receive an articulate and thoughtful letter from one or another of the sisters, effectively arguing a position on legislation or national policy.

Mr. Speaker, I have great admiration for the spirit, the determination, the devotion and the faith displayed by the Sisters, Servants of the Immaculate Heart of Mary. It is without reservation that I commend this congregation to my colleagues on the occasion of its 150th anniversary.

CUTS IN FUNDING FOR THE INTERNATIONAL AFFAIRS ACCOUNT DAMAGE OUR NATIONAL SECURITY

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Mr. HAMILTON. Mr. Speaker, I would like to call my colleagues' attention to a recent letter I received from the American Academy of Diplomacy. The letter points out the importance to U.S. national security of maintaining adequate funding for the international affairs (150) budget function.

Foreign aid is always a prime target in tight budget times. I believe this is shortsighted. Adequate levels of funding for sustainable development, population, democracy, security, rule of law, and other assistance should be viewed as a valuable payment toward the national security of the United States. Stable democracies with thriving economies are less likely to become destabilizing forces. They are also more likely to become valuable trading partners of the United States, which increases jobs here at home.

We also need a strong diplomatic presence abroad to advance the goals and objectives of American policy. I would like to call my colleagues' attention to the massive cuts in the appropriation for the Department of State and other cuts in vital foreign policy programs being proposed in the Senate. These cuts could damage our standing in the world and hurt our national security for years to come.

Readiness is not just an issue for our military. Readiness is something we need to maintain in our diplomatic corps as well. Diplomacy is the first line of defense for the United States. If it fails because of inadequate funding, we will most likely be forced to increase defense spending even more. That is being penny-wise and pound-foolish. I urge my colleagues to support adequate funding for the international affairs account and commend the letter of the American Academy of Diplomacy to your attention.

THE AMERICAN ACADEMY OF DIPLOMACY,
Washington, DC, September 19, 1995.

Hon. LEE HAMILTON,
House of Representatives,
Washington, DC.

DEAR LEE: Earlier this year, during Congressional debate on authorization legislation for the FY 96 Function 150 Account, the Academy wrote to express its concern over funding then contemplated. We expressed our belief that the cuts then being considered risked endangering America's capacity, through diplomacy, to shape the world in which our national interests will be at play at a critical time of global change.

Today even larger cuts are being proposed in appropriations bills for both the 150 Account and funding for the Department of State and other foreign affairs agencies. We believe it important to state once again our concern that America's capacity for leadership and influence is being placed at risk at a time when our national interests face unique challenges as well as opportunities on the global scene. I believe all members of this Academy would concur in saying that these cuts are excessive. They come very near to undermining America's diplomatic readiness at a time when effective diplomacy is a vital tool in pursuit of our national interests in many regions of the world.

The membership of the American Academy of Diplomacy includes more that a hundred Americans who, while in government service, either as career diplomats or as private citizens, played leading roles in the formulation and implementation of American foreign policy. The membership includes all living former Secretaries of State. It represents both sides of the political aisle. Our members may disagree on the specifics of policies, but they speak with one voice in believing that in today's world a strong diplomatic arm, well funded, well staffed and strategically placed throughout the world as well as in Washington, is critical to a prosperous American state.

At a time of stringent budget limitations, Academy members appreciate full well that overall spending on behalf of our global interests and the means to secure them must be weighed against compelling needs elsewhere. However, if the United States, which today is engaged nationally in a manner that touches on the smallest and most remote of our communities, must have a sustainable, flexible, long-term strategy to defend that engagement. Such a defense takes people. It takes funding. It requires understanding the 150 Account and the funding for State and other foreign affairs agencies have a legitimate and, indeed in today's circumstances, urgent claim on an appropriate portion of our national resources. The cuts in appropriations now being proposed, in our belief, directly contradict our national interest.

I ask that you share these views with your colleagues.

Sincerely,
L. BRUCE LAINGEN,
President.

HONORING JOANN HUFF

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Mr. RICHARDSON. Mr. Speaker, as we in Washington tackle the difficult policy decisions associated with reforming our Nation's health care system, we must not forget the people who are most affected by our decisions, our constituents who are in need of medical care.

One such person is JoAnn Huff of Albuquerque who is an 18-year cancer survivor who has worked at the local, State, and Federal level to help educate others about breast cancer. She was part of a team that worked for passage of mandated mammogram legislation. Ms. Huff has also been an active member of the University of New Mexico Cancer Research and Treatment Center and has raised thousands of dollars when she served as the center's Walk-A-Thon chairperson.

We would all be a lot better off if there were more JoAnn Huffs among us determined to make a difference and willing to fight to overcome whatever obstacles are thrown their way. To better understand Ms. Huff and how she succeeds, I urge my colleagues to read the following commentary which appeared in this month's Club News, a publication of New Mexico Sports & Wellness.

MEMBER SPOTLIGHT—JOANN HUFF

In no better way can one describe JoAnn Huff, but as a trail blazer. This accomplished and respected member of Highpoint Sports & Wellness is nothing less than active. You can always tell when she's around by her warm and hearty laugh.

Huff (who just turned 66) is a retired Albuquerque teacher with a plethora of achievements. Her greatest feat is surviving breast cancer. That traumatic victory has changed and enlightened her life forever. "After something like that," she says, "you know what is important and what is not. I am happier than ever."

Swimming, a positive attitude, and a healthy lifestyle have contributed to JoAnn's well being. "Swimming is what restored my physical health after cancer," she recalls. "We have never thought of physical activity for cancer like we have for heart disease, but I have always believed the principle is the same."

JoAnn is frequently seen swimming in one of the pools at Highpoint. In addition to swimming, she has added weight machines, cardio, and other forms of exercise into her fitness routine. "It is the positive and healthy atmosphere that the club and its people project that I like," says JoAnn.

JoAnn's commitment to fitness of both mind and body has improved her life. When she is not out vacationing to places like Alaska, the Arctic Circle, or Australia, she is active in her community by participating in events held by the KIWANIS Club, the Albuquerque Convention & Visitors Board, and the Mayor's Open Space Advisory Board. She also competes in the Senior Olympics on both a state and national level.

JoAnn's main passion still lies in being an outspoken advocate for breast cancer research. She says her goal is to see cancer eradicated by the year 2000. She has been doing everything possible to reach her goal. She has been noted as a top fund raiser for research. JoAnn is on the Board of Advisors for the UNM Cancer Research Center, and she is also an active participant in the National Breast Cancer Coalition's Project L.E.A.D. (Leadership, Education, Advocacy, Development). Jann is more than an accomplished and respect individual, she is an inspiration to all. She says she feels there is nothing she cannot do, and she's right!

HONORING THE WARNER BAPTIST CHURCH

HON. THOMAS M. DAVIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Mr. DAVIS. Mr. Speaker, I rise today to pay tribute to the Warner Baptist Church at Bailey's Crossroads, VA, which will be celebrating its 75th anniversary from October 8, 1995, through October 14, 1995.

The Warner Baptist Church, which is located in northern Virginia, has a long, proud, and colorful history. After being emancipated in the 1800's a group of families who had suffered through many years of slavery traveled on foot through swamps and wilderness carrying their few belongings, and settled at Bailey's Crossroads, VA. One of the dreams and major goals of this group was to erect a building dedicated to God where they could commune together as a body and worship and serve God.

In 1861, 1 acre of land was donated to the citizens of Bailey's Crossroads by Mr. B.H.

Warner, a white citizen of Washington, DC, for the express purpose of erecting a school or church. From 1881 to 1920, church services were held under a small group of trees on the land and in inclimate weather, services were held in a store located on Columbia Pike. In 1919 ground was broken for the erection of a church building and lumber was shipped by freight train from a sawmill in Herndon, VA, to Barcroft, VA, and was transported by horse and wagon to the building site. After much hard labor, the Warner Baptist Church, which served the community as a place of worship and an educational facility, was completed and the cornerstone was laid on August 20, 1920.

In 1962 ground was broken, and the construction of a new edifice adjacent to the 1920 building was begun. With most of the labor, including masonry, being performed by members of the church and volunteers from the community, the present church building was dedicated in November 1964. Since that time, the church has prospered and presently provides services on the local, State, and international levels through its many ministries and outreach programs.

Its current pastor, Matthew Pearson, has been a civic leader in Fairfax County who was instrumental in building the first shelter for the homeless in the county.

Mr. Speaker, I know my colleagues join me in honoring the Warner Baptist Church for its many contributions to its parishioners and its surrounding community as it celebrates its 75th anniversary.

IN HONOR OF HUDSON COUNTY COMMUNITY COLLEGE

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Mr. MENENDEZ. Mr. Speaker, I rise today to congratulate Hudson County Community College, as its staff and students begin a new era in education at the college's newest building. The college will be unveiling its new flagship building, at 25 Pathside in Jersey City, on September 27, 1995. The college will hold a ribbon cutting ceremony and will sponsor a parade through the Journal Square area.

Hudson County Community College is a comprehensive community college. Its top goal is to offer quality programs and services which are accessible, affordable, and community centered. These services are designed to meet the educational needs of an ethnically and racially diverse community. For more than 20 years the college has been offering its students quality teaching and programs that have helped them earn associates degrees in various fields.

Through the years, the college has expanded and grown. It has become one of the fastest growing colleges in New Jersey. Seeing the need to expand its facilities, the college acquired the Pathside Building in December 1993. The building, built in 1912, was originally used as a commercial office building for the Public Service Corporation of New Jersey.

Hudson County Community College acquired the building to provide its students with better facilities. It has renovated the building and now offers many new facilities, such as a 30,000 volume library, instructional support center, classrooms, laboratories, executive offices, meeting rooms, and student activities facilities.

Please join me in congratulating Hudson County Community College for successfully entering a new stage in its development as a community college. The college has a long tradition of providing its staff and students with quality services and facilities, a tradition that will no doubt be enhanced by this new facility. I am proud to have Hudson County Community College in my congressional district. The college provides the public an excellent education and a chance for a better future.

A TRIBUTE TO THE AMERICAN SOCIETY FOR TRAINING AND DEVELOPMENT

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Mr. LEWIS of California. Mr. Speaker, I would like to bring to your attention the fine work and outstanding public service of the Inland Empire chapter of the American Society for Training and Development. In early October, seven individuals will be honored for excellence in training and developing people in the local business community.

The American Society for Training and Development is a nationwide non-profit association of professionals and individuals interested in the field of training and development for employees in business, government, and non-profit organizations. Local membership of this fine organization, under the capable leadership of David Cates, is made up largely of business consultants, human resources, experts, educators, business managers and owners, and others.

Specifically, I would like to recognize the seven individuals who are being honored for their diverse contributions. They included Jay Murvine (education); Marie Stadelman (small business); Marcia Weaver (consultancy); Lynda Cook (government); Chef E. Robert Baldwin (hospitality); and Wanda Montgomery and Darlene Jerome (manufacturing).

Mr. Speaker, I ask that you join me and our colleagues in recognizing these fine individuals for their many achievements. As dedicated professionals who have demonstrated skill and dedication in the marketplace, it is only fitting that the House of Representatives recognize them today.

IN RECOGNITION OF 150 YEARS OF THE ORSON STARR HOUSE

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Mr. LEVIN. Mr. Speaker, 1995 marks the 150th anniversary of what is believed to be the oldest standing home in Royal Oak, MI. On Sunday, October 8, the Women's Historical Guild will celebrate this impressive anniversary.

Orson Starr first moved to Royal Oak, MI, with his wife Rhoda Gibbs Starr, and their son, John Almon Starr, in 1831. As Mr. Starr's manufacturing business prospered, the family moved from the original log home to a house which Mr. Starr built with such extraordinary craftsmanship, it is still standing today. The house was originally built in Greek revival architectural style. The style is still apparent to the home today and is more commonly known as Michigan Farmhouse style.

Despite major changes in the 1900's, interested citizens have been successful in maintaining the home and preserving its history. The Woman's Historical Guild of Royal Oak is presently responsible for preservation of the interior of the home. Through the contributions of the historical guild, the City of Royal Oak, and individuals, this historic site is now open for all to see and learn from.

My thanks to all those involved in the preservation of this historic sight, and my congratulations and best wishes on this 150th year of the Orson Starr house.

FANNY HOLLIDAY HONORED AS CHAMPION OF HUMAN RIGHTS

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Mrs. MALONEY. Mr. Speaker, I rise today to bring to the attention of my colleagues the achievements of Fanny Holliday, a very special constituent and friend of mine who has given so much back to her community, her country, and the worldwide cause of human rights.

Fanny Alexander was born Fanny Christopher in Kerenia, Cyprus. She emigrated to the United States at the age of 11. Her success in this country has truly been a great example of fulfilling the American Dream.

After completing her education, Fanny joined Audio Vox in 1970 and advanced to the position of vice president. However, in 1977, she began a new career as the publisher of Proini, a Greek language paper dedicated to truth and human rights.

By 1980, she had left Audio Vox to devote all her time to the increasing demands of a growing newspaper. In 1985, she built on Proini's success by publishing the Greek American. The Greek American is an English language newspaper which keeps the non-Greek speaking population in the United States well informed. Among its subscribers, I know Proini and the Greek American can boast many of my colleagues here in Congress.

As a champion of human rights, Fanny has provided an avenue for all issues which face Greece and Greek-Americans to be discussed. She is also a leader in the fight to liberate Cyprus. As we know, her childhood home is presently occupied by Turkish invaders. Sadly, she, and other Cypriot-Americans, cannot freely visit their place of birth. Fanny cannot share her heritage fully with her daughter Nicole Petallides and her husband Morton Holliday.

But she fights on for justice and peace to return to Cyprus. And, although she is now leaving the newspaper, I know she will always be a leader for human rights.

So I ask my colleagues to join me in congratulating Fanny on her extraordinary achievements and in wishing her well in her new endeavors.

TRIBUTE TO "BILLY JIM" VAUGHN

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Mr. GORDON. Mr. Speaker, I rise today to recognize the 60 year career and accomplishments of a great man, William J. Vaughn, affectionately known as "Billy Jim".

Billy Jim is a native Tennessean from Nashville. He joined Troop One Boy Scouts of America in 1926 under the leadership of original scoutmaster, Curtis B. Haley, who chartered the troop in 1910. He became the scoutmaster in 1935 when Mr. Haley became ill and remains the scoutmaster today. Troop One is the oldest Scout troop in continuous operation in the United States.

While Troop One has consistently received awards for outstanding accomplishments, Billy Jim quietly earned personal awards for Scouting, such as: participating in a 28-member team of Scout leaders to redesign the Scouting program (1969), receiving the Red, White, and Blue Award for Outstanding Service to Boys (1973), receiving the God and Service Award #510 (1987), and having a campership endowment established in his honor, to name a few. He also received personal recognition from Presidents Bush and Clinton. He actively participated in World Jamborees in California, England, and Japan, surviving both an epidemic of flu on a cruise ship and a typhoon while hiking over Mount Fujiyama.

Not only is Billy Jim an outstanding scoutmaster, he is also active in community service and his church, and has been consistently recognized for his tireless efforts. He also served his country in World War II as a surgical technician for the Navy Medical Corps, earning the highest grade ever awarded in surgery at that time. His friend Chad Drumright says, "Billy Jim is still a frustrated doctor—he has the boys engage in rough sports at the Scout meetings so he can run in with the first aid bag when they get hurt."

Billy Jim is both a dedicated father and husband. He and his late wife Evelyn, have two children, Jim and Katherine. He married Joy Langley Vaughn in 1985 and they have led an active and happy life ever since. Working in the yard, canoeing for the purpose of collecting driftwood, and enjoying homemade ice cream are a few things that keep them busy. Billy Jim has contributed immeasureably to his community, the Boy Scouts of America, his church, and his family. He has given of his time and resources, asking little in return. I ask that we recognize him today for his countless accomplishments and contributions.

CELEBRATING THE 75TH ANNIVERSARY OF THE CITY OF MONTEBELLO, CA

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Mr. TORRES. Mr. Speaker, I rise today in recognition of the city of Montebello, CA, which is celebrating its 75th anniversary on October 16, 1995.

Montebello, a city rich in history, dates back as early as 1771 when Franciscan missionaries founded the first European settlement in the Los Angeles Basin. The men from Los Angeles saw the potential of the hills and established a tract and a townsite for them. They named the tract Montebello, Italian for "beautiful hills." In the early years, from the turn of the century until the 1920's, the hills yielded flowers, vegetables, berries, and fruit. In 1913, the chamber of commerce advertised, "Come to Montebello—come where the flowers grow." As late as 1930, more than 30 nurseries were located in Montebello, including the Fred Howard Nursery. Howard developed over 150 varieties of roses in the soil of the hills, including the "Heart's Desire," the official city flower.

On October 16, 1920, Montebello was incorporated as the 35th city within Los Angeles County. Then, Montebello was producing one-eighth of California's crude oil. The oil industry dramatically affected Montebello's population, increasing it from 2,580 in 1920 to 7,060 in 1960. During the 1950's and 1960's, Montebello grew dramatically in population, industry, commerce, and public services. In 1962, the current city hall, with more than 36,000 square feet of usable space was completed. In 1976, Montebello's orderly development and harmonious community life received recognition from the National League of Cities, when it was designated a "Bicentennial All-American City."

The 1980's brought the development of significant projects, as Montebello entered a period of vital growth. This growth included the Whittier Boulevard commercial revitalization project, an effort to restore the historic downtown area, and the Montebello Town Center, which opened in 1985. The balanced development between residential, commercial, and industrial properties is reflected in the city's slogan, "Montebello, the Balanced Community."

Because of Montebello's tranquil way of life, it attracts many people who want to start their family or raise children in a happy and healthy environment. Its 61,000 residents and hundreds of businesses take great pride in their city and strive to make Montebello a city that all can enjoy.

Mr. Speaker, I proudly join the residents of Montebello and Mayor Art Payan, Mayor Pro Tempore Jess Ramirez and councilmen Arnold Alvarez-Glassman, Bill Molinari, and Ed Pizzorno, in celebrating its 75th anniversary of incorporation and I ask my colleagues in the House of Representatives to join me in extending our best wishes and congratulations.

TRIBUTE TO PEGGY BEACH

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Mr. BONIOR. Mr. Speaker, the March of Dimes is an organization with a noble mission: to fight birth defects and childhood diseases. We all share the March of Dimes dream which is that every child should have the opportunity to live a healthy life.

For the past 12 years, the southeast Michigan chapter of the March of Dimes Birth Defects Foundation has honored several Macomb County residents who are outstanding members of our community and have helped in the campaign for healthier babies. This evening, the chapter will be hosting the 12th annual Alexander Macomb Citizen of the Year award dinner. The award, instituted in 1984, is named after my home county's namesake, Gen. Alexander Macomb, a hero of the War of 1812.

This year, the March of Dimes has chosen Peggy Beach as a recipient of the award. Ms. Beach has been the executive director of the Girl Scouts of Macomb County-Otsikita Council for 18 years. She also is the chief executive officer of this council and was a volunteer there for 10 years before being hired full time. Under her tutelage, the council has grown to over 10,000 girls and 4,000 adult volunteers in Macomb County. Countless girls have acquired leadership skills and been involved in activities that foster positive self-esteem. Ms Beach also volunteers at the United Community Services and Children's Hospital of Michigan.

Dr. Jonas Salk's polio vaccine is just one of the more famous breakthroughs that would not have been possible without March of Dimes research funding. And, without people like Peggy Beach the job of protecting babies would be that much more difficult.

I applaud the southeast Michigan chapter of the March of Dimes and Peggy Beach for their leadership, advocacy, and community service. I am sure that Ms. Beach is honored by the recognition and I urge my colleagues to join me in saluting her as a 1995 recipient of the Alexander Macomb Citizen of the Year Award.

MAKING AMERICA'S SCHOOLS COMPETITIVE

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Mr. LAFALCE. Mr. Speaker, America's schools are lagging behind those in most other industrialized countries in student performance. This is due in considerable part to problems with student discipline, lack of national standards, ineffective testing and lack of student accountability. Albert Shanker, president of the American Federation of Teachers, has outlined what our Nation should be learning from other nations who are dealing with these problems. I would like to share an article prepared by Mr. Shanker, which was published in the Wall Street Journal on Friday, September 15, 1995.

EDUCATION CONTRACT WITH AMERICA

(By Albert Shanker)

Successful school systems in other industrialized countries are effective because they have four essential elements: student discipline, rigorous national or state academic standards, external assessments and strong incentives for students to work hard. There is solid evidence to believe that out school system could be just as effective if we did the same. What are the chances? Not good, given that both liberal and conservative politicians are caught up in faddish and radical schemes for reforming schools. Very good if we look at where the American public is on these issues.

The first essential element is the refusal to tolerate disruptive student behavior that regularly interferes with education. In other industrialized countries, a student who constantly disrupts a class is suspended or placed in a separate class or school. That such disruptive behavior goes unchecked here can be seen in the fact that Americans constantly cite discipline as the top school problem in the Phi Delta Kappa/Gallup polls. The public holds parents responsible but also wants schools to act: 77% want chronically disruptive students transferred to a separate facility.

POLITICALLY INCORRECT

Yet this solution remains politically incorrect in the U.S. We are told that we must allow on child to destroy the education of 30 others because a major mission of schools is social adjustment. Or that separating these students would persecute them for having a disability beyond their control. Or that enforcing standards of conduct would have a disparate impact on minorities. (Actually it would: They would benefit disproportionately.)

So efforts to remove chronically disruptive students are few. When they occur, advocacy groups mount lengthy, expensive legal challenges. And courts are apt to side with the "repentant" offender rather than the unseen victims—the other students. Few cases even get that far, since there are powerful incentives for schools not to report problems that would give them a bad reputation or tie up principals and school boards in court. Failure to act only encourages more students to misbehave.

The second essential element in effective school systems is the existence of academic standards at the national or state level. These specify what is taught in each subject at each grade level and the quality of student performance required. Students are taught to the same standards in the early grades, but at some point (between grades five and nine, depending on the country), students are put in different tracks, each demanding, on the basis of their achievement.

There are no such standards here. Efforts to establish national standards have been particularly controversial, but if other democratic countries with a range of political ideologies have been able to work them out, couldn't we? The public seems to want us to. The Phi Delta Kappa/Gallup Poll has included different questions about national standards, and support has ranged from 69% to 83%.

State standards have made more headway, but almost none of them gives real guidance to teachers. Many are vague: e.g., learn to appreciate literature. Some are so encyclopedic that each teacher has to decide what to do.

The public demands more. According to the 1994 Public Agenda survey, 82% of Americans favor "setting up very clear guidelines on what kids should learn and teachers should teach in every major subject." And the 1995 Phi Delta Kappa/Gallup Poll shows that 87% of Americans think students ought to meet "higher standards than are now required in math, English, history, and science in order to graduate from high school."

The disconnect between the public and public officials is also large on the issue of tracking. American schools, like school systems in other countries, track students, but we do it poorly and unfairly. One way to turn that around is to do what other nations do: Have common high standards in the early grades and ensure that students in different tracks in the later grades all have challenging standards to meet and second chances to move to higher tracks. Instead, public officials are jumping on the de-tracking bandwagon, the idea that a 10th-grader who is at, say, a fifth-grade reading level should be taught in the same class as students at the 10th-grade level. Why? To avoid the harmful effects of labeling some students as "slow," or to see if lower achieving students will rise to the level of high achievers.

This is clearly unworkable. What's a teacher supposed to do—teach the same lesson to all? Divide the class into groups, and give each group only a small amount of attention? Ah, we're told, with lots of time, training and other expensive changes, teachers may learn new methods that work.

The public is not buying. According to a 1994 survey by the Public Agenda Foundation, "only 34% of Americans think that mixing students of different achievement levels together in classes . . . will help increase student learning. People remain skeptical about this strategy even when presented with arguments in favor of it . . . [because it] seems to fly in the face of their real-world experiences."

The third essential element of successful school systems is external testing that is administered by state or national governments. Secondary school students abroad know that being admitted into a university or technical institute or getting a good job depends on passing rigorous external exams. Most nations' college-entrance exams cover four to seven subjects, each taking about six to eight hours of essay writing and problem solving. About 30% of all students pass them. There are also rigorous exams to enter technical schools.

In the U.S., we have no comparable curriculum-based exams, though the old New York State Regents exams can the closest. The Advanced Placement exams are somewhat comparable but are not required; only 7% of students take them. Standardized reading and math tests given in all schools measure only those skills and don't measure students' performance against objective standards. Minimum competency tests for 12th-grade graduation typically measure seventh- or eighth-grade skills. None of this satisfies the public's demand for high standards.

The fourth element of successful education systems is high stakes for student achievement—the glue that holds the other elements together. Students in other countries study hard because they know that unless they pass their exams, they will not get into a college, technical institute or apprenticeship program. They may not even get a job because employers hire on the basis of school records.

In the U.S., almost nothing counts for students—not grades, not behavior, not even attendance. There is a college willing to take all hopefuls in America, no matter what courses they took or what grades and SAT or ACT scores they received. Eighty-nine percent of four-year colleges offer remediation. Those not headed for college needn't worry either. Employers do care whether the applicant is a graduate or dropout, but they don't ask for the student's academic and behavioral record.

NOT ON THE AGENDA

Without high stakes, students won't work hard and, therefore, won't learn much. But this is not on the American political agenda. Liberal politicians say it is unfair to hold children accountable until we equalize the resources spent on them. Conservatives seem no more eager than liberals. They spend their time placing blame for low student achievement on teachers' unions, tenure and government monopoly of education—each of which is present in successful school systems.

The liberals' solution for low academic achievement is to push social engineering first, which has little public support. The conservatives' solution is to push vouchers, which haven't improved achievement and which according to the 1995 Phi Delta Kappa/Gallup poll, are opposed by 65% of Americans. And both sides, for different reasons, are embracing an even greater degree of the local control that brought us to this state of low achievement in the first place.

The American public and parents want high standards of conduct and achievement in our public schools. Surveys of teachers show the same. They're right: Discipline and academic standards work and are workable. Smart politicians should propose this as an Educational Contract with America and deliver.

IN HONOR OF THE LINDEN INDUSTRIAL ASSOCIATION ON ITS 60TH YEAR ANNIVERSARY

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Mr. MENENDEZ. Mr. Speaker, I rise today to honor the Linden Industrial Association, an association that has represented the city of Linden's manufacturing industry with diligence and professionalism, on its 60th anniversary. The association will celebrate its anniversary on September 27 at a special event entitled "Linden—2000 and Beyond."

The organization was formed in 1935 to assist the city in formulating its budget each year. As time passed the organization evolved—now its main purpose is to create a strong business climate for its members. The association also works to inform its members about environmental and safety regulations. The association promotes sound business practices and corporate responsibility.

Sixty-five corporations are members of the association, such giants ranging in size from Merck & Co., General Motors and Exxon Chemical and including smaller companies as well. New and old businesses receive excellent guidance from the association that leads to long and prosperous business relationships. The association aims to keep communication open between industry, business, and government. The association has often been compared to a chamber of commerce. Their purpose is to help the businesses and to provide as much support and information as possible.

I ask that my colleagues join me in honoring the Linden Industrial Association on its 60th year anniversary. The association is truly a remarkable organization that strives to provide better service to its members.

HONORING DAVID L. PHILLIPS

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Mr. RICHARDSON. Mr. Speaker, 7 years ago Congress appointed David L. Phillips to serve as the first president of the Congressional Human Rights Foundation. David was an outstanding leader who served Congress and the Foundation with distinction.

Unfortunately, David's 7-year term is now ending, but he can leave the Foundation knowing he played a critical role in establishing the Foundation as a promoter for human rights and democracy around the world.

Under David's leadership, the Foundation established the Interparliamentary Human Rights Network which includes members from 120 countries devoted to human rights and democracy.

The Foundation's Board of Directors recently honored David by approving a resolution commending David's 7-year term. The resolution is printed below.

As David leaves to pursue new opportunities, I urge my colleagues to join me in extending a warm appreciation to David for his efforts and contributions during the past 7 years and a sincere wish for continued success.

RESOLUTION

Whereas, David L. Phillips was appointed by Members of the U.S. Congress to serve as the first President of the Congressional Human Rights Foundation in 1988.

Whereas, David L. Phillips ably established the Foundation as a leading voice on behalf of human rights and democracy and helped to define the purpose and future of the organization during his seven year term as President of the Foundation.

Whereas, David L. Phillips worked assiduously on behalf of the victims of human rights abuse bringing to bear a deep humanitarian commitment to the well-being of human-kind as the redress of human suffering.

Whereas, David L. Phillips leadership the Foundation's Interparliamentary Human Rights Network was established and today includes 1,000 Members of Parliament from 120 countries committed to human rights and democracy.

Whereas, David L. Phillips helped establish the Foundation's Global Democracy Network, an electronic communications program which utilizes the information highway for innovative information sharing, advocacy, and institution building.

Whereas, David L. Phillips has enjoyed the respect and admiration among his peers in the human rights community and the appreciation of the board of the directors of the Foundation.

Now, therefore, be it resolved that the board of directors of the Parliamentary Human Rights Foundation commends David L. Phillips for his seven years of exceptional service as President of the Foundation and wishes him continued success in all future endeavors.

NORTHERN INDIANA BUILDING WITH STEEL ALLIANCE

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Mr. VISCLOSKY. Mr. Speaker, as an officer of the Congressional Steel Caucus, I am pleased to call your and my other colleagues' attention to a dynamic force in steel-framed housing: the Northern Indiana Building with Steel Alliance. This innovative collaboration is the result of an alliance between northwest Indiana's five major steel companies—U.S. Steel, Bethlehem Steel, LTV Steel, Inland Steel, and National/Midwest Steel—the Northern Indiana Public Service Co., Ivy Tech State College, Dietrich Industries Inc., Unimast, Inc., and Dale/Incor Industries. This alliance is the first public/private partnership in the Nation with a concentration on steel-framed housing. The Northwest Indiana Forum is the glue that holds the alliance together.

The alliance will promote steel-framed housing to builders this evening, September 27, 1995, at the Builders Dinner, which will be held at the Radisson Star Plaza in Merrillville, IN.

Northwest Indiana should be a national showcase for steel housing. This region represents the largest concentration of steel production in North America, and Indiana's First Congressional District leads the Nation in steel production. Since we're No. 1 in steel production, it makes perfect sense that northwest Indiana should be No. 1 in steel-framed housing. In fact, to promote the use of steel for housing, I've cosponsored a resolution that would authorize a demonstration of steel housing on the Capitol grounds.

The use of steel for housing is not only good for our domestic industry, it's smart. First, steel provides affordable and high quality construction materials. Second, steel is resistant to termites, vermin, and fire, and resilient in natural disasters. Finally, since steel is America's most recycled material, steel-framed houses help to conserve natural resources.

Steel-framed housing is one of the fastest growing markets in the industry. The demand for light gauge, galvanized steel for residential applications saw an enormous growth in 1994. There was a total of 40,000 steel-framed houses constructed in 1994, compared to only 13,000 in 1993. According to the American Iron and Steel Institute, about 525,000 tons of steel will be used in steel framing for homes in 1995. Another 275,000 tons will be used in roofing. As a result, these steel-framed houses will allow our steel mills to produce 1.5 to 2 million additional tons of steel in which $1.3 to $3.6 billion will be generated. Moreover, these special houses will provide 6 million man-hours of work, or 2,900 new jobs.

The goal of the Northern Indiana Building with Steel Alliance is to eventually capture 25 percent of the residential applications market. Their hope is that this will be achieved as builders become more familiar working with steel and its inherent benefits. Key components of the regional initiative include assistance to builders with special seminars and training programs through Ivy Tech; cooperating with the Housing Futures Institute at Ball State University to develop new alternatives in housing technologies; and assisting local Habitat for Humanity sponsors to promote steel framing in homebuilding projects.

Representatives of the steel companies participating in the alliance include: Jon Oram, Bethlehem Steel; Scharlene Hurston, Inland Steel; James Stoyka, LTV Steel; John Walsh, Midwest/National Steel; and Ed Charbonneau, U.S. Steel.

Mr. Speaker, I congratulate these innovators, along with the other participants of the Northern Indiana Building with Steel Alliance, for taking the first step in lighting the fire that will fuel the American homebuilding market, as well as the economy of Indiana's First Congressional District.

TRIBUTE TO ABE SACKS

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Mr. LEVIN. Mr. Speaker, 50 years ago a young Army lieutenant returned home from World War II. During the preceding 5 years, he served his country with distinction. This young lieutenant is a constituent of mine. He is also one of my dearest friends. His name is Abe Sacks.

On October 7, 1995, 1st Lt. Abraham Sacks will finally receive his World War II medals—half a century after his return home from war. Surrounded by his family and friends, Abe will receive the European African Middle Eastern Medal with Silver Star, the American Campaign Medal, the American Defense Service Medal, the Army of Occupation Medal with Germany, the Good Conduct Medal, and the World War II Victory Medal.

Abraham Sacks served in the U.S. Army from 1941 to 1946. In 1942, he was commissioned second lieutenant and subsequently served overseas in campaigns in Africa, Italy, France, and Germany. I met Abe 30 years ago. During this time, he has been a devoted husband, the father of two beautiful children, Andrew and Laura, and an active volunteer at his synagogue and in the community.

Fifty years is a long time to wait for medals that were awarded but never received. As late as these medals are in being presented, this day might never have come if it had not been for Abe's wife, Bea. Earlier this year, while rummaging through Abe's army chest, Bea came across some old papers that said he was entitled to receive these medals. When Bea asked him where his medals were, Abe replied, "Who has time for medals? All I wanted to do was stay alive and keep my men alive."

The time has finally come for medals and recognition for achievement and dedicated service. I join Abe's family, friends, and the entire Nation in expressing congratulations for a job well done.

MALONEY HONORS PULASKI DAY PARADE

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Mrs. MALONEY. Mr. Speaker, as a Representative from New York's 14th District, which includes the vibrant Polish-American community of Greenpoint, I would like to take this opportunity to pay special tribute to the participants in the Pulaski Day Parade. This year's Pulaski Day Parade honors Gen. Casimir Pulaski and pays special homage to Pope John Paul II on the occasion of his visit to New York next month. The Pulaski Day Parade is a shining example of the active and dedicated Polish-American community in Brooklyn and the New York metropolitan area.

Mr. Speaker, the Pulaski Day Parade commemorates that great son of Poland, Gen. Casimir Pulaski, the "Father of the American Calvary." At the age of 30, General Pulaski came to America on July 23, 1777, to help our struggling Nation in its fight for independence against British tyranny. This heroic son of Poland organized the calvary forces of our infant republic and died of a wound received at the Battle of Savannah on October 11, 1779.

The October 1, 1995, Pulaski Day Parade carriers the sub-theme, "A Tribute to His Holiness Pope John Paul II." The consensus of the members of the General Pulaski Memorial Parade Committee, Inc., chose to give tribute to His Holiness Pope John Paul II, the first Pole to attain the highest ecclesiastic office of the Catholic Church.

The grant marshal of the 1995 Pulaski Day Parade, Alexandria E. Patras deserves special recognition. In 1985, Mrs. Patras, with the help of her husband, Stephen, and many others, organized the Polish Children's Heartline. Mrs. Patras's contributions to New York City and to the New York Polish community are remarkable and deserve the recognition of this Congress.

Mr. Speaker, the Pulaski Day Parade provides well-deserved recognition of General Pulaski, the New York Polish community, Mrs. Patras, and His Holiness Pope John Paul II. Mr. Speaker, I urge my colleagues to join me today in paying tribute to the participants in the 1995 Pulaski Day Parade. By continuing to highlight the contributions of General Pulaski and the entire Polish-American community, events like this one ensure that the strength of our Nation continues to be the diversity of our people.

IN HONOR OF SIGNALMAN FIRST CLASS, DOUGLAS ALBERT MUNRO

HON. KAREN L. THURMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Mrs. THURMAN. Mr. Speaker, American spirits were recently raised by the celebrated rescue of Air Force Capt. Scott O'Grady from Serbian controlled territory in Bosnia. Captain O'Grady was literally plucked from hostile territory in a daring and well executed rescue performed by a highly dedicated group of U.S. Marines, men whose devotion to duty is so great that they regularly put the well-being of their comrades ahead of their own safety.

There is another group of professionals who train intensely and put their own lives at risk on a daily basis to help others in their time of need. The men and women of the U.S. Coast Guard saves lives and property every day, most often under extremely hazardous and sometimes warlike conditions. In fact, during actual wartime, the Coast Guard fights side by side with the other armed forces.

Mr. Speaker, during the Second World War, the Coast Guard had more casualties, percentage wise, than any of the other branches of the military. However, throughout the Coast Guard's 200-year history, there has been only one member of the Coast Guard who was a Congressional Medal of Honor winner; he was signalman first class, Douglas Albert Munro.

On September 27, 1942, three companies of approximately 500 marines were trapped on Guadalcanal. They were being overrun by an overwhelming and rapidly advancing Japanese Force. Douglas Munro led a flotilla of 10 landing craft in an effort to evacuate the marines.

As Munro directed the boats toward shore, the Japanese began firing on the vulnerable craft from Point Cruz, some ridges abandoned by the marines, and from positions east of the beach landing area. This intense fire from three strong interlocking positions disrupted the landings and caused a large number of casualties among the virtually defenseless crews in the boats.

Despite the relentless fire from all three sides, signalman Munro kept the boats moving toward the shore. Reaching the shore in waves, Munro continued to lead them to the beach, two or three at a time, in order to pick up the marines. While the marines were running for the landing crafts, Munro and his shipmates provided covering fire from an exposed positions on the beach.

As the marines attempted to board the landing craft, the Japanese continued to fire from the ridges about 500 yards from the beach. Munro, realizing the danger, maneuvered his boat between the enemy and the withdrawing marines to protect the remnants of the battalion. Because of his leadership and strategic thinking, all the marines who made it to the beach, including 25 who were wounded, managed to escape.

With the marines finally safely in the boats, Munro led his small fleet off shore to safety. But before they were fully out of harm's way, the Japanese set up a machine gun on the beach and began firing at the boats. One of his crew members shouted a warning to Munro, however the roar of the craft's engine prevented Signalman Munro from hearing the shout. A single bullet struck him in the base of the skull and Douglas Albert Munro was mortally wounded. He lived just long enough to be told by this shipmate and friend that all the marines were safe. According to eye-witness accounts, Douglas Munro died with a grin on his face and love in his heart.

Mr. Speaker, I am proud to report that on September 27, a fitting memorial to the heroism and dedication to duty of Douglas Munro is to be dedicated in Crystal River City Park in Citrus County. Much of the credit for putting together the memorial must go to Ken Harrington, president of the Crystal River Fraternal Order of Eagles Aerie 4272, PO Roger Jones and CPO Timothy Cavanaugh of the Coast Guard Station at Yankeetown.

Mr. Speaker, this is truly a community project, supported by the Crystal River Redevelopment Commission, the Crystal River City Council, and the Florida chapter of the Coast Guard Auxiliary.

In addition to the memorial, 20 historic trees will be planted in public areas of Crystal River for the enjoyment of everyone. A continuing education program will be provided to local school children as well, so that they can appreciate the past sacrifices of Americans like Douglas Munro.

Mr. Speaker, in many parts of our great Nation, the bonds of family and community seem to be fraying. People have at times lost a sense of community and an appreciation for the past. Not so in Crystal River. In Citrus County, the links between the past, present, and future are emphasized and the lessons of history are taught enthusiastically to those who will one day guide this Nation.

Everyone who took part in planning the memorial to Signalman First Class Douglas Albert Munro deserves our sincere thanks for making sure that the lessons of history are not lost and that the values we cherish are preserved for all time.

HEALTHY CHOICE AMERICAN HEALTH WALK

HON. JAMES P. MORAN

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Mr. MORAN. Mr. Speaker, I rise today to call attention to a wonderful opportunity for my colleagues and their staff to do something good for both themselves and for America: to participate in the Healthy Choice American Health Walk on September 28, at noon. America's National campaign to fight heart disease will start in the Nation's Capitol with a walk on the National Mall involving thousands of our fellow government and congressional leaders, celebrities, Federal workers and others.

It is fitting to begin this event in our Nation's Capitol, because heart disease is a national problem. It is our Nations No. 1 killer and disabler, and it exacts a devastating emotional and financial toll each year. Of the 10 leading causes of death in our country, heart disease leads the list—and kills more of us each year than the next 9 causes combined. And the financial impact of heart disease and stroke accounts for about one-seventh of our Nation's entire health care bill.

Local American Heart Association chapters have organized more than 800 walks involving thousands of people in cities and towns from coast-to-coast in late September and early October. The steps that will be taken on The Mall today begin a national round of heart walks in which over 400,000 Americans will participate. In the next few weeks, this army of walkers will cover more than 1.2 million miles, and will raise more than $13 million for the American Heart Association.

With the heart walk, we can all—quite literally—take meaningful steps toward conquering this killer. And by participating in the heart walk we can advance our cause in two critical ways. We can help ourselves by taking steps toward a heart-smart lifestyle; and we can help others by raising funds to support the ongoing education and research efforts of the American Heart Association.

I urge my colleagues in the House to fit this into their schedules and to encourage their staff to participate as well.

TRIBUTE TO RAYMOND HU

HON. BILL BAKER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Mr. BAKER of California. Mr. Speaker, Raymond Hu is a very talented 18-year-old artist who happens to live in my district. Raymond currently is having his paintings displayed at an art gallery in Walnut Creek, CA. It is a one-artist show, an unusual achievement for one so young and is made all the more exceptional by the fact that Raymond has Down's syndrome.

This is not the first time Raymond has been recognized for his unique gift. In 1993 he took first place in "A Very Special Art Show," a contest sponsored by the Sacramento Association for the Retarded in which 1,000 artists from throughout California competed.

According to an article by Contra Costa Times writer Carol Fowler, "Animal Portraits by Raymond Hu" features portraits of cats, a lion, a frog, a baboon, and a bald eagle. Raymond has for 5 years been a student of traditional Chinese brush painter Lam-Po Leong, and has also exhibited at Creative Spirit Gallery in San Francisco, which is run by the Richmond, California Institute for Art and Disabilities.

Raymond's one-man exhibit runs through November 5, and it is my hope that many Contra Costans will visit the exhibit to enjoy Raymond's artistry. Raymond Hu is not only a talented artist, but a young man characterized by a love of animal wildlife and of many other good things. He looks forward to graduation from San Ramon Valley High next year, and is also a first-class Scout in the Boy Scouts.

His cheerful spirit, his commitment to his art and his desire to serve his community—he is a devoted volunteer at the special education classes at Rancho Romero school in Alamo, CA—make his a true gift to the whole East Bay region. I urge my colleagues to join me in honoring Raymond and his family and to thank them for reminding us that God-given ability, self-discipline, courage, and the joy of living make a powerful combination we can all emulate.

TRIBUTE TO JUDGE ROBERT O. YOUNG ON HIS RETIREMENT

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Mr. TORRES. Mr. Speaker, I rise today to pay tribute to Judge Robert O. Young. Judge Young retired on August 15, 1995, from the Citrus Municipal Court after more than 20 years of judicial service on behalf of the residents of the San Gabriel Valley.

Before beginning his professional career, Judge Young served in the U.S. Army as a member of the German Occupation Force during World War II. Soon after returning to the United States, he married Sylvia, his lovely wife of 46 years. They have two daughters and four grandchildren.

Judge Young received his bachelor of arts degree from Pepperdine College and his master of science degree from University of California at Los Angeles. In 1963, he graduated from the University of Southern California Law Center and was admitted to State Bar of California.

In addition to his contributions on the bench, Judge Young has for many years played an active role in the community, including serving as a councilmember and mayor of the city of West Covina, a trustee of Azusa Pacific University and as an active member and an elder in the Community Presbyterian Church of West Covina. Judge Young is also a past recipient of the Equal Justice Award presented by the NAACP San Gabriel Valley chapter.

Judge Robert Young's career shows that through hard work, determination and dedication one's goals can be achieved. His commitment to community service should be regarded on the highest level.

Mr. Speaker, I ask my colleagues to join me in saluting Judge Robert O. Young on his retirement from the Citrus Municipal Court.

THE CONTRACT WITH AMERICA

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Mr. PACKARD. Mr. Speaker, today marks the 1-year anniversary of perhaps one of the most ambitious contracts ever signed. One year ago today, more than 300 Republican candidates for Congress signed the Contract With America, which indicated their commitment to end business as usual in government and their desire to restore the bonds of trust between the American people and those who represent them in Washington.

One year later, the contract has been an unqualified success. Within the first 100 days of the 104th Congress, House Republicans brought to a vote all 10 of the items contained in the contract and passed all but one.

Mr. Speaker, I would like to take this opportunity to commend my Republican colleagues for a job well done. Since the signing of the contract, this Congress has worked harder than any other in recent history. We have done the job the American people sent us here to do—change the way government works and spends.

WILLIE EASON—1995 FLORIDA FOLK HERITAGE HONOREE

HON. C.W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Mr. YOUNG of Florida. Mr. Speaker, on Saturday, October 7, the 1995 Florida Folk Heritage Award will be presented to my constituent Willie Eason of St. Petersburg, FL, at a program at the Norwood Baptist Church. This award is presented by the Florida secretary of state to outstanding folk artists and advocates whose contributions have added to Florida's culture and heritage.

Born in Georgia in 1921, Willie Eason began playing his brother's steel guitar at an early age, and quickly distinguished himself as one who makes the guitar talk. Willie Eason used that talent to become not only one of the most influential steel guitarists in the House of God, a Holiness-Pentecostal Church, but also the one person who directly or indirectly influenced most of Florida's gospel steel guitarists.

Willie Eason's career includes recording several records, and he has participated in a countless number of concerts, benefits, and revivals. Although his personal life includes tragedy, personal pain, and sacrifice; Willie Eason is filled with faith, with courage, and above all with love.

While it is hard for Willie Eason to explain the impact his music has on those who sing with him or just claps their hands to the beat of his music, what is readily evident is that it comes from God. Even in retirement, Willie Eason serves as a model, his music an inspiration, and I salute him and the State of Florida for bestowing upon him the 1995 Florida Folk Heritage Award.

THE 100TH ANNIVERSARY OF THE SACRAMENTO METROPOLITAN CHAMBER OF COMMERCE

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Mr. MATSUI. Mr. Speaker, I rise today to celebrate the 100th anniversary of the Sacramento Metropolitan Chamber of Commerce.

On September 27, 1895 the city of Sacramento and State of California incorporated an organization called the Sacramento Chamber of Commerce. As the chamber grew in numbers, reach, area, and issues it subsequently changed its name to the Sacramento Metropolitan Chamber of Commerce to reflect its size as the largest business association in the area and its regionwide influence.

The goal of the Sacramento Metropolitan Chamber of Commerce through the last century has been to enhance the development and growth of the business community in California and the Sacramento region.

The Sacramento region has grown from an agriculture-based economy in 1895 to a highly diversified one that has a leadership role in the State and the Nation in high technology, entertainment, agriculture, trade, and more.

The Sacramento region is a growing economic force in California, the capital of the eighth largest economic power in the world and a developing partner within the Pacific rim.

Congratulations as the Sacramento Metropolitan Chamber of Commerce celebrates its centennial anniversary and recognizes 1995 as a year of reflecting on Sacramento's past and being part of the future.

DEMOCRACY'S DICHOTOMY IN SLOVAKIA

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Mr. SMITH of New Jersey. Mr. Speaker, I rise today to express my concern over recent events in Slovakia.

Since coming to office last winter, members of the current ruling coalition in that country have repeatedly sought to limit public discourse, control public debate, and quash public criticism of the government. They have portrayed those who disapprove of the government's policies as enemies of an independent Slovakia, and those who disagree with Prime Minister Meciar are depicted as "anti-Slovak." The media and the right of free expression have been special targets of the current regime.

A few weeks ago, I, along with the co-chairman of the Helsinki Commission, Senator ALFONSE D'AMATO, and the ranking Members, Representative STENY HOYER and Senator FRANK LAUTENBERG, sent a letter to Slovak Ambassador Lichardus to express our profound concern regarding this trend. Unfortunately, events since then raise even more questions about the authorities in Bratislava. I would like to mention three specific incidents to illustrate my point:

In late August, the office of Bishop Rudolf Balaz was subjected to an unannounced police search, allegedly in connection with purported illegal antiquities trading. This intrusion came, not coincidentally, after the Bishops Conference described Prime Minister Meciar's efforts to oust President Michal Kovac as destabilizing.

Shortly after that, the President's son, Michal Kovac, Jr. was kidnaped and literally dumped in Austria. Moreover, the investigator charged with looking into this case was removed from this inquiry after announcing that witnesses had been intimidated and there were possible links to the security forces.

Last week, Frantisek Miklosko, the deputy chair of the Christian Democratic Party—who had been in Washington just a few months ago—was beaten up by three thugs in front of his home.

Ironically, Mr. Speaker, as the ruling coalition continues to delay or even reverse the establishment of democratic institutions and market reforms in Slovakia, average Slovak citizens have shown an unprecedented degree of activism: tens of thousands of people have demonstrated in Bratislava this year, 100,000 have signed a petition calling for freedom of speech, and, after Bishop Balaz's office was searched, 3,000 clerics demonstrated to protest government intimidation of Catholic Church officials.

Mr. Speaker, as parliamentarians reconvene in Bratislava for the fall session and once again take up legislation that will define the pace and parameters of Slovakia's democratic transformation, they might do well to look at a chapter from recent Polish history: when 100,000 people—in a country of only 5 million—take to the streets to protest you policies, you should pay attention.

NOTING THE PASSING OF ELMER J. WHITING, JR., FIRST BLACK CPA IN OHIO

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Mr. STOKES. Mr. Speaker, I am saddened to report the recent death of Elmer J. Whiting, Jr., a respected member of the Cleveland community. Mr. Whiting passed away on September 15, 1995, at the age of 72. I join his colleagues, family, and friends in mourning the passing of this distinguished individual. I rise today to share with my colleagues some biographical information regarding Elmer J. Whiting.

Elmer Whiting, Jr., was a graduate of John Adams High School and Howard University. He received from Case Western University a masters degree in business administration, and later earned a law degree from Cleveland-Marshall School of Law. During his lifetime, Elmer Whiting, Jr., achieved a number of important firsts. He made history in 1950 when he became the first black certified public accountant in the State of Ohio.

In 1971, Elmer Whiting earned another first, by becoming the first African-American to be named a partner when he merged his practice with Ernst & Ernest. He was an individual who was admired by his colleagues throughout the Cleveland business community. During his career, he was elected to the presidency of the American Association of Attorneys-CPAS.

In addition to is professional career, Mr. Whiting maintained an outstanding record of service to civic organizations throughout the greater Cleveland area. He was the longest standing trustee and treasurer of the Eliza Bryant Center. Mr. Whiting also served on the boards of the Cleveland Playhouse, Karamu House, American Institute of Certified Public Accounts, and Blacks in Management, just to name a few.

Mr. Speaker, I first met Elmer J. Whiting, Jr., when we were both students at Cleveland Marshall Law School. He was 2 years behind me and attended classes with my brother, Carl. Elmer and I got to know one another and became good friends. He was an individual whom I greatly admired and respected. I recall that everyone was very proud of Elmer when he became the State's first black certified public accountant. I also recall that both Elmer and his wife, Carmel, were active in Carl's first campaign for mayor of Cleveland.

Shortly after coming to Congress, I had occasion to work with Elmer and the trustees at the Eliza Bryant Center. I supported their efforts to obtain additional funding to expand the facility. This facility was a real work of love for Elmer, and he devoted many hours to its operation.

Mr. Speaker, the passing of Elmer J. Whiting, Jr., brings to a close a life committed to serving others. Those of us who had the privilege of knowing Elmer will always remember him as a pioneer and champion. I take this opportunity to extend my deepest sympathy to Carmel. I also extend my sympathy to Elmer's sons, Elmer J. III; David; Steven; and other members of the Whiting family. We hope that they will find comfort in knowing that our prayers are with them during this difficult period, and that others share their loss.

THE RCRA

HON. SAXBY CHAMBLISS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Mr. CHAMBLISS. Mr. Speaker, on September 14, I introduced a bill to correct a problem which has caused great difficulty for industry in general, and the wood preserving industry in particular. Wood preserving is an important industry in my home State of Georgia, as well as in the home States of many of the bill's cosponsors.

Under current Federal regulations, many industries, including the wood preserving industry are required to report as generated hazardous wastes, large quantities of reused materials. These materials are never disposed, yet are considered wastes. This bill provides a balanced, reasonable, and fair solution by amending the statutory definition of solid waste—under the Resource, Conservation, and Recovery Act [RCRA]—to clearly exempt material that is maintained and reused within the manufacturing process.

RCRA was designed to encourage recycling and conservation. My bill would do this by reorganizing industry's extensive efforts to reuse materials. Any regulation promulgated under this act that discourages recycling should be eliminated.

Only materials that are discarded should be regulated as wastes. My bill exempts recycled material from the definition of solid waste. These materials would only be subject to the solid waste regulations, and thus the hazardous waste regulations, only if they are discarded. In the wood treating industry, materials not completely reused on site are either treated and discharged under stringent Clean Water Act standards, or are removed from the process and appropriately managed under RCRA. However, materials that are not intended for disposal, and do not become part of the waste disposal problem, should not be considered a hazardous waste.

The hazardous waste designation creates a two-fold problem. First, it presents an incorrect picture of the waste generation trend of manufacturers, such as wood preservers. In public documents, it appears as if small plants generate millions of gallons of hazardous waste when, in fact, the majority of the material is recycled and reused in the production process. Second, some States repeatedly tax the recycled preservative solution as hazardous waste each time it is reused, resulting in large tax liabilities that do not reflect the true generation of hazardous waste.

My bill would ease the administrative burden on wood preserving facilities in my district and around the country, on the EPA, and on the States. It would also recognize the extensive environmental recycling efforts of not only the wood preserving industry, but of all affected industries. I hope to have sufficient support to bring this legislation to the House floor under the Regulatory Corrections Day process.

OCTOBER 6 IS GERMAN-AMERICAN DAY

HON. MICHAEL PATRICK FLANAGAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Mr. FLANAGAN. Mr. Speaker, October 6 is German-American Day. Today, more than 57 million Americans trace at least part of their ancestry to Germany.

German-Americans have, since the arrival of the first German immigrants in Philadelphia, PA, on October 6, 1683, distinguished themselves by their loyalty to their new homeland and their contributions to the cultural and economic life of the United States of America. German-Americans have supported America's democratic principles and have dedicated themselves to the promotion of freedom for all people everywhere.

The German-American Friendship Garden in Washington, DC, stands as a symbol of friendly relations between the Federal Republic of Germany and the United States of America.

We in Congress call upon all citizens of the United States of America to acknowledge the services and contributions of our German-American citizens and to celebrate German-American Day on the 6th of October.

WORLD MARITIME DAY 1995

HON. BUD SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Mr. SHUSTER. Mr. Speaker, I rise today to inform my colleagues that World Maritime Day 1995 is being observed this week. The theme for this year's observance is "50th Anniversary of the United Nations: International Maritime Organization's Achievements and Challenges." The IMO was formed by an international convention in 1948, under the auspices of the United Nations, and today has 152 member States.

Since 1948, the IMO has worked to protect human life and the environment by promoting specific international programs focused on safety of life at sea and the prevention of pollution from ships. The U.S. Coast Guard, our country's representative at the IMO, has tirelessly worked through the IMO to bring international maritime safety and pollution laws up to our high standards. In order to honor the past successes of the IMO and better educate my colleagues about the continuing efforts of this international organization in promoting safety and environmental protection the high seas, I would like to submit the statement of Mr. William A. O'Neil, secretary-general of the International Maritime Organization, for the RECORD. Mr. O'Neil's remarks on this important occasion discuss past IMO programs and the current challenges it faces in continuing to save lives at sea and reduce marine environmental damages.

A MESSAGE FROM THE SECRETARY-GENERAL OF THE INTERNATIONAL MARITIME ORGANIZATION

(By Mr. William A. O'Neil)

Fifty years ago the United Nations was created. When people consider the United Nations today, most think only of the headquarters in New York or peacekeeping missions around the world. Very few people know that the UN indeed has another side.

This side, of course, consists of the specialized agencies of the UN system which deal with such matters as the development of telecommunications, the safety of aviation, the peaceful uses of nuclear energy, the improvements of education, the world's weather, and international shipping, the particular responsibility of the International Maritime Organization.

IMO was established by means of a convention which was adopted under the auspices of the United Nations in 1948 and today has 152 Member States. Its most important treaties cover more than 98% of world shipping.

IMO succeeded in winning the support of the maritime world by being pragmatic, effective and above all by concentrating on the technical issues related to safety at sea and the prevention of pollution from ships, topics that are of most concern to its Member States. IMO's priorities are often described in the slogan "safer shipping and cleaner oceans."

But today I do not want to focus on past successes. Instead I would like to talk to you about the future. Nobody can predict precisely what will happen in the shipping world during the next few years but there are indications that, from a safety point of view, we should be especially vigilant.

The difficult economic conditions of the last two decades have discouraged shipowners from ordering new tonnage and there is evidence that, in some cases, the maintenance of vessels has suffered. The combination of age and poor maintenance has obvious safety implications. Shipping as an industry is also undergoing great structural changes that have resulted in the fleets of the traditional flags declining in size while newer shipping nations have emerged.

IMO has no vested interest in what flag a ship flies or what country its crew members come from. But we are interested in the quality of the operation. We certainly can have no objection to shipowners saving money—unless those savings are made at the expense of safety or the environment. If that happens then we are very concerned indeed.

Until recently the indications were that IMO's efforts to improve safety and reduce pollution were paying off. The rate of serious casualties was falling and the amount of oil and other pollutants entering the sea was decreasing quite dramatically. But recently there has been a disturbing rise in accidents and our fear is that, if nothing is done, the progress we have diligently fought for over the last few decades will be lost. To avert this danger IMO has taken a number of actions.

We have set up a special sub-committee to improve the way IMO regulations are implemented by flag States.

We have encouraged the establishment of regional port State control arrangements so that all countries which have ratified IMO Conventions and have the right to inspect foreign ships to make sure that they meet IMO requirements can do this more effectively.

We have adopted a new mandatory International Safety Management Code to improve standards of management and especially to make sure that safety and environmental issues are never overlooked or ignored.

We have recently adopted amendments to the convention dealing with standards of training, certification and watchkeeping for seafarers. The Convention has been modernized and restructured, but most important of all, new provisions have been introduced which will help to make sure that the Convention is properly implemented.

When these and other measures are added together they make impressive package that should make a significant contribution to safety and pollution prevention in the years to come. But I think we need something more.

IMO's standards have been so widely adopted that they affect virtually every ship in the world. Therefore, in theory, the casualty and pollution rates of flag States should be roughly the same but in actual practice they vary enormously. That can only be because IMO regulations are put into effect differently from country to country. The measures I have just outlined will help to even out some of these differences, but they will only really succeed if everybody involved in shipping wants them to.

That sounds simple enough. Surely everybody is interested in safety and the prevention of pollution and will do what they can to promote them? To a certain degree perhaps they are—but the degree of commitment seems to vary considerably. The majority of shipowners accept their responsibilities and conduct their operations with integrity at the highest level.

Some others quite deliberately move their ships to different trading routes if Governments introduce stricter inspections and controls; they would rather risk losing the ship and those on board then to undertake and pay for the cost of carrying out the repairs they know to be necessary. Some Governments are also quite happy to take the fees for registering ships under their flag, but fail to ensure that safety and environmental standards are enforced.

The idea that a ship would willingly be sent to sea in an unsafe condition and pose a danger to its crew is difficult to believe and yet it does happen.

The reasons for this are partly historical. We have become so used to the risks involved in seafaring that we have come to see them as a cost that has to be paid, a price which is exacted for challenging the wrath of the oceans. We must change this attitude, this passive acceptance of the inevitability of disaster. When a ship sinks we should all feel a sense of loss and failure, because accidents are not inevitable—they can and should be prevented.

The actions taken by IMO during the last few years will undoubtedly help to improve safety and thereby save lives, but they will have an even more dramatic effect if they help to change the culture of all those engaged in shipping and make safety not just a vague aspiration but a part of every day living, so that it comes as second nature. This is a clear, precise target—a target that is within our grasp if we continue to put our minds and energies to the task.

Fifty years ago, when the United Nations was being planned, few people believed that there would ever be an effective international organization devoted to shipping safety. But, in the same spirit that led to the founding of the United Nations, IMO itself was born. The vision which led to this has been realized and seafarers of the world have benefitted as a result.

However, casualties still do occur and much remains to be done by IMO, by its Member Governments, by the shipping industry and by the seafarers who crew the world's ships—in fact, by all of us involved in shipping. The waters are not uncharted, the course is known, the destination is clear. It is up to us to conduct the voyage in such a way that our objective of maximum safety is in fact, realized.

TO HONOR THE TWENTIETH ANNIVERSARY OF THE BAYWOLF RESTAURANT

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Mr. DELLUMS. Mr. Speaker, I rise to acknowledge the 20th anniversary of the BayWolf Restaurant, a vital and vibrant part of our Oakland and East Bay community.

On any given night, a winemaker whose wine appears on the list, the artist whose painting hangs on the wall, the graphic artist who designed the menu, the fish purveyor who provided the evening's fish and the florist who arranged the flowers may all be dining in one of BayWolf Restaurant's two intimate dining rooms. Regulars and newcomers alike enjoy superb food, wine and a warmly inclusive atmosphere in the handsome wood frame house on Oakland's Piedmont Avenue. The creators of this scene are Michael Wild and Larry Goldman, childhood friends who, with Michael Phelps, opened BayWolf in 1975 as a means of making the shared values and passion for food of their community of artists, artisans, academics and hippies, a way of life.

Michael Wild was born in Paris, in 1940, to German and Russian Jewish refugees who relocated to Hollywood when he was 7 years old. Even amidst wartime scarcity, Wild remembers delicious food, and when presented with plenty, the family's food got much better. While much of America was reaching into the freezer, the Wild's special outings were to the San Fernando Valley in search of fresh eggs and produce from small farms for Sunday gatherings of Germans, Hungarians, and Russians. Good food was "The social glue for those Europeans," he recalls, "Food was the main event." When he met Goldman in 1953, there was instant affinity: his new friend carried a bag of oranges, real food, rather than candy as a snack.

During the sixties, Wild and Goldman reunited in San Francisco and roomed together in the Haight Ashbury District While Goldman dropped out of dental school in favor of teaching troubled teenagers and Wild taught world literature and English at San Francisco State University; their flat was the site for legendary, impromtu dinners shared by counter-culture friends. Wild was Chef, but everyone joined in the cooking and on weekdays the party moved to Napa to better take advantage of the local produce and wines. Members of this chosen family were discovering the satisfaction of doing something with their hands and the joy of doing it very well. Several dropped traditional careers to become craftsmen. Others continued academic careers, but, always, they cooked great food and drank well.

By 1974, both Wild and Goldman had grown tired of teaching and decided to open the ideal restaurant: a restaurant that would provide nourishment for the soul and intellect as well as the body. Friends and family would pitch in, friends' works would grace the walls, enhance the rooms and be the subject of discussion. Employees would be treated with respect. It would be a work of art and a business with heart. Thanks to ingenuity, hard work and luck, they were able to pull it off. After a long and plentiful Naming the Restaurant feast, Wild's beloved Beowulf, Oakland native Jack London's Seawolf, the Wolf Range (known as the Dragon of the kitchen) and San Francisco Bay metamorphosed into BayWolf.

They acted as their own carpenters, secured loans for kitchen equipment, and enjoyed the warm support of fellow pioneers. Wild recalls Alice Water's extraordinary generosity as she suggested suppliers, loaned and delivered equipment on a moment's notice, shared ideas and discoveries and provided luxuries. When he asked to borrow a truffle from the Chez Panisse kitchen for a special holiday dinner, he was presented with three, in Madera, in a wine glass, by then Chef Jeremiah Tower: "One for the customers, a second in case the first isn't enough and a third for you to enjoy when the evening's finished."

After 2 exhausting years turning out the seasonally based Mediterranean dishes that had been part of his repertoire for years, Wild returned to Paris in 1977. He had spent several years there as a student in the sixties, familiarizing himself with the markets and great little budget bistros. This time, his great uncle, a charming bon vivant and raconteur, treated the burgeoning chef to a tour of three star restaurants and the opportunity to observe friend Roger Verge's kitchen. It was a revelation. He returned to BayWolf with a new dedication and the conviction that a restaurant could provide the worthiest and most fulfilling of lives. At this point, the extraordinary personable Mark McLeod joined BayWolf as maitre d'—a position he still holds.

Wild pursued his wine education with the same passion he devotes to cooking and is renowned for his wine cellar and his wine and food pairing skills. California's best winemakers became his personal friends, just as fellow restaurants and artists had years before.

Today, Wild, Goldman and Phelps take immense satisfaction in the fact that 50 percent of their reservations are names they know well. They share hosting duties with McLeod and are in the restaurant daily. Wild collaborates on menus with chef Joe Nouhan, oversees the wine list and acts as BayWolf's ambassador to the food and wine world. Goldman oversees finances, works with designers and artists and is transported when everything works perfectly. Both are relaxed and happy when in the restaurant and say they genuinely enjoy coming to work. Seeing them in their restaurant one believes their proclamation that they can't imagine a more satisfying way of life.

CHRIS ECKL RETIRING FROM TVA

HON. TOM BEVILL

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Mr. BEVILL. Mr. Speaker, I rise today to pay tribute to Chris Eckl who is retiring this week from the Tennessee Valley Authority. Chris' retirement marks 23 years of dedicated service to the people of the Tennessee Valley, including many of my constituents in Alabama.

Chris is a native of Florence, AL, and worked as a reporter for the Florence Times and the Associated Press after graduating from the University of Notre Dame. He started his career with TVA as the Nuclear Information Officer and came to TVA's Washington office in 1977. Since that time, Chris has been a chief spokesman for TVA's appropriated programs, which include flood control, navigation, and stewardship of the Tennessee River, as well as the economic development programs, the Environmental Research Center and Land Between the Lakes.

I have enjoyed working with Chris over the years and I appreciate his insight, wise counsel and advice.

Chris has been a loyal servant to TVA. His service, knowledge and enthusiasm will be greatly missed at TVA and on Capitol Hill. I wish him all the best in his future endeavors.

TRIBUTE TO ELDON J. THOMPSON

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Mr. LEVIN. Mr. Speaker, on Tuesday, October 10, Eldon J. Thompson will be presented the 1995 Troy Distinguished Citizen Award by Leadership Troy of Troy, MI.

Through his professional career and civic work, Mr. Thompson has exhibited an enduring commitment to ensuring that the city of Troy continues as an exceptional place to live, work and raise families. Despite facing extraordinary challenges as president of SOC Credit Union, Mr. Thompson has generously shared his time and talents with the community.

He serves on the Troy Planning Commission and the Troy Downtown Development Authority. He is actively involved with Troy's younger generations; Mr. Thompson serves as director of the Boys and Girls Club of Troy. His interest in the economic vitality of his community is exemplified by his service as a board member of the Troy Chamber of Commerce, the Troy Futures Economic Vitality Task Force, on which he serves as co-chair, and the Oakland County Business Roundtable.

His innovative leadership techniques, his many talents, and his tireless efforts on behalf of Troy make Eldon Thompson an outstanding choice for this prestigious award. I commend him on his success, and express my appreciation for his commitment to our community.

REPUBLIC OF CHINA NATIONAL DAY

HON. SOLOMON P. ORTIZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Mr. ORTIZ. Mr. Speaker, I encourage the Members of the House of Representatives to join me in extending my best wishes and congratulations to the people of the Republic of China, Government of Taiwan, on the occasion of their forthcoming National Day.

As the world knows, the Republic of China on Taiwan is a genuine democracy and its people enjoy one of the highest standards of living in the world. As one of our largest trading partners and friends in the Far East, it is my belief that the Republic of China on Taiwan deserves much greater international recognition.

In the meantime, I wish to express my concern about reports of the U.S. involvement in the dispute between the Republic of China on Taiwan and the People's Republic of China. It is my belief that the United States should stay out of Taiwan's final reunification with the Chinese mainland. The Chinese people should be left to solve this issue, through peaceful means, by themselves.

Meanwhile, best of luck to President Lee Teng-hui and Foreign Minister Frederick Chien of the Republic of China on Taiwan. I am sure they will be able to meet all the challenges that lie ahead.

TRIBUTE TO MAYOR TONY INTINTOLI

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Mr. MILLER of California. Mr. Speaker, I rise today to pay tribute to the Honorable Anthony J. Intintoli, Jr., mayor of the city of Vallejo, CA. On December 5, 1995, Mayor Intintoli will have completed 8 years of public service as mayor of the city of Vallejo.

I have had the good fortune of representing the cities of Vallejo and Benicia in the Seventh Congressional District since 1993, which was when I met Tony Intintoli. Right after I started representing Vallejo, the Base Realignment and Conversion Commission put the Mare Island Naval Shipyard on the closure list, which was a major economic blow to our community as Mare Island Naval Shipyard has been the cornerstone of the Vallejo community for 147 years. On the heels of this devastating news of closure in 1996, Mayor Intintoli immediately put together a team of community, political, and military leaders which very forcefully and eloquently fought the closure. When that effort did not succeed, the mayor immediately transformed the focus of the group to future conversion of the base. He skillfully brought together the community to adopt a closure plan in record time, and convinced the city council to hire the Urban Land Institute to provide a future blueprint for the city. Vallejo was the first base-closure community to address the myriad of social impacts from a closure and has just completed a "Blueprint for Action—A Community Responds to the Closure of Mare Island Naval Shipyard".

Mayor Intintoli has effectively lobbied State and Federal legislators for conversion assistance, and has worked tirelessly with the Department of Defense to obtain the most favorable lease conditions for the city and the shipyard. The city has been successful in bringing the first civilian tenants to Mare Island—before closure—and providing the first jobs that will lead to the economic revitalization of Vallejo and the region.

During his tenure as mayor, the doors of the Vallejo City Hall were always open and residents felt they were part of the process. The makeup of city commissions became more balanced and reflective of the diverse ethnic makeup of the entire community. Mayor Intintoli improved the dialog between city hall and neighborhood organizations and focused on community concerns. His style of leadership was to work with and build consensus with constituents and his colleagues on the council.

During his two terms as mayor from 1987–95, the city focused on substance abuse prevention and was awarded a $3.2 million grant from the Robert Woods Johnson Foundation to implement a comprehensive program to address the issue. This was the first time representatives from the entire city worked in a collaborative effort to address a problem that affects every individual and family. The Fighting Back Program has received numerous awards for its innovative efforts which can be credited to Mayor Intintoli's support and encouragement.

I am proud to call Mayor Tony Intintoli my friend and wish him all the best in his early retirement. I know this is the start of a beautiful friendship.

CARING BY DOING

HON. JAMES A. BARCIA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Mr. BARCIA. Mr. Speaker, there are times in life when people need the help of others in order to deal with problems that have a great impact on their lives. Insight Recovery Center of Flint, MI, has for 50 years provided vital and successful substance abuse and mental health treatment services to people suffering from alcoholism, drug abuse, and mental health problems.

This Friday, Insight Recovery Center will begin celebrating its thirtieth anniversary with a number of community leaders who all share Insight's goal of trying to provide necessary help for needy people, especially at a time when government resources are scarce.

The event in Flint will highlight the wonderful work done by 225 people for an organization that over its history has helped more than 100,000 people.

The work that has been done to help people with alcohol problems, including a joint program started in the 1970s with the Michigan Secretary of State, and other cooperative efforts involving General Motors and the UAW, have been most important. The growing concerns about substance abuse over the years resulted in Insight's construction of the first residential substance abuse treatment facility in Michigan that was not part of a hospital.

This wonderful program has operated without Government funds, except for some resources provided to Community Recovery services, a separate facility for the indigent. It has raised funds from a variety of sources, including fees for services, insurance proceeds, and from the profits of Axxon, a computer company it owns.

We need, Mr. Speaker, to appreciate the fact that a variety of resources and innovative solutions are needed to deal with the problems that many people face. Programs like Insight have made a mark, and established a reputation for truly caring for people at difficult times. I urge you and all of our colleagues to join me in wishing the men and women of Insight Recovery Center the very best on their thirtieth anniversary.

275th ANNIVERSARY OF THE INCORPORATION OF THE TOWN OF BOLTON

HON. BARBARA B. KENNELLY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Mrs. KENNELLY. Mr. Speaker, I would like to recognize a milestone in the First Congressional District of Connecticut: the 275th anniversary of the incorporation of the town of Bolton.

Bolton was originally fertile hunting ground for the Podunk Indians. European settlers from Bolton in Lancashire, England were some of the earliest residents of Bolton, CT.

On October 9, 1720, residents petitioned the general court of Connecticut requesting town privileges. The men involved in this landmark event included Cullott Olcott, John Bissell, Stephen Bishop, Abiel Shaylor, Timothy Olcott, Joseph Pomerory, Nathanial Allis, Edward Rose, John Clark, Charles Loomis, Samuel Bump, Daniel Dartt, John Church, Thomas Marshall and Samuel Raymond. Bolton then became one of the oldest towns in Connecticut.

During a town meeting in 1721, attendees voted to construct a meeting house, which established the foundation upon which the town of Bolton was built. On May 27, 1723, Jonathan Edwards was invited to serve as the first minister of Bolton. The Reverend Edwards accepted this position, then moved on to serve as a tutor at Yale, becoming one of the most celebrated writers and speakers of Colonial America. In 1725, Rev. Thomas White became Bolton's minister.

In 1774, the residents of Bolton continued to affirm their loyalty to the King of England while simultaneously voting at town meetings to cooperate with other colonies in defending the liberties of British America. Bolton residents also voted to offer relief to Boston residents who were suffering from the harsh measures of the British Parliament. Finally, the people of Bolton agreed to create a committee of correspondence. The members of the committee included Thomas Pitkin, Esq., Ichabod Warner, Isaac Fellows, Samuel Carver, Jr., and Benjamin Talcott.

Today, Bolton is a thriving Connecticut town that has retained much of its historic character. The residents of Bolton are proud of the rural beauty with its rolling pastureland, its unspoiled town center and its historic homes. Above all, the residents cherish the intangible virtues of Bolton: the school system that emphasizes individual instruction, the hard-working residents who contribute so much to the community, and the direct democracy of the town meeting form of government first adopted in 1720.

Mr. Speaker, I am honored to celebrate the 275th anniversary of the incorporation of the town of Bolton, CT. I know they will continue their proud tradition on into the next century.

INTRODUCTION OF H.R. 2735, THE FEDERAL EMPLOYEE BASE CLOSURE RETIREMENT ACT

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Mr. LANTOS. Mr. Speaker, the House voted recently to approve the Defense Base Closure and Realignment Commission's recommendations to close additional military bases in California with strong opposition from many in the California Congressional Delegation. We opposed the Commission's recommendations on national security grounds and because the economic impact—particularly on California—will be enormous.

We opposed the Commission's recommendations because we have very serious concerns about the effect of base closures on California's economy—particularly since our State has sustained a disproportionate number of job losses stemming from previous rounds of military base closures. Although there are no military bases slated for closure in my congressional district, I oppose the closures out of concern for the citizens of California who are being asked to bear a disproportionate burden of military downsizing.

Mr. Speaker, I would like to address an issue which I do not believe has received enough attention by the Congress. I am concerned that in the rush to close military bases we are forgetting about the impact of these decisions on the civilian employees who have dedicated their lives and their careers to strengthening and maintaining our Nation's defense. I am concerned about the impact of base closures on thousands of families of Federal workers who will lose their jobs as a result of downsizing. We must ensure that these employees receive job training and assistance in finding new jobs in the private sector.

We must also ensure that when we require employees to retire early we treat these employees in a fair and equitable manner. I am particularly concerned about the fairness of forcing workers to retire early because of a base closure. Many of these workers will stand to lose substantial pension benefits through no fault of their own.

Mr. Speaker, we must look for ways to help soften the blow to families who will be adversely affected by military base closures. H.R. 2735, would ease some of the pain for Federal employees who are forced to retire early because of a base closure. My legislation would change language in existing law that penalizes Federal workers who are forced to retire involuntarily. As you know, current law requires that a Federal employee who retires early loses a considerable amount of his or her retirement earnings for each year he or she is under the age of 55. My legislation would reduce the penalty by one-half of an employee is forced to retire early because of a base closure.

I urge my colleagues not to forget the thousands of Federal workers who have dedicated their lives and careers to Government service. I urge you to support this important legislation.

BICENTENNIAL OF RANDOLPH COUNTY, IL

HON. JERRY F. COSTELLO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Mr. COSTELLO. Mr. Speaker, I rise today to recognize the bicentennial anniversary of Randolph County, IL; 200 years ago, on October 5, 1795, Gen. Arthur St. Clair, the Governor of the Northwest Territory, proclaimed the southwestern one-third of present day Illinois as Randolph County, with Kaskaskia as the county seat.

Randolph County, IL is recognized as the oldest organized government west of the Allegheny Mountains. The county has sent forth numerous legislators and leaders to serve in the early days of both the State of Illinois and the U.S. Government.

Its rich history also reflects a strong French influence. The two oldest French forts in the United States are located within Randolph County. Fort Kaskaskia and Fort de Chartres both overlook the Mississippi River and the city of Kaskaskia. In addition, the Liberty Bell of the West, cast in France in 1741, is located on Kaskaskia Island.

I ask my colleagues to join me in acknowledging Randolph County and celebrating its historic heritage on the event of its 200th anniversary.

MS. MARY ELLEN HEISING HONORED FOR FEEDING THE HUNGRY

HON. ZOE LOFGREN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Ms. LOFGREN. Mr. Speaker, I rise today to recognize and honor Mary Ellen Heising, a woman who, for 20 years, has led the charge to end hunger in Santa Clara County, CA and across our Nation.

Ms. Heising joined the Food Bank of Santa Clara County in 1975, engineered a merger with the Food Bank of San Mateo County and has served as Executive Director of the resulting Second Harvest Food Bank of Santa Clara and San Mateo counties for the past 17 years. Today, Second Harvest is the seventh largest food bank in the Nation and helps feed as many as 183,000 people every month in Santa Clara and San Mateo counties. It is arguably one of the most successful non-profit agencies around and deservedly received the nationwide Excellence in Food Banking Award as Food Bank of the Year in 1994.

Under Ms. Heising's skillful leadership, Second Harvest Food Bank runs some of the most innovative and effective programs to aid those in need. Ms. Heising began Operation Brown Bag, which provides a weekly bag of groceries to some 10,000 low-income seniors. It is the Nation's largest private supplemental food program. The Food Bank operates the Nation's biggest canned food drive too—involving 1,200 companies, 150 schools and thousands of individuals.

Those who know Mary Ellen Heising know that it is her spirit and dogged commitment to the welfare of our entire community that have made the Second Harvest Food Bank a success. She has helped thousands maintain health and dignity.

Mr. Speaker, this week at a luncheon in San Jose, CA, Ms. Heising is being honored by colleagues and friends for her intelligent and passionate leadership. I would like to invite my colleagues in the House of Representatives to join with me in expressing gratitude and appreciation to Mary Ellen Heising for her efforts.

IN HONOR OF THE CATHEDRAL OF THE PINES 50TH ANNIVERSARY

HON. CHARLES F. BASS

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Mr. BASS. Mr. Speaker, I rise today to commemorate the Cathedral of the Pines in Rindge, NH on its 50th anniversary.

This beautiful site is located on 450 acres of land in the southern part of my congressional district offering an incredible view of Mount Monadnock in the distance.

The Cathedral of the Pines was founded in 1945 by Dr. and Mrs. Douglas Sloane, in honor of their son, Lt. Sanderson Sloane. Lieutenant Sloane died in the service of his country in World War II. To commemorate his life, Dr. and Mrs. Sloane donated the land for a memorial that was erected in his honor and in honor of all who served their country.

The nondenominational Cathedral of the Pines sits atop the site where Lt. Sanderson Sloane had planned to build a home after the end of the war. Today, 50 years later, over 100,000 people a year visit this beautiful site to admire and experience the beauty, the calm, the splendor, and the grace of this wondrous site.

I was honored to participate in a recent ceremony commemorating the golden anniversary of the Cathedral of the Pines. This event featured the participation of 70 members of Lt. Sanderson Sloane's old unit, the 379th Bombardment Group. It was an event I will not soon forget.

Mr. Speaker, I ask all of my colleagues to join me in paying tribute to the memory of Lieutenant Sloane and the wonderful legacy of his memory, known to us today as the Cathedral of the Pines.

A TRIBUTE TO RETIRING POLICE OFFICER AND DETECTIVE, MR. CHARLES MEIER

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Mr. SCHUMER. Mr. Speaker, I rise today to salute and pay tribute to an extraordinary leader, Detective Charles Meier, who has worked tirelessly to improve the quality of life for all New Yorkers throughout his tenure as a police officer. While growing up in Marine Park, Brooklyn, Mr. Meier quickly learned the rules of his neighborhood streets well enough to understand the undertones of issues facing his community.

Once joining the 79th precinct of the New York City Police Department, Charlie solidified his commitment to fighting crime, resulting in a long and honorable career. He patrolled his beat on foot and by scooter for over 9 years. After showing unwavering devotion to law enforcement, Charlie was selected to work as an Aerial Observer in the aviation unit. He soon came back to the force and worked at the 67th precinct and then to the 63d and stayed for over 11 years. Charlie's work was regarded so highly, that he was awarded the esteemed position of Detective Specialist for the New York City Police Department.

Few New Yorkers have contributed to the quality of life in New York as much as Charlie. Upon his retirement this year, Charlie will be lauded for his achievements as a dedicated law enforcement official in one of the most challenging cities in America for law enforcement. On behalf of the law enforcement community across the Nation, I applaud Mr. Meier for remaining on the force 32 years. He serves as a role model to us all. May God wish him well upon his retirement.

THE AMERICAN PROMISE

HON. SAM GEJDENSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Mr. GEJDENSON. Mr. Speaker, what is the American promise? It is as diverse as Americans themselves. Each of us defines it in our own way, based on our own experiences. Some call it freedom; some call it individual rights; some believe it's passing on a legacy to their community.

The upcoming PBS special, the American Promise, seeks to remind us of these commitments, to help us remember what made America great, to give our children a better understanding of American democracy in action. During the 3-hour program, stories of community spirit and involvement come to life, through real life stories currently being played out and through reenactments of significant events in American history.

One of these recreations describes how a French aristocrat, Alexis de Tocqueville, first viewed our infant democracy in 1831. De Tocqueville was one of the first Europeans to recognize how different America was from other democratic republics. The series' producers went to Mystic, CT, in my district, to recreate the scene of de Tocqueville marvelling at the busy seaport. Noting the clipper ships in port and the energy and enterprise of their crews, de Tocqueville determined that in a free country, all is activity and bustle, and that such energy in the conduct of commerce typifies our democracy.

America's rush to prosper financially was reflected in other areas of life as well; in the whirlwind of American grassroots politics and the restless activity and energy of civil society. Americans were constantly involved in all facets of public life. According to de Tocqueville, Americans deprived of such involvement and reduced to occupying themselves only with their own affairs would become incredibly unhappy. He believed that no country could work harder to be fulfilled.

This attitude, de Tocqueville claimed, was a direct result of the nature of American freedom. Freedom's achievement must be to forge common bonds, a common purpose. We must learn what de Tocqueville called the habits of the democratic heart, the balance between individual concerns and collective thought and action.

The American Promise, which airs October 1, 2, and 3, shows us that the nature of American freedom has not changed very much over the years. We may have to look harder for it because stories of carving a carousel as a community project and channeling graffiti artists into painting murals that celebrate the community do not often make front page news. The promise is still alive but must be nurtured in each individual and in every community.

I applaud PBS and the series underwriters, the Farmers Insurance Group of Companies, for bringing the American Promise to television. This partnership reflects de Tocqueville's theory of public spirit in America, where individuals are as interested in the public good as well as their own, and where each person takes an active part in the government of society.

THE WRONG MESSAGE TO PAKISTAN

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Mr. PALLONE. Mr. Speaker, last week the other body, the Senate, approved a provision to the fiscal year 1996 Foreign Operations Appropriations bill that would permit the transfer to military equipment to the Government of Pakistan. This provision was not included in the House version of the bill, and it is my strong belief that the conferees should not adopt this provision in the conference report.

The provision adopted last week, if enacted into law, amounts to a waiver of the Pressler amendment, named for the Senator who sponsored this provision which became law 10 years ago. This law prohibits U.S. military aid to Pakistan if the President cannot certify that Pakistan does not possess a nuclear explosive device. President Bush invoked the law in 1990 when it became abundantly clear that Pakistan was not in compliance with this provision of American law. Nothing has changed in the last 5 years. Indeed, supporters of this provision do not claim that Pakistan is now in compliance with U.S. conditions. Their argument, rather, seems to be that we should provide the arms in spite of Pakistan's flouting of the U.S. conditions.

Mr. Speaker, this arms transfer would have the effect of undermining the ongoing commitment of the United States to nuclear nonproliferation. It would also heighten regional instability in South Asia. And it would send the message that countries that disregard clearly stated U.S. conditions for aid can simply ignore those conditions and ultimately be rewarded.

Mr. Speaker, The New York Times on Saturday, September 21, 1995, published the following editorial, which very concisely sums up why this arms package should not be adopted as part of the fiscal year 1996 Foreign Operations Appropriations bill.

The Wrong Message to Pakistan

> In an unfortunate reversal, the Senate voted on Thursday to lift some of the military sanctions that were imposed on Pakistan five years ago. Pakistan has made no concessions to American requests that it cap its secret nuclear weapons program, and until it does so, and allows verification, it should not be the beneficiary of American military aid or be allowed to buy American military hardware.
>
> South Asia has long been considered one of the most dangerous regions in the world for nuclear proliferation. India has tested a nuclear bomb and Pakistan wants to match its capability.
>
> The Clinton Administration has concluded that Pakistan's secular, relatively democratic government should be supported. That is fair enough. But the way to do so is not with the military assistance program advanced by the White House and approved by the Senate. It would allow delivery of $368 million in military equipment to the Government of Prime Minister Benazir Bhutto.

Relations between Washington and Islamabad have been tense since 1990 after Pakistan violated its promises and began stockpiling nuclear materials and the United States refused to deliver 28 F-16A fighter planes that Pakistan paid for in 1988. That decision was part of a ban on military assistance to Pakistan imposed to discourage its development of nuclear weapons. The Senate would now allow reimbursement to Pakistan for the planes, which is a reasonable compromise. But the loosening of sanctions should have stopped there.

To resume military aid to a country that is secretly developing nuclear weapons and defying American nonproliferation policy makes no sense. American intelligence agencies have concluded that Pakistan possesses M-11 missiles acquired from China that can carry nuclear warheads.

The Clinton Administration could have improved relations with Pakistan by simply removing the barriers to economic aid. A poor country, Pakistan already directs too many of its resources towards the military, at the expense of its citizens.

The Senate measure was passed as part of the foreign aid bill. No similar provision exists in the House version. The House should not accept the Senate measure when it comes time to reconcile the bills. The United States should not be contributing to an arms race on the subcontinent.

ANOTHER ATTACK ON ANTIDISCRIMINATION PROGRAMS

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Mr. CLAY. Mr. Speaker, the fight for fair housing is far from over. But tragically, those Americans who suffer the indignities of housing discrimination are about to become the victims of an unnecessary bureaucratic nightmare. The legislation moving all fair-housing enforcement from the Department of Housing and Urban Development to the Department of Justice is a travesty of justice.

When will the leadership of this Congress halt its attack on programs enacted to end discrimination against blacks and Latinos?

I would like to share with my colleagues a timely editorial which appeared yesterday's St. Louis Post Dispatch.

HUD MAY LOSE FAIR-HOUSING FUNCTIONS

The Senate may take up as early as today a proposal to give the Justice Department fair-housing enforcement responsibilities that it doesn't want and shouldn't be required to accept.

Up to now, the Department of Housing and Urban Development has been the lead agency in enforcing this section, known as Title VIII, of the Civil Rights Act. HUD is charged with investigating fair-housing complaints and seeking voluntary conciliation in each case. The idea is to settle disputes before they reach litigation and work with the housing industry for voluntary compliance with the law.

The HUD appropriations bill in the Senate includes a rider to shift all fair-housing enforcement to the Justice Department. Assistant Attorney General Andrew Fois has urged the Senate to reject this change, and he is right.

He notes that his department is being asked to undertake a new function for which it is ill equipped. The new responsibilities would require the agency to set up a bureaucracy to handle the nearly 10,000 fair-housing complaints filed annually. Moreover, Mr. Fois notes that these changes would take time and might harm victims of housing discrimination.

The bill also would prevent HUD from addressing insurances red-lining, a problem that the agency has pursued as part of its fair-housing responsibilities. The Senate bill says that, at the end of this month, HUD would be barred from continuing settlement negotiations in current fair-housing and insurance red-lining cases.

HUD Secretary Henry Cisneros argues that both housing bias and red-lining are major problems in urban areas. He cited HUD's role in housing-bias cases in Missouri, Mississippi and California in trying to bolster his argument for keeping fair-housing functions under HUD's umbrella.

Typically, Senate Republicans held no hearings or made no analysis before voting in the Appropriations Committee earlier this month to strip HUD of its fair-housing responsibilities. The GOP-controlled Senate may well ignore Mr. Cisneros' advice even though these riders would do unnecessary harm to victims of housing bias and insurance red-lining.

TWENTY-FIFTH ANNIVERSARY FOR VOCA

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Mr. BEREUTER. Mr. Speaker, today, this Member would like to recognize the 25th anniversary of Volunteers in Overseas Cooperative Assistance, known as VOCA. Since 1970, VOCA has been indispensable in promoting sustainable development throughout the world by harnessing the American spirit of volunteerism to teach people in developing countries how to help themselves. Thousands of VOCA volunteers, including agricultural, commercial, and environmental experts, have donated their time and expertise in 112 countries in the last 25 years. These volunteers, from this Member's congressional district and many others, are in Washington this week to take part in their organizations' 25th anniversary "Celebration of International Cooperation."

VOCA's ambassadors of good will represent a growing cadre of Americans who have participated in a small, but powerful program to provide technical assistance to the developing world and emerging democracies. In 1985, this Member led the congressional effort to authorize the Farmer-to-Farmer Program, and in 1986, it began as a pilot project focusing on development efforts in Latin American and the Caribbean. Because of its early success, the Farmer-to-Farmer Program, still modestly funded, has since mushroomed into a program of global dimensions that is also now a major component of United States assistance to the struggling republics of the former Soviet Union.

At a time when our taxpayer dollars are scarce and our foreign assistance programs are under increasing scrutiny, VOCA and the Farmer-to-Farmer Program represent a cost-effective and efficient delivery mechanism for important U.S. aid. The Farmer-to-Farmer Program is simple in design and execution and it avoids Government red tape by contracting the administration to VOCA and similar organizations. Federal funding goes a long way because administrative costs are limited to volunteers' travel expenses, food, and lodging. Therefore, while U.S. foreign assistance efforts generally remain controversial, the Farmer-to-Farmer Program and VOCA's volunteers have demonstrated that U.S. foreign aid can achieve enormous successes and build international good will with a relatively small investment of taxpayer dollars.

Usually volunteers are encouraged to live with host families—not just to cut costs—but as another means of building friendship bonds and maximizing the likelihood of success. The short-term nature of the assignment has also encouraged the volunteers to begin work immediately and maximize every day until the job is done. But for VOCA volunteers, the work never seems to be done. Often these outstanding individuals return from their assignments and continue to assist their overseas clients at their own expense.

VOCA volunteers have come from every sector of the farming and food community: cattlemen, ranchers, dairy farmers, vegetable and fruit growers, peanut farmers, canners and food processors, beekeepers, and agricultural cooperative representatives. Some are active farmers at the time they volunteer for the program; others are retired from farm or land grant universities, eager to share a lifetime of experience with their counterparts in host countries.

VOCA volunteers inject a spirit of private enterprise into the farming community. By suing personal initiative and individual responsibility, volunteers support private enterprise activity as opposed to government activity. They encourage farmers to assume responsibility for their own operations, rather than depending on Government support or control. Oftentimes, too, involvement of the local people in a farmer cooperative is their first and crucial experience in participatory democracy.

Quite amazingly, small or simple suggestions by VOCA volunteers often achieve significant results in lesser developed countries. For example, the late John Tesar of Bellevue, NE, went to Honduras in 1988 to help the El Marranito Company—The Little Pig—improve its processing techniques and help them introduce new products into the local market. Within a few weeks of his arrival, the company had reduced its spoilage losses by 100 percent. How? Tesar discovered that the fans on the back walls of the plant were clogged with grease, thus cutting cooling efficiency and causing pork fat to become rancid almost immediately. A simple recommendation to clean the fans solved the temperature problems.

The generosity of VOCA volunteers helps both their overseas clients and the United States. It isn't accidental that some of our largest customers for U.S. agricultural commodities are former benefactors of this program. For example, the California raisin industry now sells $500,000 of raisin concentrate each year to Uruguay because a VOCA volunteer provided information to a United States business colleague on marketing opportunities.

Over the years, this Member has spoken to many returning volunteers. Their stories are more than heart-warming and inspiring. They reinforce this Member's belief that the strength of our American democratic and economic system can best be demonstrated through positive contacts between individual American citizens and our foreign neighbors. VOCA and the Farmer-to-Farmer Program give people around the world an opportunity to meet and work side by side with ordinary Americans who are generously putting their special talents and experience to work helping them in their struggle to survive, prosper, and escape oppression.

Since 1985, VOCA has implemented more than 1,200 Farmer-to-Farmer Program assignments. As the author of that original legislation, this Member strongly supports that successful partnership and will try to ensure that it continues. Congress certainly appreciates the enormous efforts of the VOCA volunteers and staff who have given many Members a reason to say they support this country's efforts to help those less fortunate throughout the world.

CONTRIBUTIONS OF DR. DEBOW FREED AND OHIO NORTHERN UNIVERSITY

HON. MICHAEL G. OXLEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Mr. OXLEY. Mr. Speaker, I would like to take this opportunity to highlight the great work being done at Ohio Northern University by both the staff and students which has recently won the school an outstanding rating as one of the premier institutions in the Midwest. Ohio Northern was ranked fourth in the Midwest by U.S. News & World Report in its ninth annual "America's Best Colleges." This has been the second straight year Ohio Northern has been ranked fourth in the Midwest. The ranking includes 144 similar institutions in 12 States. Institutions are evaluated through various statistical measures with a survey of academic reputation by 2,700 college presidents, deans and admissions directors. Data measure student selectivity, faculty resources, financial resources, retention rate and alumni satisfaction. Ohio Northern continues to have a talented student body, capable faculty, strong academic programs, and high standards. For example, 1 out of 10 ONU students is a high school valedictorian. This year, 262 valedictorians are enrolled at the university. Incredibly, it should not be overlooked that ONU has been operating with a balanced budget for more than 30 consecutive years. For these reasons and numerous others not mentioned, I would like to extend my congratulations and best wishes to this fine institution which really is an asset to the people and State of Ohio.

THE FOREST BIODIVERSITY AND CLEARCUTTING PROHIBITION ACT OF 1995

HON. JOHN BRYANT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Mr. BRYANT of Texas. Mr. Speaker, with my colleague Christopher Shays, I am reintroducing today the Forest Biodiversity and Clearcutting Prohibition Act of 1995.

For years I have sought to protect native forest biodiversity by ending clearcutting and other forms of even-age logging and allowing only selection management of federal lands that are logged. This is the moderate approach toward forest protection. It does not reduce timber production.

This year's legislative agenda, particularly the timber salvage rider, makes this forest management approach all the more appropriate and necessary.

Forests are under assault from expanded salvage logging and the weakening of environmental protections. The Forest Biodiversity Act we are introducing is a moderate reform that allows logging while avoiding the wasteful destruction of forest resources.

Most Americans who are aware of them are appalled by clearcuts. But many of our citizens have the same misconception that I once did—that federally owned forests are protected from such devastation. They don't realize that the U.S. Forest Service and other agencies do not stand watch to protect our publicly owned forests, but are timber brokers. These agencies arrange for the cutting of timber and its sale—often below the cost to U.S. tax payers and they are using even-age variants of clearcutting—such as seedtree, shelterwood, and heavy salvage—as the predominant logging practices in Federal forests. Most people don't know that these Government agencies then bulldoze and replant, resulting in even-age timber plantations of only one species or two.

If current plans are followed, the remaining diversity in the 60 million acres available for commercial logging on Federal land will be eliminated and each of those acres transformed into timber plantation within the next 15 to 20 years.

The Forest Service and other agencies are using even-age logging in spite of substantial evidence that selection management—cutting individual trees, leaving the canopy and undergrowth relatively undisturbed—is more cost-efficient and has a higher benefit-cost ratio.

Selection logging is more labor intensive, creating more jobs for timber workers, but it avoids the high up-front costs of site preparation and planting. The result is productive logging operation without the elimination of native biodiversity diversity in the forest, without the indiscriminate mowing down of huge stands of trees, leaving only shrubs and bare ground.

The Forest Biodiversity and Clearcutting Prohibition Act would ban clearcutting in its various forms. It would require that Federal land managers maintain the native mixture of tree species, would create a Committee of Scientists to provide independent scientific advice to Federal agencies regarding logging, and would ban logging in roadless areas, in order to save them intact so Congress may decide their permanent status.

My proposal is aimed at protecting the diversity of our nation's forests, and the habitats they provide to wildlife, while demanding sound, proven forest management activities. Mr. SHAYS and I invite every Member to joint us in seeking this badly-needed reform.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, September 28, 1995, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

SEPTEMBER 29

9:30 a.m.

Select on Intelligence

To hold closed hearings on intelligence matters.

SH-219

10:00 a.m.

Armed Services

To hold hearings on the nomination of John Wade Douglass, of Virginia, to be Assistant Secretary of the Navy for Research, Development and Acquisition.

SR-222

Banking, Housing, and Urban Affairs

To hold hearings on the nominations of Dwight P. Robinson, of Michigan, to be Deputy Secretary, John A. Knubel, of Maryland, to be Chief Financial Officer, Hal C. Decell, III, of Mississippi, and Elizabeth K. Julian, of Texas, each to be an Assistant Secretary, Kevin G. Chavers, of Pennsylvania, to be President, Government National Mortgage Association, all of the Department of Housing and Urban Development, Joseph H. Neely, of Mississippi, to be Member of the Board of Directors of the Federal Deposit Insurance Corporation, Alicia Haydock Munnell, of Massachusetts, to be a Member of the Council of Economic Advisers, and Norman S. Johnson, of Utah, and Isaac C. Hunt Jr., of Ohio, each to be a Member of the Securities and Exchange Commission.

SD-538

OCTOBER 11

9:30 a.m.

Labor and Human Resources

Business meeting, to mark up S. 1180, to amend title XIX of the Public Health Service Act to provide for health performance partnerships, and S. 1221, to authorize funds for the Legal Services Corporation Act.

SD–430

OCTOBER 20

10:00 a.m.

Judiciary

To resume hearings to examine the status of religious liberty in the United States.

SD–226

OCTOBER 25

10:00 a.m.

Veterans' Affairs

To hold hearings to examine veterans' employment issues.

SR–418

HOUSE OF REPRESENTATIVES—*Thursday, September 28, 1995*

The House met at 10 a.m. and was called to order by the Speaker pro tempore [Mr. HEFLEY].

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
September 28, 1995.

I hereby designate the Honorable JOEL HEFLEY to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

PRAYER

The Reverend Dr. Kurt G. Jung, Lutheran pastor retired, Cape Coral, FL, offered the following prayer:

Almighty and gracious God. We begin this day with the Psalmist: "I will be glad and rejoice in You; I will sing praise to Your name, O Most High."—Psalms 9: 2.

Eternal God, You have blessed us and not failed us. We have every reason to be thankful, and we do glorify Your name today.

Lord, as we have faith in Your unfailing love and guidance, You can give us a positive vision of hope and life for our Nation. As You guided our Founding Fathers, so You can lead each one of us. Give us wisdom to make the decisions we know to be spiritual, right, and honorable. Help us to hear Your guiding voice amid the clamor of the masses.

In Your holy name. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentlewoman from North Carolina [Mrs. MYRICK] come forward and lead the House in the Pledge of Allegiance.

Mrs. MYRICK led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain fifteen 1-minutes on each side.

WELCOMING THE REVEREND DR. KURT GERHARD JUNG

(Mr. GOSS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GOSS. Mr. Speaker, I know my colleagues will join me in extending a warm welcome to today's guest minister, the Reverend Dr. Kurt Gerhard Jung. Reverend Jung is a constituent of mine from Cape Coral, FL, which is the largest city in my district, and I am delighted to introduce him to the House and to thank him for his inspiring words of opening prayer for today's session.

Reverend Jung has devoted the better part of his life to public and spiritual service, both in this country and in Germany. He served in the U.S. Navy during World War II and has taught religion, theology, and language courses at a variety of higher learning institutions in this country and abroad. During his nearly four decades in Germany, in fact, Reverend Jung served as the adjunct chaplain to the American military forces in Berlin and presided as senior minister in several German churches. Although he describes himself as semiretired these days, he is certainly quite active in the southwest Florida community that I live in, teaching Bible study, filling in for other pastors, and doing all kinds of good works for our community.

He and his wife, Ruth, have three children and three grandchildren. One of his children, David, is known to many of our colleagues because he serves us well on the staff of the Committee on International Relations.

We are most pleased to have Reverend Jung and his wife, Ruth, and children, Nancy, Jonathan, and David, and grandchildren, Jan, Andreas, and Karsten with us today. We wish them a warm welcome and thanks.

Mr. Speaker, I yield to the distinguished gentleman from New York [Mr. GILMAN], the chairman of the Committee on International Relations.

Mr. GILMAN. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I am pleased to join my esteemed colleague from Florida in extending a warm welcome to our guest chaplain, Dr. Kurt Jung, from Cape Coral, FL. Dr. Jung's eloquent prayer is certainly a testimony to his many years of dedicated service in the ministry.

Indeed, our country needs to be reminded every day in prayer in our efforts to uphold the spiritual and moral principles that have guided our great Nation. Dr. Jung is no stranger to the challenges and dangers of the diverse world in which we all live. He served faithfully with the U.S. Navy during World War II, after which his calling to the ministry took him to higher education at both Princeton Theological Seminary and the Free University in Berlin. During the height of the cold war, Dr. Jung served as an adjunct chaplain and administered to the spiritual needs of our men and women in uniform in the divided city of Berlin and frontline between East and West. In addition, Dr. Jung worked as a senior pastor at several German churches where he was also founder of the first Special Olympics for the mentally impaired.

I am also pleased to welcome Dr. Jung's wife Ruth, who has been at his side in marriage for 43 years. They have three grown children, one of whom is David, who works on our Committee on International Relations and does some outstanding work for us.

Mr. Speaker, I hope my colleagues will take the opportunity to meet this distinguished American citizen, and I would like to thank him for taking the time to be here today.

REGULATION OF POLITICAL EXPRESSION

(Mr. SKAGGS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SKAGGS. Mr. Speaker, this afternoon a hearing will be conducted that will be eerily reminiscent of the era of the House Un-American Activities Committee. The Committee on Government Reform will hold hearings on a proposal that would, believe it or not, regulate political expression in this country, the so-called McIntosh-Istook-Ehrlich proposal.

If anybody has any doubt that this is a calculated effort to intimidate many groups and individuals from full participation in American political life, then imagine the chilling effect of receiving the following demand for information from the chairman of a congressional committee: "In the past five years, has your organization engaged

☐This symbol represents the time of day during the House proceedings, e.g., ☐1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

in political advocacy as defined in the attached legislation? If so, provide a description of the type of advocacy and an estimate of the expenditures on each such activity."

The idea that any Member of this House would dare—would dare—to call on free citizens of this Nation to account for their constitutionally protected activities should offend every one of us. It constitutes an outrageous abuse of authority.

SPENDING TAXPAYER MONEY ON PAC CONTRIBUTIONS

(Mr. KINGSTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KINGSTON. Mr. Speaker, I could not sit back and listen to the previous speaker without responding to the American taxpayers. There are 40,000 organizations that receive over $39 billion in taxpayer funded grants and so forth, and they are not subject to public disclosure or records of where the money went.

One group received 97 percent of its budget from the Federal Government and turned around and gave $405,000 to congressional candidates through their PAC. I do not think that is what the taxpayers want. There are plenty of good organizations who will continue to get funding and will continue to have political input. What we want to do is stop the abuse of taxpayer moneys for political purposes.

I have cosponsored an amendment to this bill that says that if you spend less than $25,000 a year on political activities, you are exempt from it. There is also a provision in the bill that exempts you if 5 percent or less of your money is spent on it.

This is not going after the small groups. This is going after the big political business groups. I urge my colleagues to support the Istook-McIntosh amendment.

HERSHEY FOODS MOVING CANDY PRODUCTION TO MEXICO

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, from Mars to the Milky Way, all of America has experienced the Kiss, the Hershey Kiss. Now, after the State of Pennsylvania gave them tax breaks, now, after workers gave them concessions, Hershey is moving its factory that makes the Kiss to Mexico; from Mars to Milky Way to Mexico. Tell me, Mr. Speaker, will the Hershey Kiss become known throughout America as the Tijuana Kiss?

Take it from an old Pitt quarterback who is kissed off. We have let NAFTA and GATT take our jobs. Where are our constituents going to work? In McDonalds and Wal-Marts? My God, when Hershey of America becomes Hershey of Mexico, we had better reconsider our economic policies in America.

Beam me up, Mr. Speaker, I yield back the balance of these Kisses.

MEDICARE, THE GOP'S WELL-MEANING RESCUE SQUAD

(Mr. GUTKNECHT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GUTKNECHT. Mr. Speaker, that is a tough act to follow.

Mr. Speaker, I would like to read this morning from an editorial which appeared in the Minneapolis Star Tribune. Anyone who is from the Upper Midwest would never say that the Minneapolis Star Tribune is a Republican propaganda organ. But I would like to read what they had to say last Sunday in an editorial entitled "Medicare, the GOP's Well-Meaning Rescue Squad."

> Supporting the elderly already swallows up one-third of the Federal budget. Unless shifts are made soon, baby boomers will face a grim and threadbare old age.
>
> There's no mystery to all this, of course. President Clinton knows that Medicare is going under, and so do the Democrats in Congress. You'd think the witness to such a calamity might be moved to join the rescue team—or at least yell helpful comments. No such luck. Uninclined to get their feet wet, the Democrats seem content to play on the vulnerability of the 37 million Americans holding on to the Medicare lifeline. Their chief contribution to the discussion is the accusation that Republicans are trying to "wreck Medicare."
>
> Surely the Democrats have more to contribute than potshots like that.
>
> The looming dangers for Medicare should revive the reform effort and spur earnest attempts at compromise. Instead of sniping from the safety of the shore, the Democrats should wade in and help with the rescue.

OPPOSING CUTS IN MEDICARE

(Mr. HILLIARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HILLIARD. Mr. Speaker, I rise in opposition to the proposed cuts in the Medicare Program by the Republicans. I am incensed that after months of talking on this issue, the Republicans are still hell-bent on making cuts in Medicare, so that they can give their rich supporters a tax break and balance the budget at the expense of senior citizens.

To ask one segment of our society to suffer unnecessary pain so that the wealthy can receive an undeserved gain is just wrong. It is un-American. It is unfair.

The elderly must not be perceived as an unnecessary drain on this country's economic resources. Let us not forget that Americans who are now 60 years of age contributed to the largest economic boom in the history of this country. In short, they have paid their dues.

Mr. Speaker, please do not break the backs of our senior citizens by doing away with Medicare as we know it today, merely to give your rich supporters a tax break. The elderly deserve compassion, not vengeance. Leave Medicare alone.

REPEAL DAVIS-BACON ACT

(Mrs. MYRICK asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MYRICK. Mr. Speaker, today, the Economic and Educational Opportunities Committee will mark up its reconciliation package—that includes the repeal of the Davis-Bacon Act.

The Budget Committee has already acted on this, and included it in the fiscal year 1996 budget resolution.

Davis-Bacon needs to be repealed not only for budgetary reasons—but for commonsense reasons.

This law serves no practical purpose in today's world.

This law has been protected for many years because it takes Federal taxpayer money and puts it in the pocket of a small, but powerful interest in the form of a wage subsidy.

The repeal of Davis-Bacon will open up the Federal construction market to fair and open competition and will eliminate the current monopoly on Federal jobs held by a few large companies.

It will open up more construction jobs to semiskilled workers who wish to break into the construction field but are now prevented from doing so.

The bottom line, Mr. Speaker, is the repeal of Davis-Bacon will give all American taxpayers a break on Federal construction costs.

The Budget Committee has acted on this mandate. It is time for the rest of Congress to do the same.

THE GINGRICH STANDARD

(Mr. LEWIS of Georgia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEWIS of Georgia. Mr. Speaker, both Common Cause and I insist that "in order to carry out the responsibilities of an outside counsel effectively, it is necessary for the counsel's authority and independence to be clearly and publicly established." The special counsel must have the "authority and independence necessary to conduct the inquiry in an effective and credible manner." The House of Representatives, as well as the American public, deserve an investigation which will uncover the truth. At this moment, I am afraid that the apparent restrictions placed on this special counsel will not allow the truth to be uncovered. "The rules normally applied by the Ethics Committee to an investigation of a typical Member are insufficient in an investigation of the Speaker of the House. Clearly, this investigation has to meet a higher standard of public accountability and integrity." Prophetic words, indeed, Mr. Speaker.

These are the words of the current Speaker of the House in 1988 referring to the investigation of a former Speaker of this House. This House cannot and must not tolerate a double standard. The Ethics Committee must follow the standard set by Speaker GINGRICH.

We need an outside counsel to investigate Speaker GINGRICH and we must not restrict the scope of that counsel's investigation.

□ 1015

MEDICARE GOING BROKE

(Mr. WATTS of Oklahoma asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WATTS of Oklahoma. Mr. Speaker, Medicare is going broke. The trustees tell us that in 7 years, Medicare funds will be completely depleted. This fact cannot be disputed.

Some 61 percent of the American people want us to do something about this, now. So why is it, how is it, that liberals fail to understand the urgency of this issue? The citizens are sick of Congressmen playing politics with vital programs such as Medicare. But still the Democrats engage in blatant demagoguery, or medagoguery as the Washington Post calls it.

Contrary to the liberal distortions, the Republican plan increases spending per beneficiary from $4,800 to $6,700. It gives seniors real choices in health care management by providing for medical savings accounts. But the liberals do not want the people to know that.

It is time to stop the half-truths, the fibs, and the fabrications. It is time to stop the scare tactics and demagoguery. It is time for honest debate to take place. It is time to save Medicare.

NEW JERSEY STATE LEGISLATORS SEEK TO SHIELD MEDICARE

(Mr. PALLONE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PALLONE. Mr. Speaker, I want to report how more and more conservative Republicans at the Jersey shore, which I represent, are coming out against Speaker GINGRICH's Medicare cuts. If I could read from the Asbury Park Press in my district yesterday: State Senator Leonard T. Connors and Assemblyman Jeffrey W. Moran and Christopher Connors, all Republicans from Ocean County have written to BOB DOLE and Speaker GINGRICH to ask them to back off on the proposed cuts because of the impact they could have on senior citizens, and I quote: "Americans want Congress to cut the pork, but balancing the staggering Federal deficit or financing tax breaks for the rich on the backs of our elderly is morally bankrupt," the lawmakers stated in their letter.

Mr. Speaker, they also said, "Jacking up Medicare part B coverage from $552 annually to $1,100 under your announced plan is signing a death warrant for millions of senior citizens across America. To save electricity, the seniors live in darkness. Their diet is poor. They scrimp and save for goods and services middle-class Americans often take for granted. A $564 increase in their Medicare premium is a stake in the heart," the Republican legislators wrote.

DEMOCRATS THREATEN VIABILITY OF THE PROGRAM THEY CREATED

(Mr. HOKE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOKE. Mr. Speaker, I would like to quote another publication this morning. This is the Washington Post, and this is written by our former colleague, who was with us last year, Mr. Tim Penny, former Democratic Representative from the State of Minnesota, and he says:

> Medicare has been a success, helping to provide health care to millions of Americans who otherwise could not afford it. Yet today, with Medicare facing a financial crisis, Democrats are playing politics instead of coming up with constructive solutions. As the architects of Medicare, we have a responsibility to shore up the program before it collapses.

He goes on to say that:

> Members of both parties should work together on this important issue, just as Republicans joined Democrats in voting for Medicare in 1965. Unfortunately, Democratic leaders in Congress have decided otherwise, choosing to attack Republican Medicare plans rather than offering an alternative. By politicizing the issue, Democrats are threatening the viability of the very program they created.

Mr. Speaker, this is from former Representative, Democrat, Tim Penny of Minnesota.

What I would say, on top of that, is that not only is it bad policy what is being done here in terms of the Democrats attack, it is also bad politics. It is not going to work.

PRESERVE HEALTH CARE FOR ALL AMERICANS

(Ms. JACKSON-LEE asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. JACKSON-LEE. Mr. Speaker, last Friday eight Democrats remained steadfast listening to the hogwash in the Ways and Means so-called Medicare hearings. I regret to say that as the hearings ended there was a paltry three Republicans remaining expressing how little sincere interest they have in this so-called document that preserves Medicare.

Today I have just heard from my Republican colleague, the prior speaker, saying that Republicans joined Democrats in the 1960's to put Medicare forward. Let me tell Members that my historians tell me there was not one single Republican vote that helped past Medicare legislation, but yet there are today a whole bunch of votes to undermine it by cutting $270 billion from Medicare in order to put the blame on our senior citizens.

What is in this so-called Medicare preservation package sponsored by Republicans? Well, I will tell Members, it is to dispossess and put out senior citizens, who need long-term care in nursing homes. It is the blame game on doctors and hospitals in rural and urban communities. It is high premiums for senior citizens who have to make choices between frequent prescription drugs and the ability to keep the lights on and the doors open in their residences.

Do we want to save Medicare, Mr. Speaker? I do and I am ready to discuss with my Republican colleagues any time they want to the elimination of $270 billion in draconian Medicare cuts. I want to save Medicare so that all Americans can have good health care like the Democrats provided for 30 years since 1965.

COMPARING APPLES AND ORANGES

(Ms. PRYCE asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. PRYCE. Mr. Speaker, let us talk about apples and oranges. The Republican Medicare plan will increase funding for each Medicare beneficiary from $4,800 today to $6,700 in 2002. Let us call that fact our apple. House Republicans have also promised to provide tax relief to American families. Let us call that fact our orange.

The Democrats are comparing apples and oranges. The point is these two issues have nothing to do with each other. The tax cuts from working families are more than set off by reductions in discretionary spending and program savings. Medicare would still be broke in 2002 even if we did not provide those tax cuts.

Why are the Democrats trying to confuse things? To scare the American people. They have no plan, just scare tactics. It is shameful and, as the Washington Post said, it is just plain wrong.

REPUBLICAN MEDICARE PLAN DETAILS DELAYED UNTIL COLUMBUS DAY

(Mr. DOGGETT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DOGGETT. Well, the gentlewoman from Ohio [Ms. PRYCE] can call it broccoli if she wants to, but it is still a cut and the Republicans are still unwilling to level with the American people on these cuts. Now they come forward and tell us they will delay all the way to Columbus Day before they give us any details. It is incredible, but maybe it is not inconsistent. After all, Columbus set out on a voyage not knowing where he was going. He did not know where he was when he got there, and he did it all with somebody else's money.

Our Republican friends are a little like that, using money for seniors to pay for a tax break cruise for the rich. As they dismantle Medicare to fund their tax breaks for the rich, there is one thing that is not similar, they have not discovered middle America. They have abandoned it. With the havoc they are wreaking with Medicare, maybe they should wait from Columbus Day to Halloween or perhaps, better yet, how about April Fool's Day?

VOTE FOR MEDICARE REFORM

(Mr. TIAHRT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.

Mr. TIAHRT. Mr. Speaker, Medicare is a 1965 Blue Cross/Blue Shield program that was started by Lyndon Baines Johnson and is frozen in time. According to the President's board of trustees, it is going broke by 2002 and it does not matter if we had a balanced budget and we had no tax cuts, the plan is still going broke by 2002.

Now, health care in the private sector has improved in the last 30 years, but Medicare is frozen in time. We have a plan not only to preserve and protect Medicare, but we are also going to allow additional options to seniors. We also have an increase in spending from $4,800 per year to $6,700 per year.

Mr. Speaker, I think we not only need to have Medicare reform, but I think we need to have remedial math, too, because going from $4,700, excuse me $4,800 to $6,700 per year per beneficiary is an increase in spending and not a cut. I urge my fellow Congressmen to vote for Medicare reform.

SENIORS ABOUT TO TAKE A DOUBLE HIT

(Mr. WATT of North Carolina asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WATT of North Carolina. Mr. Speaker, the seniors in our country are about to experience what we call in North Carolina a double hit. Not only are the Republicans cutting Medicare by $270 billion, they are cutting Medicaid right behind it $182 billion. Medicare is for the elderly, Medicaid is for the poor, but 69 percent of the money in Medicaid goes to the elderly also, even though they represent only 28 percent of the people who are served. Sixty-nine percent. A double hit they will be taking.

Medicare cuts on the one hand, Medicaid cuts on the other hand. It is un-American to be mean to our poor and our elderly and we should stop it right now before we get too far down the line.

KEEP HANDS OFF STOCK CAR RACING

(Mr. FUNDERBURK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FUNDERBURK. Mr. Speaker, on Sunday I was in Martinsville, VA, enjoying the Goody's 500 stock car race with 60,000 hard-working, law-abiding fans, drivers, and promoters. They sent a loud and clear message to the White House and the FDA: "Bill Clinton, keep your hands off racing."

As you know, Mr. Speaker, millions of race car fans are up in arms about Bill Clinton's plan to destroy auto racing by unconstitutionally banning legal, tobacco-based advertising at sporting events. Mr. Speaker, enough is enough. One driver summed it up before the race, "* * * until they did this I really didn't know what the difference was between a conservative and liberal. Now I know. If we let big government get away with this, next they will ban Hardees' and McDonald's hamburgers and Coca-Cola, then they will be bashing down my door to take my guns."

Mr. Speaker, America's race car fans really do know what separates liberals from conservatives. If Bill Clinton had been in Martinsville with real America instead of partying through the night with his left wing buddies in Hollywood maybe he would realize that difference also.

WOMEN STILL HAVE A LONG WAY TO GO

(Ms. HARMAN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. HARMAN. Mr. Speaker, time is running out to move the statue of women suffragettes from the Capitol crypt to the Capitol rotunda. Despite the unanimous support of the Senate and wide bipartisan support from the House, no action has been taken. Is that where women's rights have been relegated in this Congress, to the basement?

This Congress has already waged numerous assaults on women. During the appropriations process, choice opponents succeeded in restricting a woman's constitutional right to choose, and they threaten to take us back to the days of dangerous back alley abortions.

Congress has broken its promise to take violence against women seriously. Last Congress we passed the Violence Against Women Act, yet this year its funding was substantially reduced.

Education is one of the best ways to increase opportunities for women. Congress, however, recently eliminated the Women's Educational Equity Act and reduced job training programs for women. The refusal to move the statue of Lucretia Mott, Elizabeth Cady Stanton, and Susan B. Anthony is symbolic of this Congress' assault against women. If women cannot gain a reasonable place in the Capitol rotunda, what can we expect legislatively?

Women gained the right to vote 75 years ago, but we still have a long way to go, even to get out of the basement.

HIGHER TAXES, MORE GOVERNMENT, AND MORE REGULATION

(Mr. WHITFIELD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WHITFIELD. Mr. Speaker, over the past 40 years the National Democratic Party has shown without question they sincerely believe that higher taxes, more government, and more regulation can best solve the problems of the American people.

In 1993, the Clinton administration, with help from the Democrats on that side of the aisle, passed one of the largest tax increases in the history of this country. Earlier this year we passed a small tax reduction, which has been characterized as a tax for the wealthy. I would like to go over a few of those provisions for you.

If you are an American family and you have children today we are going to give you $500 per child tax credit. We are going to restore $145 to remove the tax penalty for married couples in this country. We are going to restore IRA's to help savings in this country. We are going to allow small business men and women around this country to deduct up to $35,000 of their investments each year to provide more jobs and a stronger economy. We are going to provide a refundable tax credit of up to $5,000 for people who adopt children.

Is this a tax break for wealthy Americans? No, it is for the working men and women of this country.

SPIRIT AND LETTER OF LAW SHOULD BE OBSERVED

(Mr. JOHNSTON of Florida asked and was given permission to address the

House for 1 minute and to revise and extend his remarks.)

Mr. JOHNSTON of Florida. Mr. Speaker, in an article in the Hartford Current dated September 27 of this year, the Chair of the Committee on Standards of Official Conduct reflected on the committee's inquiry into the complaint against Speaker NEWT GINGRICH. I quote, "The letter of the law is not compelling to me," she said, "I will work with our rules. Our rules have a certain degree of flexibility. My goal is to have a process that the committee members feel good about."

Mr. Speaker, the work of the Committee on Standards of Official Conduct is not about Members feeling good about themselves. If both the spirit and the letter of the law are not compelling and relevant to each and every inquiry undertaken by this important committee, then we have lost sight of the purposes of its function.

□ 1030

Mr. EHLERS. Point of order.

Mr. JOHNSTON of Florida. The inquiry into the Speaker's actions and the issue of whether to hire outside counsel are critically important to this institution.

The SPEAKER pro tempore (Mr. HEFLEY). Will the gentleman suspend.

POINT OF ORDER

Mr. EHLERS. Mr. Speaker, I rise to make a point of order.

The SPEAKER pro tempore. The gentleman from Michigan [Mr. EHLERS] will state his point of order.

Mr. EHLERS. Mr. Speaker, the gentleman is addressing a matter currently under consideration by the Committee on Standards of Official Conduct, and under House rules that is not permitted.

Mr. DOGGETT. Mr. Speaker, I wish to be heard on the point of order.

Mr. Speaker, on March 8 of this year, Speaker GINGRICH himself announced a new policy concerning speech on the House floor. Let me quote directly, for your consideration in making this ruling, his comments on March 8.

He said, and I quote, "The fact is, Members of the House are allowed to say virtually anything on the House floor. It is protected and has been for 200 years. It is written into the Constitution."

Mr. Speaker, it would seem to me, in view of the Speaker's own words, that comments about the Speaker and about ethics on the floor of this House are certainly within the rules of the House.

The SPEAKER pro tempore. Does the gentleman from Michigan wish to be heard?

Mr. EHLERS. Mr. Speaker, that point that was just made has been made a number of times. The point is simply the rules of the House prevent us from speaking about matters which are under consideration in the Committee on Standards of Official Conduct, and the speaker was out of order.

The SPEAKER pro tempore. Does the gentleman from West Virginia [Mr. WISE] wish to be heard?

Mr. WISE. Mr. Speaker, yes, I wish to comment. As I understood the remarks of the gentleman from Florida [Mr. JOHNSTON], they were directed at the Committee on Standards of Official Conduct and the process it is undertaking. Those remarks also went to a general process and, as I think he specifically referred to, proceedings affecting any Member.

Mr. Speaker, certainly I would hope that the general conduct of the Committee on Standards of Official Conduct would be a proper subject for discussion here on the House floor.

Mr. JOHNSTON of Florida. Mr. Speaker, if I may further address the inquiry, I agree with the last speaker. I was inquiring and investigating the process of the committee itself, and not into the specific inquiry of the Speaker. I think if the gentleman from Michigan [Mr. EHLERS] listened closely, the gentleman would see the distinction of his complaints last week and the freedom of speech.

Mr. DOGGETT. Mr. Speaker, if I might be heard further on the point of order. In consideration of the rules, particularly as it relates to the Committee on Standards of Official Conduct, I believe that the rules do refer to certain proceedings in front of the Committee on Standards of Official Conduct being secret.

But, Mr. Speaker, when the chairwoman of the Committee on Standards of Official Conduct comments publicly and repeatedly in the newspapers on this subject, surely there is an exception within our rules to permit our Members to comment on the proceedings in front of that committee when she is, herself, speaking about the Committee on Standards and Official Conduct and how it is disregarding its own rules.

Mr. EHLERS. Regular order, Mr. Speaker.

The SPEAKER pro tempore. The Chair is prepared to rule on the point of order raised by the gentleman from Michigan [Mr. EHLERS]. The Member is reminded not to refer to matters currently pending before the Committee on Standards of Official Conduct, and Members should refrain from references in debate to the official conduct of other Members where such conduct is not under consideration in the House by way of a report of the Committee on Standards of Official Conduct or a question of the privilege of the House.

Mr. JOHNSTON of Florida. Mr. Speaker, their fair adjudication depends on a serious and faithful reading of the rules and the laws that govern our conduct. Anything less is totally unacceptable.

PARLIAMENTARY INQUIRY

Mr. STUPAK. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. STUPAK. Mr. Speaker, my parliamentary inquiry is this. Your ruling to the speaker in the well, was your ruling that we cannot speak or address on this floor matters pending before the Committee on Standards of Official Conduct, or are we allowed to speak about the ethics process, which is published in the ethics rules that we all receive and is a public document?

Mr. Speaker, are you ruling that we cannot even speak about the process, if we disagree that the process is not being properly followed out? We are now gagged and cannot talk even about the process?

The SPEAKER pro tempore. The Chair's ruling speaks for itself. Let me repeat that ruling. Members are reminded not to refer to matters currently pending before the Committee on Standards of Official Conduct.

Mr. STUPAK. Mr. Speaker, further parliamentary inquiry. So we can speak about the process? Is that your ruling? It is OK to speak about the process of the Committee on Standards of Official Conduct?

The SPEAKER pro tempore. Members can speak about the process, but should refrain from speaking about matters that are pending before the committee.

ADVOCATING THE WITHHOLDING OF A MEMBER'S SALARY FOR DAYS MISSED

(Mr. METCALF asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. METCALF. Mr. Speaker, today a Member of Congress will appear in court for sentencing due to his August conviction on charges of criminal sexual assault, child pornography, aggravated criminal sexual abuse, and obstruction of justice.

Mr. Speaker, he has not cast a single vote since June. Through the end of last week, he has missed 31 consecutive days of congressional session, including every day this month.

Mr. Speaker, I respectfully submit that no Member should be paid for a month in which he completely failed to report for work and was sentenced to jail. Under the law, the Speaker has the authority to deduct from Members' salaries for each day they are absent from the House, unless the Member was absent for his sickness or family sickness.

Mr. Speaker, today I am submitting a letter to Speaker GINGRICH, signed by quite a few Members of the House, requesting him to stop this Member's collection of over $11,000 of taxpayers' money for September's salary. The National Taxpayers Union has led the investigation into the Speaker's authority into this matter and strongly supports this urgent request.

ETHICS INVESTIGATION REQUIRES CONSISTENCY

(Mr. WISE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WISE. Mr. Speaker, the credibility in this institution requires that both the public and the Members serving here know that there is consistency in the application of the processes by which Members are investigated for alleged wrongdoings. Specifically, that the Committee on Standards of Official Conduct follows the same process for each and every Member.

Simple due process for anyone requires that they know what to expect, and know what the procedures are. That is why I have some concern when I read that the gentlewoman from Connecticut, the present chair of the Committee on Standards of Official Conduct, was quoted as saying recently that, and I quote from the Hartford Courant, "The letter of the law is not compelling to me. I will work with the rules. Our rules have a certain amount of flexibility. Our goal is to have a process that the committee members feel good about."

Mr. Speaker, justice and Committee on Standards of Official Conduct investigations are not best conducted in a hot tub, feel-good atmosphere. I am concerned when an aide of hers quotes Speaker GINGRICH in 1987, when he said that investigation requires a high standard. I urge it to be followed today.

READ ALL ABOUT IT

(Mr. FOLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FOLEY. Mr. Speaker, read all about it. The Washington Post, Thursday, September 28. Democratic former Member of Congress, Tim Penny, "Medicare Mistake." "My party is making a big mistake. The Democratic Party is closely identified with Medicare, and rightfully so. Democrats first conceived of Medicare, put it into law. As architects of Medicare, we have a responsibility to shore up the program before it collapses."

Democratic Congressman Tim Penny says:

> We cannot afford to ignore Medicare's shaky financial situation or put it off until after the next election. It is just too important. Medicare trustees have given us a 7-year warning. Those 7 years shouldn't be squandered in indecision, stall tactics and politicking. We should view this time as an opportunity to devise and employ creative solutions. Democrats should be the leaders in this debate, not the obstructionists.

Mr. Speaker, my parents are on Medicare. I love my parents. As Republicans, we are promoting protecting and preserving Medicare for this generation and future generations. Democrats, take Mr. Penny's comments seriously. Join us in the fight to protect it and stop the demagoguery.

THE EFFECTS OF A $270 BILLION CUT IN MEDICARE

(Mr. PAYNE of Virginia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PAYNE of Virginia. Mr. Speaker, in a few weeks this House will have a profound choice. We can cut $270 billion from the Medicare Program, or we can scrap big tax cuts and move forward with a reasoned program of Medicare reform.

Many of my constituents have made that choice. I have spoken to hundreds of them, both elderly and young people, about Medicare. They have looked at this budget and decided that it is unfair to pay for big tax cuts at the expense of health care for the elderly.

Mr. Speaker, I toured hospitals that are typical of the 13 rural hospitals in my district. One administrator told me that 56 percent of his facility's revenues are derived from Medicare and that Medicaid accounts for another 13 percent. This hospital is 50 miles from another acute care facility and, like many rural hospitals, it operates at the margins.

The hospital administrator told me that if cuts of the magnitude being proposed now in the Republican plan are adopted, they could well force this facility to close. Where will the elderly go then? If we move forward recklessly or cut too deeply just to pay for a tax cut, we will do irreparable damage.

Mr. Speaker, I urge this body to move responsibly and to reject $270 billion in cuts in Medicare.

DEMOCRATS: COME IN FROM THE RAIN

(Mr. GOODLATTE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GOODLATTE. Mr. Speaker, last week the Democratic leadership sat outside in the rain moaning and groaning and grandstanding for the television cameras about the Republican plan to preserve and strengthen Medicare and increase spending on Medicare.

What do others have to say about that? The Washington Post calls them "medigogues." Former Congressman, Democratic Congressman, Tim Penny calls their tactic the "Medicare mistake." He says:

> There was a time when Democrats were willing to act responsibly, but by politicizing the issue, Democrats are threatening the viability of the very program they created.

He goes on to say:

> We cannot afford to ignore Medicare's shaky financial situation or put it off until after the next election. It is just too important.

So, what have the Democrats done? Nothing. Where is their plan? Nowhere.

Mr. Speaker, that is not surprising for people who do not even know enough to come in from out of the rain.

THE REPUBLICAN RECORD AFTER 7 MONTHS

(Miss COLLINS of Michigan asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Miss COLLINS of Michigan. Mr. Speaker, today I rise to inform you of the Republican record after 7 months. The Republican agenda is strictly an agenda that caters to the rich and powerful special interest and alienates and belittles the rest of us. For example, the Republicans have given families earning more than $100,000 a $245 billion tax cut while on the other hand they are cutting Medicare spending by $270 billion. Talk about robbing Peter to pay Paul—Paul must be an awfully happy camper.

Mr. Speaker, not only do the Republicans want to save the wealthy money—they want to give them money also. The Republicans are giving an average tax break of $20,000 a year to the richest 1 percent of taxpayers while senior citizens are going to experience an average reduction in Medicare benefits of more than $1,000 a year. I ask you, does this sound like a fair agenda for our seniors that have worked so long and hard for their benefits?

Finally, Mr. Speaker, the Republicans want to hurt our educational system by making changes in our student loan program that would increase profits for banks and guarantee agencies while the spending cuts would make college students pay $4,500 to $7,500 more for each student loan.

Mr. Speaker, I ask my colleagues, does this sound like a fair agenda for our seniors who have worked so long and so hard?

Mr. Speaker, these uncalled for tactics show you why the American people are becoming more disgruntled with the Government.

HELP SAVE MEDICARE

(Mr. HERGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HERGER. Mr. Speaker, Democrats have been playing a broken record for the last few months. It goes something like this: "Medicare is not really going bankrupt—Republicans only want to give a tax break to the rich."

What unmitigated drivel. I've heard a lot of tall stories in my time, but this takes the prize. It is true that Republicans advocate tax cuts. But the vast overwhelming majority of those tax cuts go to middle-income working American families. One of those tax cuts is the $500-per-child tax credit for almost every child in America.

Now, let me ask a question: Are there more millionaires in this country, or working families with children?

The most important point to realize here is that tax cuts have nothing to do with Medicare. Even if the budget was balanced and rich people were taxed 100 percent of their income, Medicare would still go broke in 7 years.

Mr. Speaker, Democrats need to fix their broken record and begin helping Republicans save Medicare.

WHY CUT $270 BILLION FROM MEDICARE?

(Mr. STUPAK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STUPAK. Mr. Speaker, there are philosophical differences between Democrats and Republicans on Medicare, and there is no doubt that the Republican party would like $270 billion in tax cuts, but why $270 billion in tax cuts in the Medicare program? To pay for the tax breaks for the wealthiest 1.1 percent of all Americans and for tax breaks for corporations.

□ 1045

I sit on the Subcommittee on Health and Environment of the Committee on Commerce. As of October 10 we will begin the Medicare markup. We have never yet seen a bill. We have a 59-page summary. In that summary that we have read from cover to cover, nowhere, nowhere does it say that $270 billion will go and be reinvested into Medicare. Nowhere does it say that.

If they wanted to save Medicare, take the $270 billion in tax cuts and put it back into the Medicare system. What is going to happen, Mr. Speaker, is just what the U.S. News & World Report says: Tax exempt. You pay Uncle Sam. How come thousands of American corporations do not? Because they are going to take the $270 billion in tax cuts out of Medicare and give it to the corporations.

CONTACT REPRESENTATIVES DIRECTLY

(Mr. EHLERS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EHLERS. Mr. Speaker, recently I received a letter from a senior citizen in my district, Mrs. Esther Koster, who responded to a letter I had sent her. She responded as follows:

> DEAR SIR: It was refreshing to get a letter from a Congressman with information without having to sign a petition and send money. For the past month I have received a minimum of three letters a day from different organizations asking me to sign petitions and send money. At first I complied but lately it has gotten out of hand and now those letters go from the mailbox to the garbage without being opened. Are all these organizations necessary and how can I tell if some are using the funds for themselves or for other purposes?

Mr. Speaker, last month I gave a speech on this floor decrying the fraudulent organizations which are soliciting money from senior citizens, ostensibly to let us know their opinion. Mrs. Koster, I want to assure you, you do not have to send money to these organizations to let us know what you think. Spend 32 cents for a stamp to send us a letter, as you did. To all senior citizens out there, avoid these fraudulent organizations. Contact your Congressperson directly.

PEOPLE WANT THE LETTER OF THE LAW

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute, to revise and extend her remarks, and to include therein extraneous material.)

Mrs. SCHROEDER. Mr. Speaker, as an American, I feel very good about the fact that everybody is under the letter of the law. As a Member of this body during Watergate, I was very saddened by the fact that the Presidency was being attacked, but I also felt very good that we were showing the world that no one is above the letter of the law in this great and wonderful country, thanks to Thomas Jefferson and many of our forefathers and the rules they put together.

Yesterday, Mr. Speaker, I felt sick because I found an article in the Hartford Courant in which the ethics charges against the Speaker were being discussed by the chairwoman of the Ethics Committee who said, the letter of the law is not compelling to me, that there is a lot of flexibility in our rules, and I wanted to put together a process that will make Members feel good.

I do not think people want that flexibility. I think they want the letter of the law.

Mr. Speaker, I include for the RECORD the article to which I referred.

JOHNSON DEFENDS ETHICS CASE STANCE

(By John A. MacDonald)

WASHINGTON.—Rep. Nancy L. Johnson, R-6th District, confirmed Tuesday that she signed a 1988 letter to the House ethics committee urging if to conduct a "full inquiry" into complaints against then Speaker Jim Wright, a Texas Democrat.

The letter was a circulated by Rep. Newt Gingrich, who at the time was a relatively unknown Republican from Georgia. Now, he is Speaker of the House and is the subject of complaints under review by the ethics committee.

Johnson became the committee's chairwoman when Republicans took control of the House in January.

In addition to the letter, Gingrich issued a press release may 26, 1988, in which he said it was "vital" for the committee to hire an outside counsel to pursue the complaints against Wright throughly.

The letter and press release are significant because many think they set a standard the committee has failed to meet in its Gingrich investigation.

Asked why that was not happening, Johnson said, "This is Newt speaking, and you see some of our Democratic colleagues agree with him. . . . In signing this original letter, that didn't mean I agreed with him on all this stuff."

Johnson's comments came during a wide-ranging meeting with Connecticut reporters.

The committee is considering complaints relating to a book deal Gingrich signed with media magnate Rupert Murdoch, the financing and promotion of a college course Gingrich taught in Georgia and whether the Speaker allowed an outside consultant to perform official House business.

Johnson also defended the committee's decision not to use an investigative procedure set out in the House Ethics Manual.

"The letter of the law is not compelling to me," she said. "I will work with our rules. Our rules have a certain amount of flexibility. . . . My goal is to have a process that the committee members feel good about."

Rep. Jim McDermott of Washington, the senior committee Democrat, has objected to the course the committee is following, complaining that the panel was not prepared to question key witnesses who appeared in July. Tuesday, Johnson complained that McDermott had not raised his concerns with the committee before making them public.

McDermott did not respond to a request for comment.

As she has in the past, Johnson held out the possibility that the committee will turn for help to an outside counsel, as many House Democrats and several government watchdog groups have requested. But she said the 10-member panel, evenly divided between Republicans and Democrats, had not reached that point.

Responding to reports the panel was close to appointing an outside counsel, Johnson said, "It is absolutely true, without doubt in my mind, that the committee has made no decision."

Johnson sought to portray the committee as struggling to find the best way to achieve a consensus on how to complete its inquiry. "Jim's position is certainly legitimate," she said, referring to McDermott.

But, she went on, "Six-four decisions aren't healthy. They don't get you anywhere, particularly 6-4 procedural decisions. Six-four procedural decisions tend to set up 5-5 deadlocks." A 6-4 vote is the narrowest majority by which the 10-member committee can approve an action.

The letter Johnson and 70 other House Republicans signed in 1988 has been circulated in recent days by groups seeking an outside counsel with unlimited authority. It concluded: "The integrity of the House of Representatives and the trust of the American people require a full inquiry [into the Wright complaints]."

Johnson said Tuesday, "I don't see that as contradictory of what I'm doing . . . I have every intent that this will be a full inquiry."

She also said that naming an outside counsel could get in the way of the committee making its own judgments.

"We need original source information where it's practical and where it's reasonable," she said. "I think we're going to do a better job than those who would have turned it over to someone."

Others have said that only an outside counsel could conduct a complete, impartial investigation.

Johnson disagreed with those who say the committee has established special rules for Gingrich, and she defended the committee's action in setting aside the ethics manual in the speaker's case.

"My job, as I perceive it, is not to fulfill some sort of generic expectation," she said. "My job is to provide just consideration of the complaints that come before us."

The ethics manual says that once the committee decides a complaint meets certain criteria, it may begin a formal inquiry. The panel then is to split into subcommittees—one to investigate the complaints and the other to hear sworn testimony and decide the validity of the complaints.

Instead, the committee has yet to vote to conduct a formal investigation while the full panel has taken sworn testimony from more than a dozen witnesses, including Gingrich and Murdoch.

Johnson said the committee's 1992 investigation of members who bounced checks on the now-defunct House Bank showed the ethics manual process to be an "utter and total disaster." McDermott served on the ethics sub, that recommended making public the names of only 24 members who abused their banking privileges.

But Johnson and three other committee Republicans objected that all those who wrote bad checks should be named. Eventually, Johnson's position prevailed. She said the bank investigation unfairly harmed the reputations of many members, adding, "I don't want a result like that."

Government watchdog groups that have recently joined the call for an outside counsel with unlimited authority to handle the Gingrich case include Common Cause, Public Citizen and the Congressional Accountability Project, a Ralph Nader organization.

A "YES" VOTE ON BOSNIA MEANS TROOP DEPLOYMENT

(Mr. NEUMANN asked and was given permission to address the House for 1 minute.)

Mr. NEUMANN. Mr. Speaker, this afternoon we will be addressing the Defense appropriations bill on the floor of the House. While the chairman, the gentleman from Alaska [Mr. YOUNG], and the chairman, the gentleman from Louisiana [Mr. LIVINGSTON], deserve praise for hitting the budget targets, we need to be aware of one other happening because of this bill. We need to be aware of the fact that this bill allows President Clinton by himself to deploy United States troops, young men and women, United States men and women, to Bosnia.

Make no mistake, a "yes" vote on the Defense appropriations bill means United States troops will be deployed into Bosnia. If we deploy United States troops in Bosnia, we, the United States, must be prepared to accept the consequences. The Post this morning reports that the White House is now coming to ask for this deployment. If these troops are deployed, we must be prepared for our young men and women coming home in body bags, and we must be prepared for $3 billion price tag that goes with the deployment of United States troops in Bosnia.

The Defense appropriations bill originally contained an amendment that would have required the President to come to Congress for a vote of confidence, for an acceptance of the expenditure of these funds prior to deploying troops into the Bosnian arena. If we vote yes on the Defense appropriations bill today, we must be prepared to accept the consequences.

I do not even wish to advocate a yes or no vote but, rather, I would encourage my colleagues to be prepared for the consequences of the votes they make, and the consequences clearly are our young people being returned in body bags and a $3 billion expenditure.

EXTENDING AUTHORITIES UNDER MIDDLE EAST PEACE FACILITATION ACT

Mr. GILMAN. Mr. Speaker, I ask unanimous consent that the Committee on International Relations be discharged from further consideration of the bill (H.R. 2404) to extend authorities under the Middle East Peace Facilitation Act of 1994 until November 1, 1995, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. HEFLEY). Is there objection to the request of the gentleman from New York?

Mr. HAMILTON. Reserving the right to object, Mr. Speaker, I do not intend to object, and I yield to the gentleman from New York [Mr. GILMAN], chairman of the committee, to explain his unanimous-consent order.

Mr. GILMAN. Mr. Speaker, H.R. 2404 temporarily extends the Middle East Peace Facilitation Act of 1994, which otherwise would have expired on October 1, 1995. That act was previously extended by Public Law 104-17 and by Public Law 104-22.

H.R. 2404 extends the act until November 1, 1995, and includes a transition provision to make certain that there is no lapse in the act's authority.

Mr. HAMILTON. Mr. Speaker, continuing my reservation of objection, I do not intend to object, I simply want to note that I do not think it is helpful to Israel, to the Palestinians or to maintaining momentum in the peace process to have to come to this floor every 30 or 45 days to extend these authorities on a short-term basis. I hope that we will be able to make this the last short-term extension of the Middle East Peace Facilitation Act and that we can instead fashion a provision that holds the parties to the Middle East peace process to the terms of the agreements they have negotiated but which does not go beyond those terms.

Mr. Speaker, continuing my reservation of objection, I yield to the gentleman from New York [Mr. ENGEL].

Mr. ENGEL. Mr. Speaker, I thank my friend from Indiana for yielding to me.

Mr. Speaker, this is now the third time that we are renewing the Middle East Peace Facilitation Act. This, in my opinion, is not really the way to go about it. Each time we renew it, we say it is for a temporary moment until we can put the law together and pass a new Middle East Peace Facilitation Act and each time there is just a simple renewal.

I do not think this is a good process. We have had legislation introduced. I have introduced a bill. We have had no markups on the committee. We had one hearing last week, but we have not had any markups.

The Senate is moving ahead with its foreign ops bill. Senator HELMS and Senator PELL are putting together language. Quite frankly, I see no reason why we should cede our authority to the Senate. Why should the Senate language ultimately be the language that is adopted?

I think that this House has a very important role to play and, frankly, I think that our Committee on International Relations ought to put all the legislation that has been proposed at a hearing, talk about it, do a markup, have a markup of the bill, and we ought to come up with new MEPFA language. That is the way I think that we ought to proceed.

Yasser Arafat's feet must be held to the fire. I know there is a signing going on in the White House today. I intend to be there. All of us hope and pray for Middle East peace, but I think a just peace will only be a just peace if there is compliance on all sides, and that includes the PLO and it includes Mr. Arafat.

I believe that United States money should continue to flow for this process, if the Palestinians, if Mr. Arafat is keeping his pledges. If he does not, then I think the money ought to stop; only Mr. Arafat and the PLO can determine that.

So I do not think an automatic renewal is the way to go. I understand it is only for 30 days and I will not object to the 30 days, but I will be hard-pressed 30 days from now to come here and agree to another extension.

Again, I think that the peace process will only work and American money should only continue to flow if both sides are adhering to what they agreed. We do not have that now. The covenants are still in place, talking about the destruction of Israel, the PLO covenants, and Yasser Arafat's track record has been less than admirable. So

I think that while we probably have no choice today, again, I think that our committee, and I would hope that the chairman, in fact, I wonder if the chairman would give a commitment that we would have a markup of my bill and other bills that have been proposed and also perhaps that our committee can formulate a bill.

Again, I see no reason why this House has to cede its authority on this important sphere to the Senate. Why should the Senate foreign operations bill be the core to any new Middle East Peace Facilitation Act that is proposed?

While Senator HELMS and Senator PELL are putting together their language and doing a good job, I think we have an equal role to play, not simply a role of following the Senate.

So I am wondering if the chairman can give me assurances that we will indeed have a markup in this House and that this House will come up with its own bill and not simply rubberstamp the Senate version in the foreign ops bill.

Mr. HAMILTON. Mr. Speaker, continuing my reservation of objection, I yield to the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Speaker, in response to the concerns of the gentleman from New York, we share those concerns. We will have an opportunity in the next 30 days to take a good, hard look at all of those problems. And hopefully our committee will be able to address some of the gentleman's concerns.

I thank the gentleman for raising this issue.

Mr. HAMILTON. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was not objection.

The Clerk read the bill, as follows:

H.R. 2404

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXTENSION OF AUTHORITIES.

(a) IN GENERAL.—Section 583(a) of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995 (Public Law 103-236), as amended Public Law 104-22, is amended by striking "October 1, 1995," and inserting "November 1, 1995,".

(b) CONSULTATION.—For purposes of any exercise of the authority provided in section 583(a) of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995 (Public Law 103-236) prior to October 5, 1995, the written policy justification dated June 1, 1995, and submitted to the Congress in accordance with section 583(b)(1) of such Act, and the consultations associated with such policy justification, shall be deemed to satisfy the requirements of section 583(b)(1) of such Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONTINUING APPROPRIATIONS FOR FISCAL YEAR 1996

Mr. DREIER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 230 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 230

Resolved, That upon the adoption of this resolution it shall be in order, any rule of the House to the contrary notwithstanding, to consider in the House the joint resolution (H.J. Res. 108) making continuing appropriations for the fiscal year 1996, and for other purposes. The joint resolution shall be debatable for one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations. The previous question shall be considered as ordered on the joint resolution to final passage without intervening motion except one motion to recommit with or without instructions. The motion to recommit may include instructions only if offered by the minority leader or his designee.

The SPEAKER pro tempore. The gentleman from California [Mr. DREIER] is recognized for 1 hour.

Mr. DREIER. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from Dayton, OH [Mr. HALL]. All time yielded is for the purpose of debate only.

Mr. Speaker, I yield myself such time a I may consume.

Mr. Speaker, the rule provides for consideration of House Joint Resolution 108, a continuing resolution making appropriations for fiscal year 1996 through November 30, 1995. The rule provides for consideration of the joint resolution in the House, any rule of the House to the contrary notwithstanding, with 1 hour of general debate divided equally between the chairman and ranking member of the Committee on Appropriations.

Finally, the rule provides for one motion to recommit with or without instructions. The motion to recommit may include instructions only if offered by the minority leader or his designee.

Mr. Speaker, we are in the midst of an historic effort to change the Washington culture of deficit spending by balancing the Federal budget over a 7-year period. For the first time in three decades, the majority in Congress is insisting that Federal spending not take priority over the future of our children. We are implementing a budget plan that sets priorities within the $1.5 trillion Federal budget by slowing the rate of growth of most Federal programs while eliminating those that are clearly wasteful, duplicative, or unnecessary.

Balancing the budget is clearly not a simple job, especially when the President, sizable minorities in the House and Senate, and special interests that live off the fat of the bloated Federal Government stand in the way. The appropriations process is a central feature of that budget balancing struggle.

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It is clear that the bills that meet the targets of the 7-year balanced budget plan will not be completed by October 1, the beginning of the new fiscal year. The continuing resolution that we are going to be considering here today gives Congress time to complete the regular appropriations bills.

Mr. Speaker, the administration supports House Joint Resolution 108, the chairman and ranking minority member of the Committee on Appropriations appeared before the Committee on Rules yesterday and both supported both the rule and the measure. This continuing resolution is a bipartisan compromise that was the result of a long, sincere, and tireless negotiating process.

While this continuing resolution is a responsible bill, there should be no mistake the fact he continuing resolutions will not replace the regular appropriations process. House Joint Resolution 108 provides the time we need to do the work we need, and that is it. It is a temporary stopgap, and it is a fiscally responsible stopgap.

The spending level incorporated in this continuing resolution is below the level in the House-passed balanced budget plan. It should be made clear that this continuing resolution does not attempt to impose major policy changes on the Federal Government. Those policy changes will be accomplished through the regular legislative process, an effort, even a struggle in some cases, that I look forward to. But they will not be implemented today.

Mr. Speaker, with the beginning of the new fiscal year rapidly approaching, it is important that we act quickly. I urge my colleagues to support this rule and to support the resolution. It should be approved, sent to the other body for equally prompt and responsible consideration, and sent to the President for signature this weekend. Then we can get back to the critical work of balancing the Federal budget, saving the Medicare system from bankruptcy, ending welfare as we know it, and implementing a growth-oriented tax cut that will create more jobs and increase the take-home pay of American workers.

Mr. Speaker, I include for the RECORD a comparison of the rules con-

THE AMENDMENT PROCESS UNDER SPECIAL RULES REPORTED BY THE RULES COMMITTEE,[1] 103D CONGRESS V. 104TH CONGRESS

[As of September 27, 1995]

Rule type	103d Congress		104th Congress	
	Number of rules	Percent of total	Number of rules	Percent of total
Open/Modified-open[2]	46	44	50	74
Modified Closed[3]	49	47	15	22
Closed[4]	9	9	3	4
Totals:	104	100	68	100

[1] This table applies only to rules which provide for the original consideration of bills, joint resolutions or budget resolutions and which provide for an amendment process. It does not apply to special rules which only waive points of order against appropriations bills which are already privileged and are considered under an open amendment process under House rules.

[2] An open rule is one under which any Member may offer a germane amendment under the five-minute rule. A modified open rule is one under which any Member may offer a germane amendment under the five-minute rule subject only to an overall time limit on the amendment process and/or a requirement that the amendment be preprinted in the Congressional Record.

[3] A modified closed rule is one under which the Rules Committee limits the amendments that may be offered only to those amendments designated in the special rule or the Rules Committee report to accompany it, or which preclude amendments to a particular portion of a bill, even though the rest of the bill may be completely open to amendment.

[4] A closed rule is one under which no amendments may be offered (other than amendments recommended by the committee in reporting the bill).

SPECIAL RULES REPORTED BY THE RULES COMMITTEE, 104TH CONGRESS

[As of September 27, 1995]

H. Res. No. (Date rept.)	Rule type	Bill No.	Subject	Disposition of rule
H. Res. 38 (1/18/95)	O	H.R. 5	Unfunded Mandate Reform	A: 350–71 (1/19/95).
H. Res. 44 (1/24/95)	MC	H. Con. Res. 17	Social Security	A: 255–172 (1/25/95).
		H.J. Res. 1	Balanced Budget Amdt	
H. Res. 51 (1/31/95)	O	H.R. 101	Land Transfer, Taos Pueblo Indians	A: voice vote (2/1/95).
H. Res. 52 (1/31/95)	O	H.R. 400	Land Exchange, Arctic Nat'l. Park and Preserve	A: voice vote (2/1/95).
H. Res. 53 (1/31/95)	O	H.R. 440	Land Conveyance, Butte County, Calif	A: voice vote (2/1/95).
H. Res. 55 (2/1/95)	O	H.R. 2	Line Item Veto	A: voice vote (2/2/95).
H. Res. 60 (2/6/95)	O	H.R. 665	Victim Restitution	A: voice vote (2/7/95).
H. Res. 61 (2/6/95)	O	H.R. 666	Exclusionary Rule Reform	A: voice vote (2/7/95).
H. Res. 63 (2/8/95)	MO	H.R. 667	Violent Criminal Incarceration	A: voice vote (2/9/95).
. Res. 69 (2/9/95)	O	H.R. 668	Criminal Alien Deportation	A: voice vote (2/10/95).
H. Res. 79 (2/10/95)	MO	H.R. 728	Law Enforcement Block Grants	A: voice vote (2/13/95).
H. Res. 83 (2/13/95)	MO	H.R. 7	National Security Revitalization	PQ: 229–100; A: 227–127 (2/15/95).
H. Res. 88 (2/16/95)	MC	H.R. 831	Health Insurance Deductibility	PQ: 230–191; A: 229–188 (2/21/95).
H. Res. 91 (2/21/95)	O	H.R. 830	Paperwork Reduction Act	A: voice vote (2/22/95).
H. Res. 92 (2/21/95)	MC	H.R. 889	Defense Supplemental	A: 282–144 (2/22/95).
H. Res. 93 (2/22/95)	MO	H.R. 450	Regulatory Transition Act	A: 252–175 (2/23/95).
H. Res. 96 (2/24/95)	MO	H.R. 1022	Risk Assessment	A: 253–165 (2/27/95).
H. Res. 100 (2/27/95)	O	H.R. 926	Regulatory Reform and Relief Act	A: voice vote (2/28/95).
H. Res. 101 (2/28/95)	MO	H.R. 925	Private Property Protection Act	A: 271–151 (3/2/95).
H. Res. 103 (3/3/95)	MO	H.R. 1058	Securities Litigation Reform	
H. Res. 104 (3/3/95)	MO	H.R. 988	Attorney Accountability Act	A: voice vote (3/6/95).
H. Res. 105 (3/6/95)	MO			A: 257–155 (3/7/95).
H. Res. 108 (3/7/95)	Debate	H.R. 956	Product Liability Reform	A: voice vote (3/8/95).
H. Res. 109 (3/8/95)	MC			PQ: 234–191 A: 247–181 (3/9/95).
H. Res. 115 (3/14/95)	MO	H.R. 1159	Making Emergency Supp. Approps.	A: 242–190 (3/15/95).
H. Res. 116 (3/15/95)	MC	H.J. Res. 73	Term Limits Const. Amdt	A: voice vote (3/28/95).
H. Res. 117 (3/16/95)	Debate	H.R. 4	Personal Responsibility Act of 1995	A: voice vote (3/21/95).
H. Res. 119 (3/21/95)	MC			A: 217–211 (3/22/95).
H. Res. 125 (4/3/95)	O	H.R. 1271	Family Privacy Protection Act	A: 423–1 (4/4/95).
H. Res. 126 (4/3/95)	O	H.R. 660	Older Persons Housing Act	A: voice vote (4/6/95).
H. Res. 128 (4/4/95)	MC	H.R. 1215	Contract With America Tax Relief Act of 1995	A: 228–204 (4/5/95).
H. Res. 130 (4/5/95)	MC	H.R. 483	Medicare Select Expansion	A: 253–172 (4/6/95).
H. Res. 136 (5/1/95)	O	H.R. 655	Hydrogen Future Act of 1995	A: voice vote (5/2/95).
H. Res. 139 (5/3/95)	O	H.R. 1361	Coast Guard Auth. FY 1996	A: voice vote (5/9/95).
H. Res. 140 (5/9/95)	O	H.R. 961	Clean Water Amendments	A: 414–4 (5/10/95).
H. Res. 144 (5/11/95)	O	H.R. 535	Fish Hatchery—Arkansas	A: voice vote (5/15/95).
H. Res. 145 (5/11/95)	O	H.R. 584	Fish Hatchery—Iowa	A: voice vote (5/15/95).
H. Res. 146 (5/11/95)	O	H.R. 614	Fish Hatchery—Minnesota	A: voice vote (5/15/95).
H. Res. 149 (5/16/95)	MC	H. Con. Res. 67	Budget Resolution FY 1996	PQ: 252–170 A: 255–168 (5/17/95).
H. Res. 155 (5/22/95)	MO	H.R. 1561	American Overseas Interests Act	A: 233–176 (5/23/95).
H. Res. 164 (6/8/95)	MC	H.R. 1530	Nat. Defense Auth. FY 1996	PQ: 225–191 A: 233–183 (6/13/95).
H. Res. 167 (6/15/95)	O	H.R. 1817	MilCon Appropriations FY 1996	PQ: 223–180 A: 245–155 (6/16/95).
H. Res. 169 (6/19/95)	MC	H.R. 1854	Leg. Branch Approps. FY 1996	PQ: 232–196 A: 236–191 (6/20/95).
H. Res. 170 (6/20/95)	O	H.R. 1868	For. Ops. Approps. FY 1996	PQ: 221–178 A: 217–175 (6/22/95).
H. Res. 171 (6/22/95)	O	H.R. 1905	Energy & Water Approps. FY 1996	A: voice vote (7/11/95).
H. Res. 173 (6/27/95)	C	H.J. Res. 79	Flag Constitutional Amendment	PQ: 258–170 A: 271–152 (6/28/95).
H. Res. 176 (6/28/95)	MC	H.R. 1944	Emer. Supp. Approps.	PQ: 236–194 A: 234–192 (6/29/95).
H. Res. 185 (7/11/95)	O	H.R. 1977	Interior Approps. FY 1996	PQ: 235–193 D: 192–238 (7/12/95).
H. Res. 187 (7/12/95)	O	H.R. 1977	Interior Approps. FY 1996 #2	PQ: 230–194 A: 229–195 (7/13/95).
H. Res. 188 (7/12/95)	O	H.R. 1976	Agriculture Approps. FY 1996	PQ: 242–185 A: voice vote (7/18/95).
H. Res. 190 (7/17/95)	O	H.R. 2020	Treasury/Postal Approps. FY 1996	PQ: 232–192 A: voice vote (7/18/95).
H. Res. 193 (7/19/95)	C	H.J. Res. 96	Disapproval of MFN to China	A: voice vote (7/20/95).
H. Res. 194 (7/19/95)	O	H.R. 2002	Transportation Approps. FY 1996	PQ: 217–202 A: voice vote (7/21/95).
H. Res. 197 (7/21/95)	O	H.R. 70	Exports of Alaskan Crude Oil	A: voice vote (7/24/95).
H. Res. 198 (7/21/95)	O	H.R. 2076	Commerce, State Approps. FY 1996	A: voice vote (7/25/95).
H. Res. 201 (7/25/95)	O	H.R. 2099	VA/HUD Approps. FY 1996	A: 230–189 (7/25/95)..
H. Res. 204 (7/28/95)	MC	S. 21	Terminating U.S. Arms Embargo on Bosnia	A: voice vote (8/1/95).
H. Res. 205 (7/28/95)	O	H.R. 2126	Defense Approps. FY 1996	A: 409–1 (7/31/95).
H. Res. 207 (8/1/95)	MC	H.R. 1555	Communications Act of 1995	A: 255–156 (8/2/95).
H. Res. 208 (8/1/95)	O	H.R. 2127	Labor, HHS Approps. FY 1996	A: 323–104 (8/2/95).
H. Res. 215 (9/7/95)	O	H.R. 1594	Economically Targeted Investments	A: voice vote (9/12/95).
H. Res. 216 (9/7/95)	MO	H.R. 1655	Intelligence Authorization FY 1996	A: voice vote (9/12/95).
H. Res. 218 (9/12/95)	O	H.R. 1162	Deficit Reduction Lockbox	A: voice vote (9/13/95).
H. Res. 219 (9/12/95)	O	H.R. 1670	Federal Acquisition Reform Act	A: 414–0 (9/13/95).
H. Res. 222 (9/18/95)	O	H.R. 1617	CAREERS Act	A: 388–2 (9/19/95).
H. Res. 224 (9/19/95)	O	H.R. 2274	Natl. Highway System	PQ: 241–173 A: 375–39–1 (9/20/95).
H. Res. 225 (9/19/95)	MC	H.R. 927	Cuban Liberty & Dem. Solidarity	A: 304–118 (9/20/95).
H. Res. 226 (9/21/95)	O	H.R. 743	Team Act	A: 344–66–1 (9/27/95).
H. Res. 227 (9/21/95)	O	H.R. 1170	3-Judge Court	
H. Res. 228 (9/21/95)	O	H.R. 1601	Internatl. Space Station	A: voice vote (9/27/95).
H. Res. 230 (9/27/95)	C	H.J. Res. 108	Continuing Resolution FY 1996	

Codes: O-open rule; MO-modified open rule; MC-modified closed rule; C-closed rule; A-adoption vote; D-defeated; PQ-previous question vote. Source: Notices of Action Taken, Committee on Rules, 104th Congress.

sidered by the Committee on Rules during the 103d and 104th Congresses.

Mr. DREIER. Mr. Speaker, I reserve the balance of my time.

Mr. HALL of Ohio. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 230 is a closed rule to allow consideration of House Joint Resolution 108, a bill making continuing appropriations for the fiscal year 1996.

As my colleague from California has described, this rule provides 1 hour of general debate, equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations.

Under the rule, no amendments will be allowed. A motion to recommit with instructions may be offered only by the minority leader or his designee.

The Rules Committee reported this rule by voice vote without opposition.

Too often in recent years, Congress has waited until the last minute to keep the Government going past the beginning of the fiscal year. With this ritual comes the fear of Government furloughs, shutdowns, and programs grinding to a half.

This year, with loud threats being made not to compromise, the fears were stronger than usual. There was talk of a train wreck coming October 1.

The American people deserve better. What kind of a signal are we sending to the dedicated, public-spirited civil servants who work for the Governments?

What kind of a signal are we sending to Americans who depend on Government services?

What kind of a signal are we sending to the people of other nations who are our allies and trading partners?

There has to be a better way.

During Rules Committee consideration of the continuing resolution, we heard testimony from our colleague from Pennsylvania, Mr. GEKAS, who has proposed a bill that would provide an automatic back-up plan in case the appropriations bills are not passed before the end of the fiscal year. It is a sound idea that has merit.

I hope that the House will give serious consideration to his bill—or any proposal that will end this embarrassing ritual once and for all.

The rule under consideration is a closed rule. In general, I am opposed to closed rules. This institution usually does its best work when full and open debate is permitted, giving the American people an opportunity to hear complete discussion of the issues.

But there is a time when legislation is so urgent and so fundamentally important to our Nation that a closed rule is acceptable. This is such a time.

We must pass this bill quickly to ensure the smooth continuation of Government services into the next fiscal year. Even more important, we must send a signal to the Federal workers at military bases, veterans' hospitals, air traffic control towers, national parks, and elsewhere that this House respects their work.

Mr. DREIER. Mr. Speaker, I am happy to yield such time as he may consume to my good friend, the distinguished gentleman from Glens Falls, NY [Mr. SOLOMON], the chairman of the Committee on Rules.

Mr. SOLOMON. Mr. Speaker, I certainly thank the vice chairman of the Committee on Rules for yielding me this time. The gentleman has very ably stated the necessity for this continuing resolution.

Mr. Speaker, let me first of all just really praise the chairman of the Committee on Appropriations, the gentleman from Louisiana, BOB LIVINGSTON, for the great job than he and his staff have done on this entire appropriation process this year under very difficult circumstances. But let me speak just briefly to the aspect of a closed rule.

This is not a typical closed rule. What this rule does is simply allow the Committee on Appropriations to bring a continuing resolution to this floor which will allow an additional 6 weeks for this body to negotiate between the Democrats and the Republicans, to negotiate between Republicans and Republicans, and to negotiate with the other body as well as the White House.

I want to make one thing very clear: This in no way diminishes our effort to stay on a glidepath toward a balanced budget. This Member of Congress is voting for nothing that is going to in any way diminish that effort to bring about a balanced budget. As a matter of fact, the continuing resolution, as the gentleman from Louisiana [Mr. LIVINGSTON] has stated and will state in a few minutes, and the gentleman from California [Mr. DREIER], this continuing resolution actually keeps us on that glidepath more than if we did nothing at all. That is very, very important.

For example, when various programs or projects or bureaus or agencies have been zeroed out, have not been funded, this says that they can continue at last year's 1995 levels, minus or not to exceed 90 percent; nor can they go ahead with any kind of expediting of programs that are not provided for. For all of the other programs, and this is very important, they will only be funded during the next 6 weeks at the average of the House and Senate, minus another 5 percent.

That means by passing this continuing resolution, we are actually saving the taxpayers dollars. That is important to keep in mind. I hope everyone does support this continuing resolution so we can get on toward balancing this budget, which is desperately needed in this country.

Mr. DREIER. Mr. Speaker, I yield 3 minutes to the gentleman from Florida [Mr. GOSS], a member of the Committee on Rules and the chairman of the Subcommittee on Legislative Process.

Mr. GOSS. Mr. Speaker, I am very pleased to rise in support of this rule and I thank my friend, the vice-chair of the Rules Committee, Mr. DREIER, for yielding. For those who despair that partisan politics have ground the legislative process to a halt, this rule and this continuing resolution should provide some encouragement. Today we have before us the product of good faith negotiation and practical cooperation between the Houses of Congress and up and down Pennsylvania Avenue. The continuing resolution reflects a bipartisan commitment to ensuring that the Government continues to function beyond the first of the fiscal new year. Yet we must be perfectly clear—this continuing resolution is temporary—lasting no more than 6 weeks—and it is carefully designed to squeeze discretionary spending enough so that all parties to the budget negotiations will have the incentive to get the real job done in passing—and signing—the 13 regular appropriations bills. This concurrent resolution reflects our commitment to balancing the budget and cutting Federal spending, while allowing us to work out some very deep philosophical differences on issues involving the size and scope of the Federal Government. That work lies at the heart of what must be accomplished in our congressional budget process. I know that many Americans are concerned about what has been labeled an impending train wreck in the budget process. While we have yet to reconcile the issues of Medicare, Medicaid, welfare and other major components of the budget picture, today's action at least clears the way for the discretionary spending train to leave the station, only slightly delayed, but on the right track. Mr. Speaker, this rule, as has been explained, is simple and should be noncontroversial. Although few people believe that continuing resolutions have been—or should ever be—standard business, today's rule is highly standard for such matters and I hope my colleagues will support it. I would like to note that we did have some testimony in the Rules Committee from Members taking a longer view of the congressional budget process, seeking a way to avoid annual action on continuing resolutions in the future. While we are not able to resolve that process question here today, I would like to assure Members interested in the broader topic of budget process reform that our Rules Subcommittees, chaired by Mr. DREIER and myself, have been reviewing our entire budget process and seeking opportunities for reform. We welcome the input of all Members. While process cannot protect us from making the tough policy decisions needed to find balance in our budget, it can help us adhere to those decisions once they are made.

Mr. DREIER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I do so to simply inform my colleagues that we are very pleased to have the distinguished former chairman of the Committee on Rules, the ranking minority member here, the gentleman from Massachusetts [Mr. MOAKLEY], and the entire House would like to extend our very warm welcome.

Mr. Speaker, I yield 4 minutes to my very good friend, the gentleman from Loveland, CO [Mr. ALLARD].

Mr. ALLARD. Mr. Speaker, I would like to thank the gentleman from California [Mr. DREIER] for yielding me time. I commend the gentleman for his hard work in bringing about reform in the Congress.

Mr. Speaker, I rise in support of H.R. 230 and House Joint Resolution 108. In August I introduced H.R. 2197, the Continuing Resolution Reform Act. It was clear to me that a continuing resolution was very likely and that it would be necessary to ensure that any continuing resolution immediately begin to cut spending.

The Allard rule would amend the rules of the House to require that a continuing resolution would find programs at the lower of the House-recommended level or the Senate-recommended level at, and in no case would funding exceed 95 percent of the prior year's level. This proposal would mandate a minimum of 5 percent real cut in any continuing resolution.

Mr. Speaker, I intend to continue the fight to get this proposal enacted into our House rules so it can provide a guideline for any future continuing resolutions.

Today we have before us a continuing resolution that will temporarily fund most programs at the average of the House recommended level and the Senate recommended level with an additional 5-percent cut below that level. I want to commend my colleague from Louisiana for working on such a strong agreement with the administration.

This continuing resolution is consistent with the overall discretionary spending target established by the budget resolution. It would result in $24.5 billion in discretionary spending cuts if calculated on an annualized basis.

This represents real spending cuts. In addition, it will act as a catalyst to get the regular appropriations bills enacted into law as soon as possible. It is not a painless alternative for those who wish to preserve the status quo and block budget cuts.

This is a credible agreement and a good start to our 7-year balanced budget plan. It will let the American people know that we are serious about keeping our promises. It will let them know we are serious about eliminating deficit spending by 2002.

Mr. Speaker, I intend to support this continuing resolution, and I urge my colleagues to do the same.

Mr. DREIER. Mr. Speaker, I am happy to yield 2 minutes to my good friend the gentleman from Harrisburg, PA [Mr. GEKAS].

Mr. GEKAS. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, it is no secret to the members of the Committee on Rules that for several terms now I have regularly appeared before it to urge consideration of my proposal which we have called the instant replay, meaning that if on September 30 of every year, the end of the fiscal year, we do not have a budget in place, that automatically on October 1, would go into effect—by instant replay mechanism—last year's budget, or the lowest figure between the House and Senate, whichever is the lowest figure, for the remainder of the term, so that the White House and the Congress could continue to negotiate without the fear of and without the pressure of a threat of or actual shutdown in Government.

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That is all I ever intended, to prevent a shutdown of our Government. We had the anomally, the sad state of affairs, where in 1990, as our youngster were gathering their military forces in Saudi Arabia—waiting for Desert Storm to occur, in forming Desert Shield—that while they were there, the Government supported the shutdown. That is unacceptable.

Well, Mr. Speaker, where are we? I should feel chagrined that the Rules Committee again smacked me down and did not consider my proposal, but, on the other hand, the sense of that instant replay has been incorporated in the current continuing resolution. It prevents shutdown of Government, does bring in the lower levels of spending for an appreciable time, but the problem is that, after this 6-week continuing resolution's life, the question recurs, the danger recurs, the specter of a shutdown in Government comes back to haunt us.

Mr. Speaker, my instant replay would have prevented that for all time. But I am happy at least for 6 weeks to be able to debate the merits of instant replay again. There should never be a Government shutdown.

Mr. DREIER. Mr. Speaker, I would inquire of my friend if he has any speakers on the other side of the aisle.

Mr. HALL of Ohio. Mr. Speaker, I have no requests for time. I would simply say that I am thankful that we are avoiding this tremendous embarrassment, this big, certainly hurt to the country by having this continuing resolution before us. I am very thankful to the gentleman from Louisiana [Mr. LIVINGSTON] for his work, certainly the gentleman from Wisconsin [Mr. OBEY] for his diligence behind the scenes and working very, very hard to keep this, along with Mr. LIVINGSTON, and certainly our President for making it happen.

With that, Mr. Speaker, I have no requests for time, and I yield back the balance of my time.

Mr. DREIER. Mr. Speaker, I yield myself such time as I may consume, and I would join in saying that I believe this is a very important day. We are headed toward a balanced budget within the next 7 years. We have successfully, when we pass this resolution, avoided a shutdown of the Federal Government. It is due to the efforts of the gentleman from Louisiana [Mr. LIVINGSTON], the chairman of the Committee on Appropriations, and the gentleman from Wisconsin [Mr. OBEY], and all of us who have participated in supporting their work here.

I hope, very much, that we will be able to move quickly to passage of this and then provide it so that the President can sign it this weekend. With that, Mr. Speaker, I urge support of the rule and support of the resolution.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. LIVINGSTON. Mr. Speaker, pursuant to the rule just adopted, I call up the joint resolution (H.J. Res. 108) making continuing appropriations for fiscal year 1996, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the joint resolution.

The Speaker pro tempore (Mr. HEFLEY). Pursuant to the rule, the gentleman from Louisiana [Mr. LIVINGSTON] will be recognized for 30 minutes, and the gentleman from Wisconsin [Mr. OBEY] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Louisiana [Mr. LIVINGSTON].

GENERAL LEAVE

Mr. LIVINGSTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on House Joint Resolution 108, and that I might include tabular and extraneous material.

The Speaker pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. LIVINGSTON. Mr. Speaker, I yield myself such time as I might consume, and I do not anticipate that I will take nearly all the time allotted to me.

First, I want to thank the distinguished gentleman from New York [Mr. SOLOMON], chairman of the Committee on Rules, and all of the members of that committee for hearing us out and for bearing with us while we entertained the ongoing negotiations on this continuing resolution. We did have some last minute changes that we had to engage in with the administration but the Committee on Rules was most gracious in giving us the extra time so that we could put the final touches on this package. I am deeply appreciative of their consideration.

Likewise, Mr. Speaker, I want to thank the representatives of the administration, Mr. Panetta, Chief of Staff over at the White House, and all of his people for working with us. We had some interesting moments, but I am glad to say that with their help we finally brought it to a conclusion.

I especially wanted to thank my friend, the gentleman from Wisconsin [Mr. OBEY], the ranking member on the Committee on Appropriations. Without his help, I do not think we could have closed the loop on this package, and I do think that it is important that we have an additional 6 weeks of time to complete our processes on the appropriations bills.

Mr. Speaker, we went through a very exhaustive spring when the Contract With America was working its way through the Congress and, obviously, the budget and appropriations process was put to the back of the line in terms of the agenda on the floor of the House. We have had to take a little extra time at the back end, but we are in the process of completing our business, and I think that this 6-week continuing resolution will enable us to get over the hump without unduly stressing the work force of the Federal Government or the business of the United States of America.

I am very, very pleased then to bring to the House this fiscal year the 1996 continuing resolution, House Joint Resolution 108. We will not have all 13 appropriations bills enacted into law before October 1. A continuing resolution to keep the Government operating is, therefore, necessary.

This continuing resolution has been developed in consultation with both sides of the aisle, with our Senate counterparts, and with the joint leadership, as well as with the President. The President has indicated that he will sign it if it is presented in its current form. The passage of this continuing resolution by this body and its enactment will avoid any unnecessary and costly disruption of Government operations while we work out our difference on the regular 13 appropriations bills.

Mr. Speaker, the current status of our 13 regular bills is as follows: Two bills, military construction and legislative branch have been cleared by us for presentation to the President. Two more conference reports, Interior and Defense, are ready for consideration in the House. One bill, the Agriculture bill, has completed conference, and I expect that the conference report will be filed later today, and I am hopeful we may even consider the conference report on the floor of the House tomorrow before adjourning for the week. Three bills, Energy and Water Development, Transportation, and Treasury-Postal, have passed both bodies and are currently in conference. Two bills, foreign operations and VA-HUD, have passed both bodies and are awaiting appointment of conferees. Two bills, Labor-HHS and Commerce-Justice, passed the House and are awaiting floor consideration in the Senate. The bill on the District of Columbia has not yet been reported to the House, but we anticipate that it could be considered in the coming days.

We are well on our way, Mr. Speaker, to completing congressional action on all of these bills. Not all will be signed at the outset when they are presented to the President. Some may be vetoed, but until action on all 13 is completed and they are enacted, we will need to have a continuing resolution.

We need to continue Government while maintaining funding prerogatives and providing incentives to get all 13 bills signed into law. The key features of this continuing resolution are, first, that its funding levels are below, and I have to stress that, Mr. Speaker, they are below the section 602(a) levels of the budget resolution. In order words, any projected savings that we anticipated with the 13 appropriations bills in fiscal year 1996 leadership likewise will be achieved, and we will exceed those savings under the rates in the continuing resolution during its term of no more than 6 weeks.

As such, it will not be more attractive, because the savings are greater actually during the period of the continuing resolution, for the administration to sit back, not sign the appropriations bills and depend on a continuing resolution to fund Government. Also, because it does not produce the specific reductions we think are important, it provides an incentive to us to produce the bills that provide the savings we want.

The continuing resolution has restrictive funding rates but does not prematurely terminate any ongoing program. It does not allow for any new initiatives. It prevents costly furloughs and associated termination costs. It does not prejudge final funding decisions either up or down in the 13 regular bills. It establishes a climate which is conducive to all involved to produce 13 bills as soon as possible. It is clean of extraneous provisions. It runs until November 13 or until all of the regular bills are signed into law, whichever is sooner, meaning that as appropriation bills are signed by the President, all the programs within that bill are taken off the table and the continuing resolution pertains only to the bills which have not yet been signed into law under the normal appropriations process.

Mr. Speaker, this continuing resolution should be passed by the House and the Senate. If that occurs the President will sign it and we will avoid any unnecessary shutdown of the Government. It will give us the additional time we need to work out our remaining individual bills.

Mr. Speaker, I would strongly urge the adoption of this joint resolution.

Mr. Speaker, I reserve the balance of my time.

Mr. OBEY. Mr. Speaker, I yield myself such time as I may consume. I thank the gentleman from Louisiana [Mr. LIVINGSTON] for his kind comments.

Mr. Speaker, Let me simply say that I think this bill is very simple. It simply guarantees that the functions of Government will continue and that innocent Federal workers will not, through no fault of their own, be furloughed because the Congress itself has not yet completed its work on appropriation matters.

I appreciate very much the flexible attitude of the gentleman from Louisiana. As he knows I was especially concerned yesterday when things appeared to be breaking down, and I am happy that a little frank private talk could resolve those matters in a very short period of time, and I appreciate the gentleman's help on that.

Mr. Speaker, I would simply say that, as the gentleman from Louisiana has indicated, this bill creates some additional pressure on both sides, both the White House and the Congress, to finish action on the appropriation bills on which action has not yet been completed, because it contains a spending level which is lower than the level provided for in the budget resolution. It also works out a reasonable way of dealing with the differences in funding levels between the bills in the two Houses. It does not unfairly advantage either the White House or the Congress in the disagreements that are still pending, and I think it is well worth the support of people in this body.

Mr. Speaker, those who say that somehow the way to avoid these potential train wreck problems is some procedural fix, I would urge a bit of caution on that. It has been my experience that these bills get finished when the committee is allowed to do its work without outside forces and pressures intervening, and I think we demonstrated that last year, for instance, when every single appropriation bill was passed by the House and by the Senate and signed by the President before the expiration of the fiscal year.

When other events intervene as they have this year, it makes it very difficult for the committee to do its work So this is the responsible thing to do. It does not cause unnecessary turmoil in the country just because there are strong differences on legislation before this body. Dick Bolling, my old mentor in the House taught me that when you do not have the votes you talk, and when you do have the votes you vote. So I would just as soon we get to the voting, as soon as the gentleman assures me there are no other speakers.

Mr. Speaker, I yield back the balance of my time.

Mr. LIVINGSTON. Mr. Speaker, I have one remaining speaker and, otherwise, we will not ask for additional time.

I yield such time as he may consume to the gentleman from Kentucky [Mr. ROGERS].

□ 1130

Mr. ROGERS. Mr. Speaker, I want to congratulate the distinguished chairman of the full Committee on Appropriations for his great leadership in bringing about this step forward that we are making today, along with the help of the gentleman from Wisconsin [Mr. OBEY], the distinguished ranking Democrat on the committee. These two gentlemen should be congratulated by the entire country for the work that they have done, their yeoman's work over the last several days in trying to avert the shutdown of the Federal Government.

Mr. Speaker, shortly I will offer a technical amendment to the bill to assure that international broadcasting operations under the United States Information Agency are covered under the terms of this continuing resolution.

What the amendment does is waive the provision in the 1994 International Broadcasting Act which says that no appropriation can be provided unless previously authorized.

Since there is no authorization in place, no appropriation could be provided for the next 43 days without this waiver, and international broadcasting operations would have to shut down.

There are already waivers in the continuing resolution for all the programs at the State Department, the Agency for International Development, the Arms Control and Disarmament Agency, and other programs at USIA, but it was not until last night that their lawyers discovered that in the 1994 Act, a requirement was inserted applying to international broadcasting that requires a separate waiver.

Since then, the Director of USIA has called requesting this; the Office of Management and Budget says it is necessary; the chairman of the Committee on International Relations has requested it; and the ranking minority member of the committee has concurred.

AMENDMENT OFFERED BY MR. ROGERS

Mr. Speaker, I offer an amendment, and I ask unanimous consent that it may be considered at this point, and that the previous question be considered as ordered on the amendment and on the joint resolution in accordance with House Resolution 230.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. ROGERS: On page 2, line 16, after "1948,", insert the following: "section 313 of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995 (Public Law 103-236),".

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from Kentucky [Mr. ROGERS].

The amendment was agreed to.

Mr. HOYER. Mr. Speaker, while I rise in support of the continuing resolution, I want to express my deep regret that the leadership has waited until 3 days prior to the end of the fiscal year to bring this important bill to the floor.

For the last 2 months, the Federal Government has invested an enormous amount of time and effort preparing for a possible shutdown of Government operations beginning this weekend.

While I am glad that this scenario will not occur, I very much regret the leadership's decision to allow millions of dollars to be spent in preparation for such a shutdown.

In addition to the expense, this delay has caused unnecessary worry for Federal employees in Maryland and throughout our Nation who have children to feed and mortgages to pay. Some of my colleagues may have found it amusing rhetoric to talk about a furlough of many of our civil servants, but I believe it is the wrong way to treat those who have committed themselves to public service.

A private company that treated its employees this way could certainly not expect the best and the brightest to stay on staff.

In August I pressed for the Appropriations Committee to hold a hearing on a possible shutdown. While I can think of no more important issue for the committee to consider, we have yet to have a single hearing.

On September 13, during consideration of the Treasury, Postal Service, General Government Appropriations Conference, I offered a continuing resolution to keep the Government operating after September 30.

At that time it was clear that the Congress would not get all of the appropriations measures to the President by the end of the fiscal year. Despite the fact that it was clear then that a crisis was imminent, none of the Republican House conferees supported my motion.

My intention in offering that resolution was to ensure that no Federal employee would be furloughed. I am pleased that the leadership has accepted my contention that no employees should be laid off even if the House or the Senate or both bodies have made substantial cuts in fiscal 1996 funding.

While I join in supporting this measure, I think we should have passed it several weeks ago. Federal employees should not have been forced to wait until today to find out when they might next get a pay check.

Mr. MFUME. Mr. Speaker, I rise today in strong support of the continuing resolution and to urge its swift enactment.

This resolution, which I understand is a compromise worked out between the White House and the congressional Republican leadership, will allow the Government to continue to operate after the beginning of fiscal year 1996, and through November 13, 1995. This resolution will also mean that Federal employees will be allowed to continue to go to work and collect their paychecks.

As the representative of tens of thousands of Federal employees, I can assure you that this resolution is welcomed news. And, although I support the resolution, I would like to take a minute to reflect on why I feel that we should really be doing more. We should be exploring possible options of ensuring that Federal employees are not put in the unenviable position of not knowing if they are going to have a job—or a paycheck—after October 1 every year.

We may hear today that Federal employees are being used as "pawns in the budget battle." While I agree that there does appear to be some merit to that accusation, it has always been my sense that in order to use a person or a group in that fashion, you must at least be aware of their existence.

I am not convinced that the concerns of Federal employees are even being taken into account by the people who are leading the confrontation that may still result in furloughs. From the Republican leadership, we hear strong words about not backing down and allowing the "train wreck" to go forward. Yet I have not heard from one of these "leaders" about trying to help, or at least abate the impact of a shutdown, on the people who would be most affected.

Combine the threat of furloughs with the other proposals that have been floated this year which would have an adverse effect on Federal employees and the result is an unwarranted disrespect for the men and women who have chosen to work for the people of this Nation. Rather than place these dedicated people on a situation of constant uncertainty, we should be thanking them for their efforts on our behalf and providing them with the benefits and security that they deserve.

There are Members, on both sides of the aisle, who have been working hard to try to ensure that Federal employees are not adversely affected by a Government-wide shutdown. I have tried to contribute to these efforts and I certainly support them. I am hopeful that at some point in the very near future we will be successful and the budget problems that may exist between Congress and the White House do not result in sleepless nights and tension-filled days for Federal employees.

It is the right, and indeed perhaps the duty, of politicians to stand up for what they believe in and to fight for their principles. Yet I would urge them to try to develop a means of ensuring that our hard-working Federal employees are not the innocent victims of their convictions.

Until that time, I urge support of the continuing resolution and hope that my colleagues will join me in working toward its swift enactment.

Mr. LIVINGSTON. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. OBEY. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. Pursuant to the rule, the previous question is ordered.

The question is on the engrossment and third reading of the joint resolution, as amended.

The joint resolution, as amended, was ordered to be engrossed and read a third time, and was read the third time, and passed, and a motion to reconsider was laid on the table.

INTERNATIONAL SPACE STATION AUTHORIZATION ACT OF 1995

The SPEAKER pro tempore (Mr. HEFLEY). Pursuant to House Resolution 228 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 1601.

□ 1134

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 1601) to authorize appropriations to the National Aeronautics and Space Administration to develop, assemble, and operate the international space stations, with Mr. HOBSON in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Wednesday, September 27, 1995, all time for general debate had expired.

The amendment in the nature of a substitute printed in the bill shall be considered by sections as an original bill for the purpose of amendment, and pursuant to the rule each section is considered read.

During consideration of the bill for amendment, the Chairman of the Committee of the Whole may accord priority in recognition to a member offering an amendment that has been printed in the designated place in the CONGRESSIONAL RECORD. Those amendments will be considered read.

The Clerk will designate section 1.

The text of section 1 is as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "International Space Station Authorization Act of 1995".

The CHAIRMAN. Are there any amendments to section 1?

The Clerk will designate section 2.

The text of section 2 is as follows:

SEC. 2. FINDINGS.

The Congress finds that—

(1) the development, assembly, and operation of the International Space Station is in the national interest of the United States;

(2) the National Aeronautics and Space Administration has restructured and redesigned the International Space Station, consolidated contract responsibility, and achieved program management, control, and stability;

(3) the significant involvement by private ventures in marketing and using, competitively servicing, and commercially augmenting the operational capabilities of the International Space Station during its assembly and operational phases will lower costs and increase benefits to the international partners;

(4) further rescoping or redesigns of the International Space Station will lead to costly delays, increase costs to its international partners, discourage commercial involvement, and weaken the international space partnership necessary for future space projects;

(5) total program costs for development, assembly, and initial operations have been identified and capped to ensure financial discipline and maintain program schedule milestones;

(6) in order to contain costs, mission planning and engineering functions of the National Space Transportation System (Space Shuttle) program should be coordinated with the Space Station Program Office;

(7) complete program authorizations for large development programs promote program stability, reduce the potential for cost growth, and provide necessary assurance to international partners and commercial participants; and

(8) the International Space Station represents an important component of an adequately funded civil space program which balances human space flight with science, aeronautics, and technology.

The CHAIRMAN. Are there any amendments to section 2?

Mr. WALKER. Mr. Chairman, I ask unanimous consent that the remainder of the committee amendment in the nature of a substitute be printed in the RECORD and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The text of the remainder of the committee amendment in the nature of a substitute is as follows:

SEC. 3. DEFINITIONS.

For the purposes of this Act—

(1) the term "Administrator" means the Administrator of the National Aeronautics and Space Administration; and

(2) the term "cost threat" means a potential change to the program baseline documented as a potential cost by the Space Station Program Office.

SEC. 4. SPACE STATION COMPLETE PROGRAM AUTHORIZATION.

(a) AUTHORIZATION OF APPROPRIATIONS.—Except as provided in subsection (b), there are authorized to be appropriated to the National Aeronautics and Space Administration for the period encompassing fiscal year 1996 and all subsequent fiscal years not to exceed $13,141,000,000, to remain available until expended, for complete development and assembly, of, and to provide for initial operations, through fiscal year 2002, of, the International Space Station. Not more than $2,121,000,000 may be appropriated for any one fiscal year.

(b) CERTIFICATION AND REPORT.—None of the funds authorized under subsection (a) may be appropriated for any fiscal year unless, within 60 days after the submission of the President's budget request for that fiscal year, the Administrator—

(1) certifies to the Congress that—

(A) the program reserves available for such fiscal year exceed the total of all cost threats known at the time of certification;

(B) the Administrator does not foresee delays in the International Space Station's development or assembly, including any delays relating to agreements between the United States and its international partners; and

(C) the International Space Station can be fully developed and assembled without requiring further authorization of appropriations beyond amounts authorized under subsection (a); or

(2) submits to the Congress a report which describes—

(A) the circumstances which prevent a certification under paragraph (1);

(B) remedial actions undertaken or to be undertaken with respect to such circumstances;

(C) the effects of such circumstances on the development and assembly of the International Space Station; and

(D) the justification for proceeding with the program, if appropriate.

If the Administrator submits a report under paragraph (2), such report shall include any comments relating thereto submitted to the Administrator by any involved party.

(c) Neutral Buoyancy Laboratory.—The Administrator is authorized to exercise an option to purchase, for not more than $35,000,000, the Clear Lake Development Facility, containing the Sonny Carter Training Facility and the approximately 13.7 acre parcel of land on which it is located, using funds authorized by this Act.

SEC. 5. COORDINATED WITH SPACE SHUTTLE.

The Administrator shall—

(1) coordinate the engineering functions of the Space Shuttle Program with the Space Station Program Office to minimize overlapping activities; and

(2) in the interest of safety and the successful integration of human spacecraft development with human spacecraft development with human spaceflight operations, maintain at one lead center the complementary capabilities of human spacecraft engineering and astronaut training.

SEC. 6. COMMERCIALIZING OF SPACE STATION.

(a) POLICY.—The Congress declares that a priority goal of constructing the International Space Station is the economic development of Earth orbital space. The Congress further declares that the use of free market principles in operating, allocating the use of, and adding capabilities to the Space Station, and the resulting fullest possible engagement of commercial providers and participation of commercial users, will reduce Space Station operational costs for all partners and the Federal Government's share of the United States burden to find operations.

(b) REPORT.—The Administrator shall deliver to the Congress, within 60 days after the submission of the President's budget request for fiscal year 1997, a market study that examines the role of commercial ventures which could supply, use, service, or augment the International Space Station, the specific policies and initiatives the Administrator is advancing to encourage these commercial opportunities, the cost savings to be realized by the international partnership from applying commercial approaches to cost-shared operations, and the cost reimbursements to the United States Federal Government from commercial users of the Space Station.

SEC. 7. SENSE OF CONGRESS

It is the sense of Congress that the "cost incentive fee" single prime contract negotiated by the National Aeronautics and Space Administration for the International Space Station, and the consolidation of programmatic and financial accountability into a single Space Station Program Office, are two examples of reforms for the reinvention of all National Aeronautics and Space Administration programs that should be applied as widely and as quickly as possible throughout the Nation's civil space program.

SEC. 8. SPACE STATION ACCOUNTING REPORT.

Within one year after the date of enactment of this Act, and annually thereafter, the Administrator shall transmit to the Congress a report with a complete annual accounting of all costs of the space station, including cash and other payments to Russia.

Mr. BEVILL. Mr. Chairman, I rise today in strong support of H.R. 1601, the international space station authorization. This legislation firmly establishes the space station as a national priority. In fact, it sets completion of the space station as NASA's highest priority.

I commend the committee for crafting a bill that authorizes adequate funding to complete this project. Stable funding is essential to the success of the space station program. At the same time, we want to make sure that the project stays on time and on budget. This legislation contains those safeguards.

As you know, the space station is the largest cooperative science program in the world. It has become a premier international undertaking with the participation of the United States, Canada, Japan, the European Space Agency, and Russia. Our international partners expect us to meet our obligations. This legislation will send a strong message that the United States is committed to completing the space station on schedule.

NASA has made great strides in streamlining the space station program. The changes have been extremely positive and excellent progress has been made. Much of the actual flight hardware has been completed and the redesign of the space station has succeeded in lowering its expected cost. The timetable for completion has been advanced and a launch schedule has been firmly established for late 1997.

The space station is important to the future of high technology in this country. It will help us advance into the 21st century and keep us on the cutting edge in our scientific endeavors.

I urge my colleagues to support this important legislation.

Ms. LOFGREN. Mr. Chairman, I rise in strong support of H.R. 1601, the international space station authorization.

Space station *Freedom* represents a challenge for the 21st century. Not since President John Kennedy challenged this country to land a man on the Moon has this country had such an opportunity to respond.

The space program has already given us new technologies and products that have enhanced the quality of our lives.

Technological spinoffs from space research have produced important benefits for our society. The development of high-speed computers and the creation of programs and software has improved industrial engineering. Other advances in computers, miniaturization, electronics, robotics, and materials have dramatically affected industrial production and U.S. technological competitiveness.

Advances in biomedical technology from the space program are abundant, particularly in the areas of monitoring, diagnostic, and testing equipment. Devices such as the electroencephalograph [EEG] and the electrocardiogram [EKG], pacemakers and medical scanners have their origins in equipment developed for the space program. Other medical advances include surgical tools, voice operated wheelchairs, and an implantable insulin delivery system.

New products such as photovoltaic power cells, improved thermal underwear, digital clocks, battery-powered hand tools and scratch-resistant coating for glasses are only a few of the useful innovations that are a direct result of the space program.

All of these advancements have provided great benefits to our society, but as I said during committee consideration of the space station: The truth is we don't know all of the innovations, discoveries, and prosperity the space station will bring to us.

Detractors of the space station will argue that during these times of tough budget decisions we just can't afford it. We have problems in this country, and we need to tend to them. Having said that, I would point out that cutting the space station *Freedom* is not going to solve them.

Our country will not be stronger, greater, braver, or more prosperous if we pull back and retreat from human space exploration.

In fact, it will be just the opposite. It is during times like these that we have to rekindle the human spirit and intellect. To look forward to the future with hope, daring, and vision. To do less would be to quit. Give up. That is not the spirit that has made this country great.

There is a quote from Tennyson on the wall of the House Science Committee hearing room that says,

> For I dipped into the future, far as human
> eyes could see
> Saw the vision of the world and all the wonder that would be.

Tennyson held in wonder the world—we now hold in wonder the universe.

I ask my colleagues to support space station *Freedom.*

Ms. HARMAN. Mr. Chairman, I rise today to support both H.R. 1601 and a strong, balanced space program.

Exactly 2 months ago, the House decisively defeated an amendment to terminate funding for the international space station. Today, we have the opportunity to pass a multi-year space station authorization bill. This legislation will provide the program with much-needed stability and will show our partners from around the globe that we are firmly committed to this truly international space station.

The bill contains an amendment I offered which was adopted by voice in the Space and Aeronautics Subcommittee, providing that the station is an important part of an adequately funded space program that balances human space flight with key science, aeronautics, and technology initiatives like the Mission to Planet Earth.

Mr. Chairman, our country needs a strong and balanced space program. The international space station needs stability once and for all. I urge my colleagues to support H.R. 1601.

Mr. DAVIS. Mr. Chairman, I rise today to express my support for H.R. 1601, the International Space Station Authorization Act of 1995. This bill gives NASA the authority to proceed with its current space station development plan, extending the authorization through complete assembly in fiscal year 2002. H.R. 1601 authorizes a total of $13.1 billion for station, with authorizations not to exceed $2.1 billion in any 1 fiscal year. Importantly, the authorization is conditioned upon each year's success, meaning NASA must be on time and on budget for this legislation to remain effective.

As you are aware the space station has gone through numerous redesigns since its inception in 1984, as the space station *Freedom* program. The redesigns and the on-again, off-again nature of space station budgets has led to increased costs. The bill before us is essential if we are to secure completion of the international space station, ensure reduced costs, and demonstrate to our international partners our commitment to completing this long-awaited project.

The international space station is the largest international scientific and technological endeavor ever undertaken. The project is taking shape not only here at home, but in 13 nations around the world. The space station will provide a permanent laboratory in an environment where gravity, temperature, and pressure can be changed and manipulated in such a way that is not possible on Earth. The opportunities for scientific and technical experimentation and for educational growth are unmatched. The station will clearly be the scientific testbed for the technologies of the future. It will allow us to expand our existing capabilities in areas such as telecommunications, medical research, and new and advanced industrial materials. And the technologies we develop in space will have immediate and practical applications for our citizens on Earth.

Mr. Chairman, the space station project is essential for the United States if we are to maintain our commitment and leadership in space. It will serve as the driving force for the technical R&D that will keep us competitive in the 21st century. Further, it will inspire our children, and foster their interest in space and science. I urge my colleagues to support H.R. 1601.

Mr. GANSKE. Mr. Speaker, I rise today in opposition to H.R. 1601, the International Space Station Authorization Act of 1995.

The American people are tired of Washington wasting their money on frivolous projects. Projects that begin with good intentions. Projects that grow in size and price and begin to take on a life of their own because no one has the courage to stop them.

Proponents of this bill state that we must authorize the space station for the next 7 years to demonstrate a commitment to our international partners. Meanwhile, we leave ourselves no way out should any of our partners decide to end or decrease their participation. And if they do drop out, we will be forced to increase our spending to pick up the slack, or publicly admit that we have spent billions on a failed program.

Full-program authorization is premature and ill-advised. Boeing has still not signed contracts with major subcontractors. International agreements have not been reached.

Space station supporters recognize that the program may not have the financial reserves to cover cost overruns. They acknowledge that our international partners are facing budget constraints and may not be able to fully participate. What they refuse to admit is that we do not need to spend $94 billion to construct and maintain the space station until 2012 in order to demonstrate a cooperative international effort in space.

I have too many questions and far too many doubts about the space station to support a 1-

year, let alone a 7-year, $13 billion authorization. We cannot afford the space station and we cannot afford to make the space station NASA's top priority at the expense of other worthwhile programs.

The CHAIRMAN. Are there any amendments to the committee amendment in the nature of a substitute?

The question is on the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. HEFLEY) having assumed the chair, Mr. HOBSON, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1601), to authorize appropriations to the National Aeronautics and Space Administration to develop, assemble, and operate the International Space Station, pursuant to House Resolution 228, reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF H.R. 1170, THREE-JUDGE COURT FOR CERTAIN INJUNCTIONS

Mr. DREIER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 227 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 227

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 1170) to provide that cases challenging the constitutionality of measures passed by State referendum be heard by a 3-judge court. The first reading of the bill shall be dispensed with. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary. After general debate the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule the amendment in the nature of a substitute recommended by the Committee on the Judiciary now printed in the bill. Each section of the committee amendment in the nature of a substitute shall be considered as read. During consideration of the bill for amendment, the Chairman of the Committee of the Whole may accord priority in recognition on the basis of whether the Member offering an amendment has caused it to be printed in the portion of the Congressional Record designated for that purpose in clause 6 of rule XXIII. Amendments so printed shall be considered as read. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto final passage without intervening motion except one motion to recommit with or without instructions.

The CHAIRMAN. The gentleman from California [Mr. DREIER] is recognized for 1 hour.

Mr. DREIER. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to my good friend the gentleman from Woodland Hills, CA [Mr. BEILENSON], pending which I yield myself such time as I may consume.

Mr. Speaker, this is an open rule for consideration of the bill, H.R. 1170, legislation to bolster in American voters the confidence that their democratic system is fair and just.

The rule provides for 1 hour of general debate divided equally between the chairman and ranking minority member of the Committee on the Judiciary. The rule makes in order the Committee on the Judiciary amendment in the nature of a substitute as the original bill for the purpose of amendment, and each section will be considered as read.

Under this open rule amendment process, Members who have preprinted their amendments in the RECORD prior to their consideration will be given priority and recognition to offer their amendments if otherwise consistent with House rules. Finally, the rule provides for one motion to recommit, with or without instructions.

Mr. Speaker, we are at a critical time in our Nation's history. The very institutions of American democracy are threatened with increasing public discontentment, or at least apathy. Too many Americans are losing faith in our system, threatening the very foundation of the democracy that has served as the inspiration for people striving for freedom and democracy around the globe.

H.R. 1170, the first legislation introduced by my California colleague, the gentleman from Palm Springs [Mr. BONO], a new member of the Committee on the Judiciary, attempts to address in an exceedingly responsible fashion a legal practice that is undermining the faith that voters have in their statewide referendum systems. Basically, it is judge shopping.

As we have learned in the State of California, special interests often shop around to find an ideologically biased Federal judge to stop State referenda from taking effect by gaining a temporary injunction pending final court action. Of course, such final action can take many years.

H.R. 1170 is not an indictment of any particular judge. Nor is it an indictment of any past legal decision which resulted in a referendum in California, or any other State, not taking effect after it was passed by the State's voters. Instead, the legislation takes direct aim at the practice of judge shopping that stacks the deck in legal challenges in order to overturn the clearly expressed will of a State's populace.

At a time when many Americans believe that our political and legal systems are stacked in favor of special interests over the mass of voters and taxpayers, it is especially unsettling when an overwhelming statewide vote can be overturned, often in a matter of days, by a single Federal judge.

For example, and this actually was really the genesis of this legislation, when the people of California approved the highly emotional Proposition 187 by an overwhelming 3 to 2 margin, a single Federal judge in San Francisco issued an injunction when the polls had been closed for 24 hours keeping the measure from ever taking effect.

It does not matter whether the injunction in that case was technically warranted. The very fact that a Federal judge with a lifetime judicial appointment can single-handedly overturn the directly expressed will of the people of the State can, and does, undermine public confidence in our system.

Using a three-judge Federal panel to determine injunctions in cases of statewide voter referenda, as they are currently employed in cases involving voting rights, is a sensible insurance policy to bolster public confidence in our democratic process.

Mr. Speaker this rule provides, as I said, for an open amendment process. It is a fair rule, respectful of the right of every Member of this House to participate in debate.

There was no opposition to the rule in the Committee on Rules, and I look forward to rapid and bipartisan approval of the rule now so that the House can get down to the very important business of considering this bill.

Mr. Speaker, I include for the RECORD the following material.

THE AMENDMENT PROCESS UNDER SPECIAL RULES REPORTED BY THE RULES COMMITTEE,[1] 103D CONGRESS V. 104TH CONGRESS

[As of September 28, 1995]

Rule type	103d Congress		104th Congress	
	Number of rules	Percent of total	Number of rules	Percent of total
Open/Modified-open[2]	46	44	50	74
Modified Closed[3]	49	47	15	22
Closed[4]	9	9	3	4
Totals:	104	100	68	100

[1] This table applies only to rules which provide for the original consideration of bills, joint resolutions or budget resolutions and which provide for an amendment process. It does not apply to special rules which only waive points of order against appropriations bills which are already privileged and are considered under an open amendment process under House rules.

[2] An open rule is one under which any Member may offer a germane amendment under the five-minute rule. A modified open rule is one under which any Member may offer a germane amendment under the five-minute rule subject only to an overall time limit on the amendment process and/or a requirement that the amendment be preprinted in the Congressional Record.

[3] A modified closed rule is one under which the Rules Committee limits the amendments that may be offered only to those amendments designated in the special rule or the Rules Committee report to accompany it, or which preclude amendments to a particular portion of a bill, even though the rest of the bill may be completely open to amendment.

[4] A closed rule is one under which no amendments may be offered (other than amendments recommended by the committee in reporting the bill).

SPECIAL RULES REPORTED BY THE RULES COMMITTEE, 104TH CONGRESS

[As of September 28, 1995]

H. Res. No. (Date rept.)	Rule type	Bill No.	Subject	Disposition of rule
H. Res. 38 (1/18/95)	O	H.R. 5	Unfunded Mandate Reform	A: 350–71 (1/19/95).
H. Res. 44 (1/24/95)	MC	H. Con. Res. 17	Social Security	A: 255–172 (1/25/95).
		H.J. Res. 1	Balanced Budget Amdt	
H. Res. 51 (1/31/95)	O	H.R. 101	Land Transfer, Taos Pueblo Indians	A: voice vote (2/1/95).
H. Res. 52 (1/31/95)	O	H.R. 400	Land Exchange, Arctic Nat'l. Park and Preserve	A: voice vote (2/1/95).
H. Res. 53 (1/31/95)	O	H.R. 440	Land Conveyance, Butte County, Calif	A: voice vote (2/1/95).
H. Res. 55 (2/1/95)	O	H.R. 2	Line Item Veto	A: voice vote (2/2/95).
H. Res. 60 (2/6/95)	O	H.R. 665	Victim Restitution	A: voice vote (2/7/95).
H. Res. 61 (2/6/95)	O	H.R. 666	Exclusionary Rule Reform	A: voice vote (2/7/95).
H. Res. 63 (2/8/95)	MO	H.R. 667	Violent Criminal Incarceration	A: voice vote (2/9/95).
H. Res. 69 (2/9/95)	O	H.R. 668	Criminal Alien Deportation	A: voice vote (2/10/95).
H. Res. 79 (2/10/95)	MO	H.R. 728	Law Enforcement Block Grants	A: voice vote (2/13/95).
H. Res. 83 (2/13/95)	MO	H.R. 7	National Security Revitalization	PQ: 229–100; A: 227–127 (2/15/95).
H. Res. 88 (2/16/95)	MC	H.R. 831	Health Insurance Deductibility	PQ: 230–191; A: 229–188 (2/21/95).
H. Res. 91 (2/21/95)	O	H.R. 830	Paperwork Reduction Act	A: voice vote (2/22/95).
H. Res. 92 (2/21/95)	MC	H.R. 889	Defense Supplemental	A: 282–144 (2/22/95).
H. Res. 93 (2/22/95)	MO	H.R. 450	Regulatory Transition Act	A: 252–175 (2/23/95).
H. Res. 96 (2/24/95)	MO	H.R. 1022	Risk Assessment	A: 253–165 (2/27/95).
H. Res. 100 (2/27/95)	O	H.R. 926	Regulatory Reform and Relief Act	A: voice vote (2/28/95).
H. Res. 101 (2/28/95)	MO	H.R. 925	Private Property Protection Act	A: 271–151 (3/2/95).
H. Res. 103 (3/3/95)	MO	H.R. 1058	Securities Litigation Reform	
H. Res. 104 (3/3/95)	MO	H.R. 988	Attorney Accountability Act	A: voice vote (3/6/95).
H. Res. 105 (3/6/95)	MO			A: 257–155 (3/7/95).
H. Res. 108 (3/7/95)	Debate	H.R. 956	Product Liability Reform	A: voice vote (3/8/95).
H. Res. 109 (3/8/95)	MC			PQ: 234–191 A: 247–181 (3/9/95).
H. Res. 115 (3/14/95)	MO	H.R. 1159	Making Emergency Supp. Approps.	A: 242–190 (3/15/95).
H. Res. 116 (3/15/95)	MC	H.J. Res. 73	Term Limits Const. Amdt	A: voice vote (3/28/95).
H. Res. 117 (3/16/95)	Debate	H.R. 4	Personal Responsibility Act of 1995	A: voice vote (3/21/95).
H. Res. 119 (3/21/95)	MC			A: 217–211 (3/22/95).
H. Res. 125 (4/3/95)	O	H.R. 1271	Family Privacy Protection Act	A: 423–1 (4/4/95).
H. Res. 126 (4/3/95)	O	H.R. 660	Older Persons Housing Act	A: voice vote (4/6/95).
H. Res. 128 (4/4/95)	MC	H.R. 1215	Contract With America Tax Relief Act of 1995	A: 228–204 (4/5/95).
H. Res. 130 (4/5/95)	MC	H.R. 483	Medicare Select Expansion	A: 253–172 (4/6/95).
H. Res. 136 (5/1/95)	O	H.R. 655	Hydrogen Future Act of 1995	A: voice vote (5/2/95).
H. Res. 139 (5/3/95)	O	H.R. 1361	Coast Guard Auth. FY 1996	A: voice vote (5/9/95).
H. Res. 140 (5/9/95)	O	H.R. 961	Clean Water Amendments	A: 414–4 (5/10/95).
H. Res. 144 (5/11/95)	O	H.R. 535	Fish Hatchery—Arkansas	A: voice vote (5/15/95).
H. Res. 145 (5/11/95)	O	H.R. 584	Fish Hatchery—Iowa	A: voice vote (5/15/95).
H. Res. 146 (5/11/95)	O	H.R. 614	Fish Hatchery—Minnesota	A: voice vote (5/15/95).
H. Res. 149 (5/16/95)	MC	H. Con. Res. 67	Budget Resolution FY 1996	PQ: 252–170 A: 255–168 (5/17/95).
H. Res. 155 (5/22/95)	MO	H.R. 1561	American Overseas Interests Act	A: 233–176 (5/23/95).
H. Res. 164 (6/8/95)	MC	H.R. 1530	Nat. Defense Auth. FY 1996	PQ: 225–191 A: 233–183 (6/13/95).
H. Res. 167 (6/15/95)	O	H.R. 1817	MilCon Appropriations FY 1996	PQ: 223–180 A: 245–155 (6/16/95).
H. Res. 169 (6/19/95)	MC	H.R. 1854	Leg. Branch Approps. FY 1996	PQ: 232–196 A: 236–191 (6/20/95).
H. Res. 170 (6/20/95)	O	H.R. 1868	For. Ops. Approps. FY 1996	PQ: 221–178 A: 217–175 (6/22/95).
H. Res. 171 (6/22/95)	O	H.R. 1905	Energy & Water Approps. FY 1996	A: voice vote (7/11/95).
H. Res. 173 (6/27/95)	C	H.J. Res. 79	Flag Constitutional Amendment	PQ: 258–170 A: 271–152 (6/28/95).
H. Res. 176 (6/28/95)	MC	H.R. 1944	Emer. Supp. Approps.	PQ: 236–194 A: 234–192 (6/29/95).
H. Res. 185 (7/11/95)	O	H.R. 1977	Interior Approps. FY 1996	PQ: 235–193 D: 192–238 (7/12/95).
H. Res. 187 (7/12/95)	O	H.R. 1977	Interior Approps. FY 1996 #2	PQ: 230–194 A: 229–195 (7/13/95).
H. Res. 188 (7/12/95)	O	H.R. 1976	Agriculture Approps. FY 1996	PQ: 242–185 A: voice vote (7/18/95).
H. Res. 190 (7/17/95)	O	H.R. 2020	Treasury/Postal Approps. FY 1996	PQ: 232–192 A: voice vote (7/18/95).
H. Res. 193 (7/19/95)	C	H.J. Res. 96	Disapproval of MFN to China	A: voice vote (7/20/95).
H. Res. 194 (7/19/95)	O	H.R. 2002	Transportation Approps. FY 1996	PQ: 217–202 (7/21/95).
H. Res. 197 (7/21/95)	O	H.R. 70	Exports of Alaskan Crude Oil	A: voice vote (7/24/95).
H. Res. 198 (7/21/95)	O	H.R. 2076	Commerce, State Approps. FY 1996	A: voice vote (7/25/95).
H. Res. 201 (7/25/95)	O	H.R. 2099	VA/HUD Approps. FY 1996	A: 230–189 (7/25/95).
H. Res. 204 (7/28/95)	MC	S. 21	Terminating U.S. Arms Embargo on Bosnia	A: voice vote (8/1/95).
H. Res. 205 (7/28/95)	O	H.R. 2126	Defense Approps. FY 1996	A: 409–1 (7/31/95).
H. Res. 207 (8/1/95)	MC	H.R. 1555	Communications Act of 1995	A: 255–156 (8/2/95).
H. Res. 208 (8/1/95)	O	H.R. 2127	Labor, HHS Approps. FY 1996	A: 323–104 (8/2/95).
H. Res. 215 (9/7/95)	O	H.R. 1594	Economically Targeted Investments	A: voice vote (9/12/95).
H. Res. 216 (9/7/95)	MO	H.R. 1655	Intelligence Authorization FY 1996	A: voice vote (9/12/95).
H. Res. 218 (9/12/95)	O	H.R. 1162	Deficit Reduction Lockbox	A: voice vote (9/13/95).
H. Res. 219 (9/12/95)	O	H.R. 1670	Federal Acquisition Reform Act	A: 414–0 (9/13/95).
H. Res. 222 (9/18/95)	O	H.R. 1617	CAREERS Act	A: 388–2 (9/19/95).
H. Res. 224 (9/19/95)	O	H.R. 2274	Natl. Highway System	PQ: 241–173 A: 375–39–1 (9/20/95).
H. Res. 225 (9/19/95)	MC	H.R. 927	Cuban Liberty & Dem. Solidarity	A: 304–118 (9/20/95).
H. Res. 226 (9/21/95)	O	H.R. 743	Team Act	A: 344–66–1 (9/27/95).
H. Res. 227 (9/21/95)	O	H.R. 1170	3-Judge Court	
H. Res. 228 (9/21/95)	O	H.R. 1601	Internatl. Space Station	A: voice vote (9/27/95).
H. Res. 230 (9/27/95)	C	H.J. Res. 108	Continuing Resolution FY 1996	A: voice vote (9/28/95).

Codes: O-open rule; MO-modified open rule; MC-modified closed rule; C-closed rule; A-adoption vote; D-defeated; PQ-previous question vote. Source: Notices of Action Taken, Committee on Rules, 104th Congress.

□ 1145

Mr. Speaker, I reserve the balance of my time.

Mr. BEILENSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank the gentleman from California for yielding the customary 30 minutes of debate time to me.

Mr. Speaker, we support this open rule for H.R. 1170, the bill mandating that three-judge panels review constitutional challenges of State referenda.

With respect to the bill itself, we are somewhat mystified at the manner in which it has moved through committee and on to the House floor.

According to the dissenting views in the committee report, the Committee on the Judiciary rushed through the hearing and markup of H.R. 1170 before the Judicial Conference of the United States had an opportunity to consider the bill and provide the committee with the benefit of its views.

The conference's official views would have been especially important to the Committee on the Judiciary in this case since the conference has consistently, since 1970, opposed three-judge courts except for certain reapportionment cases.

The 12 members signing the dissenting views noted that, and I quote them:

> not for the first time this year, the Judiciary Committee majority has ridden roughshod over the Federal judiciary, taking action on measures with a significant impact on the workload of the Federal judiciary without waiting the short period of time it would take to permit the Judicial Conference to consider those measures and give the committee the benefit of its views.

Mr. Speaker, the Committee on Rules should have a fundamental concern about process, about the manner in which committees that come to us have considered the legislation under their jurisdiction.

We ought to ensure that there is no perception that the standing committees have given inadequate thought to measures they report out to the floor for consideration by the full membership of the House, that there has not been a sufficiently deliberative committee process prior to consideration by the full House.

That is especially applicable in the consideration of legislation such as this, that has no need at all to be rushed.

Mr. Speaker, H.R. 1170 was written because of frustration with the injunction granted by a Federal court preventing immediate enforcement of California's proposition 187.

As a Californian, I think it is fair to say that everyone in California, even those of us who voted against this very controversial immigration-related referendum, is anxious for a resolution of the matter.

It is also fair to say that many proponents of this referendum knew from the beginning that it had very serious constitutional problems and that those problems would hold up its implementation because they would have to be tested in court.

In fact, the major proponents of proposition 187 always described it as a means of sending a message to the Federal Government. They knew it would run into the very problems this bill is seeking to prevent, not only in Federal courts but also in the State courts, one of which, incidentally, has issued an injunction against its taking effect because it raised substantial questions about the State's involvement in Federal areas of jurisdiction.

Members should also be very concerned, we think, about voting for legislation like this that would mandate an appeal directly to the Supreme Court from the decision of a three-judge court. The Judicial Conference has argued that this procedure bypasses the screening and fact-finding that occurs at the court of appeals level, and circumvents the development of legal interpretations through the various circuits.

As the Judicial Conference recently wrote, and I quote them:

> Bypassing intermediate appellate review prior to ultimate consideration of constitutional issues by the Supreme Court is an extraordinary measure that should be left to the Supreme Court in the exercise of its constitutional responsibilities.

Members should also carefully consider whether Congress should be saying, in effect, that one method of enacting a State law is preferred over another. The premise of H.R. 1170 is that a State law enacted by a ballot measure passed by the voters is somehow more worthy than one enacted by a State legislature, and that the Federal judiciary should be mandated to give preferential treatment to State laws adopted by referendum. As UCLA law professor Evan Caminker recently said, and I quote:

> It ought to make no difference that it is a ballot measure, because the people have no greater authority to transgress the Constitution than does the State legislature.

Mr. Speaker,, we do support this rule. It is an open rule, but we are concerned about the legislation and the need for it and the need to rush it to judgment here on the floor. We urge the adoption of the rule so that we can proceed today with the debate on this bill and, hopefully, a full discussion of what it will and will not accomplish.

Mr. Speaker, I have no requests for time, and I yield back the balance of my time.

Mr. DREIER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this is an open rule and does not seem to be controversial. I urge an "aye" vote on this rule. I am a strong supporter of the legislation of the gentleman from California, Mr. BONO, and should say that I believe it is a great day when Mr. BONO has seen something that he believes is wrong and needs to be corrected and has stepped forward and introduced this legislation and has come before our Committee on Rules and will be in just a very few minutes speaking here on the floor for this legislation.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

POSTPONING VOTES ON AMENDMENTS DURING CONSIDERATION OF H.R. 1170, THREE-JUDGE COURT FOR CERTAIN INJUNCTIONS

Mr. DREIER. Mr. Speaker, I ask unanimous consent that during considertion of H.R. 1170, pursuant to House Resolution 227 the Chairman of the Committee of the Whole may postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment, and that the Chairman of the Committee on the Whole may reduce to not less than 5 minutes the time for voting by electronic device on any postponed question that immediately follows another vote by electronic device without intervening business, provided that the time for voting by electronic device on the first in any series of questions shall be not less than 15 minutes.

The SPEAKER pro tempore (Mr. HEFLEY). Is there objection to the request of the gentleman from California?

There was no objection.

THREE-JUDGE COURT FOR CERTAIN INJUNCTIONS

The SPEAKER pro tempore. Pursuant to House Resolution 227 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 1170.

□ 1151

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1170) to provide that cases challenging the constitutionality of measures passed by State referendum be heard by a three-judge court, with Mr. EWING in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from California [Mr. MOORHEAD] and the gentlewoman from Colorado [Mrs. SCHROEDER] each will be recognized for 30 minutes.

The Chair recognizes the gentleman from California [Mr. MOORHEAD].

Mr. MOORHEAD. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of H.R. 1170, which provides for a three-judge court review of statewide referenda.

H.R. 1170 provides that requests for injunctions in cases challenging the constitutionality of measures passed by State referendum must be heard by a three-judge panel. Like other Federal legislation containing a provision providing for a hearing by a three-judge court, H.R. 1170 is designed to protect voters in the exercise of their vote and to further protect the results of that vote. It requires that legislation voted upon and approved directly by the populace of a State be afforded the protection of a three-judge court pursuant to 28 U.S.C. 2284 when an application for an injunction is brought in Federal court to arrest the enforcement of the referendum on the premise that the referendum is unconstitutional.

In effect, where the entire populace of a State democratically exercises a direct vote on an issue, one Federal judge will not be able to issue an injunction preventing the enforcement of the will of the people of that State. Rather, three judges, at the trial level, according to procedures already provided by statute, will hear the application for an injunction and determine whether the requested injunction should issue. An appeal is taken directly to the Supreme Court, expediting the enforcement of the referendum if the final decision is that the referendum is constitutional. Such an expedited procedure is already provided for in other Voting Rights Act cases.

H.R. 1170 recognizes that referenda reflect, more than any other process, the one-person, one-vote system, and seeks to protect a fundamental part of our national foundation.

Unlike other acts which provided for three-judge court consideration of constitutional challenges to State laws prior to the abolishment of many such panels in 1976, H.R. 1170 is specifically limited to State laws which are voted on directly by the entire populace of a State. This legislation more closely parallels apportionment and Voting Rights Act cases which traditionally have been granted three-judge court panel consideration by Congress because of the importance of such cases and because such cases are presented so rarely they do not present the same burden on the courts as cases which involve constitutional challenges to general State laws passed by the ordinary State legislative process. Thirty-six States have some sort of referendum system.

A Congressional Research Service survey conducted on March 9, 1995, reveals that over the past 10 years, only 10 cases in the Nation would have been eligible for review by the three-judge court procedure provided under H.R. 1170. Given that this statute would only require a three-judge panel in actions for injunctive relief which attack the constitutionality of a state-wide referendum, the burden on the judiciary as a result of this legislation is very small. The importance of this bill to Federal-State relations, however, is great.

H.R. 1170 will assure that State laws adopted by referendum or initiative, reflecting the direct will of the electorate of a State on a given issue, will be afforded greater reverence than measures passed generally by representative bodies because of their importance and their expression of the direct vote of the populace of a State.

The use of a three-judge court is imperative to the proper balance of State-Federal relations in cases such as these where one Federal judge can otherwise impede the direct will of the people of a State because he or she disagrees with the constitutionality of the provision passed. A three-judge court panel will help to provide fairer, less politically motivated consideration of cases.

Mr. Chairman, if a law passed directly by the majority of the people of a State is unconstitutional, then the people have a right to a final decision on the merits as soon as practicable. H.R. 1170, as reported by the Committee on the Judiciary, will safeguard the direct expression of democracy, and preserve individual voting rights.

I urge a favorable vote on H.R. 1170.

Mr. Chairman, I reserve the balance of my time.

Mrs. SCHROEDER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, on this bill, can I just say to my colleagues, let us talk? I mean, this sounds like something very easy, but it is very complex and I think it is not a solution for the problem that some are saying it is.

My fear is, whenever we adopt something telling people we have just solved a problem and then they later find out we have not solved it at all, it only builds voter frustration.

It is very clear that this bill arose out of Californians' frustrations with having passed proposition 187 and then having had a Federal judge say that that proposition was unconstitutional. Listen to the words, that is what they are saying. So they are saying, well, that judge was probably biased and what we really need is a three-judge panel and that would not happen.

Let us go to that very issue, because this would not have solved, if we had this on the books at the time that proposition 187 went to the courts, this would not have solved that problem.

□ 1200

No. 1, the State court judge also held it was unconstitutional. This goes to the Federal court, so it would not have done anything about the State court.

No. 2, enough time has passed so the Federal judge who held it was unconstitutional, people had time to appeal it to the court of appeals, which are three Federal judges, and they unanimously held it was also unconstitutional. So we have the State court saying it is unconstitutional, we have the Federal court saying it is unconstitutional. And to stand up and say that if we pass today a bill 1170, which will solve these kind of issues, is really, I think, not accurate.

Now, let me also say there are some other problems with this bill. We are saying to the States that if a legislature passes a bill to which citizens have a challenge on constitutionality, that will be treated differently than if there is a referendum.

Now, why? The Constitution is the Constitution, and the courts are the courts, and why isn't a constitutional issue, whether it is passed by the legislature or passed by referendum, equally as important to deal with in the same way? I do not understand that, and I think people would think there is an awful lot of arrogance if we start deciding one requires more judges than the other or whatever.

There are other problems with this. In 1976, both the House and the Senate, I believe unanimously, repealed this very same procedure on a three judge court. Why? Well, there was all sorts of rhetoric at that time about how it was the worst idea that ever happened, because what we are really doing today by going back and undoing what we did in 1976 is we are mandating that Federal courts have to act a certain way.

Everybody talks about mandates, and one more time we have got one branch mandating on another branch how they are going to allocate their resources. On the one hearing that we did have, the Federal courts were very clear that these three judge panels are very difficult to deal with.

Why? Because each judge in every Federal circuit is up to here with their agenda. They have got drug cases, criminal cases, all sorts of cases. There is no American that does not know we have a terrific backlog and all sorts of pressure on the Federal courts. If instead of going to one judge you now have to pull three judges out of their courtroom and you have to put this at the front of everything, you are going to be delaying all sorts of other issues and all sorts of other progress, and you are not giving the courts more resources, you are not doing everything else.

So this is a judicial mandate. The Federal courts have spoken very clearly through their policy branch, under Justice Rehnquist, who is not a left-leaning liberal, for heaven's sake. They have spoken very clearly that they think this is not the right bill; this is the wrong bill. They hope people vote against this bill because of the tremendous management problems it will give the Federal courts.

When you look at many of the other issues around, you find that the other thing this bill does is it mandates each one of these coming from a referendum will go from the three-judge panel right to the Supreme Court, and that the Supreme Court will not have any option as to whether or not to take the case. They must take the case.

So we are also mandating the Supreme Court must have to do this. Now, this is also very critical, because I think, again, every American knows there are all sorts of issues that want to get to the Supreme Court. The Supreme Court has a process. This will be much more complex for the Supreme Court to handle than any other case, because any other case comes to the Supreme Court with an appellate decision from an appellate court. This will not be an appellate-type decision. This will be a district court-type decision with three judges trying to decide what the rules of evidence and every other issue must be.

Imagine three Judge Ito's. That is kind of what you are going to have here, and that is a very different process. So you are going to get an entirely different kind of record that is going to be much more difficult for the Supreme Court to handle.

Again, why is a constitutional issue coming from referendum able to go directly to the Supreme Court, whereas one that is passed by a legislative body in a democratic system not guaranteed that same access and so forth? Furthermore, people going this route, through the three-judge panel, will be denied the court of appeals route. So there are all sorts of things in here that I think are terribly confusing.

The bottom line, I think, behind this bill is whether or not the Constitution is a rough draft, whether or not people can amend it simply by having a referendum.

One of the great things in this country has been the Constitution has not been a rough draft. I always thought we in this body said we were to protect and defend the Constitution. Apparently some people think it is protect and amend. But I feel very strongly that, yes, it is frustrating sometimes; yes, sometimes we do not like to have to honor minority rights; and yes, there are some things in the Constitution that probably bother every single American citizen. But basically it has been a fair document, and we have said we are a government of laws and not of men, and that a majority cannot overrule the Constitution and impose its will on the minority.

I think that is really what the crux of this complaint is about. The crux of the complaint is about the fact that the citizens of California wanted to overrule the Constitution when it came to proposition 187. A Federal judge said no, they could not, and, guess what? So did the State judge and so did now the court of appeals. So now we are going to try and tell them, well, that Federal judge was wrong, the court of appeals was wrong, the State judge was wrong, and, if we only had this process, it would have come out with a different answer. No, I do not think they would. In the interim we are going to mess up this whole thing.

You are going to hear on the other side too "forum shopping, forum shopping, forum shopping." If that is truly your concern, we have an amendment that would limit this process to circuits where they do not apply and put the judge on according to the normal way.

When this case came to the district in California where it was assigned, there were 25 judges on that bench and it was assigned in the normal rotating way. So if you said you were forum shopping for a judge, I do not know how you could do that when there are 25 judges there and they are assigned routinely in a rotating manner.

But I will offer an amendment when we get into the amendment process that would narrow this so that if there are any circuits where there are just one or two judges, so you could forum shop, or where there is any circuit where they do not use the traditional rotation, then, of course, you could have this process, and it would keep people from forum shopping.

That will go right directly to the forum shopping. But other than that I think this is much too broad. It is like shooting flies with an automatic weapon. You are not going to get the fly, and you are apt to do a lot of other damage.

Mr. Chairman, I reserve the balance of my time.

Mr. MOORHEAD. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. BONO].

Mr. BONO. Mr. Chairman, first of all, I would like to say that this is a tremendous honor for me, because the last thing I thought I would be doing at this time in my life is being a Congressman. These kind of things only happen in America. It is so magical that a citizen can have views, and then decide to get involved, and then decide they are willing to make the effort to get elected, and then get elected, and then submit bills that you think will improve the country or contribute to the country and to society.

So, for me, this is the first time for me. For me to come here and make this contribution to my country is a tremendous honor, and I will never forget it.

In this case, being a Californian, I saw the people speak. Five million people spoke, and they believed in something. They went to the polls and they turned out in droves. They had a comment, and they had a feeling, and they decided they wanted justice. They were so dedicated that they themselves put their signature on the change that they wanted in our country, and that part worked fine.

But after that part, what happened is someone who opposes their view is very politically savvy and very legally savvy, and knows the ins and outs and how to do something, so they forum shop.

Well, I did not even know what forum shopping means. But forum shopping is going to an area or a district where the judge is sympathetic to the opposition, and decides to help the opposition and bury the very referendum that was voted on unanimously by the people.

So this injustice has been going on. And it occurred to me that if the people speak, we represent the people, and their voice is the most important voice of all voices, and if we do not represent their voice and if we do not fight for what they believe in, then we are not doing our job. This all becomes a charade and a game.

Not being a politician, but being a very patriotic American, I want to fight with them as well. So now here I am able to carry the banner for them, and I have come up with a bill that I think will eliminate this injustice that occurs now when the people speak. It simply requires, rather than being able to go to one Federal judge who has an opposing opinion and have him bury that referendum, which, by the way, is still tied up in the courts, it will require three judges. That will give that referendum an opportunity to be represented more fairly, because it is going to be hard to get three people that are biased the same way.

So with all the legal rhetoric that the gentlewoman has just given us, you know, there is legal rhetoric, and then there are the facts. And fact is that this is a game, and the game is if you lose at the polls, we have got another angle. We will get it to a judge who will bury it for us.

Those are the kind of things that we want to get rid of. Those are the reasons that I ran for Congress and now am a Member of Congress, with great pride.

So as a first effort, and as my very first bill, I am asking this Congress to vote for this bill and correct this injustice.

Mrs. SCHROEDER. Mr. Chairman, I yield myself such time as I may consume, only to say my understanding was that while the gentleman is saying there was judge shopping, this case went to a district that had 25 judges, sitting judges, and that it was randomly assigned. Then it was appealed to a three Federal judge panel at the Court of Appeals, two of whom were known to be very conservative.

Mr. MOORHEAD. If the gentlewoman will yield, I want the gentlewoman to know the California situation is not the reason that I am so strongly in favor of this bill.

Mrs. SCHROEDER. Mr. Chairman, reclaiming my time, what the other gentleman from California said he did this because of judge shopping. I know the gentleman knows that the districts in

California are run the way Federal districts are supposed to be run.

Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. CONYERS], the distinguished ranking member.

□ 1215

Mr. CONYERS. Mr. Chairman, this is the California against proposition 187 proposal that claims that there was forum shopping when there was, in fact, none. I see my California colleagues are in strong array here, and I was happy that the gentleman from California [Mr. BONO] did not mention proposition 187 as the bill that sent him into his first legislative activity. The fact of the matter is, that the people of California did not know that proposition 187 was unconstitutional. I did not either, but the State court corrected that, I would say to the gentleman. Nobody was forum shopping there, and the Federal court supported it.

Mr. Chairman, can we not agree that these courts were not anti-Republican, were not against proposition 187, but that they found a fatal constitutional error that they were duty bound to profess and articulate as something that was not correct, even though 5 million, 10 million, 100 million sign it? That does not make it legal.

Let us be clear about this, Mr. Chairman, this is proposition 187 now coming to the House of Representatives. The proponents of this bill tell us we need to adopt three-judge panels to review constitutional challenges to State referenda to provide a more expedited review process. Did we not listen to the chief judge of the U.S. Court of Appeals who came and explained this to us at great length out of his very busy schedule, that if the one thing we wanted to do was to expedite an appeal is we should not put it in three courts.

Now, ladies and gentlemen, that is not awfully judicial concept to understand. We cannot take three judges and make something go faster than one judge. There was no forum shopping, so we are trying to fix something that is not broke. If anything, the bill will make it much more likely that the plaintiff will be able to tailor their lawsuit in an effort to obtain a favorable forum. How? knowing that the chief circuit judge will be given the discretion in selecting the panel members, the moving party can decide whether he or she is better off bringing the case in a State or Federal Court. So, Mr. Chairman, we will have achieved the precise opposite of the intended result.

And just to make everybody as happy as we can, we are going to give Members the Schroeder amendment that will correct even what we are imagining. We have a rotating system in almost all the Federal court jurisdictions. They are random. They rotate. There was not any hanky-panky in the California Federal courts, I am happy to report. There can not be any in selection because it is random. So at the end of the day we are left here with the conclusion that it is not good policy to mandate greater use of the three-judge panels.

That is why this Congress, on a bipartisan basis, repealed almost all of the three-judge provisions in 1976. That is why the judicial conference, which must live with the burdensome requirements of this proposal before us, and the administration strongly oppose the bill. That is why most judges that have ever heard of this proposition are outraged that we would be moving back to pre-1976 to try to get back at a proposal in California that we felt badly that it was improperly worded and we held unconstitutional.

Mr. Chairman, the real tragedy, however, is the bill's proponents would have the voters believe that we are taking some magic action that will allow for fair and more expeditious legal challenges of State referenda. When they learn this is not the case, the blame will rightly lay with this body, so oppose H.R. 1170.

Mr. MOORHEAD. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. DREIER].

Mr. DREIER. Mr. Chairman, I want to extend congratulations to the gentleman from California [Mr. BONO], my friend from Palm Springs, for the valiant effort he has put into the legislation. As I was saying during management of the rule, he saw a wrong and decided to right it and he stepped forward and I am pleased we are able to proceed with this legislation.

I have been listening to debate here, and one thing that needs to be underscored is the fact that the U.S. Congress has consistently maintained the use of three-judge panels when it comes to issues of voting rights an voting procedure, and this legislation we are considering here today simply moves into a very small and limited areas that same provision.

Mr. Chairman, some have said this would be a tremendous burden. Well, we have seen 10 of these cases over the last 10 years. I think that as we recognize that, this is a very responsible route to take.

One of the questions that was raised, Mr. Chairman, and this was given to me by the gentleman from California [Mr. MOORHEAD], the subcommittee chairman, was why should legislation passed by statewide referenda be afforded preferential treatment? The answer is in this concurring opinion in Baker versus Carr V regarding apportionment.

Justice Clark explicitly recognized the similarity between State referenda and the protection provided by the constitutional prohibition of unfair apportionment. By use of a referendum, a State is reapportioned into a single voting district to vote directly on legislation. When the population exercises its individual vote, that process is revered as a cornerstone of our democracy. For that reason, apportionment cases go to a three-judge panel for the same reason the cases falling under H.R. 1170 should go to a three-judge panel.

This is very important legislation. I again congratulate the gentleman from California [Mr. BONO] for having the vision to introduce this measure and I urge my colleagues to support it.

Mrs. SCHROEDER. Mr. Chairman, I reserve the balance of my time.

Mr. MOORHEAD. Mr. Chairman, I yield 2 minutes to the gentleman from Indiana [Mr. BUYER].

Mr. BUYER. Mr. Chairman, it is almost comical to me, because the gentleman from California almost gave my speech. I think that as I sit listening to the gentleman from Michigan, Mr. CONYERS, even Mr. CONYERS, I do not think, would advocate—matter of fact, I will ask the gentleman.

I do not think the gentleman advocates, whether he does or does not, setting aside the mandatory three-judge panel under the 1965 Voting Rights Act. Would the gentleman be in support of that or not?

Mr. CONYERS. Mr. Chairman, if the gentleman would yield, no, I supported leaving it like it is.

Mr. BUYER. Mr. Chairman, the gentleman has indicated for the 1965 Voting Rights Act.

Mr. CONYERS. If the gentleman would continue to yield, does he?

Mr. BUYER. Yes, Mr. Chairman, I do also. I listened to the gentleman's arguments, and I wanted to make that clear.

Mr. WATT of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. BUYER. I yield to the gentleman from North Carolina.

Mr. WATT of North Carolina. Mr. Chairman, I thought it might be helpful for the gentleman from Indiana [Mr. BUYER] to understand the historical and factual background in which the three-judge panel for voting rights cases was adopted initially. If the gentleman is interested in that, I would be happy to tell him. It had nothing to do with this kind of situation.

Mr. BUYER. Mr. Chairman, reclaiming my time, the three-judge panel is important because not only do we have the nexus of the 1965 Voting Rights Act, but we have that nexus the gentleman from California [Mr. DREIER] referred to when we have a State referendum. We have voters acting as one voting block, so there is a nexus. And I compliment the gentleman from California [Mr. BONO] for drafting this legislation.

Mr. Chairman, this legislation recognizes the nexus and the needs for the three-judge panel. Whether we want to debate this issue about the forum shopping or not, I think when we have the people's voice, we must respect the people's voice under the law.

So often, Mr. Chairman, people like to talk about the fact we have a democracy in America. We do not have a democracy, we have a republic, a nation of laws, not of people, for the preservation of the rights of the minority. When we have a State referendum acting with that nexus we are talking about, I think it is important to have that single judge move from that to the three-judge panel so we do not have this debate about whether they are acting as capricious or arbitrary authorities. I think it is imprudent and it would be an imprudent exercise of Federal power.

I compliment the gentleman from California [Mr. BONO] for his legislation and urge its passage.

Mrs. SCHROEDER. Mr. Chairman, I yield 10 minutes to the gentleman from North Carolina [Mr. WATT].

Mr. WATT of North Carolina. Mr. Chairman, I thank the gentlewoman for yielding me time and being generous with her time, and I will try not to use the entire time but I think this is an important issue.

I rise in opposition to the bill which is under debate at this time. The gentleman from California [Mr. BONO] apparently thinks that because he does not like the result that a court gave him changing the process by which the court got to that result is the appropriate thing to do.

I will submit to the gentleman that, first of all, I never, ever got a spanking when I was growing up that I liked the result of, but I never had the opportunity to go back and say, I want three mothers or fathers to make this decision about whether I get a spanking or not just because I did not like the result.

Mr. Chairman, I do not like the result when I get stopped by a highway patrolman out on the highway and get a traffic ticket.

Mr. HOKE. Mr. Chairman, will the gentleman yield?

Mr. WATT of North Carolina. I will not yield. The other side has plenty of time over there. I will be happy to yield after I get through making the points I want.

I do not have the right to ask for three highway patrolmen to come out on the street and decide whether it was proper for me to get a speeding ticket just because I do not like the result.

Mr. Chairman, what the gentleman from California [Mr. BONO] is proposing is tantamount to the same thing. We do not have the resources to bring to bear on the traffic ticket that I get out there.

Mr. DREIER. Mr. Chairman, will the gentleman yield?

Mr. WATT of North Carolina. Mr. Chairman, would the gentleman please stop interrupting me? I will yield at the end of my presentation.

The CHAIRMAN pro tempore (Mr. EWING). The gentleman declines to yield. The gentleman from North Carolina will continue.

Mr. WATT of North Carolina. Mr. Chairman, I will yield at the end of my presentation. If the other side is going to interrupt me every time I get into the middle of a sentence, then I am going to do the same with them.

Mr. DREIER. Mr. Chairman, I have asked the gentleman to yield one time.

Mr. WATT of North Carolina. Mr. Chairman, they can pass around that right if they want, but I am not yielding at this time. I will be happy to yield if I have time left.

We do not have the resources. We are dealing with scarce resources right now. The Republicans tell us every day we have scarce resources and here we come. We do not like the result so we will change the process. Instead of using one judge, we are going to use three judges.

Now, Mr. Chairman, I want to go back to the point the gentleman from California [Mr. BONO] made. We should have three biases in a situation where a referendum has been held rather than one bias. I did not realize that our Federal Judiciary consisted of any biases. We go through a rigorous process of trying to select the best judges we can select, and we have a very intense process of appeals to the court of appeals, to the Supreme Court of the United States.

There are always appeals in the process if we do not like the process or bias of that particular judge. So this notion that we ought to bring three biases to bear on a referendum issue rather than the bias of one judge, I hope we do not bring any biases to bear. If they are looking at the Constitution and interpreting the Constitution in the way that the U.S. Supreme Court has indicated the Constitution ought to be interpreted, and in the way that we know is correct, then it ought not be a question of whether there are any biases or not.

□ 1230

Mr. DREIER. Mr. Chairman, will the gentleman yield?

Mr. WATT of North Carolina. Mr. Chairman, regular order. I will be happy to yield to the gentleman at the end of my presentation.

Mr. Chairman, if the gentleman from California [Mr. DREIER] wants to play this game, I am going to do it to him when the gentleman gets up.

Mr. DRIER. Mr. Chairman, I am used to it.

Mr. WATT of North Carolina. Mr. Chairman, I will be happy to yield to the gentleman at the end of my presentation.

Mr. Chairman, the third point I want to address is this notion that we ought to, basically, dictate to States that they have referenda in their States, rather than deciding their State's policies through the regular legislative process.

If we say we are going to provide a three-judge panel if they have a referendum, but we are not going to provide a three-judge panel if the State legislature meets and passes a law that is constitutionally suspect, then all we have done is we are going to give the States that have a preference for referenda some kind of deference. That ought not to be the case.

There are States who do not submit issues of this kind, or any other kind, to State referenda. In North Carolina, we seldom have a statewide referendum on any issue. That is what we elect State representatives for, to go and make public policy, and we ought not give a referendum State any greater deference than we give the regular legislative body.

Finally, Mr. Chairman, and then I will be happy to yield to the gentleman, and I will be happy to engage in whatever dialog the gentleman wants, and I hope the gentleman will yield to me and we can engage in it on his time.

Mr. Chairman, let me talk to my colleagues about the historical background for having a three-judge panel in voting rights cases. The Voting Rights Act was adopted in 1965, in the midst of overt racial discrimination in the South.

It applies, primarily, to southern States. All of the judges in the South were from the South. The process that was set up was to try to get those racial biases out of the process by bringing more people to bear on it. There was a historical record of why it was necessary.

Mr. Chairman, there is no record of anybody discriminating against the State of California. Nobody has come in here and said that the judges have discriminated against the State of California.

The State court in California also held unconstitutional this proposition that you are concerned about the result of. The Federal court held it unconstitutional, and the State court held it unconstitutional.

So, are we asking for a three-judge panel in the State courts of California also? Are we accusing the State courts of discriminating against California?

There was a factual basis for a three-judge panel in voting rights cases. There is simply not that factual basis in this case.

Mr. DREIER. Mr. Chairman, will the gentleman yield?

Mr. WATT of North Carolina. I yield to the gentleman from California.

Mr. DREIER. Mr. Chairman, I thank the gentleman from North Carolina [Mr. WATT], my friend, very much for yielding and I compliment him on his statement, even though I have disagreement with it.

We need to realize that in cases of voting rights, Baker verses Carr.

Mr. WATT of North Carolina. Mr. Chairman, reclaiming my time, are we going to have a dialog or is the gentleman going to give a speech? If the gentleman is going to give a speech, I want the gentleman to do it on his time.

Mr. DREIER. Mr. Chairman, I was going to respond to the three mothers and the three highway patrolmen, but if the gentleman does not want me to, that is fine.

Mr. WATT of North Carolina. Mr. Chairman, I yield back the balance of my time, since the gentleman from California does not want to engage in a dialog; the gentleman wants to make a speech.

Mr. MOORHEAD. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio [Mr. HOKE].

Mr. HOKE. Mr. Chairman, I want to respond to a couple of things the gentleman from North Carolina [Mr. WATT] said. It is perfectly legitimate, it is utterly appropriate that we would actually give a preference to referenda, popular referenda, State referenda, because that is the only instance in which the people speak themselves. It is the purest form of democracy that we have got and we ought to do everything in our power to protect that, to give assurance to the people, to let them know, without any question, that that will be respected and that will be given a preference, if you will, and a larger standing or a higher standing than the legislative process.

Mr. Chairman, what happens in the legislative body? People get elected and they make decisions as representatives, but in a referendum it is the only time that we actually have the equivalent of a statewide town meeting. We have a situation in California where there were 5 million people and their voice was then drowned out by one individual.

The fact is, and the gentleman from North Carolina brings up a good point, the fact is that we are obviously admitting that there are the possibilities of imperfections in our Federal judiciary and that we are going to do a better job of dealing with those imperfections in a say that spreads it out, that balances it out, so that we cannot have an abuse and so we cannot have a forum shopping situation where we look for a particular judge.

We work specifically and hard to make sure that there is not only the reality of fairness but, in fact, the perception of fairness. Because this is the way that we ensure that these Democratic institutions have the confidence of the people.

Mr. Chairman, the other thing I would like to say is that I find it a little bit silly to listen to the fiscal responsibility argument regarding this; that somehow we cannot afford—in the handful of cases that will be brought up under this across the country—we cannot afford a three-judge panel instead of a one-judge panel to decide these matters.

Mr. WATT of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. HOKE. I yield to the gentleman from North Carolina.

Mr. WATT of North Caroline. Mr. Chairman, the gentleman is saying to transport three judges to a central location, three sets of clerks, court reporters to a central location is not something that we ought to be concerned about? That is an expenditure of the taxpayers' money.

Mr. HOKE. Mr. Chairman, reclaiming my time, of course I am not saying that. What I am saying is that the benefit far, far, far, outweighs the burden.

Mr. CUNNINGHAM. Mr. Chairman, will the gentleman yield?

Mr. HOKE. I yield to the gentleman from California.

Mr. CUNNINGHAM. Mr. Chairman, what I think we are seeing on this side of the aisle is that we had about 5 million Californians overridden by 1 judge. Prop 187 was approved by an overwhelming majority of Californians, and a couple of other issues. We are just saying that is wrong and we would like to make sure that that does not happen again.

Mrs. SCHROEDER. Mr. Chairman, could I inquire, please, of the remaining time on both sides?

The CHAIRMAN (Mr. EWING). The gentlewoman from Colorado [Mrs. SCHROEDER] has 6½ minutes remaining and the gentleman from California [Mr. MOORHEAD] has 12 minutes remaining.

Mrs. SCHROEDER. Mr. Chairman, could the gentleman from California use a little more of his time, because the remaining time is unbalanced.

Mr. MOORHEAD. Mr. Chairman, may I inquire how many more speakers the gentlewoman has?

Mrs. SCHROEDER. At least one, and maybe more.

Mr. MOORHEAD. Mr. Chairman, I would not like to get to the end and the gentlewoman have 10 minutes remaining for one speaker to speak and we have nothing.

Mr. Chairman, I yield 2 minutes to the gentlewoman from California [Mrs. SEASTRAND].

Mrs. SEASTRAND. Mr. Chairman, I rise in strong support of H.R. 1170. As was mentioned, we talk about 5 million Californians speaking out last year in support of an initiative that passed by overwhelming majority and 1 man silenced their voice. If there is one thing I hear on the central coast of California, our constituents are very concerned, whether real or not, about the shopping for a judge that is going to come out with a decision that is opposite the majority voice on this. Whether it is real or perceived it is there.

State referenda are special. They allow, more than any other process, the direct will of the majority of citizens in that State to be heard. I do not believe any single person without accountability to anyone should have the power to dismiss that will.

Mr. Chairman, under the current system, a single judge can suspend the direct will of the majority indefinitely without answering to anyone. This bill simply rectifies the unjust situation. It provides for three judges to come to a professional consensus on whether a radical action, such as the injunction, has merit. The judges' consideration of the case is specifically limited to the State laws which are voted on directly by the entire populace of the State.

There are those who will say that this legislation will bog down the court review process with unneeded appeals, but I say do not believe them, because the Congressional Research Service did a survey that revealed that only 10 cases in the last decade would be eligible for review by a three-judge court under this bill.

Mr. Chairman, I just would encourage this bill to be heard and passed on. It recognizes that State referenda reflect, more than any other process, the one-person one-vote system. It seeks to protect a fundamental part of our national foundation. Laws that come directly from the people should not be easily set aside. We should not, and will not be held in legal limbo by those losing litigators.

Mr. MOORHEAD. Mr. Chairman, I yield 3 minutes to the gentleman from Virginia [Mr. GOODLATTE].

Mr. GOODLATTE. Mr. Chairman, I thank the gentleman from California [Mr. MOORHEAD] the chairman of our subcommittee, for yielding this time to me, and I also compliment the gentleman from California [Mr. BONO] for this fine piece of legislation that will simply give greater assurance to people participating in statewide referendums that they are not going to be overturned by a single judge who may be basing his opinion on something that is not sound judgment.

Mr. Chairman, this is something that is going to help prevent forum shopping. This is going to help prevent the kind of delays that are experienced in these cases. It has now been nearly a year since proposition 187 was voted on by more than 5 million voters in the State of California and we still do not have a final resolution of this case.

Mr. Chairman, when millions of people take the time to vote, time away from work, time away from their family, significant inconvenience, sometimes significant cost, they have the right to be assured that their vote is being effectively and carefully considered and a three-judge panel simply gives them that assurance.

Mr. Chairman, this does not apply in the case of proposition 187, but that is a good example of why we need to have this kind of assurance, simply because of the fact that three judges will be more carefully looking at this right from the start, rather than as a situation that has dragged on for a considerable period of time.

In the past 10 years, there have been only 10 instances where this has been used. So when judges complain that this is a burden on the judiciary, that simply is not the case. When we add up the collective burden of millions of people going to vote in a referenda and then being told by one judge that their votes did not count for anything, I think we have a substantial justification for having a three-judge panel in those instances.

Mr. Chairman, each time this is used, it is used for very important and very significant reasons and I think it is highly justified and properly called for; very comparable to the other instances in which we use three-judge panels. Mr. Chairman, I urge my colleagues to support the bill.

Mrs. SCHROEDER. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Kentucky [Mr. WARD].

Mr. WARD. Mr. Chairman, I wonder if I could ask the sponsors some questions. I have a copy of the bill. I wonder if the gentleman from California, [Mr. BONO] could answer some questions about the exact language of the bill.

Mr. Chairman, on line 11 of page 2 of the bill, the gentleman from California [Mr. BONO] mentioned that these cases would be heard by a three-judge panel, and then appealed only directly to the Supreme Court. Is my understanding correct?

Mr. BONO. Mr. Chairman, will the gentleman yield?

Mr. WARD. I yield to the gentleman from California.

□ 1245

Mr. BONO. Mr. Chairman, the gentleman is correct. Under U.S.C. 2284, that is the procedure.

Mr. WARD. Mr. Chairman, I wonder if I could ask, what other kinds of cases are sent. I know redistricting cases are sent directly to the Supreme Court. I wonder what other kinds of cases.

Mr. BOND. Mr. Chairman, if the gentleman will continue to yield, voting rights cases.

Mr. WARD. But are there any other cases? I will wait until the gentleman gets some advice there.

Mr. BONO. Mr. Chairman, redistricting and Voting Rights Act cases.

Mr. WARD. Well, Mr. Chairman, this is an open rule. I wonder if the gentleman would be amenable to our adding a whole range of other things that are vitally important, drug kingpin cases, so that we do not have delayed justice or the Oklahoma City bombing case or a case of a Presidential assassination? If a referendum would be that important to see appealed directly to the Supreme Court, I wonder what other kinds of things the gentleman might include.

Mr. BONO. Mr. Chairman, the gentleman is welcome to make any amendments the gentleman cares to. However, it is a very simple bill. It represents the people of America. It is uncomplicated. I am not a lawyer, but I feel very strongly that the people deserve this representation. And it goes to constitutionality. It really, in my view, does not need any altering.

Mr. WARD. But the gentleman is saying I may offer any amendment I wish?

Mr. BONO. That is what an open rule means.

Mr. WARD. Would the gentleman not be supportive? As the gentleman knows, in this context of an open rule, we still have to have the assent of the sponsor of the bill in order to offer an amendment which is not beat on a party line vote.

Mr. BONO. As I said before, it is simple, very clear. If the gentleman wants to submit an amendment, fine. Otherwise, I really would like it to stand as it is.

Mr. WARD. Mr. Chairman, I understand it is a very clear bill. It is very straightforward. There are actually a couple other questions I might ask, if I can seek the gentleman's indulgence in that.

Mr. BONO. Mr. Chairman, what is being displayed before America right now is the thing that they hate. That is lawyers in Congress dealing with rhetoric rather than substance and discouraging Americans in believing in Congress.

Mr. WARD. Mr. Chairman, if I might respond to the gentleman, my only comment would be, first, I am not a lawyer. I am a citizen legislator, as I expect the gentleman is, but I think that we need not denigrate the decisions we are making by saying that only lawyers would care about these decisions. These are laws which will affect every American. We cannot say, this is just a simple law; let it slide through. What are we going to do about cases that also deserve to go directly to the Supreme Court?

Mr. MOORHEAD. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. BILBRAY].

Mr. BILBRAY. Mr. Chairman, I would like to thank the gentleman from California [Mr. BONO] for bringing forth this proposal, because I think it really is a determining factor of the credibility of our democratic processes that we have not only here in the United States but I think we need to recognize in many parts of our States separately.

Mr. Chairman, this is not about 187. That is water under the bridge. But it is about the credibility of the Federal Government's commitment to the right of voters to have that right executed, the voting rights concept.

There are two ways to deny a citizen the right to be able to express themselves through the ballot box. One way is the old way that was addressed in 1965. That is not allow them to the ballot box at all. Never let them drop their vote certificate in that. That was addressed in the 1965 law. But now we have this new insidious approach that says, let us wait for them to drop the ballot in the box and then let us erase every ballot in that box by going to one judge who will override the democratic process by that judge's own process.

For good reason in the 1970's, we pointed out that we needed, in 1976, that we needed to make sure that we defended this most sacred right of democracy, the right to express yourself at the polls by having a three-judge requirement. And we can talk all we want, about that it is only one part of this country that law was meant to apply to. But I am sorry, the last time I read the law, it applies to us all, and it applies to California, Michigan, Connecticut, and, yes, to Louisiana.

We are asking, with this law that Mr. BONO has brought up, that we defend the whole foundation of democracy just as much after the ballots have been dropped as we have before the ballots.

I think that it is appropriate that we follow this, Mr. Chairman. I am rather distressed that democracy, as we know it, can somehow be expendable. I ask those who claim to be from the Democratic Party to one time stand up and support the gentleman from California [Mr. BONO] in his quite rational and logical defense of the democratic process.

Mrs. SCHROEDER. Mr. Chairman, I yield 3 minutes to the gentlewoman from Texas [Ms. JACKSON-LEE].

Ms. JACKSON-LEE. Mr. Chairman, I thank the gentlewoman from Colorado both for her work and her sincere work on this issue.

I would simply like to note that members of the Committee on the Judiciary are entrusted with the responsibilities of justice, as well as the responsibilities of overseeing the full justice system, as it relates to the courts, both lawyers, nonlawyers and the courts are opposed to this particular legislation.

I would like to ask, if I could, the sponsor of this bill, my colleague, the gentleman from California [Mr. BONO], if he would again answer an inquiry that I have concerning this legislation. I would simply like to ask the gentleman a yes or no question.

If, in fact, this proposition had been ruled on, if the decision in the 187 proposition in California had been ruled on, I assume, in the gentleman's favor, the gentleman would have not offered this legislation? I ask that question because clearly the U.S. judicial conference has stated that this is a bureaucratic piece of legislation that would clog up the Federal courts.

I know the gentleman to be a person that wants to unclog the courts, wants to ensure that people do have reasonable concern to justice.

My concern is, that this is an isolated incident of which the gentleman is now trying to create legislation to, in his opinion, correct?

Mr. BONO. Mr. Chairman, will the gentlewoman yield?

Ms. JACKSON-LEE. I yield to the gentleman from California.

Mr. BONO. Mr. Chairman, if I understand the gentlewoman correctly, this certainly is not retroactive to prop 187; 187 is not involved.

Ms. JACKSON-LEE. Mr. Chairman, but would the gentleman have promoted this legislation if the decision by that judge had been one that the gentleman would have considered favorable?

Mr. BONO. Mr. Chairman, if the gentlewoman will continue to yield, would she restate that again?

Ms. JACKSON-LEE. Would the gentleman have promoted this legislation if in fact he had gotten what he would consider a favorable decision?

Mr. BONO. Mr. Chairman, I would stand behind this legislation any time. It is bipartisan, in my view, and it represents the public. So the referendum is a side issue.

Ms. JACKSON-LEE. Reclaiming my time, Mr. Chairman, I think the point is that the gentleman did not answer the question directly.

Mr. BONO. Mr. Chairman, I said I would support it.

Ms. JACKSON-LEE. Was the genesis of the gentleman's interest the fact of prop 187, which denies rights to those children and adults in California needed social services?

Mr. BONO. Mr. Chairman, that is a whole other discussion.

Ms. JACKSON-LEE. Mr. Chairman, the Judicial Conference of the United States, the U.S. judicial policymaking group, declares that this would be a horror story for the Federal judiciary. The Conference stated that it would be difficult to manage. The legislation would cause scheduling problems, consume limited judicial resources, of which many of the Republican Congress say they would not support, and, frankly, it would clog the Supreme Court and take away from them the discretion of making determinations on which cases to hear.

I see no judicial basis in having this legislation passed other than disgruntled representation from one State suggesting that they want to have one court decision over the decision the federal court in their jurisdiction fairly rendered.

The other point that I would like to end on is that this is not forum shopping. The judge in the 187 case made a fair and impartial decision. We in the legislature now, with this legislation, are trying to detract from an independent, unbiased decisionmaking. I think that that is poppycock. I ask my colleagues to vote this bad bill down.

Mr. MOORHEAD. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. DOOLITTLE].

Mr. DOOLITTLE. Mr. Chairman, I rise to support this very excellent legislation of the gentleman from California [Mr. BONO].

This legislation will enhance our system of checks and balances by establishing three-judge courts under limited circumstances, which are where injunctive relief has been requested regarding a voter approved initiative. As Thomas Jefferson said, Mr. Chairman, trust not to the good will of judges but bind them down by the chains of the Constitution. This bill takes us 10 steps in that direction.

Mr. WATT of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. DOOLITTLE. I yield to the gentleman from North Carolina.

Mr. WATT of North Carolina. Mr. Chairman, this was the judge's decision based on the Constitution in this case. Is the gentleman saying that we should disregard the judge's decision based on the Constitution?

Mr. DOOLITTLE. Reclaiming my time, Mr. Chairman, I am saying it takes 10 steps in the direction of Jefferson's quote because it gets three judges involved instead of one judge.

Mr. MOORHEAD. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. RIGGS].

Mr. RIGGS. Mr. Chairman, I rise in strong support of this very important and timely legislation. I commend my California colleagues, especially Mr. BONO and Chairman MOORHEAD, for bringing this measure forward.

Too often, as seen in California, special interests can misuse the courts. They go forum shopping, which we have talked about here today, for a friendly judge in an effort to thwart the will of the people. California's prop 187, which would have denied taxpayer-funded social services for illegal immigrants, is a perfect case in point. Although a majority of our citizens voiced their strong support for prop 187 in a statewide referendum, the vote was barely official before the court challenges and delays began. So this legislation corrects a fundamental wrong, a flaw in our system, because we believe on this side it is wrong for one activist Federal judge to issue an injunction thereby thwarting the will of the people.

H.R. 1170 will counter this imbalance. It will help restore public confidence in the judicial system, and it continues the process that we began when we passed the Common Sense Legal Reform Act.

Mr. MOORHEAD. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. ROYCE].

Mr. ROYCE. Mr. Chairman, I rise in support of this bill.

Our colleague, the gentleman from California [Mr. BONO], has authorized a bill I think we should all support. There is probably nothing more basic to the principles of fairness and democracy than the ballot. When a majority of the people have spoken through a ballot initiative or through a referendum, they are entitled to timely implementation of their mandate. Opponents who contend that a law is unconstitutional are of course entitled to their day in court, but the courts should not be used capriciously to delay or thwart the will of the people.

This bill preserves the rights of both sides by adding injunction requests based on constitutional grounds against State referenda to the list of cases to be heard by a three-judge Federal panel. It ensures a quick resolution of the issue by allowing appeals against such injunctions to go directly to the U.S. Supreme Court. It would affect only one case a year.

This bill really protects the one-man, one-vote system. Should one judge have the power, without even ruling on a case, to invalidate 5 million ballots? I think not. Requiring at least two judges on a panel to agree to an injunction will help deter judge shopping by opponents of the law while still preserving their rights. The requirement for a direct appeal to the Supreme Court is in the interest of all parties and is the same procedure, as we have discussed, we now use for congressional reapportionment and for the Voting Rights Act cases.

Voters deserve to have their votes count and are entitled to have a decision rendered in a timely fashion. There is no more direct mandate than a ballot initiative. Let us keep faith with our democratic contract with the people. Vote for this bill. I urge all my colleagues to vote for voters rights.

□ 1300

Mr. MOORHEAD. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I want to make it clear that this proposition, this bill, does not apply to proposition 187; 187 is gone. It has nothing to do with it whatsoever. Only future cases in other States where problems arise; they can be on the right or left. It cuts both ways. One can get judges that are far to the right and those that are far to the left.

The question has been raised as to whether this procedure is too difficult. It is not. The procedure already exists for similar cases and is used more in Voting Rights Act cases and apportionment cases than would be used in referendum cases. Understanding that the Speedy Trial Act and heavy Federal caseloads have increased the Federal judiciary burden, only one referendum case would be brought up statistically each year. While some States use the referendum process more frequently, there is no reason to think that this will cause undue burden on the courts.

Mr. Chairman, districts who have been overburdened received the benefit of temporary judgeships in 1990. Under the three-judge court statute, one judge may issue temporary restraining orders and make all evidentiary findings alleviating the three-judge trial court difficulties.

On balance, protection of the voters of a majority of a State's electorate outweighs the relatively minor inconvenience caused to the Federal Judiciary. I ask for an "aye" vote.

Mr. KIM. Mr. Chairman, I rise today in strong support of H.R. 1170. As a strong supporter of proposition 187, which was overwhelmingly passed by the people of California in 1994, I was deeply disappointed by the abuse of power 1 judge can have over the will of 30 million California voters.

As a cosponsor of H.R. 1170, I believe it is important that this Congress act, as representative of the people, to ensure their rights under the Constitution. To accomplish this, H.R. 1170 would ensure that laws passed by statewide referendum must be subject to review by a three-judge court comprised of one appellate court judge and two district court judges.

I believe this legislation is necessary given the quick decision of a single district judge to reverse the strong voice of California residents who, under the Constitution, voted to pass proposition 187 and eliminate the free giveaway of benefits for illegal immigrants. This is an issue of great importance to the State of California and the State taxpayers who must continue to pay for those who are blatantly in violation of the law.

The question of the unconstitutionality of proposition 187, although an issue for valid debate in the courts, should not be made by one judge. Three-judge panels are already in use for voting rights cases because of the importance of an individual's right to vote—a three-judge panel should exist for statewide referenda on the same principle—the right to vote.

Again, Mr. Chairman, I call upon all of my colleagues to act in good faith and return the right to vote to the people in California and all the States by passing H.R. 1170.

The CHAIRMAN. All time for general debate has expired.

The committee amendment in the nature of a substitute printed in the bill shall be considered by sections as an original bill for the purpose of amendment, and pursuant to the rule each section is considered read.

During consideration of the bill for amendment, the Chairman of the Committee of the Whole may accord priority in recognition to a Member offering an amendment that has been printed in the designated place in the CONGRESSIONAL RECORD. Those amendments will be considered read.

Pursuant to the order of the House of today, the Chairman of the Committee of the Whole may postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment made in order by the resolution.

The Chairman of the Committee of the Whole may reduce to not less than 5 minutes the time for voting by electronic device on any postponed question that immediately follows another vote by electronic device without intervening business, provided that the time for voting by electronic device on the first in any series of questions shall not be less than 15 minutes.

The Clerk will designate section 1.

The text of section 1 is as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. 3-JUDGE COURT FOR CERTAIN INJUNCTIONS.

Any application for an interlocutory or permanent injunction restraining the enforcement, operation, or execution of a State law adopted by referendum shall not be granted by a United States district court or judge thereof upon the ground of the unconstitutionality of such State law unless the application for the injunction is heard and determined by a court of 3 judges in accordance with section 2284 of title 28, United States Code. Any appeal of a determination on such application shall be to the Supreme Court. In any case to which this section applies, the additional judges who will serve on the 3-judge court shall be designated under section 2284(b)(1) of title 28, United States Code, as soon as practicable, and the court shall expedite the consideration of the application for an injunction.

Mr. MOORHEAD. Mr. Chairman, I ask unanimous consent that the remainder of the committee amendment in the nature of a substitute be printed in the RECORD and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The text of the remainder of the committee amendment in the nature of a substitute is as follows:

SEC. 2. DEFINITIONS.

As used in this Act—

(1) the term "State" means each of the several States and the District of Columbia;

(2) the term "State law" means the constitution of a State, or any statute, ordinance, rule, regulation, or other measure of a State that has the force of law, and any amendment thereto; and

(3) the term "referendum" means the submission to popular vote of a measure passed upon or proposed by a legislative body or by popular initiative.

SEC. 3. EFFECTIVE DATE.

This Act applies to any application for an injunction that is filed on or after the date of the enactment of this Act.

The CHAIRMAN. Are there any amendments to the committee amendment in the nature of a substitute?

AMENDMENT OFFERED BY MRS. SCHROEDER

Mrs. SCHROEDER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. SCHROEDER: In the first sentence of section 1, strike "Any application" and insert "(a) GENERAL RULE.—Subject to subsection (b), any application".

Add the following at the end of section 1:

(b) APPLICABILITY.—Subsection (a) applies only to—

(1) any case filed in a judicial district, or a division in a judicial district, that has only 1 sitting judge; and

(2) any case that is filed in a judicial district with more than 1 sitting judge but is assigned to a judge in any manner other than on a random basis only.

Mrs. SCHROEDER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Colorado [Mrs. SCHROEDER]?

There was no objection.

Mrs. SCHROEDER. Mr. Chairman, this amendment takes this case, or this bill, and it applies it to the case that many have alleged they are most concerned about, and that is the issue of judge shopping. What my amendment says is that this procedure may go forward wherever there is just one or two judges in that district, so obviously one could pick it or where they do not use randomly applied, normal procedures for assigning the case inside the circuit. So, if there is any evidence of forum shopping, then this procedure comes forward because on that issue I think the gentleman from California has a legitimate concern.

My understanding is that in proposition 187, no matter what they say, it was a district with 25 judges, and they were randomly assigned. But if there are districts with one judge, of which of course there are, and if there are districts, and I do not know if there are, that do not use random assignment so forum shopping would be possible, then this is insurance against forum shopping because forum shopping really would corrupt justice, and I think that this is very important because this amendment then brings down the inconveniences this bill might impose on certain circuits to just those who were really trying to misuse the system.

What are we hearing? We are hearing today that what people are really mad about is that American citizens have the right to challenge a referendum in the courts, and since nobody wants to take away the right of the citizen to challenge the referendum, we are now blaming the judge. But in the case of 187 it was not only one Federal judge. It ended up at this point being four Federal judges because it went to the three-judge panel of the court of appeals and also the State judges. So all of those agreed that whoever brought this appeal had that right, and I do not think anybody wants to take that right away from American citizens to challenge anything if it violates their constitutional rights.

Now the second thing and the reason I think it is so important to narrow this bill is that, if we pass this bill, and it is really going to impact just certain circuits because there is just a handful of circuits where the referendum process is so prevalent, but in those circuits every single time we call one of these three-judge panels what we are going to do is close down three courts to drug cases, three courts to crime cases, three courts to all the other cases on the Federal docket that are so critical. At the same time we are going to be shoving these cases right at the Supreme Court, and they will be given absolutely no discretion as to whether they take them up or not, and they will be having to take them up within an entirely different kind of record, not the appellant record they usually look at, but a much more complex record, and so they will be shutting out the ability of the Supreme Court to look more fairly and openly at the whole range of issues that come in front of it.

All of us know that every year there are more and more and more appeals to the Supreme Court, but there is just a very limited number they can take, and they are on critical constitutional issues that we all care a lot about. We hear a lot of debate about that, and so should we give this specific referendum a very special pass? We are giving them the golden keys to the Supreme Court. They can then unlock the Supreme Court anytime they want, and no one else has got those keys on any other issues of constitutional weight except in the voting rights area.

So I think this is terribly important. I think the Federal circuits are very worried about this, and that is why they have asked us not to pass this bill, but at least with this amendment we will be bringing it down to what the gentleman from California said is his specific concern, which I think is legitimate, and that is judge shopping. If there is judge shopping, we want to stop it. This amendment gets at that, and I would hope that everybody would strongly, strongly support this amendment. Otherwise I hope they vote against the bill.

Mr. HYDE. Mr. Chairman, I rise in opposition to the amendment offered by the gentlewoman from California [Mrs. SCHROEDER].

Mr. Chairman, I want to congratulate the gentleman from California [Mr. BONO] for initiating this excellent piece of legislation. I cannot imagine anything more startling than to learn that a referendum or an initiative, in which 5 million people have participated has been set for naught by one judge who, as we all know, being people in the real world, judges can be whimsical, judges are not always correct, and one judge who decides against 5 million people, or a large percentage thereof, is really an anomaly.

Now what the gentleman from California [Mr. BONO] and what we are seeking in this bill is justice and a fair chance at justice. It is not forum shopping to say that collective wisdom is better than individual wisdom. When my colleagues have surgery, they would like a second opinion, a third opinion. There is nothing wrong with getting opinions of people who are skilled, and who have the judgment and have the knowledge that is important in this field. So, if we are dealing with something of such dignity, and such importance, and such weight, and such significance as a statewide referendum, what in the world is wrong with asking that a three-judge panel decide whether it should be operative or it should be set aside? I think that is justice.

Now the gentlewoman, for whom my admiration is boundless, and I mean that, says we are going to close down three drug courts. I suppose she means two; they have to slow one down anyway for the judge who is going to hear the case, but I do not see this as an either/or proposition, and I do not see an individual drug case being delayed a week or two so that the wishes of millions of people can be adjudicated in a reasonable way, as a bad tradeoff. So I think this is a fine idea.

The gentlewoman obscures and obfuscates the neat simplicity of this proposal by requiring qualifications where there is only one judge or other procedures for random selection. I think it clutters up the bull. The bill is very plain and very direct, and I think it is the quickest way to justice for millions for people who take seriously their role in a statewide referendum.

I yield to the gentlewoman from Colorado [Mrs. SCHROEDER] my dear friend.

Mrs. SCHROEDER. Mr. Chairman, I thank my chairman for yielding.

Mr. HYDE. Mr. Chairman, I was reading her mind and assuming that is what she really wanted.

Mrs. SCHROEDER. Absolutely I am delighted, and I think the gentleman would admit that people do have that right to a three-judge panel. They could appeal it to the Court of Appeals, and of course in this case on 187 they did. So at this point they have had four Federal judges, and all four Federal judges have agreed.

Mr. HYDE. Is the gentlewoman saying an appeal is as good as winning the case in the first instance?

Mrs. SCHROEDER. Mr. Chairman, I think, if one does not win it in the first instance, as the gentleman also knows, one has an immediate right, if they think that that injunction was unfairly granted, one has an immediate right to move on that, and I think that is the insurance that a person has.

Mr. HYDE. But that is costly and cumbersome, and maybe the people who are initiating this do not have the resources that some of the special interests who want to set it aside do. But an appeal is never as good as winning it in the first place; the gentlewoman knows that I am sure.

Mrs. SCHROEDER. The gentlewoman knows that we always want to win it the first time, but I want to say also I want to make sure that people have those rights and they have the right to immediately go up, and I think the gentleman knows that all the Federal courts have randomly assigned judges and that, unless there is only one judge on the circuit, one cannot forum shop really in the Federal courts.

I guess the other question I have is: If you have a constitutional issue that comes out of a legislature, why should that have a lesser right, if you think this is a higher right, than one by referendum?

Mr. HYDE. Reclaiming my time, that is another issue, and we can debate that on another day, but one of the things that I have never particularly felt favorably toward is no change of venue in the Federal courts, and one can get a budget that they are not at all comfortable with, and perhaps with good reason, and there is no way one can change a venue from him if he or she does not choose to grant it on their own.

So that is another reason that one can get justice more readily by the collective wisdom of a three-judge panel than one, and I am sure the gentlewoman has much more to say, and she can do it on her own time, and I will listen to her with interest.

Mr. WATT of North Carolina. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of the amendment offered by the gentlewoman from Colorado [Mrs. SCHROEDER] to the bill. I obviously oppose this bill. The amendment would make it slightly better, probably not well enough for me to vote for it even if it passes because I just think this is a bad idea, and I think the American public and my colleagues need to understand why this is a bad idea and why we have not done this in more circumstances. I mean if it was a wonderful idea, why is the only case in which one gets a three-judge panel is in voting rights cases? Why do we not apply it to all cases? If judges are whimsical, as the chairman of the Committee on the Judiciary indicated, and they are; I mean I practiced law for 22 years, I know judges are whimsical.

□ 1315

But that does not mean that this is a good idea. There is a reason that we have not done this in other areas of the law.

You should know that we had this process in the Federal law from 1948 to 1976. We repealed this process in 1976. The reason we repealed it was that the bench, the Federal judiciary, lawyers, and the people concluded, and this is from a report that was filed, that "This was the single worst feature in the Federal judicial system."

Now, as if we have forgotten this history, we are going to go back and reinstitute the same thing again. Well, if we do it for this line of cases and it is a good idea, where are we going to draw the line? We are going to get on this slippery slope, and next week we are going to want it for, I guess, traffic offenses or legislative things that are subject to judicial attack. Or, hey, certainly if the Congress of the United States passes a law, should it not require three judges to declare it unconstitutional, as opposed to just one judge, even though we can appeal it up through the process and go through the normal routine?

This is a bad idea. This is a bad idea. This is not about having an adjudication in a reasonable way, as the chairman of the Committee on the Judiciary has said. If this were reasonable and this were the only way to get a reasonable adjudication or deal with adjudications in a reasonable way, then we would be doing it for all of the cases.

There is a reason that we have not adopted this process for other cases. It is costly to have three judges come in and decide something that one judge, who is open to an appeal if he is wrong, can decide. It is costly.

Mr. Chairman, under this proposal the judges will not be sitting in the same city. They will be coming from different parts of the state. You have got to put them up overnight. You have got to pay their expenses. They have got to have their law clerks with them. You have got to pay their expenses. And at a time when my Republican colleagues are beating us up over limiting expenditures at the Federal level, they are coming in here and proposing something that is absolutely nonsensical, just to do a favor to the Republican Member from California.

That is what this is all about. That is why 99 percent of the people who have debated on this side of the aisle on this issue have been from California. They do not like the results that the judge gave them, two judges, I might add, not one, in this proposition case in California, so they want to change the process, a process which has worked for America for years and years and years.

This is not about process. This is about the result that they do not like.

Mr. MOORHEAD. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the Schroeder amendment. It would certainly limit the areas in which H.R. 1170 could be used. There are no States in the Union where there are not at least three judges. We are talking about the trial of a case where a piece of legislation has gone to the people of all of the state. There would be no difficulty in getting a three-judge panel if the case came up. Actually, we have the same situation exactly in voting rights cases and in cases of reapportionment.

What this amendment would do would be to change the procedure that is already established for those other cases and have a different kind of a procedure for cases arising out of an appeal from a statewide referendum.

Mr. Chairman, I know that there are people that would say that where you have only one judge or where you have one-judge districts, you can shop; but where you have 25 judges, as you do in some counties of the Nation, you cannot.

But actually there are different proclivities of different panels, in Los Angeles, San Diego, and San Francisco. Believe it or not, they do shop for panels where they hope to have a more favorable judge that is assigned to their case, even though it is done by rotation. That happens even there.

Mr. WATT of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. MOORHEAD. I yield to the gentleman from North Carolina.

Mr. WATT of North Carolina. Mr. Chairman, does that mean if we have got these panels that have these proclivities, the next step is to have three panels so we have to have nine judges now?

Mr. MOORHEAD. Mr. Chairman, reclaiming my time, absolutely not.

Mr. WATT of North Carolina. I am relieved.

Mr. MOORHEAD. I hate to see this bill, which I think is a fine bill, tied to a proposition which has gone its way. I know some people have felt emotionally involved because they have not agreed with the court on this particular proposition. But this applies to the American people, to give them a better opportunity of being satisfied that there has been a balanced three-judge panel that has heard their case. And I know it does go both ways. You can get a very rightwing judge that may decide against a more liberal proposition because his tendencies go in that direction, as well as you have the other direction.

We are bringing more democracy to the American people, who have feelings on one side or the other. And I think that the bill, as it is written, is much better than if you lock out certain parts of the country because the judges are more scattered or there are not as many in one district, where there are several districts in the State.

Ms. JACKSON-LEE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I hold in my hand a document that many of us hold extremely dear, and that is the Constitution of the United States. Our Founding Fathers wisely designed a form of government that established the executive, the legislative, and the judicial branches, and in that I think their wisdom was that it was important for the American people to have access to government in three separate and distinct branches. it also offers an opportunity for mutual respect, and also, to a certain extent, some cross-pollination, with basic factual premises.

I think the difficult concepts that need to be evidenced here as I rise to support the Schroeder amendment are important. This is a very carefully crafted amendment, which would eliminate the very burdensome, costly, and time-consuming procedures, and answer the so-called question of forum shopping. The concepts are that while we are here discussing a judicial issue, we are really talking about a political question in the State of California and a legislative undoing of an important judicial decision.

I do respect and appreciate the people's right to vote, and I do believe that the people of California were heard by a randomly selected district judge, federally appointed, who would have the freedom and the independence to make a constitutional decision based upon the Constitution and the responsibility of three distinct branches of government.

We now find ourselves here in this legislative body disturbing that sacred process by suggesting that a few disgruntled citizens did not get their way in California, partly to put poor people out in the street, denying educational rights to children and health benefits to the elderly that are in this country, a whole other story, a whole other issue. But because that was not a decision that some in this body appreciated, we now want to alter the Constitution of the United States.

The Schroeder amendment gives some dignity to the Constitution, for what it says is if we determine there is a problem, then in fact this process can be one that we would adhere to. If there is documentation that there has been a real problem in a jurisdiction, then this three-court panel can be established.

Right now we have no documentation. The irony is we have a disgruntled bunch not willing to accept the ruling of the court, and we now want to distort the Constitution and clog up the courts, in direct opposition to a letter from the Judicial Conference of the United States of America.

How interesting. How interesting. In contrast, my colleagues on the Committee on the Judiciary wanted to undermine just a few months ago the habeas proceedings, again dealing with the rights of individuals to access justice. Now we want to abuse the process and clog the courts, even though citizens have a right to go into a courtroom and an impartial judge sits and makes decisions under the Constitution of the United States. We now want to get a panel of three judges, rejected by the Judicial Conference, clogging up the Supreme Court, and rejecting, again, a process that has worked now since 1976.

The Schroeder amendment is clear and simple and precise. It is on the premise that we can in fact fix what is broken. It does not go in massively, all over the Nation, and upset the apple cart, and upset the three branches of government, executive, legislative, and judicial, sanctioned and confirmed by the Constitution of the United States of America.

Mr. Chairman, I would suggest that we support this amendment, which would allow those who have a sincere concern with judge shopping to respond to their problem, while at the same time preserving precious judicial resources. It allows us to go in where there is a problem and fix it. I hope my colleagues who have mentioned this issue of forum shopping, and I do respect the chairman of this subcommittee, I hope that they can understand that we are doing great damage, great damage, to this judicial process, and I frankly cannot understand why we would completely ignore the Judicial Conference of the United States of America which opposes this legislation strongly and firmly.

Mr. BONO. Mr. Chairman, will the gentlewoman yield?

Ms. JACKSON-LEE. I yield to the gentleman from California.

Mr. BONO. Mr. Chairman, I would just like to comment that this case has not been heard. Everything that has occurred has simply been on technicalities. But the case itself has not been heard and it still not heard.

Ms. JACKSON-LEE. There has been an order.

The CHAIRMAN. The time of the gentlewoman from Texas [Ms. JACKSON-LEE] has expired.

(By unanimous consent, Ms. JACKSON-LEE was allowed to proceed for 1 additional minute.)

Ms. JACKSON-LEE. Mr. Chairman, if I may make one point, there has been a temporary restraining order.

Mr. MOORHEAD. Mr. Chairman, will the gentlewoman yield?

Ms. JACKSON-LEE. I yield to the gentleman from California.

Mr. MOORHEAD. Mr. Chairman, all I wanted to say is our committee does have a major responsibility. The Judicial Act of 1789 set up the Federal courts. Our committee, our Subcommittee on Courts, does have the responsibility of providing the judicial procedure that is followed. This bill is strictly in accordance with the responsibilities that we have in carrying out that duty that we have.

Ms. JACKSON-LEE. Mr. Chairman, reclaiming my time, I appreciate the duty, but I would also hope we would do it on the premise that we have a duty to correct. I am not convinced and I do not think the American people can be convinced that this is not just an isolated incident. We do not need additional jurisdiction for three-judge courts and a further clogging of the court system.

Mr. Chairman, I want to say to the gentleman from California [Mr. BONO], there was a preliminary injunction against proposition 187 that was affirmed on appeal.

We have not gone on the premise where there is something to fix. We are clogging up the courts. This amendment will in fact help isolate the problem and solve the problem where there is one, and not broadly disregard the Constitution of the United States.

□ 1330

Mr. HERGER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, just to review the purpose of this legislation, and I rise in strong opposition to the Schroeder gutting amendment and in support of the Bono voting rights bill, but I ask the Members if they can imagine this scenario? Last November an overwhelming number of Californians voted, almost 60 percent, supporting the passage of proposition 187. What proposition 187 would have done is eliminate social services for illegal aliens. Not legal aliens or citizens, but for a people who are in this country illegally in the first place. An overwhelming 5½ million California taxpayers said enough is enough.

They said that they have problems enough taking care of their own citizens and they voted to put a stop to this spending that costs California taxpayers over $200 million every year. But, amazingly, this overwhelming will of the people in California was snubbed by just one individual.

Mr. Chairman, referendums, more than any other electoral process, reflect the direct will of the people and should not be easily cast aside. Under the current system, opponents of a referendum can go judge shopping to find one single judge that will stop the referendum. This legislation, the Bono voting rights legislation, will replace that practice with a three-judge panel from all parts of the State so that the referendum, the will of the people, gets a fair shake.

I urge support of the voting rights bill and I urge opposition against the gutting Schroeder amendment.

Mr. RIGGS. Mr. Chairman, will the gentleman yield?

Mr. HERGER. I yield to the gentleman from California.

Mr. RIGGS. Mr. Chairman, I appreciate the gentleman yielding to me so I can respond to the previous speaker on the other side of the aisle. The gentlewoman from Texas [Ms. JACKSON-LEE] referred to the 5 million California voters, who, as she points out in her remarks, overwhelmingly voted to approve proposition 187 as a disgruntled few.

I would like to tell the gentlewoman that when I have my town meetings back home in my district, I am approached by constituents all too often who inquire about proposition 187 and they ask why proposition 187 is not the law of the State of California today. I have to explain to them about the Ninth District Court, about a very liberal and activist judiciary we have in that court.

Mr. Chairman, I really believe what we are talking about here is correcting a flaw in the judicial system and correcting this bad practice, this precedent of thwarting the people's will by, in fact, venue shopping, or forum shopping. I want to point out again that these 5 million disgruntled few are the voters we are disenfranchising by the law today.

Mrs. SCHROEDER. Mr. Chairman, will the gentleman yield?

Mr. HERGER. I yield to the gentlewoman from Colorado.

Mrs. SCHROEDER. Mr. Chairman, I keep hearing these allegations of forum shopping. My understanding is that the district that this went to had 25 Federal judges and they are randomly assigned. My question is, Does the gentleman have some evidence of forum shopping we do not know about? And does random assignment in circumstances with more than one judge not prevent that type of forum shopping.

Mr. HERGER. Mr. Chairman, to respond to the gentlewoman, again, what we are attempting to do is get the will of the people. We still have a situation where 5½ million, right at 60 percent of the voters of the State of California, voted overwhelmingly on a measure that would prevent their taxpayer dollars going to illegal aliens and we had a situation where one judge, one Federal judge, was able to upset the overwhelming will of the people of the State of California.

What we are trying to do is at least bring in to play a three-judge panel so that the voters will have a better shake in future referendums.

Mrs. SCHROEDER. Mr. Chairman, if the gentleman will continue to yield, have three judges not acted on that now? It has gone to the court of appeals and they unanimously upheld that one judge.

I think what the gentleman is complaining about is the U.S. Constitution and a citizen's right to challenge, not the court system. That is why this is so troubling. This is not a solution for what the gentleman is saying his complaint is, which is the right of a citizen to challenge a statute that they think is unconstitutional.

Mr. MILLER of California. Mr. Chairman, I move to strike the requisite number of words and to speak in support of the amendment.

Mr. Chairman, the reason we are here today and the reason we are in this debate is because some of those who are elected to public office simply do not have the courage to explain the facts to the people they represent. In the State of California, that I represent, along with many of my colleagues in this body, we use the initiative process like some people change their clothes or change channels. It is not a pure process, it was put in as a reform, but now anybody who can come up with about $5½ million, I can guarantee, can get the signatures for an initiative in California on any subject matter they desire to have put on that ballot.

Many have ridiculed the California initiative process. Many people say it is crazy, it is out of bounds, whatever, but it is a means by which the people get to express their views on various issues. But it is not always the people that put it on the ballot. Very often it is a commercial interest. It is the tobacco industry that puts an initiative on. And then people who do not like smoking, but put an initiative on.

The farm bureau put one on so nobody could regulate farm workers. The people turned that down. Then the farm workers put one on that said everybody has to regulate the farmers, and the people turned that down.

When they got to putting a smoking initiative on they said, the people who wrote that said, people can smoke in rock concerts but they cannot smoke at the opera. The people said, that sounds funny, and they turned it down. The tobacco industry put on an initiative that said we will overrule all the local jurisdictions trying to eliminate smoking, and the people said that does not sound good, we will turn this down.

Most of this happens because it gets stalled in the legislature. The insurance industry said we will have no fault insurance. Somebody else said, no, we will have fault, fault, fault insurance, and we passed both of those. The insurance industry, and the gentleman from California [Mr. BONO] maybe will remember this, I think they spent $20 million on this. This was about the will of the people? This was not about the will of the people.

Mr. Chairman, now along came 187 and people decided that they did not think they should any longer pay for illegal aliens in this country, residents in this country who had not come here legally. It made a lot of common sense. But as they got into it, they started writing it harder, harder, and kind of overreaching, going further and further, and they went right past the U.S. Constitution. People were emotionally caught up so they voted for it and it passed overwhelmingly.

A lot of politicians were for it and a lot of politicians were against it. Most people reviewed it after the fact and said it probably was not the greatest idea. Well, the people who were impacted by it or disagreed with it under the laws of the land of the United States went to court and said, I think this is unconstitutional. The court said, well, I think they might be right, and they had a restraining order.

Mr. Chairman, the people who lost on that side said this is not good, we will appeal it. They appealed it. It went to a three-judge panel and they said, we think the lower court might be right and they upheld the injunction. Those are the laws of the United States of America.

Rather than tell people that some individual out there that might be impacted was petitioning the court to protect their rights under the Constitution of the United States, the gentleman from California [Mr. BONO] has decided he would make the Government the enemy. He has decided it was come corrupt judge who was not really giving him a fair shake; that was forum shopped.

What the gentleman is suggesting is that somehow the system let the people down; the system let the people down because the judge came from northern California instead of southern California. Were they disenfranchised during the vote? Should they be disenfranchised from reviewing it? Of course not. This is not forum shopping, this was testing the provision against the Constitution.

Mr. Chairman, this is not the first time this has happened. Not the first time in California. They have done it on handguns and other gun control measures. Sometimes we win and sometimes we lose. This is what the Constitution does, it protects the single individual, it protects the minority, it protects the unpopular, that they have a right to go and petition.

If that one judge had ruled in the gentleman's favor, he would not be here today. But we must understand something. Because 5 million people in this country vote for something, that certainly makes us take notice, and that is why we are on the floor today, but it does not make their vote right in terms of the Constitution.

Mr. Chairman, we have nine members across the lawn here that have overruled the desires many times and the wants of tens of millions of Americans when they decide cases, when the decide cases on abortion, or they decide cases on apportionment or on civil rights.

The CHAIRMAN. The time of the gentleman from California [Mr. MILLER] has expired.

(By unanimous consent, Mr. MILLER of California was to proceed for 3 additional minutes.)

Mr. MILLER of California. Mr. Chairman, if Members want to know how we make cynical voters; if they want to know how to make people hate the system, it is that we mislead them about what the system did. Nobody was mistreated under this system. Those people that voted for 187 and those that voted against 187 are being protected throughout this process.

The initial question of whether or not we should enjoin the law before we find out its impacts and who it will hurt and is it the Constitution, one individual deciding that is not a crime. Three individuals may be better or worse, but that is not why we are here today. We are here today because people have chosen to trash the Government rather than explain the Constitution and explain to people that sometimes might does not make right. We are one of the few countries where that is the case.

Mr. Chairman, 5 million people voted. Their views are being acknowledged. We have changed our attitudes here. We have changed the laws on immigration. The State legislature has done the same, and a lot of things have happened since that vote, but it does not necessarily mean that that vote is constitutional. People have a right to seek a review of that.

We would be a better government, we would better serve the people if we leveled with them that there is a process, and whether it is the work product of the initiative in California, where people properly go to the polls, or whether it is the work product of this Congress, there is a means by which it is reviewed so that people can protect their rights and enforce others' responsibilities. It is the judicial system. And that was not abused in this process.

Mr. Chairman, the judge did nothing willy-nilly. And I would not like to be this judge, overturning the views of a popular side of an election. But judges are there because they discharge tough issues, tough questions that are brought before them. They have to make that decision. We would probably want to have a hearing on it. We would probably want to send it to interim. We would want to hold it over till the next session, but that judge had to rule, and now the system is engaged.

We would be better served if we discussed that rather than trying to refight proposition 187 on the backs of the judges and the courts and the system in this country, because I think all we do there is we mislead our constituents. We mislead the voters and mislead the citizens about what they can and cannot do under the Constitution of this country.

The CHAIRMAN. The time of the gentleman from California [Mr. MILLER] has again expired.

(By unanimous consent, Mr. MILLER of California was allowed to proceed for 3 additional minutes.)

Mr. MILLER of California. Mr. Chairman, I yield to the gentleman from California [Mr. BONO].

Mr. BONO. Mr. Chairman, first of all, if I understand the referendum system correctly, there is often a disillusionment on behalf of Government to the people, in that they do not act on things. They pontificate, but they do not necessarily act. At a certain point of frustration, the people themselves respond and get it done.

Mr. Chairman, does the gentleman have the same passion about proposition 174, where the CTA spent $25 million to prevent the freedom of school choice and vouchers?

Mr. MILLER of California. Mr. Chairman, reclaiming my time, and I will yield if the gentleman needs more time, but I would have the same passion. What I said at the outset, my point was this, if we want to represent that somehow the pure view and motives of the California voting public was overruled, and I am suggesting to the gentleman that we are all residents in California and we watched this process. The initiative process is the most manipulative process because usually it is bankrolled by tens of millions of dollars by people who want to change the rules of the game one way or another because they were not successful in the legislature for one reason or another.

Mr. Chairman, this is not just Polly Purebreath and her friends coming out and saying, we want to do this for the good of society. It does not happen that way, because most of those people cannot gather the signatures because the legislature makes them get more and more signatures, which means citizens have to have more money, and the gentleman knows that.

□ 1345

Mr. BONO. Mr. Chairman, I just do not remember this argument when 174 went down. Nobody seemed to object at all.

Mr. MILLER of California. Mr. Chairman, reclaiming my time, if you lose in the courts, you lose in the courts. A lot of initiatives have gone down and people have shrugged their shoulders. That is the process.

Mr. BONO. Mr. Chairman, if the gentleman would continue to yield, they lost at the ballot box.

Mr. MILLER of California. Mr. Chairman, again reclaiming my time, what is happening here is the trashing, the absolute trashing of the Government for political motives, which is about trying to lead people to believe that somehow they have been screwed in the process, because somebody exercised their right on the court.

Mr. GOODLATTE. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from Virginia.

Mr. GOODLATTE. Mr. Chairman, this bill does not apply to proposition 187. My State of Virginia does not have initiatives, it just has referendums. But the State legislature can put a referendum on the ballot, millions of people can take time to go to the polls. The gentleman from California [Mr. MILLER] pointed out that when millions of people were overruled by this nine-judge court, the Supreme Court, why is it not better to have a three-judge panel on these rare instances when millions of people participate in this process and want to have a little better assurance? It is a protection on both sides.

That judge could have ruled that it was constitutional and the gentleman from California might have thought it was not constitutional. Why not have a three-judge panel and give better protection for the people?

Mr. MILLER of California. Mr. Chairman, reclaiming my time, I am almost less concerned about the content than I am about the political motivation here. I think when we see a country that is more and more disenchanted with its institutions, we are suggesting here that when one side or the other, however it happened, whatever the issue is, and again we have been through this numerous times in California, when one side exercises their rights, people want to run around and suggest that they cheated. That somehow the institutions let them down. That is what concerns me here more than anything else.

Again, there will be millions of people that will vote on initiatives this next election in California. We have several that are slated to come up. And in the gentleman's State of Virginia, they have the initiative process. That will happen, but that does not mean that the result of their work product, their voting and interest and involvement, is necessarily constitutional.

The CHAIRMAN. The time of the gentleman from California [Mr. MILLER] has again expired.

(By unanimous consent, Mr. MILLER of California was allowed to proceed for 1 additional minute.)

Mr. MILLER of California. Mr. Chairman, this is more about suggesting to them that their review was outside of the system; that they should have prevailed simply because they won at the ballot box. The gentleman from Virginia [Mr. GOODLATTE] knows, the gentleman is a lawyer, that is simply not the case. We do not get to do that.

Mr. GOODLATTE. Mr. Chairman, if the gentleman will yield further, look ahead prospectively. This does not apply to proposition 187. Whatever the politics of that is, leave it behind and look ahead prospectively and say in the future we are going to tell people when they participate by the hundreds of thousands or the millions that they have the opportunity to be assured they will have a three-judge panel.

Mr. Chairman, 10 times in 10 years is all this would have happened. Once a year. Very reasonable, it seems to me, when you bring that many people out, you get that many people aroused about an issue. And you may be right. Sometimes they are ginned up over something that is not a good idea. Let us look at it more carefully with a three-judge panel.

Mr. MOORHEAD. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from California.

Mr. MOORHEAD. Mr. Chairman, I want to tell the gentleman from California [Mr. MILLER] that I love the court system, having practiced in it a great deal of my life and having been on the committee that has jurisdiction over the courts for many years. I would not trash the courts for any reason. I love this body that we are in, the House of Representatives, and I would not trash it in any way either.

I just want to make the court system better, where our responsibility leads us in that direction.

The CHAIRMAN. The time of the gentleman from California [Mr. MILLER] has again expired.

(On request of Mrs. SCHROEDER, and by unanimous consent, Mr. MILLER of California was allowed to proceed for 2 additional minutes.)

Mr. MILLER of California. Mr. Chairman, I yield to the gentlewoman from Colorado.

Mrs. SCHROEDER. Mr. Chairman, I think if I can answer some of the questions that I think the gentleman from California has so eloquently asked, and I really salute the gentleman for taking the floor, we had this process in 1976, and this Congress unanimously did away with it, because they said it was so burdensome on the court.

Mr. Chairman, it takes three judges. You have to pull them out of their courtrooms in different places. We know that the Federal system is absolutely overloaded with drug cases, crime cases. We do not want to give any more resources to the courts, so we are handing them another mandate.

Mr. Chairman, I think the other issue that has been raised is this gives them a direct access to the Supreme Court without an appellate record, because they do not go through the Court of Appeals. Other people do not get direct access to the Supreme Court. They have got to go and make their case and the Supreme Court picks and chooses the ones they want. But this gives them direct access and it is a wonderful way to just push everybody else out of the line.

Mr. Chairman, I think what my colleagues are doing is treating somebody unfairly, and so does Justice Rehnquist and his group that has sent us a letter asking us, please, to remember our history; to remember we tried this from 1948 to 1976; to remember we are the ones who do not want to give anyone else any more resources for anything; and to say that this is not a good idea.

So, Mr. Chairman, I thank the gentleman for pointing that out.

Mr. MILLER of California. Mr. Chairman, reclaiming my time, I thank the gentlewoman from Colorado. I think the gentlewoman raises a good point. My concern here is that if we had a three-judge panel in place after 187, and that three-judge panel, as did the appellate panel, find that there were these constitutional questions, we would be here today asking for a five-judge panel. Because this is about a political motivation to try to tell the people that they got cheated out of a result that they voted for, before we know whether or not that result is constitutional.

Mr. Chairman, we are just here politically trashing the courts. This judge is a perfectly honorable person, and I am assume the three judges were perfectly honorable judges. But some people believe that when they lose, somebody cheated, and then they have to run around and tell everyone.

Mr. Chairman, I do not think the people who are vehement on this issue on 187 would be here saying we have 3 judges overruling 5 million people, so that sound like a good deal. That is not the case at all. I just think the motivation here is terribly bad. I think it is terribly costly for the court system and costly for the institutions of this country and I think it is how we make cynics out of the American public.

Mr. BILBRAY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I keep hearing references to 187, and all I have got to say it is not even 5 million we are talking about. We are talking about the almost 10 million people, because people voted for and against, through their electoral process, for the initiative. And fine, that is one thing.

But I am talking about consistency now and let us talk about the Constitution and the concepts of the Constitution.

The fact is, right now we have a process with three judges for reapportionment and that has stood since the 1940's and was reaffirmed by the Congress back in 1976, that we were going to maintain that. What has happened is that we have found a glitch where the existing statutes do not follow Supreme Court ruling and that it is inconsistent. The proposal of the gentleman from California [Mr. BONO] makes the law consistent with the Supreme Court ruling on the Constitution. So this act is a constitutionally compatible activity.

Mr. Chairman, let me remind my colleagues, in Baker versus Carr, Justice Clark said, and I quote, "By the use of a referendum, a State is reapportioned into single voting district to vote directly on legislation."

All the legislation of the gentleman from California [Mr. BONO] is saying is that we are going to be consistent now with the Supreme Court ruling. It is really talking about: Let us have our laws reflect the Constitution as clarified by the Supreme Court.

Mr. Chairman, I hear my colleagues on the other side of the aisle keep saying about the Constitution is supreme and we should follow it, and I agree. But here we have a Supreme Court ruling that says: This is a constitutional issue and this is a Voting Rights Act issue. It is not a Crime Act issue; it is not a drug issue; it is not a violent crime issue. It is a Voting Rights Act issue.

Mr. Chairman, there are Members of this Congress who have been here since 1976 and who supported having the three-judge process for reapportionment. I have not heard horror stories about how terrible and how absolutely outrageous this process has been since then. It has worked for reapportionment.

Under Justice Clark's ruling, all the gentleman from California [Mr. BONO] says is let us reflect the fact that the initiative process is a reapportionment issue and should be treated equal to with the same process that reapportionment has had since the 1940's and was specifically retained by this Congress back in 1976.

Mr. Chairman, I have to say to the gentlewoman from Colorado [Mrs. SCHROEDER], if it is going to cause so many problems to follow the lead of the gentleman from California [Mr. BONO] on this thing, then why was this law not changed in 1976? Why did we not have these conditions before?

Mrs. SCHROEDER. Mr. Chairman, will the gentleman yield?

Mr. BILBRAY. I yield to the gentlewoman from Colorado.

Mrs. SCHROEDER. Mr. Chairman, it was changed in 1976. They had 3-judge panels from 1948 to 1976, and in 1976, the House and Senate changed it at the request of the courts. The courts today have written a letter, I am sure the gentleman from California [Mr. BILBRAY] has seen it, begging us not to do this again because it is so onerous.

It really impacts on all of their different dockets that they have got that are so backed up and it does not end up with any result. They still get a 3-court panel, because they get to appeal to the Court of Appeals. So they are saying, "Wait a minute, wait a minute. This is very different." And the voting rights case only happened once a decade. That is a little bit unique. That is once a decade. And that is a very different type of case from this. There are 20 referendums a year.

Mr. BILBRAY. Mr. Chairman, reclaiming my time, Justice Clark was clarifying that it is not a totally different issue and that has not been overturned yet. The letters from the judges, as somebody who ran a county of 2.5 million full of judges, I know what the process likes to be and would like to be. They have to follow the Constitution too.

Mr. Chairman, this clarifies the fact that again, if the 3-judge process has worked and continues to work with reapportionment, then all parts of activity that relate to reapportionment should be following the same rule. Mr. Chairman, I insist that we recognize that the gentleman from California [Mr. BONO] is only reinforcing a ruling that was made by the Supreme Court and basically statutorily corrects an inconsistency that we have detected recently. And we not only have the right to correct this inconsistency; we have the responsibility.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Colorado [Mrs. SCHROEDER].

The question was taken; and the Chair announced that the noes appeared to have it.

Mrs. SCHROEDER. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Pursuant to the order of the House of today, further proceedings on the amendment offered by the gentlewoman from Colorado [Mrs. SCHROEDER] will be postponed.

The point no quorum is considered as having been withdrawn.

Mr. MOORHEAD. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. DREIER) having assumed the chair, Mr. EWING, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill, (H.R. 1170) to provide that cases challenging the constitutionality of measures passed by State referendum be heard by a 3-judge panel, had come to no resolution thereon.

GENERAL LEAVE

Mr. MOORHEAD. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 1170, the bill just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the House will stand in recess until 3 p.m. today.

Accordingly (at 1 o'clock and 59 minutes p.m.), the House stood in recess until 3 p.m.

□ 1502

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. RIGGS) at 3 o'clock and 2 minutes p.m.

THREE-JUDGE COURT FOR CERTAIN INJUNCTIONS

The SPEAKER pro tempore (Mr. RIGGS). Pursuant to House Resolution 227 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 1170.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 1170) to provide that cases challenging the constitutionality of measures passed by State referendum be heard by a three-judge court, with Mr. EWING in the Chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose earlier today, the amendment offered by the gentlewoman from Colorado [Mrs. SCHROEDER] had failed by voice vote and a request for a recorded vote had been postponed.

AMENDMENT OFFERED BY MRS. SCHROEDER

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentlewoman from Colorado [Mrs. SCHROEDER] on which the noes prevailed by voice vote.

The Clerk will designate the amendment.

The Clerk designated the amendment.

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

RECORDED VOTE

The vote was taken by electronic device, and there were—ayes 177, noes 248, not voting 9, as follows:

[Roll No. 692]

AYES—177

Abercrombie
Ackerman
Baldacci
Barcia
Barrett (WI)
Becerra
Beilenson
Bentsen
Berman
Bevill
Bishop
Bonior
Borski
Boucher
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Cardin
Chapman
Clay
Clayton
Clement
Clyburn
Coleman
Collins (MI)
Costello
Coyne
Cramer
Danner
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Durbin
Edwards
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Flake
Foglietta
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gibbons
Gonzalez
Green
Gutierrez
Hall (OH)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Holden
Houghton
Hoyer
Jackson-Lee
Jacobs
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kleczka
Klink
LaFalce
Lantos
Levin
Lewis (GA)
Lincoln
Lipinski
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Martinez
Mascara
Matsui
McCarthy
McDermott
McHale
McKinney
Meehan
Meek
Menendez
Mfume
Miller (CA)
Mineta
Minge
Mink
Moakley
Mollohan
Moran
Murtha
Nadler
Neal
Oberstar
Obey
Ortiz
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Pickett
Pomeroy
Poshard
Rahall
Rangel
Reed
Richardson
Rivers
Rose
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Schumer
Scott
Serrano
Skaggs
Skelton
Slaughter
Spratt
Stark
Stokes
Studds
Stupak
Tanner
Thompson
Thurman
Torres
Torricelli
Towns
Velazquez
Vento
Visclosky
Volkmer
Ward
Waters
Watt (NC)
Waxman
Williams
Wise
Woolsey
Wyden
Wynn
Yates

NOES—248

Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bereuter
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Brewster
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Condit
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dornan
Dreier
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Geren
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Gordon
Goss
Graham
Greenwood
Gunderson
Gutknecht
Hall (TX)
Hancock
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Horn
Hostettler
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
LoBiondo
Longley
Lucas
Manzullo
Martini
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
McNulty
Metcalf
Meyers
Mica
Miller (FL)
Molinari
Montgomery
Moorhead
Morella
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Orton
Oxley
Packard
Parker
Paxon
Peterson (MN)
Petri
Pombo
Porter
Portman
Pryce
Quillen
Quinn
Radanovich
Ramstad
Regula
Riggs
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Sisisky
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stenholm
Stockman
Stump
Talent
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thornton
Tiahrt
Traficant
Upton
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—9

Bateman
Collins (IL)
Conyers
Duncan
Olver
Reynolds
Tejeda
Torkildsen
Tucker

☐ 1523

Mr. FLANAGAN and Mr. ROTH changed their vote from "aye" to "no."

Ms. KAPTUR, Mr. GENE GREEN of Texas, and Mr. SPRATT changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. WATT OF NORTH CAROLINA

Mr. WATT of North Carolina. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WATT of North Carolina: Page 3, beginning on line 1, strike "each of the several States and the District of Columbia;" and insert "the State of California;".

Page 3, line 4, strike "a" and replace with "the".

Page 3, line 5, strike "a" and replace with "the".

Mr. WATT of North Carolina. Mr. Chairman, I am offering this amendment to restrict the effect of this bill to the State of California, rather than to the entire United States, because the bill is being offered to address a specific problem.

☐ 1530

This is a terrible bill, my colleagues. If we have a terrible bill, it seems to me that the least we ought to try to do is limit it to as small an area as we can possibly limit it to.

This bill comes forward simply because some of the folks in California do not like the results of a lawsuit that was filed and a court decision that was entered in California which declared the results of a referendum unconstitutional under the Federal Constitution of the United States.

There is not but one other instance, one instance in the law now where a three-judge panel of judges is required, and that is in the area of voting rights. The effect of this bill would be to create a three-judge panel every time a constitutional issue was raised where a referendum has been conducted in a State. It makes no sense to do that.

We had a law on the books from approximately 1945 to 1976 which required three-judge panels. It was taken off of the books, repealed because the judiciary, lawyers, and the general public all concluded that it was the worst part of the judicial system that existed at that time.

Now we are being called upon simply because some of the representatives in California do not like the results of a lawsuit to put that law back on the books to apply to every State in the Union. The effect of this bill would be to require three judges to decide a case when one judge has been deciding it in the past.

Once we start doing it in referendum cases, then I am not sure how we restrict it.

My colleagues, this is a bad, bad bill. It is bad, bad public policy. We should be serious about it if we are interested in saving taxpayers money. We have been here trying to balance the budget, we say. Yet, in this one instance to play politics with one person from California, we are getting ready to add substantial cost to the judiciary and make a public policy decision that makes absolutely no sense.

A State court judge held the referendum in this case unconstitutional. A Federal court judge held the referendum and the results of that referendum unconstitutional. It would not have mattered who decided this case; the issue on that referendum was unconstitutional. To go back and try to address that by changing the process makes no sense.

To say that we are going to convene three Federal judges to come together in one location, when we have the substantial backlog in our courts that we have, every time we got some referendum that somebody does not like the results of, we have got to convene three Federal judges, take up their time, take up their clerk's time, expose the taxpayers to this additional expense, I submit to my colleagues is very, very, very bad public policy.

I understand why the gentleman from California is offering this. It is good politics at home. He can go home tomorrow and say, look, I got something for the State of California and I can deliver. I am a Member of Congress now. But it is our responsibility as Members of this body to set good public policy.

I want to say, this amendment would limit this abomination of a bill to the State of California.

Mr. MOORHEAD. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, with apologies to my good friend, the gentleman from North Carolina, California is still in the Union. This is kind of the silly season because it gives us an opportunity, I guess, to redebate a bill which has already been debated for well over an hour.

This is a good bill. Anyone that has listened to the debate understands that we are protecting the rights of every citizen nationwide to the right to have their vote protected when they vote on a referendum. This bill is for all voting citizens, not just those living in California. The procedure already exists for similar cases and is used more in Voting Rights Act cases and apportionment cases than it would be in referendum cases, but it is an important procedure.

The procedure is already set up. It is one which will not affect 187 in California. There is no relationship to this bill and 187 in California, because the bill is gone. It is defeated. We cannot go back to it. We will not go back to it. It will only protect the rights of people for the future.

Mr. Chairman, I yield to the gentleman from Illinois [Mr. HYDE].

Mr. HYDE. Mr. Chairman, I just want to say, sort of in passing, to my friend from North Carolina [Mr. WATT], who is one of the most valuable members of the House Committee on the Judiciary, but I was taken aback by his remarks about the extra cost and the burden on the court. I was somewhat taken aback by the gentleman from North Carolina's concern about the extra burden on the courts for convening a three-judge panel to decide a State referendum or initiative that the constitutionality, because my memory could be faulty, I concede that, but I do not recall the gentleman being at the point in habeas corpus reform where cases go up and down and up and down and up and down. I can think of one that lasted 14 years, with 52 appeals. I just do not recall the gentleman being a leader in trying to reform that burden on the courts.

Mr. WATT of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. MOORHEAD. I yield to the gentleman from North Carolina.

Mr. WATT of North Carolina. Mr. Chairman, I want to respond to the chairman that the last time I checked the Constitution, there is nothing in the Constitution that guarantees anybody a three-judge panel. There is something that talks about habeas corpus and the writ of habeas corpus.

Mr. HYDE. Mr. Chairman, if the gentleman will continue to yield, justice delayed is justice denied. If it takes 14 years to process a habeas corpus petition and 52 appeals, there is something very wrong. I would expect the gentleman who is sensitive about burdens on the court to help us lead that fight.

Mr. MOORHEAD. Mr. Chairman, I yield to the gentleman from California [Mr. BONO].

Mr. BONO. Mr. Chairman, I rise in opposition to the amendment, and I want to thank the gentleman from North Carolina [Mr. WATT] for giving me the distinction of bringing forth the worst bill he has ever heard of in his life.

However, it is a bill that I am very proud of and simply for this reason: We are here to represent the people. And why do they have a referendum? Because sometimes people are not represented so they can do that themselves.

Five million people from a State speak and feel that they have been the victim of an injustice. And I have heard the Constitution brought up over and over and over. But nobody brings up that our State has been suffering from crime, from illegal aliens. That means against the law. So I think that carries a weight as well as the Constitution does.

So, we have people that continue to violate the law. The State is up to here with it. They wanted it ended. Government did not end it. So they decided to end it themselves. I respect their position. After they ended it, again they were duped. And now they are the victims of this dupe.

Mr. BUYER. Mr. Chairman, I move to strike the last word.

PARLIAMENTARY INQUIRY

Mr. MFUME. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MFUME. Mr. Chairman, is it not parliamentary procedure that, when the time on one side has expired, the Chair acknowledges for recognition those seeking time on the other side?

The CHAIRMAN. The gentleman was the first one seeking recognition. The Chair will alternate. There was no committee member seeking recognition on the gentleman's side that came to the attention of the Chair.

Mr. MFUME. Mr. Chairman, if I might respectfully disagree with the Chair, the Chair's call for the culmination of the gentleman's time was so fast and the time that he recognized the other gentleman, that there were persons on this side that did not even know that the Chair was seeking other Members.

The CHAIRMAN. The Chair will alternate between sides.

The gentleman from Indiana [Mr. BUYER] is recognized for 5 minutes.

Mr. BUYER. Mr. Chairman, I would like to make several points. I will not take the full 5 minutes.

That is, I think the 1965 Voting Rights Act rightfully mandates the three-judge panel to pass judgment on issues dealing with voting rights. When we have a State acting as one voice in a State referendum, there is a proper nexus between the State's voice and that of issues of voting rights under the Voting Rights Act. So with that proper nexus, I think it is a very good issue for this Congress to take.

So what we are saying here, if in fact we are going to always mandate in a voting rights case so that it be decided by three Federal judges and now the nexus, it is not also proper for us to have a three-judge panel decide the issues of a State referendum on the issues of constitutionality?

☐ 1545

I would submit that, yes, it is, because we do not want to take such a paramount issue and allow it to be decided by one.

Now one can debate on either side whether it is arbitrary or capricious. I think it is extremely important to move to the three-judge panel, especially when we are talking about the people's voice. It is the people's voice under the law. The people's voice under the law is the protection of the minority, and I think that is what is so wonderful about our country and society as a republic, a nation of laws, not people, and I compliment the gentleman from California. It is a side issue to talk about, well, what is the underlying reason. I think that this is a good bill and should be applied across to all States.

Mr. Chairman, that is why I rise in opposition to the gentleman's amendment and say, oh, we are just going to allow it to apply to California. No, we should apply this to any State out there, so let us vote down the gentleman's amendment, and let us side with ration and reason and not with the side of politics.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina [Mr. WATT].

The amendment was rejected.

The CHAIRMAN. Are there further amendments?

If there are no other amendments, the question is on the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. HEFLEY) having assumed the chair, Mr. EWING, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1170) to provide that cases, challenging the constitutionality of measures passed by State referendum be heard by a three-judge court, pursuant to House Resolution 227, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mrs. SCHROEDER. Mr. Speaker, I demand a recorded vote.

A record vote was ordered.

The vote was taken by electronic device, and there were—ayes 266, noes 159, not voting 9, as follows:

[Roll No. 693]

AYES—266

Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Brewster
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Castle
Chabot
Chambliss
Chapman
Chenoweth
Christensen
Chrysler
Clement
Clinger
Coble
Coburn
Collins (GA)
Combest
Condit
Cooley
Costello
Cox
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
Deal
DeLay
Diaz-Balart
Dickey
Dooley
Doolittle
Dornan
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Geren
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Gordon
Goss
Graham
Green
Greenwood
Gunderson
Gutknecht
Hall (TX)
Hancock
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Horn
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Lipinski
Livingston
LoBiondo
Longley
Lucas
Luther
Manzullo
Martini
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
McNulty
Metcalf
Meyers
Mica
Miller (CA)
Miller (FL)
Minge
Molinari
Montgomery
Moorhead
Morella
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Orton
Oxley
Packard
Parker
Paxon
Peterson (MN)
Petri
Pombo
Pomeroy
Porter
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Ramstad
Regula
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Sisisky
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stenholm
Stockman
Stump
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thornton
Tiahrt
Torricelli
Traficant
Upton
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NOES—159

Abercrombie
Ackerman
Baldacci
Barrett (WI)
Becerra
Beilenson
Berman
Bevill
Bishop
Bonior
Borski
Boucher
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Cardin
Clay
Clayton
Clyburn
Coleman
Collins (IL)
Collins (MI)
Conyers
Coyne
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Doyle
Durbin
Edwards
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Flake
Foglietta
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gibbons
Gonzalez
Gutierrez
Hall (OH)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Holden
Hoyer
Jackson-Lee
Jacobs
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy (RI)
Kennelly
Kildee
Kleczka
Klink
LaFalce
Lantos
Levin
Lewis (GA)
Lofgren
Lowey
Maloney
Manton
Markey
Martinez
Mascara
Matsui
McCarthy
McDermott
McHale
McKinney
Meehan
Meek
Menendez
Mfume
Mineta
Mink
Moakley
Mollohan
Moran
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Pickett
Rahall
Rangel
Reed
Richardson
Rivers
Roemer
Rose
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Schumer
Scott
Serrano
Skaggs
Slaughter
Spratt
Stark
Stokes
Studds
Stupak
Thompson
Thurman
Torres
Towns
Velazquez
Vento
Visclosky
Ward
Waters
Watt (NC)
Waxman
Williams
Wise
Woolsey
Wyden
Wynn
Yates

NOT VOTING—9

Bentsen
Kelly
Kennedy (MA)
Lincoln
Reynolds
Tejeda
Torkildsen
Tucker
Volkmer

☐ 1606

Mr. GUTIERREZ changed his vote from "aye" to "no."

Mr. BARCIA changed his vote from "no" to "aye."

So the bill was passed.

The result of the vote was announced as above recorded.

The title of the bill was amended so as to read: "A bill to provide that an application for an injunction restraining the enforcement, operation, or execution of a State law adopted by referendum may not be granted on the ground of the unconstitutionality of such law unless the application is heard and determined by a 3-judge court."

A motion to reconsider was laid on the table.

CONFERENCE REPORT ON H.R. 1976, AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1996

Mr. SKEEN submitted the following conference report and statement on the bill (H.R. 1976) making appropriations for Agriculture, rural development, Food and Drug Administration, and related agencies programs for the fiscal year ending September 30, 1996, and for other purposes.

CONFERENCE REPORT (H. REPT. 104–268)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 1976) "making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1996, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 3, 4, 9, 11, 14, 21, 39, 45, 50, 55, 61, 69, 70, 71, 74, 75, 81, 84, 85, 86, 90, 94, 95, 98, 99, 102, 106, 111, 113, 116, 123, 127, 129, 130, 132, 139, 144, 145, 147, 148, 151, 153, 155, 156, 157, 158, and 159.

That the House recede from its disagreement to the amendments of the Senate numbered 5, 6, 7, 10, 13, 19, 22, 24, 27, 30, 46, 52, 53, 54, 56, 58, 60, 63, 64, 66, 67, 73, 76, 77, 79, 80, 82, 83, 88, 97, 101, 110, 112, 115, 120, 133, 138, 140, 141, 142, 143, 146, 149, 150, 154, and agree to the same.

Amendment number 2:

That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows:

In lieu of the sum named in said amendment, insert: *$7,500,000*; and the Senate agree to the same.

Amendment number 8:

That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and the matter inserted by said amendment, insert: *$3,797,000: Provided, That no other funds appropriated to the Department in this Act shall be available to the Department for support of activities of congressional relations: Provided further, That not less than $2,355,000 shall be transferred to agencies funded in this Act to maintain personnel at the agency level*; and the Senate agree to the same.

Amendment number 12:

That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$710,000,000*; and the Senate agree to the same.

Amendment numbered 15:

That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$168,734,000*; and the Senate agree to the same.

Amendment numbered 16:

That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$20,497,000*; and the Senate agree to the same.

Amendment numbered 17:

That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$27,735,000*; and the Senate agree to the same.

Amendment numbered 18:

That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$49,846,000*; and the Senate agree to the same.

Amendment numbered 20:

That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$96,735,000*; and the Senate agree to the same.

Amendment numbered 23:

That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$650,000*; and the Senate agree to the same.

Amendment numbered 25:

That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$8,100,000*; and the Senate agree to the same.

Amendment numbered 26:

That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment, as follows:

In lieu of the sum named in said amendment, insert: *$9,200,000*; and the Senate agree to the same.

Amendment numbered 28:

That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$10,337,000*; and the Senate agree to the same.

Amendment numbered 29:

That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$421,929,000*; and the Senate agree to the same.

Amendment numbered 31:

That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$268,493,000*; and the Senate agree to the same.

Amendment numbered 32:

That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$60,510,000*; and the Senate agree to the same.

Amendment numbered 33:

That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$2,943,000*; and the Senate agree to the same.

Amendment numbered 34:

That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$7,782,000*; and the Senate agree to the same.

Amendment numbered 35:

That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$936,000*; and the Senate agree to the same.

Amendment numbered 36:

That the House recede from its disagreement to the amendment of the Senate numbered 36, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$11,065,000*; and the Senate agree to the same.

Amendment numbered 37:

That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$1,203,000*; and the Senate agree to the same.

Amendment numbered 38:

That the House recede from its disagreement to the amendment of the Senate numbered 38, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$9,850,000*; and the Senate agree to the same.

Amendment numbered 40:

That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$2,438,000*; and the Senate agree to the same.

Amendment numbered 41:

That the House recede from its disagreement to the amendment of the Senate numbered 41, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$3,291,000*; and the Senate agree to the same.

Amendment numbered 42:

That the House recede from its disagreement to the amendment of the Senate numbered 42, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$1,724,000*; and the Senate agree to the same.

Amendment numbered 43:

That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment, as follows:

In lieu of the sum named in said amendment, insert: *$2,709,000*; and the Senate agree to the same.

Amendment numbered 44:

That the House recede from its disagreement to the amendment of the Senate numbered 44, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$25,090,000*; and the Senate agree to the same.

Amendment numbered 47:

That the House recede from its disagreement to the amendment of the Senate numbered 47, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$12,209,000*; and the Senate agree to the same.

Amendment numbered 48:

That the House recede from its disagreement to the amendment of the Senate numbered 48, and agree to the same with an amendment, as follows:

In lieu of the sum proposed, insert: *$427,750,000*; and

On page 15, line 22 of the House engrossed bill, H.R. 1976, strike "$10,947,000" and insert in lieu thereof *$10,783,000*, and

On page 15, line 26 of the House engrossed bill, H.R. 1976, strike "$3,363,000" and insert in lieu thereof *$3,313,000*, and

On page 16, line 17 of the House engrossed bill, H.R. 1976, strike "$3,463,000" and insert in lieu thereof *$3,411,000*; and the Senate agree to the same.

Amendment numbered 49:

That the House recede from its disagreement to the amendment of the Senate numbered 49, and agree to the same with an amendment, as follows:

In lieu of the sum proposed, insert *$331,667,000*, and

On page 19, line 16 of the House engrossed bill, H.R. 1976, after the word "building" insert *: Provided further, That of the funds provided, the Secretary of Agriculture may provide for the funding of all fees or charges under sec. 2509 of Public Law 101–624, codified at 21 U.S.C. 136(A)(c), for any service related to the cost of providing import, entry, diagnostic and quarantine services in connection with the 1996 Summer Olympic Games to be held in Atlanta, Georgia*; and the Senate agree to the same.

Amendment numbered 51:

That the House recede from its disagreement to the amendment of the Senate numbered 51, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$8,757,000*; and the Senate agree to the same.

Amendment numbered 57:

That the House recede from its disagreement to the amendment of the Senate numbered 57, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$544,906,000*; and the Senate agree to the same.

Amendment numbered 59:

That the House recede from its disagreement to the amendment of the Senate numbered 59, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$795,000,000*; and the Senate agree to the same.

Amendment numbered 62:

That the House recede from its disagreement to the amendment of the Senate numbered 62, and agree to the same with an amendment, as follows:

In lieu of the sum named by said amendment, insert: *$1,000,000*; and the Senate agree to the same.

Amendment numbered 65:

That the House recede from its disagreement to the amendment of the Senate numbered 65, and agree to the same with an amendment, as follows:

Delete the sum stricken and the sum proposed by said amendment, and

On page 27, line 17 of the House engrossed bill, H.R. 1976, strike all after "disasters" down to and including "property,", and

On page 28, line 3 of the House engrossed bill, H.R. 1976, strike all after "asters" down to and including "property,"; and the Senate agree to the same.

Amendment numbered 68:

That the House recede from its disagreement to the amendment of the Senate numbered 68, and agree to the same with an amendment, as follows:

Delete the sum stricken and the sum proposed by said amendment; and the Senate agree to the same.

Amendment numbered 72:

That the House recede from its disagreement to the amendment of the Senate numbered 72, and agree to the same with an amendment, as follows:

In lieu of the sum named in said amendment, insert: *$629,986,000*; and the Senate agree to the same.

Amendment numbered 78:

That the House recede from its disagreement to the amendment of the Senate numbered 78, and agree to the same with an amendment, as follows:

In lieu of the first sum named in said amendment, insert: *$29,000,000*; and the Senate agree to the same.

Amendment numbered 87:

That the House recede from its disagreement to the amendment of the Senate numbered 87, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$46,583,000*; and the Senate agree to the same.

Amendment numbered 89:

That the House recede from its disagreement to the amendment of the Senate numbered 89, and agree to the same with an amendment, as follows:

Delete the sum stricken and the sum proposed by said amendment, and

On page 39, of the House engrossed bill, H.R. 1976, strike all after "loans" on line 25 down to and including "property" on line 26, and

On page 40 of the House engrossed bill, H.R. 1976, strike all after "1996" on line 14 down to and including "property," on line 15; and the Senate agree to the same.

Amendment numbered 91:

That the House recede from its disagreement to the amendment of the Senate numbered 91, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$148,723,000*; and the Senate agree to the same.

Amendment numbered 92:

That the House recede from its disagreement to the amendment of the Senate numbered 92, and agree to the same with an amendment, as follows:

In lieu of the matter stricken by said amendment, insert: *: Provided, That no funds for new construction may be available for fiscal year 1996 until the program is authorized*; and the Senate agree to the same.

Amendment numbered 93:

That the House recede from its disagreement to the amendment of the Senate numbered 93, and agree to the same with an amendment as follows:

Delete the sum stricken and the sum proposed by said amendment; and the Senate agree to the same.

Amendment numbered 96:

That the House recede from its disagreement to the amendment of the Senate numbered 96, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$372,897,000*; and the Senate agree to the same.

Amendment numbered 100:

That the House recede from its disagreement to the amendment of the Senate numbered 100, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$2,000,000*; and the Senate agree to the same.

Amendment numbered 103:

That the House recede from its disagreement to the amendment of the Senate numbered 103, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and the matter inserted by said amendment, insert:

For the cost of direct loans, $22,395,000, as authorized by the Rural Development Loan Fund (42 U.S.C. 9812(a)): Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: Provided further, That these funds are available to subsidize gross obligations for the principal amount of direct loans of $37,544,000: Provided further, That through June 30, 1996, of these amounts, $4,322,000 shall be available for the cost of direct loans, for empowerment zones and enterprise communities, as authorized by title XIII of the Omnibus Budget Reconciliation Act of 1993, to subsidize gross obligations for the principal amount of direct loans, $7,246,000.

In addition, for administrative expenses necessary to carry out the direct loan programs, $1,476,000, of which $1,470,000 shall be transferred to and merged with the appropriation for "Salaries and Expenses";

and the Senate agree to the same.

Amendment numbered 104:

That the House recede from its disagreement to the amendment of the Senate numbered 104, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$654,000*; and the Senate agree to the same.

Amendment numbered 105:

That the House recede from its disagreement to the amendment of the Senate numbered 105, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$6,500,000*; and the Senate agree to the same.

Amendment numbered 107:

That the House recede from its disagreement to the amendment of the Senate numbered 107, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and the matter inserted by said amendment, insert: *$2,300,000, of which up to $1,300,000 may be available for the appropriate technology transfer for rural areas program*; and the Senate agree to the same.

Amendment numbered 108:

That the House recede from its disagreement to the amendment of the Senate numbered 108, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$525,000,000*; and the Senate agree to the same.

Amendment numbered 109:

That the House recede from its disagreement to the amendment of the Senate numbered 109, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$56,858,000*; and the Senate agree to the same.

Amendment numbered 114:

That the House recede from its disagreement to the amendment of the Senate numbered 114, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended to read as follows:

RURAL UTILITIES ASSISTANCE PROGRAM

(INCLUDING TRANSFERS OF FUNDS)

For the cost of direct loans, loan guarantees, and grants, as authorized by 7 U.S.C. 1926, 1928, and 1932, $487,868,000, to remain available until expended, to be available for loans and grants for rural water and waste disposal and solid waste management grants: Provided, That the costs of direct loans and loan guarantees, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: Provided further, That of the total amount appropriated, not to exceed $4,500,000 shall be available for contracting with the National Rural Water Association or equally qualified national organizations for a circuit rider program to provide technical assistance for rural water systems: Provided further, That of the total amount appropriated, not to exceed $18,700,000 shall be available for water and waste disposal systems to benefit the Colonias along the United States/Mexico border, including grants pursuant to section 306C: Provided further, That of the total amount appropriated, $18,688,000 shall be for empowerment zones and enterprise communities, as authorized by Public Law 103–66: Provided further, That if such funds are not obligated for empowerment zones and enterprise communities by June 30, 1996, they shall remain available for other authorized purposes under this head.

In addition, for administrative expenses necessary to carry out direct loans, loan guarantees, and grants, $12,740,000, of which $12,623,000 shall be transferred to and merged with "Rural Utilities Service, Salaries and Expenses";

and the Senate agree to the same.

Amendment numbered 117:

That the House recede from its disagreement to the amendment of the Senate numbered 117, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert: *section 21 of the National School Lunch Act and sections 17 and 19*; and the Senate agree to the same.

Amendment numbered 118:

That the House recede from its disagreement to the amendment of the Senate numbered 118, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$7,946,024,000*; and the Senate agree to the same.

Amendment numbered 119:

That the House recede from its disagreement to the amendment of the Senate numbered 119, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$2,348,166,000*; and the Senate agree to the same.

Amendment numbered 121:

That the House recede from its disagreement to the amendment of the Senate numbered 121, and agree to the same with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert the following: : *Provided further, That once the amount for fiscal year 1995 carryover funds has been determined by the Secretary, any funds in excess of $100,000,000 may be transferred by the Secretary of Agriculture to the Rural Utilities Assistance Program and shall remain available until expended;* and the Senate agree to the same.

Amendment numbered 122:

That the House recede from its disagreement to the amendment of the Senate numbered 122, and agree to the same with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert: : *Provided further, That none of the funds provided in this account shall be available for the purchase of infant formula except in accordance with the cost containment and competitive bidding requirements specified in section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786)*; and the Senate agree to the same.

Amendment numbered 124:

That the House recede from its disagreement to the amendment of the Senate numbered 124, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$27,597,828,000*; and the Senate agree to the same.

Amendment numbered 125:

That the House recede from its disagreement to the amendment of the Senate numbered 125, and agree to the same with an amendment, as follows:

In lieu of the sum named in said amendment, insert: *$500,000,000*; and the Senate agree to the same.

Amendment numbered 126:

That the House recede from its disagreement to the amendment of the Senate numbered 126, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended to read as follows:

COMMODITY ASSISTANCE PROGRAM

For necessary expenses to carry out the commodity supplemental food program as authorized by section 4(a) of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c(note)), the Emergency Food Assistance Act of 1983, as amended, and section 110 of the Hunger Prevention Act of 1988, $166,000,000, to remain available through September 30, 1997: Provided, That none of these funds shall be available to reimburse the Commodity Credit Corporation for commodities donated to the program: Provided further, That none of the funds in this Act or any other Act may be used for demonstration projects in the emergency food assistance program;

and the Senate agree to the same.

Amendment numbered 128:

That the House recede from its disagreement to the amendment of the Senate numbered 128, and agree to the same with an amendment, as follows:

Retain the matter proposed, amended as follows:

After "That" in said amendment, insert: *hereafter*; and the Senate agree to same.

Amendment numbered 131:

That the House recede from its disagreement to the amendment of the Senate numbered 131, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$107,769,000;* and the Senate agree to the same.

Amendment numbered 134:

That the House recede from its disagreement to the amendment of the Senate numbered 134, and agree to the same with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert: : *Provided further, That none of the funds made available by this Act may be used to carry out activities of the market promotion program (7 U.S.C. 5623) which provides direct grants to any for-profit corporation that is not recognized as a small business concern under section 3(a) of the Small Business Act (15 U.S.C. 632(a)), excluding cooperatives and associations as described in 7 U.S.C. 291 and non-profit trade associations: Provided further, That funds available to trade associations, cooperatives, and small businesses may be used for individual branded promotions; with the beneficiaries having matched the cost of such promotions*; and the Senate agree to the same.

Amendment numbered 135:

That the House recede from its disagreement to the amendment of the Senate numbered 135, and agree to the same with an amendment, as follows:

Delete the matter proposed by said amendment, and

On page 57, line 21 of the House engrossed bill, H.R. 1976, after "Act" insert: , *of which $60,000,000 shall be financed from funds credited to the Commodity Credit Corporation pursuant to section 426 of Public Law 103–465*; and the Senate agree to the same.

Amendment numbered 136:

That the House recede from its disagreement to the amendment of the Senate numbered 136, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert *$12,150,000*; and the Senate agree to the same.

Amendment numbered 137:

That the House recede from its disagreement to the amendment of the Senate numbered 137, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$53,601,000*; and the Senate agree to the same.

Amendment numbered 152:

That the House recede from its disagreement to the amendment of the Senate numbered 152, and agree to the same with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert the following:

SEC. 730. None of the funds appropriated or made available to the Food and Drug Administration by this Act shall be used to operate the Board of Tea Experts;

and the Senate agree to the same.

Amendment numbered 160:

That the House recede from its disagreement to the amendment of the Senate numbered 160, and agree to the same with an amendment, as follows:

Retain the matter proposed, amended as follows:

Strike "immediately withdraw" and in lieu thereof insert: *not enforce*; and the Senate agree to same.

JOE SKEEN,
JOHN T. MYERS,
JAMES T. WALSH,
JAY DICKEY,
JACK KINGSTON,
FRANK RIGGS,
GEORGE R. NETHERCUTT, Jr.,
BOB LIVINGSTON,
RICHARD J. DURBIN,
MARCY KAPTUR (except for amendments 30 and 150 and the provision on APHIS quarantine exemption),
RAY THORNTON,
NITA M. LOWEY,
DAVID R. OBEY (except for amendment 150),

Managers on the Part of the House.

THAD COCHRAN,
ARLEN SPECTER,
KIT BOND,
SLADE GORTON,
MITCH MCCONNELL,
CONRAD BURNS,
MARK HATFIELD,
DALE BUMPERS,
TOM HARKIN,
J. ROBERT KERREY,
J. BENNETT JOHNSTON,
HERB KOHL,
ROBERT BYRD,

Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 1976) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1996, and for other purposes, submit the following joint statement to the House and Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report.

CONGRESSIONAL DIRECTIVES

The conferees agree that executive branch wishes cannot substitute for Congress' own statements as to the best evidence of congressional intentions—that is, the official reports of the Congress. The conferees further point out that funds in this Act must be used for the purposes for which appropriated, as required by section 1301 of title 31 of the United States Code, which provides: "Appropriations shall be applied only to the objects for which the appropriations were made except as otherwise provided by law."

Report language included by the House which is not changed by the report of the Senate, and Senate report language which is not changed by the conference are approved by the committee of conference. The statement of the managers, while repeating some report language for emphasis, does not intend to negate the language referred to above unless expressly provided herein.

TITLE I—AGRICULTURAL PROGRAMS

PRODUCTION, PROCESSING, AND MARKETING

OFFICE OF THE SECRETARY

Amendment No. 1: Appropriates $10,227,000 for the Office of the Secretary as proposed by the House instead of $12,801,000 as proposed by the Senate.

Amendment No. 2: Provides $7,500,000 for InfoShare as proposed by the House instead of $10,000,000 as proposed by the Senate. The conference agreement also provides that these funds remain available until expended as proposed by the Senate.

EXECUTIVE OPERATIONS

CHIEF ECONOMIST

Amendment No. 3: Appropriates $3,948,000 for the Office of the Chief Economist as proposed by the House instead of $3,814,000 as proposed by the Senate.

CHIEF FINANCIAL OFFICER

Amendment No. 4: Restores House language requiring a cost-benefit analysis of commercial software systems and related work at the National Finance Center with commercial systems.

AGRICULTURE BUILDINGS AND FACILITIES AND RENTAL PAYMENTS

Amendment No. 5: Adds the United States Code citation providing for the delegation of authority from the Administrator of the General Services Administration to the Secretary of Agriculture as proposed by the Senate. The House bill contained no similar provision.

ADVISORY COMMITTEES (USDA)

Amendment No. 6: Appropriates $650,000 for USDA Advisory Committees as proposed by the Senate instead of $800,000 as proposed by the House.

HAZARDOUS WASTE MANAGEMENT

Amendment No. 7: Makes a technical correction by adding the word "and" to the bill language as proposed by the Senate.

OFFICE OF THE ASSISTANT SECRETARY FOR CONGRESSIONAL RELATIONS

Amendment No. 8: Restores House language consolidating all funding for congressional affairs activities into a single account and appropriating $3,797,000 for such activities. The conferees agree that this consolidation of funds will result in greater efficiencies and oversight of overall departmental activities. The conferees also agree that congressional affairs efforts are more effective if personnel are retained at the agency level. Therefore, the conference agreement includes language transferring not less than $2,355,000 to agencies funded in this Act to maintain personnel at the agency level.

The following table reflects the conference agreement:

	1995 level	Conference agreement
Headquarters	$1,289,000	$967,000
Office of the Chief Economist	66,000	49,000
Office of the Inspector General	65,000	49,000
Agricultural Research Service	172,000	129,000
Cooperative State Research, Education, and Extension Service	160,000	120,000
Foreign Agricultural Service	251,000	188,000
Consolidated Farm Service Agency	474,000	355,000
Rural Utilities Service	189,000	142,000
Rural Business and Cooperative Development Service	69,000	52,000
Rural Housing and Community Development Service	335,000	251,000
Natural Resources Conservation Service	197,000	148,000
Animal and Plant Health Inspection Service	135,000	101,000
Grain Inspection, Packers and Stockyards Administration	21,000	16,000
Agricultural Marketing Service	234,000	176,000
Food Safety and Inspection Service	412,000	309,000
Food and Consumer Service	360,000	270,000
Intergovernmental Affairs	475,000	475,000
Total	4,904,000	3,797,000

OFFICE OF THE INSPECTOR GENERAL

Amendment No. 9: Provides $95,000 for confidential operational expenses of the Office of the Inspector General as proposed by the House instead of $125,000 as proposed by the Senate.

Amendment No. 10: Provides the Office of the Inspector General with authority to use funds transferred through forfeiture proceedings for authorized law enforcement activities as proposed by the Senate. The House bill contained no similar provision.

ECONOMIC RESEARCH SERVICE

Amendment No. 11: Appropriates $53,131,000 for the Economic Research Service as proposed by the House instead of $53,526,000 as proposed by the Senate.

The conference agreement provides for the continuation of the rice modeling project under the special grants program of the Cooperative State Research, Education, and Extension Service.

AGRICULTURAL RESEARCH SERVICE

Amendment No. 12: Appropriates $710,000,000 instead of $707,000,000 as proposed by the Senate and $705,610,000 as proposed by the House.

The conference agreement includes the following increases:

Nutrition Intervention (Delta Initiative)	$900,000
National Agricultural Library	1,462,000
Rural Development (Alcorn State University)	167,000
Citrus Root Weevil	400,000
Alternatives to Methyl Bromide	750,000
Horticultural Research, National Arboretum	350,000
Animal Improvement Laboratory (BARC)	300,000
Joranado Rangeland Management	500,000
Citrus Tristeza Virus	500,000
Pine Bluff, AR (Staffing)	40,000
Arkansas Children's Hospital	300,000
Fish Farming Experimental Laboratory, AR	500,000
Small Fruit Laboratory, OR	485,000
Agroforestry, AR/MO	475,000
Livestock and Range Research, MT	80,000
Cereal Crops, WI	175,000
Wheat Virology, NE	260,000
Warmwater Aquaculture, MS	630,000
Southern Insect Management Laboratory, MS	50,000
Geriatric Nutrition Research, PA	200,000

Amendment No. 13: Makes a technical correction to properly identify the American Sugar Cane League Foundation as proposed by the Senate.

BUILDINGS AND FACILITIES

Amendment No. 14: Deletes Senate language providing that not less than $1,000,000 of the funds made available for the National Center for Agriculture Utilization Research be available for the Grain Marketing Research Laboratory in Manhattan, Kansas. The House bill contained no similar provision.

The following table reflects the conference agreement:

BUILDING AND FACILITIES
[In thousands of dollars]

	House bill	Senate bill	Conference agreement
Arkansas: National Research Center, Stuttgart	....	1,000	1,000
Florida: Horticultural Research Laboratory, Ft. Pierce	1,500	1,500	1,500
France: European Biological Control Laboratory, Montpellier	2,600	....	....
Illinois: National Center for Agricultural Utilization Research, Peoria	9,700	3,900	3,900
Kansas: Grain Marketing Research Laboratory, Manhattan	....	1,000	1,000
Louisiana: Southern Regional Research Center, New Orleans	900	900	900
Maryland: Agricultural Research Center, Beltsville	8,000	8,000	8,000
Mississippi:			
National Center for Natural Products, Oxford	....	1,500	1,500
National Center for Warmwater Aquaculture, Stoneville	....	1,900	1,900
New York: Plum Island Animal Disease Center	5,000	5,000	5,000
South Carolina: U.S. Vegetable Laboratory	....	4,000	3,000
Texas:			
Plant Stress and Water Conservation Laboratory, Lubbock	1,500	1,500	1,500
Subtropical Research Laboratory, Weslaco	1,000	....	1,000
Total, buildings and facilities	30,200	30,200	30,200

COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSIVE SERVICE

RESEARCH AND EDUCATION ACTIVITIES

Amendment No. 15: Provides $168,734,000 for payments under the Hatch Act instead of $166,165,000 as proposed by the House and $171,304,000 as proposed by the Senate.

Amendment No. 16: Provides $20,497,000 for cooperative forestry research instead of $20,185,000 as proposed by the House and $20,809,000 as proposed by the Senate.

Amendment No. 17: Provides $27,735,000 for payments to 1890 land-grant colleges and Tuskegee University instead of $27,313,000 as proposed by the House and $28,157,000 as proposed by the Senate.

Amendment No. 18: Provides $49,846,000 for special research grants instead of $31,930,000 as proposed by the House and $42,670,000 as proposed by the Senate.

The conference agreement does not provide any earmark for the global change special grant.

Amendment No. 19: Provides $9,769,000 for improved pest control as proposed by the Senate instead of $11,599,000 as proposed by the House.

Amendment No. 20: Provides $96,735,000 for competitive research grants instead of $98,165,000 as proposed by the House and $99,582,000 as proposed by the Senate.

Amendment No. 21: Provides $5,051,000 for animal health and disease programs as proposed by the House instead of $5,551,000 as proposed by the Senate.

Amendment No. 22: Makes a technical correction to the United States Code citation as proposed by the Senate.

Amendment No. 23: Provides $650,000 for alternative crops instead of $1,150,000 as proposed by the House and $500,000 as proposed by the Senate. The conference agreement includes $500,000 for research on canola as proposed by the both the House and the Senate, and $150,000 for research on hesperaloe as proposed by the House.

Amendment No. 24: Provides $500,000 for the Critical Agricultural Materials Act as proposed by the Senate. The House bill contained no similar provision.

Amendment No. 25: Provides $8,100,000 for low-input agriculture instead of $8,000,000 as proposed by the House and $8,112,000 as proposed by the Senate.

Amendment No. 26: Provides $9,200,000 for capacity building grants instead of $9,207,000 as proposed by the Senate. The House bill contained no similar provision.

Amendment No. 27: Provides $1,450,000 for payments to the 1994 Institutions as proposed by the Senate. The House bill contained no similar provision.

Amendment No. 28: Provides $10,337,000 for Federal Administration instead of $6,289,000 as proposed by the House and $10,686,000 as proposed by the Senate.

Amendment No. 29: Appropriates $421,929,000 for Cooperative State Research, Education, and Extension Service, Research and Education Activities instead of $389,172,000 as proposed by the House and $421,622,000 as proposed by the Senate.

The following table reflects the conference agreement:

COOPERATIVE STATE RESEARCH SERVICE

[In thousands of dollars]

	House bill	Senate bill	Conference agreement
Payments Under Hatch Act	166,165	171,304	168,734
Cooperative forestry research (McIntire-Stennis)	20,185	20,809	20,497
Payments to 1890 colleges and Tuskegee	27,313	28,157	27,735

COOPERATIVE STATE RESEARCH SERVICE—Continued

[In thousands of dollars]

	House bill	Senate bill	Conference agreement
Special Research Grants (P.L. 89–106):			
Aflatoxin (IL)	113	113	113
Agricultural diversification (HI)	....	131	131
Agricultural management systems (MA)	....	221	221
Alfalfa (KS)	106	106	106
Alliance for food protection (NE, GA)	300	....	300
Alternative cropping systems (Southeast)	....	235	235
Alternative crops (ND)	....	550	550
Alternative crops for arid lands (TX)	85	....	85
Alternative Marine and Fresh Water Species (MS)	....	308	308
Alternative to pesticides and critical issues	2,000	2,000	2,000
Aquaculture (CT)	181	....	181
Aquaculture (IL)	169	169	169
Aquaculture (LA)	330	330	330
Aquaculture (MS)	....	592	592
Asian Products Lab (OR)	....	212	212
Babcock Institute (WI)	....	312	312
Barley feed for rangeland cattle (MT)	....	250	250
Biodiesel research (MO)	....	152	152
Biotechnology (OR)	....	217	217
Broom snakeweed (NM)	169	169	169
Canola (KS)	85	85	85
Center for animal health and productivity (PA)	113	....	113
Center for innovative food technology (OH)	181	....	181
Center for rural studies (VT)	....	32	32
Chesapeake Bay aquaculture	370	370	370
Competitiveness of agricultural products (WA)	500	677	677
Cool season legume research (ID, WA)	103	329	329
Cranberry/blueberry disease and breeding (NJ)	....	220	220
Dairy and meat goat research (TX)	63	63	63
Delta rural revitalization (MS)	....	148	148
Dried bean (ND)	85	85	85
Drought mitigation (NE)	200	200	200
Environmental research (NY)	486	....	486
Expanded wheat pasture (OK)	....	285	285
Farm and rural business finance (IL, AR)	....	106	106
Floriculture (HI)	....	250	250
Food and Agriculture Policy Institute (IA, MO)	850	850	850
Food irradiation (IA)	....	201	201
Food marketing policy center (CT)	332	332	332
Food processing center (NE)	....	42	42
Food safety consortium (AR, KS, IA)	1,743	1,743	1,743
Food systems research group (WI)	221	221	221
Forestry (AR)	....	523	523
Fruit and vegetable market analysis (AZ, MO)	296	....	296
Generic commodity promotion research and evaluation (NY)	212	....	212
Global change	1,625	1,615	1,615
Global marketing support service (AR)	....	92	92
Grass seed cropping systems for a sustainable agriculture (WA, OR, ID)	423	423	423
Human nutrition (AR)	425	....	425
Human nutrition (IA)	....	473	473
Human nutrition (LA)	752	752	752
Human nutrition (NY)	622	....	622
Illinois-Missouri Alliance for Biotechnology	1,357	1,357	1,357
Improved dairy management practices (PA)	296	....	296
Improved fruit practices (MI)	445	445	445
Institute for Food Science and Engineering (AR)	....	1,184	750
Integrated production systems (OK)	....	161	161
Intenational arid lands consortium	329	....	329
Iowa biotechnology consortium	....	1,792	1,792
Jointed goatgrass (WA)	296	296	296
Landscaping for water quality (GA)	300	....	300
Livestock and dairy policy (NY, TX)	445	445	445
Lowbush blueberry research (ME)	....	220	220
Maple research (VT)	....	84	84

COOPERATIVE STATE RESEARCH SERVICE—Continued

[In thousands of dollars]

	House bill	Senate bill	Conference agreement
Michigan biotechnology consortium	1,000	....	750
Midwest advanced food manufacturing alliance	423	423	423
Midwest agricultural products (IA)	....	592	592
Milk safety (PA)	....	268	268
Minor use animal drug	550	550	550
Molluscan shellfish (OR)	....	300	300
Multi-commodity research (OR)	....	364	364
Multi-cropping strategies for aquaculture (HI)	....	127	127
National biological impact assessment	254	....	254
Nematode resistance genetic engineering (NM)	127	127	127
Non-food agricultural products (NE)	....	64	64
North central biotechnology initiative	2,000	....	2,000
Oil resources from desert plants (NM)	169	169	169
Organic waste utilization (NW)	150	....	150
Peach tree short life (SC)	....	162	162
Pest control alternatives (SC)	....	106	106
Phytophthora root rot (NM)	127	127	127
Potato research	638	1,214	1,214
Preharvest food safety (KS)	....	212	212
Preservation and processing research (OK)	....	226	226
Red River Corridor (MN, ND)	169	169	169
Regional barley gene mapping project	348	348	348
Regionalized implications of farm programs (MO, TX)	294	294	294
Rice modeling (AR)	....	....	395
Rural development centers (PA, IA, (ND), MS, OR)	400	423	423
Rural policies institute (NE, MO)	322	644	644
Russian wheat aphid (WA, OR, CO, CA, ID)	....	455	455
Seafood and aquaculture harvesting, processing, and marketing (MS)	....	305	305
Small fruit research (OR, MA, ID)	212	212	212
Southwest consortium for plant genetics and water resources	338	338	338
Soybean cyst nematode (MO)	303	303	303
STEEP II—water quality in Northwest	500	829	500
Sunflower insects (ND)	....	127	127
Sustainable agriculture (MI)	445	445	445
Sustainable agriculture and natural resources (PA)	....	94	94
Sustainable agriculture systems (NE)	....	59	59
Tillage, silviculture, waste management (LA)	212	212	212
Tropical and subtropical	2,809	2,809	2,809
Urban pests (GA)	64	....	64
Viticulture consortium (NY, CA)	500	....	500
Water conservation (KS)	79	79	79
Water quality	2,500	2,757	2,757
Weed control (ND)	....	423	423
Wheat genetic research (KS)	177	176	176
Wood utilization research (OR, MS, NC, MN, ME, MI)	....	3,758	3,758
Wool research (TX, MT, WY)	212	212	212
Total, Special Research Grants	31,930	42,670	49,846
Improved pest control:			
Integrated pest management	3,093	2,731	2,731
Pesticide clearance (IR–4)	6,711	5,711	5,711
Pesticide impact assessment	1,795	1,327	1,327
Total, Improved pest control	11,599	9,769	9,769
Competitive research grants:			
Plant systems	37,355	37,000	37,000
Animal systems	24,125	23,750	23,750
Nutrition, food quality and health	7,400	7,400	7,400
Natural resources and the environment	17,650	20,497	17,650
Processes and new products	6,935	6,935	6,935
Total, Competitive research grants	98,165	99,582	96,735
Animal Health and Disease (Sec. 1433)	5,051	5,551	5,051
Advanced materials	1,150	500	....
Critical Agricultural Materials Act	....	500	500
Aquaculture Centers (Sec. 1475)	4,000	4,000	4,000

COOPERATIVE STATE RESEARCH SERVICE—Continued

[In thousands of dollars]

	House bill	Senate bill	Conference agreement
Rangeland Research Grants (Sec. 1480)	475	475	475
Alternative Crops	....	....	650
Low-input agriculture	8,000	8,112	8,100
Higher Education	8,850	8,850	8,850
Capacity building grants	....	9,207	9,200
Native American Institutions Endowment Fund	(4,600)	(4,600)	(4,600)
Payments to the 1994 Institutions	....	1,450	1,450
Federal Administration:			
Agricultural biotechnology	....	394	....
Agriculture development in American Pacific	564	564	564
Alternative fuels characterization lab (ND)	....	218	218
Center for Agricultural and Rural Development (IA)	....	655	655
Center for North American Studies (TX)	87	87	87
Geographic information system	....	939	939
Herd management (TN)	....	535	535
Mississippi Valley State University	....	583	583
Office of grants and program systems	314	314	314
Pay costs and FERS (prior)	451	551	551
Peer panels	300	350	350
PM–10 study (CA, WA)	873	873	873
Rural partnership (NE)	....	250	250
Shrimp aquaculture (AZ, HI, MS, MA, SC)	3,000	3,054	3,054
Vocational aquaculture education	....	436	436
Water quality (IL)	700	492	492
Water quality (ND)	....	436	436
Total, Federal Administration	6,289	10,686	10,337
Total, Cooperative State Research Service	389,172	421,622	421,929

BUILDINGS AND FACILITIES

Amendment No. 30: Appropriates $57,838,000 for Buildings and Facilities of the Cooperative State Research, Education, and Extension Service as proposed by the Senate. The House bill contained no similar provision.

The conference agreement has included funding for this program with the understanding that it will be terminated after fiscal year 1997. The conferees expect that projects funded by this appropriation will be based on a matching formula of not to exceed 50 percent Federal and not less than 50 percent non-Federal funding. Matching requirements must be based on cash rather than in-kind contribution for any facility except for projects started prior to fiscal year 1994. Federal funding will be based on firm indications of local cost sharing. The research programs to be carried out at these facilities must be complimentary to the overall programs of the Department of Agriculture.

The following table reflects the conference agreement:

BUILDINGS AND FACILITIES

[In thousands of dollars]

	House bill	Senate bill	Conference agreement
Alabama: Poultry science facility, Auburn University	....	1,338	1,338
Arkansas: Alternative Pest Control Center, Carnall Hall	....	1,000	1,000
California: Alternative Pest Control Containment and Quarantine Facility, University of California[1]	....	1,876	3,057
Connecticut: Agricultural biotechnology building, University of Connecticut	....	1,347	1,347
Delaware: Poultry Biocontainment Laboratory[1]	....	1,751	1,751
Florida: Aquatic Research Facility, University of Florida[1]	....	1,500	1,500
Idaho: Biotechnology Facility, University of Idaho	....	1,181	....
Illinois: Biotechnology Center, Northwestern University	....	1,366	1,366
Louisiana: Southeast Research Station, Franklinton[1]	....	1,280	1,280
Maryland: Institute for Natural Resources and Environmental Science, University of Maryland	....	2,288	2,288
Massachusetts: Center for Hunger, Poverty and Nutrition Policy, Tufts University	....	1,641	1,641
Mississippi:.			
Center for Water and Wetland Resources, University of Mississippi[1]	....	1,555	1,555
National Food Service Management Institute[1]	....	3,000	3,000
Missouri: Center for Plant Biodiversity, St. Louis	....	3,995	3,995
New Jersey: Plant Bioscience Facility, Rutgers University	....	2,262	2,262
New Mexico: Center for Arid Land Studies, New Mexico State University	....	1,464	1,464
New York: New York Botanical Garden[1]	....	1,665	1,665
North Carolina: Bowman-Gray Center, Wake Forest	....	3,000	3,000
Oklahoma: Grain Storage Research and Extension Center, Oklahoma State University[1]	....	495	495
Oregon: Forest Ecosystem Research Lab, Oregon State University	....	5,000	5,000
Pennsylvania: Center for Food Marketing, St. Joseph's University[1]	....	2,438	2,438
Rhode Island: Coastal Institute on Naragansett Bay, University of Rhode Island[1]	....	3,854	3,854
South Dakota: Animal Resource Wing, South Dakota State University	....	2,700	2,700
Tennessee: Agricultural, Biological and Environmental Research Complex, University of Tennessee in Knoxville	....	1,928	1,928
Texas: Southern crop improvement, Texas A & M	....	1,400	1,400
Vermont: Rural Community Interactive Learning Center, University of Vermont	....	2,000	2,000
Washington:.			
Animal Disease Biotechnology Facility, Washington State University	....	1,263	1,263
Wheat research facility, Washington State University[1]	....	3,251	3,251
Total, buildings and facilities	....	57,838	57,838

[1] Completed.

EXTENSION ACTIVITIES

Amendment No. 31: Provides $268,493,000 for sections 3(b) and 3(c) of the Smith-Lever Act instead of $264,405,000 as proposed by the House and $272,582,000 as proposed by the Senate.

Amendment No. 32: Provides $60,510,000 for the Food and Nutrition Education Program (EFNEP) instead of $59,588,000 as proposed by the House and $61,431,000 as proposed by the Senate.

Amendment No. 33: Provides $2,943,000 for farm safety instead of $2,898,000 as proposed by the House and $2,988,000 as proposed by the Senate.

Amendment No. 34: Provides $7,782,000 for 1890 facilities grants instead of $7,664,000 as proposed by the House and $7,901,000 as proposed by the Senate.

Amendment No. 35: Provides $936,000 for rural development centers instead of $921,000 as proposed by the House and $950,000 as proposed by the Senate.

Amendment No. 36: Provides $11,065,000 for water quality instead of $10,897,000 as proposed by the House and $11,234,000 as proposed by the Senate.

Amendment No. 37: Provides $1,203,000 for agricultural telecommunications instead of $1,184,000 as proposed by the House and $1,221,000 as proposed by the Senate.

Amendment No. 38: Provides $9,850,000 for youth-at-risk programs instead of $9,700,000 as proposed by the House and $10,000,000 as proposed by the Senate.

Amendment No. 39: Deletes Senate language providing $4,265,000 for the nutrition education initiative. The House bill contained no similar provision.

Amendment No. 40: Provides $2,438,000 for food safety instead of $2,400,000 as proposed by the House and $2,475,000 as proposed by the Senate.

Amendment No. 41: Provides $3,291,000 for the Renewable Resources Extension Act instead of $3,241,000 as proposed by the House and $3,341,000 as proposed by the Senate.

Amendment No. 42: Provides $1,724,000 for Indian reservation agents instead of $1,697,000 as proposed by the House and $1,750,000 as proposed by the Senate.

Amendment No. 43: Provides $2,709,000 for rural health and safety education instead of $2,750,000 as proposed by the Senate. The House bill contained no similar provision.

Amendment No. 44: Provides $25,090,000 for the 1890 colleges and Tuskegee University instead of $24,708,000 as proposed by the House and $25,472,000 as proposed by the Senate.

Amendment No. 45: Deletes Senate language providing $2,550,000 for payments to the 1994 Institutions. The House bill contained no similar provision.

Amendment No. 46: Makes a technical correction to the United States Code citation as proposed by the Senate.

Amendment No. 47: Provides $12,209,000 for Federal administration of Extension Activities instead of $6,181,000 as proposed by the House and $10,998,000 as proposed by the Senate.

The following table reflects the conference agreement:

EXTENSION ACTIVITIES

[In thousands of dollars]

	Fiscal year 1995 enacted	House bill	Senate bill	Conference agreement
Smith Lever: 3(d)				
Smith Lever 3(b) & 3(c)	272,582	264,405	272,582	268,493
Pest management	10,947	10,947	10,947	10,783
Water quality	11,234	10,897	11,234	11,065
Farm safety	2,988	2,898	2,988	2,943
Food and nutrition education (EFNEP)	61,431	59,588	61,431	60,510
Pesticide impact assessment	3,363	3,363	3,363	3,313
Rural development centers	950	921	950	936
Sustainable agriculture	3,463	3,463	3,463	3,411
Food safety	2,475	2,400	2,475	2,438
Youth at risk	10,000	9,700	10,000	9,850
Indian reservation agent	1,750	1,697	1,750	1,724
Nutrition education initiative	4,265	....	4,265	....
1890's Colleges and Tuskegee	25,472	24,708	25,472	25,090
1890's facilities grants	7,901	7,664	7,901	7,782
Renewable Resources Extension Act	3,341	3,241	3,341	3,291
Agricultural telecommunications	1,221	1,184	1,221	1,203
Rural health and safety education	2,750	....	2,750	2,709
Payments to the 1994 Institutions	....	....	2,550	....
Subtotal	426,133	407,076	428,683	415,541
Federal Administration and special grants:				
General administration	5,241	4,924	5,102	5,162
Pilot tech. transfer (OK, MS)	331	....	331	326
Pilot tech. transfer (WI)	165	160	....	163
Rural rehabilitation (GA)	250	....	250	246
Income enhancement demonstration (OH)	250	243	....	246
Rural development (NM)	230	223	230	227
Rural development (NE)	392	....	200	386
Rural development (OK)	300	....	300	296
Chinch bug/Russian wheat aphid project (NE)	67	....	....	....
Beef producers' improvement (AR)	200	....	200	197
Integrated cow/calf resources management (IA)	350	....	350	345
Extension specialist (AR)	100	....	100	99
Rural center for the study and promotion of HIV/STD prevention (IN)	250	243	....	246

EXTENSION ACTIVITIES—Continued

[In thousands of dollars]

	Fiscal year 1995 enacted	House bill	Senate bill	Conference agreement
Cranberry development (ME)	50			
Delta teachers academy	3,935		3,935	3,876
Wood biomass as an alternative farm product (NY)	200	194		197
Range improvement (NM)	200	194		197
Agricultural Plastics (VT)	100			
Total, Federal Administration	12,611	6,181	10,998	12,209
Total, Extension Activities	438,744	413,257	439,681	427,750

Amendment No. 48: Appropriates $427,750,000 for Extension Activities instead of $413,257,000 as proposed by the House and $439,681,000 as proposed by the Senate.

The conference agreement also provides $10,783,000 for pest management instead of $10,947,000 as proposed by both the House and the Senate; $3,313,000 for pesticide impact assessment instead of $3,363,000 as proposed by both the House and the Senate; and $3,411,000 for sustainable agriculture instead of $3,463,000 as proposed by both the House and the Senate.

ANIMAL AND PLANT HEALTH INSPECTION SERVICE

SALARIES AND EXPENSES

Amendment No. 49: Appropriates $331,667,000 for Animal and Plant Health Inspection Service, Salaries and Expenses instead of $333,410,000 as proposed by the House and $329,125,000 as proposed by the Senate.

The following table reflects the conference agreement:

[In thousands of dollars]

	Fiscal year 1995 enacted	House bill	Senate bill	Conference agreement
Pest and Disease Exclusion				
Agricultural quarantine inspection	25,140	24,914	24,914	24,914
User fees	96,660	100,254	100,254	100,254
Subtotal, Agricultural quarantine inspection	121,800	125,168	125,168	125,168
Foot-and-month disease	3,995	3,991	3,991	3,991
Import-export inspection	6,535	6,528	6,528	6,528
International programs	6,106	6,100	6,100	6,100
Mediterranean fruit fly exclusion	10,089	10,079	10,079	10,079
Mexican fruit fly exclusion	2,156	2,153	2,153	2,153
Screwworm	34,029	33,969	33,969	33,969
Total, Pest and disease exclusion	184,710	187,988	187,988	187,988
Plant and Animal Health Monitoring				
Animal health monitoring and surveillance	59,381	59,276	59,276	59,276
Animal and plant health regulatory enforcement	5,865	5,855	5,855	5,855
Fruit fly detection	3,923	3,919	3,923	3,919
Pest detection	4,206	4,202	4,206	4,202
Total, Plant and animal health monitoring	73,375	73,252	73,260	73,252
Pest and Disease Management Programs				
Animal Damage control—operations	26,592	26,566	26,642	26,642
Aquaculture	493	413	493	470
Biocontrol	7,504	7,497	6,290	6,290
Boll weevil	18,084	18,066	18,084	18,084
Brucellosis eradication	27,781	24,663	21,580	23,360
Cattle ticks	4,578	3,837	4,537	4,537
Golden nematode	615	435	435	435
Gypsy moth	5,177	4,367	4,367	4,367
Imported fire ant	1,500	1,000	1,000	1,000
Miscellaneous plant diseases	1,988	1,516	1,516	1,516
Noxious weeds	404	338	338	338
Pink bollworm	1,069	1,068	1,069	1,069
Pre-harvest program	2,800			
Pseudorabies	4,543	4,543	4,543	4,543
Salmonella enteritidis	3,384			
Scrapie	2,969	2,967	2,172	2,967
Sweet potato whitefly	2,400	2,398	2,400	2,398
Tropical bont tick	537	537	452	452
Tuberculosis	5,499	4,609	4,609	4,609
Witchweed	1,975	1,663	1,663	1,663
Total, Pest and disease management programs	119,892	106,483	102,190	104,740
Animal Care				
Animal welfare	9,262	9,185	9,185	9,185
Horse protection	362	362	362	362
Total, Animal care	9,624	9,547	9,547	9,547
Scientific and Technical Services				
ADC methods development	9,681	9,665	9,665	9,665
Biotechnology/environmental protection	7,690	7,677	7,677	7,677
Integrated systems acquisition project	3,500	4,055	4,055	4,055
Plant methods development laboratories	5,059	5,053	5,053	5,053
Veterinary biologics	10,371	10,360	10,360	10,360
Veterinary diagnostics	14,811	14,785	14,785	14,785
Total, Scientific and technical services	51,112	51,595	51,595	51,595
Contingency fund	4,938	4,799	4,799	4,799
Total, Salaries and expenses	443,651	433,664	429,379	431,921

The conferees are aware of a recent boll weevil outbreak in New Mexico. This outbreak has potentially devastating consequences. The conferees expect the Animal and Plant Health Inspection Service to monitor the situation and keep the Committees on Appropriations advised.

The conferees concur with the House report language regarding the regulation of importation of Mexican avocados.

The conference agreement includes language allowing the Secretary of Agriculture to fund all costs for agricultural equine quarantine inspection services in connection with the 1996 Summer Olympic Games.

BUILDINGS AND FACILITIES

Amendment No. 50: Deletes Senate language adding the word "modernization" to the list of authorized uses of Animal and Plant Health Inspection Service, Buildings and Facilities funds. The House bill contained no similar provision.

Amendment No. 51: Appropriates $8,757,000 for Animal and Plant Health Inspection Service, Buildings and Facilities instead of $12,541,000 as proposed by the House and $4,973,000 as proposed by the Senate.

AGRICULTURAL MARKETING SERVICE

MARKETING SERVICES

Amendment No. 52: Appropriates $46,517,000 for Marketing Services of the Agricultural Marketing Service as proposed by the Senate instead of $46,662,000 as proposed by the House. The conferees expect the agency to continue with the implementation of the organic certification program.

PAYMENTS TO STATES AND POSSESSIONS

Amendment No. 53: Makes a technical correction changing the year of the Agricultural Marketing Act as proposed by the Senate.

Amendment No. 54: Appropriates $1,200,000 for Payments to States and Possessions as proposed by the Senate instead of $1,000,000 as proposed by the House.

GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION

SALARIES AND EXPENSES

Amendment No. 55: Appropriates $23,058,000 for Grain Inspection, Packers and Stockyards Administration, Salaries and Expenses as proposed by the House instead of $23,289,000 as proposed by the Senate.

OFFICE OF THE UNDER SECRETARY FOR FOOD SAFETY

Amendment No. 56: Appropriates $440,000 for the Office of the Under Secretary for Food Safety as proposed by the Senate instead of $450,000 as proposed by the House.

FOOD SAFETY AND INSPECTION SERVICE

Amendment No. 57: Appropriates $544,906,000 for the Food Safety and Inspection Service instead of $540,365,000 as proposed by the House and $563,004,000 as proposed by the Senate.

The conference agreement does not include funding to continue the *Salmonella enteritidis* program.

CONSOLIDATED FARM SERVICE AGENCY

SALARIES AND EXPENSES

Amendment No. 58: Makes a technical correction and provides for the administration and implementation of programs that are administered by the Consolidated Farm Service Agency as proposed by the Senate.

Amendment No. 59: Appropriates $795,000,000 for Salaries and Expenses of the Consolidated Farm Service Agency instead of $788,388,000 as proposed by the House and $805,888,000 as proposed by the Senate.

Amendment No. 60: Provides $1,000,000 for employment under the Organic Act of 1944 as proposed by the Senate instead of $500,000 as proposed by the House.

STATE MEDIATION GRANTS

Amendment No. 61: Appropriates $2,000,000 for State Mediation Grants as proposed by the House instead of $3,000,000 as proposed by the Senate.

OUTREACH FOR SOCIALLY DISADVANTAGED FARMERS

Amendment No. 62: Appropriates $1,000,000 for Outreach for Socially Disadvantaged Farmers instead of $2,000,000 as proposed by the Senate. The House bill contained no similar provision. The conferees expect the Secretary to submit to the Committees on Appropriations a detailed report on grantees and results of the program.

AGRICULTURAL CREDIT INSURANCE FUND PROGRAM ACCOUNT

Amendment No. 63: Provides a total of $610,000,000 for farm ownership loans as proposed by the Senate instead of $585,000,000 as proposed by the House.

Amendment No. 64: Provides a total of $2,450,000,000 for farm operating loans as proposed by the Senate instead of $2,300,000,000 as proposed by the House.

Amendment No. 65: Deletes funding for credit sales of acquired property instead of $22,500,000 as proposed by the House and $21,696,000 as proposed by the Senate.

Amendment No. 66: Appropriates a total of $34,053,000 for the subsidy cost of farm ownership loans as proposed by the Senate instead of $28,206,000 as proposed by the House.

Amendment No. 67: Appropriates a total of $111,505,000 for the subsidy cost of farm operating loans as proposed by the Senate instead of $91,000,000 as proposed by the House.

Amendment No. 68: Deletes funding for the subsidy cost of credit sales of acquired property instead of $4,113,000 as proposed by the

House and $3,966,000 as proposed by the Senate.

Amendment No. 69: Appropriates $221,541,000 for administrative expenses as proposed by the House instead of $227,258,000 as proposed by the Senate.

Amendment No. 70: Provides for a transfer of $208,446,000 in administrative expenses to Salaries and Expenses as proposed by the House instead of $214,163,000 as proposed by the Senate.

TITLE II—CONSERVATION PROGRAMS

OFFICE OF THE UNDER SECRETARY FOR NATURAL RESOURCES AND ENVIRONMENT

Amendment No. 71: Restores House language and deletes language inserted by the Senate. The conference agreement provides $677,000 for the Office of the Under Secretary for Natural Resources and Environment as proposed by the House.

The conferees have agreed to delete the Senate amendment transferring jurisdiction of the United States Forest Service from the Under Secretary for Natural Resources and Environment to the Office of the Secretary. The conferees note the concerns resulting in the Senate's adoption of this amendment and agree that the Under Secretary should conduct policy and procedural affairs in a manner that promotes communication with the legislative branch and those members of the community affected by his decisions. The Under Secretary should carry out the functions of this office in a manner that properly reflects adherence to statutory direction, legislative history, and judicial interpretation. It is important that proper notice of changes in administration policy and other matters is afforded all interested parties as a means to best serve the comity of public policy debate and avoid unnecessary and potentially harmful misunderstandings and misdirections. The Senate decision to recede to the House is based on personal assurances from the Secretary that he will take steps to address the issues raised by the Senate. The Secretary should review the concerns and recommendations outlined by the Senate during its consideration of this matter.

NATURAL RESOURCES CONSERVATION SERVICE

CONSERVATION OPERATIONS

Amendment No. 72: Appropriates $629,986,000 for Natural Resources Conservation Service, Conservation Operations as proposed by the House instead of $637,860,000 as proposed by the Senate. The conference agreement also provides for the funds to remain available until expended as proposed by the Senate.

The conference agreement includes $350,000 for Great Lakes Basin Program for Soil and Erosion Sediment Control as proposed by the House instead of $250,000 as proposed by the Senate. The conference agreement also provides for the continuation, at the fiscal year 1995 level, of technical assistance for a rural recycling and water resource protection initiative in the Mississippi Delta region of Louisiana, Arkansas, and Mississippi; and existing groundwater projects in eastern Arkansas, including Bayou Meto an Beouf/Tensas.

Amendment No. 73: Adds the United States Code citation allowing for the temporary employment of qualified local engineers as proposed by the Senate. The House bill contained no similar provision.

RIVER BASIN SURVEYS AND INVESTIGATIONS

Amendment No. 74: Deletes language proposed by the Senate providing $8,369,000 for River Basin Surveys and Investigations. The conferees address this issue in Amendment No. 81.

WATERSHED PLANNING

Amendment No. 75: Deletes language proposed by the Senate providing $5,630,000 for Watershed Planning. The conferees address this issue in Amendment No. 81.

WATERSHED AND FLOOD PREVENTION OPERATIONS

Amendment No. 76: Deletes House language providing that only-high-priority authorized Public Law 534 projects be funded. The conferees address this issue in Amendment No. 77.

Amendment No. 77: Provides $15,000,000 for authorized Public Law 534 projects as proposed by the Senate. The House bill did not provide a specific dollar amount for these projects.

RESOURCE CONSERVATION AND DEVELOPMENT

Amendment No. 78: Adds language proposed by the Senate and appropriates $29,000,000 for Resource Conservation and Development. The House bill provided funding for this program as part of Amendment No. 82.

FORESTRY INCENTIVES PROGRAM

Amendment No. 79: Adds language proposed by the Senate and appropriates $6,325,000 for the Forestry Incentives Program. The House bill provided funding for this program as part of Amendment No. 82.

The conference agreement provides for the continuation of assistance in the replanting of harvested pine trees in Texas at the fiscal year 1995 funding level.

COLORADO RIVER BASIN SALINITY CONTROL PROGRAM

Amendment No. 80: Adds language proposed by the Senate and appropriates $2,681,000 for the Colorado River Basin Salinity Control Program. The House bill provided funding for this program as part of Amendment No. 82.

WATESHED SURVEYS AND PLANNING

Amendment No. 81: Restores House language providing $14,000,000 for Watershed Surveys and Planning.

CONSERVATION PROGRAMS

Amendment No. 82: Deletes language proposed by the House consolidating the funding for Resource Conservation and Development, the Forestry Incentives Program, and the Colorado River Basin Salinity Control Program into a single appropriation. The conference agreement continues to fund these programs as separate appropriations as proposed by the Senate.

WETLANDS RESERVE PROGRAM

Amendment No. 83: Appropriates $77,000,000 for the Wetlands Reserve Program as proposed by the Senate instead of $210,000,000 as proposed by the House.

The conferees are aware that under the Wetlands Reserve Program the Secretary of Agriculture as the authority to purchase easements through partnerships, private landowners, and entities. The conferees encourage the Secretary to explore all options available as a way to achieve a more cost-effective and environmentally beneficial program.

CONSOLIDATED FARM SERVICE AGENCY

AGRICULTURAL CONSERVATION PROGRAM

Amendment No. 84: Appropriates $75,000,000 for the Agricultural Conservation Program as proposed by the House instead of $50,000,000 as proposed by the Senate.

Amendment No. 85: Provides $11,000,000 for the Water Quality Incentives Programs as proposed by the House instead of $15,000,000 as proposed by the Senate.

The conference agreement includes the fiscal year 1995 level to continue a demonstration project to reduce atrazine levels in the lakes of Macoupin County, Illinois. The conference agreement also includes the fiscal year 1995 level to continue to provide cost-shared financial assistance to farmers and local communities in support of a rural recycling and water resource protection initiative in the Mississippi Delta region of Louisiana, Arkansas, and Mississippi. The conferees urge the Department to provide assistance to Lake Springfield in an effort to reduce atrazine levels.

TITLE III—RURAL ECONOMIC AND COMMUNITY DEVELOPMENT PROGRAMS

RURAL COMMUNITY ADVANCEMENT PROGRAM

Amendment No. 86: Deletes Senate language establishing a Rural Community Advancement Program. The House bill contained no similar provision.

RURAL HOUSING AND COMMUNITY DEVELOPMENT SERVICE

SALARIES AND EXPENSES

Amendment No. 87: Appropriates $46,583,000 for Rural Housing and Community Development Service, Salaries and Expenses instead of $42,820,000 as proposed by the House and $50,346,000 as proposed by the Senate.

The conferees agree that the Secretary may use his authority to allocate unobligated fiscal year 1995 section 504 funds for Hurricane Marilyn relief efforts in the Virgin Islands.

RURAL HOUSING INSURANCE FUND PROGRAM ACCOUNT

Amendment No. 88: Provides a total loan level of $2,700,000,000 for section 502 loans as proposed by the Senate instead of $2,250,000,000 as proposed by the House.

Amendment No. 89: Deletes the loan level for credit sales of acquired property instead of providing a program level of $35,000,000 as proposed by the House and $42,484,000 as proposed by the Senate.

Amendment No. 90: Restores House language providing that the Pine View West Subdivision in Gibsonville, North Carolina, be eligible for section 502 loans.

Amendment No. 91: Appropriates a total of $148,723,000 for the subsidy cost of section 502 loans instead of $118,335,000 as proposed by the House and $212,790,000 as proposed by the Senate.

Amendment No. 92: Restores and amends House language providing that funds for the section 515 rental housing program be available only for rehabilitation of existing units and related costs and funds for new construction be available upon reauthorization instead of making all funds for the program contingent on reauthorization as proposed by the House.

Amendment No. 93: Deletes funds for the subsidy cost of credit sales of acquired property instead of providing $6,100,000 as proposed by the House and $7,405,000 as proposed by the Senate.

Amendment No. 94: Restores House language establishing a $1,000,000 demonstration program of loan guarantees for multifamily housing in rural areas to be funded from the section 515 program, if authorized.

Amendment No. 95: Appropriates $385,889,000 for Rural Housing Insurance Fund Program Account administrative expenses as proposed by the House instead of $389,818,000 as proposed by the Senate.

Amendment No. 96: Provides for the transfer of $372,897,000 from administrative expenses to Rural Housing and Community Development Service, Salaries and Expenses instead of $372,897,506 as proposed by the House and $376,860,000 as proposed by the Senate.

RENTAL ASSISTANCE PROGRAM

Amendment No. 97: Appropriates $540,900,000 for the Rental Assistance Program as proposed by the Senate instead of $535,900,000 as proposed by the House.

COMMUNITY FACILITY LOANS PROGRAM ACCOUNT

Amendment No. 98: Restores House language appropriating a subsidy cost of $34,880,000 to support a loan level of $200,000,000 in direct loans and a subsidy cost of $3,555,000 to support a loan level of $75,000,000 in guaranteed loans. The conference agreement includes a subsidy cost of $1,208,000 to support a loan level of $6,930,000 for empowerment zones and enterprise communities. The conference agreement also provides an appropriation of $8,836,000 for administrative expenses, of which $8,731,000 shall be transferred to Salaries and Expenses. The Senate bill provided for these programs in the Rural Community Advancement Program.

SUPERVISORY AND TECHNICAL ASSISTANCE GRANTS

Amendment No. 99: Deletes Senate language providing $1,000,000 for Supervisory and Technical Assistance Grants. The House bill contained no similar provision.

RURAL COMMUNITY FIRE PROTECTION GRANTS

Amendment No. 100: Appropriates $2,000,000 for Rural Community Fire Protection Grants instead of $1,000,000 as proposed by the House and $3,000,000 as proposed by the Senate.

RURAL BUSINESS AND COOPERATIVE DEVELOPMENT SERVICE

SALARIES AND EXPENSES

Amendment No. 101: Appropriates $9,013,000 for Rural Business and Cooperative Development Service, Salaries and Expenses as proposed by the Senate instead of $9,520,000 as proposed by the House.

RURAL BUSINESS AND INDUSTRY LOANS PROGRAM ACCOUNT

Amendment No. 102: Restores House language appropriating a subsidy cost of $6,437,000 to support a loan level of $500,000,000. The conference agreement includes a subsidy cost of $148,000 to support a loan level of $10,842,000 for empowerment zones and enterprise communities. The conference agreement also appropriates $14,868,000 for administrative expenses, of which $14,747,000 shall be transferred to Salaries and Expenses. The Senate bill provided for these programs in the Rural Community Advancement Program.

RURAL DEVELOPMENT LOAN FUND PROGRAM ACCOUNT

Amendment No. 103: Deletes House language and inserts Senate language appropriating a subsidy cost of $22,395,000 to support a loan level of $37,544,000. The conference agreement provides a subsidy cost of $4,322,000 for empowerment zones and enterprise communities as proposed by the House instead of $6,484,000 as proposed by the Senate. The conference agreement also appropriates $1,476,000 in administrative expenses as proposed by the Senate. The House bill contained no funds for administrative expenses.

RURAL ECONOMIC DEVELOPMENT LOANS PROGRAM ACCOUNT

Amendment No. 104: Appropriates $654,000 for administrative expenses of the Rural Economic Development Loans Program Account instead of $584,000 as proposed by the House and $724,000 as proposed by the Senate.

ALTERNATIVE AGRICULTURAL RESEARCH AND COMMERCIALIZATION REVOLVING FUND

Amendment No. 105: Appropriates $6,500,000 for the Alternative Agricultural Research and Commercialization Revolving Fund instead of $5,000,000 as proposed by the House and $10,000,000 as proposed by the Senate.

The conferees expect the Secretary to provide a report to the House and Senate Committees on Appropriations on steps taken to resolve the problems in this program identified by the Inspector General in his Semiannual Report to Congress (Fiscal Year 1995—First Half). Specifically, the report should address issues relating to conflict-of-interest in board decisions, failure to file financial disclosure reports, and exceeding the authorized terms of Board Members.

RURAL BUSINESS ENTERPRISE GRANTS

Amendment No. 106: Restores House language appropriating $45,000,000 for Rural Business Enterprise Grants. The Senate bill provided for this program in the Rural Community Advancement Program.

The House and Senate reports include lists of projects to be considered by the Department under the Rural Business Enterprise Grants program. The conferees believe that there will be other commendable applications to the Department in addition to those mentioned in the reports. The conferees expect the Department to approve only those applications judged meritorious when subjected to the established review process.

The conferees urge the Department to consider the following projects which were not mentioned in the House and Senate reports. The conferees expect the Department to apply the same criteria of review to these projects as are applied to other applications.

Health care facility, Clay City, Indiana.

Nebraska Department of Economic Development and partners, Lincoln, Nebraska.

Rural Opportunities, Inc., Rochester, New York.

Estranosa Water Cooperative, New Mexico.

Southern Kentucky Rural Development Center, Somerset, Kentucky.

RURAL TECHNOLOGY AND COOPERATIVE DEVELOPMENT GRANTS

Amendment No. 107: Appropriates $2,300,000 for Rural Technology and Cooperative Development Grants instead of $1,500,000 as proposed by the House and $3,000,000 as proposed by the Senate. The conferees agree that up to $1,300,000 of these funds may be used for the Appropriate Technology Transfer for Rural Areas program as proposed by the Senate.

RURAL UTILITIES SERVICE

RURAL ELECTRIFICATION AND TELEPHONE LOANS PROGRAM ACCOUNT

Amendment No. 108: Establishes a loan level of $525,000,000 for municipal rate rural electric loans instead of $500,000,000 as proposed by the House and $550,000,000 as proposed by the Senate.

Amendment No. 109: Appropriates a subsidy cost of $56,858,000 for municipal rate loans instead of $54,150,000 as proposed by the House and $59,565,000 as proposed by the Senate.

Amendment No. 110: Deletes House language permitting borrower interest rates for electric loans to exceed 7 percent per year as proposed by the Senate.

Amendment No. 111: Appropriates $29,982,000 for administrative expenses as proposed by the House instead of $32,183,000 as proposed by the Senate.

RURAL TELEPHONE BANK PROGRAM ACCOUNT

Amendment No. 112: Appropriates a subsidy cost of $5,023,000 for Rural Telephone Bank loans as proposed by the Senate instead of $770,000 as proposed by the House.

Amendment No. 113: Appropriates $3,541,000 for administrative expenses as proposed by the House instead of $6,167,000 as proposed by the Senate.

RURAL UTILITIES ASSISTANCE PROGRAM

Amendment No. 114: Restores House language providing a single account for rural water and waste disposal grants and loans and for solid waste management grants, and appropriates $487,868,000 for the Rural Utilities Assistance Program instead of $435,000,000 as proposed by the House. The agreement also provides $12,740,000 for administrative expenses. The Senate bill provided for these programs in the Rural Community Advancement Program.

The conference agreement also includes $18,700,000 for Colonias, $18,688,000 for empowerment zones and enterprise communities, and $4,500,000 for a circuit rider program.

The conferees expect the Secretary to continue multi-state regional rural community assistance programs to provide solid waste management technical assistance at a rate not less than that of fiscal year 1995. The conferees also expect the Secretary to continue grants for technical assistance authorized under section 306(16)(c) of the Consolidated Farm and Rural Development Act, as amended, at a rate not less than that of fiscal year 1995.

The conferees agree to change the name of the program from the Rural Development Performance Partnerships Program to the Rural Utilities Assistance Program.

SALARIES AND EXPENSES

Amendment No. 115: Appropriates $18,449,000 for Rural Utilities Service, Salaries and Expenses as proposed by the Senate instead of $19,211,000 as proposed by the House.

TITLE IV—DOMESTIC FOOD PROGRAMS

OFFICE OF THE UNDER SECRETARY FOR FOOD, NUTRITION AND CONSUMER SERVICES

Amendment No. 116: Appropriates $440,000 for the Office of the Under Secretary for Food, Nutrition and Consumer Services as proposed by the House instead of $540,000 as proposed by the Senate.

FOOD AND CONSUMER SERVICE

CHILD NUTRITION PROGRAMS

Amendment No. 117: Provides for the exemption of sections 17 and 19 of the Child Nutrition Act of 1966 and section 21 of the National School Lunch Act instead of section 17 of the Child Nutrition Act of 1966 as proposed by the House and sections 17, 19, and 21 of the Child Nutrition Act of 1966 as proposed by the Senate.

Amendment No. 118: Provides a total of $7,946,024,000 for Child Nutrition Programs instead of $7,952,424,000 as proposed by the House and $7,952,610,000 as proposed by the Senate.

Amendment No. 119: Provides that $2,348,166,000 for Child Nutrition Programs is hereby appropriated instead of $2,354,566,000 as proposed by the House and $2,354,752,000 as proposed by the Senate.

The conference agreement provides for the Child Nutrition Programs at the following annual rates:

Total obligational authority

[Dollars in thousands]

	Conference agreement
Child Nutrition Programs:	
School lunch program	$4,433,690
School breakfast program	1,160,454
State administrative expenses	101,607
Summer food service program	280,303

	Conference agreement
Child and adult care food program	1,657,493
Special milk program	18,652
Commodity procurement	275,199
Nutrition studies and surveys	4,162
Nutrition education and training	(1)
Coordinated review system	3,964
Food Service Management Institute	(1)
School meals initiative	10,500
Total	7,946,024

(1) Funds provided by Public Law 103-448, Healthy Meals for Healthy Americans Act of 1994, for 1996 are $10,000,000 for nutrition education and training and $2,000,000 for the Food Service Management Institute.

Amendment No. 120: Deletes language proposed by the House providing funds for the Nutrition Education and Training Program and the Food Service Management Institution through this Act. The conference agreement provides for the funding of these two programs through a permanent appropriation established in the Healthy Meals for Healthy Americans Act of 1994.

SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN (WIC)

Amendment No. 121: Provides that once the amount of fiscal year 1995 carryover funds has been determined by the Secretary of Agriculture, he may transfer any amount in excess of $100,000,000 to the Rural Utilities Assistance Program. The Senate bill contained similar language, but did not allow for this transfer until on or after July 1, 1996. The House bill contained no similar provision.

Amendment No. 122: Provides that none of the funds provided in this account shall be available to purchase infant formula except in accordance with cost-containment and competitive bidding requirements specified in section 17 of the Child Nutrition Act of 1966 as proposed by the Senate. The House bill contained no similar provision.

COMMODITY SUPPLEMENTAL FOOD PROGRAM

Amendment No. 123: Deletes language proposed by the Senate providing $86,000,000 for the Commodity Supplemental Food Program. The House bill contained no similar provision. The conference agreement addresses this program in Amendment No. 126.

FOOD STAMP PROGRAM

Amendment No. 124: Appropriates $27,597,828,000 for the Food Stamp Program instead of $27,097,828,000 as proposed by the House and $28,097,828,000 as proposed by the Senate. The conferees concur with House report language regarding the acceleration of pilot projects on productivity enhancers.

Amendment No. 125: Provides $500,000,000 for a food stamp contingency reserve instead of $1,000,000,000 as proposed by the Senate. The House bill contained no similar provision.

COMMODITY ASSISTANCE PROGRAM

Amendment No. 126: Restores and modifies House language providing $166,000,000 to the Department of Agriculture to carry out three commodity assistance programs—Commodity Supplemental Food Program, The Emergency Food Assistance Program (TEFAP), and Soup Kitchens. The conference agreement also allows for TEFAP commodity purchases.

FOOD DONATIONS PROGRAMS FOR SELECTED GROUPS

Amendment No. 127: Appropriates $215,000,000 for the Food Donations Programs for Selected Groups as proposed by the House instead of $217,250,000 as proposed by the Senate.

Amendment No. 128: Adds language proposed by the Senate establishing a maximum rate of reimbursement to states, subject to reduction if obligations exceed available funds. The conference agreement also makes this provision permanent law. The House bill contained no similar provision.

Amendment No. 129: Deletes language proposed by the Senate providing $40,000,000 for Soup Kitchens. The House bill and the conference agreement address this program in Amendment No. 126.

THE EMERGENCY FOOD ASSISTANCE PROGRAM

Amendment No. 130: Deletes language propose by the Senate providing $40,000,000 for The Emergency Food Assistance Program. The House bill and the conference agreement address this program in Amendment No. 126.

FOOD PROGRAM ADMINISTRATION

Amendment No. 131: Appropriates $107,769,000 for Food Program Administration instead of $108,323,000 as proposed by the House and $107,215,000 as proposed by the Senate.

Amendment No. 132: Deletes language proposed by the Senate earmarking $750,000 for an automated data processing infrastructure. The House bill contained no similar provision.

TITLE V—FOREIGN ASSISTANCE AND RELATED PROGRAMS

FOREIGN AGRICULTURAL SERVICE

Amendment No. 133: Appropriates $124,775,000 for the Foreign Agricultural Service as proposed by the Senate instead of $123,520,000 as proposed by the House. The conference agreement includes the budget request for the Cochran Fellowship Program.

Amendment No. 134: Provides a limitation on activities of the Market Promotion Program which will prohibit the granting of Federal funds to for-profit corporations that are not described under the Small Business Act. The conferees agree, however, that funds would continue to be available to farmer-owned cooperatives and trade associations. The conferees also recognize the important role of trade associations in directing branded promotional activities in emerging foreign markets. The conferees also agree that the Department of Agriculture should not discriminate between cooperatives and small businesses in allocating Market Promotion Program funds.

PUBLIC LAW 480 PROGRAM AND GRANT ACCOUNTS

Amendment No. 135: Provides that $60,000,000 in savings resulting from Public Law 103-465 be used to finance title II of Public Law 480 funding. The Senate bill proposes that $50,000,000 in credited savings be used for title III. The House bill contained no similar provision.

TITLE VI—RELATED AGENCIES AND FOOD AND DRUG ADMINISTRATION

DEPARTMENT OF HEALTH AND HUMAN SERVICES

FOOD AND DRUG ADMINISTRATION

BUILDINGS AND FACILITIES

Amendment No. 136: Appropriates $12,150,000 for Food and Drug Administration, Buildings and Facilities instead of $15,350,000 as proposed by the House and $8,350,000 as proposed by the Senate.

The conferees agree that the Senate language regarding the Food and Drug Administration's field office restructuring is not intended to impede consolidation efforts.

INDEPENDENT AGENCIES

COMMODITY FUTURES TRADING COMMISSION

Amendment No. 137: Appropriates $53,601,000 for the Commodity Futures Trading Commission instead of $49,144,000 as proposed by the House and $54,058,000 as proposed by the Senate.

FARM CREDIT ADMINISTRATION

Administrative Provision

Amendment No. 138: Adds language proposed by the Senate allowing employees of the Farm Credit Administration to reenter the Federal Employees Health Benefits Plan. The House bill contains no similar provision.

TITLE VII—GENERAL PROVISIONS

Amendment No. 139: Deletes the word "and" which was added by the Senate.

Amendment No. 140: Adds language proposed by the Senate which adds that Consolidated Farm Service Agency, Salaries and Expenses funds made available to county committees remain available until expended. The House bill contained no similar provision.

Amendment No. 141: Makes a technical correction updating the fiscal year citation as proposed by the Senate.

Amendment No. 142: Adds language proposed by the Senate that exempts Small Business Innovation Development grants from a 14 percent overhead cap. The House bill contained no similar provision.

Amendment No. 143: Makes a technical correction changing the word "Agriculture" to "Agricultural" as proposed by the Senate.

Amendment No. 144: Restores House language prohibiting an increase in full-time equivalent positions in certain offices of the Food and Drug Administration above the fiscal year 1995 level.

Amendment No. 145: Restores House language prohibiting the use of Market Promotion Program funds for assistance to the U.S. Mink Export Development Council or any mink industry trade association. The Senate bill addresses this issue in Amendment No. 157.

Amendment No. 146: Limits the acreage enrollment in the Wetlands Reserve Program to not more than 100,000 acres in fiscal year 1996 as proposed by the Senate. The House bill contained no similar provision.

Amendment No. 147: Deletes language proposed by the Senate limiting the Export Enhancement Program to $795,556,000. The House bill contained no similar provision.

Amendment No. 148: Deletes language proposed by the Senate prohibiting disaster payments to livestock producers for feed if crop insurance is available. The House bill contained no similar provision.

Amendment No. 149: Prohibits the enrollment of additional acres into the Conservation Reserve Program in fiscal year 1996 and requires 1,579,000 new acres to be enrolled in the year beginning on January 1, 1997, as proposed by the Senate. The House bill contained no similar provision.

Amendment No. 150: Provides that none of the funds in this Act may be used to develop guidelines, implement, or enforce the poultry labeling regulations promulgated on August 25, 1995, until legislation is enacted directing the Secretary of Agriculture to promulgate such a regulation, or the House and Senate authorizing committees receive and approve a revised proposal as proposed by the Senate. The House bill contained no similar provision.

Amendment No. 151: Deletes language proposed by the Senate prohibiting funds from being used for the salaries and expenses of the Board of Tea Experts. The House bill contained no similar provision. The conference agreement addresses this issue in Amendment No. 152.

Amendment No. 152: Provides that none of the funds appropriated or made available to the Food and Drug Administration in this Act shall be used to operate the Board of Tea Experts as proposed by the Senate. The conference agreement does not repeal the Tea Importation Act as proposed by the Senate. The House bill contained no similar provision.

Amendment No. 153: Deletes the sense of the Senate language providing that the marketing assessment statute for the Tobacco program be amended to cover the administrative costs of the tobacco program. The House bill contained no similar provision.

Amendment No. 154: Provides that none of the funds shall be used for any action that results in a loss or restriction and use of water from existing water supply facilities located on National Forest lands as proposed by the Senate. The House bill contained no similar provision.

Amendment No. 155: Deletes language proposed by the Senate providing for energy savings at Federal facilities. The House bill contained no similar provisions.

Amendment No. 156: Deletes the sense of the Senate language providing that the marketing assessment statute for the peanut program be amended to cover the administrative costs of the peanut program. The House bill contained no similar provision.

Amendment No. 157: Deletes language proposed by the Senate prohibiting the funds made available in the Market Promotion Program from being used to carry out mink exports. The House bill and the conferees address this issue in Amendment No. 145.

Amendment No. 158: Deletes the sense of the Senate language on United States-Canadian cooperation concerning an outlet to relieve flooding at Devils Lake in North Dakota. The House bill contained no similar provision. The conferees expect the Natural Resources Conservation Service to participate in a technical committee to address the problem.

Amendment No. 159: Deletes language proposed by the Senate repealing the Swine Health Advisory Committee and the Global Climate Change Technical Advisory Committee. The House bill contained no similar provisions.

Amendment No. 160: Amends language proposed by the Senate directing the Secretary of Agriculture to not enforce final regulations promulgated on September 8, 1995, to implement the Forest Resources Conservation and Shortage Relief Act of 1990. The conferees expect the Secretary to take notice and public comment on these final regulations and make the appropriate revisions based upon that public comment. Such revisions should be directed at provisions in the regulations, including but not limited to, excessive log painting requirements, substitution and sourcing regulations, the transportation of private timber into or through sourcing areas; and provisions that discourage domestic use of private timber; among other provisions of the regulation.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1996 recommended by the Committee of Conference, with comparisons to the fiscal year 1995 amount, the 1996 budget estimates, and the House and Senate bills for 1996 follow:

New budget (obligations) authority, fiscal year 1995.	$68,991,361,000
Budget estimates for new (obligational) authority, fiscal year 1996	66,421,993,000
House bill, fiscal year 1996	62,579,232,000
Senate bill, fiscal year 1996	63,825,150,000
Conference agreement, fiscal year 1996	63,194,564,000
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1995	−5,796,797,000
Budget estimates of new (obligational) authority, fiscal year 1996	−3,227,429,000
House bill, fiscal year 1996	+615,332,000
Senate bill, fiscal year 1996	−630,586,000

JOE SKEEN,
JOHN T. MYERS,
JAMES T. WALSH,
JAY DICKEY,
JACK KINGSTON,
FRANK RIGGS,
GEORGE R. NETHERCUTT, JR.,
BOB LIVINGSTON,
RICHARD J. DURBIN,
MARCY KAPTUR, (EXCEPT FOR AMENDMENTS 30 AND 150 AND THE PROVISION ON APHIS QUARANTINE EXEMPTION),
RAY THORNTON,
NITA M. LOWEY,
DAVID R. OBEY, (EXCEPT FOR AMENDMENT 150),
Managers on the Part of the House.

THAD COCHRAN,
ARLEN SPECTER,
KIT BOND,
SLADE GORTON,
MITCH MCCONNELL,
CONRAD BURNS,
MARK HATFIELD,
DALE BUMPERS,
TOM HARKIN,
J. ROBERT KERREY,
J. BENNETT JOHNSTON,
HERB KOHL,
ROBERT BYRD,
Managers on the Part of the Senate.

CONFERENCE REPORT ON S. 895, SMALL BUSINESS LENDING ENHANCEMENT ACT OF 1995

Mrs. MEYERS of Kansas submitted the following conference report and statement on the Senate bill (S. 895) to amend the Small Business Act to reduce the level of participation by the Small Business Administration in certain loans guaranteed by the administration, and for other purposes.

CONFERENCE REPORT (H. REPT. 104–269)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 895), to amend the Small Business Act to reduce the level of participation by the Small Business Administration in certain loans guaranteed by the Administration, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment, insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Small Business Lending Enhancement Act of 1995".

SEC. 2. REDUCED LEVEL OF PARTICIPATION IN GUARANTEED LOANS.

Section 7(a)(2) of the Small Business Act (15 U.S.C. 636(a)(2)) is amended to read as follows:

"(2) LEVEL OF PARTICIPATION IN GUARANTEED LOANS.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), in an agreement to participate in a loan on a deferred basis under this subsection (including a loan made under the Preferred Lenders Program), such participation by the Administration shall be equal to—

"(i) 75 percent of the balance of the financing outstanding at the time of disbursement of the loan, if such balance exceeds $100,000; or

"(ii) 80 percent of the balance of the financing outstanding at the time of disbursement of the loan, if such balance is less than or equal to $100,000.

"(B) REDUCED PARTICIPATION UPON REQUEST.—

"(i) IN GENERAL.—The guarantee percentage specified by subparagraph (A) for any loan under this subsection may be reduced upon the request of the participating lender.

"(ii) PROHIBITION.—The Administration shall not use the guarantee percentage requested by a participating lender under clause (i) as a criterion for establishing priorities in approving loan guarantee requests under this subsection.

"(C) INTEREST RATE UNDER PREFERRED LENDERS PROGRAM.—

"(i) IN GENERAL.—The maximum interest rate for a loan guaranteed under the Preferred Lenders Program shall not exceed the maximum interest rate, as determined by the Administration, applicable to other loans guaranteed under this subsection.

"(ii) PREFERRED LENDERS PROGRAM DEFINED.—For purposes of this subparagraph, the term 'Preferred Lenders Program' means any program established by the Administrator, as authorized under the proviso in section 5(b)(7), under which a written agreement between the lender and the Administration delegates to the lender—

"(I) complete authority to make and close loans with a guarantee from the Administration without obtaining the prior specific approval of the Administration; and

"(II) authority to service and liquidate such loans.".

SEC. 3. GUARANTEE FEES.

(a) AMOUNT OF FEES.—Section 7(a)(18) of the Small Business Act (15 U.S.C. 636(a)(18)) is amended to read as follows:

"(18) GUARANTEE FEES.—

"(A) IN GENERAL.—With respect to each loan guaranteed under this subsection (other than a loan that is repayable in 1 year or less), the Administration shall collect a guarantee fee, which shall be payable by the participating lender and may be charged to the borrower, in an amount equal to the sum of—

"(i) 3 percent of the amount of the deferred participation share of the loan that is less than or equal to $250,000;

"(ii) if the deferred participation share of the loan exceeds $250,000, 3.5 percent of the difference between—

"(I) $500,000 or the total deferred participation share of the loan, whichever is less; and

"(II) $250,000; and

"(iii) if the deferred participation share of the loan exceeds $500,000, 3.875 percent of the difference between—

"(I) the total deferred participation share of the loan; and

"(II) $500,000.

"(B) Exception for Certain Loans.—Notwithstanding subparagraph (A), if the total deferred participation share of a loan guaranteed under this subsection is less than or equal to $80,000, the guarantee fee collected under subparagraph (A) shall be in an amount equal to 2 percent of the total deferred participation share of the loan.".

(b) Repeal of Provisions Allowing Retention of Fees by Lenders.—Section 7(a)(19) of the Small Business Act (15 U.S.C. 636(a)(19)) is amended—

(1) in subparagraph (B)—

(A) by striking "shall (i) develop" and inserting "shall develop"; and

(B) by striking ", and (ii)" and all that follows through the end of the subparagraph and inserting a period; and

(2) by striking subparagraph (C).

SEC. 4. ESTABLISHMENT OF ANNUAL FEE.

(a) In General.—Section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended by adding at the end the following new paragraph:

"(23) Annual Fee.—

"(A) In general.—With respect to each loan guaranteed under this subsection, the Administration shall, in accordance with such terms and procedures as the Administration shall establish by regulation, assess and collect an annual fee in an amount equal to 0.5 percent of the outstanding balance of the deferred participation share of the loan.

"(B) Payer.—The annual fee assessed under subparagraph (A) shall be payable by the participating lender and shall not be charged to the borrower.".

(b) Conforming Amendment.—Section 5(g)(4)(A) of the Small Business Act (15 U.S.C. 634(g)(4)(A)) is amended—

(1) by striking the first sentence and inserting the following: "The Administration may collect a fee for any loan guarantee sold into the secondary market under subsection (f) in an amount equal to not more than 50 percent of the portion of the sale price that exceeds 110 percent of the outstanding principal amount of the portion of the loan guaranteed by the Administration."; and

(2) by striking "fees" each place such term appears and inserting "fee".

SEC. 5. NOTIFICATION REQUIREMENT.

Section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended by adding at the end the following new paragraph:

"(24) Notification Requirement.—The Administration shall notify the Committees on Small Business of the Senate and the House of Representatives not later than 15 days before making any significant policy or administrative change affecting the operation of the loan program under this subsection.".

SEC. 6. DEVELOPMENT COMPANY DEBENTURES.

Section 503(b) of the Small Business Investment Act of 1958 (15 U.S.C. 697(b)) is amended—

(1) in paragraph (5), by striking "and" at the end;

(2) in paragraph (6), by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following new paragraph:

"(7) with respect to each loan made from the proceeds of such debenture, the Administration—

"(A) assesses and collects a fee, which shall be payable by the borrower, in an amount equal to 0.125 percent per year of the outstanding balance of the loan; and

"(B) uses the proceeds of such fee to offset the cost (as such term is defined in section 502 of the Federal Credit Reform Act of 1990) to the Administration of making guarantees under subsection (a).".

SEC. 7. PILOT PREFERRED SURETY BOND GUARANTEE PROGRAM EXTENSION.

Section 207 of the Small Business Administration Reauthorization and Amendment Act of 1988 (15 U.S.C. 694b note) is amended by striking "September 30, 1995" and inserting "September 30, 1997".

SEC. 8. APPLICABILITY.

(a) In General.—Except as provided in subsection (b), the amendments made by this Act do not apply with respect to any loan made or guaranteed under the Small Business Act or the Small Business Investment Act of 1958 before the date of enactment of this Act.

(b) Exceptions.—The amendments made by this Act apply to a loan made or guaranteed under the Small Business Act or the Small Business Investment Act of 1958 before the date of enactment of this Act, if the loan is refinanced, extended, restructured, or renewed on or after the date of enactment of this Act.

And the House agree to the same.

That the Senate recede from its disagreement to the amendment of the House to the title of the bill, and agree to the same.

Jan Meyers,
Peter G. Torkildsen,
Jim Longley,
John J. LaFalce,
Glenn Poshard,
Managers on the Part of the House.

Christopher S. Bond,
Conrad Burns,
Paul Coverdell,
Dale Bumpers,
Sam Nunn,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 895) to amend the Small Business Act to reduce the level of participation by the Small Business Administration in certain loans guaranteed by the Administration, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The conference agreement establishes new guarantee levels, program fees, and administrative provisions governing the Small Business Administration's 7(a) Guaranteed Business Loan Program and the 504 Certified Development Company Program.

The conference agreement lowers the guarantee rate for all 7(a) loans to 75%, except for loans of $100,000 or less, which will have a guarantee rate of 80%. As part of this overall change, the guarantee rate for Export Working Capital Program loans will be decreased to be consistent with other 7(a) loans. The conferees are aware of efforts by the Small Business Administration to coordinate the features and operations of the Export Working Capital Program with a similar export loan program operated by the Export-Import Bank. The conferees are supportive of the continuing joint efforts of the SBA and Export-Import Bank to encourage and facilitate small business participation in the export marketplace. In establishing the new guarantee rate under the Export Working Capital Program, this legislation should not be interpreted as expressing any intention or expectation that the guarantee rate for the Eximbank program be reduced to the same level. The conferees direct the SBA, in consultation with the Export-Import Bank, to issue a report no later than 120 days after the enactment of this act assessing the impact, if any, of the reduced guarantee rate on the Export Working Capital Program. The report should include a comparison of the SBA program with the working capital guarantee program operated by the Export-Import Bank, and shall include an analysis of the number and size of transactions concluded under the program, both prior to and after enactment of the new guarantee provisions.

Under the conference agreement, guarantee fees under the 7(a) program increase as the size of the loan increases. The conferees are aware of the concern expressed by the Small Business Administration that lenders and borrowers may seek to arrange a number of smaller, related loans in order to avoid the higher guarantee fee applicable to a single, larger loan. The conferees direct the Small Business Administration to implement the guarantee fee structure set forth in the conference agreement with any instructions, definitions rules regulations or guidelines as the SBA may deem necessary in order to prevent avoidance or evasion of these fees, including establishing a reasonable period of time during which related loans will be treated as constituting a single loan for purposes of calculating the guarantee fee.

The effect of the provisions included in the conference agreement will be to reduce the subsidy rate for the 7(a) loan program and increase the availability of guarantee authority under the program. The conferees direct the SBA, promptly upon enactment of the legislation included in the conference report, to remove the temporary administrative limitations previously implemented by the SBA to limit demand for 7(a) loan guarantees. Any such administrative program changes in the future will be subject to the provisions of Section 5 of the new legislation.

Jan Meyers,
Peter G. Torkildsen,
Jim Longley,
John J. LaFalce,
Glenn Poshard,
Managers on the Part of the House.

Christopher S. Bond,
Conrad Burns,
Paul Coverdell,
Dale Bumpers,
Sam Nunn,
Managers on the Part of the Senate.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced, "that the Senate disagrees to the amendments of the House to the bill (S. 895) 'An Act to amend the Small Business Act to reduce the level of participation by the Small Business Administration in certain loans guaranteed by the Administration, and for other purposes', agrees to a conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Bond, Mr. Burns, Mr. Coverdell, Mr. Bumpers, and Mr. Nunn, to be the conferees on the part of the Senate".

WAIVING POINTS OF ORDER AGAINST CONFERENCE REPORT ON H.R. 1977, DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 1996

Ms. PRYCE. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 231 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 231

Resolved, That upon adoption of this resolution it shall be in order to consider the conference report to accompany the bill (H.R. 1977) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1996, and for other purposes. All points of order against the conference report and against its consideration are waived.

The SPEAKER pro tempore (Mr. HEFLEY). The gentlewoman from Ohio [Ms. PRYCE] is recognized for 1 hour.

Ms. PRYCE. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to my good friend, the distinguished gentleman from California [Mr. BEILENSON], pending which I yield myself such time as I may consume.

During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, House Resolution 231 is an uncomplicated, but very important rule which provides for the timely consideration of the conference report to accompany H.R. 1977, making appropriations for the Department of the Interior and related agencies in fiscal year 1996.

Specifically, the resolution waives all points of order against the conference report and against its consideration on the floor today. As a precautionary step, the blanket waiver includes a waiver of clause 2 of rule 20, regarding legislative or unauthorized items, and clause 3 of rule 28, regarding items which go beyond the scope of the conference.

The resolution was reported unanimously by the Rules Committee yesterday by voice vote, and I would urge my colleagues to give it their full support.

Mr. Speaker, the Interior appropriations bill is certainly no stranger to controversy. When such divergent issues as land use and mining claims are combined with Federal funding for the arts and humanities into a single spending bill, difficulties are bound to arise.

Yet, where there are difficulties, there is also potential for bipartisan compromise. I believe the Interior Subcommittee, under the strong leadership of my good friend from Ohio, Chairman REGULA, and the members of the conference committee—on both sides of the aisle—have worked very hard to finalize a balanced, responsible product in the face of competing interests, and limited Federal resources.

The American people have charged us with cutting Government spending, and this conference report responds to their calls for a smaller, more efficient Government. The bill is $1.7 billion below the President's budget request and $1.4 billion below the fiscal year 1995 level—a 12-percent savings from the 1995 funding level.

The conference report also meets our fundamental goal of reducing the size and scope of the Federal Government. In addition to eliminating certain agencies and programs, and consolidating others within existing Federal departments, almost all agencies covered by the bill are funded below the 1995 level.

Mr. Speaker, in recent days we have heard that this conference report has attracted a potential veto threat from the White House. In light of our efforts to resolve funding differences in a bipartisan manner, I believe such a step would be very unfortunate, and even counterproductive as we work to finalize this year's appropriations process.

The Senate will soon consider the continuing resolution which the House passed earlier today to ensure that the Federal Government remains open for business as the new fiscal year begins on Sunday.

A Presidential veto at this time would just add to the challenges we face in providing the Federal work force with fiscal stability.

In closing, Mr. Speaker, we have the responsibility to move this critical process forward and to complete work on each of the 13 regular appropriations bills. House Resolution 231 is a simple and straightforward rule providing for the timely consideration of the fourth conference report to come to the floor of the House. I urge my colleagues to support this reasonable rule and to pass this balanced conference report.

Mr. Speaker, I reserve the balance of my time.

Mr. BEILENSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we oppose this rule, and we oppose the measure that it makes in order, the conference report on Interior appropriations for fiscal year 1996.

The rule waives all points of order against the conference report and against its consideration. One major reason why the conference report needs such a rule is that it contains numerous violations of clause 2 of rule XXI, the rule that prohibits legislation, that is policy matters, in an appropriations bill. Admittedly, it is nearly impossible to avoid violating rule XXI entirely in an appropriations bill, but the Committee on Rules usually tries, or at least we did try, Mr. Speaker, in previous congresses, to prevent flagrant intrusions on the jurisdiction of authorizing committees in these appropriations bills.

That is not the case here. The conference report contains far-reaching changes in policies governing the use of our Nation's natural resources, or, as the Los Angeles Times recently put it, it is, and I quote, Mr. Speaker, "swollen with hidden attacks on the public lands, national parks, and the environment."

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This rule is what makes it possible for the House to move forward and to consummate those attacks.

To give some examples: This conference report includes a major change in the law governing mining patents. Nearly everyone agrees that this law, dating back to 1872, is in desperate need of reform. But rather than continuing the existing moratorium on issuing mining patents to give the policy committees time to draft a reform bill, as the House by a margin of 271 to 153 voted to do, the conferees approved a change in the price mining companies are required to pay for a mining patent from no more than $5 an acre to fair market value of the surface of the land. That so-called reform would enrich mining companies at a cost to taxpayers of tens of millions of dollars in lost royalties.

The legislation also includes a backdoor attempt to remove the Mojave National Preserve from the protection of the National Park Service by prohibiting the Park Service from spending more than $1 next year on the Preserve and shifting authority for it back to the Bureau of Land Management, whose rules are much more lenient than are the Park Service's rules on mining, grazing, dirt biking, and other potentially detrimental activities.

The conference report directs the Forest Service to change policy with regard to the Tongass National Forest in Alaska, our Nation's premier temperate rain forest, in order to dramatically increase logging in environmentally sensitive areas of the forest.

The conference report prohibits adding new species of plants and animals to the endangered species list, despite clear scientific evidence that hundreds of species awaiting listing are headed toward extinction.

The legislation cripples a joint Forest Service-BLM ecosystem management project for the Columbia River Basin in the Northwest, a project intended to allow a sustainable flow of timber from that region. This provision threatens the protection of salmon and other critical species and guarantees continued court battles over logging in that region.

In addition, Mr. Speaker, to all these troubling provisions, the conference report endangers resource protection by reducing spending for many critical activities. The conference report cuts spending in the Interior Department and related agencies as a whole by 10 percent over this year's level. But within that reduction are much deeper cuts in many extremely valuable programs, including wildlife protection, energy conservation, land acquisition, support for the arts and humanities, and support for Native Americans.

Proponents of this legislation say that these cuts are needed to balance the budget. But in fact they are being used to help reorder spending priorities in ways favored by the Republican majority. After the House considers the Interior conference report cutting $1.4 billion from resource protection and from cultural programs, we will be considering a conference report on Defense Department appropriations that increases spending for the military by $7 billion over the President's request, and that includes funds for weaponry the military officials themselves say the Nation does not need.

In other words, if both conference reports are enacted, we will be spending five times the savings gained from this bill on additional unnecessary spending for the Pentagon.

Thus, the significance of this conference report is not its contribution to reducing the Federal budget deficit as its proponents claim. Rather, its significance lies in its contribution to the multi-pronged assault on environmental protection that has been launched by the Republican leadership in the House.

When this legislation is viewed in the context of other anti-environmental measures this House has considered or will be considering, its negative impacts are even more apparent. This bill follows House passage of several so-called regulatory reform bills, the Contract With America bills, that would cripple Federal regulatory agencies' ability to implement and enforce environmental protection laws. It follows House passage of the amendments to the Clean Water Act that would permit more water pollution and allow the destruction of more than half the Nation's remaining wetlands. It follows enactment of a provision included in the fiscal 1995 rescission bill which will dramatically increase logging in National Forests. It follows House passage of an appropriations bill which cuts funding for the Environmental Protection Agency by one-third and includes numerous provisions preventing the agency from enforcing antipollution laws. And it follows the Committee on Resources' adoption of measures to be included in the budget reconciliation bill that would open Arctic National Wildlife Refuge to oil and gas drilling, that would provide sweeping exemptions of environmental laws in the disposition of Federal power assets, that would change concessions policy for our National Parks in a way that would discourage competition, that would allow the sale of National Forest lands in ski areas for development, and that would protect the interests of those who currently benefit from the use of Federal range lands for grazing.

Mr. Speaker, as Vice President GORE said recently, "This bill takes dead aim at this Nation's most cherished resources and will benefit special interests at the expense of the taxpayers."

For those reasons, the President has announced his intentions to veto this bill. We have to put a stop to the wholesale destruction of our Nation's resources that has been taking place this year. This is the place to do it.

Rather than sending this bill on to the President at this time, I would urge the House to shorten the process by defeating the rule and sending the bill back to conference for the numerous major revisions it needs.

Mr. Speaker, for purposes of debate only, I yield 5 minutes to the gentleman from Wisconsin [Mr. OBEY], the distinguished ranking member of the Committee on Appropriations.

Mr. OBEY. Mr. Speaker, this bill deserves to be stopped dead in its tracks. It is an absolutely lousy bill. The best way to stop it is to defeat the rule that will allow its consideration.

There are a lot of things wrong with it, but the worst thing in the conference report is the provision which relates to the moratorium on mining patent claims which is an abomination under the guise of reform.

The conference agreement lifts the existing moratorium and allows mining companies, many of which are foreign owned, to gain title to Federal lands containing valuable hard rock minerals for a pittance. It will result in billions of dollars being pocketed by mining companies without payment of any royalties to the owner of the land, the U.S. taxpayer.

This, in my view, is a travesty left over from the political stone age. The original law that permits this outrage, this outrageous raid on the Treasury, was enacted in 1872. If my old colleague Bill Proxmire were still representing Wisconsin in the other body, you can be sure that this provision would be the recipient of one of his Golden Fleece awards. The magnitude of this giveaway is incredibly hard to grasp.

Let me give you one example. Just last year the Interior Department signed away land containing an estimated $10 billion in gold for less than $10,000. The so-called reform in this bill would mean that it will only cost $100,000. The land is now owned by a U.S. subsidiary of a foreign-owned corporation. Not only are we giving away the mining rights for a tiny fraction of their value, we are also giving away title to the land.

Now, that is not the only problem with this bill. If you take a look at other sections of the bill, you will see, for instance, that it allows increased logging in some of the most sensitive areas of the Tongass National Forest in Alaska. It reverses key parts of the California Desert Act passed last year.

The conference also contains draconian reductions in funding for the Bureau of Indian Affairs. It cuts funding for Indian education almost in half. It reduces the Department of Energy's weatherization programs by one-half, while at the same time it provides these gigantic ripoffs, this huge glom of corporate welfare, to some of the largest corporations in this country, and in fact some of the largest corporations who originate outside the boundaries of our own country.

So for these and a variety of other reasons, some of which were cited by the gentleman from California, I would strongly urge a vote against the rule and a vote against the bill tomorrow if this House is ill-advised enough to pass this rule this afternoon.

Mr. BEILENSON. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from California [Mr. MILLER], the ranking member of the committee on resources.

Mr. MILLER of California. Mr. Speaker, I rise in opposition to the rule and in opposition to the legislation. As both my colleague from California and my colleague from Wisconsin have pointed out, there is just so much wrong with this bill that it is unbelievable that we are considering it in this form, both in the harm it does to the environment and the harm that it does to the American taxpayers. The deficiencies are complete, they are throughout, and this bill should not become law.

One of the most egregious provisions of this bill is that instead of maintaining the patent moratorium on giving away lands, western lands, to mining companies as this House has strongly advocated year after year, the conference committee chose to ignore the clearly stated House intent. Earlier this year the House voted 271 to 153 to support extension of the 1995 patent moratorium. We took this action in response to widespread concern that taxpayers were being cheated out of hundreds of millions of dollars because of an archaic law enacted in the days of Jesse James, the robber barons, and mineral kings. Rather than honor or solidify the established bipartisan position, the conference adopted language that replaces the patent moratorium with even more deplorable language that currently exists under the 1872 law. The conference report not only renews the processing of patent applications which were substantively frozen by the 1995 appropriations bill, but it also directs the Secretary to take such action as may be necessary to take final action on all pending applications within 2 years.

This is no small matter. Since 1872, the United States has let over 3.2 million acres of lands and 231 billion dollars' worth of mineral assets slip through our fingers in this way, charging minimal costs for land transfers and no royalties at all for the people of the United States who were the owners of this land when the land was transferred.

If this conference report is approved, the mining industry will receive title to an additional 607 patents covering 230,000 acres of the public's lands for the measly price of the surface rights.

Corporations clamoring to loot the public domain include ASARCO, U.S. Gypsum, United States Steel, Exxon, Union Oil, American Barrick, Manville Corp., Georgia Pacific, Santa Fe Pacific, Pfizer, Newmont, and Noranda Mining Cos.

Just this year, because Congress failed to reform the 1872 mining law, Interior Secretary Bruce Babbitt was forced to sign away three patents worth as much as $1 billion in public mineral resources for a pittance of their true value, and no royalty will be paid on those minerals that were owned by the taxpayers.

Lifting the moratorium will not only promote a giveaway of public land, but it will put approximately 15.5 billion dollars' worth of Federal minerals beyond the reach of any royalty payment for the American taxpayer that this Congress may subsequently come up with.

So the taxpayer will sort of get screwed twice here, first by being forced to give away the land, and then by collecting zero economic rent or royalty for the extracted minerals. Nobody on the adjoining private land conducts their business with the mining companies in that fashion. We are constantly asked why do we not run the company like a business? That is one of the reasons we do not, because the mining companies are so powerful that we cannot get around to taking care of the public interest.

The conference report should be rejected because it would also allow applicants to use private contractors to gather and analyze critical data to determine whether an applicant legally qualifies for the patent or for free land. But this obviously creates a tremendous potential conflict of interest.

There is no need for such haste as is envisioned in this conference report. This conference report is clearly contrary to the best interests of the environment of the West, and it is clearly contrary to the best interests of the taxpayers of this Nation. We have endured this giveaway of public resources for over 100 years now. We have tried time and again to amend this law, to reform this law, and we have been beaten back by the lawyers and the lobbyists of the mining companies, and it is time to call a halt to it. If we cannot change the law, we certainly should not ask the American public to endure the continued whittling away of their wealth and their assets at the expense of the mining companies' special interests.

Mr. Speaker, I would hope that we would reject this legislation. If a motion to recommit the conference report to exclude this provision is offered, I would hope Members of the Congress would support that, as they did earlier this year in their motions to maintain the patent provisions of the bill.

Mr. Speaker, the flaws in this conference report are not limited to the failure to extend the moratorium on issuing mining patents. An egregious example of abuse of the taxpayers and an unprecedented attack on our natural resources is contained in the Senate rider dictating that timber interests dominate management of the Tongass National Forest in Alaska.

Without any public hearings, the Senate has insisted on sweeping language which will greatly increase taxpayer subsidized logging of the magnificent old-growth forest in Alaska. Over the past several years, the Tongass has earned the dubious distinction of losing more money—$64 million annually according to one economist's study—than any other national forest. The Senate language makes things worse.

The Senate rider would abort the Forest Service planning process and congressionally dictate that the Tongass be managed according to a discredited, draft 1991 plan. That plan—which has been rejected by the administration for relying on outdated science—would provide for at least 418 million board feet of timber annually, one-third more than the average annual harvest on the Tongass over the past decade. Fully implementing this provision could cost an additional $18 million annually in Federal subsidies to support the increased logging.

Language added by the conference committee would permanently constrain the Forest Service from amending the forest plan in any manner which would limit lands allocated to timbering. Moreover, the provision attempts to overturn a ninth circuit decision in a case brought by tourism, Native, and conservation interests and would insulate timber sales from environmental and subsistence use laws.

Mr. Speaker, the Tongass language has been highlighted as objectionable to the administration by Vice-President GORE in conveying the President's veto threat. It is opposed by Agriculture Secretary Dan Glickman. It is opposed by the Governor of Alaska, Tony Knowles. It is opposed by the Alaska Outdoor Council, a coalition of conservative hunting and fishing groups. It is opposed by every Alaska and national environmental group.

As an architect of the 1990 Tongass Timber Reform Act, I take special offense at this assault on our largest national forest. These permanent changes in law are not within the proper jurisdiction of the appropriations committees. Moreover, there is simply no justification for this outrageous abuse of public process and legal rights. Southeast Alaska's jobless rate is lower than the national average. The economy is more diversified than ever before and is growing. The Senate language is an ill-advised attempt to turn back the clock and to manage these public lands to favor a heavily taxpayer subsidized special interest over all other competing users of the forest.

While the Tongass language alone provides sufficient reason for the conference report to be rejected by the House, there are many other fundamentally flawed provisions which undermine the 1994 California Desert Protection Act by giving the National Park Service only $1 to manage the Mojave National Preserve; unfairly target Indian tribes and people by cutting the Bureau of Indian Affairs budget $351 million, 19 percent below the President's request, and $184 million or 11 percent below the fiscal year 1995 funding level; derail the Columbia River Basin ecosystem management project; fund Department of the Interior scientific research at $35.7 million below the President's request; prohibit wildlife species from being added to the endangered species list and the designation of critical habitat; fund the Land and Water Conservation Fund land acquisition programs at $71 million notwithstanding a $11.2 billion surplus in the fund.

Mr. Speaker, the list of objectionable provisions goes on and on. This conference report should be rejected by the House. If not, the President should veto it and insist that the Congress come up with a new bill which is not an insult to the American people and our natural heritage.

Mr. GEJDENSON. Mr. Speaker, I rise to object to certain provisions in the conference report on H.R. 1976. While I am deeply concerned about the effect of cutting $1.4 billion from our natural resource management agencies, several individual items are especially egregious.

First and foremost, the conference report contains language which will dramatically increase logging in the Tongass National Forest. This provision may be unfamiliar to Members because it was not in the House bill. It is a backdoor attempt to open the Tongass when scientific evidence and sound forestry management dictate limiting harvests overall and protecting important fish and wildlife habitat.

Under this provision, logging would be governed by a 1992 EIS provision, alternative P, which is deemed sufficient to satisfy all requirements of applicable law. By including sufficiency language, this section precludes legal challenges and shuts off public comment. The harvest levels set forth in the EIS are one-third greater than the average over the past decade. Moreover, the Forest Service is directed to develop a management plan for the Tongass which mandates harvest levels at least as high as provided in alternative P. As a result, this measure locks-in unprecedented harvests well beyond fiscal 1996.

This measure also makes permanent a provision of H.R. 1944, the fiscal year 1995 rescission package, which prohibits the Forest Service from setting aside any additional wildlife habitat in the Tongass. With one simple reference, this measure precludes the Forest Service from protecting important habitat for grizzly bears, bald eagles, and many fish species. By extending this restriction in perpetuity, proponents of this approach are throwing sound science and wildlife management out the window. Moreover, this provision could push some species toward extinction thereby triggering restrictions under the Endangered Species Act [ESA]. As members know, ESA restrictions could limit harvest much more than allowing the Forest Service to take proactive steps to safeguard essential habitat.

Mr. Speaker, this measure does not belong in an appropriations bill. It is a major policy change which has not been the subject of a hearing or any debate in the House. Furthermore, it reaches well beyond fiscal 1996 to fundamentally alter timber management in the Tongass for years to come. Finally, it throws sound science and timber management out the window.

The conference report also strips House language extending the moratorium on the issuance of patents under the anachronistic 1872 mining law. It replaces it with sham reform which requires miners to pay fair market value for the surface estate exclusive of, and without regard to, the mineral deposits in the land. This language is little better than existing law which allows mining companies to buy public lands for $2.50 or $5 an acre. Even in today's real estate market, desert land 200 miles from the nearest town is worth very little when one ignores billions worth of gold, silver, or platinum below the surface.

Rather than working to address fiscal as well as environmental issues associated with mining, some Members of the Congress are seeking to scuttle comprehensive reform by passing measures piecemeal in appropriations bills and through the budget reconciliation process. While I firmly believe that comprehensive reform is the way to go, I also believe that a patent moratorium is an appropriate stop-gap measure because it protects the interests of every American taxpayer. Without the moratorium, the Secretary of Interior will be forced to immediately begin processing applications seeking to transfer 15 billion dollars' worth of public minerals into private hands. Members of this body who are concerned about balancing the Federal budget should take a hard look at the implications of lifting the moratorium. Under the Senate language, the American people continue to get the shaft under the 1872 mining law.

In another end run around the authorization process, the conference report contains House language effectively transferring management of the Mojave National Preserve from the Park Service to the Bureau of Land Management. As many Members know, debate on the California Desert Protection Act consumed several weeks during the 103d Congress. The gentleman from California [Mr. MILLER] must be commended for bringing this important measure to the House floor under a completely open rule. Every Member of this body had the opportunity to offer amendments. The gentleman from Idaho [Mr. LAROCCO] proposed an amendment changing the status of the Mojave from a National Park to a National Preserve. While this Member opposed that amendment, a majority supported it and the law reflects this change. At the same time, the Congress supported transferring management to the Park Service.

The financial arrangement in this measure is in direct contravention to the will of the Congress. Once again, this appropriation bill is being used to effect policy changes which should move through the authorization process. This is an issue of national importance which should be the subject of hearings and debate in the Resources Committee.

Mr. Speaker, the other body has added certain provisions making fundamental policy changes which could adversely affect resources belonging to every American regardless of where they live. The appropriations process should be reserved for annual revenue measures. We have an authorization process through which Members can effect major policy changes. Various provisions of this bill make a mockery of that process.

Mr. BEILENSON. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

□ 1630

Ms. PRYCE. Mr. Speaker, I have no further requests for time, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore (Mr. HEFLEY). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appear to have it.

Mr. BEILENSON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 5 of the rule I, the Chair postpones further proceedings on this resolution until after the vote on House Resolution 232.

The point of no quorum is considered as having been withdrawn.

WAIVING POINTS OF ORDER AGAINST CONFERENCE REPORT ON H.R. 2126, DEPARMENT, OF DEFENSE APPROPRIATIONS ACT, 1996

Mr. GOSS. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 232 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 232

Resolved, That upon adoption of this resolution it shall be in order to consider the conference report to accompany the bill (H.R. 2126) making appropriations for the Department of Defense for the fiscal year ending September 30, 1996, and for other purposes. All points of order against the conference report and against its consideration are waived.

The SPEAKER pro tempore. The gentleman from Florida [Mr. GOSS] is recognized for 1 hour.

Mr. GOSS. Mr. Speaker, for the purposes of debate only, I yield the customary 30 minutes to the distinguished gentleman from Texas [Mr. FROST], pending which I yield myself such time as I may consume. During consideration of this resolution, all time yield is for the purpose of debate only.

Mr. Speaker, this is a very simple, very fair rule for the consideration of the conference report for H.R. 2126, the Department of Defense appropriation bill. We provide for an hour of debate, and all points of order against the report are waived. It is that simple. As we rapidly approach the end of the 1995 fiscal year, and it becomes clear that we will not be able to have all 13 appropriations bills signed into law by October 1, I am pleased that we are making defense a priority. The Constitution explicitly requires Congress to provide for the national defense, and it is entirely appropriate that we are moving this bill today. Many people, myself included, feel that this administration has allowed our military readiness to decline at an alarming rate. I am concerned that scaling our Armed Forces back too far in the name of peace may actually invite new aggression. Certainly the Soviet threat is gone, but in the wake of its passing, we are left with multiple problems. Mr. Speaker, the lessons of history serve us well here—allowing our defensive capabilities to be reduced too much could easily be an invitation to aggression against American interests abroad, or even here at home. Since the collapse of the Soviet Union and Warsaw Pact, United States troops have been far from idle—they have been actively involved in a major shooting war in the Gulf, and many hotspots such as Haiti, Somalia, and Bosnia. New threats have emerged, too. Many relatively small countries are gaining access to advanced equipment such as submarines and nuclear weapons. And international terrorism has reared its ugly head here at home. Mr. Speaker, being prepared means meeting our defense needs—from top to bottom. And the little things are important—it does an army no good to have thousands of soldiers, equipped with the latest weapons, if those soldiers do not have boots for their feet. My friend and colleague, BILL YOUNG, chairman of the Defense Appropriations Subcommittee, vividly demonstrated for the Rules Committee all the small needs like boots, laces, and so forth, that were not currently being met by stretching a list of these items from one end of the Rules Committee hearing room to the other. I am pleased that we have made some real headway in correcting these problems in this bill, and I urge adoption of the rule and the conference report.

Mr. Speaker, I reserve the balance of my time.

Mr. FROST. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of this rule which provides for the consideration of the conference report to accompany the fiscal year 1996 Department of Defense appropriation. The subcommittee chairman, Mr. YOUNG, and his able ranking member, Mr. MURTHA, are to be congratulated for negotiating an agreement which should receive strong support both in the House and the Senate.

Mr. Speaker, I am personally pleased that the conference agreement contains $493 million for the continued production of the B-2 stealth bomber. I am a firm believer that in a troubled and dangerous world, a significant bomber capability is required to ensure our military preparedness and to protect our national interest. The B-2 stealth bomber is an important component in our overall national defense capability and the construction of additional aircraft in addition to the 20 already authorized will ensure the continued capability of our armed services to protect and defend our national interests.

I am also gratified that the conference report provides $159 million for the procurement of six F-16's as well $2.2 billion for research and development funds for the F-22, the next-generation fighter intended to replace the F-16. The conferees are to be congratulated for providing for both the near-term and long-term tactical needs of the Air Force. And, while the conferees reduced the funds for research and development for the V-22 Osprey, I am pleased that the conference report does contain $758 million for this important addition to the Marine Corps arsenal.

Mr. Speaker, this conference report represents a great deal of hard work and hard bargaining and I believe the rule merits the support of the House. I recognize that a number of my colleagues have reservations about the total amount of defense spending contained in the conference report. They will have an opportunity to express that concern by voting against the conference report itself and I urge that they support the rule. I urge my colleagues to support the conference agreement and I reserve the balance of my time.

Mr. GOSS. Mr. Speaker, I have no speaker scheduled at this time and I continue to reserve the balance of my time.

Mr. FROST. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin [Mr. OBEY], the ranking member of the Committee on Appropriations.

Mr. OBEY. Mr. Speaker, I would again urge defeat of this rule so that this bill could be sent back to conference and we can get serious about deficit reduction. As every Member of this House knows, we are being asked in virtually every domestic arena to make incredibly tough cuts that will squeeze people out of opportunity for a decent education; we are being asked to squeeze people who are on family farms; we are being asked to make savage reductions in environmental protection laws of the country; we are being asked to make huge reductions in Medicare; we are being asked to eliminate the protections that seniors now have so that when one partner goes in a nursing home the other does not have to go bankrupt before they can qualify for Medicaid.

Mr. Speaker, we are being asked to swallow all of that, and yet we are being asked to swallow a defense appropriations bill which does the following: We have a half billion dollars in here as a downpayment for more B-2 bombers than the Pentagon wants to buy. Just the cost of one of those B-2 bombers would pay the tuition for every single undergraduate at the University of Wisconsin for the next 12 years.

We are having a big controversy in our State about whether or not the State should buy a new stadium for the Milwaukee Brewers. Just the cost of one B-2 bomber would pay for four of those stadiums with a dome, and yet we will go ahead and build and buy those new B-2 bombers.

We have a half billion dollars extra in here for star wars that the Secretary of Defense says is unneeded. We have another $350 million for C-130 aircraft built in Georgia for which the military cannot even identify a military requirement. We have a number of other items. We have $2.4 billion for a new fighter to be built in Georgia, the F-22, which the GAO has repeatedly recommended should be put on hold for at least 7 years because we already have hundreds and hundreds of F-15's, the best fighter plane in the world.

And speaking of F-15's, Mr. Speaker, this bill also buys six new ones that the Pentagon did not ask for at a cost of $300 million. And yet the supporters of this bill pretend that they are going to abide by the budget limits in the Kasich budget resolution.

There is a very well kept secret in the defense portion of this budget. The secret is that the Kasich budget resolution in the 7th year winds up taking the military budget below that of President Clinton. The problem is, if we buy every new weapon system in this bill, we will never be able to live within that budget ceiling imposed by the Kasich budget resolution. And so what this bill represents is the first shot fired in the effort to blow the lid off the budget ceilings in the Kasich budget resolution with respect to military spending in this country over the next 7 years.

Mr. Speaker, I would suggest there are an awful lot of reasons to vote against this bill. The best reason is simply that we cannot seriously uphold the budget limitations in the Kasich budget resolution for the defense portion of the budget if we vote to pass this bill and turn it into law. The White House is absolutely correct to say that this bill is going to be vetoed in its present form. I think the President has no choice if he wants to impose fiscal prudence on all parts of the Federal budget.

Mr. GOSS. Mr. Speaker, I yield such time as he may consume to my colleague, the distinguished gentleman from Florida [Mr. YOUNG], the chairman of the appropriations subcommittee.

Mr. YOUNG of Florida. Mr. Speaker, I thank the gentleman for yielding me time, and I take this time just to maybe clear up a misperception that the gentleman from Wisconsin [Mr. OBEY] might have created in his statement.

We are within the budget limits. As a matter of fact, if the gentleman will recall when the bill was on the floor, we were $2.2 billion below the armed services authorized level. When we went to conference, actually during the conference, we were presented with an additional cut in our 602(b) allocation, so we have been coming down, since the first of the year, from the numbers that we thought we should have. We have been coming down in a very dramatic way.

The gentleman talked about several areas where we could do this or that if we did not build a particular airplane or ship or whatever. Let me make this case. If we were to freeze the level, as he suggested, what that would do is keep us basically at last year's level and provide for the pay raise that we have promised our men and women who serve in the military. If he wants further cuts, the Defense Department would like to cut the program for breast cancer. They do not want to spend the breast cancer money for the purpose we appropriated. We are going to insist that they spend it.

Mr. Speaker, just in the interest of time, and the Members have other things to do today, I would like to say this. We can stand here with a long list of things that we could do if we did not have a Defense Department or if we did not built a ship or if we did not buy an airplane or if we did not pay the troops an increase in their salaries. But most of those things can actually be done by the State governments through block grant programs with their own funds or by the local governments. But, Mr. Speaker, if there is one thing that State governments cannot do, or one thing that local governments cannot do, that is to provide for the national defense, the national security and the intelligence requirements of the United States of America. The Congress and the President, as Commander in Chief, that is our obligation. And the bill that this rule provides for meets that obligation in a very straightforward way.

Mr. Speaker, this is not a political bill. There are no big pork projects in here. There was a rule that I applied at the subcommittee level that any item in this bill had to have military application, number one, or there had to be a requirement for it. Military application by itself would not do it, there also had to be a requirement.

Mr. Speaker, this is actually a good bill. This is a good defense bill, and there is no reason why it cannot pass the House and the Senate and be signed by the President, who, incidentally, his press aide today, in a press conference, indicated they had not decided to veto this bill. We have reason to believe that we can persuade the President, who claims to be a strong national defense President, to sign this bill because that is what this bill is.

Mr. FROST. Mr. Speaker, the gentleman from Wisconsin [Mr. OBEY] has requested 1 additional minute in response to some remarks that the previous gentleman just made, and I yield 1 minute to the gentleman from Wisconsin.

Mr. OBEY. Mr. Speaker, the gentleman from Florida [Mr. YOUNG], compulsively mentions the question of military pay every time someone dares to question the total dollar amount in any of these appropriation bills. Let me stipulate I know of not a single person in this House who does not want to see the full military pay increase go through. It will. We have $243 billion in this bill.

□ 1645

We are suggesting this bill is $7 billion over where it ought to be. That still leaves $236 billion in this bill. The first dollars that will go out under that bill, whenever it is signed, will go for pay. There is no action that any Member is going to be taking to eliminate in any way any of the contemplated pay increase for our military personnel, and the gentleman ought to know better than to suggest otherwise.

Mr. GOSS. Mr. Speaker, I do not have any further speakers at this time.

Mr. FROST. Mr. Speaker, I yield back the balance of my time and I urge a vote for the rule.

Mr. GOSS. Mr. Speaker, I will only say that this vote is about the rule. It is a good rule. It is a fair rule. They do not get any simpler or better, when we come to rules.

Mr. Speaker, I urge support for the rule.

Mr. Speaker, I yield back the balance of my time and I move the previous question on the resolution.

The SPEAKER pro tempore (Mr. HEFLEY). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. YATES. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 284, nays 139, not voting 11, as follows:

[Roll No. 694]

YEAS—284

Abercrombie
Ackerman
Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bentsen
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cardin
Castle
Chambliss
Christensen
Chrysler
Clayton
Clement
Clinger
Clyburn
Coble
Coleman
Collins (GA)
Combest
Condit
Cooley
Costello
Cox
Cramer
Crane
Cremeans
Cunningham
Davis
de la Garza
Deal
DeLauro
DeLay
Diaz-Balart
Dickey
Dicks
Dixon
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehlers
Ehrlich
English
Ensign
Eshoo
Everett
Farr
Fawell
Fields (TX)
Flanagan
Foley
Ford
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Gallegly
Ganske
Gejdenson
Gekas
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Gunderson
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hefley
Hefner
Heineman
Herger
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Houghton
Hunter
Hyde
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Kaptur
Kasich
Kelly
Kennedy (RI)
Kennelly
Kim
King
Kingston
Klink
Klug
Knollenberg
Kolbe
Lantos
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lightfoot
Lipinski
Livingston
LoBiondo
Longley
Lucas
Martini
Mascara
Matsui
McCollum
McCrery
McDade
McHale
McHugh
McInnis
McIntosh
McKeon
McNulty
Meek
Menendez
Meyers
Mica
Miller (FL)
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Neal
Nethercutt
Neumann
Ney
Nussle
Oberstar
Ortiz
Oxley
Packard
Pallone
Parker
Paxon
Payne (VA)
Peterson (FL)
Petri
Pickett
Pombo
Porter
Portman
Pryce
Quillen
Quinn
Radanovich
Ramstad
Reed
Regula
Richardson
Riggs
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Royce
Sawyer
Saxton
Scarborough
Schaefer
Schiff
Scott
Seastrand
Sensenbrenner
Shaw
Shays
Shuster
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (TX)
Solomon
Spence
Spratt
Stearns
Stenholm
Stockman
Stump
Talent
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thornton
Thurman
Traficant
Upton
Visclosky
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Ward
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—139

Baker (CA)
Baldacci
Barcia
Barrett (WI)
Becerra
Beilenson
Bereuter
Berman
Bonior
Brown (OH)
Brownback
Bryant (TN)
Bryant (TX)
Chabot
Chenoweth
Clay
Coburn
Collins (IL)
Collins (MI)
Conyers
Coyne
Crapo
Cubin
Danner
DeFazio
Dellums
Deutsch
Dingell
Doggett
Emerson
Engel
Evans
Ewing
Fattah
Fazio
Fields (LA)
Filner
Flake
Foglietta
Forbes
Frank (MA)
Funderburk
Furse
Gephardt
Graham
Green
Gutierrez
Hayworth
Hilleary
Hilliard
Hinchey
Hoyer
Hutchinson
Inglis
Istook
Jackson-Lee
Jacobs
Jefferson
Johnston
Jones
Kanjorski
Kennedy (MA)
Kildee
Kleczka
LaFalce
LaHood
Levin
Lewis (GA)
Lewis (KY)
Lincoln
Lofgren
Lowey
Luther
Maloney
Manton
Manzullo
Markey
Martinez
McCarthy
McDermott
McKinney
Meehan
Metcalf
Mfume
Miller (CA)
Mineta
Minge
Mink
Myrick
Nadler
Norwood
Obey
Olver
Orton
Owens
Pastor
Payne (NJ)
Pelosi
Peterson (MN)
Pomeroy
Poshard
Rahall
Rangel
Roybal-Allard
Rush
Sabo
Salmon
Sanders
Sanford
Schroeder
Schumer
Serrano
Shadegg
Smith (NJ)
Smith (WA)
Souder
Stark
Stokes
Studds
Stupak
Tate
Thompson
Tiahrt
Torres
Torricelli
Towns
Velazquez
Vento
Waters
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
White
Williams
Woolsey
Wyden
Wynn
Yates

NOT VOTING—11

Chapman
Greenwood
Linder
Reynolds
Rivers
Sisisky
Tejeda
Torkildsen
Tucker
Volkmer
Wise

□ 1708

Mr. LEWIS of Kentucky, Mrs. SMITH of Washington, and Messrs. BRYANT of Tennessee, HILLEARY, LUTHER, OWENS, EWING, ISTOOK, FAZIO of California, and ORTON, Ms. PELOSI, Mr. SALMON, Ms. JACKSON-LEE, Mr. BARCIA, and Mr. EMERSON changed their vote from "yea" to "nay."

Mr. ABERCROMBIE, Mrs. CLAYTON, and Messrs. WAMP, ENSIGN, and CHRISTENSEN changed their vote from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

WAIVING POINTS OF ORDER AGAINST CONFERENCE REPORT ON H.R. 1977, DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 1996

The SPEAKER pro tempore (Mr. HEFLEY). The pending business is the question de novo on agreeing to House Resolution 231.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. BEILENSON. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This is a 5-minute vote.

The vote was taken by electronic device, and there were ayes 251, noes 171, not voting 12, as follows:

[Roll No. 695]

AYES—251

Allard
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehner
Bonilla
Bono
Brewster
Browder
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clement
Clinger
Coble
Coburn
Collins (GA)
Combest
Condit
Cooley
Costello
Cox
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Diaz-Balart
Dickey
Dicks
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Ford
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Geren
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Gordon
Goss
Graham
Greenwood
Gunderson
Gutknecht
Hall (TX)
Hamilton
Hancock
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Horn
Hostettler
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Lincoln
Livingston
LoBiondo
Longley
Lucas
Manton
Manzullo
Martini
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Molinari
Mollohan
Montgomery
Moorhead
Morella
Murtha
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Oxley
Packard
Parker
Paxon
Petri
Pombo
Porter
Portman
Pryce
Quillen
Quinn
Radanovich
Ramstad
Regula
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Skeen
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stenholm
Stockman
Stump
Talent
Tate
Tauzin
Taylor (NC)
Thomas
Thornberry
Traficant
Upton
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)
Zeliff

NOES—171

Abercrombie
Ackerman
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Beilenson
Bentsen
Bereuter
Berman
Boehlert
Bonior
Borski
Boucher
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Cardin
Clay
Clayton
Clyburn
Coleman
Collins (IL)
Collins (MI)
Conyers
Coyne
Danner
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Dingell
Dixon
Doggett
Dooley
Durbin
Edwards
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Flake
Foglietta
Forbes
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gibbons
Gonzalez
Green
Gutierrez
Hall (OH)
Harman
Hastings (FL)
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Lofgren
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Schumer
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Spratt
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Taylor (MS)
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NOT VOTING—12

Chapman
Houghton
Linder
Mfume
Reynolds
Rivers
Sisisky
Tejeda
Torkildsen
Tucker
Volkmer
Wise

□ 1716

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 2275

Mr. MARTINEZ. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor from the bill, H.R. 2275.

The SPEAKER pro tempore (Mr. HEFLEY). Is there objection to the request of the gentleman from California?

There was no objection.

APPOINTMENT OF MEMBER TO BRITISH-AMERICAN INTERPARLIAMENTARY GROUP

The SPEAKER pro tempore (Mr. BUNN of Oregon). Without objection, and pursuant to the provisions of section 168(b) of Public Law 102-138, the Chair announces the Speaker's appointment of the following member to the British-American interparliamentary group on the part of the House: The gentleman from Nebraska [Mr. BEREUTER].

There was no objection.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

INTRODUCTION OF H.R. 2350, THE PATIENT CHOICE AND ACCESS ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oklahoma [Mr. COBURN] is recognize for 5 minutes.

Mr. COBURN. Mr. Speaker, as Congress begins its consideration of reforming Medicare, I want to bring to the attention of my colleagues, perhaps the most important component of the Medicare reform debate. What must we do to ensure the quality of care that Medicare patients will receive after changes are made to the program?

While all of us in Congress are deeply concerned about the solvency of the Medicare trust fund, we must be equally concerned that the changes made to this program do not adversely affect the availability of health care to the elderly. As a practicing physician, I have spoken with my patients; and as a Member of Congress, I also have heard from thousands of my constituents. Their message is a clear one. Any Medicare reform proposal must guarantee patient choice and access quality. It must not result in a decline in the quality of care Medicare patients now receive.

For the last several months, I have been working closely with the patient access to Specialty Care Coalition, a group of 115 patient, senior citizen, physician, and nonphysician organizations, dedicated to the principle that patients must be able to access the providers of their own choice. This week, I introduced H.R. 2350, the Patient Choice and Access Act, a bill to provide protection to beneficiaries enrolled in the Medicare Program. Throughout the process of crafting a Medicare reform bill, I have been urging the House leadership to include my patient protection provisions.

The cornerstone of the current Medicare law is choice of health care provider. Presently, there is a belief that the Federal Government can save money by enrolling seniors into managed care deliver systems. And I agree how such changes can produce dramatic Federal savings. I am not opposed to the concept of managed care or a gatekeeper model. Instead, I want to make sure that quality of care for seniors is preserved, should most of the elderly population be moved into managed care. In addition, I have deep concerns about how these proposed changes in Medicare may affect my rural constituents.

Today, many major changes are taking place in the way people purchase health insurance and receive medical care. The pressures to reduce health spending continues to be intense, and health plans and providers have become more aggressive in their cost containment activities. While many health plans have developed a number of effective techniques to achieve economy and maintain quality of care, others have not always achieved that balance. Since Medicare is a federally funded program, we should make sure that these tax dollars are returned to Medicare enrollees in the form of appropriate patient care.

After changes are made to Medicare, many existing and new products will be offered to the Medicare population. Our most vulnerable population will be flung into a fiercely competitive marketplace, where access to appropriated medical services may take a back seat. I believe that in this rapidly changing environment, Medicare patients must be given basic rights and effective protection against the potential that these new markets may inappropriately restrict access to medically necessary health care services.

My legislative proposal addresses these concerns, and it puts the patient first, not the doctor, not the insurance company, but the patient. My bill is designed to improve and enhance health care to our country's senior citizens. It will not add to the cost of the Medicare Program. Under my legislation, all patients will have the option to seek the out-of-network treatment they desire no matter what health care plan they select.

True freedom of choice for patients can only be achieved by making out-of-network medically necessary treatment and services available for all health care plans. Real health care security is the freedom for patients to choose their own primary and specialty care provider, and then to continue to access these same caregivers. All patients should have the option, at an additional copayment known in advance, to seek the out-of-network treatment they desire. This point-of-service feature should be built into every health care plan, and not just offered as an option at the time of enrollment.

Patinets, especially seniors, are acting with less than perfect information about their health status at the time of enrollment. In reality, patients are unable to assess their health care needs, until they actually get sick or need specialty care. Consequently, the broadest possible patient protection is to build choice of health care provider into every health care plan.

The most effective check against abuses in this changing marketplace is the patient's power to go outside the network established by the health plan and obtain medical services. Health plans that provide good service to their enrollees will not be troubled by this requirement. Only health plans that fail to meet the needs of their subscribers will be affected.

Making out-of-network treatment and services available for enrollees in all health care plans provides a very good quality assurance check. It ensures that all health care plans provide seniors with the health care they need and deserve. If a Medicare enrollee is not satisfied with care, he or she could pursue other treatment for a reasonable, but not cost-prohibitive price.

Today, the fastest growing health insurance product is a managed care plan with the availability of out-of-network coverage. Patients have been demanding this freedom to choose, and the marketplace has responded. Requiring this type of plan for any senior is not intrusive, but rather advances a developing trend.

Building a point-of-service feature into all health plans under Medicare will not affect any health plan's ability to be aggressive in their cost-containment activities, nor will it limit their efforts to encourage providers and patients to use health care resources wisely. It will simply put pressure on health plans to keep the patient's welfare uppermost on their agenda, ahead of dividends and the bottom line.

The managed care industry has consistently claimed that a point-of-service feature in all health plans would greatly increase the cost of doing business. This assertion is simply not true. The point-of-service feature is not costly. According to a cost-impact study released this year by the actuarial firm of Milliman and Robertson, Inc., at the request of the Patient Access to Specialty Care Coalition, a point-of-service feature built into all managed care plans would place no financial burden on these plans.

Moreover, in testimony before the Congress this year, the Congressional Budget Office stated that requiring a point-of-service feature would not add to the Federal Government's cost of the Medicare Program. Instead, the cost is covered by patients, who expect to bear some additional expense for this point-of-service feature. This cost, however, is not great, and it is a simple actuarial calculation to determine a reasonable copayment. My legislation calls for the managed care plan to share with its potential enrollees the cost schedule for going out of network.

My legislation contains additional provisions to ensure that patients receive the full range of health care services to which they are entitled. It assures access to specialty care, and provides Medicare patients with an enrollee information checklist so they can have adequate and important information to compare the quality of all health care plans offered to seniors. Also, it includes several Medicare patient rights provisions, and a streamlined rapid appeals process within a health care plan, when there has been a denial of care. Finally, my bill places a ban on provider financial incentive schemes which result in the withholding of care or a denial of a referral.

My legislation does not include any provider protection and is not an any-willing-provider bill. Any-willing-provider provisions deal with the contractual relationships between health plans and providers of medical services. The focus of my bill is on patient choice and the health care rights of Medicare enrollees.

Mr. Speaker, H.R. 2350, the Patient Choice and Access Act of 1995, offers Medicare enrollees real choice and real patient protection. It will give the Medicare patient effective protection against the potential for restricting access to medically necessary health care services. Finally, it will provide a quality assurance check on all health care plans to make sure that they are providing the full range of health care services to their enrollees.

I urge my colleagues in the Congress to cosponsor this bill, and to join with me in my efforts to include these provisions in a Medicare reform proposal. Only if this patient component is included in Medicare reform legislation can we be able to say that we have worked to achieve quality health care and Medicare enrollees protection, and preserved patient freedom of choice in selecting health care providers.

SUPPORT REPEAL OF THE DAVIS-BACON ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina [Mr. BALLENGER] is recognized for 5 minutes.

Mr. BALLENGER. Mr. Speaker, Congress is under increasing pressure to balance the budget. The taxpayers are demanding that Government be more efficient and held accountable for the expenditure of their hard-earned tax dollars. The Davis-Bacon Act is the perfect example of a law that is expensive, unnecessary, and difficult to administer. The act must be considered in light of its economic effects as well as its objectives.

The Davis-Bacon Act has long since outlived any usefulness it may have had. The rationale for special wage protection was never very persuasive but the act remains law, adding millions and millions of dollars to Federal construction costs.

Davis-Bacon was enacted to discourage non-local contractors from securing Federal construction jobs by hiring cheap labor from outside of the project area. Proponents of the legislation complained that this practice was disruptive to the local wage structure. When the act was passed 64 years ago, there was no Federal minimum wage or other labor laws with protections for workers. Since that time, Congress has enacted numerous laws to protect the wages and working conditions of all workers, including construction workers.

The taxpayers are the real losers under the Davis-Bacon Act. Some $48 billion of construction spending annually falls under the Act's coverage. In effect, Davis-Bacon is a tax on construction. For example in Baltimore, the Davis-Bacon requirements add between 5 and 10 percent to the costs of inner city housing. Davis-Bacon effectively wipes out much of the good that banks do when they provide lower interest rate loans to such projects.

Clearly, Davis-Bacon drives up construction costs. Electricians in Philadelphia who are working on a Davis-Bacon project are paid about $37 an hour compared with electricians on a private contract who are paid an average of $15.76 an hour. Companies can not stay in business paying $15 to an employee who is worth $6. If companies have to pay $15 per hour, they are going to hire skilled workers, thus effectively shutting out those who need the opportunity to acquire job skills and work experience.

The total cost of Davis-Bacon extends to State and local government construction programs, this having the same practical implications as an unfunded mandate. Davis-Bacon is particularly burdensome in the area of school construction, by restricting the ability of school districts to reduce construction costs. For example, the cost to build two schools and an academic center in Preston County, WV, could have been reduced by one-third or $1.9 million dollars, had the projects been exempt from Davis-Bacon. The savings could have been realized for the taxpayers or used in other ways through the educational system.

There are additional costs to Federal agencies, which must collect, process, and disseminate thousands of wage rates. Likewise, there are direct costs to contractors who must comply with the recordkeeping and paperwork requirements under the Copeland Act. Compliance costs to the industry total nearly $100 million per year, money which could be better spent creating additional jobs.

Recently, an investigative report was released which detailed fraud in the survey process used by the Department of Labor to determine prevailing wages in certain areas in Oklahoma. The report uncovered numerous instances of interested parties claiming phantom projects and ghost employees, all with the intent of inflating the official wage rates issued by the Department of Labor. In some cases, employees were allegedly paid $5 to $10 an hour more than actual market wages in the area. After repeated demands by local authorities and the involvement of members of the Economic and Educational Opportunities Committee, the Department of Labor revoked the wage determinations in Oklahoma City and Tulsa because of the allegations of fraudulent data. Scandals of this nature erode public confidence in the Government procurement process.

Repeal of the Davis-Bacon Act would have the taxpayers $2.7 billion over 5 years. It would allow the Federal Government to get more construction for the money, or to get the planned construction done for less money. Over 4,000 petitions were sent to Congress from taxpayers across the country supporting repeal of the Davis-Bacon Act. Last November, the voters sent a message to Washington. They want to end Government that is too big, costly, and intrusive. I urge my colleagues to support repeal of the Davis-Bacon Act.

□ 1730

REMOVAL OF NAME OF MEMBER AS A COSPONSOR OF H.R. 2072

Mr. FOX of Pennsylvania. Mr. Speaker, I ask unanimous consent to remove my name as cosponsor of H.R. 2072.

The SPEAKER pro tempore (Mr. BUNN of Oregon). Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

CERTAIN POLITICAL METHODS DESTRUCTIVE TO CONGRESS

(Mr. JOHNSON of South Dakota asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JOHNSON of South Dakota. Mr. Speaker, recently it became publicly known about an e-mail directive from the leadership of the Republican Party that sheds light on the political methods being used as we work on our agricultural portion of reconciliation. It lays bare political methods which, frankly, are destructive to this institution, destructive far beyond simply the agricultural issues which it directly addresses. It is the leadership saying, "You've got to pass our version of agricultural reconciliation, one that involves three times the cuts that are needed to reach a zero deficit, and if you don't, individual Members will lose committee memberships. The committee chairmanships will be lost. In fact, the entire House Committee on Agriculture could be abolished."

This is the sort of heavy-handed leadership that does not serve this institution well. We have difficult decisions to be made, but if we pull together in a bipartisan fashion, using the strengths of House Committee on Agriculture, I am confident that through the course of the debate this year we can in fact arrive at a point where we are helpful to family farms, helpful to the budget deficit, and it is done in a fair and open manner.

THE GINGRICH MEDICAID PLAN WILL PAY FOR TAX CUTS FOR THE WEALTHY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. BROWN] is recognized for 5 minutes.

Mr. BROWN of Ohio. Mr. Speaker, late last week the Committee on Commerce passed the Gingrich Medicaid plan. There were no hearings on this bill similar to the restricted small number of hearings, one hearing in fact, on Medicare. There were no hearings on the Gingrich Medicaid plan. The plan was given to us, the actual legislative language, was given to us less than 24 hours before the hearing. There was no public input, because no one anywhere from the country really knew much about the plan, and members of the committee on both sides, Republicans and Democrats, had little opportunity to read the bill and to become familiar with the details of the Gingrich Medicaid plan.

Unfortunatelyd, though, Mr. Speaker, that Gingrich Medicaid plan cuts Medicaid money that goes for nursing homes for the middle class and all of our parents, many of our parents and grandparents. It is money for children in Health Hill Hospital in Cleveland, many poor kids, many middle-class kids, upper-class kids that have been injured in tragic accidents, with serious brain damage, whose families are saddled with $20,000 a month hospital bills. That is paid for with Medicaid. It is funding for poor children for prenatal care, for well baby care, for all the kinds of things that are important in our society.

Nonetheless, that $180 billion cut in the Gingrich Medicaid plan is going to be used to pay for tax cuts for the rich. Equally as unfortunate, this bill and this Gingrich Medicaid plan in the committee on commerce, everything passed by a party line vote. They eliminated quality care standards in nursing homes on a party line vote, coming down from Gingrich's plan that was simply approved on a party line vote. They eliminated breast cancer services, mammograms and other breast cancer services, again on a party line vote. They eliminated prenatal care and well baby care and protection for children, again, those programs on a party line vote, all ratifying what the Gingrich Medicaid plan had written.

There is an old Mark Twain line said many years ago, that when two people think alike all the time, one of them ain't doing much thinking. Unfortunately, that is what this Gingrich Medicaid plan is all about. It was a plan not written by the committee, not written with public input, not having any hearings held for the public to understand it, to learn about it, to talk about it, to persuade Members of Congress that this might be good or that might be bad. It was simply a piece of legisation handed down and voted on quickly.

What is particularly of concern to a lot of us on that committee that oppose this $180 billion in cuts for Medicaid in order to pay for tax breaks for the wealthiest Americans is that these quality care standards for nursing homes were eliminated; where we can remember 10 years ago, 20 years ago, reading in the paper almost every month some scandal in a nursing home, some number of patients were abused and restrained and medicated, and people that were about as defenseless as anybody in society, people that are typically very old in nursing homes and cannot take care of themselves, and the Federal Government enacted standards to make sure that those kinds of abuse do not take place in nursing homes.

Now we are saying it is OK for the States, it is OK for local governments, it is OK for these nursing homes, to not live up any longer to these Federal standards.

The same with breast cancer services. My part of America, northeast Ohio, has one of the highest breast cancer rates in the country. I am concerned when the Federal Government says, "No longer is Medicaid going to cover breast cancer services, mammograms." First, that is inhumane, not to cover mammograms. Second, it is just stupid. The Republicans simply have failed Economics 101. If you do not detect breast cancer early, you are going to pay a lot more for a lumpectomy or a mastectomy, and the Government is going to end up paying for it. It is inhumane, and it is just bad economics not to move forward and continue to cover those breast cancer services.

This money will be turned over to the States in the form of block grants, this money, again this shrinking number of dollars, in order to pay for tax breaks for the wealthy. This shrinking number of dollars will be grabbed up by as many interest groups in the States as possible. Nursing homes will have the first round, the first shot, at so many of these dollars as they shrink. And because nursing homes are better organized and better lobbyists and more effective and a stronger interest group on the State level than are groups that might advocate breast cancer services or groups that might advocate on behalf of nursing home patients, that money will likely go to those interest groups that fight for a wealthy group of people rather than people that really do represent those women that have breast cancer, represent those people that are victims of problems and care in nursing homes.

Mr. Speaker, it simply does not make sense to make these cuts all to pay for tax cuts for the wealthy.

WITHDRAWAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 497

Mr. SAXTON. Mr. Speaker, I ask unanimous consent that my name be withdrawn as a cosponsor of H.R. 497.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

HONORING DR. DON JOHNSON

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. NORWOOD] is recognized for 5 minutes.

Mr. NORWOOD. Mr. Speaker, I come to the well today for a very pleasant task, to honor a friend of mine, but I cannot even come and do that without correcting the comments of the previous speaker.

I, too, am on the Committee on Commerce. We held so many Medicaid hearings, I am not sure of the number, but I think it was 8 to 10, somewhere in that area. The gentleman talked of cuts in Medicaid. Let me tell the Members something. The State of Georgia is going to get a 7.2-percent increase next year in Medicaid spending, and in 1997 a 9-percent increase in Medicaid spending, so I apologize that I have to bring that up, but I would like for the American people to hear the truth.

Mr. Speaker, I come to the floor today to talk about a great American. Next week, Dr. Don Johnson will end his reign as president of the International College of Dentistry. It is the crowning achievement of one man's tremendous career, a man I am very proud to call my friend.

Don is a Georgian through and through. He was born and raised in Atlanta. He graduated from the Emory University School of Dentistry in 1961 and has been a practicing dentist ever since. He continued to contribute to his alma mater as a member of Emory's Board of Visitors.

There are two things that have always amazed me about Don. He has been a visionary in the dental field, and he has a boundless energy to contribute to his profession.

I recently had the opportunity to go back and read an interview with Don that appeared in the Georgia Dental Association's Newsletter. I was astounded at how insightful his comments were. Don was able to see in 1986 where the dental profession needed to be in 1996. He foresaw the problems in dentistry today that were only smoldering 10 years ago.

Don is a man with tremendous energy. He has run a successful dental practice for many years, yet he has still found the time to volunteer in service to his profession. He is a former president of the Georgia Dental Association, a former president of the Northern District Dental Society, and a former president of the Hinman Dental Society. He is a fellow of the American College of Dentists, the International College of Dentists, and a member of the eminent Pierre Fauchard Academy. In 1988, he was named the "Man of the Year in Dentistry" by the Northern District Dental Society. He has published numerous scholarly articles and presented many technical papers at dental conferences. He has done all this while running his practice and raising two daughters, serving in his church, and on top of all that he is an accomplished airplane pilot.

Mr. Speaker, It is my pleasure today to bring before you the accomplishments of Dr. Don Johnson of Atlanta, GA, president of the International College of Dentists, and a great American.

TOO MUCH GOVERNMENT DOESN'T WORK

The SPEAKER pro tempore. Under a previous order of the House the gentleman from Tennessee [Mr. DUNCAN] is recognized for 5 minutes.

Mr. DUNCAN. Mr. Speaker, a few days ago Ann McFedders, of the Scripps-Howard newspaper chain, wrote this: "Americans are right to be disgusted with government right now. Events of recent days are alarming. They should be a warning to all politicians, police officials, and anyone hired by government." That woman has walked the straight and narrow, do not take short cuts, do not rationalize. She said, "It is time to rethink the role of government." She was writing primarily about the horrible events at Waco and Ruby Ridge, But let me read her words again. "Americans are right to be disgusted with government right now. Events of recent days are alarming." She said, "It is time to rethink the role of government."

William Raspberry, the very fine syndicated columnist for the Washington Post, wrote several months ago about some travels he had made around the country. He said, what were the people saying to him as he went around the Nation. He said this:

> It sounds very much like it doesn't work. Government doesn't work. It costs more and becomes more intrusive with each passing year, but hardly anywhere can it be said that it is performing better. The trash cans get bigger, the refuse separation rules more onerous, but the streets and alleys aren't any cleaner. Criminal justice costs keep going up, but the neighborhoods aren't safer.

> Schools become increasingly expensive, and increasingly ineffective. Government doesn't work.

□ 1745

Those are the words of William Raspberry. These are not the words of any conservative Republicans.

I grew up in a political family, and I have been following governing and politics closely since my early teenage years. I do not believe; in fact, I am certain that I have never seen a time where there has been so much dissatisfaction, disgust, disappointment, disenchantment, frustration, resentment, even anger, toward government, in general, and toward the Federal Government, in particular, as there is today.

As a conservative Republican, I have two reactions to this. First, I am sorry that things have gotten to the point that they have that so many people feel this way. But second, I also must tell you that in a way, I believe this is a good sign for our future. If government can solve all of our problems, the Soviet Union would have been heaven on Earth. Instead, every place where the people have allowed the government or their governments to get too big, they have ended up suffering and living under horrible conditions.

So perhaps it is a good sign that so many people in such a clear, strong majority no longer believe in big government or no longer believe that government can solve all of our problems.

Why are people so angry toward government today? Well, I believe it is because the Federal Government has become one that is of, by and for the bureaucrats instead of one that is of, by and for the people. Too often today our public service has become public high living, high salaries, high pensions, plush offices, short hours. Most importantly, and perhaps worst of all, unaccountability for huge and very costly mistakes. Our servants have become our rulers. The people are really fed up today. They are disgusted with the waste, the lavish spending, the arrogance.

Paul Greg Roberts, another nationally syndicated columnist, wrote this recently. He said:

> Six months after the inauguration of the new Republican Congress, it has become apparent that the most important issues facing the country are not economic. Without a doubt, high taxes, profligate government spending and welfare dependency are problems sorely in need of the attention focused on them. But the real question is whether Congress can reclaim the law from unelected bureaucrats and judges.

He also said this:

> In the 20th century, there has been a coup against self-rule by bureaucrats and judges. Federal bureaucrats have usurped statutory law with regulations that lack legislative basis.

I think these words of Paul Greg Roberts are right. He went on in this column to say:

> In the coming months we will discover whether the Republican Congress can do something that the Democratic Congress failed to do for 40 years: Hold government accountable to the people. This, not the size of the Federal budget, is the ultimate test of whether it matters which party controls Congress.

He said:

> The problem in America is not that the budget is out of control, but that the government is.

There are so many examples that I could give of the fact that the government has come under the control of bureaucrats. One of the best came up recently in regard to the National Reconnaissance Office. It came out last year that they had spent $310 million building a new building that nobody knew about, a 1 million square foot building, $310 a square foot.

I would simply say this. It is time that we give the government of this country back to the people of this country and remind the Federal bureaucracy that they are working for us, and not us for them.

IT IS TIME TO REPEAL THE DAVIS-BACON ACT

The SPEAKER pro tempore (Mr. BUNN of Oregon). Under a previous order of the House, the gentleman from Michigan [Mr. HOEKSTRA] is recognized for 5 minutes.

Mr. HOEKSTRA. Mr. Speaker, I appreciate the opportunity to address the House this evening.

Earlier today the Education and Economic Opportunity Committee did something that the General Accounting Office suggested we do in 1979: We began the process for eliminating the Davis-Bacon Act. Davis-Bacon is not right for America in the 1990's. It might have served a role in 1931 when it was originally formatted, but today, it is an outdated law. It has to be changed.

What Davis-Bacon requires is that workers on Federal construction projects be paid a wage at or above the level determined by the Department of Labor to be the prevailing wage in the area. Since 1937, the prevailing wage provision has been extended by many statutes to involve construction, financed in whole or in part by the Federal Government.

In 1979, the General Accounting Office recommended the repeal of the Davis-Bacon Act. They stated that it appeared to be impractical to administer. Davis-Bacon is impractical to administer due to the magnitude of the task of producing an estimated 12,400 accurately and timely generated prevailing wage determinations.

Mr. Speaker, what we have here is the Department of Labor trying to determine prevailing wages in specific job categories around the country for every county. It does not make any sense in 1995. Prevailing wages can be determined very effectively through the competitive bidding process.

I would like to yield to my colleague from Michigan [Mr. SMITH] to just give us an example of what happens when the Department of Labor tries to determine prevailing wages throughout the country.

Mr. SMITH of Michigan. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I would like to give a quote from George Will. He says:

> Although there is stiff competition for the title, 'Dumbest Thing the Government is Doing,' a leading candidate is the government's refusal to repeal the Davis-Bacon Act.

Mr. Speaker, guess who said this? Milton Friedman:

> Davis-Bacon is not outdated; it never made sense. From the outset, it was special interest legislation designed to have the taxpayers provide a subsidy in concealed form to members of the construction unions and to the union leaders. It never should have been enacted, and it should be repealed.

Mr. HOEKSTRA. Mr. Speaker, let me also just inform some of my colleagues of what is happening. In the State of Oklahoma, two wage analysts have been responsible for handling the data submitted to and generated by the Department of Labor for the 11-state region that includes Oklahoma. What has happened in Oklahoma?

In mid August the U.S. Department of Labor faxed copies of 49 WD10s. This is the form that various people voluntarily submit to the Federal government. It was indicated that several of the projects were entirely bogus and virtually all of the submitted forms contained grossly inflated or otherwise inaccurate information. The end result: Taxpayers end up paying more for construction than they otherwise would have to.

Among the bogus WD10 forms is a form indicating the use of seven asphalt lay-down machines and seven roller finishers for an Internal Revenue Service building in downtown Oklahoma City. In reality, the parking lot is very small, fewer than 30 total spaces, and is made of concrete, not asphalt. A bogus form intended solely to drive up the rates on the prevailing wage scale.

Specifically in the case of the asphalt lay-down machine operators, the bogus wage and fringe benefits were 44 percent higher than the union collective bargaining agreement and 30 percent higher than the prevailing wage rate in existence at that time. A clearly fraudulent attempt to take money from the American taxpayers.

At best, in 1995, the Davis-Bacon wage rates reflect a 7-year-old reality. The average prevailing wage study is 7 years old. At worst, they reflect a fraudulently manipulated wage well above market rates.

We do not need to reform Davis-Bacon. It cannot be reformed. It cannot be fixed. It does not make sense in 1995. It did not make sense in 1931. Mr. Speaker, I yield to my colleague from Michigan.

Mr. SMITH of Michigan. Mr. Speaker, for example, electricians in Philadelphia average $15.76 per hour on private contracts, but the prevailing wage for them is $37.97. There are many similar examples, as you point out.

Mr. HOEKSTRA. Mr. Speaker, we need only use the same wage determiner as used in the Private sector, which is supply and demand. Only the market can accurately set wages that reflect reality.

CONGRESS NEEDS MORE HEARINGS ON MEDICARE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. BARCIA] is recognized for 5 minutes.

Mr. BARCIA. Mr. Speaker, the debate on Medicare has spiraled out of control. To cut $270 billion from this senior program, without proper debate and substantial information, will only hurt the future of the program.

Medicare is one of most critical issues that Congress will consider this year. It only makes sense to hold hearings, and discuss changes with not only Members but also with seniors who will be greatly impacted by these changes. It is unthinkable that senior's access to health care will be reduced or eliminated without allowing them a chance to voice their opinions.

I continue to hear from hundreds of seniors in my district, urging me to protect their benefits. They are worried their small monthly incomes will not allow them to pay higher fees for Medicare. I have even heard from older Americans who are not yet eligible for Medicare. They are telling me that health care must be changed in this country but that the budget must not be balanced on the backs of the elderly. If we increase the monthly premiums of Medicare, then we must also be prepared to address the issue of seniors who cannot pay these premiums and how elderly Americans will have access to health care. I am afraid too many will have to go without.

I have also heard from hospitals in my district, many of them in rural areas. Most of the revenue for these hospitals comes from Medicare patients. These hospitals are already struggling with soaring costs and to lose them would be devastating to the rural communities in my State. If Medicare reimbursements are cut even further they will have no other choice but to simply go out of business.

I feel Congress must make efforts to save Medicare by strengthening and improving the system, not destroying it. For many seniors, Medicare has not only improved the quality of their lives, but for many it has extended their life. With 99 percent of Americans over 65 currently having access to health care, Congress must not forget the extraordinary success and impact this program has had on our country.

Any changes that are made hastily will be devastating to the program and to the seniors that depend on Medicare. Although this program is in need of reform, it must not be done without debate and discussion and it must not be done by taking away health care from seniors who depend on it for their survival.

COMMITTEE ON AGRICULTURE MUST BE ALLOWED TO PERFORM ITS WORK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. STENHOLM] is recognized for 5 minutes.

Mr. STENHOLM. Mr. Speaker, yesterday a very alarming happening occurred in the House Agriculture Committee. For the first time in recollection, the leadership of this House took away the prerogative of the Agriculture Committee for doing its work, in this case on a reconciliation bill. It was not that the Agriculture Committee was not trying to do its work, and I take great exception to a statement that was made by the chairman that says, "This situation, which has caused the differences of opinion, has been made more difficult because our Democratic colleagues have opted for a destructive role in the process." I do not see how anyone could make that statement with a clear conscience.

Mr. Speaker, we had a Democratic alternative, we have a Democratic alternative, and we will fight for that alternative, and that alternative for the budget reconciliation process says that basically we think $400 billion in cuts from Medicare and Medicaid are excessive, that the additional cuts in education being proposed are excessive, and that the $13.4 billion in cuts from agricultural programs are excessive when they are used for purposes of granting a tax cut. We will show on this floor that there is an alternative and we hope that there will be 21 votes for that alternative.

However, yesterday the leadership of this body decided that unless the Agriculture Committee reports a politically correct solution, we do not want to see it. That is disturbing.

□ 1800

No witnesses have ever been called on the Freedom to Farm Act. I am the ranking member of the Subcommittee on General Farm Commodities. I was never informed that there were ever considered to be hearings on the Freedom to Farm Act. The only time we heard about it is when it came from the leadership of this body in suggesting that that is the way we ought to go to the reconciliation committee.

We have a Democratic alternative. It was voted on in the Ag Committee and it was voted down predictably because we do not have the votes and I understand that. But I think it stretches the point when we say when there were 2 Republicans who offered an alternative and some of us who even disagreed with the 13.4, the majority of Democrats voted for a bipartisan substitute, but we were unable to get votes from the Republicans for that. It stretches the imagination and it stretches the truth when we read and we hear what is going on.

It bothers me greatly when the leadership of this House suggests to the Committee on Agriculture that unless you do our will, our bidding, we may even consider eliminating the Committee on Agriculture, and put it in writing.

Now, I do not know what is going on, but as a Member of this body who has traditionally participated in bipartisan action, who shares the frustration of the American people that we are constantly fighting Democrats and Republicans, I do not know what is happening in this body now when the hand of bipartisanship is not being offered, in fact it is being cut off regularly.

When we look at what happened yesterday in the Committee on Agriculture, it is a very disturbing trend. I hope that as we proceed now to the budget reconciliation that the general public will begin to understand there are alternatives out there, there are ways to balance the budget by the year 2002, and it does not require gutting rural America, health care, it does not require an absolute total change in philosophy of farm programs.

Let us never forget for a moment, are we not all blessed to live in a country that has the most abundant food supply, the best quality of food, the safest food supply at the lowest cost of any other country in the world, warts and all? All of the criticism we are hearing from the editorial boards that agree with the Freedom to Farm Act because they want to eliminate farm policy, should we the American people not stop for just a moment and say, maybe just maybe American agriculture is doing a few things right? And not have to follow blindly a philosophical leadership of this House that does not have a clue about farm policy and agriculture but has a great philosophical belief that somehow, someway by eliminating farm programs we are going to do better?

It is not a budget question, it is a philosophical question. The sooner we start debating these things on this floor and in the Committee on Agriculture and not getting mad and taking our bat and going home, the sooner we will get on with the kind of policies required for this country to see that we continue to have this abundant food supply.

REPUBLICANS PROPOSE CUT IN MEDICARE PLAN

The SPEAKER pro tempore (Mr. BUNN of Oregon). Under a previous order of the House, the gentleman from Alabama [Mr. HILLIARD] is recognized for 5 minutes.

Mr. HILLIARD. Mr. Speaker, the general public is outraged at the Republicans' scheme to destroy Medicare, especially since it is common knowledge that the Republican proposal is cutting $270 billion from Medicare just to give wealthy persons a tax cut.

The new and fresh Republicans are supposed to represent the people, not the Republican Party. Several recent polls indicate that the American public is highly skeptical of Republican efforts to cut Medicare.

Let us listen to what the American people are saying as set out by a series of independent polls that have recently been taken. Seventy-one percent of Americans have very little or no trust at all in House Republicans to handle the Medicare financing problems. This was a poll taken by the Associated Press.

Sixty-eight percent of Americans place no trust in the Republicans on the issue of Medicare. This is by a Time/CNN poll.

Fifty-three percent of Americans oppose the Republican plan to offer vouchers to seniors as a way of reducing costs. This is an NBC/Wall Street Journal poll.

Only 19 percent of Americans offered support for a Republican plan to make large cuts in Medicare. Yes, this is by Time/CNN. CNN, right in the heart of the South.

Seventy-five percent of Americans oppose cutting Medicare to pay for tax breaks. Once again, NBC/Wall Street Journal.

Finally, Mr. Speaker, 76 percent of Americans believe it is more important to maintain Medicare as it is than reducing the budget deficit. That needs to be repeated; 76 percent. That is from CBS.

All of these polls are independent in nature. None of them have anything to do with the Republican or with the Democratic Party.

Mr. Speaker, the message is clear. The message from our fellow Americans is also clear. Americans throughout this country insist that the current Medicare plan that is in place be preserved as is. This is a message to each one of us as a Member of this body, disregarding party.

MEDICARE ALTERNATIVE HEARINGS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Virginia [Mr. SCOTT] is recognized for 5 minutes.

Mr. SCOTT. Mr. Speaker, all Americans should be concerned about the proposed massive cuts in the Medicare Program—not simply because they may affect current and future benefits under the program, but they will affect health care cost for all of us.

A large percentage of the $270 billion reduction comes from cuts in payments to health care providers. All employers should be especially concerned about such massive reductions, because ultimately they will have to pay for them.

The problem is that the same number of people will get sick and require the same amount of care, regardless of how their care is paid for. Paying providers less for that care under the Medicare Program does nothing about costs other than to pass them on to Medicare beneficiaries and other paying patients. There is a big difference between controlling costs and simply not paying the bills.

Last year, we learned from our efforts to reform the health care delivery system in this country that it is like a balloon—if you squeeze it in one place, it pops out in another. Likewise when health care providers give care to patients who cannot or do not pay the full cost, those providers shift the cost of that care to patients who pay the going rate by charging them more to make up for the uncompensated care. We will see those higher costs in our insurance premiums and in higher copays, deductibles, and prices for medical procedures.

Higher health care costs will also mean more costly care as people avoid addressing minor problems to save money and those problems become emergencies or require acute care. Thus, we will all pay more and get less if the proposed Republican plan goes into effect.

Of course, there is one group who is not worried about the cost-shifting and the higher medical costs. That group is the upper 20 percent of high income taxpayers who will receive 80 percent of the $250 billion dollar tax cut funded by the Republican plan to reduce Medicare.

While we all agree that we need a long-term fix of the Medicare financing plan, we do not have to put those dependent upon Medicare in jeopardy to do so, especially if the reason is to pay for a tax cut to benefit mostly wealthy individuals. We have made adjustments in the program before to keep it viable; we can do that now for a lot less than $270 billion if we do not have to make room in the budget for a $250 billion tax cut.

The real solution to the Medicare financing issue is to fix it in the context of universal health care. Neither Medicare nor any other part of the health delivery system can be permanently fixed on a stand-alone basis. That is why hearings are needed to hear from experts, not just politicians, on what is needed and how long it will take to fix the program in a fiscally sound manner that does not impose unnecessary hardships on beneficiaries.

The current approach to fixing Medicare is a cure worse than the disease. Taking $270 billion from beneficiaries to justify a $250 billion tax cut to mostly benefit wealthy individuals is certainly not the way to do it.

WHY CUT $270 BILLION FROM MEDICARE?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from South Carolina [Mr. CLYBURN] is recognized for 5 minutes.

Mr. CLYBURN. Mr. Speaker, we have heard quite a bit of debate in recent weeks over Medicare and then $270 billion cut that we are proposing to make in Medicare.

Of course every time I begin discussion of this with various people, I am asked time and time again to give the difference in what we are talking about as we talk about part A and part B.

I want to take just a moment, Mr. Speaker, to talk about those two separate parts, to explain the difference so that people out there listening will get an idea of what we are talking about, because it is very important for them to understand that all of this debate that we are undertaking here sometimes has very little to do with what really ails them.

Medicare has two separate parts, Medicare part A and Medicare part B. Medicare part A is the Medicare hospital insurance program which mostly covers inpatient hospital stays. Medicare part A is financed through the Medicare trust fund. Like Social Security, employers and workers pay into the Medicare trust fund while an individual is working through a dedicated payroll tax, a 1.45-percent tax paid by employers and a 1.45-percent tax paid by workers.

Medicare part B is the Medicare medical insurance program which covers such other medical services as doctor services, hospital outpatient services, clinical, laboratories, and durable medical equipment. Medicare part B is financed in a completely different way than Medicare part A. Medicare part B is financed through a combination of premiums paid by Medicare beneficiaries and general revenue.

As we listen to all this debate about insolvency, the American public must understand that it is only the Medicare part A trust fund that faces an insolvency problem in the year 2002. However, we recently heard from the administrator of this program that the insolvency problem could be solved with a modification or a correction or a reform, if you would like to call it that, of $89 billion. That would keep this program solvent through the year 2002.

We must then ask the question, if the administrator says that that is all that is required, why then are we pushing $270 billion in modifications to this program?

I say, Mr. Speaker, that we are doing that simply to cover the cost of this $240 billion tax cut that we are proposing to give to those who do not need it. In fact, the bulk of that tax cut will go to people who make over $100,000 a year, most of whom that I talk to as I visit my district tell me they are not asking for a tax cut, they do not need a tax cut, and they do not want a tax cut.

So, then, why are we doing it?

There are two things being lost in all of this. One, of course, is Medicaid, a $182 billion cut in Medicaid, programs for the poor.

□ 1815

What is going to happen when we undertake that cut? Well, it means that a lot of people who today find themselves using services like stays-in-homes are going to find themselves without the ability to do that, and that means that many young couples, young families, are going to find themselves hard-pressed to take care of the elderly when the Government gets out of that business.

Mr. Speaker, I appreciate this time offered me, and I want to say that I hope, as we go forward with this debate, that we will continue to educate the American people as to the difference between part A and part B.

THE FIGHT FOR A FAIR DEAL FOR FARM PRODUCERS

The SPEAKER pro tempore (Mr. BUNN of Oregon). Under a previous order of the House, the gentleman from Georgia [Mr. BISHOP] is recognized for 5 minutes.

Mr. BISHOP. Mr. Speaker, when jurisdiction over farm commodity programs is transferred from the Agriculture Committee to the Budget and Rules Committees, it is an unprecedented attempt by the Republican leadership in this body to stifle the influence of Members who represent the interests of our farmers.

It is an abuse of power.

It is a slap in the face of America's farmers.

It should outrage everyone who is concerned about the future of rural communities.

There is one thing you can say about this development: It may be an abuse of power, and it is bipartisan abuse. It not only seeks to shut out the voice of Democrats on the Agriculture Committee, like myself, it shuts out the voices of Republican Members who also oppose radical changes that would effectively destroy critically needed commodity programs.

Reforms are needed. We need to cut the costs of these programs. We need to make them more market oriented. Farmers understand this.

The area of Georgia I represent grows more peanuts than any place in the world. My colleague from the neighboring Eighth District and I have introduced a new peanut program that eliminates Government costs. It represents dramatic change. But, evidently, this is not enough. The majority leadership will evidently not be satisfied until commodity programs that give our farmers a more level playing field in the world marketplace are destroyed.

Members of the Agriculture committee represent agricultural areas. They have special expertise in the needs of farmers and agribusiness. Just like other committees dealing with other areas of the economy, they have always had a key role to play in shaping farm policy.

That role is now under attack.

Mr. Speaker, we will not be silenced. Members who represent farm-belt areas will continue the fight for a fair deal for the country's farm producers.

THE FREEDOM TO FARM ACT

The SPEAKER pro tempo. Under a previous order of the House, the gentleman from Michigan [Mr. SMITH] is recognized for 5 minutes.

Mr. SMITH of Michigan. Mr. Speaker, several issues have come up, but I would like to start out with agriculture, what the Federal farm policy should be in this country and the advantages and disadvantages to the farmer and the consumer.

Since the early 1930's, we decided that by controlling production we could guarantee a stable supply of food in this country. However, what has happened in the last 30 years is the consumer interests, the White House, the consumer interests in Congress have started dictating farm program policy, and what has happened is we have driven more and more of the small family farmers out of agriculture. Here is how farm programs have worked: We tell the farmers if they will grow a certain amount of crop and slightly have a policy that encourages overproduction, we will give those farmers subsidy payments. So what we have done, in effect, is encourage slight overproduction, keeping the prices down, which has been good for agriculture in this country because it has become lean and mean.

But in the process, we have disadvantaged the small family farmer in the United States. That is why, and I as a farmer from Michigan, I am now suggesting that we move to the market economy to give the rewards to the producers of this Nation so that the farmers and ranchers can make their own farm management decisions based on their best interpretation and understanding of what the market is demanding for those special crops.

By doing these, many of the economists that have been advising us on freedom to farm have said that farmers will end up better off as we make this transition to the marketplace.

Make sure, it is a difficult transition, that we have enticed farmers to become more and more dependent on farm subsidies during the last 40 years. So their cash flow, in many cases, depends on it.

What we have got to do as we make this transition to a market economy, and that is what the Freedom to Market Act does, is make the kind of transition that is going to keep American agriculture the strongest in the world.

Mr. KINGSTON. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Michigan. I yield to the gentleman from Georgia.

Mr. KINGSTON. Mr. Speaker, now let me ask the gentleman about this freedom to farm bill because as I understand from a previous speaker tonight, that did not pass committee. Is it dead? Are you going to try to move it out of the Committee on Agriculture a second time? What is the status of that?

Mr. SMITH of Michigan. That now becomes, because of the failure for that committee to enact legislation consistent with the budget resolution, a new proposal will be offered by the chairman of the Committee on the Budget that achieves the same kind of budget reductions.

Let me tell you what has happened in the U.S. Congress, as I observe it, and that is Members traditionally members of the Committee on Economic and Educational Opportunities that wanted to spend more money on education, say, "I want to be on the Education Committee." Members that want more roads in their districts want to be on the Committee on Transportation and Infrastructure. We have got Members on the Committee on Agriculture that would like more money for their farmers.

If we are going to phase out agriculture in a smart way and not make that farmer continuously dependent on the Federal Government and, hopefully, end up with a larger income for that farmer, then we have got to move to a market economy.

Mr. KINGSTON. Well, I think that the gentleman is walking on the very delicate balance, as you said, between farm programs that work and moving toward an economy that is more free-market oriented, and I know that is a tough road for you.

I have some provincial concerns; cotton, peanut, and so forth, but I do think what is important is that our farmers are involved in this process and stay involved in this process as things start changing, because I know the peanut farmers have come a long way in their work and the cotton folks are trying to work for something that is a suitable solution.

There are some concerns I have on the sugar program. As you know, America is a net importer of sugar, and even though the taxpayers are not paying the difference, the world cost of sugar is about 11 cents a ton, but the domestic price is 24 cents a ton. We have an 18-cent-per-ton price support.

Mr. SMITH of Michigan. Reclaiming my time, I think we are on the same track. The question is how do we achieve the same result in making the transition for farm programs. We have got to do it smartly, simply, because other countries are subsidizing so heavily.

ISSUES CONCERNING A BALANCED BUDGET

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Georgia [Mr. KINGSTON] is recognized for 50 minutes as designee of the majority leader.

Mr. KINGSTON. Mr. Speaker, tonight we wanted to talk about a number of issues that stand between this Congress, the American taxpayers, and a balanced budget. There is a smorgasbord of issues, of course, that fall in that category. We are going to be touching base on the Davis-Bacon Act and some of the student loan programs, this so-called Istook amendment, and Medicare reform.

I have with me, of course, the gentleman from Pennsylvania [Mr. FOX], and always on special orders sharing his wisdom with us, the gentleman from Michigan [Mr. SMITH], who has just given us a description of where we are in the ag program.

Let me ask you gentlemen, and I say to the gentleman from Pennsylvania [Mr. FOX] I am going to start with the gentleman from Michigan [Mr. SMITH] because he and I were freshmen together. We came here in 1992, along with a new President of the United States, trying to balance the budget and do everything we can. We did not, in the 103d Congress, get very far in that effort.

How do you think we have done so far? Do not pat yourself on the back. People are tired of that.

Mr. SMITH of Michigan. The House has done very well. Now we need to finalize our ambitions, get these bills enacted into law. You know, it should be frightening to everybody in this country, how big this Government has gown to be.

After World War II, in 1947, we were spending 12 percent of our gross domestic product to run the budget of the United States. That is what we spent as a percentage of gross domestic product, 12 percent. Today we are almost twice that.

Every day the United States writes out over 3,200,000 checks. Can you imagine a government, in talking to Secretary Rubin, Treasury is not even sure of all of the points that they make these electronic transfers, these payments, these checks? But the estimate is someplace around 12,000 different locations.

Mr. KINGSTON. Let me give you a statistic. The reason why I wanted to mention this is because I want to contrast the 103d Congress to the 104th Congress that the gentleman from Pennsylvania [Mr. FOX] is a Member of.

In the 103d Congress, before the gentleman from Georgia [Mr. GINGRICH] and the gentleman from Texas [Mr. ARMEY] started running this House, 95.7 percent of all witnesses at the congressional hearings advocated more spending. Only 0.7 percent were for less spending, and that is a statistic from the National Center for Public Policy Research.

So now, I say to the gentleman from Pennsylvania [Mr. FOX], you were not in that environment 2 years ago. Do you think we are moving toward balancing the budget?

Mr. FOX of Pennsylvania. I think we absolutely are, thanks to your efforts and that of the gentleman from Michigan [Mr. SMITH]. I think the fact is the 104th Congress, fired up by 86 new freshmen, 73 Republican, 13 Democrat, I think it is pretty evident that we have an accountability issue out here where the people are saying, OK, you say you are going to make Congress more accountable, you say you are going to hold the line on taxes and spending, let us see if you can do it, and if you can, you may come back, if you do not, then maybe you are just like past Congresses that said one thing and did another.

If I could just add to that point, I think we have certainly set the tone by passing the balanced budget amendment, line item veto, unfounded mandates, regulatory reform, deficit lockbox reduction where we are going to have the savings go into taxpayers having to pay less interest on the national debt, those kinds of programs which the people of the United States want, Mr. Speaker, which are, in fact, what they have gotten. So I think that we are on our road to putting our fiscal house in order just like State governments do, just like county governments and school boards, but the Federal Government when we have had a tax increase in the past and spend more and more, just put it in the deficit.

Mr. KINGSTON. Let me ask, the folks in Michigan and Pennsylvania, are they saying we are going too far too fast, or all we are doing is passing bills out of the House, they are not doing it in the Senate, we are dead in the water, it is just rhetoric, there is no difference between Republicans and Democrats?

Mr. SMITH of Michigan. At least in Michigan, they are saying you are not going far enough, you are not going fast enough. You know, we are not doing the traditional tax-and-spend anymore. I mean, the voters of this country have said, "Look, we are paying over 42 percent of what we earn in taxes. Now, that is enough." So what Government has done is they have decided that they can go out and borrow the money and expand social programs and expand the size of this bureaucracy by borrowing more and more money. The interest just of servicing the Federal debt, the interest on the debt subject to limit this year was over $330 billion, almost 22 percent of our budget just for servicing the debt, and so the borrowing has got to be stopped. We have got to bring down the size of this Government if we want individuals to to have the freedom and independence that the founders of our Constitution designed.

Mr. KINGSTON. So what the people in Michigan are saying is keep going and do not chicken out. What are they saying in Pennsylvania?

Mr. FOX of Pennsylvania. In Pennsylvania, they are very happy about the fact we are holding the line on wasteful spending. They want to make sure, however, the direct services that can be handled by the Federal Government should be handled by the Federal Government, are done so in a meaningful manner. By this I mean we are looking at the whole budget this year in the right way. If it should be the private sector that should be doing what the Federal Government is not doing, give it to the private sector. If it should be done by the Federal Government, what is the government closest to the people doing the best job? It may be local government, it may be county government. The government of last resort that should be working on a program is probably the Federal Government. You have already seen we have recommended in the House the WIC program, the food nutrition programs, while we made sure there is a 4.5 percent increase in those important programs for our children, we have also said we are going to block grant that back to the Governors. We used to spend 15 percent to administer the programs. We told the Governors you can only spend 5 percent. With the extra 10 percent, you have to feed more kids, more meals. That is meaningful reform. We are getting more direct services to the people, but less waste.

□ 1830

And that brings up one more point, if I can, Congressman KINGSTON and Congressman SMITH.

Mr. KINGSTON. You bet it gets the point, and now the gentleman from Arizona [Mr. HAYWORTH]——

Mr. FOX of Pennsylvania. OK.

Mr. KINGSTON. Will not get a chance.

Mr. FOX of Pennsylvania. OK, the other point is this:

On Medicare reform and things like that the people want to be involved in the dialog, and I think that is what is important, what I did this summer and what I think plenty of other Congressmen have done, and that is to talk about the problem.

You know Medicare has run out of money. Seven years, there is no Medicare, so we have got to do something about it whether it is taking out the fraud, abuse, and waste, which I think is a large part of it, $30 billion a year is wasted just in fraud and abuse in our Medicare Program.

So what we have done is, I think, responsible Republican Congressmen, working with our allies and friends on the other side of the aisle, is we now have legislation which is going to hasten the prosecution, investigation, and the eventual sentencing of people who are involved in this kind of fraud. People want the services. They do not want the fraud; they do not want the waste. They want to make sure the Government is efficient and doing its job.

Mr. SMITH of Michigan. Mr. KINGSTON, are they saying more or less spending in your area?

Mr. KINGSTON. Well, in Georgia it appears the people are saying we need to be convinced here that you are serious. We want programs that eliminate, and consolidate, and end the duplication and inefficiency. We do want things back at local and State levels as much as possible.

We have with us the gentleman from Arizona [Mr. HAYWORTH], who played college football for the Wolfpack in North Carolina, then tried to go on to the pros, and those coaches recognized what the college level should have recognized, is that he could not play football after all, and so now he——

Mr. HAYWORTH. Will the gentleman yield?

Mr. KINGSTON. To being a sportscaster, to being a politician, and I hesitate to yield the floor to him. I am going to put on a stopwatch on him, whatever you guys say; so tell us what are the people saying in Arizona. Do they want a budget cut or not?

Mr. HAYWORTH. Well, first, for purposes of rhetorical self-defense, and also to make sure the pages of the CONGRESSIONAL RECORD have some ring of truth, I am compelled to note for the RECORD that though I was recruited as right tackle at North Carolina State, I soon discovered myself left out. So, that is the first tale about football.

But it is interesting to hear what you folks have seen in Georgia, and Michigan, and in Pennsylvania, and indeed I beg your indulgence for arriving a bit late, but we had the inaugural meeting of the——

Mr. KINGSTON. Are you through with the introduction, or are you going to tell us——

Mr. HAYWORTH. Well, this is something very important because you asked me what on the minds of the people of the State of Arizona, and I can tell you that although Arizona is the youngest of the 48 contiguous States, Arizonans are very concerned about what transpires here in Washington, indeed what is the proper role of the Federal Government, and, when you get right down to it, this date in history, September 28, 1787, the Congress of the Confederation resolved to submit the Constitution to the respective States for the ratification which gives us this system of government which we use now, and there is a legitimate public debate as to what is the proper role of the Federal Government, and so what we are doing now in this new Congress, what some would call a revolution, is we are sitting down and examining what is transpiring, not as detractors would say, to turn the clock back, but to say what is the reasonable role of the Federal Government.

So what I am hearing from seniors, from young married folks, from those who are new to the process, is this notion: Let us rethink the proper role of the Federal Government, and, as my friend from Pennsylvania spoke a moment ago, let us look for the practical role of the Federal Government as we approach the next century.

With reference to Medicare, one of the basic notions in this Nation is one of choice, economically, to have a variety of different options, and, as the gentleman from Georgia [Mr. KINGSTON] knows because another Congressman who ofttimes sits in the Speaker's chair here, this Medicare task force I think summed it up quite well. What we have with Medicare in its current state is basically 1964 Blue Cross codified into law. The question becomes, Do we maintain that? Or we should maintain that for those folks satisfied with the 1964 health insurance policy, but should we also offer the seniors innovative plans that maximize choice and give them the chance to have a greater role in health care?

Mr. KINGSTON. Well, now let me ask you this because I hear so much on Medicare: Is it not true that seniors will still be able to keep traditional Medicare if they want to, and I know the gentleman from Michigan has done some work on this?

Mr. SMITH of Michigan. Well, there is no question that the design of the program is to preserve Medicare for not only the estimated 36 million people that now use Medicare, but also for future generations, and so the No. 1 decision of the Republican conference is anybody that wants to stay in this current program as it is designed has the option to do that, and from there we expand to what is called Medicare Plus, giving seniors greater options. We have got to end up with seniors being better health care shoppers, and to do that we are suggesting that seniors should be allowed to keep some of the savings that they can derive for not only the Federal Government, but for themselves as they do a good job shopping for health care——

Mr. KINGSTON. Well, let me now ask Mr. FOX.

I used to sell commercial insurance, not health insurance, but commercial insurance, not health insurance, but commercial insurance; very confusing, intangible product. Will my parents, and will I when I turn 65, be confused by all of this?

Mr. FOX of Pennsylvania. I do not think so. If we have done our job correctly——

Mr. KINGSTON. Is it going to be simplified?

Mr. FOX of Pennsylvania. I think it is our job to make sure it is simplified along with the Federal agencies involved, would be Health and Human Services. The fact is that the gentleman from Arizona [Mr. HAYWORTH] was talking about, and the gentleman from Michigan [Mr. SMITH], is at least three options. If you want to still continue to getting the fee for services, that will be there. If you want to get managed care, which might include other options, might include other items such as getting pharmaceuticals, dentures, or hearing aids, or any other items that might be included in a managed-care proposal, that would work. And also the medical savings account, and there you would get $4,800 a year, but you could use it for whatever purposes you want. The money you would not spend you could keep or roll it over until your next year's medical savings account. Then that next year will be more money because under the proposal we have before the Congress every subscriber now will get $4,800. By the year 2002 it will be $6,700. So it is going to go up 47 percent, and I do not think that much has gotten out well.

Mr. KINGSTON. Well, let me ask the gentleman from Arizona. This medisave account, I am going to get to keep the leftover money in the account. Is that what I am hearing?

Mr. HAYWORTH. That money is yours if you choose a medical savings account, and the notion is this. And I think we have to be very particular to restate, and restate and amplify, what is going on here. The gentleman from Pennsylvania [Mr. FOX] touched on something that cannot be repeated enough.

For those in this policy debate who talk about a cut for seniors, the most charitable thing I can say to those who speak of a cut is that they are not very good students of mathematics because the average spending per beneficiary will increase from $4,800 this year to $6,700 in the year 2002. I defy anyone to show me how that is a cut. It is an increase, but yet we have seen very interesting formulations and numbers that have emanated from here in Washington, DC.

Mr. KINGSTON. Well, now I have heard this. Are we going to decrease deductibles, increasing copay? We are not; is that correct?

Mr. HAYWORTH. That is very true. We are going to keep the program intact, but the idea is we are going to move toward a better Medicare that offers policy choices like the medical savings account, like managed care through HMO's, and again, as the gentleman from Michigan mentioned so eloquently, if a senior has this program, Medicare as it exists today, and wants to keep that program, that that senior need do nothing. It will remain the same for that senior.

Mr. KINGSTON. Well, now the gentleman from Michigan [Mr. SMITH] is on the Committee on the Budget. Why are we doing this at all? I hear some folks in the Congress and Government in Washington saying this is unnecessary to even do anything.

Mr. SMITH of Michigan. Well, you know, it is only partisan for those individuals that think they have a target to shoot down something, to criticize rather than being constructive to help develop the best solutions to save, preserve, and keep Medicare available to the current recipients and the future recipients, so, as far as a budget consideration, the trustees of Medicare came to the Committee on the Budget, and they said Medicare is going to be going broke. We are going to take in less money than is needed for payout starting next year. Something has to be done.

Mr. KINGSTON. One second. Were those Republican trustees?

Mr. SMITH of Michigan. No. Thank you, Mr. KINGSTON, no. These were the trustees actually, were three of the Cabinet Members that the President appointed.

You know, the President has even said as we look at the Medicare B provisions, he—this is—what he expects recipients to pay for their share of the premium ends up to be $7 less than what the Republican proposal is, so we have $7-a-month difference in the President's proposal and the Republican proposal. Everybody that is honest about this knows that we have got to do a better job, and I do not want to talk too long here with these good ideas, but look what the private sector has done, look what the private sector has done in terms of lowering their medical health care costs. We have actually had negative cost increases in the private sector while we have had 11 percent in the public sector.

Mr. KINGSTON. Mr. FOX, I could tell what is your interest on——

Mr. FOX of Pennsylvania. Well, Congressman KINGSTON and Congressman SMITH, also Congressman HAYWORTH, I think it is very important to understand. You pointed out the President had a proposal, and you have heard a Republican proposal, but there has been nothing from the Democratic House in the way of a proposal, and it is not responsible, I would submit, for us to debate the issue of how we are going to save Medicare unless we have a proposal from more than one side of the aisle, and frankly American people expect that, if we are going to come to a resolution, every good idea from Congressman HAYWORTH's district, Congressman SMITH's district, Congressman KINGSTON's district; we want to hear those ideas. That is how this Congress can do a better job, and I have invited my senior citizens and others interested in health care to come forward with those good ideas, and——

Mr. KINGSTON. Well, I do think it is also important to point out that there are—there is bipartisan support on it. Now there is some partisan criticism, but we do have a lot of bipartisan support saying, Don't let this thing go broke in 6 years. Let's roll up our sleeves and work together for what is fair, and what is simple, and what is best to protect and preserve the system.

Mr. SMITH of Michigan. Can I just say that I understand from the Committee on Rules that, if the Democrats do propose a plan that meets the budget guidelines, that will be made in order for debate.

Mr. HAYWORTH. And if the gentleman would yield, I think it is important to note again for purposes of full disclosure, and again to bring some element of bipartisanship to this debate. Now I understand that Members of the new minority are taking their own fledgling steps toward coming up with a plan, and I welcome what in essence, according to one newspaper account, amounts to a, quote unquote, deathbed conversion after months of railing and ranting when we were willing to abandon politics as usual and say no. It is always better for a professional politician to try and explain away problems. No, we rather not confront this, the fact that we have come from different walks of life to serve here as citizen legislators and say to the American public this is an issue too important to play politics as usual, and so I think even though we had months and months of reticence, to put it diplomatically, from our friends from the new minority, now even they are understanding that the American people are not going to be satisfied with people sitting on the sidelines moaning, complaining, about very serious policy questions.

So to their credit in fairness I am glad to see that many Members of the minority now say that they want to come up with a plan. However, it is important to remember this. Is it a fledgling step for political appearances that amounts to putting a Band-Aid across a very serious wound?

The fact is we have to take on this problem and solve it, and it is not time for a Band-Aid solution to get us through 2 years to an election. No, when we take the oath of office here, we are here to act first as legislators, not ignoring the political dimension, but to act.

Mr. KINGSTON. Mr. Speaker, if we had ideas coming from 435 different Members of Congress from States all over the country, the best product would evolve, and that is what we want to happen because what we want the end product to be is not a Republican plan, not a Democrat plan, but an American senior citizens plan so that your mom, and dad, and grandparents, and you, and I, and our children one day can enjoy a system that is safe and secure.

□ 1845

That is what our goal is. One of the big tragedies, when we talk about cuts, is that what we are trying to do is slow down the inflation rate. Medicare inflation last year was 11 percent. Regular health care inflation, as the gentleman from Michigan [Mr. SMITH], pointed out, was actually about 1 percent. What we are trying to do is get Medicare down in the 4 to 6 percent range, and if we can just slow down the growth to that degree, we will be increasing the benefits of the people $4,800 to $6,700, as the gentleman pointed out, and we will have more options for our seniors.

Mr. FOX of Pennsylvania. If the gentleman will continue to yield, the point is that we have been leading. I am glad that the gentleman pointed out that it is now bipartisan, but it was also a bipartisan Republican leadership that led the fight to make sure the 1993 unfair Social Security tax was repealed by the House, and it also was a Republican-led House this year that made sure we allowed seniors who made up to $11,280, without having a bite out of their Social Security, can now, if this law gets approved by the Senate, make up to $30,000 without having a bite come out of Social Security.

So we are the same Republican-led House that is going to make sure that Medicare is strengthened, preserved, and protected, so not only will senior citizens who are living today, but those generations that will follow will also have a quality health care program as seniors that will be second to none in this country.

Mr. HAYWORTH. If the gentleman will continue to yield, I believe there is one other important distinction we need to bring up that has been bandied about in the realm of political theater. Perhaps the gentleman touched on this previously, before my arrival, but again I do not believe we can repeat this too often.

Mr. KINGSTON. J.D., even if you were sitting here when we said it, you would repeat it if you wanted to.

We will not try to stop you.

Mr. HAYWORTH. In the interest of full disclosure, I certainly will allow my friend the gentleman from Georgia's evaluation to remain a part of the RECORD.

Let me make this point. You have heard a lot of talk about these plans paying for some tax cut. It is important to note this, Mr. Speaker, and I am sure my friend, the gentleman from Michigan, who worked long and hard as part of the Committee on the Budget, will attest to this fact: The historic tax cuts that benefit every American, not just a select few, were paid for, if you will, through the hard work of the Committee on the Budget long before this Medicare debate was enjoined. We did this long before, so there is no "if" then to this procedure. There is not a situation where the new majority is trying to fish out of thin air, or certainly not off the backs of America's seniors, to pay for a tax cut. That is just blatant fiction.

Mr. KINGSTON. When the April 3, 1995, trustees' report came out saying that Medicare was going to go bankrupt, it did not say, "It is going to go bankrupt in 6 years if you pass a tax cut." They just said, "It is going to go bankrupt." They are two independent things.

As the gentleman earlier pointed out, the gentleman from Michigan, the average American right now is paying 40.5 percent in taxes. These are middle-class people. Each family has two incomes, you never get to see your spouse any more, your children are all running around going crazy. It is their dollars. We are not giving them back something, we are just not going to confiscate it in the first place.

Mr. SMITH of Michigan. I would hope we can use part of this hour to talk about some of the other crazy things that are happening in the Federal Government, but it seems to me the fact is that there is no dollar savings as we look at revitalizing Medicare in this country. We are going to spend more and more money, as the gentleman from Arizona pointed out. Individual recipients who are receiving $4,800 now will be getting, by the year 2002, $6,700, so actually, we are continuing to spend more and more money.

I would ask the gentleman from Georgia [Mr. KINGSTON], as we talk about maybe some of the other issues in the minutes that we have left, if he would give us a briefing on the status of the Istook amendment.

Mr. KINGSTON. What the Istook amendment is, there are 40,000 different organizations that receive taxpayer funding in the form of grants or direct loans or straight funding. Many of these organizations, and by the way this is to the tune of $39 billion, many of these organizations, most of them, are not even open to public disclosure of their records, saying where the money is going, who is spending it, what kind of salaries the directors are making, and so forth. What the Istook-McIntosh amendment says is that if you receive Federal money, what you have to have is that kind of disclosure.

Also, you cannot use the money for political lobbying. There was one example of an outfit that got 97 percent of its money from the Federal Government, and spent $405,000 in PAC contributions to congressional candidates; absolutely nothing but funding politics with taxpayer moneys. It is totally wrong.

Mr. Speaker, I believe it is one of the things we are doing that will help move us toward a balanced budget and put some common sense in this crazy government system.

Mr. HAYWORTH. If the gentleman will continue to yield——

Mr. KINGSTON. I have never seen the gentleman speechless.

Mr. HAYWORTH. And you shan't during my time here. Although it is very good to listen to my friend, the gentleman from Georgia, outline the parameters of very important legislation which passed this House overwhelmingly, and we look forward to seeing it enacted into law, and I realize quite often this is the function of State government. But when many highway projects were being completed when I was growing up, you would see that famous slogan, "Your tax dollars at work."

Mr. Speaker, I think it is just important for the American public, who has seen so much of its income, the American families have seen so much of their income, taken in taxation by this Government, to the point, as my friend, the gentleman from Georgia, pointed out a few moments ago, in 1948 the average family of four paid roughly 3 percent of its income to the Federal Government. By last year, almost one-quarter of the average family of four's income was surrendered to the Federal Government in terms of taxation. I believe the hardworking people of America need to know that oft times political advocacy here on the bank of the Potomac, rather than any charitable or philanthropic endeavor, is where their tax dollars were at work.

Are we here to suffocate or strangle or silence public debate? Of course not; certainly not here in the well of this Congress, where we preserve everyone's right to have a diversity of opinion and to express that opinion.

However, the point is, pure and simple, it is an inappropriate use of tax money for groups to come to this Congress and ask for the largesse which is the money of the American taxpayer, to take that money and go out and be involved in political campaigns, or to take that money and come back here to lobby in the halls of the Congress for yet more and more money.

Mr. KINGSTON. I served in the State legislature before I was elected to Congress and served here one term, and then got put on the Committee on Appropriations this year. I cannot tell you how many tax-funded lobbyist schemes come across our desks in our office every day. You know doggone good and well people are there at taxpayer expense. They are printing the forms and so forth. Billy Joel wrote a song: "You Can Speak Your Mind, But Not on My Time." This reminds me of what the gentleman from Oklahoma [Mr. ISTOOK] is saying: "You can speak your mind, but not on my dime."

We need to move on because I want to talk about this train wreck, but I do want to say one thing. I have offered an amendment to the Istook-McIntosh legislation. What it says is that if your organization spends less than $25,000 on political activity, then you can continue doing that. This way your local art museum, your local history museum, historic society, symphony, and so forth, they will not have any problem still calling you up, asking questions, and giving their valuable inputs and so forth. I think it is important for us to say we do not want to pick on the hometown folks because we need their input. But some of this Washington-based lobbying on taxpayer funds needs to stop.

Mr. Speaker, I yield to the gentleman from Michigan [Mr. SMITH] on this continuing resolution and the train wreck. Tell us, in non-Washington terms, what all that means.

Mr. SMITH of Michigan. We have two trains. There is a train on each track. One is the appropriation bills. We have 13 appropriation bills. They must be enacted to allow the Federal Government to continue spending in those areas. Those 13 appropriation bills have not been agreed to. So what we did today, this morning, is we passed what is called a CR, a continuing resolution. That continuing resolution allows the administration to continue to spend money, but at a lesser rate than they were spending money before the 1st day of October. So 3 days from now, when the new fiscal year starts, they will be allowed to continue spending until November 13 the average of what the House passed in the appropriation bills, compared to what the Senate passed in their appropriation bills, minus 5 percent. And so we are saying OK, we will allow continued spending, but at a very modest rate until we come to final agreement on the appropriation bills.

The other potential train wreck is the debt ceiling of this country. There have been a lot of suggestions that withholding our vote on increasing the debt ceiling is going to cause catastrophe.

Mr. KINGSTON. Mr. Speaker, I would ask the gentleman to explain to folks what the debt ceiling is, because I do not think the American households and businesses have debt ceilings. I am not sure they do. Tell us what that means.

Mr. SMITH of Michigan. Mr. Speaker, I think the gentleman from Arizona would agree that this person, probably after Congress, could go right into the radio business as a talk show host.

Mr. KINGSTON. I will not let you guys get away with that.

Mr. SMITH of Michigan. In 1917, Congress was passing on every borrowing, so they would agree who we were going to borrow money from and on the interest rate. In 1917 what they said was, "OK, from now on we are going to set a debt ceiling. You can continue to borrow as long as you are under that debt ceiling." But it has sort of become a way of life. Since 1940, we have increased the debt ceiling 77 times. The last time we did it, at $4.9 trillion, was in 1993. We are going to reach that $4.9 trillion in about 3 weeks from now.

Mr. KINGSTON. As you have explained it to me, it is a line of credit, that is what it is.

Mr. FOX of Pennsylvania. I think the point has been made, there is a lot of talk in the press about how we are going to have a train wreck, and House Republicans are not going to come together with a resolution, and here we have seen a bipartisan effort, the gentleman from Louisiana [Mr. LIVINGSTON] working with the gentleman from Michigan [Mr. SMITH] and others, the gentleman from Georgia [Mr. GINGRICH], the Speaker.

We have a continuing resolution now, and we are going to be able to work out, hopefully, with the Senate and the other side of the aisle the responsible things that the American people want. They want the government services that the Federal Government has to do, but they do not want the waste, the fraud, the abuse, and they do not want the cost overruns that have happened year after year.

So I think there is a cautionary red flag from the public saying, "We understand you have some important programs. Prioritize them, phase out the ones you do not need, privatize the others, downsize still others, and if you have an agency that can be eliminated because the State government is already handling it, that is OK, too." I think we are going to have this resolution because of the work of the gentleman from Michigan [Mr. SMITH] and the gentleman from Georgia [Mr. KINGSTON], who are on the Committee on Appropriations. I think the gentleman from Arizona [Mr. HAYWORTH] is going to speak out about how this is going in the right direction.

Mr. HAYWORTH. If the gentleman will continue to yield, I think it is important, Mr. Speaker, because the vernacular of Washington, and especially the liberal press corps, has really taken over. Two years ago it was the notion of gridlock. Now it is the notion of a train wreck.

It is important to note, just borrowing that phrase right now, that I believe, as our good friend, the gentleman from Illinois, Mr. DANNY HASTERT, has state so well, I believe the American people firmly have their train on the tracks toward lower spending, lower taxes, reshaping this to be a limited and effective government for the next century.

With that train on the tracks, the challenge now exists in the executive branch for the President, who came on television in a brief 5-minute speech a few months ago, who again asserted the importance of a balanced budget, for the President to come along with us in a bipartisan fashion to move to balance this budget in 7 years. And if the President is willing to do that, and if the President is willing to come along with us in a bipartisan fashion, along with members of this minority, then the American people's train will stay on track.

However, if others who cannot seem to part from an almost pathological need to spend more and more money, to make government larger and larger, if they cannot abandon those outmoded notions, then the responsibility for any wreck will be on them.

Mr. SMITH of Michigan. I would like to ask a test question. Mr. Speaker, I would like to ask the question to the American people to give me your best guess, of all of the money lent out in the United States last year, how much of that money do you think was borrowed by the Federal Government? I will give you the answer. Think about it a second.

The answer is 42 percent of all of the money lent out in the United States was borrowed by the Federal Government. That is why Greenspan says if we can just do what we should do and not spend more than we are taking in, interest rates will go down 2 percent. How do we cut down on some of this wasteful spending of the Federal Government? I think that is a question for the gentleman from Georgia [Mr. KINGSTON]. Let us all pitch in some ideas on wasteful spending.

Mr. KINGSTON. I am going to throw some things out at you. I have a constituent who wrote, Kenneth Richardson, actually from Atlanta, and he came up with this figure. He said that every minute in the U.S. Government, under their calculations, we waste $2,152,207, and they show what our interest is and what our fraud and waste is in various government programs year in and year out. That is a scary thought.

He said, "What are you going to do about it, because every minute you are costing the taxpayers $2.1 million." There are so many things that we have done in the appropriations process that, even though the Senate did not pass the balanced budget amendment, it is clear the American people want a balanced budget.

□ 1900

So I think the number one thing that we are doing is every bill that we pass, 13 different appropriations bills, we are moving to a balanced budget.

Mr. Speaker, there are a couple of things that I want to point out. There are 163 different Federal job training programs. Sitting in on the hearings, many of them do the exact same thing. You cannot get the agencies to agree to consolidate, but if you sit there and you are not involved in the program, they sound like they are doing just exactly the same.

I would submit to my colleagues that out of 163 different Federal jobs programs, certainly we can combine many, many of them. I am not going to give a number, but I would say substantially most of them.

Let me yield to the gentleman from Pennsylvania [Mr. FOX].

Mr. FOX of Pennsylvania. Mr. Speaker, talking about what we have tried to do so far, two items come to mind. First, the line-item veto which is the President's way that we have given him, once the House and Senate versions are agreed upon, to line-item out pork barrel legislation, which will take out those programs which have been in prior Congresses to get people reelected. They are not items that are of regional value or permanent value. That line-item veto is one item.

No. two, the Lockbox Act which we passed is going to guarantee that the money that is saved from the elimination of a program through appropriations is actually going to deficit reduction.

We have the problem that the gentleman from Florida [Mr. FOLEY] identified. They took out $25 million for a turbine program which was requested to be pork. He took it out in committee. The next day it was in someone else's district already reassigned as pork somewhere else. It is moving around, and we cannot catch all of this pork.

Well the Lockbox Reduction Act which we passed last week is going to be one more way to make sure that the savings that the American people want of the waste and the inefficiencies and the items that do not belong in the Federal Government will in fact be eliminated permanently.

Mr. HAYWORTH. Mr. Speaker, if the gentleman would yield, I think it is very important, and indeed, Mr. Speaker, as Americans join us via C–SPAN to be part of this process, many folks have spoke about the intent of the new majority to consolidate some roles and to eliminate various cabinet level agencies.

I was involved in an interview with a national magazine yesterday where the question was put to me saying, Well, you have yet to eliminate a cabinet level agency. We realize you are working very hard in the Commerce Department, and certainly there is great merit to the elimination and consolidation of some worthwhile programs, and ultimately the elimination of that cabinet level agency, but the question came from the journalist, why have you not done more?

I think again, this cannot be stated enough, Mr. Speaker, to the American public. It is very difficult in the span of 9 or 10 months to reverse the inexorable trend of the previous 40 years. We are working very hard to reduce the size of government, to rein in waste in spending, to eliminate not only waste, fraud and abuse in a program like Medicare as we move to enact Medicare Plus and enact a better Medicare, and do that across the board in every area of this Federal Government, but it is a challenge that takes more than a few weeks.

Mr. SMITH of Michigan. That is right. Mr. Speaker, we have enticed so many people to come up to the public trough, that they have become accustomed to it. It is difficult to make the transition away from that trough. It has to be done.

Mr. Speaker, politicians are not going to do it unless the American people say, hey, it is time. Cut spending. We are willing to tighten our belts to make some of the sacrifices so that our kids and our grandkids have the same chance of improving their lifestyle as we did.

Davis-Bacon comes to mind. Davis-Bacon is coming up in the next several days. Davis-Bacon was enacted by Republicans in 1931 so that some lower-cost, black labor coming into New York could not get those construction jobs where there was any Federal money. So the law was passed, it kept the beginning wage-earners out of the marketplace for anything that government was contributing money towards constructing or building. The CONGRESSIONAL RECORD of 1931 reveals that one of its primary goals was to block southern minority contractors from obtaining New York construction jobs.

Let me just give an example of the requirement of prevailing wage. The prevailing wage in Philadelphia for electricians averages $37.97 an hour, but the average wage actually paid by private contractors is $15 an hour. That has resulted in an overcost to the American taxpayer, and with the expenditures that we borrow from the United States, of $3.2 billion. That is only the tip of the iceberg, because every place that government has any money in a State contract where the State may be paying the majority share of that contract, the State is now required to pay those prevailing wages instead of the market wages that could tremendously reduce the cost of schools and any other construction.

Mr. KINGSTON. Mr. Speaker, I also wanted to mention another way that we can save money on the budget, which is to crack down on illegal aliens entering this country simply because of the generous and almost irresponsible, I think in fact very irresponsible, public benefit and assistance program.

I am going to read something that maybe the gentleman from Arizona is very familiar with from a group called FAIR, the Federation for American Immigration Reform. I am not familiar with this group, but I have heard this story many times and I know the gentleman from Arizona has heard it also. That in the town of San Luis, Arizona, there are 8,100 postal boxes, but there are only 4,000 people who live there.

Every month the post mistress of the town, Ms. Rodriquez, has to sift through thousands of letters containing welfare checks, unemployment checks, and food stamps, and in the last month there were 13,500 income tax refunds that were all fraudulent.

What is happening is that 10 to 15 people are using a mailbox and they are getting Federal Government, American support and they are not American citizens, but they are defrauding the American Government.

This problem for the Western States and all the border States is tremendous, and it is costing Americans billions of dollars each year. I think the cost to the California school system alone is $2 billion to $3 billion. Twenty-two percent of the prisoners in our Federal penal system are illegal aliens, and my colleagues and me and our constituents are picking up the costs.

Mr. HAYWORTH. Mr. Speaker, if the gentleman from Georgia would yield, yes, I am very familiar with the story of what transpired in San Luis and indeed would like to thank the Arizona Republic newspaper for bringing that story to such prominence to citizens of Arizona, and indeed, to the Nation.

The gentleman from Georgia [Mr. KINGSTON] points up something that is very, very important here. Again, it is time to pause for a distinction, because implicit in what the gentleman says is the notion that a lot of people, whether they are citizens or not, would move to take advantage of what I believe to be misguided largesse of this Federal Government, and we need to make this distinction.

Mr. Speaker, when we are here tonight speaking, we are not here to demonize those who come to these shores looking for a better life who follow the path of legal immigration, but it is summed up in the very description that I believe some people have almost become immune to hearing. It has become a catch phrase. Why do you think we call it illegal immigration? It is against the law.

Therefore, it is incumbent upon this Congress to carry out the wishes of the American people, especially the people of the border States, and indeed nationwide, who see the fruits of their labor, their hard-earned money taken through what many would call confiscatory taxation policies and bestowed on folks who are not even citizens of the United States.

Now, there can be a legitimate debate, and indeed, there is great diversity in this House, and there are many different philosophies, and there are those in this body who genuinely believe that it is the role of this government to be the charity of first resort. I think that is blatantly wrong. Some people have that idea. But even if we accept that idea, should not charity begin at home?

Mr. SMITH of Michigan. Mr. Speaker, one of the things that bothers my constituents as much as anything maybe is their experience standing in food lines and the individuals ahead of them at one time or the other have food stamps, and the food that they are buying with those food stamps is more than the individuals that are working very hard for a living, that go to work every day even when they do not feel like it, can afford. So they are bothered by what turns out to be a $25 billion a year food stamp program and welfare, AFDC.

Can my colleagues imagine going to our own daughters and saying, I want to talk about your allowance. If you get pregnant, we are going to increase your allowance by $500 a month, provide you housing, and a food allowance on top of that. We never say hat to our own daughters, but as a society we are doing that. In some cases, it is a deciding factor in what has happened in this country with these young women, where now 30 percent of the births in the United States are out of wedlock.

Mr. HAYWORTH. Mr. Speaker, I believe it is a point made quite well by Marvin Olasky in his book, "The Tragedy of American Compassion." Somewhere along the line in this country we decided that caretaking should be substituted for caring, and so engrained has it become in the subconscious of the body politic that it is pervasive almost to the point that we gauge caring by examples of caretaking through Federal largesse.

Now, are we saying that people should just be cut off, tough luck? No, not at all. What we are saying is this: as we transform this welfare State into an opportunity society, we should take care to make sure that what we truly have is a safety net instead of a hammock. That is the challenge we face as we move to confront a new century, and as we engage in open and honest debate with those who may have a different point of view.

Mr. KINGSTON. Mr. Speaker, reclaiming my time, I think what we want with welfare reform is a program that has a work requirement, if you are able to work, a program that lets States have flexibility, because in Georgia we are going to do it differently than you do in Arizona, different than in New York City and San Francisco, and that is the way it should be.

Let us decide how we are going to deal with our poverty. Give us some guidelines, but give us the flexibility that we need, and then there is that illegal immigration component. We do not want money being used to attract people to come to America just so that they can enjoy the public benefit.

Then finally, as the gentleman from Michigan [Mr. SMITH] said, you want to have a component in there that does not reward irresponsibility, particularly when it is not age appropriate for 16 and 15-year olds to be parents.

Mr. Speaker, we are coming to a close. I do want to say on the subject of welfare reform and all of the things that are going on in my hometown, Savannah, GA, where there is a group called the Chatham Citizen Advocacy led by a good friend of mine, Tom Kohler. I believe Tom Kohler leans Democrat, but I was kidding him because he works for an agency who I think the philosophy is Republican, because No. 1, it does not take any Federal dollars or local dollars.

What Tom does is he matches up somebody who is established, prominent, better off, upper middle class with somebody who is unfortunate, who has had some hard knocks, who is down on the ground. He matches the two together. Not so that the wealthy one can write a check and feel good about himself; he turns them into friends. The wealthy person says to the poor person, let me help you. What are your problems? How can I help you get a job? How can I get you to the hospital today? How can I help you kick the habit, or whatever it is.

Tom says that the benefit to society of course is economic. The benefit to the two individuals when they come together with human compassion is immeasurable.

□ 1915

I am not saying that is going to solve our problems, but, doggone it, the thing about it is it is a local problem and it is not taxpayer-funded money but it complements what we are trying to do. We all have to have a role in it, the Federal Government, the State government, the local government. But certainly the volunteer sector can come in, also. If we get out of the way, there will be a lot more room for them.

Mr. HAYWORTH. The gentleman brings to mind a program in Arizona, known by its acronym, WOW, Women Off Welfare, which employs many of the same notions that you describe in the program in your home district in Georgia.

Let us hope for our society that we never go down the road where Government has grown so large, where it has taken over acts of kindness and charity to such a great degree that we denigrate those who would step forward through traditional notions or innovative notions of charity that offer perhaps the most elemental and the most significant contribution that can take place, one-on-one caring, not care-taking.

For indeed as we see, who cares more about children? Their parents. Not someone employed by the Federal Government in Washington.

I do not call into question a government employee's dedication. But it will never take the place of a parent's love, it will never take the place of mentoring that most parents can provide, and indeed as we confront a new century, it is important to note that Uncle Sam is our uncle, he is not to be big brother, nor is he to be Mother and Dad and surrogate family to the American people.

Mr. KINGSTON. I think you have wrapped it up real well. I am going to add one last line. A lady named Charlie from Denton, TX wrote me and said on the subject of the public debt, which is of course what has been our central theme today, saving money, cutting back on the size of Government and so forth, she says:

> I'm very upset that some people think it's okay to tax my grandchildren, 17 years to 3 months old, for things other people have already used up.

We have got to balance that budget, we have got to give a promise so that Charlie's grandchildren and your grandchildren and my grandchildren will have a bright, great America as we know it can and should be.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

> H.R. 4. An act to restore the American family, reduce illegitimacy, control welfare spending and reduce welfare dependence.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 4) "An Act to restore the American family, reduce illegitimacy, control welfare spending and reduce welfare dependence" and requests a conference with the House on the disagreeing votes of the two Houses thereon.

RADICAL LEGISLATIVE CHANGES ON HORIZON

The SPEAKER pro tempore (Mr. BUNN of Oregon). Under the Speaker's announced policy of May 12, 1995, the gentleman from New York [Mr. OWENS] is recognized for 60 minutes as the designee of the minority leader.

Mr. OWENS. Mr. Speaker, I would like to associate myself with the remarks of some colleagues of mine who were here earlier speaking about the Medicare cuts and the Medicaid cuts. Nothing is more important now on the legislative agenda than the rape of Medicare and Medicaid.

Many people have focused on Medicare and do not even know that Medicaid is being cut even more drastically than Medicare. Medicaid is being cut by $180 billion over a 7-year period. But it is a smaller program and the percentage of the cut is much greater.

Of even greater significance than that is the fact that there are proposals on the table to eliminate the entitlement for Medicaid. Medicaid at present offers a means-tested entitlement. That is, if you can prove that you are poor and needy, then you qualify for Medicaid if you are in the category which on the basis of this means-testing process makes you eligible.

This means-tested entitlement, as we call it, is now on the chopping block. It is being proposed that it be eliminated.

We have a precedent that has been set in the last few days. We have witnessed the Senate follow the pattern of the House and eliminate the entitlement for AFDC, Aid to Families with Dependent Children. That is welfare mothers in popular terms.

Welfare mothers, welfare families, welfare children, under the law that has existed since the Social Security laws were enacted, under the New Deal, under Franklin Roosevelt, have had an entitlement. That is, if you can prove that you are really in need and you are poor and you qualify under the means-testing, then you are eligible for the benefits of the Aid to Families with Dependent Children.

That is gone now. It is only a matter of the President signing it into law. The Senate has passed a bill which removes the entitlement. The House had already removed it before. It is a barbaric act.

I have used the word "barbaric" before. I have defined barbarians as those who have no compassion. Many barbarians have a great deal of education but they have no compassion.

When I use the word "barbarian," I do not refer to religion. I do not care which religion or which denomination they belong to. If they have no compassion for anyone except their own kind and kin, then they are barbarians. They are incapable of having compassion.

Barbarians are a threat to society, especially when barbarians have power. When barbarians are able to make decisions and they do not have any compassion, they are a threat to any society. They are a threat to America, because they are making these horrendous cuts and taking away entitlements like the entitlement of a needy child to help from their Government.

They are threatening to take away the entitlement from Medicaid, the entitlement of a person who is sick or families who are in need of medical attention and are unable to pay for that medical attention themselves. They are going to take it away.

They are going to leave the elderly out on the hillside to die, in symbolic terms, because when you cut Medicaid and you take away the Medicaid entitlement, what you are doing is cutting nursing home care, because two-thirds of Medicaid goes to nursing home care and care for people with disabilities. Two-thirds. One-third is for families who are poor, but two-thirds goes for nursing home care for the elderly and for people with disabilities. So you are going to take away the nursing home care from the elderly people when you remove that entitlement.

The Federal Government is going to get out of the responsibility of promoting the general welfare in that respect and leave it all up to the States who would not do it before. Before we had Medicaid, they would not do it. Before we had Medicare, the States would not do it. So there is no reason to believe the States are going to take up that burden once the Federal Government gives them that responsibility and slowly the amount of money made available by the Federal Government is decreased.

I want to loan any support and certainly associate myself with the remarks of my colleagues who spoke earlier about this problem of Medicare and Medicaid being number one on our agenda. Everybody has to be concerned about it. It is a snapshot of our civilization.

Where are we in America right now? If the American people sit still and allow this to happen, where are we? If we allow coverage for health care to instead of going forward to become universal coverage as we were discussing just a year ago, just a year ago we had plans on the table to move forward universal health care coverage, where eventually 95 percent, at least, of all the people in America would be covered with some kind of health care plan. Now instead of moving forward, we are going to take away the coverage which is already guaranteed to people who are eligible for Medicaid and move backward.

There will be many fewer Americans who are covered with any kind of health care plan after this Medicaid entitlement is removed. That is a great step backward, and the American people must focus in and take a close look at who are we, what are we, where are we?

Are we so desperate that we have to act as barbarians? Are we so desperate that we have to sit by as the voters and the citizens and approve of such barbaric acts? Are we going to swallow the arguments that we are on the verge of bankruptcy and there is no other way to get out of this threat of bankruptcy except to do mean and extreme things to each other, to the least among us, those who are unable to help themselves?

Please try to stay with it, because the pace of change over the next 3 or 4 weeks will be quite rapid. Next week we will have a week off, but the pace goes forward even though the Congress will not be in session, because the negotiations now on the appropriations bills, the negotiations and the details of the health care plans and Medicaid, the welfare reform, a number of things are happening, and they will go forward even while Congress is not in session next week.

But once we return, then all other things will have to be wrapped up in a matter of a few weeks and the pace will be mind-boggling. There will be radical legislative changes. We are not just finishing up the first half of the 104th Congress.

The agenda for the 104th Congress requires, because of the way the leaders have structured it, that we pass radical legislative changes before this half of the session ends. That means that in the next 3 or 4 weeks, you are going to have to follow very closely while some very mean and extreme changes are made rapidly. Under the cover of the rapidity, the swiftness with which things are done, much will be lost unless we follow very closely.

We did pass a continuing resolution today. A continuing resolution, I have explained before, is a resolution necessary to keep the Government going when the appropriations bills have not been passed to cover programs and activities of the Government. Most of the appropriations bills have not been passed by both the House and the Senate.

I would like to applaud our leaders in the House, our leaders in the Senate and our leaders at the White House for not indulging in melodrama. We did not have any melodramatic showdown at this point. Because to have any attempt to stop the Government or even pretend to stop the Government at this point would be ridiculous.

There is so much to be done, there are so many appropriations bills that have not been passed by the Senate. There is so much, it would be ridiculous to pretend that we could stay here over the weekend or work out some kind of solution in such a short period of time. There will be still a problem later on. We have expanded it until November 13, I think, and the continuing resolution ends on November 13.

The train wreck that has been talked about, the train wreck that is coming will definitely occur at that time, I assure you. There will be a clash between the President and the Republican-controlled Congress, because the President says he will not accept certain bills. He has made it quite clear. On some he says he may not accept them, but on one or two he has said he will not accept certain appropriations bills.

One of them is the human services, education and job training appropriation bill. If it comes out of the Senate and comes out of the conference process and looks the way the bill looks in the House, with $4 billion in education cuts and $5 billion in job training and human services cuts, then the President has made it quite clear he will not sign the bill, he will veto it.

Probably he will veto a Medicare bill which is as outrageous as those that are being proposed. I hope the President will shortly, in the next few days, make a clear statement that he will veto any bill which ends the entitlement for Medicaid.

We have lost the entitlement for Aid to Families with Dependent Children. We have lost the entitlement for people who are poor and are in need of assistance. It is lost. Overwhelmingly the Democrats joined the Republicans to vote for it in the Senate. They can never override in Presidential veto. The power of the actions of the Senate has come back to influence the people in the House. It is a lost cause.

The House stood up firmly, Democrats in the House stood firmly on the principle of entitlement. I congratulate my Democratic colleagues, the conservatives, the liberals. Everybody got together on the bill that we offered as a substitute.

We offered a substitute bill which would have provided job training, would have provided a longer time for people to be educated and get job training. It would have provided some kind of program to help create jobs. In addition to that, most important, the bill that was offered by the Democrats on the floor of the House at the time of the welfare reform bill consideration kept the Federal entitlement. The Federal Government stands behind individuals who are in need. The Federal Government stands behind individuals who are in need when a hurricane happens. We take it for granted. It is not written in the legislation that automatically you will get Federal aid; it is going to be there no matter how rich you are. If your house is blown down by the winds, no matter how many times you build your house in a place where the winds are likely to blow it down, when they come again, you will get Federal help. When floods occur, no matter how close you build your home to the river, no matter how many times you keep building your home close to the river, no matter how well-off you are, when floods occur, you are going to continue to get help from the Federal Government. Earthquakes, $7 billion, $8 billion for the California earthquake. You can expect, regardless of the state of a person's income, everybody who is affected by the earthquake will get some help from the Government.

That is a civilized government. That is a government designed to promote the general welfare. That is the way it should be. But it should also be that way for people who have economic difficulties and need help.

Oh, yes, there are abuses in the welfare program. There are abuses in the earthquake relief program. Have you heard? There are abuses in the flood relief program. There are abuses in programs that relieve hurricanes and tornados. Wherever human beings exist, they promulgate abuses of programs. Some people take advantage of the situation. There are going to be abuses.

I am going to talk in a few minutes about two sets of abuses, abuses that are in the welfare reform program that enrage so many citizens and abuses that took place in the savings-and-loans program, which seem to be forgotten already although they cost more than $250 billion. That is a most conservative estimate. I will make a comparison in a few minutes.

Before I do that, I just want to end my alert on Medicare and Medicaid. American people, please, keep your eyes on Medicaid and the Medicaid entitlement. Do not let the Medicaid entitlement be wiped away. We can only mourn now for the entitlement for poor people, public assistance, and only mourn now for the entitlement for children, dependent children. We can only mourn because it is almost all over. The agreement has been reached. There is very little we can do politically to roll back the clock and to gather the forces necessary to maintain an entitlement that was instituted by the Social Security Act under Franklin Roosevelt. We cannot bring it back.

But we can stop the escalation of the barbarity. We can stop the barbarians from taking away the Medicaid entitlement. We can act. Let your Congressman know. Let your Senators know. Let everybody know you do not want to move further away from universal health care. The thing that brings us closest to health care for poor people is the Medicaid Program. You do not want to take health care away from seniors who, after they exhaust their income, they exhaust whatever assets they have, go from Medicare to Medicaid. You do not want to do that. Too many of our senior citizens would be left on the hillside to die, in symbolic terms.

Let us move for a minute to take a look at the fact that Americans are outraged by abuses in welfare and the welfare reform has certainly been in response to some ridiculous kinds of things that have occurred. I would criticize the social work profession. I would criticize the public policy planners for allowing a lot of little things that could have been corrected to mushroom. But I assure you that welfare, as a system, is far more honest, the system for providing public subsidy to children who are dependent is far better run and far more honest than most Federal programs that exist today. Let me repeat that: There are abuses in any program that has ever been conceived by the Federal Government, State government, or local Government, and any government, any programs that have been conceived of by any government anywhere in the world. The human mind is such that there are people who can move in and begin to find places to take advantage of the system. The abuses are inevitable because of the fact that human beings are so intelligent and some of them who are very intelligent are not at all honest. There is always the guy who is looking, the hustler who is looking for a way to take advantage of the system.

So welfare has had its abuses. The abuses, again, are minuscule compared to the abuses that we have seen in some other programs.

Let me just stop for a moment and read a couple of clippings to you. Let me just stop for a moment and take advantage of some recent developments which you might have missed. You might have missed the fact that in the New York Times, on September 25, and many other papers in the last few days, there has been a big discussion of the fact that the CIA had more than $1.5 billion. I know these numbers lose you. You know, you think in millions, and hundreds of millions, but when you get to billions, people just cannot understand a billion dollars and what you can do with that. You know, a billion dollars, I assure you, would pay for a lot of nursing home time for hundreds of thousands of people. A billion dollars would cover a lot of food for a lot of school lunch programs. A billion dollars is a lot of money.

The school program, lunch program, was cut by about $2 billion over a period of 7 years. We could give back that $2 billion and say:

> School lunch program, you don't have to worry about searching out the immigrant children. You don't have to worry about driving out the immigrants, legal immigrant children, by the way. You do not have to worry about looking for the illegal ones. You do now have to deal with these draconian cuts that are going to be squeezed as you move the program down to the State level and cut back on the amount of funds, because you have a $1.5 billion windfall here in the CIA.

The CIA has secreted. They have so much money and there are so many abuses, and the administration is so loose and so lax until $1.5 billion was secreted away in a slush fund without the Members of Congress being informed. The heads of the agency, the agency heads, the people in charge said that they did not know about it. The President, the White House, they did not know about it; $1.5 billion. Put that down. You know, that is an estimate of the New York Times. It is secret, of course. It probably was more, but it is a secret figure. The conservative estimate is $1.5 billion.

Mr. Speaker, what I am trying to do is demonstrate that there are widespread and very costly abuses throughout the Government. There are many at the city level and State level which never get the visibility that Federal programs get. But occasionally there are some secret programs in the Federal Government, like the CIA slush fund that I am talking about.

They discovered $1.5 billion in a slush fund that nobody knew about except, I guess, the people who keep the money. I mean, how can they not know? How did it not show up on the books? What welfare recipient could ever get away with a few hundred dollars not showing up in the system? Here we have $1.5 billion.

What is going to be done as a result of finding that there were people who were keeping $1.5 billion or more out of the reach of their supervisors and out of the reach of Congress and the President? What is being done? Excuses are being made. All kinds of excuses are being made.

Now, this is in an agency which has been guilty before, ladies and gentlemen. This is the spy satellite agency. You know, in popular terms, this is the Nation's spy satellite agency. It is the National Reconnaissance Office. The National Reconnaissance Office was cited, you know, not too many months ago for having a building under construction which cost $317 million, more than $3 million. This was a building under construction for more than, and I have it here, $347 million last year. Last year, Senators said they were surprised to find the agency had built a new headquarters in northern Virginia near Dulles International Airport. The Senators of the United States were surprised that a whole building had been built, a new headquarters in northern Virginia near Dulles International Airport. You cannot hide a building, and you certainly cannot hide a building next to the airport, I guess, unless you are the CIA. But the Senators were surprised to find that $347 million had been used to build a building.

But $347 million had been concealed in accounts that did not appear to be for construction. The agency said it has been negligent. "Oh, we are sorry, Mr. Senator, we are sorry, Mr. Representative, but we have been a little negligent. We had this $347 million, and we built a building, and you did not see it."

Now the same agency is discovered to have an additional hidden amount of $1.5 billion or more, and they are saying the same thing. "We are sorry, you, we are a little loose." Excuses are being made because these are white middle-class males. Excuses are being made. They can be sloppy. They can waste your money. They are not welfare children. They are not welfare mothers, who most people think are black or Latino, although the statistics will show that there are more whites on welfare.

The racism that creeps into the outrage about welfare will not be here, because, after all, these are educated people, very well educated. If you can hide the building of a building next to an airport, you are a genius. It takes a whole set of geniuses to build a building next to an airport and, you know, Dulles is here in the Capital. It is in the Washington area, and the Senators not see it, not know about it, the Representatives not know about it, the White House not know about it. These are geniuses who have misspent $1.5 billion or more. They are geniuses, but barbarians in the sense that they have no qualms, no conscience, to say, "Look, we did not use this money, you can have it back, and you can use it to cover some Medicaid costs in the nursing homes or you can use it to cover some food stamp costs, you can use it to cover some earthquake victims' costs, some flood victim costs."

No. They have kept the money and, fortunately, something happened that it was discovered. This is the same agency that so mismanaged and blundered so much that they had a man named Aldrich Ames in there for years in charge of the spy operation in Eastern Europe and Russia, and he was a spy for Russia, for the Soviet Union. Aldrich Ames is his name.

Aldrich Ames grew up in the CIA culture. His father was in the CIA before him. Aldrich Ames was an alcoholic. Aldrich Ames was a guy who took his girlfriend to the safe houses of the CIA against regulations. Regulations, you know, we have got family values in the regulations, but he violated that. He violated all of the operating principles of the agency, and yet he was promoted again and again, and he caused the death of at least 10 people working for the CIA, according to official count, caused their deaths.

My point is, I do not want to dwell too much on this, my point is here is a blundering, deadly agency of the Federal Government, and all they get are raps on the knuckles. This a very poisonous agency that causes life and death in large numbers. This is the agency which labeled Jean-Bertrand Aristide as a psychopath. This is the agency which gave money to the group in Haiti that was fighting against the United States Government's effort to reach a peaceful solution in Haiti. This is the CIA.

The CIA budget, we do not even know what it is, but we can go on the floor and propose to cut it, whatever it is, We wanted to cut it by 10 percent. The estimates by the New York Times and those media groups that are able to get good information, the estimate was that it was a $28 billion operation, and we looked forward to a 10-percent cut, which would have produced $2.8 billion that could have been put into education, college Pell grants. You know, we are cutting all over the place.

□ 1945

You know we are cutting all over the place. You have heard my colleagues before on the other side of the aisle talk about Government waste must go. Well, let us not continue to cover up where the real waste is. Let us not join the barbarians. Let us cut, I say cut.

Ten percent of the CIA would have produced at least $2.8 billion per year. We want to cut it 10 percent for 5 years so that you would cut the agency down to about half the size, and this made sense. But on the floor of the House we have produced this bill three times, and each time we get fewer votes from the Members of the House of Representatives.

Do they want to streamline Government? Do they want to cut waste? Do we want to balance the budget by the year 2002?

No. We want to terrorize the poor. We want to go after the blacks. We want to go after the Latinos. We want to demonstrate that this Government does not exist for certain people. We want to throw certain groups overboard and produce a situation where only the elite can survive. Otherwise why do we not go after an obviously blundering dangerous agency and do to it what we have done to the welfare program? Radical reform; they need radical reform.

The radical and extreme reform that took place with respect to welfare was not necessary. Reform was necessary. In fact, Government should be in the business of reform. We should always be reforming. That is what Government should do, trying to streamline itself, trying to make better use of the taxpayers' money, trying to get greater value. That is what we should be all about. But we are blind when it comes to certain favored groups, certain favored operations.

You think that is an extreme situation? Let us take a look at the article that appeared in the New York Times on September 7 of this year, not too long ago. It is about the old mining law where the Secretary of the Interior, Mr. Babbitt, is complaining about the fact that he is powerless to stop some other white males who are educated and rich from taking advantage of the system. Mr. Babbitt is upset. He says his hands are tied by a century-old law which forced him to approve reluctantly the sale of 110 acres of Federal land in Idaho for $275. I did not make a mistake, my colleagues, $275 for 110 acres of land.

Now I would say that $275 for 110 acres of land is a bargain almost anywhere, you know, even in a swamp. Well, you might hope that 1 day you are going to find something in the swamp that is going to be useful. You got nothing to lose if it only cost you $275. But this land is estimated to contain a billion, a billion dollars worth, of minerals.

Let me repeat, $275 for 110 acres of Federal land in Idaho. The land may contain a billion dollars worth of minerals. I am quoting from the New York Times, September 7, 1995. You can go check it out with Mr. Babbitt, the Department of the Interior.

The next paragraph goes on to explain the land was conveyed to Faxcult, a Danish company, under an 1872 law that requires the Government to sell Federal mining rights for as little as $2.50 an acre. It is an 1872 law that requires the Government to sell Federal mining rights for as little as $2.50 an acre. Do you hear? It was sold to a Danish company, a foreign company.

Mr. Speaker, they are on the floor bashing immigrants and talking about how terrible it is that immigrants come in and they take jobs and do horrible things. Here we have given away to a foreign country 110 acres of land for $275, and the estimated mineral yield of that land is a billion dollars.

Now you might say, "Well, it's very generous of us. There's nothing barbaric about that." You know, it is Americans who are compassionate enough to give to foreigners a great gift. Foreigners are not their kind and kin, so, if they are going to give to foreigners, the Danish owners, this kind of bargain, this kind of gift, then that shows that they are not barbaric. These are very generous people. They may be naive, but they are very generous, because, after all, they are giving it away, and they will not gain anything.

Well, life is a bit more complicated than that. Economics is a bit more complicated than that. Business is more complicated than that. Probably no American company thought they could stand up and take the heat from the American people of having gotten away with that kind of deal. So they have gotten a foreign company, but I assure you the people that owned this company are not all Danish. I assure you that the conditions which led to keeping this law would not be there just to benefit a foreign company.

Congress has sought for years to change the law according to the New York Times again. Congress has sought for years to change the law, but under the strong pressure from the mining industry western lawmakers have repeatedly blocked the legislation. Supporters of the law maintain that it helps to promote mining in the United States and preserve jobs. To promote mining in the United States and preserve jobs you have to give away 110 acres at $2.75 an acre. Congress has sought for years to change the law under strong pressure, but under strong pressure from the mining industry.

Who is the mining industry? You know, I assure you it is not just this little Danish company, not foreigners. The mining industry has stockholders.

The mining industry has very powerful people in very powerful places.

Western lawmakers have repeatedly blocked the legislation.

Western lawmakers? Who are the western lawmakers? They are not foreigners. We do not elect foreigners to office, so western lawmakers, whoever they may be, have blocked legislation which is sought to correct this 1872 law. Probably made sense in 1872 that everybody—you would have to be a fool to believe it made any sense now. Any child can tell you this does not make any sense except if you want to rip off the American people.

Land is owned by the American people until it is conveyed to the mining company, and they say it helps the United States to promote mining in the United States and preserve jobs. If you charged more, you charged a thousand dollars an acre, you cannot promote mining and preserve mining jobs? You know, if it is a billion dollars that is expected, a billion dollars worth of minerals, you certainly could get a higher price.

We are back to that old issue of taxation and revenue. I proposed before that we have a revenue commission, you might recall, a revenue commission to look at ways to get revenue more creatively instead of continuing to tax families and individuals so heavily. You know families and individuals are heavily taxed; 44 percent of our tax burden is borne by families and individuals, and only 11 percent is borne by corporations.

Now these are not the only sources of revenue. There are other kinds of revenue that help make up the total package. When you take a look at some of those other kinds of revenue, we can get revenue from mining lands that are sold, as the President proposes, but here we are up against lawmakers, western lawmakers, who are not insistent, enraged by the fact that somebody is ripping off the Government. No, those are not poor welfare people, one out of every hundred who might be a hustler, who might be taking advantage of the Government programs. These are not people using food stamps who might buy cigarettes for food stamps instead of buying food. These are not those kind of people. These are people who are taking millions of dollars away from the American people that could go into our revenue coffers.

Let me just read on a minute because it is a bit sickening, the whole story, and you can get the flavor of how sick it is by just reading.

The wimpish way we react, the wimpish way our policymakers deal with these outrageous abuses, is enough to give you a heart attack. It is outrageous.

Quote from the New York Times article:

> But Mr. Babbitt, in conveying the Federal tract in Idaho, said he found making such deals, quote, "increasingly distasteful", increasingly distasteful, and he called the law, the law that does this, whose intent originally was to promote development of the West, outdated and exploitative, exploitative, exploitative of taxpayers. Mr. Babbitt found it increasingly distasteful, and he found the law outdated and exploitative of taxpayers.

Now I am not criticizing Mr. Babbitt except I think his language is much too wimpish.

You know, I am reminded of the quote from King Lear. King Lear, after his daughters have betrayed him, said, "Fool me not to bear it tamely. Touch me with noble anger."

Somebody ought to have some noble anger when the CIA secretly has $1.5 billion stashed away and nobody knows about it. Somebody ought to have noble anger when the CIA can build a building near the airport and the Senators and the Members of Congress do not know about it, and the building costs $347 million. Somebody ought to be outraged.

They tremble and they shake when they talk about welfare people. You heard them before saying they stand in line, and they get with their food stamps better food than the guy behind them who is working all day. That is outrageous, and they tremble and they shake when they say that, but they can let the white males, educated in many cases, rich, promulgate a system. Any lawmaker who is part of promulgating this system is not dumb. Somewhere there are benefits that his constituents are getting in larger amounts if you want to keep selling the land of the people of the United States for $2.50 an acre, and you know billions of dollars are going to be made.

The 110 acres in Clark County, ID, are believed to contain an estimated 14 million tons of high-quality travertine, a mineral used to whiten paper. I am quoting from the New York Times article again. Last year, quote, "when American Barrick Resources, a Canadian mining company, used the law to buy a mine with $10 billion in gold deposits for about $10,000, Mr. Babbitt called it the biggest gold heist since the days of Butch Cassidy."

Let me read that again. Last year, when American Barrick Resources, a Canadian mining company, used the same law to buy a mine with $10 billion in gold deposits for about $10,000, Mr. Babbitt called it the biggest gold heist since the days of Butch Cassidy.

Mr. Babbitt, I am glad you have such strong language for it, you know. If you get $10 billion from the people of the United States for $10,000, you think somebody would be on television screaming about it. They could do nothing else except tell the American people about it.

The President and his campaign said we want to end welfare as we know it. Why does somebody not say we want to end the giveaway of billions of dollars mostly to foreign companies, but they have American backers? We want to stop American lawmakers from perpetuating this thievery. Why does somebody not have the guts to stand up and be outraged about stealing money which could provide coverage for thousands of people on Medicaid? For hundreds of nursing home people?

I continue to quote from Babbitt. I find this process where my hands are tied by a law signed by Ulysses S. Grant increasingly distasteful. Mr. Babbitt likes the word "distasteful." Again I am not criticizing Mr. Babbitt. At least he is talking about it. Where have the other Secretaries of Interior been? Where have the lawmakers in this House been? Why does not anybody talk about this? Why does anybody not expose it? Why is it the American people do not know that they are walking away with billions of dollars in minerals that belong to you?

□ 2000

He said that, "While Congress is cutting programs across his department," Mr. Babbitt is upset about his department being cut, as he should be, the Interior Department, he said, "While Congress is cutting programs across my department, the government is losing $100 million a year from royalties from hardrock mining." One hundred million a year in royalties for hardrock mining. How many school lunches could you buy with $100 million a year? How many prescriptions for Medicaid recipients can you fill for $100 million a year?

I quote again from the article: "The bill to overhaul mining laws would require a 2 percent royalty on net profits on minerals taken under the 1872 law. Other proposals before the Congress would require companies to pay fair market value for the surface land, but nothing for the minerals." In other words, as we sit here today, as we talk today, there are Members of Congress in the Senate and in the House of Representatives who are protecting the thievery that is going on right before our very eyes. This is a Federal program that should have radical reform, radical change, but nobody is moving because white, rich, well-educated males benefit from it. They protect themselves.

I talked before about the end of entitlement for Medicaid. I said, "The end of entitlement for Medicaid is on the table." It is not here yet. Medicaid is a patient in the emergency room, on the operating table. Medicaid is about to be butchered. Aid to Families With Dependent Children is on its way to the morgue. They have cut the entitlements already. What would Franklin Roosevelt say? I am sure that the spirit of Franklin Roosevelt is quite angry and quite agitated tonight. Over the last few months, I am sure that spirit has been quite angry and agitated at the wholesale destruction of the programs which he began to put in place.

Franklin Roosevelt was the architect of the Social Security Act, which created Social Security, and later Lyndon Johnson used Social Security to go on to create Medicare and Medicaid. They are all related. I am sure Franklin Roosevelt, having created entitlements for the poor, he also created farm subsidies for poor farmers. Farm subsidies for poor farmers now have become farm subsidies for rich farming businesses, agricultural businesses, so I am sure the spirit of Franklin Roosevelt is a little upset about that.

As he looks at the end of entitlements for people who are poor and need public assistance, for children, mostly, Aid to Families With Dependent Children is just that. If you do not have poor children, you do not qualify. We are ending Aid to Families With Dependent Children, the entitlement.

On the other hand, Franklin Roosevelt and the New Deal, the Congresses that surrounded him, were also the architects of the savings and loans program. They were the architects of the Federal Deposit Insurance Corporation for banks and for savings and loan agencies. I wonder what the spirit of Franklin Roosevelt is doing as it beholds the kind of abuse that took place in the savings and loan program, the kinds of abuses that have taken place in big banks of the program that he started; because when Franklin Roosevelt stabilized the economy and the banking industry by creating the Federal Deposit Insurance Corporation, he brought into the equation every American taxpayer. The taxpayers stand behind the banks. Every American can put their money in the bank, knowing that up to a certain amount of money, it is insured, backed up by our great Federal Government.

Franklin Roosevelt started out with I think it was $10,000, which was a lot of money at that time, and he probably never dreamed that the abuse, both official abuse and unofficial abuse, would lead to a situation where we would raise the amount from $10,000 per person per bank to $100,000 per person per bank. So you can abuse it by going to a lot of different banks and getting insurance.

It was not ordinary Americans who abused it. People who put their deposits into savings and loan associations did not abuse the loan. People who put their deposits in the banks which later on failed, they failed and we covered up the failure. Several big banks have failed in this country and we have covered it up and bailed them out with the Federal Deposit Insurance Corporation funds. The savings and loan debacle, which is the greatest swindle in the history of mankind, there are no other swindles as great as the savings and loan swindle, that could not be covered up. It was a federally assisted program.

Did we get rid of savings and loan associations? Have we put them out of business? Have we been as radical in dealing with the savings and loan situation as we were with the reform of welfare? No, we have not. How many people were put in jail for their abuse, often outright stealing of large sums of money that then had to be replaced by the Federal Deposit Insurance Corporation? How many people have been put in jail? Relatively few, because most of them are white, middle-class, well-educated, and sometimes very wealthy males. they are not treated the same way as poor people, many of whom are Latinos and blacks, and most of all, poor. They are not treated the same way. If they were, then the savings and loans, the whole program would have had radical changes. Large numbers of people would have been put in jail. Large numbers of people would have been taken out of the banking industry.

There was collusion all over the place among well-educated, wealthy people in high places, in many cases: accounting firms who turned their heads away while all kinds of tricks were played with the books; lawyers who found a way to make everything that was done, no matter how terrible it was, legal.

In the State of Texas they had a situation where it was not the Federal Government regulating the savings and loan association, but the State of Texas. The State of Texas has the power to regulate the savings and loan associations in Texas, but the Federal Government, all of the taxpayers of America, stood behind their savings and loan associations, just as they stood behind those in New York or any other part of the country. Why do I say that? Because in Texas you had the largest number of savings and loan associations failing, the largest amount of money was lost in Texas, where the State had the power to oversee the banks. But the Federal Government, the taxpayers, stood behind the banks with the Federal Deposit Insurance Corporation dollars, so they made a killing in Texas. Not only did they oversee the situation and let it get out of hand any way they wanted to, they made millionaires, they made billionaires, most of whom have never gone to jail.

Then when it all collapsed, we set up the Resolution Trust Corporation. That was the device we set up. We did not take away the entitlement, we did not wipe out the Federal Deposit Insurance Corporation. We did not do anything as radical as what we are doing to poor people on welfare. No, we set up a Resolution Trust Corporation, a very complicated animal, and most of the offices of the Resolution Trust Corporation, the greatest percentage of the offices of the Resolution Trust Corporation, had to be based in Texas. That is where the greatest problem was.

California was next, and they spread it around. Denver had its Silverado Bank, the famous bank. The son of the President of the United States sat on the board of the Denver Silverado Bank. It was spread around, but Texas had the greatest concentration. After they had regulated their own banks to make rich those they wanted to make rich, they they got the benefit of having a large Government agency locate there and spend money there and hire people there. Many people who were hired in the Resolution Trust Corporation had formerly worked in some of the banks that had gone, that failed, some of the savings and loan associations that had failed, so they got a jobs program as a result of swindling the American people out of a large part of that $250 billion to $300 billion.

This is happening in America. This happened recently in America, the largest swindle probably in the history of mankind, right before our eyes, and we reacted by coddling and taking care of those who were guilty.

Let me be more specific about guilt. You be the judge. The Silverado Bank in Colorado, in Denver, CO, the Silverado Bank made a deal with a person who came for a loan. One of the people who came for a loan wanted to buy a building. The building was assessed to be worth $13 million, $13 million. The bank said, "Look, we will accept an assessment of twice that much for the building, $26 million, if you will deposit in our bank the extra $13 million, so we will give you a loan of $26 million for a building worth $13 million on the condition you will deposit that $13 million back in the bank, because we know the auditors are coming and we have problems."

If that is not a criminal action, I do not know what is a criminal action, but that was done by the Silverado Bank. That is just one of the things they did. They lost almost $2 billion. They are not the largest offender. We all know Mr. Keating in California was the largest offender, but Silverado lost more than $1 billion, and on the board of Silverado was the son of George Bush, Neal Bush. This kind of transaction took place, and later on as they sorted it out a recommendation was made that Neal Bush should be barred from sitting on any boards of any other banks. He protested vehemently.

Later on, I think secretly, out of the eye of the cameras, he even was made to pay some kind of fine, along with the other board members who had been a part of that situation. But nobody has said he should be put in jail or any other board members of Silverado should be put in jail. Two hundred fifty billion dollars, at least, and there are some estimates that it is twice that amount. You cannot get decent figures because the white males, the educated white males, the wealthy, educated white males who run the banking system and the accounting system and the lawyer system related to it, they make it so complicated you cannot get clear figures as of right now as to what the savings and loan swindle has cost the American people.

This is a Government program: wasteful, blundering, billions of dollars down the drain. Nobody has ever said, "Let us get rid of all savings and loans, let us get rid of the Federal Deposit Insurance Corporation." No, we have found a way to take care of the needs of the white middle-class wealthy who are involved in the abuse that have wrecked the savings and loan associations.

This is strong language, I know, but the barbarians do not hesitate to drive their spears through the bellies of babies. The barbarians have no shame. The barbarians come to the floor of the House and they talk about the need to streamline Government and the need to have a balanced budget by the year 2002. But the barbarians come to the floor of the House and they will not cut the B-2 bomber, which might cost us $33 billion over the lifetime of the program. The barbarians with a straight face said, "We must continue the B-2 bomber." They fight hard on the floor and they win the votes to keep the B-2 bombers. The barbarians want to increase the funding for star wars, a system that has always been questioned by scientists.

The barbarians come to us and say that they want to give a tax cut, and I am all in favor of a tax cut, but if the tax cut is close to the same amount as the Medicare cut, the tax cut is, I think, $240 billion over a 7-year period, and the Medicare cut is $270 billion over a 7-year period; $240 billion for the tax cut, $270 billion for the Medicare cut. The barbarians look at us with straight faces and say, "We must have a tax cut. If that means that the elderly cannot have nursing homes, then so be it. If that means that prescriptions are going to be limited because people cannot afford to pay for their prescriptions, and of course when they cannot get their medication many will die, so be it."

The barbarians are not afraid to make their case forcefully. The barbarians want to end Davis-Bacon, which was created to stop bringing in slave labor. It was created by two Republicans to stop people from bringing in slave labor and undercutting the wages of working people. We are going to have to have some other kind of Davis-Bacon to stop the nations like India from bringing in computer programmers who work for one-twelfth the amount of money computer programmers who are Americans work for. We are going to have to have some kind of Davis-Bacon to stop the Russian physicians and technicians who are working here for the minimum wage. They can come here and undercut American physicists.

We are in a situation where the civilization, the society, must take some steps to do what is rational to make for an orderly transition, where people are able to earn a living and not disrupt things by allowing hustlers to take advantage of the situation by bringing in outsiders who can undercut the labor market. The labor market that we may be protecting tomorrow may be our physicists and our chemists and our college professors. We had better take a look at the logic of Davis-Bacon, the invention of two Republican Members of Congress.

The barbarians refuse to look at this chart, which I will have in the future when I speak. I will have a larger version of it. This is the chart I have been talking about on several occasions.

□ 2015

This shows corporate versus family and individual share of Federal revenues. The share of the revenue burden that is born by corporations went down from 39.8 percent in 1943 to 11.2 percent today, while the share of the individual and family tax burden went up from 27.1 percent to 48.1 percent, and now it is at 42.7 percent.

This chart is one I bring to every session to let my colleagues see the remedy. If my colleagues want to balance the budget, here is the remedy. Balance the tax burden, raise the tax burden, the percentage of the tax burden borne by corporations. We can lower the percentage of the tax burden borne by individuals at the same time. We can do justice to the American people and American families who have paid enough high taxes. At the same time, we can balance the budget by having the corporations, which are making profits now at a higher level than ever before, having them pay a greater share of the burden.

It is a simple solution. We do not have to cut Medicare, we do not have to cut Medicaid, we do not have to act barbaric, in a barbaric way toward children and the elderly. We should on a rational basis sit down and take a look at the next 7 years, or as the President has projected, the next 10 years; whatever my colleagues want to do to balance the budget, it is possible to do it in a rational way.

On the one hand we have to save money by dealing with all of these abuses that we allow to go on if white, rich, educated males are involved, get rid of those abuses and at the same time look at the revenue question, the revenue side and produce the revenue in a rational way and a less painful way.

This is income taxes. We can take a look at the mining, how much more we may realize by taking a hard look at the mining situation or other resources that are presently owned by the American people that are being squandered. I have talked about the frequencies, the fact that we have auctioned off certain frequencies and earned $9 billion already. We can take a hard look at that. There may be more.

There are solutions that are not barbaric solutions, and I ask the American people to keep their eyes on activities in the Congress for the next few weeks. It is your money, it is your civilization. We do not want to be accomplices to barbaric acts. We want to promote the general welfare. We want to take America forward, out of the spirit of Franklin Roosevelt and the spirit of Lyndon Johnson. We want to continue to have a great society. We want to take care of the majority of the people that need to be taken care of. We are Americans, we are not barbarians.

FRENCH NUCLEAR TESTING

The SPEAKER pro tempore. (Mr. BONN of Oregon). Under the Speaker's announced policy of May 12, 1995, the gentleman from American Somoa [Mr. FALEOMAVAEGA] is recognized for 60 minutes as the designee of the minority leader.

Mr. FALEOMAVAEGA. Mr. Speaker, earlier last week I shared with my colleagues and the American people some observations on the crisis that has occurred on the island of Tahiti in French Polynesia, as a consequence of French President Jacques Chirac's recent decision for the Government of France to resume testing of nuclear bomb explosions on the Pacific island atolls of Moruroa and Faugataufa.

Mr. Speaker, despite thousands of petitions and the pleadings from leaders of countries from Europe, from South America, from Asia, and especially from the Pacific island nations, asking France to refrain from conducting nuclear bomb explosions under these Pacific atolls, President Chirac went ahead and pressed the nuclear button 3 weeks ago, exploding a nuclear bomb under Moruroa Atoll with a nuclear punch of 20 kilotons. The nuclear bomb detonated, Mr. Speaker, was more powerful than the atomic bomb dropped on the city of Hiroshima, Japan—which, incidentally, Mr. Speaker, killed some 200,000 men, women and children, from the direct explosion as well as the subsequent radioactive contamination of the residents of Hiroshima.

Mr. Speaker, I realize that whenever a person calls out the word or name, "Tahiti," immediately many of us think of paradise—the swaying palm trees, the lovely Polynesian maidens—a place where there is much dancing and singing in the air, amongst the festive Polynesian Tahitians.

Perhaps, even more vividly, when the American people think of Tahiti, they recall visions from the silver screen classic, "Mutiny on the Bounty," first with Clarke Gable and later starring Marlon Brando.

The fact of the matter, Mr. Speaker, is that the Pacific islands of Tahiti, Moorea, Huahine, Raiatea, and Bora Bora, truly are among the most beautiful volcanic islands in the world. The world famous writer and author, James Michener, has described the island of Bora Bora as the most beautiful in the world, and I agree with Mr. Michener.

Well, Mr. Speaker, as I stand here in the well describing the magnificent beauty of these islands, something very serious has happened since these islands became a colony of France some 150 years ago. The islands of French Polynesia were what westerners would call colonized by France, after some 500 French soldiers with guns and cannons subdued the Tahitian chiefs and their warriors in the 1840's.

Mr. Speaker, after the French were kicked out of their former colony, Algeria, in the early 1960's the late Charles de Gaulle immediately ordered his subordinates to find a new place where the French Government could continue its nuclear testing program. The French Government decided that the two Pacific atolls of Moruroa and Faugataufa in French Polynesia would be the sites for the French nuclear testing program. The Government of France has now exploded well over 180 nuclear bombs on the under these two atolls in the Pacific. The French have been exploding their nuclear bombs in the Pacific for the past 30 years.

Mr. Speaker, with the cold war at an end and the Berlin Wall down, there has been a tremendous sense of relief among the leading countries of the world. As a result, a moratorium was called by the leading nuclear powers, including France, 3 years ago to suspend nuclear testing altogether.

Mr. Speaker, in June of this year, the newly elected President of France Jacques Chirac, announced that France would explode eight more nuclear bombs—one a month, beginning this month of September until May of next year. And each nuclear bomb explosion, Mr. Speaker, shall be up to 10 times more powerful that the atomic bomb dropped on Hiroshima, Japan.

Mr. Speaker, despite extensive efforts made by citizens's organizations and government leaders, involving petitions and pleadings from all over the world to persuade President Chirac not to push that nuclear buttom—the Chirac government still went ahead and detonated their nuclear bomb.

Mr. Speaker, President Chirac said recently through international wire services that the eight nuclear bomb explosions were absolutely necessary to improve France's nuclear weapons capabilities and that the matter was in the order of the highest national interest of the French Government. However, nuclear physicists contend that the safety and reliability of nuclear weapons could be ensured by non-nuclear tests and have suggested that what France is really pursuing with resumed testing is completion of a new warhead design. This new warhead is supposedly an advanced generation of neutron bombs designed to destroy life, while leaving property intact. Dr. Hutton, a Monash University physicist told the Weekend Australian that what France is not telling the public "is the kinds of new weapons they are planning to use those simulation techniques to build." Why do they want simulation programs? "So they can go beyond the thresholds which will be defined in the Comprehensive Text Ban Treaty," he states.

Mr. Speaker, there are some very serious and troubling issues that now need our national attention, and the international attention of other countries, as well. In my opinion, Mr. Speaker, France has now initiated the nuclear arms race again, and I would nominate Mr. Chirac as the world's leading nuclear arms proliferator. Additionally, Mr. Chirac's actions raise another serious probem—if I were Chancellor Kohl or any citizen of German, I would feel very uneasy and uncomfortable about the idea that President Chirac has his finger on a nuclear trigger that he is trying to make more lethal. I would also wonder as a German citizen or as citizens of other European countries what assurances there are that French nuclear-armed missiles shall never be pointed at Bonn, Munich or Berlin, or other cities in Europe?

If I were Chancellor Kohl or a German citizen, I would further wonder what absolutely ensures that Mr. Chirac's nuclear forces would be used to defend Germany against in enemy country that might be an ally or a friend of Chirac's government. I believe, Mr. Speaker, we find ourselves in an interesting dilemma, and I am reminded of a Middle Eastern proverb that states that sometimes the friend of my friend is also my enemy.

Mr. Speaker, every country in Europe should feel somewhat uneasy about the possibility that France is the only country among the continental European nations with a nuclear trigger that may be pointed against any one of them.

Mr. Speaker, this is the kind of tension and uncertainty that Mr. Chirac has raised since the re-opening of its nuclear testing program last week. The implications are obvious, Mr. Speaker, and if Mr. Chirac's motive is to raise fear and apprehension about France's nuclear capabilities among its European allies, I must say, President Chirac has succeeded in this endeavor.

Mr. Speaker, the irony of this is that while 62 percent of the people of France do not approve of nuclear testing in the Pacific, the same majority of the people of France also want France to be recognized as a world leader and as a member of the nuclear club like Great Britain, the United States, Russia, and the People's Republic of China.

The problem, Mr. Speaker, is that absent among the permanent members of the United Nations Security Council and the world's nuclear club are two nations that are considered as having the second and third most powerful economies in the world. Mr. Speaker, I am making reference to Japan and Germany, respectively.

Mr. Speaker, if there is ever a time to examine regional and international conflicts as we confront them today, there is no way that we can deny the presence and considerable influence of Japan in the Asia-Pacific region and Germany throughout Europe, and certainly both nations to be directly involved with the affairs of the entire world.

Mr. Speaker, about 3 weeks ago I was in Tahiti in French Polynesia. I was joined with some 40 other parliamentarians from the Pacific, from Japan, from Asia, from South America, and from Europe. Led by the mayor of the town of Fa'áa and the leading Polynesian leader, Mr. Oscar Temaru, we joined together for a demonstration in the streets of Papeete, Tahiti to oppose the resumption of French nuclear testing on Moruroa and Faugataufa atolls. We were also joined by the Minister of Finance Mr. Takemura of Japan, and he also voiced his strong opposition to French nuclear testing.

Mr. Speaker, earlier on August 30, 1995, Mr. Temaru and his associates, Mr. Vito Haamatua, and myself traveled to the island of Tureia which is located about 60 miles away from Moruroa where the nuclear bomb had already been placed in a shaft about 3,000 feet under the atoll. We were joined later with the arrival of the Rainbow Warrior II and together we headed for the Moruroa atoll.

Mr. Speaker, in anticipation of the French Government's announcement that the first nuclear explosion would take place on September 1, 1995 at about 6 in the morning, the Rainbow Warrior launched about six inflatable zodiacs at about 3 in the morning—in the dark, right under the nose of the French naval warships.

What is remarkable about these zodiacs, Mr. Speaker, is that they were manned by young men and women who were from New Zealand, from Italy, from Australia, from the United States, from France, from Portugal—kind of a mini United Nations representation. Mr. Speaker, I commend these young people. They were not commandos or soldiers. They were just ordinary citizens, committed to a nuclear free world. It is no secret that the world is suffering tremendously as a result of man's own carelessness and sheer callousness in destroying the ecological balance between nature and all forms of plant and animal life.

Mr. Speaker, I want to share this basic item of fact again with my colleagues and with the American people. The fact is, Mr. Speaker, that the French Government has now exploded

176 nuclear bombs on Moruroa island. One hundred and seventy-six nuclear bombs exploded on one tiny island atoll. And President Chirac has the gall to say that this atoll is ecologically safe? Mr. Speaker, there are reports of hundreds of Tahitians who were subjected to nuclear contamination but were never properly tested after exposure.

As a consequence of these explosions, British scientists have confirmed that the atoll underneath Moruroa Atoll is "becoming a web of vitrified cavities, from which an unknown number of cracks are spreading like spiders' webs." Areas of Moruroa atoll have already sunk by 1 meter or more. In fact, Dr. Roger Clark, a seismologist at England's Leeds University, has said that one more test could trigger the atoll's collapse, leading to huge cracks opening to the sea, threatening the fish and other marine life, and ultimately threatening our marine environment throughout the Pacific.

As early as 1987, the world-famous oceanographer and marine environmentalist, Jacques Cousteau, who I personally commend for his opposition to nuclear testings in the Pacific and for the appeals he made to Chirac, also found spectacular cracks and fissures in the atoll, as well as the presence of radioactive isotopes, in the form of iodine 131, plutonium 239, and cesium 134, more commonly known as nuclear leakage.

Mr. Speaker, there is also a strong link between ciguatera poisoning and military operations involving nuclear testing in French Polynesia. Ciguatera poisoning occurs when coral reefs are destroyed, releasing toxic marine organisms which are absorbed by plankton that are eaten by fish, that are ultimately consumed by humans.

Mr. Speaker, even if France stopped its nuclear testing today, the untold amounts of radioactivity encased in Moruroa Atoll will require scientific monitoring for decades to come. Yet France refuses to allow complete and unhindered scientific studies and health assessments to take place.

Another fact remains, Mr. Speaker. As media coverage gave voice to every French diplomat around the world, as well as to France's position that nuclear testing was necessary to its national interest, the senselessness of the testing went untold. What the media failed to tell the world is that France did not need to update its technology via nuclear explosions. The United States had already offered France the technology it sought. Yet American journalists have not given this fact the same amount of airplay that French diplomats have gotten in asserting their insane claim that exploding eight more nuclear bombs in South Pacific waters is necessary to France's national interest.

The media in foreign countries, including Japan, Australia, New Zealand, Germany, and others have done a far better job of covering the global implications of France's resumed nuclear testing than has the American media. How ironic that this should be the case, for a country that has zealously protected and promoted the right to free speech and press, and the widespread dissemination of information; and yet there was hardly any media discussion and debate in America concerning French nuclear testing. Just a few editorials here and there and that was it.

Mr. Speaker, the irony of it all—while just about every American household has a television tuned in and, following the sequences on the fate of one man—Mr. O.J. Simpson, we have turned a deaf ear to health and welfare and even the lives of some 200,000 men, women, and children who are totally helpless and are not capable of withstanding the military might of the French Navy and the French Foreign Legion—as the French Government has literally forced the Polynesian Tahitians to accept such an awful fate, and a future with no promise to enhance their lives.

And, Mr. Speaker, if and when the French colonial power ever does leave these islands, what a sad commentary for writers to state that France's two gifts to these Polynesian Tahitian's are cognac and islands that are contaminated as a result of French nuclear testings for the past 30 years.

Mr. Speaker, I would have hoped that the French could have learned from America's experience with nuclear testing in the Pacific. In 1954, on Bikini Atoll, the United States exploded the most famous hydrogen bomb of that time—a 15 megaton bomb, 1,000 times more powerful than the atomic bomb dropped on Hiroshima. The sad part of this story is that before the bomb was exploded, the officials who were conducting this experiment—the "Bravo Shot"—discovered that the winds had shifted and that the 300 men, women, and children living on the nearby island of Rongelap would be put at risk by the explosion. They exploded the bomb anyway, subjecting 300 innocent people to nuclear contamination. The accounts of their suffering are well-documented.

Though our Government is making every effort to resettle this island and offer monetary compensation to these people, the reality is, no amount of money can compensate for one's health. The women of Rongelap gave birth to what many termed "jelly babies," babies that were born dead and did not appear to look human. The people of Rongelap have suffered from cancer, leukemia, and all manners of disease associated with nuclear contamination.

Yes, we conducted these tests, but then realized the horrors associated with these tests. We realized how harmful these nuclear tests are to the atolls and to the Pacific Islanders way of life. So the United States stopped its nuclear testing program in the Pacific and moved its testing sites underground in the desert plains of the State of Nevada.

Mr. Speaker, I would like to commend President Clinton for his policy on nuclear testing. He has committed the United States to negotiate an absolute ban on all nuclear tests, and has rejected the argument that small-scale testing is necessary to ensure weapons reliability. This decision, serving as a model for the world, is a major step toward stopping nuclear proliferation.

On the other hand, Mr. Speaker, I must express my disappointment that our Government did not release a strong statement condemning France after the explosion on Moruroa Atoll on September 1, 1995. While other countries vigorously denounced France's detonation, the response of the United States was understated and weak.

So I stand here in the well today, Mr. Speaker, to declare what our own State Department would not. Chirac's decision to promote nuclear proliferation, at the expense of a peaceful people, is an atrocity, a crime against humanity, not unlike France's decision in World War II to forcibly deport 75,000 of its own citizens, to Nazi concentration camps, where it is said that only 1,000 of those deported survived.

In addition, Mr. Speaker, France's resumption of nuclear testing, especially on soil other than its own, is nothing less than a classic example of colonialism in its worst form, and as such, an old ideology politicized by dominant Western cultures as a means to marginalize and oppress. Every enlightened French citizen should be ashamed that such atrocity reigns in the hands of its current leader, and that those Polynesian Tahitians are simply being forced against their will by the French colonial government to accept nuclear testing, like it or not.

What President Chirac has done is inexcusable and offends the sensitivities of decent people throughout the world. This madness must stop, Mr. Speaker, and it must stop now, and again I urge any fellow Americans, as a gesture of your support, to oppose this mean-spirited policy by President Chirac—don't purchase French wine and French goods and products—this is the only way President Chirac will get the message.

Mr. Speaker, within the coming weeks and months, if there will be more violence and even loss of lives in Tahiti because of nuclear testing, I cannot see how President Chirac can passively take this issue without any concern to the lives of those people who live on those Pacific Islands.

Again, Mr. Speaker, I make this appeal to my colleagues and on behalf of thousands of people throughout the world—especially to the citizens of Japan, the citizens of Germany—to my fellow Americans, to show our compassion and concerns for the welfare of the 200,000 Polynesian Tahitians who are being forced to accept French colonial policy to conduct nuclear testings in the Pacific—a world citizenry movement not to purchase French wine, foods, and products as a gesture of support of the 200,000 Polynesian Tahitians who are against nuclear testing in the Pacific.

Mr. Speaker, I include newspaper articles on the subject of my special order for the RECORD, as follows:

[From the Associated Press, Sept. 26, 1995]

TAHITIAN GOVERNMENT LEADER ASKS CHIRAC TO END TESTS BEFORE ELECTIONS

PAPEETE, TAHITI.—Tahiti has asked France to speed up its South Pacific nuclear tests, which have prompted huge riots and fueled the independence movement on the largest island in French Polynesia.

Tahitian Government President Gaston Flosse said he has asked French President Jacques Chirac to complete the tests before March so elections scheduled that month can be held "in a calmer atmosphere."

France's first nuclear blast at Mururoa Atoll on Sept. 5 set off two days of riots in Papeete, the capital of French Polynesia. The test was the first in three years anywhere except China.

Protesters set fire to buildings, looted shops and torched cars.

Many of the rioters were members of Tahiti's pro-independence movement, called out on the streets by a pro-independence radio station after police confronted peaceful protesters.

Opponents of the testing have threatened to hit the streets again this week when France is expected to set off a larger nuclear warhead at Fangatufa, another atoll in the South Pacific.

Chirac has said he plans to conduct as many as eight tests by the end of May. France says it needs the tests to update its nuclear arsenal and develop computer simulation to replace testing.

However France has said it supports an eventual global ban on nuclear testing.

Also Tuesday, the European Parliament said it plans to investigate possible links between the first blast and a volcanic eruption more than 3,000 miles away in New Zealand.

Some members of the 626-seat legislature suspect that the French underground tests on Mururoa Atoll may have sent shock waves along underwater fault lines and caused the eruption of New Zealand's Mount Ruapehu.

That mountain continued to spew ash and boulders Tuesday in what could become New Zealand's biggest volcanic eruption in 50 years.

[From the Washington Post, Sept. 19, 1995]

FRENCH NUCLEAR PROGRAM CLOSELY TIED TO U.S.

SHARING OF SENSITIVE CODES, ACCESS TO CALIFORNIA LABS TO EXPAND

(By William Drozdiak and Jeffrey Smith)

When President Clinton traveled to Hawaii early this month to celebrate the 50th anniversary of the end of the war in the Pacific, his aides dispatched an urgent message to the French government: Please do not conduct the first in your controversial series of nuclear blasts under a Pacific atoll while Clinton is in the region.

Even though French President Jacques Chirac was eager to proceed with the nuclear tests in the teeth of international protests, he realized he was in no position to turn down such a request from a special friend. Reluctantly, Chirac put off the politically embarrassing blast until Clinton had returned to Washington.

Chirac's gesture was partly a token of respect for the close relationship he has nurtured with Clinton during his first four months in office. But even more, say French and American officials, it was a tip of the hat to the long years of unannounced support and assistance provided by the United States to the French nuclear weapons program.

Despite its claims of developing an independent nuclear deterrent, France has long relied on the United States for some of the most sophisticated technologies needed to upgrade and maintain a modern nuclear arsenal, these officials say.

Although known to specialists, the U.S.-French nuclear links have been little discussed over the years. With the French nuclear tests generating opposition around the Pacific and among environmentalists everywhere, however, the details of the collaboration are getting a new look.

In fact, even though the United States is no longer making its own bombs and has publicly criticized the French tests, U.S. officials say the cooperation is scheduled to expand to an unprecedented degree.

Washington and Paris currently are trying to negotiate an arrangement, for example, under which the two sides will begin to share sensitive computer codes that describe how bombs behave when they are detonated. France needs the data to make full use of access to two sophisticated new U.S. nuclear weapons research facilities that Washington has quietly offered French weapons experts.

In addition, France has begun building a mammoth $4 billion laser facility near Bordeaux for weapons-related research—nine stories high and 900 feet long—with the help of an American scientist from the Lawrence Livermore National Laboratory, which is one of three U.S. weapons design centers.

A senior U.S. defense official said the Defense Department is straining to keep this collaboration within traditional bounds, in which the United States has secretly shared scientific data to help ensure that French weapons cannot be detonated accidentally or without proper authority while steering clear of collaboration in nuclear weapons design.

But the official acknowledged there is "so much information in codes . . . [that] some of these data can be used to improve their weapons." As a result, he said, "joint use of codes will have to be explored very thoroughly. . . . We are still in the negotiating phase as to how the increase in our collaboration would take place."

The Clinton administration says maintaining a close U.S.-French relationship is essential to ensuring French support for the comprehensive test ban treaty to be signed next year. Although French aircraft routinely are allowed to ferry military equipment and personnel related to the French nuclear tests in the South Pacific across U.S. territory, according to a senior State Department official, the flights "are not supposed to carry" plutonium for nuclear weapons and "to the best of our knowledge do not."

The cooperation between the two nations dates from the Cold War, when for more than two decades the United States offered assistance in building up a French nuclear arsenal as an important adjunct to the American strategic umbrella that shielded the European allies from thousands of Soviet warheads aimed at the West. U.S. officials helped France design some missiles that carry its warheads and to develop devices meant to prevent an accidental nuclear detonation.

The new U.S. facilities to be opened to French weapons scientists include the $1 billion National Ignition Facility in Livermore, Calif., which is to simulate the flow of radiation in a nuclear weapons fireball by firing 132 lasers—each more powerful than any laser elsewhere in the world—at a pellet of special nuclear material.

They will also be able to participate in experiments at the new $400 million Dual Axis Radiographic Hydrodynamic test center at Los Alamos, N.M., which is meant to snap two-dimensional or time-sequence photographs of the inner workings of mock weapons as they are detonated.

The experiments at these two facilities will not produce fission, making them nonnuclear to comply with the terms of the test ban treaty. But U.S. scientists acknowledge that the resulting data are applicable not only to studies of aging weapons in U.S. and French stockpiles, but also to the potential design of new weapons.

A delegation of U.S. energy and defense officials was dispatched to offer this access after Chirac was elected in May, provided that the existence of U.S.-French nuclear collaboration be made public—which it was in August. A similar deal had been proposed earlier to Chirac's predecessor, Francois Mitterrand, but Mitterrand refused to allow Washington to make any statement referring to nuclear cooperation between the two nations.

In some quarters of the French government, the deepening American connection has stirred consternation. Foreign Minister Herve de Charette has warned that once France embraces the American simulation technology, it will jeopardize its own self-sufficiency. "If we take everything off the American shelf, we will no longer be certain that our nuclear program is fully under our own control," de Charette told foreign reporters recently.

But French scientists and Defense Ministry officials believe cooperation between France and the United States is so great that the claim of self-sufficiency is a charade. These officials say even more American help will be needed if France pursues its ambition of developing a more robust nuclear force by fitting its warheads on new air-to-ground rockets—something that only the United States has mastered.

French officials also argue that the cost of thermonuclear research in the post-testing era will become so enormous—at a time when Western countries are striving to slash defense budgets—that sharing state-of-the-art technology will become an absolute necessity.

The United States and France have not always approached the issue so amicably. When Pierre Mendes-France gave the green light in 1954 to develop a French atomic bomb, the United States was troubled by the specter of nuclear proliferation and sought to block French development of the bomb.

French determination to build a nuclear force grew after Germany was allowed to begin rearming itself and the United States expedited the flow of American assistance to France to cope with such complex matters as ballistic missile guidance systems and multiple warhead technology. High-speed computers also were supplied to the French on an exceptional basis.

When France shifted its testing site from the Algerian desert to the Mururoa atoll in the South Pacific, the American connection became even more critical. U.S. weapons scientists were dispatched to the site to help the French learn to diagnose their test results. French scientists, equipment and even nuclear bomb components were flown in DC-8 transport planes from Paris to the Tahitian capital of Papeets across American territory, with a refueling stop in Los Angeles.

Without permission to transit American air space, French officials say their country's nuclear program would have been stopped dead in its tracks. But in 1987, the U.S. Congress became so alarmed about the risks of French nuclear warheads and other dangerous materials flying across U.S. territory that it passed a law barring the flights and Paris was told to find an alternative route for its bomb parts.

After scrutinizing the map, the French realized that Panama was the shortest—and least troublesome—territorial crossing for such sensitive cargoes. The DC-8 planes, it was decided, would make the journey by flying with nuclear materials first to the French territory of Guadeloupe for a refueling stop, then proceeding across the isthmus before heading out over the Pacific to the final destination at Mururoa.

In a show of gratitude for Panama's willingness to provide a Central American air bridge for the French nuclear program, Mitterrand in 1987 bestowed one of France's highest awards—the title of commander in the Legion of Honor—on the notorious Panamanian dictator, Gen. Manuel Antonio Noriega. French officials who confirmed an account of the incident published in the Newspaper Le Monde say it was the first time, and probably the last, that a notorious drug trafficker will be given such a medal.

[From the New York Times, Sept. 12, 1995]

THE ARMS RACE IS ON

(By Spurgeon M. Keeny, Jr.)

In only a few months, the Republican Congress has quietly managed to undermine more than two decades of progress on nuclear arms control. With practically no public debate, the Senate included in its Pentagon authorization bill a land-based missile defense system that would flagrantly violate the 1972 Antiballistic Missile Treaty, the foundation of all nuclear weapons agreements.

Under the bill, the United States would "develop for deployment" a ballistic missile defense by 2003. The legislation calls for trying to negotiate amendments to the Antiballistic Missile Treaty to allow for the system; but if such talks fail, we would have to consider withdrawing from the treaty.

The system, which could ultimately cost hundreds of billions of dollars, is designed to intercept only long-range ballistic missiles. The cold-war thinking behind it ignores the reduced threat of Russian nuclear attack. No rogue state will have long-range ballistic capability anytime soon.

The bill tacitly recognizes the limited value of an antiballistic defense system, because it also calls for creating new cruise missile defenses (which could be equally costly) and for spending at least $50 billion more on so-called theater missile defense systems that would protect armed forces and allies overseas.

In addition to its huge expense, this package would all but destroy the possibility of new gains in nuclear arms control, starting with the as yet unratified second Strategic Arms Reduction Treaty. President Boris Yeltsin of Russia has said that Start II "can be fulfilled only provided the United States preserves and strictly fulfills the bilateral Antiballistic Missile Treaty."

Besides, if we build the antiballistic missile system, Russia would probably begin building its own. This bilateral buildup would preclude future reductions of strategic weapons below the levels called for in Start II. Faced with expanded Russian defenses, Britain, China and France would not likely consider reductions in their nuclear forces and might even seek increases.

The proposed system is a much less effective defense than the agreements it would wipe out. Start I and II call for eliminating missiles and aircraft that could deliver at least 7,000 nuclear warheads; the proposed antiballistic missiles would be lucky to knock down a hundred such warheads in a full-scale assault.

Finally, a new American buildup would give belligerent countries grounds for withdrawing from the Nuclear Nonproliferation Treaty or demanding changes in it.

The Clinton Administration deserves some blame for this dangerous new turn. Last year it advocated a theater missile defense system that itself undercut the Antiballistic Missile Treaty.

President Clinton can atone for this mistake by vetoing the Pentagon authorization bill unless the commitment to set up the antiballistic defense system is dropped when the House and Senate prepare the final version this fall. If he signs the bill because Congress is certain to override a veto, he must make clear that he will not deploy this system or seek any changes in the ABM Treaty.

Why risk restarting the arms race at a time when America has never been in less danger of a nuclear attack?

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Ms. JACKSON-LEE) to revise and extend their remarks and include extraneous material:)

Ms. MCKINNEY, for 5 minutes, today.

Mr. GIBBONS, for 5 minutes, today.

Mr. BROWN of Ohio, for 5 minutes, today.

Ms. KAPTUR, for 5 minutes, today.

Mr. OWENS, for 5 minutes, today.

Ms. BROWN of Florida, for 5 minutes, today.

Mr. SCOTT, for 5 minutes, today.

Mr. POMEROY, for 5 minutes, today.

Mr. MINGE, for 5 minutes, today.

Mr. HILLIARD, for 5 minutes, today.

Mr. BARCIA, for 5 minutes, today.

Mr. WISE, for 5 minutes, today.

Mrs. MALONEY, for 5 minutes, today.

Mr. GENE GREEN of Texas, for 5 minutes, today.

(The following Members (at the request of Mr. BALLENGER) to revise and extend their remarks and include extraneous material:)

Mr. MCINTOSH, for 5 minutes, today.

Mr. NORWOOD, for 5 minutes, today.

Mr. DUNCAN, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. CLYBURN, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. BISHOP, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. SMITH of Michigan, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Ms. JACKSON-LEE) and to include extraneous matter:)

Mr. DOYLE.

Mr. BONIOR in two instances.

Mr. STOKES.

Mr. LEVIN.

Mr. STARK.

Mr. BERMAN.

Mr. MEEHAN in two instances.

Mr. STUPAK.

Mr. OWENS.

(The following Members (at the request of Mr. BALLENGER) and to include extraneous matter:)

Mr. BOEHNER.

Mr. OXLEY.

Mrs. MORELLA.

Mr. BILBRAY.

Mr. BOEHLERT.

Mr. HORN in two instances.

Mr. HOUGHTON.

(The following Members (at the request of Mr. FALEOMAVAEGA) and to include extraneous matter:)

Mr. SMITH of Michigan.

Mr. FUNDERBURK.

Mr. BOEHLERT.

Ms. VELÁZQUEZ.

Mr. COLEMAN.

Mr. YOUNG of Alaska.

Mr. PORTMAN.

Mr. BERMAN.

Mr. COYNE.

Mr. SPENCE.

Mr. FOLEY.

Mr. BARCIA in two instances.

Mr. TALENT.

Ms. BROWN of Florida.

Mr. FORBES.

Mr. TOWNS.

ADJOURNMENT

Mr. FALEOMAVAEGA. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 40 minutes p.m.), the House adjourned until tomorrow, Friday, September 29, 1995, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1469. A letter from the Secretary of State, transmitting a report on the transfer of property to the Republic of Panama under the Panama Canal Treaty of 1977 and related agreements, pursuant to 22 U.S.C. 3784(b); to the Committee on National Security.

1470. A letter from the Secretary of Housing and Urban Development, transmitting a report on the progress of the Department in implementing expanded lead-based paint hazard evaluation and reduction activities, pursuant to Public Law 102-550, section 1061(b) (106 Stat. 3927); to the Committee on Banking and Financial Services.

1471. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report involving U.S. exports to the Compania Samalayuca II, S.A. de C.V., pursuant to 12 U.S.C. 635(b)(3)(i); to the Committee on Banking and Financial Services.

1472. A letter from the Chairman, Board of Governors, Federal Reserve System, transmitting a copy of the Board's report on credit advertising rules under the Truth in Lending Act, pursuant to 15 U.S.C. 1613; to the Committee on Banking and Financial Services.

1473. A letter from the Director, Defense Security Assistance Agency, transmitting the Department of the Navy's proposed lease of defense articles to Australia (Transmittal No. 36-95), pursuant to 22 U.S.C. 2796a(a); to the Committee on International Relations.

1474. A letter from the Director, Defense Security Assistance Agency, transmitting the Department of the Army's proposed lease of defense articles to France (Transmittal No. 37-95), pursuant to 22 U.S.C. 2796(a); to the Committee on International Relations.

1475. A letter from the Executive Director, Advisory Commission on Intergovernmental Relations, transmitting the annual report on Federal court decisions which have created mandates on State, local, and tribal governments, pursuant to Public Law 104-4, section 304 (109 Stat. 70); to the Committee on Government Reform and Oversight.

1476. A letter from the Commissioner, Bureau of Reclamation, Department of the Interior, transmitting a report on the necessity to construct modifications to Scofield Dam, Scofield Project, UT, in order to preserve its structural safety, pursuant to 43 U.S.C. 509; to the Committee on Resources.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SKEEN: Committee of Conference. Conference report on H.R. 1976. A bill making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1996, and for other purposes (Rept. 104-268). Ordered to be printed.

Mrs. MEYERS: Committee of Conference. Conference report on S. 895. An act to amend the Small Business Act to reduce the level of participation by the Small Business Administration in certain loans guaranteed by the Administration, and for other purposes (Rept. 104-269). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. YOUNG of Alaska:

H.R. 2413. A bill to transfer the Tongass National Forest to the State of Alaska; to the Committee on Resources, and in addition to the Committee on Agriculture, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. BAESLER:

H.R. 2414. A bill to establish the Federal authority to regulate tobacco and other tobacco products containing nicotine; to the Committee on Commerce.

By Mr. COLEMAN:

H.R. 2415. A bill to designated the U.S. Customs administrative building at the Ysleta/Zaragosa Port of Entry located at 797 South Ysleta in El Paso, TX, as the "Timothy C. McCaghren Customs Administrative Building"; to the Committee on Ways and Means.

By Mr. DUNCAN:

H.R. 2416. A bill to amend the Higher Education Act of 1965 to require open campus security crime logs at institutions of higher education; to the Committee on Economic and Educational Opportunities.

By Mr. HEFLEY:

H.R. 2417. A bill to provide that United States Armed Forces may not participate in a peacekeeping operation in Bosnia and Herzegovnia unless such participation is specifically authorized by law; to the Committee on National Security, and in addition to the Committee on International Relations, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. McCOLLUM:

H.R. 2418. A bill to improve the capability to analyze deoxyribonucleic acid; to the Committee on the Judiciary.

By Mr. MOORHEAD (for himself and Mrs. Schroeder):

H.R. 2419. A bill to amend part I of title 35, United States Code, to provide for the protection of inventors contracting for invention development services; to the Committee on the Judiciary.

By Ms. VELAZQUEZ:

H.R. 2420. A bill to amend title XIX of the Social Security Act to require health maintenance organizations and other managed care plans providing medical assistance to Medicaid beneficiaries to make payments for assistance provided to such beneficiaries by school-based health centers, and for other purposes; to the Committee on Commerce.

By Mr. BASS (for himself, Mr. Baldacci, Mr. Boehlert, Mr. Hinchey, and Mr. Sanders):

H.R. 2421. A bill to implement the recommendations of the Northern Forest Lands Council; to the Committee on Agriculture.

By Mr. McDERMOTT (for himself, Mr. Ford, Mr. Olver, Mr. Dellums, Mr. Torres, Mr. Moakley, Mrs. Clayton, Mr. Kleczka, Mr. Scott, Ms. McKinney, Ms. Pelosi, Mr. Spratt, Mr. Barrett of Wisconsin, Mr. Owens, Mr. Faleomavaega, Mr. Yates, Mr. Vento, Mr. Conyers, Mr. Martinez, Miss Collins of Michigan, Mr. Gene Green of Texas, and Mr. Watt of North Carolina):

H.R. 2422. A bill to amend title XVIII of the Social Security Act to provide for security of the Medicare program; to the Committee on Ways and Means, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SAXTON (for himself, Mr. Ewing, Mr. McCollum, and Mr. Thornberry):

H.R. 2423. A bill to amend the Internal Revenue Code of 1986 to provide an estate tax credit with respect to property managed according to certain habitat conservation agreements, to provide a credit for certain conservation expenses, and to exclude from income amounts received from others to pay for such expenses; to the Committee on Ways and Means.

By Mr. DOOLITTLE (for himself, Mr. Hancock, Mr. Hansen, and Mr. Shays):

H.J. Res. 109. Joint resolution proposing an amendment to the Constitution of the United States establishing English as the official language of the United States; to the Committee on the Judiciary.

By Mr. DOOLITTLE (for himself and Mr. Burton of Indiana):

H. Res. 233. Resolution condemning the abduction of Jaswant Singh Khalra and urging his release; to the Committee on International Relations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII.

Mr. ROSE introduced a bill (H.R. 2424) for the relief of James M. Hughs; which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 77: Mr. Blute.

H.R. 311: Mr. Martini.

H.R. 497: Mr. Smith of Texas, Mr. Baker of California, Mrs. Kelly, and Mr. Foglietta.

H.R. 528: Mr. Dixon, Mr. Chapman, Mr. Browder, Mr. Filner, Mrs. Clayton, Mr. Heineman, and Mr. Visclosky.

H.R. 580: Mr. Dixon and Mr. Foglietta..

H.R. 609: Mr. Foglietta.

H.R. 752: Mr. Vento, Mr. Thornton, and Ms. Slaughter.

H.R. 771: Ms. Lofgren, Mr. Stupak, Mr. Gejdenson, Mr. Andrews, and Mr. Foglietta.

H.R. 789: Mr. Dickey and Mr. Bonilla.

H.R. 858: Ms. Norton, Mr. Holden, Mr. Goodlatte, and Mr. Pickett.

H.R. 922: Mr. Barrett of Wisconsin, Mr. Fox of Pennsylvania, and Ms. Woolsey.

H.R. 952: Mrs. Lincoln.

H.R. 957: Mr. Kim.

H.R. 1003: Mr. Johnson of South Dakota.

H.R. 1021: Mr. Foley.

H.R. 1023: Mr. Foley, Mrs. Morella, and Mr. Moran.

H.R. 1061: Mr. Cox of California.

H.R. 1078: Ms. Furse and Mr. Foglietta.

H.R. 1083: Mr. Oxley, Mr. Bilbray, and Mr. Clement.

H.R. 1094: Mr. Riggs, Mr. Clement, and Mr. Chapman.

H.R. 1098: Mr. Packard.

H.R. 1099: Mrs. Kennelly.

H.R. 1204: Ms. Woolsey and Mr. McCollum.

H.R. 1248: Mr. Beilenson and Mr. Sanders.

H.R. 1493: Ms. Eshoo, Mr. Ney, and Ms. Pelosi.

H.R. 1499: Mr. Underwood, Mr. Flanagan, Mr. Schiff, and Mr. Buyer.

H.R. 1533: Mr. Schumer.

H.R. 1627: Mr. Cunningham, Mr. Stearns, Mr. Bachus, Mr. Scarborough, Mrs. Fowler, Mr. Traficant, Mr. Porter, Mr. Bass, Mr. English of Pennsylvania, Mrs. Vucanovich, Mr. Castle, and Mr. Kim.

H.R. 1636: Mr. Hayes.

H.R. 1687: Ms. Roybal-Allard, Mr. Hoyer, Mr. Neumann, Mr. Shadegg, and Ms. DeLauro.

H.R. 1735: Mr. Johnston of Florida and Mr. Foglietta.

H.R. 1747: Ms. Molinari, Mr. Dingell, Mr. Tejeda, and Mr. Payne of Virginia.

H.R. 1776: Mr. Gene Green of Texas and Mr. Skelton.

H.R. 1796: Mr. Wicker.

H.R. 1853: Mr. Foglietta.

H.R. 1889: Mr. Spence, Mr. Dellums, Mr. Payne of Virginia, Mr. Wise, Mr. Pete Geren of Texas, and Mr. Foglietta.

H.R. 1969: Mr. Evans and Mr. Rahall.

H.R. 1985: Mr. Martinez and Mr. Johnston of Florida.

H.R. 2008: Ms. DeLauro and Mr. Holden.

H.R. 2011: Ms. DeLauro, Mrs. Lincoln, Mr. Rahall, Ms. Furse, Mr. Walsh, Ms. Woolsey, Mr. Ehlers, Mr. Payne of Virginia, Mr. Mascara, Mr. Jacobs, Mr. Traficant, Mr. Sawyer, Mr. Clyburn, Mr. Baldacci, Mr. Ackerman, and Ms. Kaptur.

H.R. 2046: Mr. Kennedy of Rhode Island.

H.R. 2098: Mrs. Meyers of Kansas, Mr. Brownback, Mr. LaTourette, Mr. Hoekstra, Mrs. Myrick, and Mrs. Kelly.

H.R. 2128: Mr. Bereuter.

H.R. 2132: Mr. Foglietta, Mr. Bonior, and Mr. Gutierrez.

H.R. 2138: Mr. McIntosh, Mr. Clyburn, Mr. Fox of Pennsylvania, and Mr. Davis.

H.R. 2147: Mr. Ney, Mr. English of Pennsylvania, and Mr. Hefley.

H.R. 2152: Mr. LoBiondo.

H.R. 2164: Mr. Lipinski.

H.R. 2200: Mr. Bachus, Mr. Tiahrt, Mr. Buyer, Mr. Watts of Oklahoma, Mr. McCrery, Mr. Collins of Georgia, Mr. McHugh, Mr. Brewster, and Mr. Skeen.

H.R. 2202: Mr. Lipinski.

H.R. 2275: Mr. Quillen, Mr. Cremeans, and Mr. Bryant of Tennessee.

H.R. 2281: Mr. Shays, Mr. Miller of California, Ms. Rivers, Mr. Luther, Mrs. Lowey, Mr. Bishop, Mr. Gejdenson, and Ms. Furse.

H.R. 2283: Mr. Whitfield and Mr. Stump.

H.R. 2338: Mr. Pete Geren of Texas and Mr. Frost.

H.R. 2342: Mr. Baker of Louisiana, Mrs. Schroeder, Ms. Lofgren, and Mr. Ney.

H.R. 2344: Mr. Serrano, Mr. Rangel, Ms. Slaughter, Mrs. Lowey, Mr. King, Mr. Gejdenson, Mr. Richardson, Mr. DeFazio, Mr. Ortiz, and Mr. Hinchey.

H. Con. Res. 50: Mr. Olver.

H. Con. Res. 102: Mr. Oberstar, Mrs. Meek of Florida, Mr. Williams, Mr. Gejdenson, Mr. Schiff, and Mr. Ney.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 497: Mr. Saxton.

H.R. 2072: Mr. Fox of Pennsylvania.

H.R. 2275: Mr. Martinez.

SENATE—*Thursday, September 28, 1995*

(Legislative day of Monday, September 25, 1995)

The Senate met at 9 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Let us pray:

Here is an exciting Biblical promise to start our day:

"God is able to make all grace abound toward you, that you, always having all sufficiency in all things, may have an abundance for every good work".—II Corinthians 9:8.

Gracious Father, we thank You for Your amazing grace, Your unqualified love and forgiveness, and Your limitless strength that flows from Your heart into our hearts, filling up our diminished reserves. It is wonderful to know that You have chosen to be our God and have chosen us to belong first and foremost to You. We clarify our priorities and commit ourselves to seek first Your will and put that above all else. It is liberating to know that You will supply all we need, in all sufficiency, to discern and do what glorifies You. Grant us wisdom, Lord, for the decisions of this day.

We ask this not for our own personal success but for our beloved Nation. America deserves the very best from us today. Experience has taught us that You alone can empower us to be the dynamic leaders America needs. Fill us with a new passion for patriotism and fresh commitment for the responsibilities of leadership You have entrusted to us.

In the name of Jesus. Amen.

(Mr. ASHCROFT assumed the chair.)

HISTORIC WHITE HOUSE CEREMONY

Mr. SPECTER. Mr. President, in the absence of other Senators in the Chamber to debate the motion to proceed, and I know my colleagues will be arriving shortly, I think it appropriate to take a few minutes to comment on a historic ceremony which will take place at the White House at 12 noon today when the leaders of Israel and the Palestinian Liberation Organization are scheduled to sign a historic agreement.

I well recall the day, a little over 2 years ago, 2 years and 15 days ago, on September 13, 1993, when Prime Minister Rabin and PLO Chairman Yasser Arafat signed the initial agreement.

I must say that was a difficult day for me personally to watch Yasser Arafat honored at the White House after the long record of terrorism in which the PLO had engaged, including being implicated in the murder of the charge d'affaires at the United States embassy in the Sudan in 1974, the No. 2 United States official in that country, the hijacking of the *Achille Lauro* and the death of Mr. Klinghoffer, and many other acts of terrorism.

It seemed to me, as I think it did to most other Americans, that if Israel—the prime victim of the terrorist attacks by the PLO—through its leaders, Prime Minister Rabin and Foreign Minister Peres, were willing to shake hands with Yasser Arafat under those circumstances, that the United States should do what it could to facilitate the peace process. That is in deference to the leaders of that sovereign state.

I also recall when a letter was circulated on the floor of the U.S. Senate criticizing then Prime Minister Shamir for refusing to give land for peace. I was one who refused to sign that document on the proposition that U.S. Senators thousands of miles away from turmoil ought not to try to influence, let alone dictate, policies to the leaders of other sovereign states under those circumstances.

Now, after very protracted negotiations, we have Prime Minister Rabin and Foreign Minister Peres and Chairman Arafat coming to the White House today to sign this historic agreement.

During the course of the past several weeks, Senator HANK BROWN of Colorado and I have had occasion to travel, including a trip to the Mideast to talk to the leaders of the nations there. After being there, Mr. President, I have a sense of guarded optimism about the future of peace in the Mideast.

I have traveled into that region extensively, going back to my first trip there in 1964. I do have very substantial reservations as to the adequacy of the PLO, the Palestinian response, and the response of Yasser Arafat to eliminate terrorism in the area.

Last year, Senator SHELBY and I introduced an amendment to the foreign operations bill which would have cut off United States aid if the PLO and Chairman Arafat did not take steps to curtail terrorism, and also to amend the PLO charter to eliminate the provisions which called for the destruction of Israel.

Frankly, Mr. President, I am not satisfied with what Chairman Arafat has done in either regard.

There has been the explanation, really an excuse, that they could not amend the charter because there was not a convening Palestinian authority at that time. Also, Chairman Arafat has said that he has taken certain action to declare those provisions null and void, but I think realistically much more could have been done.

Similarly, on the critical issue of stopping terrorism, I think a great deal more could have been done by Chairman Arafat on that important aspect.

Senator BROWN and I had an opportunity to meet with Chairman Arafat, and we asked him those questions very directly. We asked him why he did not do more to control Hamas, why he did not turn over individuals in the Palestinian group who were suspected of murder.

When we went over a detailed list, for each one there was an explanation, really an excuse. Some of the acts of terrorism or murder occurred before the agreement was signed; in other cases, the appropriate Israeli officials had not filed the cases; in other cases, the papers were not precise.

We challenged Chairman Arafat on why he made speeches condemning terrorism in English and not in Arabic, and although it is plain he has made the speeches in English and not in Arabic, he said his English was not good and made the contention that he had, in fact, made the speeches in Arabic. He continues to make speeches which poison the atmosphere in which both parties seek a peaceful resolution to the conflict.

When pressed as to why he did not do more to control Hamas, he made an explanation that he himself was under threat of assassination from the Hamas who are in part directed from Syria.

Later in the conversation we discussed the Syrian Government and President Assad of Syria. Chairman Arafat said President Assad was a good friend of his, which led to the inevitable question: How could threats of terror and assassination come from the Hamas in Syria, when President Assad was a good friend? And Chairman Arafat, in an effort to smile, said, "Well, that's his style," confirming the great difficulties which are present in the Mideast.

Mr. President, I would like to make some additional comments about the historic meeting which is scheduled in less than an hour at the White House where a very significant agreement will be signed between the State of Israel and the Palestinians, the PLO.

I had commented earlier about a trip which Senator BROWN and I had made recently, including a stop in the Mideast. I have been a student of the issues there for many years, having made my first trip there in 1964, and in the last almost 15 years I have been a member of the Foreign Operations Subcommittee of Appropriations and have done considerable work there and am cautiously optimistic about the prospects for peace in the Mideast.

It is a matter of grave concern, however, to note the continuous, horrible terrorist attacks on Israel which have been maintained, notwithstanding efforts of the Israeli Government to stop them and the pressure which the United States Government has tried to apply to Chairman Yasser Arafat and the PLO to contain those terrorist attacks.

Last year, Senator SHELBY and I offered an amendment, which was adopted, which conditioned United States aid to the Palestinians on the PLO making every conceivable effort to stop the terrorist attacks and also for the PLO to take out the language from the PLO charter calling for the destruction of Israel.

I considered renewing that kind of an issue in the legislation which was recently passed in the foreign aid bill and decided not to press the matter at this time when the negotiations were so sensitive and so near agreement. But it is with considerable reservation that I see U.S. aid going forward. There are conditions that exist in law which call upon Chairman Arafat and the PLO to do their utmost to stop terrorist attacks. Nobody can ask them to be a guarantor or with absolute certainty to stop those terrorist attacks, but it is an issue as to whether they are making their maximum effort.

Frankly, I have doubts about this. To reiterate my earlier remarks, when Senator BROWN and I were in Israel, we visited with Chairman Arafat in the Gaza and asked him a number of very direct, pointed questions.

First, on the subject as to why he spoke in English and not in Arabic when he was denouncing terrorism. Chairman Arafat denied that he always spoke in English and said that his English was not good and said that he had spoken in Arabic. We then challenged him on a number of alleged murderers who were being protected by the PLO, as to why they were not turned over to Israel.

Chairman Arafat then deferred to one of his subordinates who raised one explanation, really, one excuse after another saying that some of the incidents had occurred prior to the time the agreement was signed and some the Israeli Government had not made the proper demands, the proper papers were not filed.

But it seems to me, Mr. President, that Chairman Arafat could do a great deal more than he is doing at the present time to restrain terrorism. I believe that the U.S. Congress, certainly the executive branch but also the Congress, must be alert on this very, very important issue.

On the issue about pressing Chairman Arafat about stopping terrorism for the Hamas, Chairman Arafat responded the Hamas had even threatened his life coming out of Syria or coming out of Iran. He later said that President Assad was a good friend, which led to the obvious question about how a good friend would be tolerating the Hamas which made threats on Arafat's life. Arafat said, well, that is President Assad, hardly an understandable explanation.

Also as part of our trip, Senator BROWN and I visited other countries, and wherever we went, we were struck with the greatest respect and admiration that the United States has held all around the world. There is enormous prestige, there is enormous power, there is enormous good will for the United States to be an intermediary and a broker for peace.

When Senator BROWN and I were in India, for example, we talked to Prime Minister Rao, who said that he would like to see the subcontinent nuclear free in the next 10 to 15 years.

The next day, I talked to President Benazir Bhutto and told her of the Indian Prime Minister's statement. She said, "Do you have it in writing?" She was very surprised.

We then wrote to the President telling him of our conversations and suggesting that he take the initiative to try to broker a peace between those two nations, where there is such enormous hostility.

I compliment President Clinton and Secretary of State Christopher for their leadership, which has been instrumental in bringing about the agreement which is scheduled to be signed within the hour at the White House and for their efforts and success in the agreement which was signed back on September 13, 1993. And I do believe that an activist President, who really exerted leadership on a worldwide basis, could do a great deal around the world, as, for example, in bringing the Prime Ministers of India and Pakistan together.

I see that my distinguished colleague, Senator NICKLES, has come to the floor. I shall conclude, Mr. President.

I ask unanimous consent that a text of my report on the foreign travels, some of which I have commented about this morning, be printed in full in the CONGRESSIONAL RECORD.

There being no objection, the material was ordered to be printed in the RECORD; as follows:

SENATOR SPECTER'S REPORT ON FOREIGN TRAVEL

During the period of August 20–September 2, 1995, Senator Hank Brown and I traveled to ten countries in two weeks and met with heads of state of eight of these countries.

TAIWAN

We departed on August 20, 1995 and arrived in Taipei, Taiwan on August 22, 1995, after having crossed the international date line. At 5:00 pm, we had a lengthy meeting with Taiwan's President Lee Teng-hui. We discussed President Lee's private visit to the United States to visit his alma mater, Cornell University from June 6–10, 1995, and the People's Republic of China's (PRC's) retaliation for that visit by conducting live missile tests wherein the PRC fired 6 missiles targeted 85 miles north of Taiwan's coast—2 missiles from Manchuria, 2 missiles from northwest China and 2 missiles from Central China.

President Lee also detailed the "One China" policy, under which both Taiwan and the PRC believe that there is only one China. Taiwan and the PRC differ, however, in that the PRC insists Taiwan is part of China and that there can be two systems operating in one country. Taiwan, on the other hand, has taken the position, through its national unification guidelines, that the PRC must realize certain political and economic reforms before the unification may occur.

We also discussed our concerns regarding the current trade imbalance between Taiwan and the U.S. President Lee assured us that he has been working hard to reduce the trade imbalance. He noted that his efforts have led to a drop in the trade deficit from $16.5 billion to $6 billion and that he personally is committed to reducing the deficit by at least 10 percent per year by expanding Taiwanese purchases of U.S. exports and reducing tariffs on imported U.S. products.

On the evening of August 22nd, we had a working dinner with Taiwanese Foreign Minister and former Ambassador to the United States Frederick F. Chien. We discussed Taiwan's political reforms and its movement toward freedom of the press, open elections and democratization. We also discussed at greater length the One China policy and Taiwan's diplomatic and economic relations with the PRC.

Dr. Lyushun Shen, the Director of Public Affairs at the Taipei Education and Cultural Representatives Office in Washington, D.C., noted that the PRC's recent missile firings have had a strong impact on Taiwan's stock market, with the index dropping 200 points the first day and 1000 points overall, from 5500 to 4500.

CAMBODIA

On Wednesday, August 23rd, we departed Taipei at 6:45 am. We arrived in Phnom Penh, Cambodia for an early meeting with King Norodom Sihanouk. The King detailed his image of the future of Cambodia, including his assessment that every Cambodian is determined, and he is personally committed, to ensure the continuation of a liberal democracy, along with a multiparty system and free press, coupled with a free market economy.

We spoke to King Sihanouk regarding the importance of protecting human rights. In response, he observed that human rights groups are active in defending their rights, without interference from the government. Further, he stated that when the 1st Prime Minister did not want to allow the United Nations to maintain an office in Cambodia for human rights, the King insisted, and succeeded in allowing the office to remain open.

I asked King Sihanouk about the continued threat of the Khmer Rouge and Pol Pot to the security and stability of Cambodia. He dismissed the Khmer Rouge as a small movement of communist extremists centered near the Thailand border. According to the King, the Khmer Rouge has been severely decimated by 10,000 defections over the last several years, leaving primarily a small band of hardliners, totalling no more than 6,000.

We also raised our concerns about the expulsion of Sam Rainsy from Parliament because of his criticisms of the government. The King responded that party issues are private issues between each Member of Parliament (MP) and the party on which they stood for election. Since Rainsy ceased to represent and support the party platform on which he was elected, the King reasoned, he could be removed from the party. Upon such removal, he continued, Rainsy could then be removed from Parliament because he no longer was a party member.

After our meeting with King Sihanouk, we met with Cambodia's 2nd Prime Minister Hun Sen, who is currently in a power sharing relationship with the 1st Prime Minister Prince Ranariddh Sihanouk. We discussed with Mr. Sen whether he has any differences with the 1st Prime Minister and whether he plans to challenge the 1st Prime Minister in the upcoming elections in 1998. Mr. Sen acknowledged that he and the 1st Prime Minister are from different political parties, but that the two parties will join together as allies in the upcoming elections rather than fielding opposing slates of candidates, and that Mr. Sen would not challenge the 1st Prime Minister for the position of 1st Prime Minister.

Mr. Sen expounded at some length about the benefit of a political alliance before and after an election rather than a divisive fight before an election and an alliance afterwards. Such a system, Mr. Sen argued, is the most secure and the most democratic. We suggested that when opposite parties combine forces, it eliminates competition and the voters are not given a choice of differing platforms. Mr. Sen responded that his main objective is political stability and that the Cambodian system does not end pluralism, but instead, ensures pluralism with cooperation. He also noted that in a country without the long tradition of democracy and the mechanisms for elections that we enjoy in the U.S., if the two main parties did not cooperate, it would be impossible to even install a ballot box at the polls, much less conduct a free election.

Mr. Sen further opined that the Cambodian government is not like the Democrats and Republicans in Congress. If the Cambodian People's Party (CPP) withdrew from its alliance with the National United Front for an Independent, Neutral, Peaceful and Cooperative Cambodia (FUNCINPEC), the government would collapse, and conversely, if the FUNCINPEC party withdrew from the alliance the government would also collapse. So, according to Mr. Sen, in Cambodia the two top political parties must cooperate together to ensure that democracy continues.

After our meeting with Mr. Sen, we met briefly with several prominent representatives of human rights organizations in Cambodia, along with some Cambodian elected officials. The focus of the discussion was on the expulsion of Rainsy from Parliament and the concerns of those who fear that the government may oust them in a like fashion from Parliament for criticism of the government

Although Cambodia claims to have adopted the German model of Parliamentary government, the human rights leaders noted that under German Parliamentary Rules, a Member of Parliament may only be expelled from the party. The MP cannot be expelled from Parliament even if that MP was elected on a party slate. Instead that MP would hold the seat until the next elections at which time the party could select a different individual as the designated MP for that area.

We had a country team briefing by embassy staff about Cambodia's political and economic stability. We were briefed on the Khmer Rouge insurgency and the limited threat posed by the Khmer Rouge in Phnom Penh. It was noted that defections in their ranks have reduced the Khmer Rouge to 6,000–7,000 individuals, down dramatically from 30,000–40,000 in the mid 1970's.

We asked why the U.S. should continue its annual aid to Cambodia, which currently totals $40 million. The response was that U.S. aid, which primarily takes the form of humanitarian assistance, medical training and military training in joint exercises, all help to strengthen democratic forces in Cambodia and lessen the need for larger expenditures by limiting the danger of confrontation in the future. Robert Porter, the U.S. Deputy Chief of Mission also observed that joint training exercises help enhance U.S. military readiness by giving U.S. personnel onsite training in tropical climates, conditions and cultures.

We also met with Prince Ranariddh Norodom, the 1st Prime Minister (and son of King Sihanouk), and expressed our interest in seeing an improvement in the movement toward democracy and free elections. In particular, we discussed the creation of a Constitutional Council in Cambodia to review all laws and determine whether they conform with the Cambodian Constitution. The 1st Prime Minister expressed an interest in finalizing the Constitutional Council due to the fact that the National Assembly had already passed 40 laws which have not yet been adjudged Constitutional.

When pressed on the importance of ensuring constitutional and democratic governance, the 1st Prime Minister responded that Cambodia is a constitutional government which was supported by a large majority on election day. He further noted, however, that the current government must be compared to the previous autocratic and ruthless regime of Pol Pot and the Khmer Rouge. In addition, with the small but continued threat of the Khmer Rouge, the current government must be particularly sensitive to the importance of internal security.

We raised our concerns about the explusion of MP Rainsy from Parliament and the implication of this expulsion on the growth of democracy in Cambodia. He emphasized that Cambodia needs political stability now, with the two parties united together. If someone wants to oppose the party and the government then that party should leave the party and form their own party.

On the issue of freedom of the press, the 1st Prime Minister stated that freedom of the press in Cambodia is not bad, particularly when compared to press freedoms in countries in the region, such as Thailand, Singapore, Malaysia and Indonesia—and those countries do not have comparable security problems. He said currently, there are over 50 newspapers that have full freedom to criticize the government and many actively oppose the government, all without criminal penalties. The 1st Prime Minister noted ruefully that many of the cartoonists seem to take great pleasure in lampooning him.

The 1st Prime Minister then discussed his strategy for reducing poverty and thus encouraging the Khmer Rouge to leave Pol Pot and join the Cambodian government through improvements in education agriculture and rural roads.

MYANMAR

We departed Cambodia and arrived in Yangon, Myanmar, where we were briefed by U.S. embassy personnel, led by Charge d'Affaires Marilyn Meyers. There is currently no U.S. ambassador to Myanmar, nor has there been since December, 1990, when the U.S. withdrew its ambassador to protest the government's refusal to honor the results of a free election.

We were briefed on the poor condition of democracy and human rights in Myanmar. In the 1990 elections, the State Law and Order Restoration Council (SLORC) refused to honor the results of a landslide electoral victory by the National League for Democracy (NLD) led by Aung San Suu Kyi. In that election, opposition parties won 80% of the seats in Parliament.

We were also briefed on the tremendous problem with narcotics trafficking in Myanmar. Our reports indicate that over 60% of the heroin passing through the "golden triangle" of southeast Asia passes through Burma on its way to distribution in the United States and across the world. The government has apparently sought to combat the narcotics trade by limited incursions against known drug lords. The U.S. Drug Enforcement Agency (DEA) has provided training and funds to the government to assist it in its efforts at detection and eradication of narcotics.

After the country team briefing, we met with Lt. General Kim Nyuet of the SLORC. We conveyed our concerns over the imprisonment of Aung San Suu Kyi and the lack of democracy in Myanmar. General Nyuet expounded at length about Myanmar's unique characteristics, noting that the country is comprised of 135 different races of people, with different customs, languages and religions.

The General claimed that the 1990 elections were marred by uprisings and violence—including beheadings in center city Yangon—which resulted in a breakdown of the government machinery. As a result of this breakdown and the ensuing public dissatisfaction, Nyuet argued, there emerged a need for law and order as the first priority for keeping the country together.

We emphasized to General Nyuet the importance of human rights as the linchpin to warmer relations between Myanmar and the U.S., and advised the General that Congress is considering an amendment by Senator McConnell that would impose stringent sanctions against Myanmar until there is concrete improvement in democracy and human rights. In particular, I advised him that the U.S. will closely monitor progress on a Constitutional Convention and the release of all political detainees. When I asked him whether Aung San Suu Kyi would be named to participate in the Convention, he shrugged and said that all the delegates had already been chosen.

Although I applauded his recent release of 1991 Nobel Peace Prize laureate Aung San Suu Kyi, we advised General Nyuet that SLORC can and should remove its remaining restrictions on Aung San Suu Kyi, including the monitoring of her meetings and harassment and intimidation of individuals with whom she meets. I also urged him to reconsider his suggestion that Aung San Suu Kyi would not be allowed to be a delegate to the Constitutional Convention.

The next morning, August 25th, we had the privilege of meeting Aung San Suu Kyi for breakfast. She was a very warm, dynamic, and impressive person who conveyed an intense desire for democratic reforms and improvements in human rights in Myanmar.

She spoke passionately and poetically about the importance of dialog as the means for resolving conflict peacefully. Every situation of conflict ends in dialog, she noted, so intelligent people should be able to go directly to dialog without the need for devastation. Dialog is inevitable, and the sooner this dialog begins, the better.

She also discussed the nearly 6 years she spent under house arrest without any charges and no trial and the similar treatment accorded to many of her fellow country men and women.

INDIA

Later that afternoon, we flew to New Delhi, where we met with Foreign Minister Pranab Mukherjee, India's Ambassador to the United States S.S. Ray, and other Indian officials for dinner at the Foreign Minister's residence.

The main focus of our discussions was the relationship between India and Pakistan. In particular, we discussed the tremendous tensions between these two countries over the situation in Kashmir, terrorism and nuclear weapons. Our hosts spoke emphatically about the need to maintain sanctions against Pakistan for the purchase of missile component parts from China and the importance of supporting the Pressler amendment which would keep these sanctions in place. They noted that any movement away from these sanctions, particularly any legislation that would allow Pakistan to receive military equipment, would send the wrong signal and damage the relationship between the U.S. and India.

We related to the Indian officials Aung San Suu Kyi's discussion of the importance and inevitability of dialog as a means to resolve all conflicts, and we asked them if the U.S. could do anything to facilitate greater dialog between India and Pakistan. They expressed an interest in achieving an agreement that would enable both sides to lessen their expenditures on border troops and military equipment and that would lessen the growing tension between the two countries on issues of nuclear proliferation and first strike limitations.

The next morning, August 26th, we met privately with India's Prime Minister Narasimha Rao. He expressed a deep concern about India's arms race with Pakistan and noted that India has taken an important step by decreasing its military budget.

He also stated that he would be very interested in negotiations which would lead to the elimination of any nuclear weapons on the Indian subcontinent within ten or fifteen years, including renouncing the first strike use of such weapons. His interest in such negotiations with Pakistan would cover bilateral talks or would encompass a regional conference including participation by the United States, China and Russia, in addition to India and Pakistan. When I pressed him on whether his proposal would include international inspections, he said that he did not want to get involved in details, but that India has experts working on all details on all related matters.

PAKISTAN

On August 27th, we departed India and flew to Islamabad, Pakistan, where we had a meeting and subsequent dinner with President Farooq Leghari. We discussed the importance of establishing peace in the region by addressing the problems of terrorism and nuclear containment.

On the issue of terrorism, we expressed our concern about the role of Iran in fostering revolutionary and religious fervor, manifesting themselves in acts of terrorism. President Leghari stated his belief that Iran still contains extremist elements but that the voices of moderation predominate. He noted that opening trade and dialog with Iran will help to reduce its insecurity and bring it back into international fold.

The next morning, August 28th, we had breakfast with Prime Minister Benazir Bhutto. She expressed genuine surprise over the content of our discussions with India Prime Minister Rao with respect to an agreement to dismantle all nuclear weapons on the Indian subcontinent within 10 to 15 years. She stated that this was the first time that she had heard any such commitment from India and she asked if we could get Mr. Rao to put his agreement in writing.

When we pressed her on the importance of dialog between India and Pakistan, and asked her when the last time was that she spoke with India Prime Minister Rao, she said that she had not spoken with him since she became Prime Minister. She noted that she had attempted to begin a dialog at the Foreign Secretary level, but that the talks were disbanded when India initiated military hostilities against Pakistan. She also related the perception in Pakistan that she is soft on India precisely because she was seeking a dialog with India.

We suggested to Prime Minister Bhutto that the U.S. would be willing to serve as an intermediary between the two countries to facilitate this dialog, particularly in the area of nuclear containment. Ms. Bhutto responded that since Pakistan is the one targeted by India's missiles, and because Pakistan lacks the capability to launch a 1st strike, it is more appropriate for India to renounce a first strike option unilaterally.

I wrote a letter to President Clinton summarizing our meetings with Prime Ministers Rao and Bhutto and suggesting that it would be very productive for the United States to initiate and broker discussions between India and Pakistan regarding nuclear weapons and missile delivery systems. A copy of this letter is attached to this report.

On the issue of Pakistan's purchase of M-11 missile components from China, Ms. Bhutto denied that Pakistan had ever purchased or possessed such missiles. She noted that Pakistan would not be under such pressure to develop nuclear capabilities if India had not acquired such capabilities, and that Pakistan only began developing its nuclear program in 1974, after India detonated its first nuclear test.

She also questioned the continuing U.S. sanctions against Pakistan for the purchase of these components, noting that the U.S. had originally levied sanctions against both China and Pakistan for the sale and subsequently removed the sanctions only from China.

Ms. Bhutto agreed with our suggestion that the U.S. could perform a critical role as a third party mediator between India and Pakistan on nuclear as well as conventional weapons. She remarked that there has never been an understanding between India and Pakistan unless a third party has mediated, and she stated her belief that Prime Minister Rao would be the ideal person to participate in such negotiations because he is now in a position to be a statesman.

At a press briefing, we commented on our discussions with the Prime Minister of India and Pakistan on possible discussions to remove the nuclear threat from the subcontinent.

Shortly thereafter, the Indian government through its embassy in Washington, D.C. sought to deny Prime Minister Rao's statements on negotiations on nuclear disarmament by claiming that our meeting covered only the 1988 Rajiv Gandhi Action Plan on nuclear disarmament. We did discuss the issues set forth above and we did not discuss the Gandhi Action Plan.

SYRIA

We departed Islamabad on August 28th for Damascus, Syria. The next morning, we met with Foreign Minister Farouk al-Sharah. Our discussion with Sharah had barely begun when he complained about the nuclear threat posed by Israel.

I asked Mr. Sharah if Syria fears that Israel will use nuclear weapons against Syria. Interestingly, Mr. Sharah acknowledged his concern, but noted that Israel would not likely detonate a nuclear device because any such use, in a region where the nations are so close together, would affect Israelis as well as Syrians.

When asked if Syria had developed nuclear capabilities, Mr. Sharah responded that it is important that nations develop nuclear capabilities for peaceful uses and acknowledged that Syria is moving in this direction, while remaining a party to the Non Proliferation Treaty and cooperating with international inspections.

We also discussed that status of peace talks between Syria and Israel and the importance of dialog between the two nations. Mr. Sharah expressed his concern over the deadlocked talks, and opined that Israeli Prime Minister Rabin may be feeling electoral pressure such that an agreement may be possible only after the Israeli elections. Although the two sides have not completed agreement on any components of the peace talks, there was agreement on the principles of security arrangements between the two nations.

On the issue of the Golan Heights, Mr. Sharah stated his belief that if the Israelis did not intend to withdraw from the Golan Heights, then they would not have entered the peace discussions to begin with, and that a full peace can be achieved only by a full withdrawal from the Golan.

With respect to terrorism, we discussed the importance of ending support for terrorism. Mr. Shara denied any complicity in the acts of terrorism by Hamas and the Jezbollah, or any training by these groups in Syria.

We also discussed Saddam Hussein and the situation in Iraq. Mr. Sharah noted that King Hussein's recent speech in which he condemned the Iraqi dictator apparently had been favorably received by Saddam, since the speech was transmitted in its entirety on Iraqi television. When I asked Mr. Sharah if he believed it is possible to bring Saddam back into the family of nations, he responded that he did not believe it is possible.

After meeting with Mr. Sharah, we had a very instructive meeting with President Hafiz al-Asad. He stated there will be peace between Syria and Israel and advised us not to be too impatient about the current peace negotiations. He noted that he thinks Mr. Rabin should move forward on these peace talks and accomplish something before the elections because of his platform for peace.

ISRAEL

We left Damascus and flew to Tel Aviv on the evening of August 29th. The next morning, we had several meetings with Israeli officials, commencing with a breakfast meeting with Yaacov Frenkel, the Governor of the Bank of Israel, in which we discussed Israel's efforts to expand trade and tourism between Israel and its Arab neighbors. We also discussed the importance of U.S. aid on Israel's economy. Mr. Frenkel remarked that this aid is critical to Israel because of the statement it makes to the Israeli people about the American government's continued support of Israel and because of Israel's costs of pursuing peace and financing the tremendous inflow of immigrants, which total 80,000 to 90,000 yearly.

We were then briefed by U.S. Ambassador Martin Indyk and his staff on the status of Israeli-Syria peace talks. The U.S. had previously set the groundwork for the peace talks when our Secretary of State announced an agreement that Israel and Syria would have meetings in three stages; first, between the Chiefs of Staff; second, between senior military staff, and finally between the heads of state. After the 1st stage, but before the meeting of the military officers, President Asad changed his mind and stated that there must 1st be agreement on the issue of Early Warning systems before the talks could proceed.

We were advised that at this point, then, the Israeli government has turned its attention to its peace talks with the PLO, and away from the Syrian negotiations. The negotiations with the Palestinians have moved at a rapid pace, with the agreement 90% complete.

We then had lunch with key Palestinian leaders, including Faisal Husseini and Hanan Ashrawi, to discuss their perspectives on the peace talks with Israel. They expressed optimism about the pace of the negotiations. However, they also expressed their deep concerns about the situation in Jerusalem and the rights of Arabs and Palestinians in the city. They suggested that Jerusalem become the capitol of two states, with the provision that Jerusalem would be under the exclusive sovereignty of NO state.

We also discussed the problem of terrorism. Mr. Husseini stated that the best way to stop terrorism is to stop factors which lead to terrorism—by allowing people greater control over their lands. He also stated his belief that the Israelis cannot keep 400,000 Palestinians hostage in Hebron to resolution of the peace process, and that there must be prompt resolution of the situation in Hebron.

Later on the afternoon of August 30th, we met with former Prime Minister Yitzhak Shamir. We discussed the status of the current peace talks with the PLO and his concerns over terrorism and internal security. He noted pointedly that the difference between the peace talks between Israel and Egypt and the talks with the Palestinians is that the peace talks with the Egyptians were with an external entity, whereas the negotiations with the Palestinians are internal, insofar as they involve people currently living in Israel.

On Wednesday evening we met with Israeli Prime Minister Yitzhak Rabin. In our meeting with Mr. Rabin, he declared his dedication to utilizing this unique moment in history, which began with the dismantlement of the former Soviet Union, to bring about peace in the Middle East. He noted in particular the advantage to removal of the Soviet umbrella over the heads of Arab leaders.

In response to my question on the peace talks between Israel and the Palestinians, Prime Minister Rabin expressed optimism about the prospects for peace. He noted that he wishes to see Israel as a Jewish state, without bilateral governance. However, Mr. Rabin clarified that he does not see Israel as a Jewish state if racism will be the governing policy. Instead, he prefers peace within Israel with rights for Palestinians. As part of this peace, Prime Minister Rabin talked of new priorities, under which Israel will no longer expend resources on settlement of the West Bank, where only 3% of Israeli Jews live.

I asked him if there is any way to control terrorism. He commented first about the recent bus bombing, noting that although the bombing was carried out by Hamas, it was done in an area under Israeli control. The elements supporting this terrorism, he continued, are seeking to bring down the Israeli Labor government because the peace process will certainly come to an end under a Likud government. According to Prime Minister Rabin, many of these same forces of extremism are seeking to assassinate PLO Chairman Yassir Arafat because of his overtures to Israel. The acts of terrorism are difficult to control—over 70% of these terrorist acts since 1994 have been carried out by suicide missions which are virtually impossible to prevent.

Regarding peace discussions with Syria, Mr. Rabin stated that Israel stands ready to negotiate, but that the Syrians want the U.S. to remain involved as a third party mediator to these talks. He expressed his concern over the breakdown of talks over the issue of Early Warning systems.

The next morning, August 31st, we had breakfast with Israeli opposition party leader Benjamin Netanyahu. In response to my question about whether the PLO is complying with the conditions for U.S. aid, he stated that Arafat is not doing all that he can to stamp out terrorism. In particular, Mr. Netanyahu pointed to speeches by Arafat in which he has said that Palestinians should be patient but that the ultimate way is the way of a "Jihad". He further noted that Arafat has taken minor steps to crack down on terrorists, but that he has refused to extradite known terrorists in his own police force.

When asked if reports were true that he was willing to meet with Arafat, Mr. Netanyahu said that these reports were not true. He said he would furnish us with a list of known terrorists that are wanted for murder, whom Arafat has refused to extradite to Israel, so that I could bring up these names with Arafat personally. In particular, he highlighted the Abu-Sita cousins, who are suspects in the murder of Uri Megidish. According to Mr. Netanyahu, these individuals are currently serving in the Palestinian intelligence service and the Palestinians have refused repeated requests to turn them over to Israeli authorities for trial.

After meeting with Mr. Netanyahu, we spoke with Israeli President Ezer Weitzman about the importance of peace with the Palestinians and the Syrians. Mr. Weitzman agreed that, in general, a peace agreement between Israel Syria would be good for both nations.

We asked President Weitzman whether the U.S. should continue giving aid to the PLO if Arafat is not complying with the conditions attached to that aid. He responded that the U.S. should stick to the requirements set forth in the law and force Arafat to comply with the conditions attached to that aid. Mr. Weitzman also commented that he would not go to the U.S. to sign an interim agreement between Israel and the PLO because in its current form this agreement is not the final agreement.

After meeting with President Weitzman, we drove to Gaza for a meeting with PLO Chairman Yassir Arafat. Chairman Arafat emphasized again and again the importance of a resolution of the situations in Hebron and Jerusalem as critical factors in ensuring peace and the success of the peace talks with Israel.

We asked Arafat if it is possible for the PLO to exert more pressure on Hamas to renounce acts of terror. He responded that pressure must be brought to bear on Iran and Syria. He noted, however, that the PLO has stopped 11 attempted acts of terror, with the latest coming just 2 days prior to our meeting. He also noted that as a result of his peace efforts, he has received death threats by Hamas groups operating out of Syria.

In response to allegations that he only condemns terrorism when speaking in English, but not Arabic, Arafat denied the charge, noting that since his English is not good, he typically speaks in Arabic, and that he had condemned terrorism in Arabic on numerous occasions, including at the University. Arafat explained that his speeches in Arabic are being misunderstood, and that when he calls for a "Jihad" he is actually using a term used by the prophet Mohammed when he called the building of a state the "grand Jihad".

When we pressed Arafat on why he is refusing to extradite known terrorists, including the Abu-Sita cousins, he deferred to his Security Minister, who responded that the Palestinians cannot turn over any suspects until there is evidence they committed an extraditable crime and then, only after receiving a court order authorizing the extradition.

EGYPT

That evening we flew to Cairo, where we met with Egyptian President Hosni Mubarak. We asked President Mubarak if he believes Arafat is doing all that he can do to combat terrorism, pursuant to the conditions established on receiving U.S. aid. He responded that Arafat is working practically and on the ground level to stop terrorism, and that forces such as Iran are the ones supporting Hamas and Jezbollah.

We also discussed our concerns about Saddam Hussein and the situation in Iraq. President Mubarak related that he has worked hard to try to influence Saddam to relinquish power and leave Iraq, including his offer to grant Saddam asylum in Egypt if Saddam promises to leave Iraq peacefully, but his efforts have not been successful.

BULGARIA

On September 1st, we departed Egypt en route to Sofia, Bulgaria, where we had meetings with the President of the National Assembly, Blagovest Sendov, and the President of Bulgaria, Zhelyu Zhelev. Both Mr. Sendov and Mr. Zhelev expressed an interest in NATO membership if the Parliament supports such membership, with Mr. Zhelev stating his firm desire that such membership should occur.

We also discussed at length the current situation in the former Yugoslavia, and its implications on Bulgaria. Finally, both Mr. Sendov and Mr. Zhelev discussed the importance of foreign investment in Bulgaria and U.S. support for Bulgaria's membership in the World Trade Organization and GATT.

BELGIUM

From Bulgaria, we travelled to Brussels, Belgium, where we were briefed by the U.S. representatives to NATO on the situation in Bosnia, including the recent bombing raids on Serbian positions. They advised us of the negotiations and cooperation between our NATO allies and the UN command in orchestrating the military operations after the Serbian mortar attack on Sarajevo. Significantly, they noted that these air strikes were focused on the Serb heavy weapon positions and on all lines of support for those weapons, including communication and control centers.

We also discussed the negotiation strategy for NATO, including the status of talks with Serbian strongman General Ratko Mladic. They expressed hope that these talks will be productive, although they noted that Mladic does not appear terribly cooperative. They also noted NATO's intention to proceed with the air strikes if Mladic and the Serbs do not remove their heavy weapons from around Sarajevo.

We returned to the United States on September 2, 1995.

U.S. SENATE,
SELECT COMMITTEE ON INTELLIGENCE,
Washington, DC, August 28, 1995.

The PRESIDENT,
The White House, Washington, DC.

DEAR MR. PRESIDENT: I think it important to call to your personal attention the substance of meetings which Senator Hank Brown and I have had in the last two days with Indian Prime Minister Rao and Pakistan Prime Minister Benazir Bhutto.

Prime Minister Rao stated that he would be very interested in negotiations which would lead to the elimination of any nuclear weapons on his subcontinent within ten or fifteen years including renouncing first use of such weapons. His interest in such negotiations with Pakistan would cover bilateral talks or a regional conference which would include the United States, China and Russia in addition to India and Pakistan.

When we mentioned this conversation to Prime Minister Bhutto this morning, she expressed great interest in such negotiations. When we told her of our conversation with Prime Minister Rao, she asked if we could get him to put that in writing.

When we asked Prime Minister Bhutto when she had last talked to Prime Minister Rao, she said that she had no conversations with him during her tenure as Prime Minister. Prime Minister Bhutto did say that she had initiated a contact through an intermediary but that was terminated when a new controversy arose between Pakistan and India.

From our conversations with Prime Minister Rao and Prime Minister Bhutto, it is my sense that both would be very respective to discussions initiated and brokered by the United States as to nuclear weapons and also delivery missile system.

I am dictating this letter to you by telephone from Damascus as that you will have it at the earliest moment. I am also telefaxing a copy of this letter to Secretary of State Warren Chistopher.

Sincerely,

ARLEN SPECTER,
Chairman.

DEPARTMENT OF LABOR, HEALTH AND HUMAN SERVICES AND EDUCATION AND RELATED AGENCIES APPROPRIATIONS ACT, 1996

MOTION TO PROCEED

Mr. SPECTER. Mr. President, on behalf of the distinguished majority leader and pursuant to the consent agreement, I move to proceed to the Labor-HHS appropriations bill, H.R. 2127.

Under the unanimous-consent agreement, at 10 a.m. there will be a 15-minute vote on a motion to proceed. If there are not 60 votes in the affirmative on the motion to proceed, there will then be a second vote at 11 a.m. on a motion to proceed. If there are not 60 votes on the second vote, the Senate will be recessed until later in the day to allow the Finance Committee to meet.

Remaining appropriations would be the State, Justice, Commerce appropriations bill and the continuing resolution.

Therefore, according to the instruction of the distinguished majority leader, a late night session is expected with rollcall votes throughout the day.

Now I do move to proceed, on behalf of the majority leader, to the Labor-HHS appropriations bill.

Mr. President, I spoke at some length yesterday afternoon on the import of this bill. It is my hope we would proceed to debate this bill. It is a very important piece of legislation, containing in excess of $62 billion in discretionary appropriations for the Departments of Labor, Health and Human Services, and Education. It contains an additional $200.9 billion in nondiscretionary expenditures. It is within the 602(b) allocations given to the committee according to the Congressional Budget Office.

I, frankly, would have liked to have seen more funds allocated to our subcommittee so we could have had more for very vital services under this bill. As it was, the allocation to the Senate subcommittee was almost $1.6 billion above the House of Representatives, and those additional funds were placed significantly in the education account.

With the cooperation of Senator HARKIN, with whom I have worked for many years—last year Senator HARKIN was chairman, I was ranking; this year our roles are reversed—we made the best allocation we could, assisted by very able and competent staff, allocating funds in a very, very complex bill.

We have maintained funding for Goals 2000, which is in response to a 1983 report about the shambles in education, where sufficient actions have still not been taken. These goals are voluntary on the States. The States can accept the Federal standards and goals or can adopt standards and goals on their own as they choose.

We have made provision for LIHEAP, low-income fuel assistance, which goes principally to the elderly who are without sufficient funds to buy their fuel. It is really a proposition, as the expression goes, of heating or eating that plagues those individuals.

We have made allocation for funding for violence against women. With the House figure being at $32 million on the shelter issue—the full authorization was $50 million—in our subcommittee allocations, we have found the funding for the full $50 million.

We have presented a bill which has taken care of key issues of plant safety. We have stripped the bill of provisions relating to legislation because of our conclusion that legislation ought not to be included on an appropriations bill, a policy adopted by the full committee as a general matter on all appropriation bills under the leadership of our distinguished chairman, Senator HATFIELD.

On biomedical research, Mr. President, we have for the National Institutes of Health nearly $11.6 billion, an increase of some $300 million over the fiscal year 1995 appropriations. These funds will boost the biomedical research appropriations to maintain and strengthen the tremendous strides which have been made in unlocking medical mysteries which lead to new treatments and cures. Gene therapy offers great promise for the future. In the 15 years that I have been in the Senate, all those years on the appropriations subcommittee dealing with health and human services, where cuts have been proposed by Presidents, both Democrat and Republican, we have increased funding for medical research, which I think it is very important.

Two years ago, I had a medical problem and was the beneficiary of the MRI developed in 1985, after I had come to the Senate, a lifesaving procedure to detect an intracranial lesion. So I have professional, political, and personal experiences to attest to the importance of health research funding.

On Alzheimer's disease, Mr. President, this last year the United States spent over $90 billion to care for Alzheimer's patients. This devastating disease robs its victims of their minds while depriving families of the well-being and security they deserve.

We have been working to focus more attention and more money into the causes and cures of Alzheimer's. To address this problem, the bill contains increased funding for research into finding the cause and cures for Alzheimer's disease. The bill also includes nearly $5 million for a State grant program to help families caring for Alzheimer's patients at home. The statistics are enormously impressive, Mr. President, that if we could delay the onset of Alzheimer's disease, we could save billions of dollars.

On women's health, in 1995, 182,000 women will be diagnosed as having breast cancer and some 46,000 women will die from the disease. The investment in education and treatment advances led to the announcement last year that the breast cancer death rates in American women declined by 4.7 percent between 1989 and 1992, the largest such short-term decline since 1950.

And while this was encouraging news, it only highlighted the fact that the Federal Government investment is beginning to pay off. While it was difficult in a tight budget year to raise fundings levels, the subcommittee placed a very high priority on women's health issues. The bill before the Senate contains an increase of $25 million for breast and cervical cancer screening, increases to expand research on the breast cancer gene, to permit the development of a diagnostic test to identify women who are at risk, and speed research to develop effective methods of prevention, early detection, and treatment.

Funding for the Office of Women's Health has also been doubled to continue the national action plan on breast cancer, and to develop and establish a clearinghouse to provide health care professionals with a broad range of women's health-related information. This increase has been recommended for the Office of Women's Health, because of the very effective work that that office has been doing.

On Healthy Start, Mr. President, children born of low birthweight is the leading cause of infant mortality. Infants who have been exposed to drugs, alcohol, or tobacco in utero are more likely to be born prematurely and of low birthweight. We have in our society, Mr. President, thousands of children born each year no bigger than the size of my hand, weighing a pound, some even as little as 12 ounces. They are human tragedies at birth carrying scars for a lifetime. They are enormously expensive, costing more than $200,000 until they are released from the hospital.

Years ago, Dr. Koop outlined the way to deal with this issue by prenatal visits. The Healthy Start Program was initiated, and has been carried forward, to target resources for prenatal care to high incidence communities; it is funded as well as we could under this bill with increases as I have noted.

On AIDS, the bill contains $2.6 billion for research, education, prevention, and services to embattle the scourge of AIDS, including $379 million for emergency aid to the 42 cities hardest hit by this disease.

When it comes to the subject of violence against women, it is one of the epidemic problems in our society. The Department of Justice reports that each year women are the victims of more than 4.5 million violent crimes, including an estimated 500,000 rapes or other sexual assaults.

But crime statistics do not tell the whole story. I have visited many shelters, Mr. President, in Harrisburg and Pittsburgh and have seen first hand the physical and emotional suffering so many women are enduring. In a sad, ironic way the women I saw were the lucky ones because they survived violent attacks.

The Labor-HHS-Education bill contains $96 million for programs authorized by the Violent Crime Reduction Act. The bill before the Senate contains the full amount authorized for these programs, including $50 million for battered-women shelters, $35 million for rape prevention programs, $7 million for runaway youth, and $4.9 million for community demonstration programs, the operation of the hotline and education programs for youth. These funds have been appropriated, Mr. President, after very, very careful analysis as to where the subcommittee and the full committee felt the money could best be spent.

On the School-to-Work Program, the committee recommends $245 million within the Departments of Labor and Education, which is maintenance of the level provided in 1995. We would like to have had more money, but that was the best we could do considering the other cuts.

On nutrition programs for the elderly, for the congregate and Home-Delivered Meals Program, the bill provides almost $475 million. Within this amount is $110.3 million for the Home-Delivered Meals Program, an increase of $16.2 million over the 1995 appropriation because there are such long waiting lists, so many seniors who really depend upon this for basic subsistence.

On education, we have allocated the full amount of the increase that our subcommittee received, some $1.6 billion. The bill does not contain all of the funds we would like to have provided, but it is a maximum effort on this important subject.

As to job training, Mr. President, we know all too well that high unemployment means a waste of valuable human resources, inevitably depresses consumer spending, and weakens our economy. The bill before us today includes $3.4 billion for job training programs. And again, candidly, I would like to see more, Mr. President, but this is the maximum that we could allocate.

As to workplace safety, the bill contains an increase of $62 million over the amount recommended by the House for worker protection programs. While progress has been made in this area, there are still far too many work-related injuries and illnesses, and these funds will provide programs and inspect businesses and industry, weed out occupational hazards, and protect worker pensions within reasonable bounds.

LIHEAP is a program which is very important, Mr. President, to much of America. It provides low-income heating and fuel assistance; 80 percent of those who receive LIHEAP assistance earn less than $7,000 a year. It is a program which was zeroed out by the House, and we have reinstated it in this bill. We have effectively included a total of $1 billion here, $100 million of which is carryover funds, as we understand the current state of affairs, although it is hard to get an exact figure, and an additional $900 million.

As the Congress consolidates and streamlines programs, Federal administrative costs must also be downsized. In this bill, with the exception of the Social Security Administration, we have cut program management an average of 8 percent. Many view administrative costs as waste and others suggest that deeper cuts are justified. It is our judgment that any further reductions would be counterproductive.

In closing, Mr. President, I want to thank the extraordinary staffs who have worked on this program. On the Senate side, Bettilou Taylor and Craig Higgins have been extraordinary and professional in taking inordinately complicated printouts and working through a careful analysis of the priorities.

We received requests from many of our colleagues. And to the maximum extent, we have accommodated those requests. We have received many requests from people around the country. We have accommodated as many requests for personal meetings as we could, both with the Senators and with their staffs. And we think this is a very significant bill.

There are people on both sides who have objected to provisions of the bill. When a motion to proceed is offered, it is my hope that we will proceed to take up this bill and that we will pass it. We are aware that there has been the threat of a veto from the executive branch, and I invite the President or any of his officials to suggest improvements if they feel they can do it better.

There is a commitment in America to a balanced budget and, that is something we have to do. We have structured our program to have that balanced budget within 7 years by the year 2002. The President talks about a balanced budget within 9 years. I suggest that our targeting is the preferable target.

To the extent people have suggestions on better allocations, we are prepared to listen, but this is our best judgment. We urge the Senate to proceed with this bill.

At this time I yield to my distinguished colleague, Senator HARKIN.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, I inquire of the Presiding Officer, how much time does this side have?

The PRESIDING OFFICER. There are 27 minutes 46 seconds remaining on your side and there are 18 minutes remaining on the side of the Senator from Pennsylvania.

Mr. HARKIN. Mr. President, I again thank my colleague, Senator SPECTER, for his kind and generous remarks on my behalf. I want to repay them in kind. Senator SPECTER is right, we have worked together for many years. We have switched places, majority/minority, but that has not in any way lessened or in any way changed our relationship. It is one of, I think, mutual respect and one in which we have worked together to try to fashion the best bill we possibly could, having been dealt a bad hand. So I commend Senator SPECTER and his staff for doing the best possible job with the bad hand of cards that was dealt to us.

I especially want to draw attention to Senator SPECTER's efforts to restore funding for rural health care and the health and safety protections for workers, and especially his dogged determination to ensure that we have funding for the Low-Income Home Energy Assistance Program.

I also credit my colleague, Senator SPECTER, for stripping the bill of its many unnecessary and inappropriate legislative riders, matters that ought rightfully to be taken up by the authorizing committees and not by the Appropriations Committee.

Unfortunately, the committee did agree to include in this bill an amendment on striker replacement, which has resulted in the situation we find ourselves in today. I reluctantly agreed to this procedure suggested by Senator DOLE because I am strongly opposed to the striker amendment and because, on the floor, the bill would have attracted scores of additional extremist legislative riders.

So, for the benefit of Senators, what we face right now is a vote on the motion to proceed that will take place at 10 o'clock. That vote, really, is a vote on whether or not we will have within this appropriations bill a rider that says that President Clinton cannot execute his Executive order which bans corporations—and I will get into the details of it later—bans companies having business with the Federal Government, contracts with the Federal Government, from replacing legitimate strikers with permanent replacements.

We had a vote on this earlier this year and the vote failed, the cloture vote failed on that vote. So this is the same issue we have before us, whether or not the President can implement his Executive order on striker replacement or whether we will have this rider on the appropriations bill prohibiting that implementation. So, that is what is facing us right now, and that vote will take place at 10 o'clock.

Before I yield on the issue of striker replacement to my colleague from Minnesota and my colleague from Massachusetts, let me just say a couple of words about the bill in front of us. As I said, Senator SPECTER did a commendable job with the bad hand we were dealt, but I think this chart really points out the problems that we have in dealing with education, with health, with workers protection, with summer youth employment, with low-income home energy heating assistance—all of the things that are in this bill that help advance our country educationally, socially, and try to make life a little bit better and give more opportunity to more people.

What we say is, over 1992, 1993, 1994, 1995, our allocations and budget authority increased by a little over 10 percent—about 15 percent—over those years. This year, our allocation has dropped back to where we were in 1992 in the House, 1993 in the Senate. So, because of this, we have a bill which cuts adult training programs by $167 million; reneges on our commitment to dislocated workers programs; it eliminates the summer youth employment program; it cuts by 13 percent our efforts to combat waste, fraud and abuse in Medicare; it undermines our battle and fight in the war against drugs by cutting money for safe and drug-free schools. his bill cuts 48,000 children from the Head Start Program. It cuts the Goals 2000 Program well below the level proposed by the President. These are just some of the items that we had to cut and reduce because of the allocation that we had—all in the face of giving the Pentagon, I might add, $7 billion more than they even asked for.

The Pentagon gets $7 billion more than they even asked for, yet in programs that are necessary for the health, safety, security, and education of the people of this country, we have cut those $8 billion. That is what we are confronted with.

Having said that, Mr. President, I now want to turn to the issue of striker replacement, the issue that is really before us on the vote at 10 o'clock. I know the Senator from Minnesota wanted to speak on this, but let me just set the stage for this.

The President issued an Executive order regarding the permanent replacement of striking workers for companies that do business with the Federal Government. The President's action is fully lawful and within his authority and conforms with the practice of previous Presidents, including President Bush, who used this authority twice during his 4 years, and this Congress did not try to strip him of that power. And yet now this Congress wants to strip this President of his lawful right to issue this Executive order.

I would yield 5 minutes to the Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. I thank the Chair. I thank the Senator from Iowa. I would also like to thank my colleague from Massachusetts for his graciousness in letting me speak right now. He was first on the floor, and I appreciate him letting me have this opportunity.

Mr. President, let me follow up on the words of the Senator from Iowa. Actually, not just President Bush has used such an Executive order but Roosevelt did, Truman did, Johnson did, Nixon did, and Bush has. It is unfortunate that this amendment is in this bill, and I rise to object to the amendment and I rise to object to our proceeding on this bill. We have had this debate before. We had a vote on this before, and I fully expect again today that we will have the vote against this amendment.

Mr. President, what the Executive order says is the Federal Government will no longer purchase goods and services from firms which permanently replace their workers in response to a lawful strike.

That is in the national and public interest because that has a lot to do with what kind of contractors produce what kind of quality work for this Nation.

In addition, it is a basic standard of fairness. It has to do with on which side is the Federal Government. I cannot understand for the life of me why the opposition to this protection for working people in this country. The pattern is clear. It is a pattern in Iowa, in Minnesota, in Massachusetts, in all across the country, and it is a pattern of some companies. Thank goodness, a lot of companies are precisely the opposite in their modus operandi. A lot of companies understand that you want to have cooperation between employees and employers, that that is the way to have high morale; it is the way to have high levels of productivity. But in all too many cases, some of the bad apples force impossible concessions onto their work force, which means that people have wages on which they cannot support their families or they have to work under conditions that threaten their very health, their life, and their limb, and therefore what happens is the employees have no other choice but to go out on strike, which is precisely what the companies want them to do because when they go out on strike they permanently replace them.

The right to strike, which is part of the leverage of working people in this country, which is part of their right to bargain collectively, has become the right to be fired. And so the President of the United States of America has said the Federal Government is going to be on the side of working people. We are not going to do business with businesses that force people out on strike and then permanently replace them. That is on the part of the President of the United States a positive and powerful message.

The reason I feel so strongly and am absolutely opposed to our proceeding on this bill and hope this amendment will be removed has to do with the context of the times that we are living in, and the context is simple. The bottom 75 percent of the population feels the economic squeeze—low wages, wages that are not living wages, working people losing their bargaining power, more and more mergers, banks buying banks, pharmaceutical companies buying pharmaceutical companies, more concentration of power in the telecommunications industry, conglomerates dominating the economy.

Where do regular people fit into this equation? Cutbacks in occupational health and safety protection, cuts in

Medicare and Medicaid and health care, cuts in protection for children. It seems to me that somewhere in the equation working families, the majority of people of this country who do not own all the wealth and all the capital and who are not the big players and do not make all the big contributions, ought to have some representation in the Senate.

I believe the President of the United States has through this Executive order sent a positive and important message that he stands with working families. I think we in the Senate who are opposed to this amendment to defund this Executive order are sending the same message, and I urge my colleagues to vote against this amendment and to vote against the motion to proceed.

I thank both Senators for yielding me time.

Mr. HARKIN. I thank the Senator from Minnesota.

Mr. President, I yield 15 minutes to the Senator from Massachusetts.

The PRESIDING OFFICER (Mr. SMITH). The Senator from Massachusetts.

Mr. KENNEDY. I thank my friend and colleague from Iowa for yielding the time, and I would yield myself 13 minutes.

On March 8, 1995, President Clinton took a dramatic and long overdue step to put the Federal Government on the side of fair and efficient labor relations. He issued an Executive order which makes it the policy of the executive branch to prohibit Federal contracts with employers who permanently replace workers who exercise their lawful right to strike.

It was the right thing to do, not just because it will promote better labor relations among Federal contractors, but because it tells America's workers that the Government will not let itself be used to help grind down their wages, break their unions, or punish them for asserting their legal rights.

Today, for the second time this session, we are debating a Republican attempt to block implementation of President Clinton's Executive order through a rider on an appropriations bill. Last March, we were successful in preventing that effort. The attempt to block implementation of the Executive order has no place on this or any other appropriations bill, and I hope the Senate will vote today to block this bill as long as this rider is included.

If anything, the case for the Executive order is even stronger now than it was in March. When we debated this issue 6 months ago on the defense appropriations bill, we heard over and over again that we needed to act because the President was usurping his authority, acting contrary to law, even violating the constitutional separation of powers.

But since that time, those arguments have been heard in court and resoundingly rejected. On July 31, Judge Gladys Kessler of the Federal District Court for the District of Columbia upheld the Executive order against a challenge by the Chamber of Commerce and various other business groups.

In her decision, Judge Kessler ruled that President Clinton acted within his authority over Federal procurement, that there is a close nexus between the Executive order and efficient procurement; and that the Executive order does not conflict with the National Labor Relations Act. In other words, the court rejected all of the major arguments that have been made against the Executive order.

The President has not abused or exceeded his legal authority. He has the power, given him by Congress in the procurement laws, to deny Federal contracts to employers who use permanent replacements for striking workers. And as the Federal court specifically found, the President's action does not change or conflict with the National Labor Relations Act.

There is no merit to the argument that he has done an end run around the Congress by trying to accomplish what the striker replacement bill had failed to do. The Executive order is much more limited than the striker replacement bill. The Order does not make the use of permanent replacements illegal. It deals only with how the Government chooses its suppliers of goods and services. And that, the court has ruled, is a matter within the President's authority over the Government procurement process.

Judge Kessler found clear precedent for the striker replacement Executive order in President Nixon's 1970 Executive order requiring bidders on federally assisted construction projects to submit an affirmative action plan, President Carter's Executive order requiring companies seeking Federal contracts to be bound by wage and price controls which were voluntary for everyone else, and President Bush's Executive order requiring Federal contractors to post notices advising employees of their right not to join a union.

Perhaps the most direct analog, she said, was the Executive order issued by President Bush in 1992, which required that contractors, as a condition of securing contracts with the Federal Government, refrain from entering into perhire agreements with labor unions—even though the Supreme Court has held that such agreements are legal and permissible under the National Labor Relations Act.

So let us hear no more that this is an unprecedented action by President Clinton and that somehow it exceeds his Executive authority. There is ample precedent and ample authority for the President to take this action. This is no different than the authority exercised by other Presidents before him, Republicans and Democrats alike.

The requirements imposed on Federal contractors by President Bush—banning perhire labor agreements and requiring employees to be told they didn't have to join a union—were never enacted by Congress. But when those orders were issued, were there any protests from my Republican colleagues? The answer is no. In fact, many of my colleagues took to the floor to applaud those actions. It is clear that the objections that are now being raised to President Clinton's action are not based on principle, or a consistent view of the President's authority with respect to labor relations or Federal procurement. They are part of a persistent and unconscionable Republican attack on basic protections for working men and women.

We see it in the relentless efforts by Republicans to repeal the Davis-Bacon Act, which helps to assure decent wages for hard-working construction workers who make, on average, $27,000 a year. We see it in the Republican proposal now making its way through the Congress to roll back the earned income tax credit, and raise taxes for 39 million low-income working Americans to pay for tax breaks for the wealthy. We see it in the attempt to open gaping holes in the pension laws to allow companies to raid billions of dollars from workers' pension funds. We see it in the refusal of the Republican leadership to even allow a vote on increasing the minimum wage, which in real terms is lower now than it has been at any time in the past 40 years.

Seven times since the enactment of the first Federal minimum wage law in 1938, bipartisan majorities of the Congress have reaffirmed the Nation's commitment to working families by voting in favor of increasing the minimum wage. Increases have been proposed and supported by Republican as well as Democratic Presidents. Six years ago, 89 Senators—including all but 8 of the Republican Senators—voted for a minimum wage increase of 90 cents, an increase identical to that which has been proposed by President Clinton. Yet now we are not allowed to even vote on the issue. Republicans are for a minimum wage all right—the minimum wage possible.

Republicans are for the right to strike, as well—as long as striking workers can be permanently replaced—which means no real right to strike at all.

We are prepared to move forward to consideration of important spending issues in this bill, and we should do that. But we are not prepared to acquiesce in letting this bill be used as a vehicle for yet another attack on working families. And let us be clear—that is what this vote is all about.

The basic principle behind the President's action has strong public support. In a recent poll, 64 percent of respondents said that once a majority of workers have voted to strike, companies should not be allowed to hire permanent replacements to take their jobs.

This is a question of simple justice for workers. If it is unlawful for an employer to fire a worker for exercising the right to strike, it should be equally unlawful for an employer to deprive a striking worker of his job by permanently replacing him.

Today, more than ever, employees need the right to organize to improve their wages and working conditions, and to bargain with their employers over those issues. There is no inconsistency between fair profits for management and fair treatment for workers.

But the right to organize and bargain collectively is only a hollow promise if management is allowed to use the tactic of permanently replacing workers who go on strike.

No one likes strikes—least of all the strikers, who lose their wages during any strike and risk the loss of health coverage and other benefits. Both workers and employers have a mutual interest in avoiding economic losses. The overwhelming majority of collective bargaining disputes are settled without a strike. But the right to strike is a cornerstone of our labor laws. It helps to ensure that a fair economic bargain is reached between management and labor.

The opponents of this Executive order plead that if employers do not have the right to permanently replace workers who go on strike, their only alternative is to go out of business. But hundreds of strikes occur and are settled every year without workers being permanently replaced, and without businesses being permanently damaged. These strikes are settled through precisely the process that our labor laws are designed to encourage—serious, meaningful give-and-take between the parties, to negotiate a solution that both sides can accept. That is the kind of outcome that President Clinton is encouraging through this Executive order.

The recent experience of workers on strike against the Tiffany Office Furniture Co. in Conway, AR—a company with major contracts with the Federal Government—is a good illustration of the positive benefits of the Executive order. Members of the Southern Council of Industrial Workers struck the company on June 6 after rejecting a contract that among other things, would have cut certain health benefits. Negotiations were going nowhere, and the company appeared headed toward hiring permanent replacements when an officer of the union learned about the President's Executive order.

On July 7, the union officer sent a letter to the company on explaining the Executive order. He told the local newspaper, "from that point forward there was concentrated settlement discussion." Within 2 weeks the parties had reached agreement on a contract that preserved health benefits with a reasonable cost-sharing arrangement for coverage of family members and for the first time gave workers a retirement program.

Instead of the pain, economic hardship and emotional suffering for workers, their families and their communities that inevitably occurs when strikers are permanently replaced, union officials report that what has been gained is a mutual respect between the workers and the company and a resumption of normal relations with a firm foundation for the future.

That is a perfect illustration of why it is both important and appropriate for the President to use his executive authority to ban the use of permanent replacements by federal contractors. Hiring permanent replacements encourages intransigence by management in negotiations with labor. It encourages employers to replace current workers with less experienced workers willing to settle for less—and to accept smaller paychecks and other benefits. Clearly that practice has a negative impact on the efficiency and quality of performance on Federal contracts.

The Executive order helps restore the balance that has been lost in recent years.

It is particularly distressing for us to be spending this time debating an ill-conceived extraneous rider on labor law, instead of addressing the important challenges on issues that belong in this appropriations measure. I want to address two of these issues here—the unacceptable cuts in education, and the cuts in job training proposed by our Republican colleagues in this bill.

These are difficult days for children, students, and working families. On Tuesday of this week, Republicans slashed college student loans by $10 billion over 7 years. Now they propose to cut federal education spending by an additional $2.4 billion next year and $40 billion by the year 2002—all to help pay for a $245 billion tax break for the wealthy.

This is no time to be cutting education. Our schools are filling with more students than ever before. Total public school enrollment is projected to rise from 45 million in 1995 to 50 million by 2005—an increase of 10 percent. In the face of this surge in enrollment, it makes no sense to slash funding for education. Increased funding is necessary just to maintain the same level of services, let alone provide the wise investment we need to improve education and build a stronger future for the Nation.

We should not turn our backs on education just as the nation is beginning to reap the benefits of a better educated work force. More students are finishing high school, more students are entering college, and more students are graduating from college than ever before. The Bureau of Labor Statistics estimates that about 20 percent of income growth during the last 20 years can be attributed to students going further in school. We can build on this record by investing more in education, not less.

Slashing education in today's economy is like cutting defense in the middle of the cold war. To be successful in the years ahead, young men and women need communication skills and problem-solving skills. They need a grasp of basic scientific and math concepts. They need a familiarity with computers, and the ability to work as part of a team.

As technology changes and economic competition brings the world closer together, the demand for better-educated workers is growing, and the demand for workers with lower skills is declining. In the last decade, jobs for those with low levels of education grew by only 7 percent, while employment in high-skill occupations increased by an impressive 32 percent. These unwise cuts will affect real students in real schools in real communities throughout the country.

As States across the Nation recognize the urgency of school reform, it makes no sense to reduce Federal funds designed to encourage such reforms. Yet 1,600 of the 9,000 schools participating in the Goals 2000 program will lose funds under this Republican amendment.

Drug use by students is on the rise and too many students are victims of crime in their schools. Yet Republicans are cutting funds that support 97 percent of communities and make it possible for 39 million students to learn in safe and drug-free schools.

Preschool enrollment has doubled, giving children a better chance to enter school ready to learn. Yet Republicans are cutting $132 million from Head Start.

The achievement gap between students in poor and wealthy schools is narrowing. Yet Republican cuts will deny assistance to 650,000 disadvantaged students.

High school graduates are obtaining better job training, finding better jobs, and earning more in those jobs. Yet Republicans are cutting $83 million from vocational education and $867 million from summer jobs to help youths and adults gain job skills and pursue more productive careers in a changing economy.

The issue is priorities. It makes no sense to reduce education investments needed to improve the lives of students and working families. It makes even less sense to do so in order to pay for tax breaks for the wealthiest individuals and corporations in our society.

As was pointed out earlier in the course of this debate, over the period of the last months there has been a series of attacks on the rights of working men and women in this country. First, there was the attempt to cancel out the Davis-Bacon Act. That attempt would effectively guarantee for construction workers, who work 1,700 hours in the course of a year, that their average income of $27,000 will diminish, and attacks their livelihood.

There has been a resistance by our Republican colleagues and friends to raise the minimum wage so that men and women who work 40 hours a week, 52 weeks a year, are able to provide bread on their table, a roof over their house, the mortgage payments, and clothes for their children, to make work honorable, respectable, and to make work pay.

They not only resist increasing the minimum wage, they want to turn back on the earned income tax credit. Who is eligible for that? Those working families that are prepared to work, are working, and they make less than $26,000 a year.

Attack on the Davis-Bacon Act; attack on the minimum wage; attack on the EITC; and an attack on educating the children of those working families, as we saw in the Labor Committee this past week, by putting an additional tax on the scholarship assistance that the sons and daughters of working families receive. The more they need in terms of student assistance, the higher the tax is on them and on their schools. That is fundamentally wrong.

We are also seeing an attack on the parents of those working families in the Finance Committee by decreasing the coverage of their parents under the Medicare system. That will mean more copayments, more premium increases, and an increase in the deductibles. That is what is happening for working men and women in this country at the hands of this Republican Congress.

President Clinton has stood up for them with this particular provision, and now we have the attempt to try to deny these individuals who are trying to provide work for their families their right to be able to be included in the job market.

Finally, Mr. President, I think we ought to recognize what has happened to the Nation's commitment to education in the underlying bill. The job done by Senator HARKIN and Senator SPECTER has been superb in trying to take scarce resources and focus them on the areas of greatest need in terms of our national investment.

But there is still a serious cutback on the basic Head Start Program, which tries to enhance the opportunities for young children to develop the kinds of competence and skills to project them into the early years of education;

Cutbacks on the chapter 1 program that targets needy children for special help and assistance that was reshaped last year with strong bipartisan support;

The denial of the 90 percent of the Federal funds that would be available to the States at the local community level to help enhance the academic achievements at the elementary and secondary education level with Goals 2000;

The reduction in the School-to-Work Program to take three-quarters of the kids that do not go on to college, and to give them some additional opportunity to get into gainful employment.

All of these programs have been reduced.

The absolute abandonment of the commitment for the Summer Jobs Program—this is in the wake of the debate on the Welfare Reform Program, where we are talking about trying to get people off welfare and into employment. Under President Bush, we had 872,000 summer jobs. They have been zeroed out under the Republican program, zeroed out.

How can we, on one day, talk about getting people off welfare, building a work ethic, and trying to get them involved in jobs, and on the next day effectively wipe that program out? In the wake of what this Congress did in the welfare debate and the kind of commitment we had to summer jobs under President Bush, how can we zero out this program now? It makes no sense whatsoever. That is what has been done in the appropriations recommendation.

So, Mr. President, the issue that is before us is fundamental and basic to working families, to their education, to their own income, and to the future, I believe, of this country.

It is difficult to exaggerate the short-sighted Republican priority that would short-change education. Education has been the essence of the American dream and the core of the American experience from the beginning of the Nation.

Mr. President, there is one wonderful quote that I came across and, as a matter of fact, reread yesterday, by the former Senator from Massachusetts, Daniel Webster, when he made this extraordinary speech in Faneuil Hall to give testimony upon the deaths of John Adams and Thomas Jefferson. He made this point—I came across it again yesterday, and it was appropriate at a time that our Human Resources Committee was denying and making it more difficult for the children of working Americans to obtain a higher education. But it is also applicable as we consider the appropriations bill now that is before us.

Over a century and a half ago, Daniel Webster made the point about the importance of education in his famous oration on the lives and service of John Adams and Thomas Jefferson. Both of those two great Presidents died on the same day, on July 4, 1826. On August 2 of that year, Daniel Webster spoke about them in Faneuil Hall in Boston, about their leadership and example on education.

> But the cause of knowledge, in a more enlarged sense, the cause of general knowledge and of popular education, had no warmer friends, nor more powerful advocates, than Mr. Adams and Mr. Jefferson. On this foundation they knew the whole republican system rested; and this great and all-important truth they strove to impress, by all the means in their power. In the early publication already referred to, Mr. Adams expresses the strong and just sentiment, that the education of the poor is more important, even to the rich themselves, than all their own riches. On this great truth, indeed, is founded that unrivaled, that invaluable political and moral institution, our own blessing and the glory of our fathers, the New England system of free schools.

That was true for New England schools in the early years of our Nation. It is true for schools all across America today, and no bill that contains deep cuts in funds for schools deserves to pass.

This bill also deserves to be defeated for a further reason. It is an unconscionable attack on the dreams and aspirations of millions of working families across the country and their hopes for the future. I am talking about the fundamental tools, the building blocks, we have crafted in a bipartisan manner, in good faith, to provide realistic hope of the opportunity that comes with a decent job.

This bill breaks that faith. For example it proposes drastic cuts in the Summer Youth Program. This program has historically received strong bipartisan support. It began in 1964, and has been providing jobs for low-income youth for over 30 years under both Democratic and Republican administrations. In fact, it reached its highest level of assistance to young people under President Bush in 1992, when it provided summer jobs for 782,000 young men and women.

Even at this high water mark, we were barely beginning to meet the real need that exists. With over 8 million eligible youth across the country, deserving participants are far more numerous than we have positions for. In recognition of budget constraints, the current program is already 25 percent smaller than it was under President Bush. In 1995 we are serving 600,000 youth, and we anticipate reaching 550,000 in 1996 under President Clinton's funding request. That level represents jobs for only 6 percent of the eligible population. It is a priceless opportunity for the few who get to participate. We ought to be doing more, not less. It is unconscionable to do nothing.

All Senators know in their States that there are communities, towns, and cities full of youths looking for this ray of hope. The Summer Jobs Program reaches out and provides their first experience with a job. Many have parents who are not working. Many live in areas where there are few opportunities to find employment, even for a short time. These summer jobs can make all the difference in their lives.

In our recent debate over welfare reform, there were many harsh comments about welfare dependence and lack of responsibility and the need to get these people a job. Everyone agrees that these people, as they are callously described, need employable skills so that they can get a job and perform effectively. It is ironic that in one of the first pieces of legislation we consider after the welfare debate, the Republican majority proposes to tear down a program which can provide the very skills we all agree are needed for successful employment. They call their reform tough love—but it would more appropriately be called tough hate.

Some of the most virulent and most ideological critics claim that all programs like the Summer Jobs Program are ineffective.

They think Government has no business spending tax dollars on welfare for individuals—the only welfare they support is corporate welfare. Look at what the Department of Labor's inspector general said after his office analyzed the Summer Jobs Program.

> The work projects are worthwhile. Summer jobs are real, not make-work. Kids were closely supervised, learned new skills they could apply to their school work, and took pride in their employment.

Westat, Inc., a private research company, reported similar positive findings after undertaking a study of the program. A survey of supervisors involved with the program indicated no serious problems relating to behavior, attendance, or turnover by the youths in the program. The bottom line is, this program works and yet it is now facing elimination by the Republican majority in Congress.

In Massachusetts, we will lose over 13,000 summer jobs. Boston youth will lose over 1,500 job opportunities, Springfield teenagers will lose another 1,200 jobs. Where will they turn? The private sector plays an important role in providing summer employment—but they are the first to tell us they cannot possibly fill the gap for the hundreds of thousands of young men and women looking for work and experience. The youth who don't get jobs will more likely turn to the very elements we are hoping they can avoid—crime, gangs, drugs, welfare, and unemployment.

Where is the hope for the youths on the street with nothing to do but hang out on the corner and watch the drug buys occur? Where is the hope for the teenager who is fighting the temptations of the gangs but is unemployed? Where is the hope for the young men and women who want to graduate from high school and get a job—but have no idea what it takes to get a job and keep it?

So far in this Congress we have seen the Republican majority turn its back on the Nation's youth in many ways. Unprecedented cuts in student aid, the elimination of funds for the AmeriCorps National Service Program, deep cuts in the School-to-Work Program, deep cuts in education funds for disadvantaged pupils, the elimination of summer jobs. Again and again we ask, where is the hope? Where is the heart?

This bill should be a creator of hope, not a destroyer of hope. It is a deeply flawed bill that doesn't deserve to pass, and I urge the Senate to oppose it.

Mr. President, I yield the remainder of my time to the Senator from Iowa.

Mr. HARKIN. Mr. President, I thank the Senator from Massachusetts for his eloquent remarks and for his longstanding and strong support for the working people of this country.

There is no one in this Senate and in this Congress who has stood up more over a longer period of time and who has spoken more forcefully and eloquently for the working people than the Senator from Massachusetts. What the Senator just said in his closing remarks regarding the leadership of Thomas Jefferson and John Adams in education really had to bring it home to us again here today what we are doing.

Mr. President, again, to repeat for Senators, what we are facing right now is a vote at 10 o'clock on a motion to proceed. I am opposed to that motion to proceed because of the inclusion in the Labor, Health and Human Services appropriations bill of a rider, a rider that says that President Clinton cannot implement his Executive order regarding permanent replacement of striking workers.

Mr. President, I strongly oppose this amendment restricting the implementation of President Clinton's Executive order regarding permanent replacements for striking workers. First of all, the President's action is entirely lawful, fully within his authority, and conforms with the practice of previous Republican Presidents in labor issues. And perhaps more importantly, instead of passing such an amendment we should be saluting the leadership of the President in providing a good degree of protection for workers that Congress failed to enact last year in the striker replacement bill.

Under the Executive order, American workers in companies doing business of over $100,000 with the Federal Government can finally be assured that they will not be permanently replaced if they go out on strike. While that represents only 10 percent of all contracts, this order will affect 90 percent of Federal contract dollars.

The proponents of the amendment to nullify this claim that they are trying to maintain the power of the Congress over this matter. But it is clear that Congress has already acted to give the President this power, in the Federal Property and Administrative Services Act of 1949. We have spoken on this issue and this amendment is just an attempt to second-guess the President on an issue that is fully within his authority. President Bush used the same statutory authority to issue two Executive orders concerning labor. Yet we didn't hear our colleagues on the other side of the isle complaining then.

Furthermore, the U.S. District Court for the District of Columbia rejected a challenge to President Clinton's Executive order on striker replacement on July 31, 1995. Specifically, the court held:

First, President Clinton acted within his procurement authority;

Second, there is a close nexus between the Executive order and efficient procurement; and

Third, Executive Order 12954 does not conflict with the National Labor Relations Act.

In other words, the court rejected all of the major arguments that have been made against the Executive order. The President has not abused or exceeded his legal authority—he has the power, given him by Congress in the procurement laws, to deny Federal contracts to employers who use permanent replacements for strikers.

In addition, there is no merit to the argument that he has done an end run around the Congress by trying to accomplish what the striker replacement bill had failed to do. President Clinton's Executive order is much more limited than S. 55, and deals only with how the Government chooses its suppliers of goods and services. The order does not attempt to change the National Labor Relations Act or outlaw the use of permanent replacements for strikers. It governs their use only with respect to the narrow class of Federal contractors.

Nobody has a right to receive a Federal contract. As one contracting party, we can insist on any conditions we choose. The findings of the Executive order state that prolonged labor disputes adversely affect costs of operations. Employers who want to insist on their right to permanently replace striking workers can do so—they just can't get Federal contracts.

The Executive order simply raises the stakes in a company decision, and will hopefully convince some companies to rethink their decision to hire permanent replacement workers. It is too easy for companies to think that they can help their bottom line by taking advantage of their workers. This only says that there is a price that must be paid.

Sometimes I wish the majority would go ahead and propose a law banning strikes entirely—it would be more honest than what they are trying to do here, again, today. A right to strike is a right to be permanently replaced. Every cutrate, cutthroat employer knows they can break a union if they are willing to play hardball and ruin the lives of the people who have made their company what it is.

Workers deserve better. Workers aren't disposable assets that can be thrown away when labor disputes arise. When we were considering the striker replacement bill last year, the Senate Committee on Labor and Human Resources heard poignant testimony about the emotional and financial hardships that are caused by the hiring of permanent replacement workers. We heard of workers losing their homes and going without health insurance due to the costs of COBRA coverage, as well as the feelings of uselessness that workers often feel when they are permanently replaced after years of loyal, and efficient service.

The right to strike—which we all know is an action taken as a last resort, for no worker takes the financial risk of a strike lightly—is fundamental to preserving workers' right to bargain for better wages and better working conditions. And recent studies have shown that the stagnation we have seen in middle-class standards of living is closely correlated with the decline of unions, and the loss of meaningful bargaining power.

At the same time, workers are losing the benefits that unions were able to negotiate. Since 1981, fewer workers have health insurance, pensions, paid vacations, paid rest time, paid holidays, and other benefits. Without the bargaining power of a union, companies provide these benefits only out of the goodness of their hearts. And without the right to strike—a right that is theoretically guaranteed by law, but that, in fact, is totally undermined by permanent replacements—the unions have no bargaining power either. What does it mean to tell workers, "you have the right to strike," when exercising that right means that you can be summarily fired?

This is not about whether a company has to close its doors in the face of a strike. This only concerns the permanent replacement of strikers. Permanent replacements are given special priority in their new jobs—placing new hires above people with seniority and experience. We aren't suggesting that replacement workers can't compete for jobs—they just should not get special rights, over and above those of the workers who have devoted their lives to the company.

As a nation we have a choice—continue down the path of lower wages, lower productivity, and fewer organized workers or to take the option pursued by our major economic competitors, of cooperation, high wages, high skills, and high productivity. If we want to pursue that high skill path, we must do it with an organized work force. We can't do it with the destructive management practices of the past decade such as the threat of hiring replacement workers.

Federal contractors must have stable and productive labor-management relations if they are to produce the best quality goods in a timely and reliable way. The use of permanent replacement workers destroys cooperative and stable labor-management relations. Research has found that strikes involving permanent replacements last seven times longer than strikes that don't involve permanent replacements.

Using permanent replacements means trading experienced, skilled employees for inexperienced employees who labor at the bottom of the learning curve. For Federal contracts, we don't want the industrial equivalents of rookies and minor leaguers making tires for our next Desert Storm.

So, Mr. President, I urge the Senate to oppose this amendment. I think it is a distraction from this important appropriations bill before us. I intend to fight this effort every step of the way, to return the right to strike to at least some of America's workers.

Under this Executive order, American workers and companies doing business over $100,000 with the Federal Government can finally be assured that they will not be permanently replaced if they go out on strike. While that represents only 10 percent of all contracts, this order will affect 90 percent of Federal contract dollars.

Opponents of the amendment can nullify this, claim that they are trying to maintain the power of Congress. But Congress already gave the President this power in the Federal Property and Administrative Services Act of 1949. The Senator from Minnesota said every President since President Truman has exercised this authority. President Bush used the same authority to issue two Executive orders concerning labor. Yet, we did not hear our colleagues on the other side of the aisle complaining at that time.

As the Senator from Massachusetts said, the U.S. district court rejected a challenge to President Clinton's Executive order on July 31 of this summer of 1995. Specifically, the court held, first, that President Clinton acted within his procurement authority; second, there is a close nexus between the Executive order and efficient procurement; and, third, that Executive order 12994 does not conflict with the National Labor Relations Act. In other words, the court rejected all of the major arguments that have been made against the Executive order.

The President has not abused or exceeded his legal authority. He has the power, given by Congress, to deny Federal contracts to employers who use permanent replacements for strikers.

In addition, there is no merit to the argument that he has done an end run around Congress by trying to accomplish what S. 55, the striker replacement bill, tried to do and which did not pass here.

I might point out again for the record, S. 55 had a majority of votes on the Senate floor, enough to pass, to ban the permanent replacement of strikers. We just could not get the 60 votes to break the filibuster. Again, this order does not attempt to change the RLA or the National Labor Relations Act, or outlaw the use of permanent replacements for strikers. It is used narrowly affecting only Federal contracts.

Mr. President, no one has a right to receive a Federal contract. As one contracting party, the Federal Government can insist on conditions, and that is the condition that President Clinton has insisted on, that if you do business of over $100,000, if it is a contract over that amount, you cannot permanently replace legitimate, legal strikers.

Mr. President, how much time do we have remaining on this side?

The PRESIDING OFFICER. The Senator from Iowa has 1½ minutes remaining.

Mr. HARKIN. I will reserve that minute and a half.

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, it is my hope that we will proceed to take up the pending bill. It is obviously difficult procedurally to complete this bill before the end of the fiscal year, and it is already a matter of public record that arrangements have been made between the executive branch and the congressional leaders to have a continuing resolution, which is to be considered by the House of Representatives today and probably by the Senate today, to cover, on a temporary basis, the matters within this appropriations bill. And it is obvious that even if we could complete the Senate bill before the end of the fiscal year on September 30, we could not finish a conference in time. So the continuing resolution is the way that we will have to resolve these matters for now.

Still, as a matter of protocol and as a matter of form, we in the Senate ought to take up this bill at some point and debate the measures and come to a resolution. With respect to the provision on striker replacement, that is a long, complex subject which has been on the floor of the Senate on many, many occasions.

My own view is that there is a question as to the Executive authority on striker replacement in the context that the Congress has refused to act. But whatever that situation may be, it is my view that it is not appropriate to deal with this matter on an appropriations bill. In the full committee the striker replacement provision was reinstated in the bill to prohibit the use of any Federal funds to implement or enforce the President's Executive order. And it is unlikely that there are sufficient votes to terminate a filibuster.

My own sense is that the issue will have to await action on another day. As I say, I think it preferable that such legislative matters not be taken up on an appropriations bill.

It is currently 9:44. We have some substantial time remaining for argument. I invite my colleagues on the Republican side to come to the floor if anyone has any arguments which he or she wishes to make.

How much time remains, Mr. President?

The PRESIDING OFFICER. The Senator from Pennsylvania has 15 minutes 30 seconds remaining.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, as I understand, Senator HARKIN has about 1½ minutes, and then there is the time on the other side. I understand we are going to be voting at 10 in any event. I would like to—if there are other speakers, obviously they could speak—but I would like to talk, perhaps enter into a dialog with the Senator from Iowa just about some of the education provisions of the legislation. But I am more than glad to, if there are other Senators that want to address it——

Mr. SPECTER. I yield to Senator HARKIN and Senator KENNEDY 4 minutes of my time.

Mr. HARKIN. I appreciate the Senator yielding.

I yield to the Senator from Massachusetts.

Mr. KENNEDY. I was just interested in something the Senator from Iowa pointed out during our markup in the Human Resources Committee on the issue of education. In this legislation we are talking about the support of the Federal Government for elementary and secondary education. This past week we talked about higher education. And the Senator, I thought, made a very interesting point about where we were in this country in terms of the deficit versus GNP at the time of the end of World War II when we went ahead and provided education grants to the sons and daughters of working families under the GI bill. And I understood from that discussion and debate that we had that every dollar that was actually invested in education returned eight times—eight times—to the Federal Treasury.

Mr. HARKIN. Yes.

Mr. KENNEDY. Does the Senator find in his own analysis of the investment in the kind of programs that we are talking about here in the education programs in this appropriation bill, that we get not only the dollar return for the investment in our young people and raising the academic achievement and accomplishment, hopefully, in our schools, that it is a sound economic investment as well as an investment in the young people of the country?

Mr. HARKIN. The Senator is absolutely right. You know, we keep hearing we have this big Federal debt, that we have to take care of it. We all want to take care of it and reduce the deficit and get a balanced budget.

Mr. President, the point I made in the committee the other day was that, after World War II we had a similar situation. The national debt was 110 percent of our gross national product—110 percent. Today, it is about 70 percent. Our debt is about 70, 75 percent of our gross national product.

They say we have to reduce our debt. I agree with that. The same situation confronted us in World War II. Did we stick our head in the sand and say no, we have to hunker down? No. We have to invest and invest in education. We have got all the GI's. We did not loan them money. We gave them money. We built student housing all over the country for them to live in. As the Senator from Massachusetts said, they paid this country back to the tune of 8 to 1. And it spurred the greatest economic growth this country has ever seen.

So, you want to get out of debt in this country? We better start investing in education. We are now reaping the harvest of the seeds that we have failed to plant over the last 30 years. When I first came to Congress in the 1970's, the Federal Government's share of elementary and secondary education was about 12 percent of the total amount of money. At that time there was a proposal that we have a one-third, one-third, one-third sharing of the cost of education. The Federal Government provided one-third, States one-third, and local governments one-third for elementary and secondary education.

The Federal Government, as I said at that time, was about 12 percent of total. You know what it is today, Mr. President? Less than 6 percent. We are going in the wrong direction. It has been going down ever since. We wonder why? We wonder why our schools are not producing better students? Why we are not becoming more competitive in the world markets? Why we are not reducing the deficit? Talk about the dumbing down of America. It is because Congress is not fulfilling its responsibility to invest in the education of this country. The Senator from Massachusetts is absolutely right.

Mr. KENNEDY. Would the Senator agree with me that money is not necessarily the answer to all our education problems, but it is a clear indication about where a nation's priorities are? And that every dollar that we cut back, whether it is reaching out to a Head Start child in trying to help and assist them develop confidence and skills or reaching out to helping teachers and parents at the local level, or providing the income contingency repayments for college loans, that for every dollar we cut from them, that we will be expending more in terms of social services to try to deal with the social problems that are created?

Mr. HARKIN. The Senator is right.

The PRESIDING OFFICER. The Chair informs the Senator from Iowa that the 4 minutes yielded to the Senator has expired.

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. I note the arrival of the Senator from New Hampshire on the floor. I had yielded time earlier, but we do have a speaker. I now yield 5 minutes to my distinguished colleague from New Hampshire.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

Mr. GREGG. I thank the Senator for yielding time on this issue before us which arrives here because of the concern of Members from the other the side of the aisle about the issue of the President's order on striker replacement. That is why we are having this not necessarily unique, but certainly not all that common, exercise of the vote coming up on the matter to proceed.

The amendment in the bill that has generated this activity is an amendment that I offered in committee and which was adopted in committee that would essentially not allow the President to go forward to enforce his order on striker replacement.

Now, the other side has already discussed at some length this issue. But let me make two points which I think need to be made.

First, the President's order is clearly in violation, in my humble opinion and I think a lot of other people's opinion in this body, of the separation of powers. It does not lie in the President's prerogative to step forward into this arena and unilaterally take action which is basically a legislative action which is exactly what the President's Executive order has done. Therefore, on that count alone, people should be voting in favor of proceeding because, if you do not, you are basically voting to transfer power from the legislative branch to the executive branch.

More important, however, is the issue of what is the underlying philosophy of this action taken by the President. We have heard a great deal of representation on the other side that this action was taken out of concern for working Americans, that it is an attempt to put working Americans on some sort of level playing field in the area of dealing with management.

Nothing could be less accurate, of course. The fact is, this action was a crass political action taken by an administration which had a debt to a special interest group. The special interest group happened to be organized labor, in this instance, and as one of the first paybacks to organized labor which had given it literally hundreds and hundreds of thousands of dollars, not only to the President's campaign, but to the campaigns of Members of the other party, they immediately took an action which abrogated a law and activity in labor which had been in place since 1938.

I guess it may be it is the other party's position that since 1938 we have had laws unfair to labor and they should have been changed for the last 50 years or so since they have been in place. The fact is, those laws have been in place for the last 50 years. Labor has functioned rather effectively in this Nation as a force for its organized membership, and management has also been able to function under the cloak of the present law as it existed for the last 50-some-odd years. Therefore, it seems to me that the playing field was not unlevel but had reached a rather good equilibrium between management and labor.

What the administration is trying to do in this unilateral act is to create an unlevel playing field, not for the purposes of protecting some beaten down group of individuals, but rather for the purposes of protecting its own interest in running for reelection and getting contributions and support from what happens to be a very specific special interest group in this Nation.

So this is purely special interest group pork-barrel politics is what it amounts to essentially. So if you want to vote against what amounts to labor pork or social pork, as it might be defined here, then you should not be supporting the administration's position on this, you should be opposing it, because that is what this piece of legislation represents. It is a payoff to a special interest group. Nothing more, nothing less. And it was done in the crassest political way.

Furthermore, it was done in a way which violates very clearly the separation of powers which are so important, I note, to a couple of gentlemen who had been pointed out earlier in the discussion—John Adams and Thomas Jefferson, both of whom I suspect, were they here today, would be rather upset at the idea that the executive branch would be issuing an order which clearly is legislative in nature. It was, after all, they who, along with James Madison, designed the concept of separation of powers in order to have a balance among the executive and the legislative and, obviously, the judicial branches, which has been totally usurped by this action taken by the President.

So this is not some cause which has any right on its side, it is a cause that has special interest on its side and which affronts the separation of powers issue. Therefore, I strongly suggest that we not support the action.

The PRESIDING OFFICER. The time of the Senator from New Hampshire has expired. Who yields time?

Mr. SPECTER. Mr. President, how much time remains on my side?

The PRESIDING OFFICER. The Senator from Pennsylvania has 4½ minutes, and the other side has 1½ minutes.

Mr. KENNEDY. Will the Senator yield time to me?

Mr. HARKIN. Mr. President, I yield my 1½ minutes to the Senator from Massachusetts.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KENNEDY. Mr. President, the provision restricting the President's power on issuing his Executive order has no place on this appropriations bill. It is legislation on an appropriations bill. The proper place is to follow the procedures of the Senate and to legislate in the authorizing committee. This is just another effort to shortchange and effectively undermine the legitimate interests of workers as protected by the Executive order.

The legitimacy of the Executive order has been upheld in the courts and follows very careful precedents, which have been outlined.

This provision does not deserve to be on this appropriations bill. It ought to be stripped off the appropriations bill so that the whole issue of the education programs that affect the young people of this country can be fully and adequately debated.

Mr. President, I hope that we will not move toward the consideration of this legislation until we strip this unwarranted, unjustified attack on workers from the appropriations bill.

I yield back the remaining seconds of our time.

Mr. SPECTER. I yield 2 minutes to the distinguished Senator from Oklahoma.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized for 2 minutes.

Mr. INHOFE. Mr. President, I am a little distressed. I understand we are not going to be able to take up some amendments that I believe should be taken up on this bill. I, at least, want to get into the RECORD, in the hopes some of these things can be addressed in conference, my strong feeling about a couple amendments.

The Exon amendment, Coats amendment, and the Smith amendments address the same thing, and that is just a modest and overdue measure to get Government out of the business of promoting and subsidizing abortions. It is my understanding that under section 512, if not enacted, obstetrics and gynecology residents' programs will be required to perform abortions including late-term abortions. Residents with moral or religious objections who wish to opt out of performing abortions should be required to explain why in a way that satisfies stringent and explicit criteria. I am very much concerned about that. We have debated this issue over and over again. However, I am hoping this is something that will be taken up in conference.

The second thing is the amendment to defund Goals 2000, the Education Act. Under this program, Federal intrusiveness reaches a new height. The Goals 2000 creates tighter and more definite links between State, Federal and local levels and makes it easier for the Department of Education to tamper with local schools. The Goals 2000 is the idea that the Federal Government should be involved in creating and certifying standards for education and determining official knowledge.

I think if there is anything that has been very evident during the elections of November, it was a trend to get Government out of things, not in things, to get the Washington influence out of our lives instead of in our lives.

I certainly hope that we will be able to take up some measure at some point, perhaps in conference, to do away with the Goals 2000 program.

The PRESIDING OFFICER. The time of the Senator from Oklahoma has expired.

Mr. SPECTER. How much time remains?

The PRESIDING OFFICER. The Senator from Pennsylvania has 2 minutes remaining.

Mr. SPECTER. Mr. President, just by way of brief comment on the Goals 2000 program, that is a matter which is going to be subject to very substantial debate on the floor of the U.S. Senate. With my lead, we have funded Goals 2000 because of a view that standards and goals are necessary for education.

Way back in 1983, when Terrel Bell was Secretary of Education, there was a report about the crisis of education in America. It may be that we can remove further Federal limitations and Federal restraints within the Goals 2000 bill, but I strongly believe that we need to have goals.

The goals which are present are voluntary. The States may put on their own goals if they choose to do so. That is entirely within the discretion of the State. But education is an enormous problem in America. If we really had a generation of educated Americans, it would go to the cure of many of our very basic problems: Problems of teenage pregnancy, problems of welfare, problems of crime, problems of job training. It would all be surmounted if we had adequate education. I believe that Goals 2000, first adopted under a Republican President, President Bush, carried forward in this administration, is very, very important for America. This is not the time to get into extensive debate, but I look forward to an opportunity to discuss this at an appropriate time with my distinguished colleague from Oklahoma.

Mr. President, how much time remains?

The PRESIDING OFFICER (Mr. INHOFE). All time has expired.

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER. The minority leader is recognized.

Mr. DASCHLE. Mr. President, I would like to use a few minutes of leader time prior to the vote.

Mr. President, I want to commend Senators SPECTER and HARKIN for the effort they have made to do what they could with this piece of legislation. At the same time, I think everyone needs to be put on notice that this bill will be vetoed.

I believe that there is no other alternative but to veto this legislation. Frankly, while we have given some thought to trying, in as many ways as we could, to improve the legislation, in our view, it is beyond improvement. They have done the best they could. But this problem started when we passed the budget in the first place. This problem started when the allocation to Health and Human Services was provided in the budget resolution and by the Appropriations Committee. As the chairman of the subcommittee, Senator SPECTER, stated, the allocation "is totally insufficient." It cuts $9 billion from the President's request. So there is no other word to describe this piece of legislation, in my view, than the word "extreme."

Cuts in health, education, job training, and all of the cuts that are provided in this piece of legislation will devastate kids, young people, and destroy the opportunities for families and workers, all in the name of providing a tax cut that we do not need this year. The majority has proposed $245 billion in tax cuts. In order to finance those tax breaks that benefit our wealthiest citizens, they have proposed the extreme measures in this bill. As I stated, over $9 billion is cut from the President's request in this legislation in areas that directly affect the strength, health, vitality and the future of children and families.

It deserves a veto.

In addition to the cuts that are devastating in all the ways that I have already described, the bill before us contains a legislative provision that has no business in this appropriations bill. We have been forced to consider, once more, the striker replacement legislation. This legislation was considered in committee and considered again earlier on the floor that will, without a doubt, provoke extended debate on this bill if it is not removed from the bill.

Overturning the Executive order banning the replacement of striking workers by Federal contractors is wrong. I believe the vast majority of the Senate knows that it is wrong. It does not deserve to be in this bill. It ought to be taken out. And whether or not we ultimately are able to come to any conclusion about health and human services appropriations legislation directly affecting all of the programs for education, drug-free schools, for summer jobs, for the real heart and soul of what we try to do each and every year to give strength and vitality to young kids, will be hung up, in part, because of a minority view that striker replacement deserves to be in this legislation. It is wrong, it does not deserve to be there, and it ought to be taken out.

So, Mr. President, this bill will be vetoed. It will be vetoed because 50,000 children are going to be cut from Head Start. It will be vetoed because 650,000 disadvantaged kids will be denied educational opportunities. It will be vetoed because millions of kids all over this country are going to lose the chance to go to safe and drug-free schools, and are going to lose the opportunity to be educated about the need to avoid drugs. It will be vetoed because we are going to deny 600,000 kids summer jobs. It will be vetoed because 500,000 dislocated workers are going to be abandoned and not given the help they need to find new jobs. It will be vetoed because 96 percent of the funding for substance abuse prevention is wiped out in this bill.

Mr. President, this is an extreme bill. We ought to vote against it. But if, God forbid, it passes, it will be vetoed.

I yield the floor.

The PRESIDING OFFICER. All time has expired.

Mr. GREGG. Mr. President, I ask unanimous consent that the second vote on the motion to proceed to H.R. 2127, originally scheduled to occur at 11 a.m., if necessary, now occur at 11:20 a.m., with time between the end of the 10 a.m. vote and 11:20 a.m. equally divided in the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR

Mr. KENNEDY. Mr. President, I ask unanimous consent that Danica Petroshius, a legislative fellow in my office, be granted floor privileges during the debate on the Labor-HHS appropriations bill.

Mr. DASCHLE. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The hour of 10 a.m. having arrived, the question is on agreeing to the motion to proceed to H.R. 2127.

The clerk will call the roll.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 54, nays 46, as follows:

[Rollcall Vote No. 471 Leg.]

YEAS—54

Abraham
Ashcroft
Bennett
Bond
Brown
Burns
Campbell
Chafee
Coats
Cochran
Cohen
Coverdell
Craig
D'Amato
DeWine
Dole
Domenici
Faircloth
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hatch
Hatfield
Helms
Hutchison
Inhofe
Jeffords
Kassebaum
Kempthorne
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Packwood
Pressler
Roth
Santorum
Shelby
Simpson
Smith
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Warner

NAYS—46

Akaka
Baucus
Biden
Bingaman
Boxer
Bradley
Breaux
Bryan
Bumpers
Byrd
Conrad
Daschle
Dodd
Dorgan
Exon
Feingold
Feinstein
Ford
Glenn
Graham
Harkin
Heflin
Hollings
Inouye
Johnston
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Mikulski
Moseley-Braun
Moynihan
Murray
Nunn
Pell
Pryor
Reid
Robb
Rockefeller
Sarbanes
Simon
Wellstone

The PRESIDING OFFICER. On this vote, the yeas are 54, the nays are 46. Under the previous order, 60 Senators not having voted in the affirmative, the motion is rejected.

The Senate will come to order.

Mr. BYRD. Mr. President, may we have order?

The PRESIDING OFFICER. The Senator from West Virginia.

The Senate will come to order.

Who yields time?

Mr. BYRD. Mr. President, will the distinguished Senator from Massachusetts yield me some time?

Mr. KENNEDY. Mr. President, I understand there is an hour to be evenly divided. Am I correct?

The PRESIDING OFFICER. The time until 11:20 will be equally divided.

Mr. KENNEDY. Mr. President, how much time remains?

The PRESIDING OFFICER. Approximately 25 minutes for each side.

Mr. KENNEDY. I yield 15 minutes to the Senator from West Virginia.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, I thank the distinguished Senator. I thank him for his leadership on this issue. Mr. President, I oppose the provision added to the fiscal year 1996 Departments of Labor, Health and Human Services, and Education and Related Agencies Appropriation Bill in committee that would prevent any funds appropriated in fiscal year 1996 from being used to "implement, administer, or enforce any executive order, or other rule or order, that prohibits Federal contracts with, or requires the debarment of, or imposes other sanction on, a contractor on the basis that such contractor or organizational unit thereof has permanently replaced lawfully striking workers." We must not weaken one of the most fundamental rights of organized labor, the right to strike, by threatening these workers with the possibility of losing their jobs. Mr. President, the right to strike is guaranteed to workers under the National Labor Relations Act and the Railway Labor Act, and is instrumental in preserving an equitable balance in labor-management relations.

On March 8, President Clinton signed Executive Order 12954, which prohibits all Federal contractors, with contracts in excess of $100,000, from hiring permanent replacement workers in the event of a strike. This Executive Order has already been challenged in court; however, on July 31, 1995, the United States District Court for the District of Columbia upheld the Executive Order. An injunction was also issued by the court staying all enforcement of the Executive Order so that opponents would have an opportunity to appeal before the U.S. Court of Appeals for the District of Columbia Circuit. The President has consistently opposed the use of permanent replacement workers, believing that the practice harms the American workforce and its productivity. By signing this Executive Order, President Clinton is seeking to ensure a stable supply of quality goods and services for the government's programs by protecting opportunities for cooperative and stable labor-management relations, which, he believes, "is a central feature of efficient, economical, and productive procurement."

Congress enacted the National Labor Relations Act [NLRA] in 1935, to establish collective bargaining as the preferred means of resolving labor disputes. The NLRA gives workers the right to join unions, to bargain collectively, and to participate in peaceful concerted activity to further their bargaining goals—all without fear of employer discipline. The economic strike is the ultimate form of such activity. Congress expressly protected the worker's principal economic self-help weapon—the right to strike—because it recognized that this was an important tool of labor in ensuring a level playing field in labor negotiations. I should point out, however, that for workers, exercising the right to strike means giving up wages and benefits, and exhausting any family savings—it is always a last resort.

The NLRA also established unfair labor practices forbidden by the Act. Among other prohibitions, no interference with the formation of a labor union was allowed, and employers could not interfere with employees engaged in organizing or bargaining collectively. After the NLRA was enacted, union membership grew from 3,584,000 in 1935 to 10,201,000 by 1941.

Before the 1930's—some of the Senators may not be able to remember what it was like before the 1930's. Some of them had not yet discovered America. But I remember very well.

Before the 1930's, Federal and State laws favored management, and union activity was discouraged. Efforts by the United Mine Workers [UMW] to expand their membership in West Virginia during the economic surge brought on by World War I resulted in a level of violence seldom seen in the annals of American labor history. In an effort to bring the benefits of unionism to the southern West Virginia region during the postwar years, the UMW mounted a determined effort to organize this region. The coal operators mounted an equally determined effort to keep the union out. Employers in some instances used force to prevent unions from coming into their plants or businesses. In West Virginia, every mine operation had its armed guard—in many instances two or more guards. Mine guards were an institution all along the creeks in the non-union sections of the State. As a rule, they were supplied by the Baldwin-Felts Detective Agency of Roanoke, Virginia and Bluefield, West Virginia. No class of men on Earth were more cordially hated by the miners than were these mine guards. Seemingly hired to keep the peace and guard company property, these guards spent much of their time harassing UMW officials and evicting thousands of union sympathizers from company-owned housing. If a worker became too inquisitive, if he showed too much independence, or complained too much about his condition, he was likely beaten by one of these mine guards.

County sheriffs and their deputies were often in the pay of the coal operators, and the State government itself was clearly in alliance with the employers against the mine strikers. Scores of union men were jailed, and Sid Hatfield and Ed Chambers, two union sympathizers, were shot dead—dead, dead—by Baldwin-Felts detectives on the courthouse steps at Welch, West Virginia, in McDowell County on August 1, 1921. At Blair Mountain, in Logan County, a three-day battle was fought. The Federal Government moved to end the struggle and President Harding issued a proclamation instructing the miners to cease fighting and return home. Military aircraft and a force of 2,150 regular Army troops were sent to West Virginia. Partly as a result of the military's intervention, the UMW's effort to organize that part of the coalfields lost most of its momentum. The southern West Virginia coal establishment was saved.

This failure of the UMW underscores the long odds organized labor faced at a time when workers' rights to form and join unions had not yet been formally recognized. It also underscores the key role Government involvement played in the efforts of many employers to keep unions out of the workplace prior to the passage of the NLRA in 1935.

In 1938, the Supreme Court ruled in NLRB versus Mackay Radio and Telegraph Co. that employers may "permanently replace" striking workers. In effect, this provided a legal way to "fire" these striking workers. Owen Bieber, former President of the United Automobile, Aerospace, and Agricultural Implement Workers of America [UAW] echoes this sentiment as follows: "The permanent replacement of protected strikers is a contradiction in terms. It is pure double talk to say that although workers can't be discharged for striking, the worker can be permanently replaced. This distinction may have some meaning to lawyers, but all the ordinary worker knows is that he or she is not going back to work with the struck employer in the foreseeable future."

The ability of an employer to convert a narrow limited collective bargaining dispute into a prolonged and divisive contest about the future of union representation and the future of the unionized workforce is reminiscent of the bitter disputes that preceded enactment of the NLRA and led to passage of the Act. When striking workers are permanently replaced, the strike turns into a confrontation about retention of jobs and the right to union representation. Strikes should be about working conditions and wages, not about the fundamental right of union representation.

Although the hiring of permanent replacement workers was not common for many years, the practice has escalated in recent years, and its use or threat of use occurs in one out of every three strikes.

More and more, during labor negotiations, union members are fighting for benefits such as health care, pensions, and safety. Wages are not necessarily the big issue. Due to the threat of overseas competition and downsizing, unions are fighting for their benefits, many of which are not provided by companies overseas. It should be noted, however, that our major trading partners, and competitors—Canada, France, Germany, and Japan—all have laws that prohibit the use of permanent replacements. In addition, the newly restored democracies of Eastern Europe prohibit this practice as well. The laws in these countries reflect the importance of collective bargaining in relation to efficient economic performance. Their laws encourage long-term bargaining relationships. In these countries, collective bargaining has been central in building the stable workforces of skilled long-term employees that are critical to success.

Although the President's Executive Order only applies to Federal contracts in excess of $100,000, it is important that the United States Senate does not back down by supporting the provision to overturn the President's Executive Order. The Federal Government should set an example not only for all businesses operating in the United States, but for overseas companies as well. We do not want to send a message that we believe it is fair to tip the balance of power in favor of business in collective bargaining. Both sides should have tools to work with in order for bargaining to be effective. An employer would still have the ability to continue operation during a strike by using temporary replacements, by subcontracting or transferring the struck work, or by operating with management personnel.

This provision, which we are debating here today, would return us to the days of widespread practices of unfair and unsafe working conditions. More and more is expected of our workers these days, and they deserve to work in a safe environment with health and retirement benefits and job security. The practice of hiring permanent replacement workers has adversely impacted the lives of many people and destroyed many communities and lifetime friendships. Many who have invested years with a company have lost their jobs due to a legal strike and have been permanently replaced. Savings accounts have been depleted, college funds have been used up, homes have been lost, health benefits no longer existed, and hope for a secure future has been diminished. Advancing age makes it difficult for many longtime workers to find new jobs.

Mr. President, we are talking about real lives here—real people who want to earn an honest living and provide for their families and their futures. These people are the backbone of our great nation, and we cannot afford to toss them aside and replace them with inexperienced, unskilled employees.

Mr. President, I urge my colleagues to vote no once again on the motion.

Mr. President, I yield back whatever time I may not have consumed.

The PRESIDING OFFICER. Who yields time?

Ms. MIKULSKI. Mr. President, I oppose the motion to proceed to consideration of the appropriations bill for the Departments of Labor, Health and Human Services and Education. I do so because I support the President's Executive order to ban the use of permanent striker replacement workers on Federal contracts. I strongly oppose the provision in this bill that prevents enforcement of the Executive order.

Some say that banning of permanent striker replacements will tip the balance toward labor unions. The balance has already been tipped against workers. In 1970, only 1 percent of strikes involved permanent replacement workers. By 1992, employers were hiring permanent replacements in 25 percent of strikes.

If Congress repeals this order, we tell workers that they are disposable. We are telling working men and women that they can be tossed out onto a scrap heap of economic indifference.

Permanent replacement workers weaken the collective bargaining power of unions and that will bring down U.S. wages and living standards.

Strikes using permanent replacements last seven times longer than strikes that do not use permanent replacements. Strikes involving permanent replacements are more contentious and bitter, and that means that no one wins. Replacing strikers means replacing skilled workers with unskilled workers, experienced workers with inexperienced workers.

Some argue that this expands Presidential authority, I disagree. In 1992, George Bush issued an order that required all unionized Federal contractors to post notices in the workplace informing all employees that they did not have to join the union. President Bush did this even though legislation to include this notification, cosponsored by Congressmen GINGRICH, ARMEY and DELAY, was pending in Congress and was not passed.

Other Presidents have used their Presidential authority to issue Executive orders. In 1941, Franklin Roosevelt issued an Executive order banning racial discrimination by defense contractors. In 1964, Lyndon Johnson ordered an end to age discrimination by Federal contractors, and in 1969, the Nixon administration expanded this order to require affirmative action programs and goals.

President Clinton's Executive order is limited and reasonable. It seeks only to level the playing field for workers in Federal contracts. The Executive order applies only to contractors who try to permanently replace workers. It seeks only to protect workers who are engaged in a legal strike; it does not apply to illegal strikes. In addition, the Secretary of Labor must conduct a case-by-case review before any contract is terminated, and any order to terminate is subject to the review and approval of the contracting agency.

This action is a modest step by the President. It is not an attempt to create new Presidential authority. I support this Executive order to protect collective bargaining, unions, and U.S. wages.

Mr. KOHL. Mr. President, this is the second time the Senate will vote on the President's striker replacement Executive order and, I hope, the second time the Senate affirms the Executive order.

Our Nation's labor laws grant workers the right to strike and ensure that they cannot be fired during the course of a strike. To tell a worker who may have given many years of dedicated and loyal service that he or she has not been fired but permanently replaced is no consolation to that worker or their family.

In my many years as a businessman, I negotiated numerous labor contracts. I always understood that the workers were negotiating on behalf of themselves and their families. On some occasions, I stood firm. On other occasions, I gave way. On all occasions, I believe, both sides made concessions. We reached an agreement and went back to business. That was the process.

Mr. President, not once during those strikes did it ever occur to me that those workers would lose their jobs for striking. Not once did it occur to me that permanently replacing them was an acceptable practice. And yet today, you can see advertisements for permanent replacement workers even before the expiration of a labor contract.

The key to collective bargaining, Mr. President, is balance and good-faith negotiation.

The President's Executive order does not deny that labor disputes are going to occur. But it does acknowledge that such disputes should be fairly negotiated.

The Executive order is not unprecedented and is justified by helping to improve the quality and efficiency of Government contracts. It does so by encouraging companies that contract with the Federal Government to maintain a fair and stable working environment with their employees. And stable working conditions lead to increased productivity.

Contractors that choose to permanently replace lawfully striking employees during a workplace dispute not only risk damaging labor-management relations. They also risk disrupting the quality and progress of their Federal contract.

In simple terms, it is just bad business practice to hold the club of permanent replacement over the heads of employees. History shows that strikes involving permanent replacements last up to seven times longer than strikes that do not involve permanent replacements. It is common knowledge that such strikes tend to be much more contentious, often changing a limited dispute into a broader, more antagonistic struggle.

Most importantly, it is common sense that permanently replacing strikers means trading experienced, skilled employees for inexperienced ones. Inexperienced replacement workers start at the bottom of the learning curve, a circumstance that can sometimes have grave consequences in productivity and quality. With the President's Executive order, we can avoid such grave consequences under federally funded Government projects.

I urge my colleagues to remove the restriction on this legitimate Presidential Executive order.

Mr. BINGAMAN. Mr. President, we find ourselves today debating once again the use of striker replacements. This morning, we will conduct two test votes to determine, ultimately, whether or not we will allow the President to enforce Executive Order 12954, which prohibits the Federal Government from contracting with firms using permanent replacements in cases of legal strikes.

Although many of us have addressed this issue in the past, I would like to briefly outline my position on this important issue.

We all know that it is illegal to fire a worker engaged in a legal strike. We also all know that the Supreme Court Mackay Radio decision in 1935 made significant inroads into this protection from dismissal by allowing the hiring of permanent replacements for striking workers. In the last 15 years or so, the increased use of such workers has been one of many factors that have undermined a healthy relationship between workers and employers.

I believe that this country is slowly waking up to the idea that we cannot continue down a path where employers look only at short term profits, and trade in the prospect of our future for expediency today. We are not making the long term investments in capital and human resources that cost now, but will have tremendous payoffs in the future in terms of both profits and wages. We are also not creating the sort of working partnerships between employees and employers that are necessary for our long-term success in the world economy. We simply cannot be competitive in the world if we continue to trade our future for our short term gains.

Yet, the use of permanent replacements, I believe, is too often one more step on that path. Rather than address differences with legitimately bargaining representatives, thus developing partnerships, employers too often simply replace these workers. For that reason, I believe that we must discourage the use of permanent replacements, and I support the President's decision to not do business with firms employing this practice.

The President has found that the use of permanent replacements erodes labor-management relations, and thus adversely affects the cost, quality, and timely availability of goods and services procured by the Federal Government. I am confident that the President is taking an important step to discourage a practice that could have an adverse effect on our Nation's long-term economic prospects.

For these reasons, I will vote "no" on cloture.

Mr. HOLLINGS. Mr. President, the issue before us is not striker replacement, but education. I supported the striker replacement provision in committee and hope it survives.

However, I continue to fight to cool the fever to cut education that has gripped this Congress. I want to cool that fever and break it. Both parties have supported education funding in the past, but now the Republicans think they have a mandate to cut reading and math assistants for kids in school. They find a mandate to reduce college student aid while tuitions rise faster than inflation. Nothing could be further from the truth.

Specifically, in May, the Senate debated and passed a budget resolution that would cut education by 33 percent over the next 7 years while delivering a tax cut before the next election. During the debate, I, along with Senators HARKIN, KENNEDY, and others offered an alternative that better fits with what the American people want. We proposed to protect the 2 percent of the budget now devoted to education by providing a smaller pre-election tax cut.

Unfortunately, our proposal to protect education was voted down, and today we are considering an appropriations bill that takes the first step to implement the wrongheaded budget plan that passed. Specifically, this bill cuts $2.1 billion in fiscal year 1996 from the discretionary education budget. It cuts Head Start, college grants, vocational education funds to help high school students move into higher-wage jobs, subsidies targeted largely to elementary schools with disadvantaged children, and school reform funds. It cuts antidrug education in the schools, magnet schools, adult literacy funds, and grants to improve the academic programs of 2- and 4-year colleges that are strapped for funds and that serve many lower-income students seeking to improve their economic independence. In short, it takes a $2.1 billion step backward while everyone knows we have to press forward in the current economic climate. Because of these cuts, I am opposing the motion to proceed to this bill.

Many of our constituents have felt the sharp edge of economic downsizing. In the government sector, we are cutting the Navy Base in Charleston, and the private sector has done even more to downsize and cut benefits. Traditionally, Americans have relied on a system of public education and college assistance to prepare them and their children to weather such transitions and gain economic independence. We learned after World War II that it pays to help people attend college, and we have learned for more than the past century that free public schools are essential.

Congress now seems to have forgotten these lessons of history, despite continuing evidence that education spending has been critical for economic growth. The Department of Labor estimates that 20 percent of U.S. economic growth since 1963 has stemmed from increased education in our work force. Where would our country be now, relative to Japan and Europe, if its economy were that much smaller? Congress should be fighting to ensure this kind of growth in the future, not fighting to cut education and give families making over $100,000 per year a tax cut before the next election. After rushing to bail out Mexico and refusing repeatedly to stop exporting American jobs, we should now work hard to invest in the future, not to give away the public store as a political goodie.

On the individual level, too, voters know that education makes a difference for the future. A recent study of identical twins found that the more educated twin makes 13 percent more on average. Why is this Congress implementing plans to cut back on the long-term individual achievement of the 44 million children in U.S. public schools and the more than 6 million college students receiving student financial aid in order to quickly provide tax cuts to a smaller set of people who already have made it? No political payoff is worth such a plan that will hurt individual achievement and the economic potential of this Nation.

Aside from denying history and current research, this plan flies in the face of the basic facts about school enrollments. It is not rocket science: The number of children is rising. There will be 5 million more children in school in the United States 7 years from now. Thus, public school attendance will rise more than 10 percent, but Congress plans to cut education funding by 33 percent. At the college level, not only are enrollments rising, tuition is going up faster than inflation while we debate $10 billion in cuts to student aid on reconciliation.

I do not know what else I have to say to prove that the education part of the current budget plan is perverse. We do not need a pollster to tell us that it is not the best effort that this Congress should make for the people. The average voter probably would find it hard to believe that we are really pursuing it. Far from keeping a Contract With America, this bill represents a broken promise to educate our children.

Mr. DODD. Mr. President, I rise today to oppose the motion to proceed to the Labor, Health and Human Services appropriations bill until the striker replacement provision is struck from the bill. If included, this provision will block the implementation of the President's Executive Order on striker replacements. This is a matter of fundamental fairness for working people in this country.

During the course of this century, all Americans—regardless of income level—benefited from our country's economic growth. We grew together, and an expanding economy meant better jobs for everyone. A typical family could work hard and experience an increased living standard, whether that meant buying a home or putting a child through college or taking a simple family vacation.

But in the past two decades, while our Nation's economy has continued to grow, fewer and fewer Americans are sharing in these gains. The vast majority of this growth—97 percent of our real income growth since 1979—has gone to the top fifth of households. In contrast, the fifth of Americans at the lowest income levels—Americans who previously had been the principal beneficiaries of economic growth—saw there incomes decline by a staggering 17 percent between 1979 and 1993. In short, Mr. President, the rich have gotten richer and poor have gotten poorer.

As 80 percent of our population grapples with economic hardships, they look to each of us to rectify this problem and build a stronger economy that will be shared by all Americans.

President Clinton has demonstrated his commitment to doing something about this problem. He has advocated wage increases and skills training to help ordinary Americans compete and succeed. Unfortunately, our Republican colleagues have blocked these efforts.

In fact our Republican colleagues have denied working Americans a series of advancement opportunities, including summer jobs for youth, student loan, and child care.

What is the Republican solution? Tax breaks. Fifty-two percent of those tax cuts would benefit people earning $100,000 or more per year. That is not a solution for the single mother with a minimum wage job fighting to keep her children clothed, fed, and safe. That is not a solution for a factory worker struggling to make his mortgage payments. That is not a solution for the vast majority of working Americans. We must do better for them.

The President has done better. His Executive Order directs Government agencies not to contract with firms that permanently replace striking workers. In issuing this Executive Order the President recognized that workers have few powerful tools at their disposal. The right to strike is one of those tools. Permitting employers to permanently replace striking employees throws the labor system out of balance. The Executive Order redresses that imbalance.

The striker replacement provision of the Labor and HHS appropriations bill seeks to obstruct implementation of this vital order. Therefore, I oppose the motion to proceed to the Labor, Health and Human Services bill until the striker replacement provision is struck from the bill. There are several reasons why this provision should be struck.

First, product quality will be jeopardized if Government contractors are permitted to permanently replace striking workers. Firms which permanently replace their workers have, by definition, terrible management-labor relations. This in turn creates a poisonous atmosphere which can't help but damage product quality.

Second, quality and workplace safety will also be threatened. Replacement workers possess fewer skills and less experience than the strikers whose positions they fill. The President has a responsibility to ensure that Federal contractors provide a safe working environment as well as only the highest quality goods and service. This Executive Order will help achieve those goals.

Third, the President's order sets a high standard for cooperative labor-management relations at a time when the increasingly competitive global economy demands it. Management and labor must join in a common quest to produce a good product at a competitive price. Hopes for that kind of cooperation are dashed when management permanently replaces its employees. The President's Executive Order puts the Federal Government on record opposing such tactics.

If our Republican colleagues succeed in blocking the President's Executive Order on permanent replacement workers, they will send a message to ordinary Americans. And that message will be that after years of losing ground on pay and benefits, they could lose their jobs—solely for exercising their fundamental right to strike. They will send a message that the Federal Government rewards with Federal contracts employers who create hostile work environments. Basically, they will send a message which tells working Americans, "tough luck."

That is the wrong message to send. The right to strike has been a basic tenet of American labor policy for six decades. It is illegal to fire an employee for exercising that right. Permanently replacing strikers is a loophole in the law. With the striker replacement provision, we would permit the Federal Government to take advantage of a loophole which allows employers to circumvent the law.

What is the right message to send? That the Federal Government recognizes and respects the law. That we want to help American workers.

Several labor-related Executive Orders made by Presidents Reagan and Bush provide ample precedent for President Clinton's action, and I hope my colleagues will support the President and do something positive for working Americans.

I urge my colleagues to join me in opposition to the motion to proceed to the Labor, Health and Human Services bill until this provision is struck from this bill.

Mr. SIMON addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. SIMON. If there is no demand for time on the Republican side, I yield myself 8 minutes.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. SIMON. Mr. President, let me comment on two aspects. One is the intrusion of the striker replacement into this, and then on the dollars themselves.

What we know from studies, and particularly the Harvard study, is that union workers by and large are more satisfied, and more satisfied workers produce quality work, and that union workers stay at a job longer.

This moves us in the opposite direction. What we need in our society is balance.

I see the distinguished senior Senator from West Virginia. He has seen more of our history and certainly studied it more than I have. But over the years, since the 1930's, we have tried to have a reasonably good balance. Frankly, when there is a Republican President, the National Labor Relations Board tilts a little bit in the direction of management, and when there is a Democratic President, it tilts a little bit in the direction of labor. But when President Reagan came in—and he did many good things—the balance was lost. And while, for example, at one point Canada and the United States both had about 33 percent of our work force belonging to labor unions, Canada has gone up to 36 percent, and in the United States, we are down to 16 percent. And if you exclude the governmental unions, it is down to 11.8 percent.

It was very interesting for me to pick up the New York Times and read an article by George Shultz, who most recently was Secretary of State under a Republican administration but at one point was Secretary of Labor, and George Shultz said things are getting out of balance; we have an unhealthy small percentage of our work force belonging to labor unions.

Now, part of this balance was self-restraint. Through most of our history, no industry just permanently replaced strikers. And then we have had a few instances of it. Greyhound did it, and we had Bridgestone/Firestone, and that came up on the floor of this body. It is very interesting because Bridgestone/Firestone is a Japanese-owned corporation today. Permanently replacing workers in Japan is illegal, but they did it with their United States entity. The only places where it is legal in industrialized democracies are Great Britain, Hong Kong, Singapore, and the United States of America. In all the other Western European nations and Japan, it is illegal.

I believe the President's Executive order has brought just a trifle amount of balance here. We need more. We need to be doing a lot of things to provide some balance. And what we also have to do as we provide balance is to try to get labor and management working together. I am pleased to say that in the State of Illinois it looks as if Caterpillar is moving toward resolving that problem.

Let me second, Mr. President, talk about the appropriation and where we are. We have under this proposal said—this is compared to the 1995 appropriations, and this is assuming that the Senate bill passes; the House bill is even worse—in the State of Illinois, 42,395 fewer people will be helped.

Let us take West Virginia because West Virginia is like my home territory of southern Illinois—good, fine people but below average education and below average earnings. In West Virginia, 11,413 people. Let us take another example, Mr. President, we forget about here frequently. The citizens of Puerto Rico are all American citizens. They contribute in terms of Armed Forces and bloodshed more than almost all of our States. In Puerto Rico, 39,924 fewer people are being helped. The average income in Puerto Rico is less than half the average income in Mississippi, the bottom of our 50 States. Puerto Rico gets the short shrift in legislation after legislation because there is no one in the Senate to defend them. We have what we call Commonwealth States. Old fashioned colonialism is what it is. One of these days inevitably Puerto Rico will either become independent or become a State, and that choice I think should be up to the people of Puerto Rico, whatever their decision.

Let us talk dollars now. In the State of Illinois, $84,747,000 less than the 1995 appropriation under this bill; West Virginia, $21 million less. This is money for education, for people who need help, for summer jobs for youth. Puerto Rico —I mentioned $84 million for the State of Illinois. Puerto Rico, roughly one-fourth of our population, $70 million less.

These programs, Mr. President, do good for people. Let me just mention one—title I. It used to be called Chapter 1. This is for the more impoverished areas. People say money alone is not going to solve our problems. There is no question, money alone is not going to solve our problems. But without the resources we are not going to do it.

What has happened to 9-year-old black males since title I has been in effect? An 18-percent increase in math scores, a 25-percent increase in verbal scores. Those are good kinds of things.

Head Start. I do not know anyone who believes Head Start does not help these young people. I will never forget visiting the Head Start Program in an impoverished area in Rock Island, IL. Almost every Head Start Program, every one I know of, has a waiting list. We are not providing enough help. One group of young people comes in Monday morning; Tuesday morning another group; Wednesday morning a third group, and so forth. I asked the woman in charge, what would it mean in the lives of these young people if they could be in here every day instead of 1 day a week? She smiled and she said, "You could not believe the difference it would make in their future."

Oh, we save money when we do not
ovide help to them, like you save
ney when you build a house and you
t put a roof on it. But you do not
oney in the long run. We have to
n our people.

I was in the fourth or fifth
nething like that, I read in
hy book that the United
ealthy because of its natural resources, our oil and coal and all these other things. And then all of a sudden about 15 years ago, I got to thinking about it. The countries that were moving ahead relative to how the United States was moving ahead, much more rapidly than we were—Sweden, Japan, Taiwan, South Korea—why were they moving ahead? They were moving ahead because they were investing in their people.

We need to invest in the people of West Virginia. We need to invest in the people of the central city of Chicago. We need to invest in the people of southern Illinois—good, hard, coal mining people, farmers, and others who are struggling on topsoil much of which, as in West Virginia, is not great.

We need to invest in our people. When we do, it pays off. The GI bill after World War II—Senator BYRD and I are old enough to remember that—we thought of it as a gift to veterans. It was an investment in our own prosperity. It was a huge, huge plus for this Nation.

We have to do that again. I hope one of these days we will have the vision and the courage. What we are going through now, because of what we have done—and I am for the constitutional amendment; the Senator from West Virginia and I differ strongly on that—what we are trying to do legislatively is like a New Year's resolution. We are having a New Year's resolution where we are going to balance the budget. But you know what we want to do with this? It is like a diet, a New Year's resolution and a diet. We are going to start off with a great big dessert, a $255 billion tax cut. That is what we are doing. It is ridiculous. We ought to be using that money to invest in our people.

I hope this appropriation is rejected, Mr. President.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. How much time remains?

The PRESIDING OFFICER. The Senator from Massachusetts has 5 minutes remaining on his side; 25 minutes for the other side.

Mr. KENNEDY. Mr. President, the silence on the other side is really deafening in response to the points that have been raised in the early part of this discussion and debate as well as during this time.

Mr. President, I yield myself just 4 minutes.

Mr. President, I think the case has been made about the authority of the President to make this Executive order. The ink on the Executive order was not even dry before it was challenged by our Republican friends, in spite of the historic precedents establishing the power and the authority and the constitutional right of the President to act in this regard.

The Executive order is well founded and well justified, when we look at what is being sought in terms of having an orderly procurement program for the Federal Government: to ensure that there will be quality products manufactured, that they are going to be purchased on time, and recognizing the realities of the striker replacement issue.

Mr. President, the issue concerning the cuts that are in the appropriations bill in terms of education has been debated and discussed. I want to just take a few moments here to put into perspective this whole issue about undermining the opportunities for workers to be able to gain a decent, livable wage in the context of other actions that are being forced on the working families of this country by the majority Members of this body.

We saw the first efforts on March 15 of this year when the attempt was made to undo what the President has done to protect workers' historic and legitimate right to strike and to prevent their permanent replacement by Federal contractors.

We have to look at the mosaic that is being created, not only back in March, but during the period of the summer. What we have seen is a basic assault on working families. We have seen the assault on the Davis-Bacon program. Why do Republicans want to attack the Davis-Bacon program? The average income of the Davis-Bacon worker is $26,000 a year—$26,000 a year for hard work. Why are we denying those men and women who are in the second or third most dangerous occupation, outside of mining and perhaps logging, that work on Federal building projects, the third most dangerous work, the opportunity to be able to gain a decent wage of $26,000?

Next came their opposition to increasing the minimum wage. Republicans and Democrats alike have fought for increases in the past. This is not a partisan issue. President Bush signed the last minimum wage increase of 90 cents. Nonetheless, we have resistance to help men and women prepared to work 40 hours a week 52 weeks a year to be able to have a livable wage so they are not in poverty. We heard a great deal about the importance of work in the welfare debate. Here are men and women who want to be off welfare, want to work, being denied the opportunity to have a livable wage. That is No. 2.

No. 3. In the budget, the cutting back of the earned-income tax credit. Who does that affect? Needy workers below $26,000, to help and assist them when they saw the increase in the cost of Social Security and expanded family obligations so that they could be able to provide for their children—a worthwhile program. And yet we find our Republican friends trying to squeeze that back, effectively squeeze it so that working families with less than $26,000 are going to have to pay more in taxes. A tax increase on the working poor.

And what do we have yesterday over in the House? We have the Republican proposal to open up all the pensions again, $40 billion of retirees' pension money that will be available to corporate America. We saw what happened in the 1980's when we had the plundering of the pensions. Those pensions belong to workers, not to corporate raiders. Those pensions have been paid in and paid in as a result of sacrificing increases in wages and health benefits. And now under the Republican proposal, we would permit the corporate raiders to reach in there for $40 billion to increase their salaries, their bonuses and their stock options.

This is a continuing effort of assault on the working families of America. And beyond that, Mr. President, is the slashing of the various training programs for workers that have been displaced as a result of defense downsizing, of the mergers that have taken place. We saw just the other day the merging between the Chemical Bank and the Chase Bank, and Wall Street go euphoric in terms of that merger. Twelve thousand Americans are laid off. Who is going to speak for them?

I yield myself the last minute.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. KENNEDY. I thought I yielded myself 4 minutes.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. SPECTER. Senator KENNEDY may have 1 minute of my time.

Mr. KENNEDY. I thank the Senator.

Who is going to speak for those kids? You cannot pick up a newspaper today without finding massive layoffs, not just of needy blue collar workers, but also the white collar workers and men and women who have worked in these companies and corporations for years. We have to speak for them.

Mr. President, this is just one additional part of that puzzle. This appropriations bill should be stripped of the provisions that are basically an attack and assault on the President's statutory and constitutional rights that have been upheld in the Federal courts. And then we should get about the debate on the substance of the appropriations issue.

Mr. President, I thank my colleague from Pennsylvania, and I yield the floor.

Mr. SPECTER. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Pennsylvania has 24 minutes remaining.

Mr. SPECTER. Mr. President, I ask my Republican colleagues who may be listening to come to the floor if they wish to speak in support of the motion to proceed.

The distinguished Senator from Wisconsin has asked for 5 minutes. I yield him 5 minutes at this time, with the request to my colleagues on the Republican side to come to the floor if they wish to speak.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Thank you, Mr. President. And I thank the Senator from Pennsylvania very much.

Mr. President, I voted "no" on the motion to proceed to consideration of the Labor-HHS appropriations.

A number of problems in this measure have been highlighted in the debate, but I would like to focus on one particular provision, the attempt to override the President's Executive order banning the use of permanent replacements for striking workers employed by Federal contractors.

We had a long debate about this a few months ago, and I had a chance the speak at length. So I will be brief today. But this is an issue that I feel very strongly about, and I fully support President Clinton's efforts in this area to halt the erosion of workers' rights.

I had a chance to work on this issue for many years when I was in the Wisconsin State Senate and tried to pass a Wisconsin law on this issue. But throughout the process it was very clear that what had happened in the early 1980's with the PATCO strike led to an avalanche, really, of the use of permanent replacement workers across this country in a way that had never happened before. It has had serious consequences for working people throughout Wisconsin and across the country.

Mr. President, earlier this month, just a few weeks ago, I had the painful experience of meeting with workers who had just gone on strike against a large employer in a rural Wisconsin community. These workers came to one of the listening sessions or town meetings that I hold every year in each of Wisconsin's 72 counties.

I would like to read, to highlight this issue, from a statement of James Newell, the principal officer for the Teamsters Union, on this issue. I can think of no more eloquent testimonial than the words of Mr. Newell that day, in a small townhall in Wisconsin, just a couple of weeks ago.

He said:

> Sir, you have entered into a community today that has been infected with a disease that has become much too prevalent in American society over the past few years. Just a few blocks from here, there are more than 100 hard-working men and women engaged in a struggle with this community's largest industrial employer. The flashpoint of this firestorm was not the traditional economic issues of higher wages and benefits—although Lord knows they are desperately needed here and will be at issue before this battle is over.

He continued to say:

> This controversy was ignited by issues which transcend price tags; the issues of fairness, safety, job security, and basic human rights to self-respect and dignity on the workshop floor.

Mr. President, Mr. Newell continued by describing what is happening all too often across this country in the use of strike breakers.

> Three (3) years ago, this community faced a major loss of employment at this facility brought on by its intended closure by a national conglomerate which owned and operated it at that time.he work force gave tremendous concessions, both in economics as well as job security provisions, to allow present ownership to acquire and build the business and to preserve those jobs in the Owen community. Now, after we have done our part and contributed to the new company's success, we are told that some of our basic requests for a return of rights previously given up is somehow un-American in light of global competition and the employer's interest in maximizing profits.

Mr. Newell described in his statement about the events that followed. He testified that since the confrontation began,

> We have not been greeted by any desire from this employer to return to the bargaining table and work out these disputes, but rather by the employer's unilateral cancellation of two (2) scheduled bargaining sessions this past week and the veiled threat of canceling a third (3rd) session scheduled for the coming weeks. We have seen our lost wages being utilized to pay for an unnecessary insulting security guard force. We have witnessed safety shortcuts being implemented at the potential peril of those few who are still working in the plant. And, perhaps most outrageous of all, we have witnessed this employer stoop to the level of enticing high school students—

High school students—

> to cross the picket line and perform the work. We wonder what kind of society we have evolved into when schoolchildren can become pawns to break labor disputes.

Mr. President, Mr. Newell concluded with an observation about what is happening across America today. He said:

> What is happening in this community today is a microcosm of what has been slowly eating away at the American fabric for years . . . Progress and efficiency cannot be had at the expense of basic human dignity.

Over the past few days, the workers became aware that plans were being made by the company to bring on permanent replacement workers. Those hired during the strike are going to be considered permanent. The strike ended. There is little doubt that the threat of hiring permanent replacement workers shifts the balance at the bargaining table. That is an unfair leverage that was imposed upon this community. That is not what bargaining is supposed to be about. When one party is given a tool like this, there is little realistic hope that a fair result will ensue.

It may mean higher profits today, but in the long run, it is a bad result for a community, for America's work force and for our entire country. America's workers, Mr. President, should not be treated like disposable goods.

I yield the floor.

Mr. SPECTER. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Pennsylvania has 10 minutes 39 seconds.

Mr. SPECTER. How much time does the Senator need?

Mr. NICKLES. About 5 minutes.

Mr. SPECTER. I yield 5 minutes to the Senator from Oklahoma.

Mr. NICKLES. I thank my friend and colleague from Pennsylvania for yielding the time.

Mr. President, I urge our colleagues to vote to proceed to this appropriations bill. I cannot recall—and it may be that we have done it—somebody objecting to a motion to proceed to an appropriations bill. Maybe a couple years ago in dealing with an Interior bill, which I was actually a manager of, that had on it an issue on grazing, and there was some legislation on that bill. Maybe that happened and we wrestled with it for a couple of days. But I do not recall anyone objecting to proceeding to the bill, though.

I have heard a couple colleagues on the other side of the aisle saying they had problems with one of the provisions in the bill relating to prohibiting President Clinton's Executive order dealing with striker replacements. If they do not like that language, if we proceed to the bill, they have the opportunity to amend it and strike that language if they have the votes. That is fine.

That is the way we usually handle appropriations bills. There are some things in this appropriations bill I do not agree with and on which I plan on having an amendment. Not everything done in committee I agree with. So I understand that some people on that side of the aisle are not happy with the bill or want to see some changes, some amendments. Other people on this side, would like to see some changes. Maybe we can come to an agreement on the number of amendments and hopefully pass this bill. We happen to be running out of time. We are supposed to have all appropriations bills done by the end of this month. We lack two. This is one of them.

Let us find out where the votes are concerning this one provision dealing with the President's Executive order. The House put in language that denies funding to implement the President's Executive order, which prohibits companies from hiring permanent replacement workers during strikes. The Senate kept that language in. I happen to agree with that language. Somebody might say, why is that language necessary? Well, the President, by Executive order, is trying to pass legislation. I really disagree with that. I disagree with the substance of the legislation, and I also disagree with Executive orders that try to legislate.

In this case, there was legislation introduced that was very high on President Clinton's priority list. The Democrats controlled Congress for the first 2 years of his administration. They introduced legislation that would state basically that companies could not hire permanent replacement workers during a strike. They did not have the votes. They were not able to pass that legislation.

So after the change in the control of Congress, President Clinton said, well, I will bypass Congress and do it by Executive order. Basically, it states that if any company or any branch of any company does any contracting with the Federal Government, therefore, they will be denied access to Government contracts if they hire permanent replacement workers during a strike. That is clearly legislation.

Again, I hope that our colleagues, Democrats and Republicans alike, will take exception to the executive branch if they are legislating. The Constitution, in article I, says Congress shall pass "all" laws. It does not say "some" laws; it says "all" laws. It does not say that if the President cannot get his legislative program through Congress, he can do it by Executive order. That is exactly what this President is trying to do.

He is trying to legislate. I hope and think that people from the legislative branch would take exception to that—even if they agree or disagree with the substance of his Executive order or his legislation that he is trying to enact through Executive order.

So, again, I understand and respect that we have differences of views on this legislation. That is fine. I might say it is not totally partisan on this one issue, but we should vote on it. We should legislate on it. If colleagues wanted to pass a prohibition, they should introduce legislation and let Congress work its will. We have the right to pass this prohibition. For Members to say we are not going to take up the Labor-HHS appropriations bill because it has an amendment that we do not like—this bill has total funding, I think, of $263 billion in budget authority for the Department of Labor, Health and Human Services. That is a big bill. To say we want to totally deny taking up this bill because we disagree with one funding prohibition, I think, is not very mature. I hope that we would not do it.

Again, I cannot remember Congress doing it. In my opinion, also, it is not a responsible way to legislate. Congress should legislate and we should enact our will. I should have a chance to offer my amendments on some things that I disagree with and find out where the votes are. Maybe I will win, and maybe I will lose. I doubt, when you have a bill this large, that everybody is going agree with everything. So we should work our will. We should have a chance to amend this bill, and we should finish this and all appropriations bills by the end of this month. I think we are being somewhat irresponsible if we do not.

I urge my colleagues on the Democratic side, all of whom voted against the motion to proceed, to allow us to proceed to this bill and have Congress work its will and hopefully pass this and the Commerce, State, Justice bill before we adjourn this month.

Mr. SPECTER. Mr. President, how much time remains?

The PRESIDING OFFICER. There are 4 minutes 5 seconds remaining.

Mr. SPECTER. Mr. President, it would be my hope that we would proceed to consider this bill. It is, obviously, a party line matter at this point.

As I had said earlier, when the bill came out of the subcommittee, we struck all of the legislative provisions, because in my view, and the view of the members of the subcommittee, we ought not to take up legislation on the appropriations bill. That was the policy of the Appropriations Committee as a general rule on all matters endorsed by our distinguished chairman, Senator HATFIELD. But it is my hope that we will take up the bill.

As a practical matter, it is difficult to proceed to finish this bill before the end of the fiscal year. Certainly, we could not have a conference even if we could finish it on the Senate floor, if this subject is going to be comprehended within a continuing resolution.

I invite my colleagues on the Republican side, who wish to come to the floor to speak in favor of the motion, to do so.

How much time remains?

The PRESIDING OFFICER. The Senator from Pennsylvania has 3 minutes 30 seconds.

Mr. KENNEDY. May I have a minute?

Mr. SPECTER. I yield a minute to my distinguished colleague from Massachusetts.

Mr. KENNEDY. Mr. President, I think the membership understands what is at stake. As the Senator from Pennsylvania pointed out, there was a stripping away of all the other add-ons onto the appropriations, with the exception of one. There was a refusal to strip that aside. That particular amendment was targeted on the constitutional authority of the President of the United States. And that issue had been resolved in the courts of this country in support of the President of the United States.

So it does seem to me that that issue should be stripped off before we get back into the debate on the other priorities. I thank the Senator for yielding. I join with others in saying that I think Senator SPECTER and Senator

HARKIN did as well as could possibly been hoped for in terms of trying to take scarce resources and focus them on education. But I do think that it would be appropriate to have a reexamination of where we are as a nation in the course of the consideration of the appropriations to underscore the fact that this provides billions of dollars less in terms of investing in young people in this country at a time when their needs are as great as they are.

I thank the Senator for the opportunity. I hope that the motion to proceed will not be accepted and that the "no" vote will carry.

Mr. SPECTER. Mr. President, I suggest one correction to what the Senator from Massachusetts said, and that is, that all of the legislative proposals were stripped by the subcommittee. When they got to full committee there was a vote 14-12 to reinsert this with respect to the striker replacement.

It was my hope we would bring the bill to the floor solely in the context of an appropriations bill.

I thank the Senator from Massachusetts for his statements about doing the best we could. It is my hope this bill will yet come up. There are many issues that need to be debated and voted on, a lot of differing views in this body.

There are some who plan to offer amendments to try to increase funding for job training—or for education—which I certainly would like to see, if there is any way we could do it.

At some point these matters will come to the floor, if not on this motion to proceed. It is my hope we will support the motion to proceed and go ahead with this very important bill.

The PRESIDING OFFICER. The Senator has 45 seconds remaining.

Mr. SPECTER. I yield the balance of the time to Senator NICKLES.

Mr. NICKLES. Mr. President, I want to clarify one thing that my colleague from Massachusetts just mentioned; he said the courts have upheld the President in this matter.

I might mention that the district court upheld the ruling but it is pending still before the court of appeals, and recognizing this case was unprecedented, the district court judge suspended implementation of the Executive order until the court of appeals acts. The courts have not made a final decision.

Many think this is clearly legislation by Executive order, and the President exceeded that. The President has taken several actions by Executive order. This is one. It is not the only one that is really legislation that many feel very strongly about.

We should vote and we cannot vote unless we move to proceed to the Labor-HHS bill.

The PRESIDING OFFICER. Under the previous order, the hour of 11:20 having arrived, the Senate will now vote on a motion to proceed on H.R. 2127.

The clerk will call the roll.

The assistant legislative clerk called the roll.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 54, nays 46, as follows:

[Rollcall Vote No. 472 Leg.]

YEAS—54

Abraham
Ashcroft
Bennett
Bond
Brown
Burns
Campbell
Chafee
Coats
Cochran
Cohen
Coverdell
Craig
D'Amato
DeWine
Dole
Domenici
Faircloth
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hatch
Hatfield
Helms
Hutchison
Inhofe
Jeffords
Kassebaum
Kempthorne
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Packwood
Pressler
Roth
Santorum
Shelby
Simpson
Smith
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Warner

NAYS—46

Akaka
Baucus
Biden
Bingaman
Boxer
Bradley
Breaux
Bryan
Bumpers
Byrd
Conrad
Daschle
Dodd
Dorgan
Exon
Feingold
Feinstein
Ford
Glenn
Graham
Harkin
Heflin
Hollings
Inouye
Johnston
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Mikulski
Moseley-Braun
Moynihan
Murray
Nunn
Pell
Pryor
Reid
Robb
Rockefeller
Sarbanes
Simon
Wellstone

The PRESIDING OFFICER. On this vote, the yeas are 54, and the nays are 46. Pursuant to the previous order, 60 Senators not having voted in the affirmative, the motion is rejected.

Mr. KENNEDY. Mr. President, I move to reconsider the vote by which the motion was rejected.

Mr. BREAUX. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LOTT. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LOTT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. LOTT. Mr. President, on behalf of the leader, I ask unanimous consent that the Senate now proceed to executive session to consider the nomination of James Dennis to be U.S. Circuit Judge.

The PRESIDING OFFICER. Without objection, it is so ordered.

NOMINATION OF JAMES L. DENNIS, OF LOUISIANA, TO BE UNITED STATES CIRCUIT JUDGE FOR THE FIFTH CIRCUIT

The assistant legislative clerk read the nomination of James L. Dennis, of Louisiana, to be U.S. Circuit Judge for the Fifth Circuit.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I move to recommit the nomination to the Judiciary Committee.

Mr. BIDEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. BIDEN. Parliamentary inquiry: Does that call for immediate action, or is that a debatable motion?

The PRESIDING OFFICER. The motion to recommit is a debatable motion.

Mr. COCHRAN. Mr. President, I am prepared to describe to the Senate the reasons for my motion, and to give other Senators an opportunity to discuss this. We had undertaken to work out an agreement on the basis of time constraints allocating time for one side and the other. Because some did not want to set a precedent for doing the time agreement on a motion to recommit on the Executive Calendar, we have not reached that agreement in any formal way.

But, for the information of Senators, it is my expectation that there will be debate on this motion for at least 1 hour on this side in support of the motion to recommit. I expect that there will be a corresponding amount of time, or at least certainly the availability of that kind of time, on the other side. Then there would be a request for the yeas and nays on the motion to recommit the nomination. We expect to be able to get a record vote on that motion.

Mr. BIDEN. Mr. President, will the Senator yield?

Mr. COCHRAN. I am happy to yield to the Senator for a question.

Mr. BIDEN. Mr. President, I am the one who was reluctant to enter into a time agreement and/or a formal agreement on the motion to recommit. It is fully within the right of the Senator from Mississippi to do that. The reason I did not wish to do that is that it sets a precedent. As long as I have been here, I do not recall us moving to recommit a judicial nominee unanimously reported out of the Judiciary Committee.

The second point that I make to my friend is that I have no intention of doing anything to delay the vote on this motion to recommit.

I would like at the appropriate moment to explain why I believe Justice Dennis is qualified and should be confirmed and why there is no need to recommit. My colleagues from Louisiana, who have a genuine interest in this nomination, are both here, and I would look to them to speak to the qualifications of Justice Dennis and why a recommittal motion would be in effect a very bad precedent.

I wish to make it clear to my friend from Mississippi that the Senator from Delaware does not have any other agenda. I do not have any intention of slowing up a vote on this. This is a slightly different procedure from the general tradition of the Senate that when a nominee comes up from a committee the Senate debates and votes on the nominee. However, I will not object to this motion to recommit Justice Dennis because it seems to me a version of what the North in the War Between the States had hoped for for many years, that is, that two States in the heart of Dixie would fight over an issue that the rest of us think is not worthy of a fight.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. My response to the distinguished Senator from Delaware is I have no problem with his describing the committee's action. I know the chairman of the committee would probably want to do that at some point in this discussion.

Let me just say, if I can, in support of the motion that this is not a fight between two States. This is a question that is being presented to the Senate today under this motion to recommit on the basis of newly discovered information about the fitness of this judge to serve on the fifth circuit court of appeals. The motion to recommit is to give the Judiciary Committee an opportunity to review the facts, the evidence and the investigation that has just recently been concluded by the staff of the Senate Judiciary Committee, at the request of the chairman of that committee.

I have been briefed by the staff on the findings of that investigation, and I was advised at the time I was briefed that no other Senator had requested a briefing, no member of the committee had been briefed, other than the chairman had been given information from the investigators. I am convinced on the basis of what I heard that the Judiciary Committee should reconvene and reconsider the nomination.

That is the reason this motion is being made. If this were just a debate on the merits of the nominee or the fitness of this nominee on the basis of the record as already made by the Judiciary Committee—whether or not one State was being overly represented on the Court—these are all facts that we would debate at that time, and it may be a subject, a proper subject, for discussion at a later time. But this motion is directed to the fact that after the committee reported the nomination, information became available which brought into question the fitness of this judge to serve and whether or not he should have disqualified himself from participating in a case before the Louisiana Supreme Court and related matters.

That is the point we will address this morning. We hope the Senate will agree with us that this is clearly a situation where the committee ought to reconsider the nomination.

Mr. BIDEN. If the Senator will yield without losing his right to the floor——

Mr. COCHRAN. I will be happy to yield for a question.

Mr. BIDEN. The way the Judiciary Committee has operated for the roughly 20 years, I guess, that I have been on it is that the investigative staffs of the majority and minority work together and share all information. I wish to inform my friend from Mississippi that in addition to the Senator from Mississippi and the chairman of the committee, Senator HATCH, the Senator from Delaware has also been briefed on all of the investigative matters including the one to which the Senator refers.

I will be prepared and am ready to speak to that, but I will yield back. I do not have the floor. I thank my friend for his time, but assure him that I am aware the committee has been briefed. I see absolutely no need to refer this back to the committee, but I will speak to that in response to my friend's arguments.

Mr. COCHRAN. Mr. President, I thank the distinguished Senator for his comments.

Let me just say for the purpose of putting this in some historical context that Judge James Dennis is a member of the Louisiana State Supreme Court. He was nominated by President Clinton to serve on the U.S. Court of Appeals for the Fifth Circuit. That nomination was made during the 103d Congress, the previous Congress.

The Judiciary Committee had a hearing. At the hearing Judge Dennis appeared. No witnesses appeared other than Judge Dennis, as I am advised. There were four questions asked of Judge Dennis at that time. The committee reported his nomination to the Senate. There was no action on the nomination during the last Congress, and this year his name was resubmitted to the Senate by the President. No other hearings were held, no other inquiries were held, and he was reported out in due course to the Senate.

One day after the nomination had been reported by the Judiciary Committee, a Times-Picayune story revealed that Judge Dennis possibly committed a serious ethical violation by participating in a court decision involving Tulane tuition waivers. Tulane tuition waivers involve under Louisiana law the right of a member of the State legislature to bestow a favor on a friend by having the tuition that would otherwise be due and payable to Tulane University waived under an existing authority that goes way back to the last century in that State.

The issue was that Judge Dennis had a son who was given a judicial waiver by a member of the legislature for 2 years going to law school. Then he laid out of law school for a year, and he was going to go back to law school, and he contacted the legislator who had given him the waiver in the first instance and asked that he be reinstated. There was some question about the extent to which Judge Dennis may have been involved in contacting or trying to influence the legislator to grant that waiver for his son.

Anyway, Judge Dennis knew this story was being written. He had been contacted by the paper. He had been questioned by the reporter. Obviously, it was something that was getting a great deal of attention in the State of Louisiana.

This issue had been in the papers. There was some talk about whether this was a practice that needed to be changed, whether it was sort of a buddy system there in the State where legislators were giving friends of theirs tuition waivers. This abuse should be revisited.

Well, that is all really beside the point. The point is Judge Dennis knew he was right in the middle of this story being written, and he did not bring it to the attention of the Judiciary Committee, which was about to take action on his nomination to the second highest court in the land, the U.S. Court of Appeals for the Fifth Circuit that is based in New Orleans. There is an obligation—and I think the chairman and the distinguished ranking member of the committee will acknowledge this—there is an obligation and understanding with all nominees who come before the Judiciary Committee in situations of this kind for confirmation for a lifetime appointment to the Federal judiciary that, if they know of any circumstance or facts that would affect the consideration of the committee or the action that the committee is about to take to report out the nomination, they are obliged and under an obligation to bring such facts to the attention of the committee. Judge Dennis did not do this. There is no question in the record Judge Dennis did not do this.

There is a suggestion that Judge Dennis contacted someone in the Justice Department. I do not have a copy of any of the transcript, whether it was a letter, whether it was a fax, whether it was a phone call. I do not have the phone log or exactly what was said or to whom. But I am advised that there was contact made.

But, nonetheless, the Judiciary Committee proceeded to act without any knowledge of the fact that this issue had arisen and certainly not of the fact that it was going to be big news in Louisiana the next day, after it acted on the nomination. Judge Dennis knew that his ethics were in question and did not bring that knowledge of this to the Judiciary Committee.

The ethics of Judge Dennis were being questioned by the reporters who asked the questions. And the reason it was an issue is because the Supreme Court of Louisiana had been called upon to rule on a freedom-of-information request where a request had been filed by the newspaper asking legislators to provide records from their offices to show which citizens of Louisiana had been given these tuition waivers by them under the authority of existing Louisiana law.

Well, you can imagine some of the legislators did not want to reveal this information. They did not want to disclose the facts. Anyway, suit was filed by the paper, and that was decided in a lower court and worked its way up. It finally got up to the supreme court. Judge Dennis participated in a decision on the issue affirming a lower court decision that the legislators had to make that information available.

Judge Dennis did not disclose his potential interest in this case at the time the case was decided by the Supreme Court of Louisiana. He participated in the case. He voted on the case. He did not disclose this information to the Judiciary Committee or the fact that this was an issue and a controversy in Louisiana that might be perceived as affecting his fitness to serve on the second highest court in the land.

He knew—he knew—that he had a continuing obligation to reveal any information to the committee which might affect his nomination or the committee's decision in this case. He did not call the committee to report that the story was coming out. He then knew his nomination had been voted out of the committee. There was some communication after he had been reported out of the committee and the nomination was pending here in the Senate.

The significance of this story, I think, can be best described in terms of its notoriety and its importance in Louisiana with the headline that was used by the Times-Picayune to call attention to this. As a matter of fact, it had in bold headlines: "Hall of Shame, Public Confidence in Judge Dennis Is Destroyed."

I think loss of confidence in a member of the judiciary, of course, affects the judicial system and not just at the fifth circuit, but throughout the country. The question that I think the committee ought to properly answer, and has not had an opportunity to address in any formal way, is: Was Judge Dennis' conduct an ethical violation? I think it was. I think it clearly rises to the level of improper conduct that would affect this committee's decision to report the nomination to the Senate.

I frankly do not believe after the committee reviews all the facts, hears all the evidence, calls witnesses who are familiar with this entire situation, I do not believe the committee is going to favorably report this nomination back to the Senate.

What I am disturbed about is that there has been pressure to call the nomination up, take action on the nomination. I do not want to personally, just because I am from a neighboring State and we have had discussions about whether this is a seat that should be filled by a Mississippian or a Louisiana person—I do not want that to cloud the real issue here, and that is the fitness of this nominee to serve on the court. That is why I have decided to move to recommit the nomination to the committee.

I am prepared to let the committee look further into this in an orderly way and in a deliberate way to determine whether my suspicions are correct, whether the suspicions of many people throughout the Louisiana-Mississippi-Texas area, where this court has jurisdiction, are correct. We have been getting phone calls and letters; people are disturbed about this. And we think that the committee ought to look further into the situation.

The Judiciary Committee ought to be given the opportunity to review its decision and decide whether or not to report the nomination in light of this new information—I think the information reveals that Judge Dennis, first of all, failed to recuse himself properly in a case resulting in such an impropriety as to warrant public disapproval and the disapproval of the committee of his nomination.

Mr. President, I do not know what the procedure is in terms of being able to speak again, but I ask unanimous consent that I be permitted to yield the floor to other Senators who want to speak and then to speak again at some point under this motion. I do not want to lose my right to the floor by so yielding.

The PRESIDING OFFICER (Mr. SHELBY). Is there objection?

Mr. BIDEN. Reserving the right to object.

Parliamentary inquiry. The Senator has an opportunity to regain the floor at any time under any circumstance, is that not correct?

The PRESIDING OFFICER. If the Senator from Mississippi gives up the floor, he may be rerecognized at the proper time.

Mr. COCHRAN. I do not want to violate the two-speech rule. You cannot under the rules of the Senate make two speeches on one legislative day. Is it because we are in executive session that the legislative day two-speech rule does not apply, I ask the Chair?

The PRESIDING OFFICER. If the Senator wants to waive the two-speech rule, he can do that affirmatively without keeping the floor. You can make the unanimous-consent request at this time, or——

Mr. COCHRAN. That is why I made the request.

Mr. BIDEN. I have no objection.

The PRESIDING OFFICER. Hearing no objection, it is so ordered.

Mr. BIDEN. Mr. President, I love to hear the Senator speak. If the two-speech rule applied to this place, I imagine we would have only one or two Senators who ever spoke. I will be delighted to hear him again.

I would like to make several points to him, and I will not take long. I would like to ask him a question, if I may.

If I may ask the Senator from Mississippi, is it his—I realize there is no unanimous consent in any of this—but just as he postulated what he hoped would happen in terms of procedure here this afternoon, is it the Senator's intention that, if his motion to recommit fails, that we would go then to a vote up or down on the nominee?

Mr. COCHRAN. I have no objection to proceeding to voting on the nomination. As I understand it, though, it would be subject to debate.

Mr. BIDEN. No. It would.

Mr. COCHRAN. I do not want to foreclose any Senator's right by any agreement like that. My personal inclination would be to proceed to vote in due course whenever Senators—if they want to talk about it, they could, but there is no agreement to proceed to a vote at that time.

Mr. BIDEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. BIDEN. I know there is no agreement. What I am asking, does the Senator know of anyone who would have an interest in not allowing us to get to a vote today?

Mr. COCHRAN. If the Senator would yield. I know Senators are interested in this subject. Two or three have come up to me and said, "You are not going to let this proceed to a final vote today if this motion is defeated?" I said, "I am not going to stand in the way of that. But if you want to speak you can. You have the right to do that." So I do not know what other Senators may do. I do not intend to filibuster the nomination, I say to my friend.

Mr. BIDEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. BIDEN. Mr. President, let me make a few points before I respond to the specific concerns of the Senator from Mississippi. One, it is true that, to the best of my knowledge, only myself and Senator HATCH have availed ourselves of the investigative report done by minority and majority staff on the question that has been raised by the Senator from Mississippi.

Senator HATCH notified all Republican members on the committee, which is our practice, that follow up work was conducted on a matter that had come up after we had voted and that professional staff who had done the investigation were there, ready, willing and able to brief people on it. My staff briefed the staffs of the Democratic members of the committee.

I will tell you why most people did not think it was so important. Justice Dennis has been around for a long time. His nomination came up in 1994. There has been, and I am not questioning the motivation of my friend from Mississippi, but let me put it this way, he has not been fast tracked. He has not moved very swiftly. The Senator from Delaware may be under the mistaken impression that the failure to move Justice Dennis had little to do with Justice Dennis' integrity, competence and/or forthrightness and ability to be on the bench, but had to do with a legitimate dispute—I guess any dispute between and amongst States is legitimate—about whose seat this should be.

It happens all the time. It happens in the first circuit, it happens in the second circuit, it happens in the third circuit. We had a debate in the third circuit about whether or not a seat should be a Pennsylvania vacancy or a New Jersey vacancy. I am not saying this only happens in the South. It happens all across the country, and Senators fight very hard for the prerogatives of their States to have folks represented on the circuit courts in numbers that they believe are appropriate.

That has, up to now at least, been the major impediment, at least from the perspective of the Senator from Delaware, of Justice Dennis getting a vote on the floor of the Senate.

Having said that, let me speak specifically to the question raised by my friend from Mississippi.

It has been argued that Justice Dennis should have recused himself from a case that came before the Louisiana Supreme Court involving a suit by a local newspaper against five State legislators.

Under Louisiana law, a judge may be recused for five reasons. I might point out that the Federal rules of recusal, and most State rules of recusal, are not designed to encourage judges to recuse themselves automatically. Otherwise, judges would be able to avoid all the tough decisions. So the presumption is that you should not recuse unless you meet a certain standard.

Let me tell you what Louisiana law says, because that is the law that Justice Dennis, then on the Louisiana Supreme Court, was obliged under his oath of office to follow.

Here are the five reasons for which a Louisiana judge may recuse himself or herself: First, he or she is a material witness in the cause of action before him or her; second, he has been employed or consulted as an attorney in the cause of action prior to being on the bench; third, he has performed a judicial act in the cause of action in another court; fourth, he is related to one of the parties involved in the suit; or fifth, and this is the important piece here, he has an interest in the cause.

My friend from Mississippi is making the case that Justice Dennis should have recused himself because of the fifth provision in Louisiana law—that Justice Dennis had an interest in the case before him. Only this last reason—where a judge is interested in the case—could possibly provide grounds for Justice Dennis to recuse himself from the Times-Picayune case. As the nominee explained to the committee, he had absolutely no interest in the case brought by the Times-Picayune.

Let me go through the facts, because I think it is very important to know what the specific facts are.

For over a century, since 1884, each Louisiana State legislator has had the right to nominate a Louisiana citizen to receive free tuition to Tulane University for 1 year. I might note parenthetically, that this is not something in the last several decades that the press has thought is a good thing.

To the best of my knowledge, and I am certainly not a historian or student of Louisiana history, no one questioned this practice for a long time. Along comes the Times-Picayune, which is their right, and they wanted to know who had appointed whom to Tulane University under this 1884 law.

Again, no one is questioning whether or not the law of Louisiana permitted a State legislator to nominate a Louisiana citizen to receive free tuition to Tulane University for 1 year. These tuition waivers are, under Louisiana law, as we understand it, privately funded.

In 1985, Justice Dennis' son—now, this is 1985, 10 years ago—Steve Dennis, received a tuition waiver from his legislator, a gentleman named Representative Jones. At that time, Justice Dennis' son, Steven, was a 26-year-old married man, financially independent of his father, and living apart from his father.

And, I might add, he lived in Representative Jones' district. Now, Steve Dennis received tuition waivers to attend Tulane law school in the years 1985, 1986 and 1988. He did not attend law school during the 1987–88 academic year.

In December 1993, 8 years after Steve Dennis was first nominated to receive this tuition waiver by his State legislator, the Times-Picayune and one of its reporters sued five legislators for failure to turn over copies of forms they used to nominate people for tuition waivers. The five legislators sued were: Emile "Peppi" Bruneau, Jr., Naomi White-Warren Farve, Garey J. Forster, Arthur A. Morell, and Edwin Murray.

The reason I mention their names is that Representative Jones—the person who had nominated Steve Dennis—was not sued. He was not a party. He was not asked to submit the names of people he had, in fact, nominated to receive the tuition waiver.

There were two issues involved in this case brought by the Times-Picayune. First, the plaintiffs sought a declaration that the nomination forms of these five legislators were public documents, even if the forms were currently held by Tulane. Second, the plaintiffs sought a writ of mandamus ordering each defendant to produce all nomination forms in his or her custody, including those held by Tulane.

Now, in January 1994, the trial court, of which Justice Dennis was not a member, determined that the nomination forms were public and granted the writ of mandamus ordering the defendants, the five State representatives, to produce all the documents and forms held by them or Tulane. The trial court also awarded attorney's fees to the plaintiffs.

The legislators then appealed from the trial court. In October 1994, the State fourth circuit court of appeals—not the Federal circuit court of appeals—agreed that the nomination forms were public documents subject to disclosure. However, finding no indication that the defendants would not comply with the court's declaratory judgment, the court of appeal reversed the grant of the writ of mandamus against the defendants. The court felt that it was premature to subject the five legislators to mandamus, given that its declaratory judgment was the first definitive statement of the rights of the parties. The court of appeal also reversed the attorney's fee award.

Finally, the case came before the Supreme Court of the State of Louisiana. Enter Justice Dennis. There were only two issues that came up to the Supreme Court. One, whether a mandamus was appropriate, and, two, whether the plaintiffs should receive attorney's fees. It was no longer an issue as to whether the nomination forms were public documents. That was settled. That was not even appealed. The fourth circuit had already established that they were, and that the defendant legislators would have to turn over these documents to the Times-Picayune.

Now, in a 6–1 decision in which Justice Dennis was with the majority, the Louisiana Supreme Court denied the Times-Picayune application for review and refused to consider the untimely application of one defendant who challenged the newspaper's standing.

Remember what is being laid out, the predicate: That Justice Dennis committed some big ethical violation, and he did not tell the committee about it, either. First, he was hiding something from us, the Judiciary Committee, and, second, he was hiding it because it was unethical behavior.

I might add, I doubt whether there is a member of either party who would be willing to let his or her reputation be ultimately written in the great book based on only the headlines he or she has received throughout his or her life. I doubt whether there is a single, solitary person who holds public office who has not spoken to an editor and heard the editor say, "I am sorry, BENNETT, but I don't write the headlines." "I am sorry, THAD, but I don't write the headlines." What my good friend from Mississippi read was a headline from the Times-Picayune which I do not know means anything, except it is unintentionally, in my view, misleading about the character of Justice Dennis.

Now, it is the Louisiana Supreme Court decision from which some argue that Justice Dennis should have recused himself. As I said earlier, under Louisiana statute, there is only one possible reason why Justice Dennis, may have recused himself—and that is because he had an interest in the case.

Justice Dennis, through written and oral statements to our staff, gave three reasons why he determined that there were no grounds under which he should recuse himself.

One, he had absolutely no interest in the outcome of the only issues before the court. The only issues before the court were the writ of mandamus and attorney's fees. He had absolutely no interest in that at all or in the petition by a latecomer saying that the Times-Picayune had no standing.

Second, his son had no interest in the case's outcome. His son was long out of law school. His son was a married man, 26 years old, living on his own in the district of a legislator who was not named in the lawsuit. What possible interest could his son have had in the outcome of this case?

The third point Justice Dennis makes is that Representative Jones, who nominated Steve Dennis for the tuition waiver, did not have an interest in the outcome of the case.

Let me review each of these reasons and then I will sit down. First of all, Justice Dennis had no interest in the outcome of the issues before the court. He had no relationship to either party, the newspaper or any of the five legislators.

Second, Justice Dennis' son had no interest in the outcome of the case. Steve Dennis was first nominated for a tuition waiver by a Monroe legislator in 1985, 8 years before the suit was filed and 10 years before it came to the Louisiana court. Steve Dennis had no interest in the Times-Picayune application before the State supreme court because the public record status of the nomination forms had already been resolved. The fact that they were public documents meant anybody could go and find out whether or not in 1985 Steve Dennis had been nominated by Representative Jones.

Further, Steve Dennis had no interest or stake in the remaining issues: The mandamus order for the defendants to turn over the documents or the attorney's fees awarded to plaintiffs.

Last, Justice Dennis did not recuse himself because the Monroe legislator who nominated his son had no interest in the outcome of the case. Representative Jones was not a party to the case. He was not subject to the writ of mandamus or the award of attorney's fees.

The supreme court's denial of the Times-Picayune writ application was simply a decision not to review the mandamus and attorney's fees issues any further. The court did not decide any question of law or fact. It established no supreme court precedent that could affect future cases. Nor did the rejection by the court of appeal of the Times-Picayune suit for attorney's fees and mandamus establish any precedent that would have provided grounds for nondisclosure by the Representative Jones, or any other nonparty.

Once the court of appeal decision became definitive on March 17, 1995, no custodian of a tuition waiver nomination form could claim that the law was unclear as to whether there was a clear duty to disclose the nomination records. If the custodian refused to respond favorably to a request by an adult person for the records, he or she was subject to mandamus and attorney's fees awards against him.

Justice Dennis has explained clearly why he did not recuse himself in this particular case. He made a thoughtful and reasoned decision, after taking all the facts into consideration. And his record shows that he does not have a blithe disregard for Louisiana's recusal law. In fact, there were two cases in which Representative Jones was a party, and from which Justice Dennis did recuse himself. Both cases were bar disciplinary matters against Representative Jones that came before the Louisiana Supreme Court under its original jurisdiction over proceedings relating to disciplinary matters.

Mr. COCHRAN. Will the Senator yield for a question on the point of what was at issue in the case before the supreme court? Just a question.

Mr. BIDEN. Surely, I will be happy to.

Mr. COCHRAN. One question I have that has not been brought out here was that this suit not only requested a ruling as to these five legislators, but, more important, with respect to Judge Dennis, it involved all legislators' records, as to whether or not they were public records. And the reason this is important as far as Judge Dennis is concerned—and did the committee know this?—that he was a legislator before he was a judge, and he had awarded scholarships to Tulane and therefore records that he had control over, under the ruling of the lower court, made him a party in interest even though he was not a named defendant?

Mr. BIDEN. If I can respond to my friend, the factual statement he made about Justice Dennis having been a legislator, that this affected all legislators, and the writ of mandamus would have affected all legislators, is absolutely accurate except for one big problem. That issue was not before the supreme court on which Justice Dennis sat.

Mr. COCHRAN. It was if they did not overrule the fourth circuit. The fourth circuit had reversed the lower court. The lower court ruled that was public property and that all legislators had control over the files that were held by Tulane. And the Tulane custodian of records, Carolyn LeBrane, testified in the lower court that, on the request of legislators, she and Tulane would make those records available. So the question was whether all legislators would have this responsibility.

Mr. BIDEN. If I may respond to my friend, he is again partially correct. That was the issue in the lower court. That was the issue in the court of appeal. But that was not an issue which was appealed to the Louisiana Supreme Court. The supreme court did not speak to, nor was it asked to rule on, or affirm or overrule the question of whether or not these were public records.

Mr. COCHRAN. Mr. President, will the Senator answer one other question?

Mr. BIDEN. Certainly.

Mr. COCHRAN. I do not want to delay this inordinately. I think there is a question that ought to be clarified; that is, at the point when the case reached the supreme court, none of those legislators, except one, had voluntarily requested Tulane to release the information they had regarding the appointments that legislator made to the scholarship privilege at Tulane. That was Peppi Bruneau. The others—even though the court had ruled at the district court level, and the fourth circuit, the intermediate court, had confirmed were public records—none of them had acted to respond to the Times-Picayune request. And, as a matter of fact, is it not true that it was only after all of these cases had been acted on did the paper realize they had won the case but they still did not have the records, and they had to sue again to compel delivery of the records? They had to sue Tulane because none of the legislators, including Judge Dennis or any of his colleagues who had given out these scholarships, had asked for the records.

So the point is Judge Dennis, in my view, certainly, had an interest in the case and the ruling. He did not disclose the interest, but he went on and acted on it nonetheless. It seems to me—does it not seem to the Senator from Delaware—that would be a proper inquiry for the Judiciary Committee to make.

Mr. BIDEN. Mr. President, if I can respond, we did make that inquiry and reached a totally different conclusion than the Senator from Mississippi. Again, let me make clear why.

First, there was no question. The records were public documents. The issue was whether a mandamus should be issued.

Second, the fact that only one of the five legislators, turned over these records further underscores the point that they were the only five people involved in this matter. No one was asking for, in this court, case records from any other legislator.

Third, the question that the intermediate court responded to differently than the upper court was whether or not the vehicle to get these records from Tulane would be a writ of mandamus or a lawsuit. That was the issue; not just how do you get the records. And that issue did not go to whether or not they would have to be produced, but when and under what legal document would they have to be produced. And on that score, Justice Dennis affirmed the intermediate court's ruling along with five other justices.

Mr. COCHRAN. Mr. President, will the Senator yield for one more question?

Mr. BIDEN. I would be happy to. But let me finish this point.

I respectfully suggest, if the Senator looks at what the law says, what the court had said and what was before Judge Dennis, the matter that concerns him most, as it should, was resolved.

Mr. COCHRAN. Mr. President, if the distinguished Senator will yield, the distinguished Senator said that the committee had looked into this issue and had come to a conclusion different from the one I came to.

Mr. BIDEN. Correct.

Mr. COCHRAN. How could you have done that if the information about this nomination to Tulane and the scholarships did not come to the attention of anybody until the day after the Judiciary Committee reported the nomination to the Senate?

Mr. BIDEN. Mr. President, that is a legitimate question. Let me respond to that—the way we do in every such case. The standard operating procedure is, if we get something that even has the potential color of conflict, the majority and the minority get together. The standard procedure is they go back and investigate. Sometimes we call the FBI back in. "Would you take a look at this? Is it specious? Is there anything to it? Is it real or not real?"

Staff may also call the person making the allegation. And the staff makes a judgment as to whether it is specious, whether it warrants further investigation, or whether or not they have enough information to make a recommendation to the committee.

The third thing we may do is call the nominee. We call the nominee and say, "OK, look. This was raised. Here is the deal. These are the facts as we know them. Explain yourself."

That is what we did here. The explanation was given. The nominee wrote a letter to the committee and he was interviewed by staff. We read the briefs that were filed and the newspaper accounts.

The staff concluded that Judge Dennis made the right decision, that he did nothing unethical.

Mr. COCHRAN. Mr. President, will the Senator yield for a question?

Mr. BIDEN. Yes.

Mr. COCHRAN. I think the staff has now concluded in another way. I do not know whether there is any evidence that the Senator can give the Senate about what the staff has concluded. But in today's Times-Picayune, there is a statement from a reporter who called and talked with staff members of the Judiciary Committee.

And it says, "At issue is Dennis' vote in a 6-to-1 Supreme Court decision in March to deny" the newspaper's "request for access to the . . . forms." And it says one staff member says that there was nothing new discovered. Another says there are questions raised about whether he should have recused himself.

So the paper has discovered that committee staff has a difference of opinion. I was briefed and I can say that my impression was there is a serious question and that is why this motion is being made.

Mr. BIDEN. Let me respond to the Senator, if I may. I have not seen today's Times-Picayune. However, it is not unusual for staff, as well as Member of the Senate, to have different perceptions of a given situation but I am not sure that is relevant.

Let me explain the procedure. What happens is the majority staff goes to a gentleman named Manus Cooney, who has been on the staff for a long time, first-rate lawyer. He goes and speaks to the chairman of the committee. Karen Robb, a seasoned lawyer, who has been here a long time, comes to me and says now this is what the facts reveal. I then ask what I expect Orrin also asks: What do you think? My staff shows me the information. I look at it, and I say I think there is nothing here.

The next step in the procedure is to make this information available to committee members directly or through staff. Again, this is standard operating procedure. And I am the one who as chairman initiated this rule. ORRIN has followed the precedent—whatever investigative information we have, from the FBI, from any source, where there is any question raised. We notify members of the committee, and we say, hey, folks, there was a new issue raised or an old issue reraised. We have looked at it. If you want to know about it, come here, look at the information.

A lot of this information is FBI-related material on which we only brief Senators. And a lot of it is non-FBI material, like this on which we brief staff. This is all non-FBI stuff here. It's not confidential.

And so I say to my friend there is nothing unusual about this case. There has not been a single time since I have been on this committee that I can think of where we have not voted somebody out and after having voted on it received new information. The most celebrated case? A Supreme Court nominee.

Were we to reopen a full committee hearing and a full committee vote every single time after we voted anybody raised an allegation, we would effectively shut down the nominating process. Every single time, if we had to reopen a hearing, have a new public hearing and have a vote, we, the Democrats, would effectively be able to keep nominees from being on the bench. And the Republicans could do the same. It is just not a way we could possibly operate. Now, let me say one other point. If, for example, we came forward and the information received after we voted we believed was of such a consequence, Senator HATCH and I, or any member of the committee, that it warranted further hearings, we would have them. Case in point: a Supreme Court nomination.

They have to be issues where the staff, Senators, or the ranking member and chairperson, somebody says, "This is a big problem. We better take a look at this thing." Nobody said that here because nobody that I am aware of believes that here. So that is why we did not open up a new hearing.

Mr. COCHRAN. Will the Senator yield for a question?

Mr. BIDEN. I will yield for a question.

Mr. COCHRAN. If a member, who is a senior member, of the Judiciary Committee staff tells a Senator like I was told during the briefing on this issue that if the committee had had the information that came to light after the nomination had been reported, the committee would not have reported the nomination, does that not seem to the Senator to be sufficient grounds to request reconsideration of the issue by the committee?

Mr. BIDEN. The answer is no, if in fact the chairman of the committee, the ranking member of the committee and other members who had that information made available to them did not reach that conclusion.

I am confident that I could find in the Agriculture Committee, in every other committee here, a staff member who would say after we voted something out, if they knew all of that information they probably would not have voted that way. If we operate with that as the basis for whether or not it is worthy to refer back to a committee a nomination or a piece of legislation, we are not going to get very far.

Again, I am not in any way—please let my colleague understand and the record show—I am not in any way questioning the motivation of my colleague from Mississippi. What I am suggesting is that a close look at the facts and the law makes an overwhelming and compelling case that Justice Dennis did exactly the right thing when he concluded that there was no need to recuse himself.

I see my other friend from Mississippi and my two colleagues from Louisiana, who are very interested in this, are here. I will be available if they want to ask me any more questions.

So I will in the meantime yield the floor and stand ready to answer questions if anybody has them.

Mr. JOHNSTON. Mr. President, I have looked into this matter in great detail, and I think the Senator from Delaware is exactly correct. I have read the decisions and read the letters. I think he is exactly correct. I must say that it is a very fine legal point. Even with what my friend from Mississippi said, it is hardly the kind of matter that is so serious as to deny a person a role on the court.

The question of whether or not this issue was really at issue before the supreme court—it had not been appealed on actually what we call a writ of certiorari. So this question was not really before the supreme court. What was really before the supreme court was whether the Times-Picayune was entitled to its attorney's fees and whether or not the writ of mandamus was premature.

But, Mr. President, I daresay, if we gave our colleagues a pop quiz on this question nobody, save those at least on the floor, could answer the question, it is such a complicated legal matter.

Suffice it to say the matter has been, I believe, effectively and thoroughly decided by the Judiciary Committee. This matter was pending for a long time. I really do not think that is the real issue behind whether Judge Dennis ought to be on the fifth circuit.

Mr. President, the real question is should Judge Jim Dennis be on the circuit court of appeals? Mr. President, I have known him for over 30 years. We served in the State legislature together. He is one of the most distinguished jurists the State of Louisiana has ever produced. His life has been marked by excellence in everything he has done. In law school, he was in the Order of the Coif; that is, a top scholar. He was on the Law Review, again a top scholar.

He was in the State legislature, where he made an outstanding record. He has been on the bench in every level—the district court, the court of appeals, and the supreme court—for many years. He is one of those gifted legal scholars who can write things in ways that are clear and he can marshal up the English language and make it march, as someone said about Winston Churchill. He is that good, and recognized as such. He is a great favorite of both the bench and the bar in Louisiana. Mr. President, he would be an enormously popular judge.

Now, he has certainly come within the cross hairs of the Times-Picayune, no doubt. I must say, he is in very good company in that, Mr. President. You see, Paul Tulane, when he made his bequest to Tulane University, went to the legislature and said, "We want people from every parish in the State. And we want a little financial help. Will you pass a law that says legislators are entitled to name people to Tulane tuition free?"

The legislature passed that law over 100 years ago. For over 100 years, it was in place in Louisiana and never questioned. I think my colleague said for 80 or 90 years. No, it was for over 100 years. But it has to be a real hot issue with the Times-Picayune. They have gotten Members of Congress in both Houses, in both parties—some of my colleagues on the other side of the aisle and in the other party are also in these cross hairs—and a former Republican Governor, one of the most honest and best we ever had, in my view. I liked him a whole lot. All of you know him and served with him. He is one of those in the cross hairs. Also a State treasurer and State legislators of both parties. I submit to you not all those folks are ethically deficient. That was a legal, ethical, proper thing. That is really what is involved.

The Times-Picayune, though, has a great story, and they are pursuing it. This judge ruled against them, denied them attorney's fees. I do not know whether that has anything to do with it, but I will tell you one thing: If this were an opinion, rather than a newspaper story, they would certainly be recused because they certainly had an interest in this matter.

Be that as it may, Mr. President, this is a good judge. He is a good man.

This is a complicated legal question. The staff has looked at it, majority and minority. Look, it is not something where JOE BIDEN is our Democratic head of this thing, and sort of squelched this matter. That is not it at all, Mr. President. That is not it at all.

This is a good man. He is not ethically deficient, I can guarantee you that. He ought to be confirmed to the fifth circuit. He deserves it.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi [Mr. LOTT], is recognized.

Mr. LOTT. Mr. President, I will rise in support of the motion to recommit the nomination of Justice James Dennis to be a member of the Fifth Circuit Court of Appeals back to the Judiciary Committee for further review. And I also am going to go ahead at this time and express my opposition to Judge Dennis for other reasons. I think clearly this nomination has not been sufficiently and properly reviewed by the Judiciary Committee.

There has been information that has been revealed since that nomination was approved by the Judiciary Committee back in July that has not been reviewed by the full committee, by many members of the committee.

As a matter of fact, I understand from what was said a few moments ago, that while the Senator from Delaware reviewed the accusations with regard to the Tulane matter, and perhaps the chairman of the committee, Senator HATCH of Utah, reviewed it, as a matter of fact, what happened after this information was given to the Judiciary Committee, I understand, is the staff sent a letter to Judge Dennis asking him to respond. Then there was a conversation by telephone regarding the allegations here without ever actually having an opportunity to interview him in person.

He did not come back before the committee. And, as a matter of fact, the staff members on the two sides of the committee do not agree on what we should have done or how this matter was handled by Judge Dennis.

So I do think there is very good reason to recommit this nomination. Before I talk about the specifics of the case, I want to take note that even the Judiciary Committee, I think, perhaps gave this nomination only cursory consideration. When the hearings were held, only five questions were asked of this nominee, and only one member asked the questions.

So I really would have thought since there have been questions raised about this nominee almost from the beginning—in fact, I think from the beginning—that there would have been a fuller hearing and more questions would have been asked. And the questions certainly did not go into much probing detail. So I think just on that basis there is justification to ask the Judiciary Committee to review the matter further.

The committee staff that conducted the investigation in this case, as I understand it, determined that Judge Dennis should have recused himself in this matter. Now, at least on the majority side, that is the information I received. So maybe there is disagreement by the staff on the other side. But I wonder, when you have staff coming to that conclusion that he should have recused himself in this case involving Tulane University and the scholarships, should not the full committee have reviewed their recommendation?

This matter was reported by the Judiciary Committee on July 20, 1995. It was 3 days later that this matter appeared in the Times-Picayune. I believe Senator COCHRAN has already asked that this be printed in the RECORD. He has not.

I ask unanimous consent that the Times-Picayune article of Thursday, July 23, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Times-Picayune, July 23, 1995]

JUDGE DEFENDS HIS TULANE RECORDS VOTE

(By Tyler Bridges)

State Supreme Court Justice James Dennis, whose son received Tulane tuition waivers, later voted to deny a request by The Times-Picayune for review of a lower court decision in the newspaper's suit seeking access to five New Orleans legislators' Tulane scholarship nomination forms.

The newspaper eventually received the scholarship nomination forms of all Louisiana legislators by filing a subsequent lawsuit against Tulane.

The records obtained from that suit show that Stephen Dennis was awarded Tulane tuition waivers for three years in the late 1980s by then-state Rep. Charles D. Jones, D-Monroe.

An associate justice of the Louisiana Supreme Court since 1975, James Dennis last year was nominated to a federal judgeship by President Clinton. That nomination, to the 5th Circuit Court of Appeals, was approved by the Senate Judiciary Committee Thursday night and now goes to the Senate floor. Dennis, however, continues to face strong opposition from Mississippi's two senators, who argue that an appointee from their state deserves the judgeship and that Dennis is soft on crime. The appeals court hears cases from Texas, Louisiana and Mississippi.

Prior to his election to the Louisiana Supreme Court, Dennis, 59, a native of Monroe, was a state district judge, an appellate judge, and a state representative.

The Tulane scholarship that Dennis' son received is awarded under a century-old program that permits every legislator to award a tuition waiver every year.

Jones, now a state senator, declined to explain why he nominated Stephen Dennis.

In a written statement to the newspaper, Dennis said that his son in 1985 had sought the scholarship on his own, "without my suggestion or help . . . At that time, Steve was 26 years old, married, and a resident of (Jones') district. He and his wife were struggling but fully self-supporting and financially independent of me. I was unable to assist Steve in going to law school because of my obligations of support owed to my wife and three younger children. I did not ask (Jones) to nominate Steve for the waiver. I believe that the nomination was made on the basis of Steve's academic record, his financial need of educational assistance and his outstanding extracurricular and other achievements."

Dennis in March 1995 voted in the majority of a 6-1 decision to deny The Times-Picayune's request that the Supreme Court review an appeals court ruling in the newspaper's suit against the New Orleans legislators.

In a written statement to the newspaper, Dennis said the case did not pose a conflict of interest for him because the appeals court already had upheld The Times-Picayune's primary contention that the nominating forms were a public record. Dennis said further review of the "collateral issues" raised by The Times-Picayune's request for review was not warranted.

While the appeals court upheld the newspaper's position that the forms were public records, it also had ruled that legislators were not required to get their scholarship nomination forms from Tulane if they did not have the forms in their possession. This issue was important to the newspaper because numerous legislators had declined to identify their recipients, no longer held the forms themselves and had declined to get the forms from Tulane. In fact, even after the appeals court ruling, four of the five defendants refused to obtain their forms from Tulane and make them public.

"I did not have any interest in the outcome of the only issues to come before the Supreme Court," Dennis wrote the newspaper. He would not answer questions beyond his written statement.

Under the Louisiana Code of Civil Procedure, a judge may recuse himself when he "is biased, prejudiced or interested in the cause or its outcome or biased or prejudiced toward or against the parties . . . to such an extent that he would be unable to conduct fair and impartial proceedings."

After the Supreme Court denied The Times-Picayune's request for review, the newspaper filed suit to force Tulane to release the scholarship nomination forms of all Louisiana legislators. Civil District Judge Gerald Fedoroff ruled in the newspaper's favor in June, and Tulane released the records this month.

Mr. LOTT. Mr. President, so it was 3 days after the committee had acted when this whole issue started coming to the forefront and questions were being raised about Judge Dennis and his involvement in that ruling on the Louisiana Supreme Court.

Clearly, while you can argue that it came to the supreme court in a very narrow way, I think clearly this is a question of judgment. That is very key here. We are fixing to put a nominee on the Fifth Circuit Court of Appeals, a Federal court, for life, and a nominee's judgment is very critical in whether we vote for or against him.

He knew about the practice in Tulane. He knew about the Times-Picayune investigation. He had, in fact, participated in this process. I do not judge it, prejudge it, or condemn it. I know it went on. What was really involved here was a decision about whether or not this information should be made available, as I understand it. Clearly, he had had an involvement as a legislator and his son had been involved. It appears to me judgment would have dictated that he would have recused himself.

As a matter of fact, the Louisiana rules of court, canon 2 says:

> A judge should avoid impropriety and the appearance of impropriety in all activities.

Surely there was at least an appearance of impropriety in this matter.

I have experienced some unusual things with regard to this judge. In the 7 years I have been in the Senate, this is, I think, maybe only the second time I have spoken against a judge, the only time where I have gotten into it to the degree that I have on this one. So it is unusual for me, and I do not take great pleasure in it. I am sure he is a fine man with a good education. Obviously, he is a good friend of the senior Senator from Louisiana and Senator BREAUX from Louisiana. They are both outstanding Senators and good personal friends. I do not take any pleasure in raising questions about a judge that they are recommending. There is nothing personal involved with them. In fact, I will always bend over to try to be cooperative with these two fine Senators.

But in this case, I think there are many reasons why this nomination should be recommitted to the committee and, furthermore, why this judge should not be approved for the Fifth Circuit Court of Appeals.

The second thing that is unusual about this one is I have been inundated with correspondence from people in Louisiana from all stations in life saying that this nominee should not be confirmed—small business men and women, executives of corporations in Louisiana, just private citizens, prosecutors. We have a file that is probably 6 inches thick of letters from people raising questions about the qualification of this nominee.

I have been struck by that. I started off, quite honestly, being opposed to this nominee because it did damage to the proper balance on the Fifth Circuit Court of Appeals. But as I got into the merits, or demerits, of this nomination, I found that there were a lot of questions that surrounded this nominee.

I am just going to read some of the excerpts from some of the letters I received. One says:

> As a Justice on the Louisiana Supreme Court he has been notorious for writing law from the bench. His actions have had a serious negative impact on the Louisiana economy.

This is a person who apparently is in the printing business.

Another one from the Louisiana Association of Business and Industry. Just one sentence from this letter:

> In the area of expansion of government, taxation and tort law, he is far out of touch with both legislative intent and the sentiments of most Louisiana citizens.

From a college official, it says:

> Judge Dennis is an enemy of not only small business, but Louisiana's workman's compensation program.

From an attorney:

> Justice Dennis is the type of judge who is not content with following and applying the law to the facts of the case before him. Rather, he is the kind of judge who desires to bring about a specific result, and then conjures up dubious theories of law to reach that result. Justice Dennis is not the kind of judge who hesitates to "make law" when existing law does not suit his philosophy.

I think one of the most striking things came from an assistant district attorney in Louisiana who has had, obviously, a great deal of experience in criminal law practice in Louisiana. His letter was lengthy and gave example after example, citing specific cases where this is a judge that he felt should not be moved to a higher court. I will read two paragraphs from his letter:

> I have been a violent crimes prosecutor for the past 20 years, beginning as an assistant district attorney in Baton Rouge, Louisiana, in 1974. Also for 2 years, I was dispatched all over our State prosecuting as an assistant attorney general. For the last 12 years, I have been the chief felony prosecutor in the rural but large parish of St. Landry, which lies between Baton Rouge and Lafayette. I wholeheartedly agree with statements that I have seen ascribed to you that James Dennis "has a record of court activism inconsistent with the views of the majority." He has consistently crafted judicial decisions, while intellectually forceful, that are wrongheaded and unresponsive to the crime problems from which our communities are suffering.

So you see, this is not just a matter of a disagreement whether this judge should be from Mississippi or from Louisiana, and this is not a case where I have gotten a lot of mail from my own State about this judge. This is a case where I have been flooded with letters and calls and correspondence from elected officials, of people throughout Louisiana in all walks of life saying this nominee should not be confirmed.

One other thing before I go to this next part. Just a couple of weeks ago, I had another call from a State official who raised questions about another court action involving gaming versus gambling. I have submitted this material to the Judiciary Committee staff. I do not know whether it is a serious matter or not, but when a State official calls and says this is something the Judiciary Committee should consider, I think they should take a look at it. Maybe they have at the staff level. There is clearly enough question here surrounding this nomination that the committee should take another look at it.

Let me go to these other points that I think I must make. I generally err on the side of giving the President the benefit of the doubt on nominations in his administration. I think Presidents should have great latitude in selecting individuals for service in their administration, including Federal judicial appointments, especially the circuit courts. So barring character flaws or illegality or extreme policy positions which are inconsistent with American values, I generally am inclined to go along with him. But in this case, I do think there are some questions about character and judgment, and I think clearly some of the policy positions here are out of order.

After reviewing this nominee and his rulings, I reached two conclusions: He is clearly a judicial activist predisposed to create law from the bench instead of interpret it, and, second, his rulings fail to support severe and harsh punishment for convictions for violent and wanton criminal acts.

Last, I do not believe the nomination of Judge Dennis is fair or appropriate given the makeup of the Fifth Circuit Court of Appeals. The fact of the matter is, this position is vacant because the chief judge retired, Judge Charles Clark from Mississippi, and has been vacant since then.

If a Mississippian is not appointed to this position, our State will have only two members on the Fifth Circuit Court of Appeals, not nearly enough to try to stop a circuit court of appeals nomination. But this is a question that is affecting Senators and the circuit courts all over this country. I hear—and I believe this is true—a growing concern about disparity in the various circuits. So I think this is a question that should be reviewed by the Judiciary Committee. I know that several of the members of the committee were concerned about that and came to me and asked questions about it. I acknowledge that that alone certainly is not enough to oppose this nomination. But as a Senator from my State, I do have to put on the record the fact that I think that our State is not going to be properly represented in this circuit court.

So I invite Senators from other circuits in other States to be aware that if this pattern begins to develop, we will get to a situation where the big States—California, Texas, or New York—will not only have the margin of the majority, but dominate or have total control of these circuits. I think that we need to think about that.

Now, I want to cite my biggest concern, and that is the way this supreme court judge has been ruling. I think that is the real reason why he should not have been confirmed. Over the last several months, I have reviewed many of Justice Dennis' writings and opinions issued by the Supreme Court of Louisiana.

In two areas, I am particularly concerned with the views of this nominee. I urge my colleagues to take a look at his rulings on crime matters and on business. There is no question that James Dennis is intellectually a bright jurist, and you will see it in his opinions. They are very interesting in the way they are written. However, the intellectual energy he devotes to the law fails to lead to consistent rulings of justice and compassion for the victims of crime. You do not need to look far to see that when it comes to ruling on violent crimes, Judge Dennis is not the victims' judge.

So I would like to cite some of the cases that I think are really important.

At 5 a.m. on July 2, 1977, the defendant, Dalton Prejean, and three other people left a nightclub in a stolen 1966 Chevrolet. They had been drinking heavily for the entire evening in Lafayette Parish, LA. Prejean was driving. The vehicle was stopped by State Trooper Donald Cleveland—the car's taillights were not working.

Prejean, who was driving without a license, attempted to switch places with an occupant in the front seat. Trooper Cleveland saw the driver attempt to switch places and ordered the driver out of the car. Dalton Prejean emerged from the car with a .38 caliber revolver and shot Trooper Cleveland twice. Trooper Cleveland later died from his wounds.

Prejean was convicted of first-degree murder in the Fourth District Court of Louisiana and was sentenced to death. Prejean appealed on four issues, including his claim that he was due a new trial because one juror had failed to disclose his relationship with law enforcement officers on the voir dire. Justice Dennis dissented from the court's refusal to grant a rehearing, arguing that a "proportionality rule" should be applied. That is, Judge Dennis argued that before the death penalty should be imposed on the defendant, the sentence should be compared to sentences in all similar cases throughout the State of Louisiana. The intellectual foundation of Judge Dennis' argument was found not to be proper and it was reversed.

The U.S. Supreme Court has repeatedly affirmed the use of the death penalty, and the U.S. Congress has repeatedly voted to support the death penalty, particularly on crimes of wanton and reckless violence, particularly against law enforcement officers.

So I thought this was an extreme stretch to try to say that we should have an overruling of the death penalty based on some sort of proportionality rule. We have heard that theory discussed, but it has never been accepted as one we should go forward with.

Now, going to the business area. In a case entitled Billiot versus B.P. Oil, Billiot, while working in a B.P. Oil refinery, was burned with a valve when it failed and sprayed a hot substance on Billiot. His subsequent injuries were not the result of exposure to the substance, but to the heat of the substance. He sued the oil company, seeking compensatory relief under the workers compensation law, and punitive damages under a law allowing punitive damages to individuals injured by the storage, transportation, or handling of hazardous substances.

On September 29, 1994, Judge Dennis wrote a majority opinion for the Louisiana Supreme Court on the case. In his ruling he, in effect, reinterpreted two State laws—the workers compensation law and the law allowing individuals injured by hazardous materials to seek punitive damages.

Dennis breathed new and fictional life into a 1914 workers compensation statute by postulating that the exclusive remedy provision of the Louisiana workers compensation law did not apply to punitive damages. In addition, he interpreted that Billiot could sue for punitive damages under the hazardous materials damage law—even though the injury was not caused by the hazardous material.

The impact of this ruling was disastrous for business in the State of Louisiana and equated to the mother lode of case opportunities for lawyers in that State. The landmark ruling did not crack the dike of tort litigation—it blew it wide open, and thousands of small business owners stood downstream of these flooding waters. That ruling was a shining example of judicial activism at work, one where two laws were interpreted anew from whole cloth, creating this new area for litigation.

There are a whole series of cases where Judge Dennis has ruled in ways that can be of great concern to those who are interested in getting fair rulings and doing business. We have a whole list of these cases. I will submit these as part of the RECORD. I think we have about 15 cases.

I ask unanimous consent that the list of cases be printed in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

ANTI-ECONOMIC DEVELOPMENT DECISIONS AUTHORED OR CONCURRED IN BY JUSTICE DENNIS

Billiot v. B.P. Oil Company, No. 93-C-1118 (La. Sup. Ct. Sept. 29, 1994) (Authored by Justice Dennis.):

This decision is a double-whammy against the business community. First, it is an absolute assault on the exclusive remedy provision of workers' compensation that says an employer cannot be sued in tort for a work-related injury of an employee. Justice Dennis reasoned that since the Workers' Compensation Act (enacted in 1914!) did not specifically provide for inclusion of punitive damages in the tort exclusion, it doesn't exist. Further, he argues that, although the statute that triggers the punitive damages refers to the transportation, handling or storage of hazardous substances, the hazardous nature of the substance does not have to cause the injury! Trying to assess risk under this decision is going to be a nightmare—but one thing is sure; your insurance (or your liability exposure if you are self-insured) is going to go up!

B.P. Oil Company v. Plaquemines Parish Government, 642 So.2d 1230 (La. 1994) (Sales Tax) (Concurred in by Justice Dennis.):

This decision would extend the state sales tax on utilities and other items to the local level where the law currently prohibits it from being collected. This decision—if not reversed when the Supreme Court rehears it—will cost businesses and all utility customers hundreds of millions of dollars. LABI has joined over 60 other businesses and associations—including the NAACP and the Public Service Commission—in filing amicus briefs to ask the court to change this disastrous decision.

Halphin v. Johns Manville Sales Corp., 484 So.2d 110 (La. 1986) (Products Liability) (Authored by Justice Dennis.):

This case was one of the worst assaults on economic development ever handed down by a court in Louisiana. Prior to Halphin, liability in products liability cases was determined by looking at alleged design defects, failures to warn properly or manufacturing defects. Halphin added a new category by saying that some products were "unreasonably dangerous per se." Under Justice Dennis' decision, even though a product that caused an injury had no design or manufacturing defect and had proper warning labels, the manufacturer could be forced to pay damages because the machine was "unreasonably dangerous per se."

The case sent a shock wave through the manufacturing and retail communities in Louisiana and throughout the United States. The decision was so radical that, in spite of strong trial lawyer opposition, the state legislature overturned the decision in 1988.

Ross v. La Coste, 502 So.2d 1026 (La. 1987) (Strict Liability) (Authored by Justice Dennis.):

In this case, which expanded the doctrine of strict liability, the owner/lender of a ladder was successfully sued for damages by the borrower for injuries caused when the ladder collapsed. The owner had no knowledge of the ladder's defects, yet was held liable.

Mr. LOTT. Mr. President, I will conclude with these three points. I think that Justice Dennis' judgment in the Tulane matter clearly should be questioned and should be reviewed by the Judiciary Committee as a whole. I think there is no question that this is a judge who has been an activist, and there are many decisions that back up just the two that I cited that raise questions about his activism. I think that should cause real concern in the Senate in confirming his nomination.

I urge that this nomination be recommitted to the Judiciary Committee.

I yield the floor.

Mr. BREAUX. Mr. President, I think, first of all, it is a little interesting to note that if this issue was of such monumental importance that it should be recommitted to the Judiciary Committee for further consideration, the chairman of the Judiciary Committee, the distinguished Senator from Utah, ORRIN HATCH, would be here advocating that. He is not. In fact, he does not support the motion to recommit.

The distinguished ranking member of the Judiciary Committee, Senator BIDEN, spoke here on the floor about this very issue and said that, as the ranking Democratic member of the Judiciary Committee, he, too, felt that the committee had exercised their responsibility and looked at this nominee very carefully. After the committee had voted, additional material that was submitted to the committee was considered by the professional staff, by the chairman of the committee, the distinguished Senator from Utah, and by the ranking member of the Committee on Judiciary, the Senator from Delaware, Senator BIDEN. They and the professional staff circulated all of that information to all the Judiciary Committee members. As I look around to see if there are any of these members here who are saying they somehow have not had an opportunity to consider this nominee, I see none.

I think it is clear that this case has been carefully considered by the committee. I think that Senator BIDEN, very eloquently and in great detail, covered all of the allegations we have heard this morning with regard to information that the Senator from Mississippi was arguing was a reason to recommit this to the committee. I think Senator BIDEN's comments were right on target. There is no basis whatsoever to send it back to the committee. The only allegation I heard that supported that argument was basically the fact that Judge Dennis should have recused himself in a case before the supreme court that he ruled on.

Senator BIDEN made it very clear that he had no conflict in that case, that the supreme court voted 6-1 and he very carefully documented why not only should he not have recused himself, that it would have been wrong had he done that, that he had an obligation as a justice to rule on the case, that he had no interest in the case whatever. That, I think, has certainly been clearly established.

If the distinguished chairman of the Judiciary Committee disagreed with that, I think that he would make that opinion known. He does not, and neither does the ranking member of the committee.

Mr. President, I have known Jim Dennis for a number of years, a long number of years. I have known him personally and known him as a very distinguished jurist on the State supreme court. Somehow to argue on the other hand that he is out of touch with our State is to not consider all the number of times he has gone before the people of our State and offered himself for election, because we elect judges.

If he was out of touch with Louisiana, basically a conservative Southern State, he would not have been elected to the district court which he has been elected; that he would not have been elected as a court of appeals judge that he was elected to and subsequently reelected; that he would not have been elected to the State supreme court which he was elected and has served and then reelected without opposition to a 10-year term.

Louisiana does not elect people that they disagree with. I suggest that his opinions as a judge, his record as a State-elected official, as a Member of the House of Representatives, indicates that not only is he acceptable to the people of Louisiana, that he is enthusiastically accepted as someone that they have taken great pleasure in having them represent in legislative bodies and on every court in Louisiana: the district court, elected; court of appeals, elected; and the State supreme court, elected and reelected without anybody running against him.

I think it is clear that this person fits the mold of the type of judges and members of the judiciary that the people of Louisiana like to see.

Some say that he is not a mainstream jurist. I point out that in the 20 years he has served on the supreme court, the information that we have by the supreme court itself says that he has sat on 7,655 cases in which an opinion was published. He voted with the majority in 7,148 cases. That is 93 percent of every case they wrote an opinion on, he agreed with the majority.

All of these judges are elected, from all parts of our State. If he was out of touch with the people of my State of Louisiana, they would have said so. If he was out of touch with the other members of the judiciary, he would not have voted with them in deciding the majority of the opinions in 93 percent of 7,655 cases.

To somehow allege that he is not part of the mainstream I think is totally contrary to the record in the case.

Some say that he is not strong enough on crime, and we have some letters from some nameless people who write and say that he is weak on the death penalty or not good for law enforcement.

I have a letter from the attorney general of the State of Louisiana, the highest elected law enforcement official in our State, Richard Ieyoub. He says:

> John Dennis is universally regarded as one of the brightest and most effective judges in the State of Louisiana. His opinions are excellent examples of legal scholarship and reasoning. I have carefully monitored the decisions of the Louisiana Supreme Court relative to victims' rights and the operation of the criminal justice system in general, and I feel very comfortable with the decisions rendered by Justice Dennis on these matters. His opinions in the criminal law area have generally benefited law enforcement.

One of the sheriffs of one of the largest areas in our State, greater New Orleans, Jefferson Parish, a distinguished sheriff, Harry Lee, who, probably more than any other sheriff in Louisiana, is noted for being tough on crime and good for victims of crime and tough on criminals. Harry Lee, the sheriff, says:

> In my opinion, Justice Dennis has done an excellent job, both from the standpoint of law enforcement and individual citizens. He has faithfully followed the law as written by the legislature. He is generally regarded as a fair-minded, scholarly, hard-working and effective jurist. In short, he is extremely well-qualified, perfectly suited, and well able to serve with distinction as a judge of the U.S. Court of Appeals.

This is probably the toughest sheriff in the State of Louisiana. Would he say a respected jurist on the fifth circuit is an outstanding person and well-qualified if he was weak on crime and weak on the rights of victims of crime? Of course not. He has staked his public reputation on the fact that this person is just the type of judge we need.

My friend from Mississippi, Senator LOTT, distinguished majority whip, has cited two cases he says are evidence of his judicial activism or taking positions that are not in keeping with what we want in members of the judiciary.

I respectfully disagree with his conclusion and think that the cases that he has cited give us exactly the opposite result. He cited one case, the Billiot versus B.P. Oil Co. where victims were protected by the law of the State of Louisiana, and there are some who were penalized because they violated the law of Louisiana and are now raising opposition to Judge Dennis because he interpreted the law as it was written.

When someone disagrees with the law, you do not criticize the judge for applying the law. You try and give the law a change if you disagree. That is what legislative bodies are for. In this case, it was a workmen's comp case. The person was injured and he was injured very, very severely.

The law of Louisiana, the State law passed by a majority of the people in the legislature, allows for punitive damages in limited cases, in limited categories, involving wanton or reckless conduct or reckless disregard of public safety in the handling or transporting or storage of hazardous or toxic substances.

In this case, it involved hazardous material that ended up—because it was mishandled—injuring a person very severely. In this case, the State supreme court said that the law does not preclude a worker from being able to get punitive damages for the wanton or reckless conduct or reckless disregard of public safety. In this case, they applied the law properly and correctly.

It was not a judge's fault, if you will, that the case did not come out as some of the defendants would have liked it to come out. That is what the law said. If Judge Dennis had been an activist judge, he could have said, "I don't think the law should say that; therefore I will come to a different conclusion." The exact opposite was true. Not only not being an activist by trying to rewrite the law, he applied the law. For those that do not like the law, go change the law.

Mr. President, it is interesting, that is exactly what happened. They put a coalition together in the last session of the Louisiana legislature and they got the legislature to change that law because they made the argument, and a number of the members of the legislature agreed with them, that the law was too generous in that opinion—not mine, but in theirs. They changed the law.

But you do not get mad at the judge for interpreting it correctly. If you do not like the law, you think it is not correct, you change the law. Do not change the judge who carefully interpreted it. That is what happened in the Billiot case.

In addition, the case was decided by a 5 to 2 decision of the supreme court of the State. Were all the judges wrong? I think not. I think they correctly interpreted the law as it was.

The State versus Prejean case that the distinguished Senator LOTT cited, Justice Dennis voted merely to grant the defendant a rehearing based on a recent U.S. Supreme Court decision that set out the parameters under which a death penalty can be instituted by court. The only thing that Judge Dennis was saying is that he wanted to have a rehearing in light of the new supreme court decision to see if it affected this particular case. It has nothing to do with Judge Dennis' support of the death penalty or being tough on crime.

In fact, I point out that Judge Dennis has repeatedly voted in court to uphold the death penalty. Since the death penalty was reinstated, Louisiana Supreme Court has heard on direct appeal the capital cases of some 98 defendants, affirming 84 percent and reversing 16 percent of those capital convictions on lower court. Judge Dennis sat on 93 of those cases and voted to confirm the convictions 80 times, 86 percent, just about the same average of everybody else on the court.

In the cases where Judge Dennis has dissented, it is interesting here because if you say that he is out of step with the majority of the court, he clearly is not. When he has dissented, however, his dissent has been upheld by the U.S. Supreme Court.

Judge Dennis, the facts show, authored the dissenting opinion in six cases since he has been on the supreme court. In six cases he dissented from the majority. In all six cases subsequently reviewed by the U.S. Supreme Court, in all six cases, the U.S. Supreme Court reversed the Louisiana Supreme Court. It said, "Justice Dennis, you are right. The supreme court of your State made an error in all six cases."

I think when you look at this man's record, his distinguished record in every court in Louisiana, I think you would have to agree with me that this person deserves a seat on the fifth circuit court of appeals. He would make an outstanding judge, an outstanding jurist, as he has all his life.

I will not go into an argument as to whether it should be a Mississippi judge or a Louisiana judge for this vacant seat because I think the record is clear. You determine what area justices come from based on the caseload. I think the caseload between Texas and Louisiana and the State of Mississippi is very clear; very, very clear. I do not think there is even an argument. This vacancy should be from the State of Louisiana.

In 1993, the last year we had numbers, there were 1,309 appeals filed from district courts in Louisiana to the fifth circuit court of appeals. There were only 450 appeals filed from district courts in the State of Mississippi. That is a 2.9-to-1 ratio—essentially a 3-to-1 ratio. If the present vacancy is filled with Justice Dennis, Louisiana would have six seats on the fifth circuit; Mississippi would have two seats, a 3-to-1 ratio. The ratio is as close to being proper, when you look at the caseload, as is humanly possible to reach.

Louisiana has 34 active and senior district judges in our State. Mississippi has only 10 district judges, a 3.4-to-1 ratio.

So, when you look at very objective numbers on where should this seat come from, I think it is very clear that the caseload and the number of judges clearly indicate that a judge from Louisiana is the proper recommendation.

Second, I would argue very strongly, and I think it is very clear, the background, the history of this judge has been carefully, carefully scrutinized by the Judiciary Committee, and I think we should all support the ranking member and chairman of that committee in voting against the motion to recommit.

I yield the floor.

The PRESIDING OFFICER. Who seeks recognition?

The Senator from Mississippi [Mr. COCHRAN] is recognized.

Mr. COCHRAN. Mr. President, I understand there may be one or more other Senators who wish to speak to this motion to recommit the nomination. For the information of those Senators, and others, I am going to again point out the reasons why I am filing this motion and why I think the Senate should approve it. But I do not expect to take much time in arguing this point further.

We have had a pretty full discussion of the issue, particularly in the colloquy on the floor with the distinguished Senator from Delaware, the ranking member of the Judiciary Committee. I remain concerned about the attitude of the committee concerning the issue involving the case that was filed in Louisiana that made its way to the supreme court, in which Judge Dennis participated as a member of the Supreme Court of Louisiana, wherein legislators, who had provided tuition-free scholarships to Tulane University to friends and supporters, were sued by the Times-Picayune newspaper to compel the production of documents relating to that scholarship program.

I want to be sure the Senate understands exactly what the issues were and why Judge Dennis' refusal to recuse himself and his action in participating in the ruling on that case strikes me as inappropriate and a clear violation of the code of conduct of judges, both U.S. judges and judges who at the time were serving in Louisiana.

The Times-Picayune had tried to obtain, as I understand the facts, information from legislators, or from Tulane University itself, about the names of those who had been given scholarships by legislators. I am not suggesting this was violative of the law in itself. As a matter of fact, there was a specific statute authorizing these scholarships to be given. I do not know all the history, but, as I understand it, it had something to do with the fact that Tulane University has certain tax benefits under the laws of the State of Louisiana. The legislators who make the laws of the State of Louisiana were, in the last century, given the right to name certain scholarship recipients each year to attend Tulane without having to pay tuition.

Over the years, the tuition at Tulane has become quite substantial. As a matter of fact, Stephen Dennis, who is the son of Judge Dennis, received 3 years of tuition-free scholarship benefits to Tulane University from a member of the legislature in Louisiana, Representative Jones, that is estimated to have a value of about $60,000.

The suit involved a refusal of legislators to say or to disclose or provide records of information about who they had given scholarships to. Tulane had likewise refused to give this information to the paper. Tulane took the position that this was information that should be made available by the legislators. They had customarily made it a practice of providing that information to legislators who requested it, but not to others, third parties.

So, the case proceeded to a trial. The legislators refused to provide the information, so a district court judge at the trial level ruled that these records were public documents and public access was a matter of right.

A second question that had been asked—and relief demanded—was that the legislators be made to turn over those documents to the newspaper. The district court agreed with that and made a part of its judgment an order granting a writ of mandamus. A writ of mandamus requires a public official to do what they ought to do under the law. Having ruled that this was public information, public records to which the Times-Picayune were entitled, the court followed it to the next step and ruled that the legislators who had access to these documents should be required and mandated by the law and by the court to turn those documents over.

And the third issue was whether or not the Times-Picayune should be awarded attorneys' fees, having been forced to file the suit by the refusal of the legislators to turn over these documents. And the judge also ruled that they were entitled to attorneys' fees. So the case, because the legislators disagreed with the ruling, was appealed to the next step. It was a fourth circuit court of appeals in the State of Louisiana.

That court decided the district court had ruled correctly in the first instance, that these were public documents, but they did not grant the writ of mandamus. So they reversed the decision of the district court as to the writ of mandamus and they also reversed on the question of attorney's fees. So in this situation, the Times-Picayune disagreed with that ruling and they appealed, or filed for a writ of certiorari for a hearing before the State supreme court.

Enter Judge Dennis. Judge Dennis' son had been granted a tuition waiver. Of course his name would be among those in the records held by Tulane University. These tuition waivers had a value to his son of about $60,000. Judge Dennis himself had been a member of the legislature and, as such, had the right to grant scholarships himself when he was a member of the legislature, so the records of his own decisions were also among those records that would be subject to being disclosed to the public, not only as a matter of right that the public would have, but as it relates to the responsibility of each legislator. If the supreme court sided with the district court, it would actually rule that the legislators were required to make this information available on request to newspapers such as the Times-Picayune. And, of course, the issue of attorney fees was also raised before the supreme court.

Now the Judiciary Committee, not having had any of that information before it but simply the nomination from the President—President Clinton nominated Judge Dennis in the last Congress—had a cursory hearing. Judge Dennis was asked five questions. There was no witness who appeared for him or against him to testify to any other matters. The committee did not inquire into any of these issues raised by that suit, by Judge Dennis' participation in the rulings on that suit at all. No one had heard about it. Judge Dennis knew about it. He had been questioned by the newspaper about it. He did not tell the Judiciary Committee that.

So the Judiciary Committee reported out the nomination. And after they had done that, then the Times-Picayune wrote this story based on the information they had obtained as a result of this lawsuit and other and independent investigations they had undertaken.

So the issue, it seems to me, is whether or not Judge Dennis adhered to the rulings of the courts, adhered to the standards of ethical conduct, adhered to the code of judicial ethics that he had to be aware of, that was in effect in Louisiana at the time, and which is in effect for all U.S. courts throughout the land. I am going to read from canon 1 of the Code of Conduct for Federal Judges.

> An independent and honorable judiciary is indispensable to justice in our society. A judge should participate in establishing, maintaining, and enforcing high standards of conduct, and should personally observe those standards so that the integrity and independence of the judiciary may be preserved.

In the commentary below it says:

> Deference to the judgments of rulings of courts depends upon public confidence in the

integrity and independence of judges. The integrity and independence of judges depend in turn upon their acting without fear or favor.

And in canon 2:

> A judge should respect and comply with the law, and should act at all times in a manner that promotes public confidence in the integrity and impartiality of the judiciary. A judge should not allow family, social, or other relationships to influence judicial conduct or judgment.

Mr. President, I submit that the circumstances of this case involving the tuition waivers in Louisiana, the legislators and their rights under the law—this case that was filed asking for information about the records and past practices of legislators was acted upon by Judge Dennis in disregard of the canons of code of conduct of judges—that should be reviewed and considered by the Judiciary Committee.

I am hopeful that Senators will approve the motion to recommit this nomination to the Judiciary Committee to give the committee an opportunity, each member of the committee an opportunity, to become familiar with the facts, to ask questions of Judge Dennis or others who may have information touching on this subject, so that we in the Senate will have a full report and can base a decision about whether or not to vote to confirm Judge Dennis on a full and complete inquiry, which, in my judgment, ought to be undertaken by the Judiciary Committee at this time.

Mr. President, I understand that Senator KYL is here and is interested in addressing this issue.

I ask unanimous consent that I may be permitted to yield the floor so that he may speak, and then I will reclaim my recognition without losing my right to continue my remarks.

The PRESIDING OFFICER (Mr. FRIST). Is there objection? Without objection, it is so ordered.

Mr. KYL. Thank you, Mr. President. I thank the Senator from Mississippi for yielding. I would like to address this for 2 or 3 minutes.

I am a member of the Judiciary Committee. But, as is the Presiding Officer, I am a freshman and, therefore, was not present when the Judiciary Committee held its meetings on this matter in September 1994. There are five new members of the Judiciary Committee. So roughly one-third of the committee is new and did not have an opportunity to review the application, to question the witness, and to resolve matters that may have been raised at that time.

I understand that most of the questions have actually been raised since then. But I suggest that probably raises the question of perhaps having an additional hearing to deal with these questions.

I have the greatest respect for Senators BREAUX and JOHNSTON, and I certainly admire their support for this nominee. I know that Senator HATCH has thought long and hard about this as chairman of the Judiciary Committee, trying to abide by his commitment to the administration to move these nominees along with a minimum of difficulty. But, given the fact that about one-third of the members of the Judiciary Committee have not had an opportunity to question Judge Dennis, and, second, that the transcript from the hearing where that opportunity was afforded is very meager to say the least, it seems to me that perhaps the motion to recommit would be the best course of action to consider at least these new allegations.

I have a copy of the transcript of the proceedings that were held on September 14, 1994. Only one member of the committee was present, the Senator from Alabama. He asked five rather perfunctory questions. I do not mean that to demean his questioning. They are the same questions that I have asked nominees after I have satisfied myself that they possessed the requisite qualifications for the position. The questions were simply to the point of would he follow precedent, would he abide by the Supreme Court law, and so on. Of course, the judge answered yes. So those five minimal questions really do not establish much of a record upon which to make a decision.

Since then we have these allegations—again most recently in the newspaper—that, frankly, pose some very serious questions about whether the judge should have recused himself in an extremely important matter in his own State.

I first became aware of this nomination because of the question in my mind about whether or not the proper relationship of judges in Mississippi and Louisiana was being satisfied as a result of the nominee from Louisiana as opposed to a nominee from Mississippi. I am very concerned that the proper relationship always exist within the circuits. We are in the circuit of California, and, obviously, California is a very big part of the ninth circuit. We always want to make sure that we have the proper relationship there, and, if there is an Arizona position available, that position be filled from within Arizona.

I understand that issue has essentially been worked out based upon commitments that would be made about future nominees, and I may be wrong in this. But I also understand that Judge Abner Mikva was the person from the White House who wrote the letter expressing the commitment. Judge Mikva, of course, is no longer there, which illustrates the fact that commitments are important between people but sometimes circumstances change and it is not always possible to fulfill those commitments. So I thought that was resolved. I am not sure that it is. I would like to satisfy myself on that as well.

But, Mr. President, in view of the fact that these allegations are new, they were not before the committee at the time, and, therefore, certainly the Judiciary Committee cannot be blamed, but given the fact that a third of the committee has not participated in hearings on this judge, it seems to me that we would all be better served by having another hearing allowing the judge to come before us so we may question him about these matters. And I would feel much better about the decision that I would have to make later on as a member of the Judiciary Committee having that knowledge before me. Then, when colleagues who are not on the Judiciary Committee ask me what I think as a result of the fact that I participated in the nomination process, I would be in a better position to with some confidence say to them I reviewed it, we had him before us, I am convinced he will be just fine, or perhaps I still have some questions about it. But I will not know that unless we have this kind of an opportunity.

So I support the motion that has been made to recommit by the Senator from Mississippi reluctantly because it is more work for our chairman and our committee. But I think that is probably the proper thing to do with such an important nomination as a member of the fifth circuit court of appeals.

Again, I appreciate the Senator yielding the time.

Mr. COCHRAN. Mr. President, I thank the distinguished Senator for his comments, and I appreciate the information that he has made available to the Senate which has not yet been brought up on the floor; that is, that this is a new Congress, this is a new committee, and there are members of the committee and their staffs who have not had an opportunity to become familiar with this nominee.

He was reported out during the last Congress, and, frankly, had not been on the screen and had not been something that has been on the minds of members of the committee. As a matter of fact, I have had several Senators ask me who the nominee was and what the issue was. This is just simply something that has not been discussed around the Senate this year. It may have been remembered by some Senators who were here last year. But it is a matter of first impression, and that is why I think it is important to take a little bit of time to explain why the concerns are being raised and why the motion to recommit this nomination to the committee is being made.

The Senator from Delaware was good enough to discuss this nomination from his point of view as a former chairman of the Judiciary Committee and his recollections and his information from his staff about this case, but his attitude about it obviously is different from mine on the question of whether or not this is a serious issue and should be carefully considered by the Judiciary Committee after the new information about whether the judge should have recused himself in that case involving the Times-Picayune or whether this leads to a reasonable conclusion that this is not the kind of judgment that we want to see reflected by judges who occupy the second highest court in the land.

The court of appeals is just beneath the supreme court in terms of power and position in the hierarchy of our Federal judicial system. Most cases are disposed of at the court of appeals level which are appealed from the district courts. Very few cases go beyond the court of appeals to the supreme court. So this court, for really all practical reasons, is the court of last resort for most litigants, and so the power and the influence of courts of appeals are immense in our judicial system.

So those who are nominated to serve on that court should be subjected to the most careful scrutiny to determine their qualifications to serve on that court, their quality of judicial temperament, how they would approach the role of court of appeals judge, and, third, their adherence to the code of conduct of judges, their own personal judgment about ethical standards and the extent to which they should set a very high standard and an example, so that persons having business before the courts in our Federal judicial system will have confidence in the integrity of the judges, in their impartiality and in their abilities to be able to discharge these responsibilities at a high degree of excellence.

That is a pretty tall order when you have clearly laid out here a situation where Judge Dennis refused or neglected to let the Judiciary Committee know about this controversy that had arisen which involved him, not just as a judge on the Supreme Court of Louisiana but as a legislator, where he had actually participated in a decision made by the State supreme court not to grant certiorari in a case being appealed to that court from an intermediate court of appeals in the State, which involved issues in which he was personally involved and his son was personally involved, not to say that they had, either one, done anything illegal but nonetheless the fact that records of information involving their activities were at issue, and the question was whether or not there was a duty under the law to make this information available on the request of the Times-Picayune newspaper.

That was the question before the court. He was on the court, and he participated in ruling that they did not want to hear that case. The supreme court did not want to grant the right of appeal on this case to that court.

And so the net effect was to affirm or not disturb the decision that had been made by the intermediate court. And one aspect of that intermediate court's decision was not to require legislators to provide that information to the paper. The district court said they had to and they should and granted a writ of mandamus requiring legislators to respond affirmatively to requests and provide that information. They did not have the records in their custody.

The testimony at the trial level from the custodian of records at Tulane University was that Tulane did not give this information to anybody who asked for it. They gave the information to the legislators who wanted their records that were kept there about whom they gave these scholarships to, but Tulane was not going to respond to a request from the paper. And the legislators were not cooperating. They were not asking Tulane to give them the information so they could give it to the paper. So the question was whether these legislators could be compelled by a court of law or under a writ of mandamus to provide that information to the paper when it was requested.

That was the issue. And the distinguished Senator from Delaware says that was resolved before it got to the supreme court. Well, it was decided but it was not resolved.

I wish to read from the brief of the appellants who were asking the supreme court to take jurisdiction and to hear this appeal in assigning the errors committed by the intermediate court of appeals on page 9 of their brief.

> Assignments of error. The Fourth Circuit erroneously reversed that portion of the District Court's judgment which ordered that a writ of mandamus issue directing the respondent legislators to produce to the Times-Picayune those of the legislators' scholarship nomination forms in the possession of the legislators and/or in the possession of Tulane University.

That puts at issue the interests of Judge Dennis as a legislator. Forget about the fact that his son has gotten a scholarship from another legislator worth $60,000, and his name is in the records and that will be subject to being produced by that legislator upon request from the Times-Picayune. Forget that. Set that aside. I am talking about the judge's personal interest is at issue in that assignment of error. For the Senate to be told today that that issue was settled, it was not before the State supreme court, is just not true.

I am not suggesting it is an intentional misrepresentation, but I am reading from the brief where the assignments of error are laid out, and this is to the Supreme Court of the State of Louisiana. And all supreme court justices reviewed it and decided not to hear the case, and Judge Dennis decided to vote on that case without revealing his personal interests, without discussing his personal interests with litigants.

Now, that is an erroneous view of the responsibilities of a judge, under my state of reference, with the code of conduct clearly spelling out here about the duty to remain impartial, the duty to disqualify oneself in cases where there is a personal interest. That is a personal interest. The Judiciary Committee did not know at the time it reported out this nomination that this was even an issue. They did not know about this case. They did not know that it was becoming a controversy.

Only after they reported the nomination in the last Congress did this issue really become public. And because this new information came to light after the Judiciary Committee has acted, it is incumbent upon the Senate, in my judgment, to approve this motion to recommit the nomination to the Judiciary Committee and allow Senators like the Senator from Arizona, who spoke, who are new members of the committee, who never had an opportunity to look into these issues, to do so, and, I suggest, to have a hearing, to have a hearing that goes beyond five perfunctory questions that were asked of this nominee when he was before the committee in 1994.

The Senate ought to demand that more be done to satisfy us as to whether or not this nominee has the kind of attitude about judicial ethics and personal responsibilities of judges in cases in which they have an interest to deserve confirmation to a lifetime appointment on the second highest court in the land.

Mr. President, that is just as clear to me as anything can be, that to require the Senate to vote up or down on this nomination at a time when we have not had a full review of this issue by the committee in a hearing, if that is the disposition of the chairman and other members—and to give them that opportunity, we ought to vote for this motion.

I hope that Senators will look on their desks. I have put a copy or asked the pages to put a copy of an article that was written today by the Times-Picayune on this issue. I did not know the article was going to be written when this was being pushed to be brought up. But it has been written, and we made available copies. There are other newspaper articles that have been published by the Times-Picayune on this issue, and they all point to the fact that this is a case of great notoriety and importance in Louisiana.

I think it is a case that we should take a more active interest in than we have up to this point, and hence the opportunity today for the Senate to review the situation under this motion to recommit.

I hope the Senate will look with favor on the motion, and I urge approval of the motion to recommit the nomination.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, I had not planned to speak on this, but there have been some issues raised by both sides that I would like to clarify and put to rest.

One of the most difficult committees in the Congress is the Judiciary Committee. Its work is very important. We handle the confirmation of all judges in the Federal courts and confirmation of many, many other officials.

Nobody takes this responsibility any stronger or any more significantly than I do. Since I have been in the Senate, 19 years, a high percentage of judges who currently sit on the Federal bench have come before the committee while I have been a member. I consider the review of judicial nominees to be one of the most important functions of the Senate.

The committee has completed its investigation of Judge Dennis and into Justice Dennis' decision not to recuse himself from a lawsuit involving a Louisiana newspaper. Additionally, we have thoroughly investigated the nominee's failure to notify the committee of the newspaper's inquiry.

In my humble opinion, a case can be made that Justice Dennis should have recused himself pursuant to canon 2 of the Louisiana Code of Judicial Conduct. I do not believe that he intentionally violated any code of conduct. But, having said that, a case can be made that he should have recused himself in order to avoid the appearance of impropriety.

Now, this is a point Senator BIDEN and I may disagree on. Nevertheless, so everyone understands this, the committee has completed its investigation. Given the evidence before us, I am not satisfied that this isolated incident warrants Justice Dennis' disqualification from the Federal bench. In this instance, I do not think it does. Justice Dennis has provided answers on these questions to the Committee. It depends on whether you accept his answer or not and whether you will give him the benefit of the doubt. I accept his answer.

As chairman, I instructed my staff to offer to brief every member of the committee or members of their staff who wanted to be briefed on this matter prior to it coming to the floor. Additionally, we offered to brief anyone else who wanted to be briefed on this prior to the floor consideration.

I just want to make it very clear that, if the nominee is recommitted, it is my intention that the committee take no further action. I am not going to look into this any further. Everybody knows what there is to know about this. We are not going to hold any further hearings on the matter. If the nomination is recommitted, that is going to be it, as far as I am concerned. Accordingly, I am going to oppose the motion to recommit.

Now, I understand that the distinguished Senators from Mississippi believe there is an imbalance on the fifth circuit. I think Mississippi has not been treated as fairly as it should have been. In that regard, I have gone to the White House and made it very clear that the very next vacancy that is created, if we pass a new judgeship bill, that Mississippi is going to get that vacancy. And I will personally try to correct that deficiency.

But let us have nobody miss any bets here. The fact is, there is no excuse for anybody saying that we should recommit this and have rehearings and redecide this all over again. We are not going to do that. That decision is going to be made right here, right now. And if the motion to recommit is granted, that is going to be it for Justice Dennis.

I am going to oppose the motion to recommit because we have come a long way. I have seen judge after judge, whether a Republican administration or a Democratic administration, who had some problem in their lifetime that somebody can find some fault with. Some problems are valid to a degree. In this case, the judge claimed to have voted the right way, said that it was an oversight on his part, and basically he has an answer for it. Whether you agree with the judge's opinions or not, this justice appears to be an honorable, decent justice.

Frankly, I just want to make that clear so everybody knows as they vote here what is going to happen. There were no dissenting votes against the nominee from the committee. Justice Dennis was favorably reported out by unanimous consent. These questions came up afterwards. The committee reviewed this matter, and we offered every Senator or their staff members an opportunity to be briefed on the findings. I do not think there is any reason for anyone to think that this is something that is a first impression that has to upset this particular nominee.

I am willing to abide by the decision of the Senate in this matter, however I want to make the record clear, I am going to vote against this motion to recommit.

I yield the floor.

The PRESIDING OFFICER. Is there further debate on the motion?

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I do not intend to prolong the debate. I do want to add to the RECORD a copy of the newspaper article that has not been printed. I know Senator LOTT put a copy of an article from the Times-Picayune in the RECORD. I think he put in the article dated September 25. There is another article, July 23. I ask unanimous consent that both articles, to be sure we have them in the RECORD, be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Times-Picayune, July 23, 1995]

JUDGE DEFENDS HIS TULANE RECORDS VOTE

(By Tyler Bridges)

State Supreme Court Justice James Dennis, whose son received Tulane tuition waivers, later voted to deny a request by The Times-Picayune for review of a lower court decision in the newspaper's suit seeking access to five New Orleans legislators' Tulane scholarship nomination forms.

The newspaper eventually received the scholarship nomination forms of all Louisiana legislators by filing a subsequent lawsuit against Tulane.

The records obtained from that suit show that Stephen Dennis was awarded Tulane tuition waivers for three years in the late 1980s by then-state Rep. Charles D. Jones, D-Monroe.

An associate justice of the Louisiana Supreme Court since 1975, James Dennis last year was nominated to a federal judgeship by President Clinton. That nomination, to the 5th U.S. Circuit Court of Appeals, was approved by the Senate Judiciary Committee Thursday night and now goes to the Senate floor. Dennis, however, continues to face strong opposition from Mississippi's two senators, who argue that an appointee from their state deserves the judgeship and that Dennis is soft on crime. The appeals court hears cases from Texas, Louisiana and Mississippi.

Prior to his election to the Louisiana Supreme Court, Dennis, 59, a native of Monroe, was a state district judge, an appellate judge and a state representative.

The Tulane scholarship that Dennis' son received is awarded under a century-old program that permits every legislator to award a tuition waiver every year.

Jones, now a state senator, declined to explain why he nominated Stephen Dennis.

In a written statement to the newspaper, Dennis said that his son in 1985 had sought the scholarship on his own, "without my suggestion or help * * * At that time, Steve was 26 years old, married, and a resident of (Jone's) district. He and his wife were struggling but fully self-supporting and financially independent of me. I was unable to assist Steve in going to law school because of my obligations of support owed to my wife and three younger children. I did not ask (Jones) to nominate Steve for the waiver. I believe that the nomination was made on the basis of Steve's academic record, his financial need of educational assistance and his outstanding extracurricular and other achievements."

Dennis in March 1995 voted in the majority of a 6-1 decision to deny The Times-Picayune's request that the Supreme Court review an appeals court ruling to the newspaper's suit against the new Orleans legislators.

In a written statement to the newspaper, Dennis said the case did not pose a conflict of interest for him because the appeals court already had upheld The Times-Picayune's primary contention that the nominating forms were a public record. Dennis said further review of the "collateral issues" raised by The Times-Picayune's request for review was not warranted.

While the appeals court upheld the newspaper's position that the forms were public records, it also had ruled that legislators were not required to get their scholarship nomination forms from Tulane if they did not have the forms in their possession. This issue was important to the newspaper because numerous legislators had declined to identify their recipients, no longer held the forms themselves and had declined to get the forms from Tulane. In fact, even after the appeals court ruling, four of the five defendants refused to obtain their forms from Tulane and make them public.

"I did not have any interest in the outcome of the only issue to come before the Supreme Court," Dennis wrote the newspaper. He would not answer questions beyond his written statement.

Under the Louisiana Code of Civil Procedure, a judge may recuse himself when he "is biased, prejudiced or interested in the cause or its outcome or biased or prejudiced toward or against the parties . . . to such an extent that he would be unable to conduct fair and impartial proceedings."

After the Supreme Court denied The Times-Picayune's request for review, the newspaper filed suit to force Tulane to release the scholarship nomination forms of all Louisiana legislators. Civil District Judge Gerald Fedoroff ruled in the newspaper's favor in June, and Tulane released the records this month.

[From the Times-Picayune, Sept. 28, 1995]

TULANE ROLE MAY KILL POST

(By Bruce Alpert)

WASHINGTON.—Louisiana Supreme Court Justice James Dennis' role in the Tulane University scholarship scandal may kill his dream of winning Senate approval as a federal appeals court judge.

Sen. Thad Cochran, R-Miss., believes that the Senate Judiciary Committee "should reconsider" its earlier decision to support Dennis' nomination to the 5th Circuit Court of Appeals "because of information that came to light after the committee acted," said Stephen Hayes, the senator's spokesman.

Cochran referred to revelations that Dennis voted to deny a request by The Times-Picayune for review of a lower court decision in the newspaper's suit seeking access to Tulane scholarship information; even though his son received one of the tuition waivers.

Cochran and fellow Mississippi Sen. Trent Lott, the Senate's second most powerful member, have long opposed the Dennis nomination; arguing that the appointment should go to a resident of their state. But the revelations about Dennis' role in the Tulane case have given their efforts new life.

Hayes said Cochran would make a motion to delay a floor vote and return the issue to the Senate Judiciary Committee if Senate Majority Leader Bob Dole, R-Kan., bows to pressure from Louisiana's two Democratic senators, John Breaux and J. Bennett Johnston, to move the matter for a yes-or-no vote.

Breaux, in particular, was instrumental in getting President Clinton to nominate Dennis for the appeals court, which handles cases from Louisiana, Texas and Mississippi. But the nomination, first made in 1994, has never reached the Senate floor.

On Wednesday, Bette Phelan, spokeswoman for Breaux, said both her boss and Johnston "continue to urge Senator Dole to schedule a vote on Judge Dennis' nomination as soon as possible."

Judiciary Committee staff conducted a review of the judge's role in the Tulane scholarship case, a committee spokeswoman said. But she would not discuss the findings, saying only that interested senators can call the committee and get an oral summary.

Two people familiar with the committee staff finding offer different assessments of what the committee staff found. One described the findings as "more critical than positive" about the judge, while another said the staff simply summarized information previously reported in The Times-Picayune.

At issue is Dennis' vote in a 8-1 Supreme Court decision is March to deny The Times-Picayune's request for access to five New Orleans legislators' Tulane scholarship nomination forms.

Dennis declined to comment Wednesday. But earlier, in a written statement to the newspaper, Dennis said the case did not pose a conflict of interest because the appeals court already had upheld The Times-Picayune's primary contention that the nomination forms are public records.

Charles D. Jones, the one-time state senator who granted the scholarship to Dennis' son, wrote a letter to the committee last week. In it, he supports the judge's account that Dennis had nothing to do with the awarding of the scholarship to Stephen Dennis.

"Stephen contacted me, expressed his need for financial assistance to pursue his education, requested the tuition waiver and I was glad to recommend him for it," Jones wrote Committee Chairman Orrin Hatch, R-Utah. "Justice James Dennis did not participate in any request directly or indirectly in my initial decision to recommend Stephen for the tuition waiver."

Ironically, both Louisiana senators have children who benefited from the scholarship program. Johnston's two children received legislative tuition waivers, and a son of Breaux got a waiver from former New Orleans Mayor Sidney Barthelemy.

Mr. COCHRAN. Mr. President, it seems to me that the facts that led me to file this motion have been fully provided to the Senate. The code, the canons of ethics involving impartiality, the responsibility of judges under these circumstances have been discussed.

I do want to point out that the Fifth Circuit Court of Appeals for the State of Louisiana itself handed down a case in August 1986 in which the obligation of judges to disqualify themselves in cases in which they have a personal knowledge is one that the court takes very seriously.

One of the head notes in that case is as follows:

> Under the disqualification statute, recusal is required even when a judge lacks actual knowledge of the facts, indicating his interest or bias in the case, if a reasonable person knowing all the circumstances would expect that the judge would have actual knowledge.

It strikes me in reading that and then looking at the underlying decision of the court of appeals—incidentally, this case came out of the State of Louisiana, so it should have been within the knowledge of the judge as to what the law is, not just the canons of ethics, but what the law is regarding recusal and disqualification.

But it strikes me that this clearly applies to this situation. Not only did the judge have personal knowledge about the scholarship benefits that State legislators could award, he had to know that these records were kept at Tulane, he had to know that legislators did not like to provide information from those records to the general public, he had to know the importance of this to the class to which he personally belonged, the legislators of the State of Louisiana.

So irrespective of the fact that his son had been given a scholarship worth $60,000 to Tulane by another legislator and that that information would be made available, or arguably could be, under a writ of mandamus or would be required to be made available if the court upheld the district court's rule, all of this information and the involvement of the judge personally in this program, the benefits that had been given to his family as a result of this program, all would become public knowledge at a time when he had been nominated to serve on the court of appeals and the Judiciary Committee of the United States had his nomination under consideration. And were it divulged that this information was coming to light at that time, this could have had an adverse effect on the proceedings to consider his nomination.

All of that is clear now, but it was withheld from the Judiciary Committee by his neglect to advise that he had been contacted by a reporter at the Times-Picayune. But it is just as clear as it can possibly be that this should have been the subject of inquiry by the Judiciary Committee at the time. And a senior staff member, when we were getting a briefing in my office about the follow-up investigation that the chairman ordered, said that if the Judiciary Committee had that information at the time they reported out the nomination, they would not have done it.

This is an opportunity to give the Judiciary Committee the opportunity to make a decision based on the full facts, a full investigation. If a hearing is required, any member of the Judiciary Committee can ask the chairman to have a hearing. He says it is not the intent to have a hearing. Well, I think it ought to be looked into further. I think closer scrutiny ought to be brought to bear on this nomination by this committee so that all members of the committee will have a set of facts on which to base a decision about the fitness of this person to serve on the court of appeals.

Mr. President, I urge the Senate to approve the motion to recommit.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. For the benefit of all our colleagues, so they will know on their schedules what is coming, I ask unanimous consent that the vote occur on the motion to recommit the Dennis nomination at 3 p.m. today, 25 minutes from now.

Mr. FORD. Mr. President, I want to inform the Chair that this side has no objection to the distinguished Senator's motion.

The PRESIDING OFFICER. Is there objection to the request? Without objection, it is so ordered.

Mr. COCHRAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. COCHRAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COCHRAN. Mr. President, I ask for the yeas and nays on the motion to recommit.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. COCHRAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LOTT. Mr. President, I ask unanimous consent the the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. THOMPSON). Without objection, it is so ordered.

Under the previous order, the question occurs on the motion to recommit.

The yeas and nays have been ordered.

The clerk will call the roll.

The bill clerk called the roll.

The result was announced—yeas 46, nays 54, as follows:

[Rollcall Vote No. 473 Leg.]

YEAS—46

Abraham
Ashcroft
Bond
Brown
Burns
Chafee
Coats
Cochran
Cohen
Coverdell
Craig
D'Amato
DeWine
Dole
Domenici
Faircloth
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Helms
Hutchison
Inhofe
Kassebaum
Kempthorne
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Pressler
Roth
Santorum
Shelby
Smith
Snowe
Specter
Thomas
Thompson
Thurmond
Warner

NAYS—54

Akaka
Baucus
Bennett
Biden
Bingaman
Boxer
Bradley
Breaux
Bryan
Bumpers
Byrd
Campbell
Conrad
Daschle
Dodd
Dorgan
Exon
Feingold
Feinstein
Ford
Glenn
Graham
Harkin
Hatch
Hatfield
Heflin
Hollings
Inouye
Jeffords
Johnston
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Mikulski
Moseley-Braun
Moynihan
Murray
Nunn
Packwood
Pell
Pryor
Reid
Robb
Rockefeller
Sarbanes
Simon
Simpson
Stevens
Wellstone

So, the motion to recommit was rejected.

Mr. REID. Mr. President, I move to reconsider the vote.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of James L. Dennis, of Louisiana, to be U.S. circuit judge for the fifth circuit?

The nomination was confirmed.

Mr. BREAUX. Mr. President, I move to reconsider the vote.

Mr. DOLE. I ask unanimous consent that the President be immediately notified that the Senate has given its consent to this nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. DOLE. I ask unanimous consent that the Senate now resume legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEPARTMENT OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 1996

Mr. DOLE. I now ask unanimous consent that the Senate turn to the consideration of the State-Justice-Commerce appropriations bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I will just give my colleagues an update on where we are on the items to be completed before the recess.

The State-Justice-Commerce appropriations bill. I understand there is some great progress being made on that bill.

The Interior appropriations conference report is coming from the House on Friday. We did have a rollcall vote on the bill. I am not certain we will need a rollcall vote on the conference report. We have had a request for a vote on one or the other.

The DOD appropriations conference report is coming from the House Friday. A rollcall vote was taken on that bill, too. If somebody requests a vote, obviously we will have one.

The continuing resolution arrived from the House this afternoon. We hope to pass that by unanimous consent.

Then the adjournment resolution, which I do not think there will be a vote on.

Then the Senate Finance Committee needs to complete action on their portion of the reconciliation package, and I could announce to members of the Finance Committee right now we have staff on each side going through a number of amendments to see if they, staff, can agree, Republican and Democratic staff, and put them in a little "cleared" pile and a "rejected" pile and then "above our pay grade" pile, which will be for Members' consultation. We hope to save a lot of time that way. The chairman has indicated that he will call us back to the Finance Committee meeting as soon as that has been completed.

So it seems to me there is no reason for us to be anything but optimistic about next week at this point. Much will depend on the leadership of the distinguished Senator from Texas [Mr. GRAMM] and the distinguished Senator from South Carolina [Mr. HOLLINGS].

Mr. DASCHLE. Will the Senator yield?

Mr. DOLE. I will be happy to yield.

Mr. DASCHLE. The majority leader did not mention the Middle East facilitation bill. Is that on the list?

Mr. DOLE. I think that is going to be resolved. I need to talk to the Senator about that.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 2076) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1996, and for other purposes.

The Senate proceeded to consider the bill which had been reported from the Committee on Appropriations with amendments, as follows:

[The parts of the bill intended to be stricken are shown in boldface brackets and the parts of the bill intended to be inserted are shown in italic.]

H.R. 2076

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 1996, and for other purposes, namely:

TITLE I—DEPARTMENT OF JUSTICE

GENERAL ADMINISTRATION

SALARIES AND EXPENSES

For expenses necessary for the administration of the Department of Justice, $74,282,000; including not to exceed $3,317,000 for the Facilities Program 2000, and including $5,000,000 for management and oversight of Immigration and Naturalization Service activities, both sums to remain available until expended*: Provided, That not to exceed 45 permanent positions and full-time equivalent workyears and $7,477,000 shall be expended for the Department Leadership program: Provided further, That not to exceed 76 permanent positions and 90 full-time equivalent workyears and $9,487,000 shall be expended for the Executive Support program: Provided further, That the two aforementioned programs shall not be augmented by personnel details, temporary transfers of personnel on either a reimbursable or non-reimbursable basis or any other type of formal or informal transfer or reimbursement of personnel or funds on either a temporary or long-term basis.*

(TRANSFER OF FUNDS)

For the Joint Automated Booking Station, $11,000,000 shall be made available until expended, to be derived by transfer from unobligated balances of the Working Capital Fund in the Department of Justice.

POLICE CORPS

For police corps grants authorized by Public Law 103-322, $10,000,000, to remain available until expended, which shall be derived from the Violent Crime Reduction Trust Fund.

COUNTERTERRORISM FUND

For necessary expenses, as determined by the Attorney General, $26,898,000, to remain available until expended, to reimburse any Department of Justice organization for (1) the costs incurred in reestablishing the operational capability of an office or facility which has been damaged or destroyed as a result of the bombing of the Alfred P. Murrah Federal Building in Oklahoma City or any domestic or international terrorist incident, (2) the costs of providing support to counter, investigate or prosecute domestic or international terrorism, including payment of rewards in connection with these activities, and (3) the costs of conducting a terrorism threat assessment of Federal agencies and their facilities: *Provided*, That funds provided under this section shall be available only after the Attorney General notifies the Committees on Appropriations of the House of Representatives and the Senate in accordance with section 605 of this Act.

ADMINISTRATIVE REVIEW AND APPEALS

For expenses necessary for the administration of pardon and clemency petitions and immigration related activities, [$39,736,000] *$72,319,000*.

VIOLENT CRIME REDUCTION PROGRAMS, ADMINISTRATIVE REVIEW AND APPEALS

For activities authorized by [sections 130005 and] *section* 130007 of Public Law 103–322, [$47,780,000] *$14,347,000*, to remain available until expended, which shall be derived from the Violent Crime Reduction Trust Fund.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, $30,484,000; including not to exceed $10,000 to meet unforeseen emergencies of a confidential character, to be expended under the direction of, and to be accounted for solely under the certificate of, the Attorney General; and for the acquisition, lease, maintenance and operation of motor vehicles without regard to the general purchase price limitation.

United States Parole Commission

SALARIES AND EXPENSES

For necessary expenses of the United States Parole Commission as authorized by law, $5,446,000.

Legal Activities

SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES

For expenses necessary for the legal activities of the Department of Justice, not otherwise provided for, including activities authorized by title X of the Civil Rights Act of 1964, and including not to exceed $20,000 for expenses of collecting evidence, to be expended under the direction of, and to be accounted for solely under the certificate of, the Attorney General; and rent of private or Government-owned space in the District of Columbia; [$401,929,000] *$431,660,000*; of which not to exceed $10,000,000 for litigation support contracts shall remain available until expended: *Provided*, That of the funds available in this appropriation, not to exceed $22,618,000 shall remain available until expended for office automation systems for the legal divisions covered by this appropriation, and for the United States Attorneys, the Antitrust Division, and offices funded through "Salaries and Expenses", General Administration: *Provided further*, That of the total amount appropriated, not to exceed $1,000 shall be available to the United States National Central Bureau, INTERPOL, for official reception and representation expenses: *Provided further*, That notwithstanding 31 U.S.C. 1342, the Attorney General may accept on behalf of the United States and credit it to this appropriation, gifts of money, personal property and services, for the purpose of hosting the International Criminal Police Organization's (INTERPOL) American Regional Conference in the United States during fiscal year 1996.

In addition, for reimbursement of expenses of the Department of Justice associated with processing cases under the National Childhood Vaccine Injury Act of 1986, not to exceed $4,028,000, to be appropriated from the Vaccine Injury Compensation Trust Fund, as authorized by section 6601 of the Omnibus Budget Reconciliation Act, 1989, as amended by Public Law 101–512 (104 Stat. 1289).

VIOLENT CRIME REDUCTION PROGRAMS, GENERAL LEGAL ACTIVITIES

For the expeditious deportation of denied asylum applicants, as authorized by section 130005 of Public Law 103–322, [$7,591,000] *$2,991,000*, to remain available until expended, which shall be derived from the Violent Crime Reduction Trust Fund.

SALARIES AND EXPENSES, ANTITRUST DIVISION

For expenses necessary for the enforcement of antitrust and kindred laws, $69,143,000: *Provided*, That notwithstanding any other provision of law, not to exceed $48,262,000 of offsetting collections derived from fees collected for premerger notification filings under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (15 U.S.C. 18(a)) shall be retained and used for necessary expenses in this appropriation, and shall remain available until expended: *Provided further*, That the sum herein appropriated from the General Fund shall be reduced as such offsetting collections are received during fiscal year 1996, so as to result in a final fiscal year 1996 appropriation from the General Fund estimated at not more than $20,881,000: *Provided further*, That any fees received in excess of $48,262,000 in fiscal year 1996, shall remain available until expended, but shall not be available for obligation until October 1, 1996.

SALARIES AND EXPENSES, UNITED STATES ATTORNEYS

For necessary expenses of the Office of the United States Attorneys, including intergovernmental agreements, [$896,825,000] *$920,537,000*, of which not to exceed $2,500,000 shall be available until September 30, 1997 for the purposes of (1) providing training of personnel of the Department of Justice in debt collection, (2) providing services to the Department of Justice related to locating debtors and their property, such as title searches, debtor skiptracing, asset searches, credit reports and other investigations, (3) paying the costs of the Department of Justice for the sale of property not covered by the sale proceeds, such as auctioneers' fees and expenses, maintenance and protection of property and businesses, advertising and title search and surveying costs, and (4) paying the costs of processing and tracking debts owed to the United States Government: *Provided*, That of the total amount appropriated, not to exceed $8,000 shall be available for official reception and representation expenses: *Provided further*, That not to exceed $10,000,000 of those funds available for automated litigation support contracts and $4,000,000 for security equipment shall remain available until expended.

VIOLENT CRIME REDUCTION PROGRAMS, UNITED STATES ATTORNEYS

[For activities authorized by sections 190001(d), 40114 and 130005 of Public Law 103–322, $14,731,000, to remain available until expended, which shall be derived from the Violent Crime Reduction Trust Fund, of which $5,000,000 shall be available to help meet increased demands for litigation and related activities, $500,000 to implement a program to appoint additional Federal Victim's Counselors, and $9,231,000 for expeditious deportation of denied asylum applicants.]

For activities authorized by sections 190001(b) and 190001(d) of Public Law 103–322, $30,000,000, to remain available until expended, which shall be derived from the Violent Crime Reduction Trust Fund.

UNITED STATES TRUSTEE SYSTEM FUND

For the necessary expenses of the United States Trustee Program, [$101,596,000] *$103,183,000*, as authorized by 28 U.S.C. 589a(a), to remain available until expended, for activities authorized by section 115 of the Bankruptcy Judges, United States Trustees, and Family Farmer Bankruptcy Act of 1986 (Public Law 99–554), which shall be derived from the United States Trustee System Fund: *Provided*, That deposits to the Fund are available in such amounts as may be necessary to pay refunds due depositors: *Provided further*, That, notwithstanding any other provision of law, not to exceed $44,191,000 of offsetting collections derived from fees collected pursuant to section 589a(f) of title 28, United States Code, as amended, shall be retained and used for necessary expenses in this appropriation: *Provided further*, That the [$101,596,000] *$103,183,000* herein appropriated from the United States Trustee System Fund shall be reduced as such offsetting collections are received during fiscal year 1996, so as to result in a final fiscal year 1996 appropriation from such Fund estimated at not more than [$57,405,000] *$58,992,000*: *Provided further*, That any of the aforementioned fees collected in excess of $44,191,000 in fiscal year 1996 shall remain available until expended, but shall not be available for obligation until October 1, 1996.

SALARIES AND EXPENSES, FOREIGN CLAIMS SETTLEMENT COMMISSION

For expenses necessary to carry out the activities of the Foreign Claims Settlement Commission, including services as authorized by 5 U.S.C. 3109, [$830,000] *$905,000*.

SALARIES AND EXPENSES, UNITED STATES MARSHALS SERVICE

For necessary expenses of the United States Marshals Service; including the acquisition, lease, maintenance, and operation of vehicles and aircraft, and the purchase of passenger motor vehicles for police-type use without regard to the general purchase price limitation for the current fiscal year; [$418,973,000] *$439,639,000*, as authorized by 28 U.S.C. 561(i), of which not to exceed $6,000 shall be available for official reception and representation expenses.

VIOLENT CRIME REDUCTION PROGRAMS, UNITED STATES MARSHALS SERVICE

For activities authorized by section 190001(b) of Public Law 103–322, [$25,000,000] *$15,000,000*, to remain available until expended, which shall be derived from the Violent Crime Reduction Trust Fund.

[SUPPORT OF UNITED STATES PRISONERS]

FEDERAL PRISONER DETENTION

For [support of] *expenses related to* United States prisoners in the custody of the United States Marshals Service as authorized in 18

U.S.C. 4013, but not including expenses otherwise provided for in appropriations available to the Attorney General; [$250,331,000] *$295,331,000*, as authorized by 28 U.S.C. 561(i), to remain available until expended.

FEES AND EXPENSES OF WITNESSES

For expenses, mileage, compensation, and per diems of witnesses, for expenses of contracts for the procurement and supervision of expert witnesses, for private counsel expenses, and for per diems in lieu of subsistence, as authorized by law, including advances, $85,000,000, to remain available until expended; of which not to exceed $4,750,000 may be made available for planning, construction, renovation, maintenance, remodeling, and repair of buildings and the purchase of equipment incident thereto for protected witness safesites; of which not to exceed $1,000,000 may be made available for the purchase and maintenance of armored vehicles for transportation of protected witnesses; and of which not to exceed $4,000,000 may be made available for the purchase, installation and maintenance of a secure automated information network to store and retrieve the identities and locations of protected witnesses.

ASSETS FORFEITURE FUND

For expenses authorized by 28 U.S.C. 524(c)(1)(A)(ii), (B), (C), (F), and (G), as amended, $35,000,000 to be derived from the Department of Justice Assets Forfeiture Fund.

RADIATION EXPOSURE COMPENSATION

ADMINISTRATIVE EXPENSES

For necessary administrative expenses in accordance with the Radiation Exposure Compensation Act, $2,655,000.

PAYMENT TO RADIATION EXPOSURE COMPENSATION TRUST FUND

For payments to the Radiation Exposure Compensation Trust Fund, $16,264,000, to become available on October 1, 1996.

INTERAGENCY LAW ENFORCEMENT

INTERAGENCY CRIME AND DRUG ENFORCEMENT

For necessary expenses for the detection, investigation, and prosecution of individuals involved in organized crime drug trafficking not otherwise provided for, to include intergovernmental agreements with State and local law enforcement agencies engaged in the investigation and prosecution of individuals involved in organized crime drug trafficking, [$374,943,000] *$359,843,000*, of which $50,000,000 shall remain available until expended: *Provided*, That any amounts obligated from appropriations under this heading may be used under authorities available to the organizations reimbursed from this appropriation: *Provided further*, That any unobligated balances remaining available at the end of the fiscal year shall revert to the Attorney General for reallocation among participating organizations in succeeding fiscal years, subject to the reprogramming procedures described in section 605 of this Act.

FEDERAL BUREAU OF INVESTIGATION

SALARIES AND EXPENSES

For expenses necessary for detection, investigation, and prosecution of crimes against the United States; including purchase for police-type use of not to exceed 1,815 passenger motor vehicles of which 1,300 will be for replacement only, without regard to the general purchase price limitation for the current fiscal year, and hire of passenger motor vehicles; acquisition, lease, maintenance and operation of aircraft; and not to exceed $70,000 to meet unforeseen emergencies of a confidential character, to be expended under the direction of, and to be accounted for solely under the certificate of, the Attorney General; [$2,251,481,000] *$2,315,341,000*, of which not to exceed $50,000,000 for automated data processing and telecommunications and technical investigative equipment and $1,000,000 for undercover operations shall remain available until September 30, 1997; *of which not less than $121,345,000 shall be for counterterrorism investigations, foreign counterintelligence, and other activities related to our national security;* of which not to exceed [$14,000,000 for research and development related to investigative activities] *$98,400,000* shall remain available until expended; *and* of which not to exceed $10,000,000 is authorized to be made available for making payments or advances for expenses arising out of contractual or reimbursable agreements with State and local law enforcement agencies while engaged in cooperative activities related to violent crime, terrorism, organized crime, and drug investigations; and of which $1,500,000 shall be available to maintain an independent program office dedicated solely to the relocation of the Criminal Justice Information Services Division and the automation of fingerprint identification services: *Provided*, That not to exceed $45,000 shall be available for official reception and representation expenses[: *Provided further*, That $50,000,000 for expenses related to digital telephony shall be available for obligation only upon enactment of authorization legislation].

VIOLENT CRIME REDUCTION PROGRAMS

[For activities authorized by Public Law 103–322, $80,600,000, to remain available until expended, which shall be derived from the Violent Crime Reduction Trust Fund, of which $35,000,000 shall be for activities authorized by section 190001(c); $27,800,000 for activities authorized by section 190001(b); $4,000,000 for Training and Investigative Assistance authorized by section 210501(c)(2); $8,300,000 for training facility improvements at the Federal Bureau of Investigation Academy at Quantico, Virginia authorized by section 210501(c)(3); and $5,500,000 for establishing DNA quality assurance and proficiency testing standards, establishing an index to facilitate law enforcement exchange of DNA identification information, and related activities authorized by section 210306.]

For activities authorized by Public Law 103–322 or Senate bill 735 as passed by the Senate on June 7, 1995, $282,500,000, to remain available until expended, which shall be derived from the Violent Crime Reduction Trust Fund, of which $50,000,000 shall be for activities authorized in section 521(a)(1) of Senate bill 735; of which $42,820,000 shall be for activities authorized in section 521(a)(2) of said Act; of which $13,900,000 shall be for activities authorized in section 521(a)(5) of said Act; and of which $148,280,000 shall be for activities authorized in section 521(a)(7) of said Act; and of which $5,500,000 shall be for activities authorized by section 210306 of Public Law 103–322.

CONSTRUCTION

For necessary expenses to construct or acquire buildings and sites by purchase, or as otherwise authorized by law (including equipment for such buildings); conversion and extension of federally-owned buildings; and preliminary planning and design of projects; [$98,400,000] *$147,800,000*, to remain available until expended.

DRUG ENFORCEMENT ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses of the Drug Enforcement Administration, including not to exceed $70,000 to meet unforeseen emergencies of a confidential character, to be expended under the direction of, and to be accounted for solely under the certificate of, the Attorney General; expenses for conducting drug education and training programs, including travel and related expenses for participants in such programs and the distribution of items of token value that promote the goals of such programs; purchase of not to exceed 1,208 passenger motor vehicles, of which 1,178 will be for replacement only, for police-type use without regard to the general purchase price limitation for the current fiscal year; and acquisition, lease, maintenance, and operation of aircraft; [$781,488,000] *$790,000,000*, of which not to exceed $1,800,000 for research and $15,000,000 for transfer to the Drug Diversion Control Fee Account for operating expenses shall remain available until expended, and of which not to exceed $4,000,000 for purchase of evidence and payments for information, not to exceed $4,000,000 for contracting for ADP and telecommunications equipment, and not to exceed $2,000,000 for technical and laboratory equipment shall remain available until September 30, 1997, and of which not to exceed $50,000 shall be available for official reception and representation expenses.

VIOLENT CRIME REDUCTION PROGRAMS

[For Drug Enforcement Administration agents authorized by section 180104 of Public Law 103–322, $12,000,000, to remain available until expended, which shall be derived from the Violent Crime Reduction Trust Fund.]

For activities authorized by section 524(b) of Senate bill 735 as passed by the Senate on June 7, 1995, $60,000,000, to remain available until expended, which shall be derived from the Violent Crime Reduction Trust Fund.

IMMIGRATION AND NATURALIZATION SERVICE

SALARIES AND EXPENSES

For expenses, not otherwise provided for, necessary for the administration and enforcement of the laws relating to immigration, naturalization, and alien registration, including not to exceed $50,000 to meet unforeseen emergencies of a confidential character, to be expended under the direction of, and to be accounted for solely under the certificate of, the Attorney General; purchase for police-type use (not to exceed 813 of which 177 are for replacement only) without regard to the general purchase price limitation for the current fiscal year, and hire of passenger motor vehicles; acquisition, lease, maintenance and operation of aircraft; and research related to immigration enforcement; [$1,421,481,000] *$953,934,000*, of which not to exceed $400,000 for research shall remain available until expended, and of which not to exceed $10,000,000 shall be available for costs associated with the training program for basic officer training: *Provided*, That none of the funds available to the Immigration and Naturalization Service shall be available for administrative expenses to pay any employee overtime pay in an amount in excess of $25,000 during the calendar year beginning January 1, 1996: *Provided further*, That uniforms may be purchased without regard to the general purchase price limitation for the current fiscal year: *Provided further*, That not to exceed $5,000 shall be available for official reception and representation expenses: *Provided further*, That the Attorney General may transfer to the Department of Labor and the Social Security Administration not to exceed [$30,000,000] *$10,000,000* for programs to verify the immigration status of persons seeking employment in the United States[: *Provided further*, That none of the funds appropriated in this Act may be used to operate the Border Patrol traffic checkpoints located in San Clemente, California, at interstate highway 5 and in Temecula, California, at interstate highway 15]*: Provided further, That not to exceed 15 positions shall be available for the Office of Public Affairs at the Immigration and Naturalization Service and not to exceed 10 positions shall be available for the Office of Congressional Affairs at the Immigration and Naturalization Service: Provided further, That the two aforementioned offices shall not be augmented by personnel details, temporary transfers of personnel in either a reimbursable or non-reimbursable basis or any other type of formal or informal transfer or reimbursement of personnel or funds on either a temporary or long-term basis.*

VIOLENT CRIME REDUCTION PROGRAMS

[For activities authorized by sections 130005, 130006, 130007, and 190001(b) of Public Law 103–322, $303,542,000, to remain available until expended, which shall be derived from the Violent Crime Reduction Trust Fund, of which $44,089,000 shall be for expeditious deportation of denied asylum applicants, $218,800,000 for improving border controls, $35,153,000 for expanded special deportation proceedings, and $5,500,000 for border patrol equipment.]

For activities authorized by sections 130005, 130006, and 130007 of Public Law 103–322, $165,362,000, to remain available until expended, which shall be derived from the Violent Crime Reduction Trust Fund, of which $20,360,000 shall be for expeditious deportation of denied asylum applicants, $114,463,000 for improving border controls, and $40,539,000 for expanded special deportation proceedings.

BORDER PATROL

SALARIES AND EXPENSES

For expenses necessary for Border Patrol Operations, $489,200,000, to remain available until expended.

VIOLENT CRIME REDUCTION PROGRAMS

For activities authorized by section 130006 of Public Law 103–322, $127,300,000, to remain available until expended, which shall be derived from the Violent Crime Reduction Trust Fund.

CONSTRUCTION

For planning, construction, renovation, equipping and maintenance of buildings and facilities necessary for the administration and enforcement of the laws relating to immigration, naturalization, and alien registration, not otherwise provided for, [$11,000,000] *$35,000,000*, to remain available until expended.

FEDERAL PRISON SYSTEM

SALARIES AND EXPENSES

For expenses necessary for the administration, operation, and maintenance of Federal penal and correctional institutions, including purchase (not to exceed 853, of which 559 are for replacement only) and hire of law enforcement and passenger motor vehicles; and for the provision of technical assistance and advice on corrections related issues to foreign governments; $2,574,578,000: *Provided*, That there may be transferred to the Health Resources and Services Administration such amounts as may be necessary, in the discretion of the Attorney General, for direct expenditures by that Administration for medical relief for inmates of Federal penal and correctional institutions: *Provided further*, That the Director of the Federal Prison System (FPS), where necessary, may enter into contracts with a fiscal agent/fiscal intermediary claims processor to determine the amounts payable to persons who, on behalf of the FPS, furnish health services to individuals committed to the custody of the FPS: *Provided further*, That uniforms may be purchased without regard to the general purchase price limitation for the current fiscal year: *Provided further*, That not to exceed $6,000 shall be available for official reception and representation expenses: *Provided further*, That not to exceed $50,000,000 for the activation of new facilities shall remain available until September 30, 1997: *Provided further*, That of the amounts provided for Contract Confinement, not to exceed $20,000,000 shall remain available until expended to make payments in advance for grants, contracts and reimbursable agreements and other expenses authorized by section 501(c) of the Refugee Education Assistance Act of 1980 for the care and security in the United States of Cuban and Haitian entrants.

VIOLENT CRIME REDUCTION PROGRAMS

For substance abuse treatment in Federal prisons as authorized by section 32001(e) of Public Law 103–322, $13,500,000, to remain available until expended, which shall be derived from the Violent Crime Reduction Trust Fund.

NATIONAL INSTITUTE OF CORRECTIONS

For carrying out the provisions of sections 4351–4353 of title 18, United States Code, which established a National Institute of Corrections, and for the provision of technical assistance and advice on corrections related issues, $8,000,000, to remain available until expended.

BUILDINGS AND FACILITIES

For planning, acquisition of sites and construction of new facilities; leasing the Oklahoma City Airport Trust Facility; purchase and acquisition of facilities and remodeling and equipping of such facilities for penal and correctional use, including all necessary expenses incident thereto, by contract or force account; and constructing, remodeling, and equipping necessary buildings and facilities at existing penal and correctional institutions, including all necessary expenses incident thereto, by contract or force account; [$323,728,000] *$349,410,000*, to remain available until expended, of which not to exceed $14,074,000 shall be available to construct areas for inmate work programs: *Provided*, That labor of United States prisoners may be used for work performed under this appropriation: *Provided further*, That not to exceed 10 percent of the funds appropriated to "Buildings and Facilities" in this Act or any other Act may be transferred to "Salaries and Expenses," Federal Prison System upon notification by the Attorney General to the Committees on Appropriations of the House of Representatives and the Senate in compliance with provisions set forth in section 605 of this Act: *Provided further*, That of the total amount appropriated, not to exceed $22,351,000 shall be available for the renovation and construction of United States Marshals Service prisoner holding facilities.

FEDERAL PRISON INDUSTRIES, INCORPORATED

The Federal Prison Industries, Incorporated, is hereby authorized to make such expenditures, within the limits of funds and borrowing authority available, and in accord with the law, and to make such contracts and commitments, without regard to fiscal year limitations as provided by section 9104 of title 31, United States Code, as may be necessary in carrying out the program set forth in the budget for the current fiscal year for such corporation, including purchase of (not to exceed five for replacement only) and hire of passenger motor vehicles.

LIMITATION ON ADMINISTRATIVE EXPENSES, FEDERAL PRISON INDUSTRIES, INCORPORATED

Not to exceed $3,559,000 of the funds of the corporation shall be available for its administrative expenses, and for services as authorized by 5 U.S.C. 3109, to be computed on an accrual basis to be determined in accordance with the corporation's current prescribed accounting system, and such amounts shall be exclusive of depreciation, payment of claims, and expenditures which the said accounting system requires to be capitalized or charged to cost of commodities acquired or produced, including selling and shipping expenses, and expenses in connection with acquisition, construction, operation, maintenance, improvement, protection, or disposition of facilities and other property belonging to the corporation or in which it has an interest.

OFFICE OF JUSTICE PROGRAMS

JUSTICE ASSISTANCE

For grants, contracts, cooperative agreements, and other assistance authorized by title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, and the Missing Children's Assistance Act, as amended, including salaries and expenses in connection therewith, and with the Victims of Crime Act of 1984, as amended, [$97,977,000] *$102,345,000*, to remain available until expended, as authorized by section 1001 of title I of the Omnibus Crime Control and Safe Streets Act, as amended by Public Law 102–534 (106 Stat. 3524).

VIOLENT CRIME REDUCTION PROGRAMS, JUSTICE ASSISTANCE

For assistance (including amounts for administrative costs for management and administration, which amounts shall be transferred to and merged with the "Justice Assistance" account) authorized by the Violent Crime Control and Law Enforcement Act of 1994, Public Law 103–322 ("the 1994 Act"); the Omnibus Crime Control and Safe Streets Act of 1968, as amended ("the 1968 Act"); and the Victims of Child Abuse Act of 1990, as amended ("the 1990 Act"), [$152,400,000] *$100,900,000*, to remain available until expended, which shall be derived from the Violent Crime Reduction Trust Fund; of which [$6,000,000] *$4,250,000* shall be for the Court Appointed Special Advocate Program, as authorized by section 218 of the 1990 Act; $750,000 for Child Abuse Training Programs for Judicial Personnel and Practitioners, as authorized by section 224 of the 1990 Act; [$82,750,000] *$61,000,000* for Grants to Combat Violence Against Women *to States, units of local governments and Indian tribal governments*, as authorized by section 1001(a)(18) of the 1968 Act; $28,000,000 for Grants to Encourage Arrest Policies *to States, units of local governments and Indian tribal governments*, as authorized by section 1001(a)(19) of the 1968 Act; [$7,000,000] *$6,000,000* for Rural Domestic Violence and Child Abuse Enforcement Assistance Grants, as authorized by section 40295 of the 1994 Act; [$27,000,000 for grants for Residential Substance Abuse Treatment For State Prisoners, as authorized by section 1001(a)(17) of the 1968 Act;] and $900,000 for the Missing Alzheimer's Disease Patient Alert Program, as authorized by section 240001(d) of the 1994 Act: *Provided further*, That any balances for these programs shall be transferred to and merged with this appropriation.

CIVIL LEGAL ASSISTANCE

For grants to States for civil legal assistance as provided in section 120 of this Act, $210,000,000.

STATE AND LOCAL LAW ENFORCEMENT ASSISTANCE

For grants, contracts, cooperative agreements, and other assistance authorized by part E of title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, for State and Local Narcotics Control and Justice Assistance Improvements, notwithstanding the provisions of section 511 of said Act, [$50,000,000] *$225,000,000*, to remain available until expended, as authorized by section 1001 of title I of said Act, as amended by Public Law 102–534 (106 Stat. 3524)[, which shall be available only]: *Provided, That not more than $50,000,000 shall be made available* to carry out the provisions of chapter A of subpart 2 of part E of title I of said Act, for discretionary grants under the Edward Byrne Memorial State and Local Law Enforcement Assistance Programs: *Provided further, That not more than $175,000,000 shall be made available to carry out the provisions of subpart 1, part E of title I of said Act, for formula grants under the Edward Byrne Memorial State and Local Law Enforcement Assistance Programs: Provided further*, That balances of amounts appropriated prior to fiscal year 1995 under the authorities of this account shall be transferred to and merged with this account.

VIOLENT CRIME REDUCTION PROGRAMS, STATE AND LOCAL LAW ENFORCEMENT ASSISTANCE

For assistance (including amounts for administrative costs for management and administration, which amounts shall be transferred to and merged with the "Justice Assistance" account) authorized by the Violent Crime Control and Law Enforcement Act of 1994, Public Law 103–322 ("the 1994 Act"); the Omnibus Crime Control and Safe Streets Act of 1968, as amended ("the 1968 Act"); and the Victims of Child Abuse Act of 1990, as amended ("the 1990 Act"), [$3,283,343,000] *$3,092,100,000*, to remain available until expended, which shall be derived from the Violent Crime Reduction Trust Fund; [of which $1,950,000,000 shall be for Local Law Enforcement Block Grants, pursuant to [H.R. 728 as passed by the House of Representatives on February 14, 1995;] *of which $1,690,000,000 shall be for State and Local Law Enforcement Assistance Block Grants pursuant to title I of the Violent Crime Control and Law Enforcement Act of 1994 (as amended by section 114 of this Act);* $25,000,000 for grants to upgrade criminal records, as authorized by section 106(b) of the Brady Handgun Violence Prevention Act of 1993, as amended, and section 4(b) of the National Child Protection Act of 1993; [$475,000,000] *$300,000,000* as authorized by section 1001 of title I of the 1968 Act, which shall be available to carry out the provisions of subpart 1, part E of title I of the 1968 Act, notwithstanding section 511 of said Act, for the Edward Byrne Memorial State and Local Law Enforcement Assistance Programs; $300,000,000 for the State Criminal Alien Assistance Program, as authorized by section 501 of the Immigration Reform and Control Act of 1986, as amended; [$19,643,000] *$15,000,000* for Youthful Offender Incarceration Grants, as authorized by section 1001(a)(16) of the 1968 Act; [$500,000,000 for Truth in Sentencing Grants pursuant to section 101 of H.R. 667 as passed by the House of Representatives on February 10, 1995 of which not to exceed $200,000,000 is available for payments to States for incarceration of criminal aliens pursuant to section 508 as proposed by such section 101;] *$750,000,000 for Violent Offender Incarceration and Truth in Sentencing Incentive Grants pursuant to subtitle A of title II of the Violent Crime Control and Law Enforcement Act of 1994 (as amended by section 115 of this Act);* $1,000,000 for grants to States and units of local government for projects to improve DNA analysis, as authorized by section 1001(a)(22) of the 1968 Act; [$10,000,000] *$9,000,000* for Improved Training and Technical Automation Grants, as authorized by section 210501(c)(1) of the 1994 Act; [$200,000 for grants to assist in establishing and operating programs for the prevention, diagnosis, treatment and followup care of tuberculosis among inmates of correctional institutions, as authorized by section 32201(c)(3) of the 1994 Act; $1,000,000 for Law Enforcement Family Support Programs, as authorized by section 1001(a)(21) of the Omnibus Crime Control and Safe Streets Act of 1968 as added by section 210201 of the 1994 Act; $500,000] *$1,100,000* for Motor Vehicle Theft Prevention Programs, as authorized by section 220002(h) of the 1994 Act; $1,000,000 for Gang Investigation Coordination and Information Collection, as authorized by section 150006 of the 1994 Act: *Provided*, That funds made available in fiscal year 1996 under subpart 1 of part E of title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, may be obligated for programs to assist States in the litigation processing of death penalty Federal habeas corpus petitions: *Provided further*, That any 1995 balances for these programs shall be transferred to and merged with this appropriation: *Provided further*, That if a unit of local government uses any of the funds made available under this title to increase the number of law enforcement officers, the unit of local government will achieve a net gain in the number of law enforcement officers who perform nonadministrative public safety service.

WEED AND SEED PROGRAM FUND

For necessary expenses, including salaries and related expenses of the Executive Office for Weed and Seed, to implement "Weed and Seed" program activities, $23,500,000, of which $13,500,000 shall be derived from discretionary grants provided under the Edward Byrne Memorial State and Local Law Enforcement Assistance Programs and $10,000,000 shall be derived from discretionary grants provided under part C of title II of the Juvenile Justice and Delinquency Prevention Act, to remain available until expended for intergovernmental agreements, including grants, cooperative agreements, and contracts, with State and local law enforcement agencies engaged in the investigation and prosecution of violent crimes and drug offenses in "Weed and Seed" designated communities, and for either reimbursements or transfers to appropriation accounts of the Department of Justice and other Federal agencies which shall be specified by the Attorney General to execute the "Weed and Seed" program strategy: *Provided*, That funds designated by Congress through language for other Department of Justice appropriation accounts for "Weed and Seed" program activities shall be managed and executed by the Attorney General through the Executive Office for Weed and Seed: *Provided further*, That the Attorney General may direct the use of other Department of Justice funds and personnel in support of "Weed and Seed" program activities only after the Attorney General notifies the Committees on Appropriations of the House of Representatives and the Senate in accordance with section 605 of this Act.

JUVENILE JUSTICE PROGRAMS

For grants, contracts, cooperative agreements, and other assistance authorized by the Juvenile Justice and Delinquency Prevention Act of 1974, as amended, including salaries and expenses in connection therewith to be transferred to and merged with the appropriations for Justice Assistance, $144,000,000, to remain available until expended, as authorized by section 299 of part I of title II and section 506 of title V of the Act, as amended by Public Law 102–586, of which: (1) $100,000,000 shall be available for expenses authorized by parts A, B, and C of title II of the Act; (2) $10,000,000 shall be available for expenses authorized by sections 281 and 282 of part D of title II of the Act for prevention and treatment programs relating to juvenile gangs; (3) $10,000,000 shall be available for expenses authorized by section 285 of part E of title II of the Act; (4) $4,000,000 shall be available for expenses authorized by part G of title II of the Act for juvenile mentoring programs; and (5) $20,000,000 shall be available for expenses authorized by title V of the Act for incentive grants for local delinquency prevention programs.

In addition, for grants, contracts, cooperative agreements, and other assistance authorized by the Victims of Child Abuse Act of 1990, as amended, $4,500,000, to remain available until expended, as authorized by section 214B, of the Act: *Provided*, That balances of amounts appropriated prior to fiscal year 1995 under the authorities of this account shall be transferred to and merged with this account.

PUBLIC SAFETY OFFICERS BENEFITS

For payments authorized by part L of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796), as amended, such sums as are necessary, to remain available until expended, as authorized by section 6093 of Public Law 100–690 (102 Stat. 4339–4340), and, in addition, $2,134,000, to remain available until expended, for payments as authorized by section 1201(b) of said Act.

GENERAL PROVISIONS—DEPARTMENT OF JUSTICE

SEC. 101. In addition to amounts otherwise made available in this title for official reception and representation expenses, a total of not to exceed $45,000 from funds appropriated to the Department of Justice in this title shall be available to the Attorney General for official reception and representation expenses in accordance with distributions, procedures, and regulations established by the Attorney General.

SEC. 102. Subject to section 102(b) of the Department of Justice and Related Agencies Appropriations Act, 1993, as amended by section 112 of this Act, authorities contained in Public Law 96–132, "The Department of Justice Appropriation Authorization Act, Fiscal Year 1980," shall remain in effect until the termination date of this Act or until the effective date of a Department of Justice Appropriation Authorization Act, whichever is earlier.

SEC. 103. None of the funds appropriated by this title shall be available to pay for an abortion, except where the life of the mother would be endangered if the fetus were carried to term, or in the case of rape: *Provided*, That should this prohibition be declared unconstitutional by a court of competent jurisdiction, this section shall be null and void.

SEC. 104. None of the funds appropriated under this title shall be used to require any person to perform, or facilitate in any way the performance of, any abortion.

SEC. 105. Nothing in the preceding section shall remove the obligation of the Director of the Bureau of Prisons to provide escort services necessary for a female inmate to receive such service outside the Federal facility: *Provided*, That nothing in this section in any way diminishes the effect of section 104 intended to address the philosophical beliefs of individual employees of the Bureau of Prisons.

SEC. 106. Notwithstanding any other provision of law, not to exceed $10,000,000 of the funds made available in the Act may be used to pay rewards and shall not be subject to spending limitations contained in sections 3059 and 3072 of title 18, United States Code: *Provided*, That any reward of $100,000 or more, up to a maximum of $2,000,000, may not be made without the personal approval of the President or the Attorney General and such approval may not be delegated.

SEC. 107. Not to exceed 5 percent of any appropriation made available for the current fiscal year for the Department of Justice in this Act, including those derived from the Violent Crime Reduction Trust Fund, may be transferred between such appropriations, but no such appropriation, except as otherwise specifically provided, shall be increased by more than 10 percent by any such transfers: *Provided*, That [this section shall not apply to any appropriation made available in title I of this Act under the heading, "Office of Justice Programs, Justice Assistance": *Provided further*, That] any transfer pursuant to this section shall be treated as a reprogramming of funds under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

SEC. 108. For fiscal year 1996 and each fiscal year thereafter, amounts in the Federal Prison System's Commissary Fund, Federal Prisons, which are not currently needed for operations, shall be kept on deposit or invested in obligations of, or guaranteed by, the United States and all earnings on such investments shall be deposited in the Commissary Fund.

SEC. 109. Section 524(c)(9) of title 28, United States Code, is amended by adding subparagraph (E), as follows:

"(E) Subject to the notification procedures contained in section 605 of Public Law 103-121, and after satisfying the transfer requirement in subparagraph (B) of this paragraph, any excess unobligated balance remaining in the Fund on September 30, 1995 shall be available to the Attorney General, without fiscal year limitation, for any Federal law enforcement, litigative/prosecutive, and correctional activities, or any other authorized purpose of the Department of Justice. Any amounts provided pursuant to this subparagraph may be used under authorities available to the organization receiving the funds.".

SEC. 110. [Notwithstanding] *Hereafter, notwithstanding* any other provision of law—

(1) no transfers may be made from Department of Justice accounts other than those authorized in this Act, or in previous or subsequent appropriations Acts for the Department of Justice, or in part II of title 28 of the United States Code, or in section 10601 of title 42 of the United States Code; and

(2) no appropriation account within the Department of Justice shall have its allocation of funds controlled by other than an apportionment issued by the Office of Management and Budget or an allotment advice issued by the Department of Justice.

SEC. 111. (a) Section 1930(a)(6) of title 28, United States Code, is amended by striking "a plan is confirmed or".

(b) Section 589a(b)(5) of such title is amended by striking ";" and inserting, "until a reorganization plan is confirmed;".

(c) Section 589a(f) of such title is amended—

(1) in paragraph (2) by striking "." and inserting, "until a reorganization plan is confirmed;", and

(2) by inserting after paragraph (2) the following new paragraph:

"(3) 100 percent of the fees collected under section 1930(a)(6) of this title after a reorganization plan is confirmed.".

SEC. 112. Public Law 102-395, section 102 is amended as follows: (1) in subsection (b)(1) strike "years 1993, 1994, and 1995" and insert "year 1996"; (2) in subsection (b)(1)(C) strike "years 1993, 1994, and 1995" and insert "year 1996"; and (3) in subsection (b)(5)(A) strike "years 1993, 1994, and 1995" and insert "year 1996".

SEC. 113. Public Law 101-515 (104 Stat. 2112; 28 U.S.C. 534 note) is amended by inserting "and criminal justice information" after "for the automation of fingerprint identification".

SEC. 114. STATE AND LOCAL LAW ENFORCEMENT ASSISTANCE BLOCK GRANT PROGRAM.

Title I of the Violent Crime Control and Law Enforcement Act of 1994 is amended to read as follows:

"TITLE I—STATE AND LOCAL LAW ENFORCEMENT ASSISTANCE

"SEC. 10001. BLOCK GRANTS TO STATES.

"(a) IN GENERAL.—The Attorney General shall make grants under this title to States for use by State and local governments to—

"(1) hire, train, and employ on a continuing basis, new law enforcement officers and necessary support personnel;

"(2) pay overtime to currently employed law enforcement officers and necessary support personnel;

"(3) procure equipment, technology, and other material that is directly related to basic law enforcement functions, such as the detection or investigation of crime, or the prosecution of criminals; and

"(4) establish and operate cooperative programs between community residents and law enforcement agencies for the control, detection, or investigation of crime, or the prosecution of criminals.

"(b) LAW ENFORCEMENT TRUST FUNDS.—Funds received by a State or unit of local government under this title may be reserved in a trust fund established by the State or unit of local government to fund the future needs of programs authorized under subsection (a).

"(c) ALLOCATION AND DISTRIBUTION OF FUNDS.—

"(1) ALLOCATION.—The amount made available pursuant to section 10003 shall be allocated as follows:

"(A) 0.6 percent shall be allocated to each of the participating States.

"(B) After the allocation under subparagraph (A), the remainder shall be allocated on the basis of the population of each State as determined by the 1990 decennial census as adjusted annually, by allocating to each State an amount bearing the same ratio to the total amount to be allocated under this subparagraph as the population of the State bears to the population of all States.

"(2) DISTRIBUTION TO LOCAL GOVERNMENTS.—

"(A) IN GENERAL.—A State receiving a grant under this title shall ensure that not less than 85 percent of the funds received are distributed to units of local government.

"(B) LIMITATION.—Not more than 2.5 percent of funds received by a State in any grant year shall be used for costs associated with the administration and distribution of grant money.

"(d) DISBURSEMENT.—

"(1) IN GENERAL.—The Attorney General shall issue regulations establishing procedures under which a State may receive assistance under this title.

"(2) GENERAL REQUIREMENTS FOR QUALIFICATION.—A State qualifies for a payment under this title for a payment period only if the State establishes that—

"(A) the State will establish a segregated account in which the government will deposit all payments received under this title;

"(B) the State will expend the payments in accordance with the laws and procedures that are applicable to the expenditure of revenues of the State;

"(C) the State will use accounting, audit, and fiscal procedures that conform to guidelines that shall be prescribed by the Attorney General after consultation with the Comptroller General of the United States and, as applicable, amounts received under this title shall be audited in compliance with the Single Audit Act of 1984;

"(D) after reasonable notice to a State, the State will make available to the Attorney General and the Comptroller General of the United States, with the right to inspect, records that the Attorney General or Comptroller General of the United States reasonably requires to review compliance with this title;

"(E) the State will make such reports as the Attorney General reasonably requires, in addition to the annual reports required under this title; and

"(F) the State will expend the funds only for the purposes set forth in subsection (a).

"(3) SANCTIONS FOR NONCOMPLIANCE.—

"(A) IN GENERAL.—If the Attorney General finds that a State has not complied substantially with paragraph (2) or regulations prescribed under such paragraph, the Attorney General shall notify the State. The notice shall provide that if the State does not initiate corrective action within 30 days after the date on which the State receives the notice, the Attorney General will withhold additional payments to the State for the current payment period and later payment periods. Payments shall be withheld until such time as the Attorney General determines that the State—

"(i) has taken the appropriate corrective action; and

"(ii) will comply with paragraph (2) and the regulations prescribed under such paragraph.

"(B) NOTICE.—Before giving notice under subparagraph (A), the Attorney General shall give the chief executive officer of the State reasonable notice and an opportunity for comment.

"(C) PAYMENT CONDITIONS.—The Attorney General shall make a payment to a State under subparagraph (A) only if the Attorney General determines that the State—

"(i) has taken the appropriate corrective action; and

"(ii) will comply with paragraph (2) and regulations prescribed under such paragraph.

"SEC. 10002. APPLICATIONS.

"(a) The Attorney General shall make grants under this title only if a State has submitted an application to the Attorney General in such form, and containing such information, as is the Attorney General may reasonably require.

"SEC. 10003. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this title—

"(1) $2,050,000,000 for fiscal year 1996;
"(2) $2,150,000,000 for fiscal year 1997;
"(3) $1,900,000,000 for fiscal year 1998;
"(4) $1,900,000,000 for fiscal year 1999; and
"(5) $468,000,000 for fiscal year 2000.

"SEC. 10004. LIMITATION ON USE OF FUNDS.

"Funds made available to States under this title shall not be used to supplant State or local funds, but shall be used to increase the amount of funds that would, in the absence of Federal funds received under this title, be made available from State or local sources.".

SEC. 115. VIOLENT OFFENDER INCARCERATION AND TRUTH IN SENTENCING GRANTS.

Subtitle A of title II of the Violent Crime Control and Law Enforcement Act of 1994 is amended to read as follows:

"Subtitle A—Violent Offender Incarceration and Truth in Sentencing Incentive Grants

"SEC. 20101. GRANTS FOR CORRECTIONAL FACILITIES.

"(a) GRANT AUTHORIZATION.—The Attorney General may make grants to individual States and to States organized as multi-State compacts to construct, develop, expand, modify, operate, or improve conventional correctional facilities, including prisons and jails, for the confinement of violent offenders, to ensure that prison cell space is available for the confinement of violent offenders and to implement truth in sentencing laws for sentencing violent offenders.

"(b) ELIGIBILITY.—To be eligible to receive a grant under this subtitle, a State or States organized as multi-State compacts shall submit an application to the Attorney General that includes—

"(1)(A) except as provided in subparagraph (B), assurances that the State or States, have implemented, or will implement, correctional policies and programs, including truth in sentencing laws that ensure that violent offenders serve a substantial portion of the sentences imposed, that are designed to provide sufficiently severe punishment for violent offenders, including violent juvenile offenders, and that the prison time served is appropriately related to the determination that the inmate is a violent offender and for a period of time deemed necessary to protect the public;

"(B) in the case of a State that on the date of enactment of the Department of Justice Appropriations Act, 1996 practices indeterminant sentencing, a demonstration that average times served for the offenses of murder, rape, robbery, and assault in the State exceed by at least 10 percent the national average of time served for such offenses in all of the States;

"(2) assurances that the State or States have implemented policies that provide for the recognition of the rights and needs of crime victims;

"(3) assurances that funds received under this section will be used to construct, develop, expand, modify, operate, or improve conventional correctional facilities;

"(4) assurances that the State or States have involved counties and other units of local government, when appropriate, in the construction, development, expansion, modification, operation, or improvement of correctional facilities designed to ensure the incarceration of violent offenders, and that the State or States will share funds received under this section with counties and other units of local government, taking into account the burden placed on the units of local government when they are required to confine sentenced prisoners because of overcrowding in State prison facilities;

"(5) assurances that funds received under this section will be used to supplement, not supplant, other Federal, State, and local funds;

"(6) assurances that the State or States have implemented, or will implement not later than 18 months after the date of enactment of the Department of Justice Appropriations Act, 1996, policies to determine the veteran status of inmates and to ensure that incarcerated veterans receive the veterans benefits to which they are entitled; and

"(7) if applicable, documentation of the multi-State compact agreement that specifies the construction, development, expansion, modification, operation, or improvement of correctional facilities.

"SEC. 20102. TRUTH IN SENTENCING INCENTIVE GRANTS.

"(a) TRUTH IN SENTENCING GRANT PROGRAM.—Fifty percent of the total amount of funds appropriated to carry out this subtitle for each of fiscal years 1996, 1997, 1998, 1999, and 2000 shall be made available for truth in sentencing incentive grants. To be eligible to receive such a grant, a State must meet the requirements of section 20101(b) and shall demonstrate that the State—

"(1) has in effect laws that require that persons convicted of violent crimes serve not less than 85 percent of the sentence imposed;

"(2) since 1993—

"(A) has increased the percentage of convicted violent offenders sentenced to prison;

"(B) has increased the average prison time that will be served in prison by convicted violent offenders sentenced to prison; and

"(C) has in effect at the time of application laws requiring that a person who is convicted of a violent crime shall serve not less than 85 percent of the sentence imposed if—

"(i) the person has been convicted on 1 or more prior occasions in a court of the United States or of a State of a violent crime or a serious drug offense; and

"(ii) each violent crime or serious drug offense was committed after the defendant's conviction of the preceding violent crime or serious drug offense; or

"(3) in the case of a State that on the date of enactment of the Department of Justice Appropriations Act, 1996 practices indeterminant sentencing, a demonstration that average times served for the offenses of murder, rape, robbery, and assault in the State exceed by at least 10 percent the national average of time served for such offenses in all of the States.

"(b) ALLOCATION OF TRUTH IN SENTENCING INCENTIVE FUNDS.—The amount available to carry out this section for any fiscal year shall be allocated to each eligible State in the ratio that the number of part 1 violent crimes reported by such State to the Federal Bureau of Investigation for the previous year bears to the number of part 1 violent crimes reported by all States to the Federal Bureau of Investigation for the previous year.

"SEC. 20103. VIOLENT OFFENDER INCARCERATION GRANTS.

"(a) VIOLENT OFFENDER INCARCERATION GRANT PROGRAM.—Fifty percent of the total amount of funds appropriated to carry out this subtitle for each of fiscal years 1996, 1997, 1998, 1999, and 2000 shall be made available for violent offender incarceration grants. To be eligible to receive such a grant, a State or States must meet the requirements of section 20101(b).

"(b) ALLOCATION OF VIOLENT OFFENDER INCARCERATION FUNDS.—Funds made available to carry out this section shall be allocated as follows:

"(1) 0.6 percent shall be allocated to each eligible State, except that the United States Virgin Islands, American Samoa, Guam, and the Northern Mariana Islands each shall be allocated 0.05 percent.

"(2) The amount remaining after application of paragraph (1) shall be allocated to each eligible State in the ratio that the number of part 1 violent crimes reported by such State to the Federal Bureau of Investigation for the previous year bears to the number of part 1 violent crimes reported by all States to the Federal Bureau of Investigation for the previous year.

"SEC. 20104. RULES AND REGULATIONS.

"(a) IN GENERAL.—Not later than 90 days after the date of enactment of the Department of Justice Appropriations Act, 1996, the Attorney General shall issue rules and regulations regarding the uses of grant funds received under this subtitle.

"(b) BEST AVAILABLE DATA.—If data regarding part 1 violent crimes in any State for the previous year is unavailable or substantially inaccurate, the Attorney General shall utilize the best available comparable data regarding the number of violent crimes for the previous year for the State for the purposes of allocation of funds under this subtitle.

"SEC. 20105. DEFINITIONS.

"In this subtitle—

"(1) the term 'part 1 violent crimes' means murder and non-negligent manslaughter, forcible rape, robbery, and aggravated assault as reported to the Federal Bureau of Investigation for purposes of the Uniform Crime Reports;

"(2) the term 'State' or 'States' means a State, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, American Samoa, Guam, and the Northern Mariana Islands; and

"(3) the term 'indeterminate sentencing' means a system by which the court has discretion in imposing the actual length of the sentence, up to the statutory maximum, and an administrative agency, or the court, controls release between court-ordered minimum and maximum sentence.".

"SEC. 20106. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this subtitle—

"(1) $1,000,000,000 for fiscal year 1996;

"(2) $1,150,000,000 for fiscal year 1997;

"(3) $2,100,000,000 for fiscal year 1998;

"(4) $2,200,000,000 for fiscal year 1999; and

"(5) $2,270,000,000 for fiscal year 2000.".

SEC. 116. Notwithstanding provisions of 41 U.S.C. 353 or any other provision of law, the Federal Prison System may enter into contracts and other agreements with private entities for the confinement of Federal prisoners for a period not to exceed 3 years and 7 additional option years.

SEC. 117. Public Law 101–246 (104 Stat. 42) is amended by inserting "or Federal Bureau of Investigation" after "Drug Enforcement Administration".

SEC. 118. (a) Except as provided in subsection (b), the restrictions on the commercial sale of goods and services produced or provided by the Federal Prison Industries provided in section 1761 of title 18, United States Code, and any other provision of law shall not apply.

(b) Goods or services may not be sold commercially pursuant to subsection (a) unless the President certifies that the sale of such goods or services will not result in the loss of jobs in the private sector or adversely effect the sale of private sector goods or services sold on a local or regional basis.

(c) This section shall not be construed as authorizing the appropriations of any additional appropriations.

SEC. 119. PROVISION RELATING TO VOTER REGISTRATION.—(a) IN GENERAL.—Subsection (b) of section 4 of the National Voter Registration Act of 1993 (42 U.S.C. 1973gg–2(b)) is amended by striking "March 11, 1993" each place it appears and inserting "August 1, 1994".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect as if included in the provisions of the National Voter Registration Act of 1993.

SEC. 120. (a) GRANTS TO STATES.—(1) The Attorney General shall make grants to States for the provision of qualified legal services. To receive a grant under this paragraph a State shall make an application to the Attorney General. Such an application shall be in such form and submitted in such manner as the Attorney General may require, except that the Attorney General shall not impose a requirement on an individual or person as a condition to bidding on a contract under subsection (b) or to being awarded such a contract which requirement is different from any other requirement of paragraph (d)(1) of this section.

(2) Grants shall be made to States in such proportion as the number of residents of each State which receives a grant who live in households having incomes equal to or less than the poverty line established under section 673(2) of the Community Services Block Grant Act (42 U.S.C.

9902(2)) bears to the total number of residents in the United States living in such households: Provided, That, in States which have significant numbers of such households that are also Native American households, grants to such States shall be equal to an amount that is 140 percent of the amount such States would otherwise receive under this paragraph.

(3) Each State may in any fiscal year retain for administrative costs not more than 3 percent of the amount granted to the State under paragraph (1) in such fiscal year. The remainder of such grant shall be paid under contracts to qualified legal service providers in the State for the provision in the State of qualified legal services. If a State which has received a grant under paragraph (1) has at the end of any fiscal year funds which have not been obligated, such State shall return such funds to the Attorney General.

(4) No State may receive a grant under paragraph (1) unless the State has certified to the Attorney General that the State will comply with and enforce the requirements of this section.

(5) None of the funds provided under paragraph (1) shall be used by a qualified legal service provider—

(A) to make available any funds, personnel, or equipment for use in advocating or opposing any plan or proposal or represent any party or participate in any other way in litigation, that is intended to or has the effect of altering, revising, or reapportioning a legislative, judicial, or elective district at any level of government, including influencing the timing or manner of the taking of a census;

(B) to attempt to influence the issuance, amendment, or revocation of any Executive order, regulation, policy or similar promulgation by any Federal, State, or local agency;

(C) to attempt to influence the passage or defeat of any legislation, constitutional amendment, referendum, initiative, confirmation proceeding, or any similar procedure of the Congress of the United States or by any State or local legislative body;

(D) to support or conduct training programs for the purpose of advocating particular public policies or encouraging political activities, labor or anti-labor activities, boycotts, picketing, strikes, and demonstrations, including the dissemination of information about such policies or activities;

(E) to participate in any litigation, lobbying, rulemaking or any other matter with respect to abortion;

(F) to provide legal assistance to an eligible client with respect to a proceeding or litigation in which the client seeks to obtain a dissolution of a marriage or a legal separation from a spouse;

(G) to participate in any litigation or provide any representation on behalf of a local, State, or Federal prisoner;

(H) to solicit in-person any client for the purpose of providing any legal service;

(I) to pay for any personal service, advertisement, telegram, telephone communication, letter, or printed or written matter or to pay administrative expenses or related expenses, associated with an activity prohibited in this paragraph;

(J) to pay any voluntary membership dues to any private or non-profit organization; or

(K) to provide any subgrants for the provision of qualified legal services.

(6) A State which receives a grant under paragraph (1) and which also distributes State funds for the provision of legal services or which permits the distribution of interest on lawyers' trust accounts for the provision of legal services shall require that such State funds and such interest on lawyers' trust accounts be used to provide qualified legal services to qualified clients and shall impose on the use of such State funds and such interest on lawyers' trust accounts the limitations prescribed by paragraph (5).

(7) A qualified legal service provider of any qualified client or any client of such provider may not claim or collect attorneys' fees from parties to any litigation initiated by such client.

(b) AWARDING OF CONTRACTS.—(1) Each State which receives a grant under subsection (a)(1) shall make funds under the grant available for contracts entered into for the provision of qualified legal services within the State.

(2)(A) The Governor of each State shall designate the authority of the State which shall be responsible for soliciting and awarding bids for contracts for the provision of qualified legal services within such State.

(B) The authority of a State designated under subparagraph (A) shall designate service areas within the State. Such service areas shall be the counties or parishes within a State but such authority may combine contiguous counties or parishes to form a service area to assure the most efficient provision of qualified legal services within available funds.

(3) A State shall allocate grant funds for contracts for the provision of qualified legal services in a service area on the same basis as grants are made available to States under subsection (a)(2).

(4) A State shall award a contract for the provision of qualified legal services in a service area to the applicant who is best qualified, as determined by the State, and who in its bid offers to provide, in accordance with subsection (c), the greatest number of hours of qualified legal services in such area.

(5) A State contract awarded under paragraph (4) shall be in such form as the State requires. The contract shall provide for the rendering of bills supported by time records at the close of each month in which qualified legal services are provided. A State shall make payment to a qualified legal service provider at the contact rate only for hours of qualified legal services provided and supported by appropriate records. The contract rate shall be the total dollar amount of the contract divided by the total hours bid by the qualified legal service provider. A State shall have 60 days to make full payment of such bills.

(c) REQUIREMENTS FOR THE PROVISION OF QUALIFIED LEGAL SERVICES UNDER A CONTRACT.—(1) The term of a contract entered into under subsection (b) shall be not more than 1 year.

(2) A qualified legal service provider shall service the legal needs of qualified clients under a contract entered into under subsection (b) in a professional manner consistent with applicable law.

(3) A qualified legal service provider shall maintain a qualified client's case file, including any pleadings and research, at least until the later of 5 years after the resolution of client's cause of action or 5 years after the termination of the contract under which services were provided to such client.

(4) A qualified legal service provider shall keep daily time records of the provision of services to a qualified client in one tenth of an hour increments identifying such client, the general nature of the work performed in each increment, and the account which will be charged for such work.

(5) Each qualified client shall be provided a self-mailing customer satisfaction questionnaire in a form approved by the authority granting the contract under subsection (b) which identifies the qualified legal service provider and is preaddressed to such authority.

(6) Any qualified client who receives legal services other than advice or legal services provided by mail or telephone shall execute with respect to such services a waiver of attorney client and attorney work product privilege as a condition to receiving such service. The waiver shall be limited to the extent necessary to determine the quantity and quality of the service rendered by the qualified legal service provider.

(7) A qualified legal service provider shall make and maintain records detailing the basis upon which the provider determined the qualifications of qualified clients. Such records shall be made and maintained for 5 years following the termination of a contract under subsection (b) for the provision of legal services to such clients.

(8) A qualified legal service provider shall consent to audits by the General Accounting Office, the Attorney General, and the authority which awarded a contract to such provider. Any such audit may be conducted at the provider's principal place of business. Such an audit shall be limited to a determination of whether such provider is meeting the requirements of this Act and the provider's contract under subsection (b). In addition, a qualified legal service provider shall conduct an annual financial audit by a qualified certified public accountant which encompasses the entire term of a contract awarded under subsection (b), and shall transmit a report of such audit to the authority which awarded a contract to such provider within 60 days of the termination of such contract.

(9) A contract awarded under subsection (b) shall require that all funds received by the qualified legal services provider from any source be used exclusively to provide qualified legal services to qualified clients and shall impose on the use of such funds the limitations prescribed by paragraph (a)(5).

(10) The authority which awarded a contract shall terminate a qualified legal service provider who fails to abide by the terms of this section. A breach of contract by a qualified legal service provider shall require the authority to terminate the contract, to award a new contract to a different qualified legal services provider, and to recover any funds improperly expended by the provider, together with reasonable attorneys' fees and interest at the statutory rate in the State for interest on judgments. If such a breach was willful, the provider shall pay to the authority which awarded the contract additional damages equal to the one half of the amount improperly expended by the provider.

(d) For purposes of this section:

(1)(A) The term "qualified legal service provider" means—

(i) any individual who is licensed to practice law in a State for not less than 3 calendar years, who has practiced law in such State not less than 3 calendar years, and who is so licensed during the period of a contract under subsection (b); or

(ii) a person who employs an individual described in clause (i) to provide qualified legal services.

Nothing in this subparagraph shall be interpreted to prohibit a qualified legal service provider from employing an individual who is not described in clause (i) to assist in providing qualified legal services.

(B) No individual shall be considered a qualified legal service provider if such individual during the 10 years preceding the submission of a bid for a contract under subsection (b)—

(i) has been convicted of a felony;

(ii) has been suspended or disbarred from the practice of law for misconduct, incompetence, or neglect of a client in any State;

(iii) has been found in contempt of a court of competent jurisdiction in any State or Federal court;

(iv) has been sanctioned under Federal Rule of Civil Procedure 11 or an equivalent State rule of procedure applicable in civil actions;

(v) has been sanctioned by the Legal Services Corporation; or

(vi) is a subgrantee of a qualified legal services provider; or if such individual has a criminal charge pending on the date of the submission of a bid for a contract under subsection (b).

(C) No State may impose a requirement on an individual or person as a condition to bidding on a contract under subsection (b) or to being awarded such a contract which requirement is different from any other requirement of this paragraph.

(2) The term "qualified legal services" means—

(A) mediation, negotiation, arbitration, counseling, advice, instruction, referral, or representation, and

(B) legal research or drafting in support of the services described in subparagraph (A), provided by or under the supervision of a qualified legal service provider to a qualified client for a qualified cause of action.

(3) The term "qualified client" means any individual who is a United States citizen or an alien admitted for permanent residence prior to the date of enactment of this Act who resides in a household the income of which from any source, which was received or held for the benefit of a member of the household, was equal to or less than the poverty line established under section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)). The term "household" means a dwelling occupied by at least one adult.

(4)(A) The term "qualified cause of action" means only a civil cause of action which results only from—

(i) landlord and tenant disputes, including an eviction from housing except an eviction where the prima facie case for the eviction is based on criminal conduct, including the harboring of a nuisance who has engaged in criminal conduct;

(ii) foreclosure of a debt on a qualified client's residence;

(iii) the filing of a petition under chapter 7 or 12 of title 11, United States Code, or under chapter 13 of such title unless a petition of eviction has preceded the filing of such petition;

(iv) enforcement of a debt;

(v) enforcement of child support orders;

(vi) action to quiet title;

(vii) spousal or child abuse on behalf of the abused party;

(viii) an insurance claim;

(ix) competency hearing; or

(x) probate.

(B) Such term does not include—

(i) a class action under Federal, State, or local law; or

(ii) any challenge to the constitutionality of any statute.

(5) The term "State" means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States and includes any recognized governing body of an Indian Tribe or Alaskan Native Village that carries out substantial governmental powers and duties.

(e)(1) The Legal Services Corporation Act (42 U.S.C. 2996 et seq.) is repealed.

(2) The assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds employed, used, held, arising from, available to, or to be made available in connection with the Legal Services Corporation shall be transferred to Office of the Attorney General.

This title may be cited as the "Department of Justice Appropriations Act, 1996".

TITLE II—DEPARTMENT OF COMMERCE AND RELATED AGENCIES

TRADE AND INFRASTRUCTURE DEVELOPMENT

RELATED AGENCIES

OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

SALARIES AND EXPENSES

For necessary expenses of the Office of the United States Trade Representative, including the hire of passenger motor vehicles and the employment of experts and consultants as authorized by 5 U.S.C. 3109, [$20,949,000] *$20,889,000*, of which $2,500,000 shall remain available until expended: *Provided*, That not to exceed $98,000 shall be available for official reception and representation expenses.

INTERNATIONAL TRADE COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the International Trade Commission, including hire of passenger motor vehicles and services as authorized by 5 U.S.C. 3109, and not to exceed $2,500 for official reception and representation expenses, [$42,500,000] *$34,000,000*, to remain available until expended.

DEPARTMENT OF COMMERCE

INTERNATIONAL TRADE ADMINISTRATION

OPERATIONS AND ADMINISTRATION

For necessary expenses for international trade activities of the Department of Commerce provided for by law, and engaging in trade promotional activities abroad, including expenses of grants and cooperative agreements for the purpose of promoting exports of United States firms, without regard to 44 U.S.C. 3702 and 3703; full medical coverage for dependent members of immediate families of employees stationed overseas and employees temporarily posted overseas; travel and transportation of employees of the United States and Foreign Commercial Service between two points abroad, without regard to 49 U.S.C. 1517; employment of Americans and aliens by contract for services; rental of space abroad for periods not exceeding ten years, and expenses of alteration, repair, or improvement; purchase or construction of temporary demountable exhibition structures for use abroad; payment of tort claims, in the manner authorized in the first paragraph of 28 U.S.C. 2672 when such claims arise in foreign countries; not to exceed $327,000 for official representation expenses abroad; purchase of passenger motor vehicles for official use abroad, not to exceed $30,000 per vehicle; obtain insurance on official motor vehicles; and rent tie lines and teletype equipment; [$264,885,000] *$219,579,000*, to remain available until expended: *Provided*, That the provisions of the first sentence of section 105(f) and all of section 108(c) of the Mutual Educational and Cultural Exchange Act of 1961 (22 U.S.C. 2455(f) and 2458(c)) shall apply in carrying out these activities without regard to 15 U.S.C. 4912; and that for the purpose of this Act, contributions under the provisions of the Mutual Educational and Cultural Exchange Act shall include payment for assessments for services provided as part of these activities.

EXPORT ADMINISTRATION

OPERATIONS AND ADMINISTRATION

For necessary expenses for export administration and national security activities of the Department of Commerce, including costs associated with the performance of export administration field activities both domestically and abroad; full medical coverage for dependent members of immediate families of employees stationed overseas; employment of Americans and aliens by contract for services abroad; rental of space abroad for periods not exceeding ten years, and expenses of alteration, repair, or improvement; payment of tort claims, in the manner authorized in the first paragraph of 28 U.S.C. 2672 when such claims arise in foreign countries; not to exceed $15,000 for official representation expenses abroad; awards of compensation to informers under the Export Administration Act of 1979, and as authorized by 22 U.S.C. 401(b); purchase of passenger motor vehicles for official use and motor vehicles for law enforcement use with special requirement vehicles eligible for purchase without regard to any price limitation otherwise established by law; [$38,644,000] *$30,504,000*, to remain available until expended: *Provided*, That the provisions of the first sentence of section 105(f) and all of section 108(c) of the Mutual Educational and Cultural Exchange Act of 1961 (22 U.S.C. 2455(f) and 2458(c)) shall apply in carrying out these activities.

ECONOMIC DEVELOPMENT ADMINISTRATION

ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

For grants for economic development assistance as provided by the Public Works and Economic Development Act of 1965, as amended, Public Law 91–304, and such laws that were in effect immediately before September 30, 1982, [and for trade adjustment assistance, $328,500,000] *$89,000,000*: *Provided*, That none of the funds appropriated or otherwise made available under this heading may be used directly or indirectly for attorneys' or consultants' fees in connection with securing grants and contracts made by the Economic Development Administration: *Provided further*, That, notwithstanding any other provision of law, the Secretary of Commerce may provide financial assistance for projects to be located on military installations closed or scheduled for closure or realignment to grantees eligible for assistance under the Public Works and Economic Development Act of 1965, as amended, without it being required that the grantee have title or ability to obtain a lease for the property, for the useful life of the project, when in the opinion of the Secretary of Commerce, such financial assistance is necessary for the economic development of the area: *Provided further*, That the Secretary of Commerce may, as the Secretary considers appropriate, consult with the Secretary of Defense regarding the title to land on military installations closed or scheduled for closure or realignment.

SALARIES AND EXPENSES

For necessary expenses of administering the economic development assistance programs as provided for by law, [$20,000,000] *$11,000,000*: *Provided*, That these funds may be used to monitor projects approved pursuant to title I of the Public Works Employment Act of 1976, as amended, title II of the Trade Act of 1974, as amended, and the Community Emergency Drought Relief Act of 1977.

MINORITY BUSINESS DEVELOPMENT AGENCY

MINORITY BUSINESS DEVELOPMENT

[For necessary expenses of the Department of Commerce in fostering, promoting, and developing minority business enterprise, including expenses of grants, contracts, and other agreements with public or private organizations, $32,000,000.]

Of the unobligated balances contained in this account, $1,000,000 shall be transferred to the Commerce Reorganization Transition Fund.

[UNITED STATES TRAVEL AND TOURISM ADMINISTRATION

[SALARIES AND EXPENSES

[For necessary expenses of the United States Travel and Tourism Administration for participation in the White House Conference on Travel and Tourism, $2,000,000, to remain available until December 31, 1995: *Provided*, That none of the funds appropriated by this paragraph shall be available to carry out the provisions of section 203(a) of the International Travel Act of 1961, as amended.]

ECONOMIC AND INFORMATION INFRASTRUCTURE

ECONOMIC AND STATISTICAL ANALYSIS

SALARIES AND EXPENSES

For necessary expenses, as authorized by law, of economic and statistical analysis programs of the Department of Commerce, [$40,000,000] *$57,220,000*, to remain available until September 30, 1997.

ECONOMICS AND STATISTICS ADMINISTRATION REVOLVING FUND

The Secretary of Commerce is authorized to disseminate economic and statistical data products as authorized by 15 U.S.C. 1525–1527 and, notwithstanding 15 U.S.C. 4912, charge fees necessary to recover the full costs incurred in their production. Notwithstanding 31 U.S.C. 3302, receipts received from these data dissemination activities shall be credited to this account, to be available for carrying out these purposes without further appropriation.

BUREAU OF THE CENSUS

SALARIES AND EXPENSES

For expenses necessary for collecting, compiling, analyzing, preparing, and publishing statistics, provided for by law, [$136,000,000] *$144,812,000*.

PERIODIC CENSUSES AND PROGRAMS

For expenses necessary to collect and publish statistics for periodic censuses and programs provided for by law, [$135,000,000] *$193,450,000*, to remain available until expended.

NATIONAL TELECOMMUNICATIONS AND INFORMATION ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses, as provided for by law, of the National Telecommunications and Information Administration, [$19,709,000] *$5,000,000*, to remain available until expended: *Provided*, That notwithstanding 31 U.S.C. 1535(d), the Secretary of Commerce is authorized to retain and use as offsetting collections all funds transferred, or previously transferred, from other Government agencies for *spectrum management, analysis, and operations and for* all costs incurred in telecommunications research, engineering, and related activities by the Institute for Telecommunication Sciences of the NTIA in furtherance of its assigned functions under this paragraph and such funds received from other Government agencies shall remain available until expended.

(TRANSFER OF FUNDS)

For spectrum management, $9,000,000 shall be made available until expended to be derived by transfer from unobligated balances of the Working Capital Fund in the Department of Justice.

PUBLIC BROADCASTING FACILITIES, PLANNING AND CONSTRUCTION

For grants authorized by section 392 of the Communications Act of 1934, as amended, [$19,000,000] *$10,000,000*, to remain available until expended as authorized by section 391 of the Act, as amended: *Provided*, That not to exceed $2,200,000 shall be available for program administration as authorized by section 391 of the Act: *Provided further*, That notwithstanding the provisions of section 391 of the Act, the prior year unobligated balances may be made available for grants for projects for which applications have been submitted and approved during any fiscal year.

[INFORMATION INFRASTRUCTURE GRANTS

[For grants authorized by section 392 of the Communications Act of 1934, as amended, $40,000,000, to remain available until expended as authorized by section 391 of the Act, as amended: *Provided*, That not to exceed $4,000,000 shall be available for program administration and other support activities as authorized by section 391 of the Act including support of the Advisory Council on National Information Infrastructure: *Provided further*, That of the funds appropriated herein, not to exceed 5 percent may be available for telecommunications research activities for projects related directly to the development of a national information infrastructure: *Provided further*, That notwithstanding the requirements of section 392(a) and 392(c) of the Act, these funds may be used for the planning and construction of telecommunications networks for the provision of educational, cultural, health care, public information, public safety or other social services.]

PATENT AND TRADEMARK OFFICE

SALARIES AND EXPENSES

For necessary expenses of the Patent and Trademark Office provided for by law, including defense of suits instituted against the Commissioner of Patents and Trademarks; [$90,000,000] *$56,324,000*, to remain available until expended: *Provided*, That the funds made available under this heading are to be derived from deposits in the Patent and Trademark Office Fee Surcharge Fund as authorized by law: *Provided further*, That the amounts made available under the Fund shall not exceed amounts deposited; and such fees as shall be collected pursuant to 15 U.S.C. 1113 and 35 U.S.C. 41 and 376, shall remain available until expended.

SCIENCE AND TECHNOLOGY

NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY

SCIENTIFIC AND TECHNICAL RESEARCH AND SERVICES

For necessary expenses of the National Institute of Standards and Technology, [$263,000,000] *$222,737,000*, to remain available until expended, of which not to exceed $8,500,000 may be transferred to the "Working Capital Fund".

INDUSTRIAL TECHNOLOGY SERVICES

For necessary expenses of the Manufacturing Extension Partnership of the National Institute of Standards and Technology *and the Advanced Technology Program*, [$81,100,000] *$76,600,000*, to remain available until expended, of which not to exceed $500,000 may be transferred to the "Working Capital Fund": *Provided*, That none of the funds made available under this heading in this or any other Act may be used for the purposes of carrying out additional program competitions under the Advanced Technology Program: *Provided further*, That any unobligated balances available from carryover of prior year appropriations under the Advanced Technology Program may be used only for the purposes of providing continuation grants.

CONSTRUCTION OF RESEARCH FACILITIES

For [construction of new research facilities, including architectural and engineering design, and for] renovation of existing facilities, not otherwise provided for the National Institute of Standards and Technology, as authorized by 15 U.S.C. 278c–278e, [$60,000,000] *$24,000,000*, to remain available until expended.

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

OPERATIONS, RESEARCH, AND FACILITIES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of activities authorized by law for the National Oceanic and Atmospheric Administration, including acquisition, maintenance, operation, and hire of aircraft; not to exceed 358 commissioned officers on the active list; grants, contracts, or other payments to nonprofit organizations for the purposes of conducting activities pursuant to cooperative agreements; and alteration, modernization, and relocation of facilities as authorized by 33 U.S.C. 883i; [$1,724,452,000] *$1,809,092,000*, to remain available until expended: *Provided*, That notwithstanding 31 U.S.C. 3302 but consistent with other existing law, fees shall be assessed, collected, and credited to this appropriation as offsetting collections to be available until expended, to recover the costs of administering aeronautical charting programs: *Provided further*, That the sum herein appropriated from the general fund shall be reduced as such additional fees are received during fiscal year 1996, so as to result in a final general fund appropriation estimated at not more than [$1,721,452,000] *$1,806,092,000*: *Provided further*, That any such additional fees received in excess of $3,000,000 in fiscal year 1996 shall not be available for obligation until October 1, 1996: *Provided further*, That fees and donations received by the National Oceanic Service for the management of the national marine sanctuaries may be retained and used for the salaries and expenses associated with those activities, notwithstanding 31 U.S.C. 3302: *Provided further*, That in addition, [$57,500,000] *$55,500,000* shall be derived by transfer from the fund entitled "Promote and Develop Fishery Products and Research Pertaining to American Fisheries": *Provided further*, That grants to States pursuant to sections 306 and 306(a) of the Coastal Zone Management Act, as amended, shall not exceed $2,000,000.

COASTAL ZONE MANAGEMENT FUND

Of amounts collected pursuant to 16 U.S.C. 1456a, not to exceed $7,800,000, for purposes set forth in 16 U.S.C. 1456a(b)(2)(A), 16 U.S.C. 1456a(b)(2)(B)(v), and 16 U.S.C. [1461(c)] *1461(e)*.

CONSTRUCTION

For repair and modification of, and additions to, existing facilities and construction of new facilities, and for facility planning and design and land acquisition not otherwise provided for the National Oceanic and Atmospheric Administration, [$42,731,000] *$50,000,000*, to remain available until expended.

FLEET MODERNIZATION, SHIPBUILDING AND CONVERSION

For expenses necessary for the repair[, acquisition, leasing, or conversion] of vessels, including related equipment to maintain [and modernize] the existing fleet [and to continue planning the modernization of the fleet,] for the National Oceanic and Atmospheric Administration, $8,000,000, to remain available until expended.

FISHING VESSEL AND GEAR DAMAGE COMPENSATION FUND

For carrying out the provisions of section 3 of Public Law 95-376, not to exceed

$1,032,000, to be derived from receipts collected pursuant to 22 U.S.C. 1980 (b) and (f), to remain available until expended.

FISHERMEN'S CONTINGENCY FUND

For carrying out the provisions of title IV of Public Law 95–372, not to exceed $999,000, to be derived from receipts collected pursuant to that Act, to remain available until expended.

FOREIGN FISHING OBSERVER FUND

For expenses necessary to carry out the provisions of the Atlantic Tunas Convention Act of 1975, as amended (Public Law 96–339), the Magnuson Fishery Conservation and Management Act of 1976, as amended (Public Law 100–627) and the American Fisheries Promotion Act (Public Law 96–561), there are appropriated from the fees imposed under the foreign fishery observer program authorized by these Acts, not to exceed $196,000, to remain available until expended.

FISHING VESSEL OBLIGATIONS GUARANTEES

For the cost, as defined in section 502 of the Federal Credit Reform Act of 1990, of guaranteed loans authorized by the Merchant Marine Act of 1936, as amended, $250,000: Provided, That none of the funds made available under this heading may be used to guarantee loans for the purchase of any new or existing fishing vessel.

[TECHNOLOGY ADMINISTRATION

[UNDER SECRETARY FOR TECHNOLOGY/OFFICE OF TECHNOLOGY POLICY

[SALARIES AND EXPENSES

[For necessary expenses for the Under Secretary for Technology/Office of Technology Policy, $5,000,000.]

GENERAL ADMINISTRATION

SALARIES AND EXPENSES

For expenses necessary for the general administration of the Department of Commerce provided for by law, including not to exceed $3,000 for official entertainment, $29,100,000.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended (5 U.S.C. App. 1–11 as amended by Public Law 100–504), $21,849,000.

COMMERCE REORGANIZATION TRANSITION FUND

For deposit in the Commerce Reorganization Transition Fund established under section 206(c)(1) of this Act for use in accordance with section 206(c)(4) of this Act, $52,000,000, in addition to amounts made available by transfer, which amount shall remain available until expended: Provided, That of these funds $4,000,000 shall be remitted to the Office of Personnel Management for deposit in the Treasury of the United States to the credit of the Civil Service Retirement and Disability Fund.

GENERAL PROVISIONS—DEPARTMENT OF COMMERCE

SEC. 201. During the current fiscal year, applicable appropriations and funds made available to the Department of Commerce by this Act shall be available for the activities specified in the Act of October 26, 1949 (15 U.S.C. 1514), to the extent and in the manner prescribed by the Act, and, notwithstanding 31 U.S.C. 3324, may be used for advanced payments not otherwise authorized only upon the certification of officials designated by the Secretary that such payments are in the public interest.

SEC. 202. During the current fiscal year, appropriations made available to the Department of Commerce by this Act for salaries and expenses shall be available for hire of passenger motor vehicles as authorized by 31 U.S.C. 1343 and 1344; services as authorized by 5 U.S.C. 3109; and uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901–5902).

SEC. 203. None of the funds made available by this Act may be used to support the hurricane reconnaissance aircraft and activities that are under the control of the United States Air Force or the United States Air Force Reserve.

SEC. 204. None of the funds provided in this or any previous Act, or hereinafter made available to the Department of Commerce shall be available to reimburse the Unemployment Trust Fund or any other fund or account of the Treasury to pay for any expenses paid before October 1, 1992, as authorized by section 8501 of title 5, United States Code, for services performed after April 20, 1990, by individuals appointed to temporary positions within the Bureau of the Census for purposes relating to the 1990 decennial census of population.

SEC. 205. Not to exceed 5 percent of any appropriation made available for the current fiscal year for the Department of Commerce in this Act may be transferred between such appropriations, but no such appropriation shall be increased by more than 10 percent by any such transfers: *Provided*, That any transfer pursuant to this section shall be treated as a reprogramming of funds under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

SEC. 206. CONSOLIDATION OF FUNCTIONS OF COMMERCE DEPARTMENT.

(a) CONSOLIDATION.—

(1) IN GENERAL.—Notwithstanding any other provision of law, the Director of the Office of Management and Budget shall, in consultation with the Secretary of Commerce—

(A) abolish, reorganize, consolidate, or transfer such functions that either receive funding or are eliminated under this title as the Director considers appropriate in order to meet the requirements and limitations set forth in this title; and

(B) terminate or transfer such personnel associated with such functions as the Director considers appropriate in order to meet such requirements and limitations.

(2) TRANSITION RULES.—The Director of the Office of Management and Budget shall establish such rules and procedures relating to the abolishment, reorganization, consolidation, or transfer of functions under this subsection as the Director considers appropriate, including rules and procedures relating to the rights and responsibilities of personnel of the Government terminated, transferred, or otherwise affected by such the abolishment, reorganization, consolidation, or transfer.

(b) BUY OUT AUTHORITY.—

(1) IN GENERAL.—The Secretary of Commerce may, for such officers and employees as the Secretary considers appropriate as part of the activities of the Secretary under subsection (a), authorize a payment to officers and employees who voluntarily separate on or before December 15, 1995, whether by retirement or resignation.

(2) PAYMENT REQUIREMENT.—Payment under paragraph (1) shall be paid in accordance with the provisions of sections 3 and 4 of the Federal Workforce Restructuring Act of 1994 (Public Law 103–226; 108 Stat. 111), except that an employee of the agency shall be deemed to be eligible for payment of a voluntary separation incentive payment under that section if the employee separates from service with the agency during the period beginning on the date of enactment of this Act and ending on December 15, 1995.

(3) FUNDING.—

(A) IN GENERAL.—The payment of voluntary separation incentive payments under this subsection shall be made from funds in the Commerce Reorganization Transition Fund established under subsection (c).

(B) PAYMENT DEPENDENT ON FUNDING.—The Secretary of Commerce may not pay voluntary separation incentive payments under this subsection unless sufficient funds are available in the Commerce Reorganization Fund to cover the cost of such payments and the costs of any other payments (including payments or deposits to retirement systems) required in relation to such payments.

(c) COMMERCE REORGANIZATION TRANSITION FUND.—

(1) ESTABLISHMENT.—There is hereby established on the books of the Treasury an account to be known as the "Commerce Reorganization Transition Fund".

(2) PURPOSE.—The purpose of the account is to provide funds for the following:

(A) To cover the costs of actions relating to the abolishment, reorganization, consolidation, or transfer of functions under subsection (a).

(B) To the cover the costs of the payment of payments under subsection (b), including any payments or deposits to retirement systems required in relation to such payment.

(3) DEPOSITS.—There shall be deposited into the account such sums as may be appropriated or transferred to the account.

(4) USE OF FUNDS.—Sums in the account shall be available for the purpose set forth in paragraph (2).

(5) REPORT ON ACCOUNT.—Not later than October 1, 1997, the Secretary of Commerce shall transmit to the Committees on Appropriations and Commerce, Science, and Transportation of the Senate and the Committees on Appropriations and Government Reform and Oversight of the House of Representatives a report containing an accounting of the expenditures from the account established under this subsection.

This title may be cited as the "Department of Commerce and Related Agencies Appropriations Act, 1996".

TITLE III—THE JUDICIARY

SUPREME COURT OF THE UNITED STATES

SALARIES AND EXPENSES

For expenses necessary for the operation of the Supreme Court, as required by law, excluding care of the building and grounds, including purchase or hire, driving, maintenance and operation of an automobile for the Chief Justice, not to exceed $10,000 for the purpose of transporting Associate Justices, and hire of passenger motor vehicles as authorized by 31 U.S.C. 1343 and 1344; not to exceed $10,000 for official reception and representation expenses; and for miscellaneous expenses, to be expended as the Chief Justice may approve, $25,834,000.

CARE OF THE BUILDING AND GROUNDS

For such expenditures as may be necessary to enable the Architect of the Capitol to carry out the duties imposed upon him by the Act approved May 7, 1934 (40 U.S.C. 13a–13b), $3,313,000, of which [$500,000] *$565,000* shall remain available until expended.

UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

SALARIES AND EXPENSES

For salaries of the chief judge, judges, and other officers and employees, and for necessary expenses of the court, as authorized by law, [$14,070,000] *$14,288,000*.

UNITED STATES COURT OF INTERNATIONAL TRADE

SALARIES AND EXPENSES

For salaries of the chief judge and eight judges, salaries of the officers and employees of the court, services as authorized by 5 U.S.C. 3109, and necessary expenses of the court, as authorized by law, $10,859,000.

Courts of Appeals, District Courts, and Other Judicial Services

SALARIES AND EXPENSES

For the salaries of circuit and district judges (including judges of the territorial courts of the United States), justices and judges retired from office or from regular active service, judges of the United States Court of Federal Claims, bankruptcy judges, magistrate judges, and all other officers and employees of the Federal Judiciary not otherwise specifically provided for, and necessary expenses of the courts, as authorized by law, **[**$2,409,024,000**]** *$2,471,195,000* (including the purchase of firearms and ammunition); of which not to exceed $13,454,000 shall remain available until expended for space alteration projects; of which not to exceed $10,000,000 shall remain available until expended for furniture and furnishings related to new space alteration and construction projects; and of which $500,000 is to remain available until expended for acquisition of books, periodicals, and newspapers, and all other legal reference materials, including subscriptions.

In addition, for expenses of the United States Court of Federal Claims associated with processing cases under the National Childhood Vaccine Injury Act of 1986, not to exceed $2,318,000, to be appropriated from the Vaccine Injury Compensation Trust Fund.

VIOLENT CRIME REDUCTION PROGRAMS

For activities of the Federal Judiciary as authorized by law, **[**$41,500,000**]** *$30,000,000*, to remain available until expended, which shall be derived from the Violent Crime Reduction Trust Fund, as authorized by section 190001(a) of Public Law 103–322.

DEFENDER SERVICES

For the operation of Federal Public Defender and Community Defender organizations, the compensation and reimbursement of expenses of attorneys appointed to represent persons under the Criminal Justice Act of 1964, as amended, the compensation and reimbursement of expenses of persons furnishing investigative, expert and other services under the Criminal Justice Act (18 U.S.C. 3006A(e)), the compensation (in accordance with Criminal Justice Act maximums) and reimbursement of expenses of attorneys appointed to assist the court in criminal cases where the defendant has waived representation by counsel, the compensation and reimbursement of travel expenses of guardians ad litem acting on behalf of financially eligible minor or incompetent offenders in connection with transfers from the United States to foreign countries with which the United States has a treaty for the execution of penal sentences, and the compensation of attorneys appointed to represent jurors in civil actions for the protection of their employment, as authorized by 28 U.S.C. 1875(d), **[**$260,000,000**]** *$274,433,000*, to remain available until expended as authorized by 18 U.S.C. 3006A(i): *Provided*, That none of the funds provided in this Act shall be available for Death Penalty Resource Centers or Post-Conviction Defender Organizations *after April 1, 1996*.

FEES OF JURORS AND COMMISSIONERS

For fees and expenses of jurors as authorized by 28 U.S.C. 1871 and 1876; compensation of jury commissioners as authorized by 28 U.S.C. 1863; and compensation of commissioners appointed in condemnation cases pursuant to rule 71A(h) of the Federal Rules of Civil Procedure (28 U.S.C. Appendix Rule 71A(h)); $59,028,000, to remain available until expended: *Provided*, That the compensation of land commissioners shall not exceed the daily equivalent of the highest rate payable under section 5332 of title 5, United States Code.

COURT SECURITY

For necessary expenses, not otherwise provided for, incident to the procurement, installation, and maintenance of security equipment and protective services for the United States Courts in courtrooms and adjacent areas, including building ingress-egress control, inspection of packages, directed security patrols, and other similar activities as authorized by section 1010 of the Judicial Improvement and Access to Justice Act (Public Law 100–702); **[**$109,724,000**]** *$102,000,000*, to be expended directly or transferred to the United States Marshals Service which shall be responsible for administering elements of the Judicial Security Program consistent with standards or guidelines agreed to by the Director of the Administrative Office of the United States Courts and the Attorney General.

Administrative Office of the United States Courts

SALARIES AND EXPENSES

For necessary expenses of the Administrative Office of the United States Courts as authorized by law, including travel as authorized by 31 U.S.C. 1345, hire of a passenger motor vehicle as authorized by 31 U.S.C. 1343(b), advertising and rent in the District of Columbia and elsewhere, $47,500,000, of which not to exceed $7,500 is authorized for official reception and representation expenses.

Federal Judicial Center

SALARIES AND EXPENSES

For necessary expenses of the Federal Judicial Center, as authorized by Public Law 90–219, **[**$18,828,000**]** *$17,000,000*; of which $1,800,000 shall remain available through September 30, 1997, to provide education and training to Federal court personnel; and of which not to exceed $1,000 is authorized for official reception and representation expenses.

Judicial Retirement Funds

PAYMENT TO JUDICIARY TRUST FUNDS

For payment to the Judicial Officers' Retirement Fund, as authorized by 28 U.S.C. 377(o), $24,000,000, to the Judicial Survivors' Annuities Fund, as authorized by 28 U.S.C. 376(c), $7,000,000, and to the United States Court of Federal Claims Judges' Retirement Fund, as authorized by 28 U.S.C. 178(l), $1,900,000.

United States Sentencing Commission

SALARIES AND EXPENSES

For the salaries and expenses necessary to carry out the provisions of chapter 58 of title 28, United States Code, **[**$8,500,000**]** *$7,040,000*, of which not to exceed $1,000 is authorized for official reception and representation expenses.

General Provisions—The Judiciary

SEC. 301. Appropriations and authorizations made in this title which are available for salaries and expenses shall be available for services as authorized by 5 U.S.C. 3109.

SEC. 302. Appropriations made in this title shall be available for salaries and expenses of the Special Court established under the Regional Rail Reorganization Act of 1973, Public Law 93–236.

SEC. 303. Not to exceed 5 percent of any appropriation made available for the current fiscal year for the Judiciary in this Act may be transferred between such appropriations, but no such appropriation, except as otherwise specifically provided, shall be increased by more than 10 percent by any such transfers: *Provided*, That any transfer pursuant to this section shall be treated as a reprogramming of funds under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

SEC. 304. Notwithstanding any other provision of law, the salaries and expenses appropriation for district courts, courts of appeals, and other judicial services shall be available for official reception and representation expenses of the Judicial Conference of the United States: *Provided*, That such available funds shall not exceed $10,000 and shall be administered by the Director of the Administrative Office of the United States Courts in his capacity as Secretary of the Judicial Conference.

This title may be cited as "The Judiciary Appropriations Act, 1996".

TITLE IV—DEPARTMENT OF STATE AND RELATED AGENCIES

DEPARTMENT OF STATE

Administration of Foreign Affairs

DIPLOMATIC AND CONSULAR PROGRAMS

For necessary expenses of the Department of State and the Foreign Service not otherwise provided for, including expenses authorized by the State Department Basic Authorities Act of 1956, as amended; representation to certain international organizations in which the United States participates pursuant to treaties, ratified pursuant to the advice and consent of the Senate, or specific Acts of Congress; acquisition by exchange or purchase of passenger motor vehicles as authorized by 31 U.S.C. 1343, 40 U.S.C. 481(c) and 22 U.S.C. 2674; and for expenses of general administration **[**$1,716,878,000**]** *$1,552,165,000*: *Provided*, That starting in fiscal year 1997, a system shall be in place that allocates to each department and agency the full cost of its presence outside of the United States.

Of the funds provided under this heading, $24,856,000 shall be available only for the Diplomatic Telecommunications Service for operation of existing base services and not to exceed $17,144,000 shall be available only for the enhancement of the Diplomatic Telecommunications Service (DTS), except that such latter amount shall not be available for obligation until the expiration of the 15-day period beginning on the date on which the Secretary of State and the Director of the Diplomatic Telecommunications Service Program Office submit the DTS pilot program report required by section 507 of Public Law 103–317.

In addition, not to exceed $700,000 in registration fees collected pursuant to section 38 of the Arms Export Control Act, as amended, may be used in accordance with section 45 of the State Department Basic Authorities Act of 1956, 22 U.S.C. 2717; and in addition not to exceed $1,223,000 shall be derived from fees from other executive agencies for lease or use of facilities located at the International Center in accordance with section 4 of the International Center Act (Public Law 90–553, as amended by section 120 of Public Law 101–246); and in addition not to exceed $15,000 which shall be derived from reimbursements, surcharges, and fees for use of Blair House facilities in accordance with section 46 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2718(a)).

Notwithstanding section 402 of this Act, not to exceed 20 percent of the amounts made available in this Act in the appropriation accounts, "Diplomatic and Consular Programs" and "Salaries and Expenses" under the heading "Administration of Foreign Affairs" may be transferred between such appropriation accounts: *Provided*, That any transfer pursuant to this section shall be treated as a reprogramming of funds under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

For an additional amount for security [enhancement] *enhancements*, to counter the threat of terrorism, $9,720,000, to remain available until expended.

SALARIES AND EXPENSES

For expenses necessary for the general administration of the Department of State and the Foreign Service, provided for by law, including expenses authorized by section 9 of the Act of August 31, 1964, as amended (31 U.S.C. 3721), and the State Department Basic Authorities Act of 1956, as amended, [$363,276,000] *$335,276,000*.

For an additional amount for security enhancements to counter the threat of terrorism, $1,870,000, to remain available until expended.

FOREIGN AFFAIRS REORGANIZATION TRANSITION FUND

For deposit in the Foreign Affairs Reorganization Transition Fund established under section 404(c)(1) of this Act for use in accordance with section 404(c)(4) of this Act, $26,000,000 to remain available until expended: Provided, That of these funds, $3,000,000 shall be remitted to the Office of Personnel Management for deposit in the Treasury of the United States to the credit of the Civil Service Retirement and Disability Fund: Provided further, That of these funds $1,000,000 shall be remitted to the Office of Personnel Management for deposit in the Treasury of the United States to the credit of the Foreign Service Retirement and Disability Fund.

CAPITAL INVESTMENT FUND

For necessary expenses of the Capital Investment Fund, [$16,400,000] *$8,200,000*, to remain available until expended, as authorized in Public Law 103-236: *Provided*, That section 135(e) of Public Law 103-236 shall not apply to funds appropriated under this heading.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended (5 U.S.C. App.), [$27,669,000] *$27,350,000*: *Provided*, That notwithstanding any other provision of law, (1) the Office of the Inspector General of the United States Information Agency is hereby merged with the Office of the Inspector General of the Department of State; (2) the functions exercised and assigned to the Office of the Inspector General of the United States Information Agency before the effective date of this Act (including all related functions) are transferred to the Office of the Inspector General of the Department of State; and (3) the Inspector General of the Department of State shall also serve as the Inspector General of the United States Information Agency.

REPRESENTATION ALLOWANCES

For representation allowances as authorized by section 905 of the Foreign Service Act of 1980, as amended (22 U.S.C. 4085), [$4,780,000] *$4,500,000*.

PROTECTION OF FOREIGN MISSIONS AND OFFICIALS

For expenses, not otherwise provided, to enable the Secretary of State to provide for extraordinary protective services in accordance with the provisions of section 214 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 4314) and 3 U.S.C. 208, $8,579,000.

ACQUISITION AND MAINTENANCE OF BUILDINGS ABROAD

For necessary expenses for carrying out the Foreign Service Buildings Act of 1926, as amended (22 U.S.C. 292-300), and the Diplomatic Security Construction Program as authorized by title IV of the Omnibus Diplomatic Security and Antiterrorism Act of 1986 (22 U.S.C. 4851), [$391,760,000] *$369,860,000*, to remain available until expended as authorized by 22 U.S.C. 2696(c): *Provided*, That none of the funds appropriated in this paragraph shall be available for acquisition of furniture and furnishings and generators for other departments and agencies.

EMERGENCIES IN THE DIPLOMATIC AND CONSULAR SERVICE

For expenses necessary to enable the Secretary of State to meet unforeseen emergencies arising in the Diplomatic and Consular Service pursuant to the requirement of 31 U.S.C. 3526(e), $6,000,000, to remain available until expended as authorized by 22 U.S.C. 2696(c), of which not to exceed $1,000,000 may be transferred to and merged with the Repatriation Loans Program Account, subject to the same terms and conditions.

REPATRIATION LOANS PROGRAM ACCOUNT

For the cost of direct loans, $593,000, as authorized by 22 U.S.C. 2671: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974. In addition, for administrative expenses necessary to carry out the direct loan program, $183,000 which may be transferred to and merged with the Salaries and Expenses account under Administration of Foreign Affairs.

PAYMENT TO THE AMERICAN INSTITUTE IN TAIWAN

For necessary expenses to carry out the Taiwan Relations Act, Public Law 96-8 (93 Stat. 14), $15,165,000.

PAYMENT TO THE FOREIGN SERVICE RETIREMENT AND DISABILITY FUND

For payment to the Foreign Service Retirement and Disability Fund, as authorized by law, $125,402,000.

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

For expenses, not otherwise provided for, necessary to meet annual obligations of membership in international multilateral organizations, pursuant to treaties ratified pursuant to the advice and consent of the Senate, conventions or specific Acts of Congress, [$858,000,000] *$550,000,000*: *Provided*, That any payment of arrearages shall be directed toward special activities that are mutually agreed upon by the United States and the respective international organization: *Provided further*, That 20 percent of the funds appropriated in this paragraph for the assessed contribution of the United States to the United Nations shall be withheld from obligation and expenditure until a certification is made under section 401(b) of Public Law 103-236 for fiscal year 1996: *Provided further*, That certification under section 401(b) of Public Law 103-236 for fiscal year 1996 may only be made if the Committees on Appropriations and Foreign Relations of the Senate and the Committees on Appropriations and International Relations of the House of Representatives are notified of the steps taken, and anticipated, to meet the requirements of section 401(b) of Public Law 103-236 at least 15 days in advance of the proposed certification: *Provided further*, That none of the funds appropriated in this paragraph shall be available for a United States contribution to an international organization for the United States share of interest costs made known to the United States Government by such organization for loans incurred on or after October 1, 1984, through external borrowings.

CONTRIBUTIONS FOR INTERNATIONAL PEACEKEEPING ACTIVITIES

For necessary expenses to pay assessed and other expenses of international peacekeeping activities directed to the maintenance or restoration of international peace and security, [$425,000,000] *$250,000,000*: *Provided*, That none of the funds made available under this Act may be used, and shall not be available, for obligation or expenditure for any new or expanded United Nations peacekeeping mission unless, at least fifteen days in advance of voting for the new or expanded mission in the United Nations Security Council (or in an emergency, as far in advance as is practicable), (1) the Committees on Appropriations of the House of Representatives and the Senate and other appropriate Committees of the Congress are notified of the estimated cost and length of the mission, the vital national interest that will be served, and the planned exit strategy; and (2) a reprogramming of funds pursuant to section 605 of this Act is submitted, and the procedures therein followed, setting forth the source of funds that will be used to pay for the cost of the new or expanded mission: *Provided further*, That funds shall be available for peacekeeping expenses only upon a certification by the Secretary of State to the appropriate committees of the Congress that American manufacturers and suppliers are being given opportunities to provide equipment, services and material for United Nations peacekeeping activities equal to those being given to foreign manufacturers and suppliers.

INTERNATIONAL CONFERENCES AND CONTINGENCIES

For necessary expenses authorized by section 5 of the State Department Basic Authorities Act of 1956, in addition to funds otherwise available for these purposes, contributions for the United States share of general expenses of international organizations and conferences and representation to such organizations and conferences as provided for by 22 U.S.C. 2656 and 2672 and personal services without regard to civil service and classification laws as authorized by 5 U.S.C. 5102, $3,000,000, to remain available until expended as authorized by 22 U.S.C. 2696(c), of which not to exceed $200,000 may be expended for representation as authorized by 22 U.S.C. 4085.

INTERNATIONAL COMMISSIONS

For necessary expenses, not otherwise provided for, to meet obligations of the United States arising under treaties, or specific Acts of Congress, as follows:

INTERNATIONAL BOUNDARY AND WATER COMMISSION, UNITED STATES AND MEXICO

For necessary expenses for the United States Section of the International Boundary and Water Commission, United States and Mexico, and to comply with laws applicable to the United States Section, including not to exceed $6,000 for representation; as follows:

SALARIES AND EXPENSES

For salaries and expenses, not otherwise provided for, **[$12,358,000]** *$11,500,000*.

CONSTRUCTION

For detailed plan preparation and construction of authorized projects, **[$6,644,000]** *$8,000,000*, to remain available until expended as authorized by 22 U.S.C. 2696(c).

AMERICAN SECTIONS, INTERNATIONAL COMMISSIONS

For necessary expenses, not otherwise provided for the International Joint Commission and the International Boundary Commission, United States and Canada, as authorized by treaties between the United States and Canada or Great Britain, and for the Border Environment Cooperation Commission as authorized by Public Law 103–182; **[$5,800,000]** *$5,550,000*, of which not to exceed $9,000 shall be available for representation expenses incurred by the International Joint Commission.

INTERNATIONAL FISHERIES COMMISSIONS

For necessary expenses for international fisheries commissions, not otherwise provided for, as authorized by law, $14,669,000: *Provided*, That the United States' share of such expenses may be advanced to the respective commissions, pursuant to 31 U.S.C. 3324.

[PAYMENT TO THE ASIA FOUNDATION

[For a grant to the Asia Foundation, as authorized by section 501 of Public Law 101–246, $10,000,000 to remain available until expended as authorized by 22 U.S.C. 2696(c).]

GENERAL PROVISIONS—DEPARTMENT OF STATE

SEC. 401. Funds appropriated under this title shall be available, except as otherwise provided, for allowances and differentials as authorized by subchapter 59 of 5 U.S.C.; for services as authorized by 5 U.S.C. 3109; and hire of passenger transportation pursuant to 31 U.S.C. 1343(b).

SEC. 402. Not to exceed 5 percent of any appropriation made available for the current fiscal year for the Department of State in this Act may be transferred between such appropriations, but no such appropriation, except as otherwise specifically provided, shall be increased by more than 10 percent by any such transfers: *Provided*, That not to exceed 5 percent of any appropriation made available for the current fiscal year for the United States Information Agency in this Act may be transferred between such appropriations, but no such appropriation, except as otherwise specifically provided, shall be increased by more than 10 percent by any such transfers: *Provided further*, That any transfer pursuant to this section shall be treated as a reprogramming of funds under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

SEC. 403. Funds appropriated or otherwise made available under this Act or any other Act may be expended for compensation of the United States Commissioner of the International Boundary Commission, United States and Canada, only for actual hours worked by such Commissioner.

SEC. 404. CONSOLIDATION OF REDUNDANT FOREIGN RELATIONS FUNCTIONS.

(a) CONSOLIDATION OF FUNCTIONS.—

(1) CONSOLIDATION OF FUNCTIONS OF STATE DEPARTMENT, USIA, AND ACDA.—Notwithstanding any other provision of law, the Director of the Office of Management and Budget shall, in consultation with the Secretary of State, the Director of the United States Information Agency and the Director of the Arms Control and Disarmament Agency—

(A) identify the functions carried out by the Department of State, by the United States Information Agency, and the Arms Control and Disarmament Agency that are redundant by reason of being carried out, in whole or in part, by two or more of these entities; and

(B) take appropriate actions to eliminate the redundancy in such functions.

(2) SCOPE OF CONSOLIDATION.—In carrying out the requirements of paragraph (1), the Director of the Office of Management and Budget may provide for the discharge of functions of the entities referred to in such paragraph by a single office within one of the entities.

(3) ADDITIONAL CONSOLIDATION AUTHORITY.—In addition to the actions under paragraphs (1) and (2), the Director of the Office of Management and Budget may also carry out such other actions to consolidate and reorganize the functions of the Department of State, the United States Information Agency, and the United States Arms Control and Disarmament Agency as the Director and the heads of such entities consider appropriate to ensure the effective and efficient discharge of the responsibilities of such entities.

(4) ACTIONS AUTHORIZED.—The actions that the Director of the Office of Management and Budget may take under this subsection include the following:

(A) The abolishment, reorganization, consolidation, or transfer of functions (in whole or in part).

(B) The termination or transfer of the personnel associated with functions so abolished, reorganized, consolidated, or transferred.

(5) TRANSITION RULES.—The Director of the Office of Management and Budget shall establish such rules and procedures relating to the consolidation of foreign relations functions under this subsection as the Director considers appropriate, including rules and procedures relating to the rights and responsibilities of personnel of the Government terminated, transferred, or otherwise affected by actions to carry out the consolidation.

(b) VOLUNTARY SEPARATION INCENTIVES.—

(1) AUTHORITY TO PAY INCENTIVES.—The head of an agency referred to in paragraph (2) may pay voluntary incentive payments to employees of the agency in order to avoid or minimize the need for involuntary separations from the agency as a result of the consolidation of foreign relations functions under subsection (a).

(2) COVERED AGENCIES.—Paragraph (1) applies to the following agencies:

(A) The Department of State.

(B) The United States Information Agency.

(C) The United States Arms Control and Disarmament Agency.

(3) PAYMENT REQUIREMENTS.—

(A) IN GENERAL.—The head of an agency referred to in paragraph (2) shall pay voluntary separation incentive payments under this subsection in accordance with the provisions of sections 3 and 4 of the Federal Workforce Restructuring Act of 1994 (Public Law 103–226; 108 Stat. 111), except that an employee of the agency shall be deemed to be eligible for payment of a voluntary separation incentive payment under that section if the employee separates from service with the agency during the period beginning on the date of enactment of this Act and ending on December 15, 1995.

(B) SUBSEQUENT EMPLOYMENT WITH GOVERNMENT.—The provisions of subsection (d) of such section 3 shall apply to any employee who is paid a voluntary separation incentive payment under this subsection.

(4) FUNDING.—

(A) IN GENERAL.—The payment of voluntary separation incentive payments under this subsection shall be made from funds in the Foreign Affairs Reorganization Transition Fund established under subsection (c).

(B) EXERCISE OF AUTHORITY DEPENDENT ON FUNDING.—The head of an agency may not pay voluntary separation incentive payments under this subsection unless sufficient funds are available in the Foreign Affairs Reorganization Fund to cover the cost of such payments and the costs of any other payments (including payments or deposits to retirement systems) required in relation to such payments.

(5) TERMINATION OF AUTHORITY.—The authority of the head of an agency to authorize payment of voluntary separation incentive payments under this subsection shall expire on December 15, 1995.

(c) FOREIGN AFFAIRS REORGANIZATION TRANSITION FUND.—

(1) ESTABLISHMENT.—There is hereby established on the books of the Treasury an account to be known as the "Foreign Affairs Reorganization Transition Fund".

(2) PURPOSE.—The purpose of the account is to provide funds for the following:

(A) To cover the costs of actions relating to the consolidation of redundant foreign relations functions that are taken under subsection (a).

(B) To the cover the costs to the Government of the payment of voluntary separation incentive payments under subsection (b), including any payments or deposits to retirement systems required in relation to such payment.

(3) DEPOSITS.—There shall be deposited into the account such sums as may be appropriated to the account.

(4) USE OF FUNDS.—Sums in the account shall remain available until expended for the purpose set forth in paragraph (2).

(5) REPORT ON ACCOUNT.—Not later than November 15, 1996, the Secretary of State shall transmit to the Committees on Appropriations and Foreign Relations of the Senate and the Committees on Appropriations and International Relations of the House of Representatives a report containing an accounting of—

(A) the expenditures from the account established under this subsection; and

(B) in the event of any transfer of funds to the Department of State under paragraph (5), the functions for which the funds so transferred are to be expended.

RELATED AGENCIES

ARMS CONTROL AND DISARMAMENT AGENCY

ARMS CONTROL AND DISARMAMENT ACTIVITIES

For necessary expenses not otherwise provided, for arms control, nonproliferation, and disarmament activities, **[$40,000,000]** *$22,700,000*, of which not to exceed $50,000 shall be for official reception and representation expenses as authorized by the Act of September 26, 1961, as amended (22 U.S.C. 2551 et seq.).

UNITED STATES INFORMATION AGENCY

SALARIES AND EXPENSES

For expenses, not otherwise provided for, necessary to enable the United States Information Agency, as authorized by the Mutual Educational and Cultural Exchange Act of 1961, as amended (22 U.S.C. 2451 et seq.), the United States Information and Educational Exchange Act of 1948, as amended (22 U.S.C. 1431 et seq.) and Reorganization Plan No. 2 of 1977 (91 Stat. 1636), to carry out international communication, educational and cultural activities; and to carry out related activities authorized by law, including employment, without regard to civil service and classification laws, of persons on a temporary basis (not to exceed $700,000 of this appropriation), as authorized by 22 U.S.C. 1471, and entertainment, including official receptions, within the United States, not to exceed $25,000 as authorized by 22 U.S.C. 1474(3); [$445,645,000] *$420,000,000*: *Provided*, That not to exceed $1,400,000 may be used for representation abroad as authorized by 22 U.S.C. 1452 and 4085: *Provided further*, That not to exceed $7,615,000 to remain available until expended, may be credited to this appropriation from fees or other payments received from or in connection with English teaching, library, motion pictures, and publication programs as authorized by section 810 of the United States Information and Educational Exchange Act of 1948, as amended: *Provided further*, That not to exceed $1,700,000 to remain available until expended may be used to carry out projects involving security construction and related improvements for agency facilities not physically located together with Department of State facilities abroad.

TECHNOLOGY FUND

For expenses necessary to enable the United States Information Agency to provide for the procurement of information technology improvements, as authorized by the United States Information and Educational Exchange Act of 1948, as amended (22 U.S.C. 1431 et seq.), the Mutual Educational and Cultural Exchange Act of 1961, as amended (22 U.S.C. 2451 et seq.), and Reorganization Plan No. 2 of 1977 (91 Stat. 1636), [$5,050,000] *$3,050,000*, to remain available until expended.

EDUCATIONAL AND CULTURAL EXCHANGE PROGRAMS

For expenses of educational and cultural exchange programs, as authorized by the Mutual Educational and Cultural Exchange Act of 1961, as amended (22 U.S.C. 2451 et seq.), and Reorganization Plan No. 2 of 1977 (91 Stat. 1636), [$192,090,000] *$190,000,000*, to remain available until expended as authorized by 22 U.S.C. 2455.

EISENHOWER EXCHANGE FELLOWSHIP PROGRAM TRUST FUND

For necessary expenses of Eisenhower Exchange Fellowships, Incorporated as authorized by sections 4 and 5 of the Eisenhower Exchange Fellowship Act of 1990 (20 U.S.C. 5204–05), all interest and earnings accruing to the Eisenhower Exchange Fellowship Program Trust Fund on or before September 30, 1996, to remain available until expended: *Provided*, That none of the funds appropriated herein shall be used to pay any salary or other compensation, or to enter into any contract providing for the payment thereof, in excess of the rate authorized by 5 U.S.C. 5376; or for purposes which are not in accordance with OMB Circulars A–110 (Uniform Administrative Requirements) and A–122 (Cost Principles for Non-profit Organizations), including the restrictions on compensation for personal services.

ISRAELI ARAB SCHOLARSHIP PROGRAM

For necessary expenses of the Israeli Arab Scholarship Program as authorized by section 214 of the Foreign Relations Authorization Act, Fiscal Years 1992 and 1993 (22 U.S.C. 2452), all interest and earnings accruing to the Israeli Arab Scholarship Fund on or before September 30, 1996, to remain available until expended.

AMERICAN STUDIES COLLECTIONS ENDOWMENT FUND

For necessary expenses of American Studies Collections as authorized by section 235 of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995, all interest and earnings accruing to the American Studies Collections Endowment Fund on or before September 30, 1996, to remain available until expended.

INTERNATIONAL BROADCASTING OPERATIONS

For expenses necessary to enable the United States Information Agency, as authorized by the United States Information and Educational Exchange Act of 1948, as amended, [the Radio Broadcasting to Cuba Act, as amended, the Television Broadcasting to Cuba Act,] the United States International Broadcasting Act of 1994, as amended, and Reorganization Plan No. 2 of 1977, to carry out international communication activities; [$341,000,000] *$330,191,000*, of which $5,000,000 shall remain available until expended, not to exceed $16,000 may be used for official receptions within the United States as authorized by 22 U.S.C. 1474(3), not to exceed $35,000 may be used for representation abroad as authorized by 22 U.S.C. 1452 and 4085, and not to exceed $39,000 may be used for official reception and representation expenses of Radio Free Europe/Radio Liberty; and in addition, not to exceed $250,000 from fees as authorized by section 810 of the United States Information and Educational Exchange Act of 1948, as amended, to remain available until expended for carrying out authorized purposes[: *Provided*, That funds provided for broadcasting to Cuba may be used for the purchase, rent, construction, and improvement of facilities for radio and television transmission and reception, and purchase and installation of necessary equipment for radio and television transmission and reception].

BROADCASTING TO CUBA

For expenses necessary to enable the United States Information Agency to carry out the Radio Broadcasting to Cuba Act, as amended, the Television Broadcasting to Cuba Act, and the International Broadcasting Act of 1994, including the purchase, rent, construction, and improvement of facilities for radio and television transmission and reception, and purchase and installation of necessary equipment for radio and television transmission and reception, $24,809,000 to remain available until expended: Provided, That funds may be used to purchase or lease, maintain, and operate such aircraft (including aerostats) as may be required to house and operate necessary television broadcasting equipment.

RADIO CONSTRUCTION

For an additional amount for the purchase, rent, construction, and improvement of facilities for radio transmission and reception and purchase and installation of necessary equipment for radio and television transmission and reception as authorized by 22 U.S.C. 1471, [$70,164,000] *$40,000,000*, to remain available until expended as authorized by 22 U.S.C. 1477b(a).

EAST-WEST CENTER

To enable the Director of the United States Information Agency to provide for carrying out the provisions of the Center for Cultural and Technical Interchange Between East and West Act of 1960 (22 U.S.C. 2054–2057), by grant to the Center for Cultural and Technical Interchange Between East and West in the State of Hawaii, $10,000,000: Provided, That none of the funds appropriated herein shall be used to pay any salary, or enter into any contract providing for the payment thereof, in excess of the rate authorized by 5 U.S.C. 5376.

NORTH/SOUTH CENTER

To enable the Director of the United States Information Agency to provide for carrying out the provisions of the North/South Center Act of 1991 (22 U.S.C. 2075), by grant to an educational institution in Florida known as the North/South Center, $1,000,000, to remain available until expended.

NATIONAL ENDOWMENT FOR DEMOCRACY

For grants made by the United States Information Agency to the National Endowment for Democracy as authorized by the National Endowment for Democracy Act, $30,000,000, to remain available until expended.

This title may be cited as the "Department of State and Related Agencies Appropriations Act, 1996".

TITLE V—RELATED AGENCIES

DEPARTMENT OF TRANSPORTATION

MARITIME ADMINISTRATION

OPERATING-DIFFERENTIAL SUBSIDIES

(LIQUIDATION OF CONTRACT AUTHORITY)

For the payment of obligations incurred for operating-differential subsidies as authorized by the Merchant Marine Act, 1936, as amended, $162,610,000, to remain available until expended.

OPERATIONS AND TRAINING

For necessary expenses of operations and training activities authorized by law, [$64,600,000] *$68,600,000*, to remain available until expended: *Provided*, That notwithstanding any other provision of law, the Secretary of Transportation may use proceeds derived from the sale or disposal of National Defense Reserve Fleet vessels that are currently collected and retained by the Maritime Administration, to be used for facility and ship maintenance, modernization and repair, conversion, acquisition of equipment, and fuel costs necessary to maintain training at the United States Merchant Marine Academy and State maritime academies: *Provided further*, That reimbursements may be made to this appropriation from receipts to the "Federal Ship Financing Fund" for administrative expenses in support of that program in addition to any amount heretofore appropriated.

MARITIME GUARANTEED LOAN (TITLE XI) PROGRAM ACCOUNT

[For the cost of guaranteed loans, as authorized by the Merchant Marine Act of 1936, $48,000,000, to remain available until expended: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed $1,000,000,000.

[In addition, for] *For* administrative expenses to carry out the guaranteed loan program, not to exceed [$4,000,000] *$2,000,000*, which shall be transferred to and merged with the appropriation for Operations and Training.

ADMINISTRATIVE PROVISIONS—MARITIME ADMINISTRATION

Notwithstanding any other provision of this Act, the Maritime Administration is authorized to furnish utilities and services and make necessary repairs in connection with any lease, contract, or occupancy involving Government property under control of the Maritime Administration, and payments received therefor shall be credited to the appropriation charged with the cost thereof: *Provided*, That rental payments under any such lease, contract, or occupancy for items other than such utilities, services, or repairs shall be covered into the Treasury as miscellaneous receipts.

No obligations shall be incurred during the current fiscal year from the construction fund established by the Merchant Marine Act, 1936, or otherwise, in excess of the appropriations and limitations contained in this Act or in any prior appropriation Act, and all receipts which otherwise would be deposited to the credit of said fund shall be covered into the Treasury as miscellaneous receipts.

COMMISSION FOR THE PRESERVATION OF AMERICA'S HERITAGE ABROAD

SALARIES AND EXPENSES

For expenses for the Commission for the Preservation of America's Heritage Abroad, $206,000, as authorized by Public Law 99–83, section 1303.

COMMISSION ON CIVIL RIGHTS

SALARIES AND EXPENSES

For necessary expenses of the Commission on Civil Rights, including hire of passenger motor vehicles, **[**$8,500,000**]** *$9,000,000*: *Provided*, That not to exceed $50,000 may be used to employ consultants: *Provided further*, That none of the funds appropriated in this paragraph shall be used to employ in excess of four full-time individuals under Schedule C of the Excepted Service exclusive of one special assistant for each Commissioner: *Provided further*, That none of the funds appropriated in this paragraph shall be used to reimburse Commissioners for more than 75 billable days, with the exception of the Chairperson who is permitted 125 billable days.

COMMISSION ON IMMIGRATION REFORM

SALARIES AND EXPENSES

For necessary expenses of the Commission on Immigration Reform pursuant to section 141(f) of the Immigration Act of 1990, **[**$2,377,000**]** *$1,894,000*, to remain available until expended.

COMMISSION ON SECURITY AND COOPERATION IN EUROPE

SALARIES AND EXPENSES

For necessary expenses of the Commission on Security and Cooperation in Europe, as authorized by Public Law 94–304, $1,090,000, to remain available until expended as authorized by section 3 of Public Law 99–7.

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Equal Employment Opportunity Commission as authorized by title VII of the Civil Rights Act of 1964, as amended (29 U.S.C. 206(d) and 621–634), the Americans with Disabilities Act of 1990, and the Civil Rights Act of 1991, including services as authorized by 5 U.S.C. 3109; hire of passenger motor vehicles as authorized by 31 U.S.C. 1343(b); nonmonetary awards to private citizens; not to exceed $26,500,000, for payments to State and local enforcement agencies for services to the Commission pursuant to title VII of the Civil Rights Act of 1964, as amended, sections 6 and 14 of the Age Discrimination in Employment Act, the Americans with Disabilities Act of 1990, and the Civil Rights Act of 1991; $233,000,000: *Provided*, That the Commission is authorized to make available for official reception and representation expenses not to exceed $2,500 from available funds.

FEDERAL COMMUNICATIONS COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Federal Communications Commission, as authorized by law, including uniforms and allowances therefor, as authorized by 5 U.S.C. 5901–02; not to exceed $600,000 for land and structures; not to exceed $500,000 for improvement and care of grounds and repair to buildings; not to exceed $4,000 for official reception and representation expenses; purchase (not to exceed sixteen) and hire of motor vehicles; special counsel fees; and services as authorized by 5 U.S.C. 3109; **[**$185,232,000**]** *$166,185,000*, of which not to exceed $300,000 shall remain available until September 30, 1997, for research and policy studies: *Provided*, That $116,400,000 of offsetting collections shall be assessed and collected pursuant to section 9 of title I of the Communications Act of 1934, as amended, and shall be retained and used for necessary expenses in this appropriation, and shall remain available until expended: *Provided further*, That the sum herein appropriated shall be reduced as such offsetting collections are received during fiscal year 1996 so as to result in a final fiscal year 1996 appropriation estimated at **[**$68,832,000**]** *$49,785,000*: *Provided further*, That any offsetting collections received in excess of $116,400,000 in fiscal year 1996 shall remain available until expended, but shall not be available for obligation until October 1, 1996.

FEDERAL MARITIME COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Federal Maritime Commission as authorized by section 201(d) of the Merchant Marine Act of 1936, as amended (46 App. U.S.C. 1111), including services as authorized by 5 U.S.C. 3109; hire of passenger motor vehicles as authorized by 31 U.S.C. 1343(b); and uniforms or allowances therefor, as authorized by 5 U.S.C. 5901–02; **[**$15,000,000**]** *$14,855,000*: *Provided*, That not to exceed $2,000 shall be available for official reception and representation expenses.

FEDERAL TRADE COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Federal Trade Commission, including uniforms or allowances therefor, as authorized by 5 U.S.C. 5901–5902; services as authorized by 5 U.S.C. 3109; hire of passenger motor vehicles; and not to exceed $2,000 for official reception and representation expenses; **[**$82,928,000**]** *$63,142,000*: *Provided*, That *not to exceed $3,000,000 shall be available for use to contract with a person or persons for collection services in accordance with the terms of 31 U.S.C. 3718, as amended: Provided further, That* notwithstanding any other provision of law, not to exceed $48,262,000 of offsetting collections derived from fees collected for premerger notification filings under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (15 U.S.C. 18(a)) shall be retained and used for necessary expenses in this appropriation, and shall remain available until expended: *Provided further*, That the sum herein appropriated from the General Fund shall be reduced as such offsetting collections are received during fiscal year 1996, so as to result in a final fiscal year 1996 appropriation from the General Fund estimated at not more than **[**$34,666,000**]** *$14,880,000*, to remain available until expended: *Provided further*, That any fees received in excess of $48,262,000 in fiscal year 1996 shall remain available until expended, but shall not be available for obligation until October 1, 1996: *Provided further*, That none of the funds made available to the Federal Trade Commission shall be available for obligation for expenses authorized by section 151 of the Federal Deposit Insurance Corporation Improvement Act of 1991 (Public Law 102–242, 105 Stat. 2282–2285).

JAPAN-UNITED STATES FRIENDSHIP COMMISSION

JAPAN-UNITED STATES FRIENDSHIP TRUST FUND

For expenses of the Japan-United States Friendship Commission as authorized by Public Law 94–118, as amended, from the interest earned on the Japan-United States Friendship Trust Fund, $1,247,000; and an amount of Japanese currency not to exceed the equivalent of $1,420,000 based on exchange rates at the time of payment of such amounts as authorized by Public Law 94–118.

[LEGAL SERVICES CORPORATION

[PAYMENT TO THE LEGAL SERVICES CORPORATION

[For payment to the Legal Services Corporation to carry out the purposes of the Legal Services Corporation Act of 1974, as amended, $278,000,000 of which $265,000,000 is for basic field programs; $8,000,000 is for the Office of the Inspector General, of which $5,750,000 shall be used to contract with independent auditing agencies for annual financial and program audits of all grantees in accordance with Office of Management and Budget Circular A–133; and $5,000,000 is for management and administration.

[ADMINISTRATIVE PROVISIONS—LEGAL SERVICES CORPORATION

[SEC. 501. Funds appropriated under this Act to the Legal Services Corporation shall be distributed as follows:

[(1) The Corporation shall define geographic areas and funds available for each geographic area shall be on a per capita basis pursuant to the number of poor people determined by the Bureau of the Census to be within that geographic area: *Provided*, That funds for a geographic area may be distributed by the Corporation to one or more persons or entities eligible for funding under section 1006(a)(1)(A) of the Legal Services Corporation Act, subject to sections 502 and 504 of this Act.

[(2) The amount of the grants from the Corporation and of the contracts entered into by the Corporation in accordance with paragraph (1) shall be an equal figure per poor person for all geographic areas, based on the most recent decennial census of population conducted pursuant to section 141 of title 13, United States Code.

[SEC. 502. None of the funds appropriated in this Act to the Legal Services Corporation shall be used by the Corporation in making grants or entering into contracts for the provision of legal assistance unless the Corporation ensures that the person or entity receiving funding to provide such legal assistance is—

[(1) a private attorney or attorneys admitted to practice in one of the States or the District of Columbia;

[(2) a qualified nonprofit organization chartered under the laws of one of the States or the District of Columbia, a purpose of which is furnishing legal assistance to eligible clients, the majority of the board of directors or other governing body of which is comprised of attorneys who are admitted to practice in one of the States or the District of Columbia and who are appointed to terms of office on such board or body by the governing bodies of State, county, or municipal bar associations the membership of which represents a majority of the attorneys practicing law in the locality in which the organization is to provide legal assistance;

[(3) a State or local government (without regard to section 1006(a)(1)(A)(ii) of the Legal Services Corporation Act); or

[(4) a substate regional planning or coordination agency which is composed of a substate area whose governing board is controlled by locally elected officials.

[SEC. 503. None of the funds appropriated in this Act to the Legal Services Corporation for grants or contracts to basic field programs may be obligated unless such grants or contracts are awarded on a competitive basis: *Provided*, That not later than sixty days after enactment of this Act, the Legal Services Corporation shall promulgate regulations to implement a competitive selection process: *Provided further*, That such regulations shall include, but not be limited to, the following selection criteria:

[(1) The demonstration of a full understanding of the basic legal needs of the eligible clients to be served and a demonstration of the capability of serving those needs.

[(2) The quality, feasibility, and cost effectiveness of plans submitted by the applicant for the delivery of legal assistance to the eligible clients to be served.

[(3) The experiences of the Corporation with the applicant, if the applicant has previously received financial assistance from the Corporation, including the applicant's record of past compliance with Corporation policies, practices, and restrictions:

Provided further, That, such regulations shall ensure that timely notice for the submission of applications for awards is published in periodicals of local and State bar associations and in at least one daily newspaper of general circulation in the area to be served by the person or entity receiving the award: *Provided further*, No person or entity that was previously awarded a grant or contract by the Legal Services Corporation for the provision of legal assistance may be given any preference in the competitive selection process: *Provided further*, That for the purposes of the funding provided in this Act, rights under sections 1007(a)(9) and 1011 of the Legal Services Corporation Act (42 U.S.C. 2996f(a)(9) and 42 U.S.C. 2996j) shall not apply.

[SEC. 504. None of the funds appropriated in this Act to the Legal Services Corporation may be used to provide financial assistance to any person or entity—

[(1) that makes available any funds, personnel, or equipment for use in advocating or opposing any plan or proposal, or represents any party or participates in any other way in litigation, that is intended to or has the effect of altering, revising, or reapportioning a legislative, judicial, or elective district at any level of government, including influencing the timing or manner of the taking of a census;

[(2) that attempts to influence the issuance, amendment, or revocation of any executive order, regulation, or similar promulgation by any Federal, State, or local agency;

[(3) that attempts to influence any decision by a Federal, State, or local agency, except when legal assistance is provided by an employee of a grantee to an eligible client on a particular application, claim, or case, which directly involves the client's legal rights or responsibilities, and which does not involve the issuance, amendment, or revocation of any agency promulgation described in paragraph (2);

[(4) that attempts to influence the passage or defeat of any legislation, constitutional amendment, referendum, initiative, or any similar procedure of the Congress of the United States, or by any State or local legislative body;

[(5) that attempts to influence the conduct of oversight proceedings of the Corporation or any person or entity receiving financial assistance provided by the Corporation;

[(6) that pays for any personal service, advertisement, telegram, telephone communication, letter, printed or written matter, administrative expenses, or related expenses, associated with an activity prohibited in paragraph (1), (2), (3), (4), or (5);

[(7) that brings a class action suit against the Federal Government or any State or local government;

[(8) that files a complaint or otherwise pursues litigation against a defendant, or engages in precomplaint settlement negotiations with a prospective defendant, unless—

[(A) all plaintiffs have been specifically identified, by name, in any complaint filed for purposes of litigation; and

[(B) a statement or statements of facts written in English and, if necessary, in a language which the plaintiffs understand, which enumerate the particular facts known to the plaintiffs on which the complaint is based, have been signed by the plaintiffs (including named plaintiffs in a class action), are kept on file by the person or entity provided financial assistance by the Corporation, and are made available to any Federal department or agency that is auditing the activities of the Corporation or of any recipient, and to any auditor receiving Federal funds to conduct such auditing, including any auditor or monitor of the Corporation:

Provided, That upon establishment of reasonable cause that an injunction is necessary to prevent probable, serious harm to such potential plaintiff, a court of competent jurisdiction may enjoin the disclosure of the identity of any potential plaintiff pending the outcome of such litigation or negotiations after notice and an opportunity for a hearing is provided to potential parties to the litigation or the negotiations: *Provided further*, That other parties shall have access to the statement of facts referred to in subparagraph (B) only through the discovery process after litigation has begun;

[(9) unless, after January 1, 1996, and prior to the provision of financial assistance—

[(A) the governing board of a person or entity receiving financial assistance provided by the Legal Services Corporation has set specific priorities in writing, pursuant to section 1007(a)(2)(C)(i) of the Legal Services Corporation Act, of the types of matters and cases to which the staff of the nonprofit organization shall devote its time and resources; and

[(B) the staff of such person or entity receiving financial assistance provided by the Legal Services Corporation has signed a written agreement not to undertake cases or matters other than in accordance with the specific priorities set by such governing board, except in emergency situations defined by such board and in accordance with such board's written procedures for such situations:

Provided, That the staff of such person or entity receiving financial assistance provided by the Legal Services Corporation shall provide to their respective governing board on a quarterly basis, and to the Corporation on an annual basis, all cases undertaken other than those in accordance with such priorities: *Provided further*, That not later than 30 days after enactment of this Act, the Corporation shall promulgate a suggested list of priorities which boards of directors may use in setting priorities under this paragraph;

[(10) unless, prior to receiving financial assistance provided by the Legal Services Corporation, such person or entity agrees to maintain records of time spent on each case or matter with respect to which that person or entity is engaged in activities: *Provided*, That any non-Federal funds received by any person or entity provided financial assistance by the Corporation shall be accounted for and reported as receipts and disbursements separate and distinct from Corporation funds: *Provided further*, That such person or entity receiving financial assistance provided by the Corporation agrees (notwithstanding section 1009(d) of the Legal Services Corporation Act) to make such records described in this paragraph available to any Federal department, or agency or independent auditor receiving Federal funds to conduct an audit of the activities of the Corporation or recipient receiving funding under this Act;

[(11) that provides legal assistance for or on behalf of any alien, unless the alien is present in the United States and is—

[(A) an alien lawfully admitted for permanent residence as defined in section 101(a)(20) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(20));

[(B) an alien who is either married to a United States citizen or is a parent or an unmarried child under the age of twenty-one years of such a citizen and who has filed an application for adjustment of status to permanent resident under the Immigration and Nationality Act, and such application has not been rejected;

[(C) an alien who is lawfully present in the United States pursuant to an admission under section 207 of the Immigration and Nationality Act (8 U.S.C. 1157, relating to refugee admission) or who has been granted asylum by the Attorney General under such Act;

[(D) an alien who is lawfully present in the United States as a result of the Attorney General's withholding of deportation pursuant to section 243(h) of the Immigration and Nationality Act (8 U.S.C. 1253(h)); or

[(E) an alien to whom section 305 of the Immigration Reform and Control Act of 1986 applies but only to the extent that the legal assistance provided is that described in such section:

Provided, That an alien who is lawfully present in the United States as a result of being granted conditional entry pursuant to section 203(a)(7) of the Immigration and Nationality Act (8 U.S.C. 1153(a)(7)) before April 1, 1980, because of persecution or fear of persecution on account of race, religion, or political calamity shall be deemed, for purposes of this section, to be an alien described in subparagraph (C);

[(12) that supports or conducts training programs for the purpose of advocating particular public policies or encouraging political activities, labor or anti-labor activities, boycotts, picketing, strikes, and demonstrations, including the dissemination of information about such policies or activities, except that this paragraph shall not be construed to prohibit the training of attorneys or paralegal personnel to prepare them to provide adequate legal assistance to eligible clients or to advise any eligible client as to the nature of the legislative process or inform any eligible client of his or her rights under statute, order, or regulation;

[(13) that provides legal assistance with respect to any fee-generating case: *Provided*, That for the purposes of this paragraph the term "fee-generating case" means any case which, if undertaken on behalf of an eligible client by an attorney in private practice may reasonably be expected to result in a fee for legal services from an award to a client from public funds, from the opposing party, or from any other source;

[(14) that claims, or whose employees or clients claim, or collect attorneys' fees from nongovernmental parties to litigation initiated by such client with the assistance of such recipient or its employees;

[(15) that participates in any litigation with respect to abortion;

[(16) that participates in any litigation on behalf of a local, State, or Federal prisoner;

[(17) that provides legal representation for any person, or participates in any other way, in litigation, lobbying, or rulemaking involving efforts to reform a State or Federal welfare system, except that this paragraph shall not preclude a recipient from representing an individual client who is seeking specific relief from a welfare agency where such relief does not involve an effort to amend or otherwise challenge existing law;

[(18) that defends a person in a proceeding to evict that person from a public housing project if that person has been charged with the illegal sale or distribution of a controlled substance and if the eviction proceeding is brought by a public housing agency because the illegal drug activity of that person threatens the health or safety of other tenants residing in the public housing project or employees of the public housing agency: *Provided*, That for the purposes of this paragraph, the term "controlled substance" has the meaning given that term in section 102 of the Controlled Substances Act (21 U.S.C. 802): *Provided further*, That for the purposes of this paragraph, the terms "public housing project" and "public housing agency" have the meanings given those terms in section 3 of the United States Housing Act of 1937 (42 U.S.C. 1437a);

[(19) unless such person or entity agrees that it and its employees will not accept employment resulting from in-person unsolicited advice to a nonattorney that such nonattorney should obtain counsel or take legal action: *Provided*, That such person or entity or its employees receiving financial assistance provided by the Corporation shall also agree that such person or entity will not refer such nonattorney to another person or entity or its employees that are receiving financial assistance provided by the Legal Services Corporation; or

[(20) unless such person or entity enters into a contractual agreement to be subject to all provisions of Federal law relating to the proper use of Federal funds, the violation of which shall render any grant or contractual agreement to provide funding null and void: *Provided*, That for such purposes the Corporation shall be considered to be a Federal agency and all funds provided by the Corporation shall be considered to be Federal funds provided by grant or contract.

[SEC. 505. None of the funds appropriated in this Act to the Legal Services Corporation or provided by the Corporation to any entity or person may be used to pay membership dues to any private or non-profit organization.

[SEC. 506. None of the funds appropriated in this Act to the Legal Services Corporation may be used by any person or entity receiving financial assistance from the Corporation to file or pursue a lawsuit against the Corporation.

[SEC. 507. None of the funds appropriated in this Act to the Legal Services Corporation may be used for any purpose prohibited or contrary to any of the provisions of authorization legislation for fiscal year 1996 for the Legal Services Corporation that is enacted into law: *Provided*, That, upon enactment of Legal Services Corporation reauthorization legislation, funding provided in this Act shall from that date be subject to the provisions of that legislation and any provisions in this Act that are inconsistent with that legislation shall no longer have effect.]

MARINE MAMMAL COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Marine Mammal Commission as authorized by title II of Public Law 92–522, as amended, $1,000,000.

MARTIN LUTHER KING, JR. FEDERAL HOLIDAY COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Martin Luther King, Jr. Federal Holiday Commission, as authorized by Public Law 98–399, as amended, [$250,000] *$350,000.*

SECURITIES AND EXCHANGE COMMISSION

SALARIES AND EXPENSES

For necessary expenses for the Securities and Exchange Commission, including services as authorized by 5 U.S.C. 3109, the rental of space (to include multiple year leases) in the District of Columbia and elsewhere, and not to exceed $3,000 for official reception and representation expenses, [$103,445,000] *$105,257,000, of which $3,600,000 are for the Office of Economic Analysis, to be headed by the Chief Economist of the Commission, and* of which not to exceed $10,000 may be used toward funding a permanent secretariat for the International Organization of Securities Commissions, and of which not to exceed $100,000 shall be available for expenses for consultations and meetings hosted by the Commission with foreign governmental and other regulatory officials, members of their delegations, appropriate representatives and staff to exchange views concerning developments relating to securities matters, development and implementation of cooperation agreements concerning securities matters and provision of technical assistance for the development of foreign securities markets, such expenses to include necessary logistic and administrative expenses and the expenses of Commission staff and foreign invitees in attendance at such consultations and meetings including: (i) such incidental expenses as meals taken in the course of such attendance, (ii) any travel or transportation to or from such meetings, and (iii) any other related lodging or subsistence: *Provided*, That immediately upon enactment of this Act, the rate of fees under section 6(b) of the Securities Act of 1933 (15 U.S.C. 77f(b)) shall increase from one-fiftieth of 1 per centum to one [twenty-ninth] *thirty-fourth* of 1 per centum and such increase shall be deposited as an offsetting collection to this appropriation, to remain available until expended, to recover costs of services of the securities registration process: *Provided further, That no funds may be used for the Office of Investor Education and Assistance, and that $1,500,000 of the funds appropriated for the Commission shall be available for the enforcement of the Investment Advisers Act of 1940 in addition to any other appropriated funds designated by the Commission for enforcement of such Act.*

SMALL BUSINESS ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses, not otherwise provided for, of the Small Business Administration as authorized by Public Law 103–403, including hire of passenger motor vehicles as authorized by 31 U.S.C. 1343 and 1344, and not to exceed $3,500 for official reception and representation expenses, [$222,325,000] *$197,903,000*: *Provided further*, That the Administrator is authorized to charge fees to cover the cost of publications developed by the Small Business Administration, and certain loan servicing activities: *Provided further*, That notwithstanding 31 U.S.C. 3302, revenues received from all such activities shall be credited to this account, to be available for carrying out these purposes without further appropriations.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended (5 U.S.C. App. 1–11 as amended by Public Law 100–504), [$8,750,000] *$8,500,000.*

BUSINESS LOANS PROGRAM ACCOUNT

For [the cost of direct loans, $5,000,000, and for] the cost of guaranteed loans, [$146,710,000] *$174,726,000*, as authorized by 15 U.S.C. 631 note, of which [$1,700,000] *$1,216,000*, to be available until expended, shall be for the Microloan Guarantee Program, and of which $40,510,000 shall remain available until September 30, 1997: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974.

In addition, for administrative expenses to carry out [the direct and] guaranteed loan programs, [$92,622,000] *$77,600,000*, which may be transferred to and merged with the appropriations for Salaries and Expenses.

DISASTER LOANS PROGRAM ACCOUNT

For the cost of direct loans authorized by section 7(b) of the Small Business Act, as amended, $34,432,000, to remain available until expended: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974.

In addition, for administrative expenses to carry out the direct loan program, [$78,000,000] *$62,400,000*, which may be transferred to and merged with the appropriations for Salaries and Expenses.

SURETY BOND GUARANTEES REVOLVING FUND

For additional capital for the "Surety Bond Guarantees Revolving Fund", authorized by the Small Business Investment Act, as amended, $2,530,000, to remain available without fiscal year limitation as authorized by 15 U.S.C. 631 note.

ADMINISTRATIVE [PROVISION] PROVISIONS—SMALL BUSINESS ADMINISTRATION

SEC. 508. Not to exceed 5 percent of any appropriation made available for the current fiscal year for the Small Business Administration in this Act may be transferred between such appropriations, but no such appropriation shall be increased by more than 10 percent by any such transfers: *Provided*, That any transfer pursuant to this section shall be treated as a reprogramming of funds under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

SEC. 509. (1) Notwithstanding any other provision of law, no funds appropriated under this Act may be used in violation of this subsection.

(2) Notwithstanding section 8 of the Small Business Act or any other provision of law, in carrying out subsections (a) and (d) of section 8 of the Small Business Act, the Administrator shall provide assistance only to qualified small business concerns.

(3) As used in this subsection—

(A) The term "Administrator" means the Administrator of the Small Business Administration.

(B) The term "area of pervasive poverty, unemployment, and general economic distress" means an area that, based on the most recent decennial census data available from the Bureau of the Census, meets the following criteria—

(i) The unemployment rate for the area (as determined by the appropriate available data) is not less than 1.5 times the national unemployment rate, and

(ii) The poverty rate for the area (as determined by the most recent census data available) for not less than 90 percent of the population

census tract (or where not tracted, the equivalent county divisions as defined by the Bureau of the Census for the purposes of defining poverty areas) located entirely within the area is not less than 20 percent.

(C) The term "small business concern" has the same meaning as in section 3 of the Small Business Act.

(D) Except as otherwise provided in this subparagraph, the term "qualified business" means any trade or business that is a qualified business under the Small Business Act on the date of enactment of this Act, except that such a business that fails to meet the applicable location and employment requirements under such Act shall not be a qualified business.

(E) The term "qualified small business concern" means, with respect to any fiscal year of the small business concern, any small business concern, if for such year—

(i) every trade or business of such small business concern is the active conduct of a qualified business within an area of pervasive poverty, unemployment, and general economic distress;

(ii) not less than 80 percent of the total gross income of such small business concern is derived from the active conduct of such business; and

(iii) not less than 35 percent of the total payroll of such small business concern is paid to employees who are residents of an area of pervasive poverty, unemployment, and general economic distress.

STATE JUSTICE INSTITUTE

SALARIES AND EXPENSES

For necessary expenses of the State Justice Institute, as authorized by The State Justice Institute Authorization Act of 1992 (Public Law 102-572 (106 Stat. 4515–4516)), $5,000,000 to remain available until expended: Provided, That not to exceed $2,500 shall be available for official reception and representation expenses.

TITLE VI—GENERAL PROVISIONS

SEC. 601. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes not authorized by the Congress.

SEC. 602. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 603. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

SEC. 604. If any provision of this Act or the application of such provision to any person or circumstances shall be held invalid, the remainder of the Act and the application of each provision to persons or circumstances other than those as to which it is held invalid shall not be affected thereby.

SEC. 605. (a) None of the funds provided under this Act, or provided under previous Appropriations Acts to the agencies funded by this Act that remain available for obligation or expenditure in fiscal year 1996, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditure through a reprogramming of funds which (1) creates new programs; (2) eliminates a program, project, or activity; (3) increases funds or personnel by any means for any project or activity for which funds have been denied or restricted; (4) relocates an office or employees; (5) reorganizes offices, programs, or activities; or (6) contracts out or privatizes any functions or activities presently performed by Federal employees; unless the Appropriations Committees of both Houses of Congress are notified fifteen days in advance of such reprogramming of funds.

(b) None of the funds provided under this Act, or provided under previous Appropriations Acts to the agencies funded by this Act that remain available for obligation or expenditure in fiscal year 1996, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditure for activities, programs, or projects through a reprogramming of funds in excess of $500,000 or 10 percent, whichever is less, that (1) augments existing programs, projects, or activities; (2) reduces by 10 percent funding for any existing program, project, or activity, or numbers of personnel by 10 percent as approved by Congress; or (3) results from any general savings from a reduction in personnel which would result in a change in existing programs, activities, or projects as approved by Congress; unless the Appropriations Committees of both Houses of Congress are notified fifteen days in advance of such reprogramming of funds.

[SEC. 606. None of the funds made available in this Act may be used for the construction, repair (other than emergency repair), overhaul, conversion, or modernization of vessels for the National Oceanic and Atmospheric Administration in shipyards located outside of the United States.]

SEC. 607. (a) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available in this Act should be American-made.

(b) NOTICE REQUIREMENT.—In providing financial assistance to, or entering into any contract with, any entity using funds made available in this Act, the head of each Federal agency, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in subsection (a) by the Congress.

SEC. 608. None of the funds made available in this Act may be used to implement, administer, or enforce any guidelines of the Equal Employment Opportunity Commission covering harassment based on religion, when it is made known to the Federal entity or official to which such funds are made available that such guidelines do not differ in any respect from the proposed guidelines published by the Commission on October 1, 1993 (58 Fed. Reg. 51266).

[SEC. 609. LIMITATION ON THE USE OF FUNDS FOR DIPLOMATIC FACILITIES IN VIETNAM.—None of the funds appropriated or otherwise made available by this Act may be obligated or expended to pay for any cost incurred for (1) opening or operating any United States diplomatic or consular post in the Socialist Republic of Vietnam that was not operating on July 11, 1995; (2) expanding any United States diplomatic or consular post in the Socialist Republic of Vietnam that was operating on July 11, 1995; or (3) increasing the total number of personnel assigned to United States diplomatic or consular posts in the Socialist Republic of Vietnam above the levels existing on July 11, 1995.]

SEC. 610. None of the funds made available by this Act may be used for any United Nations undertaking when it is made known to the Federal official having authority to obligate or expend such funds (1) that the United Nations undertaking is a peacekeeping mission, (2) that such undertaking will involve United States Armed Forces under the command or operational control of a foreign national, and (3) that the President's military advisors have not submitted to the President a recommendation that such involvement is in the national security interests of the United States and the President has not submitted to the Congress such a recommendation.

SEC. 611. None of the funds made available in this Act shall be used to provide the following amenities or personal comforts in the Federal prison system—

(1) in-cell television viewing except for prisoners who are segregated from the general prison population for their own safety;

(2) the viewing of R, X, and NC-17 rated movies, through whatever medium presented;

(3) any instruction (live or through broadcasts) or training equipment for boxing, wrestling, judo, karate, or other martial arts, or any bodybuilding or weightlifting equipment of any sort;

(4) possession of in-cell coffee pots, hot plates, or heating elements; or

(5) the use or possession of any electric or electronic musical instrument.

SEC. 612. None of the funds made available in title II for the National Oceanic and Atmospheric Administration under the heading "Fleet Modernization, Shipbuilding and Conversion" may be used to implement sections 603, 604, and 605 of Public Law 102-567.

SEC. 613. None of the funds made available in this Act may be used for "USIA Television Marti Program" under the Television Broadcasting to Cuba Act or any other program of United States Government television broadcasts to Cuba, when it is made known to the Federal official having authority to obligate or expend such funds that such use would be inconsistent with the applicable provisions of the March 1995 Office of Cuba Broadcasting Reinventing Plan of the United States Information Agency.

SEC. 614. (1) Notwithstanding any other provision of law, no funds appropriated under this Act may be used in violation of the provisions of paragraphs (2) and (3).

(2) Notwithstanding any other provision of law, neither the Federal Government nor any officer, employee, or department or agency of the Federal Government—

(A) may intentionally discriminate against, or may grant a preference to, any individual or group based in whole or in part on race, color, national origin, or sex, in connection with—

(i) a Federal contract or subcontract;

(ii) Federal employment; or

(iii) any other federally conducted program or activity;

(B) may require or encourage any Federal contractor or subcontractor to intentionally discriminate against, or grant a preference to, any individual or group based in whole or in part on race, color, national origin, or sex; or

(C) may enter into a consent decree that requires, authorizes, or permits any activity prohibited by subparagraph (A) or (B).

(3) Nothing in this subsection shall be construed to prohibit or limit any effort by the Federal Government or any officer, employee, or department or agency of the Federal Government—

(A) to recruit qualified women or qualified minorities into an applicant pool for Federal employment or to encourage businesses owned by women or by minorities to bid for Federal contracts or subcontracts, if such recruitment or encouragement does not involve using a numerical objective, or otherwise granting a preference,

based in whole or in part on race, color, national origin, or sex, in selecting any individual or group for the relevant employment, contract or subcontract, benefit, opportunity, or program; or

(B) to require or encourage any Federal contractor or subcontractor to recruit qualified women or qualified minorities into an applicant pool for employment or to encourage businesses owned by women or by minorities to bid for Federal contracts or subcontracts, if such requirement or encouragement does not involve using a numerical objective, or otherwise granting a preference, based in whole or in part on race, color, national origin, or sex, in selecting any individual or group for the relevant employment, contract or subcontract, benefit, opportunity, or program.

(4)(A) Nothing in this subsection shall be construed to prohibit or limit any Act that is designated to benefit an institution that is a historically Black college or university on the basis that the institution is a historically Black college or university.

(B) Nothing in this subsection shall be construed to prohibit or limit any action taken—

(i) pursuant to a law enacted under the constitutional papers of Congress relating to the Indian tribes; or

(ii) under a treaty between an Indian tribe and the United States.

(C) Nothing in this subsection shall be construed to prohibit or limit any classification based on sex if—

(i) sex is a bona fide occupational qualification reasonably necessary to the normal operation of the Federal Government entity or Federal contractor or subcontractor involved;

(ii) the classification is designed to protect the privacy of individuals; or

(iii)(I) the occupancy of the position for which the classification is made, or access to the premises in or on which any part of the duties of such position is performed or is to be performed, is subject to any requirement imposed in the interest of the national security of the United States under any security program in effect pursuant to or administered under any Act or any Executive order of the President; or

(II) the classification is applied with respect to a member of the Armed Forces serving on active duty in a theatre of combat operations (as determined by the Secretary of Defense).

(5)(A) In any action involving a violation of this subsection, a court may award only injunctive or equitable relief (including but not limited to back pay), a reasonable attorney's fee, and costs.

(B) Nothing in this paragraph shall be construed to affect any remedy available under any other law.

(6)(A) This subsection shall not affect any case pending on the date of enactment of this Act.

(B) This subsection shall not affect any contract, subcontract, or consent decree in effect on the date of enactment of this Act, including any option exercised under such contract or subcontract before or after such date of enactment.

(7) This subsection does not prohibit or limit the availability of funds to implement a—

(A) court order or consent decree issued before the date of enactment of this Act; or

(B) court order or consent decree that—

(i) is issued on or after the date of enactment of this Act; and

(ii) provides a remedy based on a finding or discrimination by a person to whom the order applies.

(8) As used in this subsection—

(A) The term "Federal Government" means the executive and legislative branches of the Government of the United States.

(B) The term "grant a preference" means use of any preferential treatment and includes but is not limited to any use of a quota, set-aside, numerical goal, timetable, or other numerical objective.

(C) The term "historically Black college or university" means a part B institution, as defined in section 322(2) of the Higher Education Act of 1965 (920 U.S.C. 1061(2)).

SEC. 615. (1) This Act may be cited as the "Stop Turning Out Prisoners Act".

(2) IN GENERAL.—Section 3626 of title 18, United States Code, is amended to read as follows:

"§3626. Appropriate remedies with respect to prison conditions

"(a) REQUIREMENTS FOR RELIEF.—

"(1) LIMITATIONS ON PROSPECTIVE RELIEF.—Prospective relief in a civil action with respect to prison conditions shall extend no further than necessary to remove the conditions that are causing the deprivation of the Federal rights of individual plaintiffs in that civil action. The court shall not grant or approve any prospective relief unless the court finds that such relief is narrowly drawn and the least intrusive means to remedy the violation of the Federal right. In determining the intrusiveness of the relief, the court shall give substantial weight to any adverse impact on public safety or the operation of a criminal justice system caused by the relief.

"(2) PRISON POPULATION REDUCTION RELIEF.—In any civil action with respect to prison conditions, the court shall not grant or approve any relief the purpose or effect of which is to reduce or limit the prison population, unless the plaintiff proves that crowding is the primary cause of the deprivation of the Federal right and no other relief will remedy that deprivation.

"(b) TERMINATION OF RELIEF.—

"(1) AUTOMATIC TERMINATION OF PROSPECTIVE RELIEF AFTER 2-YEAR PERIOD.—In any civil action with respect to prison conditions, any prospective relief shall automatically terminate 2 years after the later of—

"(A) the date the court found the violation of a Federal right that was the basis for the relief; or

"(B) the date of the enactment of the Stop Turning Out Prisoners Act.

"(2) IMMEDIATE TERMINATION OF PROSPECTIVE RELIEF.—In any civil action with respect to prison conditions, a defendant or intervenor shall be entitled to the immediate termination of any prospective relief, if that relief was approved or granted in the absence of a finding by the court that prison conditions violated a Federal right.

"(c) PROCEDURE FOR MOTIONS AFFECTING PROSPECTIVE RELIEF.—

"(1) GENERALLY.—The court shall promptly rule on any motion to modify or terminate prospective relief in a civil action with respect to prison conditions.

"(2) AUTOMATIC STAY.—Any prospective relief subject to a pending motion shall be automatically stayed during the period—

"(A) beginning on the 30th day after such motion is filed, in the case of a motion made under subsection (b); and

"(B) beginning on the 180th day after such motion is filed, in the case of a motion made under any other law;

and ending on the date the court enters a final order ruling on that motion.

"(d) STANDING.—Any Federal, State, or local official or unit of government—

"(1) whose jurisdiction or function includes the prosecution or custody of persons in a prison subject to; or

"(2) who otherwise is or may be affected by; any relief the purpose or effect of which is to reduce or limit the prison population shall have standing to oppose the imposition or continuation in effect of that relief and may intervene in any proceeding relating to that relief. Standing shall be liberally conferred under this subsection so as to effectuate the remedial purposes of this section.

"(e) SPECIAL MASTERS.—In any civil action in a Federal court with respect to prison conditions, any special master or monitor shall be a United States magistrate and shall make proposed findings on the record on complicated factual issues submitted to that special master or monitor by the court, but shall have no other function. The parties may not by consent extend the function of a special master beyond that permitted under this subsection.

"(f) ATTORNEY'S FEES.—No attorney's fee under section 722 of the Revised Statutes of the United States (42 U.S.C. 1988) may be granted to a plaintiff in a civil action with respect to prison conditions except to the extent such fee is—

"(1) directly and reasonably incurred in proving an actual violation of the plaintiff's Federal rights; and

"(2) proportionally related to the extent the plaintiff obtains court ordered relief for that violation.

"(g) DEFINITIONS.—As used in this section—

"(1) the term 'prison' means any Federal, State, or local facility that incarcerates or detains juveniles or adults accused of, convicted of, sentenced for, or adjudicated delinquent for, violations of criminal law;

"(2) the term 'relief' means all relief in any form which may be granted or approved by the court, and includes consent decrees and settlement agreements; and

"(3) the term 'prospective relief' means all relief other than compensatory monetary damages.".

(3) APPLICATION OF AMENDMENT.—Section 3626 of title 18, United States Code, as amended by this section, shall apply with respect to all relief (as defined in such section) whether such relief was originally granted or approved before, on, or after the date of the enactment of this Act.

(4) CLERICAL AMENDMENT.—The table of sections at the beginning of subchapter C of chapter 229 of title 18, United States Code, is amended by striking "crowding" and inserting "conditions".

TITLE VII—RESCISSIONS

DEPARTMENT OF JUSTICE

GENERAL ADMINISTRATION

WORKING CAPITAL FUND

(RESCISSION)

Of the unobligated balances available under this heading, $35,000,000 are rescinded.

DEPARTMENT OF COMMERCE

NATIONAL TELECOMMUNICATIONS AND INFORMATION ADMINISTRATION

INFORMATION INFRASTRUCTURE GRANTS

(RESCISSION)

Of the unobligated balances available under this heading, $36,769,000 are rescinded.

NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY

CONSTRUCTION OF RESEARCH FACILITIES

(RESCISSION)

Of the unobligated balances available under this heading, $152,993,000 are rescinded.

DEPARTMENT OF STATE

ADMINISTRATION OF FOREIGN AFFAIRS

ACQUISITION AND MAINTENANCE OF BUILDINGS ABROAD

(RESCISSION)

Of the unobligated balances available under this heading, $115,000,000 are rescinded.

RELATED AGENCIES

UNITED STATES INFORMATION AGENCY

RADIO CONSTRUCTION

(RESCISSION)

Of the unobligated balances available under this heading, $7,400,000 are rescinded.

This Act may be cited as the "Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1996".

Mr. GRAMM. Mr. President, we have before us a very complicated bill, a very controversial bill. We are attempting to establish a sequence of activity with a goal of trying to expedite its consideration.

In order that we might try to get all this to come together in an orderly fashion, because I know many of our colleagues hope to be gone this weekend—even though, knowing I would be managing the bill, I plan to be here tomorrow and Saturday, so I am in no hurry; I want to be sure my colleagues understand that—but in order to try to expedite our consideration here, we have put together an amendment that will be offered by Senator HATFIELD, the distinguished chairman of the full committee, an amendment that is cosponsored by Senator HOLLINGS.

It has to do with adding to our 602(b) allocation; that is, allocating additional money to the subcommittee and then disbursing that money in such a way as to deal with some of the concerns that have been raised against the bill. And so that we could deal with this in an orderly fashion, I would like to propound a unanimous-consent request that we have opening statements by the distinguished ranking member of the subcommittee, by myself, by any other Senator who would like to make an opening statement; that then it be in order for us to submit for consideration managers' amendments that have been agreed to on both sides and any debate there might be on them; and then I would like it to be in order for the distinguished Senator from Oregon, Senator HATFIELD, to offer his amendment with Senator HOLLINGS because it addresses numerous issues.

If we do not do it in that way, we are probably going to simply use up time as we try to deal with those issues one by one. We can certainly proceed without this unanimous-consent request, but I hope our colleagues will indulge us since our objective is simply to try to expedite consideration of the bill.

Mr. HOLLINGS. Mr. President, this procedure has been agreed to, so I hope we can proceed along that line.

Mr. BYRD. Mr. President, would the distinguished Senator from Texas yield?

Mr. GRAMM. I would be very happy to yield.

Mr. BYRD. The distinguished chairman spoke of a reallocation of resources?

Mr. GRAMM. Yes, I did.

Mr. BYRD. The chairman of the committee and the ranking member of the full committee are authorized to approve such reallocation. Nobody has proposed this to the ranking member as yet about such a reallocation of resources.

Would the Senator inform me as to whether or not I am going to be contacted on that matter?

Mr. GRAMM. Well, if I might say to the distinguished Senator from West Virginia, this is not my amendment. There has been a series of discussions among Members. Basically what the Senator from Oregon has been doing is trying to find a way through our impasse.

As I am sure our colleagues are aware, our appropriations bill has $4.26 billion less than requested by the President for our subcommittee. It has $1.9 billion less than a freeze. And it has $870 million less than the House.

Senator HATFIELD has been working with Senator HOLLINGS and others to try to allocate funds to this subcommittee. I was unaware, I must say, that that had not been discussed with the distinguished Senator from West Virginia.

I have an outline of the amendment. But probably what I should do under this circumstance is simply ask unanimous consent that we be able to do opening statements, that we be able to do the technical managers' amendments we have agreed to, give the distinguished Senator from West Virginia an opportunity to discuss this with Senator HATFIELD, who is in a meeting with the Secretary of Energy on something very important in his State right now.

When the agreement has been reached and the ranking member, Senator BYRD, is satisfied, then we can proceed with it. And, again, this is not my amendment; I have not been directly involved in it even though I have concluded that this is a prudent thing for us to do.

Mr. BYRD. Well, I certainly thank the distinguished Senator. I know that it is an oversight, an inadvertent one. I want to make clear that such authorizations of reallocations have to be made by both the chairman and the ranking member of the full committee. And we make those after contacting various and sundry subcommittee chairmen. And I do not anticipate any problem along that line. But I thought I had better make mention of this before it becomes a problem.

Mr. GRAMM. Well, Mr. President, let me just then ask unanimous consent that we have opening statements by Senator HOLLINGS and myself and any other Member who would wish to make an opening statement, that it also be in order for us to offer managers' amendments where we have agreement on both sides of the aisle, and that when an agreement is reached between the distinguished chairman of the full committee and the ranking member, Senator BYRD, that at that point it be in order for Senator HATFIELD to offer his amendment which deals with some 20 different subjects. I think by doing it that way, we can expedite consideration.

So I ask unanimous consent that it be in order to have opening statements, that it be in order for me to offer, on behalf of myself and Senator HOLLINGS, managers' amendments where there is agreement on both sides of the aisle, and that it then be in order, when Senator BYRD has agreed, for the distinguished chairman of the full committee, Senator HATFIELD, to offer an amendment on behalf of himself and Senator HOLLINGS.

Mr. DASCHLE. Mr. President, reserving the right to object, I am not sure I heard the entire request. I apologize to the Senator from Texas. We would certainly have no objection to opening statements at this point. Because no one has had the opportunity to see these amendments, we have had requests on our side that prior to the time we agree to any kind of unanimous-consent agreement which would involve these amendments that Senators have the opportunity to look at them.

So, we would have to object to anything beyond the opportunity to make opening statements at this point.

Mr. GRAMM. Mr. President, we are certainly narrowing it down to opening statements.

So with that, I ask unanimous consent that we begin opening statements and that it not be in order to offer an amendment until those opening statements are completed; at that point that—let me state it this way: I ask unanimous consent that it be in order now to have opening statements; that at the conclusion of the opening statements, subject to the agreement of the minority leader, at that point that it be in order for the distinguished Senator from Oregon, Senator HATFIELD, to offer an amendment on behalf of himself and Senator HOLLINGS.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. GRAMM. Mr. President, let me try to give an opening statement on a very complicated bill without getting into too many of the details but in such a way as to basically cover the issues that are involved in this bill.

I think there are many reasons why this is a very complicated and a very controversial bill. One reason is money. This bill, probably more than any other appropriation that we will consider this year, has a very tight budget. It, in fact, provides $4.26 billion less for Commerce-State-Justice appropriations than was requested by the President.

It provides almost $2 billion less than a nominal freeze in the current level of appropriations for Commerce-State-Justice. And I remind my colleagues that, compared to some of the larger appropriation accounts, this is a fairly small appropriations bill in terms of actual dollar outlays. So when we are talking about $2 billion less for fiscal year 1996 than we are spending this year, we are talking about a substantial reduction in the ability to expend money for the carrying out of functions in the Department of Commerce, the Department of State, and the Department of Justice.

The bill also has almost $900 million less than our counterparts in the House had. And this is the first point I want my colleagues to understand. When the President criticized this bill for not providing funding for purposes for which he requested funding, it is important for our colleagues—and, quite frankly, it is important for those who are following this debate—to understand that we are operating under a totally different budget than the President proposed.

Our budget comes into balance in 7 years. Our budget substantially reduces discretionary spending. Our budget imposes very real constraints on spending money.

The President, in proposing $4.3 billion more for these three Departments of Government than we proposed, does so in a budget that will not be in balance by the second coming. It does so in a budget that will not bring the deficit below $200 billion in a decade.

So the fact that the President, in his budget, can request funding for many functions that we do not fund is simply a testament to the fact that our budget is a binding budget that is balanced over 7 years and the President's budget is not.

There are several ways to approach the writing of an appropriations bill where you have to cut $4.3 billion. One way—and, quite frankly, in no way being critical, but I want people to understand why this is such a controversial bill—one way is to take the approach which has been taken in most other appropriations bills, and that is to simply take the level of savings that is dictated, nick a whole bunch of programs a little bit and, basically, take the approach that you are going to sort of hunker down and not fundamentally change anything.

It seems to me, Mr. President, that this is roughly equivalent to an action that a family which is running out of money might take at the end of the month when they say, "Well, we're running out of money and what we're going to do is spend a little bit less going to the movie and spend a little bit less on milk for the children."

As we know, families do not operate that way. Families set priorities. Families decide toward the end of the month when they are running out of money that they are not going to go to the movie, but that they are going to continue to buy their children milk.

As chairman of this subcommittee, I decided that if we were shooting with real bullets, if we were going to write an appropriations bill now that set out a path to balance the budget over 7 years, that we ought to recognize, to begin with, that we are going to have less money next year than we had this year, less the next, and less in each successive year for the next 6 years.

So I made the decision to terminate programs, to set priorities. My original recommendation terminated some 12 programs outright. It also set very strong priorities. It was my decision as chairman of the subcommittee that not all programs in the Commerce, State, Justice appropriations bill were created equally. I believe that the American people have very strong preferences, and what I have tried to do within the monetary constraints that I have had as chairman, and this has been supported by the majority in both the subcommittee and the full committee, is to try to fund the President's effort in fighting crime. I am very proud of the fact that this bill fully funds the FBI and the DEA. It fully funds our efforts to incarcerate violent criminals. It provides a strong funding increase for the courts to hire prosecutors to provide the system of criminal and civil justice that we need to deal with the problems that we face.

This bill provides a substantial increase in funding for the Justice Department, funding for our effort to fight violent crime, funding for our effort to fight drugs.

I will come back in a moment and talk about changes in how the Justice Department would function, but let me make this point. While we provide, basically, the same level of funding requested by the President, we have in subcommittee and full committee on this bill changed the allocation of funding. In the crime trust fund, we spend less money on social programs, we spend more money building prisons. It is a belief of the subcommittee and the full committee that we need to get tough on violent crime, and we try to do that in this crime bill.

The second area that we fund in this bill has to do with the Department of State. I have to say, Mr. President, that I have been somewhat disappointed. I visited with the Secretary of State. I explained to the Secretary of State the simple arithmetic of this bill, and the simple arithmetic of this bill is as follows:

If we provide roughly the level of funding requested by the President for the Justice Department, if we provide funding for half of the increase requested by the Federal judiciary, what that means is, given the amount of money we have left, that we have to cut every other program by an average of 36 percent. That is the cold reality that we are looking at.

I tried to explain to the Secretary of State that that was basically where we were and that that meant that we were going to have to reduce the level of funding for the State Department by roughly 20 percent. That is actually better treatment than we provided for the Commerce Department in this bill.

We have not adopted the authorization bill for the State Department, but a majority of the Members of the Senate have voted for that authorization. It has been filibustered. We have been unable to get 60 votes and, as a result, what I did in writing the appropriations bill is I took the authorization bill which has received a majority vote in the Senate on a cloture motion and I used it as the blueprint to write funding for the State Department.

The basic reductions that occur in the State Department budget have to do with American payments for membership in world organizations. The distinguished Senator from North Carolina, Senator HELMS, in his authorization bill, dramatically reduces the amount of taxpayer funding that goes to world organizations to promote objectives that, at least in the minds of the majority of the Members of the Senate, did not reflect the will of the American people.

I think it is important to note, and I want to be sure that it is part of the RECORD, that despite all of the moaning from the State Department that somehow not a sufficient account is taken in this bill that representing America abroad today is a dangerous business, something that I understand, I appreciate the sacrifice that is made by people who work in the State Department.

As a result, I have fully funded every penny requested by the President in his budget for such expenditures. Even though he spends $4.3 billion more in his budget than we are allowed to spend in ours, I fund every penny the President requests for security abroad for both our Embassies and our personnel.

So the criticism of the State Department that somehow we are underfunding the State Department and the needs of its people is simply verifiably false.

This is a tough budget. It does reflect the fact that the American people do not believe that we are getting our money's worth with all of these world organizations where we pay the bulk of the dues and have a relatively small say in what they do and on how our money is spent.

I think the plain truth is the American people understand that in the postwar period, America has been like a little rich kid in the middle of a slum with a cake. The whole world has looked at this cake and wanted a piece of it. We literally have run all over the world handing out pieces of this cake. Nobody has loved us for it. In fact, in many cases, they have not loved us, thinking they should have gotten more.

The fundamental philosophy behind this appropriations bill is we need to stop sharing the cake, and we need to start sharing the recipe we used to bake the cake, which is free enterprise, individual liberty, and private property.

So in the State Department appropriations bill, we provide $4.4 billion. The President requested $5.6 billion. Much of this reduction is taken in membership in world organizations. And, quite frankly, while this can be debated forever, I would be perfectly content to take my appropriations bill, take the President's budget, to tear the title page off, to put each of them on the table in every kitchen of every working American and let them decide whether they want money spent funding the war on violent crime in America, the war on drugs, gaining control of our borders, or whether they want the money spent paying dues to organizations around the world where the United States is now a member of these organizations and, in many cases, is paying the bulk of the dues.

I do not think there is any doubt that the American people would choose the position that I have chosen. It seems to me that is why the State Department has not wanted to debate the real issue here.

In terms of the Commerce Department, let me remind my colleagues that the budget that we adopted in the Senate was a budget that called for the elimination of the Commerce Department. I have listened to my colleagues talk about eliminating departments, and I then look at their willingness to vote to actually cut the programs, and I often see a gulf between the rhetoric and the reality. It is almost as if when people are talking about eliminating departments, they want to go down and take down the flag and take down the plaque off the wall, but they want the Government to keep doing the things the Department has been doing.

When we adopted a budget that called for the elimination of the Commerce Department, when the Government Operations Committee reported a bill to eliminate the Commerce Department, I, as chairman of this subcommittee, believed that they were serious. And, as a result, we dramatically reduce spending in the Commerce Department. We set up a procedure to provide funds for current employees, and we provide the mechanism that would allow us, if in fact we pass the authorizing bill, to terminate the Department, and to do it in an orderly fashion.

Now, many of the people who voted for the budget to eliminate the Department want to preserve some of its programs and, obviously, we are going to have votes on those. There are many programs within the Commerce Department that this bill eliminates outright. But, basically, it is a bill that begins the process of dramatically reducing the level of expenditures for activities where the Government is attempting to pick winners and losers in the American economy. There is a fundamental philosophical difference between the two parties on this issue. The party which I represent—the philosophy I believe in—believes that the market system ought to be the basic determining factor of who gets money to invest; that Government does not have the wisdom to make that decision and, quite frankly, even if it had the wisdom to make that decision, since it is inherently a political decision, it would not make that decision very well.

That is an outline of the expenditures of the bill. As I said, the bill eliminates some dozen programs from the Minority Business Development Agency to the U.S. Travel and Tourism Administration, to the Technology Administration, to the information infrastructure grants, to the Death Penalty Resource Centers, to the Competitive Policy Council, the Ounce of Prevention Council, and the bill eliminates Legal Services as a Federal program.

Now, let me talk about the language changes in the bill, because almost every one of these provisions is controversial. So let me try to tick through basically what the bill does.

The House appropriations bill appropriated to their crime bill, which was part of the Contract With America. The Senate has not passed a crime bill. The crime bill passed in the House contemplated and, in fact, provided a dramatic change in the President's program to provide funds to State and local governments. We had no corresponding bill pass in the Senate, but we do have a bill that has been introduced by Senator HATCH in conjunction with Senator DOLE. To make the House and Senate crime bills conformable, it was decided by the subcommittee and the full committee to write in the allocation formula from the Dole-Hatfield proposal, so that both appropriations bills are moving in the same direction toward block grants. Needless to say, with Senator BIDEN, this has been a very controversial subject, and we have worked out an agreement where Senator BIDEN will offer a substitute for this provision.

Senator HATCH and Senator DOLE would like to change their proposal, which was written into the bill, and so they will basically put the ball in the air. Each will submit alternatives, and we will determine, based on a vote on the floor of the U.S. Senate, what direction we move in.

But let me be sure that everybody understands what the bill before us does in this area. The bill before us would allow communities to carry out the community policing program exactly as the President proposed, if they choose to. In the bill before us, we would allocate funds to local police departments, and they would have the ability to do community policing exactly as the President has proposed, if they choose to do it. The objection that has been leveled against this block grant is not that they cannot do what the President has proposed we do, but that they have the option of doing it in a different way. The objection to our language is not a dispute about the President's program so much as it is a dispute in the ability of local government and local chiefs of police to decide to use the money in a different way if they think that will work better for them.

We have set out a guideline on how the money could be used. If people choose to do community policing, to put more policemen on the beat, as our crime bill last year proposed, and as the President supports, they could do that. If they decide that they want to have more policemen on the beat, but they want to use the funds for training, they could do that. If they decide that they want to work overtime to get better trained police officers on the street now while they bring new trainees into the police academy, they could do that. If they decide they need to use the funds to buy equipment to make their system more efficient, they could do that. But they have the capacity to carry out the program as the President has proposed, if they choose to.

The second change in language has to do with the Legal Services Corporation. It is not news to any of my colleagues that I am not a fan of the Legal Services Corporation. I believe that is has some legitimate functions. But I think that, in many cases, they have not carried those functions out. Legal Services Corporation today has a lawsuit underway against every State in the Union that has tried to reform welfare. Every time any State in the Union has had a mandatory work requirement, the Legal Services Corporation has filed a lawsuit against them. Any time any State in the Union has tried to deny additional benefits to welfare recipients who have additional children on welfare, the Legal Services Corporation has filed a lawsuit against them.

The Legal Services Corporation has a long history of using taxpayers, funds to promote causes which are not taxpayers' causes. My view is, Mr. President, that if someone wants to file a lawsuit against the State of New Jersey saying that they cannot have a mandatory work requirement for welfare recipients because it violates the constitutional rights of welfare recipients to have to work, people ought to have a right to file that lawsuit. But they ought not to use taxpayers' money to do it.

In any case, after many years of battling on this issue, this year I proposed—and was successful—in the initial mark to eliminate the Legal Services Corporation outright.

I did not have the votes in subcommittee to do that. An agreement was reached where we eliminate the Federal Legal Services Corporation. We take roughly half the money that it is now spending and we give that money in a block grant to State governments. Then State governments, within a set of guidelines which limit the ability of organizations that take Federal taxpayers' money to engage, basically, in the promotion of class action suits, opposing welfare, and a series of other restrictions based on past concerns—have block grants to spend on legal services. It provides roughly half the funds that the existing program provides.

Another controversial area of language in the bill has to do with prisoners' work. This is an issue which I feel very strongly about. I do not have much doubt in my mind that when the votes are counted on the floor of the Senate, I am going to lose on this issue. But I want the American people to know about it. Part of my reward for being chairman is that now people have to take this provision out.

Let me define the problem. To keep someone in the Federal penitentiary this year is going to cost the Federal taxpayers $22,000. We could send somebody to Harvard for what we are going to pay to keep them in the Federal penitentiary system. We are paying more to keep someone in the Federal penitentiary than they would make if they could earn twice the minimum wage working.

Now, why is that so? Part of the reason is because of the way we build prisons. I have tried in this bill to begin moving us in the direction of stopping the building of Federal prisons like Holiday Inns, taking out the air conditioner, the color television, the weight room. The key ingredient in this direction is requiring Federal prisoners to work.

Now, this is where we run headlong into greedy special interests. This is not just the greedy special interests of organized labor. It is also, quite frankly, the greedy special interests of corporate America. It is the greedy special interests of big business, and it is the greedy special interests of small business.

We have three laws in effect that basically criminalize working Federal prisoners. It is basically criminal in America for prisoners to work in any conventional sense of working. Most Americans have not the foggiest idea this is true, and they would go absolutely berserk if they understood it.

These three laws basically go back to the Depression era when we took a criminal justice system where prisoners were working, where they were to a substantial degree paying the cost of their own incarceration, and in the Depression era we started eliminating their ability to work.

Now, some people could argue—though I would never make the argument—that it may have made sense in the Depression because by not having prisoners do something, someone else could do it and it would create a job. If one could have made that argument in the Depression, they cannot make that argument today.

We have one Federal statute that makes it illegal for prisoners to work in producing anything sold in interstate commerce. We have a law that makes it illegal for a prisoner to produce anything that is transported in interstate commerce. We have another law that makes it illegal for prisoners to produce anything that is sold within the State in which it is produced. Then we have another provision that sets out guidelines where, if prisoners did produce something that was sold in the private market, they would have to be paid union scale.

Let me translate all of those amendments and what they mean. What that means, in essence, is you cannot make prisoners work in producing anything to sell in the private sector of the economy.

All over the country we have 100,000 people in the Federal penitentiary. We have 1 million people incarcerated in America. By and large, except for producing a handful of things that are relatively insignificant in value as compared to the total economy, they cannot work.

Now, we have a bunch of programs in States where prisoners produce car tags. We have a Federal program where they produce furniture for the Federal Government. But by and large these laws prevent us from putting prisoners to work. I would like prisoners to work 10 hours a day 6 days a week. I would like to turn our Federal prisons into industrial parks.

What I have done in this bill is I have overturned these three laws, and I have set out a simple guideline. What the bill says is that it is legal for prisoners to be required to work so long as the President certifies that what they produce is not sold in such a way as to glut a local market or to glut the national market.

What I foresee under this provision, if it becomes law, is that we could turn our Federal prisons into industrial parks. Many of the goods that are produced abroad, component parts from everything from air conditioners to wheelbarrows to automobiles, we could produce some of those component parts with prison labor.

If we stopped building prisons like Holiday Inns, we could probably cut the $22,000 in half. If we required prisoners to work, we could probably cut the $11,000 of net cost in half. I believe that within a decade we could cut the cost of incarcerating people by 75 percent. But we are probably not going to do it. Let me tell you why. Because organized labor and because a few industries that do not want any competition will support the offering of an amendment that will continue to criminalize prison labor in America.

Now, I offered this provision in our bill because I think it is needed. I think when you have 1 million people incarcerated, it is inhumane not to have an orderly system where they can work. I will not drag this dead cat across the table too many more times here, but I want to remind my colleagues that when Alexis de Tocqueville came to America in the 1830's and went back home and wrote "Democracy in America," one part of American life that he commented on was our prison system and how enlightened it was because we worked prisoners hard. Prisoners at that time were working 12, 14 hours a day 6 days a week, and de Tocqueville noted how enlightened it was because by making prisoners work it made life in prison bearable.

If we made prisoners work today, not only would we save money, but people when they got out of prison would have a skill that they learned working in prison. If we made them go to school at night, they would know how to read and write, and having worked 10 hours a day 6 days a week, go to school at night, serve their full term, when they get out of prison they would not want to go back.

That is not going to happen because this provision is going to be stricken out by special interests. I know it, but I want people to have to vote on it, and I want people to be able to look at their vote. Prisoners in America should be required to work. They should be allowed to work in producing things that we can sell.

Every year our dear colleague, Senator HELMS, offers an amendment to ban trade with countries that make prisoners work. Every year I wonder why we cannot make our prisoners work. How is it that we have people who are working two and three jobs, struggling to make ends meet, and we are paying $22,000 a year to keep somebody in prison, and then we cannot force them to work to produce something of value to pay for their own incarceration?

It is called greedy, petty, special interests. The world ought to know about it. I hope to awaken them by putting this provision in this bill that somebody has to take out.

Now let me talk very briefly about two other language provisions in the bill. One has to do with the 8(a) program. The 8(a) program is designed to help disadvantaged businesses. The basic idea of the 8(a) program was that there are some businesses that are disadvantaged and that we want to try to help them get on the playing field and be more competitive.

The problem is that over the years, disadvantaged has come to mean minority or female. You cannot be disadvantaged, under the 8(a) contract, if you are not a minority and if you are male. So what I try to do is open up the 8(a) contract and say, no matter what your gender is, no matter what your race is, if you are operating in a depressed area, if you are a small, struggling business and you are hiring people who live in a distressed area, you ought to be treated in exactly the same way as someone doing exactly the same things you are who is from a different ethnic group or from a different gender.

We do not eliminate the 8(a) program, we simply open it up to people who are disadvantaged because they are small business people in depressed areas with high unemployment and they are hiring people from those areas.

This is a controversial subject. I understand that. But I believe, again, if we could put this proposal on the kitchen table in every kitchen in America and ask, if somebody is a small business person, if they are operating in an area of high unemployment, if they are hiring people who are from a high unemployment area, why should they be discriminated against based on race or gender? I think America has asked that question and I think America has answered it. They are waiting for the U.S. Senate to answer it and I want to give them a chance to answer it today.

The final provision I want to talk about in the bill, in terms of language, has to do with quotas and set-asides. I understand where the Senate stands on this issue. Of all people here, I understand it. I offered an amendment earlier this year to ban set-asides, to open up competition, and to say that in bidding on a Government contract you have to be judged on merit; that you cannot be judged based on gender or race. The American people say, by an 80-percent margin, that they support the merit system. America was built on it. Discriminating against people is fundamentally un-American, but the Senate supports discrimination and proved it on that night in that amendment.

This is my bill, as chairman of this subcommittee, and I am very proud of the fact that we have, in this bill, in the jurisdiction of Commerce, State, Justice under this bill, we say that it is illegal to discriminate against anybody in hiring, promotion, and contracting, and it is illegal to discriminate in favor of anybody. It is simple language. In fact, it is the language which the distinguished majority leader, Senator DOLE, has worked out. I had worked out similar language but, frankly, I thought his language was better so I included it.

It is basically a commitment to merit. I have to believe, based on our past vote, that this provision will be stripped out. But, again, America ought to know who is and who is not for quotas; who is and who is not for set-asides. Let me make it clear that the language in this bill preserves our total effort of outreach. It preserves our ability to go out and recruit people to apply for jobs. It gives us the full ability to work, to see that everybody gets on the playing field. But it requires that, once people are on the playing field, when it comes to being hired, being promoted, or getting a contract, that must be done by merit.

So this is a very controversial bill. It is no accident that we have kept it to the end. I am quite proud of the bill. Obviously, others oppose it. And the way democracy works is that we propose and we debate, and I accept the outcome of it. But I think this bill represents a dramatic change and, quite frankly, I have been disappointed in the other appropriations bills in that we have committed to a budget that calls for a dramatic change but everybody seems to be waiting until next year or the next year or the next year to make these changes. I wanted to make them now. I may not be here 2 years from now. I do not know. I may not be on this committee next Monday—I do not know that either. But I do know that I believe this represents a dramatic break with the past.

This bill terminates programs. This bill dramatically changes the way we operate the Federal Government. And I think it gives people a very clear choice. It defines a movement in the direction that I would like to see us go. I am proud that the subcommittee and full committee supported the effort to bring the bill to this point. I know there are some people on the subcommittee and full committee who, now that we are on the floor, will abandon us on some of these issues. But I think we have before us a good bill and, Mr. President, I appreciate the indulgence of the Chair as I outlined the bill.

Let me yield the floor for the distinguished ranking member, a man who has served on this subcommittee as both chairman and ranking member, a man for whom I have very great respect, the distinguished Senator from South Carolina.

The PRESIDING OFFICER (Mr. GORTON). The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, I rise today to speak against H.R. 2076, the fiscal year 1996 Commerce, Justice, and State appropriations bill. For me, this is unprecedented. Never in my 25 years on the Appropriations Committee—or my 18 years as serving as either the chairman or ranking minority member of this subcommittee—have I opposed this bill. And never in my career here have I seen an appropriations bill prepared in such a partisan manner and voted out of committee on straight party lines.

I am against this bill because I simply cannot go along with its recommendations and because of its extreme nature. This bill represents a 180-degree departure from the way we on this committee have approached our job when senators Rudman, Weicker, Pastore, Laxalt, and DOMENICI and I were chairman or ranking member. In the past, we focused on the business of governing. We worked together to ensure that the agencies under our jurisdiction are well-run and appropriately funded. Our job always was to see to it that the taxpayers' dollars were well spent. If a program was worth it, we sought to fund it adequately. At the same time, we conducted budget scrubs to ensure that we achieved savings from delayed contracts, program changes, and other technical matters.

But Mr. President, that is not what today's bill is about. It is not about governing. It is about politics and making philosophical policy statements. It is about picking winners and losers. It is about throwing money at one part of this bill, the Department of Justice, and about wreaking havoc on the rest of the bill. In many ways, this bill seems more like a budget resolution than an appropriations bill.

Mr. President, government is not a dirty word. I know that there are some who have come to Washington intending to have a fire sale. Well, those people will probably like this bill because it is a bonfire. Agency after agency is eliminated or subjected to unprecedented reductions of 20 percent or more. This bill slashes programs with little description or detail of what is being cut. For example, the International Trade Administration is cut by $47 million below a freeze. But the report does not direct how the reduction should be made. Should it be from the Import Administration that protects U.S. industry from foreign dumping? Or should it come from the foreign commercial service that promotes U.S. industry overseas or from trade and industry sector analysis? This bill just does not say.

So, we have wholesale elimination of agencies. And we will have wholesale reductions in force and office closures. They are not being highlighted in this report, but mark my words on that. Take the Small Business Administration. My friend SBA Administrator Phil Lader tells me that his appropriation for salaries and expenses means that the SBA will have to lay off 1,200 of their 3,100 employees.

Mr. President, maybe I am old fashioned, but I will not join in this fad that denigrates public service. In the 25 years I have worked on this bill, I have learned that much of it supports what we in the budget game call salaries and expenses. What that means is that most of this bill funds people. And I have come to have great respect for the dedicated public servants who work hard to serve the people of this country.

I think of Emilio Iodice, of the International Trade Administration, our senior commercial officer in Madrid, Spain, who is hustling day in and day out to get contracts for American business. I think of Dr. Neal Frank and Bob Sheets, of NOAA, who have run the hurricane center in Miami, FL, and who worked around the clock to warn us of killer storms. I think of Ambassador Princeton Lyman in South Africa who is helping that nation build a lasting democracy and of the many foreign service officers I have met. In my view, these State Department and USIA foreign service officers truly are the best and the brightest. I sometimes wonder how many of us could pass their stringent entry requirements. And of course, I think of the many professional comptrollers who with us on a day-to-day basis—people like Mike Roper at Justice, Mark Brown at Commerce, and Stan Silverman at USIA.

With this bill, I worry about the message that we are sending to these dedicated public servants and young people who might want to enter government service. I think we should be praising these people for their service, not denigrating them.

JUSTICE INCREASES

In the Commerce, Justice and State hearing room in the Capitol, there is a painting of Edmund Randolph, our first Attorney General. I think about him when I look at what is happening to this Justice budget in this bill. We are throwing money at a problem without being responsible. Do my colleagues know when funding for the justice department hit the $3 billion level? It was 1983. In other words, it took 194 years for the Justice Department's budget to reach $3 billion. And that is how much the increase is for Justice in this bill for just 1 year. That is nothing short of amazing.

I think most of us who were around in the early 1980's realize that we tried to throw too much money at Defense too quickly. And as some will remember, I was one of those who pushed hard to increase Defense in 1980. But, I fear that this is exactly what we are doing with Justice in the 1990's. This year, the Federal Bureau of Investigation is unable to spend almost $50 million that we gave it last year to hire more agents. Of course, the bureau will find other uses for the money. But this bill before us plans to give the FBI an increase of almost half a billion dollars above this year—an increase of 20 percent in one year. I am all for my good friend Judge Freeh and the dedicated agents who serve us. But a 20-percent increase in 1 year? And when I look at the Immigration Service, we are adding 1,300 border patrol agents per year, which again, is more than a 20-percent annual increase.

Now I stand second to none in my support for the Justice Department. During the span that I last served as subcommittee chairman of this appropriations subcommittee, the Justice Department grew from $3.9 billion in 1986 to $13.7 billion in 1994. In the Senate, Attorney General Janet Reno probably does not have a bigger fan than me. But we have got to slow down and take a look at where all this money is going. We have got to stop the bidding war to see who can throw more money at law enforcement to rack up political points.

Mr. President, this bill is largely the story of two bills. For Justice and judiciary, it represents increases and for the remainder of the bill it will cause destruction. It did not have to be done this way. I would urge my colleagues to look at how much more reasonable and moderate the bill is that the House sent to us. The Contract With America crowd developed a much more responsible bill.

I would like to describe some of the recommendations for my colleagues.

For the Commerce Department, the bill: Eliminates entirely several Commerce technology programs: the Technology Administration, new Advanced Technology Program and manufacturing extension program grants. It eliminates previous funding to modernize National Institute of Standards and Technology laboratories.

The bill eliminates the Minority Business Development Agency, a program created during the Nixon administration to empower minority entrepreneurs, and to expand minority-owned businesses.

The bill eliminates the U.S. Travel and Tourism Administration.

The bill cuts the International Trade Administration by $45 million or 17 percent below a freeze. This would result in office closures around the country and overseas, and debilitate our trade promotion efforts for U.S. industry.

It cuts the Economic Development Administration [EDA] from its current level of $410 million to $100 million. It reduces one of the only programs with a direct charter to assist communities impacted by defense base closures and realignments.

It severely reduces the National Telecommunications and Information Administration [NTIA] operations, the public broadcasting and facilities program, and it terminates the information infrastructure grant program and the children's educational television program.

Mr. President, the bill authorizes and appropriates funds for a new Commerce Reorganization transition fund which finances personnel separation costs and termination costs for the various agencies proposed for elimination.

It provides $395 million for economic statistics and the Census Bureau, an increase of $84.5 million above the House bill, and $70.4 million above this year.

It provides $1.867 billion for the National Oceanic and Atmospheric Administration [NOAA], a decrease of $45 million below the current year, but $92 million above the House bill. Like the House, the NOAA fleet modernization program is terminated.

For the State Department and international affairs agencies, the bill severely cuts State Department operations funding $340 million below this year's level. This will result in the closing of many embassies and consulates around the world and the layoff of 1,100 foreign service and civil service employees.

The bill rescinds $140 million in prior year appropriations for embassy construction, repairs and maintenance. This will likely result in the cancellation of our new embassy in Ottawa, Canada, and the elimination of repairs, maintenance and security improvements around the world.

The bill assumes S. 908, Senator HELMS' authorization, which never proceeded in the Senate because of its controversial provisions. This bill, however, provides $890 million less funding for the State Department than Senator HELMS proposed to authorize.

The bill authorizes and funds a new Foreign Affairs reorganization transition fund and provides $26 million for this account. Bill language directs the director of OMB rather than the Secretary of State to consolidate programs under State, USIA and ACDA.

Funding for international organizations is cut by 37 percent below current levels. This year the United States paid $873 million to the United Nations, the Organization of American States and 49 other international organizations. These assessments are based on treaty obligations. In 1996, the administration requested $923 million for these obligations. The bill provides only $550 million. We would have to pull out of a lot of international organizations or simply refuse to pay our bills.

The U.S. Information Agency [USIA] is devastated under the recommended bill. USIA is cut $364 million below the current year and $53 million below the House bill.

This bill cuts international educational exchanges, like the Fulbright program, by $43 million below the current year.

The bill provides $355 million for international broadcasting—the Voice of America, Radio Free Europe/Liberty, and Radio and TV Marti. It is far below last year's level, but above the House.

For independent and regulatory agencies, the bill terminates the Legal Services Corporation, current funding of $400 million, and replaces it with a civil legal assistance block grant under the Justice Department. The bill carries 13 pages of legislation including a long list of restrictions on the use of these funds. For example, the block grant could not be used for helping a poor person seek a legal separation from an abusive spouse.

The Corporation was created during the Nixon Administration. I worked closely with Lewis Powell in the endeavor, and I stood with my friend, Warren Rudman, in his yeoman efforts to save the LSC. Like the Senator from Texas, I have had concerns about the LSC being involved in class-action suits. But the House bill had already dealt with that, and it retained funding for the LSC.

The bill cuts all regulatory agencies at least 20 percent below a freeze. In each case, the bill uses fee collections to cut appropriations even though these fees often were created to enhance operations. The recommended bill will result in significant reductions in personnel and operations.

The Federal Trade Commission [FTC] is proposed to receive $79 million instead of $98 million as proposed by the House and provided currently. The FTC is charged with consumer protection and anti-trust duties. Again, we are looking at a one-third reduction in staff and cancellation of many important programs such as the FTC's efforts to combat telemarketing fraud.

The Federal Communications Commission [FCC] is proposed to receive $166 million instead of the current level of $185 million. We keep giving new responsibilities to the FCC under the communications bills, but here we are cutting them below current levels.

The Securities and Exchange Commission [SEC] is funded at $238 million instead of the current level of $297 million. Further, the bill reduces charges to individuals registering securities and shifts $60 million in costs to the federal taxpayers. So I guess that says we want to combat violent crime in Justice, but white-collar crime by Ivan Boesky is fine.

The Competitiveness Policy Council is eliminated.

The Maritime Administration is funded at $70.6 million instead of $94.7 million, the current level, and far below the administration's request of $309 million.

The Small Business Administration [SBA] is funded at $558 million, $359 million below this year, and $73 million below the request. SBA says that they will have to reduce over a third of their workforce based on the committee's report language direction to fund grants and loans instead of personnel. This ignores many of the streamlining efforts that Erskine Bowles and Phil Lader have already accomplished, resulting in reduction of 500 positions during the past 2 years.

REWRITING THE CRIME BILL/LEGISLATION

Finally, I oppose this bill because it proposes to terminate the successful Cops on the Beat program and other authorized Violent Crime Reduction Trust Fund programs. In their place, the appropriations bill essentially authorizes a new Crime bill. Talk about breaking new ground for legislation on an appropriations measure.

The Cops on the Beat or Community Oriented Policing program is one of the most efficient and effective programs that has ever been created. Within a year of passage, 25,000 additional police are on the streets in America. We will be debating this program soon, in more detail. But I must say that I simply do not understand why any member would want to terminate this program.

Drug courts is another authorized program. It was Janet Reno's creation, based on her experience in Miami. This is not a soft prevention program. Drug courts work and are getting non-violent defenders off of illicit substances and back into society.

This bill is block grant crazy. Legal services—they say, "Let us make it into a block grant." Community policing and drug courts—they say, "Let us make it into a block grant." I guess I do not understand. I remember the Republican filibuster against President Clinton's stimulus package in the spring of 1993. As I recall, the principal argument against that bill was that it was funding block grants and recipients had a wide discretion of how they could use block grants. In law enforcement in the past, we had a block grant program—LEAA—and it was a disaster.

Mr. President, this bill contains many other pieces of legislation. It takes the limits off of sales from prison labor, and it changes affirmative action and procurement regulations.

I hope that my colleagues will carefully examine this bill. Many have said, "Yes, it is a travesty, but the President will veto it." That may be true. All indications are that it could not be signed in its current form.

I, for one, hope that the Senate will not go on record by supporting such an extreme, irresponsible measure. I hope we can make some changes to this bill and improve it.

Mr. President, obviously I am not disposed to speak at length, but I have to comment about my distinguished colleague and his opening statement on two or three items. Just in closing, he said: This is open. This is the way we do it. It is open to debate. We debate these things, and we vote on them and we make decisions.

Unfortunately, having been on this committee for over 25 years, in this subcommittee we did not debate, we did not discuss, and we did not do anything other than vote. That is why the bill comes on a bipartisan split, so to speak, of 15-to-13. It reminds me of Mao Tse-tung when he got a birthday wish. It said, "From the Central Committee, by a vote of 15-to-13, we wish you a happy birthday."

This bill is an atrocity. In my experience in particular measures, it is voted that way because, very conscientiously, we did not have a chance to debate and rectify certain things. But I do not want to dwell on that too much at length because the distinguished chairman of the full committee is henceforth coming to the floor to try to give us an additional allocation and correct some things, like the elimination of the Minority Business Enterprise Administration—an entity that started out with President Nixon back 25 years ago in 1970—and various other things like that which were eliminated.

The bill is called an atrocity because the distinguished chairman of the subcommittee, for whom I have great respect, says we overturned laws. He is dead right in this particular measure. It is not the function of an Appropriations Committee to overturn laws. On the contrary, we are supposed to conform to the authorized law, or the law authorizing the amounts, and thereupon appropriate within those particular amounts.

Here we see a measure that takes a bill that has been debated fully and voted three readings in the House, three in the Senate—with respect to cops on the beat—signed into formal law, the law of the land, and participated in with enthusiasm by the overwhelming majority of the police forces over the entire country. It is a program that is working and working extremely well.

Without any authorization, that law, as provided by way of money in this measure, is overturned. It is just repealed. The formal law is totally disregarded, and in its place, we have a so-called block grant approach.

Similarly, with respect to the Legal Services Corporation, that was more or less created by the distinguished former Associate Justice of the Supreme Court, Justice Powell, when he was president of the American Bar Association. Here is a corporate entity, the Legal Services Corporation, worked in by the private sector, by the professional attorney sector and by the Federal Government in a most successful fashion, but it is not within this bill. That endeavor that has been going on successfully for years is totally overturned and repealed. A new program is put in. It is not authorized.

Of course, the parliamentary tactic is to raise a point of order. But in the spirit of trying to move along, we can have some votes around here on points of order and everything else. But I am not trying to turn back anything parliamentarily. I am trying to turn it back on the basis of merit.

But if you go through this particular measure, they come down real hard on the future of this country with respect to, for example, the programs within the Department of Commerce and the Department of State. The Department of State is not really left with an operating budget. We have been closing consulates and closing down various endeavors on behalf of the Department of State over the last 15 years. Somehow, somewhere, people have forgotten that, after all, we had President Reagan come to town with spending cuts, and then President Bush. After 8 years of President Reagan and President Bush for 4 years, we had 12 years of spending cuts. Then we had, of course, President Clinton come to town and cut out another $500 billion in spending cuts.

So what we are on to is the tail end, so to speak, of 15 years of various spending cuts whereby programs like WIC, Head Start, title I for the disadvantaged, and many others, are only half funded, as are many programs in health research. That is the reason we just rejected, by way of extended debate, the Labor, Health, and Human Resources appropriations bill. For every dollar we spend over at NIH, we save the taxpayers $13.50.

So these money-saving programs have run into a frontal assault of a so-called political contract that is devastating to the functioning of our society.

I almost wish when it comes to the Department of Commerce that President Clinton had said we ought to get rid of the Department of Commerce. If President Clinton said we have to get rid of the Department of Commerce, the whole business community—all of that crowd that runs under the white tent for NAFTA and for GATT, and all the Republican crowd, all of those executives, that Business Round Table—would come running up here: "What do you mean this Democratic President is trying to do away with the voice of business at the Cabinet table?" You cannot find them today. Why? Because the Republicans thought of that idea.

Yes, labor is to have a voice at the Cabinet table, but not commerce, the business leadership. Agriculture is to have a voice at the Cabinet table, but they want to do away with the Department. You will not find agriculture in the Constitution. You will not find the Labor Department there. But you will find, under article I, section 8 of the Constitution, that the Congress is hereby authorized to regulate foreign commerce. We are doing away with constitutional responsibilities in a willy-nilly contract fashion. Now with the fall of the wall, we really look upon the State Department to promulgate our values the world around and capitalism the world around along with the Department of Commerce.

Very interestingly, that is exactly what they are doing. Secretary Christopher and Secretary Brown have been doing an outstanding job, but there is no acknowledgment or recognition of it whatever in this particular appropriation. Rather, they tried to do away with the technology, the advanced technology program, the manufacturing centers, the Office of Technology and all, as we go on down the list—these various endeavors to keep America competitive.

Our foreign policy, our security as a nation, our success in this global competition, rests like a stool on three legs. We have, on the one leg, the values of a nation which are very strong and are unquestioned. America voluntarily will try to feed the hungry in Somalia, voluntarily will try to set up democracy in Haiti, and now is trying to help, of course, in Bosnia and in the Mideast where they are meeting right now. With respect to our values, it is very strong, and with respect to our military leg, it is unquestioned. But with respect to the economic leg, over the past 45, almost 50 years, it is fractured and willingly so.

We set up the Marshall plan. We sent our money and our technology and our expertise to countries abroad in the conflict between capitalism and communism, and capitalism has won out. And we are all very grateful for that. But during that 50-year period, what we had to do was sort of sacrifice our economy and give up markets with the assault on market share. We had to give up markets to our friends in the Pacific rim, in Europe, and otherwise around, with a sort of nudist trade policy—running around here like ninnies hollering "free trade, free trade"—when there was not any such thing, and it is not now. We all understand that.

But now with the fall of the wall comes the opportunity to rebuild the strength of the economy. Yes, in many instances, that means more government. I want a Senator to say that on the floor of this U.S. Senate. What we need is more in education, more in the inner-city restructuring, more in transportation, more in science and technology, and more in medical research. That is exactly what we are not doing in this particular measure here.

Let me go right to the point about the President's budget for which we get a gratuitous statement from our distinguished chairman of the subcommittee. He said again that the President's budget would not be in balance at the second coming, and had $200 billion deficits as far as the eye can see. If you want to read the gratuitous statement, you just look at the committee report of State, Justice, Commerce, and on page 4. I will quote this one sentence:

> The administration's request in a budget that made no attempt to balance the budget, not in 7 years, not in 10 years, not ever.

Here comes a committee report from a crowd that we could not get a single vote from to cut $500 million in spending and raise revenues to pay for some of these programs. Yes, we raised taxes on Social Security, and $25 billion of the increased revenue on Social Security we gave to what? To Medicare. They are running all over the Hill. "It is going broke. It is going broke." Last year they said, "What is the matter? Nothing is wrong with America's health programs. It is the best health system in the world. What is the matter?"

I can show you the same crowd that they quote now as saying it is going broke in the year 2002. Last year, that same entity reported it was going broke in the year 2001. At least we got one year's grace out of the discipline that we set for spending cuts and revenue increases and foregoing programs.

Let me qualify. I speak about this budget because I can tell you here and now they act like they have a budget that we have to conform to so their budget balances in the year 2002. Absolutely false. For one, this particular Senator voted against that silly Reaganomics which at the time was called by the then majority leader a "river boat gamble," the then Vice President as "voodoo," and now we have "voodoo" all over again—going on all over this Hill. We do not have a sense of history whatever. I opposed that voodoo and proposed instead a budget freeze like the mayor of a city or the Governor of a State. What they do is just take this year's budget for next year. We would save billions. We could not succeed.

I then joined with the distinguished chairman of our subcommittee in Gramm-Rudman-Hollings, and we said let's have not only freezes, but we are going to have automatic spending cuts across the board. And that worked. Mr. President, it worked, until 1990, when they repealed it. And at 12:41 a.m., October 19, 1990, I raised a point of order against the repeal. And let the RECORD show who voted to repeal it.

Now they are running around and saying it did not work. They repealed it because it was working. It was going to cause cuts across the board. I went along in 1988 with tax reform in order to close loopholes.

So we had budget freezes, we had budget cuts, and we had loophole closings. And then, if you please, Mr. President, I came with increased taxes, a value-added tax proposed in the Budget Committee where I got eight votes, and I got Republican colleagues to go along. And we had a discipline trying to offset this deficit and an end of increased deficits as far as the eye can see.

Right now, the deficit that is projected—we will get it —but it is not 100 something, not 200. It is near $300 billion. I will enter the exact figure in the RECORD. All you need do is figure out how much the Government takes in and how much it spends and find the difference.

I do know that as a result the interest costs for the fiscal year beginning on Sunday, October 1, fiscal year 1996, the interest costs on the national debt—as a result of that voodoo and that riverboat gamble—is $348 billion. We only have 365 days a year, so that is $1 billion a day practically that we go down to the bank the first thing in the morning and borrow—$1 billion a day.

None of these plans, neither the Republican nor the Democratic plan, saves $1 billion a day.

I try my best to keep pointing this out to get level so we all speak the same language. Only this past week, I wrote the Congressional Budget Office. I said that my friends on the other side of the aisle continued to talk in terms of a balanced budget by the year 2002.

I ask unanimous consent that I may include the letter in the RECORD dated September 25 from the Congressional Budget Office, June E. O'Neill.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, September 25, 1995.

Hon. ERNEST F. HOLLINGS,
U.S. Senate, Washington, DC.

DEAR SENATOR: This is in response to your letter of September 20 concerning CBO's scoring of the budget resolution for fiscal year 1996 adopted by the Congress. Because a budget resolution represents a general plan for future Congressional action rather than specific legislative proposals, CBO cannot provide estimates for a budget resolution in the same sense that it estimates appropriation bills or bills that provide changes in direct spending or revenues. CBO has compared the spending, revenues, and deficits proposed by the budget resolution with those projected by CBO in Chapter Three of its August 1995 report, The Economic and Budget Outlook: An Update. A copy of that report has been enclosed.

If you wish further details about this comparison, we will be pleased to provide them. The staff contact is Jim Horney.

Sincerely,

JAMES L. BLUM
(For June E. O'Neill).

Mr. HOLLINGS. The Republican budget, the Kasich budget, the Gingrich budget, or whatever budget you want to call it that they are talking about balancing, has never been scored.

The distinguished chairman of the Budget Committee is here and we worked together when he was ranking member and I was chairman. I can tell you here and now, after we passed that budget in May, we sent over the assumptions so that the Congressional Budget Office could score it. Those scores have never been sent over. From time to time they have asked questions: If we do this, we save that; if we do this, we save that.

But we do not have a CBO-scored figure for President Clinton's budget and we do not have a CBO figure for the Republican budget.

Watching all of this as it occurs, at this particular time, I can guarantee you that it will not be balanced in the year 2002. And anybody who wants to bet me, pick out the odds and the amount. I will jump off the Capitol dome if this budget is balanced by the year 2002. I can tell you that here and now.

What happens is exactly what happened, as the distinguished Presiding Officer and I viewed it this morning in the Committee of Commerce. We were allocated $15 billion. What did we do? We took $8.3 billion that we have already allocated in the telecom bill. So we double-counted that already. Talk about smoke and mirrors. We are not going to have smoke and mirrors. I understand, of course, that in the Finance Committee they were $80 billion shy last week.

Someone said, no, they got up, meeting last night, to about $15 billion, and they are still trying to find it. But if they go through with the contract and do away with the Social Security tax increase, they will have to find another $25 billion. They are shy there.

I can go to welfare reform. We passed welfare reform. It was a $63 billion savings. The budget that they say is going to be balanced called for a $113 billion savings. That is $50 billion shy there. The agricultural and everything crowd said, no, we had not met our figure. It is smoke and mirrors.

So what you see now is the moment of truth. And I only mention this to get that moment of truth out. We ought to level with each other. You cannot get on top of this cancer of interest costs on the national debt unless you do all of the above. All of the above includes spending cuts, spending freezes, loophole closings, tax increases, and denying new programs.

We just voted earlier this week—I hated to vote against the distinguished Senator from Maryland, Senator MIKULSKI, and her AmeriCorps Program—but I can tell you now that that program was going to cost billions and billions. I did not think we ought to start new programs that we could not afford and specifically not start an AmeriCorps Program for education whereby in order to get 25,000 scholarships we had to do away with 346,000 student loans.

That is what we did. We took the money from the student loans and put it into a new program and talked about voluntarism. I happen to have been down there the Sunday after Hugo hit us in our own backyard in South Carolina. There was the mayor and me and we had 1,500 to 2,000 volunteers that were working in the rain. We asked for a show of hands and we had them from 38 States. People volunteer.

When little Mr. Segal called me about this particular program and said we already have 2,000 out there working in the flood year before last, I said,

> Young man, you have 2 million out there working without this program. You do not need a program at the Federal Government level to start voluntarism.

So the pressures brought on this particular budget are really politically manufactured where we are not going to balance anybody's budget. We are just going to get rid of the Government. That has been the cry of the contract—that the Government is not the solution, the Government is the problem, the Government is the enemy.

So what you have here is a $283 billion estimated deficit for 1995. That is the accurate figure as between what we will take in and what we will spend. So let us not get high and mighty and start criticizing about how I got a balanced budget 7 years from now when people will be lucky to be around 7 years from now and they will know good and well they will come again.

I remember when we used to balance the budget year to year. In fact, President Reagan said, "I'm going to balance that budget in a year." He got into Washington and said, "Whoops, this is going to take me 3 years. I did not realize it was so bad."

Here was a gentleman who was going to do it in a year. Then we got to 3 years. Then under Gramm-Rudman-Hollings we got to 5 years. Now, this crowd comes with 7 years. And I can tell you within the next election we will come and have—excuse me, President Clinton has already gotten to 10 years. Now he has come back to 9.

We are going up, up, and away; 15 years. Say anything except to do the job and tell the American people that we have to deny programs and we have to raise taxes. We have to cut spending. We have to freeze spending. We have to close loopholes. We have to do all of the above to save $1 billion a day. This particular budget that we have that we are working on at this particular time does not come near to saving $1 billion a day to get us really rid of any kind of deficit at any time during that 7-year period.

Now, Mr. President, the distinguished chairman of the subcommittee talks about philosophy—and I must touch on that and then we can go to these amendments—the philosophy here that they are trying to justify these programs to get things back to where they can do it as they please.

They said, if they really want to buy equipment, then they can do that. If they want to put policemen on the beat, then they can do that. It is the old adage that the best government is that closest to the American people, the Jeffersonian philosophy. And I generally adhere to that except through hard experience.

Within the field of law and law enforcement, we have had our experience. We had what you call the legal assistance enforcement program, LEAA, and that particular program gave block grants back to the States and communities. And when we looked around, we had—please, my gracious—down in Hampton, VA, they bought a tank and put it on the courthouse lawn and thought the courthouse was going to be attacked. The sheriff down in Alabama, he bought a tank because he was going to have crowd control. The Governor in Indiana, he bought an airplane so they could fly to New York and buy clothes.

And they had all kinds of embarrassments where the money never got through to the policemen on the beat.

Now, there is no education in the second kick of a mule. We learned from hard experience. So we came around with community policing and policemen on the beat and said, in order to qualify, you have to come with a match of 25 percent. And it is working extremely well.

Now they come with the philosophy of getting the grants back, which reminds me—and I have, of course, a memory that is resented many, many times. But I am referring to the stimulus bill where, when President Clinton came to town, we were going to stimulate the economy. And the distinguished chairman of my subcommittee, now who believes in block grants, said, heavens above, "We are going to use it for cemeteries, for whitewater canoeing, for fisheries, atlases, for studies of the sickle fin chub," and all these different other programs back at the local level. And the Senator slaughtered President Clinton's stimulus program—just killed it dead in its tracks here on the floor of the U.S. Senate.

Now we come with the philosophy: Whoopee, let us get the money back to the Government; we are not smart enough to do anything here in Washington; only the people back home are smart enough. So here we go again. Here we go again, changing the formative law and making it into block grants. Taking working programs like policemen on the beat and the Legal Services Corporation. Abolishing these laws in that sense and providing moneys for a program that has already been derided in the most expert fashion by my distinguished chairman.

I can tell you now that we could not possibly go along with the block grants. I think the President said he is going to veto that particular approach. Maybe we can reconcile it. I hope some of the defects of this particular bill can be cared for in Senator HATFIELD's and my amendment. We worked until 1 in the morning on this particular amendment. I think it will meet generally with the approval of the colleagues.

And a reallocation here, I am grateful for that help. Of course, there are fundamentals still involved. And I will say it right to the point. We will be debating these things, as the distinguished chairman says. What we have done is really savaged Commerce and its programs, the State Department, and, more or less, "force-fed a goose in Justice." When I say force-fed a goose in Justice, I look at the particular figures.

I can see that it took us from 1789 to 1983 or 1984 to get to a $3 billion Justice Department budget. But it has only taken us the last 15 years to quadruple, quintuple—excuse me—and go up, up and away to $16.95 billion in this particular 1996 appropriation. I know we have had various crime bills. I know we have had the problems and everything else of that kind. But I can tell you now that we have, with all the budgetary constrictions, to get a little bit better balance in this particular measure.

And, in some of these, I am definitely of a mind where the Senator from Texas and I agree that you should not abuse the use of legal services money to sue the State and Governor and Legislature of New Jersey over welfare reform. We agreed that we could work the prisoners. I have worked prisoners as a Governor. I put in a laundry program. I put in a furniture repair program. I even had a Jaycee chapter as well as our educational programs behind the wall.

We agree on many, many things. But generally speaking, we did not have a chance to debate these things. Unfortunately, we had not conformed the appropriations to the basic statutes, whatever. We have just run willy-nilly through the programs trying to abolish departments and the working programs that have done so much for our society.

I yield the floor.

Mr. PELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. PELL. I thank the Chair.

Mr. President, the Senate is considering the appropriations bill for the Commerce, Justice, and State Departments. It would be tempting to address this bill in the same fashion as I have other measures during this session which have contained drastic—indeed, draconian—spending cuts. The natural inclination is to talk about how the cuts will affect specific programs or policies, many of which are vital to the security of our Nation or the well-being of our people.

In this context, I would be led to talk about how the CJS appropriations bill, as reported by the committee, lops off more than $1 billion—I repeat, more than $1 billion—from the President's request for the foreign affairs agencies. There will be dramatic reductions in spending for the administration of foreign affairs, for the acquisition and maintenance of buildings, for the U.S. assessed contributions to the United Nations, for U.S. contributions to U.N. peacekeeping, and for international exchange programs.

I understand that the chairman of the Appropriations Committee may offer an amendment which may add additional funds to the foreign affairs account—which I applaud and will support. I must speak now, however, to the bill as reported by the committee.

Many of my colleagues know that these are programs and functions that are extremely important to me. When I recently announced my intention not to seek reelection to the Senate, some of my fellow Senators graciously came to the floor to say some very kind things about me. For that I am deeply grateful, and indeed humbled. One thing that struck me that day was how many of my colleagues mentioned my support for the United Nations, and the fact that I have carried a copy of the charter with me for many years.

I have not carried it with me all of this time just for show and tell. I carry it because I believe in it, and I think that it has represented—and continues to represent—one of our best hopes for international peace and security. If we proceed with the reductions in funding for the U.S. contributions to the regular and peacekeeping budgets, however, the charter will become nothing more than pretty words. There will be no point, and no joy, in carrying it in my pocket.

I have also been a consistent advocate of the U.S. Arms Control and Disarmament Agency [ACDA]. More than three decades ago, President KENNEDY and the Congress decided to create by statute the Arms Control and Disarmament Agency—which was then and remains now the only separate agency of its type in the world. If the Congress eviscerates ACDA and perversely rewards its employees by discharging them, we will do grievous damage to our ability to lead the world in effective arms control, to verify compliance of often hostile nations with their arms control obligations to us, and to deal effectively with new arms control and proliferation threats.

As I said moments ago, it would be tempting to continue at length about the impact of this and other bills on programs such as arms control, the United Nations and U.N. peacekeeping. Today, however, I want to discuss this bill in broader and more far-reaching terms. Whether or not the Senate cares to admit it, our decisions and actions this year are going to have a direct and negative impact on America's place in the world, and on our fundamental relationships with other world powers.

I am very proud of the U.S. record of leadership, achievement, and engagement in international relations. Twice in the 20th century, our Nation stood with its allies to fight on a global scale against aggression. During the cold war, the United States took the lead to contain the hegemonistic designs of the former Soviet Union. In the early 1990's, the United States led an international coalition of forces in turning back Iraq's illegal grab of Kuwait.

Equally as important, however, are the battles we did not fight—the conflicts that we avoided, the crises that we averted through diplomatic discussion and pressure. Even if we made mistakes from time to time, we were successful in all of these endeavors because of our belief in principles, our commitment to do what we thought right and our willingness to be actively engaged. Our decisions, policies, and programs were often costly in both human and material terms, but they made our world a safer place, and our Nation a better and more profitable place to live.

Our motivation sadly seems to have changed. Decisions are being made out of political expediency rather than sound judgment. Our impulse as politicians—particularly this year—is to rush willy-nilly to make budget cuts for their own sake, without regard to the consequences. Instead of using reason and analysis to construct a foreign policy, we are using calculators.

We must stop, think, and take a good hard look at how the United States can expect to project its power and influence under the circumstances now proposed. The State Department and the foreign affairs agencies—our Nation's eyes, ears, and voice to the world—cannot carry out its mission if they haven't the personnel, resources, and infrastructure required by the times.

It is not just a matter of doing more with less. I know the fiscal imperatives of our time, and appreciate that we are required to spend less and consolidate functions and responsibilities. The spending reductions in this bill are so severe, however, that the United States will be forced to close dozens of critical posts overseas, to renege on treaty commitments, and simply disengage from diplomatic activity. That is not sound fiscal policy, and it is certainly not leadership. It is isolationism. We are shutting ourselves off from the world, and our Nation's security and economy will suffer.

I do not use the term isolationism lightly. It is a serious charge, but one that I think is accurate. We must acknowledge the impact of this bill on our ability to work with other nations, and understand that by violating our international commitments, we will undermine our own national security. And make no mistake, this bill will force us to violate our international commitments and will have an adverse impact on virtually every aspect of the quality of life of our citizens.

Allow me to give some examples. In 1990, the Bush administration pledged that the United States would meet its treaty obligation to pay its U.N. dues in full, and that we would pay off our arrears. This bill would violate that pledge, and we will become the world's biggest deadbeat. At a certain point—which is fast approaching—we will lose our vote in the U.N. General Assembly because of the size of our arrears. This bill will also affect our obligations to NATO, to the International Atomic Energy Agency, to the International Telecommunications Union, and to the World Health Organization. In other words, we will have a diminished role to play in the critical fields of international security, nuclear nonproliferation, global communications, and international health.

We also would hamstring the work of lesser-known but important organizations such as the Hague Conference on Private International Law and the International Institute for the Unification of Private Law. Both of these are making vital contributions to simplifying and unifying the international legal system. How many times have we interceded on behalf of constituents in international adoptions, or in cases of parental abduction, or in the enforcement of legal judgments? This bill will afford our constituents less protection in such matters, and we will be responsible.

As a broader, practical matter, American citizens will be far less able to rely on U.S. Government support abroad as a result of this bill, whether it be in consular, commercial, or political matters. My guess, and it pains me to say this, is that the Congress will try to duck its responsibility for such an outcome. Instead of facing up to our constituents and explaining why they cannot find support or relief, Members will try to shift the blame to the State Department and our overseas employees.

Recently, some have found it fashionable—and even humorous—to characterize the Foreign Service as a coddled group of elitist intellectuals who shun hard work. As a former Foreign Service officer, I reject the characterization and am compelled to pay tribute to the dedicated and capable men and women who comprise our diplomatic corps. I know how hard they work, and how dedicated they are to serving our Nation's interests. Some of them, as we have just seen in Bosnia, have made the supreme sacrifice of giving their lives in service to the country.

Mr. President, we should honor these men and women and give them our full appreciation. At a minimum, we should see that they have a basic level of support to handle their ever-increasing responsibilities. We would never send our soldiers to war without support in depth; why would we send our diplomats—whose service is no less noble or patriotic than that of any soldier—to do political battle with virtually no support at all?

Mr. President, we are forsaking the lessons of history for political opportunism. The proponents of this bill will insist that they are not isolationists, but they must realize that their proposals will lead us into isolationism. We cannot influence the decisions of international bodies if we are not there to participate. And if we try to participate without paying our bills, no one will listen to us. That is isolation in the truest sense of the word. Mark my words: if we continue down the path we are now heading, our children will be left with one of two choices. The first is to accept that their forebears let their country become a xenophobic, second-rate power with a shrunken and insulated economy. The second is to refight the battles for which our generation already has paid so dearly. Neither, in my view, is an acceptable choice.

I yield the floor.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I rise for a couple of minutes. First, I ask unanimous consent, if Senator GRAMM and Senator HOLLINGS will consider this, that the Domenici-Hollings amendment on legal services follow the amendment to be offered by Senator HATFIELD.

Mr. HOLLINGS. We have no objection.

Mr. GRAMM. Reserving the right to object, I have been talking to several other Members. We are trying to work out an agreement where we might actually reduce it down to four amendments that we would have on the bill. The Senator's would be one of those amendments, but it may very well be—as you know, there is competition for these offsets. Before I can accept that unanimous-consent request, I have to go back and talk to the people that I am talking to on the other side of the aisle.

So if the Senator will withhold, I will go back and talk to them and maybe look at these offsets and see if we can work it out. I want to be sure that the same resources are not being promised to two or three different places.

The PRESIDING OFFICER. Does the Senator withdraw his unanimous-consent request?

Mr. DOMENICI. No, I reserve it for a moment. I will just stay here in any event, I say to the Senator. If we do not agree to it, I will be here until Senator HATFIELD's amendment is disposed of and then seek the floor. I withhold my request.

Mr. President, might I just comment to my good friend Senator HOLLINGS, I want to share a thought with him. He was talking about jumping off the Capitol at the end of this year if we do not have a balanced budget.

Mr. HOLLINGS. No, when you say it is going to be balanced.

Mr. DOMENICI. What I suggest to my good friend, maybe in the meantime, there are those hang gliders. Our Governor does that.

Mr. HOLLINGS. Yes.

Mr. DOMENICI. You go off and learn how to jump off mountains and you do not crash.

Mr. HOLLINGS. Right.

Mr. DOMENICI. Since I am so sure we are going to get one, I would not want the Senator to fall off the Capitol. I would like him to get trained a little so when he jumps off, he will be all right. It is just a constructive idea because I have so much respect and admiration for the Senator.

Mr. HOLLINGS. I will put you in there with me.

Mr. DOMENICI. If you are good, I will join you.

Mr. HOLLINGS. Yes.

Mr. DOMENICI. Mr. President, I just want to comment on Senator HOLLINGS's rather lengthy and, clearly, from his standpoint, a very important speech about a balanced budget.

I first want to say, if we accomplish in the next 45 days what was in the budget reconciliation instruction, and if we stick to the caps on appropriations, which we have done, I understand even points of order have been sustained on the floor without even the thought of exceeding the caps, my guess is the unexpected result will be the Congressional Budget Office will tell us that we are on a path to a balanced budget, and we will get there.

In fact, I would not be surprised if when we finish that exercise that they do not tell us that there is, indeed, some kind of a small surplus. And I just want the Senators who are voting for all of that to know they did price out that budget resolution. They priced it out so that they could tell us that, in fact, there was going to be a rather substantial economic dividend that put us in the black. I know my good friend does not agree with that. He did not vote for it and does not support it. I think it is a very historic budget resolution. In all respects, it does what the Senator suggests, save one. In all respects, it does the kinds of things we said we ought to do. It just does not raise taxes. The rest is there—the reform and the elimination of programs, the suggestions, the freezes—they are all part of this very difficult effort.

I yield the floor.

Mr. HOLLINGS. Mr. President, I ask unanimous consent to have printed in the RECORD at this point the actual record of the gross Federal debt beginning in 1945 going right on down to the estimated 1996 debt, and the real deficit going from 1945 down to 1996 with the gross interest costs, which has only been computed to be included since 1962.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Year	Gross Federal debt (billions)	Real deficit	Change (in percent)	Gross interest
1945	260.1		(......)	
1946	271.0	+10.9	(+4.2)	
1947	257.1	−13.9	(−5.1)	
1948	252.0	−5.1	(−2.0)	
1949	252.6	+0.6	(......)	
1950	256.9	+4.3	(+1.7)	
1951	255.3	−1.6	(−0.6)	
1952	259.1	+3.8	(+1.5)	
1953	266.0	+6.9	(+2.7)	
1954	270.8	+4.8	(+1.9)	
1955	274.4	+3.6	(+1.3)	
1956	272.7	−1.7	(−0.6)	
1957	272.3	−0.4	(−0.1)	
1958	279.7	+7.4	(+2.7)	
1959	287.5	+7.8	(+2.8)	
1960	290.5	+3.0	(+1.0)	
1961	292.6	+2.1	(+0.7)	
1962	302.9	+10.3	(+3.5)	9.1
1963	310.3	+7.4	(+2.4)	9.9
1964	316.1	+5.8	(+1.8)	10.7
1965	322.3	+6.2	(+2.0)	11.3
1966	328.5	+6.2	(+1.9)	12.0
1967	340.4	+11.9	(+3.6)	13.4
1968	368.7	+28.3	(+8.3)	14.6
1969	365.8	−2.9	(−0.8)	16.6
1970	380.9	+15.1	(+4.1)	19.3
1971	408.2	+27.3	(+7.2)	21.0
1972	435.9	+27.7	(+6.8)	21.8
1973	466.3	+30.4	(+7.0)	24.2
1974	483.9	+17.6	(+3.8)	29.3
1975	541.9	+58.0	(+12.0)	32.7
1976	629.0	+87.1	(+16.1)	37.1
1977	706.4	+77.4	(+12.3)	41.9
1978	776.6	+70.2	(+9.9)	48.7
1979	829.5	+52.9	(+6.8)	59.9
1980	909.1	+79.6	(+9.6)	74.8
1981	994.8	+85.7	(+9.4)	95.5
1982	1,137.3	+142.5	(+14.3)	117.2
1983	1,371.7	+234.4	(+20.6)	128.7
1984	1,564.7	+193.0	(+14.1)	153.9
1985	1,817.6	+252.9	(+16.2)	178.9
1986	2,120.6	+303.0	(+16.7)	190.3
1987	2,346.1	+225.5	(+10.6)	195.3
1988	2,601.3	+255.2	(+10.9)	214.1
1989	2,868.0	+266.7	(+10.3)	240.9
1990	3,206.6	+338.6	(+11.8)	264.7
1991	3,598.5	+391.9	(+12.2)	285.5
1992	4,002.1	+403.6	(+11.2)	292.3
1993	4,351.4	+349.3	(+8.7)	292.5
1994	4,643.7	+292.3	(+6.7)	296.3
1995	4,927.0	+283.3	(+6.1)	336.0
1996 est.	5,238.0	+311.0	(+6.3)	348.0

Mr. HOLLINGS. Mr. President, the distinguished chairman of the Budget Committee is talking and the Senator from South Carolina is talking, but the facts speak more loudly than each of us. For example, the gentleman talking then was the President when he came to town. In 1980, we were paying interest costs of $74.8 billion on a national debt of over 200-some years of history, with all the wars from the Revolutionary War up to and including World War I, World War II, Korea and Vietnam. Now, it is estimated to go to $348 billion just in interest costs. That was the crowd that came and talked and said they were going to save us from waste, fraud, and abuse. In fact, I got an award from the Grace Commission, working with them. By 1989, we had to report it, and 85 percent of the Grace Commission recommendations had been implemented.

However, wanting to do away with waste, as we talked—look what actually occurred. It has gone to the greatest waste in the history of the Government—from $74.8 billion to $348 billion. Over $200 billion just in increased in costs for nothing. If we had the two-hundred-seventy-some billion dollars here now for these things, you would not have extended debate on labor, health and human resources. We would have the money for those programs. You would not have an amendment on Legal Services. We would have provided for it and for cops on the beat and for the State Department, and the strengthening of our technology, and all.

My point is that we keep on talking, and we get estimates from the CBO and all of these econometric models and all the economists that we keep following and, as old Tennessee Ernie said, we are another day older and deeper in debt.

I yield the floor.

Mr. SIMON. Will my colleague yield for a moment?

Mr. HOLLINGS. Yes.

Mr. SIMON. Mr. President, I simply want to acknowledge that the person who educated me on gross interest over against net interest was the Senator from South Carolina.

Administrations like to put net interest into their budgets. We do not do that with any other function of Government. We do not say the Justice Department took in so many dollars in fines and everything, therefore, their budget is that much less. It is the gross expenditure of the Justice Department. But because administrations like to fuzz things up a little bit, they were using net interest. The real figure is gross interest. I want to acknowledge Senator FRITZ HOLLINGS for having educated me on this. And I hope he is educating a lot of other people, too.

Mr. HOLLINGS. I thank my distinguished colleague.

The PRESIDING OFFICER. Who seeks recognition?

Mr. GRAMM. Mr. President, in a moment we will have an amendment by the distinguished chairman of the full committee, which is going to shift the allocation among the subcommittees providing additional funding for Commerce, State, Justice and in the process solving many of the problems that hold this bill up.

While we are waiting on that—and I understand the distinguished Senator from West Virginia has now signed off on that amendment—I want to say, as the new chairman of this subcommittee, that I have had an opportunity, for the first time, to work with the distinguished Senator of the full committee, Senator HATFIELD, in that capacity. I think it is fair to say that the success that I have had in bringing the bill to this point is, in no small part, due to the assistance that I have had from the distinguished Senator from Oregon. I simply want to say that the Senator from Oregon has not only been very helpful to me in this bill, but I think he epitomizes what the skilled and dedicated legislator is all about.

I had a great deal of respect for Senator HATFIELD before we started trying to put together this very difficult bill. I have even more respect for him now. In case we have the miracle of miracles and we work out an agreement and this bill quickly becomes law and everybody scatters to the far ends of the continent, and maybe in some cases to the far ends of the world, I just wanted to say how much I appreciate the distinguished chairman for the personal help and council he has given to me. He certainly is deserving of our thanks and our appreciation.

Let me, in waiting for the amendment to be ready, simply suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GRAMM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAMM. I ask unanimous consent that the pending amendment be temporarily set aside for the purpose of considering a technical amendment which has been cleared on both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2813

(Purpose: To make certain technical corrections)

Mr. GRAMM. Mr. President, I send a technical amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Texas [Mr. GRAMM] proposes an amendment numbered 2813.

Mr. GRAMM. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 15, line 23 strike "148,280,000" and insert in lieu thereof "168,280,000".

On page 15, line 24 strike "and".

On page 16, line 2 after "103–322" insert "; and of which $2,000,000 shall be for activities authorized by section 210501 of Public Law 103–322".

On page 20, line 8 strike "$114,463,000" and insert in lieu thereof "$104,463,000".

On page 115, line 9 strike "$40,000,000" and insert in lieu thereof "$22,000,000".

On page 123, line 1 strike "$3,000,000" and insert in lieu thereof "300,000".

On page 151, line 16 strike "(1)" and insert "(2)".

On page 151, line 18, strike "(2) and (3)" and insert "(3) and (4)".

On page 151, line 19 strike "(2)" and insert "(3)".

On page 152, line 13 strike "(3)" and insert "(4)".

On page 153, line 14 strike "(4)" and insert "(5)".

On page 154, line 21 strike "(5)" and insert "(6)".

On page 155, line 3 strike "(6)" and insert "(7)".

On page 155, line 9 strike "(7)" and insert "(8)".

On page 155, line 19 strike "(8)" and insert "(9)".

On page 151, line 16 after "Sec. 614." insert "(1) This Act may be cited as the "Equal Opportunity Act of 1995."

On page 161, line 25 strike "$115,000,000" and insert in lieu thereof "$140,000,000".

Mr. GRAMM. Mr. President, the bill that is currently before the Senate, H.R. 2076, fiscal year 1996 Commerce, State, Justice appropriations bill, as reported by the Senate Appropriations Committee, contains several inadvertent errors. This amendment is purely technical in nature and is intended to accurately reflect the amendments which were adopted in both subcommittee and full committee.

This amendment has been cleared by the distinguished floor manager on the other side. It is simply necessary to straighten out all of the drafting errors that have been created in getting the bill to this point.

Mr. HOLLINGS. It is cleared on this side.

The PRESIDING OFFICER. Is there further debate?

The question is on agreeing to the amendment.

The amendment (No. 2813) was agreed to.

Mr. GRAMM. Mr. President, I move to reconsider the vote.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. GRAMM. Mr. President, I ask unanimous consent that the corrections to the committee report that I send to the desk be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ERRATA: SUBCOMMITTEE ON COMMERCE, JUSTICE, STATE, THE JUDICIARY AND RELATED AGENCIES REPORT 104–139

Page 20, paragraph 2, sentence 2 should read:

"Of these funds, $275,000,000, including $107,720,000 in program increases, are derived from the violent crime reduction trust fund [VCRTF], as authorized in section 521 of Senate bill 735."

Page 27, under Border Control Systems Modernization, the first sentence should read:

"A total of $158,500,000 is recommended, of which $104,453,000 is provided from the violent crime reduction trust fund, to continue the border system modernization effort started last year."

Page 30, last paragraph, delete the following report language:

"The Committee recommendation assumes that the 300 agents relocated to the front lines of the border will include the agents noted by the Department as well as agents currently assigned to the San Clemente and Temecula checkpoints in California."

On page 37, the entry for the Committee recommendation for State and local block grant/COPS should be $1,690,000. A new entry should be added for Police corps. 1995 appropriation is zero. 1996 request is zero. House allowance is zero. Committee recommendation is $10,000.

On page 60, under National Oceanic and Atmospheric Administration the paragraph should read:

"The Committee recommends a total of $1,866,569,000 in new budget (obligational) authority for all National Oceanic and Atmospheric Administration [NOAA] appropriations. This level of funding is $45,135,000 below fiscal year 1995, and is $230,140,000 below the budget request. This recommendation is $92,159,000 above the House allowance, and includes transfers totaling $55,500,000 and fees totaling $3,000,000."

On page 68, under National Marine Fisheries Service the paragraph should read:

"The Committee recommendation provides a total of $288,567,000 for the programs of the National Marine Fisheries Service [NMFS] for fiscal year 1996. This amount is $27,261,000 less than the budget request, and is $19,917,000 more than the current year funding level. The amount provided under the Committee recommendation is $37,240,000 above the House allowance. The Committee has recommended funding, as shown in the preceding table, for a variety of important research and information programs which are designed to promote a sustainable use of valuable marine resources."

Page 77, under Fishing Vessel Obligations Guarantees:

"Committee recommendation—250,000."

Page 78, under National Technical Information Service, second sentence should read: "This is a decrease of $7,000,000 below the current available appropriation."

Page 86, under U.S. Sentencing Commission, first sentence should read: "The Committee recommends $7,040,000 for the salaries and expenses of the U.S. Sentencing Commission for fiscal year 1996."

Page 112, under Radio Construction: "Committee recommendation—22,000,000."

The bill includes $22,000,000 in new budget authority for the "Radio construction" account for fiscal year 1996. This amount is $63,919,000 less than the budget request, $47,314,000 less than fiscal year 1995 funding levels, and $48,164,000 below the House allowance.

Page 113, last paragraph, last line should read: "FTUI, and Center for International Private Enterprise (CIPE)—in equal amounts."

Page 133 under Department of State Acquisition and Maintenance of Buildings Abroad, line 1 should read: "The Committee recommends a rescission of $140,000,000 from the projected end-of-year carryover balances in the "Acquisition and maintenance of buildings abroad" account at the State Department."

Mr. HATFIELD addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon is recognized.

AMENDMENT NO. 2814 TO THE COMMITTEE AMENDMENT ON PAGE 2, LINE 9, THROUGH PAGE 3, LINE 5

Mr. HATFIELD. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. SANTORUM). The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Oregon [Mr. HATFIELD] for himself and Mr. HOLLINGS, proposes an amendment numbered 2814, to the committee amendment on page 2, line 9, through page 3, line 5.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the committee amendment beginning on page 2, line 9, insert the following:

The amount from the Violent Crime Reduction Trust Fund for the Edward Byrne Memorial State and Local Law Enforcement Assistance Programs is reduced by $75,000,000.

The following sums are appropriated in addition to such sums provided elsewhere in this Act,

For the Department of Justice, Edward Byrne Memorial State and Local Law Enforcement Assistance Programs, $75,000,000.

For the Department of Commerce, International Trade Administration, "Operations and Administration", $46,500,000; for the Export Administration, "Operations and Administration", $8,100,000; for the Minority

Business Development Agency, "Minority Business Development", $32,789,000; for the National Telecommunication and Information Administration, "Salaries and Expenses", $3,000,000; for the Patent and Trademark Office "Salaries and Expenses", $26,000,000; for the National Institute of Standards and Technology, "Industrial Technology Services", $25,000,000; for the National Institute of Standards and Technology, "Construction of Research Facilities", $3,000,000; and the amount for the Commerce Reorganization Transition Fund is reduced by $10,000,000.

For the Department of State, Administration of Foreign Affairs "Diplomatic and Consular Programs", $135,635,000; for "Salaries and Expenses", $32,724,000; for the "Capital Investment Fund", $8,200,000.

For the United States Information Agency, "Salaries and Expenses", $9,000,000; for the "Technology Fund", $2,000,000; for the "Educational and Cultural Exchange Programs", $20,000,000 of which $10,000,000 if for the Fulbright program; for the Eisenhower Exchanges, $837,000; for the "International Broadcasting Operations", $10,000,000; and for the East-West Center, $10,000,000.

For the United States Sentencing Commission, "Salaries and Expenses", $1,460,000; for the International Trade Commission, "Salaries and Expenses", $4,250,000; for the Federal Trade Commission "Salaries and Expenses", $9,893,000; for the Marine Mammal Commission, "Salaries and Expenses", $384,000; for the Securities and Exchange Commission, "Salaries and Expenses", $29,740,000; and for the Small Business Administration, $30,000,000.

Mr. HATFIELD. Mr. President, first I want to express my deep appreciation for the kind words expressed by the chairman of our subcommittee, Senator GRAMM of Texas, and to say in response that it has been one of those wonderful occasions and experiences that sometimes happen in the Senate, and that is when we get down together one-on-one to negotiate and to try to find out the other person's perspective, the other person's viewpoint, the other person's priorities, and come to a new appreciation that this indeed, is one of the strengths of this institution—its diversity. And at the same time there is diversity in this institution, it does not mean that it means stalemate. It does not equal stalemate diversity.

I could find no person with greater sensitivity and words indeed than that personified by Mr. GRAMM in working out the differences and also, at the same time, working for the same goal.

I come to appreciate, from time to time, the strength of diversity. I sometimes also think that if I listened more, spoke less, I would hear what the other person might be saying a little more clearly than depending upon imagery or upon labels such that we oftentimes use in shortcut methods. That also does not build for personal relationships.

Mr. President, I have sent to the desk an amendment on behalf of Senator HOLLINGS, myself, and on behalf of the Appropriations Committee in general.

I filed an amended application for the Commerce, Justice and State bill that allows an additional $500 million in budget authority and $325 million in outlays to be spent on the bill.

Now, this begs for, again, a quick description again of our process. I know beyond the beltway that is not necessarily perhaps a very high item of interest. For our own colleagues to understand that at the beginning of any appropriations cycle that the chairman of the Appropriations Committee, along with consultation and along with staff and so forth, creates what we call the 602(b) allocations.

Now, we do not follow the House of Representatives. In other words, we have our own methods and our own priorities and so forth. So that reflects basically, once the committee has adopted the chairman's mark, that represents basically a committee action.

In this particular case, we had $1 billion—I am talking now in round numbers—$1 billion in a 602(b) allocation to this subcommittee headed by Senator GRAMM and with the former chair of the committee and now the ranking member, Senator HOLLINGS of South Carolina, $1 billion under the House of Representatives.

Now, there were obvious problems just from that allocation. These people had to work within that framework once adopted by the committee. They did so. That meant that they had to not just reduce and diminish some of the expenditures that have been built up over a period of time, but they also had to select between agencies and between programs within agencies.

Now, when we go to the House of Representatives for a conference ultimately as we do with each bill, the chairman of the House committee, ROBERT LIVINGSTON of Louisiana, and I have the responsibilities under the Budget Act that we have to find a way to bring those two committees together on an agreed target figure.

Normally, what we do is to strike the difference. We say, all right, that is $500 million for the Senate in this case and $500 million less for the House. You take that as your target figure to make your adjustments.

In this particular case, probably one of the most severely hit of all subcommittees in the Commerce, Justice, State Subcommittee, and they had an extraordinarily difficult time in the Senate to even get in the ballpark of meeting with the House floor conference.

Why wait until that moment when Congressman LIVINGSTON and I have to get together to fix that target, why not do it now? That is all this amendment represents. We are saying, in effect, we had the previous bill, HUD, independent agencies. We had to adjust that downward in terms of meeting a figure to the House figure for HUD, independent agency, the Senate HUD, independent agency, to get together for conference.

What I have done at this point is to advance that moment of time and decision that would have to take place with Congressman LIVINGSTON and myself, taking from the HUD bill we have just completed on the floor and transferring that budget outlay figure that we have just announced here this afternoon at $325 million.

I had a reserve fund in the so-called BA that we could draw from in the full committee, and we drew from that, to create now this amendment. In other words, this amendment does not add a single penny to our overall commitments under the budget resolution.

What we are doing is making a fine adjustment that has to occur anyway, and we are doing it in advance of the time in order to make this bill more acceptable and to be a broader base of support for the bill, but also to be more equitable and fair in the bill.

My phone has been ringing off the hook for the last 3 weeks since the committee reported the bill. I know that it has been so in the case of Senators GRAMM and HOLLINGS, as well, and probably many others who serve on the Appropriations Committee.

Now, this small increase of funds, we have made a printout of each account to which we are adding funds in the Commerce Department, the State Department, and some of agencies funded under this bill. We also have reiterated our commitment for the Byrne-formula grants in the Justice Department. Each member has before him or her the full amendment in detail. I will only refer to that.

Now, what this overall amendment does is to keep the spending levels closer to a freeze and closer to actions taken by the authorizing committees.

So this is not just trying to get an adjustment for this bill here in the Senate, and for the conference to come with the House, but also to tie in with the authorized levels provided by Senator HELMS in the case of Foreign Relations Committee and the State Department.

You will find on this printout such examples, if you look at the columns where this so-called outlays and this adjustment takes place in the last two columns of the figures. As an example, we are taking domestic and counselor programs and funding them with replacement of money at about $115.8 million at the Senate Foreign Relations Committee authorizing level. That is how you work these charts back and forth.

The amendment provides additional funds for six independent agencies. Those six independent agencies are U.S. Sentencing Commission, International Trade Commission, Federal Trade Commission, Marine Mammal Commission, Securities and Exchange Commission, Small Business Administration.

Now, in the case of the Federal Trade Commission and the International

Trade Commission and all of these, what we have done is to have a freeze minus 10 percent in the amendment. That contrasts to a freeze minus 20 percent which was in the bill that is now before the Senate. That, again, is representative of another type of handling of these additions.

In the case of the Small Business Administration, we propose to add an additional $30 million, which should be sufficient funding to administrater the loan volume recommended in the committee bill.

Again, we refer back to not only our previous work but to authorizing committees as well. There are many competing demands in this bill and it makes it very difficult, even with this amendment.

Let me make very clear, this amendment does not solve all of our problems. But I do think it can solve sufficient problems to get this bill wrapped into the CR, down to the White House, eventually to be vetoed. I have to be straightforward. My impression, maybe this amendment is going to help in some way alleviate that probability that is now very clear that the President intends to veto this bill.

Maybe we can again, hopefully, make that a lesser possibility than it is under the bill that we have before us.

So, Mr. President, I am not going to go on about these changes. I am very happy to respond to specific questions that people may have, but I do want to say that it has been through the cooperative spirit of the leadership of this subcommittee and the leadership of the full Senate that we are hoping, today, to offer this amendment, have it adopted, and thereby move on to address other issues in this bill.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, let me rise in gratitude to our distinguished full committee chairman and also the subcommittee chairman for allowing us to proceed, and to note a softening and thawing on behalf of the distinguished subcommittee chairman, which is very becoming.

Senator HATFIELD has really saved us. I read Mary McGrory this morning, and she said Ross Perot had given President Clinton oxygen. I feel like, in this amendment, which I am proud to cosponsor, we are getting oxygen. It keeps some very important programs alive.

The distinguished full committee chairman, Senator HATFIELD, has been very sensitive and very understanding and very realistic. There is none of this kind of pork or any of these other kind of things. This amendment adds back funds to high priority commerce programs—$46.5 million for the International Trade Administration—we just had lunch on yesterday with the Special Trade Representative. We are trying to get more competitive and more realistic in a trade policy in this country, and we need these additional funds to just bring them up to where they would be at a freeze.

There is $32 million for the Minority Business Development Agency; $25 million for NIST—the National Bureau of Standards, manufacturing centers, the information technology centers; $8.1 million for the Export Administration; and finally for the front line—after the fall of the wall—namely, our State Department, which the distinguished ranking member, Senator PELL, has just addressed. $177 million is added to their operating accounts to bring them back to the level proposed in S. 908, Senator HELMS' Foreign Relations Authorization Act.

For the USIA, we are adding back $20 million for the international education exchanges, including $10 million for the Fulbright program. We also add back funds for the USIA operations, international broadcasting, and technology modernization. And for the independent agencies like the Federal Trade Commission, the Small Business Administration and others, we have added back certain funds that could be available now with this new allocation.

I thank particularly the staffs on both sides, Scott Gudes, Mark Van Der Water, David Taylor, Scott Corwin, and Steve McMillen, who worked until about 2 o'clock this morning, trying to bring this about.

I am very much appreciative to Senator HATFIELD, and I hope we can adopt this amendment.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE. Mr. President, I express my gratitude to the chairman of the full committee and to the Senator from South Carolina for addressing a concern I have been discussing with them for many months, the East-West Center. It is a very important national asset, and I thank them very much.

For those not familiar with the East-West Center, it is a world-class American institution dedicated to promoting better understanding and relationships with the countries of Asia and the Pacific.

It was created by a bipartisan government 35 years ago that foresaw the need for a better understanding between the United States and the Asia-Pacific region. The importance of the East-West Center is important now more than ever.

The Asia-Pacific region is the fastest growing region in the world. Today, over half of the population of the world is in Asia. This region has about 20 percent of the land mass and over 60 percent of the gross product of the world.

For every jumbo jet that flies over the Atlantic Ocean, four fly over the Pacific Ocean. Our trade with Asia is four times larger than our trade with Europe.

It has become the fastest growing economy. Trade with Asia provides nearly 3 million jobs to Americans and, by the year 2003, our exports to Asia will be more than double those to Europe.

I would like to share two concrete examples of the East-West Center's success in the Asia-Pacific. There was a time when our relations with Indonesia were next to nil. Our Ambassador was recalled. There were no exchanges or any formal conversation.

Indonesia cut off all ties with the United States. It would not permit any of its citizens to become Fulbright scholars, but it continued to send men and women to the East-West Center.

The same thing with Burma. Our relationship with Burma over the years has been hot and cold. At one time, Burma sent our Ambassador home and closed our consulates. But Burma sent students to the East-West Center.

It was convinced that this was a unique spot on the globe where men and women could freely discuss issues of the day.

The East-West Center now has 42,000 alumni globally; a network of distinguished colleagues in government, business, the media, academia, and the professions.

The student degree program, with 4,000 graduates, is a major component of cultural and technical interchange at the Center.

As you can see, the East-West Center is a national resource that must be funded at a responsible level. I ask my colleagues to support this national institution.

Mr. AKAKA. Mr. President, I am pleased to join the senior Senator from Hawaii, the senior Senator from Utah, the senior Senator from Alaska, the distinguished ranking member of the subcommittee, and the chairmen of the subcommittee and full committee, in offering this amendment to restore funding for the East-West Center.

Over the past 35 years, the East-West Center has established its reputation as one of the most respected and authoritative institutions dedicated to the advancement of international cooperation throughout Asia and the Pacific. The Center plays a key role in promoting constructive American involvement in the region through its educational, dialogue, research, and outreach programs. The Center addresses critical issues of importance to the Asia-Pacific region and United States interests in the region, including international economics and politics, energy and natural resources, population, the environment, technology, and culture.

The achievements of the East-West Center bear repetition. Since its creation by Congress in 1960, the Center has welcomed over 53,000 participants from over 60 nations and territories to research, education, and conference programs.

Scholars, statesmen, government officials, journalists, teachers, and business executives from the United States and the nations of Asia and the Pacific have benefited from studies at the Center. These government and private sector leaders comprise an influential network of East-West Center alumni throughout the Asia-Pacific region. I continually encounter proud Center alumni in meetings with Asian and Pacific island government officials and business leaders.

The success of the Center as a forum for the promotion of international cooperation and the strength of the positive personal relationships developed at the Center are reflected in the prestige it enjoys in the region. Japan, Korea, Taiwan, Indonesia, Fiji, Papua New Guinea, Pakistan, and other American allies in the region—over 20 countries in all—support the Center's programs with contributions. The Center has also received endowments from benefactors in recognition of its contributions and value.

Mr. President, the countries of Asia and the Pacific are critically important to the United States and our political and economic interests into the next century. By the year 2000, the Asia-Pacific region will be the world's largest producer and consumer of goods and services. The markets for energy resources, telecommunications, and air travel are fast becoming the world's largest.

Future economic growth and job creation in the United States is closely linked to our ability to identify and secure opportunities in the world's fastest growing economies. The East-West Center provides leadership and advice on economic issues, including APEC [Asia Pacific Economic Cooperation] and the U.S.-Pacific Island Joint Commercial Commission.

Mr. President, given the strategic and economic importance of the Asia-Pacific region to U.S. interests, and the credibility and trust enjoyed by the East-West Center in the region, I believe it is unwise to slash funding for the Center. We have closed, or are in the process of closing, AID offices in the region. These actions are sending signals to our friends and others in the region that our interest is waning.

For over 3 decades we have invested in the East-West Center, creating an important resource that promotes regional understanding and cooperation, provides expertise on complex regional issues, and advises U.S. foreign policy decisionmaking. If we fail to provide the Center adequate funding and a reasonable transition period to self-sufficiency, we will discard a valuable resource—a first-class institution that has earned an international reputation for its research scholarship and academic programs. Given the increasing significance of Asia and the Pacific islands to our interests and security, such action is short-sighted and ill-advised. I urge my colleagues to support our amendment.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. BIDEN. Mr. President, one of the things that is deficient, in my view, about the legislation before us—and I will shortly send an amendment to the desk about it that I think we have worked out—and that is, in fairness to my friend from Texas, the chairman of the committee, in his, if I have this correct, 602(b) allocation, initially he got less money in that allocation. I am not being critical of the chairman. He got less money in that allocation than was needed to fund some of the things I think he believes should have been funded, and I strongly believe, along with Senator HATCH and a number of my Republican as well as Democratic colleagues, should be funded.

In this case the present appropriations bill before us funds the Violence Against Women Act law at $75 million less than is needed. It is funded at $100 million. I am going to shortly send an amendment to the desk to increase that funding. I ask to be corrected if I am mistaken here, but I will, on behalf of Senator GRAMM and myself, send to the desk, along with Senators HATCH and WELLSTONE and others, an amendment that would restore the $75 million in this account.

I understand the reason we have been able to work this out is a consequence of the generosity of the distinguished chairman of the full committee and the ranking member of the subcommittee, this subcommittee, who have come up with this agreement that, in turn, has had the effect of providing an additional $75 million for the violent crime trust fund. It is that from which this is funded.

Of all the legislation I have ever worked on here in the Senate, this one, the Violence Against Women Act, has been, in my case, my first priority and proudest accomplishment. When it passed the Senate with overwhelming bipartisan support I was hopeful that support would be maintained. Frankly, I lost faith there for a little while when the appropriations bill first came out.

I am actually waiting for the amendment so I can send it to the desk. I will explain the rest of it while I am waiting.

Mr. DOMENICI. Will the Senator yield for an observation?

Mr. BIDEN. I will be happy to yield for an observation.

Mr. DOMENICI. I do not raise this officially, but I do not believe the Senator can offer an amendment at this point. I do not believe this amendment is amendable at this point.

Mr. BIDEN. Mr. President, I say to my friend from New Mexico, I have overwhelming confidence in his parliamentary skills. If he says it, there must be a likelihood he is correct, in which case I make a parliamentary inquiry: When is it appropriate for the Senator from Delaware to introduce an amendment that would, in fact, restore the $75 million to the violence against women account?

The PRESIDING OFFICER. When we dispose of the Hatfield amendment.

Mr. BIDEN. That is a very useful piece of information, Mr. President. I thank him very much, and, if it is appropriate, I ask unanimous consent that, upon disposal of the Hatfield amendment, I be recognized to offer my amendment.

The PRESIDING OFFICER. Is there objection?

Mr. DOMENICI. Reserving the right to object, I will not object if I can add my unanimous consent to it that immediately thereafter we have a Domenici amendment on legal services.

Mr. BIDEN. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. I will just take a moment, Mr. President.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. I say to my colleague from New Mexico, I will just take a minute.

Mr. DOMENICI. No problem.

Mr. WELLSTONE. Mr. President, I want to just emphasize what the Senator from Delaware said, including being an original cosponsor to this amendment. I will wait. I am very pleased an agreement has been worked out. I will wait until the Senator from Delaware introduces his amendment. My understanding is we have a good agreement here. At that point in time I would like to talk about the importance of what we have done.

So I just ask unanimous consent I be included as an original cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Is there further debate on the amendment?

The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I would like to ask Senator HATFIELD, the sponsor of the amendment, a clarification question.

First of all, I strongly compliment my colleague on the amendment. I certainly intend wholeheartedly to support it. Under Small Business Administration you have an overall $30 million add-on. Am I correct that in the specifics, that for women's outreach programs, you have increased that to $4 million?

Mr. HATFIELD. The Senator is correct.

Mr. DOMENICI. And for the information centers, women's counselling, $200,000. Is that correct?

Mr. HATFIELD. The Senator is correct.

Mr. DOMENICI. I thank the Senator.

Mr. HATFIELD. Those are within the overall 30.

Mr. DOMENICI. I thank the Senator for his answers. I want to commend him for that.

I want to suggest that, if there is any area that we are being successful as a nation in encouraging new entrants into the business field, it is women ownership of business. It is skyrocketing in America, and some of it has to do with very effective programs when you are bringing women in and they are talking about what they might want to do in business, and providing a lot of information about how to obtain loans and the like. I think we ought to maximize that effort at this point.

I thank the Senator for that.

I yield the floor.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from Oregon.

The amendment (No. 2814) was agreed to.

Mr. HATFIELD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, I thank Senator GRAMM, and Senator HOLLINGS particularly for his cosponsorship.

I also want to thank Scott Gudes, Scott Corwin, David Taylor, and Mark Van de Water, four members of our respective staffs who sat up and worked this out in detail until about 2 a.m. this morning.

They certainly deserve the accolades and appreciation of the whole Senate.

Mr. HOLLINGS. I want to particularly thank Mark Van de Water of Senator HATFIELD's staff. We really appreciate it very, very much.

The PRESIDING OFFICER. Under the previous order, the Senator from Delaware is recognized.

Mr. BIDEN. Mr. President, I would like to ask unanimous consent that anyone who wishes to be added as a cosponsor on this amendment be able to do so.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2815

(Purpose: To restore funding for grants to combat violence against women)

Mr. BIDEN. Mr. President, I send an amendment to the desk and ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Delaware (Mr. BIDEN), for himself, Mr. HATCH, Mr. HOLLINGS, Mr. GRAMM, Mrs. BOXER, Mr. KOHL, Mr. KERRY, and Mr. WELLSTONE, proposes an amendment numbered 2815.

Mr. BIDEN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 25, line 19, strike "$100,900,000" and insert "$175,400,000".

On page 25, line 22, strike "$4,250,000" and insert "$6,000,000".

On page 26, line 1, strike "$61,000,000" and insert "$130,000,000".

On page 26, line 7, strike "$6,000,000" and insert "$7,000,000".

On page 26, line 10, insert after "Act;" the following: "$1,000,000 for training programs to assist probation and parole officers who work with released sex offenders, as authorized by section 40152(c) of the Violent Crime Control and Law Enforcement Act of 1994; $500,000 for Federal victim's counselors, as authorized by section 40114 of that Act; $50,000 for grants for televised testimony, as authorized by section 1001(a)(7) of the Omnibus Crime Control and Safe Streets Act of 1968; $200,000 for the study of State databases on the incidence of sexual and domestic violence, as authorized by section 40292 of the Violent Crime Control and Law Enforcement Act of 1994; $1,500,000 for national stalker and domestic violence reduction, as authorized by section 40603 of that Act;"

Mr. BIDEN. Mr. President, I offer this amendment to restore $75 million in funding for the Justice Department programs contained in the Violence Against Women Act, and I am pleased that many of my colleagues, including Senator GRAMM of Texas and Senator HATCH of Utah, are cosponsors of this amendment.

Of all the legislation I have ever worked on here in the Senate, this one—the Violence Against Women Act—has been my first priority and my proudest accomplishment. When it passed the Senate with overwhelming bipartisan support, I thought we were well on our way to making a significant commitment to the women of America. I thought we made more than a paper commitment. But passing the law, without following through and providing the funding is meaningless.

For too long, we have looked the other way when it comes to this kind of violence. For too long, we have turned our back on the women injured by men who say they love them. For too long, we have considered this kind of violence a private misfortune rather than a public injustice.

Last year, we took a historic step in the right direction when we passed the Violence Against Women Act. We made a commitment to the women and children of this country. We said: We will no longer look the other way—the violence your suffer will no longer be yours alone. Help is on the way.

And just in case my colleagues have forgotten, let me once again remind them of the dimensions of this problem:

The No. 1 threat to the health of America's women is a violent attack at the hands of a man. It is not breast cancer, it's not heart attacks, it's not strikes. Its violence against women by men.

These attacks have many names. They are called rape, assault, felonies. And the attackers have many faces. They are friends, relatives, spouses, and strangers.

The statistics are terrifying:

Every 18 seconds, a woman is beaten by her spouse, boyfriend, or other intimate partner.

Every 5 minutes, a woman is raped.

Nearly two out of three female victims of violence are related to, or know, their attackers.

As many as 35 percent of all women who visit emergency rooms are there because of family violence.

This violence also takes a tragic toll on our children:

Three million children each year witness violence in their homes. Studies show that these kids are more likely to drop out of school; abuse alcohol and drugs; attempt suicide; and, sadly, grow up to be abusers themselves.

The violence women suffer reflects as much a failure of our Nation's collective moral conscience as it does the failure of our Nation's laws and regulations.

How else can we explain the results of a study of junior high school students conducted in Rhode Island a few years ago?

In the study, the students were asked: When does a man have the right to have sexual intercourse with a woman without her consent?

It seems like an outrageous question doesn't it? but 80 percent of the students said that a man had the right to use force on his wife, 70 percent said he had the right to use force if the couple was engaged, and 61 percent said force was OK if the couple had already had sexual relations, and 30 percent said force was justified if the man knew that the woman had had sex with other men.

And the appalling answers do not stop.

About 25 percent of the boys said it was OK to force sex on a girl if the boy had spent $10 on her—and, astoundingly, 20 percent of the girls who were interviewed agreed.

If these are the attitudes we have communicated to our youth, it is hardly surprising that we tolerate a level of violence against women unprecedented in our history.

Somehow, we seem to forget that a society suffers what it tolerates.

That's why we cannot retreat from the commitment we made last year with passage of the Violence Against Women Act. The act, let me remind my colleagues, has four basic goals: To make our streets and homes safer for women; to make the criminal justice system more responsive to women; to start changing attitudes—beginning with our kids—about violence against women; and to extend to women the equal protection of our Nation's laws.

The Senate, the House, and the President—we all agreed last year that Federal dollars should be committed to these goals. Specifically, we authorized funding to:

Hire more police and prosecutors specially trained and devoted to combating family violence;

Train police, prosecutors, and judges in the ways of family violence—so they can better understand and respond to the problem;

Implement tougher arrest policies, including mandatory arrest for anyone who violates a protection order—so that the burden of seeking an arrest does not fall on the women who may fear further violence;

Expand and improve victim-service programs and provide specially trained family violence court advocates;

Fund rape crisis centers and open more battered women shelters; and

Fund family violence education courses in our schools.

In the past 12 months, the Violence Against Women Act has already been put into action. In States and communities all across the county, Federal dollars are helping coalitions of police, prosecutors, judges, and victim service organizations work together—to make arrests, win convictions, secure tough sentences, and offer women the information and practical resources they need.

As many of you may already know, the first conviction and sentencing under the act took place recently in West Virginia.

It is a case about Christopher Bailey and his wife, Sonja, and it is enough to take your breath away. Christopher Bailey severely beat Sonja, forced her into the trunk of his car, and drove aimlessly across West Virginia and Kentucky for 6 days.

Sonja suffered massive head injuries and severe kidney and liver dysfunctions. Her face was black and blue, and her eyes were swollen shut. She had burn marks on her neck, wrists, and ankles.

Today, Sonja remains in a coma.

Christopher Bailey was convicted under a new provision in the Violence Against Women Act, and for kidnapping. Early this month he was sentenced to serve the rest of his days in prison.

Obviously, Bailey's conviction won't bring Sonja out of her coma. But it does send a clear message all across our land: violence against women will not be tolerated—it will be punished, and it will be punished severely.

Today, we here in the Senate must send that same message. We must keep the promise we made last year, and restore funding for the Justice Department programs authorized by the Violence Against Women Act.

Last year, the Congress authorized over $176 million for the Violence Against Women Act Justice Department programs. This bill as reported by committee cut more than $76 million from these programs.

The most devastating cut was made to the grant program at the heart of the act: The program to bring together State and local police, prosecutors, and victims advocates to target family violence and rape.

Last year, we authorized $130 million for that program. This bill only allocates $61 million—so $69 million dollars were cut from the police, prosecution, and victim services grants—that means more than 1 out of every 2 dollars were cut.

This is money for more police and prosecutors to crack down on violence against women; to train police, prosecutors, and judges so they can understand better and respond more effectively to violence against women; and to develop, enlarge and strengthen programs for victims of violence—like rape crisis centers, battered women's shelters, and special victim advocates.

This bill also cuts $1 million earmarked especially for rural areas to combat family violence, and the bill completely eliminated the $1.5 million targeted to combat stalking against women.

In restoring $75 million in funding for the Violence Against Women Act, this amendment does not take any new money out of the taxpayer's pockets. Instead, the money comes out of other places in the bill—where there's much more money appropriated than was requested by the President.

These cuts would have had a devastating impact on the lives of women and children in America. I am pleased that so many of my colleagues are joining me in restoring virtually all of the funding for the Violence Against Women Act.

Let me also point out: the Appropriations Subcommittee on Labor, Health and Human Services, and Education, chaired by my distinguished friend and colleague from Pennsylvania, Senator SPECTER, has recommended full funding for the Violence Against Women Act programs within the jurisdiction of the Department of Health and Human Services for rape education and prevention, domestic violence community demonstration projects, a domestic violence hotline, and battered women shelters.

In fact, recognizing the urgency of this problem, the subcommittee wrote in an additional $2.4 million for battered women shelters—shelters which serve as a refuge for women and their children when they are hurt and most vulnerable—and in greatest need of our compassion and support.

I applaud the subcommittee's efforts to honor the commitment that we made last year to the women and children of America. And I hope that when the HHS appropriations bill comes to the floor, the full Senate will honor that commitment as well.

But right here, right now, we must not retreat on the bill at hand. We cannot—we must not—turn back now. For too long, our society has turned its back on the nightmare that is violence against women.

Obviously, we cannot legislate humanity and kindness. And we cannot outlaw hatred and ignorance.

But we can help make America a safer place for women—and I call on everyone here to help do just that.

I hope all of my colleagues will join me in restoring full funding to the Violence Against Women Act programs. The women and children of America are counting on us.

Mr. President, I ask unanimous consent that Senator HOLLINGS be added as an original cosponsor, and Senator KERRY of Massachusetts, Senator GRAMM of Texas is already the original cosponsor, Senator HATCH, Senator BOXER, Senator WELLSTONE, and others who will come to the floor I am sure who wish to be part of this amendment.

I ask unanimous consent that they be added.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BIDEN. Mr. President, in the interest of time because there are other amendments and a lot more to do on this bill, let me briefly explain this amendment and then yield to the chairman of the subcommittee for any comments that he would like to make, and he surely knows the mechanics of this better than I.

Mr. President, in order to restore every single piece of the Violence Against Women Act funding, there is a requirement that would be required that we would have to have had $76.7 million.

Just to give my colleagues an idea what I mean about that, the violence against women grants; pro-arrest policy; rural domestic violence, court-appointed special counsel, national stalker reduction, training programs, Federal victims counselors, grants for televised testimony, State databases, national baseline study for campus sexual assault, equal justice for women in courts, training grants for State courts, training for Federal and judicial personnel, Federal Judicial Center, and Administrative Office of the Courts, are all recipients of some portion of the violence against women funding.

Unfortunately, all we have available is $75 million, not $76.7 million to make this account totally whole.

So my amendment lays out which portions of all of those functions that I have just read are fully funded and which are not able to be funded with this addition of $75 million.

I want to put this in context. We are going to be funding $175 million out of $76.7 million. This is a $75 million increase. I wish it were a $76.7 million increase, but then again, as my friend, the chairman of the full committee is saying, I am being a little greedy in that regard. I realize every program has to take a little bit of hit.

So what we do in a nutshell is we add $75 million in the accounts that we may call the violence against women grants, pro-arrest policy, the rural domestic violence, court-appointed advocate programs, national stalker legislation, training programs, Federal victims counselors—we are not able to fully fund the grants for televised testimony. That was originally in our legislation—$250 million. It is funded at only $50 million. We are able to fund fully the State database. We are not able to fund the national baseline study on campus sexual assault at this moment. We are not able to fund equal justice for women in State courts, training for Federal judicial personnel, Federal Judicial Center, and Administrative Office of the Courts.

So that is what the additional $75 million goes to make whole.

I would be delighted to yield to the chairman of the committee for any comments, and thank him, by the way, for keeping—as he always does with me and with everyone else I know—a commitment. He told me that if he had the money he would make this account at least mostly whole. He got the money, and he did just that. And I thank him for that.

I yield the floor.

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, let me thank Senator BIDEN for working with me on this amendment. We had provided in the appropriations bill a tripling of funding for violence against women, which represented our largest increase in expenditure in the bill. Our problem was that, given the overall financial constraint we had, there was no way we could fund the authorized level of the program.

So Senator BIDEN and I were in a position that we both wanted to provide more money. This has been one of the top priorities of the bill. But yet we were still short of the full program that the Senate had authorized.

When the distinguished chairman of the committee allocated additional funds to the subcommittee, as he did in his amendment that was just adopted a moment ago, it allowed us to go ahead and to fully fund this program.

I am, therefore, very happy to join my colleague from Delaware in this amendment. I think given the funds that are now available that this represents a wise expenditure of money.

I join my colleague in supporting this amendment, and urge our colleagues to adopt it.

I yield the floor.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I would like to thank both of my colleagues, the Senator from Delaware, and the Senator from Texas and, of course, the Senator from Oregon, Chairman HATFIELD.

I also see the Senator from Utah whom I think has been a real leader in this area. I am really pleased that we have come together in a bipartisan way on this issue.

Mr. President, I could take a tremendous amount of time. But I think there are other Senators who want to make some brief comments on this as well. So let me just try to summarize several hours worth of what I would like to say on this issue.

In my State of Minnesota I think a lot of people are lighting a candle in this area. The statistics nationally are really grim. I think the FBI statistics is something like every 15 seconds a woman is battered in our country.

Mr. President, I think that we are taking this seriously now in a way that we have not before as a country, both as a crime and also in terms of the kind of things that we need to do to prevent it.

Mr. President, I think what this Violence Against Women Act funding does—I am so pleased that we were able to go up from $100 million to $175 million, is it provides funds to communities who can make good and positive things happen.

Mr. President, I think this is not bragging to say that Minnesota really is one of the leaders in the Nation—I think I would probably argue leader in the Nation. I think the general view that we have in my State is we are never going to be able to reduce the violence in our communities unless we are able to reduce the violence in our homes. It spills out into the streets. It spills out into the neighborhoods. It spills out into the community.

I think the second view that we have in Minnesota—and I think it is a view around the country—is that, whereas, when I was a kid, if we knew something was wrong in another home, whether it be a woman who was battered or a child—sometimes a man, but unfortunately mainly women and children, not that I think it is good that men are battered—I think it is awful that so many women and children have to pay this price. I think now we have reached the conclusion, as opposed to a point in time when we said it was no one's business, I think we are now seeing it as everybody's business. This is the kind of problem that could be tackled at the community level. It is the kind of problem that could be tackled by the law enforcement community. It is the kind of problem that could be tackled by the clergy. It is the kind of problem that can be tackled by women and others who are down there in the trenches in the battered women's shelters. It is the kind of problem that can be tackled in our schools where children learn alternatives to violence as a way of solving disputes. We really think as a country we can take this problem on.

I think this amendment which has been accepted by both sides is an extremely powerful, an extremely personal, and an extremely important message by the U.S. Senate that we are not going to back down from this national commitment.

I am proud to be a cosponsor. I thank the Senator from Delaware for his very fine remarks.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, I rise in support of this amendment. I thank my colleague, friend, and cosponsor, Senator BIDEN, for his leadership in this area.

Mr. President, this really has a dramatic imprint on America. It is already starting to put people in jail that are violating the rights of women in our society. Frankly, it is a tough law. It is a good law. It is one that needs to be fully funded, and I am happy that we have the cooperation and the support of the distinguished chairman of the subcommittee in this matter as well.

As most of my colleagues are aware, I have long opposed programs I believed were mere pork projects. In fact, I led the battle against last year's crime bill because I felt that it had ballooned in terms of unjustified costs. The Violence Against Women Act, however, is an important program that deserves to be fully funded. The act provides for: Rape prevention education; battered women shelters; grants to encourage arrest policies in domestic violence cases; the investigation and prosecution of domestic violence and child abuse in rural areas; treatment and counseling for victims; and for developing community domestic violence and child abuse education programs.

These programs are important. Prosecutors and police officers must become more sensitized to the problem of violence against women. Women who are abused by their spouses must have a place to stay and must have counseling available to repair their shattered lives. Resources need to be channeled to stem the tide of violence directed against women.

Mr. President, no matter what anybody said, violence against women is a problem in America today. According to the Justice Department data, nearly half a million women were forcibly raped last year—a half million, in the greatest society in the world.

Some studies estimate that the total number of rapes including those not reported to the authorities exceed 2 million women a year. That is outrageous and it has to stop.

Indeed, according to a recent report by the Bureau of Justice Statistics, a woman faces four times the chance of being raped today than in 1960. Similarly, domestic violence strikes at the heart of the most important political unit in America, and that is the family. The family should be a safe harbor for those tossed about by the storms of life, not a place of abuse or of degradation. It is a sad fact of life, however, that the reports of domestic violence have been on the rise.

To this end, Senator BIDEN, Senator SPECTER, and I worked last year to see that the Violence Against Women Act was signed into law. According to both the House and Senate Appropriations Committees, however, the Justice Department has only spent $2 million of the total $25 million provided for fiscal year 1995. We have to restore this funding. The act is a small, albeit vital, step toward addressing the problem of family violence and violence against women generally.

So I certainly urge all colleagues to be supportive of this amendment. I am pleased to stand and support this excellent bill, and I compliment my friend and colleague from Delaware for his leadership in this matter, as well as those in the Chamber and others who have contributed to the bill and to the funding of it. And I particularly thank my colleagues on the Appropriations Committee for their willingness to fully fund this bill.

I yield the floor.

Mr. KERRY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. Mr. President, I join my colleagues in saying a few words in support of this amendment. I particularly thank the Senator from Delaware, Senator BIDEN, for negotiating on our behalf on this side of the aisle, his conversations that he has had with all of us, the dialog that he engaged in an effort to try to achieve a sensible strategy to save some of the programs in a bill that to many of us is still flawed.

The Senator from Utah just talked about rape and the problem of violence with respect to rape in particular, but the truth is that family violence, as we have all learned, is the No. 1 cause of all kinds of physical injury to women in this country. And when you translate the effect of family violence into the impact on several million young children, that impact plays out in a way that diminishes the capacity of those children to be able to learn, to be able to go to school, to be able to carry on normal relationships, and that flows into their adolescence and subsequent adulthood in ways that simply diminish the capacity of people to be able to participate as good citizens.

We all deplore the implosion within a large segment of America's population with respect to a fundamental structure—the family. Finally, with the Violence Against Women Act, we gave people hope that a particular kind of behavior was going to be properly singled out and treated. To have even thought of doing away with it was astonishing to me.

We do not need to talk further about that because we are restoring it. I am glad that the Senate has come to its senses with respect to it.

I might mention that the Violence Against Women Act not only speaks to the problem of the physical abuse against a woman. We just had a very long debate about welfare and the family cap. And my good friend from New Mexico, Senator DOMENICI, spoke extraordinarily eloquently in the Chamber about the problem of punishing innocent children and creating further problems in the cycle but also about the problem of increased incentive to have abortions as a consequence of illegitimate pregnancies.

Mr. President, when you consider violence against women, the truth is—and it has been ignored by prosecutors across America and by State governments across America—a large percentage of those unwanted pregnancies in America are the pregnancies of 13- and 14- and 15- and 16-year-olds by virtue of the actions of 24- and 25- and 26-year-olds. The last time most of us looked, that constituted statutory rape in this country.

A Congressman has just been tried on the basis of actions of an adult with a teenager, and the truth is that here in America a large percentage of preying on the young is taking place. The unwanted pregnancies that we see in this country are in fact criminal actions. So this act in effect allows us to also focus on that totally ignored aspect of illegitimacy.

And the truth is, if there was a stronger capacity within the welfare system to identity those people, we might begin to hold people accountable for their actions, but not do it in a way that creates a huge problem for the totally innocent child born as a consequence of those actions.

So, Mr. President, I congratulate the Senator from Delaware. I think this is a very important outcome. And I thank the Senator from Texas for acknowledging that this act that only recently went into effect is working, it is having a profound impact and it is healthy for this country to allow it to continue to work.

Mr. BRADLEY. Mr. President, I rise in support of the Biden amendment to increase by $75 million the appropriation for enforcement of the Violence Against Women's Act. As an original cosponsor of the amendment, it is vitally important that Congress does not waiver in its commitment to ensure that women in America are free from the devastation of domestic violence.

Domestic violence is a social sickness, and women and children are its most common casualties. Violence against women in the home is a heinous crime being committed behind locked doors and pulled shades in cities and towns across America. By committing this additional funding to the Violence Against Women's Act, Congress will give women the tools to bring this crime out of the shadows.

Mr. President, a policeman recently said, "The most dangerous place to be is in one's home between Saturday night at 6 p.m. and Sunday at 6 p.m." He forgot to add, "Especially if you're a woman." A 10-year study found that in cases where the identity of the killer is known, over one half of all women murdered in America were killed by a current or former male partner or by a male family member. Studies have also shown that violence against women in the home causes more total injuries to women than rape, muggings, and car accidents combined.

In my home State of New Jersey, there were 66,248 domestic violence offenses reported by the police in 1993. Overall, women were the victims in 83 percent of all domestic violence offenses. Mr. President, 41 women lost their lives as a result of domestic violence disputes in my home State in 1993. These are not nameless, faceless statistics, Mr. President, these are women who endured torture and abuse during their marriages and were violently murdered.

Mr. President, I have introduced a bill to create community response teams around the country. Community response teams work in tandem with police to help victims of domestic violence right when a crisis occurs. By working together, community response teams and police can provide victims with the services so essential to them after they have been battered or beaten in their home.

Mr. President, an increasing number of jurisdictions in the State of New Jersey are employing community response teams. For example, in Middlesex County, which includes South River, there are currently five jurisdictions with community response teams. South River, with a population of approximately 15,000, has a community response team employing 7 community volunteers. In Woodbridge, a community response team of approximately 30 volunteers is serving a population of 100,000. These community response teams, serving both large and small communities, are effectively assisting women who are suffering physical and mental abuse.

Mr. President, Violence Against Women's Act funding is available for these successful programs in New Jersey to continue to aid victims of domestic violence. In addition, Violence Against Women's Act funding will assist in the fight against domestic violence by providing needed resources to prosecutors and police officers.

Mr. President, if domestic violence is to be obliterated in our society, we need to provide communities with the resources they need to prevent instances of violence and protect victims from further abuse. By providing additional funding to the Violence Against Women's Act, Congress will strengthen the lines of defense in the battle against domestic violence.

Ms. MIKULSKI. Mr. President, I rise today in support of the Biden amendment, which restores the $75 million shortfall in funding for programs to prevent violence against women.

After years of hearings, reports and statistics we learned that our society and our criminal justice system has been ignoring violence against women, often with tragic consequences for women, their children, and ultimately, for society itself.

We learned that one-fifth of all aggravated assaults in the United States occurred in the home; 3 to 4 million American women a year are victims of family violence; one-third of all American women who are murdered die at the hands of a husband or boyfriend; one third of all women who go to emergency rooms in this country are there because of family violence; an estimated 700,000 American women are raped each year; children in violent homes are 1,500 times more likely to be abused or neglected; over the last 10 years, crimes against women have risen nearly three times as fast as the total crime rate; 98 percent of the victims of rape never see their attacker caught, tried or imprisoned; over half of all rape prosecutions are either dismissed before trial or result in an acquittal; and almost half of all convicted rapists can expect to serve an average of a year or less behind bars.

The solution to the problem is not to treat women as victims—it is empowerment. And that is what the act does. It allows women to take charge of their lives through such things as rape prevention programs or counseling provided at federally funded battered women's shelters.

The Violence Against Women Act is the first comprehensive approach to fighting all forms of violence against women. The law made a substantial commitment of Federal funds over a 6-year period to combat family violence and sexual assault. The commitment we made sends resources and support to those devoted to responding to and preventing violence against women.

I urge every Senator to support this amendment. Let us not go back on our promises made to the women of this country.

Mr. WELLSTONE. Mr. President, I rise in support of Senator BIDEN'S amendment to restore full funding for the Violence Against Women Act.

This amendment would restore $76 million to programs in the Violence Against Women Act—training for police, prosecutors, and victims advocates to target family violence and rape; programs to reduce sexual abuse and exploitation of young people; training for judges and prosecutors on issues affecting victims of child abuse; training for State court judges on handling rape, sexual assault, and domestic violence cases, and programs to address domestic violence cases in rural areas.

Last year, $240 million was promised by Congress for the Violence Against Women Act [VAWA] programs for fiscal year 1996—$176.7 million for VAWA programs administered by the Department of Justice, and $61.9 million for VAWA programs administered by the Department of Health and Human Services.

All of this is funded out of $4.2 billion provided by the crime trust fund in 1996. Funding in the crime trust fund comes from eliminating 123,000 federal jobs and cutting domestic discretionary spending. Full funding of the Violence Against Women Programs has no effect on the budget deficit and requires no new taxes. Now, I want my colleagues to clearly understand what this all means. Last year, as a country we decided that addressing crime was a top priority. We decided that savings from streamlining the Federal Government and cutting other domestic programs would go to fight crime.

As a country we made a commitment to breaking the cycle of violence and see that a person's home is the safe place it should be. Last year, as part of the crime bill Congress passed the Violence Against Women Act, we made a bipartisan commitment to address domestic violence. But now, only a year later, we are considering a bill to cut funding for these programs.

I must, at the same time, commend my colleagues on the Appropriation Subcommittee on Labor/HHS for their efforts and wisdom in more than fully funding the Violence Against Women Act Program under their jurisdiction.

But we must remember all the programs in the Violence Against Women Act are a package. Senator BIDEN and others worked for 5 years on this piece of legislation. All the pieces of it fit together. They all must be in place for it to work effectively. For example, we can encourage arrests by police officers but if they are not properly trained to understand the dynamics of domestic violence, an arrest could make the situation more explosive. Likewise, if more batterers are being arrested but judges are not trained to understand or take domestic violence seriously batterers are likely to go free or charged with lesser offenses.

Violence Against Women Act programs must be fully funded. Anything less would result in a betrayal of the bipartisan promise Congress made. Domestic violence should be a priority for national crime-fighting efforts. But without adequate funding we cannot address this serious problem.

We know all too well that it is the violence in the home that seeps out into our streets. If we do not stop the violence in the home we will never stop it in the streets. We knew this when we passed the crime bill last year and it is still true today.

Domestic violence is one of the most serious issues we face. It knows no boarders. Neither race, gender, geographic or economic status shields someone from domestic violence. As a matter of fact, next week my wife Sheila and I are sponsoring the display of 50 photographs by Donna Ferrato, an award winning photojournalist. These photographs provide powerful and graphic evidence of this crisis, and I invite my colleagues to view them. I am only disappointed that these photos could not be displayed while we debate this issue.

Mr. President, nationwide, every 15 seconds a woman is beaten by a husband or boyfriend, over 4,000 women are killed every year by their abuser, and every 6 minutes a woman is forcibly raped.

We know that the majority, 70 percent, of men who batter women also batter their children. Or children may be injured during an incident of parental battery. We also know that 25–45 percent of all women who are battered are battered during pregnancy. Battering during pregnancy is the most common cause of birth defects.

Children are also scarred emotionally by witnessing the abuse of their mothers. They are traumatized by fear for their mother and their own helplessness in protecting her. They may blame themselves for not preventing the violence or even for causing it. This can manifest itself in aggression, sleeping disorders, or withdrawal.

When a woman and her children are struggling to leave violent homes, they face many barriers. Many people ask why she does not leave? Often the response to this question is merely another question: why does he beat her? I feel that particular response ignores the realities of women's lives. One reason women do not leave is fear. If she leaves, he will find her and kill her. Batterers often threaten to harm or take the children away to force her to stay. Leaving him never guarantees safety for a woman or her children. In almost three-quarters of reported spouse assaults, the victim was divorced or separated at the time of the attack.

Women are also dependent on the abusers for financial reasons. If they decide to leave, often they can not afford housing or food for themselves and children.

Abusers also play on emotions to trap victims into staying. He will threaten to kill himself. This plays on many victims desires not for the marriage to end, just the violence.

Domestic violence is a community issue. It is no longer an issue for women; it is an issue for all women, men, and children. Communities need to work together. It was the Violence Against Women Act that was intended not only to strengthen the laws concerning general violence, it was to provide some of the necessary resources to communities to address the violence in their own communities.

It was intended to help law enforcement officers to make responsible arrests and understand the dynamics of domestic violence—to learn not ask her what she did to make him mad. It was to help train judges to treat domestic violence as a crime and hold the abusers accountable for the violence.

How ironic it is that last year around this time we were celebrating the passage of the Violence Against Women Act. We were celebrating because, finally, the Federal Government had taken a very bold step to make the protection of women in their homes a top priority for this Nation. And now, 2 days before the beginning of Domestic Violence Awareness Month we are considering a bill that cuts the funding for these important programs.

As I travel and meet more and more women and children who are victims of domestic violence, I become even more outraged that a woman's home can be the most dangerous, violent, or deadly place she can be; if she is a mother, the same is true for her children. It was with the passage of the Violence Against Women Act that Congress said loudly and clearly it is time to stop the cycle of violence, it is time to make homes safe again, and it is time to help communities across the country deal with this crisis. Without full funding, Congress will turn its back on women and their families. And it will turn its back on communities that are struggling to deal with increasing crime.

I urge my colleagues to support the Biden amendment.

Ms. SNOWE. Mr. President, I would first like to thank my colleague from Delaware, Senator BIDEN, for crafting and offering this amendment as well as my colleague from Utah, Senator HATCH, for his leadership.

Mr. President, I want to speak to you today not just as a U.S. Senator, or a citizen of Maine, or even as a Republican. I want to speak to you as a woman, and I want to speak to you on behalf of the 135 million women of America about an issue that has more likely than not touched each of our lives at some point in time.

Let me just say that it is not an uncommon occurrence in Congress for either Chamber to authorize funding for a particular program but not to fully fund that program at the authorized levels. It happens often, and, in some circumstances, there may be justifiable reasons to take such a course of action.

By not fully funding some wasteful programs, we might even save the taxpayers of America some of their hard earned tax dollars and use them toward programs that work and that make a difference in the daily lives of America's families.

But I think it would come as a great surprise to many Americans—especially to those 135 million women—to know that a program such as the Violence Against Women Act, which was passed as part of last year's crime bill in Congress, has not yet been fully funded.

Now, I think it is safe to say that the Violence Against Women Act is one program that deserves its full funding. It is not wasteful. It is not unnecessary. It is not—and should not be—a target of waste watchers. And it is not to be overlooked. But it has been.

Fortunately, today, we have an opportunity to correct this oversight.

For those who may be wary of its funding—or who may doubt its necessity in this era of penny-pinching and budget scrutiny—let me just take a moment to paint a picture of life in America's streets and homes for some women.

It is a picture where more than 2.5 million women annually are victims of violent crimes.

It is a picture where an estimated 5,000 women are beaten to death each year.

It is a picture where in the 1990's, one out of every eight women have been the victim of a forcible rape.

It is a picture where every 15 seconds in America, a woman is battered—and where every 6 minutes, a woman is raped.

It is a picture where, between 1989 and 1993, the number of known rape offenses increased by 11 percent—despite more awareness of violence against women.

It is a picture where a woman in our country is more likely to be assaulted, injured, raped, or killed by a male partner than by any other assailant.

It is a picture where at least a third of all female emergency room patients are battered women, while a third of all homeless women and children are without shelter because they are fleeing domestic violence.

And the litany of tragedy and violence goes on to paint an even fuller, starker, and more disheartening picture.

This is an issue about a woman's safety, a woman's rights, and our ability as a nation to protect those inalienable rights as guaranteed under the Constitution.

But how can we defend a woman's right to "life, liberty, and the pursuit of happiness" when we cannot protect her from "rape, battery, and the onslaught of violence."

Mr. President, the Violence Against Women Act is a critical tool in our fight to combat domestic violence across America. It is an essential bill for our mothers, our daughters, our sisters, our relatives, our friends, and our coworkers.

It contains provisions that enhance penalties for sex offenders; provides grants to States to improve law enforcement, prosecution, and victims services in cases of violent crimes against women; authorizes over $200 million for rape prevention and education programs; provides funds for the creation of a national domestic violence hotline as well as battered women's shelters; and does much more.

These provisions will help become a shield for women and deliver justice to victims of hateful and brutal assaults. Already, within the past year, two individuals have been imprisoned for life terms under this act for beating their spouses or girlfriends.

While I will be the first to say that violence knows no gender barriers and is clearly a threat to both men and women alike, no one can turn a blind eye to the fact that women are especially to be found in the scope of danger and crime.

Consider that women are six times—6 times—more likely than men to experience violence committed by an intimate. Consider that women and girls are victimized by relatives at four times the rate of males. And consider that an astounding 95 percent of violence victims are, in fact, women.

But the men of America have a stake in this legislation as well, which is why the fight here on the floor has been joined by such men as Senators BIDEN and HATCH. Namely, the fathers, sons, and brothers of the women of America who face the threat of violence each and every day. They deserve to know that the women who mean the most to them and their lives are safe on the streets of our cities.

It is for these reasons that I and 29 of my Senate colleagues requested that we fully fund the Violence Against Women Act in an August 9 letter to the Senate Appropriations Committee.

The Violence Against Women Act should be fully funded as it is supposed to be fully paid for out of the crime trust fund that Congress created last year. But the bill before us does not provide for it. Rather, the moneys within the crime trust fund have been what they call "re-prioritized," which in English means that the Violence Against Women Act has been shortchanged to the tune of about $75 million.

In fiscal year 1995, total funding for this program was $26 million. The House Appropriations Committee appropriated $125 million for the program for fiscal year 1996, and the Senate Appropriations Subcommittee funded $100 million—a threefold increase over current funding, but still far short—woefully short—of what American women need and deserve to combat violence and domestic abuse.

Today, we are proposing a remedy to meet this crisis of funding head-on.

The amendment offered by the Senator from Delaware and the Senator from Texas provides the additional $75 million needed to fully fund the Violence Against Women Act.

Mr. President, let me conclude by saying that—as a former Cochair of the Congressional Caucus for Women's Issues—I understand and know first-hand the importance of making women's health and women's safety a priority for Congress, because we must speak out for the 135 million women and girls of America.

We cannot let them down. We can no longer treat the Violence Against Women Act as a political football and simply fumble away women's needs and concerns.

I urge my colleagues to support the Biden-Gramm amendment.

Mr. BIDEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. BIDEN. Mr. President, I was taught by a fellow from South Carolina when I first got here 23 years ago that when you won, sit down. I mean, we won in the sense that everyone wins here. Women of America win.

I would like to ask unanimous consent—I will be very brief—that the following Senators be also added as original cosponsors: Senator INOUYE, Senator AKAKA, Senator KOHL, Senator LEAHY, Senator HARKIN, and Senator SANTORUM, the Presiding Officer, from Pennsylvania.

Let me just say in closing, and then I will ask for the yeas and nays at that point, that there are certain facts people should keep in mind. I think of all the facts that affect women in this Nation as a consequence of violence, the thing that surprises me, that surprises most Americans most often are the following:

That family violence is the No. 1 cause of injury to adult women in America—No. 1, No. 1—not breast cancer, not heart attacks, not strokes. The No. 1 cause of injury to women in America is family violence, in almost every instance the fist of a man, supposedly someone who loves them.

The second point that people should keep in mind and why this is so important: Every 18 seconds a woman is beaten by her spouse, boyfriend, or other intimate partner in the United States, making the home the most dangerous place in the world to live for being a women in a democracy. As many as 35 percent of all the women who will visit an emergency room in any of our cities tonight, one-third of all the women who will walk into an emergency room in Washington, DC; Wilmington, DE; Boston, MA; Butte, MT, one-third of them tonight who walk in will be there as a consequence of the fist of a man. They will be there because a man has injured them.

Three million children a year witness family violence in their homes. And as a consequence, the statistics are overwhelming. I will not bore you, but those children significantly have a greater likelihood of dropping out of school, becoming alcohol and drug abusers. They are the highest percentage of suicide attempts, and, most frightening of all, they become abusers—abusers. They become the abusers.

So, for these and 1,000 other reasons we could all speak to, I think this is a very, very important error we are correcting in this bill.

Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. BIDEN. I yield the floor.

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, I think we are going to decide to stack votes. So what I would like to do, unless someone else wants to speak on this amendment, is to suggest the absence of a quorum until we can decide if we are going to do that, in which case we would simply make this the first vote when we do the stacked votes.

Mr. BIDEN. Mr. President, before the Senator suggests the absence of a quorum, I want to make it clear it is perfectly fine with me whatever way the Senator wishes to proceed.

Mr. HATCH. Will the Senator yield?

Mr. KERRY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. Mr. President, I ask if it would be permissible then to proceed simply to speak on some issues with respect to the crime bill instead of putting in a quorum call.

I know, Mr. President, that discussions are going on now. We are negotiating, and Senator BIDEN is representing our side, with respect to the issue of cops, police. I would like to talk for a few minutes, if I may, Mr. President, about this issue of cops. It is one that I have been deeply involved in and concerned about for all the time I have been in the Senate. And in the last few years we finally have been able to elicit a response to try to meet one of the great needs of the country.

There is not one of us who has not been touched at one time or another in one way or another and sometimes very personally. I remember listening to the Senator from North Dakota in his own personal tale of what happened to his wife right here over on Capitol Hill. There are dozens of other examples. We have had a Senator randomly shot in the past here in Washington. We have had countless citizens in this city right around us shot. It is a war zone. It is the murder capital of the country. And it ought to have set a better example for what response should have been from the U.S. Congress.

Such a random act of violence occurred just a couple days ago in Massachusetts to a young prosecutor, Assistant Attorney General Paul McLaughlin, the son of a friend of mine, former Lieutenant Governor and U.S. attorney. But this young assistant attorney general, himself involved in working to fight the problem of gang warfare and gang criminal activity, was simply gunned down going to his car coming home in the evening after his normal 12-hour day in a prosecutor's office. A hooded young person walked up and blew him away.

I talked this afternoon with his father. And there is no way to express the sorrow that he and his family feel and no way for us to express our sorrow on their behalf.

But I can say, Mr. President, with clarity that what the State and local entities have been doing over the course of the past years and the Federal response to that is truly unconscionable because we have literally been disarming in the face of an increasing threat on an annual basis, a threat that is measurable. And all of us have come to understand, I hope finally, that nothing is more important in terms of really fighting crime than to put police officers on the streets of the country.

Mr. President, I have quoted the statistics before, but somehow they do not always seem to break through. But 15 years ago in this country we had 3.5 police officers per violent crime. Today we have, depending on the statistics, a range of 3.5 to 4.6 violent crimes per police officer. You can go into any of the major criminal activity communities in this country and you will find they are operating with less police today with a greater threat than they were 10 or 15 years ago with a lesser threat.

Ask anyone in those communities about the relationship between the community and police. By and large the police come in, they drive through in a cruiser, they are gone. People do not know them. It is a sign of transient authority, not the sign of a present authority that makes an impact on people's lives. The word "cop" came from the British concept of "constable on patrol." And it meant on patrol on foot, walking within a community. We used to do that in America. That was the nature of policing originally. The police officer knew the community, the people knew the police officer. There was a relationship with the police officer. The police officer was a role model. So, indeed, criminal activity rarely took place right under the nose of a police officer on patrol.

Now, in recent days, we have sent a message to people in this country that most crimes are very difficult to trace, very difficult to make arrests. In fact, one of the most startling statistics that I have come across is the fact that out of the 200,000 murders that occurred in this country in the last decade, fully 100,000 of them were murders that occurred by total strangers. Americans are being killed, not, as the FBI once told us, in these family disputes or lovers' quarrels, but they are being murdered randomly by people they have never seen and never met. And what is more frightening is fully two-fifths of those murders are committed by people who will never walk through the threshold of a police station or a courthouse.

Fully two-fifths of the murderers in America will never even come to justice. And 100,000 of our citizens in the last decade were gunned down by utter strangers. So when people say, well, violent crime is going down in America because there were 200 murders in your city last year and this year there were only 190, how are you supposed to feel safer? What greater safety is there in knowing that instead of 200 murders, 190 of your citizens were blown away?

Mr. President, 100,000 police officers is an inadequate response. I say to my colleagues today that 100,000 police officers is an inadequate response. And what is really bizarre in this new equation we are debating in Washington, the two greatest public crises in America today—education and public safety—are already today 100 percent and 95 percent controlled at the local level.

So here we are with an implosion of capacity to resolve these problems at the local level, and we are busy saying we are going to send back to the local level more responsibility with less resources. If that does not underscore the need for more than the 100,000 police officers, I do not know what does. Here we are, for the first time in American history the Federal Government is paying for local police officers.

Now, I hear some people around the country say, "What a fakery. You are only going to provide 20,000 police officers because you are not paying for the whole thing." Since when was it the responsibility of the Federal Government to pay for the whole thing? Every time we have had a Federal grant program, it would be with a matching grant where we have required 75 percent, 90 percent, or some percentage. Sometime we continued the 90 percent-10 percent relationship for 10 years, 15 years.

In this particular case, we have decided that this is a sufficient national crisis that we want to ask the local communities and the States to accept what is already their responsibility—to put police officers on the street. We did not say we want to put floodlights on the jail, we want to put computers in the station, we want new cruisers on the road. We want to put police officers on the streets of this country because that is what we need to begin to regain and take back control over our communities and our streets.

Mr. President, in recent weeks and months, I have toured a lot of Massachusetts and gone into the communities that, because of our effort, have community policing. I can tell you about Northhampton, MA. I can tell you about Gardner, Saugus, Lynn, about a host of areas, such as Boston and Lowell, where they now have community policing, and where they have been able to put it into effect and literally reclaim the community.

I was in a housing project where you now have community police officers on bicycles who ride around through the entire community, who walk around and play with the kids, who started basketball with the kids. The kids run up to them when they come into the area, instead of running away from them, which is what they used to do. These officers have helped literally to give that community hope.

In Lowell, on Bridge Street in Somerville, as recently as a couple of years ago, druggies and prostitutes had taken over the street. Citizens were afraid to come out of their homes in the street because of the vermin that were in the street. I talked to storeowners who said that as a result of those druggies and prostitutes, their earnings have gone down and people would not come into the store anymore. Lo and behold, with a grant from the Federal Government, we opened a small storefront and police officers went in; they are there all the time. The druggies are gone, the prostitutes are gone, the community has been reclaimed, and it is coming back to life.

Mr. President, in addition to that, the police officers have been able to intervene before crimes are committed. They have been able to get to know people, to know who the troublemaker is, who identify who belongs in the community, to be able to make determinations about who they need to watch more closely, who needs help. By virtue of their intercessions, they have literally directed people into various human service treatment facilities or functions where those people left to their own devices might well have pulled out a knife, a gun, or been one of the people in the statistics that the Senator from Delaware talked about earlier.

So, Mr. President, it works. It is working in America. Countless people have said, "You are not going to put more than 5,000 police on the street within a year. You are not going to put 15,000; you are never going to get to 20,000." Well, more than 25,000 new police officers, additional police officers, are already on the streets. It is because of the effort of this legislation.

So, Mr. President, it is my profound hope that in the next hour, or moments ahead, we will succeed in working out an agreement with the Senator from Texas to be able to put back into this bill the original concept of the community policing.

Block grants work in some cases. I am not against block grants. I have voted for them. But in this particular case, we have tried to target a particular national emergency and need, and we have tried to do it in a way that is administratively inexpensive. In fact, it is less expensive to implement the direct justice grant program of the crime bill with a cost of about 0.8 of a percent administratively than to administer the 2.5- to 3-percent administrative costs that will go with a block grant.

Moreover, under the block grant, there is absolutely no guarantee whatsoever that police officers will get to the street rather than the floodlights to the jails or the new cruisers to the station, or the new computer. And that is not to say those things are not important. It is not to say that people do not have a right to ask for those things and that they do not need them. But when 95 percent of the crime is a local jurisdiction, and the Federal Government is singling out a particular need and the particular emergency, we have a right to expect that that emergency is going to be met. And if one community does not need those police, Mr. President, I guarantee you there are 10 other communities in America that will gladly use the money to put police on the streets and make their citizens safer.

So, again, it is my hope that we will succeed in doing what we have already done, what we voted for in an overwhelmingly bipartisan fashion. I hope that will not be undone in this legislation.

Mr. GRAMM. Mr. President, unless someone suggests otherwise or to the contrary, I believe that the debate on the pending amendment No. 2815 is completed. A rollcall vote has been asked for by Senator BIDEN.

So I ask unanimous consent that the vote occur on amendment No. 2815 at 9 p.m. this evening, and that that amendment be temporarily laid aside.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The PRESIDING OFFICER. Under the previous order, the Senator from New Mexico is recognized to offer his amendment.

Mr. DOMENICI. I yield to the Senator from Arizona who has an inquiry to make.

Mr. McCAIN. Mr. President, I ask unanimous consent that I be recognized for 10 minutes to propose an amendment, at which time the amendment be set aside for the purposes of the Senator from New Mexico to propose an amendment, and I ask that at least 20 minutes be reserved after the disposition of the amendment of the Senator from New Mexico that 20 minutes be allocated to the Senator from Colorado [Mr. BROWN], and 10 minutes for the Senator from North Dakota [Mr. DORGAN].

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

AMENDMENT NO. 2816

(Purpose: To Ensure competitive Bidding for DBS Spectrum)

Mr. McCAIN. I send an amendment to the desk and ask for its immediate consideration.

I want to thank my friend from New Mexico for allowing me to propose this amendment.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Arizona [Mr. McCAIN] for himself and Mr. DORGAN, proposes an amendment numbered 2816.

Mr. McCAIN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the Pending Committee Amendment, insert the following new section:

SEC. . COMPETITIVE BIDDING FOR ASSIGNMENT OF DBS LICENSES.

No funds provided in this or any other Act shall be expended to take any action regarding the applications that bear Federal Communications Commission File Numbers DBS-94-11EXT, DBS-94-15ACP, and DBS-94-16MP; Provided further, that funds shall be made available for any action taken by the Federal Communications Commission to use the competitive bidding process prescribed in Section 309(j) of the Communications Act of 1934 (47 U.S.C. §309(j)) regarding the disposition of the 27 channels at 110° W.L. orbital location.

Mr. McCAIN. Mr. President, I ask unanimous consent to be recognized for 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCAIN. Mr. President, this amendment, sponsored by Senator DORGAN and myself, would mandate that the FCC auction the one remaining block of DBS spectrum which it holds.

Currently, the FCC is considering how to dispose of the 27 channels at 110° west longitude orbital location. If this spectrum is auctioned, industry experts state that it will sell for between $300 to $700 million. The alternative that is being considered by the FCC would call for the American people to receive much less valuable spectrum and $5 million dollars. Clearly, it is in the best interest of the American people that this spectrum be sold at public auction.

Mr. President, I want to state at the outset I have no interest in any of the companies involved in this issue. None of them to my knowledge is represented in my State. I do know that the company that seeks to acquire this for $5 million is the largest cable company in America.

Mr. President, the spectrum is a finite public resource. It is owned by the American people. And it may prove to be the single most valuable resource held by the public. In recognition of that fact, in 1993, the Congress mandate the first auctions of the spectrum. The still-in-process wireless telecommunications auction has generated a staggering $8 billion dollars and the auctions are only half completed.

This amendment recognizes the value of the spectrum and our duty as people's trustees to handle the spectrum in a manner that most benefits all the American people.

Mr. President, this amendment ensures that the American people benefit from the sale of this spectrum.

The amendment does not choose winners or losers. It does not allow ACC, the corporation that sat on this spectrum for 10 years and did nothing to make a profit.

The amendment does not change the rules in the middle of the game. ACC never owned this spectrum, it received a license under certain terms—terms it never lived up to. The FCC therefore correctly withdrew ACC's license and permission for it to construct a DBS system.

Most importantly for consumers, this amendment will not prevent new service from being offered to the general public, including service to those who live in Alaska and Hawaii. Those living in rural areas are also not adversely effected in any way by this amendment and the I want to note that the National Rural Electric Cooperative Association strongly supports this amendment.

Mr. President, let me lay out the facts surrounding this specific block of spectrum.

In 1984, the FCC divided a segment of the spectrum to be used for the broadcast of direct broadcast satellite [DBS] services. Under the terms of the agreement, spectrum would be allocated to the companies at no charge and in return, the companies would proceed diligently toward the construction of a DBS system.

Of all the spectrum allocated, only 3 blocks of spectrum—located at 101°, 110°, and 119°—cover the entire continental United States. These blocks are known as full-conus blocks and our considered by industry experts to have the highest dollar value.

DirecTV and Echostar were given two of the coast-to-coast U.S. blocks of spectrum.

Advanced Communications Corporation [ACC] was given the third full conus block, which consisted of 16 channels, and was granted approval to begin construction of a DBS satellite service at 110° west longitude. ACC paid nothing for the sole use of this spectrum.

In November 1991, the FCC altered its spectrum allocation scheme and gave ACC at total of 27 channels at 110° W.L., making the block even more valuable.

DirecTV is currently up and running and available to the consumer. Echostar is expected to be operational earlier next year.

During this time, ACC was repeatedly warned by the FCC that it was not acting in compliance with the due diligence standard.

In the summer of 1994, due to congressional mandate, the FCC began the process of auctioning spectrum. The PCS spectrum auction, which is now about half complete, has generated approximately $8 billion for the Treasury and the American people.

On September 16, 1995, ACC entered into an agreement with TCI to sell its spectrum to TCI for $45 million. Such a sale would have meant that ACC would actually have profited from warehousing spectrum for 10 years.

Only 3 months later, in December 1994, ACC applies for a second extension of its construction permit.

The International Bureau of the FCC determined that ACC had not proceeded with due diligence and issued an order on April 26, 1995 that concludes "Advanced [Communications Corporation] must now return the public resources it holds to the public so that these resources can be put to use by others." This decision was based on the fact that up until 3 months before ACC applied for the extension it had done nothing by warehouse the spectrum.

The bureau felt compelled to use a new, tougher definition of due diligence due to the congressional mandate regarding spectrum auctions.

After the International Bureau decision, the full Commission began consideration of a plan to allow TCI to give up some of its allocated DBS spectrum and in return receive the ACC spectrum at a cost of $5 million. This $5 million is to pay for costs incurred by ACC. The spectrum being given up by TCI is valued at a substantially lesser value than the ACC spectrum. TCI would give up 11 channels at 119° and spectrum that allows DBS service to be provided to Latin America, the Pacific rim and China. No industry experts believe at this time that those markets will be nearly as lucrative as the U.S. market. It could be decades if not longer before the spectrum TCI offered up would be worth the value of the full conus U.S. spectrum.

Mr. President, the FCC is at a standstill regarding this issue. It is looking to the Congress for guidance. And I believe it is appropriate for us to let the FCC know that the Senate believes that the spectrum should be disposed in a manner that brings about the greatest amount of benefit to the American people. Adoption of this amendment would ensure such an outcome.

Mr. President, let me clarify, this is not about helping one company or hurting another. It is not about determining winners or losers. It is about protecting the American people's interests. And faced with the staggering debt we have left for our children, we must act in a manner that ensures this spectrum is sold for the highest amount possible.

Further, if this spectrum is auctioned, any company, TCI, Hughes, a telephone company, anyone, can bid for the spectrum. The auction alone will determine who is the winner and loser. Not only is it the right thing to do, but it is the fairest thing.

There will be some issues raised I would like to address quickly.

First and foremost, I have nothing against TCI and have every reason to believe that it operates in an exemplary fashion. I said, this amendment is not about TCI or any other company, it is about protecting the people's interests.

TCI and its subsidiary Primestar have stated that they have spent considerable money on procuring two satellites and for a signal compression facility.

First, TCI chose to purchase these two Space system/Loral DBS satellites in 1990 for use by TEMPO, a cable consortium, for use at TCI's high-power DBS system located at 119° west longitude.

In 1993, TEMPO asked the FCC to modify its DBS system and disclosed that it had granted Primestar an option to acquire the same satellites to enable Primestar to operate with its own DTH system in the fixed service satellite high-power density arc. This is different from where most DBS satellites are located.

At this point the same two satellites had been proposed to be used in two different locations.

Now Primestar distributors are circulating a memo that states that if the ACC deal does not go through, that TCI has other options for satellite deployment.

Mr. President, we must put aside corporate interests and think about what action will best serve the American people. In this case, I think there can be no doubt that the public will benefit most from auctioning this spectrum.

Mr. President, the Citizens Against Government Waste, Consumer Federation of America, the National Taxpayers Union, and the National Rural Telecommunications Cooperative have all sent letters in support of this amendment.

I ask unanimous consent that the letters be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COUNCIL FOR CITIZENS AGAINST
GOVERNMENT WASTE,
Washington, DC, September 20, 1995.

DEAR SENATOR, The Council for Citizens Against Government Waste (CCAGW) and our 600,000 members support H.R. 2076, the Commerce, Justice, State, and the Judiciary Appropriations for FY 1996. CCAGW commends Subcommittee Chairman Phil Gramm and Appropriations Chairman Mark Hatfield for sending to the floor a bill which spends $4.6 billion less than the budget request and $1 billion less than the House version of H.R. 2076.

The $26.5 billion spending bill prioritizes the budgets for each agency under its jurisdiction. For example, the Justice Department receives $15 billion for FY 1996, almost $3 billion more than in FY 1995, to fight our nation's crime problem. But with a nearly $5 trillion national debt, there is always more to cut from spending bills.

CCAGW supports the following amendments:

The McCain amendment to mandate the Federal Communications Commission to auction the one remaining block of Direct Broadcast System spectrum. If this spectrum is auctioned, communication industry experts believe it will sell for between $300 to $700 million. It is in the best interest of the American people that the spectrum be sold at public auction.

The Grams amendment to eliminate the East-West Center and the North/South Center, saving taxpayers $11 million next year.

CCAGW opposes the following amendments:

Any attempt to restore or increase funds to the Legal Services Corporation.

The Inouye amendment to restore funds to the Federal Maritime Administration.

The Bumpers amendment to restore funds for the Small Business Administration.

The Bumpers amendment to restore funds to the Death Penalty Resource Centers.

CCAGW urges you to support these amendments and H.R. 2076. It prioritizes cuts while ensuring that state and local law enforcement agencies are properly funded. CCAGW will consider these votes for inclusion in our 1995 Congressional Ratings.

Sincerely,

THOMAS A. SCHATZ,
President.
JOE WINKELMANN,
Chief Lobbyist.

CONSUMER FEDERATION OF AMERICA,
MEDIA ACCESS PROJECT, CENTER
FOR MEDIA EDUCATION,
September 21, 1995.

Hon. JOHN MCCAIN,
U.S. Senate,
Washington, DC.

DEAR SENATOR MCCAIN, we are writing to urge you to oppose an amendment that may be offered to permit the FCC to transfer the Direct Broadcast Satellite (DBS) license currently held by Advanced Communications to the largest cable television company in the world, TCI instead of auctioning it off to the highest bidder. At the present time, we are unsure who will offer this amendment. This amendment would strike a serious blow to the development of competition to the cable monopoly and shortchange the American public by giving away a prime piece of scarce radio spectrum for a fraction of its value.

The cable industry has been claiming for years that DBS presents a serious competitive threat. While cable competition has not yet arrived, DBS is a strong potential competitor to cable. If given the license to use this spectrum. TCI would turn around and lease it to Primestar Partners, a consortium of the nation's largest cable monopolists including TCI. Giving away what is perhaps the single best part of the high powered DBS spectrum to the largest cable monopoly is an entirely wrong-headed policy. It is both anticompetitive and anti-consumer.

This proposed amendment would allow TCI and its cable brethren to essentially jump ahead in line. There are a number of noncable parties who are interested in providing DBS service to compete with cable that would be foreclosed from using this prime slot because of this "sweetheart" proposal.

In direct contrast, Sens. McCain and Dorgan have circulated an amendment which would auction this valuable spectrum to the highest bidder. This could raised hundreds of millions of dollars for the national treasury and help insure greater competition for cable in the process. It is this competition which will protect consumers.

Don't slam the door to cable competition and don't reach into consumers' pocket to enrich a group of the biggest monopolists in America. We urge you to defeat the amendment to transfer Advanced Communications's DBS license to TCI.

Sincerely,

BRADLEY STILLMAN,
Consumer Federation of America.
GIGI SOHN,
Media Access Project.
JEFFREY CHESTER,
Center for media Education.

NATIONAL TAXPAYERS UNION,
Washington, DC, September 21, 1995.

Hon. JOHN MCCAIN,
U.S. Senate,
Washington, DC.

DEAR SENATOR MCCAIN: The 300,000-member National Taxpayers Union (NTU) supports your amendment to require competitive bidding for awarding the last block of Direct Broadcast Satellite (DBS) spectrum held by the Federal Communications Commission.

National Taxpayers Union has long supported privatization of many public assets. The onset of the Information Age has created an extremely lucrative market for advanced communications, in turn dramatically increasing the potential value of the spectrum remaining under government control.

Given the economic potential of the communications sector, Congress should rely on competitive bidding and other market mechanisms to allocate federally owned spectrum. By providing a competitive auction for DBS spectrum, your amendment will ensure a fair market price for this property, not an arbitrary settlement negotiated by bureaucrats and special interests.

Previous spectrum auctions have benefited taxpayers and have allowed dynamic new businesses to develop their cutting-edge technologies. Charges and counter charges from interested corporations aside, a competitive bidding process is the best solution to establishing ownership at a fair price for this DBS spectrum.

Enactment of your amendment would allow the market to decide the price for this resource. Many members of the 104th Congress have resolved to end business as usual in Washington, and allow market forces to have a greater impact on government policy. They have the perfect opportunity to demonstrate their resolve by supporting your amendment to auction DBS spectrum.

Sincerely,

DAVID KEATING,
Executive Vice President.

THE NATIONAL RURAL
TELECOMMUNICATIONS COOPERATIVE,
Herndon, VA, September 14, 1995.

Hon. JOHN MCCAIN,
U.S. Senate,
Washington, DC.

DEAR SENATOR MCCAIN: I am writing to let you know that the National Rural Telecommunications Cooperative (NRTC) and its rural electric and rural telephone system members nationally are alarmed about a pending action by the Federal Communications Commission (FCC) which would allow the nation's largest cable operators to undermine satellite communications as a true competitor to cable.

Today, NRTC and its rural utility system members are actively providing digital satellite service to more than 200,000 rural consumers living outside of and within cable service areas. Our ability to do so comes through a major investment in Hughes Electronic's DIRECTV which gave us the right to bring digital satellite services to rural Americans.

Today, our rural utility systems provide more than 150 channels of digitally transmitted satellite programming service to consumers who look to them for new services and products. Today, we lease, rent and sell Digital Satellite Systems and we are providing local service and support to a rural subscriber base that grows by more than 1000 new customers a day. And we are doing so in competition currently with PrimeStar and are aware that next year we will have an additional competitor—DBS licensee, EchoStar.

We are very concerned that the FCC will give the PrimeStar partnership, led by majority owner TCI/Tempo, a DBS license that had been "warehoused" by Advanced Communications Corporation (ACC) for 10 years. As we understand, not only will the FCC give the license away, it appears it will do so without opening this unused spectrum to a competitive bidding process. An FCC giveaway of DBS frequencies which are conservatively valued at more than $300 million, will seriously hamper competition inside and outside cabled areas. Further, it will do nothing to decrease the nation's budget deficit while rewarding a company that sat on its DBS license and did nothing to provide service to consumers.

NRTC is in full support of your proposed amendment to H.R. 2076, the Commerce, Justice, State and Judiciary Appropriations bill. It is the proper response to heavy-handed efforts by an entrenched industry interested in controlling competition and free-market access to telecommunications services. NRTC has previously endorsed auctioning all the DBS spectrum involved in this FCC proceeding in a letter to the FCC.

Thank you for your support.

Sincerely,

BOB PHILLIPS,
Chief Executive Officer.

Mr. McCAIN. Also, interestingly, I have received numerous letters from small cable companies and electric cooperatives all over America.

The Williams Cable Services in Phoenix, AZ; Eastern Illinois Electric Cooperative; the Little OCMUCLG Service in Georgia; Agate Mutual Telephone Co. in Colorado; the Volcano Vision Co. in Pine Grove, CA; Oklahoma Telephone Co., Davenport, OK; Turner Vision in Bluefield, WV; Kansas DBS, Flint Hills Rural Development Corp.; South Alabama Electric Cooperative, Adams Telephone Co., and others who are all in favor of giving the American taxpayers $300 to $700 million and make this a competitive process.

Mr. GRAMM. If the distinguished Senator has time, let me ask a question to be sure I have this. Back when we used to give spectrum away, we gave spectrum to a company that took it on the agreement that they would use it, that they would initiate construction, that they would begin to broadcast on that signal.

The date that they agreed to is now past; is that right?

Mr. McCAIN. Long past, yes.

Mr. GRAMM. Now, having gotten the spectrum free and having gotten it for a specific purpose free, the date by which it had to be utilized is past, and now they are asking permission to sell it for $5 million, if I heard the Senator correctly.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. GRAMM. Mr. President, I ask unanimous consent for 2 additional minutes, if the Senator will so yield?

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAMM. So their time for using the spectrum having expired, they are now proposing to sell it for $5 million. But, if I heard the Senator right, if we asserted the right of the taxpayer to have the spectrum back, since the user has not fulfilled its end of the contract, we could sell that spectrum for how much money?

Mr. McCAIN. I would say to my friend, first of all, they were going to sell it to TCI for $45 million instead of $5 million, and they were awarded this license in 1984. Mr. President, 10 years later, in 1994, they had still not done a single thing in order to comply with the purposes of the license, in other words set up a DBS system.

The estimates are between $300 and $700 million would be the price of this spectrum at an auction. There are several major competitors.

The reason why there is such a huge spread, between $300 million and $700 million, is because the amounts we have already received from spectrum auctions have doubled the original estimates that we received from other spectrum auctions.

Mr. GRAMM. So the request is, having not fulfilled their commitment to the taxpayer, they want the right to sell it to somebody for $45 million, when, if we exercised the contract on behalf of the taxpayers and took it back, we would get between $300 and $700 million—million?

Mr. McCAIN. Million.

Mr. GRAMM. Between $300 and $700 million for it. In essence, the Senator's amendment is trying to protect the taxpayer from losing a minimum of a quarter of a billion dollars by simply enforcing our end of the contract?

Mr. McCAIN. I would say to my colleague in response, he is correct. That is why the Citizens Against Government Waste, the Consumer Federation, National Taxpayers Union, and others are all in favor of this amendment, because of the enormous benefit, of $700 million.

Mr. BURNS. Will the Senator yield?

Mr. McCAIN. My friend from New Mexico was kind enough to yield time to me. I will be reluctant to use over that time because he has an amendment.

The PRESIDING OFFICER (Mr. BENNETT). The time of the Senator from Arizona has expired.

Mr. DOMENICI. Mr. President, I have no objection if they want to use some additional time.

How much time would the Senator like, Senator McCAIN, another 5 minutes?

Mr. McCAIN. The Senator from Montana wanted to speak.

Mr. BURNS. I ask unanimous consent I have 1 minute just to ask a question in response, because I think it is important this body understand this.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Senator, I listen to you frequently and you need 2 minutes.

Mr. BURNS. I need 2 minutes?

Mr. DOMENICI. Yes.

Mr. BURNS. I may need more than that. I think it is important for this body to understand that the spectrum has already been reclaimed and is owned now by the FCC. It is available for sale. Is that not correct, I will ask my friend from Arizona?

Mr. McCAIN. That is correct. But the contract that was entered into 3 months before the license was revoked is still a pending item before the FCC.

Advanced had over 10 years, including one 4-year extension, in which to construct and launch its DBS system. It failed to do so. It failed to meet the Commission's due diligence rules, imposed a decade ago to ensure the public received prompt service therefor, if the channels have gone unused. Only by enforcing the progress requirements of the Commission's rules can we ensure that allocated resources will be efficiently and expeditiously put into productive use.

Mr. BURNS. I appreciate that. The only reason I ask the question is I think we should be very sure of our grounds here. Who actually owns that spectrum? Is it still in the hands of the original winner in the lottery? Or is it owned by the FCC? I think that is a question we should ask before we consider this amendment. I am just trying to clarify that.

Mr. McCAIN. Let me try to clarify it one more time. Because the company did not exercise due diligence over 10 years, the FCC reclaimed it. Now it is up to the FCC as to how they want to dispose of it.

Mr. BURNS. If the Senator is correct, then that clarifies my question. I thank the Senator from Arizona.

Mr. BROWN. Will the Senator from Arizona yield? I ask unanimous consent to have 2 minutes to ask the Senator from Arizona a question.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BROWN. I will ask the Senator from Arizona, he has indicated his amendment will have a positive revenue impact, save millions of dollars. Has the amendment been reviewed by the Congressional Budget Office? And what is their estimate of how much money it raises?

Mr. MCCAIN. It has been scored as zero because it does not change the baseline. But I can tell my friend, it is patently obvious that if a spectrum is going to be auctioned off for somewhere between $300 million and $700 million, there is going to be an impact.

Mr. BROWN. The Senator has indicated—or the literature here indicated these channels may be available for auction. Let me ask, has the Commission made a final ruling as to whether or not these are to be forfeited?

Mr. MCCAIN. The Commission has not and is looking for guidance from the Congress.

Mr. BROWN. I might indicate what my sense of the amendment is. First of all, it does not raise anything because CBO has not looked at it. And, No. 2, it is disposing of property someone else ostensibly has a title to and the FCC has not cleared it.

The PRESIDING OFFICER. Under the previous order, the Senator from New Mexico is recognized.

Mr. DOMENICI. Mr. President, Senator BROWN is here. I do not know that Senator MCCAIN, accurately, Senator BROWN, described the time you would need. He suggested 10 minutes? Is that 10 for you and 10 for somebody else?

Mr. MCCAIN. I suggested, and I would like to modify it concerning the desires of the Senator from Colorado, 20 minutes for the Senator from Colorado and 10 minutes for the Senator from North Dakota.

Mr. GRAMM. My colleague needs to get some time for himself. And 10 minutes for you.

Mr. BROWN. My understanding was the discussion involved some intermittent time so I might become familiar with the needs of the Senator from Arizona. My hope is the distinguished Senator from New Mexico might go ahead. Obviously, I am agreeable to an appropriate amount of time for the Senator from Arizona to respond to whatever is raised on the floor.

The time someone may wish, I would have no problem to work out something.

Mr. DOMENICI. Senator MCCAIN, I assume now from your vantage point from getting this up things are under control and I can proceed? You are all right?

Mr. MCCAIN. Mr. President, I ask for the yeas and nays on this amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. MCCAIN. I thank the Senator from New Mexico for his courtesy and patience.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. KERREY. Mr. President, I discussed with the distinguished Senator from Texas, the manager of the bill, and the Senator from New Mexico a unanimous-consent request I would like to offer; that I be allowed to set aside the pending business for 2 minutes, request the yeas and nays, and go back immediately to the business of the distinguished Senator from New Mexico?

Mr. DOMENICI. Mr. President, I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Nebraska.

AMENDMENT NO. 2817

(Purpose: To decrease the amount of funding for Federal Bureau of Investigation construction and increase the amount of funding for the National Information Infrastructure)

Mr. KERREY. Mr. President, I have an amendment I send to the desk.

The PRESIDING OFFICER. The clerk will report.

Mr. GRAMM. Mr. President, has a unanimous-consent request been propounded?

Mr. KERREY. Yes. The Senator from Nebraska asked to have 1 minute to propose an amendment.

Mr. KERREY. Mr. President, 2 minutes.

Mr. GRAMM. Has that unanimous-consent request been agreed to?

The PRESIDING OFFICER. Yes.

Mr. GRAMM. Parliamentary inquiry. This amendment will be, after he presents it, it will be set aside and be fully debatable at that point, is that right?

The PRESIDING OFFICER. That is correct.

Mr. GRAMM. I thank the Chair.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nebraska [Mr. KERREY], for himself, Ms. SNOWE, Mr. LEAHY and Mr. LIEBERMAN, proposes an amendment numbered 2817.

Mr. KERREY. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill insert the following: "The amounts made available to the Department of Justice in Title I for administration and travel are reduced by $19,200,000."

On page 73, between lines 4 and 5, insert the following:

INFORMATION INFRASTRUCTURE GRANTS

For grants authorized by section 392 of the Communications Act of 1934, as amended, $18,000,000, to remain available until expended as authorized by section 391 of the Act, as amended: *Provided*, That not to exceed $900,000 shall be available for program administration and other support activities as authorized by section 391 of the Act including support of the Advisory Council on National Information Infrastructure: *Provided further*, That of the funds appropriated herein, not to exceed 5 percent may be available for telecommunications research activities for projects related directly to the development of a national information infrastructure: *Provided further*, That notwithstanding the requirements of section 392(a) and 392(c) of the Act, these funds may be used for the planning and construction of telecommunications networks for the provision of educational, cultural, health care, public information, public safety, or other social services: *Provided further*, That in reviewing proposals for funding, the Telecommunications and Information and Infrastructure Assistance Program (also known as the National Information Infrastructure Program) shall add to the factors taken into consideration the following: (1) the extent to which the proposed project is consistent with State plans and priorities for the deployment of the telecommunications and information infrastructure and services; and (2) the extent to which the applicant has planned and coordinated the proposed project with other telecommunications and information entities in the State.

Mr. KERREY. The amendment I offer on behalf of myself, Senators LEAHY and LIEBERMAN, is a very straightforward amendment. It restores $18.9 million to telecommunications and information and infrastructure assistance programs.

This program has been highly successful with thousands of applications for this. It is a matching program to get at least 2 for 1 for every dollar that goes out. It is community-based. Community-based organizations across the country have used this program to increase the educational effort in the telecommunications effort. It has created jobs. It has created real advancement of understanding of how this telecommunications revolution can produce benefits at the local level.

Mr. President, I understand that some of the objections have been raised to this program talked about it being something that has not proven up. I urge my colleagues to look at not only the success we have but the backlog coming up. We have enjoyed a tremendous success with this program. It is not a program that is just throwing money out there. It is a program that requires a match from the community level. It is a program that empowers citizens at the local level to make decisions about how they want to increase jobs and education in their own communities. It has a fully funded offset.

I hope that my colleagues will consider and support a program that will create jobs, and will create more empowerment for the American people at the local level.

Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Under the previous order the Senator from New Mexico is recognized.

Mr. DOMENICI. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GRAMM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAMM. Mr. President, we continue to have some problems in that people are trying to find offsets for their amendments. It takes time to do that, and they discover that others have used the funds available. It should be hard to spend money. So I am not complaining about it. But to try to sort of bring some order to the process, I would like to ask unanimous consent that the distinguished Senator from Colorado, Senator BROWN, be recognized for up to 10 minutes to offer an amendment; after the 10 minutes, that the amendment would be set aside and would be fully subject to debate or any other relevant motions.

Then the Senate would go back to a debate on the McCAIN amendment until that debate is completed. If a rollcall vote is asked for on the McCAIN amendment, then it would be stacked after the rollcall vote, currently scheduled for 9 o'clock, is completed. At that point, Senator BIDEN would be recognized to offer his omnibus crime amendment. There would be 2 hours of debate equally divided, which would get us to the 9 o'clock hour, at which point we would have a vote on the pending amendment. If there is a rollcall vote asked—

Mr. McCAIN. It has already been requested.

Mr. GRAMM. It has already been requested. We would have a vote on the McCAIN amendment, and at that point the Biden amendment would still be pending, and if the debate is completed, we would have that vote at that point.

I propound that unanimous-consent request.

Mr. HATCH. Will the Senator yield?

Mr. HOLLINGS. Reserving the right to object.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. I hope not to object, but to be able to answer the McCAIN amendment we need a little time, 10 minutes to explain that amendment—if the Senator will put that in the unanimous consent, that we have 10 minutes to explain it.

Mr. INHOFE. Reserving the right to object.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. INHOFE. If I could inquire of the manager, where does that leave the Domenici amendment?

Mr. GRAMM. The Domenici amendment would then be brought up after the votes had occurred beginning at 9 o'clock.

Mr. HATCH. Reserving the right to object.

Mr. DOMENICI. Reserving the right to object.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. As I understand it, we were supposed to go after the McCAIN amendment. Ours would not take a very long time, but I would like to go before we had the 2 hours, if we can. Is it possible to do that, I ask the managers of the bill?

Mr. DOMENICI addressed the Chair.

Mr. HATCH. Could I just ask that of the manager of the bill?

Mr. DOMENICI. Reserving the right to object, I say to the Senator, I have a few inquiries. It is my amendment being set aside here.

Mr. President, let me ask Senator GRAMM, there is an accommodation we are trying to make. I am now prepared to proceed with my amendment. I told the Senator I had been working on it because it is complicated, and we did get switched signals in terms of the money we had available. But I am prepared now. So I do not want to delay it the longest possible time. I wish to get it up soon. So when would the Senator from Texas be ready to discuss the Domenici amendment? Would the Senator be ready at 8 o'clock?

Mr. GRAMM. I would be perfectly happy to have the Senator bring the amendment up, offer it, lock in his offsets, if he has them, and I think that is a legitimate concern. What I would like to do, given that we had talked about having the debate on the Biden amendment begin at 7, is, if the Senator offers the amendment now, to come back to it.

This is a very important amendment to me. I am strongly opposed to it. And I think it will be something that will be debated at some length. Clearly, the distinguished Senator from New Mexico has the right to the floor under the unanimous-consent request. So if he wants to exercise that now, he can. And perhaps we might look at the following potential unanimous-consent request—that he would bring up the amendment and debate it for up to 20 minutes. Then it would be set aside. Senator BIDEN would be recognized to bring up his omnibus amendment, 2 hours equally divided, and at that point we would have reached the hour of 9 o'clock and we will have the first vote. We at that point could either go back to the McCAIN amendment and dispose of it or we could go back to the Domenici amendment and debate it. Either of those things I would be agreeable to.

Mr. DOMENICI. Mr. President, I say to the Senator from Texas and Senator HOLLINGS, what I would prefer to do—and I ask a parliamentary inquiry. What is the agreed upon time for a vote tonight?

The PRESIDING OFFICER. A vote has been ordered to occur at 9 p.m. tonight.

Mr. DOMENICI. On which amendment?

The PRESIDING OFFICER. On the Biden amendment.

Mr. DOMENICI. I would be glad to accommodate anybody the chairman wants to accommodate, except I would like him to include in the unanimous-consent agreement that immediately after the first vote on the Biden amendment, that Senator DOMENICI is permitted to offer his amendment; that it be debated in full, whatever time that takes, and that it be voted on immediately following—it be the next vote following the Biden vote. That gives the Senator plenty of time, Mr. President, for what he desires.

Mr. GRAMM. If the distinguished Senator will yield, I have no objection to what the Senator is doing, but it may well be that we might have an extended debate.

Mr. DOMENICI. Sure.

Mr. GRAMM. And we might decide for some reason that we might want to go ahead and consider other amendments intervening.

Mr. DOMENICI. We might do that in due course.

Mr. GRAMM. So I am reluctant to lock us into voting on the Domenici amendment next.

Mr. DOMENICI. I did not ask for that. I said the next amendment we vote on would be the Domenici amendment. The Senator can have some other amendments he wants to bring up. Get unanimous consent for that. I think that is fair. I have been accommodating everyone.

Mr. McCAIN. Will the Senator from New Mexico agree to have a vote on my amendment following the Biden amendment? The yeas and nays have already been ordered.

Mr. DOMENICI. The problem I have is I very much want to debate tonight the Domenici amendment. There are a lot of Senators who want to debate it. Senator GRAMM has a lot of people. I have been accommodating. The Senator's amendment will get voted on very soon but mine would precede that. I just ask that as a request.

Mr. GRAMM. Will the distinguished Senator yield?

Mr. DOMENICI. Of course.

Mr. GRAMM. I would like to get an agreement that allows the distinguished Senator from New Mexico bring up his amendment now, speak on that amendment as long as he chooses to, then Senator BIDEN would be recognized to offer his omnibus amendment, which is a crucial element to the completion of this bill, that there be 2 hours of debate equally divided, that would get us somewhere close to 9. We would have the pending vote. We would have the vote on the Biden amendment. Then the Senator's amendment would be the pending business and we would vote on it. And we would not vote on anything else until we voted on it.

Mr. DOMENICI. Reserving the right to object, Mr. President, all I want to do—I do not want to put my amendment down and debate it for 10 or 15 minutes. Just change the request so that I bring mine up immediately following the Biden amendment, and it is debated as long as necessary and then you have a deal.

Mr. GRAMM. All right.

I ask unanimous consent that the next amendment to be considered be the Biden amendment; that there be 2 hours equally divided on that amendment; that if a vote is ordered on that amendment, it occur immediately after the pending amendment, which will be voted on at 9 o'clock; that the distinguished Senator from New Mexico be recognized at that point to offer his amendment.

Mr. MCCAIN. Reserving the right to object, what does that do to the McCain amendment?

Mr. GRAMM. It will simply be pending and will be the order of business when the Domenici amendment is disposed of.

Mr. DOMENICI. Which is what I thought we had in mind when I permitted the Senator to bring up his amendment. I think that is fair.

The PRESIDING OFFICER. Is there objection?

Mr. MCCAIN. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. DOMENICI. Mr. President, I permitted the Senator's amendment to come up.

Mr. GRAMM. That is right.

Mr. MCCAIN. And we debated it and all we need to do is have a vote on it, it seems to me.

Mr. DOMENICI. Mr. President, that is all right with me. Get him in, too. No more debate.

Mr. MCCAIN. I withdraw my objection.

Mr. DOMENICI. I thank the Senator.

Mr. HOLLINGS. Mr. President, I ask Senator GRAMM, there will be no amendments to the Biden amendment?

Mr. GRAMM. I am not in a position that I can commit to that, I say to the Senator, because we have not checked on our side. We have not seen the final form of the Biden amendment. What I am trying to do is just have it considered. I assume there will not be—I assume we have the votes, but we want to look at it.

Mr. HOLLINGS. We cannot agree to the time limit.

Mr. GRAMM. There is not a time. We are just saying it will be debated between 7 and 9, and that if it is completed, that it would be the vote after 9. If it is not, it would be pending.

Mr. HOLLINGS. All right. Get it up.

Mr. BRYAN. Mr. President, reserving the right to object, if I might inquire of the floor managers, I just came to the floor a few moments ago, so I have not heard the colloquy. I want the managers of the bill to know that Senator BURNS and I have an amendment concerning USPTA, and I just want to make sure that the terms of the unanimous consent would not preclude us from having an opportunity to offer that amendment and perhaps have a vote. We do not need to do it this evening. We can go tomorrow. I want to assure my colleague that I am willing to cooperate and work with him. I do not know the terms of the agreement.

Mr. GRAMM. If the Senator will yield, nothing in this unanimous-consent request would in any way limit the Senator's ability to offer his amendment or any other amendment.

Mr. BRYAN. I appreciate that.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. DOMENICI. Mr. President, I say to my friend from Texas, I do not remember the word he used—how did he oppose my amendment? Perfectly? What was the word?

Mr. GRAMM. With righteous passion.

Mr. DOMENICI. I want to say I oppose what he is for in terms of doing away with legal services with whatever passion he just described. So we know it is all even.

I yield the floor.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. PRYOR. I have a question, Mr. President. And I am sorry, I was not in the Chamber. My question is, Mr. President, has the Senator from Texas propounded a unanimous-consent request and has that request been accepted at this point?

The PRESIDING OFFICER. That is correct.

Mr. PRYOR. Mr. President, if I may pose a question, I have an amendment that I would like to offer at some point. It can be done tonight, it can be done early in the morning, or any time. I am joined in that amendment by the distinguished Senator from Maine [Ms. SNOWE]. It would be a sense-of-Congress resolution relative to the Economic Development Administration. I am just wondering at what point or what order we could try to factor this particular amendment into the list?

Mr. GRAMM. If the distinguished Senator from Arkansas will yield——

Mr. PRYOR. I will be glad to yield.

Mr. GRAMM. It sounds to me as if we have a pretty full schedule for the rest of the evening. My guess is that tomorrow morning would be a good time. But it may well be at some time tonight people will decide to get finished, at which point obviously the Senator could offer the amendment.

We are basically set now in terms of unanimous consent on two amendments. One is a fairly comprehensive amendment by Senator BIDEN where we will have 2 hours equally divided. Then we are going to Senator DOMENICI on trying to bring back the Federal Legal Services Corporation, which will be debated, I would think, pretty extensively. We have an amendment pending by the Senator from Arizona. So I cannot tell the Senator that he would not get to offer it tonight, but if I were the Senator, if we are here tomorrow, I would try to do it in the morning.

Mr. PRYOR. Mr. President, if I could respond to my colleague, my friend from Texas, I have no problem offering the amendment tomorrow if I have just as much certainty as possible in the time sequence, because I have three amendments that I must offer in the Finance Committee markup on Medicare-Medicaid, and I am just trying to sort of find out where I should be and which time I should be there.

Mr. GRAMM. Mr. President, I am sure that the same is true for Senator HOLLINGS. We would try to accommodate the Senator in every way we can.

Mr. PRYOR. Mr. President, I thank the distinguished Senator.

Mr. HOLLINGS. Mr. President, as I understand now, in the unanimous-consent agreement, Senator BIDEN will commence at 7 o'clock. To try to save a little time, I was off the floor momentarily at the time of the presentation of the amendment of the Senator from Arizona. The amendment of the Senator from Arizona as he relates it could be very accurate. On the other hand, I have heard different facts.

What occurs here is, as the Senator from Arizona has outlined the amendment, the FCC is asking for guidance. Whenever that occurs, beware, for the simple reason that we have an FCC to have full hearings to hear both sides of a particular case and issue and thereupon make a decision.

I have heard from both sides spasmodically. I have not called the FCC myself. I wanted to stay out of the case. But right to the point, it is my understanding there is sort of a split down there. And there is a definite difference of opinion with respect to due diligence being used on the granting of a particular license to an entity out there, I think, in Arizona.

The Arizona folks, it is related, did use due diligence, and came back twice to the Federal Communications Commission and were granted on both occasions extensions, because what is involved here is a satellite spectrum usage encompassing quite a commitment of financial support.

That commitment of financial support was finally obtained and committed, and there is related $1 billion that has been committed, and there is a launch date for that particular satellite in April of next year.

Now, this is in issue. And as the Commission was temporarily making a ruling, the parties involved appealed that particular ruling. And it is now under appeal. So what happens is that the case comes to the Congress, and some of us Senators on the Commerce Committee who are interested, of course, and disposed to Federal Communications matters, but without any hearing, and without knowing what is best to be done, I have always come down, because this occurs every time we get up to a particular bill or something, somebody brings up a fix, if you please, Mr. President, of a case down at the FCC.

I have been very cautious and astute not to join in those particular fixes. Specifically, I was asked if I could go along with an amendment that would do as is indicated by Senator MCCAIN. And I said no. I think we ought to leave it with the Commission.

Thereupon, I was asked if I would go along with an amendment on the other side. Go along with it and allow them to set fees and whatever it was. I said no. We are not giving authority for the FCC to become more or less a Congress setting fees. And I withheld my approval of that.

I said I simply think, under the circumstances, that it is best that the Congress not be involved in a half-of-a-hair-cut situation here whereby we have not had a single hearing.

The Chairman of the Commission has not asked my guidance. If somebody says they are asking guidance, I do not have any written letters or anything else like that on this particular matter. Therefore, I am opposed to the amendment. I want to talk it out with the distinguished Senator from Arizona. I know his intent is sincere. But I think this is the kind of amendment that ought to be tabled.

I only state this to use up some of the time. I see others want to use some time prior to 7, but I wanted to say that I am sorry I could not respond at the particular time that the Senator from Arizona presented his amendment. I left the floor with the understanding that the Senator from New Mexico was going to present his.

I yield the floor.

Mr. SIMON addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

U.N. PEACEKEEPING

Mr. SIMON. Mr. President, I am pleased with the negotiations that have taken place with Senator HOLLINGS, Senator HATFIELD, Senator BIDEN, Senator GRAMM, and others. They have improved this bill.

Let me add one concern I do have. This bill authorizes $250 million for U.N. peacekeeping. The request from the President was $445 million. The House figure—in most areas the House is, frankly, worse than the Senate—the House figure is $425 million. Again, our figure is $250 million. The authorization figure from the Foreign Relations Committee, chaired by Senator HELMS, is $445 million—and we have $250 million here. This is on top of what we have been doing to not pay our dues in the United Nations. We are the No. 1 deadbeat in the world.

Yesterday morning's New York Times has a story "To Pay Some Debts, U.N. Will Try Borrowing From World Bank." We owe $1.2 billion to the United Nations. They would not have to be going to the World Bank if we paid our bills.

I ask unanimous consent to have that article printed in the RECORD at this point, Mr. President.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Sept. 27, 1995]

TO PAY SOME DEBTS, U.N. WILL TRY BORROWING FROM WORLD BANK

(By Barbara Crossette)

UNITED NATIONS, Sept. 26.—The United Nations, facing its most severe financial crisis in half a century, will try for the first time to borrow money from the World Bank to pay some of its debts, the organization's highest-ranking financial officer said today.

Joseph Connor, a former chief executive of Price Waterhouse who is now United Nations Under Secretary General for Administration and Management, said today that a World Bank loan was only one of many ideas being explored "to lift from our shoulders the burden of debt."

Secretary General Boutros Boutros-Ghali said in an interview on Saturday that he planned to meet the World Bank president, James D. Wolfensohn, this weekend to discuss the proposal.

In the past, the United Nations has borrowed small amounts for specific development projects, Mr. Connor said, but there is no precedent for a loan of this kind, which would go to paying off some of the organization's growing general indebtedness.

"This crisis cannot be solved unless we can borrow money," the Secretary General said.

The United States, which is at least $1.2 billion in arrears in its dues to the United Nations, is expected to challenge the plan, an American diplomat said.

The American opposition to any new idea for raising money surprised diplomats from Europe and elsewhere, whose governments pay their bills regularly. A Western diplomat said today that with the United States the largest defaulter in assessments, it seemed inexplicable that the Clinton Administration would make things worse behind the scenes.

An American diplomat said today that the Administration had "two basic problems" with the loan plan.

"The United Nations and the Secretary General have no authority to borrow externally," the diplomat said. "And borrowing from the World Bank is restricted to sovereign governments."

The World Bank is technically part of the United Nations system, although the bank and the International Monetary Fund, both based in Washington, operate with considerable independence.

The United Nations, which has not capital base and cannot borrow commercially, is owed $3.4 billion in unpaid assessments, of which the United States owes roughly half.

The organization is $900 million in arrears in payments to countries that have provided peacekeeping troops and $400 million for purchases of various kinds. Half of the tens of millions of dollars awarded in contracts each year go to American companies.

"Our inability to pay is impacting the willingness of countries to participate in peacekeeping," Mr. Connor said. The operation in Bosnia alone is costing nearly $5 million daily, according to the Secretary General.

In a speech today to the General Assembly, the British Foreign Secretary, Malcolm Rifkind, proposed charging interest on late payments as one way of tightening penalties against member nations in arrears. He said 39 nations failed to pay anything at all last year.

In June at the meeting of the Group of Seven major industrial nations, Mr. Boutros-Ghali proposed that the United Nations would take bonds from nations owing money and use them to settle debts with other member countries. That idea was also opposed by the United States.

Mr. Connor said today that the bulk of the money owed by the United Nations for peacekeeping is in debts to Western European nations, Australia, Canada and other countries close to the United States.

Mr. SIMON. Then I would like to insert two other things into the RECORD. One is a statement by the Council for a Livable World, whose good work I think many of us acknowledge. This is a statement in support of U.N. peace operations, signed by a great many people. I ask unanimous consent that that be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATEMENT IN SUPPORT OF U.N. PEACE OPERATIONS

The United Nations is playing an increasingly critical role in preventing and resolving conflicts that have broken out across the globe. We welcome this expanded mission envisioned in the original U.N. charter but impeded by the Cold War. While the U.N. has not proved a panacea, it has achieved remarkable successes in countries such as Namibia, in El Salvador and in Cambodia.

International peacekeeping is not an altruistic endeavor; it directly serves U.S. security, political and commercial interests. As U.S. Ambassador to the U.N. Madeleine Albright has stated: "Whether measured in arms proliferation, refugees on our shores, the destabilization of allies, or loss of exports, jobs or investments, the cost of runaway regional conflicts sooner or later comes home to America. In 1993, the U.N. will spend over $3 billion to stem or stop those conflicts, and we will pay one third of that. But without the U.N., both the costs and the conflict would be far greater."

However, the fate of peace operations hangs in the balance, in part due to crippling funding shortfalls and decreasing national political support for the United Nations as it seeks to reform and to meet new challenges. Although the U.N. is often a first line of crisis response overseas, the United States and other nations consistently fall behind in paying dues and peacekeeping assessments. These overdue bills serve to cripple the U.N.'s ability to respond rapidly to crises and implement needed reforms. In addition, Congressional critics have singled out U.N. peace operations as a vehicle for expressing their dissatisfaction with broader issues, from the defense budget and military readiness to U.S. interests abroad, and have sought to curtail already limited participation of U.S. armed forces in U.N. peace operations.

We endorse multilateral, burden-sharing approaches to preventing and resolving conflicts. In particular, we support strengthening the United Nations' ability to conduct peace operations. To encourage these approaches, we strongly urge the U.S. and all nations to pay on time their dues and peacekeeping assessments, and to pay all their arrearages to the United Nations. The United States must avoid the costs and dangers of a unilateral role as world policeman.

A policy that provides only weak financial and political support for peacekeeping jeopardizes the United Nations' long-term future. If the U.N. is not given the resources and encouragement to improve its capabilities, confidence in it will be undermined. The world community will have sacrificed the chance to establish a truly effective multilateral peacekeeping process, with emphasis on conflict prevention. The world will become more dangerous, to the detriment of our own security.

We should take advantage of the post-Cold War situation and apply the lessons of peacekeeping from the past several years to reform and expand U.N. peace operations and make them more effective. Peace operations, which give the U.S. an opportunity to help in reducing the worldwide level of armed violence with minimum risk and cost, are squarely in our national interest.

SIGNATORIES TO STATEMENT IN SUPPORT OF U.N. PEACEKEEPING—SEPTEMBER 5, 1995

Ruth Adams, Director, Program on Peace and International Cooperation, MacArthur Foundation (retired).

Chadwick F. Alger, Professor, The Ohio State University.

John B. Anderson, President, World Federalists Association.

Mary Appelman, Chairperson, America-Israel Council for Israeli-Palestinian Peace.

Ambassador (ret.) Alfred Leroy Atherton, Jr., Former Assistant Secretary of State for Near East and South Asian Affairs (1974–1978); Ambassador to Egypt (1979–1983).

Morton Bahr, President, Communications Workers of America.

Carol Edler Baumann, Director, Institute of World Affairs.

David Beckmann, President, Bread for the World.

The Honorable Berkley Bedell, Former U.S. Representative from Iowa (1975–1986).

Marguerite Belisle, General Director, Church Women United.

Gregory A. Bischak, Executive Director, National Commission for Economic Conversion and Disarmament.

Brent Blackwelder, President, Friends of the Earth.

Barry Blechman, Chairman, The Henry L. Stimson Center.

Robert L. Borosage, Director, Campaign for New Priorities.

Robert Bowie, Former Counselor, U.S. Department of State (1966–1968); Assistant Secretary of State for Policy Planning (1953–1957).

John A. Buehrens, President, Unitarian Universalist Association.

George Bunn, Former General Counsel, Arms Control and Disarmament Agency (1961–1969); U.S. Ambassador to the Geneva Disarmament Conference (1968).

Becky Cain, President, League of Women Voters.

Rev. Dr. Joan Brown Campbell, Secretary General, National Council of Churches of Christ in the U.S.A.

Hodding Carter III, Former Assistant Secretary of State for Public Affairs (1977–1980).

Abram Chayes, Professor of Law Emeritus, Harvard Law School.

Antonia A. Chayes, Chair, Consensus Building Institute.

Rev. Drew Christiansen, S.J. Director, Office of International Justice & Peace, U.S. Catholic Conference.

Harlan Cleveland, President, World Academy of Art and Science; Former Assistant Secretary of State for International Organization Affairs (1961–1965); Ambassador to NATO (1965–1969).

Juan R.I. Cole, Professor of History, University of Michigan.

Imani Countess, Executive Director, Washington Office on Africa.

Chic Dambach, President, National Peace Corps Association.

Dave Davis, Senior Fellow, Institute of Public Policy, George Mason University.

Ambassador (ret.) Jonathan Dean, Advisor on International Security Issues, Union of Concerned Scientists; Former arms control negotiator, U.S. Department of State.

I.M. Destler, Director, Center for International and Security Studies, University of Maryland.

Kay S. Dowhower, Director, Lutheran Office for Governmental Affairs, Evangelical Lutheran Church in America.

Nancy Bearg Dyke, Director, Managing Conflict in the Post-Cold War World, Aspen Institute; Former Director of International Programs and Public Diplomacy, National Security Council (1989–1993).

Helen Fein, Executive Director, Institute for the Study of Genocide.

Evelyn P. Foote, Brigadier General, U.S. Army (Retired).

Randall Forsberg, Executive Director, Institute for Defense & Disarmament Studies.

Jerry Genesio, Executive Director, Veterans for Peace.

William Goodfellow, Executive Director, Center for International Policy.

Charles D. Gray, Director of International Affairs, AFL–CIO.

Barbara Green, Presbyterian Church/USA.

Rita Greenwald, President, National Council of Catholic Women.

Richard Hahnen, President, Global Security Research Institute.

Sam Harris, Executive Director, RESULTS.

The Honorable John W. Hechinger, President, Hechinger Company; Former U.S. Delegate to the 33rd United Nations General Assembly (1978).

J. Bryan Hehir, Professor of Religion and Society, Center for International Affairs, Harvard University.

P. Terrence Hopmann, Director, Center for Foreign Policy Development, Watson Institute for International Studies, Brown University.

Dixie Horning, Executive Director, Gray Panthers.

John Isaacs, President, Council for a Livable World Education Fund.

Jason Isaacson, Director of Government and International Affairs, American Jewish Committee.

Douglas M. Johnston, Vice President, Center for Strategic & International Studies.

Carl Kaysen, D.W. Skinner Professor of Political Economy, Emeritus, Massachusetts Institute of Technology.

John B. Kidd, Major General, U.S. Air Force (ret.).

Michael Klare, Professor of Peace and World Security Studies, Hampshire College.

Rev. Peter J. Klink, S.J., Director, National Office, Jesuit Social Ministries.

Lawrence Korb, Former Assistant Secretary of Defense (1981–1985); Chair, Executive Council, Committee for National Security.

Dr. Jean E. Krasno, Associate Director, United Nations Studies, Yale University.

Louis Kriesberg, Professor of Sociology, Syracuse University.

Betty Lall, Former Staff Director, Committee on Disarmament, U.S. Senate.

John A. Lapp, Executive Director, Mennonite Central Committee.

Ambassador (ret.) James F. Leonard, Former U.S. Deputy Permanent Representative to the United Nations (1977–1979).

Victoria Markell, Vice President, Population Action International.

J. Paul Martin, Executive Director, Center for the Study of Human Rights, Columbia University.

Charles W. Maynes, Former U.S. Assistant Secretary of State for International Organizations (1977–1980).

The Reverend Charles S. Miller, Executive Director, Division for Church in Society, Evangelical Lutheran Church in America.

Terence Miller, Director, Maryknoll Society Justice and Peace Office.

Gerald Mische, President, Global Education Associates.

Thomas B. Morgan, President & CEO, United Nations Association of the United States of America.

Dr. Robert K. Musil, Executive Director, Physicians for Social Responsibility.

Dr. David Mussington, Co-Director, International Organizations and Nonproliferation Project, Monterey Institute of International Studies.

Ester Neltrup, Executive Director, Institute for International Cooperation & Development.

Janne E. Nolan, Senior Fellow, Brookings Institution.

Charles H. Norchi, Executive Director, International League for Human Rights.

Ambassador Robert S. Oakley, Ambassador to Zaire (1979–82); Ambassador to Somalia (1982–84); Ambassador to Pakistan (1988–91); Special Envoy to Somalia (1992–94); Visiting Fellow, National Defense University.

Dr. Robert von Pagenhardt, Professor, Defense Resources Management Institute, Naval Postgraduate School.

Maurice S. Paprin, President, Fund for New Priorities in America.

Dan Plesch, Director, British American Security Information Council.

George W. Rathjens, Professor of Political Science, Massachusetts Institute of Technology.

Michael Renner, Senior Researcher, Worldwatch Institute.

Stanley R. Resor, Former Secretary of the Army (1965–1971); Chair, Board of Directors, Arms Control Association.

Anna Rhee, Executive Secretary for Public Policy, Womens Division, United Methodist Church.

Charolett Rhoads, President, Pax World Service.

Howard Ris, Executive Director, Union of Concerned Scientists.

Eugene T. Rossides, Chairman, American Hellenic Institute.

Caleb Rossiter, Director, Project on Demilitarization and Democracy.

Dr. Robert A. Rubinstein, Director, Program on the Analysis and Resolution of Conflicts, Syracuse University.

Dr. Ben Sanders, Executive Chairman, Programme for Promoting Nuclear Non-Proliferation.

James A. Schear, Senior Associate, Carnegie Endowment for International Peace.

Arthur Schlesinger, Jr., Special Assistant to the President (1961–1964); Winner, Pulitzer Prize for History.

G. Edward Schuh, Dean, Humphrey Institute of Public Affairs, University of Minnesota.

Richard Seitz, Colonel, U.S. Army (Ret.).

Susan Shaer, Executive Director, Women's Action for New Directions.

Vice Admiral John J. Shanahan (ret.), Director, Center for Defense Information.

Jane M.O. Sharp, Director, Defence and Security Programme, Institute for Public Policy Research, King's College.

Jack Sheinkman, President, Amalgamated Clothing and Textile Workers Union.

Paul H. Sherry, President, United Church of Christ.

Michael Shuman, Director, Institute for Policy Studies.

Alice Slater, Executive Director, Economists Allied for Arms Reduction.

Judith Sloan, Director, Asia Society.

Gaddis Smith, Director, Yale Center for International & Area Studies.

Theodore C. Sorenson, Former Special Counsel to the President (1961–64).

Ronald Spiers, Former Assistant Secretary of State for Politico-Military Affairs (1969–1973); U.N. Under Secretary-General for Political Affairs (1989–1992).

John D. Stempel, Patterson School of Diplomacy & International Commerce, University of Kentucky.

Jeremy J. Stone, President, Federation of American Scientists.

Russy D. Sumariwalla, President & CEO, United Way International.

Julia Taft, President, InterAction.

Kathy Thornton, RSM, National Coordinator, NETWORK: A National Catholic Social Justice Lobby.

Ambassador (ret.) William J. vanden Heuvel, Former Ambassador to the Deputy Permanent Representative to the U.N. (1979–1981); President, The Franklin and Eleanor Roosevelt Institute.

Raimo Vayrynen, Professor, Regan Director, University of Notre Dame.

George R. Vickers, Executive Director, Washington Office on Latin America.

Edith Villastrigo, National Legislative Director, Women Strike for Peace.

Joe Volk, Executive Secretary, Friends Committee on National Legislation.

Paul C. Warnke, Former Assistant Secretary of Defense for International Security Affairs (1967–69) Director, Arms Control and Disarmament Agency and Chief U.S. Arms Negotiator (1977–1978).

The Rev. Dr. Daniel E. Weiss, General Secretary, American Baptist Churches, USA.

Dr. Michael Wessells, President, Psychologists for Social Responsibility.

John C. Whitehead, Former Deputy Secretary of State (1985–1989); Chair, International Rescue Committee.

Roger P. Winter, Director, U.S. Committee for Refugees.

Adam Yarmolinsky, Former Special Assistant to the Secretary of Defense (1961–1964); Chairman, Lawyers Alliance for World Security.

Andrew Young, Former U.S. Ambassador to the United Nations (1977–1979); Vice Chairman, Law Companies Group, Inc.

FINANCING THE UNITED NATIONS

The greatest threat today to the U.N.'s effectiveness and even survival is the cancer of financial insolvency. Countries slow to pay their share include many that are small. But it is the massive delinquencies of the United States that have plunged the Organization into chronic crisis and sapped its capacity to respond to emergencies and new needs.

The services provided by international organizations are, objectively, quite cheap—especially in comparison with the sums we spend on other dimensions of national security, such as the military, as backup in the event that diplomacy and the U.N. machinery fail. The annual U.S. assessments for peacekeeping worldwide are less than the police budget for the nation's largest city. Total American contributions, voluntary as well as obligatory, for all agencies of the U.N. system amount to $7 per capita (compared to some $1,000 per capita for the Defense Department).

Some object that U.N. peacekeeping costs have exploded over the past decade, from a U.S. share of $53 million in 1985 to $1.08 billion projected for 1995. But the end of the Cold War that sparked that increase, by freeing the U.N. to be an effective agent of conflict management, also allowed for far larger reductions in other U.S. security spending: Over the same decade, Pentagon budgets have fallen $34 billion. Increased reliance on U.N. collective security operations necessarily complements our defense savings. Moreover, U.N. costs are spread among all member states, and constitute a truly cost-effective bargain for all.

However, at a time of hard budget choices, many national politicians see U.N. contributions as an easy target. They are misguided. In asserting that national parliaments can unilaterally set their nations' assessment levels, claim offsets from assessed obligations for voluntary peacekeeping contributions, and impose policy conditions for payment of their agreed share of expenses, some Washington politicians jeopardize the institutional underpinnings of the world community. No multilateral organization—whether the U.N., the World Bank, or NATO—can long survive if member states play by such rules.

In ratifying the U.N. Charter, every member state assented in law to the financial obligations of U.N. membership. Virtually all of America's allies in the industrialized world fulfill those obligations to the United Nations—in full, on time, and without conditions. Until relatively recently, so did the United States. It must do so again.

America's leaders must recommit this nation to full and timely payment of assessed contributions to the U.N. and related organizations, including prompt retirement of arrears accumulated over the past decade. Financial unreliability leaves our institutions of common purpose vulnerable and inefficient. We must sustain—and, where needed, increase—our voluntary financial support of the U.N. system's many vital activities in the economic and social fields as well as peace and security. We should press for assessment scales that fairly reflect nations' relative capacity to pay, and explore other means, including minimal fees on international transactions of appropriate types, to ensure that funds to pay for the U.N. system budgets that member states approve do, in fact, materialize.

AMERICA'S STAKE IN THE UNITED NATIONS

Fifty years ago we, the people of the United States, joined in common purpose and shared commitment with the people of 50 other nations. The most catastrophic war in history had convinced nations that no country could any longer be safe and secure in isolation. From this realization was born the United Nations—the idea of a genuine world community and a framework for solving human problems that transcend national boundaries. Since then, technology and economics have transformed "world community" from a phrase to a fact, and if the World War II generation had not already established the U.N. system, today's would have to create it.

The founders of the United Nations were clairvoyant in many ways. The Charter anticipated decolonization; called for "respect for human rights and fundamental freedoms for all without distinction as to race, sex, language, or religion"; and set up the institutional framework "for the promotion of the economic and social advancement of all peoples." In meeting the Charter's challenges, we make for a more secure and prosperous world.

Through the U.N. system, many serious conflicts have been contained or concluded. Diseases have been controlled or eradicated, children immunized, refugees protected and fed. Nations have set standards on issues of common concern—ranging from human rights to environmental survival to radio frequencies. Collective action has also furthered particular U.S. government interests, such as averting a widening war in the Middle East into which Washington might otherwise be drawn. After half a century, the U.N. remains a unique investment yielding multiple dividends for Americans and others alike.

The U.N.'s mandate to preserve peace and security was long hobbled by the Cold War, whose end has allowed the institutions of global security to spring to life. The five permanent members of the Security Council now meet and function as a cohesive group, and what the Council has lost in rhetorical drama it has more than gained in forging common policies. Starting with the Reagan Administration's effort to marshal the Security Council to help bring an end to the Iran-Iraq war in 1988, every U.S. administration has turned to the U.N. for collective action to help maintain or restore peace. Common policy may not always result in success, but neither does unilateral policy—and, unlike unilateral intervention, it spreads costs and risks widely and may help avoid policy disasters.

Paradoxically, the end of the Cold War has also given rise in the U.S. to a resurgent isolationism, along with calls for unilateral, go-it-alone policies. Developments in many places that once would have stirred alarm are now viewed with indifference. When they do excite American political interest, the impulse is often to respond unilaterally in the conviction that only Washington can do the job and do it right. Without a Soviet threat, some Americans imagine we can renounce "foreign entanglements." Growing hostility to U.N. peacekeeping in some political circles reflects, in large measure, the shortsighted idea that America has little at stake in the maintenance of a peaceful world. In some quarters, resentment smolders at any hint of reciprocal obligations, but in a country founded on the rule of law, the notion that law should rule among nations ought not to be controversial.

The political impulse to go it alone surges at precisely the moment when nations have become deeply interconnected. The need for international teamwork has never been clearer. Goods, capital, news, entertainment, and ideas flow across national borders with astonishing speed. So do refugees, diseases, drugs, environmental degradation, terrorists, and currency crashes.

The institutions of the U.N. system are not perfect, but they remain our best tools for concerted international action. Just as Americans often seek to reform our own government, we must press for improvement of the U.N. system. Fragmented and of limited power, prone to political paralysis, bureaucratic torpor, and opaque accountability, the U.N. system requires reform—but not wrecking. Governments and citizens must press for changes that improve agencies' efficiency, enhance their responsiveness, and make them accountable to the world's publics they were created to serve. Our world institutions can only be strengthened with the informed engagement of national leaders, press, and the public at large.

The American people have not lost their commitment to the United Nations and to the rule of law. They reaffirm it consistently, whether in opinion surveys or UNICEF campaigns. Recognizing the public's sentiment, the foes of America's U.N. commitment—unilateralists, isolationists, or whatever—do not call openly for rejecting the U.N. as they had earlier rejected outright the League of Nations. But the systematic paring back of our commitment to international law and participation in institutions would have the same effect.

In this 50th anniversary year, America's leaders should rededicate the nation to the promise of a more peaceful and prosperous world contained in the U.N. Charter. In that spirit, the United Nations Association of the United States calls on the people and government of the United States, and those of all other U.N. member states, to join in strengthening the United Nations system for the 21st century.

In particular, we call for action in five areas, which will be the top policy priorities of UNA-USA as we enter the U.N.'s second half-century: Reliable financing of the United Nations system; strong and effective U.N. machinery to help keep the peace; promotion of broad-based and sustainable world economic growth; vigorous defense of human rights and protection of displaced populations; control, reduction, or elimination of highly destructive weaponry.

Mr. SIMON. And then the next is a letter, a policy statement by the United Nations Association of the United States of America, sent to me—I am sure to all Members of the Senate—by the former Deputy Secretary of State John Whitehead, who many of us had a chance to know and respect a great deal. He was the Deputy Secretary of State under Jim Baker. I ask unanimous consent that his fine statement be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED NATIONS ASSOCIATION OF
THE UNITED STATES OF AMERICA,
July 26, 1995.

Hon. PAUL SIMON,
Washington, DC.

DEAR SENATOR SIMON: I am writing to share with you a policy statement of the United Nations Association of the United States (UNA-USA) on the U.S. stake in the United Nations and U.N. financing, adopted in late June by UNA-USA's national convention on the occasion of the 50th anniversary of the signing of the United Nations Charter.

It is a serious yet succinct statement on an issue of considerable importance, with major implications for the Congress. We hope you will find it of interest. UNA-USA is eager to make a constructive contribution to the policy debate.

We should be pleased to share any reactions with UNA-USA's 25,000 members.

Sincerely,
JOHN C. WHITEHEAD,
Chairman of the Association.

Mr. SIMON. Mr. President, I am not offering an amendment on this because, real candidly, I know what the results would be. But I hope that in conference my colleagues will keep in mind that even the House, conservative as they are, put in $425 million for U.N. peacekeeping compared to our $250 million. I hope we will go to the House figure on this.

Mr. President, I yield the floor.

Mr. HOLLINGS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, I ask unanimous consent to set aside the pending amendments, without any invasion or impingement upon the time agreements attendant to those amendments. I will offer an amendment and ask for 20 minutes, to be equally divided between Senators PELL, BUMPERS, and DORGAN, with the understanding that there will still be a vote at 9 p.m.

The PRESIDING OFFICER. Is there objection?

Mr. FORD. Reserving the right to object, would the Senator withhold?

Mr. HATFIELD. I am happy to withhold.

Mr. FORD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. FORD. Mr. President, I object.

The PRESIDING OFFICER. The clerk will continue to call the roll.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, I have sent an amendment to the desk. I withdraw any further request for unanimous-consent request on time. I am just going to utilize the void that exists here on the floor and take up what time I wish.

This amendment, Mr. President, if approved, I think would greatly improve our national security. My amendment, which is identical to a freestanding bill, the code of conduct on arms transfers, would place restrictions on arms transfers to nations which pose potential threats to the United States or to our allies.

I do not want to go into my long drawn-out speech reciting the very sorry record of this country in being the biggest arms peddler in the world today. Merchants of death is about what you should more accurately title our role in these matters of providing arms to Third World countries that cannot even develop a subsistence agriculture to feed their own people, and using up to 85 percent of their own national budgets to fill their lust for arms that we have infected them with.

At least I think we ought to begin to try to draw some kind of parameters around this come-one-come-all big arms sale today in the United States. Sending out our Secretary of Commerce to hawk arms at the Paris arms show, informing our diplomatic posts around the world that certainly they would help facilitate any arms transfers they can create in their country.

What we are offering here is this amendment to the Justice-State-Commerce appropriations bill on behalf of Senator PELL, Senator DORGAN, Senator BUMPERS, and myself.

I acknowledge that this is not the perfect vehicle for a discussion on the issue of arms transfers. After all, the yearly appropriations process is virtually the only time Congress provides its input on military aid to other countries, and at least some oversight exists in the programs funded by yearly appropriations.

My amendment is very easy to explain. It is very straightforward. The focus of the code of conduct on arms transfers is not what may be sold or transferred to another nation; but rather who should receive U.S. arms. The code of conduct says it is generally not in the interest of the United States to send arms to nations which are undemocratic, or abuse human rights, engage in illegal acts of war, or refuse to participate in the U.N. Registry of Arms. In other words, U.S.-built weapons should not be provided to nations which are a threat to our security.

We have had plenty of history where we have faced our own arms in a battle where they are aimed against our own people. I need not go into a long recitation of that.

Our world is awash in conventional weapons. This is conventional weapon focus. Even as we celebrate another major victory in nuclear arms control, the permanent ratification of the Nuclear Non-Proliferation Treaty, and come closer to reaching agreement on a permanent ban on underground nuclear testing, we cannot ignore the death and destruction caused by conventional arms. Over 40 million people killed by conventional weapons since World War II. That is a pretty sizable part of the world's population.

More than anything else, we cannot ignore the last four times the United States sent significant numbers of troops to combat. Our soldiers faced adversaries which had received U.S. arms, training, or military assistance. I am talking about Panama, Iraq, Haiti, Somalia.

In other words, our arms transfer policy has backfired, particularly in those instances. It has created the boomerang effect where U.S.-provided weapons are used against our own military. Clearly, a new policy is needed.

The American public has been polled on the question of arms transfers and resoundingly—over 95 percent—said that no U.S. arms should go to dictators. Yet the United States continues to provide arms to nations which are not democratic.

The Clinton administration undertook to review the arms trade policy last year. That process took many months and the announcement was made in February of this year, 1995, that a new policy had been adopted. The truth is there was nothing new about the administration's policy. It represents no real departure from the arms transfer program our Nation has followed for the past 15 years.

We can go back and say this whole idea emanated out of post-World War II France when General de Gaulle needed to try to replenish the military arms arsenal of plans and found the best way to do it was to sell arms to other parts of the world to make money off of them to fill his own arms needs.

If we want to go with the President, President Kennedy in 1961 saw that as a policy and began to launch that policy in this country. So, consequently, we have had Democrat and Republican alike, no change or difference in party labels, that have followed this kind of arms peddling policy.

I think one important and dangerous difference today than previous has been thanks to the new policy that domestic economic considerations now have an important role to play in arms transfer decisions. Apparently we are willing to trade national security away for a few jobs. In other words, domestic production. That is foreign trade.

I think it is very interesting, we used to have a Department in the Defense Department, Department of Munitions. Now we call it the Department of International Defense Trade. Is that not a nice, sweet name for nothing but peddling arms?

This position is terribly out of step with the international movement to curb arm transfers. Last week I received a letter from Nobel laureate Dr. Oscar Arias, the former President of Costa Rica, who informed me that he is organizing a commission of Nobel laureates to develop an international code of conduct on arms transfers to be presented to the U.N. General Assembly.

Dr. Arias has already signed on four additional Nobel laureates in this effort—mind you within this very brief period of time, four more, which is based in part upon the code of conduct I am presenting here on behalf of my colleagues and myself.

In addition, I have heard from members of the European parliament, led by Glenys Kinnock. The efforts are underway to develop a comprehensive arms export control policy to be endorsed by the European Union.

Mr. Kinnock points out in his letter, this is Mr. Glenys Kinnock, that the United States and the nations of the European Union together will sell 80 percent of the world's weapons this year—80 percent.

Clearly, the code of conduct on arms transfers is not a unilateral move which will have only limited effect upon the global flow of arms. This is an international initiative which demands U.S. leadership.

Yet the administration refuses to make this pledge. Under Secretary of State Lynn Davis also testified before the Appropriations Committee on the matter of arms transfers. Secretary Davis told me that she thought that all components of the code of conduct on arms transfers—this bill or this amendment—democracy, human rights, transparency in arms transfers and reunification of illegal wars—were all acceptable to the administration, and indeed, are all shared goals.

Setting goals is not enough. Nondemocratic governments received 85 percent of the $55.2 billion of American weapons that were transferred to developing countries through sales or foreign aid during the past 4 years.

With a record like that, I could not disagree more with the administration's assertion that flexibility is the most important factor in arms transfer policy.

But I nonetheless have, in my amendment, provided a waiver authority, so that the President may come to Congress with a request to provide arms transfers to a nation who does not meet the criteria when it is in the interest of our own national security.

Should dictators be rewarded with weapons? Of course not. Early this past summer the Catholic Bishops of the United States approved unanimously a major statement calling upon the United States to undertake "more serious efforts to control and radically reduce" its role in the arms trade.

Many of you know that I have been a longtime critic of arms sales to the developing world. As I have indicated earlier, too many poorer nations—nations which have inadequate water and food supplies, inadequate education, and inadequate housing—have been caught up on regional arms races or been subjected to the gross military expenditures of despots. For years the United States has led the way in sales to these countries, although I would note that France slipped ahead of us this past year.

Earlier this year I held a hearing on the bill which is the basis for the amendment I offer today. A representative from Human Rights Watch provided testimony to the Appropriations Committee regarding the link between human rights and conventional weapons transfers. The representative reminded the committee that "the fact of arms does not necessarily create abuse" but went on to discuss how the tragic genocide in Rwanda a year ago was worsened by the enormous flow of weapons the year before the massacres. The influx of grenades and automatic weapons—all available cheaply—not only brought on the creation of militia who left tens of thousands of Rwandans dead. The Existence of these weapons also made U.N. efforts to protect refugees extremely difficult.

If we are to prevent future Rwandas and improve international respect for human rights and promote democracy, we need a code of conduct on arms transfers. The United States can and should exert its leadership by stating explicitly that it does not sell arms to dictators.

Mr. President, one closing remark. We have problems today in Bosnia and the Balkans. I stood on this floor 2½ years ago and warned about the flow of arms coming in both directions on the Danube. The Danube River was literally a river full of arms going into that very part of the world, from allies, from friends as well as from people of different kinds of relationships to the United States. These are now coming home to roost.

People say what else can we do but to send troops? What else can we do but to bomb? If we would choke off the supply of arms into that area of the world, we would be saving lives and we would be going to the source of the conflict and the source of the destruction and the source of the violence. But, unfortunately, arms have become too big an economic enterprise in our Western World, particularly in the United States. So it is much easier to call out the troops and send them into trouble spots of the world than to choke off arms to the world. We are now, as I say, one of the largest peddlers of such arms in all parts of the world.

Mr. President, I made my pitch. I want to say I appreciate being able to inject this at this moment. If the time is such that Senator BUMPERS and other cosponsors of this may have a moment to speak, I will hold it in suspension. I am ready to close off and call for a vote. I recognize the ultimate defeat, but nevertheless I feel constrained to make this pitch at this time.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. INHOFE. Mr. President, is the Senator from Oregon waiting now to call for a vote on his amendment or has he yielded the floor?

Mr. HATFIELD. I yield the floor.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. INHOFE. Mr. President, tonight we are going to be voting on some amendments that are very significant, and I want to take an opportunity to express some views concerning those amendments. One is going to be offered to refund to its 1995 fiscal year level—I believe it is $415 million—the Legal Services Corporation.

This is a place we should draw the line, go back. In fact, this is one area where the Senate came out with a better proposal than the House came out with. It is my understanding the House suggested reducing the funding to $278 million. The Senate would reduce it down to $210 million and have that block granted out to the States.

I really believe the Legal Services Corporation was conceived as a part of the Great Society program, understandably, perhaps, at the time, to offer legal services to the poor. However, over a period of years it has turned into an agency that is trying to reshape the political and legal and social fabric of America. In fiscal year 1995, the taxpayers spent $415 million to operate the Legal Services Corporation. However, the cost, the $415 million, is only a very small part of it when you consider the extensive class action suits and frivolous litigation that has followed.

There are so many examples that have been given here on the floor, and that I have given myself, concerning the activities of the LSC. The negative effects of the LSC's attempts to reorder society permeate our culture, from the business community to government to homes to churches. Perhaps the most troubling is the role of legal aid in challenging parental involvement statutes, so-called children's rights advocates such as Mrs. Clinton, who served as the chairperson for the LSC's board that challenged parental consent laws in several States. The income level of the litigants was often ignored. It really cannot be used as an argument that it was to provide legal services for the poor.

Parents are attacked in their efforts in keeping drugs out of their homes. In Idaho, the LSC protested when parents voluntarily invited police into their homes to check for drugs. Legal aid asserted privacy rights of the violators, who were teenagers who were on drugs at the time.

We have had Legal Services also involved in illegal immigration. The LSC supported organizations that sued California for its efforts to ascertain residents' immigration status for emergency Medicaid services. Legal Services promised to take this one to the Supreme Court.

Legal Services also contributes to our public housing woes. The LSC tried to prevent the local housing authority from evicting a woman who was dealing in drugs out of her apartment. Despite overwhelming evidence of constant drug-related activity, the LSC lawyers vigorously opposed her eviction on the grounds that she was not aware of what was going on.

The examples go on and on and on. I encourage my colleagues to seriously consider defeating the amendment that will be offered tonight.

There is another one coming up I heard articulated on this floor a moment ago by the Senator from Texas, Senator GRAMM. Although he was talking about his amendment, the Shelby-Inhofe amendment that will be offered later on is an amendment to put work back into our prison system. We have proposed in this amendment that we require work, 48 hours per week, along with education pursuits so individuals can go out when they are once released and work themselves back into society.

I know a lot of people are saying these are not country clubs; our prison system already is punishing criminals. I suggest that, since the 1960's, we have grown in this body to be more concerned about the violators than we have the victims.

The other day, I ran into a notice that was posted in one of the Massachusetts correctional facilities where it stated:

> A third softball field will be made in the west field in order to allow more inmates to play softball. The horseshoe pits will be temporarily relocated near the golf course. The boccie [or whatever that is called] area will be relocated at the site of the new gym. The soccer field will be relocated to the east field behind the softball field.

It goes on to say, "We hope that our clients"—they do not call them inmates, do not call them prisoners—"will not be inconvenienced too much."

I think it is time. If there is one mandate that came with the elections of 1994, it was to start to change our prison system, to quit spending the exorbitant amounts, and to get involved in punishment as a deterrent to crime.

I was very proud when we passed our bill through the Senate, after the disaster occurred in the State of Oklahoma, that calls for real habeas reform and, for the first time, in my opinion, reverses the direction of our attitude in terms of crime and punishment.

I yield the floor.

Mr. BIDEN. Mr. President, I believe that I have 2 hours allotted to my amendment that will be equally divided.

The PRESIDING OFFICER. The Senator is correct.

Mr. BIDEN. In fairness to the Senate, I was supposed to be here at 7 o'clock to start that amendment. So I would suggest that—I have checked this with at least the staff of the minority—the time for my amendment be cut to an hour and a half equally divided so that we are finished by 9 o'clock with this amendment.

The PRESIDING OFFICER. Is there objection?

Mr. BIDEN. Mr. President, I withhold the request. I will just begin my statement, and then we can work out the time as we go along.

Before Senator INHOFE leaves the floor, I am just curious. That prison notice that he read, I would like to ask my colleague, was that a Federal prison or State prison?

Mr. INHOFE. It is a State prison. However, our amendment addresses not just Federal prisons but prisons that receive Federal funds.

Mr. BIDEN. I thank the Senator. I was just curious. I would point out to him that in the Federal prison system, we stopped fooling around—unlike the State of Oklahoma or the State of Delaware and other States—we stopped fooling around like many who served in the State legislature fool around. We passed an amendment that the Senator from Delaware offered in the late 1970's and early 1980's. It is called "the same time for the same crime." You get convicted in the Federal court, you go to jail for all the time, and I am just sorry the State legislatures are not as we have been and as the Federal Government has been for a long time.

Mr. INHOFE. If I could respond, we have been fooling around in some States. That is what this is all about, to try to get some uniformity. And any time you have a murderer like Roger Dale Stafford, who sat on death row for 15 years after murdering nine Oklahomans in cold blood, it is time that we changed our attitude toward crime and punishment in this country.

I would suggest—and I think perhaps the Senator from Delaware would agree—that when someone is contemplating a crime, and if he thinks the downside is going to be sitting on death row watching TV in an air-conditioned cell for 17 years, that is not much of a deterrent. And that is what I would like to change.

Mr. BIDEN. Mr. President, I agree with the Senator. Maybe he could make that very compelling speech to Mr. GINGRICH so we can actually pass the terrorism bill instead of him holding the terrorism bill up that we—the Senator from Oklahoma and I—worked so hard on. The House has not passed it yet. It is a great emergency.

I have not heard any speeches on the floor from my friends who were decrying failure to move quickly on the terrorism bill when we had it. I have not heard any speeches about why the Republican House of Representatives is holding it hostage. God only knows. Maybe it has to do with a line-item veto that they used to be for as well in the House. I am not sure. But I think we would all serve the Nation well if we constantly spoke out and asked Mr. GINGRICH to let the terrorism bill go instead of turning that into a habeas corpus reform. I would hate to have that sit over there for the remainder of the year.

Mr. INHOFE. I will respond that I have talked to Mr. GINGRICH, and he is very anxious to get to that. However, I think we are all aware that we have some appropriations bills to get out of the way. And, in the order of things, I am sure it will be expedited.

Mr. BIDEN. I am happy to hear that. But he had the bill for months and months before we started the appropriations process.

I do not stand for that reason. I rise to speak to an amendment that I have. Let me very briefly describe it before I send it to up to the desk.

Mr. President, the crime bill—which we passed, and is now the crime law—was in many ways authorized in this appropriations bill. My good friend from Texas, Senator GRAMM, for whom I have great respect and I have never underestimated his abilities, was very effectively able to, in the appropriations process, essentially change the authorization process by dealing with a number of the provisions in the crime laws that are in place and functioning.

What this amendment essentially attempts to do is go back and undo—whether the Senate will agree is a different story—essentially what was done in the subcommittee on appropriations. I am not speaking to each part of the amendment, but I will give you the major points.

One, it reinstates money for the drug courts. The Appropriations Committee eliminated the funding for drug courts, something that we passed a year ago into law and is now law.

Second, it eliminates money for drug treatment in prisons. I might note for those who might think that is sort of a silly, soft-headed notion that the States in the United States of America in the year 1993, after releasing prisoners from the jail—prisoners who had served their time in the State penitentiary—as they walked out the gate from a State penitentiary with the clothes they wore in and a bus ticket and five bucks in their pocket, 200,000 of them in one year walked out of that penitentiary drug addicted, drug addicted, addicted to drugs after having served their time as they walked through the portal.

So what all the evidence shows is that drug treatment in prisons is as effective as drug treatment out of prison, and it makes a big difference because you have 154 crimes a year committed by a drug-addicted person. If you have 200,000 people, after having walked out of jail, still drug addicted as they walk out the gate, we have a problem. But unfortunately, the meager amount of money that was in the crime bill, in the crime trust fund, which should have been spent and would have been spent in this upcoming year, that also was zeroed out.

In addition, there was in the crime law a provision that a vast majority of my colleagues, Democrats and Republicans, supported when we debated the crime bill 2 years ago, and that was rural drug enforcement grants. I have spent a lot of time with the Presiding Officer, my colleague from Utah. And, as a consequence, I do not pretend to know the State of Utah, but I have become much more familiar with it. I need not tell the Presiding Officer that drug trafficking in methamphetamine with the gangs from Los Angeles moving into rural Utah, drive-by shootings occurring in Salt Lake City that never occurred before, the influx into the large intermountain States of drug deals, drug cartels, and drug organizations primarily dealing in synthetic drugs and methamphetamine—all of them have put an incredible burden on all of those things and have put an incredible burden on the rural law enforcement agencies in the small towns in the State of Utah, in New Hampshire and in Delaware.

I mentioned those States because the three Senators representing those States are on the floor. We represent States where the vast majority of their cities are very small. The largest city in the State of Delaware is 85,000 people.

Now, I realize Utah is larger than that, and I think Manchester, NH, is larger than that. But the point is, we do not have that many big metropolises. We have tens, scores of small, little towns of one sheriff or one police officer or two or three. And what every rural law enforcement agency said to us when we were writing this bill was that we need help, particularly we need help in the area of dealing with drug enforcement problems, because the problems that are visited upon those small towns are not just the kids selling marijuana in the schoolyard; the real problems that have occurred in the last 10 years is these drug organizations move into those small towns, or they move into the outskirts of those small towns that in effect are incapable of being dealt with across State borders by small, rural law enforcement agencies.

Unfortunately, the subcommittee on appropriations saw fit to zero out that function as well. I attempt in this amendment to restore that money.

In addition, I also restore another thing that was cut totally, and that is the Law Enforcement Family Support Act.

Now, most people do not know what that is, but a number of us have participated, and I expect my colleagues on the floor tonight will participate in the ceremonies that take place at the law enforcement memorial once a year, where almost every year the President speaks, whether it be President Bush or President Clinton, and where we deal with and hail the slain officers and the families of officers slain in that calendar year who come to Washington. And they come to Washington to be recognized and to recognize the contributions of their spouses, mothers or fathers, brothers or sisters.

A very important part of that, as those of you who have attended may know, is that when that ceremony is over out in The Mall, there are 2 days set up of counseling for the families, the families that come from all across America, that come from Idaho, Utah, Montana, Maine, Florida.

You speak to the families of those slain officers, and they will tell you this counseling that they get as to how to deal with this and being able to deal with other families who have been through it is one of the most helpful things that happens to them. It matters to them.

What this $1.2 million we cut does is to provide that very counseling. So I hope when my colleagues vote on this amendment, they will remember that next year when they are invited down to the law enforcement memorial ceremony and they see and, God forbid, it will occur we know, another 25, 50, 100 families down there where officers have been slain in the calendar year doing their duty, we will realize that in failing to put this money back in the thing that those families valued the most will in fact not be available to them because they literally leave there, go to a luncheon and get on buses to take advantage of these counseling services. So I attempt to restore the $1.2 million in the Law Enforcement Family Support Act that was taken out by the committee.

It also restores—no new money, no change in money—the State option that is presently available under the crime law, under the prison grant portion, to allow States to use their prison dollars to build boot camps if they choose to do it. The argument that we heard on the floor, Democrats and Republicans, for the past year is that we want to allow more local control. We do not want the Federal Government telling people what they should do.

We passed, with my support and the overwhelming support of the people in this body on both sides of the aisle, the mandate legislation saying we should not be mandating to the States what they must do without sending the money. But implicit in that is we have also said as a matter of policy that we do not know federally, we have acknowledged we do not know federally as much about the specific needs of the States and the localities as the States and localities know.

So I find it curious that my colleagues, at least the majority on the appropriations subcommittee, decided to tell the States they do not have the option to build boot camps. I do not quite understand that. Everybody stood on this floor and talked about how valuable and important boot camps are. But the language that I have in this amendment—and I will go back to this in a moment—restores the State option. No requirement, no State has to build a single, solitary boot camp. They can all go build maximum security prisons. They can do whatever they want to do with the money as it relates to prisons. But they should have the option of being able to build a boot camp, as my State has decided. And there are several other changes that this amendment contains for the purpose of making sure that we in effect put the crime law back together.

This amendment is supported, I might add, by I believe every single major police organization in the country. The legislation relating to law enforcement and family support is specifically supported by the National Association of Police Organizations.

As I said, everyone may remember a year and a half ago there were a rash of police suicides across the country including what personal toll was taken on America's law enforcement officers and their families as a consequence of them being shot or wounded or killed. This amendment on the Family Support Act helps deal with that.

So let me speak a little more specifically to each of the general areas that I try to restore. Again, $100 million for drug courts, $20 million—and by the way, we authorized $150 million.

I should point out one other thing. We are dealing with moneys from a trust fund. These are not any new taxes. What we all decided to do under the leadership of Senator GRAMM of Texas and Senator BYRD of West Virginia, when the crime law was being debated a year and a half ago, was to say, look, why not make sure this is not funny money. Why not make sure we can pay for what we say we want to do. I wholeheartedly agreed.

And under the leadership of Senator BYRD, with the strong concurrence of Senator GRAMM of Texas—and quite frankly, with the ingenuity of John Hilley, who was then the administrative assistant for Senator MITCHELL—they came up with a unique idea. Never before, to the best of my knowledge, did the Senate ever set up a trust fund for law enforcement. And the way that was funded, the Senator from Texas [Mr. GRAMM], insisted that the commitment that we made to reduce the Federal work force by 272,000 people over a 5-year period be written into the law. It had not been legislated before.

And so, as a part of the crime bill we legislated, the President would have to reduce the present work force by 272,000 people. OMB calculated how much the revenue that was now being paid out of the Treasury to pay those folks' salaries would be. And we agreed that as that attrition took place—and we have cut now by 170,000 some Federal employees. We have done that. That is real. That has been done. Their paychecks would go into this trust fund and that from the trust fund the funding for the crime bill would come.

Now, someone could have argued legitimately that when I say, "No new taxes," they say, "BIDEN, you could have taken those savings from the reduction of the Federal work force and you could have lowered the deficit or lowered taxes." That is true. We could have done that. But the majority of us—and I for one strongly felt it was a higher priority to fight crime in America and give localities the resources to do that.

So I want to make it clear what we are talking about here is trust fund moneys. So what I do in this amendment is I reinstate $100 million of the $150 million for drug courts, $27 million for drug treatment in prison, $10 million for rural drug enforcement, and $1.2 million for the Law Enforcement Family Support Act, and then change other language—no reallocation of funds for making sure that States have the option dealing with being able to use prison money to build boot camps.

Now, let me speak to what I think the single most important piece of this amendment is, first, in more detail, and that is the drug courts. The Federal Government has long focused on the fight against illegal drugs, but few of its efforts have shown the promise already demonstrated by drug courts. The key to the drug court program is to punish and control offenders in the most efficient way possible.

In fact, it is precisely because of the success of the drug courts seen in model States, that I worked with the Attorney General to include the Federal support for drug courts in the 1994 crime bill signed into law a year ago.

Drug courts represent an innovation in how our criminal justice system deals with low-level, first-time drug offenders. Throughout the Nation nonviolent drug offenders are simply released back into society with no punishment, no treatment, no supervision. Nationwide, the most recent estimates are that 600,000 such offenders are on the streets; 600,000 people convicted of abusing drugs and committing crimes sent back out into the streets with no reason not to return to more drugs and more crime and with no punishment, no treatment, and no supervision—1.4 million of these nonviolent drug offenders are convicted every year, and 600,000 of them get absolutely no treatment, no supervision, no punishment.

Now, let me tell you how the drug courts work. The drug courts work so that what happens is the States, with the money provided by the Federal Government as seed money, this $100 million, set up drug courts where they take these first-time, nonviolent offenders into the court. They adjudicate their cases very rapidly, usually within 30 days. They then sentence that offender to something, including all of the following:

First, if they are in school they must stay in school.

Second, if they have a job they must keep a job.

Third, they must be subject to random drug testing.

Fourth, they actually must report two times a week to a probation officer and a counselor.

Fifth, they are required to enlist in drug treatment and stay in drug treatment.

If they violate any of those things, they go straight to jail. They do not pass go—straight to jail. In Dade County, FL, which, unfortunately, probably has more experience with drug trafficking and illegal drug use than any other county in America, it was put into effect several years ago.

The rearrest rate prior to the institution of drug courts was about 34 percent. Thirty-four percent of all the people who were convicted the first time of a nonviolent drug offense ended up rearrested and reconvicted and back before the courts. When the drug court program was put in place—and it has been there now about 5 years, I believe, maybe a little longer—the rearrest rate dropped to around 3 percent—3 percent.

I can say to the Presiding Officer and others who are listening that in my State, the State of Delaware, a Republican attorney general named Richard Gebelein became a superior court judge and set up a drug court system like this—strict, strict, strict rules for nonviolent offenders once they are convicted, requirements of treatment, requirements of public service, requirements of random drug testing, requirements relating to keeping a job, very strict requirements. They were literally required to sign a contract. And when they violate any of those provisions, they go to jail. It is amazing what an incentive it is. It is amazing what an incentive it is.

In my State they are going to be going to boot camps because boot camps cost 40 percent less to run than the prison system does, than building bricks and mortar. So they work. I say to my friend from Utah and others who are here, they work. And, unfortunately, I know in the interest of trying to find money for other purposes in the bill, they were zeroed out. So what I do in this legislation is I restore $100 million of the $140 million that has been authorized.

Again, drug courts combine a carrot of drug treatment and the helping hand with a stick of mandatory drug testing and the gavel of a judge that says you go back to prison if, in fact, you violate any of the provisions.

For example, as of about 1 month ago, the Delaware drug court had worked on 481 offenders in my small State in what it calls its track one program. That is, 143 of these 481 people had completed the program and were on their way to being productive citizens; 80 were, to use the Delaware judge's phrase, "terminated." In other words, they were sent back to jail. And the remaining 258 are presently working their way through the program.

But an interesting thing, I say to the Presiding Officer. Guess what? Of those

481 people who were in the system, committing an average of 154 crimes a year, the crime rate has gone down precipitously among those people. And those who could not stay in the system were, to use the phrase of the former attorney general—now judge—Gebelein, they were terminated. They were sent to jail.

Absent the drug court system around the country, what happens now is they never get any treatment, they never get any punishment, they never get sent to jail; 600,000 of them a year are out there walking around after having been convicted.

So I say to my friends, as they look at this, ask their judges in their home State, ask their probation officers, ask their police officers, ask their prison officials, and I can tell you, they will find almost without exception that the drug court innovation is viewed as one of the best hopes law enforcement has to deal with what is ultimately the problem. And to paraphrase a phrase used in a Presidential campaign last time around, "It's drugs, stupid. It's drugs." Crime is drugs. "It's drugs, stupid. It's drugs."

Now, on the point of drug treatment in prisons, I will again merely make the point that it works. Last week the Department of Health and Human Services released preliminary estimates from the 1994 national household survey on drug abuse. And its report is alarming.

The survey found that among youth age 12 to 17, the rate of illicit drug use increased between 1993 and 1994 from 6.6 percent to 9.5 percent. In the past year, nearly 10 percent of our youth were using illicit drugs. Marijuana use among 12- to 17-year-olds has nearly doubled from 1992 to 1994.

Perhaps even more frightening than the upsurge in use trends is the increase in the perceived availability of illicit drugs, substances in all age groups. The percentage of youth reporting that marijuana was easy to obtain increased by over 10 percent. Fifty-nine percent of the young people in America said marijuana is easy to obtain and they know how to get it. There was an increase in the perceived availability of LSD, PCP's, and heroin for all age groups.

The percentage of people age 35 and older who claim that cocaine was easily obtainable increased from 36 to 41 percent. Clearly, despite the progress we made in drug abuse prevention and treatment and law enforcement, there is still a great deal more to be done. And things are moving the wrong way.

Given the need for more and greater efforts in the war on drugs and given their call for a strong stand on the drug issue, I cannot understand why my colleagues in this body employ the decision to abandon the key antidrug initiative in the 1994 crime law. Specifically, I would like to mention the three programs they have eliminated. One I have spoke to—the drug courts; second is drug treatment in State prisons; and the third is rural drug enforcement grants. I do not quite understand why, as we talk about drugs, we in fact find ourselves with legislation that cuts our effort in fighting drugs.

Last year, the 1994 crime law took a strong stand against drug abuse in rural areas, against drug abuse throughout the court system and in the prison system. But this bill zeros out those functions.

So it always surprises me, when we talk about being tough on drugs, why more of our colleagues do not go home and talk to their police, why they do not talk to their prison officials, why they do not talk to the tough guys, the law-and-order types, who will tell them. I am telling you they will tell you that in fact they want these programs.

What my amendment does, it takes funds from an open-ended, unfunded block grant to make sure that these dollars are targeted to the antidrug measures I mentioned. In other words, the amendment allocates funds directly—what we do is we take $117 million in the bill—we do not look for any money anywhere else —and apply it to the three programs I mentioned, and here is how we do it. We increase the fee charges to obtain green cards. A few years back, when the non-U.S. citizen was in the United States and applied for and was authorized to obtain a green card, that person would have had to return to their native country and then reenter the United States legally.

In 1994, we passed a law that allowed the person in those circumstances to remain in the United States and obtain the green card if certain requirements were satisfied. That person paid an additional fee of a few hundred dollars. The rationale behind the additional fee is that, in paying the fee, the person did not have to leave the United States, return to their home country, reenter the United States, and they saved a round-trip fare ticket. In addition, there is $21.2 million in offsets from the reduction in the State prison grants.

I note that the House funded the administration's request of $500 million. The bill before us provides $750 million for prisons. We all know that whatever comes out of conference is not going to be $750 million. So we take $21 million—a mere $21 million—out of the additional $250 million for State prisons that the Senate subcommittee put in. And should it be adopted, the bill would still provide more than $725 million for prison grants. And so when my colleagues legitimately ask, OK, BIDEN, let us assume the three programs that you and the cops talk about all the time are as good as you say, and that is drug courts, the drug prison money, and drug treatment money in prisons and rural drug enforcement—what I did was I found the $117 million to offset that from the places I just stated.

I see my friend from Missouri. I have more to say. How much time remains for the Senator from Delaware?

The PRESIDING OFFICER (Mr. THOMAS). There is no time, since the amendment has not been offered.

Mr. BIDEN. I did not mean to do that to the body. I was trying to save time.

Mr. GREGG. Will the Senator yield for a question?

Mr. BIDEN. Sure.

Mr. GREGG. Will the Senator from Delaware be inclined to have the time that has been consumed applied to the hour and then have the time begin to run?

Mr. BIDEN. Yes, I would. It is not my intention, by not sending up the amendment, to be able to elongate the time that would have otherwise been allotted to the Senator from Delaware. I will do that. The reason why I have not sent the amendment to the desk is there are a few changes several of my Republican colleagues want, in the form they want it in to be able to send it up. That is the reason.

I see my colleague from Missouri on the floor. I am told he would like to speak to the drug court issue. If that is the case, I ask the permission of my friend from New Hampshire whether I could ask unanimous consent to yield to him 5 minutes of whatever time I have, if we reach an agreement on that time?

Mr. GREGG. Would it be possible now to propound a unanimous-consent agreement that the time for debate on the Senator's amendment would be limited to not beyond 9 o'clock, that the time consumed up until now would be charged to your time, that the 5 minutes to be used by the Senator from Missouri be charged to our time, and that the remainder of the time be divided equally?

Mr. BIDEN. Yes, I believe so. I would like to ask, how much time would I have left under such an agreement?

The PRESIDING OFFICER. The original informal agreement was an hour and a half, from 7:30 until 9, equally divided. The Senator has since used 35 minutes out of his 45-minute allocation.

Mr. BIDEN. I am happy to accede to the suggestion of the Senator from New Hampshire, if he wishes, that the time on this amendment extend until 9 o'clock and that the Senator from Delaware would have approximately 12 minutes remaining?

Mr. GREGG. I have just been advised that if that is the case, we end up locking in the offsets here, which is something we would rather not do. Why do we not continue to proceed.

Mr. BIDEN. That is what I thought. On that score, I will be delighted to yield to the Senator from Missouri at this time. Then I will seek recognition when he finishes.

The PRESIDING OFFICER. The Senator from Missouri is recognized.

Mr. BOND. Mr. President, I am not going to take up a great deal of time. There are a number of things to work out on this amendment. I could not pass up this opportunity to come and tell this body that the concept of a drug court has been in place in Kansas City, MO, for about 2 years, and it is too early to say that this is the real solution. But the results, to date, are very spectacular.

In Kansas City, drug offenses were clogging up the court system. We did not have the court resources available to provide full trials. We were getting citations. We did not have the prison space for the minor offenders. The drug court has been used with, apparently, a great deal of success for the nonviolent minor drug offenders in Kansas City.

As the Senator from Delaware has already described, this is a program in which they go before a judge—and I talked at length with a judge—Judge Mason—whom I had the pleasure of appointing when I was Governor of Missouri, and the county prosecuting attorney, Clara McCaskle, who said this was one of the best ideas they had seen for trying to get people early on in their careers, after they started taking drugs, off of drugs and off of a life of crime.

There have been about 200 people in the program in 2 years, only 10 have been rearrested. Some of them failed. The nice thing about a drug court is that if you fail the program, that is it, you go into jail. There is no question about it. But 60 people have completed the program. Only one has been rearrested. That is a significantly higher success rate than most of the other programs I have seen for dealing with the minor drug-related offenders.

This, obviously, applies only to nonviolent offenders, who have not used a weapon in their crime. We think this kind of tough supervision by a concerned judge—and it requires a judge who is willing to devote his or her time to these cases, to give the drug offender the attention and discipline needed to get them off of the drug habit and get them out of a life of crime, offers a great degree of promise.

I had asked that the drug court at least be made a permissible use under the block grant program. Frankly, I think making it a permissible use is not enough. Based on what we have seen, I would like to see the drug court procedure in the law in some form.

I look forward to working with my colleague from Delaware and my colleague from New Hampshire to see if we cannot include provisions for drug courts. I can tell you, from the heartland where we have a drug problem, the drug courts seem to be one of the most promising ways of dealing with the problem. Anything in this area that holds out a chance of working I think should be given a chance.

At the very least, the drug court program should be made an option used under the block grant program. I would like to see us go further. I would like to see us say that drug grant programs should be entitled to a certain percentage of the block grants.

I look forward to working with the managers on both sides.

Mr. President, I reserve the balance of my time. I yield the floor.

Mr. BIDEN. Mr. President, in keeping with our informality here, let me finish up. I thank my friend from Missouri for speaking to the efficacy of drug courts.

Let me speak to two other pieces of this amendment. One is the rural drug enforcement grants. The latest reports from rural America tell a bitter story of violent crime, murder, rape, aggravated assault. It is rising faster in rural America. Most of our colleagues from urban States do not realize this. It is rising faster in rural America than in urban America.

From 1992 to 1993 alone, the violent crime rate in rural areas increased 7.4 percent; violent crime among juveniles in rural areas—violent crime now—rose 15.2 percent in rural areas.

Drug trafficking and addiction are also skyrocketing in America's rural States, especially among our young people. Drug abuse violations have increased by nearly 30 percent among young people under the age of 18 in recent years.

At the same time, the number of law enforcement employees per 1,000 inhabitants in rural areas has not changed, leaving already understaffed law enforcement teams in rural America to fight devastatingly high increases in serious offenses.

In 1993, the most recent year that data is available, 12 percent of our population or almost 32 million people were served by rural law enforcement agencies.

That is 32 million people who have watched their communities become frighteningly dangerous. That is 12 percent of the population that has witnessed their children becoming increasingly vulnerable to becoming victims of violent crime or becoming involved in drugs, crime and violence.

Rural drug enforcement grants have, we found, been the best way to target assistance to rural area law enforcement agencies. I might point out that Senator HATCH was one of the leaders in making sure this provision was in the crime bill.

These grants, which place a special emphasis on drug enforcement over the 32 million people living in rural areas, give the protection they need and deserve. These dollars can be used for the same purposes State and local officials use their Byrne grant money; specifically, funding will support the highly successful multijurisdictional State, local, and Federal drug enforcement task forces.

These joint efforts have proven that they work. They have a proven track record of reducing drug trafficking in rural America.

Put this in commonsense terms. How can a rural sheriff, a rural chief of police in a town of 800 or 1,000 or 1,500 or 5,000 people, with one officer or maybe as many as three or four, how can they possibly deal with the sophisticated drug operations that come into their areas? They cannot do it.

In the good old days when I was chairman of the Judiciary Committee, many of my colleagues, Republican as well as Democrats, would come to me and say, "Joe, can you help me get an extra DEA agent in Montana? Can you help me get an extra DEA agent or two of them in Idaho or North Dakota, South Dakota, Vermont, Maine?" Small States, but rural States. They are big geographically.

The reason they needed them is their local sheriffs, their local police officer coming to them and saying, "We need some expert help and advice." We even went so far as to allow for the providing of training for local law enforcement officers from rural and small police departments down at the FBI training facility. They need the expertise.

These are brave women and men who are outmanned, outgunned and outsmarted because they are dealing with something that goes well beyond the town limits or the county limits that they have the jurisdiction over.

Ten rural States are eligible for these grants statewide. These States include Alaska, Arkansas, Arizona, Colorado, Idaho, Iowa, Kansas, Maine, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Utah, Vermont, and Wyoming.

I will note that Delaware is not on that list. These States that I mention, these 19 rural States are eligible for statewide grants, although all the remaining States, the remaining 31 States could benefit in their rural areas. Rural areas of all other States will receive funds, as well. These grants must be removed from the unfocused block grant and funded separately. If they are to remain in the block grant scheme, they will have to compete with a great many programs for limited funds.

Let me ask all who are not in the 19 States, what do you think of the possibility your rural law enforcement officer is going to get this money? What do you think the possibility is that your Governor will send it your way? Do you think maybe it will go where the population centers are?

I bet it surprises even some of my colleagues here on the floor to hear me say that violent crime is rising faster in the rural parts of your State than it is in the urban parts of your State.

In the block grant, I very much doubt and I believe you would be hard pressed to convince me or yourself that this money which was specifically earmarked for rural areas and States that are rural in nature, they need the help. So I would like to point out that rural areas often come up last when it comes to the so-called funding fight in each State. This fact has not escaped my colleagues in previous years.

The need for special targets of anticrime funds to rural areas was also expressed by my colleague, Senator HATCH, on February 10, 1994, while he was speaking in support of the Biden-Hatch rural crime amendment, when he said:

> We need to get more officers to rural areas where the violent crime problem is increasing at a greater rate . . . drugs, crime, and violence are national problems facing both urban and rural America. Unfortunately, the crime problems faced in rural America have been overlooked by Federal agencies in Washington. They have focused on the crime in urban areas. Yet the problems of rural states need greater Federal attention as well . . . if there is a place where additional Federal expenditures is warranted, it is to fight crime and violence in rural states.

That was what my colleague said February 10, 1994. In the 102d Congress, Senators Adams, BAUCUS, BRYAN, BUMPERS, CONRAD, DASCHLE, Fowler, HARKIN, HEFLIN, LEAHY, PRYOR all cosponsored the Rural Crime and Drug Control Act which I authored and passed in 1991.

I believe areas experiencing growth in violent crime and drugs are areas to which enforcement funds should be targeted, especially when those areas are already underfunded and their enforcement efforts such as in rural areas are undermanned. That is why I am asking the rural drug enforcement grants receive direct funding, so they can guarantee rural areas their fair share of help from the Federal Government in ridding their communities of drugs and crime related to drugs.

Again, I daresay if you go ask your rural law enforcement people what they would rather have, what chance they think they have of getting any adequate funding out of this when it goes into one big pot and it goes into the State legislature and is distributed by the Governor, I wonder if they think they are going to get a fair share. I predict to you they will not.

If the Dole block grant is adopted, the block grant amendment introduced by Senator DOLE gives targeted aid to urban areas. The formula for the block grants is targeted to high-crime areas, weighs population in its equation for determining crime rates, and the formula guarantees that urban areas will receive targeted funds while assuming that most rural areas will not receive such aid.

In 1993, the most recent year for which data is available, the murder rate grew 3.4 percent in rural America and it decreased 2.8 percent in the Nation's largest cities. Similarly, the violent crime rate rose 1.4 percent in rural areas, while it decreased 3.4 percent in the largest cities.

But the Dole block grant proposal that is in this bill targets aid to the most populous areas. It clearly does not target funds to those areas most in need, rural America. While violent crime rates, including homicide, forcible rape and assault, are declining in urban areas, they are clearly on the rise in rural America. And rural America does not receive the funds under this block grant proposal. Rural areas have historically had the hardest time producing funds for law enforcement, and it seems to me we should not allow these areas to continue to receive less attention and less antidrug-related money than urban areas just because they are less populous.

This is just an example of the creative budget games that are going on. By providing open-ended block grant funds which may be used for this or any other program, while at the same time significantly cutting the amount of total funding available, my friends are limiting programs such as rural drug enforcement block grants without doing so directly because of where they will have to compete.

The last point I wish to speak of at this moment is the boot camps.

Our ability to reduce crime in a manner depends directly upon our ability to target offenders with the appropriate time of sentence.

This means, of course, we have to identify violent offenders and make sure they go to prison. But it also means we must separate out the nonviolent offenders who can be diverted, potentially, from a career of crime through an intensive cost-effective programs such as military-style boot camps.

That is exactly what we did in 1994 with the Biden crime law. We encouraged the States to identify nonviolent offenders and offer them alternative, more cost-effective programs while we, in fact, kept them incarcerated. We provide $9.7 billion to States to build and operate prisons and we gave them the option to use a portion of that money for boot camps.

This appropriations bill would completely eliminate State flexibility to use boot camps for nonviolent offenders in order to free up conventional prison cells for violent offenders. My amendment would restore the State option, the State flexibility to use boot camps for nonviolent offenders, to use their Federal prison money for boot camps.

Let me first tell my colleagues a little bit about boot camps so they can be clear what we are talking about. Boot camps provide a regimented program of work and exercise for young, nonviolent offenders. And they have shown marked success with young offenders who learn discipline and respect for law and authority.

They are put behind barbed wire. They are locked in. They are essentially put in Quonset huts. Some argue it is inhumane. I argue if it is good enough for a marine to sleep in a Quonset hut, it did not hurt him very much, it sure in heck should not be too tough to put a convicted person, a nonviolent person in such a circumstance.

At the time we did this in the Biden crime bill just about everybody stood up and supported boot camps. It was one of the few things everybody agreed on. Now I am a little concerned. I do not know what has happened that we would go contrary to the trend of the last year, which is to give States more flexibility. I have heard no one argue these boot camps are not worthwhile. I have heard no one argue that States should not be allowed to have them. And I have heard no one argue that States should not have flexibility. So, maybe it was an oversight that States were explicitly prevented from using their prison money to build boot camps. I do not know. But the bottom line is quite simple. Boot camps work to do one very important thing—I suspect many others, but one. That is, I will end where I started.

Two years ago the States convicted—not in Federal court, in State court—several hundred thousand violent offenders were convicted in the State court system. Mr. President, 30,000 convicted, violent offenders never spent a day in jail—30,000, in the States; 30,000 convicted State felons, violent felons, never served a day in jail. The reason they did not is because the State legislatures did not want to go back to their folks in the State and say to get tough on crime we have to build more prisons. To get tough on crime we have to raise your taxes. To get tough on crime we are going to increase our spending. Most States did not do that.

What this does, it gives the States the option to be cost effective. For 40 percent of cost, they can take the nonviolent offenders, who are serving time in a penitentiary, behind bars, in a secure, maximum security facility, put them behind barbed wire with folks with guns watching them, in Quonset huts, and free up hard-core prison space for the violent offenders.

At a minimum that is what boot camps do. At a minimum. They also do much more. But in the interests of time I will not belabor the Senate with that argument.

So, to sum up, what I do here is I come up with a total of $117 million in shifting around of how the Appropriations Committee allocates the money. I take $117 million and I get it two ways. One, I take a total of $21.2 million from State prisons, which were increased by a quarter-billion dollars by this committee over the requested amount, and over what the House has, still leaving a total of $225 million for prison grants. And I take money by increased fees on people obtaining green cards, because they now would have to go home and spend the cost of going home and back to be able to get the green card and now they do not have to do that. It is not onerous. It is a reasonable charge for that privilege. And that is how I get the $117 million in offsets.

I take that money and I put it in the drug courts, drug treatment and prisons and rural drugs as well as law enforcement, family support.

I thank my friend from New Hampshire for his indulgence in listening to my amendment and I will be happy to yield the floor for him or anyone else to speak against the amendment. But I ask unanimous consent to send the amendment to the desk, that no amendments to my amendment be in order, and that my amendment be in order.

Mr. GREGG. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2818

(Purpose: To restore funding for residential substance abuse treatment for State prisoners, rural drug enforcement assistance, the Public Safety Partnership and Community Policing Act of 1994, drug courts, grants or contracts to the Boys and Girls Clubs of America to establish Boys and Girls Clubs in public housing, and law enforcement family support programs, to restore the authority of the Office of National Drug Control Policy, to strike the State and Local Law Enforcement Assistance Block Grant Program, and to restore the option of States to use prison block grant funds for boot camps)

Mr. BIDEN. I send the amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Delaware [Mr. BIDEN], for himself and Mr. BRYAN, proposes an amendment numbered 2818.

Mr. BIDEN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 26, line 10, after "Act;" insert the following: "$27,000,000 for grants for residential substance abuse treatment for State prisoners pursuant to section 1001(a)(17) of the 1968 Act; $10,252,000 for grants for rural drug enforcement assistance pursuant to section 1001(a)(9) of the 1968 Act;".

On page 28, line 11, before "$25,000,000" insert "$150,000,000 shall be for drug courts pursuant to title V of the 1994 Act".

On page 29 line 6, strike "$750,000,000" and insert "$728,800,000".

On page 29, line 15, after "Act;" insert the following: "$1,200,000 for Law Enforcement Family Support Programs, as authorized by section 1001(a)(21) of the 1968 Act".

On page 44, lines 8 and 9, strike "conventional correctional facilities, including prisons and jails," and insert "correctional facilities, including prisons and jails, or boot camp facilities and other low cost correctional facilities for nonviolent offenders that can free conventional prison space".

On page 20, line 16 strike all that follows to page 20 line 19 and insert:"

Section 245(i) of the Immigration and Nationality Act (8 U.S.C. 1255(i)) is amended—

(1) in the second sentence of paragraph (1), by striking "five" and inserting "ten"; and

(2) in paragraph (3), by inserting before the period at the end the following: "or, notwithstanding any other provsion of law, may be deposited as offsetting collections in the Immigration and Naturalization Service "Salaries and Expenses" appropriations account to be available to support border enforcement and control programs".

The amendments made by subsection (a) shall apply to funds remitted with applications for adjustment of status which were filed on or after the date of enactment of this Act.

For activities authorized by section 130086 of Public Law 103–322, $10,300,000, to remain available until expended, which shall be derived from the Violent Crime Reduction Trust Fund.

Mr. BIDEN. I realize this is a mildly backward way of doing it, speaking to it before I send it to the desk, but I did it, and I yield to the Senator from New Hampshire.

Mr. GREGG. Mr. President, I appreciate the presentation of the Senator from Delaware. There is some which I agree with and some which I do not agree with. I would like to point out that I agree with his comments relative to boot camp. We have used the boot camp process in New Hampshire, and it has been quite successful. I have to believe that the decision to drop the boot camp was inadvertent. I hope we will correct it.

If the Senator at some point wishes to divide his amendment and bring that up separately, I would certainly be supportive of it. In any event, hopefully we can at least work out that part of his amendment.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GREGG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WELLSTONE. Mr. President, the bill the Senate is currently considering: (1) would dismantle the COPS program, (2) would combine the COPS program and the crime prevention block grant into one big block grant, and (3) would cut the funding for both.

I believe this would, first of all, open the door to funding anything under the sun that a Governor determines is law enforcement or crime prevention. And, it effectively would eliminate all crime prevention from this crime bill that is now law.

This, I say to my colleagues, turns the clock back on the commitment we made last year to help communities fighting as well as prevent crime.

Last year Congress passed and the President signed the Violent Crime Control and Law Enforcement Act of 1994. A central part of the crime bill included money for the hiring, over 5 years, of 100,000 more police officers under the Community Oriented Policing Services (COPS) Program. To date, under this program, more than 25,000 police officers have been hired—in Minnesota alone, 354 new cops have been funded. Importantly, each of these officers was hired to be on the beat, not in the office.

At a time of very tight budgets, the money for both the COPS Program and the crime prevention block grant come from savings achieved by reducing the Federal bureaucracy. None of these new police officers or crime prevention programs are adding an additional burden on the taxpayer. We, as a Congress, and indeed a country, made fighting crime a top priority last year when we decided to use the savings from streamlining the Federal Government and from cutting some domestic programs for fighting crime.

The COPS Program is a good program. It is reaching and helping communities. It is very flexible. Local jurisdictions can work with the Justice Department to meet their particular needs. The Justice Department has acted swiftly, has minimized the paperwork, and has staffed 800 numbers for immediate assistance. It is not surprising, therefore, that approximately 200 Minnesota jurisdictions have participated in this program. What's more, just a few weeks ago Attorney General Janet Reno announced a new effort at the Department of Justice to target some of these new cops on the beat to helping address domestic violence.

Having more cops involved in community policing fighting crime, means less crime. It is as simple as that. In only a short time the COPS Program is already delivering on its promise of providing more police officers in a very cost-effective, flexible manner. Not surprisingly those on the front line in the fight against crime have only praise for this program. Police chiefs, sheriffs, deputies, and rank-and-file police officers all support this effort to put more police in communities.

But now this very successful, popular crime-fighting program is under attack by Republicans who want to convert its funding into a block grant. Unfortunately, the Republican block grant plan does not stipulate that the money must be spent on hiring cops. Instead, the money can be redirected to fund restaurant inspectors, parking meters, radar guns—and any other of a host of things.

The money ought to be spent the way it was intended and the way law enforcement officials want it spent: to hire police officers. The Nation's major police enforcement organizations all agree on this point.

We all know that crime is one of the great plagues of our communities. People in the suburbs and people living downtown are afraid—they are afraid to go out at night, they are afraid to venture into the skyways, they are afraid to leave their cars parked on the street. We also all know that having a larger police presence helps deter the very crimes that people fear the most. Buying more parking meters, radar guns, or hiring more restaurant inspectors does not address this plague nor address peoples' legitimate fears.

It is peculiar that the party that claims to be tough on law and order is proposing as one of its first steps to change a successful, cost-effective "law and order" program—one that ought to have broad, bipartisan support.

Crime prevention was also an essential element of the crime bill. Despite the fact that at each step of the way in passing the Crime bill, prevention programs got watered down, in the end we decided that crime prevention had to be part of this bill.

Two years ago, when Congress began consideration of the crime bill we started with a substantial portion of the crime bill addressing prevention; after all, prevention is crime control, stopping crime before it ever happens. It, by the way, included something that I think is extremely important—supervised visitation centers. A model that I brought from Minnesota to help families with a history of violence.

Ultimately, we ended up with a crime bill that included a block grant to the States for prevention programs—the local community crime prevention block grant. And, funding was not even authorized until FY 96. We haven't even given it a chance to work and get into communities—one of the few provisions in the crime bill that was intended to prevent crime, one of the few provisions that was not funded until next year and some in Congress are trying to cut it off at the knees.

The local crime prevention block grant, like the COPS Program, provides a lot of flexibility to the States and communities. Under this block grant, communities can determine what types, within a general list of about 14 different ideas, of prevention programs to fund, what prevention plans fit their community the best. But this block grant is for prevention, nothing else. Again, it is one of the few aspects of the crime bill that focuses on prevention, an essential element of any crime fighting effort. And, as I stated earlier, it has not even had a chance to be implemented. This coming year would be the first year funding will actually go to help communities.

I cannot emphasize enough how important crime prevention is—especially now. And, under this appropriation bill very little, if any, funding would go to prevent crime.

If we were to listen to people in the communities that are most affected by the violence, they would say to us you have to have the money in prevention. But how interesting it is that those who would essentially eliminate these prevention programs do not come from those communities, do not know the people in those communities, and I do not think they asked the people in those communities at all what they think should be done.

Mr. President, I can just tell you that in meeting with students, students that come from some pretty tough background—students at the Work Opportunity Center in Minneapolis, which is an alternative school, young students who are mothers and others who come from real difficult circumstances, all of them said to me: You can build more prisons and you can build more jails, but the issue for us is jobs, opportunity. You will never stop this cycle of violence unless you do something that prevents it in the first place.

Then I turn to the judges, the sheriffs, and the police chiefs, and I call them on the phone in Minnesota, and I ask them what they think. And they say yes we need community police and yes we need the other parts of the crime law, but they all say, if you do not do something about preventing crime, if these young people do not have these opportunities, if we do not get serious about reducing violence in the home, do not believe for a moment that we are going to stop the cycle of violence.

Mr. President, I believe that a highly trained police, highly motivated, community-based, sensitive to the people in the communities, can make a difference. They are wanted and they are needed. But the bill we are considering today will do nothing to prevent the criminal of tomorrow. And indeed without more cops on the beat it may not do much to fight the criminals of today.

Every 5 seconds a child drops out of school in America. This is from the Children's Defense Fund study. Every 5 seconds a child drops out of a public school in the United States of America. Every 30 seconds a baby is born into poverty. Every 2 minutes a baby is born with a low birthweight. Every 2 minutes a baby is born to a mother who had no prenatal care.

Every 4 minutes a child is arrested for an alcohol-related crime. Every 7 minutes a child is arrested for selling drugs. Every 2 hours a child is murdered. Every 4 hours a child commits suicide, takes his or her life in the United States of America. And every 5 minutes a child is arrested for a violent crime.

Mr. President, if we do not continue to be serious about the prevention part, we are not going to stop the cycle of violence.

All too many young people are growing up in neighborhoods and communities in our country where if they bump into someone or look at someone the wrong way they are in trouble, where there is too much violence in their homes, where violence pervades every aspect of their life. And people who grow up in such brutal circumstances can become brutal. And that should not surprise any of us.

Prevention and law enforcement—both essential elements of any crime fighting effort. These two should not have to compete with each other for funding, nor should funding be cut for either.

IN DEFENSE OF THE COPS PROGRAM

Mr. PRYOR. Mr. President, I rise today in support of a program that is vital to each and every one of us. It is vital to the safety of our States, of our towns, of our communities. In 1994, Congress passed the omnibus crime bill. Among other things, this important legislation will put 100,000 more police officers on the street through the Community Oriented Policing Services Program—or COPS Program.

Today, as I stand in this Chamber, there are over 25,000 officers that would not be out there—protecting citizens in communities across this country—if it were not for the COPS Program.

If we eliminate this program and turn the fund over to the States in a block grant, as the Appropriations Committee has proposed, there is no guarantee that a single additional police officer will be hired. Not one. We made a commitment to the American people when we passed the crime bill. all of us, Republicans and Democrats alike, made a commitment to the citizens of this country that we would work with them to reduce crime. The COPS Program insures that more police officers will be on the beat in towns and communities across the country.

Mr. President, of the 100,000 new police officers promised, almost 26,000 have already been hired—253 in Arkansas alone. Our police departments are made up of men and women who put their lives on the line every day to make our streets safer—not just in big urban areas, but in small towns and rural areas. With a block grant, funds may not filter down to small towns that desperately need the extra help. They are being asked to do more with less as crime rates continue to rise rapidly. Gangs and drug dealers are migrating out of the larger, more sizable cities and into the smaller towns at an alarming rate.

It is our duty, Mr. President, to assist the prevention of crime in our country. The major law enforcement organizations in my State of Arkansas, as well as across the country, have united in support the COPS Program. They tell us that this program is working, that it is getting more officers on the streets. So why are we eliminating a program that is working?

I have received phone calls and letters from police chiefs and sheriffs in towns, both large and small, throughout my State praising this program.

For example, the Danville Police Department in Danville, Arkansas, has, through the COPS Program, been able to hire an additional officer to patrol the streets at night. In the month since Mike Pyburn has been hired, he has already made a drug arrest. As he was patrolling the streets one night, Officer Pyburn spotted and stopped a person with a warrant out on a misdemeanor. In this person's possession at the time of the arrest was 14 individually wrapped bags of marijuana. The COPS Program enabled this officer to be on the job and get these illegal drugs off the streets of Danville. This is one of many arrests this officer has made. Having additional night patrols has not only improved public safety, it has relieved the people's fears. The citizens of Danville can now sleep at night feeling a little safer because Officer Pyburn is on duty.

Colonel John Bailey, the Director of the Arkansas State Police, put the importance of the COPS Program into simple terms. He said that "This program puts the money where the problem is. In five years, anyone in Washington can come down and I'll say, 'This is what your money provided for us. Here he is.' and introduce them to my new officer." You can't necessarily say that with block grant funds, Mr. President.

This program is effective, and it is easy for law enforcement agencies to apply for the additional officers they so desperately need. Unlike most Federal grant programs, there are not pages and pages of complicated forms to be filled out, and extensive regulations to follow. For small towns, there is one page to fill out. That's it. One page. And it takes less than an hour to fill out.

I have a letter from Larry Emison, the Sheriff of Craighead County in Northeast Arkansas. They also have used their COPS grant to add an additional deputy to their night patrol. He has been in place since April, but the community has noticed a difference and feels safer on the streets, particularly at night. Mr. President, this feeling of safety is due in large part to this officer made possible through the COPS Program.

Chief Wiley White in DeValls Bluff has called this program "a lifesaver for the community." He hired David Huggs, a former prison guard who he had been working with for years. Chief White told me that Officer Huggs has "been a miracle for this town."

I have a lot of these stories, Mr. President. Officer Rebecca Hanson was hired in Crittenden County, Arkansas, to investigate criminal sexual abuse to children. Officer Hanson has special training in interviewing children about the abuse they have suffered. In her first 5 months since being hired, Officer Hanson has handled a total of 42 cases, resulting in 7 arrests. We can only speculate as to what might have happened to these innocent children if it hadn't been for Officer Hanson's presence on the police force.

The Morning News of Northwest Arkansas reported in July how valuable the COPS Program has been to the Rogers Police Department and the citizens of Northwest Arkansas. Two new officers have been added to their force. According to the article, Capt. Steve Russell of the Rogers Police Department said that the grant program has given them the opportunity to have additional personnel that they would not have had otherwise. Captain Russell said the COPS FAST grant program is an example of how the Federal Government can make it easier for local agencies to reap the benefits of Federal programs. I ask unanimous consent that the article be printed in the RECORD. I also ask unanimous consent that a few of the letters I have received on the COPS Program be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Morning News of Northwest Arkansas, July 19, 1995]

POLICE DEPARTMENT RECEIVES GRANT

(By Thomas Sissom)

The Rogers Police Department will reap the benefits of President Clinton's campaign promise to put 100,000 more law-enforcement officers on the streets with the receipt of a $132,337 COPS FAST grant.

"It certainly is a valuable program to local and rural law-enforcement agencies," Capt. Steve Russell, administrative commander of the Rogers Police Department, said Tuesday. "It's given us . . . the opportunity to have additional personnel we wouldn't otherwise have had."

The COPS FAST program operates under the office of Community Oriented Policing Services of the U.S. Department of Justice. The grant program is designed to help law-enforcement agencies immediately increase their available manpower. The three-year program will allow the Rogers Police Department to add two new officers with the federal grant of $132,337 added to $44,113 in local funds to cover the cost in salaries and benefits of $176,450 over the three years of the grant. After the grant ends, all of the costs will be borne by the local agency.

Russell said the COPS FAST grant program is an example of how the federal government can make it easier for local agencies to reap the benefits of federal programs.

"This was one of the fastest programs we've seen, in terms of the time from the application to us getting the money," Russell said. "That just allows us to put more police on the streets faster, which we certainly need. The application process was very simple, unlike most federal grants."

Russell said the Rogers department currently has 59 certified law-enforcement officers, with one approved slot remaining open. The department has four officers who are just completing their 10-week training course at the Arkansas Law Enforcement Training Academy in Camden. Another five are scheduled to start the course Monday. Officers who successfully complete the academy training course still have to complete another 12 weeks of field training with the department, he said, giving new officers about six months of initial training.

According to Russell, the Rogers Police Department's staffing levels are below national average for law-enforcement agencies. Rogers has 1.82 officers for every 1,000 people. The national average is 2.65 officers per 1,000 people. To reach the national average, he said, Rogers would need 87 officers.

POLICE DEPARTMENT,
CITY OF BULL SHOALS,
Bull Shoals, AR, August 1, 1995.

Senator DAVID PRYOR,
267 Russell,
Washington, DC.

SENATOR, I wish to express my sincere thanks for all your work related to the "Cops" Programs. As I am sure you know, my Department received a grant to add an Officer to the staff. That hiring has turned out to be a very progressive move. Our citizen contacts have risen markedly, and the results have been very positive.

Charles Robert Chapman is the Officer who was hired. Since his employment, which began 04–15–95, Officer Chapman has been very productive. Within the first month Officer Chapman was on the street he developed the information which lead to a search warrant and arrest of a 32 year old male subject on the charge of being a Felon in Possession of Firearm. The subject who was disarmed, had been convicted and jailed on Felonies for Burglary and Drugs. Officer Chapman also developed information from a citizen that led to the location and confiscation of Marijuana plants being grown on Federal Property. I know that in many cities these cases along with several cases related to weapons, probation violations, domestic batteries and DWI, would not make an Officer stand out. But here in a relatively secure retirement and recreation area these significant arrests go a long way to ease and assure the minds of our citizens. I have been involved in Law Enforcement for over 20 years and have never seen an Officer so well accepted and welcomed into a community. The "Cops" program is what facilitated this boost to our Department.

Again thank You for all your work. I would also like to compliment a member of your staff, Cynthia Wetmore, who has always been very responsive and made many of the processes much easier.

Sincerely,

ROBERT R. WOCHNER,
Chief of Police.

UNIVERSITY OF ARKANSAS FOR MEDICAL SCIENCES, OFFICE OF THE CHANCELLOR,
July 20, 1995.

Sheriff DICK BUSBY,
Crittenden County Sheriff Dept.,
Marion, AR.

DEAR SHERIFF BUSBY: As Multi-disciplinary Team Project Coordinator for the Arkansas Commission on Child Abuse, Rape and Domestic Violence, I wanted to commend your department for their involvement on the Crittenden County Multi-disciplinary Team. The dedication of local community professionals has had a positive impact upon the child abuse victims in your county. The Commission is particularly pleased with the number of joint investigations being conducted. Crittenden County is one of the few counties involved in joint investigations. Children are indeed much less traumatized and the quality of investigations is improved. Your time is extremely valuable and we appreciate that you are willing to give so generously to child abuse victims. We hope that you will continue to participate in the Crittenden County Multi-disciplinary Team efforts.

Sincerely,

SHANA H. CHAPLIN,
MDT Project Coordinator.

LARRY EMISON,
COUNTY SHERIFF,
Jonesboro, AR. August 2, 1995.

Senator DAVID PRYOR,
Russell Building, Room 267,
Washington, DC.
Attn: Cynthia Wetmore
REF: COPS Grant

DEAR SENATOR PRYOR: We are very pleased to be the recipient of a COPS grant for 1 deputy sheriff. Due to a lack of manpower in the past, our night patrol was lacking. This additional deputy has been placed on the night shift, therefore, giving us at least 2 deputies per night patrolling Craighead county. This has only been in place a short period of time and I can already see a difference with this additional coverage. I have had several comments from citizens within the county, stating that they now see a patrol car at night more than they have in the past.

I want to personally thank you, Congress, and President Clinton for making this program available. This will make great difference in the fight against crime in the United States.

Sincerely,

LARRY EMISON,
Craighead County Sheriff.

Mr. PRYOR. Mr. President, putting an additional 100,000 officers on the streets is a promise that this body made last year when it passed the crime bill. It is our duty to continue this vital program that represents an approximate 20 percent increase in the American police force. What the American people want is to feel safe in their homes and on the streets of their neighborhoods. They deserve this safety and the COPS Program is delivering it to them. I urge my colleagues to stand with me in protecting what is important to our country. I urge you to vote to save the COPS Program.

LEGAL SERVICES TO NATIVE AMERICANS

Mr. INOUYE. Mr. President, I seek a few moments in order to seek clarification from my esteemed colleague, the senior Senator from Alaska, with regard to language that is contained in an amendment proposed by my colleague. When the Subcommittee on Commerce, Justice, State and the Judiciary met to consider H.R. 2076, the appropriations bill for fiscal year 1996, Senator STEVENS proposed an amendment to the amendment proposed by the esteemed chairman of the full committee, Senator HATFIELD, relating to the provision of legal services as it affects Native American households.

Mr. STEVENS. Mr. President, my amendment, which was adopted by the Subcommittee on Commerce, Justice, State and Judiciary on September 7, 1995, provides that in States that have significant numbers of eligible Native American households, grants to such States would equal an amount that is 140 percent of the amount such states would otherwise receive. My amendment was necessary in order to prevent a serious reduction in legal services to Native Americans. Under current law, there is a separate, additional appropriation for legal services to the Native American community. The Legal Services Corporation is also given the flexibility to allocate additional resources to States like Alaska, which experience increased costs due to the difficulty of providing legal services to remote populations, many of which are comprised of Native Americans. Given the fact that the Legal Services Corporation, including the separate Native American appropriation, was eliminated the committee's bill, my amendment was necessary in order to ensure the continued provision of legal services to the Native American community.

Mr. INOUYE. Mr. President, I wish to express my deep appreciation to my colleague from Alaska for his efforts in this area, and for recognizing that the significant needs for legal assistance in Native American communities span a broad range of issues, from housing and sanitation to health care and education. In my own State of Hawaii, Native Hawaiians comprise less than 13 percent of the population, but represent more than 40 percent of the prison inmate population. Native Hawaiians have twice the unemployment rate of the State's general population and represent 30 percent of the State's recipients of aid to families with dependent children. Over 1,000 Native Hawaiians are homeless, representing 30 percent of the State's homeless population. Native Hawaiians have the lowest life expectancy, the highest death rate, and the highest infant mortality rate of any other group in the State. Moreover, they have the lowest education levels and the highest suicide rate in Hawaii.

Mr. President, in my State, we have the Native Hawaiian Legal Corp. [NHLC], a nonprofit organization established to provide legal services to Native Hawaiian community. NHLC has a 20 year history of providing exemplary legal assistance to Native Hawaiians, and it has long been affiliated with the Native American Rights Fund. Fifteen percent of NHLC's annual funding comes from the Native American portion of the Legal Services Corporation budget. It is my understanding that the language proposed by my esteemed colleague from Alaska is to ensure the continued provision of legal services to Native Americans that are currently being provided through a separate Native American allocation of the funding provided to the Legal Services Corporation. My question of my colleague from Alaska is whether it is his intent that Native Hawaiians would continue to be eligible to receive funds appropriated for the provision of legal services under your amendment, consistent with the current situation under the Legal Services Corporation?

Mr. STEVENS. I thank the Senator for his earlier comments. My colleague from Hawaii, in his capacity as the former chairman of the Indian Affairs Committee, has traveled many, many times to my State of Alaska, and I know that he has come to appreciate the very difficult circumstances under which the vast majority of our native villages live. I know the challenges the Senator from Hawaii faces in trying to meet the needs of native communities in the State of Hawaii, and I therefore understand full well his desire to clarify the meaning of "Native American households". When I proposed this language, it was my intention to ensure that those Native American communities, including native Hawaiian households, currently being served by the Legal Services Corporation would continue to have access to legal services under the block grant approach proposed by Senator HATFIELD. Have I sufficiently addressed my colleague's concerns?

Mr. INOUYE. Mr. President, I wish to thank my colleagues from Alaska, for clarifying this matter for me. I am certain that the native Hawaiian community will be most appreciative of the Senator's clarification.

ABUSES INVOLVING MICROWAVE INCUMBENTS

Mr. BREAUX. I would like to raise an issue that has become of concern to several members of this committee on both sides of the aisle.

Previously, as chairman of this committee and of the Appropriations Subcommittee, the Senator from South Carolina was instrumental in establishing spectrum auctions for new PCS services, and was a guiding force on developing the rules that were adopted by the FCC governing relocation of microwave licensees out of this spectrum.

He is aware, as we have discussed, that certain enterprising individuals have recruited a number of microwave incumbents as clients and now seem to be manipulating the FCC rules on microwave relocation to leverage exorbitant payments from new PCS licensees.

I am advised that if this practice continues unchecked, more and more microwave incumbents are likely to employ these unintended tactics. More importantly, it will reportedly devalue spectrum in future auctions to the tune of up to $2 billion as future bidders factor this successful gamesmanship into their bidding strategy. Previously scored revenue for deficit reduction will be unfairly diverted instead into private pockets.

Would the Senator agree with me:

First, that this type of gaming of relocation negotiations was unintended, is unreasonable, and should not be permitted to continue unchecked;

Second, that the affected parties should attempt to agree on a mutually acceptable solution to this problem;

Third, that if an acceptable compromise cannot be brought forth by the affected parties within a reasonable time period, then either Congress or the FCC should address this matter as quickly as possible with appropriate remedies?

Mr. HOLLINGS. I thank my colleague for raising this issue. As he noted, I offered an amendment on the State, Justice, Commerce Appropriations bill in 1992 on this issue. The electric utilities, oil pipelines, and railroads must have reliable communications systems. The FCC initially proposed to move these utilities' communications systems from the 2 gigahertz band to the 6 gigahertz band without ensuring that the 6 gigahertz band would provide reliable communications.

My amendment, which the FCC subsequently adopted in its rules, guaranteed that the utilities could only be moved out of the 2 gigahertz band if they are given 3 years to negotiate an agreement, if their costs of moving to the new frequency are paid for, and if the reliability of their communications at the new frequency is guaranteed.

Now I understand that some of the incumbent users may be taking advantage of the negotiation period to delay the introduction of new technologies. It was certainly not my intention to give the incumbent users an incentive to delay moving to the 6 gigahertz band purely to obtain more money. I agree with my friend that the parties involved in this issue should try to work out an acceptable solution to this issue. If the parties cannot agree to work out a compromise, I believe that Congress or the FCC may need to revisit this issue.

WOMEN'S BUSINESS PROGRAMS

Mrs. HUTCHISON. Mr. President, I would like to address an important portion of the Hatfield amendment, preservation of Small Business Administration funding for women's business programs.

I believe the issue of women in business needs to be placed in the clearer context.

The new dynamics of the American economy have brought about a sea-change in society. Thirty years ago, when most women entered the work force, they did so to supplement their families' incomes. Most often, women working outside the home did so in clerical and support roles.

Thirty years ago, a young couple could live on the income of one professional. On that income, a schoolteacher could buy a nice house in a good neighborhood. Young families could hope to save, drive a nice car, educate their children, and take vacations. Today many cannot.

Economic restructuring and societal changes have accelerated the entry of women into the work force, into the professions and into business. We see the challenges these changes have generated all around us.

Nothing has been more exciting and challenging, though, than the emergence of women as business builders and entrepreneurs. Without exception, every aspect of business offers extraordinary opportunities for women.

Women-owned firms are an increasingly dynamic sector of our economy.

According to the most recent census data available—1982–87—the number of women-owned firms increased by 57 percent—more than twice the rate of all U.S. businesses.

These businesses employed 35 percent more people in the United States than the Fortune 500 companies employed worldwide, and had a payroll of nearly $41 billion.

More women-owned businesses have staying power—over 40 percent have been in business for 12 or more years.

Businesses owned by women tend to hire more women. It is not unusual to find that two-thirds of their employees are women.

In 1993, the Small Business Administration's flagship lending program, the 7(a) program, guaranteed 25,000 loans totaling $6.4 billion to women-owned businesses. While women-owned businesses accounted for nearly one-third of all small businesses, they only made up about 10 percent of loan recipients that year. In 1994, that total rose to 24 percent.

In spite of their successes in getting started in providing employment, one of the biggest impediments that women-owned businesses face today is constraints on their growth—they remain small. Women-owned businesses average annual sales of $67,000, compared to $140,000 in sales for all small businesses.

That is why, Mr. President, the National Women's Business Council and the Women's Business Ownership Development Program are so important.

The National Women's Business Council monitors plans and programs developed in the private and public sector which affect the ability of women-owned businesses to obtain capital and credit. The council also develops and promotes new initiatives, policies and plans designed to foster women's business enterprises.

It has conducted: symposiums on getting access to capital, in conjunction with the Federal Reserve; and informational meetings on Federal Government procurement contract opportunities for women-owned businesses.

In November, the council plans to initiate a project with Northwestern University's Kellogg School of Management to develop an agenda for national research on women's entrepreneurship.

The continuation of current funding for this council's salaries and expenses at a level of $200,000 represents a modest—but prudent—investment in our Nation's business sector.

There is an urgent argument to be made for well-thought-out initiatives aimed at encouraging more women to create their own businesses:

Here are some disturbing facts: half of all working women are sole support for themselves and their families; and women and the children they support comprise more than 75 percent of people who live in poverty in the United States.

Mr. President, if we as a Nation want to reduce the reliance of women and children on welfare and social service programs, these women must become economically self-sufficient—and the opportunity for self-sufficiency will most likely come from women-owned enterprises.

The Women's Business Ownership Development Program addresses these problems in constructive ways. It is a public-private partnership whose goal is the creation of new jobs, increasing the earning potential of women, and forging a larger pool of skilled women entrepreneurs.

There are 38 demonstration sites in 20 States, with plans for more. More than 25,000 clients have been served in urban and rural locations. Each center tailors its program to the particular needs of the community. Training activities include: assistance in accessing capital; management assistance; marketing and procurement assistance; and specialized programs that address home-based businesses and international trade.

The North Texas Women's Business Development Center, which is being dedicated tomorrow, is a shining example of the promise this program holds. It is a collective effort of the National Association of Women Business Owners, the North Texas Women's Business Council, the Greater Dallas Chamber of Commerce, the Dallas-Fort Worth Minority Business Development Corp. and the Dallas County Community College.

Under the auspices of the Women's Business Consortium, this broad-based, private-sector supported initiative will help start-up and growing women-owned businesses. One of the areas on which they will concentrate is Government contracting opportunities for women.

Four million dollars will help establish demonstration sites like the one in Dallas in cities all across this country.

Programs like the National Women's Business Council and the Women's Business Ownership Development Program—modest in scope but breathtaking in the possibilities they hold out to those willing to work hard—

have the potential to turn America around. I am pleased my colleagues saw their value and agreed to continued funding.

Mr. LIEBERMAN. Mr. President, I would like to express my concern about the programs that are suffering as a result of the appropriations in this bill. The programs that I am referring to are critical to the future of the U.S. economy. Economic security, competitiveness, jobs. That is what is at risk.

Technology development is slated to be the victim of our budget axe. Investments in technology are investments in our future and should not be terminated. In our enthusiasm to make cuts to balance the budget we are losing sight of the reason we want to balance the budget in the first place—to make our economy stronger. The irony is that by cutting technology programs we are cutting programs that are already making our economy stronger. We will be defeating our own purpose.

I am particularly concerned about the integration of the technology and trade functions in the Department of Commerce. Within the Department of Commerce there are programs that work with the private sector to foster new ideas that may underpin the next generation of products. This is one of the few places where information channels are developed that make sure that the ideas generated in our world class research institutions find their way into the marketplace. Previous Administrations had the foresight to realize that we are entering a new era, an era where economic battles are as fiercely fought as any previous military actions. New kinds of technology programs were begun with bipartisan support to make sure that the United States was well armed for these economic battles. I do not want to see us lose our technology edge in the marketplace, because this edge translates directly into jobs for our work force, new markets for American business, improvements in our balance of trade, and from this economic success, desperately needed revenues for our treasury. The home of technology programs is with our trade programs where they will have the most impact and do the most good for our economy. The Technology Administration is a critical component of the Department of Commerce and we need to make sure that its key functions are maintained.

Making changes in technology and trade functions at this juncture in time must be done extremely carefully. New markets are emerging in developing countries. Conservative estimates suggest that 60 percent of the growth in world trade will be with these developing countries over the next two decades. The United States has a large share of imports in big emerging markets currently, in significant part because of the efforts of the Department of Commerce. While we are making changes in the Department of Commerce, our foreign competitors are increasing their investments in their economies. Competing advanced economies are just waiting for us to make a move that will weaken our economic capacity. We cannot afford to dismantle successful programs that are making and keeping the United States competitive. We should be sure that changes we make will be improving the Government's efficiency and improving the taxpayer's return on investment.

The kind of technology programs that I am advocating are not corporate welfare or techno pork. I find these terms not only inaccurate and derived from ignorance, but offensive. American industry is not looking for a handout. Quite the contrary. These programs are providing incentives to elicit support from the private sector for programs that are the responsibility of the Government. Times are tough and the Government needs to cut back, so we are looking for the handout from private industry, not the other way around. Let me explain.

Everyone agrees that when markets fail, it is legitimate to have the Government step in. For example, so-called basic research, the Government funds, because no one industry can capture the benefits of the investment. Basic research is described as research that is so far reaching that it will impact a wide array of applications in a variety of different industries on a timeframe that could be quite long. No one expects a single company to make an investment, when it can not capture a sufficient return on its investment, or when the investment would be too risky or too long term. That would be bad business. I agree with this definition of basic research and I agree with these criteria for the appropriate role for government investments. These criteria apply equally to investment in technology research, as long as the technology research is precompetitive, high risk, and long term.

So-called basic research has also been defined as research that does not have any clear application. This definition is puzzling. One could legitimately ask, why perform research that deliberately has no application? In reality, research is rather fickle and difficult to predict. Sometimes one can plot a nice logical progression from basic research, to applied research, to product development, but this is usually not the case. Often what appears to be basic research turns out to be product development, or applied research results in a fundamental breakthrough with farreaching results, or as most commonly happens, at the end of an experiment, the research scientist must go back to the drawing board and try one more experiment before she can claim success. Thus, the research scenario is complicated and trying to make clear distinctions is artificial at best.

Our goal should be, not to try and categorize research, but to make investments that are appropriate, and that strengthen our economy. I believe that there is an important and legitimate role for government to play in technology research. The National Association of Manufacturers has spoken out strongly in favor of the kind of technology programs that are run by the Department of Commerce. I would like to read some quotes from their statement about Federal technology programs:

> The NAM is concerned that the magnitude and distribution of the R&D spending cuts proposed thus far would erode US technological leadership.
>
> A successful national R&D policy requires a diverse portfolio of programs that includes long- and short-term science and technology programs, as well as the necessary infrastructure to support them. The character of research activities has changed substantially in the past decade, making hard and fast distinctions between basic and applied research or between research and development increasingly artificial. R&D agendas today are driven by time horizons not definitions. In short, rigid delineations between basic and applied research are not the basis on which private sector R&D strategies are executed, nor should they be the basis for federal R&D policy decisions.
>
> The NAM believes the disproportionate large cuts proposed in newer R&D programs are a mistake. R&D programs of more recent vintage enjoy considerable industry support for one simple fact: They are more relevant to today's technology challenges. For example, "bridge" programs that focus on the problem of technology assimilation often yield greater payoff to a wider public than programs aimed at technology creation. Newer programs address current R&D challenges far more effectively than older programs and should not fall victim to the "last hired, first fired" prioritization.
>
> In particular, partnership and bridge programs should not only not be singled out for elimination, but should receive a relatively greater share of what federal R&D spending remains. These programs currently account for approximately 5 percent of federal R&D spending. The NAM suggests that 15 percent may be a more appropriate level.
>
> Given the critical importance of R&D, far too much is being cut on the basis of far too little understanding of the implications. The world has changed considerably in the past several years, and R&D is no different. Crafting a federal R&D policy must take stock of these changes; to date this has not happened.
>
> As the major funder and performer of the R&D in the US, industry believes its voice should be heard in setting the national R&D agenda. The Congress and the Administration should draw on industry's experience and expertise in determining policy choices. For example, as a guide to prioritizing federal R&D programs, the NAM would favor those programs that embody the following attributes: industry led; cost-shared; relevant to today's R&D challenges; partnership/consortia; deployment-oriented; and dual use.
>
> We believe these criteria provide the basis for creation of a template for prioritizing federal R&D spending.
>
> In sum, the NAM remains firmly committed to a balanced federal budget. But we also

firmly believe that the action taken thus far in downsizing and altering the direction of US R&D spending is tantamount to fighting hunger by eating the seed corn. We urge the Congress to consider carefully the impact of R&D on US economic vitality and to move forward in crafting an R&D agenda that will sustain US technological leadership far into the future.

I would like to describe two programs in which I have taken a particular interest, the Advanced Technology Program [ATP] and the Manufacturing Extension Program [MEP].

ATP

Dr. Alan Bromley, President Bush's Science Advisor in 1991, determined a list of 20 technologies that are critical to develop for the United States to remain a world economic power. There has been very little disagreement among analysts and industry about the list. No one company benefits from these technologies, rather a variety of industries would benefit with advances in any one of these areas. These are the kinds of areas that form the focus areas of the ATP. The focus areas are determined by industry, not by bureaucrats, to be key areas where research breakthroughs will advance the economy as a whole not single companies.

There is no doubt that industry benefits from partnering with the Government. The nature of the marketplace has changed, and technological advances are a crucial component in maintaining our stature in the new world marketplace. Product life cycles are getting more and more compressed, so that the development of new products must occur at a more and more rapid pace. The market demands products faster, at higher quality and in wider varieties—and the product must be delivered just in time. Innovative technological advances enhance speed, quality, and distribution, to deliver to customers the product they want, when they want it. Ironically, the competitive market demands that companies stay lean and mean, diminishing the resources that are available for R&D programs that foster the kind of innovation necessary to stay competitive. Because of all of these pressures, industrial R&D is now focused on short-term product development at the expense of long-term research to generate future generations of products.

The conclusion is clear. This short-term focus will lead to technological inferiority in the future. Our economy will suffer. Some of my colleagues in Congress believe that basic research will provide the kind of innovation necessary to generate new generations of high-technology products. On the contrary, we have seen historically that basic research performed in a vacuum, that is without communication with industry, is unlikely to lead to products.

In this country, we have the best basic research anywhere in the world. There is no contest. Yet, we continue to watch our creative basic research capitalized by other nations. We must improve our ability to get our brilliant ideas to market. Basic research focuses on a time horizon of 10 to 20 years. Product development focuses on a time horizon of less than 5 years, and sometimes much shorter than that. It is the intermediate timescale, the 5 to 15-year time-frame that is critical to develop a research idea into a product concept.

We have a responsibility to make sure that our private sector does not fall behind in the global economy. Diminishing our technological preparedness is tantamount to unilateral disarmament, in an increasingly competitive global marketplace. Government/industry partnerships stimulate just the kind of innovative research that can keep our technological industry at the leading edge. These partnerships help fill the gap between short-term product development, and basic research.

American companies no longer survive by thinking only about the national marketplace. They must think globally. Familiar competitors like Japan and Germany, continue to compete aggressively in global markets. New challenges are coming from India, China, Malaysia, Thailand, some of the leading Latin American nations and more. We cannot afford to let jobs and profits gradually move overseas to these challengers, by resting on our laurels, complacent in our successes. Other countries, seeing the success of the ATP, are starting to imitate it, just as we are considering doing away with it. Our competitors must be chuckling at their good fortune, and our shortsightedness. We simply cannot afford to cut the ATP.

MEP

The state of manufacturing in this country is mixed. On the one hand our manufacturing productivity is increasing, but on the other hand we are losing manufacturing jobs by the millions. Manufacturing which once was the lifeblood of our economy is bleeding jobs overseas. We need to provide the infrastructure that insures that our manufacturing industry flourishes.

As I look at our manufacturing competitors, I am struck by how little we do to support this critical component of our economy. In the United States we are used to being the leaders in technologies of all kinds. Historically, English words have crept into foreign languages, because we were the inventors of new scientific concepts, technology, and products. Now when you describe the state-of-the-art manufacturing practices you use words like "kanban" and "pokaoke." These are Japanese words that are known to production workers all over the United States. Kanban is a word which describes an efficient method of inventory management, and pokaoke is a method of making part of a production process immune from error or mistake proof thereby increasing the quality of the end product. We have learned these techniques from the Japanese, in order to compete with them.

In a global economy, there is no choice, a company must become state-of-the-art or it will go under. We must recognize that our policies must change with the marketplace and adapt our manufacturing strategy to compete in this new global marketplace. The Manufacturing Extension Program [MEP] is a big step forward in reforming the role of government in manufacturing. This forward looking program was begun under President Reagan, and has received growing support from Congress since 1989.

The focus of the MEP Program is one that historically has been accepted as a proper role of government: education. The MEP strives to educate small- and mid-sized manufacturers in the best practices that are available for their manufacturing processes. With the MEP we have the opportunity to play a constructive role in keeping our companies competitive in a fiercely competitive, rapidly changing field. When manufacturing practices change so rapidly, it is the small- and mid-sized companies that suffer. They cannot afford to invest the necessary time and capital to explore all new trends to determine which practices to adopt and then to train their workers, invest in new equipment, and restructure their factories to accommodate the changes. The MEP's act as a library of manufacturing practices, staying current on the latest innovations, and educating companies on how to get the best results. At the heart of the MEP is a team of teachers, engineers, and experts with strong private sector experience ready to reach small firms and their workers about the latest manufacturing advances.

Another benefit of the MEP is that it brings its clients into contact with other manufacturers, universities, national labs and any other institutions where they might find solutions to their problems. Facilitating these contacts incorporates small manufacturers into a manufacturing network, and this networking among manufacturers is a powerful competitive advantage. With close connections, suppliers begin working with customers at early stages of design and engineering. When suppliers and customers work together on product design, suppliers can provide the input that makes manufacturing more efficient, customers can communicate their specifications and timetables more effectively, and long-term productive relationships are forged. These supplier/customer networks are common practice in other countries, and lead to more efficient and therefore more competitive, design, and production practices.

The MEP is our important tool in keeping our small manufacturers competitive. We are staying competitive in markets that have become hotbeds of global competition, and we are beginning to capture some new markets. More importantly, companies that have made use of MEP are generating new jobs rather than laying off workers or moving jobs overseas. These companies are growing and contributing to real growth in the U.S. economy. For each Federal dollar invested in a small- or mid-sized manufacturer through the MEP, there has been $8 of economic growth. This is a program that is paying for itself by growing our economy.

Each MEP is funded after a competitive selection process, and currently there are 44 manufacturing technology centers in 32 States. One requirement for the centers is that the States supply matching funds, ensuring that centers are going where there is a locallysupported need. In summary, the MEP provides the arsenal of equipment, training, and expertise that our small- and mid-sized manufacturers need to keep them in the new global economic battlefield.

The ATP and the MEP are critical technology investments. They are both run under the auspices of the National Institutes of Standards and Technology, [NIST]. In addition to these NIST programs, NIST itself is at risk. I would like to bring to my colleagues' attention, a recent letter sent by 25 American Nobel prize winners in physics and the presidents of 18 scientific societies. As the New York Times put it "Budget cutters see fat where scientists see a national treasure." These scientists are shocked and appalled that we could think of making cuts in NIST and its programs. According to the scientists "It is unthinkable that a modern nation could expect to remain competitive without these services" and they continue "We recognize that your effort to balance the budget is forcing tough choices regarding the Department of Commerce, however the laboratories operated by NIST and funded by the Department of Commerce are a vital scientific resource for the Nation and should be preserved in the process of downsizing the Federal Government." These scientists are the leaders of the scientific community and we should not disregard their advice.

This amendment restores funding for NIST and its programs at a time when we cannot afford to be without their contributions to national competitiveness. Investments in the trade and technology functions in Department of Commerce are investments in our future economic health, in high wage jobs for our workers, in the American dream.

Mr. GREGG. Mr. President, I would ask unanimous consent that the vote scheduled for 9 p.m. this evening be postponed to occur at 10 a.m. tomorrow, Friday, and that immediately following the granting of this consent, Senator DOMENICI be recognized to offer his amendment.

The PRESIDING OFFICER. Is there objection?

Mr. HOLLINGS. Reserving the right to object, Mr. President, is it also understood that we can follow as we originally intended to stack the Domenici vote; namely, after the 10 a.m. vote on the Biden amendment, we would have the Domenici vote?

Mr. GREGG. That, to my knowledge, has not yet been agreed to with Senator DOMENICI. He will be here at 9 to begin debate on his amendment. And at that time I would hope that such an agreement could be reached with Senator DOMENICI.

Mr. HOLLINGS. I would hope so.

Pending that, Mr. President, I would have to object.

The PRESIDING OFFICER. Objection is heard.

Mr. GREGG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. GRAMM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BURNS). Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT

Mr. GRAMM. Mr. President, I ask unanimous consent that the vote scheduled for 9 p.m. this evening be postponed to occur at 10 a.m. Friday, and immediately following the granting of this consent that Senator DOMENICI be recognized to offer his amendment.

I further ask unanimous consent that at 9 a.m. the Senate resume consideration of the McCain amendment No. 2816 with 60 minutes equally divided, that a vote occur following the Biden vote with 4 minutes equally divided between the two votes, and that following these votes, the Senate resume consideration of the Domenici amendment.

The PRESIDING OFFICER. Is there objection?

Mr. DOMENICI. Reserving the right to object, did the Senator say I would offer my amendment tonight or tomorrow?

I have no objection.

Mr. GRAMM. Immediately following this, the Senator would do it tonight.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from New Mexico is recognized.

Mr. BIDEN. Mr. President, will the Senator be kind enough to yield for 30 seconds?

Mr. DOMENICI. Certainly.

AMENDMENT NO. 2818, AS MODIFIED

Mr. BIDEN. In the amendment which I sent to the desk numbered 2818, my omnibus amendment, I made a mistake in two places in it in terms of numbers. They were as described but different than written, and it has been cleared with the majority and minority.

I ask unanimous consent that I may modify my amendment, and I send the modification to the desk.

The PRESIDING OFFICER. Without objection, the amendment is so modified.

The amendment (No. 2818), as modified, is as follows:

On page 26, line 10, after "Act;" insert for following: "$27,000,000 for grants for residential substance abuse treatment for State prisoners pursuant to section 1001(a)(17) of the 1968 Act; $10,000,000 for grants for rural drug enforcement assistance pursuant to section 1001(a)(9) of the 1968 Act;".

On page 28, line 11, before "$25,000,000" insert "$100,000,000 shall be for drug courts pursuant to title V of the 1994 Act;".

On page 29, line 6, strike "$750,000,000" and insert "$728,800,000".

On page 29, line 15, after "Act;" insert the following: "$1,200,000 for Law Enforcement Family Support Programs, as authorized by section 1001(a)(21) of the 1968 Act".

On page 44, line 8 and 9, strike "conventional correctional facilities, including prisons and jails," and insert "correctional facilities, including prisons and jails, or boot camp facilities and other low cost correctional facilities for nonviolent offenders that can free conventional prison space".

On page 20, line 16, strike all that follows to page 20, line 19, and insert:

Section 245(i) of the Immigration and Nationality Act (8 U.S.C. 1255(i)) is amended—

(1) in the second sentence of paragraph (1), by striking "five" and inserting "ten"; and

(2) in paragraph (3), by inserting before the period at the end the following: "or, notwithstanding any other provision of law, may be deposited as offsetting collections in the Immigration and Naturalization Service "Salaries and Expenses" appropriations account to be available to support border enforcement and control programs".

The amendments made by subsection (a) shall apply to funds remitted with applications for adjustment of status which were filed on or after the date of enactment of this Act.

For activities authorized by section 130016 of Public Law 103-322, $10,300,000, to remain available until expended, which shall be derived from the Violent Crime Reduction Trust Fund.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

AMENDMENT NO. 2819 TO THE COMMITTEE AMENDMENT ON PAGE 26, LINES 18 THROUGH 20

(Purpose: To improve provisions relating to appropriations for legal assistance)

Mr. DOMENICI. Mr. President, I am going to send an unprinted amendment to the desk in a minute. This unprinted amendment is an amendment to the committee amendment beginning on page 26, line 18 wherein we add the following. I want to state before I send it there that my cosponsors as of now—and I welcome any others that would like to join—are Senators KASSEBAUM, HOLLINGS, D'AMATO, STEVENS, INOUYE, HATFIELD, KENNEDY, and SPECTER.

Mr. President, the only thing I want to put in the RECORD tonight after I have introduced the amendment, I will put in—I did not. I do not have to send it up until I am ready to send it up. Right? I think that is the rule. I will send it up shortly.

I am putting a list in of the prohibitions that are found in this amendment with reference to what the Legal Services Corporation will be prohibited from doing. So overnight, if anybody has any concern about my not getting rid of class action lawsuits and the like, I would like them to peruse this list and give me their advice.

Therefore, Mr. President, with that explanation, I send the amendment to the desk and ask for its consideration.

The PRESIDING OFFICER. Without objection, the pending question will be the amendment on page 26.

The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Mexico (Mr. DOMENICI), for himself, and Mr. HATFIELD, Mr. HOLLINGS, Mrs. KASSEBAUM, Mr. D'AMATO, Mr. STEVENS, Mr. INOUYE, Mr. KENNEDY, and Mr. SPECTER, proposes an amendment numbered 2819 to the committee amendment on page 26, lines 18 through 20.

Mr. DOMENICI. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment appears in today's RECORD under "Amendments Submitted.")

Mr. DOMENICI. Mr. President, I believe the Parliamentarian might have had in mind that I sought unanimous consent that there be cosponsors when there was no amendment there.

I now ask that those cosponsors that enumerated a while ago be added as original cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, I send two documents to the desk. One is a summary of the Domenici amendment, and a separate sheet indicating the prohibitions that will be imposed on legal services, and I ask unanimous consent that they be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SUMMARY: DOMENICI LEGAL SERVICES AMENDMENT, H.R. 2076, COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES

IN GENERAL

The amendment restores the Legal Services Corporation, provides $340 million in funding for fiscal year 1996 and adopts House Appropriations restrictions on use of funds. Appropriate offsets will be found throughout the appropriations bill.

FUNDING

Provides $340 million in FY 1996, $225 million through August 31, 1996 and $115, to be provided upon the September 1, 1996, implementation of a competitive bidding system for grants, as outlined in the amendment.

RESTRICTIONS ON USE OF FUNDS BY CORPORATION AND RECIPIENTS

Advocating policies relating to redistricting (same as House).

No class action lawsuits (stronger than House).

Influencing action on any legislation, Constitutional Amendment, referendum or similar procedure of Congress, State or local legislative body (same as House).

Legal assistance to illegal aliens (same as House).

Supporting/conducting training programs relating to political activity (same as House).

Abortion litigation (same as House).

Prisoner litigation (same as House).

Welfare reform litigation, except to represent individual on particular matter that does not involve changing existing law (same as House).

Representing individuals evicted from public housing due to sale of drugs (same as House).

Accepting employment as a result of giving unsolicited advice to non-attorneys (same as House).

All non-LSC funds used to provide legal services by recipients may not be used for the purposes prohibited by the Act (same as House).

SPECIAL PROVISIONS

Competitive bidding of grants must be implemented by September 1, 1995, and regulations must be proposed 60 days after enactment of the Act. Funds will be provided on an "equal figure per individual in poverty."

Native Americans will receive additional consideration under the act but no special earmarks are provided as have existed in the past.

Restrictions shall apply only to new cases undertaken or additional matters being addressed in existing cases.

Lobbying restrictions shall not be construed to prohibit a local recipient from using non-LSC funds to lobby for additional funding from their State or local government. In addition, they shall not prohibit the Corporation from providing comments on federal funding proposals, at the request of Congress.

Under the Domenici amendment, all funds, regardless of source, received by the corporation, or its grantees may not be used for the following prohibited purposes:

Advocating policies relating to redistricting. Prohibited.

Class action lawsuits. Prohibited.

Influencing action on any legislation, Constitutional Amendment, referendum or procedure of Congress, State or local legislative body. Prohibited.

Legal assistance to illegal aliens. Prohibited.

Supporting/conducting training programs relating to political activity. Prohibited.

Abortion litigation. Prohibited.

Prisoner litigation. Prohibited.

Welfare reform litigation. Prohibited. Except to represent individual on particular matter that does not involve changing existing law.

Representing individuals evicted from public housing due to sale of drugs. Prohibited.

Accepting employment as a result of giving unsolicited advice to non-attorneys. Prohibited.

All non-LSC funds used to provide legal services by recipients may not be used for the purposes prohibited by the Act. Prohibited.

Additionally, there are a number of clarifying and special provisions:

Competitive bidding of grants must be implemented by September 1, 1995, and regulations must be proposed 60 days after enactment of the Act. Funds will be provided on an "equal figure per individual in poverty."

Mr. DOMENICI. I yield the floor.

Mr. SARBANES. Mr. President, I rise in strong support of the Legal Services Program and in opposition to the pending appropriation bill. Pursuant to this legislation, and the Legal Services Program—as it has existed for more than two decades—would be abolished and replaced with a legal assistance block grant program, funded at a level that is drastically less than current funding for legal services.

The Legal Services Corporation has been at the forefront of our efforts to give real meaning to the words emblazoned in stone above the portals of the Supreme Court: "Equal Justice Under Law." The Legal Services Program has provided critically needed services to millions of poor, elderly, and disabled citizens who otherwise would not have access to the American legal system and the protection its affords the many basic rights we enjoy in this country and which so many of us take for granted.

The Legal Services Corporation provides funds to State legal aid programs throughout our Nation. It has been described as one of the most effective and worthwhile Federal programs in existence, while also being one of the least costly. Legal Services programs provided needed legal assistance to approximately 1.7 million clients annually, benefiting about 5 million individuals living in poverty in this country, primarily women and children. LSC accomplishes this using only about 3 percent of its total funding for administration and management. That means that 97 percent of the appropriation goes directly to the local programs that provide the services, clearly illustrating the efficient operation of this valuable program.

Maryland's Legal Aid Bureau, which receives by far the largest portion of its total funding from the Legal Services Corporation, has done an outstanding job of representing Maryland citizens living in poverty. With the funding received from LSC, the 13 legal aid offices located throughout Maryland provide general legal services to approximately 19,000 families and individuals annually, assisting Marylanders in such routine legal matters as consumer problems, housing issues, domestic and family cases, and applying for and appealing the denial of public benefits.

Because the Republican measure proposes that grants be made to individual attorneys, and appears to exclude current legal services programs from eligibility for funding under the program, the Maryland Legal Aid Bureau could lose some or even all of this critical Federal funding. This would leave Maryland Legal Aid unable to provide these vital services to the many thousands of clients currently represented—who, in fact, represent only a small percentage of Maryland's poor citizens—unless alternative funding can be provided at the State and local level.

Mr. President, the Legal Services Corporation has operated an effective and efficient program in representing citizens, who without this assistance, would never have their day in court. Although most of the cases involve routine legal disagreements related to housing, consumer issues, family and domestic matters, and employment, these routine matters often become insurmountable when coupled with the other pressures of a complex society that weigh on a family unable to afford legal representation.

The Republican proposal would replace the Legal Services Corporation with a block grant program administered by the Department of Justice, through which funds for civil legal assistance would be allocated to the States. The bill severely reduces funding for legal services, cutting the funding from the $400 million appropriated to the Legal Services Corporation for fiscal year 1995 to $210 million—a reduction of nearly 50 percent.

Not only does the bill slash funding for legal services for the poor, it also establishes severe restrictions on the type of services that may be provided under the new block grant program. This progràm would drastically limit qualified services to 10 specific causes of action. As a result, low-income individuals would be denied representation with respect to numerous critical—and basic—legal matters.

Under the measure, qualified services appear to exclude representation in essential legal matters such as applying for or appealing a denial of statutory benefits, including Social Security benefits, veterans benefits, unemployment compensation, food stamps or medical assistance; obtaining or refinancing home ownership; housing discrimination; claims based on consumer fraud or defective products; discrimination in hiring; wage claims; problems with public utilities; immigration; unfair sales practices; preparation of wills; paternity; and patient rights.

Most of these excluded causes of action represent legal matters that routinely arise out of everyday problems faced by many Americans. Under the committee bill, legal assistance with respect to these routine types of cases would be denied arbitrarily to low-income individuals and families.

Additional restrictions would prohibit legal service providers from using funds under the program for representation in cases related to matters such as redistricting, legislative and administrative advocacy, and prison litigation. Class action lawsuits against the Government or private parties—which, contrary to the myth currently being perpetuated, actually encompass less than one-tenth of 1 percent of all legal services cases—would be barred, as would lawsuits challenging the constitutionality of any statute.

Another particularly disturbing provision in the bill would require that any qualified client, as a condition for receiving services under the program, waive the attorney-client privilege and the attorney work product privilege. This clearly interferes with the ethical obligations that all lawyers have to their clients.

Mr. President, the drastic cutbacks and restrictions in this bill would strike a devastating blow to many of our citizens who would find access to the courts blocked and would be unable to assert the rights to which they are entitled by our Constitution and our laws.

I strongly urge my colleagues to oppose these attempts to dismantle this vital program and to support the continuation of the Legal Services Corporation and the current legal services delivery system, as well as increased funding for legal assistance for the poor over the level proposed in this appropriation measure.

An editorial appearing in the September 15 New York Times eloquently addressed the current Republican attack on funding legal services for the poor and the importance of maintaining the Legal Services Corporation. I ask unanimous consent that this editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New York Times, Sept. 15, 1995]

SHOWDOWN FOR LEGAL SERVICES

Equal justice for all may be an American ideal but not to the Republican-controlled Congress, where measures advanced ominously this week to abolish the Legal Services Corporation, the federally financed program to help poor people with legal problems.

The corporation, which was created in 1974, managed to survive previous attacks on its mandate and financing during the Reagan and Bush Administrations, aided by powerful Democratic friends in Congress and some Republicans, like former Senator Warren Rudman of New Hampshire. But its continued existence is now in jeopardy. Not satisfied with the disabling funding cut already approved by the full House, or pending provisions in both chambers that would greatly restrict the types of cases that may be handled, the Republicans who control the House and Senate are moving to dismantle the program entirely.

The House voted in July to slash the corporation's budget from $400 million a year to $278 million. By an 18 to 13 straight party-line vote on Wednesday, the House Judiciary Committee approved a measure pushed by Representative George Gekas of Pennsylvania that would carry the demolition further. It would break up the corporation and its expert network of poverty-law specialists and replace them with a more bureaucratic, fragmented and inefficient system of small block grants to fiscally hard-pressed states. Some states have shown little interest historically in providing civil legal services that empower the poor, and may not bother to apply for the dwindling amounts of money allotted. In the Senate, meanwhile, a similarly unworthy dismantling scheme proposed by Senator Phil Gramm of Texas has passed the Appropriations Committee and is due to hit the Senate floor perhaps as early as today. It would cut funding even more, to $210 million, and funnel it through block grants.

The program's critics complain that the corporation uses the courts to push "a liberal agenda." But, clearly, what is driving the attack is their own ideological opposition to what poverty lawyers do, which is to protect the legal rights of the poor. This mostly entails handling mundane eviction, divorce and installment credit cases. Only on rare occasions do legal services lawyers bring the class action lawsuits that so offend the powerful enemies of the program, but which serve a valuable function in holding government agencies accountable.

At a moving news conference, leaders of the bar were joined by religious leaders and Legal Services clients in calling for the preservation of the Legal Services Corporation. The group included two victims of domestic violence, whose lives were dramatically transformed for the better by virtue of having the sort of access to the justice system that Republicans seem determined to foreclose.

Senator Alfonse D'Amato of New York, and other Republicans whose poor constituents stand to be badly hurt by the latest assault on legal services, should fight for amendments to the pending Senate bill that would prevent the worst from happening. If efforts at moderation do not succeed, President Clinton must stand ready with his veto pen.

AMENDMENT NOS. 2820 THROUGH 2828 EN BLOC

Mr. GRAMM. Mr. President, I ask unanimous consent to set aside the Domenici amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAMM. Mr. President, I send to the desk a number of amendments that have been cleared on both sides, and I ask unanimous consent that they be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The Senator from Texas (Mr. GRAMM) proposes amendments numbered 2820 through 2828 en bloc.

Mr. GRAMM. Mr. President, I ask unanimous consent that reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments are as follows:

AMENDMENT NO. 2820

(Purpose: To terminate the Regulatory Coordination Advisory Committee, the Biotechnology Technical Advisory Committee, and the Advisory Corrections Council)

At the appropriate place in the bill insert the following new section:

SEC. . (a) The Regulatory Coordination Advisory Committee for the Commodity Futures Trading Commission is terminated.

(b) Section 5(h) of the Export Administration Act of 1979 is repealed.

(c)(1) Section 5002 of title 18, United States Code, is repealed.

(2) The table of sections for chapter 401 of title 18, United States Code, is amended by striking out the item relating to the Advisory Corrections Council.

(d) This section shall take effect 30 days after the date of the enactment of this Act.

AMENDMENT NO. 2821

(Purpose: To extend the authority to administer au pair programs through fiscal year 1999)

At the appropriate place in the bill, insert the following new section:

SEC. . EXTENSION OF AU PAIR PROGRAMS.

Section 8 of the Eisenhower Exchange Fellowship Act of 1990 is amended in the last sentence by striking "fiscal year 1995" and inserting "fiscal year 1999".

Mr. HELMS. Mr. President, the amendment at the desk extends the life of a program that is essential to thousands of American working parents. It extends the operations of the United States Information Agency's Au Pair Program for another 4 years, through the end of fiscal year 1999.

Mr. President, the Au Pair Program provides families with two working parents a perfect alternative to day care. It allows these families to invite young people from other countries into their homes, for a year at a time, to live and work. The families and the au pairs, thus, live together while each teaches the other about their respective cultures; in return, the family's children receive exceptional care and the young au pairs experience a year in the United States while living with an American family.

Earlier this year the members of the Foreign Relations Committee adopted a provision that would have extended the life of this program for another 4 years, just as the pending amendment does. The committee-adopted provision, however, is still pending in the committee's authorization bill which the Senate has yet to consider fully. Since the authority to continue this program expires on September 30 of this year, the Senate must take immediate action.

One may ask why I offer a 4-year extension of this program. The answer is twofold: First, the authorizing committee made the decision to extend it for 4 years and, second, so that we can put this issue to rest for at least one additional authorization cycle.

Our committee has spent countless hours overseeing this program during the last few years. The U.S. Information Agency, which administers this program, has spent many hours on it as well. USIA this year applied new regulations to the administration of the Au Pair program and I want to see these regulations implemented for awhile before a determination is made as to whether the program should be permanently authorized.

Mr. President, the distinguished chairman of the subcommittee has indicated his support for this measure. I thank him and ask that we move on this simple issue expeditiously.

AMENDMENT NO. 2822

(Purpose: To express the sense of the Senate on United States-Canada cooperation concerning an outlet to relieve flooding at Devils Lake in North Dakota)

On page 124, after line 20, insert the following:

SEC. 6. SENSE OF THE SENATE ON UNITED STATES-CANADIAN COOPERATION CONCERNING AN OUTLET TO RELIEVE FLOODING AT DEVILS LAKE IN NORTH DAKOTA.

(a) FINDINGS.—The Senate finds that—

(1) flooding in Devils Lake Basin, North Dakota, has resulted in water levels in the lake reaching their highest point in 120 years;

(2) basements are flooded and the town of Devils Lake is threatened with lake water reaching the limits of the protective dikes of the lake;

(3) the Army Corps of Engineers and the Bureau of Reclamation are now studying the feasibility of constructing an outlet from Devils Lake Basin;

(4) an outlet from Devils Lake Basin will allow the transfer of water from Devils Lake Basin to the Red River of the North watershed that the United States shares with Canada; and

(5) the Treaty Relating to the Boundary Waters and Questions Arising Along the Boundary Between the United States and Canada, signed at Washington on January 11, 1909 (36 Stat. 2448; TS 548) (commonly known as the "Boundary Water Treaty of 1909"), provides that "waters flowing across the boundary shall not be polluted on either side to the injury of health or property on the other." (36 Stat. 2450).

) SENSE OF THE SENATE.—It is the sense of the Senate that the United States Government should seek to establish a joint United States-Canadian technical committee to review the Devils Lake Basin outlet project to consider options for an outlet that would meet Canadian concerns with regard to the Boundary Water Treaty of 1909.

AMENDMENT NO. 2823

On page 75 of the bill, line 7, after "grants" insert the following: "*Provided further*, That of the amounts provided in this paragraph $76,300,000 is for the Manufacturing Extension Partnership program".

MANUFACTURING EXTENSION PROGRAM

Mr. HOLLINGS. Mr. President, I want to commend the chairman of the Appropriations Committee for including in his amendment an additional $25 million for the Industrial Technology Services account at the National Institute of Standards and Technology [NIST]. That funding is for the Manufacturing Extension Partnership [MEP] program, which supports locally run manufacturing extension centers around the country.

I would like to enter into a brief conversation with the chairman to clarify that this funding is provided for three purposes. First, $22 million is provided to support new centers that are now close to be chosen, under an ongoing centers competition. The amendment restores funding that had been provided in the fiscal year 1995 Appropriations Act for new centers but which the present bill would shift to other purposes. This amendment therefore overrides the committee report language which says that no funds can be used to open a new center during the coming year.

Second, $3 million is provided for fiscal year 1996 support services for the existing 42 manufacturing extension centers. These are services such as materials for training extension agents, provided to centers through MEP's National Programs account. This $3 million is in addition to funds which the bill already provides for fiscal year 1996 support of the existing 42 centers, including the eligible centers originally supported by the Defense Department's Technology Reinvestment Project.

Third, with this amendment the amount of new appropriations for the MEP program now totals $76.3 million, and the amount of prior year appropriations and new appropriations for meeting prior Advanced Technology Program [ATP] commitments totals $109,138,000. The ATP is intended to receive $83,838,000 in prior year appropriations and $25.3 million in new appropriations. I would like to ask the chairman if this three-part interpretation of the MEP portion of his amendment is correct.

Mr. HATFIELD. The Senator is correct.

Mr. HOLLINGS. I thank the Chairman.

AMENDMENT NO. 2824

Table the Committee amendment on page 79, lines 1 through 6.

On page 79, line 22, delete "$42,000,000" and insert "$37,000,000".

AMENDMENT NO. 2825

On page 115, line 2 after "equipment" insert the following ": *Provided further*, That not later than April 1, 1996, the headquarters of the Office of Cuba Broadcasting shall be relocated from Washington, D.C. to South Florida, and that any funds available to the United States Information Agency may be available to carry out this relocation."

AMENDMENT NO. 2826

At the appropriate place, insert the following new section:

"SEC. . Sections 6(a) and 6(b) of Public Law 101-454 are repealed. In addition, notwithstanding any other provision of law, Eisenhower Exchange Fellowship, Incorporated, may use any earned but unused trust income from the period 1992 through 1995 for Fellowship purposes."

AMENDMENT NO. 2827

On page 110, between lines 2 and 3, insert the following new section:

SEC. 405. (a) Subject to subsection (b), section 15(a) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2680(a)) and section 701 of the United States Information and Educational Exchange Act of 1948 and section 313 of the Foreign Relations Authorization Act, fiscal years 1994 and 1995 and section 53 of the Arms Control and Disarmament Act, shall not apply to appropriations made available for the Department of State in this Act.

(b) The waiver of subsection (a) shall cease to apply December 1, 1995.

WAIVER OF AUTHORIZATION

Mr. HELMS. Mr. President, the pending amendment authorizes the Senate and House committees on appropriations to waive the requirement in section 15 of the State Department Basic Authorities Act that appropriations must first be authorized. This waiver applies through December 1, 1995.

As chairman of the Senate Foreign Relations Committee which has the responsibility of authorizing the activities of the Department of State and its related agencies, I am reluctant to agree to this waiver. However, because the administration and certain Members of this Senate have refused to allow a vote on the committee's authorization bill—S. 908, the Foreign Relations Revitalization Act of 1995—and since Senate consideration of S. 908 bill is still pending, I have agreed to allow the State Department's funding to go forward without authorization through the first of December.

This window will allow adequate time for the President and his representatives to advise their friends in the Senate that no further efforts on their part should be made to forbid a vote on the authorizing legislation S. 908.

Mr. President, I reiterate now what I have asserted on numerous occasions since the Democrats' filibuster against S. 908 began; the Senate Foreign Relations Committee will resume consideration of and action upon all nominations, treaties, and legislation pending before the committee once the administration urges Senate Democrats to vote on our legislation.

I thank the distinguished chairman of the subcommittee for his cooperation on this issue. I thank him also for his continued support of our efforts to consolidate three anachronistic Federal foreign affairs agencies into the Department of State which, he and I agree, will help balance the Federal budget.

AMENDMENT NO. 2828

(Purpose: To make available for diplomatic and consular programs funds collected from new fees charged for the expedited processing of certain visas and border crossing cards)

On page 93, line 7, after "*Provided*," insert the following: "That, notwithstanding the second sentence of section 140(a)(3) of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995 (Public Law 103-236), not to exceed $125,000,000 of fees may be collected during fiscal year 1996 under the authority of section 140(a)(1) of that Act: *Provided further*, That all fees collected under the preceding proviso shall be deposited in fiscal year 1996 as an offsetting collection to appropriations made under this heading to recover the costs of providing consular services and shall remain available until expended: *Provided further*,".

MACHINE READABLE VISA FEES

Mr. HELMS. Mr. President, this amendment will permit the Department of State to continue to charge and collect a fee for the issuance of machine readable visas in specific countries around the world through fiscal year 1996. The Department may collect up to $125 million worth of fees this year alone.

It also authorizes the Department of State to use the moneys collected to offset the costs of diplomatic and consular activities overseas.

In the fiscal year 1994–95 State Department authorization bill—Public Law 103-236—the Committee on Foreign Relations authorized the Department to charge and collect these fees up to a total of $107 million. The Department almost met that ceiling this past year and expects to exceed that amount this fiscal year in as much as this relatively new program is now being implemented in more countries and, is thereby, made available to more people. Therefore, the Department is authorized to collect approximately $18 million more in fees this year.

Mr. President, this amendment does not cost the American taxpayer a penny. It is, in fact, a tool for sound fiscal management the Department will be able to utilize this year, especially in light of budget cuts affecting the Department of State.

I understand the able chairman of the subcommittee agrees with this measure and I thank him for his support.

Mr. GRAMM. Mr. President, these amendments have all been cleared on both sides.

I ask unanimous consent that they be agreed to en bloc, and that statements accompanying the amendments be printed in the RECORD as if read.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments (Nos. 2820 through 2828) were agreed to.

Mr. FORD. Mr. President, on advice from Senator HOLLINGS, who is unable to be here at the moment, I understand that these are acceptable to him on this side.

AMENDMENT NO. 2819

Mr. GRAMM. Mr. President, while we await our instructions on closing out business of the day, I would like to just very briefly, though we are going to speak tomorrow at some length about the Domenici amendment, say that I think it is important tonight to at least to begin to call our colleagues' attention to the fact that the Domenici amendment is not simply an amendment to reestablish the Federal Legal Services Corporation. We can debate the merits of that and the demerits. I believe the demerits outweigh the merits. But the Domenici amendment has a profound impact on the rest of this bill because it cuts other programs.

I simply want to leave with my colleagues tonight a very brief outline of what the Domenici amendment does in order to fund this expansion in legal services.

It cuts $25 million from our efforts in the Justice Department related to the Criminal Division, to the Civil Rights Division, to the Environmental Division. It cuts funding for the U.S. attorneys office by $11 million. That is money that would have gone to fund U.S. attorneys to prosecute drug felons and gun felons. It cuts $40 million from the FBI budget, funds that would be used to build the new FBI academy, to build infrastructure, which the FBI greatly needs.

It cuts the Bureau of the Census both economic and statistical analysis and the census itself in a period when we are getting ready to have the 2000 census, the millennium census. It cuts funding for the court of appeals, for district courts, and for other courts by $25 million. Every day we have people waiting to be tried in civil cases and criminal cases, and we are cutting funding for our courts to fund legal services.

Funding is cut by $21 million for the reorganization/transition fund in the State Department. That is a major Republican initiative in an authorization bill for which the majority of Senators have voted in the affirmative. The bill cuts funding for the commerce transition fund. The budget adopted by the Senate called for the elimination of the Commerce Department. This eliminates transition funds that would be required.

Finally and stunningly, the distinguished Senator from New Mexico has a budget gimmick in the funding mechanism which has a delayed obligation of $115 million which becomes effective only on September 1, 1996, so that we are in fact committing ourselves to a level of funding which is substantially higher than the funding level which is claimed in this amendment.

No one needs to give me a lecture on the power of the special interest groups that support the Legal Services Corporation. I understand that perfectly, and I understand that the majority of the Members of the Senate support funding for the Legal Services Corporation. But I want my colleagues to know that in supporting that funding, they are supporting cuts in our criminal activities, our civil rights activities in the Justice Department, our Environmental Division within the Justice Department. They are denying funding for the FBI Academy and in the process cutting funds for courts.

So what we are talking about is basically cutting funding for prosecutors, for the Justice Department to work in areas that are critically important. We are cutting funding in courts when we desperately need more prosecutors and more courts. I hope my colleagues will look at these offsets.

Governing is about choices, and the choices we look at on this bill are, basically, do we want to fund courts and U.S. attorneys to prosecute violent criminals and drug felons or do we want to fund the Legal Services Corporation? To me that is a very easy choice. I wish to be sure that my colleagues understand it, and I thank the Senate for in the closing moments of this legislative day giving me the opportunity to make it clear to people what we are talking about.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. GRAMM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

GRAMM. Mr. President, I send a list of the Domenici offsets to the desk, and I ask unanimous consent that they be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

POSSIBLE AMENDMENT TO H.R. 2076, AS REPORTED, OFFERED BY MR. DOMENICI OF NEW MEXICO

[Dollars in thousands]

	Budget authority	Outlays
Office of Inspector General:		
On page 4, line 15, strike "$30,484,000" and insert "$27,436,000"	(3,048)	(2,896)
General Legal Activities:		
On page 5, line 11, strike "$431,660,000" and insert "$406,529,000"	(25,131)	(21,864)
U.S. Attorneys:		
On page 7, line 15, strike "$920,537,000" and insert "$909,463,000"	(11,074)	(9,745)
FBI construction:		
On page 16, line 9, strike "$147,800,000; and insert "$98,800,000"	(49,000	(4,900)
Civil legal assistance:		
On page 26, strike lines 18 and all that follows through line 20	(210,000)	(52,500)
Grants to States:		
Beginning on page 52, strike line 9 and all that follows through page 64, line 22	(3,300)	(3,300)
International Trade Commission:		
On page 65, line 22, strike "$34,000,000; and insert "$29,750,000"	(4,250)	(3,825)
Economic and Statistical Analysis:		
On page 70, line 22, strike "$57,220,000" and insert "$46,896,000"	(10,324)	(8,868)
Bureau of the Census, S&E:		
On page 71, line 16, strike "$144,812,000," and insert "$133,812,000"	(11,000	(8,140)
Office of the Inspector General:		
On page 79, line 17, strike "$21,849,000" and insert "$19,849,000"	(2,000)	(1,902)
Court of Appeals, District Courts, & Other:		
On page 87, line 6, strike "$2,471,195,000" and insert "$2,446,194,665"	(25,000)	(23,025)
Foreign Affairs Reorganization Transition Fund:		
On page 95, line 15, strike "$26,000,000" and insert "$5,000,000"	(21,000)	(21,000)
Office of the Inspector General:		
On page 96, line 8, strike "27,350,000" and insert "$24,350,000"	(3,000	(2,490)
Legal Services Corporation:		
On page 124, after line 10, insert the following:	215,000	189,200
	125,000	9,166
Working Capital Fund:		
On page 161, line 7, strike "$35,000,000" and insert "$55,000,000"	(20,000)	(20,000)
Commerce Transition Fund	(5,000)	(5,000)

MORNING BUSINESS

Mr. GRAMM. Mr. President, I ask unanimous consent that there now be a period for the transaction of morning business with Senators permitted to speak for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

OKLAHOMA'S MISS AMERICA

Mr. NICKLES. Mr. President, It is with great pleasure and pride that I congratulate Miss Shawntel Smith, who was crowned Miss America 1996 recently in Atlantic City on her 24th birthday.

Shawntel is the fourth Oklahoman to be named Miss America in the pageant's 75 years. She joins three other Oklahomans who have won that honor: Norma Smallwood in 1926, Jane Jayroe in 1967 and Susan Powell in 1981.

Shawntel is a native of Muldrow, Oklahoma, a town of about 3,200 residents who are by all accounts very proud and supportive of this young lady. When she was crowned Miss Oklahoma earlier this year, the town erected road signs along the Eastern Oklahoma roads leading into Muldrow.

It seems, now, however, those signs are a little outdated.

During the next year, Shawntel will represent Oklahoma and all of America as she travels to special events and speaking engagements as Miss America.

Her platform is to raise awareness for the need to prepare students for the job market. Shawntel believes that "by exposing students to potential careers and making them aware of the education needed, students can make their dreams become realities." And Shawntel obviously knows a little something about making dreams become realities.

Education has been an important part of Shawntel's own life. Through competition in pageants she has been able to earn enough in scholarship money to put herself through Northeastern Oklahoma State University, where she is now working as a marketing director. Shawntel's winnings from the Miss Oklahoma and Miss America pageants will allow her to continue her education. Her goal is to obtain a master's degree in business administration from Oklahoma City University, and I have no doubt she will.

She already has demonstrated her affinity for hard work and tenacity. Shawntel competed in three Miss Oklahoma pageants before she won the title in July of this year.

After the pageant, Shawntel's father, Gailen Smith, commented that when Shawntel speaks to people, her inner beauty shines through. What a wonderful and appropriate sentiment. I congratulate Gailen, and Shawntel's mother, Karen, whose daughter possesses not only physical beauty, but inner beauty and strength of character as well.

Mr. President, Shawntel's example rekindles our belief in each individual's ability to accomplish something extraordinary and restores our confidence in the American spirit of helping others realize their dreams. Our State of Oklahoma, which is home to the finest people anywhere, celebrates her achievement.

Congratulations, Shawntel. We are pleased for you and look forward with great pride to the year ahead as you represent our State and our Nation.

THE BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, the impression will not go away: The $4.9 trillion Federal debt stands today as a sort of grotesque parallel to television's energizer bunny that appears and appears and appears in precisely the same way that the Federal debt keeps going up and up and up.

Politicians like to talk a good game—and talk is the operative word—about reducing the Federal deficit and bringing the Federal debt under control. But watch how they vote. Control, Mr. President. As of Wednesday, September 27, at the close of business, the total Federal debt stood at exactly $4,955,602,761,788.67 or $18,811.55 per man, woman, child on a per capita basis. Res ipsa loquitur.

Some control, is it not?

ADVANCE NOTICE OF PROPOSED RULEMAKING

Mr. THURMOND. Mr. President, pursuant to Section 304(b) of the Congressional Accountability Act of 1995 (2 U.S.C. sec. 1384(b)), advance notice of a proposed rulemaking was submitted by the Office of Compliance, United States Congress. The advance notice seeks comment on a number of regulatory issues arising under the Congressional Accountability Act.

Section 304(b) requires this notice to be printed in the CONGRESSIONAL RECORD, therefore I ask unanimous consent that the notice be printed in the RECORD.

There being no objection, the notice was ordered to be printed in the RECORD, as follows:

OFFICE OF COMPLIANCE

(The Congressional Accountability Act of 1995: Extension of Rights and Protections Under the Family and Medical Leave Act of 1993, Fair Labor Standards Act of 1938, Employee Polygraph Protection Act of 1988, Worker Adjustment and Retraining Notification Act and Uniformed Services Employment and Reemployment Rights Act)

ADVANCE NOTICE OF PROPOSED RULEMAKING

Summary

The Board of Directors of the Office of Compliance ("Board") invites comments from employing offices [use appropriate definition for separate House and Senate publication], covered employees and other interested persons on matters arising in the issuance of regulations under sections 202(d)(2), 203(c)(2), 204(c)(2), 205(c)(2) and 206(c)(2) of the Congressional Accountability Act of 1995 (PL 104-1) ("CAA" or "Act").

The Act authorizes the Board to issue regulations to implement sections 202, 203, 204, 205 and 206 of the Act. The Board issues this Advance Notice of Proposed Rulemaking to solicit comments from interested individuals and groups in order to encourage and obtain participation and information as early as possible in the development of regulations. In this regard, the Board invites and encourages commentors to identify areas or specific issues they believe should be addressed in regulations and to submit supporting background information and rationale as to what the regulatory guidance should be. In addition to receiving written comments, the Office will consult with interested parties in order to further its understanding of the need for and content of appropriate regulatory guidance.

The Board is today, in a separate notice, also publishing proposed rules under section 204(a)(3) of the Congressional Accountability Act relating to the Capitol Police's use of lie detector tests under the Employee Polygraph Protection Act of 1988.

In addition to the foregoing, by this Notice, the Board seeks comments as to certain specific matters before promulgating proposed rules under section 202 through 206 of the Act.

Dates.—Interested parties may submit comments within 30 days after the date of publication of this Advance Notice in the Congressional Record.

Addresses.—Submit written comments (an original and 10 copies) to the Chair of the Board of Directors, Office of Compliance, Room LA 200, Library of Congress, Washington, DC 20540-1999. Those wishing to receive notification of receipt of comments are requested to include a self-addressed, stamped post card. Comments may also be transmitted by facsimile ("Fax") machine to (202) 252-3115. This is not a toll-free call. Copies of comments submitted by the public will be available for review at the Law Library Reading Room, Room LM-201, Law Library of Congress, James Madison Memorial Building, Washington, DC., Monday through Friday, between the hours of 9:30 a.m. and 4:00 p.m.

For further information contact.—Executive Director, Office of Compliance at (202) 252-3100. This notice is also available in the following formats: large print, braille, audio tape, and electronic file on computer disk. Requests for this notice in an alternative format should be made to Mr. Russell Jackson, Director, Service Department, Office of the Sergeant at Arms and Doorkeeper of the Senate, 202-244-2705.

Background

The Congressional Accountability Act of 1995 applies the rights and protections of eleven federal labor and employment law statutes to covered Congressional employees and employing offices. The Board of Directors of the Office of Compliance established under the CAA invites comments before promulgating proposed rules under sections 202, 203, 204, 205 and 206 of that Act. The above-referenced sections of the CAA respectively apply the rights and protections of the Family and Medical Leave Act of 1993, 29 U.S.C. 2611 et seq. ("FMLA"); the Fair Labor Standards Act of 1938, 29 U.S.C. 201 et seq. ("FLSA"); the Employee Polygraph Protection Act of 1988, 29 U.S.C. 2001 et seq. ("EPPA"); the Worker Adjustment and Retraining Notification Act, 29 U.S.C. 2101 et seq. ("WARN"); and the Uniformed Services Employment and Reemployment Rights Act, 38 U.S.C. Chpt. 43. Each of those sections authorizes the Board to issue regulations to implement the section and further states that such regulations "shall be the same as the substantive regulations promulgated by the Secretary of Labor to implement * * * [the applicable statute] * * * except insofar as the Board may determine, for good cause shown and stated together with the regulation, that a modification of such regulations would be more effective for the implementation of the rights and protections under this section."

Section 304 of the CAA prescribes the procedure applicable to the issuance of regulations by the Board for the implementation of this Act. It furthers requires the Board to recommend in the general notice of proposed rulemaking and in the regulations whether the regulations should be approved by resolution of the Senate, by resolution of the House of Representatives, by concurrent resolution, or by joint resolution.

Section 411 of the CAA provides with respect to the aforementioned sections that, "if the Board has not issued a regulation on a matter for which this Act requires a regulation to be issued, the hearing officer, Board or court, as the case may be, shall apply to the extent necessary and appropriate, the most relevant substantive executive agency regulation promulgated to implement the statutory provision at issue in the proceeding."

The CAA requires that the Office of Compliance be open for business on January 23, 1996. The statutes made applicable under the aforementioned sections of the CAA become effective for covered employees and employing offices on that date.

These inter-related provisions of the CAA give the Board various rulemaking options under section 202 through 206 of the CAA. So that it may make a more fully informed decision regarding the issuance of regulations (for each or all of the relevant sections of the CAA), in addition to inviting and encouraging comments on all relevant matters, the Board requests comments on the following:

1. General Issues Under the CAA

a. Whether and to What Extent the Board Should Modify the Regulations Promulgated by the Secretary of Labor

The CAA directs the Board to issue regulations that "shall be the same as substantive regulations promulgated by the Secretary of labor ('Secretary') to implement * * * [the applicable statutes] * * * except insofar as the Board may determine, for good cause shown and stated together with the regulation, that a modification of such regulations would be more effective for the implementation of the rights and protections under this section" (emphasis added). This provision provides important guidance concerning how employing offices, covered employees and other interested persons should structure their comments in response to this ANPR and related processes in order to be of maximum assistance to the Board. Accordingly, the Board requests commentors who propose modifications to the substantive regulations promulgated by the Secretary to identify the "good cause" justification of such proposed modification by stating how much modification would be "more effective" for the implementation of the rights and protections applied under the CAA. In addition, the Board requests commentors to suggest technical changes in nomenclature or other matters that may be deemed appropriate in any regulation that might be issued.

Section 304(a)(2) of the Act also requires the Board to issue three separate bodies of regulations which shall apply, respectively, to the Senate and its employees, the House and its employees and all other covered employees and employing offices. Certain employment practices and categories of employees may be unique to one or more of these bodies.

The Board invites comment regarding under what circumstances, if any, such differences would warrant a substantive difference in the applicable regulations.

The Board further invites comment on whether and to what extent it should modify the regulations promulgated by the Secretary of Labor.

b. Notice Posting and Recordkeeping Requirements

The CAA does not expressly make reference to the notice posting and recordkeeping requirements of the various statutes applied to covered employees and employing offices. For example, the notice posting and recordkeeping requirements of section 106(b) and 109 of the FMLA and the Secretary's regulations thereunder (29 U.S.C. sections 2616(b) and 2619; 29 C.F.R. sections 825.300 and 825.500) are not expressly referenced in section 202 of the CAA, which applies the rights and protections of the FMLA to covered employees and employing offices. Similarly, the FLSA recordkeeping requirements, 29 U.S.C. section 211(c), and the Secretary's implementing regulations at 29 C.F.R. sections 516.0-516.34, are not expressly referenced in section 203 of the CAA, which applies the right and protections of the FLSA to covered employees and employing offices.

It could be argued that notice posting and recordkeeping requirements are an integral part of the rights and protections of the applied statutes and thus are implicitly included within the requirements of the CAA or that "good cause" exists to modify the existing substantive regulations by including some provision for notice-posting and recordkeeping. Notice postings inform covered employees of their rights and protections under the statutes and remind employing offices of their responsibilities. Recordkeeping enables an enforcement authority to determine the extent to which an employing office has complied with applicable law and, even in the absence of such authority, recordkeeping is helpful to an employing office that may be faced with a complaint from one if its employees.

Alternatively, it could be argued that the lack of specific reference in the CAA to the notice posting and recordkeeping requirements of the applied laws evidences congressional intent not to impose notice posting and recordkeeping requirements on employing offices as part of the CAA. Moreover, there is a concern that strictly-imposed notice posting and recordkeeping requirements might impose a significant and unforeseen costs on employing offices in creating and maintaining records that it does not ordinarily maintain. In addition, there may be constitutional or other institutional prerogatives that notice posting and recordkeeping requirements could be said to intrude upon.

The Board invites comment on whether the notice posting and recordkeeping requirements of the various laws made applicable by the CAA are incorporated as statutory requirements of the CAA and, if so, whether and to what extent the Secretary's regulations implementing those requirements should be adopted.

The Board further invites comment on whether, assuming notice posting and recordkeeping requirements are not incorporated as statutory requirements of the CAA, the Board (a) can and should develop its own notice posting and/or recordkeeping requirements pursuant to its "good cause" authority or (b) should propose guidelines regarding the types and forms of records employing officials may wish to keep in order to record the wages and working hours of non-exempt employees. Commentors are encouraged to suggest formats and contents which would be made available to employing offices for their consideration.

2. Specific Issues Under Individual Sections

In addition to the preceding issues that arise under all five sections of the CAA, the Board also requests comments on the following matters arising under individual sections of the Act.

a. Issues Under Section 203 (Fair Labor Standards Act)

The Fair Labor Standards Act sets forth requirements for minimum wage and overtime pay (except for exempt employees), equal pay for equal work, and a prohibition on oppressive child labor. With respect to overtime pay, employers must pay all non-exempt employees overtime pay of one and one-half times their hourly rate for each hour worked in excess of 40 hours per workweek. The regulations of the Secretary set forth specific criteria as to whether employees performing particular job responsibilities are *bona fide* executive, administrative or professional personnel.

(i) Employees Employed in a Bona Fide Executive, Administrative or Professional Capacity.

Section 13(a) of the FLSA provides an exemption from its minimum wage and overtime provisions for any employee employed in a bona fide executive, administrative or professional capacity as those terms are defined in regulations of the Secretary. 29 CFR Part 541 contains those regulations.

In addition to the regulations, the Department of Labor has issued interprestations and opinions which have elaborated upon the statutory definitions. The Board recognizes that these regulations, interpretations, and opinions may create uncertainties regarding the scope or application of the exemptions, particularly as they may be applied to the Congress, and it is often difficult to know in advance of litigation whether a particular employee is exempt under these regulations. As a result, employing offices may incur substantial and unanticipated overtime costs absent a major change in employing offices' manner of operation.

The Board invites comments on whether and to what extent the Board should modify the regulations promulgated by the Secretary regarding exempt executive, administrative and professional employees. Commentors are reminded that any suggested modification of the Secretary's regulations should be supported with an explanation as to how such modification would meet the "good cause" standard of the CAA. See Section 1.a, supra.

(ii) Whether The Board Should Adopt the Interpretive Bulletins as Regulations.

Various provisions of the FLSA give the Secretary specific regulatory authority; e.g. section 13(a)(1) provides an exemption for executive, administrative and professional employess "as such terms are defined and delimited from the time to time by regulations of the Secretary . . ." Regulations pursuant to such specific authorities are codified in 29 CFR Parts 510 to 697.

With respect to many of the other provisions of the FLSA for which the Secretary does not have specific regulatory authority, "Statements of General Policy or Interpretation Not Directly related to Regulations" codified in 29 CFR Part 775 to 794 have been issued. Typically, these parts (generally called Interpretative Bulletins) contain language such as the following in section 778.1: "This Part 778 constitutes the official interpretation of the Department of Labor with respect to the meaning and application of the maximum hours and overtime pay requirement contained in section 7 of the Act. It is the purpose of this bulletin to make available in one place the interpretation of these provisions which will guide the Secretary and the Administrator in the performance of their duties under the Act until they are otherwise directed by authoritive decisions of the courts. . ."

The Board invites comment on the following questions:

(1) Are the Department of Labor's Interpretive Bulletins "substantive regulations" with the meaning of section 203(c)(2)?

(2) If the Interpretive Bulletins are substantive regulations, whether and to what extent the Board should modify them?

(3) If the Interpretive Bulletins are not substantive regulations, whether and to what extent the Board should adopt them as the Board's regulations or as official interpretations?

(4) If the Interpretive Bulletins are not substantive regulations, may an employing office nevertheless defend its actions if it has relied upon such an Interpretive Bulletin in light of the provisions of the Portal-to-Portal Act, 29 U.S.C. §251 et seq.?

(iii) Joint Employer Status.

In the context of the FLSA, the term "employer" has not been construed as limited to a single employer; it may include two or more nominally separate employers of the same employee. Such "joint employment" could arise by analogy under the CAA where a covered employee performs work which simultaneously benefits two or more covered employing offices such as a member's personal office and a committee staff or works for two or more covered employing offices at different times during the workweek.

A determination of whether employment is to be considered joint employment or separate and distinct employment for FLSA purposes depends on all of the facts in a particular case. The Department of Labor's Interpretive Bulletin lists the following factors in determining joint employment status: whether there is an arrangement between the employers to share the employee's services; whether the employee's services are provided to both employers at the same time; whether one employer is acting directly or indirectly in the interest of the other employer in relation to the employee; and whether both employers are commonly controlled. 29 C.F.R. Ch. V, Pt. 791.

Where an individual works for nominally separate employers that are actually "joint employers", all of the employee's hours of work are considered as one employment. In that event, all joint employers are liable, both separately and jointly, for compliance with the applicable provisions of the FLSA, including overtime pay.

The Board invites comment on whether and to what extent this doctrine is applicable under the CAA.

The Board further invites comment on whether it should adopt regulations governing joint employment for covered employees and employing offices, and if so, what the content of those regulations should be.

b. Issues Under Section 202 (Family and Medical Leave Act)

The Family and Medical Leave Act generally requires employers to permit covered employees to take up to 12 weeks of unpaid, job protected leave during a 12-month period for the birth of a child and to care for the newborn; placement of a child for adoption or foster care; care of a spouse; child, or parent with a serious health condition; or an employee's own serious health condition. The FMLA and the Secretary's regulations thereunder contain provisions concerning the maintenance of health benefits during leave, job restoration after leave, notice and medical certifications of the need for FMLA leave, and the relationship of FMLA leave to other employment laws including the Americans With Disabilities Act, Workers Compensation, and Title VII of the Civil Rights Act of 1964.

(i) Previous Application of the FMLA to Certain Employees.

The Board notes that Title V of the FMLA made specified rights and protections under the FMLA available to certain employees of the House of Representatives and of the Senate. On August 5, 1993, the House Committee on House Administration of the 103th Congress adopted regulations and forms to implement the FMLA in the House of Representatives.

Title V and such House regulations provided different FMLA rights and protections to employees of the House of Representatives and of the Senate than are provided under the CAA. For example, under Title V, "any employee in an employment position" of the House of Representatives and any employee of the Senate who has been employed for at least twelve months on other than a temporary or intermittent basis was eligible for FMLA leave. Thus, Title V provided FMLA leave to House employees immediately upon employment and to Senate employees who had worked at least twelve months on other than a temporary or intermittent basis.

Conversely, Section 202(a)(2)(B) of the CAA defines an "eligible employee" for the purpose of FMLA leave as any employee who has been employed in any employing office for 12 months and for at least 1,250 hours of employment during the 12 months immediately preceding the commencement of leave. Consequently, the CAA establishes different leave eligibility requirements than Title V of the FMLA established. The Board further notes that Section 504(b) of the CAA repeals Title V of the FMLA effective January 23, 1996.

Section 2612 of the FMLA as applied to the House of Representatives and to the Senate under the CAA entitles "eligible employees" to take up to 12 weeks of FMLA leave in a 12-month period. Section 825.200(b) of the regulations promulgated by the Secretary provides that the employer may elect to use the calendar year, a fixed twelve month leave or fiscal year, or a 12-month period prior to or after the commencement of leave to calculate the 12-month period within which eligible employees are entitled to take up to 12 weeks leave. The Board notes that the August 5, 1993 regulations of the House Committee on House Administration designated for all employing offices of the House of Representatives the period from January 3 of one year through January 2 of the following year as the FMLA leave year within which eligible employees are entitled to take up to 12 weeks of leave. The Board further notes that, pursuant to sections 504(b) and 506 of the CAA, Title V of the FMLA upon which such regulation was based is repealed effective January 23, 1996.

The Board invites comment on the following questions:

(1) Whether and, if so, how, the twelve month and 1,250 hours of work FMLA leave eligibility requirements should be calculated for employees employed by more than one employing office? See infra (ii) on "Employment by More Than One Office".

(2) Whether there is "good cause" to believe that a regulation designating a uniform FMLA leave year within which "eligible employees" are entitled to take FMLA leave would be "more effective" for the implementation of the rights and protections of the CAA than the regulations promulgated by the Secretary which would permit employers to designate the 12-month period appropriate to their office?

(3) Whether, assuming that there is not "good cause" to designate a uniform FMLA leave year for all employing offices, the existence of non-uniform leave years by employing offices would affect the FMLA leave rights of "eligible employees" who are employed by more than one employing office? See infra (ii) on "Employment by More Than One Office".

The Board further seeks information on whether and to what extent policies and practices of the House of Representatives, the Senate, the Instrumentalities or any covered employing office exist that provide different FMLA rights and protections than would be provided under the CAA if the regulations promulgated by the Secretary were made applicable to such employees.

(ii) Employment by More Than One Office

In the context of the FMLA, the term "covered employer" has not been construed as limited to a single employer; it may include two or more employers of the same employee. Sections 825.106, 825.104(c)(2) and 825.107 of the regulations promulgated by the Secretary set forth factors to be considered in making a determination of whether a "joint employment", "integrated employer", or "successor in interest", respectively, relationship exists for the purposes of FMLA leave eligibility, job restoration and maintenance of health benefits responsibilities of employers.

The Board invites comment on whether and, if so, how the definitions of "joint employer", "integrated employer" or "successor employer" set forth in the regulations promulgated by the Secretary should be applied and/or modified to implement FMLA rights and protections under the CAA with respect to covered employees employed simultaneously or seriatim by more than one employing office during any relevant 12-month period.

Signed at Washington, D.C., on this 27th day of September, 1995.

GLEN D. NAGER,
Chair of the Board,
Office of Compliance.

NOTICE OF PROPOSED RULEMAKING

Mr. THURMOND. Mr. President, pursuant to section 304(b) of the Congressional Accountability Act of 1995 (2 U.S.C. sec. 1384(b)), a notice of proposed rulemaking was submitted by the Office of Compliance, U.S. Congress. The notice relates to the Employee Polygraph Protection Act of 1988 and its applicability to the Capitol Police under the Congressional Accountability Act.

Section 304(b) requires this notice to be printed in the CONGRESSIONAL RECORD, therefore I ask unanimous consent that the notice be printed in the RECORD.

There being no objection, the notice was ordered to be printed in the RECORD, as follows:

OFFICE OF COMPLIANCE

(The Congressional Accountability Act of 1995: Extension of Rights and Protections Under the Employee Polygraph Protection Act of 1988)

NOTICE OF PROPOSED RULEMAKING

Summary

This document contains proposed regulations authorizing the Capitol Police to use lie detector tests under Section 204(a)(3) and (c) of the Congressional Accountability Act of 1995 ("CAA"), P.L. 104-1. The proposed regulations set forth the recommendations of the Executive Director, Office of Compliance as approved by the Board of Directors, Office of Compliance.

The CAA applies the rights and protections of eleven federal labor and employment law statutes to covered employees and employing offices within the legislative branch. Section 204 extends the rights and protections of the Employee Polygraph Protection Act of 1988 [29 U.S.C. §§2001, et seq.] to covered employees and employing offices. The provisions of section 204 are effective January 23, 1996, one year after the effective date of the CAA.

The purpose of this proposed regulation is to authorize the Capitol Police to use lie detector tests with respect to its own employees.

Dates.—Comments are due on or before 30 days after the date of publication of this notice in the Congressional Record.

Addresses.—Submit written comments (an original and 10 copies) to the Chair of the Board of Directors, Office of Compliance, Room LA 200, Library of Congress, Washington, D.C. 20540-1999. Those wishing to receive notification of receipt of comments are requested to include a self-addressed, stamped post card. Comments may also be transmitted by facsimile ("FAX") machine to (202) 252-3115. This is not a toll-free call. Copies of comments submitted by the public will be available for review at the Law Library Reading Room, Room LM-201, Law Library of Congress, James Madison Memorial Building, Washington, D.C., Monday through Friday, between the hours of 9:30 a.m. and 4:00 p.m.

For Further Information Contact.—Executive Director, Office of Compliance at (202) 252-3100. This notice is also available in the following formats: large print, braille, audio tape, and electronic file on computer disk. Requests for this notice in an alternative format should be made to Mr. Russell Jackson, Director, Service Department, Office of the Sergeant at Arms and Doorkeeper of the Senate, (202) 244-2705.

Supplementary Information

Background and Summary

The Congressional Accountability Act of 1995 ("CAA") was enacted into law on January 23, 1995. In general, the CAA applies the rights and protections of eleven federal labor and employment law statutes to covered employees offices within the legislative branch. Section 204(a) and (b) of the CAA applies the rights and protections of the Employee Polygraph Protection Act of 1988, 29 U.S.C. §2001, et seq. ("EPPA") to covered employees and employing offices. Section 204(c) authorizes the Board of Directors of the Office of Compliance ("Board") established under the CAA to issue regulations implementing the section. Section 204(c) further states that such regulations "shall be the same as substantive regulations issued by the Secretary of Labor to implement the statutory provisions referred to in subsections (a) and (b) except insofar as the Board may determine, for good cause shown and stated together with the regulation, that a modification of such regulations would be more effective for the implementation of the rights and protections under this section." Section 204(a)(3) provides that nothing in this section shall preclude the Capitol Police from using lie detector tests in accordance with regulations issued under section 204(c) of the CAA.

The Capitol Police is the primary law enforcement agency of the legislative branch. The proposed regulations would provide the Capitol Police with specific authorization to use lie detector tests. The limitations on the exclusion of the proposed regulation are derived from the Secretary of Labor's regulation implementing the exclusion for public sector employers under Section 7(a) of the EPPA (29 C.F.R. §801.10(d)), which limits the exclusion to the entity's own employees.

The Board issues concurrently with this proposed regulation a separate Advance Notice of Proposed Rulemaking which invites comment regarding a number of other regulatory issues, including what regulations, if any, the Board should issue to implement the remainder of Section 204.

Proposed Regulation—Exclusion for Employees of the Capitol Police

None of the limitations on the use of lie detector tests by employing offices set forth in Section 204 of the CAA apply to the Capitol Police. This exclusion from the limitations of Section 204 of the CAA applies only with respect to Capitol Police employees. Except as otherwise provided by law or these regulations, this exclusion does not extend to contractors or nongovernmental agents of the Capitol Police, nor does it extend to the Capitol Police with respect to employees of a private employer or an otherwise covered employing office with which the Capitol Police has a contractual or other business relationship.

Recommended Method of Approval

The Board recommends that this regulation be approved by concurrent resolution in light of the nature of the work performed by the Capitol Police and the fact that neither the House of Representatives nor the Senate has exclusive responsibility for the Capitol Police.

Signed at Washington, D.C., on this 27th day of September 1995.

GLEN D. NAGER,
Chair of the Board,
Office of Compliance.

RATIFICATION OF THE CONVENTION ON THE ELIMINATION OF ALL FORMS OF DISCRIMINATION AGAINST WOMEN

Mr. PELL. Mr. President, I offer my congratulations to the conveners and participants of the Fourth World Conference on Women, held in Beijing this September, and the parallel NGO Forum on Women for promoting the human rights of women around the world. I would especially commend the members of the U.S. delegation to the Women's Conference, particularly First Lady Hillary Clinton and Ambassador Madeleine Albright, as well as the many others who contributed to its success.

The goal of this Conference was to promote the advancement of women by identifying and overcoming the obstacles still facing women. In many parts of the world today, discrimination against women results in forced abortions, in the trafficking or forced prostitution of young girls, and in the denial of nutrition or health care, even to the point of infanticide. Women are also the primary victims of domestic violence or rape, and rape is increasingly being used as a tool of war in conflicts such as Bosnia, Cambodia, Liberia, Peru, Somalia, and Rwanda.

In many parts of the world, women are denied education, job training, or employment opportunities. Today, 64 percent of the world's illiterate and 70 percent of the world's population that lives in absolute poverty are women. Even when employed, women frequently face pay discrimination in the workplace. In too many countries, women are excluded from participating in policy-making or prevented by law from voting in elections.

Mr. President, the women's conference addressed all of these issues and called upon governments to commit to specific actions that would advance the status of women. The United States delegation made commitments that continue the long-standing tradition of U.S. leadership in the fight for equality for women and men. American commitments include: the creation of a White House Council on Women to coordinate the implementation of the Platform for Action within the U.S.; a new Justice Department initiative to fight domestic violence; increased resources for improving women's health; improved access for women to financial credit; and continued support for the human rights of all people.

Mr. President, I commend the Clinton administration for its continued efforts to promote the status of women at home and abroad. This year marks a historic point in the fight for women's equality. 1995 is the 75th anniversary of women's suffrage in the United States. It is also the fiftieth anniversary of the United Nations, whose charter recognizes the equal rights of women and men. And of course, the success of this year's Fourth World Conference on Women has set a new agenda for the advancement of women. In this spirit, Mr. President, I believe it is time for the U.S. Senate to give its advice and consent to the ratification of the Convention on the Elimination of All Forms of Discrimination Against Women.

The women's convention is the most comprehensive and detailed international agreement that promotes the equality of women and men. The convention legally defines discrimination against women for the first time and establishes rights for women in areas not previously covered by international law. Today, 147 countries have ratified the convention. The United States is the only industrialized democracy in the world that has failed to ratify the convention.

Under my chairmanship, the Senate Foreign Relations Committee held three hearings on this important convention. On September 29, 1994, with my whole-hearted support, the committee voted 13 to 5 to report favorably the convention with a resolution of ratification to the Senate for its advice and consent. Despite support for ratification from many Members of Congress on both sides of the aisle, from the Clinton administration, and from the American public, opponents of ratification succeeded in blocking the convention from reaching a vote in the Senate last year.

Mr. President, I believe the U.S. ratification of this convention is important to demonstrate American commitment to eliminating all forms of discrimination against women both at home and abroad. Equally important, the United States should ratify the convention in order to underscore the importance we assign to international efforts to promote and protect human rights. By failing to ratify the women's convention, the United States has rightfully encouraged criticism from allies who cannot understand our refusal to uphold rights that are already found within the provisions of our great Constitution. The United States cannot criticize other countries' violations of women's rights if we have not recognized those rights as international legal standards. The women's convention is an important human rights document that is consistent with the existing laws of the United States. Senate advice and consent to this convention will demonstrate U.S. leadership in the fight for women's equality.

Finally, Mr. President, as we consider the appropriations bill for the State Department budget, I would emphasize the difficulties that funding cuts will produce in the work to promote human rights. Without adequate funding, the U.S. will be unable to continue to play a leadership role in the international effort to promote women's equality. The ability of the State Department to monitor human rights abuses, to participate in the work of the U.N. Human Rights Commission, to support NGOs in their human rights work, and to gather information on human rights violations would be severely threatened. Clearly, it is in the best interests of the United States to promote human rights and democracy in every country. Let us not lose our leadership role in the protection of human rights.

NATIONAL ENDOWMENT FOR THE HUMANITIES

Mr. PELL. Mr. President, I rise today to discuss the extraordinary impact of the National Endowment for the Humanities on my home State of Rhode Island. Rhode Island has long had a special relationship with the endowments—ever since the President of Brown University, my old friend Barnaby Keeney, formed a commission to investigate the possibility of a national support for study in the humanities. The Commission returned with a forceful recommendation for the creation of such a program and in 1965 we created the National Endowment for the Humanities. Since that time, the Humanities Endowment has supported scholarly research, education and public programs concerned with history, literature, philosophy, language and other humanistic disciplines, and has helped to make the United States a leader in these fields of study. Programs have included both popular and scholarly works characterized by their singular excellence, including the Pulitzer Prize winning Slavery and Human Progress and programs such as "The Civil War," "Columbus and the Age of Discovery" and "Baseball."

Barnaby Keeney, a decorated veteran and a medieval historian, left Brown University to become the first chairman of the National Endowment for the Humanities. Since then, Brown University has been in the forefront of research and study in humanities, recognized for its extraordinary excellence with repeated fellowships and grants for humanities research over the last thirty years. Rhode Island and the Nation as a whole have benefited enormously from this work. Mr. President, I would ask unanimous consent that two pieces by Edward Abrahams, director of government and community relations at Brown University—an oped article on the importance of the humanities that appeared recently in the

Providence Journal and remarks delivered on Humanities Day—be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From The Providence Journal-Bulletin, Mar. 17, 1995]

LYNDON JOHNSON, BROWN AND THE BIRTH OF THE NEH

By Edward Abrahams

"A great nation (and a great civilization) feeds upon the depth of its scholarship—as well as the breath of its educational opportunity." So said President Lyndon Johnson at Brown University in 1964.

Today, in sharp contrast, the new Republican majority in Congress has targeted, among many other legislative accomplishments of Johnson's Great Society, the National Endowment for the Humanities. While President Clinton's budget would increase expenditures for the endowment by 3 percent, to $183 million, House Republicans, led by Newt Gingrich, say they intend to kill both NEH and its more controversial partner, the National Endowment for the Arts.

Because NEH has not been reauthorized for the past two years, most analysts concur that the effort to eliminate it could succeed. House Republicans have said that they do not intend to fund any programs that remain unauthorized. In fact, NEH will claim victory if it survives in its current configuration with a smaller budget. Indicative of things perhaps to come is the current drive to rescind $5 million from this year's budgets for both endowments.

Last year, the NEH spent about $150 million to help support research, education and cultural life in America, including $2.3 million in Rhode Island. Among the larger projects funded by the endowment at Brown in their joint effort to provide public service through education and research, for example, were a summer seminar for college teachers on *Piers Plowman* and *The Canterbury Tales*, a summer course for high school teachers on *The Tale of Gengi*, and the Women Writers Project. The last, matched by contributions from the university, seeks to ensure the inclusion of women's contributions to literature by rediscovering, encoding and sometimes publishing (with Oxford University Press) lost women's writing in English from 1330 to 1830.

The project has enabled scholars to study the development of the English language as well as pioneer the writing of computer codes for international transactions of information in business and technology.

Brown's relations with NEH have been notably close. The university's leaders were in fact present at the proposed creation of the endowment. In September 1964, President Lyndon Johnson traveled to Brown to receive an honorary degree, and announce that in his view "national greatness" required that "there . . . be no neglect of the humanities." Johnson said that he "look[ed] with the greatest favor upon the proposal [issued earlier in the year by Brown's] President [Barnaby] Keeney's Commission for the National Foundation for the Humanities."

In language suggestive of another era, the Keeney Commission had recommended the creation of a federal foundation to support "whatever understanding can be attained . . . of such enduring values as justice, freedom, virtue, beauty, and truth." Within months of Johnson's address, with the help of Sen. Claiborne Pell (who is regarded as the father of both endowments) in the Senate and John Brademas in the House, Johnson pushed through Congress the act that established both NEH and NEA.

In 1966, Keeney, a decorated veteran and a medieval historian, left Brown's presidency to become the first chairman of NEH.

After Vietnam and Watergate, few intellectuals on either side of the political spectrum find much firepower in the old-fashioned liberal rhetoric that Keeney and Johnson both used to launch their hope of providing modest federal funds to promote education and research in the humanities. But in 1964 most Americans felt that the humanities and the arts not only could enrich their lives, but that they also could contribute to realizing the promise of American life, which they did not then, and perhaps do not today, see only in materialist terms.

Without faith in the inherent national significance of the mission of universities like Brown, not to mention the federal government, it becomes difficult to defend, let alone advance, the public commitment Johnson legislatively harnessed only 30 years ago to support scholarship and public programming and, with the passage of the Higher Education Act in 1965, begin to provide universal access to higher education. All have come under considerable pressure for years. They are threatened even more by the new Congress.

The attacks on both endowments are serious, far out of proportion to the insignificant amount of federal dollars in a $1.6 trillion budget they channel to such projects as rediscovering lost literature or teaching high school and college teachers medieval literature. They suggest that we have lost confidence in our national institutions to solve collective problems or to give us a sense of identity or direction.

HUMANITIES DAY

"Our cultural institutions are an essential national resource; they must be kept strong." So said President Reagan in 1981.

For over three decades, one of the most important agencies that has helped keep them strong has been the National Endowment for the Humanities. That is why the Association of American Universities, which I represent here today, unequivocally supports full funding for the Endowment. An association of 60 universities represented in almost all fifty states, the AAU is committed to advancing research and education in America.

NEH has more than fulfilled its mission. It has, in the parlance of our budget conscious era, offered an impressive return on the investment of public dollars. Every President and every Congress since 1965 has supported NEH. They have done so because they have understand that a free and good government, in Jefferson's words, depends on an enlightened citizenry.

A single controversial project should not blind us from seeing how well NEH has advanced culture and learning in America, while helping us also conserve our nation's heritage and preserve its memory.

I have here a list which is also available to you. It is a representative sample of NEH-sponsored projects at America's colleges and universities. Permit me to mention three.

At Rice University in Texas, an NEH grant enables scholars there to compile and edit a seven-volume series of Jefferson Davis' papers.

At the University of Mississippi an NEH grant facilitated a "Memories of Mississippi" exhibit that recorded ordinary citizens' recollections of the Depression era in the northern part of that state.

And at Ohio State University NEH funds are assisting secondary school teachers' efforts to integrate Arabic language and culture courses in local high schools.

What these projects have in common is that they make our nation stronger through the advancement of knowledge, culture, and education.

In brief, we need to understand—and we need to make our elected representatives understand—that if NEH is disproportionately cut, America's cultural institutions will not be kept strong. They will bleed.

MESSAGES FROM THE HOUSE

At 12:33 p.m., a message from the House of Representatives, delivered by M, one of its reading clerks, announced that the House has passed the following bills and joint resolution, in which it requests the concurrence of the Senate:

H.R. 2288. An act to amend part D of title IV of the Social Security Act to extend for 2 years the deadline by which States are required to have in effect an automated data processing and information retrieval system for use in the administration of State plans for child and spousal support.

H.R. 2404. An act to extend authorities under the Middle East Peace Facilitation Act of 1994 until November 1, 1995, and for other purposes.

H.J. Res. 108. Joint Resolution making continuing appropriations for the fiscal year 1996, and for other purposes.

MEASURES REFERRED

The following bill was read the first and second times by unanimous consent and referred as indicated:

H.R. 2288. An act to amend part D of title IV of the Social Security Act to extend for 2 years the deadline by which States are required to have in effect an automated data processing and information retrieval system for use in the administration of State plans for child and spousal support; to the Committee on Finance.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–1472. A communication from the Under Secretary of Defense, transmitting, pursuant to law, the report of a violation of the Antideficiency Act, case number 94–16; to the Committee on Appropriations.

EC–1473. A communication from the Deputy Assistant Secretary (Communication, Computers, and Support Systems), the Department of the Air Force, transmitting, notification of a cost comparison; to the Committee on Armed Services.

REPORTS OF COMMITTEES

The following report of committee was submitted on September 27, 1995:

By Mr. HATCH, from the Committee on the Judiciary, without amendment:

S.J. Res. 31: A joint resolution proposing an amendment to the Constitution of the United States to grant Congress and the States the power to prohibit the physical desecration of the flag of the United States (Rept. No. 104–148).

The following report of committee was submitted on September 28, 1995:

By Mr. HATFIELD, from the Committee on Appropriations:

Special Report entitled "Revised Allocation to Subcommittees of Budget Totals from the Concurrent Resolution for Fiscal Year 1996" (Rept. No. 104–149).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. MACK:

S. 1280. A bill to amend the Internal Revenue Code of 1986 to provide all taxpayers with a 50-percent deduction for capital gains, to index the basis of certain assets, and to allow the capital loss deduction for losses on the sale or exchange of an individual's principal residence; to the Committee on Finance.

By Mr. KERRY (for himself and Mr. KENNEDY):

S. 1281. A bill to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Sarah-Christen*; to the Committee on Commerce, Science, and Transportation.

S. 1282. A bill to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Triad*; to the Committee on Commerce, Science, and Transportation.

By Mr. McCONNELL:

S. 1283. A bill to authorize the Secretary of Agriculture to regulate the commercial transportation of horses for slaughter, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. HATCH (for himself and Mr. LEAHY):

S. 1284. A bill to amend title 17 to adapt the copyright law to the digital, networked environment of the National Information Infrastructure, and for other purposes; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. WARNER (for himself and Mr. FORD):

S. Res. 176. A resolution relating to expenditures for official office expenses; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. KERRY (for himself and Mr. KENNEDY):

S. 1281. A bill to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in coastwise trade for the vessel *Sarah-Christen*; to the Committee on Commerce, Science, and Transportation.

JONES ACT WAIVER LEGISLATION

• Mr. KERRY. Mr. President, I am pleased to join my colleague, the distinguished senior Senator from Massachusetts, in introducing a bill to allow the vessel *Sarah-Christen* to be employed in coastwise trade of the United States. This boat has a small passenger capacity, carrying up to 12 passengers in a charter business. The purpose of this bill is to waive those sections of the Jones Act which prohibit foreign-made vessels from operating in coastwise trade. The waiver is necessary because, under the law, a vessel is not considered built in the United States unless all major components of its hull and superstructures are fabricated in the United States, and the vessel is assembled entirely in the United States. This vessel was originally built in a foreign shipyard in 1971, but since then has been owned and operated by American citizens, repaired in American shipyards, and maintained with American products. The owner of the vessel simply wishes to start a small business, a charter boat operation, seasonally taking people out for cruises.

After reviewing the facts in the case of the *Sarah-Christen*, I find that this wavier does not compromise our national readiness in times of national emergency, which is the fundamental purpose of the Jones Act requirement. While I generally support the provisions of the Jones Act, I believe the specific facts in this case warrant a waiver to permit the *Sarah-Christen* to engage in coastwise trade. These include the facts the vessel is more than 20 years old, the owner has invested significant funds in vessel maintenance and restoration in the United States, and the vessel has a relatively small passenger-carrying capacity. I hope and trust the Senate will agree and will speedily approve the bill being introduced today.•

By Mr. KERRY (for himself and Mr. KENNEDY):

S. 1282. A bill to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in coastwise trade for the vessel *Triad;* to the Committee on Commerce, Science, and Transportation.

JONES ACT WAIVER LEGISLATION

• Mr. KERRY. Mr. President, I am pleased to join my colleague, the distinguished senior Senator from Massachusetts, in introducing a bill to allow the vessel *Triad* to be employed in coastwise trade of the United States. This boat has a small passenger capacity, carrying up to 6 passengers in a charter business. The purpose of this bill is to waive those sections of the Jones Act which prohibit foreign-made vessels from operating in coastwise trade. The waiver is necessary because, under the law, a vessel is not considered built in the United States unless all major components of its hull and superstructure are fabricated in the United States, and the vessel is assembled entirely in the United States. This vessel was originally built in a foreign shipyard in 1982, but since 1992 it has been owned and operated by American citizens, repaired in American shipyards, and maintained with American products. The owner of the vessel now wishes to start a small business, a charter boat operation, seasonally taking people out for cruises.

After reviewing the facts in the case of the *Triad* I find that this waiver would not compromise our national readiness in times of national emergency, which is the fundamental purpose of the Jones Act requirement. While I generally support the provisions of the Jones Act, I believe the specific facts in this case warrant a waiver to permit the *Triad* to engage in coastwise trade. These include the facts the vessel is more than 10 years old, the owner has invested significant funds in vessel maintenance and restoration in the United States and the vessel has a relatively small passenger-carrying capacity. I hope and trust the Senate will agree and will speedily approve the bill being introduced today.•

By Mr. McCONNELL:

S. 1283. A bill to authorize the Secretary of Agriculture to regulate the commercial transportation of horses, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

THE HUMANE METHODS OF LIVESTOCK SLAUGHTER ACT AMENDMENTS ACT OF 1995

• Mr. McCONNELL. Mr. President, last year I introduced legislation amending the Federal Humane Methods of Livestock Slaughter Act to regulate the commercial transportation of horses to slaughter facilities. After considerable discussion and much mail on this important issue, I have made several modifications to the original bill. Today, I am introducing legislation that will provide greater oversight and integrity concerning the commercial transportation of horses to slaughter facilities.

I am pleased that my bill is supported by the American Horse Council, and the American Horse Protection Association. Other organizations that support this legislation include the American Association of Equine Practitioners, the American Humane Association, the American Society for Prevention of Cruelty to Animals, and the Humane Society of the United States.

Currently, some horses are being transported for long periods in overcrowded conditions without rest, food, or water. Some vehicles used for transport have inadequate headroom and are not intended to transport large animals. Further, some of the horses transported have serious injuries which can be severely aggravated by the journey. This legislation would give the Secretary of Agriculture the authority to correct these practices by regulating those in the business of transporting horses to processing facilities.

I want to make it clear that it is not my intention to either promote or prevent the commercial slaughter of horses. This industry has been in existence for a long time in this country, and I expect that it will continue to operate long into the future. My purpose in this legislation is to protect horses from unduly harsh and unpleasant treatment as they are transported across the country.

Horses occupy a central role in the traditions, history, and economy of Kentucky. Thousands of Kentuckians are employed either directly or indirectly by the horse industry. Horses have been good to Kentucky; and we should try to the maximum practical extent to be good to horses.

This bill would require that horses be rested off the vehicle after 24 hours, with access to food and water. Vehicles used to transport the horses would have to have adequate headroom and interiors free of sharp edges. Transporting vehicles must be maintained in a sanitary condition, offer adequate ventilation and shelter from extremes of heat and cold, be large enough for the number of horses transported, and allow for the position of horses by size, with stallions segregated from other horses. Finally, in order to be transported, horses must be physically fit to travel.

Enforcement of the act is placed with the U.S. Department of Agriculture, which presently regulates the slaughter process itself under the Humane Methods of Slaughter Act. The Department would be authorized to work with State and local authorities to enforce the provisions of this bill. This bill, while correcting abuses that exist, will not be an excessive burden on the processing facilities, auctions, or the commercial transporters of these horses.

Unlike other livestock, the transportation of horses to processing facilities is often a lengthy process, because there are fewer facilities that handle horses and they are located in only a few areas. Moreover, not all of them operate on a full-time basis. The result is that the transporting of these animals requires special protection.

There are several States that have passed legislation to regulate the transportation of these horses, but most of the travel is interstate, across wide areas. This is why Federal legislation is needed. The shipment of horses over long distances in inappropriate trailers, without food or water, is unacceptable. This bill would extend Federal regulation to the commercial transport of horses to slaughter and assure the humane and safe conditions of that transport.

I invite all groups that are concerned about these horses to work with me in passing this legislation.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1283

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Safe Commercial Transportation of Horses for Slaughter Act of 1995".

SEC. 2. COMMERCIAL TRANSPORTATION OF HORSES FOR SLAUGHTER.

Public Law 85-765 (7 U.S.C. 1901 et seq.) is amended by adding at the end the following:

"TITLE II—COMMERCIAL TRANSPORTATION OF HORSES FOR SLAUGHTER

"SEC. 201. FINDINGS.

"Congress finds that, to ensure that horses sold for slaughter are provided human treatment and care, it is essential to regulate the transportation, care, handling, and treatment of horses by any person engaged in the commercial transportation of horses for slaughter.

"SEC. 202. DEFINITIONS.

"In this title:

"(1) COMMERCE.—The term 'commerce' means trade, traffic, transportation, or other commerce—

"(A) between any State, territory, or possession of the United States, or the District of Columbia, and any place outside thereof;

"(B) between points within the same State, territory, or possession of the United States, or the District of Columbia, but through any place outside thereof; or

"(C) within any territory or possession of the United States or the District of Columbia.

"(2) DEPARTMENT.—The term 'Department' means the United States Department of Agriculture.

"(3) EQUINE.—The term 'equine' includes any member of the Equidae family.

"(4) FOAL.—The term 'foal' means a horse that is not more than 6 months of age.

"(5) HORSE.—The term 'horse' includes any member of the Equidae family.

"(6) HORSE FOR SLAUGHTER.—The term 'horse for slaughter' means any horse that is transported, or intended to be transported, to a slaughter facility or intermediate handler from a sale, auction, or intermediate handler by a person engaged in the business of transporting horses for slaughter.

"(7) INTERMEDIATE HANDLER.—The term 'intermediate handler' means any person engaged in the business of receiving custody of horses for slaughter in connection with the transport of the horses to a slaughter facility, including a stockyard, feedlot, or assembly point.

"(8) PERSON.—The term 'person' includes any individual, partnership, firm, company, corporation, or association.

"(9) SECRETARY.—The term 'Secretary' means the Secretary of Agriculture.

"(10) VEHICLE.—The term 'vehicle' means any machine, truck, tractor, trailer, or semitrailer, or any combination thereof, propelled or drawn by mechanical power and used on a highway in the commercial transportation of horses for slaughter.

"(11) STALLION.—The term 'stallion' means any uncastrated male horse that is 1 year of age or older.

"SEC. 203. STANDARDS FOR HUMANE COMMERCIAL TRANSPORTATION OF HORSES FOR SLAUGHTER.

"(a) IN GENERAL.—Not later than 180 days after the date of enactment of this title, the Secretary shall issue, by regulation, standards for the humane commercial transportation of horses for slaughter.

"(b) PROHIBITION.—No person shall transport in commerce, to a slaughter facility or intermediate handler, a horse for slaughter except in accordance with the standards and this title.

"(c) MINIMUM REQUIREMENTS.—The standards shall include minimum requirements for the humane handling, care, treatment, and equipment necessary to ensure the safe and humane transportation of horses for slaughter. The standards shall require, at a minimum, that—

"(1) no horse for slaughter shall be transported for more than 24 hours without being unloaded from the vehicle and allowed to rest for at least 8 consecutive hours and given access to adequate quantities of wholesome food and potable water;

"(2) a vehicle shall provide adequate headroom for a horse for slaughter with a minimum of at least 6 feet, 6 inches of headroom from the roof and beams or other structural members overhead to floor underfoot, except that a vehicle transporting 6 horses or less shall provide a minimum of at least 6 feet of headroom from the roof and beams or other structural members overhead to floor underfoot if none of the horses are over 16 hands;

"(3) the interior of a vehicle shall—

"(A) be free of protrusions, sharp edges, and harmful objects;

"(B) have ramps and floors that are adequately covered with a nonskid nonmetallic surface; and

"(C) be maintained in a sanitary condition;

"(4) a vehicle shall—

"(A) provide adequate ventilation and shelter from extremes of weather and temperature for all equine;

"(B) be of appropriate size, height, and interior design for the number of equine being carried to prevent overcrowding; and

"(C) be equipped with doors and ramps of sufficient size and location to provide for safe loading and unloading, including unloading during emergencies;

"(5)(A) horses shall be positioned in the vehicle by size; and

"(B) stallions shall be segregated from other horses;

"(6)(A) all horses for slaughter must be fit to travel as determined by an accredited large animal veterinarian, who shall prepare a certificate of inspection, prior to loading for transport, that—

"(i) states that the horses were inspected and satisfied the requirements of subparagraph (B);

"(ii) includes a clear description of each horse; and

"(iii) is valid for 7 days;

"(B) no horse shall be transported to slaughter if the horse is found to be—

"(i) suffering from a broken or dislocated limb;

"(ii) unable to bear weight on all 4 limbs;

"(iii) blind in both eyes; or

"(iv) obviously suffering from severe illness, injury, lameness, or physical debilitation that would make the horse unable to withstand the stress of transportation;

"(C) no foal may be transported for slaughter;

"(D) no mare in foal that exhibits signs of impending partition may be transported for slaughter; and

"(E) no horse for slaughter shall be accepted by a slaughter facility unless the horse is accompanied by a certificate of inspection issued by an accredited large animal veterinarian, not more than 7 days before the delivery, stating that the veterinarian inspected the horse on a specified date.

"SEC. 204. RECORDS.

"(a) IN GENERAL.—A person engaged in the business of transporting horses for slaughter shall establish and maintain such records, make such reports, and provide such information as the Secretary may, by regulation, require for the purposes of carrying out, or determining compliance with, this subtitle.

"(b) MINIMUM REQUIREMENTS.—The records shall include, at a minimum—

"(1) the veterinary certificate of inspection;

"(2) the names and addresses of current owners and consignors, if applicable, of the horses at the time of sale or consignment to slaughter; and

"(3) the bill of sale or other documentation of sale for each horse.

"(c) AVAILABILITY.—The records shall—

"(1) accompany the horses during transport to slaughter;

"(2) be retained by any person engaged in the business of transporting horses for slaughter for a reasonable period of time, as determined by the Secretary; and

"(3) on request of an officer or employee of the Department, be made available at all reasonable times for inspection and copying by the officer or employee.

"SEC. 205. AGENTS.

"(a) IN GENERAL.—For purposes of this title, the act, omission, or failure of an individual acting for or employed by a person engaged in the business of transporting horses for slaughter, within the scope of the employment or office of the individual, shall be considered the act, omission, or failure of the person engaging in the commercial transportation of horses for slaughter as well as of the individual.

"(b) ASSISTANCE.—If a horse suffers a substantial injury or illness while being transported for slaughter on a vehicle, the driver of the vehicle should seek prompt assistance from a large animal veterinarian.

"SEC. 206. COOPERATIVE AGREEMENTS.

"Not later than 180 days after the date of enactment of this title, the Secretary shall, to the maximum extent practicable, establish cooperative agreements and enter into memoranda of agreement with appropriate Federal and State agencies or political subdivisions of the agencies, including State departments of agriculture, State law enforcement agencies, and foreign governments, to carry out and enforce this title.

"SEC. 207. INVESTIGATIONS AND INSPECTIONS.

"(a) IN GENERAL.—The Secretary shall make such investigations or inspections as the Secretary considers necessary—

"(1) to enforce this title (including any regulation issued under this title); and

"(2) pursuant to information regarding alleged violations of this title provided to the Secretary by a State official or any other person.

"(b) ACCESS.—For the purposes of conducting an investigation or inspection under subsection (a), the Secretary shall, at all reasonable times, have access to—

"(1) the place of business of any person engaged in the business of transporting horses for slaughter;

"(2) the facilities and vehicles used to transport the horses; and

"(3) records required to be maintained under section 204.

"(c) MINIMUM REQUIREMENT.—An investigation or inspection shall include, at a minimum, an inspection by an employee of the Department of all horses and vehicles carrying horses, on the arrival of the horses and vehicles at the slaughter facility.

"(d) ASSISTANCE TO OR DESTRUCTION OF HORSES.—The Secretary shall issue such regulations as the Secretary considers necessary to permit employees or agents of the Department to—

"(1) provide assistance to any horse that is covered by this title (including any regulation issued under this title); or

"(2) destroy, in a humane manner, any such horse found to be suffering.

"SEC. 208. INTERFERENCE WITH ENFORCEMENT.

"(a) IN GENERAL.—Subject to subsection (b), a person who forcibly assaults, resists, opposes, impedes, intimidates, or interferes with any person while engaged in or on account of the performance of an official duty of the person under this title shall be fined not more than $5,000 or imprisoned not more than 3 years, or both.

"(b) WEAPONS.—If the person uses a deadly or dangerous weapon in connection with an action described in subsection (a), the person shall be fined not more than $10,000 or imprisoned not more than 10 years, or both.

"SEC. 209. JURISDICTION OF COURTS.

"Except as provided in section 210(a)(5), a district court of the United States in any appropriate judicial district under section 1391 of title 28, United States Court, shall have jurisdiction to specifically enforce this title, to prevent and restrain a violation of this title, and to otherwise enforce this title.

"SEC. 210. CIVIL AND CRIMINAL PENALTIES.

"(a) CIVIL PENALTIES.—

"(1) IN GENERAL.—A person who violates this title (including a regulation or standard issued under this title) shall be assessed a civil penalty by the Secretary of not more than $2,000 for each violation.

"(2) SEPARATE OFFENSES.—Each horse transported in violation of this title shall constitute a separate offense. Each violation and each day during which a violation continues shall constitute a separate offense.

"(3) HEARINGS.—No penalty shall be assessed under this subsection unless the person who is alleged to have violated this title is given notice and opportunity for a hearing with respect to an alleged violation.

"(4) FINAL ORDER.—An order of the Secretary assessing a penalty under this subsection shall be final and conclusive unless the aggrieved person files an appeal from the order pursuant to paragraph (5).

"(5) APPEALS.—Not later than 30 days after entry of a final order of the Secretary issued pursuant to this subsection, a person aggrieved by the order may seek review of the order in the appropriate United States Court of Appeals. The Court shall have exclusive jurisdiction to enjoin, set aside, suspend (in whole or in part), or to determine the validity of the order.

"(6) NONPAYMENT OF PENALTY.—On a failure to pay the penalty assessed by a final order under this section, the Secretary shall request the Attorney General to institute a civil action in a district court of the United States or other United States court for any district in which the person is found, resides, or transacts business, to collect the penalty. The court shall have jurisdiction to hear and decide the action.

"(b) CRIMINAL PENALTIES.—

"(1) FIRST OFFENSE.—Subject to paragraph (2), a person who knowingly violates this title (or a regulation or standard issued under this title) shall, on conviction of the violation, be subject to imprisonment for not more than 1 year or a fine of not more than $2,000, or both.

"(2) SUBSEQUENT OFFENSES.—On conviction of a second or subsequent offense described in paragraph (1), a person shall be subject to imprisonment for not more than 3 years or to a fine of not more than $5,000, or both.

"SEC. 211. PAYMENTS FOR TEMPORARY OR MEDICAL ASSISTANCE FOR HORSES DUE TO VIOLATIONS.

"From sums received as penalties, fines, or forfeitures of property for any violation of this title (including a regulation issued under this title), the Secretary shall pay the reasonable and necessary costs incurred by any person in providing temporary care or medical assistance for any horse that needs the care or assistance due to a violation of this title.

"SEC. 212. RELATIONSHIP TO STATE LAW.

"Nothing in this title prevents a State from enacting or enforcing any law (including a regulation) that is not inconsistent with this title or that is more restrictive than this title.

"SEC. 213. AUTHORIZATION OF APPROPRIATIONS.

"There is authorized to be appropriated for each fiscal year such sums as are necessary to carry out this title.".

SEC. 3. CONFORMING AMENDMENTS.

(a) The first section of Public Law 85-765 (7 U.S.C. 1901) is amended by striking "That the Congress" and inserting the following:

"SEC. 1. SHORT TITLE.

"This Act may be cited as the 'Federal Humane Methods of Livestock Slaughter Act'.

"TITLE I—HUMANE METHODS OF LIVESTOCK SLAUGHTER

"SEC. 101. FINDINGS AND DECLARATION OF POLICY.

"Congress".

(b) Section 2 of the Federal Humane Methods of Livestock Slaughter Act (7 U.S.C. 1902) is amended by striking "SEC. 2. No" and inserting the following:

"SEC. 102. HUMANE METHODS.

"No".

(c) Section 4 of the Act (7 U.S.C. 1904) is amended by striking "SEC. 4. In" and inserting the following:

"SEC. 103. METHODS RESEARCH.

"In".

(d) Section 6 of the Act (7 U.S.C. 1906) is amended by striking "SEC. 6. Nothing" and inserting the following:

"SEC. 104. EXEMPTION OF RITUAL SLAUGHTER.

"Nothing".

SEC. 4. EFFECTIVE DATE.

(a) IN GENERAL.—This Act and the amendments made by this Act shall become effective 180 days after the date of enactment of this Act.

(b) REGULATIONS.—As soon as practicable, but not later than 180 days after the date of enactment of this Act, the Secretary of Agriculture shall issue such regulations as the Secretary determines are necessary to implement this Act and the amendments made by this Act.

(c) COMPLIANCE.—A person shall be required to comply with—

(1) sections 203 and 204 of the Federal Humane Methods of Livestock Slaughter Act

(as added by section 2) beginning on the date that is 180 days after the date of enactment of this Act; and

(2) other sections of title II of the Act beginning on the date that is 90 days after the Secretary issues final regulations under subsection (b).●

By Mr. HATCH (for himself and Mr. LEAHY):

S. 1284. A bill to amend title 17 to adapt the copyright to the digital, networked environment of the National Information Infrastructure, and for other purposes; to the Committee on the Judiciary.

THE NATIONAL INFORMATION INFRASTRUCTURE COPYRIGHT PROTECTION ACT

Mr. HATCH. Mr. President, today, together with my distinguished colleague from Vermont, Senator LEAHY, I am introducing the National Information Infrastructure Copyright Protection Act of 1995, which amends the Copyright Act to bring it up to date with the digital communications age.

The National Information Infrastructure or "NII" is a fancy name for what is popularly known as the "information highway." Probably most people today experience the information highway by means of their computers when they use electronic mail or subscribe to a bulletin board service or use other on-line services. But these existing services are only dirt roads compared to the superhighway of information-sharing which lies ahead.

The NII of the future will link not only computers, but also telephones, televisions, radios, fax machines, and more into an advanced, high-speed, interactive, broadband, digital communications system. Over this information superhighway, data, text, voice, sound, and images will travel, and their digital format will permit them not only to be viewed or heard, but also to be copied and manipulated. The digital format will also ensure that copies will be perfect reproductions, without the degradation that normally occurs today when audio and videotapes are copied.

The NII has tremendous potential to improve and enhance our lives, by providing quick, economical, and high-quality access to information that educates and entertains as well as informs. When linked up to a "Global Information Infrastructure," the NII will broaden our cultural experiences, and allow American products to be more widely disseminated.

Highways, of course, are meant to be used, and in order to be used, they must be safe. That's why we have "rules of the road" on our asphalt highways and that's why we need rules for our digital highway. No manufacturer would ship his or her goods on a highway if his trucks were routinely hijacked and his or her goods plundered. Likewise, no producer of intellectual property will place his or her works on the information superhighway if they are routinely pirated. We might end up having enormous access to very little information, unless we can protect property rights in intellectual works. The piracy problem is particularly acute in the digital age where perfect copies can be made quickly and cheaply.

Protecting the property rights of the owners of intellectual property not only induces them to make their products available, it also encourages the creation of new products. Our copyright laws are based on the conviction that creativity increases when authors can reap benefits of their creative activity.

But the NII also promises to increase creativity in a more dramatic way by providing individual creators with public distribution of their works outside traditional channels. For example, authors who have been unsuccessful in finding a publisher will be able to distribute their works themselves to great numbers of people at very low cost.

The bill that I am introducing today begins the process of designing the rules of the road for the information superhighway. It was drafted by the Working Group on Intellectual Property Rights of the Information Infrastructure Task Force. Chaired by the Honorable Bruce A Lehman, Assistant Secretary of Commerce and Commissioner of Patents and Trademarks, the Working Group labored for 2 years examining the intellectual property implications of the NII to determine if changes were necessary to intellectual property law and to recommend appropriate statutory language.

The Working Group drew upon the expertise of 26 departments and agencies of the Federal Government; it heard the testimony of 30 witnesses and received some 70 written statements from all interested parties. On July 7, 1994, it produced a preliminary draft ("Green Paper"), which opened another period of extensive testimony and comment. The Final Report, containing a draft of the legislation that I am introducing today, was unveiled on September 5, 1995.

The length and scope of the Working Group's investigation would alone commend its recommendations to serious attention, but I have also studied the legislation and find it an excellent basis for the Committee on the Judiciary to begin its own examination of the issues with a view to fine-tuning the solutions proposed by the Working Group.

The bill deals with five major areas:

(1) transmission of copies,

(2) exemptions for libraries and the visually impaired,

(3) copyright protection systems,

(4) copyright management information, and

(5) remedies.

In general, the bill provides as follows:

Transmission of Copies. The bill makes clear that the right of public distribution in the Copyright Act applies to transmission of copies and phonorecords of copyrighted works. For example, this means that transmitting a copy of a computer program from one computer to ten other computers without permission of the copyright owner would ordinarily be an infringement.

Exemptions for Libraries and the Visually Impaired. The bill amends the current exemption for libraries to allow the preparation of three copies of works in digital format, and it authorizes the making of a limited number of digital copies by libraries and archives for purposes of preservation.

The bill adds a new exemption for non-profit organizations to reproduce and distribute to the visually impaired—at cost—Braille, large type, audio or other editions of previously published literary works, provided that the owner of the exclusive right to distribute the work in the United States has not entered the market for such editions during the first year following first publication.

Copyright Protection Systems. The bill adds a new section which prohibits the importation, manufacture or distribution of any device or product, or the provision of any service, the primary purpose or effect of which is to deactivate any technological protections which prevent or inhibit the violation of exclusive rights under the copyright law.

Copyright Management Information. "Copyright management information" is information that identifies the author of the work, the copyright owner, the terms and conditions for uses of the work, and other information that the Register of Copyrights may prescribe. The bill prohibits the dissemination of copyright management information known to be false and the unauthorized removal or alteration of copyright management information.

Remedies. The bill provides for civil penalties for circumvention of copyright protection systems and for tampering with copyright management information, including injunction, impoundment, actual or statutory damages, costs, attorney's fees, and the modification or destruction of products and devices.

The bill provides criminal penalties for tampering with copyright management information—a fine of not more than $500,000 or imprisonment of not more than 5 years or both.

There is widespread support for the general thrust of the bill among interested parties. However, during the hearing process, I am sure that issues will arise that no one has yet anticipated. Already, some potential discussion points have been identified: the scope of the library exemption and the exemption for the visually impaired, the absence of criminal penalties for circumvention of copyright protection systems, the use of encryption as a copyright protection system, the application of the doctrine of fair use, the development of efficient licensing models, and the liability of on-line service providers.

In the interest of time, it may be that fuller discussion and solution may have to be deferred for those points not covered expressly in the bill. The fully commercial information superhighway is not yet here, and we must resign ourselves to a period of experimentation. We want to be on the cutting edge, not the bleeding edge of new technology.

Once again, I would like to commend the Working Group on Intellectual Property Rights of the Information Infrastructure Task Force for providing an excellent model for us to work with. I also recommend to all interested parties that they read the full report of the Working Group. Without endorsing any of the specific language of that report, I believe that it provides useful background material for the recommended changes.

In conclusion, Mr. President, I would like to thank my colleague from Vermont, Senator LEAHY, for joining me in introducing this important legislation.

Mr. President, I ask unanimous consent that a copy of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1284

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "NII Copyright Protection Act of 1995".

SEC. 2. TRANSMISSION OF COPIES.

(a) DISTRIBUTION.—Section 106(3) of title 17, United States Code, is amended by striking "or by rental, lease, or lending" and inserting "by rental, lease, or lending, or by transmission".

(b) DEFINITIONS.—Section 101 of title 17, United States Code, is amended—

(1) in the definition of "publication" by striking "or by rental, lease, or lending" in the first sentence and insert "by rental, lease, or lending, or by transmission"; and

(2) in the definition of "transmit" by inserting at the end thereof the following: "To 'transmit' a reproduction is to distribute it by any device or process whereby a copy or phonorecord of the work is fixed beyond the place from which it was sent.".

(c) IMPORTATION.—Section 602 of title 17, United States Code, is amended by inserting "whether by carriage of tangible goods or by transmission," after "Importation into the United States,".

SEC. 3. EXEMPTIONS FOR LIBRARIES AND THE VISUALLY IMPAIRED.

(a) LIBRARIES.—Section 108 of title 17, United States Code, is amended—

(1) in subsection (a) by deleting "one copy or phonorecord" and inserting in lieu thereof "three copies or phonorecords";

(2) in subsection (a) by deleting "such copy or phonorecord" and inserting in lieu thereof "no more than one of such copies or phonorecords";

(3) by inserting at the end of subsection (a)(3) "if such notice appears on the copy or phonorecord that is reproduced under the provisions of this section";

(4) in subsection (b) by inserting "or digital" after "facsimile" and by inserting "in facsimile form" before "for deposit for research use"; and

(5) in subsection (c) by inserting "or digital" after "facsimile".

(b) VISUALLY IMPAIRED.—Title 17, United States Code, is amended by adding the following new section:

"§ 108A. Limitations on exclusive rights: Reproduction for the Visually Impaired

"Notwithstanding the provision of section 106, it is not an infringement of copyright for a non-profit organization to reproduce and distribute to the visually impaired, at cost, a Braille, large type, audio or other edition of a previously published literary work in a form intended to be perceived by the visually impaired, provided that, during a period of at least one year after the first publication of a standard edition of such work in the United States, the owner of the exclusive right to distribute such work in the United States has not entered the market for editions intended to be perceived by the visually impaired."

SEC. 4. COPYRIGHT PROTECTION SYSTEMS AND COPYRIGHT MANAGEMENT INFORMATION.

Title 17, United States Code, is amended by adding the following new chapter:

"CHAPTER 12.—COPYRIGHT PROTECTION AND MANAGEMENT SYSTEMS

"Sec.
"1201. Circumvention of Copyright Protection Systems
"1202. Integrity of Copyright Management Information
"1203. Civil Remedies
"1204. Criminal Offenses and Penalties

§ 1201. Circumvention of Copyright Protection Systems

"No person shall import, manufacture or distribute any device, product, or component incorporated into a device or product, or offer or perform any service, the primary purpose or effect of which is to avoid, bypass, remove, deactivate, or otherwise circumvent, without the authority of the copyright owner or the law, any process, treatment, mechanism or system which prevents or inhibits the violation of any of the exclusive rights of the copyright owner under section 106.

§ 1202. Integrity of Copyright Management Information

"(a) FALSE COPYRIGHT MANAGEMENT INFORMATION.—No person shall knowingly provide copyright management information that is false, or knowingly publicly distribute or import for public distribution copyright management information that is false.

"(b) REMOVAL OR ALTERATION OF COPYRIGHT MANAGEMENT INFORMATION.—No person shall, without authority of the copyright owner or the law, (i) knowingly remove or alter any copyright management information, (ii) knowingly distribute or import for distribution copyright management information that has been altered without authority of the copyright owner or the law, or (iii) knowingly distribute or import for distribution copies or phonorecords from which copyright management information has been removed without authority of the copyright owner or the law.

"(c) DEFINITION.—As used in this chapter, "copyright management information" means the name and other identifying information of the author of a work, the name and other identifying information of the copyright owner, terms and conditions for uses of the work, and such other information as the Register of Copyrights may prescribe by regulation.

§ 1203. Civil Remedies

"(a) CIVIL ACTIONS.—Any person injured by a violation of Sec. 1201 or 1202 may bring a civil action in an appropriate United States district court for such violation.

"(b) POWERS OF THE COURT.—In an action brought under subsection (a), the court—

"(1) may grant temporary and permanent injunctions on such terms as it deems reasonable to prevent or restrain a violation;

"(2) at any time while an action is pending, may order the impounding, on such terms as it deems reasonable, of any device or product that is in the custody or control of the alleged violator and that the court has reasonable cause to believe was involved in a violation;

"(3) may award damages under subsection (c);

"(4) in its discretion may allow the recovery of costs by or against any party other than the United States or an officer thereof;

"(5) in its discretion may award reasonable attorney's fees to the prevailing party; and

"(6) may, as part of a final judgment or decree finding a violation, order the remedial modification or the destruction of any device or product involved in the violation that is in the custody or control of the violator or has been impounded under subsection (2).

"(c) AWARDS OF DAMAGES.—

"(1) IN GENERAL.—Except as otherwise provided in this chapter, a violator is liable for either (i) the actual damages and any additional profits of the violator, as provided by subsection (2) or (ii) statutory damages, as provided by subsection (3).

"(2) ACTUAL DAMAGES.—The court shall award to the complaining party the actual damages suffered by him or her as a result of the violation, and any profits of the violator that are attributable to the violation and are not taken into account in computing the actual damages, if the complaining party elects such damages at any time before final judgment is entered.

"(3) STATUTORY DAMAGES.—

"(A) At any time before final judgment is entered, a complaining party may elect to recover an award of statutory damages for each violation of section 1201 in the sum of not less than $200 or more than $2,500 per device, product, offer or performance of service, as the court considers just.

"(B) At any time before final judgment is entered, a complaining party may elect to recover an award of statutory damages for each violation of section 1202 in the sum of not less than $2,500 or more than $25,000.

"(4) REPEATED VIOLATIONS.—In any case in which the injured party sustains the burden of proving, and the court finds, that a person has violated section 1201 or 1202 within three years after a final judgment was entered against that person for another such violation, the court may increase the award of damages up to triple the amount that would otherwise be awarded, as the court considers just.

"(5) INNOCENT VIOLATIONS.—The court in its discretion may reduce or remit altogether the total award of damages in any case in which the violator sustains the burden of proving, and the court finds, that the violator was not aware and had no reason to believe that its acts constituted a violation.

§ 1204. Criminal Offenses and Penalties

"Any person who violates section 1202 with intent to defraud shall be fined not more than $500,000 or imprisoned for not more than 5 years, or both."

SEC. 5. CONFORMING AMENDMENTS.

(a) TABLE OF SECTIONS.—The table of sections for chapter 1 of title 17, United States Code, is amended by inserting after the item relating to section 108 the following:

"108A. Limitations on exclusive rights: Reproduction for the Visually Impaired."

(b) TABLE OF CHAPTERS.—The table of chapters for title 17, United States Code, is amended by adding at the end the following:

"12. COPYRIGHT PROTECTION AND MANAGEMENT SYSTEMS. .... 1201".

SEC. 6. EFFECTIVE DATE.

This Act, and the amendments made by this Act, shall take effect on the date of the enactment of this Act.

Mr. LEAHY. Mr. President, I join today in the introduction of the "NII Copyright Protection Act." This bill reflects the effort of the Working Group on Intellectual Property Rights, chaired by Assistant Secretary of Commerce and Commissioner of Patents and Trademarks Bruce A. Lehman. The Working Group included key Federal agencies in consultation with the private sector, public interest groups and State and local governments. Its examination of the intellectual property implications of the National Information Infrastructure forms a critical component of the Information Infrastructure Task Force, created in early 1993 by President Clinton and Vice President Gore.

This legislative proposal confronts fundamental questions about the role of copyright in the next century. On July 7, 1995, the Working Group released its preliminary draft report. Following additional hearings, public comment and consultation, the Administration released its long-awaited "White Paper," or final report, on copyright protection in the digital, electronic information age on September 5, 1995. This 238-page report, "Intellectual Property and the National Information Infrastructure," culminates in legislative recommendations that are incorporated in this bill. This bill takes important steps toward answering questions about the structure of copyright protection for decades to come.

Increasing the accessibility to computer networks is of vital importance to our Nation's continued economic health and growth. Computers have already been integrated into virtually everything we do from getting cash at bank ATMs, paying for our groceries at the local market, and sending e-mail messages to friends, to making a simple telephone call that is directed by the telephone companies' computers.

Our dependence on computers only grows. Businesses both large and small depend on computers to communicate, manage and improve their delivery of goods and services. In fact, small businesses can use computers successfully to keep up with their bigger competitors.

We have to make sure that all of us feel as comfortable with using computers as we did, in my youth, using a typewriter. We have to make sure that we appreciate all the advantages that networked communities, such as the Internet, have to offer. Computer networks will increasingly become the means of transmitting copyrighted works in the years ahead. This presents great opportunities but also poses significant risks to authors and our copyright industries.

I believe that we can legislate in ways that promote the use of the Internet, both by content providers and users. We must and will update our copyright laws to protect the intellectual property rights of creative works available online. The future growth of computer networks like the Internet and of digital, electronic communications requires it. Otherwise, owners of intellectual property will be unwilling to put their material online. If there is no content worth reading online, the growth of this medium will be stifled, and public accessibility will be retarded.

The Report of the Working Group on Intellectual Property Rights put it this way:

> Thus, the full potential of the NII will not be realized if the education, information and entertainment products protected by intellectual property laws are not protected effectively when disseminated via the NII. Creators and other owners of intellectual property will not be willing to put their interests at risk if appropriate systems—both in the U.S. and internationally—are not in place to permit them to set and enforce the terms and conditions under which their works are made available in the NII environment. Likewise, the public will not use the services available on the NII and generate the market necessary for its success unless a wide variety of works are available under equitable and reasonable terms and conditions, and the integrity of those works is assured. All the computers, telephones, fax machines, scanners, cameras, keyboards, televisions, monitors, printers, switches, routers, wires, cables, networks, and satellites in the world will not create a successful NII, if there is no content. What will drive the NII is the content moving through it.

The emergence of the computer networks forming the backbone of the National Information Infrastructure in this country and the Global Information Infrastructure worldwide hold enormous promise. They also present an enormous challenge to those of us in government and in the private sector to make sure it is accessible and affordable to all.

I support a balanced approach to digital communications and have already proposed a series of other bills to foster the continued growth of electronic communications while encouraging creativity. Together with this NII Copyright Protection Act, they will go a long way toward creating an environment for growth of digital networks.

When we consider information providers we cannot leave out the Federal Government. Government databases hold vast amounts of information that is not restricted by copyright and is legally required by the Freedom of Information Act to be available to the public, who paid for its collection. Earlier this year I introduced, along with Senators Hank BROWN and John KERRY, the "Electronic Freedom of Information Improvement Act of 1995," S.1090, to require federal agencies to make more information available in electronic form and online so that it can be readily accessible to students and scholars doing research, companies who need the data for business purposes or simply curious members of the public.

Government ought to be using technology to make itself more accountable and government information more accessible to the public. Individual federal agencies are already contributing to the development of the much heralded National Information Infrastructure by using technology to make Government information more easily accessible to our citizens. For example, the Internet Multicasting Service [IMS] now posts massive government data archives, including the Securities and Exchange Commission EDGAR database and the U.S. Patent and Trademark Office database on the Internet free of charge. Similarly, FedWorld, a bulletin board available on the Internet, provides a gateway to more than 60 Federal agencies.

The Electronic Freedom of Information Improvement Act would contribute to that information flow by increasing online access to Government information, including agency regulations, opinions, and policy statements, and FOIA-released records that are the subject of repeated requests. This bill passed the Senate in the last Congress and I hope to see it through both Houses of this Congress.

Our increasing reliance on networked computers for business and socializing also makes us more vulnerable to hackers and computer criminals. Anyone who has had to deal with the aftermath of a computer virus knows what havoc can be. Having previously been active in legislation to prevent computer crime and abuse, I have this year introduced the National Information Infrastructure Protection Act, S.982, with Senators KYL and GRASSLEY to increase protection for both government and private computers, and the information on those computers, from the growing threat of computer crime. This bill would increase protection against computer thieves, hackers and blackmailers and protecting computer systems used in interstate and foreign commerce and communications from destructive activity. It also serves to increase personal privacy, a matter on which I feel most strongly.

Finally, I note my recent introduction with Senator FEINGOLD of the Criminal Copyright Improvement Act of 1995, S.1122. This bill is designed to close a significant loophole in our copyright law and encourage the continued growth of the NII by insuring better protection of the creative works available online.

Under current law, a defendant's willful copyright infringement must be for purposes of commercial advantage or private financial gain to be the subject of criminal prosecution. As exemplified by the recent case of United States v. LaMacchia, this presents an enormous loophole in criminal liability for willful infringers who can use digital technology to make exact copies of copyrighted software or other digitally encoded works, and then use computer networks for quick, inexpensive and mass distribution of pirated, infringing works.

The Report of the Working Group recognizes that the LaMacchia case demonstrates that the current law is insufficient to prevent flagrant copyright violations in the NII context and generally supports the amendments to the copyright law and the criminal law (which sets out sanctions for criminal copyright violations) set forth in S. 1122, introduced in the 104th Congress by Senators LEAHY and FEINGOLD following consultations with the Justice Department. This increasingly important problem must be solved and the Criminal Copyright Improvement Act, S. 1122, is a necessary component of the legal changes we need to adapt to the emerging digital environment.

Today I join in sponsoring a bill that will help update our copyright law to the emerging electronic and digital age by revising basic copyright law definitions to take electronic transmissions into account. Further it endorses the use of copyright protection systems so that we may take fullest advantage of the technological developments that can be used to protect copyright and provide incentives for creativity. The bill provides graduated civil and criminal remedies for the circumvention of copyright protection systems through the use of false copyright management information.

Finally, it suggests certain limited exemptions for libraries and the visually impaired. In this bill and others we need carefully to construct the proper balance that will respect copyright, encourage and reward creativity and serve the needs of public access to works.

I believe that technological developments, such as the development of the Internet and remote computer information databases, are leading to important advancements in accessibility and affordability of information and entertainment services. We see opportunities to break through barriers previously facing those living in rural settings and those with physical disabilities. Democratic values can be served by making more information and services available.

The public interest requires the consideration and balancing of such interests. In the area of creative rights that balance has rested on encouraging creativity by ensuring rights that reward it while encouraging its public performance, distribution and display.

The Constitution speaks in terms of promoting the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries. Technological developments and the emergence of the Global Information Infrastructure hold enormous promise and opportunity for creators, artists, copyright industries and the public. There are methods of distribution emerging that dramatically affect the role of copyright and the accessibility of art, literature, music, film and information to all Americans.

I was pleased to work with Chairman HATCH, Senator THURMOND, Senator FEINSTEIN, Senator THOMPSON and others earlier this year to craft a bill creating a performance right in sound recordings, a matter that had been a source of contention for more than 20 years. That bill, The Digital Performance Rights in Sound Recordings Act of 1995, S. 227, deals with digital transmissions, has already passed the Senate and should soon be the law of the land.

Senator HATCH and I have also previously joined to cosponsor the Anticounterfeiting Consumer Protection Act of 1995, S. 1136, to add law enforcement tools against counterfeit goods and to protect the important intellectual property rights associated with trademarks. I anticipate prompt hearings on that important measure and its enactment this Congress.

I look forward to working with Chairman HATCH, the Chairman of the Judiciary, and others to adapt our copyright laws to the needs of the NII and the global information society, as well. The amendment of our copyright laws is an important and essential effort, one that merits our time and attention. I hope and trust that we will soon begin hearings on this important measure so that we may be sure to understand its likely impact both domestically and internationally. We must carefully balance the authors' interest in protection along with the public's interest in the accessibility of information.

Ours is a time of unprecedented challenge to copyright protection. Copyright has been the engine that has traditionally converted the energy of artistic creativity into publicly available arts and entertainment. Historically, Government's role has been to encourage creativity and innovation by protecting copyrights that create incentives for the dissemination to the public of new works and forms of expression. That is the tradition that I intend to continue in this bill, the NII Copyright Protection Act of 1995.

ADDITIONAL COSPONSORS

S. 44

At the request of Mr. MACK, his name was added as a cosponsor of S. 44, a bill to amend title 4 of the United States Code to limit State taxation of certain pension income.

At the request of Mr. REID, the names of the Senator from Alaska [Mr. MURKOWSKI], the Senator from Idaho [Mr. CRAIG], and the Senator from Utah [Mr. BENNETT] were added as cosponsors of S. 44, supra.

S. 112

At the request of Mr. DASCHLE, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of S. 112, a bill to amend the Internal Revenue Code of 1986 with respect to the treatment of certain amounts received by a cooperative telephone company.

S. 704

At the request of Mr. SIMON, the name of the Senator from Washington [Mr. GORTON] was added as a cosponsor of S. 704, a bill to establish the Gambling Impact Study Commission.

S. 771

At the request of Mr. PRYOR, the name of the Senator from Utah [Mr. HATCH] was added as a cosponsor of S. 771, a bill to provide that certain Federal property shall be made available to States for State use before being made available to other entities, and for other purposes.

S. 960

At the request of Mr. SANTORUM, the name of the Senator from North Carolina [Mr. FAIRCLOTH] was added as a cosponsor of S. 960, a bill to amend title 18, United States Code, to exempt qualified current and former law enforcement officers from State laws prohibiting the carrying of concealed handguns, and for other purposes.

S. 1049

At the request of Mr. HEFLIN, the name of the Senator from Alabama [Mr. SHELBY] was added as a cosponsor of S. 1049, a bill to amend the National Trails Systems Act to designate the route from Selma to Montgomery as a National Historic Trail, and for other purposes.

S. 1086

At the request of Mr. MACK, his name was added as a cosponsor of S. 1086, a bill to amend the Internal Revenue Code of 1986 to allow a family-owned business exclusion from the gross estate subject to estate tax, and for other purposes.

At the request of Mr. DOLE, the name of the Senator from Tennessee [Mr. FRIST] was added as a cosponsor of S. 1086, supra.

S. 1088

At the request of Mr. COHEN, the names of the Senator from Arkansas [Mr. PRYOR], the Senator from New Jersey [Mr. BRADLEY], and the Senator from Louisiana [Mr. JOHNSTON] were added as cosponsors of S. 1088, a bill to provide for enhanced penalties for health care fraud, and for other purposes.

S. 1144

At the request of Mr. MURKOWSKI, the name of the Senator from Montana [Mr. BURNS] was added as a cosponsor of S. 1144, a bill to reform and enhance the management of the National Park System, and for other purposes.

S. 1166

At the request of Mr. LUGAR, the names of the Senator from Florida [Mr. MACK] and the Senator from Oregon [Mr. PACKWOOD] were added as cosponsors of S. 1166, a bill to amend the Federal Insecticide, Fungicide, and Rodenticide Act, to improve the registration of pesticides, to provide minor use crop protection, to improve pesticide tolerances to safeguard infants and children, and for other purposes.

S. 1228

At the request of Mr. D'AMATO, the name of the Senator from Arizona [Mr. KYL] was added as a cosponsor of S. 1228, a bill to impose sanctions on foreign persons exporting petroleum products, natural gas, or related technology to Iran.

S. 1253

At the request of Mr. ABRAHAM, the name of the Senator from Kentucky [Mr. MCCONNELL] was added as a cosponsor of S. 1253, a bill to amend the Controlled Substances Act with respect to penalties for crimes involving cocaine, and for other purposes.

S. 1254

At the request of Mr. ABRAHAM, the name of the Senator from Kentucky [Mr. MCCONNELL] was added as a cosponsor of S. 1254, a bill to disapprove of amendments to the Federal Sentencing Guidelines relating to lowering of crack sentences and sentences for money laundering and transactions in property derived from unlawful activity.

SENATE RESOLUTION 176—RELATING TO EXPENDITURES FOR OFFICIAL OFFICE EXPENSES

Mr. WARNER (for himself and Mr. FORD) submitted the following resolution; which was considered and agreed to:

S. RES. 176

Resolved, That section 2(3) of Senate Resolution 294, Ninety-sixth Congress, agreed to April 29, 1980, is amended—

(1) by striking "and" after "Capitol" and inserting a comma; and

(2) by inserting before the semicolon at the end the following: ", and copies of the calendar 'We The People' published by the United States Capitol Historical Society".

SEC. 2. Copies of the calendar "We The People" published by the United States Capitol Historical Society shall be deemed to be Federal publications described in section 6(b)(1)(B)(v) of Public Law 103–283.

AMENDMENTS SUBMITTED

THE DEPARTMENT OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 1996

GRAMS (AND McCAIN) AMENDMENT NO. 2811

(Ordered to lie on the table.)

Mr. GRAMS (for himself and Mr. MCCAIN) submitted an amendment intended to be proposed by them to the bill (H.R. 2076) making appropriations for the Department of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1996, and for other purposes; as follows:

Beginning on page 115, strike line 11 and all that follow through line 2 on page 116.

SHELBY (AND OTHERS) AMENDMENT NO. 2812

(Ordered to lie on the table.)

Mr. SHELBY (for himself, Mr. LOTT, Mr. FAIRCLOTH, Mr. INHOFE, Mr. SIMPSON, and Mr. BROWN) submitted an amendment intended to be proposed by them to the bill H.R. 2076, supra, as follows:

On page 46, line 16, strike "and".

On page 46, line 20, strike the period and insert a semicolon.

On page 46, between lines 20 and 21, insert the following:

"(8) assurances that the State or States have implemented a requirement that each inmate must perform not less than 48 hours of work per week, which shall not be waived except as required by—

"(A) security conditions;

"(B) disciplinary action; or

"(C) medical certification of a disability that would make it impracticable for prison officials to arrange useful work for the inmate to perform; and

"(9) assurances that the State or States require that prison officials shall not provide to any inmate failing to meet the requirements of paragraph (8), privileges, including—

"(A) access to television;

"(B) access to bodybuilding or weight lifting equipment;

"(C) access to recreational sports;

"(D) unmonitored telephone calls, except when between the inmate and the immediate family or attorney of the inmate;

"(E) instruction or training equipment for boxing, wrestling, judo, karate, or other material art;

"(F) except for use during required work, the use or possession of any electrical or electronic musical instrument;

"(G) an in-cell coffee pot, hot plate, or heating element;

"(H) food exceeding in quality or quantity to that which is available to enlisted personnel in the United States Army;

"(I) dress, hygiene, grooming, and appearance other than those allowed as standard in the prison, unless required for disciplinary action or a medical condition; or

"(J) equipment or facilities for publishing or broadcasting material not approved by prison officials as being consistent with prison order and discipline.

GRAMM AMENDMENT NO. 2813

Mr. GRAMM proposed an amendment to the bill H.R. 2076, supra; as follows:

On page 15, line 23 strike "148,280,000" and insert in lieu thereof "168,280,000".

On page 15, line 24 strike "and".

On page 16, line 2 after "103–322" insert "; and of which $2,000,000 shall be for activities authorized by section 210501 of Public Law 103–322".

On page 20, line 8 strike "$114,463,000" and insert in lieu thereof "$104,463,000".

On page 115, line 9 strike "$40,000,000" and insert in lieu thereof "$22,000,000".

On page 123, line 1 strike "$3,000,000" and insert in lieu thereof "300,000".

On page 151, line 16 strike "(1)" and insert "(2)".

On page 151, line 18, strike "(2) and (3)" and insert "(3) and (4)".

On page 151, line 19 strike "(2)" and insert "(3)".

On page 152, line 13 strike "(3)" and insert "(4)".

On page 153, line 14 strike "(4)" and insert "(5)".

On page 154, line 21 strike "(5)" and insert "(6)".

On page 155, line 3 strike "(6)" and insert "(7)".

On page 155, line 9 strike "(7)" and insert "(8)".

On page 155, line 19 strike "(8)" and insert "(9)".

On page 151, line 16 after "Sec. 614." insert "(1) This Act may be cited as the Equal Opportunity Act of 1995."

On page 161, line 25 strike "$115,000,000" and insert in lieu thereof "$140,000,000".

HATFIELD (AND HOLLINGS) AMENDMENT NO. 2814

Mr. HATFIELD (for himself and Mr. HOLLINGS) proposed an amendment to the bill H.R. 2076, supra; as follows:

At the end of the Committee Amendment beginning on page 2, line 9, insert the following:

The amount from the Violent Crime Reduction Trust Fund for the Edward Byrne

Memorial State and Local Law Enforcement Assistance Programs is reduced by $75,000,000.

The following sums are appropriated in addition to such sums provided elsewhere in this Act.

For the Department of Justice, Edward Byrne Memorial State and Local Law Enforcement Assistance Programs, $75,000,000.

For the Department of Commerce, International Trade Administration, "Operations and Administration", $8,100,000; for the Minority Business Development Agency, "Minority Business Development", $32,789,000; for the National Telecommunication and Information Administration, "Salaries and Expenses", $3,000,000; for the Patent and Trademark Office "Salaries and Expenses", $26,000,000; for the National Institute of Standards and Technology, "Industrial Technology Services", $25,000,000; for the National Institute of Standards and Technology, "Construction of Research Facilities", $3,000,000; and the amount for the Commerce Reorganization Transition Fund is reduced by $10,000,000.

For the Department of State, Administration of Foreign Affairs "Diplomatic and Consular Programs", $135,635,000; for "Salaries and Expenses", $32,724,000; for the "Capital Investment Fund", $8,200,000.

For the United States Information Agency, "Salaries and Expenses", $9,000,000; for the "Technology Fund", $2,000,000; for the "Educational and Cultural Exchange Programs", $20,000,000 of which $10,000,000 is for the Fulbright program; for the Eisenhower Exchanges, $837,000; for the "International Broadcasting Operations", $10,000,000; and for the East West Center, $10,000,000.

For the United States Sentencing Commission, "Salaries and Expenses", $1,460,000; for the International Trade Commission, "Salaries and Expenses", $4,250,000; for the Federal Trade Commission "Salaries and Expenses", $9,893,000; for the Marine Mammal Commission, "Salaries and Expenses", $384,000; for the Securities and Exchange Commission, "Salaries and Expenses", $29,740,000; and for the Small Business Administration, $30,000,000.

BIDEN (AND OTHERS) AMENDMENT NO. 2815

Mr. BIDEN (for himself, Mr. HATCH, Mr. HOLLINGS, Mr. GRAMM, Mr. WELLSTONE, Mrs. BOXER, Mr. KOHL, Mr. KERRY, Mr. INOUYE, Mr. AKAKA, Mr. LEAHY, Mr. HARKIN, Ms. MIKULSKI, Mr. ROCKEFELLER, Mr. BRADLEY, Mr. CONRAD, Mrs. FEINSTEIN, Ms. MOSELEY-BRAUN, Mr. DODD, Mr. ROBB, Mr. SARBANES, Mr. DORGAN, Mr. SPECTER, Ms. SNOWE, Mr. SANTORUM, and Mr. HEFLIN) proposed an amendment to the bill H.R. 2076 supra; as follows:

On page 25, line 19, strike "$100,900,000" and insert "$175,400,000".

On page 25, line 22, strike "$4,250,000" and insert "$6,000,000".

On page 26, line 1, strike "$61,000,000" and insert "$130,000,000".

On page 26, line 7, strike "$6,000,000" and insert "$7,000,000".

On page 26, line 10, insert after "Act;" the following: "$1,000,000 for training programs to assist probation and parole officers who work with released sex offenders, as authorized by section 40152(c) of the Violent Crime Control and Law Enforcement Act of 1994; $500,000 for Federal victim's counselors, as authorized by section 40114 of that Act; $50,000 for grants for televised testimony, as authorized by section 1001(a)(7) of the Omnibus Crime Control and Safe Streets Act of 1968; $200,000 for the study of State databases on the incidence of sexual and domestic violence, as authorized by section 40292 of the Violent Crime Control and Law Enforcement Act of 1994; $1,500,000 for national stalker and domestic violence reduction, as authorized by section 40603 of that Act;".

McCAIN (AND DORGAN) AMENDMENT NO. 2816

Mr. McCAIN (for himself and Mr. DORGAN) proposed an amendment to the bill H.R. 2076, supra; as follows:

At the end of the pending committee amendment, insert the following new section:

SEC. . COMPETITIVE BIDDING FOR ASSIGNMENT OF DBS LICENSES

No funds provided in this or any other Act shall be expended to take any action regarding the applications that bear Federal Communications Commission File Numbers DBS–94–11EXT, DBS–94–15ACP, and DBS–94–16MP; Provided further, that funds shall be made available for any action taken by the Federal Communications Commission to use the competitive bidding process prescribed in Section 309(j) of the Communications Act of 1934 (47 U.S.C. §309(j)) regarding the disposition of the 27 channels at 110° W.L. orbital location.

KERREY (AND OTHERS) AMENDMENT NO. 2817

Mr. KERREY (for himself, Mr. LEAHY, Mr. LIEBERMAN, and Mr. BINGAMAN) proposed an amendment to the bill H.R. 2076, supra; as follows:

At the appropriate place in the bill insert the following: "The amounts made available to the Department of Justice in Title I for administration and travel are reduced by $19,200,000."

On page 73, between lines 4 and 5, insert the following:

INFORMATION INFRASTRUCTURE GRANTS

For grants authorized by section 392 of the Communications Act of 1934, as amended, $18,000,000, to remain available until expended as authorized by section 391 of the Act, as amended: *Provided*, That not to exceed $900,000 shall be available for program administration and other support activities as authorized by section 391 of the Act including support of the Advisory Council on National Information Infrastructure: *Provided further*, That of the funds appropriated herein, not to exceed 5 percent may be available for telecommunications research activities for projects related directly to the development of a national information infrastructure: *Provided further*, That notwithstanding the requirements of section 392(a) and 392(c) of the Act, these funds may be used for the planning and construction of telecommunications networks for the provision of educational, cultural, health care, public information, public safety, or other social services: *Provided further*, That in reviewing proposals for funding, the Telecommunications and Information and Infrastructure Assistance Program (also known as the National Information Infrastructure Program) shall add to the factors taken into consideration the following: (1) the extent to which the proposed project is consistent with State plans and priorities for the deployment of the telecommunications and information infrastructure and services; and (2) the extent to which the applicant has planned and coordinated the proposed project with other telecommunications and information entities in the State.

BIDEN (AND BRYAN) AMENDMENT NO. 2818

Mr. BIDEN (for himself and Mr. BRYAN) proposed an amendment to the bill H.R. 2076, supra; as follows:

On page 26, line 10, after "Act;" insert the following: "$27,000,000 for grants for residential substance abuse treatment for State prisoners pursuant to section 1001(a)(17) of the 1968 Act; $10,252,000 for grants for rural drug enforcement assistance pursuant to section 1001(a)(9) of the 1968 Act;".

On page 28, line 11, before "$25,000,000" insert "$150,000,000 shall be for drug courts pursuant to title V of the 1994 Act;".

On page 29, line 6, strike "$750,000,000" and insert "$728,800,000."

On page 29, line 15, after "Act;" insert the following: "$1,200,000 for Law Enforcement Family Support Programs, as authorized by section 1001(a)(21) of the 1968 Act".

On page 44, lines 8 and 9, strike "conventional correctional facilities, including prisons and jails," and insert "correctional facilities, including prisons and jails, or boot camp facilities and other low cost correctional facilities for nonviolent offenders that can free conventional prison space".

On page 20, line 16, strike all that follows to page 20 line 19, and insert: "Section 245(i) of the Immigration and Nationality Act (8 U.S.C. 1255(i)) is amended—

(1) in the second sentence of paragraph (1), by striking "five" and inserting "ten"; and

(2) in paragraph (3), by inserting before the period at the end the following: "or, notwithstanding any other provision of law, may be deposited as offsetting collections in the Immigration and Naturalization Service "Salaries and Expenses" appropriations account to be available to support border enforcement and control programs".

The amendments made by subsection (a) shall apply to funds remitted with applications for adjustment of status which were filed on or after the date of enactment of this Act.

For activities authorized by section 130016 for Public Law 103–322, $10,300,000, to remain available until expended, which shall be derived from the Violent Crime Reduction Trust Fund.

DOMENICI (AND OTHERS) AMENDMENT NO. 2819

Mr. DOMENICI (for himself, Mrs. KASSEBAUM, Mr. HOLLINGS, Mr. D'AMATO, Mr. STEVENS, Mr. INOUYE, Mr. HATFIELD, Mr. KENNEDY, and Mr. SPECTER) proposed an amendment to the bill H.R. 2076, supra; as follows:

At the end of the committee amendment beginning on page 26, line 18, add the following:

LEGAL SERVICES CORPORATION

PAYMENT TO THE LEGAL SERVICES CORPORATION

For payment to the Legal Services Corporation to carry out the Legal Services Corporation Act, $340,000,000, of which $327,000,000 is for direct delivery of legal assistance, including basic field programs; and

$13,000,000 (to be allocated by the Board of Directors of the Corporation) is for management, administration, and the Office of Inspector General: *Provided*, That $115,000,000 of the total amount provided under this heading shall not be available until the date on which the Corporation commences implementation of the system of competitive awards of grants and contracts under section 13.

ADMINISTRATIVE PROVISIONS—LEGAL SERVICES CORPORATION

SEC. 11. Funds appropriated under this Act to the Legal Services Corporation for basic field programs shall be distributed as follows:

(1) The Corporation shall define geographic areas and make the funds available for each geographic area on a per capita basis relative to the number of individuals in poverty determined by the Bureau of the Census to be within the geographic area, except as provided in paragraph (2)(B). Funds for such a geographic area may be distributed by the Corporation to 1 or more persons or entities eligible for funding under section 1006(a)(1)(A) of the Legal Services Corporation Act (42 U.S.C. 2996e(a)(1)(A)), subject to sections 12 and 14.

(2) Funds for grants from the Corporation, and contracts entered into by the Corporation, for basic field programs shall be allocated so as to provide—

(A) except as provided in subparagraph (B), an equal figure per individual in poverty for all geographic areas, as determined on the basis of the most recent decennial census of population conducted pursuant to section 141 of title 13, United States Code (or, in the case of the Republic of Palau, the Federated States of Micronesia, the Republic of the Marshall Islands, Alaska, Hawaii, and the United States Virgin Islands, on the basis of the adjusted population counts historically used as the basis for such determinations); and

(B) an additional amount for Native American communities that received assistance under the Legal Services Corporation Act for fiscal year 1995, so that the proportion of the funds appropriated to the Legal Services Corporation for basic field programs for fiscal year 1996 that is received by the Native American communities shall be not less than the proportion of such funds appropriated for fiscal year 1995 that was received by the Native American communities.

SEC. 12. None of the funds appropriated under this Act to the Legal Services Corporation shall be used by the Corporation to make a grant, or enter into a contract, for the provision of legal assistance unless the Corporation ensures that the person or entity receiving funding to provide such legal assistance is—

(1) a private attorney admitted to practice in a State or the District of Columbia;

(2) a qualified nonprofit organization, chartered under the laws of a State or the District of Columbia, that—

(A) furnishes legal assistance to eligible clients; and

(B) is governed by a board of directors or other governing body, the majority of which is comprised of attorneys who—

(i) are admitted to practice in a State or the District of Columbia; and

(ii) are appointed to terms of office on such board or body by the governing body of a State, county, or municipal bar association, the membership of which represents a majority of the attorneys practicing law in the locality in which the organization is to provide legal assistance;

(3) a State or local government (without regard to section 1006(a)(1)(A)(ii) of the Legal Services Corporation Act (42 U.S.C. 2996e(a)(1)(A)(ii))); or

(4) a substate regional planning or coordination agency that serves a substate area and whose governing board is controlled by locally elected officials.

SEC. 13. (a) Not later than September 1, 1996, the Corporation shall implement a system of competitive awards of grants and contracts that will apply to all grants and contracts for the delivery of legal assistance awarded by the Corporation after the date of implementation of the system.

(b) Not later than 60 days after the date of enactment of this Act, the Legal Services Corporation shall promulgate regulations to implement a competitive selection process for the recipients of such grants and contracts.

(c) Such regulations shall specify selection criteria for the recipients, which shall include—

(1) a demonstration of a full understanding of the basic legal needs of the eligible clients to be served and a demonstration of the capability of serving the needs;

(2) the quality, feasibility, and cost effectiveness of a plan submitted by an applicant for the delivery of legal assistance to the eligible clients to be served; and

(3) the experience of the Corporation with the applicant, if the applicant has previously received financial assistance from the Corporation, including the record of the applicant of past compliance with Corporation policies, practices, and restrictions.

(d) Such regulations shall ensure that timely notice regarding an opportunity to submit an application for such an award is published in periodicals of local and State bar associations and in at least 1 daily newspaper of general circulation in the area to be served by the person or entity receiving the award.

(e) No person or entity that was previously awarded a grant or contract by the Legal Services Corporation for the provision of legal assistance may be given any preference in the competitive selection process.

(f) Sections 1007(a)(9) and 1011 of the Legal Services Corporation Act (42 U.S.C. 2996f(a)(9) and 42 U.S.C. 2996j) shall not apply to grants and contracts awarded under the system of competitive awards for grants and contracts for the delivery of legal assistance.

SEC. 14. (a) None of the funds appropriated under this Act to the Legal Services Corporation may be used to provide financial assistance to any person or entity (which may be referred to in this section as a "recipient")—

(1) that makes available any funds, personnel, or equipment for use in advocating or opposing any plan or proposal, or represents any party or participates in any other way in litigation, that is intended to or has the effect of altering, revising, or reapportioning a legislative, judicial, or elective district at any level of government, including influencing the timing or manner of the taking of a census;

(2) that attempts to influence the issuance, amendment, or revocation of any executive order, regulation, or similar promulgation by any Federal, State, or local agency, except as permitted in paragraph (3);

(3) that attempts to influence any decision by a Federal, State, or local agency, except when legal assistance is provided by an employee of a recipient to an eligible client on a particular application, claim, or case—

(A) that directly involves a legal right or responsibility of the client; and

(B) that does not involve the issuance, amendment, or revocation of any agency promulgation described in paragraph (2);

(4) that attempts to influence the passage or defeat of any legislation, constitutional amendment, referendum, initiative, or any similar procedure of Congress or a State or local legislative body;

(5) that attempts to influence the conduct of oversight proceedings of the Corporation or any person or entity receiving financial assistance provided by the Corporation;

(6) that pays for any personal service, advertisement, telegram, telephone communication, letter, printed or written matter, administrative expense, or related expense, associated with an activity prohibited in this section;

(7) that initiates or participates in a class action suit;

(8) that files a complaint or otherwise initiates litigation against a defendant, or engages in a precomplaint settlement negotiation with a prospective defendant, unless—

(A) each plaintiff has been specifically identified, by name, in any complaint filed for purposes of such litigation or prior to the precomplaint settlement negotiation; and

(B) a statement of facts written in English and, if necessary, in a language that the plaintiff understands, that enumerates the particular facts known to the plaintiff on which the complaint is based, has been signed by the plaintiff, is kept on file by the recipient, and is made available to any Federal department or agency that is auditing or monitoring the activities of the Corporation or of the recipient, and to any auditor or monitor receiving Federal funds to conduct such auditing or monitoring, including any auditor or monitor of the Corporation, except that—

(i) on establishment of reasonable cause that an injunction is necessary to prevent probable, serious harm to a potential plaintiff, a court of competent jurisdiction may enjoin the disclosure of the identity of the potential plaintiff pending the outcome of such litigation or negotiation after notice and an opportunity for a hearing is provided to potential parties to the litigation or the negotiation; and

(ii) other parties to the litigation or negotiation shall have access to the statement of facts only through the discovery process after litigation has begun;

(9) unless—

(A) prior to the provision of financial assistance—

(i) if the person or entity is a nonprofit organization, the governing board of the person or entity has set specific priorities in writing, pursuant to section 1007(a)(2)(C)(i) of the Legal Services Corporation Act (42 U.S.C. 2996f(a)(2)(C)(i)), of the types of matters and cases to which the staff of the nonprofit organization shall devote time and resources; and

(ii) the staff of such person or entity has signed a written agreement not to undertake cases or matters other than in accordance with the specific priorities set by such governing board, except in emergency situations defined by such board and in accordance with the written procedures of such board for such situations; and

(B) the staff of such person or entity provides to the governing board on a quarterly basis, and to the Corporation on an annual basis, information on all cases or matters undertaken other than cases or matters undertaken in accordance with such priorities;

(10) unless—

(A) prior to receiving the financial assistance, such person or entity agrees to maintain records of time spent on each case or matter with respect to which the person or entity is engaged;

(B) any funds, including Interest on Lawyers Trust Account funds, received from a source other than the Corporation by the person or entity, and disbursements of such funds, are accounted for and reported as receipts and disbursements, respectively, separate and distinct from Corporation funds; and

(C) the person or entity agrees (notwithstanding section 1009(d) of the Legal Services Corporation Act (42 U.S.C. 2996h(d))) to make the records described in subparagraph (A) available to any Federal department or agency that is auditing or monitoring the activities of the Corporation or of the recipient, and to any auditor or monitor receiving Federal funds to conduct such auditing or monitoring, including any auditor or monitor of the Corporation;

(11) that provides legal assistance for or on behalf of any alien, unless the alien is present in the United States and is—

(A) an alien lawfully admitted for permanent residence as defined in section 101(a)(20) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(20));

(B) an alien who—

(i) is married to a United States citizen or is a parent or an unmarried child under the age of 21 years of such a citizen; and

(ii) has filed an application to adjust the status of the alien to the status of a lawful permanent resident under the Immigration and Nationality Act (8 U.S.C. 1101 et seq.), which application has not been rejected;

(C) an alien who is lawfully present in the United States pursuant to an admission under section 207 of the Immigration and Nationality Act (8 U.S.C. 1157) (relating to refugee admission) or who has been granted asylum by the Attorney General under such Act;

(D) an alien who is lawfully present in the United States as a result of withholding of deportation by the Attorney General pursuant to section 243(h) of the Immigration and Nationality Act (8 U.S.C. 1253(h));

(E) an alien to whom section 305 of the Immigration Reform and Control Act of 1986 (8 U.S.C. 1101 note) applies, but only to the extent that the legal assistance provided is the legal assistance described in such section; or

(F) an alien who is lawfully present in the United States as a result of being granted conditional entry to the United States before April 1, 1980, pursuant to section 203(a)(7) of the Immigration and Nationality Act (8 U.S.C. 1153(a)(7)), as in effect on such date, because of persecution or fear of persecution on account of race, religion, or political calamity;

(12) that supports or conducts a training program for the purpose of advocating a particular public policy or encouraging a political activity, a labor or antilabor activity, a boycott, picketing, a strike, or a demonstration, including the dissemination of information about such a policy or activity, except that this paragraph shall not be construed to prohibit the provision of training to an attorney or a paralegal to prepare the attorney or paralegal to provide—

(A) adequate legal assistance to eligible clients; or

(B) advice to any eligible client as to the legal rights of the client;

(13) that provides legal assistance with respect to any fee-generating case, if a private attorney is available and willing to take the case;

(14) that claims, or whose employee or eligible client claims, or collects, attorneys' fees from a nongovernmental party to litigation, initiated after January 1, 1996, by such client with the assistance of such recipient or an employee of the recipient;

(15) that participates in any litigation with respect to abortion;

(16) that participates in any litigation on behalf of a person incarcerated in a Federal, State, or local prison;

(17) that initiates legal representation or participates in any other way, in litigation, lobbying, or rulemaking, involving an effort to reform a Federal or State welfare system, except that this paragraph shall not be construed to preclude a recipient from representing an individual eligible client who is seeking specific relief from a welfare agency, if such relief does not involve an effort to amend or otherwise challenge existing law (as of the date of the effort);

(18) that defends a person in a proceeding to evict the person from a public housing project if—

(A) the person has been charged with the illegal sale or distribution of a controlled substance; and

(B) the eviction proceeding is brought by a public housing agency because the illegal drug activity of the person threatens the health or safety of another tenant residing in the public housing project or employee of the public housing agency; or

(19) unless such person or entity agrees that the person or entity, and the employees of the person or entity, will not accept employment resulting from in-person unsolicited advice to a nonattorney that such nonattorney should obtain counsel or take legal action, and will not refer such nonattorney to a second person or entity or an employee of the person or entity, that is receiving financial assistance provided by the Legal Services Corporation, except that this paragraph shall not be construed to prohibit such first person or entity or an employee of the person or entity from referring such nonattorney to the appropriate Federal, State, or local agency with jurisdiction over the matter involved.

(b) Nothing in this section shall be interpreted to prohibit—

(1) a recipient from using funds from a source other than the Corporation for the purpose of contacting, communicating with, or responding to a request from, a State or local government agency, a State or local legislative body or committee, or a member thereof, regarding funding for the recipient, including a pending or proposed legislative or agency proposal to fund such recipient; or

(2) the Corporation from responding to a request for comments regarding a Federal funding proposal.

(c) Not later than 30 days after the date of enactment of this Act, the Corporation shall promulgate a suggested list of priorities that boards of directors may use in setting priorities under subsection (a)(9).

(d)(1) The Corporation shall not accept any non-Federal funds, and no recipient shall accept funds from any source other than the Corporation, unless the Corporation or the recipient, as the case may be, notifies in writing the source of the funds that the funds may not be expended for any purpose prohibited by the Legal Services Corporation Act or this title.

(2) Paragraph (1) shall not prevent a recipient from—

(A) receiving Indian tribal funds (including funds from private nonprofit organizations for the benefit of Indians or Indian tribes) and expending the tribal funds in accordance with the specific purposes for which the tribal funds are provided; or

(B) using funds received from a source other than the Corporation to provide legal assistance to a client who is not an eligible client if such funds are used for the specific purposes for which such funds were received, except that such funds may not be expended by recipients for any purpose prohibited by the Legal Services Corporation Act or this title (other than any requirement regarding the eligibility of clients).

(e) As used in this section:

(1) The term "controlled substance" has the meaning given the term in section 102 of the Controlled Substances Act (21 U.S.C. 802).

(2) The term "fee-generating case" means a case that, if undertaken on behalf of an eligible client by a private attorney would reasonably be expected to result in a fee for legal services from an award to an eligible client from public funds, from the opposing party, or from any other source.

(3) The term "individual in poverty" means an individual who is a member of a family (of 1 or more members) with an income at or below the poverty line.

(4) The term "poverty line" means the poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)) applicable to a family of the size involved.

(5) The term "public housing project" has the meaning as used within section 3, and the term "public housing agency" has the meaning given the term in section 3, of the United States Housing Act of 1937 (42 U.S.C. 1437a).

SEC. 15. None of the funds appropriated under this Act to the Legal Services Corporation or provided by the Corporation to any entity or person may be used to pay membership dues to any private or nonprofit organization.

SEC. 16. The requirements of sections 14 and 15 shall apply to the activities of a recipient described in section 14, or an employee of such a recipient, during the provision of legal assistance for a case or matter, if the recipient or employee begins to provide the legal assistance on or after the date of enactment of this Act. If the recipient or employee began to provide legal assistance for the case or matter prior to such date, and begins to provide legal assistance for an additional related claim on or after such date, the requirements shall apply to the activities of the recipient or employee during the provision of legal assistance for the claim.

SEC. 17. (a) Notwithstanding any other provision of this Act, the amounts appropriated under this Act for the accounts referred to in subsection (b) shall be adjusted as described in subsection (b).

(b)(1) In the matter under the heading "OFFICE OF INSPECTOR GENERAL" under the heading "GENERAL ADMINISTRATION" in title I, the reference to "$30,484,000" shall be considered to be a reference to "$27,436,000".

(2) In the matter under the heading "SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES" under the heading "LEGAL ACTIVITIES" in title I, the reference to "$431,660,000" shall be considered to be a reference to "$406,529,000".

(3) In the matter under the heading "SALARIES AND EXPENSES, UNITED STATES ATTORNEYS" under the heading "LEGAL ACTIVITIES" in title I, the reference to "$920,537,000" shall be considered to be a reference to "$909,463,000".

(4) In the matter under the heading "CONSTRUCTION" under the heading "FEDERAL BUREAU OF INVESTIGATION" in title I, the reference to "$147,800,000" shall be considered to be a reference to "$98,800,000".

(5) In the matter under the heading "SALARIES AND EXPENSES" under the heading "INTERNATIONAL TRADE COMMISSION" under the heading "RELATED AGENCIES" under the heading "TRADE AND INFRASTRUCTURE DEVELOPMENT" in title II, the reference to "$34,000,000" shall be considered to be a reference to "$29,750,000".

(6) In the matter under the heading "SALARIES AND EXPENSES" under the heading "ECONOMIC AND INFORMATION INFRASTRUCTURE ECONOMIC AND STATISTICAL ANALYSIS" under the heading "DEPARTMENT OF COMMERCE" in title II, the reference to "$57,220,000" shall be considered to be a reference to "$46,896,000".

(7) In the matter under the heading "SALARIES AND EXPENSES" under the heading "BUREAU OF THE CENSUS" under the heading "DEPARTMENT OF COMMERCE" in title II, the reference to "$144,812,000" shall be considered to be a reference to "$133,812,000".

(8) In the matter under the heading "OFFICE OF INSPECTOR GENERAL" under the heading "GENERAL ADMINISTRATION" under the heading "DEPARTMENT OF COMMERCE" in title II, the reference to "$21,849,000" shall be considered to be a reference to "$19,849,000".

(9) In the matter under the heading "COMMERCE REORGANIZATION TRANSITION FUND" under the heading "GENERAL ADMINISTRATION" under the heading "DEPARTMENT OF COMMERCE" in title II, the reference to the dollar amount for deposit in the Commerce Reorganization Transition Fund established under section 206(c)(1) for use in accordance with section 206(c)(4) shall be considered to be reduced by $5,000,000.

(10) In the matter under the heading "SALARIES AND EXPENSES" under the heading "COURTS OF APPEALS, DISTRICT COURTS, AND OTHER JUDICIAL SERVICES" in title III, the reference to "$2,471,195,000" shall be considered to be a reference to "$2,446,194,665".

(11) In the matter under the heading "FOREIGN AFFAIRS REORGANIZATION TRANSITION FUND" under the heading "ADMINISTRATION OF FOREIGN AFFAIRS" under the heading "DEPARTMENT OF STATE" in title IV, the reference to "$26,000,000" shall be considered to be a reference to "$5,000,000".

(12) In the matter under the heading "OFFICE OF INSPECTOR GENERAL" under the heading "ADMINISTRATION OF FOREIGN AFFAIRS" under the heading "DEPARTMENT OF STATE" in title IV, the reference to "$27,350,000" shall be considered to be a reference to "$24,350,000".

(13) In the matter under the heading "WORKING CAPITOL FUND (RESCISSION)" under the heading "GENERAL ADMINISTRATION" under the heading "DEPARTMENT OF JUSTICE" in title VII, the reference to "$35,000,000" shall be considered to be a reference to "$55,000,000".

SEC. 18. Notwithstanding any other provision of this Act, section 120, and the matter under the heading "CIVIL LEGAL ASSISTANCE" under the heading "OFFICE OF JUSTICE PROGRAMS" in title I, shall have no effect.

ABRAHAM (AND GRAMS) AMENDMENT NO. 2820

Mr. GRAMM (for Mr. ABRAHAM, for himself, and Mr. GRAMS) proposed an amendment to the bill H.R. 2076, supra, as follows:

At the appropriate place in the bill insert the following new section:

SEC. . (a) The Regulatory Coordination Advisory Committee for the Commodity Futures Trading Commission is terminated.

(b) Section 5(h) of the Export Administration Act of 1979 is repealed.

(c)(1) Section 5002 of title 18, United States Code, is repealed.

(2) The table of sections for chapter 401 of title 18, United States Code, is amended by striking out the item relating to the Advisory Corrections Council.

(d) This action shall take effect 30 days after the date of the enactment of this Act.

HELMS AMENDMENT NO. 2821

Mr. GRAMM (for Mr. HELMS) proposed an amendment to the bill H.R. 2076, supra, as follows:

At the appropriate place in the bill, insert the following new section:

SEC. . EXTENSION OF AU PAIR PROGRAMS.

Section 8 of the Eisenhower Exchange Fellowship Act of 1990 is amended in the last sentence by striking "fiscal year 1995" and inserting "fiscal year 1999".

DORGAN (AND CONRAD) AMENDMENT NO. 2822

Mr. GRAMM (for Mr. DORGAN, for himself, and Mr. CONRAD) proposed an amendment to the bill H.R. 2076, supra, as follows:

On page 124, after line 20, insert the following:

SEC. 6 . SENSE OF THE SENATE ON UNITED STATES-CANADIAN COOPERATION CONCERNING AN OUTLET TO RELIEVE FLOODING AT DEVILS LAKE IN NORTH DAKOTA.

(a) FINDINGS.—The Senate finds that—

(1) flooding in Devils Lake Basin, North Dakota, has resulted in water levels in the lake reaching their highest point in 120 years;

(2) basements are flooded and the town of Devils Lake is threatened with lake water reaching the limits of the protective dikes of the lake;

(3) the Army Corps of Engineers and the Bureau of Reclamation are now study the feasibility of constructing an outlet from Devils Lake Basin;

(4) an outlet from Devils Lake Basin will allow the transfer of water from Devils Lake Basin to the Red River of the North watershed that the United States shares with Canada; and

(5) the Treaty Relating to the Boundary Waters and Questions Arising Along the Boundary Between the United States and Canada, signed at Washington on January 11, 1909 (36 Stat. 2448; TS 548) (commonly known as the "Boundary Water Treaty of 1909"), provides that "waters flowing across the boundary shall not be polluted on either side to the injury of health or property on the other." (36 Stat. 2450).

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the United States Government should seek to establish a joint United States-Canadian technical committee to review the Devils Lake Basin outlet project to consider options for an outlet that would meet Canadian concerns with regard to the Boundary Water Treaty of 1909.

HOLLINGS AMENDMENTS NOS. 2823–2824

Mr. GRAMM (for Mr. HOLLINGS) proposed two amendments to the bill H.R. 2076, supra; as follows:

AMENDMENT NO. 2823

On page 75 of the bill, line 7, after "grants" insert the following: "*Provided further*, That of the amounts provided in this paragraph $76,300,000 is for the Manufacturing Extension Partnership program".

AMENDMENT NO. 2824

Table the Committee amendment on page 79, lines 1 through 6.

On page 79, line 22, delete "$42,000,000" and insert "$37,000,000".

GRAMM AMENDMENT NO. 2825

Mr. GRAMM proposed an amendment to the bill H.R. 2076, supra; as follows:

On page 115, line 2 after "equipment" insert the following ": *Provided further*, That not later than April 1, 1996, the headquarters of the Office of Cuba Broadcasting shall be relocated from Washington, D.C. to south Florida, and that any funds available to the United States Information Agency may be available to carry out this relocation".

HATFIELD (AND HOLLINGS) AMENDMENT NO. 2826

Mr. GRAMM (for Mr. HATFIELD, for himself and Mr. HOLLINGS) proposed an amendment to the bill H.R. 2076, supra; as follows:

At the appropriate place, insert the following new section:

SEC. . Sections 6(a) and 6(b) of Public Law 101–454 are repealed. In addition, notwithstanding any other provision of law, Eisenhower Exchange Fellowships, Incorporated, may use any earned but unused trust income from the period 1992 through 1995 for Fellowship purposes.

HELMS AMENDMENT NO. 2827

Mr. GRAMM (for Mr. HELMS) proposed an amendment to the bill H.R. 2076, supra; as follows:

On page 110, between lines 2 and 3, insert the following new section:

SEC. 405. (a) Subject to subsection (b), section 15(a) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2680(a)) and section 701 of the United States Information and Educational Exchange Act of 1948 and section 313 of the Foreign Relations Authorization Act, fiscal years 1994 and 1995 and section 53 of this Arms Control and Disarmament Act shall not apply to appropriations made available for the Department of State in this Act.

(b) The waiver of subsection (a) shall cease to apply December 1, 1995.

HELMS (AND PELL) AMENDMENT NO. 2828

Mr. GRAMM (for Mr. HELMS, for himself and Mr. PELL) proposed an amendment to the bill H.R. 2076, supra; as follows:

On page 93, line 7, after "*Provided*," insert the following: "That, notwithstanding the second sentence of section 140(a)(3) of the

Foreign Relations Authorization Act, Fiscal Years 1994 and 1995 (Public Law 103-236), not to exceed $125,000,000 of fees may be collected during fiscal year 1996 under the authority of section 140(a)(1) of that Act: *Provided further*, That all fees collected under the preceding proviso shall be deposited in fiscal year 1996 as an offsetting collection to appropriations made under this heading to recover the costs of providing consular services and shall remain available until expended: *Provided further*,".

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. LOTT. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Thursday, September 28, 1995, on S. 1260, the Public Housing Reform and Empowerment Act of 1995.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. LOTT. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be allowed to meet during the Thursday, September 28, 1995 session of the Senate for the purpose of conducting an executive session and mark up. Budget reconciliation instructions.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. LOTT. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be allowed to meet during the session of the Senate on Thursday, September 28, 1995 at 9 a.m., in SR-332, to markup the committee budget reconciliation instruction.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. LOTT. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be allowed to meet during the session of the Senate on Thursday, September 28, 1995 at 9:30 a.m., in SR-332, to discuss ethanol, clean air, and farm economy.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. LOTT. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Thursday, September 28, 1995, for purposes of conducting a full committee hearing which is scheduled to begin at 9:30 a.m. The purpose of this hearing is to consider the nominations of Derrick Forrister to be Assistant Secretary for Congressional and Intergovernmental Affairs, Department of Energy; Patricia Beneke to be Assistant Secretary for Water and Science, Department of the Interior; Eluid Martinez to be Commissioner of the Bureau of Reclamation, Department of the Interior; and Charles William Burton to be a Member of the Board of Directors of the U.S. Enrichment Corporation.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. LOTT. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, September 28, 1995 at 2:30 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. LOTT. Mr. President, I ask unanimous consent on behalf of the Governmental Affairs Committee to meet on Thursday, September 28, at 10 a.m., for a nomination hearing on The Honorable Ned R. McWherter, to be Governor, U.S. Postal Service, and Donald S. Wasserman, to be a Member of the Federal Labor Relations Authority.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. LOTT. Mr. President, I ask unanimous consent that the Committee on Finance be permitted to meet Thursday, September 28, 1995, beginning at 9 a.m. in room SH-216, to conduct a mark up of spending recommendations for the budget reconciliation legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. LOTT. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Thursday, September 28, 1995, at 2 p.m., in room 226, Senate Dirksen Office Building to consider nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. LOTT. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Thursday, September 28, 1995, at 1:30 p.m. to hold a hearing on non-immigrant immigration.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON CHILDREN AND FAMILIES

Mr. LOTT. Mr. President, I ask unanimous consent that the Subcommittee on Children and Families of the Committee on Labor and Human Resources be authorized to meet on Thursday, September 28, 1995, at 10 a.m., to consider private efforts to reshape America.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

SUPPORT OF FUNDING FOR THE COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION FUND [CDFI]

• Mr. INOUYE. Mr. President, I rise today to join my esteemed colleague from Vermont, Mr. LEAHY, to express my concern that by voting for final passage of H.R. 2099, we in the Congress are voting to eliminate funding for the Community Development Financial Institution Fund [CDFI]. The CDFI fund was established in the Community Development Banking and Regulatory Improvement Act of 1994—an act which passed the Congress with overwhelming bipartisan support. In fact, this body voted unanimously for the measure, which sought to stimulate community lending and empower local communities by increasing access to credit and investment capital.

But Mr. President, I stand before you to offer another perspective on the importance of the CDFI fund, and that is the significant potential it holds for improving the economic conditions in native American communities. Native American communities face some of the harshest living conditions in this country, leading some to draw comparisons with conditions in Third-World countries. Fifty-one percent of native American families living on reservations live below the poverty line, with unemployment rates on some reservations as high as 80 percent. Moreover, a recent study conducted by the Department of Housing and Urban Development found that over half of American Indian and Alaska Native families live in substandard housing, compared to the national average of 3 percent; 27 percent of American Indian and Alaska Native households are overcrowded or lack plumbing or kitchen facilities, compared to a national average of 5.4 percent; and approximately 40 percent of Native households were overcrowded, compared to a national average of 5.8 percent.

Mr. President, these conditions, under any circumstances, are unacceptable. And it is even more unacceptable that we in the Congress would turn our backs on an innovative program which would stimulate economic activity in these communities by leveraging private sector resources into permanent self-sustaining locally controlled institutions. Each $1 million in the fund would have a substantial impact, and could create 65 to 135 new jobs; provide 100 loans to micro-enterprises and self-employment ventures; assist 20 first-time homebuyers; or construct 20 units of low-income housing.

It is my understanding that there are at least 13 Indian controlled financial institutions which would be eligible for assistance from the fund, and an additional 16 tribal entities that have expressed an interest in becoming CDFI's.

Earlier this year, I joined Senators BEN NIGHTHORSE CAMPBELL and McCAIN in sponsoring a bill, the Native American Financial Services Organization Act [NAFSO], which emanated from recommendations of the congressionally chartered Commission on American Indian, Alaska Native, and Native Hawaiian Housing, and from a multiagency Federal working group with tribal input, and was designed to dovetail with the CDFI fund, with NAFSO serving as a technical assistance provider to a second tier of primary lending institutions, or native American financial institutions. The elimination of funding for the CDFI fund will have devastating ramifications for this NAFSO proposal.

Mr. President, I realize full well the climate within which we operate today, and that we in the Congress must exercise great fiscal restraint. And I commend the outstanding efforts of my esteemed colleagues, the chairman of the VA-HUD appropriations subcommittee, Mr. BOND, and the ranking member, Senator MIKULSKI, for producing a bill under these constraints—a bill which attempts in many ways to address the housing needs of Indian country. I only wish to point out that we in the Congress must ever be cognizant of our national responsibilities to the native people of this Nation, and that we must endeavor to improve the conditions under which the vast majority of our Native families live.

I feel compelled to take note of the irony that over the last few days, within the context of drastic reductions to funding for Indian tribal governments under the Interior Appropriations bill, that one of the justifications offered for these severe reductions was that tribal governments must become less dependent on Federal resources and more self-sufficient. And yet, today, we are poised to eliminate funding for the Community Development Financial Institution Fund—a fund which could have made tremendous strides in enabling tribal governments to realize greater economic independence.

Mr. President, I thank you for this time, and I thank my colleague from Vermont, Mr. LEAHY, for his leadership on these matters.•

DEDICATED U.S. SERVICE MEN AND WOMEN

• Mr. D'AMATO. Mr. President, I rise today to thank our brave U.S. service men and women who with total dedication serve around the globe, but most importantly to pay tribute to four individuals who recently died in the service of our country. On August 15, 1995, Chief Warrant Officer Michael R. Baker, Chief Warrant Officer Donald J. Cunningham, Specialist Crew Chief Robert A. Rogers, and Specialist Crew Chief Dale Wood perished when their U.S. Army Blackhawk helicopter crashed into the sea off the shores of Cyprus. The crew was on a routine humanitarian mission to bring supplies and mail to the U.S. Embassy in Beirut.

U.S. service men and women worldwide are frequently responsible for humanitarian and lifesaving missions which often go unnoticed by the American people. These missions are often fraught with danger attributable to health concerns or often insurgent occupation. The Cyprus airlift is just one example where our U.S. service men and women are tasked to put themselves in harms way.

In addition to Cyprus being needed as a strategic point to support our Middle East efforts it has also become a strategic point for United States involvement in several areas of international concern, such as counterterrorist measures, narcotics trafficking, counterfeiting, money laundering, and international bank fraud. The Cyprus National Police force has been very cooperative and helpful in our international law enforcement efforts. I would like to take this opportunity to personally thank Assistant Chief of Police Panikos Hadjiloizou. Chief Hadjiloizou has been noted as being one of the driving forces in the cooperative international law enforcement effort being conducted within Cyprus. Chief Hadjiloizou has worked in close coordination with the U.S. Secret Service, the Drug Enforcement Agency, and other U.S. law enforcement agencies in efforts to stem these organized criminal organizations. I wanted to take this opportunity to thank Chief Hadjiloizou and hope that this cooperative effort continues its successful campaign. I also want to thank Chief Hadjiloizou and the men under his command for their extraordinary efforts to locate and recover the remains of the Blackhawk crew in order to return them to their families. I am sure that I am speaking on behalf of all my colleagues when I thank him for all his efforts.

We all are aware that international criminal activity is expanding and the only way to counteract this growth is through cooperative, task force involvement between the United States and its international neighbors.•

JUDITH COLT JOHNSON

Mr. SARBANES. Mr. President, I rise today to recognize and pay tribute to a distinguished Marylander, committed environmentalist, and model citizen—Judith Colt Johnson. Judy recently stepped aside from a long and distinguished career as president of the Committee to Preserve Assateague Island. I want to extend my personal congratulations and thanks for her many years of hard work and dedication to the environment and the stewardship of Assateague Island's ecosystem.

Judy Johnson founded the Committee to Preserve Assateague Island in 1970, the year I was first elected to the U.S. Congress, and served as its president for the past 25 years. Over the years, Judy worked tirelessly to preserve the natural beauty and unspoiled character of Assateague Island. Her accomplishments are many and remarkable. Among other things she: Led the successful campaign to amend the Organic Act for the National Seashore to remove provisions calling for construction of a road the length of the island and 600 acres of development; developed a grassroots membership of over 1,300 people representing 38 States; blocked construction of a sewage outfall pipe across the island; sponsored an annual beach cleanup marshalling larger volunteer efforts each year; and convened the first ever conference on the condition of Maryland's coastal bays which initiated the current efforts to protect these sensitive waters;

Judy not only organized and led these efforts, but gave selflessly of her time and energy to make Assateague a better place for all of us. She has done this through activities such as cleaning trash from the beach and helping plant stems of beach grasses and seedlings to protect valuable wildlife habitat. She also contributed substantially to the development of the master plan for Chincoteague National Wildlife Refuge—now considered a model for other wildlife refuges in coastal areas—and actively participated in hundreds of public meetings, hearings, and workshops on issues affecting Assateague and the surrounding areas. Her monthly newletters have provided invaluable information on potential threats to the natural habitat and ecology of this fragile barrier island as well as the many noteworthy events and special values of this area. I have had the privilege of working closely with Judy and her organization on a number of issues affecting Assateague Island and can attest that Assateague Island would not look as it does today had it not been for all the hard work of Judy Johnson over the years. Judy's indefatigable energy, spirit, and determination are renowned.

Mrs. Johnson's activities and interests were not limited to her involvement with the Committee to Preserve Assateague Island. She also served on numerous national and State conservation organizations including the Maryland Wetlands Committee, the Maryland and Virginia Conservation Councils, the board of the Coast Alliance, the advisory council to the National Parks and Conservation Association, and the Garden Club of America. In recognition of her outstanding service and dedication, Judy has received numerous awards and commendations including the U.S. Army Corps of Engineers Commander's Award for Public Service, the Izaak Walton League of America Honor Roll Award, the Take Pride in America Award given by the U.S. Department of the Interior, and the National Parks and Conservation Association's Conservationist of the Year Award.

The efforts of Judy Johnson over the past 25 years have earned her the respect and admiration of everyone with whom she has worked and the visitors to Assateague Island will benefit from her labors for years to come. I join with her many friends in extending my best wishes and thanks for her leadership and commitment.•

THE AMERICAN PROMISE

• Mr. ROBB. Mr. President, I rise today to speak briefly about an important new PBS series entitled "The American Promise", which will premiere on October 1, 2, and 3. "The American Promise" celebrates community-based democracy—the individual works of countless citizens throughout America who work every day to make their communities stronger and more vital.

There is no question that our actions in this Capitol represent democracy's most visible work. It is the facet of democracy most studied in classrooms and most reported nationally by the media.

But our legislative world, Mr. President, has increasingly, in my judgment, become a world of partisanship and competition. The focus too often turns to who wins and who loses rather than how we can work together to reach a positive goal. I believe this partisanship is making many of our citizens more frustrated and cynical.

So we cannot forget that our work in Washington is but one form of American democracy—and that American democracy is larger and more diverse than the business conducted here in this Capitol.

In communities throughout our Nation, in ways both large and small, citizens decide every day to become a valuable part of the democratic process. They do this by joining an organization; by bringing others together to improve or expand an existing service; by asking how a practice that does not work can be changed; by engaging in a civil and respectful debate; by considering another viewpoint; or by taking responsibility to make a hard decision which will make a community better.

When this happens, Mr. President, everybody in the community wins. When a community development bank is opened where none existed before, when individuals cooperate so that dry land can be irrigated, scorekeeping becomes irrelevant. Through action and energy, participation and deliberation, taking responsibility and seeking common ground, American democracy comes to life.

"The American Promise," a new PBS television series, reminds us of the community-based democracy that is alive and well beyond this Capitol. And in doing so, it both strengthens our faith in our democracy and teaches our citizens how they can personally be a part of the democratic process in their own communities. And because "The American Promise" will be made available to high school and junior high school classes through the United States, young Americans will be able to have it as they study civics and government.

In roughly 50 story segments taken from every region of the county, lessons are offered on the skills and values needed to bring our democracy to life. These vignettes illustrate core American values such as freedom, responsibility, opportunity, participation, and deliberation.

Each 3-hour segment contains select historical reenactments, which serve to establish important contexts through which the remaining vignettes take on new meaning. The first of these reenactments, which appears in the beginning of the documentary, is set in 1769, in the streets of Williamsburg, VA. We watch as a young Thomas Jefferson, along with Patrick Henry, Colonel George Washington, Peyton Randolph, George Mason, Richard Henry Lee, and others, take the first steps toward freedom. In the House of Burgesses, on the streets of Colonial Williamsburg, in a local tavern, the group draws up Virginia's plans to boycott English goods.

We hear Washington's words, "How far their attention to our rights and privileges is to be awakened or alarmed by starving their trade and manufacturers remains to be tried." The viewers of "The American Promise" see our Founding Fathers starting a rebellion that will gather strength for 7 more years before the Declaration of Independence is written.

Although we sometimes think of our freedoms as a Nation being won at Concord, Bunker Hill or Yorktown, these freedoms were also the result of years of meetings and debate and consensus building. This serves as a true reminder of the communal instincts that helped create our great Nation.

Mr. President, I urge my colleagues and viewers across the Nation to watch this important program. "The American Promise" reminds us what is right about America—and challenges us all to be good citizens always working to make our Nation stronger and greater.•

•Mr. AKAKA. Mr. President, would the Senator from Missouri, the chairman of the VA, HUD, and Independent Agencies Subcommittee, yield a few moments for me to address an issue of great important to the people of Hawaii and the Pacific?

Mr. BOND. I would be happy to yield to the junior Senator from Hawaii.

Mr. AKAKA. Mr. President, I am concerned that the disaster needs of the Pacific are not being adequately addressed by the Federal Emergency Management Agency [FEMA]. In particular, I am concerned that FEMA lacks adequate staffing for its Pacific Area Office, located in Honolulu, to address fully this mitigation, training, and emergency response needs of this large and diverse area.

As the Senator from Missouri knows, FEMA's Region IX, based in San Francisco, is currently responsible for administering emergency management assistance programs and responding to disasters throughout the Pacific—including American Samoa, Guam, the Commonwealth of the Northern Marianas Islands, the Federated State of Micronesia, the Republic of Palau, and the Republic of the Marshall Islands—as well as in California, Arizona, and Nevada. It is by far the largest of FEMA's regions, covering an area greater in size than the U.S. mainland. But the current grouping of Hawaii and the Pacific Islands within Region IX results in the Pacific islands receiving less than adequate attention.

The Pacific insular states are seven different jurisdictions that are culturally, economically, and politically distinct from mainland states. The estimated 110 FEMA employees who staff the San Francisco office are too remote, both geographically and culturally, to provide the full range of disaster-related assistance to the unique Pacific insular states. Quite understandingably, they are preoccupied by the vast emergency needs of the populations who live closer at hand, in California, Nevada, and Arizona.

The Republic of Palau, for example, is 5,500 miles from San Franscisco—a 2-day journey from the continental U.S. by jet. Moreover, when FEMA officials finally arrive at the scene of a disaster that has occurred in the Pacific, they must contend with major differences in language, facilities, food, climate, and communications not to mention the idiosyncrasies of local political systems and administrative practices.

The establishment of the Pacific Area Office in Honolulu 2 years ago vastly improved FEMA's ability to respond quickly to disasters in the central and South Pacific, if only because the facility is located thousands of miles closer to potential disaster sites. And, while the office has made a serious effort to maintain ongoing contact with the more remote insular jurisdictions, it is seriously limited in its ability to provide critical training, technical assistance, and hazard mitigation services that could significantly minimize loss of life and property.

So, given the foregoing, I might ask the Senator from Missouri if he would consider the Pacific's emergency needs when the pending measure goes to conference.

Mr. BOND. What is the Senator from Hawaii's specific request?

Mr. AKAKA. After extensive consultation with emergency management officials and representatives of the Pacific insular states, I have determined that the service limitations I have described can only be overcome by augmenting the Pacific Area Office with a minimum of twelve (12) additional permanent staff. Of these, six, (6) are needed in the Pacific Area Office itself to support preparedness training, planning, mitigation, and logistical functions, and six (6) others are required as permanent liaison officers assigned to, and physically based in, each of FEMA's insular Pacific jurisdictions.

Mr. BOND. So the Senator from Hawaii requests assistance in securing conference report language directing FEMA to assign 12 FTEE to the Pacific Area Office?

Mr. AKAKA. That is my request. The vital assistance provided by such staff could save millions of dollars in property and economic activity, not to mention human lives. I would underscore the fact that I am not proposing the establishment of a new regional office, only that the existing satellite office in Hawaii be provided with the resources to meet the full range of our emergency management obligations in the Pacific.

Ms. MIKULSKI. If I may interject. My colleagues may recall that as chairman of the VA, HUD, and Independent Agencies Subcommittee in the 102d Congress, I supported the original establishment of the Pacific Area Office. At that time, the subcommittee set aside $500,000 in the Senate report accompanying the FY92 VA, HUD, and Independent Agencies Appropriations bill for this initiative.

The subcommittee's action reflected a concern that a permanent FEMA presence was needed in the Pacific. Until the office was opened in Honolulu in 1993, the agency had no forward-based staff or facilities in these jurisdictions; instead, all disaster activities were conducted directly from FEMA's Region IX office, located in San Francisco, thousands of miles from these jurisdictions.

While the creation of this office has clearly improved FEMA's ability to deal with the many disasters that occur in the Pacific, the agency still falls short of fully providing for the emergency needs of our citizens and friends in the Pacific. I think we need to consider seriously making the Pacific Area Office a full-service office, one that can provide robust mitigation, training, and emergency response services in a timely, appropriate fashion.

So, I would support the Senator from Hawaii's request that we consider taking this matter up in conference.

Mr. AKAKA. The Senator from Maryland has ably summarized the essence of this issue. I appreciate her comments as well as her key role in originally establishing the Pacific Area Office.

Mr. BOND. I also appreciate my colleague from Maryland's helpful comments on this issue. Given her support, and in view of the unique circumstances that exist in the Pacific, I would be pleased to consider seriously the Senator from Hawaii's request to raise this issue in conference. The Senator from Hawaii should, however, bear in mind that any efforts we make, if any, must be made in the context of FEMA's overall budget.

Mr. AKAKA. I thank the managers of the bill for their thoughtful consideration of this matter. Any accommodation that can be achieved in conference regarding the emergency management needs of the Pacific would be very much appreciated. I yield the floor.•

RECOGNITION OF BERNARD L. BARELA

• Mr. BINGAMAN. Mr. President, I rise today in recognition of the retirement of Bernard L. Barela, District Director for the Albuquerque District after 34 years with the Internal Revenue Service.

Mr. Barela is a native of New Mexico whose family has been here for over 200 years. His mother, sister, and numerous family members still reside in the New Mexico area.

Mr. Barela served in the U.S. Navy from 1957 to 1959. Upon receiving an honorable discharge he returned to Albuquerque where he was a civilian employee.

Mr. Barela began his IRS career as a grade 3 mail clerk in the Phoenix District Office in 1961. He then became an office call interviewer in Phoenix until 1966.

After that he transferred to Las Vegas as a revenue officer until 1969 whereupon he became Revenue Officer Group Manager in San Bernardino, CA. In 1971, he moved to San Diego as chief of office branch and was selected as one of the first grade 13 group managers in collection in the Los Angeles District.

Mr. Barela moved to the Field Branch chief position in 1972 in San Diego and in 1973 marked his first return to Albuquerque as a collection and taxpayer service division chief. The year 1973 also marked another promotion for Mr. Barela as the collection division chief in New Orleans District. Mr. Barela served as executive assistant, to Assistant Regional commissioner, central region office in Cincinnati from 1975 to 1981.

In 1981, Mr. Barela entered the executive ranks of IRS, where he has served in several positions of increasing responsibility. Mr. Barela's first executive assignment was an Assistant Director, returns and processing in Washington, DC, during 1981. In 1985 Mr. Barela became the Assistant Director, service center in Atlanta. In 1989, Mr. Barela became Assistant District Director in Fort Lauderdale where he assisted during the recovery after Hurricane Andrew. In 1993, Mr. Barela returned home to Albuquerque as the District Director, the highest State office with the IRS.•

PERSONAL RESPONSIBILITY ACT OF 1995

• Mr. NUNN. Mr. President, I rise to address H.R. 4, the Personal Responsibility Act of 1995, a bill to reform the Nation's welfare system.

H.R. 4 is a radical departure in Federal welfare policy. This bill would end a 60-year-old Federal entitlement to poor families with children under the Aid to Families With Dependent Children Program [AFDC]. In the place of AFDC, the Senate bill would create a Federal welfare block grant that will give almost $17 billion annually to State governments over the next 7 years to provide cash assistance, child care, job training, and other services to our Nation's poor. The States will have nearly complete flexibility to design and carry out these programs. The Federal Government requires only that the States impose a 5-year lifetime limit on welfare benefits and begin moving welfare recipients to work as rapidly as possible between now and the year 2000.

Opponents of H.R. 4 have talked extensively about this bill's flaws. It is said that the Federal money contained in the H.R. 4 is insufficient to meet the work requirements. We are told that funds for child care will make it impossible to care for the children of welfare recipients who go to work. Others have argued that States will cut welfare dramatically and set off a reverse bidding war as States reduce and eliminate benefits to avoid becoming welfare magnates.

Mr. President, I supported amendments to this legislation that address many of these concerns. I voted for Senator DODD's amendment that would have provided an additional $6 billion in Federal child care subsidies. We reached a compromise to increase Federal child care spending by some $3 billion. The Senate also agreed to require the States to continue spending at least 80 percent of their 1994 welfare dollars. I believe these amendments have significantly improved H.R. 4 and increased the likelihood that it will succeed in reducing welfare dependence.

The Senate also took up an amendment offered by Senator DOMENICI on the issue of limiting welfare benefit increases for women who have additional children while on welfare. When H.R. 4 emerged from the Finance Committee it allowed States to impose the so-called family cap but did not require it. The Dole substitute amendment made this policy mandatory. The Domenici amendment reinstated the State option on the family cap.

New Jersey, Georgia, and several other States have imposed family caps based on the premise that increases in benefits for new births encourage illegitimacy. My instincts tell me this is probably true and, at the State level, I would have voted for this experiment. At this point, however, there is simply no firm analytical evidence to support it. A Rutgers University study published earlier this year found that the New Jersey family cap had no effect on illegitimacy rates and may have increased the State's abortion rate. Until the States have accumulated enough experience with the family cap to show it is effective in reducing illegitimacy, I believe it should remain a State option but should not be mandated by the Federal Government.

Mr. President, I voted for the Dole substitute amendment to H.R. 4. I understand the concerns expressed by those who fear this legislation will not do enough to protect children whose parents have reached the end of their welfare time limits. If this bill becomes law, I believe its effects on the well-being of children should be monitored carefully. Further steps will likely be needed by Congress and the States to assure that children are adequately cared for.

Mr. President, H.R. 4 is unlikely to be the last word in welfare reform. The problems we are trying to address in this legislation—welfare dependency and the illegitimacy, violence, and drug abuse that it engenders—are probably the most complex, troubling, and intractable problems facing American society. Anyone who believes that they have the single set of reforms to solve these problems is wrong. As UCLA sociologist James Q. Wilson argued late last year in an essay entitled, "A New Approach to Welfare Reform: Humility," what is really needed is the kind of State-based experimentation that might yield innovations that could be replicated by other States. I voted for H.R. 4 because I believe it offers the best opportunity to encourage this kind of experimentation. It is my hope that the conference between the Senate and the House will produce a compromise that I can also support.

Mr. President, I ask unanimous consent that the full text of the essay by James Q. Wilson be printed in the RECORD.

The essay follows:

[From the Wall Street Journal, Dec. 29, 1994]

FIRM FOUNDATIONS: A NEW APPROACH TO WELFARE REFORM: HUMILITY

(By James Q. Wilson)

We are entering the last years of the 20th century with every reason to rejoice and little inclination to do so, despite widespread prosperity, a generally healthy economy, the absence of any immediate foreign threat, and extraordinary progress in civil rights, personal health and school enrollment. Despite all this and more, we feel that there is something profoundly wrong with our society.

That communal life is thought to be deficient in many respects, plagued by crime, drug abuse, teenage pregnancy, WELFARE dependency and the countless instabilities of daily life. What these problems have in common in the eyes of most Americans is that they result from the weakening of the family.

Having arrived at something approaching a consensus, we must now face the fact that we don't know what to do about the problem. The American people are well ahead of their leaders in this regard. They doubt very much that government can do much of anything at all. They are not optimistic that any other institution can do much better, and they are skeptical that there will be a spontaneous regeneration of decency, commitment and personal responsibility.

I do not know what to do either. But I think we can find out, at least to the degree that feeble human reason is capable of understanding some of the most profound features of our condition.

The great debate is whether, how and at what cost we can change lives. If not the lives of this generation, then of the next. There are three ways of framing the problem.

First, the structural perspective: Owing to natural social forces, the good manufacturing jobs that once existed in inner-city areas have moved to the periphery, leaving behind decent men and women who are struggling to get by without work that once conferred both respect and money. Their place is now taken by street-wise young men who find no meaningful work, have abandoned the search for work, and scorn indeed the ethic of work.

Second is the rationalist perspective: Welfare benefits, including not only aid to Families with Dependent Children (AFDC), but also Medicaid, subsidized housing and Food Stamps, have become sufficiently generous as to make the formation of stable two-parent families either irrational or unnecessary. These benefits have induced young women wanting babies and a home of their own to acquire both at public expense, and have convinced young men, who need very little convincing on this score, that sexual conquest need not entail any personal responsibilities.

Third is the cultural perspective: Child rearing and family life as traditionally understood can no longer compete with or bring under prudent control a culture of radical self-indulgence and oppositional defiance, fostered by drugs, television, video games, street gangs and predatory sexuality.

Now, a visitor from another planet hearing this discourse might say that obviously all three perspectives have much to commend themselves and, therefore, all three ought to be acted upon. But the public debate we hear tends to emphasize one or another theory and thus one or another set of solutions. It does this because people, or at least people who are members of the political class, define problems so as to make them amenable to those solutions that they favor for ideological or moral reasons. Here roughly is what each analysis pursued separately and alone implies:

(1) Structural solutions. We must create jobs and job-training programs in inner-city areas, by means either of tax-advantaged enterprise zones or government-subsidized employment programs. As an alternative, we may facilitate the relocation of the inner-city poor to places on the periphery where jobs can be found and, if necessary, supplement their incomes by means of the earned-income tax credit.

(2) Rationalist solutions. Cut or abolish AFDC or, at a minimum, require work in exchange for welfare. Make the formation of two-parent households more attractive than single parenthood and restore work to prominence as the only way for the physically able to acquire money.

(3) Cultural solutions. Alter the inner-city ethos by means of private redemptive movements, supported by a system of shelters or group homes in which at-risk children and their young mothers can be given familial care and adult supervision in safe and drug-free settings.

Now, I have my own preferences in this menu of alternatives, but it is less important that you know what these preferences are than that you realize that I do not know which strategy would work, because so many people embrace a single strategy as a way of denying legitimacy to alternative ones and to their underlying philosophies.

Each of those perspectives, when taken alone, is full of uncertainties and inadequacies. These problems go back, first of all, to the structural solution. The evidence that links family dissolution with the distribution of jobs is, in fact, weak. Some people—such as many recent Latino immigrants in Los Angeles—notice that jobs have moved to the periphery from the city and board buses to follow the jobs. Other people notice the very same thing and stay home to sell drugs.

Now, even if a serious job mismatch does exist, it will not easily be overcome by enterprise zones. If the costs of crime in inner-city neighborhoods are high, they cannot be compensated for by very low labor costs or very high customer demand. Moreover, employers in scanning potential workers will rely, as they have always relied, on the most visible cues of reliability and skill—dress, manner, speech and even place of residence. No legal system, no matter how much we try to enforce it, can completely or even largely suppress these cues, because they have substantial economic value.

Second, let's consider some of the inadequacies of the rational strategy. After years of denying that the level of welfare payments had any effect on child-bearing, many scholars now find that states with higher payments tend to be ones in which more babies are born to welfare recipients; and when one expends the definition of welfare to include not only AFDC but Medicaid, Food Stamps and subsidized housing, increases in welfare were strongly correlated with increases in illegitimate births from the early 1960s to about 1980. At the point, the value of the welfare package in real dollars flattened out, but the illegitimacy rate continued to rise.

Moreover, there remain several important puzzles in the connection between welfare and child-bearing. One is the existence of great differences in illegitimacy rates across ethnic groups facing similar circumstances. Since the Civil War at least, blacks have had higher illegitimacy rates than whites, even though federal welfare programs were not invented until 1935.

These days, it has been shown that the illegitimacy rate among black women is more than twice as high as among white women, after controlling for age, education and economic status. David Hayes Bautista, a researcher at UCLA, compared poor blacks and poor Mexican-Americans living in California. He found that Mexican-American children are much more likely than black children to grow up in a two-parent family, and that poor Mexican-American families were only one-fifth as likely as black ones to be on welfare.

Even among blacks, the illegitimacy rate is rather low in states such as Idaho, Montana, Maine and New Hampshire, despite the fact that these states have rather generous welfare payments. And the illegitimacy rate is quite high in many parts of the Deep South, even though these states have rather low welfare payments.

Clearly, there is some important cultural or at least noneconomic factor at work, one that has deep historical roots and that may vary with the size of the community and the character of the surrounding culture.

Finally, the cultural strategy. Though I have a certain affinity for it, it has its problems, too. There are many efforts in many cities by public and private agencies, individuals and churches to persuade young men to be fathers and not just impregnators, to help drug addicts and alcoholics, to teach parenting skills to teenage mothers. Some have been evaluated, and a few show signs of positive effects. Among the more successful programs are the Perry Pre-School Project in Yipsilanti, Mich.; the Parent Child Development Center in Houston; the Family Development Research Project in Syracuse, N.Y.; and the Yale Child Welfare Project in New Haven, Conn. All of these programs produce better behavior, lessened delinquency, more success in school.

The Manhattan Institute's Myron Magnet (author of "The Dream and the Nightmare: The Sixties' Legacy to the Underclass") and I have both endorsed the idea of requiring young unmarried mothers to live in group homes with their children under adult supervision as a condition of receiving public assistance. I also have suggested that we might revive an institution that was common earlier in this century but has lapsed into disuse of late—the boarding school, sometimes mistakenly called an orphanage, for the children of mothers who cannot cope. At one time such schools provided homes and education for more than 100,000 young people in large cities.

Though I confess I am attracted to the idea of creating wholly new environments in which to raise the next generation of at-risk children, I must also confess that I do not know whether it will work. The programs that we know to be successful, like the ones mentioned above, are experimental efforts led by dedicated men and women. Can large versions of the same thing work when run by the average counselor, the average teacher? We don't know. And even these successes predated the arrival of crack on the streets of our big cities. Can even the best program salvage people from that viciously destructive drug? We don't know.

There is evidence that such therapeutic communities as those run by Phoenix House, headquartered in New York, and other organizations can salvage people who remain in them long enough. How do we get people to stay in them long enough? We don't know.

Now, if these three alternatives or something like them are what is available, how do we decide what to do? Before trying to answer that question, let me assert three precepts that ought to shape how we formulate that answer.

The first precept is that our overriding goal ought to be to save the children. Other goals—such as reducing the costs of welfare, discouraging illegitimacy, preventing long-term welfare dependency, getting even with Welfare cheats—may all be worthy goals, but they are secondary to the goal of improving the life prospects of the next generation.

The second precept is that nobody knows how to do this on a large scale. The debate has begun about welfare reform, but it is a debate, in large measure, based on untested assumptions, ideological posturing and perverse principles. We are told by some that worker training and job placement will reduce the welfare rolls, but we now know that worker training and job placement have so far had only a very modest effect. And few advocates of worker training tell us what happens to children whose mothers are induced or compelled to work, other than to assure us that somebody will supply day care.

The third precept that should guide us is that the federal government cannot have a meaningful family policy for the nation, and it ought not to try. Not only does it not know and cannot learn from experts what to do, whatever it thinks it ought to do, it will try to do in the worse possible way. Which is to say, uniformly, systematically, politically and ignorantly.

Now, the clear implication of these three precepts, when applied to the problem we face now, is that we ought to turn the task and the money for rebuilding lives, welfare payments, housing subsidies, the whole lot, over to cities and states and private agencies, subject to only two conditions. First, they must observe minimum for fundamental precepts of equal protection, and second, every major new initiative must be evaluated by independent observers operating in accordance with accepted scientific canons.

Some states or counties in this regime may end AFDC as we know it. Others may impose a mandatory work requirement. A few may require welfare recipients to turn their checks over to the group homes in which the recipients must reside or the boarding schools that their children must attend. Some may give the money to private agencies that agree to supply parent training, job skills and preschool education. Some may move welfare recipients out of the inner city and to the periphery.

Any given state government may do no better than Washington, but the great variety of the former will make up for the deadening uniformity of the latter. And within the states, the operating agencies will be at the city and county level, where the task of improving lives and developing character will be informed by the proximity of government to the voices of ordinary people.

Mr. Wilson is professor of management and public policy at UCLA. A longer version of this essay will appear in the Manhattan Institute's City Journal.●

INVESTIGATION OF CLASSIFIED DOCUMENT TRAFFICKING—CORRECTION OF THE RECORD

● **Mr. GRASSLEY.** Mr. President, this Senator would always wish to correct the record of any proceedings of the Senate, or any of the committees of the Congress, when failure to do so might do an injustice.

Today it is appropriate to correct such a record, having to do with information presented to the Subcommittee on National Security Economics of the Joint Economic Committee, meeting at 10 a.m. on Wednesday, December 21, 1988. The record of the hearing was published in a collection of hearings of subcommittees of the Joint Economic Committee, Senate Hearing 100–1059 beginning at page 559.

The hearing in question concerned trafficking in classified documents of the Department of Defense, and how the Department of Justice dealt with those problems during the period 1983–88.

A staff report prepared by the staff of the Joint Economic Committee Subcommittee on National Security Economics and the investigative staff of my office was included in the hearing. The staff report contains some information, supplied by officials of the Defense Criminal Investigative Service, which is not correct.

It has been brought to my attention that some of that information may have cast an undeserved cloud upon one of the persons named in the report. Two individuals are named in this information, on page 2 of the staff report, in the following paragraph:

> The Ohio investigation revealed evidence of widespread trafficking in classified documents, involving at least ten contractors and 30 Pentagon officials, including high level civilian and military officials. The investigation resulted in the indictments of two officials, John McCarthy, who was then director of NASA Lewis Research Center, and James R. Atchison, an Air Force employee at the Wright-Patterson Base in Dayton, Ohio. McCarthy plead guilty in 1983 to a charge of filing false claims in connection with travel to Washington, D.C. Atchison resigned from the government and was not brought to trial.

Mr. President, I would like to correct several of the statements about Mr. James R. Atchison.

Mr. Atchison has never been indicted on any charges. This is confirmed in a letter to the Joint Economic Committee of October 6, 1992, from Mr. Derek J. Vander Schaaf, Deputy Inspector General of DOD.

Mr. Vander Schaaf notes that the focus of the investigative effort that led to Mr. Atchison was the unauthorized trafficking in classified documents. But there was no evidence resulting from any DOD or NASA investigation involving Mr. Atchison in any wrongdoing relating to classified documents. The Air Force took an adverse employee action against Mr. Atchison for other reasons.

Mr. Atchison has asked that the statements about him be corrected in the record, to the extent possible. I agree, Mr. President, that the record must be corrected, and that is what I have attempted to do here today. •

RECOGNIZING THE DEDICATION AND SERVICE OF THE NEW JERSEY STATE FIRST AID COUNCIL

• Mr. BRADLEY. Mr. President, I rise today to pay tribute to the New Jersey State First Aid Council which is holding its 67th annual convention from October 5 through October 8.

The New Jersey State First Aid Council has its roots in Belmar, NJ where at the scene of a fire in 1929, Charles Measure, the council's founder, saw a badly injured police officer receive only blank stares and helpless shrugs from a crowd of onlookers who did not know what to do to help staunch the flow of blood. Although someone eventually stepped forward and saved the officer's life, the incident convinced Measure that there was a need for organized emergency response to such crisis situations. From the ashes of that confused and terrifying scene arose a new sense of security and purpose in the State, as the New Jersey State First Aid Council was born.

Developing a statewide organization was not easy, but Measure and his associates persisted until their idea became reality. In November of 1931, the eight squads came together to form the first district, and the council swung into action. Measure's decision to step forward and pioneer this first operation resulted in New Jersey trailblazing a path in first aid work in the United States.

Mr. President, for the last 64 years, the council has served our State in countless ways. They have faithfully followed the tenets of their original constitution: "* * * to bring together all first aid and safety squads; to organize and promote first aid in a systematic manner; to assist all squads in the purchase of supplies and equipment; to standardize all equipment, especially inhalators; and to further advance first aid instruction in conjunction with the Red Cross." Over the last six decades, the council's membership has swelled to 448 squads with over 14,000 members throughout the State. The council has also worked to promote community education and awareness regarding significant health issues. In recent years, the council has worked tirelessly in support of legislation to fund the training of emergency medical technicians and in 1992 the First Aid Technician's Act was passed. The act assesses $0.50 for every moving motor vehicle violation for a fund to pay for training and recertification of EMT's. The council has over $4 million in its coffers that will eventually be disbursed for training.

I have often emphasized the inadequacy of relying purely on political means to solve problems in our society. Solutions are not to be found solely in maintaining alliance to a party, or in voting for a particular candidate, but are to be found in the development of a strong civic society and in confronting our problems at the community and family level. Therefore, I am happy to recognize the New Jersey State First Aid Council as an example of the volunteer spirit which I believe does more to strengthen our communities than many a bill or amendment.

The volunteers of the New Jersey State First Aid Council display an enormous amount of compassion and respect for their fellow human beings, as well as a tireless commitment to creating a safer living environment in our State. Robert W. Snowfield, president of the council, has said that being a volunteer EMT is "something you must possess in your heart and mind." This is undoubtedly true, since the only reward these volunteers receive at the end of a long day is the satisfaction that their sacrifices have helped to make their own community a better place to live.

Mr. President, I applaud the efforts of this dynamic organization and its selfless, dedicated members and congratulate them on the occasion of their 67th annual convention.•

PEACE IN THE MIDDLE EAST

• Mr. DODD. Mr. President, earlier today I had the privilege of being present at the White House to witness the historic signing of the Interim Agreement on the West Bank and Gaza by Prime Minister of Israel Yitzhak Rabin and PLO Chairman Yasser Arafat. With the stroke of their pens, they have taken their people and all the peoples of the Middle East one step closer to lasting peace. Today is truly a day for celebration and prayers of thanks.

All of the efforts of those who were the enemies of peace could not deter these two brave leaders from their goal of finding the common ground that made this agreement a reality. Nor were President Clinton, Secretary Christopher, or Ambassador Dennis Ross prepared to cease their efforts as honest brokers to bridge last minute disagreements that stood in the way of finalizing the deal. I for one would like to commend the President, the Secretary, and all those who worked nonstop during this negotiating process—without their dedication, today's event would not have been possible.

Since the establishment of the State of Israel more than 47 years ago, the people of Israel have sought to live in peace with their neighbors in the Middle East. For too long Israeli efforts to reach out for peace and dialogue with its Arab counterparts were met with rejection and terrorism. Fortunately, that has now largely changed.

It is particularly fitting that Egyptian President Hosni Mubarak was among the leaders present at today's signing ceremony. After all, it was the Government of Egypt that was courageous enough to engage in the search for peace in that war-torn region. I remember the excitement, the hope, the inspiration that resulted from the signing of the 1978, Camp David Accords and the subsequent entry into force of the Israel-Egypt peace treaty in 1979.

Regrettably, it would take more than a decade before additional efforts to find a formula that would hold out the possiblity of resolving the complex issues with Israel's other Arab neighbors would bear fruit. Certainly the break up of the Soviet Union and the gulf war were defining moments that totally reshaped the political landscape in the Middle East and improved the prospect for peace. The seeds of today's agreement were clearly sown during the 1991 Madrid Conference with the road map outlined for resolving both bilateral and multilateral issues within the context of the Madrid Framework.

The key provisions of the interim agreement include elections of an 82-member Palestinian Council that will oversee most aspects of Palestinian life in the West Bank and Gaza, the elimination of offensive clauses from the Palestinian covenant that call for the elimination of Israel, assignment of responsibility for religious sites, the temporary deployment of an international observer delegation to Hebron, the redeployment of most Israeli troops from Palestinian cities and towns, and the staged release of prisoners.

This interim agreement is to remain in force through May 1999 and builds upon the September 1993 Declaration of Principles, in which Israel and the PLO exchanged mutual recognition, and the May 1994 Cairo agreement, which established a framework for Palestinian self-rule in the Gaza Strip and Jericho.

We can all be justly proud of the enormous progress that has been made to undo the destruction and distrust that are the byproduct of decades of hatred and havoc. I for one am confident that the trust and good will that has been created by the peace process thus far will energize all parties to resolve all the remaining issues that stand in the way of a permanent agreement.

I do not seek to minimize the difficulties of the issues that remain to be resolved. They include matters related to boundaries, to the nature of the Palestinian entity, to the future of Jewish settlements in Palestinian areas, to the disposition of refugees, and finally to the status of Jerusalem. However, it is clear to me that the people of the

Middle East are committed to finding a comprehensive solution to all the disagreements that have stood in the way of a permanent and lasting peace. I believe that we in the United States stand ready to do all that we can to facilitate that effort.●

WORLD MARITIME DAY 1995

● Mr. STEVENS. Mr. President, as you may know, World Maritime Day 1995 will be observed this week, and the theme this year focuses on the achievements and challenges of the International Maritime Organization [IMO].

The IMO was created under the auspices of the United Nations in 1948, and over the past 47 years has led the way to significant improvements in safety in the maritime industry and reductions in marine pollution around the world.

I ask that the letter sent to me by Coast Guard Capt. Guy Goodwin, which brought World Maritime Day 1995 to my attention, be printed in the RECORD.

Captain Goodwin provided me with a copy of the message delivered by IMO Secretary-General William O'Neil to commemorate World Maritime Day, and I ask that this, too, be printed in the RECORD.

I believe both Captain Goodwin and IMO Secretary-General O'Neil make important points about the need to continue to strive for safer shipping and cleaner oceans, and I encourage other Senators to read these messages.

The material follows:

DEPARTMENT OF TRANSPORTATION,
U.S. COAST GUARD,

Hon. TED STEVENS,
Chairman, Subcommittee on Oceans on Commerce, Science, and Transportation, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The International Maritime Organization has announced that World Maritime Day 1995 will be observed during the week of September 25 to 29, 1995. The theme for this year's observance is "50th Anniversary of the United Nations: IMO's Achievements and Challenges". As you know, Mr. Chairman, IMO has succeeded in winning the support of the Maritime world by being pragmatic, effective and above all by concentrating on the technical issues related to safety at sea and the prevention of pollution from ships, topics that are of most concern to its member states IMO's priorities are often described in the slogan "safer shipping and cleaner oceans."

Until recently the indications were that IMO'S efforts to improve safety and reduce pollution were paying off. The rate of serious casualties was falling and the amount of all and other pollutants entering the sea was decreasing quite dramatically. But recently there has been a disturbing rise in accidents and our fear is that, if nothing is done, the progress we have diligently fought for over the last few decades will be lost. To avert this danger, IMO has taken a number of actions including establishing a sub-committee to improve the way IMO regulations are implemented by flag States, encouraging the establishment of regional port State control arrangements, adopting a new mandatory International Safety Management Code, and adopting amendments to the convention dealing with standards of training, certification and watchkeeping for seafarers. When these and other measures are added together they make an impressive package that should make a significant contribution to safety and pollution prevention in the years to come. The Coast Guard has been an active player at IMO regarding these and other matters.

Enclosed is a message from the Secretary-General of the IMO, Mr. W. A. O'Neil, marking the observance of World Maritime Day 1995.

Sincerely,

G. T. GOODWIN,
Captain, USCG,
Chief, Congressional Affairs.

Encl: World Maritime Day Message of Secretary General O'Neil.

WORLD MARITIME DAY 1995

Fifty years ago the United Nations was created. When people consider the United Nations today, most think only of the headquarters in New York or peacekeeping missions around the world. Very few people know that the United Nations indeed has another side.

This side, of course, consists of the specialized agencies of the U.N. system which deal with such matters as the development of telecommunications, the safety of aviation, the peaceful uses of nuclear energy, the improvement of education, the world's weather, and international shipping, the particular responsibility of the International Maritime Organization.

IMO was established by means of a convention which was adopted under the auspices of the United Nations in 1948 and today has 152 Member States. Its most important treaties cover more than 98 percent of world shipping.

IMO succeeded in winning the support of the maritime world by being pragmatic, effective and above all by concentrating on the technical issues related to safety at sea and the prevention of pollution from ships, topics that are of most concern to its Member States. IMO's priorities are often described in the slogan "safer shipping and cleaner oceans."

But today I do not want to focus on past successes. Instead I would like to talk to you about the future. Nobody can predict precisely what will happen in the shipping world during the next few years but there are indications that, from a safety point of view, we should be especially vigilant.

The difficult economic conditions of the last two decades have discouraged shipowners from ordering new tonnage and there is evidence that, in some cases, the maintenance of vessels has suffered. The combination of age and poor maintenance has obvious safety implications. Shipping as an industry is also undergoing great structural changes that have resulted in the fleets of the traditional flags declining in size while newer shipping nations have emerged.

IMO has no vested interest in what flag a ship flies or what country its crew members come from. But we are interested in the quality of the operation. We certainly can have no objection to shipowners saving money—unless those savings are made at the expense of safety or the environment. If that happens then we are very concerned indeed.

Until recently the indications were that IMO's efforts to improve safety and reduce pollution were paying off. The rate of serious casualties was falling and the amount of oil and other pollutants entering the sea was decreasing quite dramatically. But recently there has been a disturbing rise in accidents and our fear is that, if nothing is done, the progress we have diligently fought for over the last few decades will be lost. To avert this danger IMO has taken a number of actions.

We have set up a special sub-committee to improve the way IMO regulations are implemented by flag States.

We have encouraged the establishment of regional port State control arrangements so that all countries which have ratified IMO Conventions and have the right to inspect foreign ships to make sure that they meet IMO requirements can do this more effectively.

We have adopted a new mandatory International Safety Management Code to improve standards of management and especially to make sure that safety and environmental issues are never overlooked or ignored.

We have recently adopted amendments to the convention dealing with standards of training, certification and watchkeeping for seafarers. The Convention has been modernized and restructured, but most important of all, new provisions have been introduced which will help to make sure that the Convention is properly implemented.

When these and other measures are added together they make an impressive package that should make a significant contribution to safety and pollution prevention in the years to come. But I think we need something more.

IMO's standards have been so widely adopted that they affect virtually every ship in the world. Therefore, in theory, the casualty and pollution rates of flag States should be roughly the same but in actual practice they vary enormously. That can only be because IMO regulations are put into effect differently from country to country. The measures I have just outlined will help to even out some of these differences, but they will only really succeed if everybody involved in shipping wants them to.

That sounds simple enough. Surely everybody is interested in safety and the prevention of pollution and will do what they can to promote them? To a certain degree perhaps they are—but the degree of commitment seems to vary considerably. The majority of shipowners accept their responsibilities and conduct their operations with integrity at the highest level.

Some others quite deliberately move their ships to different trading routes if Governments introduce stricter inspections and controls: they would rather risk losing the ship and those on board than to undertake and pay for the cost of carrying out the repairs they know to be necessary. Some Governments are also quite happy to take the fees for registering ships under their flag, but fail to ensure that safety and environmental standards are enforced.

The idea that a ship would willingly be sent to sea in an unsafe condition and pose a danger to its crew is difficult to believe and yet it does happen.

The reasons for this are partly historical. We have become so used to the risks involved in seafaring that we have come to see them as a cost that has to be paid, a price which is exacted for challenging the wrath of the oceans. We must change this attitude, this passive acceptance of the inevitability of disaster. When a ship sinks we should all feel a sense of loss and failure, because accidents are not inevitable—they can and should be prevented.

The actions taken by IMO during the last few years will undoubtedly help to improve safety and thereby save lives, but they will have an even more dramatic effect if they help to change the culture of all those engaged in shipping and make safety not just a vague aspiration but a part of every day living, so that it comes as second nature. This is a clear, precise target—a target that is within our grasp if we continue to put our minds and energies to the task.

Fifty years ago, when the United Nations was being planned, few people believed that there would ever be an effective international organization devoted to shipping safety. But, in the same spirit that led to the founding of the United Nations, IMO itself was born. The vision which led to this has been realized and seafarers of the world have benefitted as a result.

However, casualties still do occur and much remains to be done by IMO, by its Member Governments, by the shipping industry and by the seafarers who crew the world's ships, in fact, by all of us involved in shipping. The waters are not uncharted, the course is known, the destination is clear. It is up to us to conduct the voyage in such a way that our objective of maximum safety is in fact realized.●

SCHOOLS FOR THE DEAF AND THE BLIND

● Mr. ROCKEFELLER. Mr. President, I would like to take this opportunity to commend the West Virginia Schools for the Deaf and the Blind for 125 years of service to students with disabilities in my State.

On this very day, September 28 in 1870 the doors of the West Virginia. Schools for the Deaf and the Blind were first opened in the small community of Romney, WV. At that time, 25 deaf and 5 blind children were enrolled that first year in classes in a modest facility. Since that time, literally thousands of men and women of all ages with hearing and/or visual disabilities have passed through the hallowed halls of the West Virginia Schools for the Deaf and the Blind.

Today, hundreds of individuals receive a variety of services through programs offered by these schools—programs like Be a Star, which earned national recognition in the 1993–94 school year as a model for hearing and visually impaired youth as volunteers. People assume that students with disabilities are the recipients of community service initiatives but through Romney's program, the handicapped students were able to get involved in community service projects and make their own personal contributions to the local community which has supported the institution for more than a century. Currently during the 1994–95 school year, the institution is implementing the Stars for Others Program. The goal, once again, is to let students be the leaders they can be in their respective communities. The school expects this year to log over 5,000 hours of staff and student volunteer hours of public service, and I am quite proud of this initiative.

In addition to the regular educational programs offered on campus, over 100 preschoolers and their families receive services through special outreach programs. More than 450 students with visual disabilities throughout our State receive Braille and large print materials through the Instructional Resource Center. Over 250 individuals receive talking books through a loan program coordinated by the Library of Congress. Captioned films are made available through the Captioned Film Depository. Each year, many children with hearing and/or visual disabilities participate in the Preschool Diagnostic and Evaluation Program and in the summer enrichment programs.

This is a tremendous institution striving to improve its services and enhance the quality of life for students with disabilities so that they can live as independently as possible. The efforts made daily by every administrator, every teacher, every individual associated with the West Virginia Schools for the Blind and the Deaf have opened many doors to people with disabilities, and given them opportunities for jobs and freedom that they may not have otherwise. The schools have stressed that a physical impediment should not be a wall that blocks students from the life, but that they too can overcome challenges and play a vital role in our society. I share this view and am proud of the tremendous progress made by our society over time in recognizing the potential of individuals with disabilities. This institution has contributed a great deal to helping ensure that every American, regardless of disability, should have the chance to be happy, productive members of our society.

The West Virginia Schools for the Deaf and the Blind make a very real difference in the lives of students and their families. With great pride, and on behalf of all of West Virginia, I send my warmest congratulations on such a special anniversary, as well as best wishes for more years of service.●

APPOINTMENTS BY THE VICE PRESIDENT

The PRESIDING OFFICER. The Chair, on behalf of the Vice President, in accordance with 22 U.S.C. 1928a-1928d, as amended, appoints the following Senators as Members of the Senate Delegation to the North Atlantic Assembly fall meeting during the first session of the 104th Congress, to be held in Turin, Italy, October 5–9, 1995: The Senator from Mississippi, Mr. COCHRAN; the Senator from Iowa, Mr. GRASSLEY; the Senator from Alaska, Mr. MURKOWSKI; the Senator from Washington, Mr. GORTON; and the Senator from Hawaii, Mr. AKAKA.

TRUTH IN LENDING ACT AMENDMENTS

Mr. GRAMM. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 2399 just received from the House.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 2399) to amend the Truth in Lending Act to clarify the intent of such act and to reduce burdensome regulatory requirements on creditors.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. D'AMATO. Mr. President, I rise today to voice my support for the Truth in Lending Act Amendments of 1995. Our colleagues in the House recently passed this legislation. It is the product of bipartisan cooperation between the Senate and the House. The broad bipartisan support that this bill has attracted is evidence of the urgency of the situation that it addresses. As chairman of the Banking Committee, I believe that immediate action is warranted. I would therefore encourage my colleagues to immediately consider and pass H.R. 2399.

Mr. President, H.R. 2399 is intended to curtail the devastating liability that threatens our housing finance system in the wake of the Eleventh Circuit Court of Appeals' recent decision in Rodash versus AIB Mortgage Co. The Rodash case produced an onslaught of over 50 class action suits. The majority of these suits demanded the most draconian remedy available under Truth in Lending—rescission. When a loan is rescinded, the borrower is released from the obligation under the mortgage. Currently, there are dozens of Rodash-styled class action suits pending. If rescission is granted in a class action lawsuit, every class member would be entitled to reimbursement of all finance charges, as well as other charges.

The threat of wholesale rescissions presents a real danger to our modern system of home financing: potential liability that could reach into the billions. Last spring we enacted H.R. 1380, a class action moratorium. We enacted this moratorium to allow both Houses time to craft a solution. The moratorium expires on October 1, 1995—so now is the time to act.

Mr. President, I cannot overemphasize the threat to our mortgage lending system and the secondary markets that provide the mortgage market with liquidity. And we cannot forget that the liquidity of the mortgage markets has helped millions of Americans obtain their dream of home ownership at lower costs.

H.R. 2399 is the result of much hard work and represents a commonsense compromise to a highly technical problem. H.R. 2399 provides greater certainty for lenders without eliminating the substantive protection available to consumers. I would like to summarize some of the important provisions of this bill:

First, this bill provides retroactive relief from Rodash-styled class actions that are pending certification.

H.R. 2399 also clarifies the treatment of certain fees for the purposes of the Truth-in-Lending disclosures.

This legislation provides greater flexibility, or tolerance, for honest mistakes that result in technical violations and can produce a litigation morass. The current tolerances provided under the law are unreasonably low, especially in the context of the 3-year right of rescission.

Two tolerances are established for rescission purposes. The tolerance formulas are based on the size of the loan in question. A smaller tolerance is established for standard nonpurchase money mortgages. If a borrower receives money from a refinance, only that money is subject to rescission. A larger tolerance is available in no new money refinancings. No new money refinancings are used by consumers to take advantage of declining interest rates. In these refinancings, no advances—other than loan proceeds that might be used to finance closing costs, which are not deemed to be new advances—are received by the consumer.

H.R. 2399 clarifies the liability of assignees and loan servicers under Truth in Lending. These clarifications will provide greater certainty for the secondary market and help enhance liquidity of the mortgage market in general.

H.R. 2399 also contains substantive protection for consumers. It retains the 3 day right rescission, and creates a right of rescission in the mortgage foreclosure context.

The Truth in Lending Act requires lenders to provide consumers with notice of their right to rescind in certain transactions. However, the requirements concerning the form of notice to be provided are ambiguous. This bill eliminates liability when the incorrect form of rescission notice was given to the borrower in a closed-end transaction as long as the consumer received a completed form, whether the form was one of the model forms published by the Federal Reserve Board or a comparable form. The addition of the requirement that the lender otherwise complied with all the requirements of this section regarding notice is intended to make clear that the lender will continue to have liability for any violation of this title that is unrelated to the form of notice, such as a misdisclosure of the APR that exceeds the tolerance. However, the lender will not be penalized for the form of notice it provided.

While any of us might take issue with any of the particular provisions in this bill, on balance it represents a workable solution, and demonstrates congressional resolve in the face of a tremendous problem. I urge all my colleagues to support this important legislation and pass it immediately, without amendments.

Mr. SARBANES. Mr. President, I rise in support of H.R. 2399, the Truth in Lending Act Amendments of 1995. This bill represents a solution to the so-called Rodash problem.

I would like to begin by commending the chairman of the Senate Banking Committee, Senator D'AMATO, the chairman and ranking member of the House Banking Committee, Representative LEACH, Representative GONZALEZ, Representative MCCOLLUM, and Representative VENTO for their cooperation in working out a bipartisan resolution of this problem. In my view, it responds to legitimate concerns raised by the financial industry but preserves the basic consumer protections of the Truth in Lending Act.

The Rodash problem arose from a court decision last year in which small violations of the disclosure requirements of the Truth in Lending Act triggered the right of rescission provided by the act. That decision, in turn, resulted in the filing of class action lawsuits against creditors for small violations of the disclosure requirements. The Congress placed a moratorium on such lawsuits in order to provide time to sort out this issue and clarify the statute. The moratorium expires on October 1. It is therefore important for the Congress to act expeditiously on a permanent solution to the Rodash problem.

The House Banking Committee included a response to the Rodash problem in a larger banking bill reported out of the committee earlier this year. That bill, in my view, went beyond fixing the Rodash problem. If passed, it would have weakened the Truth in Lending Act and undermined critical consumer protections.

In order to enact a solution to the Rodash problem before the moratorium expires, agreement was reached to try to move the Rodash package as a separate bill. Negotiations were undertaken between the House and Senate, and a compromise was reached which is contained in H.R. 2399. The House passed H.R. 2399 on Wednesday by unanimous consent. The Senate will do so today.

The bill before the Senate today improves significantly the measure passed by the House Banking Committee. Under the original House bill, consumers would have lost the right of rescission for a whole class of loans even if the most egregious violations of the Truth in Lending Act were committed. The bill before the Senate preserves that vital consumer protection.

The original House bill also would have eliminated, for an entire class of mortgage loans, the borrower's right to a 3-day cooling off period after closing on a loan. The bill before the Senate retains that cooling off period.

Moreover, the bill before the Senate protects the most vulnerable citizens from abusive lenders. It provides consumers with truth in lending protections when faced with foreclosure. This bill will help many elderly people keep their homes.

This bill increases the tolerance for statutory damages, lifting the bar that determines what constitutes a violation. This bill does not increase the tolerance as much as the original House bill. This is important because a low tolerance is needed to ensure that consumers are receiving accurate information about the cost of credit.

This increased tolerance for errors is intended to protect lenders from the small errors in judgment that occurred in the Rodash case. It is obviously not intended to give lenders the right to pad fees up to the tolerance limit of $100. For example, if a delivery associated with the closing cost on a home mortgage costs $30, $30 should be charged and disclosed as part of the finance charge. A lender cannot arbitrarily raise the charge an additional $70 simply because there is a wider tolerance.

The purpose of the Truth in Lending Act is to require disclosure to consumers of the cost of their credit. An outstanding problem remains that there are too many exclusions and exemptions that blur the bottom line. The bill directs the Federal Reserve to report to Congress and develop regulations to ensure that all charges related to the extension of credit are included in the finance charges. Lenders and consumers agree that it is important to alleviate confusion over the treatment of fees in the finance charge. The Federal Reserve has 1 year to develop these regulations.

The bill specifically exempts certain charges from the finance charge, including third party fees, taxes on security instruments, fees for preparations of loan documents, and fees relating to pest infestations. The purpose of the exemptions is to provide some clarity on the treatment of those fees until the Fed acts to ensure that the finance charge definition more accurately reflects the cost of providing credit. The fact that these exemptions are included does not create a presumption or requirement for the Fed to exclude them from the definition of finance charges. The Fed should include all charges in the finance charge unless those charges are not related to the extension of credit. I look forward to the Federal Reserve's action and I am hopeful this will lead to simpler and more common sense disclosure.

Mr. President, I am pleased that a reasonable agreement, embodied in H.R. 2399, has been reached to address the Rodash problem. I urge my colleagues to support this bill.

Mr. MACK. Mr. President, the Truth in Lending Act Amendments of 1995 will finally bring an end to the massive potential liability facing the mortgage industry as a result of extraordinary penalties under the Truth in Lending Act [TILA] for technical errors. Recognizing the threat to mortgage lending, we placed a moratorium on class actions for certain technical violations under TILA to give us an opportunity to develop a solution. The Truth in Lending Act Amendments of 1995 provide that solution.

This bill does a number of important things. First, it provides retroactive relief to the mortgage industry from the extreme potential liability that was caused by the Rodash versus AIB Mortgage Co. case. This problem, which seriously threatened the viability of residential mortgage lending in this country including the mortgage-backed securities markets, was caused by the ambiguity surrounding the proper treatment of certain charges, and the extremely low tolerance for any error in making disclosures. The current treatment of fees, such as mortgage broker fees, has been challenged in litigation. It is not fair to subject a lender to extreme penalties for their treatment of these fees, which some are now trying to recharacterize as finder's fees. The entire industry historically excluded these fees from the finance charge, without regard to whether the broker received yield spread premiums or other types of compensation from the lender—known or unknown to the borrower—or whether the broker is acting as an agent of the borrower, the lender or both. Based upon the preexisting language of TILA, Regulation Z and the Federal Reserve Board commentary—particularly 4(a)-3, this exclusion is manifestly correct. However, it seems proper to eliminate any issue whatsoever. With this legislation, lenders will now be able to get on with the business of making loans.

Second, the bill prospectively clarifies the treatment of specific charges such as tangible taxes and courier fees. This gives creditors greater certainty and provides consumers with more accurate disclosures through uniform treatment of charges. The Federal Reserve is also directed to review the finance charge disclosure and make recommendations to improve it. Specifically we are looking for recommendations that make the finance charge disclosure more accurately reflect the cost of credit. In addition, we would like suggestions on how to eliminate any abusive practices that have developed in the reporting of the finance charge.

Third, recognizing the highly technical nature of the Truth in Lending Act, the bill raises the tolerance level for understated disclosures for all future transactions from $10 to $100 for civil liability purposes. For errors which can lead to rescission of the loan, which is a much more extreme penalty, the tolerance is ½ of 1 percent of the loan amount. However, for certain refinance loans where the refinancing borrower did not receive additional new advances from the creditor, the tolerance is 1 percent of the loan amount. In accordance with current Federal Reserve regulations, funds to finance the closing costs of the transaction do not constitute new advances.

Fourth, the bill clarifies that loan servicers are not assignees for purposes of Truth in Lending liability if they only own legal title for servicing purposes.

Fifth, the bill raises the statutory damages for individual actions from $1,000 to $2,000. Statutory damages are provided in TILA because actual damages, which require proof that the borrower suffered a loss in reliance upon the inaccurate disclosure, are extremely difficult to establish.

Sixth, the bill preserves the consumer's 3-day rescission period for all refinance loans with different creditors. As currently set forth in the Truth in Lending Act, this cooling off period expires in 3 years. Contrary to some court decisions which have allowed this rescission period to extend for as long as 8 years after the loan was closed in the context of recoupment, the existing statutory language is clear: 3 years means 3 years and the time period shall not be extended except as explicitly provided in section 125(f).

Moreover, as is currently set forth in the Federal Reserve regulations, when a borrower refinances an existing loan and takes out new money, only the new money is subject to rescission.

This legislation is critical to avert what could be a financial disaster in the mortgage industry. I appreciate the bipartisan effort to fix the problems with the Truth in Lending Act while still protecting the rights of the consumers and I urge the adoption of this bill.

Mr. GRAMM. I ask unanimous consent that the bill be deemed read a third time and passed, the motion to reconsider be laid upon the table, and that any statements related to the bill appear at the appropriate place in the RECORD as if read.

The PRESIDING OFFICER. Without objection, it is so ordered.

So the bill (H.R. 2399) was deemed read a third time and passed.

SMALL BUSINESS LENDING ENHANCEMENT ACT OF 1995—CONFERENCE REPORT

Mr. GRAMM. Mr. President, I submit a report of the committee of conference on S. 895 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The legislative clerk read as follows:

The committee on conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 895) to amend the Small Business Act to reduce the level of participation by the Small Business Administration in certain loans guaranteed by the Administration, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

Mr. GRAMM. Mr. President, I ask unanimous consent that the conference report be agreed to, the motion to reconsider be laid upon the table, and that any statement related to the conference report be included in the RECORD at the appropriate place.

The PRESIDING OFFICER. Without objection, it is so ordered.

So the conference report was agreed to.

EXPENDITURES FOR OFFICIAL OFFICE EXPENSES

Mr. GRAMM. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Senate Resolution 176, submitted earlier today by Senators WARNER and FORD.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A resolution (S. Res. 176) relating to expenditures for official office expenses.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. GRAMM. Mr. President, I ask unanimous consent that the resolution be agreed to, that the motion to reconsider be laid upon the table, and that any statements related to the resolution appear at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

So the resolution (S. Res. 176) was agreed to, as follows:

S. RES 176

Resolved, That section 2(3) of Senate Resolution 294, Ninety-sixth Congress, agreed to April 29, 1980, is amended—

(1) By striking "and" after "Capitol" and inserting a comma; and

(2) by inserting before the semicolon at the end the following: ", and copies of the calendar 'We The People' published by the United States Capitol Historical Society".

SEC. 2. Copies of the calendar "We The People" published by the United States Capitol Historical Society shall be deemed to be Federal publications described in section 6(b)(1)(B)(v) of Public Law 103-283.

ATTORNEY'S FEES EQUITY ACT

Mr. GRAMM. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 10, S. 144.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 144) to amend section 526 of title 28, United States Code, to authorize awards of attorney's fees.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. GRAMM. Mr. President, I ask unanimous consent that the bill be deemed read a third time, passed, the motion to reconsider be laid upon the table, and that any statements related to the bill be printed at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

So the bill (S. 144) was deemed read the third time and passed, as follows:

S. 144

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AWARDS OF ATTORNEYS FEES.

(a) SHORT TITLE.—This Act may be cited as the "Attorney's Fees Equity Act of 1995".

(b) AWARDS OF ATTORNEY'S FEES.—Section 526 of title 28, United States Code, is amended by adding at the end the following new subsection:

"(c)(1)(A) A current or former Department of Justice attorney; agent; or employee who supervises an agent who is the subject of a criminal or disciplinary investigation, instituted on or after the date of enactment of this subsection, arising out of acts performed in the discharge of his or her duties in prosecuting or investigating a criminal matter, who is not provided representation under Department of Justice regulations, shall be entitled to reimbursement of reasonable attorney's fees incurred during and as a result of the investigation if the investigation does not result in adverse action against the attorney, agent, or employee.

"(B) A current or former attorney; agent; or employee who supervises an agent employed as or by a Federal public defender who is the subject of a criminal or disciplinary investigation instituted on or after the date of enactment of this subsection, arising out of acts performed in the discharge of his or her duties in defending or investigating a criminal matter in connection with the public defender program, who is not provided representation by a Federal public defender or the Administrative Office of the United States Courts is entitled to reimbursement of reasonable attorney's fees incurred during and as a result of the investigation if the investigation does not result in adverse action against the attorney, agent, or employee.

"(2) For purposes of paragraph (1), an investigation shall be considered not to result in adverse action against an attorney, agent, or employee if—

"(A) in the case of a criminal investigation, the investigation does not result in indictment of, the filing of a criminal complaint against, or the entry of a plea of guilty by the attorney, agent, or supervising employee; and

"(B) in the case of a disciplinary investigation, the investigation does not result in discipline or results in only discipline less serious than a formal letter of reprimand finding actual and specific wrongdoing.

"(3) The Attorney General shall provide notice in writing of the conclusion and result of an investigation described in paragraph (1).

"(4) An attorney, agent, or supervising employee who was the subject of an investigation described in paragraph (1) may waive his or her entitlement to reimbursement of attorney's fees under paragraph (1) as part of a resolution of a criminal or disciplinary investigation.

"(5) An application for attorney fee reimbursement under this subsection shall be made not later than 180 days after the attorney, agent, or employee is notified in writing of the conclusion and result of the investigation.

"(6) Upon receipt of a proper application under this subsection for reimbursement of attorney's fees, the Attorney General and the Director of the Administrative Office of the United States Courts shall award reimbursement for the amount of attorney's fees that are found to have been reasonably incurred by the applicant as a result of an investigation.

"(7) The official making an award under this subsection shall make inquiry into the reasonableness of the amount requested, and shall consider—

"(A) the sufficiency of the documentation accompanying the request;

"(B) the need or justification for the underlying item;

"(C) the reasonableness of the sum requested in light of the nature of the investigation; and

"(D) current rates for equal services in the community in which the investigation took place.

"(8)(A) Reimbursements of attorney's fees ordered under this subsection by the Attorney General shall be paid from the appropriation made by section 1304 of title 31, United States Code.

"(B) Reimbursements of attorney's fees ordered under this Act by the Director of the Administrative Office of the United States Courts shall be paid from appropriations authorized by section 3006A(i) of title 18, United States Code.

"(9) The Attorney General and the Director of the Administrative Office of the United States Courts may delegate their powers and duties under this subsection to an appropriate subordinate.".

BANKRUPTCY CODE REFERENCE CORRECTIONS

Mr. GRAMM. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of calendar No. 190, S. 977.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 977) to correct certain references in the Bankruptcy Code.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. GRAMM. I ask unanimous consent, Mr. President, that the bill be deemed read a third time, passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be placed at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

So, the bill (S. 977) was deemed read three times and passed, as follows:

S. 977

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REFERENCE.

Section 1228 of title 11, United States Code, is amended by striking "section 1222(b)(10)" each place it appears and inserting "section 1222(b)(9)".

BIOTECHNOLOGICAL PROCESSES PATENTS

Mr. GRAMM. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of calendar No. 191, S. 1111.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 1111) to amend title 35, United States Code, with respect to patents on biotechnological processes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. GRAMM. Mr. President, I ask unanimous consent that the bill be deemed read a third time, passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be placed at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

So, the bill (S. 1111) was deemed read three times and passed as follows:

S. 1111

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. BIOTECHNOLOGICAL PROCESS PATENTS; CONDITIONS FOR PATENTABILITY; NONOBVIOUS SUBJECT MATTER.

Section 103 of title 35, United States Code, is amended—

(1) by designating the first paragraph as subsection (a);

(2) by designating the second paragraph as subsection (c); and

(3) by inserting after the first paragraph the following:

"(b)(1) Notwithstanding subsection (a), and upon timely election by the applicant for patent to proceed under this subsection, a biotechnological process using or resulting in a composition of matter that is novel under section 102 and nonobvious under subsection (a) of this section shall be considered nonobvious if—

"(A) claims to the process and the composition of matter are contained in either the same application for patent or in separate applications having the same effective filing date; and

"(B) the composition of matter, and the process at the time it was invented, were owned by the same person or subject to an obligation of assignment to the same person.

"(2) A patent issued on a process under paragraph (1)—

"(A) shall also contain the claims to the composition of matter used in or made by that process, or

"(B) shall, if such composition of matter is claimed in another patent, be set to expire on the same date as such other patent, notwithstanding section 154.

"(3) For purposes of paragraph (1), the term 'biotechnological process' means—

"(A) a process of genetically altering or otherwise inducing a single- or multi-celled organism to—

"(i) express an exogenous nucleotide sequence,

"(ii) inhibit, eliminate, augment, or alter expression of an endogenous nucleotide sequence, or

"(iii) express a specific physiological characteristic not naturally associated with said organism;

"(B) cell fusion procedures yielding a cell line that expresses a specific protein, such as a monoclonal antibody; and

"(C) a method of using a product produced by a process defined by (A) or (B), or a combination of (A) and (B).".

SEC. 2. PRESUMPTION OF VALIDITY; DEFENSES.

Section 282 of title 35, United States Code, is amended by inserting after the second sentence of the first paragraph the following: "Notwithstanding the preceding sentence, if a claim to a composition of matter is held invalid and that claim was the basis of a determination of nonobviousness under section 103(b)(1), the process shall no longer be considered nonobvious solely on the basis of section 103(b)(1).".

SEC. 3. EFFECTIVE DATE.

The amendments made by section 1 shall apply to any application for patent filed on or after the date of enactment of this Act and to any application for patent pending on such date of enactment, including (in either case) an application for the reissuance of a patent.

CIRCUIT JUDGE AUTHORIZATION

Mr. GRAMM. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of calendar No. 133, S. 531.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 531) to authorize a circuit judge who has taken part in an en banc hearing of a case to continue to participate in that case after taking senior status, and for other purposes.

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The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary with an amendment; as follows:

(The parts of the bill intended to be struck through are shown in boldface brackets and the parts of the bill intended to be inserted are shown in italic.)

S. 531

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AMENDMENT.

[The last sentence of section 46(c) of title 28, United States Code, is amended by striking "as a member" and all that follows through the period and inserting the following: "as a member of an in banc court—

["(1) reviewing a decision of a panel of which such judge was a member; or

["(2) continuing to participate in the decision of a case or controversy that was heard or reheard by the court in banc at a time when such judge was in regular active service.".**]**

The last sentence of section 46(c) of title 28, United States Code, is amended by inserting "(1)" after "eligible" and by inserting before the period at the end of the sentence ", or (2) to continue to participate in the decision of a case or controversy that was heard or reheard by the court in banc at a time when such judge was in regular active service".

Mr. GRAMM. Mr. President, I ask unanimous consent that the committee amendment be agreed to, that the bill then be deemed read a third time, passed, that the motion to reconsider be laid upon the table, and that any statements relating to the bill be placed at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

So the bill (S. 531), as amended, was passed, as follows:

S. 531

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AMENDMENT.

The last sentence of section 46(c) of title 28, United States Code, is amended by inserting "(1)" after "eligible" and by inserting before the period at the end of the sentence ", or (2) to continue to participate in the decision of a case or controversy that was heard or reheard by the court in banc at a time when such judge was in regular active service".

DEFENSE PRODUCTION ACT AMENDMENTS OF 1995

Mr. GRAMM. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of calendar No. 178, S. 1147.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will state the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 1147) to extend and reauthorize the Defense Production Act of 1950, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. GRAMM. Mr. President, I ask unanimous consent that the bill be deemed read the third time, passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be placed at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

So the bill (S. 1147) was deemed read the third time, and passed, as follows:

S. 1147

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Defense Production Act Amendments of 1995".

SEC. 2. EXTENSION OF PROGRAMS.

Section 717(a) of the Defense Production Act of 1950 (50 U.S.C. App. 2166(a)) is amended in the first sentence, by striking "Title I (except section 104), title III, and title VII (except sections 708, 714, 719 and 721) of this Act, and all authority conferred thereunder, shall terminate at the close of September 30, 1995" and inserting "Title I (except section 104), title III, and title VII (except sections 708 and 721) of this Act, and all authority conferred thereunder, shall terminate at the close of September 30, 1998".

SEC. 3. AUTHORIZING APPROPRIATIONS FOR TITLE III PROJECTS.

Section 711 of the Defense Production Act of 1950 (50 U.S.C. App. 2161) is amended—

(1) in subsection (a), by striking "(a) AUTHORIZATION.—" and all that follows through "subsection (c)," and inserting the following:

"(a) AUTHORIZATION.—Except as provided in subsection (b),"; and

(2) by striking subsections (b) through (d) and inserting the following:

"(b) TITLE III AUTHORIZATION.—There are authorized to be appropriated for each of fiscal years 1996, 1997, and 1998, such sums as may be necessary to carry out title III.".

DEPARTMENT OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 1996

The Senate continued with the consideration of the bill.

Mr. GRAMM. Mr. President, I ask unanimous consent to continue the consideration of H.R. 2076 in order to reconsider and table the vote by which the managers' amendment was agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAMM. Mr. President, I move to reconsider the vote and to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDERS FOR FRIDAY, SEPTEMBER 29, 1995

Mr. GRAMM. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until the hour of 9 a.m. on Friday, September 29, 1995, that following the prayer, the Journal of the proceedings be deemed approved to date, the time for the two leaders be reserved for their use later in the day and the Senate then proceed to the consideration of the State, Justice, Commerce appropriations bills under the previous order of 60 minutes on the McCain amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. GRAMM. Mr. President, for the information of all Senators, the Senate will begin consideration of State, Justice, Commerce appropriations at 9 a.m., and two votes will occur at 10 a.m., with 4 minutes of debate between the two stacked votes.

Immediately following the two votes, the Senate will resume consideration of the Domenici amendment.

Senators should be on notice that tomorrow's session of the Senate is expected to be very late in order to complete action on the remaining appropriations bills prior to the end of the fiscal year.

RECESS UNTIL 9 A.M. TOMORROW

Mr. GRAMM. Mr. President, if there is no further business to come before the Senate, I now ask that the Senate stand in recess under the previous order.

There being no objection, the Senate, at 9:52 p.m., recessed until Friday, September 29, 1995, at 9 a.m.

CONFIRMATION

Executive nomination confirmed by the Senate September 38, 1995:

THE JUDICIARY

JAMES L. DENNIS, OF LOUISIANA, TO BE U.S. CIRCUIT JUDGE FOR THE FIFTH CIRCUIT.

EXTENSIONS OF REMARKS

REPEALING THE DAVIS-BACON ACT

HON. NICK SMITH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 28, 1995

Mr. SMITH of Michigan. Mr. Speaker, the time has long since passed for the repeal of the Davis-Bacon Act. Yet, this outdated piece of legislation, along with all of its adverse effects, is still a bulwark of the United States labor law. The Davis-Bacon Act should be repealed for several important reasons:

First, it violates Americans' right to contract freely with one another.

Second, it has inequitable effects between people of different races.

Third, it serves no interest other than to protect the wages of white unionized construction labor.

Fourth, it adds over a billion dollars each year directly to Federal Government expenditures.

The Davis-Bacon Act was passed in 1931 amidst a sharp decline in construction activity and falling wages and prices that characterized the Great Depression. Its intent was twofold; First, it aimed to halt the decline of wages. Second, Davis-Bacon intended to prevent blacks, migrant workers, and carpetbagging contractors from competing for contracts that had typically been awarded to local, white unionized labor.

How did the act attempted to achieve these objectives? By requiring that construction workers on federally financed projects be paid the local prevailing wage rate. This prevailing wage, as determined by the Department of Labor is nothing more than the union wage. In other words, this act gives the Secretary of Labor the authority to set the minimum wage for construction workers at a rate greater than that determined by the forces of supply and demand. In effect, this requirement to pay an artificially high wage precludes most minority-owned and nonunionized firms from bidding for government construction contracts since they cannot afford to pay union wages. Consequently, the Davis-Bacon Act serves to protect the jobs and inflated wages of predominately white unionized labor by insulating them from lower cost competition. It effectively grants the higher cost, unionized contractors their own private monopoly over federally funded construction projects.

But there is another effect that follows directly from the required payment of prevailing wages. Since the Federal Government is prohibited by law from awarding contracts to lower wage, lower cost construction firms, it necessarily spends an excess of what it needs to in order to get the job done. And guess who is paying the difference. In fact, Davis-Bacon adds over a billion dollars each year directly to Federal Government expenditures, not to mention the additional billions added to private expenditures on projects that are partially federally funded. That means you and I are forced to subsidize the multitude of artificially and unnecessarily expensive construction projects because back in 1931, the Government granted a monopoly over the contracts to such projects to a small group of unionized construction workers.

The claim by some of my colleagues and supporters of the act that Davis-Bacon simply recognizes existing wages as determined by the local market, and therefore, adheres to free market principles, indicates a serious misunderstanding of the process through which the free market works. A free market, with competitively determined wages and prices, needs neither government recognition nor enforcement in order to properly function. These are the prices and wages that would exist in the absence of the Department of Labor. The very fact that the Davis-Bacon Act was deemed necessary to require and enforce the payment of prevailing wages indicates that these are not the wages that would prevail in the free market.

If the only group of people whom this legislation benefits is a small number of predominately white, unionized labor, while imposing significant costs on minority and nonunion construction workers, as well as every taxpayer in the form of increased Federal Government expenditures, then you might ask, how has Davis-Bacon remained the law for 64 years? The act has stubbornly survived precisely because it has a highly unified, powerful constituency. Organized labor groups lobby through large campaign contributions, persuasion, and the votes of their members to influence labor policy in their favor. On the other hand, opposition to laws like Davis-Bacon is diffused and unorganized, simply because these very real costs, which fall lightly on each American, go largely unnoticed.

Finally, and perhaps most importantly, congressional mandates that prohibit arrangements between the buyers and sellers of labor that would otherwise be mutually agreeable directly interferes with freedom of contract. Our Founding Fathers believed that the free marketplace, unobstructed by government intervention, was the best source of progress and prosperity for all people. They believed that the role of government was to protect liberty by acting as an impartial umpire, not to manage outcomes by interfering with every play. The time has come to repeal legislation created for this end. The time is ripe to repeal the Davis-Bacon Act.

WORLD POPULATION AWARENESS WEEK

HON. MARTIN T. MEEHAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 28, 1995

Mr. MEEHAN. Mr. Speaker, the theme of World Population Awareness Week, to be held this year from October 22 to 29, is taking the goals worked out in Cairo and putting them into action. His Excellency Governor William F. Weld, of my home State of Massachusetts, has joined State Governors across the country in proclaiming World Population Awareness Week. In honor of this, I would like to request that the following proclamation be entered into the CONGRESSIONAL RECORD.

A COMMONWEALTH OF MASSACHUSETTS—A PROCLAMATION

Whereas: World population is currently 5.7 billion and is increasing by 100 million each year, with virtually all growth occurring in the poorest countries and regions where it can least be afforded; and

Whereas: The annual increment to world population is projected to exceed 86 million through the year 2015, with three billion people—the equivalent of the entire world population in 1960—reaching their reproductive years within the next generation; and

Whereas: The environmental and economic impacts of this level of growth may prevent inhabitants of poorer countries from improving their quality of life, and may affect the standard of living in more affluent regions; and

Whereas: The 1994 International Conference on Population and Development in Cairo, Egypt crafted a 20-year Program of Action for achieving a balance between the world's populations, environment, and resources, which was approved by 180 nations, including the United States; and

Whereas: It is appropriate that all Massachusetts citizens recognize the purpose of the Cairo Program of Action;

Now, therefore, I William F. Weld, Governor of the Commonwealth of Massachusetts, do hereby proclaim the week of October 22nd through October 28th, 1995, as World Population Awareness Week and urge all the citizens of the Commonwealth to take cognizance of this event and participate fittingly in its observance.

THE C-17 HAS PROVEN THAT IT IS THE BEST

HON. STEPHEN HORN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 28, 1995

Mr. HORN. Mr. Speaker, this November, the U.S. Air Force will reach its final decision on future procurement to fulfill its air transport needs for the next century. I welcome the continued support that most of you have shown

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

for the C–17 in the past. For those who still question, I urge you to look at the C–17 in light of what it has proven.

The C–17 performs 22 missions and is the choice of the Air Force, Army, and Department of Defense while also providing a vital complement to naval transport. The C–17 is performing above and beyond what it was designed to do and has earned the support of these bodies.

How did the C–17 earn this support? By performance. Beginning on July 5, the C–17 engaged in the most extensive evaluation of a major program. In that test, it laid to rest the arguments of critics who had questioned its ability to perform. In 4 weeks of testing, the C–17 proved, in the words of Gen. Robert Rutherford, Commander of the Air Mobility Command, that it "truly is the most reliable, most maintainable and most versatile airlifter in the world today." I enclose additional information for the RECORD that discusses the outstanding achievement of the C–17. This plane has evolved to be the performer it is today, and will continue to meet the many needs of our country well into the next century. Whether it be rapid response to aggression around the world, meeting immediate tactical needs of our forces in the field, or providing transport for humanitarian assistance, the C–17 is the only choice.

Mr. Speaker, I ask that the U.S. Air Force press release of August 5, 1995, be included at the end of my remarks.

C–17'S EXCEED GOALS DURING INTENSIVE EVALUATION

CHARLESTON AFB, SC.—Twelve C–17 Globemaster III's logged more than 2,250 hours and transported 11 million lbs. of cargo, personnel, and equipment during an important 30-day evaluation ending today.

The Reliability, Maintainability, and Availability Evaluation, or RM&AE, began July 7. Aircrews and support personnel from Charleston AFB, S.C. flew and maintained the high-technology airlifters for nine days of up-tempo, peacetime operations, followed by a seven-day simulated mulit-regional conflict airlift scenario, then 14 days of return to peacetime.

During the RM&AE, Air Force personnel exercised the C–17's full spectrum of capabilities. The planes were used to transport personnel, equipment and palletized cargo to and from seven sites, six in the U.S. and one overseas. In addition to "air land" missions (those transferring loads at other airfields), the Globemaster III's performed formation personnel airdrops, container delivery system airdrops, sequential heavy equipment airdrops, small austere airfield operations, short field landings, air refuelings, combat offloads, semi-prepared dirt surface landings, and training proficiency sorties.

The intensive evaluation, designated to compare actual aircraft performances with design requirements and goals, put the aircraft through its paces in operationally realistic scenarios. Launch reliability, the C–17's "on time departure" rate for the entire 30 days, exceeded 99 percent, with requirements for necessary maintenance falling well below the maximum rate permitted by contract. Utilization rates or Ute rates, one of the more critical performance areas, easily exceeded required target rates in all areas: the peacetime ute rate was 4.75 with a target rate of 3.2; wartime sustained ute rate was 12.7 with a target of 10; wartime surge ute rate for the first 24-hour period was 16.6 with a target of 15.2, the rate for the second 24-hour period totalled 17.1 with a 15.2 target.

During the month-long operation, C–17s transported 5,500 tons of Air Force and Army equipment and airdropped nearly 700,000 lbs, including two Sheridan tanks, and more than 3,000 paratroopers of the Army's 82nd Airborne Division. More than 6 million lbs of fuel was offloaded to C–17s during 162 air refueling tanker sorties.

In addition to verifying contract compliance, RM&AE results also provided additional data to support initial operational testing and an accurate forecast of how the C–17 fleet will perform in future real-world operations.

The Globemaster III, capable of carrying 169,000-lb loads into airstrips as short as 3,000 feet long, demonstrated its availability and ease of "throughput" during RM&AE. (Throughput is the rate at which cargo and personnel can be processed through an airfield in a given period). During the week of wartime activities, C–17s transported six of the Army's M1A1 Abrams main battle tanks. These enormous armored vehicles, each weighing more than 125,000 lbs, were carried aboard C–17s to a forward operating base in the Mojave Desert of Southern California, stopping in less than 2,800 feet. During the 30-day evaluation, the C–17s airlifted a total of 12 M1A1 Abrams tanks, 12 Bradley fighting vehicles, and 14 Sheridan ranks.

The wartime phase was designed to simulate a multi-regional conflict scenario, with aircraft transporting personnel and equipment great distances (both eastbound and westbound) allowing the C–17 to demonstrate its important strategic and tactical capabilities. Nearly half of the 2,250 hours were flown during this intensive seven-day wartime phase. Aircrews flew nearly 17 hours per aircraft per day during a 48-hour period, demonstrating the delivery capability the planes may be called upon to perform during an initial deployment period.

During an actual contingency operation, Air Mobility Command's new airlifter could change the way the Air Force delivers equipment. In the past, equipment was flown by strategic airlifter to a main operating base with a large runway and a solid support structure. There the cargo was transferred to smaller aircraft, usually C–130s, or taken over land to its final destination.

The C–17 eliminates these intermediate steps, saving man-hours and conserving support equipment, while offering the Air Force an important new capability: direct delivery from home base in the U.S. to remote, short field locations worldwide.

Through both peacetime operations and the week of wartime deployment, the C–17 has proven it's more than capable of doing the job for which it was designed. The RM&AE gave the aircraft and the personnel who fly them and maintain them, an opportunity to demonstrate these capabilities in an operationally realistic environment.

MICHIGAN WATERWAYS COUNCIL OF GIRL SCOUTS MEDAL CEREMONY

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Mr. BONIOR. Mr. Speaker, this Saturday, September 30, 1995, the Michigan Waterways Council of Girl Scouts is hosting its 28th International River Crossing.

As many of my colleagues know, the 10th Congressional District of Michigan, the district I have the privilege to represent, borders Ontario, Canada. Separated by Lake St. Clair and the St. Clair River, our two nations are less than a mile apart along the river. This proximity of Canada has allowed for close relations between the peoples of Michigan and Ontario.

For almost three decades the Girl Scouts have been participating in the promotion of our international friendship by sponsoring a river crossing. From 1967 through 1988, Girl Scouts from all over Michigan, Ohio, Indiana, and Illinois, and Girl Guides from Ontario have gathered to hike across the Blue Water Bridge. The increased travel and trade between our two countries in recent years has caused us to begin the twinning of the Bluewater Bridge and expansion of the plaza at the base of the existing bridge. Since 1989, during these construction improvements, the crossing has taken place via ferry between Marine City, MI, and Sombra, ON. After the ferry crossing, the participants will again make the 1½ mile hike to Cundick Park for a day of sharing activities and swapping tokens of friendship.

This year's event is especially exciting. The National Board of Directors of the Girl Scouts of the U.S.A. annually recognizes outstanding contributions to international understanding. Honorees receive the Juliette Low World Friendship Medal. During a 1 p.m. ceremony at the park, the Michigan Waterways Council of Girl Scouts and the Girl Guides of Canada will become one of only two recipients in the entire United States to receive the 1995 medal. I congratulate them for their well-deserved recognition.

While participating in scouting, countless girls have acquired leadership skills and been involved in activities that foster positive self-esteem. The river crossing serves the additional function of promoting peace and international friendship. I applaud all involved with the Girl Scouts and Girl Guides for their hard work and good will. And, I urge my colleagues to join me in saluting them as 1995 recipients of the prestigious Juliette Low World Friendship Medal.

A TRIBUTE TO ALIVE

HON. JAMES M. TALENT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 28, 1995

Mr. TALENT. Mr. Speaker, I rise today to pay tribute to ALIVE, Alternatives to Living in Violent Environments, a not-for-profit organization which has served the St. Louis area for the past 14 years.

ALIVE's goal is to provide accessible and affordable alternatives to violence for abused women and their children. This organization offers a variety of community services and educational programs designed to empower the abused to take control of their lives and enable them to realize their own strengths and abilities. Thus far in 1995, ALIVE has increased its service to the St. Louis area by 45 percent, having served over 12,000 women and children.

As part of National Domestic Violence Awareness Month, ALIVE has planned a number of special events throughout October to educate the public and recruit support in the fight against domestic violence. On October 2, the organization is sponsoring a march and rally followed by a dinner, featuring guest speaker Denise Brown of the Nicole Brown Simpson Foundation. They are also hosting several luncheons later in the month on October 18 and one on October 27 which will feature guest speaker Sarah Buel.

Mr. Speaker, it is an honor and a privilege for me to pay tribute to this fine organization, and commend them upon their efforts toward the elimination of family violence in this country. I join them in calling upon all citizens to participate in this national awareness campaign.

CELEBRATING A CENTENNIAL OF WORSHIP

HON. JAMES A. BARCIA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 27, 1995

Mr. BARCIA. Mr. Speaker, worship and the peaceful sanctuary of a place of worship are tremendously valuable in our lives, and particularly at times of challenge or conflict. For the members of the Christian Assembly Church in Bay City, MI, they have had the good fortune to enjoy the stability of being in one location for 100 years. This anniversary is being celebrated this weekend with a round of events that truly signify the importance of this church.

Founded in 1879 by Walter Sims, this church has been of great importance to thousands of people in Bay City over the years. The church moved to its current location in 1895 to respond to growing needs, and has prospered in the intervening years.

Probably one of the most important aspects of the Christian Assembly Church is its sense of community and service from within. In fact, until 1960, every single pastor of the church had come from within the church itself. There have been only 11 pastors in the history of the church, starting with Walter Sims, 1879–1916; and continuing with Luke Prine, 1916–1919; Robert McCullough, 1922–1923; Charles Doan, 1923–1935; Roscoe Roeder, 1935–1959; D. Neil Neuenschwander, 1960–1965; Earl Van Houghton, 1966–1970; William Severance, 1970–1977; Arnold Gibson, 1978–1985; Jim Salo, 1985–1987; and the current pastor since 1988, Larry Kirkpatrick.

The ministry at the church has been involved in a number of important activities over its time. The church in its early years had a school, covering elementary grades and also providing a trade school, particularly for printing. Before the advent of government assistance programs, the church and its members took it upon themselves to provide a welfare program for widows and other needy individuals. And every year the church has been involved in a created-for-caring Christmas tree that has helped provide a reminder that the purpose of this holiday is giving of oneself for the benefit of others.

How right the English jurist John Selden was when he said, in part, "A glorious Church is like a magnificent feast." The members of the Christian Assembly Church have been feasting for a century on blessings, good will, commitment, and the recognition that we all must be prepared to answer for our lives when all is said and done. They have always left a place at their table for others to join in, and are, I know, more willing than ever to make that table even larger, especially at the time of this centennial of worship at their East Vermont location in Bay City.

Mr. Speaker, I urge you and all of our colleagues to join me in wishing Pastor Kirkpatrick and all of the members of the Christian Assembly Church, a most joyous anniversary, with the best hopes for the next century of the Church's dedication to service.

TAIWAN DESERVES INTERNATIONAL RECOGNITION

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 28, 1995

Mr. OWENS. Mr. Speaker, 2 weeks ago, I attended the 13th International Conference on Asian Affairs at St. John's University in New York City. At that conference, I listened to a scholarly discussion on the Republic of China's recent economic and political achievements and Taiwan's need and desire to return to the United Nations and other international organizations.

As I stated during the conference, Taiwan truly deserves a much larger international voice. On the question of Taiwan and China, we should all remain mindful of the fact that the Soviet Union allowed two national entities under Soviet rule, Ukraine and Byelorussia, to sit in the United Nations as independent voting members. A clear precedent already has been set.

At the conference, I further expressed my admiration for Taiwan's willingness to help underdeveloped and needy countries become self-sufficient. I firmly believe that countries such as Haiti can benefit from assistance received from other countries, including the Republic of China on Taiwan.

On October 10, 1995, the Republic of China on Taiwan will celebrate its National Day. I wish it much success in its continuing bid to return to the United Nations and in its efforts to help developing countries such as Haiti.

Mr. Speaker, for valid, well-documented political, economic and social reasons, it is evident that Taiwan is deserving of our support.

SALUTE TO DETACHMENT 10, AIR FORCE SPACE AND MISSILE SYSTEMS CENTER

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thurssday, September 28, 1995

Mr. BROWN of California. Mr. Speaker, today I would like to draw attention of the Congress to the men and women who have worked for the U.S. Air Force and its related contractors at Detachment 10, Air Force Space and Missile Systems Center in San Bernardino, CA.

Detachment 10 will close shortly and its deactivation ceremony is taking place today in San Bernardino.

Detachment 10 has had a long history in San Bernardino going back over 30 years under various names, including the Ballistic Systems Division, the Ballistic Missile Office, and the Ballistic Missile Organization.

What has remained the same all these years is the dedication to mission, the pride, and the professional service to our Nation provided by the men and women who have worked for Detachment 10 and its contract partners.

Mr. Speaker, the deactivation of Detachment 10 brings a sense of sadness and loss to the San Bernardino area and to me. Detachment 10 and its contractors have been longtime, very valued members of our community.

However, I have great faith that the men and women affiliated with Detachment 10 will continue to be important members of our community and our Nation, using their skills, their knowledge, and their personal character to enhance themselves, their families, and our country. I look forward to continuing to work with them and to hear from them in whatever new activities and work they pursue.

Mr. Speaker, I urge the Congress to join me in saluting the men and women of Detachment 10 and in wishing them the best of luck in the future.

CELEBRATING 50 YEARS OF SERVICE TO BAY AREA RESIDENTS

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 28, 1995

Mr. STARK. Mr. Speaker, this Sunday, Kaiser Permanente Health Plan will celebrate its 50th birthday. Although Kaiser dates back to 1933, it was on October 1, 1945, that the plan was opened to public membership in the San Francisco Bay area.

Back in 1933, Dr. Sidney Garfield, the founding physician of Kaiser Permanente Health Plan, developed the principles of modern prepaid medical care in southern California when he provided health care to 5,000 workers who were building the aqueduct to carry water from the Colorado River to Los Angeles.

Five years later, Henry J. Kaiser was leading a consortium of companies building the Grand Coulee Dam in Washington State when he realized that labor unions were unhappy with the fee-for-service care being provided to the 10,000 workers and their families. Kaiser's son, Edgar, who was directing the project, invited Dr. Garfield to come to Washington and form a medical group to furnish health care to the workers and their families.

In 1942, Henry Kaiser and Dr. Garfield transplanted the program to Kaiser's wartime shipyards in Richmond, CA, and the Portland-

Vancouver area. They then expanded it to the Kaiser steel mills in southern California. With the end of World War II and the closing of the shipyards, the health plan was incorporated into a nonprofit public trust and opened to the general public.

Today, Kaiser Permanente serves more than 6.6 million people—making it both the world's oldest and largest nonprofit integrated health care system. Mr. Speaker, I ask you and my colleagues to join me in celebrating the birth of Mr. Kaiser and Dr. Garfield's idea, which has since developed into one of the most influential forces in the delivery of modern health care and a model for others to follow.

TRIBUTE TO JUSTICE ARLEIGH WOODS

HON. HOWARD L. BERMAN

OF CALIFORNIA

HON. JULIAN C. DIXON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 28, 1995

Mr. BERMAN. Mr. Speaker, my colleague and I are honored to pay tribute to Presiding Justice Arleigh Woods, a close friend who is retiring after 18 years of distinguished service with the California judiciary. Justice Woods' illustrious career includes numerous honors that attest to her compassion, sense of duty and commitment to justice. She has been a credit to the legal profession.

A graduate of Southwestern University School of Law, Justice Woods was a labor and workman's compensation lawyer for 19 years prior to becoming a member of the Bench in 1976. Since 1982 she has been presiding justice of the California Court of Appeal, Second Appellate District, Los Angeles. A year after becoming presiding justice she was named Appellate Justice of the Year by the California Trial Lawyers Association.

For Justice Woods, the 1980's were a time of high-level appointments and numerous honors. Among others, she was appointed to the State Gender Bias Committee, 1986–87, and served as chairperson of the California Commission on Judicial Performance, 1988–93, which investigates and evaluates all charges brought against California judges. Since 1991 she has served as vice chair of the Judicial Council Advisory Committee on Judicial Performance Procedures.

It is impossible to mention all of the prestigious awards that Justice Woods has received. However, a few examples convey the breadth of her accomplishments: Bernard Jefferson Award for Judicial Excellence, California Association of Black Lawyers—1985; Hall of Fame Award, the John M. Langston Bar Association—1992; and the Life Commitment Award from the Equal Opportunity League—1985. She is also a member of the board of directors of the American Cancer Research Foundation and chair of the board of trustees of Southwestern University School of Law.

We remember with particular fondness the 5 years that HOWARD BERMAN practiced law with Justice Woods when she was a partner in the firm of Levy and Van Borg. We recall with admiration that she was one of the most skilled practitioners in her field.

We ask our colleagues to join us in saluting Justice Arleigh Woods, whose tireless efforts on behalf of good causes and sense of dedication are an inspiration to us all—and in wishing her and her husband Bill the greatest joy in their new life in the secluded environs of rural Washington State. We have always been proud and honored to be counted among her friends.

TRIBUTE TO DULCIE ROSENFELD

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 28, 1995

Mr. LEVIN. Mr. Speaker, I rise today to recognize Dulcie Rosenfeld, who on October 2, 1995 will receive a prestigious and high honor, the Fred M. Butzel Memorial Award for Distinguished Community Service. The Jewish Federation of Metropolitan Detroit is understandably pleased to present this award. Dulcie Rosenfeld embodies the concept of service to the community. Joining the roster of illustrious citizens who have received the Butzel Award, she follows in and has enriched the tradition which is signified by this award.

Ms. Rosenfeld's work on behalf of her community embodies leadership, esteem, and commitment to improving life for all people. Mrs. Rosenfeld's accomplishments include, serving as a board member of the Jewish Home for the Aged, the Jewish Community Council, the Agency for Jewish Education, and Sinai Hospital Guild, just to name a few. She is also a past vice-president of the Jewish Federation, as well as a past member of the federation's board of governors for 22 years.

Dulcie Rosenfeld also has served as vice president of the Detroit Historical Society and has been active with the Hilberry Theater at Wayne State University. Her outstanding initiative in the field of community service is apparent as she is the founding chairman of the advisory board of the Jewish information and referral service. She also founded the Greening of Detroit. I am confident that all involved in these organizations are indebted to Dulcie for her dedication and incomparable talent.

The list of Dulcie Rosenfeld's accomplishments exemplify her wisdom, leadership, and talent. All of us share in the joy of her receipt of the Fred M. Butzel Memorial Award.

A TRIBUTE TO MITCHELL HARB OF LAWRENCE, MA

HON. MARTIN T. MEEHAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 28, 1995

Mr. MEEHAN. Mr. Speaker, I rise today to pay tribute to an outstanding citizen, Mr. Mitchell Harb.

Mr. Harb, a retired U.S. postal clerk, was the driving force behind a proposal to allow for a moment of silence before the school day begins in all of the Lawrence public schools. With the help of Mr. John Housianitis, vice chairman of the Lawrence school committee, Lawrence School Superintendent James F. Scully, and Lawrence Mayor Mary Claire Kennedy, Mr. Harb was able to convince the school committee to establish a moment of silence in the schools as a way of fostering a more positive atmosphere in the classrooms.

Since its adoption in March of 1994, many students have expressed their gratitude for the moment of silence before their school day begins. Many have used this period as a time for personal reflection and thought. Others have used it as a time for prayer. Regardless of religious denomination, students in Lawrence public school system now have the opportunity to take a moment to express themselves through reflection, thought, or prayer before each school day begins.

Today in our country, our children face many challenges at school. Not only are there academic rigors, but there are also social pressures that our young people must constantly address, day in and day out. A moment of silence and reflection will not eliminate these pressures, but it can ease them.

Again, I applaud the efforts of Mr. Harb and the other community leaders who have been at the forefront of this movement. I hope other communities will follow the lead of the Lawrence public school system and institute a moment of silence before each school day. It has benefited the students in Lawrence and it will benefit others.

THE C-17 DOES THE JOB

HON. STEPHEN HORN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 28, 1995

Mr. HORN. Mr. Speaker, real world events continue to demonstrate why the nondevelopmental aircraft alternative [NDAA] as part of our strategic airlift solution is a bad idea. The recent disaster in the Caribbean caused by Hurricane Marilyn underscores our Nation's continuing need for humanitarian airlift and, likewise, demonstrates the Nation's need for the unique capabilities of the C–17. The humanitarian relief activity in the U.S. Virgin Islands performed by the C–17 validates the very reasons we are buying this magnificent airplane. Simply, it does the job we bought it to do, and does it when conditions preclude the use of other, less capable aircraft.

At the airfield in St. Thomas, where ramp space is extremely limited, landing and then unloading a large commercial freighter would essentially close to airfield to other aircraft. We witnessed these same circumstances in Goma, Zaire, where aircraft with desperately needed supplies circled overhead and were forced to turn back because the airfield was out of service for hours awaiting the unloading of a B747. The C–17's unique ground maneuverability—routine backing and the ability to turn around in fewer than 90 feet—allows for a continuous flow—greater throughput—of humanitarian relief through the small St. Thomas airfield.

Also the C–17 can carry more than people, meals, and blankets. In the case of St. Thomas—17's carried an entire 150-vehicle U.S.

Army light infantry truck company, including 2.5- and 5-ton trucks loaded with relief supplies and flatbed semi-trailer trucks. It is relief equipment such as this, which cannot be carried by the so-called nondevelopmental aircraft alternative—a Pentagon word for an airplane which is not a C–17. Such a capability is very critical in the early days following a disaster. The outsize cargo capability of the C–17 allows the Army to stack-load many of its trucks directly atop the flatbed vehicles, increasing the load density and reducing the number of required flights. Such outsize loads can be delivered directly to where they are needed only by the C–17.

As we have seen again in St. Thomas, whether airlifting firepower for the soldier or humanitarian aid for a neighbor, the C–17 is living up to its promise—it delivers. The C–17 is demonstrating it is indeed the most versatile airlift aircraft in aviation history. It is this capability our Nation must have to meet its global military and humanitarian airlift needs.

As we begin to replace our aging C–141, a dollar spent for airlift should be a dollar spent for airlift modernization and increased capability; NDAA—the nondevelopmental aircraft alternative—does neither. If a force mix solution is considered to satisfy our Nation's military and humanitarian airlift needs, the correct number of NDAA must be zero. I urge your continued support of the maximum funding in the fiscal year 1996 budget for the C–17 as our single and most capable airlift solution.

TRIBUTE TO ED WUJEK AND LARRY CALCATERRA

HON. DAVID E. BONIOR

OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Thursday, September 28, 1995

Mr. BONIOR. Mr. Speaker, the March of Dimes is an organization with a noble mission: To fight birth defects and childhood diseases. We all share the March of Dimes dream which is that every child should have the opportunity to live a healthy life.

For the past 12 years, the Southeast Michigan Chapter of the March of Dimes Birth Defects Foundation has honored several Macomb County residents who are outstanding members of our community and have helped in the campaign for healthier babies. This evening, the chapter will be hosting the 12 annual "Alexander Macomb Citizen of the Year" award dinner. The award, instituted in 1984, is named after my home county's namesake, Gen. Alexander Mecomb, a hero of the War of 1812.

This year, the March of Dimes has chosen Ed Wujek and Larry Calcaterra as recipients of the "Family of the Year" award. The Wujek-Calcaterra family has operated a funeral home in Macomb County for more than 10 years. Both families have been in the business since the early 1900's. As everyone knows, their business involves caring for people during what is often the most difficult point in people's lives. When they are not helping meet the needs of the grieving, the Wujek-Calcaterra family can be counted on to devote time and money to numerous charitable and civic groups including the Boy and Girl Scouts, churches, hospitals, and of course, the March of Dimes.

Dr. Jonas Salk's polio vaccine is just one of the more famous breakthroughs that would not have been possible without March of Dimes research funding. And, without people like Ed Wujek and Larry Calcaterra and their families the job of protecting babies would be that much more difficult.

I applaud the Southeast Michigan Chapter of the March of Dimes and Ed Wujek and Larry Calcaterra for their leadership, advocacy, and community service. I am sure that the Wujek and Calcaterra families are honored by the recognition and I urge my colleagues to join me in saluting them as the 1995 recipients of the "Alexander Macomb Family of the Year Award."

HONORING THE CARLOW COLLEGE WOMEN OF SPIRIT

HON. WILLIAM J. COYNE

OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, September 28, 1995

Mr. COYNE. Mr. Speaker, I rise today to honor some very special women—the Carlow College Women of Spirit for the year 1994–95. Carlow College is a private Catholic college for women in Pittsburgh. The college, founded in 1929, created its Women of Spirit Award to call attention to women in the Pittsburgh area who exemplify the college's ideals of competent and compassionate service in both their personal and professional lives. The college presents a Woman of Spirit Award every month, and it holds a gala event each year to pay tribute to the previous year's recipients.

This year's Women of Spirit Award recipients include prominent members of the area's business community, several leading educators, and women who are active in many local charities. In fact, many Women of Spirit have accomplishments in more than one of these fields, as well as in their personal and spiritual lives. I would like to mention each award recipient personally.

Ellie Wynard, Ph.D., is a respected professor of English and lecturer at Carlow College. She has been influential in developing the women's studies curriculum at Carlow College. She is also the author of two books about the effects of divorce.

Carol Neyland, a vice president at Mellon Bank, has a distinguished professional career in the fields of banking and finance. She has also been active in community service, especially in her involvement with youth organizations. She is a bona fide scholar as well, with a graduate degree in Greek and Latin as well as an M.B.A.

Marie Lowry is a retired businesswoman with a remarkable record of public service. She has been a member of the steering committee for Pittsburgh's Walk for the Cure for the last 2 years and a board member for the Juvenile Diabetes Foundation in Pittsburgh. She has been a volunteer for Catholic Charities as well.

Ceci Sommers, now retired from the position of vice president of community relations at WQED–FM, was the executive producer of a number of award-winning broadcasts. She is the winner of 10 Golden Quill Awards, and she is widely credited with developing the industry standard for classical music stations. She has been a leading supporter of the arts in Pittsburgh for more than 20 years.

Linda Dickerson is the publisher of Executive Report, Pittsburgh's respected business magazine. She has also been active in the city's corporate and civic life. She has been responsible for much of the success of the Junior Achievement Program, and she has made significant contributions to efforts to stimulate economic growth in this region. She recently received the Vision Award from the Pittsburgh Guild for the Blind.

Audree Connelly Wirginis is a businesswomen of exceptional skill who was also honored for her ability to incorporate her dedication to her family and her faith into her demanding professional life. She is currently involved in the construction of a hotel in the Vatican to house visiting clergy and, during papal elections, the College of Cardinals.

Cecile Springer is the president of a consulting firm that specializes in corporate and philanthropic programs and institutional development. Ms. Springer serves on the Pittsburgh Diocese Task Force on Unemployment, the Historical Society of Western Pennsylvania, Housing Opportunities, Inc., the Women's Center and Shelter Advisory Committee, and the Allegheny County Year 2000 Economic Development Task Force. She is also a board member for City Theater.

Marilyn Donnelly—poet, wife, and mother—has published more than 80 poems. She is a member of the board of directors for Pittsburgh Public Theater, Beginning with Books, and the Chimbote Foundation. She also serves on the advisory council for the International Poetry Forum and the women's committee for the Carnegie Museum of Art.

Dr. Corrine Barnes is an internationally recognized pediatric nurse educator, clinical specialist, author, and researcher whose studies have included childhood cardiac conditions and organ transplants. She has served on a number of boards and commissions concerned with children's health and welfare.

Dolores Wilden was responsible for developing the Nation's first primary health care plan designed exclusively for children. Now retired from a career in banking, finance, and community affairs administration, she is actively involved in local and regional community concerns.

Frieda Shapira, vice chair of the Pittsburgh Foundation, serves on the boards of more than 20 service and arts organizations, including the United Way of Allegheny County, the Forbes Fund, WQED, the Community College of Allegheny County, the YWCA of Greater Pittsburgh, the Pittsburgh Public Theater, the Pittsburgh Opera, the Historical Society of Western Pennsylvania, Forbes Hospice Founders Society, the American Jewish Committee, the Pittsburgh Section of the National Council of Jewish Women, the Jewish Healthcare Foundation of Pittsburgh, the Jewish National Fund, the United Jewish Federation, Beginning with Books, the Center for Victims of Violent Crime, the Pittsburgh Cancer Institute, Project 90, and the board of visitors for the School of Social Work at the University of Pittsburgh. Her life is an outstanding example of philanthropy and civic leadership.

Sister Jane Scully is the president emeritus of Carlow College. As a director of the Gulf Oil Corporation, she was the first women to serve on the board of a top-ten multinational corporation. She has also served on the boards of Carlow College, Holy Cross Hospital Foundation, and the Sisters of Mercy Ministry Corporation. In the 1960's, she was active in the national women's movement. She spoke eloquently in favor of women's rights to increased educational and economic opportunity, as well as expanded roles for women in politics and business. In honoring Sister Jane, Carlow College celebrates her remarkable success in translating her religious convictions into worldly accomplishments.

Dr. Rosemarie E. Cibik, now retired, was the Secretary of Education and superintendent of Catholic schools for the Diocese of Pittsburgh for a number of years. Prior to that, she served as the superintendent of the Baldwin-Whitehall School District for 8 years. She has received numerous other awards for her professional achievements, including the Distinguished Service Award from the National Council of Administrative Women in Education, Pittsburgh Woman of the Year in Education, the Distinguished Daughter of Pennsylvania Award, and designation as Outstanding Woman in Education by the Pittsburgh chapter of the American Association of University Women.

Mr. Speaker, all of these women have a number of shared characteristics—energy, enthusiasm, intelligence, compassion, competence, and commitment to their community. Carlow College has chosen well in selecting them as its Women of Spirit for this year.

EDDIE EAGLE GUN SAFETY PROGRAM

HON. MARK FOLEY

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 28, 1995

Mr. FOLEY. Mr. Speaker, today I rise to insert into the RECORD a speech by Ms. Marion P. Hammer. Ms. Hammer addressed the American Legion at their National Education Award Program. This speech discusses the Eddie Eagle Gun Safety Program for Children. The program was recognized by the American Legion for educating our Nation's youth about right and wrong when it comes to firearms. I applaud Ms. Hammer for this program and for her excellent presentation.

SPEECH BY MS. MARION P. HAMMER TO THE EDDIE EAGLE GUN SAFETY PROGRAM FOR CHILDREN

The American Legion and the National Rifle Association of America are perhaps the two most dedicated, patriotic, country-flag-Constitution-and-freedom loving organizations in America.

And I am deeply honored to have an opportunity to stand before one of those organizations to represent the other.

Both organizations, founded in the bedrock of Liberty by military officers and enlisted men, dedicated themselves to principles of FREEDOM, PATRIOTISM and JUSTICE. Both organizations have become a part of the fiber and fabric of our nation's history.

The National Rifle Association of America, founded in November, 1871, has a distinguished history of education and training. Established to teach the skills of marksmanship and training to defend and protect our great nation and the Freedom provided by our Constitution, the NRA in the nation's leader in firearms safety and training.

And, the NRA is the sentry that stands watch over the Second Amendment—the amendment that guarantees our right to keep and bear arms and assures our ability to defend our nation and ourselves.

The American Legion, was conceived in March, 1919, at the Caucus in Paris, France by battle weary patriots waiting to return home from the physical battle to preserve Freedom in World War I. These brave men and women who had given so much of themselves to our nation, were destined to continue their sacrifice as they organized to preserve our nation's future in peace time as well as in battle.

The spirit and love of America beats strong in the hearts of our two great organizations that are committed to the future through the programs we provide for the youth of America.

In 1918, the words of William Tyler Page were adopted by the United States House of Representatives as the "AMERICAN CREED." And within that creed are some very moving words. William Tyler Page wrote that this Nation was:

"[E]stablished upon the principles of freedom, equality, justice and humanity for which American patriots sacrificed their lives and fortunes. I therefore believe it is my duty to my country to love it, to support its Constitution, to obey its laws, to respect its flag, and to defend it against all enemies."

Defend it against all enemies. Strong words with deep meaning.

Since our forefathers carved America out of the wilderness, our nation has faced many enemies. American patriots for generations, have made many sacrifices for freedom.

In 1945, in enemy action at Okinawa, my father added his name to the long role call of American patriots who have paid the ultimate price—who have given their lives to the cause of freedom. The role call is long, the sacrifices are many, and those of us who breathe the freedom's air today, owe them. And we owe the men and women who came home bearing the scars of battle. We have a duty to continue in their footsteps. We owe it to them to carry America's flag against our enemies until we can hand it over to the next generation.

Today, America has new enemies. Enemies that are tearing at the fabric of our heritage and our society. Those enemies are moral decay, disrespect, parental neglect, dependence on government, and phony quick fix government solutions to complex social problems.

America's children are the victims of those enemies.

Because we love our country, our flag, our Constitution and our Freedom, we have a duty to America's youngsters. They are the future of America. We must love and nurture them. We must teach them values and strengths. Teach them discipline, self-reliance, respect and honor. Teach them to love America and what it stand for.

Through your youth programs and our youth programs, we are making a difference. And working together with other community groups we can make an even bigger difference.

The NRA's Eddie Eagle Gun Safety program for young children is about much more than just teaching safety.

Youngsters learn safety but they also learn respect for guns and at the same time they learn respect for themselves when they gain knowledge.

They learn to resist temptation and not to touch a gun left carelessly unattended—that's discipline.

They learn to leave the area and make their friends and playmates leave the area—that's leadership.

They learn to quickly find and inform an adult of an unsafe situation—that's responsibility.

And when an adult has removed the gun and the area safe again, they learn pride and a sense of accomplishment and self-worth for having used their knowledge and skills.

In our youth marksmanship programs and youth hunting programs they learn values other than how to shoot safely and accurately. They learn concentration, commitment, sportsmanship, self-reliance, teamwork, citizenship, and conservation of our natural resources—values that are just as important as skills.

I am a mother and a grandmother and I know that when NRA reaches out and takes the hand of a child we are touching America's future.

I know that when you love a child and give your time and patience to teaching values, patriotism, and skills, you are investing in the future.

I know that when you win the heart of a child and enrich his or her life with knowledge, you are building a solid foundation for the next generation.

I know that within the body of this nation, the hearts of many children long for someone to reach out to them with kindness, knowledge and guidance.

The NRA is committed to expanding our programs, to reaching out to more children and to investing in the future by helping to instill values and to build character in the youngsters we touch throughout America.

Today, you have honored the National Rifle Association of America for its Eddie Eagle Gun Safety Program and I am privileged to be here to accept your award.

And I am proud to tell you that this program has now been taught to over 7 million youngsters—7 million youngsters whom we hope will be the safest generation our nation has ever seen.

On behalf of the NRA, I thank you sincerely for this honor, and I promise you that I am committed to doing everything that I can to help the NRA continue its mission of teaching America's youth the fundamentals of what made our nation great.

If we all work together to fulfill our duty to our country and to the dedicated men and women who have given so much to keep us free, our children and our grandchildren and generations to follow them will learn to love their freedom, their country, their flag, their Constitution and themselves.

Thank you—each and every one of you—for the sacrifices you have made for our country. God bless you all, and God bless America.

CONGRATULATIONS MICHAEL REGULSKI

HON. JAMES A. BARCIA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 28, 1995

Mr. BARCIA. Mr. Speaker, the most important public servants are those who are closest to the people they serve, and I am proud to say that one of the finest, Michael Regulski, is a constituent. He has served as the finance officer for Bay County for nearly 16 years, and has consistently been responsible for Bay County winning the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association, for each year since 1989. This award is issued to only about the top 2 percent of units of government in the United States and Canada.

His excellent work on behalf of Bay County has now earned him well-deserved personal recognition from the Michigan Association of Counties at its 97th annual summer conference last month. The award, according to the association, is given to one county employee each year from outstanding service and innovative contributions to county government.

Michael Regulski was nominated for this award by his colleagues in Bay County government. Having worked as the finance officer since 1989 and as a senior accountant in the finance department since 1979, his colleagues learned to recognize and appreciate his attention to detail and accuracy. Revisions in payroll systems, budget development, and asset accounting are among his accomplishments. The improvement in the county's credit rating in 1992 speaks volumes about the true magnitude of accomplishment that his care has helped define.

I am sure that his wife Diane, and his children, Andrew and Brad, are tremendously proud of him. I know that the people of Bay County appreciate his hard work, as well as his commitment to his community, evidenced by his involvement in St. James Catholic Church, his participation in school activities, and the Pony League and Little League associations. He has set an excellent example for all of us with his efforts both on the job and off the job.

Mr. Speaker, jobs well done deserve to be commended. For his years of dedication and excellence, I urge you and my colleagues to join me in congratulating Michael Regulski on his award, and thank him for his outstanding work.

SALUTING THE CLEVELAND COUNCIL OF BLACK NURSES—25TH ANNIVERSARY

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 28, 1995

Mr. STOKES. Mr. Speaker, I rise today to salute an organization in my congressional district which is celebrating an important anniversary. On September 30, 1995, members of the Cleveland Council of Black Nurses, Inc., will gather at the Sheraton-Cleveland City Center Hotel in Cleveland, to host its 25th anniversary ball. Since its founding, the Council of Black Nurses has been a catalyst in promoting health delivery in the black community. As a health advocate, I enjoy a close working relationship with the Council of Black Nurses. It is for this reason that I rise to salute the organization on the occasion of its anniversary. I want to share with my colleagues and the Nation some important information regarding the Cleveland Council of Black Nurses.

The Cleveland Council of Black Nurses was organized in January, 1972. Its birth followed the formation the National Black Nurses Association, also in Cleveland, and other black nursing organizations throughout the country. The Council adopted several important missions. This included providing a vehicle for the unification of black nurses; and investigating, defining, determining, and implementing change in the health delivery system for minorities in Cleveland. To achieve its objectives, the organization formed standing committees, including the Committee on Health Education and Community Service; Research; and Recruitment and Retention, just to name a few.

Mr. Speaker, over the years, the Cleveland Council of Black Nurses has been a driving force in the health care arena. The organization has provided educational programs for nurses and the general public, and coordinated health-related community service activities. The organization has sponsored town hall meetings, health workshops, and screenings. These events have focused on diabetes education, cancer awareness, glaucoma and cardiovascular screenings, and other health issues which impact the black community. From a historical perspective, it is interesting to note that the blood pressure screening tests which are now conducted on citizens around the country, were first utilized in Cleveland by the Council of Nurses.

The Cleveland Council of Black Nurses has also played a leading role in the education field, providing scholarships, tutoring, and mentoring for students enrolled in nursing programs. The organization was the recipient of the 1994 Community Service Award for its extensive service to the Cleveland community.

Mr. Speaker, as I rise to salute the Cleveland Council of Black Nurses, I recall that, 25 years ago, when black nurses gathered in Cleveland to form an advocacy organization to promote health delivery in the black community, I was chosen to address the gathering. Today, I want to recognize the founder of the Cleveland Council of Black Nurses, Mattiedna Johnson, a dynamic and national known individual who has devoted her life to greater health awareness and research. I also salute the organization's current president, Rachel Freeman, and the many members of the Council of Black Nurses. I am proud of my close association with this distinguished organization, and I extend my best wishes as the Council of Black Nurses marks this important anniversary.

150TH ANNIVERSARY OF SOUTH PARK

HON. MICHAEL F. DOYLE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 28, 1995

Mr. DOYLE. Mr. Speaker, I call to the attention of this Congress and the Nation a celebration which will mark the 150th anniversary of a community in the 18th Congressional District of Pennsylvania. On October 15, the township of South Park commemorates a milestone for its citizens, for fellow Pennsylvanians, and the entire Nation.

The township, once a bustling center of coal production in the United States, was not known as South Park prior to 1845. It now includes areas of Library, Broughton, and Snowden, PA. The community itself dates back to 1773. It began as many other communities in America began, as a family settlement which grew as neighbors built their homes nearby. It was the initial site of the historic Whiskey Rebellion of 1794, when citizens protested taxation of locally produced whiskey by the Federal Government.

It is important to remember the times which shaped the economy, the political philosophy, the society, and landscape of this region in western Pennsylvania. The American Revolution, the formation of the U.S. Government, the industrial revolution, particularly the boom of coal and steel production, two world wars requiring the greatest manufacturing efforts of the people and resources, were all challenging times during which South Park citizens endured and even relished each challenge. The area witnessed firsthand the rise of the common laborer in pay standards, working conditions, and safety in the work place through trade and labor union organizations in the industries that continue today in South Park. Throughout its remarkable history the community of South Park has been known as home for many generations of hardworking and honorable citizens. The times have changed, but the people have remained true to their ideals—solid, persistent, and optimistic.

It is my wish that the people of the township of South Park recommit themselves to retaining all of the attributes unique to this historic part of America. I know this Congress and the Nation join me in saying: Congratulations, South Park, on the occasion of the 150th anniversary of the township. I encourage you to maintain your community pride and wish you well on the occasion of 150 years as a historically successful community which future generations will certainly emulate.

TRIBUTE TO MARY DWYER

HON. FLOYD SPENCE

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 28, 1995

Mr. SPENCE. Mr. Speaker, I rise to bring to the attention of my colleagues an article that appeared in the September 20, 1995, edition of the Lexington County Chronicle. I believe that this account of the impressions of a recently naturalized citizen, who resides in the

Second Congressional District of South Carolina, is an eloquent statement of what it truly means to be an American.

ON BECOMING AN AMERICAN CITIZEN

(Mary Dwyer, a Pirelli Cable employee in Lexington, shared these thoughts on her family's naturalization at a recent Lexington County Toastmasters meeting.)

I am proud that I am a naturalized, certified, 100% American! It seems like just yesterday that my husband and our then 15-month-old son and I arrived at the airport in Atlanta on a 90° day and thought that the days couldn't get hotter. How wrong we were!

We had gone through the bureaucratic machinery of the Immigration and Naturalization Service. We had completed reams of forms, been checked by the FBI, had provided police reports from every city we had lived in since we were 16 years old. We had gone through the complete medical exam including an AIDS test. We had prepared for our interview with the American Embassy by studying the geography, history, and current affairs of the United States. The only question we were asked was if we intended to go on welfare.

We had paid hundreds of dollars to process our paperwork. We had sold our home, our cars, our furniture, packed our clothes, our books, our special memories, quit our jobs, waved good-by to our friends, kissed our families, and with mixed emotions embarked on our journey to the New World, as so many millions had done before.

We stood in line at the Atlanta airport, my son tired, hungry and crying in my husband's arms while I held the envelopes containing our chest x-rays which we were told not to bend. I thought to myself how unsure the future was, how disheveled we were after the long eight-hour flight, and how humiliated I was standing like this waiting to be fingerprinted and issued a green card giving me the status of "resident alien."

I rehashed our decision to come to the United States. We both had good jobs, promising careers, a comfortable life-style with our friends and families. What has possessed us to throw it away for the uncertainty of life in a new country? My self-confidence, once strong and unshakable, was wavering.

I looked at my son and wondered if I had done the right thing for him. I questioned my adequacy as a mother. But the decision had been reached, the commitment made. It was time to extricate myself from self pity and face the consequences and responsibilities.

Then an Immigration and Naturalization Service agent picked us out of the long line and brought us to the INS office. She was a kind lady—an unbureaucratic bureaucrat. I had dreaded dealing with the INS. I recalled how nasty some INS agents at Kennedy Airport had been. Meeting the INS agent in Atlanta began my ever evolving understanding of the differences between Northerners and Southerners.

Since then, our understanding of several aspects of American life has been enhanced. I have eaten grits and okra, watched people shag, and been introduced to "Saturday Night Live" and "Gilligan's Island." I've learned that a Super Bowl is a football game, not an oversized toilet. I gained first hand knowledge of medicine in this country after my husband severed his hand, our son, then age two, amputated a finger, and best of all, the birth of our second son at Richland Memorial Hospital five years ago. I've volunteered with the Boy Scouts, Sistercare, United Way, and the March of Dimes. I've learned to drive on the right side of the road and how to express my dissatisfaction with other drivers. Through experience, I have realized that South Carolina is my home and I never want to stray.

We felt confident when we applied for our American citizenship in 1994. We completed reams of forms and sent lots of money to the INS. We answered silly questions such as "Do you intend to overthrow the government of the United States of America?"

We studied for our interview. In Charleston, a professional, competent and likable gentleman determined our ability to read and write English and told us he could find no reason why we could not become American citizens. We were thrilled and celebrated with Wendy's hamburgers while we rushed back so that my husband could get to school on time. Education is important to us. That my husband could finish his degree part-time was a major factor in coming here.

After about four months, we received notification that we would be sworn in as citizens in Charleston on July 26, 1995. We arrived early, excited but sad, too, that we had neither family nor friends with whom to share this important day. How delighted and grateful we were to see that Louise Farley, of the Lexington County Toastmasters, and her daughter had made the journey from Lexington to add to our joy. This was the moment we had been waiting for for eight years.

The wonderful people of this country have made us feel welcome. But becoming an American cements that feeling of place and acceptance. I feel privileged that I can vote and will take every opportunity to do so.

TIMOTHY C. McCAGHREN CUSTOMS ADMINISTRATIVE BUILDING

HON. RONALD D. COLEMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 28, 1995

Mr. COLEMAN. Mr. Speaker, today I am introducing legislation to name the Ysleta/Zaragosa Port of Entry in El Paso, TX, after Timothy C. McCaghren, a Customs inspector who was tragically killed in the line of duty.

Customs Inspector Timothy C. McCaghren would be honored by having the U.S. Customs Administrative Building at 797 South Ysleta in El Paso, TX, designated as the "Timothy C. McCaghren Customs Administrative Building."

Customs Inspector Timothy McCaghren, assigned to the Ysleta Port of Entry in El Paso, TX, attempted to stop a van at the port February 19, 1990. The driver of the van accelerated and ran the port, dragging Inspector McCaghren until he was flung from the vehicle. Inspector McCaghren died the following day from a head injury sustained in the incident. He is survived by his wife, Dedra, and his children, Chastity and Brandt.

As the Speaker knows, I have fought to obtain law enforcement status for Customs inspectors. Customs inspectors are often our first line of defense against terrorists and the smuggling of illegal drugs. Many inspectors carry firearms and face a constant threat of severe bodily injury and death. A recent study showed that more Customs officers die due to service-related injuries than any other group with the exception of Drug Enforcement Administration and Bureau of Prisons officers. Earlier this session, I introduced legislation that would grant Customs inspectors a 20-year law enforcement retirement package. It is presently being considered by the House Committee on Government Reform and Oversight.

Customs Inspector Timothy C. McCaghren, a devoted father, will be remembered as a courageous, dedicated public servant. With every drug seizure Inspector McCaghren made, he would say, "That's one load that won't reach my kids." His passing is a tragic loss, not only for his family, but for the Nation.

Mr. Speaker, Timothy C. McCaghren deserves to be honored by having this Federal building named in his memory. I urge my colleagues to pass this legislation.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION.

The United States Customs Administrative Building at the Ysleta/Zaragosa Port of Entry located at 797 South Ysleta in El Paso, Texas, shall be known and designated as the "Timothy C. McCaghren Customs Administrative Building".

SEC. 2. REFERENCES.

Any reference in a law, map, regulation, document, paper, or other record of the United States to the building referred to in section 1 shall be deemed to be a reference to the "Timothy C. McCaghren Customs Administrative Building".

TRIBUTE TO ST. MARY QUEEN OF PEACE CHURCH

HON. BART STUPAK

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 28, 1995

Mr. STUPAK. Mr. Speaker, I rise today to offer my sincere congratulations to St. Mary Queen of Peace Church in Kingsford, MI, as it celebrates the golden jubilee. This is certainly an important milestone in the history of St. Mary's, as well as the Kingsford community. I was pleased that I could be in Kingsford on August 12, 1995, with Bishop Garland, Bishop Schmitt, Father Nomellini, all clergy, and the parish community to celebrate 50 years of honoring God and serving God's people.

When St. Mary Queen of Peace Church was dedicated on August 12, 1945, amid the splendor of a Catholic ritual, it was the culmination of many years of efforts by the local community. Prior to that time, there were two downtown parishes in Iron Mountain, St. Mary and St. Joseph. Local parishioners found that the distances that had to be traveled to St. Mary and St. Joseph were a serious impediment to attending Sunday mass. It soon became clear, as the Kingsford area became more populated, that there was a need for a separate parish for Catholic families.

In 1940, working with the permission of his bishop, Iron Mountain's Reverend Pelissier established a mission station in Kingsford Heights and placed in charge his assistant—your friend, my father's friend, and later the pastor of this parish—Rev. Arnold Thompson.

As many of you know, and as I mentioned at Father Thompson's jubilee celebration, Father Thompson and my father were in seminary together. I am living proof that my father did not complete the seminary. My connection with this parish goes back even further, because my father taught Father Joe Gouin. Because of these ties, the Stupak family is always welcomed and made to feel part of the St. Mary Queen of Peace family.

It was Reverend Thompson who impressed upon the people of this pioneer congregation their obligation in laying the ground work for the future parish. In 1941, five lots were purchased, and by 1942, mass was being offered every Sunday in a local community building by Rev. Arnold Thompson. Soon, catechism groups and a religious vacation school were organized. The enthusiasm for a separate parish ran high, and a fund was started for the planning and construction of a new church.

Anxious to be declared a parish in its own right, the community secured a residence for a priest if the bishop would send one. Progress being made by the people of Kingsford so pleased the Bishop Francis Magner, that he deemed it time to send the resident priest and formally erect the parish. On June 14, 1944, His Excellency, the Bishop of Marquette, issued the decree that formed St. Mary Queen of Peace parish in Kingsford Heights, and Rev. Gerald Harrington was appointed as its first pastor.

The work of excavation began in August 1944 on the lots purchased in 1941, and the decorative cornerstone, containing documents of parish, diocesan, and national history, was laid in October. Many distinguished clergymen from the Midwest were present to celebrate the occasion.

On August 12, 1945, the beautiful church of St. Mary Queen of Peace Church was dedicated. Future pastors, including the second resident priest, Rev. Thomas Anderson, contributed to the internal decoration of the church, such as the striking stained glass windows.

Fifty years later, we are celebrating not only the construction of this church, but more important, we are paying tribute to the profound effect this church has had on the Kingsford community. This church and its theological leaders have provided spiritual guidance and religious education to this community for 50 years, and that is truly something to celebrate.

In 1995, this Nation is faced with a variety of problems that affect our families and our young people. That's why it is so important to have a center of worship. This church provides a foundation of faith that is necessary in today's society.

So today, I am pleased to pay tribute to the leaders of this church and its parishioners for the enormous contributions they have made to the Kingsford community and Marquette diocese. And I hope my family and I are invited back to celebrate the 100th anniversary of the St. Mary Queen of Peace Church.

I know my colleagues join me in honoring the parish community of St. Mary Queen of Peace Church as they celebrate its golden jubilee.

RECOGNITION OF MIAMI UNIVERSITY IN OXFORD, OH

HON. MICHAEL G. OXLEY

OF OHIO

HON. JOHN A. BOEHNER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 28, 1995

Mr. OXLEY. Mr. Speaker, we would like to take this opportunity to recognize the significant contributions made by Miami University in Oxford, OH. As one of us is a proud alumnus of this institution and the other has the privilege of representing it in Congress, we know firsthand that the rankings and honors are well deserved. We jointly submit our appreciation and acknowledgement of the efforts taken by the staff, students, and administration. Their combined work has earned them a top twenty rating by both The Fiske Guide to Colleges and Money magazine as one of the Nation's best educational values. Yet another accolade came this week with U.S. News and World Report ranking Miami University as the 9th most efficient school nationally. Considering the caliber of schools this fine institution competes with, one easily sees that all of Ohio benefits from such a productive and rewarding partnership. We feel that the quality of higher education is being vigorously upheld and improved upon by Miami University and all the other fine institutions recently listed among this Nation's best. We wholeheartedly wish them continued success.

PASSAGE OF TEAM ACT MAKES SENSE

HON. ROB PORTMAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 28, 1995

Mr. PORTMAN. Mr. Speaker, yesterday the House passed H.R. 743, the Teamwork for Employees and Managers Act of 1995. This legislation represents a symbolic end to the era of confrontation between worker and employer and the dawning of a new era of mutual participation that will help secure our status as a world leader for decades to come.

Gone are the days when management's greatest adversary was located on the floor of its own company. Today, corporations, such as IBM, Texas Instruments, and Eastman Kodak, indicate that they could not compete internationally if it were not for tapping the creativity and knowledge of their own labor forces.

Unfortunately, rulings issued by National Labor Relations Board prohibited labor-management cooperation committees under the National Labor Relations Act. In essence, the NLRB barred employees from participating in the decisionmaking process for issues that affect them directly. This, Mr. Speaker, is a throwback to the 1930's where union busting was common place and employees were merely cogs in the machine. It is inconsistent with the 1990 workplace where the benefit of employee management cooperation is widely recognized by both sides.

The TEAM Act was created in an attempt to clarify to the NLRB and other Federal agencies the legality of these employee involvement structures. It permits an employer to interact with employees on matters of mutual interest. This legislation does not impede the right of employees to select their own representatives or their own bargaining agent. In fact, provisions were included in the act that specifically state no labor-management cooperation committee can engage in collective bargaining nor act as exclusive representatives of the employees.

Mr. Speaker, I am pleased to be a cosponsor of legislation that will increase communication between management and employees. This can only enhance the working conditions and productivity of companies and their employees. I believe the TEAM Act is a well-crafted vehicle to usher in a new era in employee management relations and congratulate my colleagues for writing and passing this legislation.

PERSONAL EXPLANATION

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 28, 1995

Mrs. MORELLA. Mr. Speaker, because of my attendance, as a member and co-chair of the congressional delegation, at the Fourth World Conference on Women in Beijing earlier this month, I missed several votes. For the benefit of my constituents, I ask that the record reflect that I would have voted as follows:

Rollcall 636, ordering the previous question, Yes;

Rollcall 637, recommitting the legislative appropriations conference report, No;

Rollcall 638, final passage, fiscal year 1996 legislative appropriations conference report, Yes;

Rollcall 639, cutting $493 million for Stealth bombers, Yes;

Rollcall 640, cutting $1 billion for F-22 R&D, Yes;

Rollcall 641, supporting abortion rights, Yes;

Rollcall 642, opposing abortion rights, No;

Rollcall 643, cutting intelligence spending, No;

Rollcall 644, cutting 3 percent across the board, Yes;

Rollcall 645, regarding political advocacy, No;

Rollcall 646, final passage, fiscal year 1996 Defense appropriations, No;

Rollcall 647, regarding BRAC recommendations, No; and

Rollcall 648, motion to instruct on Treasury-Postal appropriations, Yes.

THE SCHOOL BASED HEALTH CLINIC ACT

HON. NYDIA M. VELÁZQUEZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 28, 1995

Ms. VELÁZQUEZ. Mr. Speaker, I rise before you today to announce the introduction of legislation that is long overdue. The School Based Health Clinic Act ensures that every child shall have access to high quality health care services. I trust that this body will act to ensure prompt passage of this critical bill.

Tragically, over 12 million children, and almost half of all elementary school students, lack access to basic preventative health care such as immunizations and physical exams. The barriers that may stand in their way are inadequate or no health insurance, few available caregivers, and lack of convenient transportation.

This dilemma has caused many communities to establish school based health clinics. These clinics have proven to be very successful in their mission—bringing comprehensive health care to children in need.

Unfortunately, many centers cannot get the funding that they desperately need to continue operating. The School Based Health Center Act will provide seed money for expanding these centers to new communities. My bill will increase access to health services for school kids by requiring that HMO's and other managed care plans provide assistance to school based health centers.

Mr. Speaker, our children are in dire need of health care services. Far too many children are not immunized, they do not receive dental care, and only get to see a doctor in the emergency room. We now have a unique opportunity to make a positive impact on the health and well being of our Nation's most needy children.

I urge my colleagues on both sides of the aisle to join me in sponsoring this historic piece of legislation, and bring comprehensive health care to children in dire need of care.

THE MEDICARE DEBATE

HON. BRIAN P. BILBRAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 28, 1995

Mr. BILBRAY. Mr. Speaker, I ask that the following editorial from the San Diego Union Tribune, dated September 22, 1995, be inserted in the RECORD.

THE MEDICARE DEBATE

(By Brian Bilbray)

The current radio and television ad campaign employed to derail Medicare reform efforts reminds me of a B horror movie—a ridculous script, unbelivable characters and a wildly exaggerated villian. If the big-labor-financed advertisements running against me in San Diego weren't so distorted and outrageous they would be humorous.

But there is nothing funny about the impending bankruptcy of the health-care system upon which 37 million American seniors now depend. However, the distortions and scare tactics surrounding the debate do a great disservice to seniors and those of us in Congress who wish to arrive at a reasonable solution to preserve the system.

As we begin to debate the specifies of Republican proposals to reform Medicare, we will keep in mind what the opponents of Medicare reform have forgotten: The future of Medicare depends upon a dialogue, not a shouting match. The real villains are those who cheapen the debate and contribute no ideas or solutions of their own.

The Medicare Preservation Act of 1995, introduced in the House of Representatives this week, is a starting point for debate, not the final product for reform. Since April, when President Clinton's trustees warned that the system would be bankrupt by the year 2002, I have met with seniors, doctors and hospital administrators in San Diego. They provided me with input and ideas, which have become part of the proposal we are now debating in Congress.

The Republican plan is based upon the belief that individuals will make better choices about their health care than the government. Seniors will be able to choose from the same types of health-care plans now found in the private sector. If a senior is now spending a great deal of out-of-pocket expense on MediGap insurance to cover prescription drugs, he or she can choose not to enroll in "traditional" Medicare and may instead want to pick a plan that includes drug coverage.

Seniors also will have an option of a "MediSave" program, in which a high-deductible policy is purchased and the government deposits money to cover that deductible in an interest-bearing account in a bank of their choice. This gives them complete control over important medical decisions, with their doctors, without worrying about an insurer's or Medicare's payment policies.

The bill introduced this week also exposes the shameless fear tactics of the past few months which have alleged that premium costs for seniors enrolled in Medicare Part B will drastically increase. Today, seniors pay premiums that are 31.5 percent of Part B costs.

Under our proposal, the premiums will continue to be calculated that way, so that they will increase slightly every year, just as they have done since the inception of the program. Beneficiaries will not face any increase in deductibles and co-payments, in contrast to what our critics are claiming.

Under our proposal, doctors and hospitals will be allowed to form provider-service networks to cover Medicare benefits, without the insurance company or managed-care company as an intermediary. A group of doctors or hospitals functioning as a network would be required to meet solvency and marketing requirements. Per-beneficiary contributions will be adjusted for age and other factors so that Medicare is providing funds according to need.

The health-care dollars spent by a senior in San Diego may be drastically different than those spent by a senior in Nashua, N.H.—our plan provides for this flexibility. Every Medicare provider must agree to take all applicants and allow participants to stay in the plan as long as they want; no one will be shut out due to an illness or a pre-existing condition.

How do Republicans reduce Medicare's rate of growth—one that has been running at hyperinflationary levels? Two ways: Increased health-care choices for seniors who will spend their dollars more efficiently, and increased competition between providers. In addition, the Medicare Preservation Act will shrink the subsidy Medicare currently provides to more affluent seniors.

According to the Congressional Budget Office, a 65-year-old couple, both retiring this year, will collect $126,000 more from Medicare than they paid in during their working years.

For millions of seniors, this subsidy is vital to their retirement income security, but this is a luxury the taxpayers cannot afford for wealthier seniors. Single seniors with incomes over $75,000 and couples with incomes over $150,000 will begin to pay higher premiums instead of receiving a subsidy from the taxpayers.

The scare tactics and misinformation campaign designed to derail Medicare reform will continue. However, senior participants in the system know that doing nothing to save Medicare is not an option. The calls I have received from seniors in San Diego have been overwhelmingly against the "Mediscare" advertisements.

As one woman from La Jolla asked, "How gullible do the labor unions think we are? Preservation of Medicare means reform, and as long as reform continues to involve dialogue with San Diegans, I have more confidence in the process." I agree, and I urge opponents of Medicare reform to focus on the process of debate, don't further debase the process.

IN MEMORIAM: THE OFFICE OF TECHNOLOGY ASSESSMENT, 1972–95

HON. AMO HOUGHTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 28, 1995

Mr. HOUGHTON. Mr. Speaker, the Congressional Office of Technology Assessment [OTA], which served the Congress with such great distinction for more than 20 years, will close its doors on September 29, 1995. On behalf of all the Members of this body, I would like to express my deep appreciation to the more than 200 dedicated and talented individuals at OTA who have served us so selflessly. And I want to share with you a brief summary of their accomplishments.

As you know, OTA's job was to provide the Congress with an objective, thorough analysis of many of the critical technical issues of the day. And that it did, examining cutting edge science in medicine, telecommunications, agriculture, materials, transportation, defense, indeed in every discipline and sector important to the United States. The agency appraised the costs and benefits of diverse technological systems: The computerization plans of Federal agencies; satellite and space systems; methods for managing natural resources; systems for disposing of wastes. The list is endless. But to mention just a few more:

OTA evaluated the environmental impacts of technology and estimated the economic and social impacts of rapid technological change. The agency offered sound principles for coping with, reaping the benefits of, that technological change—in industry, in the Federal Government, in the work-place, and in our schools. The agency took on controversial subjects, examining them objectively and comprehensively for our benefit. It help us to better understand complex technical issues by tailoring reports for legislative users. It provided us with early warnings on technology's impacts and it enabled us to better oversee the science and technology programs within the Federal establishment.

While pulling issues down to practical grounds, OTA has usually erred on the optimistic side. For example, OTA regularly spelled out its belief in the power of technology to improve our lives and help solve the Nation's problems. It worked through a basic understanding of how technology works, how institutions need to change to accommodate new technology, how resistant to change such institutions can be when the conditions are wrong, and how swiftly they can adapt when the conditions are right. OTA helped us discover the conditions for change.

A SCOPE WIDE AND DEEP

Once OTA was well underway, it had 30–60 projects in progress, published up to 55 reports, and started approximately 20 new projects each year. Its work ran the gamut of subject matter, with approaches tailored for each topic and congressional request. For example:

In 1975, one OTA program began a comprehensive policy analysis of the Nation's energy future, which it provided incrementally throughout the energy crisis.

Between 1975 and 1980, another OTA group set the stage for today's booming industry in the technology assessment of health care by demonstrating the inadequacy of information on which decisions about technology were made; laying out the strengths and weaknesses of methods to evaluate technology; and crystallizing the process by which economic tradeoffs could be incorporated in decisions.

In 1979, OTA expanded its work in agriculture to include all renewable resources and laid the foundation for others' efforts on sustainable development and, later, ecosystem management.

One OTA group examined each key mode of transportation in turn, focusing especially on urban transportation; better and less expensive ways to move goods; and technologies which used less petroleum. Another OTA program tracked materials through their total lifecycle—from exploration and extraction through production to use, reuse, and eventual disposal. A third investigated policies related to the private use of Federal public lands and other resources, addressing questions of public equity, the responsibility of industry, and the long-term protection of the environment.

In sum, OTA brought new, old important science into the center of many congressional discussions. At times, OTA took part in high-profile debates on major pieces of legislation such as the 1980 Energy Security Act; Superfund; the Clean Air Act; and the Foreign Assistance Act. Also, the agency contributed to specific technical issues that puzzled non-technical congressional staff—from risk reform to long-term African development; from acid rain to dismantling nuclear weapons; from the Strategic Defense Initiative to policy body armor. One study on global climate change helped Congress evaluate more than 131 pieces of legislation. At its busiest, OTA's testimony for various committees averaged more than once a week.

The executive branch and State governments were not outside the OTA reach. OTA published the landmark work on computers in schools. This eventually led to support for teachers as the way to make the best investment in technology—a key policy change in education. OTA's repeated work on the farm bill prompted important changes in the U.S. Department of Agriculture. And OTA's comprehensive series of analyses on nuclear waste management set out issues of technology and policy for both industry and the military.

CAREFUL ANALYSIS, SHARED WITH THE WORLD

In the course of every study, OTA accumulated vast amounts of raw information. By a project's completion, OTA had created a report with "value-added." OTA staff excelled at identifying the principal strands of analysis, weighing the evidence of each, and synthesizing essential pieces. The creed of OTA was to come as close as possible to objective analysis. It was a point of pride when reports were cited both by an issue's defenders and its detractors, as happened most recently in debates regarding the North American Free Trade Agreement and Oregon's Medicaid program.

The public and private sectors have recently discovered the benefits of organizing work around functional teams. OTA started with this model. It was used in every project. Team members came from different disciplines and backgrounds, with different experiences and perspectives, yet they always seemed to share a commitment to their product and not incidently to the American people.

When work took OTA into new subject areas, staff broke ground for new intellectual pursuits. This was true in risk policy. And it was true when OTA developed the analytical methods to identify priorities for agricultural conservation. During OTA's lifetime, "international interdependence" changed from slogan to reality. OTA was ahead of the curve, conducting international case studies and exploring previously ignored aspects of international security. In fact, between 1985 and 1990, OTA's studies of the impacts of technology on the economy, environment, and security of the U.S.S.R. and Eastern Europe made clear that the demise of centrally planned economies was inevitable.

As a result of all this, OTA gradually became recognized worldwide as the top institution of its kind. Representatives from about one-third of the world's nations visited OTA one or more times to learn how OTA worked; how it became so valuable to Congress and the American people; and how these foreign nations might develop their own "OTA's." Austria, Denmark, the European Community, France, Germany, Great Britain, the Netherlands, and Sweden have copied or adapted the OTA style. Similar organizations are being discussed or formed in Hungary, Japan, Mexico, the People's Republic of China, Russia, Switzerland, and Taiwan.

The above is simply the most visible aspect of OTA's international impact. Visitors from other countries stopped by OTA almost every week to discuss specific technologies or technology-related issues. Several OTA staff spoke frequently about OTA in other countries. A number accepted temporary details to academic or government positions overseas. And still others traveled abroad to teach short courses on technology assessment.

THE WRITTEN WORD

In its 24 years, OTA published nearly 750 full assessments, background papers, technical memoranda, case studies, and workshop proceedings. OTA reports were recorded as being "remarkably useful," "thorough," "comprehensive," "rigorous." At their best, OTA reports were among the most cited references on their subjects. "Landmarks," they were called, "definitive," and the "best available primers." From 1992 to 1994, twelve assessments won the National Association for Government Communicator's prestigious Blue Pencil Award, successfully competing against as many as 850 other publications in a single year. In the same 3 years, 12 additional reports were named among the 60 Notable Government Documents slected annually by the American Library Association's Government Documents Round Table—representing the best Federal, State, and local government documents from around the world.

In typical comments, the journal Foreign Affairs claimed that, "The Office of Technology Assessment does some of the best writing on security-related technical issues in the United States." A former Deputy U.S. Trade Representative called OTA's 1992 report on trade and the environment, "the Bible." A Senator described OTA's work on the civilian impacts of defense downsizing as "* * * a superb study and the standard by which all similar efforts will be judged." And the head of one state's plant protection agency described OTA's study of non-indigenous species as " * * * a benchmark which will be the most heavily referenced document for years to come."

OTA's reports were often bestsellers at the Government Printing Office and the National Technical Information Service: GPO sold 48,000 OTA reports in 1980 alone. Commercial publishers reprinted at least 65 and translated two reports all or in part. The Superintendent of Documents selected 27 OTA reports to display in the People's Republic of China in 1981. And OTA itself reissued reports that had unusual staying power. For example, OTA's 1975 report on tanker safety and the prevention of oil spills was reissued in 1990 after the *Exxon Valdez* accident. Likewise, OTA combined the summaries of two particularly popular reports—on tropical forests and biological diversity—and reprinted them in 1992.

THE PEOPLE BEHIND THE PROJECTS

OTA staff represented every major field of science and technology, ranging from board-certified internists to Ph.D. physicists. OTA staff were sought out to serve their respective professional associations. A number were elected to offices or boards—the International Society for Technology Assessment, the International Association for Impact Assessment, the Association for Women in Development, the Ecological Society of America, etc. Two staff formed the Risk Assessment and Policy Association and others went on to found their own companies.

Above all else, OTA staff were teachers. As a result of their efforts, hundreds of thousands of people are better informed not only about science and technology but also about the structure and function of Congress. OTA served 30–60 congressional committee and subcommittees each year. Thirty-one Senators and Representatives had the privilege to serve on OTA's Technology Assessment Board and we became among the Congress' most knowledgeable members on issues of science and technology.

Each year, at least several hundred advisory panelists and workshop participants also took part in OTA's work. Some years, OTA tapped as many as 1,500 leaders from academia, non-governmental groups, State and local governments, and industry. OTA's advisors valued the experience and said it made them more fit for decisionmaking in their own fields. Some were experts; some were stakeholders. Still other were members of the larger public. As early as 1975, OTA incorporated public participation and stakeholder involvement into a major study of offshore energy development: Nearly 15,000 people were involved. Later approximately 800 African farmers and herders were included in an evaluation of the United States-funded African Development Foundation.

In addition, OTA provided 71 scientists and engineers with a challenging and memorable year on Capitol Hill as Morris K. Udall Congressional Fellows or congressional fellows in health policy. Many of OTA's younger employees gained a taste for research—and for public service—at OTA and went on to graduate school to become the next generation of business leaders, scientists, engineers, and policy analysts.

OTA's record depended upon remarkable support staff as much as it did on the agency's analytical staff. Their work was the standard against which other Government agencies were measured—and often found lacking. People came from around the world to attend OTA meetings—and often commented that OTA's workshops were the most well supported, best organized, and most productive they had ever attended. Contractors were gratified by the ease with which their travel arrangements and invoices were handled. OTA processed hundreds of security clearances efficiently and without incident—without which OTA could not have done its work in national defense. Reports sped through OTA's publishing process and grew steadily more attractive through the years. The staff of OTA's Information Center could find even the most obscure research material—and provided a friendly agencywide gathering place. The Information Center, the technical support office, and the agency's electronic dissemination program kept OTA at the cutting edge of technology for research and for public access to the agency's work.

OTA was a small agency. It was a generous place. For some, colleagues became like second families and these relationships extended to committee and personal staffs. Friendship, joy, and grief seemed to be shared without regard to job description. Many at OTA value this legacy as much as any other. But of course, OTA was not perfect. At times, its greatest strengths—flexibility, tolerance, the preponderance of technical skills—became its biggest weaknesses. One outsider looked at OTA's work and commented, "You must have just about the most interesting job there is." I know that many at OTA, for much of their time, felt exactly that way.

Although OTA closes on September 29, 1995, the Congress will continue to benefit from its work. Stark evidence of the dedication of OTA staff is the fact that they continued working to the end. More than 30 reports will be delivered to requesting committees even after the doors are closed.

OTA soon will be a memory, and we will discover what is lost. But we can salvage something. Those of us who have used OTA reports know that most of them have long shelf lives. The really important issues—the issues OTA worked on—do not get solved and go away in one Congress. In January 1996, all of OTA's reports will be issued on CD–ROM—OTA's final legacy. We should be proud of it.

FLOWER SHOW SPONSOR EXHIBITS MORE THAN LOVE OF FLOWERS

HON. SHERWOOD L. BOEHLERT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 28, 1995

Mr. BOEHLERT. Mr. Speaker, I rise today to commend to you John Hordines, who sponsors an annual flower show in my district at his farm in East Branch, NY. In his third year of running this flower show, which he does at his own expense, Mr. Hordines will have 31 entries from as far away as Florida and California. He does it for the love of flowers. And it's evident that plenty of people in this country share his enthusiasm, since 20 million Americans raise flowers.

Mr. Hordines shows some qualities that I greatly admire: initiative, self-reliance, and generosity. His flower show, which is only open to amateurs, is a great example of these attributes. I encourage everyone to attend this year's flower show, which will be on October 1.

MORE BEIJING THREATS

HON. DAVID FUNDERBURK

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 28, 1995

Mr. FUNDERBURK. Mr. Speaker, earlier in the year the House shamelessly handed the aging rulers of Communist China another bloodless victory. The House, the Senate, and the President gleefully renewed legislation granting most favored nation trading status to Red China.

I said then and I say now that kowtowing to the old boys in Beijing is a stain on American honor. Communist China has murdered millions. It runs the world's most sinister and extensive gulag. Its slave camps turn out textiles which put people in my State out of business. It continues systematic persecution of religious and political dissidents. The Beijing rulers even had the gall to arrest Chinese American freedom fighter Harry Wu and then threaten retaliation against American interests because we allowed the President of the Republic of China—free China—to visit the United States.

Mr. Speaker, as if that were not enough, there is another facet to the Chinese problem which is potentially more ominous than all of the Chinese crimes which I have cataloged. The Chinese are engaged in the most aggressive military modernization program of any nation in the world. They are building and buying a blue water navy. They have recently completed a series of offensive missile tests off the coast of Taiwan.

Taiwan poses no military threat to the Beijing dictators. There is only one reason for the Communists to embark on a missile buildup. They are deathly afraid that free China, with its robust markets and its expanding democracy, will provide the world with a stark contrast to the crimes and deficiencies of the Communist dictatorship. They believe that their missile tests will intimidate free China and force it off the world stage. Of course, they don't understand the mettle of free people.

Mr. Speaker, our State Departmemt has turned a blind eye to the threat posed to all of Asia by Beijing. While the Communists arm, Foggy Bottom does business as usual. Enough is enough. It is time to finally take a stand for freedom and draw a line in the sand against Communist aggression before its too late for our friends on Taiwan and across Asia.

Mr. Speaker, I have included for the House's review a chronology of Beijing's latest series of threats against free China.

CHINESE MISSILE TESTS

Background: September 30, 1994, President Lee Teng-hui of the Republic of China told the Wall Street Journal that he was willing to meet with PRC leaders to discuss relations between the ROC and the PRC. Beijing said no.

January 30, 1995, PRC leader Jiang Zemin issued an eight-point plan for future bilateral relations between the mainland and Taiwan,

April 8, 1995, President Lee formally responded to President Jiang's eight points with a six-point counterproposal.

May 22, 1995, bowing to Congressional pressure, President Clinton decided to allow President Lee to visit Lee's alma mater, Cornell University.

June 9, 1995, President Lee delivered the Olin Speech at Cornell University.

July 21, through 26, 1995, PRC forces staged ballistic missile exercises near Taiwan. The missiles were all MTCR class, four short range and two intermediate range. All were modern, mobile nuclear-capable. The tests in the open sea 80 miles from Taiwan forced the closure of fisheries and the diversion of commercial flights. The Taiwan stock market promptly plunged 6.8 percent amid jitters about a Chinese attack.

August 15 through 25, 1995, PRC forces resumed military exercises in the Taiwan Strait. A second round of guided missile tests. Firings of guided missiles and live artillery shells in the East China Sea north of Taiwan. The tests zone off Zhejiang is a few miles north of the area where China's military test-fired six surface-to-surface missiles from July 21 through July 26.

In addition, PRC launched strong personal attacks on President Lee Teng-hui. PRC's People's Daily (overseas edition), in four separate commentaries, called Lee stubborn, insisting on separating Taiwan from the motherland, creating two China's employing "money diplomacy," "vacation diplomacy" and "alumni diplomacy." Lee is a traitor and an advocate of Taiwan independence.

President Lee's response to the PRC: In a September 1 interview with Thomas Friedman of the New York Times, President Lee makes clear that "he is not seeking internationally recognized independence for Taiwan . . . desire to . . . resume the quiet dialogue that had been going on between Beijing and Taipei. . . ."

Results of the missile tests and personal attacks on Lee: Fear and panic throughout Taiwan. The stock market plummeted to a 20-month low. Land prices sagged. Also, the Taiwan dollar has hit a 4-year low of 27.36 to the U.S. dollar.

PRC's motives: cutting support for President Lee Teng-hui and creating tensions in the Taiwan Straits before the island's December parliamentary elections and next March's presidential elections. Warning Taipei not to try to raise its world status such as returning to the United Nations or practicing "pragmatic diplomacy."

PRC threats continue: The worst nightmare in Asia is a Chinese invasion of Taiwan. PRC regards Taiwan as a renegade province, and repeatedly warns that it reserves the right to use force to recover Taiwan.

Clinton administration's response to China's escalation of its war of nerves against Taiwan has been nearly non-existent. Wall Street Journal (8/17/95) warns that if the administration "continues to treat the threats to Taiwan with nonchalance, it will risk new political instability in a region that has been the major contributor to global economic growth."

What is needed now? Wall Street Journal (8/17/95) calls for the Seventh Fleet to patrol the area: "The U.S. has held back out of fear of seeming provocative over what looked like a shadow boxing exercise. But that has sent the wrong message, as China's escalation of the tests has demonstrated.

TRIBUTE TO FRANK REDMILES

HON. ROBERT A. BORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 28, 1995

Mr. BORSKI. Mr. Speaker, I rise today in recognition of Frank Redmiles, a man who has dedicated 45 years of his life to bettering his family, his community, and the lives of tens of thousands of working men and women throughout Pennsylvania, New Jersey, and New York.

Frank Redmiles is retiring from four decades of toil and service in behalf of the men and women of the United Auto Workers. And while he may be retiring from active service, his legacy is certain to live on and inspire future generations of labor advocates.

From the very beginning of his working life, in 1950 at the former ITE Circuit Breaker Co. in Northeast Philadelphia, Frank Redmiles was a union man. He began in the then-independent union, the ESU, which later affiliated with the United Auto Workers.

He started out, like so many advocates, as a shop steward. He served 12 years on the United Auto Workers' negotiating committee. He became chairman, of that committee.

Frank Redmiles was in the forefront of the affiliation of the ESU with the United Auto Workers in 1969. He served as a trustee and as shop chair, and then was elected president of UAW Local 1612—a post he held for 7 years.

In 1979, Mr. Redmiles was appointed as an international representative of the UAW for southeastern Pennsylvania, and in 1985, he reached the pinnacle of his union advocacy when he was appointed Pennsylvania area director of region nine of the UAW—a post from which he represented the interests of more than 75,000 working men and women.

The 1980's, as we all know, were difficult economic times for working men and women in the United States. The constant pressures from foreign companies and foreign competition fell particularly hard on the automobile industry, and the workers of the UAW felt those pressures and hard times.

But through every one of those difficult days, months and years, Frank Redmiles never stopped fighting. He never stopped fighting for fair and equitable contracts for his rank and file. He never stopped fighting for a living wage. And he never stopped fighting to save the jobs of American workers.

And, while Mr. Redmiles was serving as such a tireless advocate for UAW workers, he was also finding time to serve his larger community as well. He served on the Philadelphia Mayor's Scholarship Advisory Committee, and he served on the city's zoning board as well, eventually as chairman. In addition, he served on the board of the Ben Franklin Partnership, and in 1992 he was appointed to serve on the transition team of Mayor Edward G. Rendell.

Thank you, Mr. Speaker, for the opportunity to bring to the House's attention the life story and public service of Frank Redmiles, a man whose 45 years of advocacy to the cause of the working men and women of the United Auto Workers do much justice to the historic legacy of a proud American labor organization.

TONGASS TRANSFER AND TRANSITION ACT

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 28, 1995

Mr. YOUNG of Alaska. Mr. Speaker, throughout the West, a growing frustration with Federal land barons and their policies is rekindling the sagebrush rebellion. Nowhere are Federal land decisions more destructive to families and hard working people than in the 17 million acre Tongass forest in southeast Alaska.

In a forest that large it should be easy to balance the uses and make people happy, but the Federal Government has failed miserably.

The bill that I am introducing today gives Alaskans a chance to take control of their future in the Tongass National Forest. Today I propose a way to end the continuing Tongass brawl and give Alaskans a chance to resolve their differences at home.

When this bill becomes law, and the Alaska State Legislature and our Governor take advantage of the privilege offered in the bill, ownership of the Tongass National Forest automatically transfers to the State of Alaska. One year later when the transition period expires, management of the Tongass will be in the capable hands of Alaskans. Everyone will have a better chance of stability.

I have no choice but to make a proposal to liberate the Tongass and the Alaskans so adversely affected by the current Federal policies and requirements in the Tongass.

Since statehood, it has never been worse in the Tongass.

Nobody is happy. It takes 3 years for tourism operators to get access permits in a 17 million acre forest. Leaders in fishing groups complain existing protection for fisheries are not enforced. Crabbers fight for space and permits to store their crab pots. Cabin permits become Federal issues when simple improvements are made. Millions of dollars are spent on studies that produce no conclusions and call for more money for more studies. Even the environmentalists are so unhappy with decisions in the Tongass that they continually appeal and sue the agency.

Time after time, the Federal Government has failed those who rely on the Tongass. Congress has withdrawn 6 million acres in the Tongass only to have the agency propose even more land withdrawals. A series of new Federal laws and more impossible regulations are added.

Alaskans in the Tongass are frustrated with the leadership of the U.S. Forest Service, particularly the political appointees who control it. While they ignore the needs of Alaskans, their decisions produce no real benefit to the environment or to fish and game and do not consider the needs of people.

I told the agency heads back in January that Alaskans had suggested the type of proposal that I am making today. I told them that I was considering a proposal that would transfer their lands. I asked that they improve their policies and decisionmaking on our national forests and public lands. I have seen no improvement. Decisions just keep getting worse.

Even after the President's political appointees in the Government decided to cancel the large timber contract, they still refuse to offer timber to small business people. While 80 million board feet should be available for small mills, only 35 million board feet has been provided in the Tongass this year, most of it at the end of the season when it does little good.

Communities in southeast Alaska are suffering. Productive, hardworking people are out of work. Forty-two percent of the timber jobs are gone in Southeast. The President's political appointees who control the Federal land managers just do not seem to care. They continue to propose problems instead of solutions.

Alaskans and others realize that their State legislature is closer to the economic and ecologic needs in the Tongass. It has a much better understanding of policies that will bring peace to the Tongass than does the U.S. Congress and the Federal Forest Service.

Given the choice, a majority of southeasterners would rather see the State of Alaska own the Tongass than continue with Federal management. Fifty five percent would support a Tongass transfer to the State according to a recent poll. Alaskans clearly favor what my bill seeks to accomplish.

No particular group asked for this bill. I stress that point. No particular group asked for this bill, but I have listened to what Alaskans have been saying since the passage of the Tongass Timber Reform Act. I have discussed the ideas in this draft with Alaskans.

I have listened to our Governor of Alaska speaking through Commissioner Willie Hensley. At Senator MURKOWSKI's workshop on the Senate bill Commissioner Hensley said:

> The hallmarks which guide our [state] policies in connection with the Tongass include . . . maximum self determination for the people of Southeast Alaska with respect to land management decisions which affect them, and a minimum of legislative prescriptions from Washington D.C.

My bill relies on the Governor's wisdom. My bill gives Alaskans a chance to achieve maximum self-determination for the people of southeast Alaska. There will be no running back to Washington, DC, to a Congress that uses the Tongass as a political pawn. Tongass policies will be Alaskan policies. Our Governor wants no Washington, DC, legislative mandates and that is what my bill proposes.

I also heard elected leaders of the State legislature. This year the Alaska Legislature overwhelmingly passed Senate Joint Resolution 6. That resolution noted that America's Founding Fathers knew that control of land is power. They knew that centralized Federal Government with a substantial land base would eventually overwhelm the States and threaten individual freedom. Senate Joint Resolution 6 said:

> Be it resolved that the Alaska State Legislature urges the 104th Congress of the United States to . . . transfer to the states, by fee title, any federally controlled property currently held within the states admitted to the Union since 1802.

Just last week, the Southeast Conference passed a resolution supporting the concept of transferring the Tongass to the State of Alaska. The Southeast Conference resolution said:

> Now, therefore be it resolved, that Southeast Conference supports the concept of transferring the Tongass National Forest to the State of Alaska, thereby allowing maximum self-determination by the people of Alaska in resolving existing conflicts and bringing stability to our region.

I also heard from Alaskan families who now suffer as a result of Federal policies in the Tongass. People like the Gardners wrote me. They said:

> DEAR DON YOUNG: My husband and I moved here to Alaska about 6 years ago so we would not have to worry about him losing his job in the logging industry, and every since . . . it seems like a lot of really good people are being put out of work. It just doesn't make a lot of sense to me why [the mills are closing.] If we only logged 4% of the Tongass National Forest in 40 years, don't you think there is plenty to go around!? Please help us keep the logging and mills and all of the families working.
>
> Sincerely,
>
> SHANNON, STEVE, AND AMBER GARDNER.

My proposal is in line with what the Governor desires, is more modest than the Alaskan Legislature urged, brings decisions in the Tongass closer to those like the Gardners, and is exactly what the Southeast Conference urged in a resolution adopted last week.

This bill is a starting point. Critics and supporters should note this fact. It is a draft, a discussion piece so to speak, but it is a serious proposal. It is a proposal that I am making because the Federal Government has failed those like the Gardners and hundreds of others who write to me about what is going on in the Tongass. I have included at the close of my remarks a sampling of other letters from timber families in the Tongass.

The business of transferring an entire 17 million acre forest to a State is a complex matter. How to make the best transition to State ownership raises complicated issues. It may take some time to refine the details and I do not want to leave anyone with the impression that this is a quick fix solution.

We have talked to Alaskans about many issues raised by my bill and arrived at the draft proposal that I am introducing today. My staff and I will talk further with Alaskans as this draft proposal circulates.

We may not have thought of the best solution for every issue, but I am anxious to hear thoughtful suggestions from Alaskans and others on how to best modify the bill to ease the transition.

To be clear, we aim to get the Federal Government out of our business in the Tongass, to give decisions to Alaskans, and to accomplish this with a minimum of Federal strings attached.

Before my committee takes action on the bill, we will hold hearings. We will give Alaskans and others a chance to provide thoughtful analysis of how the transition from Federal to State ownership should work. I look forward to this process. It will be telling.

So that my proposal for Alaskans is understood, the following summary of the bill may be useful. In addition, I ask for unanimous consent that the full text of the bill and other material appear in the RECORD immediately following the summary.

SUMMARY OF THE TONGASS TRANSFER AND TRANSITION ACT

TONGASS TRANSFER PROCESS

Within 10 years of enactment, the State of Alaska can elect to receive 100% ownership of all of the Tongass National Forest lands.

The election is made when the legislature passes and the governor signs a bill that says (1) the state elects to receive the Tongass, (2) the land is transferred subject to valid existing rights, (3) the procedures and transition provisions of the Act apply to the transfer, and (4) the state will respect the rights guaranteed under ANCSA.

Once such a bill is passed by the legislature, signed by the governor, and the Secretary of Agriculture is notified, all of the United State's interest in the Tongass National Forest is *automatically* transferred to the State of Alaska.

At that time, a one year "transfer-transition" period begins, during which a patent (title) to the Tongass is prepared by the Secretary and several transition issues are worked out between the State and other parties. Finally, at the end of the transfer-transition period, the Secretary delivers the Tongass patent on the "patent date."

During the transfer-transition period, the Forest Service still manages the Tongass and federal law still applies. Beginning on the patent date, the State of Alaska manages the forest and Alaska law applies to land in the Tongass with limited exceptions.

On the patent date, the State generally becomes obligated for any outstanding federal obligations (such as leases, permits, licenses, and contracts). Basically the State assumes federal obligations.

TRANSITION ISSUES

Several specific issues are also addressed during the transfer-transition period:

Forest Service Employees.—During the one year transfer-transition period, the State of Alaska must interview each person employed by the Forest Service for purposes of reemployment with the State of Alaska's new administrative management system for the Tongass.

Timber Receipts to the Federal Treasury.—For ten years, 25 percent of the net timber receipts for all timber sold in the Tongass is paid to the U.S. Treasury by the State of Alaska.

Alaska Pulp Corporation Contract.—During the one year transfer-transition period, the State of Alaska must enter discussions with APC and within six months of the patent date, conclude an agreement that reinstates the APC contract. The agreement must include provisions that dismiss the APC lawsuit against the federal government and it requires the sale of the contract to a third party who agrees to construct a manufacturing facility in Southeast Alaska that utilizes pulp-grade logs.

Subsistence.—The transfer of the Tongass will not affect subsistence use or management under title VIII of ANILCA. The bill requires federal management of subsistence on transferred Tongass lands *until* Alaska state law complies with title VIII of ANILCA.

Landless Natives.—The State of Alaska is required to negotiate with the landless native communities and to reach agreement that allocates between 23,040 and 46,080 acres of surface estate in the Tongass. Land will be transferred for purposes of historical, cultural, economic, and subsistence use. Any timber harvested from such lands must receive primary manufacturing before it is exported from Alaska. Agreement must be reached within one year of the patent date.

Timber Receipts For Local Governments.—For ten years after the patent date, the State of Alaska must allocate 25 percent of the net timber receipts from the Tongass directly to the boroughs, municipalities, and local governments for schools, educational materials, and community roads.

Ketchikan Pulp Contract.—Beginning on the patent date, all federal obligations arising from the KPC timber sale contract shall become obligations of the State of Alaska. All benefits resulting from the KPC timber sale contract shall become benefits flowing to the State of Alaska.

Mining Claims.—Federal mining claimants are given the option, for 15 years, of holding their claims under the federal law, which is administered by the State of Alaska. The claimholder could patent the claim during that time period. After 15 years, all federal mining claims that are not patented automatically convert to State of Alaska claims and are administered under the State mining law. At any time during the 15 year period, a claim holder has the option to convert the federal claim to a State claim.

Timber Road Fund.—All timber receipts collected during the one year transfer-transition period are provided to the State of Alaska for a timber road program fund.

Timber Exports.—The State of Alaska must prohibit export of unprocessed saw, utility and pulp logs originating from lands transferred for a minimum of ten years.

SOUTHEAST ALASKA PUBLIC OPINION SURVEY—A SURVEY MEASURING PUBLIC OPINION ON THE TONGASS NATIONAL FOREST TIMBER INDUSTRY

TRANSFERRING OWNERSHIP OF THE TONGASS TO THE STATE OF ALASKA

Transferring ownership of the Tongas from the federal government to state government is an appealing idea for most Southeasterners. Across the region 55% favor transferring ownership while 34% oppose the transfer. One in ten (11%) are unsure, probably reflecting uncertainty about how management priorities would change.

In all areas of the region, supporters of the transfer outnumber those in opposition. Juneau offers the lowest level of support (47% in favor versus 40% who oppose). Outside of Juneau, supporters outnumber those in opposition (60% versus 29%). Wrangell and Ketchikan lead the supporters with 76% and 65% in favor, respectively. Southeast's rural areas support the transfer with 59% in favor versus 31% opposing.

Among residents favoring the transfer, nearly all (88%) favor reevaluating all previous federal land and use allocations on the Tongass. This opinion is held region-wide, including Juneau.

CS FOR SENATE JOINT RESOLUTION NO. 4 (RES) IN THE LEGISLATURE OF THE STATE OF ALASKA, NINETEENTH LEGISLATURE—FIRST SESSION

BY THE SENATE RESOURCES COMMITTEE—SPONSOR(S): SENATORS TAYLOR, HALFORD, KELLY, SHARP

A resolution relating to federally held property in those states, including Alaska, admitted to the Union since 1802.

Be it resolved by the legislature of the State of Alaska:

Whereas the founding fathers of this nation recognized that land is power and that a centralized federal government with a substantial land base would eventually overwhelm the states and pose a threat to the freedom of the individual; and

Whereas the original 13 colonies and the next five years admitted to the Union were granted fee title to all land within their borders; and

Whereas all but two states admitted to the Union since 1802 were denied the same rights of land ownership granted the state admitted earlier, and

Whereas art. I, sec. 8, of the Constitution of the United States of America makes no provision for land ownership by the federal government, other than by purchase from the states of land ". . . for the erection of forts, magazines, arsenals, dock-yards, and other needful buildings"; and

Whereas acting contrary to the provisions of art. I, sec. 8, of the Constitution of the United States, the federal government withheld property from the states admitted since 1802, making them land poor and unable to determine their own land use and development policies; and

Whereas this action has made those states admitted since 1802 unequal to other states and subject to unwarranted federal control; and

Whereas restoration of property to which they are historically and constitutionally entitled would empower the land poor states to determine their own land use policies;

Be it resolved, That the Alaska State Legislature urges the 104th Congress of the United States to right the wrong and to transfer to the states, by fee title, any federally controlled property currently held within the states admitted to the Union since 1802; and be it

Further resolved, That the Congress is urged to then purchase from the newly empowered States land needed to meet the provision of art. I, sec. 8, United States Constitution.

Copies of this resolution shall be sent to the Honorable Strom Thurmond, President Pro Tempore of the U.S. Senate; the Honorable Robert Dole, Majority Leader of the U.S. Senate; the Honorable Newt Gingrich, Speaker of the U.S. House of Representatives; to members of the delegations in Congress of those States admitted to the Union since 1802; to the Honorable Ted Stevens and the Honorable Frank Murkowski, U.S. Senators, and the Honorable Don Young, U.S. Representative, members of the Alaska delegation in Congress.

SOUTHEAST CONFERENCE,
Juneau, AK.

A RESOLUTION SUPPORTING THE CONCEPT OF TRANSFER OF THE TONGASS NATIONAL FOREST TO THE STATE OF ALASKA

RESOLUTION 95–12

Whereas, the existing 1979 Tongass Land Management Plan has been under revision since 1989, and;

Whereas, this lack of finality in the planning process has lead to instability in the economy and communities of southeast Alaska, and;

Whereas, national political input to the Tongass land management planning process has been a key problem in efforts to resolve conflicts on the Tongass;

Whereas, 85% of southeast Alaska households believe the timber industry is an important part of the region's economy, and;

Whereas, Southeast Conference believes that transfer of the Tongass National Forest to the people of Alaska is an important element in the quality of life in southeast Alaska;

Now, therefore, be it resolved, That Southeast Conference supports the concept of transferring the Tongass National Forest to the State of Alaska, thereby allowing maximum self-determination by the people of Alaska in resolving existing conflicts and bringing stability to our region.

Adopted in the City of Whitehorse this Twenty-First Day of September 1995.

J. ALLAN MACKINNON,
President.

TESTIMONY OF COMMISSIONER WILLIE HENSLEY REGARDING TONGASS LEGISLATION (S. 1054)

Mr. Chairman and members of the Committee, my name is Willie Hensley. I am the Commissioner of the Alaska Department of Commerce and Economic Development. On behalf of Governor Tony Knowles and Lieutenant Governor Fran Ulmer, I thank you for this opportunity to share our views on S. 1054 and other issues concerning the Tongass National Forest.

The Knowles/Ulmer Administration is committed to assuring a healthy, diversified economy for Southeast Alaska—both for today and for the future. We are pleased that the Alaska Congressional delegation shares our goal in this regard. We differ with the delegation, however, on the methods and priorities to achieve this objective.

We recognize that Southeast Alaska's economy is, by virtue of the region's land base, inextricably linked to the Tongass National Forest. Consequently, balanced, sound management of the multiple-use Tongass is vital to the long-term social and economic well-being of the people and communities of Southeast Alaska.

To this end, the hallmarks which guide our policies in connection with the Tongass include:

1. informed decision-making and prudent management of our resources through the use of sound science;
2. multiple, balanced and sustainable use of the Tongass' rich resources, including conservation measures that reflect our concern for future generations of people who will depend on these resources;
3. a planning process that is inclusive of the many and varied interests associated with the Tongass and is designed to foster consensus; and,
4. maximum self-determination for the people of Southeast Alaska with respect to land management decisions which affect them, and a minimum of legislative prescriptions from Washington, D.C.

These are the criteria by which we evaluate Tongass policies.

DEAR CONGRESSMAN YOUNG: Just wanted to let you know there are a lot of us cutters out here depending on you. Its damn hard, when a guy doesn't know if he's going to have to pack out the next day because of an injunction. I know you have been trying hard and I wanted to say thanks for doing so. Please stay with it, cause you all we've got.

Thanks,

GARY BATCHELDER.

P.S. Right now I'm in a camp of about 50–60 men and I'm sure, I speak for them all.

WARD COVE, AK,
July 24, 1995.

Congressman DON YOUNG,
House of Representatives, Rayburn Building, Washington, DC.

Dear Congressman YOUNG: This letter is to offer my congratulations on your continued support of the timber jobs in southeast Alaska. It is time the Forest Service considered the impact of people in the equation, not just bugs and birds. They have gotten so involved in protection, it has escaped their attention that the forest is a renewable resource for the use of all the people.

I encourage the wise use of our natural resources with a greater importance placed on people and jobs.

BOB ELLIOT.

PETERSBURG, AK,
July 20, 1995.

Congressman DON YOUNG,
House of Representatives, Rayburn Building, Washington, DC.

DEAR CONGRESSMAN YOUNG: Thank you for your support of the forest industry in Southeast Alaska.

The forest industry is vital for the economy of Southeast Alaska, where 42% of forestry jobs have already been lost directly and indirectly because of the 1990 Tongass Timber Reform Act. I urge you to work toward new legislation which will allow the forest industry to harvest timber, safeguard our forests from over harvesting and protect habitat. It seems like a lot to ask, but there must be a balance between the factions.

Does the Forest Service need to be restructured? What is their main objective? It does not seem to be managing the forests for the forest industry but for special interest groups, such as tourists and conservationists, who would lock up Alaska and throw the key away with no regard to the opinions of the local citizens. Personally, I feel the US Forest Service has become too large and wields too much power over their fellow citizens. In fact, they remind me of the IRS.

Thank you again for your efforts towards the forest industry and the dilemma it is in.

Sincerely,

MIKE LUHR.

FIRE DEPARTMENT ANNIVERSARY REMARKS

HON. MICHAEL P. FORBES

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 28, 1995

Mr. FORBES. Mr. Speaker, I rise today to pay tribute and to congratulate the Shelter Island Heights Fire Department for 100 years of dedicated service to the people of Shelter Island Heights. The residents of the Shelter Island Heights Fire District are very fortunate to have such a well-trained and devoted fire department. The Shelter Island Heights Fire Department worked hard to establish itself as one of the best departments in New York and has achieved an impeccable record.

The success of the fire department is a direct result of dedication and effective management displayed by its members. Under the leadership of Chairman Frederick J. Gurney the fire department has continued to play an active role in the life of the Southampton community. This leadership umbrella extends to the other members of the board of fire commissioners, Charles Williams, Eugene Tybaert, Louis Cicero and Richard Surozenski as well as the loyalty and hard work exemplified by Chief Officer Stuart Nicoll, First Assistant Larry Lechmanski and Second Assistant Dave Sharp. The Shelter Island Heights Fire Department consists of more than 35 volunteer fire fighters, containing no career employees, offering further evidence of their passion and commitment to the community they serve.

On Saturday, September 30, 1995, the Shelter Island Heights Fire Department celebrates its 100th anniversary, marking the culmination of a long, proud history by recognizing and honoring the efforts of those who have sacrificed and served the department and community. Therefore, Mr. Speaker, it is with great pride that I ask the rest of the House to join me in congratulating the fire department on achieving this momentous milestone. This is a much deserved tribute and I wish them all the best on their day of recognition and glory. They give of themselves because of the love and pride they share for their community, and we applaud their extraordinary service and efforts. These courageous individuals have truly earned this recognition. May they continue to serve their community for another hundred years.

PUNCH DRUNK AFTER ONLY ONE ROUND?

HON. CYNTHIA A. McKINNEY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 28, 1995

Ms. MCKINNEY. Mr. Speaker, I am outraged and dismayed that the Voting Rights Section of the United States Justice Department seems punch drunk after only one round. Is it that the lawyers over there have forgotten the rich and violent heritage that resulted in their employment?

The Voting Rights Act was won only after tears had been shed and blood had been spilt. People died for the passage of the Voting Rights Act. And that our country could survive the turmoil and emerge a better place for all of us is a tribute to our strength.

But the Justice Department is about to let us down. The headline in yesterday's Atlanta Constitution just about tells it all: Another majority-black district at risk. It reads, "The U.S. Justice Department has abandoned its defense of Georgia's 2nd Congressional District, and state attorneys on Monday admitted that race dictated the drawing of its lines—putting the future of another majority-black district in jeopardy."

Anybody can be a star when times are good. It was adversity that made Dr. Martin Luther King the strength of a nation. It was adversity that made John Lewis a hero to us all. Shame on you, Department of Justice. Shame on you!

REVEREND DOCTOR V. SIMPSON TURNER

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 28, 1995

Mr. TOWNS. Mr. Speaker, I rise today to pay tribute to a shining star in the great borough of Brooklyn, NY, the Rev. Doctor V. Simpson Turner, who this year celebrates his 30th year as senior pastor of the historic Mt. Carmel Baptist Church in Brooklyn, NY.

Dr. Turner's achievements during his pastorate have been many, including the rebuilding in 1978 of a new church complex and education facilities, costing over $2 million. Again, he oversaw the rebuilding of the church sanctuary after a devastating fire in 1986. In 1995, the Mt. Carmel Housing Development Corp. developed 78 units of housing, and in March of that year, 38 families realized their dreams of home ownership and moved into the Mt. Carmel town houses. The latest project undertaken by the church includes developing plans to build a home for the homeless near the church at a proposed cost of over $3 million.

Other initiatives during the past 30 years have included: a homework center for youngsters of all ages, a high school equivalency program, a senior services and handicapped bus ministry, and a radio ministry.

In addition to pastoring Mt. Carmel Church, Dr. Turner has been active in numerous community organizations. He serves as president of the board of trustees of the Baptist Medical Center, and serves on the board of trustees of Gordon college, the Baptist home for the elderly, and the Brooklyn public library, His ecumenical involvement includes: chairman, Department of Communications, Council Churches of the city of New York; former president, North American Baptist Fellowship of the Baptist World Alliance; member of the board of directors, Religion in American Life; and, former president, Baptist Minister's Conference of Greater New York. Dr. Turner is also a member of Brooklyn Community Board #3. He is an adjunct professor of urban concerns at Alliance Theological Seminary, and he appears regularly as a radio and television host. Dr. Turner has traveled throughout the world as a featured preacher.

Dr. Turner has been honored by many community groups, including: the NYC Bureau of Child Welfare, the United Builders Association, the Boy Scouts of America, and the YMCA. He was appointed by the Governor of the State of New York to the New York State Commission on Health Education and Illness Prevention.

Dr. Turner has a B.A. from Gordon College, an M.S. form Biblical Seminary of New York City; an M.T.S. from New York Theological Seminary; and a D.Min. from Drew University. He is the author of "Compassion for the City," used throughout the country as a textbook for students pursuing urban ministry. For 10 years, he served as editor of the Baptist Progress, the official journal of the Progressive National Baptist Convention.

Dr. Turner is married to Laura B. Turner, an educator, and they have two children.

I am pleased to bring the life and service of the Rev. Doctor V. Simpson Turner to the attention of my colleagues and commend him on a ministry well-served and a life well-lived.

STATEMENT OF CAROL ANN DEVINE AS READ BY BIANCA JAGGER AT THE CONGRESSIONAL HUMAN RIGHTS CAUCUS ON SEPTEMBER 27, 1995

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 28, 1995

Mr. TORRICELLI. Mr. Speaker, I submit the following statement and recommend it to my colleagues:

> On June 8, 1990, my husband, Michael Vernon DeVine, was kidnapped and almost completely decapitated by members of the Guatemalan military. Michael was a kind, gentle, and honest man. He devoted himself to our family and our business, and was a good friend to our neighbors in Popún, Péten where we lived. He was not politically active.
>
> After Michael's assassination, many wonderful people supported my children and me in our efforts to find out who killed Michael and why, and to bring to justice those responsible for his murder. Remarkably, six soldiers were convicted and sentenced to 30 years in prision. One officer, Captain Hugo Contreras, was also convicted. The day that he was sentenced, Captain Contreras was allowed to escape from the military base at which he was held. As is typical in Guatemala, no other officer was held responsible. Anyone at all familiar with Guatemala knows that it would be impossible for a group of low-ranking Guatemalan soldiers to travel by army vehicle 100 kms, as Michael's killers did, to murder a U.S. citizen without orders and promises of protection from their superiors. Several officers, including Colonels Guillermo Portillo Gomez, Julio Roberto Alpirez, and Mario Roberto Garcia Catalan, were clearly implicated in ordering the murder or the attempted cover-up, but they were never brought to justice.
>
> In March of this year, I was stunned to learn that Congressman Robert Torricelli had received information that Colonel Alpirez, whom we had always suspected of involvement, had indeed been a paid asset of the CIA, and had helped at least to facilitate and cover-up my husband's murder. Congressman Torricelli's revelations raised serious questions about the role of various U.S.

government agencies in handling Michael's death. Consequently, the White House ordered a government-wide inquiry to answer these questions, as well as questions raised about other Guatemalan human rights cases. I am indebted to Congressman Torricelli for making public information about Alpirez and allegations of U.S. Government wrongdoing, and for insisting on serious investigations.

As shocked as we were by the disclosure of possible U.S. Government misconduct related to Michael's assassination, my children and I became hopeful that we would finally learn the complete truth about Michael's death. I have since filed dozens of Freedom of Information Act [FOIA] requests, cooperated with U.S. government investigators who are assigned to examine the circumstances of my husband's murder, and met with members of Congress.

Now, however, I am becoming increasingly discouraged that we will never learn the full truth of what happened to Michael, why he was murdered, or what part the U.S. government may have played. My children and I were especially discouraged after reading the four-page summary of the 700-page CIA report, part of which focused on my husband's case. I believe that the summary report sidesteps all the basic questions about Michael's murder, and contains misleading statements.

For example, we still do not know the details of what the CIA knew and when, and why the CIA continued its relationship with Colonel Alpirez after having information that he was connected to Michael's assassination. We also do not know why the CIA eventually decided to terminate its relationship with Alpirez.

In addition, the summary report makes no mention of facts which have already been publicly established, such as Alpirez's role in facilitating the murder by providing the assassins with a place to stay, and attempting to cover up military responsibility. This omission is quite misleading, and appears, inexplicably, to be an attempt to cast Alpirez in a positive light. I also believe that it is misleading for the CIA to say that it is aware of no information indicating that its "employees" were involved, while failing to mention paid assets such as Alpirez.

Equally troubling is the CIA's failure to release its full report. It is obviously impossible to respond to some of the conclusions in the summary report without knowing the basis for those conclusions. How can I or anybody else be confident that there was no involvement on Colonel Alpirez's part in ordering Michael's murder, or that there is no other information about CIA wrongdoing, without at least knowing what the full report says? The failure to disclose anything more than a four-page summary makes me wonder what the CIA is trying to hide.

I gather that a number of people who have seen the full CIA report believe it to be unsatisfactory in many respects. Based on the contents of the CIA's summary report, I can well imagine that the full report is seriously flawed. I hope that all of you here today will encourage the CIA to conduct further investigations and to release publicly the full 700-page report so that answers can be provided to the many unresolved questions in the case.

The inadequacy of the CIA's investigation and its failure to disclose the basis for its findings makes me seriously doubt how much I, or the United States and Guatemalan people, will ever really learn about what happened, and the role of the United States or its intelligence assets. One of the unfortunate effects in Guatemala of the CIA summary report is that Colonel Alpirez is now being publicly vindicated of all involvement. In addition, last month a Guatemalan appeals court upheld a military court ruling that cleared Colonel Garcia Catalan of any connection to Michael's murder. Despite strong evidence that Garcia Catalan authorized Michael's kidnapping and assassination or at least participated in the cover-up, the appeals court held that since an earlier trial had already resulted in convictions, there was no basis to proceed with charged against Garcia Catalan.

The results of my FOIA requests have been as discouraging to me as the CIA summary report. I have received complete denials, on a variety of grounds, from the DEA, Interpol, and the Attorney General. The DEA has acknowledged that it has documents on Colonel Alpirez, but that it still will not release them because, for example, disclosure "may constitute an unwarranted invasion of personal privacy," reveal the identity of a source, or relate to internal practices or policies of the DEA. I have received nothing, other than receipts for my requests, from the Department of Defense, the State Department, and the National Security Council. To date, the only documents I have received from any agency are a transcript from the CIA of William Studeman's statement at the open hearings held on April 5th by the Senate Select Intelligence Committee, and copies of two cables from Interpol which explain nothing.

I love Guatemala, but many terrible things happen there to innocent people. I believe that terrible things will continue to happen, and that there will never be real peace until the guilty parties are held accountable for their acts. For the sake of the people of Guatemala and the United States, as well as for my family, I ask all of you here today to press the Clinton administration for meaningful investigations, the fullest disclosure possible, and the declassification of all documents related to Michael's assassination.

Although my once unshakeable faith in the U.S. Government has been deeply challenged, I still want to believe that the government will do the right thing. I can see no good reason why my children and I should be prevented from knowing at least what our government knows about the facts of my husband's murder, and all those who played a part in ordering his execution, carrying it out, or covering up the true circumstances.

Thank you for your interest and support.

HOUSE OF REPRESENTATIVES—*Friday, September 29, 1995*

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We hear the discordant voices of our land and of our world and we can become perplexed and we wonder if there is any harmony or unity that binds people together. Yet, O gracious God, we know that You have created all people in Your image and are the ruler over all time and space. As we hear the differing voices and the varying clamor and clatter from so many places, remind us that every person from every land from every tradition can speak Your truth, the truth that can set all people free. Bless us, O gracious God, this day and every day, we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. LaHOOD. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the yeas appeared to have it.

Mr. LaHOOD. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Pursuant to the provisions of clause 1, rule I, the Chair will postpone the vote until later in the day.

The point of no quorum is considered withdrawn.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Colorado [Mr. SKAGGS] come forward and lead the House in the Pledge of Allegiance.

Mr. SKAGGS led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair will entertain fifteen 1-minutes on each side.

TRIBUTE TO MARCIA SMITH

(Mr. BEREUTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BEREUTER. Madam Speaker, I rise today to pay tribute and commendation to an exceptional public servant and a member of the congressional staff. After nearly exactly 10 years on my staff, my scheduler and personal secretary, Marcia Smith, will be leaving today. She has been prototypically an exceptional congressional employee, and I wanted to bring that fact to the attention of the House. Her performance here, her skill, the way she has met people from across the world who have come through my office, has been absolutely an outstanding reflection upon this institution, on this Member, and on my constituents in Nebraska.

I thank her for her tremendous service in what is undoubtedly one of the most hectic jobs for all of us, the scheduler-secretary. Her performance here has been exceptional, and I will miss her greatly in my work and life. We wish her well and great success and joy in her new career and life in Chicago. Good luck to you, Marcia.

CHANGE BURDEN OF PROOF IN TAX CASES

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. "With liberty and justice for all." All except taxpayers. The Internal Revenue Service and scorekeeper said if Congress changes the burden of proof in a tax case to treat a taxpayer under the Bill of Rights like any other citizen, innocent until proven guilty, it would cost the Government too much. So as a result, it is not going to happen again.

Let me say this to Members of the Congress: If the Congress themselves scored the Constitution, we would repeal for money purposes the Bill of Rights.

Shame, Congress. Hide your face. It is time to change the burden of proof in a tax case. This Congress must address that issue, or the American people should get in our face.

SAVING MEDICARE

(Mr. CHABOT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CHABOT. Madam Speaker, Republicans in the House this week celebrated the 1-year anniversary of the Contract With America. That contract was and is a promise to the American people to reform the way things are done around here and we delivered. Now we are making a promise to preserve and strengthen Medicare. We intend to deliver again.

The shameless demagoguery that our liberal Democrat colleagues are engaging in will not stop us. The false TV ads put out by special interest groups will not stop us. The deliberate deception of the American people by a liberal minority with no solutions of its own will not stop us. We will deliver.

Mr. Speaker, for too long our Nation was plagued by a liberal majority party that was satisfied with sacrificing the future of our children to sustain its power. Our new majority has already begun to change the priorities of Congress. The Republicans will not let this generation or our future generations down. We promise to save Medicare. We will deliver.

REPRESSING POLITICAL EXPRESSION IN AMERICA

(Mr. SKAGGS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SKAGGS. Madam Speaker, the effort by the proponents of the so-called McIntosh amendment to abuse and repress political expression in this country keeps on causing abuses of its own. First, abusing the regular legislative process and sticking this ill-advised bill into an appropriations measure. Then abusing committee authority by subjecting witnesses at yesterday's hearing to an inquisition about their protected first amendment activities. And now an abuse of decency and truth, putting out a sleazy forgery concocted by Committee on Government Reform and Oversight staff to deceive and mislead.

Yesterday, at the Committee on Government Reform and Oversight hearing on this crazy measure, this document, forged by committee staff to look like the stationery of an organization called as a witness, but containing false and misleading information, was put out. How low will the backers of this awful idea stoop to achieve their illicit purposes?

To add insult to this injury, the chairman has the temerity to claim

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

this forgery was not intended to deceive. Madam Speaker, forgeries, by definition, are intended to deceive.

BIPARTISAN COOPERATION NEEDED TO SAVE MEDICARE

(Mr. EWING asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EWING. Madam Speaker, Democrats claim that the Republican majority is trying to ram through Medicare reform. This is not true. Since April, this Congress has conducted 36 hearings on saving Medicare, and our Members have met with thousands of constituents at hundreds of town meetings across the country. The Washington Post says there is a legitimate debate to be had about what ought to be the future of Medicare. But that is not what the Democrats are engaged in. They are engaged in demagoguery and class warfare, and it is wrong.

I challenge the Democrats to come up with an alternative plan and be part of the solution. Madam Speaker, it is time for the Democrats to take their head out of the sand and dispel the belief that the new Democratic Party image is the ostrich.

SUPPORT INTEGRATING GUAM AND NORTHERN MARIANAS INTO NORTH AMERICAN NUMBERING PLAN

(Mr. UNDERWOOD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. UNDERWOOD. Madam Speaker, I rise today to ask my colleagues to join me in a letter to the Federal Communications Commission in support of integrating Guam and the Commonwealth of the Northern Marianas Islands into the North American numbering plan and the domestic rate system.

A Canadian telecommunications company has objected to the Guam request. The Canadians noted the significant possibility that due to their proximity to Asia, these islands could become telecommunications gateways to billions of potential Asian customers. In other words, the Canadians stand to lose business if the American Pacific territories are integrated into the domestic rate plan.

What are the Canadians afraid of? Believe it or not, they are afraid of competition from American carriers on Guam. Since most of the telecommunications traffic from Asia is currently routed through Vancouver, removing this FCC regulation would mean that American carriers operating on Guam could compete in the Asian market. It's a win for American companies and for the American economy and for competition.

You would think that the way Canada is reacting to this that Guam is challenging the Canadians for the Stanley Cup.

I ask my colleagues to join me in cosigning a letter to the FCC in support of the petition to remove this regulation and in support of increasing American competitiveness in Asia.

STOP SCARING MEDICARE RECIPIENTS

(Mr. TIAHRT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TIAHRT. Madam Speaker, Medicare is going broke by 2002, according to the President's board of trustees. If there is no balanced budget, if the budget was already balanced, and if no reduction in taxes were going to occur, Medicare is still going broke by 2002, according to the President's board of trustees.

Last night I spoke with my mother, Marcy Tiahrt, who this month, September 17, turned 68. My father is 76. I want them to have the best, especially when it comes to Medicare. And after talking to them, I realized that some of the liberal opponents to Medicare were trying to scare them.

I wondered, now, who would want to scare my parents and your parents and your grandparents? Would it be a spoiled child, or a mean-spirited person, or someone with very, very selfish interests? I do not know. But I do know that there is no shame on the floor of the House, and there is no credibility to those who would scare my parents and your parents and your grandparents to serve their selfish motives.

A STEP BACKWARD IN MEDICAL CARE

(Mr. KENNEDY of Rhode Island asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KENNEDY of Rhode Island. Madam Speaker, today in Washington with me is a constituent of mine, Frank DiPalo, Jr. Frank DiPalo will be testifying later this afternoon about the impact of the cuts on Medicare and Medicaid.

Frank remembers the days when his parents could not retire because they could not afford to. Frank DiPalo remembers the days when senior citizens were drugged in nursing homes because they did not have adequate staff to maintain those nursing homes. What the Republicans are calling for is lifting the standards in these nursing homes that keep them home with dignity.

Frank is going to speak out about what it is like for senior citizens with regard to out-of-pocket expenses for pharmaceutical drugs and the like, and Frank is going to say it is unjust for the Republicans to give a $245 billion tax cut, over 52 percent of which is going to go to families earning $100,000 or more, all while 85 percent of Medicare recipients get less than $25,000 and spend more than a quarter of that income on their health care expenses.

LIMITING GOVERNMENT AND LOWERING TAXES

(Mr. LEWIS of Kentucky asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEWIS of Kentucky. Madam Speaker, as the gentleman just spoke, if Frank depends on the Democrats and the liberals for the next 7 years, he will return to those days of yesteryear.

Madam Speaker, Republicans are not backing down from our commitment to balance the budget, cut taxes, save Medicare, and reform welfare. Unlike our liberal friends across the aisle, we will not abandon Medicare to bankruptcy. We are going to make Medicare better and provide more choices. We will also provide tax relief for working families. Taxes are just too high and families need the extra money and to determine how they will spend their own money.

I, for one, will not apologize for advocating tax cuts. Besides, the President and his liberal friends, against the will of the American people, gave them the highest tax increase in the history of the world with the promise they would balance the budget in 5 years. But if you give a liberal a dollar, they will spend five. They did not keep their promise, so let us give the money back.

Madam Speaker, this debate over Medicare really boils down to two assumptions about government: Liberal Democrats believe a big spending, high tax government is good. Republicans do not.

AMERICAN PEOPLE CONCERNED ABOUT MEDICARE

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Madam Speaker, I am amazed that the other side stands up and says shame, shame, shame on this side. Now, let me tell you: That side has been waving around the trustees report saying we must cut Medicare, we must cut Medicare. We have been dealing with the trustees report every year. So they go out and they slash Medicare, and they will not let the trustees even see their plan nor come and testify on their plan, because they know the trustees said you only had to cut $9 billion, and they cut $270 billion.

Oh, what is happening with the change there? That is a chunk of change, and we think they are going to pocket it.

Thank goodness the American people are not asleep. Let me read a letter I got today from a Coloradan. "Today's Republican single-day hearing on Medicaid was one of the most shameful displays of naked arrogant power I have ever witnessed." It goes on to say, "Enough."

If they want to do that, they can at least let the trustees see if they have the right plan. And we know what they are going to say: They are giving a tax cut.

□ 1015

CHANTS OF TAX CUTS FOR THE WEALTHY USED AS DIVERSIONARY TACTIC ON MEDICARE

(Mr. BALLENGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BALLENGER. Madam Speaker, Democrats have accused Republicans of giving tax breaks to the rich. This is a blatant diversionary tactic. The Democrats have no plan to save Medicare. Rather than working to protect Medicare from bankruptcy, they would rather sling mud.

The Republican tax proposals have nothing to do with Medicare. Our cuts in discretionary spending alone will save $151 billion. Savings in welfare and other mandatory spending programs will save $171 billion. So just in these two areas we save $322 billion, far more than our tax cuts.

Democrats have got to realize that in most areas of government life it is time to tighten our belts. The American people mandated these changes in 1994. Now, it is up to us to see our promises will be kept. It is time to protect Medicare and assure beneficiaries that the program as they know it will continue to be available. It is not the time to scare our parents and grandparents into believing class warfare distortions.

TRIBUTE TO AMERICAN VISIONARY JAMES W. ROUSE

(Mr. BARTLETT of Maryland asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARTLETT of Maryland. Madam Speaker, I ask my colleagues to join me today in a tribute to an American visionary and native Marylander, James W. Rouse. Today James Rouse is receiving our Nation's highest civilian award, the Presidential Medal of Freedom.

Mr. Rouse is best known as the creator of shopping malls and Columbia, MD, the largest planned city in America. However, in addition, James Rouse has devoted his life to implementing a vision that has transformed and improved the lives of millions of Americans.

Madam Speaker, many say that with developments such as the Inner Harbor in Baltimore, James Rouse is singularly responsible for saving American cities. His nonprofit Enterprise Foundation formed in 1981 helps low-income neighborhood groups in cities across America rebuild their housing.

Mr. Rouse's words should inspire us all. "A full life is not achieved through one's material well-being, but by dealing with the whole of life wherever one is. Circumstances have placed me in the life of the city. I see so many things that ought to be better."

Congratulations, Mr. Rouse.

REPUBLICANS ASSAULT ON WORKING FAMILIES

(Ms. PELOSI asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. PELOSI. Madam Speaker, I rise today to express grave concern over the Republican assault on working families through their harmful Medicare and Medicaid proposals. Consider the way in which the Republican Medicaid legislation, which passed the Committee on Commerce, leaves the elderly and their families unprotected.

Madam Speaker, elderly people with incomes of less than $625 per month would lose their guarantee to assistance in paying their monthly Medicare premiums. Five million women in America depend on Medicaid to pay their Medicare premiums each month.

In addition to this, there is the problem of nursing home care. In addition to lifting standards for nursing homes, there would be no more guarantee of coverage for nursing homes, there would be no more guarantee of coverage for nursing home care after an individual or family has spent all of its savings. There would be no more guarantee that spouses of nursing home residents would be able to retain enough monthly income to remain in the community.

Madam Speaker, States would be allowed to place liens on the homes, family homes and family farms. States would be allowed to require the adult children of nursing home residents to pay for their parents' nursing home care, about $40,000 a year. And all of this in order to give a tax break to the wealthiest Americans.

DEMOCRATS PLANNING AN OCTOBER 5 TOUR AROUND THE COUNTRY

(Mr. LAHOOD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LAHOOD. Madam Speaker, America should get ready. The Democrats are coming, and the date is October 5. This is their blueprint for coming into more than 50 districts around the country, not to talk about how to save Medicare, but to criticize Republicans.

We have a plan, Madam Speaker. We want to save, protect, and strengthen Medicare, but this is their blueprint. If America wants to know when they are going to be in your area, please call my office. It is October 5. They have no plan. All they want to do is come to these districts and scare Americans and scare senior citizens.

If America wants to know the truth, if they want solutions, if they want to know how we are going to strengthen and protect and save Medicare for our seniors, they should call my office and we will be happy to give them the details. This is the blueprint. They are coming October 5, so get ready.

DEMOCRATS NOT INCLUDED IN REFORMING MEDICARE OR MEDICAID

(Mr. KLINK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KLINK. Madam Speaker, I got a hoot out of hearing my colleagues talking about the Democrats having no plan. It is like a baseball game and it gets to be the bottom of the ninth inning, and they turn to our team and say, hey, do you want to go to bat? They have not included us in any of the plans, they have not included us in anything, and now they want to know if we can to join with them in the bottom of the ninth inning.

I got a great hoot today out of one of my colleagues talking about the Contract With America. The first Contract With America was the Constitution. It guaranteed life, liberty, and the pursuit of happiness. Then in 1935 we made another contract with Americans. We said if Americans work hard and pay into Social Security, they will have a safety net. Then in 1965, when one-third of our seniors were living in poverty, we said we will make another contract with America, we will create Medicare and Medicaid.

Now, the Republicans, for the first time in 40 years, have control of the House, and they want to undo those safety nets. They want to say to these people we are going to save Medicare by bleeding $270 billion out of it. We are going to save Medicaid by bleeding $182 billion out of it. This is the same kind of medical care they used to give George Washington with leeches. I say this is the actually the biggest highway robbery since the James Gang rode the west. They should be ashamed.

SAVE MEDICARE FROM BANKRUPTCY

(Mrs. SEASTRAND asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SEASTRAND. Madam Speaker, here is a picture of the new symbol of the liberal Democrat Party. Yes, it is an ostrich with its head in the sand.

This symbolizes the Democrats response to saving Medicare from bankruptcy. When told back in April by their own Medicare trustees in the Clinton administration that Medicare would go bottom up in 7 years, Democrats buried their heads in the sand.

Madam Speaker, it really is a shame that the party that devised Medicare in the 1960's would abandon it in the 1990's. Democrats have not put forward one idea on how to preserve Medicare, not one. Where is their plan? This is irresponsible and, in the words of the Washington Post, "wrong."

Yesterday, former Democrat Congressman Tim Penny wrote that Democrats should be in the forefront of saving Medicare from bankruptcy. Instead, like this ostrich, they have buried their heads in the sand.

DO NOT CUT MEDICARE

(Ms. DELAURO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DELAURO. Madam Speaker, the Republican plan to cut $270 billion from Medicare in order to fund a tax cut for the wealthy is beginning to make members of their own party squeamish.

This week, three Republican members of the other body said they could not stand by a $245 billion tax cut while cutting $270 billion from Medicare. They think it is the wrong thing to do and they are right.

The Republican proposals to cut Medicare will mean that seniors will see their premiums double and their deductibles double. Senior citizens living on fixed incomes simply cannot afford to see their premiums go from $45 a month to $93 a month, or see their deductibles go from $100 to $200.

The three Republican Senators are right. It is wrong to ask 37 million American seniors to pay $1,000 more for Medicare, so that the wealthiest Americans can get a $20,000 tax cut.

SENIOR CITIZENS SHOULD HAVE RIGHT TO CHOOSE THEIR HEALTH PLAN

(Mr. HOKE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOKE. Madam Speaker, did you see this? We just heard more of this.

Madam Speaker, one of the things that amazes me about this debate is that one of the options that individuals have, and the gentlewoman from Connecticut will be pleased to know this, is if a senior citizen chooses, chooses to stay in a 35-year-old plan, they may do that. If they choose to do that, they have that option. They have the option to do that if they want. They will have other choices that will give them far more flexibility, far more choice, et cetera, et cetera.

What is important about this is that in fact what we do know is that one of the choices that will exist is if a senior citizen wants to stay in the program exactly the way that it is today, they may do that. They may do that, but they will also be given other choices, better choices, newer choices.

DEMOCRATS SHOULD BE LEADERS, NOT OBSTRUCTIONISTS, DURING REFORM OF MEDICARE

(Mr. GUTKNECHT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GUTKNECHT. Madam Speaker, I do not expect the people on that side of the aisle necessarily to listen to us, but I would hope they would listen to one of their former colleagues and a Democrat who wrote the other day in the Washington Post. And, incidentally, he was my immediate predecessor, Tim Penny, who wrote a column entitled "Medicare Mistake."

In the column he says, "By politicizing the issue, Democrats threaten the viability of the very program they created." He goes on to say, "Democrats in Congress have not only opposed Republican reform initiatives, they have also refused to embrace the savings identified in President Clinton's plan. We cannot afford to ignore Medicare's shaky financial condition or put it off until after the next election. It is just too important. The Medicare trustees have given us a 7-year warning. These 7 years should not be squandered in indecision, stall tactics and politicking. We should view this time as an opportunity to devise and employ creative solutions. Democrats should be the leaders in this debate, not the obstructionists."

□ 1030

APPOINT AN OUTSIDE COUNSEL AND BRING INVESTIGATION OF SPEAKER TO A CONCLUSION

(Mr. MILLER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MILLER of California. Madam Speaker, the lyrics to an old song say, "First you say you will, then you say you won't. You're undecided now, what are you going to do?"

This apparently has become the theme song for the chairman of the Committee on Standards of Official Conduct, the gentlewoman from Connecticut [Mrs. JOHNSON]. One minute she says she is going to have an outside counsel, then she is not going to have an outside counsel.

She said in 1988, the House should have an outside counsel when the committee investigated Speaker Wright, and now she is saying maybe she did not mean to sign that letter or agree with it at all. What is it?

The fact is that the only way this inquiry of Speaker GINGRICH can be brought to a conclusion is with an outside counsel. The press tells us, the Manchester Journal and Inquirer tells us, that when the chairman of the House Committee on Standards of Official Conduct visited with the Speaker to inform him that in all likelihood there would be an outside counsel, he hit the roof and said, "You are going to wreck the GOP revolution and you are going to bring me down."

Well, as he said to Speaker Wright, if you are innocent, you have nothing to fear from the outside counsel. Let us maintain the standard that the House has had since 1979 and appoint an outside counsel and let us get this investigation to a conclusion.

JUANITA MORGAN'S DEPARTURE FROM THE JOINT ECONOMIC COMMITTEE

(Mr. SAXTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SAXTON. Madam Speaker, as vice chairman of the Joint Economic Committee, I rise today to thank and wish the best of luck to Juanita Morgan, or Nita, as all her friends call her.

I have had the great pleasure of working with Nita, who after 16 years of loyal and dedicated service, is leaving the Joint Economic Committee to join the private sector.

During her tenure with the committee, Nita has worked in a variety of professional and administrative roles including planning hearings, producing studies, and generally making the trains run on time.

Nita has worked with a number of JEC members including our distinguished majority leader, Mr. ARMEY, Senator ROTH, Congressman "BUD" BROWN, and many others.

Over the years Nita has impressed all of us with her dedication, creativity, and professionalism.

Nita has worked on the most successful JEC projects from the formation of what would become the Reagan Economic Revolution to the New Republican Renaissance.

Nita Morgan will be sorely missed. But we do wish her nothing but the best in her new position with the Business Leadership Council.

Nita, good luck and godspeed.

TIME TO APPOINT OUTSIDE COUNSEL TO INVESTIGATE COMPLAINTS AGAINST SPEAKER

(Mr. STUPAK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STUPAK. Madam Speaker, I rise today to ask the Committee on Standards of Official Conduct to once again appoint an outside counsel, for the Committee on Standards of Official Conduct has not followed the process as described here in the Rules of Official Conduct.

These rules state that after receiving a complaint, the Committee on Standards of Official Conduct then determines whether the complaint, here against the Speaker, merits further inquiry and then it issues a preliminary inquiry. That is found in rule XV.

If so, then a subcommittee is appointed to investigate, under rule XVII, whether there is reason to believe a violation has occurred. Then the Committee on Standards of Official Conduct conducts a trial-like hearing.

Unfortunately, the resolution for a preliminary inquiry has never been filed. But the Committee on Standards of Official Conduct, according to its chairperson, has begun a process that is "flexible" and "a process that its own committee Members can feel good about."

Madam Speaker, ethics should not be flexible because the subject of the investigation is the Speaker. I want all Members and the American people to feel good about this investigation and to restore the faith and confidence in this institution.

Please appoint an outside independent counsel.

TIME TO CUT SUGAR SUBSIDIES

(Mr. KINGSTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KINGSTON. Madam Speaker, one thing maybe we can agree on, on a bipartisan basis, is the sugar program. In a Congress where we are revising and cutting and reducing welfare, education, farm programs right and left. We are restructuring Medicare and the School Lunch Program. We are going after all commodities: Peanuts, cotton, wheat, the Market Promotion Program. The list is endless.

But, Madam Speaker, what stands alone as the sweetest deal of all? Sugar. And the result: The world price of sugar is 11 cents per ton; the domestic price is 24 cents a ton.

But does it really cost the taxpayers? Not directly, because they have got the USDA in on the thing. Who pays the difference though? Shoppers at the grocery stores, and it costs American consumers $1.4 billion.

Who is getting rich on it? Plenty of sugar farmers out there. There are 33 farmers involved in the sugar program in Florida alone that receive over a billion dollars in payments. One gets about $65 million a year.

Madam Speaker, the gentleman from Florida [Mr. MILLER] and the gentleman from New York [Mr. SCHUMER] have a bill to eliminate the sugar program, and I believe, Madam Speaker, we should bring this debate to the floor of the House for a yes-or-no vote.

FULL INQUIRY INTO ETHICS COMPLAINTS IS MERITED

(Mr. WARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WARD. Madam Speaker, I want to share some newspaper quotations from the Hartford Courant, the newspaper in Hartford, CT. In an article in Wednesday's edition, the Committee on Standards of Official Conduct chairman, NANCY JOHNSON, was asked why she was treating ethics cases this year differently than she, in a 1988 letter, said such cases should be treated.

In 1988, Chairman JOHNSON insisted that the committee conduct a full inquiry into every complaint against then Speaker Jim Wright. Mrs. JOHNSON's explanation in the article is that, and I quote from the article, "This is Newt speaking." In 1988, she said that.

Yes, the very man today who is of a different opinion now than he was then; than he and Committee on Standards of Official Conduct Chair JOHNSON were then.

Madam Speaker, if in 1988 we should have had a full, no-subject-areas-ignored-and-avoided inquiry, then we should today. We should do it the same today as they insisted we do it in 1988.

DEMOCRATS REMAIN COMMITTED TO LEVELING IMPULSE

(Mr. HERGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HERGER. Madam Speaker, since the mid-1800's, Western intellectuals have been consumed by what is known as the leveling impulse. The leveling impulse is the idea that Government can create a more just society by redistributing wealth. Today, the modern Democrat Party is grounded in the leveling impulse. To Democrats, any talk of a tax decrease is absolutely sinful.

This is why they rail at any attempt by this Republican Congress to give working American families a $500-per-child tax credit. That is why they scream when reduced capital gains are mentioned. And that is why they fight to preserve every silly Government spending project ever devised.

Madam Speaker, Democrats claim we are raiding Medicare to give tax breaks for the rich. This is beyond ludicrous. Our tax cuts are more than offset by shrinking the bureaucratic government. The real problem here is that Democrats are still convinced that all money belongs to them and that government is a miracle worker.

INDEPENDENT COUNSEL NOW FOR COMPLAINTS AGAINST SPEAKER

(Mr. DOGGETT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DOGGETT. Madam Speaker, with September drawing to a close, troubling ethical questions concerning the process of ethics in this House linger on.

As a recent supreme court justice, I am concerned about the rule of law, about ethical standards, about the precedents of this House. The precedent of this House is that in every significant case since 1979, before the Committee on Standards of Official Conduct, an independent counsel has been proposed and has been implemented.

The words of the gentlewoman who heads that Committee on Standards of Official Conduct today are that she thinks that naming an outside counsel could get in the way of the committee. And she says, and these are really her words this week, "The letter of the law is not compelling to me. My goal is to have a process that the committee members feel good about."

We do not need to feel good. We need the letter of the law. We need the rule of law.

There is another precedent. It's called the Packwood precedent. Delay, delay, delay, until the people of this country demand action. That is what they need to do about Speaker GINGRICH.

AMERICA MUST REJECT REPUBLICAN MEDICARE PLAN

(Mr. HILLIARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HILLIARD. Madam Speaker, after only 1 day of hearings, the Republicans have finally released their plan to kill Medicare. The American people know exactly what the Republicans are doing.

The Republican plan is to cut $270 billion out of Medicare to pay for a tax cut for the rich. Because of this, seniors' premiums will be increased, seniors will be put out of nursing homes, medical services will decrease, drug costs will increase. Finally, Madam Speaker, under the Republican plan, the elderly will die prematurely.

America must reject this cold, this cruel, and this heartless Republican plan to kill Medicare.

APPOINTMENT OF ADDITIONAL CONFEREES ON S. 440, NATIONAL HIGHWAY SYSTEM DESIGNATION ACT OF 1995

The SPEAKER pro tempore (Mrs. WALDHOLTZ). Without objection, the Chair appoints the following additional conferees on the Senate bill (S. 440) to amend title 23, United States Code, to provide for the designation of the National Highway System, and for other purposes.

As additional conferees for the consideration of sections 105 and 141 of the Senate bill, and section 320 of the House amendment, and modifications committed to conference: Messrs. BLILEY, BILIRAKIS, BARTON of Texas, GREENWOOD, DINGELL, WAXMAN, and BROWN of Ohio.

As additional conferees for the consideration of section 157 of the Senate bill, and modifications committed to conference: Messrs. YOUNG of Alaska, HANSEN, and MILLER of California.

There was no objection.

The SPEAKER pro tempore. The Clerk will notify the Senate of the change in conferees.

CONFERENCE REPORT ON H.R. 1977, DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 1996

Mr. REGULA. Madam Speaker, pursuant to House Resolution 231, I call up the conference report on the bill (H.R. 1977), making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1996, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. BUNNING). Pursuant to the rule, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of September 21, 1995, at page H9431.)

The SPEAKER pro tempore. The gentleman from Ohio [Mr. REGULA] will be recognized for 30 minutes, and the gentleman from Illinois [Mr. YATES] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Ohio [Mr. REGULA].

Mr. REGULA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today with somewhat mixed emotions. I had hoped to bring my first Interior appropriations conference agreement, as chairman, to the floor with unqualified support. Unfortunately, there are some divisions among conferees as you will note from the conference report.

Mr. Speaker, the essence of democracy is compromise. In my 9 months as chairman I have learned that our form of government is truly a democracy, and I would not change that. Despite that fact, I, like many of our conferees, am not happy with every provision in the bill. However, the conference agreement before you today is an excellent example of how we on the Committee on Appropriations have taken our pledge to balance the budget very seriously.

Mr. Speaker, the bill before you today charts a new course, a fiscally responsible course, but a course which also provides for the protection and enhancement of our public lands, preserves the critical science and research capabilities, and maintains health and education programs for native Americans and, I would add, very important, respects private property rights.

While I believe this bill is fiscally very responsible and represents common sense, the action of the conferees with respect to mining is in direct opposition to the views of a bipartisan majority of this body, as was evident by the vote on the Klug amendment, I understand there will probably be a motion to recommit and each Member will have to make his or her own decision on the mining policy issue.

Mr. Speaker, the bill is 10 percent, or $1.4 billion below 1995 spending levels. This represents real savings, both now and in the future. By not starting new programs or construction, we save costs in future years. The bill terminates agencies and programs and puts others on notice that Federal funding will terminate in the near future. This bill is not business as usual.

We are not cutting at the margins with the hopes that we can keep programs on life support until more money becomes available in the future. Instead, we have terminated lower priority initiatives to provide scarce resources to meet the many critical needs of our public lands, to ensure quality health and education for native Americans and to promote quality science and research in energy and public land management.

Specifically, four agencies are eliminated: the National Biological Service; Bureau of Mines; DOE's Office of Emergency Preparedness; and Pennsylvania Avenue Development Corporation. In addition, more than 35 individual programs have been eliminated.

With respect to the National Biological Service, an issue of some interest to many in this body, let me reiterate that the NBS has been eliminated. However, as many agreed, the core natural resource research activities, critical to responsible stewardship of our public lands, has been preserved and will be carried out by what is widely recognized as the premier unbiased, credible, specific agency, the U.S. Geological Survey.

This will ensure that critical research, critical scientific information will continue, and that it will be conducted independent of regulatory influence or agendas and will ensure scientific excellence.

In keeping with our commitment to reduce spending, we have also cut funding for this activity by 15 percent.

□ 1045

As to the endangered species program, we are waiting on the authorizing committee inasmuch as the authorization for the Endangered Species Act has expired and we hope that the Committee on Resources will bring out a bill. The appropriation recognizes that we are waiting for that action.

The National Endowment for the Arts is funded at the House-passed level of $99.5 million. The statement of the managers also makes it clear that it is the intent of the House to terminate Federal support for the NEA after fiscal year 1997. Again, this is consistent with the authorizing bill that has come out of the committee of jurisdiction.

Funding for land acquisition, as in the House-passed bill, is not earmarked and is funded at 40 percent below last year's funding levels. This ensures that the limited funding will be directed only to high priority projects for the four land management agencies. If there is a critical piece of land, there will be funding available, but we do no earmarking.

Contrary to what Members may have read in their local press, passage of this bill will not force the closure of one single national park or recreation area. No park will be forced to close under this agreement, as funding for park operations is over 1995 levels by $5 million. I would point out that this is in the face of a 10-percent reduction overall. We have kept the funding for those agencies, those facilities where the public interfaces at pretty much 1995 levels in terms of operations. In the case of the parks, it is $5 million over 1995. There certainly is not reason whatsoever to close any park.

To achieve that, increased savings were made in lower priority park programs such as land acquisition and construction. Those things are nice to do, but we did not have the funding to achieve that. Initially, I tried to divide the responsibilities into three categories, must-do's need-to-do's and nice-to-do's. Some of these are nice to do, but we had to take care of the must-do's.

Construction has been reduced by more than 14 percent, and land acquisition is down nearly 44 percent. Overall—and that is including every dimension of the park activity—funding is down less than 5 percent. With respect to construction, we have funded critical maintenance, health and safety, and repair and rehabilitation rather than starting new projects.

In effect, let us take care of what we have. This is very important. All of you who are homeowners recognize that you have to take care of the repairs and rehabilitation of a structure or the result of much more expensive problems later on. We have taken that approach in dealing with our responsibility in terms of construction.

Funding for critical scientific research is also maintained, including important health and safety research and mineral assessments of the former Bureau of Mines, which will now be carried out by the USGS and the Department of Energy for significant savings. This disposition upholds the House position that much of the work of the Bureau in health and safety research and minerals information is critical and these functions will be preserved.

I might also add that in terms of the energy funding, we respect the contractual obligations of the U.S. Government. We have many projects that are underway and research through contracts with universities, almost all of them matching funds. Nevertheless we ensure that these contracts can be carried out and that the word of the U.S. Government will be maintained.

Core programs that are critical to providing for the needs of native Americans have also been maintained. Funding for the Indian Health Service is down less than 1 percent from last year's level. I might add that many native Americans came to see me in the past 3 weeks, and without exception they said the most important thing to them is the tribal priority allocations [TPA]. We recognize their concerns, and for that reason we directed the $87 million increase over the Senate to TPA.

Energy programs have also been reduced 10 percent from 1995 levels with commitments for continued downward trends. Numerous energy projects were terminated and the limited funding focused on projects and programs which leveraged significant non-Federal investment. While new construction was significantly curtailed, it was our goal to take care of necessary maintenance and rehabilitation of Federal facilities, and a good example is the Smithsonian, where the conference report provides nearly $34 million, which is the President's budget request, for critical repair and restoration of aging Smithsonian facilities.

As Members may recall, when the Interior bill was on the House floor in July, the House voted 271 to 153 to support maintaining the existing moratorium on the issuance of mineral patents on public lands. However, the Senate prevailed in the conference, and that moratorium is not presently in the conference report.

I reiterate, in terms of the budget, this is a good bill and with respect to the stewardship of our public lands and resources, I also believe it is a good bill. In the long term we cannot truly be good stewards of our public lands and our cultural and natural resources, we cannot foster scientific excellence, we cannot ensure a better future for native Americans, we cannot improve our energy security, if we cannot first get our fiscal house in order.

I think it is imperative for future generations, if they are to have the same rich heritage that we have, that we have control of our fiscal house, that we not spend their future.

Page 53 in the statement of the managers which accompanies the conference report—House Report 104–259—contains a typographical error under amendment No. 110 which deals with the fossil energy research and development appropriation for the Department of Energy. The general reduction to processing research and downstream operations in the oil technology program is $1,100,000.

Mr. Speaker, I include for the RECORD at this point a table on the various amounts in the bill as agreed to by the conference managers.

FY 1996 INTERIOR AND RELATED AGENCIES APPROPRIATIONS BILL (H.R. 1977)

	FY 1995 Enacted	FY 1996 Estimate	House	Senate	Conference	Conference compared with enacted
TITLE I - DEPARTMENT OF THE INTERIOR						
Bureau of Land Management						
Management of lands and resources	597,236,000	616,547,000	570,017,000	563,936,000	568,062,000	-29,174,000
Fire protection	114,748,000	114,763,000				-114,748,000
Emergency Department of the Interior firefighting fund	121,176,000	131,482,000				-121,176,000
Wildland fire management			235,924,000	240,159,000	235,924,000	+235,924,000
Central hazmat account	13,409,000	14,024,000	10,000,000	10,000,000	10,000,000	-3,409,000
Construction and access	12,068,000	3,019,000	2,515,000	2,615,000	3,115,000	-8,953,000
Payments in lieu of taxes	101,409,000	113,911,000	111,409,000	100,000,000	101,500,000	+91,000
Land acquisition	14,757,000	24,473,000	8,500,000	10,550,000	12,800,000	-1,957,000
Oregon and California grant lands	97,364,000	112,752,000	91,387,000	95,364,000	93,379,000	-3,985,000
Range improvements (indefinite)	10,350,000	9,113,000	9,113,000	9,113,000	9,113,000	-1,237,000
Service charges, deposits, and forfeitures (indefinite)	8,883,000	8,993,000	8,993,000	8,993,000	8,993,000	+110,000
Miscellaneous trust funds (indefinite)	7,605,000	7,605,000	7,605,000	7,605,000	7,605,000	
Total, Bureau of Land Management	1,099,005,000	1,156,682,000	1,055,463,000	1,048,335,000	1,050,491,000	-48,514,000
United States Fish and Wildlife Service						
Resource management	511,334,000	535,018,000	497,150,000	501,478,000	497,943,000	-13,391,000
Construction	53,768,000	34,095,000	28,358,000	38,775,000	37,655,000	-16,113,000
Natural resource damage assessment and restoration fund	6,687,000	5,700,000	6,018,000	4,000,000	4,000,000	-2,687,000
Land acquisition	67,141,000	62,912,000	14,100,000	32,031,000	36,900,000	-30,241,000
Cooperative endangered species conservation fund	8,983,000	38,000,000	8,085,000	8,085,000	8,085,000	-898,000
National wildlife refuge fund	11,977,000	11,371,000	10,779,000	10,779,000	10,779,000	-1,198,000
Rewards and operations	1,167,000	1,169,000	600,000	600,000	600,000	-567,000
North American wetlands conservation fund	8,983,000	12,000,000	4,500,000	6,750,000	6,750,000	-2,233,000
Lahontan Valley and Pyramid Lake fish and wildlife fund		152,000	152,000	152,000	152,000	+152,000
Rhinoceros and tiger conservation fund		400,000	200,000	200,000	200,000	+200,000
Wildlife conservation and appreciation fund	996,000	1,000,000	998,000	800,000	800,000	-196,000
Total, United States Fish and Wildlife Service	671,038,000	702,817,000	566,938,000	603,650,000	603,864,000	-67,174,000
Natural Resources Science Agency						
Research, inventories, and surveys	162,041,000	172,696,000		145,965,000		-162,041,000
National Park Service						
Operation of the national park system	1,077,900,000	1,157,738,000	1,088,249,000	1,092,266,000	1,083,151,000	+5,251,000
National recreation and preservation	42,941,000	39,305,000	35,725,000	38,094,000	37,649,000	-5,292,000
Historic preservation fund	41,421,000	43,000,000	37,934,000	38,312,000	36,212,000	-5,209,000
Construction	167,688,000	179,883,000	114,868,000	116,480,000	143,225,000	-24,463,000
Urban park and recreation fund	6,000	2,300,000				-6,000
Land and water conservation fund (rescission of contract authority)	-30,000,000	-30,000,000	-30,000,000	-30,000,000	-30,000,000	
Land acquisition and state assistance	87,373,000	82,696,000	14,300,000	45,187,000	49,100,000	-38,273,000
Crime Trust Fund		15,200,000				
Total, National Park Service (net)	1,387,329,000	1,490,122,000	1,261,076,000	1,300,336,000	1,319,337,000	-67,992,000
United States Geological Survey						
Surveys, investigations, and research	571,462,000	586,369,000	686,944,000	577,503,000	730,503,000	+159,041,000
Minerals Management Service						
Royalty and offshore minerals management	188,181,000	193,348,000	186,556,000	182,169,000	182,994,000	-5,187,000
Oil spill research	6,440,000	7,892,000	6,440,000	6,440,000	6,440,000	
Total, Minerals Management Service	194,621,000	201,240,000	192,996,000	188,609,000	189,434,000	-5,187,000
Bureau of Mines						
Mines and minerals	152,427,000	132,507,000	87,000,000	128,007,000	64,000,000	-88,427,000
Office of Surface Mining Reclamation and Enforcement						
Regulation and technology	109,795,000	107,152,000	92,751,000	95,470,000	95,470,000	-14,325,000
Receipts from performance bond forfeitures (indefinite)	1,169,000	501,000	500,000	500,000	500,000	-669,000
Subtotal	110,964,000	107,653,000	93,251,000	95,970,000	95,970,000	-15,014,000
Abandoned mine reclamation fund (definite, trust fund)	182,423,000	185,120,000	176,327,000	170,441,000	173,887,000	-8,536,000
Total, Office of Surface Mining Reclamation and Enforcement	293,407,000	292,773,000	269,578,000	266,411,000	269,857,000	-23,550,000

FY 1996 INTERIOR AND RELATED AGENCIES APPROPRIATIONS BILL (H.R. 1977) — continued

	FY 1995 Enacted	FY 1996 Estimate	House	Senate	Conference	Conference compared with enacted
Bureau of Indian Affairs						
Operation of Indian programs	1,519,012,000	1,609,842,000	1,509,630,000	1,261,234,000	1,359,434,000	-159,578,000
Construction	120,450,000	125,424,000	98,033,000	107,333,000	100,833,000	-19,617,000
Indian land and water claim settlements and miscellaneous payments to Indians	77,096,000	151,025,000	75,145,000	82,745,000	80,645,000	+3,549,000
Navajo rehabilitation trust fund	1,996,000					-1,996,000
Technical assistance of Indian enterprises	1,966,000	1,986,000		900,000	500,000	-1,466,000
Indian direct loan program account	779,000					-779,000
(Limitation on direct loans)	(10,890,000)					(-10,890,000)
Indian guaranteed loan program account	9,671,000	9,664,000		7,700,000	5,000,000	-4,671,000
(Limitation on guaranteed loans)	(46,900,000)	(70,100,000)		(50,680,000)	(35,914,000)	(-10,986,000)
Total, Bureau of Indian Affairs	1,730,970,000	1,897,941,000	1,682,808,000	1,459,912,000	1,546,412,000	-184,558,000
Territorial and International Affairs						
Assistance to territories	50,481,000	41,512,000	24,685,000	40,468,000	37,468,000	-13,013,000
Northern Mariana Islands Covenant	27,720,000	27,720,000	27,720,000	27,720,000	27,720,000	
Subtotal	78,201,000	69,232,000	52,405,000	68,188,000	65,188,000	-13,013,000
Trust Territory of the Pacific Islands	19,800,000					-19,800,000
Compact of Free Association	13,574,000	10,038,000	14,618,000	10,038,000	10,038,000	-3,536,000
Mandatory payments	10,000,000	14,900,000	14,900,000	14,900,000	14,900,000	+4,900,000
Subtotal	23,574,000	24,938,000	29,518,000	24,938,000	24,938,000	+1,364,000
Total, Territorial and International Affairs	121,575,000	94,170,000	81,923,000	93,126,000	90,126,000	-31,449,000
Departmental Offices						
Departmental management	62,479,000	64,772,000	53,919,000	57,796,000	57,796,000	-4,683,000
Office of the Solicitor	34,608,000	35,361,000	34,608,000	34,608,000	34,608,000	
Office of Inspector General	23,939,000	25,485,000	23,939,000	23,939,000	23,939,000	
Construction Management	1,996,000	2,000,000		500,000	500,000	-1,496,000
National Indian Gaming Commission	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	
Office of Special Trustee for American Indians				16,338,000	16,338,000	+16,338,000
Total, Departmental Offices	124,022,000	128,618,000	113,466,000	134,181,000	134,181,000	+10,159,000
Total, title I, Department of the Interior:						
New budget (obligational) authority (net)	6,507,897,000	6,855,936,000	6,000,190,000	5,946,037,000	5,998,205,000	-509,692,000
Appropriations	(6,537,897,000)	(6,870,736,000)	(6,030,190,000)	(5,976,037,000)	(6,028,205,000)	(-509,692,000)
Rescission	(-30,000,000)	(-30,000,000)	(-30,000,000)	(-30,000,000)	(-30,000,000)	
Crime trust fund		(15,200,000)				
(Limitation on direct loans)	(10,890,000)					(-10,890,000)
(Limitation on guaranteed loans)	(46,900,000)	(70,100,000)		(50,680,000)	(35,914,000)	(-10,986,000)
TITLE II - RELATED AGENCIES						
DEPARTMENT OF AGRICULTURE						
Forest Service						
Forest research	193,748,000	203,798,000	182,000,000	177,000,000	178,000,000	-15,748,000
State and private forestry	154,268,000	187,459,000	129,561,000	136,794,000	136,794,000	-17,474,000
Emergency pest suppression fund	17,000,000					-17,000,000
International forestry	4,967,000	10,000,000				-4,967,000
National forest system	1,328,893,000	1,348,755,000	1,266,678,000	1,247,543,000	1,256,253,000	-72,640,000
Forest Service fire protection	159,265,000	164,265,000				-159,265,000
Emergency Forest Service firefighting fund	226,200,000	239,000,000				-226,200,000
Emergency appropriations	460,000,000					-460,000,000
Wildland Fire Management			385,485,000	381,485,000	385,485,000	+385,485,000
Construction	199,215,000	192,336,000	120,000,000	186,888,000	163,500,000	-35,715,000
Timber receipts transfer to general fund (indefinite)	(-44,769,000)	(-44,548,000)	(-44,548,000)	(-44,548,000)	(-44,548,000)	(+221,000)
Timber purchaser credits	(50,000,000)	(50,000,000)	(50,000,000)	(50,000,000)	(50,000,000)	
Land acquisition	63,882,000	65,311,000	14,600,000	41,167,000	41,200,000	-22,682,000
Acquisition of lands for national forests, special acts	1,250,000	1,317,000	1,069,000	1,069,000	1,069,000	-181,000
Acquisition of lands to complete land exchanges (indefinite)	210,000	210,000	210,000	210,000	210,000	
Range betterment fund (indefinite)	4,575,000	3,976,000	3,976,000	3,976,000	3,976,000	-599,000
Gifts, donations and bequests for forest and rangeland research	89,000	92,000	92,000	92,000	92,000	+3,000
Total, Forest Service	2,803,602,000	2,416,539,000	2,103,671,000	2,176,224,000	2,166,579,000	-637,023,000
DEPARTMENT OF ENERGY						
Clean coal technology	-337,879,000	-155,019,000				+337,879,000
Fossil energy research and development	423,701,000	436,506,000	379,524,000	376,181,000	417,169,000	-6,532,000
(By transfer)	(17,000,000)					(-17,000,000)
Alternative fuels production (indefinite)	-3,900,000	-2,400,000	-2,400,000	-2,400,000	-2,400,000	+1,500,000
Naval petroleum and oil shale reserves	187,048,000	101,028,000	151,028,000	136,028,000	149,028,000	-38,020,000
Energy conservation	755,751,000	923,561,000	556,371,000	576,976,000	553,293,000	-202,458,000
Biomass Energy Development (transfer)		-16,000,000	-16,000,000	-16,000,000	-16,000,000	-16,000,000

FY 1996 INTERIOR AND RELATED AGENCIES APPROPRIATIONS BILL (H.R. 1977) — continued

	FY 1995 Enacted	FY 1996 Estimate	House	Senate	Conference	Conference compared with enacted
Economic regulation	12,413,000	10,500,000	6,297,000	8,036,000	6,297,000	-6,116,000
Emergency preparedness	8,233,000	8,219,000	....	....	....	-8,233,000
Strategic Petroleum Reserve	136,954,000	25,689,000	....	....	....	-136,954,000
(By transfer)	(90,764,000)	(187,000,000)	(187,000,000)	(187,000,000)	(187,000,000)	(+96,236,000)
Energy Information Administration	84,566,000	84,689,000	78,766,000	64,766,000	72,266,000	-12,300,000
Total, Department of Energy	1,265,887,000	1,416,775,000	1,154,868,000	1,143,589,000	1,179,653,000	-86,234,000
DEPARTMENT OF HEALTH AND HUMAN SERVICES						
Indian Health Service						
Indian health services	1,709,780,000	1,816,350,000	1,725,792,000	1,815,373,000	1,722,842,000	+13,062,000
Indian health facilities	253,282,000	242,672,000	236,975,000	151,227,000	238,958,000	-14,324,000
Total, Indian Health Service	1,963,062,000	2,059,022,000	1,962,767,000	1,966,600,000	1,961,800,000	-1,262,000
DEPARTMENT OF EDUCATION						
Office of Elementary and Secondary Education						
Indian education	81,341,000	84,785,000	52,500,000	54,660,000	52,500,000	-28,841,000
OTHER RELATED AGENCIES						
Office of Navajo and Hopi Indian Relocation						
Salaries and expenses	24,888,000	26,345,000	21,345,000	20,345,000	20,345,000	-4,543,000
Institute of American Indian and Alaska Native Culture and Arts Development						
Payment to the Institute	11,213,000	19,846,000	5,500,000	5,500,000	5,500,000	-5,713,000
Smithsonian Institution						
Salaries and expenses	313,853,000	329,800,000	308,471,000	307,988,000	308,188,000	-5,665,000
Construction and improvements, National Zoological Park	3,042,000	4,950,000	3,000,000	3,250,000	3,250,000	+208,000
Repair and restoration of buildings	23,864,000	34,000,000	24,954,000	33,954,000	33,864,000	+10,000,000
Construction	21,857,000	38,700,000	12,950,000	27,700,000	27,700,000	+5,843,000
Total, Smithsonian Institution	362,706,000	407,450,000	350,375,000	372,892,000	373,002,000	+10,386,000
National Gallery of Art						
Salaries and expenses	52,902,000	54,566,000	51,315,000	51,844,000	51,844,000	-1,058,000
Repair, restoration and renovation of buildings	4,016,000	9,885,000	5,500,000	7,385,000	6,442,000	+2,426,000
Total, National Gallery of Art	56,918,000	64,451,000	56,815,000	59,229,000	58,286,000	+1,368,000
John F. Kennedy Center for the Performing Arts						
Operations and maintenance	10,323,000	10,373,000	9,800,000	10,323,000	10,323,000	....
Construction	8,983,000	9,000,000	8,983,000	8,983,000	8,983,000	....
Total, John F. Kennedy Center for the Performing Arts	19,306,000	19,373,000	18,783,000	19,306,000	19,306,000	....
Woodrow Wilson International Center for Scholars						
Salaries and expenses	8,878,000	10,070,000	5,140,000	6,537,000	5,840,000	-3,038,000
National Foundation on the Arts and the Humanities						
National Endowment for the Arts						
Grants and administration	133,846,000	143,675,000	82,259,000	88,765,000	82,259,000	-51,587,000
Matching grants	28,512,000	28,725,000	17,235,000	21,235,000	17,235,000	-11,277,000
Total, National Endowment for the Arts	162,358,000	172,400,000	99,494,000	110,000,000	99,494,000	-62,864,000
National Endowment for the Humanities						
Grants and administration	146,131,000	156,087,000	82,469,000	94,000,000	94,000,000	-52,131,000
Matching grants	25,913,000	25,913,000	17,025,000	16,000,000	16,000,000	-9,913,000
Total, National Endowment for the Humanities	172,044,000	182,000,000	99,494,000	110,000,000	110,000,000	-62,044,000
Institute of Museum Services						
Grants and administration	28,715,000	29,800,000	21,000,000	21,000,000	21,000,000	-7,715,000
Total, National Foundation on the Arts and the Humanities	363,117,000	384,200,000	219,988,000	241,000,000	230,494,000	-132,623,000
Commission of Fine Arts						
Salaries and expenses	834,000	879,000	834,000	834,000	834,000	....
National Capital Arts and Cultural Affairs						
Grants	7,500,000	6,941,000	6,000,000	6,000,000	6,000,000	-1,500,000
Advisory Council on Historic Preservation						
Salaries and expenses	2,947,000	3,063,000	3,063,000	2,500,000	2,500,000	-447,000

FY 1996 INTERIOR AND RELATED AGENCIES APPROPRIATIONS BILL (H.R. 1977) — continued

	FY 1995 Enacted	FY 1996 Estimate	House	Senate	Conference	Conference compared with enacted
National Capital Planning Commission						
Salaries and expenses	5,665,000	6,000,000	5,090,000	5,090,000	5,090,000	-575,000
Franklin Delano Roosevelt Memorial Commission						
Salaries and expenses	48,000	147,000	48,000	147,000	147,000	+99,000
Pennsylvania Avenue Development Corporation						
Salaries and expenses	2,738,000	3,043,000	2,000,000			-2,738,000
Public development	4,084,000	2,445,000				-4,084,000
Land acquisition and development fund		1,388,000				
Total, Pennsylvania Avenue Development Corporation	6,822,000	6,876,000	2,000,000			-6,822,000
United States Holocaust Memorial Council						
Holocaust Memorial Council	26,609,000	28,707,000	28,707,000	26,609,000	28,707,000	+2,098,000
Total, title II, Related Agencies	7,011,333,000	6,961,469,000	5,997,212,000	6,107,062,000	6,116,673,000	-894,660,000
(Timber receipts transfer to general fund, indefinite)	(-44,769,000)	(-44,548,000)	(-44,548,000)	(-44,548,000)	(-44,548,000)	(+221,000)
(Timber purchaser credits)	(50,000,000)	(50,000,000)	(50,000,000)	(50,000,000)	(50,000,000)	
TITLE III - GENERAL REDUCTION						
General reduction, Energy conservation			-12,799,000			
Grand total:						
New budget (obligational) authority (net)	13,519,230,000	13,817,404,000	11,984,603,000	12,053,099,000	12,114,878,000	-1,404,352,000
Appropriations	(13,549,230,000)	(13,832,204,000)	(12,027,402,000)	(12,083,099,000)	(12,144,878,000)	(-1,404,352,000)
Rescission	(-30,000,000)	(-30,000,000)	(-30,000,000)	(-30,000,000)	(-30,000,000)	
Crime trust fund		(15,200,000)				
(Timber receipts transfer to general fund, indefinite)	(-44,769,000)	(-44,548,000)	(-44,548,000)	(-44,548,000)	(-44,548,000)	(+221,000)
(Timber purchaser credits)	(50,000,000)	(50,000,000)	(50,000,000)	(50,000,000)	(50,000,000)	
(By transfer)	(107,764,000)	(187,000,000)	(187,000,000)	(187,000,000)	(187,000,000)	(+79,236,000)
TITLE I - DEPARTMENT OF THE INTERIOR						
Bureau of Land Management	1,099,005,000	1,158,682,000	1,055,463,000	1,048,335,000	1,050,491,000	-48,514,000
United States Fish and Wildlife Service	671,038,000	702,817,000	568,936,000	603,850,000	603,864,000	-67,174,000
National Biological Service	162,041,000	172,696,000		145,965,000		-162,041,000
National Park Service	1,387,329,000	1,490,122,000	1,261,076,000	1,300,336,000	1,319,337,000	-67,992,000
United States Geological Survey	571,462,000	586,368,000	686,944,000	577,503,000	730,503,000	+159,041,000
Minerals Management Service	194,621,000	201,240,000	192,996,000	188,609,000	189,434,000	-5,187,000
Bureau of Mines	152,427,000	132,507,000	87,000,000	128,007,000	64,000,000	-88,427,000
Office of Surface Mining Reclamation and Enforcement	293,407,000	292,773,000	268,876,000	266,411,000	269,857,000	-23,550,000
Bureau of Indian Affairs	1,730,970,000	1,897,941,000	1,682,806,000	1,469,912,000	1,546,412,000	-184,558,000
Territorial and International Affairs	121,576,000	94,170,000	61,923,000	93,128,000	90,128,000	-31,448,000
Departmental Offices	124,022,000	126,618,000	113,466,000	134,181,000	134,181,000	+10,159,000
Total, Title I - Department of the Interior	6,507,897,000	6,855,935,000	6,000,190,000	5,946,037,000	5,998,205,000	-509,692,000
TITLE II - RELATED AGENCIES						
Forest Service	2,803,602,000	2,416,539,000	2,103,871,000	2,176,224,000	2,166,579,000	-637,023,000
Department of Energy	1,265,887,000	1,416,775,000	1,154,586,000	1,143,569,000	1,179,653,000	-86,234,000
Indian Health Service	1,963,082,000	2,059,022,000	1,962,767,000	1,966,800,000	1,961,800,000	-1,282,000
Indian Education	81,341,000	84,785,000	52,500,000	54,660,000	52,500,000	-28,841,000
Office of Navajo and Hopi Indian Relocation	24,888,000	26,345,000	21,345,000	20,345,000	20,345,000	-4,543,000
Institute of American Indian and Alaska Native Culture and Arts Development	11,213,000	19,846,000	5,500,000	5,500,000	5,500,000	-5,713,000
Smithsonian Institution	362,706,000	407,450,000	350,375,000	372,892,000	373,092,000	+10,386,000
National Gallery of Art	56,918,000	64,451,000	58,815,000	59,229,000	58,286,000	+1,368,000
John F. Kennedy Center for the Performing Arts	19,306,000	19,373,000	18,783,000	19,306,000	19,306,000	
Woodrow Wilson International Center for Scholars	8,878,000	10,070,000	5,140,000	6,537,000	5,840,000	-3,038,000
National Endowment for the Arts	162,358,000	172,400,000	99,494,000	110,000,000	99,494,000	-62,864,000
National Endowment for the Humanities	172,044,000	182,000,000	99,494,000	110,000,000	110,000,000	-62,044,000
Institute of Museum Services	28,715,000	29,800,000	21,000,000	21,000,000	21,000,000	-7,715,000
Commission of Fine Arts	834,000	879,000	834,000	834,000	834,000	
National Capital Arts and Cultural Affairs	7,500,000	6,941,000	6,000,000	6,000,000	6,000,000	-1,500,000
Advisory Council on Historic Preservation	2,947,000	3,063,000	3,063,000	2,500,000	2,500,000	-447,000
National Capital Planning Commission	5,665,000	6,000,000	5,090,000	5,090,000	5,090,000	-575,000
Franklin Delano Roosevelt Memorial Commission	48,000	147,000	48,000	147,000	147,000	+99,000
Pennsylvania Avenue Development Corporation	6,822,000	6,876,000	2,000,000			-6,822,000
Holocaust Memorial Council	26,609,000	28,707,000	28,707,000	26,609,000	28,707,000	+2,098,000
Total, Title II - Related Agencies	7,011,333,000	6,961,469,000	5,997,212,000	6,107,062,000	6,116,673,000	-894,660,000
TITLE III - GENERAL REDUCTION						
General reduction, Energy conservation			-12,799,000			
Grand total	13,519,230,000	13,817,404,000	11,984,603,000	12,053,099,000	12,114,878,000	-1,404,352,000

Mr. Speaker, I reserve the balance of my time.

Mr. YATES. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, my good friend, my young friend, the gentleman from Ohio [Mr. REGULA], did not have an easy job in crafting this bill. When we start off with a billion dollars plus, less than we had the previous year, and have to allocate the balance among some of the most important programs for the people of this country, it becomes a critical job. Much as I respect what my good friend has done, I think it is a terrible bill.

I have been here in this House a fairly long time, much of it spent working on the Interior appropriations bill. This is the first year, first time in all these years that I refused to sign the conference report on the Interior appropriations bill. Why? It is such a bad bill. It is a terrible bill.

It is so bad that only one of the Democratic conferees signed the conference report. We do not have time this morning to go into all the defects of the bill. It is a giveaway bill. It opens up the people's natural resources for the taking.

Mr. Speaker, over the years that I have been on this committee, we have tried to protect and foster the people's public resources. This bill does just the opposite. It opens the people's resources for exploitation. It turns over the Nation's wealth for the exploitation by special interests. It would cut down our ancient forests. It would enter our oil reserves much more, and it would open up the capture of our valuable minerals.

Last year, Mr. Speaker, we were able for the first time, for the first time, to check the giveaways that the Mining Act of 1872 had laid the foundation for. We were able to stop the giveaways of our gold and our silver, of all of our precious metals and our precious minerals, by approving a moratorium on patents transferring lands to a mining company for, what price, $2.50, $5. That stopped the giveaway to an extent. We finally, in that moratorium that we prepared, we grandfathered in existing claims and some of them have matured. I will talk about them a little later. But the Members of this House recognized the moratorium as a great idea and that it should be continued. On a vote to instruct conferees, which I offered, to uphold the moratorium, the vote was 271 to 151. Ninety-five Members of the Republican Party voted to instruct the conferees to continue the patent moratorium, 95 Members of the Republican Party.

What happened in the conference, Mr. Speaker? The first motion that was made in the conference was made by a Republican conferee of the House to kill the patent moratorium. And it carried, with the votes of six Republican conferees. My good friend, the gentleman from Ohio [Mr. REGULA], who had so eloquently supported the moratorium when it passed the House in the first instance, was the only Republican to vote the other way. If carried with the votes of the majority of the Republican conferees and by the vote of one Democrat. And with that vote, down went the moratorium.

Mr. Speaker, I propose today to reinstate that moratorium. I propose to make a motion to recommit this bill to the conference in order to, by instructing the conferees, to insist upon maintaining the patent moratorium. It is still a good idea. It is still a good idea. The Members of the House who voted for that moratorium ought to vote for it. Why? Well, let me tell my colleagues what the moratorium that we had in existence for one year did. How important was it?

The moratorium held up, and this information is from the Interior Department, the moratorium held up 235 current applications involving 138,879 acres of public land containing over 15.5 billion dollars' worth of gold, silver, and other minerals. If the moratorium goes down, as it will unless my motion carries, if the moratorium goes down, these lands will be sold to the large mining corporations for next to nothing. And additionally, a new crop of patent applications for more public land and minerals will be filed at bargain-basement prices.

Waiting in the wings, Mr. Speaker, are 332,771 outstanding mining claims covering more than 6.6 million acres of public land, about the size of the State of Maryland. If the moratorium is lifted, all of these claims will be eligible for application and the loss to the American taxpayer could reach into the tens of billions of dollars.

As an example of what approval of one of these applications may be, let me cite what happened as reported in the newspapers on September 7, 1995. Interior Secretary Babbitt made headlines. He said he reluctantly had to do what he had to do. He had to sign away 110 acres of Federal land in Idaho containing minerals worth $1 billion to a Danish company. And how much did the Danish company pay for all that property? Just $275. And again, on September 26, 1995, Secretary Babbitt was forced to sign away title to 118 acres of public lands in Nevada worth over $68 million in gold. For how much? For $540.

These were patents that we could not stop. These were patents that had been grandfathered under the provisions we adopted, and there was nothing we could do to prevent them. But others can be, others can be by the patents moratorium that was approved in last year's appropriations bill. We want to put it into this bill as well. We want to get a fair deal for our valuable minerals. Nothing excessive, just a fair deal. Some compensation, some compensation for the people's wealth that is being exploited. Now we get none.

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Mr. Speaker, when the time comes I propose to offer my amendment, and I urge Members of the House to vote for it.

Mr. Speaker, my old friend, Chairman REGULA, did not have an easy job in crafting this bill. And while I disagree with some of the decisions he made, the major flaws in this conference report are not of his doing. The allocation for the Interior Subcommittee was far too small—$1.1 billion less than the fiscal year 1995 amount. And while some may cheer this fact, those of us who know the Interior bill realize it has no fat; every cut we make has a direct impact on someone's life. Every dollar we cut from the Bureau of Indian Affairs means the quality of life for native American declines; every dollar we cut from low-income weatherization assistance means an elderly couple will go cold this winter; and every dollar we cut from the National Endowment for the Arts means another public school student will be deprived of art education.

The cuts to vital programs in this bill are reason enough to oppose it, but when all of the extraneous legislative riders are added, it heaps insult on top of injury.

The administration has said the President will veto this conference report unless major changes are made. I agree with the President. The Interior bill needs a higher allocation and it needs to be free of legislative riders. Then and only then will it be worthy of a Presidential signature.

BUREAU OF INDIAN AFFAIRS

The most troubling aspect of this conference report is that it devastates programs for native Americans. It does so by cutting funding for the Bureau of Indian Affairs by $388 million from the budget estimate. This crippling cut is directly targeted at programs that help Indian tribes run their reservations. If we ratify these cuts by passing this conference report, we will not only be harming one of the most impoverished and vulnerable segments of our society, but we will be breaking yet another treaty with the Indian people.

Under this conference report, the tribal priority allocation at the Bureau of Indian Affairs is $122 million less than it was in the House-passed version of the bill. This catastrophic reduction will decimate programs operated by tribal governments, including: child welfare services, higher education scholarships, adult vocational training, social services, and housing repairs. In addition, health and education programs for native Americans are inadequately funded. All totaled, these cuts will result in massive increases in unemployment, crime, hunger, illness, and a general deterioration of tribal communities.

One cannot help but think of the words from Dee Brown's classic novel, "Bury My Heart at Wounded Knee."

> They made us many promises, more than I can remember, and they only kept one; they promised to take our land, and they did.

Through treaties and other agreements, the American Indians turned over their land, cultural traditions, and general way of life to the U.S. Government in exchange for secure lands, housing, medical care, and education. But once again our Government is undermining supposedly iron-clad agreements. Yet again the Great Father is devastating American Indians, just as we did at Wounded Knee in 1890.

There is also a little-noticed provision in this bill that singles out a small Indian tribe in Washington State and punishes them even further for simply wanting to defend the water rights they were given by our Government. The Lummi Indians are a proud and honorable people and they simply want the Government to live up to their promises. Instead, this bill hammers them into giving up their water rights or have their Federal funds cut in half. This cruel provision has no place in an Interior Appropriations bill.

MINING MORATORIUM

I would like to address the lifting of the mining patent moratorium in the conference report. This is a very disturbing development and may be one of the most egregious acts committed on the American public by the Republican leadership since the so-called revolution of the 104th Congress.

As my colleagues on the other side of the aisle work to slash and cut assistance to those who need it most, welfare for the mining industry has been given new life. As you all know, the mining patent moratorium expires on September 30, 2 days from now, if it is not explicitly continued in the Interior appropriations bill. Once this happens the give away of public lands will once again start in earnest.

I find it ironic that the Republican majority litters the airwaves with rhetoric about reducing the deficit. They say one thing, but talk is cheap, about $2.50 to $5 an acre. This reminds me of the Teapot Dome scandal which occurred during the twenties, when then Secretary of the Interior, Albert Fall, went to jail as a result of having given, really as a gift, the oil belonging to the people of the United States. It seems the Teapot Dome scandal is happening all over again, but maybe we should call it the Land Plot scandal. If my Republican colleagues really want to cut the deficit why are they willing to give away our precious minerals and ores. I would like to share with you what the Federal Government receives for development of resources on public lands.

Resources on Public Lands	Compensation
Oil	12.5 percent of gross.
Natural gas	12.5 percent of gross.
Coal, surface mined	12.5 percent of gross.
Coal, underground	8 percent of gross.
Gravel	Full fair market value.
Building stone	Full fair market value.
Calcium	Full fair market value.
Clay	Full fair market value.
Sulphur	5 percent of gross value.
Phosphate	5 percent or more of gross.
Sodium	2 percent or more of gross.
Potash	2 percent or more of gross.
Gold	Free of charge.
Copper	Free of charge.
Silver	Free of charge.
Uranium	Free of charge.
Molybdenum	Free of charge.

This is very upsetting to me, as I am sure it is to my colleagues who voted overwhelming 271 to 153 in support of the Klug amendment retaining this moratorium. Yet, by the slimiest of margins the House conferees subverted the will of this body and receded to the Senate position, even after being instructed to do otherwise.

If my colleagues would indulge me I would like to take this opportunity to read the comments of one of our most learned colleagues on this subject.

> . . . We are literally giving our rich mineral resources—our gold, our silver, our platinum—away to foreign interests for bargain basement prices.
>
> It is possibly the biggest travesty in Government and yet it has been happening under an antiquated 1872 law. The Mining Policy Center reported estimates that since 1872 the Federal Government has given away more than $231 billion of mineral resources belonging to the public, either by patent or by royalty-free mining on public lands. . . . these figures are a clear indication that the Government is not receiving a reasonable return for the taxpayers under the current law. I find it incomprehensible that we are willing to give away the public lands with virtually no compensation.

Chairman REGULA spoke these eloquent words on behalf of the American people September 13, 1994, ensuring the fiscal year 1995 Interior appropriations conference report prohibited the Interior Department from processing new mining claims on Federal land. In the short time the moratorium has been in place, it has saved American taxpayers millions of dollars by blocking the Federal Government from giving away precious minerals and ores to foreign mining companies who take advantage of an ancient law that allows them to mine on our public lands for almost nothing.

This very troubling feature of the conference report has caused the administration to threaten a veto of this bill. In a statement by Vice President AL GORE the lifting of the moratorium was singled out as one of the primary reasons the President will not sign this legislation and is why I cannot lend my support to my good friend and colleague RALPH REGULA in his maiden voyage as chairman.

I certainly hope all of the Members who voted for the Klug amendment will not give in to the pressure of the mining industry, but instead reaffirm their support for ending this corporate welfare by voting for a motion to recommit.

NATIONAL FORESTS

This bill does more than just betray our trust with the Indian people and expand subsidies for mining companies, it also devastates our national forests.

The conference report to be ratified here today will dramatically increase logging on our already overtaxed forests. While funding for forest research, recreation and state and private forestry is slashed, this bill actually increases the appropriation for timber sales management and timber road construction.

This conference report also contains a legislative rider that would force the Forest Service to adopt Alternative P in the Tongass National Forest in Alaska. Alternative P is a radical forest management plan that has been rejected by the Forest Service and the Governor of Alaska because it would wreak ecological havoc on the Tongass.

What's more, this conference report also contains sufficiency language—a rider which prevents all environmental law from being enforce in the Tongass. The Endangered Species Act is dismissed, the National Environmental Policy Act is waived, the Clean Water Act is ignored and all other applicable laws are considered irrelevant. In addition, this sufficiency language prevents all citizens, environmentalists and private land owners alike, from exercising their rights to sue the Federal Government.

If we adopt this conference report we will be rejecting the judgment of the Forest Service, we will be putting a great forest at risk and we will be setting a dangerous legal precedent.

NEA AND NEH

And this bill doesn't just stop at ravaging our environmental heritage, it also cripples our cultural heritage. This conference report will cut the National Endowment for the Arts and the National Endowment for the Humanities by nearly 40 percent. These cuts are far out of proportion to the total reduction in this bill.

I wonder if we all fully understand the impact these cuts will have on our society. Performances will be cancelled, museums will close, and art education opportunities in our schools will be cut back sharply. And while every segment of our country will suffer from these deplorable cuts, none will be hurt more than the children.

The conferees also adopted legislative language which dictates what types of art the NEA is allowed to fund. This rider, the so-called Helms language, is blatantly unconstitutional and has the heavy handed overtones of former communist countries which decided what art and literature were acceptable for the people. I sincerely hope this House does not want to get in the business of deciding what books are appropriate and what paintings are offensive.

All of these cuts and legislative riders are indicative of the warped priorities in this conference report. Do we really want to cut weatherization funding for poor families by $100 million, as this bill does, at the same time we increase spending on low-priority research and development projects? Do we really want to gut funding for endangered species programs? Do we really want to cut funding for the National Park Service by $68 million? Do we really want to harm the Indian people? Do we really want to give away precious minerals on Federal land for next to nothing? Do we really want to subvert the will of Congress and the desires of the people of California by eliminating our newest National Park, the Mojave National Preserve? Do we really want to censor art? I know I don't want to and I don't think the American people do either.

There are a few bright spots in this conference report and I want thank our chairman for his enormous assistance with the Holocaust Museum; thank you, Mr. Chairman. I also want to salute the staff. They did an excellent job under very difficult circumstances.

But sadly, the fact remains, this bill hurts Americans, all Americans, in a profound way. And this is why Mr. Speaker, for the first time in 44 years, I must vote against an Interior appropriations conference report.

Mr. REGULA. Mr. Speaker, I yield 2 minutes to the gentleman from Indiana [Mr. MYERS].

Mr. MYERS of Indiana. Mr. Speaker, I thank the gentleman for yielding this time and rise in support of this conference report.

Mr. Speaker, all members of the Committee on Appropriations realize the difficulty this year we have all had in putting a bill together and still honoring our commitment to balance the budget, at least by the year 2002. If I had had my druthers, we would have not terminated the Bureau of Mines, but I understand that was a compromise, so we accept this.

Mr. Speaker, I will pose a question to the gentleman from Ohio, Chairman REGULA.

As I understand it, the conference report to H.R. 1977 contains $13.7 million for the Department of Energy's industrial advanced turbine system program. The mission of the program is to develop more efficient gas turbine systems for industrial power generation. Implementation of the turbine program will help keep U.S. manufacturers on the cutting edge of turbine technology for power generation applications and enhance our Nation's economic competitiveness.

Is it your intent that the $13.7 million provided by your subcommittee for 1996 be used to fund each of the two projects selected for the industrial advanced turbine systems program so that they have the opportunity to participate in the full-scale prototype demonstration phase?

Mr. REGULA. Mr. Speaker, will the gentleman yield?

Mr. MYERS of Indiana. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Speaker, that is my understanding of the conference agreement.

Mr. MYERS of Indiana. Mr. Speaker, I thank the gentleman for including this.

Mr. YATES. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Colorado [Mr. SKAGGS].

Mr. SKAGGS. Mr. Speaker, I want to begin by thanking and congratulating the gentleman from Ohio [Mr. REGULA], our chairman, for the way he has handled this bill. I greatly appreciate his courtesy and cooperation, and I want the gentleman to know that I genuinely regret that I cannot support the end product of his work.

The fact is, Mr. Speaker, this conference report deserves to be defeated. Congress should not pass it. If it is passed, it should be vetoed, and that veto should be sustained.

It is true that there are some good things in this report. For example, in terms of funding, the report is better than the bill when it left the House.

Overall funding levels, however, fall far short of meeting our responsibilities, whether with regard to programs for Native Americans, or proper stewardship of this country's natural and cultural resources, for energy-related research, and for fostering the arts and humanities that enrich our national life.

These shortfalls are not really surprising. They reflect the serious imbalance in the overall Republican budget plan, which overemphasizes new weapons and cutting taxes for well-off Americans at the expense of needed domestic programs.

Even worse, this conference report is loaded with riders, some of them merely unwise and shortsighted restrictions on spending, others far-reaching legislative provisions of exactly the kind that the normal rules prohibit.

Why is this happening? Well, the pattern could not be clearer. Some of the riders continue and expand the Republican leadership's sneak attack on our environment and natural resources, while others are old-fashioned sweetheart deals with friends and supporters. I will not take the time to go through the full list of these bad items, but I do want to mention a few.

For starters, there is the language about the gold and other so-called hard rock minerals found on Federal lands. For too long the American people, the property owners, have been shortchanged. Under the obsolete mining law of 1872, the Secretary of the Interior has no choice but to sell these lands for a pittance.

Our appropriations bill for last year included a moratorium on these bargain basement sales. We tried to extend that in a strong bipartisan vote when this bill left the House and later insisted on it in instruction to conferees.

So what did the conference produce? Well, not only does it not include the moratorium, it actually would require the Secretary to speed up the processing of these patent applications.

Other bad provisions here deal with the national forests. The House bill was not all it should have been, but the Senate bill was really bad, with provisions, for example, to force the Forest Service to sell off more timber in the Tongass National Forest in Alaska.

So what happened in conference? Well, it was to make the bad Senate bill even worse, adding language intended to block any challenge to expanded cutting in areas where the Forest Service wants to protect fish and wildlife and other important values. That is wrong, and we should not support it.

Mr. Speaker, I could go on and on. I could talk about the provisions in the conference report that would also block grazing reform, and many, many others, but I think the point has been made. This conference report deserves to be defeated.

Mr. REGULA. Mr. Speaker, I yield 3 minutes to the gentlewoman from Nevada [Mrs. VUCANOVICH], a member of the subcommittee.

Mrs. VUCANOVICH. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in strong support of the conference report. Due to the funding allocation we had to work with, it has been very difficult to put together responsible legislation. But we have done it.

The conference report to H.R. 1977 puts us squarely on the side of reducing the deficit. The bill spends $1.4 billion less than last year, for a 12-percent savings.

As I said, drafting this legislation has been difficult. We had to eliminate 4 different agencies and eliminate over 35 individual programs to meet our budget cuts. For each of us on the conference committee, that meant accepting some very difficult cuts.

This conference report is proof that we are serious about reducing spending. I urge my colleagues to support this conference report and to oppose any attempts to change it. We have crafted a carefully balanced bill that spreads the pain of deficit reduction as evenly as possible.

I would like to say something about provisions in the conference report relating to mining. The conference report moves significantly toward mining law reform. Instead of a moratorium on mining on Federal land, it includes a requirement that mining companies pay fair market value for the land. It also includes provisions that return the land back to the Federal Government if ever used for non-mining purposes.

These mining provisions in the conference report are a huge step forward in reforming the mining law to ensure a fair return to the Treasury and to protect the environment.

I urge my colleagues to vote for the conference report and to reject attempts to recommit the measure. A moratorium would yield nothing—no increased revenue, no protection from abuses of the mining law. A moratorium on issuing new mining patents would do nothing but ensure the status quo.

I urge my colleagues to support this conference report without any changes, and oppose the anticipated motion to recommit.

Mr. YATES. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from West Virginia [Mr. RAHALL].

Mr. RAHALL. Mr. Speaker, I thank the distinguished ranking member for yielding this time.

Mr. Speaker, at the end of this debate, a motion will be made to recommit this conference report with instructions.

This motion, to be offered by Mr. YATES, only concerns the mining claim patent issue, and I would urge the Members to support it.

My friends, a cruel hoax is being perpetrated on the American public. It is cruel indeed.

For contained in this conference report is a provision which will allow billions of dollars worth of valuable minerals underlying Federal lands to be transferred to private interests for free under the mining law of 1872.

This provision exists despite a national outcry against this 19th century practice that continues to this day.

It exists despite a bipartisan amendment which passed in this body by an overwhelming vote last July aimed at halting this practice.

A vote of 271 to 153, on an amendment sponsored by the gentleman from Wisconsin, SCOTT KLUG, and myself.

It exists despite a motion to instruct House conferees to insist on retaining the language of this amendment in its dealings with the other body.

And it exists despite the alleged preoccupation of some Members of this body that the Government should be run more like a business.

Well, my friends, what business, what individual, would allow minerals underlying land that they owned to be given away for free?

Who, in their right mind, would say, hey, what a great deal, pay me the value of the surface of my land and you can have the underlying gold, or silver, for no charge?

Yet, this is what is contained in the conference agreement before us today.

The House, last July, took a strong stand in seeking to extend a moratorium on the issuance of mining claim patents.

This was done on a bipartisan basis. Liberal or converstaive, Republican or Democrat, we agreed that it is time to put a halt to allowing public lands containing billions of dollars' worth of minerals to be patented for a mere $2.50 an acre.

Yet, the purveyors of the special interests had a different idea.

Scarificing the public interest on the alter of corporate welfare, they sought, and succeeded, in getting the conference committee to include in this legislation what amounts to sham reform of the mining law of 1872.

I urge every Member to vote in support of the recommittal motion, so that the public, at least in this instance, can receive some assurance that the Congress is not in the business of squandering their natural resource heritage for a pittance of its fair market value.

Mr. REGULA. Mr. Speaker, I yield 2 minutes to the gentleman from Arizona [Mr. HAYWORTH].

Mr. HAYWORTH. Mr. Speaker, I rise in strong opposition to the motion to recommit, because it is not the concept of special interests per se; it is taking a special interest in the hard-working men and women who are risking their lives daily and making a decent and honorable living by mining this Nation's resources so that this Nation can continue to prosper.

My friend from West Virginia came forward and offered some points that I think need to be addressed. No. 1, it is important to remember that in the western United States, for example, in Gila County, AZ, 97 percent of the land is under Federal control.

Have there been problems in the past? Certainly. But the conference report provides rational, reasonable reform. Gone are the days when someone can file a patent and then take that land for nonmining purposes. We are getting rid of that.

Mr. Speaker, do not be deceived. It is time to stand up for American jobs. It is time to recognize the reality that this Nation as a whole prospers when the mining industry and those working in that industry are allowed to continue to earn an honest day's wage.

So that is the special interest I rise to defend, the hundreds, indeed, thousands, of hard-working men and women in the Sixth District of Arizona who will lose jobs if we file this moratorium and in essence hang up a sign on the western United States saying "Closed for business." Because, rest assured, Mr. Speaker, if we do that, then we will sound the death knell for the mining industry in the western United States and we will send jobs out of this Nation to foreign shores. And instead of the dreaded corporate welfare, well, friends, we will have genuine welfare, as we make honest, law-abiding citizens wards of the State.

Mr. YATES. Mr. Speaker, I yield 3 minutes to the gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. Mr. Speaker, I rise in strong opposition to this conference report. This committee had a significant problem in terms of 1 billion dollars' worth of cuts that they had to make in terms of the overall budget. But the fact of the matter is instead of going after the waste that is in the departments and the agencies that they have had, within their review instead of going after the programs in terms of corporate welfare, in terms of the timber roads, in terms of the mineral extraction laws, of grazing permits, instead of many other exploitive policies, they chose to take those dollars out of the Bureau of Indian Health. They chose to cut down the Indian Education Program. They chose to shortchange the land management agencies and the jobs they are trying to do, to abandon the Columbia River study project. They chose to turn their back on the natural resources and the protection of those resources, and yielded instead to the robber barons of the 19th century operating in 1995.

These individuals for many years have received and exploited the lands of this Nation, have harvested the timber; and not just harvested it for a profit, but at the expense of the taxpayer. When you add in the timber roads, the rehabilitation, the other things that have to go on, the taxpayers actually lose tens of millions of dollars. Most egregious, of course, is the rejection of the moratorium on the patenting of mineral claims.

The fact of the matter is the moratorium is no victory. It is a stalemate, and that keeps the pressure on for real mining reform. But what they do in this legislation is they say that the 600 claims must be accelerated claims in terms of acting on the claims and granting patents therefore giving this land away at so-called fair market value in the West and in other places in this country where the land value is very, very low, to give away those billions of dollars worth of minerals, which is the legacy and the property of future generations and of this generation.

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If we want to deal with the deficit, we cannot go back and then serve the special interests in this particular legislation. That is what happens in this legislation, cut and slash again and again, programs, that are important to people, programs that provide for the protection of our natural resource legacy. To squander money by opening up the Tongass Forest, demanding we will cut and harvest more timber there, where it costs us taxpayer dollars to do that, and it costs us millions of dollars to do it, this bill is an outrage; not just wasting taxpayer dollars but destroying our natural resource legacy.

It is a shame and it is a sham, the type of mining reform that is in this legislation. It should be soundly defeated, and we should be voting for the Yates motion, as we did initially for at least a mining patent moratoria. We should be voting for that motion to send this back to conference, at least so we can get the mineral patent moratorium in place.

The President needs to and has pledged to veto this bill, and it richly deserves our no vote and it deserves a veto by the President so that we can get some sound policy and sound deficit reduction in the process of public policy setting in this body.

Mr. Speaker, I rise in opposition to the conference report on the fiscal year 1996 Department of Interior appropriations bill. This legislation, which is based on pseudoscience, fails in terms of priorities, process, policy, and the pragmatic. I strongly urge defeat of the conference report for H.R. 1977.

Under this bill, the Federal Government stewards are prevented from carrying out the basic responsibilities with which they have been charged, protecting the land and water resources of our Nation. The Members of Congress and the professional land managers have a sworn duty to protect wildlife and biological diversity, to preserve the environmental value of our national parks, and to provide opportunities for outdoor recreation. The conference report essentially abdicates such commonsense responsibilities and constructs a new set of priorities in which the rights of the American people to use and enjoy the public lands of our Nation finish dead last behind a wide variety of special interests, in essence the users who exploit public resources.

During the course of consideration, the majority simply circumvented the normal legislative process. This measure is not just a spending bill, this encompasses wholesale policy. In Congress, the House strictly separates policymaking authority changes from the appropriations spending and this is done for good reason. There has been no indepth open debate and hearings on the policy changes which are being directly sent to the President. The public has not had an adequate opportunity to examine the policy path that is being advanced, much less the Members of Congress. We have completely rewritten the Endangered Species Act, forestry laws, and land management laws behind doors closed to all but a select few. This is not in keeping with the American tradition of representative government: the American people have a right to know that significant policy changes are being made and they have a right to know the direction of the new policy path.

Mr. Speaker, there is a simple reason these crucial policy decisions were tacked on to the Interior appropriations bill instead of being considered independently: these policies were added as riders because on their own, they do not stand up to scrutiny. This is bad policy based on distorted science and values. The American people do not support it. Such change would not be sustained in the heat of open debate.

Many successful programs are seriously underfunded or even eliminated in this bill. The majority has made these cuts in the name of deficit reduction but the cuts are not fair or balanced rather money is wasted on timber sales, roads and construction that is being forced on the land management agencies while Indian education is eliminated and Indian health programs short changed. I support deficit reduction, but this is not the way to achieve the goal of controlling spending. Problems we face in managing our natural resources will not go away just because we ignore them, and disregarding these issues will only cost the American taxpayer more in the long run.

The moratorium on new listing under the Endangered Species Act of animals and plants as endangered or threatened will only increase the cost of recovery down the road. There is ample scientific evidence that we need to be proactive in species management if we are to succeed in recovering species with reasonable cost and regulation. Eliminating the National Biological Survey [NBS], which has undertaken crucial research on species, will only exacerbate the difficulty and increase the cost of preserving endangered species. Moreover, it is hypocritical for this Congress to call for better science and then deny funding for the NBS, an agency specifically set up to conduct unbiased scientific research.

Eliminating the Bureau of Mines, which has been very successful in improving mine safety, is also shortsighted. Not only will there be economic repercussions to the elimination of this agency, there will be a significant human cost as workers in the mining industry face more dangerous conditions in their place of work.

The catalog of questionable policy decisions included in this bill stretches on well beyond those policies I have just mentioned. The mining patent moratoria to prevent the public land giveaways under the 1872 mining law are eliminated, energy conservation and weatherization programs are severely reduced or eliminated, historic preservation efforts are crippled, new guidelines to set minimum national standards for the management of Federal lands used by Western ranchers to graze livestock are postponed, and the Forest Service will be forced to implement an unsound management plan for the Tongass National Forest. Furthermore initiatives to provide recordation of existing rights of ways on public lands is set aside. These actions simply personify the mismanagement and political interference regards professional stewardship and the law.

Mr. Speaker, this conference report severely undermines our national legacy of conservation, it fails in terms of process, and it fails in terms of policy. We must remember that the policies and programs already in place to carry out the mission of the Interior Department are not the work of Democrats or Republicans alone. Instead, they are derived from years of deliberation, of listening and responding to the core conservation and preservation values and ethic of the American people. This conference report reflects a failure to uphold the deliberative process that underlies the American tradition of conservation. We can and must do better than this. I urge defeat of the bill.

Mr. REGULA. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan [Mr. UPTON].

Mr. UPTON. Mr. Speaker, all of us here have been elected to represent the 600,000 people in each of our respective districts, but each of us also knows that we need to put always the interests of our great country ahead, No. 1. We are all Americans and we are proud of our heritage and this body.

Today, we have a terrible deficit and debt, $5 trillion. Each of us has to look under every rock and stone to try to get that deficit down. Somehow, though, certain interests have been able to keep mining royalties tied to 1872 law. That is ridiculous, and what a bargain for them.

Mr. Speaker, I am aware that if this bill goes forward there are interests that have a lock on about 1,200 acres of land that they are going to be able to put a claim on for about $8,000 or $9,000, and they are going to make a windfall profit of $10 billion on that money that they invest. That is not right. That is not right at all.

In fact, that is why the Citizens Against Government Waste say this, and I will include the letter for the RECORD. Mr. Speaker, the letter reads, in part, as follows: "Dear Representative. In July, the House voted 271 to 153 against corporate special interests. This sounds like reform, but it is not; it is pure corporate welfare. As much as $15.5 billion in taxpayer-owned minerals will be sold beginning September 30 if the moratorium is not renewed." That is tomorrow.

"Instead of taxpayers receiving billions in return from these sales, CBO estimates that the Senate reforms will provide a mere $150 million over 7 years. Simply put, a moratorium period must be adopted to allow for more comprehensive reform."

"The Interior Department estimates this single action could result in the issuance of 600 patents covering 230,000 acres of taxpayer land in the next 2 years. The Citizens Against Government Waste urge you to support the motion to recommit and pass mining claim patent moratorium language."

Mr. Speaker, I cannot support this Interior appropriation bill unless we also pass and adopt the motion to recommit. The rape and pillage of taxpayers across this country has got to stop and we can do it with this motion, and I hope that we are successful.

CITIZENS AGAINST GOVERNMENT WASTE,
Washington, DC, September 28, 1995.

DEAR REPRESENTATIVE: The 600,000 members of the Council for Citizens Against Government Waste (CCAGW) urge you to support the motion to recommit the FY 1996 Interior Appropriations conference report and instruct the conferees to renew the moratorium on patent applications for public lands.

In July, the House of Representatives boldly voted 271–153 against corporate special interests and extended the moratorium for another year. However, during the conference, a Senate provision was adopted which lifts the patent moratorium and allows mining claim patents for the price of the land surface. This sounds like reform, but it's not: it's pure corporate welfare. As much as $15.5 billion in taxpayer-owned minerals will be sold beginning September 30 if the moratorium is not renewed. Instead of taxpayers receiving billions in return from these sales, CBO estimates the Senate reforms will provide a mere $150 million over seven years. Simply put, a moratorium period must be adopted to allow for more comprehensive reform.

The Interior Department estimates this single action could result in the issuance of more than 600 patents covering 230,000 acres of taxpayer land in the next two years. CCAGW urges you to support the motion to recommit and pass mining claim patent moratorium language.

Sincerely,

THOMAS A. SCHATZ,
President.
JOE WINKELMANN,
Chief Lobbyist.

Mr. YATES. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Oregon [Ms. FURSE].

Ms. FURSE. Mr. Speaker, I wish to express my deep opposition to this bill. Amongst many other things, it prematurely terminates three vital initiatives that protect fishery habitat in the Northwest, amongst many other bad cuts.

Mr. Speaker, I rise to express my unmitigated opposition to this bill. From funding decreases in land acquisition and energy conservation to the termination of the National Biological Survey and the Office of Indian Education, this bill is so packed with ill-advised cuts that it would take me an hour just to list them all. At the top of the list, however, is this bill's treatment of our Nation's sports and commercial fisheries.

First, this bill prematurely restricts and terminates three vital initiatives to protect fisheries habitat in the Northwest—PACFISH, INFISH, and the Upper Columbia Basin assessment. These measures are designed to ensure that activities in the region's national forests don't harm important spawning and rearing habitat for trout and salmon.

Second, this bill drastically slashes funding for land acquisition. If we are serious about protecting private property rights, we must purchase the lands necessary to provide the habitat for fish and wildlife.

And third, this bill terminates all funding for new species listings under the Endangered Species Act. We are simply putting our heads in the sand if we think that stopping agencies from listing species will somehow magically make endangered species problems go away.

On the west coast, we are struggling to reverse the decline of our world famous salmon runs. As recently as 1988, these salmon contributed more than $1 billion and 60,000 jobs annually to our regional economy. Since then, however, salmon fishing revenues have dropped by 90 percent because of declining populations.

To those of you who think that gutting funding for the ESA or habitat protection or land acquisition will help the economy, I say go talk to the unemployed fisher men and women in my district, go talk to the bankrupt tackle shop owners in Idaho, go talk to the thousands of recreational fisher men and women in this country who may never be able to catch a salmon in the Pacific Northwest again, go talk to the native Americans whose culture and religion rely on salmon that will soon no longer exist.

Yes, we need to reduce the deficit. But the priorities in this bill are all wrong. We can do better than this. I urge my colleagues to vote "no" on this bill.

Mr. YATES. Mr. Speaker, I yield 1 minute to the gentleman from West Virginia [Mr. RAHALL].

Mr. RAHALL. Mr. Speaker, I thank the distinguished gentleman from Illinois [Mr. YATES], the ranking chair, for yielding time to me.

I want to respond to my good friend from Arizona who took the well and very legitimately and forcefully defended the mining jobs in his district. Mr. Speaker, what is important to note here in this moratorium is we are not talking about a moratorium on mining. Plenty of mining goes on and will still be able to go on, on unpatented claims. What we are talking about is a moratorium on the issuance of patents on Federal claims, which is the transfer from Federal ownership to private ownership.

Mr. Speaker, plenty of mining goes on, on unpatented claims. We are not going after the jobs in the district of the gentleman from Arizona [Mr. HAYWORTH] or the district of the gentlewoman from Nevada [Mrs. VUCANOVICH]. In addition to that fact, there are plenty of royalties, State taxes paid by mining companies today, yet mining continues, jobs are provided. The only problem with the regime today is that the Federal taxpayers get nothing for the disposition of their resources.

State governments do, yes; other companies do, yes; but not the true owners of the land, the Federal taxpayer. That is the issue here. It is not a moratorium on mining.

Mr. REGULA. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. BOEHLERT].

Mr. BOEHLERT. Mr. Speaker, I rise in strong opposition to this conference report. This bill represents nothing less than an assault on the environment.

You know, one reason that I'm proud to be a Republican is that I think our party looks to the future—we expect people to make sacrifices today to protect the Nation's well-being tomorrow. That's the idea behind many of our welfare reform proposals. That's why we believe in balancing the budget; we don't want to saddle future generations with our mistakes.

But in the bill before us now, we throw that principle to the winds. We squander precious resources, robbing them from future generations. We tell wealthy mining operations that they don't have to wait, we'll give away national resources to them right now for a song. This bill violates basic Republican principles, and for what? Not to cut the deficit; this bill denies the Federal Government—the taxpayers—money that is their due, by giving away our resources.

Now, I voted for the Interior bill when it passed the House. I had some qualms about a number of items in it, but overall I thought it was an important vote for deficit reduction. But the bill that has come back from the Senate—with its Tongass National Forest and Columbia River Basin and mining provisions—this conference report is intolerable.

I urge all my colleagues who care about the environment to vote against this bill.

Mr. YATES. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from New Mexico [Mr. RICHARDSON].

Mr. RICHARDSON. Mr. Speaker, this is not a good bill. Even though there is an outstanding chairman, this is not a good bill. I think on a bipartisan basis a lot of people are expressing concerns across the board about many provisions. I am going to cite the one that is most important to me and many of us that represent native Americans.

Mr. Speaker, this bill cuts native American programs in education, health, housing by 11 percent. However, of all the programs within the Department of the Interior, here is the real pain: Forty five percent of these cuts are absorbed by the Bureau of Indian Affairs. What this means, Mr. Speaker, is that thousands of native American people across the country are going to face cuts on many issues affecting reservations, law enforcement, services to the elderly, road repair, housing repairs, and social services.

Here is the most devastating cut, Mr. Speaker. The elimination of the Office of Indian Education, which basically destroys our promise to native Americans that they will receive the same educational opportunities as the rest of our citizens. Four-hundred thousand Indian children are not going to get these educational opportunities.

On the environmental side, the elimination of the biological service basically says that sound science and information about biological diversity and mining safety is not as important as it should be. At a time when 50 percent of our oil comes from foreign sources, the bill slashes energy conservation by 27 percent.

The bill basically also continues the 1872 mining law, Mr. Speaker. I am a westerner, I am pro mining. I have probably as many mines as anybody here, but there is no reason for any foreign corporation, as it exists at the Yellowstone, to be able to purchase for $2.50 a Federal acre. That is simply not right. Without this moratorium, Mr. Speaker, this is going to continue occurring.

With the endangered species, we are basically saying we are not going to do any more listings, we are not going to pay attention to endangered species, plants, animals. That is not good sound policy. The Tongass, I have been there. What are we going to do, are we going to continue the decimation of our forests?

What are we going to do about the arts, the humanities, 39 percent cut to the National Endowment of the Arts, the Endowment of the Humanities. These are not elitist programs. These are grass roots programs that help artists, that train people, that create jobs. This is short-sighted.

Mr. Speaker, the best we can do is vote for the motion to recommit. We need to kill this bill. It will be vetoed and it will come back. The two chairmen, the gentleman from Illinois, Mr. YATES, and the gentleman from Ohio, Mr. REGULA, are good people. They have produced far better products in the past and we expect that to happen again after the veto. But a strong vote is needed to send a message, to send a strong message that the bill as it comes out on a bipartisan basis is not a good bill.

Mr. Speaker, I rise today in strong opposition to the fiscal year 1996 Interior appropriations conference report. This conference report sets a new low even for this House: It single-handedly abandons our commitments to native American people, devastates many important environmental statutes, and destroys our arts community.

Let me be clear that if this legislation is sent to the President's desk in its current form, it will be vetoed.

This is more than a simple appropriations bill, it is a recipe for disaster comprised of a narrow political agenda and a heavy dose of partisan politics.

I thought the message the American people sent the Congress in 1994 was that they wanted an end to business as usual. This bill does not pass the test: It sends the wrong signal at the wrong time and it should be defeated.

Continuing the Government's miserable track record of keeping our word on Indian treaties, this bill further reduces vitally important funding for a wide array of Indian health, education, and housing services provided by the Bureau of Indian Affairs [BIA] by 11 percent. However, of all the programs within the Department of the Interior, the BIA is absorbing 45 percent of all the cuts.

These harsh cuts will mean that thousands of native American people across the country will face cuts in law enforcement on reservations, services to the elderly, road repair, housing repairs, and social services. These cuts literally hit Indians where they live. This will be felt from the hogans on the Navajo reservation to the tarpaper shacks of Pine Ridge. It will be a cold, harsh winter for all.

The elimination of the Office of Indian Education will demolish our promises to ensure that the first Americans receive the same educational opportunities as the rest of our citizens. By eliminating the Office of Indian Education this bill eliminates educational opportunities for half-a-million Indian children and adults.

Indian children are about 3 times as likely as their peers to drop out of high school. Today, 36.2 percent of all native American children live in poverty. Native American students on average score 15 percent lower than their peers on standardized tests. Only 9 percent of native Americans have a 4-year degree compared with 20 percent of other Americans. Yet, this bill eliminates programs for dropout prevention and special education for gifted and talented students.

This bill eliminates the Native American Fellowship Program, which makes awards to native American graduate students to study in the fields of medicine, education, psychology, law, business administration, and engineering. Once students complete their education, they must return to native American communities to practice their professions.

And let me set the record straight about something else—native American tribes are not seeking handouts. They are seeking to have promises that were made in treaties and statutes fulfilled. The Federal Government has a solemn duty to live up to its promises to sovereign Indian nations. This bill turns its back on this obligation and leaves the first Americans with less support, few resources, and yet another broken promise.

As if that were not bad enough, this bill devastates environmental programs. At a time when sound science and information about biological diversity and mining safety is more critical than ever, this bill eliminates the National Biological Service and the Bureau of Mines. At a time when nearly 50 percent of our oil comes from foreign sources, this bill slashes energy conservation program funding by 27 percent meaning that our dependence on foreign oil will only increase.

This bill would eliminate the moratorium on mining claim patents, thereby continuing the yard sale policies of the 1872 mining law which Congress refuses to update and reform. Without this moratorium, foreign-owned mining companies will be able to buy up our land for as little as $2.50 an acre, remove any and all of our precious natural resources, and abandon the land without cleaning up the mess they have made. The American West is already littered with many of these mining disasters. This bill will create thousands more.

This bill bars the listing of any new endangered species until the end of fiscal year 1996 or until legislation reauthorizing the act is enacted. It also bars the use of funds to designate critical habitat for species which have already been listed, risking our chance to save endangered populations of plants and animals.

This bill delays the implementation of new grazing regulations, despite the fact that the Resource Advisory Councils [RAC's] established by these regulations are already in place in many States and are moving forward with bipartisan recommendations for rangeland management.

In my State of New Mexico, our Lieutenant Governor, a Republican, has said that "ranching interests are well-represented on the council." And Fran Gallegos, appointed by the Lieutenant Governor to serve as chair of the State's council, has said that "I will not allow political agendas to mar the work we are beginning now." And while this kind of bipartisan consensus-building is occurring in New Mexico and in other States, Congress is preparing to stop the RAC's and delay implementation of any changes in rangeland management while we wait for new legislation to be enacted. I fail to understand why yet another bureaucratic process is necessary while thousands of hardworking men and women who make their living from the land wait for a conclusion to this issue. It is time to put it behind us. Unfortunately, this bill would make us begin all over again and reinvent the wheel.

And in yet another giveaway to corporate interests, this bill would increase logging in Alaska's Tongass National Forest, denuding yet another section of our precious national forests for a quick buck. And the bill goes even further to prohibit the Forest Service from setting aside additional acreage in the Tongass as areas where logging would be barred in order to protect wildlife.

Even though the contribution of every American to our arts and humanities amounts to less than the cost of two postage stamps, this bill reduces funding for the National Endowment for the Arts by 39 percent. Even though every industrial nation in the world has some kind of government program to support the arts, this bill calls for the elimination of the National Endowment for the Arts in 3 years. Furthermore, the National Endowment for the Humanities is cut by 36 percent.

Mr. Speaker, this is a bad bill and I urge my colleagues to join me in voting it down. The American people did not send us to Washington to pollute their air and water, destroy our arts community and abandon our commitments to those who lived here first. I urge a "no" vote on this bad bill.

Mr. REGULA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I just want to correct something. The gentleman mentioned that the Office of Indian Education had been terminated. That is not accurate because in the House we added back $52.5 million for that office, and we maintained that in the conference committee. So there is now $52.5 million for the Office of Indian Education.

Mr. YATES. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, just to reintroduce exactly what the gentleman from New Mexico [Mr. RICHARDSON] said, because one of the most troubling aspects of this conference report is that it devastates programs for the native Americans. I just cannot understand the attitude of this House. How can we overlook the history of our irresponsible crushing of the Indian people over the centuries?

Mr. Speaker, this conference report compounds that irresponsibility. It does so by cutting funding for the Bureau of Indian Affairs by $288 million from the budget estimate. This crippling cut is directly targeted at programs that help Indian tribes operate their reservations. If we ratify these cuts by passing this conference report, we will not only be harming one of the most impoverished and vulnerable segments of our society, but we will still be breaking another treaty with the Indian people.

Mr. Speaker, I reserve the balance of my time.

Mr. REGULA. Mr. Speaker, I yield myself one-half minute.

Mr. Speaker, on the matter of the native Americans, the conference came up from the Senate $86.5 million. The House had a substantially higher number, the Senate was much lower, and we did restore a good portion of that and we allocated most of the increase to the tribal priority allocations.

Mr. Speaker, I reserve the balance of my time.

Mr. YATES. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin [Mr. OBEY].

□ 1130

Mr. OBEY. Mr. Speaker, this is a case where a very good Member is bringing us a very bad bill, and I am sorry about it, but I just cannot bring myself to support it.

Mr. Speaker, if we take a look at what this bill does to the Tongass; if we take I look at what it does to the Bureau of Indian Affairs; if we take a look at what it does to the California Desert Act; if we take a look at what it does on mining, as has been discussed often this morning, my only question would be: Where is Bill Proxmire when we really need him? If Bill was here, he would absolutely give this bill the Golden Fleece Award for this Congress, because this bill, which is above all supposed to be a bill that protects the public's interest, instead caves in to the private interests.

Mr. Speaker, the worst of all offenses is what has been done or what has not been done to reform the mining law. As I pointed out on the floor yesterday, under existing law, Interior was forced last year to sign away land under which was located an estimated $10 billion in gold, and they had to sell it for $10,000. Under the so-called reforms working their way through this place, that price tag would rise to $100,000. Big deal.

Mr. Speaker, it just seems to me that the only logical thing for this House to do, if we care about defending the public's interest, is to support the recommittal motion of the gentleman from Illinois [Mr. YATES], repair this bill, at least in one way. That still does not mean that the bill would be worth passing, in my view, because of all of the other problems. But at least it would fix up a notorious rip-off of the taxpayers.

Mr. Speaker, I would urge support of the motion of the gentleman from Illinois [Mr. YATES].

Mr. REGULA. Mr. Speaker, I yield 2 minutes to the gentleman from Arizona [Mr. SHADEGG].

Mr. SHADEGG. Mr. Speaker, I rise in support of the conference report as it is written and to oppose the motion to recommit.

Mr. Speaker, there were, some would argue, good and valid reasons to have a moratorium on mining in America. There were three arguments. One was land was being sold at giveaway prices, $2.50 to $5 an acre.

The second, was land that was being patented for mining was not being used for mining, it was being used for some other purpose.

The third, was the fact that there was no royalty being paid. This process is designed to address problems like that, and this bill has done that.

Mr. Speaker, the conference committee report, which I urge my colleagues to read and to pay attention to, makes these issues clear. In legislation which we have adopted, in fact, there now is a provision that the full market value of the land has to be paid. There is no giveaway. So the first argument has been dealt with.

Second, there is a reverter provision. If on any occasion the land is not used for the mining purposes, it reverts automatically. The second issue is dealt with. Both of those are dealt with in the conference committee report itself.

But third and finally, the issue of a royalty is also dealt with in both the House and Senate reconciliation legislation. A royalty will be paid. There may, indeed, have been good reasons for those who were interested in them to impose a mining moratorium, but they were resolved in this report. I urge my colleagues to recognize we have fixed those problems.

The miner moratorium hurts jobs and hurts people. For the other side, for those who oppose it to say we do not need minerals in America, we are anxious to protect jobs, but we do not care about miners jobs, so we do not need minerals produced in America and we can buy those minerals from overseas, they miss so much of the debate.

Mr. Speaker, we need those jobs here in America and in the western United States. I urge my colleagues to oppose the motion to recommit and to support this legislation.

Mr. YATES. Mr. Speaker, I yield myself 30 seconds, merely to point out to the gentleman that we are not getting the full value of the land. We are getting the value of the surface of the land. We are not getting the value of the minerals that lie below the land. The value of that land, with its dust and its scrub and its rocks and consisting of land that nothing can grow on, is bound to be practically nil.

Mr. Speaker, I yield 2 minutes to the gentleman from Montana [Mr. WILLIAMS].

Mr. WILLIAMS. Mr. Speaker, I say to the President: Mr. President, this bill is probably going to get to your desk. On behalf of the West, sir, veto it and send it back. This bill is bad for the West.

This bill is bad for the public's land, because it has in it a terrible bias toward extractive industry, an unconscionable bias.

This bill does break our word to the first Americans. America's Indian people are the least well-housed, have the highest infant mortality rate, they suffer the highest unemployment rates, they have the least length of time in which they live. This bill is going to make it worse for them. Mr. Speaker, I again say: Please, Mr. President, veto it.

This bill gives away our natural resources, particularly in the West, at bargain basement prices. It mandates timber volumes in sensitive forests. The boys in the board room are getting their greed satisfied with this bill. Mr. Speaker, I say: Mr. President, veto it.

Jim Watt must be smiling. He could have written this bill. Mr. President, veto this bill.

Mr. Speaker, I again say: Mr. President, out our way, we like the National Endowment for the Arts. This bill cuts that agency almost 40 percent in the next year. And what is worse, it applies Government censorship to the grants. In the West, we do not like censorship. Mr. Speaker, I say: Mr. President, veto this bill.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. (Mr. BUNNING). The Chair must remind all Members to address their remarks to the Chair and not to others, such as the President.

Mr. REGULA. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. CALVERT].

Mr. CALVERT. Mr. Speaker, I rise in support of the conference report on Interior appropriations.

Mr. Speaker, I am the chairman of the authorizing subcommittee with jurisdiction over mineral resources on the public lands. I believe the conference report language on mining claims solves a problem.

Mr. Speaker, we have an opportunity to fix an outdated law, not since 1866, whereby miners pay a fixed price of $5 an acre for resource-rich land. None of us believe that the existing price of $5 an acre is valid today, but there is every reason to support his conference report.

Mr. Speaker, let me make it clear that patent applicants will pay fair market value for the land, upon enactment of this conference report. The Committee on Resources has within its budget reconciliation title legislation a measure to levy a royalty on hardrock minerals produced from public lands for the first time in 150 years.

Mr. Speaker, why would any of us not support his opportunity to charge fair market value for mineral patents and receive royalty?

Mr. Speaker, I urge acceptance of this conference report.

Mr. REGULA. Mr. Speaker, I yield 1 minute to the gentleman from Idaho [Mr. CRAPO].

Mr. CRAPO. Mr. Speaker, I rise in strong opposition to the motion to recommit the Interior appropriations conference report.

Mr. Speaker, the conference report language does answer one of the critical issues that we are dealing with with regard to mining reform, and that is it does require a fair market value to be paid for the land in a mining claim.

The other issue that is talked about so much is whether a royalty will be paid for the right to mine the minerals under the land that will be patented. That issue is also going to be resolved. Members all know that in the reconciliation bill that is coming, an imposition of a royalty is included. The two key issues that we must address here in mining reform, plus additional mining reform issues that are going to be addressed, are under consideration and will be resolved by this House.

Mr. Speaker, the effort to recommit this bill is an effort to stall the mining reform that we are moving forward on and we must reject this motion to recommit.

Mr. YATES. Mr. Speaker, I yield 1 minute to the gentleman from Wisconsin [Mr. BARRETT].

Mr. BARRETT of Wisconsin. Mr. Speaker, we all read in the last month or two where the Secretary of the Interior, Bruce Babbitt, had to sell valuable mineral rights to a foreign-owned company at basement prices. And I will not even call them basement prices. The prices were so low, it was criminal that we had to give away those mineral resources.

Mr. Speaker, those of us in the Congress who are environmentalists and fiscal conservatives recognize how wrong it is to give away our natural resources, especially to foreign-owned companies.

Mr. Speaker, what we should do is recommit this bill, fix this problem, and make sure that this travesty does not continue. It is wrong from an environmental standpoint, it is wrong from a fiscal standpoint, and it is wrong from an American standpoint.

Mr. REGULA. Mr. Speaker, I have no further requests for time, and I reserve the balance of my time.

Mr. YATES. Mr. Speaker, I yield 1 minute to the gentleman from Connecticut [Mr. GEJDENSON].

Mr. GEJDENSON. Mr. Speaker, the new majority came here with a call they were going to run this place like a business. Well, I do not know of any business or any family who would run their business as we are running the natural resources of this country.

Mr. Speaker, think about the term "below-cost timber sales." We sell timber at a price that is inadequate to recoup the Government's cost. We sell minerals at a price that no family, that no business would give them away for.

If we were a wealthy institution, and with all our fiscal problems this is a wealthy country, if we were impoverished, we would not sell things below cost. We certainly would not take our children's and grandchildren's assets and dispose of them in some fire sale that would destroy the land in many instances, but certainly not bring any profit.

Mr. Speaker, this is bad business; it is bad government; it is bad stewardship. Support the gentleman's motion.

Mr. YATES. Mr. Speaker, I yield 1 minute to the gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. Mr. Speaker, I again rise in opposition to this conference report and urge support for the motion to recommit this to conference.

Mr. Speaker, if this goes through as it is, it will, in most likelihood, mandate and accelerate the issuance of 600 patents of lands; a giveaway of land at fair market value for the surface, but does not take into consideration what the value of the minerals are—nearly a quarter-million acres of public land.

Mr. Speaker, years ago we changed that process with regard to coal and oil. Why does this 19th century robber-baron attitude persist with regard to hardrock minerals, where somebody can explore and prospect for the gold, look for the value, and then come back and expect a handout from the Federal Government? The land for peanuts and the minerals for free while the taxpayer ends up holding the bag.

We cannot do that. This will result in a quarter-million acres of Federal land punctuating the entire landscape of this country, critical areas, which will be given away on this basis with no assurance as to the use and return for the taxpayer.

Mr. Speaker, we need to keep the pressure on to get a good mining reform law to change that 1872 law. We can only do that by sending this back to conference or the President vetoing the bill. There are many other things wrong with the legislation that need to be remedied, but the mining moratorium is the debate today. Vote to send this back to conference.

Mr. REGULA. Mr. Speaker, I yield 1 additional minute to the gentleman from Idaho [Mr. CRAPO].

Mr. CRAPO. Mr. Speaker, I think it is important that we respond to what has just been said, because we must again make it clear that the legislation we are considering does require payment of fair market value for the land.

The argument has been made, "Yes, but it does not require payment for the minerals." But I say again, the reconciliation legislation that is coming does contain the royalty provision for payment of the minerals as they are extracted.

Mr. Speaker, those are the two pieces of the reform that have consistently been thrown out as the components that we must address: The value of the land and the value of the minerals. Those are both being addressed and those who would have Members support the effort to recommit this conference report simply want to stop the progress on making these needed mining reforms.

Mr. REGULA. Mr. Speaker, I yield 2 minutes to the gentleman from Alaska [Mr. YOUNG], the chairman of the Committee on Resources.

Mr. YOUNG of Alaska. Mr. Speaker, I urge a "no" vote on this motion to recommit.

Mr. Speaker, the conference report language on mining claims solves a problem, rather than simply deferring action. When enacted, miners seeking title to their claims will pay fair market value, not $5 an acre, which never occurred to begin with.

□ 1145

Some mining claimants have complied with present law and now qualify under present law. This is America. They have filled all the obligations required under law. If a new law is retroactively applied without grandfathering these claims, then the Federal Government will be exposed to billions of dollars in takings liabilities. You say fine. That is the taxpayers' dollars you are talking about. That is what you are talking about here, is controlled by the Government.

These people followed the law, and we passed that law. And now you are going to make it retroactive. That is taking and the Government is susceptible to a lawsuit. Maybe you ought to be reliable yourselves. Maybe you ought to pay the bill instead of the taxpayer. If we are talking about future laws, that is different, but this applies to the present law that in fact is in effect today and those people followed that law.

A "no" vote is the right vote for this motion to recommit. If in fact a "yes" vote is the overwhelming majority or the minority, then we have taken and implemented a taking of property from a private individual, a citizen of the United States.

I have watched this from the floor before. Where this Congress thinks nothing about retroactive taxes, breaking people, taking their homes in the guise of good for all. This time if you do so, you are going to be sued. We are going to be sued. But none of us are held responsible. That is what is wrong.

I hope that the people listening to this program, all 26 million of you, understand what this Congress may do today. That is, implement a lawsuit against you, not us individually, but against the taxpayers of America.

Mr. REGULA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, just a couple of things I want to emphasize. We respect private property rights in this bill, perhaps more than has been historically true. We have tried to protect those. We have tried to ensure that we protect America's natural heritage.

I would have to point out, obviously we have $1.4 billion less, and I think those who have spoken in opposition to the bill have made that case that we should have spent more. But if we are going to get a balanced budget in 7 years, it has to start somewhere. We have tried to do the things that are important.

Again, I emphasize, the parks will be open. The forests, the Smithsonian, the fish and wildlife facilities, the Kennedy Center, the National Gallery of Art, their operating budgets have been held pretty much intact, because we want the public to continue to have access to the facilities that they treasure.

We had to make it up on land acquisition and many other activities that had not as high a priority. Even on the Bureau of Indian Affairs, where it was something that affected the tribal activities, we have maintained the level of funding. On the issue of the moratorium, I think it is a policy question. Members have heard debate on both sides. Each Member will have to make his or her own decision.

We were instructed to maintain the moratorium by a voice vote and the original amendment carried 271 to 153. But there was a difference among conferees as reflected in the report.

Mr. YATES. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, my good friend, the gentleman from Ohio, said that in this bill we respect private property rights. And we do. We protect private property rights. The problem is, though, we do not respect public property rights. And we give away the public property on too many occasions in giving away the opportunity to exploit the people's resources.

Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Speaker, I rise in opposition to the bill and in support of the motion to recommit.

Mr. Speaker, I rise in support of the motion to recommit the Interior appropriations bill to conference and to restore the House language regarding the mining law patent moratorium.

If the conference report on the fiscal year 1996 Interior Appropriations bill were a car, it would be recalled.

What it purports to do in the name of budget cutting is obscene. Not only is this appropriations bill packed with authorizing legislation as in a spending bill—in clear violation of House rules—but, it also shamelessly and against the public interest runs rampant in overturning sound environmental policy.

There are simply too many flaws in this conference report to describe each one of them, but, one of the most offensive is the elimination of the mining patent moratorium.

Despite the fact that the House has repeatedly voted for a moratorium on giving away public lands to mining companies, the conference committee adopted language that replaces the patent moratorium with a new Senate provision that is even worse than that which currently exists under the old 1872 law.

This is not an insignificant concern. It is one—if not the primary—reason the President has said he will veto this bill.

Unless the patent moratorium is restored, over 600 patent applications worth more than $15 billion in mineral resources, currently blocked by last year's moratorium, will be given away for less than $700,000 for whose benefit and under the banner of what kind of conservatism.

Unless the conference report is changed and the moratorium imposed—mining companies—many of them foreign-owned—will get title to an additional 230,000 acres of the public's land for a pittance of their real value. Who does this benefit?—the struggling middle class?—is this an element of the contract for America?—what kind of conservatism is this?

Ending the moratorium also means that all 330,000 mining claims—or another one million acres of public land—will be eligible for patenting or disposal to the mining industry.

People often ask us Why can't you run government more like a business?

Our inability to reform the 1872 mining law is a perfect example of both why they ask us this question and why we can't run government more like a business.

I can think of no business that gives away its assets—for free—without taking any kind of a payment. But, the Federal Government is forced, through actions such as this legislation to virtually give-away public lands that are rich in gold and silver to mining companies. We don't even reserve a royalty or any other sort of economic payment to the public—it's just *finders keepers* under the 1872 mining law.

We have been trying for years and years to get this archaic law changed—but the mining industry and its friends in Congress have been successful in blocking those attempts.

So, we have been forced to impose a simple moratorium to stem the flow of valuable mineral properties from the public troth while we try to get meaningful reform enacted.

Just this year, because Congress has failed to reform the 1872 Mining Law, Interior Secretary Bruce Babbitt has been forced to sign away land worth more than $1 billion for a pittance of its true value.

For example, the Secretary was recently compelled to sign away ownership to 109 acres of public land in Idaho containing hundreds of thousands of dollars worth of a mineral called travertime to a Dutch owned corporation for the paltry sum of $275. This looks like letting business run government for business's purpose—these are public lands, these are public assents. This legal piracy of public resources must stop. If the Republicans are serious about reforming Government, and not just interested in consolidating and moving more and more of the Nation's capital resources—upstream—to the already rich and wealthy, then they should not stand in the way of reforming the 1872 Mining law.

We should not give away permanent ownership of the public lands. We don't do that in oil, gas or coal leasing.

But, the hard rock mining industry claims to be different than all the other mineral resource and extractive industries. They claim that patenting is critical to their ability to function. But, this is a bogus argument. You do not need a patent to mine. It is absolutely irrelevant to the question of mining—unless you are trying to avoid paying a royalty if and when Congress gets around to changing the 1872 mining law.

No State gives private companies title to its resources, and yet the companies mine on State land. I know of no private citizens who give mining companies title to their land for mineral exploration and production, and yet they mine on private lands.

So why don't we change the law? It's simple—money talks, nobody walks—The mining industry spent a small furtune last year and again this year to prevent reform of the 123-year-old Mining law of 1872. It is cheaper for them to pay the lobbyists and make the campaign contributions than to see real reform enacted to safeguard the taxpayers who own this gold. As a result, we can look forward to many more giveaways like the ones Secretary Babbitt signed earlier this year—trading a fortune in public gold for a pauper's ransom.

If we do not stop patenting, through mining reform or through a patenting moratorium pending achievement of mining reform—we will see more and more public land given away in the years to come.

Unless we keep the patent moratorium in place, these lands will be given away to mining corporations that want to avoid paying a royalty.

We cannot be party to the continued looting of the Treasury by foreign gold companies and others. So we should include a patent moratorium because as a practical matter, we should not leave the 1872 law, and particularly the patenting process, on the books should no action be taken on comprehensive reform. If we must again defer until next year—or the year after—comprehensive reform, we should hold the program in abeyance. For while we may not have agreed on the precise design of reform at the point, virtually everyone agrees drastic reform of the mining program is necessary.

So, I urge the House to recommit the conference report and insist on adoption of the House language. If we cannot achieve real reform, we will at a minimum stop the giveaway of 15 billion dollars' worth of public resources until such time as we do achieve reform.

Ms. PELOSI. Mr. Speaker, I rise in opposition to the Interior appropriations bill before us today. It is a bill rife with Federal giveaways—an interesting juxtaposition given the Republican interest in balancing the budget and reforming welfare and other programs for the poor.

The real message is: It's OK to attack welfare for the poor, but do not question Federal welfare to those who can make billions off our Federal lands with a minuscule return to the Government. Why are we offering this giveaway to those who benefit from the largesse of our natural resources, and at the expense of our public lands and our Federal Treasury?

The biggest giveaway in the bill is the fire sale of our Federal lands and their mineral deposits to a single beneficiary—the mining industry. And this is done in the name of mining reform. This isn't reform; this is a retreat.

The House is already on record opposing what the Senate has included in H.R. 1977. We voted 271 to 153 in opposition to lifting the moratorium on mining claim patents—only 2 months ago. Now, we are retreating from this vote and our position against this giveaway.

Mining companies stand to gain millions, or billions, in mining these underground resources with literally no return to the Federal Government. If this is Republican reform, then I can only imagine what is in store for the American people.

Let's look at real reform and let's stand by the vote we took in July and let's not rip off the American people.

I urge my colleagues to reject H.R. 1977 and vote to recommit the bill.

Mr. YATES. Mr. Speaker, 30 years ago today, on September 29, 1965, President Johnson signed the National Foundation on the Arts and the Humanities Act into law. This historic act created the the National Endowment for the Arts and the National Endowment for the Humanities and ushered in a new era in the cultural life of America.

At this time I would like to submit for the RECORD a newspaper article from September 30, 1965 on President Johnson signing the act.

For most of our Nation's history, one would have to travel to the largest cities in order to see and experience great art. But today, thanks in large part to the 100,000 grants made by the National Endowment for the Arts, culture and art are thriving in every corner of America. The statistics speak for themselves: in 1965 there were only 58 orchestras in the country; today there are over 1,000. Prior to the NEA there were 37 professional dance companies in America; now there are 300. In 1965, there were five State arts agencies; today, every State has a public arts agency and there are community arts agencies in over 3,800 cities, counties and towns. Perhaps most impressive of all has been the increase in the number of people attending the theater;

before 1965 only 1 million people attended the theater each year, today over 55 million attend annually.

From the great performances on public television, to touring arts exhibitions and performances, art is now available to all Americans.

By any measure, the National Endowment for the Arts has been a success. The Arts Endowment has made a difference in the lives of millions. In Chicago for instance, grants to organizations like Urban Gateways have helped tens of thousands of school children become better students through the arts. All across America, millions of children and their families have had the chance to see the masterpieces of the visual arts, hear the masterworks of American composers, and read the novels, stories and poems of America's best writers. Traditional. folk arts have been resurrected. Historic buildings which add beauty and character to neighborhoods and cities have been saved and restored. In short, American culture and the American people have been profoundly changed by our small investment in the arts.

And so, Mr. Speaker, on the 30th anniversary of the National Endowment for the Arts and the National Endowment for the Humanities, I urge my colleagues, and the nation as a whole, to reflect on the role that arts and humanities play in our lives; how we are enriched by them and how bleak our lives would be without them.

Mr. Speaker, I submit the following article for the RECORD.

[From the Morning News, Wilmington, DE, Sept. 30, 1965]

$21-MILLION-A-YEAR BOOST—LBJ SIGNS AID-TO-ARTS BILL

(By Norman Runnion)

WASHINGTON.—President Johnson turned the White House Rose Garden into a cultural center yesterday to sign a bill that makes the federal government a multimillion dollar patron of the arts.

Taking over a role played by the aristocracy in medieval times—and now carried on by governments in many European countries and the Soviet Union—the Administration will be able to pour up to $21 million a year into support of the creative and performing arts and humanities.

Poets, painters, actors and a huge crowd of congressmen gathered in the rose garden to watch Johnson sign the bill which created a National Foundation for the Arts and Humanities.

Now that the bill is law, Johnson said, "Let me tell you what we are going to do with it. Working together with the state and the local governments, and with many private organizations in the arts, we will:

"Create a national theater to bring ancient and modern classics of the theater to audiences all over America.

"We will support a national opera company and a national ballet company. (He did not spell out whether this would be similar to Russia's world-famous Bolshoi Ballet Co.)

"We will create an American film institute, bringing together leading artists of the film industry, outstanding educators, and young men and women who wish to pursue the 20th Century art form as their life's work.

"We will commission new works of music by American composers.

"We will support our symphony orchestras.

"We will bring more great artists to our schools and universities by creating grants for their time in residence."

The President declared further that "in the long history of man, countless empires and nations have come and gone. Those which created no lasting works of art are reduced today to short footnotes in history's catalogue.

"We in America have not always been kind to the artists and scholars who are the creators and the keepers of our vision. Somehow, the scientists always seem to get the penthouse, while the arts and the humanities get the basement."

It was a remark that went over well with his audience, which included such notables as composers Meredith Willson and Richard Adler; actor Gregory Peck and Hollywood director George Stevens; photographic great Edward Steichen; Impresario Sol Hurok, writers Paddy Chayefsky and Marianne Moore.

Notably absent was playwright Arthur Miller, who informed Johnson that he would not be present because he disagreed with the Administration's Vietnamese policy. It was the second such snub this year. For the same reason, poet Robert Lowell turned down an invitation in June to the White House Festival of the American Arts.

The legislation signed by the President creates a national foundation to develop policy and coordinate the work of two endowments. One would be for the humanities which would include such things as art criticism and the study of modern and classical language, and the other for the arts, including music, folk art, industrial design and the like.

There will be a basic $5-million fund for each endowment, with additional money authorized to match nonfederal contributions for support of the arts and humanities. Each state with an arts council will get $50,000 a year for its support, while states without the councils will get $25,000 to help create them.

Furthermore, the U.S. Office of Education will get $1 million to support state and local educational agency efforts to teach the arts and humanities and to train elementary and high school teachers in these fields.

The national theater and ballet and opera companies that Johnson mentioned will one day be able to perform in the John F. Kennedy Center for the Performing Arts, which will be the nation's No. 1 cultural showpiece.

The President later in the day requested $17,910,000 in supplemental appropriations to initiate the grant-in-aid programs under the act signed yesterday. The request was included in a $132,993,000 supplemental appropriation request sent to Congress.

Mr. FAZIO of California. Mr. Speaker, as the sponsor of the amendment to restore funding to the Mojave preserve which failed on the House floor, I am deeply disappointed that the Senate saw fit to accept the House language on this issue.

While there are a number of other things wrong with this measure, not the least of which is the mining issue, this back door effort to gut the California Desert Protection Act is of particular concern to me.

Congress expressed its will loudly and clearly when it passed the California Desert Protection Act in the last session. Overwhelmingly and with significant Republican support, Congress directed the National Park Service and not the Bureau of Land Management to manage the Mojave preserve.

If the new majority in this House seeks to repeal this or any other part of the Desert Act, they should introduce legislation to do that. It should be open and undisguised legislation. We should not let the appropriations process be abused in this way.

Supporters of the Desert Act were not afraid to have open and honest debate during the years it took to get this measure enacted. Opponents should allow for the same kind of exhaustive review if they believe they have the support to repeal it.

I urge my colleagues to oppose this measure.

GENERAL LEAVE

Mr. REGULA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report.

The SPEAKER pro tempore (Mr. BUNNING of Kentucky). Is there objection to the request of the gentleman from Ohio?

There was no objection.

MOTION TO RECOMMIT OFFERED BY MR. YATES

Mr. YATES. Mr. Speaker, I offer to a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the conference report?

Mr. YATES. Totally, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. YATES moves to recommit the conference report on the bill H.R. 1977 to the committee of conference with instructions to the managers on the part of the House to insist on the House position on Senate amendment numbered 158.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. YATES. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 277, nays 147, not voting 10, as follows:

[Roll No. 696]

YEAS—277

Abercrombie
Ackerman
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Bartlett
Becerra
Beilenson
Bentsen
Bereuter
Berman
Bevill
Bilirakis
Bishop
Blute
Boehlert
Bonior
Borski
Boucher
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Canady
Cardin
Castle
Chabot
Chapman
Clay
Clayton
Clement
Clyburn
Coble
Coleman
Collins (MI)
Conyers
Costello
Coyne
Cramer
Cunningham
Danner
Davis
de la Garza
Deal
DeFazio
DeLauro
Dellums
Deutsch
Diaz-Balart
Dicks
Dingell
Dixon
Doggett
Dooley

Doyle
Duncan
Durbin
Edwards
Ehlers
Ehrlich
Engel
Eshoo
Evans
Ewing
Farr
Fattah
Fawell
Fazio
Filner
Flake
Foglietta
Foley
Forbes
Ford
Fowler
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Furse
Ganske
Gejdenson
Gephardt
Geren
Gibbons
Gilchrest
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Green
Greenwood
Gunderson
Gutierrez
Hall (OH)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hobson
Hoekstra
Holden
Horn
Houghton
Hoyer
Inglis
Jackson-Lee
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnston
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
King
Kingston
Kleczka
Klink
Klug
LaFalce
Lantos
Latham
LaTourette
Lazio
Leach
Levin
Lewis (GA)
Lincoln
Linder
Lipinski
LoBiondo
Lofgren
Longley
Lowey
Luther
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCollum
McDade
McDermott
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Meyers
Mfume
Miller (CA)
Miller (FL)
Mineta
Minge
Mink
Moakley
Molinari
Montgomery
Moran
Morella
Murtha
Nadler
Neal
Ney
Oberstar
Obey
Olver
Owens
Oxley
Pallone
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Pickett
Pomeroy
Portman
Poshard
Pryce
Quinn
Rahall
Ramstad
Rangel
Reed
Regula
Richardson
Rivers
Roemer
Rohrabacher
Ros-Lehtinen
Rose
Roukema
Roybal-Allard
Royce
Rush
Sabo
Sanders
Sanford
Sawyer
Scarborough
Schroeder
Schumer
Scott
Sensenbrenner
Serrano
Shaw
Shays
Sisisky
Skaggs
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Solomon
Souder
Spratt
Stark
Stenholm
Stokes
Studds
Stupak
Tanner
Taylor (MS)
Thompson
Thornton
Thurman
Torkildsen
Torres
Torricelli
Towns
Traficant
Upton
Velazquez
Vento
Visclosky
Volkmer
Ward
Waters
Watt (NC)
Waxman
Weldon (PA)
Weller
White
Williams
Wise
Wolf
Woolsey
Wyden
Wynn
Yates
Young (FL)
Zimmer

NAYS—147

Allard
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Barton
Bass
Bateman
Bilbray
Bliley
Boehner
Bonilla
Bono
Brewster
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Callahan
Calvert
Camp
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Coburn
Collins (GA)
Combest
Condit
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
DeLay
Dickey
Doolittle
Dornan
Dreier
Dunn
Emerson
English
Ensign
Everett
Fields (TX)
Flanagan
Gallegly
Gekas
Gillmor
Gutknecht
Hall (TX)
Hancock
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Heineman
Herger
Hilleary
Hoke
Hostettler
Hunter
Hutchinson
Hyde
Istook
Johnson, Sam
Kim
Knollenberg
Kolbe
LaHood
Largent
Laughlin
Lewis (CA)
Lewis (KY)
Lightfoot
Livingston
Lucas
McCrery
McInnis
McIntosh
McKeon
Metcalf
Mica
Mollohan
Moorhead
Myers
Myrick
Nethercutt
Neumann
Norwood
Nussle
Ortiz
Orton
Packard
Parker
Pastor
Paxon
Petri
Pombo
Quillen
Radanovich
Riggs
Roberts
Rogers
Roth
Salmon
Saxton
Schaefer
Schiff
Seastrand
Shadegg
Shuster
Skeen
Smith (TX)
Smith (WA)
Spence
Stearns
Stockman
Stump
Talent
Tate
Tauzin
Taylor (NC)
Thomas
Thornberry
Tiahrt
Vucanovich
Waldholtz
Walsh
Wamp
Watts (OK)
Weldon (FL)
Whitfield
Wicker
Wilson
Young (AK)
Zeliff

NOT VOTING—10

Buyer
Collins (IL)
Fields (LA)
Frost
McHugh
Porter
Reynolds
Tejeda
Tucker
Walker

□ 1210

Mr. PETRI, Mr. LUCAS, Mrs. MYRICK, and Mr. MOLLOHAN changed their vote from "yea" to "nay."

Messrs. GRAHAM, WELLER, CUNNINGHAM, KINGSTON, MANZULLO, McCOLLUM, and JONES changed their vote from "nay" to "yea."

So the motion to recommit was agreed to.

The result of the vote was announced as above recorded.

A motion to recommit was laid on the table.

LEGISLATIVE PROGRAM

(Mr. ARMEY asked and was given permission to address the House for 1 minute.)

Mr. ARMEY. Mr. Speaker, I take this time to speak for one moment for the purpose of advising Members about their travel schedules.

Mr. Speaker, I would like to just take a minute to advise Members that we, of course, have passed the continuing resolution through our body. It is now under consideration in the other body. We recognize the possibility of extended consideration of the continuing resolution in the other body, and, in light of that, we cannot make any hard and fast declarations about our potential departure time today. We still remain somewhat optimistic, but I thought it was only fair to alert the Members.

Of course, we must await the other body's final consideration for our final action at this point. We will try to stay in touch with them about what is going on, and I will try to keep the body informed. I remain hopeful that perhaps they can expedite their consideration and we can move on with our day's schedule.

In the meantime, as we contemplate that, we will be considering the possibility of other legislation to be brought before the body today. But we will make every effort we can, in light of the considerations we must give the other body, to complete our work as early as we can today, so that Members can get home for their district work period.

Mr. FAZIO of California. Mr. Speaker will the gentleman yield?

Mr. ARMEY. I yield to the gentleman from California.

Mr. FAZIO of California. Mr. Speaker, I understand there is a consultative meeting on Bosina at the White House today with a number of Members at 12:30. Is it possible we could accommodate those Members who need to be at that very important meeting without having votes interrupting?

Mr. ARMEY. I appreciate the gentleman's concern. I, too, will be in that meeting. We are looking at all options on the schedule. We will do our best to accommodate all Members, perhaps even by delaying votes or whatever, and we will try to accommodate them.

Mr. FAZIO of California. I know a number of Members want to have the vote, if possible, so they could go to that meeting without having to leave. Is it possible that votes could be held before that time?

Mr. ARMEY. As the gentleman knows, the other body works at its own pace, and we will, of course, as we always do, wait their result.

Mr. FAZIO of California. Is there any change in the anticipated order of schedule today? Everything remains as is?

Mr. ARMEY. Not at this time. We intend to proceed as we scheduled for today.

Mr. LIVINGSTON. Mr. Speaker, will the gentleman yield?

Mr. ARMEY. I yield to the gentleman from Louisiana.

Mr. LIVINGSTON. Mr. Speaker, I am aware of that meeting. I am also aware that we have the defense conference report for the 1996 appropriations scheduled on the floor in the next few minutes, and that that vote may come up at some point this afternoon. I would suggest to those who are conducting the meeting, that it might be wise to either hold it on Capitol Hill or reschedule it.

Mr. ARMEY. Mr. Speaker, we did receive extremely late notice from the White House, and we are trying to accommodate everyone concerned with respect to the White House request. We will make a determination and proceed with due consideration of all our Members in light of the two considerations two matters we have at the White House and the other body.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 2405, OMNIBUS CIVILIAN SCIENCE AUTHORIZATION ACT OF 1995

Mr. LINDER, from the Committee on Rules, submitted a privileged report (Rept. No. 104–270) on the resolution (H. Res. 234) providing for the consideration of the bill (H.R. 2405) to authorize appropriations for fiscal years 1996 and 1997 for civilian science activities of the Federal Government, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION WAIVING POINTS OF ORDER AGAINST CONFERENCE REPORT ON H.R. 1976, AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1996

Mr. LINDER, from the Committee on Rules, submitted a privileged report (Rept. No. 104–271) on the resolution (H. Res. 235) waiving points of order against the conference report to accompany the bill (H.R. 1976) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and related agencies programs for the fiscal year ending September 30, 1996, and for other purposes, which was referred to the House Calendar and ordered to be printed.

□ 1215

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1289

Ms. WOOLSEY. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 1289.

The SPEAKER pro tempore (Mr. BUNNING). Is there objection to the request of the gentlewoman from California?

There is no objection.

SUNDRY MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Edwin Thomas, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one if its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 2399. An act to amend the Truth in Lending Act to clarify the intent of such Act and to reduce burdensome regulatory requirements on creditors.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 2099. An act making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1996, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 2099) "An Act making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1996, and for other purposes", requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BOND, Mr. GRAMM, Mr. BURNS, Mr. STEVENS, Mr. SHELBY, Mr. BENNETT, Mr. HATFIELD, Ms. MIKULSKI, Mr. LEAHY, Mr. JOHNSTON, Mr. LAUTENBERG, Mr. KERREY, and Mr. BYRD, to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 144. An act to amend section 526 of title 28, United States Code, to authorize awards of attorney's fees;

S. 531. An act to authorize a circuit judge who has taken part in an en banc hearing of a case to continue to participate in that case after taking senior status, and for other purposes;

S. 977. An act to correct certain references in the Bankruptcy Code;

S. 1111. An act to amend title 35, United States Code, with respect to patents on biotechnological processes; and

S. 1147. An act to extend and reauthorize the Defense Production Act of 1950, and for other purposes.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 895) "An Act to amend the Small Business Act to reduce the level of participation by the Small Business Administration in certain loans guaranteed by the Administration, and for other purposes".

The message also announced that in accordance with sections 1928a–1928d of title 22, United States Code, as amended, the Chair, on behalf of the Vice President, appoints Mr. COCHRAN, Mr. GRASSLEY, Mr. MURKOWSKI, Mr. GORTON, and Mr. AKAKA, as members of the Senate delegation to the North Atlantic Assembly Fall Meeting during the 1st session of the 104th Congress, to be held in Turin, Italy, October 5–9, 1995.

THE JOURNAL

The SPEAKER pro tempore. Pursuant to clause 5 of rule I, the pending business is the question of the Speaker's approval of the Journal of the last day's proceedings.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. TATE. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 354, noes 59, answered "present" 1, not voting 20, as follows:

[Roll No. 697]

AYES—354

Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Beilenson
Bentsen
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boucher
Brewster
Browder
Brown (FL)
Brown (OH)
Brownback
Bryant (TN)
Bryant (TX)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cardin
Castle
Chabot
Chambliss
Chapman
Christensen
Chrysler
Clayton
Clinger
Coble
Coburn
Coleman
Collins (GA)
Collins (MI)
Combest
Condit
Cooley
Costello
Cox
Coyne
Crapo
Cremeans
Cubin
Cunningham
Danner
de la Garza
Deal
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dixon
Doggett
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Evans
Ewing
Farr
Fawell
Fields (TX)
Flake
Flanagan
Foley
Forbes
Ford
Fowler
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Gallegly
Ganske
Gejdenson
Gekas
Geren
Gilchrest
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Green
Greenwood
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Hastert
Hastings (WA)
Hayes
Hefner
Heineman
Herger
Hilleary
Hinchey
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson-Lee
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Johnston
Jones
Kanjorski
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaHood
Lantos
Largent
LaTourette
Laughlin
Lazio
Lewis (CA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Longley
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCollum
McCrery
McDade
McHale
McInnis
McKeon
McKinney
Meehan
Meek
Metcalf
Meyers
Mica
Miller (CA)
Miller (FL)
Mineta
Minge
Mink
Mollohan
Montgomery
Moorhead
Moran

Morella
Murtha
Myers
Myrick
Nadler
Nethercutt
Neumann
Norwood
Nussle
Obey
Olver
Orton
Oxley
Packard
Pallone
Parker
Paxon
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Petri
Pomeroy
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Richardson
Riggs
Rivers
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Roybal-Allard
Royce
Salmon
Sanders
Sawyer
Saxton
Schaefer
Schiff
Schumer
Scott
Seastrand
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Shuster
Sisisky
Skaggs
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stearns
Stenholm
Stokes
Studds
Stump
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (NC)
Thomas
Thornberry
Thornton
Thurman
Tiahrt
Torres
Torricelli
Towns
Traficant
Upton
Vucanovich
Waldholtz
Walsh
Wamp
Ward
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Williams
Wilson
Wise
Wolf
Woolsey
Wyden
Wynn
Yates
Young (AK)
Young (FL)
Zeliff

NOES—59

Abercrombie
Ackerman
Chenoweth
Clay
Clyburn
Conyers
Cramer
Crane
Davis
DeFazio
Dingell
Ensign
Everett
Fazio
Filner
Foglietta
Funderburk
Furse
Gephardt
Gibbons
Gillmor
Gutierrez
Gutknecht
Hastings (FL)
Hayworth
Hefley
Jacobs
LaFalce
Latham
Levin
Lewis (GA)
McDermott
McNulty
Menendez
Mfume
Neal
Ney
Oberstar
Owens
Pastor
Payne (NJ)
Pickett
Pombo
Rush
Sabo
Sanford
Scarborough
Schroeder
Slaughter
Stark
Stockman
Taylor (MS)
Torkildsen
Velazquez
Vento
Visclosky
Volkmer
Waters
Zimmer

ANSWERED "PRESENT"—1

Harman

NOT VOTING—20

Brown (CA)
Clement
Collins (IL)
Fattah
Fields (LA)
Frost
Hilliard
Kaptur
Leach
McHugh
McIntosh
Moakley
Molinari
Ortiz
Porter
Reynolds
Tejeda
Thompson
Tucker
Walker

□ 1234

So the journal was approved.

The result of the vote was announced as above recorded.

SIX-MONTH PERIODIC REPORT ON NATIONAL EMERGENCY DECLARED TO DEAL WITH LAPSE OF EXPORT ADMINISTRATION ACT OF 1979—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore (Mr. BUNNING) laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on International Relations and ordered to be printed:

To the Congress of the United States:

As required by section 204 of the International Emergency Economic Powers Act (50 U.S.C. 1703(c)) and section 401(c) of the National Emergencies Act (50 U.S.C. 1641(c)), I transmit herewith a 6-month periodic report on the national emergency declared by Executive Order No. 12924 of August 19, 1994, to deal with the threat to the national security, foreign policy, and economy of the United States caused by the lapse of the Export Administration Act of 1979.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *September 29, 1995.*

TEXT OF PROPOSED AGREEMENT FOR COOPERATION BETWEEN THE UNITED STATES AND THE REPUBLIC OF SOUTH AFRICA CONCERNING PEACEFUL USES OF NUCLEAR ENERGY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on International Relations and ordered to be printed:

To the Congress of the United States:

I am pleased to transmit to the Congress, pursuant to sections 123 b. and 123 d. of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2153 (b), (d)), the text of a proposed Agreement for Cooperation Between the United States of America and the Republic of South Africa Concerning Peaceful Uses of Nuclear Energy, with accompanying annex and agreed minute. I am also pleased to transmit my written approval, authorization, and determination concerning the agreement, and the memorandum of the Director of the United States Arms Control and Disarmament Agency with the Nuclear Proliferation Assessment Statement concerning the agreement. The joint memorandum submitted to me by the Acting Secretary of State and the Secretary of Energy, which includes a summary of the provisions of the agreement and various other attachments, including agency views, is also enclosed.

The proposed agreement with the Republic of South Africa has been negotiated in accordance with the Atomic Energy Act of 1954, as amended by the Nuclear Non-Proliferation Act of 1978 (NNPA) and as otherwise amended. In my judgment, the proposed agreement meets all statutory requirements and will advance the non-proliferation and other foreign policy interests of the United States. It provides a comprehensive framework for peaceful nuclear cooperation between the United States and South Africa under appropriate conditions and controls reflecting a strong common commitment to nuclear non-proliferation goals.

The proposed new agreement will replace an existing U.S.-South Africa agreement for peaceful nuclear cooperation that entered into force on August 22, 1957, and by its terms would expire on August 22, 2007. The United States suspended cooperation with South Africa under the 1957 agreement in the 1970's because of evidence that South Africa was embarked on a nuclear weapons program. Moreover, following passage of the NNPA in 1978, South Africa did not satisfy a provision of section 128 of the Atomic Energy Act (added by the NNPA) that requires full-scope IAEA safeguards in non-nuclear weapon states such as South Africa as a condition for continued significant U.S. nuclear exports.

In July 1991 South Africa, in a momentous policy reversal, acceded to the Treaty on the Non-Proliferation of Nuclear Weapons (NPT) and promptly entered into a full-scope safeguards agreement with the IAEA as required by the Treaty. South Africa has been fully cooperative with the IAEA in carrying out its safeguards responsibilities.

Further, in March 1993 South Africa took the dramatic and candid step of revealing the existence of its past nuclear weapons program and reported that it had dismantled all of its six nuclear devices prior to its accession to the NPT. It also invited the IAEA to inspect its formerly nuclear weapons-related facilities to demonstrate the openness of its nuclear program and its genuine commitment to non-proliferation.

South Africa has also taken a number of additional important non-proliferation steps. In July 1993 it put into effect a law banning all weapons of mass destruction. In April 1995 it became a member of the Nuclear Suppliers Group (NSG), formally committing itself to abide by the NSG's stringent guidelines for nuclear exports. At the 1995 NPT Review and Extension Conference it played a decisive role in the achievement of indefinite NPT extension—a top U.S. foreign policy and national security goal.

These steps are strong and compelling evidence that South Africa is now firmly committed to stopping the spread of weapons of mass destruction and to conducting its nuclear program for peaceful purposes only.

In view of South Africa's fundamental reorientation of its nuclear program, the United States proposes to enter into a new agreement for peaceful nuclear cooperation with South Africa. Although cooperation could have been resumed under the 1957 agreement, both we and South Africa believe that it is preferable to have a new agreement completely satisfying, as the proposed new agreement does, the current legal and policy criteria of both sides, and that reflects, among other things:

—Additional international non-proliferation commitments entered into by the parties since 1974, when the old agreement was last amended, including, for South Africa, its adherence to the Treaty on the Non-Proliferation of Nuclear Weapons;

—Reciprocity in the application of the terms and conditions of cooperation between the parties; and

—An updating of terms and conditions to take account of intervening changes in the respective domestic legal and regulatory frameworks of the parties in the area of peaceful nuclear cooperation.

For the United States, the proposed new agreement also represents an additional instance of compliance with section 404(a) of the NNPA, which calls for an effort to renegotiate existing agreements for cooperation to include the more stringent requirements established by the NNPA.

The proposed new agreement with South Africa permits the transfer of technology, material, equipment (including reactors), and components for nuclear research and nuclear power production. It provides for U.S. consent rights to retransfers, enrichment, and reprocessing as required by U.S. law. It does not permit transfers of any sensitive nuclear technology, restricted data, or sensitive nuclear facilities or major critical components thereof. In the event of termination, key conditions and controls continue with respect to material and equipment subject to the agreement.

From the United States perspective the proposed new agreement improves on the 1957 agreement by the addition of a number of important provisions. These include the provisions for full-scope safeguard; perpetuity of safeguards; a ban on "peaceful" nuclear explosives; a right to require the return of exported nuclear items in certain circumstances; a guarantee of adequate physical security; and a consent right to enrichment of nuclear material subject to the agreement.

I have considered the views and recommendations of the interested agencies in reviewing the proposed agreement and have determined that its performance will promote, and will not constitute an unreasonable risk to, the common defense and security. Accordingly, I have approved the agreement and authorized its execution and urge that the Congress give it favorable consideration.

Because this agreement meets all applicable requirements of the Atomic Energy Act, as amended, for agreements for peaceful nuclear cooperation, I am transmitting it to the Congress without exempting it from any requirement contained in section 123 a. of that Act. This transmission shall constitute a submittal for purposes of both sections 123 b. and 123 d. of the Atomic Energy Act. The Administration is prepared to begin immediately the consultations with the Senate Foreign Relations and House International Relations Committees as provided in section 123 b. Upon completion of the 30-day continuous session period provided for in section 123b, the 60-day continuous session period provided for in section 123 d. shall commence.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *September 29, 1995.*

CONFERENCE REPORT ON H.R. 2126, DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 1996

Mr. YOUNG of Florida. Mr. Speaker, pursuant to House Rule 232, I call up the conference report on the bill (H.R. 2126), making appropriations for the Department of Defense for the fiscal year ending September 30, 1996, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to the rule, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of September 25, 1995, at page H9453.)

Mr. OBEY. Mr. Speaker, could I inquire, I understand the normal procedure is to have the time split 50-50 between the gentleman from Florida [Mr. YOUNG] and the gentleman from Pennsylvania [Mr. MURTHA]. Is my understanding correct that the gentleman from Pennsylvania is in support of the bill?

The SPEAKER pro tempore. Does the gentleman from Pennsylvania support the conference report?

Mr. MURTHA. Mr. Speaker, I support the conference report.

Mr. OBEY. Mr. Speaker, then I ask that the time be divided three ways and I be allocated the customary 20 minutes.

The SPEAKER pro tempore. The gentleman from Florida [Mr. YOUNG] will be recognized for 20 minutes, the gentleman from Pennsylvania [Mr. MURTHA] will be recognized for 20 minutes, and the gentleman from Wisconsin [Mr. OBEY] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Florida [Mr. YOUNG].

GENERAL LEAVE

Mr. YOUNG of Florida. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the conference report on H.R. 2126, and that I may include extraneous and tabular material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. YOUNG of Florida. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we bring back a good conference report today. It is a bipartisan conference report providing for the national defense of our national readiness today, midterm and longterm. The total of the bill is $243.3 billion. That is $1.7 billion more than fiscal year 1995, but it is $746 million less than the House-passed bill.

Mr. Speaker, we had a very difficult conference. We had over 1,700 items in disagreement with the other body. Those complications were further complicated by a further reduction in our 602(b) allocation during the conference of $858 million.

We were able to work out all of the issues. It required some compromise on both sides; compromise that maybe at times was not exactly pleasant to all of us, but we managed to work out those issues and I want to thank the people that served on the subcommittee as conferees and the members of the staff for the tremendous work that was done.

Mr. Speaker, I speak to the Members on my side of the Chamber. One of the major cornerstones of our Contract With America was to revitalize our national defense, to make a change in the 11-year reduction in providing for our national defense. This bill does that.

This bill is a basic part of our Contract With America. This keeps faith with our troops. We provide quality-of-life funding in this bill above the President's budget request, such as housing allowances, and we add additional money for barracks renovation. Some of the barracks in our military were so poor, we would be ashamed to see them. We are making additional money available to correct this.

Mr. Speaker, this bill emphasizes readiness and adds over $170 million for training shortfalls that developed because of unplanned contingencies. We add $647 million for unfunded operations that are going on in Iraq today. This is the first time we have been up front with the taxpayer and up front with our colleagues saying we will pay for these contingency operations as they go, rather than waiting for an emergency supplemental later on.

Outside of our scope, we added $300 million for the Coast Guard. The breast cancer provisions and funding that this House took was included in the conference report. No change.

Modernization; we were strong on modernization, not only for today but for mid-term and long-term readiness. During the hearings, we identified many, many items of shortages that were not in the budget request because they did not have a lot of political appeal. They did not really appeal to the media.

We provided money for replacing some things that were broken and to repair some things that needed to be repaired. In addition, we have a robust program for our F-15's, F-16's, F-18's and the AV-8B.

Mr. Speaker, at this point, I am going to reserve the balance of my time. There are many other things we can discuss that are in the bill. It is a good bill and it deserves the support of the Members today.

Mr. Speaker, I submit the following for the RECORD.

INTRODUCTION

Mr. Speaker, I bring to the House the conference report on the Defense appropriations bill for fiscal year 1996, H.R. 2126.

This conference agreement: Totals $243.3 billion in new budget authority; it begins a revitalization of America's Armed Forces; it enhances the quality of life of our troops who have been deployed to distant lands so frequently in recent years; and it aggressively addresses current and projected modernization shortfalls.

Mr. Speaker, today's vote is the culmination of a 9-month-long legislative process which we began in January with hearings on the high tempo of operations and the frequency of unbudgeted contingency operations.

Throughout the hearing process this year, we focused on the issue of "the serious shortfalls that exist in the areas of equipment, training, maintenance, and quality of life." The original House bill included funds to at least partially take care of these shortfalls. I am pleased to report that the Senate agreed with us on many of those House initiatives and thus this bill makes an important contribution to overcoming these shortfalls.

The media coverage of this bill has focused on big ticket items such as the B-2. I want to bring to the attention of the House the fact that a significant portion of the initiatives taken in the conference agreement is for unglamorous but essential items such as trucks, ammunition, and communications gear.

For example, during hearings on the C-17 aircraft we found that the off-load/on-load equipment for air transport aircraft was up to 23 years old and breaking down about every 10 hours. We added money to address that problem. I could give many other examples.

CONFERENCE

Mr. Speaker, it was a long and arduous but highly productive conference. When the conference began we had over 1,700 items in disagreement. In the spirit of compromise there were a few instances where the House had to meet the other body halfway on issues which the House felt very strongly about. However, difficult decisions must be made to produce an end product.

Mr. Speaker, this conference agreement provides an increase of $6.9 billion above the budget request. But let me put that in perspective.

The procurement account requested in budget was at the lowest level in 45 years when measured in constant dollars.

Statistical and anecdotal evidence indicated that morale and readiness has been declining. A year ago, three Army divisions declined to a C-3 readiness level, which means they had decreased flexibility, increased vulnerability, and required significant resources to offset deficiencies.

Defense manpower has declined by over 1.2 million personnel for the Active Forces, Guard and Reserve, and civilians employed by the Department since 1987.

We held innumerable hearings over many months to determine what was the appropriate funding level and program mix to reverse this steady erosion. I believe the results speak for themselves and we have produced an excellent bill.

The conferees had three main objectives in this legislation:

First, ensure that our forces remain the best fighting force in the world.

Second, proceed with a modernization program that addresses current shortfalls and provides for future security needs.

Third, ensure that we get the optimal return for the Defense expenditures by eliminating programs of marginal military value and reducing or reforming other programs which have encountered technical problems.

This legislation attains those objectives. The funding provided in this bill fulfills the constitutional obligation of the Congress to "provide for the common defense."

SUMMARY OF AGREEMENT

The conference report explains in detail the recommendations of the conferees. I will briefly highlight some of the major initiatives included in this bill:

Quality of life: We took a number of steps to enhance the quality of life of our troops. For example, we added $322,000,000 for renovation of barracks. We approved the pay raise and increased military housing allowances for high-cost areas.

Readiness: We have been very concerned about the decline in readiness of various units. In addition to the 3 Army divisions I mentioned earlier, it should be noted that in September of 1994, 8 Marine Corps aviation squadrons were grounded for the entire month, and 28 Marine and Navy squadrons had to ground over one-half of their aircraft. There has been an enormous increase in the backlog for real property maintenance and depot maintenance. We provided an increase of $307,000,000 for depot maintenance and $378,000,000 for real property maintenance at operational facilities. Funds were also added for specialized skill military training.

One of the major and most important initiatives in this bill is an add-on of $647 million above the budget for the ongoing operations in and around Iraq—for example, operations provide comfort and southern watch. Despite the fact that these operations are entering their fourth year, they have never been budgeted for by the administration. The addition of these funds ensures that other operating accounts will not be raided to fund these ongoing operations.

Modernization: The budget request for procurement for fiscal year 1996 was $39.4 billion. This is a decline of $96.8 billion, I repeat $96.8 billion, from fiscal year 1985 when measured in constant dollars. The budget requested no funds to procure tanks, Air Force fighter aircraft, reconnaissance helicopters, attack helicopters, or fighting vehicles. production rates of numerous other systems are at historically low rates. For example, for the first time since the Air Force became a separate service, the budget request contained no request for tactical fighter aircraft. The research, development, test and evaluation account has also been decreasing and many key programs in research have been undergoing slippage.

To reverse this steady erosion of modernization and the industrial base, the conference agreement took a number of important steps.

In terms of major systems, funds were added to continue the production of the B-2 bomber and to build a new amphibious ship and an amphibious transport ship. We added $100 million for acceleration of the Comanche helicopter. Programs funded at the budget request include the V-22 Osprey aircraft, and the C-17 air transport aircraft. Increases were included for the Navy's F/A-18 E/F aircraft and the Air Force's F-15E and F-16 tactical aircraft. We added $777 million for procurement of equipment for the Guard and Reserve.

Missile Defense: The conference agreement includes a net increase of $529 million for the ballistic missile defense programs [BMD]. The total provided for this essential program is $3.44 billion. This expanded program accelerates both the Theater Missile Defense Program and the National Missile Defense Program, thus increasing the protection of our troops deployed abroad as well as in the United States.

REDUCED LOWER PRIORITY PROGRAMS

The conferees made substantial reductions in programs which are of lower military value as outlined in the following table:

Program	*Reduction*
Technology Reinvestment Program	$305,000,000
Energy management programs	184,600,000
Defense acquisition/management studies	164,000,000
Consultants/studies and analysis	20,700,000

CONCLUSION

Mr. Speaker, in summary I would like to point out that this conference agreement totals $243.3 billion.

It has been a bipartisan effort in the subcommittee markup, full committee markup, and passage on the floor.

The full House has voted four times this year to support Defense funding levels above those recommended for Defense in this bill: (1) National security authorization bill; (2) national security appropriations bill; (3) House budget resolution; and (4) conference agreement on the budget resolution.

The total is within the 602(b) allocation for Defense.

This conference agreement: Enhances readiness; enhances the quality of life for our troops; deletes and or reduces funding for lower priority programs; and includes a modernization program which helps to meet the future security needs of America.

I urge support for the fiscal year 1996 Defense conference agreement.

Mr. Speaker, at this point I would like to insert for the RECORD a list that summarizes typographical errors in House Report 104-261, the statement of managers, accompanying this conference report. These corrections reflect agreements reached by the conferees and should be treated as such by the Department of Defense.

TYPOGRAPHICAL CORRECTIONS TO HOUSE REPORT 104–261

Page Number 52

Reads:

Total Military Personnel, Air Force	+186,500	+48,323	+99,323

Should Read:

Total Military Personnel, Air Force	+186,500	+48,323	+99,623

Page Number 90

Reads:

B–1B	75,393	82,593	76,283	58,483

Should Read:

B–1B	75,393	82,593	76,283	68,483

Page Number 90

Last 4 lines of the table for Procurement, Marine Corps Reads:

F–15 Post Production Support	13,955	....	13,955	6,978
F–16 Post Production Support	194,672	94,672	158,572	126,622
Other Production Charges	167,676	167,676	188,576	187,676
DARP Support Equipment	194,374	194,374	214,374	194,374

Should be deleted from Marine Corps table and included at the end of Aircraft Procurement, Air Force table which starts at the bottom of Page 90.

Page Number 97

Reads

C–26 for the Air National Guard (2)	11,000,000

Should Read:

C–26 for the National Guard (2)	11,000,000

Page Number 98

Reads:

Operation and Maintenance, Army National Guard:			
Information Management	29,396	59,456	44,596

Should Read:

Operation and Maintenance, Army National Guard:			
Information Management	29,396	59,456	44,556

Reads:

Other Procurement, Army RCAS	113,134	83,174	108,174

Should Read:

Other Procurement, Army RCAS	113,134	83,174	83,174

Page 102

Reads:

Missile Technology	17,985	17,985	12,740	17,965

Should Read:

Missile Technology	17,985	17,985	12,740	17,985

Page 104

Reads: Medical Advanced Technology Breat Cancer.

Should Read: Breast Cancer.

Reads: [. . . no later than January 15, 1995].

Should Read: [. . . no later than January 15, 1996].

Page 107

Reads:

Undersea Warfare Advanced Technology	51,816	51,816	45,170	48,483

Should Read:

Undersea Warfare Advanced Technology	51,816	51,816	45,170	48,493

Page 109

Reads:

ASW and Other Helicopter Development AH–1W	−11,628	−11,628	....

Should Read:

ASW and Other Helicopter Development AH–1W	−11,628	−11,628	−11,628

Page 117

Reads:

Strategic Environmental Research Program	58,435	58,155	58,435	58,156

Should Read:

Strategic Environmental Research Program	58,435	58,155	58,435	58,155

Reads:

Joint Advanced Strike Technology Dem/Val	30,675	30,675	18,775	30,678

Should Read:

Joint Advanced Strike Technology Dem/Val	30,675	30,675	18,775	30,675

Page 120

Reads:

Defense Airborne Reconnaissance Program Maneuver UAV	36,800	16,800	36,800	28,800

Should Read:

Defense Airborne Reconnaissance Program Maneuver UAV	36,800	16,800	36,800	26,800

Mr. YOUNG of Florida. Mr. Speaker, I reserve the balance of my time.

Mr. MURTHA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me just compliment the gentleman from Florida [Mr. YOUNG] for working his way through a very, very difficult bill. As the gentleman mentioned, we had 1,700 areas of disagreement. Some of the major areas of disagreement were with the White House and others with the Senate.

In some, the Senate agreed with the White House, and it put us in a difficult position where we were not able to come to an agreement which satisfied everybody. Any time we have a conference report, it is obviously a compromise between all the parties.

One of the areas of particular disagreement was Bosnia. All of us have a concern about Bosnia. There is not one who has been more involved in trying to force White Houses, whether Republican or Democrat, to ask for authorization before we send peacekeeping forces to any foreign nation.

The gentleman from Florida [Mr. YOUNG] and I have been working for the last year, with the gentleman from Louisiana [Mr. LIVINGSTON], the chairman of the overall committee, in trying to convince the White House that if they send peacekeepers into Bosnia, and I support them in sending forces to extract any U.N. forces who are there now if they got into trouble. I think the United States has a legitimate commitment there. I think we have a legitimate commitment on the bombing. But the peacekeeping is a different situation.

One of the most difficult tasks we can ask of our military is peacekeeping, because the way the military protects American lives is to use overwhelming force. That means in many cases we have to kill people, and we, then, become the enemy.

Mr. Speaker, I think we have gotten to the point, after 3 years of negotiation, that this administration has committed themselves to ask for authorization before we send peacekeepers into Bosnia.

☐ 1245

Now, this is an important point. There are a number of people who want to vote against the conference. At this very time, we have a meeting going on at the White House where they are laying out their plans and consulting with Congress about what needs to be done in Bosnia. At the very least, the Secretary of Defense and Secretary of State have both committed themselves publicly to urge the White House to come to the Congress before they commit any troops for peacekeeping in Bosnia. I think that is the way it should be. I think, not only from the process of authorization and appropriation, it is important for the support of the American people.

So we moved in that direction, and so we took the language out of our bill. The Senate said it will not want the language. It would not accept it. The White House felt we went too far. All of us understand the prerogative of the White House when it comes to dealing with national security.

I do not feel that humanitarian deployments are national security. So we think we have finally convinced this White House that, before they make this particular deployment, they are going to come to the Congress and ask for authorization. I would not be surprised that as of this very time they have mentioned this to the Members of Congress who are at the meeting in the White House.

The other issues that we worked our way through, we always find areas where we have to increase the budget, decrease the budget. There are some talks about procurement being increased and readiness or O&M being decreased. The problem here is that in many cases, if we do not upgrade our equipment, we are going to run into a terrible problem in readiness. For instance, the Navy got behind the procurement of airplanes. So all the airplanes they have are slow or outdated and/or they are not stealthy. This is because they did not buy or upgrade their equipment.

So it is important, as important as individual readiness is for troops. We run into even a greater problem if we do not have technological superiority of a weapons system.

I say this is as good a bill as we can come up with, compromising with what we knew the White House rejected and what the White House did not agree to, even though I have a message here which I got 2 minutes ago which says this bill is not acceptable. I hope that if this bill passes the House, we will be able to convince the White House that they should sign the bill.

I have assurances from the Chief of Staff that he will consider it. The chairman of the committee and I both have talked to them. Senator STEVENS and Senator INOUYE believe that we can convince the White House at some point.

They would like to see this bill delayed, but I see no point in delaying it, since the Senate is going to delay their sending the bill down to the White House. So we worked our way through a very difficult situation, and we think we have presented as good a bill as we can present.

All of us disagree with elements in this bill. All of us would like to see some changes, but, frankly, this is as good as we could do, given the constraints we were working under in the conference itself.

Mr. Speaker, I reserve the balance of my time.

Mr. OBEY. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, I recognize that the gentleman from Florida and the gentleman from Pennsylvania are both strongly in support of this bill. They care very deeply about the defense posture of the United States and they know a lot about it, and I respect that. I respect their commitment to this bill, even though I happen to disagree with them.

But I have to say that I think this bill ought to go down in its present form. I do not enjoy saying that. But the fact is this bill is $7 billion above the President's budget request. The main problem is that this bill cannot possibly result in a defense budget which will live within the budget limits established by the Kasich budget, which just passed this House just a few months ago. One of the best kept secrets in this town is that, while the defense bill this year spends more money than President Clinton wants to spend, in the outyears, the Kasich budget resolution calls for a lower defense number than the President's own budget provides. Yet, this bill is so loaded up with procurement items that it cannot possibly live below that ceiling in the outyears, if we do not make some major adjustments now.

Just as a smattering of items, for instance, this bill has moved a good deal of money out of readiness and into procurement, including unnecessary purchases for B–2's, $500 million above the President's budget on star wars. We have additional C–130's. We have a number of ships that the President did not ask for, and we have got the beginning of a huge new buy for the F–22. We simply cannot afford to buy all of those things if we are going to stay within the budget ceiling that the Kasich budget resolution establishes.

I would like to focus the remainder of my remarks on the motion to recommit, which I expect to offer at the end of this debate today. The taxpayers in my State, and I think around the country, are outraged by reports that over the last several months the bosses in the Pentagon have gotten together with the bosses the defense industry to cook up a scheme to stick the taxpayers with a huge bill for corporate welfare.

The Pentagon has agreed to pay millions of tax dollars to 460 executives affected by the merger of two defense contractors, Lockheed and Martin Marietta. That reported plan is to hold up the taxpayers for $31 million out of a $92 million golden parachute deal. In fact, one of the gentlemen involved, one of the gentleman who will receive those nice benefits will receive over $8 million, a good portion of that right out of the pockets of the taxpayer.

In the meantime, Lockheed/Martin expects to fire a total of 30,000 workers over 18 months. Where are their goodbye Christmas presents in comparison to what is happening to these executives? Under our system, if these private corporations choose to waste their private funds in this fashion, I guess it is all right with me, although I question it; but I certainly do not see why the taxpayers ought to have to pay one-third of the deal.

I think it is especially ironic that some of the same budgeteers who would have us gut programs to educate our kids, to take care of our senior citizens, to retrain the very workers who are being fired in these mergers, they do not even bat an eye when their corporate friends cook up these cozy deals for their multi-million-dollar handout.

Now, what happened is that the gentleman from Vermont [Mr. SANDERS] offered language in the House floor which tried to fix the problem. The committee accepted that language. But then the legal beagles down at the Pentagon sent us a note telling us that they had found a way to get around it. They will try to find a way to get around virtually everything we send them. But my motion to recommit will, if adopted by the House, fix the problem so that they cannot get around it. It will see to it that, if they want to provide those golden parachutes for those executives, they do it out of their own profits, that they do not do it out of the deficit-laden budget of the United States at the expense of the taxpayers.

There should not be this $31 million giveaway in this bill. So I would urge, when the time comes, that Members vote for the motion to recommit. I would urge that Members vote against the conference report because this bill does not live up to the fiscal promises made just 4 months ago in this House.

Mr. YOUNG of Florida. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, I will say, I disagree with the gentleman who just spoke. This does live up to the budgetary agreements that this House agreed to earlier this year. As a matter of fact, we are below those numbers.

On the issue of the motion to recommit that the gentleman mentioned, we supported the Sanders language in the conference not only the language but the intent. In the conference, I thought it was only fair to tell the members of the conference committee of the memorandum from the Pentagon. At the time I made the point, I did not believe that it was a legal opinion, that it was merely an opinion from someone in the Pentagon. But we support the Sanders language. We are prepared to establish by colloquy the intent of the Sanders language. But I do not think that is a good reason to recommit this bill.

Mr. Speaker, I yield 4 minutes to the gentleman from Texas [Mr. BONILLA], a very distinguished member of the subcommittee and of the conference committee.

Mr. BONILLA. Mr. Speaker, I would like to commend the gentleman from Pennsylvania, [Mr. MURTHA], the ranking member, and the gentleman from Florida [Mr. YOUNG], our fine chairman, for I do not think there are any two Members that are more committed and focused to getting a job done. When we have 1700 disagreements in conference and can work through those in a matter of 3 or 4 days, that is highly commendable.

This bill ensures our military men and women will remain ready, prepared and second to none on this planet.

I would strongly urge each and every one of my colleagues to vote for this very important bill. Unfortunately, the fog of misinformation has obscured the benefits of this bill and led some to consider opposing it. Let me lift the fog and make clear what is fact and what is fiction.

It has been alleged that this bill provides for taxpayer funding of abortions. That is not true. That is not true. The fact is that taxpayer dollars do not pay for abortions at DOD facilities. The fact is the bill reaffirms the role of authorizing committees in determining policy and prohibits abortions at DOD facilities if the authorizing committees endorse that action.

Folks, if we care about a person's right to life, we will care about the lives of our fighting men and women stationed all over the world because we will care about the weapons and the training and all of the things that are provided for in this bill that helps our people stay alive in military installations around this world.

It has been alleged that this bill provides a green light for American military intervention in Bosnia. Once again, not true. Congress will vote on any deployment of our military and voting against this bill will only ensure that If Americans come under fire they may not be prepared and they may in fact be at risk. These are the facts.

It has been alleged that this bill contains pork barrel projects. This is also not true. Members may argue with some of the policy choices made in this bill, but these choices are not pork. This bill contains funding to ensure America's military remains second to none. Every dollar in this bill can be justified by military need. Although some may disagree on the need for a strong military, that is a policy disagreement, not an issue of pork barrel spending.

These are the facts, let us put aside arguments based on fiction. The facts are simple. The Federal Government has one obligation for which it is solely responsible, defending the shores and territory of the United States and opposing our enemies on foreign soil. As elected representatives, our primary responsibility must always be our Nation's security. A no vote against this bill abdicates the responsibility and fails the American people. That is a fact. Any other view is fiction.

Our decision should be simple, support the facts, ensure a secure America, vote yes and in support of the defense appropriations bill.

Mr. MURTHA. Mr. Speaker, I yield 5 minutes to the gentleman from Missouri [Mr. SKELTON].

Mr. SKELTON. Mr. Speaker, I speak for the young men and young women in uniform today. I speak for this Department of Defense appropriations bill. I think that this bill makes a major step in the right direction to help restore the needed dollars that have been slowly slipping away through the years.

I say to my colleagues that we have the finest young men and women in uniform that we have ever had. I know this by personal observation, by meeting with them, by speaking with them at their posts, at their bases, here in this country and, yes, in other parts of the world. It is up to us, under the Constitution of the United States, Article I, Section 8, to support the military, the Armed Forces. That is what we are doing today. If we fail to do so properly today, shame on us because we will be letting those young men and those young women down who we have a constitutional duty to support.

This is a step in the right direction. I am pleased because it is a strong bill for our forces. The bill only increases Department of Defense spending over 1995 by $1.7 billion. It does cut O&M, but it still remains over the President's recommendation. As a matter of fact, Mr. Speaker, I had my own military budget which was in excess of this that I had been working on for quite some time.

□ 1300

If this does not meet my expectations of what we need, this is still a very, very dangerous and uncertain world in the kaleidoscope of history and what is to come in the future. We must remain strong, and this bill is a step in that right direction, though it does have compromises in it, and frankly I personally would have more dollars than it has.

To be sure, Mr. Speaker, there are philosophical differences in this bill, and, if I had my druthers, I would add funding to parts of it, and I might cut in other areas. But we must make sure that we keep the young men and young women strong, that we have enough ammunition for them, that we take care of their families, that we pay them properly, which is so important, and that we do all that we can to stand behind them in the arduous days ahead.

The gentleman from Pennsylvania spoke about the possibility of our troops going into Bosnia. Of course I think we should have a very substantial and substantive debate on that issue right here in this hall, right here in this Chamber. But if that does come to pass, we want them to be well equipped, we want them to be well maintained, we want them to be well trained. If we do not pass this bill, there is a dire consequence that might come to pass, and that is they will not be ready, they will not be supplied with proper maintenance, ammunition, and they might not be well trained.

Something has been said about the pro-life issue on this bill, and for the first time in the conference report there is positive language, positive language in the area of pro-life. I am personally pro-life, and I think that those managers on our part should be complimented for taking that step, but, if my colleagues really want to be pro-life, let us provide enough funding for the young men and young women who are to go into harm's way so that they will have the adequate training, the adequate maintenance, and the adequate equipment to protect themselves, and to do their duty, and to do their job, arduous and difficult as that duty is. That is our job, to stand behind them.

Mr. Speaker, let us fulfill our constitutional duty. Being the superpower in this world, we must do this. We must pass this bill.

I compliment the gentleman from Florida [Mr. YOUNG] for an excellent job on this. I compliment the gentleman from Pennsylvania [Mr. MURTHA], the ranking Democrat, for a fine job on this, and I have worked with him lo these many years. I will support this bill. It is a giant step in the right direction, and I hope this House will pass it overwhelmingly.

Mr. OBEY. Mr. Speaker, I yield 5 minutes to the gentleman from Vermont [Mr. SANDERS].

Mr. SANDERS. Mr. Speaker, I thank the gentleman from Wisconsin [Mr. OBEY] for yielding this time to me.

Mr. Speaker, I would like to take this opportunity to thank the gentleman from Florida [Mr. YOUNG] and the ranking member, the gentleman from Pennsylvania [Mr. MURTHA], for their strong support of my amendment in the defense appropriations bill which would end Pentagon financial support for golden handshakes for top management when large defense contractors merge. The gentleman from Florida [Mr. YOUNG] and the gentleman from Pennsylvania [Mr. MURTHA] accepted that amendment. It was passed on a voice vote, and I am very appreciative to them for that support. I am also grateful that the Senate conferees accepted this amendment and it remains in the bill that we are voting upon today.

There is honest disagreement within this body as to how much money should be appropriated for the defense purposes this coming year. That is an important debate. There should not be, however, and I do not believe that there is, any disagreement that all of the money that we appropriate for defense should go for defense, go to providing the weapons and equipment our fighting men and women need; that is where all of us want defense money to go.

As my colleagues know, the purpose of my amendment was to make sure that, if and when large defense contractors merge, no U.S. taxpayer money was to go to the CEO or top executives who negotiated those mergers, no golden handshakes from the U.S. taxpayer. As everyone knows, huge mergers are taking place every day. Whether they are good or bad is subject for another discussion. But what is relevant today is that no taxpayer dollars should be provided to millionaire executives in the defense industry as incentives to develop those mergers.

My amendment was prompted by an outrage that many of my colleagues are familiar with. In February of this year Martin Marietta Corporation merged with Lockheed. That merger triggered a previously established plan which provides $92 million in bonuses, $92 million in bonuses to the CEO, the board of directors, and the top-level managers of those two companies, $92 million. What is particularly outrageous is that as part of that plan and part of the bonuses that same plan called for the closing of 12 factories and laboratories and the laying off of 19,000 American workers. In other words, while 19,000 workers were tossed out on the street, the top executives were paid $92 million. They were paying $92 million to themselves.

This is an outrage, but what is an even greater outrage is that of that $92 million, $31 million came from the Pentagon from the U.S. taxpayers, and that, fellow colleagues, we must not allow to happen.

Within the secret agreement negotiated between the Pentagon and the two companies we found out exactly where the money has gone, and some of that information had already been published. To the best of my knowledge, Mr. Speaker, the President of Lockheed Martin, Norm Augustine, will receive over $8 million in bonuses; Lamar Alexander, a member of the board of Martin Marietta, will receive $236,000; Melvin Laird, former Secretary of Defense, would receive $1.6 million; retired general and former member of the Joint Chiefs of Staff, John Vessey, would receive $372,000.

Now the problem is, as the gentleman from Florida [Mr. YOUNG] indicated, in the conference process the Pentagon walked in with a piece of paper, and they said, well, the language might not be clear enough to stop these bonuses going to the Lockheed Martin executives despite the clear intent that was passed in this body. The purpose of the language that the gentleman from Wisconsin [Mr. OBEY] will present is to lock it up, absolutely clearly, that the intent of the amendment was to stop the bonuses going to those executives, an outrageous example of corporate welfare.

Mr. Speaker, I ask for support of Mr. OBEY's motion to recommit.

Mr. YOUNG of Florida. Mr. Speaker, I yield 2 minutes to the very distinguished gentleman from New York [Mr. SOLOMON], chairman of the Committee on Rules.

Mr. SOLOMON. Mr. Speaker, I thank the gentleman from Florida [Mr. YOUNG] for the time.

My colleagues, when I want to make a point to Democrats, I come stand at this mike. I do not want to stand here today. I want to go over here, and I want to speak to the Republican side of the aisle because I am upset.

Let me tell my colleagues something. I have heard some young Republicans come over here, and they say they are going to vote against this bill because they are worried about body bags, and I have heard others come over here and say they are going to vote against this bill because there is too much money in it.

Now I am going to tell my young fellows and friends something. I was at a Marine Corps League meeting the other night with generals, and colonels, and captains, and enlisted men, and, to a man and woman, they wanted us to vote for this bill.

Why?

As my colleagues know, when we formed this Republic of States some 219 years ago, we did it for the primary purpose of providing a common defense and if we are going to put young men and women in harm's way in the military, we are going to give them the very best.

This is an appropriations bill. We are not supposed to be legislating in an appropriations bill—things like Bosnia body bags, things like abortion. I am a pro-lifer and for 18 years have stood here and voted that pro-life line. But that is not what this is about. We have got increases in this bill of 9, 10 and 11 percent for manpower, for readiness and for research and development that will give our men and women the best state-of-the-art weaponry we can.

Let me tell my colleagues and some of the younger Members who think they are going to come over here and vote against this thing because it has not got some body-bag language in it: You come over here, and you vote for this bill because every single man and woman serving in the military today wants you to. They know what's best for them. They know better than you do. And if you've never set foot in a military base in this country or overseas, go and ask them.

I wish we had more time to discuss this, but I am going to tell my colleagues something. Our country depends on it. If we let this bill go down, it will come back here, and it will not have the 8, 9, 10, and 11-percent increases in there. We will get shafted. That is why we must pass this bill now today.

Mr. OBEY. Mr. Speaker, I yield myself 30 seconds.

Mr. Speaker, I think I just heard the gentleman say we were not supposed to attach legislative language to appropriations bills. Labor-HEW is tied up because we have a bundle of legislative language attached to that bill from their side of the aisle. Treasury-Post Office is tied up because we have got a disagreement about legislative language. We have got 30 pages out of a 90-page EPA appropriation bill that has legislative language.

So, Mr. Speaker, I would say Members on their side of the aisle who are concerned about seeing activity on that question are right.

Mr. YOUNG of Florida. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from Ohio [Mr. HOBSON].

Mr. HOBSON. Mr. Speaker, I rise in support of the bill.

Mr. YOUNG of Florida. Mr. Speaker, I yield 1 minute to the distinguished gentleman from California [Mr. LEWIS], a member of the subcommittee and a member of the conference committee.

Mr. LEWIS of California. Mr. Speaker, I am here today to rise in support of this very, very important bill and to say to my colleagues that I have never seen a finer piece of work done on the appropriation defense bill than done by my chairman and his colleague, the ranking member, the gentleman from Pennsylvania [Mr. MURTHA]. It is a very, very difficult bill. It is very important to the country. It is a bill that could very well be disrupted because of some of the language that may or may not be in the bill.

A change in pattern relative to this bill; that is not what we have done in the past in terms of the appropriations process. There are places to handle policy issues that are extraneous in other bills. It is absolutely unacceptable to find ourselves in a position of putting appropriations to funding for our national defense systems in jeopardy because of people's largely single-issue interests. To me I think it is critical that the Members know that this bill will become worse if we go forward from here without passing it today.

So, I urge my colleagues to vote "aye."

Mr. OBEY. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. DORNAN].

Mr. DORNAN. Do not mistake the metaphorical quality of my next statements for its lack of theological basis. St. Peter on my judgment day will not ask me about the B-2 or my defense votes. He will ask me about my vote to protect innocent human life. The doctors in our military do not want to perform abortions, and for those who may not be aware of the history, there has been a pro-life rider on the appropriations bill in 1979, 1980, and 1981, and I believe the years on either side of that, but I found the documentation on that.

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I think this is an excellent defense bill, but I have never seen a devil's deal like this since I was sworn in here in 1977. To tell me who flew the B-2, and I mean flew it, radio calls, takeoff, the entire flight, and two grease job landings, if I may say so. I want that system to defend our country. It may save lives in the dead of night. But 1½ million babies being killed should not include military hospitals.

Mr. Speaker, I will vote "no" with a heavy heart.

The $100 million cut by the House from the recruiting and advertising budget was restored.

Several Senate initiatives to liberalize the medical insurance program for military dependents (called CHAMPUS) were incorporated by conferees. But the report included the same general ban on the funding of abortions as that contained in the first fiscal 1981 continuing appropriations resolution (PL 96-369). PL 96-369 provided emergency funding for government departments whose regular funding bills had not been cleared by Congress as of the start of fiscal 1981. Also retained was a Senate provision authorizing a test of commercial health maintenance organizations as a substitute for CHAMPUS. (Continuing appropriations resolution, p. 168; CHAMPUS authorization legislation, see National Security chapter, p. 91).

OTHER PROVISIONS

The conferees also agreed to provisions that would: Ban abortions with appropriated funds except where the life of the mother would otherwise be endangered or in cases of rape or incest that were reported to a law enforcement agency or public health service.

MEDICAL CARE AND ABORTIONS

On a point of order, a committee provision was thrown out that would have limited reimbursement by CHAMPUS to not more than the 80th percentile of customary medical charges for comparable services.

By a vote of 226-163, the House adopted an amendment by Robert K. Dornan, R-Calif., that would bar use of funds in the bill to pay for any abortion not required to save the life of the mother. The amendment contained the same limitation that the House earlier had placed on funds appropriated to the Health, Education and Welfare Department. Between Sept. 1, 1976, and Sept. 1, 1977, about 26,500 abortions were performed in military hospitals or paid for by CHAMPUS. (Vote 584, p. 166-H)

Mr. YOUNG of Florida. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, I would like to respond to my good friend, the gentleman from California [Mr. DORNAN]. He and I and many members of this conference committee are all pro-life voters, 100 percent. This bill provides the Dornan language with a caveat. We did not particularly want to accept that caveat, but we were in conference and were put in a position of having to accept the caveat, but we did maintain the Dornan language.

Now, I would say to my friend, the gentleman from California [Mr. DORNAN], that we had the same problem in our conference that he has in the conference that he is a member of, and his conference is basically deadlocked over this issue. We could not afford to deadlock because we had the end of the fiscal year approaching us, and that is, of course, the end of the fiscal year, September 30. So we did not do as much as the gentleman from California [Mr. DORNAN] wanted, but we did more than has been done for a long time on the issue of abortion on this bill. I think those of us who are pro-life can say we got a partial victory, not everything we wanted, but a partial victory.

Mr. OBEY. Mr. Speaker, I yield 2 minutes to the gentleman from Oregon [Mr. DEFAZIO].

Mr. DEFAZIO. Mr. Speaker, I thank the gentleman for yielding me this time.

I want to talk a little bit about something here, the advance agreement regarding the costs allowability of benefits due to the change of control, as defined in the various plans.

Did your eyes glaze over yet, colleagues? Well, that is the idea. They are trying to put Members to sleep here, because they are trying to pull a fast one on the American taxpayer. What that language means and what this agreement says is that the U.S. Government, its U.S. taxpayers, are going to give golden parachutes to executives of failing defense contractors.

Can you believe that? There is going to be a $92 million golden parachute to the directors of Martin Marietta.

Now, that might be OK if it was coming from the stockholders. But one-third of that money, $31 million, is coming from the U.S. taxpayer. Somehow it is in the interests of the defense of the United States, somehow it is in the interests of the taxpayers, that we should pay the directors of a failing corporation who have merged with another corporation a subsidy.

Lamar Alexander, Republican candidate for President of the United States, the guy in the flannel shirt, the ordinary guy, he is going to get $236,000 for merging these two companies together, $80,000 of that paid by the U.S. taxpayers.

I do not believe anybody thinks that is right. The president of the firm is going to get $9.2 million for merging his firm with another, putting 30,000 skilled Americans out of work, who do not get so much as a thank you or a golden watch, let alone a golden parachute. One-third of his bonus for doing this, $3 million, will be paid by the Department of Defense, by the taxpayers of the United States of America, unless this motion to recommit is approved.

Now, everything goes on around here with a wink and a nod. This language was approved unanimously by the House of Representatives, and now they are trying to pull it out.

Mr. Speaker, vote "aye" on the motion to recommit.

Mr. MURTHA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the gentleman must have misspoke. We are not trying to change the language. The language you offered is exactly the language accepted in the conference.

Mr. DEFAZIO. Mr. Speaker, will the gentleman yield?

Mr. MURTHA. I yield to the gentleman from Oregon.

Mr. DEFAZIO. Mr. Speaker, it is not, in effect.

Mr. MURTHA. Mr. Speaker, reclaiming my time, the language the gentleman offered is the exact language that we agreed to on the floor and that the conference agreed to.

Mr. SANDERS. Mr. Speaker, will the gentleman yield?

Mr. MURTHA. I yield to the gentleman from Vermont.

Mr. SANDERS. Mr. Speaker, I thank the gentleman for yielding.

The gentleman is absolutely right, that the same language remains, and I thank him and the gentleman from Florida [Mr. YOUNG] for supporting that language. But here is the problem that we have: As the gentleman knows better than I do, during the conference committee the Pentagon comes trotting down and says "Well, maybe that language won't work in stopping this outrageous series of bonuses to these executives." What we are trying to do now is bring in firm language that will work.

Mr. MURTHA. Mr. Speaker, reclaiming my time, we hope we will be able to do this. We do not think it is necessary to recommit the bill in order to do it. We agree with the thrust of what the gentleman was trying to do and the amendment that the gentleman offered.

Mr. YOUNG of Florida. Mr. Speaker, I am very happy to yield 4 minutes to the gentleman from Louisiana [Mr. LIVINGSTON], the distinguished chairman of the Committee on Appropriations and a member of the subcommittee and a member of the conference.

Mr. LIVINGSTON. Mr. Speaker, I want to commend Chairman YOUNG for his outstanding efforts, and thank Congressman MURTHA and all the subcommittee members for their strong support.

And our Defense Subcommittee staff led by Kevin Roper deserves special recognition for a job well done.

I know this is a tough vote for many Members. It is a tough vote for me—I have a 100-percent pro-life voting record since coming to Congress in 1977, and I am committed to standing firm with my colleagues in the pro-life community on the abortion issue on our other appropriations bills.

But I am supporting this conference agreement because the defense of our country is also critical, and because this Defense bill is the only one that has a chance to be signed into law, and because those who are thinking it will get any better by sending this bill back to conference are wrong.

Yes, we have provided funding increases in this bill—but they are increases above the President's original budget request.

They are increases to meet the highest priority shortfalls as identified by the Department of Defense such as $322 million for the renovation of barracks and $700 million for real property maintenance—critical quality of life issues.

The increases we provided above the President's request for shipbuilding, F-15's, F-16's, Navy aircraft, and tanks are all in the Defense Department's 5-year program.

We funded these programs now because the weapons modernization and procurement programs have been cut 70 percent since 1985.

The modest increases, and policy direction, we provide in missile defense will for the first time allow us to actually deploy effective missile defenses for our troops and citizens beginning in the year 2000.

Mr. Speaker, these successes will be reversed if we do not pass this conference agreement today.

And to those who say we provide too much for defense, the $243 billion provided in this conference agreement is the same level as last year's Defense appropriations bill that was passed by a Democratic Congress and signed by our President.

While this bill provides an increase over the President's budget, it still represents a decrease in real terms—inflation, et cetera—for the 11th consecutive year. For the last 11 years defense has been cut 35 percent in real terms.

Defense has contributed approximately $140 billion to deficit reduction since 1985—the largest contributor.

Despite the rhetoric you constantly hear about cuts in domestic programs, until this year non-defense domestic discretionary spending, since 1985, has increased in inflation adjusted outlay dollars by 28 percent. [Source is President's own fiscal year 1996 budget submission.]

Means tested entitlement spending over the same period has increased, when adjusted for inflation, by 38 percent. If you do not adjust for inflation, entitlements since 1985 have at least doubled or increased by over 100 percent.

Even under the Republican budget resolution we just slow the increase in domestic spending by reducing the annual growth rate in Federal spending to 3 percent.

Under the Republican budget, Medicare spending still increases by 6.4 percent a year.

Even with the slow down in non-defense domestic discretionary spending we have already provided in fiscal year 1996 appropriations bills: Plus $255 billion in discretionary and mandatory spending in the Labor/HHS Ed fiscal year 1996 bill, this Defense bill is $243 billion.

Another $11.6 billion in feeding programs in the fiscal year 1996 Agriculture appropriations bill, including $3.7 billion for WIC—$259.8 million over 1995 levels—and $4.4 billion for the School Lunch Program.

Some $37.3 billion for veterans' programs in the fiscal year 1996 VA/HUD bill. Of this amount $16.9 billion is for veterans' medical care programs, an increase of over $740 million from 1995 levels.

In WIC, school lunch, veterans' programs, student loans—no one currently receiving services is taken off the roles or dropped out of the programs.

Yet, we ignore that with 11 consecutive years of cuts in real terms in Defense spending, 1.1 million Defense personnel have been dropped off the rolls—lost jobs—since 1987. Fifteen thousand people per month are losing civilian and military jobs in the Defense Department during this fiscal year.

Private sector job losses in the defense industry are estimated to be over 1 million since 1990 alone.

Remember, 64 percent of last year's DOD appropriations bill was for personnel and operations; 62 percent of this bill goes just for personnel and operations.

This bill simply puts a finger in the dike, and, if we do not pass this one it is only going to get worse.

Mr. Speaker, I am so delighted that what just transpired happened as I was about to come up here, because it highlights the problem. The gentleman from Florida [Mr. YOUNG] and the gentleman from Pennsylvania [Mr. MURTHA] have done a wonderful job with this bill. All of the members of the committee and subcommittee have done a wonderful job with the bill. There were differences, real differences, pounded out between the House and the Senate. And yet we get a communication from the White House dated today from Alice Rivlin, Director of OMB, that says the President is going to veto the bill; too much spending. The gentleman from Wisconsin [Mr. OBEY] is going to vote against the bill; too much spending. The gentleman from Oregon [Mr. DEFAZIO] spoke against the bill. He does not know why. He may be wrong about the bill, but he is against it.

Then we have Republican freshmen who sent out "Dear Colleagues," and they are against it. They are against it for all sorts of reasons. Some are valid, some are not. Some say they funded the *Seawolf*. It did not matter that the Speaker and the whole northeastern establishment and the Navy all say that we need the *Seawolf*. But they are against it. They say there is too much defense conversion.

The reason the Senate insisted on the defense conversion under the TRP program, whatever that stands for, remain in, was to satisfy the President; $175 million to satisfy the President, because, after all, they said if it is in, he will not veto it. But here it says the President is going to veto it. He is against it.

Some of our freshmen are against the fact that we are not tying the President's hands on Bosnia. We do not have language in here that says, unconstitutionally I might add, that the President, no matter what happens in Bosnia between now and the end of this next fiscal year, no matter how good the solution looks, we cannot put one troop on the ground or otherwise we are in violation of their concerns. That is preemptive. That is bad foreign policy. Basically what they seek to do is say that the President of the United States, the Commander In Chief of the Armed Forces of the United States under the Constitution of the United States, cannot act to make this a more peaceful world. They are wrong, but they are against this bill.

Then we get the right-to-life groups. I am 100 percent a pro-lifer. I believe in the sanctity of human life. But I also believe that we as Members of Congress have the right to negotiate, to debate, to compromise and come to what we believe to be in the best interests of the future of the United States and all of our citizens, and I am not going to let that one issue come between me and protecting my constituents.

This is a good bill. You can find many reasons to be against it. But if you vote against it, you are voting against the future of the United States in derogation of your responsibilities to the people of the United States, whom you are charged to represent, and I say that you are wrong.

In that event, with no further screaming or yelling, in the calm of day, I would urge all of my colleagues, no matter what their reason for being against this bill, to reflect on one thing: If Members defeat this conference report, and if Members believe that we need to provide for a strong national defense, when the bill comes back, it will not provide as well as this bill does. It will be worse when it comes back, and Members will have shot themselves in the foot.

Mr. Speaker, I urge an "aye" vote for this conference report.

Mr. OBEY. Mr. Speaker, I yield myself 1¼ minutes.

Mr. Speaker, as Members of this House know, the gentleman from Louisiana and I are very good friends. But I have to say that I think he misdescribes what our responsibilities are to the people of this country. In my view, our responsibilities are to provide a budget which has a balanced set of budget reductions so that the pain is shared evenly and so that major portions of the appropriations are not exempted from the squeeze that is being applied to everybody else.

This bill does not meet that test. It does not even allow us over time to stay within the Republican budget that was passed with overwhelming Republican unity in this House just a few months ago. Because with all of the weapons systems piled into this bill, they will be forcing spending far in excess of the Kasich budget.

We also have a responsibility to see to it that the Congress of the United States does not embarrass itself by giveaways to corporations in the process of providing a defense bill. This bill also does not meet that test, and so the bill ought to go down until those two items are corrected.

Mr. Speaker, I yield 2 minutes to the gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. Mr. Speaker I thank the gentleman for yielding me time.

Mr. Speaker, let me say, I have been trying to think of a good name for this bill, and I heard it from that side of the aisle. This bill is a piece of work. This bill is a piece of work that goes right after readiness. I sit on the Committee on National Security and I have sat there for 23 years, and for the last year all we have heard abut is "hollow force, hollow force, hollow force. Clinton let them have a follow force." Guess what? They raided the readiness funds we put in there, and so I guess they decided maybe they like the hollow force, they said it so many times, because this bill is less in readiness than Clinton's bill.

It is $7 billion more than the Pentagon asked for. Imagine. We did not even do that during the cold war. It is really just a wonderful goodie package for all the defense contractors. We have loaded in all of these wonderful goodies and corporate benefits that the Defense Department did not ask for. They did not ask for B–2's, they did not ask for all of this.

And if you look at the funny, fuzzy accounting in here, which Alice Rivlin has and has sent us a letter, it is very troubling, because I think it is even way over the $7 billion, because they played with the inflation fund. I guess they do not think inflation is going to be what DOD thinks it is, and on and on and on.

But I must say, for all of that, I am even more troubled by a letter that was sent to the President by the chairman apparently and the ranking member. If I can just quote two lines out of this, I think this is devastating. They are saying, "As a consequence, therefore we cannot fathom why a bill such as this is being considered for a presidential veto." They say it becomes even more troubling at a time when demands on our Armed Forces appear to be on the rise when you are talking about a negotiated settlement in Bosnia.

That sounds to me like a deal is cut. Hey, let us have all the weapons, and we will let you have whatever you want in Bosnia. I think that is troubling, and I think that is what is bothering an awful lot of people in this Chamber.

Vote aye on recommittal and vote no on the bill.

Mr. MURTHA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me make a couple of points that I think are important. The chairman of the Committee on Appropriations made the recommendation in the subcommittee that we eliminate the language on Bosnia. He felt it was very important, because the White House was objecting to that language. I, on the other hand, had a great concern about eliminating the language.

Now, since that time we have got a commitment from the White House, I believe, to come to us for authorization and appropriation of money before they commit troops to Bosnia. So I think it is not a good characterization. I think he can be rightly upset because we thought this took care of one of the problems that would help us keep the bill from being vetoed.

I still do not believe the President will veto this bill, if we work our way down the road. We are hopeful that the changes we made in raising TRP, in making a compromise on Nunn-Lugar, by eliminating the Bosnia language, we hope that we will be able to get a bill through.

Mrs. SCHROEDER. Mr. Speaker, will the gentleman yield?

Mr. MURTHA. I yield to the gentlewoman from Colorado.

Mrs. SCHROEDER. Mr. Speaker, I thank the gentleman from Pennsylvania for yielding.

Mr. Speaker, my concern was the letter from the gentleman from Louisiana [Mr. LIVINGSTON] and the gentleman from Florida [Mr. YOUNG]. The way I really read this three-page letter, it basically says to the President, if you veto this bill, then we will not be positive about Bosnia. First of all, I think that is inappropriate to say to the Commander in Chief.

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Mr. MURTHA. Mr. Speaker, I yield myself such time as I may consume and yield to the gentleman from Louisiana [Mr. LIVINGSTON].

Mr. LIVINGSTON. Mr. Speaker, I thank the gentleman for yielding. The fact is that that was a misinterpretation of our intent. Our intent is to say that we are providing what we believe to be the modicum needs for the Armed Forces of the United States. If the President makes an incursion into Bosnia, he is going to be expected to spend anywhere from $3 to $4 billion. I would ask the President to tell us where the money is coming from and what does he want us to do, and maybe we can work it out. But do not veto this bill and expect to get less and then want us to go into Bosnia. That does not make sense.

Mr. MURTHA. Mr. Speaker, reclaiming my time, I think we have gotten the message across to the White House. I think the compromise we have made on this issue they recognize, and I think the Congress will have a very important role.

The fact they are meeting right now to consult with the Congress is a very important part of this overall solution to this problem.

Mr. OBEY. Mr. Speaker, let me inquire how much time is remaining on all three sides.

The SPEAKER pro tempore. The gentleman from Wisconsin [Mr. OBEY] has 3¼ minutes, the gentleman from Pennsylvania [Mr. MURTHA] has 5½ minutes, and the gentleman from Florida [Mr. YOUNG] has 5 minutes.

Mr. OBEY. Mr. Speaker, I reserve the balance of my time.

Mr. YOUNG of Florida. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. MCKEON], a strong prolifer and a strong defense supporter.

Mr. MCKEON. Mr. Speaker, I rise in support of the conference report. I want to take my colleagues on this side of the aisle back to 1 year ago this week when we gathered in front of the Capitol to sign the Contract With America. One of the basic tenets of the contract was to ensure a strong national defense for our country. This bill for the first time in years moves us toward this fundamental goal and deserves an "aye" vote.

I also want to address the abortion issue that has been of concern to many of my colleagues. I have a strong prolife record on abortion and a strong philosophical belief in the preservation of life. I've voted in committee and on the floor for an amendment to prohibit abortions in military hospitals abroad. While I continue to support this issue, we shouldn't kill this bill on this issue. We have increased procurement, research, and quality of life accounts in this bill while reducing spending on nondefense items. This is a good bill that prodefense members should support.

I urge an "aye" vote on this bill.

The SPEAKER pro tempore. The gentleman from Florida [Mr. YOUNG] has the right to close, then the gentleman from Pennsylvania [Mr. MURTHA], and then the gentleman from Wisconsin [Mr. OBEY].

Mr. MURTHA. Mr. Speaker, I ask unanimous consent to yield 1 minute to the gentleman from Florida [Mr. YOUNG], and that he be permitted to control that time so that he will have 5 minutes to close.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. MURTHA. Mr. Speaker, I yield myself such time as I may consume, and I would like to say, in closing our argument. I do think that we did the best we could do on this bill. Let me say to the pro-life people, I resisted tremendous pressure from the Democratic side several years ago to put language in the bill which would have allowed abortions overseas. We did not put that language in our bill because we thought that would be inappropriate. We thought the pro-life position was the right position and we resisted that position.

I would hope the Members would take that into consideration. It sounds like we need a medic here to save this bill because everybody is talking negative. I think we have a good bill. I think we have a bill that is as good as we can get, and I hope we will be able to convince the White House to sign the bill when it finally gets to them. I would urge the Members to vote for a reasonable defense bill.

Mr. Speaker, I yield back the balance of my time.

Mr. OBEY. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey [Mr. SMITH].

Mr. SMITH of New Jersey. Mr. Speaker, I thank my good friend for yielding me time.

This is a very, very difficult position, I think, for many of us on the pro-life side to be in. Let me make it very clear why many pro-life Members of Congress oppose this conference report. We do not contend that supporters of the report are necessarily pro-abortion. Indeed, the opposite is true: the chairman of the full committee and the chairman of the subcommittee and the ranking member are very pro-life. But sadly, the fact of the matter is that this is a pro-abortion bill.

Mr. Speaker, the House voted to prohibit abortions in our military hospitals. The conference report will allow abortions in these hospitals for any reason whatsoever without limitation. Members of Congress who ordinarily vote against abortion can support this legislation if, and only if, they have not read the language carefully or, perhaps, if they have other priorities that come before the unborn child.

How important are the lives of these children that would be put at risk if this conference report were to be enacted into law? If your life or mine, I say to my friends, if your life or mine were at risk or in jeopardy of being either chemically poisoned or killed by a dismemberment, or by a suction machine, would voting down this conference report be so difficult to do?

I would suggest and submit that we all know that eventually a conference report will be passed, or perhaps as part of a CR we will fund the Department of Defense. It is a matter of when. It is not a matter of if.

Mr. Speaker, let me also point out to Members that the Dornan language is carried over in this bill, but then there is gutting language. One person referred to it as a "caveat." It completely and totally negates the operative section of the Dornan language.

Let me also remind Members that all of the pro-life groups—the Christian Coalition, the National Right to Life Committee—reluctantly but, nevertheless firmly, have come down and asked for a no vote on this DOD conference report.

It is a very difficult situation for all of us to be in. I do not like it, nobody likes it, but if we want to save the unborn, if we want to save them from the cruelty of abortion, a no vote is the only way to go.

The SPEAKER pro tempore. The gentleman from Wisconsin [Mr. OBEY] has 1¼ minutes remaining, and the gentleman from Florida [Mr. YOUNG] has one speaker remaining.

Mr. OBEY. Mr. Speaker, I yield myself such time as I may consume to simply say that I think Members have given ample reason for opposing the bill in general. I would also urge that they support the motion to recommit for the simple reason that it prevents a $31 million ripoff of the taxpayers to the United States, a ripoff which will enrich a few corporate directors while the workers of that same company are being laid off.

I do not think that is a proposition any of us can go home and explain to any of our constituents, and I do not think we should even try. So I would urge the adoption of the recommittal motion and the defeat of the bill.

Mr. Speaker, I yield back the balance of my time.

CALL OF THE HOUSE

Mr. YOUNG of Florida. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members responded to their names:

[Roll No. 698]

Abercrombie
Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Beilenson
Bentsen
Bereuter
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Borski
Boucher
Brewster
Browder
Brown (FL)
Brown (OH)
Brownback
Bryant (TN)
Bryant (TX)
Bunn
Bunning
Burr
Burton
Buyer
Calvert
Camp
Canady
Cardin
Castle
Chabot
Chambliss
Chapman
Chenoweth
Christensen
Chrysler
Clay
Clayton
Clement
Clinger
Clyburn
Coble
Coburn
Coleman
Collins (GA)
Collins (MI)
Combest
Condit
Conyers
Cooley
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
de la Garza
Deal
DeFazio
DeLauro
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Fields (TX)
Filner
Flake
Flanagan
Foglietta
Foley
Forbes
Ford
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Geren
Gilchrest
Gillmor
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Green
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hancock
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hilliard
Hinchey
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson-Lee
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Johnston
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Lantos
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Longley
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCollum
McCrery
McDade
McDermott
McHale
McInnis
McIntosh
McKeon
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Meyers
Mfume
Mica
Miller (CA)
Miller (FL)
Mineta
Minge
Mink
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Orton
Oxley
Packard
Pallone
Parker
Pastor
Paxon
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Portman
Poshard
Pryce
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Richardson
Riggs
Rivers
Roberts
Roemer
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Roybal-Allard
Royce
Rush
Sabo
Salmon
Sanders
Sanford
Sawyer
Saxton
Scarborough
Schaefer
Schiff
Schroeder
Schumer
Scott
Seastrand
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stearns
Stenholm
Stockman
Stokes
Studds
Stump
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thornton
Thurman
Tiahrt
Torkildsen
Torres
Torricelli
Towns
Traficant
Upton
Velazquez
Vento
Visclosky
Volkmer
Vucanovich
Waldholtz
Walsh
Wamp
Ward
Waters
Watt (NC)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Williams
Wise
Wolf
Woolsey
Wyden
Wynn
Yates
Young (AK)
Young (FL)
Zeliff
Zimmer

☐ 1408

The SPEAKER pro tempore (Mr. BUNNING of Kentucky). On this rollcall, 403 Members have recorded their presence by electronic device, a quorum.

Under the rule, further proceedings under the call are dispensed with.

PERSONAL EXPLANATION

Mr. GILMAN. Mr. Speaker, I regret that my being involved in an event at the White House prevented me from voting on rollcall No. 698, a quorum call. Had I been able to vote I would have voted "present."

CONFERENCE REPORT ON H.R. 2126, DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 1966

The SPEAKER pro tempore. The gentleman from Florida [Mr. YOUNG] has 5 minutes remaining.

Mr. YOUNG of Florida. Mr. Speaker, I yield the balance of my time to the gentleman from Louisiana [Mr. LIVINGSTON], the distinguished chairman of the Committee on Appropriations.

Mr. LIVINGSTON. Mr. Speaker, I would like to inquire of the gentleman from Pennsylvania, if this bill goes down, what does he think the next one is going to look like?

Mr. MURTHA. Mr. Speaker will the gentleman yield?

Mr. LIVINGSTON. I yield to the gentleman from Pennsylvania.

Mr. MURTHA. Mr. Speaker, the problem, as I see it, is, we had over 2000 suggestions and recommendations to the bill. Obviously, we had to make a judgment on each of those recommendations as we went through the bill. Certainly, it would be a problem because as it gets involved in negotiations, there will be less of everything available. So there is no question in my mind, that there will be some substantial changes in the bill.

Mr. LIVINGSTON. Mr. Speaker, I thank the gentleman. There was some clapping when the gentleman said that. Some Members believe that what the gentleman from Pennsylvania said is a good thing. As a matter of fact, the gentleman from Wisconsin [Mr. OBEY] spoke against the bill. He thinks that there is too much spending. The gentleman, various other folks on the other side of the aisle and on this side of the aisle have spoken against the bill for various reasons.

We got a letter here from Alice Rivlin, dated today, saying the President of the United States is going to veto this bill because it is too much spending. I know that that represents a large sentiment in the minority, the minority.

My colleagues, I address these comments to my friends on this side, we are the majority. We have been elected to set the agenda. One of the planks in the Contract With America was to provide for a strong national defense.

Now, there are those among us who came to Congress with one issue or two issues in mind that had nothing whatsoever to do with the strong national defense. And I agree with them on those issues. Some want to balance the budget. Some believe that the protection of innocent life is the most important thing in this world. I agree with them. I have got a 100 percent pro-life record. But I also think that we as elected Members of the House of Representatives have the responsibility to represent our mutual constituents. We have the responsibility of representing every live: man, woman and child in our districts, every man, woman and child in America. Under the Constitution of the United States, one of our primary, if not our primary, responsibilities is to provide for an adequate defense for this Nation.

The House Committee on Appropriations and the Senate Committee on Appropriations have met in conference and we have produced a conference report in bipartisan fashion which provides for not only an adequate defense but for a better defense than the President of the United States was prepared to provide if his numbers had governed.

Last year in the rose garden in front of the White House, the President of the United States, surrounded by people with medals of all sorts, his Joint Chiefs of Staff, said his plan to reduce the military, the pentagon, had gone so far that he was $25 billion short, short in his plans to protect the sanctity of the United States to provide for the national defense. And, therefore, he was going to recommend that we spend $25 billion more.

Guess what? The check never arrived. It never came. In his budget proposal in February, he provided for spending on defense of $7 billion less than last year, $7 billion less than last year.

This conference committee, in conjunction with the Senate, said, no, Mr. President. We are going to hold you to your promise. We are going to provide exactly, not more, not less, but exactly what we provided last year. We are going to stem the flow. We realize that defense has been the scapegoat for every domestic program on earth for 11 straight years, that for the last 11 years procurement has gone down by almost 75 percent, that in real terms, spending on defense has gone down by nearly 30 percent, and that it is time to stand up for the young men and women in uniform in this country and provide the basic services, the basic maintenance, the basic operations, the basic training that they need to do their job.

□ 1415

Now the President of the United States, the President of the United States, may well come to us in a few weeks and say he wants to send 25,000, or any number, of troops to Bosnia, and some of my colleagues want to put a preemption in there and say, "No, Mr. President, you can't do that." I suggest to my colleagues that we can do that, that he must come to Congress, that he cannot ignore us, but to take the unheard-of-step, unconstitutional step, of binding him before he has taken that action, is to play in the hands of the foolish of the world who believe that it is in the best interest of the pacifists of the world to simply bind the President in future events. How in the world can we really seriously say that no matter what happens in this world, no matter how much more peaceful in this world the President can make Europe by helping Bosnia, that we are going to cut it off today without knowing what is going to happen tomorrow and that under no circumstances can we put 10 troops in Bosnia, let alone 25,000?

Let us cross that bridge when we come to it. Let us not unconstitutionally bind the President of the United States. Let us pass a good defense bill, even with last year. Let us not get hung up on pro-life issues that are important to all of us who are pro-life, but let us not forget that our first responsibility is to provide for an adequate national defense for every man, woman, and child in America today.

This is a good bill. Pass it.

Mr. WATTS of Oklahoma. Mr. Speaker, I stand before this House and offer a pledge of allegiance. However, unlike the pledge we take each morning, this pledge of allegiance is to those who are not yet born.

Simply said, I pledge allegiance to the right to life.

My belief in the right to life is not debatable, it is not contestable, it is not even open to discussion. It is an issue that simply offers no compromise and yet, today we face a dilemma.

That dilemma surrounds our vote on the 1996 Department of Defense Appropriations Act conference report. That report contains a provision that prohibits funds from being made available to perform abortions at DOD medical facilities only if specifically authorized in the National Defense Authorization Act. The Appropriations Committee has now placed a burden of responsibility squarely on the shoulders of those on the authorization committee.

Well, I accept that responsibility. And as I cast my vote for the appropriations conference report, I clearly understand that I must work hard to make certain the 1996 DOD authorization language directs that those facilities will not be used for abortions. At the same time, a vote for the appropriations conference report is a vote of support for our national defense and the needs of our Nation's military.

The correct forum to fight the battle against performing abortions in DOD facilities is in the authorization conference committee. As such, I encourage my colleagues to support the appropriations conference report.

Vote today for the conference report but I implore each and everyone in this chamber to support the design of language that prohibits this unacceptable procedure in our 1996 Defense Authorization Act.

Ms. PELOSI. Mr. Speaker, I rise today to oppose the conference report accompanying H.R. 2126, the Defense appropriations bill for fiscal year 1996. My colleagues, this conference agreement appropriates a total of $243.3 billion for defense programs—$6.9 billion more than the administration's request and $1.7 billion more than was appropriated in fiscal year 1995.

When combined with the monies appropriated under the defense-related provisions in the energy and water appropriations bill and those provided by the military construction appropriations bill, the total amount appropriated by the House of Representatives during fiscal year 1996 for Defense programs will be $264.6 billion.

Mr. Speaker, I support a level of defense spending adequate to meet our legitimate national security needs. However, when we spend billions of dollars on elaborate new weapons systems, millions of Americans go without health care insurance, decent housing, and an opportunity to seek a higher education.

During the last several months, we have seen funding levels slashed for environmental and health protections, student loans, school lunches, Medicare, and numerous other governmental programs which make up the social welfare safety net. Increasing the funding levels for the Department of Defense while inflicting painful cuts on every other item in the Federal budget is both inequitable and harmful to our overall strength as a Nation.

Mr. Speaker, I urge my colleagues to join me in opposing this conference agreement. This conference agreement offers only a grand illusion of greater national security. Vote "no" on the conference report.

Mr. HOBSON. Mr. Speaker, I rise in strong support of the fiscal year 1996 Defense appropriations conference report.

This agreement provides $243 billion for the Department of Defense including $69 billion for military personnel, $81.5 billion for operation and maintenance, and $44.4 billion for procurement. Total funding is $746 million less than the House-passed bill and $1.7 billion more than enacted in fiscal year 1995.

As the No. 2 member of the Budget Committee, I can confirm that the Defense appropriations conference report is in line with the balanced budget priorities we established in the budget resolution. There should be no fiscal objection to this conference agreement. It is one which everybody can support.

As a member of the conference committee, I can attest that the House conferees stood up for the priorities established in the House bill, especially the military readiness and quality of life improvements which our servicemen and women deserve. Readiness is funded at $647 million more than the President's request and quality of life improvements are funded at $332 million more than the President's request. These increases are responsible and needed to cover our Nation's legitimate military requirements.

This is a conference report which protects the troops who protect us. It has my wholehearted support and should have the support of all my colleagues as well.

The SPEAKER pro tempore (Mr. BUNNING). All time has expired.

Without objection, the previous question is ordered on the conference report.

Mr. YOUNG of Florida. Mr. Speaker, reserving the right to object, I want to point out that when the gentleman from Wisconsin [Mr. OBEY] makes the motion to recommit with instructions, that we intend to defeat it.

Mr. Speaker, I withdraw my reservation of objection.

The previous question was ordered.

MOTION TO RECOMMIT OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the conference report?

Mr. OBEY. I am, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. OBEY moves to recommit the conference report to accompany the bill H.R. 2126 to the Committee of Conference with instructions to include in the conference report the following modification to Section 8108 of the House bill:

None of the funds available to the Department of Defense under this Act shall be obligated or expended to pay a contractor under a contract with the Department of Defense for costs of any amount paid by the contractor to an executive or managerial employee when it is made known to the Federal official having authority to obligate or expend such funds that—

(1) such costs are for a bonus or otherwise in excess of the normal salary paid by the contractor to the employee such as payments under post retirement income plans, payments of deferred compensation, payments under performance incentive compensation plans, and payments pursuant to termination benefit agreements; and

(2) such costs are part of restructuring costs associated with a business combination resulting from a change in control of the employee's company.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. OBEY. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 176, noes 240, answered "present" 1, not voting 17, as follows:

[Roll No. 699]

AYES—176

Abercrombie
Ackerman
Allard
Baesler
Baldacci
Barcia
Barrett(WI)
Becerra
Beilenson
Bentsen
Berman
Bevill
Bilirakis
Bonior
Borski
Boucher
Browder
Brown (OH)
Bryant (TX)
Cardin
Chapman
Clay
Clayton
Clement
Clyburn
Coleman
Collins (MI)
Condit
Conyers
Costello
Coyne
Danner
de la Garza
DeFazio
DeLauro
Dellums
Dingell
Dixon
Doggett
Doyle
Duncan
Durbin
Edwards
Ehrlich
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Filner
Flake
Foglietta
Ford
Frank (MA)
Franks (NJ)
Furse
Gejdenson
Gephardt
Geren
Gonzalez
Gordon
Green
Gutierrez
Hall (OH)
Hall (TX)
Hastings (FL)
Hefley
Hefner
Hilliard
Hinchey
Holden
Jackson-Lee
Jacobs
Johnson (SD)
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kleczka
LaFalce
Lantos
Lazio
Leach
Levin
Lewis (GA)
Lincoln
Lipinski
LoBiondo
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McDermott
McInnis
McKinney
Meehan
Menendez
Mfume
Miller (CA)
Minge
Mink
Moakley
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (MN)
Petri
Pomeroy
Poshard
Rahall
Rangel
Reed
Richardson
Rivers
Roukema
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Schumer
Scott
Serrano
Shays
Skaggs
Slaughter
Spratt
Stark
Stenholm
Stokes
Studds
Stupak
Tanner
Taylor (MS)
Thornton
Thurman
Torres
Torricelli
Towns
Velazquez
Vento
Visclosky
Volkmer
Ward
Waters
Watt (NC)
Waxman
Williams
Wise
Woolsey
Wyden
Wynn
Yates
Zimmer

NOES—240

Andrews
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bishop
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Brewster
Brown (FL)
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Calvert
Camp
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Cooley
Cox
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
Diaz-Balart
Dickey
Dicks
Dooley
Doolittle
Dornan
Dreier
Dunn
Ehlers
Emerson
English
Ensign
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Goss
Graham
Greenwood
Gunderson
Gutknecht
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (WA)
Hayes
Hayworth
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Horn
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Jefferson
Johnson (CT)
Johnson, E. B.
Johnson, Sam
Jones
Kasich
Kelly
Kim
King
Kingston
Klink
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
Longley
Lucas
Manzullo
McCollum
McCrery
McDade
McHale
McIntosh
McKeon
McNulty
Meek
Metcalf
Meyers
Mica
Miller (FL)
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Oxley
Packard
Parker
Paxon
Peterson (FL)
Pickett
Pombo
Portman
Pryce
Quinn
Radanovich
Ramstad
Regula
Riggs
Roberts
Roemer
Rohrabacher
Ros-Lehtinen
Rose
Roth
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shuster
Sisisky
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stockman
Stump
Talent
Tate
Tauzin
Taylor (NC)
Thomas
Thornberry
Tiahrt
Torkildsen
Traficant
Upton
Vucanovich
Waldholtz
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)
Zeliff

ANSWERED "PRESENT"—1

Mineta

NOT VOTING—17

Brown (CA)
Callahan
Collins (IL)
DeLay
Deutsch
Fields (LA)
Frost
Hoyer
McHugh
Porter
Quillen
Reynolds
Rogers
Tejeda
Thompson
Tucker
Walker

□ 1438

The Clerk announced the following pair:

On this vote:

Mr. Deutsch for, with Mr. Porter against.

Mr. GEJDENSON and Mr. HEFNER changed their vote from "no" to "aye."

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore (Mr. BUNNING of Kentucky). The question is on the conference report.

Pursuant to clause 7 of rule XV, the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 151, nays 267, answered "present" 1, not voting 15, as follows:

[Roll No. 700]

YEAS—151

Abercrombie
Archer
Armey
Bachus
Baesler
Baker (LA)
Ballenger
Barr
Bateman
Bilbray
Bishop
Blute
Boehlert
Boehner
Bonilla
Bono
Boucher
Brewster
Brown (FL)
Callahan
Calvert
Castle
Chambliss
Clinger
Clyburn
Coleman
Cox
Cramer
Davis
DeLauro
DeLay
Dicks
Dixon
Dooley
Dreier
Dunn
Edwards
Ehrlich
Everett
Farr
Fawell
Fazio
Fields (TX)
Foley
Fowler
Franks (CT)
Frelinghuysen
Gallegly
Gejdenson
Gekas
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodling
Goss
Greenwood
Gunderson
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hefner
Hobson
Horn
Houghton
Hoyer
Hunter
Istook
Jacobs
Jefferson
Johnson (CT)
Johnson, E. B.
Johnson, Sam
Kasich
Kelly
Kennedy (RI)
Kennelly
Kim
Klink
Knollenberg
Kolbe
Lazio
Leach
Lewis (CA)
Livingston
Longley
Lucas
Matsui
McCollum
McCrery
McDade
McHale
McKeon
McNulty
Meyers
Miller (FL)
Moakley
Molinari
Mollohan
Montgomery
Moran
Murtha
Neal
Nethercutt
Oxley
Packard
Paxon
Peterson (FL)
Pickett
Pryce
Quinn
Radanovich
Reed
Regula
Rohrabacher
Rose
Salmon
Saxton
Scarborough
Schiff
Scott
Shaw
Shuster
Sisisky
Skeen
Skelton
Smith (MI)
Smith (TX)
Solomon
Spence
Stenholm
Stump
Tanner
Thomas
Thornberry
Thurman
Torkildsen
Traficant
Visclosky
Waldholtz
Walsh
Ward
Watts (OK)
Weldon (PA)
White
Wilson
Young (FL)

NAYS—267

Ackerman
Allard
Andrews
Baker (CA)
Baldacci
Barcia
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Becerra
Beilenson
Bentsen
Bereuter
Berman
Bevill
Bilirakis
Bliley
Bonior
Borski
Browder
Brown (OH)
Brownback
Bryant (TN)
Bryant (TX)
Bunn
Bunning
Burr
Burton
Buyer
Camp
Canady
Cardin
Chabot
Chapman
Chenoweth
Christensen
Chrysler
Clay
Clayton
Clement
Coble
Coburn
Collins (GA)
Collins (MI)
Combest
Condit
Conyers
Cooley
Costello
Coyne
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
de la Garza
Deal
DeFazio
Dellums
Diaz-Balart
Dickey
Dingell
Doggett
Doolittle
Dornan
Doyle
Duncan
Durbin
Ehlers
Emerson
Engel
English
Ensign
Eshoo
Evans
Ewing
Fattah
Filner
Flake
Flanagan
Foglietta
Forbes
Ford
Fox
Frank (MA)
Franks (NJ)
Frisa
Funderburk
Furse
Ganske
Gephardt
Goodlatte
Gordon
Graham
Green
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hayes
Hayworth
Hefley
Heineman
Herger
Hilleary
Hilliard
Hinchey
Hoekstra
Hoke
Holden
Hostettler
Hutchinson
Hyde
Inglis
Jackson-Lee
Johnson (SD)
Johnston
Jones
Kanjorski
Kaptur
Kennedy (MA)
Kildee
King
Kingston
Kleczka
Klug
LaHood
Lantos
Largent
Latham
LaTourette
Laughlin
Levin
Lewis (GA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Luther
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Mascara
McCarthy
McDermott
McInnis
McIntosh
McKinney
Meehan
Menendez
Metcalf
Mfume
Mica
Miller (CA)
Minge
Mink
Moorhead
Morella
Myers
Myrick
Nadler
Neumann
Ney
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Parker
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (MN)
Petri
Pombo
Pomeroy
Portman
Poshard
Rahall
Ramstad
Rangel
Richardson
Riggs
Rivers
Roberts
Roemer
Rogers
Ros-Lehtinen
Roth
Roukema
Roybal-Allard
Royce
Rush
Sabo
Sanders
Sanford
Sawyer
Schaefer
Schroeder
Schumer
Seastrand
Sensenbrenner
Serrano
Shadegg
Shays
Skaggs
Slaughter
Smith (NJ)
Smith (WA)
Souder
Spratt
Stark
Stearns
Stockman
Stokes
Studds
Stupak
Talent
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Thornton
Tiahrt
Torres
Torricelli
Towns
Upton
Velazquez
Vento
Volkmer
Vucanovich
Wamp
Waters
Watt (NC)
Waxman
Weldon (FL)
Weller
Whitfield
Wicker
Williams
Wise
Wolf
Woolsey
Wyden
Wynn
Yates
Young (AK)
Zeliff
Zimmer

ANSWERED "PRESENT"—1

Mineta

NOT VOTING—15

Brown (CA)
Collins (IL)
Deutsch
Fields (LA)
Frost
LaFalce
McHugh
Meek
Porter
Quillen
Reynolds
Tejeda
Thompson
Tucker
Walker

☐ 1457

The Clerk announced the following pair:

On this vote:

Mr. Porter for, with Mr. Deutsch against.

Messrs. LUTHER, COMBEST, and NEY, Mrs. CUBIN, Mr. WHITFIELD, and Mr. SPRATT changed their vote from "yea" to "nay."

Mr. FARR and Mr. STENHOLM changed their vote from "nay" to "yea."

So the conference report was rejected.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. DEUTSCH. Mr. Speaker, I would like to make a statement for the RECORD that I missed rollcall vote No. 699 and No. 700 in order to be home to fulfill religious and personal obligations. Had I been present, I would have voted "aye" to recommit with instructions and "nay" against the conference report on H.R. 2126, Defense appropriation for fiscal year 1996.

LEGISLATIVE PROGRAM

(Mr. ARMEY asked and was given permission to address the House for 1 minute.)

The SPEAKER pro tempore. Without objection, the gentleman from Texas is recognized for 1 minute.

There was no objection.

Mr. ARMEY. Mr. Speaker, I wish to update the Members on today's working schedule.

Mr. Speaker, we have been in contact with the other body. They are taking an assessment at this time to determine the progress they may be making relative to the CR. I will go over and try to make sure that I can get some defining language and report back to the Members. At this point, though, I still cannot advise the Members about the circumstance of the CR in the other body, and we have nothing definitive to report.

As soon as we know something definite, we will advise the floor and advise the Members through a whip call. As soon as I can have that information, I will share it with the Members.

As it is now, we simply must continue to wait on the other body and try to do what work we can in the meantime.

Mr. FAZIO of California. Mr. Speaker, will the gentleman yield?

Mr. ARMEY. I yield to the gentleman from California.

Mr. FAZIO of California. Mr. Speaker, is it the gentleman's intention that the House be in recess at that time while we await the other body's deliberations?

Mr. ARMEY. Mr. Speaker, reclaiming my time, we have a few items of business that we can conclude. If, in fact, we conclude these items before we hear from the other body, then we would probably have to go into a recess.

Mr. FAZIO of California. Mr. Speaker, if the gentleman will continue to yield, does the gentleman want to tell the Members what might come up, what other issues might be coming before us as we kill time?

Mr. ARMEY. Mr. Speaker, I appreciate the gentleman asking. We will be naming some conferees and we will have a few unanimous-consent requests, but there, quite frankly, should be very little, and possibly no floor votes, until we hear back from the other body.

Mr. FAZIO of California. The gentleman would not expect to have any votes, but Members need to keep in touch with the floor in case there does need to be additional action based on the Senate's failure to agree with the CR as is.

Mr. ARMEY. The gentleman is correct. We will share information through the two leadership teams and the whip notice and get as much information to the Members as soon as we get it.

Mr. FAZIO of California. I am sure we all appreciate that.

□ 1500

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 359

Mr. NADLER. Mr. Speaker, I ask unanimous consent to remove my name as a sponsor of H.R. 359.

The SPEAKER pro tempore (Mr. LINDER). Is there objection to the request of the gentleman from New York?

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 4, PERSONAL RESPONSIBILITY ACT OF 1995

Mr. ARCHER. Mr. Speaker, pursuant to clause 1 of rule XX, and by the direction of the Committee on Ways and Means, I move to take from the Speaker's table the bill (H.R. 4) to restore the American family, reduce illegitimacy, control welfare spending and reduce welfare dependents, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas [Mr. ARCHER].

The motion was agreed to.

The SPEAKER pro tempore. Without objection, the Chair appoints the following conferees: Messrs. ARCHER, GOODLING, ROBERTS, SHAW, TALENT, NUSSLE, HUTCHINSON, MCCRERY, SMITH of Texas, and Mrs. JOHNSON of Connecticut, and Messrs. CAMP, FRANKS of Connecticut, GIBBONS, CLAY, DE LA GARZA, CONYERS, FORD, WAXMAN, MILLER of California, and Mrs. KENNELLY, Mr. LEVIN and Mrs. LINCOLN.

There was no objection.

PERMISSION FOR COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE TO HAVE UNTIL 5 P.M. FRIDAY, OCTOBER 6, 1995, TO FILE A REPORT ON H.R. 2149, OCEAN SHIPPING REFORM ACT OF 1995

Mr. COBLE. Mr. Speaker, I ask unanimous consent that the Committee on Transportation and Infrastructure may have until 5 p.m. on Friday, October 6, 1995, to file a report on H.R. 2149.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

CORRECTING THE ENROLLMENT OF H.R. 402, ALASKA NATIVE CLAIMS SETTLEMENT ACT AMENDMENTS

Mr. LONGLEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate concurrent resolution (S. Con. Res. 27) correcting the enrollment of H.R. 402, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate concurrent resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maine?

There was no objection.

The Clerk read the Senate concurrent resolution, as follows:

S. CON. RES. 27

Resolved by the Senate (the House of Representatives concurring), That the Clerk of the House of Representatives is directed to correct the enrollment of H.R. 402 as follows:

Amend section 109 to read:

"SEC. 109. CONFIRMATION OF WOODY ISLAND AS ELIGIBLE NATIVE VILLAGE.

"The Native Village of Woody, Island located on Woody Island, Alaska, in the Koniag Region, is hereby confirmed as an eligible Alaska Native Village, pursuant to section 11(b)(3) of the Alaska Native Claims Settlement Act ("ANCSA"). It is further confirmed that Leisnoi, Inc., is the Village Corporation, as that term is defined in section 3(j) of the ANCSA, for the village of Woody Island. This section shall become effective on October 1, 1998, unless the United States judicial system determines this village was fraudulently established under ANCSA prior to October 1, 1998.".

AMENDMENT OFFERED BY MR. LONGLEY

Mr. LONGLEY. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LONGLEY:

On page 1, line 2, strike all that follows after "That" to the end of the resolution and insert the following:

"the action of the Speaker of the House of Representatives and the President pro tempore of the Senate in signing the bill (H.R. 402) is rescinded, and the Clerk of the House of Representatives shall, in the reenrollment of the bill, make the following correction:

Strike section 109".

Mr. LONGLEY (during the reading). Mr. Speaker, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maine?

There was no objection.

Mr. LONGLEY. Mr. Speaker, I include for the RECORD a letter from Michael J. Schneider regarding this matter.

LAW OFFICES OF
MICHAEL J. SCHNEIDER, P.C.,
Anchorage, AK, September 28, 1995.

Re Leisnoi, Inc., eligibility legislation (S537/HR402 Sec. 109).

Mr. DAN KISH,
Staff Director, Office of Congressman Don Young, U.S. Congress, Rayburn House Office Building, Washington, DC.

DEAR MR. KISH: If S537/HR402, in its present form, is signed by the President, it will spell the death of our litigation against Leisnoi. Even if the bill becomes law, it will take a couple of years for the case to be wrapped up. The Lis Pendens regarding Termination Point will stay in place to that point in time. This will preclude any possibility of selling Termination Point to the EVOS trustees. The trustees will have spent their money elsewhere by then.

We want the public to acquire Termination Point. Therefore, if Section 109 of this legislation can be completely eliminated and Leisnoi's eligibility thus left to the courts, already poised to decide it in the near future, we will abandon our current demand that Termination Point proceeds be escrowed pending the outcome of Leisnoi's eligibility fight.

I have Mr. Statman's specific authority to bind him to the proposal above, and do so by my signature below.

Sincerely yours,
MICHAEL J. SCHNEIDER.

Mr. MILLER of California. Mr. Speaker, I support the amendment offered by the gentleman from Alaska to delete section 109 of H.R. 402. That language was added by the other body without public hearings and was intended to intervene in pending litigation. But the Senate did not do their homework. This provision generated significant controversy, especially amongst the affected citizens of Kodiak, AK. Moreover, this technical amendments bill was an inappropriate vehicle for controversy. The gentleman from Alaska and I had worked over two Congresses to develop a consensus on this legislation only to be undercut, in my view, by the other body.

I am especially pleased that, if this amendment passes, the plaintiff in this litigation has agreed to lift a claim to lands on Kodiak which are sought for acquisition by the Exxon Valdez Trustee Council.

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from Maine [Mr. LONGLEY].

The amendment was agreed to.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 390

Mr. BARRETT of Wisconsin. Mr. Speaker, I ask unanimous consent to have my name removed as a cosponsor of H.R. 390.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

CONFERENCE REPORT ON S. 895, SMALL BUSINESS LENDING ENHANCEMENT ACT OF 1995

Mrs. MEYERS of Kansas. Mr. Speaker, I ask unanimous consent that it be in order to immediately consider the conference report to accompany the Senate bill (S.895) to amend the Small Business Act to reduce the level of participation by the Small Business Administration in certain loans guaranteed by the administration, and for other purposes, that the conference report be considered as read, and that debate thereon be limited to 10 minutes, equally divided and controlled by the gentleman from Missouri [Mr. SKELTON] and myself.

The SPEAKER pro tempore (Mr. EVERETT). Is there objection to the request of the gentlewoman from Kansas?

There was no objection.

Mrs. MEYERS of Kansas. Mr. Speaker, pursuant to the unanimous consent request just agreed to, I call up the conference report on the Senate bill (S.895) to amend the Small Business Act to reduce the level of participation by the Small Business Administration in certain loans guaranteed by the administration, and for other purposes.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Pursuant to the unanimous-consent request, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of Thursday, September 28, 1995, at page H9638.)

The SPEAKER pro tempore. Pursuant to the unanimous consent request, the gentlewoman from Kansas [Mrs. MEYERS] will be recognized for 5 minutes, and the gentleman from Missouri [Mr. SKELTON] will be recognized for 5 minutes.

The Chair recognizes the gentlewoman from Kansas [Mrs. MEYERS].

Mrs. MEYERS of Kansas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the conference report on S. 895, the Small Business Lending Enhancement Act of 1995. This report reflects a strong bipartisan effort to strengthen and reduce the cost of two of the Small Business Administration's most important lending programs, the 7(a) Guaranteed Loan Program and the 504 Certified Development Company Program. All of the conferees, and indeed, all of the Small Business Committee members in both Chambers recognized that we were faced with a difficult balancing act. The task we faced was to meet the mandate of reducing the cost of these vital programs without unduly penalizing the small business borrower. Not only have we accomplished this task, through a modest increase in fees, but we will be able to assist more small businesses with their capital needs with significantly fewer appropriated dollars.

In the case of the 7(a) program, we have reduced its subsidy cost from $2.74 per hundred dollars of loan guaranteed down to $1.06, a reduction of approximately 60 percent. We have spilt the increase costs between the lender and the borrower. In addition, we have reduced the Government's risk by limiting the guarantee percentage to a maximum of 75 percent for loans over $100,000, and a maximum of 80 percent for loans under $100,000. Private lending institutions will share a greater portion of the risk, insuring sound underwriting standards.

Turning to the 504 Certified Development Company Program, which provides funding for real estate and capital asset acquisition—our bricks-and-mortar lending program, we have made it entirely self-funding through the imposition of a one-eighth of a point interest rate increase. With a zero subsidy rate, no appropriated dollars will be required to operate this program.

In addition, the conferees agreed to accept a provision from the Senate bill to extend the Preferred Surety Bond Guarantee Program. This program, which would expire at the end of this fiscal year without an extension, provides expedited service for small business contractors who need bonding to get contracts, and I am pleased that we are able to continue this much-needed program.

While I don't intend to make lengthy remarks about legislation that is a model of bipartisan cooperation and so devoid of controversy, I would like to address an issue that was discussed at some length in our committee markup, but which was absent from both House and Senate bills. This issue is whether or not we should carve out an exception to the 75- and 80-percent guarantee levels for small business loans, and retain a 90-percent guarantee for the Export Working Capital Loan. I feel strongly, as I believe others in the House and in the other body feel, that a 90-percent guarantee is imprudent.

The Small Business Administration and our committee's distinguished ranking member, Mr. LAFALCE, argued that the SBA's Export Working Capital Loan Program had been harmonized with Ex-Im bank's program both carrying 90-percent Government guarantees, and that changing SBA's guarantee would cause great harm to these harmonization efforts. A majority of both the House and Senate Small Business Committee members did not agree, and no provision keeping the 90-percent guarantee was included either S. 895 or H.R. 2150, making it a nonconference item. However, in recognition of the fact that the guarantee rate for the SBA's export working capital loans will now be lower than Ex-Im's, the conferees have called for a study of the impact of the lower guarantee rate on small businesses in the export market. This study should help us assess whether or not the 90-percent guarantee is vital to these loans, or whether Ex-Im should consider bringing their guarantee rates in line with the SBA's, again creating a harmonized program.

Mr. Speaker, this conference report is good for small business, good for the taxpayer, and, as I previously mentioned, a model of the bipartisan cooperation that traditionally graces the work of the Small Business Committee. I would like to thank our ranking member, Mr. LAFALCE, in particular, for his efforts on this legislation, and I strongly urge the adoption of this important measure.

Mr. Speaker, I reserve the balance of my time.

Mr. SKELTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the conference report on S. 895, the Small Business Lending Enhancement Act of 1995.

The main purpose of this legislation is to adjust the fees and guaranty levels of two Small Business Administration loan programs—steps I reluctantly agree to in order to make the insufficient appropriation level accorded these programs go as far as possible in meeting the credit needs of the small business community. Under current fee and percentage guarantee schedules, the SBA would only be able to approve a small percentage of the loan applications it anticipates receiving in the next fiscal year, given appropriation projections.

Yes, reducing the percentage of an SBA loan which the Federal Government guarantees and raising the fees charged to the borrower and lender will lower the cost of the program to the Federal Government, but another price will be paid in the process. Smaller loans will be more expensive for the borrower and may mean that some small businesses will not be able to turn to this lender of last resort, the SBA Guaranty Program. These changes will also make the loans less profitable for lenders, which may mean that fewer of them will be willing to participate in this program and the options available to the small business person will lessen in this way also.

However, given the budget dollars we had to work with, there were no alternatives to fee increases and lower guarantees.

I am also very disappointed that, although I believe there was fairly broad and bipartisan support for it, we were not able to agree on keeping the Export Working Capital Program at a guarantee rate of 90 percent. After years of talking about the need to improve export assistance for small businesses and eliminate duplicate services, just last year the Congress approved an agreement worked out between the SBA and the Export-Import Bank wherein the SBA would guarantee export loans up to $750,000 at 90 percent and the Ex-Im Bank guarantee larger loans at 90 percent. We have now reduced the percentage the SBA will guarantee, making the loan seem riskier to lenders, many of whom are new to export financing and already extremely cautious about getting involved. I fear that in reducing the percentage guarantee of an export loan, we are truly hurting small businesses that are trying to export—a shortsighted move in light of the importance of trade to our economy and the balance of trade figures which we regularly decry.

I am pleased the conference report contains the Senate language charging the guarantee fee on the guaranteed amount, not the gross amount of the loan. In my view, the Government is simply not entitled to charge a fee on that portion of a loan which it is not guaranteeing and on which, therefore, it has no exposure.

I am also happy that the legislation extends for 2 years the pilot Preferred Surety Bond Program. This program is desirable not only because it can be a quick and efficient means of getting funds to qualified borrowers, but also because it will inevitably be increasingly important to the SBA and small contractors that we delegate authority for program delivery to outside parties as a means of compensating for SBA personnel cutbacks.

In closing, I would like to congratulate my colleague, Chairman MEYERS, on successfully guiding her first conference report to the floor. We enjoyed a cooperative working relationship throughout the process and I stand here in support of the final product.

□ 1515

Mr. Speaker, I yield back the balance of my time.

Mrs. MEYERS of Kansas. Mr. Speaker, I yield myself such time as I may consume. Mr. Speaker, I would thank the gentleman from Missouri for his support, and I do believe this had strong bipartisan support.

Mr. Speaker, I would say that I think there was concern that we could not see our way to extending the export loans guarantee at 90 percent. I think a majority of our committee on both sides felt that a 90 percent guarantee at this point in time was imprudent for the export loans. Since the Senate bill also did not include export loans at 90 percent, it did make it a nonconferenceable item. That is why, since neither House had chosen to do that, it is not in the conference committee report.

Mr. Speaker, this conference report is good for small business, good for the taxpayer, and, as I previously mentioned, a model of the bipartisan cooperation that traditionally graces the work of the Small Business Committee.

Mr. Speaker, I would certainly like to thank our ranking member, the gentleman from New York [Mr. LAFALCE], who could not be with us today, and certainly the gentleman from Missouri [Mr. SKELTON] who is a very strong member of the committee, in particular for his efforts on this legislation.

Mr. Speaker, I strongly urge the adoption of this important measure.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 534

Mr. EMERSON. Mr. Speaker, I ask unanimous consent that my name be withdrawn as a cosponsor of H.R. 534.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

REQUEST TO DISCHARGE COMMITTEE ON HOUSE OVERSIGHT FROM FURTHER CONSIDERATION OF SENATE CONCURRENT RESOLUTION 21, AUTHORIZING THE RESTORATION AND PLACEMENT IN CAPITOL ROTUNDA OF "PORTRAIT MONUMENT" HONORING WOMEN'S SUFFRAGE

Ms. DUNN of Washington. Mr. Speaker, I ask unanimous consent that the Committee on House Oversight be discharged from further consideration of Senate concurrent resolution, (S. Con. Res. 21), directing that the "Portrait Monument" carved in the likeness of Lucretia Mott, Susan B. Anthony, and Elizabeth Cady Stanton, now in the Crypt of the Capitol, be restored to its original state and be placed in the Capitol Rotunda and ask for its immediate consideration in the House.

The Clerk read the title of the Senate concurrent resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Washington?

Mrs. MYRICK. Mr. Speaker, reserving the right to object, I support the idea of doing this, because I think that is very important to what we are all trying to accomplish here. I really have no problem with that.

Mr. Speaker, I would like to suggest that what we do is look at this from an overall point of saying why can we not raise the money privately to do it, instead of spending taxpayers' dollars on it?

Mr. Speaker, I understand that there are some structural concerns, because it does weigh 13 tons, that we really have not looked into. I would like us to explore the options and I would like to volunteer that I would be happy to help raise those funds, and I do believe that it could be done privately.

Mr. PASTOR. Mr. Speaker will the gentlewoman yield?

Mrs. MYRICK. Mr. Speaker, continuing to reserve my right to object, I yield to the gentleman from Arizona.

Mr. PASTOR. Mr. Speaker, will the gentlewoman from Washington [Ms. DUNN] kindly explain the purpose of the resolution?

Ms. DUNN of Washington. Mr. Speaker, will the gentlewoman yield?

Mrs. MYRICK. Mr. Speaker, continuing to reserve my right to object, I yield to the gentlewoman from Washington.

Ms. DUNN of Washington. Mr. Speaker, I take this opportunity to tell my colleagues that this bill will authorize moving the Portrait Monument from the basement of the Capitol to the rotunda in the Capitol. This is in honor of the 75th anniversary of the passing of the 19th amendment to the Constitution which gave women the right to vote.

The bill will also authorize the celebration of the anniversary and the relocation of the monument on October 25, 1995, pursuant to the amendment that I have at the desk.

Mrs. MORELLA. Mr. Speaker, will the gentlewoman yield?

Mrs. MYRICK. Mr. Speaker, continuing to reserve my right to object, I yield to the gentlewoman from Maryland.

Mrs. MORELLA. Mr. Speaker, I feel very strongly that it is time that Elizabeth Cady Stanton, Susan B. Anthony, and Lucretia Mott be raised upstairs. They started off in the rotunda when the statue was dedicated 75 years ago.

Mr. Speaker, I would like to comment on the resolution, but before that, I would like to state that I understand what the gentlewoman from North Carolina [Mrs. MYRICK] is saying. But since this is in the very last hour of the end of the fiscal year, and this is a resolution that came from the Senate with like a 100-to-0 vote, where the money has been allocated from the Architect of the Capitol's budget for this expenditure, that perhaps what could happen is that this House, under unanimous consent, could pass this resolution to move the statue to the rotunda for the commemoration on October 26, and that private funding could, subsequent to today, be sought and could be used to replenish whatever money would be expended.

There is an allocation that has already been reserved. This is a resolution that has a lot of heavy lifting already; heavy lifting on the part of Senator WARNER, on the part of Senator STEVENS, and other Senators who have moved very hard on it with the kind of unanimous vote that they had.

Mr. Speaker, over here on the House side, a lot of people have worked on collecting signatures for those who believe this should happen. I know the gentlewoman from New York, Mrs. LOWEY, has worked on it; the gentleman from Texas, Mr. GENE GREEN; the gentlewoman from Washington, Ms. DUNN, has been very instrumental on the committee, Speaker GINGRICH has, the leadership, the gentleman from California, Mr. THOMAS. We have a lot of support for doing this.

Mr. Speaker, I think the question is not that these suffragettes during the 75th anniversary of the right to vote should be placed in the rotunda in the appropriate area, but the funding. Mr. Speaker, $100,000 has been set aside. There would seem to be no problem. I would think it could be done later.

Mrs. MYRICK. Mr. Speaker, reclaiming my time, I have no problem with raising the statue up and I think it is very commendable that we do that, but I have the same concern of spending taxpayers' money. I would like to see us work out a situation where we could raise the money privately, instead of spending taxpayers' dollars to do it, and still accomplish the same purpose within the time frame.

Mrs. SMITH of Washington. Mr. Speaker, will the gentleman yield?

Mrs. MYRICK. Mr. Speaker, continuing to reserve my right to object, I yield to the gentlewoman from Washington.

Mrs. SMITH of Washington. Mr. Speaker, I think the issue here that we are all talking about is not whether we want to move the statue.

Mrs. MYRICK. That is correct.

Mrs. SMITH of Washington. Mr. Speaker, I think we want to elevate this important statue to a point of prominence and I do not think the issue is whether or not a lot of good people, including the gentlewoman from Washington [Ms. DUNN], my good friend, and the gentlewoman from Maryland [Mrs. MORELLA], my good friend, have not worked a long time, because I think it is time.

Mr. Speaker, I think many of us that are freshmen came into Congress during a time of budget constraints that we are very serious about. And even though I can see clearly the good intent, that we will later try to work this out so that there is not public money, some of us have seen a lot of things happen where there were intent, statements made, and somehow in the negotiations with the Senate, et cetera, it really changed.

So, Mr. Speaker, we have made a decision, some of us, that we would very much like to make sure that public money is not spent. I hear it is only a few hundred thousand dollars. Sometimes I hear a few million on things. But a few thousands and a few million and a few billion, and this Nation is in deep, deep trouble.

Mr. Speaker, I challenge my women colleagues, especially those who are standing up for this, that we come together and we raise the money.

Mrs. CHENOWETH. Mr. Speaker, will the gentlewoman yield?

Mrs. MYRICK. Mr. Speaker, continuing to reserve my right to object, I yield to the gentlewoman from Idaho.

Mrs. CHENOWETH. Mr. Speaker, I just rise for the purpose of associating myself with the remarks of the gentlewoman from North Carolina [Mrs. MYRICK].

Mrs. MORELLA. Mr. Speaker, will the gentlewoman yield?

Mrs. MYRICK. Mr. Speaker, continuing to reserve my right to object, I yield to the gentlewoman from Maryland [Mrs. MORELLA.]

Mrs. MORELLA. Mr. Speaker, 75 years ago, Alice Paul and the National Woman's Party commissioned sculptor Adelaide Johnson to create a statue to celebrate the passage of the 19th amendment and to forever commemorate the courage and determination of these women who dedicated their lives to gaining for women the right to vote. It was delivered to the U.S. Congress, dedicated in the rotunda, and sent to the basement where it has been displayed since 1921.

Today, we tend to forget the enormity of the struggle for the right to vote; the brave and outspoken women who demanded the right to vote in this society that still was not even sure that girls should be educated, and who served long jail sentences for their trouble.

The House today, at the end of this fiscal year, will ensure that the statue that honors our foremothers will be given the place that it has long deserved. When schoolchildren come to the rotunda to visit and to Washington to visit this city of monuments and symbols, they will see in their U.S. Capitol, in the rotunda, a statue that not only honors the women who marched for the right to vote, but one that underscores the importance of the right to vote in our American democracy, a right that today so many of us sadly take for granted.

Mr. Speaker, it is interesting that we have this debate, because we waited so long for the right to vote. And mention was made of the fact that I am from Maryland. It was in 1645, in the State of Maryland, that Margaret Brent asked for the right to vote because she was a property owner, and she was denied that right. She asked again and posthumously, when Maryland celebrated its 350th anniversary, she was given the right to vote and made a member of the general assembly.

Mr. Speaker, this idea was forwarded early on. Nothing was done in terms of following through on it, and I believe that right now we do a disservice to all Americans to say we will forget the reserve that had already been placed for $100,000 to move this statue and wait for private funding.

Mr. Speaker, let us get private funding. Let us approve this, and then get private funding, and then do a particular celebration of the fact that we have done that and we have raised the statue.

Mrs. MYRICK. Mr. Speaker, continuing my right to object, I reiterate that I totally agree, again, on the idea. Actually, it was the Republicans who actually championed this right to vote. It is not at all that I would like to stop the process. I believe that if we all get busy and work, we can raise this money privately.

Having been in government before, I know how it works once you spend government money and try to replace it. It is a very difficult thing to do, because I faced that when I was mayor.

☐ 1530

But I would like to again challenge everybody to join in to do it. I believe we can do it and still meet the deadline without any problem. I know offers are already out there for people who have offered to do it and try and go ahead with the celebration on the day that it is set and not stop the process but just not spend the taxpayers' dollars to do it.

I remind everybody again, there are no Federal funds. The money belongs to the taxpayers. We have a responsibility to be judicious in the way we spend it, especially today when we are in all the tight budgetary areas that we are and the decisions that we are making that way.

Mr. Speaker, continuing my reservation of objection, I yield to the gentlewoman from Washington [Ms. DUNN].

Ms. DUNN of Washington. Mr. Speaker, we should all be thankful for the efforts of these courageous women, Susan B. Anthony, Lucretia Mott, and Elizabeth Cady Stanton, who struggled to permanently secure their rights at the ballot box and in so doing swung open the doors of progress for our mothers, sisters, wives, daughters, and granddaughters.

Today, women have more opportunities than ever before to choose what they want to do and who they want to be, whether it is being an exceptionally devoted mother, a successful businesswoman or a Member of Congress. Now, only a woman's imagination should limit her. Today, the board room table or the operating table may be substituted for the kitchen table, and women have quickly become mainstays in the American entrepreneurial scene.

In 1920, women refused to accept the status quo and they fought for their opportunity to affect national policy by securing their rights at the ballot box. That fervor should not be and is not lost on today's women.

Relocating the portraiture monument to the Capitol rotunda is a symbolic but important gesture that will finally provide women recognition for past efforts and progress in the world of politics, business and academia.

I think about my own two grandmothers, whose life experiences were vastly different from my own. The possible definitions of what makes a happy and successful life for a woman today is so much broader because we now have endless options.

I would like to take a moment to commend the hard work of my colleagues, the gentleman from Texas, Mr. GENE GREEN, the gentlewoman from Maryland, Mrs. MORELLA, the gentlewoman from New York, Mrs. LOWEY, and those who were out in front of this issue in the Senate where this resolution passed 100 to zero. They and their staffs logged in countless hours to ensure this day would come.

With this resolution amended, October 25 will be the day that we will celebrate the passage of the 19th amendment to the Constitution which gave women the right to vote. With the placement of the portraiture monument in a location of prominence and esteem, we will be daily reminded of and inspired by their great achievement.

I would ask the gentlewomen and gentlemen who testify here today before the public, if they decide that they want to sustain their objection, that they would join our effort to make sure that this portraiture monument is located in the rotunda on October 25, the date of our celebration.

Mr. PASTOR. Mr. Speaker, there are many people who are responsible for bringing this resolution before the House today, and they all deserve our praise. There is one woman I would like to especially note. Joan Meacham, from Mesa, AR, served as president of the 75th anniversary of Women's Suffrage Task Force. I am delighted that my State of Arizona, through the fine efforts of Ms. Meacham, was well represented in this important event.

Mrs. MYRICK. Mr. Speaker, further reserving the right to object, I yield to the gentlewoman from New York [Mrs. LOWEY].

Mrs. LOWEY. Mr. Speaker, my colleagues, this year marks the 75th anniversary of women's suffrage. I can think of no more appropriate action to honor the women who strove to gain the vote than by placing this portrait monument in the rotunda of the United States Capitol.

Currently, the statues in the rotunda are part of a males only club. It certainly seems to me a very fitting symbol that Susan B. Anthony, Elizabeth Cady Stanton, and Lucretia Mott will integrate the rotunda of the capitol—the very symbol of our democracy—just as they integrated voting booths 75 years ago.

The effort to move the portrait monument to this place of honor has been made in a truly bi-partisan spirit. I would like to thank Congresswoman JENNIFER DUNN for offering this important resolution on the floor. I would also like to thank Congresswoman CONNIE MORELLA and Congressman GENE GREEN for all of their efforts in the past month. I would also like to add a special thank you to the Members of the House Oversight Committee who convened for an emergency session yesterday evening, so that this resolution could be acted on today.

When the Constitutional Convention met in Philadelphia, Abigail Adams wrote to her husband John Adams, a delegate at the convention, and urged him to "Remember the Ladies" when forming the new republic. Unfortunately, it was not until 146 years later that the 19th amendment was passed, finally giving women the right to vote. It was passed largely due to the efforts of suffragettes like Susan B. Anthony, Elizabeth Cady Stanton and Lucretia Mott. These women, and thousands of women like them, made great personal sacrifices to ensure that American women would have a voice in their Government.

In the past 75 years, women have used that voice, and have moved into important positions in every aspect of the Government. Currently, there are 47 women in the House of Representatives and 8 women in the Senate. We have worked, on both sides of the aisle, to bring a woman's viewpoint on all the key issues facing this country.

I believe that it is fitting that on the 75th anniversary of women's suffrage, we remember the ladies in this manner, and move them out of the basement and into the rotunda. I support this resolution and urge all of my colleagues to do so.

Although I certainly respect the views of the gentlewoman from North Carolina, I would share the views of my colleague from Maryland that we can work to raise private funds but this is the time to act. It has taken a very, very long time, and I would suggest that we give unanimous consent and pass this resolution.

Mrs. MYRICK. Mr. Speaker, further reserving the right to object, I would like to state again that I appreciate the gentlewoman's comments. I agree that this is very important and that we need to do something. I think it is even more important if the women show that they can raise the money and make that statement to put this statue where it belongs in a place of honor in the rotunda. I again challenge everyone to join in so we can accomplish that fact and get it done by the 25th of October.

Mr. Speaker, I object.

The SPEAKER pro tempore (Mr. EVERETT). Objection is heard.

REQUEST FOR PERMISSION TO ADDRESS THE HOUSE

Mr. DOOLITTLE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mr. LANTOS. Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

AUTHORIZING USE OF ROTUNDA FOR DEDICATION INCIDENT TO PLACEMENT OF BUST OF RAOUL WALLENBERG IN CAPITOL

Mr. EHLERS. Mr. Speaker, I ask unanimous consent that the Committee on House Oversight be discharged from further consideration of the concurrent resolution [H. Con. Res. 94] authorizing the use of the rotunda of the Capitol for a dedication ceremony incident to the placement of a bust of Raoul Wallenberg in the Capitol, and ask for its immediate consideration in the House.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

Mr. PASTOR. Reserving the right to object, Mr. Speaker, I yield to the gentleman from Michigan [Mr. EHLERS] to explain the purpose of the concurrent resolution.

Mr. EHLERS. Mr. Speaker, I will be happy to offer an explanation for this resolution.

Raoul Wallenberg was a Swedish Protestant who risked his life to save approximately 100,000 Hungarian Jews during World War II, at the time that the Nazi troops occupied Hungary.

He was fearless in this effort. He risked his life; he risked the lives of those around him, and certainly deserves commendation. This country already has given him that commendation; in 1981, he was made an honorary citizen of the United States by the Congress of the United States. In 1994, this Congress passed legislation to place a bust of Wallenberg in the Capitol to commemorate the 50th anniversary of his rescue mission. The purpose of this particular resolution is to allow the use of the Capitol rotunda for the ceremony at which this bust will be dedicated.

If I may, Mr. Speaker, just add a personal comment. I happen to be of Dutch extraction. Many of my relatives and friends were involved in the resistance of World War II. Everyone here, I am sure, is familiar with Das Tagebuch Der Anne Frank, The Dairy of Anne Frank, which chronicles in a very touching and moving way some of the experiences of those who were hid by my Dutch friends during World War II. It took great courage on the part of many people to do that. They have earned respect throughout the world, just as Mr. Wallenberg has. So I have a particular place in my heart for Mr. Wallenberg, who epitomized the same thing my Dutch friends did and mirrored, perhaps exceeded, their heroism in very, very difficult circumstances.

I strongly urge that we adopt this resolution unanimously and permit the ceremony to take place so that we can dedicate the statue to Raoul Wallenberg on November 2, 1995.

Mr. PASTOR. Mr. Speaker, further reserving the right to object, I yield to the gentleman from California [Mr. LANTOS].

Mr. LANTOS. Mr. Speaker, I thank the gentleman for yielding to me. Before making substantive comments, I would like to express my appreciation to my good friend from Michigan, the gentleman from California, Chairman THOMAS of the Committee on House Oversight, to the gentleman from California [Mr. FAZIO], the ranking Democratic member of the committee, and to the scores of colleagues in this body and in the other body who over the years have paid tribute to Raoul Wallenberg. Specifically, in connection with this resolution are Senator WARNER of Virginia, Senator STEVENS of Alaska, Senator FORD of Kentucky, and Senator PELL of Rhode Island.

I also want to express my appreciation to two colleagues who have over the years been steadfast in their recognition of Wallenberg's unique heroism, the chairman of the Committee on International Relations, Mr. GILMAN, and Senator MOYNIHAN of New York.

Mr. Speaker, at a time when there is so much partisanship in this body, it is wonderful to have a moment of high nobility on a bipartisan basis. As my good friend from Michigan indicated, 50 years ago Raoul Wallenberg, son of a most distinguished Lutheran family in Sweden, risked his life leaving behind the comfort, the safety and the security of neutral Sweden to come to Nazi-occupied and war-torn Hungary to save innocent lives.

Through his heroism, 100,000 innocent human beings were saved. Raoul Wallenberg did this heroic feat of larger than human proportions at the request of our own Government. My first legislative act, Mr. Speaker, in 1981, was to introduce a resolution making Raoul Wallenberg the second honorary citizen of the United States, second since Winston Churchill was the first. The House and the Senate had approved that legislation, and in a special Rose Garden ceremony, President Reagan signed the bill making Raoul Wallenberg the second honorary citizen of the United States.

A decade ago, through legislation, we succeeded in renaming a portion of the street where the Holocaust Museum is located as Raoul Wallenberg Place. Raoul Wallenberg Place is now the official address of the Holocaust Memorial Museum.

Last year, as my friend from Michigan indicated, Congress passed legislation to accept a statue of Raoul Wallenberg, donated to the Congress by an American citizen, Ms. Lillian Hoffman of Colorado. The Swedish Government donated the marble pedestal on which the bust will be located.

We are now dealing with a special dedication ceremony scheduled for November 2. All of our colleagues are cordially invited. We expect the legislative and executive branch of our own Government to be present at the highest levels. The Government of Sweden, Hungary and Israel will be represented with appropriate officials.

We will have in our Nation's Capitol a tribute for all eternity honoring the heroism of a human being, who went beyond himself, who recognized that true satisfaction comes only from serving others, in this case in sacrificing his own life so others may live.

I strongly urge all of my colleagues to approve this resolution.'

Mr. PASTOR. Mr. Speaker, with great support for this resolution and the ceremony, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 94

Resolved by the House of Representatives (the Senate concurring),

SECTION 1. DEDICATION CEREMONY AND PLACEMENT OF A BUST OF RAOUL WALLENBERG IN THE CAPITOL.

The rotunda of the Capitol may be used on November 2, 1995, for a ceremony incident to the placement of a bust of Raoul Wallenberg in the Capitol as previously authorized by Congress.

SEC. 2. SECURITY AND PHYSICAL PREPARATIONS.

The Capitol Police Board shall take such action with respect to security as may be necessary to carry out section 1. The Architect of the Capitol shall make appropriate physical preparations for the ceremony referred to in section 1.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. EHLERS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the concurrent resolution just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

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REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 789

Mr. TORRICELLI. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 789, the Fairness in Musical Licensing Act of 1995.

The SPEAKER pro tempore (Mr. EVERETT). Is there objection to the request of the gentleman from New Jersey?

There was no objection.

MEDICARE PROGRAM HAS OPERATED FOR 30 YEARS WITH CURRENT FUNDING

(Mr. VENTO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VENTO. Madam Speaker, I rise in support of the Medicare Program. For 30 years the Democrats have kept this program operating, serving more than 37 million seniors today, and the Medicaid Program, again which serves millions of Americans. The fact is that this program has been kept in place and it is a current funding program.

Unfortunately, many in this body and many that receive the benefits do not understand what current funding means. It is a different form of funding, and the trustee report, obviously, has to be responded to. But what is taking place here is that the trustee report with regards to the long-term funding of Medicare is being used to blackmail many Members of this body and the senior citizens into voting to or giving up their Medicare benefits.

Madam Speaker, last year in this body we were talking about extending health care benefits to those that do not have health care insurance. Today, because we did not do that, over a million Americans from working families do not have health care. What is going on today is, rather than extending benefits, the Congress is set to take health care benefits away—punching holes in the coverage; reneging on the 30-year commitment.

The Congress will take half a trillion dollars out of Medicaid and Medicare. And what is the purpose of it? The purpose is because the priorities of this body have changed. The goal is to fund the tax break for the well heeled. Medicare is in trouble because the Republicans are in control of Congress and they do not share the commitment to Medicare and to health care for all Americans.

Mr. Speaker, last year at this time Congressional Democrats fought to address the problems with our health care system and try to extend health care coverage to uninsured Americans. The health care reform effort was stopped by the Republican leadership. Since that time, another 1.4 million Americans have lost their health insurance, raising the number of uninsured to 43 million. This is becoming the annual rate of people losing their health insurance—a million people a year.

Now the Republicans want to take away health insurance from even more people by shredding our Nation's insurance safety net of Medicare and Medicaid. What a difference that 1 year makes. Last year, we talked about how many more Americans could get health insurance, this year Republicans are talking about how many people they can take health insurance away from, supposedly in order to save money. But we know that as the number of uninsured Americans grows, health care costs go up for everyone—when the uninsured don't get preventive care, they have to go to the emergency rooms for expensive procedures when their health problems become serious.

Under the Republican plan, not only will more families be uninsured and have to face the frightening prospect of being unable to take their children to the doctor when they are sick, but more families will feel the squeeze as they attempt to stretch their dollars between their children's education and rising health care premiums.

Mr. Speaker, even the trustees of the Medicare Trust Fund oppose the Republican plan. The problems we face with health care demand a response, but a long-term solution requires more than slashing health care coverage. The need remains to not consider Medicare and Medicaid in a vacuum, but address the health care system as a whole.

WHEN IT COMES TO AGRICULTURE, LOOK AT THE FACTS

(Mr. DE LA GARZA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DE LA GARZA. Madam Speaker, let me change the tone here briefly and get away from all of the rhetoric that we have heard and the ostrich and all of that. I do not think this will enlighten in any way the American people.

Madam Speaker, I am here to address agriculture, that agriculture is in trouble and we are having no assistance, no help from all of those people on my left that are worried about what is happening to Medicare and Medicaid. I am worried about what is happening to Medicare and Medicaid. We need to address the fraud and the abuse. If you just made every hospital play it straight and be honest, you would not have to cut and tax and also to add burdens to our seniors. I have a very poor district, and we cannot afford to pay more. We need to work it out.

But let me say one thing, I am frustrated. The board of trustees of the Democrats? Where do you get that? Read the law. Find out who named them. They were Bush's trustees. They were Reagan's trustees. And for someone to fix up little pair paper and come and read it and to say the President's board of trustees.

AGRICULTURE POLICY

Madam Speaker, I am here today to express my concerns and clear up some fallacies in regard to Agriculture and Agriculture programs generally. I am very disturbed about the recent attacks on Agriculture from people within the Agriculture community who should know better, and from those outside the Agriculture community who jeopardize the national security of our Nation by their ignorance of Agriculture policy.

First, I would like to take this opportunity to examine the facts, outside the editorials, which daily attack the most successful farm sector in the world.

1995 Estimated total Federal spending: $1.531 Trillion
1995 Estimated farm income support programs: $9.8 Billion (0.6% of Federal spending)

1994 Export of farm products: $43.5 Billion
1994 Net farm exports: $17.1 Billion
Cost of food for—
Average American: 10% of earned income
Average Japanese: 19% of earned income
Average Russian: 30% of earned income

These figures are the cold, hard, unvarnished, facts. Outside the rhetoric, and outside the debate, nothing but the facts.

In spite of these successes, you still hear critics of the farm programs say that the system isn't working. To them I say: Examine your facts.

Second, I must take issue with the process in which we are now engaged on the Agriculture Committee. Never have I seen a process that is so designed to not only reach a specific, dictated policy outcome, but to also keep the results of that dictated policy from the very people whom it would effect most.

The committee has held no hearing on the "Freedom to Farm" policy. If Agriculture and the American public are supposed to benefit from the implementation of this policy, why not have a hearing and let them voice their support, concerns, or opposition. Let us make these changes in the light with understanding and knowledge, not in the dark with misconception and ignorance.

The imperial leadership has said to the committee members, on both sides of the aisle, your expertise in Agriculture policy is irrelevant, either you pass the so-called Freedom to Farm or else. What is the "or else" that farmers and ranchers are now facing? It is threats of retaliation against Members who voted their district interests over the dictates of the leadership and the elimination of the Congress on Agriculture.

All these threats and intimidation are because the committee had a serious bipartisan disagreement over an option of farm policy. I say "option" because that is what "Freedom to Farm" is. It is merely one policy option that Members can enact to effectuate change in farm policy. It is not the only option, merely one. Anyone who thinks that it is the only way to bring change to farm programs has a very twisted and distorted view of agricultural policy.

Third, I oppose the imposition of additional unneeded cuts on agriculture just because the leadership wants to enact a $250 billion tax cut. Democrats in committee voted for an alternative that would save $4.4 billion and meet the reconciliation goals set out in the earlier reconciliation package offered by Democrats. This package balanced the budget in 7 years. $13.4 billion in cuts is not needed if we drop the $250 billion tax cut.

To my colleagues who demand a tax cut, I say, I like tax cuts also. Tax cuts make you popular. However, we are not up here to win a popularity contest we are sent up here by our constituents to govern responsibly. Let's come together to balance the budget and then we can come together and hand out goodies.

Fourth, let the editorials stop and check their facts and give thanks for the American farmer. They can afford, from their well fed position, to be critical of programs of which they know nothing. The European Community spends six times more on their farmers than we spend in the United States. Instead of trying to unilaterally disarm American farmers, they should be writing editorials in praise of them.

One egregious example of their ignorance is writing that we do not allow producers to plant wheat, corn, cotton, rice, etc. This is ludicrous. These programs are voluntary. A farmer can plant anything he wants outside the program. The program merely provides for those farmers who desire it, the choice to participate and minimize their risk. If we are going to be critical of these programs, if we are going to demand change, if we want real reform, then we must do it with knowledge and not rhetoric.

Let us give thanks for the American farmer, the envy of the world. It is not right for us to criticize the very hand that feeds us. Let us join with them to continue to make American agriculture the success it is today.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

REGULATION OF POLITICAL EXPRESSION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Colorado [Mr. SKAGGS] is recognized for 5 minutes.

Mr. SKAGGS. Mr. Speaker, as I mentioned first thing this morning, there was a very interesting hearing yesterday before the Committee on Government Reform and Oversight on investigations having to do with the so-called Istook-McIntosh-Ehrlich proposal that masquerades as if it were doing some kind of completely unobjectionable thing, namely making sure that Federal moneys that go to organizations that receive Federal moneys that go to organizations that receive Federal grants cannot use those funds for lobbying. That is already against the law; make no bones about that. But this hearing showed, I think, one of the many, many reasons why in fact this is a proposal that would grossly interfere with the free exercise of political expression, and free speech, and freedom of association, all profoundly important rights under the Constitution of the United States as protected in the first amendment.

Mr. Speaker, one of the more instructive witnesses yesterday was the director of political affairs for the YMCA of America, a lady named C.J. Van Pelt, and she gave a very, very interesting presentation about exactly how burdensome, intrusive, and chilling for the involvement of the YMCA, hardly a radical organization, in the political life of this country, and we should understand that we are not talking about lobbying Congress. This bill goes way beyond that to deal with any, quote, political advocacy activities of any individual or organization in this country that may happen to receive anything of benefit or any grant money from the Federal Government. The restriction on any such organization, in this case the YMCA, and I say to the gentleman, "Mr. MCINTOSH, I have only 5 minutes, so I'm not going to have time to yield. I apologize."

Mr. Speaker, let me just take this moment. I would love it if perhaps the sponsors of this legislation would agree to a full hour of special orders sometime and we could really engage on this.

Mr. McINTOSH. I think that would be beneficial.

Mr. SKAGGS. Terrific; I thank the gentleman.

Ms. Van Pelt made the following point: Under this proposed legislation the YMCA would be prohibited because it happens to engage in such things as provision of day care, dealing with prevention of crime, drug-aversion education, any number of other things for which it receives some Federal grant funding. Under this legislation it would be prohibited from spending more than 5 percent, probably significantly less than that in the case of the YMCA, more than 5 percent of its privately raised funds, on being involved in the political life of this country, appearing before a board of county commissioners to, for instance, argue with them about a drug-prevention program in their county or also appearing before Congress to talk about legislation that we may be considering.

But Ms. Van Pelt explained that under their proposal, in order for her, as she would be required or as the YMCA would be required to certify every year adherence to this 5-percent limit, the YMCA of America would have to make inquiry of 140,000 vendors with which they do business around the country. Why in the world would they have to do that? Well, because one of the little known, but most perverse, aspects of this legislation would count anything that the YMCA spends with anybody else that happens to have exceeded another limit on political advocacy buried in this bill, and anything that the YMCA spends with anybody else that happens to have exceeded another limit on political advocacy buried in this bill, and anything they spent with somebody that violated this other limit would count against their 5-percent limit, and the only way they could certify that they complied was to find out from all 140,000 others with whom they do business to make sure that those 140,000 organizations and businesses had not exceeded their limit on political advocacy. My colleagues can imagine the kind of incredible paperwork burden, not to mention the intimidating and chilling effect on constitutionally protected speech in this country that comes out of just this small part of this ill-advised and perverse legislation.

The extent to which some who advocate this legislation are willing to go was also demonstrated at the hearing yesterday in which unfortunately it came to light that the staff of this committee had engaged in an act of forgery, of concocting what was going to be a poster that was put out on the press table that misrepresented on facsimile letterhead vital information about one of the organizations that was to testify, did it with official funds in violation of any standard of decency.

ORDER OF BUSINESS

Mr. McINTOSH. Mr. Speaker, I ask unanimous consent that my 5-minute special order be taken at this point out of order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

ENDING WELFARE FOR LOBBYISTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. McINTOSH] is recognized for 5 minutes.

Mr. McINTOSH. Mr. Speaker, let me respond to some of the statements that were made by the gentleman from Colorado [Mr. SKAGGS] prior to this, and also amplify for my colleagues and the American people what our hearing yesterday discovered about 'welfare for lobbyists, the lobbying organizations who take and receive grants from the taxpayer in order to subsidize their efforts to lobbyists to spend more money.

One of the things we discovered was that it is unknown how many grants there are that are being given. The Internal Revenue Service has a data base that says there are $39 billion of grants, the one with the thermometer, that are given each year to different groups, many of whom turn around and lobby Congress. Well, yesterday we found out that in fact $39 billion is much too low a number. It is really more like $224 billion in Federal grants that go to groups who are eligible to turn around and lobby Congress. The taxpayer will not stand for that, but it has been one of the most well kept secrets here in Washington.

Now many of those groups, the YMCA and other groups, perform very important and legitimate charitable services, but even under our proposal that will limit welfare for lobbyists they can continue to speak out in the city councils and at their local community levels.

Mr. Speaker, we have a chart here that shows how much many of the important charities would be able to continue to spend on advocacy issues.

This chart shows exactly how much various groups would be able to spend. The American Red Cross could continue to spend 5 percent of its funds, or $17 million. The YMCA that we were discussing earlier could spend $1.2 million. Now Ms. Van Pelt told us that that actually is slightly more than what they are allowed to spend under current IRS regulations. So we have not asked any of the legitimate charities to silence their voice. What we have done is said: Restrict what you do so you don't become a federally subsidized lobbying organization, but continue to be a charity that helps build communities, offer programs for children, for elderly, for those people who need assistance. It is very critical in this debate that we not get lost in the rhetoric and focus on the fact that taxpayer dollars are being used to subsidize lobbying efforts here in Washington.

Just today one of the most heavily subsidized groups, the National Council on Senior Citizens, was in Washington lobbying against our efforts to balance the budget. Now they receive $72 million a year from taxpayers; 95 percent of their entire budget is from the taxpayer. They are virtually an entity like a Federal agency. But they also have a political action committee. They also take out political ads on TV, and today they are lobbying Congress against the balanced budget initiative.

Mrs. SCHROEDER. Mr. Speaker, will the gentleman yield?

Mr. McINTOSH. I do not have time to yield at this point. The gentleman from Colorado [Mr. SKAGGS] has suggested an hour discussion, and I think that would be a great idea.

I think it is very important that the American taxpayers know that their funds are going to groups who then turn around and use other moneys to lobby Congress. But we all know that money is fungible and that one of the things that our subcommittee is going to do is track down how that money, in the case of the National Council on Senior Citizens, 95 percent of their funds is actually spent. Does any of it spill over, and is it used for lobbying activities? Does it indirectly subsidize those lobbying activities? Is there an inherent conflict of interest when somebody lobbies for spending, that they turn around and apply to receive as a grant recipient? I think the taxpayer has a right to know, and our committee is committed to getting to the bottom of this issue, making sure that we get through all of the distractions and red herrings and honestly tell the American taxpayers the truth about welfare for lobbyists so that we can put an end to that in this Congress, and we are committed to not doing business as usual, but doing the taxpayers' work and ending welfare for lobbyists once and for all.

ORDER OF BUSINESS

Mr. DELAY. Mr. Speaker, I ask unanimous consent to reclaim my 5-minute special order scheduled for this evening.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

PLO COMPLIANCE WITH MEPFA

Mr. DELAY. Mr. Speaker, I appreciate my colleagues for allowing me to reclaim my time.

Mr. Speaker, in light of yesterday's signing ceremony at the White House I felt compelled to come to the floor today to comment on an aspect of the Middle East peace process that has troubled me for some time. That subject is the failure of the Palestine Liberation Organization to live up to the solemn commitments to which it agreed when it signed the Declaration of Principles, the DOP with Israel on the White House lawn on January 13, 1993.

It has now been over 2 years since that historic day, a day on which the PLO and its leader, Yasser Arafat, agreed to be held accountable for its actions by the international community in exchange for territorial and administrative concessions by the Government of Israel.

□ 1600

As witness to the accord, the United States pledged its political, financial, and moral support to the peace effort, making clear that it expected the PLO to transform itself from a terrorist organization to a lawful administrative entity to be known as the Palestinian Authority [PA]. The United States pledged the sum of $500 million over 5 years to the PLO to assist the Palestinians living in areas controlled by the PA with their development efforts.

What we have seen over the last 2 years has been a grave disappointment, as the PLO has blatantly violated its commitments under the DOP.

The PLO has failed to prevent terrorism emanating from the territory it controls and has shown little inclination to prosecute known terrorists or to extradite those individuals allegedly responsible for criminal acts inside Israel.

As recent video tapes of Yasser Arafat demonstrate, he continues to exhort his people to violence against Israel and advocates a Jihad—or holy war—to regain Jerusalem. Even as we speak, Arafat is building up a paramilitary force in Gaza nearly three times what was permitted under the DOP, replete with automatic weapons and a modern security apparatus.

Just last week, the Palestinian Ministry of Information issued a statement condemning the Senate's attempt on the fiscal year 1996 Foreign Operations Appropriations Act to institute a small degree of oversight over funds going to the PLO, calling Congress "racist" and its action a demonstration of "hatred towards the Palestinian people, its leadership and its national rights."

As a representative of the American people and a strong supporter of Israel, I am outraged that the PLO would essentially say "Forget you and your money" when we ask them simply to live up to their word. I'm afraid I cannot sit by and hope that the PLO will suddenly decide to abide by the commitments it made 2 years ago. I feel it is my duty to cry foul when I believe the American people are being had and our national interest is at stake.

The administration has mounted a full court press to persuade Congress and the world community that the PLO remains committed to the peace agreement even when their violations are numerous. As a result, the PLO has learned that there are no sanctions for violating their agreements.

That is why I have agreed to cosponsor H.R. 1960, the Middle East Peace Compliance Act of 1995, introduced by my distinguished colleague, MICHAEL FORBES.

In essence, the bill says that should the PLO demonstrate "substantial, material and timely" compliance with its commitments under the DOP as well as with certain requirements under U.S. law, then the President is authorized to transfer funds to Palestinian institutions and activities directly, and not through the PLO or the PA. Only in this way can we ensure that the funds reach the people for whom it is intended.

Further, the PLO would be required to assist U.S. law enforcement agencies in the apprehension and prosecution of any member of that organization responsible for the killing of an American citizen. The bill also requires that U.S. assistance only be used for humanitarian purposes and economic development—no military activities.

Unfortunately, much of the language attached to the Senate foreign operations bill is unenforceable and weak. Yesterday I agreed to an extension of current law for 30 days, with the understanding that the chairman of the House Foreign Operations Subcommittee, other interested colleagues, and I will work together to craft language that will bring real oversight and accountability into the process.

Let there be no mistake about my position. I support peace as fervently as any man or woman in this Chamber. What I object to is the process for obtaining peace which requires that we turn our backs on our core national values and our responsibility as guardians of the public purse.

Only the people of Israel have the right to determine the course of their own future. It is our job to see to it that when the history of this extraordinary period is written, we, the people of the United States, have not set aside our values, or standards, or our requirements under law to support a myth, not a fact.

CONGRESS SHOULD STAY AND FINISH ITS WORK

The SPEAKER pro tempore (Mr. EVERETT). Under a previous order of the House, the gentlewoman from Colorado [Mrs. SCHROEDER] is recognized for 5 minutes.

Mrs. SCHROEDER. Mr. Speaker, I was sorry that two people back did not yield, because I wanted to ask a few questions. I think it is very interesting that some folks are so exercised about the Boy Scouts and the Girl Scouts and senior citizens and other people, and called them paid lobbyists and all of this. Yet, when I offered an amendment to try and do the same thing vis-a-vis defense contractor lobbyists and others who were getting 100 percent of their money from the Federal Government, the same folks voted against that. Somehow the Boy Scouts you have to watch every minute, but the defense lobbyists, hey, they are cool, they are our guys. If you think the Boy Scouts and senior citizens have PAC's, you should see what the defense contractors have. You think that the Girl Scouts have clout, you should see what defense contractors have.

In fact, we just saw today a bill rolled out of here $7 billion over the President's budget, loaded with all sorts of hardware they wanted and golden parachutes and every other such thing. It seems to me if we are going to be really sincere about this, we ought to treat everybody the same, and especially those who are doing it for profit.

One of the big differences between the seniors and the Boy Scouts and the Girl Scouts and everything else, if I may point that out, versus defense contractors, is defense contractors do it for profit. Defense contractors make money on this. The others are doing it because they are good citizens volunteering, and think they have something to add.

That is not why I really came. I just saw that while I was waiting my turn. What I really wanted to talk about is the fact that here we are, it is fiscal New Year's Eve. Fiscal New Year's Eve comes the same time every single year. Guess what? Of the 13 funding bills that we should have reported and should have done by now, and a year ago all 13 were done and President Clinton had signed them, we are still in this very queasy, queasy, queasy position of what is going to happen. Yet, we are all going to take off and go out of here. I think that is ridiculous. We ought to stay here, get our work done.

I think it is ironic that the only spending bill, the very first spending bill we got through, and we got through in both bodies first, was our own pay and our staff's pay. That looks a little piggy to me.

Today we just voted down two spending bills because there was no consensus. Now we are going to go out for 10 days and come back, and we still have 11 bills hanging out there. We also have the debt ceiling looking at us. All of this is going to come to a smashing crash in November.

My guess is what is going to happen is that there will be so much confusion when people come back, and it will be so action-packed and everything will be so jammed in, that the hope is that no one asks about details, we will all get stampeded like buffalos, we will be terrified if we do not go along, they will shut the Government down, it will be high drama, maybe we should have Academy Awards for who can give the best scene, but it is really frightening.

If we look just at Medicare, we have not had the Medicare markup. It was supposed to be this week. They are saying Democrats are trying to scare them. I think it is scary when they will not show you, A, a bill, and B, they will not have the markup so people can go home and talk about it. We just had a hearing out on the lawn where we asked the trustees, "Have you been asked in front of Committee on Ways and Means to testify on their bill? Have you seen the new bill on Medicare?" No, they have not seen it, and no, they have not been asked to testify.

We heard everybody saying, "We have to do this, we have to do this because the trustees say we have to do this." Is it not interesting they did not ask the trustees if this is the right thing to do? They accuse us of playing politics, but my goodness, the trustees are the nonpolitical ones. You would think if you really want to be nonpolitical about this, take it to the trustees. Yet they have not heard the first thing.

My guess is when we get back, they are going to cram that thing out of there. They will say, "There is no more time." Of course, they just came back from 10 days off. "There is no time, we can have no more hearings, we do not need to hear from the trustees," and we will shove it all into this huge, big snowball that they are going to call reconciliation.

One of the good things that is happening is the O.J. Simpson trial is cranking down. Maybe the news people will start tuning in and finding what is happening here. But I think the average American is not going to be happy to know we ended the fiscal year without having our work done, with 11 bills not having passed this House, with a continuing resolution hanging out there, with no information about the details in Medicare. I do not think that is anything to go home and be proud of. I am not, and I am really sorry we do not stay and do our work.

CONGRATULATIONS TO JASON REESE, NATIONAL YOUTH OF THE YEAR

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee [Mr. HILLEARY] is recognized for 5 minutes.

Mr. HILLEARY. Mr. Speaker, I would like to rise on a happy note and proudly congratulate a truly outstanding young man, Jason Reese, who last week was named the National Youth of the Year by the Boys and Girls Clubs of America.

Mr. Speaker, Jason grew up in public housing in the east Tennessee city of Morristown, abandoned by both his father and stepfather. When his mother went back to school while continuing to work, he took on a great deal of household responsibility, including caring for his two younger brothers.

But Jason has done so much more than help out at home—he became a leader at school, in his community, and in the Boys and Girls Club of Morristown.

Among other honors, Jason maintained an excellent 3.83 grade point average in high school, was awarded the prestigious National Merit Scholarship, and won the east Tennessee High School physics competition.

In the community, Jason has conducted programs for the elderly, helped restore a local park, and he currently volunteers his time helping young children with their homework.

Jason Reese's incredible ambition and strong morals—coupled with the support and guidance of the Boys and Girls Clubs of America—helped him overcome adversity and become the role model he is today. I hope troubled youth around the Nation take Jason's example to heart.

Mr. Speaker, I yield to my good friend, the gentleman from Washington [Mr. TATE], who is going to continue to discuss many of the freshmen's outrage over welfare for lobbyists.

WELFARE FOR LOBBYISTS

Mr. TATE. Mr. Speaker, I thank the gentleman from Tennessee for yielding to me.

Mr. Speaker, that is exactly right. How it works, the hardworking people of America work hard, they pay their taxes, send it back to Washington, DC, then some bureaucrat to Washington DC grants that out to some organization that turns around and spends that money to lobby for more money from the Federal Government, to the tune of $39 billion, that is billion with a B, billion dollars every year spent by organizations in the form of public grants.

We had a hearing yesterday. The opposition to our changes, ending welfare for lobbyists, resorted to calling us names, "intimidators", an "Imperial Congress". Let me tell you, we tore down the walls of the Imperial Congress on November 8, 1994. We are trying to change the way things are done.

It is unfortunate they have to throw out things like "red herrings" and accusations and calling us names. I learned a long time ago if you have to start calling someone names, you really do not have much else to say. That is what is happening here in Congress. They do not have much else to say, so they have to call us names. The fact is your tax money, the working people of the United States, is going to organizations.

Let me show you one of these organizations. For example, the National Council of Senior Citizens receives $70 million—in fact, it is even under, here it is $72 million every year—and 96 percent of that money, of their budget comes from the Federal Government. That is outrageous. Then they turn around and donate to political campaigns, to the tune of over $400,000 over the last couple of election cycles.

The fact is they are involved in partisan political activities, including in my district, they are running as another organization, and they are involved in it under a different name, over $85,000 in television ads spreading the big lie. It is basically taxpayer-funded political advocacy on the dime of the taxpayers.

When I ran for office I knew that the defenders of the status quo would spend every penny they had to try to stop what we are doing, but I had no idea they would be using the taxpayers' money in my district to try to fight it. That is the problem. I am not against political advocacy, and I am not against them lobbying, but what I am against is them using my dime at my expense. It is time they do it on their own dime and on their own time.

It is time to end welfare for lobbyists. It is time to end the dirty little secret in Washington, DC that costs $39 billion every year. They are the defenders of the status quo. They will do everything they can to stop the changes that the people have demanded. If they want to do it, do it on their time and on their own dime.

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REPORT CARD ON CONGRESS

The SPEAKER pro tempore (Mr. EVERETT). Under a previous order of the House, the gentleman from Texas [Mr. DOGGETT] is recognized for 5 minutes.

Mr. DOGGETT. Mr. Speaker, what we have seen here in the House of Representatives today is truly remarkable. With the Federal fiscal year drawing to a close, the Republican leadership had a responsibility to put on President Clinton's desk 13 appropriations bills. How did they do?

Well, they got 2 of 13. Where I come from, 2 out of 13 is not a very good grade. In fact, I do not even know that it is high enough to earn an F. Down in Texas we would probably give it an F-minus for 2 of 13 bills, and the quality of Republican leadership that it represents. And when you look at those two bills, you find the quality is as sorry as the quantity.

The first bill they sent over there was the legislative appropriation, protect the Congress first, worry about the rest of the country last. And the second one was a military construction bill so loaded with pork barrel you could hear the pigs squeal all the way to Arlington, TX.

Today, this Republican leadership has had a truly unparalleled accomplishment, perhaps in the entire history of this country. They have come forward with conference reports on two appropriations bills for consideration in this House this afternoon, and they have had two appropriations conference reports defeated. Two up two down. Two very down. In fact, the last one of those appropriations bills, they could not even command a majority of the Republican Members, much less the Democrats.

So, here we are this afternoon, exactly 1 week after Speaker GINGRICH went up to New York and declared "I do not care what the price is. I do not care if we have no executive offices and no bonds for 60 days. Not this time."

We have had plenty of alarming rhetoric, but not very much responsible leadership. On appropriations, that leadership is 2 bills out of 13, as this fiscal year draws to a close this weekend.

Much of this is because at every stage in the budget process, the Federal Budget Act, the statute on the books, has been looked at as something to flaunt, something to ignore, something to violate from top to bottom. The keystone of this Republican plan to balance the budget is to take $270 billion out of the Medicare system.

Can you believe that at this late date the Republicans at the end of the fiscal year have yet to even introduce the bill, to take that $270 billion out of the pockets of America's seniors and America's disabled? They have not even filed the bill that is the centerpiece of their budget.

From at least the first morning that the Committee on the Budget considered their budget, it was presented on a take-it-or-leave-it basis. Bipartisanship was out the window, because they had their plan and they were going to accomplish it no matter how many seniors or disabled people or people they viewed as powerless got in the way and got run over.

What about that great successful campaign ploy, the Contract on America? Well, they have not had quite as much success once they rolled it out here in the Congress. We have had 2 bills passed out of 11 in the planning. The first one was to repackage a Democratic idea that would have been law at the beginning of this Congress if the Republicans had not killed it last time. It is called the Congressional Accountability Act. It is a good bill. It passed on day 1 of this Congress and became law.

The second, an unfunded mandates bill, which passed with significant Democratic support. We have a third bill, a line-item veto bill, but Speaker GINGRICH is afraid that President Clinton will use it to slash and slice out some of that pork barrel that has been put into the bill. So he held up and delayed appointing conferees for that bill.

So we have two bills passed, two bills dead and gone, and seven lingering somewhere in the legislative process.

But nowhere has the lack of leadership been more obvious than when it comes to lobby control, when it comes to gift ban, with the relationships between legislators and lobbyists, when it comes to ethics. There we find, as we have just heard this afternoon, that the lobbyists they want to control are the Girl Scouts, the National Council of Senior Citizens, Catholic Charities, and the YMCA.

What about the polluters, what about the lobbyists who keep writing special loopholes in the Tax Code? What about those that loaded up these bills with pork barrel? That lobby control is nowhere. It has not been brought to the floor of this House. And we have the chairman of the Committee on Ethics telling us in her own words this week the letter of the law is not compelling to me; my goal is to have a process that the committee members feel good about.

Well, America does not feel good about what this Congress is not doing or what it is doing, and the way it has ignored ethics and proceeded to pursue a right wing extremist agenda.

WELFARE FOR LOBBYISTS AND A BALANCED BUDGET

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington [Mr. TATE] is recognized for 5 minutes.

Mr. TATE. Mr. Speaker, once again on the issue of welfare for lobbyists, the facts remain, the President of the United States does not want to balance the budget. My good friends across the aisle are not serious about wanting to balance the budget. The fact is the Republicans have shown a proposal to want to balance the budget. What I do not understand is when we are $4.9 trillion in debt, and if my daughter Madeleine continues to live to 72, which she will live probably to 172, she will have to pay in her lifetime $187,150 just to balance the budget.

So why in the world would we subsidize lobbying, when we have all of these other needs out there? Why would we provide taxpayer funds for lobbyists?

Basically in my district, as you can see, they are running advertising, $85,000 in television ads and Medicare ads and telephone calling. But it is the National Council of Senior Citizens that shows up again as one of those groups that receives over $70,000.

Mr. McINTOSH. If the gentleman will yield, are you telling me this group who receives 96 percent of its funds from the Federal Government has bought television campaign ads in your district?

Mr. TATE. That is absolutely correct.

Mr. McINTOSH. That is incredible. No wonder it is difficult to get to a balanced budget when you have all these federally subsidized lobbyists out there fighting us tooth and nail.

Mr. TATE. The point to keep in mind is we are sending out tax dollars to groups to lobby for more of our tax dollars. There is something wrong there.

I would like to yield to the gentleman from Minnesota, also a member of the subcommittee that held the hearing yesterday.

Mr. GUTKNECHT. I would like to thank the gentleman from Washington for yielding.

Mr. Speaker, I just want to talk a little bit about some of the testimony we have heard. I do not remember the exact number, Chairman McINTOSH, of hours of hearings we have had about this issue, but there are several things that surprise me, and frankly just shock me, in the testimony we have heard.

First of all, there are, in fact, groups out there receiving over 96 percent of their entire budget in Federal grants and then turning around and engaging almost exclusively in what I would describe as political activity. That is shocking enough.

But I will tell you what surprises me even more, and that is that some groups have come to Washington and have lobbied against this bill, and some good groups that do good things that we all know the names of, the YMCA, the Boy Scouts, that they would come to Washington and in effect defend this kind of activity. This is an affront I think to every taxpayer. It is an affront to every democratic loving American, that groups can literally use and abuse the taxpayers' money to advance their political agenda. It is almost as big an offense to me to see groups coming and defending this kind of activity.

Now, I will be the first to admit that the legislation that is being advanced may not be perfect, but it is hard for me to imagine anybody saying that there is not a serious problem. This is a serious problem.

This is probably only the tip of the iceberg. As the gentleman indicated, we are talking about $39 billion that is being disbursed. Much of it is being funneled back into political activity. This may only be the tip of the iceberg. I think the taxpayers of the United States would be outraged if they knew this was going on.

I appreciate the fact that the gentleman from Indiana [Mr. McINTOSH] has had the courage to bring this bill forward with the gentleman from Maryland [Mr. EHRLICH] and the gentleman from Oklahoma [Mr. ISTOOK]. As I say, I think this is something that has been simmering beneath the surface for too long, and I am glad we brought it forward.

Mr. McINTOSH. I thank the gentleman for his comments. One of the things we found out in our hearing yesterday is that many of the groups like the Red Cross and the United Way and the YMCA who were testifying before us yesterday, would, in fact, not be affected in the amount of advocacy that they could engage in. Because we have a 5-percent de minimis rule, they do not spend that much in lobbying.

My point essentially is that these groups would not be affected in their political advocacy because they are not big lobbying groups. But it is somewhat surprising that they are opposing this. I asked the YMCA do they disclose to their donors that they do a lot of advocacy and that they want to protect the ability of charitable groups to be lobbyists, and they did not really tell me how much they disclose that to their donors. They said they do a lot of mailings, but it was not quite clear when they asked them to give a donation if they tell somebody, "You know, we might spend up to 5 percent of that to be a lobbying group." I think some people would want to know that when they are giving money to these groups.

LAWS GOVERNING NONPROFIT LOBBYING ADEQUATE

The SPEAKER pro tempore (Mr. EVERETT). Under a previous order of the House, the gentlewoman from New York [Ms. SLAUGHTER] is recognized for 5 minutes.

Ms. SLAUGHTER. Mr. Speaker, persons who are watching this afternoon, I have to tell you, if you are really going to find out what happened at that subcommittee meeting yesterday, I am afraid we are going to have to send you copies of the committee transcript. Because, frankly, you would have to be like Alice in Wonderland, who can believe six impossible things before breakfast, if you believe what has been said here.

It was made clear by the witnesses yesterday that the law that is already on the books that governs nonprofit agencies is more than adequate. If there is any problem anywhere, if there is some kind of enforcement problem, deal with it.

The truth of the matter is, there has been no complaint to the IRS at any time that these laws have been on the books that any nonprofit agency in America broke that law. There is simply no indication of that at all.

What we have here is a bill that is intended to punish people who do not agree with the other side. They have made it clear. They have beaten up on the National Council of Senior Citizens as though they were the scourge of the earth and were going to bring down the country. We yesterday went through listening to people who headed up agencies, and we have had letters from people like the Girl Scouts, Catholic Charities, the YMCA, that this bill implies they are an enormous threat to the United States because of the grants they get.

Let me just tell you what it means to be a nonprofit agency and what you have to do under current law with Federal money. For example, you may not have any communication with the public and direct communication with legislators in an attempt to influence the introduction, enactment, modification, or defeat of new or pending legislation in Congress or State legislatures. That does not apply to universities. We will get to them a little bit later.

You are prohibited from legislative liaison activities, including attending the hearings, gathering information, analyzing effects of such activities that support lobbying or are in knowing preparation for it.

You may not electioneer, directly or indirectly. This covers both attempting to (a) influence a Federal, State or local election, referendum, initiative, or similar procedure and, (b) to establish, support or administer a political campaign party, political action committee, or other organizations.

It's another matter what they do with their own money. It is not the Federal money. They have done nothing wrong with their Federal money. There is no indication anywhere that they did anything wrong with the Federal money that they got.

In addition, there is about a 5-page questionnaire which really smacks of McCarthyism, frankly. I just learned today when a similar thing came up in the Justice Committee, that several Republicans took great umbrage at the questionnaire, things that had been asked of citizens of the United States.

For example, this questionnaire wants to know of every nonprofit agency, who do you associate with? Is that any of their business, who you associate with? Second, they have to contact every vendor with which they do business and get from them a written statement on how much they in their private business spend for any lobbying activities.

In the case of the YMCA, the director told us yesterday that she does business with 148,000 vendors. She said that the onerous restrictions in this bill would obviously meet the purpose, which is to not allow nonprofits like the Boy Scouts and Girl Scouts and others who have always been perfect citizens, who are really always encouraging the community, to not let them have any say in this Federal Government—to give them an awful choice, to give up their citizenship or what little Federal money they get.

Now, how much do they get in a grant? Well, the first thing we need to know is the State and local governments in the United States get 90 percent of all the Federal grants. Do we ask them how they spend it? No. If they suddenly build something that does not go well, or a train that does not run, or a bridge that collapses, do we say how shameful this is to do this? No. We ask nothing in the world about them. The only restriction that we put on Federal grant money to a State and local government is to not let them charge their membership dues to an organization.

Contrast that to what I just read for you about what a nonprofit organization in this country has to do. Now, if you are a university, you are not even prohibited from paying your membership. Indeed, you can do that.

But when it comes to the misuse of Federal money that goes into the contracts, Mr. Speaker, since I have been in this House, and I am starting my ninth year, the misuse of Federal money that has been talked about most has come in two groups. First, the military contractors—which you all know the stories about the coffee pots, the toilet seats, and the hammers; and universities who spent a lot of their research money or grant money for remodeling the university, for the President's salary, for putting dogs in kennels, or whatever other things they have done.

☐ 1630

Did we call them before Congress and jump all over them and take the money away? No. We merely said we wished they would not do that.

Mr. Speaker, we have reached a new low. I want to tell everyone what Washington's dirty little secret is.

TOP 10 GOP OUTRAGES REGARDING MEDICARE REFORM

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from West Virginia [Mr. WISE] is recognized for 60 minutes as the designee of the minority leader.

Mr. WISE. Mr. Speaker, before I begin my next text, I yield to the gentlewoman from New York [Ms. SLAUGHTER].

FORGERY OF NATIONAL ALLIANCE FOR JUSTICE DOCUMENT

Ms. SLAUGHTER. Mr. Speaker, I thank the gentleman from West Virginia [Mr. WISE] for that, because I want to tell everyone what Washington's dirty little secret is, since they have been talking about it all afternoon.

The committee staff of this group over here forged a document yesterday. They took a letterhead from an organization that they had asked to come in to testify, took it, as though it was from this organization, copied down the board of directors and listed their members and put next to some of them millions of dollars that they claimed they got in Federal grants.

Mr. Speaker, when we heard from the the National Alliance for Justice, the woman who heads it up, she told these people over here that she does not get a dime's worth of Federal money. She said that she not only resented the fact that they forged that document with false testimony, but she also said, I will not tell you what these people get in Federal money. I do not know. But there is one person here, she said, this afternoon, that has given me permission to tell you how much Federal money she gets. It is the Arts Alliance. Zero. Zip.

Mr. Speaker, do the people care on this committee? Not a bit. I sat as a member at the Waco hearings.

Mr. McINTOSH. Mr. Speaker, would the gentlewoman yield?

Mr. WISE. Mr. Speaker, I control the time, and the gentleman will have time later.

The SPEAKER pro tempore. The gentleman from West Virginia controls the time.

Mr. McINTOSH. Mr. Speaker, the gentlewoman has made a very serious——

Mr. WISE. Regular order, Mr. Speaker.

The SPEAKER pro tempore (Mr. EVERETT). The gentleman from West Virginia controls the time and has yielded to the gentlewoman from New York.

The gentlewoman from New York may proceed.

Ms. SLAUGHTER. Mr. Speaker, on the Waco hearings we found that the committee had turned over lots of its responsibilities to the NRA, and now we find this same committee staff is forging documents to be given out to the press purporting to be a true statement. Mr. Speaker, in the name of all the men and women who served us before in this House, who stood on this floor and with truth and with eloquence did the best they could for the American people, I am more than outraged at the dirty little secret that this subcommittee would stoop to crime in order to make their point.

I am sure they are going to have an hour more of it this afternoon, but if people want to know the truth of the testimony, they should let us send them the record of that hearing.

Mr. WISE. Mr. Speaker, I am going to address an issue because, as this Congress heads off for recess, I think it is time to talk about the Republican excesses.

What has been going on here for the last few weeks, Mr. Speaker, it suddenly occurred to me, I hear a lot about Medicare when I am home, and I hear a lot about Medicaid, and they are very, very important topics. But I think it is also important to look at some of the other things taking place that affect middle-income and low-income men and women in this country and to talk about exactly what is taking place.

It occurred to me it is a lot like watching a freight train go by. The train builds up speed, and when it starts rolling, a person cannot pay attention to what is in each car, they just know there is an enormity. There is a big train going by. I want to talk about what is in each car. So I have compiled a list here, and with apologies to David Letterman, we have titled it the top 10 GOP outrages, because I think the people in the country, Mr. Speaker, ought to know exactly what has taken place.

This is not a complete list. This is only a quick culling of the various committees to see what we consider to be the top 10 outrages. Top 10 outrage No. 1, this is the most incredible one, in some ways, to me, because it is the idea that came about in the Senate finance committee called child support surcharges.

People are not going to believe this one. This is if an individual has to get the State to get child support for them and to track their deadbeat spouse down someplace to get that child support, they will now pay a 10 percent surcharge under this one. They will pay a 10 percent commission. Child support surcharges. I like it. It turns every human resource worker into a bounty hunter. Put a star on them, send them out, 10 percent right off the top. They are already down, let us put them down a little more.

No. 9 sort of follows up on this. This does get into the Medicaid area. No. 9 is liens on Medicaid families. This one may boggle people's minds a little bit. Medicaid families, by definition, for the most part, are already low income. In many cases they may be middle-income families that have their mother or father or grandparent in a nursing home. This takes all the Federal protections that are built in against putting them into poverty.

What it would do, Mr. Speaker, is to permit Medicaid to put liens on the elderly and their families in this way. There would be no more guarantee under the Medicaid block grant of coverage for nursing home care after an individual or family has spent its savings. Right now if a family spends their assets down to a certain level, they do not get kicked out of the nursing home. This would remove that protection. It eliminates current protections that stop the States from imposing liens on personal residences. That is homes and farms.

States would be required to require adult children of nursing home residents to contribute toward the cost of their parents' care, regardless of the financial obligations. Regardless of the financial circumstance or family obligations of the adult children. The States could be allowed to do this.

There would, finally, be no more guarantee, it is gone, that spouses of nursing home residents would be able to retain enough monthly income to remain in the community. Presently, there is some protections for families from Medicaid. Those protections under the Medicaid legislation would be removed. That is No. 9.

Now, Mr. Speaker, continuing in the same vein let us go to No. 8. No. 8 is no more Federal nursing home standards. That one, I know, is hard to believe, that anyone, in their right mind, would say that after all the years that it took to finally get some nursing home standards, some minimal standards so that people are no longer lying in their feces, so that they are guaranteed adequate care, so that they cannot be strapped down without adequate due process, so that a whole lot of other things cannot happen to the loved ones we put in nursing homes, I know it is hard to believe, but, yes, it is true there would be no more Federal nursing home standards. It would strictly be up to the States.

I happen to think States are quite capable of the job, but the reality is, in many cases, it took the Federal Government to make sure there were adequate nursing home standards. So that is No. 8, no more nursing home standards.

To continue this juggernaut, No. 7, if an individual cannot get in the nursing home to get warm, they should not go home, because there is no more energy assistance. The LIHEAP program, the Low Income Heating and Energy Assistance has been stricken by the Republican leadership. It has eliminated all funding for LIHEAP, the Low Income Heating Energy Assistance Program that provides heating assistance for low-income senior citizens.

Mr. Speaker, in my State of West Virginia alone last year, LIHEAP served 190,000 people in the coldest parts of the winter, and it was $12.2 million of energy assistance.

We can see a pattern developing here. We are going to charge people for getting them their child support, we are going to put increased liens on Medicaid families, we are going to remove the Federal nursing home standards and so that when they get home there is no energy assistance to assist them there either.

I want to turn for a second now, Mr. Speaker, to those men and women who are working and who have been trying to put away enough for their retirement. I call this one "There may not be any light at the end of the tunnel after all." We have worked for 40 years for our pension; right? Well, problem. Because No. 6 is the pension grab.

Here is what happened, just happened last week in the Committee on Ways and Means under the Republican leadership, they have now permitted employees to raid the employee pension plans.

Here is how it works. Presently, companies that want to go into pension assets, the ones that have been built up for the benefit of the retirees, if they want to go in without penalty they can only do so to use the funds for the health insurance for retirees. But to use the money for other reasons they have to pay a penalty tax of 50 percent withdrawal.

What that does, Mr. Speaker, is it tells them to keep their fingers off the pension fund. I think we remember the 1980's and the trouble a lot of people got into, both pensioners and companies. This is designed to stop that and it has been pretty effective.

Now, the Republican leadership would permit firms with pension plans that hold at least 125 percent of the assets needed to meet anticipated pension liabilities to withdraw the funds for any purpose, any purpose, without the worker's permission. We may say what is the problem? One hundred twenty-five percent of assets needed, surely that is enough to cover any future liabilities. Mr. Speaker, it is enough to cover it today when the stock market is high, but what about those pension plans that are heavily involved in stock purchases? What happens when those stock values drop? Does anyone think the stock market is not going to dip?

What happens is, after they have gone in and taken the money out and the stock market drops, then that pension fund is undervalued. The great all American pension grab.

We are not content just to stop with seniors or potential retirees or working people, let us move to No. 5. This one is kind of old but it has such resonance that I thought it should be brought up there because this one will create the ultimate food fight and it is cuts in child nutrition.

As I say, Mr. Speaker, what this will do is to put the school lunch, the school breakfast, the summer lunch program into block grants with lower funding levels, and also the women, infant and children program will go into a separate block grant and send it to the States. And, yes, I have heard the arguments ad infinitem, ad nauseam. It is like eating the third helping of broccoli to hear this again, about how it is not a cut, it is an increase because we are giving it a 4.5-percent increase.

Mr. Speaker, what they are not saying is that is not enough to keep up with the demand. They are also not telling us that while it is a 4.5-percent increase in their calculations for school lunches, they took from something else that is all in the block grant. It is like it is all on one tray now, and now we have to decide how many beans we want and how many carrots and so on.

Mr. Speaker, West Virginia alone received $50 million in cash assistance and $5 million in commodity assistance last year, served 180,000 school lunches, and 77,000 school breakfasts. 57 percent of school lunches in my State go to those who qualify for a free or reduced lunch. And just so we understand, Mr. Speaker, West Virginia is not simply relying on the Federal Government, we put an equal amount of money in ourselves. But making this into a block grant and cutting school nutrition and child nutrition is going to be a real body blow to our children. As the button once said, pick on somebody your own size.

Let us jump back for a second to senior citizens. This one kind of fascinates me. There have been a lot of hearings around here. Mr. Speaker, we all know we can walk up and down these halls everyday and there is no shortage of hearings. My goodness, we had 28 days of hearings on Whitewater alone. The only person who has not been called as a witness is Socks, but he may be coming up shortly.

On this one, what is the program that probably is the most important, the largest part of our budget in health care, most important to 37 million Americans and senior citizens? Medicare. This program has just celebrated its 30th anniversary. Its 30th birthday. If we are going to change it, one would think we would have, I presume, a lot of exhaustive fact-finding hearings. But this leads to number four on our list of Republican outrages. One day of hearings on Medicare.

That is true, the program that is scheduled to be cut $270 billion, the program that 37 million senior citizens depend upon, the program that is vital to many of the health care providers in this country, the program that helps fund the medical education and research that we all take for granted in this country, that program, 30 years of experience, gets one day of hearings. And, incidentally, some of the witnesses not permitted to testify were the trustees of the Medicare program.

□ 1645

Is not it interesting, every Republican I know has been waving the Medicare trustees' report saying this is why we have to make these cuts because of the Medicare trustees' report and then they never invited the people who wrote the report that they are talking about. Interesting. Anyway, that earned outrage No. 4.

But turning quickly in the same vein to outrage No. 3, No. 3 is $270 billion in Medicare cuts. Why is that an outrage? If that is what is necessary to save the program, by golly do it. That is what senior citizens are saying. They want to see the program made solvent. The outrage is that what everyone estimates to save the program is not $270 billion over 7 years; it is somewhere between $90 billion and $120 billion on 7 years. That leaves a gap of $150 to $170 billion too much that they are taking out of Medicare.

And where does that go? Well, it goes, of course, to the tax cut. We will talk about that in a minute; that is $245 billion. But it has other implications as well. The 40 percent of the money that will come out of Medicare will not go to save Medicare because it cannot. Medicare is in two parts, Part A, the trust fund, and Part B, outpatient care. The trust fund is what is considered in trouble. The trust fund is the only part that you can put money in to "save." That is estimated to be $90 billion, and yet 40 percent of the money comes out of Part B and therefore does not even go toward the trust fund. It will result in higher premiums for our senior citizens. It is going to result in a lot of troubles for our hospitals.

In West Virginia, Calhoun General closed just this week. I cannot say it is because of this, but this will make it inevitable that other hospitals close. What happens when a hospital closes in that area? When you are injured in Calhoun County, you have a 90-minute drive to the closest emergency room. That is what it means.

That is No. 3, $270 billion in Medicare cuts, and would not it be nice if we could let the Medicare trustees tell the Committee on Ways and Means what they think of the committee's proposals?

No. 2, 100 percent of senior citizens are going to take a whack, a real hit because of No. 3. Hold that figure in mind. It is not too hard to remember. 100 percent. Every senior citizen. Now, outrage No. 2 is tax breaks for the wealthy, because as those senior citizens are being cut about three times what is necessary to make Medicare solvent where is the difference going? The difference is going to the $245 billion tax cut basically to the upper income.

Now, I have heard the talk about how there is a $500 child care tax credit and that will go to middle income and low-income people. The problem is it will not, Mr. Speaker. This tax cut, 51 percent of the benefits go to people making over $100,000 a year, they get around $2,400 back. Now, for the person making $20,000 a year or less, they get something like $90 back.

What does that translate into? For about two-thirds of the people in my State, it is 20 cents a day, is what they get back in a tax cut; $7 a day is what the person over $100,000 a year gets back. The person getting 20 cents back loses their student loan ability and their Medicaid, they lose their earned income tax credit assistance, and they will pay more for Medicare. Their senior citizen mother or father or grandparent, they may be paying a lot more for them out of pocket, so they are going to lose a whole lot because of this.

So, tax cuts, I thought we were about balancing the budget. If you are balancing the budget, which is tough enough to do in 7 years without a tax cut, you really want to add $245 billion. Incidentally, if you are making $350,000 a year, you hit the lotto because you get $20,000 a year back. The folks at the other end get 20 cents a day back. That is No. 2, tax cuts for the wealthy.

No. 1, I know, Mr. Speaker, this is just a crescendo of excitement. Drum rolls. Really, BOB, that is the No. 1 outrage. It is enough, BOB, you really ought to stop. Stop me, Mr. Speaker, before I peel again.

Here we go. No. 1 is after a lot of consultation, remember I just told you about the tax cut for the wealthy? Now I know you are not going to believe this, Mr. Speaker, but it is true. A middle income tax increase. That is right. Middle income tax increase. While the Republican leadership is putting through a bill that will cut taxes for the wealthiest, it is increasing taxes for low and middle income persons.

BOB, you must be all wet. They would not do that, would they? Look at what happens. Presently there is something in the law right now called the earned income tax credit. A working family in this country that earns under, I believe, $28,000 a year is eligible for a tax credit. And it not only goes to their income taxes; it means they can get money back from their Social Security tax, their FICA tax and sales tax. It is money directly in their hands.

What it means it is good for business and it is good for the employee, because it is like subsidizing the low-income worker. And when Congress voted to increase that earned income tax credit just 2 years ago that I proudly voted for, and I might add not one Republican voted for, when Congress voted to increase that, it voted to make the person making minimum wage, about $4.25, in effect it made their wage about $6. Not one penny came out of the employer, but it was done through the Tax Code.

So now it is being proposed in the Committee on Ways and Means to take back some of that tax credit. What that is is a middle income tax increase. These people will be paying more in taxes after all this passes than they did before.

Let me tell my colleagues in West Virginia, that means that 98,800 middle income families will face a tax increase, about 90 percent of the families in this program. Remember, the Republican tax plan for a child care credit, it does not pay you the money if you did not pay that much in taxes, so you do not get as much benefit from it if you are in the lower income brackets. But this program, the one they are cutting into, that does pay you. So the Republican plan means very little for low income and middle income people. This plan puts money in your pockets, and that is the one they are cutting. So, the $500 per child tax credit does not help many of our middle income families. In fact, one in three American children will receive no aid from their credit. They do get aid from this. And so after everything is done, there is a middle income tax increase coming, thank to the Republican leadership.

So let me just quickly run over this list again because I know everybody has got pencils and they are jotting it down. I think Mr. Speaker, that it would be worthwhile for every Member to be talking about this when they are home. The excesses are during the recess, and I hope that every constituent across the country will ask with these 10 things, the 10 top outrages that Congress has been working on in the last few weeks.

First of all, No. 10, child support surcharge. That is right, charging single parent families 10 percent to go get the child support that they are not able to get themselves.

No. 9, relaxing and doing away with the regulations that stop people from having liens put on them on Medicaid families.

No. 8, removing Federal nursing home standards.

No. 7, no more energy assistance for low income senior citizens.

No. 6, going after the pensions and permitting corporations to take money out of pension funds without adequate protection and with no penalty.

No. 5, cutting child nutrition programs making it harder for kids to be able to get that one hot meal a day.

No. 4, only 1 day of Medicare hearings when they were able to have 28 days of hearings on Whitewater, 10 on Waco, and however many have been going on on Ruby Ridge.

No. 3, $270 billion in Medicare cuts when $90 billion will do the job.

No. 2, tax breaks for the wealthy.

And of course, No. 1 at the same time they are giving tax breaks for the wealthy No. 1 is actually asking middle income and low-income people to pay a tax increase.

Mr. Speaker, those are my selections for the top 10 GOP outrages of the last 2 weeks, and my hope is that we will all be hearing about these a lot during our October recess.

Mr. Speaker, at this point, I yield the balance of my time to the gentleman from New Jersey [Mr. PALLONE].

The SPEAKER pro tempore (Mr. EVERETT). The gentleman from New Jersey is recognized for up to 36 minutes.

Mr. PALLONE. Mr. Chairman, I would also like to point out that one of the items that the gentleman from West Virginia mentioned as one of his top Republican outrages was the fact that there was only 1 day of hearings on Medicare last week in the House of Representatives before the Committee on Ways and Means.

However, I would like to point out that in my committee, the Committee on Commerce which also has jurisdiction over Medicare, as well as jurisdiction over Medicaid, which is the Federal Health Care Program for poor people, we have not had any hearings on either one of the issues.

In fact, last Friday, we reported out a Medicaid reform bill that cuts Medicaid by $180 billion and essentially eliminates the entitlement status of Medicaid, so that poor people have no guarantee of health insurance anymore. We did not have a single day of hearings on the Medicaid changes.

In addition, I understand now that the Republican leadership has finally introduced a Medicare reform bill in order to implement the $270 billion in cuts to Medicare, and my committee, the Committee on Commerce, will be meeting on Monday, this coming Monday, to mark up the Medicare bill without even 1 hour or 1 minute of hearings on the Medicare bill.

So here we have a situation where probably the most important change that will take place in this House and in this Congress, the effects and the changes on Medicare and Medicaid which affect millions and millions of Americans, and we will not have had a single day of hearings on either one of these bills before the time when they came to the committee to be marked up.

It is indeed an outrage. It is an outrage that is out of proportion, when we think about the level of cuts; $270 billion in cuts in Medicare and $180 billion in cuts in Medicaid. Cuts that these two health insurance programs, primarily for seniors, cannot take without major changes that are going to be negative and affect the quality of Americans' health care, and particularly seniors' health care, in a very, very negative way.

Fortunately, the Democrats, realizing the fact that there were not going to be any hearings on either one of these programs, decided, starting last week, to have their own hearings, alternative hearings on the Medicare Program on the lawn of the Capitol. We finished 4 days, today, of those hearings, and I want to tell my colleagues that they were very productive hearings.

Mr. Speaker, I wanted to give some information about what some of my constituents said who attended the hearings, both health care providers, representatives of hospitals in my district in New Jersey, as well as senior citizens and senior citizen advocates from my home State of New Jersey.

Before I get to that, I wanted to point out the fact that increasingly this opposition to Speaker GINGRICH and the Republican leadership's Medicare cuts and Medicare changes for both Medicare and Medicaid are being opposed in a bipartisan fashion.

One of the things that has bothered me the last few weeks in listening to some of the statements on the floor of this House is that increasingly my colleagues on the other side, on the Republican side, suggest that somehow this is all very partisan, that the Democrats are attacking the Republican leadership for the changes that are being proposed in Medicare and Medicaid, and that all of this is coming from the Democratic side and that we are just being very partisan about it.

The reality is that increasingly, over the last weeks, it has not been a partisan battle. There has been bipartisan opposition to the Medicare and Medicaid proposals that Speaker GINGRICH and the Republican leadership have come forward with.

In a sampling of opposition, this Wednesday there were a number of Republican Senators who expressed concern about the Medicare proposal put forward by the Republican leadership. On Wednesday, there were three Republican Senators who voiced doubts about mixing a big tax cut with planned surgery on Medicare and Medicaid. They said in essence, look, why is it that we are cutting Medicare and Medicaid this amount in order to finance a very large tax cut primarily for wealthy people?

Senator ORRIN HATCH of Utah and Senator ALAN SIMPSON of Wyoming and Senator ALFONSE D'AMATO of New York expressed skepticism about cutting taxes while Congress is struggling to balance the budget. They indicated strongly their concern about how they are going to make these cuts in Medicare at the same time that tax cuts were being proposed for wealthy Americans.

In addition to that, I was very pleased to see that in my own home State, the gentlewoman from New Jersey [Mrs. ROUKEMA] has expressed concern about both the Medicare changes as well as the Medicaid changes. The gentlewoman is quoted in an article that is in today's New York Times where she says she is concerned about the effects of the Medicare proposals.

Mr. Speaker, the gentlewoman noted recent estimates from the Congressional Budget Office showing that most of the $270 billion in Medicare savings would be achieved by limiting payments to hospitals, nursing homes, and home care agencies.

These are sobering numbers. They open up a number of concerns about whether the savings will come through a reduction of care or through the new choices that people are given.

□ 1700

I would like to repeat again. In my home State of New Jersey, along the Jersey shore which I represent in Congress, I represent a large part of the New Jersey shore, we had three Republican State legislators. they are Senator Leonard Connors, Assemblyman Jeffrey Moran and Assemblyman Christopher Moran, all Republicans from Ocean County in New Jersey. They sent a letter to Senator DOLE and also to Speaker GINGRICH this week asking them to back off on the proposed cuts in Medicare because of the impacts that they could have on senior citizens.

They pointed out that financing tax breaks for the rich on the backs of our elderly is morally bankrupt. The Senator and the two assemblymen, again all Republican, also were critical of the increases proposed by Speaker GINGRICH in his plan in the Medicare part B coverage, from $552 annually to $1,116. they said the plan is signing a death warrant for millions of senior citizens across the country.

So for my colleagues on the other side of the aisle who would suggest that somehow this is strictly the Democrats that are complaining about these cuts in Medicare and what they are going to mean for senior citizens, I tell you we have U.S. Senators, U.S. Congressmen, we have State legislators from the State of New Jersey, all Republicans who are concerned about what is happening here. They have reason to be concerned, for a number of reasons.

Let me give some of the concerns expressed at the alternative hearings that were held by the Democratic Caucus on the lawn on the East Front of the Capitol this week. I attended each of those hearings. We had some representatives from my district in New Jersey who spoke out each of the days, Wednesday through today, and expressed their concerns.

One of the speakers who gave testimony who I was most impressed with was Dr. Anita Curran, who is associate dean for Environmental and Community Medicine at the University of Medicine and Dentistry in New Jersey and the Robert Wood Johnson Medical School in New Brunswick, which is in my district. Dr. Curran pointed out how every aspect of health care in New Jersey as well as in this country as a whole is very interconnected and that programs like Medicaid for the poor, Medicare for senior citizens, nutrition programs, even some of the welfare reform that we have talked about on the House floor, the very cuts that impact health care in each of these programs have a cumulative effect.

She represents the Robert Wood Johnson Medical School, a teaching hospital. Many of the significant cuts in Medicare affect teaching hospitals, making it more difficult for those hospitals to train residents and train doctors who are going to go into the community in the future. A lot of those doctors at the Robert Wood Johnson Medical School also work at the Eric B. Chandler Health Center, which is a community-based health center in New Brunswick that handles a lot of Medicaid recipients, poor people who are on Medicaid.

What Dr. Curran pointed out is that when you cut back on the amount of money going to teaching hospitals, like Robert Wood Johnson, you are also having an impact on the community health center because there will not be the teachers there to work at the community health center and help the poor and needy people in New Brunswick and in the area served by the Eric B. Chandler Health Center.

Also, the Medicaid dollars that are being cut for the health center through Medicaid are going to have an effect on the teaching hospital because now all of a sudden there is less money coming in through Medicaid as well. So the cutbacks in Medicare and the cutbacks in Medicaid do not just affect seniors, they do not just affect poor people, they also affect everyone. Essentially, if the hospital in the community does not have the money to operate and either has to close or cut back on services either for inpatients or for outpatients, everyone suffers, and that is the dramatic impact of these cuts both in Medicare and Medicaid.

We had other people that spoke at the hearings that were held out on the lawn. I wanted to mention Margaret Chester, who is executive director of the Middlesex County Office on Aging in my district. She spoke very eloquently about the programs and how these cutbacks are going to affect the senior population that are helped by the Middlesex County Office on Aging.

One of the things I asked about, which was particularly disturbing, again points out how the interrelationship between cuts in Medicare and Medicaid, are a group of seniors or elderly who are called qualified Medicaid beneficiaries. These are seniors who are low income. I think they cannot be making more than about $625 a month through Social Security or pensions or whatever they get. And right now under current law, their Medicare part B premiums the premium that they have to pay in order to have their doctor bills covered through Medicare, that money is paid by Medicaid. So even though they are on Medicare, the program for seniors, and they have to pay this premium to get their doctor's bills paid, Medicaid says for that Medicare part B premium.

Under the Medicaid bill that was passed out of the Committee on Commerce, my Committee on Commerce last Friday, there no longer is any guarantee that Medicaid will pay that part B premium for those elderly and poor Medicare senior recipients. Where are they going to get the money? Where are they going to get the money to pay for that part B insurance to cover their doctor bills? They are already so poor that they barely can make ends meet.

Their Medicare part B premiums under Speaker GINGRICH and the Republican leadership proposal are going to double over the next 7 years. So, if they were paying $40 now, they are going to be paying probably $100 within the next 7 years. Yet they do not have Medicaid paying for any part of it anymore. There is no way that they can afford to pay that. The end result is that, if some of the States decide not to take on that extra burden, they are simply going to be out on the street. They will not have any health care.

Last, today at our alternative Medicare hearings, we had two senior citizen advocates from my district, one is Dave Sheehan, who is the director of the Edison Township Senior Center in Edison, NJ, and also Dave Keiserman, who is State chairman of the New Jersey Council on Senior Citizens. And what they pointed out and what I wanted to reiterate today is how unable, how difficult it is going to be, if not impossible, for seniors who now receive Medicare to pay these additional payments out of pocket that have been proposed in both the bill put forward by the Republican leadership in the House and the bill put forward by the Republican leadership in the Senate.

I already mentioned some of the proposals in the House bill with regard to Medicare part B that pays for doctors' expenses for seniors, doubling of the part B premiums over the next 7 years. How can these seniors, most of whom make less than $25,000 a year, something like 75 percent of the seniors in the country make less than $25,000 per year, how are they going to be able to pay double their part B premiums? But if you look at the Senate bill, the one that is being considered on the other side of the Capitol, they go beyond the increase in the part B premiums. They talk about doubling the part B deductible from $100 today to $210 in 7 years. They talk about also delaying eligibility for Medicare from age 65 to age 67. We really do not know how far these additional out-of-pocket payments are going to go. We have heard now about increased deductibles, increased part B premiums, raising the age of eligibility for seniors for Medicare. Where do we go from here?

Well, the bottom line is that increasingly what we are finding, when these Republican leadership proposals go to the Congressional Budget Office, is that there are huge gaps in how much money they can actually save. There is a real question about whether or not any of these proposals on the Senate side or the House side are going to be able to save $270 billion to achieve that level of cuts in Medicare. And so what I think is going to happen is that we are going to see more and more of an effort to try to find more and more of that money to pay for those cuts out of increased out-of-pocket costs to the beneficiaries, to the senior citizens.

Do not be surprised to see larger deductibles. Do not be surprised to see copayments. Do not be surprised to see eligibility going from 65 to 67 or maybe even to 70. Do not be surprised to see even larger Medicare part B premiums than what has already been discussed.

I just wanted to spend a little time, Mr. Speaker, if I could, on Medicaid, the program for poor people, which I would point out again, 70 percent of that money in New Jersey for Medicaid goes to pay for senior citizens and those who are primarily in nursing homes. The figure for the rest of the country is pretty much the same. A majority of the money that we now spend on Medicaid, even though it is a program for poor people, is for senior citizens, most of which pays for nursing home care.

The bill that our Committee on Commerce reported out on Medicaid last Friday was a travesty. We had no hearings, again. Whatever they do on Ways and Means, we do not have any hearings in the Committee on Commerce. We get the bill and then the next day we have the markup, and we do not even have an opportunity to have a hearing at all.

In the Committee on Commerce, the Medicaid bill that was reported out was indeed a travesty. The New York Times, in an editorial on September 26 called it a cruel revision of Medicaid. Just let me give you a sentence for two. They said, "Congress shows no signs of slowing its assault on the social safety net stitched together over six decades. The House Commerce Committee tore another hole in the net on Friday by eliminating the Federal guarantee of Medicaid insurance."

Essentially, what the Republicans did in this Medicaid bill was to eliminate the entitlement statute for Medicaid. So in effect, there is no guarantee that anyone gets Medicaid coverage anymore. They send the money in a block grant to the States, and they leave it up to the States to decide what they want to do with the money, with very few strings attached.

I have to tell you, Mr. Speaker, I had a forum last Monday, actually it was Tuesday, in my district, after this Medicaid bill had passed out of the Committee on Commerce. And I told the senior citizens at a senior center in Long Branch, the town that I live in, about some of these cuts and what they will mean, and they were really outraged. And they had reason to be outraged.

One of the things that we pointed out to the seniors and really to my constituents in general is the fact that all the protections that existed under the Medicaid Program in the past, when someone had to be placed in a nursing home, all the protections with regard to the nursing home, all the protections with regard to the family of the person who went to the nursing home, the family, the spouse that had to stay back in the home or the kids that were still in the community, all those were just eliminated completely by the Republican majority on the Committee on Commerce.

There are no longer any nursing home standards. The money goes to the States in a block grant. The nursing homes can do what they want unless the States come in and start regulating them. So all the concerns about proper sanitation in nursing homes, code enforcement in nursing homes, proper care, that there are nurses that are visiting the patients in nursing homes, none of that has any Federal protection anymore. Just as bad was the fact that the protections for the spouse who has to stay at home were eliminated.

Right now, under current law, if your husband goes to a nursing home and you are the woman who stays at home, you get to keep your home, you get to keep your car. And you get to keep about $14,000 in a savings account that they cannot go against you to pay for that nursing home care for your husband who is in the nursing home. That is all out the window now. If a State wants to, they can simply go after those assets or include those assets in calculating whether or not someone is eligible for Medicaid placement in nursing home.

They also eliminated all the protections under current law for children. So there is nothing to prevent a State, if it wants to, to say, your dad is now in a nursing home and so we are going to go after your house, the children, or we are going to go after your assets to pay for his nursing home care. Again, all those protections were simply eliminated.

The other thing that happened, which I found extremely disturbing, is that the Federal law right now with regard to Medicaid, links the actual reimbursement rate that is paid to nursing homes to a standard based on the amount of money that is necessary to pay for adequate care. In other words, the States, under current law, have to give the nursing homes enough money to pay for adequate care of the person who is in the nursing home. That was abolished. We had a vote on it. Again, it was voted down by the Republican majority.

So what we are going to see increasingly is less money going to the States, no safeguards for the States, the States paying less and less money for nursing home care that is less than adequate, and no way to make sure that under Federal law that those nursing homes are adequate and provide proper care.

The last thing that I wanted to mention, going back again to the fact that this is not at all a partisan issue, and I hate the fact that it keeps being characterized as such, is that in my home State of New Jersey, in a lot of the other States around the country, many of the Republican elected officials have been very critical of this Republican leadership Medicaid proposal because of the formula that is being used to decide how much the individual States are going to receive.

I would point out that it really does not matter what the formula is because since there is going to be so much less money going to the States to pay for Medicaid, however you figure out the formula, the States are not going to have enough money to provide adequate care. But I want to commend my Governor, Governor Christine Whitman, and also the members of my State delegation, the Republicans in my State delegation, New Jersey, all of whom have protested to Speaker GINGRICH and to the Republican leadership that the formula for Medicaid is inadequate and certainly unfair to the State of New Jersey.

□ 1715

Now what the Governor of New Jersey pointed out is that in the next year, in 1996, there will be a 7.2-percent Medicaid grant increase to the States under the formula that Speaker GINGRICH has put forward, but after that, for the fiscal years from 1997 to 2000, there is only a 2-percent annual increase in the amount of money the States get to provide for Medicaid expenses, and essentially what the Governors said, and I quote, is that "we cannot achieve that level of savings, we cannot operate that program with the level of money that we are going to be getting from Medicaid."

So, if I could just conclude by pointing out again, as much as most of the people opposing this Gingrich plan are Democrats, there are a lot of Republicans in my State and in other parts of the country at every level, whether it is the Senate, whether it is the Governors, whether it is the other members of our congressional delegation, or State legislators who are pointing out that there is absolutely no way that we can continue to provide adequate care under the Medicaid Program for our poor people and particularly for our elderly who are the main beneficiaries of the Medicaid Program, and the same concerns are now being expressed as well on the Medicare Program, that this level of cuts that are being proposed by Speaker GINGRICH and the Republican leadership are simply inadequate to provide quality care for our seniors and for the people who are part of the Medicare and Medicaid Programs.

Mr. Speaker, I am pleased to see that the cracks are starting to show, that we are seeing a slowdown in effect in the effort to try to move both of these bills through Congress. We have a week now, next week, and there will be no votes on the floor of the House of Representatives on any bills, and I am hopeful that the momentum will continue to build during this next week so that, when we come back around Columbus Day, there will be even more and more opposition on a bipartisan basis to these terrible changes that are being proposed in the Medicare and Medicaid Programs.

CONGRATULATING NATIONAL "VOICE OF DEMOCRACY" WINNER

The SPEAKER pro tempore (Mr. EVERETT). Under the Speaker's announced policy of May 12, 1995, the gentleman from Minnesota [Mr. GUTKNECHT] is recognized for 60 minutes as the designee of the majority leader.

Mr. GUTKNECHT. Mr. Speaker, to begin this special order tonight I would like to read a statement and some passages to pay tribute to a young man in my district. Mr. Speaker, it is my pleasure to pay tribute to a truly remarkable youngster. His name is Niles Randolph, and he is the first-place winner of the Veterans of Foreign Wars "Voice of Democracy" broadcast scriptwriting contest for the State of Minnesota.

Niles is the son of Mr. and Mrs. Jack Randolph and is currently a senior at Mayo High School in Rochester, MN. He was sponsored by VFW Post 1215 and its ladies auxiliary in Rochester.

His interests include football, playing the guitar, soccer, and racquetball. He is also a member of the National Honor Society and has held the offices of 6th grade class officer, 9th grade class officer and 11th grade junior representative.

Niles is interested in attending the University of Wisconsin at Madison or Drake University in Des Moines where he intends to pursue a degree in Public Relations—I am sure he will be very successful.

His essay titled "My Vision for America" was a genuinely patriotic piece of writing, and I am honored to share several passages from that tonight:

I was once told the story of two brothers who quarreled all the time. The father of the boys, to teach a lesson, gave them a bundle of sticks tied together and challenged them to break it. Try as they might, they could not. Then the father untied the sticks and gave each one separately to the boys. He again challenged them to break the sticks. They did with ease. The father then said, "You see my sons, united as one, the sticks are strong and cannot be broken. Apart, they are weak and vulnerable." No longer did the brothers quarrel.

My vision for America is one of unity. As the story relates, we are strong when tied together. When we are separate, we are weak and vulnerable. When we are together as Americans, free from prejudice, ignorance and selfishness, we are strong. That is my vision for America.

To attain greater unity, I feel we must look at the basic unit of our nation. That unit is the family. The strengthening of the American family is an essential key to the solidarity of our nation. The family is the teacher of moral principles and values, the most influential guide in someone's life. Too many times in modern society do we see the decay of family; failed marriages and single parents, or the increase in gang numbers due to lack of family support. The family has been the backbone of American society throughout our history. It has been the reason America has remained as strong as it has. The family is where it all starts, where everyone develops their character and their values, where everyone must attain their moral principles.

In becoming a more unified nation, we must eliminate prejudice. Racial and sexual prejudice undermine the American idea of equality and equal opportunity.

All of these factors combine to make a unified America. Through patriotism, stronger family bonds, education, and elimination of prejudice, we stand united as one, as the sticks were unbreakable when tied together. Let us maintain our seat as leaders of the world in morality and virtue. Let us come together in unity. This is my vision for America.

Mr. Speaker, I submit the balance of the text to be printed in the CONGRESSIONAL RECORD:

MY VISION FOR AMERICA

I was once told the story of two brothers who quarreled all the time. The father of the boys, to teach a lesson, gave them a bundle of sticks tied together and challenged them to break it. Try as they might, they could not. Then the father untied the sticks and gave each one separately to the boys. He again challenged them to break the sticks. They did with ease. The father then said, "You see my sons, united as one, the sticks are strong and cannot be broken. Apart, they are weak and vulnerable." No longer did the brothers quarrel.

My vision for America is one of unity. As the story relates, we are strong when united together. When we are separate, we are weak and vulnerable. When we are together as Americans, free from prejudice, ignorance, and selfishness, we are strong. That is my vision for America.

I am a member of my high school football team. Through experience, I have learned that teamwork is the key to winning. When members of the team fight, or become selfish in their interests, they are drawn apart and more often than not, we lose. In order to succeed there must be blockers for each running back and defensive support on every play.

I can see a correlation between American society and my football experiences. If we are together in our interests and goals, we will succeed as a nation. If there is sound education for our youth, it is much like having the blocker for the running back. The youth and the running back are much more likely to succeed. If we have a strong family bond and support, it is much like the defensive support, as it reinforces. If we are drawn apart by prejudice and lack of patriotism, it is much like team members fighting or being selfish. Whether in football or in society we must be united to succeed.

To accomplish this goal, we must embrace patriotism. People are often concerned only with their current situations and problems. Nobody must forget the America that has given us such unequaled opportunity and liberty. My vision for America would be a patriotic America. An America concerned about the future of our nation, as the past generations have been concerned. From the times of the Revolutionary War, to the times of Korea and Vietnam, our predecessors have given their very lives for the benefit of America and it's future generations.

A revival of these principals and regard for our nation would unquestionably bring us together as Americans.

To attain greater unity, I feel we must look at the basic unit of our nation. That unit is the family. The strengthening of the American family is an essential key to the solidarity of our nation. The family is the teacher of moral principles and values, the most influential guide in someone's life. Too many times in modern society do we see the decay of family; failed marriages and single parents, or the increase in gang numbers due to lack of family support.

The family has been the backbone of American society throughout our history. It has been the reason America has remained as strong as it has. The family is where it all starts, where everyone develops their character and their values, where everyone must attain their moral principles. In the past, families have been the base of America. They can be the base once again. The strengthening of the family unit is my vision for America.

In becoming a more unified nation, we must eliminate prejudice. Racial and sexual prejudice undermine the American ideal of equality and equal opportunity. Only through education can we curb prejudice, as prejudice stems from ignorance. My vision is to eliminate racial and sexual prejudice.

Another aspect of American unity is education. Education, whether in the form of elementary schools or colleges, is the key to a successful future. Only by knowledge can we grow and adapt. The children of tomorrow demand a sound education in order to lead our country in the coming years.

All of these factors combine to make a unified America. Through patriotism, stronger family bonds, education, and elimination of prejudice, we stand united as one, as the sticks were unbreakable when tied together. Let us maintain our seat as leaders of the world in morality and virtue. Let us come together in unity. This is my vision for America.

Mr. Speaker, for the balance of this special order I would like to talk a little. We have heard from the other side of the aisle this evening about some of the things that this Congress has not accomplished. We have heard some complaints about our Medicare reforms and our Medicaid reforms, and I think it would be appropriate tonight to talk a little bit about some of the things that we have accomplished, and I would like to first call attention to a column which appeared about a week ago in the Washington Post by columnist David S. Broder, and even the title of the column, I think, says an awful lot about this Congress, the 104th Congress, and what has really been happening. The title is "A Rout of Historic Proportions," and perhaps I could just read a couple of paragraphs, and the first paragraph starts:

> Whatever happens in the final weeks of this session, it is now a certainty that the 104th Congress will go into the history books as one of the most significant in the last half century. It marks as fundamental a rightward turn in domestic policy as the Great Society 89th Congress in the 1965–1966 session did in a turn to the left.

In fact, let me just also close with the last couple of paragraphs where it says unlike Haley Barbour in 1993–1994, the leadership of the Democratic National Committee has been unable to coordinate a single message, nor have they been able to muster the kind of effective interest group and lobbying support that Republicans have used to get their allies in business in a broad range of ideological groups together. The result has been a rout of historic proportions in a Congress which will be long remembered, and I am happy to have with me this evening the gentleman from the great State of Florida [Mr. SCARBOROUGH], and I would like to yield to him to talk a little bit about some of the accomplishment of this Congress, some of the distortions we have heard from the other side, and some of the reasons, as we go forward, we are going to continue to press the agenda and change the way Washington does business.

Mr. SCARBOROUGH. I thank the gentleman from Minnesota [Mr. GUTKNECHT], and certainly thank him for his leadership throughout this entire process that we have been going through, and, if you look at the Washington Post editorial, it really is a season of change in Washington, DC.

I campaigned, like you and a lot of other people, over a year and a half against all odds to get elected up here to make a difference, to come up here and make a difference, to change the way that Washington works and to change the fundamental concepts that run Washington, DC, and we have done that.

You mentioned the Washington Post editorial and the column that says that this is the most significant Congress in probably 50 years or so. It talks about ending welfare state as we know it. There is a Wall Street Journal article that quotes several, quotes several congressional historians, who say this is not only the most historical Congress in the 20th century, it is probably the most historical House of Representatives session since the 1870's, since Reconstruction, and sometimes when things are moving as fast as they are right now, sometimes people tend to forget all the things that have been accomplished.

You know, if you are like me and like many Americans, the changes that happened after the Iron Curtain came down in 1989, when one Communist country fell after another Communist country fell, it seems that the rate of change happened so much that people started taking it for granted, but look back at what we have accomplished these first 9 months. It is just absolutely staggering.

Mr. HOKE. If the gentleman would yield, one way you can think about this in terms of the difference, or one way, perspective, you can gain from this in terms of looking at where we are at today, is think about what would be happening in this Congress today had the Democrats retained the majority status both here in the House and in the Senate. Think about what the difference would be. Would we be debating at a national level whether we ought to get to a balanced budget in 10 years or 7 years? Would that be what the debate is about, or would it even be remotely on the table that we are talking about getting to a balanced budget at all under any circumstances? And I would submit to you that the answer to that is pretty obviously that we would not be talking about when we are getting to a balanced budget, which is, under our plan, obviously it is 7 years with real numbers. Under the President's plan it—maybe it is 10 years with numbers that have been scored differently by CBO, but in any event you can see clearly how the debate has been moved, and you can be doggone sure that, if the Democrats still controlled the House of Representatives, we would not be talking about that at all.

Mr. SCARBOROUGH. Mr. Speaker, let us just look at recent history to amplify on what the gentleman has just said. Would we be even talking about to balance a budget at all?

Let us look at what the President of the United States said this summer. In June, he said a balanced budget is not a priority of this Government, we do not need it right now. Then he went up to New Hampshire a month later, which coincidentally happens to be the first primary, and the voters said we need a balanced budget. So the President said we need a balanced budget. Then he came back to Washington. His advisers said we do not need a balanced budget. The President said we do not need a balanced budget. Then he went back up to New Hampshire, and the voters told him we need a balanced budget, and the President said we need a balanced budget, and this goes back and forth. The President did not even know if we needed a balanced budget. The majority of the Democratic Members have been arguing against any plan to balance the budget for over 9 months now. There is no leadership on that side of the aisle to do what over 88 percent of Americans want us to do, and that is just spend as much money as we take in, and, if you look at that, if you look at welfare reform, 1 year ago they are talking about spending more. We are talking about bringing in the reins. If you look at Medicare reform, we have a plan now that saves Medicare. Ask the seniors. Ask AARP. They know it saves Medicare. Again nothing from the other side.

This Shays amendment to make Congress abide by the same laws that the rest of the country has to abide by—look what we are doing in corporate welfare. We are trying to eliminate the Department of Commerce, and who is the defender of corporate welfare? It is the Democrats. Who is the defender of welfare for lobbyists? It is the Democrats.

I mean I just cannot believe the world has changed 180 degrees.

We had on the same day that the Washington Post attacked the Democratic Party for being demagogs on Medicare, the Wall Street Journal attacked the Republican Party for cutting $35 billion in corporate welfare tax loopholes.

□ 1730

I will take that attack any time. Yes, I admit it before God and country: I am against corporate welfare. I just wish the Members on the other side of the aisle felt the same way about it. Taxpayers work too hard.

Mr. GUTKNECHT. Reclaiming my time, Mr. Speaker, I yield to the gentleman from Connecticut [Mr. SHAYS], the author of the Shays Act. It is important for us to look back and see how much has changed. As you indicated, it is no longer a debate about if we are going to balance the budget, it is a debate about when and exactly how we are going to balance the budget. It is no longer about when we are going to save Medicare, it is about how we are going to save Medicare. We have completely changed the debate. That all started on the very first day.

I was so privileged to stand on this very place on the first day on the job and be the lead spokesman on the adoption of the rule for the Shays Act, H.R. 1. I was also privileged to have been the first freshman in 100 years to have been invited to the White House for the first bill signing. That was not the only thing we did on the first day. I think sometimes people forget how the paradigm shift began on the very first day.

On the very first day, let us remind ourselves, we slashed the number of committees and committee staffs by one-third. We ended baseline budgeting. We changed the way the budgets are put together around here. We ended proxy voting, so Members actually have to go to committees.

Mr. HOKE. Would you explain, just for the Speaker, because I know that the Speaker is interested in this, but would you explain for the Speaker exactly what the elimination of baseline budgeting means, and know that relates to having the Government work with numbers the same way that you and I and our spouses and our kids work with numbers at home?

Mr. GUTKNECHT. Mr. Speaker, I am not sure I can explain baseline budgeting. Essentially, I think the way it works is that the budget automatically goes up by about 6 percent. Anything you reduce from that is called a cut around Washington. Everywhere else, in every coffee shop, in every family, at every business, when you actually increase spending in real terms from one year to the next, that is called an increase, but with the convoluted baseline budgeting that has been used around here, that is not the way it is.

Mr. SCARBOROUGH. Mr. Speaker, if the gentleman will yield, I think this is important. You are asking a question that gets to the heart of this. If you want to talk about double-speak, Orwellian double-speak, I have seen it.

Mr. HOKE. Voodoo numbers.

Mr. SCARBOROUGH. Voodoo numbers, where in the past a spending increase was called a spending cut. This year when we are talking about abolishing the Department of Commerce, we have Secretary Ron Brown telling us that there is not a penny of corporate welfare in that department, and that abolishing the Department of Commerce will cost the American taxpayers billions and billions of dollars.

Let me get this right, now. According to the Democrats, a spending increase is actually a spending cut, and a spending cut is now called a spending increase. As a Democrat says, "Beam me up, Scotty. I cannot take it anymore. I don't understand that."

Mr. HOKE. Mr. Speaker, if I can borrow the time just for a moment, I actually think this is a critically important point. This one thing that we did, and we did it in the Committee on the Budget, and I know the gentleman from Connecticut [Mr. SHAYS] was there the day we did it, it is so important to the running of this place, because it means now when we talk about numbers, when we say that we are going to spend 4½ percent more on the School Lunch Program in 1996 than we did in 1995, which is exactly what we are going to do, we are using the same language that everybody else in America uses on a daily basis. We have not been doing this for 20 years.

I will tell you something else, just to be honest. Baseline budgeting did not begin under a Democratic administration, it began under a Republican administration. We brought upon ourselves a great disservice. It is wrong, we have fixed it. And now when we talk about a cut, it means it is a cut from what we spent last year. When we talk about an increase, it means it is an increase over what we spent last year. It is real numbers, it is truth in budgeting.

Mr. GUTKNECHT. Reclaiming my time, just to sort of review again all the things we accomplished on that first day, we opened the committee process so that staff and the press could come, the public could see what was happening in the committee meetings. We mandated a three-fifths vote on any tax increase, and began a comprehensive audit of the House books. For the first time, we are opening up this process to the public, we are going to show our books to the public so people have an opportunity.

I do want to yield to the gentleman from Connecticut [Mr. SHAYS], the author of the Shays act. Incidentally, I want to reinforce what an important act that was. When I was campaigning last year, I was surprised to learn how many laws that the Congress itself, in fact it had almost become routine for the Congress to exempt itself from the implications of a lot of the laws that they passed against everybody else. I think a big part of changing the attitudes of Members of Congress was to make us live by the same laws that we impose on everybody else.

I would like to yield to the gentleman from Connecticut [Mr. SHAYS]. He does not necessarily have to talk about the Shays act. I do not want him to brag about himself, necessarily, but I do want to talk a little bit about Medicare or Mediscare that is going on around the country now. I think the good news is that the American people are a lot smarter than some people give them credit for. They understand that increasing the expenses per capita from $4,800 to $6,700, they understand that is not a cut, that is a significant increase. They believe the system can be saved.

I yield to the gentleman from Connecticut [Mr. SHAYS].

Mr. SHAYS. Mr. Speaker, I thank the gentleman for yielding. I wanted to involve myself in this debate, because you are talking about the difference since the beginning of this year with the new majority. What we did is we ended 40 years of one-party control. That was a system where the chairman became so dominant that even a rank and file Democrat had no power, even in the majority.

I would wager to say a rank and file Democrat Member has more power today under our system than they did under their system, which meant that the chairman decided every issue. You would bring a bill before the chairman. If he did not want to hear it, it did not happen. If the chairman did not want to have a public hearing on it, it did not happen. If the chairman did not want to invite these witnesses, it did not happen. If a bill was being debated and someone wanted to amend it and the chairman did not want it to be amended, under the old system it did not happen.

What we have now is the expression of a lot of different ideas. We have a lot of Members on both sides of the aisle empowered to make significant change.

I remember when the Contract With America was first brought forward. We, and I am looking at the gentleman from Ohio, Mr. HOKE, because we are fortunately in the majority, because we are here with three outstanding new Members of this House. For the first time as incumbent Members, we said that "If you elect us, you will elect a change of government." Then we invited those who were challengers to participate in making up our Contract With America and giving the American people a very positive presentation.

I remember the press when we did this said, "This is ridiculous." They said, "It is going to cause the defeat, particularly of moderate Republicans." I was thinking to myself, "Why would it do that? There are eight major reforms to this institution. We have 10 major bills we would pass during the first 100 days." However, they said, no, it would cause our defeat. When no Member lost, moderate or conservative, who was a Republican, and all these new Members were reelected, they said, "You used this contract to get elected but you would not implement it".

Then we started in the opening day. I remember candidly thinking the gentleman from Minnesota [Mr. GUTKNECHT], thinking he was going to be in charge of the rule. I was thinking these new freshman Members, I could not have brought out a bill on the opening day or dealt with a rule. And I was thinking, "Can you guys do this?" You got together as a group, I watched what you did, you came to the floor of the House, you presented the rule. I could not have been more proud of any Republicans than to see what our freshmen did on opening day. They basically were the only ones to speak, the only ones to bring out the rules. It was awesome.

I just want to thank all of you for what you have done to make it possible for this country to change. I make this point to you. They said moderates would lose. Moderates did not lose. Then they said we would not complete our Contract With America, we would not try to work on these eight reforms and these 10 bills, and we did. Then they said moderates and conservatives could not work together. We get along fine. In fact, we find we have a heck of a lot in common.

Then they said, "You will not get along with the Senate." I actually like Senators and we work well with the Senate. Then they said, "You voted to balance the budget, but you would not be so stupid as to vote to balance the budget and cause a lot of anguish and all those special interests that are going to weigh in." And would you look at entitlements? That has been sacred, that we should not look to try to get our financial House in order. We are doing that.

This is what we have done. We have left the old world for the new world. We are not going back to the old world. We burned our ships. We are in the new world. We are going to conquer this new world. We are going to make sure the American people see a change.

What are they going to see? They are going to see us get our financial House in order and balance the budget. They are going to see us save our trust funds, particularly Medicare. They are going to see us change this corporate, this social and corporate welfare state, into an opportunity society. I really believe we are going to accomplish all that.

I would love to weigh in just a little bit on the whole issue of Medicare, but I do not want to monopolize the time, just to say it is really a pleasure to be with you. We need to talk about what we and the American people have so much to be proud of, a new Congress that is bringing extraordinary change.

Mr. GUTKNECHT. Mr. Speaker, I think we do want to have a little discussion about Medicare, because there is still so much distortion going on out there about what really is going to happen with Medicare.

Mr. HOKE. If the gentleman will continue to yield, Mr. Speaker, I would say my understanding that what the gentleman from Connecticut intends to do with Medicare is to cut $270 billion from Medicare over the next 7 years in order to give $280 billion in tax cuts strictly to wealthy Americans. Is that what is going on here?

Mr. SHAYS. The amazing thing is you got the Democrat story all in one sentence, and it is all wrong. There is a $240 billion tax cut. About half of it is going to families with children. These are children under 18, a $500 tax cut.

Mr. HOKE. Families with incomes under——

Mr. SHAYS. Incomes under $200,000. It may be that ultimately that number comes down, but 75 percent of all families make $75,000 or less, so 75 percent of the people who get this benefit make $75,000 or less than $75,000. Why would we want a $500 tax credit? It is quite simple.

My parents, and I am one of four boys, in the 1940's and 1950's took the equivalent deduction off their taxes of today of $8,000. In other words, they had the benefit of being able to deduct for every child in today's dollars $8,000 off their total income. That is $32,000 that they could deduct from their total income. It meant they did not have to pay taxes on $32,000.

What are families allowed today? They are allowed $2,500. Families when we were growing up only paid 20 percent in taxes, Federal, State and local. They pay 40 percent today, so our first effort is to help young families cope with what is a very difficult environment. That is part of our tax cut.

The thing I want to weigh in on is that we paid for it. We made cuts to this budget, and I know, because you and I were on the budget, and my colleagues, we have all had to vote to cut spending to pay for it. It has nothing to do with Medicare. Medicare is a separate challenge. Medicare is going bankrupt, Medicare part A. We have to save that trust fund, totally separate.

So, wrong, first, that this is a tax cut for the wealthy; wrong that it somehow, that the tax cut, is related to Medicare. Let me make one last point. The most outrageous thing is to say it is a cut of $270 billion. We spent, in the last 7 years, $900 billion. In the next 7 years we are going to spend $1.6 trillion. We are going to spend well over $600 billion more in the next 7 years than the last 7. We are going to spend now $4,800. It is going to go to $6,700 per beneficiary in the seventh year. Only in this city and where the virus has spread in other parts of the country, when you spend more money like this do people call it a cut. It is not a cut. We are slowing the growth.

Mr. HOKE. Mr. Speaker, the Democrats clearly have not understood that, in fact, in reality, we did abolish baseline budgeting, and so they are using the same language that they used before, but I think it is very helpful to actually take apart their argument, facet by facet, piece by piece, because it starts with a $270 billion cut, which is completely false. That is simply untrue. We are going from $4,800 per beneficiary per year in 1995 to $6,700 per beneficiary per year in 2002. How that can possibly be a cut under anybody's rubric, under anybody's language, other than for the purpose of trying to manipulate public opinion or trying to score political points, or simply to prevaricate and falsify the record, is beyond me.

You start with that, you start with a $270 billion cut which is not a cut, that is incorrect, and I think then we also have to talk about where is the responsibility? Why do we have any responsibility to deal with Medicare? If the program, if it is so great and it is working perfectly, why should we touch it? What are we trying to do? I think we ought to talk about that, maybe.

Mr. SCARBOROUGH. If the gentleman will continue to yield, Mr. Speaker, this is an important thing. I do not think the American people have to take the Republicans' word for it on Medicare. Again, we can go back and look what the Washington Post, which has long been a traditional ally of liberal Members of Congress up here, first of all, the Post came out a few weeks ago saying that the Democrats were really playing demagoguery with Medicare. Then they came out and said straight out that there is not a relationship between the tax cuts and the Medicare savings. Again, they said that the Democrats were, again, playing games with this.

I think what has happened with some members of the Democratic Party, and what they have done has just been absolutely shameless. We have had Members stand up here kicking and screaming, showing pictures of grandparents, saying, "The mean-spirited Republicans are going to take away their Medicare; is it not the worst thing that has happened? The locusts are going to descend from the heavens. They are going to be kicked out on the streets."

The fact of the matter is that a lot of those liberal Members who are pointing at those grandparents, saying they want to help them, are not telling the truth to them, which is again the trustees say it is going bankrupt in 7 years. Who is being more benevolent toward seniors, those who admit there is a problem, who want to go in and give seniors the flexibility they need to decide how they are going to handle their health care plan, instead of a bureaucrat in Washington, or the person who says there is absolutely nothing wrong with this system? Again, it is double-talk, it is demagoguery, and I think it is absolutely shameless.

Mr. HOKE. As the Washington Post says, it is Medigogery. I would like to make a prediction. I think this may help some people put this in context and perspective, because it is do brutally partisan here. It is very unfortunate, because so much of what you hear is put in this partisan context.

I predict when it comes down to the voting on Medicare and on the reforms that we are putting in place, and we ought to talk about some of the choices that seniors are going to have, because I think it is very important, but my prediction is that you will see 30 or 40 members of the Democratic party proudly casting aye votes in favor of the reforms that we bring to the floor.

□ 1745

Mr. SCARBOROUGH. Many now are admitting in the press that there are not going to be cuts. Senator MOYNIHAN has said there are no cuts in Medicare. We have had Members in this House come forward and say that the Democrats need to admit that the Medicare plan is not as draconian as they originally said it was, that this is a plan that works.

If we look at the PSN's, provider service networks, where we are allowing, again, free market-driven solutions, if we look at the HMO's, if we look at the medical savings account, this is a revolutionary plan. I mean, we are giving the seniors 31 years of revolution in the health care field in one act.

I have to tell my colleagues something. I will tell any senior citizen that I am proud to be a part of this process. This is an historical time.

Mr. GUTKNECHT. Exactly. If I could just reclaim my time briefly, I hate to question the motives of anyone, but sometimes I wonder. The reason that we have heard the harsh rhetoric that we have had for the last 3 or 4 months is not I think that some people fear that this reform plan is going to fail, I think they are afraid it is going to work, and that seniors are going to like it. The reason that they know it is going to work is because a lot of things that we are talking about in terms of reform are currently working in the private sector.

Mr. Speaker, we are not reinventing the wheel here. Managed care and PPO's and HMO's and medical savings accounts are currently working. We saw a report on the news the other night, I think it was NBC, who talked about where some of these programs are actually being implemented, seniors love them.

At my town meetings where we have had seniors who are already members of what is called Senior Gold out in the State of Minnesota that is sponsored by BlueCross BlueShield, they love it. I mean, where these things are actually happening, it has become very popular. I think sometimes it is not the fear that this will fail, I think it is the fear that this will succeed and that somehow, we will get the credit.

Mr. Speaker, one of my favorite Founding Fathers was John Adams, and this is one of my favorite quotes. He said, "Facts are stubborn things." We can ignore the facts and we can deny the facts, but in the end facts are facts, and the facts are that the Medicare system as it exists today is headed for bankruptcy. Another fact is we are going to be spending more money on the system in 7 years than we are spending today. Another fact is that if seniors want to stay right where they are, they can.

Mr. HOKE. May I interrupt you for a moment, because what we are calling this program is Medicare Plus, and the reason we call it Medicare Plus is that you start with Medicare, which is exactly as it is today, and then we are going to have three or four other choices that senior citizens are going to be given.

I see that we have one of our newest Members of the Republican Conference here.

Mr. GUTKNECHT. I think he is the newest.

Mr. HOKE. Mr. Speaker, does the gentleman from Louisiana [Mr. TAUZIN] want to say a word?

Mr. TAUZIN. Mr. Speakr, I sure do. I joined this revolution in full uniform and armor just a couple of months ago, but there were many conservative Democrats, as you know, that helped to make the contract a reality in this House, and in this House, and in this House in the first 100 days.

One of the reasons I think that it was such a successful 100 days, as the gentleman already pointed out, is the incredible zeal, the incredible talent of the new Members who arrived here, the new Republican freshman class, dedicated to one thing more than anything else, and that is to change the way this place works and to find solutions to American problems, rather than just to play party games all day.

I have been delighted now to have the chance to work with the new Republican majority for the last several weeks since our August break, and I have been delighted with the temper, with the incredible energy and the organization that I see still burning bright within the party to get this revolution completed.

Mr. Speaker, we have only just begun. If we cannot end this session with the real dedication of balancing the budget the way the freshmen came up here so dedicated to do, to saving Medicare from bankruptcy, and to ending welfare as we know it in America, and to building an American system of government where the government is our servant again instead of our master, then shame on us.

We have such an opportunity this year. This debate we will be entering into in the next several weeks over how to redefine the systems of health care in America is one of the key ingredients.

Now, the President himself has admitted that the Medicare system in America is ready to go bankrupt in 7 years unless we do something dramatic and immediate. The President, as the Governor of Arkansas, pleaded with the Federal Government for many years to change the system of Medicaid to make it one that worked for needy people instead of one that wasted money on mandates that just cost money, just made people work, just created an invitation to fraud and abuse. The Governor Clinton pleaded with us to do exactly what we are now recommending we do in Medicaid reform.

During the next several months, as we complete this journey toward a balanced budget, as we debate these critical questions of Medicaid and Medicare reform, and end the system of dependency on welfare in America as we have come to know it as a way of life instead of a stopping off place on the road of life, as we enter into this several months of debate, this will be our finest hour and our severest test as a party and as a people.

Mr. Speaker, I just wanted to come down today when I heard my colleagues talking, and I wanted to congratulate my colleagues and to urge that we never lose this fire. I am delighted to be a part of it and anxious to see us move on to the final victories.

Mr. SHAYS. I would love to just weigh in and just thank the gentleman for being such a catalyst when he was on the side I am on right now, and now as a new Republican, because you have been a force for many years in the very things that we have been working on. It just really is extraordinary to have the gentleman from Louisiana [Mr. TAUZIN] as part of our family, and to say to the gentleman that we have such an opportunity.

Mr. Speaker, I get up every morning and I just count my blessings for the opportunity to be a part of a Congress that is bringing about extraordinary change. There are people on this side of the aisle as well that have weighed in and have added their part, a lot of good people on this side of the aisle.

The gentleman mentioned that he believes that there are a number of Democrats who will vote ultimately for the Medicare plan. Mr. Speaker, does the gentleman know why I think so? First off, the plan that some on the democratic side have described is a plan that does not exist.

I had community meetings the last two weekends and I met some real hostility. People said, you are going to increase the copayments, you are going to have copayments. I said, no. They said, but you are going to have increased deductions for hospitals and doctors. I said, no. They said, well, you are going to increase the premium, and I said, no, the premium is going to stay at 31.5 percent, and it is going to stay at that percent, and the Federal Government's taxpayers are going to pay 68.5 percent. Then they said, oh, you are going to push everybody out of fee-for-service, our Medicare system as we know it. That is simply not true. That is another no; they can stay in that plan, but if they want, they can go to all the kinds of plans the gentleman from Ohio [Mr. HOKE] mentioned, and he mentioned three, but candidly, there are an unlimited number.

Mr. Speaker, there are certain kinds of programs, but you can have providers that come in and say, if you want a certain kind of eyeglass care or dental care or drugs, they can encourage you to leave that traditional fee-for-service.

What is so darned exciting, and the Democrats have simply not yet caught on to what is so exciting, that we are saving this plan and we are making it better.

Mr. HOKE. Mr. Speaker, the gentleman from Connecticut is absolutely right. It amazed me, that during 1 minutes this morning the gentlewoman from Connecticut specifically said, they want to know what our plan is, I will tell you what our plan is. Our plan is Medicare as it is today right now. That is our plan.

Mr. SHAYS. Plus.

Mr. HOKE. This was the gentlewoman from Connecticut, not our gentlewoman from Connecticut, the other gentlewoman from Connecticut during 1 minutes, and she was saying, very seriously, that they want to know what our plan is, the Democrat plan is, our plan is exactly what exists today.

Mr. Speaker, that is what is such a shame, because if you are a senior citizen and we actually enact this piece of legislation to reform Medicare and save it and improve it and simplify it, which I believe we will, then as a senior citizen you will be given the option of having Medicare as we know it today, if that is what you want, or Plus, and also, three large categories. As the gentleman pointed out quite correctly, there are an infinite number of options within those three large categories that are in addition to what exists today now.

Mr. TAUZIN. Mr. Speaker, one of the neatest parts about our plan is that if any citizen is unhappy with the plan they chose, they can move back.

Mr. HOKE. Just like a private citizen, just like you and I, just like somebody in the private sector. You are not going to be stuck in a 1965 plan and not have any other options or places to go.

Mr. SHAYS. However, I think the gentleman was making another point. Americans have 2 years, and during those 2 years they can go into the private plan, the Medicare Plus plan, but if you decide you do not like it, it was not what you expected, you can come right back into what exists now.

Mr. TAUZIN. Even after that 2-year period, senior citizens sign up for a year at a time, so that you choose your plan for the next year. Within that first 2-year period, you can try them all. You can see which one really meets the needs of your circumstances and which one really provides you the best medical care. You may find one where, for example, you find that your drugs are covered. You may find a plan that is better in fact because it includes some dental care that was not available in another plan you were in.

The short and sum of it is you can choose as a senior citizen when today you cannot. You have one choice only and the choice you have, the status quo, is about to go bankrupt. What kind of a choice is that?

Mr. SCARBOROUGH. That is what is so shameful about people getting up here and saying, we have a plan, and our plan is to keep Medicare the way it is. I will tell you, there is a correlation between our Medicare plan and what happened there, and also what happened with the Contract With America.

As the gentleman mentioned, some in the Democratic party came on board with us. So I think that the votes in the first 100 days, I believe abut 310 Members joined together, Republicans and Democrats alike, to pass that.

The same thing is going to happen on Medicare, because I will tell my colleagues, the gentlewoman that stood up from Connecticut this morning and said, we want to keep the Medicare status quo, we want to keep it the way it is now, we want to forget about the reforms, we want to forget about the fact that Medicare is going bankrupt in 7 years according to the Medicare trustees, is making former Governor Mario Cuomo's point for him exactly. He said on a radio talk show, the Democratic party is out of power because basically we put our head in the sands for too long; we are living in the past, we have offered no solutions.

For somebody to stand up here on the floor and with a straight face tell the senior citizens, which the gentlewoman from Connecticut was doing, that we can keep going on the same fail path that we have followed for the past few years, with the rate of growth going the way it is without any changes or any reforms whatsoever, we can keep doing it that way, is shameful. The gentlewoman from Connecticut knows, the President of the United States knows, every Member on the Democratic side of the aisle knows, that if we do that, we are selling senior citizens down the river, and it is shameful. I have a 92-year-old grandmother that I am not willing to sell down the river for political gain.

Mr. GUTKNECHT. I would like to make a couple of quick points. I think what the gentleman from Florida [Mr. SCARBOROUGH] just said is important. Many of the Members of our freshman class are baby boomers, and I think we do come here with a special responsibility. Both of my parents are on Medicare, and we have a special responsibility to our kids.

I want to come back to something that the gentleman from Louisiana [Mr. TAUZIN] made, and I think it is the heart and soul of what really is the philosophical debate, and it is the crossroads that we stand at here in the United States today. The debate about Medicare and the debate about Medicaid is really a debate between those people who fundamentally believe in Government control, and in Government decisions, and in Government bureaucracy, and between those who want to give people choices and options, who believe in freedom and in markets.

Mr. Speaker, we believe that if we get more freedom, if we get more market working out there, if we get real market forces controlling this thing, we can absolutely control the cost. It is happening in the private sector. The average cost of health care increases over the last 18 months in the private sector has been something like 1.1 percent. On the government side, when you are talking about Medicare or Medicaid, it has been over 10 percent. We believe this system is going to work, and my sense is, some people on the other side fear it is going to work.

Mr. HOKE. Mr. Speaker, could I ask a question? I want to ask the gentleman from Connecticut [Mr. SHAYS] a question, because I know that the Speaker has been following this very closely, and I know that he is very curious himself about how it is possible that we are going to go from a situation where right now we will not only offer everyone Medicare as it is today, but we will also offer a series of other choices, and yet, this is going to save money.

Now, the Speaker, listening to this, might think that there is a disconnect somewhere and it might be confusing to him to understand exactly how it is possible that we are going to actually save money doing this, and obviously I am asking for rhetorical reasons. I think it would be very helpful to spell out exactly why it is that by getting the private sector much more aggressively involved in this, we are going to squeeze the fat out.

Mr. SHAYS. Mr. Speaker, there are a lot of factors here. First, let me say when we said how are we going to save Medicare, we have four basic choices. We can increase taxes, and that is the payroll tax of 1.45 percent, and if you are self-employed, it is 2.9 percent. That is a no. We can affect the beneficiaries, we can affect the providers, or we can change the system. We are looking to change the system and allow choice and still allow people to keep the same plan if they want.

Now, how is the private sector going to step in? Well, all you need to do is just think about how the Government is running things.

□ 1800

The FAA, for instance, knew 10 years ago that we were going to have double the increase in traffic. Yet the FAA has not planned for that. So what do we have right now? We have a system that is basically shutting down. But that is the Government running it.

Medicare and Medicaid cannot tell you what hospitals have sent money, even a year later. They do not even know why it sent money. If we want to come back and find, out, they have to reconstruct it. But Home Depot can tell you at 9:30 in the morning what they sold the 2 hours before and they have already ordered——

Mr. HOKE. At every single store in the country.

Mr. SHAYS. Every single store in the country. And they have it centrally located.

The Federal Government does not do a great job of controlling costs, but it also does a terrible job in getting at waste, fraud, and abuse.

I had a hearing on waste, fraud, and abuse. The estimate was between 10 and 20 percent. Not 10. Ten is the low end of waste, fraud, and abuse. It really goes up to 20 percent.

I would love to yield to the gentleman from Louisiana [Mr. TAUZIN], an expert in this area, and tell you that we have got lots of opportunity here.

Mr. TAUZIN. We have just handled the Medicaid reforms out of the Committee on Commerce. We are going to take up the Medicare reforms on Monday. We will begin the debate. But let me tell you what the real option is, and the gentleman from Connecticut [Mr. SHAYS] has pointed it out.

The option is either fix this system, control costs, and create a better choice for Americans or else raise taxes dramatically to keep this system from bankruptcy.

Mr. SHAYS. And that is not going to happen.

Mr. TAUZIN. The status quo the gentlewoman from Connecticut was defending relies upon us deciding one day to raise taxes dramatically. That is the status quo they are defending. Liberal Democrats have no problem with that. I think most Americans do.

To raise the payroll tax sufficient to keep this system out of bankruptcy, we are told, will require a doubling of the payroll tax payments of working Americans by the year 2040. That is how immense the problem is if we do not cure it today. That is their solution.

You try to explain that to working Americans who can barely get by on the paycheck today, we are going to double their payroll taxes. That is not going to work. What will work is a system of choice and reform in the Medicare system so that seniors can take advantage of what you and I can take advantage of today, choosing plans that work better for us in a system where cost does count and people are interested in efficiencies and better treatment.

I saw an NBC program that centered on a program in Arizona where citizens have the choice there to go to HMO's. They showed some senior citizens telling their story, about how much better care they were getting and how much better treatment they were getting and how much better their lives were under an HMO. They showed New Jersey where Medisave accounts were being used and how citizens there were saying how much it saved them money and really improved their health care system.

Those are just two of the options our Medicare proposal will allow seniors in America.

Mr. HOKE. Is the real key to this not choice, giving our senior citizens the choices that we have in the Government, that people in the private sector have got?

Mr. GUTKNECHT. It goes deeper than that. It is not just choice. It is about markets and it is about competition.

We saw this, and part of the reason the Soviet Union ultimately collapsed, and the Wall Street Journal ran such a beautiful editorial shortly after that. I think the headline was "Markets Are More Powerful Than Armies."

What we saw on the other side of the world was that if you have a monopolistic system where the Government controls, you have enormous inefficiencies.

The gentleman from Connecticut [Mr. SHAYS] talked about the FAA. They are the largest buyer of vacuum tubes in the world.

Mr. SHAYS. Vacuum tubes? Do they still make vacuum tubes?

Mr. GUTKNECHT. Not in the United States. We have to buy them from Czechoslovakia.

You have probably seen the Speaker carries around one of those vacuum tubes that the FAA buys.

Mr. SHAYS. I am flying home tonight. You are telling me it is vacuum tubes?

Mr. GUTKNECHT. I am telling you this technology was developed in 1955. That is what you are going to fly home on. The telephone companies route millions of calls using computers, and they do it without even thinking about it. Yet we are using vacuum tubes. The Speaker carries one around.

That is the difference between a Government-controlled system and a market system. Competition makes them fund efficiencies. We can find those efficiencies if we allow markets to work.

Mr. TAUZIN. If I can, I want to go back, cross over from Medicare to Medicaid again.

I want to remind you all that something happens when you get to Washington that changes you somehow. I hope the freshmen really have a great success in changing the way this place works.

When Bill Clinton was Governor of Arkansas, he understood that government mandates, government command, control, all these strings we tie to these programs simply create inefficiencies, paperwork, fraud, abuse, and all kinds of things. He begged the Congress for several years, "Please get rid of those mandates, send us the money in a block grant, let us run our program in the State of Arkansas, we'll all be better off."

Guess what we are proposing? We are proposing to do exactly that, to send Medicaid moneys at a 4.9-percent growth rate per year for 7 years. We are planning on sending that to the Stats just as Bill Clinton pled with us to do, without all the strings, with the simple requirement that the plans they submit to carry it out have the same protections for seniors and for poor people that the current Medicaid system does.

So what are we doing? We are proposing to do what Bill Clinton wanted to do as Governor. Why on Earth is he opposing it as a President now? Did something happen? Did he drink some water here in the Potomac that changed his mind? I do not know, I do know this. For people to believe that there is a monopoly on caring hearts and intelligent minds in Washington bureaucrats and there are no people at home with caring hearts and intelligent minds, capable of better running these programs is to believe something I have not heard in my district and my State in a long time.

The truth is if we do what Bill Clinton wanted as Governor and create these programs with incentives and lack of mandates for people at home to deliver these services the way folks at home know how to deliver them, we are going to be in much better shape. And if we recreate Medicare so that seniors have the kinds of real choices that most other Americans have, they will have better care.

If they do not like the new plan, they can stay in the Medicare system as it is. We will make sure it is well-funded. But if they want to go to something better, they will have that choice just like other citizens. Is that not the kindest thing we can do to folks we love who are senior citizens today?

Mr. SHAYS. That is well said.

I was thinking as we were talking, making reference to people on the other side of the aisle, candidly that is not usually my way of feeling comfortable because there are a lot of good people on this side of the aisle who have made a contribution.

I think part of it is the frustration of here we have a plan that we think is so good and we are willing to debate it on the ideas. In other words, if you do not think there should be the private sector, if you do not think people should have choice or you do not like the kinds of choices, debate it on that. But do not tell my constituents that there is going to be a co-payment, that there is going to be a deduction. Do not go into nursing homes and tell everybody that they are not going to be able to live here next year.

It brings out a side of you that you would just as soon not get into. I just want to make this point to you. One of the constructive arguments that people on this side of the aisle were making was, hey, we should see this bill, it should have the light of day and so on. We had a conversation with our Speaker and he totally agreed. Ideas win. We have every reason to be proud of this plan.

So this plan has come out in full detail today, the legislation. It will be introduced to the committee but not voted on next week, in Commerce, I believe. Members will be free not to be here. They can study it every day. This bill will be debated on in committee and Democrats who have ideas to improve this plan, not just criticize it but to improve it, will make a wonderful contribution, because we are listening. If we can make this plan better, we are going to do it.

Mr. GUTKNECHT. I think you have highlighted something very important. It really was not, I do not think, our leadership that tried to turn this into a partisan issue.

I think everyone would be happier, I know the senior citizens of the United States would be far happier if we could debate this more rationally rather than some of the harsh rhetoric that we have heard. It has been turned into a partisan issue. I think that is incredibly unfortunate particularly for the senior citizens because sometimes they wonder what really should they believe. That is why I made the point earlier about the facts are stubborn things. If they would just look at and study the facts, look at the options they are going to have, I think we could solve this problem, and it would be far better if it were on a bipartisan basis.

Mr. TAUZIN. Let me just point out that we do not need fistfights in the hall, and shouting matches in the hall. American seniors do not need to be scared to death about this stuff. We need to debate it as adults. They would like to see us have that open debate as adults, trying to find rational solutions to a system about to go bankrupt. The last thing we need to see ever again is another picture of people shouting at each other in the hall. This is not a partisan issue. This is about mothers and fathers and grandfathers and grandmothers and about the working Americans who try desperately to try to earn a payroll enough to support them in their senior years.

This is a good debate for us to have and we ought to have it as adults. Americans want to see that. They want to see us start acting like Americans once in a while who want to save this country instead of as partisans fighting in the hallway.

Mr. SHAYS. I think they saw that in the vote on the temporary continuing resolution. The Government would have stopped being funded at the end of this month. What is that, tomorrow? In fact, we were able to get together and extend on a temporary basis at 90 to 95 percent of funding so we are not adding new money, we are putting in less money into the plan, giving ourselves 6 more weeks to have a dialog among Republicans and Democrats. We have a debt ceiling question. I am not voting to increase the debt ceiling, but I am going to vote for increasing the debt ceiling when this President weights in on a 7-year budget, then the President decides with us where we make our changes in programs, where we cut, where we slow the growth, we participated on a bipartisan basis.

But we are going to get that budget balanced in 7 years, we are going to save Medicare, and we are also going to transform this social and corporate welfare state into an opportunity society. We are going to do that, and I think we can do it on a bipartisan basis.

Mr. TAUZIN. For those who complain that this has not been an open process, let me assure you, I have never seen a more open Congress than this one. We have had more bills come in under an open rule, more discussion on this floor than I have ever seen in all my career here.

I do not know if you know it, but in the last three Congresses there were seven hearings on Medicaid. In this Congress we have already had seven hearings on Medicaid, as many hearings as three Congresses combined. We need to debate this in the light of day indeed, and we are doing that, and I have never seen more open discussion in all my years. This is a subject every senior has a great interest in, every working American, and we all ought to share in that debate again as we have proposed in the end. We will come up with some answers for America, not just for one party or the other.

Mr. GUTKNECHT. I would like to also interject that the whole issue of Medicare, people who think that we have not had enough public hearings or discussions, in my own case I have had 33 town meetings. At every one of those town meetings we have talked about Medicare and some of the ideas we are considering. So I do not think anyone is going to be surprised when they read some of the details that are going to be in this plan because we have had something like 36 hearings on the issue, of various committees on the issue of Medicare.

This is not something we are going to sneak up on the American people, particularly on the senior citizens. I think by the time this bill is signed by the President, I think everybody in the United States will have a very thorough understanding of what we are talking about and frankly I think it will enjoy widespread public support as well.

Mr. HOKE. The reality is, and I think it is good to hear this from different perspectives. The reality is that there is actually a schism within the Democratic Party, as well, as to how to use or how to deal with this issue.

Some people believe it ought to be used strictly for political purposes, and that is a voice that we hear a great deal more of on the floor. There are an awful lot of others who also believe that it ought to be dealt with in a responsible way and those are the voices that are being heard in committee and that are really working on the problem. I suppose it is a reflection of politics, but it is absolutely true and unfortunate in this situation that it is easy, at least it is perceived to be something that is easy to scare seniors with and to scare them into believing that somehow they will not be able to have the same kind of quality care that they deserve and expect and must have.

It is pretty clear, I hope it is clear at least that our commitment is to preserving, to protecting, to improving and finally frankly to simplifying this system so that it becomes easier for seniors to use and it brings them into the 1990's as well, and to join the rest of the country.

Mr. GUTKNECHT. We have one of our fellow freshmen, the gentleman from California [Mr. BILBRAY], joining us. I would like to offer to yield to him for a few moments.

Mr. BILBRAY. I think one of the sad things about this Mediscare tactic is that the people that are trying to pull this off, the old establishment in Washington that cannot cope with the fact that it is time to move upward and onward to improve on the past and not allow the old systems to just collapse after 37 years. But I think what they really miss here with the Mediscare is that as the seniors find out about this problem, as they are being educated about this problem, their credibility and the credibility of the Washington establishment is slowly but surely crumbling more and more with this big lie that is going out there.

I have advertisements running in my district attacking me on certain positions and they have not even taken the decency to check my vote. My colleague from Louisiana knows, because he serves on the Committee on Commerce with me that are working on this bill that the facts that we know and the facts that we are explaining to our seniors are nothing like the big lies that the Mediscare advertisements are saying out there. That, they really feel, will win them points. The seniors know what is going on. They are very sophisticated.

I am getting 80 percent of my calls coming in saying, "We don't believe these Mediscare tactics, keep going." I hope that the colleagues who are on the other side of the aisle who think that Mediscare will benefit them, it is destroying what little credibility that this town has left.

□ 1815

We need to shoot straight and be up front with the public, and I think this is a classic example where they are saying what sounds good right now to scare people, and the more people are learning, the more they are saying it is the same old garbage from Washington, "They are trying to manipulate us and scare us so they can maintain their power base they have always had."

And at what cost? I mean, how many of us as a consumer would accept a product being sold to us three times more expensive every year than the rate of inflation?

I do not care even if the system was not crashing, as the President's trustees say, if we could not manage a program, and I say this as someone who managed local government for 20 years, if we cannot manage a program with the cost increasing twice the rate of inflation, if the Democrats and Republicans cannot manage a health care program twice the rate of inflation, then none of us should be here. We should all go home and let the seniors run it.

Mr. SHAYS. I have waited 20 years for the opportunity we have. I was a State legislator. I saw the Congress deficit spend. I served here 8 years. The gentleman from Louisiana [Mr. TAUZIN] has been here much longer. We have an incredible opportunity to get our financial house in order, balance the budget, save Medicare and some of our other trust funds and change our corporate and social welfare state into an opportunity for society. This chance is here. It can happen on a bipartisan basis.

Mr. GUTKNECHT. I thank everyone for participating. We are making huge differences. It started with the Shays act on the first night. We are going to balance the budget, we are going to save Medicare. We are going to change welfare as we know it. We are going to keep a lot of the promises, actually, the President made when he was campaigning last time.

PROVIDING FOR ADJOURNMENT OF THE HOUSE AND RECESS OR ADJOURNMENT OF THE SENATE FROM FRIDAY, SEPTEMBER 29, 1995, TO FRIDAY, OCTOBER 6, 1995

Mr. SHAYS. Mr. Speaker, I offer a privileged concurrent resolution (H. Con. Res. 104) and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 104

Resolved by the House of Representatives (the Senate concurring), That when the House adjourns on the legislative day of Friday, September 29, 1995, it stand adjourned until 10 a.m. on Friday, October 6, 1995, or until noon on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first; and that when the Senate recesses or adjourns on any day beginning with Friday, September 29, 1995, through Friday, October 6, 1995, pursuant to a motion made by the Majority Leader or his designee in accordance with this resolution, it stand recessed or adjourned until noon on Tuesday, October 10, 1995, or until such time on that day as may be specified by the Majority Leader or his designee in the motion to recess or adjourn, or until noon on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first.

SEC. 2. The Speaker of the House and the Majority Leader of the Senate, acting jointly after consultation with the Minority Leader of the House and the Minority Leader of the Senate, shall notify the Members of the House and the Senate, respectively, to reassemble whenever, in their opinion, the public interest shall warrant it.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

GRANTING MEMBERS OF HOUSE PRIVILEGE TO EXTEND REMARKS AND INCLUDE EXTRANEOUS MATERIAL IN CONGRESSIONAL RECORD FOR LEGISLATIVE DAY OF FRIDAY, SEPTEMBER 29, 1995

Mr. SHAYS. Mr. Speaker, I ask unanimous consent that for the legislative day of Friday, September 29, 1995, all Members be permitted to extend their remarks and to include extraneous material in that section of the RECORD entitled "Extension of Remarks".

The SPEAKER pro tempore (Mr. EVERETT). Is there objection to the request of the gentleman from Connecticut?

There was no objection.

AUTHORIZING THE SPEAKER AND MINORITY LEADER TO ACCEPT RESIGNATIONS AND MAKE APPOINTMENTS NOTWITHSTANDING ADJOURNMENT

Mr. SHAYS. Mr. Speaker, I ask unanimous consent that notwithstanding any adjournment of the House until Tuesday, October 10, 1995, the Speaker and the minority leader be authorized to accept resignations and to make appointments authorized by law or by the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

HOUR OF MEETING ON TUESDAY, OCTOBER 10, 1995

Mr. SHAYS. Mr. Speaker, I ask unanimous consent that when the House adjourns on Friday, October 6, 1995, it adjourn to meet at 12:30 p.m. on Tuesday, October 10, 1995, for morning hour debates.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

HOUR OF MEETING ON WEDNESDAY, OCTOBER 11, 1995

Mr. SHAYS. Mr. Speaker, I ask unanimous consent that when the House adjourns on Tuesday, October 10, 1995, it adjourn to meet at 8 a.m. on Wednesday, October 11.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

AUTHORIZING THE SPEAKER TO DECLARE RECESSES AT ANY TIME ON WEDNESDAY, OCTOBER 11, 1995

Mr. SHAYS. Mr. Speaker, I ask unanimous consent that it may be in order for the Speaker to declare recesses at any time on Wednesday, October 11, 1995, for the purpose of a joint meeting to commemorate the 50th anniversary of World War II.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY, OCTOBER 11, 1995

Mr. SHAYS. Mr. Speaker, I ask unanimous consent that the business in order under the calendar Wednesday rule be dispensed with on Wednesday, October 11, 1995.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

SCHEDULING OF VOTES ON TUESDAY, OCTOBER 10, 1995, AND WEDNESDAY, OCTOBER 11, 1995

(Mr. SHAYS asked and was given permission to address the House for 1 minute.)

Mr. SHAYS. Mr. Speaker, the majority leader has stated Members should not expect any recorded votes until Wednesday, October 11. Any votes ordered on Tuesday, October 10, will be postponed until Wednesday, October 11.

DESIGNATION OF HON. CONSTANCE A. MORELLA TO ACT AS SPEAKER PRO TEMPORE TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS THROUGH OCTOBER 10, 1995

The SPEAKER pro tempore laid before the House the following communication from the Speaker of the House:

WASHINGTON, DC,
September 29, 1995.

I hereby designate the Honorable CONSTANCE A. MORELLA to act as Speaker pro tempore to sign enrolled bills and joint resolutions through October 10, 1995.

NEWT GINGRICH,
Speaker of the House of Representatives.

APPOINTMENT OF ADDITIONAL CONFEREE ON H.R. 4, PERSONAL RESPONSIBILITY ACT OF 1995

The SPEAKER pro tempore. Without objection, the gentleman from Missouri [Mr. EMERSON] is appointed as an additional conferee on the bill (H.R. 4) to restore the American family, reduce illegitimacy, control welfare spending, and reduce welfare dependence.

There was no objection.

The SPEAKER pro tempore. The Clerk will notify the Senate of the change in conferees.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12, rule I, the Chair declares the House in recess subject to the call of the Chair.

Accordingly (at 6 o'clock and 21 minutes p.m.), the House stood in recess subject to the call of the Chair.

□ 1925

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore [Mr. EVERETT] at 7 o'clock and 25 minutes p.m.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed a bill, a joint resolution, and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

H.R. 2404. An act to extend authorities under the Middle East Peace Facilitation Act of 1994 until November 1, 1995, and for other purposes;

H.J. Res. 108. Joint resolution making continuing appropriations for the fiscal year 1996, and for other purposes; and

H. Con. Res. 104. Concurrent resolution providing for an adjournment of the two Houses.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. FROST (at the request of Mr. GEPHARDT), for today, on account of illness.

Mr. TEJEDA (at the request of Mr. GEPHARDT), after 3 p.m., Thursday, September 28, and for the balance of the week, on account of family business.

Mrs. COLLINS of Illinois (at the request of Mr. GEPHARDT), for today, on account of attending a funeral in Chicago.

Mr. WALKER (at the request of Mr. ARMEY), for today, on account of a death in the family.

Mr. MCHUGH (at the request of Mr. ARMEY), for today, on account of attending the official closure ceremony of the Plattsburgh Air Force Base in Plattsburgh, NY.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. PASTOR) to revise and extend their remarks and include extraneous material:)

Ms. KAPTUR, for 5 minutes, today.

Mr. SKAGGS, for 5 minutes, today.

Mr. OWENS, for 5 minutes, today.

Mrs. SCHROEDER, for 5 minutes, today.

Mr. DOGGETT, for 5 minutes, today.

(The following Members (at the request of Mr. HILLEARY) to revise and extend their remarks and include extraneous material:)

Mr. DELAY, for 5 minutes, today.

Mr. HILLEARY, for 5 minutes, today.

Mr. MCINTOSH, for 5 minutes, today.

Mr. TATE, for 5 minutes, today.

Mr. RIGGS, for 5 minutes, today.

Mr. HOKE, for 5 minutes, today.

(The following Member (at her own request) to revise and extend her remarks and include extraneous material:)

Ms. SLAUGHTER, for 5 minutes, today.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 144. An act to amend section 526 of title 28, United States Code, to authorize awards of attorney's fees; to the Committee on the Judiciary.

S. 531. An act to authorize a circuit judge who has taken part in an en banc hearing of a case to continue to participate in that case after taking senior status, and for other purposes; to the Committee on the Judiciary.

S. 977. An act to correct certain references in the Bankruptcy Code; to the Committee on the Judiciary.

S. 1147. An act to extend and reauthorize the Defense Production Act of 1950, and for other purposes; to the Committee on Banking and Finance.

ENROLLED BILLS SIGNED

Mr. THOMAS, from the Committee on House Oversight, reported that that committee had examined and found truly enrolled a bill and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 2399. An act to amend the Truth in Lending Act to clarify the intent of such Act and to reduce burdensome regulatory requirements on creditors; and

H.J. Res. 108. Joint resolution making continuing appropriations for the fiscal year 1996, and for other purposes.

ADJOURNMENT

Mr. SHAYS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

The SPEAKER pro tempore. Pursuant to the provisions of House Concurrent Resolution 104, 104th Congress, the House stands adjourned until 10 a.m. on Friday, October 6, 1995.

Thereupon (at 7 o'clock and 26 minutes p.m.), pursuant to House Concurrent Resolution 104, the House adjourned until Friday, October 6, 1995, at 10 a.m.

NOTICE OF PROPOSED RULEMAKING

U.S. CONGRESS,
OFFICE OF COMPLIANCE,
Washington, DC, September 22, 1995.

Hon. NEWT GINGRICH,
Speaker of the House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: Pursuant to Section 304(b) of the Congressional Accountability Act of 1995 (2 U.S.C. §1384(b)), I am transmitting on behalf of the Board of Directors the enclosed notice of proposed rulemaking for publication in the Congressional Record. The notice contains the recommendation of the Executive Director which the Board has approved regarding the Employee Polygraph Protection Act of 1988 and its applicability to the Capitol Police under the Congressional Accountability Act. The Congressional Accountability Act specifies that the enclosed notice be published on the first day on which both Houses are in session following this transmittal.

Sincerely,

GLEN D. NAGER,
Chair of the Board.

OFFICE OF COMPLIANCE

The Congressional Accountability Act of 1995: Extension of Rights and Protections Under the Employee Polygraph Protection Act of 1988.

NOTICE OF PROPOSED RULEMAKING

Summary: This document contains proposed regulations authorizing the Capitol Police to use lie detector tests under Section 204(a)(3) and (c) of the Congressional Accountability Act of 1995 ("CAA"), P.L. 104-1. The proposed regulations set forth the recommendations of the Executive Director, Office of Compliance as approved by the Board of Directors, Office of Compliance.

The CAA applies the rights and protections of eleven federal labor and employment law statutes to covered employees and employing offices within the legislative branch.

Section 204 extends the rights and protections of the Employee Polygraph Protection Act of 1988 [29 U.S.C. §§2201, et seq.] to covered employees and employing offices. The provisions of section 204 are effective January 23, 1996, one year after the effective date of the CAA.

The purpose of this proposed regulation is to authorize the Capitol Police to use lie detector tests with respect to its own employees.

Dates: Comments are due on or before 30 days after the date of publication of this notice in the Congressional Record.

Addresses: Submit written comments (an original and 10 copies) to the Chair of the Board of Directors, Office of Compliance, Room LA 200, Library of Congress, Washington, D.C. 20540–1999. Those wishing to receive notification of receipt of comments are requested to include a self-addressed, stamped post card. Comments may also be transmitted by facsimile ("FAX") machine to (202) 252–3115. This is not a toll-free call. Copies of comments submitted by the public will be available for review at the Law Library Reading Room, Room LM–201, Law Library of Congress, James Madison Memorial Building, Washington, D.C., Monday through Friday, between the hours of 9:30 a.m. and 4:00 p.m.

For Further Information Contact: Executive Director, Office of Compliance at (202) 252–3100. This notice is also available in the following formats: large print, braille, audio tape, and electronic file on computer disk. Requests for this notice in an alternative format should be made to Mr. Russell Jackson, Director, Service Department, Office of the Sergeant at Arms and Doorkeeper of the Senate, (202) 244–2705.

Supplementary Information:

Background and Summary

The Congressional Accountability Act of 1995 ("CAA") was enacted into law on January 23, 1995. In general, the CAA applies the rights and protections of eleven federal labor and employment law statutes to covered employees and employing offices within the legislative branch. Section 204(a) and (b) of the CAA applies the rights and protections of the Employee Polygraph Protection Act of 1988, 29 U.S.C. §2001, et seq. ("EPPA") to covered employees and employing offices. Section 204(c) authorizes the Board of Directors of the Office of Compliance ("Board") established under the CAA to issue regulations implementing the section. Section 204(c) further states that such regulations "shall be the same as substantive regulations issued by the Secretary of Labor to implement the statutory provisions referred to in subsections (a) and (b) except insofar as the Board may determine, for good cause shown and stated together with the regulation, that a modification of such regulations would be more effective for the implementation of the rights and protections under this section." Section 204(a)(3) provides that nothing in this section shall preclude the Capitol Police from using lie detector tests in accordance with regulations issued under section 204(c) of the CAA.

The Capitol Police is the primary law enforcement agency of the legislative branch. The proposed regulations would provide the Capitol Police with specific authorization to use lie detector tests. The limitations on the exclusion of the proposed regulation are derived from the Secretary of Labor's regulation implementing the exclusion for public sector employers under Section 7(a) of the EPPA (29 C.F.R. §801.10(d)), which limits the exclusion to the entity's own employees.

The Board issues concurrently with this proposed regulation a separate Advance Notice of Proposed Rulemaking which invites comment regarding a number of other regulatory issues, including what regulations, if any, the Board should issue to implement the remainder of Section 204.

Proposed Regulation

Exclusion for employees of the Capitol Police. None of the limitations on the use of lie detector tests by employing offices set forth in Section 204 of the CAA apply to the Capitol Police. This exclusion from the limitations of Section 204 of the CAA applies only with respect to Capitol Police employees. Except as otherwise provided by law or these regulations, this exclusion does not extend to contractors or nongovernmental agents of the Capitol Police, nor does it extend to the Capitol Police with respect to employees of a private employer or an otherwise covered employing office with which the Capitol Police has a contractual or other business relationship.

Recommended Method of Approval

The Board recommends that this regulation be approved by concurrent resolution in light of the nature of the work performed by the Capitol Police and the fact that neither the House of Representatives nor the Senate has exclusive responsibility for the Capitol Police.

Signed at Washington, D.C., on this 27th day of September, 1995.

GLEN D. NAGER,
Chair of the Board,
Office of Compliance.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1477. A letter from the Chairman, Federal Housing Finance Board, transmitting the Board's annual report on the low-income housing and community development activities of the Federal Home Loan Bank System for 1994, pursuant to 12 U.S.C. 1430(j)(12)(A); to the Committee on Banking and Financial Services.

1478. A letter from the Chairman, National Credit Union Administration, transmitting the Administration's report to Congress on flood insurance compliance by insured credit unions, pursuant to section 529(e)(2) of the Riegle Community Development and Regulatory Improvement Act of 1994; to the Committee on Banking and Financial Services.

1479. A letter from the Director of Communications and Legislative Affairs, Equal Employment Opportunity Commission, transmitting the Commission's annual report for fiscal year 1993, pursuant to 42 U.S.C. 2000e–4(e); to the Committee on Economic and Educational Opportunities.

1480. A letter from the Auditor, District of Columbia, transmitting a copy of a report entitled, "Financial Review of the District of Columbia's Drug Asset Forfeiture Program," pursuant to D.C. Code, section 47–117(d); to the Committee on Government Reform and Oversight.

1481. A letter from the Chair of the Board, Office of Compliance, transmitting notice of proposed rulemaking for publication in the CONGRESSIONAL RECORD, pursuant to Public Law 104–1, section 304(b)(1) (109 Stat. 29); to the Committee on House Oversight.

1482. A letter from the Administrator, Environmental Protection Agency, transmitting a copy of a report entitled, "Federal Field Work Group [FFWG] Report to Congress on Alaska Rural Sanitation"; to the Committee on Transportation and Infrastructure.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. YOUNG of Alaska: Committee on Resources. H.R. 1815. A bill to authorize appropriations for the National Oceanic and Atmospheric Administration for fiscal year 1996, and for other purposes; with an amendment (Rept. 104–237 Pt. 2). Referred to the Committee of the Whole House on the State of the Union.

Mr. QUILLEN: Committee on Rules. House Resolution 234. Resolution providing for consideration of the bill (H.R. 2405) to authorize appropriations for fiscal years 1996 and 1997 for civilian science activities of the Federal Government, and for other purposes (Rept. 104–270). Referred to the House Calendar.

Mr. LINDER: Committee on Rules. House Resolution 235. Resolution waiving points of order against the conference report to accompany the bill (H.R. 1976) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and related agencies programs for the fiscal year ending September 30, 1996, and for other purposes (Rept. 104–271). Referred to the House Calendar.

Mr. MCCOLLUM: Committee on the Judiciary. H.R. 2259. A bill to disapprove certain sentencing guideline amendments (Rept. 104–272). Referred to the Committee of the Whole House on the State of the Union.

TIME LIMITATION OF REFERRED BILL

Pursuant to clause 5 of rule X the following action was taken by the Speaker.

H.R. 1816. Referral to the Committee on Commerce extended for a period ending not later than November 1, 1995.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ARCHER (for himself, Mr. BLILEY, Mr. BILIRAKIS, Mr. THOMAS, Mr. HYDE, Mr. GREENWOOD, Mr. HASTERT, Mrs. JOHNSON of Connecticut, and Mr. MCCRERY):

H.R. 2425. A bill to amend title XVIII of the Social Security Act to preserve and reform the Medicare Program; to the Committee on Ways and Means, and in addition to the Committees on Commerce, the Judiciary, and Rules, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. GEPHARDT (for himself and Mr. TALENT):

H.R. 2426. A bill to amend the Tariff Act of 1930 with respect to the marking of door hinges; to the Committee on Ways and Means.

By Mr. ANDREWS:

H.R. 2427. A bill to amend the Public Health Service Act with respect to the participation of the public in governmental decisions regarding the location of group homes established pursuant to the program of block grants for the prevention and treatment of substance abuse; to the Committee on Commerce.

By Ms. DANNER:

H.R. 2428. A bill to encourage the donation of food and grocery products to nonprofit organizations for distribution to needy individuals by giving the Model Good Samaritan Food Donation Act the full force and effect of law; to the Committee on Economic and Educational Opportunities.

By Mr. FARR (for himself, Mr. GILCHREST, Mr. OLVER, Mr. HOLDEN, Mrs. MORELLA, Mr. GEJDENSON, Mr. ROSE, Mr. FAZIO of California, Mr. CONDIT, Mr. DOOLEY, Mr. SAXTON, and Mr. LOBIONDO):

H.R. 2429. A bill to amend the Farms for the Future Act of 1990 to provide agricultural producers, in cooperation with States and local governments, financially competitive options for maintaining farmland in agricultural production; to the Committee on Agriculture.

By Mr. FRANKS of Connecticut:

H.R. 2430. A bill to amend the Federal Election Campaign Act of 1971 to require that candidates for the House of Representatives receive at least half of their campaign contributions from individuals; to the Committee on House Oversight.

H.R. 2431. A bill to amend the Internal Revenue Code of 1986 to permit loans from individual retirement plans for certain first-time homebuyer, education, and medical emergency expenses; to the Committee on Ways and Means.

H.R. 2432. A bill to amend the Internal Revenue Code of 1986 to require State unemployment insurance laws to establish a system under which workers may purchase insurance to cover the costs of health insurance during periods of unemployment; to the Committee on Ways and Means.

By Mr. GOODLING:

H.R. 2433. A bill to authorize the Secretary of Agriculture to regulate the commercial transportation of horses for slaughter, and for other purposes; to the Committee on Agriculture.

By Mr. SAM JOHNSON (for himself and Mr. CARDIN):

H.R. 2434. A bill to amend the Internal Revenue Code of 1986 to restore the deduction for lobbying expenses in connection with State legislation; to the Committee on Ways and Means.

By Mrs. KELLY (for herself, Mr. BARTLETT of Maryland, Mr. BOEHLERT, Mr. BROWNBACK, Mr. CHABOT, Mr. CHRYSLER, Mr. COX, Mr. DUNCAN, Mr. FORBES, Mr. FOX, Mr. FUNDERBURK, Mr. HASTINGS of Florida, Mr. SAM JOHNSON, Mr. KENNEDY of Massachusetts, Mr. LATOURETTE, Ms. LOFGREN, Mr. LONGLEY, Mr. MCINTOSH, Mr. MANZULLO, Mr. METCALF, Mrs. MEYERS of Kansas, Ms. MOLINARI, Ms. PRYCE, Mr. SALMON, Mr. SOUDER, Mrs. WALDHOLTZ, Mr. WARD, and Mr. WELLER):

H.R. 2435. A bill to amend the Internal Revenue Code of 1986 to increase the deduction for health insurance costs of self-employed individuals to 100 percent of such costs; to the Committee on Ways and Means.

By Mr. LIPINSKI:

H.R. 2436. A bill to provide for adjustment of immigration status for certain Polish and Hungarian parolees; to the Committee on the Judiciary.

By Mr. MCINNIS:

H.R. 2437. A bill to provide for the exchange of certain lands in Gilpin County, CO; to the Committee on Resources.

H.R. 2438. A bill to provide for the conveyance of lands to certain individuals in Gunnison County, CO, and for other purposes; to the Committee on Resources.

By Mr. MCCOLLUM (for himself and Mr. MICA):

H.R. 2439. A bill to facilitate the establishment of State infrastructure banks to finance certain transportation projects, and for other purposes; to the Committee on Transportation and Infrastructure.

By Mr. MINGE (for himself, Mr. PETERSON of Minnesota, Mr. HAYES, Mr. LINCOLN, and Mr. TAUZIN):

H.R. 2440. A bill to amend the Emergency Planning and Community Right-to-Know Act of 1986 and the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to modify certain notice requirements, and for other purposes; to the Committee on Commerce, and in addition to the Committee on Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. MOORHEAD (for himself, Mrs. SCHROEDER, and Mr. COBLE):

H.R. 2441. A bill to amend title 17, United States Code, to adapt the copyright law to the digital, networked environment of the national information infrastructure, and for other purposes; to the Committee on the Judiciary.

By Mr. PASTOR:

H.R. 2442. A bill to require the Secretary of Defense to conduct a demonstration project to provide covered beneficiaries under the military health care system with the option to enroll in the Federal Employees Health Benefits Program; to the Committee on National Security, and in addition to the Committee on Government Reform and Oversight, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. PAXON (for himself, Mr. FRISA, Mr. MANTON, Mr. TOWNS, Mr. SOLOMON, Mr. HOUGHTON, Mrs. KELLY, Mr. BOEHLERT, Mr. KING, Mr. ACKERMAN, Mr. SCHUMER, Mr. ENGEL, Mrs. MALONEY, Mr. PALLONE, Mr. LAZIO of New York, Ms. MOLINARI, Mr. MCHUGH, Mr. SERRANO, Mr. HASTERT, Mr. WALSH, and Mrs. ROUKEMA):

H.R. 2443. A bill to amend subtitle D of the Solid Waste Disposal Act, and for other purposes; to the Committee on Commerce.

By Mr. SAXTON:

H.R. 2444. A bill to reauthorize and amend the Endangered Species Act of 1973; to the Committee on Resources.

By Mr. SAXTON (for himself, Mr. EWING, Mr. MCCOLLUM, and Mr. THORNBERRY):

H.R. 2445. A bill to require Board of Governors of the Federal Reserve System to focus on price stability in establishing monetary policy to ensure the stable, long-term purchasing power of the currency, to repeal the Full Employment and Balanced Growth Act of 1978, and for other purposes; to the Committee on Banking and Financial Services, and in addition to the Committees on Economic and Educational Opportunities, and the Budget, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SMITH of Michigan (for himself, Mrs. SMITH of Washington, and Mr. WAMP):

H.R. 2446. A bill to amend the Federal Election Campaign Act of 1971 to reduce the influence of multicandidate political committees in elections for Federal office; to the Committee on House Oversight.

By Mr. TORKILDSEN (for himself, Mr. SANFORD, Mr. GREENWOOD, Mr. HORN, and Mr. INGLIS of South Carolina):

H.R. 2447. A bill to amend the Federal Election Campaign Act of 1971 to prohibit nonparty multicandidate political committees from making contributions to candidates in congressional elections; to the Committee on House Oversight.

By Mr. TRAFICANT:

H.R. 2448. A bill to direct the Secretary of Transportation to make grants for the construction of the Great Lakes International Air Cargo Superport at Youngstown Warren Regional Airport in Vienna, OH; to the Committee on Transportation and Infrastructure.

H.R. 2449. A bill to amend title 49, United States Code, to provide funding for air cargo jetports; to the Committee on Transportation and Infrastructure.

H.R. 2450. A bill to amend the Internal Revenue Code of 1986 to place the burden of proof on the Secretary of the Treasury in civil cases and on the taxpayer in administrative proceedings, to require 30 days notice and judicial consent before lien or seizure, to increase the limit on recovery of civil damages for unauthorized collection actions and exclude such damages from income, and for other purposes; to the Committee on Ways and Means.

By Mr. YOUNG of Alaska (for himself and Ms. DUNN of Washington):

H.R. 2451. A bill to amend the Internal Revenue Code of 1986 to provide that meals provided at remote fish processing facilities shall be exempt from the limitation on the deduction for meals; to the Committee on Ways and Means.

By Mr. LIVINGSTON (for himself, Mr. MINETA, and Mr. SAM JOHNSON of Texas):

H.J. Res. 110. Joint Resolution providing for the appointment of Howard H. Baker, Jr., as a citizen regent of the Board of Regents of the Smithsonian Institution; to the Committee on House Oversight.

H.J. Res. 111. Joint resolution providing for the appointment of Anne D'Harnoncourt as a citizen regent of the Board of Regents of the Smithsonian Institution; to the Committee on House Oversight.

H.J. Res. 112. Joint resolution providing for the appointment of Louis Gerstner as a citizen regent of the Board of Regents of the Smithsonian Institution; to the Committee on House Oversight.

By Mr. SHAYS:

H. Con. Res. 104. Concurrent resolution providing for an adjournment of the two Houses; considered and agreed to.

By Mr. BARCIA of Michigan:

H. Con. Res. 105. Concurrent resolution expressing the sense of the Congress that States should work more aggressively to attack the problem of violent crimes committed by repeat offenders and criminals serving abbreviated sentences; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 65: Mr. FORBES, Mr. LANTOS, and Mr. EHRLICH.

H.R. 103: Mr. PETRI and Mr. HANSEN.

H.R. 303: Mr. LANTOS.

H.R. 449: Mr. FOGLIETTA.

H.R. 580: Mr. MCHALE.

H.R. 835: Mr. JOHNSTON of Florida and Mr. WAXMAN.

H.R. 868: Mr. SAXTON.

H.R. 911: Ms. MCKINNEY, Mr. CRANE, Mr. THORNBERRY, Miss COLLINS of Michigan, Ms. DANNER, and Mr. HORN.

H.R. 974: Mr. CRAMER and Ms. HARMAN.

H.R. 989: Mr. FILNER.

H.R. 1023: Mr. HORN and Mr. HAYES.

H.R. 1073: Mr. SKELTON and Mr. FILNER.

H.R. 1074: Mr. FILNER.

H.R. 1114: Mr. SMITH of Texas.

H.R. 1124: Mr. FOGLIETTA.

H.R. 1127: Mr. ALLARD, Mr. FOX, Mr. HASTINGS of Washington, Mr. SOUDER, and Ms. FURSE.

H.R. 1161: Mr. NORWOOD and Mr. CANADY.

H.R. 1235: Mr. BLUTE.

H.R. 1241: Ms. LOFGREN.

H.R. 1274: Mr. FRANKS of Connecticut.

H.R. 1366: Mr. PAYNE of New Jersey, Mr. SAXTON, Mr. SMITH of New Jersey, Mr. PALLONE, Mr. MENENDEZ, Mr. ZIMMER, Mr. ANDREWS, and Mr. MARTINI.

H.R. 1381: Mr. OWENS.

H.R. 1386: Mr. TANNER.

H.R. 1406: Mr. CRAMER.

H.R. 1416: Mr. FAZIO of California and Mr. WARD.

H.R. 1490: Mr. SABO.

H.R. 1500: Mr. FORD, Mr. HOLDEN, Mr. KLECZKA, Mr. SABO, Mr. TORKILDSEN, and Mr. VENTO.

H.R. 1504: Mr. LAUGHLIN and Mr. BRYANT of Texas.

H.R. 1512: Mr. SMITH of Texas.

H.R. 1514: Mr. FAZIO of California, Mr. YOUNG of Alaska, Mr. HAYES, Mr. PALLONE, Mr. JONES, Mr. CALVERT, Mr. TEJEDA, and Mr. MCHUGH.

H.R. 1619: Mr. FOGLIETTA.

H.R. 1649: Mr. FOGLIETTA and Mr. JOHNSTON of Florida.

H.R. 1661: Mrs. LOWEY, Mr. HASTINGS of Washington, Mr. BARCIA of Michigan, Mr. BOUCHER, and Mr. LIGHTFOOT.

H.R. 1733: Mr. SCHIFF and Mr. VENTO.

H.R. 1744: Mr. HOKE and Ms. PELOSI.

H.R. 1777: Mr. SCHIFF.

H.R. 1780: Mr. LONGLEY.

H.R. 1806: Mr. BLUTE.

H.R. 1810: Mr. BLUTE.

H.R. 1818: Mr. BAESLER, Mr. NETHERCUTT, and Mr. BLUTE.

H.R. 1856: Mr. PAYNE of Virginia, Mr. CAMP, Mr. KINGSTON, Mr. CUNNINGHAM, Mr. HOEKSTRA, Mr. STUMP, Mr. MONTGOMERY, Mr. FAWELL, Mr. FRELINGHUYSEN, Mr. MANTON, Mrs. CHENOWETH, Mr. CALLAHAN, and Mr. TANNER.

H.R. 1928: Mrs. COLLINS of Illinois, Mr. FRAZER, Mr. JACOBS, Mr. BERMAN, and Mr. SABO.

H.R. 1933: Mr. LIPINSKI, Mr. SKEEN, Mr. BRYANT of Texas, Mr. FOGLIETTA, and Mr. KLECZKA.

H.R. 1982: Mr. ENGEL.

H.R. 2009: Mr. MCDERMOTT and Mr. FOGLIETTA.

H.R. 2047: Mr. INGLIS of South Carolina.

H.R. 2072: Mr. LARGENT.

H.R. 2086: Mr. GENE GREEN of Texas.

H.R. 2090: Mr. BARRETT of Wisconsin and Ms. FURSE.

H.R. 2098: Mr. BASS and Mr. DOOLITTLE.

H.R. 2130: Mr. LUCAS, Mr. DOOLEY, and Mr. JOHNSON of South Dakota.

H.R. 2153: Mr. OBERSTAR and Mr. COSTELLO.

H.R. 2158: Mr. UNDERWOOD.

H.R. 2178: Mr. COSTELLO, Mr. KENNEDY of Rhode Island, Mr. LIPINSKI, and Ms. RIVERS.

H.R. 2190: Mrs. CHENOWETH and Ms. WOOLSEY.

H.R. 2195: Mr. BLUTE.

H.R. 2205: Mr. BEREUTER, Mr. JACOBS, Mr. OLVER, Ms. SLAUGHTER, and Mr. ROSE.

H.R. 2240: Mr. OWENS, Ms. PELOSI, and Mr. VENTO.

H.R. 2326: Mr. SOUDER, Mr. LIPINSKI, and Mr. FOLEY.

H.R. 2337: Mr. SPRATT.

H.R. 2341: Mr. DUNCAN.

H.R. 2342: Mr. BONILLA and Mr. CHAPMAN.

H.R. 2411: Mr. EMERSON, Mrs. LINCOLN, Mr. CLYBURN, and Mr. LAHOOD.

H.J. Res. 89: Mr. ZIMMER.

H. Con. Res. 44: Mr. SCHUMER, Mr. ACKERMAN, and Mrs. LOWEY.

H. Con. Res. 50: Mr. HORN and Mr. DELLUMS.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 359: Mr. NADLER.

H.R. 390: Mr. BARRETT of Wisconsin.

H.R. 534: Mr. EMERSON.

H.R. 789: Mr. TORRICELLI.

H.R. 1289: Ms. WOOLSEY.

PETITIONS, ETC.

Under clause 1 of rule XXII.

43. The SPEAKER presented a petition of the Travelers Protection Association of America, relative to urging the Congress of the United States to continue to defer the proposed airline fuel tax until the airline industry becomes financially stable; which was referred to the Committee on Ways and Means.

SENATE—*Friday, September 29, 1995*

(Legislative day of Monday, September 25, 1995)

The Senate met at 9 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Let us pray:

Lord of history, God of Abraham and Israel, we praise You for answered prayer for peace in the Middle East manifested in the historic peace treaty signed yesterday between the Palestinian Liberation Organization and Israel. We press on to the work of this day in the assurance that You are in control and seek to accomplish Your plans through us if we will trust You.

Oh God, together we salute You as Lord of our lives, the One to whom we all must report, the only One we ultimately need to please, and the One who is the final judge of our leadership, we pray that our shared loyalty to You as our Sovereign Lord will draw us closer to one another in the bond of service to our Nation. It is in fellowship with You that we find one another. Whenever we are divided in our differences over secondary matters, remind us of our oneness on essential issues; our accountability to You, our commitment to Your Commandments, our dedication to Your justice and mercy, our patriotism for our Nation, and our shared prayer that through our efforts You will provide Your best for our Nation. There's something else, Lord: We all admit our total dependence on Your presence to give us strength and courage. So with one mind and a shared commitment, we humbly fall on the knees of our hearts and ask that You bless us and keep us, make Your face shine upon us, lift up Your countenance before us, and grant us Your peace. In the name of Jesus. Amen.

DEPARTMENT OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 1996

The PRESIDENT pro tempore. The clerk will report the pending bill.

The assistant legislative clerk read as follows:

A bill (H.R. 2076) making appropriations for the Department of Commerce, Justice, and State, the Judiciary and related agencies for the fiscal year ending September 30, 1996, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Biden amendment No. 2815, to restore funding for grants to combat violence against women.

McCain-Dorgan amendment No. 2816, to ensure competitive bidding for DBS spectrum.

Kerrey amendment No. 2817, to decrease the amount of funding for Federal Bureau of Investigation construction and increase the amount of funding for the National Information Infrastructure.

Biden-Bryan amendment No. 2818, to restore funding for residential substance abuse treatment for State prisoners, rural drug enforcement assistance, the Public Safety Partnership and Community Policing Act of 1994, drug courts, grants or contracts to the Boys and Girls Clubs of America to establish Boys and Girls Clubs in public housing, and law enforcement family support programs, to restore the authority of the Office of National Drug Control Policy, to strike the State and Local Law Enforcement Assistance Block Grant Program, and to restore the option of States to use prison block grant funds for boot camps.

Domenici amendment No. 2819 (to committee amendment on page 26, line 18), to improve provisions relating to appropriations for legal assistance.

AMENDMENT NO. 2816

The PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of the McCain amendment No. 2816 on which there shall be 60 minutes equally divided.

Mr. McCAIN. Mr. President, I yield myself such time as I may consume.

Mr. President, I intend to be brief, and I note the presence of the Senator from North Dakota here on the floor. I know that he needs at least 10 minutes of the 30 minutes for this side.

I just want to recap the situation as I see this amendment. First of all, Mr. President, the choice is clear here what we are talking about. The question is whether we will auction this spectrum off, which, according to experts, the value is between $300 and $700 million, or it will be granted to a very large and very powerful corporation in America for considerably less money. Originally it was going to be about $5 million and up to $45 million, and now I understand it is about $100 million.

I want to briefly describe the chronology of how we got where we are today. I want to repeat before I continue, I have no interest in this issue. There is no company in my State. There is no corporation that I have engaged in the dialog on this issue. I am simply involved in this issue, as is the Senator from North Dakota, because what is at stake here is whether the American taxpayers will be deprived of somewhere between $300 and $700 million.

For the record, Mr. President, I point out that on September 16, 1995, ACC, which was the original holder of the license for this spectrum, entered into an agreement with TCI to sell its spectrum to TCI for $45 million. The ACC costs at that time were estimated to have been $5 million. Such a sale would have meant that ACC would actually have profited from warehousing this spectrum for 10 years.

In August and September of 1995, TCI had a sweetheart deal pending before the FCC as follows: TCI would give up some of the allocated DBS spectrum and in return receive the ACC at a cost of $5 million, which is to pay for costs incurred by ACC. The $5 million would not be paid in cash. Instead, it would be in the form of Primestar stock, which could have a much greater value than the original $45 million.

The spectrum given up by TCI is valued at substantially less value than the ACC spectrum. TCI would give up 11 channels at 119 degrees and spectrum, allowing DBS service be provided to Latin America, the Pacific rim, and China.

No industry expert believes at this time that those markets will be nearly as lucrative as the U.S. market. The week of September 18, 1995, TCI proposes it be given the spectrum at 110 degrees west latitude orbit and gives up DBS spectrum as noted above, which is sold at public auction. Whatever the price such spectrum is sold for is the price TCI pays for the 110 degree west longitude orbit spectrum.

September 25, 1995, it is reported that an alternative plan has been developed allowing Primestar access to DBS channels at prices well above $45 million. TCI expected to pay for advanced communications for channels. Now we hear about a plan where TCI will pay $100 million for the channels.

Mr. President, if TCI says the spectrum is worth $100 million and they are prepared to pay $100 million, then let them bid $100 million. TCI is proposing they pay $100 million for the spectrum and they will give up other spectrum.

Under this auction plan they could keep their current spectrum and win at auction the new spectrum. If all spectrum is equal, it does make good business sense for TCI to have as much spectrum as possible. Of course it does. TCI knows the value of spectrum and knows what it wants to give up is valueless compared to what it wants to receive.

Why would one company change the amount it is willing to pay from $5 to $100 million in a matter of months?

Mr. President, last night—I have not had a chance to talk to my friend from

Colorado. He proposed a compromise that the amendment should read that the auction should be conducted within 60 days, and I want to tell my friend from Colorado I am still prepared to accept that amendment.

Mr. President, I reserve the remainder of my time.

Mr. CAMPBELL. Mr. President, there will be much discussion today about estimates of money, but very little about who stands to make it. Of course we are all interested in supporting actions that will aid the National Treasury. However, with regard to this amendment, as the Congressional Budget Office has pointed out, the Federal Communications Commission can hold auctions for the licenses in question, and as I understand it, is already considering a proposal that would raise even more money than we are currently considering in this amendment without any legislative intervention on our part.

However, it should be noted in this debate that one of the supporting groups will definitely gain from the passage of this amendment. The National Rural Telecommunications Cooperative, the NRTC, which has loudly supported this amendment, has very good reason to do so. The NRTC has an exclusive contract in many rural areas to market the DBS service of General Motors' direct TV. So any delay in introducing significant high-power DBS competition will benefit the NRTC's exclusive sales deal.

I do not criticize the NRTC for having such a deal, but I think it is important to know as we discuss this amendment and note who is supporting it, that the NRTC is far from a disinterested party. In fact, the delays that this amendment will create in the ability of any major competitor to challenge the dominance of direct TV works directly in favor of those such as the NRTC who retain monopoly sales rights in rural America.

This is a far more complex subject than we are even aware. The implications of what this amendment would do are unknown. There have been no hearings. The expert agency is already considering the issues involved. It already has the authority to both do what is right and assure maximum benefit for the value of the licenses. It is bad public policy for this body to step in and interfere with the adjudicatory process of an agency when we don't even know who the parties are in the dispute.

That is why the bipartisan leadership of the Commerce Committee opposes this amendment and why my colleagues should also oppose it. The modification of this amendment as offered by the Senator from Arizona [Mr. MCCAIN], seems to resolve our disagreement and heartily support this compromise.

Mr. BROWN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. CAMPBELL). Without objection, it is so ordered.

COMMITTEE AMENDMENT ON PAGE 79, LINES 1 THROUGH 6

Mr. HOLLINGS. Mr. President, on last evening there was a managers' amendment. A mistake in the actual drafting was made. This has been cleared on both sides. Mr. President, I ask unanimous consent the committee amendment on page 79, lines 1 through 6, be withdrawn.

The PRESIDING OFFICER. Without objection, it is so ordered.

So the committee amendment on page 79, lines 1 through 6, was withdrawn.

Mr. HOLLINGS. I thank the Chair and the staff who caught this for us. I am glad it is corrected.

AMENDMENT NO. 2816

Mr. HOLLINGS. Just one word about the McCain-Dorgan amendment. Once again, this, of course, is the Congress injecting itself into the functions and responsibilities of the Federal Communications Commission. There is no question at this very moment the FCC can auction the so-called spectrum that is now in dispute. I emphasize "dispute" because it is a legal case that has been in the courts, now, for over a year. It is on appeal.

There has been a vote, so to speak, informally, at least, by way of reports. Lawyers call from both sides of this case. I understand, now, the vote is 2 to 2 at the FCC: Two members of the FCC disposed toward an auction, two disposed toward what they characterize as the recommendation of the staff—the staff that studied this case and handled the testimony and otherwise. There is one indecisive member.

So we come with an amendment, without any hearings, without really knowing what we are talking about and doing, and we say we know how to grant licenses and everything of that kind, so hereby is the way to do it.

The fact is, this Senator is very anxious, like all Senators, to find money. In fact, at this stage of the Congress, it is like tying two cats by the tails and throwing them over the clothesline and letting them claw each other. No Senator can put up an amendment that he does not take away money from some other Senator or some other function.

So I cosponsored, with the distinguished Senator from Alaska, the auction process that has already reaped some $9 billion. I went along, of course, with another $8.3 billion offset in the telecom bill by way of auction.

So I am very much for auctions, and I am very much for the money being reaped by the Government itself. That is what we are here for, to look out for all the people.

Having said that, I see the parties on the floor here, and they have been discussing it.

So I reserve the remainder of our time.

Mr. DORGAN. Mr. President, under the time agreement, I yield myself such time as I may use from the time allocated to Senator MCCAIN and myself.

The PRESIDING OFFICER. The Senator from North Dakota [Mr. DORGAN] is recognized.

Mr. DORGAN. Mr. President, I would like to discuss this issue generally and begin by saying that I join Senator MCCAIN, the Senator from Arizona, in offering an amendment. I do not have any special interest in this issue. I state, as Senator MCCAIN did, that I do not have company headquarters or company interests in North Dakota dealing with this issue. I do not have any great concern or interest in who ends up with these licenses. That is not my interest. My interest today is with the taxpayer. The issue here is an issue of anywhere from $300 to $700 million. Senator MCCAIN, I think, has well described the history. But let me just thumbnail it again.

Ten years ago, the Federal Communications Commission awarded special national licenses for the launching of direct broadcast satellite systems in three orbital locations. They are the only three orbital locations that are available that will provide DBS services nationally across the country. So 10 years ago, they awarded licenses for these slots would provide direct broadcast satellite services that would reach all across the country. Two of those licensees have performed, and have moved ahead. Another will launch soon. But one of the original licensees did not perform. It did not perform what is called due diligence. It had the license, but in 10 years did not perform due diligence and, therefore, the FCC said, "Since you are not going to perform, we will take the license back."

The original licenses were awarded free of charge in exchange for them going ahead and developing these systems. They got the licenses, which had enormous value, free of charge. When one of the licensees did not perform, the FCC took it back.

What value does it have? If the FCC were to auction it off, were to find a company now to run it, or who wants to participate in this DBS system, it is estimated that at an auction it would raise from $300 to $700 million. It has very substantial value. That is the value to the taxpayers. The taxpayers own this spectrum.

What has happened is when the FCC pulled the license back and said, "If you are not going to perform, we will take the license back," and did, the company that was not performing began talking with other companies, especially large cable companies, and they began to try to make a deal for this in order to accomplish a handoff. That is the process that is now under discussion at the FCC.

The amendment offered by the Senator from Arizona and myself is an amendment that says we think that this simply should go to auction. Let us just have an auction for the third slot. Let us have the taxpayers, the American public, benefit from the $300 to $700 million that will be raised.

I do not care who wins the auction. I have no interest in any of these companies. It just ought to be auctioned, and the money raised go to the public Treasury, reduce the Federal deficit, or do other things. But in any event, the taxpayers ought to get full value for this spectrum.

That is the point of the amendment. I might say that I think the DBS systems are breathtaking and wonderful achievements. They will provide spectacular new technology and competition in the rural areas of America and all over our country. The Presiding Officer is from Colorado, and Colorado has rural regions and small towns far away from many major locations, just as my State of North Dakota.

I have often wondered how we, in small communities, are going to be able to take advantage of this communications breakthrough. This is part of the answer: Direct broadcast satellite systems that reach all parts of this country.

These are wonderful things for our future. It is going to enhance communications and provide entertainment and information to everyone in this country. It represents competition, as well, competition to the wired cable systems in our country.

So I am excited about all of this. I want all three systems to be up and operating.

The point that we make in this amendment is not a point directed at any company, to favor any company or to penalize any company. God bless them all. Let them go at it and provide this breathtaking new technology. Our point is a point that we make on behalf of the taxpayers. We want this spectrum, which has significant value, to provide its value to the American taxpayer. This is a $300 to $700 million question. And the question ought to be answered, in our judgment, in favor of the American taxpayer.

That is why we bring this amendment to the floor. We want the FCC to auction that third license. That is what our amendment provides.

Mr. President, I reserve the remainder of our time.

AMENDMENT NO. 2816, AS MODIFIED

Mr. McCAIN. Mr. President, I ask unanimous consent to modify my amendment. The modification is at the desk.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The amendment (No. 2816), as modified, is as follows:

At the end of the pending committee amendment, insert the following new section:

"SEC. . COMPETITIVE BIDDING FOR ASSIGNMENT OF DBS LICENSES.

No funds provided in this or any other Act shall be expended to take any action regarding the applications that bear Federal Communications Commission File Numbers DBS–94–11EXT, DBS–94–15ACP, and DBS–94–16MP; Provided further, that funds shall be made available for any action taken by the Federal Communications Commission to use the competitive bidding process prescribed in Section 309(j) of the Communications Act of 1934 (47 U.S.C. section 309(j)) regarding the disposition of the 27 channels at 110 degrees W.L. orbital location; *Provided further*, That the provisions of this section apply unless the Federal Communications Commission determines that an alternative adjudication would yield more money for the U.S. Treasury."

Mr. McCAIN. Mr. President, the modification at the desk is very simple language. It adds one sentence that I have discussed with Senator DORGAN and with Senator BROWN. At the end of the amendment, it adds the following language:

Provided further, that the provisions of this section apply unless the Federal Communications Commission determines that an alternative adjudication would yield more money for the U.S. Treasury.

After discussion with Senator BROWN and Senator DORGAN, Mr. President, that is the whole logic of what we are trying to do here. We find it not only acceptable, but a definition of what we are trying to achieve.

I thank Senator BROWN for agreeing to this modification.

I reserve the remainder of my time. I would like to yield 1 minute to the Senator from North Dakota.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, the modification that has been offered by Senator MCCAIN is one that, as I understand it, would suggest that, if there is an alternative approach that would yield as much or more to the U.S. Treasury and the taxpayer, that would be acceptable. That presumes that approach meets the test of fairness, and meets all the other tests of fairness required under an FCC process.

Again, it is not our intention on the floor of the Senate to be talking about who should be involved in this. I have no interest in that at all—none. The question is, What cost does the American taxpayer, who owns this spectrum, get for this process under these circumstances where one licensee did not perform and the license has been taken back by the FCC?

We want full value for that spectrum. That is what our amendment asks for, and the modification does not change that request. I am pleased to accept the modification, as well.

Mr. BROWN. Mr. President, I want to add my voice of support for the modification.

We are all very wary of having Congress intervene in the middle of the adjudicatory action by the FCC. I think all Members are aware that there is a great deal of money available in the disposition of this matter. What I like so much about the modification, Mr. President, is simply this: It leaves the FCC free to pick an option that raises the most money for the Treasury. It puts this Congress in a position of not trying to dictate an option that may be less advantageous for the taxpayers. It makes it clear that the FCC retains some power to pick the best option for the taxpayers—one that will bring in the most revenue to the United States.

Frankly, it seems to me that the modification represents the appropriate position both for the FCC and for this Congress. We should not be in the business of precluding the options of the FCC while they are adjudicating a matter.

I commend the Senator from Arizona for his modification. I believe it settles this question in terms of this Chamber and that the measure has unanimous support.

Mr. President, I do not know if the Senator wishes to retain his record vote. Obviously, if he does, that is fine. But my sense is that at this point the Chamber is ready to accept his modified amendment unanimously.

Mr. McCAIN. Mr. President, I thank again the Senator from Colorado. I do not know a finer individual in the Senate than Senator BROWN from Colorado. He has always had the interests of the constituents and fairness in mind. It has been a privilege for me to work with him on many, many issues, especially those that are in opposition to procedures around here that sometimes deprive the taxpayers of their hard-earned tax dollars in a way which is unacceptable to the vast majority of them. His agreement to modify this amendment so that it is more clear and achieves the goal which we seek, is I think indicative of the individual.

It is worth pointing out that the company which is directly affected by this legislation is located in his State. So I want to thank him for his agreement. I believe that he has strengthened what we are trying to do and that is to provide the taxpayer with the maximum amount of dollars for the property they actually own.

Mr. President, I have a legal document that I think is important to bolster this argument I would like to ask unanimous consent be made a part of the RECORD. It is a series of legal opinions concerning this entire issue. I am pleased to note again that I am not a lawyer, but I do believe that on an issue like this the CONGRESSIONAL

RECORD should contain legal documentation to bolster the argument the Senator from North Dakota and I have been making on the urgency and importance and the legality of having an auction of this spectrum to provide the taxpayers with the maximum return on this very valuable resource they own.

Mr. President, I ask unanimous consent that this document be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NO HOLDER OF AN FCC CONSTRUCTION PERMIT HAS ANY RIGHT TO REGULATORY APPROVAL OF FA TRANSFER FOR PRIVATE PROFIT

Federal law does not provide a right to a private company to hoard spectrum and then sell its bare bones construction permit for private gain. Rather, the Federal Communications Commission has a long-standing public policy against any private party "warehousing" this scarce public resource. Underlying this policy is the requirement contained in the Communications Act of 1934 that a construction permit will be automatically forfeited if the system in question is not ready for operation within the time specified by the Commission's rules or within such further time as the Commission may allow. 47 U.S.C. §319 (b).

The rules for the various services for which the Commission issues licenses specifically address construction permit requirements and the public policy objectives behind these requirements. The Commission routinely revokes construction permits or fails to grant time extensions to permit holders who fail to construct a system on a timely basis as required in each service.

For example:

Direct Broadcast Satellite (DBS) Service.—When the Commission adopted in 1982 the licensing condition rules for DBS service, it determined that these rules were necessary to "assure that those applicants that are granted construction permits go forward expeditiously," *Inquiry into the Development of Regulatory Policy in Regard to Direct Broadcast Satellites*. Report and Order, 90 FCC Rcd. 676, 719 (1982). The rules provide that a construction permittee must complete construction of a satellite of complete contracting for construction of a satellite within one year of the grant of the permit *and* be in operation within six years of the construction permit grant, unless the Commission grants an extension upon a proper showing in a particular case. Transfer of control of the permit will not be considered to justify an extension. See 47 U.S.C. §100.19(b).

In the ACC case, ACC entered into a contract with TCI for reportedly $45 million in TCI stock contingent upon a second extension of ACC's construction permit. ACC and TCI assumed a business risk when it entered this contingent contract because both companies were fully aware that ACC had been "hoarding" spectrum as shown by the record developed at the FCC. Any reliance these companies may have had on FCC approval in this case would have been totally unreasonable and unjustified under the FCC's current DBS rules. As the International Bureau noted in its decision revoking ACC's DBS construction permit.

Advanced has had over ten years, including one four-year extension, in which to construct and launch its DBS system. It has failed to do so. It has thereby failed to meet the Commission's due diligence rules—imposed a decade ago—to ensure that the public received prompt DBS service. In the meantime, the channels and orbital positions assigned to Advanced have gone unused. Other DBS licensees have already begun operation. Only by enforcing the progress requirements of the Commission's rules can we ensure that allocated resources will be efficiently and expeditiously put into productive use.

Advanced Communications Corp. Memorandum Opinion and Order (Released April 27, 1995).

Personal Communications Service (PCS).—Most recently, when the Commission adopted rules for the new PCS service, it specifically included construction requirements. Although the Commission expressed the belief that the use of competitive bidding (or auctions) would provide the winners with economic incentives to construct, and conversely, disincentives to warehouse the spectrum, nevertheless the Commission said "we continue to believe that minimum construction requirements are necessary to ensure that PCS service is made available to as many communities as possible and that the spectrum is used effectively." *Amendment of the Commission's Rules to Establish New Personnel Communications Services*, Memorandum Opinion and Order (Released June 13, 1994). PCS licensees are required to serve at least one-third of the population in their licensed area within 5 years of being licensed and at least two-thirds of the population in this area within 10 years. The rules specifically provide: "failure by any licensee to meet these requirements will result in forfeiture or non-renewal of the license and the licensee will be ineligible to regain it." 47 C.F.R. §24.203(a).

Although the first PCS licensees were only awarded three months ago, PCS licensees are already on notice that if they do not build these systems in a timely fashion, the Commission will revoke these licenses even though the licensee may have paid millions of dollars for the privilege.

Multipoint Distribution Service and Multichannel Multipoint Distribution Service (AKA "Wireless Cable").—When the Commission revised its rules with regard to fixed radio services, the Commission noted that carriers who fail promptly to construct facilities preclude other applicants who are willing, ready, and able of delaying, or even denying, service to the public. *Revision of Part 21 of the Commission's rules*, 2 FCC Rcd. 5713 (1987). The Commission's rules for these services provide that a license shall be forfeited automatically when the period permitted under the construction permit expires. 47 C.F.R. §21.44. See also *Cable TV Services*, 8 FCC Rcd. 3204 (1993) (wireless cable construction permit revoked for failure to construct); *Miami MDS Company*, 7 FCC Rcd. 4347 (1992) (construction permit not renewed because of failure to construct within allotted time period).

Television and Radio Broadcasting.—The Mass Media Bureau routinely revokes construction permits or denies renewals for unbuilt broadcast stations under delegated authority from the Commission. These procedures are so commonplace that they are oftentimes handled by letter from the Bureau rather than by reported decision. See attached letter to New Orleans Channel 20 in which the Mass Media Bureau denies an extension of a construction permit and denies transfer (sale) of the construction permit. The construction permit rules for broadcast stations are contained in 47 C.F.R. §73.3534.

SUBPART A—GENERAL INFORMATION

§100.1 Basis and purpose.

(a) The rules following in this part are promulgated pursuant to the provisions of Title III of the Communications Act of 1934, as amended, which vests authority in the Federal Communications Commission to regulate radio transmissions and to issue licenses for radio stations.

(b) The purpose of this part is to prescribe the manner in which parts of the radio frequency spectrum may be made available for the development of interim direct broadcast satellite service. Interim direct broadcast satellite systems shall be granted licenses pursuant to these interim rules during the period prior to the adoption of permanent rules. The Direct Broadcast Satellite Service shall operate in the frequency band 12.2–12.7 GHz.

§100.3 Definitions.

Direct Broadcast Satellite Service. A radiocommunication service in which signals transmitted or retransmitted by space stations are intended for direct reception by the general public. In the Direct Broadcast Satellite Service the term *direct reception* shall encompass both individual reception and community reception.

SUBPART B—ADMINISTRATIVE PROCEDURES

§100.11 Eligibility.

An authorization for operation of a station in the Direct Broadcast Satellite Service shall not be granted to or held by:

(a) Any alien or the representative of any alien;

(b) Any foreign government or the representative thereof;

(c) Any corporation organized under the laws of any foreign government;

(d) Any corporation of which any officer or director is an alien;

(e) Any corporation of which more than one-fifth of the capital stock is owned of record or voted by aliens or their representatives or by a foreign government or representative thereof, or by any corporation organized under the laws of a foreign country;

(f) Any corporation directly or indirectly controlled by any other corporation of which any officer or more than one-fourth of the directors are aliens, if the Commission finds that the public interest will be served by the refusal or revocation of such license; or

(g) Any corporation directly or indirectly controlled by any other corporation of which more than one-fourth of the capital stock is owned of record or voted by aliens, their representatives, or by a foreign government or representatives thereof, or by any corporation organized under the laws of a foreign country, if the Commission finds that the public interest will be served by the refusal or revocation of such license.

§100.13 Application requirements.

(a) Each application for an interim direct broadcast satellite system shall include a showing describing the type of service that will be provided, the technology that will be employed, and all other pertinent information. The application may be presented in narrative format.

(b) Applicants may request specific frequencies and orbital positions. However, frequencies and orbital positions shall not be assigned until completion of the 1983 Region 2 Administrative Radio Conference for the Broadcasting-Satellite Service. The Commission shall generally consider all frequencies and orbital positions to be of equal value, and conflicting requests for frequencies and orbital positions will not necessarily give rise to comparative hearing rights as long as unassigned frequencies and orbital slots remain.

§100.15 Licensing procedures

(a) Each application for an interim direct broadcast satellite system shall be placed on public notice for 45 days, during which time interested parties may file comments and petitions related to the application.

(b) A 45 day cut-off period shall also be established for the filing of applications to be considered in conjunction with the original application. Additional applications filed before the cutoff date shall be considered to have equal priority with the original application and shall be considered together in the assignment of frequencies and orbital positions. If applications have included requests for particular requencies or orbital positions, the cutoff date shall be considered in establishing the priority of such requests.

(c) Each application for an interim direct broadcast satellite system, after the public comment period and staff review shall be acted upon by the Commission to determine if authorization of the proposed system is in the public interest.

§100.17 License term.

All authorizations for interim direct broadcast satellite systems shall be granted for a period of five years.

§100.19 License conditions.

(a) All authorizations for interim direct broadcast satellite systems shall be subject to the policies set forth in the *Report and Order* in General Docket 80–603 and with any policies and rules the Commission may adopt at a later date. It is the intention of the Commission, however, that in most circumstances the regulatory policies in force at the time of authorization to construct a satellite shall remain in force for that satellite throughout its operating lifetime.

(b) Parties granted authorizations shall proceed with diligence in constructing interim direct broadcast satellite systems. Permittees of interim direct broadcast satellite systems shall be required to begin construction or complete contracting for construction of the satellite station within one year of the grant of the construction permit. The satellite station shall also be required to be in operation within six years of the construction permit grant, unless otherwise determined by the Commission upon proper showing in any particular case. Transfer of control of the construction permit shall not be considered to justify extension of these deadlines.

SUBPART C—TECHNICAL REQUIREMENTS

§100.21 technical requirements

Prior to the 1983 Regional Administrative Radio Conference for the Broadcasting—Satellite Service, interim direct broadcast satellite systems shall be operated in accordance with the sharing criteria and technical characteristics contained in Annexes 8 and 9 of the Final Acts of the World Administrative Radio Conference for the Planning of the Broadcasting-Satellite Service in Frequency Bands 11.7–12.2 GHz (in Regions 2 and 3) and 11.7–12.5 GHz (in Region 1), Geneva, 1977; *Provided, however*, That upon adequate showing systems may be implemented that use values for the technical characteristics different from those specified in the Final Acts if such action does not result in interference to other operational or planned systems in excess of that determined in accordance with Annex 9 of the Final Acts.

SUBPART D—OPERATING REQUIREMENTS

§100.51 Equal employment opportunities

(a) *General policy*. Equal opportunity in employment shall be afforded all licensees or permittees of direct broadcast satellite stations licensed as broadcasters to all qualified persons, and no person shall be discriminated against in employment because of race, color, religion, national origin, or sex.

(b) *Equal employment opportunity program*. Each station shall establish, maintain, and carry out a positive continuing program of specific practices designed to assure equal opportunity in every aspect of station employment policy and practice. Under the terms of its program, a station shall:

[DA 95-944]

BEFORE THE FEDERAL COMMUNICATIONS COMMISSION, WASHINGTON, DC 20554

In the Matter of Advanced Communications Corporation, application for extension of time to construct, launch and operate a direct broadcast satellite system, application for consent to assign direct broadcast satellite construction permit from Advanced Communications Corp. to Tempo DBS, Inc., application for modification of direct broadcast satellite service construction permit; File Nos. DBS-94-11EXT, DBS-94-15ACP, DBS-94-16MP.

MEMORANDUM OPINION AND ORDER

Adopted: April 26, 1995.

By the Chief, International Bureau.

Released: April 27, 1995.

I. Introduction

1. For more than a decade, Advanced Communications Corporation ("Advanced") has had leave to provide the public with Direct Broadcast Satellite (DBS) service. It has had allocated to it scarce public resources—orbital positions and channels—so that it could provide that service. Advanced paid nothing for these resources. It was obligated only to proceed with due diligence to provide the service it promised. After more than a decade, Advanced has not provided—and is not close to providing—DBS service to the public. It has failed to meet its due diligence obligation. Advanced must now return the public resources it holds to the public so that these resources can be put to use by others.

2. Advanced has filed an application for a second four-year extension of time in which to construct, launch, and initiate service from its DBS system. Advanced has also filed an application for consent to assign its construction permit to Tempo DBS, Inc. (Tempo DBS). Finally, Advanced has applied for authority to modify its construction permit to allow it to substitute satellites now being constructed for Tempo Satellite, Inc.[1] Dominion Video Satellite, Inc. (DVS), EchoStar Satellite Corporation (EchoStar), DIRECTV, Inc. (DirecTV), and Directsat Corporation filed objections to Advanced's applications; Tempo Satellite and Nevada Direct Broadcasting System (Nevada) filed supporting comments. Advanced filed replies to the objections.[2]

3. Advanced has had over ten years, including one four-year extension, in which to construct and launch its DBS system. It has failed to do so. It has thereby failed to meet the Commission's due diligence rules—imposed a decade ago—to ensure that the public receives prompt DBS service. In the meantime, the channels and orbital positions assigned to Advanced have gone unused. Other DBS licenses have already begun operations.

4. Only by enforcing the progress requirements of the Commission's rules can we ensure that allocated resources will be efficiently and expeditiously put into productive use. In the past, we have given DBS permittees latitude in meeting due diligence deadlines in order to ensure the development of DBS services. As the Commission has previously stated, however, such latitude is not appropriate in an era in which DBS licensees are successfully operating and are competing for subscribers. Accordingly, we deny Advanced's application for an extension of time and declare its construction permit null and void. We dismiss, as moot, the pending assignment and modifications applications.

II. Background

5. In 1984, Advanced applied for authority to construct and launch a DBS system as part of the second processing round of DBS applications. The Commission granted the application subject to the condition that Advanced "proceed with the construction of its system with due diligence as defined in Section 100.19(b) of the Commission's rules." 47 C.F.R. §100.19(b).[3] The due diligence requirement has two components. First, the DBS permittee must begin or complete contracting for construction of its satellites within one year of the grant of its construction permit. Second, the permittee must begin operation of the satellites within six years of the grant of its construction permit, unless otherwise determined by the Commission. Section 100.19(b) provides that a transfer of control of the permit is not a justification for extension of either of these deadlines. Orbital positions and channels are not assigned to a DBS permittee unless and until it demonstrates that it has fulfilled the first component of the due diligence requirement. *Processing Procedures Regarding the Direct Broadcast Service*, 95 F.C.C. 2d 250, 253 (1983).

6. In October 1986, the Commission found that Advanced had complied with the first component of the due diligence requirement by contracting for the construction of its first two DBS satellites. Advanced was ultimately assigned to the 100° W.L. orbit location (channels 1–23, 25, 27, 29, 31) and 148° W.L. (channels 1–17, 19, 21, 23, 25, 27, 29, 31).[4] In February 1990, Advanced applied for a four-year extension of time, until February 1994, in which to construct and operate its DBS system. The Commission granted this request, extending the deadline until December 7, 1994.[5]

7. In August 1994, Advanced applied for another four-year extension of time, until December 1998, in which to construct and operate its system.[6] In September 1994, Advanced

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[1] Tempo Satellite, Inc. ("Tempo Satellite") is a subsidiary of Tele-Communications, Inc. ("TCI"), a cable operator, authorized to construct, launch, and operate 11 DBS channels at orbital slots 166° W.L. and 119° W.L. *See* Tempo Satellite, Inc., 7 F.C.C. Red 2728 (1992). Tempo DBS, the proposed assignee, is an affiliate of TCI.

[2] Several of the pleadings submitted by the parties were not timely filed or were not authorized under the Commission's rules. *See* 47 C.F.R. §1.45. Such pleadings shall only be considered as informal requests for Commission action of informal comments. *See* 47 C.F.R. §1.41. The parties' requests for extension of time are hereby denied.

[3] Satellite Syndicated Systems, Inc., 99 F.C.C. 2d 1369 (1984). Advanced's initial grant authorized it to provide service from two satellites, each to deliver six channels to half of the continental United States. Advanced subsequently applied for, and was granted, authority to increase the number of satellites in its system to five, and was later granted authority to increase the number of channels to 27. *See* Continental Satellite Corporation ("Continental"), 4 F.C.C. Red 6292 (1989).

[4] Tempo Enterprises, Inc. ("Tempo"), 1 F.C.C. Red 20 (1986).

[5] Advanced Communications Corp. ("Advanced"), 6 F.C.C. Red 2269 (1991).

[6] Request for Additional Time to Construct and Launch Direct Broadcast Satellites, DBS-84-01/94-11EXT (August 8, 1994).

filed an application for consent to assign its construction permit to Tempo DBS.[7] In October 1994, Advanced filed an application to modify its construction permit to change the technical design of the Advanced satellites to duplicate the design of satellites then under construction for Tempo Satellite under a separate DBS authorization.[8]

8. Dominion, EchoStar, and Directsat oppose Advanced's extension request. They contend that Advanced has not met the first component of the due diligence requirement because Advanced's contract with Martin Marietta does not meet due diligence requirements, delays in construction were not due to circumstances beyond Advanced's control, and Advanced has "warehoused" its authorized frequencies. They argue that Advanced has no valid construction permit and that Advanced's applications for assignment and modification should be declared moot. Directsat and Echostar maintain that Advanced failed to initiate operation due to business decisions within its control, that Commission precedent precludes grant of an extension of time request based on Advanced's failure to attract investors, and that grant of the extension request would prejudice permittees who have significantly passed Advanced in progress toward initiation of DBS service. Dominion argues that under Commission rules, transfer of control of an authorization does not warrant grant of a request for extension of time.[9]

III. Discussion

Extension request

9. In adopting rules and policies for DBS service, we determined that a due diligence requirement would ensure that permittees would go forward expeditiously.[10] Accordingly. Section 100.19(b) of the rules for DBS service. 47 C.F.R. §100.19(b), states that transfer of control of the construction permit will not justify extension of due diligence deadlines. We later noted that "the rule was intended to ensure the prompt initiation of DBS service for the public, and must be enforced where permittees are allowed to hold spectrum resource for which other applications exist. . . ."[11]

10. During the "pioneering era" of DBS technology in the 1980's, the Commission granted numerous extensions of due diligence milestones. The Commission was reluctant to cancel construction permits where permittees failed to initiate DBS service "in accord with a pre-established timetable set without the benefit of experience."[12] As technology developed, however, the Commission gave permittees notice that they could not expect additional extensions. We said in 1988, "[a]s circumstances have evolved and demand for DBS facilities may be increasing beyond the available supply of orbit/channel resource[s], there does now appear [to be] a need for stricter enforcement of the construction progress requirements of the DBS rules."[13]

11. In ruling on requests for extensions of time, the Commission has stated that "[t]he totality of circumstances—those efforts made and those not made, the difficulties encountered and those overcome, the rights of all parties, and the ultimate goal of service to the public—must be considered."[14] In granting Advanced's 1990 extension, the Commission relied on the substantial developments in DBS satellite technology, the Commission's development of its policy regarding channel and orbital assignments, and the Challenger and Ariane launch vehicle failures of the late 1980's.[15] The Commission warned, however, that "continued reliance on experimentation, technological developments and changed plans will not necessarily justify an extension of a DBS authorization." It further warned that it would "closely scrutinize all requests for extension of time within which permittees must initiate DBS service."[16]

12. Advanced asserts that a second extension is justified under the Commission's rules (and is consistent with similar extensions previously granted) because it has made "considerable efforts" to develop DBS service, it has pursued a joint venture agreement, and any delays have been due to circumstances beyond its control. Advanced also implies that the progress Tempo Satellite has made in constructing its satellites should be attributed to Advanced and that these efforts constitute a "proper showing" on which to base an extension.

13. Advanced first argues that an extension is warranted in light of its efforts to reach a joint venture agreement over a nearly three-year period beginning in 1992, even though these negotiations ultimately failed.[17] The Commission has previously found that ongoing negotiations do not justify an extension of due diligence milestones.[8] Failed negotiations surely should fare no better. In denying an extension to another DBS permittee, we held that failure to attract investors, an uncertain business situation, or an unfavorable business climate in general have never been adequate excuses for failure [to] meet a construction timetable in other satellite services.[19]

14. Advanced also asserts that construction was delayed because it needed to modify its system design. In granting Advanced's first extension request, however, the Commission advised Advanced that its decision to modify it technical proposal was a business decision wholly within its control that would not generally excuse its failure to meet the due diligence requirements, To conclude otherwise would allow permittees to "extend indefinitely their nonperformance by repeated modifications of their proposals."[20] DBS technology has evolved to the point where permittees can make design decisions and proceed with construction with relative assurance that their system will be technologically competitive when it is launched. In fact, two permittees have launched DBS systems, which are both already providing service.[21] Advanced has not explained why it did not make similar design decisions for its system, or why such decisions were not wholly within its control. Accordingly, we do not find that continued modifications to Advanced's system warrant an extension of time.

15. Advanced contends that an extension is justified because the company has expended considered funds and "countless hours" to implement its system. Advanced asserts that the Commission has granted extension under similar circumstances, citing *United States Satellite Broadcasting Company, Inc.*[22] In that case, the Video Services Division of the Mass Media Bureau, in considering the "totality of the circumstances," found that the permittee, USSB, (1) has expended $23 million, including a substantial payment towards spacecraft construction; (2) had demonstrated that the remaining financing for the completion and launch of the satellite had been arranged; and (3) had executed launch and various supplier contracts. Advanced, in contrast, has not specified how much money it has spent,[23] has not arranged financing, and has not procured a launch contract. Advanced has failed to show its progress constitutes sufficient justification for a further extension of time. To the contrary, it appears that Advanced wants to abandon its business to Tempo DBS.

16. Advanced further states that it should be granted an extension because it has "remained in due diligence" since we found it had met the first component of the due diligence requirement by executing a construction contract. The facts belie this conclusory assertion. The due diligence requirement consists of two components. The fact that Advanced continues to have a binding construction contract, or that it has made all payments required by this contract does not excuse its failure to meet the second part of its due diligence requirement: operation of its direct broadcast satellite system.[24] Meeting the first due diligence requirement does not justify failing to fulfill the second.

17. Advanced also asserts that the Commission's formulation of its channel assignment

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[7] Request for Consent to Assign DBS Authorizations, DBS-94-15ACP (September 28, 1994).

[8] Application for Modification of Construction Permit, DBS-94-16MP (October 14, 1994). In November 1994, Advanced filed an amendment to this modification request. Amendment of Application for Modification of Construction Permit, DBS-94-16MP (November 16, 1994).

[9] 47 C.F.R. §100.19(b) states that "[t]ransfer of control of the construction permit shall not be considered to justify extension of the[ ] deadline[ ]."

[10] Inquiry into the development of regulatory policy in regard to Direct Broadcast Satellites for the period following the 1983 Regional Administrative Radio Conference, 90 F.C.C. 2d 676 (1982).

[11] CBS, Inc., 99 F.C.C. 2d 565, 572 (1984).

[12] United States Satellite Broadcasting Company, Inc. ("USSB I"). 3 F.C.C. Rcd 6858, 6860 (1988).

[13] *Id.* at 6861.

[14] *Id.*

[15] *Id.* at 6860.

[16] *Id.*

[17] In progress reports to the Commission, Advanced said, in April 1992, that it expected negotiations to be completed in "the next month or two." In August 1992, Advanced reported it has signed a letter of intent that called for execution of an agreement within sixty days. In October 1992, Advanced explained that negotiations were continuing, and in April 1993, stated it expected to reach an agreement within the next month. In May 1993, it reported it was still in "complex negotiations," and in October 1993, it claimed that negotiations were continuing. However, on December 30, 1994, Advanced indicated that negotiations had failed.

[18] USSB I, 3 F.C.C. Rcd at 6859. *See also* Report and Order in CC Docket No. 81-704, 54 R.R. 2d 577, 597 n. 62 (1983).

[19] *id.*

[20] Tempo, 1 F.C.C. Rcd at 20.

[21] *See, e.g.*, Semi—Annual DBS Progress Report filed by Hughes Communications Galaxy, Inc., DBS-84-02/81-07/93-03MP (January 24, 1995).

[22] United States Satellite Broadcasting Company, Inc. ("USSB II"), 7 F.C.C. Rcd 7247, 7250 (1992).

[23] Advanced acknowledges that its expenditures on the construction contract with Martin Marietta Astrospace are less than one percent. Semi-Annual Status Report, DBS 84-01-88-05 MP and 84-01/88-05 Ext. (May 10, 1993). Subsequent reports do not include payment amounts or percentages. *See* Semi-Annual Status Reports, DBS 84-01-88-05 MP and 84-01/88-05 Ext. (October 6, 1993 and April 24, 1994).

[24] USSB II at 7250. To the extent Advanced relies on its contract with Tempo Satellite and TCI (pursuant to Advanced's application to assign its construction permit) in arguing that it is still in due diligence, we point out that this contract underscores Advanced's lack of commitment to establish its direct broadcast satellite system. The assignment application indicates that Tempo Satellite has arranged financing, executed contracts for satellite launch and construction and for DBS receiving equipment, and has spent $246 million on satellite construction. Advanced's sole contribution to Tempo Satellite's system appears to be its construction permit. For these reasons and the reasons stated at paragraph 18, *infra*, we find that Advanced's latest contract does not demonstrate a capability and commitment on its part to operate a DBS system.

policy[25] and the delay in granting previous modification requests constitute circumstances beyond its control and warrants an extension of time. However, the channel assignment policy was clarified in 1989.[26] Advanced's proposed modifications to its orbit locations and channel assignments were granted in 1991.[27] Advanced has not cited any circumstances that impeded its ability to construct its system over the last four years. Advanced has failed to show that delay in meeting the second component of due diligence is due to circumstances beyond its control.

18. Finally, Advanced asserts that an extension of its construction permit would be in the public interest, since it is on the threshold of an advanced DBS system which will benefit the public, and because doing so will promote the efforts of those who have worked to create the DBS industry. To do otherwise, Advanced argues, would discourage innovators in all new technological industries.

19. A further extension would not serve the public interest. Advanced has made little progress in construction, launch, and initiation of a DBS system in the past decade. During the same period, two DBS satellites have been launched and construction of others is underway.[28] There is no benefit to the public in allowing Advanced to continue to waste orbital locations and channels while two permittees have already initiated DBS service.

20. Advanced's current authorization required it to begin operation of a satellite by December 7, 1994.[29] If failed to do so. The "totality of the circumstances" presented by Advanced in its extension request does not justify granting additional time in which to begin operation. Accordingly, we deny Advanced's request for an extension of time to construct, launch, and operate a direct broadcast satellite system. Because Advanced has failed to satisfy this express condition of its construction permit, the permit is null and void by its own terms.

B. Other applications

21. Inasmuch as we have concluded that Advanced's permit is null and void, its pending applications for assignment of that permit to Tempo DBS and related modification application are moot and are accordingly dismissed.[30] To the extent Advanced suggests that construction progress on Tempo Satellite's DBS satellites should be considered favorably in evaluating Advanced's extension request, we disagree.[31] The Commission has based previous extensions of time on a finding that the efforts made by the permittee "reveal[s] no lack of capability or commitment" to establish its DBS system.[32] Tempo Satellite's construction progress is irrelevant in determining whether Advanced should be granted an extension of time in which to construct and operate Advanced's satellites.[33] Moreover, we believe it would contravene the public interest to consider Tempo Satellite's construction-progress in assessing Advanced's extension request. To do so would reward permittees' inaction or failure to comply with implementation milestones. Such warehousing precludes the use of channel and orbital assignments by other service providers, and will ultimately result in delays in service to the public.

22. In its opposition to Advanced's petition for extension of time, DBSC requests that some of Advanced's cancelled channels be assigned to DBSC. DBSC's request was not made within any designated filing period for modification applications, and is hereby rejected. We will soon issue a notice regarding the reallocation of cancelled channels and available orbital positions.

V. Ordering Clauses

23. Accordingly, it is ordered, pursuant to Section 0.261 of the Communications Act of 1934, as amended, 47 U.S.C. §0.261, that the Application File No. DBS-94-11-EXT IS DENIED and the construction permit issued to Advanced Communications Corporation in *Satellite Syndicated Systems*, 99 F.C.C. 2d 1369 (1984) is declared null and void.

24. It is further ordered, that Application File Nos. DBS-94-15ACP and DBS-94-16MP are dismissed as moot.

SCOTT BLAKE HARRIS,
Chief, International Bureau.

[FCC 82-285]

BEFORE THE FEDERAL COMMUNICATIONS COMMISSION, WASHINGTON, DC 20554

In the Matter of Inquiry into the development of regulatory policy in regard to direct broadcast satellites for the period following the 1983 Regional Administrative Radio Conference; Gen. Docket No. 80-603.

REPORT AND ORDER

Adopted: June 23, 1982; Released: July 14, 1982.

By the Commission: Commissioners Fowler, Chairman; Fogarty and Rivera issuing separate statements; Commissioner Quello concurring and issuing a statement.

I. Introduction

1. On June 1, 1981, the Commission issued a Notice of Proposed Policy Statement and Rulemaking (Notice), 86 FCC 2d 719, to consider proposed policies and rules to govern the authorization of direct broadcast satellite (DBS) service.

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However, we believe that the provision of HDTV service should not exclude conventional television service. We note that only one of the DBS applicants, CBS, proposes to broadcast HDTV exclusively. We believe that any transition to HDTV would deprive the public of the use of the band for conventional television transmission. Moreover, HDTV presently requires considerably more bandwidth than conventional television signals, and therefore it reduces the number of channels that can be provided within a given amount of spectrum. Our present proposal would permit the band to be used either/for HDTV or for conventional television signals, as spectrum allocation permits and the market dictates. We believe this approach serves the public interest better than reserving the band exclusively for either service.

Licensing and Procedural Requirements

111. The licensing and procedural policies and requirements we are adopting are, with few exceptions, those that were set forth in the *Notice*. In particular, applicants will be required to conform to the technical guidelines specified in the WARC-77 Final Acts. Furthermore, all interim authorizations will be subject to modification, as the Commission deems necessary, in order to comport with determinations made at RARC-83 and any other policies and rules which the Commission may hereafter conclude are necessary or appropriate in the public interest. Deviations from the guidelines of the WARC-77 or from the outcome of RARC-83 may be permitted with Commission approval provided they do not cause interference to operational or Commission approval provided they do not cause interference to operational or planned systems of other administrations in excess of that specified in the Final Acts of the WARC-77 or RARC-83.

112. Applicants may request specific frequencies and orbital positions. However, frequencies and orbital positions will not be assigned until completion of the 1983 RARC. We note that the number of frequencies, the orbital locations, and the size of the service areas specified in the applications we have received to date have varied considerably. While we intend to take each applicant's request fully into account, the Commission may, in acting on a particular application, restrict the number of channels assigned to any applicant, limit or modify the area to be served, or impose any other conditions it deems necessary.

113. The Commission will continue to accept applications for DBS systems. In addition, the Commission intends in the very near future to establish a second cut-off list for applications.[99] In view of the number of applications that have been accepted to date and the number of potential applications that may be filed, future applicants are requested to indicate whether or not they would be willing to operate their systems for non-eclipse-protected orbital positions.

114. In lieu of stringent financial showings and subsequent Commission analysis, we will require that parties granted authorizations proceed with diligence in constructing interim DBS systems. Interim DBS systems will be required to begin construction or complete contracting for construction of the satellite station within one year of the grant of the construction permit. The satellite station will also be required to be in operation within six years of the construction permit grant, unless otherwise determined by the Commission upon proper showing in any particular case. Transfer of control of the construction permit will not be considered to justify extension of these deadlines. We believe that a diligence requirement will provide a more orderly processing of applications and assure that those applicants that are granted construction permits go forward expeditiously.

115. Each application for an interim DBS system shall include a showing describing

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[25] Continental, 4 F.C.C. Rcd at 6296-7 (1989).

[26] *Id*. at 6301.

[27] Advanced, 6 F.C.C. Rcd at 2274.

[28] *See* note 21, *supra*.

[29] Advanced, 6 F.C.C. Rcd at 2274.

[30] To the extent the pleadings address Advanced's applications for assignment and for modification of its construction permit, such pleadings are likewise moot and will not be considered.

[31] Under Advanced's proposal to assign its construction permit to Tempo DBS, the satellites deployed under Advanced's permit would be those now under construction for Tempo Satellite, Inc., a DBS permittee. Application for Modification of Construction Permit, DBS-94-16MP (October 14, 1994).

[32] USSB II at 7250.

[33] Advanced refers to the Commission's recent decision in Directsat Corp., 10 F.C.C. Rcd 88 (1995), as support for approval of the assignment of its construction permit to Tempo DBS. In that case, the Commission approved the transfer of control of DBS permittee Directsat Corporation from SSE Telecom, Inc. to Echo/Comms. Unlike the circumstances here, Directsat's "investment in the development of its DBS system has been substantial and the progress set fort in its semi-annual reports has been steady and consistent with the schedule established in its construction contract." *Id*. at par. 4. Consequently, the Commission concluded that the public interest in the expeditious provision of DBS service to the public would be advanced by this sale.

[99] A number of the interim DBS applications filed in response to the first cut-off date were found unacceptable for filing. Some of these applications were subsequently amended and may now be acceptable for filing.

the type of service that will be provided, the technology that will be employed, and all other pertinent information. The application may be presented in narrative format.[100] Each application for an interim DBS system shall be placed on public notice for 45 days, during which time interested parties may file comments and petitions related to the application. A 45 day cut-off period shall also be established for the filing of applications to be considered in conjunction with the original application. Additional applications filed before the cut-off date shall be considered to have equal priority with the original application and shall be considered together in the assignment of frequencies and orbital positions. If applications have included requests for particular frequencies or orbital positions, the cut-off date shall be considered in establishing the priority of such requests. All frequencies and orbital positions, however, shall generally be considered to be of equal value, and conflicting requests for frequencies and orbital positions will not necessarily give rise to comparative hearing rights as long as unassigned frequencies and orbital slots remain. Each application for an interim DBS system, after the public comment period and staff review, shall be acted upon by the Commission to determine if authorization of the system is in the public interest.

116. All authorizations for interim DBS systems shall be granted for a period of five years. All licensee shall be subject to the policies set forth in this *Report and Order* and with any policies and rules the Commission may adopt at a later date. It is the intention of the Commission, however, that in most circumstances the regulatory policies in force at the time of authorization to construct a satellite shall remain in force for that satellite throughout its operating lifetime.

VIII. Ordering Clauses

117. Pursuant to Section 4(i) and 303 of the Communications Act of 1934, as amended, 47 U.S.C. Sections 4(i) and 303, it is ordered, That:

(a) Parts 2 and 94 of Chapter I of Title 47 of the Code of Federal Regulations are amended as set forth in Appendix C, effective thirty days after publication in the Federal Register.

(b) Chapter I of Title 47 of the Code of Federal Regulations is amended to include a new Part 100 as set forth in Appendix D, effective thirty days after publication in the Federal Register.

(c) The Petition for Expedited Relief submitted by the Aerospace and Flight Test Radio Coordinating Committee on August 12, 1981 is granted to the extent indicated above and is otherwise denied.

WILLIAM J. TRICARICO,
Secretary.

Appendices A and B—may be seen in FCC's Dockets Branch.

APPENDIX C

Parts 2, and 94 of Chapter I of Title 47 of the Code of Federal Regulations are amended as follows:

A. Part 2—Frequency Allocations and Radio Treaty Matters; General Rules and Regulations.

1. Section 2.106 is amended by revising the "Service" column of the frequency bands listed below and by adding new Footnotes NG139 and NG140 in proper numerical order to read as follows:

§2.106 Table of Frequency Allocations

* * * * *

United States		Federal Communications Commission		
Band (GHz)	Allocation	Band (GHz)	Service	Class of Station
5	6	7	8	9
*	*	*	*	*

(b) The measurements of emission power can be expressed in peak or average values provided they are expressed in the same parameters as the transmitter power.

(c) When an emission outside of the authorized bandwidth causes harmful interference, the Commission may, at its discretion, require greater attenuation than specified in this section.

(d) The following minimum spectrum analyzer resolution bandwidth settings will be used: 300 Hz when showing compliance with paragraphs (a)(1)(i) and (a)(2)(i) of this section; and 30 kHz when showing compliance with paragraphs (a)(1)(ii) and (a)(2)(ii) of this section.

§24.134 Co-channel separation criteria.

The minimum co-channel separation distance between base stations in different service areas is 113 kilometers (70 miles). A co-channel separation distance is not required for the base stations of the same licensee or when the affected parties have agreed to other co-channel separation distances.

§24.135 Frequency stability.

(a) The frequency stability of the transmitter shall be maintained within ±0.0001 percent (±1 ppm) of the center frequency over a temperature variation of −30 Celsius to +50 Celsius at normal supply voltage, and over a variation in the primary supply voltage of 85 percent to 115 per cent of the rated supply voltage at a temperature of 20 Celsius.

(b) For battery operated equipment, the equipment tests shall be performed using a new battery without any further requirement to vary supply voltage.

(c) It is acceptable for a transmitter to meet this frequency stability requirement over a narrower temperature range provided the transmitter ceases to function before it exceeds these frequency stability limits.

SUBPART E—BROADBAND PCS

SOURCE: 59 FR 32854, June 24, 1994, unless otherwise noted.

§24.200 Scope.

This subpart sets out the regulations governing the licensing and operations of personal communications services authorized in the 1850–1910 and 1930–1990 MHz bands.

§24.202 Service areas

Broadband PCS service areas are Major Trading Areas (MTAs) and Basic Trading Areas (BTAs) as defined below. MTAs and BTAs are based on the Rand McNally *1992 Commercial Atlas & Marketing Guide*, 123rd Edition, at pages 38–39 ("BTA/MTA Map"). Rand McNally organizes the 50 states and the District of Columbia into 47 MTAs and 487 BTAs. The BTA/MTA Map is available for public inspection as the Office of Engineering and Technology's Technical Information Center, room 7317, 2025 M Street, NW., Washington, DC.

(a) The MTA service areas are based on the Rand McNally *1992 Commercial Atlas & Marketing Guide*, 123rd Edition, at pages 38–39, with the following exceptions and additions:

(1) Alaska is separated from the Seattle MTA and is licensed separately.

(2) Guam and the Northern Mariana Islands are licensed as a single MTA-like area.

(3) Puerto Rico and the United States Virgin Islands are licensed as a single MTA-like area.

(4) American Samoa is licensed as a single MTA-like area.

(b) The BTA service areas are based on the Rand McNally *1992 Commercial Atlas & Marketing Guide*, 123rd Edition, at pages 38–39, with the following additions licensed separately as BTA-like areas: American Samoa; Guam; Northern Mariana Islands; Mayagüez/Aguadilla-Ponce, Puerto Rico; San Juan, Puerto Rico; and the United States Virgin Islands. The Mayagüez/Aguadilla-Ponce BTA-like service area consists of the following municipios: Adjuntas, Aguada, Agudilla, Añasco, Arroyo, Cabo Rojo, Coamo, Guánica, Guayama, Guayanilla, Hormigueros, Isabela, Jayuya, Juana Diaz, Lajas, Las Marías, Mayagüez, Maricao, Maunabo, Moca, Patillas, Pẽuelas, Ponce, Quebradillas, Rincón, Sabana Grande, Salinas, San Germán, Santa Isabel, Villalba, and Yauco. The San Juan BTA-like service area consists of all other municipios in Puerto Rico.

§24.203 Construction requirements.

(a) Licensees of 30 MHz blocks must serve with a signal level sufficient to provide adequate service to at least one-third of the population in their licensed area within five years of being licensed and two-thirds of the population in their licensed area within 10 years of being licensed. Licensees may choose to define population using the 1990 census or the 2000 census. Failure by any licensee to meet these requirements will result in forfeiture or non-renewal of the license and the licensee will be ineligible to regain it.

(b) Licensees of 10 MHz blocks must serve with a signal level sufficient to provide adequate service to at least one-quarter of the population in their licensed area within five years of being licensed, or make a showing of substantial service in their licensed area within five years of being licensed. Population is defined as the 1990 population census. Licensees may elect to use the 2000 population census to determine the five-year construction requirement. Failure by any licensee to meet these requirements will result in forfeiture of the license and the licensee will be ineligible to regain it.

(c) Licensees must file maps and other supporting documents showing compliance with the respective construction requirements within the appropriate five- and ten-year benchmarks of the date of their initial licenses.

§24.204 Cellular eligibility.

(a) *10 MHz Limitation*. Until January 1, 2000, no license(s) for broadband PCS in excess of 10 MHz shall be granted to any party (including all parties under common control) if the grant of such license(s) will result in significant overlap of the PCS licensed service area(s) (MTAs or BTAs) and the cellular geographic service area(s) (CGSA) of licensee(s) in the Domestic Public Cellular Radio Telecommunications Service directly or indirectly owned, operated, or controlled by the same party.

(b) *15 MHz Limitation*. After January 1, 2000, no license(s) for broadband PCS in excess of 15 MHz shall be granted to any party (including all parties under common control) if the grant of such license(s) will result in significant overlap of the PCS licensed service area(s) (MTAs or BTAs) and the cellular geographic service area(s) (CGSA) of licensee(s) in the Domestic Public Cellular Radio Telecommunications Service directly or indirectly owned, operated, or controlled by the same party.

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[100] The Commission will carefully review each DBS application for completeness. Accordingly, all applicants should be sure that their applications contain a complete and detailed technical showing and that the service to be provided is adequately described. (*See also Memorandum Opinion and Order*, FCC 81-500, and *Memorandum Opinion and Order*, FCC 82-92.)

(c) *Significant Overlap*. For purposes of paragraphs (a) and (b) of this section, significant overlap of a PCS licensed service area and CGSA(s) occurs when ten or more percent of the population of the PCS service area, as determined by the 1990 census figures for the counties contained therein, is within the CGSA(s).

(d) *Ownership Attribution*. (1) For purposes of paragraphs (a) and (b) of this section, "control" means majority voting equity ownership, any general partnership interest, or any means of actual working control (including negative control) over the operation of the licensee, in whatever manner exercised.

(2) For purposes of applying paragraphs (a) and (b) of this section, and for purposes of §24.229(c) (40 MHz limit in same geographic area), ownership and other interests in broadband PCS licensees or applicants and cellular licensees will be attributed to their holders pursuant to the following criteria:

(i) Partnership and other ownership interests and any stock interest amounting to 5 percent or more of the equity, or outstanding stock, or outstanding voting stock of a broadband PCS licensee or applicant will be attributable.

(ii) Partnership and other ownership interests and any stock interest amounting to 20 percent of more of the equity, or outstanding stock, or outstanding voting stock of a cellular licensee will be attributable, except that ownership will not be attributed unless the partnership and other ownership interests and any stock interest amounting to 40 percent or more of the equity, or outstanding stock, or outstanding voting stock.

* * * * *

[FCC 94–144]

BEFORE THE FEDERAL COMMUNICATIONS COMMISSION, WASHINGTON, DC 20554

In the Matter of Amendment of the Commission's rules to establish new personal communications services; Gen Docket No. 90–314; RM–7140, RM–7175, RM–7618.

MEMORANDUM OPINION AND ORDER

Adopted: June 9, 1994.

By the Commission: Commissioners Quello, Barrett, Ness, and Chong issuing separate statements.

Released: June 13, 1994.

* * * * *

V. Construction Requirements

147. In the *Second Report and Order*, we stated our expectations that broadband PCS would be a highly competitive industry and that licensees would have the incentive to construct facilities to meet the demand for service in their licensed areas. We concluded that specific channel loading requirements are unnecessary; however, we required licensees to meet specified construction benchmarks to ensure efficient spectrum utilization and service to the public. Specifically, we required licensees to offer service to one-third of the population in their service area within five years of licensing, two-thirds of the population in their service area within seven years, and 90 percent of the population within ten years. We stated that failure to meet these requirements would result in forfeiture of the license and the licensee would be ineligible to regain it.[227]

* * * * *

PacBell opposes Sprint's suggestion that cellular carriers be permitted to include their existing coverage in meeting PCS coverage requirements.[243]

153. MCI asserts that some relaxation of the construction requirements is necessary if base and mobile power limits are not substantially increased.[244] US West opposes the 90 percent construction requirement, asserting that 90 percent coverage will increase the cost of PCS fourfold compared to a 67 percent population coverage requirement. It states that a stringent construction requirement is not necessary to prevent warehousing of spectrum because the spectrum will be purchased at auction. As part of its filing, US West submits an analysis of nine large western BTAs that indicates that increasing population coverage from 67 to 75 percent results in only a moderate increase in the geographic area that must be served. On the other hand, increasing population from 75 to 90 percent results in a very large increase in the geographic area that must be covered.[245]

154. *Decision*. We believe that PCS will be a highly competitive service and that licensees will have incentives to construct facilities to meet the service demands in their licensed service areas. Further, we believe that our use of competitive bidding for PCS licensing and the restrictions on the amount of spectrum that a licensee may control in a geographic area will limit the likelihood that spectrum will be warehoused. Nevertheless, we continue to believe that minimum construction requirements are necessary to ensure that PCS service is made available to as many communities as possible and that the spectrum is used effectively. We note that the Reconciliation Act amendments require the Commission to impose performance requirements.[246] While we agree with GCI, NYNEX, and others that construction requirements are needed to ensure service in a timely fashion, we also agree that relaxation of the requirements is desirable to ensure an economical deployment of the service to promote opportunities for PCS "niche" services, and to facilitate a competitive market.[247]

155. Accordingly, we are amending the construction requirements as follows. All 30 MHz broadband PCS licensees will be required to construct facilities that provide coverage to one-third of the population of their service area within five years of initial license grant and to two-thirds of the population of their service area within ten years. We will require the 10 MHz licensees to meet a single construction requirement of providing coverage to one-fourth of the population of their service area within five years; or alternatively, they may submit an acceptable showing to the Commission demonstrating that they are providing substantial service. We recognize that these requirements are less than the requirement for narrowband PCS licensees, but we believe this difference is appropriate given the higher expected construction costs involved for broadband PCS.[248] Moreover, since licensees must purchase their licenses, they will have added economic incentives to construct their systems as rapidly as possible and introduce service to a significant percentage of the population. In this regard, we also believe that these relaxed construction requirements may increase the viability and value of some broadband licenses, especially those in less densely populated service areas. Finally, since most areas are already served by cellular and SMR providers, we believe it unnecessary to require PCS licensees to provide identical or similar services to areas where it is uneconomic to do so. With regard to the 10 MHz licensees, we believe that the reduced construction requirement will make these licenses more attractive to applicants intending to provide residential, cutting-edge niche services or services to business and educational campuses where the population may be small except during business or school hours.

156. At the five-year benchmark we will require all licensees, and again at the 10-year benchmark for 30 MHz licensees, to file a map and other supporting documentation showing compliance with the construction requirements. Licensees failing to meet the population coverage requirements described above will be subject to the license forfeiture penalties adopted in the *Second Report and Order*.[249] We recognize that even with these requirements, factors such as incumbent microwave operation or sparse population density in some instances could make compliance difficult. In instances where the circumstances are unique and the public interest would be served, the Commission will consider waiving the requirements on a case-by-case basis.[250] These revised construction requirements will ensure efficient spectrum utilization and promote significant nationwide coverage without imposing substantial cost penalties on licensees that serve less densely populated areas. In this regard, we believe that these changes generally address the concerns of those parties that suggested lowering the construction requirements for designated entities or for BTA service areas.[251]

157. We also recognize the desirability of encouraging more than one provider to serve a diverse geographic area, and note that resale of a licensee's geographic area to other entities, subject to the licensee's control, is not prohibited by our rules. Accordingly, we recognize that licensees may resell spectrum, and believe that this will facilitate the deployment of PCS. Whether or not the licensee enters into resale arrangements, it will be responsible for insuring that the coverage requirement and all the other requirements of our rules are met. The reseller will not be a separate licensee, but rather, will operate subject to the control of the licensee. We believe that resale will encourage service provision, particularly to rural areas, and allow smaller, predominantly rural companies to participate in PCS. We intend to examine in another proceeding whether resale arrangements confer attributable interests on the reseller. *See* Section IV, *supra*.

158. In summary, our relaxed construction requirements will foster provision of PCS services and will promote diversity in their provision. Permitting licensees to resell service subareas, subject to the licensee's control, will permit smaller, rural companies to provide PCS without participating in the competitive bidding process. Finally, we intend to monitor closely the development of

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[227] *See Second Report and Order* at ¶¶132–134.

[243] *See* PacBell Comments at 8.

[244] *See* MCI Comments at 17.

[245] *See* US West Reply at 7–9.

[246] *See* 47 U.S.C. §309(1)(4)(B), as amended by the Reconciliation Act.

[247] *See* Comments at 13; NYNEX Comments at 8–9.

[248] The construction requirements for narrowband PCS are set forth in *Memorandum Opinion and Order*, GEN Docket No. 90–314 and ET Docket No. 92–100, 9 FCC Rcd 1309, 1313–1314, ¶¶27–34 (1994), *recon. pending*.

[249] *See Second Report and Order* at ¶¶133–134.

[250] *See WAIT Radio v. FCC*, 418 F.2d 1153 (D.C. Cir. 1969).

[251] We will also allow the licensee to use, if they choose to do so, the 2000 census to determine the 10-year construction requirement, rather than the 1990 census specified in the *Second Report and Order*. This change ensures that licensees will not be required to meet benchmarks based on obsolete data.

PCS in rural and other under-served areas and, if necessary, will readdress these construction requirements to ensure that our goals for wide area service are met.

VI. Technical Standards

A. Roaming and interoperability standards

159. In the *Second Report and Order*, the Commission provided maximum flexibility in technical standards to allow PCS to develop in the most rapid, economically feasible and diverse manner. Specific technical standards were prescribed only to the extent necessary to avoid harmful interference. The Commission recognized that several industry technical and standards groups were addressing matters related to PCS technical standards. It encouraged those groups to consider ways of ensuring that PCS users, service providers, and equipment manufacturers could incorporate roaming, interoperability and other important features in the most efficient and least costly manner, noting that PCS will be more useful to the extent that users are not limited by geography or by their ability to use their equipment with different systems.

160. *Petitioners' Requests.* NCS, Motorola, and TIA request that we reconsider our decision not to adopt PCS interoperability requirements.[252] NCS requests that we adopt standards to ensure interoperability and nationwide roaming.

* * * * *

(a) The MTA service areas are based on the Rand McNally *1992 Commercial Atlas & Marketing Guide*, 123rd Edition, at pages 38–39, with the following exceptions and additions:

(1) Alaska is separated from the Seattle MTA and is licensed separately.

(2) Guam and the Northern Mariana Islands are licensed as a single MTA-like area.

(3) Puerto Rico and the United States Virgin Islands are licensed as a single MTA-like area.

(4) American Samoa is licensed as a single MTA-like area.

(b) The BTA service areas are based on the Rand McNally *1992 Commercial Atlas & Marketing Guide*, 123rd Edition, at pages 38–39, with the following additions licensed separately as BTA-like areas: American Samoa; Guam; Northern Mariana Islands; Mayagüez/Aguadilla-Ponce Puerto Rico; San Juan, Puerto Rico; and the United States Virgin Islands. The Mayagüez/Aguadilla-Ponce BTA-like service area consists of the following municipios: Adjuntas, Aguada, Aguadilla, Añasco, Arroyo, Cabo Rojo, Coamo, Guánica, Guayama, Guayanilla, Hormigueros, Isabela, Jayuya, Juana Díaz, Lajas, Las Marías, Maricao, Maunabo, Mayagüez, Moca, Patillas, Peñuelas, Ponce, Quebradillas, Rincón, Sabana Grande, Salinas, San Germán, Santa Isabel, Villalba, and Yauco. The San Juan BTA-like service area consists of all other municipios in Puerto Rico.

§24.203 Construction requirements.

(a) Licensees of 30 MHz blocks must serve with a signal level sufficient to provide adequate service to at least one-third of the population in their licensed area within five years of being licensed and two-thirds of the population in their licensed area within 10 years of being licensed. Licensees may choose to define population using the 1990 census or the 2000 census. Failure by any licensee to meet these requirements will result in forfeiture or non-renewal of the license and the licensee will be ineligible to regain it.

(b) Licensees of 10 MHz blocks must serve with a signal level sufficient to provide adequate service to at least one-quarter of the population in their licensed area within five years of being licensed, or make a showing of substantial service in their licensed area within five years of being licensed. Population is defined as the 1990 population census. Licensees may elect to use the 2000 population census to determine the five-year construction requirement. Failure by any licensee to meet these requirements will result in forfeiture of the license and the licensee will be ineligible to regain it.

(c) Licensees must file maps and other supportive documents showing compliance with the respective construction requirements within the appropriate five- and ten-year benchmarks of the date of their initial licenses.

§24.204 Cellular eligibility.

(a) *10 MHz Limitation.* Until January 1, 2000, no license(s) for broadband PCS in excess of 10 MHz shall be granted to any party (including all parties under common control) if the grant of such license(s) will result in significant overlap of the PCS licensed service area(s) (MTAs or BTAs) and the cellular geographic service area(s) (CGSA) of licensee(s) in the Domestic Public Cellular Radio Telecommunications Service directly or indirectly owned, operated, or controlled by the same party.

FEDERAL COMMUNICATIONS COMMISSION

[8 FCC Rcd 3204; 1993 FCC LEXIS 2397]

In the Matter of the Authorization of Cable TV Services, Inc., For Multichannel Multipoint Distribution Service station WHT578 on the F-group channels at Deadhorse, Alaska; File No. 2506–CM–P–83.

Release-number: DA 93–524.

May 14, 1993 Released; Adopted May 5, 1993.

Action: [*1] Order on reconsideration.

Judges: By the Chief, Domestic Facilities Division.

Opinion by: Keegan.

OPINION

1. Introduction. After the cancellation by the Domestic Facilities Division (Division) on delegated authority of its authorization to construct and operate Multichannel Multipoint Distribution Service (MMDS) station WHT578 on the F-group channels at Deadhorse, Alaska, Cable TV Services, Inc. (Cable) requested reinstatement of its authorization.

2. Background. Although acknowledging that it had failed to complete construction by the deadline, Cable states, on reconsideration, that its authorization should be reinstated because it lost its financing and was unable to obtain substitute financing prior to the expiration of its construction period. Approximately six weeks after the construction expiration date, Cable filed an extension application. Cable justifies the late filing of its extension application because it was still searching for financing and it had orally advised Commission staff of its financing problems. Cable also argues that its authorization should be reinstated because, with the exception of video programming currently provided by satellite, no one but Cable would provide multichannel [*2] video programming to the residents of Deadhorse.

3. Discussion. Section 319(b) of the Communications Act of 1934, as amended, "provides that a construction authorization will be automatically forfeited if the station is not ready for operation within the time specified in the construction authorization, or such further time as the Commission may allow, unless prevented by causes not under the control of the grantee." Miami MDS Co. and Boston MDS Co., 7 FCC Rcd 4347, 8347, 4348 (1992). The expiration date of Cable's construction authorization appeared on the face of the authorization. The authorization also contained the following express provision: "This permit shall be automatically forfeited if the facilities authorized herein are not ready for operation within the term of this permit. . . ." At the time, this automatic forfeiture provision was specifically embodied in Section 21.44 of the Commission's Rules. n1 Vidcom Marketing, Inc., 6 FCC Rcd 1945 n.3 (Dom. Fac. Div. 1991).

"Carriers who fail promptly to construct facilities preclude other applicants who are willing, ready, and able to construct from access to limited and valuable spectrum. This has the effect of delaying, [*3] or even denying, service to the public. Revision of Part 21 of the Commission's Rules, 2 FCC Rcd 5713 (1987)." Miami MDS Co. and Boston MDS Co., 7 FCC Rcd 4347, 4349 (1992). Cable's loss of financing and failure to obtain new financing did not toll its construction deadline. Cable's construction authorization was automatically forfeited pursuant to Section 319 of the Communication's Act, 47 C.F.R. Sec. 21.44 and the terms of the authorization. Cable's lack of financing fails to justify reinstatement of its authorization. Cable asserted in its initial application that it was financially qualified under 47 C.F.R. Sec. 21.17. Thus, it is the applicant's independent business judgment that it is financially qualified. Therefore, an independent business judgment to delay construction for financial reasons would not be a cause beyond the applicant's control, justifying an extension of time to construct an MMDS station. See W. Lee Simmons, Inc., 2 FCC Rcd 4290 (1987) (extension applicant's business decision not to construct was within its own control); Joe L. Smith, Jr., Inc., 5 Rad Reg. 2d 582 (1965); accord Radio Longview, Inc., 19 FCC 2d 966, 968–71 (1969); Beta Television Corp., [*4] 27 FCC 2d 761, 763 (Rev. Bd. 1970). Cable was required to file its extension application prior to the expiration of its construction authorization. 47 C.F.R. Secs. 21.11 and 21.44(a). Cable failed to do so. Therefore, its extension application is hereby dismissed as untimely filed.

n1 Section 21.44(a) stated inter alia as follows: "A construction permit shall be automatically forfeited if the station is not ready for operation within the term of the construction permit. . . ."

4. Conclusion and Ordering Clause. Have carefully considered all of the arguments and evidence presented, we find that Cable TV Services, Inc. automatically forfeited its construction authorization for failure to construct prior to the specified expiration date, reinstatement of the authorization is not justified, and its extension application was late filed. Accordingly, IT IS ORDERED that the request for reinstatement filed by Cable TV Services, Inc. regarding the above-referenced MMDS authorization is denied and its extension application is dismissed. This order is issued pursuant to 47 C.F.R. Sec. 0.291, and is effective on its release date. See 47 C.R.R. Secs. 1.4(b), 1.106, and 1.115. [*5]

JAMES R. KEEGAN,
Chief, Domestic Facilities Division.
Common Carrier Bureau.

§73.3533 Application for construction permit or modification of construction permit.

(a) Application for construction permit, or modification of a construction permit, for a new facility or change in an existing facility is to be made on the following forms:

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[252] Texas Emergency also requests that we adopt a uniform standard for enhanced emergency 911 services. These matters are addressed in Section VI.E.

(1) FCC Form 301, "Application for Authority to Construct or Make Changes in an Existing Commercial Broadcast Station."

(2) FCC Form 309, "Application for Authority to Construct or Make Changes in an Existing International or Experimental Broadcast Stations."

(3) FCC Form 313, "Application for Authorization in the Auxiliary Broadcast Services."

(4) FCC Form 330, "Application for Authorization to Construct New or Make Changes in an Instructional Television Fixed and/or Response Station(s), or to Assign to Transfer Such Station(s)."

(5) FCC Form 340, "Application for Authority to Construct or Make Changes in a Noncommercial Educational Broadcast Station."

(6) FCC Form 346, "Application for Authority to Construct or Make Changes in a Low Power TV, TV Translator or TV Booster Station."

(7) FCC Form 349, "Application for Authority to Construct or Make Changes in an FM Translator or FM Booster Station."

(b) The filing of an application for modification of construction permit does not extend the expiration date of the construction permit. Extension of the expiration date must be applied for on FCC Form 307, in accordance with the provisions of §73.3534.

§73.3534 Application for extension of construction permit or for construction permit to replace expired construction permit.

(a) Application for extension of time within which to construct a station shall be filed on FCC Form 307, "Application for Extension of Broadcast Construction Permit or to Replace Expired Construction Permit." The application shall be filed at least 30 days prior to the expiration date of the construction permit if the facts supporting such application for extension are known to the applicant in time to permit such filing. In other cases, an application will be accepted upon a showing satisfactory to the FCC of sufficient reasons for filing within less than 30 days prior to the expiration date.

(b) Applications for extension of time to construct broadcast stations, with the exception of International Broadcast and Instructional TV Fixed stations, will be granted only if one of the following three circumstances have occurred:

(1) Construction is complete and testing is underway looking toward prompt filing of a license application;

(2) Substantial progress has been made *i.e.*, demonstration that equipment is on order or on hand, site acquired, site cleared and construction proceeding toward completion; or

(3) No progress has been made for reasons clearly beyond the control of the permittee (such as delays caused by governmental budgetary processes and zoning problems) but the permittee has taken all possible steps to expeditiously resolve the problem and proceed with construction.

(c) Applications for extension of time to construct International Broadcast and Instructional TV Fixed stations will be granted upon a specific and detailed showing that the failure to complete was due to cause not under the control of the permittee, or upon a specific and detailed showing of other sufficient to justify an extension.

(d) If an application for extension of time within which to construct a station is approved, such an extension will be limited to a period of no more than 6 months except when an assignment or transfer has been approved that provides for a longer period up to a maximum of 12 months from the date of consummation.

(e) Application for a construction permit to replace an expired construction permit shall be filed on FCC Form 307. Such applications must be filed within 30 days of the expiration date of the authorization sought to be replaced. If approved, such authorization shall specify a period of not more than 6 months within which construction shall be completed and application for license filed.

§73.3535 Application to modify authorized but unbuilt facilities, or to assign or transfer control of an unbuilt facility.

(a) If a permittee finds it necessary to file either an application to modify its authorized, but unbuilt facilities, or an assignment/transfer application, such application shall be filed within the first 9 months of the issuance of the original construction permit for radio and other broadcast and auxiliary stations, or within 12 months of the issuance of the original construction permit for television facilities. Before such an application can be granted, the permittee or assignee must certify that it will immediately begin building after the modification is granted or the assignment is consummated.

(b) Modification and assignment applications filed after the time periods stated in paragraph (a) will not be granted absent a showing that one of the following three criteria apply: (1) Construction is complete and testing is underway looking toward prompt filing of a license application; (2) substantial progress has been made *i.e.*, demonstration that equipment is on order or on hand, site acquired, site cleared and construction proceeding toward completion; or (3) no progress has been made for reasons clearly beyond the control of the permittee (such as delays caused by governmental budgetary processes and zoning problems) but the permittee has taken all possible steps to expeditiously resolve the problem and proceed with construction.

* * * * *

FEDERAL COMMUNICATIONS COMMISSION
[1985 FCC LEXIS 3169]

In the matter of WULT–TV
June 10, 1985 Released; June 4, 1985
Opinion by: [*1] McKinney.
Opinion: New Orleans Channel 20, Inc., Rochester, NY.
Re: BMPCT-840710KH, BAPCT-840727KG, WULT-TV, New Orleans, LA.

GENTLEMEN: This refers to the above-captioned applications for an extension of time within which to construct Station WULT-TV, New Orleans, Louisiana, and for consent to assignment of the construction permit, a petition to deny n1 each of the applications, filed by Marvin Gorman Ministries, Inc. (MGMI), and related pleadings.

n1 Applications for extension of time to construct are not subject to petitions to deny. Therefore, the petition to deny the extension of time application will be treated as an informal objection filed pursuant to Section 73.3587 of the Commission's Rules.

The Commission granted the construction permit for Channel 20 on October 10, 1980, following a settlement agreement among three competing applicants. An application for assignment of the construction permit was granted on January 25, 1982. The assignment was not consummated and on March 15, 1983, a second assignment application was granted, and was consummated on June 28, 1983. On August 9, 1983, the Commission granted the permittee's application for [*2] a six month extension of time to construct. No construction was undertaken following any of the grants. On February 8, 1984, the Commission granted an additional six month extension of time to construct, subject to the condition that, not later than May 9, 1984, you would file a progress report with the Commission. By letter dated May 9, 1994, rather than submitting a progress report, you informed the Commission that because of the drain on your time and resources and lack of success in obtaining a suitable construction site, you had decided to assign the permit to another entity better able to pursue construction of the station. Consequently, you have once again requested an extension of time to construct in order to assign the permit to another entity. It again appears that no construction has been undertaken. You state that the proposed assignee stands ready to pursue construction of the station once the assignment application is approved.

In its objections, MGMI contends that you have had ample time in which to secure a site, have failed to do so, have received two extensions previously for failure to find a site, and that you have made little effort to procure a transmitter [*3] site. Under these circumstances, MGMI argues that you should not be allowed to profit from the sale of the construction permit which would result if the Commission grants the requested extension. MGMI alleges that you have not been diligent in your efforts to secure a transmitter site, and that you assertion that you have, lacks credibility. MGMI points out that several of its officers know of available sites for a transmitter, and that ten other applicants for Channel 49 in New Orleans have specified available sites. MGMI notes that two of the principals of New Orleans Channel 20, Inc. have been holders of the construction permit for Channel 20 since 1980. Therefore, MGMI argues, it is unreasonable to believe that these principals could not have produced a transmitter site within this four year time span. Further, MGMI states that the public interest has been successively undercut by your continuing attempt to hold on to the construction permit. MGMI asserts that your failure to construct over the past four years has removed the channel from the community and prevented any other party from applying to use it.

In opposition, you state that the objections are not based on [*4] the present set of circumstances, but on the previous extension applications and the previous applications for assignment of the construction permit which cannot be revisited. You argue that the public interest would be served by extending the construction permit and allowing the station to go on the air promptly. You assert that the public interest would not be served by opening up the channel for multiple competing applications. You note that LeSea Broadcasting, the proposed assignee, has committed itself to constructing the station, and it hopes to have the station on the air in seven months.

The proposed assignee states that it has: (1) secured a transmitter site and filed an application to modify the Channel 20 construction permit to specify the new site; (2) placed a contingent order for broadcast equipment in the amount of approximately $2.5 million; (3) located a suitable studio site; and (4) reached agreements in principle with individuals who will be the station's operations manager and chief engineer.

Additionally, you maintain that past Commission cases made it clear that an extension of time is appropriate where a permittee that has not constructed a station [*5] proposes to assign the permit to a party that is prepared to proceed with construction. Gross

Broadcasting Co., 41 FCC 2d 729 (1973); New Television Corp., 65 FCC 2d 680 (Rev. Bd. 1977); Hymen Lake, 56 FCC 2d 379 (Rev. Bd. 1975). You state that in the past, where there has been a firm commitment from the proposed assignee to construct and the probability of early inauguration of UHF television, as here, the Commission has consistently found that the public interest would be served by extending the time for construction. You contend that the extension and assignment of the Channel 20 permit would bring new television service to New Orleans at the earliest opportunity. Further, you allege that MGMI has failed to offer any support for its legal position and has provided no basis for overturning long-established Commission policy.

In reply to your opposition, MGMI maintains that you have not submitted any showing of circumstances beyond your control which prevented construction and, therefore, the permit should be forfeited. MGMI alleges that in the 11 months you have controlled the permit, you have made no discernible effort to find a site, order equipment, [*6] or to begin any type of television operation in New Orleans. Yet, MGMI states, you now hope to receive $250,000 for transferring the permit to another party.

Before an extension application can be granted, Section 73.3534(a) of the Commission's Rules requires either a specific and detailed showing that the failure to complete construction within the time provided was due to causes beyond a permittee's control or that there are other matters sufficient to justify the extension. In the past, where an assignee made a firm commitment to construct expeditiously and the Commission was persuaded that the assignment represents the fastest way to have the station activated, the pendency of the assignment application can be considered to be such an "other matter." King Communications, Inc., 47 RR 2d 109, 110 (Rev. Bd., 1980). However, the filing of an assignment application does not automatically entitle the permittee to an extension of time to have the station built. Moreover, subsequent to the King decision, the Commission has clearly stated that it will take a much closer look at extension applications. See, e.g., Revision of Form 301, 50 R.R. 2d 381, 382 (1981); MEKAOY [*7] C. (KTIE), 48 RR 2d 815, 817 (Broadcast Bureau, 1980).

Here, we note that it has been four years since the construction permit was issued for Channel 20. During this time, the Commission has granted two assignment applications and two applications for extension of time to construct. Yet, no construction has commenced and it appears that no equipment has been ordered. In granting the last extension of time to construct, the Commission granted the request subject to the condition that not later than May 9, 1984, a progress report would be filed with the Commission. However, on May 9, 1984, you informed the Commission that you had decided to assign the permit to another entity. Thus, on July 10, 1984, you filed an application for extension of time to construct and on July 27, 1984, an application for assignment of the construction permit.

In this case, the permit was assigned to you on the assumption that you would build promptly. The last extension application was approved on the assumption that its grant would expeditiously result in a new service to the public. These expectations have come to nought.

Accordingly, on the basis of the facts set forth in your application, [*8] the Commission is unable to find that construction of the station was prevented by causes beyond your control and the Commission does not find the existence of other matters which would warrant an extension. The filing of the assignment application, under the circumstances, does not warrant an extension of time. You are advised that your application for an extension of time within which to construct Station WULT, New Orleans, Louisiana, is denied, your construction permit is canceled, your call sign is deleted, and your application for assignment of the construction permit to LeSea Broadcasting, Incorporated, is dismissed, as moot.

Sincerely,

JAMES C. MCKINNEY,
Chief, Mass Media Bureau.

Mr. McCAIN. Mr. President, I would still like to have a rollcall vote on this issue, but I have no further reason to debate the issue. So I would suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BRYAN. Mr. President, I ask unanimous consent that further proceedings under the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BRYAN. I thank the Chair.

TRANSITIONAL FUNDING FOR UNITED STATES TRAVEL AND TOURISM ADMINISTRATION

Mr. BRYAN. Mr. President, I wanted to alert my colleagues it will be my intention later on today when the floor opens up to offer an amendment with Senator BURNS to provide transitional funding——

The PRESIDING OFFICER. If the Senator would withhold.

We are in a controlled time.

Mr. BRYAN. I think my statement would take perhaps 7 or 8 minutes, if there is a parliamentary concern.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. I will yield the Senator from Nevada 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DORGAN. Mr. President, how much time do I have?

The PRESIDING OFFICER. The Senator has 11 minutes.

Mr. DORGAN. Then I will yield the Senator from Nevada 11 minutes.

The PRESIDING OFFICER. The Senator from Nevada is recognized for 11 minutes.

Mr. BRYAN. I thank the Chair and my friend from North Dakota for his courtesy.

As I indicated, Mr. President, it will be my intention to offer, with the distinguished Senator from Montana, Senator BURNS, an amendment later on today to provide transitional funding for the U.S. Travel and Tourism Administration.

This funding would permit an orderly transition into a new public/private-sector entity. This amendment enjoys the support of a number of Senators on both sides of the aisle, including, among many others, Senators MCCONNELL, HOLLINGS, MURKOWSKI, INOUYE, THURMOND, and DASCHLE.

I might also note, Mr. President, that the National Governors' Association at their recent annual meeting endorsed the concept embodied in this proposed amendment.

Mr. President, none of us is unmindful of the fact that the current budget pressures demand some extraordinary responses. So the purpose of this amendment is simply to provide some transitional funding until this public-private partnership can be organized.

As part of this effort, the Congress, the administration, and the travel and tourism organization that are needed best to promote the travel industry are going to need some time to put this into effect. To cut off funding cold turkey, as is contemplated in the present form of this bill, would be the equivalent of unilateral disarmament.

All of our competitors spend considerably more than we do on their national tourism offices. In fact, the United States ranks 23d, spending just $16 million while countries like Greece, Mexico, and Spain, spend more than $100 million each year. In fact, putting this in some context, Mr. President, we rank behind such powerhouses as Tunisia and Malaysia in terms of the amount of money we are spending.

Unfortunately, these spending figures are having a dramatic impact on our share of the world's tourism market. In 1993, the United States enjoyed almost 19 percent of the world's tourism receipts. This has declined to 15.6 percent this year, and is expected to shrink to 13.8 percent by the end of the decade. The chart that I have prepared will indicate that rather dramatic decline. In 1993, 18.7 percent; 1994, 17.9 percent; 1995, estimated this year, 15.6 percent; and by the end of the century, 13.8 percent.

Now, this is more than just a statistical observation. It has real impact. The loss in the U.S. share of the world's tourism market can be translated into a significant impact on our trade deficit and on employment. If we were able to keep our world tourism share from shrinking, we would improve our trade balance—that is a plus, Mr. President—by $28 billion and increase employment by 370,000 people by the year 2000.

Those are significant industries. Very few industries can shape our economy to this extent. Travel and tourism is already the second largest employer in our Nation after health care. It employs either directly or indirectly 13 million Americans.

Now, this indicates the trade surplus balance, something that is always of concern to us. We are running, in terms of our international trading accounts, a deficit.

This clearly indicates that tourism—international tourism; we are not talking about domestic tourism; this is international tourism—can be a substantial, positive, contributing factor. The estimate this year is $18.1 billion, that is, in effect, more people coming to the United States from abroad, spending money in your State, Mr. President, and others who are on the floor and my own as opposed to Americans traveling abroad and spending money in foreign countries—$18.1 billion to the good as we say.

The opportunity we have as a nation is that international travel and tourism is growing rapidly. By the year 2000 more than 661 million people will be traveling throughout the world. That is roughly twice as many people as traveled in 1985. What we need to do is to capture our share of this tourism market. We need to put the muscle of the public and private sector together in a public/private-sector relationship to make sure we advance this market, fully exploit this market to make sure that we get our fair share of the international travel dollar. And to do this we need to develop a new strategy, jointly with the private sector, to energize our international tourism efforts.

The amendment which we will be offering later today would provide $12 million in funding for USTTA, for the transition into this new public/private-sector entity. What this entity will look like is being formulated as we speak. It should be available for scrutiny at the upcoming White House Conference on Travel and Tourism.

Australia and Canada have recently created such public/private-sector partnerships. These new organizations are each spending approximately $100 million this year and have developed creative and aggressive programs in promoting national tourism on behalf of their respective countries.

I do not come here to defend our current tourism effort. It is in need of a major overhaul. But terminating this program cold turkey is not the appropriate step to take. We must make a transition into a new market entity. This transition is important for all of us. It gives us time to begin implementing the recommendations that will emerge from the White House conference on tourism, time to help kick off the 1996 summer Olympics in Atlanta, in time to make a transition into a new public/private-sector partnership.

Later on, Mr. President, I will urge my colleagues to support this amendment, which enjoys wide bipartisan support. And I note the work of my distinguished colleague from Montana, Senator BURNS, who is a prime cosponsor with me.

Mr. President, I do not know if anyone else needs to speak, but I reserve the remainder of the time and yield the floor.

Noting no other Senator on the floor, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2815

Mr. LAUTENBERG. Mr. President, I rise in support of this amendment, which would increase our commitment to addressing the menace of domestic violence.

Mr. President, violence against women is one of this country's most important and pressing problems. Every 5 minutes a women is raped. Every 12 seconds a woman is battered. In fact, these figures reflect only reported crimes—the actual incidence rates probably are even higher.

These numbers are mind-numbing and appalling. Yet they fail to convey the horror and the long-term physical and emotional harms that victims suffer. Sexual assault can have a devastating impact on a woman, especially if she cannot get access to needed counseling and support services. These harms can last a lifetime. It's therefore critical that counseling and other services are available to all victims.

That is one reason why last year I was proud to cosponsor the Violence Against Women Act. This act offers a comprehensive approach to fighting family violence and sexual assault.

Under the act, Federal funds are distributed to the States for victim support services, for training of law enforcement officers, for expansion of law enforcement and prosecution agencies, and for the development of more effective programs to prevent violent crimes against women.

Funds have already been distributed to the States under this act, and it's off to a good, strong start. But it's only a start. The job is far from done.

Unfortunately, in its current form, this bill would take a step backward in the battle against domestic violence. Last year, Congress authorized about $175 million for fiscal year 1996. Yet the bill would cut that level by $75 million.

In my view, that cut would be a big mistake. We simply should not turn our back on the commitment that we made last year to fighting violence against women.

So, Mr. President, I strongly urge my colleagues to support this amendment, which would provide critical additional funds for the Violence Against Women Act. It's time to make the fight against domestic violence a top national priority.

Mr. LEAHY. Mr. President, I thank my colleagues for restoring funding for the Violence Against Women Act programs. When we passed the Violence Against Women Act as part of the Violent Crime Control and Law Enforcement Act of 1994, we responded to the crisis of domestic violence that exists throughout this country, in rural and urban communities, among poor, middle class, and the rich, affecting women and children of all races and religions. Those programs are among the most important parts of the comprehensive legislation we considered and passed last year after 6 long years of debate.

To have gutted these programs through the appropriations process would have been wrong. To have done so when the funding for them was assured through the Violent Crime Reduction Trust Fund would have breached our commitment to the American people. A 99 to 0 vote in favor of restoring this funding sends a powerful message to those who would have cut funding for these important programs.

Law enforcement and community-based programs cannot be kept on a string like a yo-yo if they are to plan and implement programs to begin to deal with domestic violence and its prevention. They need to be able to initiate programs and hire staff and have a sense of stability if these measures are to achieve their fullest potential.

I know, for instance, that, in Vermont, Lori Hayes at the Vermont Center for Crime Victims Services; Judy Rex and the Vermont Network Against Domestic Violence and Sexual Abuse; Karen Bradley from the Vermont Center for Prevention and Treatment of Sexual Abuse; and others, provide tremendous service under difficult conditions. Such dedicated individuals and organizations, working in a most difficult area, on problems that were once thought to be intractable, ought not be promised support and then frustrated just as they are about to expand needed programs and services throughout the State. Vermont was the first State to apply for and the first State to begin receiving its Violence Against Women Act grant. The Governor and his advisers had made plans and promises and announced grantees through the State. That implementation of Violence Against Women Act programs ought to proceed without further delay, distraction or diminution.

What Congress needs to do is to follow through on our commitments, not to breach them and violate our pledge to law enforcement, State and local government, and the American people. Invading trust funds dedicated to Violence Against Women Act programs is simply not justifiable. Neither the elimination of the corporate alternative minimum tax nor capital gains taxes is sufficient reason for this cut.

Funding for important programs implementing the Violence Against Women Act and our rural crime initiatives should not be cut without debate and justification. There has been neither.

Earlier this year I offered a resolution rejecting the ill-advised House action cutting $5 billion from the Violent Crime Reduction Trust Fund. The Senate agreed and proclaimed its intent to preserve the trust fund so that we could fulfill the promise of the Violent Crime Control and Law Enforcement Act and our commitment to do all that we can to reduce violent crime in our local communities. The action we take today takes an important step in that same direction and preserves to our Violence Against Women Act programs funds that are needed for their proper implementation.

Mr. HOLLINGS. Regular order, Mr. President.

VOTE ON AMENDMENT NO. 2815

The PRESIDING OFFICER (Mr. DEWINE). Under the previous order, the Senate will now vote on the Biden amendment No. 2815.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Ohio [Mr. GLENN], is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 99, nays 0, as follows:

[Rollcall Vote No. 474 Leg.]

YEAS—99

Abraham
Akaka
Ashcroft
Baucus
Bennett
Biden
Bingaman
Bond
Boxer
Bradley
Breaux
Brown
Bryan
Bumpers
Burns
Byrd
Campbell
Chafee
Coats
Cochran
Cohen
Conrad
Coverdell
Craig
D'Amato
Daschle
DeWine
Dodd
Dole
Domenici
Dorgan
Exon
Faircloth
Feingold
Feinstein
Ford
Frist
Gorton
Graham
Gramm
Grams
Grassley
Gregg
Harkin
Hatch
Hatfield
Heflin
Helms
Hollings
Hutchison
Inhofe
Inouye
Jeffords
Johnston
Kassebaum
Kempthorne
Kennedy
Kerrey
Kerry
Kohl
Kyl
Lautenberg
Leahy
Levin
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Mikulski
Moseley-Braun
Moynihan
Murkowski
Murray
Nickles
Nunn
Packwood
Pell
Pressler
Pryor
Reid
Robb
Rockefeller
Roth
Santorum
Sarbanes
Shelby
Simon
Simpson
Smith
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Warner
Wellstone

NOT VOTING—1

Glenn

So the amendment (No. 2815) was agreed to.

Mr. BIDEN. Mr. President, I move to reconsider the vote and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2816, AS MODIFIED

The PRESIDING OFFICER. Under the previous order, the McCain amendment is now in order. There are 4 minutes equally divided.

The Senator from Arizona.

Mr. McCAIN. Mr. President, I thank the Senator from Colorado, Senator BROWN, for his perfection of this amendment, which has allowed us to agree on this very important savings of between $300 and $700 million for the taxpayers of America. I thank Senator BROWN for that.

I yield what remaining time I have to the Senator from North Dakota.

Mr. DORGAN. Mr. President, I associate myself with the Senator's remarks. I hope the Members of the Senate will vote to approve this amendment. It does deal with $300 to $700 million that ought to inure to the benefit of the taxpayers of this country, and that is why we offered the amendment.

I yield the remainder of my time.

Mr. BYRD. Mr. President, may we have an explanation of the amendment?

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. BYRD. May we have an explanation of the amendment? I understand it is a good amendment, but I would like to know what it is if we are going to be voting on it.

The PRESIDING OFFICER. The Senator will suspend. If those Members having discussions could please retire to the Cloakroom?

The Senator from Arizona.

Mr. McCAIN. Mr. President, the amendment expresses, legally, that the U.S. Senate is in favor of obtaining the maximum value for a spectrum which is valued between $300 and $700 million. This is done by auction. The perfecting amendment by Senator BROWN is that, in case there is another way to gain more money for the taxpayers, that path should be pursued by the FCC as well.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, I have no particular reason to enter into any discussion on this amendment. But when we get 4 minutes allotted for explanation of these amendments, that is a very worthwhile injection into the unanimous-consent request. It means something, for the rest of the Members to understand what we are voting on.

I am not on the committee that has jurisdiction of that particular subject. I would just like a little clearer explanation. I expect to vote for the amendment. I hear a lot of good things about it. But I am sure a lot of Members have not heard debate on it. I have not.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, the reason my remarks this morning were brief is that we came at 9 o'clock this morning and began a debate on this very amendment per the unanimous-consent request last evening. There was debate on both sides of the amendment beginning at 9 o'clock this morning. My intention was not to take up any more of the Senate's time. It was debated both this morning and partially last night.

I think the amendment is a good agreement. I respect the Senator from West Virginia's interest in making sure everybody understands what we are voting on just prior to the vote, but I think we have had a good debate on this. I hope the Members will support the amendment.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, is there any time left?

The PRESIDING OFFICER. There is 1 minute 19 seconds.

Mr. BYRD. Mr. President, I am one of those Senators who stayed around all afternoon waiting on a vote yesterday. I was told there would be a vote at 9 o'clock last night, so I went home about 6:30 or 7 to get some dinner, to be with my good wife, Lady Byrd, and my little dog, Billy Byrd.

So I came back. Then, after I got back, it was my understanding there was not going to be any vote until this morning. So, as a result of all of that, to make a long story short, I did not get to listen to the debate. I do not know about other Senators, but, with that kind of discussion here, it is pretty hard to keep body and soul together with a good meal once in a while, let alone understand what is in these amendments.

The PRESIDING OFFICER. The question now is on the amendment No. 2816, as modified. The yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. MACK (when his name was called). Present.

Mr. FORD. I announce that the Senator from Ohio [Mr. GLENN] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 98, nays 0, as follows:

[Rollcall Vote No. 475 Leg.]

YEAS—98

Abraham
Akaka
Ashcroft
Baucus
Bennett
Biden
Bingaman
Bond
Boxer
Bradley
Breaux
Brown
Bryan
Bumpers
Burns
Byrd
Campbell
Chafee
Coats
Cochran
Cohen
Conrad
Coverdell
Craig
D'Amato
Daschle
DeWine
Dodd
Dole
Domenici
Dorgan
Exon
Faircloth
Feingold
Feinstein
Ford
Frist
Gorton
Graham
Gramm
Grams
Grassley
Gregg
Harkin
Hatch
Hatfield
Heflin
Helms
Hollings
Hutchison
Inhofe
Inouye
Jeffords
Johnston
Kassebaum
Kempthorne
Kennedy
Kerrey
Kerry
Kohl

Kyl
Lautenberg
Leahy
Levin
Lieberman
Lott
Lugar
McCain
McConnell
Mikulski
Moseley-Braun
Moynihan
Murkowski
Murray
Nickles
Nunn
Packwood
Pell
Pressler
Pryor
Reid
Robb
Rockefeller
Roth
Santorum
Sarbanes
Shelby
Simon
Simpson
Smith
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Warner
Wellstone

ANSWERED "PRESENT"—1

Mack

NOT VOTING—1

Glenn

So the amendment (No. 2816), as modified, was agreed to.

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

AMENDMENT NO. 2819

Mr. GRAMM. Mr. President, is the pending business the Domenici amendment?

The PRESIDING OFFICER. Under the previous order, that is the pending business.

Mr. GRAMM. Mr. President, I ask for the yeas and nays on the Domenici amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, we have before us an appropriations bill. We have imposed, on top of the House bill, our particular appropriators' likes and dislikes. But the underlying bill that the House sent to us essentially says, "Let's keep the Legal Services Corporation, but let's make sure that those things that the Legal Services Corporation has been doing that many Senators and many people in this country don't think they ought to be doing, that those things be prohibited."

The House did not abolish the program. The House in the appropriations bill funded legal services with these prohibitions attached.

What I am going to do now is to take the amendment that came out of the subcommittee that is on the floor on legal services, and I am going to substitute for it something very much like the House bill. So for those who wonder whether this amendment, the Domenici-Hollings and many others, whether this bill will permit the Legal Services Corporation to do business as usual, I submit to them we are going to let this Legal Services Corporation do what the House said they can do.

And what is that?

First, let me say that this approach to justice came under the regime of Richard Nixon. And what he said then I believe applies today, and maybe more so.

He said:

> [It] gives those in need new reason to believe that they too are part of "the system" . . . [by doing what we have learned] that justice is served far better—

And continuing with his quote—

> and differences are settled more rationally within the system rather than on the streets. Now [he said in the 1970's] is the time to make legal services an integral part of our judicial system.

Now, since that point until now, legal services has had a rocky career. There is no doubt about it. It has been debated on the floor. And it has been perilously close—but for Senator Rudman as a stalwart, perhaps it would have been changed and it would not be around. But essentially what the Senator from New Mexico intends is that this program be around as Richard Nixon intended.

Should not the poor people in the country should be served by lawyers when they themselves have a need for a lawyer. In fact, it was mentioned back in the days when the Legal Services Corporation was established that lawyers would be down there with the poor people taking their case, the idea of storefront justice.

I say to everyone, I do not know what is wrong with the United States of America saying to the needy people of this country that the judicial system is not only for the rich. What is wrong with that? Why should a Republican be ashamed to say that? That is what America is all about.

What we do not want, at least this Senator does not want, is the legal services to be suing the Legislature of the State of New Jersey when they are adopting a new welfare program and saying, "You can't do that." I think they should leave that to somebody else. And this program ought to be for the individual poor people who have a need for a lawyer.

Let me suggest—although it is a criminal case, so it does not necessarily apply to what we are doing, I say to the Senator from South Carolina—but has anybody ever seen a situation, such as the O.J. Simpson trial, where somebody who has plenty of money gets plenty of justice?

But here we have in a poverty neighborhood an American citizen who is being thrown out of their house, and they have a legitimate reason as a tenant to remain there. But if they do not get a lawyer, they are out on the streets.

If that same thing existed and there was a tenant in a million dollar house for the summer and the landlord wants to throw them out, they will get justice, will they not? They will get justice. They will get a lawyer. Why should that poor person not get that?

Frankly, I am one of those who wants to make Government smaller. I want to balance the budget. I do not take a back seat to anybody on this. But what I am trying to do in this amendment is to return the level of funding to legal services to what it was 3 years ago. I am cutting 15 percent, I say to the Senator from Hawaii, Senator INOUYE, 15 percent from this funding. Frankly, there are not a lot of programs getting cut much more than 15 percent. There are some, and some are zero, but for the most part, 7, 8, 9 percent, even in these very difficult times.

I want to read the prohibitions, and might I say, Mr. President, I am fully aware—I am fully aware—that a number of people are going to vote for my amendment and it will be adopted. It will be adopted, you can count on it. There are a number of people who do not like all these prohibitions, but they are going to vote for it. They are going to vote for this amendment because they do not want to see an appropriations subcommittee, which probably had one hearing for 1 hour, 1½ hours, 2 hours, decide in a funding bill to do away with this program and create a new block grant that we do not even understand and, at the same time, provide such a small amount of funding for the next year that there will not be anything being done for the poor people.

We might just as well say for the next year there is nothing going to be done under the funding level here. If anybody wants to challenge me on that, do not look at the budget authority number, look at the outlay. It is a little tiny bit; $53 million in outlays for the whole next year. The House put in $278 million; $53 million versus a House Republican conservative $278 million. I bring it up to $340 million, which is 15 percent less than last year.

Let me read the prohibitions. If there is anyone here who does not think the Domenici-Hollings amendment wants to make this program work for individual American needy people in their personal litigation, let me read the prohibitions.

First, you cannot use any of this money or any money from other sources that is in the Legal Services Corporation to advocate policies relating to redistricting.

No class action lawsuits—no class action lawsuits—can be filed. To revert back to what I just described: Individual legal services for individual Americans in need, for their case and their cause and only that.

You cannot use it for influencing action on any legislative, constitutional amendment, referendum, or similar procedures of Congress, State, or local legislative bodies. The same as the House.

You cannot use it for legal assistance to illegal aliens. Americans, Americans are what we have in mind, American citizens.

Supporting, conducting training programs relating to political activities, abortion litigation, prisoner litigation—same as the House—welfare reform litigation, except to represent individuals on particular matters that do not involve changing existing law.

I can go on with the rest. I put them in the RECORD last night. If anybody has any questions on them, I will be pleased to answer them.

I know sitting on the floor right now are perhaps two Senators who would rather have less of these, and I understand that. But I want to do one thing at a time this year. I do not want to do away with the program. I do not want a block grant program designed in an appropriations subcommittee which I believe essentially is destined to get rid of the system.

I have left one part of this discussion to my good friend Senator HOLLINGS because, obviously, the chairman of the subcommittee, Senator GRAMM from Texas, is going to get up and talk about the offsets. I have not been privy to reading what he might say, nor has he shared it with me, but I can see it coming.

He is going to suggest, for instance, that salaries and expenses for the Federal judiciary, that I took a little bit of money away from—yes, I did. But we have consulted regularly on that and, basically, we are convinced that because we have increased it sufficiently, to take a small amount off, they are going to be all right, as compared to doing away with legal services for the needy and the poor.

He is going to talk, for instance, about U.S. attorneys. Let me just tell you about that one. I know the argument. The argument is going to be: There are a lot of criminals out there who need to be prosecuted. Are we going to take away prosecutions of those people to keep legal services?

Mr. President, I say to my fellow Senators, what actually happened is the subcommittee took the President's budget on new U.S. attorneys, which was more than adequate. All the U.S. attorneys around said, "That's a great number," and the subcommittee increased it, maybe increased all of those kinds of funding, so there would not be anything left for a program like this. Then we come along and say, "Let's bring it down to the President's budget," and we are cutting U.S. attorneys.

Having said that, there are a number of other things. I am going to ask if my good friend, Senator HOLLINGS, who is my cosponsor, who has chaired this subcommittee and is the ranking member, might address the Senate now with reference to his feelings on this amendment. And with particularity, if he can talk a little about the offsets, I would appreciate it.

I yield the floor.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, I thank my distinguished colleague from New Mexico and former ranking member and the former chairman of our subcommittee.

In short, Senator DOMENICI talks with expert knowledge, intimate knowledge, of this particular appropriations measure.

First, Mr. President, Legal Services is a many splendored thing. I do not say that lightly. Yes, it was an idea that came to fruition, you might say, under President Nixon. But it was long since due, if you please. We had many in the vineyards who had been working over the many years. In the 1920's, Charles Evans Hughes; our former President, Chief Justice William Howard Taft; and Elihu Root supported the formation of a standing committee on legal aid work in the American Bar Association. And Taft wrote, in 1925:

> Something must be devised by which everyone, however lowly and however poor, however unable by his means to employ a lawyer and to pay court costs, shall be furnished the opportunity to set this fixed machinery of justice going.

Then it was some 40 years later, almost 50 years later, that our distinguished former President, Richard Nixon, came in 1970 with the American Bar Association. When I say a "many splendored thing," everybody thinks voluntarism begins in Washington, families begin in Washington, and everything that is done begins in Washington.

The fact of the matter is that society has been very concerned about the poor having their day in court. We, as oldtime trial lawyers, know that, yes, with respect to damage suit cases and injury cases whereby you can get a verdict, there is a long since-established system that has worked extremely well—and now the Brits, by the way, are coming to it—whereby we take it on a contingent basis because we know the poor injured do not have the money to investigate, do not have the money to pay hourly payments that they get in Washington.

There are 60,000 lawyers under billable hours running around this town who have never been in a courtroom. On the contrary, the poor can come to a trial attorney. He will take care of the court expenses, the medical expenses of the doctors testifying, the experts drawing plats and what have you. And if he loses his case, the poor do not owe the lawyer anything. That is a contingent fee basis of trial work.

But when it comes to these smaller cases where there is not any contingency to be paid—namely, a domestic case, an unemployment case, a landlord-tenant case—for the poor, in these types of cases, there is no time in it or benefit with it with respect to the practicing bar. And they have been more or less shut out over the many, many years until President Nixon and the Legal Services Corporation under the American Bar Association got started.

Now, what has developed? Mr. President, I think there are over 130,000 lawyers. Imagine that. Do away with this and give it to the Governors with block grants and try to find the lawyers who are going to come in on this particular thing. They will start putting tanks on the lawn again and buying airplanes and everything else of that kind. As the distinguished chairman of my subcommittee knows, you get that fish—what do we call it, the "funk" or the "monk" fish, whatever it was.

I refer, Mr. President, to when we had the stimulus bill and they had asked the poor mayors what they would like to do to stimulate the economy. They came up with cemeteries. They came up with golf courses. They came up with parking garages down there for the youngsters to park at Easter-time on Fort Lauderdale beach. We had to put in all kinds of restrictions there on the local effort and what local people can spend for legal services, or not spend.

What you are doing is really destroying, if you please, one of the finely honed societal developments, led, if you please, by the American Bar, and former Associate Justice Lewis Powell when he was the president of the American Bar Association, and President Richard Nixon.

I remember it well. I had been involved in this since the early days. We have had stormy times. After it got started, everybody was jumping up and down on the Capitol steps, saying "Hey, hey, go away; how many did you kill today?" and all of that. Yes, we were paying them—Legal Services were paying them. I had to treat that with amendments and say, no, let us get back. We are not paying for demonstrating groups to come.

As the distinguished Senator from New Mexico has referred to, and as concerned as the Senator from Texas and the Senator from South Carolina are, the next thing you know a couple years ago, there went Legal Services suing the State of New Jersey.

That is not the intent. There are plenty of moneys for class actions for these other groups. You have to keep it couched and carefully controlled in order to maintain the credibility and the effectiveness of the program.

So I welcome the restrictions that have been put on by Senator GRAMM and others here with respect to class actions and illegals and otherwise. Let us make sure that we maintain the integrity of the program. There were 250,000 cases last year, and, yes, with a $400 million appropriation. The communities come, the local governments and State governments, and the various bar associations, and they pitch in over $255 million—over half again what we appropriate at the Federal level. If you put in a Federal program—if you put in block grants—I can tell you right now they are not going to come with any moneys. You really are messing up a many, many splendored thing.

So the Senator from New Mexico is following right now in the footsteps of the Senator from New Hampshire, Senator Rudman. I will tell you right now, do not get in Senator Rudman's way if you were going to challenge the Legal Services. He would knock over chairs and tables and come at you. I used to get out of the way. I am glad to get out of the way now under the leadership of Senator DOMENICI for the most worthwhile program that has been developed in a bipartisan fashion and should be maintained as such.

What about these offsets? First you have to understand that the moneys taken from the Department of Justice have to be understood. I think I have the exact figure here. After all of the offsets are taken in the Domenici-Hollings amendment, what happens is we still have increased the Department of Justice a tremendous amount in percentage—some 18-percent increase over this year. In other words, let us not argue. Let us take and try on the offsets from the Department of Justice, because I am a champion of that particular Department, having been the chairman, and ranking member now, and on this subcommittee for over 25 years. The FBI will have an 18.3-percent increase. The FBI, with its attorneys and otherwise, will be left with a $418 million increase in this budget for 1996 over 1995.

So, in no way are we cutting back. It is a tremendous increase. The truth of the matter is, I was actually amazed—and I have sworn I am not going to ever use any charts around here. I am tired of it. If we want to balance the budget, we ought to put a tax on charts used by us politicians on the floor of the Senate and I think we could balance the budget. Every time I look around, somebody is running out with one of these mischievous charts.

It is jogging my memory here. By 1983, after almost 200 years of history, we got to a $3 billion budget in the Department of Justice. Mind you me, having been the chief law enforcement officer, having been a Governor of a State, we have argued, and still argue, that the police powers—those that belong rightfully at the local level—that the primary function of the State government is its police powers to enforce the law.

So we have been very askance about the Federal Government coming in on all of these particular initiatives because we in Washington like to get reelected.

We identify with the hot-button crime issue and we throw money at it. We have had more crime bills come spewing down the road. We have $1 billion backed up there in the Bureau of Prisons. We are building them like gangbusters all over the land, all because crime is a hot-button item.

It took 200 years to get to $3 billion. This budget here for 1996 will carry us to $16.95 billion—17 billion bucks.

Actually, the increase—taking the offsets in our Legal Services amendment—the increase will exceed $3 billion, even accounting for these offsets in the Department of Justice. In other words, in 1 year we are increasing the Justice budget by the amount that the total budget was just a few short years ago.

We think it is needed. As I say, I was on the committee. I did not just do it willy-nilly, but we wanted to respond to immigration, border patrol, the prison system, the Marshals Service, the FBI, Drug Enforcement Administration, and on down the list. We have been working and working and working.

Here we come with an offset respecting the particular crime lab. Now, with respect to that crime lab, I know full well that the Department of Justice is working with the Department of Defense to get that new laboratory. It is a technical support center. That is over $300 million in new initiatives.

Earlier this year, Judge Freeh came up with that particular need after the tragic incident down there in Oklahoma. Just sort of like a pinata, broke it, and all the gifts went in all directions. We just started anywhere that anybody came up from the Justice Department. We voted aye, we said you got that, do not worry about it, and everything else.

Looking at that laboratory which we support out there at Quantico, we know full well that the Justice Department is conferring now with the Department of Defense, and they do not even have the site and the land and everything else.

What we are trying to do is support the requirement as needed, and to back up the money and the particular offset. It is not a question of us not supporting the technical support center, but once we get the site we have to draw the plans and everything else of that kind. What we need to do is go in a deliberate fashion there.

With respect to the topography lab, it is a new one. There is an effort in this Government along that line. You have to speak advisedly because most of this is classified, but I can tell you here and now if you have served on the Intelligence Committee—I served with the Hoover Commission back in the 1950's investigating these type of activities—that they are awfully, awfully expensive. The effort, I think, that we have now in the Government is more than adequate without starting a new one.

I defer to the chairman of our Intelligence Committee, the distinguished Senator from Pennsylvania, Senator SPECTER, and our ranking member, Senator ROBERT KERREY of Nebraska. I am confident that the offsets there are not going to injure in any fashion the efforts of law enforcement or the Department of Justice.

With respect to the working capital fund, what we need to do is get a little bit of discipline there. We have been liberal. In fact, we like it when we handle these appropriations. If we had a working capital fund in everybody's subcommittee, the chairman and the ranking member could allocate around, somewhat like Plato's famous saying that a politician "makes his own little laws and sits attentive to his own applause." All we need to do is not tell people about this working capital fund and we can sit around and divide money up all year long. The offset here is not going to hurt the Department of Justice, in any fashion.

With respect to the conference success, I want to quote to you the inspector general's observations contained in the annual report: "We are concerned that a successful decennial census could be jeopardized if the Bureau attempts to accomplish too much too soon."

Now, we never had any hearings on the census on our side of the Capitol. The distinguished chairman, Mr. ROGERS of Kentucky, over on the House side did have deliberate hearings that went into the census budget in detail, and the amounts offset in the Domenici-Hollings amendment provide $67 billion that we came in on this particular appropriations over the House, which is $60 million above the current year.

In reality, Mr. President, what we are doing is almost like conferees—we can see ahead down the road when we confer with our House friends on a conference of committees to finalize the figure that we are going to reconcile this backward.

What happens is that Senator DOMENICI has very wisely come and said we should do a little of the reconciling at this particular point to save an awfully important entity. We do not want to change this to any kind of block grant. We do not want to be cutting it back.

These lawyers—they are inspired. I commend the law schools of the country over for inspiring these young attorneys coming out to do good, to offer public service—with many of them wanting the experience and saying, "I will give a little bit of time now to the public. I will learn and be able to better represent, and I will be doing some good for the communities in which I live." So they come in there.

I think the average fee of any legal service lawyer—they are earning around $30,000 to $33,000 a year. No, that does not take these Ivy League boys who come and go into downtown Washington and downtown New York who start out at $80,000 a year and everything else. That is not the case. We are not enriching any lawyer. We are enriching society.

This amendment is well conceived. The offsets, I can say, will never cause injury. On the contrary, what is still left is over and above the House side. Even though our budget, our 602(b) allocation was $1 billion below the

House, we still come in $750 million above the House with these particular offsets. We are in good, strong shape. I think the Senator from Texas would want to join us in this amendment.

Mrs. KASSEBAUM. Mr. President, I want to take just a few minutes as the chairman of the Labor and Human Resources Committee, the authorizing committee for the Legal Services Corporation, to express strong support for the Domenici-Hollings amendment.

I want to say why I do so. We have had an extensive hearing in the Labor and Human Resources Committee. We heard from witnesses on both sides of the issue. I have introduced legislation in the Senate as a companion measure to the McCollum-Stenholm bill that is under consideration in the House. We will soon be marking up this legislation in the Labor Committee.

As Senator DOMENICI pointed out quite correctly, the language in the Domenici-Hollings amendment is agreed to by some and not by others. It is language that returns the Legal Services Corporation to its original mission. It is language that reforms the program in a way that restores it to what it was supposed to be when the legislation was passed and became law.

The most important part of this amendment is that it restores funding for the Legal Services Corporation. That point has already been well made by Senator DOMENICI and Senator HOLLINGS. As Senator DOMENICI also noted, this amendment has important reforms and tight restrictions on permissible activities. I would just like to reiterate those, if I may, very briefly. In terms of operational reforms:

First, a competitive bidding system will be required for awarding LSC grants based on quality and cost effectiveness of service; second, the governing board of LSC grantees will establish priorities for the types of cases to be handled. third, the LSC grantees will be required to keep time sheets identifying the client and matter under consideration; fourth, LSC grantees will be restricted in their use of non-LSC funds. and fifth, finally, there are new safeguards requiring the identification by name of plaintiffs and statement of facts underlying the case before initiating litigation or settlement negotiations.

On the restrictions side, Legal Services grantees: May not lobby for passage or defeat of legislation, may not represent illegal aliens, may not participate in training programs and political activities, may not take redistricting cases, may not participate in abortion litigation, may not participate in class actions, may not challenge welfare reform, may not defend tenants evicted from public house projects because of drug dealing, may not take fee-generating cases, and may not solicit clients.

These are all very important restrictions. Some, as Senator DOMENICI pointed out, were far too restrictive for some of our colleagues. Nevertheless, I believe these restrictions provide the necessary guidance to take Legal Services back to its primary mission, which is providing assistance to those who need legal representation and cannot afford it.

It is very important that low-income individuals have the same access as anyone else to the legal system. But it seems to me, over the years, the Legal Services Corporation has gone far beyond its initial mandate when the law was passed under President Nixon's leadership.

So, for all of those reasons, I strongly support and have high regard for the legislation that has been put forward as an amendment by Senator DOMENICI and Senator HOLLINGS.

I yield the floor.

Mr. DOMENICI. Will the Senator yield for a question?

Mrs. KASSEBAUM. I will be happy to yield to the Senator from New Mexico.

Mr. DOMENICI. It is correct, is it not, that the competitive bidding of grants is in this amendment? You stated it as being part of your new reauthorizing, but you have noted it is in this amendment also, is that not correct?

Mrs. KASSEBAUM. That is right, the competitive bidding is based on quality and cost effectiveness.

Mr. DOMENICI. That is correct.

Mrs. KASSEBAUM. Yes.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, there are an awful lot of points to make in opposition to this amendment. Let me begin by saying it is very interesting that those who came here today to defend the Legal Services Corporation refuse to defend it. The best they can do in the way of defense is to give us a list of outrageous abuses that they propose that we try to stop. That is a very weak defense indeed.

But I do not want to begin by talking about legal services, and going through the list of numerous organizations who support the committee's position and strongly oppose the Domenici position to bring back a Federal Legal Services Corporation. There are really several issues in debate here, and the one I want to begin with is about the choices that are made to allow Senator DOMENICI to fund the Legal Services Corporation at $340 million.

Our dear colleague from South Carolina glosses over those decisions by simply saying that we are providing a lot of money to fight violent crime and drugs, and so taking some of that money away from that battle in order to fund legal services is probably a good thing. This is one of those occasions where I wish we could sit around the kitchen table of every working family in America and discuss this issue. If we could, this amendment, and probably those who advocate it, would be thrown out of the kitchen. But let me go through the programs that are cut by the Domenici amendment, and their ramifications.

Because our colleagues are so desirous of preserving the Legal Services Corporation as a Federal entity, many of them, who have stood on the floor of the Senate and argued for block granting decisionmaking back to the States when it served their purpose, now oppose letting States run a program which is a renegade program, which has abuses that probably equal or exceed that of any other similar Government program funded in the modern era by our Government. But let me start by going through what is being cut, what is being denied to the American people to provide $340 million to legal services. And then I will try to talk about why Legal Services does not deserve the $340 million.

First of all, the Domenici amendment cuts the general legal activities of the Justice Department by $25,131,000. In listening to Senator HOLLINGS, you get the idea we are just throwing so much money at the Justice Department they do not know what to do with it, they have all the prosecutors they need to prosecute every drug dealer and every violent criminal in America. The only problem with that argument is the American people know that does not reflect reality.

In fact, our bill, which Senator DOMENICI cuts from, already provides $10 million below the level requested by President Clinton in his proposed appropriation for the Justice Department. So, before we would cut the $25 million from the legal activities section of the Justice Department, as Senator DOMENICI proposes, we already, because of lack of funds, had cut it by $10 million.

Where is this money coming from? Since the average person in America does not understand what the general legal activities of the Justice Department does, here is what it does.

It prosecutes organized criminals, it prosecutes major drug traffickers, it prosecutes child pornographers, it prosecutes major fraud against the taxpayer, it prosecutes terrorism and espionage cases. These cuts will mean that we will have 200 fewer prosecutors in America next year, if this amendment passes, who will be prosecuting organized crime, major drug traffickers, child pornographers, major fraud against the taxpayer, and terrorism and espionage cases.

I remind my colleagues, we are already providing $10 million less than what the President has requested. But the Domenici amendment would further cut the level of funding for those prosecutors to prosecute organized crime, major drug traffickers, child pornographers, and fraud against the taxpayer, terrorism and espionage by another $25 million.

Legislating is about choosing. And what the Domenici amendment says is a federally run Legal Services Corporation, a program that is so filled with outrageous actions that even in this amendment Senator DOMENICI seeks to curb their abuses—the Domenici amendment says that funding that Federal program is more important than providing prosecutors to prosecute organized crime and the other crimes that I have outlined.

The second cut made by the Domenici amendment, in order to fund legal services, is cutting $11 million from the U.S. attorneys office.

I remind my colleagues, and the American people who might be watching this debate, that our U.S. attorneys are our first line of defense. They are the people who try cases in Federal court. They are the people who prosecute major drug dealers. The amendment that is offered by Senator DOMENICI, to preserve the Federal Legal Services Corporation, will terminate at least 55 assistant U.S. attorneys who otherwise would have been employed in prosecuting violent criminals and drug felons, pornographers, and terrorists.

I believe that legislating means making choices. I ask my colleagues, Is preserving the Federal Legal Services Corporation rather than letting the States run it through a block grant program worth taking 55 assistant U.S. attorneys out of prosecution in America? My answer is "no."

We had a discussion about construction for the FBI. As I read the amendment, what is being cut here is not crime labs, though I strongly support them, what is being cut is the very heart of new facilities construction at the FBI Academy. The Domenici amendment, in the name of preserving a federally run Legal Services Corporation, a corporation which as of today has filed a lawsuit against every State in the Union that is trying to implement welfare reform by requiring welfare recipients to work, which is funding drug dealers who are trying to stay in public housing units so that they can more efficiently market drugs, in seeking the preservation of this Federal program, the Domenici amendment would require cutting the FBI Academy and its construction at Quantico by some $49 million.

I have a letter from the head of the FBI. Unfortunately, as Senator HOLLINGS noted, it is a classified letter. But it is certainly not classified material that the head of the FBI has said that our facilities are becoming antiquated; that as we have cut the President's request for the FBI in recent years, we have not kept up our infrastructure and that we are not going to be able to maintain our training if we do not build new facilities. I remind my colleagues that by a vote of 91 to 8, we passed the Comprehensive Terrorism Prevention Act, which authorized the expenditure of these moneys. I remind my colleagues that the FBI Academy does not just train FBI agents and Federal law enforcement officials, but in fact, last year, it trained 1,225 State and local law enforcement officials.

Obviously, the question that we have to ask is this: Is preserving the Federal Legal Services Corporation rather than block granting it to the States—as we are block granting aid to families with dependent children, as we are block granting Medicaid—is preserving this program as a Federal program run out of Washington, DC, worth denying the facilities we need in Quantico to train FBI agents and to train 1,225 State and local law enforcement officials?

Mr. President, my answer to that question is clearly no. Anyone who has found themselves in the jurisdiction of a Federal court knows that we have a real problem in the Federal court system because it is very difficult to get a case to trial.

In terms of getting civil justice, we are now talking about years of waiting to get a case before the court. In terms of criminal justice, in bringing violent criminals to justice, we are talking about a long wait because we do not have enough courts, we do not have enough judges, and we do not have enough prosecutors.

The Domenici amendment, in order to preserve a federally run Legal Services Corporation—which is opposed by every organization in America from the Farm Bureau Federation to Citizens Against Government Waste—would cut $25 million from our Federal courts. That $25 million, for example, could fund 400 probation officers to supervise convicted criminals in America.

I ask my colleagues, is it worth denying 400 probation officers supervising criminals in order to fund the Federal Legal Services Corporation? My answer is no. Let me remind my colleagues that the funds that would be cut include funds that provide mandatory drug testing for all convicts who are released to assure that while they are on parole and on the streets, they remain drug free. Is a cut in funding for this program worth making to preserve a federally funded Legal Services Corporation? My answer is no.

Mr. President, there are a lot of other programs that have been cut here. Strong cases can be made for them. I want to make one more case. It is not a case that is going to sway anybody because if you are not swayed by these other cuts, then you are not going to be swayed by this. If you have long ago decided that this agency we call Legal Services, which has such a poor record that not even those who would fund it can defend it, then no amount of prosecutors, no amount of training police officers, no amount of drug testing for convicted felons who are walking the streets on probation, no amount of supervision is going to change your position.

But I do want to mention one other offset which very few people find moving, but I think it is important; that is, substantial cuts in census are included in this offset. Most people do not understand the census. It is obvious that Alan Greenspan understands the census because Alan Greenspan, in testimony before the Banking Committee, asked that we fully fund data gathering. The apportionment of population in terms of measuring the number of people in America to decide how many Congressman each State has depends on the census.

The allocation of funding for programs, from the FBI to the new Medicaid Program to virtually every other program undertaken by the Federal Government, depends on the census. We are getting ready to have the 2,000 census, the millennium census. It is the only millennium census that we are ever guaranteed to take in the United States of America. I hope it will be the first of many. But this is a critically important census.

If we take the recommendations of Senator DOMENICI and we cut funding for this census, we are going to have to make the funding up in future years as we get closer to the year 2000. If we make this cut now, the 2000 census will be more inefficient. It is going to cost more money. And I do not believe that this is an exchange that should be made.

Let me talk about the amendment itself, and then turn to the Legal Services Corporation.

It is interesting to me that this amendment has a great big budget gimmick in it. And the great big budget gimmick in it is that it has a delayed obligation. For those who do not understand what that means, let me try to explain. One of the things some people often do in Congress when they want to spend money but do not want people to know that they are spending money is to use a delayed obligation, which means they provide money but do not let the money kick in at the beginning of the fiscal year. In this case, the money would kick in a month from the end of the fiscal year, on September 1, so that there is a huge surge of $115 million that would become available on that date, 30 days before next year's budget would have to be written.

Now, what is the purpose of this budget gimmick? The purpose of this budget gimmick is not only to commit a huge surge of contracts for legal services a month before the new budget, but it also makes it difficult next year for us not to fund those programs because they will already be underway, and so when the chairman of this subcommittee next year writes a budget, that chairman will be looking at $115 million of programs that will kick in just 30 days before the end of the fiscal year.

What is the purpose of this gimmick which we have denounced over and over and over again? I have heard many Members of the Senate stand up and denounce these delayed obligations as basically perverting the budget process itself.

What is the purpose of this? The purpose of this is basically to try to get the level of spending in this program up at the end of the year so that next year it will be harder to achieve the savings to which we have already committed in trying to achieve our balanced budget.

Let me talk about legal services, and I want to begin by asking unanimous consent that letters from the Citizens Against Government Waste in opposition to any attempt to restore or increase funds to the Legal Services Corporation, the Christian Coalition, the American Farm Bureau, the Family Research Council, the Traditional Values Coalition, the Coalition for America, the Eagle Forum, that these letters strongly opposing the Domenici amendment and supporting the action of the committee be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

LETTERS IN OPPOSITION TO THE LEGAL SERVICES CORPORATION

COUNCIL FOR CITIZENS
AGAINST GOVERNMENT WASTE,
Washington, DC, September 20, 1995.

DEAR SENATOR: The Council for Citizens Against Government Waste (CCAGW) and our 600,000 members support H.R. 2076, the Commerce, Justice, State, and the Judiciary Appropriations for FY 1996. CCAGW commends Subcommittee Chairman Phil Gramm and Appropriations Chairman Mark Hatfield for sending to the floor a bill which spends $4.6 billion less than the budget request and $1 billion less than the House version of H.R. 2076.

The $26.5 billion spending bill prioritizes the budgets for each agency under its jurisdiction. For example, the Justice Department receives $15 billion for FY 1996, almost $3 billion more than in FY 1995, to fight our nation's crime problem. But with a nearly $5 trillion national debt, there is always more to cut from spending bills.

CCAGW supports the following amendments:

The McCain amendment to mandate the Federal Communications Commission to auction the one remaining block of Direct Broadcast System spectrum. If this spectrum is auctioned, communication industry experts believe it will sell for between $300 to $700 million. It is in the best interest of the American people that the spectrum be sold at public auction.

The Grams amendment to eliminate the East-West Center and the North/South Center, saving taxpayers $11 million next year.

CCAGW opposes the following amendments:

Any attempt to restore or increase funds to the Federal Maritime Administration.

The Inouye amendment to restore funds to the Federal Maritime Administration.

The Bumpers amendment to restore funds for the Small Business Administration.

The Bumpers amendment to restore funds for the Death Penalty Resource Centers.

CCAGW urges you to support these amendments and H.R. 2076. It prioritizes cuts while ensuring that state and local law enforcement agencies are properly funded. CCAGW will consider these votes for inclusion in our 1995 Congressional Ratings.

Sincerely,

THOMAS A. SCHATZ,
President.
JOE WINKELMANN,
Chief Lobbyist.

CHRISTIAN COALITION,
Washington, DC, September 14, 1995.

Re Key Vote Notice: Eliminate Legal Services Corporation—Support Block Grants for LSC.

DEAR SENATOR: The Senate will soon consider the FY 1996 Appropriations for Commerce, Justice, State and Judiciary. On behalf of the 1.7 million members and supporters of the Christian Coalition, I urge you to vote against any amendments that would weaken the committee-approved provision regarding the block grant for Legal Services Corporation (LSC).

LSC is a failed agency. Elimination of the Corporation and instead providing legal services to the poor through block grants to the States, as the Appropriations Committee approved, is the minimum that Congress can do to begin to put an end to the well known abuses of the Corporation. The block grant alternative provides a better delivery system for legal services to the poor and breaks up the monopoly currently enjoyed by the Corporation.

Christian Coalition opposes any amendments that would restore the Corporation, increase funding or in any way water down the restrictions currently provided for in the bill. Before the 1996 election, Christian Coalition will distribute 50–60 million voter guides and congressional scorecards. Weakening amendments regarding LSC will be key votes.

Thank you for your consideration of our views.

Sincerely,

BRIAN C. LOPINA,
Director, Governmental Affairs Office.

AMERICAN FARM BUREAU FEDERATION,
Washington, DC, September 18, 1995.

Hon. SPENCER ABRAHAM,
U.S. Senate, Washington, DC.

DEAR SENATOR ABRAHAM: In a very short time, the Senate will consider H.R. 2076, the Commerce, Justice, State Appropriations bills, as amended by the Senate Commerce, Justice, State Appropriations Subcommittee. The portions of this bill which pertain to delivery of legal services for the indigent will create an entirely new program for this purpose. This program is designed to function, much like public defender programs which provide legal representation for indigent criminal defendants. We believe this program will meet the goal of ensuring civil legal assistance for the poor without the many problems which have plagued the Legal Services Corporation since its inception in 1974. With specific respect to the delivery of legal aid to the indigent, we urge you to support H.R. 2076 as reported by the Appropriations Committee.

The operative provisions of H.R. 2076 with respect to legal services were modeled on a bill introduced by Rep. George Gekas (R–PA) and recently reported to the House by the Judiciary Committee. This legislation was carefully crafted to ensure that the federal program would finance representation for causes of action for which there is no other provision for payment of attorney's fees, or where it is highly unlikely that the "target" would have resources with which to pay attorney's fees. Thus, the bill did permit grantee attorneys to pursue "deadbeat dad" cases, but not employment law cases (because most employment discrimination and other types of employment laws provide for the recovery of attorney's fees for a successful plaintiff). We urge you to oppose any effort to add to the bill provisions allowing causes related to employment law, constitutional challenges, and consumer fraud.

We believe the Gekas legal services bill, as included in H.R. 2076, will create a federal program that will provide basic legal services for indigent people.

DEAN KLECKNER,
President.

FAMILY RESEARCH COUNCIL,
September 14, 1995.

DEAR SENATOR: On behalf of the more than 250,000 families which the Family Research Council represents, I would like to urge you to expedite the intent of the House-passed budget resolution by declining to reauthorize the Legal Services Corporation (LSC). Reform of the Corporation is not an acceptable option due to the fact that it has not been successful within the last fifteen years, particularly since liberal activists who favor a militant agenda have been charged with the oversight of the program. Past experiences have shown that merely adding restrictions to the program is a futile gesture.

The LSC was created to perform legal services for the poor and the underprivileged, yet the liberal agenda of its proponents has overtaken for its original mission. The antifamily litigation that the LSC supports is appalling. We have found cases where LSC has litigated with a pro-abortion agenda, they have been active in blocking attempts to reform welfare, aiding the homosexual agenda, supporting the notion that children have rights independent of their parents, and representing convicted criminals in civil cases.

The Legal Services Act, as amended in 1977 and in subsequent appropriations acts, prohibit LSC from being involved in abortion related cases. Nonetheless, LSC has remained firmly committed to abortion on demand and has worked around the law in an attempt to secure unlimited taxpayer-funded abortions. LSC has worked against waiting periods, physicians' consent, parental consent, parental notification and spousal notification. This blatant disregard for the congressional intent is another facet in the argument to not reappropriate.

Attempts to reform LSC have failed and it should be abolished. During consideration of the Commerce-Justice-State Appropriations bill, the Appropriations Committee passed a compromise proposal that provides $210 million for state level legal assistance in FY 1996. While we believe that these funds would be better dedicated to deficit reduction, we can accept the Committee's action. I strongly urge you to oppose any effort that may be made to undermine the Committee's proposal through the amendment process, including efforts to restore funding for the fatally flawed Legal Services Corporation.

Sincerely,

GARY L. BAUER,
President.

CHRISTIAN COALITION ET AL.,
September 14, 1995.

U.S. Senate,
Washington, DC.

DEAR SENATOR: The Senate will soon be voting on the Commerce, Justice, State and Judiciary Appropriations bill. The subcommittee bill includes a proposal to provide legal services to the poor through a state administered grant structure, rather than through the Legal Services Corporation.

On behalf of the millions of members of our collective organizations, we strongly urge you to vote in favor of the state grant proposal. Here are several strong reasons to support a state grant rather than the Legal Services Corporation:

There is accountability. Attorneys are required to keep time records. These records are subject to audit. Currently, Legal Services Corporation grantees are accountable to no one—no time records, no audits. That leads to mischief.

Attorneys will receive funds *after* they perform legal services, not before. Currently, Legal Services Corporation grantees receive a pot of money up front, and spend it as they see fit without accountability. That leads to mischief.

The state grant proposal breaks up the Legal Services monopoly. It enables attorneys and law firms all across America to openly compete for legal services contracts. If ever there was a case for open competition and against a monopoly, this is it. The Legal Services Corporation has no credibility when it comes to being wise stewards of the taxpayer's money.

The state grant proposal restricts the legal causes of action for which taxpayer funds can be used to a specified list of non-controversial legal needs such as bankruptcy actions and cases of spousal abuse. There would be no more taxpayer funded lawsuits related to abortion, labor strikes, etc.

Restrictions to prohibit mischief are included. There would be no more taxpayer-funded lobbying, grass roots organizing, class action lawsuits, etc.

We strongly urge you to vote against any amendments to strip out the bill's state grant proposal for legal services. Thank you for your consideration.

Sincerely,

CHRISTIAN COALITION,
FAMILY RESEARCH COUNCIL,
TRADITIONAL VALUES COALITION,
EAGLE FORUM,
CONCERNED WOMEN FOR AMERICA,
AMERICAN FAMILY ASSOCIATION,
LIFE ADVOCACY ALLIANCE.

COALITIONS FOR AMERICA,
Washington, DC, June 28, 1995.

Hon. ROBERT DOLE,
U.S. Senate,
Office of the Majority Leader,
Washington, DC.
Hon. NEWT GINGRICH,
House of Representatives,
Office of the Speaker,
Washington, DC.

DEAR BOB AND NEWT: In the budget-cutting atmosphere on Capitol Hill these days, it is important not to overlook the Legal Services Corporation. Here the need is not merely to cut some of its programs, reduce its budget or to try yet again to reform it, but rather to eliminate it entirely. This year, President Clinton has proposed $415 million for the Legal Services Corporation budget. That amount, however significant, pales in comparison to the trouble and expense this agency causes.

The agency charged with providing legal services for those who could not afford to pay for them instead became a hotbed of judges and legal activities who used their authority to interpret the law to fit their personal ideology. The Legal Services Corporation has an agenda that includes providing benefits for illegal aliens, alcohol and drug addicts, and criminals. It accomplishes this task by suing any and all levels of government to prevent them from putting the brakes on any kind of welfare spending, and indeed to increase welfare benefits whenever and wherever it can do so.

Here are some examples of the Legal Services Corporation at work:

In 1992, Southern Minnesota Regional Legal Services won disability benefits for a 40-year old heroin addict by making the case that his addiction kept him from being able to work.

In North Carolina, an LSC grantee stopped the eviction from a public housing unit of a tenant who had shot and killed a child in the complex.

The LSC has blocked eviction of drug dealers from public housing units on technicalities such as the charges being "too vague."

In Virginia, a public housing tenant who had acted in a violent and dangerous manner won her case with aid from LSC because some minor mistakes were made in the attempted eviction.

In addition, the LSC has blocked efforts by states to establish paternity for child support payments, opposed Medicaid program cuts, and demanded that criminals in mental health facilities be granted the right to vote.

In short, the Legal Services Corporation has sought to subvert every federal, state or local effort to penalize, restrict, reform or otherwise hold accountable an individual for his or her behavior. Measured by the exact nature of its "legal services," it has been estimated that the true cost of the Legal Services Corporation since its founding has been some two trillion dollars, with no end in sight.

We understand that in normal Congressional politics it is easier to reduce an agency's funding than to eliminate entirely both the funding and the agency. In this case, however, no other solution will do. The Legal Services Corporation is wholly bad, and if now, in the time of a Republican majority in both Houses of Congress, it is merely reduced, it will certainly spring back to life later with greater vigor. It must be killed, dead.

We stand ready and willing to work with the leadership of both Houses in pursuing this objective, but we will accept no lesser goal nor outcome. Quite simply, if the Legal Services Corporation is not eliminated in this year's budget—funded at zero—we cannot be credible in arguing to our members and supporters that the Republican Party means that it says about creating change in Washington.

Sincerely,

PAUL WEYRICH,
National Chairman.

COALITIONS FOR AMERICA MEMBERS

Morton C. Blackwell, VA GOP National Committee.
Andrea Sheldon, Traditional Values Coalition.
——— ———, National Center for Policy Analysis.
Amy Moritz, National Center for Public Policy Research.
Mike Korbuy, United Seniors Association.
Penny Young, Concerned Women for America,
Ronald W. Pearson, Conservative Victory Fund.
Brian W. Jones, Center for New Black Leadership.
Joan L. Hutu, American National Council for Immigration Reform.
Brian Lopina, Christian Coalition.
D. Scott Peterson, Conservative Victory Committee.
——— ———, Association of Concerned Taxpayers.
Martin Hoyt, American Association of Christian Science.
Major F. Andy Messing, Jr., USAR (ret.), National Defense Council Foundation.
Martin Mawyer, Christian Action Network.
Peter T. Flaherty, Conservative Campaign Fund.
Kenneth F. Boehm, National Legal and Policy Center.
——— ———, The Conservative Council.
Karen Kerrigan, President, Small Business Survival committee.
Fred L. Smith, Jr., Competitive Enterprise Institute.
James Wootton, Safe Streets Coalition.
——— ———, Eagle Forum.
James L. Martin, 60 Plus Association.
Grover G. Norquist, President, Americans for Tax Reform.
Michael Farris, President, Home School Legal Defense Association.
Kevin L. Kearns, President, United States Business and Industrial Council.
Michael E. Dunker, Family taxpayer's Network.
Grant Danes, Assistant Director, Christian Network Association, Inc.

Mr. GRAMM. Mr. President, I think it would be useful for the American people to get some idea what the Legal Services Corporation is doing. The Heritage Foundation has put together a list of lawsuits that describe the horror stories that have come into existence as a result of the Legal Services Corporation and its actions. Let me just read the first one, but I am going to ask that all of these be put in the RECORD. The first one is a Georgia Legal Services lawsuit June 15, 1995. Here is a short summary.

The Legal Services Corporation defended a Miss Whitehead from eviction after crack cocaine was found in her apartment, arguing that she had not violated her lease because she was not present at the time the search warrant was executed.

I have page after page after page of these horror stories, and let me turn to the last page. Here is a lawsuit—I will just pick the second one on the page. The Legal Services Corporation sued to obtain unemployment benefits for a teacher fired for drug possession, arguing that the teacher had not lost his job through misconduct.

I am perfectly aware—and I do not want anybody to be confused—that Senator DOMENICI has nothing like the restrictions on legal services that I would impose in the committee bill, but he cannot stand here and defend the Legal Services Corporation, and instead he has proposed limiting actions they can take.

I should like to remind my colleagues that this is the same Legal Services Corporation that President Reagan was not able to rein in as a Federal program. I am hopeful that if the amendment is successful, which I hope it will not be, we can at least enforce some of these restrictions.

I also can go through other examples of Legal Services misconduct. Let me just pick one here on agriculture because the American Farm Bureau very strongly opposes this amendment. This is a lawsuit filed by the Legal Services Corporation on June 23, 1995. All these examples are from this year or last year. You do not have to go back 20 years to find horror stories.

The Legal Services Corporation sued a tomato farmer, the neighbor who rented the labor camp to the farmer, their crew leaders, and the tomato packing company when a farm worker got injured while reaching under a moving truck at a labor camp.

Every day in America the Legal Services Corporation is hassling American agriculture.

Mr. President, I ask unanimous consent that this very short, concise list of abuses, most of which occurred in 1994 and 1995, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

LSC LITIGATION HORROR STORIES

LSC grantee and source	Description
DEFENDING CRIMINAL ACTIVITY	
Legal Services Corporation litigation has prevented public housing authorities from evicting drug dealers in Georgia, New York, Florida, and Connecticut. The LSC has also defended tenants who engage in the malicious destruction of property in public housing projects. Finally, one LSC grantee even contested the eviction of a tenant whose son had shot and killed a child living in a neighboring apartment in the complex. Query: How does this sort of litigation improve the lives of poor people?	
Georgia Legal Services: Macon Housing Authority v. Tabitha Whitehead: Testimony by John Hiscox before House Jud. Subcommittee on Commercial and Adm. Law (June 15, 1995).	Defended against eviction of Tabitha Whitehead after crack cocaine was found in her apartment, arguing that she had not violated her lease because she was not present at the time the search warrant was executed.
LSC grantee:.	
Testimony by Michael Policy Pileggi before House Jud. Subcommittee on Commercial and Adm. Law (June 15, 1995).	Public Housing Authority (PHA) prevailed in evicting Victoria W. following the confiscation of 66 vials of crack cocaine in her unit. To avoid eviction, legal services filed a chapter 7 bankruptcy petition on her behalf that led to an automatic stay.
Wexford Ridge Associates v. Bankston (1993): "The Real Cost...", by Phillips and Ferrara.	Defended against an eviction for drug dealing, arguing that a notice stating the tenant was "dealing cocaine out of your unit" was too vague.
Housing Authority of Norwalk v. Harris, Conn. Super. No. SPNO 9009–10295 (1993).	Defended against the eviction of a man whose daughter was selling drugs on the property, claiming that he was not aware of the activity.
Charlotte Housing Authority v. Patterson (1994): "The Real Cost . . .", by Phillips and Ferrara.	Defended against eviction even though the tenant's son had shot and killed a child who had been living in another apartment in the complex.
Moore v. Housing Authority of New Haven Connecticut Conn. Super. Ct. (1993): "The Real Cost...", by Phillips and Ferrara.	Successfully argued that the local Public Housing Authority (PHA) must repair apartment damage even though it was caused by the tenant or her guests.
Georgia Legal Services:	
Macon Housing Authority v Tina Burke: Testimony by John Hiscox before House Jud. Subcommittee on Commercial and Adm Law (June 15, 1995).	Defended against eviction of Tina Burke after drug dealing was observed in her apartment, arguing that she did not violate her lease because she was not in possession of crack cocaine or cash at the time of the arrest.
Macon Housing Authority v. Patricia Osborne: Testimony by John Hiscox before House Jud. Subcommittee on Commercial and Adm. Law (June 15, 1995).	Defended Patricia Osborne from being evicted after undercover officers purchased crack cocaine outside her back door.
Macon Housing Authority v. Enga Scott: Testimony by John Hiscox before House Jud. Subcommittee on Commercial and Adm. Law (June 15, 1995).	Fought the eviction of Enga Scott and her son Shon after Shon pled guilty to possession of cocaine with intent to distribute.
Neighborhood Legal Services: Testimony by Harriet Henson before House Jud. Subcommittee on Commercial and Adm. Law (June 15, 1995).	Has repeatedly defended tenants in Pittsburgh from eviction for reasons including tearing up the property, violating the lease (having dogs), and dealing drugs in their apartments.
Legal Services of Greater Miami: Furr v. Simmons (1993): "The Real Cost...", by Phillips and Ferrara.	Argued that a landlord of a government-subsidized housing facility in Florida could not evict a tenant whose daughter was dealing drugs on the premises because he had prior knowledge of the drug activity and had failed to take action to stop it.
LSC grantee: Buffalo Municipal Housing Authority v. Jones (1993): "The Real Cost...", by Phillips and Ferrara.	Successfully argued that a public housing tenant in New York who had engaged in criminal or drug activity could not be evicted without 30 days prior notice.
Connecticut Legal Services: Edgecomb v Housing Authority, U.S. Dist. Ct. for the District of Conn. (1994): "The Real Cost...", by Phillips and Ferrara.	Stopped termination of a tentant's housing subsidy for drug related criminal activity because the tentant had not been allowed to confront and cross-examine witnesses. Legal service lawyers were awarded $20,000 for this case.
LSC grantee: Allen v. Great Atlantic Management Co. (1993): "The Real Cost...", by Phillips and Ferrara.	Defended a tenant against eviction who had engaged in violent and destructive conduct on the property.
FAMILY CASES	
Legal Services Corporation attorneys have provided legal assistance to the poor in some very curious ways. LSC grantees have filed suits arguing that unemancipated minors have a right to their own public housing units, that children should be able to terminate their parents' rights over them, and that homosexuals should be able to adopt children.	
Lehigh Valley Legal Services: Testimony by Kenneth Boehm before House Jud. Subcommittee on Commercial and Adm. Law (June 15, 1995). The Morning Call (March 2, 1995).	Represented a 16-year-old juvenile delinquent in his quest to retain parental rights to the child he fathered by raping a 13-year-old girl. The father had a history of other criminal offenses and has repeatedly failed to comply with his probation.
Legal Service of Greater Miami: Cox v. Florida 656 So.2d. 902 (1995).	Represented two homosexuals in their fight to overturn a Florida law that prohibits homosexuals from adopting a child.
Idaho Legal Services: Testimony by Kenneth Boehm before House Jud. Subcommittee on Commercial and Adm. Law (June 15, 1995).	Sued on behalf of the Ogala Sioux Tribe for custody of a 4-year-old boy who has lived with his adoptive family since he was born. The tribe claimed rights because the boy is half-Sioux. The boy's family had to sell their home to raise money for the case.
Legal Services of Greater Miami: K v. K (1992): "The Real Cost of the Legal Services Corporation," by Howard Phillips (Conservative Caucus) and Peter Ferrara (National Center for Policy Analysis), June 14, 1995.	Argued that children should be able to sue to terminate their parents rights over them.
Central Pennsylvania Legal Services: Rodriques v. Reading Housing Authority 8 F.3d. 961 (1993): "The Real Cost . . .", by Phillips and Ferrara.	Sued to force the Reading (PA) Housing Authority to accept as tenants minors who had not been emancipated from their parents.
Legal Services Organization of Indiana: Indiana Dept. of Public Welfare v. Hupp 605 N.E.2d 768 (1993).	Sued the state to stop termination of AFDC benefits to a parent whose children had been removed from her home by the state because she had failed to exercise responsibility for the day-to-day care and control of the children.
CHILD SUPPORT	
Legal Services Corporation grantees have successfully blunted efforts by North Dakota and Michigan to require welfare mothers to identify the deadbeat dads of their children to welfare officials.	
Legal Assistance of North Dakota: S. v. North Dakota Department of Human Services 499 N.W. 2d. 891 (1993).	Successfully argued against states requiring mothers receiving welfare subsidies to identify the fathers so the state can pursue him for child support.
Oakland Livingston Legal Aid in Michigan: In Re Schirrmacher (1993): "The Real Cost . . .", by Phillips and Ferrara.	Successfully argued against states requiring mothers receiving welfare subsidies to identify the fathers so the state can pursue him for child support.
HOUSING	
Legal Services Corporation grantees have sued state and local governments to demand expensive new housing "rights." These rights include more government subsidized housing, higher rental allowances, and payment of child care, furniture storage and transportation expenses. LSC grantees have also attempted to silence ordinary citizens who oppose the placement of housing for drug addicts and the mentally ill in their neighborhoods.	
LSC grantee:	
Herrara v. City of Oxnard (1994): "The Real Cost . . .," by Phillips and Ferrara.	Sued City of Oxnard (CA) to demand more government subsidized housing.
Lubold v. Snider (1993): "The Real . . .," by Phillips and Ferrara.	Suit against Pennsylvania arguing a "right to shelter" provided by the government.
Legal Aid Society of NYC: McCain v. Dinkins 84 NY 2d. 216 (1994).	Suit against New York City arguing a "right to shelter" provided by the government.
Coalition to End Homelessness w/ Amy Eppler-Epstein, Esq.: Hilton v. City of New Haven 233 Conn. 701 (1995).	Suit against New Haven (CT) arguing a "right to shelter" provided by the government.
LSC grantee: Jiggetts v. Perales 202 A.D. 2d. 341 (1992).	Sued New York City to establish higher rental allowances.
Cambridge and Somerville Legal Services: Aguirre v. Gallant (1993): "The Real Cost . . .," by Phillips and Ferrara.	Sued to stop reductions in monthly rental allowances in Massachusetts.
Western Massachusetts Legal Services: Berrios v. Gallant (1991): "The Real Cost . . .," by Phillips and Ferrara.	Demanded under an emergency housing assistance program in Massachusetts for furniture storage, moving expenses, child care, transportation, and more.
National Center for Youth Law: Testimony by Kenneth Boehm before House Jud. Subcommittee on Commercial and Adm. Law (June 15, 1995).	Argued that citizens could not oppose the establishment of housing in their neighborhood for recovering drug addicts and the mentally ill.
LSC grantee: Testimony by Michael Pileggi before House Jud. Subcommittee on Commercial and Adm. Law (June 15, 1995).	Claimed that PHA failed to timely transfer Christine L. from a five-bedroom unit to a six-bedroom unit even though PHA has a limited number of six-bedroom units and, in fact, was able to transfer her within seven months of her initial request.
Community Legal Services Inc., of Philadelphia, PA: Gwendolyn Smith v. Philadelphia Housing Authority U.S. Dist. Ct. for the Eastern Dist. of PA. (1995): Testimony of Mike Pileggi before House Judiciary Subcomm. on Commercial and Adm. Law (June 15, 1995).	Sued Philadelphia Housing Authority on behalf of Gwendolyn Smith, claiming PHA failed to perform over 20 repairs in her unit. An investigation showed that much of the damage was caused by the tenant (fire damage, holes punched in walls and doors).
Community Legal Services: Lupina Rainey v. Philadelphia Housing Authority U.S. Dist. Ct. for the Eastern Dist. of PA. (1993): Testimony of Mike Pileggi before House Judiciary Subcomm. on Commercial and Adm. Law (June 15, 1995).	Represented Lupina R. in a civil rights lawsuit against PHA even though they suspected her for engaging in criminal conduct including dealing drugs, extorting money, loan sharking, and filing bogus bankruptcies on behalf of PHA tenants.
LSC grantee: Testimony of Mike Pileggi before House Jud. Subcommittee on Commercial and Adm. Law (June 15, 1995).	Filed suit against Philadelphia Housing Authority on behalf of Krissy J., claiming that a $50 check owed to her was not timely processed. The case was settled immediately, yet PHA had to pay over $500 in attorney's fees to legal services.
CRIMINAL RIGHTS	
Legal Services Corporation grantees have pursued a number of novel theories all designed to broaden the rights of convicted criminals. In one instance, an LSC grantee challenged Washington state's reform of its parole laws that would have ensured longer sentences for convicted criminals.	
LSC grantee:	
Decker v. Wood (1992): "The Real Cost...", by Phillips and Ferrara.	Sued to demand that criminals in a mental health facility be allowed to vote.
Thorton v. Sullivan U.S. Dist. Ct. for the District of Alabama: Testimony by Dean Kleckner before Senate Committee on Labor and Human Resources (June 23, 1995).	Sued to obtain Social Security disability benefits for a thief who was injured while committing the crime.
Evergreen Legal Services: Powell v. Du Charme (1993): "The Real Cost...", by Phillips and Ferrara.	Sued to prevent changes in the Washington parole laws from being applied to those currently in prison. The reformed laws would have ensured longer sentences for convicted criminals.
National Legal Aid and Defender Association: Testimony by Kenneth Boehm before House Jud. Subcommittee on Commercial and Adm. Law (June 15, 1995), The New York Times (Feb. 8, 1995).	NLADA was the only group to oppose a bill (passed the House by a vote of 432 to 0) requiring criminals to pay compensation to their victims. NLADA represents legal services lawyers and receives substantial funding from LSC grantees.

LSC LITIGATION HORROR STORIES—Continued

LSC grantee and source	Description
Georgia Legal Services: Testimony by Kenneth Boehm before House Jud. Subcommittee on Commercial and Adm. Law (June 15, 1995), Los Angeles Times (Nov. 12, 1994).	Filed petitions to get the release of David Naggel from a maximum security mental hospital. Nagel was imprisoned for murdering both of his grandparents when they refused to give him the keys to their car.
Greater Orlando Area Legal Services: Testimony by Kenneth Boehm before House Jud. Subcommittee on Commercial and Adm. Law (June 15, 1995), The Orlando Sentinel (Sept. 30, 1994).	Sued Orange County on behalf of 18 former inmates to eliminate segregation of inmates based on whether or not they have been exposed to the AIDS virus. Infected inmates were returned to the general inmate population without notification to other inmates.
Legal Assistance Foundation of Chicago: Duran v. Elrod 760 F. 2d. 756 (1985).	In pioneering "inmates rights," this case set a legal precedent that has resulted in cable television and expensive weights rooms in prisons.

ALIENS

Legal Services Corporation grantees have filed lawsuits arguing that aliens, both legal and illegal, are eligible for welfare benefits, Medicaid, Social Security disability benefits and food stamps. In one lawsuit, an LSC attorney argued that an alien who was deported twice for criminal activity was entitled to Social Security retirement benefits.

LSC grantee and source	Description
LSC grantee: Graham v. Richardson 403 U.S. 365 (1991).	Argued that states may not deny welfare benefits to aliens.
Gulfcoast Legal Services: Smart v. Shalala 9 F.2d. 921 (1993).	Sued to obtain Social Security retirement benefits for an illegal alien who had been deported twice for criminal activity.
Pine Tree Legal Assistance of Maine: In Re Doe (1992): "The Real Cost...", by Phillips and Ferrara.	Sued to obtain Social Security disability benefits for an alien seeking political asylum.
Western Reserve Legal Services in Ohio: Joudah v. Ohio Department of Human Services 94 Ohio App. 3d. 614 (1994).	Sued to obtain AFDC, Medicaid, and food stamp benefits for an alien family seeking political asylum.
Legal Aid Society of San Mateo County: Gillen v. Belshe (U.S. Ct. App. for the First Circuit): Testimony by Dean Kleckner before Senate Committee on Labor and Human Resources, (June 23, 1995).	Filed suit to force California to provide health services, welfare, and food stamps while deportation proceedings are pending.
California Rural Legal Services: Naranjo-Aguilera v. INS 30 F.3d. 1106 (1994).	Sued to prevent enforcement of INS regulations that would deny aliens the right to participation in an agriculture program if they have been convicted of a felony or two misdemeanors.
California Rural Legal Assistance: Catholic Social Services v. Reno: Testimony by Dean Kleckner before Senate Committee on Labor and Human Resources (June 23, 1995).	Sued to challenge regulations governing the twelve month amnesty program enacted by Congress that requires illegal aliens to demonstrate that they lived continuously in the U.S. from Jan. '82 until Nov. '86 and that they are financially responsible.
California Rural Legal Assistance: Zambrano v. INS 972 F.2d. 1122 (1992).	Sued to challenge regulations governing the twelve month amnesty program enacted by Congress that requires illegal aliens to demonstrate that they lived continuously in the U.S. from Jan. '82 until Nov. '86 and that they are financially responsible.

WELFARE

Legal Services Corporation grantees have won hundreds of billions of dollars in expanded rights to welfare benefits. In recent years, the LSC has sought to obstruct or stop welfare reform in nearly every state in which it has been attempted, including New Jersey, Michigan, Ohio, Minnesota, New York and California. What follows are but a few examples of litigation inspired by LSC grantees in this area:

LSC grantee and source	Description
Legal Services of New Jersey: C.K. v. Shalala (1994).	Sued the state and federal government when they adopted a welfare experiment to eliminate routine increases in welfare subsidies to recipients having children.
Michigan Legal Services: Babbitt v. Michigan Department of Social Services (1991): "The Real Cost...", by Phillips and Ferrara.	Sued the state when AFDC benefits were reduced in 1992 under an appropriations bill requiring statewide across-the-board budget cuts.
Legal Aid Society of Cincinnati& Legal Aid Society of Dayton: Daugherty v. Wallace 87 Ohio App. 3d. 228 (1993).	Sued Ohio to stop reductions in the state's General Assistance benefits. They argued there is a right to welfare under the state's Constitution.
National Center for Youth Law: Angela R. v. Clinton 999 F.2d. 320 (1993).	Sued Arkansas to force the state to expand its child welfare system.
Kansas Legal Services: Allen v. Sullivan (1991): "The Real Cost...", by Phillips and Ferrara.	Won full SSI benefits for a claimant on the grounds that the room and board his mother provide could not count as income because it would have to be repaid.
LSC grantee:	
In Re Leistner (1994): "The Real Cost...", by Phillips and Ferrara.	Won public assistance for a minor even though the parents' home was available and won the claim that applicants were not required to pursue potential alternative resources as a condition of eligibility for food stamps.
Bland v. New Jersey Department of Human Services (1993): "The Real Cost...", by Phillips and Ferrara.	Won continued AFDC benefits for a recipient who became a VISTA volunteer rather than get a job. The stipend she received from VISTA was excluded from her income in calculating AFDC eligibility.
National Peurto Rican Coalition v. Alexander (1992): "The Real Cost...", by Phillips and Ferrara.	Demanded expansion of the Department of Education's vocational education program regardless of the availability of Federal funds.
Western Massachusetts Legal Services:	
Testimony by Kenneth Boehm before House Jud. Subcommittee on Commercial and Adm. Law (June 15, 1995), USA Today (Jan. 10, 1995).	Filed suit on behalf of Arthur Cooney to get him back on welfare after he spend the $75,000 he won in a lottery. Most of his winning went to drugs and gambling.
Testimony by Kenneth Boehm before House Jud. Subcommittee on Commercial and Adm. Law (June 15, 1995), Readers Digest (July 1994).	Published a brochure detailing how to take advantage of a welfare rule allowing recipient to collect cash windfalls without losing public assistance for more than a month.
Southern Minnesota Regional Legal Services: Mitchell v. Stetfen (1992): "The Real Cost...", by Phillips and Ferrara.	Successfully struck down 6-month residency requirement for General Assistance benefits in Minnesota.
Monroe County Legal Assistance Corp.: Aumick v. Bane (1993): "The Real Cost...", by Phillips and Ferrara.	Brought suit against residency requirement for receiving New York General Assistance benefits.
Legal Aid Society of San Mateo County: Green v. Anderson (1993): "The Real Cost...", by Phillips and Ferrara.	Sued to strike down a one-year residency requirement for full AFDC benefits.

MEDICAID

Legal Services Corporation grantees have sought, and often won, expensive expansions of the Medicaid programs in states such as California, Vermont, Pennsylvania, Missouri, New York, and Maine.

LSC grantee and source	Description
LSC grantee: Clark v. Cage (1993): "The Real Cost . . .", by Phillips and Ferrara.	Successful suit against California demanding increased benefits under the state's Medicaid program. The LSC grantee won $1.2 million in legal fees.
Vermont Legal Aid: Garrett v. Dean (1993): "The Real Cost . . .", by Phillips and Ferrara.	Sued to stop a 2% cut in Vermont's Medicaid program.
LSC grantee: Felix v. Casey (1993): "The Real Cost . . .", by Phillips and Ferrara.	Sued Pennsylvania to challenge limits on cold medications and dental services under state Medicaid program.
Legal Services of Eastern Missouri: Nemnich v. Strangler (1992): "The Real Cost . . .", by Phillips and Ferrara.	Brought suit against Missouri challenging limits on the services provided under state Medicaid program.
LSC grantee:	
Sweeney v. Bane (1992): "The Real Cost . . .", by Phillips and Ferrara.	Sued to stop New York from requiring co-payments for its Medicaid program.
Fulkerson v. Commissioners (1992): "The Real Cost . . .", by Phillips and Ferrara.	Sued to stop the adoption of a system of co-payments for the Maine Medicaid program.
National Center for Youth Law: Barajas v. Coye (1992): "The Real Cost . . .", by Phillips and Ferrara.	Sued California to extend its Medicaid program to cover preventive dental services for children.

FARMING

Legal Services Corporation grantees have initiated many frivolous lawsuits against farmers, ten of which are listed here:

LSC grantee and source	Description
Farmworkers Legal Services of North Carolina: Testimony by C. Stan Eury before Subcommittee on Commercial and Administrative Law, (June 15, 1995).	Filed numerous frivolous class action lawsuits intended to strongly discourage the use of the H2A temporary agricultural worker program to supplement the labor force when there is an insufficient supply of U.S. workers.
LSC grantees: Testimony by Harry Bell before Subcommittee on Commercial and Administrative Law, (June 15, 1995).	Multiple lawsuits filed by LSC-funded attorneys in Florida have prompted the sugar cane growers to mechanize rather than continue their efforts to maintain a H2A temporary guest-worker program.
Friends of Farmworkers, Inc.: Testimony by Dean Kleckner before Senate Committee on Labor and Human Resources, (June 23, 1995).	After losing most of a lawsuit against Phil Roth, a fruit grower in Pennsylvania, FOF demanded $65,000 in attorney's fees from Mr. Roth, an amount more than 100 times greater than the disputed wages found to be due to the workers involved in the case.
Advocates for Basic Legal Equality: Testimony by Dean Kleckner before Senate Committee on Labor and Human Resources, (June 23, 1995).	Sued tomato farmer, the neighbor who rented the labor camp to the farmer, their crew leaders, and the tomato packing company when a farmworker got injured while reaching under a moving truck at the labor camp.
Michigan Migrant Legal Action Program: Testimony by Robert DeBruyn before Senate Committee on Labor and Human Resources, (June 23, 1995).	Sued DeBruyn Produce on behalf of three farm workers in an effort to use a very minor housing dispute to bring employer provided housing under landlord tenant law.
Texas Rural Legal Aid: Testimony by Robert DeBruyn before Senate Committee on Labor and Human Resources, (June 23, 1995).	Sued DeBruyn Produce on behalf of 27 plaintiffs, claiming that they were owed a full crop year's wages. In fact, none of the plaintiffs appeared in the company's employee, tax, or workers' compensation record. They never worked for the company.
Advocates for Basic Legal Equality: Testimony by Harry Bell before Subcommittee on Commercial and Administrative Law, (June 15, 1995).	Initiated litigation to undermine a cooperative dispute resolution agreement between pickle growers and a farmworkers' union (Farm Labor Organizing Committee).
LSC grantee: Testimony by Harry Bell before Subcommittee on Commercial and Administrative Law, (June 15, 1995).	An LSC attorney sued a grower in South Carolina for improper payment of a farmworker even though there was documented evidence that the worker was in jail in North Carolina at the time of the alleged violations.
Farmworkers Legal Services of North Carolina: Testimony by C. Stan Eury before Subcommittee on Commercial and Administrative Law, (June 15, 1995).	Litigated against the North Carolina Employment Security Commission, resulting in the destruction of a successful interstate clearance system used as a means to recruit farmworkers that provided continuity of employment to the workers.
California Rural Legal Assistance: Testimony by Dan Gerawan before Subcommittee on Commercial and Administrative Law, (June 15, 1995).	Charged Gerawan Farming with numerous violations relating to damaged housing. During the trial it was proven that the damage was not intentional, but that CRLA had actively promoted the intentional damage and even prohibited repairs from being done.

DISABILITY PROGRAMS

Legal Services Corporation grantees have aggressively sought Social Security disability benefits for alcoholics and heroin addicts. LSC attorneys have also sought disability benefits for novel categories of disability such as "antisocial personality disorder" and "attention deficit disorder." In one instance, LSC attorneys argued an employer could not require an alcoholic worker to attend AA meetings on the theory that alcoholism is a disability protected under the ADA.

LSC grantee and source	Description
Legal Assistance Foundation of Chicago: Jones v. Shalala (1993): "The Real...", By Phillips and Ferrara.	Sued to obtain SSI disability benefits for 44-year-old due to alcohol and opinoid dependence and antisocial personality disorder.
Legal Aid Society of Metropolitan Denver: Trujillo v. Sullivan (1992): "The Real Cost...", By Phillips and Ferrara.	Obtained Social Security disability benefits for an alcoholic with back pain.
Southern Minnesota Regional Legal Service: In Re X (1992): "The real Cost...", by Phillips and Ferrars.	Won disability benefits for a heroin addict, claiming he was incapable of working.
Alaska Legal Services: S v. Sullivan (1992): "The Real Cost...", by Phillips and Ferrara.	Won Social Security disability for an alcoholic who was not able to work because he could not stop drinking.
Merrimack Valley Legal Services: Smith v. Sullivan (1993): "The Real cost...", by Phillips and Ferrara.	Won SSI benefits for a drug addict suffering from migraines and arthritis.
New Orleans Legal Assistance Corporation: Schultz v. Nelson (1993): "The Real Cost...", by Phillips and Ferrara.	Won benefits for a 56-year-old woman who claimed to have tendonitis that prevented her from engaging in productive work.
Central California Legal Services: Testimony by Harry Bell before Subcommittee on Commercial and Administrative Law, (June 15, 1995).	Sued an employer contending, a warehouse worker with a history of alcohol abuse could not be required to attend Alcoholic Anonymous meetings as a condition of employment arguing that alcoholism is a disability under the Americans with Disabilities Act.
Legal Aid Society of San Diego: Testimony by Harry Bell before Subcommittee on Commercial and Administrative Law, (June 15, 1995).	Asserted that Attention Deficit Disorder is a disability within the meaning of the Americans with Disabilities Act. The client was a welfare recipient who was studying for a degree in criminal justice as part of a state-sponsored training program.

LSC LITIGATION HORROR STORIES—Continued

LSC grantee and source	Description
OTHER	
Legal Services Corporation grantees routinely bring other cases with no logical connection to serving the needs of the poor. These include cases to secure unemployment benefits for a teacher who was fired for drug use, challenging the use of literacy tests as a criteria for high school graduation and challenging a public health law designed to prevent individuals from intentionally spreading infectious diseases.	
Tampa Bay Legal Services: Meyerson, A., "Nixon's Ghost", Policy Review, Summer 1995.	Challenged the establishment of a functional literacy test as a criterion for high school graduation in Florida. The test measures this ability to fill out basic job application, do basic comparison shopping, and balance a check book.
Vermont Legal Aid: Rodriguez v. Vermont Department of Employment (1992): "The Real Cost...", by Phillips and Ferara.	Sued to obtain unemployment benefits for a teacher fired for drug possession, arguing that the teacher had not lost his job through misconduct.
Legal Aid Society of Orange County: Tobe v. City of Santa Ana (1993): "The Real Cost...", by Phillips and Ferrara.	Sued claiming that the city's prohibition on camping out, using sleeping bags, and storing personal property, in the city streets was unconstitutional.
Evergreen Legal Services:	
Roulette v. City of Seattle (1993): "The Real Cost...", by Phillips and Ferrara.	Sued claiming the city's prohibitions on sitting or lying on sidewalks in commercial areas and aggressive begging were unconstitutional.
Ledesma v. Seattle School District (1991): "The Real Cost...", by Phillips and Ferrara.	Sued to demand bilingual education in Seattle schools.
Georgia Legal Services Martin v. Ledbetter: Testimony by Dean Kleckner before Senate Committee on Labor and Human Resources, (June 23, 1995.	Challenged Georgia state law permitting involuntary hospitalization of individuals with infectious diseases who represent a danger to public health.
California Rural Legal Aid: Testimony by Harry Bell before Subcommittee on Commercial and Administrative Law, (June 15, 1995).	Sued to kill the Targeted Industries Partnership Program, joint federal-state project to direct labor law enforcement resources at problem employers, with the resultant spectacle of one taxpayer-funded entity suing another.

Mr. GRAMM. Mr. President, I also have another letter by a former Legal Service Corporation president, Terry Wear, explaining why in his experienced opinion the Legal Services Corporation cannot be reformed and should either be turned over to the States or be eliminated entirely. Frankly, he recommends that it be eliminated. I ask unanimous consent that this comprehensive letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

LAW OFFICES OF TERRANCE J. WEAR,
Washington, DC, September 20, 1995.

Senator PHIL GRAMM,
Russell Senate Office Building,
Washington, DC.

DEAR SENATOR GRAMM: My purpose in writing is to outline some of the problems that I encountered during my tenure as President of the Legal Services Corporation during portions of the Reagan and Bush Administrations, and to comment on S. 1221, the Senate companion bill (introduced by Senators Kassebaum and Jeffords) to HR 1806, the McCollum-Stenholm legal services bill.

By way of background, the federally funded component of the legal services program is one of Lyndon Johnson's poverty programs, having originated in the Office of Economic Opportunity in the Johnson Administration's Department of Health, Education & Welfare. The program was taken out of HEW in 1974, and set up in a free standing non-profit corporation similar in structure to that of the Corporation for Public Broadcasting.

The Legal Services Corporation (LSC) now disburses approximately $400 million annually in taxpayer funds, in the form of grants to local legal services providers, which in turn use these funds to hire full-time lawyers, who in turn provide civil legal services to eligible poor persons. Over the last fifteen years, the existing grantees have been able to insulate themselves from competition for these grants, and the same grantees now receive the monies year after year.

The President nominates candidates to the Corporation's 11-member Board of Directors, and these nominees are subject to Senate confirmation. Other than that, the President (and the Executive Branch) has no control over the actions of the corporation, its Board of Directors, or its approximately 320 grantee legal services providers.

Some believe that the LSC, and the federal component of the legal services program, was structured this way purposely; so no one (other than the local legal services grantees) could control which cases they handle. The grantee providers pick and choose the specific cases they handle, in order to "raise the consciousness" of the persons being sued, as well as the communities in which these persons reside. They sue to "strike a blow" for a favorite cause, or to create legal precedents that they believe are "favorable" to poor persons as a class, rather than to the individual poor client whose name appears on the court pleadings. Cases are pursued for purposes of setting these kinds of legal precedents, even when such action is not in the best interest of the client being represented. (See e.g., "War on the Poor," National Review, May 15, 1995; pp. 32–44.)

Often, these programs refuse to serve poor persons with "run of the mill" or "mundane" legal problems; preferring to concentrate on the "sexy," "snazzy," or "high profile" cases that promote their view of "how society should be." Let me cite just one example: A legal services program in Washington state refused to help a poor single mother (and her three children) with a landlord-tenant problem (and the woman lost her rental unit as a result), because the program was "too busy" with other matters.

The "other matters" that the program chose to handle at the time this woman was seeking legal assistance included:

Helping an alcoholic father, who claimed he was unable to work because of his "disability," avoid paying child support for his children;

Preventing a public housing authority from evicting two tenants who had not disclosed their prior criminal histories in their rental applications, as they were required to do; and

Obtaining a nationwide permanent injunction blocking federal reductions in the cash and medical welfare benefits given to newly arrived refugees.

These examples clearly demonstrate the desire of many legal services programs to handle the "high profile" cases, in which they can "strike a blow" for a particular cause, at the expense of individual poor persons with "mundane" legal problems.

The "housing authority" example deserves further examination: Oftentimes, legal services programs try to block the eviction of known drug dealers from public housing units; effectively allowing these people to ply their trade from these housing units, and effectively putting the other tenants (and their children) into a drug war "free fire zone." Under the existing legal services system, there is nothing anyone can do to prevent these government-funded lawyers from doing these things, regardless of the suffering they inflict on the innocent families who live in these housing units.

There are dozens of other examples of legal services lawyers inducing or aiding and abetting conduct that is self-destructive. Space does not permit me to mention them all, but some of the most egregious examples include:

Several legal services programs routinely advise poor parents to get a divorce, and poor non-abused teenagers to set up households of their own, all for purposes of maximizing the total amount of welfare payments that the group can obtain.

Other legal services programs work to obtain federal disability payments (amounting to hundreds of dollars per month) for alcoholics and drug addicts, who then use these funds to "feed" their self-destructive habits.

A legal services program obtained government disability payments for a convicted burglar; using as the basis for his claim the injuries the burglar sustained during the course of committing his crime.

Another legal services program helped a convicted rapist get custody of the child he sired as a result of the rape, even though a psychologist testified that the rapist was likely to harm the child.

Lastly, a legal services program employee being paid by the U.S. taxpayers used his position to organize civil unrest in New York's Attica Prison, in order to use this unrest to "commemorate" the anniversary of the 1971 Attica Prison riots, in which 43 inmates and guards were killed.

Based upon my experiences with the federal legal services program, I do not believe the current program is salvageable; consequently, it should be ended now. Some Members of Congress, such as Congressman McCollum, have suggested that the corporation and the current program should be continued, with restrictions placed on what the legal services lawyers could do, the kinds of cases they could handle, etc. This approach does not take into account the history of the program, and the past failed attempts to do the very same thing. Let me mention some examples:

When the federal legal services program was set up under the corporation in 1974, restrictions were written into the statute saying that legal services lawyers could not engage in political activities; or handle abortion cases, desegregation cases, etc. During the Reagan and Bush Administrations, similar attempts were made to limit the kinds of activities and cases that could be handled by legal services personnel. These restrictions were implemented through Appropriations Acts "riders" that were added to the bills that funded the program.

Many of these restrictions were effectively circumvented by the legal services lawyers; or were openly violated in the case of the handling of abortion cases. The plain facts are that the legal services activities are not interested in having their activities restricted in any way; and will not abide by the McCollum restrictions:

For example, certain legal services grantees handled several abortion cases during my tenure as LSC President, and refused to stop when I ordered them to do so. These programs then used the money, which I had given them to help poor people, to pay for a law suit to block imposition of the discipline I imposed on them. They successfully stalled my attempts to curtail their activities, even through they were clearly in violation of the federal Legal Services Corporation Act. These law suits dragged on for several years, and were subsequently settled by one of my successors, on condition that no disciplinary action be taken against these programs.

In 1980, after completion of the national census, the legal services programs spent over 28,000 hours and over $600,000 in federal funds on Congressional redistricting activity. Their purpose was to redistrict "in" those Members or candidates who were sympathetic to the political and social goals of these activists, and redistrict "out" those who were not. During the 1980s, many legal services programs tried to carry out this same sort of activity at the State and local levels.

In 1989, I caused the corporation to enact a regulation prohibiting the involvement of the legal services programs in redistricting, as it was clearly "political activity" which was forbidden under the Legal Services Corporation Act. I was then promptly sued by three of the legal services programs that I was funding. These programs used the money, which I had given them to help poor people, to pay for a law suit to keep me from enforcing this regulation; and successfully tied up its enforcement for more than three years.

The Congress should not be fooled by the McCollum attempt to reform the existing legal services program. There is no reason to believe a new set of restrictions of the kind proposed by Congressman McCollum (and Senators Kassebaum & Jeffords) will be any more effective than the earlier sets of restrictions were. These activist lawyers will simply exploit the "loop holes" in the McCollum restrictions, ignore them, or file law suits to challenge those they do not like; and the restrictions will be suspended for 4 or 5 years, while these cases work their way through the courts. The activists will use the courts to effectively gut any attempt to regulate their behavior, and will "wait the Congress out" until it gives up and goes on to other things.

This conclusion is particularly noteworthy, in light of the announced intent, on the part of the legal services lawyers, to make "the road to welfare reform a legal obstacle course" for the Congress. In the April 1995 issue of the American Bar Association (ABA) Journal (pp. 82–88), the activists threw down the gauntlet to this Congress, by outlining just how they intend to sue the legal system, and the federal dollars they are given, to attack any effort to reform the current welfare system.

I'm also heartened to note, however, that ending the current legal services program will not end legal services for the poor:

The Gekas legal services bill (H.R. 2277), as introduced, provides for a transitional system of block grants to the States, which will be used to fund legal services for poor persons. I'm aware that you have incorporated this bill into the Senate version of the State, Commerce, Justice Appropriations bill, and that the Gekas bill will become law if this appropriations bill is enacted.

Among other things, the grants authorized in the Gekas bill will be awarded competitively; and, while existing grantees will be eligible to compete for these grants, the grant awarding process will not be "stacked" in their favor.

I believe viable grant candidates, who have no "social" agenda but who are genuinely interested in helping individual poor persons with their legal problems, will compete for these grants; will win large numbers of them, and will do a good job for their poor clients.

The Gekas bill will also pay grantees after they have finished their work; rather than giving the grantees money up front, as the McCollum bill would do. Under the Gekas approach, if a grantee does things that are prohibited, the grantee will not be paid for them, and its grant will be terminated. This should be a particularly effective way to ensure that taxpayers' funds are used only for the kinds of activities permitted in the Gekas block grant program.

Even the liberal Washington Post agrees that downsizing of the federal legal services program is inevitable, and that the block grant approach in the Gekas bill will allow more of the ordinary problems of poor people to be handled, leaving the "high profile" cases for interest groups like the ACLU. (See, Washington Post Editorial, September 18, 1995.)

Many of the current legal services programs receive substantial funding from IOLTA (Interest on Lawyers' Trust Accounts), private charities and endowment funds, the United Way, and State and local governments. I'm advised that, in 1993, non-LSC funding for legal services amounted to $246 million; as compared with $357 million in funding from the federal government. Consequently, the two-year phase out of the federal legal services program, as provided for in the House Budget Resolution and in the Gekas legal services bill, will not end legal services for the poor.

There also are approximately 900 legal aid programs that are not affiliated with the federal legal services program; these programs will help "take up any slack" that may result from the termination of the federal portion of the legal services program.

There also are other substantial private pro bono efforts that are underway to aid poor persons. For example—

The American Bar Association has suggested to its 375,000 members that they donate 50 hours per year of free legal services to low-income people.

The New York City bar association recently raised $3 million for its own legal services program, which provides free legal services for indigent families, and others.

The Iowa State Bar Association has adopted a resolution urging its members to donate "a reasonable amount of time, but in no event less than 20 hours per year" to pro bono legal activities.

These kinds of activities are underway in many states; and will cushion the termination of federal funding for legal services. Also, virtually all the states have formal or informal systems under which lawyers in private practice provide pro bono legal services to poor persons.

Whenever the Congress or the States attempt to revise any "poverty" program; the proponents of the program rail about "mean-spirited attacks on the poor." These attacks are usually the "knee-jerk" responses of people and institutions with special interests to protect. In this situation, it is not the poor who are complaining, but rather the lawyers who benefit from the program. In fact, this program has become a general welfare program for lawyers, rather than one primarily benefiting poor people; and it is the lawyers who are lobbying for its retention.

The "knee-jerk" responses about "mean-spirited attacks on the poor" are usually overstated; cases in point are the attacks that were levied on the welfare reform programs instituted in the States of Michigan and Wisconsin. When these reforms were proposed, there was a great "hue & cry" about hurting the poor, but this has proven not to be the case at all. I believe this earlier pattern is being repeated here, and that the Legal Services Corporation and its 320 grantees will not be missed when they are gone.

It is interesting to note that there have been no "poor persons" who have come forward to testify in any of the Congressional hearings held on the legal services program. I believe this is true, at least in part, because poor people do not rank legal services as a high priority in their lives, and do not believe the current program has been all that helpful to them.

In fact, the lawyer-activists who have used the funds in this program to promote their view of "how society should be;" do so without regard to the effects of their actions on the poor, i.e., the poor persons who must live next to the drug dealer whom legal services has kept from being evicted. These poor people have to live with the consequences of the "social experiments" of these activists; and, I suspect, are getting tired of them.

If someone must "take the blame" for the demise of the Legal Services Corporation and the federal funding for its grantees, it rightly must be the legal services activists who have abused the program through their irresponsible behavior, and their past refusal to accept common sense reform. The facts speak for themselves; they clearly demonstrate that the Legal Services Corporation and its grantees, at a minimum, use federal monies for a lot of "stupid" things. The current program is not susceptible to reform because of the attitudes and behavior of the activists who receive these federal funds; serves no useful purpose, and should be terminated.

I hope these thoughts are helpful to you. I stand ready to meet with you at any time if I can be of service to you as you consider this important issue.

Sincerely,

TERRANCE J. WEAR.

Mr. GRAMM. Mr. President, I am sure there will be others who want to debate this amendment, and so let me summarize my arguments and then yield the floor so that we can continue the debate.

Legislating is about choosing. Legislating is about deciding what is worth doing and what is not worth doing. Although it sometimes appears that the same laws of economics do not apply to the Federal Government that apply to families and businesses. Every day families have to say no. Seldom does Government say no. One of the reasons that families have to say no so often is because Government cannot; $1 out of every $4 earned by the average American family with two children now goes to Washington so that Government can say yes so often.

However, even in the Federal Government, we have to make choices. The Domenici amendment asks us to choose. It asks us to choose between funding legal services and providing funds for the prosecution of organized crime, drug trafficking, child pornography, fraud against the Government, terrorism, and espionage. It asks us to choose between funding the Legal Services Corporation over funding 55 U.S. attorneys and 55 support personnel that in each of the judicial districts in America could use to make our streets safer, that could be prosecuting people who have preyed on innocent men and women, who could be prosecuting people who are selling drugs at the door of every junior high school in America.

The Domenici amendment asks us to choose. It asks us to choose a federally funded Legal Services Corporation over funding for an FBI Academy at Quantico, VA, which is critically important to maintaining our ability to train 1,225 State and local police officers every year.

Let me remind my colleagues that the highlight of a law enforcement career in America is coming to the FBI Academy. My proposal would allow each and every one of these 1,225 people, who are chosen because they are the finest America has in law enforcement, to come to the FBI Academy, to be trained so they can go back and train other State and local law enforcement officials, in things that are critical—when to use deadly force and when not to, how to exercise judgment, how to carry out their function. They need this sort of training so that when some brutal predator criminal kills one of our neighbors, we are able to apprehend them, convict them, and hopefully, if they are richly deserving, put them to death.

And, Mr. President, this is not a priority that just I as a Member of the Senate have set; 91 Members of the U.S. Senate, including the authors of this amendment which would cut this program, voted for the Comprehensive Terrorism Prevention Act of 1995, which authorized us to begin to upgrade the infrastructure of the FBI Academy.

I do not believe that reasonable working Americans would choose to spend $49 million on the Legal Services Corporation over spending that money to upgrade the FBI Academy, thereby allowing us to train more and better law enforcement officials for America.

I do not believe, Mr. President, that the average working American family would support taking $25 million away from our Federal courts, money that could be spent on 400 probation officers to supervise convicted felons who are walking the streets, in order to fund a Federal legal services program.

We all heard of this case—one of the cases, in fact, that President Clinton ran a TV ad on—about a brutal murder that occurred. What he did not tell us was that this brutal murderer had been convicted of a violent crime, was in prison, had been released, and was being supervised by a parole officer. He had to meet with the parole officer once a year—once a year he had to show up for a meeting. And he went out and killed somebody. And the President tells us as a result of that we ought to ban guns.

But the point is, we do not have so many probation officers that we can simply afford a cut that would lead to 400 fewer.

This is a critically important area, and I urge my colleagues in their zeal to preserve the Legal Services Corporation as a Federal program to ask themselves, not would you want it if it were free, but are you willing to cut funding for the Federal judiciary by $25 million knowing that with $25 million we could fund 400 more probation officers, that we could have funding that is needed for such programs as mandatory drug testing of criminals that are on release walking the streets of America? Those are the choices that we have to make and these are the questions we must ask.

Now, I have not gone into great lengths in talking about the Legal Services Corporation. Many of the areas that they are engaged in are those in which the public perceives to be an abuse of power, whether you are talking about suing every State in the Union that has tried to reform welfare—the provisions in our bill, in allocating a block grant to the States to provide legal services, have very, very stringent limits that say, if you take any of this money for legal services, you cannot use it, nor any other money in this bill, to try to block welfare reform in America.

The Domenici language is not as strong as our language in terms of limiting the action or the use of legal services funding. It is a step in the right direction, but why not give this program back to the States? What is it about this program, other than the political base that it enjoys, that is so different from aid to families with dependent children? Can we trust the States with seeing that poor people are fed cannot we trust the States to see that legal services are provided?

What is it about this program that makes it so different than Medicaid? I assume that those who support this amendment, at least some of them, will support block granting Medicaid. We called for it in our budget and I assume we have the votes to do it. That has to do with people's health, with their access to medical care. How is it that we can trust the States to run Medicaid but yet we cannot trust them to administer funds for legal services?

Well, let me say this, Mr. President. I believe the Legal Services Corporation is a renegade agency which has spent a tremendous amount of resources promoting a political agenda. I think the superstructure of the agency which will be preserved by the Domenici amendment is engaged in an activity which is the right of every free citizen. Every free citizen has a right to advocate their views, no matter how extreme someone else may feel they are. And I defend that right. But they do not have the right to do it with taxpayers' money.

If they object to reforming welfare, let them run for the legislature and explain to people that they do not want welfare recipients to have to work. But they should not be able to take taxpayer money to file those lawsuits.

If they believe that the Government ought to be involved in elections, or they believe the Government ought to be involved in other areas, let them get out and engage in the public policy debate, but not with the taxpayers' money.

I do not believe that we are going to be able to solve these problems if we keep this infrastructure in place. I think that the only thing that is going to change the focus of the Legal Services Corporation to the legal needs of poor people is to eliminate the Federal superstructure, a superstructure and bureaucracy which has proven beyond a shadow of a doubt that it has a social and political agenda. I oppose its agenda. It has a right to an agenda, but not at the taxpayers' expense.

I believe we can meet the legitimate legal needs of the poor by setting up a block grant which was supported by the subcommittee and by the full committee. That block grant will give the money back to States and, within the guidelines which will say that no entity taking this money can file lawsuits to block welfare reform, keep drug dealers in public housing, or any of all the other things that this agency is famous, or infamous for. It would be administered by the States, with greater supervision and control, where people in an area who are outraged about an action cannot just write their two Senators and their one Congressman, but actually get the legislature and the Governor to make a change.

Is that not logical reform? Is that not what the Contract With America was about? Is that not what the party I represent stands for? I think it is.

I think this is a clear-cut choice. And I want our colleagues to look very closely at these offsets and understand the damage we are doing to law enforcement, to our anticrime and antiviolence efforts by providing this funding level to the Legal Services Corporation. The $340 million that would be provided under the Domenici amendment is taken away from programs that, not only in my opinion, but I would assert in the opinion of virtually any reasonable working American, are of much greater importance.

I hope my colleagues will reject this amendment.

I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER (Mr. COVERDELL). The Chair recognizes the Senator from New Mexico.

Mr. DOMENICI. Mr. President, I say to the Senator from Massachusetts, let me just respond to three or four of the Senator's points.

First of all, Mr. President, so everybody will understand, I will try to address a couple issues of the Senator from Texas with reference to what we are cutting.

It is interesting, when this side of the aisle, including my wonderful friend from Texas, when you are not really cutting something, but merely reducing its growth, you like very much to tell everybody, "We're not really cutting, we're just reducing the growth." In discussing my chosen offsets for this amendment, he chooses to ignore that. So let me give you a couple of examples. I think you ought to know that if these examples strike home—and every one of the Senator's examples is festered with the same problem, every one of them has the same problem in terms of how they are attempting to mislead us.

First, let us talk a minute about the U.S. attorneys. The amendment that we have funds the U.S. attorneys at $28 million above the U.S. House of Representatives. Frankly, I do not believe the U.S. House of Representatives would be cutting U.S. attorneys knowing the subcommittees over there and what their desires are about crimefighting.

The U.S. attorneys, under this proposal, will increase $87 million. No cut. U.S. attorneys in America will have a 10-percent increase. So whatever the good Senator from Texas said, we are providing $87 million in new money for U.S. attorneys; not a cut, an increase.

Frankly, if you want to increase something in a committee so that you can say you are the greatest crimefighter in the world and one up everybody, then go ask the Justice Department, "Well, if you don't get that, how many are you going to lose?" that is, in essence, every argument the Senator has made.

The truth of the matter is, there will be many, hundreds of new U.S. attorneys, even after we provide legal services for the poor.

Let me talk about the FBI. The discussion here sounds like this 1,225 people from the hinterland that we train we are not going to be able to train because of the Domenici amendment. Absolutely untrue. They will all be trained, there is no question about it. So you can strike all that talk. They will all receive education and training.

This proposal that is funded in the bill is the following: $52 million for some additions to their training center at Quantico. They do not have a site yet, they do not have a plan yet, and the estimates are they will spend $5 million of the $52 million at the most this year. All of it will be spent next year and the year after.

What is wrong with saying since you cannot spend it, since you do not have a plan, is there anything wrong with saying, let us provide legal services for the poor, if that is what it takes? Frankly, I do not believe, if the Director of the FBI was sitting across the table and told about this, that he would stand up and say, "I insist on $52 million that I don't need, that won't be spent until next year and because I want it so much, I would like no poor people to have any legal services in America." Does anybody believe that?

Let me go on to just a couple more.

General legal activities. My good friend from Texas has made an argument about all these professionals they are going to lose. Under the committee bill general legal activities is slated to increase by $13.4 million.

I could go on with each one of them. I have tried my very best to be as honest as I can about U.S. attorneys. They are going up dramatically, not coming down. FBI construction; the now named candidates from around the country will be trained. We are just not going to put money in for a building they do not have a plan or site for. We can do it next year if we find, indeed, they are prepared to allocate the funding.

My last point has to do with my good friend from Texas talking about a budget gimmick. Frankly, Mr. President, I say to my fellow Senators, I do not let too many gimmicks get through, but they get through. Every appropriations bill has some kind of forward funding in it. In fact, I suggest, and if my good friend from Texas would like me to pull the bill, I will, but I suggest it is way back in my recollection that the last time he was ranking member for the HUD and NASA bill, that there was over $1 billion forward funded in order for them to get a bill through.

Check the number. Maybe it is $850 million, but it is close to a billion. And it was praised on the floor by my good friend from Texas.

But mine is not the gimmick he describes. As a matter of fact, we phased our funding because we want to encourage the Legal Services Corporation to implement a competitive bidding system for grants in a timely manner. The first $225 million will be released in order for the Corporation to continue service. The additional money at the end is going to be used as incentive money to implement competition and to supplement earlier funding for legal services.

Last but not least, Mr. President, I looked at all these letters my good friend from Texas has submitted for the RECORD in opposition to my amendment. I have copies of them now. I am about as close to the Farm Bureau as anybody in this Senate. Frankly, if the Farm Bureau knew that the Domenici prohibitions, which are similar to the House, were going to be adopted as part of the law, they would not write this letter. And that is what it is going to be, because both bills prohibit the kind of actions that the farming community, and many others, are arguing about, complaining about the abuses, which I acknowledge. They would say, "Great, if you want to have legal services with these prohibitions, we are not against helping the poor."

There is not a single one of these organizations who wants to go on record saying, "We don't want any legal services for the poor of the United States." They do not want the abuses.

Why are we apt to stop the abuses this time when we never have before? I will say it plain and simple. I do not intend to in any way antagonize my Democratic friends, but the fact of the matter is, we never had a Republican House, that is why we never got the prohibitions.

They are in the House bill. They put the prohibitions in. We are going to put them in. There will not be a Commerce, Justice bill without the prohibitions in, and there will be no funding for legal services without the prohibitions. When you put all the prohibitions in, when you understand the nature of the reductions we had to make, I am sure many who listened to the Senator from Texas will take another look. They will clearly decide that even the average working man that my friend from Texas uses so wonderfully in talking about not wanting to pay taxes and they are the ones that are working and that they ought to get out and pull the wagon, that if you put an average working man or woman in a room and you say, "If these abuses are not there and it is just providing an attorney for a poor person whose opponent has an attorney and they are desperately in need, average working man and woman in America, would you like to say to those people, you get nothing, you go defend yourself, do away with legal services?" Well, I will take that issue to the average working men and women in this country, and I believe by an overwhelming majority they are decent people and understand if you are in litigation, you have to have some help. If you are a poor person and getting sued, you are involved in a landlord-tenant dispute, any of the thousands they handle—let me tell you, they are handling, on an individual basis, huge numbers—thousands—if somebody knows, maybe they can insert it into the RECORD. They have nothing to do with class actions.

My closing remark is if you are worried about the abuses, about class action, about suits against legislators or Governors, or welfare, those are gone in the Domenici amendment, finished, they are not around anymore.

I yield the floor.

Mr. GRAMM. Mr. President, let me respond to the points Senator DOMENICI has made. First of all, the committee bill does not eliminate legal services. It eliminates the Federal entity, the Federal bureaucracy, but gives funds to the States with stricter prohibitions than the Domenici amendment, so that the funds can be used through State-run programs, without this overarching Federal bureaucracy and its political agenda, so that the funds available can truly go to help poor people with real legal needs.

So the suggestion that the alternative is the Domenici way or no way, simply does not bear up under scrutiny.

Now, with regard to the gimmick used when we are talking about funding, the question is not do we have more prosecutors than we had last year after the Domenici cuts are made. The question is, Do we have more prosecutors than we need? The point is, for example, in the general legal activities of the Justice Department, we have provided $10 million less than Bill Clinton says we need to prosecute organized crime and major drug traffickers and child pornography and major fraud against the taxpayer and terrorism and espionage. We have provided $10 million less than the President says we need. The Domenici amendment would take away $25 million more, eliminating 200 prosecutors from the Justice Department. Now, those are 200 additional prosecutors who would have been there were we not maintaining the Federal Legal Services Corporation.

That is the choice. Do you want them there or not? Senator DOMENICI says, well, look, they were not there last year, were you not happy without them? No. The American people want more prosecutors. The American people want to go after organized crime and drug traffickers and child pornographers and fraud against the taxpayers and terrorism and espionage. So the question is: Do you want 200 more prosecutors doing these things, or do you want a Federal Legal Services Corporation? That is the question.

Senator DOMENICI says, well, you will end up with more U.S. attorneys under the bill even with his cut. That is true, but it is not very relevant. The point is, the American people want to grab criminals by the throat and not let them go in order to get a better grip. The American people, I believe, given a choice of spending $11 million so they can have 55 more assistant U.S. attorneys and 55 more support personnel to go after people selling drugs at every junior high school in America, I think given that option, they would choose to have them there.

In terms of the FBI Academy, the argument made is that they do not need new facilities. Well, everybody associated with the FBI says they do. They say that the infrastructure is becoming antiquated.

Mr. DOMENICI. If the Senator will yield, I did not say they did not need it.

Mr. GRAMM. I believe the Senator said they just will not be able to build a new facility as soon.

Mr. DOMENICI. I said they cannot build it because they do not have a location or a plan, and they cannot spend the money.

Mr. GRAMM. All I know is that the head of the FBI asked me both in testimony and in a letter, to provide the funds because he said it was needed. I think the Senator is talking about the technical support center. I am talking about the FBI Academy. As I read the amendment, it is cutting the academy and not the technical support center.

In any case, our infrastructure and our effort to fight violent crime and drugs is getting old. When we had testimony before the subcommittee, the head of the FBI said that one of his top priorities was to try to upgrade the training facilities, which is desperately needed. I think that is a priority item.

Look, it is a matter of choice. You may want a Federal Legal Services Corporation more than you want to modernize the training of the FBI Academy. That is a perfectly legitimate choice. But it is a choice, this is not a free amendment. This amendment will mean fewer prosecutors and fewer convictions. It will mean facilities that will not be modernized as rapidly. It will mean a lower quality of training. It will mean fewer people will get trained. That is the choice that you are making and it is not a choice that can be wished away.

Now, you can say, well, we still would be doing more than we were doing last year. But the point is, we will not be doing as much as we are capable of doing.

In terms of the Farm Bureau, I would be happy to call in the Farm Bureau and ask Senator DOMENICI, if they do not support his position, if they would rather do it my way, if he would pull his amendment down. My feeling is that they would rather eliminate this Federal superstructure, which basically has, since the beginning of the Legal Services Corporation, pursued a political agenda, a political agenda that we are trying to deal with right here in this very amendment. This amendment is not as strong in dealing with this agenda as we are in the committee bill, which is why I want to preserve the committee bill.

I yield the floor.

Mr. INOUYE addressed the Chair.

The PRESIDING OFFICER. The Senator from Hawaii is recognized.

Mr. INOUYE. Mr. President, I rise to speak on behalf of the poorest of the poor of this land. Mr. President, I rise to speak on behalf of the first Americans of this land, the native American, the Indian.

In 1788, our forefathers, the elected representatives of the first nine States of this Union, gathered to ratify and adopt the Constitution of the United States. This noble document has served us for over 200 years. In the first article of this great document is a provision that recognizes the important role and the specific role played by the Federal Government of this United States to carry out obligations that we solemnly promised by treaty and by law. It also recognizes the sovereignty of these people. These were proud people. They numbered at that time in excess of 50 million in North America. Today, I am sorry to say they number less than 3 million. At the moment of the signing of the Constitution, these great people exercised dominion over 550 million acres of land, and we recognized and honored that at that moment.

Today, the descendents of these Indians exercise dominion over 50 million acres of land. Because these Indians, who exercise dominion over all these lands—including the land on which we are standing at this moment—we the people of the United States, because of their granting of title to these lands to us, promised by treaty that as long as the sun rises in the east and sets in the west, we will make certain that their lives will never be placed in jeopardy, that we will provide them with shelter, health, and education.

I am sorry to say we have not lived up to these obligations. In fact, our predecessors, the U.S. Senators of the older days, were faced with the ratification of 800 treaties. Of the 800 treaties, our predecessors felt that 430 were not worthy of our consideration. These treaties were signed by the President of the United States, or a proper representative, and signed by the chiefs and great leaders of Indian lands.

We said, "You give us this land, and we will provide you with help." Mr. President, 430 are still in the files. The reasons are very simple. After these treaties were ratified and signed by the President and sent to the Senate, they found gold or they found oil or people wanted to settle on their lands. I am happy to say we did ratify some—370 of them.

History shows that we proceeded to violate provisions in every single one of them. The reasons are easy. Whenever this Nation was confronted with a choice of priorities—what is more important, U.S. attorneys or the plight of the Indians—the Indians always came out at the end. It never failed.

That is the history of the United States. So today, instead of owning this land, they have dominion over 50 million acres. Last August, a few weeks ago, it was announced by the Labor Department that the unemployment rate of this land was 5.6 percent; in Indian country, the average is over 40 percent. In some of the reservations, it gets closer to 90 percent. It is a sorry sight, but 13 percent of the families of this land live in poverty below the poverty line; in Indian country, it is 51 percent, half of the families. In most instances, the only legal assistance available in Indian country is through this program, the legal services program.

I am not speaking of $340 million. I am not speaking of offsets. I am speaking of $10 million. The Domenici amendment includes $10 million, a program that has paid for the services of 150 lawyers to deal with the problems of Indians throughout this land. There are 33 legal service programs and they service 2 million Indians living on reservations.

Without these resources, Mr. President, these tribes and these Indians would have no access to legal assistance. I do not think any of my colleagues would think for a moment that law firms would open up their branches in a Hopi mesa or in some Pueblo Tribe. I cannot think of any law firm opening up their practices in Navajo land. There they are almost always located far away from the urban centers of this country.

Lawyers do not find it profitable to go to Indian country; 80 percent are unemployed, 50 percent of the families are below the poverty line—they cannot pay any lawyers's fee. They have to depend upon legal assistance and legal services program.

Mr. President, I rise to support the Domenici amendment because it has the sensitivity to recognize our obligations. It is a small amount, $10 million. I am sorry to say the committee bill does not involve $10 million. I believe a clarification of this point is necessary.

The distinguished Senator from Texas noted that this amendment, the committee amendment, was adopted by the subcommittee and adopted by the full committee. Technically, that is correct.

In the subcommittee, we were all told, "Let's not take up matters of controversy." That is a practice of the Appropriations Committee. "Let's not waste our time. Let's not take up matters of controversy. Let's wait until we get to the floor."

The same thing happens in the full committee. Otherwise, we would still be in that room, S-126, debating this measure.

Mr. President, I have no idea, because the votes were not taken, but I have a feeling that if votes had been taken in the full committee, the Domenici amendment would have been adopted.

Mr. President, I hope my colleagues will not place too much weight upon the statement that this was adopted by the subcommittee and adopted by the full committee. This is where the controversy is debated. This is where the major decisions of the Appropriations Committee are determined.

Mr. President, I speak and I rise to support the Domenici amendment. It fulfills our obligations as those who followed our forefathers. I think it is about time we maintain and keep our promises.

The PRESIDING OFFICER. The Chair recognizes the Senator from Arizona.

Mr. MCCAIN. First of all, I want to thank the Senator from Hawaii for his very powerful statement about conditions in Indian country. It has been my great honor and privilege to work with him for many, many years on Native American issues. I know of no greater advocate for Native Americans than my dear friend from Hawaii.

However, he and I have a very different view of the impact of the legislation as proposed. I will ask my friend from Texas in a minute to respond to a couple of questions.

The fact is, in this present legislation, we have for the first time carried out the intent of the government-to-government relationship and respectful tribal sovereignty which we have sought for years.

This legislation, as crafted by the Senator from Texas, provides for direct block grants to tribal governments for legal services on the same terms as State governments.

To me, that is a major and important step forward. The present legislation also calls for the State or tribal governments with significant numbers of Indian households below the poverty line to receive 140 percent of what they would otherwise receive. I have not seen that before. Now, the Domenici amendment, as I understand it, strikes that provision of the bill. It strikes section 120 of the bill as reported.

If the Domenici amendment is adopted, then we will lose that government-to-government relationship. We will lose the 140 percent of what they would otherwise receive. Frankly, I do not understand why all of us would not be supporting provisions that provide direct block grants to the tribal governments—which is entirely in keeping with what I have been trying to do for the last 13 years, that is, respect tribal sovereignty—and provide the funds directly to those tribes.

If the manager of the bill, my friend from Texas, would respond, is it not true that in this legislation, in his proposed legislation, the States or tribal governments with significant numbers of Indian households below the poverty line would receive 140 percent of what they would otherwise receive? Is that a correct statement on my part, I ask the Senator from Texas?

Mr. GRAMM. That is a correct statement. States that have substantial Indian population will receive 140 percent of what would be their normal allocation. This was the amendment offered in committee by Senator STEVENS, aimed specifically at dealing with this problem.

Mr. MCCAIN. Is it not true that this is the first time that we have made this kind of special consideration for Native Americans, that would give them as much as 140 percent of what they otherwise would receive? Is that a correct statement?

Mr. GRAMM. That is correct. As far as I am aware, this is the first time a special provision has ever been made for Native Americans.

Mr. MCCAIN. Is it also not true the tribes are block granted these funds outside of any involvement on the part of the State, which is in keeping with the government-to-government relationship that we are trying to achieve?

Mr. GRAMM. It is true. In fact, the money goes directly to the tribe, bypassing the State.

Mr. MCCAIN. The Domenici amendment, as I understand it, strikes the provision in section 120 of the bill we were just talking about; is that correct also?

Mr. GRAMM. That is correct.

Mr. MCCAIN. I have to say, in all due respect to my friend from Hawaii, my dear, dear friend from Hawaii, and my friend from New Mexico, why we would want to destroy what is clearly a very important step forward in this process, it is something, frankly, I cannot support. I hope Senator DOMENICI will modify his amendment, would seek to modify his amendment to give 140 percent of present funding to areas where Indian households, significant numbers of Indian households below the poverty line, would receive those extra benefits; that he would modify his amendment that would provide for direct block granting.

It is not so important to me, very frankly, how much money there is, which is obviously one aspect that is important. But, for us to filter these moneys through the States, simply does not work on any program.

I urge my colleagues, who are interested in how this legislation treats native Americans, to reject the Domenici amendment.

I yield the floor.

The PRESIDING OFFICER. The Chair recognizes the Senator from Hawaii.

Mr. INOUYE. Mr. President, if I may briefly comment on the statement just made, the committee amendment contributes funds to States on the basis of the census. Yes, it does say Indians should get 140 percent more than other Americans. Under the present program, the program that is now in effect at this moment, Indians receive about five times what we in Washington, or New York, or Chicago receive. For obvious reasons, Mr. President: 51 percent live in poverty; 80 percent are unemployed. It should be five times. If we adopted the committee amendment, it will not be five times; it will be less than two times. In fact, the present scheme is not sufficient but it is much, much better than what the committee amendment proposes.

So I hope my colleagues will support the Domenici amendment.

The PRESIDING OFFICER. The Chair recognizes the Senator from Maine.

Mr. COHEN. Mr. President, I rise in support of the Domenici amendment. I would like to address a comment made by the Senator from Texas. I think he is exactly right. This is a matter about choices. We are called upon to make choices each and every day in this Chamber.

When it comes to priorities, for example, the Senator from Texas cited requests from the FBI Director or from the Clinton White House. If we look at the defense bill, the Clinton White House did not request money for the B–2 bomber. The Secretary of the Air Force did not request money for the B–2 bomber. Somehow, $500 million is added for the B–2 bomber program, just another downpayment on a $30 billion project. That is a choice that has been made. It does not apply to this particular bill, but we make choices.

Would I rather see $500 million applied to other programs? Low-income heating assistance? Assistance for the poor? Feeding programs for children? I would put my priority over there. But soon we will be presented with a measure that will add another $500 million to keep a program alive, a program the Pentagon is not even requesting.

So, we are faced with choices. I took the floor the other day in opposition to the space station—a $100 billion program. I think we can find better ways of spending $100 billion—such as satisfying our research and development needs in medicine—than to put it in a space station which is going to cost us more and more as our European partners decline to make their contributions.

As the Senator from Texas has articulated the issue, he said, basically, if you are for more prisons and prosecutors and taking drug addicts and pushers and terrorists off the streets, then you will support him. But if you are in favor of protecting the poor or providing legal services to the poor, if you want to have that kind of a dichotomy, that kind of a balance, then you will support Senator DOMENICI.

Really, it is a nice positioning on the part of the Senator from Texas. But it seems to me that we have an obligation to provide poor people in this country with an opportunity to get to the courthouse. It is something that every one of us enjoys. We can afford it. But in this bill, we are saying, "Poor, no longer will you have a Legal Services Corporation. We do not like this structure. It has a left-wing agenda. We do not want any left-wing agenda." But I submit, if we genuinely aspire to have a system of "Equal Justice Under Law," as it is written on the front of the Supreme Court, then our neediest citizens must have access to that system.

The facts simply do not support the contention that legal services organizations are promoting a left-wing agenda. About one-third of the cases involve family violence. We have a serious problem in this country dealing with family violence. People are being abused. There are 52,000 clients seeking protection from abusive spouses, who are represented by attorneys funded through the Legal Services Corporation. There are 240,000 poor senior citizens who are represented by legal services attorneys. Tens of thousands are represented in landlord-tenant disputes. Tens of thousands were assisted in applications for public benefits. But our answer is, "We do not want this structure anymore. We do not want a Federal hand in this anymore. We want to turn this all back to the States."

By the way, you do not just turn a Federal program back to the States at no cost. Under the block grant proposal, 50 separate States, with their own bureaucracies, will have to administer the funds. And unless the Domenici amendment is passed, none of the funds can go to a legal services organization; they can only go to individual lawyers. If you take away the Federal structure and you prohibit money from going to established organizations within the State, the funds must go to individual attorneys. Then, eventually, you will find very little representation for the poor.

"Let the private lawyers take care of this," you say—pro bono work. I used to do a lot of it myself. I used to think I had an extension of the Pine Tree Legal Assistance operation in my law firm because there were a lot of poor people who came to the door who simply could not afford to pay the legal fees, and I represented them.

But we are deluding ourselves if we think we are going to see an expansion of these points of light, that many thousands and tens of thousands of law firms are going to undertake representation for all of the needs of the poor or take on and fight the landlord-tenant disputes. How many poor people have complaints against the landlords—slum lords, in many cases—of uninhabitable, rat-infested, asbestos-ridden residences. We say, "Well, tough luck. You are poor. You do not get representation."

The law firms are not going to give you their youngest attorneys. They are on corporate mergers now. That is a higher priority at the law firm. They say, "We have big mergers taking place. We do not have time to allow you to engage in bringing a lawsuit to protect people from uninhabitable conditions."

Mr. President, I am not entirely satisfied with the Domenici amendment, as it places unprecedented restrictions on legal services organizations such as Maine's Pine Tree Legal Assistance. Unlike previous LSC legislation, this bill not only places restrictions on Federal funds, it also restricts how organizations such as Pine Tree may spend money received from State grants, State bar associations, and private donations. This is a Federal mandate. We are telling States like Maine that they cannot give grants to legal services organizations to represent immigrants or pursue class action lawsuits.

There are times, in my own State, when State legislators ask legal services attorneys for advice about how they should shape laws and regulations to help out people in need. We cannot do that under the Domenici approach. These attorneys cannot be called to testify before legislative hearings. They cannot file class action suits. So basically it is pretty restrictive. The amendment does not go as far as I would like to see it go.

Let me provide one example. A number of years ago there was a lapse in a Federal program that provided assistance for displaced workers. The Maine Legislature requested advice from Pine Tree Legal Assistance to determine how the law could be changed to ensure that these workers could qualify for State unemployment benefits. But under the amendment, Pine Tree would have to remain silent; its expertise would be wasted.

I am going to support the Domenici amendment, however, because I believe we have an obligation to see to it that poor people in this country have access and keys to the courthouse. There is a major trial taking place right now which thankfully is coming to a close. Not many people in this country can afford that kind of representation. That is in a criminal case. I am talking about the civil actions now. Not very many people in this country, especially those at the very lowest of the economic strata, can call up an attorney and say, "Would you represent me against this claim? Would you represent me against my husband or against my wife? I am being abused. I need help." "Sorry. We do not have any money to help you."

Mr. President, I hope my colleagues will support the Domenici amendment.

Mr. FEINGOLD. Mr. President, I rise today in support of the amendment offered by the Senators from New Mexico and South Carolina. This amendment will allow continuation of legal services to low-income individuals.

The credibility of the American legal system demands that all Americans, regardless of their economic station in life, have access to the courts. To put the promise of justice beyond the reach of a group of people because they cannot afford proper representation defies the notion of equal justice for all.

Since its inception in 1974, the Legal Services Corporation has worked to provide equal access to the justice system to a group of Americans which is sadly growing larger in number and increasingly disenfranchised from our democratic way of life.

An editorial in the Milwaukee Journal Sentinel recently noted that the Legal Services Corporation helps people in very basic, and important ways. They help:

> . . . the child who needs health care, the elderly couple negotiating their way through Medicare, the battered woman who needs help getting a divorce and child custody, the victims of consumer fraud.

I think we would all agree that these are all laudable goals. And yet, if you look at the language contained in H.R. 2067, you will see that the battered woman who needs help getting a divorce and child custody is foreclosed from utilizing Legal Services for that purpose. What could be so controversial about helping a battered woman and her children out of a violent and abusive situation? Nothing. And yet, the language contained in the bill currently being considered, prohibits the use of funds to obtain a divorce.

However, Mr. President, this very troubling provision is but one example of the shortsightedness of eliminating the Legal Services Corporation. Although it is not without its detractors, the Legal Services Corporation provides basic legal services to the poor of this Nation in an efficient, cost-effective manner.

As has been noted many times, only 3 percent of the total Legal Services appropriation is used for administrative purposes. The remainder is sent out to the various legal service organizations throughout this Nation. Ninety-seven percent of the Legal Services Corporation's funding goes directly to local programs to address priorities established at the local level.

Throughout this Congress we have heard time and time again that decentralization is the key to many of our problems—let the people in the communities make the decisions. Legal Services does that now and this bill eliminates it.

Ninety-seven percent of the Corporation's funds are distributed directly to organizations like Legal Action of Wisconsin, Western Wisconsin Legal Services, Wisconsin Judicare, and Legal Services of Northeastern Wisconsin. All of these local organizations know and understand the needs of the poor throughout the State of Wisconsin and are dedicated to addressing them. Under the present system, they make the decisions, they set the priorities.

Not only does the language in the bill eliminate the decentralized system that exists today, it replaces it with a more onerous and traditional inside the beltway style bureaucracy. Under the proposed language, the Department of Justice would become the primary grant administrator to the States. The money no longer goes directly to the providers, it goes to the States. The States in turn establish their own administrative structure to oversee and administer the money to the local organizations, which ultimately provide legal services for the poor. These additional layers of bureaucracy will increase administrative costs and result in less money being available to help the poor.

If the goal of this body is to slow delivery of legal services to the poor and to create more bureaucracy, then we should support the proposed block grant. However, if the goal is, as it should be, to maintain a workable delivery system of legal services to the poor in this Nation, then the efficiency, flexibility and the decentralization of the current Corporation is the obvious choice.

Mr. President, we often hear about the need for private enterprise to pick up where Government leaves off. The citizens of Wisconsin are very fortunate to have a private bar dedicated to ensuring legal representation to all people. I know that other Senators can say the same of their home States.

But we delude ourselves if we think these dedicated private attorneys alone can meet the enormous needs of the poor. I have been contacted by many organizations from Wisconsin, all concerned about, and working to help, the poor in our State. Each of these groups, be it the Wisconsin State Bar, the Association for Women Lawyers, the Milwaukee Bar Association or any of the others that contact me, knows that the elimination of the Legal Services Corporation will seriously hamper the ability of this Nation's poor to obtain legal representation.

If we follow the committee language, and effectively exclude millions of poor Americans from one of this Nation's most important institutions—the justice system—we risk creating a society where justice exists only for those above the poverty line. Such a result is unacceptable.

I appreciate that no one approves of every case that legal services undertakes, but the proposed amendment seeks to address some of the concerns that people have raised regarding the scope of Legal Services activities. Some may think the restrictions in the amendment go too far, others, not far enough. However, we must not lose sight of the fact that our goal should be to maintain a system of legal representation for the poor that allows them to avail themselves of the protections of the American justice systems.

Protections that many of us, the more fortunate in our society, may take for granted. However, imagine the importance we all would place in these protections should they disappear or be placed just beyond our grasp. And yet, the language in this bill potentially subjects millions of poor people in this Nation to just such a reality.

The amendment offered by the Senators from New Mexico and South Carolina acknowledges the essential fact that we must preserve the access of the poor in this Nation to the judiciary. This amendment allows this Nation to move ahead toward equal justice for all, rather than retreat from this noble goal. Accordingly, I urge my colleagues to support this amendment.

I ask unanimous consent that an article in the July 19 edition of the Milwaukee Journal Sentinel entitled "Legal Services for Poor Need Protection" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Milwaukee Journal Sentinel, July 19, 1995]

LEGAL SERVICES FOR POOR NEED PROTECTION

The Legal Services Corp., which gives the poor access to lawyers, has been fighting for its survival this year as never before. The agency still stands. But in House action so far, its funding has been lopped by a third and major restrictions have been placed on its activities.

A weakened agency still does not satisfy the extreme right, which has put, you might say, a contract out on the organization. Some congressmen are expected to try to make good on that contract in House action this week.

House members most certainly must rebuff this attempt to kill Legal Services, the major source of funds for Legal Action of Wisconsin. America will have no hope of being a fair society if the poor lack reasonable access to lawyers; justice simply won't be served.

We are not talking big bucks here, at least not by federal standards. The proposed budget for next year stands at $278 million, down from the current $415 million. Legal Action's share currently is $2.4 million.

Like its counterparts across the country, Legal Action of Wisconsin represents poor people in myriad civil cases—the child who needs health care, the elderly couple negotiating their way through Medicare, the battered woman who needs help getting a divorce and child custody, the victim of consumer fraud.

The firm doesn't handle frivolous cases. Most are settled without even going to court. And for want of staff Legal Action serves only a small share of those who need its help.

Though only a tiny fraction of Legal Action's work, class action lawsuits draw the most attention because of their wide impact. Far-right critics act as if federally financed law firms think up exotic challenges to the status quo just to promote a far-left agenda. But these legal challenges flow out of the real needs of poor people.

For instance, mothers complained to Legal Action that because they couldn't afford child care, they were having a tough time getting training or education to get off welfare. Legal Action successfully sued the state, forcing it to satisfy its obligation to the federal government to pay for child care for 4,000 parents.

Unwisely, restrictions in the current House bill would prevent such lawsuits in the future. Class action suits against government and welfare mitigation would both be banned.

The most immediate threat, however, is a move to kill Legal Services altogether. Fairness demands that the House turn it back.

Mr. FAIRCLOTH addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from North Carolina.

Mr. FAIRCLOTH. Mr. President, thank you.

Mr. President, I want to commend the Senator from Texas for his leadership and what he has done to make the changes in the Legal Services Corporation.

Mr. President, House and Senate conferees are expected to begin meeting soon to consider welfare reform legislation. I sincerely hope that the conference report contains illegitimacy provisions like a family cap and a restriction on cash benefits to unwed minor mothers.

But no matter how strong the welfare conference report turns out to be, it will not succeed in ending welfare dependency unless we also reform the Legal Services Corporation, the agency which has for years furnished the rope to hang welfare reform efforts in the States.

For example, the State of New Jersey was granted a waiver in 1992 by the U.S. Department of Health and Human Services to institute a family cap provision denying an increase in welfare benefits for women who have more children while already receiving welfare.

The Legal Services Corporation sued the New Jersey Department of Human Services to challenge the family cap. Rightly, the U.S. District Court decided that it is perfectly legitimate for the State of New Jersey to implement a family cap.

But they had to defend it against the Legal Services Corporation.

Welfare reform is not the only arena where Legal Services attorneys have defied common sense and hurt the very people whose interests they claim to represent and have sued the people who are paying them.

In my own State of North Carolina, in a pattern that is repeated all over the country, Legal Services attorneys have caused growers who employ seasonal workers to lose millions of dollars defending themselves against frivolous nonexistent lawsuits. They have extorted money from growers by threatening them with lawsuits unless they settle up—to the tune of $500 per nonexistent violation, per worker.

As the Senator from Maine talked about some of the people not having the money to sue and the need for legal services, what we are talking about here are small people trying to make a living defending themselves against legal services, and they do not have the money to hire the lawyers either.

Even for a small family farmer with 10 acres or less of crop acreage, this can add up to tens of thousands of dollars. For a small farmer, that can add up to bankruptcy. And a bankrupt farmer can not hire seasonal laborers or anybody else.

In recent years, North Carolina produce farmers have been a target of Legal Services attempt to destroy the Department of Labor's H2A Program, which brings in temporary foreign workers to harvest crops for farmers who cannot find enough domestic workers.

But Legal Services have harassed these people to the extent that the program is no longer functioning. This program is designed to help farmers and workers. But they have been harassed by the Legal Services so often that they have simply stopped using it or the farmers have been put out of business.

Legal Services is nothing more than an entitlement program for activist lawyers. We simply subsidize them and pay them.

My colleague and friend from Texas, Senator GRAMM, has a reasonable and innovative block grant solution which I strongly support. I personally would feel better to end the disastrous program of Legal Services altogether. But we cannot do that.

Therefore, I oppose adamantly the amendment by the Senator from New Mexico, and I urge my colleagues to do the same and to support the Senator from Texas. He is doing what needs to be done.

Mr. President, I yield the floor.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER (Mr. GRAMS). The Chair recognizes the Senator from Minnesota.

Mr. WELLSTONE. Thank you, Mr. President.

Mr. President, I agree with my colleague from Maine, Senator COHEN.

Mr. President, what is at issue here, when all is said and done, is whether or not we as a nation are going to support the idea that each and every person, regardless of their income, is going to receive equal protection under the law. That is really what having a Legal Services Corporation is all about. Ensuring that people are treated equally under the law. Not just the wealthy but, everyone.

Mr. President, this is in the very best of the tradition of our country. Speaking for Minnesotans, this is the Minnesota ethic. Minnesotans believe in equal protection under the law. Minnesotans believe that regardless of a person's station in life he or she should be entitled to representation in our court system.

Mr. President, I will reluctantly support the Domenici amendment. To do otherwise is to have a proposal that will essentially eliminate what I would call the heart and soul and integrity of the Legal Services in the United States of America. In that sense, I believe Senator DOMENICI has made an enormous contribution. But I have some serious misgivings about the Domenici amendment albeit, I admire what the Senator from New Mexico is trying to accomplish. I believe he has made a real contribution toward fairness in our country through his amendment. But by the same token, this is a very steep price we will pay for rescuing Legal Services. There is a price for agreeing to the restrictions in the Domenici amendment.

Mr. President, we had this debate before in this Chamber last Congress. A debate that I was very active in. It was a debate with my colleague from Texas, as a matter of fact.

When you have a restriction that says you are going to have a prohibition on welfare reform litigation, then I would ask the following question: Has this just become a kind of mean season on the poor of this country?

Mr. President, we are talking about children. The most vulnerable members of our society. Not too long ago we made a profound mistake in agreeing to the so-called welfare reform measure that passed this body. At that time, I think Senator MOYNIHAN said it better than anyone. He essentially said that for the first time in over a half a century, we as the U.S. Senate, will say there will be no floor beneath which children could fall.

Mr. President, you and I have had a debate on this issue. It has been an honest difference of opinion. But if we are going to say that, and we are also going to say there is no kind of national community commitment, no sort of obligation, responsibility or standard in relation to nutrition, in relation to making sure that every child at least has an adequate diet, that in and of itself I think is a turning back of the clock, away from the very best of this country, because I think it will be more children are going to go hungry and more children are going to be impoverished.

Now what we have is a restriction that says in addition to no national standard, no floor, there will be restrictions on Legal Services lawyers who rightfully want to challenge any of the laws or practices that are called welfare reform.

How can we argue that Legal Services lawyers will not be able to issue any challenges when we do not know exactly what is going to happen back in the States and back at the county level.

There are all kinds of examples. Suppose, for example—I had an amendment which dealt with the whole issue of domestic violence—you have a woman who has been battered. Imagine what it would be like if you had been battered steadily for 2 years. You have two small children, and you are told you go into a work program or you lose your assistance. Suppose she could not because she had not healed; she is not ready to work physically or mentally. Under these draconian restrictions a woman would not be able to receive Legal Services representation to challenge this particular restriction. Where is the fairness in that? Is this just? I submit to my esteemed colleagues, that this is not justice and it is not fair.

Mr. President, this strikes me as just being a mean season on the poor. Senator DOMENICI has made a real contribution because he is attempting to make sure we do not pass any extreme proposals, which is I believe the

Gramm proposal is about. But these restrictions trouble me, and these restrictions should not be the price people pay to receive the most basic legal representation to protect their rights.

I hope that when it comes to authorization we will have a debate, and we will be able to come up with constrictive solutions to some of these problems.

Mr. President, what happens if a mother is told she has to work but because of a prior work experience she has a bad back? People quite often think it is an excuse—she has a herniated disk, and she cannot do the kind of physical work she used to do. She says I can no longer perform this type of work, or there is no one to take care of my small children, and she might be cut off. She has no legal representation?

What happens if we go back to what used to be the man-in-the-house rule, and it is decided at the county level that a woman who is single now, has been through a divorce, and a male friend visits her one day, and somebody is there from the welfare department who determines she should be cut off because there is a man in her house that can support her. Will she have legal representation to challenge this kind of determination? No.

I do not know how we can have this kind of restriction when we do not even know how it is going to be at the State and local level. What if it is repressive? What if it is harsh? What if it is degrading? What if it violates the Constitution of the United States of America? Are we saying a whole group of citizens, which, by the way, are women and children, are not going to have legal representation?

Mr. President, the Gramm proposal goes beyond the goodness of America. The Gramm proposal to essentially gut legal services goes beyond the goodness of Minnesota. I believe the Gramm proposal will be voted down. I think the Domenici amendment will pass, and it should because the whole idea of equal protection under the law is an idea that fires the imagination of Americans. This about basic fairness and justice.

What I worry about as I look at these restrictions, whether it be welfare or whether it be a broad definition of lobbying, or whether it be advocacy or no class action lawsuits, is that I believe we are heading in the wrong direction because ultimately what this debate is about—is about power and powerlessness in America. And if you are going to say that, yes, there will be funding for Legal Services but we will so severely restrict what you can do that those who are powerless do not have the ability to challenge some of the powerful institutions in America, then we just deepen all of the inequalities.

Hospitals are supposed to take care of sick people. Welfare agencies are supposed to be concerned about the welfare of the people they serve. Schools are supposed to educate children, all children. Housing agencies are supposed to be concerned about housing, housing for all people. It is written somewhere that just because you are poor, you do not get adequate representation.

Are we now saying that a whole group of citizens in America, disproportionately women, disproportionately children, are no longer going to have access to lawyers who can challenge some of those discriminatory policies?

I will tell you what this is going to do, Mr. President. It is going to breed contempt for our legal system among the very citizens we do not want to see have that contempt.

We have young people who are growing up in communities across our country, in more brutal circumstances and conditions than any of us want to admit. I think the Senator from Hawaii, [Mr. INOUYE], has probably been the champion for people in Indian country. He knows their condition better than maybe any other Senators here.

If we have young people growing up in more brutal circumstances than any of us want to face up to, and we are now going to severely restrict what Legal Services lawyers can do, we are just going to breed contempt on the part of those young people in this system. They are going to see no way that they can seek redress of grievances through our system; they are going to see a legal system they are not going to believe in; they are going to see a political system they are not going to believe in; they are going to see a nation that they believe betrays the very idea of equal justice under the law. Where do you think that is going to take us?

When young people growing up in poverty, growing up in impoverished communities, growing up under brutal circumstances do not see any way through the legal system that they can seek redress of grievances, do not see a system through which there is an opportunity for them working within our system in a nonviolent way to improve their lives, it creates an enormous vacuum.

I will tell you what fills that vacuum. I have been to a lot of these communities. What fills that vacuum is the politics of despair, the politics of cynicism, and all too often the politics of hatred.

Mr. President, the Gramm approach is to extreme; it goes too far. What the Senator from Texas has done is to belie the best of America. Senator DOMENICI is right with his amendment. But as to the restrictions in the Domenici amendment, I hope later on as we move forward on legal services, we will be able to have a good discussion and we will be able to make the kinds of changes that will provide poor people in America with strong legal representation.

Just because you are poor does not mean you should not be able to challenge those who have the power in America. Just because you are poor or just because you are living in a poor community or just because you are a whole community that is denied a voice or just because you are a whole community that does not have the power, does not mean you should not be entitled to some legal services lawyers that can work with you. It should not mean you cannot be entitled to challenge the policies and practices that discriminate against your families, that hold your families down, that lead to inadequate housing, that lead to your children not having an adequate education, that lead to health care institutions that sometimes do not take care of you.

You should be able to challenge those policies and practices. You should be able to challenge those institutions. That is the best of America. That is equal justice under the law. With these restrictions, that is not going to happen. So, Mr. President, to conclude, I will not cosponsor the Domenici amendment because of the restrictions, but I certainly will vote for it.

I think the Senator from New Mexico, my friend, is making a real contribution: A little more fairness, a little more justice, a little more compassion, a little bit more of what is right in America.

My God, Mr. President is this the mean season on the poor? I hope when it comes to authorization, we will be able to look at these restrictions and we will be able to make the kinds of changes that will lead to legal services, and will provide people in this country, poor people, whether they live in urban America or rural America or suburban America, with equal protection under the law. That is what this amendment is all about.

I yield the floor.

Mr. STEVENS. Mr. President, I support the Domenici-Hollings amendment restoring funding for the Legal Services Corporation. This amendment will ensure that poor people in underserved areas continue to get legal advice. The Domenici-Hollings amendment contains important restrictions on the use of funds by the Legal Services Corporation. These restrictions, which were also supported by the House, are necessary to ensure that abuses that have occurred in the past do not continue. The funding that is provided under this amendment can not be used for things like class actions, lobbying, or representing illegal aliens. These restrictions are to ensure that funding is used to provide the traditional legal services that are most needed by poor people.

I want to thank the Senator from New Mexico and his staff for accommodating the special needs of Native Americans and those in areas like Alaska where travel to remote villages increases costs. Last year the Alaska Legal Services Corporation successfully completed 4,629 cases. In most cases the people who the Corporation represented had nowhere else to turn for legal advice because they could not afford to hire an attorney.

The poor people in my State—and across America—need the help of the Legal Services Corporation. I urge my colleagues to support this amendment.

Mr. DOLE. Mr. President, there are few examples that better illustrate the case of good intentions gone awry than the Legal Services Corporation.

Created in 1974 to relieve the burden of an expensive legal system for poor Americans, the Legal Services Corporation has become in many instances the instrument for bullying ordinary Americans to satisfy a liberal agenda that has been repeatedly rejected by the voters.

Mr. President, I wish to make clear at the outset that I support efforts to help low-income Americans by ensuring that they are not shut off from legal redress, especially where important constitutional rights are concerned. And I also have no doubt that the existing legal services framework has produced good programs and employs good people who are devoted to providing the very best representation to those who otherwise could not afford it.

But as the Washington Post noted on September 18, 1995, the model of providing legal services to the poor has become twisted into something "more ambitious: a powerful network of poverty lawyers funded by Washington and backed up by university-based centers of expertise, that would help not just individual clients but 'the poor' as a whole."

There are two points to be made about this outcome: First, despite many dedicated lawyers who have undoubtedly helped poor clients through Legal Services grants, the inevitable result of this shift in focus has been to hurt those whom the Corporation was created to help. The impoverished individual who has run-of-the-mill, but important, legal needs is shunted aside by Legal Services lawyers in search of sexy issues and deep pockets. And in some cases the agenda of helping the poor as a class has perpetuated and deepened the worst aspects of a welfare state that has utterly failed poor Americans.

Second, this twisting of the original purpose of the Legal Services Corporation is antidemocratic. In most cases, what passes as a class action lawsuit—whether it addresses welfare benefits, or employer-employee relations—is nothing more than a policy dispute that should be, and often has been, the subject of the legislative process. To subvert the legal system in order to overturn legislative judgments is fundamentally at odds with our system of government.

How did this happen? A lack of accountability. The very structure of the Legal Services Corporation has produced this result. Although the Corporation has an 11-member board, the reality is that money flows to over 300 local nonprofit groups with attorneys accountable to no one. This is not an accident. With the best of intentions, the idea was that the Corporation should be insulated from political pressures. But this laudable goal was taken too far. Laws addressing the misappropriation of Federal funds, for example, are not even applicable to the Corporation under the terms of the act creating it.

Thus, this is not a case of passing more laws and creating an increasingly complex regime to govern the operation of the Legal Services Corporation. The problem cannot be papered over. The problem flows from the present structure of how we provide legal services to the poor.

The time has come to end this abuse of the legal process and return to the original purpose—providing the means to help the poorest among us to cope with their genuine and individual legal needs.

I am committed to providing some mechanism that provides legal assistance to the impoverished among us. But in this, as in so many other areas, it is time to return power and responsibility back to where it belongs—the States. Supporters of the present Legal Services framework will undoubtedly claim that the poor will suffer. I believe that is wrong. The legislation before us provides a responsible response to the legitimate legal needs of the poor—a block grant program that can be run by those closest to the needs of their citizens and implemented with the appropriate safeguards that have heretofore eluded the Federal Government.

Mr. President, I urge my colleagues to support repeal of the Legal Services Corporation Act.

Mr. GRAHAM. Mr. President, as we enter into the debate as to whether we should convert yet another Federal program into a block grant, it would behoove us to consider fully the wise comments of our former colleague, Gov. Lawton Chiles. I ask unanimous consent that the following letter from Governor Chiles, which questions the wisdom of transforming the Legal Services Corporation into a block grant, be printed in the CONGRESSIONAL RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OFFICE OF THE GOVERNOR,
Tallahassee, FL, September 14, 1995.
Hon. BOB GRAHAM,
U.S. Congress, Hart Senate Office Building, Washington, DC.

DEAR SENATOR GRAHAM: I am writing to inform you of my position on the Legal Aid Block Grant Act of 1995 contained in the State, Justice, Commerce Appropriations bill (HR 2076) which would provide that funds in FY 1996 for the legal services organizations be routed through the governor's office of distribution.

First, I urge you to consider the efficiency of the current system. Only 3% of the funds which are allocated are spent on overhead, and the remainder reaches the direct delivery system in the states. This efficiency would be difficult to duplicate at the state level, especially as we will have to invent a delivery system at a time of fiscal change.

Second, after a review of this matter and its implications for State government responsibility, I have determined that the burden to Florida is great and that there is no increased benefit to the state in channeling such funds through this office.

In summary, I am asking you to vote against a block grant proposal for legal services. As usual, I appreciate your efforts to achieve fiscal responsibility while providing for the needs of our less fortunate citizens.

With kind regards, I am
Sincerely,
LAWTON CHILES.

Mr. BIDEN. Mr. President, I stand here to pledge my support for the amendment offered by my colleague, Senator DOMENICI, which preserves the Legal Services Corporation.

This organization has been both efficient and effective in providing legal services to the poor, so that those who are most vulnerable in our society have access to the courts, not just those who can afford it.

Contrary to the rhetoric of some of my colleagues who oppose the Domenici amendment, the vast majority of cases handled by the Legal Services Corporation are not controversial—they are individual cases arising out of everyday unfortunate problems—losing a job, suffering a serious illness, facing the breakdown of family relations, or simply dealing with Government redtape.

As someone who has long sought to do what I could do to prevent and to fight against family violence, I am most grateful for the help that the Legal Services Corporation provides to victims of family violence.

In fact, representation of victims of family violence is the single largest category of cases handled by local legal services programs—accounting for one out of every three cases processed last year.

In 1994 alone—the year we passed the Violence Against Women Act—local legal services programs handled more than 50,000 cases in which women sought legal protection from abusive husbands, and over 9,000 cases involving neglected and abused children.

This amendment places a number of prohibitions on the Legal Services Corporation, but keeps this much-needed organization intact, enabling it to continue to provide traditional legal services to those who desperately need them.

I hope all of my colleagues will join me in supporting Senator DOMENICI's amendment.

Mr. BINGAMAN. Mr. President, I speak on behalf of the Legal Services Corporation.

In my home State of New Mexico, the Legal Services Corporation has a proven track record. Without this program, there are few alternatives if any for the poor to have access to the legal system. Many of the people who benefit from Legal Services were once considered part of the middle class. However, as a result of unemployment, illness, divorce, or aging, these people are now left without the means to afford a private attorney. Some of the people who are helped by this program are: The senior citizen living on Social Security in rural New Mexico who is a victim of a consumer fraud scam; the disabled veteran who has had VA health benefits denied; the woman who has children and is trying to escape from an abusive relationship.

There are many reasons to vote against the block grant approach adopted by the Appropriations Committee. By eliminating the Legal Services Corporation, a new bureaucracy is created because States now have to set up administrative structures to fund and oversee legal services programs. This new bureaucracy with higher administrative costs will soak up much needed resources. Further, the block grant proposal limits legal representation to the most basic needs. For example:

A person may still be represented in an eviction case; there will still be services available to probate a will; in cases of child abuse; in seeking a protective order; file a petition for bankruptcy; a quiet title action.

However, the question becomes: Are these the only legal services that the poor seek? Obviously, the answer is no. Other possibilities have been prohibited by the block grant and that is the heart of the problem with this appropriations bill. Here are some types of things that will not be permitted under the block grant: assistance in a divorce (applies to abusive situations); abortion; applying for veterans benefits; obtaining home ownership; credit access; Indian/tribal law issues; paternity; adoption; rights of the physically disabled; and consumer-related law (elderly scams).

There are many reasons to support the Legal Services Corporation, but the primary one remains the reason this program was created in the first place—it is the most cost-efficient way to allow the poor to have access to our legal system. If the goal of a block grant is to allow local control and flexibility, then the Legal Services Corporation is already accomplishing this objective.

Mr. President, this particular system is not broken. The Legal Services Corporation uses only 3 percent of its budget towards administrative expenses. The decisionmaking is divided among those with knowledge in poverty law. Currently, the mid-level bureaucracy is eliminated because grants do not have to be approved by State or local governments.

In essence, this appropriations bill is placing the burden on the shoulders of those who are not represented in this debate, the poor, and I urge my colleagues to restore the Legal Service Corporation.

Mr. ROTH. Mr. President I would like to inquire of the Senator from New Mexico as to the intent of his amendment with regard to the International Trade Commission.

Mr. DOMENICI. As my colleagues know, I intended this amendment to be the first amendment before the Senate.

I intended for some weeks to offer an amendment to retain the Legal Services Corporation and to provide it with adequate funding to continue providing legal assistance to those who could otherwise not afford it.

That amendment was drafted to the bill reported by the Appropriations Committee.

Last night the distinguished full committee chairman filed a reallocation of funding to the subcommittee, and the Senate adopted an amendment to restore some $400 million to various programs in the bill including $4 million for the ITC.

This amendment made significant changes to the bill as reported, and thus affected the amendment that I am offering with other Senators.

I would like to clarify that the intention of the Domenici amendment is to take a reduction in the International Trade Commission [ITC] by $4 million from the level approved in the managers amendment rather than from the level of funding reported in the original bill.

It is not my intention to reduce the ITC by 30 percent as some may assume from a literal reading of the amendment.

I understand the concerns of some of my colleagues over the use of the ITC funding as an offset. As a conferee on the bill, I will work with Chairman HATFIELD to sustain a level of funding that will be adequate to support the work of the International Trade Commission.

Mr. ROTH. I appreciate the clarification from my distinguished colleague from New Mexico. I am greatly concerned about the impact of the proposed appropriations reductions on the ITC. I hope the conferees will provide the maximum level of funding possible for the ITC in the final bill.

Mr. LAUTENBERG. Mr. President, I rise in support of this amendment to increase funding for legal services, and to retain the Legal Services Corporation.

Mr. President, the debate over this bill, when you get right down to it, is a debate about priorities.

And in my view, little is more important than ensuring that all Americans have access to justice.

After all, the principle of "Equal Justice Under Law" is at the heart of our democratic system. Every American is supposed to have the same legal rights. No matter their race. No matter their religion. No matter whether they are rich or poor.

Today's Legal Services Corporation helps make this principle a reality.

It protects victims of domestic violence.

It defends senior citizens and veterans against bureaucrats who arbitrarily deny them benefits.

It forces landlords to follow the law in eviction procedures.

It stops nursing homes from dumping patients who have become expensive or difficult to serve.

It helps the mentally ill and disabled get the benefits to which they are entitled.

And it helps ensure that Constitutional rights are real for all Americans, whether or not they can afford their own lawyer.

Mr. President, the need for legal services among low-income people is intense. Over 50 million Americans are living near the poverty level, and potentially eligible for legal services. One of every four children under six lives in poverty.

For people like these, Mr. President, legal services can mean access to critical support from an absent parent. It can mean a decent home to live in. Access to health care. Access to education. Or escape from a violent home.

Despite these critical needs, Mr. President, 70 percent of our country's least fortunate lack access to any legal services. One reason is that the number of legal services attorneys has been cut by one-third since 1981.

A recent survey found that, on average, legal services programs turned away 43 percent of eligible individuals because they lacked sufficient resources. For some programs, the rate was as high as 60 percent.

Mr. President, given these shortfalls, we ought to be increasing funding for legal services, not cutting it. Yet the bill approved by the Appropriations Committee would cut funding from legal services from $400 million to $210 million. That, in my view, would be an outrage.

This amendment would increase that level to $340 million. That does not go far enough, and would leave the Legal Services Corporation with a significant cut. Still, it is a big improvement. And, from all indications, it is the best we can do for now.

I also want to express my concern about the restrictions on legal service lawyers that are included in this amendment. For example, the amendment would prohibit LSC lawyers from pursuing class action suits. I think that is a mistake. If a group of poor people are harmed by wrongful conduct, why should each person have to pursue a remedy individually? That only increases litigation, increases costs, and makes it more difficult for poor people to get justice. I do not think it makes sense.

But having said that, Mr. President, I realize that many of my colleagues feel strongly about this and other restrictions. And it appears that at least many of these restrictions are necessary to ensure that the program as a whole is supported and funded.

So, in conclusion, I want to commend Senator DOMENICI for taking the lead in this area, and I would urge my colleagues to support the amendment. The Legal Services Corporation deserves our support. Because each and every American deserves access to justice.

Mr. INOUYE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. GRAMM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAMM. Mr. President, I have had an opportunity now to review some of the restrictions on the Federal Legal Services Corporation and its national bureaucracy that would be imposed under the Domenici amendment.

As I said earlier, I believe these provisions are far less restrictive than those that are in the bill, but there are several that I want to comment on and, I think, in commenting really make the point that as long as you have this national superstructure, you are not going to curb these abuses.

One of the restrictions in the Domenici amendment is to limit the ability of the Legal Services Corporation to file lawsuits that have to do with redistricting; that is, lawsuits that have to do with deciding where lines are drawn in terms of State legislatures and in terms of congressional redistricting.

The only problem with this restriction is it is already the law of the land. We currently have a ban on the ability of Legal Services Corporation to engage in lawsuits that relate to representation and to redistricting in legislatures and in Congress. But a perfect example of how this fails is that this restriction was in place in 1990 when the Texas Rural Legal Aid, which is funded by the Legal Services Corporation, challenged a redistricting plan in Texas in that year, in what the Bush administration saw as a violation of the congressional prohibition on lawsuits involving redistricting.

When the Bush-appointed Legal Services Board attempted to discipline the Texas Rural Legal Aid by reducing their funds, the Texas Rural Legal Aid sued the Legal Services Corporation. As a result, funds continued to be provided to the Texas Rural Legal Aid for the remainder of the Bush administration, when the new Clinton board was seated, they settled the case out of court.

So here is a perfect case in point where there has been a violation of a restriction on legal services funding. They clearly violated the rules in 1990, and when the Legal Services Board, appointed by President Bush, tried to step in and penalize them for violating the rules they went to court and continued to receive funds. Then the Clinton Legal Services Board settled the case out of court.

That is a perfect example of where we already have the restriction and, yet, with a Federal bureaucratic overlay on this program, we are unable to enforce the intent of Congress.

A second provision I look at is a prohibition against legislative lobbying, but there is a major loophole in the Domenici amendment on this issue as well. The major loophole is subsection 14(b) where funds are allowed to be used to lobby for more money and for fewer restrictions. I am not sure what else they would lobby for, but I think that is exactly what most people have in mind when you say that you are limiting their ability to lobby. If they can lobby to get more money and to get fewer restrictions, then they are clearly free to lobby.

The Domenici amendment has a requirement that there be timekeeping, that there be separate accounting, that there be monitoring, that there be no attorney-client waiver. And yet, routinely, these provisions are circumvented from monitoring on the grounds of the attorney-client privilege. I think it is a legitimate concern of whether we are going to be able overcome the assertion of that privilege when the Legal Services Corporation does not want to abide by the rules and when its client does not want to abide by the rules. I would like to have some assurances that, in fact, the rule is going to be abided by.

Another major problem has to do with public housing. In the list of abusive cases by Legal Services Corporation, probably no list is longer of those that I had included in the RECORD than the list of cases that involves public housing.

The Domenici amendment would prohibit legal services from defending a tenant who was charged with drug violations. But I want to remind my colleagues that often the tenant who has the contract with the public housing project is not the person who is charged. Often, they are simply abetting the crime by allowing a friend or children to use their unit of public housing for that purpose.

As I read the amendment, if they are charged with shooting and killing someone, there is no provision prohibiting a legal services defense. We deal only with drugs, not with guns, and not with violence. But I think, again, when you start looking at each one of these things, you find how very difficult it is to enforce these provisions, so long as there is a governing entity that basically wants the Legal Services Corporation to do these things.

I think these are very real concerns, and I think that these are concerns that need to be dealt with.

Finally, I just want to make note, I did not mention it before, and not that I expect that anybody is going to be greatly moved by it, but when we adopted a budget in the Senate and in the House we called for Legal Services Corporation funding at $278 million. The Domenici amendment would raise that funding level to $340 million. While it is not technically a violation of our budget, it is interesting to note that we are being called upon here to cut Federal prosecutors, to reduce Federal courts, to reduce funding for U.S. attorneys, to reduce FBI funding for construction at the FBI Academy in order to fund a level for the Legal Services Corporation which is above the level which was called for in the budget that was adopted in the U.S. Senate.

I yield the floor.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, might I ask the Senator from Texas a question, just from the standpoint of those who have other amendments and those who are calling and asking me as to where we are. I think we have had a good debate. I compliment him on the quality of his debate, and I wonder if there is any thought that he might have as to when we might vote. It does not matter to me. Last night, I indicated a genuine interest in voting quickly. Frankly, if we do not want to get a bill, that is up to the Senator from Texas.

Mr. GRAMM. Let me say to the Senator, it is my understanding that Senator KENNEDY and Senator LAUTENBERG are on their way here to speak on behalf of the bill.

Let me call those who have suggested to me that they might be interested, and it may well be at that point that we could reach a determination as to whether I want to make a motion or whether I just simply want to have a vote.

Mr. President, I suggest the absence of a quorum.

Mr. DOMENICI. Can we withhold on that?

The PRESIDING OFFICER. Will the Senator from Texas withhold?

Mr. GRAMM. I will be happy to withhold.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I just want to read one more time and make one more observation, there is no doubt that the principal concern about the Legal Services Corporation has been class action lawsuits, lobbying, soliciting work, and a number of issues, and I will go through a list in a minute.

But I want to remind everyone again, we have never been able to literally write all of these prohibitions into the law.

Again, I want everyone to know the reason for the prohibitions is because legal services, when it was founded by Richard Nixon in association with the American Bar, intended this to represent individual poor people in individual cases, not to represent a class of poor people suing a welfare agency or suing a legislature or suing the farmers as a class.

We have never been able to put those kinds of prohibitions into law because we never had agreement between the House and the Senate. So I want everyone to know that, with few exceptions, the House has already agreed to the same kind of prohibitions that are in this bill. The House does not block grant this in their appropriations bill. They have funded it.

So with reference to the House, the only difference is that we seek to add some money so that this program gets cut 15 percent, which we think, in comparison to other things, is clearly fair, and we put the same prohibitions and some additional ones in.

So if this bill ever gets signed into law, and unless it does, there will be no funding unless we have an ongoing continuing resolution for the whole year, and it will be close to last year's level—10, 15 percent like we have. If a bill is going to come out and get signed, it is going to have these prohibitions and, once and for all, that is going to be the law.

Having said that, just a budget remark because my friend from Texas said it right. He said, technically, that this bill calls for more money than the budget resolution. I would not want anybody to think that is a rare exception around here either. Frankly, what is really binding is the total amount of the dollars. If we were able to write in the budget resolution and designate the funding level for every program, then there would be no need for annual appropriations. The appropriators could go out of existence. Some might say that is a good idea. I know the occupant of the chair is wondering, and I also believe we ought to appropriate every 2 years instead of every 1. I do not know why we do not change that. It has been proven very worthwhile in many States. But we still have a law that says the appropriators decide with finality. So there is no violation of the budget. If that were the case, every bill appropriations bill that came through here would be in violation because they all have items with different funding levels than the assumption in the budget resolution—maybe 20, 30 times in each bill. That is the prerogative of the Appropriations Committee, and the Senate as an institution. Only if we breach the cap, go over the total amount allowed, is it subject to the budget resolution, which is seeking not specificity but overall control.

So, indeed, if one were to talk about legal services being somewhat higher than the assumption, one could also say that almost all of the Justice Department and the anticrime measures in the bill are higher than the budget resolution. In that context, technically, they are doing much the same thing, letting the appropriators seek what they think is the appropriate level. So I think everybody should know on the up side and the down side of funding, that goes on in every appropriations bill. It does not violate the budget, so long as you do not breach the overall budget target.

I yield the floor.

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, I support the amendment offered by my distinguished colleague from New Mexico. I do so after having had considerable experience as a lawyer. I think I understand the need for representation of the poor in America on many of the complex legal issues and problems which they face.

My first exposure to representation of the poor came as a volunteer defender when I was a year and a half out of law school. That was before the Gideon versus Wainwright case, which established a constitutional right for defendants to have lawyers in criminal proceedings. It is unthinkable in 1995 that there was ever a time when someone would be "haled into court," as Justice Black put it, and not have an attorney represent him when his liberty was at stake. But there was a day, and I was a year and a half out of law school and at a big Philadelphia law firm. There was an enormous backlog of criminal cases, and people were held at detention at the Montgomery County prison. I went over for a month to represent indigent criminals in the courts of Philadelphia.

It was a real eye-opener for me in many, many ways. The first way was to learn that these people had nobody to represent them in a courtroom. They were faced with two counts of rape, four burglaries, and I was a year and a half out of law school, and I was better than nothing, but barely, under those circumstances; and I saw at that time how people had to volunteer, how the community had to come forward to provide legal assistance to people who needed to have their rights represented in a courtroom. It also did something very profound for me, and that was it opened my eyes to public service and to the criminal courts. I had been there for only a month. Notwithstanding that, I was in a very prominent law firm. It was wall-to-wall life. I soon became an assistant district attorney because I wanted to learn to be a trial lawyer, and I wanted to participate in the public process. And it has all been downhill since then, to district attorney and U.S. Senator. But that was a real experience for me to see the importance of legal representation.

Now we have legal services. The first year I was here in 1981, there was an effort to reduce the funding to $100,000, which would have been grossly inadequate. Senators Rudman, DOMENICI, and a few of us stood up, and my recollection is that we had $261,000 for community legal services in that year. Last year, we had a battle on the floor of the U.S. Senate when there was an effort to limit community legal services from representing people in welfare reform cases, because the community legal services had gotten into a New Jersey case over welfare reform. It seemed to me unthinkable to limit community legal services from participating in representing poor people in challenging Federal or State laws. Now we have just gone through welfare reform in this body, dealing with matters which are tremendously complicated and have raised very many important legal issues. And you have to have representation for the poor in America. It is something we ought to be doing. The amount of money involved, in comparison to the scope of the problem, is minimal.

Senator DOMENICI is the leading expert on the budget. I cite him all the time, and I have great confidence in our glidepath for a balanced budget, because Senator DOMENICI is a man I have seen operate for over 6 years as chairman of the Budget Committee, from 1981 through 1986 and again this year. These dollars for legal services are very, very well spent.

I, frankly, have some concerns about the limitations which are present in this bill. I talked to Senator DOMENICI about them, especially the limitations on the use of non-Federal funds, and I know that this is a compromise to try to get the extra funding, to have some limitations. I have grave reservations about these limitations. But I do know this—even with the money which is left, this is not enough to handle individual cases where individuals need representation on complex legal matters.

I have tried to hold my comments to a few moments in the hope that we may act on this amendment. I do not think any souls are going to be saved or any votes are going to be changed on this amendment on my speech, the speeches before mine, or the speeches going back to about 11 o'clock this morning. We have a lot of other amendments which I hope we can take up. I hope we will move to conclude this amendment. I hope my colleagues will support this amendment because it is important for America.

I yield the floor.

Mr. DOMENICI. Mr. President, I see my friend from Hawaii on the floor. Did he want to say something?

Mr. INOUYE. No.

Mr. DOMENICI. Since there is no business coming before the Senate, I ask for 6, 7, minutes as in morning business at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

A BALANCED BUDGET

Mr. DOMENICI. Mr. President, I want to talk a little bit about the balanced budget that we have put forth and that we all worked so hard for—at least on this side of the aisle. I am going to put it into the framework of the Secretary of Treasury, Mr. Rubin, talking to the American people and us about that day sometime after October 20, perhaps before November 15, in that timeframe, when the debt limit that we have imposed upon ourselves expires, and in order to borrow additional money, Congress has to act to raise that debt limit. Essentially, that is being discussed with the American people. I am not sure they all quite understand what that means.

I want to, in a sense, respond as I see it to the fear that the Secretary of the Treasury is pushing across this land in terms of that debt limit day.

First of all, Congress has never given up the power to tell the President and those who work for him, like the Secretary of Treasury how much they can borrow. Occasionally, it seemed kind of strange to me because Congress passes all these laws to spend money, and everybody votes on those, and then when it comes time to extend the debt, people say, "We will not extend the debt." But I am beginning to understand that power to control the debt limit is very important, especially in this year and years like this one.

The Secretary of the Treasury is saying to us, "You'd better agree to extend that debt limit because if you do not, something very ominous might happen." Then he talks about such things as default and we will not be able to pay interest on some bonds.

First of all, let me make it very clear from the standpoint of the Senator from New Mexico, who put this budget resolution together, and look at it from my vantage point as to the seriousness of that contention on the part of the Secretary that we had better be prepared to let that go up.

Now, I see it this way. I think there are two major events that are coming together in the month of November. One is described by the Secretary of the Treasury with all of those ominous tones about what will happen; the other is whether we are going to get a balanced budget—no smoke and mirrors—and entitlement reform.

Frankly, many people are now experts on this Federal budget. Interest rates out there on bonds affect our standard of living because it affects interest rates on many things. Those who look at that know precisely what is a balanced budget and what is not a balanced budget.

Mr. President, we know precisely what the big ingredient in a balanced budget is. The big one is reforming the entitlement programs that are out of control—Medicare, Medicaid. I did not say cut them, I said reform them. In addition, we must look at commodity price supports and a whole list of programs that are on automatic pilot.

If we do not stop them and change them, they just spin, some at a 10-percent increase a year, some 12. We had Medicaid in some States, increasing as much as 19 percent a year. I think we had as high as a 28-percent increase in one year in Medicaid—28 percent, automatic. Experts on the Federal budget know if you do not fix those and if your assumptions are not honest, then you have a budget that is smoke and mirrors, and ineffective.

Now, what I am saying to Members on the other side and others who will listen is do not jump to the conclusion that the most serious event is the day that we do not extend the debt limit when it needs to be extended.

Actually, an equally important day is coming when the President of the United States has to decide whether he wants to help us get a real—no smoke and mirrors—entitlement reform budget. Both of them are important events.

I will not place one above the other because I believe we must do everything we can this year—not next year, that is an election year; not 2 years from now; right now, this year. We have to get a balanced budget, with no assumptions that are too optimistic, and one that changes entitlement programs to reduce their ever dramatic increases.

Now, I cannot put it any better than that. I am not suggesting I am for a default. I am suggesting that is an important event. I believe we have to put the other event right up there alongside it. We have to serve notice on the Secretary of the Treasury and the President that we are not just going to run out on this balanced budget. We think we have done a job. We think it is positive. We think it is right.

Let me close by saying the reason that this is a big event is because for the first time in 31 years, elected officials are saying, "We care about the future. It is not about today only. It is about the future. And we care about our children, not ourselves. We care about those yet unborn as much as ourselves." If we really believe that, we cannot continue to spend at what is currently, believe it or not, $482 million a day—a day. That is the amount we are adding to the debt every day—$482 million. That is a lot.

Who will pay it? If we are standing up saying we do not care, well, somebody is going to pay it. Do you know who is going to? The next generation, with a lost standard of living, because too much of the income has to come back up here and pay for our profligacy.

That is not right. That is a big event for adult leaders. It is just as big an event as the event that is closing upon us on whether we increase the debt limit, to let us borrow more or not.

I do not think the Secretary or the President should read anything more into my statement than what I have said. It is pretty clear that I am not running off in some kind of trepidation because we are being told about this need to extend the debt limit. For those who wonder about that debt limit extension, let me suggest—none of which I advocate—but there are a number of ways the Secretary of the Treasury can pay some bills out there after that debt limit is extended, without extending it. They know it. The Secretary knows it.

There are at least four. A couple of them have serious political ramifications. A couple of them they could use. It may be they do not want to do that, even when push comes to shove. But we do not want to abandon our balanced budget. And I am repeating, the kind of balanced budget we are talking about involves no optimistic economic assumptions, no smoke and mirrors. It is entitlement reform that is consistent with what is happening to the budget under current entitlement programs which, run unabated, have no relationship to what we can afford, just merrily run along, causing the debt to increase at $428 million a day.

I yield the floor and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE BUDGET AND SPENDING

Mr. HOLLINGS. Mr. President, while we are trying to arrange a vote here on this important amendment, I would just revisit what our distinguished chairman of the Budget Committee was talking about: the budget and spending.

Mr. President, the present budget for the fiscal year is $1.518 trillion, in other words, one trillion five hundred eighteen billion dollars. The budget under consideration, of which this State, Justice, Commerce appropriation is a part thereof, is $1.602 trillion. So, one trillion six hundred two billion dollars means spending is going up $84 billion.

Which reminds me of my distinguished chairman of the subcommittee, the Senator from Texas, always talking about those in the wagon who are going to have to get outside the wagon and start pulling it. The funny thing, like Pogo, "We have met the enemy," we have met those in the wagon, "and it is us." We have been spending literally hundreds of billions more than we are taking in each year. While the budget itself increases some $84 billion, interest costs increase $348 billion, or $1 billion a day, as has just been referred to by the distinguished chairman of the Budget Committee.

That is what is bothering this Senator—the reality of it all. We push and pull and tug and talk about those in the wagon, out of the wagon, and hard choices and biting bullets. But the comeuppance is that we continue to spend way more, and we act like we can actually eliminate the deficit by cutting spending. That is absolutely false. It is going to take taxes.

They do not want to say the word "taxes" around this town except to cut them, because a little poll you take, whether it is a Republican poll or a Democratic poll, says that is political poison. A hot-button item is what they call it. So what you do is you get out and you are for the family and you are against taxes. You are against crime and for prisons and on and on, this nonsensical charade we are engaged in.

The truth is, having been in the vineyards here, trying our dead-level best with others. We tried a freeze. Then we tried a freeze and spending cuts. Then we tried a freeze, spending cuts and loophole closings. Then we tried a freeze, spending cuts, loophole closings and a value-added tax. And then just most recently, we opposed new programs that we cannot afford—AmeriCorps.

I stated yesterday the AmeriCorps Program took away 346,000 student loans in order to fund 20,000 to 25,000 student loans. Actually, it is the Federal Government cost of some $20,000 per student on AmeriCorps, plus $6,000 from private and local government resources, so it is $26,000. I remember when I got out of law school, if I could have gotten paid $26,000 I would have jumped for joy. I would have jumped for joy.

I can tell you now—voluntarism? At $26,000 a head, you call it volunteer? Let us cut out the charade and get down to brass tacks and realize it is going to be way, way more than any kind of spending cuts.

The idea of a broad-based consumption tax I proposed over 10 years ago, almost 15 years ago. Now they are copying the idea to replace—I have been through about seven tax reforms in my 28, almost 29 years. The need is not to replace; the need is to replenish. What we need is more money, not different money. So the flat tax is now a wave—a hot-button item, again in the poll, where we are just going to do it one way and replace the income and replace the corporate and replace everything, every other kind of tax. The truth of the matter is, rather than cutting taxes, we need to increase the taxes. And the bill to increase the taxes is presently, and has been, in the Finance Committee for the past 4 or 5 years. I have introduced it right regularly. They quit having hearings on it.

I will never forget the one hearing we had 5 years ago with Senator Bentsen as chairman. As I was leaving the Finance Committee room, a couple of the Finance Committee members said, "If we had a secret ballot we would pass that thing out unanimously. We need it now." That was before the 1992 election for President Bush's reelection.

Of course, we were up to then $400 billion deficits, and the Democrats did not win the 1992 election so much as the Republicans lost that election. I campaigned in it. I know it intimately.

Once again, we are going through the tortures of big talk about how we are really going to balance this budget by the year—they put it out where nobody can get their hands on it—2002; 7 years hence. We used to do it in a year. Then we went to 3 years. Then we went to 5 years. This crowd over here has it for 7 years. And the President has it for 10 years. You meet another Congress and they will have it in 15 years and up, up and away.

But they do not want to write that. They write in a very reverent, respectful, studious term—the media does—that the present budget on which we are now torturing would balance in the year 2002. That is absolutely false. It has no chance of doing it. Simple arithmetic—it is not going to take care of the interest payments. The interest payments are $1 billion a day. There is no plan here. The cuts? You take the consummate cuts right across the board, there is not $1 billion a day to get on top of the increases.

Like the famous character in "Alice in Wonderland", in order to stay where we are, we have to run as fast as we can. In order to get ahead, we have to run even faster.

That is the reality. Nobody wants to talk about it because the poison in politics is taxes. I will never forget, back in 1949, 1950, when Jimmy Byrnes—former Senator Byrnes, Secretary of State, Supreme Court Justice, Governor—he had just come in as Governor. I had a little committee. I said, "This is South Carolina, our little lowest per-capita income State next to Mississippi. We have ground to a halt. We need money. We are going to have to put in a sales tax."

We could not even get the senators to meet with us. We just had House members. I chaired that House group. We sold the idea to Governor Byrnes, and he put it over. Mind you me, we never could have done it without the Governor's leadership. But we put in a sales tax at that particular time for public education, so that then, when we went out and solicited industrial development in South Carolina, we could talk not only of good schools, but fiscally-responsible government.

We did not balance that budget in South Carolina until I finally came in, in 1958. I again raised taxes over the objections. What we did was we got the first triple A credit rating from Texas all the way up to Maryland. So, as a young Governor, I had, as a calling card, a triple A credit rating, which South Carolina has now lost, again with this item of growth—growth. And we are going to have a property tax cut and we are not going to pay the bills and we are going to put the nuclear facility up for sale and start storing nuclear waste all over again at Savannah River; going backwards.

That virus is at the local level, at the Federal level and throughout the land. We have to kill it if we are ever going to get competitive internationally.

If we can pay our bills, develop a competitive trade policy, cut out this nonsense about free trade and join the real world and get a competitive trade policy—Cordell Hull said reciprocal trade policy—then we will begin to survive and rebuild this economy and clean up our cities and get rid of the drug and crime problems and come forward like a great America that I came into in my early years.

With this plan, these programs now have been taken over by the pollsters and we are going right straight down the tubes. We are talking nonsense. The media is going along with it. They think it is great progress. It is not great progress—a half a hair cut—because we had that great progress last year and we had that great progress the year before. We had the great progress the year before that. Like Tennessee Ernie Ford, "another day older and deeper in debt." The debt continues to go and grow and go and grow. It took us 200 years of our history before Ronald Reagan came to town. When he came to town after that 200 years and 38 Presidents, Republican and Democrat, we were less than $1 trillion. And $903 billion was the deficit and debt. We had with President Ford an economic summit, and everything else of that kind after the OPEC cartel crisis, and what have you. When President Reagan came to town, he said, "First I am going to balance the budget in a year," and then said, "Oops—this is way worse than I thought. It is going to take 3 years. We are going to get rid of waste, fraud, and abuse."

We had the Grace Commission. I served on the Grace Commission. I got me a picture here earlier this year, but Peter Grace and I started implementing his savings. We had to report annually. By 1989 we had implemented some 85 percent of the Grace program. But then we stopped, and we quit reporting.

But the truth is the Budget Committees have come along. Republicans and Democrats have voted for taxes in the Budget Committee. We got eight votes for a value-added tax because back 5 years ago, we could see the coming default and the debt growing up, up, and away.

So now after Reaganomics, voodoo, riverboat gamble, now we have voodoo all over again. We are talking about it again by the very author of voodoo, the chairman of the Finance Committee. That started off as—what is that football player's name? Kemp. Yes. That is right. Kemp-Roth. I remember when the distinguished majority leader said we are not going that direction. He said, "You cannot go that way. We have got to start paying the bills." But the Presidential political pressures that come from GINGRICH to go to GRAMM to come to DOLE have got us all talking nonsense here on the floor of the U.S. Congress. We are talking again in the Finance Committee of devastating health care. Last year, they were saying, "Oh. What is the matter? We have the best health care on the planet." Last year, we had a survey by the very group they quote this year that said Medicare was going broke by the year 2001. This year they are saying it is going broke by the year 2002. Now they say what they are trying to do is save it.

Well, they come in with a contract that increases the deficit and Medicare some $25 billion because, yes, without that contract crowd, we voted to increase taxes on Social Security, liquor, cigarettes, gasoline, and everything else and cut spending $500 billion which has the stock market and the economy, they say, going up and away. But the truth is that of that $25 billion that we got from the increase in Social Security taxes, we allocated it to Medicare and they said, "Abolish that." No. We do not believe in that. They are playing the game, the pollster proposition of Social Security and saying that we are trying to frighten the American people.

The debt now has gone not just to $1 trillion as it did in 1981, but to $2 trillion, to $3 trillion, to $4 trillion. It is right now at $4.9 trillion, and it is going up $5 trillion and on and away, because of what? We are in the wagon. The kids, the children, the grandchildren are the ones pulling the wagon. We are acting like the taxpayers are the ones pulling the wagon. Well, they can hardly move the wagon. The wagon is drifting back. It is not being pulled. It is gradually going backward into debt, and we are on board.

For the last 15 years, the Senator from New Mexico and I have been working in the Budget Committee, and it has gotten worse and worse. The rhetoric has gotten better. We really have them fooled—everybody out in the land, particularly in this editorial column crowd saying we are making progress, that we are going to balance the budget.

We are not even near it. We are doing some cutting. We are devastating programs. But we are not balancing any budget because we will not do all of the above, and all of the above includes taxes. And we need that tax increase allocated to the deficit, and the debt.

Let us get on top of this fiscal cancer, excise it once and for all, and then start spending the amount of money that we need on Government itself rather than on past profligacy and waste. If you had a $74.8 billion interest cost in 1980 and in 1996 in the President's budget, it is $346 billion, that means the interest cost alone has gone up to $273 billion. That is exactly the level of domestic discretionary spending. You take Congress, the courts, the Presidency, you take the Department of Commerce, Agriculture, Interior, Treasury—go right on across the Government itself, take the departments and domestic discretionary spending, it is right at $273 billion. We could double that budget, if we were not wasting it on the interest cost on the national debt.

That interest is what I call "taxes." This crowd that says they are not against taxes is really for taxes. There are two things in life: Death, and taxes. You cannot avoid them. There is a third thing. It is the interest cost on the national debt. It cannot be avoided.

So what we are doing talking about no, we are not going to increase taxes, is, yes, we are going to cut taxes. The truth of the matter is we are going to cut taxes in order to increase the taxes more so the debt can go up so the interest costs or the taxes on that debt go up. You pay it, not avoid it, and you do not get anything more.

But we are in the wagon. All of us are in the wagon, and the children and the grandchildren, are hopefully going to pull it. I hope the country just does not come down in fiscal chaos. But whatever it is, we are in the wagon, and we are raising taxes every day $1 billion. We have a tax increase on automatic pilot in this Government of $1 billion a day. We are talking about cutting taxes. That is how ludicrous, ridiculous, and outrageous this whole rhetoric has gotten in the treatment by the media itself. They do not want to report the truth. They do not want to report the facts. They go along with the political charade.

I yield the floor.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER (Mr. SHELBY). The Senator from Massachusetts.

DEPARTMENT OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 1996

The Senate continued with the consideration of the bill.

AMENDMENT NO. 2819

Mr. KENNEDY. Mr. President, I rise in support of the amendment offered by the Senator from New Mexico to restore funds for the Legal Services Corporation.

The words inscribed on the wall of the Supreme Court building capture the idea at the very heart of our constitutional democracy: "Equal Justice Under Law."

The Constitution guarantees to every man and woman in this country the same rights and privileges before the law. Indeed, we require Federal judges to take an oath to render justice equally to the poor and to the rich.

But our courts are largely powerless to render justice to persons who are too poor to afford a lawyer to assist them in protecting their legal rights. And a constitutional right without a remedy is no constitutional right at all.

The bill reported by the Senate Appropriations Committee would unleash an unprecedented assault on the rights of our most impoverished citizens. It would eliminate the Legal Services Corporation, which Congress established more than 20 years ago with the active support of President Richard Nixon.

And though it would authorize the Attorney General to make civil legal assistance block grants to the States through the Office of Justice Programs, it would not earmark one penny of funds for this program and it would impose unprecedented and excessive restrictions on the ability of legal services programs to represent poor people.

There are compelling reasons why the legal services program should be administered by an independent Federal corporation. First, and foremost, litigation to protect the legal rights of poor people often antagonizes powerful interests in the community. President Nixon recognized this when he introduced what later became the Legal Services Corporation Act. He said,

> The program is concerned with social issues and is thus subject to unusually strong political pressures * * * if we are to preserve the strength of the program we must make it immune to political pressures and make it a permanent part of our system of justice.

Many of my colleagues will recall that Federal support for civil legal services for the poor was first provided by the Office of Economic Opportunity [OEO] and later by the Community Services Administration, each of which was part of the executive branch. But in the early 1970's, the Federal program became the subject of heated political debate.

During this period, President Nixon's Commission on Executive Reorganization concluded that the legal services program should not be maintained in the executive branch and that a new structure should be created to administer the program.

Congress responded to that recommendation with passage of the Legal Services Corporation Act of 1974. In its Statement of Findings and Declaration of Purpose, Congress found that "to preserve its strength, the legal services program must be kept free from the influence of or use by it of political pressures"; and "attorneys providing legal assistance must have full freedom to protect the best interests of their clients in keeping with * * * [professional responsibility] and the high standards of the legal profession."

An independent Federal corporation remains the best way today to assure that powerful constituencies do not pressure legal services lawyers not to protect their clients' legal rights. A block grant program simply cannot insulate these lawyers from political pressure.

Nothing in the bill requires States to apply for block grant funds. Nothing in the bill prohibits States from denying block grant funds to programs that challenge unlawful State actions.

Suppose a Governor issues an Executive order that violates the constitutional rights of a poor person. A legal services program that represents that poor person runs the risk of antagonizing the political establishment and losing its funding.

Let me say to my colleagues: Put yourself in the position of that client. Suppose your Governor issued an order that violated your constitutional rights. Suppose you went to your lawyer and asked that a suit be filed. Suppose your lawyer said to you that the law firm depended on the Governor for its funding. You would want to get another lawyer, would you not?

Poor people cannot get another lawyer. They depend on legal services programs. Those programs must be free to protect their clients' legal rights, without fear of losing their funds.

The committee bill is also unacceptable because it would drastically cut the level of Federal support for legal services. Last year, the Legal Services Corporation received $400 million. The fiscal year 1996 appropriations bill passed by the House allocates $278 million for the Corporation. The Legal Services Corporation is eliminated by the Senate bill, and only $210 million are earmarked for the Office of Justice Programs to pay for the block grant program the bill would establish.

This is far less than is necessary to support this important program. Legal needs studies from numerous States across the country have consistently shown that only 15 to 20 percent of civil legal needs of the poor are met by current funding levels.

The proposed cut in the legal services program is far more draconian than those experienced in the early 1980's, when President Reagan proposed abolishing the Legal Services Corporation, and Senator Warren Rudman and others successfully fought to preserve the program. In 1981, Congress slashed LSC funds by 25 percent, to $241 million. The committee bill contemplates $210 million for 1996, nearly a 50-percent cut from last year's appropriation, and less than half in real terms of what was appropriated in the leanest years during the Reagan administration.

The proposed restrictions on the activities of legal services lawyers in the committee bill make it clear that the bill is not merely an assault on the Legal Services Corporation. It is an attack on poor people across America, and on the very concept of equal justice under law.

The bill would forbid legal services programs that receive Federal funds to file suit on behalf of poor people who have been denied public benefits. And it sharply restricts other actions that programs can bring against poor people:

If a mother with small children lost her job and was illegally denied food stamps, this bill would forbid legal services programs to sue to get her family the food stamps they need.

If a poor widow was denied her Social Security benefits, this bill would forbid legal services programs to represent her in court.

If a poor family is ripped off by a merchant who sold them shabby goods, this bill would forbid legal services programs to bring that merchant to justice.

If an indigent veteran has his electricity wrongfully shut off in the middle of winter, this bill would forbid legal service programs to represent him in an emergency proceeding to have his power restored.

Perhaps the most offensive limitation on legal services lawyers contained in the committee bill is the prohibition against "any challenge to the constitutionality of any statute." Poor people would be denied counsel to protect their constitutional rights.

No longer would it be true that, as Justice Jackson wrote more than forty years ago, under our system of laws, "[t]he mere fact of being without funds is a neutral fact—constitutionally an irrelevance, like race, creed or color." Instead, the committee bill would place a brand new amendment in our Constitution: "The foregoing does not apply to persons too poor to afford counsel."

The Domenici amendment also contains restrictions on the activities of legal services offices, and I do not agree with all of these limits. But the Domenici restrictions are far less severe, and far less intrusive than the restrictions in the underlying bill. Many are in current law already.

It is clear that some restrictions are necessary to ensure support for the program, and the Domenici restrictions on the use of funds in this bill are reasonable under these circumstances.

Almost 45 years ago, Judge Learned Hand said that "[if] we are to keep our democracy, there must be one commandment: Thou shall not ration justice." The committee bill would not simply ration justice, it would put it out of reach for many of our poorest citizens.

The amendment offered by the Senator from New Mexico would correct the harsh injustice of the committee bill and enable the Corporation to continue its important work of securing justice in the courts for poor people. I urge the Senate to support the Domenici amendment.

Mr. President, I support the amendment of my friend and colleague, the Senator from New Mexico, which would continue the commitment of this Nation for the development of legal services for low-income Americans. I am very hopeful that his amendment will be adopted. I am troubled by some of the restrictions that have been placed upon the activities of legal service lawyers in his proposal. But I think that it is a commendable amendment. I hope that it will be accepted by the Members.

Listening to those opposed to this amendment, I was thinking about the availability of lawyers to those who have financial resources. The fact of the matter is we have a legal service program for the wealthiest individuals and the wealthiest companies in this country, and it is subsidized by the taxpayers. When any corporation is in trouble, for example, at the time of the Ill-Wind procurement scandals, that company hires every single lawyer in sight and writes it off as a business expense. So who do you think helps pick up the tab? The taxpayers.

When we have an investigation about the $200 toilet seats in the military, and those companies hire expensive lawyers and then deduct those as business expenses, who do you think subsidizes that? It is the taxpayers.

And so the wealthiest, most powerful interests, the major financial interests in this country have at their fingertips the best available lawyers and those salaries are being paid, in part, by the taxpayers. The poorest of the poor do not have that particular luxury. They are paying out of their pockets and pocketbooks.

Some of us who have been longtime supporters of the legal service program. As the Senator from New Mexico pointed out, this has been a longstanding bipartisan commitment. President Nixon understood the importance of the development of an independent corporation that would be guided by a board composed of outstanding lawyers, carefully selected over a long period of time under Republican and Democrat Presidents. The Legal Services Corporation has tried to give the words "equal justice under law," a principle enshrined on the walls of the Supreme Court of the United States, meaning for all Americans, not just wealthy Americans.

I am not going to spend the time to go through and rebut every argument offered by the program's opponents. They talk about bureaucracy in the legal services program. But the most recent evaluation by the GAO indicates that only about 3 percent of the LSC budget goes toward administrative costs.

I will just take a moment of the Senate's time to talk about something that is interesting and ironic. About 2 hours ago, we passed by a vote of 99 to 0 an amendment to fully fund a program to help battered women. But look at what is out there in terms of the legal service programs that really implement the spirit of the Violence Against Women Act. Look at what is happening to those who provide some protection for the battered and the violence against women and family violence against children in our society.

Family law, which includes the representation of victims of domestic violence, is the single largest category of cases handled by legal services programs across the Nation. One out of every three of the 1.7 million cases that legal services programs handle each year involves family law.

Mr. President, I will just read portions of a note from Judith Lennett of the Massachusetts Coalition of Battered Women Service Groups. I think it fairly typical of legal services, how they spend their funds:

> Legal assistance aimed at protecting women and children from the devastating impact of domestic violence is the highest family law priority of virtually every local legal service project in Massachusetts. Based on fiscal year 1994 data collected by the Massachusetts legal services program, 4,600 low-income people received legal assistance in family matters from Massachusetts legal services programs. The overwhelming majority of these individuals are adult victims of domestic violence.
>
> Without civil legal assistance in custody and visitation cases, the children of domestic violence are vulnerable to being ordered into the custody of the men who beat their mothers. There is a solid body of clinical literature describing the severe trauma suffered by these children, and many of them will be even more deeply damaged without legal advocacy of the kind provided by the legal services program.
>
> In addition, the studies show that economic dependence is one of the most powerful barriers to escape for battered women. Without legal services in child support actions, many victims of violence will be forced to remain in or return to extremely dangerous situations. Sixty thousand people are likely to lose access to this critically needed legal assistance if these cuts go into effect.

This is what we are talking about. This is a third of all the legal services resources out there. And do not fool yourself, Mr. President. With the Gramm block grant proposal, you are leaving it up to the States. Some States may provide it; some States may not, just as Senator GRAMM has pointed out.

Many of us believe that the concept of equal justice under the law means equal justice under law. And while there is 1 attorney for every 305 members of the general population, it is 1 attorney for every 500 poor people.

Mr. President, the Domenici amendment reaffirms this Nation's commitment to equal justice under law. It deserves the strong bipartisan support that it will receive.

Mr. President, I yield the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GRAMM. Mr. President, I ask unanimous consent that further proceedings under the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAMM. Mr. President, after consultation with the two leaders, I would like to ask unanimous consent that at the hour of 3 o'clock I be recognized to make a motion to table the Domenici amendment No. 2819, and that the time between now and 3 o'clock be equally divided between Senator DOMENICI and myself to complete debate on his amendment.

The PRESIDING OFFICER. Is there objection?

Mr. SPECTER. Reserving the right to object; I wonder if the manager would be amenable to permitting me to offer two very brief amendments at this time?

This pending amendment has been debated now for several hours. We have a lot of amendments to complete. And I would very much appreciate the chance—I have two amendments we could complete debate on between now and 3 p.m. if the distinguished manager and the distinguished Senator from New Mexico would forgo further debate. We have had hours on it.

Mr. GRAMM. Well, if I might respond, Mr. President.

I have been informed by the floor staff that we have other people who have been waiting to offer amendments. We have two others who were planning to be here after 3 to offer their amendments. So I could not agree to a unanimous-consent request to put the Specter amendments before them, though, obviously, after 3, if the Domenici amendment is tabled, then the floor will be open for another amendment. If it is not tabled, it is going to be the pending business and another amendment will not be in order.

So, I am not in a position at the moment to add that to the unanimous-consent request.

Mr. SPECTER. Mr. President, continuing to reserve the right to object, the amendments that I have are right behind Senator HATCH and Senator COHEN. And if we proceed to further debate on the pending amendment, which we have been debating for hours, neither Senator HATCH nor Senator COHEN will have an opportunity to offer their amendments.

If either was here, I would say, fine. But it is now 2:25 on Friday afternoon. We have accomplished almost no business today, and I suggest that if we take my two amendments, we could proceed to get something done.

Mr. HOLLINGS. Amen.

Mr. GRAMM. Well, Mr. President, I have asked unanimous consent to try to expedite matters by being recognized to make a motion to table the Domenici amendment at 3 p.m. I do believe that Senator DOMENICI is going to want to restate his case, and it is a case that needs restating many times if it is to be persuasive.

Mr. SPECTER. Further reserving the right to object, if the Senator from New Mexico, Senator DOMENICI, would not re-re-re-restate—that is not stuttering; that is how many times he stated it—we could move on to something else.

Mr. DOMENICI. I think the Senator from Texas ought to speak for the next 35 minutes to see if he could convince anyone.

Mr. SPECTER. Minds are not going to be changed here.

Why do we not move on with this bill? We have two amendments. Let us take them and get going.

Mr. GRAMM. Mr. President, let me remind my colleagues, in addition to the Domenici amendment, we have the Kerrey amendment which is pending and we have a Biden amendment which is pending.

Mr. HOLLINGS. What is wrong with taking this up? We can take this up and kill the half hour.

Mr. GRAMM. Well, the problem is—I do not have to have unanimous consent, Mr. President, to move to table the Domenici amendment. I was simply trying to tell my colleagues what the procedure was going to be, to try to bring a little order to it. It is not my intention to see the Domenici amendment withdrawn prior to my motion to table that amendment at 3 p.m.

We have another amendment that is the pending business, a Kerrey amendment. We have a Biden amendment. So I think the best thing for us to do is to try to finish the debate on the Domenici amendment, have a vote to table it, see where we are on that amendment. And at that time, if it is tabled, we will revert back to these other amendments. If the people who have offered them want to proceed with them at that point, they have standing to do so.

If they would be willing to step aside and allow the Senator from Pennsylvania to get the floor, set aside their amendments, and offer his amendment, if that is something he can work out with them, then I would certainly be happy to see that happen. The problem is we have a whole bunch of people who have been waiting for an opportunity to offer their amendments. We do not have an agreed-to time schedule set.

So basically that is where we are. So let me renew my unanimous-consent request. If there is an objection, I would just notify my colleagues that at 3 p.m., or as near to that as I can get the floor, I will move to table the Domenici amendment. But to try to convenience our colleagues, I would like to ask again unanimous consent that at the hour of 3 p.m., I be recognized to make a motion to table the Domenici amendment No. 2819 and that the time between now and 3 p.m. be equally divided between Senator DOMENICI and myself.

Mr. SPECTER. Reserving the right to object. I would make one more effort to ask that the unanimous-consent request be amended to ask unanimous consent to set aside the Domenici amendment, if the Senator from New Mexico agrees not to have further debate, and to set aside the other pending amendments, and in the course of the next 30 minutes to complete two amendments, 15 minutes equally divided on each side.

Mr. GRAMM. Mr. President, I object.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request by the Senator from Texas, first? Hearing none, so ordered.

Mr. DOMENICI. Is the unanimous consent——

The PRESIDING OFFICER. Thirty minutes of debate, equally divided between the Senator from Texas and the Senator from New Mexico.

Mr. DOMENICI. I yield 3 minutes off my time to the Senator from Washington.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. Mr. President, the clash between ideas, which is evidenced in this amendment, is a difficult one, because there are valid points to be made on each side of that argument.

On the side of the Senator from New Mexico is the obvious proposition that it is an important priority for society to provide access to the courts in civil litigation or in civil claims for those who are too poor, who do not have the economic wherewithal, to hire their own lawyers.

We, as a society, wish to see that justice is done. We do not wish to deny that justice to people simply on economic grounds, and we know of large numbers of people in many classes who need the kind of assistance which they can get, not solely but frequently, almost alone from an organization like the Legal Services Corporation.

On the other side is the argument that lawyers of the governing body of the Legal Services Corporation have misused the money and the authority that they have been given by Congress to bring lawsuits designed primarily to meet social or political ends of those lawyers or of that governing body in which the poor plaintiffs are not much more than nominal parties, to use that money often for political or ideological ends which may clash not only with conservative thought but with any administration, no matter how liberal that administration may be.

In that clash, Mr. President, it seems to me that the Senator from New Mexico has the better of the argument because he preserves that first social goal of seeing to it under many circumstances the poor can be represented in court while attempting, and I think attempting with a large degree of success, to prevent the misuse of this Federal money.

It is rightfully not only annoying but regarded as an outrage by many people in our society that they, as employers or as landowners or as individuals, are sued by use of their own money.

May I have another minute from Senator DOMENICI?

Mr. DOMENICI. I yield 2 minutes.

The PRESIDING OFFICER. The Senator from Washington is recognized for 2 additional minutes.

Mr. GORTON. That is a justified objection, Mr. President. But I am convinced that we have an opportunity, if we go along the road that the Senator from New Mexico has set out for us, to retain what is good and what is important in the Legal Services Corporation and prevent the excesses to which many of our citizens have been subjected in the past and about which we have heard.

If it turns out that these requirements, that these limitations do not work, that these injustices continue, well, we are dealing with only a 1-year appropriations bill. We can deal with those objections at another time relatively soon in the future.

So it is for that reason, Mr. President—that we can retain what is appropriate about the Legal Services Corporation, and we can at least begin, and perhaps succeed, in reining in the excesses of that corporation—that I support the position outlined so well by the Senator from New Mexico and ask that we accept his amendment.

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas. The Senator from Texas has 15 minutes.

Mr. GRAMM. Mr. President, I thank you for your recognition.

Mr. DOMENICI. Will Senator GRAMM yield for 10 seconds?

Mr. GRAMM. I will be happy to yield.

Mr. DOMENICI. Mr. President, I say to Senator GORTON, I want to thank him for his remarks. I very much appreciate it. It is very helpful to me hearing that statement from him. He is one of the most renowned of the attorneys around here, even though he is not an attorney or lawyer any longer, and I very much appreciate it.

Mr. GRAMM. Mr. President, let me go back, because we have had a lot said, a lot of intellectual sparring, from people who spoke with passion on both sides of the issue. This is an important issue, because you have busy people who are in the process of debating it. But let me remind my colleagues of how we got to this point.

First of all, we adopted a budget that set out a goal of balancing the Federal budget in 7 years, and in that budget, we set out a target number, not binding but set out as a guideline, to fund Legal Services Corporation at $278 million.

In the allocation of funds to the Commerce, State, Justice Subcommittee, we were given $3.4 billion less money than President Clinton had to write his budget; we were given $1.2 billion less than the comparable committee in the House. And in spreading that reduction in spending, I reduced the funding level for Legal Services Corporation proportionately to $210 million.

Senator DOMENICI is proposing raising the funding level to $340 million. I think there are a lot of issues that are important here. Let me just go through each of them.

The first issue has to do with offsets. In order to increase the level of funding for Legal Services Corporation to $340 million, Senator DOMENICI has to cut other programs in order to make that possible.

I think it is important my colleagues decide not whether or not they want to fund the Legal Services Corporation, but whether or not it is worth it to take the money away from other programs in order to pay for it. I want to ask my colleagues look at those other programs.

In order to fund the Legal Services Corporation, a corporation that Senator DOMENICI, in his own amendment, says needs to be dramatically changed, its actions need to be reined in—I submitted for the RECORD letters from everybody, from the Farm Bureau to Citizens Against Government Waste, letters from outside groups that would like to eliminate or dramatically reduce funding for legal services. But quite aside, the question is, is it worth taking money away from those things that Senator DOMENICI proposes taking money away from in order to fund the program? Let me review a few of those proposed offsets.

In order to fund a Federal Legal Services Corporation, Senator DOMENICI proposes to reduce general legal activities in the Justice Department by $25 million. I remind my colleagues that we are already $10 million below the President's request. This will take us to $35 million below the President's request, and this will eliminate roughly 200 prosecutors in the following areas: Prosecutors in the area of organized crime, major drug trafficking, child pornography, major fraud against the taxpayer, terrorism and espionage, and other types of activities that fall within the Federal jurisdiction.

The first question I would like to ask is, is it important enough to you to fund Legal Services Corporation above the level set out in the budget that we adopted in the U.S. Senate; is it important enough that we ought to take 200 prosecutors away from prosecuting organized crime, child pornography, major drug trafficking, major fraud against the taxpayer, terrorism and espionage? I think that is the first question.

The second question is, in order to fund a Federal Legal Services Corporation at a level above the level that we set out in the budget that we adopted, the Domenici amendment cuts the U.S. Attorney's Office by $11 million. That means that with the adoption of this amendment, we will have 55 fewer assistant U.S. attorneys and 55 fewer support personnel than we will have if the amendment is not adopted.

So the relevant question is not do you want to give the Legal Services Corporation more money, but do you want the U.S. Attorney's Office to have more prosecutors to prosecute people who are selling drugs at the door of every junior high school in America?

The Domenici amendment to fund the Legal Services Corporation at a level above the level contemplated in the budget that we adopted in the U.S. Senate proposes cutting the FBI by $49 million. These funds will largely come out of the FBI Academy at Quantico, VA. This academy is the most important training facility for law enforcement in the United States of America. This project was endorsed by 91 Senators who voted for the Comprehensive Terrorism Prevention Act of 1995.

The question is not do you want to give more money to legal services, not do you want to fund legal services at a level above the level we contemplated in the budget we adopted in the Senate, but are you willing to take $49 million away from the FBI, away from the principal construction project at the FBI Academy which, each year, funds the training of 1,225 of the most outstanding law enforcement officials in America.

The Domenici amendment, in order to fund the legal services Corporation at a level above the level contemplated in our budget, cuts the Federal judiciary by $25 million. Let me put that into people. That is 400 probation officers, who could supervise convicted felons who are out on the street under supervised parole. That is 400 probation officers who, in conjunction with the overall program, could carry out the mandatory drug testing of all released convicts to assure that they are not on drugs.

I could go on, Mr. President, but the basic point is that the Domenici amendment is cutting prosecutors, courts, the FBI, and probation officers in order to fund the Legal Services Corporation. What does the bill that Senator DOMENICI would amend do? What it does is it funds Legal Services Corporation at $210 million. It block grants that money back to the States exactly as we block grant AFDC, exactly as we are going to block grant Medicaid, and it allows the States to set up a system to contract with attorneys to represent poor people. It eliminates a superstructure, which is largely responsible for the use of this agency to promote a political agenda which is largely not the agenda of the American people.

Senator DOMENICI claims in his amendment to tighten up on what the agency can do with this money, but the restrictions imposed are less restrictive than the provisions that are actually in the bill now. And in several areas, they simply have major loopholes. For example, the Domenici amendment says legal services is banned from legislative lobbying. But there is a major loophole, section 14B, that allows funds to be used to lobby for more funds and for fewer restrictions.

The Domenici amendment prohibits the use of money for legal services for filing lawsuits having to do with congressional and legislative redistricting. As I pointed out, that is the law of the land. In 1990, when the Texas Rural Legal Aid filed a lawsuit against redistricting in Texas and the Bush-appointed Legal Services Corporation Board attempted to cut their funding, they filed a lawsuit; the funding continued, and when President Clinton's Legal Services Board took office, they settled the suit out of court, and the funding continues for Texas legal aid.

The problem is that this is an agency which has not carried out the will of Congress, and despite the fact that literally a dozen times we have tried to rein in the Federal superstructure of this agency, we have never been successful in doing it. The proposal that I made—the language that is in the bill—is taking the funds, giving the funds to the State, cutting out this bureaucracy and this Federal infrastructure and letting the funds be used to represent poor people who need legal assistance.

I think this is an amendment that should be defeated. I know that there is strong support for a Federal Legal Services Corporation. I personally do not share the philosophy or the views of those who are for it. But I ask my colleagues—even those who are for it—to look at the cuts that are instituted to pay for it and ask themselves: Do we want more prosecutors? Do we want more funding for FBI? Do we want more courts? Or do we want to give more money to a Federal program that has probably been more abused than any other Federal program that was born in the Great Society era?

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. Mr. President, I do not know if there are any others on the Domenici-Hollings amendment side who would like to speak. So, in precaution, because there may be some, will the Chair tell me when I have used 7½ minutes?

The PRESIDING OFFICER. When the Senator has used 7½ minutes or has 7½ minutes remaining?

Mr. DOMENICI. How much time do I have?

The PRESIDING OFFICER. The Senator has 9 minutes, 45 seconds.

Mr. DOMENICI. Tell me when I have used 5 minutes.

Mr. President, let me first start and make sure that everybody understands that when this bill cleared the subcommittee under the leadership of Senator GRAMM, when this amendment came out of his work product, it had no money in it for legal services, none. Senator HATFIELD put an amendment in to put some in it.

What actually happened, Mr. President, is that Senator GRAMM decided, as I see it, not to fund legal services, so he went along the line on every justice program, every prevention program, every law enforcement program, and he put a lot of extra money in it, so he could come to the floor and say, if you take some away, you are cutting it. What he had actually done is eliminate all the money from this program and bump up the funding levels on the above.

Let me give you an example. Let us talk about U.S. attorneys. The Domenici amendment is so bad for U.S. attorneys that the U.S. House is $28 million worse. They have put $28 million less in U.S. attorneys than when we are finished with the amendment of the Senator from New Mexico.

Let me tell you what my amendment does. It leaves an increase of $87 million. Who would have thought that from the argument made by my good friend from Texas? If his numbers are correct, then what we have done is we have added 440 new U.S. attorneys. The Senator speaks of losing 55. There are 440 new ones. No U.S. attorneys office, including my own, has called me saying that the 440 additional U.S. attorneys, with all their support, was inadequate.

You see, if you put all the money in for these other purposes so there is nothing left for legal services, then when legal services comes to talk about needing funds, it looks like you'd have to cut other programs because there was no money left.

Let me go on with just one other one: the FBI building. First of all, I have never said we do not need modernization and new infrastructure and buildings for the Academy. I am one of its staunchest supporters. As a matter of fact, 2 years ago, I believe Director Freeh will tell you that it was Senator DOMENICI's amendment that added 350 people to the FBI so they would have adequate support. Director Freeh called me up and thanked me profusely for helping the FBI. These 1,225 American FBI policemen who are going through that Academy are going to go through this Academy without any problem if the Domenici amendment is adopted.

What the Senator from New Mexico said is that there is over $80 million in here for a building that is not ready to be built. They will not need the money until next year. Why do we have to put it all in this year again? If you put all the money in that, there is no money left for legal service.

When Senator DOMENICI comes to the floor and says, "Put a little in legal service," you have the FBI Academy. I cannot do any better than that. My friend from Texas is eloquent in his ability to draw analogies and all the other kinds of things that are good in debate, that I do not excel at. I am merely here as best I can, stating the facts.

Now, on another matter, my friend from Texas said we fund this program in this bill to the tune of $210 million. Once again, what is important about a program is not how much you fund it but how much you let it spend.

The Senator from Texas has $210 million but what you can spend in the whole year on lawyers for the poor is $53 million. That is what is allowed under this bill.

Now, having said that, clearly I want to repeat that President Richard Nixon was not afraid to say Republicans are concerned about poor people. He joined with the bar and said, "Let us help poor people who need lawyers. The American system of justice is built around equal representation under the law."

This program has gone far afield from Richard Nixon's day. My amendment will bring it right back where it should have been, and the list of prohibitions have been categorized unfairly by my friend from Texas as less strong than in the bill. I will just tick off the principal prohibitions. No class action lawsuits, no advocating of policies relating to redistricting, no advocacy-influencing action by any legislation, constitutional amendment referendum, no legal services for illegal aliens and on and on. I will print the list in the RECORD again.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SUMMARY: DOMENICI LEGAL SERVICES AMENDMENT

IN GENERAL

The amendment restores the Legal Services Corporation, provides $340 million in funding for fiscal year 1996 and adopts House Appropriations restrictions on use of funds. Appropriate offsets will be found throughout the appropriations bill.

FUNDING

Provides $340 million in FY 1996, $225 million through August 31, 1996 and $115, to be provided upon the September 1, 1996, implementation of a competitive bidding system for grants, as outlined in the amendment.

RESTRICTIONS ON USE OF FUNDS BY CORPORATION AND RECIPIENTS

Advocating policies relating to redistricting (same as House)

No class action lawsuits. (stronger than House)

Influencing action on any legislation, Constitutional Amendment, referendum or similar procedure of Congress, State or local legislative body. (same as House)

Legal assistance to illegal aliens. (same as House)

Supporting/conducting training programs relating to political activity. (same as House)

Abortion litigation. (same as House)

Prisoner litigation. (same as House)

Welfare reform litigation, except to represent individual on particular matter that does not involve changing existing law. (same as House)

Representing individuals evicted from public housing due to sale of drugs (same as House)

Accepting employment as a result of giving unsolicited advice to non-attorneys. (same as House)

All non-LSC funds used to provide legal services by recipients may not be used for the purposes prohibited by the Act. (same as House)

SPECIAL PROVISIONS

Competitive bidding of grants must be implemented by September 1, 1995, and regulations must be proposed 60 days after enactment of the Act. Funds will be provided on an "equal figure per individual in poverty."

Native Americans will receive additional consideration under the act but no special earmarks are provided as have existed in the past.

Restrictions shall apply only to new cases undertaken or additional matters being addressed in existing cases.

Lobbying restrictions shall not be construed to prohibit a local recipient from using non-LSC funds to lobby for additional funding from their State or local government. In addition, they shall not prohibit the Corporation from providing comments on federal funding proposals, at the request of Congress.

Mr. DOMENICI. We will return this to a slimmed-down legal services only representing poor people in their individual cases.

The PRESIDING OFFICER. The Senator has 3 minutes.

Mr. DOMENICI. I yield 3 minutes.

Mr. HOLLINGS. I think the record should show not only the leadership of Senator DOMENICI but the leadership on behalf of the Senate here, because in essence what we have is Senator GRAMM's position is not in accordance with the authorization.

There is no authorization. There have been no hearings in the Judiciary Committee to change over and abolish the Legal Services Corporation.

The fact is this Senator was waiting for a markup of this particular committee. My distinguished colleague, Senator GRAMM, told me 2 or 3 days before we were due he had one and would submit it to me, and we waited those 2 or 3 days, and finally on the afternoon before we submitted the next morning I finally called the chairman of the full committee, Senator HATFIELD, who said he was just getting together with Senator GRAMM.

In essence, when we faced this particular markup, the subcommittee had not met over it, and when we got to the full committee, the full committee said we would take it up on the floor. This is not a committee markup being amended. The truth of the matter is the amendment of Senator DOMENICI really brings about the committee into its normal course of the treatment in accordance with the authorization.

The fact is if this thing persists under the position of Senator GRAMM I will have to raise a point of order that it is an appropriation for an unauthorized amount, because there is no authorization for the block grant program that he conceived in his own mind.

The U.S. Senate in orderly procedure, in the Judiciary Committee and otherwise, has not had a chance to have hearings. This is such an outstanding program that has brought civic leadership and participation—not just the $400 million that we are appropriating but some $255 million that comes from the cities, the counties, the States, the American bar and different private groups.

This has really engendered quite a contribution and an effort of some 130,000 legal services lawyers paid at an average of around $30,000 a year. You are not going to get that in block grants. We worked with the block grants before, and to our embarrassment this is a subcommittee that finally had to abolish it because it was whitewater rafting and monkfish and tanks on the lawn, and airplanes so the Governor could fly to New York and everything else but law enforcement.

I am absolutely opposed to any block grants back to the States. Keep the so-called cops on the beat on the one hand and the legal services attorneys representing the hungry poor.

The PRESIDING OFFICER. The Senator from Texas has 3 minutes and 13 seconds.

Mr. GRAMM. Let me try to sort out the facts from the fiction.

First of all, there is no authorization for the Legal Services Corporation, period; nor has it been authorized since 1980. This is a program that Congress has consistently refused to authorize, but every year we have appropriated for.

Now, we are getting a lot of gamesmanship on these numbers because in reality the proponents of this amendment want to act as if it is free to give $340 million to the Legal Services Corporation. It is not free.

Under the bill that is before the Senate, we are providing $10 million less for general legal activities in the Justice Department than President Clinton asked for. The Domenici amendment will cut that funding $25 million further.

What does that mean? That means eliminating 200 prosecutors and litigators that are prosecuting organized crime, major drug traffickers, child pornography, major fraud against the taxpayers, terrorism, and espionage cases.

Now, the question is, you can jimmy the numbers however you want. Would you rather spend $25 million prosecuting organized crime, drug traffickers, child pornographers, fraud against the taxpayers, terrorism, and espionage, or fund a Federal legal services corporation? That is the question.

This bill will provide 55 fewer assistant U.S. attorneys, 55 fewer support personnel than the bill that is before the Senate, in order to fund the Legal Services Corporation.

Would you rather have 55 more assistant U.S. attorneys to prosecute people selling drugs at every junior high school in America, or would you rather fund the Legal Services Corporation?

Finally, in terms of the FBI, Senator DOMENICI constantly confuses two projects. One, a technical support center which he cuts; but another which is the upgrade of the FBI Academy, a project that we do have plans for, a project that is desperately needed. In order to fund a Federal legal services corporation, the Domenici amendment cuts the FBI by $49 million, denies the upgraded facilities at the FBI Academy, which is the most important law enforcement training center on the planet.

Now, the question is this: Is it worth it to you to have a Federal legal services corporation; and is it worth taking $49 million away from the FBI and the FBI Academy to fund it? I think the answer to that is no.

We have in the committee bill a block grant of legal services.

Our colleagues say you cannot block grant legal services because the States will not do it right. Why do we trust them to do aid to families with dependent children? Is having the ability to get legal representation when you are drug dealing in public housing, to keep them from kicking you out, more important than eating? Why do we trust them to administer Medicaid? Is getting medical care less important than getting a lawyer? I do not think so.

I think what we are seeing here is a commitment to a program which is the most abused program of any program that was developed in the great society. Not even the proponents of maintaining the Federal program will defend its record.

I believe this program should be block granted. I believe we should not cut law enforcement to fund the Legal Services Corporation.

Mr. President, under the previous order I move to table the Domenici amendment.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER (Mr. INHOFE). Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the amendment No. 2819.

The clerk will call the roll.

The bill clerk called the roll.

Mr. FORD. I announce that the Senator from Ohio [Mr. GLENN] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 39, nays 60, as follows:

[Rollcall Vote No. 476 Leg.]

YEAS—39

Abraham
Ashcroft
Bennett
Brown
Burns
Byrd
Campbell
Coats
Cochran
Coverdell
Craig
DeWine
Dole
Faircloth
Frist
Gramm
Grams
Grassley
Gregg
Hatch
Helms
Hutchison
Inhofe
Kempthorne
Kyl
Lott
Mack
McCain
McConnell
Murkowski
Nickles
Pressler
Roth
Shelby
Simpson
Smith
Thomas
Thurmond
Warner

NAYS—60

Akaka
Baucus
Biden
Bingaman
Bond
Boxer
Bradley
Breaux
Bryan
Bumpers
Chafee
Cohen
Conrad
D'Amato
Daschle
Dodd
Domenici
Dorgan
Exon
Feingold
Feinstein
Ford
Gorton
Graham
Harkin
Hatfield
Heflin
Hollings
Inouye
Jeffords
Johnston
Kassebaum
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Lugar
Mikulski
Moseley-Braun
Moynihan
Murray
Nunn
Packwood
Pell
Pryor
Reid
Robb
Rockefeller
Santorum
Sarbanes
Simon
Snowe
Specter
Stevens
Thompson
Wellstone

NOT VOTING—1

Glenn

So the motion to lay on the table the amendment (No. 2819) was rejected.

Mr. DOMENICI. What was the vote, Mr. President?

The PRESIDING OFFICER. On this vote, the yeas were 39 and the nays 60.

Mr. DOMENICI. Mr. President, I move to reconsider the vote.

Mr. FORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Is there further debate on the Domenici amendment?

Mr. DOMENICI. Mr. President, we have 60 votes. I wonder if the Senator would consider vitiating the yeas and nays on an up-or-down vote?

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, it had been my determination to continue to fight this amendment if it did not have the 60 votes in order to get cloture. Needless to say, I am disappointed. I think we are making a mistake here, but it is clear to me, as a member of the Appropriations Committee, I am never going to be able to eliminate the Legal Services Corporation. Since this is my last day as a member of this committee, I will allow Senator DOMENICI to proceed with a voice vote. Having a recorded vote, I assume, would produce the same result, would simply tie up the Senate's time, and as a result I ask unanimous consent to vitiate the requested rollcall vote on the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, I thank Senator GRAMM for his gentleness.

Mr. BYRD. Mr. President, may we have order in the Senate? I wish Senators would just stop and look around at what is going on in the Senate. There should be order in the Senate. The Senator has a right to be heard, and other Senators have a right to understand what he is saying.

The PRESIDING OFFICER. The Senator is correct.

Mr. DOMENICI. Mr. President, I thank the Chair.

Mr. BYRD. Mr. President, I hope the Senator will desist until the Chair gets order in the Senate.

The PRESIDING OFFICER. The Senate will come to order.

The Senator from New Mexico.

Mr. BYRD. I hope the Senator will desist——

Mr. BRADLEY. Mr. President, may we have order?

Mr. FORD. Mr. President, the Senate is not in order.

Mr. BYRD. Until there is order in the Senate. The Chair has the responsibility to get order in the Senate——

The PRESIDING OFFICER. The Senate will be in order.

Mr. BYRD. Whether or not it is requested from the floor. And I hope Senators will assist the Chair in getting order. This looks like the floor of the New York Stock Exchange.

The PRESIDING OFFICER. Senators will carry their conversations outside the Senate.

The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I have nothing to say. Why not vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment No. 2819.

The amendment (No. 2819) was agreed to.

Mr. DOMENICI. Mr. President, I move to reconsider the vote.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The majority leader is recognized.

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, let me first indicate that we are making progress. I am not certain where, but somewhere we must be making progress. It is still our hope we might be able to complete business sometime tomorrow or Monday. We are still in the Finance Committee. We have 40 or 50 amendments left in the Finance Committee to deal with. I do not see how we are going to do all that today.

In addition, one urgent thing we need to address is the continuing resolution because we have about 435 House Members who would like to depart and they cannot do that until we pass the continuing resolution. I am advised by the Senator from New Hampshire [Mr. GREGG] that he intends to offer a sense-of-the-Senate amendment with reference to Bosnia on the continuing resolution once it is before the Senate.

It is our hope, if it is necessary to offer that amendment, it can be offered on the State-Justice-Commerce bill. And also to notify the Senator from Texas his last day on the Appropriations Committee is when we finish this bill. So if the Senator is in a hurry to leave, why, we hope he will cooperate in any event.

So I do not know precisely what to do here. I would like to expedite this and everybody be able to go home tonight and not come back for 8 days. But to do that we have to make some accommodations one way or the other. And we would like to pass the pending bill yet today. Senator HATFIELD is insisting we pass the Labor-HHS appropriations bill so all the appropriations bills and the CR will have passed the Senate. This does not mean they are not going to be vetoed. They may not get to conference.

So if the Democratic leader has any suggestions, I will be happy to hear them.

Mr. DASCHLE. I would like to propound the unanimous-consent request on the CR. I think we are prepared to enter into that arrangement. And I would like to work through the remaining amendments on Commerce, State, Justice. I think we have come to the point where we might be able to put most amendments in a package and dispose of that bill. And if we could work out some understanding of Labor, HHS, I think we could even do a voice vote on that one. So we are prepared to cooperate. And I think the first step would be the passage of the UC on the CR.

Mr. GREGG. Mr. President, will the leader entertain a question?

Mr. DOLE. I will yield to the Senator from New Hampshire.

Mr. GREGG. It had been my original intention to offer this amendment, which simply states what I believe is the administration's policy, which is they should come to the Congress before they introduce 25,000 American troops into Bosnia. I do think it our legitimate right as Congress to request that they do come to the Congress before that occurs.

It had been my intention to put this amendment on the continuing resolution, and put it on as a matter of law, raising that point. Now I have agreed to move to a sense-of-the-Senate, which is a fairly significant reduction of position on my part.

Second, I even agreed to put it on the Commerce bill, which was an even more significant reduction on my part. What I am not getting is any cooperation on this from the other side for a time agreement. Basically, I am told there will be no agreement on a time agreement on this.

Now, I can get this up now by putting it on the continuing resolution, which I think would be very appropriate. I think the House should have a chance to act on this before they go home for a week and we might find American troops moved into Bosnia while we are away.

But, as a practical matter, I am not willing to take that position if we can get a vote on this today before we adjourn and before we get too far into any further consideration of the Commerce bill, as I would have had the opportunity to have such a vote had I put it on the continuing resolution.

I do not feel this is being unreasonable. I think it is being very reasonable in the light of the timeframe here and in an attempt to work with leadership.

Mr. DOLE. I appreciate the comments of the Senator from New Hampshire. I understand the Senator from Georgia, Senator NUNN, indicated a willingness to sit down with the Senator from New Hampshire to try to work out some language that could be supported. I do not have any idea what he has in mind. Maybe it is precisely what the Senator from New Hampshire already has.

Does Senator NUNN have a copy of your resolution?

Mr. GREGG. Yes, he does. We would like to work with it in view of the White House. It is basically language that already existed in another piece of legislation that I believe came through this body.

Mr. DASCHLE. Mr. President, I do not know why that language would have to be offered on this legislation. It is not germane to the Justice-State-Commerce bill. It is not germane to the CR.

We are willing to try to accommodate the Senator if we can have some time to look at the language and find out whether this is in keeping with past precedent. We want to be sure that we are not cutting new ground here. And I think perhaps over a period of time we might be able to resolve this matter.

We cannot do it now. There is no way we can agree to any time agreement until many of us have had a chance to look at it. So it will probably be some time prior to the time we can give any assurance to the Senator from New Hampshire. But we will certainly look at it and see if there is a way to do it in spite of the fact we do not think it belongs on this piece of legislation.

Mr. GREGG. If I may respond to the Democratic leader.

Mr. DOLE. I will be happy to yield.

Mr. DASCHLE. It is clearly germane because it is in terms of spending money for purposes of introducing troops into Bosnia. Now, that is clearly germane to a continuing resolution which involves spending money. And it is clearly topical and timely in light of the rather intense discussion that is going on about moving American troops into Bosnia. It does seem appropriate that this body should speak on that issue before it occurs.

Mr. HATFIELD. Will the leader yield?

Mr. DOLE. Let me first yield to the Senator from South Carolina, seeking recognition. I know it is for an accommodation.

Mr. THURMOND. Mr. Chairman, the reappointment of General Shalikashvili we will take up this afternoon, that nomination, in order for him to continue in office. It will not take over 10 minutes, I do not think. I just wanted to remind everyone we will have to take it up.

Mr. DOLE. We will take it up before we recess because it is important and should be done.

I will be happy to yield to the chairman of the Appropriations Committee, who would like us to complete action on these two bills.

Mr. HATFIELD. I thank the leader.

Let me just reiterate the procedure we are in at this moment on these two appropriations bills.

To put it very bluntly, these are corpses, and all the prayers and all the amendments that you can pray or offer are not going to change the reality that these two bills have been clearly identified as two bills to be vetoed. I, for the life of me, cannot understand the wasted effort that is going on on the floor and for the last 48 hours in trying to revive a corpse. It just does not happen this way. It only happened once. [Laughter.]

So consequently, it seems to me, if we could voice vote these two bills out, move the process with the CR, the reality is the White House and the Members of Congress, the Budget Committee people, the Appropriations Committee people, are going to have to revisit Defense; Labor-HHS; State, Justice, and Commerce; HUD and independent agencies; and possibly, although the House has now rereferred the bill back to committee, the report on the Interior. Those are veto bills.

Now, we are going to have to find more money. It is not a simple proposition to satisfy the White House on those three nondefense bills. So I say, for one who cannot get a plane reservation on a moment's notice like some can—I do have to go clear to the west coast—and my colleagues like me, we cannot just find an hour and say, well, we are going to be finished in the next hour, and get a reservation. So have some consideration, please, on that basis as well, the personal basis.

But I just want to say—there is no more blunt way I can put it—we are wasting our time on these two appropriations bills.

Mr. SARBANES. Will the Senator yield?

Mr. DOLE. I will be happy to yield.

Mr. SARBANES. First of all, I am very responsive to the Senator's personal plea. It strikes me this may be in the way of being an autopsy in order to find out why these bills are corpses, and that is the process we are engaged in, trying to discover what it is about these bills that made them corpses.

Mr. HATFIELD. I could tell you simply, in conjunction with discussions with people at the White House and people representing the White House position, we did not have enough nondefense discretionary dollars for the 602(b) allocations. We had cut too much out of our budget resolution of the program needs and the priorities of the White House, the dollars necessary to get their signature to these bills.

Mr. DOLE. As I understand it now, based on conversations with people I have confidence in at the White House, the President will not sign these two bills. They are essentially dead. And I would like to remove them from the Senate Chamber for last rites.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senate will be in order.

Mr. BUMPERS. I think everybody here is extremely sympathetic to the majority leader's problem in trying to get these bills passed and to get us out of here for a recess that everybody is looking forward to. Now, the chairman of the committee has just said that these bills are dead on arrival at the White House.

But here is the problem I have with that, and in not offering a couple of amendments I feel very strongly about. The President, like every Member of the Senate, reserves the right to change his mind. One of the prime objections he had to this bill was legal services, torpedoing the Legal Services Corporation. We have just taken a giant step toward satisfying one of the objections the President had to this bill.

If we legislate in a diligent way here, we might address a couple of others, and he might sign it. If I do not offer my amendments and the President does sign the bill, I am out until 1996, as is every other Senator here. I want to be as cooperative as possible. I have a couple of amendments. I think one will be accepted; I will agree to a short time agreement on the other. But I am reluctant to quit or to withdraw my amendments or not offer them on the proposition that the President is going to veto all of them because, as I say, he may change his mind.

Mr. BIDEN. Will the Senator yield for a moment?

Mr. DOLE. My understanding is he will not change his mind, but I will be happy to yield.

Mr. BIDEN. Mr. President, unless there is a resurrection that occurs here, talking in metaphorical terms, there is no possibility that the President will sign the bill with your amendment in it or not—zero, none, no possibility. I have been told that by the White House. There is not enough money, there is not enough time, there is not enough ingenuity and enough anything to make this bill palatable to the President, in just talking about the criminal justice side of things.

So I think the majority leader is absolutely, positively correct. I think we should do a managers' amendment on a few of the major chunks of the bill and get on with the show. This really is an exercise in futility.

Mr. HARKIN. Mr. President, will the majority leader yield?

Mr. DOLE. I will be happy to yield to the Senator from Iowa.

Mr. HARKIN. I thank the leader for yielding. I just discussed with the chairman of our Labor-HHS committee, Senator SPECTER, and consulted with our side and on Labor-HHS, with the knocking out of that one provision—and we all know what that is—we can voice vote that in the next 3 minutes. We would be willing to do that. I checked with Senator SPECTER, and I believe I am representing him correctly.

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER. The majority leader has the floor.

Mr. DOLE. Mr. President, I will be happy to yield to the Senator from Pennsylvania.

Mr. SPECTER. I thank the majority leader. I consulted with the distinguished Senator from Oklahoma, Senator NICKLES, who said that he would be willing to, at least speaking for himself, withdraw the amendment on striker replacement, which would set the stage for a voice vote. And here we are dealing again with a corpse that is a pro forma matter.

It seems to me what the distinguished majority leader has said is preeminently correct, backed up by almost everybody, that we ought to voice vote these two bills and move on to the continuing resolution and conclude our business.

For the bill on Labor, Health and Human Services, and Education, we are prepared to move in that direction right now.

Mr. COATS. Will the majority leader yield?

Mr. HARKIN. Will the majority leader yield?

Mr. DOLE. Let me indicate first, I think what we are engaged in—and I do not quarrel with anybody, I talked with the leader about it, and we do waste time periodically in the Senate—but this is a total waste of time to continue on these two bills because they are not going anywhere.

I know some want to make a point. We are going to have to do that in about 6 weeks when we have a real live bill on the floor. I do not see any reason to take today, tomorrow, Monday, and Tuesday of next week to finish two bills that are already in the ash can. If people insist on it, we can accommodate them.

I agree with the Senator from Pennsylvania and the Senator from Iowa that we ought to pass that bill on a voice vote. We cannot get cloture. There were two votes, 54-46, party-line votes. So my view is we ought to do it, pass it and find out what happens after the veto in the next round.

I will be happy to yield to the Senator from Indiana.

Mr. COATS. Mr. President, I would like to just see if I understand the situation here. It seems that the coroner has pronounced these two bills dead, and we all wanted to look at the body and we have all concluded that they are dead, or most of us have concluded that they are dead.

In that light, it is hard for me to understand why the sense-of-the-Senate resolution of the Senator from New Hampshire is something that needs to be delayed. He feels, as a matter of law—and I daresay that would be supported by a strong majority of people on both sides of the aisle—that the President ought to seek congressional authorization for putting 25,000 American troops in Bosnia, something the President has already indicated he wants to do.

But the Senator from New Hampshire has said he will not offer that as a matter of law, nor will he offer it on the continuing resolution, which is a bill which is not dead and will go through here. He will put it on a bill that we have all agreed is going nowhere, and yet objection is raised to the Senator doing that, that the bill has to be examined.

It is a sense of the Senate and something we have already voted on. It is being put on a bill that we have all agreed is going nowhere. The President has already signified his support for the notion, but the Senator is not allowed to go forward with it.

Can anybody explain to me why we now need to delay to examine something that is going nowhere?

Mr. DOLE. If the Senator will yield, I think there is discussion right now with someone on the other side at least to look at the language to see if they can reach some agreement. I think Senator NUNN has a copy of the resolution. Hopefully, we can work it out in a few moments.

Mr. COATS. I thank the leader.

Mr. DOLE. But I am not going anywhere this weekend, so I do not care.

Mr. DOMENICI. Will the leader yield for an observation? It will take little time. I think the discussion we have been having is a good one. But I do not think the White House ought to gather from this discussion that the U.S. Senate is ready to give them more money on the domestic side for these bills. That is not a foregone conclusion. We would be breaking the budget we worked very hard to pass.

I just want to make sure everybody knows that there is no easy solution to the bills the President vetoes. That is his prerogative. But obviously, sooner or later, we have some prerogatives, like maybe we do not get a bill and maybe something happens; maybe Government is not alive and kicking all at the same time.

I yield the floor.

Mr. KERRY. Will the majority leader yield?

Mr. DOLE. I yield to the Senator from New Hampshire and then the Senator from Massachusetts. Then I hope we can work out some agreement on the CR and pass the other bill, and then we only have one left.

Mr. SMITH. Mr. President, I just ask the leader, it would be the intention, after the President vetoes this bill, that we would have the opportunity to debate and vote on the various issues of concern that some Members have regarding this bill; is that his intention?

Mr. DOLE. Is the Senator talking about the Labor-HHS bill?

Mr. SMITH. Yes.

Mr. DOLE. Mr. President, there are three provisions we are both concerned about that were stripped from the bill, and the answer is yes. My point is we can make that fight now, but it is not going to accomplish anything. We can make the fight the next time around, and I think it is for real.

So the answer is yes, and I support the Senator from New Hampshire.

Mr. SMITH. I thank the Senator for that clarification.

Mr. KERRY. Mr. President, I think that the Senator from New Hampshire has made a very fair downscaling of a request. What I want to suggest, I ask the leader, is if we can take a few minutes to see if we can try to come to some agreement with respect to language that might be able to expedite the process, and then conceivably have a managers' amendment and a vote up or down. That might be able to expedite it. I wonder if it might be possible to take the time to do that.

Mr. DOLE. Are you talking about State, Justice, Commerce?

Mr. KERRY. State, Justice, Commerce, and with respect to the State portion of that, if we can spend a minute on the Bosnia issue, we might be able to resolve that, hopefully, with Senator NUNN and other interested parties and come up with language quickly on which we can move forward.

Mr. DOLE. I certainly have no problem with that. Let me indicate, I am not going to ask consent now on the continuing resolution. There will be an objection or an amendment. I hope we can resolve it. There is not an amendment on the CR. A sense of the Senate would not require concurrence by the House. But I hope we can pass a clean CR. We promised our colleagues in the House we would try to do that if they do that, because they had people who wanted to offer amendments, too, and they were not permitted on the House side, and they have different rules.

I will not make that request at this time. I hope in the meantime those Senators who have an interest in the Bosnia resolution can come together and work out some language. It cannot be that difficult. We passed it before, and the President has indicated to us today at the White House he intends to consult with Congress.

So I think it is a fairly moot point, but if we want to vote on a moot point, we have done that from time to time here, too. So I yield the floor.

Mr. KERREY addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. KERREY. Mr. President, what is the regular order?

The PRESIDING OFFICER. Currently the majority leader has the floor. He has just yielded the floor. The Biden amendment is pending.

AMENDMENT NO. 2818, AS FURTHER MODIFIED

Mr. BIDEN. Mr. President, I think the Biden amendment is pending. I already debated the amendment. I ask unanimous consent that I be able to amend my amendment. The managers are aware of the amendment. It relates to a $60 million offset—not offset—$60 million offset to accommodate the Senator from Ohio. I ask unanimous consent that I be able to so amend my amendment.

The PRESIDING OFFICER. Is there objection?

Mr. BIDEN. Mr. President, I am ready to vote on my amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. Reserving the right to object.

The PRESIDING OFFICER. Will the Senator send the modification to the desk?

Mr. BIDEN. Yes, I will.

Mr. LOTT. Mr. President, will the distinguished Senator from Delaware yield?

Mr. BIDEN. I yield.

Mr. LOTT. The manager of the bill is not on the floor right now. I wonder, has the Senator had an opportunity to discuss and clear this with the manager of the bill?

Mr. BIDEN. Mr. President, I beg the Senator's pardon?

Mr. LOTT. Mr. President, I am just inquiring about the manager of the bill. Has the Senator had an opportunity to discuss it with the manager?

Mr. BIDEN. I have a second issue. I do not want to confuse the Senator. There are two amendments: One, the Biden amendment referred to earlier was debated yesterday. That amendment has a number of offsets in it which we discussed for 2 hours yesterday. That is the one I just amended to accommodate a DeWine proposal.

There is a second issue here and that is a managers' amendment going to the funding in this bill for the police program.

I have reached an agreement, to the best of my knowledge, with the Senator from Kansas, with the Senator from Texas, the manager of the bill, and with the Senator from South Carolina. I have that agreed upon language between the manager and the parties I suggested. That goes to another big chunk of the difference of the debate. All that relates to is, one sentence—it takes out the block grant language for the police and reinstates the original language. That is a separate issue than the Biden amendment. I am not sure if I am answering the Senator's question. If that is the answer, I am prepared to move that amendment right now. That is, the so-called managers amendment and ask for a voice vote on it.

I am not looking for a rollcall vote because we have all agreed as of at least 10 minutes ago. Does that answer the question of the Senator from Mississippi?

Mr. LOTT. I think it does. Let me inquire, Mr. President, so the pending business then is a modification of the managers' amendment, is that correct?

Mr. BIDEN. A modification of the Biden amendment, which is the pending business. The Biden amendment, which was introduced and debated for an hour and a half yesterday, relates to the drug courts, relates to drug treatment in prisons and to boot camps. The modification I am sending to the desk is a modification of Mr. DEWINE in the Biden amendment which, in a nutshell, I will explain to my colleagues. In the terrorism bill that passed the Senate, Senator DEWINE——

The PRESIDING OFFICER. We need to have the modification sent to the desk.

Mr. BIDEN. I send the modification to the desk.

The amendment (No. 2818), as further modified, is as follows:

On page 26, line 10, after "Act;" insert the following: "$27,000,000 for grants for residential substance abuse treatment for State prisoners pursuant to section 1001(a)(17) of the 1968 Act; $10,000,000 for grants for rural drug enforcement assistance pursuant to section 1001(a)(9) of the 1968 Act;".

On page 28, line 11, before "$25,000,000" insert "$100,000,000 shall be for drug courts pursuant to title V of the 1994 Act;".

On page 29, line 6, strike "$750,000,000" and insert "$728,800,000".

On page 29, line 15, after "Act;" insert the following: "$1,200,000 for Law Enforcement Family Support Programs, as authorized by section 1001(a)(21) of the 1968 Act".

On page 44, lines 8 and 9, strike "conventional correctional facilities, including prisons and jails," and insert "correctional facilities, including prisons and jails, or boot camp facilities and other low cost correctional facilities for nonviolent offenders that can free conventional prison space".

On page 20, line 16 strike all that follows to page 20 line 19 and insert:

Section 245(i) of the Immigration and Nationality Act (8 U.S.C. 1255(i)) is amended—

(1) in the second sentence of paragraph (1), by striking "five" and inserting "ten"; and

(2) in paragraph (3), by inserting before the period at the end the following: "or, notwithstanding any other provision of law, may be deposited as offsetting collections in the Immigration and Naturalization Service "Salaries and Expenses" appropriations account to be available to support border enforcement and control programs".

The amendments made by subsection (a) shall apply to funds remitted with applications for adjustment of status which were filed on or after the date of enactment of this Act.

For activities authorized by section 130016 of Public Law 103-322, $10,300,000, to remain available until expended, which shall be derived from the Violent Crime Reduction Trust Fund.

At the end of title I, add the following:

SEC.   . (a) STATE COMPATIBILITY WITH FEDERAL BUREAU OF INVESTIGATION SYSTEMS.—(1) The Attorney General shall make funds available to the chief executive officer of each State to carry out the activities described in paragraph (2).

(2) USES.—The executive officer of each State shall use the funds made available under this subsection in conjunction with units of local government, other States, or combinations thereof, to carry out all or part of a program to establish, develop, update, or upgrade—

(A) computerized identification systems that are compatible and integrated with the databases of the National Crime Information Center of the Federal Bureau of Investigation;

(B) ballistics identification programs that are compatible and integrated with the Drugfire Program of the Federal Bureau of Investigation;

(C) the capability to analyze deoxyribonucleic acid (DNA) in a forensic laboratory in ways that are compatible and integrated with the combined DNA Identification System (CODIS) of the Federal Bureau of Investigation; and

(D) automated fingerprint identification systems that are compatible and integrated with the Integrated Automated Fingerprint Identification System (IAFIS) of the Federal Bureau of Investigation.

(b) ELIGIBILITY.—To be eligible to receive a grant under this section, a State shall require that each person convicted of a felony of a sexual nature shall provide a sample of blood, saliva, or other specimen necessary to conduct a DNA analysis consistent with the standards established for DNA testing by the Director of the Federal Bureau of Investigation.

(c) INTERSTATE COMPACTS.—A State may enter into a compact or compacts with another State or States to carry out this section.

(d) ALLOCATION.—The Attorney General shall allocate the funds appropriated under subsection (e) to each State based on the following formula:

(1) .25 percent shall be allocated to each of the participating States.

(2) Of the total funds remaining after the allocation under paragraph (1), each State shall be allocated an amount that bears the same ratio to the amount of such funds as the population of such State bears to the population of all States.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are hereby appropriated to carry out this section $60,000,000 for fiscal year 1996.

Mr. BIDEN. This is a modification being proposed at the request of Senator DEWINE. When the terrorism bill passed several months ago, Senator DEWINE, with the unanimous consent of the U.S. Senate, authorized a technical assistance program for the FBI to upgrade their computers and a number of other things, a technical upgrade for the FBI. Senator DEWINE has come to me and asked me whether I would be willing to include not the full funding of that amount, but $60 million as opposed to the $200 million that was authorized. I am more than happy to do that.

The offset for that is the money that, quite frankly, has been saved as a consequence of the adoption of the amendment by the Senator from New Mexico relating to Legal Services. So it does not require an offset. It has been agreed to by Senator HOLLINGS—agreed to in the sense that I am able to modify this amendment, and I believe it has been agreed to by the majority to modify it.

I am asking to be able to modify my amendment, which is pending, with the DeWine language that I have sent to the desk.

The PRESIDING OFFICER. Is there objection to the modification?

Mr. GRAMM. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BROWN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BROWN. Mr. President, I ask unanimous consent that the pending amendment be set aside for 5 minutes for consideration of a Brown amendment.

Mr. GRAMM. Reserving the right to object, I cannot grant a unanimous-consent until I have seen the amendment and know what we are doing. I do not mind it being brought up if the distinguished Senator from Nebraska is willing to step aside, but I cannot agree to a time limit.

The PRESIDING OFFICER. There is objection.

Mr. BROWN. Mr. President, I ask unanimous consent to proceed for 1 minute to describe the amendment that I would like the body to consider.

The PRESIDING OFFICER (Mr. FRIST). Without objection, it is so ordered.

Mr. BROWN. Mr. President, many Members will be surprised to learn that we have a different standard for legal conduct that is written into the Legal Services Corporation Act than exists in our law.

Under our law, under rule 11, we permit sanctions in the event an attorney engages in bringing frivolous actions and the sanctions are discretionary in rule 11. Nevertheless, there is at least some potential penalty if someone abuses the legal process.

Under the Legal Services Corporation statute, however, Legal Services is responsible for their action on a much more limited area that involves very, very extreme action. My hope is the body would consider an amendment that simply brings the Legal Services standards into line with what we impose on every other attorney, that we would put Legal Services under exactly the same standards as any other person who appears in person.

It is one that I think merits the consideration. I assume I would have the support of all Members. It would be my hope the body would allow it to be considered while we are awaiting further action.

Having given that brief explanation, I have given copies of this amendment to both sides. I renew my request in asking unanimous consent to set aside the pending question for 5 minutes only for consideration.

The PRESIDING OFFICER. Is there objection?

Mr. KERREY. I object.

Mr. BROWN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KERREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KERREY. Mr. President, I ask the manager of the bill, my amendment is the amendment after Senator BIDEN. I am willing to go immediately to it and ask unanimous consent that the Biden amendment be set aside for consideration.

Mr. GRAMM. I object.

What is the pending business?

The PRESIDING OFFICER. The pending business is the modified Biden amendment.

Mr. GRAMM. And the Biden amendment has been modified?

The PRESIDING OFFICER. That is correct.

Mr. GRAMM. If there is no debate, I am ready to move to table the Biden amendment.

The PRESIDING OFFICER. The question——

Mr. DASCHLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BIDEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BIDEN. Parliamentary inquiry. What is the business before the Senate?

The PRESIDING OFFICER. The pending question is the Biden amendment 2818 as modified.

Mr. BIDEN. As modified by Senator DEWINE?

Mr. GRAMM. Mr. President, I personally do not object to the modification, but it was my understanding that there had been an objection on our side and that it had not been modified.

Mr. BIDEN. Mr. President, if——

The PRESIDING OFFICER. The Chair granted that request previously. That request can be vitiated.

Mr. BIDEN. I would like to not have it vitiated if it had been agreed to.

Mr. GRAMM. Would the Senator yield?

Mr. BIDEN. I yield.

Mr. GRAMM. So that we can get things moving, why do you not go ahead and start debating the amendment. Let me notify the Senator who thought he had objected that the unanimous-consent request was agreed to, and if he wants to do something about it, he should come over.

In the meantime, we will begin the business.

Mr. BIDEN. I do not have an objection to that.

Let me review quickly, and hopefully this will take just a moment. We debated this amendment at length yesterday, although I have the right to continue to debate it unless there is a motion to table. I do not want to take more time on the part of the Senate.

Let me just briefly, very briefly, explain what this amendment does. First, it reinstates two-thirds of the money for drug courts, mandatory drug testing, drug treatment backed up by certain punishment for 55,000 offenders now on probation. They would all be put into this program. It provides for two-thirds of the funding that we originally agreed to.

The second thing it does is allow States to continue to have the option to have drug treatment in their prisons. We are not talking about drug treatment for people out on the street; we are talking about treatment for people in prisons, administered by States in prisons.

The third thing it does, it reinstates the money—$10 million—for rural drug enforcement. That function was zeroed out. Again, I will not go into all the arguments, but yesterday we spent a lot of time and I pointed out that the violent crime rate and the drug problem in rural America is increasing at a faster rate than it is in urban America.

Every single, solitary Governor that I am aware of, every single, solitary local official that I am aware of, has said on drug matters, in rural areas, we need help. When you have a 2- or 3-person or 10-person police force facing what is happening, particularly in the Midwest, in the Rocky Mountain West, where drug gangs are moving to those rural areas setting up methamphetamine labs, they say they need help.

This allows the control of the cooperation between Federal and local law enforcement officers to drug enforcement. It also reinstates what I think may have been unintentionally taken out of bill; that is, $1.2 million for law enforcement family support. What that is all about is funds to support families who have had their loved ones slain as peace officers. That is, cops who are killed, their families, their husbands, wives, children.

They, in fact, are involved in and have made available the counseling for families killed in the line of duty, post-shooting debriefings for officers and their spouses and marital support groups that relate to the outcome of what happens when an officer is killed and/or wounded. Many have attended along with me every year the police memorial. Every year we honor slain officers that are killed that year. Every year the families line up and are greeted by the President and me and others who are there—Senator THURMOND. Every year immediately after that occurs, they all get on a bus and they go to these counseling services for 2 days.

If you speak to the families of those officers, slain officers, you will find they say it is the single most important thing the Government does for them, the single most important thing for them to cope with this tragedy.

The last piece of this amendment is $60 million for technology grants to the FBI.

Those technology grants to the FBI are moneys that allow the FBI to upgrade all of their, what the average person would say is their very sophisticated technology capabilities and facilities. Frankly, they could use $200 million, which the distinguished Senator from Ohio put in the terrorism bill for them. But that has been stalled. The only reason we are going with only $60 million is so we do not have to go out and seek offsets to get this money. The offsets to pay for the entirety of this amendment come from reducing the State prison money from $750 million in this bill to $729 million. The House bill only has $500 million in it. The President only requested $500 million. And the second piece comes from increasing the fees related to acquisition of green cards. So, there are the offsets.

Senator BOND and Senator SPECTER and a number of my Republican friends, including Senator DEWINE, have spoken to pieces of this amendment. Again, the only reason I am continuing to speak is, not because I like to hear my voice and not because it needs further explanation, it is because I am told we are waiting to determine whether or not the modification will be accepted.

If it was accepted—I think it is important we all exercise comity here—if, in fact, the DeWine amendment that I sent as an amendment to the Biden amendment was accepted and it was accepted without the knowledge of one of my Republican colleagues, I will not insist that be done. I would withdraw the modification because I do not want to catch anyone unawares here. But maybe my friend from Texas has been able to find out whether or not the modification, including the DeWine provision, is acceptable, whether I have unanimous consent to modify my own amendment to that extent.

Mr. GRAMM. Will the distinguished Senator yield?

Mr. BIDEN. I yield the floor.

Mr. GRAMM. The modification is certainly acceptable to me.

The PRESIDING OFFICER. Does the Senator wish to withdraw his motion to table?

Mr. GRAMM. I withdraw the motion to table.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, I think Senator HATCH is coming over to debate this amendment. What I suggest is that we set this amendment aside and that we take up the Kerrey amendment. I think we can make arguments on both sides very briefly, and then we can have a vote.

Mr. BIDEN. I have no objection to that, Mr. President. That is fine with me.

AMENDMENT NO. 2817

Mr. GRAMM. I think having that vote and getting everybody over here will move us in the right direction.

So I ask unanimous consent the Biden amendment be temporarily set aside and that the Kerrey amendment be the pending business. I ask unanimous consent that there be 10 minutes of debate equally divided on the Kerrey amendment, to be controlled by Senator KERREY and by myself.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

AMENDMENT NO. 2817, AS MODIFIED

Mr. KERREY. Mr. President, I ask unanimous consent to have a modification, I say to the Senator from Texas, to my amendment. Let me send a copy of it over to him.

Essentially the modification enables me to strike the offset, as a consequence of the Domenici amendment. He was going to take an offset that I originally identified, and that was dropped. As a consequence of that, I no longer need an offset, I am told by staff on the Appropriations Committee.

I also ask, as part of that unanimous consent, that Senator DASCHLE and Senator JEFFORDS be added as cosponsors.

The PRESIDING OFFICER. Will the Senator send the modification to the desk?

Mr. KERREY. I send the modification to the desk.

The PRESIDING OFFICER. Is there objection?

Mr. GRAMM. Mr. President, reserving the right to object, I did not hear the motion. I am sorry.

Mr. KERREY. The unanimous consent request is to modify the amendment—I sent the modification to the desk—and to add Senator DASCHLE and Senator JEFFORDS as cosponsors.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, reserving the right to object, I would simply like to add to that that there be no amendment in order as a second-degree amendment to the Kerrey amendment—so we are sure we are going to go to a vote—prior to a motion to table.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The amendment (No. 2817), as modified, is as follows:

On page 73, between lines 4 and 5, insert the following:

INFORMATION INFRASTRUCTURE GRANTS

For grants authorized by section 392 of the Communications Act of 1934, as amended, $18,900,000, to remain available until expended as authorized by section 391 of the Act, as amended: *Provided*, That not to exceed $900,000 shall be available for program administration and other support activities as authorized by section 391 of the Act including support of the Advisory Council on National Information Infrastructure: *Provided further*, That of the funds appropriated herein, not to exceed 5 percent may be available for telecommunications research activities for projects related directly to the development of national information infrastructure: *Provided further*, That notwithstanding the requirements of section 392(a) and 392(c) of the Act, these funds may be used for the planning and construction of telecommunications networks for the provision of educational, cultural, health care, public information, public safety, or other social services: *Provided further*, That in reviewing proposals for funding, the Telecommunications and Information and Infrastructure Assistance Program (also known as the National Information Infrastructure Program) shall add to the factors taken into consideration the following: (1) the extent to which the proposed project is consistent with State plans and priorities for the deployment of the telecommunications and information infrastructure and services; and (2) the extent to which the applicant has planned and coordinated the proposed project with other telecommunications and information entities in the State.

Mr. KERREY. Mr. President, the modification basically was done as a consequence of really not needing an offset now, as I explained earlier, from the Domenici amendment. Staff informs me the $18.9 million we are adding back is available in the bill.

This is a very straightforward amendment. This program, in 1994, had 90-some individual community organizations that filed applications. They match two for one.

I ask unanimous consent a letter from many, many community-based organizations who have indicated they support this amendment, be printed in the RECORD at this time.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

SEPTEMBER 28, 1995.

DEAR SENATOR: We write on behalf of a diverse coalition of education, library, arts, disability, civil liberties, trade unions and other civic organizations to urge you to vote for the Amendment to restore $18.9 million of funding for the Telecommunications and Information Infrastructure Assistance Program (TIIAP) to be offered by Senators Bob Kerrey (D–NE), Olympia Snowe (R–ME) and others, with bipartisan support, to the Senate Appropriations bill for Commerce, Justice, State, and the Judiciary (H.R. 2076).

TIIAP, a program administered by the National Telecommunications and Information (NTIA), matches private contributions with government funds to promote the development and widespread availability of advanced telecommunications technologies. Through TIIAP projects, people who may not otherwise have the means or opportunity—like citizens in rural and low income areas and citizens with disabilities—are able to tap into the wealth of information that is accessible via advanced telecommunications technologies. TIIAP dollars are used to purchase equipment for connection to communications networks such as the Internet, train people in the use of equipment and software, and to purchase telephone links and access to commercial on-line services.

Resouces such as the Internet play an increasing role in many facets of the lives of all Americans. Schoolchildren are able to benefit from a wealth of educational information not otherwise available to them. Citizens are able to engage in an active discussion of public issues. And Americans in rural areas are able to access health care-related and other important information without having to travel far distances. To fully realize the benefits of advanced technologies, however, every American must have the opportunity to access these resources. TIIAP-funded support helps to realize this goal by extending advanced telecommunications capabilities, in conjunction with the private sector, to people and places that would otherwise be left out.

Recipients of the grants have included local governments, universities, schools, and libraries. Listed below are just a few examples of how TIIAP has helped these groups utilize telecommunications systems for education, community development and ultimately for economic empowerment:

The University of Oregon, along with fifteen other educational, governmental, health care, community and industrial partners, have received funds for equipment necessary to complete construction of the Lane Education Network. This Network will be fully accessible by the community, and will be the conduit for such educational programs as network mentoring among high schools and on-line training.

In West Virginia, TIIAP funds served to help complete a computer network infrastructure at the College of Human Resources and Education at West Virginia University. This network would both provide the Professional Development Schools with access to the Internet, as well as allow the College of Human Resources to provide information via the Internet on professional development for teachers.

In Montana, TIIAP funds have enabled the Hall Elementary School District to install the town's first Internet connection in the school building which will give the entire town and the students access to Montana statewide information, as well as national services.

In a time of significant budget cutting, TIIAP provides the seeds to help forge partnerships with the private sector to ensure that telecommunications technologies live up to their potential to enhance education, library services, health care, community services, civic participation and much more. The TIIAP is a modest program which can contribute significantly to the development of a truly National Information Infrastructure.

We urge you to support the Kerry/Snowe Amendment to H.R. 2076 and restore partial funding to the TIIAP program for fiscal year 1996.

Very truly yours,

AFL/CIO Department for Professional Employees.
Alliance for Community Media.
Alliance for Public Technology.
American Arts Alliance.
American Association of Community Colleges.
American Association of Law Libraries.
American Association of School Administrators.
American Association of School Libraries.
American Association of State Colleges and Universities.
American Civil Liberties Union.
American Federation of Teachers.
American Library Association.
American Psychological Association.
Association for Educational Communications and Technology.

Association of Art Museum Directors
Association of Research Libraries.
Berinstein Research.
Catalyst Project.
Center for Democracy & Technology.
Center for Information, Technology & Society.
Center for Media Education.
Civic Access, Bellingham Washington.
Communications Workers of America.
Computing Research Association.
Consortium for School Networking.
Consortium of Distance Education.
Consumer Interest Research Institute.
Council for Advancement and Support of Education.
Council for American Private Education.
Council of the Great City Schools.
Davis Community Network.
Davis Community Television.
Delaware Association of Non Profit Agencies.
Delaware Service Provider Network/Diamond Net.
Educational Products Information Exchange (EPIE).
Educational Teleconsortium of Michigan.
Florida Community College Television Consortium.
Higher Education Telecommunications Association of Oklahoma.
Independent Sector.
Instructional Telecommunications Council.
Instructional Telecommunications Foundation.
International Society for Technology in Education.
Intelecom Maryland College of the Air Teleconsortium.
International Telecomputing Consortium.
Learning and Information Networking for Community Telecomputing (LINCT) Coalition.
Libraries of the Future.
Media Access Project.
Media Consortium—Media Democracy in Action.
Museum Computer Network.
National Association of Independent Schools.
National Association of Secondary School Principals.
National Association of State Universities and Land-Grant Colleges.
National Association of State Arts Agencies.
National Campaign for Free Expression.
National Coordinating Committee for the Promotion of History.
National Education Association.
National Federation of Community Broadcasters.
National School Boards Association.
National Writers' Union (UAW Local 1981)
NILRC—A Consortium of Midwestern Community Colleges & Universities.
OMB Watch.
Oregon Community College Telecommunications Consortium.
Organizations Concerned about Rural Education.
People For the American Way Action Fund.
Playing to Win Network.
Public Service Telecommunications Corporation.
Texas Consortium for Educational Telecommunications.
United Cerebral Palsy Association.
United Church of Christ, Office of Communication.
United Way of Delaware.
Urban Libraries Council.
Western Consortium for Distance Education.
World Institute on Disability.

Mr. KERREY. Mr. President, this particular program is a very small program. It has strong support from the Republican leadership in the House. There is $40 million in the bill on the House side. It does enable us to expand not only educational opportunities in telecommunications, but it empowers local communities to be able to create jobs and, as I said, create an understanding of how this telecommunications technology can be used in a variety of different ways. There are lots of organizations that have used it, educational institutions K-12, and universities.

I hope my colleagues will be able to support the amendment. It has a very simple, straightforward purpose. It is consistent with the essential message we have been trying, I believe successfully, to use, which is we are trying to empower people at the local level, shifting power away from the Federal Government.

I think it is a program, thus far at least, that has proven its merit, and it needs to be continued.

I yield the floor.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, the argument against this amendment is very simple. The National Telecommunications and Information Administration is not, nor has it ever been, authorized. There is no offset in this amendment because it is picking up excessive authority under another amendment. I think, in terms of the budget that we face in this bill, this is not something we ought to be spending money on. As a result I oppose the amendment.

Mr. KERREY. Mr. President, I do not know if the Senator from Maine wants to speak on this amendment. I will be pleased to yield time. If I may take just an additional 30 seconds, there is not a need for an offset with this amendment. As a consequence of the Domenici amendment, an offset is not needed. That is what my modification did, was to strike it.

His is a straightforward argument against this amendment. It can only be made on the basis the Senator from Texas used, that this is a program that Members do not want to fund and do not support.

As I said, it has very strong support from a wide variety of community organizations that matched the Federal dollars, used the Federal dollars two to one. I think this program not only deserves to be supported, but has very strong support from the Republican leadership on the House side.

Mr. LEAHY. Mr. President, I rise in strong support of the Senator from Nebraska's amendment to restore funding for the Telecommunications Information and Infrastructure Administration Program [TIIAP]. This amendment is fully offset.

In today's world of innovative telecommunications, this program helps us meet the demands of keeping up with this constant change. TIIAP develops partnerships with local governments, schools, hospitals, libraries, and the business community to increase access to advanced information and communications infrastructure. These partnerships will be the key to our educational and economic success in the remainder of this decade and into the next millennium.

Unfortunately, this bill terminates TIIAP. Some are trying to abolish this program to claim they have ended an unnecessary, big-government program. Nothing could be further from the truth.

TIIAP is more than necessary in today's world. It is essential. The world has shrunk because of advances in telecommunications. Today, Americans do not just compete with each other, they compete with Japanese, Germans, New Zealanders, and the other citizens of our global economy. To meet the demands of this new global economy, we must develop and maintain world-class telecommunications networks and infrastructure.

Moreover, TIIAP is not big government. Because of its Federal seed money, private companies and public players have come together to form community-based projects. Each project must have at least 50 percent matching funds from the private sector. This requirement had led to innovative networks with groups that have never worked together before. There is no Government redtape restricting these partnerships. Instead, Government seed money is making these partnerships happen.

Let me describe just a few of these innovative partnerships from around the country that have gotten off the ground because of TIIAP's help:

The State of Alaska, the University of Alaska, the K-12 educational system, public broadcasting, and the library community are working together to integrate networks that will result in 81 percent of Alaskans having non-toll access to an education-government-library network;

In South Dakota, 47 rural schools are working together to combine forces to provide distance learning programs;

Youth service organizations in New Haven, CT, and East Palo, CA, are working together to link teenagers in the two cities to keep them off their streets and in their schools;

Schoolchildren right here in the District of Columbia are studying together on virtual visits to museums in New York by using two-way video and teleconferencing technology;

In my home State, the citizens of Fairfax, VT are working together to develop an electronic bulletin board so this small, rural community can share information on the Internet; and

Physicians from big city medical centers in North Carolina are working together with rural hospitals to provide video teleconsultations and diagnostic images for emergency care.

TIIAP is about finding new ways to learn, to practice better medicine, and to share information. It spurs the growth of networks and infrastructure in many different fields of telecommunications with only a small Federal investment. It is essential and innovative.

Mr. President, I urge my colleagues to support Senator KERREY's amendment to restore this vital program.

Mr. GRAMM. Mr. President, how much time do I have left?

The PRESIDING OFFICER. The Senator from Texas has 4 minutes 16 seconds.

Mr. GRAMM. Let me remind my colleagues where we are. There may very well be the votes on this amendment, but I am still going to oppose it, and let me tell you why.

First of all, we passed a budget that contemplated the elimination of the Commerce Department. We have passed a bill out of committee that calls for the elimination of the Commerce Department. We have a budget that sets out, over a 7-year period, a plan which would achieve a balanced budget by cutting spending, and possibly by eliminating the Commerce Department. Given these facts, we have set out in this bill a procedure to eliminate the Commerce Department.

We are now talking about providing funding for a program that has never been authorized and that represents the Government, basically, being involved in the whole area where we have the largest private investment, in history, underway. So this is basically an issue as to what is the role of Government and what do we mean when we write a budget which says that we are going to eliminate a department. When we set out on a program to balance the budget, and we count on savings from eliminating a department, are we serious or are we not?

I believe that if you are serious about reducing funding for the Commerce Department, and if you are serious about eliminating this Department, then you cannot be serious about supporting funding for the National Telecommunications Information Administration.

This was one of the hard choices we had to make in committee, and it seems to me that it was the correct choice. I do not want to go back on that choice.

So when the Senator finishes his debate time, I will yield my time and move to table.

Mr. KERREY. Mr. President, one quick point, and then I will yield whatever time the Senator from Maine wants to take, and we will finish.

There is already in this bill a continuation of this program with $3 million for salaries and expenses. This money provides restoration to the grants.

I yield whatever time is left to the distinguished Senator from Maine.

Ms. SNOWE. How much time is left, Mr. President?

The PRESIDING OFFICER. The Senator from Nebraska has 2 minutes and 24 seconds.

Ms. SNOWE. Mr. President, I am very pleased to join with the Senator from Nebraska on this amendment because I do think it is very, very important that we do everything that we can as a Government to support the communities, public school systems, and our health care systems in joining the information superhighway.

Frankly, I believe that the grants provided to local communities, States, and public entities by the Telecommunications and Information Infrastructure Assistance Program [TIIAP] play a very important role in enabling these public entities to do everything they can to help serve their communities with advanced technology.

As I said during the telecommunications debate when we are reforming that area of our policy, one of the most important aspects is to make sure that we transmit information across traditional boundaries of time and space. Even the House recognized the importance of these grants to the States and local communities and public entities. They understand that we have to do everything that we can to help serve those populations, particularly those in rural areas that do not have access to this technology.

In 1994, half of the grants went to the rural areas and rural States of our country. One-quarter of the 1994 fund went to the underserved, often low-income areas to enable school children, the elderly, and the other at-risk groups to connect with information resources from their homes, schools, and communities centers. In fact, the House appropriation include report language that said this program:

> Is critical to the development of the national information superhighway which will be of particular value to underserved rural areas. This emerging telecommunications infrastructure will allow more remote areas to gain access to enhance education, health care, and social services, as well as provide enhanced economic opportunity.

I think that characterizes very well the importance of these grants to communities. In my State of Maine, a 1994 planning grant of more than $113,000 was awarded. This grant will be utilized to develop a telecommunications plan that will link the State to the national and global networks. Involved in this planning effort will be not only the University of Maine, but also Maine Public Broadcasting Corporation and a consortium of public, private, and nonprofit organizations—including NYNEX and Central Maine Power. Telecommunications can also help us provide a world class education to children across America. If we want young people to actively use and understand the technology of the future, then we must ensure that schools are part of the National Information Infrastructure.

For starters, telecommunications will enable students and teachers to gain access to libraries across the country, and will allow them to communicate with experts and other students around the world. It will ensure that small schools in remote areas, and schools with limited financial resources will have equal access to the same rich learning resources.

It is also in the Nation's best interest to ensure that all schools and libraries, even those in rural areas, have access to educational services. In the 21st century, our children will be competing in a global economy where knowledge is power. Our future as a nation depends on our children's ability to master the tools and skills needed in that economy. I agree with House Speaker NEWT GINGRICH who said that if the country doesn't figure out a way to bring the information age to the country's poor, that we are buying ourselves a 21st century of enormous domestic pain.

Consider that only 30 percent of schools with enrollments of less than 300 have Internet access, while 58 percent of schools with enrollments of 1,000 or more reported having Internet access. Only 3 percent of classrooms in public schools are connected to the Internet, and cost is cited as a major barrier to access. Seventy-seven percent of libraries serving a populations base of more than 1 million—almost the total population of Maine, I might add—had Internet access, whereas just 13.3 percent of libraries serving communities of 5,000 or fewer people had Internet access.

In addressing these needs, TIIAP grants have served an integral role in connecting our schools to the information superhighway. In Montana, TIIAP funds enabled the Hall Elementary School District to install the town's first Internet connection in the school building. A TIIAP grant in Oregon aided in the construction of the Lane Education Network—a system that is fully accessible to the community and will serve as a conduit for educational programs among high schools.

If we are going to ensure that all of the areas of this country are going to have access to educational telecommunications services, if we are going to be competing in a global economy where knowledge is power—and our future depends on our children's ability to master the tools and skills needed in that economy—then I think that we have to do everything as a Government to promote and to serve that program and those interests.

Mr. President, the Telecommunications and Information Infrastructure Assistance Program works to ensure that rural and low-income regions are not passed by. So I encourage my colleagues to support the Kerrey-Snowe amendment that would restore the funding to this program as the House did in a recent vote in their appropriations bill. Thank you, Mr. President.

I yield the floor.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. GRAMM. Mr. President, do I have any remaining time?

The PRESIDING OFFICER. Two minutes and twenty-five seconds.

Mr. GRAMM. Mr. President, let finish by saying—and then I will move to table—that we eliminated this program because it has never been authorized, because it is not part of the budget we adopted that contemplated moving toward eliminating the Commerce Department as part of balancing the Federal budget.

It is almost comical that somehow the Government, with $19 million, is going to open up telecommunications and information systems for America when the private sector is already investing tens of billions of dollars in this area. This is another Government program which is unauthorized, and which does not fit in any program to balance the Federal budget.

So if you are serious about the budget we adopted, if you are serious about saying no to Government programs, then this is one of the easiest places to start.

I move to table the amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas to lay on the table the amendment of the Senator from Nebraska. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

Mr. LOTT. I announce that the Senator from Alabama [Mr. SHELBY] is necessarily absent.

Mr. FORD. I announce that the Senator from Ohio [Mr. GLENN] and the Senator from Louisiana [Mr. JOHNSTON] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 33, nays 64, as follows:

[Rollcall Vote No. 477 Leg.]

YEAS—33

Abraham
Ashcroft
Bennett
Campbell
Coats
Coverdell
Craig
D'Amato
DeWine
Dole
Domenici
Faircloth
Frist
Gorton
Gramm
Grams
Gregg
Hatch
Hatfield
Helms
Inhofe
Kempthorne
Kyl
Lott
Lugar
Mack
McCain
McConnell
Nickles
Santorum
Smith
Thompson
Thurmond

NAYS—64

Akaka
Baucus
Biden
Bingaman
Bond
Boxer
Bradley
Breaux
Brown
Bryan
Bumpers
Burns
Byrd
Chafee
Cochran
Cohen
Conrad
Daschle
Dodd
Dorgan
Exon
Feingold
Feinstein
Ford
Graham
Grassley
Harkin
Heflin
Hollings
Hutchison
Inouye
Jeffords
Kassebaum
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Mikulski
Moseley-Braun
Moynihan
Murkowski
Murray
Nunn
Packwood
Pell
Pressler
Pryor
Reid
Robb
Rockefeller
Roth
Sarbanes
Simon
Simpson
Snowe
Specter
Stevens
Thomas
Warner
Wellstone

NOT VOTING—3

Glenn
Johnston
Shelby

So, the motion was rejected.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. KERREY. Mr. President, I urge the adoption of the amendment.

The PRESIDING OFFICER. The yeas and nays are ordered.

Mr. KERREY. I ask unanimous consent to vitiate the yeas and nays and do it by voice vote.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The question is on agreeing to amendment No. 2817, as modified.

So the amendment (No. 2817) as modified, was agreed to.

Mr. KERREY. I move to reconsider the vote.

Mr. FORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2818, AS FURTHER MODIFIED

Mr. BIDEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. BIDEN. What is the pending business?

The PRESIDING OFFICER. The pending business is the BIDEN amendment No. 2818, as further modified.

Mr. BIDEN. Mr. President, have the yeas and nays been ordered on the Biden amendment?

The PRESIDING OFFICER. They have not.

Mr. BIDEN. Mr. President, I will just urge adoption of my amendment and ask for a voice vote on the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. BIDEN. Mr. President, one more parliamentary inquiry. The amendment is modified by the DeWine language; correct?

The PRESIDING OFFICER. That is correct, the Biden amendment is modified.

Mr. BIDEN. I urge adoption of the amendment and ask for a voice vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment, as further modified.

The amendment (No. 2818), as further modified, was agreed to.

Mr. BIDEN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. FORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Parliamentary inquiry. Is it appropriate to send up an amendment?

The PRESIDING OFFICER. The committee amendments are still pending.

Mr. HATCH. Mr. President, I ask unanimous consent that the pending committee amendments be set aside so that I can send an amendment to the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2838

(Purpose: To provide for appropriate remedies for prison condition lawsuits, to discourage frivolous and abusive prison lawsuits, and for other purposes)

Mr. HATCH. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER (Mr. SANTORUM). The clerk will report.

The legislative clerk read as follows:

The Senator from Utah [Mr. HATCH], for himself, Mr. DOLE, Mr. REID, Mr. THURMOND, Mr. SPECTER, Mr. KYL, Mr. ABRAHAM, Mrs. HUTCHISON, Mr. GRAMM, Mr. Santorum, Mr. GRASSLEY, and Mr. BROWN, proposes an amendment numbered 2838.

Mr. HATCH. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. HATCH. Mr. President, I ask the managers of the bill how much time they want us to take on this amendment.

Let me ask my colleague from Nevada how much time he thinks he needs.

Mr. REID. Mr. President, I appreciate the Senator's courtesy. I will be happy to do whatever is appropriate. I would like 15 or 20 minutes myself.

Mr. HATCH. I ask my colleague if we can do it in a half hour equally divided.

Mr. REID. Yes.

Mr. HATCH. Mr. President, I ask unanimous consent that this amendment take a half hour equally divided on both sides.

The PRESIDING OFFICER. Is there objection?

Mr. BIDEN. Reserving the right to object, Mr. President, and I shall not object, I just want to tell my colleagues, there are two of my colleagues on this side who are going to seek to modify the Senator's amendment. I am not sure that is going to actually happen, so he is not caught blindsided by that. I am not at liberty to agree to a time agreement that is not subject to an amendment in the second degree. I do not know that will happen, so I do not object.

The PRESIDING OFFICER. Is there objection to the request that there be 30 minutes equally divided?

Without objection, it is so ordered.

Mr. REID. Mr. President, if the Senator from Delaware is going to offer a second-degree amendment to this, I am not sure it would be in the best interest of the proponents of the amendment to agree to a 30-minute time agreement.

The PRESIDING OFFICER. Is there objection?

Mr. BIDEN. Reserving the right to object, and I will not object, if I can get the same time limit pertaining to a second-degree amendment, if there is a second-degree amendment.

The PRESIDING OFFICER. Is there objection?

Mr. WELLSTONE. Reserving the right to object, and I shall not, what is the subject matter of the amendment?

Mr. HATCH. This is the prison litigation reform amendment to do away with frivolous lawsuits. It should not take a lot of time, and if there is a second-degree amendment, we will just have to face that when that happens.

The PRESIDING OFFICER. Is there objection to the request? Without objection, it is so ordered.

Who yields time?

Mr. DOLE. Mr. President, I want to say a few words in support of the amendment offered by my distinguished colleague from Utah, Senator HATCH.

Unfortunately, the litigation explosion now plaguing our country does not stop at the prison gate. The number of lawsuits filed by inmates has grown astronomically—from 6,600 in 1975 to more than 39,000 in 1994. These suits can involve such grievances as insufficient storage locker space, a defective haircut by a prison barber, the failure of prison officials to invite a prisoner to a pizza party for a departing prison employee, and yes, being served chunky peanut butter instead of the creamy variety.

These legal claims may sound far-fetched—almost funny—but unfortunately, prisoner litigation does not operate in a vacuum. Frivolous lawsuits filed by prisoners tie up the courts, waste valuable legal resources, and affect the quality of justice enjoyed by law-abiding citizens. The time and money spent defending these cases are clearly time and money better spent prosecuting violent criminals, fighting illegal drugs, or cracking down on consumer fraud.

The National Association of Attorneys General estimates that inmate civil rights litigation costs the States more than $81 million each year. Of course, most of these costs are incurred defending lawsuits that have no merit whatsoever.

This amendment will help put an end to the inmate litigation fun-and-games. It establishes a garnishment procedure so that prisoners, like law-abiding citizens, will have to pay the court fees associated with filing a lawsuit. It requires State prisoners to exhaust all administrative remedies before filing suit. It would allow Federal courts to revoke the good-time credits accumulated by a prisoner who files a frivolous suit. And it prohibits prisoners from suing for mental or emotional injury, absent a prior showing of physical injury.

The second major section of this amendment establishes some tough new guidelines for Federal courts when evaluating legal challenges to prison conditions. These guidelines will work to restrain liberal Federal judges who see violations of constitutional rights in every prisoner complaint and who have used these complaints to micromanage State and local prison systems. More specifically, by requiring Federal judges to meet a high burden of proof before imposing a prison cap order, this amendment will help keep convicted criminals behind bars where they belong.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, I yield myself such time as I may need, and I will try to reserve time for the Senator from Nevada.

I am pleased to be joined by the majority leader and Senators REID, KYL, ABRAHAM, GRAMM, SPECTER, HUTCHISON, THURMOND, SANTORUM, and GRASSLEY in offering this amendment. Our amendment is virtually identical to the Prison Litigation Reform Act of 1995, S. 1279, which we introduced yesterday. This landmark legislation will help bring relief to a civil justice system overburdened by frivolous prisoner lawsuits. Jailhouse lawyers with little better to do are tying our courts in knots with the endless flow of frivolous litigation.

Our legislation will also help to restore a balance to prison conditions litigation and will ensure that Federal court orders are limited to remedying actual violations of prisoners' rights, not letting prisoners out of jail. It is time to lock the revolving prison door and to put the key safely out of reach of overzealous Federal courts.

As of January 1994, 24 corrections agencies reported having court-mandated population caps. Nearly every day, we hear of vicious crimes committed by individuals who really should have been locked up. Not all of these tragedies are the result of court-ordered population caps, of course, but such caps are a part of the problem. While prison conditions that actually violate the Constitution should not be allowed to persist, I believe that the courts have gone too far in micromanaging our Nation's prisons.

Our legislation also addresses the flood of frivolous lawsuits brought by inmates. In 1994, over 39,000 lawsuits were filed by inmates in Federal courts, a staggering 15 percent over the number filed the previous year. The vast majority of these suits are completely without merit. Indeed, roughly 94.7 percent are dismissed before the pretrial phase, and only a scant 3.1 percent have enough validity to even reach trial. In my own home State of Utah, 297 inmate suits were filed in Federal courts during 1994, which accounted for 22 percent of all Federal civil cases filed in Utah last year. I should emphasize that these numbers do not include habeas corpus petitions or other cases challenging the inmate's conviction or sentence. The crushing burden of these frivolous suits makes it difficult for the courts to consider meritorious claims.

Indeed, I do not want to prevent inmates from raising legitimate claims. This legislation will not prevent those claims from being raised. The legislation will, however, go far in preventing inmates from abusing the Federal judicial system.

In one frivolous case in Utah, for example, an inmate sued demanding that he be issued Reebok or L.A. Gear brand shoes instead of the Converse brand being issued. In another case, an inmate deliberately flooded his cell and then sued the officers who cleaned up the mess because they got his pinochle cards wet. And in a third case, from Utah, a prisoner sued officers after a cell search, claiming that they failed to put his cell back in a fashionable condition, and mixed his clean and dirty clothes.

Mr. President, these examples from my State are far from unique. I believe each of my colleagues could report numerous similar examples from their States as well, and we had a number of attorneys general here yesterday who gave us a whole raft of bizarre incidents and litigation.

It is time to stop this ridiculous waste of taxpayers' money. The huge costs imposed on State governments to defend against these meritless suits is another kind of crime committed against law-abiding citizens.

Mr. President, this legislation enjoys broad bipartisan support from States attorneys general from across the Nation. We believe, with them, that it is time to wrest control of our prisons from the lawyers and the inmates and return that control to competent administrators appointed to look out for society's interests as well as the legitimate needs of prisoners.

So I urge my colleagues to support this amendment, and I look forward to securing its quick passage by the Senate.

I yield to my distinguished colleague from Nevada.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, I wish to express my appreciation to the senior Senator from Utah, and especially to his staff. The staff has worked on this legislation for many, many weeks. And I publicly express my appreciation to them and to the chairman of the Judiciary Committee, the Senator from Utah.

I also thank the majority leader, who has been with us on this legislation from the beginning. I appreciate his being with us throughout the development of this legislation.

I also wish to thank our Nation's attorneys general who have worked diligently to bring this problem to our attention. I understand they would like to see some minor modifications made to this amendment as it works its way through conference and I hope the conferees will consider their expertise.

Mr. President, when I was a new lawyer in Las Vegas, I was appointed by a Federal judge to represent someone charged with stealing cars, a violation of taking a car across State lines. I went to see this man as a young lawyer, very anxious to help him. When I got to the prison, this man said, "Don't bother, I committed this crime on purpose. I wanted to go back to a Federal prison. I did not want to go to a State prison. I like being in a Federal prison." Ever since that, Mr. President, I have thought to myself, there is something profoundly wrong with a criminal justice system where people look forward to going to prison.

Now, this amendment deals with a lot of things. One of the things it deals with is frivolous lawsuits by prisoners. I wrote an article for a Las Vegas newspaper. I would like to recite part of what I wrote.

> Life can be tough. Mom brought home creamy peanut butter when you asked for extra chunky? You didn't get that fancy weight machine you wanted for Christmas? Don't like the type of music they play over the stereo system at work.
>
> Well, heck. Why not file a lawsuit?
>
> Oh, I know what you're thinking: "I can't afford a lawyer."
>
> Suppose, though, I told you about a plan that provides you with an up-to-date library and a legal assistant to help in your suit. This plan not only provides legal research, it also gives you, absolutely free, three square meals a day. And friends, if you get tired of legal research, you can watch cable TV in the rec room or lift weights in a nice modern gym.
>
> "OK, OK," you're saying. "What's the catch? How much do I have to pay to sign up for the program?"
>
> Well, folks, that's the best part. This assistance plan is absolutely free. All you have to do to qualify is to commit a crime, get caught and go to the pen.

That is like the man I met, Mr. President, a number of years ago in the Clark County jail.

Mr. President, prison inmates are abusing our system. I have behind me a chart that shows the lawsuits that have been filed. In 1970, we had a few. Here it is, Mr. President, our last recorded number. There are certainly far greater than that. I will bet that today they are up to 50,000. Here we only go up to about 40,000.

What kinds of lawsuits do they file? Well, Mr. President, as the senior Senator from Utah said, all States have some examples. I would like to give you what we have had in Nevada. These are the top 10 lawsuits in Nevada filed by prisoners.

Inmate's claim: He should not be required to open his window slot when meals are delivered. He filed a lawsuit.

Inmate's claim: Limiting the receipt of stamps in mail violates his religious belief in writing letters.

Inmate's claim: The prison's delivery of mail interfered with his usual sleeping pattern. A lawsuit was filed.

Mr. President, 40 percent of the lawsuits—the litigation handled in our Federal judiciary in the State of Nevada is prison litigation—40 percent of it. Lawsuits like: "Prison destroyed his hobbycraft items." What were they? Woman's clothing. This was a man, of course.

Inmate's claim: Forced to wear a size 5 tennis shoe when the actual size of his foot was 4 3/4.

He filed a lawsuit.

Inmate's claim: The prison chaplain refused to perform same-sex religious ceremony.

Mr. President, if these were not so serious, we would laugh about it. Forty percent of the Federal judiciary in Nevada spends their time on this garbage.

Inmate's claim: He filed a lawsuit claiming the cake he was served for dessert was hacked up.

Inmate's claim: Jeans fit him improperly, and because of that he suffered an epileptic seizure.

Those must have been tight jeans.

Inmate's claim: Prison denied him incense and jewelry to use in the practice of his religion.

This next one is a dandy.

Inmate's claim: He ordered two jars of chunky peanut butter from the prison canteen and was sent one jar of chunky and one jar of creamy.

He filed a lawsuit.

You know, Mr. President, this is just horrible. And to think that we, the taxpayers, are paying for all of this—not only in the time of the judiciary but, as I indicated in my narrative to begin with, we are often supplying the lawyers. And, the prisoners have better law libraries than 90 percent of the lawyers in America.

Almost 100 percent of these claims are dismissed, but the judges have to go through all of them. Yet, notwithstanding the odds against prevailing, inmates continue to file suits. They laugh about it. On one national TV program, a man bragged that he filed hundreds of them himself. With our rate of incarceration increasing, this will go up. Few would back a solution that reduces our prison population. Ironically, this is practically what some judges are doing through the ordering of prison population caps.

There is much that this amendment has in it, Mr. President. It is something that we should adopt. Some may ask, is there a need to curb this? I have gone over the reasons I think we need to curb it. I have talked about some of the cases in Nevada. But these are only a few Nevada cases. There are hundreds of them. The attorney general—every time she talks, she talks about her staff time being used on these kinds of cases. She cannot render opinions that legal constitutional officers in the State of Nevada want her to do because she is defending chunky peanut butter. One prisoner filed a claim as to how many times he should be able to change his underwear.

This problem, as the Senator from Utah indicated, plagues all States.

In California, an inmate alleged that prison officials implanted an electronic device in his brain to control his thoughts. He claimed that his thoughts were then broadcast over the prison PA system.

Another California inmate claimed he suffered mental anguish worrying that tear gas would be used if he refused to exit his cell.

An Indiana inmate sued the State of Indiana for $3,000, but he was not sure why. He asked the court to determine what the cause should be.

An Iowa inmate sued for the right to lobby the legislature to approve consensual sex between minors and adults.

A Massachusetts inmate brought suit claiming the State should not have thrown out the personal property he left behind after he escaped from prison.

A Missouri inmate sued because the prison did not have salad bars and brunches on weekends.

Well, Mr. President, this is the worst. I feel very strongly about this legislation, and we can go into detail about what it does. But, basically, without going into a lot of detail, it would stop this kind of foolishness. This foolishness costs tens of millions of dollars throughout the States. The taxpayers finance this litigation.

A report on ABC suggests the cost of inmate litigation hindered the expansion of Head Start and the rebuilding after Hurricane Andrew.

The attorney general of California has 50 attorneys working full-time doing this. Dan Lungren, who I served with in the House of Representatives, now the attorney general, has 50 lawyers working on this, all the time. They do not do anything else.

We need to make sure that the prisoners, when they file these lawsuits, they pay. There is no reason they should get the legal docket free. If they have money in the bank, let them pay. If they have a meritorious lawsuit, of course they should be able to file. I support that.

Today, our attorneys general deal with thousands of these lawsuits. I have indicated that almost none of them have any merit. The amendment establishes procedural hurdles that will prevent frivolous lawsuits.

The PRESIDING OFFICER. All time has expired.

Mr. REID. I ask unanimous consent I be allowed 1 minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. I want to say, because I saw on the floor the Senator from Arizona, Senator JON KYL, who has been extremely helpful in preparing this legislation based upon his experience in the law and the work his staff has done, and I want to compliment and applaud the Senator from Arizona.

Mr. HATCH. Mr. President, I ask unanimous consent that Senators GRASSLEY, BROWN, and HELMS be added as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. Mr. President, I am an original cosponsor of the Prison Litigation Reform Act of 1995 and was pleased to join Senator HATCH as an original cosponsor of this amendment.

We have an opportunity here to put a stop to the thousands and thousands of frivolous lawsuits filed by the prisoners across this nation. They have tied up the courts with their jailhouse lawyer antics for too long. This amendment will allow meritorious claims to be filed, but gives the judge broader discretion to prevent frivolous and malicious lawsuits filed by prison inmates.

In my home State of South Carolina, the State government last year spent well over $1 million to defend against frivolous lawsuits filed by inmates. Compare that to 10 years ago when South Carolina spent only about $20,000 to defend these types of lawsuits. The problem is getting worse, not better.

Mr. President, the overwhelming majority of these cases are dismissed, in fact well over 95 percent. We need to put a stop to these jailhouse lawyers who are making a mockery of our criminal justice system.

Mr. President, the other provisions in this bill will place limits on Federal judges who have been micromanaging prisoners with population caps. Our amendment requires a strong showing from the judge to justify population caps as the least intrusive means as a judicial remedy. We need this legislation. I commend Senator HATCH for offering it and I urge my colleagues to support its adoption.

Mr. HATCH. Mr. President, I ask unanimous consent that our colleague from Arizona—I do not know that there is any opposition to it. In fact, I believe we can probably get this accepted by voice vote.

I ask unanimous consent that my colleague from Arizona who has been a major mover in this area, whose attorney general was one of the major causes of this legislation be granted, I ask unanimous consent that 4 minutes be granted to the distinguished Senator from Arizona, and 1 minute to the distinguished Senator from Texas, Senator GRAMM, and 3 minutes to the distinguished Senator from South Carolina.

Mr. BIDEN. Reserving the right to object, and I will not object, I have an amendment and I have a speech. I have no problem with it being accepted. If other people are going to speak to it then I will speak to it.

I hope that we all will have learned by now, when you win, accept the victory, put the speeches in later. I hope we do that.

Stemming the tide of frivolous prisoner lawsuits is certainly an important goal.

Our courts are flooded with lawsuits brought by prisoners. The Administrative Office of the U.S. Courts reported that in fiscal year 1994, 39,100 Federal and State prisoner civil rights cases were filed in Federal court. This volume of cases drains precious court resources, further burdening an already overburdened court system.

But in solving these problems, we must not lose sight of the fact that some of these lawsuits have merit—some prisoners' rights are violated—some prisons are terribly overcrowded.

In one case, for example, children in a severely overcrowded juvenile detention center in Pennsylvania—a facility that was at 160 percent of capacity—were beaten by staff—sometimes with chains and other objects. These problems were not resolved until a court order was entered.—(Santiago versus City of Philadelphia.)

In a recent case right here in the District of Columbia, Judge June L. Green found that correctional officers had routinely sexually assaulted women prisoners—one had raped a woman prisoner, another had forced a prisoner to perform oral sex. When these conditions were reported to the D.C. correction officials, nothing was done. It was when the court entered an order that the district take steps to prevent these incidents from recurring that the prisoners were able to get relief.—(Women Prisoners of D.C. Dept. of Corrections versus D.C.)

Senator HATCH's amendment has two overriding problems—first, in an effort to curb frivolous prisoner lawsuits, the amendment places too many roadblocks to meritorious prison lawsuits.

Second, in an effort to relieve the courts and State and local governments from the overwhelming task of dealing with frivolous lawsuits, Senator HATCH's amendment, in fact, creates restrictions on the power of those governments from voluntarily negotiating their own agreements and would place an even greater burden on the courts to litigate and relitigate these suits.

Because Senator HATCH's amendment makes only marginal improvements over what is already in the bill, I oppose this amendment, just as I oppose the similar provision in the committee bill.

I am willing to withhold if others are. I ask that the Senator maybe reconsider his request and accept it by voice vote and make speeches later.

The PRESIDING OFFICER. Is there objection to the request?

Mr. BIDEN. I object.

Mr. HATCH. If my colleagues would forgo so we can pass this—we are all interested in passing it and establishing once and for all that we have to get rid of frivolous prisoner litigation.

The PRESIDING OFFICER. Did the Senator withdraw the unanimous-consent request?

Mr. HATCH. I ask unanimous consent 2 minutes be given to the distinguished Senator from Arizona.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KYL. Mr. President, I will take 2 minutes right now and speak in support of this legislation. I appreciate the Senator from Utah bringing it to the floor, and I also appreciate the kind comment from the Senator from Nevada.

This is clearly a bipartisan effort. Obviously, this legislation is going to pass.

I just wanted to indicate where this came from. The attorney general of Arizona, Grant Woods, brought this matter to my attention several months ago, and we brought it to the majority leader, and we introduced legislation to cut the prisoner litigation.

It has been in effect now in the State of Arizona pursuant to State law for about a year, and the prisoner litigation there has been cut in half as a result of the requirements that we place on the filing of lawsuits, by the inmates in the Arizona State system.

If you can extrapolate from the same statistics, it clearly ought to result in the reduction of delays and expenses in our Federal court system if we are able to impose the same requirements on our Federal prisoners when they attempt to litigate.

All we are doing is asking they pay the same kind of filing fees and costs that a citizen who has not committed any violation of law has to pay, and that their suits be subject to the same kind of requirements in terms of meeting the tests of a legitimate lawsuit rather than just being a frivolous lawsuit.

I think if we can extrapolate the figure to all 50 States, from the experience we had in the State of Arizona where the litigation has been cut in half, we ought to be able to save about $81.3 million. That is a significant chunk of change that would save the United States taxpayers in addition to the benefit of unclogging the courts.

Mr. President, there is one other thing that this will do. I think it begins to send a message that prison is not necessarily a nice place. You do not have extra privileges when you go to prison. You certainly ought not to be treated any better than the average citizen.

Another part of this bill is to put impediments on "special masters," and I think by doing that we also make it clear we regain control of the Federal court system, and we do not just allow the Federal judges to dictate to the States how their prison systems will be run. I am pleased the legislation will be adopted and pleased to express my views.

I ask unanimous consent to have frivolous lawsuit lists printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Top 10 List: Frivolous Inmate Lawsuits in Arizona

(10) Death row inmate has sued corrections officials for taking away his Gameboy electronic game. (Donald Edward Beaty v. Bury)

(9) An inmate brought a suit demanding $110 million because of a delay in receiving a dental appointment for a toothache. (Beasley v. Howard)

(8) An inmate convicted of murder and a subsequent escape attempt brought a suit based on the denial of dental floss. Anzivino v. Lewis)

(7) An inmate brought suit for damages to his electric typewriter and fan. He alleges the damage was done because prison officials did not allow him to have a surge protector in his cell. (Prison officials disallow surge protectors because they can be easily fashioned into lethal weapons.) (Souch v. State)

(6) An inmate alleged his First Amendment right to freedom of religion was being denied because he was not allowed to have conjugal visits. (Jamison v. ADOC)

(5) An inmate alleged he was libeled and slandered by a female prison official who referred him to disciplinary action after he continually walked into the restroom she was using. (Holt v. Grant)

(4) An inmate sued because he was not allowed to reside with his spouse, who is a fellow prison inmate. The inmate is a convicted murderer, while his spouse, whom he has met only at their prison marriage ceremony, is a convicted kidnaper. (Boyd v. Lewis)

(3) An inmate alleges that the Department of Corrections failed to properly rehabilitate him. Therefore, when he was released on parole he was arrested and convicted of another crime, which resulted in more jail time. (Kabage v. ADOC)

(2) A male inmate sued alleging his constitutional rights were violated by the refusal of prison officials to allow him to have and wear a brassiere. (Taylor V. Adams)

(1) An inmate alleges that the correction officials have retaliated against him. Part of that retaliation he alleges occurred when he was not invited to a pizza party thrown for a departing DOC employee. (Dickinson v. Elliott)

Top 10 Frivolous Inmate Lawsuits Nationally

(10) Inmate claimed $1 million in damages for civil rights violation because his ice cream had melted. The judge ruled that the "right to eat ice cream . . . was clearly not within the contemplation" of our Nation's forefathers. [NT—Clendenin v. State]

(9) Inmate alleged that being forced to listen to his unit manager's country and western music constituted cruel and unusual punishment. [OK—Watkins v. Sutton]

(8) Inmate sued because when he got his dinner tray, the piece of cake on it was "hacked up." [NV—Banks v. Hatcher]

(7) Inmate sued because he was served chunky instead of smooth peanut butter. [TX—Thomas v. State]

(6) Two prisoners sued to force taxpayers to pay for sex-change surgery while they were in prison. [PA—Brown v. Jeffes and Doe v. Vaughn]

(5) Inmate sued for $100 million alleging he was told that he would be making $29.40 within three months, but only made $21. [KS—Williams v. Dept. of Corrections]

(4) Inmate claimed that his rights were violated because he was forced to send packages via UPS rather than U.S. mail. [CA—Alcala v. Vanquez]

(3) Prisoner sued demanding L.A. Gear or Reebock "Pumps" instead of Converse. [UT—Winsness v. DeLand]

(2) Prisoner sued 66 defendants alleging that unidentified physicians implanted mind control devices in his head. [MI—Doran v. McGinnis]

(1) Death row inmate sued corrections officials for taking away his Gameboy electronic game. [AZ—Donald Edward Beaty v. Bury]

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2838) was agreed to.

Mr. HATCH. I move to reconsider the vote.

Mr. REID. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BROWN. I ask unanimous consent I be allowed to proceed in morning business for 60 seconds.

The PRESIDING OFFICER. Without objection, it is so ordered.

COLORADO BUFFALOES

Mr. BROWN. Mr. President, Coloradans were devastated to learn that the Colorado Buffaloes had no chance whatever to win our football game this weekend with Oklahoma.

Early in the week the Oklahoma Coach Schnellenberger said, referring to our Colorado team, "Our football team would prefer Detmer play. I don't want a damn asterisk when we beat their posteriors." Actually, I believe he used a different term than "posterior."

Upon being advised of the Oklahoma coach's statement implying the game's result was a foregone conclusion, our Colorado Coach, Rick Neuheisel, inquired if it would be OK if our team showed up anyway. He indicated that Colorado already paid the rent on the plane and would have a great deal of trouble getting our deposit back if we did not show up.

Mr. President, Oklahoma's reputation as being a great football power is legendary. The Golden Buffs feel honored to merely be able to appear with them in Memorial Stadium in Norman, OK. Our only hope is that the Oklahoma Sooners will be gentle with us.

Mr. SMITH. Mr. President, I ask unanimous consent to speak in morning business for up to 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

U.S. MARINE CORPS

Mr. SMITH. Mr. President, I rise today to bring to the attention of my colleagues a very insightful and compelling portrayal of the U.S. Marine Corps. In yesterday's Washington Post, George Will provides a heartfelt tribute to the culture and character our Nation's premier 911 force. It is an excellent editorial which I encourage all of my colleagues to review.

As Mr. Will so appropriately points out, the U.S. Marine Corps is a very unique institution. Its culture is rich with tradition, its character strong on conviction. Honor, discipline, valor, and fidelity are its virtues; dedication, sacrifice, and commitment its code. To those who willingly join this elite society, service is not merely an occupation, it is a way of life.

Mr. President, as we grapple with the challenges of balancing the Federal budget and downsizing our military force structure, there is much we can learn from the U.S. Marine Corps. The men and women of our Corps have experienced fiscal adversity first hand. For decades they have endured shortfalls in procurement, operations, and maintenance and qualify of life programs. Yet, amidst the challenges of austerity, they have remained true to their convictions and determined in their vow to be the most ready when the Nation is least ready. They have always delivered on this promise, and answered the Nation's call.

Whether rescuing American citizens in Rwanda, maintaining the watch off Somalia, conducting migrant rescue and security operations in the Caribbean, and ashore in Jamaica, Cuba, and Haiti, responding to crises in the Persian Gulf, or rescuing downed pilots in the hills of Bosnia, today's Marine Corps continues to deliver on its commitment to the American people and the United States Constitution. We owe them a profound debt of gratitude.

Mr. President, in closing, I ask unanimous consent that yesterday's Washington Post op-ed piece by George Will be printed in the Record, I commend Mr. Will for his thoughtful observations on the U.S. Marine Corps, and I encourage each of my colleagues to read this article and reflect upon the service these brave men and women provide to our Nation.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE MILITARY'S COUNTERCULTURE

(By George F. Will)

QUANTICO MARINE CORPS BASE, VA.—President Truman was a former Army captain and given to pungent expression of his prejudices, one of which was against the Marine Corps, which he derided as "the Navy's police force" with "a propaganda machine almost equal to Stalin's." He said that in August 1950. Note that date.

During the postwar dismantling of the military, other services grasped for the Marine Corps' missions and budget. Chairman of the Joint Chiefs of Staff Omar Bradley, a Missourian and Truman confidant, said, "large-scale amphibious operations . . . will never occur again." He said that in October 1949.

In the summer of 1950 the Korean War vindicated the Marine Corps' vow to be the most ready when the nation is least ready. While Truman was criticizing the Corps, Marines were rushing to Pusan to help stop the North Korean sweep, then going to Inchon in September for the great amphibious landing that reversed the tide of the war. The "propaganda of deeds" was the Marines' decisive argument regarding their future.

Today, in another military contraction, there again are voices questioning the Corps' relevance. Critics should come here, to these 60,000 acres devoted largely to a stern socialization of a few young men and women. The making of a Marine officer amounts to a studied secession from the ethos of contemporary America. The Corps is content to be called an island of selflessness in a sea of selfishness, and to be defined by the moral distance between it and a society that is increasingly a stranger to the rigors of self-denial.

The commanding general here, Paul K. Van Riper, says Quantico begins by teaching officer candidates four things—discipline, drill, knowledge of the service rifle and the Corps' history and traditions. The last is not least in a small institution that subscribes to Napoleon's dictum that "In war the morale is to the material as three to one."

Marines tell young men and women thinking of joining one of the military services that there are three choices and one challenge—that the Corps is a calling, not just a career. On this day, a cluster of young officers—from Harvard, the University of North Carolina, as well as the Naval Academy and other fine colleges and universities—eating a lunch of field rations in a grove of trees agrees. Says one, other people tell you what they do, Marines tell you what they are.

A barracks poster portraying the Trojan horse proclaims that "Superior thinking has always overwhelmed superior force," and officers are impatient with the stereotype of (as one puts it) "Marines with their knuckles dragging on the ground." "Why would the Marine Corps need a library?" asked an incredulous congressman when the Corps asked for the one it subsequently got. The answer is that this nation, with its vast human and material resources, has often waged wars of attrition, but the Marine Corps, the smallest service, must be, like Stonewall Jackson in the Valley, imaginative.

Being so is a tradition. During the 1930s the Marines refined the amphibious tactics that soon were used from North Africa to the South Pacific, and after 1945 were particularly innovative regarding the use of helicopters.

True, there has not been an amphibious assault since Inchon, and Iraqi sea mines—inexpensive leverage for second-rate nations—prevented one during Desert Storm. However, the Marine Corps, which 50 years ago was in danger of being consigned to largely ceremonial roles and embassy protection, is the service least affected by the end of the Cold War.

Lt. Col. Thomas Linn dryly estimates that about once every 11 years since 1829, someone in the White House or the other services has declared the Marine Corps dispensable. However, it is the nation's forward deployed expeditionary force and will not want for work in a world increasingly ulcerated by small, low-intensity conflicts fueled by religious, ethnic, and other cultural passions.

Speaking of cultural conflicts, what makes the Corps not only useful but fascinating is, again, its conscious cultivation of an ethos conducive to producing hard people in a soft age. Toward the end of their 10-week program, officer candidates arrive in the predawn gloom at the Leadership Reaction Course—a series of physical and mental problems they must try to solve under the stress of short deadlines. The candidates arrive after a two-mile run they make after they make an eight-mile march, which they make after being awakened after just two hours sleep. What is their reward for choosing this steep and rocky path in life? Life-and-death responsibilities at age 23.

Looking for today's "counterculture"? Look here.

The PRESIDING OFFICER. The Senator from Nevada.

DEPARTMENT OF COMMERCE, JUSTICE AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 1996

The Senate continued with the consideration of the bill.

Mr. BRYAN. Mr. President, I ask unanimous consent to set the pending amendment aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2840

(Purpose: To provide funding for the U.S. Travel and Tourism Administration for implementing certain recommendations and for carrying out a transition)

Mr. BRYAN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Nevada [Mr. BRYAN], for himself, Mr. BURNS, Mr. HOLLINGS, Mr. MCCONNELL, Mr. INOUYE, Mr. AKAKA, Mr. GRAHAM, Mr. MURKOWSKI, Mr. REID, Mr. BREAUX, Mr. DASCHLE, and Mr. THURMOND, proposes an amendment numbered 2840.

Mr. BRYAN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following:

UNITED STATES TRAVEL AND TOURISM ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses of the United States Travel and Tourism Administration, for implementing the recommendations from the White House Conference on Travel and Tourism and for carrying out the transition of that Administration into a public-private partnership, $12,000,000, to be transferred from the amount for deposit in the Commerce Reorganization Transition Fund (established under section 206(c)(1) of this title) that is made available in the item under the heading "COMMERCE REORGANIZATION TRANSITION FUND" under the heading "GENERAL ADMINISTRATION" under this title, notwithstanding any other provision of law.

Mr. BRYAN. Mr. President, I am pleased to report the floor manager has indicated that this amendment will be accepted. I want to acknowledge the support of the distinguished Senator from Montana, who has been most helpful in working through this amendment.

I yield the floor, if I may, to him. I made remarks earlier this morning. This deals with the USTTA. The distinguished floor managers have accommodated that.

I yield to the Senator from Montana.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BURNS. Mr. President, I thank my friend from Nevada. I do not think there is anybody on the Commerce Committee who is any more dedicated to the health of the industry we call tourism. If the American people would look around, this happens to be one part of the Commerce Department that produces an export that is $20 billion to this country in the black—not in the red. In fact, if it was not for agriculture and tourism, our balance of payments would look really bad.

But when any industry produces around $77 billion in foreign exchange earnings every year, we have to take note, especially since this country probably makes less investment in this part of our national economy than any other part.

Mr. President, 7.7 million people visited our State of Montana. Sometimes we think we are pretty authentic, but I also understand where the Senator from Nevada is coming from, too, because they have a very active tourism part of their State government and he has been supportive of that.

If this amendment is accepted, it is only an increase of around $5 million, because there is already $7 million of transition funds in there. Also, the plans and preparations are being made to privatize this department because the tourism industry wants to put together the funds. They think they can do a better job in establishing this commission than the Government can, and we agree with them. But let us give them the time, some funds, and a transition period and let them do it.

Mr. GRAHAM. Mr. President, as a former Governor of Florida, where the tourism industry is the State's largest employer, I am amazed at the fact that an industry with such tremendous economic impact can continually be so under-appreciated and misunderstood. Travel and tourism is the second largest industry in the United States behind health care, employing more than 13 million Americans both directly and indirectly. Last year, foreign spending on U.S. travel accounted for 39 percent of all service exports and 9 percent of total U.S. exports resulting in a $22 billion trade surplus.

The work of the administration gives our country international presence. USTTA plays an important role in helping States and the private sector to develop its international travel market, a part of a coordinated national marketing and economic strategy. State governments and private industry depend on USTTA research to assist them in marketing activities and spending decisions.

In Florida, tourism represents a $33 billion a year industry, employing 750,000 residents. International visitors, who make up 20 percent of Florida tourists, also have a regional impact. Often, tourists first visiting the United States will travel to Florida or California. On subsequent visits, however, statistics show they are likely to travel throughout the region or the country.

Yet while we are debating this issue today it is imporant to note that the National Governors Association at their 1995 summer meeting, adopted a resolution supporting the USTTA and their proposal to transition the agency into a public private partnership at the end of fiscal year 1996.

The resolution states:

> The Governors believe that a strong public private partnership is essential to promote tourism abroad and increase visitation to the United States. The Governors also believe that in a number of areas, the federal government bears responsibility for functions that can ensure benefits for state and national economies and international visitors.

This resolution like the Bryan-Burns amendment has bipartisan support because in the final analysis international tourism promotion is an investment in economic development and job creation. The United States cannot afford to be the only one of 157 developed nations without an official National Tourism Office.

Additionally, the first ever White House Conference on Travel and Tourism will bring together the recommendations of over 15,000 travel and tourism representatives from the 55 States and territories. One of the key recommendations to be announced is the strong support for a national tourism office that will serve as a catalyst for implementing a national tourism strategy for the 21st century.

Please join me in supporting the Bryan-Burns amendment which provides one additional year of funding at the $12 million level to allow the agency to transition itself in a businesslike and professional manner while implementing the recommendations of the first ever White House Conference of Travel and Tourism.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, I think we have worked out a good agreement here. We have decided in the committee to terminate this agency. Our dear colleagues asked for a provision that would allow them to phase it out over a year's period with a definite commitment that at the end of the year it is gone, with a transition into a private partnership program. I think it is an excellent amendment. I am happy to accept it.

I know Senator HOLLINGS feels the same way, so we are happy to accept this amendment.

The PRESIDING OFFICER. Is there further debate on the amendment? The Senator from Nevada.

Mr. BRYAN. Mr. President, I acknowledge publicly my appreciation for the response of the Senator from Texas.

I ask unanimous consent the junior Senator from California, Senator BOXER, be listed as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 2840) was agreed to.

Mr. GRAMM. Mr. President, I move to reconsider the vote.

Mr. LOTT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Pennsylvania.

AMENDMENT NO. 2841

(Purpose: To protect the reproductive rights of Federal women prisoners)

Mr. SPECTER. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Without objection the pending amendment is set aside. The clerk will report.

The bill clerk read as follows:

> The Senator from Pennsylvania [Mr. SPECTER], for himself, Mr. COHEN, Mr. JEFFORDS, Ms. SNOWE, and Ms. MIKULSKI, proposes an amendment numbered 2841.

The amendment is as follows:

> On page 34, strike lines 1 through 7.

Mr. GREGG addressed the Chair.

Mr. SPECTER. Mr. President, I yield to my distinguished colleague from New Hampshire on the condition I do not lose my right to the floor.

Mr. GREGG. Mr. President, I seek to propound a unanimous consent request at this time that I will present a sense-of-the-Senate amendment to this amendment that is pending, there will be 20 minutes of debate equally divided, that there will be a vote at 6 o'clock on the sense-of-the-Senate amendment.

I ask unanimous consent that be agreed to.

The PRESIDING OFFICER. Is there objection?

Mr. SPECTER. Reserving the right to object, I am prepared to accede to the vote at 6 o'clock providing there is a consent to my amendment which I discussed with the manager.

Mr. GRAMM. Which is this?

Mr. SPECTER. This is the amendment to strike the language which prohibits the expenditure of funds to pay for abortion for a woman in prison.

Mr. DASCHLE. Reserving the right to object.

The PRESIDING OFFICER. The Democratic leader.

Mr. DASCHLE. I will not object with the understanding it has been cleared on our side. Is that the understanding of the Senator from Pennsylvania?

Mr. SPECTER. No; it has not been cleared on that side.

Mr. DASCHLE. Then we have to object until I have had the opportunity to consult with our manager.

Mr. SPECTER. I object to the interruption of the pendency of the amendment.

The PRESIDING OFFICER. Objection is heard.

The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, the amendment which I have sent to the desk—I had not sought clearance from Senator HOLLINGS because Senator GRAMM objected to it so there was no point in seeking clearance. But the amendment provides we strike lines 1 through 7 on page 34. The amendment would strike the following language:

> None of the funds appropriated by this title shall be available to pay for abortion except where the life of the mother would be in danger if the fetus were carried to term, or in the case of rape, provided that should this prohibition be declared unconstitutional by a court of competent jurisdiction, this section shall be null and void.

Mr. President, the law at the present time is that a woman in prison may obtain an abortion under circumstances where the prison authorities think it is appropriate to do so. The use of this procedure has been very, very limited.

The PRESIDING OFFICER. The Senate will please come to order.

Mr. SPECTER. The procedures have been used on a very limited basis. From April 1995 through July 18, only nine abortions were performed on Federal women prisoners.

The restrictions on the ban were lifted in late 1993, but when language was not included in the appropriation bill, the Bureau took more than 1 year to reestablish procedures for funding abortion services. In 1994, I am advised that there were 73 live births to Federal prisoners. In 1995 there have been 21 births.

The Bureau of Prisons advises that there are nearly 7,000 women incarcerated for Federal crimes, and about 70 percent of those are there on drug offenses.

The situation would exist, if this language were to become law, the language which I seek to strike, that women in prison who have a serious medical need would be denied an abortion. They obviously are not in the position to pay for their own abortions when they are in jail and unable to earn any money.

By way of background, in 1995, an amendment was offered to prohibit funding to the Federal prison system for abortions on pregnant inmates except when the life of the mother was in danger. A tabling motion failed on a 46 to 46 vote. Then the amendment was defeated on a constitutional point of order—may we have order, Mr. President?

The **PRESIDING OFFICER**. The Senator is correct. The Senate will be in order.

The Senator from Pennsylvania.

Mr. **SPECTER**. I thank the Chair.

The amendment was then defeated on a constitutional point of order 47 to 48, that prisoners are legally entitled to adequate medical care when there exists a serious medical need.

The thrust of this amendment would place women in prison in a very disadvantaged position, and it is my view this language ought to be stricken.

Ms. **MIKULSKI**. Mr. President, I am pleased to support the amendment offered by the distinguished senior Senator from Pennsylvania.

The amendment would strike from the bill before us the provision which prohibits Federal funds from being used for abortion services for women in Federal prison.

But, let me be clear. The amendment would leave intact language in the bill which provides a conscience clause for those opposed to abortion. That language, which this amendment does not touch, ensures that no person would be required to perform, or facilitate in any way the performance of, any abortion.

Let me tell you why I believe this amendment must be adopted.

The provision contained in the committee-passed bill is part of a wideranging assault on women's reproductive rights. Mr. President, it is going to be a long autumn for America's women. Let us look at what has happened already.

The Senate has voted to deny women who are Federal employees coverage under their health plans for abortion services.

A Senate/House conference committee has voted to ban abortions for women in the military stationed overseas.

The House has voted to let States deny Medicaid abortions for victims of rape and incest.

The House version of the D.C. appropriations bill would tell the District of Columbia that it can not use its own, locally raised, revenues for abortions for poor women.

Legislation to ban certain late term abortions, even when severe fetal abnormalities are present or the woman's life or health is at serious risk, is under consideration in both the House and Senate.

And now, under the bill before us, no abortions for women in Federal prisons.

Action after action, vote after vote, we have seen yet another attack on women's reproductive rights. We are facing a full scale assault on women's constitutionally protected right to choose.

Those who oppose reproductive rights know better than to launch a direct attack. The public strongly supports the right to choose, and the antichoice forces know it.

So, instead they chip away at the right, hoping perhaps that no one will notice that yet another group of women have lost their rights.

The bill before us today picks upon a particularly vulnerable population. Women in prison. Women who are totally dependent on health care services provided by the Bureau of Prisons.

Let us be honest. There is no significant Federal expense involved in providing abortions for women in Federal prisons.

Only nine women have obtained abortions since earlier prohibitions were repealed in 1993. So this is of no real consequence to the Federal budget.

Yet, it is a huge issue for the few women who do find themselves in this desperate circumstance. These are not women who have the resources to ever afford private medical services. So by including this provision in this bill we are voting to deny these women access to a legal medical procedure.

And who are these women?

Over two-thirds of the women in Federal prisons are drug offenders. Many of them are in poor health, perhaps HIV-infected, or suffering from AIDS—with all the risks this entails for a developing fetus. Many are themselves victims of abuse.

To add to all this, if these women are forced to carry a child to term, they face the certainty that the child will be taken from them. How can we force women facing these circumstances to bear children against their will?

To deny these women the right to make their own decision on abortion—a decision carefully arrived at after consultation with a physician and appropriate counseling—is unconscionable.

The provision included in this bill is bad policy. It is one more attack on women's reproductive rights.

I hope my colleagues will join me in supporting the amendment offered by the Senator from Pennsylvania.

IN OPPOSITION TO BACK-DOOR APPROACH TO UNDERMINING THE CONSTITUTIONAL RIGHT TO AN ABORTION

Mrs. **FEINSTEIN**. Mr. President, I rise in opposition to sections 103 to 105 of the Commerce Justice State appropriations bill. These sections would further undermine the constitutional right to an abortion.

The right to an abortion was first articulated by the Supreme Court in the 1973 Roe versus Wade decision. This decision balanced the interests of protecting the fetus with the important interests of the mother, establishing a trimester system under which the right to choice in this country was delineated. Subsequent decisions have held that the Government may not place an undue burden on the woman's right, prior to fetal viability, to make a decision whether or not to have an abortion.

There is no right to choose without access to choice. Restricting women's choice on these appropriations bills, and on other unrelated legislation, is a circumspect, back-door approach to prohibiting abortions.

For women who cannot afford an abortion on their own, for poor women, this back-door approach to limiting abortions is just one more step to a back-alley abortion.

The many efforts to undercut the constitutional right to an abortion in this Congress, and earlier Congresses, have been documented by the National Abortion Rights Action League in their publication, "The Road to the Back Alley." I recommend that interested individuals consult this publication.

Efforts to undercut a woman's right to choose have included:

Blanket restrictions on Federal funding for abortions. As an alternative to unsuccessful congressional efforts to prohibit abortion outright, abortion opponents have worked to ban the use of Federal funds to pay for abortions. These restrictions, popularly referred to as "Hyde amendments," have been attached to appropriations bills ever since Roe versus Wade. The most recent of such measures was Representative ISTOOK's amendment to give States the option of not providing funds to Medicaid recipients in cases of rape and incest.

Banning U.S. aid to international family planning groups performing abortions or abortion counseling. In June, the House approved an amendment to a foreign affairs bill that would ban U.S. aid to any international organizations that perform abortions, counsel women on abortions, or lobby on abortion issues.

Prohibiting health insurance companies from paying for abortions for Federal employees. On July 19, the House approved reinstatement of legislation prohibiting the Federal Employees Health Insurance Program from paying for abortions, except when a woman's life is in danger. The Senate approved similar language on August 4, with exceptions for rape and incest.

Barring abortions at military hospitals, even when paid for privately. On June 16, the House voted to restore a ban President Clinton had lifted against privately funded abortions in overseas military hospitals.

Prohibiting certain types of late-term abortions. On July 18, the House Judiciary Committee reported legislation that would make it a crime for doctors to perform a late-term abortion procedure called intact D&E. This procedure is extremely rare, and almost exclusively limited to cases in which tragic fetal deformities have been detected.

This is only a partial list of the backdoor assaults on a woman's right to choose. The proposed language is just one more step in the long line of rollbacks on women's reproductive freedoms. I urge my colleagues to strike this language from the Commerce-Justice-State appropriations bill.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. GRAMM. Mr. President, this is House language in the bill. The House language is very clear. We are talking about taxpayers' money. Both the House and the Senate have taken the position that when the taxpayers' money is being spent to fund abortions, that abortion should be restricted, that it ought to be restricted to rape, to incest, and to the life of the mother.

What the distinguished Senator from Pennsylvania will do by striking the Hyde language from this bill is to basically give taxpayer funding for abortion on demand. I do not believe that the House or the Senate supports that action, and I am opposed to it.

Let me see if any of my colleagues want to speak on the issue. If not, we will have a motion to table.

Mr. GREGG. Mr. President, I would like to make another attempt at propounding this unanimous consent.

I ask unanimous consent that at the conclusion of the debate and disposal——

Mr. DOMENICI. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order. Will Senators and staff please take their conversations to the cloakrooms?

The Senator from New Hampshire may proceed.

Mr. GREGG. I ask unanimous consent that at the conclusion of debate on the present Specter amendment, that my sense-of-the-Senate proposal—which would be to the underlying bill which will be offered and not be subject to a second degree—would be debated for 20 minutes, with 10 minutes on both sides, and that there would then be a sequence of votes should there be a vote ordered on the Specter amendment. If there is not a vote ordered on the Specter amendment, then there would be just a vote that would occur on my sense-of-the-Senate amendment.

The PRESIDING OFFICER. Is there objection?

Mr. DASCHLE. Mr. President, I will agree to that time agreement, and I think 10 minutes on each side is adequate. I will only modify it with the one additional request, that the Senator from Wisconsin, Senator KOHL, be recognized to offer the next amendment following the disposition of the Specter amendment.

The PRESIDING OFFICER. Is there objection?

Mr. SPECTER. Reserving the right to object, I want to be sure I understand this. At the conclusion of the debate on this amendment, then the Gregg amendment would follow, and there would be back-to-back votes on my amendment and the amendment by the Senator from New Hampshire.

Mr. GREGG. There would be 20 minutes of debate on my sense of the Senate.

The PRESIDING OFFICER. Is there objection?

Mr. DASCHLE. Reserving the right to object, is there an understanding as to how long we will be debating the Specter amendment? Could we get a time agreement on that?

Mr. GRAMM. It is our intention to move to table the amendment now.

Mr. SMITH. Will the Senator yield?

I say to the minority leader, I have no intention to debate. I am prepared to move to table. But I do not want to cut the debate off if there are others who wish to speak. At this time, if it is appropriate, I move to table.

The PRESIDING OFFICER. Is there objection to the unanimous consent offered by the Senator from New Hampshire, as modified by the Democratic leader?

Without objection, it is so ordered.

Mr. SMITH. Mr. President, I move to table the Specter amendment.

Mr. SPECTER. Will the Senator from New Hampshire hold off on that for a brief reply to what the Senator from Texas had to say?

Mr. SMITH. Yes. I withhold.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, by way of a very brief reply, the language in this bill is even more restrictive than the Hyde amendment. As the Senator from Texas has propounded, the language of the Hyde amendment limits abortion except for rape, incest, or the life of the mother, and that amendment does not even permit an abortion in the event of incest. Rather, the current language of the bill does not permit abortion even in the event of incest.

The language is that none of the funds appropriated by this title—in prison, my colleague from Texas says. But a prisoner can be impregnated as a result of incest before coming to prison. This language is even more restrictive than the Hyde language. This language says that none of the funds appropriated by this title shall be available for an abortion except for the life of the mother——

The PRESIDING OFFICER. If the Senator will withhold, the Senate will please come to order.

The Senator from Pennsylvania.

Mr. SPECTER. Except when the life of the mother would be endangered if the fetus were carried to term, or in the case of rape.

It is entirely possible that a woman might be the victim of incest prior to the time she is incarcerated. It still takes 9 months from the time of impregnation to give birth to a child. Incest is a distinct possibility within that time limit.

Contrary to what the Senator from Texas has said, this is not a matter of abortion on demand. This is a matter of abortion when the prison authorities permit the abortion to be carried out. It is not a matter that a woman can simply demand it.

The PRESIDING OFFICER. Will the Senate please come to order?

Mr. SPECTER. And if there is a case of serious medical need, a woman ought to be entitled to have an abortion. These women are in prison. They are obviously not able in most cases—in many cases—to earn enough money to have an abortion. When the matter is left within the discretion of the prison officials considering all the circumstances, it has been used on a very, very limited basis, with the statistics showing that only seven abortions were conducted in a period of several months since they were begun in April 1995 through mid-July.

I think this is a very reasonable position leaving the decision in the hands of the prison authorities, and I urge adoption of the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. SMITH. Mr. President, if no one seeks recognition for further debate, I move to table the Specter amendment.

Mr. FORD. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Under the previous order, the Senator from New Hampshire is recognized for 10 minutes.

Mr. GREGG. I thank the Chair.

AMENDMENT NO. 2842

Mr. GREGG. Mr. President, I send an amendment to the desk and ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Hampshire (Mr. GREGG) proposes an amendment numbered 2842.

Mr. GREGG. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place insert the following:

It is the sense of the Senate that none of the funds appropriated or otherwise made available pursuant to this act should be used for the deployment of combat-equipped forces of the Armed Forces of the United States for any ground operations in Bosnia and Herzegovina unless—

(1) Congress approves in advance the deployment of such forces of the Armed Forces; or

(2) the temporary deployment of such forces of the Armed Forces of the United States into Bosnia and Herzegovina is necessary to evacuate United Nations peacekeeping forces from a situation of imminent danger, to undertake emergency air rescue operations, or to provide for the airborne delivery of humanitarian supplies, and the President reports as soon as practicable to Congress after the initiation of the temporary deployment, but in no case later than 48 hours after the initiation of the deployment.

Mr. GREGG. Mr. President, the amendment which I proposed originally I had planned to offer as to the continuing resolution, as an act versus a sense-of-the-Senate, but in an attempt to accommodate my colleagues——

Mr. DOMENICI. Mr. President, may we have order?

The PRESIDING OFFICER. The Senator from New Mexico is correct. Staff and Members will please take their conversations to the Cloakroom.

Mr. GREGG. To accommodate my colleagues——

Mr. DOMENICI. Mr. President, the Senate is not in order. I cannot hear the Senator.

The PRESIDING OFFICER. The Senator from New Mexico is correct. The Senators to the left of the Chair, please take their conversations to the Cloakroom.

The Senator from New Hampshire.

Mr. GREGG. I thank the Senator from New Mexico for his courtesy.

Mr. President, in an attempt to accommodate my colleagues, who I understand wish to move on to other business but who I also think desire to speak on this issue in some manner before we break for a week, I have made this——

Mrs. BOXER. Mr. President, if I may say, there are conversations on the floor of the U.S. Senate when the Senator is trying to speak about a very crucial issue that is a matter of life and death, and I urge, if the Chair could, the Chair to be even stronger than he has been to get some order because it is hard for me to hear sitting right across from the Senator.

The PRESIDING OFFICER. The Chair is attempting to be strong. I hope the Senators will be strong in holding forth their conversations elsewhere.

The Senator from New Hampshire.

Mr. GREGG. I thank the Chair for his strength.

The purpose of this amendment is to raise the issue of how this legislative body should address the pending potential introduction of troops into Bosnia, American troops.

The administration has stated on a number of occasions that it is a distinct possibility that up to 25,000 American soldiers will be asked to serve on the ground in Bosnia. That, of course, creates a significant issue first for those soldiers who would be putting their lives at risk but also for us as a country as to whether or not it is appropriate for us to be asking our men and women to put at risk their lives in this conflict.

It seems, when there has been such a clear statement of purpose and potential risk for American troops, it is appropriate that we as a Congress act to either approve that action or disapprove that action. Clearly, the power to undertake actions which put American soldiers' lives in harm's way lies primarily and first with the President, but obviously we as a Congress also play a major role, not only on the appropriating side but, more importantly, on the side of being concerned for our soldiers, many of whom will obviously be our constituents.

Therefore, I feel strongly that prior to the President taking this action, he should come to the Congress and ask for our approval. I believe he should meet three tests before we give him that approval.

First, he should be able to define what it is that the soldiers will be asked to undertake, what the conflict is that we will be entering and what our role is in that conflict.

Second, he should be able to explain to us the length of time and the manner in which they are going to serve when they are on the ground and what sort of risks they will be put at.

And, third, he needs to be able to express to us how we will be getting our soldiers out.

I think it is very important that he define in this process what our national interest is in putting American lives at risk. That is the bottom line, I believe, that he must satisfy as President.

In addressing that issue, the appropriate body to address it to, obviously, is the American people but also the Congress of the United States as the representative of the American people. Therefore, I do feel it is absolutely critical that before troops are deployed in this region, especially in the numbers which are being considered by the administration—25,000—we have a full and open debate of the matter here in the Congress and that we get from the President a clear and precise and understandable definition of purpose in undertaking this very serious act.

So this sense-of-the-Senate resolution essentially addresses that issue. It says that the President shall come to the Congress before he sends troops into harm's way in Bosnia except in certain limited circumstances.

The language which I have agreed to is actually language which I originally drafted and then presented to the other side, which was reviewed, and to which they made some adjustments, and I understand it is now acceptable to the Democratic leader. As such, I hope we could have strong support of this because it is clearly the role of the Congress to undertake this sort of debate and pursue this sort of action before our troops are deployed in this type of situation.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who controls time in opposition to the amendment?

Mr. NUNN. Mr. President, I believe I am in control.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. NUNN. Mr. President, could I be notified after 4 minutes?

Mr. President, I agree with this amendment expressing the sense of the Senate that none of the funds appropriated or otherwise made available pursuant to this act shall be used for deployment of combat equipped forces of the Armed Forces of the United States for any ground operations in Bosnia unless, and then the two conditions as set forth: Congress approves in advance deployment of such forces of the Armed Forces and the temporary deployment authority.

Mr. President, this amendment does not have the effect of law and does not tie the President's hands. It does state the sentiment and view of the Senate of the United States. If it did tie the President's hands at this critical juncture while the peace negotiations are underway, I would oppose it and vote against it. We should not tie the hands of the President at this critical juncture. If the word went out that there was going to be no U.S. participation after a peace agreement is entered into, then there likely would be no peace agreement entered into by the parties.

Mr. President, America must lead. We have seen what happens when we do not lead. We have recently seen what happens when we do lead. Our leadership must be in NATO and through NATO. Our objections to deployment, if there are objections to deployment, of troops by the United States should also be applicable to NATO troops because we are part of that alliance. It is not just the United States we are concerned about. It is also our allies and the alliance itself. Our conditions for deployment should be made known through NATO and that forum.

Before any decision is made to deploy U.S. forces or in my view NATO forces pursuant to a peace agreement, we should ask a number of questions, a very difficult set of questions, a very important set of questions regarding that deployment.

The first question that I would have—and there would probably be others that would occur to me as time goes on—are the borders between the various factions under the peace agreement both definable and defendable? Is this a sound peace agreement? If we are deploying pursuant to a peace agreement, the key question is, What kind of peace agreement? Is it a sound peace agreement? Does it have a reasonable chance of success? And can U.S. forces and NATO forces enhance the prospects of success?

The second question I would have: Has the President clearly made the case to the American people that the deployment of U.S. ground forces is important to America's national security? That case must be made. The American people must understand this. They must support it. That is a condition that has to be fulfilled if we are going to have a sustainable position if things get rough in Bosnia. And they could get rough—no one should be mistaken about that—although the risk has gone down substantially compared to a month ago when the lines were not as clear as they have been since the recent ground action.

Mr. President, the concern I have would not be simply the rights of the Bosnian Moslems versus the Bosnian Serbs but also the rights of the Bosnian Moslems vis-à-vis the Croatian-Bosnians, if that kind of federation breaks up. And it is very important that federation not break up.

Another question, Mr. President, that I think has to be discussed by our executive branch and by Congress, Do we have an exit strategy? By that I mean, Do we know when the mission will be successful, when it will end, and how we define success?

That involves at least deciding in advance with our allies whether we are going to arm the Bosnian Moslems before we exit—before we exit—or whether we are going to find another way to level the playing field so that the parties can defend their own territory including the possibility of a build-down.

The PRESIDING OFFICER. The Senator has consumed 4 minutes.

Mr. NUNN. I yield myself 1 more minute, Mr. President.

Mr. President, the other question that occurs to me at this moment is whether NATO is clearly going to be in charge. NATO must be in charge. There must be no dual key. We cannot have a repeat of what we have had in the last 2 years with the United Nations having the dual key. I believe it is also imperative, if we are going to deploy NATO forces and U.S. forces, that we deploy a robust force, a force that is big enough and tough enough and well enough equipped not to be pushed around and to defend itself in the event of any kind of conflict.

There must be clear rules of engagement. And those rules of engagement must permit a very vigorous response to any attack on U.S. forces or NATO forces.

Mr. President, these are just a few of the questions that I believe are important.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. GREGG. Mr. President, I ask unanimous consent to add Senator LIEBERMAN and Senator DOMENICI as cosponsors.

I yield 2 minutes to Senator SPECTER.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPECTER. I support this sense-of-the-Senate resolution because I think it is indispensable that advance approval be given by Congress before U.S. troops are deployed, absent the emergency situation described in subparagraph 2.

When the distinguished Senator from Georgia talks about impeding the ultimate peace agreement, it seems to me that we ought to put everyone on notice that congressional approval is required before there will be a commitment of 25,000 U.S. personnel. What we are really involved in in modern times is that the constitutional authority of the Congress to declare war has been undermined by the conflict in Korea, which was really a war without a congressional declaration, and by the Vietnam war, which was really a conflict there without a congressional declaration, the Gulf of Tonkin resolution not really being a substitute.

There was very serious debate on the floor of this body in January 1991, when the use of force was authorized. I took the position, as did many Senators, that the President, a Republican President, George Bush, did not have the authority to go into the gulf war without congressional authorization.

The questions which have been posed by the Senator from Georgia are very important questions for congressional debate. We should not have a decision made to obligate U.S. personnel without congressional authority. And everyone who is a party to the negotiations there, ought to understand that that is the position of the Congress.

Without support from the American people, the military action cannot be sustained. That support is determined by the action of the Congress of the United States. So this is a very important resolution to put everyone on notice, including the President of the United States.

The PRESIDING OFFICER. The Senator's time has expired.

Who yields time?

Mr. LEVIN. Would the Senator from Georgia yield me 1 minute?

Mr. NUNN addressed the Chair.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. NUNN. I yield the Senator from Michigan 1 minute.

The PRESIDING OFFICER. The Senator from Michigan is recognized for 1 minute.

Mr. LEVIN. I thank the Senator and I thank the Chair.

I wonder if the Senator would be willing to answer a question relative to his understanding of this resolution.

I, first of all, think he laid out a series of very important questions, and I concur that those are critical questions that need to be answered prior to the use of ground forces in Bosnia.

But my question of the Senator is this: He pointed out this is not legally binding because it is a sense-of-the-Senate resolution. If this same language, at a later time, were offered without the words that it is a "sense of the Senate" so that it did then become a legally binding document or language, would it be consistent for those of us who might vote yes today to vote no at a later time because of the timing of the offer of that language or for any other of a number of possible reasons?

The PRESIDING OFFICER. The Senator's time has expired.

Mr. LEVIN. Would the Senator yield me 30 additional seconds?

Mr. NUNN. I yield myself 30 seconds.

I will respond to the Senator from Michigan that his question should be answered, yes, it would be consistent. There is a great deal of difference in expressing to the President what the view of the Senate is and then passing a law that binds the President, particularly when this kind of negotiation is going on. So it would be consistent.

Mr. LEVIN. I thank the Senator.

The PRESIDING OFFICER. Who yields time?

Mr. GREGG. I yield 2 minutes to the Senator from South Carolina.

The PRESIDING OFFICER. The Senator from South Carolina is recognized for 2 minutes.

Mr. THURMOND. Mr. President, I went to the White House today and met with the President and Members of the Senate on this particular subject. I took the occasion at that time to make three points:

First, the American public needs to fully and completely understand what U.S. national security interests are at stake before the United States commits or sends United States service men and women to Bosnia.

Next, the President of the United States should not commit or send U.S. troops without congressional approval.

Now, if that congressional approval is given—this is the third point—any U.S. forces will have to be under the NATO operational control with robust rules of engagement. And I feel that this is such a serious situation, that these three points should be observed in considering this important matter.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. NUNN. Mr. President, I yield 1 minute to the Senator from Massachusetts.

Mr. KERRY. Mr. President, I thank the Senator from Georgia. I thank the Senator from New Hampshire also for working out language with us. This is precisely the same thing we have already voted on in the Senate by 99 to 1. We basically already approved this language. It is a variation in the language here today. But it is the same principle. And the principle is very simple; that if we are going to engage in a large-scale peacekeeping effort, the country is better off and the President is better off with approval from Congress.

I think it is very important to note that the meeting that the Senator from South Carolina just talked about today was attended broadly by House and Senate Members, bipartisan leadership.

The President made it very clear, saying that he thought President Bush did the right thing in coming to Congress to ask for approval. He thought the Congress did the right thing in giving it. But we should remember that President Bush sent 500,000 troops to the gulf prior to any approval from Congress. All he had was a sense-of-the-Senate resolution saying this was OK after the fact. The President appropriately has reserved the right with respect to constitutional power not to make a commitment. And we should not hold him to that.

So I think it is entirely appropriate here today to say that a sense of the Senate should have unanimous approval. But if this were a law tying the hands of the President, I think many Members on the other side would also join us in disapproving it.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. NUNN. I reserve the remainder of my time.

How much time do I have remaining?

The PRESIDING OFFICER. The Senator has 1 minute 55 seconds.

Mr. NUNN. Mr. President, of that time, I yield to the Senator from Illinois 1 minute and I yield to the Senator from Connecticut 55 seconds.

The PRESIDING OFFICER. The Senator from Illinois is recognized for 1 minute.

Mr. SIMON. Mr. President, I agree with everything the Senator from Georgia had to say. I reach a different conclusion. And I may be the only one voting against this. Tom Friedman of the New York Times had a column recently in which he said, "France acts like a great power but does not have the resources. The United States has the resources but does not act like a great power."

We cannot have effective foreign policy if Congress micromanages it. The Senator from Georgia asks a series of questions. I think there is one other question. Does it help peace in Bosnia to adopt this resolution? I think it unnecessarily raises questions, and I am going to vote against the amendment.

The PRESIDING OFFICER. The Senator from Connecticut is recognized for the remaining time.

Mr. LIEBERMAN. I thank the Chair.

Mr. President, I rise to support the amendment. I am privileged to be a cosponsor of it because I think it ought to be the beginning of bipartisan cooperation on this question of authorizing American troops to be part of a peacekeeping mission in Bosnia. The fact is that this amendment is consistent with what President Clinton has said. He has clearly said he expects and would welcome congressional action prior to any dispatch of American troops to Bosnia to enforce a genuine and just peace agreement.

Mr. President, I want to make very clear that I view the exercise of American leadership to bring about the NATO strikes which have brought Bosnia now to the verge of peace as an exercise of leadership which has revived NATO's credibility.

There is no way, if there is a peace agreement, that we can maintain our credibility and NATO's if we do not contribute American troops to that peacekeeping force.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. LIEBERMAN. I thank the Chair and yield the floor.

Mr. GREGG. How much time do I have remaining?

The PRESIDING OFFICER. The Senator from New Hampshire has 2 minutes 40 seconds.

Mr. GREGG. I yield 2 minutes to the Senator from Maine.

Mr. COHEN. Let me take a moment to challenge the notion that somehow the U.S. Senate is engaged in micromanagement.

We are talking about the President of the United States, who is considering deploying 25,000 troops to one of the most hostile regions in the world, that has been filled for centuries with ethnic hatred, poison and death. And we are talking about deploying those troops to that region without having any sort of defined plan presented to us, without knowing what the ground rules are going to be, so to speak, without knowing who is in charge, without knowing what the Russian role is going to be.

If ever there was a case in which we ought to be consulted and give approval, it is this one.

Let me also take issue with those who said, "Well, President Bush finally came to Congress." It was only after we insisted day in and day out and by going down to the White House, that the President finally agreed to come to Congress to get authority. Before that President Bush was determined to say, "I only have to get authority from the United Nations, that's where I get my authority." We resisted that, and we actually forced the administration to come to us. Not only was it politically wise for him to do so, but we believe he was constitutionally mandated to do so.

So the notion that somehow we are micromanaging is misconceived. We are the ones who raise and support the Army, and we have a coequal responsibility, not just the President, if we start deploying 25,000 troops to a region that has been afflicted over the centuries with hatred and conflict.

Mr. President, I support the Senator's resolution.

The PRESIDING OFFICER. The Senator from New Hampshire has 40 seconds remaining.

Mr. GREGG. Mr. President, this resolution lays down the ground rules for any major American involvement in Bosnia, and essentially they are: The President must explain to this Congress and the American people what the national interest is which justifies putting American lives at risk, and must receive the approval of this Congress before those lives are put at risk.

That is a reasonable request in a democracy, and I appreciate the support of the Members of the Senate in this matter.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER (Ms. SNOWE). The majority leader.

Mr. DOLE. Madam President, I will use 2 minutes of my leader's time to comment on the pending matter.

We had a good meeting with the President this afternoon. Many of us were there, Republicans and Democrats. I think he understands the administration needs to present their case to Congress.

I asked three questions, very short questions: How many? How long? And how much? How many American troops, men and women are going to go to Bosnia? How long are they going to be there? And how much will it cost? That is the first thing the American people want to know.

I believe we are making progress in that part of the world because of the bipartisan efforts of Members of Congress who have stood firm in support of a small nation, an independent nation, a member of the United Nations, Bosnia and Herzegovina. That plus the Croatian military action a couple of months ago, in my view, moved us along, plus the negotiating efforts by the administration.

So I think everybody can take some credit. But the case has not been made to this point. It may be made, perhaps it will be made. The view I had from the President, without quoting anything he said, is that he certainly understood that they would have to come up and make their case. They are going to ask for money, and I think they will go before the Foreign Relations Committee, maybe the Armed Services Committee and maybe make an excellent case.

I know how bitter some of the debate was during the gulf crisis, and I know many in this body said we ought to have sanctions, that sanctions would work. We still have sanctions, and Saddam Hussein is still there. It has been years and years, so that was not the right way to go.

In any event, I hope that we will do what we should do. We are talking about American lives, American young men and women, and we do need to make a very careful judgment, and I think this sends a strong signal that we will make that careful judgment. I thank my colleague.

Mr. GREGG. Madam President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Madam President, I ask unanimous consent that I be granted 1 minute for debate before the vote.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EXON. Madam President, I wish to congratulate the majority leader for the remarks he just made. I thought it was an excellent meeting at the White House today.

I will simply say that I think the President unquestionably has agreed to consult with the Congress. I believe that commitment was made again today.

This is a very critical time. I hope and believe that adoption of this measure is meaningless, but I hope and think at this particular time we could do no good by adopting this once again, but, obviously, it will be adopted. I will oppose it because I think it is ill-timed for us to be stepping into this matter once again at this particular juncture.

I thank the Chair, and I yield the floor.

Mr. DOLE. Madam President, I ask unanimous consent to print in the RECORD a letter the President sent to me on October 20, 1993. Let me read one paragraph:

> I also have made clear that it would be helpful to have a strong expression of support of the United States Congress prior to the participation of U.S. forces in implementation of a Bosnian peace accord. For that reason, I would welcome and encourage congressional authorization of any military involvement in Bosnia.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, DC, October 20, 1993.

Hon. ROBERT DOLE,
United States Senate,
Washington, DC.

DEAR MR. LEADER:

The violent conflict in the former Yugoslavia continues to be a source of deep concern. As you know, my Administration is committed to help stop the bloodshed and implement a fair and enforceable peace agreement, if the parties to the conflict can reach one. I have stated that such enforcement potentially could include American military personnel as part of a NATO operation. I have also specified a number of conditions that would need to be met before our troops would participate in such an operation.

I also have made clear that it would be helpful to have a strong expression of support from the United States Congress prior to the participation of U.S. forces in implementation of a Bosnian peace accord. For that reason, I would welcome and encourage congressional authorization of any military involvement in Bosnia.

The conflict in Bosnia ultimately is a matter for the parties to resolve, but the nations of Europe and the United States have significant interests at stake. For that reason, I am committed to keep our nation engaged in the search for a fair and workable resolution to this tragic conflict.

In closing, I want to express my sincere appreciation and respect for the manner in which we have been able to work together on important issues affecting national security. Over the years, the greatest successes in American foreign policy have had bipartisan support. I am gratified that we have been able to sustain that tradition and thank you for your leadership in that regard.

Sincerely,

BILL CLINTON

MAKING CONTINUING APPROPRIATIONS FOR THE FISCAL YEAR 1996

Mr. DOLE. Madam President, before moving to the vote, I would like to take up the CR, which has now been cleared on each side.

I ask unanimous consent that the Senate now turn to the consideration of House Joint Resolution 108.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

> A joint resolution (H.J. Res. 108) making continuing appropriations for the fiscal year 1996, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. HATFIELD. Madam President, the Senate has received from the House a joint resolution to provide funding through November 13, 1995, for the continuation governmental activities carried out during fiscal year 1995.

This is a clean bill, providing funding for the activities funded in the 13 annual appropriations bills. The funding levels are sufficient to continue government activities without prejudice to the ultimate enactment of regular bills, but at levels sufficiently low to provide an impetus for successful completion of those bills.

The bill continues ongoing programs at restrictive rates that are the average—less 5 percent—of the 1996 levels in the House-passed and Senate-passed bills. For those programs that are terminated or significantly affected by either the House or Senate bills, the rate may be increased to a minimal level—which could be up to 90 percent of the current rate. In any instance where the application of the formula would result in furloughs then the rate can be increased to a level just sufficient to avoid furloughs.

I would have preferred to come here today to announce the enactment into law of the 13 regular bills, rather than to urge your support for a continuing resolution covering those 13 bills. At this point, however, non of the regular bills has been enacted into law. I am hopeful that before the end of the session we can resolve our differences with the administration and the House and have 13 bills enacted into law. The 6 additional weeks granted by this resolution will give us some breathing room for addressing some fundamental differences between the executive and legislative branches.

This joint resolution is very restrictive. This resolution is drafted so that there is very little incentive to extend the resolution for a longer time. For example, section 114 mandates that the resolution "shall be implemented so that only the most limited funding action of that permitted in the resolution shall be taken in order to provide for the continuation of projects and activities." In addition, section 113 mandates that, for those programs that had high initial rates of operation or completed distribution of funds to other entities at the beginning of fiscal year 1995, no similar distributions shall be made or grants shall be awarded that would impinge upon final funding prerogatives. Also, section 109 states that no provision in the fiscal year 1996 Appropriations Acts that makes the availability of any appropriation contingent upon the enactment of additional authorizing or other legislation shall be effective before the expiration date set forth in the resolution. These provisions help guarantee that neither the executive nor legislative branches will prefer continuation of this resolution to the enactment of the regular fiscal year 1996 bills.

Mr. BYRD. Madam President, I congratulate the Republican leadership in the House and Senate for working diligently over the past number of days in hammering out with the administration this continuing resolution, H.J. Res. 108. I particularly compliment the efforts of the chairmen of the Appropriations Committees of the House and

Senate, Congressman LIVINGSTON and Senator HATFIELD, for their leadership in working out this agreement. These two chairmen deserve the lion's share of the credit for working day and night over the past several weeks in negotiations with the administration on this continuing resolution.

Enactment of this resolution will provide the necessary funds to continue the operations of all agencies and departments of the Federal Government over the period October 1 (the beginning of fiscal year 1996) through November 13, 1995. In addition, the resolution provides that, upon enactment into law of any of the 13 regular appropriation bills for fiscal year 1996, that full year appropriation act shall supersede the continuing resolution.

This continuing resolution is necessary to enable Congress to complete its work on the fiscal year 1996 appropriation bills. To date, only two of the 13 regular appropriation bills have been sent to the President for his signature—namely, the Military Construction Appropriation Bill and the Legislative Branch Appropriation Bill.

There are a number of other bills upon which conferences either have been completed or are nearing completion. However, the President has indicated that he will veto as many as five, or possibly more of the 1996 appropriation bills. Among the bills that he has expressed his intention to veto are the Defense Appropriation Bill, which, in the President's view, provides several billion dollars above what he and the Pentagon agree is necessary in defense spending for fiscal year 1996. The President rightly believes that this excess defense spending could be more wisely used to ease the dramatic reductions that are contained in a number of the other 1996 appropriation bills. These bills provide for the investments in our Nation's physical and human infrastructure. The President believes that too little funding is being recommended for a number of these infrastructure programs in bills such as VA/HUD and Independent Agencies; Labor/HHS; Commerce, Justice, State; and Interior. In addition to these bills, the President has objected to a number of legislative riders which are being recommended in several bills. Among these are: Treasury/Postal; Interior; Labor/HHS; Commerce, Justice, State; VA/HUD and Independent Agencies; and possibly others.

One can see that there remains a great deal of work to be done before all 13 of the regular 1996 appropriation bills can be signed into law.

As the distinguished chairman of the committee, Senator HATFIELD, has stated, the terms of this continuing resolution will ensure that all projects and activities throughout the Federal Government will continue to operate at funding levels which will be reduced no more than 10 percent below their fiscal year 1995 levels. Furthermore, the language of the resolution prohibits furloughs of any Federal workers. In other words, as White House Chief of Staff Leon Penetta has indicated, this continuing resolution will ensure a level playing field as very difficult negotiations continue on the 1996 appropriation bills and will allow us an additional 44 days to resolve the differences that remain in connection with a number of them.

I am sure that all Members share my hope and desire that all of the remaining differences can be resolved and that conferences can be completed and that all 13 appropriation bills can be enacted prior to the expiration of this continuing resolution, so that we can avoid the need for further continuing resolutions.

I urge my colleagues to support the adoption of this resolution.

Mrs. FEINSTEIN. Madam President, I understand that the joint resolution would continue funding actions during fiscal year 1996, for HUD essentially under the provisions of the fiscal year 1995 VA, HUD, and Independent Agencies Appropriation Act. Funding would continue at a variety of different levels, depending on the circumstances, under the authority and conditions of the 1995 appropriation act. Some of the authority and conditions is in the appropriation accounts themselves, such as the Stewart B. McKinney Act provision in the annual contributions for assisted housing account that permits the proceeds of certain refinancings to be split between PHA's and the Treasury. Other authority and conditions, such as the amendments to the U.S. Housing Act of 1937, at section 8(c)(2)(A), that purports to sunset at the end of fiscal year 1995, are in the administrative provisions.

Is my understanding correct that the Secretary of Housing and Urban Development will continue under this joint resolution to have the authority to share savings from bond refinancings with State and local bond issuers pursuant to the Stewart B. McKinney Act, and continue to apply the provisions that would otherwise sunset?

Mr. HATFIELD. The Senator's understanding is correct. Authorities and conditions, such as those under the McKinney Act and the section 8 programs that you cite, and all other administrative provisions in the 1995 act, would remain in effect during the period covered by the joint resolution.

Mrs. HUTCHISON. Madam President today the Senate is considering House Joint Resolution 108, the resolution to continue appropriations for fiscal year 1996. I would like to ask the manager of the bill to confirm my understanding that the continuing resolution keeps in place for its duration the moratorium on the listing of the endangered species and the designation of critical habitat enacted in Public Law 104–6 of April 10, 1995. Is that correct?

Mr. HATFIELD. Yes, that is correct.

Mrs. HUTCHISON. I am joined by Senators GORTON, KEMPTHORNE, and KYL in making this statement in order to clarify the continuing resolution, and to prevent any misunderstanding of its terms.

Mr. KEMPTHORNE. Would the Senator from Texas yield?

Mrs. HUTCHISON. The Senator would be happy to yield.

Mr. KEMPTHORNE. As chairman of the Subcommittee on Drinking Water, Fisheries and Wildlife of the Senate Environment and Public Works Committee, I am glad the Senate is clarifying the intent of House Joint Resolution 108 to continue the moratorium placed on listing and critical habitat designation under the Endangered Species Act. This extension will ensure consistency in Federal policy as the debate on the Endangered Species Act [ESA] moves forward. This is important because in the next few weeks I will introduce my bill to reform the ESA. I thank the floor leader and Senator HUTCHISON for their efforts to clarify this issue.

Mr. GORTON. Would the Senator from Idaho yield?

Mr. KEMPTHORNE. Certainly.

Mr. GORTON. I would just like to echo the statements of the Senator from Idaho. As a strong supporter, and one who worked with the Senator from Texas in developing her amendment to the Defense supplemental, I believe that the continuing resolution must continue the current moratorium on listing and critical habitat designations under the ESA. The continuation of this moratorium during the short time of the continuing resolution is even more critical because the fiscal year 1996 Interior appropriations conference report includes language that extends the current moratorium.

As chairman on the Interior Appropriations Subcommittee, I included language in the fiscal year 1996 Interior conference report that prohibits listings and critical habitat designations under the ESA during fiscal year 1996, or until legislation reauthorizing the act is enacted. It is critical to maintain the moratorium during the short time period covered by the continuing resolution.

Mr. LEAHY. Mr. President, I will vote for this continuing resolution because we should not shut down the government. Defeating this resolution would force millions of Americans to bear the weight of political intransigence. That is neither fair nor prudent.

However, I oppose the practice of delaying appropriations bills, and then propping the country up on a temporary set of crutches without firm congressional direction. In many cases, the crutches are inadequate. I am most concerned about the way the Low Income Home Energy Assistance Program was treated by this measure. This resolution essentially means that Vermont LIHEAP families, many who only earn $7,200/year, will not get any help to keep warm in October. While this Congress goes back and forth about budget numbers in warm conference rooms and well-appointed offices, some Vermonters will be seeing their breath in the air of their homes.

In their third effort to kill LIHEAP this year, the House Republicans have rationalized that LIHEAP funds are expended equally all year round, as if just as much money is spent in August as is spent in November. Therefore, the continuing resolution makes about 16 percent of the money available on October 1, 1995. In fact, in past years States have received 60 percent of the money in the first quarter which has amounted to $900 million, or $3.2 million for Vermont.

Under the extreme limitations of this continuing resolution, Vermont receives only about $500,000 and the net effect is that LIHEAP families will not receive October assistance. I welcome the LIHEAP opponents to come to Vermont in late October when the leaves are off the trees, the ground is freezing under the corn field stubble, and a cold Canadian wind blows under a slate gray sky. People will be cold.

I have been working with the White House and other Members of Congress to get the Republicans to accept a 6 month schedule so that 30 percent of money is available at a reasonable time of year. They have rejected that proposal, and forced us to accept this proposal by delaying the final consideration of the resolution. I am disappointed by this approach to LIHEAP, disappointed by the political tactics involved in passing the resolution, and disappointed that we do not have our appropriations bills finished. Nonetheless, I am forced to support this resolution because of the circumstances.

PASS THE CONTINUING RESOLUTION NOW

Mr. WELLSTONE. Mr. President, I rise in support of House Joint Resolution 108, the continuing resolution. I am pleased that Congress and the President, after long negotiations, were able to work out this agreement that would provide interim levels of funding for programs and activities of the Federal Government until November 13, 1995.

I understand the President will sign this bill. Its expected enactment over the weekend will avert a massive shutdown of the Federal Government, and all of the many costly problems that would cause for people in my State and throughout the Nation who depend on the Federal Government for Social Security, Medicare, student loans, farm payments, and other benefits and services—and for Federal workers who might otherwise have been furloughed for an extended period starting as early as next week. I expect that the administration will exercise its spending authority to avoid furloughs that is provided for in this bill.

I am also pleased that at my urging, working with White House Chief of Staff Leon Panetta, the Appropriations Committee removed the outrageously unfair and arbitrary provision in the bill which would have prohibited any Low-Income Energy Assistance Program (LIHEAP) funding to be distributed to the States.

Several days ago, I alerted Appropriations Committee Chairman HATFIELD to my concerns about this matter in a letter, a copy of which I ask be printed in the RECORD following my statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. WELLSTONE. Mr. President, in the letter, I observed that LIHEAP is a highly targeted, cost-effective way to help 5.6 million very low-income American families—or roughly 15 million individuals—to pay their energy bills. More than two-thirds of LIHEAP households have annual incomes less than $8000; more than one-half have incomes below $6000. Further, the average LIHEAP recipients spend 18.4 percent of their income on energy, compared with 6.7 percent for all households.

I pointed out that Minnesota is the third coldest State, in terms of heating degree days, in the country, after Alaska and North Dakota. Especially in cold-weather states like Minnesota and Oregon, funding for LIHEAP is critical to families with children and vulnerable low-income elderly persons, who without it could be forced to choose between food and heat.

The LIHEAP program assists approximately 110,000 households in Minnesota, and provides an average energy assistance benefit of about $360 per heating season. In Minnesota, where the first snows have fallen in some parts of the State, that heating season is already underway, and many people are relying on this funding. While I believe that more should have been released, considering the unique nature of LIHEAP which historically releases the bulk of its funds to cold-weather States immediately in October, I am pleased that at least some of these funds—about $140 million—will be made available immediately on Monday to help pay fuel bills, fix or replace furnaces on an emergency basis, and help with weatherization against the coming winter.

While final funding levels for LIHEAP for this winter and next will likely have to be settled on the Senate floor, and in a conference committee, interim funding for the first part of this winter will be made available on October 1 to avoid large numbers of utility shut-offs and other heating emergencies that could have resulted in serious heating-related tragedies, including the deaths of people in cold-weather areas whose furnaces fail and who are unable to get them repaired or replaced, or other serious problems for those who are unable to pay for the heating season's first fill of fuel without LIHEAP assistance, or who are otherwise placed at risk by this provision.

Mr. President, this is a compromise bill. It does not provide for adequate funding levels for all Federal programs. But in general it applies its spending formulas in a way that is fair and responsible, and I urge its prompt enactment.

EXHIBIT 1

September 26, 1995.

Hon. MARK HATFIELD,
Chairman, Committee on Appropriations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: I write to urge you to drop from the continuing resolution that is being prepared for likely Senate floor consideration later this week the provision that would prohibit all federal Low-Income Energy Assistance Program (LIHEAP) funds from being released until enactment of the FY 1996 Labor-HHS Appropriations bill, which could be delayed until late November.

In my view, it is outrageous that recipients of energy assistance are being singled out, among those who are helped by all programs of the federal government, for this special funding restriction. I hope you will agree that isolating for especially harsh treatment families with children and vulnerable low-income elderly persons, who without LIHEAP assistance early this winter could be forced to choose between food and heat, is deeply unfair, arbitrary, and even mean-spirited, and should be opposed. It is especially troubling that such an important decision could be made without a single hearing, or even a public indication of the Committee's intentions.

As you know, the huge reductions in this winter's LIHEAP funding (approximately 25 percent) contained in the recently-enacted rescissions bill was one of the main reasons I insisted on an opportunity to try to amend the bill to restore LIHEAP funding on the floor. Though that effort was unsuccessful, I believe it showed the substantial support which exits within the Senate for the program, and for its goal of providing critical energy assistance to qualified recipients.

While final LIHEAP funding levels will likely have to be debated on the Senate and House floors, and again in conference, interim funding for early this winter must be made available on October 1 to avoid large numbers of utility shut-offs and other heating emergencies that could result in serious tragedies. These could include the deaths of people in cold-weather areas whose furnaces fail and who are unable to get them repaired or replaced, or other serious problems for those who are unable to pay for the heating season's first fill of fuel without LIHEAP assistance, or who are otherwise placed at risk by this provision.

LIHEAP is a highly targeted, cost-effective way to help 5.6 million very low-income American families—or roughly 15 million individuals—to pay their energy bills. As the Committee's report on the rescissions bill observed, more than two-thirds of LIHEAP households have annual incomes less than

$8000; more than one-half have incomes below $6000. Further, the average LIHEAP recipients spend 18.4 percent of their income on energy, compared with 6.7 percent for all households.

Minnesota is the third coldest state, in terms of heating degree days, in the country, after Alaska and North Dakota. Especially in cold-weather states like Minnesota and Oregon, funding for LIHEAP is critical to families with children and vulnerable low-income elderly persons, who without it could be forced to choose between food and heat. The LIHEAP program assists approximately 110,000 households in Minnesota, and provides an average energy assistance benefit of about $360 per heating season. In Minnesota, where the first snows have fallen in some parts of the state, that heating season is already underway, and many people are expecting this funding to be released, as long scheduled, on October 1.

This proposal to arbitrarily prohibit distribution of all LIHEAP funds to the states on October 1 could wreak havoc in the lives of eligible vulnerable elderly, families with children, and other low-income people in my state and across the nation. I urge you in the strongest terms to reject it.

Thank you for your consideration.

Sincerely,

PAUL DAVID WELLSTONE,
U.S. Senate.

Mr. DOLE. Madam President, I ask unanimous consent that the resolution be read three times, passed, and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

So the joint resolution (H.J. Res. 108) was deemed read the third time and passed.

MIDDLE EAST PEACE FACILITATION ACT

Mr. DOLE. Madam President, I ask unanimous consent that the Senate now turn to the consideration of H.R. 2404, regarding Middle East peace, just received from the House; that the bill be read a third time and passed; and that the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

So the bill (H.R. 2404) was deemed read the third time and passed.

DEPARTMENT OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 1996

The Senate continued with the consideration of the bill.

VOTE ON MOTION TO TABLE AMENDMENT NO. 2841

The PRESIDING OFFICER. Is there further debate?

Mr. DOLE. Madam President, there will be 4 minutes evenly divided between the votes, and I ask unanimous consent that the second vote be 10 minutes in length.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the motion to lay on the table amendment No. 2841. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Utah [Mr. BENNETT] and the Senator from Alabama [Mr. SHELBY] are necessarily absent.

Mr. FORD. I announce that the Senator from Ohio [Mr. GLENN] and the Senator from Louisiana [Mr. JOHNSTON] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 52, nays 44, as follows:

[Rollcall Vote No. 478 Leg.]

YEAS—52

Abraham
Ashcroft
Biden
Bond
Breaux
Bryan
Burns
Coats
Cochran
Coverdell
Craig
D'Amato
DeWine
Dole
Domenici
Exon
Faircloth
Ford
Frist
Gorton
Graham
Gramm
Grams
Grassley
Gregg
Hatch
Hatfield
Heflin
Helms
Hutchison
Inhofe
Kassebaum
Kempthorne
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Nunn
Pressler
Reid
Roth
Santorum
Simpson
Smith
Thomas
Thompson
Thurmond
Warner

NAYS—44

Akaka
Baucus
Bingaman
Boxer
Bradley
Brown
Bumpers
Byrd
Campbell
Chafee
Cohen
Conrad
Daschle
Dodd
Dorgan
Feingold
Feinstein
Harkin
Hollings
Inouye
Jeffords
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Mikulski
Moseley-Braun
Moynihan
Murray
Packwood
Pell
Pryor
Robb
Rockefeller
Sarbanes
Simon
Snowe
Specter
Stevens
Wellstone

NOT VOTING—4

Bennett
Glenn
Johnston
Shelby

So the motion to lay on the table the amendment (No. 2841) was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The majority leader.

There are 4 minutes equally divided.

Mr. FORD. Madam President, could we have order, then, please?

The PRESIDING OFFICER. May we have order in the Chamber, please?

The Senator from New Hampshire.

AMENDMENT NO. 2842

Mr. GREGG. I ask unanimous consent Senator D'AMATO and Senator HOLLINGS be added as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GREGG. I will yield the 2 minutes on our side.

The PRESIDING OFFICER. Is there anyone else who seeks recognition?

The Senator from Kentucky.

Mr. FORD. Madam President, the Senator from Georgia has been trying to get recognition, and you cannot hear him for the noise in the Senate Chamber.

The PRESIDING OFFICER. May we have order?

The Senator from Georgia.

Mr. NUNN. Madam President, this resolution is very similar to the resolution we passed in 1993. If I had my way, I would not have brought up the resolution at this point in time. Of course, every Senator has the right to bring up whatever they would like on any bill under our procedure. The peace agreement is being negotiated now. This resolution, in my view, is a sense-of-the-Senate resolution that does not have the effect of law. It is not binding on the President. It does make it clear the Senate of the United States expects the President of the United States to, basically, have Congress speak to this issue before we have deployment of troops.

We had a good meeting at the White House today. I think the President made it clear his position is very similar to what President Bush's position was before the Persian Gulf war, that is, he would welcome an expression by Congress approving this peacekeeping mission, but he at this point in time certainly is going to consult with Congress in any event.

Madam President, there are a lot of questions that need to be asked by the United States before this deployment takes place. We need to have hearings in the Armed Services Committee and the Foreign Relations Committee. We need to ask a lot of tough questions. Most of all, the American people need to be informed by the President that this is truly in our national interest before we make any commitment under our NATO alliance.

But the United States must lead. If there is a deployment that takes place after an agreement, it is important for the United States to ask the tough questions before deployment within the NATO context, but it is also important for the United States to lead.

So, we have a long way to go before there is a peace agreement. We have a lot to do before we, in the Congress, have done our duty by asking the questions. This is a sense-of-the-Senate resolution that is not binding. It indicates the will of the Senate.

I will vote aye.

The PRESIDING OFFICER. All time has expired. The question is now on the amendment offered by the Senator from New Hampshire, amendment No. 2842.

The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Utah [Mr. BENNETT] and the Senator from Alabama [Mr. SHELBY] are necessarily absent.

Mr. FORD. I announce that the Senator from Ohio [Mr. GLENN] and the Senator from Louisiana [Mr. JOHNSTON] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 94, nays 2, as follows:

[Rollcall Vote No. 479 Leg.]

YEAS—94

Abraham
Akaka
Ashcroft
Baucus
Biden
Bingaman
Bond
Boxer
Bradley
Breaux
Brown
Bryan
Bumpers
Burns
Byrd
Campbell
Chafee
Coats
Cochran
Cohen
Conrad
Coverdell
Craig
D'Amato
Daschle
DeWine
Dodd
Dole
Domenici
Dorgan
Faircloth
Feingold
Feinstein
Ford
Frist
Gorton
Graham
Gramm
Grams
Grassley
Gregg
Harkin
Hatch
Hatfield
Heflin
Helms
Hollings
Hutchison
Inhofe
Inouye
Jeffords
Kassebaum
Kempthorne
Kennedy
Kerrey
Kerry
Kohl
Kyl
Lautenberg
Leahy
Levin
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Mikulski
Moseley-Braun
Moynihan
Murkowski
Murray
Nickles
Nunn
Packwood
Pell
Pressler
Pryor
Reid
Robb
Rockefeller
Roth
Santorum
Sarbanes
Simpson
Smith
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Warner
Wellstone

NAYS—2

Exon
Simon

NOT VOTING—4

Bennett
Glenn
Johnston
Shelby

So the amendment (No. 2842) was agreed to.

Mr. GRAMM. Madam President, we have many things working and trying to work out an agreement. I think it would probably be advantageous at this point to suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LOTT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. Madam President, I ask unanimous consent that the previous vote be reconsidered.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LOTT. I observe the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BROWN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Madam President, I ask unanimous consent now to bring up the nomination of General Shalikashvili for reappointment as general. Today is the last day. We have to act on it now.

The PRESIDING OFFICER. Is there objection to bringing up the nomination in executive session?

Mr. KOHL. Objection.

The PRESIDING OFFICER. Objection is heard.

Mr. FORD. Regular order, Madam President.

Mr. KOHL. Objection withdrawn.

EXECUTIVE SESSION

Mr. THURMOND. Madam President, I move we go into executive session.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from South Carolina.

Is there any objection?

There is a unanimous consent order to recognize Senator KOHL for an amendment. Is there an objection to going into executive session?

Without objection, it is so ordered.

DEPARTMENT OF DEFENSE

The assistant legislative clerk read the nomination of Gen. John M. Shalikashvili for reappointment as Chairman of the Joint Chiefs of Staff and reappointment to the grade of general.

The PRESIDING OFFICER. The question is, will the Senate advise and consent to the nomination?

Mr. THURMOND. Mr. President, today the Senate is considering the nomination of Gen. John M. Shalikashvili for reappointment as Chairman of the Joint Chiefs of Staff and for reappointment to the grade of general.

We all know General Shali very well. His record is exemplary. General Shali was only a young lad when he came to this country with his family as they immigrated from Poland. He began to excel almost immediately.

General Shali graduated from Bradley University receiving a degree in mechanical engineering. Later he received a Master's degree in international relations from George Washington University.

General Shali entered the Army as an enlisted man in August 1958. Later, he was commissioned as a second lieutenant in the field artillery. He served in the United States, Germany, and Vietnam rising to the rank of general, the highest rank attainable. He commanded a division. He was the deputy commander-in-chief of the U.S. Army in Europe. He also commanded Operation Provide Comfort, feeding and preserving the freedom of the Kurds in northern Iraq.

Not only did General Shali rise from the lowest enlisted rank to the highest grade possible, he was selected to succeed Gen. Colin Powell as the Chairman of the Joint Chiefs of Staff. As such, he became the principal advisor to the President on military matters. To say that this is a significant achievement is an understatement. His accomplishments represent what is right and good about America. General Shali is an outstanding soldier and an outstanding American. Through hard work, dedication and professionalism, he became the most important military officer in our Armed Forces.

Last week, the Armed Services Committee held a confirmation hearing at which General Shali testified. He responded fully and completely to every question, many of which focused on current and potential operations in Bosnia. Following the hearing, the committee unanimously voted to favorably report General Shali's nomination to the Senate.

I point out to my colleagues that General Shali's current appointment expires at the end of September. In order to ensure there is no gap in his appointment, the Senate will have to act on this nomination before the end of the month.

I urge my colleagues to vote to confirm General Shali's nomination.

I thank the Chair.

I yield the floor.

The PRESIDING OFFICER (Mr. FAIRCLOTH). The Senator from Colorado.

Mr. BROWN. Mr. President, I rise not to object. I simply wish to make a brief statement on this nomination.

I believe that the vast majority of the Members of the Senate are committed to confirming the very distinguished general. I, however, have some concerns. Let me be specific.

I believe that part of the reason for America's military failures—and they have been few—has been a failure of leadership, not a failure of the American will, the American spirit, or the American fighting men and women.

This country has an extraordinary record in combat, and it has an extraordinary record in peace. But when you look at our failures—and there have been few—you are struck by the fact that we have had a failure of leadership at times. In Lebanon, President Reagan committed United States troops and literally left the guards at the gate without bullets for their guns.

The decision was made because of diplomatic concerns, but resulted in the loss of hundreds of American lives, of Marines who never had a chance to defend themselves.

That was a failure of leadership, Mr. President. It was not a failure of the men and women who sacrificed their lives. It was a failure of leadership to commit to their troops and ensure that they were never put in harm's way without a way to defend themselves.

This country's failure in Vietnam was a failure of leadership. American troops were committed to combat. They were asked to risk their lives. They were asked to fly missions, they were asked to commit their very lives to that combat. But our leadership was not committed to them. This country followed a course of putting men and women in harm's way, of risking their lives, but it was not important enough for our leadership to stand behind them and stand with them.

I believe with all of my heart that it is a mistake to use military force other than to fight and to win a war. It is a mistake to use them as social workers. It is a mistake to use them as policemen. It is a mistake to have them remove garbage in Haiti. It is a mistake for them to serve as a local police force. Our men and women in the Armed Forces are willing to risk their lives for us, and they deserve to have this United States stand behind them when they are committed to combat.

Mr. President, in 1993, October 5th to be exact, the administration came forward and talked about their commitment of United States fighter aircraft to maintain a no-fly zone over Bosnia. I specifically questioned those testifying along this line: Was the administration willing to stand behind the pilots that they sent into harm's way over Bosnia? I asked for specific assurances that they would not do what they did in Vietnam.

For those who may not recall our actions in Vietnam, the United States sent planes into hazardous areas where we knew there were ground-to-air missiles. We sent them on restricted courses, without the ability to defend themselves and without the necessary rules of engagement that would have allowed our pilots to have a fighting chance to defend themselves. We even sent them at times into situations without any ability to retrieve them if they were shot down.

During the October 5 hearing, I was assured specifically that the mistakes of Vietnam were not to be repeated. I specifically questioned several times whether U.S. planes that were attacked would be permitted to retaliate and whether the retaliation would not be limited only to the SAM that fired at them. In Vietnam, the United States response to enemy fire was limited in such a way that United States pilots who had been fired upon could not attack the supplies and the ammo depots. I was assured that in Bosnia there would be a full and effective retaliation if our men and women who fly the planes and the aircraft of the United States were fired upon.

Specifically, Mr. President, this was the answer of the Assistant Secretary of State for European Affairs, and I quote from the committee record:

> They would have the necessary rules of engagement to permit them to defend themselves if attacked and to carry out the engagement which may require coercion. . . .

Now, some Members may have forgotten, but I do not think the family of our pilot has forgotten. On June 2, 1995, Captain Scott O'Grady, a young American pilot, was shot down over Bosnia by a ground-to-air missile, a Serb SA6. After that shootdown, several things became clear.

First, that the Bosnian Serbs had made it clear in advance that they intended to go after our planes. This was not a secret. They had said it publicly, clearly and precisely.

Second, that the Bosnian Serbs had the capability, and we knew it; that they had ground-to-air missiles, and we knew it.

Third, that their missile radar had painted our aircraft in that same area before O'Grady's plane was shot down.

Fourth, the plane was shot down, and

Fifth, we did nothing.

Now, this violates the very clear commitment that this administration gave us. They told the Foreign Relations Committee that if they sent our troops, our planes and our pilots into harm's way and they were fired upon, we would defend them. We were told specifically that United States rules of engagement would not tie their hands as we did in Vietnam, and that the United States would retaliate.

The truth is, we did tie their hands exactly as we did in Vietnam, and we did not retaliate.

That is wrong. If we want to risk young men and women's lives in combat, if we want to do that, we ought to be willing to stand behind them. If the United States is not willing to stand behind our fighting men and women, do not send them to war.

If it is important enough to make the tough decision to send American troops into harm's way—if we must do it—then do it. But if it must be done, our leaders cannot tie the hands of our fighting men and women and we cannot desert them. We must not desert them when they are in combat.

Now, that is what the United States did with this young Captain O'Grady. Thank God he came back alive. But, Mr. President, we did not meet our commitment to him. We have not met our commitment to other men and women put into harm's way.

For those of you who think this is impossible, take a look at what happened in Somalia. I do not need to remind you of that painful incident. It happened under a previous Chairman of the Joint Chiefs of Staff. The tendency exists to put combat troops into situations in which they are not permitted to defend themselves and do not have adequate backup.

For those of you who think these mishaps are over, take a look at what Haiti was, because the United States sent U.S. troops to collect garbage and to act as a local police force. I think that was a mistake.

Mr. President, I rise because I believe the Chairman of the Joint Chiefs of Staff has a responsibility that is fundamentally different from that of other soldiers. The responsibility of soldiers in this Nation is to follow orders. We believe in civilian control of the military, and we ought to, and we ought to insist on it. But the responsibility of the Chairman of the Joint Chiefs of Staff goes further than just following orders. The Chairman of the Joint Chiefs of Staff has to be the one who stands up when the political leadership misunderstands the role of the military in this country.

The Chairman of the Joint Chiefs of Staff, I believe, is going to be the one who says, "Mr. President, do not use our troops to collect garbage." "Mr. President, do not send our troops and our planes into combat situations without protection." "Mr. President, if our planes are shot down, we must retaliate."

The Chairman of the Joint Chiefs of Staff has a responsibility to rise above politics, to not simply follow orders. Most importantly of all, Mr. President, the Chairman of the Joint Chiefs of Staff has a responsibility to every young man and every young woman in this country who puts on a uniform. He has a responsibility to stand up for them, to speak up for them, to be concerned about their welfare.

Mr. President, the Chairman has a responsibility to speak out if this Nation ever attempts to put our combat troops in harm's way without standing behind them, without giving them the ability to defend themselves.

Mr. President, I come to this nomination full of admiration for General Shalikashvili on a personal basis, with great respect for his intellect, with deep respect for his military service and for his commitment to this country. But, Mr. President, I do not feel that General Shalikashvili has stood up for the men and women who wear the uniform of the United States. General Shalikashvili has tended to follow orders from his superiors when he had a responsibility to speak out for conditions that will protect American fighting men and women.

General Shalikashvili should have insisted that if we send U.S. planes to Bosnia into harm's way, the pilots have the right to defend themselves fully. The Chairman of the Joint Chiefs of Staff has a special responsibility to America's fighting men and women. He must ensure that every possible measure has been undertaken to ensure their safety. That includes making clear to our country's leaders the actions necessary for their protection. He has not fulfilled that part of his job. I wish to be recorded as opposing the confirmation.

Mr. NUNN. Mr. President, I rise in strong support of the nomination of Gen. John S. Shalikashvili for a second 2-year term as the Chairman of the Joint Chiefs of Staff.

I have worked closely with General Shalikashvili or General Shali, as he is usually referred to, over the years. This has been particularly true since August 1989 when then Lieutenant General Shali was the deputy commander-in-chief of the U.S. Army Europe and Seventh Army. During that assignment, General Shali commanded the Combined Task Force Provide Comfort that provided humanitarian assistance to the Kurdish refugees in Northern Iraq. That very difficult operation, which involved providing assistance to between 500 and 700,000 Iraqi Kurds who had taken to the mountains and coaxing them back down to resettle their towns and villages, saved tens of thousands of lives.

From August 1991 to June 1992, then Lieutenant General Shali served as the Assistant to the Chairman of the Joint Chiefs of Staff. In that position, General Shali represented the then Chairman of the Joint Chiefs of Staff, General Powell, in interagency fora. Based upon his performance in those demanding assignments, General Shali was promoted to four-star general in June 1992 and was assigned as the Supreme Allied Commander, Europe, the senior military officer of NATO, and Commander-in-Chief, United States European Command. General Shali has served as the Chairman of the Joint Chiefs of Staff since October 1993.

General Shali has testified numerous times before the Armed Services Committee since his advancement to four-star rank. He also testified before the Armed Services Committee in September 1993 in connection with his initial nomination to be the Chairman of the Joint Chiefs of Staff and testified again before the Committee last week in connection with his nomination for a second 2-year term. The Committee voted unanimously to favorably report his nomination to the Senate.

I think that it is important to review the role of the Chairman of the Joint Chiefs of Staff. I find that many people believe that the Chairman has far more authority than he does. Under the law, the JCS Chairman is the principal military adviser to the President, the National Security Council and the Secretary of Defense. The chain of command runs from the President to the Secretary of Defense and from the Secretary of Defense to the commanders of the combatant commands. Communications between the President and the Secretary of Defense and the combatant commanders are transmitted through the JCS Chairman. The Secretary of Defense has assigned to the Chairman of the Joint Chiefs the responsibility for overseeing the activities of the combatant commanders but that assignment does not confer any command authority on the Chairman. The Chairman outranks all other officers of the armed services but he does not exercise military command over the Joint Chiefs of Staff or any of the Armed Forces.

In other words, the Chairman of the Joint Chiefs of Staff is the senior member of our Armed Forces and the principal military adviser to our civilian leaders but he does not exercise command over any element of the Armed Forces and is not in the chain of command for our Armed Forces.

General Shali is responsible for giving the best military advice that he can. There is no guarantee, however, that his military advice will carry the day on any issue. He has agreed if asked, to give the Congress his personal views on any issue even if those views differ from the administration. I have no doubt that he has fulfilled that agreement. As a matter of fact, General Shali's testimony before the Armed Services Committee last week was germaane to both of these points. With respect to providing military advice he testified as follows:

> I am very much convinced that . . . the Secretary of Defense and the President, and for that matter, the National Security Council, not only welcome military advice, seek it, give me every opportunity to voice my views. Again I say that does not mean that my views are always the ones that prevail, but I can think of only a few where they have not prevailed and not in cases where I felt that whatever was decided was such that I needed to walk away from it because I could not in clear conscience support that.

With respect to a decision that was contrary to his advice, General Shali testified as follows with respect to the complicated issue of demarcation between theater and national missile defense:

> . . . the Chiefs met on a number of occasions during this period when demarcation and particularly specific limits on interceptors were discussed, and we were always of the view, all of us, that we should not place any limits on them. When it came to the decision, everyone in the administration was aware that my view and the view of the Joint Chiefs was that we should not put any limits on it. The debate and the decision went the other way. At the earliest possible opportunity, I raised the issue that we need to reopen that point and that we need to pursue without limits on interceptors. I believe that is essentially where we are today. So, I feel good that my view in the long term has prevailed.

If the opposition is because of disagreement with the administration's Bosnia policies or past Bosnia policies, then the opposition is misplaced because General Shali is an adviser not a decisionmaker.

General Shali has my unqualified and strong support for confirmation for a second 2-year term as Chairman of the Joint Chiefs of Staff.

Mr. LEVIN. Mr. President, I rise in strong support of the nomination of Gen. John Shalikashvili to continue as Chairman of the Joint Chiefs of Staff.

He has the total well-being of the men and women in our Armed Forces foremost in his mind as he performs his duties. He has been a firm and steady voice for assuring that when our military is used, it be only with clear purpose and with the full backing of our civilian leadership. He has focused great resources on readiness, training, and morale.

For these reasons, he has broad and deep support within the services, and enjoys the confidence of the military, from generals to privates. General Shali is truly a soldier's soldier.

The General has rendered outstanding service to the Nation throughout his career, and for the last 2 years as Chairman of the Joint Chiefs. The Armed Services Committee unanimously approved General Shali's nomination, and we have greatly benefited from his expertise, his responsiveness to our inquiries and his clarity and directness. We always get a straight answer to our questions, and get it promptly.

Mr. President, I urge the Senate to approve this nomination.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. THURMOND. I move to reconsider the vote whereby General Shalikashvili was confirmed.

Mr. COCHRAN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. THURMOND. Mr. President, I ask unanimous consent that the President be immediately notified of this confirmation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NUNN addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Georgia.

Mr. NUNN. Just a procedural question, Mr. President.

Has this nomination passed the Senate by voice vote?

The PRESIDING OFFICER. It has passed.

Mr. NUNN. Has there been a motion to reconsider and a motion to lay on the table?

The PRESIDING OFFICER. There has been a motion to reconsider and to lay on the table.

Mr. THURMOND. Mr. President, I would like to thank the distinguished

Senator from Wisconsin, Senator KOHL, for allowing us to proceed with this nomination ahead of his amendment. He is a gentleman and a scholar.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Without objection, the Senate will return to legislative session.

DEPARTMENT OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 1996

The Senate continued with the consideration of the bill.

Mr. KOHL addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

AMENDMENT NO. 2843

(Purpose: To provide for the evaluation of crime prevention programs, and for other purposes)

Mr. KOHL. Mr. President, I rise to offer an amendment which I will send to the desk after I explain it.

The amendment is being offered on behalf of myself and Senator COHEN, and cosponsors also include Senator BIDEN and Senator SNOWE.

In last year's crime bill, Mr. President, we authorized $300 million—somewhat in excess of $300 million—for crime prevention. The split, as you recall, was 80 percent for law enforcement and 20 percent for prevention.

The reasoning at that time was if we are going to have a balanced crime bill, we have to be willing to spend some modest amount of money on effective crime prevention measures and that an 80–20 split between law enforcement and crime prevention was reasonable, and we passed the crime bill on that basis.

Well, what we are attempting to do today is strike virtually all of that crime prevention money. It is an attempt to strike it from this bill so that we will have a bill devoted entirely to spending for law enforcement to the total exclusion of crime prevention.

It seems to me that is not what we intended to do and that is not what we should do and not what our country needs. There is no question that spending a modest amount of money in a crime bill on trying to set up programs that have a proven record of success at keeping young people from getting involved in crime in the first place, setting up a modest amount of money in a crime bill to do these kinds of things is a reasonable effort. It should not be sidetracked.

We debated it at great length last year before we passed the crime bill and decided on an 80 to 20 split. There are programs like the block grant programs. There are weed and seed programs. There are programs which have been evaluated and demonstrated to work.

What I am suggesting is that we put back 25 percent, which is $80 million, out of that over $300 million that was authorized last year for prevention. I and Senator COHEN, Senator BIDEN, and Senator SNOWE are desiring to put back $80 million in proven effective crime prevention programs.

Now, that money is being taken from overfunding of the FBI for this year. When I say overfunding, it is $80 million that the FBI did not ask for, that the President did not ask for, that the House did not fund. It is an extra $80 million that has been given to the FBI. We are taking that $80 million and putting it into a very modest account to fight crime by way of prevention. And that is what this amendment is all about.

Before Senator COHEN speaks, I send the amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, the clerk will report the amendment.

The bill clerk read as follows:

The Senator from Wisconsin [Mr. KOHL], for himself and Mr. COHEN, propose an amendment numbered 2843.

Mr. COHEN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 15, line 16, strike "$282,500,000" and insert "$202,500,000".

On page 15, line 23, strike "$168,280,000" and insert "$88,280,000".

On page 25, line 19, strike "$100,900,000" and insert "$130,900,000".

On page 25, line 22, insert "$30,000,000 shall be for the Local Crime Prevention Block Grant Program, as authorized by section 30201 of the Violent Crime Control and Law Enforcement Act of 1994;" before "$4,250,000".

On page 27, line 5, strike "$50,000,000" and insert "$30,000,000".

On page 27, between lines 17 and 18, insert the following:

"To carry out chapter A of subpart 2 of part E of title I of the Omnibus Crime Control and Safe Streets Act of 1968, for discretionary grants under the Edward Byrne Memorial State and Local Law Enforcement Assistance Programs, $50,000,000, which shall be derived from the Violent Crime Reduction Trust Fund.

On page 30, line 20, strike "$23,500,000" and insert "$43,500,000".

On page 30, line 20, strike "$13,500,000" and insert "$43,500,000".

On page 30, lines 23 through 25, strike "and $10,000,000 shall be derived from discretionary grants provided under part C of title II of the Juvenile Justice and Delinquency Prevention Act" and insert "funded by the Violent Crime Reduction Trust Fund".

On page 31, line 26, strike "$144,000,000" and insert "$164,000,000".

On page 32, line 5, strike "$10,000,000" and insert "$30,000,000".

On page 32, line 8, strike "gangs;" and insert "gangs, of which $20,000,000 shall be derived from the discretionary grants provided under the Edward Byrne Memorial State and Local Law Enforcement Assistance Programs funded by the Violent Crime Reduction Trust Fund;"

On page 64, between lines 22 and 23, insert the following new section:

SEC. 121. EVALUATION OF CRIME PREVENTION PROGRAMS AND DEVELOPMENT OF NATIONAL CRIME PREVENTION RESEARCH AND EVALUATION STRATEGY

(a) EVALUATION OF CRIME PREVENTION PROGRAMS.—The Attorney General shall provide, directly or through grants and contracts, for the comprehensive and thorough evaluation of the effectiveness of the following programs funded by this title:

(1) The Local Crime Prevention Block Grant program under subtitle B of title III of the Violent Crime Control and Law Enforcement Act of 1994.

(2) The Weed and Seed Program.

(3) The Youth Gangs Program under part D of title II of the Juvenile Justice and Delinquency Prevention Act of 1974.

(b) NATIONAL CRIME PREVENTION RESEARCH AND EVALUATION STRATEGY.—

(1) STRATEGY.—Not later than 9 months after the date of enactment of this Act, the Attorney General shall formulate and publish a unified national crime prevention research and evaluation strategy that will result in timely reports to Congress and to State and local governments regarding the impact and effectiveness of the crime and violence prevention initiatives described in subsection (a).

(2) STUDIES.—Consistent with the strategy developed pursuant to paragraph (1), the Attorney General may use crime prevention research and evaluation funds reserved under subsection (e) to conduct studies and demonstrations regarding the effectiveness of crime prevention programs and strategies that are designed to achieve the same purposes as the programs under this section, without regard to whether such programs receive Federal funding.

(c) EVALUATION AND RESEARCH CRITERIA.—

(1) INDEPENDENT EVALUATIONS AND RESEARCH.—Evaluations and research studies conducted pursuant to this section shall be independent in nature, and shall employ rigorous and scientifically recognized standards and methodologies.

(2) CONTENT OF EVALUATIONS.—Evaluations conducted pursuant to this section shall include measures of—

(A) reductions in delinquency, juvenile crime, youth gang activity, youth substance abuse, and other high risk-factors;

(B) reductions in risk factors in young people that contribute to juvenile violence, including academic failure, excessive school absenteeism, and dropping out of school;

(C) reductions in risk factors in the community, schools, and family environments that contribute to juvenile violence; and

(D) the increase in the protective factors that reduce the likelihood of delinquency and criminal behavior.

(d) COMPLIANCE WITH EVALUATION MANDATE.—The Attorney General may require the recipients of Federal assistance under this Act to collect, maintain, and report information considered to be relevant to any evaluation conducted pursuant to subsection (a), and to conduct and participate in specified evaluation and assessment activities and functions.

(e) RESERVATION OF FUNDS FOR EVALUATION AND RESEARCH

(1) IN GENERAL.—The Attorney General shall reserve not less than 2 percent, and not more than 3 percent, of the amounts appropriated to carry out the programs described in subsection (a) in each fiscal year to carry

out the evaluation and research required by this section.

(2) ASSISTANCE TO GRANTEES AND EVALUATED PROGRAMS.—To facilitate the conduct and defray the costs of crime prevention program evaluation and research, the Attorney General shall use funds reserved under this subsection to provide compliance assistance to—

(A) grantees under this programs described in subsection (a) who are selected to participate in evaluations pursuant to subsection (d); and

(B) other agencies and organizations that are requested to participate in evaluations and research pursuant to subsection (b)(2).

Mr. COHEN. Mr. President, let me express my support for what the Senator from Wisconsin is seeking to do. We have a choice to make in our society as to whether we are going to try to have intervention programs for young people who are on their way to becoming criminals, or whether we are simply going to sit back and say we are going to build more prisons and more jails and have more incarceration.

I was interested yesterday, to read in the Washington Post—I was shocked, really to read in the Washington Post yesterday a story of a little town in Texas where some kids, they are not old enough to be called adolescents, they are children—whether 6 years old—the Senator from Texas may know—6, 7, 10, ranging all the way to 11—they happened to go by and they took a horse and beat that horse to death. They crippled the horse so it could not move. Then they jammed a stick up its nostril. Then they took some kind of a bludgeon instrument and beat the horse's head until it died. They then went on to school and they laughed and joked about it. And they were telling all their friends what a joy it was they had just engaged in, beating this horse to death.

They finally were apprehended later that day or the next day and were somewhat surprised to find themselves forced to stay overnight in a local detention facility. But what was surprising about it is these young kids were really expressing their crime, as such, against this animal in a positive fashion. They were laughing about it. They were joking about it. And the fear that was expressed in that community is what is going to happen a couple years from now? What is happening in our society that we have got young people like this who take joy and pleasure in killing an innocent animal? What is going to be the future down the line when they start turning whatever is inside them toward their fellow human beings?

So, Mr. President, we have a choice here. We can say we are going to put them away, we are going to lock them up, we are going to wait until they really do something serious by committing some other crime and then put them in an incarceration facility. That has been one solution that we are moving toward.

This is an opportunity to provide block grant money to States and let them decide how the money should be spent. Let them decide whether or not they are going to have weed and seed programs. Let Wisconsin decide with its funds, whether they want to put police officers into high schools and junior high schools and working with kids before they get into the fast lane to crime.

I read a book sometime ago called "There Are No Children Here." It talked about what is happening in our inner cities, in particular; that these young kids are growing up under circumstances in which they have to duck bullets whizzing by in the nighttime; that they do not have any opportunity to ever walk the streets safely.

So States and local communities ought to have an opportunity to come up with programs. Now, I do not know much about midnight basketball. I am a professional basketball fan. Maybe midnight basketball works in some inner cities, I do not know. It does not apply to me. It might work in Chicago. It might work in cities in Wisconsin.

Why should we make that judgment? This is an opportunity to provide some limited funding for States to employ juvenile prevention programs.

Mr. President, it is worrisome that the number of young males who are aged from 14 to 17 will grow over the next 5 years. We can expect to see record levels of juvenile crime. There is one expert who estimates that this demographic trend is going to produce a minimum of 30,000 more muggers, murderers, and chronic offenders than we currently have. Are we going to keep building jails and prisons, and keep putting our kids away, or are we going to try to intervene in the early years to see if we can prevent them from heading down the pathway to crime?

So I join with enthusiasm my colleague from Wisconsin. I think it is a very important amendment, and I hope it will enjoy the support of a majority of our colleagues.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

PROVIDING FOR AN ADJOURNMENT OF THE TWO HOUSES

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate now turn to the consideration of the adjournment resolution, which provides for an adjournment of the Senate beginning tonight or any day up to next Thursday, October 5; that the resolution be agreed to and the motion to reconsider be laid upon the table.

This has been agreed to by the Democratic leadership.

The PRESIDING OFFICER. Without objection, it is so ordered.

So the concurrent resolution (H. Con. Res. 104) was agreed to, as follows:

H. CON. RES. 104

Resolved by the House of Representatives (the Senate concurring), That when the House adjourns on the legislative day of Friday, September 29, 1995, it stand adjourned until 10 a.m. on Friday, October 6, 1995, or until noon on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first; and that when the Senate recesses or adjourns on any day beginning with Friday, September 29, 1995, through Friday, October 6, 1995, pursuant to a motion made by the Majority Leader or his designee in accordance with this resolution, it stand recessed or adjourned until noon on Tuesday, October 10, 1995, or until such time on that day as may be specified by the Majority Leader or his designee in the motion to recess or adjourn, or until noon on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first.

SEC. 2. The Speaker of the House and the Majority Leader of the Senate, acting jointly after consultation with the Minority Leader of the House and the Minority Leader of the Senate, shall notify the Members of the House and the Senate, respectively, to reassemble whenever, in their opinion, the public interest shall warrant it.

DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 1996

The Senate continued with the consideration of the bill.

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Texas.

AMENDMENT NO. 2843

Mr. GRAMM. Mr. President, I hope we can dispose of the pending amendment in short order. The committee reviewed all of these programs that the amendment proposes to fund. These are all of the so-called prevention programs that, when we debated this bill, we discussed at great length.

What is being proposed here is to give money to the States for activities such as midnight basketball, and to pay for it by cutting the $80 million from the FBI. I remind my colleagues that when we passed the Anti-Terrorism Act, we authorized additional funding for the FBI.

What I have tried to do in this bill is to provide some of that funding which we authorized. What we are being asked to do here is to go back and fund the very programs that we passed over because we did not think they were worthy, and we are being asked to pay for them by cutting the FBI.

I think that if people could take a look at this amendment and decide whether they wanted these prevention programs or whether they wanted the money to go into law enforcement to grab violent criminals by the throat and not let them go to get a better grip, I think it would be a very clear choice.

I am opposed to the amendment. I would be happy to have a voice vote on the amendment if the Senator is willing to do that.

Mr. KOHL. Mr. President, I will call for a rollcall vote, but I want to answer briefly what the Senator said.

The FBI this coming year is funded at a 15-percent increase over last year. There is not a single request the FBI has made for funding that we have not authorized and are prepared to fund, without—without—this $80 million. This $80 million is over and above everything that the FBI has authorized, the President has requested and the House has funded.

He talks about midnight basketball league, and that is a synonym for money that we think is wasted on prevention. As Senator COHEN pointed out, this money is block granted to States. They do not have to spend it on midnight basketball.

We have decided that much of the money we are spending at the Federal level the States can spend much more effectively. You have made that argument time and time again. Let the Governors, let the local government spend the money, not Washington. That is what these crime prevention programs are aimed at.

These crime prevention programs, if the Governors so wish, could be spent on programs like DARE. Everyone in this Chamber understands and recognizes that DARE is a program that works.

So midnight basketball is not where these funds are going to be expended. They are going to be given to States and Governors and local governments to spend as they see fit.

Again, the argument is that in any crimefighting bill, a certain amount of money, modest as it is, needs to be spent on trying to prevent it from occurring in the first place, and I do not think that there are any Senators, or many Senators in this Chamber who would not agree with this principle. And that is all this amendment intends to do.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Texas.

Mr. GRAMM. Mr. President, $80 million will be spent here by this amendment, our distinguished colleague talks about letting the States spend it, but we are not taking it away from Federal midnight basketball, we are not taking it away from Federal prevention programs. We are taking the money away from the FBI.

We passed an antiterrorism bill by a vote of 91 to 8 authorizing funds for the FBI. All I have tried to do in this bill is to provide part of that funding.

What we would be doing here is cutting the FBI to fund programs that may or may not do anything to prevent crime. The intentions of the program may be good. There are people who are strong proponents, for example, of midnight basketball.

The point is, do we want to cut the FBI to fund it? I say no. I think this amendment should be rejected and it should be rejected soundly.

Mr. BIDEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. BIDEN. Mr. President, I will be very brief. First of all, this is not about midnight basketball. That is a great thing to talk about. The States are not using this for midnight basketball. Let me tell you what they are using it for, to give you one example.

I can pick almost any one of your States. The thing States use this money for, for example, is boys clubs and girls clubs. Let me tell you about boys clubs and girls clubs. There is a study the Judiciary Committee did and it has been done by others, and no one disputes it. If you put in a boys club and girls club—the study was done in Chicago and New York—you take two housing projects, the same type of housing projects, and put a boys club and girls club in the basement of one and no boys club and girls club in the basement of the other, the difference in the rate of crime is as follows: 31 percent fewer arrests in the project that has a boys club and girls club in it; 27 percent less use of drugs, arrest for drugs; and 19 percent fewer arrests for any acts of violence.

As my dear old mother would say, an idle mind is a devil's workshop. You put these kids out there, and you have nothing for them. Let me tell you what these boys and girls clubs do with the money we have in here. One example: There is not a single one of these clubs that has midnight basketball.

I will tell you what they have. They have the following deal: If you join the club and you are involved—and particularly, they put them in housing projects, which they are now doing in most of your States, putting in public housing projects. What they are required to do is to have computer classes before they can play in the gym.

Second, they are required in a State like mine, and many of yours, to have mentoring programs. They bring the mentoring programs into the schools. Of the people who volunteer in the boys and girls clubs, 80 percent are uniformed police officers.

Third, what they do is they get these kids into these programs, and part of the requirement to stay in the program and to be able to use the boys and girls club is you have to stay in school and have passing grades. What they have done is changed the culture in those communities. I will give you one example by limiting it to boys and girls clubs. YMCAs and church groups are all involved in these programs. We are not talking about midnight basketball.

Second, we are talking about the weed and seed program, which started under President Bush. I can pick 50 quotes. I will pick one from a Republican U.S. Attorney from Georgia, Joe Whitley, former U.S. Attorney from the northern district of Georgia:

> I have said that this is the most important matter I have ever dealt with as U.S. Attorney. It's a simple but fundamentally sound idea that people in communities really seem to believe.
>
> . . . The program is responsive to the concerns of citizens. It's positive because residents thought it had real and credibility—combining law enforcement and prevention.

I can talk about Michael Chertoff, former U.S. Attorney for New Jersey, a Republican, and Debra Daniels, former U.S. Attorney, southern district of Indiana, a Republican. The list goes on.

Crime prevention is an issue that has been the subject of more misinformation and outright mischaracterization than perhaps any other in the crime debate—

Whether we should work to prevent crime before it happens, instead of waiting until after the shots are fired, until after our children become addicted to drugs, until after more Americans' lives are ruined.

The anticrime law enacted last year answered that question unapologetically. In addition to fighting crime—the law made a commitment to preventing crime.

A commitment supported by virtually every criminologist, every legal scholar, every sociologist, every psychologist, every medical authority, and nearly everyone's common sense.

Those who study this issue agree that breaking the cycle of violence and crime requires an investment in the lives of our children—

With support and guidance to help them reject the violence and anarchy of the streets in favor of taking positive responsibility for their lives.

In fact, the Fraternal Order of Police, the National District Attorneys Association, and the International Brotherhood of Police Officers cite prevention programs as critical to a long-term cure for crime.

Prevention is what cops want—what virtually everyone in law enforcement wants. Every police officer I have talked to, every prosecutor, every prison warden, every probation officer says the same thing—we can't do it alone.

And listen to local officials—the very people the Republicans say they want to give greater voice.

Republican Mayors Giuliani of New York and Riordan of Los Angeles say this:

> By funding proven prevention programs for young people, the crime bill offers hope—hope that in the future we can reduce the need for so many police officers and jails.

Listen to Paul Helmke, the Republican mayor of Fort Wayne, IN:

> It's a lot less expensive to do things on the prevention side than on the police side.

And prevention of crime—particularly juvenile crime—is more important now than ever before.

Last week the Department of Justice released its first national report on juvenile offenders and victims. The report found that between 1988 and 1992 the juvenile violent crime arrest rate has increased by more than 50 percent.

It further estimated that even if the crime rate ceases to grow in future years, juvenile population growth alone would produce a 22 percent rise in violent crime arrests. Should the violent rate continue to grow as it has between 1988 and 1992, the number of juveniles arrested for violent crimes will double by the year 2010—to more than 260,000 arrests!

Attorney General Janet Reno specifically cited prevention and intervention programs as one of the fundamental ways to combat this type of growth in juvenile crime.

Prisons, though essential, are a testament to failure: They are the right place for people gone wrong.

On the other hand, when a life about to go wrong is set back on the right track—that is a testament to hope.

We build hope by showing children that they matter, by challenging disaffection with affection and respect, and by contrasting the dead-end of violence with the opportunity for a constructive life—

I would now like to briefly comment on the three programs in this amendment.

LOCAL CRIME PREVENTION BLOCK GRANTS

Local crime prevention block grants were created to allow cities and towns to develop their own prevention programs to combat child abuse, youth gangs, drug abuse by children, and crimes against the elderly—including the D.A.R.E. Program and the boys and girls clubs.

Local crime prevention grants enable communities to institute successful initiatives such as: Measures to prevent juvenile violence, juvenile gangs, and the use and sale of illegal drugs by juveniles, programs to prevent crimes against the elderly, midnight sports league programs to keep kids off the street and away from drugs, supervised sports and recreation programs after school and on holidays, the establishment of Boys and Girls Clubs of America in public housing facilities, and the creation of special crime units to deal with crimes in which a child is involved, to name a few.

These prevention strategies and programs have proven effective in reducing the incidence of crime in both the short and long term. Here are some examples of programs that have proven track records:

In hundreds of public housing projects across the country, boys and girls clubs give kids a safe place to hang out after school—a place with positive activities and positive role models.

A recent, independent evaluation has reported that housing projects with clubs experience 13 percent fewer juvenile crimes, 22 percent less drug activity, and 25 percent less crack use, than do projects with clubs.

In Honolulu, professionals identify families at risk for neglect or abuse when children are born and then visit their homes regularly over several years to help parents learn to care for their children.

In Houston, Texas, a core of professionals provides one-on-one counseling, mentoring, tutoring, job training and crisis-intervention services to students at risk for dropping out.

And in Delaware, "Stormin' Normin" Oliver runs an award-winning summer basketball league—in which team members must participate in supervised study sessions and perform community-service work in addition to their time on the courts.

Although many communities are putting their best foot forward, the need and demand for prevention programs far outpace the supply.

And yet the republicans have targeted prevention grants in the crime law for complete elimination—a move some charge is cold-hearted and mean. But I say it is just plain dumb.

Local crime prevention block grants are one of the best means we have to ensure States and localities have the funding they need to reduce crime over the long haul.

Weed and seed is a republican, Bush administration program, the brainchild of former Attorney General William Barr.

The program funds prevention efforts and comprehensive law enforcement efforts.

The weed and seed program has achieved notable success primarily because it requires the kind of community policing that works, and then requires that law enforcement, social service agencies, the private sector, and the community work together to prevent crime.

So this is a program that works because it utilizes both law enforcement and community participation.

In a number of cities—such as Madison, Houston, Trenton, and Camden—notable reductions in crime have been achieved in weed and seed areas.

Many of weed and seed's biggest fans are former Republican U.S. attorneys. Let me tell you what a few of them have said:

Joe Whitley, former U.S. attorney from the northern district of Georgia:

> I have said that this is the most important matter I have ever dealt with as U.S. attorney. It's a simple but fundamentally sound idea that people in communities really seemed to believe. * * * The program is responsive to the concerns of citizens. It's positive because residents thought it had real credibility—combining law enforcement and prevention.

Michael Chertoff, former U.S. attorney for New Jersey:

> Trenton was a pilot city. It was a very successful project and I think very highly of it. * * * Community policing worked very well in closing the distance between the police and the community, and it deterred crime because it gave the police a better reputation within the community.

Debra Daniels, former U.S. attorney from the southern district of Indiana:

> In a nutshell, it is the kind of program that you want. "Program" is the wrong word because it connotes money only—you want to emphasize the aspect of weed and seed that has to do with planning at the grass-roots level.
>
> Weed and seed requires collaboration of all governmental agencies working closely at all levels with people in neighborhoods to create a complete package of crime fighting, policing, human services and economic development. * * * The community leadership development was miraculous and the crime rate decreased.

The consensus of all the law enforcement experts around the country is that youth gangs are a serious problem and a growing problem.

The most recent report on juvenile offenders from the office of juvenile justice and delinquency prevention at the department of justice reports that the number of jurisdictions affected by youth gangs has increased substantially in the last 20 years and that gang-related crime has increased since the late 1980s.

Yet very little is done to directly target youth gangs.

This amendment would boost funds for the two Department of Justice programs that specifically target this problem.

One of these is the gang free schools and communities program, which funds counseling, education, and crisis intervention through coordinated social service, substance abuse treatment and other means.

The other is the community based gang intervention program, which: (1) develops regional task forces of state, local and community organizations to fight gangs; (2) encourages cooperation among local education, juvenile justice, employment, and social service agencies and community based organizations; and (3) funds programs offering effective punishment options, including restitution, community service, home detention, and boot camps.

So this amendment provides an absolutely critical prevention element to our overall anti-crime efforts.

The 1994 crime law provided over $300 million of authorized funding for prevention programs for the next year but the Republican appropriations bill eliminated virtually all of it.

Offset: this amendment would restore $80 million—one quarter of the lost prevention funds—to fund these three programs. The money is taken from a portion of new FBI salaries and expenses that were increased above the president's request.

I urge my colleagues to support this vital amendment.

I will conclude by saying that I have great respect for the abilities of my friend from Texas. But this is about weed and seed and other good programs, not about midnight basketball. Whenever I debate him on issues relating to guns, he pulls out his mama's gun and says, "You ain't going to take my mama's gun from her." I am not after his mama's gun or midnight basketball.

This works. I challenge anybody in this Chamber to go home and ask 10 police chiefs in your State—10—and I am prepared to bet you that 9 of those 10 will tell you that they desperately need these local prevention programs. The reason they got put in the bill in the first place is because of the cops. Not a single social worker came to me and said: You have to put in prevention when this bill is written. Not one single bleeding heart liberal came to me and said: You have to put in prevention. The cops want the prevention money. Senators COHEN and KOHL are correct.

I yield the floor.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. KOHL. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Utah [Mr. BENNETT], the Senator from North Carolina [Mr. HELMS], the Senator from Oklahoma [Mr. INHOFE], the Senator from Alabama [Mr. SHELBY], and the Senator from Pennsylvania [Mr. SPECTER] are necessarily absent.

I further announce that, if present and voting, the Senator from North Carolina [Mr. HELMS] would vote "nay."

Mr. FORD. I announce that the Senator from Ohio [Mr. GLENN], the Senator from Louisiana [Mr. JOHNSTON], the Senator from Nebraska [Mr. KERREY], the Senator from Connecticut [Mr. LIEBERMAN], and the Senator from Illinois [Mr. SIMON] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 49, nays 41, as follows:

[Rollcall Vote No. 480 Leg.]

YEAS—49

Akaka
Baucus
Biden
Bingaman
Boxer
Bradley
Breaux
Bryan
Bumpers
Campbell
Chafee
Cohen
Conrad
Daschle
DeWine
Dodd
Dorgan
Exon
Feingold
Feinstein
Ford
Graham
Harkin
Hatfield
Heflin
Hollings
Inouye
Jeffords
Kassebaum
Kennedy
Kerry
Kohl
Lautenberg
Leahy
Levin
Mikulski
Moseley-Braun
Moynihan
Murray
Nunn
Pell
Pryor
Reid
Robb
Rockefeller
Sarbanes
Simpson
Snowe
Wellstone

NAYS—41

Abraham
Ashcroft
Bond
Brown
Burns
Byrd
Coats
Cochran
Coverdell
Craig
D'Amato
Dole
Domenici
Faircloth
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hatch
Hutchison
Kempthorne
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Packwood
Pressler
Roth
Santorum
Smith
Stevens
Thomas
Thompson
Thurmond
Warner

NOT VOTING—10

Bennett
Glenn
Helms
Inhofe
Johnston
Kerrey
Lieberman
Shelby
Simon
Specter

So the amendment (No. 2843) was agreed to.

Mr. GRAMM. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. COHEN. I move to lay that motion on the table was agreed to.

The motion to lay that motion on the table.

Mr. GRAMM. Mr. President, I am trying to work out an agreement here. I do not know that starting a debate on a new amendment moves us toward that objective. I would like to ask unanimous consent that debate on all amendments to this bill end, and that we proceed to third reading by 8:30.

Mr. HOLLINGS. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. HOLLINGS. I have to object to the request at this time.

Mr. GRASSLEY addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Iowa.

AMENDMENT NO. 2844

(Purpose: To restrict the location of judicial conferences and meetings, and for other purposes)

Mr. GRASSLEY. Mr. President, I send an amendment to the desk and I ask for its consideration.

The PRESIDING OFFICER. Is there objection to setting aside the committee amendment?

Without objection, it is so ordered.

The assistant legislative clerk read as follows:

The Senator from Iowa [Mr. GRASSLEY], for himself, and Mr. KYL, proposes an amendment numbered 2844.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 92, insert between lines 13 and 14 the following new sections:

SEC. 305. (a) Notwithstanding any other provision of law, none of the funds made available under this title shall be used for any conference or meeting authorized under section 333 of title 28, United States Code, if such conference or meeting takes place at a location outside the geographic boundaries of the circuit court of appeals over which the chief judge presides, except in the case of the Court of Appeals for the District of Columbia Circuit, which shall be permitted to host conferences or meetings within a 50-mile radius of the District of Columbia without regard to the geographic boundaries of the circuit.

(b) Of the funds appropriated under this title, no circuit shall receive more than $100,000 for conferences convened under section 333 of title 28, United States Code, during any year.

SEC. 306. (a) Section 333 of title 28, United States Code, is amended—

(1) in the first paragraph, by striking "shall" the first, second, and fourth place it appears and inserting "may"; and

(2) in the second paragraph—

(A) by striking "shall" the first place it appears and inserting "may"; and

(B) by striking ", and unless excused by the chief judge, shall remain throughout the conference".

(b) In the interest of saving taxpayer dollars and reducing the cost of Government, it is the sense of the Senate that the chief judges of the various United States circuit courts should use new communications technologies to conduct judicial conferences.

(c) This section shall apply only to contracts entered into after the date of enactment of this Act.

Mr. GRASSLEY. Mr. President, I rise today to introduce an amendment, on behalf of myself and Senator KYL, that would stop a wasteful Government practice that has received a lot of press attention lately and has drawn sharp criticism from watchdog groups like the National Taxpayers Union. Mr. President, the practice I am talking about is taxpayer-funded travel by Federal judges to so-called judicial conferences. As chairman of the Subcommittee on Administrative Oversight and the Courts, I am concerned about the budgetary propriety of continuing current practice with regard to judicial conferences in this new era of balanced budgets and streamlined Government.

Mr. President, at this time I ask unanimous consent that two newspaper articles be printed in the RECORD at the conclusion of my remarks. The first article is entitled "Taxpayers Foot the Bill for Judges to Meet at Resort" and the second is entitled "Times Are Tight, But Circuit Isn't."

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibits 1 and 2.)

Mr. GRASSLEY. Mr. President, I commend these revealing articles to my colleagues.

In the first article, U.S. District Court judge, William Nickerson, is quoted as saying, "As a taxpayer, I would probably complain," when asked about a judicial conference hosted at the five-star Greenbrier resort in West Virginia. The second article recounts that a Federal judge and former Congressman introduced a resolution to reduce the cost of judicial conferences in the ninth circuit by having them less frequently. Sadly, this responsible and wise proposal was defeated by a vote of 5 to 3. This amendment removes the requirement that conferences be held, giving Federal courts the flexibility to schedule conferences or, if they decide not to schedule them, just to not have a conference.

In brief, Mr. President, the amendment will limit the location of judicial conferences to the geographic boundaries of the circuit to minimize travel costs which obviously come when there is travel outside of the circuit.

It would also amend Federal law so that judicial conferences are no longer mandatory, and express the sense of the Senate that the Federal Judiciary should explore the idea of using new communications technology—teleconferencing, et cetera—to conduct conferences without travel.

I believe the amendment will save money and give new and needed flexibility to the Federal courts.

As I said, Federal judges from around the country are currently compelled by law to attend a conference with other judges at least once every 2 years. So, I cannot fault anyone with scheduling these conferences or attending them since the law requires it.

But I can—and do—find fault with those who choose only the most luxurious hotels and resorts.

I can—and do—find fault with some of the activities at these publicly funded conferences.

According to some press reports, less than a third of the time judges spend at these conferences relates to judicial work. In one case, according to the Cleveland Plain Dealer newspaper, during one 3-day conference at Hilton Head, SC, only 10 hours were set aside for work. The rest of the time was left open so that the attendees could socialize, visit with each other, or do whatever.

Importantly, Federal courts are continuing these expensive conferences at the same time judicial resources are scarce and funds for representing poorer Americans are drying up. I respectfully submit that these are not sound priorities.

The amendment that I and Senator KYL offer today does what even some judges want to do. It would limit the location of judicial conferences to major urban areas—I want to emphasize this—within the circuit court of appeals, not outside. A few circuits, where judges are dissatisfied with the resorts within their circuit boundaries, have been going halfway across the country to attend a judicial conference—at taxpayer expense.

I am not the first to note the extravagance and unnecessary expense associated with these conferences. Fair-minded judges have been complaining about these conferences themselves for years. To name just a few, Circuit Judge Charles Wiggins, of the Ninth Circuit Court of Appeals and U.S. District Court Judge Frederic Smalkin have both complained that these conferences are unjustifiably expensive. A few years ago, a district court judge in Kansas City, like Judge Wiggins in the ninth circuit, was so outraged by the posh, remote resorts where these conferences are hosted that he introduced a resolution to limit the location of conferences. Yet another judge has referred to judicial conferences as a sort of "camp." And U.S. District Court Judge Carl Rubin was quoted by the Cleveland Plain Dealer as saying "there are a lot of things I'd rather see the taxpayers' money spent on than sending me to Hilton Head for 3 days." According to that same article, Pete Seep of the National Taxpayers' Union states his opinion that "Federal taxpayers are paying judges to party."

Mr. President, I ask unanimous consent that two letters written to me by Federal judges—one from Michigan and one from Texas—urging me to trim the excesses associated with judicial conferences be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. BANKRUPTCY COURT FOR THE
EASTERN DISTRICT OF MICHIGAN,
Flint, MI, July 6, 1995.

Re Travel/Chambers savings.

Senator CHARLES E. GRASSLEY,
Chairman, Senate Judiciary Subcommittee on Administrative Oversight and the Courts, Washington, DC.

DEAR SENATOR GRASSLEY: I read in a recent article in the Wall Street Journal how you were trying to effectuate needed savings in the budget for the federal judiciary. As a member of the lowest rung on the ladder of the federal judiciary, I offer two suggestions for savings within the judicial branch.

I have been a bankruptcy judge for 11 years. As you know, federal judges are required by 28 U.S.C. §333 to attend a judicial conference each year. The first year I attended such a conference, it occurred to me that there was a place where some savings could be effected. In my experience, the judicial conferences are arranged so that the judges travel usually on a Tuesday and return home on a Friday or Saturday. As you are well aware, commercial airlines give tremendous discounts for early booking with a Saturday night stayover. The thought came to mind long ago that if judges were required to attend the conference over a Saturday night, it could save a lot of money. This concept holds true for Federal Judicial Center functions as well.

My suggestion was met with the response that judges prefer to be home with their families on the weekends. While that is obviously true (when I suggested this, I had two small children at home, ages eight and five), I did not think it was too much to ask high government officials to give up a weekend once in a while, especially since such a large savings would be created. Now that funding is much tighter, I repeat this suggestion.

Another suggestion deals with the cost of furnishing chambers. Due to expansion in the district court, I was asked to move my courtrooms and chambers out of the federal buildings in Flint and Bay City. In the process, I was given a budget for furnishing chambers (which included my personal office, my secretary's office and reception area, my law clerk's office, the library, the media room, two attorney conference rooms, and the courtroom waiting area) for $25,000 total. We just about made it for that amount. I do not know for sure, but I have been told that other judges are allowed roughly $50,000 for furnishing a much smaller chambers' unit. Perhaps some uniformity would save some money. While I am in accord with the statements of the federal judge quoted in the Journal article with respect to there being a need for decorum and dignity in a federal courthouse, I also concur in your efforts and those of Senator Baucus to provide that at a lower cost.

By effectuating some reasonable savings in non-essential areas, Congress ought to be able to reinstitute cost of living increases for the judiciary. Without such regular adjustments, of course, Congress is condemning the judiciary to consistent decreases in take-home pay.

Sincerely,

ARTHUR J. SPECTOR,
U.S. Bankruptcy Judge.

U.S. DISTRICT COURT,
WESTERN DISTRICT OF TEXAS,
San Antonio, TX, June 6, 1995.

Hon. CHARLES E. GRASSLEY,
U.S. Senate,
Washington, DC

DEAR SENATOR GRASSLEY: At a recent conference of the Fifth Judicial Circuit, we were advised of your efforts to address government expenditures for judicial meetings and conferences. I applaud and encourage such efforts. All branches of government must search for and find ways of reducing government expense. This area can be modified, relatively painlessly, with no loss in the quality of judicial services provided.

Title 28 U.S.C. Section 333 allows an annual circuit conferences and requires that one be held in each circuit no more than every two years. Attendances for judges summoned is mandatory. Perhaps Section 333 could be amended to reduce the number of circuit conferences and/or permit participation to be optional. Once per year, we also hold separate workshops for circuit judges, district judges, magistrate judges, and bankruptcy judges. These instructional meetings address various substantive topics and can be beneficial. However, the information can be provided to us in written form at our offices to avoid the cost of travel, housing, meals, and lectures.

I am sure many more ways of reducing expenses for judicial meetings exist. These meetings can be valuable but are not absolutely necessary to the administration of justice. Particularly in these economic times, their cost is difficult to justify. I wanted you to know that judges will support, and even participate in, efforts to reduce the amount of money allocated to the judiciary's budget.

Sincerly,

JOHN W. PRIMOMO,
U.S. Magistrate Judge.

Mr. GRASSLEY. Mr. President, I believe that the costs of conferences are underestimated. These estimates—which range as high as one-half million dollars per conference—do not take into account lost time on the bench for judges and their support staff, who also attend the conferences at taxpayer expense. And the taxpayers foot these expenses year after year. The party's over, Mr. President.

There is a word for this sort of thing: Boondoggle. I have fought against wasting taxpayer money my whole career in the Senate, and I am committed to fighting unnecessary spending in the judiciary.

Mr. President, under current law, Federal judges are required to host and attend these conferences. This amendment will change that so that judges have the flexibility not to call a judicial conference. This amendment would also give individual Federal judges the option of not attending a conference. This is fair, and permits Federal courts—which I believe will act responsibly in light of the Federal Government's budgetary constraints—to pitch in and tighten belts along with us in Congress and the executive branch.

As I have said, Mr. President, this amendment is about saving taxpayer dollars and priorities. I urge my colleagues to support this amendment.

Finally, I just want to say that this amendment should not be viewed as a general indictment of the Federal judiciary. For the most part, I think that the judiciary has taken responsible and important steps to reduce unnecessary spending. This amendment is simply targeted to a use of Federal funds that, in the opinion of this Senator, should be pruned.

Thank you, Mr. President.

EXHIBIT 1

[From the Baltimore Sun, June 30, 1994]

TAXPAYERS FOOT THE BILL FOR JUDGES TO MEET AT RESORT

(by Marcia Myers)

As the federal judiciary struggles amid hiring freezes and funding shortages for basic services, 150 judges from Maryland and other parts of the Fourth Circuit converged yesterday on the broad verandas, lush fairways and tennis courts of the five-star Greenbrier resort.

Their taxpayer-financed gathering will demand little work in the afternoons and barely any at night—unless you count one banquet and a sing-along led by U.S. Supreme Court Chief Justice William H. Rehnquist. Of course, several hundred lawyers pay their own way, and those who consider schmoozing part of the job might argue that they're working tirelessly.

The cost to taxpayers for the four-day conference: about $200,000.

Even some who appreciate the Greenbrier's pampering question the propriety of the trip to the mountains of White Sulphur Springs, W.Va.

"As a taxpayer, I would probably complain," U.S. District Judge William M. Nickerson said, while adding that the meeting offers a good opportunity to talk informally with other judges. "I think a lot of the judges have some concerns as taxpayers. Some feel it's more of a luxury than it needs to be."

Others are more direct in criticizing the annual conference, for which taxpayers will pay up to $1,000 per judge plus travel expenses. "I don't think the expense is justified on an annual basis," said U.S. District Judge Frederic N. Smalkin.

Consider the schedule for the conference, which includes district, magistrate and bankruptcy judges from Maryland, North and South Carolina, Virginia and West Virginia:

Day 1: Judges arrive—no activities are planned.

Day 2: Judges attend a morning session for about 3 hours to discuss court business. No other activities are planned until the Rehnquist sing-along that evening.

Day 3: A trio of one-hour lectures on ethics is scheduled. At noon, the six new judges in the circuit offer brief remarks. Nothing else is planned until an evening reception and banquet.

Day 4: The morning features a panel discussion reviewing major Supreme Court decisions of the 1993 term. That ends the conference, although judges on committees may attend additional meetings.

Meanwhile, conferees are encouraged to sign up for group activities that include tennis, golf, bridge and hiking. Among the resort's other amenities: three 18-hole championship golf courses, fly fishing, skeet shooting, horseback riding, swimming, and the Greenbrier Spa, Mineral Baths & Salon.

"Personally, I think it's of real value," Senior U.S. District Judge John R. Hargrove said of the conference. "Do we have to cut our own throats just because Congress won't give us more money? We still have to have training. We don't go down there and sit around."

Why not have a shorter meeting, strictly business, at a less luxurious spot?

"We tried that at least once in the 20 years since I came here," said the circuit's Chief Judge, Sam J. Ervin III of North Carolina. "The afternoon sessions were not very productive—nobody much came.

"I think the most important thing about this conference is that lawyers have an opportunity to mingle with the judges and share their problems and difficulties."

That talk could include concerns over the shrinking resources of the federal courts. Amid a hiring freeze in Maryland and across the nation, the courts are at 84 percent of adequate staffing levels—the lowest ever, according to a court official.

And the situation could get worse. Court officials worry about funds for court security, courtroom deputies and computers. Business that used to be done in a day in Baltimore, for example, now can take several days because of staffing shortages.

When asked how much the conference would cost taxpayers, Circuit Executive Samuel W. Phillips said about $55,000. But after acknowledging the $1,000 allowance for each judge, plus travel and administrative expenses, he estimated the cost at $175,000 to $200,000.

Mr. Phillips said he had checked many other hotels for a better rate. But the Greenbrier includes two meals in its room rate, which makes it cheaper, he said. A typical room for two costs $434 a night, although the judges receive a discount that he wouldn't disclose.

It's also one of the few hotels capable of accommodating everybody—judges, spouses and lawyers—under one roof, he said.

The government pays for judges' hotel rooms and meals. The cost of recreation—at the Greenbrier, golf fees are $80 and tennis courts are $23 an hour—comes from each judge's own pocket.

The conference alternates every other year between the Greenbrier and the Homestead, a similar resort in Hot Springs, Va.

The judges are quick to note that attendance is required—by law.

Congress passed a bill in the 1930s requiring judges in each circuit to gather annually to consider court business.

As budget concerns have mounted in recent years, the law was amended to require a meeting only once every two years.

Several circuits have cut back to biennial meetings, but Judge Ervin said the Fourth Circuit had rejected that idea.

[From the Recorder, September 29, 1993]

TIMES ARE TIGHT, BUT CIRCUIT ISN'T

(By Steve Albert)

Soon after money problems forced postponement of pay raises for judicial employees and led federal judges to suspend civil jury trials, the Ninth Circuit U.S. Court of Appeals spent about $600,000 to send 350 judges and lawyers to a four-day conference at a luxury Santa Barbara beach resort.

While other circuits reacted to tight budgets this year by canceling their retreats or deciding to hold them every other year, the Ninth Circuit opted to go forward with its August 1993 conference and continue holding its retreat annually.

Circuit chief Judge J. Clifford Wallace called the conference expenditures "money well spent." Congress mandates that circuits hold conferences, Wallace said, and the retreats provide the only opportunity "to bring together people who have responsibility to improve the administration of justice."

Circuit and district judges, magistrates, bankruptcy judges, U.S. attorneys, federal public defenders and court clerks from nine Western states attend the conference. In addition, the circuit's 27 active judges get together six times a year, hold an annual winter symposium, and meet with different judges once every year or two for continuing education.

Estimates of government expenses for the Santa Barbara conference were released last week shortly before the U.S. House of Representatives appropriated $2.8 billion for the judiciary for fiscal 1994, a 10 percent increase over this year. A House/Senate conference committee is expected to settle on the final number this week or next. The Senate wants to give this judiciary just a 5 percent increase for the new fiscal year, which begins Friday.

The cost estimate of the Ninth Circuit conference, prepared by circuit executives at The Recorder's request, shows that 300 judges, prosecutors, public defenders and clerks traveled to Santa Barbara by air at an average cost of $550 each. Another 50 traveled by car from Los Angeles at an average cost of $50. The attendees spent an average of $250 for room and food each day of the four-day conference and an average of $34 on check-out day. Add in about $27,000 for such items as speakers' travel, printing and audiovisual material, and the total bill for taxpayers was about $556,000. Because judges submit individual expense vouchers, that figure is an estimate only.

The figure does not include the cost of travel during the rest of the year for the 12 judges who meet four times annually to help plan the conference.

About 100 other attendees, mostly lawyers in private practice, paid their own way.

$100 MILLION BAILOUT

The conference came just eight months after the U.S. Judicial Conference—the governing body of the federal courts—imposed a hiring freeze and postponed some pay increases for federal court employees in the Ninth Circuit and around the country. At the same time, the Judicial Conference's executive committee trimmed court operating expenses as well as probation and pretrial services funding, citing a $100 million operating shortfall.

In June, citing a lack of funds to pay jurors, federal trial courts around the country briefly suspended some civil jury trials. Congress passed a $100 million bailout for the courts in early July.

The budget shortfall prompted Wallace in May to propose that many indigents who need court-appointed lawyers be asked to repay the government for the cost of their defense, much as students are required to pay off student loans for college tuition. The savings, he theorized, could be used to avoid funding shortfalls.

But Wallace said Monday that despite budgetary problems, the conference remained an essential expense. He cited the circuit's recently released study of gender bias in the courts and its decision to study bias based on race, religion and ethnicity as examples of the work the conference takes on.

"No one can doubt the importance of those issues," Wallace said. "It would be difficult to cut the conference because of budget difficulty."

Other circuits around the country have cancelled their annual conferences, however. The New York-based Second Circuit and Denver-based Tenth Circuit cancelled their 1993 meetings, and the St. Louis-based Eighth Circuit has cancelled its 1994 conference. Four other circuits have gone to biennial conferences.

A call to cancel future Ninth Circuit conferences was defeated by a 5-3 vote of the circuit's executive committee at its August meeting in Santa Barbara. Circuit Judge Charles Wiggins, a former Republican congressman, warned colleagues then that the cost could engender the wrong "public perception," especially in tight budget times.

Executive committee members voted to go ahead with the circuit's 1994 conference in San Diego and its 1995 conference in Hawaii.

Exactly how much the Ninth Circuit or other circuits spend on annual conferences is difficult to pinpoint, according to circuit executives and a spokesman for the U.S. Administrative Office of the Courts, which disburses money to the federal bench. Judges submit conference expense vouchers and reimbursement checks are issued in Washington. The Ninth Circuit cost estimates were based on average airfare costs calculated by circuit executives and the $250 maximum per day charge judges and other government employees are allowed for lodging and food.

Circuit conference expenses are subtracted from the "Salaries and Expenses" line of the courts' budget. Individual circuit expenses are never set forth in judicial budget requests, said David Sellers, a spokesman for the administrative office of the courts.

"It doesn't get much more specific than that," Sellers said.

New Jersey District Chief Judge John Gerry, who chairs the Judicial Conference's executive committee, said the Ninth Circuit's conference cost estimate was the first such estimate he had ever heard. The executive committee, which holds the Judicial Conference's purse strings, does not take up or examine individual circuit expenditures, he said.

But the conference a year ago asked circuits to evaluate the necessity of retreats and their costs. "There hasn't been any area of court operations we have not looked at to save a buck here and there," Gerry said. His own circuit, the Third, has gone to biennial conferences.

A MODEL CIRCUIT

Wallace said the work of the Ninth Circuit conference has been recognized by other circuits. "Some of us do a better job than others in our efforts to improve the system," Wallace said. If efforts were not made to improve the administration of justice, he added, costs of administering the courts could be higher than they already are.

"The budgeting problem is very complicated," Wallace said. "By singling out one aspect, the overall picture can be blurred. We have thrashed this out. We have been responsible."

But some circuit judges like Wiggins have complained that the conference is not as productive as Wallace or others may think. "We don't talk about much of interest to any of us; our discussions are so broad," Wiggins told his colleagues in Santa Barbara.

At the Santa Barbara meeting, conferees discussed cooperation with the executive and legislative branches and, in addition to passing a resolution calling for a task force to study bias, passed one supporting adequate funding for the courts.

Savings in conference costs would not have offset lack of funds for jury trials or public defender programs because those costs come out of different budget lines than the line used to pay for conferences, said Wallace and court spokesman Sellers.

This year's conference schedule, like those in the past, included such diversions as tennis and golf tournaments, a spouse sightseeing and winery tour and cooking and flower arranging classes.

Wallace confirmed that the Ninth Circuit conference next August will be held at the Loews Coronado Bay Resort on the beach south of San Diego. The resorts offers bayside suites and has three heated pools and a marina. The Taxpayer's Tab

Ninth Circuit Judicial Conference—Santa Barbara—August 16–19

Travel:	
300 travelers at average airfare of $550	$165,000
50 travelers (L.A. area) by car at $50	2,500
Total travel:	167,500
Lodging:	
350 travelers at $250 per day for 4 days	350,000
350 travelers for $34 for last day	11,900
Total lodging:	361,900
Grand Total Travel/Lodging	529,400
Direct Conference Expenses:	
Spakers' travel, printing, audio-visual	27,000
Grant Total for Santa Barbara Conference:	556,400

Mr. KYL addressed the Chair.

The PRESIDING OFFICER (Mr. SANTORUM). The Senator from Arizona.

Mr. KYL. Thank you, Mr. President. I shall be brief. I assume that this amendment will be adopted on a voice vote, but I do think it is important to just reiterate a couple of points.

I am very pleased to join Senator GRASSLEY, the chairman of the courts subcommittee, in introducing the amendment.

What it does is to require that all circuit court judicial conference meetings must be held within the circuit and that they keep the cost of each of those conferences not to exceed $100,000.

Additionally, the amendment would remove the requirement that a judicial conference be held every 2 years. A circuit may hold a conference but is not required to hold a conference under our amendment.

And the reason is, as was pointed out by Senator GRASSLEY, at a time when judicial resources are precious, money should not be used to fund trips to such faraway places as Maui, Santa Barbara and Sun Valley. The conferences should be held in areas that are easily accessible and within the geographic bounds of the district.

According to a report released last week by the General Accounting Office, the total cost for the circuit judicial conference meetings in 1993 was more than $1 million, and in 1994 it was once again almost $1 million. In both 1993 and 1994, the ninth circuit, which encompasses my State of Arizona, ran up the largest tab, costing the taxpayers more than a quarter of a million dollars each year according to this GAO report.

The estimated cost for this year's ninth circuit conference in Hawaii is more than a half million dollars, according to the Legal Times. Unfortunately, Mr. President, this comes at a time when we have to start counting our pennies here at the Federal Government level, and I am sure that the public is fed up with such waste.

In fact, about a week ago, I received a letter from one of my constituents about the subject. He wrote about what he called, and I am quoting now, "The extravagant conference charges incurred by United States taxpayers to send about 350 Federal judges to Maui, Hawaii this year."

He continued, and I am quoting, "I am outraged by such extravagance. Is it no wonder that the every-day citizens of this Nation are cynical, disappointed and feel totally helpless as this kind of abuse rages in all levels of Government?"

Mr. President, I think he is right. These conferences are an abuse of taxpayers' funds and of the public trust. The ninth circuit usually holds its conferences at a resort in either San Diego, Santa Barbara, Maui or Sun Valley, ID. They are all beautiful places, but the public should not be paying about $1 million each year to fund conferences in such places.

According to an article in the Legal Times, many judges believe that reform is needed. As one ninth circuit judge, Charles Wiggins, noted: "It's an excessive expenditure of public funds." Another judge—Judge Rubin of Cincinnati—commented: "There are a lot of other things I'd rather see the taxpayers' money spent on."

"[The 1993] conference schedule, like those in the past, included such diversions as tennis, golf tournaments, a spouse sightseeing and winery tour and cooking and flower arranging classes," according to an article in the Recorder, a San Francisco-based newspaper affiliated with the Legal Times.

What is particularly galling about the excessive amount spent on these conferences is that the spending comes at a time when the judiciary is so strapped for funds.

For example, the ninth circuit's 1993 conference came just 8 months after the U.S. Judicial Conference, the governing body of the Federal courts, imposed a hiring freeze and postponed some pay increases for Federal court employees in the ninth circuit and around the country.

At the same time, the judicial conference's executive committee trimmed court operating expenses as well as probation and pretrial services funding, citing a $100 million operating shortfall. Additionally, in June 1993, citing a lack of funds to pay jurors, Federal trial courts around the country briefly suspended some civil jury trials. In July, Congress had to pass a $100 million bailout for the courts.

In addition to running up large bills by traveling to out-of-the-way places such as Maui and Sun Valley that are within the geographical boundaries of the circuit, many conferences are held outside of the circuit. For example, in 1993, the sixth circuit, which includes Michigan, Ohio, Tennessee, and Kentucky, held its conference at the seaside resort of Hilton Head in South Carolina.

As the chief judge of the sixth circuit said at the time, "It's not a matter of choice. It's a requirement of the Congress to hold the meeting. They just don't say where."

Well, not anymore, Mr. President. With this amendment, Congress will say where. It is simply limited to some place within the circuit, and certainly in my own case in the ninth circuit there are plenty of nice places such as the seat of the circuit, San Francisco, to hold these conferences. So this will certainly be no imposition on judges.

I support what Senator GRASSLEY has said, and I urge my colleagues to support this amendment and help to put an end to this wasteful spending.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 2844) was agreed to.

Mr. GRAMM. Mr. President, I move to reconsider the vote.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BIDEN. Mr. President, I know that this amendment was accepted by voice vote, but I just want to note for the RECORD that I oppose it.

This is not the type of micromanagement that the Senate should be engaged in.

The Judiciary is an independent branch of Government and it should be permitted to make reasonable decisions about how to spend the money that Congress appropriates to it without undue interference.

AMENDMENT NO. 2845

(Purpose: To delete funding for the National Endowment for Democracy)

Mr. BUMPERS. Mr. President, is there a pending committee amendment?

The PRESIDING OFFICER. Yes.

Mr. BUMPERS. Mr. President, I ask unanimous consent the present pending amendment be laid aside so I may call up an amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Arkansas [Mr. BUMPERS], for himself, Mr. BROWN, and Mr. DORGAN, proposes an amendment numbered 2845.

Mr. BUMPERS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At page 116, strike lines 3 through 7.

Mr. BUMPERS. Mr. President, I wish to tell my colleagues, No. 1, this will be very short and sweet, and it will not require a rollcall.

I am saying this to the distinguished floor managers on the assumption that the President is going to veto the bill and that the bill is going to come back here at some point in the future, in October or November, and I will have an opportunity to offer this amendment and get a rollcall vote on it.

Now, this amendment deals with the National Endowment for Democracy. A lot of the new Members are not familiar with the National Endowment for Democracy.

Mr. President, Dante Fascell was a beloved House Member. Everybody knew him. He always wanted to do something to enhance democracy when the Communists were riding roughshod on everybody around the world. And when Ronald Reagan came to power, Dante Fascell presented this idea of a privately funded National Endowment for Democracy to President Reagan. President Reagan said he liked the idea of something that would counter communism with democracy.

And here is what Dante Fascell said, "We had found ourselves a powerful ally, the President of the United States. We had a horse and so we rode that horse. Changed the bill around and rammed it through."

And then he said they gave money to the Democratic and Republican parties, to the labor unions, and to the U.S. Chamber of Commerce. "Hell yeah. They were on board," Fascell recalled. "They got a piece of the pie. They got paid off. Democrats and Republicans, the Chamber of Commerce, along with labor." They got paid off.

That was in 1982. It was passed in 1984. It was designed to be matched with private money. Here is what happened. Just like all other Federal programs, look how it started off here in 1983, $18 million. And it was to be matched within a short period of time with private money.

Now, you talk about growing like Topsy—Topsy would blush at the way this program has grown. It started out at $18 million, $18 million, down to $15 million, went to $35 million, and $30 million in this year 1995.

Now, how much would you guess of that budget is private money?

We ought to have a little game show here and let everybody guess. The Senator from New Mexico is indicating he thinks it is 3 percent?

Mr. DOMENICI. Zero.

Mr. BUMPERS. Zero. You are wrong, Senator. It is less than 2 percent.

Here is a program that was going to be matched 50-50 with private money and ultimately be all private money from foundations and individuals. And there you have it, $30 million of the taxpayers' money, and less than 2 percent of it is private. And who gets it? And I do not mind telling you, this is the most offensive part of it to me, just as it would be the most offensive part to any citizen in America if they knew about it. Now, you see most people know about the Agency for International Development because that costs almost a half billion dollars. They know about the U.S. Information Agency because that costs almost a half billion dollars. They know about foreign aid because that is 12 to 15 billion dollars. All of those programs are designed to foment and enhance democracy around the world.

And then we come in with a little piddly amount here. How did we get this thing passed in the first place? It is exactly like Dante Fascell said. "We bought them off." Who did they buy off? You see this CIPE? FTUI? NDI? IRI? You see this "R" right here in IRI. You know what the "R" stands for? Republican. The Republican party gets 11.1 percent of that $30 million I just showed you. And what do you think this big "D" is in NDI? Democrat. That is right. The Democrats get 11.1 percent.

The Democrats used to get quite a bit more. And now they have got us down equal to the Republicans. We both get 11.1 percent.

And who is CIPE? That is a fancy name for the Chamber of Commerce. What is FTUI? Why that is the free trade unions, and who is that? AFL-CIO. Everybody got bought off. And the poor old taxpayers, they was not even consulted.

Now, I want to ask you, in this year 1995, when we are cutting everything under the shining sun, dramatically, we are not just cutting, we are cutting big dollars out of big programs. And programs like this have a way of being ignored. Nobody even looks at them. Out of the $30 billion, only 30.8 percent is discretionary.

I will tell you what I am going to do. I am going to send a July 1995 article from Harper's Magazine to each one of you, and I hope your staffs will insist you read it. It talks about a meeting of nongovernmental organizations. Where? Zagreb, Croatia. They come to Croatia, to Zagreb. They stay in a fancy hotel. The best was in Zagreb. They watch C-SPAN2. They watch CNN. They watch MTV. They have a nice big opulent dinner.

And then the President of the National Endowment for Democracy gets up and they are all thinking he has a big checkbook in his pocket. He is going to pull that sucker out and he is going to start writing checks to each one of them. What does he do? He gets up and he tells them they have all kinds of data, all kinds of information about the joys of democracy and they are going to put it on the Internet. This guy who wrote the story said you could see their shoulders go slack. People could not believe they had come all that distance to hear somebody say they were going to put a lot of information about democracy on the Internet.

And who do you think is paying for the hotel bill and the opulent dinner? That is right, old Uncle Sucker. I am just saying if you cannot kill this program—if you cannot kill this program—I am not optimistic about balancing the budget in 7 years.

Now, I am offering this amendment on behalf of Senators BROWN and DORGAN. There are all kinds of things I would like to talk about. I know everybody wants to get away, so I am not going to belabor it. But I want to reemphasize the point that I will be back on the floor after the President vetoes this bill for a rollcall vote on this amendment or something similar to it. But anybody who votes to continue this program cannot be serious about deficit reduction.

I yield the floor.

Mr. McCAIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. McCAIN. Mr. President, this will be the ninth time that the Senate—and before that the other body—has taken up this amendment and debated it. I always enjoy and appreciate the eloquent presentation of the Senator from Arkansas. I will not take much time since the Senator from Arkansas has just stated we will revisit this issue again.

So I would only note, Mr. President, and ask unanimous consent to have printed in the RECORD the following letter.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

SEPTEMBER 29, 1995.

Hon. ROBERT DOLE,
Hon. THOMAS DASCHLE,
U.S. Senate, Washington, DC.
Hon. NEWT GINGRICH,
Hon. RICHARD GEPHARDT,
House of Representatives, Washington, DC.

As former Secretaries of State representing both Democratic and Republican Administrations, we support the continued funding of the National Endowment for Democracy (NED). This viewpoint is based upon the NED's strong track record in assisting *Solidarty* in Poland and other significant democratic movements over the past decade. It is also based upon the NED's important ongoing efforts in helping those engaged in the development of institutions of democracy around the world.

During this period of international change and uncertainty, the work of the NED continues to be an important bipartisan but non-governmental contributor to democratic reform and freedom. We consider the non-governmental character of the NED even more relevant today than it was at NED's founding twelve years ago.

Sincerely,

JAMES BAKER.
LAWRENCE S. EAGLEBURGER.
ALEXANDER M. HAIG, Jr.
HENRY A. KISSINGER.
EDMUND S. MUSKIE.
GEORGE P. SHULTZ.
CYRUS R. VANCE.

Mr. McCAIN. It is from former Secretaries of State representing both Democratic and Republican administrations.

. . .we support the continued funding of the National Endowment for Democracy (NED). This viewpoint is based upon the NED's strong track record in assisting Solidarity in Poland and other significant democratic movements over the past decade. It is also based upon NED's important ongoing efforts in helping those engaged in the development of institutions of democracy around the world.

During this period of international change and uncertainty, the work of the NED continues to be an important bipartisan but non-governmental contributor to democratic reform and freedom. We consider the non-governmental character of the NED even more relevant today than it was at NED's founding twelve years ago.

Sincerely, James Baker, Lawrence Eagleburger, Alexander Hague, Henry Kissinger, Edmund Muskie, George Schultz, and Cyrus Vance.

So, Mr. President, I urge my colleagues to note with interest the view of seven previous Secretaries of State, both Republican and Democrat, who have taken the time and effort to sign this letter in support of this very important effort to further the cause of freedom and democracy throughout the world.

Mr. President, I yield the floor.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, I will be mercifully brief. I understand the hour, and people want to leave. We will revisit this and have an aggressive debate at some point.

But I am struck—I am always, of course, respectful of the Senator from Arizona and I respect his opinion—I am struck by the letter put on our desks signed by former Secretaries of State that talk about the nongovernmental character of NED, how relevant the nongovernmental character of NED is.

The governmental character of NED is this is all Government money, it is all the taxpayers' money, divided up four ways: Give some to the Republicans, some to the Democrats, some to the Chamber of Commerce, some to the AFL–CIO and say, "Go do some nice things in support of democracy." The problem is it duplicates what we are doing in half a dozen other programs in the State Department.

In the last election, Republicans won, and I applaud them for that. The score was 20 percent of the American people voted Republican; roughly 19 percent of the American people voted Democrat; and 51 percent of the American people said, "Count me out, it doesn't matter, I'm not going to vote at all." It may be that we ought to talk about promoting a little democracy in this country.

This is not all that much money, but it is enough, and it is one of those programs that simply will not quit. It does not matter that it cannot be justified. It does not matter that it cannot be justified at this point. What matters is that it is a program that is ongoing, it continues, and it is governmental money that they call nongovernmental in character.

I support the Senator from Arkansas. I hope we will have a long debate on this, and I hope one of these days we are going to knock this out. If you care about reducing the deficit, the devil is in the details. The detail here is $32 million that we ought not spend. We ought not spend it. It is waste, in my judgment.

Let us reduce the deficit. Let us zero this out and do the taxpayers of this country a favor.

I yield the floor.

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, this is excellent debate, great points have been made, as in all these things. But consider the fact this bill is not going anywhere. What we are doing tonight is like training to fight the Spanish Armada. We ought to put all these speeches in the RECORD. Of course, we will all spend the weekend reading each other's speech with due diligence, but then everybody could go home.

I just remind my colleagues of one thing, maybe the thing that will move us away from these Dracula hours of legislation more than anything else around here if—if—we do not lose our nerve and do apply the laws of this country to the Congress as applied to everywhere else: Starting January 1, paying time and a half for all the staff who have to stay around here when we go through this useless exercise. Instead of costing the taxpayers $15,000 or $20,000 an hour for this, it will start costing $40,000 or $50,000 an hour. Maybe—maybe—we will pass legislation, have debates during the daytime and not do the Dracula hours.

I yield the floor.

Mr. SARBANES addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. SARBANES. Mr. President, I commend the distinguished Senator from Arizona for his statement and also for printing in the RECORD this joint letter by seven former Secretaries of State.

I say to my colleague that the reason the NED will not go away is because it does good work. That is plain and simple the reason it will not go away. It has done some extremely effective work around the world in strengthening and developing democratic institutions and protecting individual rights and freedoms.

We have had any number of people come through the Halls of the Congress recognized as fighters for human rights, fighters for freedom, fighters for democracy who have manifested their support for NED and the support which gave them and made them possible in their own countries to lead this effort.

So I know a longer debate is coming, and I am prepared and look forward to that debate, but these Secretaries are right when they say "the strong track record in assisting significant democratic movements." It does have a strong track record, and it serves an important role, because it can operate as a nongovernmental entity and support nongovernmental entities which provide opportunities that would not otherwise be available if these activities were undertaken by a governmental agency.

So I strongly support the NED, and I hope when we actually get to the real amendment, the Members of this body will support it as well.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Mr. President, let me just conclude by saying the very organization, the National Endowment for Democracy, dooms it. It is self-contradiction to give money to the Republican Party and to the Democratic Party whose views on democracy are quite different.

We all champion democracy, but can you imagine this group in Zagreb allowing me on my side to describe democracy for them, and we will say the Senator from Arizona on his side. We have strong philosophical differences. They would be so confused when we got through, they would not know what democracy is all about. And labor and the Chamber of Commerce, like two hornets in a jug. We give each one of them, look at that, the Chamber of Commerce, 13.6 percent and labor, AFL–CIO 29.4 percent. Do you want the people from the Chamber of Commerce and labor to sit around the same table explaining democracy?

Mr. President, let me repeat, we spend an awful lot of money on foreign aid. Frankly, this year I do not think we spent enough. What is it designed to do? It is designed to help people feed and clothe themselves and to promote democracy. We have the Agency for International Development. I saw their work in Siberia about 2 months ago. Some of the things they are doing are very impressive.

What is the Agency for International Development designed to do? To make them think well of the United States and help them create and maintain democracies. And then the United States Information Agency, a half-billion dollars. What do they do? Why, they broadcast all over the world the joys of democracy.

When you add it all up, it comes to between $13 billion and $15 billion. What is this $30 million doing? I want you to read that Harper's article. When the president, Mr. Gershman, president of the National Endowment for Democracy, gets up, and these people have come from all over thinking that they were going to get a little largess for some of their own programs. They needed computers; they needed printers. And so the president gets up and he says to this crowd in this thick-carpeted ballroom in Zagreb:

> The National Endowment for Democracy is an independent, nongovernmental foundation which receives a grant from the Congress every year for the purpose of strengthening democracy around the world.

First of all, it seems almost an oxymoron to say this is a non-Government foundation operating on a Government grant. But he goes ahead to say:

We have a journal in which we publish essays and articles on democracy, and we organize research conferences on democracy. We're compiling a database which will soon be available over the Internet. We will hold our fifth World Conference on Democracy in Washington on May 1. We do work in 92 countries around the world. In China, Uzbekistan and, yes, the countries of this region.

The author of this article goes on to say:

> Among the more experienced of the participants, the change in manner is immediately evident. They've stopped taking notes. The 92 countries, the broad friendly smiles, the global visions of building democracy, you can see them adding it all up to conclude there will be no computers, no printing presses, no radio transmitters, no money for paper, no hands-on assistance of the kind the participants are quick to inform you is given to them by the representatives of George Soros, the American financier.

Mr. MCCAIN. Will the Senator yield?

Mr. BUMPERS. Yes.

Mr. MCCAIN. It was my understanding that the Senator from Arkansas said this debate was going to be brief. The Senator is making a lot of charges that I will feel compelled to respond to. The Senator from Arkansas said we are going to revisit this issue again.

Mr. BUMPERS. The Senator is correct. If he will——

Mr. MCCAIN. If I could finish the question. If the Senator from Arkansas is going to continue to belabor these organizations, then I will feel compelled to respond, and we will be here for a long period of time.

So I ask the Senator how much longer we are going to debate this particular issue, in light of the fact that the Senator from Arkansas said we are going to do it again some time in the near future?

Mr. BUMPERS. The Senator makes a very good point. I withdraw the amendment.

So the amendment (No. 2845) was withdrawn.

Mr. SMITH. Mr. President, I ask unanimous consent to speak for no longer than 2 minutes as in morning business for the purpose of introducing a bill and an amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from New Hampshire is recognized.

(The remarks of Mr. SMITH and Mr. CHAFEE pertaining to the introduction of S. 1285 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. SMITH addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

(The remarks of Mr. SMITH pertaining to the introduction of S. 1286 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. FORD addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. FORD. Mr. President, I believe that the Presidential candidates are involved in a conflict of interest in New Hampshire, since that State has retroactively asked for same day election day registration. We have an amendment in this bill that would allow them to do that and break the word of what the leadership on the other side said the conference report calls an election day escape hatch. This would encourage States to adopt same day registration procedures as a means of escaping the bill's requirements. That came from the bill's manager on the other side.

Mr. President, what is a Presidential candidate to do if he is on the record opposing an election provision that turns out to be supported by the State where the first primary is held? By the looks of the Commerce/Justice/State

Appropriations bill, you hope like the dickens that nobody notices.

But, Mr. President, I noticed.

This appropriations bill includes a committee amendment to the National Voter Registration Act Of 1993—better known as motor-voter. This committee amendment benefits two States—New Hampshire and Idaho—by changing the effective date of the exemption in the Act of States that had already enacted election day registration or had no registration requirement. That specific date—March 11, 1993—was included to prohibit any other State from avoiding the law. The committee amendment would undo that prohibition for these two States.

New Hampshire and Idaho enacted legislation with retroactive effective dates in an attempt to take advantage of the limited exemption in the act. Because of a court challenge to the New Hampshire retroactive law, we are being asked to adopt an amendment to retroactively change the motor-voter exemption deadline.

So, in the case of these two States we are enacting a retroactive provision to a Federal law that will validate a retroactive provision in a State law that was enacted to avoid that very Federal law. This a curious amendment with a ridiculous result.

It is important to note that this specific date was not only proposed by the Republican floor manager, but both he and the Republican leader and Presidential candidate actively promoted it. In fact, they both cited inclusion of that deadline in the exemption provision as an improvement to the bill.

So while the committee amendment appears to be merely a technical or insignificant change affecting only two States—it is clearly an attack by opponents to weaken the motor-voter law by permitting more States to avoid its implementation. But even worse, it creates an incredible conflict of interest for every one of our many Republican Presidential candidates, because it would directly affect voter registration for the New Hampshire primary.

A similar exemption provision in the bill vetoed by President Bush in the 103d Congress was singled out for criticism in his veto message. President Bush attacked the exemption as an inducement to States to adopt same-day registration laws. I responded to that charge, when it was made by the Republican floor manager during debate on the veto over-ride, by pointing out that the exemption was intended to grandfather only those States that had already adopted such laws. It was not intended as an inducement to other States to adopt election day registration.

To overcome an impasse during our consideration of the motor-voter bill, the Republican floor manager submitted nine amendments to me that the opponents considered to be necessary changes to the bill. The first "must do" change was an amendment to set a date certain, March 11, 1993, as the deadline by which a State must have enacted the required legislation in order to be exempt from the requirements of motor-voter. Because it was consistent with, and reinforced, the original intent of the exemption provision, I included it in the amendment I offered at the conclusion of bill negotiations.

The House bill, H.R. 2, included an exemption without a specific date that was intended as an option to the States. The two Houses were clearly not in agreement regarding the exemption provisions of the two bills. The conference resolved this disagreement by including the Senate date certain deadline version in its report.

When the conference report was taken up in the Senate, the Republican floor manager stated, with regard to the exemption:

> Republicans slammed the escape-hatch shut. No longer is this bill a backdoor means of forcing States into adopting election day registration or no registration whatsoever. . . . Republicans succeeded in grandfathering in the five States that would have qualified for the exemption prior to March 11, 1993.

He then related that officials from Michigan, Illinois, and South Dakota had contacted him to urge that the escape hatch be left open so they could opt out from the law. The Republican floor manager then commented, with regard to these States,

> . . . their constituents are better served by the closing of the escape hatch than if it had been left open.

In remarks regarding the conference report, the Republican leader commented that the conference report was an improvement over the original bill because among other Republican amendments, it included the exemption provision. He stated,

> the conference report closes the so-called election day escape hatch. This loophole would have encouraged States to adopt same-day registration procedures as a means of escaping the bill's requirements.

It was clear that both the Republican floor manager and the Republican leader considered this exemption provision with its date certain deadline to be an important provision because it closed off the exemption for all but the five States that had enacted legislation as of the deadline of March 11, 1993.

The legislative history in the House reflects this as well. A House conferee who supported an open exemption as "a strong incentive for States to move toward . . ." same day registration stated that:

> some Members in the other body voiced strong concerns over this language, and the conference agreed to grandfather this provision, making the exemption apply only to States that had same day registration as of March 11, 1993.

This committee amendment is not only contrary to the law and our intent, it is also bad policy and reeks of Presidential politics. It will undo a clear policy decision of the Congress and invite other States to avoid Federal legislation by revising exemptions. Is it the purpose of the proponents of this amendment to encourage election day registration or the elimination of registration altogether?

I would remind the junior Senator from Kentucky of his comment regarding the requests of officials from Michigan, Illinois and South Dakota to keep the exemption open for future State compliance. If he supports this amendment, may we expect him to extend an invitation to those officials from Michigan, Illinois, and South Dakota to request additional extensions so their States may also be exempted? Or is this amendment only an attempt to accommodate the State election officials of the first Presidential primary State?

The underlying assumption of this amendment appears to be that Congress considered election day registration to be on a par with the requirements of the motor-voter law. Again, a review of the legislative record shows that this is just not the case. Those supporting the closed exemption were opposed to election day registration. The Republican leader attacked it with the comment that:

> In many areas same-day registration is a prescription for fraud and corruption.

House conferees argued for an open exemption that would encourage States to adopt election day registration or no registration. Their position reflects a policy that such provisions are equal to or better than the provisions of the motor-voter law. I would argue that the conference, in refusing to accept that position and in agreeing to the Senate's closed exemption, did not agree.

I am equally concerned that the effect of this amendment is to make moot ongoing litigation. In the case of New Hampshire, the State enacted legislation with a retroactive effective date in an attempt to slip in under the exemption. That action is being appropriately challenged in the courts by State organizations and voters who seek compliance with motor voter. I do not think it is appropriate or good policy for the Senate to directly interfere with ongoing litigation.

It is interesting to note that when the motor-voter bill was under consideration in the Senate, the Republican leader praised the floor manager for closing the election day registration escape hatch. Now, just 2 years later, Republicans propose to open that hatch for two more States and permit those two States to avoid implementing the motor-voter law.

One might reasonably ask, what has happened in the past 2 years to account for this change? Do Republicans now favor election day registration? Or, do

Republicans wish to avoid compliance with the motor-voter law in as many States as possible by whatever means possible?

Recent events support the latter position. Rather than comply, some states led by Republican governors have initiated court challenges to this law. So far none have succeeded. The courts have upheld this law and have ordered the States to comply. As I have already noted, New Hampshire would directly benefit by this amendment. New Hampshire is involved in litigation to compel its compliance—and we are asked to intervene by changing the law to render that litigation moot.

This should be seen for what it clearly is, another attack on the implementation of the motor-voter law and an attempt to curry favor with election officials in the all-important primary State of New Hampshire. My Republican colleagues appear willing to take this route even though it represents a complete about-face from the position they fought for just 2 years ago.

I think it is clear why implementation of the motor-voter law is under such attack. The law is working. And it is working well. Since the law became effective January 1, States that are implementing it are experiencing extraordinary registration activity. The National Association of Secretaries of State recently adopted a resolution that includes the finding:

> Preliminary statistics show the voter registration programs mandated by the Act to be successful at providing citizens access to the voter rolls. In the first six months, over 4 million new voters have been added to voter lists nationwide . . . .

A recent New York Times article noted that more than 5 million Americans have been added to the rolls so far this year. It notes that political experts characterize this registration activity as "the greatest expansion of voter rolls in the Nation's history." The article also states that "Estimates are that by the turn of the century, if the surge generated by the new law continues, at least four of every five adult Americans will be registered to vote, compared with about three of every five now."

The figures cited in the Times article are truly amazing. It states that this year Georgia registered 303,000 new voters between January and June, compared with only 85,000 for all of last year; Alabama registered about 43,000 in the first quarter and only 23,000 during that same period last year; Kentucky added 77,000 the first quarter this year compared with 23,000 in all of 1994 and Indiana added 64,000 new registrations the first quarter this year and only 5,400 during that period last year.

These registration figures for this year show that the law is working, and that it is working very well. I guess that some view the increased voting rolls produced by the States under this act to be a threat. A threat that must be attacked in the States, in the courts and in the Senate. What are they afraid of? More people voting? That is what democracy should be about. I welcome its success. I welcome a registration system that reaches out to all eligible citizens to assure that they are able to cast ballots on election day.

With a veto likely on this bill, now is not the right time to propose an amendment to strike this provision. But in closing, I want to make one thing clear to the proponents of this provision, I will continue to resist this and any other attempt to undo or weaken a law that has directly encouraged 5 million more Americans to become involved in our democratic process.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GRAMM. Mr. President, I ask unanimous consent that the order of the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAMM. Mr. President, it has been a long process in putting this bill together. It represents a dramatic change in public policy. The President has said he is going to veto the bill.

The American Government is about choices. What we have provided here is a bill which dramatically reduces spending below the level proposed by the President. We have provided a bill, despite some modest adjustments that we have made in the amendment process, some of which I have supported, some of which I have not supported, which dramatically changes the way Government does its business.

We have sent forward the strongest crime provisions in an appropriations act in my Senate career. We have a bill that substantially reduces funding in the Department of Commerce. It still remains to be decided by the Senate whether or not we will eliminate that Department.

We have a very tight budget for the State Department, and, under the circumstances, a fair budget. It is clear that there are changes that I, as a Member of the Senate, and others would like to make that cannot be made.

It is clear that the U.S. Senate supports quotas, supports set-asides, and even though the American people in overwhelming numbers reject them, it is clear that there is not support in the U.S. Senate to have a merit-based program for hiring, for promotions and for contracts.

I am confident that some day there will be a majority which will support merit-based selection. That majority, however, does not exist today, we have proven this on many occasions and I do not think we would benefit ourselves by proving it again today.

UNANIMOUS-CONSENT AGREEMENT

Mr. GRAMM. I have a unanimous-consent request that I believe will complete the bill. I would like to read that unanimous-consent request now.

Mr. President, I ask unanimous consent that the following committee amendments be withdrawn—Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GRAMM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAMM. Mr. President, let me begin again on the unanimous-consent request.

I ask unanimous consent that the following committee amendments be withdrawn: the amendment beginning on page 143, line 13 through page 145, line 18; and the amendment beginning on page 151, line 16, through page 159, line 6; and all remaining committee amendments be agreed to en bloc; that there be one amendment to be offered by each manager which will contain the cleared amendments by both sides of the aisle. The bill will be advanced to third reading and final passage occur without any intervening action or debate.

Mr. DASCHLE. Reserving the right to object, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GRAMM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAMM. Mr. President, I renew my unanimous-consent request.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request? The Democratic leader.

Mr. DASCHLE. Mr. President, reserving the right to object, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GRAMM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAMM. Mr. President, I renew my unanimous-consent request.

The PRESIDING OFFICER. Is there objection?

Mr. DASCHLE. No objection.

Mr. BINGAMAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, could we have it restated again? I am not sure what we are being asked to consent to.

Mr. GRAMM. Mr. President, I ask unanimous consent that the following committee amendments be withdrawn. The amendment beginning on page 143, line 13 through page 145, line 18, and the amendment beginning on page 151, line 16 through page 156, line 6, and that all remaining committee amendments be agreed to en bloc, that there be one amendment to be offered by each manager which will contain amendments cleared on both sides of the aisle, that the bill be advanced to third reading and final passage occur without any intervening action or debate.

The PRESIDING OFFICER. Is there objection?

Mr. GRASSLEY. Reserving the right to object, you said without any intervening debate? You just got done telling me I was going to have time to debate it.

Mr. GRAMM. Mr. President, I amend the unanimous-consent request to drop the words "or debate."

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

Without objection, it is so ordered.

Mr. GRAMM. Hallelujah.

Mr. DOLE. Mr. President, under the unanimous-consent agreement just adopted, the committee amendment adding the text of the Equal Opportunity Act to the underlying bill has been withdrawn.

After a lengthy process of consultation and drafting, I introduced the Equal Opportunity Act earlier this year. The act has been referred to the Labor Committee. This past June, the Labor Committee held hearings on Executive Order 11246, one of the Federal Government's major affirmative action policies. And I expect the committee to hold hearings on my bill sometime later this year.

The Small Business Committee, at my request, has also held hearings on the SBA's section 8(A) set-aside program. And the Subcommittee on the Constitution, under the leadership of Senator HANK BROWN, intends to convene a general series of hearings on affirmative action as it operates in both the public and private sectors. One hearing has already occurred. The next hearing will probably take place sometime in October.

In my view, inserting the Equal Opportunity Act into this appropriations bill would have short-circuited the hearing process and, in fact, would have harmed the bill's chances for passage in the Senate.

Of course, I strongly support the Equal Opportunity Act because I believe the Federal Government should be in the business of uniting all Americans, not dividing us through the use of quotas, set-asides, and other preferences. In fact I view the Equal Opportunity Act not only as a piece of legislation, But as an opportunity to bring Americans together in a thoughtful, rational discussion about race in America. This discussion is long overdue.

So, Mr. President, I look forward to continued hearings on this important issue. And I fully expect the Senate to consider the Equal Opportunity Act at an appropriate time in the near future.

Mr. GRASSLEY addressed the Chair.

The PRESIDING OFFICER. The Senator will suspend. The Senate will please come to order.

Mr. GRASSLEY. Mr. President, in the managers' amendment there is a whole new program for a subsidy for the maritime industry. At 5 minutes to 9 on a Friday night, when we are not normally in session, before we are going to take a week's vacation, it does not seem to me that we should be passing a whole new program without some mention to the taxpayers of this country.

Since January or February the whole approach to this new program has been a very careful one-man show behind the scenes to, in a stealthy way, get this program out of the authorization committee with as little attention as possible, promising as much as you could to keep people quiet.

So, I rise to first of all tell the people of this country about this new program that has operating subsidies and a shipbuilding loan guarantee for the maritime industry. I oppose it because virtually every truly independent analysis of the maritime subsidies and protectionist programs have concluded that they have little or nothing to do with our defense needs. Remember, these programs of subsidies were started in the 1930's, the 1940's, the 1950's, to provide ships for our defense needs. When these programs started we had 1,100, 1,200 ships. Today we have between 250 and 300 ships. So you know the old saying, you subsidize something you get more of it? In this particular case it does not work.

This ends up being a waste of the hard-earned money of America's taxpayers and consumers. In all my years in Congress I fought hard to uncover and eliminate waste, fraud, and abuse within the Federal Government. I fought waste in a wide range of programs. This week we won a victory for the taxpayers by eliminating AmeriCorps. And I fought hard against $1,800 toilet seats and $400 hammers, money squandered by the Pentagon in the name of national defense.

Maritime subsidies are, as well, supposedly for the national defense. Yet, during the last war we were involved in, the Persian Gulf war, 86 percent of the materiel that went by ship was not shipped on commercial American-flagged ships. We do not have the capacity for doing that because we have had a program that was supposed to work for the national defense and it has not worked.

So, maritime subsidies, in the false name of national defense, I think, after four decades, we ought to conclude, squander taxpayers' money as well.

Historically, anyone who has scrutinized maritime programs has come under fierce public attack by the maritime industry's Washington lobby. My motives have been criticized because I come from an agricultural State.

Let me admit, initially my interest in the maritime programs was limited to its impact on agriculture, because our maritime, through its back-door, hidden cargo preference subsidy, not only undercuts our ability to develop and expand overseas agriculture markets but also, and more tragically, cargo preference literally takes food out of the mouths of hungry people and starving people around the world. Simply, the money that otherwise could have gone to send more food to the starving is eaten up by the outrageous rates charged by U.S.-flag maritime companies, sometimes three to four times the world rate.

But it soon became apparent to me that most of the burden of our maritime subsidies and programs is shouldered by the Defense Department in terms of cargo preference and by the American consumers, laborers, and businesses, in terms of the Jones Act.

But one of the fascinating things about my long journey in trying to expose and stop this maritime waste is the type of attack directed at me. It surprises me that the Defense Department and the defense industry has not used this attack—in short, why has not the defense community argued that they are entitled to spend $1,800 on toilet seats? After all, farmers get subsidies. Probably, the fact that this is such a ridiculous argument is the reason that the Defense Department has not used it. But that certainly has not stopped the maritime industry.

Of course there is a big difference. Farm programs are scrutinized publicly and intensely every few years, if not every year during the budget process.

When is the last time we have had full-scale hearings, bringing in supporters and opponents to the maritime programs?

The Commerce Committee held one hearing in July of this year to discuss the so-called Merchant Marine Security Act. Only supporters were invited. Not only were maritime program critics not invited, but their requests to testify were denied as well. Talk about a one-sided story promoted by a committee of the Congress. Then, before the Commerce Committee, written questions were even answered by those testifying, the bill was rushed through by a voice vote.

Yesterday, there was considerable discussion about recommitting to a committee a nomination because new information was provided subsequent to committee action. Well, today, I am submitting for the RECORD information directly related to the Merchant Marine Security Act and directly related to the pending amendment that is in the managers' amendment from the other side. I am convinced that my colleagues on the Commerce Committee did not have this information. If they had it, there is no way they could support S. 1139, the Merchant Marine Security Act.

I want my colleagues to know that what I am about to read is not this Senator's opinion. Instead, this information is the culmination of months of work by maritime experts from 16 different Government agencies, executive branch agencies—not a congressional study, not a GAO study, not a private think-tank study, but a study by 16 Government agencies of the executive branch.

This memo I think is explosive and sets a lot straight. This memo is entitled "Memorandum for the President"—meaning memorandum for President Clinton. It is from Robert Rubin. Robert Rubin is now the Secretary of the Treasury, as you know. The subject: Decision memorandum on maritime issues.

It is dated, the White House, Washington, June 30, 1993. Purpose of the memo: This memorandum asks you to decide—meaning asking the President to decide, from the Robert Rubin who is now Secretary of the Treasury—asks you to decide on the level and form of subsidies to be given to various U.S. maritime industries.

So this decision is asked to be played at the highest level of our Government, the President of the United States.

Now, for background, because there are paragraphs here on background.

The U.S.-Flag Fleet. The U.S.-flag fleet is engaged in both domestic and international trade. Ships in domestic trades are permanently protected from foreign-flag competition by the Jones Act. This memorandum describes options to subsidize ships that are employed in international trade and therefore subject to competition. The international trade fleet consists of 95 liners (ships designed principally to carry goods in containers) and 60 bulkers (ships that carry loose cargo such as liquids and ore).

The principal issue in this memorandum is whether expiring direct subsidies should be replaced with new subsidies for U.S.-flag liners. (No agency supports direct subsidies for bulkers). If no new program is announced, most U.S. liners are likely to reflag their vessels. The reflagged ships would still be owned and controlled by U.S. firms; their U.S. crews (about 10,000 seafarers) would be replaced by foreign mariners. A related issue is whether the plethora of indirect subsidies that now support a wide range of maritime interests should be expanded., maintained or phased-out.

Budgetary Context. Option 1 would require DOD to shift defense outlays; it would be deficit neutral. Options 2 and 3 would increase mandatory spending. Under the Budget Resolution, offsets would have to be identified to make the proposals deficit neutral. Options 2 and 3 would also result in savings on the discretionary side of the budget from the phase-out of existing subsidy programs. While these savings could be used for new discretionary outlays, they could not be used as offsets for any new mandatory spending.

Then it goes on in more detail from the Secretary of the Treasury to President Clinton.

Option 1. Require DOD to Support U.S.-Flag Ships Needed for Defense:

Rationale. Subsidies for the U.S. flag fleet have always been justified by their role in providing a sealift capacity for use in military emergencies. With the end of the Cold War DOD's sealift requirements have declined. Although DOD's bottom-up review is not complete, the Secretary of Defense, the Chairman of the Joint Chiefs of Staff, and the Commander of the Transportation Command have already concluded that future requirements will not exceed 20-30 liner vessels. DOD will have no need for bulk vessels. All agencies therefore oppose renewal of direct subsidies for bulkers. This option would meet DOD's maximum military requirements.

Description. DOD would be directed to spend $60 million annually on contracts with ship operators to provide DOD with the services of up to 30 U.S.-flag liners in times of military need. New contracts would be phased-in as current subsidies expire or are terminated. If U.S.-flag ships are subsidized through other means, such as Option 2 or Option 3, DOD would be allowed to spend its limited resources meeting more pressing defense requirements.

Under this option, the Administration would oppose the expansion of indirect maritime subsidies. [Alternatively, the Administration could, as many agencies recommend, seek the phase-out of any indirect subsidies not required to meet a specific military need.]

Budget Cost. This option would subsidize U.S.-flag liner ships by reprogramming money already in the DOD budget (DOD plans to obtain the funds by retiring 29 breakbulk ships from the Ready Reserve Fleet). The option would be deficit neutral.

Arguments in favor: These subsidies would provide for genuine defense needs, and therefore would enjoy broad support. By subsidizing 30 of the 52 liners now under contract, this option would sustain 1,500 seafaring jobs and about 750 landside jobs. Indirect subsidies come at the expense of other U.S. industries and hinder the missions of other Executive Branch agencies.

There is one argument that Secretary Rubin gave to the President to be against this.

Provides less support than is sought by the industry and its supporters.

I ask unanimous consent that the rest of the Rubin memo be included in the RECORD.

There being no objection, the memo was ordered to be printed in the RECORD, as follows:

Option 2. Increase Direct and Indirect Subsidies to Maritime Interests:

Rationale. This option is designed to keep most of the existing U.S.-flag liners in foreign trade sailing under the U.S. flag, regardless of defense needs.

Description. The option has four main elements:

(1) Increase to 79 from 52 the number of liner ships receiving direct payments. DOT would be authorized to sign 10-year contracts at $2.5 million per ship per year in the first four years, and $2.0 million per ship per year in the last six years. In the first two years, new contracts would be limited by savings made available from the existing program.

(2) Allow non-subsidized, foreign-built vessels to receive subsidies.

(3) Provide $200 million in FY94-96 for Title XI loan guarantees to U.S. shipyards.

(4) Do not Oppose Congressional efforts to expand indirect maritime subsidies.

Budget cost: Over 10 years, this option would increase mandatory outlays by $1.7 billion, while decreasing domestic discretionary outlays by $567 million.

Arguments in favor:

This option contains subsidies for liners, bulkers, and shipyards in order to win support for the proposal from the widest range of maritime interests.

Subsidizing 79 ships would sustain 4,000 seafaring jobs and about 2,000 landside jobs.

Since foreign-built vessels may be less expensive, this option could reduce carriers' costs.

Arguments against:

Subsidizing 79 vessels is unnecessary. This would be two to three times the maximum number of ships DOD estimates are needed to meet its sealift requirements.

The NEC Principals found no evidence that this segment of the maritime industry was of strategic importance to the economy. The U.S. has no competitive advantage in the industry; the industry neither protects nor enhances U.S. exports. Subsidizing carriers simply to preserve jobs would leave the Administration hard pressed to explain why it should not also subsidize every other industry that suffers job losses.

Immediate funding for Title XI loan guarantees is premature. All agencies, including DOT, support the efforts of the congressionally-mandated Working Group on the U.S. Shipbuilding Industry. The Working Group will present options to assist shipyards to the relevant Cabinet members later this summer (see TAB B).

Greater indirect subsidies would come at the expense of other U.S. industries and hinder the missions of other Executive Branch agencies.

Option 3. Provide Direct Subsidies to a Limited Number of U.S.-Flag Liner Ships:

Rationale. This compromise option is designed to subsidize a U.S.-flag fleet that will meet defense needs and, if desired, keep additional U.S.-flag vessels employed in the international trades. The option would limit the number of liners receiving subsidies to a range that could be more readily justified to critics—between 30 ships (DOD's current estimate of its maximum need) and 52 ships (the number of liners currently under contract).

Description. Provide direct payments to between 30 and 52 liner ships. DOT would be authorized to sign 10-year contingency contracts providing $2.5 million per ship per year in the first four years, and $2.0 million per ship per year in the last six years. New contracts in the first two years would be limited to savings made available from the existing program.

Under this option, the Administration would oppose the expansion of any indirect maritime subsidies. [Alternatively, the Administration could, as many agencies recommend, seek the phase-out of any indirect subsidies not required to meet a specific military need.]

The Administration would oppose—as premature—funding for loan guarantees until NEC Principals consider options developed by the Working Group on U.S. Shipbuilding.

Budget Cost. Over ten years, direct subsidies for 30 ships would increase mandatory outlays by $500 million, while reducing domestic discretionary outlays by $358 million. Direct subsidies for 52 ships would increase mandatory outlays by $975 million and reduce domestic discretionary outlays by $358 million.

Arguments in favor:

Would provide the industry with more money and longer contracts than Option 1.

This option would sustain 1,500–2,500 seafaring jobs and about 750–1,250 landside jobs.

Restricts or eliminates indirect subsidies that come at the expense of other industries or hinder the missions of other Departments.

Arguments against:

Provides less support than sought by industry and its supporters.

RECOMMENDATIONS

Fifteen Executive Branch Agencies support Option 1. The Department of Transportation supports Option 2. A compromise proposal is provided by Option 3. In addition to the strengths and weaknesses of each option, these recommendations reflect different views about the economic and strategic importance of liner ships engaged in international trade, as well as the extent of Congressional support for maritime subsidies. These views are noted in TAB C.

DECISION

________ Approve Option 1.
________ Approve Option 1 as amended.
________ Approve Option 2.
________ Approve Option 2 as amended.
________ Approve Option 3.
________ Approve Option 3 as amended.
________ Take No Action.
________ Discuss Further.

Tab A: Background on Current Maritime Subsidies

The federal government now subsidizes ship operators through a variety of programs, including:

(1) Operating Differential Subsidies. Under the ODS program, the federal government entered 20 year contracts with U.S.-flag operators. These contracts provided that the federal government would pay the difference between wages on U.S.-flag ships and wages on their principal competitor's foreign-flag ships; in some cases, the government also undertook to pay the differential on other costs such as maintenance and repair. ODS contracts now cover 52 liner ships and 28 bulk ships. ODS payments in 1993 are expected to total $244 million, for an average per ship subsidy of about $3.0 million.

To qualify for ODS payments, vessels must meet a number of restrictions. ODS liners must: be U.S.-built, U.S.-flag, and at least 51 percent owned by U.S. citizens; provide service on "essential trade routes"; receive approval from the Maritime Administration before: altering trade routes; affiliating with foreign-flag service; or operating in domestic trades.

(2) Ocean Freight Differential (cargo preference) program. Cargo preference laws require certain federal programs to ship between 50 and 100 percent of their cargo on U.S.-flag ships. OMB estimates that in 1993, cargo preference requirements will increase government shipping costs by about $590 million over shipping rates. These costs will be borne by the Department of Defense, Agriculture, Transportation, State, the Agency for International Development, and the Export-Import Bank.

(3) Capital Construction Funds (CCFs). Owners of U.S.-flag, U.S.-built ships may shelter income by placing it in a CCF. Taxes on both the income placed in a CCF and the interest earned by the CCF are deferred indefinitely. CCF balances are now approximately $1.2 billion.

(4) Title XI. Under this program, the federal government guarantees private loans made to the purchasers of U.S.-built ships. Loans were last guaranteed under this program in 1992. In 1993, $48 million was appropriated for the program, but no loans were guaranteed. No funds were requested for this program in the President's FY 1994 Budget. The government's outstanding contingent liability under this program now stands at about $2 billion.

(5) Jones Act. Like most other seafaring nations, the U.S. provides cabotage for its ship operators—all domestic waterborne trade must be carried on U.S.-flag, U.S.-built ships. The Jones Act fleet accounts for about 50 percent of the privately-owned oceangoing U.S.-flag fleet.

(6) The Shipping Act of 1984. Since 1916, the U.S. has allowed U.S. and foreign carriers serving U.S. trades to participate in international shipping cartels known as conferences. The Council of Economic Advisors and the Department of Justice estimate that the Act raises shipping prices at least 10 to 15 percent, providing U.S. and foreign carriers with a subsidy valued at $2–3 billion per year (because of their low market share, U.S. carriers receive only 20 percent of this subsidy). The Federal Maritime Commission disputes these results, and asserts that Conferences have little effect on long-term shipping prices.

Shippers continue to press for relief from strictures imposed by the Act, and are likely to try and block any new subsidies for carriers without some action to address their concerns. The law regulating conferences was last amended in 1984. In 1990, the Advisory Commission on Conferences in Ocean Shipping brought together carriers shippers to seek consensus on further changes to the Act. No agreement was reached.

Tab B: U.S. Shipbuilding and Current Administration Efforts to Assist the Industry

Large U.S. shipyards are now almost completely dependent on the Navy. Of the 87 ships currently on order or under construction, 86 are for the Navy. With the drawdown in defense spending, naval orders are expected to decline substantially. The problems faced by U.S. shipyards are thus similar to those faced by other defense contractors—namely, how to shift from military to civilian production.

The U.S. industry is currently not competitive in the global market. It is less efficient than its foreign competitors and has had little experience in the commercial market since the early 1980s when the U.S. ended construction differential subsidies and increased naval orders. U.S. yards are also disadvantaged by the subsidies granted by foreign governments to their own shipyards. As a result, U.S.—built ships are more expensive than foreign-built ships. According to the ITC, price differentials have reached 100 percent.

The Bureau of Labor Statistics estimates that U.S. shipyards employed 123,900 workers in 1992 (down from 171,600 in 1982). The shipbuilding industry estimates that, absent government assistance, 70,000 more shipbuilding jobs could be lost. Even with government assistance, however, shipbuilders estimate that the transition from military to civilian production will lead to a loss of 20 percent of current employees as some skills will no loner be needed.

ACTIONS CURRENTLY UNDERWAY BY THE ADMINISTRATION

All agencies support the following Administration efforts now underway:

1. Seek to Reinvigorate Negotiations to Eliminate Foreign Shipbuilding Subsidies. U.S. negotiators are currently engaged in efforts to restart negotiations on the elimination of foreign subsidies. The elimination of such subsidies has been one of the key objectives of the U.S. shipbuilding industry.

2. Explore the Possibility of Working with Congress on Legislation to Support this Effort. In the last Congress, bills were introduced in both the House and the Senate providing the means to retaliate against ship carriers who purchased subsidized foreign-built vessels. These measures are intended to speed multinational agreement on the elimination of foreign shipbuilding subsidies. Agencies are exploring the possibility of working with Congress on legislation this year.

3. Prepare Congressionally-Mandated Plan for the U.S. Shipbuilding Industry. The FY 1993 National Defense Authorization Act required the Administration to establish a working group charged with preparing a plan to help U.S. shipbuilding industry become competitive in international commercial markets. The working group is considering a series of measures, including the use of Title XI loan guarantees for ship construction, defense conversion funds, ARPA R&D projects, and Export-Import financing. The group will present its proposals to the relevant Cabinet members this summer, so that the Administration can submit a plan to the Congress by the statutory deadline of October 1, 1993.

Tab C: Differing Views on U.S.-Flag Ships Engaged in Foreign Trade

Political Concerns

(1) Strength of Congressional Support: Secretary Peña believes there to be broad, bipartisan Congressional support for maritime subsidies. The Secretary believes that maritime supporters have enough votes to pass a maximalist package without support from the Administration. If you do not announce such a package now, the Secretary fears that you will lose an opportunity to demonstrate leadership.

The Director of OMB disagrees with this assessment. In the current budget environment, he believes that there will be far less support for direct and indirect maritime subsidies. He argues that Congress might even reduce the level of subsidies, including those indirect subsidies that come at the expense of other industries, such as agriculture and manufacturing.

(2) The Political Cost of Delay: A number of maritime bills have been introduced in Congress. To date, the Administration has delayed taking a position on these bills pending the completion of its review of maritime policies. Secretary Peña believes that further delay will generate ill feelings on the Hill.

(3) Congress will Support Subsidies to Ship Operators Only If Immediate Subsidies Are Provided to Shipyards: Secretary Peña believes that no new direct subsidy program can pass in Congress without including immediate new funding for shipyards.

Economic Concerns

(1) DOT: Without a U.S.-flag fleet engaged in foreign trade, U.S. exporters would be held hostage to the fleet of nations with which we might have trade disputes.

Other Agencies: The worldwide carrier industry is highly competitive, making the possibility of being held hostage highly remote. Moreover, U.S. exporters will always be able to ship cargo on U.S.-owned, foreign-flagged ships (although these ships have foreign crews, they are owned and controlled by U.S. interests).

The Alliance for Competitive Transport, the coalition of major American exporters and importers, has made clear that it does not believe that its interests would be harmed by the reflagging of the Merchant Marine, as long as the ships remained U.S. owned and controlled.

(2) DOT: A new ten-year program will lead to increased efficiencies in the Merchant Marine that will make further subsidies unnecessary.

Other Agencies: Subsidies are needed principally to offset the higher wages of U.S. mariners. DOT has presented no evidence that this program would eliminate the wage differential between U.S. carriers and their foreign competitors.

(3) DOT: The government must subsidize more ships than it needs for defense purposes or risk crippling the commercial shipping industry in times of military emergency.

Other Agencies: U.S. ship operators will enter contingency contracts only if they believe that yielding their ships to the government in times of emergency will not cripple their commercial operations. If their ships were used during emergencies, ship operators would continue operations through their U.S. owned, foreign-flag affiliates, and by contracting out to foreign owned companies.

(4) Department of Transportation: Some maritime supporters will argue that DOD is not meeting its defense needs in the most cost-effective manner. Critics will claim that DOD plans to spend $6–7 billion over the next few years to purchase "roll-on, roll-off" (RORO) ships with a sealift capacity that could be purchased more cheaply through subsidies to maintain a large U.S.-flag Merchant Marine.

Department of Defense: DOD will spend $4.5 billion between now and the year 2000 to acquire RORO ships. However, these ROROs are not available in the current commercial fleet, nor would these ships become available under any new liner subsidy program. ROROs are specialized ships that allow rapid loading/unloading of vehicles and can achieve high speed on the open ocean. Reliance on the Merchant Marine to serve the specialized function of ROROs would seriously compromise DOD's ability to deploy U.S. forces in time to meet anticipated threats overseas.

Mr. GRASSLEY. Mr. President, after reading that memo, I want to tell my colleagues that this option was the overwhelming pick among these agencies. Fifteen executive branch agencies supported the option that I just read from Secretary Rubin to President Clinton. Only one agency objected, and that lone agency was the Department of Transportation.

Now, the Defense Department was willing to pay for this option. Yet, the Transportation Department opposed. Why? Why would the Department of Transportation oppose the Defense Department paying for these maritime subsidies, but subsidies limited to meeting our true defense needs, not one ship more than what the Secretary of Defense said we needed?

Now, of course, we all know that the President of the United States is a busy man. And so, in preparing a decision memo, you want to make certain that you put your absolute most important arguments front and center.

The 15 agencies had a number of important arguments in favor of this option. First and foremost in importance is the fact that the Secretary of Defense, the Chairman of Joint Chiefs of Staff and the Commander of the Transportation Command said the real defense needs could be met with as few as 20 U.S.-flag ships.

Second, it was argued by these 15 agencies that "Option one" would sustain 1,500 seafaring jobs and 750 landside jobs.

And third, they argued against indirect subsidies such as cargo preference by pointing out that "indirect subsidies come at the expense of other U.S. industries and hinder the missions of other executive branch agencies."

Mr. President, surely the Department of Transportation had a number of powerful and persuasive arguments against this cost-effective option supported by 15 agencies. Transportation must have been able to argue to the President important meritorious points that our Defense experts are wrong, that we need to subsidize more U.S.-flag vessels to meet our real defense needs.

But what was Transportation's best arguments? Well, first, it must have been good, because Transportation only offered one argument against it.

And since the lone Transportation Department prevailed over 15 other agencies, it must have been a very good argument, you would surmise. After all, President Clinton was convinced, and he is pushing a Merchant Marine Security Act that funds 52 vessels recommended by the Department of Transportation, not the 20 recommended by the Department of Defense. And it must have been good because a House committee and a Senate committee have both approved these new subsidies for 47 to 52 vessels.

So what then was this powerful argument by the Department of Transportation? And here I wish to read again for my colleagues.

Arguments against. Provides less support than is sought by industry and its supporters.

Mr. President, did my colleagues hear the reason that the President decided to go along with the Department of Transportation as the only one of 16 Government agencies that thought we ought to subsidize 20 ships, and instead the President went along with the agency that wanted to subsidize 52 ships?

The only argument against our top defense officials and 14 other agencies is that the maritime industry—get this—that the maritime industry and its supporters want more.

I will read again from the memo from the Secretary of the Treasury to the President of the United States what these other 15 departments wanted. It says right here, "Provides less support than is sought by the industry and its supporters."

And for no more than these flimsy reasons, Congress within just a few minutes is about to give maritime what it wants. So much then for the revolution that was ushered in in the 1994 elections.

This memo to the President is chock full of amazing arguments. Get this. Transportation Secretary Peña strongly argued for the President to squander tax dollars by subsidizing 79 vessels, two to three times what the Defense Department said it needed for sealift requirements.

If President Clinton did not advocate subsidizing 79 vessels, Secretary Peña "fears that you will lose an opportunity to demonstrate leadership." Peña also argued, "Further delay will generate ill feeling on the Hill."

Now, Secretary Peña is saying to his own President that you better do what I say and recommend, because if you do not, I fear that you are going to lose an opportunity to demonstrate leadership.

I hope the Secretary is listening and watching because I have a message. Forget about generating ill feelings on the Hill. Voters took care of many of those last November, and you can bet your bottom dollar that your idea of "losing an opportunity to demonstrate leadership," is 180 degrees opposite what the voters and overburdened taxpayers expressed in the last election.

So, Mr. President, the military or national defense arguments in favor of this amendment as well as for the so-called Merchant Marine Security Act are simply bogus. This memo that I have been reading from is absolutely clear evidence that the national defense arguments for merchant marine subsidies are a sham.

That is not just the opinion of the military experts who participated in this 16-agency effort, for during the Bush administration these agencies participated in a similar maritime review. The point person for this effort, representing the Defense Department, was former Defense Assistant Secretary Colin McMillan.

I have a copy of his memo to other task force members. In short, he said back during the Bush administration, "The issue of U.S. flag companies reflagging if we don't give them more subsidies is not"—I wish to emphasize is not—"a defense issue."

Assistant Secretary McMillan concluded, "The issue of two U.S.-flag container ship operators disposing of the U.S.-flag fleets is primarily an economic one and should be treated accordingly."

Citizens Against Government Waste—we are all familiar with that organization—recently contacted Colin McMillan and included his comments in their May 24, 1995 report entitled "Disaster at Sea. It's Time to Deep Six the Maritime Subsidy Programs."

That is the name of their publication.

For my colleagues, if you are interested in this, this publication is an excellent, well-researched report which I am submitting for the record, but let me share with my colleagues what the former defense Assistant Secretary had to say now that he can speak candidly outside of the Bush administration.

McMillan called the subsidy program in the name of national security "a big waste of taxpayers' money. These programs should be clear targets for elimination. Here we are talking about cutting programs for children and we're funding so-called defense programs that add nothing"—I wish to emphasize that add nothing—"to the defense of our country."

Keep in mind that these candid remarks come from the former Defense Department expert on maritime subsidies and sealift needs. He is no longer part of the Defense Department and he is no longer working for an administration. He is not being paid by the maritime lobby, nor is he part of any organization that is being funded by the maritime lobby. So no one can question his motives.

Again, this maritime defense expert concluded that maritime subsidies in the name of national security is a big waste of the taxpayers' money.

He is not the only expert opposing maritime subsidies. I would like to share the "Quote to Note" from the August 3, 1995 Journal of Commerce:

> Nearly 50 years of subsidies have not prevented the demise of the U.S. merchant marine . . . Subsidies do nothing more than cause inefficiency, mediocrity, lack of incentive and a dependence upon Uncle Sam.

Mr. President, that statement was made by Harold E. Shear, who not only served our Nation as a U.S. Navy admiral but also as a Maritime Administrator.

As a memo to President Clinton points out, "Subsidies for the U.S. flag fleet have always been justified by their role in providing sea lift capacity for us in military emergencies. With the end of the cold war DOD's sealift requirements have declined."

So you see, Mr. President, no matter what the U.S.-flag merchant marine fleet may have meant to our Nation in the past to help with our defense, the subsidies have not only been unjustified, they have not worked in providing a strong merchant marine to meet our needs in wartime. I argue that subsidies have even been harmful to our maritime and if they have been harmful to our maritime, they have been harmful to our national security.

Well, then, maritime supporters turn the debate away from the issue of defense to that of economic security. This, too, is nonsense, according to Secretary Rubin's memo to the President. The memo reads as follows.

> The NEC principals found no evidence that this segment of the maritime industry was of strategic importance to the economy. The U.S. has no competitive advantage in the industry. The industry neither protects nor enhances U.S. exports. Subsidizing carriers simply to preserve jobs would leave the administration hard pressed to explain why it should not also subsidize every other industry that suffers job losses.

This is amazing. Why have not the House and the Senate committees been able to pry this truth out of those testifying at their hearings on the maritime?

Not only is it no longer based upon the testimony of military experts that have a military need, but the argument, when that wears out, has turned to economic rationale for our own maritime ships. And even the administration principals argue that there is no economic justification for this program.

Well, I think we all know the answer to why this argument was not able to be made at the committees of the Congress this spring. Those testifying are expected to be team players. They are expected to be team players for the President who decided to throw away taxpayers' dollars for unnecessary subsidies for maritime companies and their high-priced executives and their labor unions.

And let us not kid ourselves. The real reason that we need to subsidize U.S.-flag vessels by the tune of $2 to $2.5 million per year is to cover the high costs of their labor unions.

Again, from the memo to President Clinton. Again, this is Secretary Rubin writing to President Clinton.

He says:

> Subsidies are needed principally to offset the higher wages of U.S. mariners. DOT [the Department of Transportation] has presented no evidence that this program will eliminate the wage differential between U.S. carriers and their foreign competition.

Mr. President, I have been arguing this truth for years. Most of my colleagues except the new Members have heard it on the floor of this Congress almost every year. And now we have proof that the maritime experts in 15 executive branch agencies in a Democratic administration agree with my position wholeheartedly.

But I surely was not the first who recognized this. A dozen years ago, Mr. President, the U.S. Navy Military Sealift Commander, V. Adm. Kent Carroll reported why our merchant marine was sinking.

He said 12 years ago:

> Why are we in such a mess? . . . one of the reasons is that U.S. crew costs continue to be the highest in the world. Monthly crew costs of U.S. flag ships are as much as three times higher than those of countries with comparable standards of living, such as Norway.

He did not say three times higher than poor, Third World seafarers. He said, three times higher than seafarers from countries with comparable standards of living such as Norway.

Now, let me be fair to the unions. In a Journal of Commerce article about an MIT study exposing the high cost of America's subsidized seafarers, union officials fought back.

I want to share what they said.

> Unions representing officers and seafarers on modern containerships have criticized many of the underlying assumptions in the report, saying the authors ignored non-vessel costs such as high management salaries, and corporate overhead.

That is coming from our unions.

Does anyone from the Commerce Committee know how much of this $2.5 million per ship annual subsidy is needed to cover these high management salaries? Because I think that everybody in this body ought to know.

Did the committee study the MIT report entitled "Competitive Manning of U.S.-Flag Vessels" before passing out a $2.5 million per vessel subsidy?

This report shows how these U.S.-flag vessels can get by with as little as $1.1 million in Government subsidies. Let us go over that. MIT says that our U.S.-flagged vessels can get by with as little as $1.1 million subsidies. But our committee votes out a bill that gives $2.5 million per vessel subsidies.

This means, Mr. President, since the Defense Department needs as few as 20 vessels, and since by making some reasonable reforms such as eliminating abusive featherbedding and overtime practices, Government subsidies can be cut to $1.1 million per vessel, the Merchant Marine Security Act of 1995 should authorize then only $22 million per year. What is currently required? Five times that amount every year for 10 years.

My colleagues need to understand then that the cat is out of the bag. No longer are maritime subsidies and programs hidden in the dark of night.

Perhaps you saw last week's front page article in the Washington Post. Other major publications such as the Wall Street Journal have editorialized against these wasteful maritime subsidies. And I submit both of these for the RECORD.

Numerous groups have come out this year in opposition to maritime subsidies. The list is long but my colleagues need to know who they are.

The National Taxpayers Union, Citizens Against Government Waste, Citizens for a Sound Economy, a group formed by consumer activist Ralph Nader called Essential Information, the Progressive Policy Institute sponsored by the Democratic Leadership Conference, the Cato Institute, the Competitive Enterprise Institute, and the Heritage Foundation. And that is just a partial list.

The point, Mr. President, is simple. Too much information exposing the waste and abuse of maritime programs is out in the public. And the public is demanding the elimination of all this waste.

In fact, a top Transportation Department official, Inspector General Mary Schiavo, has testified that the entire Maritime Administration, together with its programs, including operating subsidies can be eliminated. The Inspector General, Department of Transportation, working for Secretary Pena, who recommended that the President come on board for this fat subsidy, recommends that we can do away with these program operating subsidies entirely.

She is a top transportation official, an expert on all their programs. But she is also an independent voice. And that independent voice does not have to march lockstep with the Clinton administration party line on maritime subsidies.

She has no self-serving motives. She does not have to care about generating ill feelings on the Hill, or about the question of failing to demonstrate leadership that Secretary Rubin said in the memo to the President of the United States if the maritime industry would somehow get less support than sought.

In other words, Mr. President, I think the Inspector General is a credible person. And so is the memo that I have read, supposedly a confidential memo from Secretary Rubin to the President of the United States.

Mr. President, the public knows that maritime subsidies are a waste. There have also been some public reports that show how desperate the merchant marine unions and lobbyists have become. These articles point to the dramatic shift of maritime campaign contributions shifting away from Democrats in the last couple decades to Republicans this year.

And I have seen the reports compiled by some of these public interest groups following closely this shift in campaign spending. I would urge my colleagues to get a copy of an article printed on pages 536 and 537 of the 1977 Congressional Quarterly Almanac. History may very well repeat itself.

Mr. President, it is clear that the amendment offered in this managers' amendment should be defeated. It should not have been sneaked through in this way. I regret that this amendment has been included in the managers' amendment. It should have been withdrawn.

I do not know what sort of deal makings go on to bring this about, but at least I have had an opportunity to tell the public and to tell my colleagues that when this was a debate in the Clinton administration, there were 16 Departments that were asked their opinion. Fifteen of the sixteen said this was a waste of the taxpayers' money, including the Department of Defense. But the Secretary of Transportation, through a memo of Secretary Rubin to the President, said that you better do this because you have to exercise leadership, you have to exercise leadership, not because of the Department of Defense needs, not because of the economic needs, but because the maritime industry and the maritime unions want it.

Mr. President, I ask unanimous consent that the report and articles to which I referred earlier be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DISASTER AT SEA!—IT'S TIME TO DEEP SIX THE MARITIME SUBSIDY PROGRAMS—MAY 24, 1995

Congress has set caps on future spending and put the country on a glide path toward a balanced budget in seven years. In doing so, members have set sail into stormy waters. Working out the details will surely be one of the most controversial debates in recent history: a clash over exactly which programs and policies should go, which should stay, and what to do with savings. As congressional observers, political pundits, and arm-chair budgeteers (taxpayers, most of all) observe the debate over the particulars of what should be included, it will be just as important to take note of what they're not arguing about.

Even though there have been calls for the elimination of a variety of corporate subsidy programs—everything from the U.S. Department of Agriculture (USDA) Market Promotion Program to targeted tax credits for corporations with friends in high places—Congress will be missing the boat if it doesn't move to scuttle wasteful maritime subsidy programs, cargo preference laws and operating differential subsidies (ODS), in particular.

Cargo preference laws go way back to the turn of the century and the 1930's. The Jones Act, which governs only domestic waterborne commerce, was enacted in 1920. It mandates that all commercial cargo moving between American ports be carried on U.S.-flag ships.

International cargo preference laws (the subject of this report) dictate that all federal agencies—particularly the Department of Defense (DOD), the USDA, the Department of Energy, the Agency for International Development (AID), and the Export-Import Bank—transport 50 to 100 percent of their international cargo aboard U.S.-flag vessels. In practical terms, these laws force taxpayers to underwrite monopoly shipping rates and protect carrier owners from market competition.

U.S.-flag vessels are those vessels regulated under the laws of the United States. They must be American-built, American-owned, and American-crewed.

According to a November, 1994, General Accounting Office (GAO) report, the DOD alone, which is required by law to ship 100 percent of its goods under the U.S. flag, anted up $350 million a year in additional costs between 1989 and 1993 for the privilege of transporting equipment and materials to points abroad on U.S.-flag vessels. The USDA and AID must transport 75 percent of their international food aid under the U.S. flag, at an additional yearly cost of $200 million and $23 million, respectively. About 120 shipping companies shipped goods under the cargo preference laws in 1993, but the bulk of the subsidies went to a handful of companies.

The Office of Management and Budget (OMB) estimates that international cargo preference laws will cost federal government agencies an additional $600 million in fiscal year (FY) 1996. The November, 1994, GAO report said that cargo preference policies support at most 6,000 of the 21,000 mariners in the U.S. merchant marine industry. That translates into an annual cost of $100,000 per seafarer.

As far back as the 1960's the OMB, the GAO, and the Joint Economic Committee of the Congress tried to do away with these subsidies. In 1984, the Grace Commission also recommended elimination of maritime subsidies.

Historically, proponents of cargo preference laws and other maritime subsidy programs quickly evoke the national security argument when defending the industry's right to continued taxpayer largesse. They claim that a healthy U.S.-flag merchant marine fleet is an essential logistical component during a war. This argument has powerful resonance with members of Congress, who harbor nostalgic memories of the industry's titanic contributions during World War II, orchestrating massive troop movements and dispatching millions of tons of U.S. military equipment and supplies to distant war zones.

The other rationale is that maritime subsidy programs pump desperately needed revenue into an industry which cannot (or hasn't been permitted to, depending upon who you talk to) compete on the global market.

Unfortunately, today's merchant marine bears little resemblance to its romantic image. Though the amount of international ocean borne cargo has risen dramatically since World War II, U.S.-flag vessels carry only four percent of America's international cargo. Most of the increased cargo has been picked up by privately owned foreign-flag carriers, which are not subject to our restrictive "flag" laws and are therefore far more cost-effective. The U.S.-flag fleet has dwindled from a post-W.W.II peak of 2,000 to 371 ships today. Of those 371, only 165 are currently engaged in international trade and, therefore, eligible for either cargo preference or operating subsidies.

Though those 165 vessels benefit from a billion dollars annually in direct and indirect federal government subsidies, the industry continues to sink under the unsustainable weight of government regulation, outdated and protectionist labor and management policies which safeguard the well-being of a small clan of special interest groups, and the fierce onslaught of global competition in the international shipping industry. In characterizing U.S. maritime policies, former U.S. Maritime Commissioner (and outspoken critic of maritime subsidies) Rob Quartel called them "a scam, a taxpayer fraud."

Cargo preference laws provide one kind of indirect subsidy. A separate group of 20 to 30 privately owned shipping companies also get cash subsidies through the Maritime Administration (MARAD). These subsidies, so-called operating differential subsidies (ODS), are meant to compensate private shipping companies for retaining a certain number of their vessels under a U.S.-flag, a decision which effectively prices them right out of the world market.

In fact, keeping a ship under the U.S. flag is an enormously expensive operation. In exchange for ODS, a company must promise to keep certain international shipping lines open, and—like companies with cargo preference contracts—they must make their vessels available to the DoD in times of national emergency. They must also submit to a suffocating array of government regulations. Their ships must be built in U.S. shipyards where construction costs are two to four times those of foreign shipyards. They must comply with a laundry list of safety codes and detailed technical specifications which far exceed the internationally recognized standards required for comparable foreign-flag vessels. Most importantly, from the taxpayers' point of view, they must also be U.S.-manned, with nearly twice the crew size of comparable foreign vessels.

Ironically, the industry's most stultifying encumbrance, the one most damaging to its competitive edge is a self-imposed one: artificially inflated crew costs. But crew costs are a matter of concern not just for the companies that must pay seafarers' salaries and benefits. These costs are also of paramount importance to taxpayers because the cost of labor is one of the factors which determines the level of the subsidy!

In 1994, MARAD quietly released a long-delayed study by researchers at the Massachusetts Institute of Technology (MIT) on the subject of manning costs abroad U.S.-flag vessels. The report's conclusions were stunning. The industry's labor practices amounted to nothing less than good old-fashioned featherbedding at the taxpayers' expenses.

The report contained billet cost breakdowns for a variety of U.S-flag vessels. A captain's billet cost was $34,000 per month, most of which is covered by taxpayers. (In the U.S. maritime industry, mariners are at sea for six months, and then go on a six-month hiatus). Therefore, for six month's work, a captain's billet costs can be about $204,000. U.S. seafarers are also entitled to and often collect unemployment benefits during their six-month hiatus, which leads to higher unemployment taxes for both American carriers and taxpayers.

Senator Charles Grassley (R–Iowa), outraged at the exorbitant taxpayer-subsidized crew costs, unsuccessfully offered an amendment to the FY 1994 DoD appropriations bill aimed at reducing those costs. In a letter to his Senate colleagues, Grassley wrote:

"Currently taxpayers are forced to support U.S.-flag merchant marine seamen billets at a far higher level of pay and benefits than those provided by billets for the men and women who serve our nation in the Army, Navy, Air Force, and Marine Corps."

Grassley noted that a Navy captain's billet costs $8,422 per month. "In fact," he wrote, "a U.S.-flag cook's billet costs more than that of a Navy captain!"

The November, 1994, GAO report bears out this trend when U.S. crew costs are compared with their European counterparts. In 1993, for example, the daily cost for a 34-person crew were between $12,000 and $13,000 a day. The cost for a 21-person European crew was $2,500 to $4,000 per day.

According to the MIT study, subsidies for U.S.-flag vessels, should they be of importance to the DoD, could be reduced from the current $2.5 million per ship to about $1.1 million per ship by reducing crew sizes and salaries and by allowing crew members to perform duties outside their job classifications.

Shipping company managers have no incentive to negotiate lower labor costs with the powerful mariners' unions because the taxpayers will end up reimbursing them in the end anyway. This arrangement has resulted in an unusually cozy relationship between maritime industry labor and management, who even share a bevy of lobbyists in Washington, D.C.

By brandishing the national security argument, proponents of cargo preference laws and ODS have been very effective at keeping the tide of maritime subsidies flowing in spite of overwhelming evidence that they are a bad deal for taxpayers. Recently, however, that argument has begun to fray.

The Gulf War may be remembered as the catalyst which caused the national security argument to unravel in earnest. It exposed the myth that our current national maritime policy has any real national security rationale.

The Gulf War was the largest movement of military personnel and equipment since World War II. But of the hundreds of ships that delivered supplies and equipment to the theater, only a handful U.S.-flag vessels actually entered the war zone to deliver their freight to American troops. There were about 50 other U.S.-flag merchant ships moving cargo during the war, but most of them delivered their freight to foreign ports where it was transferred to foreign-flag vessels with foreign crews to make the rest of the journey.

In an August, 1991, commentary in Defense News, director of MIT's Defense and Arms Control Studies Institute Harvey Sapolsky characterized the U.S.-Flag merchant marine fleet's Gulf War participation this way:

"Although more three-quarters of the ships chartered during the Gulf War flew foreign flats, only 20 percent of the U.S. military cargo actually rode on these ships. Most of the amount hauled in a crisis is done by government-owned standby and reserve ships. Moreover, there is a ready charter market for commercial cargo vessel when more ships are needed. *The price required for their services in a crisis is cheaper than the cost of maintaining a large subsidized commercial fleet for a mobilization that may not happen again for years. Despite any accompanying rhetoric about national security, subsidies for the Merchant Marine fulfill the commonplace desire for obtaining a livelihood without the burden of having to compete to earn a living*" (emphasis added).

Use of U.S.-flag ships actually hampered the Pentagon during the critical surge stage of the Gulf War. When the Pentagon had to transport cargo quickly, U.S.-flag ships, which were scattered around the world, had to be called back for service.

And, though the Pentagon has the option of commandeering the ships for the war effort, American merchant marine crews are not compelled by law to serve and must be asked to volunteer their services. What's more, taxpayers pay once again because these crews are entitled to hazard pay if they enter a war zone.

In 1992, Colin McMillian, then-assistant secretary of defense for production and logistics, was asked to report to an interagency working group on the impact on military readiness of two major U.S. container companies reflagging under foreign flags. McMillian's memorandum, dated December 10, 1992, stated that "the National Security Sealift Policy does not support a fleet sized to meet military requirements while maintaining its essential commercial operations/commercial viability. *Therefore, the issue of two major U.S.-flag container ship operators disposing of their U.S.-flag fleets is primarily an economic one and should be treated accordingly* (emphasis added)." Contacted recently about the issue, McMillian called the subsidy programs in the name of national security "a big waste of taxpayer money. These programs should be clear targets for elimination. Here we are talking about cutting programs for children, and we're funding so-called defense programs that add nothing to the defense of the country."

There have been a number of opportunities to sink these profligate maritime subsidy programs. The most recent was Vice President Gore's National Performance Review (NPR). There were indications that some members of the NPR's transportation task force, charged with rooting out inefficiency in that area, wanted to deep-six these programs. However, intense political pressure was brought to bear, and the promise of a commission to look into maritime issues was the most that emerged from that effort. Yet, even that has not come to fruition.

Congressional support for maritime subsidies comes from a variety of different, but apparently complementary, political interests. Republicans like Rep. Herb Bateman (R–VA) and Senate Majority Whip Trent Lott (R–MS), who both hail from coastal states, must contend with powerful maritime and shipbuilding constituencies. On the Democratic side of the aisle, Sen. John Breaux (D–LA) also has a strong maritime constituency. Much of the political support from the Democratic members is a natural outgrowth of the party's traditional relationship with labor unions.

The Clinton administration's support for continued maritime subsidies seems to be based upon political concerns rather than sound fiscal policy. In a June 30, 1993, memorandum to the President obtained by Citizens Against Government Waste (CAGW), then-Secretary to the President for Economic Policy Robert Rubin laid out the administration's options on maritime issues. The memo stated that:

The Secretary of Defense, the Chairman of the Joint Chiefs of Staff, and the Commander of the Transportation Command have already concluded that future requirement will not exceed 20–30 liner vessels. *DoD will have no need for bulk vessels. All agencies therefore oppose renewal of direct subsidies for bulkers* (emphasis added).

Further on, Mr. Rubin once again delineated for the President the arguments against maintaining or increasing direct or indirect subsidies to maritime interest:

There is no evidence that this segment of the maritime industry was of strategic importance to the economy . . . and subsidizing carriers simply to preserve jobs would leave the administration hard pressed to explain why it should not also subsidize every other industry that suffers job losses.

Under the heading "Political Concerns," Mr. Rubin discussed the political climate in Congress and the chances for getting rid of maritime subsidies:

"*Secretary Pena believes there to be broad, bipartisan Congressional support for maritime subsidies. The Secretary believes that maritime supporters have enough votes to pass a maximalist package without support from the Administration. If you do not announce such a package now, the Secretary believes that you will lose an opportunity to demonstrate leadership* (emphasis added).

In other words, if you can't beat them, join them. In the final analysis, and in spite of the well-documented negative impact these policies have on taxpayers and the long-term competitive health of the maritime industry itself, not to mention the federal budget deficit, the Clinton administration chose to renew the operating differential subsidies under a new title, the Maritime Security

Act. While practically every federal government program is coming under congressional scrutiny, very little attention is being paid to this ongoing waste of taxpayer money. This new bill, which is similar to its predecessor, appears to be a politically motivated stop-gap measure designed purely to pacify congressional interests.

It is undeniable that the American merchant marine industry, owing to a complex range of problems, is floundering. In fact, simply scratching the surface of U.S. maritime policies reveals a diabolically complicated system, apparently designed to promote and enrich a handful of privately owned shipping companies, the seafarers unions, the shipbuilding companies, some powerful members of Congress, and the Washington lobbyists who are paid handsomely to keep all these balls in the air. Everyone, that is, except the American taxpayers.

There are some voices of reason on Capitol Hill, and the time may be right to make a serious move to eliminate these costly leviathans. Sen. Grassley, a veteran critic of maritime subsidy programs, collected 23 signatures on a letter to Senate Budget Committee Chairman Pete Domenici (R-N. Mex.) calling for the elimination of "wasteful maritime programs, particularly cargo preference subsidies." Signatories included Senate Majority Leader Bob Dole (R-KS), Sen. Richard Lugar (R-IN), and Sen. Larry Pressler (R-SD), chairman of the Senate Commerce Committee.

Senator Hank Brown (R-CO) has decried the elitist nature of the program, saying: "What we accomplish with cargo preference is to line the pockets of some very wealthy people, but we do not accomplish the goal of expanding the number of U.S.-flag vessels. It has dropped. We do not accomplish the goal of making U.S. ships more competitive." Sen. Brown's office asked the Congressional Budget Office (CBO) to score the potential savings if maritime subsidies were eliminated. The CBO estimated that the elimination of maritime subsidies would save more than $2.8 billion over five years.

Sen. Jesse Helms (R-NC) has also crafted some preliminary legislative language which would effectively eliminate cargo preference laws in relation to foreign aid food shipments.

Several long-term maritime industry observers interviewed for this report have come to a common conclusion. It is no longer a matter of whether the U.S.-flag maritime fleet will implode under its own weight, it's just a matter of when and how much more money the taxpayers will surrender involuntarily in a fruitless endeavor to prop up a failing industry. Members of Congress should move now to stop this maritime madness. It's time to scuttle the maritime subsidy programs.

SUBSIDIES AHOY!

Was there really a revolution in American politics last November? If so, somebody had better notify Congressman Herb Bateman—fast. The Virginia Republican has already persuaded the National Security Committee to approve a new $1 billion subsidy for the U.S. Merchant Marine, and now he's trying to get the rest of the House to go along. If he gets his way, it'll be a strong indication that the Republican tide is breaking up on the special-interest rocks of Washington.

There is no clearer case than shipping of the harm that government "help" can do. During the past 50 years, the government has sunk tens of billions of dollars into protecting commercial shipping. The result? Just in the past 25 years, the U.S. Merchant Marine's share of the U.S. shipping market has declined from 25% to less than 4%.

Federal interference starts with Coast Guard-enforced regulations on staffing and work rules. U.S. mariners earn an average of $125,000 for six months duty, but aren't allowed to do as much work as lower-paid foreign counterparts. No wonder it costs several times more to operate a U.S. ship than a foreign vessel.

To "compensate" for these costly rules, U.S. shipping lines get an annual direct payout of $240 million: this program will expire soon unless it's renewed. Another handout comes from the Defense Department, the Agency for International Development and other government outfits that have to ship goods on costly U.S. vessels. These "cargo preferences" cost $592 million last year—enough money for private charities to feed half a million starving children in Africa for a year.

Throw in millions more for maritime academies that turn out sailors the U.S. fleet can't employ, and what do you get? Roughly $1 billion annually in direct government subsidies to the U.S. Merchant Marine. But that's only part of the maritime boondoggle. Even bigger costs lurk just beneath the surface.

Under the 1920 Jones Act, only U.S.-built, -crewed and -flagged ships can operate between U.S. ports. But since these vessels are so costly, not a single coastal freighter bigger than 1,000 tons runs along the East Coast. One result: Many turkey farmers in North Carolina buy costlier Canadian grain rather than cheaper U.S. varieties. In all, the International Trade Commission estimates, the Jones Act costs consumers up to $10.4 billion a year.

Then there's price fixing. The 1984 Shipping Act gave shipowners complete antitrust immunity and allows the Federal Maritime Commission to enforce international shipping cartels. The excessive charges of these cartels raise prices on most imported and exported goods, costing consumers up to $15 billion annually. Worst of all, 80% of the benefits go to foreign shipping lines.

Rob Quartel, a former FMC member, figures that all maritime subsidies together cost at least $375,000 per seagoing worker. It would be a lot cheaper to pay the sailors not to work. Eliminating these subsidies would not only force the maritime industry to become competitive, but also would contribute to the balanced budget effort. Mr. Quartel figures, based on dynamic scoring, that eliminating subsidies would save $7 billion between 1996 and 2002, and generate new economic activity that would raise an extra $28 billion in tax revenue. Even in Washington terms, $35 billion is real money.

The House budget charts a course toward this destination; it calls for eliminating direct maritime subsidies. But some Republicans haven't gotten the message yet. Majority Whip Trent Lott, who has also blocked complete telecom deregulation, helped keep the Senate Budget Committee from torpedoing maritime handouts as a favor to his maritime industry constituents. And when the Senate recently allowed the export of Alaskan oil, the legislation stipulated that only costly U.S. ships can carry the crude.

In the House, Transportation Committee Chairman Bud Shuster is frustrating deregulation efforts, while Congressman Bateman sails full steam ahead with his subsidies, which he calls "The Maritime Security Act of 1995." (We guess that sounds better than the "Pork Barrel Act of 1995".) The congressman dusts off the hoary old argument that the U.S. needs subsidies to preserve a flag fleet that can carry Pentagon supplies in wartime as his excuse.

But this claim doesn't hold water. The Defense Department already spends billions on transport vessels that are on permanent standby. It doesn't need, and can't use, most of the merchant ships that Mr. Bateman proposes to subsidize. During the Gulf War, only 8% of supplies delivered directly to the Persian Gulf came on U.S. commercial vessels. That's why the Pentagon has consistently opposed paying for maritime subsidies.

Stripped of their military justification, Republican shipping subsidies begin to look a lot like what the Democrats used to hand out: Favors for one set of campaign contributors (shipping companies and sailors' unions) at the expense of the national interest. Mr. Quartel rightly calls this "a fraud and a scam." Unless the GOP quickly deep sixes this outrageous proposal, voters will have cause to wonder whether the Ship of State is being run by the same old crew that was in charge before Nov. 8.

[From the Washington Post, Sept. 18, 1995]

END OF MERCHANT MARINE MAY BE ON THE HORIZON

(By Bill McAllister)

PORTSMOUTH, VA.—It is 9 a.m. on a Sunday, and sweat is trickling down Michael P. Ryan's chest.

The temperature has hit 90 degrees in the mint green engine room of the Sea-Land Performance where Ryan, the 37-year-old first assistant engineer, has been running last-minute maintenance checks since before dawn. Later in the day, the giant commercial ocean liner, three football fields in length, will maneuver out of port on its way to deliver 1,700 containers of chemicals, auto parts, chocolates and other merchandise across the Atlantic.

For the six months at sea he will spend tending the ship's clattering diesel engine, Ryan will earn about $90,000, more than his counterparts on any commercial ocean liner without a U.S. flag on its stern. American ship captains and chief engineers on ships like Ryan's earn even more—as much as $132,000 to $151,000 for a half-year's work. In the months off, crew members of the Performance do everything from collect unemployment to work at a ski resort.

"I'm not going to say that the money's not good, but I earn it," said Ryan, waving a dirty hand in the sultry air. "It's not the life of Riley."

Whether it's a life that taxpayers should subsidize is another question—one the Senate may address as early as today.

Since a fledgling Congress first penalized imports on foreign ships in 1789, the federal government has protected shipping interests on the theory that the military needs American-built, American-manned ships on hand in case of war. It has proven a costly premise that critics claim no longer is valid.

In the name of a strong merchant marine, the government today pays some $214.4 million a year to underwrite the pay of about 9,000 jobs on 75 private ships and cover the cost of abiding by U.S. regulations. Those payments have totaled $10 billion since the first checks went out in 1936.

It pays an additional $578 million a year more than it needs to, by one estimate, to ship millions of tons of military goods and other government cargo solely on U.S.-flagged ships like the Performance, even though foreign vessels are considerably cheaper. Farm state legislators argue that the government loses millions more each year in sales of farm commodities to foreign governments because of higher transportation costs.

And consumers pay a good deal more money—$10 billion a year, critics charge—for goods that federal law requires be transported on more expensive American-flagged ships. That law, called the Jones Act, bars foreign ships from carrying any cargo shipped between domestic ports.

A SHRINKING FLOTILLA

Whether all this is necessary—indeed, whether it is even good for the industry—has been argued for decades. The raft of subsidies has not saved the U.S. shipping industry from a titanic plunge from the top ranks of world shippers. The number of merchant ships flying the U.S. flag has dropped from 3,644 in 1948 to 351 this year. Their share of the world's ocean-shipping trade has plummeted from 42.6 percent in 1950 to approximately 4 percent today.

Even the industry's military value has vastly diminished. In recent years, the Pentagon acquired its own fleet of fast cargo ships, built specially to transport military equipment and moored more or less permanently in strategic harbors around the globe.

What's left of the American-flagged ships, according to critics, is a tiny and costly flotilla of "welfare queens" that epitomizes the waste that laces the federal budget.

The very obscurity of the subsidies to shipowners is part of the secret of their survival. Many legislators see little percentage in fighting to strike $1 billion or so from a $1.5 trillion federal budget, especially when it might mean forgoing the political contributions of maritime unions and shipowners that comprise one of the most politically active industries in the country.

"This is a big mess, basically $1 billion a year . . . going to less than 10,000 people," said Rob Quartel, who served as a member of the Federal Maritime Commission under President George Bush and has emerged as one of the chief critics of the subsidies. "The problem with this industry is that it has been subsidized and regulated to death."

To the industry, however, the question is not whether Congress wants to give the shipping industry a break, but whether it wants a merchant marine at all. Executives of the few remaining U.S. shipping lines blame their industry's decline on foreign competitors who copied American technology and then undercut American firms with cheaper labor and fewer regulations.

Unless "Uncle Sugar" makes up the difference in costs, as one shipper puts it, shipping companies will demand that the government let them re-register their vessels in foreign countries to take advantage of lower foreign operating costs. "We're fighting for our life," said Mike Sacco, president of the Seafarers International Union.

"America's future as a maritime nation is at stake," Albert J. Herberger, President Clinton's maritime commissioner, recently told Congress. "This year will make or break what remains of our U.S.-flag presence on the high seas."

The issue before Congress is a simple one, said Christopher L. Koch, a senior vice president of Sea-Land: "Give us the dough or let us go."

More and more, letting them go seems a viable option. Groups as diverse as the conservative National Taxpayers Union and Ralph Nader's Essential Information Group are pressing the Republican Congress to untie the shipping industry and see how it floats on its own.

Their champion is a farm-state senator, Charles E. Grassley (R-Iowa), who foresees savings for the Agriculture Department in sales and shipments of surplus food overseas if maritime programs are eliminated. "We're seeing more light at the end of the tunnel, but I don't see victory," he said in a recent interview.

Some of the maritime industry's supporters, sensing trouble at hand, are proposing cutting some of the expense. A coalition of senators from maritime states may ask for a floor vote as early as today on a measure that would extract about $100 million from Radio Free Europe to continue subsidizing the operating costs of a smaller number of U.S. ships and provide some other benefits to the dwindling number of private U.S. shipyards.

"Yes, it is going to cost a little more to ship on an American ship," said Sen. John Breaux (D-La.), one of the measure's supporters, at a recent Senate hearing. But, he said, "it is all a part of being an American."

A CALL FOR ELIMINATION

Early on, it appeared that the Clinton administration might try to toss out maritime subsidies in its drive to streamline government. A task force advising Vice President Gore described the subsidies as "a cancer eating away—unnecessarily—at the general revenues of the U.S. Treasury."

A draft of Gore's report on "reinventing government" called for eliminating the benefits, according to the task force members, but that recommendation was deleted after leaders of the politically powerful maritime unions protested to Clinton. In a 1993 memo to the president, Robert E. Rubin, then the director of Clinton's National Economic Council, noted that maritime benefits already had "broad bipartisan support" on the Hill.

But the support from the Pentagon, which long has provided the rationale for the expenditures, has faded. In the 1980s the military decided it was no longer content with the shipowners' pledges to haul supplies in their vessels in wartime in exchange for ongoing subsidies. Military planners concluded it would take too long to commandeer the civilian ships in a crisis. Besides, most commercial U.S. ships sailing with U.S. flags were designed to carry standardized-sized boxes of food and goods, not helicopters.

So the Pentagon invested in so-called roll-on, roll-off ships—essentially floating garages that can be filled with tanks and military trucks. Since the Persian Gulf War, the military has continued to expand its fleet of "row-rows," as the ships are called, with a $6 billion program. Today it has a reserve fleet of 89 Navy-gray ships, many of them fully loaded and docked around the world.

Should it need more in a time of crisis, the Pentagon would "prefer American ships with American crews," said Margaret B. Holt, a spokeswoman for the Military Sealift Command, the Washington-based Navy command that charters ships for the Pentagon. But that's only if another agency pays the shipowners, said Gen. Robert L. Rutherford, head of the U.S. Transportation Command, in recent testimony before a Senate subcommittee.

During the Gulf War, the military found it could rely on foreign ships to supplement its own fleet. The U.S. Maritime Administration, part of the Transportation Department, estimates that about 20 percent of goods arriving in the war zone came on foreign ships; a Navy estimate places the level closer to 50 percent, noting many military goods were transferred from U.S.-flagged ships to smaller feeder ships at European and Asian ports.

According to Holt, the Sealift command spokeswoman, the lesson is: "If there is money to be made, there are ships to be had."

The maritime programs are a patchwork of direct and indirect subsidies and protections that date back largely to the period between 1904 and 1936.

There are three ways the government subsidizes U.S.-flag vessels: It pays direct subsidies to vessels engaged in international trade to help them compete with foreign-flag vessels. It pays higher rates on shipment of government goods. It also requires goods shipped between U.S. ports to be carried by U.S. vessels.

The requirement that government goods be transported in U.S.-flagged vessels adds $578 million a year to the government's transportation bills, most of it paid by the Pentagon, the government's largest shipper, according to the General Accounting Office. The rule that surplus food be shipped under U.S. flag has cut the amount of farm commodities that foreign governments could buy by $131 million in the past three years, according to a March report by the Agriculture Department's inspector general.

Consumers also pay to protect the industry, according to critics like Quartel, the former Bush administration official. Quartel heads a group backed by farm and minerals interests that hopes to repeal the 1920 Jones Act, the law that restricts domestic cargo to American-flagged ships. He cites a U.S. International Trade Commission study that estimates the law may add as much as $10.4 billion a year to transportation costs, which are then passed along to wholesalers and consumers.

The most obvious cost—and perhaps the most vulnerable to cuts—is the $214.4 million a year the government pays out to the owners of the 75 U.S.-flagged vessels to cover the cost of sailing with a U.S. crew, under U.S. regulations.

Unless Congress acts, these so-called "operating differential" payments will cease when the government's 20-year contracts with the shipowners expire in 1997. Rep. Herbert H. Bateman (R-Va), a strong maritime advocate who chairs a subcommittee of the House National Security Committee, has teamed up with Sen. Trent Lott (R-Miss.) to propose somewhat reduced benefits: an average of about $2.3 million a year each to about 50 ships, rather than the roughly $3 million now paid to 75 vessels. The Clinton administration supports their proposal.

Maritime industry officials say critics exaggerate the indirect costs and underrate the benefits to the country in jobs and national security. Although fewer than 10,000 jobs depend on the direct subsidies, the Jones Act helps protect as many as 200,000 workers, industry supporters say.

They deride foreign ships as unreliable in wartime, citing a half-dozen or more vessels that refused to sail or delayed voyages into the Persian Gulf during the conflict there.

If U.S.-flagged ships are not militarily important, then their crews certainly are, supporters say. "You can always commandeer ships. You can't commandeer people," said Thomas L. Mills, a Washington maritime lawyer and lobbyist.

Sea-Land has been one of the primary beneficiaries of the maritime programs and, in the company's view, a victim as well. The company benefits handsomely by flying the U.S. flag; in fact, its Pentagon contracts make it the country's largest ocean shipper of military goods.

But the American flag raises its operating costs because it must pay its crews the higher U.S. union salaries. The firm is not reimbursed directly for those added costs because it is barred from drawing operating subsidies at the same time it holds government shipping contracts.

FLYING A NEW FLAG

As military shipping declines, Sea-Land wants the option to switch to operating subsidies. Unless Congress continues the subsidies, Sea-Land president John P. Clancey has warned, his company will ask permission to register its remaining 37 U.S.-flagged ships under foreign flags.

It already dropped the Stars and Stripes off five ships in the past year and registered them with the Republic of Marshall Islands. The firm has offered American captains jobs on those ships at a salary of $72,760 for eight months a year. That's roughly 41 percent of what some of them would earn as skippers of U.S.-flag ships.

Offers like that are quite disheartening to seamen like Lawrence R. Swink, of Lake Tahoe, Nev., captain of the Performance. "For those kind of wages they're talking about, I can run a little tour boat and be home with my family every night and watch my children grow up," he said.

From Swink down to the ship's tattooed cook, the 21 crew members of the Performance know their jobs are on the line. "I can't argue that the Filipinos won't do it cheaper than me, but I'll tell you one thing," Ryan said. "They won't do it better than me."

"I can't imagine the U.S. not having a merchant marine," said Baden L. Fitzsimmons, the junior engineer, shaking his head.

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, I have to respond to some of this, because I think if someone listens to this debate, they get a total misimpression of what we have done in this bill. Let me begin by saying I take a back seat to no one on this planet and nobody in the U.S. Senate in opposing cargo preference. I have fought it from the first day I came here. I am going to fight it from here or elsewhere until it is ultimately eliminated.

Let me review the facts. The facts are as follows:

President Clinton, despite all this wonderful advice, proposed $175 million for operating subsidies for the maritime industry. Our subcommittee and our full committee provided not one red cent. We had an amendment about which we talked to Members on both sides of the aisle. Some 14 Republicans were ready to vote for the amendment. It was obvious to a blind man that we were going to lose on the amendment and, at a late hour, instead of holding the Senate here, we agreed to providing $46 million.

Here is the point: As far as I am aware, that is the lowest level of subsidies for the maritime industry since the Second World War. We have never had an appropriations bill in the U.S. Senate since 1946 that cut maritime subsidies as much as this bill cut maritime subsidies.

I wanted it to be zero. I oppose these subsidies. But, basically, the point I want people to understand is, the President asked for $175 million. While the accounts are not comparable, there was $214 million provided last year. Even with the adoption of this amendment, which I do not support, we are only providing $46 million in new subsidies. So we have cut maritime subsidies more than any appropriations bill since World War II. We have dramatically reduced those subsidies.

I share my colleague's righteous indignation. The problem is I have sat here all day and fought amendments. I wanted to fight this amendment, but not only did I have no votes on my side giving me any chance of a majority, but many of our colleagues were elsewhere in committee. I was here on the floor basically making a decision that we were going to lose, and so this amendment was included.

To conclude, being repetitive one final time, if somebody wants good news about maritime subsidies, the President proposed $175 million of operating subsidies. This final bill provides $46 million, which is a dramatic cut and which, as far as I am aware, is the largest cut in operating subsidies for the maritime industry since the Second World War.

In terms of loan guarantees, the President asked for $52 million, our committee provided $2 million. This amendment that has been adopted adds $25 million to that, providing $27 million. So in an overall request of nearly a quarter of a billion dollars by President Clinton and his administration, after all is said and done, we are providing $73 million. If we do this well next year, there will be no maritime subsidy program. That is my point.

Mr. INOUYE addressed the Chair.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE. Mr. President, I thank my friend from Texas for providing this clarification. It should be pointed out that the Commerce Committee of the U.S. Senate and the National Security Committee of the House of Representatives, in response to taxpayers' concerns about the high cost of the operation differential subsidy, came forth with the Maritime Security Act. In the Senate, it is S. 1139; in the House, H.R. 1350.

This year, by a unanimous vote in the Senate committee and a unanimous vote in the House committee, this act was passed—unanimous vote. It is a bipartisan measure. In the U.S. Senate, the chairman of the subcommittee is the Senator from Mississippi, Mr. LOTT. I have the great privilege of serving as the senior Democrat on that committee.

As the chairman of the Appropriations Subcommittee on Commerce, Justice and State just noted, the amounts we are requesting are much, much less than what has been requested by the President of the United States or what it has cost the taxpayers in the past. It has been suggested that all we would need is 20 vessels, and in so doing, cite Desert Storm as an example.

We, together with our allies, were exceedingly fortunate because the man in charge of Iraq did not have the good sense to do what any military commander would have done. He gave us over 6 months to prepare ourselves, and that is why we were able to ship goods in a rather leisurely manner to the Persian Gulf. We were lucky.

I think at this juncture I should just briefly point out the history of our merchant marine industry.

At the end of World War II, we controlled the seven seas. The Russian fleet was in the bottom of the ocean. The British fleet did not exist. The German fleet was gone. The Japanese had none. The Chinese had none. No one had ships. We controlled the ocean. If the Japanese wanted to ship anything, it had to be on an American ship. If the British wanted to ship anything, it had to be on an American ship. We controlled the seas. But because of our belief in free trade, because of the massive program we instituted, the Marshall Plan and other programs, we helped to build the economies of other lands, including our former enemies. As a result, at this moment, the U.S. fleet carries less than 4 percent of our foreign cargo. We carried over 90 percent and now we carry less than 4 percent. And if you think that 20 would be enough, may I remind my colleagues about the Yom Kippur war. During the Yom Kippur war, the Egyptians nearly overran the Israeli forces. They were pushed back to their borders across the Sinai. And in 30 days, they used up the ammunition that they had stored for 6 months. We had an agreement with the State of Israel to provide ammunition and supplies. And so we looked around for our ships. Our ships were busy. So we looked to American citizens. There were hundreds of American citizens who owned ships registered in foreign lands, like Liberia and Panama. Most of the ships registered in Liberia and Panama belong to Americans, hundreds of them. So we called upon them to say that we have an emergency and we must supply the Israeli forces, please provide your ships, make them available to our Defense Department.

Mr. President, do you know how many ships responded? Do you know how many loyal American citizens responded? Zero. Zero. As a result, we had to use our C–5 tankers, the new C–5, and flew cargo into Israel. This is not classified now, but two of those C–5s were nearly shot down. Imagine what would have happened if they were shot down.

What I am trying to suggest is that Desert Storm was a good war for us, if you want to put it in "good and bad." It was easily discerned as to who was bad and who was good. All the allies were with us. Even the Arabs were with us. They made their ships available very happily. Even the Japanese came down to the Persian Gulf to help us. But we may get involved in something that is not popular, that may not be considered a good war. And then what would happen?

Finally, may I say that every country with a fleet would insist that their mail—postage—be carried by their ships. The British carry their mail to the United States. The Germans carry their mail to the United States. The Russians carry their mail to the United States on their fleet. The Japanese insist on that. Even the Arabs insist on carrying their mail on their ships.

We believe in free trade. We put our mail carriage on auction, on bid. Who do you think carries our mail across the Atlantic ocean? The American fleet? The Polish Steamship Company. I hope we are proud of that. One would think that we would be proud enough to insist that our mail with our postage stamps be carried by our fleet. But because we insist upon slowly but surely tearing down our merchant fleet, the day will come when this great and powerful Nation will be blackmailed by all these other countries. The day will come and they will say, sorry, folks, we do not want to get involved in this conflict. See, what happened during the Yom Kippur war, Saudi Arabia sent word to Liberia and Panama and told the Liberian and Panamanian government, "If ships in your register are used to carry cargo to Israel, we will consider this an unfriendly act." That is why zero.

That could happen to us again, Mr. President. This is a small investment.

One part of this is the title I loan guarantee program. A $25 million investment will generate $500 million in ship building. It is about time we revived our ship building industry.

Mr. President, this is a bargain. This has bipartisan support. That is why the chairman of this committee, Mr. GRAMM, wisely counted the votes, because it is a popular program. It is an American program, Mr. President.

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas is recognized.

AMENDMENT NOS. 2847 THROUGH 2878

Mr. GRAMM. Mr. President, I send a group of amendments to the desk, en bloc, and ask for their immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Texas [Mr. GRAMM] proposes amendments, en bloc, numbered 2847 through 2878.

Mr. GRAMM. Mr. President, I ask unanimous consent that reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments are as follows:

AMENDMENT NO. 2847

(Purpose: To disapprove of amendments relating to the Federal Sentencing Guidelines relating to lowering of crack sentences and sentences for money laundering and transactions in property derived from unlawful activity.)

At the appropriate place, insert the following new section:

SEC. . DISAPPROVAL OF AMENDMENTS RELATING TO LOWERING OF CRACK SENTENCES FOR MONEY LAUNDERING AND TRANSACTIONS IN PROPERTY DERIVED FROM UNLAWFUL ACTIVITY.

In accordance with section 994(p) of title 28, United States Code, amendments numbered 5 and 18 of the "Amendments to the Sentencing Guidelines, Policy Statements, and Official Commentary", submitted by the United States Sentencing Commission to Congress on May 1, 1995, are hereby disapproved and shall not take effect.

AMENDMENT NO. 2848

On the Committee amendment on page 28, line 8, after "for" delete "State and Local Law Enforcement Assistance Block Grants pursuant to Title I of the Violent Crime Control and Law Enforcement Act of 1994 (as amended by Section 114 of this Act);" and insert "Public Safety Partnership and Community Policing pursuant to Title I of the Violent Crime Control and Law Enforcement Act of 1994;".

On the Committee amendment on page 38, line 3, delete all after "SEC. 114." through to "local sources." on page 43, line 20.

AMENDMENT NO. 2849

(Purpose: To reduce the energy costs of Federal facilities for which funds are made available under this Act)

At the appropriate place, insert the following:

SEC. . ENERGY SAVINGS AT FEDERAL FACILITIES.

(a) REDUCTION IN FACILITIES ENERGY COSTS.—

(1) IN GENERAL.—The head of each agency for which funds are made available under this Act shall—

(A) take all actions necessary to achieve during fiscal year 1996 a 5 percent reduction, from fiscal year 1995 levels, in the energy costs of the facilities used by the agency; or

(B) enter into a sufficient number of energy savings performance contracts with private sector energy service companies under title VIII of the National Energy Conservation Policy Act (42 U.S.C. 8287 et seq.) to achieve during fiscal year 1996 at least a 5 percent reduction, from fiscal year 1995 levels, in the energy use of the facilities used by the agency.

(2) GOAL.—The activities described in paragraph (1) should be a key component of agency programs that will by the year 2000 result in a 20 percent reduction, from fiscal year 1985 levels, in the energy use of the facilities used by the agency, as required by section 543 of the National Energy Conservation Policy Act (42 U.S.C. 8353).

(b) USE OF COST SAVINGS.—An amount equal to the amount of cost savings realized by an agency under subsection (a) shall remain available for obligation through the end of fiscal year 2000, without further authorization or appropriation, as follows:

(1) CONSERVATION MEASURES.—Fifty percent of the amount shall remain available for the implementation of additional energy conservation measures and for water conservation measures at such facilities used by the agency as are designated by the head of the agency.

(2) OTHER PURPOSES.—Fifty percent of the amount shall remain available for use by the agency for such purposes as are designated by the head of the agency, consistent with applicable law.

(c) REPORTS.—

(1) BY AGENCY HEADS.—The head of each agency for which funds are made available under this Act shall include in each report of the agency to the Secretary of Energy under section 548(a) of the National Energy Conservation Policy Act (42 U.S.C. 8258(a)) a description of the results of the activities carried out under subsection (a) and recommendations concerning how to further reduce energy costs and energy consumption in the future.

(2) BY SECRETARY OF ENERGY.—The reports required under paragraph (1) shall be included in the annual reports required to be submitted to Congress by the Secretary of Energy under section 548(b) of the Act (42 U.S.C. 8258(b)).

(3) CONTENTS.—With respect to the period since the date of the preceding report, a report under paragraph (1) or (2) shall—

(A) specify the total energy costs of the facilities used by the agency;

(B) identify the reductions achieved;

(C) specify the actions that resulted in the reductions;

(D) with respect to the procurement procedures of the agency, specify what actions have been taken to—

(i) implement the procurement authorities provided by subsections (a) and (c) of section 546 of the National Energy Conservation Policy Act (42 U.S.C. 8256); and

(ii) incorporate directly, or by reference, the requirements of the regulations issued by the Secretary of Energy under title VIII of the Act (42 U.S.C. 8287 et seq.); and

(E) specify—

(i) the actions taken by the agency to achieve the goal specified in subsection (a)(2);

(ii) the procurement procedures and methods used by the agency under section 546(a)(2) of the Act (42 U.S.C. 8256(a)(2)); and

(iii) the number of energy savings performance contracts entered into by the agency under title VIII of the Act (42 U.S.C. 8287 et seq.).

Mr. BINGAMAN. Mr. President, I appreciate the managers of the bill agreeing to accept this amendment.

The Competitiveness Policy Council [CPC], for which I am recommending just $100,000 of support in fiscal year 1996, has just published several reports which provide thoughtful commentary on our Nation's economy. These reports include three just recently released and titled "Lifting All Boats: Increasing the Payoff From Private Investment in the American Economy" by Harvard Business School professor, Michael Porter, and Salomon Inc. chairman, Robert E. Denham; "U.S. Technology Policy: The Federal Government's Role" by former Bush administration Under Secretary of Commerce for Technology, Robert White; and "Saving More and Investing Better," which concentrates on raising national savings and improving the way saving is allocated, or invested, in the private sector.

During a time when we are struggling with important decisions about the role of Government in the economy—about what programs should be cut back, which should be nurtured—it seems to me that a bipartisan Council such as CPC, which produces the sorts of high-intellectual octane material that directly responds to choices we are making in our national economic framework, should receive our support.

The Competitiveness Policy Council, which started operating in 1991, was established as a bipartisan Federal advisory commission. Of the 12 members, of which 6 are Republicans and 6 are Democrats, 4 are appointed by the joint leadership of the House, 4 by the joint leaders of the Senate, and 4 by the President. Business, labor, and Government as well as public interest groups are equally represented, each group having three members representing their interests. And when this commission was initiated, the founders had the wisdom to make it a creature of both the legislative and executive branches.

The CPC's mission is to develop recommendations to Congress and the President to improve the productivity and international competitiveness of the American economy. And importantly, the Commission provides dispassionate analysis of the state of the U.S. international economic competitiveness, providing a report to the President and Congress on an annual basis.

At this time, when CPC is issuing important policy reports and has others in the pipeline, it would not be judicious of this body to force a premature end to the good work and initiatives of this valuable commission. Its capital allocation report, "Lifting all Boats," is ripe with important recommendations for which the American business community will cheer; these recommendations, CPC argues will help businesses truly organize for the long term, which is also very much in the national economic interest. The CPC may also reconstitute its Trade Policy Subcouncil to focus on regional trade agreements within the Western Hemisphere and the Asia Pacific region and the impact of these on both the multilateral trading system and American living standards. The need for trade negotiating authority would make this effort timely.

Furthermore, the Council has begun work in two other areas: regulation and the relationship between Federal and State governments and U.S. competitiveness and living standards. I do not need to tell any of my colleagues here that $100,000 is modest; but this amount will allow the CPC to conclude the important work it has only recently begun to release and distribute. I think that many of my colleagues across the aisle can also attest to the quality and lucidity of CPC policy analysis and recommendations.

As part of this amendment, I suggest that we pare back, just a bit, the increase that the committee bill proposes for the Drug Enforcement Administration [DEA]. The bill provides the DEA with a 12.4 percent increase, $93 million, above the current year; an amount that surpasses the President's request by $40 million. Specifically, the committee bill provides an increase of $10.5 million for Permanent Change of Station moves. Last week, $4 million of fiscal year 1995 funds was reprogrammed for this very same purpose.

Thus, I propose that the $100,000 appropriation for the Competitiveness Policy Council be drawn from the account for Permanent Change of Station Moves in the DEA fiscal year 1996 appropriation.

Support of the Competitiveness Policy Council at this level of funding should be an easy decision to make. I think that the positive contribution of CPC's work will be returned in many multiples as the overall health of our economy benefits from CPC's wise counsel.

Thank you.

ENERGY EFFICIENCY

Mr. BINGAMAN. Mr. President, I would like to take a few moments to discuss an amendment I am offering on this appropriations bill. My amendment encourages agencies funded under the bill to become more energy efficient and directs them to reduce facility energy costs by 5 percent. The agencies will report to the Congress at the end of the year on their efforts to conserve energy and will make recommendations for further conservation efforts. I have offered this amendment to every appropriations bill that has come before the Senate this year, and it has been accepted to each one.

I believe this is a commonsense amendment: The Federal Government spends nearly $4 billion annually to heat, cool, and power its 500,000 buildings. The Office of Technology Assistance and the Alliance to Save Energy, a nonprofit group which I chair with Senator JEFFORDS, estimate that Federal agencies could save $1 billion annually if they would make an effort to become more energy efficient and conserve energy.

Mr. President, I hope this amendment will encourage agencies to use new energy savings technologies when making building improvements in insulation, building controls, lighting, heating, and air conditioning. The Department of Energy has made available for government-wide agency use streamlined "energy saving performance contracts" procedures, modeled after private sector initiatives. Unfortunately, most agencies have made little progress in this area. This amendment is an attempt to get Federal agencies to devote more attention to energy efficiency, with the goal of lowering overall costs and conserving energy.

As I mentioned, Mr. President, this amendment has been accepted to every appropriations bill the Senate has passed this year. I ask that my colleagues support it.

AMENDMENT NO. 2850

(Purpose: To require the State Department to report on cost savings generated by extending foreign service officer tours of duty in nations for which the State Department requires two-year language study program, including China, Korea, Japan)

On page 93, between lines 9 and 10, insert the following:

And also provided, That by May 31, 1996, the State Department will report to the President and to Congress on potential cost savings generated by extending foreign service officer tours of duty in nations for which the State Department requires two year language study programs, but specifically including China, Korea, and Japan. This study should consider extending terms on the following basis: junior officers from the current two year maximum term to a three-year tour, and mid to senior foreign service officers from the current three year minimum term to four year minimum with a possible employee-initiated one year extension.

POTENTIAL COSTS SAVINGS FROM REVISED FOREIGN TOUR OF DUTY GUIDELINES

Mr. BINGAMAN. Mr. President, I have spoken here in the past expressing strong support for the initiative of this Congress to cut our Government's Federal budget deficit. But I feel just as strongly that this effort be undertaken in a sensible way that promotes economic growth where it can, and at all costs, does not actually cause the economic welfare of our citizens to worsen.

One of the steps that our Government can take to both cut spending and promote economic growth would be to better leverage the investment we make in our Foreign Service officers stationed in Embassies and consulates abroad. Presently, all levels of Foreign Service officers receive language training for non-English language speaking posts to which they are sent. Our personnel assigned to nations that use Chinese, Japanese, Korean, and Arabic languages receive, at Government expense, 2 years of language training. All other language programs offered are 1-year programs.

I strongly support the training of our foreign service personnel so that we have a culturally literate team of American representatives pursuing our interests abroad.

But it does seem to me that we could be doing more both to enhance our ability to pursue American political and economic interests abroad and give the taxpayer more return on his investment if we revised our guidelines for the length of assignment for our Foreign Service officers.

Presently, the State Department does not make a distinction between the terms of duty in those nations for which we provide 2 years of language training as opposed to 1 year. We also don't have a framework that allows us to provide longer term assignments in those nations, particularly in Asia, that are relationship-based and are of significant consequence to America's trade and economic agenda.

Junior Foreign Service officers—regardless of whether they had 1 or 2 years of language training—remain in their foreign assignment just 2 years. Mid- to senior-level Foreign Service officers are assigned for 3 years, and can, at their own initiative, extend their assignment for 1 additional year. I think that we can get more return on our investment by extending the assignments for junior Foreign Service officers, who are assigned to a country for which we require a 2-year program. These countries would include China, Korea, and Japan which, of course, have very high priority on our Nation's economic radar.

I also believe that mid- to senior-level Foreign Officers should have their assignments lengthened from 3 to 4 years in these high-priority nations, and continue to have the personal option of extending an extra year.

I think that this framework makes good common sense and should not be a controversial matter. I would like to request that the State Department study this proposal that I have briefly outlined and report back to the Congress and to the President by May 31, 1996 on the cost savings that such a plan would generate. I also think that America would further its own interests by allowing those who develop good networks and cultural literacy in key nations to remain in place for longer periods of time.

If there was a message that I heard from those staffing our overseas posts it was that we pull our people out just when they were figuring out the lay of the land. I think that the State Department may find that revising their foreign assignment guidelines, particularly in assignments in which our taxpayers have made considerable investments in language training, would make good sense.

AMENDMENT NO. 2851

(Purpose: To require a report to the Congress on the Doppler weather surveillance radar located on Sulphur Mountain in Ventura County, California)

At the appropriate place in the bill, insert the following new section.

SEC. . REPORT ON THE DOPPLER WEATHER SURVEILLANCE RADAR

(a) STUDY REQUIRED.—The Secretary of Commerce shall conduct a study on the Doppler weather surveillance radar (WSR-88D). The study shall include the following elements.:

(1) An analysis of the property value lost by property owners within 5 miles of the weather surveillance radar as a result of the construction of the weather surveillance radar.

(2) A statement of the cost of relocating a weather surveillance radar to another location in any case in which the Dept. has been asked to investigate such a relocation.

(b) REPORT.—The Secretary shall submit to Congress a report on the study required under section (a) not later than 90 days after the date of enactment of this Act.

AMENDMENT NO. 2852

(Purpose: To express the Sense of the Senate concerning book donation programs)

At the appropriate place in the bill, add the following new section—

SEC. . SENSE OF THE SENATE CONCERNING BOOK DONATIONS.

It is the Sense of the Senate that the United States should continue to provide logistic and warehouse support for non-governmental, non-profit organizations undertaking donated book programs abroad, including those organizations utilizing on-line information technologies to complement the traditional hard cover donation program.

AMENDMENT NO. 2853

(Purpose: To prohibit funding of efforts to privatize federal prison facilities at Yazoo City, Mississippi and Forrest City, Arkansas)

At page 22, add the following at the end of line 9: *Provided further*, That no funds appropriated in this Act shall be used to privatize any federal prison facilities located in Forrest City, Arkansas and Yazoo City, Mississippi.

Mr. COCHRAN. Mr. President, my amendment prohibits the authorization of funds to privatize the Federal prison facilities located at Yazoo City, MS, and Forrest City, AR.

Mr. President, recent administration proposals regarding the privatization of Federal prison facilities has created a unique problem for Federal prison facilities located in Yazoo City, MS, and Forrest City, AR. I offer this amendment today as a fair and equitable solution to allow the Federal Government to meet its obligations to two communities while not impeding the policy objectives of the administration.

Quite a few years ago, a small community in my home State, Yazoo City, and a similar community in Arkansas, called Forrest City, competed with many other communities in our region of the country to site Federal prison facilities in their communities. Yazoo City and Forrest City were successful in their efforts. Each community now has a low and minimum security Federal prison facility ready to begin operation in early 1996.

The two facilities are similar in other ways, also. Each site has land and infrastructure in place to accommodate additional medium and high security facilities which the Bureau of Prisons had indicated were a very real possibility for the future. Both communities made substantial financial investments to enhance their respective sites with the understanding that doing so would increase their chances of gaining additional facilities.

The Clinton administration's budget contained a directive that the Bureau of Prisons privatize "the majority of future pretrial detention, minimum and low security Federal prisons." Low and minimum security facilities built on the same site as medium and high security facilities are exempt from this proposal.

Mr. President all of us understand and many of us support the policy objectives of the privatization effort. However, I submit that the facilities located at Yazoo City, MS and Forrest City, AR do not qualify as future facilities and are thus not appropriate candidates for privatization.

First, the administration directed the privatization of future minimum and low security prisons. The facilities in Yazoo City and Forrest City are by no means future facilities. The Federal Government shook hands with the officials in these two communities many years ago. Each of these communities made substantial financial investments and entered contractual obligations based on the Government's agreement to site a federally run facility on their sites. To privatize these facilities at this point would be breaking a commitment to two communities who welcomed and supported the Government's decision to locate facilities among them. The terms of the agreement between the Federal Government and the citizens of these two communities must not be broken at this 11th hour.

Second, privatization of these facilities will preclude these communities from being able to compete on an equal footing with other communities for higher security Federal prison facilities. The policy of the Bureau of Prisons and the administration prohibits the locating of federally run and privately run facilities on the same site. It is also the administration's policy not to allow the privatization of medium and high security Federal prisons because of the concern of maintaining security and safety of the facilities and surrounding communities. The administration's own policy dictates that the privatization of the Yazoo City and Forrest City minimum security facilities will forever preclude the location of higher security facilities on those sites. The environmental studies and improvements necessary to accommodate higher facilities at these sites are already complete. To deny these communities the opportunity to eventually compete for higher facilities would be a disastrous waste of time and money.

Mr. President, these two communities entered a contract with the Federal Government in good faith and have made expenditures to uphold their obligations under that contract. We only ask that the Federal Government do the same. Privatization of these two facilities is a breach of the faith of these communities and violation of a contractual obligation.

I urge my colleagues to accept this amendment as a fair solution to a unique situation.

AMENDMENT NO. 2854

On page 74, 18, after "Fund", strike the period and insert the following: ", and of which $1,200,000 shall be available for continuation of the program to integrate energy efficient building technology with the use of structural materials made from underutilized or waste products."

AMENDMENT NO. 2855

(Purpose: To clarify language for providing funding for the National Maritime Heritage Act)

Page 117, line 5 is amended by inserting after "academies" and before the colon, the following: "and may be transferred to the Secretary of Interior for use as provided in the National Maritime Heritage Act (P.L. 103–451)."

AMENDMENT NO. 2856

(Purpose: To make available funds for the Tenth Paralympiad games for individuals with disabilities)

On page 110, between lines 2 and 3, insert the following:

SEC. 405. FUNDS FOR THE TENTH PARALYMPIAD GAMES.

Of the aggregate amount appropriated under this title for the United States Information Agency under the headings "SALARIES AND EXPENSES", "EDUCATIONAL AND CULTURAL EXCHANGE PROGRAMS", AND "INTERNATIONAL BROADCASTING OPERATIONS", $5,000,000 shall be available only for the Tenth Paralympiad games for individuals with disabilities, scheduled to be held in Atlanta, Georgia, in 1996, consistent with section 242 of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995 (22 U.S.C. 2452 note).

Mr. COVERDELL. Mr. President, I would like to thank the distinguished managers for their assistance in the adoption of this very important amendment. Next summer, the city of Atlanta will host the Tenth Paralympiad. This event will draw 119 countries and 3,500 world-class athletes with physical disabilities to the United States to complete in the largest global summit on disability. Leaders from the international disability community will observe the progress made in the country on disability policy first hand.

This amendment will allow the Director of the United States Information Agency (USIA) to direct $5 million of the funds appropriated to USIA for the Tenth Paralympiad. Since 1994 USIA has been encouraged to promote events and activities involving individuals with disabilities. The passage of this bi-partisan amendment is in keeping with the purpose of USIA.

With the adoption of this amendment, international awareness will be increased, but more importantly it will be a chance to showcase American leadership in opportunities for people with disabilities.

I strongly encourage the Senate's conferees to retain this amendment during the House Senate conference next month, and I thank the managers once again.

Mr. NUNN. Mr. President, this amendment is important in many ways, and I am proud to join my colleague from Georgia in bringing this matter to the attention of the U.S. Senate. As many Americans know, the Centennial Olympic games will begin in Atlanta on July 19, 1996, and conclude on August 4. Many people do not know, however, that just 12 days after the conclusion of the 1996 Summer Olympics, another sporting event of great magnitude will begin. The Paralympic opening ceremony will be held August 16 and over the next 12 days more than 3,500 athletes from 119 nations will compete in 19 different sports. This will be the largest gathering of people with disabilities ever assembled anywhere in the world.

The origins of the Paralympic movement goes back to 1946 when Sir Ludwig Guttman organized the International Wheelchair Games to coincide with the 1948 London Olympics. Since that time, the official Paralympic organization has been established, and the Paralympic Games have been held nine times in nine countries across the globe. The 1996 Atlanta paralympics will mark the tenth and largest gathering with an expected 1.5 million spectators. Over the years, the Paralympics have expanded from wheelchair athletes to include amputees, the blind, those with cerebral palsy, dwarfs and those with a variety of other physical limitations.

In 1994, Congress expanded the U.S. Information Agency's mission to include direction to promote exchange and training activities on disability matters. This American leadership has helped to create international visibility and awareness of disability concerns and has encouraged and reinforced the provision of opportunity for people with disabilities around the world. The Paralympics gives people with disabilities not only the right, but the opportunity to show what they are able to do.

Consider, for example, Ajibola Adoye, a Nigerian runner who, despite the amputation of one arm, ran faster than the fastest, able-bodied runner in his country in the 1992 Olympic Games. The Paralympics lets athletes like Ajibola Adoye represent their countries in international competition at the Olympic level. While many events have been modified in certain ways to accomodate the disabilities of the participants, amazingly, many Paralympic athletes still remain competitive in standard Olympic events.

In addition to celebrating the outstanding talents and achievements of disabled athletes, next summer's Paralympiad also serves another important function. It will serve as an international forum, bringing leaders in the international disability community to Atlanta to address issues vital to the disabled worldwide. Developments in disability-related technology and public policy in the United States and other nations will be highlighted. The Paralympiad is an unprecedented chance to showcase American leadership in creating opportunities for people with disabilities. The Americans With Disabilities Act is just one example of such leadership.

The United State is a leader in the development of prosthetic equipment and disability health care. U.S. Paralympic athletes will make use of the most state-of-the-art prosthetic equipment when they compete in the games. Regrettably, much of this equipment is unavailable to the developing nations. The experience of many countries torn by war and conflict, where many people, including children, have lost limbs from land mines and other weapons of war, demonstrates the pressing need for advanced prosthetic devices. The Paralympiad brings representatives of those countries to the United States to see our latest developments and fosters their export to the world.

A fundamental goal of U.S. disability-related public policy has been to foster increased economic independence among the disabled. Sport is an established pathway for the disabled to reach self-sufficiency, helping to break the expectation of life-long dependence among the disabled. It is also a powerful tool to change attitudes among the general public. We know that changing attitudes is more effective than mandating behavior. The impact of watching a sprinter run less than two-seconds off Carl Lewis' pace on two prosthetic legs can change the way the world perceives the abilities of people with disabilities.

By bringing many of the disabled from around the world to the United States, this one event will do more to communicate our achievements and commitment to ensuring opportunity than holding a number of smaller-scale individual exchanges, which would be considerably more expensive. I believe the types of exchange activities envisioned by the Paralympic Organizing Committee are perfectly consistent with the USIA mandate.

Last year, the Congress saw fit to appropriate $1.5 million in USIA funding for the Paralympics games. This amendment, if adopted, would reserve $5 million from the USIA's general accounts for the Paralympic Games. It is consistent with the report language adopted by both the House and Senate Appropriations Committees which urged "that support be increased for this program to the maximum extent possible within the resources provided, since this is the year the program will take place."

This funding would help support the international exchange events centered around the competition, including the international forum on disability, adaptive technology displays, as well as follow-through dissemination of materials and information. In addition, every Federal dollar is expected to attract at least $8 of private support. Let me also add that funding is contingent upon satisfactory compliance with financial oversight and reporting procedures just like any Federal contract. If the Paralympic Organizing Committee does not comply, USIA may exercise its discretion not to release any of this funding.

The 1996 Paralympiad presents an unparalleled opportunity for cultural exchange and education. The Paralympics has never before been hosted by a country with a comprehensive disability rights law, and international expectations could not be higher. Leaders from around the world will be drawn to witness the progress the United States has made in the inclusion of those with physical disabilities. I am pleased to support this measure.

Mr. STEVENS. Mr. President, I urge other Members to vote for this amendment to provide $5 million for cultural and educational exchange activities at the 1996 Paralympics in Georgia.

The Paralympics have grown significantly in size and popularity, yet still do not have the liability to get corporate support that the Olympics have—1996 will be one of the largest gatherings of disabled athletes in history, and the money provided in this amendment will allow for the full and open exchange of ideas and information by disabled persons from around the world.

I believe that our country has been a leader in ensuring access and equality for disabled individuals, and we should capitalize on this important opportunity at the 1996 games to share what we have done and to learn from others.

This appropriation has been authorized by legislation crafted by Senator DOLE, section 242 of the Foreign Relations Authorizations Act (P.L. 103-236), which was passed last year

I strongly support the goals and spirit of the Paralympics and urge my colleagues to do the same by voting for this amendment which I have cosponsored with Senators COVERDELL and NUNN.

AMENDMENT NO. 2857

(Purpose: To provide that voter registration cards may not be used as proof of citizenship. At the appropriate place in the bill, insert the following new section:

SEC. . Notwithstanding any other provision of law, a Federal, State, or local government agency may not use a voter registration card (or other related document) that evidences registration for an election for Federal office as evidence to prove United States citizenship.

AMENDMENT NO. 2858

(Purpose: To provide funding for the Ounce of Prevention Council)

On page 29, line 7, strike "$750,000,000" and insert $2,000,000 for the Ounce of Prevention Council pursuant to subtitle A of title III of the Violent Crime Control and Law Enforcement Act (Public Law 103-322); $748,000,000".

On page 102, line 12, strike "$5,550,000" and insert "$5,800,000".

On page 102, line 18, strike "$14,669,000" and insert "$15,119,000".

At the appropriate place in title IV, insert the following new section:

SEC. . GREAT LAKES FISHERY COMMISSION.

Notwithstanding any other provision of law—

(1) the Department of State shall continue to carry out its authority, function, duty, and responsibility in the conduct of foreign affairs of the United States in connection with the Great Lakes Fishery Commission in the same manner as that Department has carried out that function, duty, and responsibility since the Convention on Great Lakes Fisheries between the United States and Canada entered into force on October 11, 1955; and

(2) the authority, function, duty, and responsibility of the Department of State referred to in paragraph (1) shall not be transferred to any other Federal agency or terminated during any fiscal year in which the Convention referred to in paragraph (1) is in force.

AMENDMENT NO. 2859

(Purpose: To make localities eligible for reimbursement of criminal alien incarceration costs)

On page 28, lines 22 and 23, strike "by section 501 of the Immigration Reform and Control Act of 1986" and insert "by section 242(j) of the Immigration and Nationality Act".

On page 64, between lines 22 and 23, insert the following:

SEC. 121. Notwithstanding any other provision of law, amounts appropriated for fiscal year 1996 under this Act to carry out section 242(j) of the Immigration and Nationality Act shall be allocated by the Attorney General in a manner which ensures that each eligible State and political subdivision of a State shall be reimbursed for their total aggregate costs for the incarceration of undocumented criminal aliens during fiscal years 1995 and 1996 at the same pro rata rate.

Mrs. FEINSTEIN. Mr. President, this amendment makes a technical correction to the bill's current language appropriating funds for the State Criminal Alien Assistance Program, known in short as SCAAP.

I was very pleased last year to be part of a bipartisan group of Senators who introduced legislation to establish SCAAP, which was ultimately made part of the crime bill. SCAAP was established in recognition of the burden placed on State and local governments by the Federal Government's failure to control illegal immigration, when State and local governments then find themselves faced with the high cost of incarcerating persons who enter this country illegally and are later convicted of felonies.

Unfortunately, a glitch in the appropriations language prevented SCAAP from completely fulfilling its purpose—contrary to SCAAP, local governments were excluded from reimbursement. Even more unfortunately, this mistake has been replicated in the appropriations bill which we now have before us.

Specifically, this appropriations bill, like last year's appropriations bill, provides that the funds appropriated for SCAAP shall be available as authorized by section 501 of the Immigration Reform and Control Act of 1986 [IRCA], rather than as authorized by SCAAP itself, which was enacted as section 242(j) of the Immigration and Nationality Act, as part of the 1994 Crime Act.

Section 501 of IRCA only provides for reimbursement to States, not to localities. The reference to IRCA, in effect, means that only States and not localities would be reimbursed for their costs from not only the $130 million in fiscal year 1995 SCAAP funds, but also the $300 million in fiscal year 1996 funds that would be appropriated under this bill.

It is important to note that not only is the reference to IRCA inconsistent with SCAAP itself, it is also inconsistent with the committee's own report, which references the Crime Bill, not IRCA.

My amendment would correct this apparent error and eliminate this inconsistency.

It also would ensure that all States and localities would be equitably reimbursed for their combined fiscal years 1995 and 1996 costs at the same percentage rate.

Therefore, it corrects for any inequities in the allocation of fiscal year 1995 SCAAP funds to States as well as to localities. It is noteworthy that, because fiscal year 1995 was the first year of the SCAAP program, there necessarily would be start-up delays in setting up procedures to identify criminal alien inmates whose costs are reimbursable. My amendment would ensure that States which could not identify all, or most, of their allowable costs before fiscal year 1995 allotments were made, would not be penalized.

It is also important to note, Mr. President, that this amendment neither increases nor reduces the amount of money appropriated for SCAAP, but only affects who can access that money.

In expanding access to that money to local governments, we are: First, furthering the goal of Senators who wish to send authority away from the Federal Government, by allowing for direct grants to the level of government closest to the people, local government: and second, removing a level of bureaucracy by not making localities go through State governments.

This amendment has important, real-world consequences. Many localities, especially in California, have been hurt more by illegal immigration than have many States.

In Los Angeles County, for example, based on the preliminary results of a joint county-INS effort to identify deportable criminal aliens in the county's jail system, the percentage of all county jail inmates who are deportable criminal aliens has increased to 17 percent from 11 percent in May 1990.

The growing impact of criminal aliens on the county's criminal justice system not only imposes a major financial burden on the county, which must finance the costs, but also endangers the public's safety.

Because of the county's major budget problems, which have been worsened by the impact of criminal aliens, the county had to close three of its jail facilities earlier this year. As a result, many criminals, who, otherwise, would be incarcerated, now are on the streets of Los Angeles.

I am pleased to report that this amendment is supported by the National Association of Counties, the National League of Cities, the U.S. Conference of Mayors, cities throughout the country, including New York City and Chicago, and by local governments throughout the State of California.

I therefore urge my fellow Senators to support their cities, counties, and towns, and vote in favor of this amendment.

I yield the floor.

AMENDMENT NO. 2860

On page 85, line 14 add the following new section:

SEC. 207. None of the funds appropriated under this Act or any other law shall be used to implement subsections (a), (b), (c), (e), (g), or (i) of section 4 of the Endangered Species Act of 1973, (16 U.S.C. 1533) until such time as legislation reauthorizing the Act is enacted or until the end of fiscal year 1996, whichever is earlier, except that monies appropriated under this Act may be used to delist or reclassify species pursuant to subsections 4(a)(2)(B), 4(c)(2)(B)(i), and 4(c)(2)(B)(ii) of the Act.

Mr. GORTON. Mr. President, the amendment I offer today is identical to a provision included in the Senate's fiscal year 1996 Interior appropriations bill. The Senate bill included language that prohibits the U.S. Fish and Wildlife Service from listing species, and designating critical habitat under the Endangered Species Act. Like the Interior provision, the amendment I offer today allows the Secretary to continue to implement recovery plans for listed species, implement 4(d) rules, de-list, downlist, and remove species from the list altogether. In other words, this amendment would place a time out on further listings under the act until a reauthorization is enacted into law, or until the end of fiscal year 1996.

The majority of the Senate voted earlier this year to support a similar amendment to the Department of Defense Supplemental Appropriations bill. The Senate voted 60-to-38 to adopt the Hutchison amendment that effectively placed a moratorium on the listing of species under the act by rescinding funds from the Fish and Wildlife Service listing account.

The House Commerce, State, Justice bill zeroed out the ESA listing account, but did not include bill language backing up its decision not to fund the listing account. I believe that the amendment I offer today, while some Senators may not support it, will give the administration support to fend off potential lawsuits down the road, possibly demanding that it list one species or another.

Unlike the House bill, my amendment does not reduce funds for any of the ESA accounts funded within the Department of Commerce.

This amendment is not an attempt to put off forever the debate on reauthorization of the ESA. To the contrary, this Senator desperately wants to see the ESA reauthorized. Senator JOHNSTON and I have introduced legislation to amend and reauthorize the act, and we hope that the Senate will take up legislation to reauthorize the act sometime this fall. As many of you know, Congressmen YOUNG and POMBO recently introduced legislation in the House of Representatives to reauthorize the act.

What this amendment does is to ensure that both the Secretary of Interior and the Secretary of Commerce—both of whom have jurisdiction over implementation of the ESA—are implementing the law consistently. If the full committee adopts my amendment, both Secretaries will be held to the same standard—to implement a time out on further listings under the act.

The amendment places a prohibition on the use of funds for the implementation of subsections (a), (b), (c), (e), (g), or (i) of section 4 of the Endangered Species Act, until legislation reauthorizing the act is enacted or until the end of fiscal year 1996, whichever comes first. Essentially this provision prohibits the listing of species and the designation of its critical habitat.

This amendment allows funds to be used to determine whether or not a species should be removed from the list, delisted, or downlisted from its current status. (Pursuant to subsections 4(a)(2)(B), 4(c)(B)(i), and 4(c)(2)(B)(ii) of the act.)

These subsections specifically allow for the following actions:

Funds may be used to implement subsection 4(a)(2)(B) that allows the Secretary to remove a species from the list pursuant to subsection (c) (the provisions cited below), or to be changed in status from endangered to threatened.

Funds may be used to implement subsection 4(c)(2)(B)(i) that would allow the Secretary to remove a species from the list. In other words, whether or not a species should be delisted.

Funds may also be used to implement subsection 4(c)(2)(B)(ii) that would allow the Secretary to determine whether a species should be changed in status from an endangered species to a threatened species. In other words, whether or not the species should be down listed.

Funds may be used by the Secretary to implement subsection 4(d) that would allow the Secretary to issue protective regulations for threatened species. This is what is commonly known as a 4(d) rule, which, as many of you may know, has been used by this administration in an attempt to provide protection for threatened species, and a degree of flexibility for landowners.

Funds may be used by the Secretary to implement subsection 4(f) that would allow the Secretary to continue to implement recovery plans for already listed threatened and endangered species.

Funds may be used by the Secretary to implement subsection 4(h) that allows the Secretary to issue agency guidelines, and adhere to notice and public comment requirements.

AMENDMENT NO. 2861

(Purpose: To provide funds for the Community Relations Service)

On page 12, between lines 2 and 3, insert the following:

COMMUNITY RELATIONS SERVICE

SALARIES AND EXPENSES

For necessary expenses of the Community Relations Service, established by title X of the Civil Rights Act of 1964, $10,638,000: *Provided*, That such additional funds as may be necessary for the resettlement of Cuban and Haitian entrants shall be available to the Community Relations Service, without fiscal year limitation, to be reimbursed from the Immigration Examinations Fee Account: *Provided further*, That, notwithstanding any other provision of this Act, the funds made available pursuant to this Act under the heading "Federal Bureau of Investigation, Salaries and Expenses," shall be reduced by $11,170,000.

AMENDMENT NO. 2862

Page 19, strike line 7 through line 17 and insert the following: *Provided further*, That the Office of Public Affairs at the Immigration Naturalization Service shall conduct its business in areas only relating to its central mission, including: research, analysis, and dissemination of information, through the media and other communications outlets, relating to the activities of the Immigration Naturalization Service: *Provided further*, That the Office of Congressional Relations at the Immigration and Naturalization Service shall conduct business in areas only relating to its central mission, including: providing services to Members of Congress relating to constituent inquiries and requests for information; and working with the relevant Congressional committees on proposed legislation affecting immigration matters.

AMENDMENT NO. 2863

(Purpose: To make available funds for the International Labor Organization)

Before the period at the end of the paragraph under the heading CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS", insert the following: ": *Provided further*, That funds appropriated or otherwise made available under this heading may be available for the International Labor Organization".

Mr. HATCH. Mr. President, I rise today to offer an amendment that would allow for continued participation by the United States in the International Labor Organization, or the ILO.

The report language for this bill recommends prohibiting the use of appropriated funds to pay for U.S. membership in the ILO. This was the position stated in the State Department authorization bill introduced earlier this year.

Mr. President, I cannot support U.S. withdrawal from what I believe to be one of the more effective specialized agencies of the United Nations, the ILO.

Our amendment is budget neutral—it simply allows that funds appropriated under the international organizations account may be made available for the ILO.

I am honored to be joined in this effort by the distinguished Senator from New York, Senator MOYNIHAN. Senator MOYNIHAN probably knows more of the history of the ILO than any individual in this body. My esteemed colleague wrote his dissertation on the ILO 35 years ago. He was the chairman of the hearings held on the five conventions passed since 1988, and was the floor manager for the ratification debates. I have always been grateful that we could work together to strengthen our Nation's role in the ILO.

I am also pleased to have as cosponsors of this amendment Senators STEVENS, JEFFORDS, PELL, HARKIN, SARBANES.

Because the ILO represents one of the most solid collaborations to address international human rights that has ever been institutionalized, support for it has always been bipartisan.

But today some are reconsidering the utility of the ILO. Perhaps part of the reason is because it is associated with the U.N., which has done much to earn criticism in recent years.

I remind my colleagues, however, that the ILO—and U.S. participation in it—precedes the creation of the United Nations. When the United Nations was formed, the ILO had been around for a quarter of a century. The ILO became the United Nations first specialized agency.

The ILO was founded as an organization that would represent governments, labor, and employers in a mission to improve the working conditions of people worldwide.

This exceptional international organization works to accomplish these goals by, first, setting international standards in the form of conventions and recommendations that it supervises; second, supporting economic development, including employment creation, through technical assistance programs; third, analyzing workplace problems and issues through research; and fourth, highlighting workplace abuses through public criticism.

The ILO is based on a system of compliance: with its conventions, which are similar to treaties, and with its recommendations, which are policy guidelines.

It uses persuasion, not confrontation, to effect the improvement of labor standards worldwide. Where it challenges abuses of men, women, or children in the workplace, it operates with what has been referred to as "the mobilization of shame."

As such, the ILO is as much a human rights organization as it is an organization to promote labor standards.

And this is an important point, Mr. President. It is worthwhile noting that, because it combines technical assistance programs for developing employment and maintaining labor standards with its annual criticisms of abuses of workers, the ILO has been called the most effective human rights organization in the world.

Some have questioned the relevance of the ILO in today's world, questioning its structure and role.

But five former secretaries of labor—3 from Republican administrations, 2 from Democratic administrations—have spoken out recently in favor of continuing support for the ILO. Every secretary of labor has credited the ILO with defending and improving labor conditions worldwide.

I believe that the on-going mission of the ILO is more important today than ever before, and that its tripartite approach—involving private sector business and labor representatives alongside governments—is the strength that makes the ILO extremely relevant around the world.

Throughout central Europe, for example, we are seeing a remarkable transition from centrally planned economies to democratic marketplaces. If the economic transition falters, we know that political stability will be threatened.

But the shift has created an incredible challenge to those societies in terms of accepting new norms of behavior and exchange. We cannot ignore the suspicions that many in the region still hold about capitalism—suspicions driven by old, socialist mentalities or new insecurities as a result of economic dislocation.

The ILO's tripartite structure—demonstrating the compatibility and progress that come when governments, labor, and employers work together—provides the best credibility to societies who have previously held antagonistic views toward such voluntary cooperation.

This credibility allows the ILO to participate in helping to establish the labor standards in countries where governments may be reluctant, businesses may be suspicious and labor may be exploited. This credibility drawn from its tripartite approach helps secure the economic institutions necessary for these countries to succeed as free-market democracies.

In central Europe, the ILO was there during the dark days, and its dedicated support of Solidarity under communism is perhaps its best known case. The historic role the ILO played in supporting Solidarity during its years underground is still credited by international democrats as critical in the triumph of democracy in that country.

But its role continues now that these countries have come into the light of freedom and the ILO works to institutionalize the values we believe make the marketplace fair and benign. President Lech Walesa has appealed to the leaders of the Senate to continue their support for the ILO, which President Walesa says "operates on behalf of all those who have been fighting tyranny around the world." I completely agree with President Walesa when he says that "The future of the ILO without the engagement of your country is difficult to imagine."

The ILO addresses the most driving dynamic within and among nations today: the relentless need for economic development.

Among developing countries in particular, the need for economic development is the single factor that determines whether these countries can maintain social stability and political evolution. And the most important component in economic development is job creation. When nations can't create jobs for their people, poverty and instability result.

Over the past decades, nations around the world have recognized that trade promotes growth and employment.

Mr. President, I am a strong believer in free trade. For developed nations, trade with the less developed world is increasingly a factor that drives our economies. But we know that amidst our debates on free and open trade remains the concern of competing with low-wage economies, where—and we must concur with the critics of free trade here—the lack of labor standards can contribute to unfair advantages.

In this country, we have wrestled and debated over this issue recently during the NAFTA and GATT debates. I am very sympathetic to this criticism, Mr. President. I have always thought that we can take two approaches to this question: We can either restrict our trade with developing nations, which I believe would be extremely counterproductive—both for us and for them. Or we can address the issues of labor practices in a productive way.

In addressing the issue of unfair labor practices, we have two approaches. We can seek to force labor standards on trading partners through unilateral confrontation and linkages, which I believe can be counterproductive and could lead to increases in protectionism.

Or we can work with these nations to raise their standards.

The ILO provides the multilateral forum where we can work with nations to improve labor conditions. It is the only international organization that can serve this critical challenge.

Since its inception in 1919, the ILO has set international standards for labor conditions. These standards have been incorporated into national legislation throughout the world, including, for example, our Trade Act of 1974, which uses standards defined by the ILO.

I believe that by continuing to support the ILO we have the best mechanism to promote labor standards in the developing world, thereby supporting fair trade. The ILO works for us so that we do not suffer the disadvantages of competing with nations who believe they can continue to abuse their labor populations for profit.

Mr. President, I must stress that the ILO has strong labor and business support in this country.

The U.S Council for International Business, which is an affiliate of the International Chamber of Commerce and represents U.S. business in the ILO, has been very outspoken about the need for our continued support for the ILO: In a letter it has sent to Members of this body, it has argued, and I quote:

> "For American businesses, there are three critical reasons why the United States should continue its participation in the ILO:
>
> To support its technical assistance and employment policy activities, which promote job creation, enterprise development, and flexible labor markets, thus reducing protectionism encountered by American companies in developing countries and newly emerging economies.
>
> To ensure that American companies continue to have a voice in setting international labor standards that have an impact on their operations and profitability.
>
> To promote the rights of workers and oversee adherence to good labor practices, which we believe is an acceptable alternative to using trade sanctions to promote these rights.

As the Business Roundtable said in a recent statement to Congress: . . . the United States should upgrade its participation in the ILO . . . rather than seek to address international labor standards in the World Trade Organization.

The ILO plays a role in employment creation, institution building, and the promotion of trade. With its research programs, the ILO provides highly technical information on labor and employment trends and issues. With its many programs of technical assistance, the ILO provides on-the-ground programs to help advance labor law, design social security schemes, establish employer associations, and provide industrial retraining. And by promoting its labor standards, the ILO works to ensure that the labor content of the goods and services flowing within and among nations meets minimum standards.

Some have argued that such programs are just a taxpayer supported means for imposing labor and social policies on other nations that do not even serve low-skilled workers in the United States.

But the ILO does not impose. It offers flexibility in working with other nations under the aim of promoting fully minimally international labor standards. Its goal is to ensure that U.S. industry—and U.S. workers—will not be displaced because other countries gain unfair trade advantages through labor exploitation.

Mr. President, the ILO is the voice for freedom of association, freedom from forced labor, equality of treatment in employment, and the elimination of child labor.

We should speak with this voice, Mr. President, because the ILO represents our values.

We believe in human rights, Mr. President, and we believe that we must work to improve human rights around the world. In promoting human rights, it has always been difficult to achieve the balance between idealistic pronouncements and practical policies. The ILO achieves this balance in practice.

Every year, during its annual conference, the ILO levels its criticism against nations that violate workers' rights. In this year's conference, the governments of Nigeria and Burma were singled out. In the past, Bangladesh, China, Cuba have been criticized for violations. Mr. President, the abuses in these nations are our concerns.

The ILO estimates that as many as 200 million children worldwide are working in jobs that are dangerous, unhealthy, and inhumane. The ILO has responded with its International Program on the Elimination of Child Labor, for which Congress appropriated a $2.1 million grant in 1994. This program has initiated global research to develop a comprehensive statistical rendering of the extent of this problem. But the ILO has gone beyond research to work on implementing solutions: It set standards on minimum age for employment in its Convention No. 138. And it works with other international organizations to address these critical problems.

For example:

In Pakistan, ILO involvement has contributed to that country abolishing its bonded labor system and discharging all bonded labor from any obligation. The ILO continues to monitor the situation of child labor in that country.

In Bangladesh, the ILO recently played a key role in getting government and producers to monitor new regulations limiting the use of children in the carpet industries and providing alternate education programs. This recent development resulted in the U.S. Child Labor Coalition calling off a planned boycott.

Mr. President, the abuse of children in the workplace around the world is a concern to most Americans. The ILO is working on solutions.

Through most of this country's association with the ILO, it has had bipartisan support. It has had the support of all U.S. Secretaries of Labor since our entry in 1934. It has the support of AFL-CIO. It has the support of the U.S. Council for International Business. How much more bipartisan can you get?

Finally, Mr. President, it is important, in this day, to mention budgets. The administration requested $64 million to pay this year's contribution to the ILO.

Every Member in this Congress has had to face unpleasant choices about cutting budgets. I do not believe that our international activities should be immune from such considerations. Our international contributions are going to have to be subject to the same fiscal restraints we will be applying to our domestic programs. Following on last week's foreign operations bill, where we successfully scaled back some of our international obligations, the figures in this bill clearly represent this hard-headed approach.

I am very pleased to note that the ILO has recognized the realities we must face and that, in their June conference, they began to discuss further cost-saving measures to compensate for expected shortfalls.

One last assurance for those who are still reticent to support the ILO. The United States is not bound by any of its conventions unless we choose to ratify them. The United States cedes none of its sovereignty to the ILO. We bow to no decision, pronouncement, or convention with which we disagree or which are not in our country's interests.

But, in fact, the ILO can play a key role in facilitating American values abroad; it is an organization for promoting our values.

Mr. President, infusing all our debates these days is how to participate in a post-cold war world. One of the questions we must face is: How should we work with international organizations? This is an especially critical question, considering the overreliance some hold for multilateral approaches to everything from war-making to peacekeeping.

Mr. President, when I think of which international organizations we should support, the answer is simple: those that promote our values and our goals. The International Labor Organization is such an organization.

It promotes our values of fairness and human rights in the work place. It promotes our goals to improve the economic conditions of nations around the world, because it promotes our belief that economic growth is a positive-sum game, and when workers benefit in one part of the world, we all benefit.

Mr. MOYNIHAN. Mr. President, I am pleased to join the distinguished chairman of the Committee on the Judiciary, Senator HATCH, in offering this hugely important amendment. Senator HATCH and I have worked together on matters related to the International Labor Organization for a decade now, and we believe it would be a serious error for the United States to withdraw from participation in the ILO at this time.

The Senator from Utah does not raise this issue lightly, nor does the Senator from New York. Senator HATCH's concern grows in part from his experience with the ILO during his tenure as chairman of the Committee on Labor and Human Resources in the mid-1980's. In 1985, he held a hearing to consider whether there was a link between the failure of the United States to ratify ILO conventions and our influence within the ILO.

The Senator from New York has also had an abiding interest in the ILO for many years. In 1975, while serving as our Ambassador to the United Nations under President Ford, it fell to me to draft the letter announcing our intention to withdraw from the ILO after a mandatory 2-year notice period. Later, on July 19, 1977, I rose on this floor to announce our intention to do just that. And again on September 25, 1980, after the ILO had met the conditions we laid down, I informed the Senate of our return to the organization.

I would also note that I wrote my doctoral dissertation on the history of U.S. involvement in the ILO from 1889 to 1934.

The Senator from Utah and I have taken the floor to suggest, before the Senate acts to abruptly terminate U.S. participation in the International Labor Organization, that we carefully consider how and why we came to participate in the first place. The history of the ILO goes a long way back in our national life, before it finally came to fruition at the end of the Great War. The premise of the ILO as stated in the preamble to the ILO constitution is that:

> [T]he failure of any nation to adopt humane conditions of labour is an obstacle in the way of other nations which desire to improve the conditions in their own countries.

If states fail to act together to improve labor practices, an imbalance occurs and an unfair advantage is created. We ought to be taking steps to strengthen our leadership in the ILO. Instead, by prohibiting funding for the ILO, the current bill requires our withdrawal.

One of the primary concerns arising from the situation of workers during World War I was that some attention be paid to the fact that labor standards often fell victim to international trade. At war's end, the opportunity arose to address this problem.

The Western nations, shaken by the revolution that swept Russia in 1917, were inclined to act. Samuel Gompers of the American Federation of Labor was enthusiastically received as he traveled through Europe in the fall of 1918 to speak out against the growing Bolshevik influence in the European labor movement. Creation of an international labor organization became imperative to prevent uprisings like the one in Russia from spreading across Europe. So much so that as the terms of a new international order were being drawn up at the peace conference, a commission headed by Gompers created the ILO. It was much more a part of the campaign for the League of Nations than we might remember.

In 1991, then-Secretary of Labor Lynn Martin testified before the Senate Foreign Relations Committee about the significance of the ILO.

> It was Abraham Lincoln of Illinois who summed up democracy when he said that "working men and women are the basis of all government."
>
> . . . As such, the political structure of the ILO itself illustrates the truth of Lincoln's remarks and, hence, reinforces the linkage between democracy and a free economy, between democratic values, independent trade unions, and free enterprise.

The League of Nations, which was the subject of such fierce debate on the Senate floor in the fall and winter of 1919–20, came to life somewhat furtively in the clock room of the Quai d'Orsay in Paris in January 1920. In point of fact the League system had already begun to work here in Washington in October and November 1919 when the first international labor conference was held pursuant to article 424 of the ILO Constitution, which was signed as part of the Treaty of Versailles on June 28, 1919.

The Washington Conference, held at the Pan American Union Building, turned out to be an almost complete success, despite all the prospects of failure. Six major labor conventions, the first human rights treaties in the history of the world, were adopted, including the 8-hour day convention, and the minimum age convention.

Woodrow Wilson, on his great trip across the Nation campaigning for the United States to join the League, spoke continuously of the International Labor Organization. Indeed, almost the last words he spoke before his stroke, before he collapsed in Pueblo, CO, were about the ILO. He told the people in Colorado about the League covenant and the ILO. But he collapsed, and was prostrate when the International Labor Conference was organizing here in Washington.

His Secretary of Labor, William B. Wilson, did not know what to do. The Senate was caught up in a protracted debate about whether to have anything at all to do with the League. A very distinguished British civil servant, Harold Butler—later Sir Harold Butler—arrived in New York by ship and then came down here, assigned to put in place the new international organization. He found the President prostrate and silent, and the Secretary of Labor unable to take any action without the President.

By sheer chance, Butler dined one evening with the then Assistant Secretary of the Navy, a young, rising New York political figure, Franklin Delano Roosevelt, and his wife Eleanor. Butler recounted his difficulties. "Well, we have to do something about this," said Roosevelt. "I think I can find you some offices at any rate. Look in at the Navy Building tomorrow morning and I will see about it in the meanwhile." Roosevelt was devoted to Wilson. By the next day Roosevelt had 40 rooms cleared of its admirals and captains to make room for the conference.

Harold Butler later became the second director-general of the ILO, serving from 1932 to 1938. Subsequently, he returned to Washington during the second World War and his continued friendship with President Roosevelt made him a hugely influential figure in the wartime alliance.

Just as Roosevelt helped get the ILO off the ground, when he came to the Oval Office, his administration soon laid the groundwork for the United States to join. In June of 1934, the House and Senate both passed a resolution clearing the way for our participation. The ILO is the part of the League system the United States was least likely to join. The League system consisted of the League itself, the Permanent Court of International Justice, and the ILO. In fact, the ILO was the only one we did join and it was the only one to survive the next war. A tribute to its enduring importance.

Last year, Congress approved U.S. participation in the World Trade Organization. This was the culmination of a half century of negotiations to break down trade restrictions. Yet continued progress toward free trade brings with it a danger that labor standards will be threatened. This was the primary motivation for forming the ILO three quarters of a century ago. As trade barriers continue to be broken, labor standards in our country will increasingly be linked to standards in other countries. Maintaining humane, minimum labor standards was the primary motivation for forming the ILO three quarters of a century ago. The first priority of the ILO—which is closely related to encouraging the democratic process—remains the defense of worker rights and the application of international labor standards.

In a recent letter to all Senators, Abraham Katz, President of the U.S. Council for International Business—which includes among its members the U.S. Chamber of Commerce—lists as one of the three critical reasons the United States should continue to participate in the ILO:

> To ensure that American companies continue to have a voice in setting international

> labor standards that have an impact on their operations and profitability.

He adds that participation is vital

> to promote the rights of workers and oversee adherence to good labor practices, which we believe is an acceptable alternative to using trade sanctions to promote these rights. As the Business Roundtable said in a recent statement to Congress: ". . . the United States should upgrade its participation in the ILO . . .," rather than seek to address international labor issues in the World Trade Organization.

The ILO is the place to address human rights as they relate to employment. The ILO was the forum for the first human rights conventions the world has known. Perhaps none is more important than the right of workers to organize and bargain collectively. I recall then Secretary of Labor Elizabeth Dole's testimony before the Committee on Foreign Relations on November 1, 1989:

> [T]he International Labor Organization is the United Nations' most effective advocate of human rights.
>
> We are all aware, for example, of the ILO's courageous support of Solidarity during the darkest days, and the critical role it has played in Poland's historic journey to democracy.

The efforts of the ILO on behalf of Solidarity were extraordinary. Poland had ratified ILO Convention 87 on Freedom of Association and Protection of the Right to Organize, and Convention 98 on the Right to Organize and Bargain Collectively. Ratification of these Conventions was a fact Poland could not deny. In 1978, the International Federation of Free Trade Unions charged Poland with violating Convention 87. After repeated requests from the ILO to Poland to comply with Convention 87, Poland's Minister of Labor wrote to the ILO Director General in 1980, stating that Poland officially recognized Solidarity, the first independent trade union to gain national recognition in a Communist country—the first ever. Lech Walesa was allowed to attend the 67th session of the International Labor Conference. A year later, Poland tried to suspend trade unions, but the ILO would not relent. Poland could not deny the basic fact that they were obliged by treaty to recognize Solidarity, and domestic law, even martial law, could not undo those treaty obligations. Repeated criticism from the ILO kept pressure on the Polish government to allow the return of Solidarity. Finally, in April 1989, the legal status of Solidarity was restored by the Polish government and followed quickly by democratic elections. Now President Walesa has written Senator DOLE stating:

> The ILO, thanks to the activism of its officials, played a significant role in reminding the world of our existence and our goals. It supported us in the most difficult times of our underground existence. The Committee on Inquiry created by the ILO after the imposition of martial law in my country made significant contributions to the changes which brought democracy to Poland.

Our relations with the ILO have at times been stormy. In the 1970s the ILO came to apply a double standard to the conduct of nations in the West as opposed to the totalitarian block and was being abused as a forum to carry out political agendas unrelated to its legitimate purposes, and thus we withdrew from the ILO in 1977. Our withdrawal had the desired effect: the ILO responded to our concerns and in 1980 we rejoined.

Since then we have increased our engagement with the ILO. For instance, up until 1988, the United States had only ratified 7—6 maritime and 1 technical—of the 176 ILO conventions. However, in 1988 a new era commenced. The United States ratified its first convention in 35 years. At this point I must acknowledge the role in this turnabout played by the sponsor of this amendment, the distinguished Senator from Utah, Senator ORRIN G. HATCH. In 1985, during his tenure as chairman of the Committee on Labor and Human Resources, Senator HATCH recognized that the ILO had put into place a comprehensive set of conventions which protected the human rights of workers around the world. He clearly saw the failure of the United States to ratify these very same conventions weakened our influence within the ILO and limited our ability to use those conventions in pursuing reforms in other nations. Senator HATCH proposed that we again begin ratifying ILO treaties, and we have done.

In all, the Senate has now ratified five conventions since 1988. Most notably in 1991 when the United States for the first time ratified an ILO human rights convention: Convention 105 on the Abolition of Forced Labor, an area where the ILO has made vital contributions.

ILO Convention 105, ratified by the Senate on May 14, 1991 by a vote of 97 to 0 abolishes the use of forced labor in five specific circumstances: First, as a means of political coercion, second, as a method of mobilizing and using labor for purposes of economic development, third, as a means of labor discipline, fourth, as a punishment for having participated in strikes, and fifth, as a means of racial, social, national or religious discrimination. This convention addresses one of the great crimes against humanity that the 20th century has known, the forced labor camps of the totalitarian states. It builds on an earlier ILO Convention, 29 which calls on ratifying nations to suppress forced labor in all its forms. Convention 29 defines forced labor as "all work or service which is exacted from any person under the menace of any penalty and for which that person has not offered himself voluntarily." It goes to the very essence of what civilized conduct is in our age.

The committee hearing on Convention 105 was hugely informative. In particular, I believe that we helped expose some of the atrocious conditions in the prisons of China and the goods for export that prisoners are forced to produce. To this day I have a pair of socks, the product of the Chinese gulag, which Representative WOLF brought back for our hearing. I am proud that we were able to ratify Convention 105. It would not have been possible without the chairman of the Foreign Relations Committee, Senator HELMS.

I would also point out that a current provision of this bill relies on the standards set by the ILO. I speak of Section 611 which requires the Secretary of the Treasury to certify that goods originating in China were not made with forced labor. The definition of forced labor is not random. Section 611(e)(1) defines forced labor as "all work or service which is exacted from any person under the menace of any penalty and for which that person has not offered himself voluntarily." The definition of forced labor in this bill is word-for-word that of ILO Convention 29. As it should be. A primary function of the ILO is to set such labor standards for the world.

That is the record. The ILO has accomplished much in its three-quarters of a century. I urge my colleagues to carefully consider these facts and to not prevent us from participating in this hugely important institution.

A final point I would like to raise is the simple fact that when the United States joined the ILO in 1934 we made a commitment to give an advance notice of two years before we withdrew from the organization. If we are to prohibit funding for the ILO as the current version of this bill does, we are essentially withdrawing from the ILO unannounced, and thus in violation of international law. Such rampant disregard for our legal commitments does not become this body, nor does it serve the interests of this country.

AMENDMENT NO. 2864

At the appropriate place, insert:

SECTION 1. FUNDS TO TRANSPORTATION OF ADMINSITRATOR OF THE DRUG ENFORCEMENT ADMINISTRATION.

Section 1344(b)(6) of title 31, United States Code, is amended to read as follows:

"(6) the Director of the Central Intelligence Agency, the Director of the Federal Bureau of Investigation, and the Administrator of the Drug Enforcement Administration;".

AMENDMENT NO. 2865

(Purpose: To Amend the State Department Basic Authorities Act)

Section 36(a)(1) of the State Department Authorities Act of 1956, as amended, (22 U.S.C. 2708), is amended to delete "may pay a reward" and insert in lieu thereof "shall establish and publicize a program under which rewards may be paid".

AMENDMENT NO. 2866

(Purpose: To make certain changes within the National Oceanic and Atmospheric Administration accounts)

On page 76, line 20 strike "$55,500,000" and insert in lieu thereof "$62,000,000"

Mr. HOLLINGS. Mr. President, this amendment acknowledges that the transfer that the National Oceanic and Atmospheric Administration will receive from the Department of Agriculture for fiscal year 1996 for the Saltonstall-Kennedy Program will be $8,128,000 higher than originally estimated. The amendment would adjust the amount used as an offset by the Operations, Research, and Facilities Account within NOAA upward by $6,500,000 to equal $62,000,000. This increase would be reflected within the Operations accounts as follows: $2,202,000 for Marine Services, to ensure that repair and maintenance can be conducted to allow the existing fleet to operate, $558,000 to the Great Lakes Environmental Research Laboratory [GLERL] to freeze that account at current year levels, $911,000 to freeze GLERL zebra mussel research at current year levels, $550,000 to International Fisheries Commissions to be used for the Great Lakes Fisheries Commission to address sea lamprey problems in the Great Lakes and Lake Champlain, and $2,279,000 to Central Administrative Support leaving that account with a significant cut from current year levels. This amendment would leave $1,628,000 of the increased transfer in the Saltonstall-Kennedy Program for a total program level of $10,893,000 for fiscal year 1996. Because this amendment involves changing only the amount used to offset appropriations, it has no budgetary impact on the bill.

RESTORING GREAT LAKES PROGRAM FUNDS

Mr. LEVIN. Mr. President, I am pleased to be a cosponsor of the Hollings amendment that restores certain Great Lakes program funding to fiscal year 1995 levels. The Hollings amendment incorporates the major components of an amendment that I and several of my Great Lakes colleagues were prepared to offer. Though the amendment does not address all of the items in my original proposal, the remaining matters are addressed in a colloquy between me and Senator HOLLINGS.

The amendment adds money for two very important Great Lakes programs, $1.469 million for NOAA's Great Lakes Environmental Research Laboratory [GLERL] restoring it to fiscal year 1995 levels, and $450,000 for the Great Lakes Fishery Commission [GLFC] also restoring it to fiscal year 1995 levels. The distinguished Democratic manager of the bill and I have also discussed the very likely probability that the conferees will be able to recede to the House marks on the National Sea Grant program for zebra mussel and non-indigenous species research—$2.8 million—and for the International Joint Commission [IJC]—$3.160 million. And, the ranking member has indicated that he will not support conference report language that would transfer funding responsibility for the Great Lakes Fishery Commission from the State Department to the Fish and Wildlife Service.

This amendment does not provide special treatment for Michigan or the Great Lakes region. The amendment merely seeks to address the tremendous problems that face the Great Lakes and allow the implementation of international agreements and treaties. The majority of the restored funding is to be spent on aquatic nuisance species research and control. And, not all of that will be necessarily spent in the Great Lakes.

Non-indigenous species are entering the Great Lakes at a record rate. The sea lamprey entered in force when the Welland Canal was completed. The zebra mussel most likely arrived in the ballast water of a Russian tanker in about 1986. The list goes on to include the gobi, the river ruffe, the spiny water flea, et cetera. Other parts of the country have experienced similar alien species invasions, but the Great Lakes Basin is a particularly vulnerable ecosystem that does not adapt as well as saltwater to such intrusions.

Non-indigenous species have caused and continue to cause major economic havoc in the Great Lakes. Municipal water intake systems, industrial water users, tourism, anglers, recreational boaters, and other sectors of society have suffered tremendously. We need all the available scientific and techncial expertise components in the region working together to understand what needs to be done to manage our precious water and wildlife resources most effectively. Adding this money back to GLERL, and with the understanding that non-indigenous species research supported by Sea Grant will likely continue, restores those main components. It also recognizes the valuable part they play in protecting and preserving the Great Lakes fisheries and the ecosystem.

Under the amendment, the Great Lakes Environmental Research Laboratory [GLERL] will receive $.558 million above the amount proposed in the House and the Senate committee's bill. This brings GLERL back to fiscal year 1995 levels simply for operations and basic research activities. Also, GLERL will have an additional $.911 million to continue more applied research on zebra mussels and other aquatic nuisance species research.

Among other tasks, the add-back will allow GLERL to continue its excellent work in trying to understand and address the aquatic weed problems in Lake St. Clair. GLERL will be able to continue working to implement its storm surge model, which is used by emergency planning personnel to predict and warn riparians of storm-related high water levels, across the Basin. And, retain highly-skilled and experienced personnel to accomplish this goal. Similarly GLERL's research on ecosystem impacts of the zebra mussel will continue, just when it has become apparent that massive blue-green algal blooms sprouting around the basine, particularly in Saginaw Bay and western Lake Erie, are probably a result of the changes to the ecosystem caused by the zebra mussel. These algal blooms are reminiscent of the mid-1960's when many declared Lake Erie dead due to eutrophication. They deplete oxygen in the bottom water, potentially leading to fish kills.

GLERL is a unique combination of scientific expertise in biogeochemical, ecological, hydrological, and physical limnological and oceanographic sciences that is not reproduced at any other Great Lakes institution. It is the only research laboratory with the staff and the equipment necessary to examine physical phenomena, such as currents, ice cover, and water levels, in concert with biogeochemical/ecosystem and water quality studies, in both freshwater and marine ecosystems.

As part of NOAA, GLERL helps the Federal Government meet its scientific, ecosystem-understanding, and management responsibilities under the Great Lakes Water Quality Agreement with Canada, especially under the Research Annex (17). GLERL works with and advises the International Joint Commission [IJC].

GLERL measures and models the role of contaminants in sediments. GLERL develops and improves hydrologic and water resources prediction models that assist the IJC and the Army Corps of Engineers in their lake-level regulation responsibilities.

GLERL has a 21 year history of important scientific contributions to the understanding and management of the Great Lakes Water Quality Agreement [GLWQA] between the United States and Canada. The Lab's work in the Great Lakes has been impeccable and highly useful. Here are some examples of sound scientific information provided by GLERL that has increased safety, protected property, and reduced or eliminated inefficient and costly regulations:

GLERL developed wind-wave models so the National Weather Service could make more accurate forecasts and warnings of weather conditions on the Lakes. This advance helps protect the lives of recreational boaters.

GLERL's scientific know-how transferred to the U.S. Coast Guard helped save the U.S. shipping fleet millions of dollars in lost cargo sweeping time and prevented the finalization of highly restrictive proposed regulations.

GLERL produced a predictive model of the storm surges and wave motion, or seiches, in the Great Lakes, so local emergency preparedness officials could have advanced warning of shoreline flooding. Now, in seiche conditions, shoreline property owners have time to protect their property and their lives.

GLERL's research on nutrients, especially phosphorous, helped convince USEPA that proposed requirements to further decrease phosphorous levels in treated municipal sewage discharges would be ineffective in lowering phosphorous amounts in the Lakes. This act saved taxpayers in excess of $10 billion.

GLERL developed the PATHFINDER model for oil/chemical spill trajectories, which is used by NOAA and the States for spill response and by the Coast Guard to help guide search and rescue operations.

Also, GLERL has been very active in other parts of the country:

Vermont and New York—Scientists from GLERL worked with academic scientists from the Lake Champlain basin to quantify the causes and effects of high speed bottom currents in the lake. The currents cause sediment resuspension, making toxic contaminants attached to sediment particles repeatedly available in lake water. This is important information for water quality restoration work. GLERL will complete this work in fiscal year 1995.

Carolinas—Last year, a GLERL oceanographer was part of a NOAA and academic scientific team studying the influence of circulation patterns on fishery recruitment off the coasts of the Carolinas.

South Florida—GLERL scientists are part of a multi-agency team conducting research and assessments of both the Everglades and Florida Bay, both of which are experiencing declining ecosystem health. GLERL's expertise on nutrients is being applied to the Bay, while GLERL's sediment core experience is being used to document historical factors affecting freshwater flows in the Everglades.

Louisiana and Texas—GLERL scientists have played a lead role in the nearly-completed 5-year NOAA study of the effects of the Mississippi-Atchafalya River system on the continental shelf waters off Louisiana and Texas. The near-bottom waters there become hypoxic or anoxic—little or no oxygen in the water—each year.

Wyoming—GLERL scientists are collaborating with academic scientists and the National Park Service on an ecological and geochemical study of Yellowstone Lake, the largest alpine lake in North America. The lake is under stress from increasing visitors and the introduction of non-indigenous species.

South Dakota—Lake Oahe is a large reservoir on the upper Missouri River in south central South Dakota. GLERL carried out a joint research project with the USGS to determine reservoir parameters using geochemical tracers.

Iowa, Kansas, and Georgia—GLERL is helping USGS to evaluate where and how much sediments contaminated with toxics, such as herbicides and pesticides, were moved and redeposited during the extensive flooding of the Midwest in 1993.

The amendment provides an additional $.450 million for the Great Lakes Fishery Commission [GLFC], which brings that line item up to the fiscal year 1995 level. The GLFC is a binational organization established by the Convention on Great Lakes Fisheries between Canada and the United States of 1955. The Commission has two major responsibilities; first, develop coordinated programs of research in the Great Lakes and, on the basis of findings, recommend measures which will permit the maximum sustained productivity of stocks of fish of common concern; second, formulate and implement a program to eradicate or minimize sea lamprey populations in the Great Lakes.

The amount proposed in the Senate committee's bill for the GLFC is insufficient because it does not recognize the need to match the increased Canadian contribution to the binational Commission. Last year, the Canadians offered to increase the amount they provide, assuming the United States would maintain its share of payments in the traditional 69:31 ratio. Canada has kept its promise and its payments are on time.

Last year, several Great Lakes colleague joined me in increasing GLFC's appropriations bill to bring the United States contribution up to $8.773 million, reflecting the Canadian increase. I understand that the State Department sought to include this amount in the budget request but was denied by the Office of Management and Budget. I would like to take this opportunity to remind my friends in the administration that the price of the TFM, the only effective lampricide, has continued to increase in price almost annually, while GLFC appropriations have remained level or fallen. Price increases by the world's sole TFM manufacturer, a foreign company, and inflation have steadily eaten into the real money available for stopping the lamprey. And the dollar's decline against the German mark further has further eaten away at the Commission's reserves.

Despite GLFC's ever-increasing efficiency and effort, the sea lamprey population in the Great Lakes continues to grow, particularly in the St. Mary's River and Lake Huron, threatening the world's largest freshwater ecosystem and a multi-billion dollar commercial and recreational fishing industry. This parisitic fish's predation is checked only by the Commission's efforts.

The bulk of the Commission's funds go directly to pay for the lampricide, TFM, which is the only truly effective way to control sea lamprey populations at this time. There is ongoing research into non-chemical means, but the Commission has rarely received adequate funding for such research and inadequate funding in the past has depleted lampricide inventories.

The level of funding proposed in the committee's bill would have forced the Commission to scale-back its lamprey control and assessment efforts in the St. Marys River, where the populations are approaching those of the 1940's. Those levels caused the populations of lake trout and whitefish to collapse then. It would have slowed advances in developing and implementing the sterile-male release program. The Commission traps male sea lampreys, sterilizes them, and releases them back into Great Lakes tributaries. The proposed cut would have reduced the scope of the sea lamprey barrier program and slow research into innovative barrier designs. These barriers are the main non-chemical method to prevent lamprey spawning.

The Great Lakes' $2-to-$4 billion sport and commercial fishery creates jobs and fulfils treaty obligations. The Commission's sea lamprey control program has led to the rehabilitation of lake trout in Lake Superior and has helped facilitate a strong revitalization of lake trout in Lake Ontario. Cutting the U.S. contribution below last year's level would jeopardize this success.

Mr. President, once again, I would like to thank the manager of the bill, the distinguished ranking member and the junior Senator from Michigan for their assistance in gaining approval of this amendment.

Mr. LEVIN. Mr. President, I would like to engage the distinguished manager of the bill in a brief colloquy regarding several matters that are important to the Great Lakes region and elsewhere.

As my colleagues from the Great Lakes know, there are several treaties and agreements between the U.S. and Canada, and between the U.S. and the Tribal nations, that require maintenance and adequate support from the Congress for implementation. Not the least of these are the Boundary Waters Treaty of 1909, the Convention on Great Lakes Fisheries of 1955, the Great Lakes Water Quality Agreement and numerous compacts with the Tribes. These agreements are designed to protect the quality and quantity of our nation's largest supply of fresh water and the abundant aquatic wildlife.

The committee's bill, as reported, would provide less than adequate support for the functions of the American section of the International Joint Commission [IJC], the binational body that implements the Boundary Waters Treaty and oversees the Great Lakes Water Quality Agreement. In fact, both the House mark and the Senate Committee's bill would provide less than the

IJC received in fiscal year 1987. Adjusting for inflation, that is a dramatic and painful cut.

Would the ranking member be able to tell me whether or not he could help increase the IJC's fiscal year 1996 appropriation, at least to the House level, during conference?

Mr. HOLLINGS. Though I cannot guarantee the outcome of the conference, I will strongly urge the Senate conferees to recede to the House position on this point.

Mr. LEVIN. On a related matter of great importance to the Great Lakes, the Senate committee's bill appears to reduce the National Sea Grant appropriations for research into zebra mussels and non-indigenous species. The House bill provides $53.3 million for this program and directs that $2.8 million be spent on this research. The Senate committee's bill proposes $50.4 million and makes no mention of this research.

My colleagues from other regions may not yet be able to appreciate the necessity and benefits of this research into the life-cycle, ecology and control methods of non-indigenous species. Those who live in or have visited the Great Lakes region appreciate it. Zebra mussels, sea lamprey, river ruffe, gobi, spiny water flea, are just a few of the invading species that have caused ecological and economic havoc in the Great Lakes. They are changing the way we live and use our waters. They infest lake water system intakes and hurt the $4 billion Great Lakes fishery. We need to understand how they work and how to stop them from spreading. My friends from other regions should be particularly supportive of our efforts to keep these species out of their areas.

I would ask the distinguished Senator from South Carolina if he would be able to work in conference to get closer to the House mark for the National Sea Grant program and to specify some level of funds be used for zebra mussel and non-indigenous species research performed by National Sea Grant affiliated colleges and universities and NOAA laboratories?

Mr. HOLLINGS. As the Senator has indicated, the House mark for Sea Grant is somewhat higher than has been recommended in the committee's bill. The committee's report silence on non-indigenous species research should not be construed as a lack of support for this important research. I will certainly work in conference to provide adequate funds for the Sea Grant program.

Mr. LEVIN. The distinguished ranking member's assistance in both of these areas will be greatly appreciated. I would like to request his attention to and consideration of one last item.

The committee's report language recommends that responsibility for the fiscal year 1997 budget request for the Great Lakes Fishery Commission be transferred from the State Department to the Fish and Wildlife Service at the Interior Department. I strongly disagree with this suggestion and have opposed efforts to make this transfer in the past.

The Great Lakes Fishery Commission is an effective, neutral, binational forum for coordination of fish management and sea lamprey eradication in the Great Lakes. Transferring the latter responsibility to the Fish and Wildlife Service has been and will continue to be opposed by the Great Lakes States and Tribal governments. Such a transfer would interfere with the institutional structure and direct State and Tribal participation in the Commission's activities, and jeopardize existing delicate relationships among Great Lakes fishery agencies.

I strongly encourage the conferees not to pursue the transfer any further, because it will be met with strong resistance from the region, and I hope, from the administration.

Mr. HOLLINGS. The committee's report language is advisory only to the administration and does not have the force of law. Nonetheless, I will seek a clarification in the conference report that reflects the Senator's concerns.

Mr. LEVIN. I thank the Democratic manager of the bill for his consideration and cooperation.

AMENDMENT NO. 2867

On page 74, 18, after "Fund", strike the period and insert the following: ", and of which $1,200,000 shall be available for continuation of the program to integrate energy efficient building technology with the use of structural materials made from underutilized or waste products."

AMENDMENT NO. 2868

(Purpose: To amend the bill with regard to the transfer of title to the Rutland City Industrial Complex)

At the appropriate place, insert the following new section:

SEC. . TRANSFER OF TITLE TO THE RUTLAND CITY INDUSTRIAL COMPLEX.

Notwithstanding any other provision of law (including any regulation and including the Public Works and Economic Development Act of 1965), the transfer of title to the Rutland City Industrial Complex to Hilinex, Vermont (as related to Economic Development Administration Project Number 01–11–01742) shall not require compensation to the Federal Government for the fair share of the Federal Government of that real property.

AMENDMENT NO. 2869

Notwithstanding any other provision in this Act, the amount for the East-West Center shall be $18,000,000.

On page 116 of the bill, on line 1, strike "$1,000,000" and insert $4,000,000".

AMENDMENT NO. 2870

(Purpose: To restrict the use of funds under this Act for the National Fine Center)

At the appropriate place, insert the following, "*Provided further*, That of the funds made available under this Act or any other Act, no funds shall be expended by the Director of the Administrative Office of the U.S. Courts to implement the National Fine Center prior to March 1, 1996, except for the funds necessary to maintain National Fine Center services at their current level, to complete the conversion of existing cases for the courts participating in the National Fine Center as of the date of enactment of this Act, and to complete the Linked Area Network pilot projects in progress as of the date of enactment of this Act."

Mr. McCAIN. Mr. President, this amendment, which is cosponsored by Senator DORGAN, would prohibit the Administrative Office of the United States Courts to spend additional money to develop the National Fine Center Project prior to March 1, 1996.

The amendment includes three exceptions. The Administrative Office would be permitted to maintain National Fine Center services at their current level, to complete its work on cases for courts currently participating in the project and to proceed with the pilot projects in several judicial districts.

A freeze in funding will give Congress time to address serious questions and problems relating to the status and direction of the project which were highlighted in a July 19, 1995 Governmental Affairs oversight hearing.

Congress tasked the Administrative Office 8 years ago to develop an integrated database to better track and collect Federal criminal debt. As of 2 months ago, the office had spent nearly $10 million on the effort, including over $5 million on an aborted pilot project in Raleigh, NC. today, the prospects of achieving a workable, cost-efficient Fine Center that meets the needs of the Department of Justice and the goals articulated by Congress remain very much in question.

The Department of Justice, the primary customer of the Fine Center, is very concerned about the project, and does not believe that the current system provides the integration needed by the Department to improve debt collection—one of the system's primary goals. In fact, Department of Justice officials believe that if the AO stays its current course, the Department will be required to develop an additional system to access information stored in the Fine Center's database. This is, of course, absurd.

I am particularly troubled that according to the GAO, the Administrative Office has very little documentation to justify its development decisions to date and no detailed plan for completing the project. Moreover, the AO cannot say with any certainty what the final price tag for the project will be.

While I am sure the intentions of the Administrative Office are honorable, the project has a troubled history and confidence that we are on a cost-effective track is not what it should be.

It is important to note that the money being used by Administrative Office for the project comes from the crime victim fund. This account is normally used to finance vital victim assistance programs. We cannot continue to dedicate valuable resources from this account without absolute assurance that the public, and crime victims are receiving value for their investment.

Freezing the funds will allow Congress the time to take appropriate steps to ensure that this project is on track. In fact, I hope to introduce, with Senator DORGAN, very soon legislation which will help us to achieve that end.

AMENDMENT NO. 2871

(Purpose: To express the sense of the Senate regarding compliance of the Russian Federation with the Treaty on Conventional Armed Forces in Europe)

On page 121, after line 24, add the following:

SEC. . It is the Sense of the Senate that the President of the United States should insist on the full compliance of the Russian Federation with the terms of the Treaty on Conventional Armed Forces in Europe and seek the advice and consent of the Senate for any treaty modifications.

THE CFE TREATY

Mr. MCCAIN. President Clinton and our NATO allies have agreed to a major compromise on the CFE treaty in an effort to lay the ground work for the planned October Summit between President Clinton and President Yeltsin. The amendment I am offering today is attempt to put the Administration on notice that the Senate will take a careful look at the agreement recently reached before it is finalized in October.

In November of 1990, Russia agreed to significant limitations on numbers and deployment of its heavy weaponry—battle tanks, artillery, armored combat vehicles, attack helicopters and combat aircraft. There is unanimous agreement that Russia is not currently in compliance with the treaty and, at its current pace, it is not likely to meet the deadline for full compliance.

The treaty changes proposed by NATO—under pressure from the Administration—involve the number of weapons allowable in what is known the flank zone. A compromise has been reached that expands the flank zones to allow an amount of equipment halfway between the treaty requirements and the amount currently in the zone. The treaty sets limits of 1,300 tanks, 1,380 armored combat vehicles, and 1,680 heavy artillery pieces. There are currently 3,000 tanks, 5,500 armored combat vehicles and 3,000 heavy artillery pieces in the flank zone.

The limits in the flank zone are important because it involves Russia's Southwest and Northwest border. It has implications for the situation in Chechnya, Russia's involvement in what it terms its "near abroad" in the Caucuses and the Baltics, and our allies in Turkey.

As with many issues, what causes me the most concern isn't that a compromise on treaty compliance has been reached. If the compromise is consistent with the treaty, I am pleased we were able to avoid a rift with Russia. What concerns me the most is the twist and turns that the Administration has taken to get to this point. The changes in the policy makes one skeptical that treaty compliance is really the administration's aim. Too often in the Administration's Russia policy the aim has been to avoid and paper over disputes. This was the case early on with NATO expansion. It was the case with Chechnya. It is the case with the Russia-Iran nuclear deal.

President Clinton indicated at the Moscow summit in May that "modifications are in order" to the CFE treaty and that he would support modifications at the CFE review conference next year. The President later attempted to clarify the issue by stressing that he would press for Russian compliance with the agreement by the November 1995 deadline. Now that the President has reconsidered his earlier statements and determined that changes are in order to assist the Russians in meeting this year's November 17th deadline, I think it is important that the Senate be heard on the issue prior to the President's meeting next month with President Yeltsin.

The CFE treaty will hopefully become a central element of stability in Europe. It is important that its integrity be preserved and that no party be able to subvert its purposes. I encourage the administration to keep the Senate fully apprised of its attempts to negotiate changes.

AMENDMENT NO. 2872

(Purpose: To provide for a land transfer in Tuscaloosa, Alabama)

At the appropriate place, insert the following:

SEC. . LAND TRANSFER.

(a) IN GENERAL.—The Secretary of Commerce, acting through the Assistant Secretary for Economic Development of the Department of Commerce, shall—

(1) not later than January 1, 1996, commence the demolition of the structures on, and the cleanup and environmental remediation on, the parcel of land described in subsection (b):

(2) not later than March 31, 1996, complete the demolition, cleanup, and environmental remediation under paragraph (1); and

(3) not later than April 1, 1996, convey the parcel of land described in subsection (b), in accordance with the requirements of section 120(h) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9620(h)), to the Tuscaloosa County Industrial Development Authority, on receipt of payment of the fair market value for the parcel by the Authority, as agreed on by the Secretary and the Authority.

(b) LAND PARCEL.—The parcel of land referred to in subsection (a) is the parcel of land consisting of approximately 41 acres in Holt, Alabama (in Tuscaloosa County), that is generally known as the "Central Foundry Property", as depicted on a map, and as described in a legal description, that the Secretary, acting through the Assistant Secretary for Economic Development, determines to be satisfactory.

AMENDMENT NO. 2873

(Purpose: To provide funds for maritime security services)

On page 113, line 24, strike "$330,191,000," and insert "$284,191,000,".

On page 114, line 3, after "exceed" insert "$29,000,000 may be used for necessary expenses of Radio Free Europe/Radio Liberty, of which not more than".

On page 99, line 26, strike $250,000,000 and insert $225,000,000.

On page 116, between lines 12 and 13, insert the following:

MARTITIME SECURITY

For necessary expenses for maritime security services authorized by law, $46,000,000, to remain available until expended.

On page 117, line 5, strike "academies:" and insert "academies and may be transferred to the Secretary of the Interior for use in the National Maritime Heritage Grant Program:".

On page 117, strike lines 12 through 24 and insert the following:

For the cost of guaranteed loans, as authorized by the Merchant Marine Act, 1936, $25,000,000, to remain available until expended: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed $500,000,000.

Mr. LOTT. Mr. President, I rise to support this amendment which is critical to our efforts to reform U.S. maritime policy, maintain a U.S.-flag fleet and merchant marine and serve our national security interests.

Maritime reform is vital to our national and economic security. From our beginning history, America has been a maritime nation reliant on secure ocean passage and transport for commerce and military strength.

From the sea battles of the American Revolution through the Persian Gulf, our seafarers and merchant marine courageously supplied and sustained our troops in combat and conflict.

The U.S.-flag fleet and merchant marine carried our troops and cargo through World War I, II, Korea, Vietnam, and the Persian Gulf.

In World War II, more than 6,000 merchant mariners were killed and thousands more were wounded. After World War II, the Supreme Allied Commander, Dwight D. Eisenhower, declared:

> The officers and men of the merchant marine by their devotion to duty in the face of enemy action, as well as the material dangers of the sea, have brought to us the tools to finish the job. Their contribution to final victory will long be remembered.

Following the Persian Gulf, Chairman of the Joint Chiefs of Staff, Colin Powell, stated:

> Since I became Chairman of the Joint Chiefs of Staff, I have come to appreciate first-hand why our merchant marine has long been called the Nation's fourth arm of defense. The American seafarer provides an essential service to the well-being of the Nation, as was demonstrated so clearly during Operations Desert Shield and Desert Storm.

In relation to our Nation's economic security, Rear Adm. (ret.) Tom Patterson recently wrote in the Journal of Commerce:

> Throughout history, the Nation that ruled the seas controlled the world's economy. In their time, Egypt, Greece, Phoenicia, Carthage, and Rome, then Spain, Portugal, and Great Britain, came and went as the leading naval and commercial powers. When they lost their maritime dominance, they quickly became second-rate in terms of economic success and political influence.
>
> The United States is in grave danger of going down that same road if it has not done so already. Our perceived economic decline in recent years has been accompanied by an almost suicidal approach to our maritime policy—and specifically to the future of merchant shipping under the American flag . . .

Over the last 20 years, Congress has failed to pass an effective maritime policy. As a result, we have seen a dangerous decline of the U.S.-flag fleet, merchant marine, and shipbuilding.

Now, we face a situation where if we fail to act in this Congress, our national security and international competitiveness will be seriously and irreversibly harmed.

We could easily lose our U.S. flag fleet and with it our merchant marine.

If that occurs, our military readiness and our sealift capacity will be dealt a blow.

Numerous jobs would be lost related to the maritime industry and our balance of payments and international competitiveness will suffer.

In times of international crisis or war, our historical and successful reliance on the U.S. flag fleet and merchant marine would come to an end.

Personally, I do not want to be a part of that. This Congress has a sobering opportunity to do something about it.

Secretary Pena, on behalf of the administration, along with General Rutherford and Admiral Herberger strongly support the funding for the Maritime Security Program.

The House National Security Committee and the Senate Commerce Committee have reported out the reform legislation that serves as the basis for the proposed funding contained in this amendment.

I would like to state as simply as possible the objective of this amendment.

It is to maintain and promote a U.S. flag fleet, built in U.S. shipyards and manned by U.S. crews in the most cost effective and flexible manner possible.

When I go home to Pascagoula, I want to see the greatest amount possible of Mississippi agricultural products—rice, cotton, soybeans, catfish, chicken and forest products and other exports moving on U.S. flagged ships built in America.

In times of national emergency or war, I want to know that we will continue the finest tradition of the U.S. flag fleet and merchant marine—secure in the knowledge that our sealift capability is assured and confident that our troops will be supplied.

The maritime reform legislation and proposed funding will help achieve these objectives by establishing a new maritime security program. The bill terminates the previous program, reducing costs by 50%. In its place, a more efficient and flexible program will continue the successful private commercial partnership with the Departments of Transportation and Defense.

A partnership which will help promote and preserve a modern U.S. flag fleet and merchant marine and one that will serve our national security in time of war or emergency.

To promote our Nation's underlying shipbuilding infrastructure and capacity, this amendment funds and reforms the Title XI Loan Guarantee Program. A program which effectively stimulates U.S. shipbuilding, competitiveness and jobs.

Again, this amendment is vital to our national and economic security. I urge my colleagues to join in supporting this amendment and our effort to reform our maritime policy.

Ms. MIKULSKI. Mr. President, I rise today to support the amendment to fund two strategically and economically important maritime programs; the title XI loan guarantee program and the new maritime security fleet.

The title XI program provides loan guarantees for vessels built in American shipyards and for the modernization of those same yards. The maritime security program provides payments to participating vessel operators in exchange for their promising the availability of militarily useful U.S.-flag vessels and trained, loyal American crews.

I believe a viable, active, private-sector U.S. maritime industry is in our national interest. We need a U.S. merchant fleet and U.S. shipyards for military purposes in times of national emergency.

We need a U.S. merchant fleet to preserve our historic presence as a global economic power moving goods on the high seas. We need American men and women to build and run those ships. This amendment is the most cost-effective way to make sure that our merchant marine is there when we need it.

Throughout our Nation's history, it has always made strategic sense to have a strong maritime industry. Policymakers who have come before us have had the sense to realize that we need U.S.-flag ships with American crews to supply our armed forces overseas.

Let me make the significance of this vote perfectly clear: in the absence of a U.S. merchant marine, the Defense Department will have no other option but to subcontract foreign ships and seamen for practically all its sealift needs.

A number of times during the Gulf war foreign-flag ships refused to sail into the war zone. That never happened with a U.S.-flag ship. Our civilian merchant mariners have always been there for us in times of national crisis. They have been true patriots—reliable, consistent, and faithful. Without Americans manning those supply ships, we can't guarantee that the U.S. military will be able to do its job.

I believe in public/private cooperation to encourage government savings. This maritime package does just that. It provides a rainy-day maritime infrastructure for U.S. defense needs while, at the same time, stimulating private sector enterprise. The sealift capability that a U.S. merchant marine provides the Defense Department costs a fraction of what it would cost if they did it "in house".

It also guarantees that loyal American merchant mariners will be available to serve when needed. They won't be there if we betray the U.S. maritime industry.

This amendment is smart, it's strategic, and it makes sense. Our merchant mariners and shipyard laborers when called to serve, never gave up the ship. I hope the U.S. Senate doesn't give up the ship today. Let's stand by these heroes in dungarees and adopt the pending amendment.

Mr. STEVENS. Mr. President, I am pleased to support this amendment, and to join Senators LOTT, INOUYE, BREAUX, and others as a cosponsor, to fund the maritime security program [MSP].

The MSP will replace the existing operating differential subsidy [ODS] program over the next 3 years, and will ensure the continuation of a viable U.S.-flag fleet in our trade with foreign countries.

Statistics show an alarming decline in the size of our domestic commercial fleet, and this amendment will ensure that U.S. defense and economic security needs continue to be met.

The amendment provides $46 million for operating subsidies under the MSP in fiscal year 1996.

When the MSP fully replaces the ODS in 1998, it will cost $100 million per year through the year 2005, providing subsidies to roughly 50 ships at around $2 million per ship.

This annual cost is 50 percent lower than the cost of the existing ODS subsidy program, on which we spent $214 million in fiscal year 1995 alone.

We feel this leaner program is sufficient to sustain a viable U.S.-flag fleet as it competes against carriers from countries with lower labor standards and heavy subsidies.

The amendment also provides $25 million for title XI loan guarantees to build new U.S. vessels.

U.S. shipyards, even more than U.S. carriers, compete against shipyards in other countries that receive subsidies as large as any industry in the world receives.

The $25 million provided in this amendment will allow the Maritime Administration to guarantee loans totaling $250 million in fiscal year 1996.

The Secretary of Transportation has informed the Appropriations Committee that loan guarantee applications totaling $2.8 billion are currently pending before the Maritime Administration.

There is no question that the demand for loan guarantees will meet the supply we provide.

The Secretary additionally tells us that world shipbuilding demand will exceed $350 billion in the next 10 years.

This loan guarantee money will ensure that U.S. shipyards can meet some of that demand for new ships.

The amendment provides $71 million total by reducing the amount provided for Radio Free Europe by $71 million.

While the decision to make this reduction has been difficult, I believe this amendment provides funding that is critical to the United States and U.S.-flag commercial fleet.

In addition to the carrier and shipbuilding provisions, the amendment would also add important bill language to allow proceeds from the sales of National Reserve Defense Fleet vessels to be transferred to the Secretary of the Interior to use for the National Maritime Heritage Grants Program.

This program was created as part of the National Maritime Heritage Act, passed into law last November. That act authorizes the change we are making now to the appropriations bill.

This grants program will allow entities such as the Fairbanks Historical Preservation Foundation in Fairbanks, AK restore vessels that are important relics of our maritime heritage.

The Fairbanks Historical Preservation Foundation has just begun to restore the NENANA, an important riverboat in Alaska's history, and would be eligible to apply for grants under this program.

I urge my colleagues to vote for this amendment.

AMENDMENT NO. 2874

(Purpose: To express the sense of Congress urging the President to provide for unified command and control of Department of Defense counterdrug activities)

On page 110, between lines 2 and 3, insert the following:

SEC. ___. It is the sense of Congress that, in order to facilitate enhanced command and control of Department of Defense counterdrug activities in the Western Hemisphere, the President should designate the commander of one unified combatant command established under chapter 6 of title 10, United States Code, to perform the mission of carrying out all counter-drug operations of the Department of Defense in the areas of the Western Hemisphere that are south of the southern border of the United States, including Mexico, and the areas off the coasts of Central America and South America that are within 300 miles of such coasts. But not to include the Carribean Sea.

Mr. COVERDELL. Mr. President, more Americans die each year from the use of cocaine, heroin, and other illicit drugs than from international terrorism.

One hundred percent of the world's cocaine comes from South America. Realizing this, one can conceptualize possible centers of gravity where we can reach out and disrupt the drug cartel's operations. It is imperative that we take the fight to the drug cartels.

We can target the illicit drug industry itself; drug transshipment areas, airfields, navigational equipment, drug labs, and drug cache sites.

As the Honorable William Perry, Secretary of Defense has been quoted as saying, "Narco-traffickers don't think in terms of borders. Indeed, they take advantage of this mind set. They violate sovereignty. So the only way to deal with the narco-trafficking problem is to treat it as a regional problem . . ."

With this concept in mind, I am concerned that there is a great deal of stratification and duplication of effort within U.S. governmental agencies. On Capitol Hill alone, there are over 74 congressional drug oversight and review committees. To stem the tide of illicit drug trafficking, sale, and use, we must maximize our potential and our limited resources.

As chairman of the Subcommittee on the Western Hemisphere, I feel that a logical place to begin consolidating command and control, to better curb the flow of illicit drugs from the southern portion of the Western Hemisphere, is within the Department of Defense.

The Department of Defense provides support to law enforcement agencies and host nations in creating and strengthening their institutions to defeat the narcotics threat. Currently, each command provides: intelligence support, detection and monitoring (D&M), interdiction, training support, planning assistance, logistics support, and communications support within their respective theaters. It is my intent to consolidate these efforts under one unified command that will handle counternarcotics operations.

This sense of the Congress is designed to put the executive branch on notice that it is time to streamline counternarcotic activities and become more effective interdicting drugs at their point of origin in South America. It is time for tighter command and control regarding counternarcotics operations in the region of the world that is the sole producer of cocaine.

AMENDMENT NO. 2875

(Purpose: To provide for Agricultural Weather Service Centers)

On page 76, line 25, insert before the period the following: ": *Provided further*, That the National Weather Service shall expend not more than $700,000 to operate and maintain Agricultural Weather Service Centers".

Mr. COCHRAN. Mr. President, This amendment provides funding for the Agricultural Weather Service Centers at Stoneville, MS, and Auburn, AL and requires the National Weather Service to continue the operation of these important weather centers.

This bill calls for the privatization of elements of the National Weather Service [NWS], including services for agriculture and forestry. These weather service centers provide several important services to America's farmers. Millions of dollars and hundreds of family farms are at risk without proper weather information.

Many important products and services would be terminated if these centers are closed. Special freeze forecasts, special advisories for extreme weather events, and agricultural weather guidance would all be eliminated. All agricultural climatology services to State and Federal agencies would cease as would all liaison activities with the land grant universities and other agencies. Cooperative research with scientists at all universities would end.

Some argue that farmers can obtain the weather services they require from the private sector from the many commercial weather services that operate around the Nation.

However, none of the commercial weather services provide the kind of agricultural weather information available from these agricultural weather service centers. Additionally, there are only a very small number of companies that could potentially provide some agricultural services.

Commercial operators are generally unwilling to make an investment in developing the kinds of unique products used by agriculture because the market is too small. In areas of concentrated agriculture, such as in California or Florida, the market might be sufficient for the private sector. Markets like Mississippi are too small to support private meteorological services.

Some argue that these services should be done by private sector meteorologists and that the National Weather Service constitutes corporate welfare. Let me bring to the attention of my colleagues that the bulk of agriculture and forestry consists of small family operations, not giant corporations. Large farms already hire private meteorologists and will not be affected by office closings. This is going to affect the small- and medium-sized farmers who do not have the money to get expert help and could not afford to contract for weather information.

Some may argue that this is an unnecessary service that should no longer be funded by taxpayers, that in a time of smaller budgets, we can no longer afford the $2.1 million to operate the National Weather Service agricultural weather program.

However, according to a 1992 study by the National Institute of Standards and Technology, the modernization of the National Weather Service will reduce agricultural losses by $15 billion and increase agricultural output by $117.9 million annually.

This is clearly one of the best bargains in government.

The Stoneville Center is a world renown research center with major activities in cotton, soybeans, rice, catfish, and hardwood forestry. At the Stoneville, MS center, more than 200 farmers have been working with the Stoneville Agricultural Weather Service Center to develop a credible agricultural weather forecast system. This center has the potential of producing data that could save millions of dollars in reduced input costs such as pesticide applications, fertilizer, and harvest potential.

There is clearly a role for the Federal Government in providing these specialized agricultural services. The production of food and fiber is the most critical component of our economy. With so few Americans now directly producing our food and fiber, it is imperative that we maintain the most efficient production possible. The NWS agricultural and forestry weather program contributes to this efficiency at the lowest possible cost.

The roles of the NWS and the private sector are clear. The role of operating and maintaining the agricultural weather data networks is best done by NWS. The same goes for the operations of agricultural weather forecast models. Research and development activities which utilize the observational and forecast data is another primary NWS function. The end result is a great wealth of information. It is the packaging and delivery of this information which can be best done by the private sector. The NWS does not have the resources to produce customized information for each user. This is clearly an important job for the private sector. The NWS and the private sector can work together and share in the provision of weather information to agriculture.

There is a right way and a wrong way to privatize these services. This bill represents the wrong way. These services should not be abruptly ended without careful planning and judicious management of the privatization process.

I urge my colleagues to support my amendment.

Mr. HEFLIN. Mr. President, I rise today in support of the Cochran amendment which would restore funding for the Agricultural Weather Service Centers at Stoneville, MS, and Auburn, AL. The amendment would require the National Weather Service to continue the operation of these important weather centers.

Mr. President, the business of American farmers, ranchers, and foresters is to produce and market the world's safest supply of food and fiber. To do so, they must cope with all of the vagaries of nature. Unlike the vast majority of people in this Nation who cope with everyday weather in the context of a golf game or a picnic, weather is the single most important external element in the production equation. To our Nation's farmers, ranchers, and foresters specific weather information is crucial to the protection of crops, the application of management practices, the timely selection and use of pesticides, the decision to apply expensive freeze protection measures, et cetera.

In my opinion, there is no other organization, business, or institution which is capable of gathering and analyzing data either on the scale or to the degree of reliability which farmers, ranchers, and foresters routinely receive from the National Weather Service. The refinement of the data for their specific needs requires specific analysis and employs special knowledge provided by land grant colleges, the Cooperative Extension Service, and other State and Federal specialists.

I am aware that there are a number of private weather services offered and that some highly specialized and concentrated segments of agriculture employ them. However, I am informed that these rely totally on the data provided by the National Weather Service as the basis for their specialized services. Regardless, farmers are incapable at the present time to assume the functions of government privately even if they could afford the services.

Therefore, I strongly support Senator COCHRAN's attempt to restore funding for the Agricultural Weather Service Centers at Stoneville, MS, and at Auburn, AL. I urge my colleagues to support the Cochran amendment.

AMENDMENT NO. 2876

(Purpose: To restore funding for trade adjustment assistance centers)

On page 68, line 19, insert ", $7,500,000 of which shall be for trade adjustment assistance" after "$89,000,000".

Mr. JEFFORDS. Mr. President, I am pleased to join with my colleagues, Senators LEVIN, from Michigan; D'AMATO, New York; Mrs. HUTCHISON, Texas; MOYNIHAN, LEAHY, GLENN, PELL, MURRAY, and ROCKEFELLER to offer an amendment to restore funding for Trade Adjustment Assistance Centers, or TAAC's as they are called. Our amendment provides that of the $100 million included in the existing bill for the Economic Development Administration, $10 million will be used to fund the 12 regional TAAC's at their fiscal year 1995 level.

Trade adjustment assistance is authorized by the Trade Act of 1974 to help manufacturers who have lost sales and jobs to imports. Once certified as having been hurt by imports, firms receive cost-shared technical assistance to improve their competitive position.

Mr. President, TAAC's work. Looking at TAAC clients a clear pattern emerges. In the 2 years prior to going to a TAAC, a manufacturing firm has seen declining sales and reduced jobs. After receiving TAAC assistance sales go up and employment increases.

In a study of TAAC clients from fiscal year 1990–94, prior to seeking assistance, TAAC clients lost over 10,000 jobs and $630 million in sales. After receiving TAAC assistance, not only had the drop in employment and sales been stemmed, it had been reversed. Some 5,500 jobs were added in addition to the 55,000 jobs that were saved, and client sales increased by $1.1 billion. Most importantly, productivity, as measured by sales per employee, was increased significantly from $82,000 to $94,000.

Productive firms stay open for business; they continue to employ and hire new people. Mr. President, trade adjustment assistance is a good program. For every dollar spent by the Federal Government there is an 800 percent return in terms of Government revenue.

As I mentioned, there are 12 regional TAAC's—Boston, Trenton, Seattle, Boulder, Chicago, Atlanta, Ann Arbor, Binghamton, San Antonio, Los Angeles, Columbia (MO), and Blue Bell, PA. Each of these centers have helped manufacturing firms in every State who have been hurt by imports get back on their feet and remain viable.

TAAC's save private sector jobs, and, as we all know, the best social program is a good paying job, and manufacturing jobs are good paying jobs.

In my home State of Vermont, the TAAC which serves my region, the New England Trade Adjustment Assistance Center [NETAAC] is currently providing or reviewing certification petitions from seven manufacturing firms who combined employ close to 500 people. In a small State like Vermont that is a lot of jobs.

The assistance is cost shared by the client and TAAC contribution can be as little as $25,000. The average NETAAC investment is $684 per job. That is an excellent return on federal investment.

Mr. President, our amendment simply directs that of the $100 million already in the bill for the Economic Development Administration, $10 million be used for TAACs. We have funded this program in the past and the other body has included funding in its fiscal year 1996 Commerce appropriations bill. I should also note that the Ways and Means Committee recently voted to extend authorization for trade adjustment assistance for 2 more years.

TAACs help manufacturing firms that have been hurt by imports. TAAC assistance saves jobs and increases sales. For every dollar we spend on this program, we get eight dollars back. Funding TAACs is a sound investment, and I urge my colleagues to support this amendment.

Mr. MOYNIHAN. Mr. President, I rise to join the Senator from Vermont in his effort to restore funding for the program providing Trade Adjustment Assistance for companies affected by imports.

This has been an enormously effective program for more than 30 years. Under the firm TAA program, we have established a national network of centers that provide technical assistance to trade-impacted companies. These centers, several located in universities, have a remarkable record in improving companies' manufacturing, marketing, and other capabilities in the face of stiffened competition from foreign imports.

This program is a complement to the Trade Adjustment Assistance program for workers, which provides direct benefits to individuals who lose their jobs because of imports. Both are part of an effort to fulfill a commitment we have made to American workers as we pursue our national trade policy. The notion of Trade Adjustment Assistance was first articulated in 1954 by David MacDonald, President of the United Steel Workers, and the program was later enacted in the Trade Expiration Act of 1962. In 1993, when I last spoke on this floor in support of this program, I cited Luther Hodges' statement to the Senate Finance Committee in 1962 during consideration of that landmark legislation. I find it fitting to bring that statement here again:

> Both workers and firms may encounter special difficulties when they feel the adverse effects of import competition. This is import competition caused directly by the Federal Government when it lowers tariffs as part of a trade agreement undertaken for the long-term economic good of the country as a whole. The Federal Government has a special responsibility in this case. When the Government has contributed to economic injuries, it should also contribute to economic adjustments required to repair them.

Our trade policy, which began with Cordell Hull's Reciprocal Trade Agreements Program in 1934 and culminated with the passage last December of the Uruguay Round Trade Agreements Act, results in some winners and some losers. Losers, simply because some American industries have difficulty competing against companies with the advantages afforded to them in other countries. However our winners are plentiful, and expectations are that implementation of the Uruguay Round agreements alone will pump an additional $100 million to $200 million into the American economy. We dare not abandon the policy. We simply must assume responsibility for those whom it may harm.

The Trade Agreement Assistance for Firms program has been enormously effective in assuming that responsibility. In just the past five years, the twelve regional TAA centers have collectively helped 488 companies. Most of those firms were in danger of going out of business prior to the TAA center's assistance, and all were experiencing serious difficulty meeting payroll obligations. In the two years prior to receiving assistance, these 488 manufacturing companies had laid off 10,447 employees. In the two years after TAA help arrived, however, those same companies had hired an additional 5,475 workers. Their sales rose 24.5%, productivity increased 13%, and, as a result, tax revenues are up. Program organizers estimate that more than $7 in federal and state income tax revenue is generated for every $1 spent on the program.

The TAA center at the State University of New York in Binghamton has played no small role in that success, assisting 49 manufacturing companies in my State over those same five years. While those firms experienced a combined drop in sales of $27 million in the two years preceding TAA assistance, they now can boast increases of over $51 million in sales in the subsequent years. These accomplishments preserved employment for many New Yorkers plus generating jobs for 167 more.

I have received numerous letters from these companies, each detailing for me how timely and critical was the TAA center's assistance, and I would like to share with my colleagues some of their compelling stories:

Beldoch Industries Corporation, located in Manhattan, has manufactured ladies' knitwear for over 50 years under three generations of family management. When the company had trouble competing with inexpensive textile imports, Gene Hochfelder, Beldoch's Chairman, sought the help of New York's TAA center. The center's consultants identified strategies under which Beldoch could consolidate operations, provide more prompt service to customers, and successfully compete with foreign imports. Beldoch, with its 260 employees, has kept its manufacturing in the U.S. and is experiencing great success.

The Beach-Russ Company, located in Brooklyn, New York, manufactures vacuum pumps, air compressors, and gas boosters. Charles Beach, President of Beach-Russ, writes "The New York Trade Adjustment Assistance Center facilitated the obtaining of assistance in the development of a New Vacuum Pump to make our company more competitive with low-cost foreign manufacturers."

Michael Hrycelak, Vice President of AJL Manufacturing Inc. in Rochester, writes of how the New York TAA center helped them devise a new marketing plan. He adds, "We strongly support this program, a true example of a government agency adding long term value, with minimal short term cost."

And there are many works in progress as well. Helmel Engineering Products, Inc. is a small machine tool manufacturing company in Niagara Falls with only 26 employees. In the face of stiff competition from overseas, the company has recently completed a two-year diagnostic survey and adjustment project directed by the New York TAA Center. The Center's assistance allowed them to update and improve the marketing of their software, a task which otherwise would have taken closer to five years and may have been altogether unmanageable for the small company. But now, believing that they manufacture the best software their industry can offer, Helmel is optimistic about their new future. Judging by the success of their fellow graduates of the New York TAA program, I think their optimism is well-founded indeed.

Mr. President, this is clearly government money well spent. These are quality companies with capable managers and dedicated workers. The TAA program's modest investment has been sufficient for them to recover from damage done by imports and remain active contributors to our national economy.

Seventy-six of my colleagues in this body, many of whom are still here today, supported our effort to liberalize trade last December. It was good policy. The country is better for it, and we should not regret our decision. But we must also assume responsibility for its consequences. I urge the Senate restore funding for this important and very worthy program.

AMENDMENT NO. 2877

(Purpose: To express the sense of the Congress regarding funding for the Economic Development Administration)

At the appropriate place, insert the following new section:

SEC. . SENSE OF THE CONGRESS ON ECONOMIC DEVELOPMENT ADMINISTRATION.

(a) FINDINGS.—The Congress finds that—

(1) assistance from the Economic Development Administration (hereafter in this section referred to as the "EDA") within the Department of Commerce is an investment in the economic vitality of the United States;

(2) funding for the EDA within the Department of Commerce is reduced by almost 80 percent in this Act;

(3) the EDA serves a unique governmental function by providing grants, which are matched by local funds, to distressed urban and rural areas that would not otherwise receive funding;

(4) every EDA $1 invested generates $3 in outside investments, and during the past 30 years preceding the date of enactment of this Act, the EDA has invested more than $15,600,000,000 in depressed communities, creating 2,800,000 jobs in the United States;

(5) the EDA is one of a very few governmental agencies that assists communities impacted by military base closings and defense downsizing;

(6) the EDA has—

(A) become a more efficient and effective agency by reducing regulations by 60 percent;

(B) trimmed the period for application processing down to a 60-day period; and

(C) reduced its operating expenses; and

(7) the House of Representatives, on July 26, 1995, voiced strong bipartisan support for the EDA by a vote of 315 to 110.

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress that the appropriation for the EDA for fiscal year 1996 should be at the House of Representatives-passed level of $348,500,000.

EDA SENSE-OF-THE-CONGRESS AMENDMENT

Mr. PRYOR. Mr. President, today I have offered a sense-of-the-Congress resolution on behalf of myself and Senator SNOWE and a bipartisan group of 18 cosponsors. I am happy that the managers of the bill have accepted the amendment. Our amendment puts the Senate on record in support of fiscal year 1996, House-passed appropriation level for the Economic Development Administration [EDA].

The House level of $348.5 million dollars is a 25-percent cut from the requested level, but a significant increase from the $100 million passed by the Senate Appropriations Committee. The $100 million is a 79 percent reduction that would devastate the EDA.

Mr. President, I do want to applaud Chairman HATFIELD for providing the $100 million in his committee, which was an improvement on the zero funding proposed initially.

Before I describe the critical role of EDA and the streamlining that has occurred at EDA, I want to explain the spending dynamic in our amendment. Simply put, the House allocated more funds to the Commerce, State, Justice bill. This permits a higher EDA funding level without cutting other programs within the bill.

Mr. President, the Economic Development Administration has been crucial to rebuilding distressed rural and urban communities in each of our States. Not by providing Government handouts, but by helping communities become economically self-sufficient. EDA's goal is to invest limited Federal dollars so that communities can attract new industry, spur private investment, and encourage business expansion.

EDA gets more bang for the buck by creating partnerships with local, county, and State governments and economic development entities. These partnerships help to provide planning, financial, technical, and specialized assistance to help develop infrastructure and create jobs in these distressed areas.

In fact, for every EDA dollar invested, more than $3 in outside investment has been generated. In the last 30 years, EDA has invested over $15 billion in local communities in need of financial assistance. This investment has resulted in the creation or the retention of more than 2.8 million American jobs.

One of EDA's key functions is to help communities recover from natural disasters. EDA played a pivotal role in the State of Florida after Hurricane Andrew, in South Carolina and North Carolina after Hurricane Hugo, and in Nebraska, Kansas, Missouri, Illinois, Iowa, Minnesota, North Dakota, South Dakota, and Wisconsin after the Midwest flooding of 1992. After the emergency management people leave, EDA is the only governmental agency that remains to help devastated communities rebuild.

Perhaps the largest and best-known mission of EDA is in the field of defense conversion. EDA is life support for base closure towns searching for new direction and new life after the cold war.

In 1988, 1991, and 1993 we closed 250 military bases across America. Just months ago, the 1995 Base Closure Commission recommended the closing or the realignment of another 130 bases. Communities surrounding these bases and defense factories being downsized face massive revenue and job losses. EDA is often the only place cities and towns can turn for help in getting back on their feet.

Since 1992, EDA has provided 173 grants, matched by local funds, totalling almost $288 million to these communities. But the value of EDA's contribution goes well beyond the dollars spent.

A good example of how EDA helps military towns adjust is in my hometown of Camden, AR. In 1957, the Navy shut down Shumaker Naval Ammunition Depot, which was an old research and development facility. After Shumaker closed, Camden was challenged with finding a new direction and source of jobs for our people. Before long, the newly-created Economic Development Administration provided Camden with a $365,000 grant that helped create a new technical college on the old Navy property. Today, I am proud to say that the Southern Arkansas University's Technical Branch in Camden is alive and well, thriving as a national leader in the area of robotics research. It has been a magnet for defense contractor factories that now employ thousands of workers.

Without EDA those thousands of jobs might not be available today.

The Federal Government has a responsibility to step in and provide a helping hand to communities that face the loss of a military base or a defense production facility. Eliminating EDA's funding in the wake of the 1995 base closure round would spell disaster for the people and the businesses that helped us win the cold war but not suffer due to defense downsizing.

Now, Mr. President, I have heard past criticisms about EDA's management and I am sure that some of my colleagues will mention them again today. However, I am here to say that EDA has reinvented itself. It is more effective and more efficient. The EDA has:

First, trimmed application processing down to 60 days.

Second, reduced regulations by 62 percent.

Third, has cut the processing time for grant applications by 50 percent and delegated more decisionmaking responsibility to regional offices.

Fourth, developed a single application form that can be used for all EDA programs.

Fifth, reduced administrative expenses in half from 13.6 percent in fiscal year 1989 to 6.6 percent in fiscal year 1995.

Sixth, in fiscal year 1996, the EDA will further reduce its staff from 350 to 309.

On July 26, 1995, Congressman HEFLEY of Colorado introduced an amendment in the House of Representatives which would have eliminated the funding for EDA. This amendment failed by a vote of 315 to 110. By this vote, both Republicans and Democrats voiced their support for the many successes that the EDA has accomplished in communities across the United States and for EDA's management.

Mr. President, I have letters of support for the Pryor/Snowe amendment from the National Association of Development Organizations and the National Association of Installation Developers that I would like included in the RECORD following my remarks.

Again, I would like to thank the managers for accepting the amendment. It was clear to all that a much higher funding level for EDA is supported by a clear majority of the Senate.

I ask unanimous consent that a list of cosponsors, and relevant letters be printed following my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CURRENT LIST OF COSPONSORS

Senator Baucus.
Senator Warner.
Senator Boxer.
Senator Robb.
Senator Breaux.
Senator Dodd.
Senator Daschle.
Senator Moynihan.
Senator D'Amato.
Senator Bingaman.
Senator Harkin.
Senator Cohen.
Senator Rockefeller.
Senator Bumpers.
Senator Lieberman.
Senator Levin.
Senator Ford.
Senator Lugar.

NATIONAL ASSOCIATION OF DEVELOPMENT ORGANIZATIONS,
Washington, DC, September 19, 1995.

HON. DAVID PRYOR,
U.S. Senate, Washington, DC.

DEAR SENATOR PRYOR: On behalf of the members of the National Association of Development Organizations (NADO), I am writing in support of your Sense of the Congress Amendment urging the Senate to accept the House-passed funding level for the Economic Development Administration (EDA).

As organizations representing local governments that served distressed communities, NADO members understand the importance of EDA assistance—and of an adequately funded EDA. Distressed communities, through help from EDA, have access to the professional capacity and planning capabilities, infrastructure grants, business development programs, and disaster and defense adjustment assistance that they need to battle economic disruption—whether it be chronic or sudden and unexpected. Distressed communities depend on EDA assistance. They need adequate funding for EDA if they are to have any chance to develop economically.

EDA is not a hand-out: EDA is a federal program that attracts local funds—every EDA dollar invested leverages three local dollars; and EDA creates long-term private sector jobs that puts people to work—2.8 million people have been put to work through EDA assistance.

NADO members realize that difficult choices must be made to help balance the budget. As a result, we understand the need for cuts to EDA funding made by the House.

H.R. 2076, as approved by the House of Representatives, cuts EDA funding by 21 percent from current funding levels—a considerable reduction. However, further cuts would significantly inhibit EDA's ability to assist distressed communities. The communities that EDA serves are those that can least afford reductions.

The House of Representatives agrees: by a 315–110 vote, representatives overwhelmingly rejected an attempt to eliminate EDA funding. Voting in support of EDA was a majority of the Republican caucus (including a majority of the freshman Republican class) as well as a majority of the Democratic caucus. We urge senators to join with you, Senator Olympia Snowe and others in showing support of adequate funding for this essential program by cosponsoring your amendment and voting for it on the floor.

NADO members endorse the Pryor/Snowe amendment and urge all senators to vote for it. We appreciate your leadership on this crucial issue.

Sincerely yours,

JAMES C. TONN,
NADO President and Executive Director,
Middle Georgia Regional Development Center, Macon.

NATIONAL ASSOCIATION OF
INSTALLATION DEVELOPERS,
Alexandria, VA, September 20, 1995.

Hon. DAVID PRYOR,
U.S. Senator,
Washington, DC.

DEAR SENATOR PRYOR: The National Association of Installation Developers (NAID) supports your efforts to maintain funding for the Economic Development Administration (EDA). As you know, NAID is an organization dedicated to helping communities that have had their local military bases closed or designated for realignment. NAID is comprised of nearly 400 members including representatives from communities and states affected by base closures.

In August NAID had its annual conference in Chicago which was attended by more than 450 delegates. One of the sessions on the program was about EDA's role in base reuse. The membership of our organization understands fully the critical contribution of the EDA's Defense Economic Conversion Program to successful base reuse. The EDA is one of a very few governmental agencies that assists communities impacted by military base closings and defense downsizing.

Senator Pryor, you understand the devastating impact the loss of the EDA's Defense Economic Conversion Program would have on communities seeking to recover from military cutbacks. NAID and its members appreciate your effort to preserve funding for this essential need.

Cordially,

BRAD ARVIN,
President.

Ms. SNOWE. Mr. President, I would first like to thank my colleague from Arkansas, Senator PRYOR, for his continued efforts on issues pertaining to the Economic Development Administration [EDA] and for sponsoring this amendment. And I am pleased to join in this effort. I would also like to thank the bipartisan group of Senators who have joined us in cosponsoring this legislation.

Mr. President, I rise today in strong support of continued funding for the EDA. The EDA is a small but important agency that contributes significantly to economic growth and job expansion. Through its programs, the EDA fulfills a key function in providing State and local governments, nonprofit organizations, and public institutions with vital economic grants and technical assistance.

The House of Representatives clearly recognized the vital role that the EDA plays in communities affected by economic dislocation and included a significant and meaningful level of funding for the agency in fiscal year 1996. And although the House overwhelmingly voted on July 26 to maintain the $348.5 million funding level contained in the Commerce-Justice-State appropriations bill, the Senate Appropriations Committee opted to cut funding for the EDA to $100 million.

I recognize the challenge that we face in balancing the budget over 7 years and believe that all programs should be asked to contribute. However, as we choose those programs that should be either scaled back or eliminated, it is important that we establish priorities. I believe the EDA can and should remain a priority even as it contributes to deficit reduction. The House-passed funding level for EDA is $60 million less than the amount appropriated in fiscal year 1995—which would amount to a 21-percent cut. The amendment we are offering would send a strong message to the soon-to-be-chosen conference committee that, while such a reduction is acceptable, to go further would imperil an agency that has proven to be a valuable source of economic assistance to regions all across the United States.

The debate over EDA funding is hardly a new one in Congress—previous administrations have even proposed the termination of the agency. However, I have consistently fought—and will continue to fight—for meaningful funding because of the critical assistance I have seen the EDA deliver not only in the State of Maine, but across the United States.

Many in Congress know the real value of EDA in distressed communities and support the EDA. We all know that economic distress is not limited to simply a single city or county. Pockets of need exist nationwide in both rural and urban areas. And while some may be concerned that EDA moneys are spent in regions lacking requisite need, 98.8 percent of the 603 EDA projects undertaken between fiscal year 1992 and today were in areas of high economic distress.

For 30 years the EDA has provided grants for infrastructure development, local capacity building, and business incentives that address the debilitating conditions caused by substantial and persistent unemployment in economically distressed areas. Since 1965, the EDA has provided more than $15.6 billion nationally through its programs for initiatives ranging from natural disasters to defense conversion. The partnerships it has forged with local, county, and State economic development organizations have provided invaluable assistance and technical support for regions of high economic distress not only in Maine, but across the United States.

Over this same period of time, the EDA has invested more than $182 million in 570 projects targeted to assist needy communities in Maine. During 1994, more than $14 million in EDA assistance was received by the State. Included in this amount was $6 million in assistance for fishermen coping with the severe economic impacts of the ongoing New England groundfish crisis.

EDA is a true partnership between the Federal Government and local communities that fosters economic growth and stability by promoting sound economic development practices and carefully investing limited Federal dollars. The underlying philosophy of the EDA program is that long-term job opportunities can best be created by providing the infrastructure and other forms of support necessary for private businesses to establish new plants or to expand existing facilities in economically distressed areas. And the programs administered by the EDA put this philosophy into practice.

EDA's Public Works Program is an excellent example of the federal-local partnership that brings this vital assistance to distressed regions. We all recognize that an adequate local infrastructure is critical to the development and expansion of rural and urban economies. By pairing federal grants with matching monies from local communities, the Public Works Program has led to the development of water and sewer systems, industrial access roads, and high-skilled training facilities. All of these services are essential to not only retaining existing businesses, but to attracting new industries to communities. In our increasingly competitive global economy, the importance of developing this infrastructure and attracting new businesses cannot be overstated.

The Title IX Economic Adjustment Assistant Program provides communities with the most flexible tools necessary to develop and implement locally-identified economic development priorities that address changes that are causing—or are threatening to cause—serious structural damage to the underlying economic base. Examples of such economic changes include sudden and severe economic dislocations caused by base closures, reductions in defense contract spending, new Federal laws or requirements, industrial or corporate restructuring, or natural disaster. Structural economic changes may also result from long-term economic deterioration as evidenced by gradual population shifts, depletion of natural resources, or increased foreign market competition that drains a significant local industry.

Under the Title IX program, communities are provided with the flexibility and tools necessary to organize a local strategy for achieving economic stability and change. Such planning may lead to grants for projects including the construction of public facilities, roads, or industrial parks. In Lewiston, Maine, Title IX monies proved invaluable in renovating the Bates Mill—a textile mill that required massive renovations following its closure.

Finally, the EDA Planning, Technical and Trade Adjustment Assistance Programs are visible examples of local-federal partnerships with academic institutions, communities, and economic development professionals committed to the promotion of our nation's economic well-being.

As cited in a recent issue of Fortune magazine, many firms with strong growth potential have very little in the way of physical assets, but many intangible assets. When these firms seek capital for expansion, their lack of collateral is a significant hindrance. Through the utilization of a small EDA grant, the article demonstrated how a recipient was able to create a formula to help firms calculate the value of these intangible assets—which could thereby be helpful in expanding access to capital. EDA Planning Assistance also supports local economic development planning efforts necessary to respond to local problems and, therefore, help communities take advantage of opportunities at the state, multi-county, and local level.

Through these and other programs, the EDA has proven itself to be an invaluable guide and resource for economically depressed communities. Based on available data, the EDA has created more than 2.8 million jobs of which 1.5 million were the result of public works projects. In addition, through the EDA revolving loan fund program, the agency has created $1.9 billion in private sector capital—which amounts to more than three dollars in outside capital being generated for every federal dollar invested in the program. And don't be mistaken: EDA is not an entitlement program—rather, it is a push in the right direction for our nation's communities.

As Congress begins to make the tough decisions necessary to balance the budget, let us be sure we continue to maintain a program that has proven itself to be both necessary and effective in its broad assistance to distressed communities across America. I urge my colleagues to continue funding the EDA at a responsible level—and support the Pryor-Snowe amendment.

AMENDMENT NO. 2878

(Purpose: To establish conditions for the termination of sanctions against Serbia and Montenegro)

At the appropriate place in the bill, insert the following:

SEC. . RESTRICTIONS ON THE TERMINATION OF SANCTIONS AGAINST SERBIA AND MONTENEGRO.

(a) RESTRICTIONS.—Section 1511 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160) is amended by striking subsection (e) and inserting the following:

"(e) CERTIFICATION.—A certification described in this subsection is a certification by the President to Congress of this determination that:

"(1) the elected Government of Kosova is exercising its legitimate right to democratic self-government, and the political autonomy of Kosova, as exercised prior to 1984 under the 1974 Constitution of the Socialist Federal Republic of Yugoslavia, has been restored;

"(2) systematic violations of the civil and human rights of the people of Kosova, including institutionalized discrimination and structural repression, have ended;

"(3) monitors from the Organization for Security and Cooperation in Europe, other human rights monitors, and United States and international relief officials are free to operate in Kosova and Serbia, including the Sandjak and Vojvodina, and enjoy the full cooperation and support of Serbia and local authorities;

"(4) full civil and human rights have been restored to ethnic non-Serbs in Serbia, including the Sandjak and Vojvodina;

"(5) the Federal Republic of Yugoslavia has halted aggression against the Republic of Bosnia and Herzegovina;

"(6) the Federal Republic of Yugoslavia has terminated all forms of support, including manpower, arms, fuel, financial subsidies, and war material, by land or air, for Serbian separatists and their leaders in the Republic of Bosnia and Herzegovina and the Republic of Croatia;

"(7) the Federal Republic of Yugoslavia has extended full respect for the territorial integrity and independence of the Republic of Bosnia and Herzegovina, the Republic of Croatia, and the former Yugoslav Republic of Macedonia; and

"(8) the Federal Republic of Yugoslavia has cooperated fully with the United Nation war crimes tribunal for the former Yugoslavia, including by surrendering all available and requested evidence and those indicted individuals who are residing in the territory of Serbia and Montenegro.".

(b) FOREIGN ASSISTANCE ACT AMENDMENT.—Section 307(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2227(a)) is amended by inserting "Serbia and Montenegro," after "Cuba,".

(c) CONFORMING AMENDMENTS.—Section 1511(a) of such Act is amended by striking "subsections (d) and (e)) remain in effect until changed by law" and inserting "subsection (d)) remain in effect until the certification requirements of subsection (e) have been met".

(d) SENSE OF THE CONGRESS.—It is the sense of the Congress that the conditions specified in section 1511(e) of the National Defense Authorization Act for Fiscal Year 1994, as amended by this section, should also be applied by the United Nations for the termination of sanctions against Serbia and Montenegro.

Mr. DOLE. Mr. President, I rise to offer an amendment, together with the distinguished Senator from South Dakota, Senator PRESSLER, which would require the President to certify that certain conditions have been met before United States sanctions on Serbia can be lifted. These conditions include an end to systematic violations of the civil and human rights of the people of Kosova; the restoration of Kosova's political autonomy as exercised prior to 1984; and an end to the Belgrade regime's support for Serb separatists in Bosnia and Croatia.

In my view this amendment is very important. For all of the administration talk of peace being around the corner, the situation in the former Yugoslavia is hardly peaceful—or stable. We cannot and must not forget that in Kosova, 2 million Albanians are in their 6th year of martial law. Not only are they disenfranchised, unemployed, and living what is at best a subsistence existence, they are victims of brutal and systematic repression. The Serbian Government has deployed thousands of interior police to ensure its regime of terror in Kosova.

Furthermore, despite his image as peacemaker, Serbian President Milosevic continues to support aggression against Bosnia, and the occupation of Croatia. The Yugoslav Army is assisting Bosnian Serb forces—who are still attacking Bosnian towns.

The sanctions imposed on Serbia and Montenegro are essentially the only leverage the United States—and the international community—has chosen to use to influence the behavior of the Milosevic regime. These sanctions should not be lifted until the situation in Kosova is resolved—even if a peace plan is agreed to for Bosnia.

One of America's key objectives should be stability in the region, and this goal cannot be achieved without a military balance in Bosnia and Croatia, and without resolving the question of Kosova. Although originally Kosova was on the agenda of EU and U.N. sponsored talks on the former Yugoslavia, negotiating efforts since 1992 have ignored Kosova. This is short-sighted and a serious error. Both the Bush and Clinton Administrations have publicly recognized that a conflict in Kosova could draw in Albania and our NATO allies.

Therefore, I believe that sanctions should not be lifted on Serbia until a comprehensive settlement which includes Kosova, is not only agreed to, but implemented. We must take a long term view, not a short term view, and pursue policies which can enhance stability.

KOSOVA

Mr. PRESSLER. Mr. President, I am pleased to join with the majority leader to offer this amendment, which would condition the lifting of sanctions against the former Yugoslavia on specific improvements in Kosova. I am concerned deeply with events taking place in the former Yugoslavia. It is my hope that a workable peace agreement can be reached in the troubled Balkan region. However, I remain concerned with the fragile condition in Kosova. The United States should be resolute in averting an accelerated campaign of ethnic cleansing and Serbian aggression against Kosovar Albanians. I believe the legislation introduced today will ensure United States policy interests in Kosova stand a far better chance to be achieved.

Briefly, our amendment would require specific conditions be met in Kosova before lifting sanctions against the former Yugoslavia. These conditions include: full restoration of all civil and human rights; the return of international observers to monitor the human rights situation in Kosova; permitting the elected Government of Kosova to assemble; and bringing an end to the brutal Serbian-imposed martial law. Last year, President Clinton announced a set of conditions concerning the lifting of sanctions against Serbia. However, these requirements did not include improvements in Kosova. I believe the situation in the former Yugoslavia demands that the plight of Kosovar Albanians be addressed.

Unquestionably, Albanians in Kosova have suffered great hardship. Since the Belgrade government expelled international observers, basic civil and human rights have deteriorated significantly. Currently, Serbian-imposed martial law, institutionalized discrimination, and organized repression characterize daily life for the more than 2 million Albanians living in Kosova. Kosovar Albanians are denied education, employment, and due process of law solely on the basis of their ethnicity. Given these dire circumstances, I believe the termination of sanctions imposed on the former Yugoslavia should be coupled with a successful resolution to the crisis in Kosova.

Mr. President, I have long been an outspoken advocate for Kosovar Albanians. This amendment would help to resolve their current plight. I urge my colleagues to adopt this important legislation.

The PRESIDING OFFICER. The question is on the amendments, en bloc

The amendments (No. 2847 through 2878) were agreed to.

Mr. GRAMM. Mr. President, I move to reconsider the vote.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. GRAMM. Mr. President, I want to thank several staff members. I thank Scott Gudes, who did an exceptional job in helping us put this together. I thank, from my own staff, David Taylor, who, in my period as chairman of this committee, has done an absolutely great job. I am very proud of him and the work he has done. I thank Scott Corwin, Lula Edwards, Steve McMillin, from my own staff, to the degree to which we have made a small impression on the deficit, to the degree to which we have started to change the way American Government works in this one little appropriations bill. I think nobody deserves more credit than Steve McMillin does. I appreciate his help.

Mr. HOLLINGS. Mr. President, I did not think I would be thanking the Senator from Texas, but I do. We have really cleaned this bill up materially, substantially, and meaningfully. I do thank the distinguished chairman of our subcommittee for his cooperation and assistance in working out a bill that, no doubt, would still be vetoed as inadequate, but certainly by way of balance and maintaining fundamental programs, such as the cops on the beat and Legal Services Corporation, the minority business enterprise, and so forth—you can go down the list—and for saving from very, very severe cuts the Small Business Administration, Federal Trade Commission, SEC, and many, many others.

You can tell by the participation, Mr. President, and the numerous amendments that we have adopted, en bloc, after consideration here for three full days, that it could never have been done without the wonderful work of David Taylor, Scott Corwin, Lula Edwards, Steve McMillin, Scott Gudes, and Keith Kennedy and Jim English of our full Appropriations Committee. They guide us regularly in all of our deliberations here.

So I want to make sure that Mark Van de Water and the rest are acknowledged, because they have been doing it until 2 o'clock this morning and around the clock here this evening.

We are very grateful to the Members for their cooperation and then, of course, most particularly, my good friend, the Senator from Hawaii, who kept us going, the Senator from Kentucky, our leader, along with the distinguished minority leader, the Senator from South Dakota, and most of all, the Senator from Oregon, the principal chairman of the Senate Appropriations Committee. With his guidance within the committee and in the last few days, we have a bill that I intend to vote for.

I thank the Senator from Texas.

Mr. GRAMM. Mr. President, I want to thank Senator HATFIELD, chairman of the full committee. I think it is clear that without his help and guidance and leadership, we would not have passed this bill at this time.

Finally, I want to thank the ranking member of the committee, Senator HOLLINGS. Not only has he done his usual great job, but no one has missed the fact that his eye was operated on. There are very few Members of the Senate who, under the circumstances, would have been here doing their job. I know it has been painful for all of us looking at it, so it has got to be painful to Senator HOLLINGS looking through it. I just want to commend him for the great work he has done.

Finally, before suggesting that we move to third reading, the bill before the Senate has been amended in such a way that funding levels for a number of accounts are set by language contained in two or more places in the text.

Under the standard procedure for conferring with the House on amendments in disagreement, the funding levels for these activities would be determined by the interaction of several amendments in disagreement. This would greatly complicate the resolution of conference on terms favorable to the Senate.

In order to assist the resolution of a conference with the House, I propose that the Senate action on this bill be presented to the House in the form of a substitute.

Therefore, I ask unanimous consent that the amendments of the Senate bill be deemed as one amendment in the nature of a substitute for the House of Representatives-passed bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

ECONOMIC DEVELOPMENT ADMINISTRATION

Mr. BOND. Mr. President, I rise today to engage in a colloquy with my colleague from Texas, Senator PHIL GRAMM, the distinguished chairman of the Commerce, Justice, State Appropriations Subcommittee.

My distinguished colleague from Texas can well understand the ferocity of natural disasters. I know he remembers well the historic "Great Midwest Flood of 1993" that devastated thousands of people's homes, businesses, and lives throughout the Midwest, including my home State of Missouri. Missourians are fighters and survivors and don't accept defeat. After the floods subsided, Missourians picked up the pieces and began rebuilding their lives, only to be hit again this year with near-record flooding.

It is devastating that my fellow Missourians have had to fight and survive natural disasters. But what is even worse and more devastating is that my fellow Missourians are having to fight man-made disasters created by White House policy.

The White House policy that I am referring to was the choosing, by the Administration, of the Economic Development Administration (EDA) to handle part of the levee reconstruction program.

I believe a lot of mistakes were made by bureaucrats during our flood recovery, but one of the biggest blunders was choosing the Economic Development Administration to handle part of the levee reconstruction program. As proof of how ill-equipped the agency was to administer this levee program—only one of the twelve levee projects awarded nationally was complete two years after the "Great Flood." Out of the eleven incomplete levee projects, most not even begun, six are in my own state of Missouri.

Thanks to the delay of repairing the levees, when the latest flooding occurred, people were evacuated, thousands of acres of farmland flooded, and highways were inundated. Hundreds of thousands of dollars were spent trying to preserve water supplies, and countless hours of backbreaking work literally washed downstream.

The State of Missouri, local residents and cooperative federal agencies have pushed and prodded the EDA into awarding contracts and have even gotten the EDA to start work on our flood control projects. But the EDA is still being difficult. EDA is trying to claim it cannot modify the scope of projects to include damage from this past spring's flooding, even though this Congress has been careful to preserve unobligated funding for contingencies just such as my State is experiencing.

When we did the rescission bill earlier this year we left $2,000,000 in unobligated balances related to emergency supplementals available for projects currently in the funding pipeline such as the flood control projects you have mentioned. I do not understand why the EDA claims it cannot modify the scope of a project, if the project was in the funding pipeline and the reason that it needs to be modified is because of delay of action by the EDA.

I ask the assistance of my good friend in assuring that the EDA will honor its obligations to Missouri by making available quickly the funding necessary to complete projects awarded from the Flood of 1993. I want to emphasize that this assistance would not be necessary if the agency had accomplished this mission before the flooding hit earlier this year. If the matter is not revolved quickly, we risk still more avoidable flooding and the passing of a third construction season. These consequences would be unconscionable.

Mr. GRAMM. It is my view that this situation should be solved and I will work with the Senator to that end.

IMMIGRATION AND NATURALIZATION SERVICE ACCOUNT

Mrs. KASSEBAUM. I had intended to offer an amendment to provide such funds as may be available, but no less than $10 million, for a Central States Support Fund. These funds are needed to provide additional INS offices in the central states. Additional offices are needed to support communities in their efforts to reduce the flow of illegal workers and to assure expeditious deportation. Senator GRASSLEY is a cosponsor of this amendment.

Mr. President, it has been said that the border states are increasingly a pass-through to reach jobs in the interior. My state and others in the central corridor need help in meeting this challenge. But not much help has been forthcoming. There is no INS office in the whole western half of Kansas, where the need is great. In other parts of my state, the INS presence is thin. Local law enforcement, having arrested vans of illegal aliens being smuggled into the country, have been told to send them on their way because INS personnel was not available.

Senator GRASSLEY, if he were not tied up in the Finance Committee, would point out that in the whole state of Iowa there is no INS office, though, again, the need is great.

The efforts of these interior states are critical to the success of national initiatives to control the flow of illegal workers. Areas in the central corridor that are most challenged by the flow of illegal workers must have a day-to-day INS presence—for example, to assist local law enforcement in expeditious deportation of illegal workers who are repeat criminal offenders.

Mr. President, I urge the adoption of this amendment. This amendment would open a separate account, to be called the Central States Support Fund, to assure that these needs are promptly addressed and that the funds are used exclusively for that purpose.

Mr. GRAMM. I understand the concerns of my colleague. The needs of the interior states are great, and it is my belief that these needs will be alleviated by the strong Border Patrol initiative in this bill. However, I would like to be able to assist my colleague from Kansas and Senator GRASSLEY in ensuring a strong INS presence in their states, as well as others in the central corridor.

Mrs. KASSEBAUM. Since funding under this bill is very tight, I agree not to offer the amendment, with the understanding that $10 million in additional funding will be sought in conference with the House for the purpose of establishing this fund. I also understands that the INS will be required in the next two months to provide a plan for deployment of additional personnel and offices in the central states.

LAW ENFORCEMENT SUPPORT CENTER

Mr. LEAHY. Mr. President, I am concerned that the Immigration and Naturalization Service's (INS) continue to develop and implement the Law Enforcement Support Center (LESC). This Center is the only on-line national database available to identify criminal illegal aliens.

The LESC is a valuable asset and essential to our national immigration policy. The Center provides local, state and federal law enforcement agencies with 24-hour access to data on criminal aliens. By identifying these aliens, LESC allows law enforcement agencies to expedite deportation proceedings against them.

The Center was authorized in the 1994 Crime Bill. The first year of operations has been impressive as the 24-hour team identified over 10,000 criminal aliens. After starting up with a link to law enforcement agencies in one county in Arizona, the LESC expanded its coverage to the entire state. In 1996, the LESC is expected to be on-line with California, Florida, Illinois, Iowa, Massachusetts, New Jersey, Texas, and Washington.

The House and Senate Commerce-Justice-State Appropriations bills do not expressly provide funding for the LESC. The LESC is available now and is proving to be an effective resource for law enforcement agencies.

We owe it to states with illegal alien problems to support the only system available to identify criminal aliens. INS Commissioner Doris Meissner supports it. Commissioner Meissner recently wrote to me reaffirming INS' commitment to the LESC. I urge setting aside $3.8 million within the INS budget to allow the LESC to continue its valuable work. Accordingly, I ask the Chairman whether the bill will allow INS to continue to fund the LESC at $3.8 million for fiscal year 1996?

Mr. GRAMM. Yes, it does.

Mr. LEAHY. I thank the Chairman.

BENEFITS REVIEW BOARD

Mr. STEVENS. Mr. President, it has been brought to my attention that there is an excessive backlog of longshore claims at the Department of Labor's Benefits Review Board and that it takes an inordinate amount of time for the Board to process appeals under the Longshore and Harbor Workers' Compensation Act. I would ask the distinguished subcommittee chairman, Mr. SPECTER, if he agrees that the Board should take all steps necessary, including reorganization, to ensure that all appeals, including those now pending before the Board, are acted upon within one year from the date of filing the appeal. If by next year the Board falls short of this one-year standard, I believe we should consider suspension of pay for Board employees who have not acted within one year of an appeal being assigned to them.

Mr. SPECTER. I certainly agree that the Benefits Review Board should take all steps necessary to ensure that all appeals are acted upon within one year from the date of filing the appeal.

ANTI-GOVERNMENT CRIMINAL ACTIVITY FUNDING

Mr. BAUCUS. Mr. President, along with my distinguished colleague, Senator BURNS, I wish to bring to the Senate's attention a serious law enforcement problem facing too many Montana communities.

We both received a letter from Ron Efta from Wibaux, MT. Mr. Efta is president of the Montana County Attorneys Association. The association points to a serious problem with a lack of prosecution resources necessary to deal with cases caused by anti-government criminal activity in our State. The increased demands that these prosecutions create for local prosecutors and law enforcement is well documented in court and law enforcement records and by a letter I received from Montana Attorney General Joe Mazurek.

Fortunately, part of the legislation before us today can help our local law enforcement and Attorney General Mazurek keep pace with these demands. As page 40 of the Committee Report states, the Edward Byrne Memorial State Law Enforcement Assistance Program includes $50 million in funding for discretionary grants to "public and private agencies and nonprofit organizations for educational and training programs, technical assistance, improvement of state criminal justice systems, and demonstration projects of a multijurisdictional nature." I believe a modest investment of these funds, approximately $100,000, should be allocated to the Office of County Prosecution Services of the Attorney General of Montana. And I respectfully ask the support of the distinguished managers of this bill in making this request of the Justice Department.

Mr. BURNS. I share the concern of my colleague from Montana. This is a serious problem for our Montana law enforcement. I believe it is essential that a portion of the Byrne funds be allocated for this purpose. And I join Senator BAUCUS in making this request of the distinguished managers of the bill.

Mr. GRAMM. I thank the Senators from Montana for bringing this concern to the committee's attention. And I will encourage the Attorney General to award this grant if the need exists.

Mr. HOLLINGS. I thank the Senators. I recognize the seriousness of this situation. And I will encourage the Attorney General to award this grant.

FUNDING EARMARKS FOR DARE AMERICA

Mr. HATCH. I share the concerns of other Senators, including Senators D'AMATO and BIDEN, regarding the DARE program. DARE is a well-managed law enforcement program that is run by DARE America. DARE is very popular with citizens and police officers across the country. Salt Lake City police chief Ruben Ortega says DARE officers "may be the most visible symbol of drug prevention in our community."

The DARE program uses police officers to teach students how to resist pressure to experiment with drugs and alcohol. DARE is taught in 60 percent of America's schools, and involves over 20,000 police officers in all 50 States. Unlike some prevention programs, DARE is truly a grassroots program. Most of its assistance comes in the form of in-kind contributions of personnel and supplies. Less than 1 percent of DARE's budget is direct federal money [$1.85 million out of $257 million in fiscal year 1995]. DARE needs that direct support, however, to run its five regional training centers.

DARE has been around for years, but recent headlines make the need for it especially clear. Tuesday we learned that drug use among young people has almost doubled in the past 2 years. According to former HEW Secretary Joseph Califano, more young people know that cigarettes are harmful than think marijuana is harmful. That kind of alarming statistic argues for renewed diligence in this area.

Mr. GRAMM. I also support the DARE program. One reason why prevention programs are so important is that young people are under so much pressure to use drugs. The July 18 New York Times reported that drugs are the greatest problem facing adolescents, "far outranking crime, social pressure, grades or sex," according to a survey released by the Center on Addiction and Substance Abuse at Columbia University.

In fiscal year 1995, the DARE America program received an earmark of $1.75 million out of funds administered by the Bureau of Justice assistance for State and local law enforcement assistance. It is my intention that in fiscal year 1996, the same amount of money, $1.75 million, be available for the DARE program.

Mr. HATCH. That is an appropriate amount, in my judgment. The DARE program will also be eligible, I believe, to receive block grant funding under provisions of the Neighborhood Safety Act. I want to take this opportunity to acknowledge and thank my colleague from Texas for his efforts and leadership on this issue, and for his support for law enforcement as well.

Mr. D'AMATO. I would also like to encourage funding for the DARE program for fiscal year 1996. Drug use is rising among our Nation's youth, not declining as it should be. We have a responsibility to our children to prepare them for the devastation that results from drug habits. If DARE provides our children with such basic skills, it should be continued. It seems to me that having uniformed police officers speak directly to school children could only have beneficial effects.

NATIONAL WEATHER SERVICE

Mr. NICKLES. Mr. President, during the conference with the House, it is my desire that the senior Senator from Texas will defer to the House level on funding for the National Weather Service.

As my colleague is aware, the National Weather Service has been undergoing a complete modernization and restructuring to prepare it to give even better service as the Nation enters the next century. With two-thirds of this modernization complete, it is not time to begin the restructuring—realigning people and consolidating offices to gain the efficiencies and cost savings that modernization promises.

An especially important step in the restructuring will come in fiscal year 1996—the activation of the National Centers for Environmental Prediction. Using the latest in communications and the best weather science, these centers will streamline the way the National Weather Service produces and disseminates forecasts. A good example is the new Storm Prediction Center now being organized in Norman, OK. This will provide detailed guidance and coordination to the Weather Service's new offices around the country on all severe weather except hurricanes.

I believe the proper course is to fund the National Weather Service and its supporting laboratories at the level authorized by the House of Representatives which will allow modernization to continue and restructuring to proceed as planned. Is it the Senator's intention to work toward the end during conference?

Mr. GRAMM. I certainly understand the concern of the Senator from Oklahoma. I strongly support the efforts to modernize and streamline the National Weather Service.

During the conference with the House, it is my intention to support a level of funding that will facilitate this ongoing modernization and streamlining effort at the NWS, including the Storm Prediction Center in Oklahoma.

ON NOAA COASTAL ZONE MANAGEMENT FUND

Mr. HOLLINGS. Mr. President, I would like to engage in a colloquy with the Senator from Texas regarding use of the coastal zone management fund in H.R. 2076. The committee report on page 67 describes using $4,300,000 from this fund to administer the National Estuarine Research Reserve Programs, similar to a House proposal. Because of the need to leave at least $4,000,000 to administer the Coastal Zone Management Act [CZMA], I understood that the committee intended to designate $3,300,000 for national research reserve administration, and $4,000,000 for CZMA administration.

Mr. GRAMM. The Senator is correct. It is the intention of the committee that $4,000,000 be designated in order to fund administration of the CZMA Program, $3,300,000 be used to administer the National Estuarine Research Reserve Program, and $500,000 is left for State program development grants out of the total amount of $7,800,000 in the coastal zone management fund.

RELOCATION OF NATIONAL MARINE FISHERIES SERVICE

Mrs. BOXER. I thank the Chairman of the Appropriations Committee for entering into this colloquy with me regarding the relocation of the National Oceanic and Atmospheric Administration's (NOAA) National Marine Fisheries Service (NMFS) Laboratory from Tiburon, California to Santa Cruz, California. The purpose of this colloquy is to ensure that this important project be supported in conference.

I cannot overstate the importance of this project to California and to the marine science community in the Monterey Bay area. The Tiburon research group consists of a core of world class fishery scientists. Relocating the group to the Santa Cruz campus offers the opportunity to establish the University of California system's first PhD level fisheries curriculum. Bringing Tiburon scientists to the Monterey Bay area offers the almost unlimited potential of Federal, State, and private sector collaborative research, a potential that is not even conceivable in most other places in the U.S. or in the world.

Within the NMFS, the relocation of the Tiburon research group remains a top priority. NMFS views the project not as a replacement but as a consolidation initiative consistent with the recent Congressional guidance calling for a NOAA consolidation study. NMFS desperately needs a state-of-the-art research facility in the central California area to maintain and enhance its research activities along the central coast and in the San Francisco Bay area. If Tiburon were to be closed and staff assigned to other NOAA facilities, NMFS would have no research facility between La Jolla, California and Newport, Oregon, a distance of over 1000 miles and an area of critical marine resource problems.

NOAA and the Department of Commerce (DOC) also consider the relocation of the Tiburon research group to Santa Cruz a top priority. Last fall the DOC Deputy Secretary David Barram publicly announced the plan to relocate Tiburon to Santa Cruz. NOAA followed up by setting aside virtually all discretionary funding in the FY 1995 NOAA Construction Account (approximately $10.1 million) for the Tiburon relocation project. When rescission of these funds was proposed, I did not object because it is my understanding that the rescission would not impact, or delay, the project in FY 1995 since sufficient funds would remain to carry out all planned FY 1995 activities, and there was an agreement that the rescinded construction funds would be restored in the FY 1996 appropriations process.

It is critically important to get additional funds for land acquisition and construction in FY 1996. The best current estimates indicate that $10 million is required in FY 1996 for land acquisition and to enable construction to go forward. Even in this budget cutting climate, I believe an investment of $10 million in FY 1996 for a modern, consolidated research facility that ensures wise and sustainable use of California's valuable fishery resources is well justified.

Given that it has not been possible to provide for the full $10 million in FY 1996, I would like to thank the Senator for agreeing to assist me in securing a placeholder amount of dollars in Conference, to the NMFS Construction account in FY 1996, and for agreeing to the extent possible that these dollars will not impact NOAA's budget. I would also like to thank the Senator for agreeing to make every effort to add report language in Conference giving the go-ahead on expenditure of the appropriated Architecture and Engineering funds.

Mr. HATFIELD. We will make every effort to see that this is done in conference.

Mrs. BOXER. I thank the Chairman very much for his help on this important issue.

AMERICAN INSTITUTE OF INDIAN STUDIES

Mr. MOYNIHAN. I rise to stress the importance of continued active participation in the American Institute of Indian Studies (AIIS). AIIS is the preeminent organization funding U.S. scholarship in India. This program operates in conjunction with the Council of American Overseas Research Centers, and is affiliated with Universities across the country.

Is the distinguished Senator from South Carolina aware of the participation of researchers from the University of South Carolina in AIIS?

Mr. HOLLINGS. I thank the Senator for raising this issue and for noting the participation of the University of South Carolina in the program.

Mr. MOYNIHAN. I say to my two colleagues that in 1974 President Nixon asked me to go to New Delhi as Ambassador in his second. At that time relations between our two nations were somewhat strained. The two largest democracies in the world should not have strained relations, but we have experienced such periods in the half-century since independence. One thing that I have noticed as a longtime follower of U.S.-India relations has been that when official contacts between our countries cool, citizen to citizen contacts have successfully carried the weight of the relationship. I would say to my two friends that AIIS is an organization which has played such a role in our relations with India.

Mr. HOLLINGS. I do not disagree that well run exchange programs can help improve relations between our countries.

Mr. MOYNIHAN. I am concerned that the level of funding in the bill for international educational exchanges will seriously impinge on the ability of AIIS to adequately fill the research demands of U.S. scholars in India. I would therefore seek assurance from the Chairman and Ranking Member of the Subcommittee that the statement of managers for the Conference Report of this Bill contain mention of the merits of AIIS and the importance of continued funding for the organization.

Mr. GRAMM. I understand the concerns of the Senator from New York and I will seek to address them in the Conference Report.

Mr. HOLLINGS. The Senator raises an important point and I will be sure that his views are raised at the conference.

Mr. Moynihan. I thank my colleagues for their assistance.

INTERNATIONAL TRADE ADMINISTRATION AND BUREAU OF EXPORT ADMINISTRATION

Mr. HOLLINGS. Mr. President, I would like to comment on the importance of the amendment offered yesterday by the Senator from Oregon, Senator HATFIELD, and myself in terms of its impact on the trade related functions of the Department of Commerce.

Mr. President, over the past few years, Members of the Congress have been deeply divided on certain trade issues such as NAFTA, GATT, and Fast Track. However, almost all the members of Congress agree that there are certain fundamental jobs that the Federal Government must perform to facilitate international trade and to ensure that U.S. companies are competitive in the global marketplace.

We must enforce our trade laws so that U.S. jobs are not lost to foreign competitors who are subsidized by their governments, or who engage in predatory practices.

We must monitor and enforce our trade agreements with other countries.

We must produce detailed industrial sector analysis so that both businesses and the government can make sound policy decisions.

The International Trade Administration within the Department of Commerce is the nerve center of all these activities.

The Committee reported bill gutted our International Trade Administration. It cut the agency $46.5 million below the fiscal year 1995 level and below the level set by the Contract for America House. The Committee report provided no details on how such a large reduction would actually be apportioned within ITA. What Senator HATFIELD and I and others did yesterday was to bring the ITA back to a freeze. This was a bipartisan amendment. And, I should note, support for ITA has always been bipartisan.

Mr. President, the ITA is made up of four separate agencies:

First: the United States Foreign and Commercial Service.

The Foreign Commercial Service officers are our advocates overseas. They operate offices in 69 countries and they have a network of 73 offices across America. Overseas, they serve directly under our Ambassadors. Our Foreign Commercial Officers are the folks who hustle to ensure that U.S. firms get fair treatment while competing for foreign contracts, and who help small- to medium-sized U.S. companies work through the maze of foreign regulations and other barriers. They enable U.S. businesses to gain access to their worldwide network overseas, and they provide information to business owners concerning various foreign markets. During the past few years, these centers have been collocated with personnel from the Small Business Administration and the Export Import Bank.

Second; trade development.

The Trade Development section of ITA provides analysis and information on industry sectors. It monitors, analyzes, and provides information on hundreds of industries, from the most basic to the emerging high-technology industries. This expertise, which is found nowhere else, inside or outside the Federal Government—is essential to getting U.S. goods and services into foreign markets. The expertise at Trade Development is also critical to the negotiation and enforcement of international trade agreements.

Third; the International Economic Policy Office.

The International Economic Policy office is responsible for trade policy development and trade negotiations. IEP operates regional and country desks. It monitors foreign compliance with bilateral and multilateral trade agreements and intellectual property rights.

Fourth; the Import Administration.

The Import Administration is responsible for carrying out U.S. anti-dumping and countervailing duty laws to provide remedies for U.S. businesses injured by unfair competition. The Import Administration also participates in negotiations to promote fair trade in specific sectors such as steel, aircraft, and shipbuilding.

Mr. President, in 1995, the United States will post a record trade deficit. And since March, the U.S. has lost 188,000 manufacturing jobs. The proposed a $46.5 million cut to the ITA would only add to the deterioration in our balance of trade and the loss of good jobs.

Virtually every industrial nation of the world provides support for exports. To compete, America must do the same. Recognizing this, we have been trying to beef up export promotion, first with the support of President Bush and now with the support of President Clinton. Why? Because at the levels we are now spending, we are way behind the Japanese, Germans, French, and British. We spend less and have less people advancing and advocating U.S. exports than do any of these other competitors.

ITA's export promotion programs return $10.40 to the Treasury for every dollar invested in export promotion. And over the past 2 years, ITA, through its new Advocacy Center, has been cranked up as never before and has helped American companies sell over $24 billion in American goods and services. Through its Big Emerging Markets initiative, ITA has worked hand in hand with the private sector in accessing new markets. And through its toll-free number (1-800-USA-TRADE), ITA has responded to about 60,000 calls per year for export assistance—90-percent from small businesses.

The committee reported bill would have seriously hindered our efforts to promote U.S. exports. The Foreign Commercial Service would have been forced to close offices in States with lower volume of exports, such as Alabama, Alaska, Arizona, Arkansas, Hawaii, Idaho, Iowa, Kansas, Kentucky, Maine, Mississippi, Nebraska, Nevada, New Hampshire, New Mexico, Oklahoma, Rhode Island, South Dakota, South Carolina, Utah, Vermont, and West Virginia.

If we had allowed the cut to stand, we would have rolled back the progress that we have made overseas in the last few years. Namely, we would have had to close our new offices in Eastern Europe and in the New Independent States that formerly made up the Soviet Union. The Big Emerging Markets initiative would have been terminated, surrendering growing markets to the French and Japanese in such markets as China, Vietnam, Argentina, and India. I say to my colleagues, go to these countries and look at what our competitors are doing.

In the area of trade negotiations, the proposed reduction would have debilitated our trade negotiators. ITA, and principally its Trade Development Office, serves as staff to the U.S. Trade Representative, and often the ITA itself takes the lead in trade talks. We cannot cut off this critical support at the very time that multilateral and bilateral trade issues with Japan, Europe, Asia, and the Western Hemisphere require increased attention. Absent the Hatfield-Hollings amendment, analytical support and marketing assistance from industry specialists would have been reduced by at least 25 percent under the committee-reported mark, and desk coverage of some thirty countries would have ceased.

Cutting ITA would also cripple our ability to monitor and enforce existing trade agreements. For example, the ITA is the lead agency in monitoring the recently completed United States-Japan auto parts agreement and the medical technology agreement with Japan.

Finally, and of greatest concern to me, is the Import Administration's ability to fulfill statutory obligations. We must not undermines the effectiveness of U.S. antidumping and countervailing duty laws. We must provide ITA with adequate resources to verify foreign producer data, which is so essential to determining whether dumping or foreign subsidies exist. Scaling back the Import Administration only means that foreign producers will find it easier to evade import orders, leading directly to a loss of U.S. jobs.

Mr. President, the amendment passed last night also provides $8.1 million to the Bureau of Export Administration, or BXA, to restore that agency back to a freeze and to the House-passed level. BXA performs the essential task of processing export license applications and enforcing our Nation's export control laws. BXA, in essence, is the cop on the international beat who keeps critical technologies out of the hands of bad actors. As one BXA official noted, "If you wake up and the bomb hasn't been detonated, we've done our job."

The 21-percent cut to BXA in the committee-reported bill would have thrown the brakes on BXA's timely and efficient operation of its mission. Such a large cut would endanger our national security by gutting enforcement and hurt U.S. exporters by slowing down the licensing process.

Specifically, BXA's capacity to investigate national security and nonproliferation cases would have been cut in half, down from 1,600 cases per year to 800 cases. The cut would also have forced BXA to close five of its regional enforcement offices, including those in northern California, the Northwest, the upper Midwest, and the middle Atlantic regions. In addition, BXA would not have had the resources necessary to fully monitor antiboycott regulations such as the regulations to prevent United States companies from cooperating with the Arab League boycott of Israel.

Unnecessary delays in export licensing means that U.S. businesses lose out on sales to foreign competitors. Members of Congress should remember that BXA already took a hefty budget cut in the 1990's, shrinking from over 500 employees down to its current level of 321. BXA has to walk the fine line between promoting U.S. exports and keeping critical technologies out of the hands of madmen. Any further cuts would jeopardize our national security and would lead to unnecessary loss of U.S. jobs.

Mr. President, during debate on the future of the Commerce Department, U.S. businesses have unanimously supported the trade functions performed by the Department. While some business groups favor the establishment of a new international trade agency, they have made clear that the new agency should continue the jobs done now by ITA and BXA.

While their views differ on where the trade functions should be housed, the following business organizations are among those who have expressed strong support for the trade-related activities of the Commerce Department: the U.S. Chamber of Commerce, the National Association of Manufacturers, the American Electronics Association, the Electronics Industries Association, the Aerospace Industries Association, the American Automobile Manufacturers Association, the Recording Industry Association of America, the Semiconductor Industry Association, and the Automotive Parts and Accessories Association.

In this era of economic competition, the Commerce Department is the arsenal of business. As long as Americans engage in world commerce, we need a Department of Commerce to help level the playing field for these American industries and workers, to give them a fair chance to compete in a world dominated by large foreign companies backed by the full resources of their governments. The Senate made a wise decision last night in restoring the funds to the International Trade Administration and the Bureau of Export Administration.

INTERNATIONAL TRADE ASSOCIATION

Mr. THURMOND. I would like to ask the distinguished sponsor of this amendment, Senator HOLLINGS from South Carolina, if he would yield for a question.

Mr. HOLLINGS. I yield to the distinguished Senator from South Carolina.

Mr. THURMOND. The amendment offered last night by the Senator from Oregon and the Senator from South Carolina restores funding for a very important part of the Department of Commerce, the International Trade Administration. The International Trade Administration houses many critical programs that are vital to U.S. companies in the field of global trade and competitiveness. Some of the programs that are of greatest concern to me at the International Trade Administration are those administered by the Office of Textiles & Apparel, including the Textile Clothing Technology Corporation program, known as (TC)2 and the National Textile Center. Am I correct in stating that one of the intentions of this amendment is to ensure that all the existing functions at the Office of Textiles & Apparel, including the operation of the Committee for the Implementation of Textile Agreements, as well as (TC)2 and the National Textile Center, will continue to be funded in fiscal year 1996 at current year levels?

Mr. HOLLINGS. I appreciate the inquiry regarding the textile programs from my colleague from South Carolina. I concur that those programs are critical to the stability and competitiveness of the nearly 2 million U.S. textile and apparel workers nationwide, and I agree that one of the purposes of this amendment is to continue funding the Office of Textiles and Apparel and its specific research programs at the current levels. From their inception, I have supported these programs, which are excellent examples of public-private partnerships which have resulted in tangible improvements in technology for the U.S. textile and apparel industries.

Mr. THURMOND. I thank my distinguished colleague from South Carolina.

CLARIFICATION OF SENATE REPORT LANGUAGE

Mr. DOMENICI. Mr. President, I would like to clarify an issue in this legislation regarding an apparent inconsistency contained in the report accompanying this bill. The bill contains significant reductions in the Account for International Organizations within the Department of State. The administration requested over $923 million for the next fiscal year for the ICE account; this bill reduces that account to $550 million. When the report was filed, language was included that identified eight international organizations to be zeroed out in the next fiscal year. The report specifically references that this action is consistent with S. 908, the Foreign Affairs Revitalization Act of 1995, as reported out of the Foreign Relations Committee. However, one of the eight organizations listed—the International Copper Study Group—was actually not part of S. 908. The other seven organizations were.

The International Copper Study Group has brought representatives of the copper-producing countries together to develop statistical information to better understand the international copper market. In the process, the former eastern block countries are being brought into the mainstream, providing the international community with a much greater understanding of a region that is a major participant in the world copper market. I sponsored the legislation that created the Copper Study Group and know that this information is vital. Last year, the funding of the Group was a mere $65,000. That seems like a small investment for the development, in a cooperative fashion, of such vital information.

Mr. President, I hope that the conferees on the bill will review and correct the matter of the listing of the International Copper Study Group in the report because it is not addressed in S. 908 as the committee report would indicate.

AMENDMENT NO. 2814

Mr. WELLSTONE. Mr. President, I would like to clarify a matter regarding the Hatfield amendment number 2814 that passed by voice vote. The amendment contained a total of $30,000,000 in additional funds for the Small Business Administration. Am I correct in my understanding that this amount includes approximately $15 million for the administration of business loan programs, $1 million for direct loans in the Microloan Program, and nearly $14 million for salaries and expenses.

Mr. HATFIELD. The Senator is correct, that was the effect and the intention of my amendment.

Mr. WELLSTONE. I thank the Senator, and I further note that, with the increased funding in the bill for salaries and expenses, a more adequate amount should be available for Microloan Technical Assistance grants that was envisioned when the committee wrote its report, and that the amount should be increased commensurate with the new funding in the bill for salaries and expenses to ensure that the crucial technical assistance portion of the Microloan program is adequately funded. I note that every hearing we have conducted in the Small Business Committee concerning the Microloan program has emphasized the importance of technical assistance.

Mr. BUMPERS. As ranking minority member of the Small Business Committee, I join with the Senator from Minnesota in support of the crucial importance of the Microloan Program and the technical assistance portion of that program. I think the chairman for his clarification.

Mr. BOND. Mr. President, as chairman of the Committee on Small Business, I would like to confirm our understanding that the additional funding made available to SBA is intended to reduce the impact of SBA's cost of funding staff reductions and terminations contemplated under the committee amendment. A sufficient amount of the additional funding under the Hatfield amendment should be used by SBA to pay these termination costs so the agency can get to a level of FTE's likely to be sustainable next year and thereafter with the further appropriations reductions expected as we move towards a balanced budget. I do not object to the SBA having reasonable managerial discretion on certain items and programs, including those mentioned by my colleagues. But it is our clear intention, is it not, Senator HATFIELD, that funding of these first year termination costs should be taken care of as a priority item for SBA, along with assuring adequate loan administration funding for the volume of the loan programs?

Mr. HATFIELD. The Senator is correct, that was the effect and the intention of my amendment.

Mr. BOND. I thank the Senator, and I appreciate the work of the chairman in recognizing the importance of small business and entrepreneurship in our country, while responding to the wishes of many Americans, including small business owners, that we make the tough decisions required to balance the budget.

AMENDMENT NO. 2815

Mr. GRASSLEY. I want to thank the distinguished Senator from Texas for taking such strong leadership and making tough choices to help balance the budget and streamline government. But I would like to clarify an important point regarding the authority of the judiciary to expend funds to conduct so-called gender and racial bias studies under H.R. 2076. Although the Judiciary requested a specific line item in the appropriations legislation for the coming fiscal year to support such studies, no such line item has been included in H.R. 2076. Furthermore, in the chairman's mark, approximately $700,000 was removed from the Crime

Trust Fund from which the race-gender bias studies could be conducted. Am I correct that these actions indicate an intent on the part of the Appropriations Committee not to fund race-gender bias studies?

Mr. GRAMM. I appreciate those kind words. I would only say that the Senator's interpretation of these removals is correct. It was the intent of the committee to clearly indicate that no funds have been appropriated for race-gender bias studies.

Mr. HATCH. I concur in Senator GRASSLEY's analysis of the actions taken by the Appropriations Committee regarding race and gender bias studies. I rise to add that these studies have been ill-conceived, deeply flawed and divisive. In my view, they threaten the independence of the Federal judiciary. In the D.C. Circuit, for instance, the gender bias study was so controversial, and so poorly carried out, that a majority of judges on the D.C. Circuit have formally disavowed the study. Professor Stephen Thernstrom of Harvard University has investigated these studies and found them to be methodologically biased and flawed. There are to be no funds expended on these studies in the future.

Mr. GRASSLEY. I thank the Senator for clarifying this matter. As Chairman of the Subcommittee on Administrative Oversight and the Courts, I believe that the choices you have made clearly indicate that no bias studies can be supported by Federal funds. I would also like to thank the distinguished Chairman of the Judiciary Committee for his cogent observations on the nature of the race-gender bias studies.

AMENDMENT NO. 2816

Mr. BROWN. I want to congratulate Senator McCAIN for pursuing the laudable goal of maximizing revenues for the Treasury. I asked for this modification to ensure that Senator McCAIN's objective is achieved without undue interference with or micro-management of pending Federal Communications Commission proceedings.

The FCC is currently considering an appeal from a decision of its international bureau which denies the request for an extension of the DBS permit held by Advanced Communications Corp. Before the full commission is a proposal which would grant an extension of the permit, subject to the condition that it be assigned to TEMPO DBS, Inc., for use by PRIMESTAR Partners, L.P., which would provide the first competitive high power DBS service.

In addition, the proposed FCC decision would require TEMPO to relinquish its permits for 11 channels at 119°W, 11 channels at 168°W, and 24 channels at 148°W. The decision would also require TEMPO to pay an amount to the Treasury for the 27 channels equal to their fair auction value. Since the FCC compromise could result in payment for 73 channels, in contrast to the 27 channels affected by the McCain Amendment, the FCC approach has the potential to yield greater revenues for the Treasury.

The term "adjudication," which is inherently broad in the regulatory context, is used to encompass the current proceedings at the Federal Communications Commission.

AMENDMENT NO. 2842

Mr. McCAIN. Mr. President, I voted in favor of the amendment offered by the Senator from New Hampshire, Senator GREGG, but I had reservations about doing so. I have long been troubled by the frequent encroachment of the Congress on the President's authority as Commander in Chief. Had this amendment the force of law I would have opposed it without hesitation.

I also share the concerns of some Senators that the amendment might have an adverse affect on the current negotiations to conclude a peace agreement in Bosnia. I am not as certain as others that this peace agreement, as the probable outlines of that agreement have been explained to me, will achieve a stable resolution of the conflict. However, I think Congress should be reluctant to intrude itself in these difficult negotiations. Let us reserve our judgment until we see what the final product looks like.

Nevertheless, it is clear that this sense of the Senate amendment does not bind the administration to take any action, and should not, therefore, influence the deliberations of any party involved in the peace negotiations.

I should add that my reservations about the amendment are not nearly as serious or as troubling as my reservations about deploying American troops to Bosnia. While I am not prepared to say that the President is obliged to seek congressional authorization for deploying American troops to Bosnia, it would be a profoundly unwise course for him to take without such authorization.

The American people are about to be asked to send as many as 25,000 of their sons and daughters to a very dangerous place. Some of them will not return. That is a sad, but certain fact, Mr. President. The President should want the advice and the support of Congress before he undertakes an initiative as fraught with danger for American troops, for the Atlantic alliance and for is presidency as is his anticipated deployment of American troops in Bosnia.

I cannot tell the President he must seek our support, but I can tell him—in the strongest possible terms—that he should. And when and if he does seek our support he will have some very grave questions to answer. And unless those questions—which will be elaborated in detail in the coming weeks—can be answered fully, and to the satisfaction of a majority of the U.S. Congress and the American people, he should not send a single soldier to Bosnia.

Mr. SARBANES. Mr. President, I rise in strong opposition to the Commerce, Justice, and State Department appropriations bill before the Senate today. This measure eliminates or cuts many programs which help to preserve our natural resource base, promote economic and business development, invest in research and development and protect American consumers. In my view, it fails to provide the resources necessary to meet our National priorities and to enable federal agencies to fulfill their important missions. I want to point out just a few examples where the measure is particularly inadequate, unfair and unbalanced.

First, the bill cuts the Economic Development Administration by $310 million—or 75 percent—below the current funding level and 71 percent below the level recommended by the House. The proposed appropriation would cripple EDA's ability to continue helping communities in Maryland and other States throughout the Nation adjust to severe jobs losses and economic dislocations such as the recent round of base closures, build public facilities essential to commercial and industrial growth, and plan and implement comprehensive economic development programs. In Maryland alone, the agency has pumped $151 million into the economy over the past 30 years, creating thousands of jobs, stimulating local growth and generating revenues from the eastern shore to Western Maryland. Moreover, it is estimated that each EDA dollar invested has generated more than $3 in outside investment. The cuts contained in this bill will deprive our communities and business of this investment potential, and in the long run will exact a painful cost in lost growth and opportunity.

Second, the bill cuts the budget of the National Institute of Standards and Technology [NIST] by $377 million—or more than 50 percent—below current funding levels, and $80.8 million below the level recommended by the House. It drastically reduces—by over 80 percent—NIST's industrial technology services which help develop and commercialize high risk technologies. It also rescinds $153 million in funding appropriated in previous years for the comprehensive, multi-year effort to modernize NIST's laboratory facilities in Gaithersburg and Boulder, CO. These cuts would essentially eliminate all currently planned and future upgrades and construction for NIST laboratory facilities and severely impact upon the agency's ability to perform its important mission. Reports issued by the General Accounting Office, the National Research Council and others over the past five years have identified an urgent need for repairs and upgrades of NIST's 35 year old lab facilities to meet the measurements and standards requirements of the 21st century. John W. Lyons, the former Director of NIST, perhaps said it best in an April 28, 1992, letter to the Washington Post, laboratory facilities are the infrastructure—the roads and bridges—of science and technology. Funding for science without funding for facilities is a losing game.

Third, while the measure is a vast improvement over the House-recommended funding levels for NOAA, it still cuts the agency's funding by $230 million below the administration's budget request and some $45 million below current levels. It does not provide the resources necessary to meet all the statutory requirements of the Marine Mammal Act or for living marine resources research and protection programs. It cuts NOAA's Chesapeake Bay Program by $390,000 and provides no funding for oyster disease research in Chesapeake Bay—programs which are essential to the efforts to restore the vitality of the Bay.

Mr. President, it is my intention to vote against this bill and I hope my colleagues will join in rejecting this measure and sending it back to committee for substantial rewriting and reordering of priorities.

POST-CONVICTION DEFENDER ORGANIZATIONS

Mr. FEINGOLD. Mr. President, I am deeply concerned about and oppose elimination of the Post-Conviction Defender Organizations.

This debate is not, as some would have you believe, about the death penalty. It is about common sense and fiscal responsibility.

The benefits of eliminating these centers are allegedly two-fold; one, it will save taxpayers $20 million and two, it will sped up executions by eliminating lawyers who, under the guise of providing effective counsel to men sentenced to death, allegedly work only to delay executions.

While these arguments may, on the surface, be appealing to some, they are both inherently flawed. Elimination of these centers will do nothing to expedite the rate of executions in this Nation, nor will the American taxpayers save any money whatsoever.

In fact, the costs of providing these services will increase if these centers are eliminated.

Chief Judge Richard Arnold, of the U.S. Court of Appeals for the Eighth Circuit and chair of the budget committee of the U.S. Judicial Conference has testified before Congress that these centers are the most economical method of providing these essential services.

The attorneys who presently work in the 20 post-conviction defender centers across this Nation do so at substantially less pay per hour than their counterparts in private practice will require to take their place.

Resource center attorneys receive $55 an hour while court-appointed lawyers receive an average hourly rate of $138 an hour. Therefore, private attorneys will increase the costs of these services even if they work exactly the same amount of hours as the current resource center attorneys. However, this is highly unlikely.

The complexity of these cases requires highly specialized skills which, frankly, you will not find in an attorney who does not devote their full-time practice to this area of the law.

Therefore, not only will we be paying private lawyers more per hour, they will have to work additional hours just to get up to the speed of the attorneys who will be displaced when the centers are eliminated.

GAO has reported that the cost of representing men on death row was nearly $20,000 more when a private attorney was used as opposed to a lawyer from the resource centers.

We will be paying private attorneys at a higher rate to work longer hours. This is hardly the formula for saving taxpayer dollars.

Furthermore, under the present system, private attorneys are often assisted by resource center lawyers in preparation for handling these complex cases.

The ability to attract private attorneys to handle these cases cannot conceivably be enhanced by removing the support these resource center lawyers offer.

In short Mr. President, the alleged savings of roughly $20 million will quickly be consumed by the increased cost of attaining private representation.

Furthermore, the argument that eliminating these centers will expedite the imposition of the death penalty is equally without merit.

Our system of justice calls for representation of those sentenced to death. In the absence of this representation, the system is delayed—it does not move ahead.

As was reported recently in the National Law Journal, these centers:

> Came about precisely because delays in finding lawyers for post-conviction appeals delayed executions. Cases could not proceed unless the condemned had representation.

The simple fact of the matter is that it will not be possible to find enough attorneys to handle the post-conviction caseload particularly when one considers the fact that the caseload will increase in coming years rather than decrease. In fact, since these centers were created in 1988, 900 men have been placed on death row.

To suggest that the private sector can fill the void resource center attorneys will leave overlooks the practical realities of what this litigation involves.

Eliminating these centers will not expedite the appeals process nor will it expedite imposition of the death penalty.

Although critics may argue that these resource centers slow the process, the simple fact is that the delays will be worse if these centers are eliminated.

Furthermore, there is also a larger issue. The credibility of our system of criminal justice is imperilled when we apply the sanction of death but at the same time fail to provide adequate representation to those condemned.

Regardless of our respective views on the appropriateness or effectiveness of the death penalty, we should all be offended by even the possibility that death would be administered in anything less than a fair and equitable manner.

Many of the so-called habeas corpus reforms which were pushed through this body earlier this year are predicated upon the presence of competent counsel.

The attorneys who work at the post conviction resource centers embody the competence that our system of justice requires.

The post conviction resource centers provide a vital service and they do so at the most efficient level.

If my colleagues look closely at the practical effects the committee language will have, not only on the efficient administration of justice, but also on the costs that taxpayers will incur, they will see that this effort will not achieve either of its stated goals.

The committee language is ill-conceived and misguided. It will attain neither of its stated goals. We should not eliminate these centers based on a specious premise.

Acting attorney general of Pennsylvania, Walter Cohen recently stated that if these centers are eliminated it will:

> * * * Take away the capability of the system to provide adequate counsel to death row defendants * * * You're not going to have the death penalty carried out. This is one of those cases where Members of Congress can talk tough but end up with a very weak result.

Mr. President, we should avoid such a result, and retain the post-conviction defender organizations.

Mr. KOHL. Mr. President, if anyone wonders why people do not trust Congress, an answer lies in what we have done with the crime issue. What Congress is doing, Mr. President, is worse than nothing. Congress is, in fact, breaking a public promise to the American people.

One year ago last week, the President signed into law a tough, balanced, bipartisan crime bill after years of political infighting. That bill devoted 80 percent of its resources to punishment and 20 percent to prevention, and it reflected a mainstream consensus.

Democrats and Republicans agreed that we need to put more police officers on America's streets.

Democrats and Republicans agreed that we need to build more prisons to house violent criminals.

Democrats and Republicans agreed on the importance of prevention efforts targeted toward at-risk youth.

And Democrats and Republicans agreed that all of this would be financed from a trust fund that dedicated money saved through reductions in Federal personnel.

In just 1 year after that public agreement, the COPS Program has funded more than 25,000 police officers who go after crime where it happens—on our streets. More than 200 communities in Wisconsin alone have received funding and the COPS Program has enjoyed overwhelming bipartisan support among law enforcement in my home State.

But do not take my word for it, Mr. President, ask the police chiefs and sheriff's—mostly Republican—who apply for these grants. My office surveyed these front-line people, and found that 85 percent of Wisconsin law enforcement officers support last year's crime bill. Moreover, almost 80 percent specifically support maintaining the current COPS Program, and oppose turning it into a block grant. This support comes through loud and clear throughout the State. In the words of one Wisconsin police chief:

> This is the first time in my 17 year career that I have seen the Federal Government put together a program that helped small police agencies that did not bury the department in paper work, and had a reasonable turn around period. We have already hired an officer under this program and the results are very noticeable. Our community is glad to have the increased police services and at a cost they can afford.

And this kind of effectiveness has been amazingly inexpensive—less than 1 percent of all COPS funds are spent on administration. How many other organizations—whether public or private—can say that?

And what will happen to this effective and efficient program under the downsized block grant of this appropriations bill? The numbers tell the sad truth:

When State and local matching funds are not spent on cops—but on anything any Governor could arguably label a basic law enforcement function—fewer cops will patrol our streets.

When $200 million is slashed from Federal funding for police officers, fewer cops will patrol our streets.

And when the 14,000 communities that have applied for grants must start over—competing with every imaginable basic law enforcement function—fewer cops will patrol our streets.

Fewer cops on the street—that is not what we promised last year, and it is not what most Americans want. That is why more than three-quarters of the mostly Republican law enforcement officials in my State oppose block granting and want us to preserve the COPS Program.

Mr. President, Americans have every right to feel cheated if this Congress becomes absorbed in Presidential politics and ignores its commitment to safety for the sake of a soundbite. Giving our citizens fewer cops to fight a growing crime problem is not only bad policy—it is also bad politics. Because ultimately our Government depends on the faith of its citizens for support. Reversing ourselves on our commitment to fulfill one of our most basic obligations—to protect the public from crime—only undermines our credibility with the American people. To preserve that credibility, we should all vote in favor of restoring the COPS Program.

Thank you, Mr. President.

Mr. FEINGOLD. Mr. President, I rise today in support of the amendment to restore funding to the Community Policing Program which serves as the cornerstone of the crime law passed last Congress.

Under this program, the Clinton administration has already approved funding to hire and place over 25,000 police officers on American streets. In just over 1 year, they are over a quarter of the way to fulfilling the President's promise of putting 100,000 additional police into cities and towns across this Nation.

It is ironic, and in my estimation, unfortunate, that barely 1 year after President Clinton signed this program into law we are forced to revisit and attempt to preserve a program which the American public, as well as law enforcement across this Nation, strongly support. However, the fact that we must do so, particularly under the guise of an appropriations bill, speaks more clearly about the partisan nature of this debate than it does the merits of community policing.

As has been stated many times previously on this floor, the premise behind community policing is very simple and very sound. When local police agencies increase their physical presence on the streets and in the communities they protect, they not only deter crime, they forge community wide bonds between the police and the citizenry—bonds which will help combat criminal activity.

The Community Policing Program has to date provided funding necessary to place an additional 297 police officers on the streets of cities and towns all across the State of Wisconsin.

The response of Wisconsin law enforcement to this program has not simply come from the large urban centers like Milwaukee, but has also come from rural communities from across the State. In fact, of the 297 additional officers provided to Wisconsin law enforcement a great many, 188 officers, have gone to cities and towns with populations under 50,000.

While the popular misconception may be that crime affects only large inner city neighborhoods, a visit to small towns all across this Nation paints a very different picture. Mr. President, crime does not discriminate based upon population density. It is a problem for everyone in this Nation, regardless of where they live.

The COPS Program recognized the needs of smaller communities and tailored the grant application for communities with populations under 50,000 to one page, so that the limited time and resources of these towns would not be squandered writing grant applications. Doing so is but one example of how the emphasis under this program has, from the very outset, been to get police into communities across this Nation. We should not be too quick to dismiss the value of having a visible law enforcement presence on our streets.

The men and women of law enforcement can and should serve as positive influences, particularly in regard to our young people. The need for this positive voice is even more important than last year at this time, because the legislation we are considering today fails to fund most prevention programs created under the crime bill.

This conscious failure to do so will have, in my opinion, two detrimental effects—one, it will make the job of law enforcement even more difficult than it currently is, and two, it will eliminate many of the positive influences that these prevention programs have on the young people of this Nation.

The failure to fund prevention magnifies the importance of putting the police in the community working to offset the negative influences of drug-dealers and criminals—influences which we all must admit are a day to day part of the lives of many of our young people. To leave these corrupting voices unanswered is a formula for disaster.

As I meet with members of law enforcement from across Wisconsin they repeatedly extol the value and importance of prevention programs—not just in keeping young people out of trouble, but also in making the job of law enforcement easier. The police of this Nation intuitively understand what this legislation chooses to ignore—you cannot fight crime without prevention.

While it is an abdication of our responsibility to defund prevention programs, the failure to do so only serves to heighten the importance of integrating law enforcement into our communities.

However, the bill before us today chooses a different, and in my view ill-conceived, response—a so-called block grant. Unlike the targeted community policing program, the proposal before us does not promise even one additional police officer will be placed on the streets.

The money provided under the block grant may be utilized for any purpose ranging from prosecutors to secretaries to radios. Not one additional police officer is assured under the block grant. There is no guarantee that any of this money will even filter down to the local police department. While prosecutors clearly play an important role in our criminal justice system, and have my support, they cannot help you until you, or your family, have been victimized. The basis of the COPS Program is to attack crime at the source—on the streets. This program does not fund police to answer phones or work at a desk—it funds cops to work the streets.

The Republican proposal we are asked to accept in its place has no focus, no objectives, and apparently no parameters. It simply allocates billions of dollars to be used for any function which is arguably related to fighting crime.

Past history tells us that programs such as are proposed here today will not work. One need look no further than the LEAA, the Law Enforcement Assistance Administration, for evidence of the potential for abuse.

LEAA poured massive amounts of Federal aid into cities and towns to fight crime. These unchecked funds garnered the citizens of this Nation such prudent crime fighting weapons as encyclopedias on law enforcement, tanks, consultants, and land.

I want to be very clear, Mr. President, as I cross the State of Wisconsin and hear from the fine people of my State, I hear about the need for flexibility in fighting crime. I hear about the need for communities to target community specific problems.

I think we should heed the concerns of the people who live with and fight crime everyday across this Nation. But this need for flexibility should not be a pretext for an open-ended, ill-defined block grant offered solely to undermine a successful program administered by a Democratic administration.

If we are truly concerned about flexibility—if we are truly concerned that the needs in places like Woodruff, WI are different than the needs in Milwaukee, we should fund the rural crime component of the crime bill. But this legislation fails to do that. If we are truly concerned, we should fund drug courts and prevention programs. But this legislation also fails to fund those proposals.

The crime law contained many facets which could be used to respond to differing needs. And yet, this legislation fails to fund many of them. Furthermore, it eliminates one of the most successful and popular programs, the COPS Program, despite the fact that response has been overwhelming.

In addition to the 168 Wisconsin jurisdictions which have already received grants, there are over 100 pending applications from Wisconsin communities requesting funding under the COPS Program. These communities have made the conscious decision that they want more police on their streets. If we abandon this program, these communities will be forced to hope that their proportional block grant allocation is sufficient to cover all their law enforcement needs.

Mr. President, the COPS Program is working. Cities and towns have responded and are working with the Federal Government to put more police officers on American streets. They are doing so because they know that it is a far more effective response to try and stop crimes before they occur. And they know that putting police on the streets, working with the community, is the best way to prevent crime and take back our neighborhoods.

The American public cannot be pleased to see that once again this body is debating a policy which took 6 years of partisan wrangling to develop in the first place. The American public wants us to quit talking and start responding to their needs.

The community policing program does just that. Although it might cause some of my colleagues discomfort, the Clinton administration has developed and is implementing a sound anticrime strategy which addresses this Nation's needs from many different perspectives. Although I clearly do not agree with each and every portion of the plan, I do support putting 100,000 additional police on our streets.

The ink is barely dry on the crime law, and today we are asked to repeal most of it. This despite the fact that in only 1 year the COPS Program has provided funding for over 25,000 additional police officers.

Mr. President, the American people support this program. The men and women of law enforcement support this program and so should this body. We should not abandon it for the failed promise of an ill-defined block grant. I urge my colleagues to support putting 100,000 police on the streets of this Nation.

Mr. BIDEN. Mr. President, I rise to point out that the most important change in the Commerce-Justice-State appropriations bill just happened in the most quiet of ways. The Senate has just restored the funding for next year's installment of the 100,000 COPS Program. This important program has already funded 25,891 State and local police officers devoted to community policing. This bill now continues the 100,000 COPS Program.

The program is continued due to the addition of an amendment I offered that eliminated the law enforcement block grant and restored the 100,000 COPS Program. I am gratified that the amendment offered by Senator HOLLINGS and myself has been adopted by the Senate.

Mr. DOMENICI. I rise today in support of the Commerce-Justice-State appropriations bill for fiscal year 1996. The bill is within the subcommittee's 602(b) allocation and is clean of budgetary gimmicks.

The bill provides $26.5 billion in budget authority and $18.7 billion in new outlays for the Departments of Commerce, Justice, State, the Judiciary, and related agencies.

The Senate-reported bill is $1 million below the subcommittee's section 602(b) allocation in budget authority and by $11 million in outlays. It is $4.5 billion in budget authority and $2.8 billion in outlays below the President's request, and is $1.1 billion in budget authority and $739 million in outlays below the House-passed bill.

Under very difficult funding constraints, this is a bill that honestly and straightforwardly sets forth funding priorities, most of which I support, some I may redirect in the form of amendments to this bill.

This bill provides dramatic increases in our front line law enforcement by providing $2.3 billion for State and local law enforcement and $4.6 billion for Federal law enforcement agencies and the border patrol.

Increased flexibility for States in developing their crime fighting strategy is provided through the new State and Local Law Enforcement Assistance Block Grant. A total of $1.7 billion will be provided to States and local governments for the hiring and equipping of law enforcement personnel, updated technology, and crime prevention programs.

As part of the Federal role in ensuring equal justice under law, I have offered an amendment, along with Senator KASSEBAUM and others to retain the Legal Services Corporation as a provider of traditional legal services with a funding level of $340 million for fiscal year 1996, higher than both the Senate-reported and House-passed CJS appropriations bills, and adopting tough new restrictions on its more controversial activities.

I urge my colleagues to support my amendment and adopt this bill.

I ask unanimous consent that a table showing Budget Committee scoring of the bill be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

COMMERCE–JUSTICE SUBCOMMITTEE—SPENDING TOTALS—SENATE-REPORTED BILL

[Fiscal year 1996, dollars in millions]

	Budget authority	Outlays
Defense discretionary:		
Outlays from prior-year BA and other actions completed	....	92
H.R. 2076, as reported to the Senate	124	94
Scorekeeping adjustment	....	....
Subtotal defense discretionary	124	185
Nondefense discretionary:		
Outlays from prior-year BA and other actions completed	....	6,561
H.R. 2076, as reported to the Senate	21,935	16,807

COMMERCE–JUSTICE SUBCOMMITTEE—SPENDING TOTALS—SENATE-REPORTED BILL—Continued

[Fiscal year 1996, dollars in millions]

	Budget authority	Outlays
Scorekeeping adjustment		
Subtotal nondefense discretionary	21,935	23,368
Violent crime reduction trust fund:		
Outlays from prior-year BA and other actions completed		826
H.R. 2076, as reported to the Senate	3,944	1,277
Scorekeeping adjustment		
Subtotal violent crime reduction trust fund	3,944	2,103
Mandatory:		
Outlays from prior-year BA and other actions completed	2	20
H.R. 2076, as reported to the Senate		
Adjustment to conform mandatory programs with Budget Resolution assumptions	530	505
Subtotal mandatory	532	525
Adjusted bill total	26,535	26,182
Senate Subcommittee 602(b) allocation:		
Defense discretionary	124	188
Nondefense discretionary	21,936	23,373
Violent crime reduction trust fund	3,944	2,107
Mandatory	532	525
Total allocation	26,536	26,193
Adjusted bill total compared to Senate Subcommittee 602(b) allocation:		
Defense discretionary		−3
Nondefense discretionary	−1	−5
Violent crime reduction trust fund		−4
Mandatory		
Total allocation	−1	−11

Note: Details may not add to totals due to rounding. Totals adjusted for consistency with current scorekeeping conventions.

SBA MICROLOAN PROGRAM

Mr. WELLSTONE. Mr. President, as a member of the Small Business Committee, I thank the managers and Chairman HATFIELD for improving the Small Business Administration portion of this bill. I would like to talk briefly about the SBA Microloan Program.

The Microloan Program has been a remarkable success in its short existence. It was the first small-business bill I cosponsored when I got to the Senate, and I am very proud to have worked on it with Senator BUMPERS, who authored the legislation, from the beginning. As a member of the Senate Small Business Committee, and in the course of a number of visits with program participants in Minnesota, I have been extremely impressed by the firsthand accounts I have heard. The program is working, and the owners of the very small businesses which are its beneficiaries in many cases have absolutely inspiring stories to tell.

SBA's Microloan Program assists women, low-income, and minority small business owners with very small loans—loans averaging just over $10,000. These are generally very small businesses, and they are very small loans. In many cases, these loans actually have helped individuals to leave welfare, to start their own small businesses, and to make a full economic contribution to their communities. I am sure that many of my colleagues have heard from or visited with participants in this program from their States.

In my State of Minnesota, for example, we have four intermediary lending organizations making small loans to small businesses and providing technical assistance.

The Northeast Entrepreneur Fund of Virginia, MN, has made approximately $218,000 in loans to 56 very small entrepreneurs. That's an average loan size of less than $4,000. In many cases, that's all people need to get on their feet, to start or expand their very small business and allow it to succeed.

The Northwest Minnesota Initiative Fund in Bemidji, MN, assists mainly rural small businesses. Average loan size is just over $5,000, and the default rate is about 10 percent. Staff from the initiative fund point out that their default rate would be even lower, but in many cases they provide technical assistance to the point where the small business clients can get bank financing. The fund then ends up financing some of the riskier operations. Still, the program has helped start 56 new businesses, with a success rate of about 90 percent.

Women Venture of St. Paul, MN, was one of the models for this legislation. They have made loans to 55 small businesses in the amount of $581,000. Eighty-seven percent of the businesses served by Women Venture are owned by women. Twenty-five percent are owned by people of color.

Finally, the Minneapolis Consortium of Community Developers has helped 32 very small businesses with loans in amounts ranging from $4,000 to $25,000. I have visited with some of these business owners in their places of business. It is a remarkable program. Staff from the consortium have pointed out to me that they provide an average of about 26 hours of technical assistance to each small business client.

I would like at this time to enter into a colloquy with a number of my colleagues concerning the Microloan Program.

Mr. HARKIN. Mr. President, I thank Senator WELLSTONE for his leadership in this area. The SBA Microloan Program really works. It's the most effective welfare to work program we've got. It turns welfare dependents into taxpaying small business people.

The Institute for Social and Economic Development in my State of Iowa has been a pioneer in promoting microloans. This organization headed by John Else works with individuals, helping them establish their own businesses. The institute works with them to determine if a concept to establish a business is sound. If so, they help the client establish a sound business plan, teaching them the many skills that are necessary to be successful in a small business. And, they work with the person to secure a loan through a bank or other financial institution. This is time intensive work. But, without this technical assistance, there is no way microloans will produce significant success. Most microloan intermediaries use SBA financing to provide direct loans. In either case, the program really works.

I have personally met with a number of people who have used the program. In many cases, they were on AFDC, food stamps, and other Federal assistance when they started. Now, they are operating successful businesses, making a decent living and paying taxes rather than receiving welfare benefits. Through this program, they have been able to turn their lives around. When we talk about helping people get off welfare, this is a mechanism that really works.

I believe that technical assistance for this program deserves to be fully funded.

EDA AND THE PRIVATE SECTOR: PUTTING AMERICA TO WORK

Mr. DASCHLE. Mr. President, I strongly support the amendment that has been offered by Senator PRYOR. Like Arkansas, South Dakota is a rural State that has faced the challenge of rebuilding distressed communities and stemming the tide of outward migration. I support the Pryor amendment for a number of reasons.

Senator PRYOR's amendment is reasonable and prudent. We recognize the need for spending cuts to meet deficit reduction targets. Senator PRYOR's amendment simply asks the Senate to support the House's funding level of $348.5 million, a 22 percent cut from fiscal year 1995.

Second, EDA has proven to be a solid investment over the years. EDA grants have resulted in the creation or retention of 2.8 million jobs in the Nation's most distressed areas, areas where, quite frankly, the private sector was not creating jobs.

In fact, EDA resources are used as a catalyst to leverage private sector investments, which turn into long-term growth. EDA has demonstrated a remarkable ability to attract private sector capital. In the last 30 years, for every Federal dollar invested, more than $3 in outside investment has been leveraged.

The third reason to support this amendment is because many of the Nation's smaller counties and communities rely on EDA help for local planning efforts. In South Dakota, a number of the smaller communities cannot afford a full-time economic development director. In many instances, these are the communities that need the most help. EDA funding has allowed local planning districts to travel to small towns across rural America, identify local leaders, and help them execute plans for infrastructure development or industrial recruitment.

Finally, EDA has taken steps to reduce bureaucratic overhead without sacrificing customer service. In 1994, overhead at EDA was just 4.6 percent.

Regulations in the Federal Register have been cut by 60 percent. EDA has delegated more responsibility to its regional offices. And, EDA will be reducing its staff from 350 people to 309 in fiscal year 1996.

Mr. President, the budget resolution and 13 appropriations bills we have been considering in recent weeks have forced the Senate to make hard choices about what our country's priorities should be. If our current budget can include $245 billion in tax cuts for the wealthy, why can it not include another $249 million for EDA? Let us be clear—Senator PRYOR's amendment requests that the Senate support a Federal investment that is less than 2 percent of what is being set aside for this country's top income earners.

Is providing tax relief for this group 100 times more important than helping distressed communities battling base closures, defense downsizings, and depressed prices for commodities? Are tax cuts for the wealthy 100 times more important than creating 2.8 million jobs, keeping people off unemployment lines and out of welfare offices?

While our colleagues on the other side of the aisle point to a decline in values, they are missing the point. Strong values are built on the self-respect and economic stability that come with a good job. A strong sense of community is fostered by shared economic hope for the future. There is no greater sense of values and community than in the rural areas of South Dakota. These towns are hungry to innovate and adapt to the changing economy. They are deeply committed to making economic development projects work so they can preserve their way of life.

EDA gives us the efficient investment tools to help communities make this happen. And it does so while paying its own way. Taxes received by the Federal Government from EDA investments exceed Federal funds provided to the agency.

Our vote today on the Pryor amendment will reflect this body's priorities. Do we cut EDA funding to pay for tax cuts? Or do we invest in our future wisely and give distressed communities the tools they need to put more Americans to work.

Mr. President, EDA is the right priority, and it works. I urge my colleagues to support the Pryor amendment.

ZEBRA MUSSEL

Mr. LEAHY. Mr. President, I want to thank Senators GRAMM, HOLLINGS and LEVIN for working with me to find an appropriate solution to the zebra mussel problem that has overtaken the Great Lakes and Lake Champlain. I hope Senators HOLLINGS and LEVIN can join me in a brief colloquy on the Hollings-Levin-Leahy amendment.

For Senators who may not be familiar with the zebra mussel, I want to briefly describe the challenge facing the State of Vermont. Zebra mussels, which are tiny, fresh-water mollusks the size of my thumbnail, threaten to choke off 25 percent of Vermont's drinking water, clog our hatcheries and unravel the Lake Champlain ecosystem.

We did not ask for the mussels, but we got them. I was scuba diving in Lake Champlain this summer and was shocked to find mussels taking over the lake bottom, historic ship wrecks included. Three years ago we had no zebra mussels—this summer I found mussels by the handful.

The zebra mussel problem in Lake Champlain deserves immediate and swift action. This pest poses a serious risk to the water resources throughout Vermont, economic opportunities along the lake, and the health and safety of Vermonters. In the not-so-distant future, some Vermonters may turn on their taps to find nothing flowing, as these mussels have blocked water intakes and delivery systems up and down the shoreline.

The biggest hurdle our States face is the fact that there is no proven control technology. It is like the State of Vermont looking for a solution to cancer—by itself. The Hollings-Levin-Leahy amendment provides a modest contribution of Federal assistance that will help address the zebra mussel problem.

My understanding is that this amendment includes $100,000 specifically for Vermont to tackle the problem. Our State Legislature has appropriated millions of dollars to address the problem, and this token of Federal support will make a big difference.

Mr. LEVIN. The Senator from Vermont has been very supportive of our efforts to clean up the Great Lakes and is correct about this amendment. We know first hand the challenge Vermont faces. The Great Lakes research and control efforts have benefited Lake Champlain, and we expect the Lake Champlain efforts funded in this amendment to benefit the Great Lakes.

Mr. HOLLINGS. I agree with both the Senator from Vermont and the Senator from Michigan. They have worked hard on this amendment to address a problem of true national concern and scope.

Mr. LEAHY. I want to thank the Senator from South Carolina for his leadership on this bill, and the Senator from Michigan for his longstanding commitment to the Great Lakes and to freshwater issues like the Zebra mussel.

Mr. GRAMM. Mr. President, I believe now we are ready for third reading.

The bill was ordered to be engrossed for a third time and was read the third time.

The PRESIDING OFFICER. Is there further debate? If not, the question is, Shall the bill pass?

So the bill (H.R. 2076), as amended, was passed.

Mr. GRAMM. I move to reconsider the vote.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. GRAMM. I move that the Senate insist on its amendments and request a conference with the House on the disagreeing votes of the two Houses.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to.

Mr. COVERDELL. Mr. President, on behalf of the city of Smyrna, GA, and its outstanding Mayor Max Bacon, I rise to commend the Senate—and especially Senator GRAMM—for helping Smyrna and the entire Atlanta area in its efforts to deal with the transportation of illegal immigrants once they have been detained.

By increasing by $12.3 million the portion of the Immigration and Naturalization Service budget for fiscal year 1996 which deals with the transportation of detained illegals, the Commerce, Justice, and State appropriations bill will go a long way toward more effectively enforcing our immigration laws.

In the city of Smyrna—as in many across the country—illegal immigrants are placing an enormous burden on legal residents, who are facing rising taxes due to the increased costs of providing health services and educational programs, in addition to the loss of jobs.

In the Atlanta area, we have been concerned with the lack of vehicles available for the transportation of detained illegals. The city of Smyrna is optimistic that an influx of new buses and vehicles will help the INS be even more effective in removing illegal immigrants and transporting them to the proper authorities. Again, I commend my Senate colleagues for their wisdom, and extend my gratitude on behalf of Smyrna's Mayor Bacon.

MORNING BUSINESS

Mr. COATS. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business with Senators permitted to speak for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE RIGHT TRACK

Mr. WARNER. Mr. President, I rise today to once again express my concerns about the so-called "train wreck" that might occur if there is a lapse in appropriations authority beyond the Continuing Resolution we will be approving today or tomorrow.

While some have proclaimed it would be "no big deal" if government shut down, there are many, including me, who think this kind of reasoning is wrong.

By approving a continuing resolution (CR), we are acting responsibly and avoiding unnecessary and costly furloughs. The CR gives us time to pass all of our appropriations bills and helps provide for real deficit reduction.

But, if we continue to play politics with Government employees and the American people on this issue, we are only hurting ourselves and the image of Congress. Those who encourage a shutdown proclaim themselves to be deficit and spending hawks.

Mr. President, in 1990, we had our last furlough. It happened over the Columbus Day Weekend. As a result, several members of Congress asked the General Accounting Office [GAO] to examine the taxpayer costs of that shutdown. The GAO found that of the 22 executive branch agencies surveyed, seven reported significant shutdown costs totaling about $3.4 million.

Moreover, the GAO examined a hypothetical three-day shutdown during a normal workweek. The costs of this scenario would range from $244.6 million to $607.3 million.

It is foolhardy to think a shutdown is good for America. The 1994 elections, which gave Republicans majorities in both Houses of Congress, sent a clear message to Washington, DC. The message was: "We are sick and tired of Congress doing business as usual. Stop the bickering and get the job done."

I applaud the Republican leadership in the House and here in the Senate. We are changing the way government does business. We are, however, doing "business as usual" when we play politics and appear cavalier in attitude toward our Federal employees—both civilian and military.

Mr. President, I am the sponsor of S. 1246, a bill that would insure that Federal employees who work or are furloughed during a shutdown will automatically be paid as soon as the appropriations bill funding their salary is enacted.

I have also vowed not to accept a paycheck if a shutdown occurs. Like the men and women of the armed services and the civil service, all of us are employees of the American people. If the Government shuts down in November after the CR expires, or because we fail to agree on a measure to raise the nation's debt ceiling, I believe that the Congress should be denied compensation as well.

In conclusion, Mr. President, let me say that I believe the American people are looking to us Republicans to lead this country and to make their Federal Government more responsive and less burdensome. We have weathered some tough storms in the Senate, but we are making progress as evidenced by passage of the unprecedented reform of the country's broken down welfare system.

The American public, including the people in my State, are proud of our achievements. Republicans are moving in the right direction, and we are changing the way government governs. We are not posturing, we are working.

I say to my colleagues on both sides of the aisle, the American people are fed up with blustering and posturing. The American people are sick and tired of hearing about a "train wreck." They have heard these same arguments year after year. I say to my colleagues, get our appropriations bill passed before the continuing resolution expires.

Resolve to negotiate firmly with the White House over the debt ceiling, but be realistic about what we want and what can be achieved. We Republicans are leading the way against government as usual. Do not get snared in a political trap by recycling old arguments that make us look like we are returning to the old way of doing business.

I say again. We are changing the way government governs. This is the track of the Republican train. There will only be a wreck if we turn our back on the progress we are making.

ST. MARY'S CATHOLIC PARISH

Mr. WARNER. Mr. President, I rise paying tribute to Saint Mary's Catholic Parish in historic Old Town Alexandria. Tomorrow, September 30, 1995 marks a true milestone, its 200th anniversary. Saint Mary's stands as the oldest Catholic church in the Commonwealth of Virginia.

Saint Mary's has called Alexandria home for two centuries and is an institution whose presence has extended over many generations. The actual parish was founded in 1795 at a time when the seeds of Catholicism were just planted: Virginia was home for only 200 Catholics at the turn of the eighteenth-century.

Led by Colonel John Fitzgerald, then the Mayor of Alexandria and military assistant to General George Washington, Saint Mary's was erected. In 1869, the Sisters of Holy Cross School pioneered Saint Mary's School, which is still in existence and filled to capacity.

The Reverend Stanley Krempa currently serves pastor to Saint Mary's, which boasts a membership of over 3,200 families. Its "church family" is fervently committed to taking on the twenty-first century with great energy and zeal. Saint Mary's family not only intends to expand, they are preparing for tomorrow, today: the church just successfully concluded an amazing fundraising drive that will build not only classrooms for the school, but assists with other renovation efforts associated with the church.

I join the many friends and families in wishing well to Saint Mary's Catholic Parish. As we stand in the threshold of the twenty-first century, Saint Mary's stands as a body with tremendous outreach, Saint Mary's stands as a credit to its church body and its locality. Saint Mary's can stand tall.

SENATOR MARK HATFIELD: RECIPIENT OF 1995 ALBERT LASKER PUBLIC SERVICE AWARD

Mrs. KASSEBAUM. Mr. President, I rise today to extend my congratulations to the distinguished Senator from Oregon, Mr. HATFIELD, upon his receipt of the 1995 Albert Lasker Public Service Award for his "energetic leadership and enduring advocacy in support of biomedical research."

I can think of no Member of the Senate more deserving of this recognition. Senator HATFIELD has been unflagging in his dedication to the cause of biomedical research—recognizing the importance it holds for Americans today and the promise it holds for Americans in the future.

As chairman of the Senate Committee on Appropriations, Senator HATFIELD is keenly aware of the competing demands upon dwindling Federal resources. Establishing priorities among a series of worthy causes is a difficult task. I believe it is a tribute to his judgment and his vision that he has always assigned the highest priority to biomedical research efforts.

In addition to protecting the current Federal investment in this area, Senator HATFIELD has also sought creative ways to expand the pool of funds which can be made available to it. I was pleased to have been counted among the supporters of the biomedical research trust fund proposal he put forward during the last Congress and of his efforts to restore National Institutes of Health [NIH] funding in the budget resolution this year.

The Senate Committee on Labor and Human Resources, which I chair, has authorizing and oversight responsibility for the NIH. Senator HATFIELD has consistently offered his support and suggestions for NIH activities, and I look forward to continuing to work with him.

The Albert and Mary Lasker Foundation has made a wise choice in selecting Senator HATFIELD for this prestigious award.

Mr. President, I ask unanimous consent that the award citation be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

1995 ALBERT LASKER PUBLIC SERVICE AWARD

THE CITATION

As an energetic advocate in support of biomedical research, Senator Mark Hatfield has made outstanding contributions. Dedicated to the proposition that the health of Americans is a national priority, Mark Hatfield has continually fought to increase research appropriations for the National Institutes of Health, and he has succeeded.

During the six years of his Chairmanship of the Senate Committee on Appropriations, funding for the National Institutes of Health increased by over $2.5 billion, an average of almost 10% per year. These funds enabled 107,000 research projects to receive NIH grants, supported an expansion of the National Institute of Neurological Disorders and Stroke, and substantially increased the allocation for research on Alzheimer's Disease.

Senator Hatfield's vigorous leadership has been crucial in the battle against proposed cuts in the NIH budget. Affirming the central role of the National Institutes of Health in the mission of biomedical research, he declared that, "The NIH is the cornerstone of improved quality of life in this nation."

Throughout his career, Mark Hatfield has sought to reorder our nation's research priorities to focus on activities that enhance life. Taking the time to become informed about particular diseases has led him to introduce legislation to create a National Advisory Council on Rare Disease Research, which would formulate a strategic plan and establish a national research database. He has also emphasized the need to support research on Parkinson's Disease, Epidermolysis Bullosa, and Sudden Infant Death Syndrome.

During the 103rd Congress, Senator Hatfield achieved enactment of a National Center for Sleep Disorders Research within the National Heart Lung and Blood Institute, and introduced a bill to create a permanent bioethics advisory board as a forum for discussion of ethical issues in biomedicine. In a period of dwindling resources, his most farsighted piece of health legislation is the Hatfield-Harkin bill that would establish a Fund for Health Research, a stable, non-appropriations-based source of additional research dollars, from tax checkoffs and insurance premiums.

Mark Hatfield believes that funding for medical research not only improves quality of life, but offers our nation the highest rate of economic return of any other federal program. If health is wealth, then biomedical research is the best investment our nation can make in its future.

To Mark O. Hatfield, for energetic leadership and enduring advocacy in support of biomedical research, this 1995 Albert Lasker Public Service Award is given.

THE CONTRIBUTION OF THE FULBRIGHT PROGRAM

Mr. MOYNIHAN. Mr. President, I rise to speak on the importance of international exchange programs at this particular point in history. I would particularly like to highlight the Fulbright program and its enormous contribution to the enrichment of our society. The Fulbright program was created in 1946 largely with the efforts of the Senator from Arkansas from whom the program derived its name. Since that time the program has sent 75,026 United States students to study in foreign countries and has brought 127,093 foreigners to study in our country.

Forty-five years ago they sent me off to the London School of Economics where, for the first time, I learned a dictum of Seymour Martin Lipsit, who has put it so nicely. He said, "He who knows only one country knows no country." If you use the simple analogy of eyesight, it is two eyes that provide perspective.

My experience in London was certainly eye-opening. As a New Deal Democrat I was surprised to find how extraordinarily suspicious of the United States they were in London. I wrote back to a friend, in a letter that Douglas Schoen had preserved in his book:

> I get the impression Americans are not generally aware of just how fundamentally we are being opposed by a small but enormously vital element in British society, or just how much we are being disagreed with by British society in general. I respectfully submit that we had damned sure better get off our intellectual asses but quick.

A point that was perhaps never fully appreciated. I only wish that there were more Fulbright opportunities so that more students might have the enlightening experience that I enjoyed.

Perhaps at no time in our history have we needed an increase in international exchange programs. We find ourselves in a world that in many ways is more complex than when it was dominated by two ideologies. International exchange programs are necessary to give our students an appreciation of our country and its place in the world.

The Fulbright program has been administered by an even older institution, the Institute for International Education [IIE]. Last year I had the honor to address the Seventy-Fifth Anniversary Forum of the IIE. I ask unanimous consent that my remarks from this event be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

OPENING REMARKS

(By Senator Daniel Patrick Moynihan)

Andrew Heiskell began by noting the setting we're in, the New York Public Library. I was brought up in this library in a very important way. I was brought up into an understanding of what the United States could provide for people.

In the 1930s, in the midst of the Depression, I shined shoes, pretty much for a living. But it was a living that was fair enough. I would work between Sixth and Seventh Avenues at the Wurlitzer Building, in a little territorial space of my own. When I had earned $1.10, which was five cents up in the subway, five cents back, and a dollar for the day, I'd come over here as a shoe shine boy, with a black box. I'd take it in the Fifth Avenue entrance and bring it to the check-in desk. It would be accepted, without comment, as if it were an umbrella being presented in the lobby of a Pall Mall club. I'd be given a ticket by a man in a brown cotton jacket. I'd go up in that great room. I was a citizen of the world and of literature. And indeed, for those purposes. I was, I can never repay that debt.

I'm here to talk about the Fullbright experience and the Institute of International Education. IIE sent me off 44 years ago, in 1950, to the London School of Economics. There, for the first time, I learned a dictum of Seymour Martin Lipset, who said, "He who knows only one country knows no country."

If you use the simple analogy of eyesight, it is two eyes that provide perspective. And it was a perspective enormously striking to me at that time—1950, the United States in good condition, untouched by war, and, indeed, enlivened by it. The recovery was extraordinary, and Europe was just climbing out of the ruins. We were victorious allies. I found, though, on arriving at the London School of Economics as a person of liberal disposition, a New Deal democrat, if you like, how extraordinarily suspicious of the United States were most folks there, the academics in particular, and the Left, to be specific.

And then came the Korean War. I was called back. We mustered in Grosvenor Square, got on a train at Waterloo, and in the late afternoon we were crossing the Netherlands on our way, as it would turn out, to Bremerhaven, which was a submarine base the Nazis had built.

I had brought along a library habit that had been imbued here, made possible largely through the GI bill and its book allowance. I brought an enormous volume of Hannah Arendt's, The Origins of Totalitarianism, just then published in Great Britain. This was her masterwork. I brought it along, not to read, really, but to be seen reading. So, I got in this compartment, as they then had in European railways—there were six of us—and I opened it up. Here was the first paragraph. "Two world wars in one generation, separated by an uninterrupted chain of local wars and revolutions, followed by no peace treaty for the vanquished and no respite for the victor, have ended in the anticipation of a third World War between the two remaining world powers. This moment of anticipation is like the calm that settles after all hopes have died."

I read that. Then I read it out loud to the compartment. No one demurred. Finally, a commander, who had a Navy Cross and was the senior officer present afloat said, "There must be a bar car on this train somewhere." And that was that.

I began to sense then the power of Marxism as an idea, the inevitability of the clash of civilizations—the totalitarian, the liberal—you could read it either way, and some did. And some looked both ways simultaneously. The first thing I ever published was a letter from London in *The Nation*, in response to an article by G.D.H. Cole, who suggested that the Korean War was an act of American aggression, intended to invade China and the Soviet Union. I said, "No, no, no, surely that's not so." I got a surprising amount of mail from the British, Londoners, who said that's obviously right, but that's what they all think.

But having had this experience of the power of Marxism, it became possible for me years later, in different circumstances, to see its decline. Having seen it at the flood tide of its strength, you saw it recede. You couldn't have done that absent the international experience. And it was startling to be in Washington, and see how little this was understood.

In 1979, *Newsweek* had an issue on "what will happen in the 1980s," and I wrote a small piece that said, "Well, in the 1980s, the Soviet Union will break up. That's obvious." And will the world blow up as its constituent parts start using their nuclear weapons one on the other? This issue is not yet resolved. I'm not aware if anyone read the article, but I was then on the Intelligence Committee, and I would make this argument, an argument impenetrable to the intelligence community. They didn't know what you were talking about.

I was once, for a long period, an observer to the Strategic Arms Reduction Talks, the

START talks. I remember asking the negotiators, when we were finished with the mind-numbing details of this treaty between the United States of America and the Union of Soviet Socialist Republics, what makes you think there will *be* a Union of Soviet Socialist Republics?

Well, to them this question was not a question. They had never heard it before and went right by it. When the treaty did arrive at the Committee on Foreign Relations, of which I am a member, it was between the United States of America and four countries, of which I think I'd only heard of two. They were Russia, Ukraine, Belarus, and Kazakhstan.

I had the doubtful pleasure of asking the ambassadors who were presenting this to us. "It says here it's a treaty between the U.S. and the U.S.S.R., and then yet it says, no, no, it's these four other countries. How do you know it's with these other four countries?"

They said, "We have letters." I said, "Well where did you get them?" They said, "We got them in Lisbon." It sounded like a World War II Humphrey Bogart movie. Oh. Got them in Lisbon. I see.

In fact, had we had a better feel for what you could have learned in those years, we might not be in such straitened circumstances as we are today. That failure of understanding of international politics came about because of an insularity about the essential fact, the opposition of ideas, and then a pre-occupation with the minute, mechanical fallout of those ideas.

This clash of ideas is not over. It now assumes yet another phase. At the beginning of this century, there were two commanding, universal ideas. You could call them liberal, if you like, and Marxist, if you choose. The liberal idea, in the general usage in nineteenth-century England, was that the group identity that was called nationalist, or ethnic, was preindustrial and would simply disappear as it became more and more outdated and irrelevant. The other side, the Marxist view, was that economic processes determine all identity, that the class structure determines all social struggle, and that it would be universal in its nature. The red flag is red because the blood of all men and women is red. And that is the universality of the class struggle.

Well, both ideas were wrong. Deeply wrong. And we enter into an age subsequent to that, in which not the only, but the most painful, the most immediate source of conflicts is ethnic. It is ethnic conflict as a post-industrial phenomenon—ethnic conflict as a mode of aggregating interests that is far more effective than any other mode seen on earth just now.

If you look around the world, that is what you mostly encounter. We are two or three generations behind any understanding of it. Just as the American political establishment had no real understanding of Marxism in 1950, it has no real understanding of ethnicity today. We're as unprepared for Bosnia as we were for Leningrad.

And there's one answer to it, if there's any answer. That is to go abroad and study it, and see it, taste it, touch it, feel it. And there's one institution singularly devoted to just that purpose. And that is the Institute of International Education.

You were welcoming to me, a gawky and half-formed youth, nearly half a century ago. There will be others like me coming, possibly to your embarrassment. But with any luck, it all works out, and I'm here to thank you and wish you another three-quarters of a century as successful as the last.

TENTH ANNIVERSARY OF FARM AID

Mr. DASCHLE. Mr. President, this Sunday will mark the 10th anniversary of Farm Aid. This remarkable organization, born of the farm crisis of the 1980's, has stood on the front lines with America's family farmers as farming, ranching and the rural way of life have been under attack. Through the vision and effort of founders Willie Nelson, Neil Young, and John Mellencamp, millions of dollars have been raised to assist farm families beset by disaster, fund legal assistance programs for rural citizens and increase national and international awareness of the plight of America's family farmer.

At the same time we are celebrating the achievements of Farm Aid, the Republican-controlled Congress is making the deepest cuts to farm programs in history—at the same time they are funding tax breaks for the wealthiest citizens in the country. Make no mistake, a workable farm program cannot be crafted under a mandate to cut $13.4 billion from farm programs. This legislation could result in a farm crisis far worse than the one that gave birth to Farm Aid.

The 1995 farm bill is far too important to be sacrificed this way. That's why several of my colleagues have joined me in introducing the Farm Security Act, an alternative way to reform farm programs and secure a safety net for our farmers. We have developed a commodity support proposal that would allow market-based income support, target benefits to our smaller producers, and simplify programs. Unlike the Republican plan, our plan offers real reform. We didn't just cut funding levels by providing less of the same old programs that are already too complicated, too rigid and too inadequate.

The goal of farm programs should be to give America's farmers and rural communities a fair shake. Farmers do not want a handout. They do not want welfare. They want a program that reflects the principles that launched Farm Aid 10 years ago: a helping hand that lets them grow the best food and fiber in the world with minimal bureaucracy and with a good return on their financial and labor investments. Today, however, farm programs have become, in the minds of some people who have never milked a cow or plowed a field, a sacrificial lamb that can be offered up to fund new defense programs and unreasonable tax breaks.

For many farm families across the country, the organizations supported by Farm Aid have been all that stood between them and disaster. The counseling, educational and legal services these groups provide have helped farm families navigate some very difficult times. In my State of South Dakota, Dakota Rural Action, a Farm Aid-supported group, has been an effective voice for family farmers and rural communities. Through grassroots organization, educational programming on issues from land stewardship to meatpacker concentration, and effective policy advocacy, they have brought the voices of farmers to the halls of Congress.

I am deeply concerned about how rural communities across the Nation continue to whither as more and more farmers are driven off their land and young people find it increasingly difficult to begin farming. Now that the majority in Congress has threatened to pull the rug out from under our farmers again, Farm Aid and the groups it supports will be needed more than ever to provide support and leadership for our rural communities.

The strengths of rural America have always been hard work, fair play and commitment to community. I applaud the efforts of Farm Aid to facilitate these goals and secure a bright future for America's farmers and ranchers. There is a reason why the Midwest is called America's Heartland. It is because our farmers, ranchers and rural citizens truly represent the heart and soul of America. If we continue to take for granted the men and women who live on the land and produce our food, we will lose an important piece of our national soul.

NATIONAL ENDOWMENT FOR THE ARTS AND HUMANITIES

Mr. PELL. Mr. President, 30 years ago today on September 29, 1995, I was proud to witness President Lyndon Johnson sign into law the National Foundation on the Arts and Humanities Act which established the National Endowment for the Arts and the National Endowment for the Humanities. That historic occasion marked the beginning of a process to preserve America's cultural heritage and to broaden access to millions of our citizens in every corner of the country, Americans who would otherwise not be able to hear a symphony orchestra concert, see a dance or theater production, or experience a great museum exhibition.

By any measure, the endowments have been a magnificent success. People are participating in our culture in record numbers. The endowments have made a difference in the lives of millions of children and their families. A cultural infrastructure has solidified and grown. In 1965, where there were 46 nonprofit theaters, there are over 425 today. The numbers of large orchestras has doubled, opera companies have increased 6-fold, and there are 10 times as many dance companies now as there were 30 years ago. In 1965, there were five State arts agencies; today every State has a vibrant public arts agency, and there are now community arts agencies in over 3,800 cities, counties and towns. Individuals who have received endowment support early in their careers have gone on to spectacular achievement, earning numerous important prizes and awards, and creating works that will prove to be an enduring legacy from the second half of the 20th century.

In my own State of Rhode Island, the endowments have supported a Music in our Schools program in Providence, a folk and traditional arts apprenticeship program and the nationally-acclaimed Trinity Repertory Theater; aided the Museum of Art at the Rhode Island School of Design in renovating its painting and sculpture facilities; and provided funds to a team of scholars at the Rhode Island Historical Society to edit the papers of Revolutionary War Gen. Nathaniel Greene for publication. Also funded was a partnership between the Rhode Island State Council on the Arts and the U.S. Department of Education to integrate theater, music and design into the curriculum of the Davies Career and Technical High School which has shown to improve overall discipline and attendance at the school.

As further testimony to their success, the small investments in American culture made by the endowments has stimulated an extraordinary amount of private dollars. Since 1985, NEH matching funds have leveraged almost $1.4 billion in third-party support for the humanities. Each Federal dollar invested by NEA leverages $12 non-Federal dollars.

As we celebrate the 30th anniversary of the endowments, we are celebrating our belief in a vigorous, democratic, far-reaching culture. The Federal Government has a strong role to play in transmitting our Nation's greatest artistic and scholarly achievements to the generations of the future. As the present custodians of American culture, we must continue to do so. It would be a tragedy for the 30th anniversary celebration to be marred by a reluctance to reauthorize the National Foundation on the Arts and Humanities.

UNITED STATES SUPPORT FOR THE PEACE PROCESS IN LIBERIA

Mr. PELL. Mr. President, I would like to bring to the attention of my colleagues the recent cease-fire agreement in Liberia. After nearly 6 years of civil war, 13 failed peace agreements and protracted negotiations, the leaders of Liberia's warring factions have finally coalesced to form a government aimed at bringing peace and democracy to this war-torn African nation. This recent peace agreement, agreed to on August 19, 1995, in Abuja Nigeria, provides the United States with a unique opportunity to demonstrate leadership in restoring peace and democracy to a longtime ally, as well as to prove its concern for the stability of the entire West African region.

Mr. President, I would like to begin my statement by identifying several key actors who deserve recognition for procuring this peace agreement: Members of ECOWAS, the Economic Community of West African States, ECOMOG, the West African peacekeeping force, UNOMIL, the U.N. observer mission, and the President's Special Envoy to Liberia, Ambassador Dane Smith, I would particularly commend the extraordinary diplomatic leadership shown by President Jerry Rawlings of Ghana and his Deputy Foreign Minister Muhamed Ibn Chambas. I know and greatly admire both men; their commitment to peace in Liberia is exemplary and is one of the key reasons why this cease-fire and agreement have been archived.

On a local level, I would like to pay special tribute to my esteemed colleague on the Foreign Relations Committee, the distinguished Senator from Kansas. As Chair of the Subcommittee on African Affairs, she is a strong leader, an able manager, a model for bipartisanship, and a tremendous resource on issues regarding African affairs. Last week, Senator KASSEBAUM introduced amendment 2710, stating that it is in the interest of the United States to "strongly support the peace process in Liberia, including diplomatic engagement, support for the West Africa peacekeeping force, humanitarian assistance, and assistance for demobilizing troops and for the resettlement of refugees."

I too, believe that it is in the interest of the United States to support this peace agreement, both diplomatically and financially. The United States has a special responsibility towards Liberia. Founded in the early 19th century by freed American slaves, the United States and Liberia have had almost 150 years of continued friendship. As pointed out in a position paper sent to me by Friends of Liberia, in World War II, American soldiers used Liberian airfields and ports as a primary base to supply the battlefields in North Africa and Europe. During the cold war, Liberia was often our only reliable ally in Africa, serving as a listening post and headquarters to the United States intelligence services. At the United Nations, Liberia has been a dependable American ally, consistently voting in support of United States positions, even when such actions were unpopular among other developing nations.

If we neglect our historic relationship with Liberia, we will jeopardize, if not lose, our reliable foothold in Africa. A limited diplomatic reaction to this peace agreement would reflect poorly on our commitment to peace and democracy on the African Continent, and would hinder future United States diplomatic and commercial interests, among others, in the region.

Given the current climate in Congress to paralyze humanitarian assistance, I believe that this situation offers an important opportunity to prove to critics of U.S. foreign aid that a small investment in seeking peace through diplomacy will yield significant returns. By heightening our diplomatic involvement and providing modest financial support to the peace process, we can help break the cycle of humanitarian need that will only continue if this disastrous war is not resolved.

American support can make the difference in securing a sustainable peace in Liberia and beyond. The international community looks to the United States as having the closest ties to Liberia, thus having the responsibility of taking the first step in assisting this peace process. Once the United States takes the lead, the European Community, Japan and other governments with historical relationships with Liberia, as well as members from the private and public sectors, are likely to follow.

Given our special relationship towards Liberia, our commitment to promoting peace, democracy, trade and human rights in West Africa, and our position in the international community as the only remaining superpower, I conclude that it is in the interest of the United States to take the initiative to develop and implement a coalition to sustain the peace in Liberia. We must move quickly to provide the significant support, in terms of diplomatic engagement and where possible, the allocation of resources, to assist the Liberians as they move through this delicate period of transition to peace and democracy.

GIVEAWAY TO SPECIAL INTERESTS IN REPUBLICAN STUDENT LOAN BILL

Mr. KENNEDY. Mr. President, earlier this week the Republican majority in the Senate Labor and Human Resources Committee voted to cut $10.8 billion from student loans over the next 7 years. This bill is bitter news for students and their families, who will see their student loan costs rise by as much as $7,800 per family. But the champagne corks are popping for banks and other special interests in the student loan industry, because the same Republican majority also voted a $1.8 billion sweetheart deal for them.

Tucked in the legislation is a series of provisions that sign over $1.8 billion in Federal funds to the guaranty agencies in the student loan program. That $1.8 billion should be used to ease the burden of the budget cuts on students and their families. It should not be used to bestow an unjustified windfall on the special interest student loan industry.

This new windfall comes with no strings attached. Guaranty agencies can use it to build new palaces for their headquarters, or to pad the salaries of their executives, which for one official already exceeds $600,000 a year. They can even literally take the money and run. Under current law, if a guaranty agency goes out of business, the reserve funds that it has accumulated under the Federal student loan program are returned to the American taxpayer. Under this new giveaway, the officers and directors of a guaranty agency could close down the agency and keep the funds for themselves.

Forty-one guaranty agencies participate in the Federal student loan program. They function as middlemen between the banks, who loan funds to students, and the Federal Government, which bears the risk on the loans. The guaranty agencies maintain records on student borrowing, collect on defaulted loans, and advance funds to lenders for defaulted loans. The guaranty agencies are reimbursed by the Federal Government for those advances. The agencies are then permitted to pursue the defaulted debts, and keep 27 cents of every dollar over and above the reimbursed amount.

In the course of the past three decades, the guaranty agencies have accumulated $1.8 billion in what are called reserves. These reserves began with seed money advanced to the guaranty agencies by the Federal Government in the early years of the loan program, of which $40 million now remains. Since then, the agencies have accumulated $1.8 billion in additional reserves from other sources. Ninety-eight percent of those reserves come from insurance premiums paid by students under the Federal student loan program, payments received from the Federal Government for default claims and administrative expenses, and investment earnings on the reserve funds.

The reserves were originally intended as a financial cushion to enable the guaranty agencies to have enough funds to cover defaults in the student loan program. Now, however, the Federal Government bears virtually all the risk on the loans, and the cushion is no longer needed. There is no doubt that the reserves are Federal funds. They certainly do not belong to the guaranty agencies. If the Federal Government were to take back the reserves, the Congressional Budget Office would score the reclaimed reserves as a savings to the taxpayer of $1.8 billion.

The Republican student loan bill, however, does exactly the opposite. Rather than reclaiming the reserves in order to reduce cuts in student aid or to reduce the deficit, the bill turns over to the guaranty agencies—no strings attached—all but the $40 million of taxpayer funds originally given to the agency reserve accounts. Secretary of Education Riley has called this giveaway "an alarming development that would further exacerbate the current problems in the student loan industry."

I urge the Senate to block this $1.8 billion Republican raid on the student reserve funds. It is unconscionable for the Republican majority to slash $7.6 billion from student loans, while sneaking $1.8 billion out the back door and into the pockets of the very people who have profited for more than 30 years on the backs of students. This is corporate welfare of the worst kind, and the Senate should reject it.

I ask unanimous consent that a letter on this issue from Secretary Riley and a memorandum from General Counsel Judith Winston of the Department of Education be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF EDUCATION,
THE SECRETARY,
Washington, DC, September 28, 1995.

Hon. EDWARD M. KENNEDY,
U.S. Senate,
Washington, DC

DEAR SENATOR KENNEDY: I am writing to express my serious concern about a particular provision of the Student Loan amendments recently passed by the Senate Committee on Labor and Human Resources as part of its budget reconciliation package. In particular, under the guise of strengthening guaranty agency reserves, Section 1004(e)(2) of the bill would have the effect of giving away approximately $1.8 billion in Federal assets to non-profit and State guaranty agencies.

An analysis of the effect of the proposed change on the Federal interest in the guaranty agency reserve funds by the department's General Counsel is attached for your consideration. In my view, enactment of this change would be an alarming development that would further exacerbate the current problems in the student loan program. I urge the Committee to reconsider this decision.

I am sending an identical letter to Senator Kassebaum.

Yours sincerely,
RICHARD W. RILEY.

Attachment.

U.S. DEPARTMENT OF EDUCATION,
OFFICE OF THE GENERAL COUNSEL,
Washington, DC, September 28, 1995.

MEMORANDUM

To: The Secretary
From: Judith A. Winston, General Counsel
Subject: Guaranty Agency Reserves

Earlier this week, the Senate Committee on Labor and Human Resources approved certain changes to the statutory provisions relating to the Federal Family Education Loan (FFEL) Program in connection with the budget reconciliation bill. One of the approved provisions would make significant changes in the status and ownership of guaranty agency reserve funds. If enacted, these changes would cede Federal ownership of more than $1.7 billion in funds and assets to state or private non profit agencies.

In particular, the bill passed by the Committee would make significant changes to §422(g) of the Higher Education Act of 1965, as amended (HEA). Currently §422(g) reflects numerous Federal court decisions that the reserve funds of the guaranty agencies are Federal property which is held by the guaranty agency as a trustee of the funds for the general public. *See Puerto Rico Higher Education Assistance Corp.* v. *Riley*, 10 F.3d 847, 851 (D.C. Cir. 1993); *State of Colorado* v. *Cavazos*, 962 F.2d 968, 971 (10th Cir. 1992); *Rhode Island Higher Education Assistance Auth.* v. *Secretary, U.S. Dep't of Education*, 929 F.2d 844 (1st Cir. 1991); *Great Lakes Higher Education Corp.* v. *Cavazos*, 911 F.2d 10 (7th Cir. 1990); *Education Assistance Corp.* v. *Cavazos*, 902 F.2d 617, 627 (8th Cir. 1990), *cert. denied* U.S. , 111 S.Ct. 246 (1990); *Ohio Student Loan Com'n* v. *Cavazos*, 902 F.2d 894 (6th Cir. 1990), *cert. denied* U.S. , 111 S.Ct. 246 (1990); *South Carolina State Education Assistance Auth Corp.* v. *Cavazos*, 897, F.2d 1272 (4th Cir. 1990), *cert. denied* U.S. , 111 S.Ct 243; *Delaware* v. *Cavazos*, 723 F.Supp. 234 (D. Del. 1989), *aff'd without opinion*, 919 F.2d 137 (3d Cir. 1990). Earlier this month, the United States District Court for the District of Idaho reaffirmed the holding of these earlier decisions that guaranty agencies do not have (and have never had) a property right in their reserve funds. Instead, that court held that the guaranty agencies' reserve funds are Federal property and are subject to the control of the Secretary of Education. *Student Loan Fund of Idaho* v. *Riley*, Case No. CV 94–0413–S–LMB (D. Ida., Sept. 14, 1995).

The bill would essentially give away the overwhelming amount of Federal property included in the guaranty agency reserve funds. Most importantly, the bill would redefine the term "reserve fund" to mean "the Federal portion of a reserve fund". *See* §1004(e)(2) of the Committee bill, p. 38, lines 14–16. The bill would then limit the Federal property to an amount calculated under the formula in §422(a)(2) of the HEA. The formula in §422(a)(2) of the HEA would, in most cases, limit the "Federal portion" of the reserve fund to the amount of Federal advances maintained by the guaranty agency plus interest. As of September 30, 1994, the amount of outstanding Federal advances was $40 million out of total guaranty agency reserves (all of which came from Federal sources or under Federal authority) of more than $1.8 billion. *See* FY 1993 Loan Programs Data Book, at 65, 67. Thus, the Federal government would be relinquishing ownership and control of more than $1.7 billion in Federal funds and property.

Enactment of these proposed changes to the definition of "reserve fund" would also effectively end Federal control over the uses of the reserve funds by the agencies. If the reserve funds are the property of the guaranty agency and the agency uses those funds for purposes unrelated to the FFEL program, the Department would have no authority to take action against the agency. Thus, the Department would be unable to take action against an agency that used funds intended to be used to pay lender claims on elaborate offices or high executive salaries. If this provision were enacted, the strong possibility exists that an agency could choose to use reserve funds for non-program purposes and be unable to pay lenders' claims. At that point, the lender would then be able to demand payment from the Department under §432(o) of the HEA. The Department would have to use taxpayer funds to pay the lenders.

This proposal would also provide an incentive for some guaranty agencies to leave the program. An agency which left the program would be able to take its reserve fund (minus Federal advances and interest) with it and use it for purposes unrelated to higher education or student loans.[1] Moreover, those agencies which have already established loan servicing and secondary market operations could use the reserve funds to compete with private parties which provide services in this area.

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[1] Those agencies which are tax exempt non profits under §501(c)(3) of the Internal Revenue Code would

NOMINATION OF JUSTICE JAMES DENNIS FOR THE U.S. COURT OF APPEALS FOR THE FIFTH CIRCUIT

Mr. HATCH. Mr. President, I would like to correct a matter that arose in yesterday's discussion on the nomination of Justice Dennis. As the committee investigation found, a case can be made that Justice Dennis should have recused himself and that he should have notified the committee of the problem. My staff has told me that it communicated these conclusions to interested Senators. But my staff has informed me that it never presented any conclusions to Senators concerning what the committee would have done had it known of the Times-Picayune information before it reported the nomination to the floor. I can appreciate how some might have misinterpreted these findings but I wanted to make the matter clear for the record.

THE BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, as of the close of business yesterday, September 28, the Federal debt stood at $4,954,794,272,486.85. On a per capita basis, every man, woman and child in America owes $18,808.48 as his or her share of that debt.

THE FINAL DAY OF BOSTON GARDEN

Mr. KERRY. Mr. President, I come to the floor of the Senate today to convey my thoughts on the closing of the fabled Boston Garden in Boston, Massachusetts.

To almost all of my constituents in Massachusetts, the Boston Garden represents the best in the world of sports. Many championship battles have been waged within the hallowed walls of this magnificent structure. Some were lost, most were won, but all are captured forever in the hearts and minds of the legions of Boston sports fans.

Just ask any hockey player from Northeastern University, Boston College, Harvard University or Boston University what the Boston Garden means to them and you will hear war stories about two Mondays every February where seasons are made or broken during the Beanpot Championship.

Just ask any of the high school athletes, whose teams were good enough to persevere through endless qualifying playoff rounds in order to play for a league championship on the Boston Bruins' ice or the Celtics' parquet floor, what the Boston Garden means to them and you will hear innumerable accounts of a dream come true.

Just ask the scores of everyday people, who file into the Garden to sit together knee-to-knee and elbow-to-elbow, what the Boston Garden means to them, and you will hear recollections of rumors, myths, legends, and lore.

Gallery gods, leprechauns, ghosts, and other beings are rumored to inhabit the Garden and wreak havoc with the fate of visiting, unfriendly teams. Some say they are responsible for turning up the heat on the L.A. Lakers and trying to fog-out and eventually powering down the Edmonton Oilers. Others claim they are to be credited with the infamous dead spots in the parquet and the impossible bounces of the puck off the boards.

Other teams feared coming to the Garden. They declared it archaic and decrepid with abysmal accommodations and playing conditions. But Boston fans know the truth, they feared coming to the Garden because they hated to lose.

Legends abound in the Boston Garden, and historical significance seemingly is a basic element of every event that has taken place there.

On election night in 1960, then-Senator John KENNEDY delivered his first campaign address in the city of Boston at the Garden. An estimated 1 million people flocked to the area surrounding the Garden and a precious few 25,000 were fortunate enough to be inside to hear his words. Many other great politicians of this century have addressed the people of Boston from a platform in Boston Garden. President Eisenhower, Horace Taft, Mayor James Curley, Gov. Thomas Dewey, and Winston Churchill are just a few who have contributed to the Garden's political lore.

I could stand here and talk for days on the meaning of the Boston Garden and the tumultuous history it has enjoyed. I could recall the many games I have attended and rallies I have witnessed. There are many things worth mentioning, but I am certain I would be unable to recall them all.

Tonight, in Boston, the people will re-live all of these and other memories in a ceremony full of history and celebration designed to mark the closing of one of the greatest venues in America.

"Havlicek stole the ball * * *, "Sanderson to Orr * * *, "Bird for three * * *, "Penalty—O'Reilly, "Russell with a block, "Esposito shoots, scores! "DJ steals, over to Bird, Good!, "Cheevers stones him, "Cousy tricky dribbles, lays it in." The voices of the past catalogue the great moments in a history soon to be turned over to a new building and a new era of sports in Boston.

As the lights dim for the final time, echoes will resound through the city and people will think of their fondest memories of the Garden and celebrate the great times enjoyed by those who were there, or watching, or listening, when great things happened.

THE CONVENTIONAL WEAPONS REVIEW CONFERENCE: AN OPPORTUNITY FOR U.S. LEADERSHIP

Mr. LEAHY. Mr. President, this week representatives of over 50 governments began meeting in Vienna, Austria to discuss proposals to amend the Conventional Weapons Convention, which contains the first laws of war limitations on the use of landmines.

Fifteen years ago, the United States played a leading role in negotiations on the Convention. However, despite lofty rhetoric at the time, the Convention is so riddled with loopholes and exceptions, as well as lacking any verification procedures, that the numbers of civilian casualties from landmines has soared. This is because the focus of the negotiations then was on reducing the dangers to military personnel, rather than on the problems landmines cause for civilians.

Today, there are 80 to 110 million landmines in over 60 countries, each one waiting to explode from the pressure of a footstep.

These hidden killers have turned vast areas of land, in countries struggling to rebuild after years of war, into death traps. According to the State Department every 22 minutes someone is maimed or killed by a landmine. That is 26,000 people each year, most of whom are innocent civilians.

It would cost tens of billions of dollars to locate and remove the mines. It is an incredibly arduous, dangerous, and prohibitively expensive task. There is no way they will be cleared. The world's arsenals are overflowing with new mines that are only compounding the problem in every armed conflict today.

Mr. President, the meetings in Vienna began yesterday with dramatic announcements by two of our NATO allies, France and Austria. The French Government announced that it would halt all production of antipersonnel landmines, and begin destroying their stockpiles of these weapons. The Austrian Government declared that its military would renounce their use, and destroy their stockpiles.

Earlier this year, Belgium outlawed all production, use and exports of antipersonnel mines.

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have to use the funds in accordance with the requirements of that section. However, some agencies have already transferred significant portions of reserve funds to associated non-profit companies which may not be tax exempt and thus not bound by those restrictions. Moreover, some state laws appear to allow non-profit corporations which dissolve to distribute remaining assets to members (generally the company's directors) in certain circumstances. *See* 805 ILCS 105/112.16 (Illinois); A.R.S. §10-2422 (Arizona). In regard to state agencies, it appears that a State could close the guaranty agency, put the reserve funds into its general fund for use for other purposes and leave the Department with the responsibility for paying lenders.

I mention this because just a month ago, my amendment to impose a 1-year moratorium on the use of these weapons passed the Senate 67 to 27.

Yesterday's announcements by our NATO allies go even further, and the United States should seize this opportunity to support them. These NATO countries defy the Pentagon's assertion that modern militaries like ours require antipersonnel landmines. Landmines are a coward's weapon, that are overwhelmingly used against civilians. If the United States were to join France, Belgium and Austria it would give an enormous push toward the goal of ridding the world of these weapons.

Mr. President, I am going to put my full statement in the RECORD, but I do want to say this. This conference in Vienna presents the United States with a tremendous opportunity, an opportunity that must not be missed.

Fifteen years ago the Conventional Weapons Convention was signed with much fanfare, but it has turned out to be worth little more than the paper it was printed on. Today, there are hundreds of thousands of people dead or maimed by landmines, the very weapon that Convention was intended to control.

We have seen the immense devastation landmines cause, and continue to cause, around the world. Each day, another 70 people are killed or horribly mutilated. The undeniable truth is that antipersonnel landmines cannot be controlled. They are too cheap to make, too easy to transport and conceal. They are the "Saturday night specials" of civil wars, and they have become one of the world's greatest scourges.

Last September at the United Nations, President Clinton took a courageous step, when he called for the eventual elimination of antipersonnel mines. My amendment was a small step toward that goal.

Its purpose was not unilateral disarmament, as some in the Pentagon would have one believe, but leadership. Leadership by the world's only superpower with a military arsenal that dwarfs that of any other nation, to stop the senseless slaughter of tens of thousands of innocent people. By setting an example, we can lead others to take similar action, just as our European allies announced steps yesterday that we should imitate.

The amendment that won the bipartisan support of two thirds of the Senate should be a model for our negotiators in Vienna. I only wish these negotiations were being held in Cambodia, or Angola, where the one-legged victims of landmines can be seen on every street corner.

I wish the negotiators could experience the constant fear of losing a leg, or an arm, or a child, simply from stepping in the wrong place. Instead of weeks of lofty speeches in air conditioned room quibbling over an elaborate set of unenforceable rules, I think we would see dramatic progress toward a ban on these weapons.

Let us not repeat the mistake of a decade and a half ago. Let us finally recognize that there are some weapons that are so indiscriminate, so inhumane, and so impossible to control, that they should be banned altogether. Let us finally do what we say, and stop this when we have the chance.

Mr. President, I ask unanimous consent to have printed in the RECORD a New York Times article about the French Government's announcement.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times Sept. 27, 1995]

PARIS TO SCRAP SOME LAND MINES IN FACE OF GROWING SENTIMENT

VIENNA, Sept. 26.—France announced today that it would stop production and export of all antipersonnel mines and begin to destroy its stocks.

Xavier Emmanuelli, the French secretary of state for emergency humanitarian actions, said at a conference in Vienna that France was determined to carry on its struggle against mines, which caused a "humanitarian catastrophe."

"To further this end, France has decided to adopt a moratorium on the production of all types of antipersonnel mines," Mr. Emmanuelli told delegates. "We shall also halt the production of these weapons."

Furthermore, he added, "France will as of now begin to reduce its stocks of antipersonnel mines by destroying them."

The Vienna conference is reviewing a 1980 convention on weapons that are deemed to be indiscriminate or excessively injurious. It will also be discussing laser weapons that blind people exposed to them.

The United Nations Secretary General, Boutros Boutros-Ghali, called for a total ban on land mines, which he said killed or maimed thousands of civilians each year.

He acknowledged that the conference was unlikely to outlaw land mines completely but urged participating countries to at least establish an export moratorium.

In a videotaped message, the United Nations chief said 1,600 people would be killed or wounded in mine blasts around the world during the time the conference was being held. It ends Oct. 13.

Mr. Boutros-Ghali said several countries had already heeded a call by the General Assembly to establish an export moratorium and he urged the conference to back an export ban to states that had not yet ratified the 1980 convention.

France's move, which does not cover antitank mines, is likely to increase pressure on countries that are still exporting mines.

The United States banned mine exports three years ago.

Belgium, Denmark, Norway and Sweden backed Mr. Boutros-Ghali's call for a total ban.

Mr. LEAHY. Mr. President, landmines have been around since at least the American Civil War, when live artillery shells were concealed beneath the surface of roads, in houses, even in water wells. They would explode when a person inadvertently came into contact with them, whether a soldier or an innocent child. The result was an arm or leg blown off, or worse. At the time, General Sherman, who is not remembered as a great humanitarian, called them a "violation of civilized warfare." Yet despite Sherman's condemnation, landmines have been used ever since, in steadily increasing numbers.

My own knowledge about landmines dates to 1988, when I met a young boy in a field hospital on the Honduras-Nicaragua border. He had lost a leg from a mine that had been left on a jungle path near his home. It was because of that boy that I started a fund to get artificial limbs to landmine victims around the world. The war victims fund has been used in over a dozen countries, including Vietnam.

That boy is one of countless people whose lives have been irreparably harmed by landmines. We have all seen the photographs of children with their legs blown off at the knee; their mothers with an arm or a leg missing; hospital wards filled with rows of amputees. They tell the gruesome story, yet those people, who face a lifetime of hardship, are the lucky ones because they survived. There are many thousands of people like them, and as many others who died from loss of blood before reaching a hospital.

Civilians are not the only victims of landmines. Landmines have become a cheap, popular weapon in developing countries where American troops are likely to be sent in the future, either in combat or on peacekeeping missions. A $2 plastic antipersonnel mine, hidden under a layer of sand or dust and practically impossible to detect with a metal detector, can blow the leg off the best trained, best equipped American soldier as easily as a defenseless child. If American and NATO troops are sent to former Yugoslavia to rescue U.N. peacekeepers, they will face as many as 2 million mines in Bosnia alone.

The social and economic costs of landmines are staggering. The United Nations estimates that it will cost several tens of billions of dollars just to remove the existing mines. In each of the past 2 years, about 100,000 mines were cleared at an average cost of several hundred dollars per mine, while an estimated 2 to 2.5 million new mines are laid. The United States has spent millions of dollars to develop better technology for locating and removing landmines, but the most effective method is still a hand-held probe and metal detector. Kuwait, one of the few mine-infested countries rich enough to get rid of the mines left over from the Gulf war, spent over $800 million to clear the millions of Iraqi and American mines and 84 deminers died in the process. We are clearly losing the battle.

The cost of caring for the victims is also immense. The medical care, artificial limbs and lost income for a quarter million amputees over a lifetime is figured at about $750 million, and another

70 people are maimed or killed by mines each day.

Three years ago almost no one was paying attention to this global crisis. The Conventional Weapons Convention had become a distant memory, in part because it had been such a failure. Then, in 1992, the U.S. Senate passed my amendment for a moratorium on the export of antipersonnel landmines. That amendment had one goal—to challenge other countries to join with us to stop the spread of these hidden killers.

Since then, and spurred on by a global campaign of 350 nongovernmental organizations in at least 30 countries, public pressure against the proliferation and use of antipersonnel mines has grown steadily. To date, 28 countries have halted all or most of their exports of these weapons.

Then last September, in an historic speech to the U.N. General Assembly, President Clinton announced the goal of the eventual elimination of antipersonnel mines. On December 15, the U.N. General Assembly passed a resolution calling for further steps toward this goal.

This is the first time since the banning of chemical weapons that the nations of the world have singled out a type of weapon for total elimination. It reflects a growing consensus that antipersonnel landmines are so cheap, so easy to mass produce, so easy to conceal and transport and sow by the thousands, that they cannot be controlled. They have become slow motion weapons of mass destruction, and it is civilians who suffer.

In March of this year, Belgium, a member of NATO, became the first country to unilaterally implement the U.N. goal, by prohibiting the production, export, and use of antipersonnel mines. In June, the Norwegian Parliament did the same thing, and half a dozen other countries have declared support for a global ban on these weapons. The European Parliament and the Organization of African Unity have also adopted resolutions supporting a complete ban.

U.N. Secretary General Boutros-Ghali, U.N. High Commissioner for Refugees Sadako Ogata, Pope John Paul II, former President Jimmy Carter, former Secretary of State Cyrus Vance, and American Red Cross President Elizabeth Dole are among the world leaders who have called for an end to the use of antipersonnel mines.

Yet, despite this progress, the use of landmines continues unabated. In the past year alone, an estimated 5 to 10 million new mines were produced and millions have been used in Chechnya, Bosnia, Cambodia, along the Peruvian-Ecuador border, and in virtually every other armed conflict in the world today.

President Clinton's announcement of the goal to seek the eventual elimination of antipersonnel mines was a crucial milestone, because it defined the ultimate solution to the problem. The administration has also participated actively in the meetings to prepare for the Vienna review conference, where it has shown leadership on several important issues such as the convention's scope and verification. It has also been the leading contributor to landmine clearance programs in countries contaminated with mines.

On the other hand, the administration has emphasized eventual rather than elimination. It has proposed a strategy, developed by the Pentagon, which aims to promote the export and use of self-destruct mines which are designed to blow themselves up after a finite period of time. The theory is that by increasing the availability of these safe mines, the reliance on long-life mines, which often remain active years after a conflict ends, will decrease. However, there is no requirement that governments actually reduce their stockpiles of long-life mines, and no limit on the number of self-destruct mines than can be used.

In an ideal world this approach might make sense, but the reality is otherwise. It ignores the intrinsic problem with landmines—no matter how modern the technology, as long as they are active they cannot distinguish between civilians and soldiers. It also ignores the fact that these mines can be scattered over wide areas by the thousands, or tens of thousands, and even if the failure rate is 2 or 3 percent they pose a perpetual life-threatening danger to whole societies. Moreover, there are tens of millions of long-life mines in inventories around the world. There is little incentive for governments to destroy these stockpiles simply to pay to replace them with more expensive short-life mines. Finally, if we treat some mines as acceptable it will be difficult if not impossible to build international support for the goal of banning them altogether. The inevitable result will be many more needless civilian deaths.

My amendment, which passed the Senate on August 4, offers an alternative approach. But whether the opportunity of the Vienna conference will be seized is the question, and I am not optimistic. Despite notable progress on some issues, the four meetings to prepare for the conference were disappointing since there was little support for a complete ban on antipersonnel mines. Instead, it seems clear that, at best, we can expect an increasingly elaborate set of rules and procedures which are exceedingly difficult, if not impossible, to monitor and enforce.

Although probable, such an outcome is not inevitable. To begin with, there is a proposal for consideration at the review conference to prohibit the use, development, manufacture, stockpiling, or transfer of antipersonnel landmines. The administration should support this proposal, especially considering this week's announcements by the French and Austrian Governments, coming on the heels of the Belgian Government's. It is fully consistent with the President's goal, and with my amendment. Even a halt to production, as our NATO allies have done, would be a major step beyond where we are.

Unfortunately, the Pentagon continues to insist that it needs antipersonnel landmines until viable and humane alternatives are developed, and is therefore certain to reject such an approach despite the administration's own rhetoric. Although the Pentagon is spending millions of dollars to develop more advanced mines, there is little evidence that it is seriously engaged in developing alternatives. Instead, the administration will probably support proposed hortatory language that the restrictions and prohibitions in this protocol shall facilitate the ultimate goal of a complete ban on the production, stockpiling, use, and trade of antipersonnel landmines. Although constructive, this language would have no operative effect and could easily be construed to be consistent with the administration's safe mine approach.

Even if governments fail to adopt the complete ban on antipersonnel mines which I and many others would prefer, the conference can produce important progress toward that goal and the United States should seek the strongest possible limits on antipersonnel landmines.

The convention, like other laws of war agreements, contains limits on use, as opposed to production, stockpiles, and transfers. My amendment, which also limits use, offers a useful model, and the administration should incorporate elements of it into the U.S. negotiating position. Rather than encourage the widespread use of self-destruct mines, my amendment seeks to severely limit the use of all antipersonnel mines, and thus move unambiguously toward a complete ban. But it falls significantly short of a ban, since it permits their use along international borders and in demilitarized zones which is a paramount concern of countries with hostile neighbors. It exempts antitank mines. It exempts command detonated munitions which are effective for protecting a perimeter and are not indiscriminate. And, it does not take effect for 3 years.

Although my amendment differs substantially from the administration's current policy, it has the distinct benefit of being simpler to implement and far easier to verify. And while overcoming the considerable resistance to such a significant change in international practice would depend on the amount of public pressure that could be amassed to convince governments to agree, it has the added advantage that it might actually work.

While I believe the above recommendations are reasonable and necessary under the circumstances, I fully recognize that, at best, they are likely to receive only passing consideration. However, short of that, there are several other areas of discussion where strong U.S. leadership could determine whether the review conference achieves meaningful results.

I am encouraged that there is near agreement on expanding the scope of the convention beyond international conflicts. This is crucial, since the widespread use of landmines in recent years has been in civil wars. The administration has strongly supported this modification, and it should advocate for final agreement on application of the convention in all circumstances, so there is no ambiguity about its universal application.

There is a proposal that any antipersonnel mine that is not placed in a marked and guarded minefield must contain a self-destructing device. However, self-destruct mines are often disbursed by aircraft and artillery in huge numbers over wide areas making it extremely difficult to accurately map their location. Instead, all mines, including self-destruct mines which as noted above are as indiscriminate as other mines, should be required to be located in marked and monitored minefields to ensure the exclusion of civilians. In addition, given the large number of self-destruct mines that failed to self-destruct in the Persian Gulf war, it is essential that the United States advocate strongly that such mines also contain a self-deactivating device, such as a battery which loses power after a finite time.

A proposal tabled by Russia would establish an exception to the self-destruct and marked and monitored minefield requirements in situations where direct enemy military action makes it impossible to comply. Such an exception would virtually negate the effect of these requirements, and the administration should strongly oppose it.

The time period within which a self-destruct mine must self-destruct or self-deactivate remains a subject of discussion. There are proposals ranging from 2 to 365 days. Indeed, at least one government has reportedly proposed that there be no time limit. Most U.S. mines are designed to self-destruct within 24 to 48 hours, and to self-deactivate within 60 days. The administration should advocate strongly for this short time period.

One of the most frequent criticisms of the Conventional Weapons Convention is its lack of verification and compliance procedures. The administration has proposed factfinding and compliance procedures which, while not nearly as intrusive as the verification and compliance procedures in the Chemical Weapons Convention, could significantly enhance the effectiveness of the Conventional Weapons Convention. In contrast, a proposal advocated by several nonaligned governments would provide for only transparency requirements, whereby governments would have to disclose certain information about their use of mines. This would be woefully inadequate. If the review conference is to have any hope of producing meaningful results the convention must include effective verification procedures and at least the possibility of sanctions for nonratification and noncompliance.

It is encouraging that there appears to be agreement that antipersonnel mines must be detectable with common electronic metal detecting equipment. To avoid confusion and foreseeable problems, there needs to be a requirement of a specific amount of metal to ensure easy detection. This requirement should be extended to cover antitank mines as well. This is very important for the safety of deminers.

The administration has proposed to prohibit antihandling devices on antitank landmines, as well as on antipersonnel mines. Unfortunately, this has not received support from other countries. The administration should continue to advocate for such a prohibition, since an antitank mine with an anti-handling device is an antipersonnel mine. This could also could help reduce the danger to deminers.

Finally, given the U.N. General Assembly's adoption of the goal of eventually eliminating antipersonnel mines, the utter failure of the convention, and the fact that the results of the Vienna conference are likely to be quite modest, the administration should seek frequent reviews of the convention. Rather than every 10 years, there should be some form of annual technical review, and a formal review at least every 5 years. In addition to identifying problems, frequent reviews could help bring additional States on board.

Like any weapon, landmines have a military use. But it needs to be weighed against the immense, long-term human and economic damage they cause. Solving the landmine crisis will take years, possibly generations. The Vienna conference is a beginning. Our aim should be to build an international consensus that like chemical and biological weapons, antipersonnel mines are so indiscriminate and inhumane that they do not belong on this Earth. They are not weapons we depend on for our national security. They are most often used against the defenseless.

Ultimately, it is a moral issue, as has been so eloquently stated by South African Archbishop Desmond Tutu. He has spoken about the 20 million landmines in Africa that have already destroyed so many innocent lives:

> Antipersonnel landmines are not just a crime perpetrated against people, they are a sin. Why has the world been so silent about these obscenities? It is because most of the victims of landmines are neither heard nor seen.

Mr President, I want to also speak briefly about another issue that will be debated in Vienna, blinding laser weapons.

In recent years, military forces have come to rely on lasers for range finding, target designation and other modern technology. These technologies have helped to increase the accuracy and effectiveness of U.S. weapons, and are widely accepted as legitimate uses in warfare. However, as the technology has advanced, various governments have begun to move from these non-weapon laser systems to the development of tactical laser weapons that are either intended or have the potential to destroy eyesight. Such laser weapons now exist in prototype form, and some are small enough to be mounted on a rifle.

A recent report identified 10 different U.S. laser weapon systems, 5 of which have apparently been fielded in prototype form. The Pentagon has acknowledged that two of the systems were deployed, but not used, in the Gulf war, and that one system was deployed, but not used, in Somalia. Other governments that have been mentioned in the press as developing blinding laser weapons include China, Russia, other former Soviet republics, France, the United Kingdom, Germany and Israel. China attempted to market its ZM–87, a portable laser weapon system, at an arms exhibition this spring. Its promotional literature openly states that one of the weapon's main purposes is to injure eyesight.

Alarmed by the obvious potential for widespread abuse by terrorists, rogue states, insurgent groups and common criminals if antipersonnel laser weapons are developed and allowed to proliferate, several years ago the international committee of the Red Cross initiated a campaign against battlefield laser weapons. This led to a Swedish proposal to add a protocol to the convention to prohibit the use of laser weapons for the purpose of causing permanent blindness as a method of warfare. Over 20 governments including many of our closest allies, as well as the European Parliament and the Organization of African Unity, have expressed support for such a protocol.

The possibility of hundreds or thousands of American servicemen and women returning from combat to face the rest of their lives without eyesight is sufficiently horrifying that I sought the Pentagon's opinion on the Swedish proposal. Although the Pentagon concedes that there is no military requirement for weapons that are used to destroy eyesight, I found the Pentagon strongly opposed to the Swedish proposal for several somewhat contradictory reasons:

I was told that a prohibition is unnecessary since there is no plan to develop blinding weapons. At the same time, I was told that they are easy to develop and indeed already exist.

I was told that there is no point in investing in such weapons since they are ineffective in inclement weather and thus unlikely to receive widespread use.

I was told that a prohibition would not prevent their development or use by civilians; that blinding is preferable to death; that a prohibition would be difficult to enforce because of the legitimate uses of lasers in warfare and, even worse, that it would deter legitimate uses; and that negotiation of such a protocol would divert attention from the more immediate and pressing issue of landmines.

These arguments are unpersuasive. The Pentagon maintains that its laser weapons systems are intended not to blind, but to disrupt enemy optical and electro-optical battlefield surveillance systems. The Pentagon has also conceded, however, that in some circumstances the laser weapon performs its antisensor function by damaging the eyesight of the enemy user. A laser weapon beam directed at a simple optic such as a binocular or gunner's sight does not destroy the optical lens, but instead magnifies and shoots back into the human eye, causing damage and probable permanent blindness. The most advanced U.S. laser weapon system, the Laser Countermeasure System [LCMS], which is mounted on an M-16 rifle, reportedly fires a beam powerful enough to destroy a human retina from a distance of 3,000 feet.

The fact that a prohibition would not directly apply to civilians is hardly a reason not to limit their use as a method of warfare, particularly since a prohibition would certainly inhibit their development and use by terrorists and common criminals. Blindness may be preferable to death, but blindness is permanent and weapons used to blind would be used in combination with, not instead of, other deadly weapons.

As for the Pentagon's argument that a prohibition on blinding could deter legitimate uses of lasers, it should not be difficult to distinguish between the use of nonweapon lasers for target designation and range-finding versus tactical laser weapons that can blind. During the Gulf War, there were many thousands of uses of nonweapon lasers by the United States and other nations, and only one or two known instances of eye damage.

In any event, this problem is certainly solvable, and is by no means unique to the laws of war. A prohibition should prohibit blinding as a method of warfare, as well as the development, production, transfer, and use of laser weapons the primary purpose or effect of which is to cause blindness.

Some violations would be difficult or impossible to prove, but that is true with other laws of war violations such as the deliberate targeting of civilians. The burden of proof is on the person alleging the violation.

As a strong proponent of limits on the use of landmines, I certainly do not want negotiations on laser weapons to divert attention from the landmine issue. However, given the brevity of the Swedish proposal, its support among other governments and the unique opportunity presented by the Vienna conference, this is too important an opportunity to miss. I have urged the administration to delay the development or production of any antipersonnel laser system until the issue has been fully considered in Vienna.

Unfortunately, in June the Pentagon made an ill-advised decision to go forward with a limited production of 75 LCMS systems, while deferring a decision on full production of 2,500 units until early 1996. While I am relieved that a decision on full production was delayed, even limited production will complicate the negotiations on a prohibition. The administration should reverse this decision and postpone any further research, development, or procurement of tactical laser weapon systems until after the Vienna conference.

To its credit, the Pentagon recently announced that it has revised its policy on lasers, to prohibit the use of lasers specifically designed to cause permanent blindness. This is an important step, but it is not enough to prohibit only lasers designed to be used against personnel, since virtually any laser can be used to destroy eyesight if used for that purpose.

It is not too late to act to prevent the widespread proliferation of these weapons. Like exploding bullets and other weapons that have been banned as excessively cruel, the administration should actively support an international prohibition on blinding as a method of warfare. U.S. leadership, even at this late date, would virtually assure agreement.

Mr. President, again, the Vienna conference is a unique opportunity. On both landmines and laser weapons, U.S. leadership is urgently needed and vital to save lives and prevent the proliferation of these inhumane weapons.

FOREIGN OPERATIONS APPROPRIATIONS AMENDMENTS VOTES

Mr. ABRAHAM. Mr. President, I want to take a few moments to explain several of my votes concerning H.R. 1868, the Foreign Operations appropriation bill. I voted in favor of final passage of the bill because it would meet U.S. foreign relations and national security goals, while cutting spending in those areas that do not directly support the U.S. national security strategy.

Many of the amendments offered to the bill concerned the question of responsibility the United States has in economically or militarily supporting other countries. I ran for this body on a platform fiscal conservatism and directing our foreign assistance programs towards those areas in which the United States has a direct political, economic, or national security interest. Although many arguments were raised as to what effect U.S. aid would or would not have in the recipient country, my votes on the amendments turned more on the question of whether the national security of the United States was directly improved by the provision or withholding of this assistance.

These principles led me to oppose the D'Amato amendment to cut Economic Support Fund assistance to Turkey, but support the Dole amendment on the transhipment of United States humanitarian aid. I believe the United States national security interests are best served by a strong and stable Turkish government, which has fully committed itself to the principles of open markets, democratic government, and the preservation of individual liberties.

Turkey, in my opinion, is making progress on all these fronts, and relations with its neighbors are similarly changing, both with United States assistance and through other venues. Because of the potential for our relations with Turkey to quickly shift, I believe it is critical any conditions the Congress places upon assistance to Turkey provide the Executive with the tools necessary to adjust to those new circumstances. The D'Amato amendment cut almost half of the Economic Support Fund aid to Turkey without any method for the Executive to resume that aid if such leverage proves necessary or fruitful. For that reason I was unable to support the D'Amato amendment.

The Dole amendment, however, provided such tools to the Executive, and I was therefore able to support this measure. Although the language of the amendment was universal in its application, the Majority Leader made clear his motivation for this measure was Turkey's refusal to allow the transhipment of United States humanitarian aid to Armenia. Because of the potential for a rapid shift in our national security objectives and relations with Turkey, this amendment provides the Executive the authority to waive its provisions if it is in the United States national security interests to do so. Given the strategic, political and economic importance of Turkey to the United States, I believe this is a vital provision. This language is even more expansive than the original Humanitarian Relief Corridor Act waiver language and I applaud its inclusion. Although the amendment was adopted by voice vote, if it had come to the floor for a roll call vote, I would have voted in favor of its adoption. I also wish to make it clear that if the progress I referred to earlier in the democratization and liberalization of Turkey does not continue and solidify, I may determine that requested levels of United States assistance are no longer serving our national interests.

I also wish to explain my opposition to the Brown amendment allowing the transfer of previously purchased military equipment to Pakistan. This amendment was presented as an attempt to divest the United States of military equipment purchased by Pakistan, but withheld due to the implementation of the Pressler amendment. I do not wish to argue the relative merits of the Pressler amendment itself, for that was not the issue. The issue was whether the United States should go back on its legislatively defined position that aid to Pakistan could only be provided if Pakistan did not possess a nuclear explosive device. The Pressler amendment had been on the books for almost 5 years before it was finally implemented in 1990, and Pakistan knew full well what would happen if the President found it impossible to certify that Pakistan did not possess a nuclear explosive device. Pakistan continued those policies that led to this Presidential determination, and they must be willing to accept the consequences.

This is not to imply our interests in South Asia are static. All parties must abandon the notion that United States relations with Pakistan and India are part of some regional zero-sum game. Measures the United States undertakes to improve relations with one country should not be interpreted as happening at the expense of the other country. But I believe allowing the introduction of significant military hardware at this critical juncture in South Asian relations would be contrary to our national interests and regional stability. Obviously, however, the affirmative vote on the Brown amendment indicates the Senate is moving in another direction. I therefore believe it is now time for the United States to move past this issue in our relations with India and Pakistan, and extend our relations with both countries, not at the expense of one or the other, but in tandem.

As for my support for the Helms amendment regarding funding for the UN Population Fund [UNFPA], it is not because I am opposed to foreign assistance. Indeed, I believe it is vitally important we remain engaged in the international arena, and foreign assistance can be a powerful tool for the United States to further its political, economic, and national security goals. However, the history of our foreign assistance programs shows a repeated record of funding for controversial projects that do little to advance those goals. Given the demands to balance the budget and cut federal spending, I believe this program is extraneous to our foreign policy objectives.

The UNFPA fully supports Chinese population control programs that include forced abortions and involuntary sterilization. These practices are contrary to the values of a large segment of my State's citizens, and I believe the citizens of the United States as well. That consideration, in fact, is why the Congress has previously mandated such United assistance to the UNFPA be separated from the Chinese programs. But I believe such separations are irrelevant given the inherent fungibility of money. The UNFPA simply shifts other donor countries contributions to China and use the United States contributions as a replacement in non-Chinese projects. The Helms amendment stops this elaborate shell game unless China ceases such practices or the UNFPA withdraws from this program, and brings such expenditures in line with the clear wishes of the American people. I therefore voted to adopt the Helms amendment.

Finally, Mr. President, I wish to explain my vote regarding the Smith amendment prohibiting Most Favored Nation trading status with Vietnam, or the provision of trade financing incentives unless the President certifies they have been fully cooperative on the issues of United States POW/MIA's and human rights. The normalization of relations with Vietnam is a major development in United States foreign policy, and I have long been disappointed the Congress was not more fully brought into this process by the Administration. There are still substantial questions regarding the fate of United States servicemen lost in South East Asia during the Vietnam War. I therefore voted for this amendment in the hope it would provide the leverage needed to obtain this crucial cooperation and information.

However, given the amendment's rejection by a vote of 39 to 59, it is clear the Senate has decided to move forward in relations with Vietnam, and I am fully prepared to become involved in that process. The Administration has promised these initiatives towards Vietnam will more assuredly provide the United States the answers it needs regarding POWs and MIA's in South East Asia. I will monitor that progress closely over the next year, and make an independent evaluation as to whether these measures have indeed helped resolve these questions.

Mr. President, it is difficult to analyze this myriad of issues in the pure vacuum of policy analysis. Different groups can have vastly different positions on issues, and each can defend those positions with a plethora of hard evidence and supporting statistics. However, by applying a standard of United States national security interests to such decisions, I believe we can ensure that our international initiatives best meet our national strategies and goals, and further the establishment of democratic societies, free market economies and individual liberty.

Mr. President, I yield the floor.

COSPONSORING S. 830

Mr. LEAHY. Mr. President, I am pleased to cosponsor S. 830, a bill introduced by Senator SPECTER to amend the Federal Criminal Code to prohibit the making of false statements, misrepresentations or false writings to Congress or to any congressional committee or subcommittee. Until the Supreme Court decided Hubbard versus United States in May of this year, that had been the law of the land for 40 years.

In the Hubbard case, the Supreme Court decided that section 1001 of title 18, United States Code, prohibits the making of false statements only to executive branch agencies, and not to the courts or Congress. This decision overturned a 1955 Supreme Court case, which squarely held that "one who lied to an officer of Congress was punishable under §1001 * * *" *Hubbard*, 131 L.Ed. 2d 779, 798.

S. 830 would make clear that the courts, Congress, and "any duly constituted committee or subcommittee of Congress" are covered by the prohibition in section 1001 against false statements. It would restore the clear message to all who may appear before a committee or subcommittee of the Senate or House: Do not lie to us.

Although various other laws criminalize false statements to Congress, none of those statutes reaches the breadth of misrepresentations and false statements prohibited by section 1001. For example, a perjury prosecution under 18 U.S.C. §1621 requires that the false statement be made under oath, while section 1001 does not. Likewise, a prosecution under 18 U.S.C. §287 requires that the false statement be made in connection with a claim for payment, while section 1001 does not. Finally, an obstruction prosecution under 18 U.S.C. §1505 requires that the obstruction be effected "corruptly or by threats or force," which section 1001 does not. Indeed, section 1505 has specifically been held not to prohibit lying to Congress. *U.S.* v. *Poindexter*, 951 F.2d 369 (D.C. Cir. 1991).

I recognize that extension of section 1001 to the courts must be done delicately so as not to impinge upon responsible advocacy. I look forward to working with my friend from Pennsylvania on refining this bill, and urge its passage in this Congress.

We should all be aware that until S. 830 is passed, witnesses may lie with impunity at congressional hearings, unless they are placed under oath.

Senator SPECTER has meticulously administered oaths to every witness who has appeared at the extensive and ongoing Ruby Ridge hearings before the Judiciary Subcommittee on Terrorism, Technology and Government Information, which he chairs. We have heard from current and former law enforcement personnel from four Federal agencies, including the Marshals Service, the Bureau of Alcohol, Tobacco and Firearms, the FBI, and the Justice Department. We have also heard from Randy Weaver and his daughter, Sara, Kevin Harris, their neighbors and their friends.

Sorting out what happened 3 years ago at Ruby Ridge, and then its aftermath, has proven to be no simple task. This was a tragedy, resulting in the deaths of Deputy Marshal William Degan, a 14-year-old boy, Sammy Weaver, and his mother, Vicki Weaver. Figuring out what went wrong at Ruby Ridge and what can be done to make sure those events are never repeated, is the challenge the subcommittee is facing on a bipartisan basis.

Fulfilling our important oversight responsibility at these hearings, and in future hearings on other matters, requires that we seek the truth and base our findings on facts. Witnesses, who are interviewed, called to testify, and asked to provide documentary material relating to matters under consideration by Congress, should be given the message loudly and clearly that if they lie or purposely mislead us, they will be sanctioned with criminal penalties. This bill would put that message in the law, and I am glad to cosponsor it.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Thomas, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the Committee on the Judiciary.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORT OF PROPOSED AGREEMENT FOR COOPERATION WITH SOUTH AFRICA CONCERNING PEACEFUL USES OF NUCLEAR ENERGY—MESSAGE FROM THE PRESIDENT—PM 84

The Presiding Officer laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Foreign Relations.

To the Congress of the United States:

I am pleased to transmit to the Congress, pursuant to sections 123 b. and 123 d. of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2153(b), (d)), the text of a proposed Agreement for Cooperation Between the United States of America and the Republic of South Africa Concerning Peaceful Uses of Nuclear Energy, with accompanying annex and agreed minute. I am also pleased to transmit my written approval, authorization, and determination concerning the agreement, and the memorandum of the Director of the United States Arms Control and Disarmament Agency with the Nuclear Proliferation Assessment Statement concerning the agreement. The joint memorandum submitted to me by the Acting Secretary of State and the Secretary of Energy, which includes a summary of the provisions of the agreement and various other attachments, including agency views, is also enclosed.

The proposed agreement with the Republic of South Africa has been negotiated in accordance with the Atomic Energy Act of 1954, as amended by the Nuclear Non-Proliferation Act of 1978 (NNPA) and as otherwise amended. In my judgment, the proposed agreement meets all statutory requirements and will advance the non-proliferation and other foreign policy interests of the United States. It provides a comprehensive framework for peaceful nuclear cooperation between the United States and South Africa under appropriate conditions and controls reflecting a strong common commitment to nuclear non-proliferation goals.

The proposed new agreement will replace an existing U.S.-South Africa agreement for peaceful nuclear cooperation that entered into force on August 22, 1957, and by its terms would expire on August 22, 2007. The United States suspended cooperation with South Africa under the 1957 agreement in the 1970's because of evidence that South Africa was embarked on a nuclear weapons program. Moreover, following passage of the NNPA in 1978, South Africa did not satisfy a provision of section 128 of the Atomic Energy Act (added by the NNPA) that requires full-scope IAEA safeguards in non-nuclear weapon states such as South Africa as a condition for continued significant U.S. nuclear exports.

In July 1991 South Africa, in a momentous policy reversal, acceded to the Treaty on the Non-Proliferation of Nuclear Weapons (NPT) and promptly entered into a full-scope safeguards agreement with the IAEA as required by the Treaty. South Africa has been fully cooperative with the IAEA in carrying out its safeguards responsibilities.

Further, in March 1993 South Africa took the dramatic and candid step of revealing the existence of its past nuclear weapons program and reported that it had dismantled all of its six nuclear devices prior to its accession to the NPT. It also invited the IAEA to inspect its formerly nuclear weapons-related facilities to demonstrate the openness of its nuclear program and its genuine commitment to non-proliferation.

South Africa has also taken a number of additional important non-proliferation steps. In July 1993 it put into effect a law banning all weapons of mass destruction. In April 1995 it became a member of the Nuclear Suppliers Group (NSG), formally committing itself to abide by the NSG's stringent guidelines for nuclear exports. At the 1995 NPT Review and Extension Conference it played a decisive role in the achievement of indefinite NPT extension—a top U.S. foreign policy and national security goal.

These steps are strong and compelling evidence that South Africa is now firmly committed to stopping the spread of weapons of mass destruction and to conducting its nuclear program for peaceful purposes only.

In view of South Africa's fundamental reorientation of its nuclear program, the United States proposes to enter into a new agreement for peaceful nuclear cooperation with South Africa. Although cooperation could have been resumed under the 1957 agreement, both we and South Africa believe that it is preferable to have a new agreement completely satisfying, as the proposed new agreement does, the current legal and policy criteria of both sides, and that reflects, among other things:

Additional international non-proliferation commitments entered into by the parties since 1974, when the old agreement was last amended, including, for South Africa, its adherence to the Treaty on the Non-Proliferation of Nuclear Weapons;

Reciprocity in the application of the terms and conditions of cooperation between the parties; and

An updating of terms and conditions to take account of intervening changes in the respective domestic legal and regulatory frameworks of the parties in the area of peaceful nuclear cooperation.

For the United States, the proposed new agreement also represents an additional instance of compliance with section 404(a) of the NNPA, which calls for an effort to renegotiate existing agreements for cooperation to include the more stringent requirements established by the NNPA.

The proposed new agreement with South Africa permits the transfer of technology, material, equipment (including reactors), and components for nuclear research and nuclear power production. It provides for U.S. consent rights to retransfers, enrichment, and reprocessing as required by U.S. law. It does not permit transfers of any sensitive nuclear technology, restricted data, or sensitive nuclear facilities or major critical components thereof. In the event of termination, key conditions and controls continue with respect to material and equipment subject to the agreement.

From the United States perspective the proposed new agreement improves on the 1957 agreement by the addition of a number of important provisions. These include the provisions for full-scope safeguard; perpetuity of safeguards; a ban on "peaceful" nuclear explosives; a right to require the return of exported nuclear items in certain circumstances; a guarantee of adequate physical security; and a consent right to enrichment of nuclear material subject to the agreement.

I have considered the views and recommendations of the interested agencies in reviewing the proposed agreement and have determined that its performance will promote, and will not constitute an unreasonable risk to, the common defense and security. Accordingly, I have approved the agreement and authorized its execution and urge that the Congress give it favorable consideration.

Because this agreement meets all applicable requirements of the Atomic Energy Act, as amended, for agreements for peaceful nuclear cooperation, I am transmitting it to the Congress without exempting it from any requirement contained in section 123 a. of that Act. This transmission shall constitute a submittal for purposes of both sections 123 b. and 123 d. of the Atomic Energy Act. The Administration is prepared to begin immediately the consultations with the Senate Foreign Relations and House International Relations Committees as provided in section 123 b. Upon completion of the 30-day continuous session period provided for in section 123 b., the 60-day continuous session period provided for in section 123 d. shall commence.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *September 29, 1995.*

REPORT RELATIVE TO THE EXPORT ADMINISTRATION ACT OF 1979—MESSAGE FROM THE PRESIDENT—PM 85

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Banking, Housing, and Urban Affairs.

To the Congress of the United States:

As required by section 204 of the International Emergency Economic Powers Act (50 U.S.C. 1703(c)) and section 401(c) of the National Emergencies Act (50 U.S.C. 1641(c)), I transmit herewith a 6-month periodic report on the national emergency declared by Executive Order No. 12924 of August 19, 1994, to deal with the threat to the national security, foreign policy, and economy of the United States caused by the lapse of the Export Administration Act of 1979.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *September 29, 1995.*

MESSAGES FROM THE HOUSE

At 12:01 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 743. An Act to amend the National Labor Relations Act to allow labor management cooperative efforts that improve economic competitiveness in the United States to continue to thrive, and for other purposes.

H.R. 1170. An Act to provide that cases challenging the constitutionality of measures passed by State referendum be heard by a 3-judge court.

The message also announced that pursuant to the provisions of section 168(b) of Public Law 102–138, the Speaker appoints the following Member to the British-American Interparliamentary Group on the part of the House: Mr. BEREUTER, Chairman.

At 4:20 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has agreed to the following concurrent resolution, with an amendment, in which it requests the concurrence of the Senate:

S. Con. Res. 27. Concurrent Resolution correcting the enrollment of H.R. 402.

The message also announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 895) to amend the Small Business Act to reduce the level of participation by the Small Business Administration in certain loans guaranteed by the Administration, and for other purposes.

The message further announced that the House disagrees to the amendments of the Senate to the bill (H.R. 4) to restore the American family, reduce illegitimacy, control welfare spending and reduce welfare dependence, and agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon; and appoints Mr. ARCHER, Mr. GOODLING, Mr. ROBERTS, Mr. SHAW, Mr. TALENT, Mr. NUSSLE, Mr. HUTCHINSON, Mr. MCCRERY, Mr. SMITH of Texas, Mrs. JOHNSON of Connecticut, Mr. CAMP, Mr. FRANKS of Connecticut, Mr. GIBBONS, Mr. CLAY, Mr. DE LA GARZA, Mr. CONYERS, Mr. FORD, Mr. WAXMAN, Mr. MILLER of California, Mrs. KENNELLY, Mr. LEVIN, and Mrs. LINCOLN as the managers of the conference on the part of the House.

The message also announced that the Speaker appoints the following Members as additional conferees in the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 440) entitled "An Act to amend title 23, United States Code, to provide for the designation of the National Highway System, and for other purposes":

As additional conferees for the consideration of sections 105 and 141 of the Senate bill, and section 320 of the House amendments, and modifications committed to conference: Mr. BLILEY, Mr. BILIRAKIS, Mr. BARTON of Texas, Mr. GREENWOOD, Mr. DINGELL, Mr. WAXMAN, and Mr. BROWN of Ohio.

As additional conferees for the consideration of section 157 of the Senate bill, and modifications committed to conference: Mr. YOUNG of Alaska, Mr. HANSEN, and Mr. MILLER of California.

At 6:51 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 104. Concurrent Resolution providing for an adjournment of the two houses.

ENROLLED BILL SIGNED

The message also announced that the Speaker has signed the following enrolled bill:

H.R. 2399. An Act to amend the Truth in Lending Act to clarify the intent of such Act and to reduce burdensome regulatory requirements on creditors.

ENROLLED JOINT RESOLUTION SIGNED

At 7:34 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the Speaker has signed the following enrolled joint resolution:

H.J. Res. 108. Joint Resolution making continuing appropriations for the fiscal year 1996, and for other purposes.

At 7:49 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the Speaker appoints Mr. EMERSON as an additional conferee in the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (H.R. 4) to restore the American family, reduce illegitimacy, control welfare spending, and reduce welfare dependence.

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent and referred as indicated:

H.R. 743. An Act to amend the National Labor Relations Act to allow labor management cooperative efforts that improve economic competitiveness in the United States to continue to thrive, and for other purposes; to the Committee on Labor and Human Resources.

H.R. 1170. An Act to provide that an application for an injunction restraining the enforcement, operation, or execution of a State law adopted on the ground of the unconstitutionality of such law unless the application is heard and determined by a 3-judge court; to the Committee on the Judiciary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MCCAIN, from the Committee on Indian Affairs, without amendment:

S. 325. A bill to make certain technical corrections in laws relating to Native Americans, and for other purposes (Rept. No. 104–150).

By Mr. STEVENS, from the Committee on Governmental Affairs, without amendment:

S. 868. A bill to provide authority for leave transfer for Federal employees who are adversely affected by disasters or emergencies, and for other purposes (Rept. No. 104–151).

By Mr. PRESSLER, from the Committee on Commerce, Science, and Transportation, without amendment:

S. 1084. A bill to provide for the conveyance of the C.S.S. Hunley to the State of South Carolina, and for other purposes (Rept. No. 104–152).

S. 1141. A bill to authorize appropriations for the activities of the Under Secretary of Commerce for Technology, and for scientific research services and construction of research facilities activities of the National Institute of Standards and Technology, for fiscal years 1996, 1997, and 1998, and for other purposes (Rept. No. 104–153).

By Mr. ROTH, from the Committee on Finance, without amendment:

H.R. 2288. A bill to amend part D of title IV of the Social Security Act to extend for 2 years the deadline by which States are required to have in effect an automated data processing and information retrieval system for use in the administration of State plans for child and spousal support.

By Mr. HATCH, from the Committee on the Judiciary, with an amendment in the nature of a substitute:

S.J. Res. 21. A joint resolution proposing a constitutional amendment to limit congressional terms.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. Thurmond, from the Committee on Armed Services:

John Wade Douglass, of Virginia, to be an Assistant Secretary of the Navy.

(The above nomination was reported with the recommendation that he be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. SMITH (for himself, Mr. CHAFEE, Mr. INHOFE, Mr. KEMPTHORNE, Mr. FAIRCLOTH, Mr. BOND, Mr. THOMAS, Mr. MCCONNELL, Mr. WARNER, Mr. LOTT, and Mr. GREGG):

S. 1285. A bill to reauthorize and amend the Comprehensive Environmental Recovery, Compensation, and Liability Act of 1980, and for other purposes; to the Committee on Environment and Public Works.

By Mr. SMITH:

S. 1286. A bill to amend the Solid Waste Disposal Act regarding management of remediation waste, certain recyclable industrial materials, and certain products, co-products, and intermediate products, and for other purposes; to the Committee on Environment and Public Works.

By Mr. LEAHY:

S. 1287. A bill to amend chapters 83 and 84 of title 5, United States Code, to provide that Federal employees who are erroneously covered by the Civil Service Retirement System may elect to continue such coverage or transfer to coverage under the Federal Employees Retirement System, and for other purposes; to the Committee on Governmental Affairs.

By Mr. BRYAN:

S. 1288. A bill to validate certain conveyances made by the Southern Pacific Transportation Company within the city of Reno, Nevada and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. KYL (for himself, Mr. NUNN, Mr. HELMS, Mr. BENNETT, Mr. KEMPTHORNE, and Mr. FAIRCLOTH):

S. 1289. A bill to amend title XVIII of the Social Security Act to clarify the use of private contracts, and for other purposes; to the Committee on Finance.

By Mr. KERRY:

S. 1290. A bill to reduce the deficit; to the Committee on the Budget.

By Mr. ABRAHAM (for himself and Mr. LEVIN):

S. 1291. A bill to amend the Internal Revenue Code of 1986 with respect to the treatment of effectively connected investment income of insurance companies; to the Committee on Finance.

By Mr. BROWN:

S. 1292. A bill to designate the United States Post Office building located at 201 East Pikes Peak Avenue in Colorado Springs, Colorado, as the "Winfield Scott Stratton Post Office", and for other purposes; to the Committee on Governmental Affairs.

By Mr. MURKOWSKI (for himself, Mr. HELMS, Mr. MCCAIN, and Mr. NICKLES):

S. 1293. A bill to provide for implementation of the Agreed Framework with North Korea regarding resolution of the nuclear issue on the Korean Peninsula, and for other purposes; to the Committee on Foreign Relations.

By Mr. JEFFORDS:

S. 1294. A bill to amend title 10, United States Code, to repeal the requirement that amounts paid to a member of the Armed Forces under the Special Separation Benefits program of the Department of Defense, or under the Voluntary Separation Incentive program of that Department, be offset from amounts subsequently paid to that member by the Department of Veterans Affairs as disability compensation; to the Committee on Armed Services.

By Mr. HELMS (for himself, Mr. FAIRCLOTH, and Mr. WARNER):

S. 1295. A bill to prohibit the regulation of any tobacco products, or tobacco sponsored advertising, used or purchased by the National Association of Stock Car Automobile Racing, its agents or affiliates, or any other professional motor sports association by the Secretary of Health and Human Services or any other instrumentality of the Federal Government, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. HATCH (for himself, Mr. BREAUX, Mr. LUGAR, and Mr. COCHRAN):

S. 1296. A bill to amend the Employee Retirement Income Security Act of 1974 to clarify the treatment of a qualified football coaches plan; to the Committee on Finance.

By Mr. HATCH:

S. 1297. A bill to amend the Internal Revenue Code of 1986 to simplify certain provisions applicable to real estate investment trusts; to the Committee on Finance.

By Mr. LEAHY (for himself, Mr. JEFFORDS, Mr. GREGG, and Mr. SMITH):

S.J. Res. 38. A joint resolution granting the consent of Congress to the Vermont-New Hampshire Interstate Public Water Supply Compact; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. BIDEN:

S. Res. 177. A resolution to designate October 19, 1995, as "National Mammography Day"; to the Committee on the Judiciary.

By Mr. PRESSLER (for himself, Mr. GRAHAM, Mr. BOND, Mr. CHAFEE, Mr. D'AMATO, Mr. DOLE, Mr. GORTON, Mrs. KASSEBAUM, Mr. SPECTER, Mr. STEVENS, Mr. WARNER, Mr. THURMOND, Mr. AKAKA, Mr. HOLLINGS, Mr. KERREY, Mr. DASCHLE, Mr. LEVIN, and Ms. MIKULSKI):

S. Res. 178. A resolution designating the second Sunday in October of 1995 as "National Children's Day", and for other purposes; considered and agreed to.

By Mr. THURMOND (for himself, Mr. DOLE, Mr. ASHCROFT, Mr. BAUCUS, Mr. DOMENICI, Mr. DORGAN, Mr. GORTON, Mr. KENNEDY, Mr. LAUTENBERG, Mr. HOLLINGS, Mr. SANTORUM, Mr. PACKWOOD, Mr. WARNER, Mr. COHEN, Mr. SHELBY, Mr. LOTT, Mr. HATFIELD, Mr. JEFFORDS, Mr. COCHRAN, Mr. BUMPERS, Mr. KOHL, Mr. MACK, Mr. BIDEN, Mr. CRAIG, Mr. SARBANES, Mr. BYRD, Mr. STEVENS, Mr. INHOFE, Mr. WELLSTONE, Mr. LEAHY, Mr. SIMPSON, Mr. BROWN, Mr. ROBB, Mr. INOUYE, Mr. HATCH, and Mr. CAMPBELL):

S. Res. 179. A resolution concerning a joint meeting of Congress and the closing of the commemorations for the Fiftieth Anniversary of World War II, considered and agreed to.

By Mr. JEFFORDS:

S. Con. Res. 28. A concurrent resolution authorizing the use of the Capitol Grounds for the D.C. StandDown '95; to the Committee on Rules and Administration.

By Mr. DOLE:

S. Con. Res. 29. A concurrent resolution providing for marking the celebration of Jerusalem on the occasion of its 3000th Anniversary; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. SMITH (for himself, Mr. CHAFFEE, Mr. INHOFE, Mr. KEMPTHORNE, Mr. FAIRCLOTH, Mr. BOND, Mr. THOMAS, Mr. MCCONNELL, Mr. WARNER, Mr. LOTT, and Mr. GREGG):

S. 1285. A bill to reauthorize and amend the Comprehensive Environmental Recovery, Compensation, and Liability Act of 1980, and for other purposes; to the Committee on Environment and Public Works.

THE ACCELERATED CLEANUP AND ENVIRONMENTAL RESTORATION ACT OF 1995

Mr. SMITH. Mr. President, when the Superfund Program was enacted in 1980, it was expected that only a few hundred sites would need to be cleaned up, at a relatively modest cost. Today, we know those expectations were misguided. There are more than 1,300 sites on the national priorities list, and the EPA has been adding an average of 30–40 new sites per year. To date, the construction of long-term cleanup remedies have been completed at fewer than 300 contaminated sites.

The Superfund saga has been running now for 15 years. The cast includes a bewildering mix of lawyers, bureaucrats, insurers, small business owners, polluters and others trapped in a tangled web of retroactive, joint, strict and several liability. The Superfund story is one of good intentions gone bad while a Government program ran amok.

I am here today to announce that this sorry show will be coming to an end, soon. My goal this year has been nothing short of a comprehensive, common sense reform of the Superfund Program.

The Subcommittee on Superfund, Waste Control, and Risk Assessment, which I chair, held 7 hearings and received testimony from more than 60 witnesses in an effort to formally incorporate a wide variety of views on the issue of Superfund reform. On June 28, I released a detailed outline of a Superfund reform plan and asked for comments from interested parties. I received more than 150 constructive comments and suggestions.

The bill I am introducing today with Senators CHAFEE, BOND, INHOFE, THOMAS, KEMPTHORNE, FAIRCLOTH, LOTT, MCCONNELL, WARNER and GREGG respond to the broad-based concerns and problems with the Superfund Program. The Accelerated Cleanup and Environmental Restoration Act will do just what the title says. The legislation will accelerate the pace of cleanups by reducing cleanup costs, reducing litigation costs, and providing economic incentives for PRPs to stay on site and get the job done.

The legislation will establish a fair, cost-effective and balanced approach to cleaning up hazardous waste sites and returning them to productive use.

Mr. President, I ask unanimous consent that a title-by-title summary of legislation be printed in the RECORD.

Mr. President, I ask unanimous consent that a copy legislation be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1285

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Accelerated Cleanup and Environmental Restoration Act of 1995".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—COMMUNITY PARTICIPATION

Sec. 101. Community response organizations; technical assistance grants; improvement of public participation in the Superfund decisionmaking process.

TITLE II—STATE ROLE

Sec. 201. Delegation to the States of authorities with respect to national priorities list facilities.

TITLE III—VOLUNTARY CLEANUP

Sec. 301. Assistance for qualifying State voluntary response programs.
Sec. 302. Brownfield cleanup assistance.
Sec. 303. Treatment of security interest holders and fiduciaries as owners or operators.
Sec. 304. Federal Deposit Insurance Act amendment.
Sec. 305. Contiguous properties.
Sec. 306. Prospective purchasers and windfall liens.
Sec. 307. Safe harbor innocent landholders.

TITLE IV—SELECTION OF REMEDIAL ACTIONS

Sec. 401. Definitions.
Sec. 402. Selection and implementation of remedial actions.
Sec. 403. Remedy selection methodology.
Sec. 404. Remedy selection procedures.
Sec. 405. Completion of remedial action and delisting.
Sec. 406. Transition rules for facilities currently involved in remedy selection.
Sec. 407. Judicial review.
Sec. 408. National priorities list.

TITLE V—LIABILITY ALLOCATIONS

Sec. 501. Allocation of liability for multiparty facilities.
Sec. 502. Liability of response action contractors.
Sec. 503. Release of evidence.
Sec. 504. Contribution protection.
Sec. 505. Treatment of religious, charitable, scientific, and educational organizations as owners or operators.
Sec. 506. Common carriers.
Sec. 507. Limitation on liability for response costs.

TITLE VI—FEDERAL FACILITIES

Sec. 601. Transfer of authorities.
Sec. 602. Department of Energy environmental cleanup requirements.
Sec. 603. Innovative technologies for remedial action at Federal facilities.
Sec. 604. Federal facility listing.
Sec. 605. Federal facility listing deferral.
Sec. 606. Transfers of uncontaminated property.

TITLE VII—NATURAL RESOURCE DAMAGES

Sec. 701. Restoration of natural resources.
Sec. 702. Assessment of damages.
Sec. 703. Consistency between response actions and resource restoration standards and alternatives.
Sec. 704. Miscellaneous amendments.

TITLE VIII—MISCELLANEOUS

Sec. 801. Result-oriented cleanups.
Sec. 802. National priorities list.
Sec. 803. Obligations from the fund for response actions.
Sec. 804. Remediation waste.

TITLE IX—FUNDING

Subtitle A—General Provisions

Sec. 901. Authorization of appropriations from the fund.
Sec. 902. Orphan share funding.
Sec. 903. Department of Health and Human Services.
Sec. 904. Limitations on research, development, and demonstration programs.
Sec. 905. Authorization of appropriations from general revenues.
Sec. 906. Additional limitations.
Sec. 907. Reimbursement of potentially responsible parties.

TITLE I—COMMUNITY PARTICIPATION

SEC. 101. COMMUNITY RESPONSE ORGANIZATIONS; TECHNICAL ASSISTANCE GRANTS; IMPROVEMENT OF PUBLIC PARTICIPATION IN THE SUPERFUND DECISIONMAKING PROCESS.

(a) AMENDMENT.—Section 117 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9617) is amended by striking subsection (e) and inserting the following:

"(e) COMMUNITY RESPONSE ORGANIZATIONS.—

"(1) ESTABLISHMENT.—The Administrator shall create a community response organization for a facility—

"(A) if the Administrator determines that a representative public forum will be helpful in promoting direct, regular, and meaningful consultation among persons interested in remedial action at a facility; or

"(B) at the request of—

"(i) 50 individuals residing in, or at least 20 percent of the population of, the area in which the facility is located;

"(ii) a representative group of the potentially responsible parties; or

"(iii) any local governmental entity with jurisdiction over the facility.

"(2) RESPONSIBILITIES.—A community response organization shall—

"(A) solicit the views of the local community on various issues affecting the development and implementation of remedial actions at the facility;

"(B) serve as a conduit of information to and from the community to appropriate Federal, State, and local agencies and potentially responsible parties; and

"(C) serve as a representative of the local community during the remedial action planning and implementation process.

"(3) CONSULTATION.—The Administrator shall consult with a community response organization in the preparation of a remedial action plan for a facility.

"(4) ACCESS TO DOCUMENTS.—The Administrator shall provide a community response organization access to documents in possession of the Federal Government regarding response actions at the facility that do not relate to liability and are not protected from disclosure as confidential business information.

"(5) PARTICIPATION BY EPA, THE STATE, AND POTENTIALLY RESPONSIBLE PARTIES.—Representatives of the Administrator, the State, and the potentially responsible parties shall be given reasonable notice and opportunity to participate in the community response organization activities and meetings and shall periodically report to the community response organization on preparation of the remedial action plan.

"(6) COMMUNITY RESPONSE ORGANIZATION INPUT.—

"(A) COMMUNICATION OF INFORMATION; SOLICITATION OF VIEWS.—The Administrator, (and if the remedial action plan is being prepared or implemented by a party other than the Administrator, the other party) shall keep the community response organization informed of progress and solicit the views of the community response organization during development and implementation of the remedial action plan.

"(B) TIMELY SUBMISSION OF COMMENTS.—The community response organization shall provide its comments, information, and recommendations in a timely manner to the Administrator (and other party).

"(C) CONSENSUS.—The community response organization shall attempt to achieve consensus among its members before providing comments and recommendations to the Administrator (and other party), but if consensus cannot be reached, the community response organization shall report or allow presentation of divergent views.

"(7) TECHNICAL ASSISTANCE GRANTS.—

"(A) PREFERRED RECIPIENT.—If a community response organization exists for a facility, the community response organization shall be the preferred recipient of a technical assistance grant under subsection (f).

"(B) PRIOR AWARD.—A technical assistance grant concerning a facility has been awarded prior to establishment of a community response organization—

"(i) the recipient of the grant shall coordinate its activities and share information and technical expertise with the community response organization; and

"(ii) 1 person representing the grant recipient shall serve on the community response organization.

"(8) MEMBERSHIP.—

"(A) NUMBER.—The Administrator shall select not less than 15 nor more than 20 persons to serve on a community response organization.

"(B) NOTICE.—Before selecting members of the community response organization, the Administrator shall provide a notice of intent to establish a community response organization to persons who reside in the local community.

"(C) REPRESENTED GROUPS.—The Administrator shall select members of the community response organization from each of the following groups of persons:

"(i) Persons who reside or own residential property near the facility;

"(ii) Persons who, although they may not reside or own property near the facility, may be adversely affected by a release from the facility.

"(iii) Persons who are members of the local public health or medical community and actively practicing in the community.

"(iv) Representatives of local Indian tribes or Indian communities, if such tribes or communities may be adversely affected.

"(v) Local representatives of citizen, environmental, or public interest groups with members residing in the community.

"(vi) Representatives of local governments, such as city or county governments, or both, and any other governmental unit that regulates land use or land use planning in the vicinity of the facility.

"(vii) Workers employed at the facility during facility operation, if readily available.

"(viii) The owner or operator of the facility and other potentially responsible parties who represent, if practicable, a balance of such parties' interests.

"(ix) Members of the local business community.

"(D) PROPORTION.—Local residents shall comprise not less than 60 percent of the membership of a community response organization.

"(E) PAY.—Members of a community response organization shall serve without pay.

"(9) PARTICIPATION BY GOVERNMENT REPRESENTATIVES.—Representatives of the Administrator, the Administrator of the Agency for Toxic Substances and Disease Registry, and the State, as appropriate, shall participate in community response organization meetings to provide information and technical expertise, but shall not be members of the community response organization.

"(10) ADMINISTRATIVE SUPPORT.—The Administrator shall provide administrative services and meeting facilities for community response organizations.

"(11) FACA.—The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to a community response organization.

"(f) TECHNICAL ASSISTANCE GRANTS.—

"(1) DEFINITIONS.—In this subsection:

"(A) AFFECTED CITIZEN GROUP.—The term 'affected citizen group' means a group of 2 or more individuals who may be affected by the release or threatened release of a hazardous substance, pollutant, or contaminant at any facility on the State Registry or the National Priorities List.

"(B) TECHNICAL ASSISTANCE GRANT.—The term 'technical assistance grant' means a grant made under paragraph (2).

"(2) AUTHORITY.—

"(A) IN GENERAL.—In accordance with a regulation issued by the Administrator, the Administrator may make grants available to affected citizen groups.

"(B) AVAILABILITY OF APPLICATION PROCESS.—To ensure that the application process for a technical assistance grant is available to all affected citizen groups, the Administrator shall periodically review the process and, based on the review, implement appropriate changes to improve availability.

"(3) SPECIAL RULES.—

"(A) NO MATCHING CONTRIBUTION.—No matching contribution shall be required for a technical assistance grant.

"(B) AVAILABILITY IN ADVANCE.—The Administrator shall make all or a portion (but not less than $5,000 or 10 percent of the grant amount, whichever is greater) of the grant amount available to a grant recipient in advance of the total expenditures to be covered by the grant.

"(4) LIMIT PER FACILITY.—

"(A) 1 GRANT PER FACILITY.—Not more than 1 technical assistance grant may be made with respect to a single facility, but the grant may be renewed to facilitate public participation at all stages of response action.

"(B) DURATION.—The Administrator shall set a limit by regulation on the number of years for which a technical assistance grant may be made available based on the duration, type, and extent of response action at a facility.

"(5) AVAILABILITY FOR FACILITIES NOT YET LISTED.—Subject to paragraph (6), 1 or more technical assistance grants shall be made available to affected citizen groups in communities containing facilities on the State Registry that have been proposed for listing but are not yet listed on the National Priorities List as of the date on which the grant is awarded.

"(6) FUNDING LIMIT.—

"(A) PERCENTAGE OF TOTAL APPROPRIATIONS.—Not more than 2 percent of the funds made available to carry out this Act for a fiscal year may be used to make technical assistance grants.

"(B) ALLOCATION BETWEEN LISTED AND UNLISTED FACILITIES.—Not more than the portion of funds equal to ⅛ of the total amount of funds used to make technical assistance grants for a fiscal year may be used for technical assistance grants with respect to facilities not listed on the National Priorities List.

"(7) FUNDING AMOUNT.—

"(A) IN GENERAL.—The amount of a technical assistance grant may not exceed $50,000 for a single grant recipient.

"(B) INCREASE.—The Administrator may increase the amount of a technical assistance grant, or renew a previous technical assistance grant, up to an amount not exceeding $100,000 to reflect the complexity of the response action, the nature and extent of contamination at the facility, the level of facility activity, projected total needs as requested by the grant recipient, the size and diversity of the affected citizen group, and the ability of the grant recipient to identify and raise funds from other non-Federal sources.

"(8) USE OF TECHNICAL ASSISTANCE GRANTS.—

"(A) PERMITTED USE.—A technical assistance grant may be used to obtain technical assistance in interpreting information with regard to—

"(i) the nature of the hazardous substances located at a facility;

"(ii) facility evaluation;

"(iii) a proposed remedial action plan and final remedial design for a facility;

"(iv) response actions carried out at the facility; and

"(v) operation and maintenance activities at the facility.

"(B) PROHIBITED USE.—A technical assistance grant may not be used for the purpose of collecting field sampling data.

"(9) GRANT GUIDELINES.—

"(A) IN GENERAL.—Not later than 90 days after the date of enactment of this paragraph, the Administrator shall develop and publish guidelines concerning the management of technical assistance grants by grant recipients.

"(B) HIRING OF EXPERTS.—A recipient of a technical assistance grant shall hire technical experts and other experts in accordance with the guidelines under subparagraph (A).

"(g) IMPROVEMENT OF PUBLIC PARTICIPATION IN THE SUPERFUND DECISIONMAKING PROCESS.—

"(1) IN GENERAL.—

"(A) MEETINGS AND NOTICE.—In order to provide an opportunity for meaningful public participation in every significant phase of response activities under this Act, the Administrator shall provide the opportunity for, and publish notice of, public meetings before or during performance of—

"(i) a facility evaluation, as appropriate;

"(ii) announcement of a proposed remedial action plan; and

"(iii) completion of a final remedial design.

"(B) INFORMATION.—A public meeting under subparagraph (A) shall be designed to obtain information from the community, and disseminate information to the community, with respect to a facility concerning the Administrator's facility activities and pending decisions.

"(2) PARTICIPANTS AND SUBJECT.—The Administrator shall provide reasonable notice of an opportunity for public participation in meetings in which—

"(A) the participants include Federal officials (or State officials, if the State is conducting response actions under a delegated or authorized program or through facility referral) with authority to make significant decisions affecting a response action, and any other person (unless all of such other persons are coregulators that are not potentially responsible parties or are government contractors); and

"(B) the subject of the meeting involves discussions directly affecting—

"(i) a legally enforceable work plan document, or any amendment to the document, for a removal, facility evaluation, proposed remedial action plan, final remedial design, or remedial action for a facility on the National Priorities List; or

"(ii) the final record of information on which the Administrator will base a hazard ranking system score for a facility.

"(3) LIMITATION.—Nothing in this subsection shall be construed—

"(A) to provide for public participation in or otherwise affect any negotiation, meeting, or other discussion that concerns only the potential liability or settlement of potential liability of any person, whether prior to or following the commencement of litigation or administrative enforcement action;

"(B) to provide for public participation in or otherwise affect any negotiation, meeting, or other discussion that is attended only by representatives of the United States (or of a department, agency, or instrumentality of the United States) with attorneys representing the United States (or of a department, agency, or instrumentality of the United States); or

"(C) to waive, compromise, or affect any privilege that may be applicable to a communication related to an activity described in subparagraph (A) or (B).

"(4) EVALUATION.—

"(A) IN GENERAL.—To the extent practicable, before and during the facility evaluation, the Administrator shall solicit and evaluate concerns, interests, and information from the community.

"(B) PROCEDURE.—An evaluation under subparagraph (A) shall include, as appropriate—

"(i) face-to-face community surveys to identify the location of private drinking water wells, historic and current or potential use of water, and other environmental resources in the community;

"(ii) a public meeting;

"(iii) written responses to significant concerns; and

"(iv) other appropriate participatory activities.

"(5) VIEWS AND PREFERENCES.—

"(A) SOLICITATION.—During the facility evaluation study, the Administrator shall solicit the views and preferences of the community on the remediation and disposition of hazardous substances or pollutants or contaminants at the facility.

"(B) CONSIDERATION.—The views and preferences of the community shall be described in the facility evaluation study and considered in the screening of remedial alternatives for the facility.

"(6) ALTERNATIVES.—Members of the community may propose remedial action alternatives, and the Administrator shall consider such alternatives in the same manner as the Administrator considers alternatives proposed by potentially responsible parties.

"(7) INFORMATION.—

"(A) THE COMMUNITY.—The Administrator, with the assistance of the community response organization under subsection (g) if there is one, shall provide information to the community and seek comment from the community throughout all significant phases of the response action at the facility.

"(B) TECHNICAL STAFF.—The Administrator shall ensure that information gathered from the community during community outreach efforts reaches appropriate technical staff in a timely and effective manner.

"(C) RESPONSES.—The Administrator shall ensure that reasonable written or other appropriate responses will be made to such information.

"(8) NONPRIVILEGED INFORMATION.—Throughout all phases of response action at a facility, the Administrator shall make all nonprivileged information relating to a facility available to the public for inspection and copying without the need to file a formal request, subject to reasonable service charges as appropriate.

"(9) PRESENTATION.—

"(A) DOCUMENTS.—

"(i) IN GENERAL.—The Administrator, in carrying out responsibilities under this Act, shall ensure that the presentation of information on risk is complete and informative.

"(ii) RISK.—To the extent feasible, documents prepared by the Administrator and made available to the public that purport to describe the degree of risk to human health shall, at a minimum, state—

"(I) the upperbound and lowerbound estimates of the incremental risk;

"(II) the population or populations addressed by any estimates of the risk;

"(III) the expected risk or central estimate of the risk for the specific population;

"(IV) the reasonable range or other description of uncertainties in the assessment process; and

"(V) the assumptions that form the basis for any estimates of such risk posed by the facility and a brief explanation of the assumptions.

"(B) COMPARISONS.—The Administrator, in carrying out responsibilities under this Act, shall provide comparisons of the level of risk from hazardous substances found at the facility to comparable levels of risk from those hazardous substances ordinarily encountered by the general public through other sources of exposure.

"(10) REQUIREMENTS.—

"(A) LENGTHY REMOVAL ACTIONS.—Notwithstanding any other provision of this subsection, in the case of a removal action taken in accordance with section 104 that is expected to require more than 180 days to complete, and in any case in which implementation of a removal action is expected to obviate or that in fact obviates the need to conduct a long-term remedial action, the Administrator shall, to the maximum extent practicable, allow for public participation consistent with paragraph (1).

"(B) OTHER REMOVAL ACTIONS.—In the case of all other removal actions, the Administrator may provide the community with notice of the anticipated removal action and a public comment period, as appropriate.".

(b) ISSUANCE OF GUIDELINES.—The Administrator of the Environmental Protection Agency shall issue guidelines under section 117(e)(9) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as added by subsection (a), not later than 90 days after the date of enactment of this Act.

TITLE II—STATE ROLE

SEC. 201. DELEGATION TO THE STATES OF AUTHORITIES WITH RESPECT TO NATIONAL PRIORITIES LIST FACILITIES.

(a) IN GENERAL.—Title I of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.), as amended by section 302, is amended by adding at the end the following:

"SEC. 135. DELEGATION TO THE STATES OF AUTHORITIES WITH RESPECT TO NATIONAL PRIORITIES LIST FACILITIES.

"(a) DEFINITIONS.—In this section:

"(1) COMPREHENSIVE DELEGATION STATE.—The term 'comprehensive delegation State', with respect to a facility, means a State to which the Administrator has delegated authority to perform all of the categories of delegable authority.

"(2) DELEGABLE AUTHORITY.—The term 'delegable authority' means authority to perform (or ensure performance of) all of the authorities included in any 1 or more of the categories of authority:

"(A) CATEGORY A.—All authorities necessary to perform technical investigations, evaluations, and risk analyses, including—

"(i) a preliminary assessment or facility inspection under section 104;

"(ii) facility characterization under section 104;

"(iii) a remedial investigation under section 104;

"(iv) A facility-specific risk evaluation under section 129(b)(4); and

"(v) any other authority identified by the Administrator under subsection (b).

"(B) CATEGORY B.—All authorities necessary to perform alternatives development and remedy selection, including—

"(i) a feasibility study under section 104; and

"(ii)(I) remedial action selection under section 121 (including issuance of a record of decision); or

"(II) remedial action planning under section 129(b)(5); and

"(iii) any other authority identified by the Administrator under subsection (b).

"(C) CATEGORY C.—All authorities necessary to perform remedial design, including—

"(i) remedial design under section 121; and

"(ii) any other authority identified by the Administrator under subsection (b).

"(D) CATEGORY D.—All authorities necessary to perform remedial action and operation and maintenance, including—

"(i) a removal under section 104;

"(ii) a remedial action under section 104 or section 10 (a) or (b);

"(iii) operation and maintenance under section 104(c); and

"(iv) any other authority identified by the Administrator under subsection (b).

"(E) CATEGORY E.—All authorities necessary to perform information collection and allocation of liability, including—

"(i) information collection activity under section 104(e);

"(ii) allocation of liability under section 132;

"(iii) a search for potentially responsible parties under section 104 or 107;

"(iv) settlement under section 122; and

"(v) any other authority identified by the Administrator under subsection (b).

"(F) CATEGORY F.—All authorities necessary to perform enforcement, including—

"(i) issuance of an order under section 106(a);

"(ii) a response action cost recovery under section 107;

"(iii) imposition of a civil penalty or award under section 109 (a)(1)(D) or (b)(4);

"(iv) settlement under section 122; and

"(v) any other authority identified by the Administrator under subsection (b).

"(3) DELEGATED STATE.—The term 'delegated State' means a State to which delegable authority has been delegated under subsection (c), except as may be provided in a delegation agreement in the case of a limited delegation of authority under subsection (c)(5).

"(4) DELEGATED AUTHORITY.—The term 'delegated authority' means a delegable authority that has been delegated to a delegated State under this section.

"(5) DELEGATED FACILITY.—The term 'delegated facility' means a non-federal listed facility with respect to which a delegable authority has been delegated to a State under this section.

"(6) NONCOMPREHENSIVE DELEGATION STATE.—The term 'noncomprehensive delegation State', with respect to a facility, means a State to which the Administrator has delegated authority to perform fewer than all of the categories of delegable authority.

"(7) NONDELEGABLE AUTHORITY.—The term 'nondelegable authority' means authority to—

"(A) make grants to community response organizations under section 117; and

"(B) conduct research and development activities under any provision of this Act.

"(8) NON-FEDERAL LISTED FACILITY.—The term 'non-federal listed facility' means a facility that—

"(A) is not owned or operated by and is not under the jurisdiction, custody, or control of a department, agency, or instrumentality of the United States in any branch of the Government; and

"(B) is listed on the National Priorities List.

"(b) IDENTIFICATION OF DELEGABLE AUTHORITIES.—

"(1) IN GENERAL.—The Secretary shall by regulation identify all of the authorities of the Administrator that shall be included in a delegation of any category of delegable authority described in subsection (a)(2).

"(2) LIMITATION.—The Administrator shall not identify a nondelegable authority for inclusion in a delegation of any category of delegable authority.

"(c) DELEGATION OF AUTHORITY.—

"(1) IN GENERAL.—On application by a State, the Administrator shall delegate authority to perform 1 or more delegable authorities with respect to 1 or more non-Federal listed facilities in the State.

"(2) APPLICATION.—An application under paragraph (1) shall—

"(A) identify each non-Federal listed facility for which delegation is requested;

"(B) identify each delegable authority that is requested to be delegated for each non-Federal listed facility for which delegation is requested; and

"(C) certify that the State has adequate legal authority, financial and personnel resources, organization, and expertise to perform the requested delegable authority.

"(3) APPROVAL OF APPLICATION.—

"(A) IN GENERAL.—Not later than 60 days after receiving an application under paragraph (2) by a State that is authorized to administer and enforce the corrective action requirements of a hazardous waste program under section 3006 of the Solid Waste Disposal Act (42 U.S.C. 6926), and not later than 120 days after receiving an application from any other State, the Administrator shall—

"(i) issue a notice of approval of the application (including approval or disapproval regarding any or all of the facilities with respect to which a delegation of authority is requested or with respect to any or all of the authorities that are requested to be delegated); or

"(ii) if the Administrator determines that the State does not have adequate legal authority, financial and personnel resources, organization, or expertise to administer and enforce any of the requested delegable authority, issue a notice of disapproval, including an explanation of the basis for the determination.

"(B) FAILURE TO ACT.—If the Administrator does not issue a notice of approval or notice of disapproval of all or any portion of an application within the applicable time period under subparagraph (A), the application shall be deemed to have been granted.

"(C) RESUBMISSION OF APPLICATION.—

"(i) IN GENERAL.—If the Administrator disapproves an application under paragraph (1), the State may resubmit the application at any time after receiving the notice of disapproval.

"(ii) FAILURE TO ACT.—If the Administrator does not issue a notice of approval or notice of disapproval of a resubmitted application within the applicable time period under subparagraph (A), the resubmitted application shall be deemed to have been granted.

"(D) NO ADDITIONAL TERMS OR CONDITIONS.—The Administrator shall not impose any term or condition on the approval of an application that meets the requirements stated in paragraph (2) (except that any technical deficiencies in the application be corrected).

"(E) JUDICIAL REVIEW.—

"(i) IN GENERAL.—A disapproval of a resubmitted application shall be subject to judicial review under section 113(b).

"(ii) STANDARD OF REVIEW.—In a proceeding on review of a disapproval of a resubmitted application, the court shall, notwithstanding section 706(2)(E) of title 5, United States Code, hold unlawful and set aside actions, findings, and conclusions found to be unsupported by substantial evidence.

"(4) DELEGATION AGREEMENT.—On approval of a delegation of authority under this section, the Administrator and the delegated State shall enter into a delegation agreement that identifies each category of delegable authority that is delegated with respect to each delegated facility.

"(5) LIMITED DELEGATION.—

"(A) IN GENERAL.—In the case of a State that does not meet the requirements of paragraph (2)(C) the Administrator may delegate to the State limited authority to perform, ensure the performance of, or supervise or otherwise participate in the performance of 1 or more delegable authorities, as appropriate in view of the extent to which the State has the required legal authority, financial and personnel resources, organization, and expertise.

"(B) SPECIAL PROVISIONS.—In the case of a limited delegation of authority to a State under subparagraph (A), the Administrator shall specify the extent to which the State shall be considered to be a delegated State for the purposes of this Act.

"(d) PERFORMANCE OF DELEGATED AUTHORITIES.—

"(1) IN GENERAL.—A delegated State shall have sole authority (except as provided in paragraph (6)(B), subsection (e)(4), and subsection (g)) to perform a delegated authority with respect to a delegated facility.

"(2) AGREEMENTS.—A delegated State may enter into an agreement with a political subdivision of the State, an interstate body comprised of that State and another delegated State or States, or a combination of such subdivisions or interstate bodies, providing for the performance of any category of delegated authority with respect to a delegated facility in the State if the parties to the agreement agree in the agreement to undertake response actions that are consistent with this Act.

"(3) COMPLIANCE WITH ACT.—

"(A) NONCOMPREHENSIVE DELEGATION STATES.—A noncomprehensive delegation State shall implement each applicable provision of this Act (including regulations and guidance issued by the Administrator) so as to perform each delegated authority with respect to a delegated facility in the same manner as would the Administrator with respect to a facility that is not a delegated facility.

"(B) COMPREHENSIVE DELEGATION STATES.—

"(i) IN GENERAL.—A comprehensive delegation State shall implement applicable provisions of this Act or of similar provisions of State law in a manner comporting with State policy, so long as the remedial action that is selected protects human health and the environment to the same extent as would a remedial action selected by the Administrator under section 121.

"(ii) COSTLIER REMEDIAL ACTION.—

"(I) IN GENERAL.—A delegated State may select a remedial action for a delegated facility that has a greater response cost (including operation and maintenance costs) than the response cost for a remedial action that would be selected by the Administrator under section 121, if the State pays for the difference in cost.

"(II) NO COST RECOVERY.—If a delegated State selects a more costly remedial action under subclause (I), the State shall not be entitled to seek cost recovery under this Act or any other Federal or State law from any other person for the difference in cost.

"(4) JUDICIAL REVIEW.—

"(A) IN GENERAL.—An order that is issued under section 106 by a delegated State with respect to a delegated facility shall be subject to judicial review under section 113(b).

"(B) STANDARD OF REVIEW.—In a proceeding on review of an order under subparagraph (A), the court shall, notwithstanding section 706(2)(E) of title 5, United States Code, hold unlawful and set aside actions, findings, and conclusions found to be unsupported by substantial evidence.

"(5) DELISTING OF NATIONAL PRIORITIES LIST FACILITIES.—

"(A) DELISTING.—After notice and an opportunity for public comment, a delegated State may remove from the National Priorities List all or part of a delegated facility—

"(i) if the State makes a finding that no further action is needed to be taken at the facility (or part of the facility) under any applicable law to protect human health and the environment consistent with section 121(a)(1) and (2);

"(ii) with the concurrence of the potentially responsible parties, if the State has an enforceable agreement to perform all required remedial action and operation and maintenance for the facility or if the cleanup will proceed at the facility under the Solid Waste Disposal Act (42 U.S.C 6901 et seq.); or

"(iii) if the State is a comprehensive delegation State with respect to the facility.

"(B) EFFECT OF DELISTING.—A delisting under subparagraph (A)(iii) shall not affect—

"(i) the authority or responsibility of the State to complete remedial action and operation and maintenance; or "(ii) the eligibility of the State for funding under this Act.

"(C) NO RELISTING.—The Administrator shall not relist on the National Priorities List a facility or part of a facility that has been removed from the National Priorities List under subparagraph (A).

"(6) COST RECOVERY.—

"(A) DEPOSIT IN FUND.—Any response costs recovered from a responsible party by a delegated State for a delegated facility under section 107 shall be deposited in the Hazardous Substances Superfund established under subchapter A of chapter 98 of the Internal Revenue Code of 1986.

"(B) RECOVERY BY THE ADMINISTRATOR.—

"(i) IN GENERAL.—The Administrator may take action under section 107 to recover response costs from a responsible party for a delegated facility if the delegated State notifies the Administrator in writing that the delegated State does not intend to pursue action for recovery of response costs under section 107 against the responsible party.

"(ii) NO FURTHER ACTION.—If the Administrator takes action against a potentially responsible party under section 107, the delegated State may not take any other action for recovery of response costs under this Act or any other Federal or State law.

"(e) FEDERAL RESPONSIBILITIES AND AUTHORITIES.—

"(1) REVIEW USE OF FUNDS.—

"(A) IN GENERAL.—The Administrator shall review the certification submitted by the Governor under subsection (f)(8) not later than 120 days after the date of its submission.

"(B) FINDING OF USE OF FUNDS INCONSISTENT WITH THIS ACT.—If the Administrator finds that funds were used in a manner that is inconsistent with this Act, the Administrator shall notify the Governor in writing not later than 120 days after receiving the Governor's certification.

"(C) EXPLANATION.—not later than 30 days after receiving a notice under subparagraph (B), the Governor shall—

"(i) explain why the Administrator's finding is in error; or

"(ii) explain to the Administrator's satisfaction how any misapplication or misuse of funds will be corrected.

"(D) FAILURE TO EXPLAIN.—If the Governor fails to make an explanation under subparagraph (C) to the Administrator's satisfaction, the Administrator may request reimbursement of such amount of funds as the Administrator finds was misapplied or misused.

"(E) WITHHOLDING OF FURTHER FUNDS; CIVIL ACTION.—If the Administrator fails to obtain reimbursement from the State within a reasonable period of time, the Administrator may, after 30 days' notice to the State, bring a civil action in United States district court to recover from the delegated State any funds from that were advanced for a purpose or were used for a purpose or in a manner that is inconsistent with this Act.

"(2) WITHDRAWAL OF DELEGATION OF AUTHORITY.—

"(A) DELEGATED STATES.—If at any time the Administrator finds that contrary to a certification made under subsection (c)(2), a delegated State—

"(i) lacks the required financial and personnel resources, organization, or expertise to administer and enforce the requested delegated authorities;

"(ii) does not have adequate legal authority to request and accept delegation; or

"(iii) is failing to materially carry out the State's delegated authorities,

the Administrator may withdraw a delegation of authority with respect to a delegated facility after providing notice and opportunity to correct deficiencies under subparagraph (D).

"(B) STATES WITH LIMITED DELEGATIONS OF AUTHORITY.—If the Administrator finds that a State to which a limited delegation of authority was made under subsection (c)(5) has materially breached the delegation agreement, the Administrator may withdraw the delegation after providing notice and opportunity to correct deficiencies under subparagraph (D).

"(C) NO WITHDRAWAL WITH 1 YEAR OF APPROVAL.—The Administrator shall not withdraw a delegation of authority within 1 year after the date on which the application for delegation is approved (including approval under subsection (b)(3) (B) or (C)(ii)).

"(D) NOTICE AND OPPORTUNITY TO CORRECT.—If the Administrator proposes to withdraw a delegation of authority for any or all delegated facilities, the Administrator shall give the State written notice and allow the State at least 90 days after the date of receipt of the notice to correct the deficiencies cited in the notice.

"(E) FAILURE TO CORRECT.—If the Administrator finds that the deficiencies have not been corrected within the time specified in a notice under subparagraph (D), the Administrator may withdraw delegation of authority after providing public notice and opportunity for comment.

"(F) JUDICIAL REVIEW.—

"(i) IN GENERAL.—A decision of the Administrator to withdraw a delegation of authority shall be subject to judicial review under section 113(b).

"(ii) STANDARD OF REVIEW.—In a proceeding on review of a decision by the Administrator to withdraw a delegation of authority, the court shall, notwithstanding section 706(2)(E) of title 5, United States Code, hold unlawful and set aside actions, findings, and conclusions found to be unsupported by substantial evidence.

"(3) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to affect the authority of the Administrator under this Act to—

"(A) take a response action at a facility listed on the National Priorities List in a State to which a delegation of authority has not been made under this section or at a facility not included in a delegation of authority; or

"(B) perform a delegable authority with respect to a facility that is not included among the authorities delegated to a State with respect to the facility.

"(4) EMERGENCY REMOVAL.—

"(A) NOTICE.—Before performing an emergency removal action under section 104 at a delegated facility, the Administrator shall notify the delegated States of the Administrator's intention to perform the removal.

"(B) STATE ACTION.—If, after receiving a notice under subparagraph (A), the delegated State notifies the Administrator within 48 hours that the State intends to take action to perform an emergency removal at the delegated facility, the Administrator shall not perform the emergency removal action unless the Administrator determines that the delegated State has failed to act within a reasonable period of time to perform the emergency removal.

"(C) IMMEDIATE AND SIGNIFICANT DANGER.—If the Administrator finds that an emergency at a delegated facility poses an immediate and significant danger to human health or the environment, the Administrator shall not be required to provide notice under subparagraph (A).

"(5) PROHIBITED ACTIONS.—Except as provided in subsections (d)(6)(B), (e)(4), and (g), the President, the Administrator, and the Attorney General shall not take any action under section 104, 106, 107, 109, 121, or 122 with respect to a delegated facility.

"(f) FUNDING.—

"(1) IN GENERAL.—The Administrator shall provide grants to delegated States to carry out this section.

"(2) NO CLAIM AGAINST FUND.—Notwithstanding any other law, funds to be granted under this subsection shall not constitute a claim against the Fund.

"(3) DETERMINATION OF COSTS ON A FACILITY-SPECIFIC BASIS.—The Administrator shall—

"(A) determine—

"(i) the delegable authorities the costs of performing which it is practicable to determine on a facility-specific basis; and

"(ii) the delegable authorities the costs of performing which it is not practicable to determine on a facility-specific basis; and

"(B) publish a list describing the delegable authorities in each category.

"(4) FACILITY-SPECIFIC GRANTS.—The costs described in paragraph (3)(A)(i) shall be funded as such costs arise with respect to each delegated facility.

"(5) NON-FACILITY-SPECIFIC GRANTS.—

"(A) IN GENERAL.—The costs described in paragraph (1)(A)(ii) shall be funded through non-facility-specific grants under this paragraph.

"(B) FORMULA.—The Administrator shall establish a formula under which funds available for non-facility-specific grants shall be allocated among the delegated States, taking into consideration—

"(i) the cost of administering the delegated authority;

"(ii) the number of sites for which the State has been delegated authority;

"(iii) the types of activities for which the State has been delegated authority;

"(iv) the number of facilities within the State that are listed on the National Priorities List or are delegated facilities under section 127(d)(5);

"(v) the number of other high priority facilities within the State;

"(vi) the need for the development of the State program;

"(vii) the need for additional personnel;

"(viii) the amount of resources available through State programs for the cleanup of contaminated sites; and

"(ix) the benefit to human health and the environment of providing the funding.

"(6) PERMITTED USE OF GRANT FUNDS.—A delegated State may use grant funds to take any action or perform any duty necessary to implement the authority delegated to the State under this section.

"(7) COST SHARE.—

"(A) ASSURANCE.—A delegated State to which a grant is made under this subsection shall provide an assurance that the State will pay any amount required under section 104(c)(3).

"(B) PROHIBITED USE OF GRANT FUNDS.—A delegated State to which a grant is made under this subsection may not use grant funds to pay any amount required under section 104(c)(3).

"(8) CERTIFICATION OF USE OF FUNDS.—Not later than 1 year after the date on which a delegated State receives funds under this subsection, and annually thereafter, the Governor of the State shall submit to the Administrator—

"(A) a certification that the State has used the funds in accordance with the requirements of this Act; and

"(B) information describing the manner in which the State used the funds.

"(g) COOPERATIVE AGREEMENTS.—Nothing in this section shall affect the authority of the Administrator under section 104(d)(1) to enter into a cooperative agreement with a State, a political subdivision of a State, or an Indian tribe to carry out actions under section 104.

"(h) NON-NATIONAL PRIORITIES LIST FACILITIES.—

"(1) DEFINITIONS.—In this subsection, the term 'non-National Priorities List facility' means a facility that is not, and never has been, listed on the National Priorities List and that is not owned or operated by a department, agency, or instrumentality of the United States.

"(2) FINALITY.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), a determination that a response action at a non-National Priorities List facility or portion of a non-National Priorities List facility is complete under State law is final, and the facility shall not be subject to further response action notwithstanding any provision of this Act or any other Federal law.

"(B) EXCEPTION FOR EMERGENCY REMOVALS.—The Administrator may conduct an emergency removal action under the authority of section 104 subject to the notice requirement of section 135(e)(4) at a non-National Priorities List facility.

"(3) PROHIBITION.—The President shall not take any action under section 106 at a non-National Priorities List facility.".

(b) USES OF FUND.—Section 111(a) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9611(a)) is amended by inserting after paragraph (6) the following:

"(7) GRANTS TO DELEGATED STATES.—Making a grant to a delegated State under section 135(f).".

(c) RELATIONSHIP TO OTHER LAWS.—

(1) IN GENERAL.—Section 114 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9614) is amended—

(A) by striking subsection (a); and

(B) by redesignating subsections (b), (c), and (d) as subsections (a), (b), and (c), respectively.

(2) CONFORMING AMENDMENT.—Section 101(37)(B) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601(37)(B)) is amended by striking "section 114(c)" and inserting "section 114(b)".

TITLE III—VOLUNTARY CLEANUP

SEC. 301. ASSISTANCE FOR QUALIFYING STATE VOLUNTARY RESPONSE PROGRAMS.

(a) Section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601) is amended by adding at the end the following:

"(39) QUALIFYING STATE VOLUNTARY RESPONSE PROGRAM.—The term 'qualifying State voluntary response program' means a State program that includes the elements described in section 133(b).".

(b) QUALIFYING STATE VOLUNTARY RESPONSE PROGRAMS.—Title I of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.), as amended by section 501, is amended by adding at the end the following:

"SEC. 133. QUALIFYING STATE VOLUNTARY RESPONSE PROGRAMS.

"(a) ASSISTANCE TO STATES.—The Administrator shall provide technical and other assistance to States to establish and expand qualifying State voluntary response programs that include the elements listed in subsection (b).

"(b) ELEMENTS.—The elements of a qualifying State voluntary response program are the following:

"(1) Opportunities for technical assistance for voluntary response actions.

"(2) Adequate opportunities for public participation, including prior notice and opportunity for comment, in appropriate circumstances, in selecting response actions.

"(3) Streamlined procedures to ensure expeditious voluntary response actions.

"(4) Oversight and enforcement authorities that are adequate to ensure that—

"(A) voluntary response actions are protective of human health and the environment and are conducted in accordance with an appropriate response action plan; and

"(B) if the person conducting the voluntary response action fails to complete the necessary response activities, including operation and maintenance or long-term monitoring activities, the necessary response activities are completed.

"(5) Mechanisms for approval of a voluntary response action plan.

"(6) A requirement for certification or similar documentation from the State to the person conducting the voluntary response action indicating that the response is complete.".

(c) FUNDING.—Section 111(a) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9611), as amended by section 201(b), is amended by inserting after paragraph (7) the following:

"(8) QUALIFYING STATE VOLUNTARY RESPONSE PROGRAMS.—For assistance to States to establish and administer qualifying State voluntary response programs, during the first 5 full fiscal years following the date of enactment of this subparagraph, in a total amount to all States that is not less than 2 percent and not more than 5 percent of the amount available in the Fund for each such fiscal year, distributed among each of the States that notifies the Administrator of the State's intent to establish a qualifying State voluntary response program and each of the States with a qualifying State voluntary response program in the amount that is equal to the total amount multiplied by a fraction—

"(A) the numerator of which is the number of facilities in the State that, as of September 29, 1995, were listed on the Comprehensive Environmental Response, Compensation, and Liability Information System (not including facilities that are listed on the National Priorities List); and

"(B) the denominator of which is the total number of such facilities in the United States.".

SEC. 302. BROWNFIELD CLEANUP ASSISTANCE.

Title I of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.), as amended by section 301(b), is amended by adding at the end the following:

"SEC. 134. BROWNFIELD CLEANUP ASSISTANCE

"(a) DEFINITIONS.—In this section:

"(1) ADMINISTRATIVE COST.—The term 'administrative cost' does not include the cost of—

"(A) investigation and identification of the extent of contamination;

"(B) design and performance of a response action; or

"(C) monitoring of natural resources.

"(2) BROWNFIELD FACILITY.—The term 'brownfield facility' means—

"(A) a parcel of land that contains or at any time contained abandoned or underused commercial or industrial property, the expansion or redevelopment of which is complicated by the presence or potential presence of a hazardous substance; but

"(B) does not include—

"(i) a facility that is the subject of a removal or planned removal under title I;

"(ii) a facility that is listed or has been proposed for listing on the National Priorities List or that has been delisted under section 135(d)(5);

"(iii) a facility that is subject to corrective action under section 3004(u) or 3008(h) of the Solid Waste Disposal Act (42 U.S.C. 6924(u) or 6928(h)) at the time at which an application for a grant or loan concerning the facility is submitted under this section;

"(iv) a land disposal unit with respect to which—

"(I) a closure notification under subtitle C of the Solid Waste Disposal Act (42 U.S.C. 6921 et seq.) has been submitted; and

"(II) closure requirements have been specified in a closure plan or permit;

"(v) a facility with respect to which an administrative order on consent or judicial consent decree requiring cleanup has been entered into by the United States under the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.), the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.), the Toxic Substances Control Act (15 U.S.C. 2601 et seq.), or title XIV of the Public Health Service Act (commonly known as the 'Safe Drinking Water Act') (42 U.S.C. 300f et seq.);

"(vi) a facility that is owned or operated by a department, agency, or instrumentality of the United States; or

"(vii) a portion of a facility, for which portion, assistance for response activity has been obtained under subtitle I of the Solid Waste Disposal Act (42 U.S.C. 6991 et seq.) from the Leaking Underground Storage Tank Trust Fund established under section 9508 of the Internal Revenue Code of 1986.

"(3) ELIGIBLE ENTITY.—The term 'eligible entity' means—

"(A) a general purpose unit of local government;

"(B) a land clearance authority or other quasi-governmental entity that operates under the supervision and control of or as an agent of a general purpose unit of local government;

"(C) a regional council or group of general purpose units of local government; and

"(D) an Indian tribe.

"(b) BROWNFIELD CLEANUP ASSISTANCE PROGRAM.—

"(1) ESTABLISHMENT OF PROGRAM.—The Administrator shall establish a program to provide interest-free loans for the site characterization and assessment of brownfield facilities.

"(2) ASSISTANCE FOR SITE CHARACTERIZATION AND ASSESSMENT.—

"(A) IN GENERAL.—On approval of an application made by an eligible entity, the Administrator may make interest-free loans out of the Fund to the eligible entity to be used for the site characterization and assessment of 1 or more brownfield facilities.

"(B) APPROPRIATE INQUIRY.—A site characterization and assessment carried out with the use of a loan under subparagraph (A) shall be performed in accordance with section 101(35)(B).

"(C) REPAYMENT.—

"(i) IN GENERAL.—An eligible entity that receives a loan under subparagraph (A) shall agree to repay the full amount of the loan within 10 years after the date on which the loan is made.

"(ii) DEPOSIT IN FUND.—Repayments on a loan under subparagraph (A) shall be deposited in the Fund.

"(3) HAZARDOUS SUBSTANCE SUPERFUND.—Notwithstanding section 111 of this Act or any provision of the Superfund Amendments and Reauthorization Act of 1986 (100 Stat. 1613), there is authorized to be appropriated out of the Fund $15,000,000 for each of the first 5 fiscal years beginning after the date of enactment of this section, to be used for making interest-free loans under paragraph (2).

"(4) MAXIMUM LOAN AMOUNT.—A loan under subparagraph (A) shall not exceed, with respect to each brownfield facility covered by the loan, $100,000 for any fiscal year or $200,000 in total.

"(5) SUNSET.—No amount shall be available from the Fund for purposes of this section after the fifth fiscal year after the date of enactment of this section.

"(6) PROHIBITION.—No part of a loan under this section may be used for payment of penalties, fines, or administrative costs.

"(7) AUDITS.—The Inspector General of the Environmental Protection Agency shall audit all loans made under paragraph (2) to ensure that all funds are used for the purposes described in this section and that all loans are repaid in accordance with paragraph (2).

"(8) AGREEMENTS.—Each loan made under this section shall be subject to an agreement that—

"(A) requires the eligible entity to comply with all applicable State laws (including regulations);

"(B) requires that the eligible entity shall use the loan exclusively for purposes specified in paragraph (2); and

"(C) contains such other terms and conditions as the Administrator determines to be necessary to protect the financial interests of the United States and to carry out the purposes of this section.

"(9) LEVERAGING.—An eligible entity that receives a loan under paragraph (1) may use the loaned funds for part of a project at a brownfield facility for which funding is received from other sources, but the loan funds shall be used only for the purposes described in paragraph (2).

"(c) LOAN APPLICATIONS.—

"(1) IN GENERAL.—Any eligible entity may submit an application to the Administrator, through a regional office of the Environmental Protection Agency and in such form as the Administrator may require, for a loan under this section for 1 or more brownfield facilities.

"(2) APPLICATION REQUIREMENTS.—An application for a loan under this section shall include—

"(A) an identification of each brownfield facility for which the loan is sought and a description of the redevelopment plan for the area or areas in which each facility is located, including a description of the nature and extent of any known or suspected environmental contamination within the area; and

"(B) an analysis that demonstrates the potential of the grant to stimulate economic development on completion of the planned response action, including a projection of the number of jobs expected to be created at the facility after remediation and redevelopment and, to the extent feasible, a description of the type and skill level of the jobs and a projection of the increases in revenues accruing to Federal, State, and local governments from the jobs.

"(3) APPROVAL.—

"(A) INITIAL LOANS.—On or about March 30 and September 30 of the first fiscal year following the date of enactment of this section, the Administrator shall make loans under this section to eligible entities that submit applications before those dates that the Administrator determines have the highest rankings under ranking criteria established under paragraph (4).

"(B) SUBSEQUENT LOANS.—Beginning with the second fiscal year following the date of enactment of this section, the Administrator shall make an annual evaluation of each application received during the prior fiscal year and make loans under this section to eligible entities that submit applications during the prior year that the Administrator determines have the highest rankings under the ranking criteria established under paragraph (4).

"(4) RANKING CRITERIA.—The Administrator shall establish a system for ranking loan applications that includes the following criteria:

"(A) The extent to which a loan will stimulate the availability of other funds for environmental remediation and subsequent redevelopment of the area in which the brownfield facilities are located.

"(B) The potential of the development plan for the area in which the brownfield facilities are located to stimulate economic development of the area on completion of the cleanup, such as the following:

"(i) The relative increase in the estimated fair market value of the area as a result of any necessary response action.

"(ii) The potential of a loan to create new or expand existing business and employment opportunities (particularly full-time employment opportunities) on completion of any necessary response action.

"(iii) The estimated additional tax revenues expected to be generated by economic redevelopment in the area in which a brownfield facility is located.

"(iv) The estimated extent to which a loan would facilitate the identification of or facilitate a reduction of health and environmental risks.

"(v) The financial involvement of the State and local government in any response action planned for a brownfield facility and the extent to which the response action and the proposed redevelopment is consistent with any applicable State or local community economic development plan.

"(vi) The extent to which the site characterization and assessment or response action and subsequent development of a brownfield facility involves the active participation and support of the local community.

"(vii) Such other factors as the Administrator considers appropriate to carry out the purposes of this section.".

SEC. 303. TREATMENT OF SECURITY INTEREST HOLDERS AND FIDUCIARIES AS OWNERS OR OPERATORS.

(a) DEFINITION OF OWNER OR OPERATOR.—Section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601), as amended by section 301(a), is amended—

(1) in paragraph (20)—

(A) in subparagraph (A) by striking the second sentence; and

(B) by adding at the end the following:

"(E) SECURITY INTEREST HOLDERS.—

"(i) IN GENERAL.—The term 'owner or operator' does not include a person that, without participating in the management of a vessel or facility, holds an indicium of ownership primarily to protect the person's security interest in a vessel or facility.

"(ii) PARTICIPATING IN MANAGEMENT.—A security interest holder—

"(I) shall be considered to be participating in management of a vessel or facility only if the security interest holder has undertaken—

"(aa) responsibility for the hazardous substance handling or disposal practices of the vessel or facility; or

"(bb) overall management of the vessel or facility encompassing day-to-day decisionmaking over environmental compliance or over an operational function (including functions such as those of a plant manager, operations manager, chief operating officer, or chief executive officer), as opposed to financial and administrative aspects, of a vessel or facility; and

"(II) shall not be considered to be participating in management solely on the ground that the security interest holder—

"(aa) serves in a capacity or has the ability to influence or the right to control the operation of a vessel or facility if that capacity, ability, or right is not exercised;

"(bb) acts, or causes or requires another person to act, to comply with an applicable law or to respond lawfully to disposal of a hazardous substance;

"(cc) performs an act or omits to act in any way with respect to a vessel or facility prior to the time at which a security interest is created in a vessel or facility;

"(dd) holds, abandons, or releases a security interest;

"(ee) includes in the terms of an extension of credit, or in a contract or security agreement relating to an extension of credit, a covenant, warranty, or other term or condition that relates to environmental compliance;

"(ff) monitors or enforces a term or condition of an extension of credit or a security interest;

"(gg) monitors or undertakes 1 or more inspections of a vessel or facility;

"(hh) requires or conducts a response action or other lawful means of addressing a release or threatened release of a hazardous substance in connection with a vessel or facility prior to, during, or on the expiration of the term of an extension of credit;

"(ii) provides financial or other advice or counseling in an effort to mitigate, prevent, or cure a default or diminution in the value of a vessel or facility;

"(jj) exercises forbearance by restructuring, renegotiating, or otherwise agreeing to alter a term or condition of an extension of credit or a security interest; or

"(kk) exercises any remedy that may be available under law for the breach of a term or condition of an extension of credit or a security agreement.

"(iii) FORECLOSURE.—Legal or equitable title acquired by a security interest holder through foreclosure (or the equivalent of foreclosure) shall be considered to be held primarily to protect a security interest if the holder undertakes to sell, re-lease, or otherwise divest the vessel or facility in a reasonably expeditious manner on commercially reasonable terms.

"(iv) DEFINITION OF SECURITY INTEREST.—In this subparagraph, the term 'security interest' includes a right under a mortgage, deed of trust, assignment, judgment lien, pledge, security agreement, factoring agreement, or lease, or any other right accruing to a person to secure the repayment of money, the performance of a duty, or any other obligation.

"(F) FIDUCIARIES.—

"(1) IN GENERAL.—The term 'owner or operator' does not include a fiduciary that holds legal or equitable title to, is the mortgagee or secured party with respect to, controls, or manages, directly or indirectly, a vessel or facility for the purpose of administering an estate or trust of which the vessel or facility is a part."; and

(2) by adding at the end the following:

"(40) FIDUCIARY.—The term 'fiduciary' means a person that is acting in the capacity of—

"(A) an executor or administrator of an estate, including a voluntary executor or a voluntary administrator;

"(B) a guardian;

"(C) a conservator;

"(D) a trustee under a will or a trust agreement under which the trustee takes legal or equitable title to, or otherwise controls or manages, a vessel or facility for the purpose of protecting or conserving the vessel or facility under the rules applied in State court;

"(E) a court-appointed receiver;

"(F) a trustee appointed in proceedings under title 11, United States Code;

"(G) an assignee or a trustee acting under an assignment made for the benefit of creditors; or

"(H) a trustee, or a successor to a trustee, under an indenture agreement, trust agreement, lease, or similar financing agreement, for debt securities, certificates of interest of participation in debt securities, or other forms of indebtedness as to which the trustee is not, in the capacity of trustee, the lender.".

(b) LIABILITY OF FIDUCIARIES AND LENDERS.—Section 107 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9607) is amended by adding at the end the following:

"(n) LIABILITY OF FIDUCIARIES.—

"(1) IN GENERAL.—The liability of a fiduciary that is liable under any other provision of this Act for the release or threatened release of a hazardous substance from a vessel or facility held by a fiduciary may not exceed the assets held by the fiduciary that are available to indemnify the fiduciary.

"(2) NO INDIVIDUAL LIABILITY.—Subject to the other provisions of this subsection, a fiduciary shall not be liable in an individual capacity under this Act.

"(3) EXCEPTIONS.—This subsection does not preclude a claim under this Act against—

"(A) the assets of the estate or trust administered by a fiduciary;

"(B) a nonemployee agent or independent contractor retained by a fiduciary; or

"(C) a fiduciary that causes or contributes to a release or threatened release of a hazardous substance.

"(4) SAFE HARBOR.—Subject to paragraph (5), a fiduciary shall not be liable in an individual capacity under this Act for—

"(A) undertaking or directing another to undertake a response action under section 107(d)(1) or under the direction of an on-scene coordinator;

"(B) undertaking or directing another to undertake any other lawful means of addressing a hazardous substance in connection with a vessel or facility;

"(C) terminating the fiduciary relationship;

"(D) including, modifying, or enforcing a covenant, warranty, or other term or condition in the terms of a fiduciary agreement that relates to compliance with environmental laws;

"(E) monitoring or undertaking 1 or more inspections of a vessel or facility;

"(F) providing financial or other advice or counseling to any party to the fiduciary relationship, including the settlor or beneficiary;

"(G) restructuring, renegotiating, or otherwise altering a term or condition of the fiduciary relationship;

"(H) administering a vessel or facility that was contaminated before the period of service of the fiduciary began; or

"(I) declining to take any of the actions described in subparagraphs (B) through (H).

"(5) DUE CARE.—This subsection does not limit the liability of a fiduciary if the fiduciary fails to exercise due care and the failure causes or contributes to the release of a hazardous substance.

"(6) RULE OF CONSTRUCTION.—Nothing in this subsection shall be construed to—

"(A) affect the rights or immunities or other defenses that are available under this Act or other applicable law to any person;

"(B) create any liability for any person; or

"(C) create a private right of action against a fiduciary or against a Federal agency that regulates lenders.

"(o) LIABILITY OF LENDERS.—

"(1) DEFINITIONS.—In this subsection:

"(A) ACTUAL BENEFIT.—The term 'actual benefit' means the net gain, if any, realized by a lender due to an action.

"(B) EXTENSION OF CREDIT.—The term 'extension of credit' includes a lease finance transaction—

"(i) in which the lessor does not initially select the leased vessel or facility and does not during the lease term control the daily operations or maintenance of the vessel or facility; or

"(ii) that conforms to all regulations issued by any appropriate Federal banking agency (as defined in section 3(q) of the Federal Deposit Insurance Act (12 U.S.C. 1813(q))) and any appropriate State banking regulatory authority.

"(C) FORECLOSURE.—The term 'foreclosure' means the acquisition of a vessel or facility through—

"(i) purchase at sale under a judgment or decree, a power of sale, a nonjudicial foreclosure sale, or from a trustee, deed in lieu of foreclosure, or similar conveyance, or through repossession, if the vessel or facility was security for an extension of credit previously contracted;

"(ii) conveyance under an extension of credit previously contracted, including the termination of a lease agreement; or

"(iii) any other formal or informal manner by which a person acquires, for subsequent disposition, possession of collateral in order to protect the security interest of the person.

"(D) LENDER.—The term 'lender' means—

"(i) a person that makes a bona fide extension of credit to, or takes a security interest from, another party;

"(ii) the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Federal Agricultural Mortgage Corporation, or any other entity that in a bona fide manner is engaged in the business of buying or selling loans or interests in loans;

"(iii) a person engaged in the business of insuring or guaranteeing against a default in the repayment of an extension of credit, or acting as a surety with respect to an extension of credit, to another party; and

"(iv) a person regularly engaged in the business of providing title insurance that acquires a vessel or facility as a result of an assignment or conveyance in the course of underwriting a claim or claim settlement.

"(E) NET GAIN.—The term 'net gain' means an amount not in excess of the amount realized by a lender on the sale of a vessel or facility less acquisition, holding, and disposition costs.

"(F) VESSEL OR FACILITY ACQUIRED THROUGH FORECLOSURE.—The term 'vessel or facility acquired through foreclosure'—

"(i) means a vessel or facility that is acquired by a lender through foreclosure from a person that is not affiliated with the lender; but

"(ii) does not include such a vessel or facility if the lender does not seek to sell or otherwise divest the vessel or facility at the earliest practicable, commercially reasonable time, on commercially reasonable terms, taking into account market conditions and legal and regulatory requirements.

"(2) LIABILITY LIMITATION.—

"(A) IN GENERAL.—The liability of a lender that is liable under any other provision of this Act for the release or threatened release of a hazardous substance at, from, or in connection with a vessel or facility shall be limited to the amount described in subparagraph (B) if the vessel or facility is—

"(i) a vessel or facility acquired through foreclosure;

"(ii) a vessel or facility subject to a security interest held by the lender;

"(iii) a vessel or facility held by a lessor under the terms of an extension of credit; or

"(iv) a vessel or facility subject to financial control or financial oversight under the terms of an extension of credit.

"(B) AMOUNT.—The amount described in this subparagraph is the excess of the fair market value of a vessel or facility on the date on which the liability of a lender is determined over the fair market value of the vessel or facility on the date that is 180 days before the date on which the response action is initiated, not to exceed the amount that the lender realizes on the sale of the vessel or facility after subtracting acquisition, holding, and disposition costs.

"(3) EXCLUSION.—This subsection does not limit the liability of a lender that causes or contributes to the release or threatened release of a hazardous substance.

"(4) RULE OF CONSTRUCTION.—Nothing in this subsection shall be construed to—

"(A) affect the rights or immunities or other defenses that are available under this Act or other applicable law to any person;

"(B) create any liability for any person; or

"(C) create a private right of action against a lender or against a Federal agency that regulates lenders.".

SEC. 304. FEDERAL DEPOSIT INSURANCE ACT AMENDMENT.

The Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) is amended by adding at the end the following:

"SEC. 45. FEDERAL BANKING AND LENDING AGENCY LIABILITY.

"(a) DEFINITIONS.—In this section:

"(1) FEDERAL BANKING OR LENDING AGENCY.—The term 'Federal banking or lending agency'—

"(A) means the Corporation, the Resolution Trust Corporation, the Board of Governors of the Federal Reserve System, the Comptroller of the Currency, the Office of Thrift Supervision, a Federal Reserve Bank, a Federal Home Loan Bank, the Department of Housing and Urban Development, the National Credit Union Administration Board, the Farm Credit Administration, the Farm Credit System Insurance Corporation, the Farm Credit System Assistance Board, the

Farmers Home Administration, the Rural Electrification Administration, the Small Business Administration, and any other Federal agency acting in a similar capacity, in any of their capacities, and their agents or appointees; and

"(B) includes a first subsequent purchaser of the vessel or facility from a Federal banking or lending agency, unless the purchaser—

"(i) would otherwise be liable or potentially liable for all or part of the costs of the removal, remedial, corrective, or other response action due to a prior relationship with the vessel or facility;

"(ii) is or was affiliated with or related to a party described in clause (i);

"(iii) fails to agree to take reasonable steps necessary to remedy the release or threatened release or to protect public health and safety in a manner consistent with the purposes of applicable environmental laws; or

"(iv) causes or contributes to any additional release or threatened release on the vessel or facility.

"(2) Facility.—The term 'facility' has the meaning stated in section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601).

"(3) Hazardous substance.—The term 'hazardous substance' means a hazardous substance (as defined in section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601)).

"(4) Release.—The term 'release' has the meaning stated in section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601).

"(5) Response action.—The term 'response action' has the meaning stated in section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601).

"(6) Vessel.—The term 'vessel' has the meaning stated in section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601).

"(b) Federal Banking and Lending Agencies Not Strictly Liable.—

"(1) In general.—Except as provided in paragraph (2), a Federal banking or lending agency shall not be liable under any law imposing strict liability for the release or threatened release of a hazardous substance at or from a vessel or facility (including a right or interest in a vessel or facility) acquired—

"(A) in connection with the exercise of receivership or conservatorship authority, or the liquidation or winding up of the affairs of an insured depository institution, including a subsidiary of an insured depository institution;

"(B) in connection with the provision of a loan, a discount, an advance, a guarantee, insurance, or other financial assistance; or

"(C) in connection with a vessel or facility received in a civil or criminal proceeding, or administrative enforcement action, whether by settlement or by order.

"(2) Active causation.—Subject to section 107(d) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9607(d)), a Federal banking or lending agency that causes or contributes to a release or threatened release of a hazardous substance may be liable for a response action pertaining to the release or threatened release.

"(3) Federal or state action.—If a Federal agency or State environmental agency is required to take response due to the failure of a subsequent purchaser to carry out in good faith an agreement described in paragraph (a)(1)(C)(iii), the subsequent purchaser shall reimburse the Federal or State environmental agency for the costs of the response action. Any such reimbursement shall not exceed the increase in the fair market value of the vessel or facility attributable to the response action.

"(c) Lien Exemption.—Notwithstanding any other law, a vessel or facility held by a subsequent purchaser described in subsection (a)(1)(B) or held by a Federal banking or lending agency shall not be subject to a lien for costs or damages associated with the release or threatened release of a hazardous substance existing at the time of the transfer.

"(d) Exemption From Covenants To Remediate.—A Federal banking or lending agency shall be exempt from any law requiring the agency to grant a covenant warranting that a response action has been, or will in the future be, taken with respect to a vessel or facility acquired in a manner described in subsection (b)(1).

"(e) Rules of Construction.—Nothing in this section shall be construed to—

"(1) affect the rights or immunities or other defenses that are available to any party under this Act, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.) or any other law;

"(2) create any liability for any party;

"(3) create a private right of action against an insured depository institution or lender, a Federal banking or lending agency, or any other party;

"(4) preempt, affect, apply to, or modify a State law or a right, cause of action, or obligation under State law, except that the liability of a Federal banking or lending agency for a response action under a State law shall not exceed the value of the interest of the agency in the asset giving rise to the liability; or

"(5) preclude a Federal banking or lending agency from agreeing with a State to transfer a vessel or facility to the State in lieu of any liability that might otherwise be imposed under State law.".

SEC. 305. CONTIGUOUS PROPERTIES.

Section 107 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9607(a)), as amended by section 303(b), is amended by adding at the end the following:

"(p) Contiguous Properties.—

"(1) In general.—A person that owns or operates real property that is contiguous to or otherwise similarly situated with respect to real property on which there has been a release or threatened release of a hazardous substance and that is or may be contaminated by the release shall not be considered to be an owner or operator of a vessel or facility under subsection (a) (1) or (2) solely by reason of the contamination if the person did not cause, contribute, or consent to the release or threatened release.

"(2) Assurances.—The Administrator may—

"(A) issue an assurance that no enforcement action under this Act will be initiated against a person described in paragraph (1); and

"(B) grant a person described in paragraph (1) protection against a cost recovery or contribution action under section 113(f).".

SEC. 306. PROSPECTIVE PURCHASERS AND WINDFALL LIENS.

(a) Definition.—Section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601), as amended by section 303(a)(2), is amended by adding at the end the following:

"(41) Bona fide prospective purchaser.—The term 'bona fide prospective purchaser' means a person that acquires ownership of a facility after the date of enactment of this paragraph, or a tenant of such a person, that establishes each of the following by a preponderance of the evidence:

"(A) Disposal prior to acquisition.—All active disposal of hazardous substances at the facility occurred before the person acquired the facility.

"(B) Inquiries.—

"(i) In general.—The person made all appropriate inquiries into the previous ownership and uses of the facility and the facility's real property in accordance with generally accepted good commercial and customary standards and practices.

"(ii) Standards and practices.—The standards and practices referred to in paragraph (35)(B)(ii) or those issued or adopted by the Administrator under that paragraph shall be considered to satisfy the requirements of this subparagraph.

"(iii) Residential use.—In the case of property for residential or other similar use purchased by a nongovernmental or noncommercial entity, a facility inspection and title search that reveal no basis for further investigation shall be considered to satisfy the requirements of this subparagraph.

"(C) Notices.—The person provided all legally required notices with respect to the discovery or release of any hazardous substances at the facility.

"(D) Care.—The person exercised appropriate care with respect to each hazardous substance found at the facility by taking reasonable steps to stop any continuing release, prevent any threatened future release and prevent or limit human or natural resource exposure to any previously released hazardous substance.

"(E) Cooperation, assistance, and access.—The person provides full cooperation, assistance, and facility access to the persons that are responsible for response actions at the facility, including the cooperation and access necessary for the installation, integrity, operation, and maintenance of any complete or partial response action at the facility.

"(F) Relationship.—The person is not liable, and is not affiliated with any other person that is liable, for any response costs at the facility, through any direct or indirect familial relationship, or any contractual, corporate, or financial relationship other than that created by the instruments by which title to the facility is conveyed or financed.".

(b) Amendment.—Section 107 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9607), as amended by section 305(b), is amended by adding at the end the following:

"(q) Prospective Purchaser and Windfall Lien.—

"(1) Limitation on liability.—Notwithstanding subsection (a), a bona fide prospective purchaser whose potential liability for a release or threatened release is based solely on the purchaser's being considered to be an owner or operator of a facility shall not be liable as long as the bona fide prospective purchaser does not impede the performance of a response action or natural resource restoration.

"(2) Lien.—If there are unrecovered response costs at a facility for which an owner of the facility is not liable by reason of subsection (n)(1)(C) and each of the conditions described in paragraph (3) is met, the United States shall have a lien on the facility, or may obtain from appropriate responsible party a lien on any other property or other assurances of payment satisfactory to the Administrator, for such unrecovered costs.

"(3) CONDITIONS.—The conditions referred to in paragraph (1) are the following:

"(A) RESPONSE ACTION.—A response action for which there are unrecovered costs is carried out at the facility.

"(B) FAIR MARKET VALUE.—The response action increases the fair market value of the facility above the fair market value of the facility that existed 180 days before the response action was initiated.

"(C) SALE.—A sale or other disposition of all or a portion of the facility has occurred.

"(4) AMOUNT.—A lien under paragraph (2)—

"(A) shall not exceed the increase in fair market value of the property attributable to the response action at the time of a subsequent sale or other disposition of the property;

"(B) shall arise at the time at which costs are first incurred by the United States with respect to a response action at the facility;

"(C) shall be subject to the requirements of subsection (l)(3); and

"(D) shall continue until the earlier of satisfaction of the lien or recovery of all response costs incurred at the facility.".

SEC. 307. SAFE HARBOR INNOCENT LANDHOLDERS.

(a) AMENDMENT.—Section 101(35) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601(35)) is amended by striking subparagraph (B) and inserting the following:

"(B) KNOWLEDGE OF INQUIRY REQUIREMENT.—

"(i) ALL APPROPRIATE INQUIRIES.—To establish that the defendant had no reason to know of the matter described in subparagraph (A)(i), the defendant must show that, at or prior to the date on which the defendant acquired the facility, the defendant undertook all appropriate inquiries into the previous ownership and uses of the facility in accordance with generally accepted good commercial and customary standards and practices.

"(ii) STANDARDS AND PRACTICES.—The Secretary shall by regulation establish as standards and practices for the purpose of clause (i)—

"(I) the American Society for Testing and Materials (ASTM) Standard E1527-94, entitled 'Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process'; or

"(II) alternative standards and practices under clause (iii).

"(iii) ALTERNATIVE STANDARDS AND PRACTICES.—

"(I) IN GENERAL.—The Administrator may by regulation issue alternative standards and practices or designate standards developed by other organizations than the American Society for Testing and Materials after conducting a study of commercial and industrial practices concerning the transfer of real property in the United States.

"(II) CONSIDERATIONS.—In issuing or designating alternative standards and practices under subclause (I), the Administrator shall include each of the following:

"(aa) The results of an inquiry by an environmental professional.

"(bb) Interviews with past and present owners, operators, and occupants of the facility and the facility's real property for the purpose of gathering information regarding the potential for contamination at the facility and the facility's real property.

"(cc) Reviews of historical sources, such as chain of title documents, aerial photographs, building department records, and land use records to determine previous uses and occupancies of the real property since the property was first developed.

"(dd) Searches for recorded environmental cleanup liens, filed under Federal, State, or local law, against the facility or the facility's real property.

"(ee) Reviews of Federal, State, and local government records (such as waste disposal records), underground storage tank records, and hazardous waste handling, generation, treatment, disposal, and spill records, concerning contamination at or near the facility or the facility's real property.

"(ff) Visual inspections of the facility and facility's real property and of adjoining properties.

"(gg) Specialized knowledge or experience on the part of the defendant.

"(hh) Consideration of the relationship of the purchase price to the value of the property if the property was uncontaminated.

"(ii) Commonly known or reasonably ascertainable information about the property.

"(jj) Consideration of the degree of obviousness of the presence or likely presence of contamination at the property, and the ability to detect such contamination by appropriate investigation.

"(iv) SITE INSPECTION AND TITLE SEARCH.—In the case of property for residential use or other similar use purchased by a nongovernmental or noncommercial entity, a facility inspection and title search that reveal no basis for further investigation shall be considered to satisfy the requirements of this subparagraph.".

(b) STANDARDS AND PRACTICES.—

(1) ESTABLISHMENT BY REGULATION.—The Administrator of the Environmental Protection Agency shall issue the regulation required by section 101(35)(B)(ii) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as added by subsection (a), not later than 1 year after the date of enactment of this Act.

(2) INTERIM STANDARDS AND PRACTICES.—Until the Administrator issues the regulation described in paragraph (1), in making a determination under section 101(35)(B)(i) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as added by subsection (a), there shall be taken into account—

(A) any specialized knowledge or experience on the part of the defendant;

(B) the relationship of the purchase price to the value of the property if the property was uncontaminated;

(C) commonly known or reasonably ascertainable information about the property;

(D) the degree of obviousness of the presence or likely presence of contamination at the property; and

(E) the ability to detect the contamination by appropriate investigation.

TITLE IV—SELECTION OF REMEDIAL ACTIONS

SEC. 401. DEFINITIONS.

Section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601), as amended by section 306(a), is amended by adding at the end the following:

"(42) ACTUAL OR PLANNED OR REASONABLY ANTICIPATED FUTURE USE OF THE LAND AND WATER RESOURCES.—The term 'actual or planned or reasonably anticipated future use of the land and water resources' means—

"(A) the actual use of the land, surface water, and ground water at a facility at the time of the initiation of the facility evaluation; and

"(B)(i) with respect to land—

"(I) the use of land that is authorized by the zoning or land use decisions formally adopted, at or prior to the time of the initiation of the facility evaluation, by the local land use planning authority for a facility and the land immediately adjacent to the facility; and

"(II) any other reasonably anticipated use that has a substantial probability of occurring based on recent (as of the time of the determination) development patterns in the area in which the facility is located and on population projections for the area; and

"(ii) with respect to water resources, the future use of the surface water and ground water that is potentially affected by releases from a facility that is reasonably anticipated, by a local government or other governmental unit that regulates ground water use or ground water use planning in the vicinity of the facility, on the earlier of—

"(I) the date of issuance of the first record of decision; or

"(II) the initiation of the facility evaluation.

"(43) SIGNIFICANT ECOSYSTEM.—The term 'significant ecosystem', for the purpose of section 121(a)(1)(B), means an ecosystem that exhibits a uniqueness, particular value, or historical presence or that is widely recognized as a significant resource at the national, State or local level.

"(44) VALUABLE ECOSYSTEM.—The term 'valuable ecosystem' means an ecosystem that is a known source of significant human or ecological benefits for its function.

"(45) SUSTAINABLE ECOSYSTEM.—The term 'sustainable ecosystem' means an ecosystem that has redundancy and resiliency sufficient to enable the ecosystem to continue to function and provide benefits within the normal range of its variability notwithstanding exposure to hazardous substances resulting from releases.

"(46) ECOLOGICAL RESOURCE.—The term 'ecological resource' means land, fish, wildlife, biota, air, surface water, and ground water within an ecosystem.

"(47) SIGNIFICANT RISK TO ECOLOGICAL RESOURCES THAT ARE NECESSARY TO THE SUSTAINABILITY OF A SIGNIFICANT ECOSYSTEM OR VALUABLE ECOSYSTEM.—The term 'significant risk to ecological resources that are necessary to the sustainability of a significant ecosystem or valuable ecosystem' means the risk associated with exposures and impacts resulting from the release of hazardous substances which together reduce or eliminate the sustainability (within the meaning of paragraph (45)) of a significant ecosystem or valuable ecosystem.".

SEC. 402. SELECTION AND IMPLEMENTATION OF REMEDIAL ACTIONS.

Section 121 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9621) is amended—

(1) by striking the section heading and subsections (a) and (b) and inserting the following:

"SEC. 121. SELECTION AND IMPLEMENTATION OF REMEDIAL ACTIONS.

"(a) GENERAL RULES.—

"(1) SELECTION OF MOST COST-EFFECTIVE REMEDIAL ACTION THAT PROTECTS HUMAN HEALTH AND THE ENVIRONMENT.—

"(A) IN GENERAL.—The Administrator shall select a remedial action that is the most cost-effective means of achieving the goals of protecting human health and the environment as stated in subparagraph (B) using the criteria stated in subparagraph (C).

"(B) GOALS OF PROTECTING HUMAN HEALTH AND THE ENVIRONMENT.—

"(i) PROTECTION OF HUMAN HEALTH.—A remedial action shall be considered to protect human health if, considering the expected exposures associated with the actual or planned or reasonably anticipated future use of the land and water resources, the remedial action achieves a residual risk—

"(I) from exposure to carcinogenic hazardous substances, pollutants, or contaminants such that cumulative lifetime additional cancer from exposure to hazardous substances from releases at the facility range from 10^{-4} to 10^{-6} for the affected population; and

"(II) from exposure to noncarcinogenic hazardous substances, pollutants, or contaminants at the facility that does not pose an appreciable risk of deleterious effects.

"(ii) PROTECTION OF THE ENVIRONMENT.—A remedial action shall be considered to protect the environment if, based on the actual or planned or reasonably anticipated future use of the land and water resources, the remedial action will protect against significant risks to ecological resources that are necessary to the sustainability of a significant ecosystem or valuable ecosystem and will not interfere with a sustainable functional ecosystem.

"(C) REMEDY SELECTION CRITERIA.—In selecting a remedial action from among alternatives that achieve the goals stated in subparagraph (B), the Administrator shall balance the following factors, ensuring that no single factor predominates over the others:

"(i) The effectiveness of the remedy in protecting human health and the environment.

"(ii) The reliability of the remedial action in achieving the protectiveness standards over the long term.

"(iii) Any short-term risk to the affected community, those engaged in the remedial action effort, and to the environment posed by the implementation of the remedial action.

"(iv) The acceptability of the remedial action to the affected community.

"(v) The implementability and technical practicability of the remedial action from an engineering perspective.

"(2) TECHNICAL IMPRACTICABILITY AND UNREASONABLE COST.—

"(A) MINIMIZATION OF RISK.—If the Administrator finds that achieving the goals stated in paragraph (1)(B), is technically impracticable or unreasonably costly, the Administrator shall evaluate remedial measures that mitigate the risks to human health and the environment and select a technically practicable remedial action that minimizes the risk to human health and the environment by cost-effective means.

"(B) BASIS FOR FINDING.—A finding of technical impracticability may be made on the basis of a determination, supported by appropriate documentation, that, at the time at which the finding is made—

"(i) there is no known reliable means of achieving at a reasonable cost the goals stated in paragraph (1)(B); and

"(ii) it has not been shown that such a means is likely to be developed within a reasonable period of time.

"(3) PRESUMPTIVE REMEDIAL ACTIONS.—A remedial action that implements a presumptive remedial action issued under section 128 shall be considered to achieve the goals stated in paragraph (1)(B) and balance adequately the factors stated in paragraph (1)(C).

"(4) GROUND WATER.—

"(A) IN GENERAL.—A remedial action shall protect uncontaminated ground water that is suitable for use as drinking water by humans or livestock in the water's condition at the time of initiation of the facility evaluation.

"(B) CONSIDERATIONS.—A decision under subparagraph (A) regarding remedial action for ground water shall take into consideration—

"(i) the actual or planned or reasonably anticipated future use of the ground water and the timing of that use;

"(ii) any attenuation or biodegradation that would occur if no remedial action were taken; and

"(iii) the criteria stated in paragraph (1)(C).

"(C) OFFICIAL CLASSIFICATION.—For the purposes of subparagraph (A), there shall be no presumption that ground water that is suitable for use as drinking water by humans or livestock is the actual or planned or reasonably anticipated future use of the ground water.

"(D) UNCONTAMINATED GROUND WATER.—A remedial action for protecting uncontaminated ground water may be based on natural attenuation or biodegradation so long as the remedial action does not interfere with the actual or planned or reasonably anticipated future use of the ground water.

"(E) CONTAMINATED GROUND WATER.—A remedial action for contaminated ground water may include point-of-use treatment.

"(5) LEGALLY APPLICABLE REQUIREMENTS.—A remedial action shall not be required to attain any standard that, without regard to this paragraph, would be legally applicable under any other Federal or State law, except that in the case of a removal or remedial action involving the transfer of hazardous waste off-site, that hazardous waste may be transferred only to a facility that is permitted to treat, store, or dispose such waste under section 3005 of the Solid Waste Disposal Act (42 U.S.C. 6925) or, if applicable, the Toxic Substances Control Act (15 U.S.C. 2601 et seq.).

"(6) OTHER CONSIDERATIONS APPLICABLE TO REMEDIAL ACTIONS.—A remedial action that uses institutional and engineering controls shall be considered to be on an equal basis with all other remedial action alternatives.";

(2) by redesignating subsection (c) as subsection (b), and, in the first sentence of that subsection, by striking "5 years" and inserting "7 years";

(3) by redesignating subsection (e) as subsection (c); and

(4) by redesignating subsection (f) as subsection (d).

SEC. 403. REMEDY SELECTION METHODOLOGY.

Title I of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.) is amended by adding at the end the following:

"SEC. 127. FACILITY-SPECIFIC RISK EVALUATIONS.

"(a) USES.—

"(1) IN GENERAL.—A facility-specific risk evaluation shall be used to—

"(A) identify the significant components of potential risk posed by a facility;

"(B) screen out potential contaminants, areas, or exposure pathways from further study at a facility;

"(C) compare the relative protectiveness of alternative potential remedies proposed for a facility; and

"(D) demonstrate that the remedial action selected for a facility is capable of protecting human health and the environment considering the actual or planned or reasonably anticipated future use of the land and water resources.

"(2) COMPLIANCE WITH PRINCIPLES.—A facility-specific risk evaluation shall comply with the principles stated in this section to ensure that—

"(A) actual or planned or reasonably anticipated future use of the land and water resources is given appropriate consideration; and

"(B) all of the components of the evaluation are, to the maximum extent practicable, scientifically objective and inclusive of all relevant data.

"(b) RISK EVALUATION PRINCIPLES.—A facility-specific risk evaluation shall—

"(1) be based on actual or plausible estimates of exposure considering the actual or planned or reasonably anticipated future use of the land and water resources;

"(2) be comprised of components each of which is, to the maximum extent practicable, scientifically objective, and inclusive of all relevant data;

"(3) use chemical and facility-specific data and analysis (such as toxicity, exposure, and fate and transport evaluations) in preference to default assumptions;

"(4) use a range and distribution of realistic and plausible assumptions when chemical and facility-specific data are not available;

"(5) use mathematical models that take into account the fate and transport of hazardous substances, pollutants, or contaminants, in the environment instead of relying on default assumptions; and

"(6) use credible hazard identification and dose/response assessments.

"(c) RISK COMMUNICATION PRINCIPLES.—The document reporting the results of a facility-specific risk evaluation shall—

"(1) contain an explanation that clearly communicates the risks at the facility;

"(2) identify and explain all assumptions used in the evaluation, all alternative assumptions, the policy or value judgments used in choosing the assumptions, and whether empirical data conflict with or validate the assumptions;

"(3) present—

"(A) a range and distribution of exposure and risk estimates, including, if numerical estimates are provided, central estimates of exposure and risk using—

"(i) the most plausible assumptions or a weighted combination of multiple assumptions based on different scenarios; or

"(ii) any other methodology designed to characterize the most plausible estimate of risk given the scientific information that is available at the time of the facility-specific risk evaluation; and

"(B) a statement of the nature and magnitude of the scientific and other uncertainties associated with those estimates;

"(4) state the size of the population potentially at risk from releases from the facility and the likelihood that potential exposures will occur based on the actual or planned or reasonably anticipated future use of the land and water resources; and

"(5) compare the risks from the facility to other risks commonly experienced by members of the local community in their daily lives and similar risks regulated by the Federal Government.

"(d) REGULATIONS.—Not later than 18 months after the date of enactment of this section, the Administrator shall issue a final regulation implementing this section that promotes a realistic characterization of risk that neither minimizes nor exaggerates the risks and potential risks posed by a facility or a proposed remedial action.

"(e) DETERMINATION OF ACTUAL OR PLANNED OR REASONABLY ANTICIPATED FUTURE USE OF THE LAND AND WATER RESOURCES.—The Administrator shall determine the actual or planned or reasonably anticipated future use of the land and water resources at a facility by consulting the community response organization, facility owners and operators, potentially responsible parties, elected municipal and county officials, and other persons.

"SEC. 128. PRESUMPTIVE REMEDIAL ACTIONS.

"(a) IN GENERAL.—Not later than 1 year after the date of enactment of this section, the Administrator shall issue a final regulation establishing presumptive remedial actions for commonly encountered types of facilities with reasonably well understood contamination problems and exposure potential.

"(b) PRACTICABILITY AND COST-EFFECTIVENESS.—Such presumptive remedies must have been demonstrated to be technically practicable and cost-effective methods of achieving the goals of protecting human health and the environment stated in section 121(a)(1)(B).

"(c) VARIATIONS.—The Administrator may issue various presumptive remedial actions based on various uses of land and water resources, various environmental media, and various types of hazardous substances, pollutants, or contaminants.

"(d) ENGINEERING CONTROLS.—Presumptive remedial actions are not limited to treatment remedies, but may be based on, or include, institutional and standard engineering controls.".

SEC. 404. REMEDY SELECTION PROCEDURES.

Title I of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.), as amended by section 403, is amended by adding at the end the following:

"SEC. 129. REMEDIAL ACTION PLANNING AND IMPLEMENTATION.

"(a) IN GENERAL.—

"(1) BASIC RULES.—

"(A) PROCEDURES.—A remedial action shall be developed and selected in accordance with the procedures set forth in this section.

"(B) NO OTHER PROCEDURES OR REQUIREMENTS.—The procedures stated in this section are in lieu of any procedures or requirements under any other law to conduct remedial investigations, feasibility studies, record of decisions, remedial designs, or remedial actions.

"(C) LIMITED REVIEW.—In a case in which the potentially responsible parties prepare a remedial action plan, only the facility evaluation, proposed remedial action plan, and final remedial design shall be subject to review, comment, and approval by the Administrator.

"(D) NATIONAL CONTINGENCY PLAN.—The Administrator shall conform the National Contingency Plan regulations to reflect the procedures stated in this section.

"(2) USE OF PRESUMPTIVE REMEDIAL ACTIONS.—

"(A) PROPOSAL TO USE.—In a case in which a presumptive remedial action applies, the Administrator (if the Administrator is conducting the remedial action) or the preparer of the remedial action plan may, after conducting a facility evaluation, propose a presumptive remedial action for the facility, if the Administrator or preparer shows with appropriate documentation that the facility fits the generic classification for which a presumptive remedial action has been issued and performs an engineering evaluation to demonstrate that the presumptive remedial action can be applied at the facility.

"(B) LIMITATION.—The Administrator may not require a potentially responsible party to implement a presumptive remedial action.

"(b) REMEDIAL ACTION PLANNING PROCESS.—

"(1) IN GENERAL.—The Administrator or a potentially responsible party shall prepare and implement a remedial action plan for a facility.

"(2) CONTENTS.—A remedial action plan shall consist of—

"(A) the results of a facility evaluation, including any screening analysis performed at the facility;

"(B) a discussion of the potentially viable remedies that are considered to be reasonable under section 121(a) and how they balance the factors stated in section 121(a)(1)(C);

"(C) a description of the remedial action to be taken;

"(D) a description of the facility-specific risk-based evaluation under section 127 and a demonstration that the selected remedial action—

"(i) will achieve the goals stated in section 121(a)(1)(B); or

"(ii) satisfies the requirements of section 128; and

"(E) a realistic schedule for conducting the remedial action, taking into consideration facility-specific factors.

"(3) WORK PLAN.—

"(A) IN GENERAL.—Prior to preparation of a remedial action plan, the preparer shall develop a work plan, including a community information and participation plan, which generally describes how the remedial action plan will be developed.

"(B) SUBMISSION.—A work plan shall be submitted to the Administrator, the State, the community response organization, the local library, and any other public facility designated by the Administrator.

"(C) PUBLICATION.—The Administrator, or the preparer of the plan, shall publish in a newspaper of general circulation in the area where the facility is located, and post in conspicuous places in the local community, a notice announcing that the work plan is available for review at the local library and that comments concerning the work plan can be submitted to the preparer of the work plan, the Administrator, the State, or the local community response organization.

"(D) FORWARDING OF COMMENTS.—If comments are submitted to the Administrator, the State, or the community response organization, the Administrator, State, or community response organization shall forward the comments to the preparer of the work plan.

"(4) FACILITY EVALUATION.—

"(A) IN GENERAL.—The Administrator shall conduct a facility evaluation at each facility to characterize the risk posed by the facility by gathering enough information necessary to—

"(i) assess potential remedial alternatives, including ascertaining, to the degree appropriate, the volume and nature of the contaminants, their location, potential exposure pathways and receptors;

"(ii) discern the actual or planned or reasonably anticipated future use of the land and water resources; and

"(iii) screen out any uncontaminated areas, contaminants, and potential pathways from further consideration.

"(B) SUBMISSION.—A draft facility evaluation shall be submitted to the Administrator for approval.

"(C) PUBLICATION.—Not later than 30 days after submission, or in a case in which the Administrator is preparing the remedial action plan, after the completion of the draft facility evaluation, the Administrator shall publish in a newspaper of general circulation in the area where the facility is located, and post in conspicuous places in the local community, a notice announcing that the draft facility evaluation is available for review and that comments concerning the evaluation can be submitted to the Administrator, the State, and the community response organization.

"(D) AVAILABILITY OF COMMENTS.—If comments are submitted to the Administrator, the State, or the community response organization, the Administrator, State, or community response organization shall make the comments available to the preparer of the facility evaluation.

"(E) NOTICE OF APPROVAL.—If the Administrator approves a facility evaluation, the Administrator shall—

"(i) notify the community response organization; and

"(ii) publish in a newspaper of general circulation in the area where the facility is located, and post in conspicuous places in the local community, a notice of approval.

"(F) NOTICE OF DISAPPROVAL.—If the Administrator does not approve a facility evaluation, the Administrator shall—

"(i) identify to the preparer of the facility evaluation, with specificity, any deficiencies in the submission; and

"(ii) request that the preparer submit a revised facility evaluation within a reasonable period of time.

"(5) PROPOSED REMEDIAL ACTION PLAN.—

"(A) SUBMISSION.—In a case in which a potentially responsible party prepares a remedial action plan, the preparer shall submit the remedial action plan to the Administrator for approval and provide a copy to the local library.

"(B) PUBLICATION.—After receipt of the proposed remedial action plan, or in a case in which the Administrator is preparing the remedial action plan, after the completion of the remedial action plan, the Administrator shall cause to be published in a newspaper of general circulation in the area where the facility is located and posted in other conspicuous places in the local community a notice announcing that the proposed remedial action plan is available for review at the local library and that comments concerning the remedial action plan can be submitted to the Administrator, the State, and the community response organization, and that persons may request that the Administrator hold a public hearing.

"(C) AVAILABILITY OF COMMENTS.—If comments are submitted to a State or the community response organization, the State or community response organization shall make the comments available to the preparer of the proposed remedial action plan.

"(D) HEARING.—The Administrator shall hold a public hearing at which the proposed remedial action plan may be presented and public comment received.

"(E) APPROVAL.—

"(i) IN GENERAL.—The Administrator shall approve a proposed remedial action plan if the plan—

"(I) contains the information described in subsection (b); and

"(II) achieves the goals stated in section 121(a)(1)(B).

"(ii) DEFAULT.—If the Administrator fails to issue a notice of disapproval of a proposed remedial action plan in accordance with subparagraph (G) within 90 days after the proposed plan is submitted, the plan shall be considered to be approved and its implementation fully authorized.

"(F) NOTICE OF APPROVAL.—If the Administrator approves a proposed remedial action plan, the Administrator shall—

"(i) notify the community response organization; and

"(ii) publish in a newspaper of general circulation in the area where the facility is located, and post in conspicuous places in the local community, a notice of approval.

"(G) NOTICE OF DISAPPROVAL.—If the Administrator does not approve a proposed remedial action plan, the Administrator shall—

"(i) inform the preparer of the proposed remedial action plan, with specificity, of any deficiencies in the submission; and

"(ii) request that the preparer submit a revised proposed remedial action plan within a reasonable time.

"(6) IMPLEMENTATION OF REMEDIAL ACTION PLAN.—A remedial action plan that has been approved or is considered to be approved under paragraph (5) shall be implemented in accordance with the schedule set forth in the remedial action plan.

"(7) REMEDIAL DESIGN.—

"(A) SUBMISSION.—A remedial design shall be submitted to, or in a case in which the Administrator is preparing the remedial action plan, completed by, the Administrator.

"(B) PUBLICATION.—After receipt (or completion) of the remedial design, the Administrator shall—

"(i) notify the community response organization; and

"(ii) cause a notice of submission or completion of the remedial design to be published in a newspaper of general circulation and posted in conspicuous places in the area where the facility is located.

"(C) COMMENT.—The Administrator shall provide an opportunity to the public to submit written comments on the remedial design.

"(D) APPROVAL.—Not later than 90 days after the submission (or completion) of the remedial design, the Administrator shall approve or disapprove the remedial design.

"(E) NOTICE OF APPROVAL.—If the Administrator approves a remedial design the Administrator shall—

"(i) notify the community response organization; and

"(ii) publish in a newspaper of general circulation in the area where the facility is located, and post in conspicuous places in the local community, a notice of approval.

"(F) NOTICE OF DISAPPROVAL.—If the Administrator disapproves the remedial design, the Administrator shall identify with specificity any deficiencies in the submission and allow the preparer submitting a remedial design a reasonable time to submit a revised remedial design.

"(c) JUDICIAL REVIEW.—Notwithstanding any other provision of this Act or any other law, an approval or disapproval of a remedial action plan the implementation of which is projected to cost more than $15,000,000 shall be final action of the Administrator subject to judicial review in United States district court.

"(d) ENFORCEMENT OF REMEDIAL REMEDIAL PLAN.—

"(1) NOTICE OF SIGNIFICANT DEVIATION.—If the Administrator determines that the implementation of the remedial action plan has deviated significantly from the plan, the Administrator shall so notify the implementing party and require the implementing party to—

"(A) comply with the terms of the remedial action plan; or

"(B) submit a notice for modifying the plan,

at the option of the implementing party.

"(2) FAILURE TO COMPLY.—If the implementing party fails to either comply with the plan or submit a proposed modification, the Administrator may pursue all appropriate enforcement pursuant to this Act.

"(e) MODIFICATIONS TO REMEDIAL ACTION PLAN.—

"(1) BY THE ADMINISTRATOR.—

"(A) IN GENERAL.—If the Administrator proposes a modification to the plan, the Administrator shall demonstrate that the modification constitutes the most cost-effective remedial action that is technologically feasible, is not unreasonably costly, and achieves the goals of protecting human health and the environment stated in section 121(a)(1)(B).

"(B) NOTICE AND COMMENT.—The Administrator shall provide the implementing party and the community response organization at least 30 days' advance notice and opportunity to comment on any such proposed modification.

"(2) BY THE IMPLEMENTING PARTY.—An implementing party that proposes a minor modification to or clarification of a remedial action plan shall, at least 10 days prior to the proposed implementation of the modification or clarification, submit to the Administrator and to the community response organization a description of the proposed modification or clarification and documentation showing that the proposed modification or clarification will not cause the remedial action to fail to achieve the goals of section 121(a)(1)(B).".

SEC. 405. COMPLETION OF REMEDIAL ACTION AND DELISTING.

Title I of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.), as amended by section 404, is amended by adding at the end the following:

"SEC. 130. COMPLETION OF REMEDIAL ACTION AND DELISTING.

"(a) IN GENERAL.—

"(1) PROPOSED NOTICE OF COMPLETION AND PROPOSED DELISTING.—Not later than 60 days after the completion of a remedial action by the Administrator, or not later than 60 days after receipt of a notice of such completion from the implementing party, the Administrator shall publish a notice of completion and proposed delisting of the facility from the National Priorities List in the Federal Register and in a newspaper of general circulation in the area where the facility is located.

"(2) COMMENTS.—The public shall be provided 30 days in which to submit comments on the notice of completion and proposed delisting.

"(3) FINAL NOTICE.—Not later than 60 days after the end of the comment period, the Administrator shall—

"(A) issue a final notice of completion and delisting or a notice of withdrawal of the proposed notice until the implementation of the remedial action is determined to be complete; and

"(B) publish the notice in the Federal Register and in a newspaper of general circulation in the area where the facility is located.

"(4) FAILURE TO ACT.—If the Administrator fails to publish a notice of withdrawal within the 60-day period described in paragraph (3)—

"(A) the remedial action plan shall be deemed to have been completed; and

"(B) the facility shall be delisted by operation of law.

"(5) EFFECT OF DELISTING.—The delisting of a facility shall have no effect on—

"(A) liability allocation requirements or cost-recovery provisions otherwise provided in this Act; or

"(B) the obligation of any person to provide continued operation and maintenance.

"(b) CERTIFICATION.—A final notice of completion and delisting shall include a certification by the Administrator that the facility has met all of the requirements of the remedial action plan (except requirements for continued operation and maintenance).

"(c) RELEASE FROM LIABILITY.—

"(1) FACILITY AVAILABLE FOR UNRESTRICTED USE.—If, after completion of remedial action, a facility is available for unrestricted use and there is no need for continued operation and maintenance, the potentially responsible parties shall have no further liability under any Federal, State, or local law (including any regulation) for remediation at the facility, unless the Administrator determines, based on new and reliable factual information about the facility, that the facility does not meet the goals stated in section 121(a)(1)(B) considering the actual or planned or reasonably anticipated future use of the land and water resources.

"(2) FACILITY NOT AVAILABLE FOR UNRESTRICTED USE.—If, after completion of remedial action, a facility is not available for unrestricted use or there are continued operation and maintenance requirements that preclude use of the facility, the Administrator shall—

"(A) review the status of the facility every 7 years; and

"(B) require additional remedial action at the facility if the Administrator determines, after notice and opportunity for hearing, that the facility does not meet the goals of section 121(a)(1) (B), (C), and (D) considering the actual or planned or reasonably anticipated future use of the land and water resources contemplated in the remedial action plan.

"(3) FACILITIES AVAILABLE FOR RESTRICTED USE.—The Administrator may determine that a facility or portion of a facility is available for restricted use while remediation response actions are under way. The Administrator shall make available for use any uncontaminated portions of the facility where such uses would not interfere with ongoing operations and maintenance activities or endanger human health or the environment.

"(4) FAILURE TO MAKE TIMELY DISAPPROVAL.—The issuance of a final notice of completion and delisting or of a notice of withdrawal within the time required by subsection (a)(3) constitutes a nondiscretionary duty within the meaning of section 310(a)(2).

"(d) OPERATION AND MAINTENANCE.—The need to perform continued operation and maintenance at a facility shall not delay delisting of the facility or issuance of the certification if performance of operation and maintenance is subject to a legally enforceable agreement, order, or decree.

"(e) CHANGE OF USE OF FACILITY.—

"(1) PETITION.—Any person may petition the Administrator to change the use of a facility from that which was the basis of the remedial action plan.

"(2) GRANT.—The Administrator may grant a petition under paragraph (1) if the petitioner agrees to implement any additional remedial actions that the Administrator determines are necessary to continue to meet the goals stated in section 121(a)(1)(B), considering the different use of the facility.

"(3) RESPONSIBILITY FOR RISK.—When a petition has been granted under paragraph (2), the person requesting the change in use of the facility shall be responsible for all risk associated with altering the facility and all costs of implementing any necessary additional remedial actions.".

SEC. 406. TRANSITION RULES FOR FACILITIES CURRENTLY INVOLVED IN REMEDY SELECTION.

Title I of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.), as amended by section 405, is amended by adding at the end the following:

"SEC. 131. TRANSITION RULES FOR FACILITIES INVOLVED IN REMEDY SELECTION ON DATE OF ENACTMENT.

"(a) NO RECORD OF DECISION.—

"(1) OPTION.—In the case of a facility or operable unit that, as of the date of enactment of this section, is the subject of a remedial investigation and feasibility study (whether completed or incomplete), the potentially responsible parties or the Administrator may elect to follow the remedial action plan process stated in section 129 rather than the remedial investigation and feasibility study and record of decision process under regulations in effect on the date of enactment of this section that would otherwise apply if the requesting party notifies the Administrator and other potentially responsible parties of the election not later than 90 days after the date of enactment of this section.

"(2) SUBMISSION OF FACILITY EVALUATION.—In a case in which the potentially responsible parties have or the Administrator has made an election under subsection (a), the potentially responsible parties shall submit the proposed facility evaluation within 270 days after the date on which notice of the election is given.

"(b) CONSTRUCTION NOT BEGUN.—

"(1) DETERMINATION.—In the case of a facility or operable unit with respect to which a record of decision has been signed but construction has not yet begun prior to the date of enactment of this section, the Administrator or the State shall, at the request of the implementer of the record of decision, conduct an expedited review to determine whether the application of section 127 would be likely to result in the selection of a less costly remedial action that achieves the goals of protecting human health and the environment stated in section 121(a)(1)(B).

"(2) DEFAULT.—Section 127 shall apply to a facility or operable unit in accordance with a request under paragraph (1) unless the Administrator or the State, prior to the date that is 90 days after the date on which the request is made, publishes a written finding that the application of section 127 would not be likely to result in the selection of a less costly remedial action that achieves the goals of protecting human health and the environment stated in section 121(a)(1)(B).

"(c) ADDITIONAL CONSTRUCTION.—

"(1) IN GENERAL.—In the case of a facility or operable unit with respect to which a record of decision has been signed and construction has begun prior to the date of enactment of this section, but for which additional construction or long-term operation and maintenance activities are anticipated, the Administrator or the State shall, at the request of the implementer of the record of decision, conduct an expedited review to determine whether the application of section 127 would be likely to result in the selection of a remedial action that—

"(A) achieves a cost saving of at least 10 percent over the life of the remedial action, including any long-term operation and maintenance, compared to the remedial action originally selected; and

"(B) achieves the goals of protecting human health and the environment stated in section 121(a)(1)(B).

"(2) DEFAULT.—Section 127 shall apply to a facility or operable unit in accordance with a request under paragraph (1) unless the Administrator or the State, prior to the date that is 90 days after the date on which the request is made, publishes a written finding that the application of section 127 would not be likely to result in the selection of a remedial action that achieves a cost saving of at least 10 percent over the life of the remedial and achieves the goals of protecting human health and the environment stated in section 121(a)(1)(B).

"(d) MEDIATION OF DISPUTES.—A dispute over the implementation of this section or over a written finding under subsection (b)(2) or (c)(2) shall be referred to mediation on an expedited basis without penalty to any person.".

SEC. 407. JUDICIAL REVIEW.

(a) REVIEW OF CERTAIN ACTIONS.—Section 113(h) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9613(h)) is amended by adding at the end the following:

"(6) An action under section 129(c).".

(b) STAY.—Section 113(b) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9613(b)) is amended by adding at the end the following: "In the case of a challenge under section 113(h)(6), the court may stay the implementation or initiation of the challenged actions pending judicial resolution of the matter.".

SEC. 408. NATIONAL PRIORITIES LIST.

(a) REVISION OF NATIONAL CONTINGENCY PLAN.—

(1) AMENDMENTS.—Section 105 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9605) is amended—

(A) in subsection (a)(8) by adding at the end the following:

"(C) provision that in listing a site on the National Priority List, the Administrator shall not include any parcel of real property at which no release has actually occurred, but to which a released hazardous substance, pollutant, or contaminant has migrated in ground water that has moved through subsurface strata from another parcel of real estate at which the release actually occurred, unless the ground water is in use as a public drinking water supply or was in such use at the time of the release."; and

(B) by adding at the end the following:

"(h) LISTING OF PARTICULAR PARCELS.—

"(1) DEFINITION.—In subsection (a)(8)(C) and paragraph (2) of this subsection, the term 'parcel of real property' means a parcel, lot, or tract of land that has a separate legal description from that of any other parcel, lot, or tract of land the legal description and ownership of which has been recorded in accordance with the law of the State in which it is located.

"(2) STATUTORY CONSTRUCTION.—Nothing in subsection (a)(8)(C) shall be construed to limit the Administrator's authority under section 104 to obtain access to and undertake response actions at any parcel of real property to which a released hazardous substance, pollutant, or contaminant has migrated in the ground water.".

(2) REVISION OF NATIONAL PRIORITIES LIST.—The President shall revise the National Priorities List to conform with the amendment made by paragraph (1) not later that 180 days of the date of enactment of this Act.

TITLE V—LIABILITY ALLOCATIONS

SEC. 501. ALLOCATION OF LIABILITY FOR MULTIPARTY FACILITIES.

Title I of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.), as amended by section 406, is amended by adding at the end the following:

"SEC. 132. ALLOCATION OF LIABILITY FOR MULTIPARTY FACILITIES.

"(a) DEFINITIONS.—In this section:

"(1) ALLOCATION PARTY.—The term 'allocation party' means a party, named on a list of parties that will be subject to the allocation process under this section, issued by an allocator under subsection (g)(3)(A).

"(2) ALLOCATOR.—The term 'allocator' means an allocator retained to conduct an allocation for a facility under subsection (f)(1).

"(3) MANDATORY ALLOCATION FACILITY.—The term 'mandatory allocation facility' means—

"(A) a non-federally owned vessel or facility listed on the National Priorities List for which the Administrator has approved a record of decision or a remedial action plan on or after June 15, 1995;

"(B) a federally owned facility listed on the National Priorities List for which the Administrator has approved a record of decision or a remedial action plan on or after June 15, 1995, if 1 or more of the potentially responsible parties with respect to the facility is not a department, agency, or instrumentality of the United States;

"(C) a non-federally owned vessel or facility listed on the National Priorities List for which the Administrator has approved a record of decision prior to June 15, 1995, if the construction or the operation and maintenance in accordance with the record of decision has continued after June 15, 1995; or

"(D) a federally owned facility listed on the National Priorities List for which the Administrator has approved a record of decision prior to June 15, 1995, and 1 or more of the potentially responsible parties is not a department, agency, or instrumentality of the United States and the construction or the operation and maintenance in accordance with the record of decision has continued after June 15, 1995.

"(b) ALLOCATIONS OF LIABILITY.—

"(1) MANDATORY ALLOCATIONS.—For each mandatory allocation facility involving 2 or more potentially responsible parties, the Administrator shall conduct the allocation process under this section.

"(2) REQUESTED ALLOCATIONS.—For a facility (other than a mandatory allocation facility) involving 2 or more potentially responsible parties, the Administrator shall conduct the allocation process under this section if the allocation is requested in writing by a potentially responsible party that has—

"(A) incurred response costs with respect to a response action; or

"(B) resolved any liability to the United States with respect to a response action in order to assist in allocating shares among potentially responsible parties.

"(3) PERMISSIVE ALLOCATIONS.—For any facility (other than a mandatory allocation facility or a facility with respect to which a request is made under paragraph (2)) involving 2 or more potentially responsible parties, the Administrator may conduct the allocation process under this section if the Administrator considers it to be appropriate to do so.

"(4) ORPHAN SHARE.—An allocation performed at a facility identified under subsection (a)(3) (C) or (D) or (b) (2) or (3) shall not require payment of an orphan share under subsection (l) or reimbursement under subsection (t).

"(5) EXCLUDED FACILITIES.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), for purposes of the allocation process only, this section does not apply to—

"(i) a response action at a mandatory allocation facility for which there was in effect as of June 15, 1995, a final settlement, decree, or order that determines the liability and allocated shares of all potentially responsible parties with respect to the response action; or

"(ii) a facility with respect to which none of the potentially responsible parties is liable or potentially liable under section 107(a)(1) (C) or (D).

"(B) CONDUCT PRIOR TO DECEMBER 11, 1980.—

"(i) IN GENERAL.—For any mandatory allocation facility that is otherwise excluded by subparagraph (A), an allocation process shall be conducted for the sole purpose of determining the percentage share of responsibility attributable to activity of each potentially responsible party prior to December 11, 1980.

"(ii) PURPOSE.—The determination made under clause (i) shall be used only to determine the availability of the environmental response expenditures credit under section 38(b)(12) of the Internal Revenue Code of 1986.

"(6) SCOPE OF ALLOCATIONS.—Subject to paragraph (5), an allocation under this section shall apply to—

"(A) the cost of any response action selected by the Administrator after June 15, 1995, for a mandatory allocation facility described in subsection (a)(3) (A) or (B);

"(B) the cost of construction and operation and maintenance incurred at a mandatory allocation facility after June 15, 1995, in accordance with a record of decision approved by the Administrator before June 15, 1995; and

"(C) the cost of any response action incurred by a potentially responsible party at a facility that is the subject of a requested allocation or permissive allocation process under subsection (b) (2) or (3).

"(7) OTHER MATTERS.—This section shall not limit or affect—

"(A) the obligation of the Administrator to conduct the allocation process for a response action at a facility that has been the subject of a partial or expedited settlement with respect to a response action that is not within the scope of the allocation;

"(B) the ability of any person to resolve any liability at a facility to any other person at any time before initiation or completion of the allocation process, subject to subsection (l)(3);

"(C) the validity, enforceability, finality, or merits of any judicial or administrative order, judgment, or decree issued prior to the date of enactment of this section with respect to liability under this Act; or

"(D) the validity, enforceability, finality, or merits of any preexisting contract or agreement relating to any allocation of responsibility or any indemnity for, or sharing of, any response costs under this Act.

"(c) MORATORIUM ON LITIGATION AND ENFORCEMENT.—

"(1) IN GENERAL.—No person may assert a claim for recovery of a response cost or contribution toward a response cost under this Act or any other Federal or State law in connection with a response action—

"(A) for which an allocation is required to be performed under subsection (b)(1); or

"(B) for which the Administrator has initiated the allocation process under this section,

until the date that is 120 days after the date of issuance of a report by the allocator under subsection (j)(5) or, if a second or subsequent report is issued under subsection (r), the date of issuance of the second or subsequent report.

"(2) PENDING ACTIONS OR CLAIMS.—If a claim described in paragraph (1) is pending on the date of enactment of this section or on initiation of an allocation under this section, the portion of the claim pertaining to response costs that are the subject of the allocation shall be stayed until the date that is 120 days after the date of issuance of a report by the allocator under subsection (j)(5) or, if a second or subsequent report is issued under subsection (r), the date of issuance of the second or subsequent report, unless the court determines that a stay would result in manifest injustice.

"(3) TOLLING OF PERIOD OF LIMITATION.—

"(A) BEGINNING OF TOLLING.—Any applicable period of limitation with respect to a claim subject to paragraph (1) shall be tolled beginning on the earlier of—

"(i) the date of listing of the facility on the National Priorities List if the listing occurs after the date of enactment of this section; or

"(ii) the date of initiation of the allocation process under this section.

"(B) END OF TOLLING.—A period of limitation shall be tolled under subparagraph (A) until the date that is 180 days after the date of issuance of a report by the allocator under subsection (j)(5), or of a second or subsequent report under subsection (r).

"(4) LATER ACTIONS.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), the Administrator shall not issue any order under section 106 after the date of enactment of this section in connection with a response action for which an allocation is required to be performed under subsection (b)(1), or for which the Administrator has initiated the allocation process under this section, until the date that is 180 days after the date of issuance of a report by the allocator under subsection (j)(5) or of a second or subsequent report under subsection (r).

"(B) EMERGENCIES.—Subparagraph (A) does not preclude an order requiring the performance of a removal action that is necessary to address an emergency situation at a facility.

"(5) RETAINED AUTHORITY.—Except as specifically provided in this section, this section does not affect the authority of the Administrator to—

"(A) exercise the powers conferred by section 103, 104, 105, 106, or 122;

"(B) commence an action against a party if there is a contemporaneous filing of a judicial consent decree resolving the liability of the party; or

"(C) file a proof of claim or take other action in a proceeding under title 11, United States Code.

"(d) INITIATION OF ALLOCATION PROCESS.—

"(1) RESPONSIBLE PARTY SEARCH.—For each facility described in paragraph (2), the Administrator shall initiate the allocation process as soon as practicable by commencing a comprehensive search for all potentially responsible parties with respect to the facility under authority of section 104.

"(2) FACILITIES.—The Administrator shall initiate the allocation process for each—

"(A) mandatory allocation facility;

"(B) facility for which a request for allocation is made under subsection (b)(2); and

"(C) facility that the Administrator considers to be appropriate for allocation under subsection (b)(3).

"(3) TIME LIMIT.—The Administrator shall initiate the allocation process for a facility not later than the earlier of—

"(A) the date of completion of the facility evaluation or remedial investigation for the facility; or

"(B) the date that is 60 days after the date of selection of a removal action.

"(4) SUBMISSION OF INFORMATION.—Any person may submit information to the Administrator concerning a potentially responsible party for a facility that is subject to a search, and the Administrator shall consider the information in carrying out the search.

"(5) INITIAL LIST OF PARTIES.—

"(A) IN GENERAL.—As soon as practicable after initiation of an allocation process for a facility, the Administrator shall publish, in accordance with section 117(d), a list of all potentially responsible parties identified for a facility.

"(B) TIME LIMIT.—The Administrator shall publish a list under paragraph (1) not later than 120 days after the commencement of a comprehensive search.

"(C) COPY OF LIST.—The Administrator shall provide each person named on a list of potentially responsible parties with—

"(i) a copy of the list; and

"(ii) the names of not less than 25 neutral parties—

"(I) who are not employees of the United States;

"(II) who are qualified to perform an allocation at the facility, as determined by the Administrator; and

"(III) at least some of whom maintain an office in the vicinity of the facility.

"(D) PROPOSED ALLOCATOR.—A person identified by the Administrator as a potentially responsible party may propose an allocator not on the list of neutral parties.

"(e) SELECTION OF ALLOCATOR.—

"(1) IN GENERAL.—As soon as practicable after the receipt of a list under subsection (d)(5)(C), the potentially responsible parties named on the list shall—

"(A) select an individual to serve as allocator by plurality vote on a per capita basis; and

"(B) promptly notify the Administrator of the selection.

"(2) VOTE BY REPRESENTATIVE.—The representative of the Fund shall be entitled to cast 1 vote in an election under paragraph (1).

"(3) ELIGIBLE ALLOCATORS.—The potentially responsible parties shall select an allocator under paragraph (1) from among individuals—

"(A) named on the list of neutral parties provided by the Administrator;

"(B) named on a list that is current on the date of selection of neutrals maintained by the American Arbitration Association, the Center for Public Resources, the Administrative Conference of the United States, or another nonprofit or governmental organization of comparable standing; or

"(C) proposed by a party under subsection (d)(5)(D).

"(4) UNQUALIFIED ALLOCATOR.—

"(A) IN GENERAL.—If the Administrator determines that a person selected under paragraph (1) is unqualified to serve, the Administrator shall promptly notify all potentially responsible parties for the facility, and the potentially responsible parties shall make an alternative selection under paragraph (1).

"(B) LIMIT ON DETERMINATIONS.—The Administrator may not make more than 2 determinations that an allocator is unqualified under this paragraph with respect to any facility.

"(5) DETERMINATION BY ADMINISTRATOR.—If the Administrator does not receive notice of selection of an allocator within 60 days after a copy of a list is provided under subsection (d)(5)(C), or if the Administrator, having given a notification under paragraph (4), does not receive notice of an alternative selection of an allocator under that paragraph within 60 days after the date of the notification, the Administrator shall promptly select and designate a person to serve as allocator.

"(6) JUDICIAL REVIEW.—No action under this subsection shall be subject to judicial review.

"(f) RETENTION OF ALLOCATOR.—

"(1) IN GENERAL.—On selection of an allocator, the Administrator shall promptly—

"(A) contract with the allocator for the provision of allocation services in accordance with this section; and

"(B) notify each person named as a potentially responsible party at the facility that the allocator has been retained.

"(2) DISCRETION OF ALLOCATOR.—A contract with an allocator under paragraph (1) shall give the allocator broad discretion to conduct the allocation process in a fair, efficient, and impartial manner.

"(3) PROVISION OF INFORMATION.—

"(A) IN GENERAL.—Not later than 30 days after the selection of an allocator, the Administrator shall make available to the allocator and to each person named as a potentially responsible party for the facility—

"(i) any information or documents furnished under section 104(e)(2); and

"(ii) any other potentially relevant information concerning the facility and the potentially responsible parties at the facility.

"(B) PRIVILEGED INFORMATION.—The Administrator shall not make available any privileged information, except as otherwise authorized by law.

"(g) ADDITIONAL PARTIES.—

"(1) IN GENERAL.—Any person may propose to the allocator the name of an additional potentially responsible party at a facility, or otherwise provide the allocator with information pertaining to a facility or to an allocation, until the date that is 60 days after the later of—

"(A) the date of issuance of the initial list described in subsection (d)(5)(A); or

"(B) the date of retention of the allocator under subsection (f)(1)(A).

"(2) NEXUS.—Any proposal under paragraph (1) to add a potentially responsible party shall include all information reasonably available to the person making the proposal regarding the nexus between the additional potentially responsible party and the facility.

"(3) FINAL LIST.—

"(A) IN GENERAL.—The allocator shall issue a final list of all parties that will be subject to the allocation process (referred to in this section as the 'allocation parties') not later than 120 days after publication of the initial list under subsection (d)(5)(A).

"(B) STANDARD.—The allocator shall include each party proposed under paragraph (1) in the final list of allocation parties unless the allocator determines that the party is not potentially liable under section 107.

"(4) DE MICROMIS PARTIES.—

"(A) IDENTIFICATION.—Not later than 120 days after the filing of the initial list of parties under subsection (d)(5)(A), the allocator shall issue a list identifying all de micromis parties with respect to the facility based on an evaluation of all evidence received at the time of the issuance of the list with respect to the amount of hazardous substances contributed by potentially responsible parties.

"(B) NOTIFICATION.—The allocator shall notify each de micromis party of its inclusion on the list under subparagraph (A) not later than 20 days after the date of issuance of the list.

"(C) EXEMPTION FROM LIABILITY.—A person that is named on the list under subparagraph (A) shall have no liability to the United States or to any other person (including liability for contribution), under Federal or State law, for a response action or for any past, present, or future cost incurred at the facility for a release identified in the facility evaluation under section 129(b)(4) if the person takes no other action after being included on the list that would give rise to a separate basis for liability under this Act.

"(h) FEDERAL, STATE, AND LOCAL AGENCIES.—

"(1) IN GENERAL.—Notwithstanding any other law, any Federal, State, or local governmental department, agency, or instrumentality that is named as a potentially responsible party or an allocation party shall be subject to, and be entitled to the benefits of, the allocation process and allocation determination under this section to the same extent as any other party.

"(2) ORPHAN SHARE.—The Administrator or the Attorney General shall participate in the allocation proceeding as the representative of the Fund from which any orphan share shall be paid.

"(i) POTENTIALLY RESPONSIBLE PARTY SETTLEMENT.—

"(1) SUBMISSION.—At any time prior to the date of issuance of an allocation report under subsection (j)(6) or of a second or subsequent report under subsection (r), any group of potentially responsible parties for a facility may submit to the allocator a private allocation for any response action that is within the scope of the allocation under subsection (b)(6).

"(2) ADOPTION.—The allocator shall promptly adopt a private allocation under paragraph (1) as the allocation report if the private allocation—

"(A) is a binding allocation of 100 percent of the recoverable costs of the response action that is the subject of the allocation; and

"(B) does not allocate a share to—

"(i) any person who is not a signatory to the private allocation; or

"(ii) any person whose share would be part of the orphan share under subsection (l), unless the representative of the Fund is a signatory to the private allocation.

"(3) WAIVER OF RIGHTS.—Any signatory to a private allocation waives the right to seek from any other potentially responsible party for a facility—

"(A) recovery of any response cost that is the subject of the allocation; and

"(B) contribution under this Act with respect to any response action that is within the scope of the allocation.

"(j) ALLOCATION DETERMINATION.—

"(1) ALLOCATION PROCESS.—An allocator retained under subsection (f)(1) shall conduct an allocation process culminating in the issuance of a written report with a nonbinding equitable allocation of percentage shares of responsibility for any response action that is within the scope of the allocation under subsection (b)(6).

"(2) COPIES OF REPORT.—An allocator shall provide the report issued under paragraph (1) to the Administrator and to the allocation parties.

"(3) INFORMATION-GATHERING AUTHORITIES.—

"(A) IN GENERAL.—An allocator may request information from any person in order to assist in the efficient completion of the allocation process.

"(B) REQUESTS.—Any person may request that an allocator request information under this paragraph.

"(C) AUTHORITY.—An allocator may exercise the information-gathering authority of the Administrator under section 104(e), including issuing an administrative subpoena to compel the production of a document or the appearance of a witness.

"(D) DISCLOSURE.—Notwithstanding any other law, any information submitted to the allocator in response to a subpoena issued under paragraph (4) shall be exempt from disclosure to any person under section 552 of title 5, United States Code.

"(E) ORDERS.—In the event of contumacy or a failure of a person to obey a subpoena issued under paragraph (4), an allocator may request the Attorney General to—

"(i) bring a civil action to enforce the subpoena; or

"(ii) if the person moves to quash the subpoena, to defend the motion.

"(F) FAILURE OF ATTORNEY GENERAL TO RESPOND.—If the Attorney General fails to provide any response to the allocator within 30 days of a request for enforcement of a subpoena or information request, the allocator may retain counsel to commence a civil action to enforce the subpoena or information request.

"(4) ADDITIONAL AUTHORITY.—An allocator may—

"(A) schedule a meeting or hearing and require the attendance of allocation parties at the meeting or hearing;

"(B) sanction an allocation party for failing to cooperate with the orderly conduct of the allocation process;

"(C) require that allocation parties wishing to present similar legal or factual positions consolidate the presentation of the positions;

"(D) obtain or employ support services, including secretarial, clerical, computer support, legal, and investigative services; and

"(E) take any other action necessary to conduct a fair, efficient, and impartial allocation process.

"(5) CONDUCT OF ALLOCATION PROCESS.—

"(A) IN GENERAL.—The allocator shall conduct the allocation process and render a decision based solely on the provisions of this section, including the allocation factors described in subsection (k).

"(B) OPPORTUNITY TO BE HEARD.—Each allocation party shall be afforded an opportunity to be heard (orally or in writing, at the option of an allocation party) and an opportunity to comment on a draft allocation report.

"(C) RESPONSES.—The allocator shall not be required to respond to comments.

"(D) STREAMLINING.—In a case in which the expected response costs are relatively low and the number of potentially responsible parties is relatively small, the allocator shall make every effort to streamline the allocation process and minimize the cost of conducting the allocation.

"(6) ALLOCATION REPORT.—

"(A) DEADLINE.—

"(i) IN GENERAL.—The allocator shall provide a written allocation report to the Administrator and the allocation parties not later than 180 days after the date of issuance of the final list of allocation parties under subsection (g)(3)(A) that specifies the allocation share of each potentially responsible party and any orphan shares, as determined by the allocator.

"(ii) Extension.—On request by the allocator and for good cause shown, the Administrator may extend the time to complete the report by not more than 90 days.

"(B) Breakdown of allocation shares into time periods.—The allocation share for each potentially responsible party with respect to a mandatory allocation facility shall be comprised of percentage shares of responsibility stated separately for activity prior to December 11, 1980, and activity on or after December 11, 1980.

"(C) Tax-exempt parties.—Of the percentage share of a potentially responsible party that is a State, political subdivision of a State, an agency or instrumentality of a State or political subdivision, or is an organization that is exempt from tax imposed by chapter 1 of the Internal Revenue Code of 1986 (unless the organization is subject to the tax imposed by 511 of the Internal Revenue Code of 1986) for activity prior to December 11, 1980, that would be allocated to that party but for this subparagraph—

"(i) 50 percent shall be allocated to that party; and

"(ii) 50 percent shall be allocated to the orphan share under subsection (l).

"(k) Equitable Factors for Allocation.—The allocator shall prepare a nonbinding allocation of percentage shares of responsibility to each allocation party and to the orphan share, in accordance with this section and without regard to any theory of joint and several liability, based on—

"(1) the amount of hazardous substances contributed by each allocation party;

"(2) the degree of toxicity of hazardous substances contributed by each allocation party;

"(3) the mobility of hazardous substances contributed by each allocation party;

"(4) the degree of involvement of each allocation party in the generation, transportation, treatment, storage, or disposal of hazardous substances;

"(5) the degree of care exercised by each allocation party with respect to hazardous substances, taking into account the characteristics of the hazardous substances;

"(6) the cooperation of each allocation party in contributing to any response action and in providing complete and timely information to the allocator; and

"(7) such other equitable factors as the allocator determines are appropriate.

"(l) Orphan Shares.—

"(1) In general.—The allocator shall determine whether any percentage of responsibility for the response action shall be allocable to the orphan share.

"(2) Makeup of orphan share.—The orphan share shall consist of—

"(A) any share that the allocator determines is attributable to an allocation party that is insolvent or defunct and that is not affiliated with any financially viable allocation party;

"(B) any share allocated under subsection (j)(6)(C)(ii); and

"(C) the difference between the aggregate share that the allocator determines is attributable to a person and the aggregate share actually assumed by the person in a settlement with the United States if—

"(i) the person is eligible for an expedited settlement with the United States under section 122 based on limited ability to pay response costs;

"(ii) the person is eligible for an expedited settlement with the United States under section 122 based on de minimis contributions of hazardous substances to a facility;

"(iii) the liability of the person for the response action is limited or reduced by any provision of this Act; or

"(iv) the person settled with the United States before the completion of the allocation.

"(3) Unattributable shares.—A share attributed to a hazardous substance that the allocator cannot attribute to any identified party shall be distributed among the allocation parties and the orphan share.

"(m) De Minimis Settlements.—

"(1) Identification.—As part of the allocation report under subsection (j)(6), or at any time before the issuance of the allocation report, the allocator shall issue a list identifying all potentially responsible parties with respect to the facility whose allocated share of liability is determined to be 1.0 percent or less.

"(2) Settlement offer.—

"(A) Offer by the administrator.—Not later than 90 days after the date of issuance of the allocation report under subsection (j)(6) or the date of issuance of the list of de minimis parties under paragraph (1), whichever is earlier, the Administrator shall make a firm written offer of settlement to all de minimis parties.

"(B) Amount.—The amount of the settlement offer for a de minimis party—

"(i) shall be stated in dollars, not a percentage share of the cleanup costs; and

"(ii) shall be based on the Administrator's estimate of the total cleanup cost at the facility multiplied by the de minimis party's allocated share, as determined by the allocator.

"(C) Single estimate and premium.—All settlement offers by the Administrator to de minimis parties at a facility shall be based on the same estimate of cleanup costs and the same premium.

"(D) No judicial review.—A settlement offer under this paragraph is not subject to judicial review.

"(3) Acceptance.—

"(A) Deadline.—A de minimis party may accept or decline a settlement offer, but any acceptance of the offer shall be made within 60 days after receipt of the offer.

"(B) Resolution of liability.—A de minimis party that accepts the offer may resolve the party's liability to the United States by paying the amount of the offer to the Hazardous Substance Superfund established under subparagraph (A) of chapter 98 of the Internal Revenue Code of 1986.

"(C) No reopening.—Settlement under this subsection may not be reopened after payment is made except on the ground of fraud.

"(4) No further liability.—A de minimis party that accepts a settlement offer and pays the amount of the offer shall have no other liability, under Federal or State law, to any person for a response action or for any past, present, or future costs incurred at the facility for a release identified in the facility evaluation under section 129(b)(4) if the de minimis party takes no other actions after making the payment that would give rise to a separate basis for liability of the de minimis party under this Act.

"(5) Application of proceeds.—

"(A) Proceeds representing allocated shares.—All proceeds from a de minimis settlement under this subsection that represent the allocated share of a de minimis party for a facility shall be held by the Administrator for timely payment directly to the person performing the response action at the facility.

"(B) Excess amounts.—Any amounts of a settlement remaining in the Fund after completion of the response action shall be available for other authorized uses.

"(n) Information Requests.—

"(1) Duty to answer.—Each person that receives an information request or subpoena from the allocator shall provide a full and timely response to the request.

"(2) Certification.—An answer to an information request by an allocator shall include a certification by a representative that meets the criteria established in section 270.11(a) of title 40, Code of Federal Regulations (or any successor regulation), that—

"(A) the answer is correct to the best of the representative's knowledge;

"(B) the answer is based on a diligent good faith search of records in the possession or control of the person to whom the request was directed;

"(C) the answer is based on a reasonable inquiry of the current (as of the date of the answer) officers, directors, employees, and agents of the person to whom the request was directed;

"(D) the answer accurately reflects information obtained in the course of conducting the search and the inquiry;

"(E) the person executing the certification understands that there is a duty to supplement any answer if, during the allocation process, any significant additional, new, or different information becomes known or available to the person; and

"(F) the person executing the certification understands that there are significant penalties for submitting false information, including the possibility of a fine or imprisonment for a knowing violation.

"(o) Penalties.—

"(1) Civil.—

"(A) In general.—A person that fails to submit a complete and timely answer to an information request, a request for the production of a document, or a summons from an allocator, submits a response that lacks the certification required under subsection (n)(2), or knowingly makes a false or misleading material statement or representation in any statement, submission, or testimony during the allocation process (including a statement or representation in connection with the nomination of another potentially responsible party) shall be subject to a civil penalty of not more than $10,000 per day of violation.

"(B) Assessment of penalty.—A penalty may be assessed by the Administrator in accordance with section 109 or by any allocation party in a citizen suit brought under section 310.

"(2) Criminal.—A person that knowingly and willfully makes a false material statement or representation in the response to an information request or subpoena issued by the allocator under subsection (n) shall be considered to have made a false statement on a matter within the jurisdiction of the United States within the meaning of section 1001 of title 18, United States Code.

"(p) Document Repository; Confidentiality.—

"(1) Document repository.—

"(A) In general.—The allocator shall establish and maintain a document repository containing copies of all documents and information provided by the Administrator or any allocation party under this section or generated by the allocator during the allocation process.

"(B) Availability.—Subject to paragraph (2), the documents and information in the document repository shall be available only to an allocation party for review and copying at the expense of the allocation party.

"(2) CONFIDENTIALITY.—

"(A) IN GENERAL.—Each document or material submitted to the allocator or placed in the document repository and the record of any information generated or obtained during the allocation process shall be confidential.

"(B) MAINTENANCE.—The allocator, each allocation party, the Administrator, and the Attorney General—

"(i) shall maintain the documents, materials, and records of any depositions or testimony adduced during the allocation as confidential; and

"(ii) shall not use any such document or material or the record in any other matter or proceeding or for any purpose other than the allocation process.

"(C) DISCLOSURE.—Notwithstanding any other law, the documents and materials and the record shall not be subject to disclosure to any person under section 552 of title 5, United States Code.

"(D) DISCOVERY AND ADMISSIBILITY.—

"(i) IN GENERAL.—Subject to clause (ii), the documents and materials and the record shall not be subject to discovery or admissible in any other Federal, State, or local judicial or administrative proceeding, except—

"(I) a new allocation under subsection (r) or (w) for the same response action; or

"(II) an initial allocation under this section for a different response action at the same facility.

"(ii) OTHERWISE DISCOVERABLE OR ADMISSIBLE.—

"(I) DOCUMENT OR MATERIAL.—If the original of any document or material submitted to the allocator or placed in the document repository was otherwise discoverable or admissible from a party, the original document, if subsequently sought from the party, shall remain discoverable or admissible.

"(II) FACTS.—If a fact generated or obtained during the allocation was otherwise discoverable or admissible from a witness, testimony concerning the fact, if subsequently sought from the witness, shall remain discoverable or admissible.

"(3) NO WAIVER OF PRIVILEGE.—The submission of testimony, a document, or information under the allocation process shall not constitute a waiver of any privilege applicable to the testimony, document, or information under any Federal or State law or rule of discovery or evidence.

"(4) PROCEDURE IF DISCLOSURE SOUGHT.—

"(A) NOTICE.—A person that receives a request for a statement, document, or material submitted for the record of an allocation proceeding, shall—

"(i) promptly notify the person that originally submitted the item or testified in the allocation proceeding; and

"(ii) provide the person that originally submitted the item or testified in the allocation proceeding an opportunity to assert and defend the confidentiality of the item or testimony.

"(B) RELEASE.—No person may release or provide a copy of a statement, document, or material submitted, or the record of an allocation proceeding, to any person not a party to the allocation except—

"(i) with the written consent of the person that originally submitted the item or testified in the allocation proceeding; or

"(ii) as may be required by court order.

"(5) CIVIL PENALTY.—

"(A) IN GENERAL.—A person that fails to maintain the confidentiality of any statement, document, or material or the record generated or obtained during an allocation proceeding, or that releases any information in violation of this section, shall be subject to a civil penalty of not more than $25,000 per violation.

"(B) ASSESSMENT OF PENALTY.—A penalty may be assessed by the Administrator in accordance with section 109 or by any allocation party in a citizen suit brought under section 310.

"(C) DEFENSES.—In any administrative or judicial proceeding, it shall be a complete defense that any statement, document, or material or the record at issue under subparagraph (A)—

"(i) was in, or subsequently became part of, the public domain, and did not become part of the public domain as a result of a violation of this subsection by the person charged with the violation;

"(ii) was already known by lawful means to the person receiving the information in connection with the allocation process; or

"(iii) became known to the person receiving the information after disclosure in connection with the allocation process and did not become known as a result of any violation of this subsection by the person charged with the violation.

"(q) REJECTION OF ALLOCATION REPORT.—

"(1) REJECTION.—The Administrator and the Attorney General may jointly reject a report issued by an allocator only if the Administrator and the Attorney General jointly publish, not later than 180 days after the Administrator receives the report, a written determination that—

"(A) no rational interpretation of the facts before the allocator, in light of the factors required to be considered, would form a reasonable basis for the shares assigned to the parties; or

"(B) the allocation process was directly and substantially affected by bias, procedural error, fraud, or unlawful conduct.

"(2) FINALITY.—A report issued by an allocator may not be rejected after the date that is 180 days after the date on which the United States accepts a settlement offer (excluding a de minimis or other expedited settlement under section 122) based on the allocation.

"(3) JUDICIAL REVIEW.—Any determination by the Administrator or the Attorney General under this subsection shall not be subject to judicial review unless 2 successive allocation reports relating to the same response action are rejected, in which case any allocation party may obtain judicial review of the second rejection in a United States district court under subchapter II of chapter 5 of part I of title 5, United States Code.

"(4) STANDARD OF REVIEW.—In a proceeding on review of a rejection of an allocation report under subparagraph (3), the court shall, notwithstanding section 706(2)(E) of title 5, United States Code, hold unlawful and set aside actions, findings, and conclusions found to be unsupported by substantial evidence.

"(5) DELEGATION.—The authority to make a determination under this subsection may not be delegated to any officer or employee below the level of an Assistant Administrator or Acting Assistant Administrator or an Assistant Attorney General or Acting Assistant Attorney General with authority for implementing this Act.

"(r) SECOND AND SUBSEQUENT ALLOCATIONS.—

"(1) IN GENERAL.—If a report is rejected under subsection (q), the allocation parties shall select an allocator under subsection (e) to perform, on an expedited basis, a new allocation based on the same record available to the previous allocator.

"(2) MORATORIUM AND TOLLING.—The moratorium and tolling provisions of subsection (c) shall be extended until the date that is 180 days after the date of the issuance of any second or subsequent allocation report under paragraph (1).

"(3) SAME ALLOCATOR.—The allocation parties may select the same allocator who performed 1 or more previous allocations at the facility, except that the Administrator may determine under subsection (e) that an allocator whose previous report at the same facility has been rejected under subsection (q) is unqualified to serve.

"(s) SETTLEMENTS BASED ON ALLOCATIONS.—

"(1) DEFINITION.—In this subsection, the term 'all settlements' includes any orphan share allocated under subsection (l).

"(2) IN GENERAL.—Unless an allocation report is rejected under subsection (q), any allocation party with respect to a mandatory allocation facility shall be entitled to resolve the liability of the party to the United States for response actions subject to allocation if, not later than 90 days after the date of issuance of a report by the allocator, the party—

"(A) offers to settle with the United States based on the percentage share specified by the allocator; and

"(B) agrees to the other terms and conditions stated in this subsection.

"(3) PROVISIONS OF SETTLEMENTS.—

"(A) IN GENERAL.—A settlement based on an allocation under this section—

"(i) may consist of a cash-out settlement or an agreement for the performance of a response action; and

"(ii) shall include—

"(I) a waiver of contribution rights against all persons that are potentially responsible parties for any response action addressed in the settlement;

"(II) a covenant not to sue that is consistent with section 122(f) and, except in the case of a cash-out settlement, provisions regarding performance or adequate assurance of performance of the response action;

"(III) a premium, calculated on a facility-specific basis and subject to the limitations on premiums stated in paragraph (5), that reflects the actual risk to the United States of not collecting unrecovered response costs for the response action, despite the diligent prosecution of litigation against any viable allocation party that has not resolved the liability of the party to the United States, except that no premium shall apply if all allocation parties participate in the settlement or if the settlement covers 100 percent of the response costs subject to the allocation;

"(IV) complete protection from all claims for contribution regarding the response action addressed in the settlement; and

"(V) provisions through which a settling party shall receive prompt reimbursement from the Fund under subsection (t) of any response costs incurred by the party for any response action that is the subject of the allocation in excess of the allocated share of the party, including the allocated portion of any orphan share.

"(B) RIGHT TO REIMBURSEMENT.—A right to reimbursement under subparagraph (A)(ii)(V) shall not be contingent on recovery by the United States of any response costs from any person other than the settling party.

"(4) Report.—The Administrator shall report annually to Congress on the administration of the allocation process under this section, providing in the report—

"(A) information comparing allocation results with actual settlements at multiparty facilities;

"(B) a cumulative analysis of response action costs recovered through post-allocation litigation or settlements of post-allocation litigation;

"(C) a description of any impediments to achieving complete recovery; and

"(D) a complete accounting of the costs incurred in administering and participating in the allocation process.

"(5) Premium.—In each settlement under this subsection, the premium authorized—

"(A) shall be determined on a case-by-case basis to reflect the actual litigation risk faced by the United States with respect to any response action addressed in the settlement; but

"(B) shall not exceed—

"(i) 5 percent of the total costs assumed by a settling party if all settlements (including any orphan share) account for more than 80 percent and less than 100 percent of responsibility for the response action;

"(ii) 10 percent of the total costs assumed by a settling party if all settlements (including any orphan share) account for more than 60 percent and not more than 80 percent of responsibility for the response action;

"(iii) 15 percent of the total costs assumed by a settling party if all settlements (including any orphan share) account for more than 40 percent and not more than 60 percent of responsibility for the response action; or

"(iv) 20 percent of the total costs assumed by a settling party if all settlements (including any orphan share) account for 40 percent or less of responsibility for the response action.

"(t) Funding of Orphan Shares.—

"(1) Reimbursement.—For each settlement agreement entered into under subsection (s), and for each administrative order that satisfies the requirements of subsection (u), the Administrator shall promptly reimburse the allocation parties for any costs incurred that are attributable to the orphan share, as determined by the allocator.

"(2) Entitlement.—Paragraph (1) constitutes an entitlement to any allocation party eligible to receive a reimbursement.

"(3) Amounts owed.—Any amount due and owing in excess of available appropriations in any fiscal year shall be paid from amounts made available in subsequent fiscal years, along with interest on the unpaid balances at the rate equal to that of the current average market yield on outstanding marketable obligations of the United States with a maturity of 1 year.

"(4) Documentation and auditing.—The Administrator—

"(A) shall require that any claim for reimbursement be supported by documentation of actual costs incurred; and

"(B) may require an independent auditing of any claim for reimbursement.

"(u) Administrative Order Reimbursement.—

"(1) In general.—An allocation party that is ordered to perform, and does perform, a response action that is the subject of an allocation under this section to an extent that exceeds the percentage share of the allocation party, as determined by the allocator, shall be entitled to prompt reimbursement of the excess amount, including any orphan share, from the Fund, unless the allocation report is rejected under subsection (q).

"(2) Not contingent.—The right to reimbursement under paragraph (1) shall not be contingent on recovery by the United States of a response cost from any other person.

"(3) Terms and conditions.—

"(A) Risk premium.—A reimbursement shall be reduced by the amount of the litigation risk premium under subsection (s)(4) that would apply to a settlement by the allocation party concerning the response action, based on the total allocated shares of the parties that have not reached a settlement with the United States.

"(B) Timing.—

"(i) In general.—A reimbursement shall be paid out during the course of the response action that was the subject of the allocation, using reasonable progress payments at significant milestones.

"(ii) Construction.—Reimbursement for the construction portion of the work shall be paid out not later than 120 days after the date of completion of the construction.

"(C) Equitable offset.—A reimbursement is subject to equitable offset or recoupment by the Administrator at any time if the allocation party fails to perform the work in a proper and timely manner.

"(D) Independent auditing.—The Administrator may require independent auditing of any claim for reimbursement.

"(E) Waiver.—An allocation party seeking reimbursement waives the right to seek recovery of response costs in connection with the response action, or contribution toward the response costs, from any other person.

"(F) Bar.—An administrative order shall be in lieu of any action by the United States or any other person against the allocation party for recovery of response costs in connection with the response action, or for contribution toward the costs of the response action.

"(v) Post-Settlement Litigation.—

"(1) In general.—Subject to subsections (r) and (s), and on the expiration of the moratorium period under subsection (c)(4), the Administrator may commence an action under section 107 against an allocation party that has not resolved the liability of the party to the United States following allocation and may seek to recover response costs not recovered through settlements with other persons.

"(2) Orphan share.—The recoverable costs shall include any orphan share determined under subsection (l), but shall not include any share allocated to a Federal, State, or local governmental agency, department, or instrumentality.

"(3) Impleader.—A defendant in an action under paragraph (1) may implead an allocation party only if the allocation party did not resolve liability to the United States.

"(4) Certification.—In commencing or maintaining an action under section 107 against an allocation party after the expiration of the moratorium period under subsection (c)(4), the Attorney General shall certify in the complaint that the defendant failed to settle the matter based on the share that the allocation report assigned to the party.

"(5) Response costs.—

"(A) Allocation procedure.—The cost of implementing the allocation procedure under this section, including reasonable fees and expenses of the allocator, shall be considered as a necessary response cost.

"(B) Funding orphan shares.—The cost attributable to funding an orphan share under this section—

"(i) shall be considered as a necessary cost of response cost; and

"(ii) shall be recoverable in accordance with section 107 only from an allocation party that does not reach a settlement and does not receive an administrative order under subsection (s) or (u).

"(w) New Information.—

"(1) In general.—An allocation under this section shall be final, except that any settling party, including the United States, may seek a new allocation with respect to the response action that was the subject of the settlement by presenting the Administrator with clear and convincing evidence that—

"(A) the allocator did not have information concerning—

"(i) 35 percent or more of the materials containing hazardous substances at the facility; or

"(ii) 1 or more persons not previously named as an allocation party that contributed 15 percent or more of materials containing hazardous substances at the facility; and

"(B) the information was discovered subsequent to the issuance of the report by the allocator.

"(2) New allocation.—Any new allocation of responsibility—

"(A) shall proceed in accordance with this section;

"(B) shall be effective only after the date of the new allocation report; and

"(C) shall not alter or affect the original allocation with respect to any response costs previously incurred.

"(x) Allocator's Discretion.—The Administrator shall not issue any rule or order that limits the discretion of the allocator in the conduct of the allocation.".

SEC. 502. LIABILITY OF RESPONSE ACTION CONTRACTORS.

(a) Liability of Contractors.—Section 101(20) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601(20)), as amended by section 303(a), is amended by adding at the end the following:

"(G) Liability of contractors.—

"(i) In general.—The term 'owner or operator' does not include a response action contractor (as defined in section 119(e)).

"(ii) Liability limitations.—A person described in clause (i) shall not, in the absence of negligence by the person, be considered to—

"(I) cause or contribute to any release or threatened release of a hazardous substance, pollutant, or contaminant;

"(II) arrange for disposal or treatment of a hazardous substance, pollutant, or contaminant;

"(III) arrange with a transporter for transport or disposal or treatment of a hazardous substance, pollutant, or contaminant; or

"(IV) transport a hazardous substance, pollutant, or contaminant.

"(iii) Exception.—This subparagraph does not apply to a person potentially responsible under section 106 or 107 other than a person associated solely with the provision of a response action or a service or equipment ancillary to a response action.".

(b) National Uniform Negligence Standard.—Section 119(a) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9619(a)) is amended—

(1) in paragraph (1) by striking "title or under any other Federal law" and inserting "title, under any other Federal or State law"; and

(2) in paragraph (2)—

(A) by striking "Paragraph (1)" and inserting the following:

"(A) In general.—Paragraph (1)"; and

(B) by adding at the end the following:

"(B) Standard.—Conduct under subparagraph (A) shall be evaluated based on the generally accepted standards and practices in effect at the time and place at which the conduct occurred.

"(C) Plan.—An activity performed in accordance with a plan that was approved by the Administrator shall not be considered to constitute negligence under subparagraph (A).".

(c) Extension of Indemnification Authority.—Section 119(c)(1) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9619(c)(1)) is amended by adding at the end the following: "The agreement may apply to a claim for negligence arising under Federal or State law.".

(d) Indemnification Determinations.—Section 119(c) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9619(c)) is amended by striking paragraph (4) and inserting the following:

"(4) Decision to indemnify.—

"(A) In general.—For each response action contract for a vessel or facility, the Administrator shall make a decision whether to enter into an indemnification agreement with a response action contractor.

"(B) Standard.—The Administrator shall enter into an indemnification agreement to the extent that the potential liability (including the risk of harm to public health, safety, environment, and property) involved in a response action exceed or are not covered by insurance available to the contractor at the time at which the response action contract is entered into that is likely to provide adequate long-term protection to the public for the potential liability on fair and reasonable terms (including consideration of premium, policy terms, and deductibles).

"(C) Diligent efforts.—The Administrator shall enter into an indemnification agreement only if the Administrator determines that the response action contractor has made diligent efforts to obtain insurance coverage from non-Federal sources to cover potential liabilities.

"(D) Continued diligent efforts.—An indemnification agreement shall require the response action contractor to continue, not more frequently than annually, to make diligent efforts to obtain insurance coverage from non-Federal sources to cover potential liabilities.

"(E) Limitations on indemnification.—An indemnification agreement provided under this subsection shall include deductibles and shall place limits on the amount of indemnification made available in amounts determined by the contracting agency to be appropriate in light of the unique risk factors associated with the cleanup activity.".

(e) Indemnification for Threatened Releases.—Section 119(c)(5)(A) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9619(c)(5)(A)) is amended by inserting "or threatened release" after "release" each place it appears.

(f) Extension of Coverage to All Response Actions.—Section 119(e)(1) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9619(e)(1)) is amended—

(1) in subparagraph (D) by striking "carrying out an agreement under section 106 or 122"; and

(2) in the matter following subparagraph (D)—

(A) by striking "any remedial action under this Act at a facility listed on the National Priorities List, or any removal under this Act," and inserting "any response action,"; and

(B) by inserting before the period at the end the following: "or to undertake appropriate action necessary to protect and restore any natural resource damaged by the release or threatened release".

(g) Definition of Response Action Contractor.—Section 119(e)(2)(A)(i) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9619(e)(2)(A)(i)) is amended by striking "and is carrying out such contract" and inserting "covered by this section and any person (including any subcontractor) hired by a response action contractor".

(h) Surety Bonds.—Section 119 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9619) is amended—

(1) in subsection (e)(2)(C) by striking ", and before January 1, 1996,"; and

(2) in subsection (g)(5) by striking ", or after December 31, 1995".

(i) National Uniform Statute of Repose.—Section 119 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9619) is amended by adding at the end the following:

"(h) Limitation on Actions Against Response Action Contractors.—

"(1) In general.—No action may be brought as a result of the performance of services under a response contract against a response action contractor after the date that is 7 years after the date of completion of work at any facility under the contract to recover—

"(A) injury to property, real or personal;

"(B) personal injury or wrongful death;

"(C) other expenses or costs arising out of the performance of services under the contract; or

"(D) contribution or indemnity for damages sustained as a result of an injury described in subparagraphs (A) through (C).

"(2) Exception.—Paragraph (1) does not bar recovery for a claim caused by the conduct of the response action contractor that is grossly negligent or that constitutes intentional misconduct.

"(3) Indemnification.—This subsection does not affect any right of indemnification that a response action contractor may have under this section or may acquire by contract with any person.

"(i) State Standards of Negligence.—Subsection (a)(1) and subsection (h) shall not apply in determining the liability of a response action contractor if the State has enacted, after the date of enactment of this subsection, a statute of repose determining the liability of a response action contractor.".

SEC. 503. RELEASE OF EVIDENCE.

(a) Timely Access to Information Furnished Under Section 104(e).—Section 104(e)(7)(A) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9604(e)(7)(A)) is amended by inserting after "shall be available to the public" the following: "not later than 14 days after the records, reports, or information is obtained".

(b) Requirement To Provide Potentially Responsible Parties Evidence of Liability.—

(1) Abatement actions.—Section 106(a) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9606(a)) is amended—

(A) by striking "(a) In addition" and inserting the following: "(a) Order.—"

"(1) In general.—In addition"; and

(B) by adding at the end the following:

"(2) Contents of order.—An order under paragraph (1) shall provide information concerning the evidence that indicates that each element of liability described in section 107(a)(1) (A), (B), (C), and (D), as applicable, is present.".

(2) Settlements.—Section 122(e)(1) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9622(e)(1)) is amended by inserting after subparagraph (C) the following:

"(D) For each potentially responsible party, the evidence that indicates that each element of liability contained in section 107(a)(1) (A), (B), (C), and (D), as applicable, is present.".

SEC. 504. CONTRIBUTION PROTECTION.

(a) No Liability for Cost Recovery After Settlement.—Section 113(f)(2) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9613(f)(2)) is amended in the first sentence by inserting "or cost recovery" after "contribution".

(b) Definitions.—Section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601), as amended by section 401, is amended by adding at the end the following:

"(48) Allocated share.—The term 'allocated share' means the percentage of liability assigned to a potentially responsible party by the allocator in an allocation report under section 132(j)(6).

"(49) De micromis party.—The term 'de micromis party' means a potentially responsible party that is a generator or transporter that contributed not more than 200 pounds or not more than 110 gallons of material containing hazardous substances at a facility, or such greater or lesser amount as the Administrator may determine by regulation.

"(50) De minimis party.—The term 'de minimis party' means a liable party whose assigned share of liability is determined to be 1.0 percent or less in an allocation report under section 132.

"(51) Orphan share.—The term 'orphan share' means the total of the allocated shares determined by the allocator under section 132(l).

SEC. 505. TREATMENT OF RELIGIOUS, CHARITABLE, SCIENTIFIC, AND EDUCATIONAL ORGANIZATIONS AS OWNERS OR OPERATORS.

(a) Definition.—Section 101(20) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601(20)), as amended by section 502(a), is amended by adding at the end the following:

"(H) Religious, charitable, scientific, and educational organizations.—The term 'owner or operator' includes an organization described in section 501(c)(3) of the Internal Revenue Code of 1986 that is organized and operated exclusively for religious, charitable, scientific, or educational purposes and that holds legal or equitable title to a vessel or facility.".

(b) Limitation on Liability.—Section 107 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9607), as amended by section 306(b), is amended by adding at the end the following:

"(r) Religious, Charitable, Scientific, and Educational Organizations.—

"(1) Limitation on liability.—Subject to paragraph (2), if an organization described in section 101(20)(I) holds legal or equitable title to a vessel or facility as a result of a charitable gift that is allowable as a deduction under section 170, 2055, or 2522 of the Internal Revenue Code of 1986 (determined without regard to dollar limitations), the liability of the organization shall be limited to the lesser of the fair market value of the vessel or facility or the actual proceeds of the sale of the vessel or facility received by the organization.

"(2) CONDITIONS.—In order for an organization described in section 101(20)(I) to be eligible for the limited liability described in paragraph (1), the organization shall—

"(A) provide full cooperation, assistance, and vessel or facility access to persons authorized to conduct response actions at the vessel or facility, including the cooperation and access necessary for the installation, preservation of integrity, operation, and maintenance of any complete or partial response action at the vessel or facility;

"(B) provide full cooperation and assistance to the United States in identifying and locating persons who recently owned, operated, or otherwise controlled activities at the vessel or facility;

"(C) establish by a preponderance of the evidence that all active disposal of hazardous substances at the vessel or facility occurred before the organization acquired the vessel or facility; and

"(D) establish by a preponderance of the evidence that the organization did not cause or contribute to a release or threatened release of hazardous substances at the vessel or facility.

"(3) LIMITATION.—Nothing in this subsection affects the liability of a person other than a person described in section 101(20)(G) that meets the conditions specified in paragraph (2).".

SEC. 506. COMMON CARRIERS.

Section 107(b)(3) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9607(b)(3)) is amended by striking "a published tariff and acceptance" and inserting "a contract".

SEC. 507. LIMITATION ON LIABILITY FOR RESPONSE COSTS.

Section 107 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9607), as amended by section 505(b), is amended by adding at the end the following:

"(s) LIMITATION ON LIABILITY OF RAILROAD OWNERS.—Notwithstanding subsection (a)(1), a person that does not impede the performance of a response action or natural resource restoration shall not be liable under this Act to the extent that liability is based solely on the status of the person as a railroad owner or operator of a spur track, including a spur track over land subject to an easement, to a facility that is owned or operated by a person that is not affiliated with the railroad owner or operator, if—

"(1) the spur track provides access to a main line or branch line track that is owned or operated by the railroad;

"(2) the spur track is 10 miles long or less; and

"(3) the railroad owner or operator does not cause or contribute to a release or threatened release at the spur track.".

TITLE VI—FEDERAL FACILITIES

SEC. 601. TRANSFER OF AUTHORITIES.

Section 120 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9620) is amended by striking subsection (g) and inserting the following:

"(g) TRANSFER OF AUTHORITIES.—

"(1) DEFINITIONS.—In this section:

"(A) INTERAGENCY AGREEMENT.—The term 'interagency agreement' means an interagency agreement under section 120.

"(B) TRANSFER AGREEMENT.—The term 'transfer agreement' means a transfer agreement under paragraph (3).

"(C) TRANSFEREE STATE.—The term 'transferee State' means a State to which authorities have been transferred under a transfer agreement.

"(2) STATE APPLICATION FOR TRANSFER OF AUTHORITIES.—A State may apply to the Administrator to exercise the authorities vested in the Administrator under this Act at any facility owned or operated by any department, agency, or instrumentality of the United States (including the executive, legislative, and judicial branches of government) located in the State.

"(3) TRANSFER OF AUTHORITIES.—

"(A) DETERMINATIONS.—The Administrator shall enter into a transfer agreement to transfer to a State the authorities described in paragraph (2) if the Administrator determines that—

"(i) the State has the ability to exercise such authorities in accordance with this Act, including adequate legal authority, financial and personnel resources, organization, and expertise;

"(ii) the State has demonstrated experience in exercising similar authorities;

"(iii) the State has agreed to be bound by all Federal requirements and standards under section 129 governing the design and implementation of the facility evaluation, remedial action plan, and remedial design; and

"(iv) the State has agreed to abide by the terms of any interagency agreement or agreements covering the Federal facility or facilities with respect to which authorities are being transferred in effect at the time of the transfer of authorities.

"(B) CONTENTS OF TRANSFER AGREEMENT.—A transfer agreement—

"(i) shall incorporate the determinations of the Administrator under subparagraph (A); and

"(ii) in the case of a transfer agreement covering a facility with respect to which there is no interagency agreement that specifies a dispute resolution process, shall require that within 120 days after the effective date of the transfer agreement, the State shall agree with the head of the Federal department, agency, or instrumentality that owns or operates the facility on a process for resolution of any disputes between the State and the Federal department, agency, or instrumentality regarding the selection of a remedial action for the facility; and

"(iii) shall not impose on the transferee State any term or condition other than that the State meet the requirements of subparagraph (A).

"(4) EFFECT OF TRANSFER.—

"(A) STATE AUTHORITIES.—A transferee State—

"(i) shall not be deemed to be an agent of the Administrator but shall exercise the authorities transferred under a transfer agreement in the name of the State; and

"(ii) shall have exclusive authority to determine the manner in which those authorities are implemented.

"(B) EFFECT ON INTERAGENCY AGREEMENTS.—Nothing in this subsection shall require, authorize, or permit the modification or revision of an interagency agreement covering a facility with respect to which authorities have been transferred to a State under a transfer agreement (except for the substitution of the transferee State for the Administrator in the terms of the interagency agreement, including terms stating obligations intended to preserve the confidentiality of information) without the written consent of the Governor of the State and the head of the department, agency, or instrumentality.

"(5) SELECTED REMEDIAL ACTION.—The remedial action selected for a facility under section 129 by a transferee State shall constitute the only remedial action required to be conducted at the facility, and the transferee State shall be precluded from enforcing any other remedial action requirement under Federal or State law, except for—

"(A) any corrective action activity under the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.) that was initiated prior to the date of enactment of this subsection; and

"(B) any remedial action in excess of remedial action under section 129 that the State selects in accordance with paragraph (8).

"(6) DEADLINE.—

"(A) IN GENERAL.—The Administrator shall make a determination on an application by a State under paragraph (2) not later than 120 days after the date on which the Administrator receives the application.

"(B) FAILURE TO ACT.—If the Administrator does not issue a notice of approval or notice of disapproval of an application within the time period stated in subparagraph (A), the application shall be deemed to have been granted.

"(7) RESUBMISSION OF APPLICATION.—

"(A) IN GENERAL.—If the Administrator disapproves an application under paragraph (1), the State may resubmit the application at any time after receiving the notice of disapproval.

"(B) FAILURE TO ACT.—If the Administrator does not issue a notice of approval or notice of disapproval of a resubmitted application within the time period stated in paragraph (6)(A), the resubmitted application shall be deemed to have been granted.

"(8) JUDICIAL REVIEW.—

"(A) IN GENERAL.—A disapproval of a resubmitted application shall be subject to judicial review under section 113(b).

"(B) STANDARD OF REVIEW.—In a proceeding on review of a disapproval of a resubmitted application, the court shall, notwithstanding section 706(2)(E) of title 5, United States Code, hold unlawful and set aside actions, findings, and conclusions found to be unsupported by substantial evidence.

"(9) WITHDRAWAL OF AUTHORITIES.—The Administrator may withdraw the authorities transferred under a transfer agreement in whole or in part if the Administrator determines that the State—

"(A) is exercising the authorities, in whole or in part, in a manner that is inconsistent with the requirements of this Act;

"(B) has violated the transfer agreement, in whole or in part; or

"(C) no longer meets one of the requirements of paragraph (3).

"(10) STATE COST RESPONSIBILITY.—The State may require a remedial action that exceeds Federal standards (including the remedial action selection requirements of section 121) if the State pays the incremental cost of implementing that remedial action over the most cost-effective remedial action that would result from the application of section 129.

"(11) DISPUTE RESOLUTION AND ENFORCEMENT.—

"(A) DISPUTE RESOLUTION.—

"(i) FACILITIES COVERED BY BOTH A TRANSFER AGREEMENT AND AN INTERAGENCY AGREEMENTS.—In the case of a facility with respect to which there is both a transfer agreement and an interagency agreement, if the State does not concur in the remedial action proposed for selection by the Federal department, agency, or instrumentality, the Federal department, agency, or instrumentality and the State shall engage in the dispute resolution process provided for in the interagency agreement, except that the final level for resolution of the dispute shall be the head of the Federal department, agency, or instrumentality and the Governor of the State.

"(ii) FACILITIES COVERED BY A TRANSFER AGREEMENT BUT NOT AN INTERAGENCY AGREEMENT.—In the case of a facility with respect to which there is a transfer agreement but no interagency agreement, if the State does not concur in the remedial action proposed for selection by the Federal department, agency, or instrumentality, the Federal department, agency, or instrumentality and the State shall engage in dispute resolution as provide in paragraph (3)(B)(ii) under which the final level for resolution of the dispute shall be the head of the Federal department, agency, or instrumentality and the Governor of the State.

"(iii) FAILURE TO RESOLVE.—If no agreement is reached between the head of the Federal department, agency, or instrumentality and the Governor in a dispute resolution process under clause (i) or (ii), the Governor of the State shall make the final determination regarding selection of a remedial action.

"(B) ENFORCEMENT.—

"(i) IN GENERAL.—An interagency agreement with respect to which there is a transfer agreement or an order issued by a transferee State shall be enforceable by a transferee State or by the Federal department, agency, or instrumentality that is a party to the interagency agreement in the United States district court for the district in which the facility is located.

"(ii) REMEDIES.—The district court shall have the jurisdiction to—

"(I) enforce compliance with any provision, standard, regulation, condition, requirement, order, or final determination that has become effective under the interagency agreement;

"(II) impose any appropriate civil penalty provided for any violation of an interagency agreement, not to exceed $25,000 per day;

"(III) compel implementation of the selected remedial action; and

"(IV) review a challenge by the Federal department, agency, or instrumentality to the remedial action selected by the State, in accordance with section 113(j).

"(12) COMMUNITY PARTICIPATION.—If, prior to June 15, 1995, a Federal department, agency, or instrumentality had established for a facility covered by a transfer agreement a facility-specific advisory board or other community-based advisory group (designated as a 'site-specific advisory board', a 'response action advisory board', or otherwise), and the Administrator determines that the board or group is willing and able to perform the responsibilities of a community response organization under section 117(e)(2), the board or group—

"(A) shall be considered to be a community response organization for the purposes of section 117 (e) (2), (3), (4), (5), and (6), and (g) and sections 127 and 129; but

"(B) shall not be required to comply with, and shall not be considered to be a community response organization for the purposes of, section 117 (e) (1), (7), (8), (9), (10), or (11) or (f).".

SEC. 602. DEPARTMENT OF ENERGY ENVIRONMENTAL CLEANUP REQUIREMENTS.

(a) DEFINITIONS.—In this section:

(1) CIVIL OR CRIMINAL SANCTION.—The term "civil or criminal sanction" means a fine, penalty, imprisonment, a requirement to pay damages or costs, the imposition of equitable relief against a person, and the application of any other remedy authorized by law.

(2) DEPARTMENT OF ENERGY ENVIRONMENTAL CLEANUP REQUIREMENT.—The term "Department of Energy environmental cleanup requirement"—

(A) means a requirement imposed on the Secretary of Energy—

(i) to carry out a response action under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.);

(ii) to take corrective action under section 3004 (u) or (v) or section 3008(h) of the Solid Waste Disposal Act (42 U.S.C. 6924 (u), (v));

(iii) to conduct closure activity under section 3004 or 3005 of the Solid Waste Disposal Act (42 U.S.C. 6924, 6925);

(iv) relating to storage of mixed waste under section 3004(j) of the Solid Waste Disposal Act (42 U.S.C. 6924(j));

(v) for treatment of mixed waste under section 3021 of the Solid Waste Disposal Act (42 U.S.C. 6939c);

(vi) with respect to the storage of mixed waste in a storage facility that does not meet other storage requirements imposed under the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.), if—

(I) the facility commenced operation prior to October 6, 1992;

(II) the storage does not result in any release of mixed waste to the environment, or any direct, immediate, and significant danger to human health or the environment.

(vii) under comparable provisions of State and local laws; or

(viii) under a permit or order issued by, or an agreement with a Federal, State, or local agency relating to a requirement described in clause (i), (ii), (iii), (iv), (v), (vi), (vii), or (viii); but

(B) does not include—

(i) a reporting requirement imposed by section 103 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9603); or

(ii) except as provided in subparagraph (A)(iii), a requirement with respect to the treatment, storage, disposal, or transportation of hazardous waste generated by a response action under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.) or by a corrective action or closure under the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.).

(b) LISTS.—

(1) INITIAL LIST.—Not later than 120 days after the date of enactment of this Act, the Secretary of Energy, after providing appropriate Federal, State, and local agencies reasonable notice and an opportunity for comment, shall submit to Congress a list identifying by State and facility the specific Department of Energy environmental cleanup requirements that cannot be carried out with the funds appropriated specifically for the Department's environmental management activities under the Energy and Water Development Appropriations Act, 1996, or the Department of Defense Appropriations Act, 1996.

(2) ANNUAL LISTS.—

(A) SUBMISSION TO THE PRESIDENT.—For fiscal year 1997 and each fiscal year thereafter, the Secretary of Energy, after providing appropriate Federal, State, and local agencies reasonable notice and an opportunity for comment, shall—

(i) provide to the President—

(I) information concerning the budget necessary to meet all Department of Energy environmental management requirements, including Department of Energy environmental cleanup requirements; and

(II) a list of the Department of Energy environmental cleanup requirements that cannot be met (including information about the nature and cost of each requirement and the locations of each affected facility) within the Department's budget request for environmental management activities for that fiscal year;

(ii) advise the President of the factors taken into account in formulating the list; and

(iii) a summary of comments on the list received by the Secretary of Energy from Federal, State, and local agencies.

(B) INCLUSION IN BUDGET REQUEST.—After considering information provided by the Secretary of Energy, the President shall submit to Congress with the President's annual budget request under section 1105 of title 31, United States Code—

(i) information concerning the budget necessary to meet all Department of Energy environmental management requirements, including Department of Energy environmental cleanup requirements;

(ii) a list of the Department of Energy environmental cleanup requirements that cannot be met (including information about the nature and cost of each requirement and the locations of each affected facility) within the Department's budget request for environmental management activities for that fiscal year; and

(iii) a summary of comments on the list received by the Secretary of Energy from Federal, State, and local agencies.

(3) COMMENTS ON COST REDUCTION.—During the comment period on a list under paragraph (1) or (2), the Secretary of Energy shall seek comments of appropriate Federal, State, and local agencies concerning opportunities for cost reduction in meeting cleanup requirements, risk reduction, community concerns and other factors relevant to setting priorities for cleanup activities.

(4) REVISION OF LISTS.—

(A) IN GENERAL.—Beginning with fiscal year 1997, after funds for the Department of Energy's environmental management activities have been appropriated for a fiscal year, the Secretary of Energy, after providing appropriate Federal, State, and local agencies reasonable notice and an additional opportunity for comment, shall revise the list of the Department of Energy environmental cleanup requirements submitted to Congress to reflect any differences between the President's budget request and the funds appropriated specifically to carry out such activities and shall submit the revised list to Congress within 60 days.

(B) NO FURTHER REVISION.—After a revised list is submitted to Congress, it shall not be subject to further revision.

(c) CIVIL OR CRIMINAL SANCTIONS.—

(1) IN GENERAL.—Except as provided in paragraph (2), notwithstanding any other law, no action seeking to impose civil or criminal sanctions under any law may be commenced at any time against—

(A) the United States or any department, agency, or instrumentality of the United States;

(B) any employee or officer of the United States or of any department, agency, or instrumentality of the United States; or

(C) any person who is a contractor, subcontractor, or agent of the Department of Energy, or any employee, officer, shareholder, partner, or director of such a person acting in accordance with the person's authority,

with respect to a failure to comply with a Department of Energy environmental cleanup requirement by reason of a lack of funds appropriated specifically for the Department of Energy environmental management activities during a fiscal year for which such cleanup requirement was on a list under subsection (c).

(2) PERMITTED ACTIONS.—This subsection does not prohibit an action against the United States or any department, agency, or instrumentality of the United States—

(A) with respect to a violation of a Department of Energy environmental cleanup requirement contained in a compliance agreement with a Federal, State, or local agency or order that the Department of Energy voluntarily accepted in writing after January 1, 1995, if the action seeks only civil penalties stipulated in the agreement or order, or injunctive relief enforcing the agreement or order;

(B) if injunctive relief is sought on the basis that such relief is necessary to avoid a direct, immediate, and significant danger to human health or the environment; or

(C) if monetary damages are sought to compensate a person for an actual injury or loss to the extent that such an action is allowed by other law.

(d) JUDICIAL REVIEW.—A decision made by the President or the Secretary of Energy in preparing a list under subsection (c) shall not be subject to judicial review.

SEC. 603. INNOVATIVE TECHNOLOGIES FOR REMEDIAL ACTION AT FEDERAL FACILITIES.

(a) IN GENERAL.—Section 311 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9660) is amended by adding at the end the following:

"(h) FEDERAL FACILITIES.—

"(1) DESIGNATION.—The President may designate a facility that is owned or operated by any department, agency, or instrumentality of the United States, and that is listed or proposed for listing on the National Priorities List, to facilitate the research, development, and application of innovative technologies for remedial action at the facility.

"(2) USE OF FACILITIES.—

"(A) IN GENERAL.—A facility designated under paragraph (1) shall be made available to Federal departments and agencies, State departments and agencies, and public and private instrumentalities, to carry out activities described in paragraph (1).

"(B) COORDINATION.—The Administrator—

"(i) shall coordinate the use of the facilities with the departments, agencies, and instrumentalities of the United States; and

"(ii) may approve or deny the use of a particular innovative technology for remedial action at any such facility.

"(3) CONSIDERATIONS.—

"(A) EVALUATION OF SCHEDULES AND PENALTIES.—In considering whether to permit the application of a particular innovative technology for remedial action at a facility designated under paragraph (1), the Administrator shall evaluate the schedules and penalties applicable to the facility under any agreement or order entered into under section 120.

"(B) AMENDMENT OF AGREEMENT OR ORDER.—If, after an evaluation under subparagraph (A), the Administrator determines that there is a need to amend any agreement or order entered into pursuant to section 120, the Administrator shall comply with all provisions of the agreement or order, respectively, relating to the amendment of the agreement or order.".

(b) REPORT TO CONGRESS.—Section 311(e) of Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9660(e)) is amended—

(1) by striking "At the time" and inserting the following:

"(1) IN GENERAL.—At the time"; and

(2) by adding at the end the following:

"(2) ADDITIONAL INFORMATION.—A report under paragraph (1) shall include information on the use of facilities described in subsection (h)(1) for the research, development, and application of innovative technologies for remedial activity, as authorized under subsection (h).".

SEC. 604. FEDERAL FACILITY LISTING.

Section 120(d) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9620(d)) is amended—

(1) by striking "Not later" and inserting the following:

"(1) PRELIMINARY ASSESSMENTS.—Not later";

(2) by striking "Following such" and inserting the following:

"(2) EVALUATION AND PLACEMENT ON NATIONAL PRIORITIES LIST.—Following such";

(3) by striking "(1) evaluate" and inserting the following:

"(A) evaluate";

(4) by striking "(2) include" and inserting the following:

"(B) include";

(5) by striking "Such criteria" and inserting the following:

"(3) APPLICATION OF CRITERIA.—The criteria for determining priorities";

(6) by striking "Evaluation" and inserting the following:

"(4) COMPLETION.—Evaluation";

(7) by striking "Upon" and inserting the following:

"(5) PETITIONS BY GOVERNORS.—On"; and

(8) by adding at the end the following:

"(6) UNCONTAMINATED PROPERTIES.—On identification of parcels of uncontaminated property under subsection (h)(4), the Administrator may provide notice that the listing does not include the identified uncontaminated parcels.".

SEC. 605. FEDERAL FACILITY LISTING DEFERRAL.

Paragraph (3) of section 120(d) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9620(d)), as designated by section 604, is amended by inserting after "persons" the following: ", but an appropriate factor as referred to in section 105(a)(8)(A) may include the extent to which the Federal land holding agency has arranged with the Administrator or with a State to respond to the release or threatened release under other legal authority".

SEC. 606. TRANSFERS OF UNCONTAMINATED PROPERTY.

Section 120(h)(4)(A) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9620(h)(4)(A)) is amended in the first sentence by striking "stored for one year or more,".

TITLE VII—NATURAL RESOURCE DAMAGES

SEC. 701. RESTORATION OF NATURAL RESOURCES.

(a) DEFINITIONS.—Section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601), as amended by section 504(b), is amended—

(1) by striking paragraph (16) and inserting the following:

"(16) NATURAL RESOURCE.—

"(A) IN GENERAL.—The term 'natural resource' means land, fish, wildlife, biota, air, water, ground water, a drinking water supply, and any similar resource that is committed for use by the general public and is owned or managed by, appertains to, is held in trust by, or is otherwise controlled by the United States (including a resource of the fishery conservation zone established by the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1801 et seq.)), by a State or local government, by a foreign government, by an Indian tribe, or, if such a resource is subject to a trust restriction on alienation, by a member of an Indian tribe.

"(B) COMMITMENT FOR USE.—A resource shall be considered to be committed for use by the general public only if, at the time of the act of disposal giving rise to liability (as limited by section 107(f)(1)(B)), the resource is subject to a public use or to a planned public use, for which there is an authorized and documented legal, administrative, budgetary, or financial commitment."; and

(2) by adding at the end the following:

"(52) BASELINE.—The term 'baseline' means the condition or conditions that would have existed at a natural resource had a release of hazardous substances not occurred.

"(53) COMPENSATORY RESTORATION.—The term 'compensatory restoration' means the provision of ecological services lost as a result of injury to or destruction or loss of a natural resource from the initial release giving rise to liability under section 107(a)(2)(C) until primary restoration has been achieved with respect to those services.

"(54) ECOLOGICAL SERVICE.—The term 'ecological service' means a physical or biological function performed by an ecological resource, including the human uses of such a function.

"(55) PRIMARY RESTORATION.—The term 'primary restoration' means rehabilitation, natural recovery, or replacement of an injured, destroyed, or lost natural resource, or acquisition of a substitute or alternative natural resource, to reestablish the baseline ecological service that the natural resource would have provided in the absence of a release giving rise to liability under section 107(a)(2)(C).

"(56) RESTORATION.—The term 'restoration' means primary restoration and compensatory restoration.".

(b) LIABILITY FOR NATURAL RESOURCE DAMAGES.—

(1) AMENDMENT.—Section 107(a) of the Comprehensive Environmental Response Compensation, and Liability Act of 1980 (42 U.S.C. 9607(a)) is amended—

(A) by inserting "IN GENERAL.—" after "(a)";

(B) by striking "Notwithstanding" and inserting the following:

"(1) PERSONS LIABLE.—Notwithstanding";

(C) by redesignating paragraphs (1), (2), (3), and (4) (as designated prior to the date of enactment of this Act) as subparagraphs (A), (B), (C), and (D), respectively, and adjusting the margins accordingly;

(D) by striking "hazardous substance, shall be liable for—" and inserting the following:

"hazardous substance, shall be liable for the costs and damages described in paragraph (2).

"(2) COSTS AND DAMAGES.—A person described in paragraph (1) shall be liable for—";

(E) by striking subparagraph (C) of paragraph (2), as designated by subparagraph (D), and inserting the following:

"(C) damages for injury to, destruction of, or loss of the baseline ecological services of natural resources, including the reasonable costs of assessing such injury, destruction, or loss caused by a release; and";

(F) by striking "The amounts" and inserting the following:

"(3) INTEREST.—The amounts"; and

(G) in the first sentence of paragraph (3), as designated by subparagraph (F), by striking "subparagraphs (A) through (D)" and inserting "paragraph (2)".

(2) CONFORMING AMENDMENTS.—Section 107 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9607) is amended—

(A) in subsection (d)(3) by striking "the provisions of paragraph (1), (2), (3), or (4) of subsection (a) of this section" and inserting "subsection (a)";

(B) in subsection (f)(1) by striking "subparagraph (C) of subsection (a)" each place it appears and inserting "subsection (a)(2)(C)".

(c) NATURAL RESOURCE DAMAGES.—Section 107(f) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9607(f)) is amended—

(1) by inserting "NATURAL RESOURCE DAMAGES.—" after "(f)";

(2) by striking "(1) NATURAL RESOURCES LIABILITY.—In the case" and inserting the following:

"(1) LIABILITY.—

"(A) IN GENERAL.—In the case";

(3) in paragraph (1)(A), as designated by paragraph (2)—

(A) in the first sentence by inserting "the baseline ecological services of" after "loss of";

(B) in the third and fourth sentences, by striking "to restore, replace, or acquire the equivalent" each place it appears and inserting "for restoration";

(C) by inserting after the fourth sentence the following: "Sums recovered by an Indian tribe as trustee under this subsection shall be available for use only for restoration of such natural resources by the Indian tribe. A restoration conducted by the United States, a State, or an Indian tribe shall proceed only if it is technologically practicable, cost-effective, and consistent with all known or anticipated response actions at or near the facility. Any sums recovered by the United States, a State, or an Indian tribe shall be placed in an escrow account. Such sums may be released from the escrow account only for the purpose of contributing to restoration activities carried out in accordance with specific activities or accounts set forth in a restoration plan approved by the United States, a State, or an Indian tribe. The restoration plan may be revised as necessary to account for new information or extenuating circumstances on approval of the trustee and relevant responsible parties or on approval by a United States district court. The trustee shall issue a public notice and hold a public hearing every 2 years after approval of the restoration plan and issue a report describing how the sums have been expended in accordance with the restoration plan. Any sums expended by the United States, a State, or an Indian tribe that are not expended in accordance with the restoration plan may be recovered by the persons from whom the sums were collected."; and

(D) by striking "The measure of damages in any action" and all that follows through the end of the paragraph and inserting the following:

"(B) LIMITATIONS ON LIABILITY.—

"(i) MEASURE OF DAMAGES.—The measure of damages in any action under subsection (a)(2)(C) shall be limited to the reasonable costs of restoration and of assessing damages.

"(ii) NONUSE VALUES.—There shall be no recovery under this Act for any impairment of non-use values.

"(iii) NO DOUBLE RECOVERY.—A person that obtains a recovery of damages, response costs, assessment costs, or any other costs under this Act for injury to, destruction of, or loss of a natural resource caused by a release shall not be entitled to recovery under or any other Federal or State law for injury to or destruction or loss of the natural resource caused by the release.

"(iv) NO RETROACTIVE LIABILITY.—

"(I) COMPENSATORY RESTORATION.—There shall be no recovery from any person under this section of the costs of compensatory restoration for a natural resource injury, destruction, or loss that occurred prior to December 11, 1980.

"(II) PRIMARY RESTORATION.—There shall be no recovery from any person under this section for the costs of primary restoration if the natural resource injury, destruction, or loss for which primary restoration is sought and the release of the hazardous substance from which the injury resulted occurred entirely prior to December 11, 1980.

"(v) BURDEN OF PROOF ON THE ISSUE OF THE DATE OF OCCURRENCE OF A RELEASE.—The trustee for an injured, destroyed, or lost natural resource bears the burden of demonstrating that any amount of costs of compensatory restoration that the trustee seeks under this section is to compensate for an injury, destruction, or loss (or portion of an injury, destruction, or loss) that occurred on or after December 11, 1980."; and

(4) by adding at the end the following:

"(3) SELECTION OF RESTORATION METHOD.—When selecting appropriate restoration measures, including natural recovery, a trustee shall select the most cost-effective method of achieving restoration.".

(d) AMOUNT OF DAMAGES.—Section 107(c) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9607(c)) is amended—

(A) by striking "paragraph (2) of this subsection," and inserting "paragraph (2), and subject to the limitation stated in paragraph (4),"; and

(B) in subparagraph (D) by inserting ", as limited by paragraph (4)" before the period at the end; and

(2) by adding at the end the following:

"(4) LIMITATION.—Except as provided in paragraph (2), the aggregate liability of all responsible parties for costs of compensatory restoration incurred as a result of a release or releases of hazardous substances from an incineration vessel or a facility or group of facilities (including those that constitute part or all of 1 or more facilities listed on the national priorities list under section 105(a)(8)(B)) shall not exceed—

"(A) $25,000,000; or

"(B) if the costs of compensatory compensation exceed $100,000,000, $50,000,000.".

SEC. 702. ASSESSMENT OF DAMAGES.

(a) DAMAGE ASSESSMENTS.—Section 107(f)(2) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9607(f)(2)) is amended by striking subparagraph (C) and inserting the following:

"(C) DAMAGE ASSESSMENT.—

"(i) REGULATION.—A natural resource damage assessment conducted for the purposes of this Act or section 311 of the Federal Water Pollution Control Act (33 U.S.C. 1321) made by a Federal, State, or tribal trustee shall be performed in accordance with—

"(I) the regulation issued under section 301(c); and

"(II) generally accepted scientific and technical standards and methodologies to ensure the validity and reliability of assessment results.

"(ii) FACILITY-SPECIFIC CONDITIONS AND RESTORATION REQUIREMENTS.—Injury determination, restoration planning, and quantification of restoration costs shall be based on an assessment of facility-specific conditions and restoration requirements.

"(iii) USE BY TRUSTEE.—A natural resource damage assessment under clause (i) may be used by a trustee as the basis for a natural resource damage claim only if the assessment demonstrates that the hazardous substance release in question caused the alleged natural resource injury.

"(iv) COST RECOVERY.—As part of a trustee's claim, a trustee may recover only the reasonable damage assessment costs that were incurred directly in relation to the site-specific conditions and restoration measures that are the subject of the natural resource damage action.

"(D) JUDICIAL REVIEW.—

"(i) LIABILITY.—In reviewing a claim brought by a trustee to recover natural resource damages costs of compensatory restoration or primary restoration under this section, a district court shall try de novo the issue whether a defendant is liable and the issue of the amount of liability, if any, to be imposed on the defendant.

"(ii) TRUSTEE DECISIONS.—In reviewing a claim brought to challenge a decision of a trustee (such as a decision concerning the extent of injury to or loss or destruction of a natural resource or the selection of a restoration plan) the district court, notwithstanding section 706(2)(E) of title 5, United States Code, shall hold unlawful and set aside actions, findings, and conclusions found to be unsupported by substantial evidence.".

(b) REGULATIONS.—Section 301 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9651) is amended by striking subsection (c) and inserting the following:

"(c) REGULATIONS FOR DAMAGE ASSESSMENTS.—

"(1) IN GENERAL.—The President, acting through Federal officials designated by the National Contingency Plan under section 107(f)(2), shall issue a regulation for the assessment of restoration damages and assessment costs for injury to, destruction of, or loss of natural resources resulting from a release of oil or a hazardous substance for the purposes of this Act and section 311(f) (4) and (5) of the Federal Water Pollution Control Act (33 U.S.C. 1321(f) (4), (5)).

"(2) CONTENTS.—The regulation under paragraph (1) shall—

"(A) specify protocols for conducting assessments in individual cases to determine the injury, destruction, or loss of baseline ecological services of the environment;

"(B) identify the best available procedures to determine damages for the reasonable cost of restoration and assessment;

"(C) take into consideration the ability of a natural resource to recover naturally and the availability of replacement or alternative resources; and

"(D) specify an appropriate mechanism for the cooperative designation of a single lead decisionmaking trustee at a site where more than one Federal, State, or Indian tribe trustee intends to conduct an assessment, which designation shall occur not later than 180 days after the date of first notice to the responsible parties that a natural resource damage assessment will be made.

"(3) BIENNIAL REVIEW.—The regulation under paragraph (1) shall be reviewed and revised as appropriate every 2 years.".

SEC. 703. CONSISTENCY BETWEEN RESPONSE ACTIONS AND RESOURCE RESTORATION STANDARDS AND ALTERNATIVES.

(a) RESTORATION STANDARDS AND ALTERNATIVES.—Section 107(f) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9607(f)), as amended by section 701(b)(4), is amended by adding at the end the following:

"(4) CONSISTENCY WITH RESPONSE ACTIONS.—A restoration standard or restoration alternative selected by a trustee shall not be duplicative of or inconsistent with actions undertaken pursuant to section 104, 106, 121, or 129.".

(b) RESPONSE ACTIONS.—

(1) ABATEMENT ACTION.—Section 106(a) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9606(a)) is amended by adding at the end the following: "The President shall not take action under this subsection except such action as is necessary to protect the public health and the baseline ecological services of the environment.".

(2) LIMITATION ON DEGREE OF CLEANUP.—Section 121(a) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9621(a)), as amended by section 402(1), is amended by adding at the end the following:

"(7) LIMITATION.—

"(A) IN GENERAL.—The Administrator shall not select a remedial action under this section that goes beyond the measures necessary to protect human health and the baseline ecological services of the environment.

"(B) CONSIDERATIONS.—In evaluating and selecting remedial actions, the Administrator shall take into account the potential for injury to, destruction of, or loss of a natural resource resulting from such actions.

"(C) NO LIABILITY.—No person shall be liable for injury to, destruction of, or loss of a natural resource resulting from a response action or remedial action selected by the Administrator.".

SEC. 704. MISCELLANEOUS AMENDMENTS.

(a) CONTRIBUTION.—Section 113(f)(1) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9613(f)(1)) is amended in the third sentence by inserting "and natural resource damages" after "costs".

(b) STATUTE OF LIMITATIONS.—Section 113(g)(1) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9613(g)(1)) is amended—

(1) by striking the first sentence and inserting the following:

"(A) IN GENERAL.—Except as provided in paragraphs (3) and (4), no action for damages under this Act may be commenced unless the action is commenced within 3 years after the earlier of—

"(i) the date on which the trustee agency knew or should have known of the injury, destruction, or loss; or

"(ii) the date on which the vessel or facility is proposed for listing on the National Priorities List.";

(2) by striking "With respect to" and inserting the following:

"(B) LISTED FACILITIES.—With respect to";

(3) in subparagraph (B), as designated by paragraph (2), by striking "within" and all that follows through the end of the subparagraph and inserting "by the earlier of—

"(i) the date referred to in subparagraph (A); or

"(ii) the date that is 3 years after the date of completion of the remedial action (excluding operation and maintenance activities).";

(4) in the third sentence—

(A) by striking "In no event" and inserting the following:

"(C) LIMITATION.—

"(i) IN GENERAL.—In no event";

(B) by striking "commenced (i) prior" and inserting "commenced—

"(I) prior"; and

(C) by striking "suit, or (ii) before" and inserting "suit; or

"(II) before"; and

(5) by striking "The limitation in the preceding sentence and inserting the following:

"(ii) APPLICATION.—The limitation stated in clause (i)".

TITLE VIII—MISCELLANEOUS

SEC. 801. RESULT-ORIENTED CLEANUPS.

(a) AMENDMENT.—Section 105(a) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9605(a)) is amended—

(1) by striking "and" at the end of paragraph (9);

(2) by striking the period at the end of paragraph (10) and inserting "; and"; and

(3) by inserting after paragraph (10) the following:

"(11) procedures for conducting response actions, including facility evaluations, remedial investigations, feasibility studies, remedial action plans, remedial designs, and remedial actions, which procedures shall—

"(A) use a results-oriented approach to minimize the time required to conduct response measures and reduce the potential for exposure to the hazardous substances, pollutants, and contaminants in an efficient, timely, and cost-effective manner;

"(B) require, at a minimum, expedited facility evaluations and risk assessments, timely negotiation of response action goals, a single engineering study, streamlined oversight of response actions, and consultation with interested parties throughout the response action process;

"(C) be subject to the requirements of sections 117, 120, 121, and 129 in the same manner and to the same degree as those sections apply to response actions; and

"(D) be required to be used for each remedial action conducted under this Act unless the Administrator determines that their use would not be cost-effective or result in the selection of a response action that achieves the goals of protecting human health and the environment stated in section 121(a)(1)(B).".

(b) AMENDMENT OF NATIONAL HAZARDOUS SUBSTANCE RESPONSE PLAN.—Not later than 180 days after the date of enactment of this Act, the Administrator, after notice and opportunity for public comment, shall amend the National Hazardous Substance Response Plan under section 105(a) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9605(a)) to include the procedures required by the amendment made by subsection (a).

SEC. 802. NATIONAL PRIORITIES LIST.

Section 105 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9605), as amended by section 408(a)(1)(B), is amended by adding at the end the following:

"(i) NATIONAL PRIORITIES LIST.—

"(1) ADDITIONAL VESSELS AND FACILITIES.—

"(A) LIMITATION.—During each of the 3 12-month periods following the date of enactment of this subsection, the Administrator may add not more than 30 new vessels and facilities to the National Priorities List.

"(B) PRIORITIZATION.—The Administrator shall prioritize the vessels and facilities added under subparagraph (A) on a national basis in accordance with the threat to human health and the environment presented by each of the vessels and facilities, respectively.

"(C) STATE CONCURRENCE.—A vessel or facility may be added to the National Priorities List under subparagraph (A) only with the concurrence of the State in which the vessel or facility is located.

"(2) SUNSET.—

"(A) NO ADDITIONAL VESSELS OR FACILITIES.—The authority of the Administrator to add vessels and facilities to the National Priorities List shall expire on the date that is 3 years after the date of enactment of this subsection.

"(B) LIMITATION ON ACTION BY THE ADMINISTRATOR.—At the completion of response actions for all vessels and facilities on the National Priorities List, the authority of the Administrator under this Act shall be limited to—

"(i) providing a national emergency response capability;

"(ii) conducting research and development;

"(iii) providing technical assistance; and

"(iv) conducting oversight of grants and loans to the States.".

SEC. 803. OBLIGATIONS FROM THE FUND FOR RESPONSE ACTIONS.

Section 104(c)(1) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9604(c)(1)) is amended—

(1) in subparagraph (C) by striking "consistent with the remedial action to be taken" and inserting "not inconsistent with any remedial action that has been selected or is anticipated at the time of any removal action at a facility.";

(2) by striking "$2,000,000" and inserting "$4,000,000"; and

(3) by striking "12 months" and inserting "2 years".

SEC. 804. REMEDIATION WASTE.

(a) DEFINITIONS.—Section 1004 of the Solid Waste Disposal Act (42 U.S.C. 6903) is amended by adding at the end the following:

"(42) DEBRIS.—The term 'debris'—

"(A) means—

"(i) a solid manufactured object exceeding a 60 millimeter particle size;

"(ii) plant or animal matter; and

"(iii) natural geologic material; but

"(B) does not include material that the Administrator may exclude from the meaning of the term by regulation.

"(43) IDENTIFIED CHARACTERISTIC WASTE.—The term 'identified characteristic waste' means a solid waste that has been identified as having the characteristics of hazardous waste under section 3001.

"(44) LISTED WASTE.—The term 'listed waste' means a solid waste that has been listed as a hazardous waste under section 3001.

"(45) MEDIA.—The term 'media' means ground water, surface water, soil, and sediment.

"(46) REMEDIATION ACTIVITY.—The term 'remediation activity' means the remediation, removal, containment, or stabilization of—

"(A) solid waste that has been released to the environment; or

"(B) media and debris that are contaminated as a result of a release.

"(47) REMEDIATION WASTE.—The term 'remediation waste' means—

"(A) solid and hazardous waste that is generated by a remediation activity; and

"(B) debris and media that are generated by a remediation activity and contain a listed waste or identified characteristic waste.

"(48) STATE VOLUNTARY REMEDIATION PROGRAM.—The term 'State voluntary remediation program' means a program established by a State that permits a person to conduct remediation activity at a facility under general guidance or guidelines without being subject to a State order or consent agreement specifically applicable to the person.".

(b) IDENTIFICATION AND LISTING.—Section 3001 of the Solid Waste Disposal Act (42 U.S.C. 6921) is amended by adding at the end the following:

"(j) REMEDIATION WASTE.—

"(1) IN GENERAL.—Except as provided in paragraph (2), a person that manages remediation waste that is an identified characteristic waste or listed waste or that contains an identified characteristic waste or listed waste shall be subject to the requirements of this subtitle (including regulations issued under this subtitle, including the regulation for corrective action management units published in section 264.552, Code of Federal Regulations, and the regulation for temporary units published in section 264.553, Code of Federal Regulations, or any successor regulation).

"(2) EXCEPTIONS.—

"(A) REQUIREMENTS UNDER SECTION 3004.—Media and debris generated by a remediation activity that are identified characteristic wastes or listed wastes or that contain an identified characteristic waste or a listed waste shall not be subject to the requirements of section 3004 (d), (e), (f), (g), (j), (m), or (o).

"(B) PERMIT REQUIREMENTS.—No Federal, State, or local permit shall be required for the treatment, storage, or disposal of remediation waste that is conducted entirely at the facility at which the remediation takes place.

"(3) REMEDIATION WASTE SUBJECT TO ORDERS, CONSENT AGREEMENTS, VOLUNTARY REMEDIATION PROGRAMS, AND OTHER MECHANISMS.—

"(A) REQUIREMENTS NOT APPLICABLE.—Notwithstanding paragraph (1), a person that manages remediation waste that—

"(i) is identified characteristic waste or listed waste or that contains an identified characteristic waste or listed waste; and

"(ii) is subject to a Federal or State order, Federal or State consent agreement, a State voluntary remediation program, or such other mechanism as the Administrator considers appropriate,

shall not be subject to the requirements of this subtitle (including any regulation under this subsection) unless the requirements are specified in the Federal or State order, Federal or State consent agreement, State voluntary cleanup program, or other mechanism, as determined by the Administrator.

"(B) ENFORCEMENT.—Unless other enforcement procedures are specified in the order, consent agreement, or other mechanism, a person described in subparagraph (A) (except a person that manages remediation waste under a State voluntary remediation program) shall be subject to enforcement of the requirements of the order, consent agreement, or other mechanism by use of enforcement procedures under section 3008.".

(c) REGULATION.—Not later than 180 days after the date of enactment of this Act, the Administrator shall issue a regulation implementing section 3001(j) of the Solid Waste Disposal Act, as added by subsection (b).

TITLE IX—FUNDING

Subtitle A—General Provisions

SEC. 901. AUTHORIZATION OF APPROPRIATIONS FROM THE FUND.

Section 111(a) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9611(a)) is amended in the first sentence by striking "not more than $8,500,000,000 for the 5-year period beginning on the date of enactment of the Superfund Amendments and Reauthorization Act of 1986, and not more than $5,100,000,000 for the period commencing October 1, 1991, and ending September 30, 1994" and inserting "a total of $8,500,000 for fiscal years 1996, 1997, 1998, 1999, and 2000".

SEC. 902. ORPHAN SHARE FUNDING.

Section 111(a) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9611(a)), as amended by section 301(c), is amended by inserting after paragraph (8) the following:

"(9) ORPHAN SHARE FUNDING.—Payment of orphan shares under section 132.".

SEC. 903. DEPARTMENT OF HEALTH AND HUMAN SERVICES.

Section 111 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9611) is amended by striking subsection (m) and inserting the following:

"(m) HEALTH AUTHORITIES.—There are authorized to be appropriated from the Fund to the Secretary of Health and Human Services to be used for the purposes of carrying out the activities described in subsection (c)(4) and the activities described in section 104(i), $50,000,000 for each of fiscal years 1996, 1997, 1998, 1999, and 2000. Funds appropriated under this subsection for a fiscal year, but not obligated by the end of the fiscal year, shall be returned to the Fund.".

SEC. 904. LIMITATIONS ON RESEARCH, DEVELOPMENT, AND DEMONSTRATION PROGRAMS.

Section 111 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9611) is amended by striking subsection (n) and inserting the following:

"(n) LIMITATIONS ON RESEARCH, DEVELOPMENT, AND DEMONSTRATION PROGRAMS.—

"(1) ALTERNATIVE OR INNOVATIVE TECHNOLOGIES RESEARCH, DEVELOPMENT, AND DEMONSTRATION PROGRAMS.—

"(A) LIMITATION.—For each of fiscal years 1996, 1997, 1998, 1999, and 2000, not more than $20,000,000 of the amounts available in the Fund may be used for the purposes of carrying out the applied research, development, and demonstration program for alternative or innovative technologies and training program authorized under section 311(b) other than basic research.

"(B) CONTINUING AVAILABILITY.—Such amounts shall remain available until expended.

"(2) HAZARDOUS SUBSTANCE RESEARCH, DEMONSTRATION, AND TRAINING.—

"(A) LIMITATION.—For each of fiscal years 1996, 1997, 1998, 1999, and 2000 not more than $20,000,000 of the amounts available in the Fund may be used for the purposes of section 311(a).

"(B) FURTHER LIMITATION.—No more than 10 percent of such amounts shall be used for training under section 311(a) for any fiscal year.

"(3) UNIVERSITY HAZARDOUS SUBSTANCE RESEARCH CENTERS.—For each of fiscal years 1996, 1997, 1998, 1999, and 2000, not more than $5,000,000 of the amounts available in the Fund may be used for the purposes of section 311(d).".

SEC. 905. AUTHORIZATION OF APPROPRIATIONS FROM GENERAL REVENUES.

Section 111(p) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9611(p)) is amended by striking paragraph (1) and inserting the following:

"(1) AUTHORIZATION OF APPROPRIATIONS.—

"(A) IN GENERAL.—There are authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, to the Hazardous Substance Superfund—

"(i) for fiscal year 1996, $250,000,000;

"(ii) for fiscal year 1997, $250,000,000;

"(iii) for fiscal year 1998, $250,000,000;

"(iv) for fiscal year 1999, $250,000,000; and

"(v) for fiscal year 2000, $250,000,000.

"(B) ADDITIONAL AMOUNTS.—There is authorized to be appropriated to the Hazardous Substance Superfund for each such fiscal year an amount, in addition to the amount authorized by subparagraph (A), equal to so much of the aggregate amount authorized to be appropriated under this subsection and section 9507(b) of the Internal Revenue Code of 1986 as has not been appropriated before the beginning of the fiscal year.".

SEC. 906. ADDITIONAL LIMITATIONS.

Section 111 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9611) is amended by adding at the end the following:

"(q) QUALIFYING STATE VOLUNTARY RESPONSE PROGRAM.—For each of fiscal years 1996, 1997, 1998, 1999, and 2000, not more than $25,000,000 of the amounts available in the Fund may be used for the purposes of subsection (a)(7) (relating to qualifying State voluntary response programs).

"(r) BROWNFIELD CLEANUP ASSISTANCE.—For each of fiscal years 1996 through 2000, not more than $15,000,000 of the amounts available in the Fund may be used to carry out section 134(b) (relating to Citizen Information and Access Offices).

"(s) COMMUNITY RESPONSE ORGANIZATION.—For the period commencing October 1, 1995, and ending September 30, 2000, not more than $15,000,000 of the amounts available in the Fund may be used to make grants under section 117(f) (relating to Community Response Organizations).

"(t) RECOVERIES.—Effective beginning October 1, 1995, any recoveries collected pursuant to this Act shall be credited as offsetting collections to the Superfund appropriations account.".

SEC. 907. REIMBURSEMENT OF POTENTIALLY RESPONSIBLE PARTIES.

Section 111(a) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9611(a)), as amended by section 902, is amended by inserting after paragraph (9) the following:

"(10) REIMBURSEMENT OF POTENTIALLY RESPONSIBLE PARTIES.—If—

"(A) a potentially responsible party and the Administrator enter into a settlement under this Act under which the Administrator is reimbursed for the response costs of the Administrator; and

"(B) the Administrator determines, through a Federal audit of response costs, that the costs for which the Administrator is reimbursed—

"(i) are unallowable due to contractor fraud;

"(ii) are unallowable under the Federal Acquisition Regulation; or

"(iii) should be adjusted due to routine contract and Environmental Protection Agency response cost audit procedures, reimbursement of a potentially responsible party for those costs.".

TITLE-BY-TITLE SUMMARY

TITLE I: COMMUNITY PARTICIPATION

Goal—To empower the citizens who are most adversely impacted by the cleanup of hazardous waste sites with a greater role in the decision making and remedy selection processes to better protect human health and the environment, foster rapid economic redevelopment, and promote expedited restoration of natural resources.

Establishes Community Response Organizations (CROs) comprised of 15–20 local citizens to increase community participation in site cleanups. CROs will: Solicit views and concerns of the affected community; serve as a representative of the local community on issues relating to facility cleanup and land use designations; and serve as an information conduit from the community to the EPA, state, PRPs.

Creates Technical Assistance Grants (TAGs) that are renewable up to $100,000 per facility, increasing the amount currently available by $50,000 per facility. TAG grants would be used by the community to interpret information regarding: The nature of the hazardous substances located at the facility; the facility evaluation; proposed remedial action plans and remedial designs; response actions; and operation and maintenance activities at the facility.

Improves communication with the public through enhanced meeting notification and by providing the public with information regarding site cleanup activities and any incremental risks.

TITLE II: STATE ROLE

Goal—To move decisions regarding site cleanups closer to the affected citizenry.

Empowers states to veto listing of new NPL sites and to de-list existing NPL sites.

Provides maximum flexibility to states to accept all or portions of Federal CERCLA authorities. States may request delegation of authority to perform one or more of the following activities at non-Federal NPL sites: Site investigations and risk analysis; alternatives development and remedy selection (including feasibility studies and issuance of records of decision); remedial design; remedial action and operation and maintenance (including removal actions); liability allocation (including identification of PRPs and issuance of settlement agreements); and enforcement (including compliance orders, cost recovery, and imposition of civil penalties).

Designates the state as the sole regulator and allows the state to use its own remedy selection process at those sites where the state accepts all EPA authority.

Requires the Fund to continue to pay its share of cleanup costs at delegated sites, as long as the selected remedy is protective of human health and the environment and is no more costly than the one that would have been selected under the Federal program.

Authorizes use of the Fund to make capacity building grants to delegated states.

TITLE III: VOLUNTARY CLEANUP

Goal—To provide greater flexibility to communities in protecting human health and the environment and provide incentives for the voluntary cleanup of industrial sites and expedited reutilization and economic redevelopment of urban areas.

Authorizes grants of up to $25 million in yearly funding for states to manage voluntary cleanup programs at non-NPL sites.

Authorizes interest free loans to local governments of up to $200,000 per site to promote "brownfields" redevelopment.

Protects from liability purchasers of contaminated property if they did not contribute to the contamination and conducted appropriate inquiries prior to the purchase.

Limits the liability of lenders or lessors that: Acquire property through foreclosure; hold a security interest in the property; hold property as a lessor pursuant to an extension of credit; or exercise financial control pursuant to the terms of an extension of credit.

Excludes from liability landholders who's property was contaminated by a contiguous NPL site, if they did not contribute to the contamination and are not designated as an owner or operator.

TITLE IV: Selection of Remedial Actions

Goal—To base cleanup decisions on a careful analysis of the actual or plausible risks to human health and the environment.

Requires selection of the remedy that protects human health and the environment in the most cost-effective manner.

Requires remedial actions to be selected according to site specific conditions and risks based on the reasonably anticipated future use of the site. Remedial actions would be selected according to: actual or plausible exposure pathways based on actual or planned future use of the land and water resources (industrial, commercial, residential, etc.); site-specific data, in preference to default assumptions; and where site-specific data are unavailable, an acceptable range of realistic and plausible default assumptions regarding actual or likely human exposures and site-specific conditions, instead of worst case default assumptions.

Requires consideration of the following balancing factors in selecting a remedy: effectiveness in protecting human health; long-term reliability; short-term risks; acceptance by the local community; and technical practicability.

Cuts by half the number of steps required to implement cleanup remedies by establishing the following accelerated remedy selection procss: Facility Evaluation, Remedial Action Planning, and Remedial Action.

Eliminates the preferences for permanence, allowing consideration of all cleanup options at a site that are protective of human health and the environment, including, containment, treatment, institutional controls, natural attenuation, or a combination of these alternatives.

Eliminates the requirement that remedial actions meet applicable, relevant and appropriate requirements ("ARARs").

Requires assessment of the actual or planned future use of the contaminated land and water resources based on a mix of several factors including: (1) current zoning requirements and projected future land uses; (2) site analysis and surrounding land use growth patterns; (3) previous use of the landholdings; and (4) input from the CRO, elected municipal and county officials, local planning and zoning authorities, facility owners and potentially responsible parties.

Establishes a higher level of protection for groundwater that is currently uncontaminated.

Allows certain past records of decision to be modified, if applying the new remedy selection process can demonstrate life-cycle savings of at least 10% over the existing remedy.

Enhances emergency response capabilities by increasing the duration of emergency response actions to 24 months, and increasing the authorized spending cap to $4 million per site.

Allows de-listing and reuse of the uncontaminated portions of NPL sites.

Provides expedited de-listing of NPL sites where construction of the remedy is complete and operation and maintenance activities are continued.

TITLE V: Liability Allocations

Goal—Accelerate cleanup by providing broad based fairness in allocating liability.

Establishes a mandatory, non-binding allocation process for multi-party sites, whereby PRPs would be assessed only for the costs of cleanup associated with their actions. This allocation process would be mandatory at all sites where response actions occurred after June 15, 1995, and would divide unidentifiable shares equally among the parties to the allocation. Shares that are attributable to bankrupt or insolvent parties would be borne by an "orphan share" paid out of the Trust Fund.

Makes available to those PRPs that accept the allocator's finding a 50% tax credit for the PRP's pre-1980 cleanup costs, if the PRP stays on-site to conduct the cleanup. This approach would: provide an incentive for PRPs to accelerate cleanup; significantly decrease litigation by creating incentives for PRPs to settle their liability; provide significant, broad-based relief of pre-1980 liability for most PRPs; avoid creating a "public works" program in Superfund; and ensure greater efficiency by keeping PRPs on-site.

Allows PRPs who conducted response actions before June 15, 1995, to request allocation of shares, but would not allow them to qualify for tax credits or orphan share funding.

Limits liability for religious, charitable, and other "501(c)(3)" organizations.

Assigns the cost of "orphan shares," (which include the shares attributed to bankrupt or dissolved parties) to the Fund. Any PRP unwilling to pay its allocated share would be held liable for any unrecovered costs at the site, including unidentifiable shares. Settling parties would receive complete contribution protection.

Provides for an early dollar settlement for those "de-minimus" parties whose liability is 1% or less total site liability.

Releases from all liability those "de-micromis" parties who contributed not more than 110 gallons of liquid material containing hazardous waste or not more than 200 pounds of solid material containing hazardous waste to a site.

Provides increased protection from liability for response action contractors by excluding them from being labeled "owners or operators" and establishing a negligence standard for their activities at NPL sites.

TITLE VI: Federal Facilities

Goal—Enhance state participation in cleaning up and reutilizing Federal facilities while ensuring the Federal taxpayers get the maximum return for cleanup dollars spent.

Allows delegation of Federal facilities to qualified states, if that state takes the entire site and utilizes the Federal remedy selection process and standards.

Ensures that states: (1) apply cleanup standards that are equivalent to non-Federal cleanup sites; (2) allow uncontaminated or cleaned up parcels of property to be reused as rapidly as possible; and (3) apply a definition of uncontaminated property that includes property where hazardous materials were once stored, but not released to the environment.

Facilitates use of Federal facilities to promote development and demonstration of innovative cleanup technologies.

TITLE VII: Natural Resource Damages

Goal—Provide for the rapid restoration and replacement of significant natural resources that have been damaged by the release of hazardous materials.

Favors actual restoration of resources over assessing arbitrary, punitive damages.

Eliminates non-use damages. Eliminates all lost use damages for pre-1980 activities. Limits recovery to the restoration of baseline ecological services.

Allows for de novo court review of a trustee's assessment of whether a party is liable and the extent of any such liability.

Requires trustees to give equal consideration to natural attenuation and recovery as a viable restoration method.

Requires selection of the most cost effective method of restoring a resource to the condition that would have existed if not for the release of hazardous material.

Requires that the NRD provisions to receive "double recovery" for damages if compensation has already been provided pursuant to CERCLA or any other federal or state law.

TITLE VIII: MISCELLANEOUS

Requires the Administrator to establish a "results oriented" engineering approach to accelerate response actions, including site evaluations, response goals, and oversight.

Targets limited funds toward those sites currently on the NPL by limiting new NPL listings to 30 sites per year for the next three years and capping the list thereafter.

TITLE IX: Funding

Introduces a new accelerated cleanup tax credit of 50% for PRPs that conduct cleanups.

Authorizes continuation of the Superfund program at $1.75 billion for fiscal years 1996–2000. $1.5 billion from the Trust Fund; and $250 million from general revenue.

Reauthorizes current Superfund taxes: (Corporate Environmental Income Tax, Petroleum Feedstock Tax, and Chemical Feedstock Tax). Assumes continuation of current taxes will generate sufficient revenue to offset accelerated cleanup tax credits.

Mr. CHAFEE. Mr. President, Superfund is broken, and today the Environment and Public Works Committee is putting forward a plan that will fix it. Senator BOB SMITH and his staff on the Superfund subcommittee have produced a remarkable reform package, one deserving of widespread support. I want to make it clear to everyone that Superfund reform will be a priority for the Environment and Public Works Committee for the rest of this year, and we will move to mark up this bill and bring it to the floor as quickly as possible.

Superfund's troubled history and problems are news to no one, but fixing Superfund's plainly evident problems—too much litigation, not enough cleanup, inefficient use of scarce resources, blighted cities—has eluded us now for more than 5 years, as one interest group after another sought their vision of a "perfect" reform. No plan is perfect, but his bill that Senator SMITH and his staff prepared, with the help of my staff, is a tremendous improvement over the status quo. It is all the more remarkable for what it achieves in an era of tightly constrained budgets.

This is real reform for Superfund that we can afford. This bill will:

Streamline the cleanup process by eliminating overlapping studies of contaminated sites.

Require EPA to consider the future use of resources when it decides how clean a site must be. Why clean up a site that will be a parking lot to the same level as a day care center?

Let the States take as much of the Superfund Program as they want or can handle.

Address the Brownfields problem by providing grants and loans to States for voluntary cleanup programs, and assessment of contamination levels at these sites. We also protect potential investors, innocent landowners and lenders so that entrepreneurs will step forward and be able to secure financing.

Eliminate the unfairness of Joint & Several liability by having the fund, and not other parties, pay the share of those parties who cannot be found or are bankrupt.

Provide significant relief to small waste contributors, usually small business, with an expanded de micromis exemption, and expedited, fair de minimis settlements.

Make restoration the goal of natural resource damages recovery, not speculative punitive damages.

Relieve as much of the pain as we can afford on retroactive liability, through the use of a tax credit for costs associated with liability for things people did, legally, before Superfund was enacted in 1980. On this point, I know Senator SMITH wanted to do more, but the facts of the budget frustrated his attempts. I want to salute him. He took the best run at it he could, and then came forward, at some personal political risk, with this fiscally credible plan.

Some will charge that the use of tax credits to relieve some of the unfairness of retroactive liability is corporate welfare. Any such charge about this tax credit proposal is merit-less, as the tax credits are tightly tied to the existing Superfund taxes. In this proposal, the tax credit is fully funded by the Superfund taxes that these corporations pay. It does not come out of general tax revenues. I would point out that, for the past several years, Superfund tax revenues have far outrun Superfund's annual appropriation, resulting in a Superfund trust fund balance of over $3 billion. I would also add that there is something fundamentally unfair about holding people liable for acts that were legal when they occurred. This credit helps to relieve some of that unfairness.

I want to issue an invitation, and a warning, to all those out there who will say, "This does not go far enough," or "This is too much." First, the invitation. This bill is a work in progress. There will be a hearing on it before a markup, so make your views and suggestions known—but move with alacrity, because we will take this up in the committee as soon as we possibly can. Senator SMITH's staff and my staff are ready to work with you on this.

Second, the warning. If we fail, everyone loses. There is no longer a status quo for Superfund—just look at the cut the program took $1.33 billion down to $1 billion in both the Senate and House versions of the EPA appropriations bill. Unless we pass a new Superfund law, we are looking at a $1 billion program, with even less in 1997 and beyond, probably with the existing taxes reauthorized. This will be the lose/lose scenario:

PRP's, and their insurers, lose. If you thought Enforcement First was bad, wait until Enforcement Only. The existing litigation machine rolls on. EPA, without many resources, runs the program by issuing section 106 orders, or suing a handful of parties for cost recovery.

EPA and all the agencies getting money from Superfund lose as the program slowly contracts, losing the expertise we want to keep on technical issues, until all that is left is a handful of lawyers to write those section 106 orders.

Protection of human health and the environment loses, because the pace of federally funded cleanup slows down in the face of declining budgets until the Federal Superfund becomes Enforcement Only.

People paying Superfund taxes lose. Their taxes will probably get extended, but only two-thirds of those taxes will go to Superfund cleanup this year, and less in the future. And corporations paying Superfund taxes can still get sued by EPA or other PRP's. They will pay twice.

So I end with a call for common sense and realistic expectations. When you make suggestions to improve this bill, please furnish us with an estimate of how much it will cost, where the money will come from, and how we can spend the money given the budget caps and firewalls.

I want to assure all the members of the committee, and the Senate, that we will work to accommodate their concerns as we move forward on this bill. This is not a perfect bill, but neither Senator SMITH nor I plan to repeat last year's so-called delicate balance Superfund bill, a deal made off the Hill that was so fragile that could not be changed without the deal falling apart. Some members of the committee have expressed concerns with some provisions in the bill as introduced. Senator KEMPTHORNE has expressed concern about the impact of Superfund on dry cleaners. Senator WARNER is concerned about the potential impact on recycling operations, and in how the States and Federal Government will control the costs of federal facility cleanups. Senator INHOFE would like to see more protection for acts that occurred in the distant past. I will continue to work with Senator SMITH on issues of concern to me, including groundwater and natural resource damage provisions. I know that other members of the Committee have other concerns as well. We will work to resolve these concerns as we move forward. This bill is no fragile compromise, and we will work within the budget constraints that we must all live with to get the best bill we can.

Again, I want to commend Senator SMITH and his staff for putting this complex bill together and bringing it quickly forward to this point. We have been working together on this since the start of the Congress, and today is an important milestone. It will not be easy to meet the goal we share—passage this year—but it will not be for lack of a continued team effort on this committee.

By Mr. SMITH:

S. 1286. A bill to amend the Solid Waste Disposal Act regarding management of remediation waste, certain recyclable industrial materials, and certain products, coproducts, and intermediate products, and for other purposes; to the Committee on Environment and Public Works.

THE RESOURCE CONSERVATION AND RECOVERY ACT

Mr. SMITH. Mr. President, in addition to the Superfund Accelerated Cleanup bill, I would also like to introduce today a targeted Resource Conservation and Recovery Act—or "rickra"—reform bill. I offer this bill in the hopes that it will supplement and enhance the reforms we are proposing to Superfund.

It is my feeling that these changes are consistent with the goals of the RCRA "Rifle Shot" proposal being discussed within the administration.

My targeted bill is intended to: Provide greater consistency among environmental statutes; make RCRA more user friendly; eliminate costly and ineffective bureaucratic burdens; and maintain, or improve, current protections to human health and the environment.

I feel the provisions of this bill will greatly enhance recycling and reuse of hazardous materials and will begin to provide cohesiveness between the two largest hazardous waste laws—Superfund and RCRA.

We are trying to accomplish three things with this act:

First, remove some recyclable hazardous materials from current RCRA provisions, and instead, subject them to a tailored set of standards which will facilitate the reuse of these materials in an environmentally friendly way.

Under current law, the only option is to discard such materials.

Second, specify a reasonable point at which a material is considered hazardous.

Currently, EPA is required to apply very strict controls once a hazardous material is created, even if it is created very early in a manufacturing process.

This greatly increases the costs of managing wastes, regardless of whether they ever come in contact with the environment.

Third, allow EPA to determine when a hazardous material is no longer considered hazardous.

Under the current law, EPA does not have the authority to tailor its standards to specific risks posed by some hazardous substances.

This greatly increases the cost of treating materials that pose little or no risk.

Mr. President, these changes will not only save money on waste management and cleanup, it will also greatly increase the effectiveness of our waste management laws in protecting human health and the environment. I urge its passage at the earliest possible date.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1286

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REMEDIATION WASTE.

(a) DEFINITIONS.—Section 1004 of the Solid Waste Disposal Act (42 U.S.C. 6903) is amended by adding at the end the following:

"(42) DEBRIS.—The term 'debris'—

"(A) means—

"(i) a solid manufactured object exceeding a 60 millimeter particle size;

"(ii) plant or animal matter; and

"(iii) natural geologic material; but

"(B) does not include material that the Administrator may exclude from the meaning of the term by regulation.

"(43) IDENTIFIED CHARACTERISTIC WASTE.—The term 'identified characteristic waste' means a solid waste that has been identified as having the characteristics of hazardous waste under section 3001.

"(44) LISTED WASTE.—The term 'listed waste' means a solid waste that has been listed as a hazardous waste under section 3001.

"(45) MEDIA.—The term 'media' means ground water, surface water, soil, and sediment.

"(46) REMEDIATION ACTIVITY.—The term 'remediation activity' means the remediation, removal, containment, or stabilization of—

"(A) solid waste that has been released to the environment; or

"(B) media and debris that are contaminated as a result of a release.

"(47) REMEDIATION WASTE.—The term 'remediation waste' means—

"(A) solid and hazardous waste that is generated by a remediation activity; and

"(B) debris and media that are generated by a remediation activity and contain a listed waste or identified characteristic waste.

"(48) STATE VOLUNTARY REMEDIATION PROGRAM.—The term 'State voluntary remediation program' means a program established by a State that permits a person to conduct remediation activity at a facility under general guidance or guidelines without being subject to a State order or consent agreement specifically applicable to the person.".

(b) IDENTIFICATION AND LISTING.—Section 3001 of the Solid Waste Disposal Act (42 U.S.C. 6921) is amended by adding at the end the following:

"(j) REMEDIATION WASTE.—

"(1) IN GENERAL.—Except as provided in paragraph (2), a person that manages remediation waste that is an identified characteristic waste or listed waste or that contains an identified characteristic waste or listed waste shall be subject to the requirements of this subtitle (including regulations issued under this subtitle, including the regulation for corrective action management units published in section 264.552, Code of Federal Regulations, and the regulation for temporary units published in section 264.553, Code of Federal Regulations, or any successor regulation).

"(2) EXCEPTIONS.—

"(A) REQUIREMENTS UNDER SECTION 3004.—Media and debris generated by a remediation activity that are identified characteristic wastes or listed wastes or that contain an identified characteristic waste or a listed waste shall not be subject to the requirements of section 3004 (d), (e), (f), (g), (j), (m), or (o).

"(B) PERMIT REQUIREMENTS.—No Federal, State, or local permit shall be required for the treatment, storage, or disposal of remediation waste that is conducted entirely at the facility at which the remediation takes place.

"(3) REMEDIATION WASTE SUBJECT TO ORDERS, CONSENT AGREEMENTS, VOLUNTARY REMEDIATION PROGRAMS, AND OTHER MECHANISMS.—

"(A) REQUIREMENTS NOT APPLICABLE.—Notwithstanding paragraph (1), a person that manages remediation waste that—

"(i) is identified characteristic waste or listed waste or that contains an identified characteristic waste or listed waste; and

"(ii) is subject to a Federal or State order, Federal or State consent agreement, a State voluntary remediation program, or such other mechanism as the Administrator considers appropriate,

shall not be subject to the requirements of this subtitle (including any regulation under this subsection) unless the requirements are specified in the Federal or State order, Federal or State consent agreement, State voluntary cleanup program, or other mechanism, as determined by the Administrator.

"(B) ENFORCEMENT.—Unless other enforcement procedures are specified in the order, consent agreement, or other mechanism, a person described in subparagraph (A) (except a person that manages remediation waste under a State voluntary remediation program) shall be subject to enforcement of the requirements of the order, consent agreement, or other mechanism by use of enforcement procedures under section 3008.".

(c) REGULATION.—Not later than 180 days after the date of enactment of this Act, the Administrator shall issue a regulation implementing section 3001(j) of the Solid Waste Disposal Act, as added by subsection (b).

SEC. 2. EXCLUSION OF CERTAIN RECYCLABLE INDUSTRIAL MATERIALS AND CERTAIN PRODUCTS, CO-PRODUCTS, AND INTERMEDIATE PRODUCTS.

(a) Definitions.—Section 1004 of the Solid Waste Disposal Act (42 U.S.C. 6903), as amended by section 1(a), is amended by adding at the end the following:

"(49) Co-product.—The term 'co-product' means a combination of 2 or more materials intentionally produced from a manufacturing or recycling operation for commercial use.

"(50) Intermediate material.—The term 'intermediate material' means a material that results from a manufacturing process the design of which contemplates further processing of the material by the manufacturer or by a toll processor to produce a product or an intermediate product.

"(51) Manufacturing.—The term 'manufacturing' means the use of a virgin material or other feedstock to produce a product, co-product, or intermediate product (including all associated ancillary operations) in which—

"(A) the process uses the appropriate equipment to produce the intended product, co-product, or intermediate product;

"(B) the virgin material or other feedstock used in the process meets commercial specifications;

"(C) the virgin material or other feedstock is handled in a manner that is designed to minimize loss of the virgin material or feedstock;

"(D) a contract or record is established by the manufacturer to record or document the receipt and use of the virgin material or other feedstock and the use or sale of the product, co-product, or intermediate product that is produced; and

"(E) the process produces a product, co-product, or intermediate product that meets commercial specifications.

"(52) Product.—The term 'product' means a material that is produced from a manufacturing or recycling operation for commercial use.

"(53) Recyclable industrial material.—The term 'recyclable industrial material' means a material that—

"(A) would constitute an identified characteristic waste or listed waste except for the application of section 3024(a); and

"(B) is intended by a manufacturer, commercial enterprise, or recycler for recycling by use, reuse, or reclamation.

"(54) Toll processor.—The term 'toll processor' means a person that performs any of a variety of manufacturing processes on material owned by a manufacturer.".

(b) Exclusion from Regulation of Certain Recyclable Industrial Materials and Certain Products, Co-Products, and Intermediate Products.—Subtitle C of the Solid Waste Disposal Act (42 U.S.C 6921 et seq.) is amended by adding at the end the following:

"SEC. 3024. EXCLUSION FROM REGULATION OF CERTAIN RECYCLABLE INDUSTRIAL MATERIALS AND CERTAIN PRODUCTS, CO-PRODUCTS, AND INTERMEDIATE PRODUCTS.

"(a) Certain Recyclable Industrial Materials.—

"(1) In general.—Except as provided in paragraph (2), a person that manages recyclable industrial material shall not be subject to the requirements of this subtitle (including regulations).

"(2) Exceptions.—The following recyclable industrial materials shall be subject to the requirements of this subtitle (including regulations) unless the Administrator determines that regulation under this subtitle is unnecessary:

"(A) A recyclable industrial material that—

"(i) is burned for energy recovery or used to produce fuel; or

"(ii) is otherwise contained in fuel, if burning for energy recovery or use to produce fuel is not a normal use of the recyclable industrial material.

"(B) A recyclable industrial material that—

"(i) is applied to or placed on land in a manner that constitutes disposal, if such use is not a normal use of the recyclable industrial material; or

"(ii) is used to produce a product that is applied to or placed on land or is contained in a product that is applied to or placed on land, if such use of the recyclable industrial material is not a normal use of the recyclable industrial material.

"(C) A recyclable industrial material that is identified by the Administrator by regulation as being inherently wastelike.

"(b) Certain Products, Co-Products, and Intermediate Products.—A product, co-product, or intermediate product shall not be considered to be a solid waste for the purposes of this Act unless the product, co-product, or intermediate product—

"(1) is burned for energy recovery or used to produce fuel or is contained in fuel, if such use is not a normal use of the product, co-product, or intermediate product;

"(2) is used in a manner constituting disposal or used to produce a product or is contained in a product that is used in a manner constituting disposal, if such use is not a normal use of the product, co-product, or intermediate product; or

"(3) is identified by the Administrator by regulation as being inherently wastelike.".

SEC. 3. REGULATION OF CERTAIN RECYCLABLE INDUSTRIAL MATERIALS.

The Solid Waste Disposal Act (42 U.S.C. 9601 et seq.) is amended by adding at the end the following:

"Subtitle K—Recyclable Industrial Material

"SEC. 12001. RECYCLABLE INDUSTRIAL MATERIAL.

"(a) Requirements.—A person that manages recyclable industrial material (other than recyclable industrial material described in section 3024(a)(2)) shall be subject to the following requirements:

"(1) In general.—Recyclable industrial material shall not be stored on land but shall be managed in a building, tank, or other containment structure that meets the following requirements.

"(A) In a building.—Recyclable industrial material that is managed in a building shall be completely enclosed with a floor, walls, and a roof and shall otherwise be reasonably constructed to prevent exposure to the elements and incorporate appropriate controls and practices to ensure containment of the recyclable industrial material.

"(B) In a tank or other containment structure.—A recyclable industrial material that is managed in a tank or other containment structure shall meet the technical requirements of section 279.54 of title 40, Code of Federal Regulations, or any successor regulation, not including the requirements stated in—

"(i) the matter preceding paragraph (a); and

"(ii) paragraphs (a), (f)(2), and (h)(1)(i),

as those paragraphs are designated on the date of enactment of this Act, notwithstanding that the person managing the recyclable industrial material may not be a used oil processor or re-refiner under that section.

"(2) Recycling.—A recyclable industrial material shall be recycled within 24 months after the date on which the recyclable industrial material is generated unless the Administrator by regulation establishes a shorter or longer period.

"(3) Additional requirements.—

"(A) In general.—A recyclable industrial material shall be subject to such requirements, in addition to those described in this section, as the Administrator determines to be necessary.

"(B) Considerations.—In determining whether any additional requirement is necessary, the Administrator shall ensure that the requirement does not discourage the recycling of the recyclable industrial material, consistent with the protection of human health and the environment.

"(b) Permit.—A person that manages a recyclable industrial material in accordance with the requirements of subsection (a) shall not be required to obtain a permit to conduct recycling activity.

"(c) Documentation.—

"(1) In general.—A person that manages a recyclable industrial material shall maintain documentation at the recycling facility to demonstrate that the recyclable industrial material is recycled in accordance with the requirements of this subtitle.

"(2) Guidance.—Not later than 9 months after the date of enactment of this subtitle, the Administrator shall, after opportunity for public comment, publish guidance identifying the criteria to be considered by a person that manages a recyclable industrial material in making the demonstration required by paragraph (1).

"(d) Inspection and Enforcement.—The Administrator may use the authority under sections 3007 and 3008 to conduct inspections and enforce this Act with respect to a person that manages a recyclable industrial material.

"(e) References.—The Administrator shall amend regulations, correspondence, orders, settlement agreements, and other documents as appropriate to reflect the management of recyclable industrial material under this subtitle.".

SEC. 4. POINT OF DETERMINATION.

(a) Definitions.—Section 1004 of the Solid Waste Disposal Act (42 U.S.C. 6903), as amended by section 4(a), is amended by adding at the end the following:

"(55) Point of determination.—The term 'point of determination' means the point at which a decision is made whether a solid waste is an identified characteristic waste or listed waste.".

(b) Identification and Listing.—Section 3001(b)(1) of the Solid Waste Disposal Act (42 U.S.C. 6921(b)(1)) is amended by inserting after the second sentence the following: "In addition, the Administrator shall promulgate regulations specifying the point at which a solid waste is an identified characteristic waste or listed waste, which point of determination shall not be before the point at which the waste exits a closed system and is exposed to the environment or is discharged to a waste management unit (as defined by the Administrator), whichever point occurs first.".

SEC. 5. DISCONTINUATION OF REGULATION OF WASTE UNDER SUBTITLE C OF THE SOLID WASTE DISPOSAL ACT.

(a) Identification and Listing.—

(1) Amendments.—Section 3001(f) of the Solid Waste Disposal Act (42 U.S.C. 6921(f)) is amended—

(A) by striking "(1) When" and inserting the following:

"(1) DELISTING OF PARTICULAR WASTES.—

"(A) CONSIDERATION OF FACTORS.—When";

(B) by striking "(2)(A) To the maximum extent practicable the Administrator shall publish in the Federal Register a proposal to grant or deny a petition referred to in paragraph (1)" and inserting the following:

"(B) DECISION.—To the maximum extent practicable, the Administrator shall publish in the Federal Register a proposal to grant or deny a petition under subparagraph (A)";

(C) by striking subparagraph (B) of paragraph (2) as designated on the day prior to the date of enactment of this Act; and

(D) by adding at the end the following:

"(2) GENERIC DELISTING.—

"(A) REGULATION.—The Administrator shall issue a regulation that defines constituent levels below which a solid waste shall not be considered to be a hazardous waste subject to the requirements of this subtitle (including regulations).

"(B) CONSTITUENTS OF CONCERN.—The regulation under subparagraph (A) shall provide that only the constituents that are reasonably expected to be present in solid waste shall be considered in determining whether the solid waste is not considered to be a hazardous waste.".

(2) INTERIM CONSTITUENT LEVELS.—Until the date on which the Administrator issues the regulation under section 3001(f)(2) of the Solid Waste Disposal Act, as added by paragraph (1)(D), the land disposal restriction treatment levels under section 3004(m) of that Act, as in effect on August 31, 1993, shall constitute the constituent levels below which a solid waste shall not be considered to be a hazardous waste.

(b) STANDARDS APPLICABLE TO OWNERS AND OPERATORS OF HAZARDOUS WASTE TREATMENT, STORAGE, AND DISPOSAL FACILITIES.—Section 3004 of the Solid Waste Disposal Act (42 U.S.C. 6924) is amended by adding at the end the following:

"(z) SPECIAL STANDARDS FOR HAZARDOUS WASTE.—

"(1) MODIFICATION OF REQUIREMENTS.—Notwithstanding this section and sections 3005(j) and 7004(b), the Administrator may by regulation alter to any extent the requirements of this section or section 3005(j) or 7004(b) for a solid waste that is an identified characteristic waste or listed waste and that contains hazardous constituents in an amount that is not greater than 10 times the amount below which a solid waste shall not be considered to be a hazardous waste.

"(2) REGULATION.—The Administrator—

"(A) shall issue a regulation under paragraph (1) not later than 18 months after the date of enactment of this subsection; and

"(B) in formulating the regulation—

"(i) shall take into account the lower level of risk posed by the wastes described in paragraph (1); and

"(ii) shall ensure that any modified requirements protect human health and the environment.

"(3) 10-TIMES LEVEL.—In issuing the regulation under paragraph (2), the Administrator may alter to any extent the 10-times level for modifying the requirements of this section and sections 3005(j) and 7004 so long as the changed requirements protect human health and the environment.

"(4) INTERIM RULE.—Until the Administrator modifies the regulations under paragraph (1), a person may dispose of a solid waste that is an identified characteristic waste or listed waste and contains hazardous constituents not greater than 10 times the land disposal restrictions treatment levels issued by the Administrator under section 3004(m), as in effect on August 31, 1993, in a hazardous waste management facility that meets the requirements of this section, except that—

"(A) the requirements of subsections (d), (e), (f), (g), (j), and (m) shall not apply;

"(B) the air emission standards issued by the Administrator under section 3004(n), as in effect on December 6, 1995, shall not apply to a tank or other container or to surface impoundment if the average volatile organic concentration of the hazardous waste at the point at which the waste is discharged into the tank, container, or surface impoundment is less than 500 parts per million by weight; and

"(C) the double-liner requirement stated in section 3004(o) may be waived by the Administrator for any monofill if the monofill meets the same requirements as are applicable under section 3005(j).

"(5) PERMIT.—No permit shall be required for storage and treatment in a tank or other container or containment building that meets the requirements of this section.".

SEC. 6. RELATIONSHIP OF THE SOLID WASTE DISPOSAL ACT TO OTHER STATUTES.

Section 1006(b)(1) of the Solid Waste Disposal Act (42 U.S.C. 6905(b)(1)) is amended—

(1) by striking "(1) The Administrator" and inserting the following:

"(1) IN GENERAL.—The Administrator";

(2) by striking the second sentence; and

(3) by adding at the end the following:

"(2) USE OF AUTHORITIES.—If the Administrator determines that a risk to health or the environment associated with the management of solid waste can be eliminated or reduced to a sufficient extent by actions taken under the authorities contained in such other Federal laws, and the Administrator has a statutory or court-ordered mandate to address that risk to health or the environment within 5 years after the date of enactment of this sentence, the Administrator shall use the other authorities to protect against the risk.".

Mr. LEAHY:

S. 1287. An act to amend chapters 83 and 84 of title 5, United States Code, to provide that Federal employees who are erroneously covered by the Civil Service Retirement System may elect to continue such coverage or transfer to coverage under the Federal Employees Retirement System, and for other purposes.

FEDERAL EMPLOYEE RETIREMENT SYSTEM (FERS) TRANSFER LEGISLATION

• Mr. LEAHY. Mr. President, today I am introducing a bill which offers a legislative solution for a number of Federal employees who have been the unwitting victims of paperwork errors. Over 10 years ago, Congress passed a Public Law 98-369, which eliminated the Social Security exclusion for Federal employees with prior military service. This law was made retroactive to January of that year, and it was up to each Federal agency to find the individual workers who were affected by this law and change them from the old Civil Service Retirement System [CSRS] into the Federal Employee Retirement System [FERS].

Unfortunately, a small but important group of workers have remained in the CSRS retirement system, because of agency error. Over time, these agencies have belatedly discovered employees who are improperly enrolled in CSRS and are forcing them back to FERS. This has been disruptive and unfair to the affected employees, since they are losing many years of contributions to the Thrift Savings Plan, which my colleagues know is critical to any FERS retirement. In many cases, the agencies reluctantly made this switch, but they had no authority to give a waiver to these public servants.

Today I am offering a bill which will allow Federal employees who were inadvertently enrolled in the wrong retirement system to remain in CSRS. It is nearly impossible to make an employee whole after many years of contributing to the wrong retirement system, despite agency efforts to do so. The number of employees affected by my legislation may be small, perhaps as few as several dozen, but we need to correct this oversight so that these workers may enjoy a full retirement.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1287

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ELECTION OF FEDERAL RETIREMENT COVERAGE BY EMPLOYEES ERRONEOUSLY COVERED BY THE CIVIL SERVICE RETIREMENT SYSTEM.

(a) CIVIL SERVICE RETIREMENT SYSTEM.—(1) Section 8331(1)(x) of title 5, United States Code, is amended by inserting before the semicolon ", except an employee who elects to be covered under this chapter in accordance with section 8347(r)".

(2) Section 8347 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(r)(1) This subsection shall apply to any employee who—

"(A) is subject to coverage under chapter 84; and

"(B) notwithstanding subparagraph (A), is covered under this chapter as a result of an administrative error of an employing agency or the Office of Personnel Management, through no fault of the employee.

"(2)(A) No later than 180 days after the date on which an employee described under paragraph (1) receives notice of such administrative error, such employee may elect to—

"(i) continue coverage under this chapter; or

"(ii) be subject to coverage under chapter 84, subject to regulations prescribed under paragraph (3).

"(B) An election under subparagraph (A) shall be irrevocable. An employee who fails to make an election under subparagraph (A) shall be subject to coverage under chapter 84, subject to regulations prescribed under paragraph (3).

"(3) The Office of Personnel Management shall prescribe regulations to carry out this subsection.".

(b) FEDERAL EMPLOYEES RETIREMENT SYSTEM; EXCLUSIONS.—Section 8402(b) of title 5, United States Code, is amended—

(1) in paragraph (1) by striking out "or" after the semicolon;

(2) in paragraph (2) by striking out the period at the end thereof and inserting in lieu thereof a semicolon and "or"; and

(3) by adding after paragraph (2) the following new paragraph:

"(3) any employee who elects to continue coverage under chapter 83 in accordance with section 8347(r).".

(c) OPEN ENROLLMENT PERIOD.—(1) During the 180-day period beginning on the date of the enactment of this Act, the Office of Personnel Management shall conduct a period of open enrollment under section 8347(r) of title 5, United States Code (as added by subsection (a) of this section).

(2) In addition to any employee to whom section 8347(r) of title 5, United States Code, applies, an employee may make an election during the period of open enrollment under paragraph (1), if such employee—

(A) on the date of the enactment of this Act is participating under the Federal Employees Retirement System under subchapter II of chapter 84 of title 5, United States Code; and

(B) during any period before the date of the enactment of this Act was covered under chapter 83 of title 5, United States Code, as a result of an administrative error of an employing agency or the Office of Personnel Management through no fault of the employee.

(d) REGULATIONS.—The regulations prescribed under section 8347(r)(3) of title 5, United States Code (as added by subsection (a) of this section) shall—

(1) provide that an employee may not have periods of simultaneous coverage under subchapter III of chapter 83 of title 5, United States Code, and subchapter II of chapter 84 of such title; and

(2) include requirements similar to the applicable requirements under title III of the Federal Employees Retirement System Act of 1986 (Public Law 99-335; 100 Stat. 599; 5 U.S.C. 8331 note) including requirements relating to—

(A) the interest of a spouse or former spouse under section 301(d) of such Act;

(B) withholdings, deposits, interest, and refunds under section 302 of such Act; and

(C) social security offsets under section 303 of such Act.

By Mr. KERRY:

S. 1290. A bill to reduce the deficit; to the Committee on the Budget.

BUDGET LEGISLATION

• Mr. KERRY. Mr. President, I introduce a "Budget Buster Bill" that strips more than $90 billion from the budget and cuts 40 programs which I consider to be pointless, wasteful, antiquated, or just plain silly.

Our priority is people not "pork" or special interests, and this proposal recognizes the need to cut while at the same time understanding the need to invest in those things that bring this Nation its greatest return.

I know that the budget debate is philosophically driven, and that there are diametrically opposed positions on the legitimate role of government. But no matter where one falls on the political spectrum, it behooves us to point to specific savings that cross philosophical lines which can and should be made.

We came to our senses last week, and in a display of commonsense bipartisanship, we overwhelmingly passed an amendment that cut the mink subsidy. There are other similar programs that we should cut, and this bill cuts them.

It cuts $11 billion for the space station. It cuts $10 billion from defense spending. It saves $360 million by reducing the number of political appointees in the Federal Government; and it cuts 37 other programs.

I know that this bill, in and of itself, won't balance the budget, but it is one Senator's commonsense effort to answer the question, "if you really want to cut the budget, what would you cut and how would you do it?"

Mr. President, there is no magic in this bill, but there is a healthy dose of common sense that seems to be sorely lacking in the ideologically driven budget debate that is speaking to the activist extremes and ignoring the silent middle.

Despite the fact that a huge portion of the public has said they don't like the way we do business; despite the fact that we talk about change but rarely accomplish it; despite the fact that we claim to want bipartisanship and avoid politics as usual, Congress and the President together are willfully moving down a road that is guaranteed to leave most Americans questioning the degree to which people here are in touch.

I find that a profoundly disturbing direction, and I find it contrary to all of the things that people are asking us to try to do. People want us to behave like adults down here. They want an assurance that critical services are not going to be made the poker chips of political gamesmanship.

The point is that there are some basic needs that this country faces and, to the best of my knowledge, most Americans think about having a job and raising their paychecks sufficiently that they have quality of life to be able to enjoy the fruits of their labor.

And most people think that the real concerns they express about making sure their kids have the best education in the world, and that they can walk through a neighborhood that is safe to get to a school that is safe when they get there.

People are concerned about the quality of the education that they're going to get in that school. And yet, the debate in this country has been dominated by the return of a contribution to a campaign from a Republican gay person; the symbolic issue of English as our national language—which it is and ought to be; a constitutional amendment to protect the flag. These truly are not the paramount concerns of Americans but more of the traditional symbols of politics that are beginning to make people question the entire political process.

Americans want to know if we're going to do the job. And the job we were sent here to do is to produce a budget by the end of this month.

Rather than truly working on that budget, we are engaged in a charade where we're going to pass a continuing resolution and a series of appropriation bills without a true legislative effort but with one party ordained to march in lock step to refuse any legislative proposals that might improve it.

I believe that is an unacceptable way to do business and an avoidance of our responsibility.

Frankly, it is time we put the interests of the Nation first, get off the partisan track, and put America back on track.

Mr. President, this is a debate about economic fairness. It is about what we believe in and what we stand for as a nation. It's about the creation and preservation of jobs. It's a debate not about class warfare—rich against poor—but about the working class and how we can legislate in their interests for their future.

It's a debate about commitment to family, about realistic tax policy, about access to education, and investments in our future.

It's about addressing the three deficits we face that I have mentioned many times on this floor: the fiscal deficit, the investment deficit, and the spiritual deficit.

I believe that this debate is fundamentally about how we can grow as an economy, a nation, and a people, and about what the proper role and size of the Federal Government should be.

For my part, any consensus on the budget must recognize four principles: First that we will not compromise our commitment to education, to jobs, to working families, and to senior citizens struggling to make ends meet; that we will not dis-invest in our economic, social, and cultural infrastructure; that we will not dis-invest in necessary technologies and science; and that we will not cut taxes unless and until we say to working Americans that there will be an increase in the minimum wage.

I believe the cuts I am proposing and the bipartisan, commonsense direction in which they take us is in our best interest.•

By Mr. BROWN:

S. 1292. A bill to designate the U.S. Post Office building located at 201 East Pikes Peak Avenue in Colorado Springs, CO, as the "Winfield Scott Stratton Post Office," and for other purposes; to the Committee on Governmental Affairs.

THE WINFIELD SCOTT STRATTON POST OFFICE ACT

• Mr. BROWN. Mr. President, today I would like to introduce legislation that would designate the U.S. Post Office building located at 201 East Pikes Peak Avenue in Colorado Springs, CO, the Winfield Scott Stratton Post Office.

This designation will honor the memory of a man who contributed greatly to the community of Colorado Springs. Working as a carpenter and prospector for over 18 years, Winfield Scott Stratton was one of the many adventurers who came to Colorado looking for their fortune. In his case, the fortune was a rich deposit of gold in Cripple Creek, CO.

Mr. Stratton's lifestyle changed little after his gold strike. He believed it was the duty of anyone who made a fortune to use his wealth in the development of his community. In keeping with that philosophy, Mr. Stratton dedicated the rest of his life to helping others less fortunate and to advancing the development of Colorado Springs and Colorado.

He purchased and gave Colorado Springs the ground for its city hall; he helped finance a new courthouse; he purchased and upgraded the street railway system; he built the first privately funded building at the Colorado School of Mines; and he endowed the Myron Stratton Home, a foster home for children and impoverished elderly which is still serving the Colorado Springs community today. Thousands of Coloradans today are the direct beneficiaries of Mr. Stratton's generosity.

Regarding this bill, it is noteworthy that Winfield Scott Stratton also purchased the property at 201 East Pikes Peak Avenue and sold it to the Federal Government for half its value on the condition that the Federal Government build the post office which stands there today.

In view of Mr. Stratton's contribution to the existing post office and to Colorado as a whole, it is an entirely fitting and appropriate gesture to name this U.S. Post Office the Winfield Scott Stratton Post Office. He was a man who shared his riches with an entire State, and he left a legacy of love and care which continues today.●

By Mr. MURKOWSKI (for himself, Mr. HELMS, Mr. MCCAIN, and Mr. NICKLES):

S. 1293. A bill to provide for implementation of the Agreed Framework with North Korea regarding resolution of the nuclear issue on the Korean Peninsula, and for other purposes; to the Committee on Foreign Relations.

AGREED FRAMEWORK BETWEEN THE UNITED STATES AND NORTH KOREA LEGISLATION

Mr. MURKOWSKI. Mr. President, today I am introducing legislation, along with Senators HELMS, MCCAIN, and NICKLES, which would provide a means for the Congress to monitor the implementation of the "Agreed Framework between the United States and North Korea" on nuclear issues. This will ensure that when and if we vote funds for that purpose, we know that that money is achieving the agreed objectives. The legislation conditions the availability of U.S. funds for fulfilling the accord on North Korea's abiding by the terms of the Agreed Framework and Confidential Minute in accordance with the schedule set forth in the agreement. Thus it adds necessary specificity to the timing and sequencing of all aspects of the Agreed Framework.

The Agreed Framework is written in traditional diplomatic language, with insufficient detail on the timing and nature of actions which both North Korea and the United States must take to implement it. While I appreciate the Administration's desire to have flexibility in implementing the accord, it will be important that the North Koreans and the Administration understand that the Congress desires greater specificity if it is going to authorize and appropriate funds for this accord.

I would add, Mr. President, that the legislation I am proposing is fully consistent with the Agreed Framework and with current U.S. policy. However, if this legislation causes difficulties for the Administration at some point, the President can waive the provisions of the legislation if he certifies to the Congress that it is vital to the national security interests of the United States to do so.

In sum, the legislation provides the following:

Full political and economic normalization of relations—specifically the exchange of Ambassadors and the total lifting of the economic embargo—with North Korea can occur only after:

IAEA safeguards requirements are met, including inspections of 2 suspected nuclear waste sites.

Progress has been made in talks between North and South Korea.

A more effective, regularized process has been created to return U.S. MIAs from the Korean War, including through joint field activities, as in Vietnam.

North Korea no longer meets the criteria for inclusion on the list of countries the governments of which support international terrorism.

North Korea takes positive steps to demonstrate greater respect for human rights.

North Korea agrees to abide by Missile Technology Control Regime.

All spent fuel has been removed from North Korea to a third country.

North Korea's graphite reactors have been dismantled in a manner that bars reactivation of such reactors and related facilities.

In short, until North Korea proves it is no longer a renegade state and wishes to behave as a normal, respected member of the international community, including through negotiating peacefully with the Republic of Korea concerning the future of the Korean peninsula, we should not establish full economic and political relations.

Interim steps toward full economic and political relations, such as setting up diplomatic liaison offices and lifting certain economic regulatory sanctions, are not restricted under the legislation. In fact, I believe they can help provide incentives for the North Koreans to move ahead in these areas of concern while also giving the Administration useful leverage.

The legislation also provides that the United States will suspend relevant activities described in the Agreed Framework if North Korea reloads its existing 5 megawatt reactor or resumes construction of nuclear facilities other than those permitted to be built under the Agreed Framework.

The legislation also restricts United States direct or indirect support for exports of heavy fuel oil to North Korea if that state does not maintain the freeze on its nuclear program or takes steps regarding that oil which are not permitted under the Agreed Framework.

Finally, the legislation has a reporting requirement to ensure that congressional monitoring of the implementation of the Agreed Framework and that the taxpayers' money is being spent effectively.

I look forward to extensive debate on this legislation and its early passage.

Mr. MCCAIN. Mr. President, as I have often said, I have serious reservations about the October 1994 Nuclear Framework Agreement with North Korea. Therefore, I am pleased to be an original sponsor, with Senator MURKOWSKI and others, of this legislation which would establish needed specificity to the vagaries of the agreement and provide clearly stated incentives for North Korean compliance with its terms.

This legislation would prohibit the use of any U.S. taxpayer dollars to implement the Framework Agreement unless the Congress passes a law authorizing and appropriating the funds. The President would also be required to certify that North Korea is in full compliance with the terms of the Framework Agreement before any authorized funds can be spent.

The legislation would prohibit normalization of diplomatic and economic relations between the United States and North Korea until several conditions are met—conditions which clearly serve our national interests, including the following:

North Korea must fully comply with the IAEA safeguards agreement for its nuclear program.

North Korea must forswear any support for international terrorism, and must demonstrate greater respect for human rights.

North Korea must halt the export of ballistic missiles and related technology and agree to adhere to the Missile Technology Control Regime.

The IAEA has inspected all suspected nuclear waste sites in North Korea.

And most important, in my view, all spent nuclear fuel must be removed from North Korea, and their existing graphite-based nuclear reactors must be destroyed.

Mr. President, let me take a moment to discuss some of the glaring flaws in the Framework Agreement, which are the principal reasons for my sponsorship of this legislation, and my predictions for the failure of the agreement.

The most charitable appraisal I can give the agreement is that it represents a tendered bribe to North Korea in exchange for a limit on its nuclear weapons program. The underlying problem with the Nuclear Framework Agreement is that it is based not on trust, but on wishful thinking. North Korea has a well-established record of breaking its commitments to the U.S. and to the international community. At least nine times during the past two-and-a-half years, the North Koreans have reneged on their commitments. This agreement relies very heavily on North Korean good faith—indeed, it virtually tempts the North Koreans to break their word. That is its fundamental flaw.

The foolish time lags between North Korea's receipt of the benefits of this agreement and the points at which they are required to prove their good faith will, I believe, prove an irresistible temptation to the North Koreans. This deal is front-end loaded in favor of North Korea. Under the deal, North Korea gets free oil, the benefits of trade and diplomatic relations, two new nuclear reactors, and untold additional benefits, including tacit forgiveness of their blatant violation of the Nuclear Non-Proliferation Treaty—most before incurring any real damage to their nuclear weapons program.

Thus far, North Korea is only required to freeze its nuclear program at Yongbyon, and freeze construction of two larger reactors. Since none of these facilities fueled a single light bulb in North Korea (the Yongbyon reactor was never connected to a power grid), this is not much of a hardship.

The first serious obligation imposed on North Korea under the terms of the agreement will not occur for 3 to 5 years from now. At that time, they must begin to transfer the spent fuel rods to an undisclosed third country. Regrettably, the Administration either doesn't know or refuses to disclose when this transfer will occur and which country is prepared to take the rods. We should insist on the transfer immediately.

At that same time, as much as 5 years in the future, North Korea is supposed to accept its second major obligation—challenge inspections of undisclosed nuclear sites—especially the two suspected nuclear waste sites. These inspections are the only hope we have of determining what happened to the plutonium diverted during reprocessing in 1989. If North Korea reneges on the deal at this point—after receiving all the up-front benefits of the deal—we still won't know the truth about the 1989 refueling of the Yongbyon reactor, and thus the truth about North Korea's nuclear weapons program.

Finally, the dismantlement of any of the North Korean nuclear facilities will not begin until they have received one, fully operational, $2 billion light water reactor. This could be 7 or more years away. And they don't have to complete dismantlement of their nuclear facilities until the second reactor is completed, perhaps at much as 10 years from now.

The harsh truth is that, by the time the North Koreans remove one brick from any of their nuclear facilities, they will have received from the U.S. and our Asian allies as much as 5 million tons of oil, inestimable millions in trade and investment opportunities, the propaganda value of improved relations with the United States—quite possibly at the expense of our relationship with South Korea, and a $2 billion, fully operational, state of the art, light water reactor—the same kind we have pressured Russia and France not to sell to Iran.

The practical effect of providing significant amounts of energy and economic aid to North Korea is to free up scarce hard currency for North Korea to use for almost any purpose—whether it is beefing up their military capability or rebuilding their failing infrastructure. Either way, their economy is almost certainly going to improve, and we may be facing a firmly entrenched Communist regime in North Korea for decades to come.

Given North Korea's long history of broken promises and violated agreements, why wouldn't we expect them to break their word again, after collecting the many benefits of this agreement, and resume the operation of their current facilities after 5 or 8 or 10 years. This legislation would create clearly stated incentives for the North Koreans to honor their commitments under the agreement and dismantle their nuclear weapons program—incentives which were not included in the agreement itself.

Mr. President, although I believe the framework agreement is seriously flawed, I strongly believe that Congress should not overturn the agreement. I do not want the U.S. Congress blamed for something that will really be the result of North Korean duplicity. When this agreement fails, I want it to be clear to all who is responsible for the failure—so that we can proceed immediately to organize international sanctions and other punitive measures which are designed to remove the threat of nuclear proliferation from the Korean Peninsula once and for all. That is what we should have done last year.

At the same time, the American taxpayer should not be expected to underwrite this agreement—with one exception, which I will explain in a moment.

Initially, the administration promised that the only financial commitment undertaken by the United States in the agreement was a one-time shipment of oil worth roughly $5 million. Subsequent to that declaration, we learned that the President sent a letter to Kim Jong Il promising to ask Congress to pay for the new reactors if funding cannot be found elsewhere. To pay for the oil shipment, the administration avoided coming to Congress and took $4.7 million from Defense Department funds, using a little-known authority that is supposed to be used for "emergencies and extraordinary expenses"—and they did it without giving Congress any prior notice.

I should note that this little-known "emergency and extraordinary expenses" authority will not in the future be misused in such a fashion. I was successful in including a provision in the fiscal year 1996 Defense authorization bill which establishes specific notification requirements when the authority is exercised for any expenditure exceeding $500,000. This provision will become law as part of the FY 1996 Defense Authorization Act.

Now, the Administration says that the U.S. financial commitment to this agreement may ultimately amount to $20-30 million per year, or $200-300 million over the ten-year period of the agreement.

Since the Administration claims they did not guarantee North Korea that we will contribute anything more than the agreed upon oil shipment, and since the Administration has already demonstrated its intention to cut Congress out of the loop as much as possible, I think Congress should decline to appropriate any further funds to implement this accord—with one exception. That exception is with respect to the security, safe storage, and subsequent removal from North Korea of the 8,000 spent nuclear fuel rods corroding in a cooling pond at Yongbyon.

I believe we should test North Korea's intentions as early as possible. I believe we should identify a country willing to receive the fuel rods, and ask North Korea to ship them there. Should they comply, the U.S. should pay for the transfer. It's worth the cost, because we will remove from North Korea enough plutonium for 5 or 6 nuclear weapons, and we will have an early—though certainly not a definitive—indicator of how seriously North Korea is taking its commitments under this agreement.

Until the fuel is removed from North Korea, I believe it is imperative to ensure the security and safe storage of the spent fuel. I worked successfully in the Senate Armed Services Committee for a provision allowing up to $5 million of DOE funds to be used to complete work on the safe storage, or canning, of the spent nuclear fuel at the

Yongbyon reactor site. Some of my colleagues wanted to refuse even this small amount of money, but I believe it would be counter-productive to allow the spent fuel to remain in an open and degrading storage pond, when we could at least ensure that it was less easily accessible to North Korea in the event the agreement fails. This provision will become law as part of the FY 1996 Defense Authorization Act.

Mr. President, the legislation I am introducing today, with Senator MURKOWSKI and others, is entirely consistent with the provisions of the Framework Agreement between the U.S. and North Korea. It merely adds specificity to the vagaries of the agreement, as well as incentives for North Korean compliance with the agreement. It also ensures that North Korea realizes a small part of the price it will pay for breaking its word to dismantle its nuclear weapons program. And it permits the President to waive any of its restrictive provisions if he certifies that it is vital to U.S. national security to do so.

I urge my colleagues to support this legislation. It will ensure that the laudable goals of the Framework Agreement are realized by fixing its flaws.

By Mr. JEFFORDS:

S. 1294. A bill to amend title 10, United States Code, to repeal the requirement that amounts paid to a member of the Armed Forces under the Special Separation Benefits Program of the Department of Defense, or under the Voluntary Separation Incentive Program of that Department, be offset from amounts subsequently paid to that member by the Department of Veterans Affairs as disability compensation; to the Committee on Armed Services.

TITLE 10 AMENDMENT LEGISLATION

• Mr. JEFFORDS. Mr. President, I reintroduce a bill to change current law that requires amounts paid to a member of the Armed Forces under the Special Separation Benefits and Voluntary Separation Incentive Programs be offset from amounts subsequently paid to that individual by the Department of Veterans Affairs as disability compensation.

Since the end of the cold war, our country has called on military personnel to participate in several dangerous military operations, most recently in the Persian Gulf, Somalia, and Haiti. These personnel have served our country well. Unfortunately, due to language in the Department of Defense [DOD] Authorization Act for fiscal years 1992 and 1993, veterans who participate in the Department of Defense's downsizing by selecting one of two options, either a special separation bonus [SSB] lump sum payment or a voluntary separation incentive [VSI] monthly payment, are prevented from receiving both disability compensation from the VA and benefits from the SSB and VSI programs until the separation compensation is offset completely. My bill will address this injustice by repealing these provisions and allow for concurrent receipt. It will also be retroactive to December 5, 1991, so service members not able to receive payment concurrently since 1991 will be reimbursed for their lost compensation.

Mr. President, SSB and VSI benefits are for services rendered as well as compensation for the veterans' participation in the DOD's downsizing. VA disability pay is compensation for mental or physical disabilities incurred in that service. These are two separate compensations serving two very different purposes. Therefore, it is unfair to the veteran to offset one payment with another.

Aside from the unfairness of offsetting the costs of unrelated compensation benefits, many veterans who returned from the Persian Gulf war have come down with strange illnesses which are believed to be related to their service in the Persian Gulf. Individuals who have accepted SSB or VSI payments are suffering both physically and financially, as many cannot work under the conditions from which they are suffering. Repealing the offset will help ease this financial suffering.

I urge the Congress to correct this injustice to our Nation's veterans and provide these veterans with the proper care and compensation they deserve.•

By Mr. HELMS (for himself, Mr. FAIRCLOTH, and Mr. WARNER):

S. 1295. A bill to prohibit the regulation of any tobacco products, or tobacco sponsored advertising, used or purchased by the National Association of Stock Car Automobile Racing, its agents or affiliates, or any other professional motor sports association by the Secretary of Health and Human Services or any other instrumentality of the Federal Government, and for other purposes; to the Committee on Commerce, Science, and Transportation.

NASCAR LEGISLATION

Mr. HELMS. Mr. President, North Carolina is the home of professional auto racing and it is on behalf of literally thousands of Tar Heels and millions of other NASCAR racing fans across America that I today offer in the Senate the companion bill of the Motor Sports Protection Act which was introduced in the House on September 6 by the Honorable DAVID FUNDERBURK, who ably represents the Second North Carolina Congressional District.

Mr. President, the announcement last month of plans by the Food and Drug Administration to designate tobacco has created much concern in my State, and other tobacco-producing southern States. This is an example of how Washington bureaucrats increase their regulatory power at the expense of the livelihoods of the Nation's farmers and manufacturers. The FDA's attack on tobacco advertising is sure to have a tremendously adverse effect on NASCAR racing.

The issue is whether companies have a right to advertise their products. Advertising is a lawful act and tobacco is a lawful commodity. Unless and until tobacco is banned, proper advertising of this lawful product must not be denied by bureaucratic wherein.

So, this bill will limit the Federal bureaucracy from imposing advertising restrictions on any sponsors of pro racing. The motor sports industry contributes more than $2 billion to the South's economy every year. Racing fans are hard working, law-abiding Americans—they don't deserve bureaucratic mistreatment.

Mr. President, not too long ago, the "King" of racing Richard Petty retired. He left at a time when his name was synonymous with NASCAR racing. He was a perfect example of what can be accomplished with determination, faith, and family values. Richard Petty's success was built on the cooperation of his family, friend, and companies that supported him throughout his career.

My friend, Richard Petty sends word that he will very much appreciate Senators' support of this bill, and so will I.

Mr. President, I ask unanimous consent that additional material be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NORTH CAROLINA MOTOR SPEEDWAY,
Rockingham, NC, September 19, 1995.

Hon. JESSE A. HELMS,
Senate Dirkson Office Building,
Washington, DC.

DEAR SENATOR HELMS: I am writing to express my concern about President Clinton's plan to regulate tobacco and their sponsorship of motorsports events at North Carolina Motor Speedway. The FDA's proposed regulation will have a severe impact, not only on the Speedway, but also on Moore, Richmond, and surrounding counties. Loss of sponsorships might mean ticket prices could go up, quality of events and facilities could go down, which could contribute to lower attendance. Our area depends heavily on revenue from those attending motorsports and other sponsored events. Local communities will be an economic loser from reduced attendance at events.

I would appreciate you writing back to me with your views on this important issue. Thank you.

Sincerely,

JO DEWITT WILSON,
President.

By Mr. HATCH (for himself, Mr. BREAUX, Mr. LUGAR, and Mr. COCHRAN):

S. 1296. A bill to amend the Employee Retirement Income Security Act of 1974 to clarify the treatment of a qualified football coaches plan; to the Committee on Finance.

THE QUALIFIED FOOTBALL COACHES PLAN TECHNICAL CORRECTIONS ACT OF 1995

Mr. HATCH. Mr. President, on behalf of myself and Senator BREAUX, I rise today to introduce the Qualified Football Coaches Plan Technical Corrections Act of 1995. We are joined in this effort by Senators LUGAR, and COCHRAN.

As the title indicates, this bill is a technical correction to ensure the proper qualification of a retirement plan for many of America's college football coaches. All of us in this body are in favor of encouraging retirement saving. However, the retirement plan set up for many of these football coaches is in serious jeopardy.

Mr. President, let me explain what brought us to the point we are today on this issue. In 1987, Congress recognized the unique aspects of the coaching profession and passed legislation to permit the American Football Coaches Association [AFCA] to set up and maintain a qualified cash and deferred arrangement under Section 401(k) of the Internal Revenue Code. The bill amended Title I of ERISA to permit such a plan to be treated as a qualified multiemployer plan. Due to the frequency with which football coaches change jobs, legislation was needed to assist them in maintaining a retirement plan that is adequately portable.

In reliance on this legislation, the American Football Coaches Association, which represents over 4,400 college football coaches at 676 schools, sponsored a 401(k) plan for its members that today has over 500 participants.

However, on the same day this legislation was passed, Congress was involved in addressing another problem contained in ERISA that was unrelated to the football coaches retirement plan. The problem was an unfavorable Tax Court ruling that held that the ERISA standard regarding employer withdrawals from pension plans, rather than the standard under the Internal Revenue Code of 1986, applied for purposes of interpreting the Internal Revenue Code. Thus, Congress, in an attempt to reject the holding of the Tax Court as it applied to Title I of ERISA, included a provision stating that Title I and Title IV of ERISA are not appicable in interpreting the Internal Revenue Code of 1986. This, of course, had the unintended consequence of deeming the football coaches retirement plan an invalid plan for purposes of the Internal Revenue Code.

Following the creation of the retirement plan, the coaches association asked the Internal Revenue Service to confirm the tax qualified status of the retirement plan. On three separate occasions, Mr. President, the Internal Revenue Service issued determination letters confirming the tax qualified status of the plan for years 1988, 1989, and 1991. It was not until 1992 that the Internal Revenue Service determined that the 1987 provision invalidates what Congress did in Title I of ERISA to authorize the coaches 401(k) plan. In that year, the IRS changed its position on the exempt status of the coaches' retirement plan and indicated it would revoke the determination letters unless clarifying legislation is passed. The horrible result will be a forced termination of the plan by the end of 1995 which will impose a substantial cost on the football coaches and leave them without a retirement plan.

Mr. President, the original enacting legislation in 1987 was a bipartisan effort cosponsored by 34 Members of the Senate and 151 Members in the House. This clarifying legislation is also a bipartisan effort. This bill eliminate the uncertainty that these coaches have been forced to live with since 1988.

Mr. President, I have requested the Joint Committee on Taxation estimate the revenue impact of this bill. The Joint Committee concluded that this change is technical in nature and would have no revenue impact. However, I do want to point out that if this change is not made, hundreds of coaches will risk the loss of retirement benefits. This is not the message we should send to those who follow in good faith, the actions of a prior Congress.

I wish to commend the Senator from Louisiana, Senator BREAUX, for his leadership on this issue. I urge my colleagues to support this legislation. It is the right thing to do and is long overdue.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Qualified Football Coaches Plan Technical Corrections Act of 1995".

SEC. 2. CLARIFICATION OF TREATMENT OF QUALIFIED FOOTBALL COACHES PLANS.

(a) IN GENERAL.—Subparagraph (F) of section 3(37) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(37)(F)) is amended by redesignating clause (ii) as clause (iii) and by inserting after clause (i) the following new clause:

"(ii) For purposes of the Internal Revenue Code of 1986—

"(I) clause (i) shall apply, and

"(II) a qualified football coaches plan shall be treated as a multiemployer collectively bargained plan."

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to years beginning after December 22, 1987.

By Mr. HATCH (for himself and Mr. D'AMATO)

S. 1297. An Act to amend the Internal Revenue Code of 1986 to simplify certain provisions applicable to real estate investment trusts.

THE REAL ESTATE INVESTMENT TRUST TAX SIMPLIFICATION ACT OF 1995

Mr. HATCH. Mr. President, on behalf of myself and Senator D'AMATO, I rise today to introduce the Real Estate Investment Trust Tax Simplification Act of 1995, legislation to simplify and reform the tax law concerning Real Estate Investment Trusts [REITs]. Similar legislation has been introduced in the House by Representative E. CLAY SHAW, JR. along with many other Representatives.

REITs were designed to allow small investors to invest in large real estate projects that they otherwise could not afford to enter including apartment buildings, office buildings, shopping centers, malls, warehouses, etc. Real Estate Investment Trusts have become a very popular from of investment as indicated by the fact that the market capitalization in the whole industry has risen from $9 billion in 1991 to over $50 billion today.

Mr. President, if a REIT properly follows all of the rules, it is not normally taxed at the entity level, but passes through most items of income to the shareholders to report on their own individual tax returns. However, there are many complexities and uncertainties—minefields, if you will, for the unwary that can inadvertently penalize investors and even the general public in some circumstances. This bill is designed to alleviate these minefields.

Let me share with my colleagues an example of one of these minefields. Under the current rules, in order to gain the benefits of REIT taxation, the investment has to be passive in nature. Hence, the normal procedure is for the REIT to buy the underlying property and lease it out to tenants. However, the REIT must be careful not to provide directly to the tenants any services that are not customary in the real estate business. If this rule is violated, severe consequences can follow. For example, under a literal interpretation of the law, if a REIT that operates a retail mall provides wheelchairs to the customers of the retail tenants, or even assist the tenant in moving into it space, the entity's very status as a REIT could be placed in jeopardy. This is ridiculous and needs to be changed.

Another unnecessary rule, Mr. President, could conceivably cause an entire community to lost its health care facility. Let me explain. Under the current law, if an operator of a health care facility owned by a REIT defaults on its rent payments to the REIT, that health care facility could be shut down for a long period of time, even though there may be other health care operators willing and able to take over the facility. Why? Because current law basically prohibits the REIT from operating the facility itself and, at the same time, artificially reduces the pool of potential operators that can run the health care facility without causing undue tax problems to the REIT and its owners. This potential problem faces many REITs and many communities inasmuch as REITs currently own about $10 billion of investments in health care facilities around the nation. This bill will eliminate the perverse incentive to shut down such critical facilities in the unfortunate case of foreclosure.

Mr. President, this bill also relaxes some of the current law's onerous penalties for failing to perform some record keeping requirements. Currently a REIT could lose its favored tax status simply by failing to send out or receive back shareholder demand letters for the purpose of verifying the fact that no five or fewer parties own controlling interests in the REIT. So, even though the REIT in fact meets this test, Mr. President, simply by failing to have on file sufficient shareholder letters substantiating this fact, all of the REIT shareholders could face the extremely harsh penalty of REIT disqualification and double taxation.

Rather than penalizing the REIT so severely for this oversight, Mr. president, this bill would impose a $25,000 penalty for failure to comply with this requirement, if the failure is inadvertent in nature. The penalty would rise to $50,000 in the case of willful noncompliance. I believe my colleagues would agree that this approach makes much more sense that the current rules since it serves as an adequate incentive to keep the appropriate records without causing the unsuspecting, innocent investors severe and unnecessary personal tax penalties.

Mr. President, this bill also addresses other problems that are detailed in the summary of the bill that I ask unanimous consent to be included in the RECORD after my remarks.

This bill is not controversial and will have a negligible effect on revenues, according to the Joint Committee on Taxation. It is important to note that this bill is endorsed by the National Association of Real Estate Investment Trusts, which represents a high percentage of the REIT industry. Whenever we can do things to simplify the tax code without causing substantial revenue loss or negative policy consequences, we should do it. Mr. President, this is an opportunity for us to do just that in the area of Real Estate Investment Trusts. I urge my colleagues on both sides of the aisle to join me in reforming and simplifying the tax law regarding this very difficult and complex area of the law.

Mr. President, I ask unanimous consent that the text of the bill and a detailed summary of its provisions be printed in the RECORD.

There being no objection, the materials were ordered to be printed in the RECORD, as the follows:

S. 1297

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; AMENDMENT OF 1986 CODE.

(a) SHORT TITLE.—This Act may be cited as the "Real Estate Investment Trust Tax Simplification Act of 1995".

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

TITLE I—REMOVAL OF TAX TRAPS FOR THE UNWARY

SEC. 101. CLARIFICATION OF LIMITATION ON MAXIMUM NUMBER OF SHAREHOLDERS.

(a) RULES RELATING TO DETERMINATION OF OWNERSHIP.—

(1) FAILURE TO ISSUE SHAREHOLDER DEMAND LETTER NOT TO DISQUALIFY REIT.—Section 857(a) (relating to requirements applicable to real estate investment trusts) is amended by striking paragraph (2) and by redesignating paragraph (3) as paragraph (2).

(2) SHAREHOLDER DEMAND LETTER REQUIREMENT; PENALTY.—Section 857 (relating to taxation of real estate investment trusts and their beneficiaries) is amended by redesignating subsection (f) as subsection (g) and by inserting after subsection (e) the following new subsection:

"(f) REAL ESTATE INVESTMENT TRUSTS TO ASCERTAIN OWNERSHIP.—

"(1) IN GENERAL.—Each real estate investment trust shall each taxable year comply with regulations prescribed by the Secretary for the purposes of ascertaining the actual ownership of the outstanding shares, or certificates of beneficial interest, of such trust.

"(2) FAILURE TO COMPLY.—

"(A) IN GENERAL.—If a real estate investment trust fails to comply with the requirements of paragraph (1) for a taxable year, such trust shall pay (on notice and demand by the Secretary and in the same manner as tax) a penalty of $25,000.

"(B) INTENTIONAL DISREGARD.—If any failure under paragraph (1) is due to intentional disregard of the requirement under paragraph (1), the penalty under subparagraph (A) shall be $50,000.

"(C) FAILURE TO COMPLY AFTER NOTICE.—The Secretary may require a real estate investment trust to take such actions as the Secretary determines appropriate to ascertain actual ownership if the trust fails to meet the requirements of paragraph (1). If the trust fails to take such actions, the trust shall pay (on notice and demand by the Secretary and in the same manner as tax) an additional penalty equal to the penalty determined under subparagraph (A) or (B), whichever is applicable.

"(D) REASONABLE CAUSE.—No penalty shall be imposed under this paragraph with respect to any failure if it is shown that such failure is due to reasonable cause and not to willful neglect."

(b) COMPLIANCE WITH CLOSELY HELD PROHIBITION.—

(1) IN GENERAL.—Section 856 (defining real estate investment trust) is amended by adding at the end the following new subsection:

"(k) REQUIREMENT THAT ENTITY NOT BE CLOSELY HELD TREATED AS MET IN CERTAIN CASES.—A corporation, trust, or association—

"(1) which for a taxable year meets the requirements of section 857(f)(1), and

"(2) which does not know, or exercising reasonable diligence would not have known, whether the entity failed to meet the requirement of subsection (a)(6),

shall be treated as having met the requirement of subsection (a)(6) for the taxable year."

(2) CONFORMING AMENDMENT.—Paragraph (6) of section 856(a) is amended by inserting "subject to the provisions of subsection (k)," before "which is not".

SEC. 102. DE MINIMIS RULE FOR TENANT SERVICES INCOME.

(a) IN GENERAL.—Paragraph (2) of section 856(d) (defining rents from real property) is amended by striking subparagraph (C) and the last sentence and inserting:

"(C) any impermissible tenant service income (as defined in paragraph (7))."

(b) IMPERMISSIBLE TENANT SERVICE INCOME.—Section 856(d) is amended by adding at the end the following new paragraph:

"(7) IMPERMISSIBLE TENANT SERVICE INCOME.—For purposes of paragraph (2)(C)—

"(A) IN GENERAL.—The term 'impermissible tenant service income' means, with respect to any real or personal property, any amount (other than amounts described in subparagraph (B) or (C) of paragraph (1)) received or accrued directly or indirectly by the real estate investment trust for—

"(i) services furnished or rendered by the trust to the tenants of such property, or

"(ii) managing or operating such property.

"(B) DISQUALIFICATION OF ALL AMOUNTS WHERE MORE THAN DE MINIMIS AMOUNT.—If the amount described in subparagraph (A) with respect to a property exceeds 1 percent of all amounts received or accrued directly or indirectly by the real estate investment trust with respect to such property, the impermissible tenant service income of the trust with respect to the property shall include all such amounts.

"(C) EXCEPTIONS.—For purposes of subparagraph (A)—

"(i) services furnished or rendered, or management or operation provided, through an independent contractor from whom the trust itself does not derive or receive any income shall not be treated as furnished, rendered, or provided by the trust, and

"(ii) there shall not be taken into account any amount which would be excluded from unrelated business taxable income under section 512(b)(3) if received by an organization described in section 512(a)(2).

"(D) AMOUNT ATTRIBUTABLE TO IMPERMISSIBLE SERVICES.—For purposes of subparagraph (A), the amount treated as received for any service (or management or operation) shall not be less than 150 percent of the actual direct cost of the trust in furnishing or rendering the service (or providing the management or operation).

"(E) COORDINATION WITH LIMITATIONS.—For purposes of paragraphs (2) and (3) of subsection (c), amounts described in subparagraph (A) shall be included in the gross income of the corporation, trust, or association."

SEC. 103. ATTRIBUTION RULES APPLICABLE TO TENANT OWNERSHIP.

Section 856(d)(5) (relating to constructive ownership of stock) is amended by adding at the end the following: "For purposes of paragraph (2)(B), section 318(a)(3)(A) shall be applied under the preceding sentence in the case of a partnership by taking into account only partners who own (directly or indirectly) 25 percent or more of the capital interest, or the profits interest, in the partnership."

TITLE II—CONFORMITY WITH REGULATED INVESTMENT COMPANY RULES

SEC. 201. CREDIT FOR TAX PAID BY REIT ON RETAINED CAPITAL GAINS.

(a) GENERAL RULE.—Paragraph (3) of section 857(b) (relating to capital gains) is amended by redesignating subparagraph (D) as subparagraph (E) and by inserting after subparagraph (C) the following new subparagraph:

"(D) TREATMENT BY SHAREHOLDERS OF UNDISTRIBUTED CAPITAL GAINS.—

"(i) Every shareholder of a real estate investment trust at the close of the trust's taxable year shall include, in computing his long-term capital gains in his return for his taxable year in which the last day of the trust's taxable year falls, such amount as the trust shall designate in respect of such shares in a written notice mailed to its shareholders at any time prior to the expiration of 60 days after the close of its taxable year (or mailed to its shareholders or holders of beneficial interests with its annual report for the taxable year), but the amount so includible by any shareholder shall not exceed that part of the amount subjected to tax in subparagraph (A)(ii) which he would have received if all of such amount had been distributed as capital gain dividends by the trust to the holders of such shares at the close of its taxable year.

"(ii) For purposes of this title, every such shareholder shall be deemed to have paid, for his taxable year under clause (i), the tax imposed by subparagraph (A)(ii) on the amounts required by this subparagraph to be included in respect of such shares in computing his long-term capital gains for that year; and such shareholders shall be allowed credit or refund as the case may be, for the tax so deemed to have been paid by him.

"(iii) The adjusted basis of such shares in the hands of the holder shall be increased with respect to the amounts required by this subparagraph to be included in computing his long-term capital gains, by the difference between the amount of such includible gains and such holder's credit or refund determined under clause (ii).

"(iv) In the event of such designation, the tax imposed by subparagraph (A)(ii) shall be paid by the real estate investment trust within 30 days after the close of its taxable year.

"(v) The earnings and profits of such real estate investment trust, and the earnings and profits of any such shareholder which is a corporation, shall be appropriately adjusted in accordance with regulations prescribed by the Secretary.

"(vi) As used in this subparagraph, the terms 'shares' and 'shareholders' shall include beneficial interests and holders of beneficial interest, respectively."

(b) CONFORMING AMENDMENTS.—

(1) Clause (i) of section 857(b)(7)(A) is amended by striking "subparagraph (B)" and inserting "subparagraph (B) or (D)".

(2) Clause (iii) of section 852(b)(3)(D) is amended by striking "by 65 percent" and all that follows and inserting "by the difference between the amount of such includible gains and such holder's credit or refund determined under clause (ii)."

TITLE III—OTHER SIMPLIFICATION

SEC. 301. MODIFICATION OF EARNINGS AND PROFITS RULES FOR DETERMINING WHETHER REIT HAS EARNINGS AND PROFITS FROM NON-REIT YEAR.

Subsection (d) of section 857 is amended by adding at the end the following new paragraph:

"(3) DISTRIBUTIONS TO MEET REQUIREMENTS OF SUBSECTION (a)(2)(B).—Any distribution which is made in order to comply with the requirements of subsection (a)(2)(B)—

"(A) shall be treated for purposes of this subsection as made from the earliest accumulated earnings and profits (other than earnings and profits to which subsection (a)(2)(A) applies) rather than the most recently accumulated earnings and profits, and

"(B) shall not be treated as a distribution for purposes of subsection (b)(2)(B)."

SEC. 302. TREATMENT OF FORECLOSURE PROPERTY.

(a) GRACE PERIODS.—

(1) INITIAL PERIOD.—Paragraph (2) of section 856(e) (relating to special rules for foreclosure property) is amended by striking "on the date which is 2 years after the date the trust acquired such property" and inserting "as of the close of the 3d taxable year following the taxable year in which the trust acquired such property".

(2) EXTENSION.—Paragraph (3) of section 856(e) is amended—

(A) by striking "or more extensions" and inserting "extension", and

(B) by striking the last sentence and inserting: "Any such extension shall not extend the grace period beyond the close of the 3d taxable year following the last taxable year in the period under paragraph (2)."

(b) REVOCATION OF ELECTION.—Paragraph (5) of section 856(e) is amended by striking the last sentence and inserting: "A real estate investment trust may revoke any such election for a taxable year by filing the revocation (in the manner provided in regulations by the Secretary) on or before the due date (including any extension of time) for filing its return of tax under this chapter for the taxable year. If a trust revokes an election for any property, no election may be made by the trust under this paragraph with respect to the property for any subsequent taxable year."

(c) CERTAIN ACTIVITIES NOT TO DISQUALIFY PROPERTY.—Paragraph (4) of section 856(e) is amended by adding at the end the following new flush sentence:

"For purposes of subparagraph (C), property shall not be treated as used in a trade or business by reason of any activities of the real estate investment trust with respect to such property to the extent that such activities would not result in amounts received or accrued, directly or indirectly, with respect to such property being treated as other than rents from real property."

SEC. 303. SPECIAL FORECLOSURE RULES FOR HEALTH CARE PROPERTIES.

Section 856(e) (relating to special rules for foreclosure property) is amended by adding at the end the following new paragraph:

"(6) SPECIAL RULES FOR QUALIFIED HEALTH CARE PROPERTIES.—For purposes of this subsection—

"(A) ACQUISITION BY LEASE TERMINATIONS.—The term 'foreclosure property' shall include any qualified health care property acquired by a real estate investment trust as the result of the termination or expiration of a lease of such property.

"(B) GRACE PERIOD.—For purposes of qualified health care property of a real estate investment trust qualifying as 'foreclosure property' under subparagraph (A), the qualified health care property shall cease to be foreclosure property on the date which is 2 years after the date such trust acquired such property.

"(C) EXTENSIONS.—If the real estate investment trust establishes to the satisfaction of the Secretary that an extension of the grace period in Subparagraph (B) is necessary to the orderly leasing or liquidation of the trust's interest in such qualified health care property, the Secretary may grant one or more extensions of the grace period for such qualified health care property. Any such extension shall not extend the grace period beyond the date which is 6 years after the date such trust acquired such qualified health care property.

"(D) INCOME FROM INDEPENDENT CONTRACTORS.—For purposes of applying paragraph (4)(C) with respect to qualified health care property which is foreclosure property, income derived or received by the trust from an independent contractor shall be disregarded to the extent such income is attributable to—

(i) leases existing on the date the real estate investment trust acquired the qualified health care property, or

(ii) leases extended or entered into after the trust acquired such property from lessees pursuant to terms set forth in such existing leases or on terms under which the trust receives a substantially similar or lesser benefit in comparison to the previous lease for such property.

"(E) QUALIFIED HEALTH CARE PROPERTY.—The term 'qualified health care property' means any real property (including interests therein), and any personal property incident to such real property, which—

"(i) is a hospital, outpatient medical clinic, nursing facility, assisted living facility, or other licensed health care facility which extends medical or nursing or ancillary services to patients and which, immediately before the termination, expiration, or breach of the lease of or mortgage secured by such facility, was operated by a provider of such services which was eligible for participation in the medicare program under title XVIII of the Social Security Act with respect to such facility, or

"(ii) is necessary or incidental to the use of such a health care facility."

SEC. 304. PAYMENTS UNDER HEDGING INSTRUMENTS.

Section 856(c)(6)(G) (relating to treatment of certain interest rate agreements) is amended to read as follows:

"(G) TREATMENT OF CERTAIN HEDGING INSTRUMENTS.—Except to the extent provided by regulations, any—

"(i) payment to a real estate investment trust under an interest rate swap or cap agreement, option, futures contract, forward rate agreement, or any similar financial instrument, entered into by the trust in a transaction to hedge any indebtedness incurred or to be incurred by the trust to acquire or carry real estate assets, and

"(ii) gain from the sale or other disposition of any such investment,

shall not be taken into account under paragraphs (2), (3), and (4).

SEC. 305. EXCESS NONCASH INCOME.

Section 857(e)(2) (relating to determination of amount of excess noncash income) is amended—

(1) by striking subparagraph (B),

(2) by striking the period at the end of subparagraph (C) and inserting a comma,

(3) by redesignating subparagraph (C) (as amended by paragraph (2)) as subparagraph (B), and

(4) by adding at the end the following new subparagraphs:

"(C) the amount (if any) by which—

"(i) the amounts includible in gross income with respect to instruments to which section 860E(a) or 1272 applies, exceed "(ii) the amount of money and the fair market value of other property received during the taxable year under such instruments, and

"(D) amounts includible in income by reason of cancellation of indebtedness."

SEC. 306. PROHIBITED TRANSACTION SAFE HARBOR.

Clause (iii) of section 857(b)(6)(C) (relating to certain sales not to constitute prohibited transactions) is amended—

(1) by striking "(other than foreclosure property)" in subclauses (I) and (II) and inserting "(other than sales of foreclosure property or sales to which section 1033 applies)", and

(2) by striking "(as determined for purposes of computing earnings and profits)" in subclause (II) and inserting "(determined without regard to any adjustment for depreciation or amortization)".

SEC. 307. SHARED APPRECIATION MORTGAGES.

(a) BANKRUPTCY SAFE HARBOR.—Section 856(j) (relating to treatment of shared appreciation mortgages) is amended by redesignating paragraph (4) as paragraph (5) and by inserting after paragraph (3) the following new paragraph:

"(4) COORDINATION WITH 4-YEAR HOLDING PERIOD.—

"(A) IN GENERAL.—For purposes of section 857(b)(6)(C), if a real estate investment trust is treated as having sold secured property under paragraph (3)(A), the trust shall be treated as having held such property for at least 4 years if—

"(i) the secured property is sold or otherwise disposed of pursuant to a case under title 11 of the United States Code,

"(ii) the seller is under the jurisdiction of the court in such case, and

"(iii) the disposition is required by the court or is pursuant to a plan approved by the court.

"(B) EXCEPTION.—Subparagraph (A) shall not apply if—

"(i) the secured property was acquired by the trust with the intent to evict or foreclose, or

"(ii) the trust knew or had reason to know that default on the obligation described in paragraph (5)(A) would occur."

(b) CLARIFICATION OF DEFINITION OF SHARED APPRECIATION PROVISION.—Clause (ii) of section 856(j)(5)(A) is amended by inserting "or appreciation in value" after "gain" each place it appears.

SEC. 308. WHOLLY OWNED SUBSIDIARIES.

Section 856(i)(2) (defining qualified REIT subsidiary) is amended by striking "at all times during the period such corporation was in existence".

TITLE IV—EFFECTIVE DATE

SEC. 401. EFFECTIVE DATE.

The amendments made by this Act shall apply to taxable years beginning after the date of the enactment of this Act.

SECTION-BY-SECTION ANALYSIS

TITLE I. REMOVAL OF TAX TRAPS FOR THE UNWARY

SEC. 101. SHAREHOLDER DEMAND LETTER

Sections 856(a)(5) and 856(a)(6) require that a REIT have at least 100 beneficial owners, and that it not be "closely held" within the meaning of the personal holding company rules. A REIT that is disqualified because it fails to meet the requirements in section 856(a) generally may not elect REIT status again for a period of 5 years.

In addition, section 857(a)(2) disqualified a REIT for any year in which it does not comply with Internal Revenue Service ("IRS") regulations prescribed to ascertain the "actual ownership" of the REIT's outstanding shares. Sections 1.857-8(d) and (e) of the Income Tax Regulations (the "Regulations") require a REIT to demand, from its shareholders of record, a written statement identifying the "actual owner" (for income tax purposes) of the stock held in such shareholder's name. The Regulations specify which shareholders must be sent such letter, based on the total number of REIT shareholders and the percentage of shares held by each record holder. This demand letter must be sent within 30 days of the close of the REIT's taxable year.

Failure to comply with the rules in Regulations section 1.857-8, through inadvertence or otherwise, technically causes disqualification of REIT status for the taxable year, notwithstanding that the REIT may satisfy the substantive share ownership rules in section 856(a)(6). As in the case of any disqualification under section 856(a), a REIT that is disqualified under the shareholder demand letter regulations may not elect REIT status again for a period of 5 years without IRS consent.

Even those REITs that comply with the demand letter regulations, and are not aware of any violations of the ownership test, cannot know for certain whether they complied with such tests, the ownership information is not in the hands of the REIT and the REIT cannot compel its shareholders to respond to the demand letter. This uncertainty is increased for publicly-traded REITs that have a large portion of their shares held in "street name."

This bill proposes that a failure to comply with the shareholder demand letter regulations should not, by itself, disqualify a REIT if the REIT otherwise establishes that it satisfies the substantive rules involved. Under these circumstances, a $25,000 penalty ($50,000 for intentional violations) would be imposed for any year in which the REIT did not comply with the shareholder demand letter regulations and the REIT would be required, when requested by the IRS, to send curative demand letters. This bill strikes the right balance between the "atomic bomb" consequences of present law and the need to provide a disincentive for REITs not to send out demand letters.

Also under this bill, a REIT would be deemed to satisfy the share ownership requirements in section 856(a)(6) if it complies with the shareholder demand letter regulations and does not know, or have reason to know, of an actual violation of the ownership rules. Thus, a REIT that complies with the regulations, but is unable to discover an actual ownership violation and has no reason to suspect such a violation, would not be disqualified before it has reason to know of such violation. This amendment is vital to protect companies that exercise their best efforts to comply with the ownership rules, but somehow later discover that a technical violation exists.

SEC. 102. PROPERTY MANAGEMENT—DE MINIMIS RULE FOR TENANT SERVICES INCOME.

The REIT tax provisions include several independent contractor rules. The primary rule is found in section 856(d)(2)(C), which generally provides that "rents from real property" do not include amounts received with respect to the property if the REIT furnishes services to the tenants, or manages or operates the property, other than through an independent contractor. Congress modified this rule in 1986 by adding the language at the end of section 856(d)(2)(C). This language permits the REIT to receive amounts for furnishing customary services or managing property, without using an independent contractor, provided such amounts would be excluded from unrelated business taxable income under section 512(b)(3) if received by a section 511(a)(2) exempt organization.

Congress' relaxation of the independent contractor rule has helped the industry in efficiently managing rental properties on a competitive basis. However, certain problems persist. Under the existing language of section 856(d)(2)(C), the receipt of even a *de minimis* amount of non-qualified income or rendering a small amount of impermissible services with respect to a given property may disqualify all rents received with respect to such property. The disqualification of the entire property's rents could jeopardize the REITS's qualified status.

The present independent contractor rule creates significant administrative burdens for REITs because of the need to ensure that no REIT personnel ever perform any disqualifying service. In addition, due to the inherent ambiguity of the rule, significant time and expense are incurred by both REITs and the IRS in applying for and issuing private letter rulings that delineate permissible and impermissible services. Further, even a vigilant and conservative REIT cannot control whether a particular employee performs a service to its tenants that may taint the rents on a property. Last, the present rule unreasonably penalizes a REIT for providing services (which may be directly related to the operation of its property) to a tenant (by tainting all amounts received from that tenant) that it may, with much less chance of disqualification, provide to third parties.

This bill proposes a de minimis exception to the independent contractor rule. This proposal would simplify REIT administration and would remove the risk of disqualifying a REIT that inadvertently performs nominal, although impressible, services. Further, the proposal would not encourage international disregard for the independent contractor rule, because of the relatively small amount of services that it would permit.

The approach taken in this bill would provide a simple, bright line test that the IRS could administer easily.

SEC. 103. ATTRIBUTION RULES APPLICABLE TO TENANT OWNERSHIP.

Section 856(d)(2)(B) generally disqualifies rents received from any person, if the REIT owns 10% or more of the ownership interests in such person or has an interest equal to 10% or more in the assets or net profits of such person. For purposes of determining the REIT's ownership interest in a tenant, the attribution rules of section 318 apply, except that 10% is substituted for 50% when it appears in subparagraph (C) of section 318(a)(2) and 318(a)(3). Under section 318(a)(3)(A), stock owned, directly or indirectly, by a partner is considered owned by the partnership. In addition, under section 318(a)(3)(C) a corporation is considered as owning stock that is owned, directly or indirectly, by or for a person who also owns more than 50% (10% for REITs) of the stock in such corporation.

The attribution rules may create an unintended result when several persons who own collectively 10% of a REIT's tenant, also own collectively 10% of the REIT. So long as these persons are unrelated and their individual interest in each entity is less than 10%, then no violation of section 856(d)(2) occurs. However, if each of these persons happen to obtain an interest, no matter how small, in the same unrelated partnership, then the attribution rules may cause the rents received from the tenant to be disqualified under section 856(d)(2). Such a result could occur even though section 318(a)(5)(C) specifically provides that the stock ownership interests of a partner are not to be attributed to another partner via the partnership.

Under one understanding of current law, the problem arises because all of the partners' shares of stock in the tenant are attributed to the unrelated partnership under section 318(a)(3)(A). Since the partnership also is considered as owning the partners' shares in the REIT, section 318(a)(3)(C) treats the REIT as owning all of the shares in the tenant that are deemed held by the partnership. Thus, the rule in section 856(d)(2) is violated.

The potential for disqualification, under one reading of current law, is detailed in the following example: Pension Plan A holds stock representing 10% of the value in REIT. The remaining shares of REIT are publicly held. Pension Plan A and Corporation B each hold a 1% interest by value in Partnership, and the remainder of Partnership's interests are publicly held. Partnership holds various securities in entities other than REIT. Tenant, which leases retail space from REIT, is 10% owned by Corporation B, with the remaining interest publicly-held. Under section 318(A)(3)(A), Partnership is deemed to own A's 10% interest in the value of REIT and B's 10% interest in Tenant. Further, section 318(a)(3)(C) provides that REIT is deemed to own any stock held by its 10% shareholder. As a result, REIT could be deemed to own Partnership's deemed interest in Tenant. If so, the Tenant's rent payments to REIT would be disqualified.

These attribution rules disqualify amounts as rent even when the relationship between the tenant and the REIT is tenuous at best and abuse of the REIT concept is inconceivable. In any event, the rules are largely unenforceable because one partner will not know what the other partners own. The problem is particularly problematic with institutional investors that own small percentage interests in multiple partnerships owning securities and other assets unrelated to a REIT.

One understanding of the interplay between section 318(a)(3)(A) and (a)(3)(C) with the facts described above is equivalent to applying attribution rules to shares of stock held by partners. As noted, this is contrary to the policy set forth in section 318(a)(5)(C), which prohibits the reattribution of stock constructively owned by a partnership (via a partner) to another partner in the partnership. Without this partner-to-partner attribution, neither A nor B in the examples above, directly or indirectly, hold the 10% interest in both REIT and Tenant that section 856(d)(2)(B) requires for disqualification. Congress solved a similar problem of "partner to partner" attribution in another REIT context. In determining whether a REIT is "closely held" for purposes of section 856(a)(6), the attribution rules in section 544 apply. In 1986, Congress enacted section 856(h), which provides in part that the attribution rules in section 544 will apply as if they did not include the phrase "or by or for his partner."

This bill would modify the application of section 318(a)(3)(A) (attribution to partnerships), for purposes of section 856(d)(2), so that attribution would occur only when a partner owns a 25% or greater interest in the partnership. Applying a percentage threshold (rather than suspending entirely the application of section 318(a)(3)(A) would prevent the potentially abusive technique of placing "dummy" partnerships between individuals and the REIT. This is a common sense approach that would simplify monitoring the ownership interests of all involved parties.

TITLE II. CONFORMITY WITH REGULATED INVESTMENT COMPANY RULES

SEC. 201. CREDIT FOR TAX PAID BY REIT ON RETAINED CAPITAL GAINS.

Under the regulated investment company (("RIC") provisions, RICs (also known as mutual funds) always have been permitted to pass through a credit to their shareholders for taxes paid on retained capital gains. This treatment helps preserve the capital base of the company, while respecting the principle of a single level of taxation.

Under section 857(b)(3)(A)(ii) and section 4981(c)(1)(B), a REIT need not distribute capital gains to its shareholders, but may be subject to tax on such undistributed gains under section 1201(a). A subsequent distribution of such gains is taxable to the REIT's shareholders, resulting in a double tax.

This double tax is inconsistent with the original Congressional intent to create a real estate entity parallel to RICs, and limits a REIT's ability to effectively manage assets. Because of the potential double tax on capital transactions, a REIT usually is compelled to either distribute any sale proceeds or not complete the transaction.

This would amend section 857(b)(3) to mirror the rules applicable to RICs.

TITLE III. OTHER SIMPLIFICATION

SEC. 301. EARNINGS & PROFITS—DISTRIBUTION RULE.

Enacted in 1986, section 857(a)(3) requires newly-electing REITs to distribute, during their first REIT taxable year, earnings and profits ("E&P") that were accumulated in non-REIT years. The ordering rule in section 316 complicates the E&P distribution requirement, by treating all distributions as being made from the most recently accumulated E&P. Under this rule, the unexpected realization of income near the end of the year can convert previous distributions of accumulated E&P into distributions from current E&P. For example, assume a company distributes $200x in November, which represents its current E&P to date ($100x) and its entire accumulated E&P ($100x), and makes no other distributions during the year. If the company earns an additional $10x in December, its accumulated E&P as of the end of the year is $10x, notwithstanding the prior $200x distribution.

The effect of the E&P rule in section 316 could be disastrous for a newly-electing REIT that is required to distribute all of its accumulated E&P during its first REIT year. The year-end receipt of any form of unanticipated income, such as unexpected overages from shopping mall tenants, could cost the new REIT its qualification. Most REITs (and most taxpayers, for that matter) cannot determine precisely the amount of their income before the end of the year. Ordinarily, the receipt of nominal amounts of income near the end of the year do not cause problems for established REITs, since they can use the "subsequent declared dividend" election in section 858 to make sure they meet their annual requirements to distribute 95 percent of their income.

However, the requirement in section 857(a)(3) effectively overrides the 95 percent income distribution requirement, since no accumulated E&P can be distributed until the REIT distributes 100 percent of current E&P. In addition, the section 858 election, which historically was available for all required distributions, cannot be used for section 857(a)(3) distributions since this election is available only for distributions of current E&P.

The ability to retain a small percentage of current earnings and the section 858 election both have been part of the REIT tax rules since 1960. Until 1986, REITs were not required to distribute any portion of their accumulated E&P. These adverse effects of the new accumulated E&P distribution requirement on both of these provisions is an unintended consequence of the 1986 change.

This bill would deem section 857(a)(3) distributions as being made first from accumulated E&P, then from current E&P. This provision would ensure that year-end receipts of unanticipated income would not cause a new REIT to be disqualified. The proposal would not affect the requirement that such REIT also must distribute 95% of its current income, nor would it otherwise alter the traditional ordering rule for E&P distributions.

SEC. 302. FORECLOSURE PROPERTY.

A REIT is permitted to conduct a trade or business using property acquired through foreclosure for 90 days after it acquired such property, provided the REIT makes a foreclosure property election. After the 90-day period, the REIT may no longer conduct such trade or business, except through an independent contractor from whom the REIT does not derive or receive any income. Property is eligible for a foreclosure election if a REIT acquired it through foreclosure on a loan or default on a lease, but not if a REIT acquired it because a lease expired.

If it makes the foreclosure property election in section 856(e)(5), a REIT may hold foreclosure property for resale to customers without being subject to the 100% penalty tax under the prohibited transaction rules. Non-qualifying income from foreclosure property generally is subject to the highest corporate tax rate. The foreclosure property election is valid for 2 years, but may be extended up to 6 years with the IRS' consent. Under section 856(e)(4)(C), foreclosure property status is lost if, at some time after 90 days from the date such property is acquired, the property is used in a trade or business conducted by the REIT (other than through an independent contractor from whom the REIT does not derive any income).

This bill would make the period covered by an election three years and the initial foreclosure property election valid until the last day of the third full taxable year following the election. The present 2-year period is not a realistic time period for disposing of foreclosure property, especially in a depressed real estate market. In addition, this bill would reduce recordkeeping and filing requirements associated with managing foreclosure property and the need for the IRS to review extension requests.

Further, this bill would modify the rule in section 856(e)(4)(C) that requires a REIT to use an independent contractor to manage foreclosure properties. This modification would make the rule parallel to the primary independent contractor rule in section 856(d)(2)(C). This change would reduce the technical complexity and administrative costs associated with managing foreclosure property: it would provide a single, consistent standard for managing both foreclosure and non-foreclosure properties.

SEC. 303. SPECIAL FORECLOSURE RULES FOR HEALTH CARE PROPERTIES.

Health care REITs play an important economic role in both the health care and REIT industries. For example, REITs have invested about $10 billion in health care properties, either as owners or lenders. This amount represents approximately 13% of the real estate investment by all REITs. These properties range from nursing homes and extended care facilities to acute care facilities.

These REITs face unique problems under the foreclosure property rules when the lessee/operator of a health care facility terminates its lease, either through expiration or default. Unlike most other forms of rental properties, if a health care property lease terminates, it is extremely difficult to close the facility because medical services to patients must be maintained. In fact, a variety of government regulations mandate measures to protect patients' welfare, which greatly restrict the ability to simply terminate the facility. In addition, because of the limited number of qualified health care providers, it can be very difficult to find a substitute provider that also will lease the property.

When a health care REIT acquires property either through a loan foreclosure, lease default, or lease expiration, the REIT must be able to ensure that the facility will remain open beyond the initial 90-day period. For many patients, especially those in rural areas, there may be no available alternative facilities in the locality. Frequently, if space is available in an alternative facility, such facility may not accept government-paid patients (*i.e.*, Medicare, Medicaid or county assistance), which account for 70% of the residents in properties of health care REITs. Patients in facilities owned by health care REITs typically include the frail elderly, the chronically ill and the disabled who require long term care. They cannot, and should not, be evicted and forced to relocate away from supportive family and friends, which could jeopardize their health and cause treatment setbacks.

The 90-day time period during which a REIT is permitted to operate a facility is inadequate for the REIT to conclude a lease with a health care provider. Health care properties typically are acquired in a sale-leaseback transaction in which the original owner continues to operate the facility as a lessee. After this lessee vacates the property, it is very difficult to find a qualified health care provider that is willing to assume not only the operational responsibilities for the facility, but also the long-term financial risks associated with being a lessee. This is particularly true when the original lessee abandoned the facilities because of financial problems.

Regulatory requirements further complicate and delay the releasing process. Potential lessees may be required to obtain up to 30 separate licenses from separate government agencies before they can assume control of a facility. In addition, many states impose certificate of need requirements when facility operators are changed. These proceedings can become adversarial and protracted.

Therefore, in order to keep a health care facility operational after the 90-day period has expired under the foreclosure property rules, a REIT must be able to hire a licensed health care provider that also qualifies as an independent contractor (a party from whom the REIT does not derive or receive any income or profits). The limited pool of licensed providers that could qualify as independent contractors may be dramatically reduced, since many of these providers already lease other health care properties owned by the REIT. As existing lessees of the REIT, these providers generate income to the REIT, and thus may be viewed by the IRS as disqualified from serving as independent contractors with respect to a second REIT property.

The problems that arise from foreclosing on a defaulted lease or mortgage also exist in the case of a health care provider/lessee who abandons the facility upon the expiration of a lease. A final decision whether or not to renew the lease may not be made until expiration occurs, giving the REIT little or no lead time to find a substitute provider/lessee. Even if adequate notice is given to the REIT that the provider/lessee intends to quit the business, this notice does not increase the pool of health care providers that could qualify as independent contractors.

This bill provides that in the case of qualified health care properties, a health care provider will not be disqualified as an independent contractor for purposes of the foreclosure property rules solely because the REIT receives rental income from the provider with respect to one or more other properties. In addition, the bill provides that REIT could make a foreclosure property election with respect to lease expirations of qualified health care properties.

These changes would help ensure that important health care facilities are not forced to be closed because of a technical requirement in the Code. As with any properties that are subject to a foreclosure election, non-rental income realized by the REIT under this proposal would be subject to the highest corporate tax rate.

SEC. 304. PAYMENTS UNDER HEDGING INSTRUMENTS.

In 1988, Congress added section 856(c)(6)(G), which generally provides that income from an interest rate swap or cap agreement used to hedge a variable rate indebtedness is treated as qualifying income under section 856(c)(2). In addition, such agreement is treated as a security for purposes of section 856(c)(4)(A), which limits a REIT's gain on the sale of securities held for less than 1 year to 30% of gross income.

A swap agreement is a contractual arrangement between parties that permits them to convert existing variable rate interest payments or receipts into fixed rates, and vice versa. Thus, swaps may be used to hedge against potential increases in interest rates on debt exposures, as well as to capture higher rates on fixed income streams. Interest rate caps likewise may be used to hedge interest payments or receipts, but such hedge is effective only over a specified range.

There are a number of financial products available, in addition to swaps and caps, that may be important tools in a company's effort to hedge its exposure to increased liabilities and to protect current high returns. As the REIT industry has grown and become more knowledgeable in managing its investments, more and more REITs are using financial instruments of all kinds as a conservative method of managing their interest rate exposure.

A REIT should be permitted to use the wide variety of financial instruments that are available for managing its liability exposures, whether the interest rates are fixed or variable. Financial markets world-wide have undergone revolutionary changes over the past decade. These changes have brought about dramatic liquidity in interest rate and currency markets, which in turn have significantly increased the volatility in these markets.

This bill would amend the REIT rules to allow all types of hedges of REIT liabilities. It would also insure that any income from a hedge mechanism will be excluded from either the numerator or denominator of any of the REIT income tests. This rule would not permit a REIT to speculate in hedging instruments, nor alter the REIT's primary mission to invest in real estate assets.

SEC. 305. EXCESS NONCASH INCOME.

Generally, REITs are required to distribute 95% of their taxable income to shareholders each year. In 1986, Congress recognized the inequity of requiring a REIT to distribute "phantom income" items, in which the REIT recognizes income but receives no corresponding cash. Congress enacted section 857(a)(1)(B) to exclude certain excess noncash income from the distribution requirement.

A REIT has been compelled to return property to a seller rather than accept a cancellation and restructuring of a seller-financed mortgage, because of the REIT's inability to distribute the resulting noncash income. Moreover, REITs often accrue original issue discount ("OID") income resulting from their investments. In addition, REITs are precluded under the current rules from repurchasing bonds at a discount that were issued at rates that are now "above market." This inability to refinance adversely affects the capital requirements for REITs.

Under this bill, all forms of OID and REMIC excess inclusion income (to the extent not offset by distributions), and cancellation of indebtedness income would be treated as excess noncash income for purposes of the distribution requirement in section 857(a). As a matter of policy, these forms of noncash income are indistinguishable from the types that are excepted from the distribution requirement. This bill would extend the special rules for OID income and REMIC excess inclusion income to both accrual basis and cash basis REITs. The bill would not alter the existing rule that imposes an excise tax on certain undistributed REIT income.

In addition, since the proposal would affect only a REIT's distribution requirements, a REIT would not receive a dividends paid deduction with respect to the phantom income. Thus, a REIT might be compelled to pay a corporate level tax to the extent its dividends paid deductions is less than its taxable income. These changes are just a logical extension of the 1986 changes.

SEC. 306. PROHIBITED TRANSACTION SAFE HARBOR.

A REIT may be subject to a 100% tax on net income from sales of property in the ordinary course of business ("prohibited transactions"). In 1986, Congress recognized the need for a bright line safe harbor for determining whether a REIT's property sale constituted a prohibited transaction. Congress further liberalized these rules in 1978 and 1986 to better comport with industry practice and to simplify a REIT's ability to sell long-term investment property without fear of being taxed at a 100% rate.

Because of certain limitations contained in the safe harbor, some of the industry's largest and most successful members cannot use the exception, thus, their ability to responsibly manage their property portfolio is impeded. The most restrictive limitation for these companies is the limitation on the number of sales per year.

The limitation relating to aggregate tax bases penalizes the companies that are the least likely to have engaged in dealer activity. The most successful REITs have typically held their properties the longest, resulting in low adjusted bases due to depreciation or amortization deductions. Thus, the aggregate bases of all the REIT properties will be relatively much lower for purposes of the safe harbor exception than a REIT that routinely turns over its properties every 4 years. Accordingly, the REIT that holds its properties for the longer term is penalized.

Under this bill, any real property asset disposed of as a result of an involuntary conversion (e.g., its destruction, seizure, or condemnation) would not be considered for purposes of determining compliance with the 7 sales per year safe harbor. This change would ensure that a diligent REIT is not removed for the safe harbor as a result of events beyond its control.

In addition, in order not to penalize companies that hold a large number of depreciated properties as long-term investments, this bill would change the alternative aggregate bases exception to use the adjusted bases of properties before reduction for any allowed or allowable depreciation or amortization. This change simply carries out the intent of the safe harbor.

SEC. 307. SHARED APPRECIATION MORTGAGES.

Section 856(j) generally provides that income recognized by a REIT from a shorter holding period is substituted for that of the contract for the purposes of applying the 30% limitation in section 856(c)(4) and the prohibited transaction safe harbor rule of section 857(b)(6)(C)(i). The character of the underlying property as dealer property (i.e., section 1221(1) property) in its holder's hands also is substituted for the shared appreciation mortgage ("SAM") contract's character for purposes of imposing the prohibited transaction tax.

Congress enacted section 856(j) in 1986, partly in response to the REIT industry's request for statutory authority that a REIT may receive interest based on a borrower's sales profits under limited circumstances. As a practical matter, a REIT cannot control the holding period, character or disposition of property underlying a SAM contract that it does not own. Attempts to provide contractual controls on these items give little assurance to a REIT and merely dilute its competitive position as a lender.

This bill would create a safe harbor that would not penalize a REIT lender for events beyond its control, for example, the borrower's bankruptcy. It also would clarify that shared appreciation mortgages can be based on appreciation in value as well as gain.

SEC. 308. WHOLLY OWNED SUBSIDIARIES.

In 1986, Congress recognized that for purposes of limiting liability, investors commonly hold separate parcels of real estate in separate corporations. Congress therefore enacted section 856(i), under which a REIT "qualified subsidiary" that holds property as a separate corporation is ignored for federal tax purposes. To be a qualified subsidiary, the REIT must own 100% of a corporation's stock "at all times during the period such corporation was in existence."

The requirement in the phrase quoted above has presented some problems not envisioned in 1986. For example, several real estate operating companies operating as regular C corporations have elected REIT status since 1991. As is typical with corporations owning real estate, these electing companies had subsidiaries that owned various real estate properties. The IRS was asked whether the existing subsidiaries could be REIT qualifying subsidiaries because before the parent's REIT election, the subsidiaries were not held by a REIT. The IRS has issued several private letter rulings holding that they can so qualify. However, to reach this result, the IRS used the artificial construct of deeming the subsidiaries as being liquidated as of the REIT election and then reincorporated.[2] Similar issues arise if a REIT acquires all of the stock of a non-REIT corporation owning real estate, either in a taxable or tax-free transaction.

There is no sound policy reason why a non-REIT corporation may not become a qualified subsidiary once a REIT owns all of its stock. Under section 857(a)(3)(B), all pre-REIT E&P of the subsidiary should be distributed to the REIT's shareholders before the end of the REIT's taxable year. In addition, all of the subsidiary's pre-REIT built-in gain should be subject to tax under the normal rules of section 337(d).

This bill provides that any corporation could be a qualified subsidiary if a REIT owns all of its shares, regardless of the prior ownership of its shares. Again, this approach is a logical modification of the 1986 change that should remove an unnecessary barrier to REIT acquisitions.

By Mr. LEAHY (for himself, Mr. JEFFORDS, Mr. GREGG, and Mr. SMITH):

S.J.RES. 38. A joint resolution granting the consent of Congress to the Vermont-New Hampshire Interstate Public Water Supply Compact; to the Committee on the Judiciary.

VERMONT-NEW HAMPSHIRE INTERSTATE PUBLIC WATER SUPPLY COMPACT LEGISLATION

• Mr. LEAHY. Mr. President, today I am pleased to introduce a joint resolution with Senators JEFFORDS, GREGG and SMITH to allow the States of Vermont and New Hampshire to implement an interstate public water supply compact. Both States have enacted this compact through their State legislature, and the affected towns are currently awaiting congressional approval so that they can move forward in their partnership.

Most members are familiar with compacts since they have become common tools to address local problems. Like all compacts, this one is a binding agreement between States established for the purpose of addressing problems shared by those States. This particular compact allows Vermont and New Hampshire to construct and maintain joint public drinking water systems.

According to the compact in this Senate joint resolution, Vermont and New Hampshire municipalities are granted the authority to apply jointly for federal financing and raise appropriate revenue for the creation of drinking water facilities. The agreement also allows for joint management and maintenance to help cut costs while still meeting minimum health standards for drinking water. While public water projects will be carried out according to eight common guidelines stipulated in the joint resolution, this joint resolution does not create a new governmental authority and does not supersede any existing laws or agreements of member states. Finally, the States of Vermont and New Hampshire initiated and drafted this compact cooperatively and enactment was pursued voluntarily by each legislature.

This compact carries on a tradition of cooperative efforts to meet interstate objectives between Vermont and New Hampshire. These two States currently implement the New Hampshire-Vermont interstate sewage and waste disposal facilities compact. In addition, both States are members of the broader New England interstate water pollution control compact and the Connecticut River Valley Flood control compact. On a national level, literally dozens of compacts have been considered and approved by Congress to address water issues. The Vermont-New Hampshire Public Water Supply compact reflects the principles of previous compacts which have effectively addressed interstate concerns.

We are introducing this bill today in order to satisfy article 1, section 10 of the U.S. Constitution. Article 1, section 10 mandates that "No state shall without the consent of Congress enter into agreement or compact with another state or with a foreign power." The courts have established two reasons for Congressional consent. One is to prevent undue injury to the interest of noncompacting states, the other is to protect the Constitutional interests of the federal government against interference from the states. I believe that this compact serves the interests of the two member states well, does not affect other states, and protects the constitutional interests of the federal government. It is in this spirit that I introduce this joint resolution for the consideration and approval by the U.S. Senate.•

ADDITIONAL COSPONSORS

S. 490

At the request of Mr. GRASSLEY, the names of the Senator from Iowa [Mr. HARKIN] and the Senator from Kansas [Mrs. KASSEBAUM] were added as cosponsors of S. 490, a bill to amend the Clean Air Act to exempt agriculture-related facilities from certain permitting requirements, and for other purposes.

S. 505

At the request of Mr. HARKIN, the name of the Senator from Iowa [Mr. GRASSLEY] was added as a cosponsor of S. 505, a bill to direct the Administrator of the Environmental Protection Agency not to act under section 6 of the Toxic Substances Control Act to prohibit the manufacturing, processing, or distribution of certain fishing sinkers or lures.

S. 678

At the request of Mr. AKAKA, the names of the Senator from Virginia [Mr. ROBB] and the Senator from Oregon [Mr. PACKWOOD] were added as cosponsors of S. 678, a bill to provide for the coordination and implementation of a national aquaculture policy for the

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[1] "Section" refers to a section of the Internal Revenue Code of 1986, as amended ("Code"), unless otherwise indicated.

[2] *See* PLRs 9527020, 9421034, 9307018, 9205030, 9124041 and 9051043. *See also* PLR 9409035.

private sector by the Secretary of Agriculture, to establish an aquaculture development and research program, and for other purposes.

S. 690

At the request of Mr. AKAKA, the name of the Senator from Wyoming [Mr. THOMAS] was added as a cosponsor of S. 690, a bill to amend the Federal Noxious Weed Act of 1974 and the Terminal Inspection Act to improve the exclusion, eradication, and control of noxious weeds and plants, plant products, plant pests, animals, and other organisms within and into the United States, and for other purposes.

S. 729

At the request of Mr. LOTT, the name of the Senator from Louisiana [Mr. BREAUX] was added as a cosponsor of S. 729, a bill to provide off-budget treatment for the Highway Trust Fund, the Airport and Airway Trust Fund, the Inland Waterways Trust Fund, and the Harbor Maintenance Trust Fund, and for other purposes.

S. 743

At the request of Mrs. HUTCHISON, the name of the Senator from Michigan [Mr. ABRAHAM] was added as a cosponsor of S. 743, a bill to amend the Internal Revenue Code of 1986 to provide a tax credit for investment necessary to revitalize communities within the United States, and for other purposes.

S. 758

At the request of Mr. HATCH, the name of the Senator from Kansas [Mrs. KASSEBAUM] was added as a cosponsor of S. 758, a bill to amend the Internal Revenue Code of 1986 to provide for S corporation reform, and for other purposes.

S. 830

At the request of Mr. LEAHY, his name was added as a cosponsor of S. 830, a bill to amend title 18, United States Code, with respect to fraud and false statements.

S. 949

At the request of Mr. GRAHAM, the names of the Senator from Florida [Mr. MACK] and the Senator from California [Mrs. FEINSTEIN] were added as cosponsors of S. 949, a bill to require the Secretary of the Treasury to mint coins in commemoration of the 200th anniversary of the death of George Washington.

S. 969

At the request of Mr. BRADLEY, the names of the Senator from Illinois [Ms. MOSELEY-BRAUN] and the Senator from Nevada [Mr. BRYAN] were added as cosponsors of S. 969, a bill to require that health plans provide coverage for a minimum hospital stay for a mother and child following the birth of the child, and for other purposes.

S. 978

At the request of Mrs. HUTCHISON, the name of the Senator from Kansas [Mrs. KASSEBAUM] was added as a cosponsor of S. 978, a bill to facilitate contributions to charitable organizations by codifying certain exemptions from the Federal securities laws, to clarify the inapplicability of antitrust laws to charitable gift annuities, and for other purposes.

S. 1000

At the request of Mr. BURNS, the names of the Senator from Alaska [Mr. STEVENS], the Senator from Arizona [Mr. KYL], the Senator from Georgia [Mr. COVERDELL], and the Senator from Louisiana [Mr. JOHNSTON] were added as cosponsors of S. 1000, a bill to amend the Internal Revenue Code of 1986 to provide that the depreciation rules which apply for regular tax purposes shall also apply for alternative minimum tax purposes, to allow a portion of the tentative minimum tax to be offset by the minimum tax credit, and for other purposes.

At the request of Mr. HELMS, his name was added as a cosponsor of S. 1000, supra.

S. 1028

At the request of Mrs. KASSEBAUM, the name of the Senator from Arizona [Mr. MCCAIN] was added as a cosponsor of S. 1028, a bill to provide increased access to health care benefits, to provide increased portability of health care benefits, to provide increased security of health care benefits, to increase the purchasing power of individuals and small employers, and for other purposes.

S. 1088

At the request of Mr. MCCAIN, his name was added as a cosponsor of S. 1088, a bill to provide for enhanced penalties for health care fraud, and for other purposes.

S. 1228

At the request of Mr. D'AMATO, the names of the Senator from New Mexico [Mr. DOMENICI] and the Senator from North Carolina [Mr. HELMS] were added as cosponsors of S. 1228, a bill to impose sanctions on foreign persons exporting petroleum products, natural gas, or related technology to Iran.

S. 1250

At the request of Mr. SARBANES, the names of the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from Hawaii [Mr. AKAKA], and the Senator from Vermont [Mr. LEAHY] were added as cosponsors of S. 1250, a bill to amend titles 5 and 37, United States Code, to provide for the continuance of pay and the authority to make certain expenditures and obligations during lapses in appropriations.

SENATE RESOLUTION 146

At the request of Mr. JOHNSTON, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of Senate Resolution 146, A resolution designating the week beginning November 19, 1995, and the week beginning on November 24, 1996, as "National Family Week," and for other purposes.

AMENDMENT NO. 2815

At the request of Mr. BIDEN, the names of the Senator from Georgia [Mr. COVERDELL], the Senator from New York [Mr. D'AMATO], and the Senator from Rhode Island [Mr. CHAFEE] were added as cosponsors of Amendment No. 2815 proposed to H.R. 2076, a bill making appropriations for the Department of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1996, and for other purposes.

AMENDMENT NO. 2817

At the request of Mr. KERREY, the names of the Senator from South Dakota [Mr. DASCHLE], and the Senator from Vermont [Mr. JEFFORDS] were added as cosponsors of amendment No. 2817 proposed to H.R. 2076, a bill making appropriations for the Department of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1996, and for other purposes.

At the request of Mr. ROBB his name was added as a cosponsor of amendment No. 2817 proposed to H.R. 2076, supra.

SENATE CONCURRENT RESOLUTION 28—RELATIVE TO THE D.C. STANDDOWN 1995

Mr. JEFFORDS submitted the following concurrent resolution; which was referred to the Committee on Rules and Administration:

S. CON. RES. 28

Whereas grassroots community StandDowns help homeless veterans' life on the streets and have provided thousands of homeless veterans with life's necessities including food, clothing, medical attention, legal counseling, mental health treatments and job counseling and referrals;

Whereas the growth of StandDowns has displayed both its popularity and effectiveness as a means of addressing the unique needs of homeless veterans; and

Whereas StandDowns have offered a familiar and comforting atmosphere to as many as 25,000 homeless veterans in the past: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring),

SECTION 1. USE OF CAPITOL GROUNDS FOR THE D.C. STANDDOWN '95.

The National Coalition for Homeless Veterans shall be permitted to host a public event on the Upper Senate Park Portion of the Capitol Grounds during the period beginning on October 23, 1995, and ending on October 30, 1995.

SEC. 2. CONDITIONS.

The event to be carried out under this resolution shall be arranged not to interfere with the needs of Congress, under conditions to be prescribed by the Architect of the Capitol and the Capitol Hill Police Board, except that the National Coalition for Homeless Veterans shall assume full responsibility for all expenses and liabilities incident to all activities associated with the event.

SEC. 3. STRUCTURES AND EQUIPMENT.

For the purposes of this resolution, the National Coalition for Homeless Veterans is authorized to erect upon the Capitol grounds, subject to the approval of the Architect of the Capitol, such stage, sound amplification devices, and other related structures and equipment as may be required for the event to be carried out under this resolution.

SEC. 4. ADDITIONAL ARRANGEMENTS.

The Architect of the Capitol and the Capitol Hill Police Board are authorized to make such additional arrangements as may be required to carry out the event under this resolution.

SEC. 5. LIMITATION ON REPRESENTATIONS.

The National Coalition for Homeless Veterans shall not represent, either directly or indirectly, that this resolution or any activity carried out under this resolution in any way constitutes approval or endorsement by the Federal Government of the National Coalition for Homeless Veterans or any services offered by the National Coalition for Homeless Veterans.

• Mr. JEFFORDS. Mr. President, I submit a resolution to authorize the use of the Capitol Grounds for D.C. StandDown '95. D.C. StandDown '95 will involve over 500 staffers and volunteers from public and private sector organizations, including the National Coalition for Homeless Veterans, the Department of Veterans' Affairs, the United States Naval Medical Center, and the Department of Housing and Urban Development. D.C. StandDown '95 will provide hundreds of homeless veterans with food, clothing, medical attention, legal counseling, mental health treatment and job counseling. Because the District of Columbia has the highest number of homeless veterans per capita in the Nation, authorizing the use of the Capitol Grounds for D.C. StandDown '95 is essential.

Veterans' standdowns have proven to be the best way to address the unique needs of veterans and to reach veterans who rarely take advantage of the services they are entitled to. Standdowns have grown in popularity around the country. Over 25,000 homeless veterans have been served in previous standdowns, and I am pleased that passage of my resolution will aid another 350 homeless veterans who seek physical, mental, and employment counseling assistance.

My resolution will permit the National Coalition for Homeless Veterans to host the event on the Upper Senate Park portion of the Capitol Grounds between October 23, 1995, and October 30, 1995. The coalition will be responsible for all expenses and liabilities related to the event. Any effort to erect a stage, sound system or any other structure would need to be approved by the Architect of the Capitol. Finally, the coalition can not characterize passage of this resolution as constituting an endorsement by the Federal Government.

I am pleased that Representative JOSEPH KENNEDY feels as strong as I do about the effectiveness and necessary of veterans' standdowns, as he has agreed to introduce a companion resolution in the House of Representatives. We as a Nation must continue to provide assistance to homeless veterans and foster their eventual return to healthy, self-sufficient and productive lives. I believe that D.C. StandDown '95 will contribute to this return.•

SENATE CONCURRENT RESOLUTION 29—RELATIVE TO JERUSALEM

Mr. DOLE submitted the following concurrent resolution; which was considered and agreed to:

S. CON. RES. 29

Whereas the Senate wishes to mark the 3000th anniversary of King David's establishment of Jerusalem as the capital of Israel; and

Where as Jerusalem, the City of David, has been the focal point of Jewish life; and

Where as Jerusalem, the City of Peace, has held a unique place and exerted a unique influence on the moral development of Western Civilization; and

Where as no other city on Earth is today the capital of the same country, inhabited by the same people, speaking the same language, and worshipping the same God as it was 3000 years ago;

Resolved by the Senate (the House of Representatives concurring), The architect is directed to make the necessary arrangements for a date in October to be mutually agreed upon by the Speaker of the House and the Majority Leader of the Senate, after consultation with the Minority Leaders of the two houses, for the use of the Rotunda for a celebration of the founding of the city of Jerusalem.

SENATE RESOLUTION 177—TO DESIGNATE NATIONAL MAMMOGRAPHY DAY

Mr. BIDEN submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 177

Whereas according to the American Cancer Society, one hundred eighty-two thousand women will be diagnosed with breast cancer in 1995, and forty-six thousand women will die from this disease;

Whereas in the decade of the 1990s, it is estimated that about two million women will be diagnosed with breast cancer, resulting in nearly five hundred thousand deaths;

Whereas the risk of breast cancer increases with age, with a woman at age seventy having twice as much of a chance of developing the disease than a woman at age fifty;

Whereas 80 percent of the women who get breast cancer have no family history of the disease;

Whereas mammograms, when operated professionally at a certified facility, can provide a safe and quick diagnosis;

Whereas experts agree that mammography is the best method of early detection of breast cancer, and early detection is the key to saving lives; and

Whereas mammograms can reveal the presence of small cancers of up to two years or more before regular clinical breast examination or breast self-examination (BSE), saving as many as a third more lives: Now, therefore be it

Resolved, That the Senate designate October 19, 1995 as "National Mammography Day."

The Senate requests that the President issue a proclamation calling upon the people of the United States to observe such day with appropriate programs and activities.

Mr. BIDEN. Mr. President, I rise today to submit a resolution designating October 19, 1995 as "National Mammography Day."

Over the course of the past 2 years, I have introduced joint resolutions that designate October 19th as a special day to encourage women to get mammograms as part of the early detection process in the fight against breast cancer. Both times the joint resolution has been signed into law by President Clinton.

This year, the House of Representatives is no longer considering commemoratives. Nevertheless, I feel that the Senate should go on record to continue to educate and raise the consciousness about the importance of early detection and the value of mammography.

Mr. President, according to the American Cancer Society, national figures on breast cancer indicate that, in 1995 alone, 182,000 women will be diagnosed with breast cancer. Forty-six thousand women will succumb to this disease.

My home State of Delaware still ranks among the worst in breast cancer mortality, with an estimated 570 new breast cancer cases and over 150 breast cancer deaths.

Although a cure for breast cancer may be some time away, early detection and treatment are crucial to ensure survival. Studies have shown and experts agree, that mammography is one of the best methods to detect breast cancer in its early stages. Mammograms can reveal the presence of small cancers up to 2 years before regular clinical breast examinations or breast self-examinations [BSE], saving as many as a third more lives of those diagnosed with the disease.

With 50 percent of the breast cancer cases occurring in women over age 65, no women can be considered immune from the disease; in fact, 80 percent of the women who get breast cancer have no family history of the disease.

Mr. President, the resolution I am submitting today sets aside 1 day in the midst of "National Breast Cancer Awareness Month"—to encourage women to receive or sign up for a mammogram, as well as to bring about greater awareness and understanding of one of the key components in fighting this disease.

Once again, I am pleased to sponsor this resolution, and invite all of my colleagues to join me in this effort.

SENATE RESOLUTION 178—DESIGNATING NATIONAL CHILDREN'S DAY

Mr. PRESSLER (for himself, Mr. GRAHAM, Mr. BOND, Mr. CHAFEE, Mr.

D'Amato, Mr. Dole, Mr. Gorton, Mrs. Kassebaum, Mr. Specter, Mr. Stevens, Mr. Warner, Mr. Thurmond, Mr. Akaka, Mr. Hollings, Mr. Kerrey, Mr. Daschle, Mr. Levin, and Ms. Mikulski) submitted the following resolution, which was considered and agreed to:

S. Res. 178

Whereas the people of the United States should celebrate children as the most valuable asset of the Nation;

Whereas the children represent the future, hope, and inspiration of the United States;

Whereas the children of the United States should be allowed to feel that their ideas and dreams will be respected because adults in the United States take time to listen;

Whereas many children of the United States face crises of grave proportions, especially as they enter adolescent years;

Whereas it is important for parents to spend time listening to their children on a daily basis;

Whereas modern societal and economic demands often pull the family apart;

Whereas encouragement should be given to families to set aside a special time for all family members to engage together in family activities;

Whereas adults in the United States should have an opportunity to reminisce on their youth to recapture some of the fresh insight, innocence, and dreams that they may have lost through the years;

Whereas the designation of a day to commemorate the children of the United States will provide an opportunity to emphasize to children the importance of developing an ability to make the choices necessary to distance themselves from impropriety and to contribute to their communities;

Whereas the designation of a day to commemorate the children of the Nation will emphasize to the people of the United States the importance of the role of the child within the family and society;

Whereas the people of the United States should emphasize to children the importance of family life, education, and spiritual qualities; and

Whereas children are the responsibility of all Americans, thus everyone should celebrate the children of the United States, whose questions, laughter, and tears are important to the existence of the United States: Now, therefore, be it

Resolved, That the Senate designates the second Sunday in October of 1995 as "National Children's Day" and requests that the President issue a proclamation calling on the people of the United States to observe the day with appropriate ceremonies and activities.

SENATE RESOLUTION 179—RELATIVE TO THE 50TH ANNIVERSARY OF WORLD WAR II

By Mr. THURMOND (for himself, Mr. Dole, Mr. Ashcroft, Mr. Baucus, Mr. Domenici, Mr. Dorgan, Mr. Gorton, Mr. Kennedy, Mr. Lautenberg, Mr. Hollings, Mr. Santorum, Mr. Packwood, Mr. Warner, Mr. Cohen, Mr. Shelby, Mr. Lott, Mr. Hatfield, Mr. Jeffords, Mr. Cochran, Mr. Bumpers, Mr. Kohl, Mr. Mack, Mr. Biden, Mr. Craig, Mr. Sarbanes, Mr. Byrd, Mr. Stevens, Mr. Inhofe, Mr. Wellstone, Mr. Leahy, Mr. Simpson, Mr. Brown, Mr. Robb, Mr. Inouye, Mr. hatch, and Mr. Campbell) submitted the following resolution; which was considered and agreed to:

S. Res. 179

Concerning a joint meeting of Congress and the closing of the commemorations for the Fiftieth Anniversary of World War II.

Whereas 50 years ago, this Nation had just emerged from a war that found Americans fighting a common foe with 32 allied countries and in which over 17,000,000 Americans served in the military;

Whereas the United States suffered over 670,000 casualties, with more than 290,000 deaths, while over 105,000 Americans were held as prisoners of war by * * *;

Whereas on the home front, Americans mobilized to support the war by increasing the output of manufactured goods by 300 percent and by causing a second agricultural revolution through the efforts and imagination of our people as the American farmers mobilized to support the world;

Whereas the war led to dramatic social changes as more than 19,500,000 women joined the workforce at the Nation's defense plants and 350,000 joined the military;

Whereas the roles of minorities in both the military and industry were changed forever as more opportunities for employment and involvement in the defense of the United States presented themselves;

Whereas the contributions by women, minorities, and all those on the home front were legion;

Whereas the bringing to a close of the commemorations for the Fiftieth Anniversary of World War II should be celebrated across the Nation with programs and activities to thank and honor the World War II generation, our veterans, their families, those who lost loved ones, and all who served on the home front; and

Whereas it is important to educate the generations that followed World War II on the lessons of this horrific conflict and to reaffirm the values of human decency: Now, therefore, be it

Resolved, That—

(1) the Senate and the House of Representatives, by previous agreement, shall assemble in the Hall of the House of Representatives on October 11, 1995, for the purpose of saying to the Nation and the world that the American people will never forget those who served our Nation and saved the world, our veterans, and those who served on the home front as we close the commemoration of the Fiftieth Anniversary of World War II;

(2)(A) November 4, 1995, through November 11, 1995, is designated as a "Week of National Remembrance and the Closing of the Fiftieth Anniversary of World War II", with National Days of Prayer on November 4 and November 5, 1995, and a World War II Education Day across America on November 8, 1995, and the President is authorized and requested to issue a proclamation calling on the people of the United States to observe that period with appropriate ceremonies and activities;

(B) commemorations during the "Week of National Remembrance and the Closing of the Fiftieth Anniversary of World War II" shall include the dedication of the future site of the Nation's World War II Memorial in Washington, D.C.;

(3) Veterans Day, November 11, 1995, is designated as a "National Day of Observance and Celebration of the Fiftieth Anniversary of World War II", and the President is authorized and requested to issue a proclamation calling on the people of the United States to observe that day with appropriate ceremonies and activities; and

(4) each State Governor and each chief executive of each political subdivision of each State, is urged to issue a proclamation (or other appropriate official statement) calling upon the citizens of such State or political subdivision of a State to participate on November 11, 1995, at 11 a.m., in the ringing of the Bells of Peace and Freedom by striking all bells of the Nation 50 times to signify the 50 years without a world war and the world's hope to achieve another 50 years of peace and freedom.

AMENDMENTS SUBMITTED

THE DEPARTMENT OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT FOR FISCAL YEAR 1996

BINGAMAN AMENDMENTS NOS. 2829–2831

(Ordered to lie on the table.)

Mr. BINGAMAN submitted three amendments intended to be proposed by him to the bill (H.R. 2076) making appropriations for the Department of Commerce, Justice, and State, the Judiciary, and related agencies programs for the fiscal year ending September 30, 1996, and for other purposes, as follows:

Amendment No. 2829

On page 16, line, 26, strike "$790,000,000 and insert "$789,900,000".

On page 120, between lines 9 and 10, insert the following:

COMPETITIVENESS POLICY COUNCIL

For necessary expenses of the Competitiveness Policy Council, $100,000.

Amendment No. 2830

On page 93, between lines 9 and 10, insert the following:

And also provided, That by May 31, 1996, the State Department will report to the President and to Congress on potential cost savings generated by extending foreign service officer tours of duty in nations for which the State Department requires two-year language study programs, but specifically including China, Korea, and Japan. This study should consider extending terms on the following basis: junior officers from the current two year maximum term to a three-year tour; and mid to senior foreign service officers from the current three year minimum term to four year minimum with a possible employee-initiated one year extension.

Amendment No. 2831

At the appropriate place, insert the following:

SEC. ___. ENERGY SAVINGS AT FEDERAL FACILITIES.

(a) Reduction in Facilities Energy Costs.—

(1) In general.—The head of each agency for which funds are made available under this Act shall—

(A) take all actions necessary to achieve during fiscal year 1996 a 5 percent reduction, from fiscal year 1995 levels, in the energy costs of the facilities used by the agency; or

(B) enter into a sufficient number of energy savings performance contracts with private sector energy service companies under title VIII of the National Energy Conservation Policy Act (42 U.S.C. 8287 et seq.) to achieve during fiscal year 1996 at least a 5 percent reduction, from fiscal year 1995 levels, in the energy use of the facilities used by the agency.

(2) GOAL.—The activities described in paragraph (1) should be a key component of agency programs that will by the year 2000 result in a 20 percent reduction, from fiscal year 1985 levels, in the energy use of the facilities used by the agency, as required by section 543 of the National Energy Conservation Policy Act (42 U.S.C. 8253).

(b) USE OF COST SAVINGS.—An amount equal to the amount of cost savings realized by an agency under subsection (a) shall remain available for obligation through the end of fiscal year 2000, without further authorization or appropriation, as follows:

(1) CONSERVATION MEASURES.—Fifty percent of the amount shall remain available for the implementation of additional energy conservation measures and for water conservation measures at such facilities used by the agency as are designated by the head of the agency.

(2) OTHER PURPOSES.—Fifty percent of the amount shall remain available for use by the agency for such purposes as are designated by the head of the agency, consistent with applicable law.

(c) REPORTS.—

(1) BY AGENCY HEADS.—The head of each agency for which funds are made available under this Act shall include in each report of the agency to the Secretary of Energy under section 548(a) of the National Energy Conservation Policy Act (42 U.S.C. 8258(a)) a description of the results of the activities carried out under subsection (a) and recommendations concerning how to further reduce energy costs and energy consumption in the future.

(2) BY SECRETARY OF ENERGY.—The reports required under paragraph (1) shall be included in the annual reports required to be submitted to Congress by the Secretary of Energy under section 548(b) of the Act (42 U.S.C. 8258(b)).

(3) CONTENTS.—With respect to the period since the date of the preceding report, a report under paragraph (1) or (2) shall—

(A) specify the total energy costs of the facilities used by the agency;

(B) identify the reductions achieved;

(C) specify the actions that resulted in the reductions;

(D) with respect to the procurement procedures of the agency, specify what actions have been taken to—

(i) implement the procurement authorities provided by subsections (a) and (c) of section 546 of the National Energy Conservation Policy Act (42 U.S.C. 8256); and

(ii) incorporate directly, or by reference, the requirements of the regulations issued by the Secretary of Energy under title VIII of the Act (42 U.S.C. 8287 et seq.); and

(E) specify—

(i) the actions taken by the agency to achieve the goal specified in subsection (a)(2);

(ii) the procurement procedures and methods used by the agency under section 546(a)(2) of the Act (42 U.S.C. 8256(a)(2)); and

(iii) the number of energy savings performance contracts entered into by the agency under title VIII of the Act (42 U.S.C. 8287 et seq.).

HATFIELD (AND OTHERS) AMENDMENT NO. 2832

(Ordered to lie on the table.)

Mr. HATFIELD (for himself, Mr. DORGAN, Mr. FEINGOLD, Mr. BUMPERS, Mr. HARKIN, and Mr. PELL) submitted an amendment intended to be proposed by them to the bill H.R. 2076, supra, as follows:

On page 162, between lines 6 and 7, insert the following new title:

TITLE VIII—CODE OF CONDUCT ON ARMS TRANSFERS

SEC. 801. SHORT TITLE.

This title may be cited as the "Code of Conduct on Arms Transfers Act of 1995".

SEC. 802. FINDINGS.

The Congress finds the following:

(1) Approximately 40,000,000 people, over 75 percent civilians, died as a result of civil and international wars fought with conventional weapons during the 45 years of the Cold War, demonstrating that conventional weapons can in fact be weapons of mass destruction.

(2) Conflict has actually increased in the post-Cold War era, with 34 major wars in progress during 1993.

(3) War is both a human tragedy and an ongoing economic disaster affecting the entire world, including the United States and its economy, because it decimates both local investment and potential export markets.

(4) International trade in conventional weapons increases the risk and impact of war in an already over-militarized world, creating far more costs than benefits for the United States economy through increased United States defense and foreign assistance spending and reduced demand for United States civilian exports.

(5) The newly established United Nations Register of Conventional Arms can be an effective first step in support of limitations on the supply of conventional weapons to developing countries, and compliance with its reporting requirements by a foreign government can be an integral tool in determining the worthiness of such government for the receipts of United States military assistance and arms transfers.

(6) It is in the national security and economic interests of the United States to reduce dramatically the $1,038,000,000,000 that all countries spend on armed forces every year, $242,000,000,000 of which is spent by developing countries, an amount equivalent to 4 times the total bilateral and multilateral foreign assistance such countries receive every year.

(7) According to the Congressional Research Service of the Library of Congress, the United States supplies more conventional weapons to developing countries than all other countries combined, averaging $14,956,000,000 each year in agreements to supply such weapons to developing countries since the end of the Cold War, compared to $7,300,000,000 each year in such agreements prior to the dissolution of the Soviet Union.

(8) In recent years the vast majority of United States arms transfers to developing countries are to countries with an undemocratic form of government whose citizens, according to the Department of State Country Reports on Human Rights Practices do not have the ability to peaceably change their form of government.

(9) Although a goal of United States foreign policy should be to work with foreign governments and international organizations to reduce militarization and dictatorship and therefore prevent conflicts before they arise, during 4 recent deployments of United States Armed Forces—to the Republic of Panama, the Persian Gulf, Somalia, and Haiti—the Armed Forces faced conventional weapons that had been provided or financed by the United States to undemocratic governments.

(10) The proliferation of conventional arms and conflicts around the globe is a multilateral problem, and the fact that the United States has emerged as the world's primary seller of conventional weapons, together with the world leadership role of the United States, signifies that the United States is in a position to seek multilateral restraints on the competition for and transfers of conventional weapons.

(11) The Congress has the constitutional responsibility to participate with the executive branch of Government in decisions to provide military assistance and arms transfers to a foreign government, and in the formulation of a policy designed to reduce dramatically the level of international militarization.

(12) A decision to provide military assistance and arms transfers to a government that is undemocratic, does not adequately protect human rights, is currently engaged in acts of armed aggression, or is not fully participating in the United Nations Register of Conventional Arms, should require a higher level of scrutiny than does a decision to provide such assistance and arms transfers to a government to which these conditions do not apply.

SEC. 803. PURPOSE.

The purpose of this title is to provide clear policy guidelines and congressional responsibility for determining the eligibility of foreign governments to be considered for United States military assistance and arms transfers.

SEC. 804. PROHIBITION OF UNITED STATES MILITARY ASSISTANCE AND ARMS TRANSFERS TO CERTAIN FOREIGN GOVERNMENTS.

(a) PROHIBITION.—Except as provided in subsections (b) and (c), no funds may be made available under any provision of law to provide United States military assistance or arms transfers to a foreign government for a fiscal year unless the President certifies to the Congress for that fiscal year that such government meets the following requirements:

(1) PROMOTES DEMOCRACY.—Such government—

(A) was chosen by and permits free and fair elections;

(B) promotes civilian control of the military and security forces and has civilian institutions controlling the policy, operation, and spending of all law enforcement and security institutions, as well as the armed forces;

(C) promotes the rule of law, equality before the law, and respect for individual and minority rights, including freedom to speak, publish, associate, and organize; and

(D) promotes the strengthening of political, legislative, and civil institutions of democracy, as well as autonomous institutions to monitor the conduct of public officials and to combat corruption.

(2) RESPECTS HUMAN RIGHTS.—Such government—

(A) does not engage in gross violations of internationally recognized human rights, including—

(i) extrajudicial or arbitrary executions;

(ii) disappearances;

(iii) torture or severe mistreatment;

(iv) prolonged arbitrary imprisonment;

(v) systematic official discrimination on the basis of race, ethnicity, religion, gender, national origin, or political affiliation; and

(vi) grave breaches of international laws of war or equivalent violations of the laws of war in internal conflicts;

(B) vigorously investigates, disciplines, and prosecutes those responsible for gross violations of internationally recognized human rights;

(C) permits access on a regular basis to political prisoners by international humanitarian organizations such as the International Committee of the Red Cross;

(D) promotes the independence of the judiciary and other official bodies that oversee the protection of human rights;

(E) does not impede the free functioning of domestic and international human rights organizations; and

(F) provides access on a regular basis to humanitarian organizations in situations of conflict or famine.

(3) NOT ENGAGED IN CERTAIN ACTS OF ARMED AGGRESSION.—Such government is not currently engaged in acts of armed aggression in violation of international law.

(4) FULL PARTICIPATION IN UNITED NATIONS REGISTER OF CONVENTIONAL ARMS.—Such government is fully participating in the United Nations Register of Conventional Arms.

(b) REQUIREMENT FOR CONTINUING COMPLIANCE.—Any certification with respect to a foreign government for a fiscal year under subsection (a) shall cease to be effective for that fiscal year if the President certifies to the Congress that such government has not continued to comply with the requirements contained in paragraphs (1) through (4) of such subsection.

(c) EXEMPTION.—The prohibition contained in subsection (a) shall not apply with respect to a foreign government for a fiscal year if—

(1) the President submits a request for an exemption to the Congress containing a determination that it is in the national security interest of the United States to provide military assistance and arms transfers to such government; and

(2) the Congress enacts a law approving such exemption request.

(d) NOTIFICATION TO CONGRESS.—The President shall submit to the Congress initial certifications under subsection (a) and requests for exemptions under subsection (c) in conjunction with the submission of the annual request for enactment of authorizations and appropriations for foreign assistance programs for a fiscal year and shall, where appropriate, submit additional or amended certifications and requests for exemptions at any time thereafter in the fiscal year.

SEC. 805. SENSE OF THE CONGRESS.

It is the sense of the Congress that the Committee on International Relations of the House of Representatives and the Committee on Foreign Relations of the Senate should hold hearings on controversial certifications submitted under section 804(a) and all requests for exemptions submitted under section 804(c).

SEC. 806. UNITED STATES MILITARY ASSISTANCE AND ARMS TRANSFERS DEFINED.

For purposes of this title, the terms "United States military assistance and arms transfers" and "military assistance and arms transfers" means—

(1) assistance under chapter 2 of part II of the Foreign Assistance Act of 1961 (relating to military assistance), including the transfer of excess defense articles under sections 516 through 519 of that Act;

(2) assistance under chapter 5 of part II of the Foreign Assistance Act of 1961 (relating to international military education and training);

(3) assistance under the "Foreign Military Financing Program" under section 23 of the Arms Export Control Act; or

(4) the transfer of defense articles, defense services, or design and construction services under the Arms Export Control Act, including defense articles and defense services licensed or approved for export under section 38 of that Act.

HELMS AMENDMENTS NOS. 2833–2837

(Ordered to lie on the table.)

Mr. HELMS submitted five amendments intended to be proposed by him to the bill H.R. 2076, supra, as follows:

AMENDMENT NO. 2833

In lieu of the matter proposed to be inserted by the amendment, insert the following: ":*Provided*, That none of the funds appropriated or otherwise made available under this heading may be available to carry out any purpose other than—

"(1) the abolition of the United States Arms Control and Disarmament Agency on a date which is not later than 60 days after the date of enactment of this Act,

"(2) the transfer to the Secretary of State prior to the abolition of the Agency of all functions vested by law in, or exercised by, the Director of the Agency, the Agency itself, or any officer, employee, or component thereof, immediately prior to the date of transfer, and

"(3) the transfer to the Secretary of State prior to the abolition of the Agency of all personnel employed in connection with, and the assets, liabilities, contracts, property, records, and unexpended balances or appropriations and other funds employed, used, held, arising from, available to, and to be made available in connection with, functions transferred under paragraph (2).".

AMENDMENT NO. 2834

On page 110, between lines 2 and 3, insert the following new section:

SEC. 405. PROHIBITION ON PROVISION OF UNITED STATES ARMED FORCES TO UNITED NATIONS OPERATIONS.

Section 628 of the Foreign Assistance Act of 1961 shall not apply to the detail, assignment, or other availability of forces of the Armed Forces of the United States to the United Nations or United Nations-related activities, including United Nations peacekeeping activities.

AMENDMENT NO. 2835

On page 110, between lines 2 and 3, insert the following new section:

SEC. . PLAN FOR CONSOLIDATION OF FUNCTIONS OF THE INDEPENDENT FOREIGN AFFAIRS AGENCIES.

(a) WITHHOLDING OF FUNDS.—Of the funds appropriated or otherwise made available in this title—

(1) $36,327,600 for "SALARIES AND EXPENSES" of the Department of State,

(2) $44,564,500 for "SALARIES AND EXPENSES" of the United States Information Agency, and

(3) $4,000,000 for "SALARIES AND EXPENSES" of the United States Arms Control and Disarmament Agency, shall be available only after—

(A) a plan that merges and consolidates the functions and activities of the Agency for International Development, the United States Information Agency, and the United States Arms Control and Disarmament Agency into the Department of State or other appropriate agencies has been submitted to Congress in accordance with subsection (c), and

(B) the Congress has not enacted a joint resolution disapproving the plan in accordance with subsection (d).

(b) RESTRICTION ON SALARIES AND EXPENSES.—None of the funds appropriated or otherwise made available in this title may be expended to finance salaries and expenses for the Agency for International Development, the United States Information Agency, and the United States Arms Control and Disarmament Agency except in accordance with the terms and requirements of sections 402 and sections 605 of this Act.

(c) ADDITIONAL REQUIREMENTS.—A plan described in subsection (a) is a plan—

(1) which is submitted by the President to the Committees on Appropriations and Foreign Relations of the Senate and the Committees on Appropriations and International Relations of the House of Representatives within 60 days of the date of enactment of this Act; and

(2) which contains a certification and accounting by the Director of the Office of Management and Budget that the Director estimates the plan will provide for a savings in budgetary authority in the major budget functional category 150 (relating to international affairs) $2,700,000,000 during the period beginning October 1, 1995 and ending September 30, 1999.

(d) CONSIDERATION OF PLANS.—Any such plan submitted under subsection (c)(1) shall be considered under the procedures of subsections (c), (d), (e), (f), and (g) of section 2908 of Public Law 101–510, except that—

(1) any reference therein to a resolution shall apply to a joint resolution introduced into a House of Congress by the Majority Leader of that House proposing the plan;

(2) the 20-day period referred to in section 2908(c) shall commence on the date the joint resolution is introduced;

(3) one germane floor amendment shall be in order, and debate thereon limited to one hour, equally divided in the usual form;

(4) section 2908(e) shall apply only if the text of the joint resolutions of each House are identical;

(5) if they are not identical, debate on any motion to resolve differences between the Houses and any conference report on such joint resolution shall be limited to one hour; and

(6) debate on any veto message on such joint resolution shall be limited to one hour.

AMENDMENT NO. 2836

On page 95, after line 7, before the period at the end of the line insert the following provisos: ": *Provided further*, That of the funds appropriated or otherwise made available in this paragraph, $36,327,600 shall be available only after a plan that merges and consolidates the functions and activities of the Agency for International Development, the United States Information Agency, and the United States Arms Control and Disarmament Agency into the Department of State or other appropriate agencies has been submitted to Congress, and not disapproved by statutory enactment, in accordance with this paragraph: *Provided further*, That none of the funds appropriated under this title may be expended to finance salaries and expenses for the Agency for International Development, the United States Information Agency, and the United States Arms Control and Disarmament Agency except in accordance with the terms and requirements of sections 402 and sections 605 of this Act: *Provided further*, That such a plan shall be submitted to the Committees on Appropriations and on Foreign Relations of the Senate and the Committees on Appropriations and International Relations of the House of Representatives: *Provided further*, That the

President shall submit such plan within 60 days of the date of enactment of this Act: *Provided further*, That the President's plan shall provide for a budgetary savings in the major budget functional category 150 (relating to international affairs) $2,700,000,000 during the period beginning October 1, 1995 and ending September 30, 1999. *Provided further*, That these savings shall be accounted for and certified by the Director of the Office of the Management and Budget at the time the plan is submitted: *Provided further*, That any such plan submitted under this paragraph shall be considered under the procedures of subsections (c), (d), (e), (f), and (g) of section 2908 of Public Law 101-510, except for the following conditions: That any reference therein to a resolution shall apply to the joint resolution introduced by the Majority Leaders of each House proposing the plan; the 20-day period referred to in section 2908(c) shall commence on the date the joint resolution is introduced; one germane floor amendment shall be in order, and debate thereon limited to one hour, equally divided in the usual form; section 2908(e) shall apply only if the text of the joint resolutions of each House are identical; if they are not identical, debate on any motion to resolve differences between the Houses and any conference report on such joint resolution shall be limited to one hour; and debate on any veto message on such joint resolution shall be limited to one hour".

AMENDMENT NO. 2837

At the appropriate place in the bill, insert the following new section:

SEC. . EXCLUSION FROM THE UNITED STATES OF ALIENS WHO HAVE CONFISCATED PROPERTY CLAIMED BY NATIONALS OF THE UNITED STATES.

(a) LIMITATION.—(1) Subject to subsection (b), none of the funds appropriated or otherwise made available by this Act or any other Act for any fiscal year shall be made available for the issuance of a visa to, or the admission to the United States of, any alien who has confiscated, or has directed or overseen the confiscation of, property the claim to which is owned by a national of the United States, or converts or has converted for personal gain confiscated property the claim to which is owned by a national of the United States.

(2) Nothing in this subsection may be construed or applied as inconsistent with the North American Free Trade Agreement, the General Agreement on Tariffs and Trade, or any other applicable international agreement.

(b) EXCEPTIONS.—Subsection (a) shall not apply to claims arising from territory in dispute as a result of war between United Nations member states in which the ultimate resolution of the disputed territory has not been resolved.

(c) REPORT REQUIREMENT.—(1) The United States Embassy in each country shall provide the Secretary of State with a list of foreign nationals in that country who have confiscated properties of United States citizens and have not fully resolved the cases with the United States citizens.

(2) No later than six months after the date of the enactment of this Act, the Secretary of State shall submit each list provided under paragraph (1) to the appropriate congressional committees.

(3) Not later than one year after the date of the enactment of this Act, and not later than February 1 of each year thereafter, the Secretary of State shall submit to the appropriate congressional committees a list of foreign nationals denied visas, and the Attorney General shall submit to the appropriate congressional committees a list of foreign nationals refused entry to the United States, as a result of this section.

HATCH (AND OTHERS) AMENDMENT NO. 2838

Mr. HATCH (for himself, Mr. DOLE, Mr. REID, Mr. THURMOND, Mr. SPECTER, Mr. KYL, Mr. ABRAHAM, Mrs. HUTCHISON, Mr. GRAMM, Mr. SANTORUM, Mr. GRASSLEY, Mr. BROWN, Mr. D'AMATO, Mr. MCCONNELL, and Mr. HELMS) proposed an amendment to the bill H.R. 2076, supra, as follows:

At the appropriate place, insert the following new title:

TITLE VIII—PRISON LITIGATION REFORM

SEC. 801. SHORT TITLE.

This title may be cited as the "Prison Litigation Reform Act of 1995".

SEC. 802. APPROPRIATE REMEDIES FOR PRISON CONDITIONS.

(a) IN GENERAL.—Section 3626 of title 18, United States Code, is amended to read as follows:

"§3626. Appropriate remedies with respect to prison conditions

"(a) REQUIREMENTS FOR RELIEF.—

"(1) PROSPECTIVE RELIEF.—(A) Prospective relief in any civil action with respect to prison conditions shall extend no further than necessary to correct the violation of the Federal right of a particular plaintiff or plaintiffs. The court shall not grant or approve any prospective relief unless the court finds that such relief is narrowly drawn, extends no further than necessary to correct the violation of the Federal right, and is the least intrusive means necessary to correct the violation of the Federal right. The court shall give substantial weight to any adverse impact on public safety or the operation of a criminal justice system caused by the relief.

"(B) Nothing in this section shall be construed to authorize the courts, in exercising their remedial powers, to order the construction of prisons or the raising of taxes, or to repeal or detract from otherwise applicable limitations on the remedial powers of the courts.

"(2) PRELIMINARY INJUNCTIVE RELIEF.—In any civil action with respect to prison conditions, to the extent otherwise authorized by law, the court may enter a temporary restraining order or an order for preliminary injunctive relief. Preliminary injunctive relief must be narrowly drawn, extend no further than necessary to correct the harm the court finds requires preliminary relief, and be the least intrusive means necessary to correct that harm. Preliminary injunctive relief shall automatically expire on the date that is 90 days after its entry, unless the court makes the findings required under subsection (a)(1) for the entry of prospective relief and makes the order final before the expiration of the 90-day period.

"(3) PRISONER RELEASE ORDER.—(A) In any civil action with respect to prison conditions, no prisoner release order shall be entered unless—

"(i) a court has previously entered an order for less intrusive relief that has failed to remedy the deprivation of the Federal right sought to be remedied through the prisoner release order; and

"(ii) the defendant has had a reasonable amount of time to comply with the previous court orders.

"(B) In any civil action in Federal court with respect to prison conditions, a prisoner release order shall be entered only by a three-judge court in accordance with section 2284 of title 28, if the requirements of subparagraph (E) have been met.

"(C) A party seeking a prisoner release order in Federal court shall file with any request for such relief, a request for a three-judge court and materials sufficient to demonstrate that the requirements of subparagraph (A) have been met.

"(D) If the requirements under subparagraph (A) have been met, a Federal judge before whom a civil action with respect to prison conditions is pending who believes that a prison release order should be considered may sua sponte request the convening of a three-judge court to determine whether a prisoner release order should be entered.

"(E) The court shall enter a prisoner release order only if the court finds—

"(i) by clear and convincing evidence—

"(I) that crowding is the primary cause of the violation of a Federal right; and

"(II) that no other relief will remedy the violation of the Federal right; and

"(ii) by a preponderance of the evidence—

"(I) that crowding has deprived a particular plaintiff or plaintiffs of at least one essential, identifiable human need; and

"(II) that prison officials have acted with obduracy and wantonness in depriving the particular plaintiff or plaintiffs of the one essential, identifiable human need caused by the crowding.

"(F) Any State or local official or unit of government whose jurisdiction or function includes the prosecution or custody of persons who may be released from, or not admitted to, a prison as a result of a prisoner release order shall have standing to oppose the imposition or continuation in effect of such relief and to seek termination of such relief, and shall have the right to intervene in any proceeding relating to such relief.

"(b) TERMINATION OF RELIEF.—

"(1) TERMINATION OF PROSPECTIVE RELIEF.—(A) In any civil action with respect to prison conditions in which prospective relief is ordered, such relief shall be terminable upon the motion of any party—

"(i) 2 years after the date the court granted or approved the prospective relief;

"(ii) 1 year after the date the court has entered an order denying termination of prospective relief under this paragraph; or

"(iii) in the case of an order issued on or before the date of enactment of the Prison Litigation Reform Act, 2 years after such date of enactment.

"(B) Nothing in this section shall prevent the parties from agreeing to terminate or modify relief before the relief is terminated under subparagraph (A).

"(2) IMMEDIATE TERMINATION OF PROSPECTIVE RELIEF.—In any civil action with respect to prison conditions, a defendant or intervener shall be entitled to the immediate termination of any prospective relief if the relief was approved or granted in the absence of a finding by the court that the relief is narrowly drawn, extends no further than necessary to correct the violation of the Federal right, and is the least intrusive means necessary to correct the violation of the Federal right.

"(3) LIMITATION.—Prospective relief shall not terminate if the court makes written findings based on the record that prospective relief remains necessary to correct a current or ongoing violation of the Federal right, extends no further than necessary to correct the violation of the Federal right, and that the prospective relief is narrowly drawn and the least intrusive means to correct the violation.

"(4) TERMINATION OR MODIFICATION OF RELIEF.—Nothing in this section shall prevent any party from seeking modification or termination before the relief is terminable under paragraph (1) or (2), to the extent that modification or termination would otherwise be legally permissible.

"(c) SETTLEMENTS.—

"(1) CONSENT DECREES.—In any civil action with respect to prison conditions, the court shall not enter or approve a consent decree unless it complies with the limitations on relief set forth in subsection (a).

"(2) PRIVATE SETTLEMENT AGREEMENTS.—(A) Nothing in this section shall preclude parties from entering into a private settlement agreement that does not comply with the limitations on relief set forth in subsection (a), if the terms of that agreement are not subject to court enforcement other than the reinstatement of the civil proceeding that the agreement settled.

"(B) Nothing in this section shall preclude any party claiming that a private settlement agreement has been breached from seeking in State court any remedy for breach of contract available under State law.

"(d) STATE LAW REMEDIES.—The limitations on remedies in this section shall not apply to relief entered by a State court based solely upon claims arising under State law.

"(e) PROCEDURE FOR MOTIONS AFFECTING PROSPECTIVE RELIEF.—

"(1) GENERALLY.—The court shall promptly rule on any motion to modify or terminate prospective relief in a civil action with respect to prison conditions.

"(2) AUTOMATIC STAY.—Any prospective relief subject to a pending motion shall be automatically stayed during the period—

"(A)(i) beginning on the 30th day after such motion is filed, in the case of a motion made under paragraph (1) or (2) of subsection (b); or

"(ii) beginning on the 180th day after such motion is filed, in the case of a motion made under subsection (b)(4); and

"(B) ending on the date the court enters a final order ruling on the motion.

"(f) SPECIAL MASTERS.—

"(1) IN GENERAL.—(A) In any civil action in a Federal court with respect to prison conditions, the court may appoint a disinterested and objective special master, who will give due regard to the public safety, to conduct hearings on the record and prepare proposed findings of fact.

"(B) The court shall appoint a special master under this subsection during the remedial phase of the action only upon a finding that the remedial phase will be sufficiently complex to warrant the appointment.

"(2) APPOINTMENT.—(A) If the court determines that the appointment of a special master is necessary, the court shall request that the defendant institution and the plaintiff each submit a list of not more than 5 persons to serve as a special master.

"(B) Each party shall have the opportunity to remove up to 3 persons from the opposing party's list.

"(C) The court shall select the master from the persons remaining on the list after the operation of subparagraph (B).

"(3) INTERLOCUTORY APPEAL.—Any party shall have the right to an interlocutory appeal of the judge's selection of the special master under this subsection, on the ground of partiality.

"(4) COMPENSATION.—The compensation to be allowed to a special master under this section shall be based on an hourly rate not greater than the hourly rate established under section 3006A for payment of court-appointed counsel, plus costs reasonably incurred by the special master. Such compensation and costs shall be paid with funds appropriated to the Federal Judiciary.

"(5) REGULAR REVIEW OF APPOINTMENT.—In any civil action with respect to prison conditions in which a special master is appointed under this subsection, the court shall review the appointment of the special master every 6 months to determine whether the services of the special master continue to be required under paragraph (1). In no event shall the appointment of a special master extend beyond the termination of the relief.

"(6) LIMITATIONS ON POWERS AND DUTIES.—A special master appointed under this subsection—

"(A) shall make any findings based on the record as a whole;

"(B) shall not make any findings or communications ex parte; and

"(C) may be removed at any time, but shall be relieved of the appointment upon the termination of relief.

"(g) DEFINITIONS.—As used in this section—

"(1) the term 'consent decree' means any relief entered by the court that is based in whole or in part upon the consent or acquiescence of the parties but does not include private settlements;

"(2) the term 'civil action with respect to prison conditions' means any civil proceeding arising under Federal law with respect to the conditions of confinement or the effects of actions by government officials on the lives of persons confined in prison, but does not include habeas corpus proceedings challenging the fact or duration of confinement in prison;

"(3) the term 'prisoner' means any person subject to incarceration, detention, or admission to any facility who is accused of, convicted of, sentenced for, or adjudicated delinquent for, violations of criminal law or the terms and conditions of parole, probation, pretrial release, or diversionary program;

"(4) the term 'prisoner release order' includes any order, including a temporary restraining order or preliminary injunctive relief, that has the purpose or effect of reducing or limiting the prison population, or that directs the release from or nonadmission of prisoners to a prison;

"(5) the term 'prison' means any Federal, State, or local facility that incarcerates or detains juveniles or adults accused of, convicted of, sentenced for, or adjudicated delinquent for, violations of criminal law;

"(6) the term 'private settlement agreement' means an agreement entered into among the parties that is not subject to judicial enforcement other than the reinstatement of the civil proceeding that the agreement settled;

"(7) the term 'prospective relief' means all relief other than compensatory monetary damages; and

"(8) the term 'relief' means all relief in any form that may be granted or approved by the court, and includes consent decrees but does not include private settlement agreements.".

(b) APPLICATION OF AMENDMENT.—

(1) IN GENERAL.—Section 3626 of title 18, United States Code, as amended by this section, shall apply with respect to all prospective relief whether such relief was originally granted or approved before, on, or after the date of the enactment of this title.

(2) TECHNICAL AMENDMENT.—Subsections (b) and (d) of section 20409 of the Violent Crime Control and Law Enforcement Act of 1994 are repealed.

(c) CLERICAL AMENDMENT.—The table of sections at the beginning of subchapter C of chapter 229 of title 18, United States Code, is amended to read as follows:

"3626. Appropriate remedies with respect to prison conditions.".

SEC. 803. AMENDMENTS TO CIVIL RIGHTS OF INSTITUTIONALIZED PERSONS ACT.

(a) INITIATION OF CIVIL ACTIONS.—Section 3(c) of the Civil Rights of Institutionalized Persons Act (42 U.S.C. 1997a(c)) (referred to in this section as the "Act") is amended to read as follows:

"(c) The Attorney General shall personally sign any complaint filed pursuant to this section.".

(b) CERTIFICATION REQUIREMENTS.—Section 4 of the Act (42 U.S.C. 1997b) is amended—

(1) in subsection (a)—

(A) by striking "he" each place it appears and inserting "the Attorney General"; and

(B) by striking "his" and inserting "the Attorney General's"; and

(2) by amending subsection (b) to read as follows:

"(b) The Attorney General shall personally sign any certification made pursuant to this section.".

(c) INTERVENTION IN ACTIONS.—Section 5 of the Act (42 U.S.C. 1997c) is amended—

(1) in subsection (b)—

(A) in paragraph (1), by striking "he" each place it appears and inserting "the Attorney General"; and

(B) by amending paragraph (2) to read as follows:

"(2) The Attorney General shall personally sign any certification made pursuant to this section."; and

(2) by amending subsection (c) to read as follows:

"(c) The Attorney General shall personally sign any motion to intervene made pursuant to this section.".

(d) SUITS BY PRISONERS.—Section 7 of the Act (42 U.S.C. 1997e) is amended to read as follows:

"SEC. 7. SUITS BY PRISONERS.

"(a) APPLICABILITY OF ADMINISTRATIVE REMEDIES.—No action shall be brought with respect to prison conditions under section 1979 of the Revised Statutes of the United States (42 U.S.C. 1983), or any other law, by a prisoner confined in any jail, prison, or other correctional facility until such administrative remedies as are available are exhausted.

"(b) FAILURE OF STATE TO ADOPT OR ADHERE TO ADMINISTRATIVE GRIEVANCE PROCEDURE.—The failure of a State to adopt or adhere to an administrative grievance procedure shall not constitute the basis for an action under section 3 or 5 of this Act.

"(c) DISMISSAL.—(1) The court shall on its own motion or on the motion of a party dismiss any action brought with respect to prison conditions under section 1979 of the Revised Statutes of the United States (42 U.S.C. 1983), or any other law, by a prisoner confined in any jail, prison, or other correctional facility if the court is satisfied that the action is frivolous, malicious, fails to state a claim upon which relief can be granted, or seeks monetary relief from a defendant who is immune from such relief.

"(2) In the event that a claim is, on its face, frivolous, malicious, fails to state a claim upon which relief can be granted, or seeks monetary relief from a defendant who is immune from such relief, the court may dismiss the underlying claim without first requiring the exhaustion of administrative remedies.

"(d) ATTORNEY'S FEES.—(1) In any action brought by a prisoner who is confined to any jail, prison, or other correctional facility, in which attorney's fees are authorized under section 2 of the Revised Statutes of the United States (42 U.S.C. 1988), such fees shall not be awarded, except to the extent that—

"(A) the fee was directly and reasonably incurred in proving an actual violation of the plaintiff's rights protected by a statute pursuant to which a fee may be awarded under section 2 of the Revised Statutes; and

"(B) the amount of the fee is proportionately related to the court ordered relief for the violation.

"(2) Whenever a monetary judgment is awarded in an action described in paragraph (1), a portion of the judgment (not to exceed 25 percent) shall be applied to satisfy the amount of attorney's fees awarded against the defendant. If the award of attorney's fees is greater than 25 percent of the judgment, the excess shall be paid by the defendant.

"(3) No award of attorney's fees in an action described in paragraph (1) shall be based on an hourly rate greater than the hourly rate established under section 3006A of title 18, United States Code, for payment of court-appointed counsel.

"(4) Nothing in this subsection shall prohibit a prisoner from entering into an agreement to pay an attorney's fee in an amount greater than the amount authorized under this subsection, if the fee is paid by the individual rather than by the defendant pursuant to section 2 of the Revised Statutes of the United States (42 U.S.C. 1988).

"(e) LIMITATION ON RECOVERY.—No Federal civil action may be brought by a prisoner confined in a jail, prison, or other correctional facility, for mental or emotional injury suffered while in custody without a prior showing of physical injury.

"(f) HEARINGS.—To the extent practicable, in any action brought with respect to prison conditions in Federal court pursuant to section 1979 of the Revised Statutes of the United States (42 U.S.C. 1983), or any other law, by a prisoner confined in any jail, prison, or other correctional facility, pretrial proceedings in which the prisoner's participation is required or permitted shall be conducted by telephone or video conference without removing the prisoner from the facility in which the prisoner is confined.

"(g) WAIVER OF REPLY.—(1) Any defendant may waive the right to reply to any action brought by a prisoner confined in any jail, prison, or other correctional facility under section 1979 of the Revised Statutes of the United States (42 U.S.C. 1983) or any other law. Notwithstanding any other law or rule of procedure, such waiver shall not constitute an admission of the allegations contained in the complaint. No relief shall be granted to the plaintiff unless a reply has been filed.

"(2) The court may, in its discretion, require any defendant to reply to a complaint commenced under this section.

"(h) DEFINITION.—As used in this section, the term 'prisoner' means any person incarcerated or detained in any facility who is accused of, convicted of, sentenced for, or adjudicated delinquent for, violations of criminal law or the terms and conditions of parole, probation, pretrial release, or diversionary program.".

(e) REPORT TO CONGRESS.—Section 8 of the Act (42 U.S.C. 1997f) is amended by striking "his report" and inserting "the report".

(f) NOTICE TO FEDERAL DEPARTMENTS.—Section 10 of the Act (42 U.S.C. 1997h) is amended—

(1) by striking "his action" and inserting "the action"; and

(2) by striking "he is satisfied" and inserting "the Attorney General is satisfied".

SEC. 804. PROCEEDINGS IN FORMA PAUPERIS.

(a) FILING FEES.—Section 1915 of title 28, United States Code, is amended—

(1) in subsection (a)—

(A) by striking "(a) Any" and inserting "(a)(1) Subject to subsection (b), any";

(B) by striking "and costs";

(C) by striking "makes affidavit" and inserting "submits an affidavit";

(D) by striking "such costs" and inserting "such fees";

(E) by striking "he" each place it appears and inserting "the person";

(F) by adding immediately after paragraph (1), the following new paragraph:

"(2) A prisoner seeking to bring a civil action or appeal a judgment in a civil action or proceeding without prepayment of fees or security therefor, in addition to filing the affidavit filed under paragraph (1), shall submit a certified copy of the trust fund account statement (or institutional equivalent) for the prisoner for the 6-month period immediately preceding the filing of the complaint or notice of appeal, obtained from the appropriate official of each prison at which the prisoner is or was confined."; and

(G) by striking "An appeal" and inserting "(3) An appeal";

(2) by redesignating subsections (b), (c), (d), and (e) as subsections (c), (d), (e), and (f), respectively;

(3) by inserting after subsection (a) the following new subsection:

"(b)(1) Notwithstanding subsection (a), if a prisoner brings a civil action or files an appeal in forma pauperis, the prisoner shall be required to pay the full amount of a filing fee. The court shall assess, and when funds exist, collect, as a partial payment of any court fees required by law, an initial partial filing fee of 20 percent of the greater of—

"(A) the average monthly deposits to the prisoner's account; or

"(B) the average monthly balance in the prisoner's account for the 6-month period immediately preceding the filing of the complaint or notice of appeal.

"(2) After payment of the initial partial filing fee, the prisoner shall be required to make monthly payments of 20 percent of the preceding month's income credited to the prisoner's account. The agency having custody of the prisoner shall forward payments from the prisoner's account to the clerk of the court each time the amount in the account exceeds $10 until the filing fees are paid.

"(3) In no event shall the filing fee collected exceed the amount of fees permitted by statute for the commencement of a civil action or an appeal of a civil action or criminal judgment.

"(4) In no event shall a prisoner be prohibited from bringing a civil action or appealing a civil or criminal judgment for the reason that the prisoner has no assets and no means by which to pay the initial partial filing fee.";

(4) in subsection (c), as redesignated by paragraph (2), by striking "subsection (a) of this section" and inserting "subsections (a) and (b) and the prepayment of any partial filing fee as may be required under subsection (b)"; and

(5) by amending subsection (e), as redesignated by paragraph (2), to read as follows:

"(e)(1) The court may request an attorney to represent any person unable to afford counsel.

"(2) Notwithstanding any filing fee, or any portion thereof, that may have been paid, the court shall dismiss the case at any time if the court determines that—

"(A) the allegation of poverty is untrue; or

"(B) the action or appeal—

"(i) is frivolous or malicious;

"(ii) fails to state a claim on which relief may be granted; or

"(iii) seeks monetary relief against a defendant who is immune from such relief.".

(b) COSTS.—Section 1915(f) of title 28, United States Code (as redesignated by subsection (a)(2)), is amended—

(1) by striking "(f) Judgment" and inserting "(f)(1) Judgment";

(2) by striking "cases" and inserting "proceedings"; and

(3) by adding at the end the following new paragraph:

"(2)(A) If the judgment against a prisoner includes the payment of costs under this subsection, the prisoner shall be required to pay the full amount of the costs ordered.

"(B) The prisoner shall be required to make payments for costs under this subsection in the same manner as is provided for filing fees under subsection (a)(2).

"(C) In no event shall the costs collected exceed the amount of the costs ordered by the court.".

(c) SUCCESSIVE CLAIMS.—Section 1915 of title 28, United States Code, is amended by adding at the end the following new subsection:

"(g) In no event shall a prisoner bring a civil action or appeal a judgment in a civil action or proceeding under this section if the prisoner has, on 3 or more prior occasions, while incarcerated or detained in any facility, brought an action or appeal in a court of the United States that was dismissed on the grounds that it is frivolous, malicious, or fails to state a claim upon which relief may be granted, unless the prisoner is under imminent danger of serious physical injury.".

(d) DEFINITION.—Section 1915 of title 28, United States Code, is amended by adding at the end the following new subsection:

"(h) As used in this section, the term 'prisoner' means any person incarcerated or detained in any facility who is accused of, convicted of, sentenced for, or adjudicated delinquent for, violations of criminal law or the terms and conditions of parole, probation, pretrial release, or diversionary program.".

SEC. 805. JUDICIAL SCREENING.

(a) IN GENERAL.—Chapter 123 of title 28, United States Code, is amended by inserting after section 1915 the following new section:

"§ 1915A. Screening

"(a) SCREENING.—The court shall review, before docketing, if feasible or, in any event, as soon as practicable after docketing, a complaint in a civil action in which a prisoner seeks redress from a governmental entity or officer or employee of a governmental entity.

"(b) GROUNDS FOR DISMISSAL.—On review, the court shall dismiss the complaint, or any portion of the complaint, if the complaint—

"(1) is frivolous, malicious, or fails to state a claim upon which relief may be granted; or

"(2) seeks monetary relief from a defendant who is immune from such relief.

"(c) DEFINITION.—As used in this section, the term 'prisoner' means any person incarcerated or detained in any facility who is accused of, convicted of, sentenced for, or adjudicated delinquent for, violations of criminal law or the terms and conditions of parole, probation, pretrial release, or diversionary program.".

(b) TECHNICAL AMENDMENT.—The analysis for chapter 123 of title 28, United States

Code, is amended by inserting after the item relating to section 1915 the following new item:

"1915A. Screening.".

SEC. 806. FEDERAL TORT CLAIMS.

Section 1346(b) of title 28, United States Code, is amended—

(1) by striking "(b)" and inserting "(b)(1)"; and

(2) by adding at the end the following:

"(2) No person convicted of a felony who is incarcerated while awaiting sentencing or while serving a sentence may bring a civil action against the United States or an agency, officer, or employee of the Government, for mental or emotional injury suffered while in custody without a prior showing of physical injury.".

SEC. 807. EARNED RELEASE CREDIT OR GOOD TIME CREDIT REVOCATION.

(a) In General.—Chapter 123 of title 28, United States Code, is amended by adding at the end the following new section:

"§ 1932. Revocation of earned release credit

"In any civil action brought by an adult convicted of a crime and confined in a Federal correctional facility, the court may order the revocation of such earned good time credit under section 3624(b) of title 18, United States Code, that has not yet vested, if, on its own motion or the motion of any party, the court finds that—

"(1) the claim was filed for a malicious purpose;

"(2) the claim was filed solely to harass the party against which it was filed; or

"(3) the claimant testifies falsely or otherwise knowingly presents false evidence or information to the court.".

(b) Technical Amendment.—The analysis for chapter 123 of title 28, United States Code, is amended by inserting after the item relating to section 1931 the following:

"1932. Revocation of earned release credit.".

(c) Amendment of Section 3624 of Title 18.—Section 3624(b) of title 18, United States Code, is amended—

(1) in paragraph (1)—

(A) by striking the first sentence;

(B) in the second sentence—

(i) by striking "A prisoner" and inserting "Subject to paragraph (2), a prisoner";

(ii) by striking "for a crime of violence,"; and

(iii) by striking "such";

(C) in the third sentence, by striking "If the Bureau" and inserting "Subject to paragraph (2), if the Bureau";

(D) by striking the fourth sentence and inserting the following: "In awarding credit under this section, the Bureau shall consider whether the prisoner, during the relevant period, has earned, or is making satisfactory progress toward earning, a high school diploma or an equivalent degree."; and

(E) in the sixth sentence, by striking "Credit for the last" and inserting "Subject to paragraph (2), credit for the last"; and

(2) by amending paragraph (2) to read as follows:

"(2) Notwithstanding any other law, credit awarded under this subsection after the date of enactment of the Prison Litigation Reform Act shall vest on the date the prisoner is released from custody.".

HELMS AMENDMENT NO. 2839

(Ordered to lie on the table.)

Mr. HELMS submitted an amendment intended to be proposed by him to the bill H.R. 2076, supra, as follows:

In the paragraph under the heading "ARMS CONTROL AND DISARMAMENT ACTIVITIES", strike all after "$——" and insert the following: ": *Provided*, That none of the funds appropriated or otherwise made available under this heading may be available to carry out any purpose other than—

"(1) the abolition of the United States Arms Control and Disarmament Agency on a date which is not later than 90 days after the date of enactment of this Act,

"(2) the transfer to the Secretary of State prior to the abolition of the Agency of all functions vested by law in, or exercised by, the Director of the Agency, the Agency itself, or any officer, employee, or component thereof, immediately prior to the date of transfer, and

"(3) the transfer to the Secretary of State prior to the abolition of the Agency of all personnel employed in connection with, and the assets, liabilities, contracts, property, records, and unexpended balances of appropriations and other funds employed, used, held, arising from, available to, and to be made available in connection with, functions transferred under paragraph (2).".

BRYAN (AND OTHERS) AMENDMENT NO. 2840

Mr. BRYAN (for himself, Mr. Burns Mr. Hollings, Mr. McConnell, Mr. Inouye, Mr. Akaka, Mr. Graham, Mr. Murkowski, Mr. Reid, Mr. Breaux, Mr. Daschle, Mrs. Boxer, Mr. Pressler, and Mr. Thurmond.

At the appropriate place, insert the following:

United States Travel and Tourism Administration

SALARIES AND EXPENSES

For necessary expenses of the United States Travel and Tourism Administration, for implementing the recommendations from the White House Conference on Travel and Tourism and for carrying out the transition of that Administration into a public-private partnership, $12,000,000, to be transferred from the amount for deposit in the Commerce Reorganization Transition Fund (established under section 206(c)(1) of this title) that is made available in the item under the heading "COMMERCE REORGANIZATION TRANSITION FUND" under the heading "General Administration" under this title, notwithstanding any other provision of law.

SPECTER (AND OTHERS) AMENDMENT NO. 2841

Mr. SPECTER (for himself, Mr. Cohen, Mr. Jeffords, Ms. Snowe, and Ms. Mikulski) proposed an amendment to the bill H.R. 2076, supra, as follows:

On page 34, strike lines 1 through 7.

GREGG (AND OTHERS) AMENDMENT NO. 2842

Mr. GREGG (for himself, Mr. Lieberman, Mr. Domenici, Mr. D'Amato, and Mr. Hollings) proposed an amendment to the bill H.R. 2076, supra, as follows:

At the appropriate place insert the following:

It is the sense of the Senate that none of the funds appropriated or otherwise made available pursuant to this act should be used for the deployment of combat-equipped forces of the Armed Forces of the United States for any ground operations in Bosnia and Herzegovina unless—

(1) Congress approves in advance the deployment of such forces of the Armed Forces; or

(2) the temporary deployment of such forces of the Armed Forces of the United States into Bosnia and Herzegovina is necessary to evacuate United Nations peacekeeping forces from a situation of imminent danger, to undertake emergency air rescue operations, or to provide for the airborne delivery of humanitarian supplies, and the President reports as soon as practicable to Congress after the initiation of the temporary deployment, but in no case later than 48 hours after the initiation of the deployment.

KOHL (AND OTHERS) AMENDMENT NO. 2843

Mr. KOHL (for himself, Mr. Cohen, and Mr. Kerry) proposed an amendment to the bill H.R. 2076, supra, as follows:

On page 15, line 16, strike "$282,500,000" and insert "$202,500,000".

On page 15, line 23, strike "$168,280,000" and insert "$88,280,000".

On page 25, line 19, strike "$100,900,000" and insert "$130,900,000".

On page 25, line 22, insert "$30,000,000 shall be for the Local Crime Prevention Block Grant Program, as authorized by section 30201 of the Violent Crime Control and Law Enforcement Act of 1994;" before "$4,250,000".

On page 27, line 5, strike "$50,000,000" and insert "$30,000,000".

On page 27, between lines 17 and 18, insert the following:

"To carry out chapter A of subpart 2 of part E of title I of the Omnibus Crime Control and Safe Streets Act of 1968, for discretionary grants under the Edward Byrne Memorial State and Local Law Enforcement Assistance Programs, $50,000,000, which shall be derived from the Violent Crime Reduction Trust Fund.

On page 30, line 20, strike "$23,500,000" and insert "$43,500,000".

On page 30, line 20, strike "$13,500,000" and insert "$43,500,000".

On page 30, lines 23 through 25, strike "and $10,000,000 shall be derived from discretionary grants provided under part C of title II of the Juvenile Justice and Delinquency Prevention Act" and insert "funded by the Violent Crime Reduction Trust Fund".

On page 31, line 26, strike "$144,000,000" and insert "$164,000,000".

On page 32, line 5, strike "$10,000,000" and insert "$30,000,000".

On page 32, line 8, strike "gangs;" and insert "gangs, of which $20,000,000 shall be derived from the discretionary grants provided under the Edward Byrne Memorial State and Local Law Enforcement Assistance Programs funded by the Violent Crime Reduction Trust Fund;"

On page 64, between lines 22 and 23, insert the following new section:

SEC. 121. EVALUATION OF CRIME PREVENTION PROGRAMS AND DEVELOPMENT OF NATIONAL CRIME PREVENTION RESEARCH AND EVALUATION STRATEGY

(a) Evaluation of Crime Prevention Programs.—The Attorney General shall provide, directly or through grants and contracts, for the comprehensive and thorough evaluation of the effectiveness of the following programs funded by this title:

(1) The Local Crime Prevention Block Grant program under subtitle B of title III of the Violent Crime Control and Law Enforcement Act of 1994.

(2) The Weed and Seed Program.

(3) The Youth Gangs Program under part D of title II of the Juvenile Justice and Delinquency Prevention Act of 1974.

(b) NATIONAL CRIME PREVENTION RESEARCH AND EVALUATION STRATEGY.—

(1) STRATEGY.—Not later than 9 months after the date of enactment of this Act, the Attorney General shall formulate and publish a unified national crime prevention research and evaluation strategy that will result in timely reports to Congress and to State and local governments regarding the impact and effectiveness of the crime and violence prevention initiatives described in subsection (a).

(2) STUDIES.—Consistent with the strategy developed pursuant to paragraph (1), the Attorney General may use crime prevention research and evaluation funds reserved under subsection (e) to conduct studies and demonstrations regarding the effectiveness of crime prevention programs and strategies that are designed to achieve the same purposes as the programs under this section, without regard to whether such programs receive Federal funding.

(c) EVALUATION AND RESEARCH CRITERIA.—

(1) INDEPENDENT EVALUATIONS AND RESEARCH.—Evaluations and research studies conducted pursuant to this section shall be independent in nature, and shall employ rigorous and scientifically recognized standards and methodologies.

(2) CONTENT OF EVALUATIONS.—Evaluations conducted pursuant to this section shall include measures of—

(A) reductions in delinquency, juvenile crime, youth gang activity, youth substance abuse, and other high risk-factors;

(B) reductions in risk factors in young people that contribute to juvenile violence, including academic failure, excessive school absenteeism, and dropping out of school;

(C) reductions in risk factors in the community, schools, and family environments that contribute to juvenile violence; and

(D) the increase in the protective factors that reduce the likelihood of delinquency and criminal behavior.

(d) COMPLIANCE WITH EVALUATION MANDATE.—The Attorney General may require the recipients of Federal assistance under this Act to collect, maintain, and report information considered to be relevant to any evaluation conducted pursuant to subsection (a), and to conduct and participate in specified evaluation and assessment activities and functions.

(e) RESERVATION OF FUNDS FOR EVALUATION AND RESEARCH

(1) IN GENERAL.—The Attorney General shall reserve not less than 2 percent, and not more than 3 percent, of the amounts appropriated to carry out the programs described in subsection (a) in each fiscal year to carry out the evaluation and research required by this section.

(2) ASSISTANCE TO GRANTEES AND EVALUATED PROGRAMS.—To facilitate the conduct and defray the costs of crime prevention program evaluation and research, the Attorney General shall use funds reserved under this subsection to provide compliance assistance to—

(A) grantees under this programs described in subsection (a) who are selected to participate in evaluations pursuant to subsection (d); and

(B) other agencies and organizations that are requested to participate in evaluations and research pursuant to subsection (b)(2).

GRASSLEY (AND KYL) AMENDMENT NO. 2844

Mr. GRASSLEY (for himself and Mr. KYL) proposed an amendment to the bill H.R. 2076, supra, as follows:

On page 92, insert between lines 13 and 14 the following new sections:

SEC. 305. (a) Notwithstanding any other provision of law, none of the funds made available under this title shall be used for any conference or meeting authorized under section 333 of title 28, United States Code, if such conference or meeting takes place at a location outside the geographic boundaries of the circuit court of appeals over which the chief judge presides, except in the case of the Court of Appeals for the District of Columbia Circuit, which shall be permitted to host conferences or meetings within a 50 mile radius of the District of Columbia without regard to the geographic boundaries of the circuit.

(b) Of the funds appropriated under this title, no circuit shall receive more than $100,000 for conferences convened under section 333 of title 28, United States Code, during any year.

SEC. 306. (a) Section 333 of title 28, United States Code, is amended—

(1) in the first paragraph, by striking "shall" the first, second, and fourth place it appears and inserting "may"; and

(2) in the second paragraph—

(A) by striking "shall" the first place it appears and inserting "may"; and

(B) by striking ", and unless excused by the chief judge, shall remain throughout the conference".

(b) In the interest of saving taxpayer dollars and reducing the cost of Government, it is the sense of the Senate that the chief judges of the various United States circuit courts should use new communications technologies to conduct judicial conferences.

(c) This section shall apply only to contracts entered into after the date of enactment of this Act.

BUMPERS (AND OTHERS) AMENDMENT NO. 2845

Mr. BUMPERS (for himself, Mr. BROWN, and Mr. DORGAN) proposed an amendment to the bill H.R. 2076, supra, as follows:

At page 116, strike lines 3 through 7.

THE ACCELERATED CLEANUP AND ENVIRONMENTAL RESTORATION ACT OF 1995

SMITH (AND OTHERS) AMENDMENT NO. 2846

(Ordered referred to the Committee on Environment and Public Works.)

Mr. SMITH (for himself, Mr. CHAFEE, Mr. INHOFE, Mr. KEMPTHORNE, Mr. FAIRCLOTH, Mr. BOND Mr. THOMAS, Mr. MCCONNELL, Mr. WARNER, Mr. LOTT, and Mr. GREGG) submitted an amendment intended to be proposed by them to the bill (S. 1285) to reauthorize and amend the Comprehensive Environmental Recovery, Compensation, and Liability Act of 1980, and for other purposes, as follows:

At the end of title IX, add the following:

Subtitle B—Amendments to the Internal Revenue Code of 1986

SEC. 911. 5-YEAR EXTENSION OF HAZARDOUS SUBSTANCE SUPERFUND.

(a) EXTENSION OF TAXES.—

(1) The following provisions of the Internal Revenue Code of 1986 are each amended by striking "January 1, 1996" each place it appears and inserting "January 1, 2001":

(A) Section 59A(e)(1) (relating to application of environmental tax).

(B) Paragraphs (1) and (3) of section 4611(e) (relating to application of Hazardous Substance Superfund financing rate).

(2) Paragraph (2) of section 4611(e) of such Code is amended—

(A) by striking "1993" and inserting "1998";

(B) by striking "1994" each place it appears and inserting "1999"; and

(C) by striking "1995" each place it appears and inserting "2000".

(b) INCREASE IN AGGREGATE TAX WHICH MAY BE COLLECTED.—Paragraph (3) of section 4611(e) of such Code is amended by striking "$11,970,000,000" each place it appears and inserting "$22,000,000,000" and by striking "December 31, 1995" and inserting "December 31, 2000".

(c) EXTENSION OF REPAYMENT DEADLINE FOR SUPERFUND BORROWING.—Subparagraph (B) of section 9507(d)(3) of such Code is amended by striking "December 31, 1995" and inserting "December 31, 2000".

(d) EXTENSION OF TRUST FUND PURPOSES.—Subparagraph (A) of section 9507(c)(1) of such Code is amended—

(1) by striking clause (i) and inserting the following:

"(i) paragraphs (1), (2), (5), (6), (7), and (8) of section 111(a) of CERCLA as in effect on the date of the enactment of the Superfund Act of 1995,"; and

(2) by striking clause (iii) and inserting the following:

"(iii) subsections (m), (n), (q), (r), and (s) of section 111 of CERCLA (as so in effect), or".

(e) EXTENSION OF AUTHORIZATION OF APPROPRIATIONS TO TRUST FUND.—Subsection (b) of section 517 of the Superfund Revenue Act of 1986 (26 U.S.C. 9507 note) is amended by striking "and" at the end of paragraph (8), by striking the period at the end of paragraph (9) and inserting a comma, and by adding at the end the following new paragraphs:

"(10) 1996, $250,000,000,

"(11) 1997, $250,000,000,

"(12) 1998, $250,000,000,

"(13) 1999, $250,000,000, and

"(14) 2000, $250,000,000."

(f) COORDINATION WITH OTHER PROVISIONS.—Paragraph (2) of section 9507(e) of the Internal Revenue Code of 1986 is amended by striking "CERCLA" and all that follows through "Acts)" and inserting "CERCLA, the Superfund Amendments and Reauthorization Act of 1986, and the Accelerated Cleanup and Environmental Restoration Act of 1995 (or in any amendment made by any of such Acts)".

SEC. 912. CREDIT FOR CERTAIN EXPENDITURES FOR ENVIRONMENTAL RESPONSE ACTIONS.

(a) CREDIT ALLOWED.—Section 38(b) of the Internal Revenue Code of 1986 (defining current year business credit) is amended by striking "plus" at the end of paragraph (10), by striking the period at the end of paragraph (11) and inserting ", plus", and by adding at the end the following new paragraph:

"(12) the environmental response expenditures credit determined under section 45C."

(b) Environmental Response Expenditures Credit.—Subpart D of part IV of subchapter A of chapter 1 of such Code (relating to business related credits) is amended by adding at the end the following new section:

"SEC. 45C. ENVIRONMENTAL RESPONSE EXPENDITURES CREDIT.

"(a) General Rule.—For purposes of section 38, the environmental response expenditures credit determined under this section for any taxable year is an amount equal to 50 percent of the qualified environmental expenditures paid or incurred by the taxpayer during the taxable year.

"(b) Qualified Environmental Expenditures.—For purposes of this section—

"(1) In general.—The term 'qualified environmental expenditures' means expenditures which are—

"(A) incurred in connection with environmental response actions at a mandatory allocation facility for pre-December 11, 1980 activity, and

"(B)(i) described in subparagraph (A), (B), or (D) of section 107(a)(2) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9607(a)(4)), including interest to the extent provided in such section, or

"(ii) incurred to comply with an administrative order or judicial injunction under section 106 of such Act (42 U.S.C. 9606).

"(2) Definitions.—

"(A) Mandatory allocation facility.—The term 'mandatory allocation facility' has the meaning stated in section 132(a) of such Act.

"(B) Pre-December 11, 1980 activity.—The term 'pre-December 11, 1980 activity' refers to activity prior to December 11, 1980, with respect to a mandatory allocation facility for which an allocation share is determined under section 132(j)(6)(B) of such Act.

"(c) Denial of Double Benefit.—No deduction shall be allowed under this chapter for any amount taken into account in determining the credit under this section."

(c) Credit Allowed Against 90 Percent of Minimum Tax.—

(1) In general.—Section 38(c) of such Code (relating to limitation based on amount of tax) is amended by redesignating paragraph (3) as paragraph (4) and by inserting after paragraph (2) the following new paragraph:

"(3) Environmental response credits may offset 90 percent of minimum tax.—

"(A) In general.—In the case of the environmental response credit—

"(i) this section and section 39 shall be applied separately with respect to such credit, and

"(ii) for purposes of applying paragraph (1) to such credit—

"(I) 10 percent of the tentative minimum tax shall be substituted for the tentative minimum tax under subparagraph (A) thereof, and

"(II) the limitation under paragraph (1) (as modified by subclause (I)) shall be reduced by the credit allowed under subsection (a) for the taxable year (other than the environmental response credit).

"(B) Environmental response credit.—For purposes of this subsection, the term 'environmental response credit' means the portion of the credit under subsection (a) which is attributable to the credit determined under section 45C(a)."

. (2) Conforming amendment.—Subclause (II) of section 38(c)(2)(A)(ii) of such Code is amended by inserting "or the environmental response credit" after "employment credit".

(d) Deduction Allowed for Unused Credit.—Section 196(c) of such Code (defining qualified business credits) is amended by striking "and" at the end of paragraph (6), by striking the period at the end of paragraph (7) and inserting ", and", and by adding at the end the following new paragraph:

"(8) the environmental response expenditures credit determined under section 45C(a)."

(e) Conforming Amendment.—The table of sections for subpart D of part IV of subchapter A of chapter 1 of such Code is amended by adding at the end the following new item:

"Sec. 45C. Environmental response expenditures credit."

(f) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 1995.

THE DEPARTMENT OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT FOR FISCAL YEAR 1996

ABRAHAM (AND HATCH) AMENDMENT NO. 2847

Mr. GRAMM (for Mr. Abraham for himself and Mr. Hatch) proposed an amendment to the bill H.R. 2076, supra, as follows:

At the appropriate place, insert the following new section:

SEC. . DISAPPROVAL OF AMENDMENTS RELATING TO LOWERING OF CRACK SENTENCES AND SENTENCES FOR MONEY LAUNDERING AND TRANSACTIONS IN PROPERTY DERIVED FROM UNLAWFUL ACTIVITY.

In accordance with section 994(p) of title 28, United States Code, amendments numbered 5 and 18 of the "Amendments to the Sentencing Guidelines, Policy Statements, and Official Commentary", submitted by the United States Sentencing Commission to Congress on May 1, 1995, are hereby disapproved and shall not take effect.

BIDEN (AND HOLLINGS) AMENDMENT NO. 2848

Mr. GRAMM (for Mr. Biden for himself and Mr. Hollings) proposed an amendment to the bill H.R. 2076, supra, as follows:

On the Committee amendment on page 28, line 8, after "for" delete "State and Local Law Enforcement Assistance Block grants pursuant to Title I of the Violent Crime Control and Law Enforcement Act of 1994 (as amended by Section 114 of this Act);" and insert "Public Safety Partnership and Community Policing pursuant to Title I of the Violent Crime Control and Law Enforcement Act of 1994;".

On the Committee amendment on page 38, line 3, delete all after SEC. 114." through to "local sources." on page 43, line 20.

BINGAMAN AMENDMENT NO. 2849

Mr. GRAMM (for Mr. Bingaman) proposed an amendment to the bill H.R. 2076, supra, as follows:

AMENDMENT NO. 2849

(Purpose: To reduce the energy costs of Federal facilities for which funds are made available under this Act)

At the appropriate place, insert the following:

SEC. ___. ENERGY SAVINGS AT FEDERAL FACILITIES.

(a) Reduction in Facilities Energy Costs.—

(1) In general.—The head of each agency for which funds are made available under this Act shall—

(A) take all actions necessary to achieve during fiscal year 1996 a 5 percent reduction, from fiscal year 1995 levels, in the energy costs of the facilities used by the agency; or

(B) enter into a sufficient number of energy savings performance contracts with private sector energy service companies under title VIII of the National Energy Conservation Policy Act (42 U.S.C. 8287 et seq.) to achieve during fiscal year 1996 at least a 5 percent reduction, from fiscal year 1995 levels, in the energy use of the facilities used by the agency.

(2) Goal.—The activities described in paragraph (1) should be a key component of agency programs that will by the year 2000 result in a 20 percent reduction, from fiscal year 1985 levels, in the energy use of the facilities used by the agency, as required by section 543 of the National Energy Conservation Policy Act (42 U.S.C. 8253).

(b) Use of Cost Savings.—An amount equal to the amount of cost savings realized by an agency under subsection (a) shall remain available for obligation through the end of fiscal year 2000, without further authorization or appropriation, as follows:

(1) Conservation measures.—Fifty percent of the amount shall remain available for the implementation of additional energy conservation measures and for water conservation measures at such facilities used by the agency as are designated by the head of the agency.

(2) Other purposes.—Fifty percent of the amount shall remain available for use by the agency for such purposes as are designated by the head of the agency, consistent with applicable law.

(c) Reports.—

(1) By agency heads.—The head of each agency for which funds are made available under this Act shall include in each report of the agency to the Secretary of Energy under section 548(a) of the National Energy Conservation Policy Act (42 U.S.C. 8258(a)) a description of the results of the activities carried out under subsection (a) and recommendations concerning how to further reduce energy costs and energy consumption in the future.

(2) By secretary of energy.—The reports required under paragraph (1) shall be included in the annual reports required to be submitted to Congress by the Secretary of Energy under section 548(b) of the Act (42 U.S.C. 8258(b)).

(3) Contents.—With respect to the period since the date of the preceding report, a report under paragraph (1) or (2) shall—

(A) specify the total energy costs of the facilities used by the agency;

(B) identify the reductions achieved;

(C) specify the actions that resulted in the reductions;

(D) with respect to the procurement procedures of the agency, specify what actions have been taken to—

(i) implement the procurement authorities provided by subsections (a) and (c) of section 546 of the National Energy Conservation Policy Act (42 U.S.C. 8256); and

(ii) incorporate directly, or by reference, the requirements of the regulations issued by the Secretary of Energy under title VIII of the Act (42 U.S.C. 8287 et seq.); and

(E) specify—

(i) the actions taken by the agency to achieve the goal specified in subsection (a)(2);

(ii) the procurement procedures and methods used by the agency under section 546(a)(2) of the Act (42 U.S.C. 8256(a)(2)); and

(iii) the number of energy savings performance contracts entered into by the agency under title VIII of the Act (42 U.S.C. 8287 et seq.).

BINGAMAN AMENDMENT NO. 2850

Mr. GRAMM (for Mr. BINGAMAN) proposed an amendment to the bill H.R. 2076, supra, as follows:

On page 93, between lines 9 and 10, insert the following:

And also provided, That by May 31, 1996, the State Department will report to the President and to Congress on potential cost savings generated by extending foreign service officer tours of duty in nations for which the State Department requires two-year language study programs, but specifically including China, Korea, and Japan. This study should consider extending terms on the following basis: junior officers from the current two year maximum term to a three-year tour; and mid to senior foreign service officers from the current three year minimum term to four year minimum with a possible employee-initiated one year extension.

BOXER (AND OTHERS) AMENDMENT NO. 2851

Mr. GRAMM (for Mrs. BOXER for herself, Mr. CAMPBELL, and Mr. D'AMATO) proposed an amendment to the bill H.R. 2076, supra, as follows:

At the appropriate place in the bill, insert the following new section.

SEC. . REPORT ON THE DOPPLER WEATHER SURVEILLANCE RADAR.

(a) STUDY REQUIRED—The Secretary of Commerce shall conduct a study on the Doppler weather surveillance radar (WSR-88D). The study shall include the following elements:

(1) An analysis of the property value lost by property owners within 5 miles of the weather surveillance radar as a result of the construction of the weather surveillance radar.

(2) A statement of the cost of relocating a weather surveillance radar to another location in any case in which the Dept. has been asked to investigate such a relocation.

(b) REPORT—The Secretary shall submit to Congress a report on the study required under section (a) not later than 90 days after the date of enactment of this Act.

BROWN (AND OTHERS) AMENDMENT NO. 2852

Mr. GRAMM (for Mr. BROWN, Mr. KENNEDY, and Mr. KERREY) proposed an amendment to the bill H.R. 2076, supra, as follows:

At the appropriate place in the bill, add the following new section—

"SEC. . SENSE OF THE SENATE CONCERNING BOOK DONATIONS.

It is the Sense of the Senate that the United States should continue to provide logistic and warehouse support for non-governmental, non-profit organizations undertaking donated book programs abroad, including those organizations utilizing on-line information technologies to complement the traditional hard cover donation program."

COCHRAN AMENDMENT NO. 2853

Mr. GRAMM (for Mr. COCHRAN) proposed an amendment to the bill H.R. 2076, surpa, as follows:

At page 22, add the following at the end of line 9:

"*Provided further*, That no funds appropriated in this Act shall be used to privatize any federal prison facilities located in Forrest City, Arkansas, and Yazoo City, Mississippi."

BURNS AMENDMENT NO. 2854

Mr. GRAMM (for Mr. BURNS) proposed an amendment to the bill H.R. 2076, supra, as follows:

On page 74, 18, after "Fund", strike the period and insert the following: ", and of which $1,200,000 shall be available for continuation of the program to integrate energy efficient building technology with the use of structural materials made from underutilized or waste products."

COHEN (AND SNOWE) AMENDMENT NO. 2855

Mr. GRAMM (for Mr. COHEN for himself and Ms. SNOWE) proposed an amendment to the bill H.R. 2076, supra, as follows:

Page 117, line 5 is amended by inserting after "academies" and before the colon, the following: "and may be transferred to the Secretary of Interior for use as provided in the National Maritime Heritage Act (P.L. 103–451)."

COVERDELL (AND OTHERS) AMENDMENT NO. 2856

Mr. GRAMM (for Mr. COVERDELL for himself, Mr. DOLE, Mr. NUNN, Mr. STEVENS, and Mr. INOUYE) proposed an amendment to the bill H.R. 2076, supra, as follows:

On page 110, between lines 2 and 3, insert the following:

SEC. 405. FUNDS FOR THE TENTH PARALYMPIAD GAMES.

Of the aggregate amount appropriated under this title for the United States Information Agency under the headings "SALARIES AND EXPENSES", "EDUCATIONAL AND CULTURAL EXCHANGE PROGRAMS", and "INTERNATIONAL BROADCASTING OPERATIONS", $5,000,000 shall be available only for the Tenth Paralympiad games for individuals with disabilities, scheduled to be held in Atlanta, Georgia, in 1996, consistent with section 242 of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995 (22 U.S.C. 2452 note).

COVERDELL AMENDMENT NO. 2857

Mr. GRAMM (for Mr. COVERDELL) proposed an amendment to the bill H.R. 2076, supra, as follows:

At the appropriate place in the bill, insert the following new section:

SEC. . Notwithstanding any other provision of law, a Federal, State, or local government agency may not use a voter registration card (or other related document) that evidences registration for an election for Federal office, as evidence to prove United States citizenship.

DODD (AND HOLLINGS) AMENDMENT NO. 2858

Mr. GRAMM (for Mr. DODD for himself and Mr. HOLLINGS) proposed an amendment to the bill H.R. 2076, supra, as follows:

On page 29, line 7, strike "$750,000,000" and insert "$2,000,000 for the Ounce of Prevention Council pursuant to subtitle A of title III of the Violent Crime Control and Law Enforcement Act (Public Law 103–322); $748,000,000".

On page 102, line 12, strike "$5,550,000" and insert "$5,800,000".

On page 102, line 18, strike "$14,669,000" and insert "$15,119,000".

At the appropriate place in title IV, insert the following new section:

SEC. 4___. GREAT LAKES FISHERY COMMISSION.

Notwithstanding any other provision of law—

(1) the Department of State shall continue to carry out its authority, function, duty, and responsibility in the conduct of foreign affairs of the United States in connection with the Great Lakes Fishery Commission in the same manner as that Department has carried out that function, duty, and responsibility since the Convention on Great Lakes Fisheries between the United States and Canada entered into force on October 11, 1955; and

(2) the authority, function, duty, and responsibility of the Department of State referred to in paragraph (1) shall not be transferred to any other Federal agency or terminated during any fiscal year in which the Convention referred to in paragraph (1) is in force.

FEINSTEIN AMENDMENT NO. 2859

Mr. GRAMM (for Mrs. FEINSTEIN) proposed an amendment to the bill H.R. 2076, supra, as follows:

On page 28, lines 22 and 23, strike "by section 501 of the Immigration Reform and Control Act of 1986" and insert "by section 242(j) of the Immigration and Nationality Act".

On page 64, between lines 22 and 23, insert the following:

SEC. 121. Notwithstanding any other provision of law, amounts appropriated for fiscal year 1996 under this Act to carry out section 242(j) of the Immigration and Nationality Act shall be allocated by the Attorney General in a manner which ensures that each eligible State and political subdivision of a State shall be reimbursed for their total aggregate costs for the incarceration of undocumented criminal aliens during fiscal years 1995 and 1996 at the same pro rata rate.

GORTON AMENDMENT NO. 2860

Mr. GRAMM (for Mr. GORTON) proposed an amendment to the bill H.R. 2076, supra, as follows:

On page 85, line 14, add the following new section:

SEC. 207. None of the funds appropriated under this Act or any other law shall be used to implement subsections (a), (b), (c), (e), (g), or (i) of section 4 of the Endangered Species Act of 1973 (16 U.S.C. 1533), until such time as legislation reauthorizing the Act is enacted or until the end of fiscal year 1996, whichever is earlier, except that monies appropriated under this Act may be used to delist or reclassify species pursuant to subsections 4(a)(2)(B), 4(c)(2)(B)(i), and 4(c)(2)(B)(ii) of the Act.

GRAHAM AMENDMENT NO. 2861

Mr. GRAMM (for Mr. GRAHAM) proposed an amendment to the bill H.R. 2076, supra, as follows:

On page 12, between lines 2 and 3, insert the following:

COMMUNITY RELATIONS SERVICE

SALARIES AND EXPENSES

For necessary expenses of the Community Relations Service, established by title X of the Civil Rights Act of 1964, $10,638,000: *Provided*, That such additional funds as may be necessary for the resettlement of Cuban and Haitian entrants shall be available to the Community Relations Service, without fiscal year limitation, to be reimbursed from the Immigration Examinations Fee Account: *Provided further*, That, notwithstanding any other provision of this Act, the funds made available pursuant to this Act under the heading "Federal Bureau of Investigation, Salaries and Expenses," shall be reduced by $11,170,000.

On page 12, after line 2, insert the following:

COMMUNITY RELATIONS SERVICE

SALARIES AND EXPENSES

For necessary expenses of the Community Relations Service, established by title X of the Civil Rights Act of 1964, $10,638,000: *Provided*, That such additional funds as may be necessary for the resettlement of Cuban and Haitian entrants shall be available to the Community Relations Service, without fiscal year limitation, to be reimbursed from the Immigration Examinations Fee Account: *Provided further*, That, notwithstanding any other provision of this Act, the funds made available pursuant to this Act under the heading "Federal Bureau of Investigation, Salaries and Expenses," shall be reduced by $11,170,000.

GRAHAM (AND OTHERS) AMENDMENT NO. 2862

Mr. GRAMM (for Mr. GRAHAM for himself, Mr. MACK, and Mr. SIMON) proposed an amendment to the bill H.R. 2076, supra, as follows:

Page 19, strike line 7 through line 17 and insert the following: *Provided further*, That the Office of Public Affairs at the Immigration Naturalization Service shall conduct its business in areas only relating to its central mission, including: research, analysis, and dissemination of information, through the media and other communications outlets, relating to the activities of the Immigration Naturalization Service: *Provided further*, That the Office of Congressional Relations at the Immigration and Naturalization Service conduct business in areas only relating to its central mission, including: providing services to Members of Congress relating to constituent inquiries and requests for information; and working with the relevant Congressional committees on proposed legislation affecting immigration matters.

HATCH (AND OTHERS) AMENDMENT NO. 2863

Mr. GRAMM (for Mr. HATCH for himself, Mr. MOYNIHAN, Mr. JEFFORDS, Mr. PELL, Mr. HARKIN, Mr. SARBANES, Mr. STEVENS, and Mr. CAMPBELL) proposed an amendment to the bill H.R. 2076, supra, as follows:

Before the period at the end of the paragraph under the heading "CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS", insert the following: ": *Provided further*, That funds appropriated or otherwise made available under this heading may be available for the International Labor Organization".

HATCH AMENDMENT NO. 2864

Mr. GRAMM (for Mr. HATCH) proposed an amendment to the bill H.R. 2076, supra, as follows:

At the appropriate place insert:

SECTION 1. FUNDS TO TRANSPORTATION OF ADMINISTRATOR OF THE DRUG ENFORCEMENT ADMINISTRATION.

Section 1344(b)(6) of title 31, United States Code, is amended to read as follows:

"(6) the Director of the Central Intelligence Agency, the Director of the Federal Bureau of Investigation, and the Administrator of the Drug Enforcement Administration;".

HELMS (AND PELL) AMENDMENT NO. 2865

Mr. GRAMM (for Mr. HELMS for himself and Mr. PELL) proposed an amendment to the bill H.R. 2076, supra, as follows:

At the appropriate place insert:

Section 36(a)(1) of the State Department Authorities Act of 1956, as amended (22 U.S.C. 2708), is amended to delete "may pay a reward" and insert in lieu thereof "shall establish and publicize a program under which rewards may be paid".

HOLLINGS (AND OTHERS) AMENDMENT NO. 2866

Mr. GRAMM (for Mr. HOLLINGS for himself, Mr. ABRAHAM, Mr. LEVIN, Mr. LUGAR, Mr. GLENN, Mr. SIMON, Mr. KOHL, and Mr. LEAHY) proposed an amendment to the bill H.R. 2076, supra, as follows:

On page 76, line 20 strike "$55,500,000" and insert in lieu thereof "$62,000,000".

BURNS AMENDMENT NO. 2867

Mr. GRAMM (for Mr. BURNS) proposed an amendment to the bill H.R. 2076, supra, as follows:

On page 74, line 18, after "Fund", strike the period and insert the following: ", and of which $1,200,000 shall be available for continuation of the program to integrate energy efficient building technology with the use of structural materials made from underutilized or waste products.".

LEAHY (AND JEFFORDS) AMENDMENT NO. 2868

Mr. GRAMM (for Mr. LEAHY, for himself and Mr. JEFFORDS) proposed an amendment to the bill H.R. 2076, supra, as follows:

At the appropriate place, insert the following new section:

SEC. . TRANSFER OF TITLE TO THE RUTLAND CITY INDUSTRIAL COMPLEX.

Notwithstanding any other provision of law (including any regulation and including the Public Works and Economic Development Act of 1965), the transfer of title to the Rutland City Industrial Complex to Hilinex, Vermont (as related to Economic Development Administration Project Number 01-11-01742) shall not require compensation to the Federal Government for the fair share of the Federal Government of that real property.

MACK (AND GRAMM) AMENDMENT NO. 2869

Mr. GRAMM (for Mr. MACK, for himself and Mr. GRAMM) proposed an amendment to the bill H.R. 2076, supra; as follows:

Nothwithstanding any other provision in this Act, the amount for the East-West Center shall be $18,000,000.

On page 116 of the bill, on line 1, strike "$1,000,000" and insert $4,000,000".

MCCAIN (AND DORGAN) AMENDMENT NO. 2870

Mr. GRAMM (for Mr. MCCAIN, for himself and Mr. DORGAN) proposed an amendment to the bill H.R. 2076, supra; as follows:

At the appropriate place, insert the following, "*Provided further*, That of the funds made available under this act or any other Act, no funds shall be expended by the Director of the Administrative Office of the U.S. Courts to implement the National Fine Center prior to March 1, 1996, except for the funds necessary to maintain National Fine Center services at their current level, to complete the conversion of existing cases for the courts participating in the National Fine Center as of the date of enactment of this Act, and to complete the Linked Area network pilot projects in progress as of the date of enactment of this Act.".

MCCAIN AMENDMENT NO. 2871

Mr. GRAMM (for Mr. MCCAIN) proposed an amendment to the bill H.R. 2076, supra; as follows:

On page 121, after line 24, add the following:

SEC. . It is the Sense of the Senate that the President of the United States should insist on the full complaince of the Russian Federation with the terms of the Treaty on Conventional Armed Forces in Europe and seek the advice and consent of the Senate for any treaty modifications.

SHELBY AMENDMENT NO. 2872

Mr. GRAMM (for Mr. SHELBY) proposed an amendment to the bill H.R. 2076, supra; as follows:

At the appropriate place, insert the following:

SEC. ___. LAND TRANSFER.

(a) IN GENERAL.—The Secretary of Commerce, acting through the Assistant Secretary for Economic Development of the Department of Commerce, shall—

(1) not later than January 1, 1996, commence the demolition of the structures on, and the cleanup and environmental remediation on, the parcel of land described in subsection (b);

(2) not later than March 31, 1996, complete the demolition, cleanup, and environmental remediation under paragraph (1); and

(3) not later than April 1, 1996, convey the parcel of land described in subsection (b), in accordance with the requirements of section 120(h) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9620(h)), to the Tuscaloosa County Industrial Development Authority,

on receipt of payment of the fair market value for the parcel by the Authority, as agreed on by the Secretary and the Authority.

(b) Land Parcel.—The parcel of land referred to in subsection (a) is the parcel of land consisting of approximately 41 acres in Holt, Alabama (in Tuscaloosa County), that is generally known as the "Central Foundry Property", as depicted on a map, and as described in a legal description, that the Secretary, acting through the Assistant Secretary for Economic Development, determines to be satisfactory.

INOUYE (AND OTHERS) AMENDMENT NO. 2873

Mr. GRAMM (for Mr. Inouye for himself, Mr. Lott, Mr. Breaux, Mr. Stevens, Mr. Robb, Mr. Johnston, Ms. Mikulski, and Mr. Cochran) proposed an amendment to the bill H.R. 2076, supra, as follows:

On page 113, line 24, strike "$330,191,000," and insert "$284,191,000.

On page 114, line 3, after "exceed" insert "$29,000,000 may be used for necessary expenses of Radio Free Europe/Radio Liberty, of which not more than".

On page 99, line 26, strike "$250,000,000," and insert "$225,000,000".

On page 116, between lines 12 and 13, insert the following:

MARITIME SECURITY

For necessary expenses of maritime security services authorized by law, $46,000,000, to remain available until expended.

On page 117, line 5, strike "academies:" and insert "academies and may be transferred to the Secretary of the Interior for use in the National Maritime Heritage Grant Program:".

On page 117, strike lines 12 through 24 and insert the following:

For the cost of guaranteed loans, as authorized by the Merchant Marine Act, 1936, $25,000,000, to remain available until expended: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed $500,000,000.

COVERDELL AMENDMENT NO. 2874

Mr. GRAMM (for Mr. Coverdell) proposed an amendment to the bill H.R. 2076, supra, as follows:

On page 110, between lines 2 and 3, insert the following:

Sec. . It is the sense of Congress that, in order to facilitate enhanced command and control of Department of Defense counter-drug activities in the Western Hemisphere, the President should designate the commander of one unified combatant command established under chapter 6 of title 10, United States Code, to perform the mission of carrying out all counter-drug operations of the Department of Defense in the areas of the Western Hemisphere that are south of the southern border of the United States, including Mexico, and the areas off the coasts of Central America and South America that are within 300 miles of such coasts. But not to include the Caribbean Sea.

COCHRAN (AND OTHERS) AMENDMENT NO. 2875

Mr. GRAMM (for Mr. Cochran, for himself, Mr. Lott, and Mr. Heflin) proposed an amendment to the bill H.R. 2076, supra, as follows:

On page 76, line 25, insert before the period the following: ": *Provided further*, That the National Weather Service shall expend not more than $700,000 to operate and maintain Agricultural Weather Service Centers".

JEFFORDS (AND OTHERS) AMENDMENT NO. 2876

Mr. GRAMM (for Mr. Jeffords for himself, Mr. Levin, Mr. Moynihan, Mrs. Murray, Mr. Leahy, Mr. D'Amato, Mr. Glenn, Mr. Rockefeller, Mr. Pell, and Mrs. Hutchison) proposed an amendment to the bill H.R. 2076, supra, as follows:

On page 68, line 19, insert ", $7,500,000 of which shall be for trade adjustment assistance" after "$89,000,000".

PRYOR (AND SNOWE) AMENDMENT NO. 2877

Mr. GRAMM (for Mr. Pryor, for himself, and Ms. Snowe) proposed an amendment to the bill H.R. 2076, supra, as follows:

At the appropriate place, insert the following new section:

SEC. . SENSE OF THE CONGRESS ON ECONOMIC DEVELOPMENT ADMINISTRATION.

(a) Findings.—The Congress finds that—

(1) assistance from the Economic Development Administration (hereafter in this section referred to as the "EDA") within the Department of Commerce is an investment in the economic vitality of the United States;

(2) funding for the EDA within the Department of Commerce is reduced by almost 80 percent in this Act;

(3) the EDA serves a unique governmental function by providing grants, which are matched by local funds, to distressed urban and rural areas that would not otherwise receive funding;

(4) every EDA $1 invested generates $3 in outside investments, and during the past 30 years preceding the date of enactment of this Act, the EDA has invested more than $15,600,000,000 in depressed communities, creating 2,800,000 jobs in the United States;

(5) the EDA is one of a very few governmental agencies that assists communities impacted by military base closings and defense downsizing;

(6) the EDA has—

(A) become a more efficient and effective agency by reducing regulations by 60 percent;

(B) trimmed the period for application processing down to a 60-day period; and

(C) reduced its operating expenses; and

(7) the House of Representatives, on July 26, 1995, voiced strong bipartisan support for the EDA by a vote of 315 to 110.

(b) Sense of the Congress.—It is the sense of the Congress that the appropriation for the EDA for fiscal year 1996 should be at the House of Representatives-passed level of $348,500,000.

DOLE (AND PRESSLER) AMENDMENT NO. 2878

Mr. GRAMM (for Mr. Dole for himself and Mr. Pressler) proposed an amendment to the bill H.R. 2076, supra; as follows:

At the appropriate place in the bill, insert the following:

SEC. . RESTRICTIONS ON THE TERMINATION OF SANCTIONS AGAINST SERBIA AND MONTENEGRO.

(a) Restrictions.—Section 1511 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160) is amended by striking subsection (e) and inserting the following:

"(e) Certification.—A certification described in this subsection is a certification by the President to Congress of his determination that:

"(1) the elected Government of Kosova is exercising its legitimate right to democratic self-government, and the political autonomy of Kosova, as exercised prior to 1984 under the 1974 Constitution of the Socialist Federal Republic of Yugoslavia, has been restored;

"(2) systematic violations of the civil and human rights of the people of Kosova, including institutionalized discrimination and structural repression, have ended;

"(3) monitors from the Organization for Security and Cooperation in Europe, other human rights monitors, and United States and international relief officials are free to operate in Kosova and Serbia, including the Sandjak and Vojvodina, and enjoy the full cooperation and support of Serbia and local authorities;

"(4) full civil and human rights have been restored to ethnic non-Serbs in Serbia, including the Sandjak and Vojvodina;

"(5) the Federal Republic of Yugoslavia has halted aggression against the Republic of Bosnia and Herzegovina;

"(6) the Federal Republic of Yugoslavia has terminated all forms of support, including manpower, arms, fuel, financial subsidies, and war material, by land or air, for Serbian separatists and their leaders in the Republic of Bosnia and Herzegovina and the Republic of Croatia;

"(7) the Federal Republic of Yugoslavia has extended full respect for the territorial integrity and independence of the Republic of Bosnia and Herzegovina, the Republic of Croatia, and the former Yugoslav Republic of Macedonia; and

"(8) the Federal Republic of Yugoslavia has cooperated fully with the United Nations war crimes tribunal for the former Yugoslavia, including by surrendering all available and requested evidence and those indicted individuals who are residing in the territory of Serbia and Montenegro.".

(b) Foreign Assistance Act Amendment.—Section 307(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2227(a)) is amended by inserting "Serbia and Montenegro," after "Cuba,".

(c) Conforming Amendment.—Section 1511(a) of such Act is amended by striking "subsections (d) and (e)) remain in effect until changed by law" and inserting "subsection (d)) remain in effect until the certification requirements of subsection (e) have been met".

(d) Sense of the Congress.—It is the sense of the Congress that the conditions specified in section 1511(e) of the National Defense Authorization Act for Fiscal Year 1994, as amended by this section, should also be applied by the United Nations for the termination of sanctions against Serbia and Montenegro.

FEDERAL SENTENCING GUIDELINES AMENDMENTS DISAPPROVAL ACT

KENNEDY AMENDMENT NO. 2879

Mr. COATS (for Mr. KENNEDY) proposed an amendment to the bill (S. 1254) to disapprove of amendments to the Federal Sentencing Guidelines relating to lowering of crack sentences and sentences for money laundering and transactions in property derived from unlawful activity; as follows:

At the end of the bill, insert the following new section:

SEC. . REDUCTION OF SENTENCING DISPARITY.

(a) RECOMMENDATIONS.—

(1) IN GENERAL.—The United States Sentencing Commission shall submit to Congress recommendations regarding changes to the statutes and Sentencing Guidelines governing sentences for unlawful manufacturing, importing, exporting, and trafficking of cocaine, and like offenses, including unlawful possession, possession with intent to commit any of the forgoing offenses, and attempt and conspiracy to commit any of the forgoing offenses. The recommendations shall reflect the following considerations:

(A) the sentence imposed for trafficking in a quantity of crack cocaine should generally exceed the sentence imposed for trafficking in a like quantity of powder cocaine;

(B) high-level wholesale cocaine traffickers, organizers, and leaders, of criminal activities should generally receive longer sentences than low-level retail cocaine traffickers and those who played a minor or minimal role in such criminal activity;

(C) if the Government establishes that a defendant who traffics in powder cocaine has knowledge that such cocaine will be converted into crack cocaine prior to its distribution to individual users, the defendant should be treated at sentencing as though the defendant had trafficked in crack cocaine; and

(D) An enhanced sentence should generally be imposed on a defendant who, in the course of an offense described in this subsection

(i) murders or causes serious bodily injury to an individual;

(ii) uses a dangerous weapon;

(iii) uses or possess a firearm;

(iv) involves a juvenile or a woman who the defendant knows or should know to be pregnant;

(v) engages in a continuing criminal enterprise or commits other criminal offenses in order to facilitate his drug trafficking activities;

(vi) knows, or should know, that he is involving an unusually vulnerable person;

(vii) restrains a victim;

(viii) traffics in cocaine within 500 feet of a school;

(ix) obstructs justice;

(x) has a significant prior criminal record; or

(xi) is an organizer or leader of drug trafficking activities involving five or more persons.

(2) RATIO.—The recommendations described in the preceding subsection shall propose revision of the drug quantity ratio of crack cocaine to powder cocaine under the relevant statutes and guidelines in a manner consistent with the ratios set for other drugs and consistent with the objectives set forth in 28 U.S.C. 3553(a).

(b) STUDY.—No later than May 1, 1996, the Department of Justice shall submit to the Judiciary Committees of the Senate and House of Representatives a report on the charging and plea practices of federal prosecutors with respect to the offense of money laundering. Such study shall include an account of the steps taken or to be taken by the Justice Department to ensure consistency and appropriateness in the use of the money laundering statute. The Sentencing Commission shall submit to the Judiciary Committees comments on the study prepared by the Department of Justice.

THE INTELLIGENCE APPROPRIATIONS AUTHORIZATION ACT FOR FISCAL YEAR 1996

SPECTER AMENDMENT NO. 2880

Mr. COATS (for Mr. SPECTER) proposed an amendment to the bill (S. 922) to authorize appropriations for fiscal year 1996 for intelligence and intelligence-related activities of the United States Government and the Central Intelligence Agency Retirement and Disability System, and for other purposes; as follows:

In lieu of the matter proposed to be inserted by the Committee amendment to page 3, lines 18 through 21 of the bill, insert the following:

(c) SCOPE OF SCHEDULE.—For fiscal year 1996, the Schedule of Authorizations referred to in subsections (a) and (b) does not include the Schedule of Authorizations for the Joint Military Intelligence Programs (JMIP).

SPECTER (AND KERREY) AMENDMENT NO. 2881

Mr. COATS (for Mr. SPECTER for himself and Mr. KERREY) proposed an amendment to the bill S. 922, supra; as follows:

On page 11, between lines 14 and 15, insert the following new section:

SEC. 309. REDUCTION IN AMOUNTS AUTHORIZED TO BE APPROPRIATED FOR THE NATIONAL RECONNAISSANCE OFFICE FOR FISCAL YEAR 1996.

The total amount authorized to be appropriated for fiscal year 1996 for the National Reconnaissance Office (NRO) shall be reduced by an amount equal to the amount by which appropriations for the Department of Defense for fiscal year 1996 are reduced to reflect the availability of funds appropriated prior to fiscal year 1996 that have accumulated in the carry forward accounts for that Office.

SPECTER (AND OTHERS) AMENDMENT NO. 2882

Mr. COATS (for Mr. SPECTER, for himself, Mr. KERRY, Mr. BRYAN, and Mr. SHELBY) proposed an amendment to the bill S. 922, supra; as follows:

At the appropriate place in the bill, insert the following new section:

SEC. 310. FINANCIAL MANAGEMENT OF THE NATIONAL RECONNAISSANCE OFFICE.

(a) LIMITATION.—No funds are authorized to be carried over into FY 1997 or subsequent years for the programs, projects, and activities of the National Reconnaissance Office in excess of the amount necessary to provide for the ongoing mission of the NRO for one month."

(b) MANAGEMENT REVIEW.—(1) The Inspector General for the Central Intelligence Agency and the Inspector General of the Department of Defense shall jointly undertake a comprehensive review of the financial management of the National Reconnaissance Office to evaluate the effectiveness of policies and internal controls over the budget of the National Reconnaissance Office, including the use of forward funding, to ensure that National Reconnaissance Office funds are used in accordance with the policies of the Director of Central Intelligence and the Department of Defense, the guidelines of the National Reconnaissance Office, and congressional direction.

(2) The review required by paragraph (1) shall—

(A) determine the quality of the development and implementation of the budget process within the National Reconnaissance Office at both the comptroller and directorate level;

(B) assess the advantages and disadvantages of the use of incremental versus full funding for contracts entered into by the National Reconnaissance Office;

(C) assess the advantages and disadvantages of the National Reconnaissance Office's use of forward funding;

(D) determine how the National Reconnaissance Office defines, identifies, and justifies forward funding requirements;

(E) determine how the National Reconnaissance Office tracks and manages forward funding;

(F) determine how the National Reconnaissance Office plans to comply with congressional direction regarding forward funding;

(G) determine whether or not a contract entered into by the National Reconnaissance Office has ever encountered a contingency which required the utilization of more than 30 days of forward funding;

(H) consider the proposal by the Director of Central Intelligence for the establishment of a position of a Chief Financial Officer, and assess how the functions to be performed by that officer would enhance the financial management of the National Reconnaissance Office; and

(I) make recommendations, as appropriate, to improve control and management of the budget process of the National Reconnaissance Office.

(3) The President shall submit a report to the appropriate committees of the Congress setting forth the findings of the review required by paragraph (1) not later than 90 days after the date of enactment of this Act, with an interim report provided to those committees not later than 45 days after the date of enactment of this Act.

(c) REPORT.—(1) Not later than January 30, 1996, the President shall submit a report to the appropriate committees of the Congress on a proposal to subject the budget of the intelligence community to greater oversight by the executive branch of Government.

(2) Such report shall include—

(A) consideration of establishing by statute a financial control officer for the National Reconnaissance Office, other elements of the intelligence community and for the intelligence community as a whole; and

(B) recommendations for procedures to be used by the Office of Management and Budget for review of the budget of the National Reconnaissance Office.

(d) DEFINITIONS.—As used in this section:

(1) INTELLIGENCE COMMUNITY.—The term "intelligence community" has the meaning

given to the term in section 3(4) of the National Security Act of 1947 (50 U.S.C. 401a(4)).

SPECTER AMENDMENT NO. 2883

Mr. COATS (for Mr. SPECTER) proposed an amendment to the bill S. 922, supra; as follows:

On page 11, strike lines 17 through 21 and insert the following:

SEC. 401. EXTENSION OF THE CENTRAL INTELLIGENCE AGENCY VOLUNTARY SEPARATION PAY ACT.

(a) EXTENSION OF AUTHORITY.—Section 2(f) of the Central Intelligence Agency Voluntary Separation Pay Act (50 U.S.C. 403-4(f)) is amended by striking "September 30, 1997" and inserting "September 30, 1999".

(b) REMITTANCE OF FUNDS.—Section 2 of the Central Intelligence Agency Voluntary Separation Pay Act (50 U.S.C. 403-4) is amended by inserting at the end the following new subsection:

"(i) REMITTANCE OF FUNDS.—The Director shall remit to the Office of Personnel Management for deposit in the Treasury of the United States to the credit of the Civil Service Retirement and Disability Fund (in addition to any other payments which the Director is required to make under subchapter III of chapter 83 and subchapter II of chapter 84 of title 5, United States Code), an amount equal to 15 percent of the final basic pay of each employee who, in fiscal year 1998 or fiscal year 1999, retires voluntarily under section 8336, 8412, or 8414 of such title or resigns and to whom a voluntary separation incentive payment has been or is to be paid under this section.".

At the end of title V of the bill, add the following new section:

SEC. 504. ENHANCEMENT OF CAPABILITIES OF CERTAIN INTELLIGENCE STATIONS.

(a) AUTHORITY.—(1) In addition to funds otherwise available for such purpose, the Secretary of the Army is authorized to transfer or reprogram funds for the enhancement of the capabilities of the Bad Aibling Station and the Menwith Hill Station, including improvements of facility infrastructure and quality of life programs at both installations.

(2) The authority of paragraph (1) may be exercised notwithstanding any other provision of law.

(b) FUNDING.—Funds available for the Army for operations and maintenance for any fiscal year shall be available to carry out subsection (a).

(c) CONGRESSIONAL NOTIFICATION.—Whenever the Secretary of the Army determines that an amount to be transferred or reprogrammed under this section would cause the total amounts transferred or reprogrammed in that fiscal year to exceed $1,000,000, the Secretary shall notify in advance the Select Committee on Intelligence, the Committee on Armed Services, and the Committee on Appropriations of the Senate and the Permanent Select Committee on Intelligence, the Committee on National Security, and the Committee on Appropriations of the House of Representatives and provide a justification for the increased expenditure.

(d) STATUTORY CONSTRUCTION.—Nothing in this section may be construed to modify or obviate existing law or practice with regard to the transfer or reprogramming of substantial sums of money from the Department of the Army to the Bad Aibling or Menwith Hill Stations.

MIKULSKI AMENDMENT NO. 2884

Mr. COATS (for Ms. MIKULSKI) proposed an amendment to the bill S. 922, supra; as follows:

On page 10, line 7, after "(22 U.S.C. 4008)," insert "and to provide for other personnel review systems,".

On page 10, at the end of line 10 add the following new sentence: "The report shall also contain a description and analysis of voluntary separation incentive proposals, including a waiver of the two-percent penalty reduction for early retirement."

NOTICES OF HEARINGS

COMMITTEE ON INDIAN AFFAIRS

Mr. MCCAIN. Mr. President, I would like to announce that the Senate Committee on Indian Affairs will hold an oversight hearing on the views of Alaska Natives on the Reorganization of the Bureau of Indian Affairs and the Indian Health Service. The hearing will take place in Anchorage, AK, on Friday, October 6, 1995, beginning at 2 p.m. The location of the hearing will be the Federal Building at 222 W. 7th Avenue, Anchorage, AK.

Those wishing additional information should contact the Committee on Indian Affairs at 224–2251.

COMMITTEE ON ENERGY AND NATURAL RESOURCES, SUBCOMMITTEE ON PARKS, HISTORIC PRESERVATION, AND RECREATION

Mr. CAMPBELL. Mr. President, I would like to announce for the public that a hearing has been scheduled before the Subcommittee on Parks, Historic Preservation, and Recreation of the Committee on Energy and Natural Resources.

The hearing will take place on Thursday, October 26, 1995 at 2 p.m. in room SD–366 of the Dirksen Senate Office Building in Washington, DC.

The purpose of this hearing is to review S. 231, a bill to modify the boundaries of Walnut Canyon National Monument in the State of Arizona; S. 342, a bill to establish the Cache La Poudre River National Water Heritage Area in the State of Colorado; S. 364, a bill to authorize the Secretary of the Interior to participate in the operation associated with, but outside the boundaries of, Rocky Mountain National Park in the State of Colorado; S. 489, a bill to authorize the Secretary of the Interior to enter into an appropriate form of agreement with the town of Grand Lake, CO, authorizing the town to maintain permanently a cemetery in the Rocky Mountain National Park; and S. 608, a bill to establish the New Bedford Whaling National Historical Park in New Bedford, MA.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record should send two copies of their testimony to the Subcommittee on Parks, Historic Preservation, and Recreation, Committee on Energy and Natural Resources, U.S. Senate, 364 Dirksen Senate Office Building, Washington, DC 20510–6150.

For further information, please contact Jim O'Toole of the subcommittee staff at 202–224–5161.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. GRAMM. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet on Friday, September 29, 1995, at 10 a.m. in open session, to consider the nomination of Mr. John W. Douglass for appointment as Assistant Secretary of the Navy for Research, Development, and Acquisition.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. GRAMM. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Friday, September 29, 1995, to conduct a nomination hearing of the following nominees: Dwight P. Robinson, of Michigan, to be Deputy Secretary of Housing and Urban Development; John A. Knubel, of Maryland, to be the Chief Financial Officer of HUD; Hal C. Decell, III, of Mississippi, to be an Assistant Secretary of HUD; Elizabeth K. Julian, of Texas, to be an Assistant Secretary of HUD; Kevin G. Chavers, of Pennsylvania, to be the president of the Government National Mortgage Association; Joseph H. Neely, of Mississippi, to be a member of the board of directors of the Federal Deposit Insurance Corporation; Alicia Munnell, of Massachusetts, to be a member of the Council of Economic Advisors; Norman S. Johnson, of Utah, to be a member of the Securities and Exchange Commission; and Isaac C. Hunt, Jr., of Ohio, to be a member of the Securities and Exchange Commission.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. GRAMM. Mr. President, I ask unanimous consent that the Committee on Finance be permitted to meet Friday, September 29, 1995, beginning at 11 a.m. in room SH–216, to continue a markup of spending recommendations for the budget reconciliation legislation.

THE PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. GRAMM. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Friday, September 29, 1995, at 9:30 a.m. to hold a closed hearing on intelligence matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

RETIREMENT OF REPRESENTATIVE NORMAN MINETA

• Mr. SIMON. Mr. President, when the House adjourns today for the Columbus Day recess, it will also mark the end of the congressional career of Representative NORMAN MINETA of San Jose, CA. NORM MINETA and I came to Congress together in January 1975 and over the past two decades he has been a remarkable public servant.

There was cynicism about Washington when we arrived in the Watergate class of 1974 and, sadly, there is loss of faith in our political system today. But there has never been a question about the contributions NORM MINETA has made to make this country a better place.

While ably representing the people of his district, NORM MINETA has also developed a natural, national constituency among Asian-Pacific-Americans. Many people do not realize that the State of Illinois has the fifth largest Asian-American population of any State. Over the years, NORM MINETA and I have worked closely on many issues, particularly those affecting our Asian-Pacific-Americans constituents.

In the 1970s', we worked together on the inclusion of Asian-Americans in the decennial census. In the 1980's, we worked to ensure that Asian Americans were included in the Higher Education Act. In this decade, we have worked on passing hate crimes legislation and saving the immigration preference for brothers and sisters of U.S. citizens, which sadly is being threatened again today. In 1992, he was particularly helpful to me and my staff on extending the important bilingual provisions of the Voting Rights Act.

Perhaps most of all, NORM MINETA will be remembered for his work to do what should have been done long previously by Congress—enactment of the Civil Liberties Act of 1988 providing redress for Japanese-Americans interned during World War II. I was a teenager living on the west coast when that episode occurred in our Nation's history. My family was not uprooted like NORM MINETA's and those of 120,000 Japanese-Americans. But my father, who was a Lutheran minister, spoke out publicly against what was happening to Japanese-Americans. He was criticized for that, but, as I look back, it was one of the things I am most proud of him—standing up for what was right in the face of what was the popular mood.

NORM MINETA has always stood for what is best in public service and I wish him well in his future endeavors.•

AWARDING OF THE PRESIDENTIAL MEDAL OF FREEDOM TO GAYLORD NELSON

• Mr. FEINGOLD. Mr. President, I want to take this opportunity to extend congratulations to Gaylord Nelson, a former Member of this body and a distinguished former Governor of the State of Wisconsin, who is receiving America's highest civilian honor today—the Presidential Medal of Freedom. Gaylord Nelson receives this award in recognition of his lifelong commitment to leadership on issues of environmental protection, and his tremendous efforts to ensure that both our country's public policy and its citizens sustain and preserve America's invaluable natural resources.

Nelson's career is truly a remarkable one, and I am proud to now hold the Senate seat he held with distinction from 1963 to 1981. Gaylord Nelson began his political career in 1948, when he became the first Democratic State senator elected from Dane County in this century. He served three terms in the Wisconsin State senate from 1948 to 1956, acting as the Democratic floor leader for 8 of those years. He was a two-term Governor of my State, elected in 1958, and like the noteworthy accomplishment of his election to State senate, Nelson was Wisconsin's second Democratic governor in this century and, upon reelection in 1960, he became the only Democrat in Wisconsin to win two terms at Governor since 1892. During his gubernatorial tenure, the environment became a priority for the State with the creation of a $50 million outdoor resources acquisition program, putting Wisconsin far ahead in recreational opportunities for the general public.

As those who served with him in this body remember well, Nelson is best described like the main character in Dr. Seuss' children's story The Lorax—the man "who speaks for the trees." During his 18 years of service in the Senate, Gaylord Nelson affected significant change for the "greener" in both our Nation's law and the institution of the Senate itself. He is the co-author of the Environmental Education Act, which he sponsored with the senior Senator from Massachusetts (Mr. KENNEDY), and the Wild and Scenic Rivers Act, and sponsored an amendment to give the St. Croix and the Namekagon Rivers scenic protection. In the wake of Rachel Carson's book Silent Spring, Gaylord Nelson, along with Senator Philip Hart of Michigan, ushered in national attention to the documented persistent bioaccumulative effects of organochlorine pesticides used in the Great Lakes by authoring the ban on DDT in 1972. He was the primary sponsor of the Apostle Islands National Lakeshore Act, one of Northern Wisconsin's most beautiful areas at which I spend a portion of my vacation time with my family every year, and an area which just celebrated its 25th anniversary last month with an event at which Nelson and I both spoke.

Nelson, of course, is best remembered as being the founder of Earth Day. As one of the first Senators to oppose the U.S. military buildup in Vietnam, Gaylord Nelson took his inspiration for Earth Day from the anti-war teach-ins on college campuses. He described in a floor statement on the development of the event:

> It suddenly occurred to me, why not have a nationwide teach-in on the environment.

Gaylord Nelson announced the idea at a speech in Seattle in 1969, and the idea has been a sustained vision for 25 years.

Earth Day is an event which in addition to changing the environmental consciousness of the country, as colleagues who were present will remember, literally stopped the Senate. Members of both bodies voted to adjourn their respective houses in the middle of the legislative week to attend Earth Day events, an adjournment that would be extremely rare today. Here in this body, the CONGRESSIONAL RECORD indicates, at 3:31 p.m. on Tuesday, April 20, 1970, our colleague the senior Senator from West Virginia [Mr. BYRD] adjourned the Senate until Friday, April 23, 1970. In the other body, chamber action was adjourned from the middle of the day on April 21, 1970, the actual date of the first Earth Day, through April 23 of that year.

Gaylord Nelson's environmental activism also changed the way we in Congress run our personal offices. Last year, in an E Magazine interview which Nelson gave for the 25th Anniversary of Earth Day, he described that back in 1970 he believed he was the only person in the Senate to have a full time environmental staffer. In 1995, it is difficult to imagine that there is any Member of this body or the other that does not have a member of their staff designated to handle environmental issues.

After his defeat in the race for a fourth Senate term in 1980, Nelson joined the national conservation group, the Wilderness Society. In 1990, Nelson founded another group in Washington called Green Seal, which he created to certify the environmental claims of consumer products by developing innovative environmentally based product standards and comparing classes of marketed products to those standards.

Mr. President, leadership is not only the willingness to assume the role of being a primary spokesperson on important issues, but what one actually says and does about those issues. With a combination of words and activism, Gaylord Nelson actively used his position to make changes for the better. In a 1994 Chicago Tribune article, Thomas Huffman, a professor of history at St. John's University in Collegeville, MN, observed about Gaylord Nelson:

> Almost every campaign speech he [Nelson] gave from 1960 on had an environmental component. Often times that was the whole speech. There were many in his party who thought he was crazy, that it was not really an issue.

Despite the fact that some were skeptical about Nelson's message at first, the directness and forcefulness of his statements are undeniable. In his 1969 book on the environment, entitled America's Last Chance, written after 6 years of service in the Senate, Nelson issues a political challenge:

> Through the past decade of work in this field, I have come to the conclusion that the number one domestic problem facing this country is the threatened destruction of our natural resources and the disaster which would confront mankind should such destruction occur. There is a real question as to whether the nation, which has spent some two hundred years developing an intricate system of local, State and Federal Government to deal with the public's problems, will be bold, imaginative and flexible enough to meet this supreme test.

Nelson's message was one of urgency and of bipartisanship. His time in the Senate saw this body establish, under both Republican and Democratic administrations, an Environment and Public Works Committee, pass the majority of our Federal environmental statutes with significant bipartisan support, and create the Environmental Protection Agency. In his speech at the University of Wisconsin on the first Earth Day, Nelson said:

> Our goal is an environment of decency, quality, and mutual respect for human creatures and all other living creatures. An environment without ugliness, without ghettos, without discrimination, without hunger, without poverty, and without war.

In recognizing Gaylord Nelson's accomplishments, I hope that all in this body will be mindful of the need to be committed to the protection of the environment and to work in a bipartisan fashion toward that end. I believe that to have this body embrace and resonate his enthusiasm on these issues would be a fitting tribute.•

HISTORIC RECONCILIATION BETWEEN ROMANIA AND HUNGARY

• Mr. LIEBERMAN. Mr. President, this week President Clinton welcomed President Ion Iliescu of Romania at the White House. On this occasion, I would like to call to the attention of my colleagues President Iliescu's initiative to bring about an historic reconciliation between Romania and Hungary.

I know from my visit to Romania, where I was an official observer of the 1992 elections, the Romanian and Hungarian peoples both have rich cultural traditions. As in many parts of Europe and elsewhere, ethnic and cultural traditions in these nations are not bound by national borders. Certain politicians in these nations have sought to repress ethnic and cultural minorities and increase long-standing tensions. Ethnic Hungarians in Romanian Transylvania in particular have been denied full human and civil rights. The tragic conflicts in the former Yugoslavia are a constant reminder of the risks of extreme nationalism and ethnic and cultural divisions.

Mr. President, on August 30, President Iliescu called for an historic reconciliation between Hungary and Romania. In a statesmanlike speech, President Iliescu committed himself and his country to seeking a peaceful solution to the problems which have long damaged normal relations between Romania and Hungary. He cited as his model the Franco-German reconciliation that occurred when Charles de Gaulle and Konrad Adenauer committed their governments and their nations to forgive the past and jointly move forward to help create a more prosperous and more peaceful Europe. It is an important model to emulate.

President Iliescu's overture is welcome news for Romanians and Hungarians, Europeans and Americans.

For the ethnic Hungarians of Transylvania and other minority groups in Romania and Hungary, there is new hope that human rights and freedom of expression will be respected.

For all the people of Hungary and Romania, there is new hope for freedom and democracy, peaceful cooperation, economic growth and integration with the West and its economic and political institutions.

For the people of America and Europe, there is new hope for strengthened economic and political ties which will integrate Hungary and Romania into economic and political institutions on the basis of shared values.

Romania and Hungary must now take real steps to ensure that these hopes are realized. Both governments must work to reach and implement broad and concrete agreements which will guarantee respect for human rights, confirm national borders, and expand opportunities for free and fair trade. Fortunately, this process is underway.

The United States should support reconciliation between Hungary and Romania, and their integration into Western institutions. This reconciliation would mean a more stable world with more economic opportunities for Americans.

Mr. President, I hope that President Iliescu's visit to Washington has strengthened the friendship between our two countries on the basis of a shared interest in freedom and democracy.•

TRIBUTE TO MR. JAMES N. RUOTSALA ON HIS RETIREMENT AS SHERIFF OF HOUGHTON COUNTY, MI

• Mr. LEVIN. Mr. President, I rise today to pay tribute to Mr. James N. Ruotsala. In so doing, I join with the members of his community who are honoring him on October 13, 1995 during a reception commemorating his 28 years of service and his retirement as Sheriff of Houghton County, MI.

James is a native of Hancock, MI and moved as a child to Flat Rock, MI where he graduated from Flat Rock High School in 1962. He entered the U.S. Navy in February of 1963. On January 16, 1965 he married Judith I. Walman and they have five sons: James, John, Jason, Jared, and Justin.

Following his honorable discharge from the service in February of 1967, he returned to the Houghton-Hancock area and began his tenure with the Houghton-County Sheriff Department in March of that year. During his affiliation with the Department he served as a Marine officer, a deputy, a sergeant, and finally as a lieutenant. He was elected Houghton County sheriff and served from 1981 through September 14, 1995.

During 1989 and 1990 Sheriff Ruotsala served as the President of the Michigan Sheriff's Association, and is highly respected by law enforcement personnel throughout the State.

Mr. President, I ask you along with all of my colleagues in the Senate to join with me in honoring this outstanding citizen. His legacy of unselfish service is something we all should strive to emulate.•

GORDON LAU

• Mrs. FEINSTEIN. Mr. President, I rise today to pay tribute to my friend and associate, Gordon Lau. Over the years, I have worked closely with Gordon as San Francisco supervisors and as partners in establishing the first Sino-America Sister City relationship between San Francisco and Shanghai. I am proud of what we have managed to accomplish together.

Gordon is a longstanding pillar of the Chinese community in San Francisco and a key leader for crucial non-profits such as the Self-Help for the Elderly and the Chinese Culture Foundation.

Since Gordon graduated from the University of San Francisco Law School he has worked as an attorney and spent a great deal of his time in public service. Gordon was appointed to the San Francisco Board of Supervisors by former Mayor George Moscone in 1977. He later kept his seat in district elections becoming San Francisco's first Asian-American supervisor.

Gordon also served the city of San Francisco as a past board member for the Legal Aid Society, as founding member of San Francisco Lawyers Committee for Urban Affairs and Civil Rights, and as a former San Francisco Port Commissioner and the San Francisco Planning Commission.

I have worked closely with Gordon and the San Francisco-Shanghai Sister

City Committee. Since the creation of this sister city committee in 1979, Gordon has played a crucial role in its development and served, virtually uninterrupted, as its chairman. This partnership is very dear to me and nobody has worked harder to make it the success that it is than Gordon.

Since 1979, there have been 150 exchanges between San Francisco and Shanghai making it not only the first, but most active, sister city relationship between China and the United States. Sister Cities International ranks the San Francisco-Shanghai relationship as the most active of any cities involved in sister city partnerships.

People-to-people relationships are critically important in overall foreign relations. During many complicated times between the United States and China this sister city relationship has provided a strong link between the people of San Francisco and Shanghai.

Since its inception, the San Francisco-Shanghai Sister City Committee has produced 150 projects in art, culture, law, economics, medicine, education, development, trade, investments, and public works. One of the highlights has been business management training program in which San Francisco businesses participate in the training of China's new business leaders. This training of midlevel managers has been pointed to repeatedly as one of the most effective in supporting the economic changes underway in China.

The success of this sister city relationship culminated with the celebration of Shanghai Week in San Francisco this past July, celebrating a 15-year relationship between San Francisco and Shanghai.

Gordon Lau is truly a model of dedication to a community and to a cause. I join with his wonderful wife Mary, a public school teacher in San Francisco, their remarkable daughters, Stephanie, Diane and Carolyn, as well as the people of San Francisco and Shanghai in thanking Gordon for his devotion and hard work.

There are people in life who quietly go about the business of getting things done. Gordon sets a perfect example of what can be accomplished when you believe in what you do and work hard to achieve success. He has worked, year after year, with little fanfare to achieve one of the world's most productive sister city relationships in the world. It is time that we say thank you.•

AWARD OF PRESIDENTIAL MEDAL OF FREEDOM TO WALTER REUTHER

• Mr. ABRAHAM. Mr. president, today the President is awarding, posthumously, the Presidential Medal of Freedom to Walter Reuther. I wish to add my voice to the chorus honoring this fine man, who dedicated his life to helping the working men and women of America. Walter Reuther, son of immigrants, tool and die worker, labor organizer and President of the UAW lived for the union movement.

My own father was a UAW member, so I know full well the many benefits working families gained from Walter Reuther's leadership. Higher wages, better benefits and safer working conditions all resulted from Mr. Reuther's tireless work on behalf of workers. My father achieved the respect he deserved and our family and our neighbors achieved a decent life in part because of Walter Reuther's efforts.

At one point Mr. Reuther was shot in the back for his positions and actions. Despite the dangers, and the pain, he carried on. He refused to be cowed by bullies or by anybody else. He would fight for the workers in whom he believed, no matter what the cost. His determination made him, more than any other man, the one responsible for unionization of the auto industry.

Committed to helping workers, he nonetheless avoided political extremism, purging his own union of its extremist elements and making it safe for good, honest Americans.

Walter Reuther died in 1970. He and his wife were victims of a plane accident. But his union survives, as does his vision of a society in which working men and women are given their proper respect.

On behalf of the people of Michigan allow me to express our gratitude to the President for bestowing this honor on one of our own, and to Walter Reuther for his inspiring contribution to our way of life; a contribution that makes him most worthy of this Presidential Medal of Freedom.•

LOREN TORKELSON

• Mr. BAUCUS. Mr. President, while we all have different people we admire and want to emulate, there are a few individuals that everyone can agree is a true hero and model citizen. Loren Torkelson was one such individual. Loren, a Billings, MT, native, passed away on September 17 in Lexington, KY. He was 54.

In 1966, after graduating from the University of North Dakota, he joined the Air Force and became a pilot. During his second combat tour, he was shot down and taken prisoner. He spent 6 years in the infamous "Hanoi Hilton" suffering constant abuse until his release in 1973. He was a highly decorated officer, receiving two Silver Stars, three flying crosses, 16 Air Medals, the Legion of Merit, the Bronze Star for Valor, the Meritorious Service Medal, and the Air Force Commendation Medal.

Yet for all the hardship he experienced, he acted like a hero in his private life as well. After the war, he earned a law degree from the University of North Dakota. After serving as a judge advocate, he joined and later became a partner in the law firm of Richter and Associates. He spent his legal career as a trial lawyer fighting for individual rights.

His foremost passion was his family. It always came first. He lived a private life, never seeking gratification for his numerous accomplishments. There are few individuals who can lead such an exemplary professional and personal life.

The way in which he lived his life will always be a model for others. He will be sorely missed.•

FRANKENMUTH, MICHIGAN'S 150TH ANNIVERSARY CELEBRATION

• Mr. LEVIN. Mr. President, I am proud to rise to honor the 150th anniversary of the town of Frankenmuth, MI, which we have been celebrating throughout the year. October 6, 1995, which is officially designated as German-American Day, is an especially appropriate time to commemorate this historic milestone in Frankenmuth.

Frankenmuth is a unique community and one of Michigan's largest tourist attractions. It is a quaint Bavarian village which maintains a festival atmosphere year-round. Everything from its authentic architecture to the popular Frankenmuth Bavarian and Oktoberfest celebrations make this community a special place to live in and to visit. Frankenmuth has provided an experience to countless visitors over the years which is rich with history and ethnic culture.

In 1840, the German missionary, Frederick Wyneken, initiated the idea of the founding of Frankenmuth when he wrote an appeal to all the Lutherans in Germany. He asked for their help in teaching Christianity to the Chippewa Indians. Wyneken's call for assistance appealed to Wilhelm Loehe, who was an influential pastor in a country church in Neuendettelsau, Mittelfranken, Kingdom of Bavaria. Loehe championed the idea of sending a mission to the Saginaw Valley to give spiritual comfort to the German pioneers in the area as well as teaching Christianity to the native Americans. Loehe approved a location along the Cass River in Michigan as the site of the mission and named it "Frankenmuth."

Loehe selected Pastor August Cramer, who at the time was teaching German at Oxford, England, to lead the mission. Thirteen people from Bavaria volunteered to be a part of the mission. Frankenmuth's first settlers were mostly farmers. Months before they were to depart for America, the colonists gathered to decide on the congregation's constitution. In it, they proposed to remain loyal to their German-Lutheran background and language.

The mission set sail on April 20, 1845, aboard the SS *Caroline*. The journey across the Atlantic was a treacherous one. The ship encountered violent storms, strong winds, and dense fog which altered its route considerably. By the end of the journey, with their food becoming stale, almost all of the settlers had contracted smallpox. The group reached New York Harbor on June 8, after 50 days at sea. The trip from New York to the Saginaw River would have the settlers travel on four more ships and a train.

When the settlers finally reached the Saginaw Valley, they selected a hilly area as the site of their future settlement because it reminded them of their homeland. On August 18, 1845, nearly 4 months after leaving Mittelfranken, the mission had arrived at its new home. The mission purchased 680 acres of Indian reservation land from the Government for a total of $1,700.

The group quickly began building a combination church-school-parsonage in the form of a large log cabin. The church was named St. Lorenz after their mother church in Germany. The settlers then decided to divide the land into 120-acre farms and cleared the land in order to farm and build their houses.

In 1846 a second group of about 90 emigrants from Germany arrived at Frankenmuth. The new group bought land and built their own homes as well as St. Lorenz Church which was completed on December 26, 1846.

Immigration continued throughout the 1800's, as immigrants arrived to reunite with their relatives. As the town grew, so did its commerce. The new immigrants included woodcarvers, sausage makers, wool processors, millers, and brewers. The community continued its Bavarian heritage as it grew.

After World War II and the development of the interstate highway system, Frankenmuth became a national favorite for tourists. Its unique character as a traditional Bavaria town in the heart of the American Midwest drew Americans of all backgrounds.

Today, Frankenmuth continues to cherish its rich Bavarian heritage. It is a great testament to all of the people of Frankenmuth and their ancestors that they have been able to maintain their town and continue across all of these years to honor the principles on which it was founded. All of us in Michigan and the region have benefitted from the contribution which Frankenmuth and its citizens have made to the diversity of the American fabric.

Mr. President, I am delighted that I will be in the town of Frankenmuth on German-American Day. If there is one place in the United States which could be said to represent what it means to be a German-American, it is Frankenmuth, MI. In fact, Frankenmuth serves to remind us all of our cultural roots and of the rich mosaic of cultural heritage which we have in America.

I am certain that all of my colleagues in the Senate join me in congratulating the Frankenmuth Historical Museum, the Frankenmuth Chamber of Commerce and all of those whose efforts over the years have contributed to this German-American success story.•

WORLD POPULATION AWARENESS WEEK

• Mr. LEAHY. Mr. President, one of the greatest problems facing the world is the staggering rate of population growth. Over 90 percent of all new births take place in developing countries, including many in countries that cannot even feed their people. The Earth's population is projected to double and possibly triple in the next century, with staggering implications for the world's food supply, environment, and the political and economic stability of every country.

It is critically important that we recognize that what we do today will determine the kind of world inhabited by our children and grandchildren. World Population Awareness Week will be held from October 22 to October 29. It will focus on implementing the program of action of the International Conference on Population and Development and educating the public about the dangers of unchecked population growth.

At a time when our foreign aid budget is being slashed, I was encouraged by the Senate's recent passage of my amendment to provide up to $35 million to the United Nations Population Fund (UNFPA). The UNFPA is the largest voluntary family planning agency in the world. With programs in 140 countries, it provides family planning information and services to hundreds of millions of people who would otherwise have no access to family planning. By restoring funding for the UNFPA, the Senate has wisely chosen to support international efforts to reduce rates of population growth.

Mr. President, I ask that a proclamation by Gov. Howard Dean of Vermont proclaiming October 22–29 World Population Week, be printed in the RECORD.

The proclamation follows:

Whereas the world's population of 5.7 billion is increasing by nearly 100 million per year, with virtually all of this growth added to the poorest countries and regions; and

Whereas three billion people—the equivalent of the entire world population as recently as 1960—will be reaching their reproductive years within the next generation; and

Whereas the environmental and economic impacts of this growth will almost certainly prevent inhabitants of poorer countries from improving their quality of life, and, at the same time, have deleterious repercussions for the standard of living in more affluent regions; and

Whereas the 1994 International Conference on Population and Development in Cairo, Egypt resulted in 180 nations approving a 20-year Program of Action for achieving a more equitable balance between the world's population, environment and resources; and

Whereas World Population Awareness activities this year will focus on implementing the Cairo Conference Program of Action.

Now, therefore, I, Howard Dean, Governor, do hereby proclaim the week of October 22–29, 1995 as World Population Awareness Week.•

RECOGNITION OF MS. EMELIE EAST

• Mr. HOLLINGS. Mr. President, I would just like to take a minute to recognize Ms. Emelie East of our Appropriations Committee staff. Ms. East serves on the minority staff where she is responsible for assisting with four of our subcommittees, including the Commerce, Justice, and State Subcommittee.

Emelie joined the committee this spring when we stole her from Congressman NORM DICKS. Emelie is a native of Seattle, WA, and a graduate of Trinity College in Connecticut.

She has done an outstanding job in staffing this bill. Ms. East is a true professional. I can tell you that she is top rate. She is a credit to this committee and this institution.

On behalf of myself and the subcommittee, I wish to recognize her for a job well done.•

FULBRIGHT PROGRAM IS A WISE INVESTMENT

• Mr. PRYOR. Mr. President, I rise today to voice my support for the Fulbright Program. This worthwhile program was established in 1946 by a great Arkansan, the late Senator J. William Fulbright. I was a great admirer of Senator Fulbright throughout his public and private life. He made significant contributions to my State, to our Nation, and to the world. The educational exchange program that bears his name is just one of many outstanding contributions to education and to world peace that Senator Fulbright made during his 30 years in the Senate.

The Fulbright Program promotes understanding between the United States and other countries. It is the largest, best-known and most prestigious educational exchange program in the world.

Mr. President, this program is a valuable addition to our foreign policy. It would be contrary to our national interests to make significant cuts to this program at this time. It is as relevant today as when it was founded. Over 200,000 students have participated in the program in some 100 countries over the years. It offers Americans invaluable preparation to succeed in a global economy. This program also provides those from other countries direct exposure to American society and to our political and economic systems. Many Fulbright scholars go on to key positions in Government, business, and education.

The Fulbright program is a cost-effective means of advancing American interests around the world. It involves partnerships between our Nation and other countries. Many of these countries make substantial financial contributions to the Fulbright Program. In addition, a portion of the program costs come from private sources.

Mr. President, the Fulbright Program has enjoyed bipartisan support from Presidents and Congress throughout its history. This program helps maintain American leadership throughout the world. It merits our continued support.•

U.S.S. "CHANDELEUR"

• Mrs. FEINSTEIN. Mr. President, fifty years ago, the ship's company of the Navy seaplane tender U.S.S. *Chandeleur*, AV–10, together with the aviators of the ship's squadrons, proudly participated in the acceptance of the surrender of the Japanese military forces in Honshu, the central island of Japan, at ceremonies in the harbor of Ominato, the final end of the global warfare of World War II.

They had earned this honor by 3 full years of combat and hard work in service to the U.S. fleet, materially contributing to the victory in the Pacific.

The U.S.S. *Chandeleur* was built in South San Francisco and commissioned in San Francisco on November 19, 1942. It sailed immediately for combat operations in the Pacific, not to return to the Golden Gate until November 1945.

During that period, she served as an advanced mobile operating base for several squadrons of seaplanes engaged in bombing, reconnaissance, patrol, search and rescue, and other vital services, extending the "eyes" of the fleet commander far beyond the horizons. The aircraft would not have been able to sustain continual operations without her support. The U.S.S. *Chandeleur* was truly a part of the victory in the Pacific.

For her valiant services, U.S.S. *Chandeleur* was awarded six bronze engagement stars for operations at Guadalcanal, Bougainville, Saipan, Palau, Okinawa, as well as air operations off the coasts of China, Korea, and Japan, and participation in the early occupation of Japan.

During these operations, the ship and crew survived a number of withering attacks by Japanese vessels and aircraft, including a near miss by a Kamikaze bomber off Okinawa, sustaining multiple battle casualties and deaths of her crew members and air crews.

Soon after her return from the Pacific, U.S.S. *Chandeleur* was "mothballed" at the Philadelphia Navy Yard, and later scrapped, but the ship's company and aviators have remained close.

They have gathered periodically in reunions widely separated across the United States, from Boston to San Diego. For their 27th reunion on the 50th anniversary of the victory they so valiantly helped to bring about, they have gathered in the ship's "native" city, San Francisco, where they will be together at the Marine Memorial Club from September 27 through October 1, 1995.

It is fitting that on the 50-year anniversary of this historic mission that the ship's companies and aviators gather once again in the ship's home city of San Francisco. And, on behalf of the United States Senate, I would like to extend my most sincere welcome to those gathering to remember the valiant mission of the U.S.S. *Chandeleur*.•

THE 100TH ANNIVERSARY OF THE VILLAGE OF EMPIRE

• Mr. LEVIN. Mr. President, I rise today to commemorate the 100th anniversary of the village of Empire. The community of Empire has planned many events for this significant milestone.

The Village of Empire is known today as the home of the Sleeping Bear Dunes National Lakeshore Park Headquarters. The residents of Empire are renowned for their friendliness in welcoming over a million visitors to the lakeshore each year. With its beautiful beaches, hiking trails, abundant natural resources, and rich history, Empire is a recreational haven known the world over.

Empire was settled in the mid 1850's. It quickly established itself as a lumbering center, the largest and best equipped hardwood mill in the State. Many Norwegians, recruited to operate the mill, settled here. With the manpower, modern equipment, and plentiful supply of wood, this mill produced up to 10 million feet of lumber each year, and was a model of efficiency across the State.

The village of Empire formally incorporated on October 16, 1895. It was probably named after the *Empire State*, a steamer-sidewheeler that ran aground nearby in 1849, and the *Empire*, a schooner that also ran aground in the area in 1865.

The lumber mill burned in 1917, and the residents of Empire quickly adapted to produce agricultural products. Lands which had been cleared by the lumbering industry were replanted with fruit trees or became grazing for livestock. Empire drew many seasonal workers anxious to work the harvest, and fruit companies and slaughterhouses sent representatives to view and buy the goods Empire produced.

In 1949, the Empire Air Force Station was established. The 752d Aircraft Control and Warning Squadron was assigned 300 personnel, almost doubling Empire's population. This station remained a part of Empire until the 1980's. The former station is now controlled by the FAA and provides essential radar services to the area.

Empire's long and rich history was recognized through the authorization of the Sleeping Bear Dunes National Lakeshore in 1970. The National Park Service has improved the recreational resources in the area, while preserving cultural resources. The partnership between the residents of Empire and the national lakeshore will continue to draw many visitors in the years to come. Michigan is fortunate to boast of the contributions of the village of Empire.•

MEDICARE

• Mr. JEFFORDS. Mr. President, I rise today to address one of the most important legislative changes the Congress will be addressing this year—changes in the way we finance and the way senior citizens and persons with disabilities receive Medicare coverage. I wholeheartedly support reducing the Federal deficit, as well as, moving the Government out of the role of running a health plan, for the elderly and disabled, and into the role of contracting with private health plans. I commend Chairman ROTH and the Finance Committee for its commitment to these very important goals.

Having studied the health care system in the United States for many years I have come to the conclusion that the reason the Government's health care spending is out of control is really twofold. First, is the way we have chosen to pay for and purchase services. When Medicare was designed in the 1960's it was modeled after private Blue Cross fee-for-service plans. The Government paid providers directly for each procedure.

Paying for services rendered at a distance without any effective utilization control has been a disaster. Our failed attempts to control costs, by continuing to cut payments to providers and increasing costs to beneficiaries, is a major reason why our Federal deficit is so exorbitant.

I hope that in our efforts to reduce the deficit, we have not set ourselves up to cut too deeply into the Medicare payment system. Many technical changes have been suggested by the Finance Committee to the reimbursement policies for hospitals and providers. Some of these changes have allocated additional funding to rural areas. I look forward to discussing the total cost impact on Vermont with both the hospital association as well as other provider groups in Vermont, as well as with my colleagues on the Finance Committee.

Second, by segregating the elderly and disabled, into separate risk pools, the Government has become responsible for providing health insurance for the riskiest members of society. This segmentation has not provided any incentives for the private sector to find innovative ways to manage the highest cost cases in the delivery system. Unfortunately, it was the private market's failure to provide affordable coverage on reasonable terms, to the elderly and disabled, that led to the political demand for the Government to create Medicare and Medicaid in the first place.

Providing Medicare beneficiaries a choice of private health plans is a wonderful idea and one that I have been advocating. Hopefully, the impact will not be the same as the greatest criticism against the Federal employee plan. One experience with this program has found adverse selection among plans—that is the people that need the most care seem to migrate to the high option Blue Cross fee-for-service plan—creating an upward cost spiral for members of this plan.

Now I'd like to turn to the two charts I have here. The first chart was duplicated from hearings on the Eisenhower administration's health reinsurance legislation back in 1954. This was before we had Medicare and Medicaid. As you can see, 41 percent of the population had no insurance protection at all and 36 percent of the population had what I would call limited coverage. More startling only 3 percent of the population has what most Americans take for granted today—comprehensive coverage.

Compare this chart with my second chart which does not emphasize the type of coverage but the source of coverage. Over 55 percent of Americans in 1993 had coverage provided through their employer. As you can see, 15 percent of the population is uninsured—compared to 41 percent in 1953. Medicare is the primary insurance for 12 percent of the population and 9 percent of the population receives coverage through Medicaid.

As we tackle one of the biggest problems for the Federal Government, our deficit, we must keep in mind a goal we all agreed to last year—the goal of moving towards universal coverage for all Americans. We must keep in mind that any changes we make to the public programs of Medicare and Medicaid must not add to the rolls of the uninsured, especially if it is due to unintended consequences of our changes to these programs. More uninsured Americans will only increase total costs to the health care system.

We must keep in mind that Medicare and Medicaid were created because proper incentives were never placed in the private market to enable it to accept the risks associated with insuring the elderly and disabled. As we encourage the Medicare population to move into private health plans we must be sure to do what President Eisenhower tried to do over 40 years ago—we must be sure to place the proper incentives in the private market that will encourage it to compete for the chronically ill high cost population on quality and price.

As we move to a system in which we offer Medicare beneficiaries throughout the country greater choice and coordinated care, we must not forget to address the following concerns. First, what types of choices will be available for rural and underserved areas which have little or no penetration of the private managed care marketplace? Second, how can we provide coordinated care for beneficiaries who decide to stay in the current fee-for-service Medicare program? Third, how can we address the bifurcated finances and benefits offered to the aged and disabled population through the Medicare and Medicaid programs?

Many rural and underserved areas of this country, like Vermont, which do not have an over abundance of hospitals and other health providers, have not seen the benefits experienced by a mature managed care marketplace such as Minnesota or Washington. I was very pleased to see that the Finance Committee has recommended that the AAPCC be modified to increase the per month payment per Medicare beneficiary in rural areas. Hopefully, more managed care plans will decide to start up business in rural parts of this country. But this change will take some time.

Market alternative's to managed care health plans have been springing up all over rural America. For example, although Vermont does not have a multitude of managed care health plans operating, providers have been developing networks that offer a continuum of care to Vermonters. Networks that provide acute, home health and residential care. They provide direct medical care, as well as, the personal services needed for individuals to manage their own care needs. This coordination of care is very similar to what Blue Cross of western Pennsylvania is providing its fee-for-service clients through case management. Like Blue Cross, many private sector fee-for-service health plans have begun to provide case management on a voluntary basis to individuals with high-cost conditions, generally chronic or catastrophic care cases. These programs offer greater flexibility in the array of services needed, on a case by case basis, and have proven very cost effective.

HCFA has demonstrated that a small proportion of Medicare beneficiaries account for a high proportion of payments. In 1992, about 9.8 percent—3.5 million—of all Medicare enrollees accounted for 68.4 percent—$82.6 billion—of all Medicare payments. The experience for the last 20 years of the program has shown that 80 percent of the beneficiaries account for only 20 percent of the costs of the Medicare program. In the Medicaid program 30 percent of the population, the aged and disabled, accounts for 70 percent of Medicaid expenditures. Furthermore, this is the cost in the Medicaid Program that is growing the fastest. Finding a means to manage high cost cases in these two programs is essential if we are going to reduce costs in both of these programs.

To add to the distortion and inefficiencies in providing care for elderly and disabled persons is that many of these people are both Medicare beneficiaries and Medicaid recipients. These people are termed dually eligibles today. This creates numerous clinical, operation, and financial problems, particularly as these two programs are taking extraordinary steps to control spending. In order to access the full range of care that is necessary an individual must deal with two very different systems. The care received by a dually eligible consumer is therefore, often fragmented, reimbursement driven, and inappropriate.

Service decisions are routinely made by providers based on which program pays better. This result is not always a care plan that is in the best interest of the consumer or the most cost effective. Because two payors offering distinct yet overlapping benefit packages with different sets of rules are responsible for the same consumer, much confusion exists for all parties. It is often impossible for States to know what service decisions, which ultimately tap Medicaid funding, are being made while the senior citizen is in the Medicare system. Another source of much provider discontent and inefficiency is the dual administration of claims payments. One of the major reasons for this problem is that Medicare and Medicaid claims processing systems are not compatible and Medicare and Medicaid payment policies differ. The result is needless inefficiencies and expense.

As attempts to control Medicare spending and to block grant Medicaid move forward, the problem of dual eligibles becomes an obstacle to achieve both goals. Medicare cannot control the cost of this population unless Medicaid funded services are used to lower Medicare's acute care costs. Medicaid cannot manage and coordinate the care of the elderly and disabled unless it is given responsibility for the full continuum of care. One answer is a case managed system for the dual eligibles which merges Medicare and Medicaid coverage and is administered by the States on Medicare's behalf. This would be a thoughtful approach in addressing the highest cost cases in both programs by replacing the fragmented, costly and inefficient system of today with an integrated, managed care approach designed to keep people healthier and lower costs for both public programs.

I have been working with Senators KASSEBAUM, COHEN and CHAFEE on this very key issue as we look forward to restructuring our public programs. Once we have created a delivery system that provides high quality, appropriate, cost effective care for the people who need the system the most—we will have restructured a health care system that works for all Americans. Mr. President, I look forward to working with my colleagues on both sides of the aisle in a thoughtful debate on how to modify both Medicare and Medicaid.•

WELFARE REFORM VOTES

• Mr. ABRAHAM. Mr. President, during the Senate's consideration of the welfare reform bill there was often very little time available for Senators to debate the amendments which were offered. I would like to take a moment of the Senate's time now to comment on various votes which were cast during that debate.

Mr. President, no single issue dominated our deliberations more than the subject of illegitimacy. Republican or Democrat. Liberal or Conservative. I believe nearly every Senator emphasized the need for our society to curtail the dramatic rise in illegitimacy—or else face the tragic consequences.

Given our near universal expression of concern and the overwhelming urgency of the situation, the logical question became: What steps do we in Congress take to combat this vexing problem?

A number of proposals were presented for the Senate to consider. There was the family cap: Essentially denying additional benefits to mothers already on welfare for any additional children they have. There was the issue of denying any assistance at all to unwed teen mothers. And there was the illegitimacy ratio bonus which would provide additional financial assistance to States which successfully lowered their out-of-wedlock birth rate.

My general philosophy when it comes to an issue such as welfare reform is to give the States maximum flexibility in designing and operating their own programs. I think this is especially important when dealing with the matter of illegitimacy. While a great deal of attention has been paid to this issue lately, at present, there is no concrete evidence that any specific program or approach has proven to be consistently effective in stemming the tide of illegitimacy.

Mr. President, the States have shown they are best suited to serve as laboratories where experimentation can take place and truly innovative solutions will be found. However, if this is to happen, we must resist the temptation to coerce the States into adopting any one particular approach as the best or only way to combat illegitimacy.

The State of New Jersey has, over the last couple of years, instituted a family cap as part of its welfare program. I applaud their leadership in attempting to reverse the devastating effects of rampant illegitimacy. Nevertheless, there are conflicting reports about the results in New Jersey thus far. At this time, it is unclear what conclusions we in Congress can fairly glean from their experience. Absent credible evidence of success, how can we justify imposing any one approach on every State in the Nation?

A far preferable approach, Mr. President, is to set national goals and give the States incentives to pursue them. This is why I fought to add the illegitimacy ratio bonus mechanism to the welfare reform bill. With the bonus, we are giving States a substantial financial incentive to be vigorous in dealing with their out-of-wedlock birth rates without the constraints of a specific policy regimen. It is intended precisely to reward those States which are innovative, assiduous, and successful. And because the award is so substantial, we included language in the provision protecting against States using abortion as a means of achieving these drops in out-of-wedlock births.

With these thoughts in mind, Mr. President, I voted for the motion to strike the family cap offered by the Senator from New Mexico, Senator DOMENICI. The Dole family cap language required every State to deny cash benefits for additional children born to mothers already on welfare. There was no opt-out available to States. There was no ability for States to modify the cap to suit their circumstances or to get out from under it if unintended consequences ensued.

Many people believe the crisis of illegitimacy is sufficiently dire that dramatic steps must be taken. I concur with that assessment. I simply question the wisdom of forcing all 50 States to adopt a rigid prescription for combatting illegitimacy at the same time we are giving them limited resources and asking them to be creative in designing their own welfare programs. The illegitimacy ratio bonus—providing States the incentive of additional resources if they make use of the flexibility we allow and design effective programs—is I think a better way to induce States to address this problem.

Mr. President, this same rationale persuaded me to vote in favor of the Faircloth amendment which combined a Federal requirement that States deny cash assistance to unwed teen mothers with a State opt-out provision. The reason for requiring States to affirmatively opt-out of the Federal requirement is to ensure that States at least engage in a formal debate on how they plan to address the issue of illegitimacy.

Given the severity of the problem and the catastrophic ramifications of our doing nothing, I do not believe that requiring States to debate the wisdom of this particular proposal is an unnecessary infringement on State prerogatives or flexibility. It is also important to remember that there is nothing in this legislation which would have prevented States from doing this once the bill was passed. Under the Senate bill, States are free to enact such policies, and I suspect a number of them will.

Mr. President, let me stress one final, important point. I have said that I believe States should be given the opportunity to devise and implement their own programs to counter the skyrocketing out-of-wedlock birth rate. I fully expect them to make the most of this opportunity.

Should States either fail to address this issue or to deal with it effectively, I believe the Congress will have no choice but to step in and dictate a more prescriptive approach. Likewise, if particular initiatives yield concrete results at the State level, it would then become more reasonable for the Federal Government to push States to adopt such policies—though not to the exclusion of all other approaches.

Mr. President, another area of concern to many Senators was the issue of requiring States to maintain a level of spending on welfare consistent with that of previous years. I think the proponents of such measures—commonly referred to as "maintenance of effort"—operate out of a genuine concern that States not take advantage of this new Federal-State relationship. Nevertheless, I believe these efforts are misguided for two principal reasons.

First, I believe most of these proposals originate out of the false notion that States, once relieved of massive Federal regulation and oversight of these programs, will immediately begin a race to the bottom. Once States are relieved of a required level of spending, it is argued, they will quickly cut benefits and shift their own resources to other areas. As I have stated on other occasions, I find this argument to be both naive and condescending.

I think our experience in Michigan shows that States—if given the latitude to run their own programs—can be both efficient and compassionate. The first reforms Michigan instituted, once it received the requisite waivers from HHS, were not designed merely to get people off welfare and save money. In fact, the actual effect of many of these initiatives was this: To allow people to stay on welfare and, at the same time, to remain a two-parent family, or, to take a job and earn some additional money, or, in some instances, to facilitate the welfare recipient's eligibility to receive Medicaid, to which they would not otherwise be entitled.

Far from our State's program being more harsh, I believe we in Michigan have been in many ways more realistic and more compassionate than the Federal Government.

The second reason the rationale behind maintenance of effort requirements is flawed is that they are simply not realistic. Again, I think Michigan's experience is instructive.

Over the last 3 years, Michigan was able to reduce its welfare caseload by approximately 14 percent. In September 1992, our AFDC caseload was almost 222,000 cases and as of August 1995 our caseload has dropped to just over 190,000. Because of this, welfare spending in our State decreased from $485 million in fiscal year 1993 to $451 million in fiscal year 1994—a difference of $34 million or 7 percent. And fiscal year 1995, which is about to end, is expected to be considerably lower than the previous year.

Mr. President, there are those who will argue about whether Michigan's caseload reduction is due to our welfare reform program or our strong economy. Frankly, that misses the point. A strong economy has certainly had a beneficial effect on our welfare caseload. However, even if the caseload reduction were due solely to the State's improved economy, the simple fact remains that there normally would be a correspondingly large reduction in State spending on welfare. And this would occur without any negative impact on the services or benefits available to individuals who remain on welfare.

Why, Mr. President, should a State have to continue to spend the same amount on welfare if its caseload has been reduced by 10 percent, 20 percent or even 30 percent?

Nevertheless, during consideration of the welfare reform bill, the Senate was repeatedly confronted with attempts to impose a maintenance of effort requirement. The original Dole-Packwood bill did not contain a maintenance of effort provision. It was subsequently modified to provide for a 75-percent maintenance of effort for the first 3 years. We then upped that figure to 80 percent, and later extended the effort requirement to 5 years.

Mr. President, I supported those changes because I understood that these were sincere attempts to accommodate Senators with serious concerns about this issue. I was willing to agree to these changes precisely because the level of effort required—75 percent or 80 percent—allowed a reasonable degree of latitude for States to adjust their spending levels to meet exigent circumstances. However, the Breaux amendment—which I opposed—required a 90-percent maintenance of effort or a decrease in the State's AFDC grant proportionate to the amount the State's spending fell below 90 percent of previous levels.

And shortly before final passage, we were asked to vote on the final Dole modification package which contained two additional maintenance of effort provisions. The first one was tied to the additional $3 billion made available to States for child care. To be eligible for these funds, States were required to maintain 100 percent of their fiscal year 1994 spending on AFDC child care —even though they would still have to match these Federal funds at the standard Medicaid matching rate. The second was tied to the contingency fund, for which States were only eligible if they maintained 100 percent of their AFDC spending for fiscal year 1994.

Mr. President, I realize many of my colleagues are concerned about States not carrying their weight, not paying their fair share. This Senator was willing to support a symbolic level of effort—and did. However, I felt the two additional maintenance of effort provisions in the final Dole modification simply went too far. The effect of all of these provisions, I believe, would be to force States to adopt spending priorities that were inconsistent with their caseloads, their costs or other factors.

Why is that a legitimate concern? It amounts to subtle coercion and contradicts what we are purportedly attempting to accomplish by creating the block grant. It violates part of the bargain into which I thought we were entering.

We promised to give States essentially a fixed block of money with which to design and operate their own welfare system. The incentive for the States to run a tough, fair and efficient system was that they could decrease the overall amount they spent on welfare and, thereby, free up some of their own funds for use in other areas. By adopting these various maintenance of effort requirements, we have violated that tacit agreement and—I believe—undermined States' ability to succeed. I think that was a mistake.

It was for that reason I voted "No" on the final Dole modification. However, I still strongly supported the bill on final passage. There are too many other important elements in the legislation. And inclusion of this provision in the bill does not, in my mind, jeopardize the overall feasibility of the welfare block grant scheme.

Finally, Mr. President, there were a number of votes on amendments to Title V of the bill which dealt with the provision of Federal means-tested benefits to non-citizens. Let me briefly address a couple of these.

First, I see no merit or justification—where the U.S. Constitution is silent—in drawing distinctions between naturalized and native-born citizens. Where the Constitution makes distinctions, we must abide by its directives. Beyond that, I believe all citizens, regardless of how they arrived at their citizenship, ought to be treated equally under the law.

America is a nation built by immigrants. It has always served as a shining beacon of freedom to those fleeing tyranny and those seeking opportunity. In the case of my own grandparents, they came here merely looking for an opportunity to build a life for themselves. Once they became U.S. citizens, the place of their birth should have had no bearing on their rights or privileges in this country.

This is why I voted for the amendment offered by the Senator from California, Senator FEINSTEIN, to remove language in the underlying Dole proposal which would deny cash and noncash welfare benefits to naturalized citizens during the "deeming" period. The "deeming" period refers to the time during which the assets of the immigrant's sponsors are counted in evaluating the need for means-tested government assistance.

Mr. President, I believe this amendment is clearly unconstitutional. We are talking about American citizens, not legal aliens. As Senator FEINSTEIN indicated during the debate, the Supreme Court in 1964, in the case Schneider v. Rusk ruled that "the rights of citizenship of the native born and of the naturalized citizens are of the same dignity and coextensive." There can be no rationale for explicitly or implicitly designating as "second-class" citizens individuals who have come by their citizenship legally. It is as simple as that. The Feinstein amendment would have eliminated any disparate treatment once citizenship has been achieved. That is what the Constitution requires, and that is why I supported her amendment.

The other amendments in this area addressed extending federally means-tested benefits to non-citizens. Unlike the issue in the aforementioned Feinstein amendment, in these instances I felt there could be a legitimate policy distinction between citizens and non-citizens. Exact symmetry in our treatment of these groups is not necessary—and, in certain situations, not appropriate.

A second Feinstein amendment dealing with immigration would limit the deeming requirements to only cash and cash-like Federal benefits. Therefore, legal aliens with sponsors would not have to have their sponsor's income taken into consideration when applying for such Federal benefits as Medicaid and Head Start.

This amendment raises three issues. First, the letter of the law is that all legal immigrants entering this country—even those who ultimately plan to stay permanently and become citizens—must assure immigration officials that they will not become public charges while they are here. They must show sufficient resources either of their own or belonging to their sponsor. While this law has not been diligently enforced, it is important to remember that those are the terms of an immigrant's entrance into our country.

Second, we are in the process of making difficult budget decisions on many programs—including Medicaid and Head Start. Are we prepared to facilitate the ability of non-citizens to gain access to these programs at the same time we are placing limits on the funding available to meet the needs of our own citizens?

Last, the argument is made that, if these people are not eligible for Federal benefits, the States will end up bearing the cost of providing these services. The bill does make exceptions —such as emergency medical care, disaster relief, school lunches, child nutrition, and immunization against disease—so that under certain circumstances the Federal Government will cover the cost of certain benefits. Aside from those instances, States must decide what level of services they are willing to provide, and they are free to spend their resources in those areas as they see fit. I did not see a compelling reason to add to the exceptions already provided for in the bill, and therefore, I could not support the Feinstein amendment.

Senators SIMON and GRAHAM offered an amendment which would have eliminated any retroactivity effect from the Dole bill's provision to increase the deeming requirement in all cases to a 5-year period. Currently, there are some government benefits, education assistance being a primary example, for which non-citizens residing legally in the United States can become eligible earlier than the five year deeming period which exists for most means-tested Federal benefits.

This provision would apply to a relatively narrow segment of people: only legal aliens who have been in this country less than five years and who either are currently receiving some form of assistance or are eligible to receive some form of assistance because the respective deeming period has expired. As I have indicated, immigrants legally admitted to the United States are asked to pledge that they will either be self-supporting or supported by their sponsors.

I regret that some people may be adversely affected by this provision. Nevertheless, it has become too easy in many instances for non-citizens to receive government benefits while our own citizens often go without. At a time when we are making difficult budget cuts which will impact the lives of American citizens, I think we owe it to them to ensure that we are not conferring non-essential benefits to non-citizens. For that reason, I opposed the Simon-Graham amendment on deeming retroactivity.

Mr. President, let me quickly describe a number of other issues which arose during the Senate's consideration of the welfare reform bill.

Formula issues are always among the most contentious of the matters we deal with in the Senate. On welfare reform, this was once again the case. There were two formula-related amendments offered on the floor: the Graham Children's Fair Share formula and the Feinstein Growth Formula Adjustment.

Formulas are usually made up of a number of different variables, but these variables tend to represent three general indexes. These factors are: How wealthy is the State? What has the State's effort in this area been in the past? And what are the State's needs? The formula's end product depends as much on which of these factors you stress most as it depends on the relevant statistics from the State.

In the case of the Graham amendment, the so-called growth States were pitted directly against those States which traditionally had the highest welfare caseload and highest level of expenditures. If the Graham amendment had passed, it would have been devastating to the State of Michigan, and thus I felt compelled to oppose it.

The Feinstein amendment was a closer call. The Feinstein amendment was identical to the House formula, and apparently no State would have lost money under its provisions. In fact, the State of Michigan stood to receive a slight increase under the Feinstein proposal. However, because formula fights are so contentious, if every State only looks at the bottom line, we stand either to make bad policy or to be unable to win passage of the bill.

In the case of the Feinstein amendment, a compromise had already been worked out between the Senator from Texas, Senator HUTCHISON, and the majority leader which addressed many of the concerns of the so-called growth States. This was a fragile compromise and passage of Feinstein amendment would have abrogated it, effectively increasing the likelihood of the Graham amendment passing. That would have been devastating to Michigan. My vote against the Feinstein amendment was an attempt to ensure ultimate passage of the bill while also guaranteeing adequate funding for my State.

The Senator from Illinois, Senator MOSELEY-BRAUN offered two amendments that dealt with cutting off benefits. The first stipulated that the 5-year cumulative time limit on benefits for welfare recipients would not apply if any State did not provide employment, job training, or job counseling to the recipient. The problem with this amendment is that it places the entire burden on the State to provide the work-activity "related services" to the recipient, thus alleviating the individual of any need to exert the effort and responsibility necessary to seek out and obtain job training or employment.

We already have a requirement that States get welfare recipients into work-related activities; it is called the participation rate. States which do not meet this will themselves be sanctioned. Mr. President, if individuals desire to get off welfare and into training or employment, they will find an eager partner in the State welfare agency. For those recipients who are less motivated—or not motivated at all—we need the 5-year time limit. Adopting this amendment would, in my estimation, emasculate the 5-year time limit, and for that reason I opposed it.

The second Moseley-Braun amendment dealt with the consequences of what happens to children if their parents are sanctioned for any reason and lose their benefits. It would have required States to replace the lost benefits with vouchers for goods and services equal to each child's share of the benefits. I am sympathetic to the problem the Senator from Illinois sought to rectify. I am simply concerned that, in this instance, her solution was too far-reaching.

As with "strings" in other areas—for instance illegitimacy—I am reluctant to tell States they must address a potential problem with a particular remedy. States are free, under this bill, to do exactly what this amendment proposes with their own funds. And I believe many will. But by passing this amendment, we would be limiting the options available to the State to address certain exigencies. I believe that would be a mistake, and for that reason I voted against this particular amendment of the Senator from Illinois.

The Senate also considered a similar amendment offered by the minority leader and the Senator from Massachusetts, Senator KENNEDY, which would permit States to use Federal funds to provide non-cash assistance to children whose parents become ineligible for assistance due to the 5-year time limit. As I stated above, States are, of course, perfectly free and capable to provide this assistance with their own funds. However, there is another provision of the Dole bill which could apply in such instances.

The Dole bill does allow States a hardship exemption to protect families from the 5-year time limit when circumstances warrant. In fact, the majority leader, at the request of the minority leader, raised the level of hardship exemptions States can claim from 15 percent to 20 percent precisely to address this concern. So I am confident that sufficient resources and flexibility exist for States to take care of children who may be affected by the 5-year time limit.

Mr. President, I have a lot more faith than apparently is held on the other side of the aisle that Governors and

State legislators—whether they are Republicans or Democrats—will not allow children in their States to suffer. I know that many people believe that will occur. I do not. I believe that any elected official who allows that to take place on their watch will pay the price at the ballot box at the next election. And frankly, Mr. President, there is already considerable suffering occurring under the present system. I do not imagine the States could do much worse.

There were two amendments from the Senator from Maryland that I would like to discuss. One dealt with an issue both she and I had addressed earlier this year in the Labor Committee. Her amendment proposed to strike from the workforce development portion of the welfare bill the repeal of title V of the Older Americans Act which applies to senior community service employment programs. While the workforce development section now has been separated from the welfare reform bill to be taken up as a freestanding measure, let me describe the rationale behind my opposition to the Mikulski amendment.

The existing Senior Community Service Employment program gives approximately $320 million to about 10 national seniors groups. It is then left to those groups to set up programs that benefit the seniors at the State and local level. By many accounts, that presently is not happening. During the Labor Committee's consideration of the workforce development bill, I heard from seniors groups in Michigan. They supported the concept of block granting these funds to the State level precisely because they are not receiving adequate funding under the current structure.

The General Accounting Office reportedly will soon release a report documenting the degree to which these funds fail to ever reach the senior citizens and local seniors groups they are meant to benefit. Reportedly, one fifth of the $320 million is going to administrative costs including salaries, fringe benefits and expenses. Only a fraction of the remainder reaches the grass roots level. This is the type of arrangement that my constituents sent me to Washington to rectify. That is why I supported block granting these funds to the States and why I voted against the Senator from Maryland's amendment.

The second Mikulski amendment was very attractive in theory, but it contained a couple of elements which I could not justify supporting. The purpose of the amendment was noble: to create incentives for families to stay intact and to remove any existing disincentives from the law. Regrettably, one of the incentives was a mandate on States to establish job training and employment programs for non-custodial parents to help them get jobs, earn an income, and pay child support.

That is a laudable objective, Mr. President. However, how do we explain to the lower-middle class working parent, who may already be holding down two or three jobs himself or herself, that we are setting up a new program to provide a dead-beat dad job training when we are not providing them the same opportunity. I think the existing penalties for dead-beat parents—and the additional ones provided in this bill—will give them sufficient incentive, if they are so inclined, to seek out training and work. And there are plenty of existing job training and employment service programs available to meet the needs of any non-custodial parents needing assistance.

Second, this amendment attempted to re-insert into the bill a controversial provision which had already been struck: namely, the $50 pass-through. In most, if not every State, the policy is that when delinquent child support payments are finally collected, the State is first entitled to subtract the costs it incurred in providing assistance to the family while child support was not forthcoming. It then passes any remaining money on to the mother.

This amendment would propose that the first fifty dollars collected in back child support be passed directly through to the mother before the State attempts to defray its costs in caring for the family. Mr. President, State child support agencies oppose this amendment as an added and unnecessary administrative burden and as an obstacle to States' attempts to recoup monies they have spent supporting these families. We are not talking about States taking money which rightfully belongs to others. We are talking about State's being reimbursed for their expenditures when remuneration becomes available, and therefore, being able to support another needy family at a later date. That is entirely reasonable and fair, and thus, I believe such a proposal is misguided.

The Mikulski amendment does contain a provision which I strongly support: the elimination of the 100-hour work limit or the man in the house rule. However, the other aforementioned elements of the amendment are not sound policy to my mind, and therefore, I felt constrained to oppose the amendment.

As an aside, Mr. President, back in 1992 the State of Michigan sought and received a waiver from HHS from the man in the house regulation as well as the work history requirement before families can become eligible for AFDC. Please understand this incongruity: For a two parent family to be eligible for AFDC, one of the parents must have a recent work history, but at the same time, that parent cannot be working more than 100 hours in a given month. That, Mr. President, is why we need to free States from the Federal micro-management which has, I think, plagued our national social policy over the last thirty years.

On another matter, the Senator from New Mexico, Senator BINGAMAN, offered an amendment to increase funding levels for treatment programs for drug abuse and alcohol treatment. Senator BINGAMAN's amendment sought to increase funding for these programs by an additional $300 million. This was after the Majority Leader and the Minority Leader had already included in the final modification package a funding level of $50 million for the next two years. The Senator from New Mexico preferred $100 million for the next 4 years.

Mr. President, it is no secret that substance abuse and alcoholism are severe problems for our society and not simply characteristic of welfare populations. Nevertheless, research confirms that a very sizable segment of the long-term welfare dependent population has either a substance or alcohol abuse problem. Any effective welfare reform program at the State level will have to deal with this dilemma.

The problem, Mr. President, is that we have very limited resources with which to work. If we add $300 million dollars in substance abuse treatment, it will come from one of two places. It can come right off the top of each State's welfare block grant. But this is money already going to the States, and under this amendment, the States would have no option but to use it exclusively for treatment. At least under the Dole proposal, States can assess their own needs in determining what is a reasonable level of expenditure.

The only other recourse we would have is to tell the Finance Committee that they now, during the reconciliation process, need to come up with another $300 million from somewhere. Will it be Medicare? Will it be Medicaid? Who knows? The responsible thing, I believe, Mr. President, is to allow the States to determine their own needs and give them the flexibility to direct the necessary resources to meet that need. For that reason, I voted against the Bingaman amendment.

That same day we also considered a Sense of the Senate amendment by the Senator from Minnesota, Senator WELLSTONE, which stated that "any Medicaid reform enacted by the Senate this year should require that States continue to provide Medicaid for 12 months to families who lose eligibility for welfare benefits because of more earnings or hours of employment."

Mr. President, this is one of those amendments that appears well intentioned and reasonable, but serves, I think, to replicate the type of over-regulation that has hampered our Federal social programs for years. In Michigan, as I have already noted, we were able to secure a waiver from HHS that would allow us to opt out of a Federal regulation which served to limit people's access to Medicaid. Once Michigan obtained the waiver, between October 1992 and December 1992 over 4,500 cases were transferred from our State Family Assistance Program to Medicaid.

In 1994, Michigan sought another waiver from HHS. The State wanted to eliminate the disincentive which often exists when people face the prospect of losing Medicaid if they find employment and leave AFDC. Michigan proposed to offer a Medicaid "Buy-In" option for individuals whose transitional Medicaid coverage had expired and for whom employer-based health coverage was not available. This program would also cover children for whom a child support order requires the purchase of health coverage. Regrettably, our State has still not received a waiver from HHS so they cannot move forward with this program. Because of this inaction, people in my State go without health care coverage or remain on welfare.

Mr. President, I ask my colleagues: Where is the compassion in that? This program would in fact be even more generous than what the Senator from Minnesota has suggested in his amendment. The State of Michigan was not under duress when it requested this waiver; it was good social policy. It is experiences like this that give me confidence that the States are going to perform much better than people think, and better than the Federal Government has performed in many areas.

Perhaps the amendment of the Senator from Minnesota is not misguided in intent, but I am afraid it is misguided in effect. It states that one particular approach is ideal in all situations. There is not even an allowance for States to deny benefits to individuals earning over a reasonable income limit; it only states "families who lose eligibility" because of "more earnings" should retain their Medicaid eligibility for an additional 12 months. This amendment is simply unrealistic, and it undermines our efforts to give States maximum flexibility in responding to various exigencies. I felt it was necessary to oppose it.

Following the Wellstone amendment, the Senate took up an amendment offered by the Senator from Wisconsin, Senator KOHL. The Kohl amendment would have exempted senior citizens, the disabled, and children from the optional food stamp block grant which is part of the Dole bill. First let me point out that, through burdensome regulations and restrictions, we have already made the "option" for States to elect a food stamp block grant fairly unattractive. This would make it only more so. Imagine the administrative nightmare for a State to run a system in which some of its citizens are in the State program and some are still in the Federal system. That would prove to be unworkable.

There is also the matter of cost. This provision would reportedly cost an additional $1.4 billion. As I have already indicated, it can only come from two places: decreasing the amount going to States in their welfare block grants—meaning less money in assistance—or further reductions in other federal programs like Medicare or Medicaid. I do not believe that either of those results is acceptable, and therefore, I voted against the Kohl amendment.

The Senator from Florida, Senator GRAHAM, offered an amendment which would undermine the tough work requirement in the Dole bill by allowing the Secretary of HHS to modify each State's work participation rate to reflect the varying levels of Federal assistance. I agree that some States are farther along than others in developing a welfare program capable of meeting the ambitious participation rates contained in the Dole bill. However, I also believe that States are given sufficient tools and enough flexibility in this bill to meet these targets in the time allotted.

My concern, Mr. President, is that if we do not have tough, uniform work requirements, States will have every incentive to come up with reasons that these target rates are not achievable. As it now stands, States know what is expected of them, and they are given five years to meet these targets. And we have made a number of changes to facilitate their task. To have accepted this amendment would have set us back considerably from our goal to have people on welfare performing real work. For that reason, I could not support the Graham amendment.

In conclusion, Mr. President, I believe the Senate's passage of this legislation was a momentous occasion. It marked, I think, a watershed in our approach to social policy in this Nation. There were a number of considerable accomplishments in this measure.

We were able to end the "entitlement" status of welfare benefits. The American people have made it clear that they want a welfare system which does more than simply provide government hand-outs. They expect something from the recipient in return—self-discipline, a work ethic, personal responsibility. But it is practically impossible to have real welfare reform without the ability to sanction those recipients who fail to abide by the terms of the program.

As long as welfare is treated as an entitlement—essentially a right and not a benefit—the courts have ruled that the same due process rights exists for the welfare recipient as for a homeowner or property owner. In fact, some would argue it would be easier for the Government to take your property away. Without this legislation, sanctioning recipients who refuse to work will be administratively unduly burdensome if not impossible.

The second major achievement of the welfare bill was to erect a strong work requirement for States to use in developing their programs. We started by giving States difficult targets to reach in the form of work participation rates among welfare recipients—and without exemptions. Exemptions only serve to exaggerate the number of people working in any State. We then crafted a strict definition of what constitutes work so that we could be confident that the States had genuine work programs. Other than those parameters, Mr. President, we tell the States that they are free to determine by themselves how they wish to meet those targets.

Third, while the Senate did not go as far as many people wished, we took a sizable and laudable first step toward addressing the crisis of illegitimacy. We made illegitimacy a core feature of the welfare reform bill, and we gave States a carrot and stick. The carrot comes in the form of the illegitimacy ratio bonus. The stick, I believe, is the inevitability of Congress taking much more drastic, prescriptive actions if States fail to effectively combat their out-of-wedlock birth rates.

Finally, the bill gives the States tremendous latitude and flexibility in designing and running the programs we are block granting and sending back to them. That is critical if the block grant approach is to ever succeed.

For years, many of us have said that the Federal Government does not have all the answers. We have repeatedly proclaimed that too often bureaucrats in Washington have actually created many of our problems or were hindrances to others' attempts at finding solutions.

Mr. President, this Senator simply does not believe that government at any level—Federal, State or local—has the resources or the ingenuity to solve all of our Nation's social problems. That is especially true when we are talking about many of the issues related to welfare reform: illegitimacy, child care, education and job training, paternity establishment and child support.

If all we ask of our welfare system is to provide a safety net for people who have fallen on hard times, then we can content ourselves with Government merely getting money or goods into peoples' hands. However, if we want our welfare system to be one in which individuals needing assistance are given the tools and the opportunities to get off welfare and never return, the assistance we provide has to be more than simply a government hand-out.

To accomplish this will require input from a whole host of other institutions in our society beyond government—our churches, our schools, our businesses, our civic associations—in essence, our entire community. For too many years, Government has seen itself as the sole purveyor of opportunity for the less fortunate and, in the process, has stifled the efforts of other institutions desirous of sharing the workload. With the passage of this welfare reform bill, we are telling Government that it must begin to share the responsibilities and the resources with other partners in this endeavor.

That is why I believe the legislation we passed last week is such a tremendous accomplishment. I trust the conferees will work diligently to come up with a similarly tough and balanced measure, one that most of us can wholeheartedly support.•

IN RECOGNITION OF THE 30TH ANNIVERSARY OF THE NATIONAL ENDOWMENT FOR THE ARTS

• Mr. JEFFORDS. Mr. President, I would like to take a moment today to mark the 30th anniversary of the National Endowment for the Arts. Thirty years ago, President Lyndon Johnson initiated a program which gave the government a modest role in bringing the arts and culture to all the people of our great nation. Today, 30 years later, this small investment is being called into question, ignoring that the National Endowment for the Arts has made a substantial contribution to the cultural lives of Americans in all corners of the nation. The NEA has lived up to the purposes for which Congress established, specifically, "to ensure that the arts and humanities belong to all people of the United States." This has been no small achievement, and is one which the Endowment can stake claim to—broadening accessibility and increasing the breadth of participation.

For much of our Nation's history, one had to travel to the biggest cities—New York, Chicago, Boston or Los Angeles—to participate and enjoy the best of what the arts had to offer. This is no longer the case. The Endowment has encouraged a real flowering of the arts across the nation and provided the seeds for each community to celebrate its uniqueness and its creativity. While one could not say that the Endowment is the creator of art—certainly the arts would exist and have existed without it—one can safely say it has been a catalyst for ensuring that the very best of the arts are available to even the smallest corner of the nation and to all segments of the population.

All across America, millions of children and their families have had the chance to see the great masterpieces of the visual arts, hear the masterworks of American composers, and read the novels and stories and poems of America's great writers. The gift of the Endowment to our Nation is realized by each person, young and old, whose horizon is broadened through dancing and writing, whose self esteem is reinforced through participation in the arts, who is able to communicate through creating. Bringing the magic and wonder of the arts to all of us, is the triumph of the NEA.

Mr. President, on this 30th anniversary, I would also like to take a moment to pay tribute to one of the founding fathers of the NEA, the distinguished senior Senator from Rhode Island, CLAIRBORNE PELL, who has been a true champion of the arts. He, too, should be recognized on this anniversary for his extraordinary contributions. As a long time supporter of this agency and sponsor of legislation to reauthorize the National Endowment for the Arts in 1995, I am proud to come to the Senate floor and make note of this special day.

Now that it appears that the Endowment is secure, I would like to thank all my colleagues who helped through this difficult time. We should not allow for controversy to overshadow this agency's great accomplishments. It is my hope that the National Endowment for the Arts will continue to serve the American public well into the next century.•

UNANIMOUS CONSENT AGREEMENT—S. 908

Mr. COATS. Mr. President, I ask unanimous consent that the majority leader, after consultation with the Democratic leader and after the managers of the bill have agreed on the managers' amendment, they turn to the consideration of S. 908, the State Department authorization and reorganization bill; that the managers' amendment be the only amendment in order; that there be a time limitation of 4 hours equally divided on the bill and managers' amendment equally divided between the two managers; that at the conclusion or yielding back of time the managers' amendment be agreed to, the bill be read a third time, that the Foreign Relations Committee be discharged from further consideration of the House companion bill, H.R. 1561, that the Senate turn to its immediate consideration; that all after the enacting clause be stricken and the text of S. 908, as amended, be inserted in lieu thereof, the bill be advanced to third reading, and the Senate proceed to vote on passage of the bill with the preceding occurring without intervening action or debate and that S. 908 be returned to the calendar upon disposition of H.R. 1561.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. COATS. Mr. President, I ask unanimous consent that the Senate go into executive session and immediately proceed to the consideration of the following Executive Calendar nominations en bloc: No. 233 through No. 237, 239, 240, 241, 242, 243, 245, 246, 247, 248, and 249 and all nominations on the Secretary's desk in the Foreign Service.

I further ask unanimous consent that the nominations be confirmed en bloc, the motions to reconsider be laid upon the table en bloc, the President be immediately notified of the Senate's action, and that any statements relating to any of the nominations appear at the appropriate place in the RECORD and the Senate then immediately return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed en bloc, are as follows:

DEPARTMENT OF STATE

David C. Litt, of Florida, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the United Arab Emirates.

Patrick Nickolas Theros, of the District of Columbia, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the State of Qatar.

David L. Hobbs, of California, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Co-operative Republic of Guyana.

William J. Hughes, of New Jersey, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Panama.

Michael William Cotter, of the District of Columbia, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Turkmenistan.

A. Elizabeth Jones, of Maryland, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Kazakhstan.

John K. Menzies, of Virginia, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Bosnia and Herzegovina.

John Todd Stewart, of California, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Moldova.

Peggy Blackford, of New Jersey, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Guinea-Bissau.

Edward Brynn, of Vermont, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Ghana.

Vicki J. Huddleston, of Arizona, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Democratic Republic of Madagascar.

Elizabeth Raspolic, of Virginia, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Gabonese Republic and to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Democratic Republic of Sao Tome and Principe.

Daniel Howard Simpson, of Ohio, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Zaire.

John M. Yates, of Washington, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Benin.

James E. Goodby, of the District of Columbia, for the rank of Ambassador during his tenure of service as Principal Negotiator and Special Representative of the President for Nuclear Safety and Dismantlement.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will return to legislative session.

AUTHORITY FOR COMMITTEE TO MEET

Mr. COATS. Mr. President, I ask unanimous consent that the Foreign Relations Committee be permitted to meet on Thursday, October 19, 1995, at 2 p.m. for the purpose of considering pending nominations and other committee business.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. COATS. Mr. President, I ask unanimous consent that the Senate go into Executive Session and that the Governmental Affairs Committee be immediately discharged from further consideration of the nomination of Ned McWherter; further that the Senate immediately proceed to consider the Ned McWherter nomination and the following calendar Nos. on today's Executive Calendar: numbers 313, 314, 315, 317 through 322, 326, and all nominations on the Secretary's desk in the Air Force, Army, Marine Corps, and Navy.

I further ask unanimous consent that the nominations be confirmed en bloc, the motions to reconsider be laid upon the table en bloc, that any statements relating to the nominations appear at the appropriate place in the RECORD, the President be immediately notified of the Senate's action, and the Senate then return to legislative session.

Mr. FORD. This side has no objections, Mr. President.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed en bloc, are as follows:

U.S. Postal Service

Ned R. McWherter, of Tennessee, to be a Governor of the United States Postal Service for the term expiring December 8, 2002.

Defense Nuclear Facilities Safety Board

John T. Conway, of New York, to be a Member of the Defense Nuclear Facilities Safety Board for a term expiring October 18, 1999. (Reappointment)

Air Force

The following named officer for promotion in the Regulator Air Force of the United States to the grade of brigadier general under title 10, U.S.C., section 624:

To be brigadier general

Col. William J. Dendinger, 508-46-3556, United States Air Force.

Navy

The following named Rear Admirals (Lower Half) in the Supply Corps of the United States Navy for promotion to the permanent grade of Rear Admiral, pursuant to Title 10, United States Code, section 624, subject of qualifications therefore as provided by law:

SUPPLY CORPS

To be rear admiral

Rear Adm. (lh) Ralph Melvin Mitchell, Jr., 146 36 9219, U.S. Navy.

Rear Adm. (lh) Leonard Vincent, 441 42 5018, U.S. Navy.

The following-named Rear Admirals (lower half) in the restricted line of the United States Navy for promotion to the permanent grade of Rear Admiral, pursuant to Title 10, United States Code, section 624, subject to qualifications therefore as provided by law:

AEROSPACE ENGINEERING DUTY OFFICER

To be rear admiral

Rear Adm. (lh) Barton D. Strong, 519-46-4260, U.S. Navy.

SPECIAL DUTY OFFICER (CRYPTOLOGY)

To be rear admiral

Rear Adm. (lh) Thomas F. Stevens, 568-52-0721, U.S. Navy.

The following named officer for promotion in the Navy of the United States to the grade indicated under title 10, U.S.C. section 624:

SENIOR HEALTH CARE EXECUTIVE

To be rear admiral

Rear Adm. (lh) S. Todd Fisher, 127-32-2160, U.S. Navy.

The following named officer to be placed on the retired list of the United States Navy in the grade indicated under section 1370 of title 10, U.S.C.

To be admiral

Adm. William O. Studeman, 267-58-1625.

The following named officer to be placed on the retired list of the United States Navy in the grade indicated under section 1370 of title 10, U.S.C.

To be vice admiral

Vice Adm. Norman W. Ray, 334-34-5481.

The following named officer for promotion in the Navy of the United States to the grade indicated under title 10, U.S.C., section 624:

Marine Corps

The following named officer for appointment to the grade of lieutenant general in the United States Marine Corps while assigned to a position of importance and responsibility under Title 10, U.S.C., section 601: Maj. Gen. Jefferson D. Howell, Jr., 458-56-9607.

Corporation for National and Community Service

Harris Wofford, of Pennsylvania, to be Chief Executive Officer of the Corporation for National and Community Service.

In the Air Force, Army, Foreign Service, Marine Corps, Navy, Public Health Service

Air Force nominations beginning Von S. Bashay, and ending Janice L. Engstrom, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of July 24, 1995.

Air Force nominations beginning Michael D. Bouwman, and ending Philip S. Vuocolo, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of September 5, 1995.

Air Force nominations beginning Gary L. Ebben, and ending Steven A. Klein, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of September 5, 1995.

Air Force nominations beginning Maria A. Berg, and ending Warren R. H. Knapp, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of September 5, 1995.

Air Force nominations beginning Mark B. Allen, and ending John J. Wolf, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of September 5, 1995.

Army nominations beginning * John D. Pitcher, and ending Ray J. Rodriquez, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of July 20, 1995.

Army nominations beginning Gerhard Braun, and ending Robert M. Sundberg, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of August 3, 1995.

Army nominations beginning John A. Belzer, and ending Chauncey L. Veatch, III, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of August 3, 1995.

Army nominations beginning Robert Bellhouse, and ending Cheryl B. Person, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of August 3, 1995.

Army nominations beginning Terry C. Amos, and ending Stephen C. Ulrich, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of August 3, 1995.

Army nominations beginning Jeffrey S. * Almony, and ending David S. Zumbro, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of August 3, 1995.

Army nominations beginning David G. Barton, and ending Denise L. Winland, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of August 10, 1995.

Army nominations of Col. Michael L. Jones, which was received by the Senate and appeared in the CONGRESSIONAL RECORD of September 5, 1995.

Army nominations beginning Gerard H. Barloco, and ending Earl M. Yerrick, Jr., which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of September 5, 1995.

Army nominations beginning Lillian A. Foerster, and ending Joann S. Moffitt, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of September 5, 1995.

Marine Corps nominations beginning Bradley J. Harms, and ending Joseph T. Krause, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of July 24, 1995.

Marine Corps nominations beginning Charles H. Allen, and ending Robert J. Womack, which nominations were received by the Senate and appeared in the Congressional Record of July 24, 1995

Marine Corps nominations beginning Douglas E. Akers, and ending Marc A. Workman, which nominations were received by the Senate and appeared in the Congressional Record of July 24, 1995

Navy nominations beginning Kyujin J. Choi, and ending Murzban F. Morris, which nominations were received by the Senate and appeared in the Congressional Record of July 20, 1995

Navy nominations beginning Scott A. Avery, and ending Amy M. Witheiser, which nominations were received by the Senate and appeared in the Congressional Record of July 24, 1995

Navy nominations beginning Glenn M. Amundson, and ending John F. Nesbitt, which nominations were received by the Senate and appeared in the Congressional Record of July 24, 1995

Navy nominations beginning Richard J. Alioto, and ending Frank J. Giordano, which nominations were received by the Senate and appeared in the Congressional Record of July 24, 1995

Navy nominations beginning Andrew W. Acevedo, and ending John L. Zimmerman, which nominations were received by the Senate and appeared in the Congressional Record of August 3, 1995

Navy nominations beginning Jeremy L. Hilton, and ending Clayton S. Christman, which nominations were received by the Senate and appeared in the Congressional Record of September 5, 1995

Navy nominations beginning Gary E. Sharp, and ending Leah M. Ladley, which nominations were received by the Senate and appeared in the Congressional Record of September 5, 1995

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will return to legislative session.

DISAPPROVE OF AMENDMENTS TO THE FEDERAL SENTENCING GUIDELINES

Mr. COATS. Mr. President, I ask unanimous consent that the Senate now turn to the consideration of calendar No. 194, S. 1254, regarding crack sentences.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 1254) to disapprove of amendments to the Federal Sentencing Guidelines relating to lowering of crack sentences and sentences for money laundering and transactions in property derived from unlawful activity.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

AMENDMENT NO. 2879

Mr. COATS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Indiana [Mr. COATS] for Mr. KENNEDY proposes an amendment numbered 2879.

Mr. COATS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill, insert the following new section:

SEC. . REDUCTION OF SENTENCING DISPARITY.

(a) RECOMMENDATIONS.—

(1) IN GENERAL.—The United States Sentencing Commission shall submit to Congress recommendations (and an explanation therefor) regarding changes to the statutes and Sentencing Guidelines governing sentences for unlawful manufacturing, importing, exporting, and trafficking of cocaine, and like offenses, including unlawful possession, possession with intent to commit any of the forgoing offenses, and attempt and conspiracy to commit any of the forgoing offenses. The recommendations shall reflect the following considerations:

(A) the sentence imposed for trafficking in a quantity of crack cocaine should generally exceed the sentence imposed for trafficking in a like quantity of powder cocaine;

(B) high-level wholesale cocaine traffickers, organizers, and leaders, of criminal activities should generally receive longer sentences than low-level retail cocaine traffickers and those who played a minor or minimal role in such criminal activity;

(C) if the Government establishes that a defendant who traffics in powder cocaine has knowledge that such cocaine will be converted into crack cocaine prior to its distribution to individual users, the defendant should be treated at sentencing as though the defendant had trafficked in crack cocaine; and

(D) an enhanced sentence should generally be imposed on a defendant who, in the course of an offense described in this subsection—

(i) murders or causes serious bodily injury to an individual;

(ii) uses a dangerous weapon;

(iii) uses or possesses a firearm;

(iv) involves a juvenile or a woman who the defendant knows or should know to be pregnant;

(v) engages in a continuing criminal enterprise or commits other criminal offenses in order to facilitate his drug trafficking activities;

(vi) knows, or should know, that he is involving an unusually vulnerable person;

(vii) restrains a victim;

(viii) traffics in cocaine within 500 feet of a school;

(ix) obstructs justice;

(x) has a significant prior criminal record; or

(xi) is an organizer or leader of drug trafficking activities involving five or more persons.

(2) RATIO.—The recommendations described in the preceding subsection shall propose revision of the drug quantity ratio of crack cocaine to powder cocaine under the relevant statutes and guidelines in a manner consistent with the ratios set for other drugs, and consistent with the objectives set forth in 28 U.S.C. 3553(a).

(b) STUDY.—No later than May 1, 1996, the Department of Justice shall submit to the Judiciary Committees of the Senate and House of Representatives a report on the charging and plea practices of federal prosecutors with respect to the offense of money laundering. Such study shall include an account of the steps taken or to be taken by the Justice Department to ensure consistency and appropriateness in the use of the money laundering statute. The Sentencing Commission shall submit to the Judiciary Committees comments on the study prepared by the Department of Justice.

Mr. KENNEDY. Mr. President, my amendment to the Abraham bill is designed to keep alive the hope that this Congress will someday soon address the festering issue of racial disparity in our Nation's cocaine sentencing laws.

Few matters are as fundamental to the integrity of the judicial system as maintaining the confidence of the country that it is free from racial bias. That issue has been raised very clearly and very intensely in the O.J. Simpson trial. It is also raised in other serious ways, including by the controversy over the disparity in sentences involving the drug cocaine.

Cocaine is one of the most addictive and dangerous of all illegal drugs, and those who traffic in it deserve tough, lengthy punishment. But if the criminal justice system is to command the respect of all Americans, punishment must not only be tough—it must be fair. Similar defendants must receive similar sentences. We must do all we can to ensure that the Federal criminal justice system is free from even the slightest taint of racial discrimination.

In the 1980's, Congress passed a number of bills to respond aggressively to the drug crisis. But in at least one respect we may have inadvertently created an injustice—the much harsher sentences imposed for crack cocaine than for powdered cocaine.

A mandatory minimum sentence of 5 years is imposed in current law based on the weight of the drug involved. But it takes 100 times more powdered cocaine to trigger the mandatory minimum sentence than crack cocaine.

In other words, a defendant who sells five grams of crack cocaine receives the same mandatory minimum 5-year sentence as a defendant who sells 500 grams of powdered cocaine. Possession of five grams of crack is subject to a 5-year minimum sentence, but possession of five grams of powdered cocaine is subject to only a 1-year maximum sentence.

The overwhelming view of scientists is that this disparity is unjustified. Powder and crack cocaine are two forms of the same drug. Their biological effects are similar. There is no justification for the preposterous 100 to 1 ratio in current law.

But the issue goes beyond science. Blacks account for 88 percent of all defendants in crack cases, while blacks, whites, and Hispanics are equally likely to be defendants in powdered cocaine cases. As a result, the minimum sentences mandated for crack cases under the law are imposed overwhelmingly on black defendants.

The current law has caused serious injustices in a number of cases. The Judiciary Committee heard testimony from Arthur Curry, a retired school principal, whose 19-year-old son was sentenced to 20 years without parole for playing a minor role in a drug conspiracy. The FBI called him a "flunky", with below-average intelligence. He had no prior criminal record. But the judge had no choice, and sent 19-year-old Derrick Curry to Federal prison for the next 20 years. That young man's life is destroyed. He'll come out of prison in 20 years a hardened criminal, and the cost to the American taxpayer is enormous.

And Derrick Curry is not alone. A 1994 Justice Department study found that 21 percent of all Federal prisoners are low-level, non-violent drug offenders.

Last year, in response to cases like the Curry case, Congress directed the Sentencing Commission to study the cocaine issue. The Commission produced an excellent report that persuasively demonstrates the irrationality of the 100 to 1 ratio. The Commission has voted to eliminate the disparity, and to strengthen the guidelines in cases involving violence in drug trafficking.

Congress created the Sentencing Commission for the express purpose of eliminating this kind of unwarranted sentencing disparity. The sponsors of the 1984 Sentencing Reform Act, including Senator THURMOND, Senator HATCH, Senator BIDEN, and myself, sought to make sense of the sentencing process and to solve the problem of similar defendants receiving grossly different sentences. The act specifically directed the Commission to ensure that the Federal sentencing system is racially neutral.

The Commission has done an outstanding job. It has carefully examined the empirical and scientific data. It has compiled that information in a comprehensive report, and made appropriate adjustments in the guidelines. To simply reject the Commission's action is to repudiate the sensible process established in the 1984 Act to take politics out of sentencing.

The Commission's proposal provides lengthy punishment for crack defendants based on conduct, not race. The proposed enhancements for using weapons during drug offenses mean that armed drug dealers will be punished more severely. On the average, crack defendants will still receive sentences that are 2½ times longer than defendants in powdered cocaine cases. But the defendants who receive that longer punishment will have earned it by their own conduct, and that's how it should be.

The current disparity is also an example of a basic problem with all mandatory minimum sentences. Congress sets a minimum number of years for a certain crime, without reference to other crimes. A 5-year sentence for selling five grams of crack cocaine may have seemed appropriate to Congress in 1986, but it is illogical and disproportionate when compared to other sentences. With a Sentencing Commission and a guideline system in place, mandatory minimum sentencing laws are unnecessary and often counterproductive. Here, as elsewhere, they prevent the Commission from overseeing the sentencing system fairly.

We've all heard from judges in our States about the problems caused by mandatory minimums. The crack cocaine issue is at the heart of those complaints. If we cannot solve this problem fairly, we may never achieve the goal of a rational sentencing system.

The chief sponsor of the Commission's proposed amendment is Wayne Budd, a Republican who served as the third highest ranking official in President Bush's Justice Department. Before that, as the U.S. attorney in Massachusetts, Wayne Budd put many criminals behind bars. So when a person of Wayne Budd's credentials says that the 100-to-1 ratio is unfair, Congress should take careful notice.

I support Wayne Budd's proposal to completely eliminate the 100-to-1 disparity between crack and powder cocaine. But I recognize that a 1-to-1 ratio is unacceptable to a majority of the Senate. Accordingly, I am reluctantly consenting to passage of the Abraham bill, which would reject the Commission's proposed 1-to-1 ratio. But in an attempt to maintain some momentum for change, my amendment would send the matter back to the Commission with specific directions, including a mandate to revise the ratio in a manner consistent with the ratios governing other illicit drugs.

My amendment not only directs the Commission to change the cocaine sentencing ratio. It also instructs the Commission to ensure that cocaine defendants whose cases involve aggravated circumstances receive enhanced punishment. Unlike mandatory minimums, the guidelines already distinguish, for example, between violent and non-violent defendants, and my amendment would put the Senate firmly on record in favor of the toughest punishment for the worst criminals.

We cannot close our eyes to the distrust with which many African-Americans view the criminal justice system. When the realities behind that perception are identified, they must be remedied. Fixing this ill-considered law is a good place to start, and we should let the Sentencing Commission stay on the job.

Maybe a 1 to 1 ratio is unacceptable to the Senate. But if the Commission recommends a ratio of 5 to 1 or 10 to 1, I hold out hope that Congress will permit that change to become law.

Finally, my amendment also attempts to salvage some progress toward fairness in the application of the money laundering statute.

The current sentencing guidelines for this crime are flawed because they treat technical violations of the money laundering statute as seriously as complex, sophisticated financial crimes. For example, an elderly postal worker who steals a check and deposits it in the bank receives the same punishment as the financial manager of a major drug trafficking operation. The Commission's proposal ensures tough punishment for money laundering but distinguishes the culpability of different defendants.

I support the Commission's proposal on money laundering, but as in the cocaine context, the will of the Senate is clearly to block this amendment due to the self-interested recommendation of the Justice Department. But here, as well, I am reluctant to simply let the Commission's good work perish in vain.

My amendment, therefore, directs the Justice Department to report to Congress on the charging and plea practices of Federal prosecutors with respect to the money laundering statute. I intend to review that study carefully. And if it does not make a compelling case that the Department is addressing the problem itself, I will work to improve the statutes and the sentencing guidelines that cover this unduly elastic crime.

It is inherently difficult for a legislature to grapple with the complex and politically sensitive subject of sentencing. We created a non-political, independent Commission in 1984 for that very reason. Passage of the Abraham bill marks the first time that the Senate has rejected major guideline amendments proposed by the Sentencing Commission, and that development bodes ill for the long-term vitality of the sentencing guideline scheme.

Nonetheless, I retain hope that the decades-long effort to develop a fair and rational sentencing system will continue. The goal of equitable sentencing for the crimes of cocaine sentencing, money laundering and every other offense in the Federal code is not furthered by passage of this bill. But the goal remains in sight, and we must continue to pursue it.

Mr. ABRAHAM. Mr. President, I accept the amendment of the Senator from Massachusetts. As is plain from its language, it does not request the Commission to send new guideline changes. Rather, it requests the Commission's recommendations for how the laws and guidelines should be changed. That is the course that in my view is appropriate for the Commission to take, since under current law, the sentences are largely dictated by mandatory minimums set by Congress. Accordingly, major changes in this area have to come from Congress, and until such changes are made the guidelines should conform with existing law. Thus, while the amendment does not detract from the Commission's existing statutory authority to propose amendments to the guidelines, that is not what the amendment asks the Commission to send us. Rather, the amendment merely asks for a policy recommendation.

As I indicated on introducing this bill, I have some sympathy with some of the concerns the Commission has raised about present law. In particular, I am concerned that some powder defendants at the top of crack distribution networks seem to be getting lower sentences than retail distributors. I also think that while there is good reason for significant differential treatment of powder and crack, we should have a look more generally at whether the present differential represents the best policy.

In my view, however, the Commission resolved these concerns the wrong way: by lowering sentences for crack, rather than by raising sentences for powder. Along with several of my colleagues, I would like to see these issues addressed from the other end: by raising the sentences for powder distribution. My specific proposal, embodied in the companion bill I sponsored along with Senators KYL, FEINSTEIN, BROWN, and MCCONNELL, is to lower the trigger for powder sentences from 500 to 100 grams for mandatory 5-year sentences, and from 5,000 to 1,000 grams for mandatory 10 year sentences. I believe this resolution of the matter is entirely consistent with the criteria set out in Senator KENNEDY's amendment.

I should only add that I would be very concerned about any resolution of this matter that is predicated on the lowering of sentences for crack distributors. I believe that would send exactly the wrong message: that in the war against crack society blinked. I believe the amendment proposed by Senator KENNEDY is entirely consistent with these views, and I therefore accept his amendment on that basis.

Mr. HATCH. Mr. President, I rise today in support of the amendment to block reductions in penalties for crack dealing proposed by the U.S. Sentencing Commission. If the Congress does not act, those changes will take effect this November 1.

According to the Department of Justice, which has also asked us to block implementation of the changes, the new penalty structure will make base sentences for crack anywhere from two to six times shorter than they are now. The Department of Justice written to tell us that they "strongly support S. 1254" which is "very similar to our proposal.

That is simply irresponsible public policy. It would send a terrible message both to crack dealers and to communities trying to fight back against the crack trade.

No one, not even the Sentencing Commission, denies that the brunt of crack's social consequences have fallen on poor, urban, minority residents. Given what crack has done to our cities, it frankly amazes me to hear people arguing for lower sentences. Especially from people who wouldn't for one moment tolerate an open-air crack market in their neighborhood in Scarsdale or Chevy Chase.

The Commission's own report, moreover, acknowledges that crack's psychoactive effects are far more intense than powder cocaine, which means that crack is far more additive.

Members of the Sentencing Commission are concerned that the current sentencing structure creates a perception of unfairness because most convicted crack dealers are Africans-Americans, whereas a majority of convicted powder dealers are white or Hispanic. I am sensitive to these concerns. This Congress will deal severely and aggressively with any indication that prosecution or sentencing is being driven by racial considerations. We will not tolerate any racial discrimination in our criminal justice system.

But Mr. President, it is also important to remember that the number of people convicted for crack violations each year is just 3,430. I am more concerned, to be blunt, about the millions of people living in our cities whose quality of life is being ruined. These people have equal rights to safe neighborhoods.

To those who say the Federal Government is locking up tens of thousands of nonviolent, low-level offenders, let me say this: We studied that question. What we found was that out of the 3,430 crack defendants convicted in 1994, the number of youthful, small-time crack offenders with no prior criminal history and no weapons involvement, sentenced in Federal courts, was just 51. The median crack defendant was convicted of trafficking 109 grams—more than 2,000 "rocks" or doses. Only 10 percent of crack defendants had trafficked less than 2-3 grams of crack—the equivalent of 40-60 doses.

And finally, on Tuesday, September 12, HHS released alarming figures showing drug use up sharply among our young people. Mr. President, this is not the time to be sending the message that we are weakening social sanctions against the drug trade.

One additional point. The amendment would also block another set of proposed changes—relating to money laundering—offered by the Sentencing Commission. Here too, the Commission's amendments would dramatically lower the penalties for many money laundering offenders, including those engaged in the laundering of proceeds of both financial and drug offenses.

Under the current guidelines, for instance, an offender who launders $110,000 worth of proceeds would face a range of 37-46 months. Under the Commission's proposed changes, the guideline range would be just 21-27 months in prison. An offender who laundered $110,000 worth of illegal drug proceeds would receive a sentence of 51-63 months under the current guidelines. The Commission's amendments would change that to 33-41 months.

The money laundering guidelines need to be reviewed, but the changes recommended by the Commission are simply too sweeping. As with the amendments to lower crack sentences, the Department of Justice has urged us to reject the money laundering proposal.

I urge my colleagues to join me in supporting this legislation.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 2879) was agreed to.

Mr. COATS. I move to reconsider the vote.

Mr. FORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 1254

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DISAPPROVAL OF AMENDMENTS RELATING TO LOWERING OF CRACK SENTENCES AND SENTENCES FOR MONEY LAUNDERING AND TRANSACTIONS IN PROPERTY DERIVED FROM UNLAWFUL ACTIVITY.

In accordance with section 994(p) of title 28, United States Code, amendments numbered 5 and 18 of the "Amendments to the Sentencing Guidelines, Policy Statements, and Official Commentary", submitted by the United States Sentencing Commission to Congress on May 1, 1995, are hereby disapproved and shall not take effect.

SEC. 2. REDUCTION OF SENTENCING DISPARITY.

(a) RECOMMENDATIONS.—

(1) IN GENERAL.—The United States Sentencing Commission shall submit to Congress recommendations (and an explanation therefor), regarding changes to the statutes and sentencing guidelines governing sentences for unlawful manufacturing, importing, exporting, and trafficking of cocaine, and like offenses, including unlawful possession, possession with intent to commit any of the forgoing offenses, and attempt and conspiracy to commit any of the forgoing offenses. The recommendations shall reflect the following considerations—

(A) the sentence imposed for trafficking in a quantity of crack cocaine should generally exceed the sentence imposed for trafficking in a like quantity of powder cocaine;

(B) high-level wholesale cocaine traffickers, organizers, and leaders, of criminal activities should generally receive longer sentences than low-level retail cocaine traffickers and those who played a minor or minimal role in such criminal activity;

(C) if the Government establishes that a defendant who traffics in powder cocaine has knowledge that such cocaine will be converted into crack cocaine prior to its distribution to individual users, the defendant should be treated at sentencing as though the defendant had trafficked in crack cocaine; and

(D) an enhanced sentence should generally be imposed on a defendant who, in the course of an offense described in this subsection—

(i) murders or causes serious bodily injury to an individual;

(ii) uses a dangerous weapon;

(iii) uses or possesses a firearm;

(iv) involves a juvenile or a woman who the defendant knows or should know to be pregnant;

(v) engages in a continuing criminal enterprise or commits other criminal offenses in order to facilitate his drug trafficking activities;

(vi) knows, or should know, that he is involving an unusually vulnerable person;

(vii) restrains a victim;

(viii) traffics in cocaine within 500 feet of a school;

(ix) obstructs justice;

(x) has a significant prior criminal record; or

(xi) is an organizer or leader of drug trafficking activities involving five or more persons.

(2) RATIO.—The recommendations described in the preceding subsection shall propose revision of the drug quantity ratio of crack cocaine to powder cocaine under the relevant statutes and guidelines in a manner consistent with the ratios set for other drugs and consistent with the objectives set forth in section 3553(a) of title 28 United States Code.

(b) STUDY.—No later than May 1, 1996, the Department of Justice shall submit to the Judiciary Committees of the Senate and House of Representatives a report on the charging and plea practices of Federal prosecutors with respect to the offense of money laundering. Such study shall include an account of the steps taken or to be taken by the Justice Department to ensure consistency and appropriateness in the use of the money laundering statute. The Sentencing Commission shall submit to the Judiciary Committees comments on the study prepared by the Department of Justice.

Mr. COATS. I move to reconsider the vote.

Mr. FORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

INTELLIGENCE AUTHORIZATION ACT OF FISCAL YEAR 1996

Mr. COATS. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 164, S. 922, the intelligence authorization bill.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 922) to authorize appropriations for fiscal year 1996 for intelligence and intelligence related activities of the United States Government.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Armed Services, with an amendment to insert the part printed in italics on page 3, so as to make the bill read:

S. 922

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Intelligence Authorization Act for Fiscal Year 1996".

TITLE I—INTELLIGENCE ACTIVITIES

SEC. 101. AUTHORIZATION OF APPROPRIATIONS.

Funds are authorized to be appropriated for fiscal year 1996 for the conduct of the intelligence and intelligence-related activities of the following elements of the United States Government:

(1) The Central Intelligence Agency.

(2) The Department of Defense.

(3) The Defense Intelligence Agency.

(4) The National Security Agency.

(5) The Department of the Army, the Department of the Navy, and the Department of the Air Force.

(6) The Department of State.

(7) The Department of Treasury.

(8) The Department of Energy.

(9) The Federal Bureau of Investigation.

(10) The Drug Enforcement Administration.

(11) The National Reconnaissance Office.

(12) The Central Imagery Office.

SEC. 102. CLASSIFIED SCHEDULE OF AUTHORIZATIONS.

(a) SPECIFICATIONS OF AMOUNTS AND PERSONNEL CEILINGS.—The amounts authorized to be appropriated under section 101, and the authorized personnel ceilings as of September 30, 1996, for the conduct of the elements listed in such section, are those specified in the classified Schedule of Authorizations prepared by the Committee of Conference to accompany ( ) of the One Hundred and Fourth Congress.

(b) AVAILABILITY OF CLASSIFIED SCHEDULE OF AUTHORIZATIONS.—The Schedule of Authorizations shall be made available to the Committee on Appropriations of the Senate and House of Representatives and to the President. The President shall provide for suitable distribution of the Schedule, or of appropriate portions of the Schedule, within the Executive Branch.

(c) SCOPE OF SCHEDULE.—The Schedule of Authorizations referred to in subsections (a) and (b) is only the Schedule of Authorizations for the National Foreign Intelligence Program (NFIP).

SEC. 103. PERSONNEL CEILING ADJUSTMENTS.

(a) AUTHORITY FOR ADJUSTMENTS.—With the approval of the Director of the Office of Management and Budget, the Director of Central Intelligence may authorize employment of civilian personnel in excess of the number authorized for fiscal year 1996 under section 102 of this Act when the Director determines that such action is necessary to the performance of important intelligence functions, except that the number of personnel employed in excess of the number authorized under such section may not, for any element of the intelligence community (as defined in section 3(4) of the National Security Act of 1947 (50 U.S.C. 401(4)), exceed 2 percent of the number of civilian personnel authorized under such section for such element.

(b) NOTICE TO INTELLIGENCE COMMITTEES.—The Director of Central Intelligence shall notify the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate prior to exercising the authority granted by this section.

SEC. 104. INTELLIGENCE COMMUNITY MANAGEMENT ACCOUNT.

(a) AUTHORIZATION OF APPROPRIATIONS.—(1) There is authorized to be appropriated for the Intelligence Community Management Account of the Director of Central Intelligence for fiscal year 1996 the sum of $98,283,000.

(2) Funds made available under paragraph (1) for the Advanced Research and Development Committee and the Environmental Task Force shall remain available until September 30, 1997.

(b) AUTHORIZED PERSONNEL LEVELS.—The Community Management Staff of the Director of Central Intelligence is authorized 247 full-time personnel as of September 30, 1996. Such personnel of the Community Management Staff may be permanent employees of the Community Management Staff or personnel detailed from other elements of the United States Government.

(c) REIMBURSEMENT.—During the fiscal year 1996, any officer or employee of the United States or any member of the Armed Forces who is detailed to the Community Management Staff from another element of the United States Government shall be detailed on a reimbursable basis, except that any such officer, employee, or member may be detailed on a nonreimbursable basis for a period of less than one year for the performance of temporary functions as required by the Director of Central Intelligence.

TITLE II—CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated for the Central Intelligence Agency Retirement and Disability Fund for fiscal year 1996 the sum of $213,900,000.

TITLE III—GENERAL PROVISIONS

SEC. 301. INCREASE IN EMPLOYEE COMPENSATION AND BENEFITS AUTHORIZED BY LAW.

Appropriations authorized by this Act for salary, pay, retirement, and other benefits for Federal employees may be increased by such additional or supplemental amounts as may be necessary for increases in such compensation or benefits authorized by law.

SEC. 302. RESTRICTION ON CONDUCT OF INTELLIGENCE ACTIVITIES.

The authorization of appropriations by this Act shall not be deemed to constitute authority for the conduct of any intelligence activity which is not otherwise authorized by the Constitution or the laws of the United States.

SEC. 303. APPLICATION OF SANCTIONS TO INTELLIGENCE ACTIVITIES.

The National Security Act of 1947 (50 U.S.C.401 et seq.) is amended by adding at the end thereof the following new title:

"TITLE VIII—APPLICATION OF SANCTIONS LAWS TO INTELLIGENCE ACTIVITIES

"SEC. 801. DELAY OF SANCTIONS.

"Notwithstanding any other provision of law, the President may delay the imposition of a sanction related to the proliferation of weapons of mass destruction, their delivery systems, or advanced conventional weapons when he determines that to proceed without delay would seriously risk the compromise of a sensitive intelligence source or method or an ongoing criminal investigation. The President shall terminate any such delay as soon as it is no longer necessary to that purpose.

"SEC. 802. REPORTS.

"Whenever the President makes the determination required pursuant to section 801, the President shall promptly report to the Select Committee on Intelligence of the Senate and the Permanent Select Committee on Intelligence of the House of Representatives the rationale and circumstances that led the President to exercise the authority under section 801 with respect to an intelligence source or method, and to the Judiciary Committees of the Senate and the House of Representatives the rationale and circumstances that led the President to exercise the authority under section 801 with respect to an ongoing criminal investigation. Such report shall include a description of the efforts being made to implement the sanctions as soon as possible and an estimate of the date on which the sanctions will become effective.".

SEC. 304. THRIFT SAVINGS PLAN FORFEITURE.

(a) IN GENERAL.—Section 8432(g) of title 5, United States Code, is amended by adding at the end the following new paragraph:

"(5) Notwithstanding any other provision of law, contributions made by the Government for the benefit of an employee under subsection (c), and all earnings attributable to such contributions, shall be forfeited if the employee's annuity, or that of a survivor or beneficiary, is forfeited pursuant to subchapter II of chapter 83 of this title.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to offenses upon which the requisite annuity forfeitures are based occurring on or after the date of enactment of this Act.

SEC. 305. AUTHORITY TO RESTORE SPOUSAL PENSION BENEFITS TO SPOUSES WHO COOPERATE IN CRIMINAL INVESTIGATIONS AND PRECAUTIONS FOR NATIONAL SECURITY OFFENSES.

Section 8312 of title 5, United States Code, is amended by adding at the end the following new subsection:

"(e) Notwithstanding any other provision of law, the spouse of an employee whose annuity or retired pay is forfeited under this section or section 8313 after the enactment of this subsection shall be eligible for spousal pension benefits if the Attorney General determines that the spouse fully cooperated with Federal authorities in the conduct of a criminal investigation and subsequent prosecution of the employee.".

SEC. 306. AMENDMENT TO THE HATCH ACT REFORM AMENDMENTS OF 1993.

Section 7325 of title 5, United States Code, is amended by adding after "section 7323(a)" the following: "and paragraph (2) of section 7323(b)".

SEC. 307. REPORT ON PERSONNEL POLICIES.

(a) REPORT REQUIRED.—Not later than three months after the date of enactment of this Act, the Director of Central Intelligence shall submit to the intelligence committees of Congress a report describing personnel procedures, and recommending necessary legislation, to provide for mandatory retirement for expiration of time in class, comparable to the applicable provisions of section 607 of the Foreign Service Act of 1980 (22 U.S.C. 4007), and termination based on relative performance, comparable to section 608 of the Foreign Service Act of 1980 (22 U.S.C. 4008), for all civilian employees of the Central Intelligence Agency, the National Security Agency, the Defense Intelligence Agency, and the intelligence elements of the Army, Navy, Air Force, and Marine Corps.

(b) COORDINATION.—The preparation of the report required by subsection (a) shall be coordinated as appropriate with elements of the intelligence community (as defined in section 3(4) of the National Security Act of 1947 (50 U.S.C. 401(4)).

(c) DEFINITION.—As used in this section, the term "intelligence committees of Congress" means the Select Committee on Intelligence of the Senate and the Permanent Select Committee on Intelligence of the House of Representatives.

SEC. 308. ASSISTANCE TO FOREIGN COUNTRIES.

(a) IN GENERAL.—Notwithstanding any other provision of law, funds authorized to be appropriated by this Act may be used to provide assistance to a foreign country for counterterrorism efforts if—

(1) such assistance is provided for the purpose of protecting the property of the United States Government or the life and property of any United States citizen, or furthering the apprehension of any individual involved in any act of terrorism against such property or persons; and

(2) the appropriate committees of Congress are notified not later than 15 days prior to the provision of such assistance.

(b) DEFINITION.—As used in this section, the term "appropriate congressional committees" means the Select Committee on Intelligence of the Senate and the Permanent Select Committee on Intelligence of the House of Representatives.

TITLE IV—CENTRAL INTELLIGENCE AGENCY

SEC. 401. EXTENSION OF THE CIA VOLUNTARY SEPARATION PAY ACT.

Section 2(f) of the CIA Voluntary Separation Pay Act is amended by striking out "September 30, 1997" and inserting in lieu thereof "September 30, 1999".

SEC. 402. VOLUNTEER SERVICE PROGRAM.

The Central Intelligence Agency Act of 1949 (50 U.S.C. 403a et seq.) is amended by adding at the end of the following new section:

"SEC. 20. VOLUNTEER SERVICE PROGRAM.

"(a) Notwithstanding any other provision of law, the Director of Central Intelligence is authorized to establish and maintain a program during fiscal years 1996 through 2001 to utilize the services contributed by not more than 50 retired annuitants who serve without compensation as volunteers in aid of the review by the Central Intelligence Agency for declassification or downgrading of classified information under applicable Executive Orders covering the classification and declassification of national security information and Public Law 102–526.

"(b) The Agency is authorized to use sums made available to the Agency by appropriations or otherwise for paying the costs incidental to the utilization of services contributed by individuals who serve without compensation as volunteers in aid of the review by the Agency of classified information, including, but not limited to, the costs of training, transportation, lodging, subsistence, equipment, and supplies. Agency officials may authorize either direct procurement of, or reimbursement for, expenses incidental to the effective use of volunteers, except that provision for such expenses or services shall be in accordance with volunteer agreements made with such individuals and that such sums may not exceed $100,000.

"(c) Notwithstanding the provision of any other law, individuals who volunteer to provide services to the Agency under this section shall be covered by and subject to the provisions of—

"(1) the Federal Employees Compensation Act; and

"(2) chapter 11 of title 18, United States Code,

as if they were employees or special Government employees depending upon the days of expected service at the time they begin their volunteer service.".

SEC. 403. AUTHORITIES OF THE INSPECTOR GENERAL OF THE CENTRAL INTELLIGENCE AGENCY.

(a) REPORTS BY THE INSPECTOR GENERAL.—Section 17(b)(5) of the Central Intelligence Act of 1949 (50 U.S.C. 403q) is amended to read as follows:

"(5) In accordance with section 535 of title 28, United States Code, the Inspector General shall report to the Attorney General any information, allegation, or complaint received by the Inspector General relating to violations of Federal criminal law that involve a program or operation of the Agency, consistent with such guidelines as may be issued by the Attorney General pursuant to paragraph (2). A copy of all such reports shall be furnished to the Director.".

(b) EXCEPTION TO NONDISCLOSURE REQUIREMENT.—Section 17(e)(3)(A) of such Act is amended by inserting after "investigation" the following: "or the disclosure is made to an official of the Department of Justice responsible for determining whether a prosecution should be undertaken".

SEC. 404. REPORT ON LIAISON RELATIONSHIPS.

(a) ANNUAL REPORT.—Section 502 of the National Security Act of 1947 (50 U.S.C. 413a) is amended—

(1) by striking "and" at the end of paragraph (1);

(2) by striking the period at the end of paragraph (2) and inserting "; and"; and

(3) by adding at the end the following:

"(3) annually submit to the intelligence committees a report describing all liaison relationships for the preceding year, including—

"(A) the names of the governments and entities;

"(B) the purpose of each relationship;

"(C) the resources dedicated (including personnel, funds, and materiel);

"(D) a description of the intelligence provided and received, including any reports on human rights violations; and

"(E) any significant changes anticipated.".

(b) DEFINITION.—Section 606 of such Act is amended by adding at the end the following:

"(11) The term 'liaison' means any governmental entity or individual with whom an intelligence agency has established a relationship for the purpose of obtaining information.".

TITLE V—DEPARTMENT OF DEFENSE INTELLIGENCE ACTIVITIES

SEC. 501. COMPARABLE OVERSEAS BENEFITS AND ALLOWANCES FOR CIVILIAN AND MILITARY PERSONNEL ASSIGNED TO THE DEFENSE INTELLIGENCE AGENCY.

(a) TITLE 10.—Title 10, United States Code, is amended—

(1) in section 1605(a), by striking "and" after "Defense Attache Offices" and inserting "or"; and

(2) in section 1605(a), by inserting ", and Defense Intelligence Agency employees assigned to duty outside the United States," after "outside the United States,".

(b) TITLE 37.—Title 37, United States Code, is amended—

(1) in section 431(a), by striking "and" after "Defense Attache Offices" and inserting "or"; and

(2) in section 431(a), by inserting ", and members of the armed forces assigned to the Defense Intelligence Agency and engaged in intelligence related duties outside the United States," after "outside the United States".

SEC. 502. AUTHORITY TO CONDUCT COMMERCIAL ACTIVITIES NECESSARY TO PROVIDE SECURITY FOR AUTHORIZED INTELLIGENCE COLLECTION ACTIVITIES ABROAD.

Section 431(a) of title 10, United States Code, is amended by striking "1995" and inserting "2001".

SEC. 503. MILITARY DEPARTMENTS' CIVILIAN INTELLIGENCE PERSONNEL MANAGEMENT SYSTEM: ACQUISITION OF CRITICAL SKILLS.

(a) ESTABLISHMENT OF TRAINING PROGRAM.—Chapter 81 of title 10, United States Code, is amended by adding at the end thereof the following new section:

"§ 1599. Financial assistance to certain employees in acquisition of critical skills

"(a) TRAINING PROGRAM.—The Secretary of Defense shall establish an undergraduate training program with respect to civilian employees in the Military Departments' Civilian Intelligence Personnel Management System that is similar in purpose, conditions, content, and administration to the program which the Secretary of Defense established under section 16 of the National Security Act of 1959 (50 U.S.C. 402 note) for civilian employees of the National Security Agency.

"(b) FUNDING OF TRAINING PROGRAM.—Any payments made by the Secretary to carry out the program required to be established by subsection (a) may be made in any fiscal year only to the extent that appropriated funds are available for that purpose.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of that chapter is amended by adding at the end thereof the following:

"Sec. 1599. Financial assistance to certain employees in acquisition of critical skills.".

TITLE VI—FEDERAL BUREAU OF INVESTIGATION

SEC. 601. DISCLOSURE OF INFORMATION AND CONSUMER REPORTS TO FBI FOR COUNTERINTELLIGENCE PURPOSES.

(a) IN GENERAL.—The Fair Credit Reporting Act (15 U.S.C. 1681 et seq.) is amended by adding after section 623, the following new section:

"§ 624. Disclosures to FBI for counterintelligence purposes

"(a) IDENTITY OF FINANCIAL INSTITUTIONS.—Notwithstanding section 604 or any other provision of this title, a consumer reporting agency shall furnish to the Federal Bureau of Investigation the names and addresses of all financial institutions (as that term is defined in section 1101 of the Right to Financial Privacy Act of 1978) at which a consumer maintains or has maintained an account, to the extent that information is in the files of the agency, when presented with a written request for that information, signed by the Director of the Federal Bureau of Investigation, or the Director's designee, which certifies compliance with this section. The Director or the Director's designee may make such a certification only if the Director or the Director's designee has determined in writing that—

"(1) such information is necessary for the conduct of an authorized foreign counterintelligence investigation; and

"(2) there are specific and articulable facts giving reason to believe that the consumer—

"(A) is a foreign power (as defined in section 101 of the Foreign Intelligence Surveillance Act of 1978) or a person who is not a United States person (as defined in such section 101) and is an official of a foreign power; or

"(B) is an agent of a foreign power and is engaging or has engaged in an act of international terrorism (as that term is defined in section 101(c) of the Foreign Intelligence Surveillance Act of 1978) or clandestine intelligence activities that involve or may involve a violation of criminal statutes of the United States.

"(b) IDENTIFYING INFORMATION.—Notwithstanding the provisions of section 604 or any other provision of this title, a consumer reporting agency shall furnish identifying information respecting a consumer, limited to name, address, former addresses, places of employment, or former places of employment, to the Federal Bureau of Investigation when presented with a written request, signed by the Director or the Director's designee, which certifies compliance with this subsection. The Director or the Director's designee may make such a certification only if the Director or the Director's designee has determined in writing that—

"(1) such information is necessary to the conduct of an authorized counterintelligence investigation; and

"(2) there is information giving reason to believe that the consumer has been, or is about to be, in contact with a foreign power or an agent of a foreign power (as defined in section 101 of the Foreign Intelligence Surveillance Act of 1978).

"(c) COURT ORDER FOR DISCLOSURE OF CONSUMER REPORTS.—Notwithstanding section 604 or any other provision of this title, if requested in writing by the Director of the Federal Bureau of Investigation, or a designee of the Director, a court may issue an order ex parte directing a consumer reporting agency to furnish a consumer report to the Federal Bureau of Investigation, upon a showing in camera that—

"(1) the consumer report is necessary for the conduct of an authorized foreign counterintelligence investigation; and

"(2) there are specific and articulable facts giving reason to believe that the consumer whose consumer report is sought—

"(A) is an agent of a foreign power, and

"(B) is engaging or has engaged in an act of international terrorism (as that term is defined in section 101(c) of the Foreign Intelligence Surveillance Act of 1978) or clandestine intelligence activities that involve or may involve a violation of criminal statutes of the United States.

The terms of an order issued under this subsection shall not disclose that the order is issued for purposes of a counterintelligence investigation.

"(d) CONFIDENTIALITY.—No consumer reporting agency or officer, employee, or agent of a consumer reporting agency shall disclose to any person, other than those officers, employees, or agents of a consumer reporting agency necessary to fulfill the requirement to disclose information to the Federal Bureau of Investigation under this section, that the Federal Bureau of Investigation has sought or obtained the identity of financial institutions or a consumer report respecting any consumer under subsection (a), (b), or (c), and no consumer reporting agency or officer, employee, or agent of a consumer reporting agency shall include in any consumer report any information that would indicate that the Federal Bureau of Investigation has sought or obtained such information or a consumer report.

"(e) PAYMENT OF FEES.—The Federal Bureau of Investigation shall, subject to the availability of appropriations, pay to the consumer reporting agency assembling or providing report or information in accordance with procedures established under this section a fee for reimbursement for such costs as are reasonably necessary and which have been directly incurred in searching, reproducing, or transporting books, papers, records, or other data required or requested to be produced under this section.

"(f) LIMIT ON DISSEMINATION.—The Federal Bureau of Investigation may not disseminate information obtained pursuant to this section outside of the Federal Bureau of Investigation, except to other Federal agencies as may be necessary for the approval or conduct of a foreign counterintelligence investigation, or, where the information concerns a person subject to the uniform Code of Military Justice, to appropriate investigative authorities within the military department concerned as may be necessary for the conduct of a joint foreign counterintelligence investigation.

"(g) RULES OF CONSTRUCTION.—Nothing in this section shall be construed to prohibit information from being furnished by the Federal Bureau of Investigation pursuant to a subpoena or court order, in connection with a judicial or administrative proceeding to enforce the provisions of this Act. Nothing in this section shall be construed to authorize or permit the withholding of information from the Congress.

"(h) REPORTS TO CONGRESS.—On a semiannual basis, the Attorney General shall fully inform the Permanent Select Committee on Intelligence and the Committee on Banking, Finance and Urban Affairs of the House of Representatives, and the Select Committee on Intelligence and the Committee on Banking, Housing, and Urban Affairs of the Senate concerning all requests made pursuant to subsections (a), (b), and (c).

"(i) DAMAGES.—Any agency or department of the United States obtaining or disclosing any consumer reports, records, or information contained therein in violation of this section is liable to the consumer to whom such consumer reports, records, or information relate in an amount equal to the sum of—

"(1) $100, without regard to the volume of consumer reports, records, or information involved;

"(2) any actual damages sustained by the consumer as a result of the disclosure;

"(3) if the violation is found to have been willful or intentional, such punitive damages as a court may allow; and

"(4) in the case of any successful action to enforce liability under this subsection, the costs of the action, together with reasonable attorney fees, as determined by the court.

"(j) DISCIPLINARY ACTIONS FOR VIOLATIONS.—If a court determines that any agency or department of the United States has violated any provision of this section and the court finds that the circumstances surrounding the violation raise questions of whether or not an officer or employee of the agency or department acted willfully or intentionally with respect to the violation, the agency or department shall promptly initiate a proceeding to determine whether or not disciplinary action is warranted against the officer or employee who was responsible for the violation.

"(k) GOOD-FAITH EXCEPTION.—Notwithstanding any other provision of this title, any consumer reporting agency or agent or employee thereof making disclosure of consumer reports or identifying information pursuant to this subsection in good-faith reliance upon a certification of the Federal Bureau of Investigation pursuant to provisions of this section shall not be liable to any person for such disclosure under this title, the constitution of any State, or any law or regulation of any State or any political subdivision of any State.

"(l) LIMITATION OF REMEDIES.—Notwithstanding any other provision of this title, the remedies and sanctions set forth in this section shall be the only judicial remedies and sanctions for violation of this section.

"(m) INJUNCTIVE RELIEF.—In addition to any other remedy contained in this section, injunctive relief shall be available to require compliance with the procedures of this section. In the event of any successful action under this subsection, costs together with reasonable attorney fees, as determined by the court, may be recovered.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of the Fair Credit Reporting Act (15 U.S.C. 1681 et seq.) is amended by adding after the item relating to section 624 the following:

"624. Disclosures to FBI for counterintelligence purposes.".

TITLE VII—TECHNICAL CORRECTIONS

SEC. 701. CLARIFICATION WITH RESPECT TO PAY FOR DIRECTOR OR DEPUTY DIRECTOR OF CENTRAL INTELLIGENCE APPOINTED FROM COMMISSIONED OFFICERS OF THE ARMED FORCES.

Section 102(c)(3)(C) of the National Security Act of 1947 (50 U.S.C. 403(c)(3)(C)) is amended—

(1) by striking "A" before "commissioned" and inserting "An active duty";

(2) by striking out "(including retired pay)";

(3) by inserting "an active duty" after "payable to"; and

(4) by striking "a" before "commissioned".

SEC. 702. CHANGE OF OFFICE DESIGNATION IN CIA INFORMATION ACT.

Section 701(b)(3) of the CIA Information Act of 1984 (50 U.S.C. 431(b)(3)) is amended by striking "Office of Security" and inserting "Office of Personnel Security".

AMENDMENT NO. 2880 TO THE COMMITTEE AMENDMENT

(Purpose: To exclude from the Schedule of Authorizations the Joint Military Intelligence Programs)

Mr. COATS. Mr. President, I send an amendment to the desk to the committee amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Indiana [Mr. COATS], for Mr. SPECTER, proposes an amendment numbered 2880 to the committee reported amendment.

The amendment is as follows:

In lieu of the matter proposed to be inserted by the Committee amendment to page 3, lines 18 though 21 of the bill, insert the following:

(c) SCOPE OF SCHEDULE.—For fiscal year 1996, the Schedule of Authorizations referred to in subsections (a) and (b) does not include the Schedule of Authorizations for the Joint Military Intelligence Programs (JMIP).

THE PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 2880) was agreed to.

The PRESIDING OFFICER. Without objection the committee amendment, as amended, is agreed to.

The committee amendment, as amended, was agreed to.

AMENDMENTS NOS. 2881, 2882, 2883, 2884, EN BLOC.

Mr. COATS. Mr. President, I send four amendments to the desk and ask they be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The legislative clerk read as follows:

The Senator from Indiana [Mr. COATS] proposes en bloc amendments Nos. 2881, 2882, 2883, 2884.

The amendments are as follows:

AMENDMENT NO. 2881

(Purpose: To reduce the total amount of funds authorized to be appropriated for the National Reconnaissance Office to offset the availability of certain prior year appropriations)

On page 11, between lines 14 and 15, insert the following new section:

SEC. 309. REDUCTION IN AMOUNTS AUTHORIZED TO BE APPROPRIATED FOR THE NATIONAL RECONNAISSANCE OFFICE FOR FISCAL YEAR 1996.

The total amount authorized to be appropriated for fiscal year 1996 for the National Reconnaissance Office (NRO) shall be reduced by an amount equal to the amount by which appropriations for the Department of Defense for fiscal year 1996 are reduced to reflect the availability of funds appropriated prior to fiscal year 1996 that have accumulated in the carry forward accounts for that Office.

Mr. SPECTER. Mr. President, At this time, I join with my colleagues in offering two amendments to address concerns about financial practices and management at the National Reconnaissance Office. The first amendment will reduce the amount authorized to be appropriated for the National Reconnaissance Office in order to eliminate excess carry-forward funds in fiscal year 1996. As the Members are aware, the Conference Committee on the Defense Appropriations Act for Fiscal Year 1996 recently reduced the NRO appropriation in an amount equal to the excess funds accumulated in the carry-forward accounts. The amendment ensures that the cut in Fiscal Year 1996 appropriations for NRO is also reflected in the authorization. The second amendment is designed to prospectively address the NRO carry-forward accounts and financial management generally by imposing a statutory cap of 1 month on carry-forward accounts (in line with DOD general policy); requiring a joint review by the Inspectors General for CIA and DOD of NRO's financial management to evaluate the effectiveness of policies and internal controls over the NRO budget; and requiring the President to report no later than January 30, 1996 on a proposal to subject the budget of the intelligence community to greater executive branch oversight, including the possibility of a statutory financial control officer and greater OMB review of the NRO budget. The President shall also report on the impact, if any, on national security brought about by reduction in the carry forward accounts at NRO.

These amendments address an issue that the committee first identified in 1992 but which has received a good deal of press attention in the past several days and has raised questions about the National Reconnaissance Office's financial management practices. It has been alleged that the NRO has accumulated more than $1 billion in unspent funds without informing the Pentagon, CIA, or Congress. It has been further alleged that this is one more example of how intelligence agencies sometimes use their secret status to avoid accountability. These are serious charges which the committee has been looking into, most recently with a closed hearing on Wednesday, September 27, at which we questioned Mr. George Tenet and Mr. Keith Hall from the Office of the Director of Central Intelligence, and Mr. Jeff Harris and Mr. Jimmie Hill, the Director and Deputy Director of the NRO.

As I have noted, the Intelligence Committee first identified this issue in 1992 when it determined that NRO had accumulated an unusually large sum of funds in some of its forward-funding accounts. Some forward funding, generally up to 1 month, is normal for NRO research and development accounts to cover unforseen overruns on contracts and bridge any gaps in fiscal year funding that may result from a delay in appropriations. NRO assured the committee in 1992 that the excessive funds that had accumulated would be eliminated within 4 years. We now understand that this obligation was not fulfilled. Hence, our amendment reduces the funds in conformance with the appropriations bill.

Let me emphasize, however, that while public attention has focused on one element of those practices—those that involve the carry-forward accounts in the National Reconnaissance Office, a broader inquiry is being undertaken by the Intelligence Committee and is reflected in the second amendment related to the NRO. It is important to determine if the NRO's past financial management practices in this area have been as tight as they should have been. While the NRO sits in the Department of Defense, it is a critical element of the national intelligence community. Thus, it is also essential that we gain an understanding of any management practices which need to be changed in order to strengthen the role of the Director of Central Intelligence so that he can manage more completely the intelligence community. These are some of the issues the Intelligence Committee will be examining in the coming months as it reviews the intelligence community's role in the post-cold-war world and how that community should be restructured or refocused to meet the challenges of this changed environment.

Mr. President, acknowledging that this is just one step in a broader effort to address legitimate public concerns about the NRO and the intelligence community as a whole, I urge adoption of these amendments.

AMENDMENT NO. 2882

(Purpose: To provide for improvements in the financial management of the National Reconnaissance Office)

At the appropriate place in the bill, insert the following new section:

SEC. 310. FINANCIAL MANAGEMENT OF THE NATIONAL RECONNAISSANCE OFFICE.

(a) LIMITATION.—No funds are authorized to be carried over into FY 1997 or subsequent years for the programs, projects, and activities of the National Reconnaissance Office in excess of the amount necessary to provide for the ongoing mission of the NRO for one month."

(b) MANAGEMENT REVIEW.—(1) The Inspector General for the Central Intelligence Agency and the Inspector General of the Department of Defense shall jointly undertake a comprehensive review of the financial management of the National Reconnaissance Office to evaluate the effectiveness of policies and internal controls over the budget of the National Reconnaissance Office, including the use of forward funding, to ensure that National Reconnaissance Office funds are used in accordance with the policies of the Director of Central Intelligence and the Department of Defense, the guidelines of the National Reconnaissance Office, and congressional direction.

(2) The review required by paragraph (1) shall—

(A) determine the quality of the development and implementation of the budget process within the National Reconnaissance Office at both the comptroller and directorate level;

(B) assess the advantages and disadvantages of the use of incremental versus full funding for contracts entered into by the National Reconnaissance Office;

(C) assess the advantages and disadvantages of the National Reconnaissance Office's use of forward funding;

(D) determine how the National Reconnaissance Office defines, identifies, and justifies forward funding requirements;

(E) determine how the National Reconnaissance Office tracks and manages forward funding;

(F) determine how the National Reconnaissance Office plans to comply with congressional direction regarding forward funding;

(G) determine whether or not a contract entered into by the National Reconnaissance Office has ever encountered a contingency which required the utilization of more than 30 days of forward funding;

(H) consider the proposal by the Director of Central Intelligence for the establishment of a position of a Chief Financial Officer, and assess how the functions to be performed by that officer would enhance the financial management of the National Reconnaissance Office; and

(I) make recommendations, as appropriate, to improve control and management of the budget process of the National Reconnaissance Office.

(3) The President shall submit a report to the appropriate committees of the Congress setting forth the findings of the review required by paragraph (1) not later than 90 days after the date of enactment of this Act, with an interim report provided to those committees not later than 45 days after the date of enactment of this Act.

(c) REPORT.—(1) Not later than January 30, 1996, the President shall submit a report to the appropriate committees of the Congress on a proposal to subject the budget of the intelligence community to greater oversight by the Executive branch of Government.

(2) Such report shall include—interalia

(A) consideration of establishing by statute a financial control officer for the National Reconnaissance Office, other elements of the intelligence community, and for the intelligence community as a whole; and

(B) recommendations for procedures to be used by the Office of Management and Budget for review of the budget of the National Reconnaissance Office.

(d) DEFINITIONS.—As used in this section:

(1) INTELLIGENCE COMMUNITY.—The term "intelligence community" has the meaning given to the term in section 3(4) of the National Security Act of 1947 (50 U.S.C. 401a(4)).

Mr. BRYAN. Mr. President, I rise to express deep concerns regarding an example of financial mismanagement and waste within the intelligence community. I offered an amendment to the fiscal year 1996 intelligence authorization bill that has been accepted by the full Intelligence Committee and by the Senate. This amendment is intended to put a stop to the rampant mismanagement of funding at the National Reconnaissance Office.

Mr. President, there is a disturbing sense of deja vu as I stand here on the floor today. One year ago, I was shocked to learn that the National Reconnaissance Office was constructing a massive headquarters facility out near Dulles Airport in Virginia. Not only did this facility include floor space far in excess of what was necessary, but the record showed a disturbing lack of candor in informing the congressional oversight committees regarding the scope and expense of this project.

Last week, the public was informed of another example of gross financial mismanagement by the NRO. As the papers reported, the NRO has accumulated more than $1.5 billion in unspent appropriations. In this time of severe budgetary constraints, when we are cutting Medicare, Medicaid, veterans' benefits, student loan assistance, it is inexcusable that an agency can be hoarding well over a billion dollars.

My amendment includes a number of provisions to ensure this situation is resolved and does not occur again.

First, my amendment directs that the NRO may not carry over more than 1 month in funds into a subsequent fiscal year.

Second, my amendment requires the Department of Defense and Central Intelligence Agency inspectors general to undertake a comprehensive NRO financial management review. This review will not only cover the issue of carry-forward funding, but will also examine the overall effectiveness of policies and internal controls over the NRO budget. The amendment also requires that the IG report is unclassified, and can be released to the public.

Finally, my amendment directs the President to report to the Intelligence Committees early next year on a proposal to subject the budget of the intelligence community to greater executive branch oversight. The report must include procedures to allow the Office of Management and Budget to have full review of the NRO budget.

I recently received a call from Director of Central Intelligence Dr. John Deutch on this issue. I was pleased by Dr. Deutch's comments in which he agreed that stronger financial controls over the NRO are necessary. Dr. Deutch also stated that he was not aware of the size of this carry-forward account either in his previous position as Deputy Secretary of Defense, or in his current position.

It is unfortunate that this amendment is necessary. But these latest revelations do great damage to the public's trust, and to the credibility of the NRO and the intelligence community as a whole. The NRO seems to be an agency that is out of control, with no intention of correcting its ways. Hopefully, opening the NRO budget to increased scrutiny will help restore confidence in the ability of the NRO to accomplish its important mission.

Thank you, and I yield the floor.

AMENDMENT NO. 2883

(Purpose: To enhance the capabilities of certain intelligence stations, and to extend the Central Intelligence Agency Voluntary Separation Pay Act)

On page 11, strike lines 17 through 21 and insert the following:

SEC. 401. EXTENSION OF THE CENTRAL INTELLIGENCE AGENCY VOLUNTARY SEPARATION PAY ACT.

(a) EXTENSION OF AUTHORITY.—Section 2(f) of the Central Intelligence Agency Voluntary Separation Pay Act (50 U.S.C. 403-4(f)) is amended by striking "September 30, 1997" and inserting "September 30, 1999".

(b) REMITTANCE OF FUNDS.—Section 2 of the Central Intelligence Agency Voluntary Separation Pay Act (50 U.S.C. 403-4) is amended by inserting at the end the following new subsection:

"(i) REMITTANCE OF FUNDS.—The Director shall remit to the Office of Personnel Management for deposit in the Treasury of the United States to the credit of the Civil Service Retirement and Disability Fund (in addition to any other payments which the Director is required to make under subchapter III of chapter 83 and subchapter II of chapter 84 of title 5, United States Code), an amount equal to 15 percent of the final basic pay of each employee who, in fiscal year 1998 or fiscal year 1999, retires voluntarily under section 8336, 8412, or 8414 of such title or resigns and to whom a voluntary separation incentive payment has been or is to be paid under this section.".

At the end of title V of the bill, add the following new section:

SEC. 504. ENHANCEMENT OF CAPABILITIES OF CERTAIN INTELLIGENCE STATIONS.

(a) AUTHORITY.—(1) In addition to funds otherwise available for such purpose, the

Secretary of the Army is authorized to transfer or reprogram funds for the enhancement of the capabilities of the Bad Aibling Station and the Menwith Hill Station, including improvements of facility infrastructure and quality of life programs at both installations.

(2) The authority of paragraph (1) may be exercised notwithstanding any other provision of law.

(b) FUNDING.—Funds available for the Army for operations and maintenance for any fiscal year shall be available to carry out subsection (a).

(c) CONGRESSIONAL NOTIFICATION.—Whenever the Secretary of the Army determines that an amount to be transferred or reprogrammed under this section would cause the total amounts transferred or reprogrammed in that fiscal year to exceed $1,000,000, the Secretary shall notify in advance the Select Committee on Intelligence, the Committee on Armed Services, and the Committee on Appropriations of the Senate and the Permanent Select Committee on Intelligence, the Committee on National Security, and the Committee on Appropriations of the House of Representatives and provide a justification for the increased expenditure.

(d) STATUTORY CONSTRUCTION.—Nothing in this section may be construed to modify or obviate existing law or practice with regard to the transfer or reprogramming of substantial sums of money from the Department of the Army to the Bad Aibling or Menwith Hill Stations.

Mr. SPECTER. Mr. President, I offer this amendment along with the vice chairman to address two issues that arose after the committee markup of this bill. The first provision of the amendment is intended to assist the Department of the Army as it assumes Executive Agent responsibility for the Bad Aibling and Menwith Hill stations.

Specifically, this provision would permit the Department of the Army to use up to $2 million of appropriated O&M funds per annum, at Menwith Hill and Bad Aibling, to rectify infrastructure and quality of life problems. The amendment make clear that it would in no way obviate or modify current law or practice with regard to reprogramming amounts in excess of $2 million.

At the present time, the Army is prohibited by 31 U.S.C. section 1301, from using appropriated funds to support an NSA installation, notwithstanding the fact that the Army has become the Executive Agent for these field sites. Although the Director of Central Intelligence could use his special authorities under section 104(d) of the National Security Act of 1947, the procedures available under that law are extremely time consuming and were not intended to accommodate relatively minor transfers of funds.

A good example of the problems that this amendment is intended to rectify is contained in a memorandum prepared by a joint NSA/Army inspection team entitled. "DoD Child Development Program Inspection Report" dated June 23, 1995. The memo, which describes the childcare facility at Menwith Hill station states:

The Child Development Center (CDC), originally constructed as a office building, is a 35 year old dilapidated structure with major health and safety violations. The CDC capacity of 89 children cannot accommodate the increasing demands for child care. The current station population includes 289 children ages four and under. As a result of the conversion from a civilian to a military facility, the demographics are changing to younger, junior enlisted personnel with many single parents who will rely on based-provided child care. There are no similar facilities available on the economy... Six major deficiencies, those that severely affect health, safety, and the well-being of staff were identified in this inspection. All five categories relating to health and safety were in major violation.

Last fall, two members of the committee staff visited the Menwith Hill Station and toured its Child Development Center. Their views are fully consistent with the findings described in this memo. The staff can also attest to the fact that there are many other maintenance and qualify of life issues at these two facilities, particularly Menwith Hill, that need to be urgently addressed.

My colleagues should understand that this legislation was requested by the Department of the Army and enjoys the full support of the Director of the National Security Agency. It is also worth noting that the Department of the Army has consulted with the Senate Appropriations and Armed Services Committees and encountered no objections.

I ask unanimous consent that a letter from Admiral McConnel requesting this legislation, and the memorandum I quoted from earlier, be included in the RECORD at this point.

The second provision in this amendment is designed to offset the direct spending cost of the extension of the authority provided for in the CIA Voluntary Separation Pay Act as provided in section 402 of our bill. Specifically, it establishes procedures to conform with the pay-as-you-go provision, section 252, of the Balanced Budget and Emergency Deficit Control Act, by requiring the Director of Central Intelligence to remit to the Treasury an amount equal to 15 percent of the final basic pay of each employee who, in fiscal year 1998 or fiscal year 1999, retires voluntarily or who resigns and to whom a voluntary separation incentive payment has been or is to be paid.

Mr. President, I urge the adoption of this amendment.

AMENDMENT NO. 2884

(Purpose: To require a description and analysis of voluntary separation incentive proposals in the report required by the legislation and for other purposes)

On page 10, line 7, after "(22 U.S.C. 4008)," insert "and to provide for other personnel review systems,".

On page 10, at the end of line 10 add the following new sentence: "The report shall also contain a description and analysis of voluntary separation incentive proposals, including a waiver of the two-percent penalty reduction for early retirement."

Mr. SPECTER. Mr. President, on June 14, 1995, my distinguished colleague and vice chairman of the Select Committee on Intelligence [SSCI], Senator KERREY, and I filed a bill which authorizes appropriations for fiscal year 1996 for the intelligence activities and programs of the United States Government. The Select Committee on Intelligence approved the bill by a unanimous vote on May 24, 1995, and ordered that it be favorably reported. The bill was subsequently referred to the Senate Armed Services Committee [SASC] for up to 30 days, as it has been every year. The Armed Services Committee reported the bill at the end of the 30-day period, on August 4, 1995, with one amendment.

This bill would: Authorize appropriations for fiscal year 1996 for first, the intelligence activities and programs of the United States Government; second, the Central Intelligence Agency Retirement and Disability System; and third, the Community Management Account of the Director of Central Intelligence; authorize the personnel ceilings as of September 30, 1996, for the intelligence activities of the United States and for the Community Management Account of the Director of Central Intelligence; authorize the Director of Central Intelligence, with Office of Management and Budget approval, to exceed the personnel ceilings by up to 2 percent; permit the President to delay the imposition of sanctions related to proliferation of weapons of mass destruction when necessary to protect an intelligence source or method or an ongoing criminal investigation; provide for forfeiture of the U.S. Government contribution to the Thrift Savings Plan under the Federal Employees Retirement System [FERS], along with interest, if an employee is convicted of national security offenses; restore spousal benefits to the spouse of an employee so convicted if the spouse cooperates in the investigation and prosecution; allow employees of the excepted services to take an active part in certain local elections; amend the Fair Credit Reporting Act to permit the Federal Bureau of Investigation to obtain consumer credit reports necessary to foreign counterintelligence investigations under certain circumstances and subject to appropriate controls on the use of such reports; and make certain other changes of technical nature to existing law governing intelligence agencies.

As it does annually, the committee conducted a detailed review of the administration's budget request for the National Foreign Intelligence Program [NFIP] for fiscal year 1996. The committee also reviewed the administration's fiscal year 1996 request for a new intelligence budget category, called the Joint Military Intelligence Program [JMIP]. The committee's review included a series of briefings and hearings with the Director of Central Intelligence [DCI], the Acting Deputy Assistant Secretary of Defense for Intelligence and Security, and other senior officials from the Intelligence Community, numerous staff briefings, review of budget justification materials and numerous written responses provided by the Intelligence Community to specific questions posed by the committee.

In addition to its annual review of the administration's budget request, the committee performs continuing oversight of various intelligence activities and programs, to include the conduct of audits and reviews by the committee's audit staff. These inquiries frequently lead to actions initiated by the committee with respect to the budget of the activity or program concerned.

The Intelligence Committee's consideration of the authorization bill this year coincides with a major review effort by this committee, its House counterpart, and a Presidential Commission mandated by Congress last year. This review is aimed at examining how changes in the world, particularly since the fall of the Soviet Union, should be reflected in the roles and missions of the Intelligence Community. A major part of this examination will include determining how the Intelligence Community might better be organized to accomplish those changing roles and missions.

While this review by the committee in not likely to conclude until early next year, one of the issues already emerging is the need for stronger, more coherent management of the Intelligence Community. The nominal head of the community, the DCI, must become the de facto head of the community—with the authority to make adjustments and trade-offs between its disparate elements. One example of a problem resulting, in part, from the lack of unified management is the disconnect between the vast amounts of intelligence we are now capable of collecting and our capacity for analyzing and disseminating that intelligence in a way that is useful for decisionmakers. We cannot afford to continue spending money in one area without ensuring that its objectives are not frustrated by inadequate funding in another. Yet, it is difficult to strike the necessary balance if you do not have the authority to move funding from one area to another.

The same principle is at work in congressional oversight, where a comprehensive and coherent review of intelligence programs is essential. When the SSCI was established in 1976, the Senate, in Senate Resolution 400, chose to give the committee jurisdiction over all intelligence activities, including those of the Department of Defense. "Intelligence activities" are defined very broadly in the charter legislation, but expressly exclude "tactical foreign military intelligence serving no national policymaking function." Over the years, this has been interpreted to mean that programs and activities funded in the [TIARA]—which stands for tactical intelligence and related activities—budget category have been authorized by the Armed Services Committee in the Defense authorization bill, with the SSCI providing recommendations in a letter to the SASC. All activities funded in the NFIP, or National Foreign Intelligence Program, have been authorized by the Intelligence Committee in the Intelligence Authorization Act, which is automatically referred sequentially to the Armed Services Committee before going to the floor.

Traditionally, this breakdown between the strictly tactical activities supporting the battlefield commander—which are logically subject to Armed Services oversight—and activities serving some broader national policymaking function—over which integrated oversight by the Intelligence Committee is essential—has worked well and our two committees have cooperated very closely. Today, however, I believe both committees recognize that it is increasingly difficult to classify intelligence systems as either strictly national or strictly tactical. The same images of Bosnia taken by aerial reconnaissance can be used simultaneously by Admiral Smith to protect our pilots, by Assistant Secretary of State Holbrooke to show his interlocutors the true situation on the ground, and by the President's National Security Advisor to determine if a change in policy is indicated. U-2 photography of Iraq helps the commanders of our joint task forces enforce the no-fly zones in northern and southern Iraq. Ambassador Madeleine Albright uses the same images to great effect in convincing other countries on the United Nations Security Council to keep in force the sanctions against Iraq.

Budget politics has also contributed to the blurring of the two budget categories. Over the last 5 years the executive branch has moved programs from the national portion of the budget into the tactical, at least in part to get out from under a perceived spending "ceiling" on the national budget. When the administration created the new JMIP budget category this year, a number of these formerly NFIP programs were included.

The committees acknowledge that a number of the programs in this new budget category serve important national policymaking functions and previously have been authorized by this committee—programs like the U-2 spyplane and unmanned aerial vehicles such as those that have provided important intelligence on Bosnia to the decisionmakers at State and in the White House. However, this new budget category also contains some programs that are tactical in nature and would normally have been within the sole jurisdiction of the Armed Services Committee.

When considering how to approach this new budget category for fiscal year 1996, the Intelligence Committee turned to Senate Resolution 400. We determined that the national policymaking-related activities in JMIP meant that it did not fit that statute's definition for items excluded from committee jurisdiction. Thus, the SSCI used the expertise developed from day-to-day oversight of all intelligence activities to formulate authorization recommendations for all of the activities in this program. When the SASC received our bill on sequential, as it routinely does, that committee disagreed with our assertion of authorization jurisdiction.

The Armed Services Committee took the position that the Intelligence Committee had no oversight interest in the JMIP programs and voted to offer an amendment to the Intelligence authorization bill to strip it of all JMIP authorization.

After extensive discussion, we have arrived at a compromise that will allow the Intelligence authorization bill to move forward, recognize the national interest served by the oversight of each of the committees—SSCI and SASC—and set up a mechanism for addressing these issues in the coming year. In order to resolve the disagreement for this year and bring this bill before the Senate in a timely fashion, we have agreed that the Armed Services Committee will authorize and conference JMIP for fiscal year 1996. The Intelligence Committee has provided its JMIP recommendations to the Armed Services Committee, and I think the two committees concur on the details of almost every JMIP activity for this year.

At the same time, the chairmen and ranking members of the two committees agree that this action does not reflect a determination that Senate Resolution 400 does not provide authorizing jurisdiction for the Intelligence Committee over JMIP. It is, rather, a compromise to allow this bill, this year, to go to the floor.

Left unresolved, then, its how the Senate should conduct oversight and authorization of the Intelligence Community in today's changing world. As I have previously noted, there have been significant changes over the years that have been reflected in the way intelligence activities are budgeted. In the coming years, we see even greater change. Our committee, the House Intelligence Committee, and the Brown Commission on Intelligence Roles and Capabilities, are examining what changes should be made in the intelligence community in the post-cold-war world. Together, these efforts comprise the greatest opportunity to improve U.S. intelligence since 1947. Budget categories, and many other familiar features of today's intelligence landscape, are likely to change still further. To make sure that the Senate's authorization process appropriately reflects the changes that have already occurred and that may be coming, Senator KERREY and I, together with Chairman THURMOND and Senator NUNN, have directed our staffs to form a working group to recommend to the two committees how authorization responsibilities should apply to specific categories or activities.

Mr. President, we will be prepared for the future, and I think the Senate and the country will be the beneficiaries of our collaboration. I am most grateful for the vast knowledge and the attitude of constructive cooperation which the President pro tempore and Senator NUNN brought to this problem.

Mr. President, I yield to the distinguished Senator from Nebraska.

Mr. KERREY. Mr. President, I rise to describe a bill which has not attracted much attention this year, the intelligence authorization bill for fiscal year 1996. This year the intelligence bill is not the venue for controversies over the foreign policy issues or levels of national security spending, but it is an important piece of legislation nonetheless.

Much has been written about the Presidential Commission and congressional and private sector studies underway to redefine and reorganize the intelligence community. Few have noted that no matter what the outcome of all this discussion, the actual intelligence community, with its real and serious continuing requirements to keep our leaders informed and our military warned, must be budgeted and guided to do its job.

This bill provides the budget authorization and the priorities our intelligence professionals need for the year ahead.

The bill attempts to fix the imbalance between collection, which we have a great deal of, and processing, where we see shortfalls.

The bill supports efforts to track the transnational targets, threats like terrorism, weapons proliferation, and narcotrafficking, which are directed against us from many countries.

The bill acknowledges the indispensable role of intelligence in monitoring the arms control treaties we entered into, and it funds the systems which provide that intelligence.

The bill supports innovative technologies and the leveraging of private sector achievements and market requirements for the benefit of intelligence.

The bill supports research and development for the agencies whose mission depends on technology, and it addresses the growing imbalance between rising personnel costs and the shrinking availability of research funds.

The intelligence authorization bill also closes some of the remaining loopholes noted in the aftermath of the Ames case. The Intelligence Committee wants to make sure Americans who commit espionage forfeit all the financial gains from their espionage and from their pretense of being loyal American officials. Consequently the bill would require forfeiture of a convicted spy's Thrift Savings Account, if the spy were a civil servant. The bill also provides for the innocent spouse of a convicted spy to keep some of his or her assets, provided he or she cooperates with the authorities regarding the espionage case. Access to personal financial data was a problem in the Ames case, so the bill would permit FBI to have access to consumer credit reports on a suspected spy earlier in the investigative process.

CIA has been criticized for retaining Ames in the clandestine service long after his mediocrity was apparent. Although the great majority of intelligence personnel I meet are clearly talented people making a contribution to their country, the intelligence community's retention of the few people whose performance would get them fired in the private sector is a problem we need to fix. Consequently the bill asks the Director of Central Intelligence to implement an up-or-out policy across the intelligence community, similar to the policies of the State Department and the military. Such a provision would be one of the few positive outcomes of the Ames case. Not only would it strengthen personnel quality, it would also help the intelligence agencies manage their retention and overstrength problems.

The bill supports counterintelligence programs because America has secrets worth protecting, and those secrets are threatened by foreign intelligence services and Americans who would sell those secrets to them. As former DCI Woolsey explained to the committee in our first hearing of this Congress, no one can guarantee that Ames was the last of his breed. Given human nature and the size of the intelligence community, it is likely we will see more espionage cases. We don't need witch hunts. We do need vigilance and deterrence.

Many people presumed that the end of the cold war meant the end of spying and secrecy, and the Ames case led them to ask why the material being protected mattered any more. Of course, the costs of Ames' treachery in human lives alone is enough to justify his sentence. A life sentence for what he did is merciful, in my view. But there are additional reasons why our secrets are important, and must be protected.

Simply put, our ability to monitor and predict threats to this country is essential to saving the lives of Americans. Whether intelligence brings the warning of a strategic attack or accidental missile launch, or an impending terrorist attack, or the decision of some foreign leader to develop a clandestine program of biological weapons, our national lives and our individual lives hinge, in part, on the capabilities of the intelligence community. I urge my colleagues to support the intelligence authorization bill.

We buy many expensive things in the name of national security which are never used in combat. We buy some things the Pentagon doesn't even want. Their defenders justify them with theories. The contributions of intelligence are not theoretical. I can take any Member to CIA or the NSA or the NRO or over to the Joint Intelligence Center at the Pentagon and demonstrate how intelligence is being used today to inform and support U.S. policy and U.S. military operations.

We read in the September 27 Washington Post how crucial intelligence is to NATO operations over Bosnia, and how the intelligence is getting to the warfighter so much faster than in the gulf war. The gulf war itself was a triumph of dominant battlefield awareness, to use the current catchphrase. General Schwartzkopf knew vastly more about the enemy and the situation than the Iraqis did about us, and we all saw on television the fruits of that superior intelligence. With these events so fresh on our consciousness it is easy to forget that as essential as it is to support the military with intelligence, the priority customer for intelligence in peacetime must be the President and the policymakers around him.

Who, more than the President, needs a clear understanding of our vulnerabilities and our opportunities? With the best intelligence, the President can shape a policy that addresses the weaknesses of our adversaries and the requirements of our allies. Intelligence is the key to effective policy, and effective policy ought to achieve its goal, most of the time, without the need to employ our Armed Forces in combat. In my view, preventing the war, getting what we want without the war, is far better than having the war. You can't do that without dominant knowledge.

Once the President has formed the policy, intelligence can also help in its execution. To keep the U.N. Security Council solid in keeping sanctions against Iraq, Ambassador Albright last year showed U-2 photographs of Saddam Hussein's new palaces and continuing weapons programs to ten of her foreign colleagues on the Security Council. Similar images of the killing fields of Bosnia are pinpointing the atrocities there and will be useful as evidence in war crimes trials. United States showed the world North Korea's true purposes at the nuclear facility at Yong Byon.

As these and many other daily cases show, intelligence is a national asset. It plays a national role every day, whether or not our military is engaged somewhere. There used to be a clear distinction between national and tactical intelligence, but the line is blurred today. Increasingly, the same agencies and collection systems that produce intelligence for the national policymaker also support the military, even at the tactical level. The same U-2 mission can bring back information on a Bosnian Serb air defense mission, intelligence for the local NATO, and simultaneously take pictures of refugee flows or mass graves that our policymakers and diplomats can use in their negotiating efforts. This growing dual capability of intelligence is often overlooked by those who associate intelligence exclusively with military operations.

The annual authorization process is a time to ask how our intelligence efforts can maximize their contribution to the nation. There are new directions I believe intelligence must take.

First, intelligence must get closer to its customers. The age of ivory-tower analysis is over. Intelligence managers have been much more responsive to customers in recent years, but more must be done. I would even consider physically moving teams of analysts right into the customers' offices. The intelligence community must also make maximum use of computer-based interactive communication with its customers. The analysts need to get into the customers' heads, so to speak. The challenge is to do so without taking on the policy biases of the customer, because the intelligence must not only be useful and responsive to the customer, it must also be absolutely honest. When the President's policy isn't working, or the efforts of the customer's organization are backfiring, the analyst must tell it like it is. Not all the bravery in national security takes place on the battlefield.

Second, intelligence should be predictive, even risking that its predictions could occasionally be wrong. It should look to the margins of likely future events and trends and analyze the less likely events which would most endanger U.S. interests. As the devaluation of the Mexican peso demonstrated, the less likely events nonetheless sometimes happen, and they can have a deep impact on Americans.

Third, intelligence must adapt to a world which has not only seen the end of Communism, but which is best suited for small, fast-moving, entrepreneurial organizations, a world which puts its greatest premium on knowledge, and a world in which the market, not the government, drives the improvement of technology. This new world brings Director Deutch many new tasks. He must develop his human collectors, planning ten or more years in advance for their peak usefulness, in the same way we acquire satellites. He must modify the personnel management culture that periodically moves people for its own internal bureaucratic purposes. Similarly, the managers of military intelligence personnel must find a place in their services for the handful of military personnel who have mastered foreign languages and cultures. We cannot have a first class HUMINT service without nurturing the people who serve in it, both civilian and military.

The explosion of commercial technology presents big potential advantages to the intelligence community, and it fundamentally challenges traditional methods of procurement. The traditional way to procure intelligence technology is for the government to pay for the research, development, and testing, as well as for the finished product. Consequently, the collection systems and processing and dissemination equipment for the Intelligence community cost the Government a lot of money. The unit cost is also high because the intelligence community buys relatively few of the finished items.

The Government tends to buy hundreds of something unique and pays millions for each one. The commercial world buys millions of something broadly available and pays hundreds for each one. The challenge is to find commercial applications for intelligence equipment, and thus reduce the government's acquisition cost. The Intelligence Committee has supported this approach for several years, starting with permitting U.S. companies to offer one-meter space imagery and imaging systems to the commercial market. Another trailblazing effort is ongoing at David Sarnoff Laboratories in Princeton, NJ, where researchers have created image analysis equipment which simultaneously answers the needs of intelligence analysts looking for evidence of weapons on the ground and the needs of radiologists looking for evidence of tumors in mammograms. In both uses, this equipment saves lives. It also provides a model for the intelligence community on how to procure the latest equipment more cheaply.

I have spoken about how our intelligence capability should adapt itself to the world of today. Under the leadership of one of the most capable executives and scientists in the country, this adaptation will proceed swiftly. I only wish the authority of the DCI over other agencies were stronger, so they could get the benefit of strong, centralized leadership. That is an issue for another day. My point today is the central, day-to-day importance of intelligence. The lives of individuals and at times our national life depends on its excellence, it is an essential function of government, and we are not about to block grant it to the states. That is why the intelligence authorization bill is an important piece of legislation.

Mr. THURMOND. Mr. President, I thank the distinguished Senator from Pennsylvania. Mr. President, the Armed Services Committee and the Intelligence Committee have worked closely together over the past nineteen years, and that cooperation is going to grow even closer in the years ahead. The Armed Services Committee greatly appreciates the advice of the Intelligence Committee regarding tactical intelligence programs.

I agree with the distinguished chairman of the Intelligence Committee that the creation of the JMIP budget category is a sign of the times. All the programs in JMIP have been previously found in the tactical category, but several were recently in the national category and others have clear national, as well as tactical, application. In fact, there are very few intelligence activities today that do not have potential benefit for both the policymaker and the tactical military commander. For that reason, the Intelligence Committee sought to have a formal role in authorizing and overseeing JMIP.

I believe that the Committee on Armed Services should be the committee of jurisdiction for JMIP for fiscal year 1996. The Armed Services Committee benefited this year from the Intelligence Committee's work on JMIP, and in almost every case we agreed with the Intelligence Committee. Our close working relationship has resulted in general agreement on the JMIP issues and an efficient allocation of the work to be done.

However, I also agree that this decision to allow JMIP to be authorized in the Defense Authorization bill rather than the Intelligence Authorization bill this year does not reflect a judgment on the scope of authority provided to the Intelligence Committee by Senate Resolution 400.

There is great change on the horizon for intelligence. Major reorganization may occur next year, and our legislative process must keep pace with it. My colleagues on the Committee on Armed Services and I look forward to working with the Intelligence Committee to determine the best way for the Senate to authorize and oversee the JMIP next year, as well as any new categories of intelligence programs that may come out of the newly reorganized intelligence community.

Mr. President, I thank the Senator from Pennsylvania and the Senator from Nebraska for their cooperation, and I yield the floor.

Mr. KERREY. Mr. President, I rise to endorse the views of my chairman and Chairman THURMOND. Continued close collaboration between the Intelligence Committee and the Armed Service

Committee can only result in the best possible intelligence for the military, together with greater efficiency.

Although the two committees disagree on this jurisdictional issue, in fact the cooperative process worked quite well this year on JMIP. The Intelligence Committee studied the individual JMIP programs in the context of all intelligence activities and the Armed Services Committee looked at them in terms of the military's requirements. On the substance, the two committees are, as usual, in broad agreement. We disagree on one program. I think the merits of that argument are on the side of the Intelligence Committee, but I agree that the Armed Services Committee should have the last word on authorizing programs whose normal function is support to tactical operations.

We have worked out a good solution for this year on JMIP, Next year's possible reorganization of the Intelligence Community could produce a whole new aggregation of intelligence programs. So I look forward to joining in a working group with the Armed Services Committee to determine how the Senate should authorize and oversee these programs so the needs of the policymaker and the tactical commander are fully addressed in the coming years. The Intelligence Committee has great experience and expertise in monitoring all the country's intelligence activities, and we offer them freely to the Senate without concern for turf or pride of authorship.

Mr. President, I yield to the distinguished Senator from Georgia.

Mr. NUNN. Mr. President, I thank the Senator from Nebraska. The Senator from Pennsylvania was quite right when he said that the creation of this new joint military budget account was a sign of the times. The old accounting categories are becoming blurred by the versatility of intelligence systems today. The creation of JMIP put a strain on the relationship between the two committees, but I think we have fixed it for this year in a satisfactory way. Next year may bring additional change, and we are creating an intercommittee working group to determine how we adapt our procedures to the changed circumstances. I understand, and I believe my Intelligence Committee colleagues understand, that each committee has a distinct and complementary role in authorizing these programs. We will do a far better job working together than separately.

Let me explain the Armed Services Committee's concerns about these programs. There have been occasions in the past when the Intelligence Committee and the Armed Services Committee disagreed about systems to support the military which we and the military thought were extremely important. One of these was Joint STARS, a program that made a great contribution during the gulf war and is now a mainstay of tactical intelligence. We had sole authorization over the budget category of which Joint STARS had a part. If our Committee had not supported it strongly, our military, might not have this system today. So we take our responsibilities regarding intelligence support to the military very seriously. The chairman and vice chairman of the Intelligence Committee are no less serious, and we have six crossover Members to ensure that our common efforts keep on track. I am, therefore, confident that our close relation will continue, to the country's benefit.

Mr. KERREY. Mr. President, while I believe this bill is the best that can be achieved during this period of tight budgets and a changing world, there is one part of it that makes me uneasy. All of us were presented earlier this week with media stories that the National Reconnaissance Office once again has secretly kept large sums of money stashed away. Supposedly, DOD, CIA, and the Congress didn't know anything about $1 billion that had been "hoarded" away in carry-forward accounts.

The committee has already held a hearing on this subject. Based on the information presented and on the tough questions asked by committee members, several things are quite clear.

One, this is not a secret "slush" fund that no one knew anything about. In fact, these were funds maintained in accordance with the appropriate DOD manual. Moreover, DOD has known about the account since at least 1989 when the DOD Inspector General audited the NRO and agreed with the NRO's proposal on the size and method of accounting for these funds.

Second, the committee has been overseeing and not overlooking the NRO's budget. We are all very much aware of the debate about the NRO in which the previous Director of Central Intelligence and the Congress were engaged. I say we are aware of it because even though the NRO's activities are highly classified—and they should be for good reasons—the news media carried the stories about the intensity of the debate between the committee and the DIC. That debate has ended because we have a new DCI, and the committee is moving ahead with its close scrutiny of the NRO.

Third, the manager's amendment to the bill conforms our authorization level for the NRO's carry-forward accounts to the amount of the reductions in these accounts legislated by the Defense appropriations conference bill. The committee has done this so we can move ahead to a conference with our House counterparts. But, Mr. President, I want everyone to understand the implications of what is happening here.

In the opinion of the Director of the Intelligence Community Management Staff, the cuts being taken against these accounts could have far-reaching effects on the country's ability to collect extremely valuable information involving our most vital interests. The National Reconnaissance Office collects sensitive information better than anyone else, anywhere else in the world. Let me repeat that: no one, anywhere—the Russians, the French, the Germans, the Japanese, even DOD—is better at this business than the NRO.

If any of my colleagues believes I may be exaggerating about the importance and usefulness of this information, let me make a standing invitation to those of my colleagues who might have doubts. You can pick any day of any week, and we will go together to find out what the NRO has collected, and is collecting on that day. I can guarantee you, you will walk away from the experience with a far better appreciation of just how good our satellite systems are, and with a better understanding that the NRO's contributions are vital to our military and foreign policy successes.

This year, when the NRO presented its future years defense plan to the Congress, it gave us a very aggressive plan. It provides for big savings by consolidating operations. It restructures our satellite constellations, moving them away from a cold war focus and instead directing them against future problems. In order to execute that plan, the NRO says it needs all of the money contained in its request. The size of the cut contained in the Defense appropriations conference bill and mirrored in the manager's amendment offered with the intelligence authorization bill probably means the plan cannot be executed unless the money is restored. So I just want my colleagues to know that if the NRO is correct, next year important satellite programs will be cut and others will be pushed far out into the future if a substantial amount of this money is not restored.

It is very difficult to discuss—in an unclassified statement on the floor of the Senate—the enormous problem this cut could create. I could tell my colleagues that as result of these cuts, when they, or their successors, get a classified briefing in S–407 5 years from now, there may not be any satellite images available to help explain the situation. But I don't know for certain if this is true. Nevertheless, I want to alert my colleagues to the potential repercussion this cut could have, if the money is not restored in subsequent years of the NRO's future years defense plan.

Mr. COHEN. Mr. President, I rise to urge my colleagues to support the fiscal year 1996 intelligence authorization bill. Although most of the programs authorized by this bill remain classified, there are a number of general points that are worth noting as the Senate considers this important legislation.

First, the time has long since passed when the intelligence budget escaped serious scrutiny within Congress or the executive branch. Let me briefly outline the current process:

Prior to its submission to Congress, the intelligence budget is reviewed by the DCI's Community Management Staff, the Office of the Secretary of Defense, and the Office of Management and Budget.

The intelligence budget is then reviewed by no less than six congressional committees. It is available to all 535 members of Congress, and indeed, every year the Senate Intelligence Committee sends a written invitation to each member of the Senate inviting them to review the President's request and the committee's recommendations. To the best of my knowledge, this degree of access is not available to members of the British or French Parliaments, the Israeli Knesset, or representatives of the world's other great democracies. Every Senator has the right to review the classified annex accompanying this bill prior to voting on it.

In addition to the scrutiny provided by the House and Senate Intelligence, Armed Services, and Appropriations Committees, GAO has personnel who routinely audit a variety of intelligence programs.

The President's Foreign Intelligence Advisory Board [PFIAB] also has access to budget and operational information as does the congressionally mandated Presidential Commission on Intelligence Roles and Missions.

The CIA has a statutory IG with broad powers to investigate programmatic issues as well as alleged improprieties.

In short, the intelligence community's black budget is subjected to careful scrutiny each and every year.

Some may say, if that is all true, how could the NRO secretly hoard over $1 billion without Congress, DOD, or the DCI being aware of these funds? The fact is that the DOD IG became aware of the NRO's policy with regard to carry forward accounts in 1989. Further, in 1992 the audit staff of the Senate Intelligence Committee uncovered the NRO 3-month carry-forward policy and learned that this policy was a response to increased technical risks associated with launch problems that developed in the mid-eighties. The committee was assured that the 3-month carry-forward policy would be reduced to a 1-month margin by 1996. That did not occur in a timely fashion as promised, and the Congress has intervened to remedy the problem. So I would submit to my colleagues that although the oversight process continues to evolve and improve, it was that very process which brought the NRO carry-forward accounts to light.

I think we all need to be clear about the NRO issue. There is no evidence that funds were misspent or laws broken. Every dollar was duly authorized and appropriated and every dollar that is taken out of the NRO's so-called carry forward accounts this year will need to be restored in future budgets. The NRO was excessively conservative in its planning and budgeting, which has not increased the overall acquisition costs for satellites, but has reduced the funds available in the near term for other important intelligence programs. That problem has been brought to light and is being rectified.

Because there are a number of misperceptions about the NRO funding issue, as well as other aspects of the intelligence budget, I would like to briefly comment on what we are authorizing in this bill and why it is still necessary, notwithstanding the end of the cold war, to devote considerable resources to intelligence programs.

We are not buying a crystal ball that will bring future events clearly into focus. No matter how much we spend on intelligence, there will never be a foolproof method for predicting the future of Bosnia, Russia, or the Middle East. There are no documents we can acquire, photographs we can take, or sources we can recruit that will foretell the future of these turbulent regions.

As my colleagues may know, the intelligence community was not able to predict the Iraqi invasion of Kuwait with certainty. It is quite possible that Saddam Hussein himself did not decide to proceed with the invasion until the final hours—therefore no matter what access the United States had had in Baghdad the invasion of Kuwait could not have been confidently predicted in advance. What United States intelligence could and did do, however, was provide substantial detail on the Iraqi troop buildup along the Kuwaiti border in the weeks prior to the invasion. Developing a policy in response to the buildup then became a matter for the President and Congress. Then, after the invasion, the intelligence community provided General Schwarzkopf with the information needed to decisively defeat Iraq with a minimum of allied casualties. That is the primary rationale for the programs authorized in this bill—to provide critical information to policymakers and if diplomacy fails, to fight and prevail with a minimum of casualties.

As a member of both the Senate Intelligence and Armed Services Committees, I am keenly aware of the vital linkage between intelligence programs and military operations. Roughly 85 percent of the intelligence budget is executed by the military services or defense department agencies such as the National Reconnaissance Office [NRO], the National Security Agency [NSA], and the Defense Intelligence Agency [DIA]. These agencies, which are designated Combat Support Agencies pursuant to the Goldwater-Nichols Act, provide intelligence and warning in peacetime and direct combat support in wartime. The Defense Department is by far the Nation's leading consumer of intelligence information and most of the programs authorized by this bill have been developed in response to military requirements. Many of the systems that support the U.S. military, however, are also used on a daily basis to monitor arms control agreements, detect and track illegal narcotics, monitor the proliferation of weapons of mass destruction, and monitor terrorist organizations. To a large extent, the intelligence produced on these topics is a dividend made possible in peacetime by an intelligence system geared for the wartime requirements of the U.S. military.

My colleagues should also appreciate the fact that the dependence of the U.S. military on sophisticated intelligence systems is increasing. As the U.S. military force structure shrinks, the Pentagon has consciously decided to compensate for smaller numbers of men and equipment by placing increased reliance on sophisticated intelligence and communications systems. Precision guided munitions require precise targeting information; smaller numbers of more advanced ships and planes need to be allocated against the highest priority targets; and as the force structure shrinks each of our remaining military assets becomes more valuable and its potential loss more costly to the military. Further, in many of the politically sensitive conflicts underway in the world today, an option that involves substantial, so-called collateral damage is not a politically viable option for the President. For all of these reasons, the Department of Defense needs and expects voluminous amounts of precise intelligence information to support military operations. In sum, intelligence is a force multiplier that permits the U.S. military to do more with less.

In conclusion, all Senators should understand that the Armed Forces are the primary advocates for the programs in this bill, and the overwhelming majority of the funds this bill authorizes will be executed by the Department of Defense. I should also point out that the DCI has publicly stated that his top priority is support to the U.S. military. As a former Deputy Secretary of Defense, he certainly understands the importance of this mission, and I know he is dedicated to providing the best support possible to our men and women in uniform.

The world we live in is turbulent and dangerous. The proliferation of nuclear, chemical, and biological weapons concerns us all. Terrorism is a continuing threat—one that could become far more dangerous in the future given the spread of weapons of mass destruction. Intelligence is contributing to recent arrests that have severely damaged the Cali cartel. As the Ames case demonstrates, counterintelligence operations remain critical to U.S. national security. And without national intelligence systems, it would be difficult to enter into verifiable arms control agreements. Yet, even if none of these requirements for intelligence collection existed, the great majority of the spending in this bill would still be necessary to support our men and women in uniform.

For all of these reasons, I believe that intelligence activities remain vital to U.S. national security and this legislation deserves the support of every member of the Senate.

Mr. MACK. Mr. President, I rise to express my strong support for the fiscal year 1996 intelligence authorization bill.

As a member of the Senate Intelligence Committee, as well as the Defense Appropriations Subcommittee, I have been involved in reviewing U.S. intelligence requirements and programs. While most of the programs authorized by this legislation are classified, there is much that can be said in general terms about the importance of this measure.

My colleagues should understand that although the end of the cold war has lessened the threat to the United States, it has not reduced the demands for information imposed on the Intelligence Community by its many consumers. We live in an era described as the "age of information," and that applies to the public sector no less than the private sector. In fact, the instability and turbulence unleashed by the collapse of the Soviet empire has led to increased requests for information on a wide variety of new topics, countries, and conflicts.

For example, in recent years the U.S. has become involved in conflicts in Iraq, Somalia, Haiti, and Bosnia. In each case, the Defense Department has depended on the Intelligence Community for the information necessary to perform assigned military missions with a minimum of risk to U.S. personnel. These operations, including the ongoing U.S. military involvement in Bosnia, should demonstrate beyond any doubt that the demise of the Soviet Union has not lead to reduced requirements for intelligence information, either to support the U.S. military, or to support civilian policymakers engaged in arms control, counternarcotics, political or economic negotiations, monitoring international embargoes, or the routine conduct of foreign policy.

Ironically, our national security is becoming more dependent on intelligence collection, rather than less dependent, in the post cold war era. This is primarily the result of a reduced military force structure that is increasingly dependent on superior intelligence to compensate for smaller numbers. For example, the U.S. Army has shrunk from 18 Active Duty Divisions in the mid-eighties to only 10 today. The U.S. Army is now the eighth largest in the world, and it is stretched thin at many points, as in South Korea, where 37,000 U.S. military personnel and 500,000 South Korean soldiers are confronted by a North Korean Army that is twice as large.

The U.S. Navy and Air Force are engaged in similar reductions. The Air Force now has 20 active and reserve fighter wings, down from the 38 fighter wings available during the Reagan Administration. Similarly, the Navy has long since abandoned the goal of a 600 ship fleet and is now planning for a force some 30% smaller. With this reduced force structure, the U.S. can still prevail, even against much larger adversaries fighting close to their own shores, but only if the U.S. maintains superior personnel, weapons systems, and intelligence and communications capabilities. The public and my colleagues should be aware that the overwhelming majority of the funds authorized in this bill directly support, and indeed are executed by, the Department of Defense. There is simply no way to make substantial, additional reductions in intelligence programs without harming U.S. military readiness and capabilities.

In addition to the critical support that the Intelligence Community provides the Department of Defense, there are numerous missions performed by the Intelligence Community that are critical to the conduct of U.S. foreign policies. The Intelligence Community makes it possible to verify arms control agreements; it monitors the proliferation of weapons of mass destruction; it provides unique information regarding the intentions of foreign governments; it tracks international terrorism across the globe; and our intelligence agencies operate on a global basis to penetrate the international drug cartels. Many of these missions involve great difficulty and often danger, but there is no substitute for the painstaking work the Intelligence Community quietly performs in many distant lands.

I believe that the contributions made by the Intelligence Community to the war on drugs merit special consideration and increased support. During the confirmation hearings for DCI John Deutch, I expressed my sentiments to the nominee and asked him to consider the evidence presented by William Bennett and John Walters in their article of February 9, 1995, entitled, "Why aren't we attacking the supply of drugs?" The article points out that after the Bush Administration deployed U.S. military forces to help detect and interdict drug shipments in 1989, the price of cocaine increased by some 30% within a year's time, and the number of hospital admissions for cocaine overdoses declined by a roughly similar amount. The DCI responded to my questions on the counternarcotics issues by saying, "And I must say, Senator, just so there is no misunderstanding, I agree with your point, that here is a place that deserves more resources generally by the Intelligence Community, not less."

After the nomination hearings, I wrote the DCI on this issue, and supported increased expenditures for counternarcotics activities during the committee's budget deliberations. I am pleased to say that the Intelligence Authorization bill contains additional funds for counternarcotics programs that were not in the Administration's request. I am also delighted by the progress that has been made over the last few months in apprehending the leaders of the Cali cartel. U.S. intelligence agencies have contributed to this success and already, once again, the newspapers are reporting an increase in the street price of cocaine. The evidence again clearly suggests that aggressive efforts to attack drug production and transportation can be effective. As a member of the Intelligence Committee, and the Defense Appropriations Subcommittee, I will continue to press for increased counternarcotics efforts by the Defense Department and the Intelligence Community.

Finally, I would like to acknowledge the far-reaching changes being implemented within the Intelligence Community because too often the public only hears the bad news. The Intelligence Community has tightened its belt in terms of both budget and personnel. Substantial changes are being made in the way that the CIA operates overseas; in hiring and promotion practices, and in the way that the CIA interacts with its oversight committees. This Intelligence Community is not treading water—DCI John Deutch is implementing profound changes that will increase efficiency, improve intelligence support to consumers, and rectify the problems recently brought to light in Guatemala and the Ames case. Further, although there was no illegality or impropriety involved, he is working to ensure that the National Reconnaissance Office [NRO] is not overly conservative in estimating costs and risks, leading to excess funds in carry-forward accounts. We are most fortunate, in my view, to have a Director of Central Intelligence who is intimately familiar with military requirements for intelligence as well as the many technical matters which are so critical to modern intelligence collection. I believe that Director Deutch and his team will continue to aggressively implement the changes necessary to assure accountability and restore public confidence in the CIA.

In conclusion, I believe that the Intelligence Community is moving rapidly to keep pace with new missions and new technologies. I also believe that the programs authorized by this bill are vital to the security of the United States and deserve the support of every Senator.

Mr. President, I ask unanimous consent that a copy of a statement recently made by the DCI addressing the future of the Intelligence Community, together with my correspondence with him and a relevant newspaper article on counternarcotics issues, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
SELECT COMMITTEE ON INTELLIGENCE,
Washington, DC, May 1, 1995.

Hon. JOHN M. DEUTCH,
Deputy Secretary of Defense, Department of Defense, The Pentagon, Washington, DC.

DEAR SECRETARY DEUTCH: As you know, I am delighted that the President has nominated you to be the next Director of Central Intelligence. You bring a great deal of energy and integrity to the position, as well as a nearly unique blend of scientific and governmental experience. I look forward to working with you on intelligence issues in the years ahead.

During the course of your confirmation hearings last week, you may recall that I raised the issue of illegal narcotics during both the open and closed sessions. Due to the format of the hearings, however, and the limited amount of time available, I do not feel as though I was able to obtain all the information I sought. Due to the critical importance I attach to this matter, I would therefore like to pursue this issue somewhat further.

Specifically: Would you agree that the experience of the early 1900's indicates that increased spending on interdiction, eradication, and disruption of narcotics organizations can substantially reduce drug use in this country? The information in the article I entered into the record during the open hearing, which I have attached, suggests that we have not reached the point of diminishing marginal returns with regard to intelligence and defense programs intended to reduce the supply of illegal narcotics in the United States. If confirmed, will you task the Crime and Narcotics Center, or other appropriate office, to conduct an assessment of this issue and make the results available to the Committee prior to the August recess?

Does DoD have a threat assessment with regard to illegal narcotics? Despite the rhetoric we often hear, it seems as though drug smuggling is still treated primarily as an issue for law enforcement rather than a national security matter. As you know, threat assessments drive force structure and planning within the Department of Defense. If there is a DoD threat assessment that I am not aware of? I would appreciate a copy of the report as well as any supporting documentation which explains how the threat assessment has been converted into programmatics. Again, if a threat assessment is not available, I would like to ask that you task the DCI's Crime and Narcotics Center, or the Department of Defense if appropriate, to produce such an assessment prior to the conferences on the Defense and Intelligence Authorization bills this fall.

I know that you will face many challenges as the next Director of Central Intelligence. There are many threats facing our country in the uncertain world in which we live. It is worth noting, however, that as horrific as terrorism is, the number of Americans who die or suffer mental or physical damage from illegal narcotics is far greater. I believe that there is much more that can and should be done to staunch the massive flow of illegal narcotics into the United States.

I appreciate your consideration of this request. Again, I look forward to working with you in the years ahead.

Sincerely,

CONNIE MACK,
U.S. Senator.

THE FUTURE OF U.S. INTELLIGENCE—CHARTING A COURSE FOR CHANGE

(By John Deutch, Director of Central Intelligence)

Thank you very much for that introduction.

There are two challenges facing the Intelligence Community today:

First, we must be effective. We must deploy our considerable resources against the most pressing security threats of the post-Cold War era.

Second, we must be accountable. We must carry out our intelligence operations in an efficient and responsible manner. At the same time we must maintain an effective espionage service.

When President Clinton asked me to be the Director of Central Intelligence, he instructed me to make whatever changes were necessary to assure that our nation has the best intelligence service in the world and that we carry out our duties with integrity.

Today I will outline five broad changes underway to make the Intelligence Community—and the CIA in particular—more effective and more accountable. They are not quick fixes. They do not involve massive new legislation or reorganization. These are measures that lay a foundation for fundamental change in the way we do our business. They will strengthen our intelligence capability, they will not tear it down. There are many things that the Intelligence Community does well. We intend to build on these strengths, but we are determined to address the problems that have damaged the reputation and diminished the effectiveness of the Intelligence Community.

These changes are going to require a great deal of work on the part of members of the Community and extensive consultation with the policy makers and military commanders who use our intelligence on a day-to-day basis. I look forward to working with these changes with Members of Congress and others who have the responsibility to review our nation's intelligence programs.

I also want to public to understand what we are doing so that they will have confidence that our intelligence activities are carried out in a manner consistent with this nation's interests and values. Accordingly, our process of reform and change will be open for discussion.

Our success in strengthening the Intelligence Community is of critical importance to all Americans. The nation faces a multitude of challenges that will test our leadership and influence in post-Cold War world: The proliferation of chemical, biological, and nuclear weapons of mass destruction; the activities of hostile countries like Iran, Iraq, and North Korea; the growing threat of international crime, terrorism and narcotics trafficking; and we must maintain the economic security of our nation

We must also keep an eye on the larger, longer term developments. Will an emergent China redraw the political and economic landscape of Asia? Will Russia abandon its steps toward democracy and return to authoritarian rule?

When President Clinton visited CIA in July he spoke to the importance of intelligence in addressing these challenges and these questions. President Clinton said: "The intelligence I receive informs just about every foreign policy decision we make. It's easy to take it for granted. But we couldn't do without it. Unique intelligence makes it less likely that our forces will be sent into battle, less likely that American lives will have to be put at risk. It gives us the chance to prevent crises rather than forcing us to manage them."

1. CUSTOMER FOCUS

Customer focus is the first change I want to discuss.

Our primary mission in intelligence is to provide the President and other senior leaders with the information they need to make and implement foreign policy.

When the Intelligence Community focuses closely on what intelligence customers need, when we make the policy makers deadlines and requirements our own, we provide superb support. That means getting the right information to the right person at the right time—that goal hasn't changed. But we are changing significantly the way we get the job accomplished.

Interagency intelligence teams have been particularly effective in providing critical, round-the-clock support, from detailed maps of remote areas to human intelligence and amazingly vivid pictures taken from space. For example, both policy makers and military commanders give high marks to Intelligence Community support to humanitarian and peacekeeping operations in Bosnia, Haiti, and Somalia.

Permanent interdisciplinary centers that bring together collectors and analysts from the CIA and other intelligence agencies have also been the most successful approach to the complex transnational issues of weapons proliferation, terrorism, organized crime and narcotics trafficking.

Making sure that our information is the most thorough, most objective available on a day-to-day basis requires discipline on our part, and it requires close and continuous contact with our intelligence customers.

Here I would note that giving policy makers the information that they need is not the same as giving them the intelligence judgments that they would like to see. If we want our products to be used, we also have to maintain an unassailable reputation for objectivity. Any effort to tailor our analysis to policy would quickly destroy our credibility.

Closer contact with our customers begins, but does not end, with the DCI. I am meeting more often with our key intelligence consumers—at least once a week with the Secretary of State, the Secretary of Defense, and the National Security Advisor, and, at least monthly with the Attorney General, the Chairman of the Joint Chiefs, and those officials involved with economic security and trade. And, of course, I meet with the President and Vice President whenever necessary.

This contact and awareness of consumer needs must extend to all working levels of the Intelligence Community. Accordingly, we are assigning more intelligence officers on rotation to policymaking offices and to work on site with military units.

At a time of tight budgets and a proliferation of intelligence challenges, we cannot afford to collect for the sake of collection or pursue every promising technology. Guided by customer needs, the Intelligence Community must exercise discipline in pursuing only those systems that offer significant promise for meeting customer needs better and more cheaply.

For example, we will not only buy expensive new satellites unless there is a significant demand from our national security customers. I have already taken several steps to improve efficiency in the management of our satellite systems.

Defense Secretary Bill Perry and I are putting into place a new decisionmaking process—the new Joint Space Management Board—to assure that both intelligence and military satellite acquisition decisions are made efficiently and meet user needs.

We are also moving toward consolidating the eight agencies now involved in imagery intelligence into a single National Imagery Agency, organized to serve better the joint military commander in wartime and top policy makers in peacetime. The new National Imagery Agency will put together all aspects of collection, analysis, and distribution of imagery. The goal will be to provide the military commander near real time, all source intelligence that will give our forces a unique "dominant battlefield awareness."

Both these management initiatives will provide better service to our customers and will save money.

2. HUMAN INTELLIGENCE: ASSURING INTEGRITY

The second area I would like to discuss is major change in the CIA's Directorate of Operations, or DO. The DO manages our spies. Even in this day of highly sophisticated satellites and technical collection systems, there are some types of information that can only be collected by people.

Espionage is the core mission of the Central Intelligence Agency. Despite set backs, we must continue to take risks that result in the collection of information that is available by no other means. If we do not take such risks because we are afraid to fail or we are afraid of controversy, then we will fail as an intelligence service in protecting the national security interests of the United States. Therefore we shall not slacken our efforts to recruit informants in hostile governments, terrorist groups or drug trafficking organizations.

Let me be clear, we will continue to need to work with unsavory people. We will actively seek out any individual who can provide important intelligence from within a terrorist cell or a factory supplying arms to a rogue state. Why are we doing this? Because such human intelligence can save American lives or avert conflict.

What will be different is that we will not do these things blindly, without thorough vetting and established procedures for accoutability. We will not fool ourselves or fool our customers about the risks we have taken.

The new Deputy Director for Operations has ordered a complete "scrub" of all DO "assets," as the Intelligence Community refers to human agents. This is a rigorous evaluation of each one of the agents that we recruit to give us information. If the information these assets provide is no longer relevant, if we can get the same information elsewhere, if questions of human rights violations or criminal involvement outweigh the value of the information to our national interest, then we will end the relationship with the asset.

We are developing new guidelines to ensure that concerns about human rights and criminal activity are taken into account in recruiting, evaluating and managing assets. The guidelines will also include mandatory steps to provide accurate and timely information to Congressional Oversight Committees and law enforcement agencies.

Thus these new guidelines will allow us to make informed decisions on asset recruitment and retention; this does not mean that we will slacken our efforts to recruit informants in hostile governments, terrorist organizations, or international crime and drug trafficking organizations. To do so would be to deny our government information that leads to actions that better protect our citizens and their interests.

I would like to say a word about covert action—those activities CIA undertakes to influence events overseas that are intended not to be attributable to this country. Since the public controversies of the eighties over Iran-Contra and activities in Central America, we have greatly reduced our capability to engage in covert action. I believe that the US needs to maintain, and perhaps even expand, covert action as a policy tool. But here again, we will not undertake covert action to support policy objectives, unless it is approved at the highest level of government and only if the President authorizes such action after a scrupulous review process, including timely notification of the appropriate Congressional oversight bodies.

Finally, the Ames case has taught us that counter intelligence—guarding against penetration of our intelligence or national security agencies by agents of a foreign government—requires constant vigilance. I recently created the position of Associate Deputy Director of Operations for Counterintelligence to assure permanent, high level attention to counter intelligence issues.

3. LAW ENFORCEMENT AND INTELLIGENCE

The third area of change is to greatly increase our cooperation with the law enforcement community. In the past, we used the borders of the United States as a convenient dividing line between the responsibilities of intelligence agencies and law enforcement agencies. The CIA handled everything that involved foreign intelligence outside the US. The FBI and the Drug Enforcement Agency handled law enforcement within the US. Unfortunately international criminals, drug traffickers, and terrorists do not respect these neat distinctions that were introduced over a half century ago.

Cooperation between intelligence and law enforcement can produce fantastic success—the arrest of the leaders of the Cali drug cartel in recent months is a tremendous example—but this cooperation has yet to be as effective, extensive, and routine as it needs to be.

President Clinton and Vice President Gore are not satisfied, and correctly so, that we have in place the interagency mechanisms that we need to address these threats adequately. We cannot waste any more time worrying about bureaucratic rivalries that go back to the days of J. Edgar Hoover and Allen Dulles.

It's time for a fresh approach: a new division of responsibility that realistically reflects the pattern of international activity that exists today in terrorism, crime and drugs. The Intelligence Community must learn that in these areas, the law enforcement community—the FBI, the Drug Enforcement Agency, and US Customs—is the customer for intelligence, just as the Department of State and Defense are the customer for intelligence in the national security arena.

And the law enforcement community must accept that it is not necessary or efficient to establish an elaborate new and separate foreign collection system for intelligence.

Intelligence and law enforcement professionals need to develop new procedures that will result in more effective cooperation. For example, intelligence and law enforcement must modify some of their most strongly held beliefs about not sharing information about their sources with each other.

This does not mean that intelligence agencies will spy on US citizens. Our collection activities will not infringe on the rights of US citizens. Nor will CIA or other intelligence agencies take on any law enforcement duties. Attorney General Reno and I are simply seeking to build a new relationship between intelligence and law enforcement that will improve the country's performance in curbing international crime, drugs, and terrorism.

4. CARRYING OUT INTELLIGENCE OPERATIONS IN AN EFFICIENT FASHION

The fourth change that I want to address is the initiation of an integrated approach to resource planning and programming for all the agencies of the Intelligence Community.

In this era of tight budgets, the Intelligence Community has to undergo serious reexamination of its needs and its resources and, indeed, downsizing has been going on for some time—for example, since 1990, the number of people in the Intelligence Community has been reduced by 17% and an additional 10% reduction is planned by the end of the century.

However, up to the present, the Intelligence Community has been relatively free from the systematic planning, programming, and budgeting process that is the hallmark of efficient government.

The reason for this absence of management scrutiny is not because the intelligence budget is "secret." The reason is that intelligence activities are carried out by different agencies—NSA, DIA, CIA—and are carried out under separate budgets. There is no mechanism to compare the budgets of the various intelligence agencies and assess how they contribute to the missions of U.S. intelligence. The present system does not permit resource-saving tradeoff analysis: for example, the possibility of substituting satellites for aircraft imagery or signals collection, or assigning intelligence analysis responsibilities among the different agencies, considering the capabilities of the entire community.

It is the responsibility of the Director of Central Intelligence to review the nation's intelligence budget as a whole and justify it to Congress. As the system now stands, the DCI does not have the tools to do this job properly.

In preparing the FY97 budget, I am insisting that all agencies present their intelligence budgets in a manner that will allow us to make more informed hard decisions on resource allocation.

Simply put, the problem is to make a "symphony" from the diverse instruments represented by the various agencies. We need to assure that all elements of the community work in harmony. A mission oriented Intelligence Community multi-year program period will identify the resources needed to carry out our activities and assess the value of individual programs. An added benefit of this approach is that it will provide a clear description of what the Intelligence Community is doing and what is the value to both President Clinton and to the Congress.

5. IMPROVING THE QUALITY OF THE PEOPLE

The most important element of success in the Intelligence Community is the quality of its people. Historically, we have attracted outstanding and highly motivated individuals. Unfortunately, some parts of the Intelligence Community are in danger of losing the ability to attract and retain the best people. This is particularly true of the Central Intelligence Agency and its Directorate of Operations. The fifth and last change I will discuss today is a new approach to personnel management.

We must replace CIA's personnel system with one that is better suited to the special nature of the work its employees must perform. We must reexamine the use of the polygraph in hiring and create a system that encourages employees to gain wider experience within the agency and discourages the development of barriers between the different directorates and cultures within CIA.

I have assigned CIA's Executive Director the task of reviewing past studies and designing a new system that will allow individuals to advance according to their accomplishments without regard to gender or race, a system that will be perceived as fair by employees throughout CIA. As intelligence officers, it is our job to understand and be able to operate in widely different cultures. A diverse workforce is absolutely essential to our ability to be an effective intelligence Agency in the next century.

This same emphasis on personnel management must extend to all other agencies of the Intelligence Community. All agencies need to recruit top people; all need career development programs; and all need to welcome diversity in the workplace. We need health promotion opportunities that are comparable across the Intelligence Community, and we need a retirement system that upholds the contract we have made with the good people who have dedicated their careers to our national security.

We will need to seek new authority to allow more flexible management of the very special Intelligence Community work force to assure, in a time of downsizing, that there is a reasonable prospect for advancement and provisions for early retirement within the Community.

CONCLUDING REMARKS

I have presented five fundamental changes that are necessary to improve the performance of the Intelligence Community: a significantly sharper focus on the needs of the intelligence customer; more selective and effective human intelligence; a new cooperative relationship between law enforcement and the Intelligence Community; a more efficient system for allocating the resources of the Intelligence Community; and revitalizing the personnel system to better serve all of the employees of the Intelligence Community.

These changes will enable the Intelligence Community to efficiently and effectively address the intelligence challenges of the post-Cold War era. I will devote my energy and my influence to assuring that each of these changes is made—thoroughly and promptly.

I hope that the media, Congress, and public opinion will give the Intelligence Community a chance to demonstrate what it can do. In a democracy, all the failures become public, the successes do not. It takes good will along with vigilant skepticism to give the intelligence enterprise a fair shake—to balance accounts about past excesses with reporting that assesses current accomplishments. Thank you very much.

[From the New York Times]

COLUMBIA ARRESTS RAISE PRICE OF COCAINE IN NEW YORK CITY

(By Clifford Brauss)

Only a few months after the Colombian Government began arresting the top leaders of the Cali drug cartel, law enforcement officials said the supply and potency of cocaine in New York City is dwindling, forcing wholesale and street prices to soar.

In what officials described as the most precipitous shift in almost six years, the wholesale price of cocaine has increased nearly 50 percent since May, while retail prices have gone up 30 percent. Similar increases, they said, are evident in other big Eastern cities dependent on New York-based Cali operatives for supplies.

In addition, they said, recent seizures and intelligence indicate that the size and number of shipments of cocaine into the New York area have declined. Only four months ago, Federal agents say, shipments weighing 1,000 pounds or more were coming into the city in trucks, ships and airplanes; now, they typically weigh less than 200 pounds.

The shifts are also evident in the city's drug markets. Drug dealers in Washington Square Park said this week that the same gram of cocaine that sold for $50 in May now goes for $80, an increase that they said was beginning to drive away younger buyers who come to Greenwich Village from New Jersey.

"I've been around 39 years," said one Washington Square dealer, whispering as he gave knowing glances to prospective buyers walking through the park. "So I know when they bust the big guys in Colombia, that's when the coke goes up."

Law enforcement authorities cautioned that the shifts in supply and price might be temporary, evidence of another periodic realignment of international trafficking networks with little long-lasting importance. But they said that the declining sizes of cocaine shipments and five recent fatal shootings between competing drug gangs in Queens appeared to be strong signs that the world's richest drug trafficking organization is at least going through a painful period of adjustment.

"Maybe it's only a breather that is benefiting the community," said Peter A. Crusco, chief of narcotics investigations in the Queens District Attorney's office "But relatively little is coming in. The big-level people are not risking moving the cocaine."

Officials say cocaine buyers can still find the drug in neighborhoods across the city, but New York police officials say laboratory tests show that dealers are now mixing their small bags and tins of cocaine power with 30 percent more sugar or baking powder to stretch supplies.

On the other hand, officials say supplies and prices of crack—the cocaine-based drug of choice among many poor users—have not been affected, because its purity is low to begin with and abusers need little to become intoxicated.

Though they are encouraged by the tightened supply of cocaine, some police officials expressed concern that shortages of cocaine could eventually increase demand for heroin, which is already gaining in popularity and is mostly distributed by organized crime groups that compete with the Cali cartel.

They also worry that if drug profits continue to be stretched, street gangs competing for customers, territory and supplies could turn more violent, much as they did when crack first became popular in the late 1980's.

Investigators said information collected through wiretaps and informers indicate that supplies of cocaine are being held up in Colombia and Mexico, where they are stockpiled before moving across the border, because the leaders who once personally supervised their release are in jail or on the run.

Middle-level traffickers, the wiretaps and informers indicated are holding back shipments, in part because they feared that the captured leaders might be trading information about cartel operations in exchange for more lenient treatment.

"The one person who moved the cocaine between Colombia and Mexico, Miguel Angel Rodriguez Orejuela, is out of commission for at least the moment," said a senior Drug Enforcement Administration official who spoke on condition that he not be named. "One can logically surmise that right now there is a quandary, a state of confusion, and problems with people hooking up with the traffickers both in Colombia and Mexico."

The most striking effect of the arrests in Colombia have so far been at the wholesale level of the drug trade, officials said. Responding to the decreased supplies, several law enforcement officials said top cocaine dealers have increased their prices to their largest distributors to an average of $26,000 per kilogram, from $18,000 only four months ago.

In Detroit, the Drug Enforcement Administration has reported an increase in wholesale prices from $22,000 to $32,000 per kilogram in the last two months alone.

A bodega owner in Washington Heights with broad knowledge of the cocaine trade in New York said the recent increase had forced middle-level dealers to drop some street sellers, shave profits, dilute their inventory and hoard supplies in case the current shortages continued.

"A lot of people are just holding onto their good stuff for when prices really go up," he said.

The last time cocaine prices in New York rose so much and so fast was in late 1989, when a shooting war broke out between the Medellin cartel and the Colombian Government. The Medellin group never recovered, but within months the Cali cartel picked up the trafficking slack, and prices returned to normal levels.

State Department and law enforcement officials said that Mexican trafficking groups and smaller Colombian cartels operating on Colombia's northern coast are now jockeying for new markets. Mexican traffickers have already taken control of much of the cocaine market in the Southwest, they said, and wholesale prices there have not risen as sharply as in New York.

But Thomas A. Constantine, the head of the Drug Enforcement Administration, said in a recent interview that there was no cartel waiting in the wings that could match the Cali group's financial resources, political clout in Colombia, and international trafficking connections.

"Nobody out there even compares," he said, saying that the Cali group had already surpassed the Medellin cartel in sophistication and resources at the time of the Medellin group's downfall.

But Mr. Constantine and other officials cautioned that it was too soon to tell how harshly the Colombian authorities would punish the six top Cali leaders they captured this year. United States officials noted that the cartel leaders were able to negotiate some of the terms of their surrender, and none have suffered confiscations of ill-gotten gains like their mountainside mansions or fleets of yachts.

In addition, the United States officials say, the cartel leaders are still able to communicate with their lieutenants sporadically through family members who visit them in jail and by paying off guards. But perhaps because their telephone conversations are being monitored the officials say, they have not directed their underlings to release huge loads of cocaine warehoused in Colombia and Mexico.

Whatever the long-term impact, law-enforcement officials say, the latest price rises demonstrate that the cartel's top leaders direct the most minute details of their cocaine wholesale operations in the New York area. Recent captures of cartel records include items like personnel evaluations and Con Edison bills.

"We have done investigations involving wiretaps," said Robert H. Silbering, the Special Assistant District Attorney in charge of citywide narcotics cases, "that show a direct link from the streets of New York to the estates of Cali."

Mr. COATS. Mr. President, I ask unanimous consent the amendments be agreed to en bloc, the motions to reconsider be laid upon the table en bloc, the bill be then deemed read a third time.

The PRESIDING OFFICER. Without objection, it is so ordered.

So the bill was deemed read a third time.

Mr. COATS. Further, that the Intelligence Committee be immediately discharged from further consideration of H.R. 1655, the Senate proceed immediately to its consideration, that all after the enacting clause be stricken, the text of S. 922 as amended be inserted, H.R. 1655 then be deemed read a third time and passed, the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

So the bill (H.R. 1655), as amended, was deemed read a third time and passed.

Mr. COATS. Mr. President, I move the Senate insist on its amendment, request a conference with the House, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer appointed Mr. SPECTER, Mr. LUGAR, Mr. SHELBY, Mr. DEWINE, Mr. KYL, Mr. INHOFE, Mrs. HUTCHISON, Mr. MACK, Mr. COHEN, Mr. KERREY, Mr. GLENN, Mr. BRYAN, Mr. GRAHAM, Mr. KERRY, Mr. BAUCUS, Mr. JOHNSTON, Mr. ROBB, and, from the Committee on Armed Services, Mr. THURMOND and Mr. NUNN.

The PRESIDING OFFICER. The Senator from Indiana.

DESIGNATING "NATIONAL CHILDREN'S DAY"

Mr. COATS. Mr. President, I ask unanimous consent the Senate proceed to the immediate consideration of Senate Resolution 178, submitted earlier today by Senator PRESSLER.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 178) designating the second Sunday in October of 1995 as National Children's Day.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. PRESSLER. Mr. President, all parents understand the pride and joy we have in our children. They are the apple of our eyes, our most precious resource, our future, and our hope. Today I rise with many of my colleagues to submit a bipartisan resolution declaring the second Sunday in October, "National Children's Day." National Children's Day is about hope—the hopes we have for children and the hope they should have for themselves.

We live in a rapidly changing world—a world of difficulties and uncertainties for many children. Many children growing up today must overcome tremendous obstacles and challenges, such as drug and alcohol abuse, illiteracy, poverty, pregnancy, physical abuse, absentee parents, and neighborhood violence. How does the future appear for children who do not have a supportive, nurturing environment? To some, the future is uncertain and dark. According to the Children's Defense Fund, 15.7 million children lived in poverty in 1993 and every 98 minutes a child was killed in 1992.

Children need nurturing, guidance, time, understanding and the reassurance of a childhood and hope in their future. The fortunate children receive all the love and support they need. However, many children do not receive the appreciation they deserve. Children are our most precious human resource, for they hold our future in their hands, hearts, and minds.

Mr. President, you may be interested to learn that the first Children's Day was celebrated on the second Sunday in October 46 years ago on the campus of Notre Dame University. Dr. Patrick McCusker and his wife Mary decided to honor not only their children but children throughout the country. This year marks the 6th year a Senate resolution has commemorated this traditional day.

The intent of National Children's Day has not changed. National Children's Day assures children, as a Nation, that we will be here for them. As a Nation, we will try our best to provide for them, look out for them, and to give them the best our Nation can. National Children's Day reaffirms that we will keep our children in mind. National Children's Day is a celebration of America's hope in the children of today and tomorrow.

Mr. COATS. I ask unanimous consent the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and that any statements relating to the resolution appear at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 178) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 178

Whereas the people of the United States should celebrate children as the most valuable asset of the Nation;

Whereas the children represent the future, hope, and inspiration of the United States;

Whereas the children of the United States should be allowed to feel that their ideas and dreams will be respected because adults in the United States take time to listen;

Whereas many children of the United States face crises of grave proportions, especially as they enter adolescent years;

Whereas it is important for parents to spend time listening to their children on a daily basis;

Whereas modern societal and economic demands often pull the family apart;

Whereas encouragement should be given to families to set aside a special time for all family members to engage together in family activities;

Whereas adults in the United States should have an opportunity to reminisce on their youth to recapture some of the fresh insight, innocence, and dreams that they may have lost through the years;

Whereas the designation of a day to commemorate the children of the United States will provide an opportunity to emphasize to children the importance of developing an ability to make the choices necessary to distance themselves from impropriety and to contribute to their communities;

Whereas the designation of a day to commemorate the children of the Nation will emphasize to the people of the United States the importance of the role of the child within the family and society;

Whereas the people of the United States should emphasize to children the importance of family life, education, and spiritual qualities; and

Whereas children are the responsibility of all Americans, thus everyone should celebrate the children of the United States, whose questions, laughter, and tears are important to the existence of the United States: Now, therefore, be it

Resolved, That the Senate designates the second Sunday in October of 1995 as "National Children's Day" and requests that the President issue a proclamation calling on the people of the United States to observe the day with appropriate ceremonies and activities.

JOINT MEETING OF CONGRESS AND CLOSING COMMEMORATIONS FOR THE FIFTIETH ANNIVERSARY OF WORLD WAR II

Mr. COATS. Mr. President, I ask unanimous consent the Senate immediately proceed to consideration of Senate Resolution 179, submitted earlier today by Senator THURMOND.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 179) concerning a joint meeting of Congress and the closing of the commemorations for the fiftieth anniversary of World War II.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. THURMOND. Mr. President, I rise today to submit, along with 34 of my colleagues, a resolution which commemorates the 50th anniversary of the end of World War II.

September 2d of this year marked this 50th anniversary. World War II changed the face of the world like no other in our history. We owe this distinction to our veterans, their families, and those who served on the home front to support the war effort. Americans made tremendous sacrifices to protect the ideals of freedom and democracy. Their accomplishments should not be forgotten. Many American men and women answered the call of their country, left their homes and jobs, and boldly entered the war. Civilians on the home front performed the impossible by manufacturing goods at a rate that astonished the world. Our country joined together to ration food and grow victory gardens which aided the war effort. American farmers stepped forward and grew enough produce to support the allied forces.

The troops overseas offered the ultimate sacrifice as they fought in the deserts of North Africa, on the streets of European cities, under the Atlantic Ocean, and on the islands of the Pacific. The Americans that served and died gave the greatest honor possible to their families and their country. We should honor these veterans to show that we are a grateful nation.

Our support of this resolution sends a clear message to all Americans. It is a reminder to them that we will not forget those that answered the call of duty. This resolution designates the week of November 4–11 as the Closing Week of Commemorations for the 50th Anniversary of World War II. This week will be celebrated across the United States. Activities and honors will be held to recognize the 17-million Americans that served. The President will also be asked to arrange for any celebrations he deems appropriate. It is of vital importance that we not only honor these men and women, but also ensure that the current generation of Americans are educated about this war and its consequences. The Bells of Peace will ring on November 11th at 11 a.m., striking 50 times for the 50 years without a world war and symbolizing the hope for at least 50 more years of peace and freedom.

This national recognition of Veterans, their families, and all those who served at home is well deserved. The dedication and sacrifice of all our Americans must not be forgotten. We celebrate the valor of those involved to honor the past.

Mr. COATS. I ask unanimous consent the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and that any statements relating to the resolution appear at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 179) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 179

Whereas 50 years ago, this Nation had just emerged from a war that found Americans fighting a common foe with 32 allied countries and in which over 17,000,000 Americans served in the military;

Whereas the United States suffered over 670,000 casualties, with more than 290,000 deaths, while over 105,000 Americans were held as prisoners of war;

Whereas on the home front, Americans mobilized to support the war by increasing the output of manufactured goods by 300 percent and by causing a second agricultural revolution through the efforts and imagination of our people as the American farmers mobilized to support the world;

Whereas the war led to dramatic social changes as more than 19,500,000 women joined the workforce at the Nation's defense plants and 350,000 joined the military;

Whereas the roles of minorities in both the military and industry were changed forever as more opportunities for employment and involvement in the defense of the United States presented themselves;

Whereas the contributions by women, minorities, and all those on the home front were legion;

Whereas the bringing to a close of the commemorations for the Fiftieth Anniversary of World War II should be celebrated across the Nation with programs and activities to thank and honor the World War II generation, our veterans, their families, those who lost loved ones, and all who served on the home front; and

Whereas it is important to educate the generations that followed World War II on the lessons of this horrific conflict and to reaffirm the values of human decency: Now, therefore, be it

Resolved, That—

(1) the Senate and the House of Representatives, by previous agreement, shall assemble in the Hall of the House of Representatives on October 11, 1995, for the purpose of saying to the Nation and the world that the American people will never forget those who served our Nation and saved the world, our veterans, and those who served on the home front as we close the commemoration of the Fiftieth Anniversary of World War II;

(2)(A) November 4, 1995, through November 11, 1995, is designated as a "Week of National Remembrance and the Closing of the Fiftieth Anniversary of World War II", with National Days of Prayer on November 4 and November 5, 1995, and a World War II Education Day across America on November 8, 1995, and the President is authorized and requested to issue a proclamation calling on the people of the United States to observe that period with appropriate ceremonies and activities;

(B) commemorations during the "Week of National Remembrance and the Closing of the Fiftieth Anniversary of World War II" shall include the dedication of the future site of the Nation's World War II Memorial in Washington, D.C.;

(3) Veterans Day, November 11, 1995, is designated as a "National Day of Observance and Celebration of the Fiftieth Anniversary of World War II", and the President is authorized and requested to issue a proclamation calling on the people of the United States to observe that day with appropriate ceremonies and activities; and

(4) each State Governor and each chief executive of each political subdivision of each State, is urged to issue a proclamation (or other appropriate official statement) calling upon the citizens of such State or political subdivision of a State to participate on November 11, 1995, at 11 a.m., in the ringing of the Bells of Peace and Freedom by striking all bells of the Nation 50 times to signify the 50 years without a world war and the world's hope to achieve another 50 years of peace and freedom.

CELEBRATION OF JERUSALEM'S 3000TH ANNIVERSARY

Mr. COATS. Mr. President, I ask unanimous consent the Senate proceed to the immediate consideration of Senate Concurrent Resolution 29, submitted earlier by Senator DOLE.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 29) providing for marking the celebration of Jerusalem on the occasion of its 3000th anniversary.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. COATS. Mr. President, I ask unanimous consent the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and that any statements relating to the concurrent resolution appear at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The concurrent resolution (S. Con. Res. 29) was agreed to.

The preamble was agreed to.

The concurrent resolution, with its preamble, reads as follows:

S. CON. RES. 29

Whereas the Senate wishes to mark the 3,000th anniversary of King David's establishment of Jerusalem as the capital of Israel; and

Whereas Jerusalem, the City of David, has been the focal point of Jewish life; and

Whereas Jerusalem, the City of Peace, has held a unique place and exerted a unique influence on the moral development of Western Civilization; and

Whereas no other city on Earth is today the capital of the same country, inhabited by the same people, speaking the same language, and worshipping the same God as it was 3,000 years ago: Now therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Architect is directed to make the necessary arrangements for a date in October to be mutually agreed upon by the Speaker of the House and the majority leader of the Senate, after consultation with the minority leaders of the two Houses, for the use of the rotunda for a celebration of the founding of the city of Jerusalem.

CHILD AND SPOUSAL SUPPORT

Mr. COATS. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 200, H.R. 2288.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 2288) to amend part D of title IV of the Social Security Act to extend for 2 years the deadline by which States are required to have in effect an automated data processing and information retrieval system for use in the administration of States' plans for child and spousal support.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. COATS. Mr. President, I ask unanimous consent that the bill be deemed read a third time, passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be placed at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

So the bill (H.R. 2288) was deemed read for a third time and passed.

ORDERS FOR TUESDAY, OCTOBER 10, 1995

Mr. COATS. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in adjournment until the hour of 9:15 a.m. on Tuesday, October 10, that following the prayer the Journal of proceedings be deemed approved to date, no resolutions come over under the rule, the call of the calendar be dispensed with, the morning hour be deemed to have expired, the time for the two leaders be reserved for their use later in the day, and there then be a period for morning business until the hour of 9:30 a.m. with Senators to speak for up to 5 minutes each.

I further ask unanimous consent that following morning business at 9:30 a.m., the Senate begin consideration of S. 143, the job training bill, under a previous consent agreement.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COATS. Mr. President, I further ask that at the hour of 11:30 a.m. there be a period for morning business for 60 minutes to be controlled by Senators HUTCHISON and NUNN, and that at the hour of 12:30 p.m., the Senate stand in recess for the weekly party caucuses to meet until 2:15 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORITY FOR COMMITTEES TO REPORT

Mr. COATS. Mr. President, I further ask that during the adjournment of the Senate, committees may file reports on executive and legislative business on Wednesday, October 4, between the hours of 10 a.m. and 3 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. COATS. Mr. President, for the information of all Senators, any votes ordered with respect to S. 143 would be postponed to occur not before 2:15 p.m. on Tuesday.

Also, it is the leader's intention to complete action on Senate S. 143 on Tuesday, and since the bill has an agreement of 9 hours, a late session can be expected.

Mr. FORD. Mr. President, I would just want to say that we have already started when we come back, that we are going to be in late hours. This family friendly Senate that we were going to have at the beginning of the year—it is very difficult—to already say we are going to have 9 hours on Tuesday and we will work late into the evening, I am sure that will be music to everyone's ears. I hope that the Senator can use his persuasive powers and that we will get a normal dinner time when we return.

Mr. COATS. I say to my friend from Kentucky that my persuasive manner and nature has allowed us now to—as I read the clock, it is 10:07 p.m. on Friday evening. So we are not doing real well with the family friendly schedule. We hope this is an exceptional year. We are in the midst of doing an extraordinary amount of work.

Mr. FORD. It is going to be an exceptional year, all right.

ADJOURNMENT UNTIL 9:15 A.M. TUESDAY, OCTOBER 10, 1995

Mr. COATS. Mr. President, the hour being late, if there is no further business to come before the Senate, I now ask that the Senate stand in adjournment under the provisions of House Concurrent Resolution No. 104.

There being no objection, the Senate, at 10:07 p.m., adjourned until Tuesday, October 10, 1995, at 9:15 a.m.

NOMINATIONS

Executive nominations received by the Senate September 29, 1995:

THE JUDICIARY

PATRICIA A. GAUGHAN, OF OHIO, TO BE U.S. DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF OHIO VICE ANN ALDRICH, RETIRED.

JOAN A. LENARD, OF FLORIDA, TO BE U.S. DISTRICT JUDGE FOR THE SOUTHERN DISTRICT OF FLORIDA VICE JAMES LAWRENCE KING, RETIRED.

CLARENCE J. SUNDRAM, OF NEW YORK, TO BE U.S. DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF NEW YORK VICE AN ADDITIONAL POSITION CREATED OCTOBER 23, 1992 PURSUANT TO PROVISIONS OF TITLE 28 SECTION 372(B) OF THE UNITED STATES CODE.

CONFIRMATION

Executive Nomination Confirmed by the Senate September 29, 1995:

DEPARTMENT OF DEFENSE

THE FOLLOWING-NAMED OFFICER UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 152, FOR REAPPOINTMENT AS CHAIRMAN OF THE JOINT CHIEFS OF STAFF AND REAPPOINTMENT TO THE GRADE OF GENERAL WHILE SERVING IN THAT POSITION UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 601(A):

CHAIRMAN OF THE JOINT CHIEFS OF STAFF

To be general

GEN. JOHN M. SHALIKASHVILI, xxx-xx-x..., U.S. ARMY.

DEPARTMENT OF STATE

DAVID C. LITT, OF FLORIDA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE UNITED ARAB EMIRATES.

PATRICK NICKOLAS THEROS, OF THE DISTRICT OF COLUMBIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE STATE OF QATAR.

DAVID L. HOBBS, OF CALIFORNIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE CO-OPERATIVE REPUBLIC OF GUYANA.

WILLIAM J. HUGHES, OF NEW JERSEY, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF PANAMA.

MICHAEL WILLIAM COTTER, OF THE DISTRICT OF COLUMBIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF TURKMENISTAN.

A. ELIZABETH JONES, OF MARYLAND, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF KAZAKHSTAN.

JOHN K. MENZIES, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF BOSNIA AND HERZEGOVINA.

JOHN TODD STEWART, OF CALIFORNIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF MOLDOVA.

PEGGY BLACKFORD, OF NEW JERSEY, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF GUINEA-BISSAU.

EDWARD BRYNN, OF VERMONT, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF GHANA.

VICKI J. HUDDLESTON, OF ARIZONA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE DEMOCRATIC REPUBLIC OF MADAGASCAR.

ELIZABETH RASPOLIC, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE GABONESE REPUBLIC AND TO SERVE CONCURRENTLY AND WITHOUT ADDITIONAL COMPENSATION AS AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE DEMOCRATIC REPUBLIC OF SAO TOME AND PRINCIPE.

DANIEL HOWARD SIMPSON, OF OHIO, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF ZAIRE.

JOHN M. YATES, TO WASHINGTON, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF BENIN.

JAMES E. GOODBY, OF THE DISTRICT OF COLUMBIA, FOR THE RANK OF AMBASSADOR DURING HIS TENURE OF SERVICE AS PRINCIPAL NEGOTIATOR AND SPECIAL REPRESENTATIVE OF THE PRESIDENT FOR NUCLEAR SAFETY AND DISMANTLEMENT.

DEFENSE NUCLEAR FACILITIES SAFETY BOARD

JOHN T. CONWAY, OF NEW YORK, TO BE A MEMBER OF THE DEFENSE NUCLEAR FACILITIES SAFETY BOARD FOR A TERM OF EXPIRING OCTOBER 18, 1999.

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

HARRIS WOFFORD, OF PENNSYLVANIA, TO BE CHIEF EXECUTIVE OFFICER OF THE CORPORATION FOR NATIONAL AND COMMUNITY SERVICE.

U.S. POSTAL SERVICE

NED R. MCWHERTER, OF TENNESSEE, TO BE A GOVERNOR OF THE UNITED STATES POSTAL SERVICE FOR THE TERM EXPIRING DECEMBER 8, 2002.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DUTY CONSTITUTED COMMITTEE ON THE SENATE.

IN THE AIR FORCE

THE FOLLOWING-NAMED OFFICER FOR PROMOTION IN THE REGULAR AIR FORCE OF THE UNITED STATES TO THE GRADE OF BRIGADIER GENERAL UNDER TITLE 10, UNITED STATES CODE, SECTION 624.

to be brigadier general

COL. WILLIAM J. DENDINGER, [redacted] U.S. AIR FORCE.

IN THE NAVY

THE FOLLOWING-NAMED REAR ADMIRALS (LOWER HALF) IN THE SUPPLY CORPS OF THE UNITED STATES NAVY FOR PROMOTION TO THE PERMANENT GRADE OF REAR ADMIRAL, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 624, SUBJECT TO QUALIFICATIONS THEREFORE AS PROVIDED BY LAW:

SUPPLY CORPS

To be rear admiral

REAR ADM. (LH) RALPH MELVIN MITCHELL, JR. [redacted] U.S. NAVY.

REAR ADM. (LH) LEONARD VINCENT [redacted] U.S. NAVY.

THE FOLLOWING-NAMED REAR ADMIRALS (LOWER HALF) IN THE RESTRICTED LINE OF THE UNITED STATES NAVY FOR PROMOTION TO THE PERMANENT GRADE OF REAR ADMIRAL, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 624, SUBJECT TO QUALIFICATIONS THEREFORE AS PROVIDED BY LAW:

AEROSPACE ENGINEERING DUTY OFFICER

To be rear admiral

REAR ADM. (LH) BARTON D. STRONG [redacted] U.S. NAVY.

SPECIAL DUTY OFFICER (CRYPTOLOGY)

To be rear admiral

REAR ADM. (LH) THOMAS F. STEVENS [redacted] U.S. NAVY.

THE FOLLOWING-NAMED OFFICER FOR PROMOTION IN THE NAVY OF THE UNITED STATES TO THE GRADE INDICATED UNDER TITLE 10, UNITED STATES CODE, SECTION 624:

SENIOR HEALTH CARE EXECUTIVE

To be rear admiral

REAR ADM. (LH) S. TODD FISHER [redacted] U.S. NAVY.

THE FOLLOWING-NAMED OFFICER TO BE PLACED ON THE RETIRED LIST OF THE UNITED STATES NAVY IN THE GRADE INDICATED UNDER SECTION 1370 OF TITLE 10, UNITED STATES CODE:

To be admiral

ADM. WILLIAM O. STUDEMAN [redacted]

THE FOLLOWING-NAMED OFFICER TO BE PLACED ON THE RETIRED LIST OF THE UNITED STATES NAVY IN THE GRADE INDICATED UNDER SECTION 1370 OF TITLE 10, UNITED STATES CODE:

To be vice admiral

VICE ADM. NORMAN W. RAY [redacted]

THE FOLLOWING-NAMED OFFICER FOR PROMOTION IN THE NAVY OF THE UNITED STATES TO THE GRADE INDICATED UNDER TITLE 10, UNITED STATES CODE, SECTION 624:

CIVIL ENGINEER CORPS

To be rear admiral

REAR ADM. (1H) DAVID J. NASH [redacted] U.S. NAVY.

IN THE MARINE CORPS

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL IN THE U.S. MARINE CORPS WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

MAJ. GEN. JEFFERSON D. HOWELL, JR [redacted]

IN THE FOREIGN SERVICE

FOREIGN SERVICE NOMINATIONS BEGINNING JOHN H. WYSS, AND ENDING JAMES J. BLYSTONE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 26, 1995.

IN THE AIR FORCE

AIR FORCE NOMINATIONS BEGINNING VON S. BASHAY, AND ENDING JANICE L. ENGSTROM, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JULY 24, 1995.

AIR FORCE NOMINATIONS BEGINNING MICHAEL D. BOUWMAN, AND ENDING PHILIP S. VUOCOLO, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON SEPTEMBER 5, 1995.

AIR FORCE NOMINATIONS BEGINNING GARY L. EBBEN, AND ENDING STEVEN A. KLEIN, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON SEPTEMBER 5, 1995.

AIR FORCE NOMINATIONS BEGINNING MARIA A. BERG, AND ENDING WARREN R.H. KNAPP, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON SEPTEMBER 5, 1995.

AIR FORCE NOMINATIONS BEGINNING MARK B ALLEN, AND ENDING JOHN J WOLF, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON SEPTEMBER 5, 1995.

IN THE ARMY

ARMY NOMINATIONS BEGINNING *JOHN D. PITCHER, AND ENDING RAY J. RODRIGUEZ, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JULY 20, 1995.

ARMY NOMINATIONS BEGINNING GERHARD BRAUN, AND ENDING ROBERT M. SUNDBERG, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON AUGUST 3, 1995.

ARMY NOMINATIONS BEGINNING JOHN A. BELZER, AND ENDING CHAUNCEY L. VEATCH III, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON AUGUST 3, 1995.

Army nominations beginning Robert Bellhouse, and ending Cheryl B. Person, which nominations were received by the Senate and appeared in the Congressional Record on August 3, 1995.

Army nominations beginning Terry C. Amos, and ending Stephen C. Ulrich, which nominations were received by the Senate and appeared in the Congressional Record on August 3, 1995.

Army nominations beginning *Jeffrey S. Almony, and ending David S. Zumbro, which nominations were received by the Senate and appeared in the Congressional Record on August 3, 1995.

Army nominations beginning David G. Barton, and ending Denise L. Winland, which nominations were received by the Senate and appeared in the Congressional Record on August 10, 1995.

Army nomination of Col. Michael L. Jones, which was received by the Senate and appeared in the Congressional Record on September 5, 1995.

Army nominations beginning Gerard H. Barloco, and ending Earl M. Yerrick, Jr., which nominations were received by the Senate and appeared in the Congressional Record on September 5, 1995.

Army nominations beginning Lillian A. Foerster, and ending Joann S. Moffitt, which nominations were received by the Senate and appeared in the Congressional Record on September 5, 1995.

IN THE MARINE CORPS

Marine Corps nominations beginning Bradley J. Harms, and ending Joseph T. Krause, which nominations were received by the Senate and appeared in the Congressional Record on July 24, 1995.

Marine Corps nominations beginning Charles H. Allen, and ending Robert J. Womack, which nominations were received by the Senate and appeared in the Congressional Record on July 24, 1995.

Marine Corps nominations beginning Douglas E. Akers, and ending Marc A. Workman, which nominations were received by the Senate and appeared in the Congressional Record on July 24, 1995.

NAVY

Navy nominations beginning Kyujin J. Choi, and ending Murzban F. Morris, which nominations were received by the Senate and appeared in the Congressional Record on July 20, 1995.

Navy nominations beginning Scott A. Avery, and ending Amy M. Witheiser, which nominations were received by the Senate and appeared in the Congressional Record on July 24, 1995.

Navy nominations beginning Glenn M. Amundson, and ending John F. Nesbitt, which nominations were received by the Senate and appeared in the Congressional Record on July 24, 1995.

Navy nominations beginning Richard J. Alioto, and ending Frank J. Giordano, which nominations were received by the Senate and appeared in the Congressional Record on July 24, 1995.

Navy nominations beginning Andrew W. Acevedo, and ending John L. Zimmerman, which nominations were received by the Senate and appeared in the Congressional Record on August 3, 1995.

Navy nominations beginning Jeremy L. Hilton, and ending Clayton S. Christman, which nominations were received by the Senate and appeared in the Congressional Record on September 5, 1995.

Navy nominations beginning Gary E. Sharp, and ending Leah M. Ladley, which nominations were received by the Senate and appeared in the Congressional Record on September 5, 1995.

EXTENSIONS OF REMARKS

OFFERING MILITARY DEPENDENTS AND NONACTIVE DUTY MILITARY THE OPPORTUNITY TO PARTICIPATE IN THE FEDERAL EMPLOYEES HEALTH BENEFITS PROGRAM

HON. ED PASTOR

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 29, 1995

Mr. PASTOR. Mr. Speaker, recently, the Civil Service Subcommittee of the House Government Reform and Oversight Committee held hearings into the problems with the military health services system. Assistant Secretary of Defense for Health Affairs described the three biggest problems in military health care as "access, access, access." Those of us who have military installations in our congressional districts are all too familiar with these problems. It is not unusual for our caseworkers to be helping military spouses or dependents receive health care treatment because they could not get a doctor's appointment at the on-base military clinic.

In all fairness to the Defense Department, the Office of Health Affairs has been working to improve access. Last December, DOD announced it was expanding its health care program to provide military dependents and retirees with a triple option health care benefit. The cornerstone of the plan is the Tricare Prime option which affords beneficiaries the option to enroll in a managed care program. Beneficiaries will also be able to choose the current health care coverage provided under the CHAMPUS—now called Tricare Standard—fee-for-service program. The third option—Tricare Extra—will give beneficiaries access to a preferred provider plan.

The Tricare plan leaves many questions unanswered, and many military families are skeptical that Tricare will increase access to health care.

Today, I am introducing legislation that would offer military beneficiaries the opportunity to participate in the Federal Employees Health Benefits Program [FEHBP] on a demonstration basis in States where beneficiaries care covered under the Tricare Program. FEHBP has been held up as a model for containing health care costs and providing access to Federal employees. Certainly, the military families and retired military personnel deserve the same health care access and advantage of the FEHBP's wide range of choices. The current system of providing health care to military beneficiaries on a space-available basis, through a priority system, is no more than rationed health care. Military beneficiaries deserve better, and I am confident that they will obtain better health care benefits through FEHBP.

Mr. Speaker, this legislation is not perfect. It serves as a draft to be perfected. This bill will change as I receive comments from the Department of Defense, Office of Personnel Management, the military coalition, and other interested parties. It is my hope, however, that this vehicle will raise the issue to a level of debate that will enable us in Congress to seriously study merits of allowing military dependents and military retirees the opportunity to participate in the Federal Employees Health Benefits Program.

ITALIAN-AMERICAN HERITAGE MONTH

HON. WILLIAM J. MARTINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, September 29, 1995

Mr. MARTINI. Mr. Speaker, I rise today in honor and recognition of October as Italian-American Heritage month and to acknowledge the accomplishments and contributions of Italian-Americans. As an American with Italian roots, I appreciate the significance of this month. My grandfather Michael came here from Italy to begin a new life, seeking opportunity for himself and his posterity. As many older Italian-Americans can attest, life in the States was not necessarily easy. Our people worked hard and labored long hours in some very difficult jobs, seeking only to earn an honest living. Michael Martini actually worked 16 hours a day making hats and selling them out of a little shop in what would become my hometown of Passaic, NJ.

Despite hard work, the road was not always easy. At times ethnic discrimination reared its ugly head to dampen the progress of Italian-Americans; they were often assigned the most menial tasks or passed up for promotions because of their names or their accents. Even as late as the 1970's, prejudice against Italian-Americans was not unknown.

One such example occurred during a 1970 City University of New York enrollment expansion in New York City. As the University enrollment experienced unprecedented expansion, faculty members born of Italian-American heritage were unjustly denied tenure. A small yet strong group of faculty began meeting on a regular basis to discuss the injustice unfolding all around them. After many years of cultivating support from outside agencies and State legislators, Italian-American descendants slowly but surely leveled the playing field. On March 17, 1975, Chancellor Kibbee of the City University of New York addressed the interests of the minority group developing academic, cultural, and political programs aimed at the progress of the Italian-American society.

As they should, Italian-Americans have and will fight all forms of discrimination and prejudice head-on with pride and a fiery spirit. This is just one aspect of our culture we should remember as Italian-American Heritage month begins, and I want to urge my colleagues, especially those of Italian descent, to join me in the celebration.

TRIBUTE TO THE HONORABLE JUDGE GEORGE C. STEEH III

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, September 29, 1995

Mr. BONIOR. Mr. Speaker, the March of Dimes is an organization with a noble mission: to fight birth defects and childhood diseases. We all share the March of Dimes dream which is that every child should have the opportunity to live a healthy life.

For the past 12 years, the southeast Michigan chapter of the March of Dimes Birth Defects Foundation has honored several Macomb County residents who are outstanding members of our community and have helped in the campaign for healthier babies. This evening, the chapter will be hosting the 12th annual Alexander Macomb Citizen of the Year award dinner. The award, instituted in 1984, is named after my home county's namesake, Gen. Alexander Macomb, a hero of the War of 1812.

This year, the March of Dimes has chosen my good friend, Judge George Steeh III, as a recipient of the award. Serving as a justice is not simply a job for Judge Steeh, it is an avocation. As he recently said, "I feel there's never a day that goes by where I don't have the opportunity to improve the human condition in my work." In his work and his private life, whether it be with at the Macomb County Circuit Court, the March of Dimes, Catholic Social Services, or the Comprehensive Youth Services, where he serves as an officer and member of the board of directors, George's involvement within the community exemplifies his commitment to improving the human condition.

Dr. Jonas Salk's polio vaccine is just one of the more famous breakthroughs that would not have been possible without March of Dimes research funding. And, without people like Judge Steeh the job of protecting babies would be that much more difficult.

I applaud the southeast Michigan chapter of the March of Dimes and Judge George Steeh for their leadership, advocacy, and community service. I know that Judge Steeh is honored by the recognition and I urge my colleagues to join me in saluting him as a 1995 recipient of the Alexander Macomb Citizen of the Year Award.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

"GINGRICH AND THE COPPERHEADS"

HON. NICK SMITH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, September 29, 1995

Mr. SMITH of Michigan. Mr. Speaker, I would like to submit this important article by Mr. Stuart Sweet into the RECORD. I urge my colleagues to review it and heed its message. We must fight for a balanced budget at all costs, yet we must look ahead. The article clearly shows that even if we pass a reconciliation bill and lower cost appropriation bills which put us on a glide path for a balanced budget, we still have great challenges ahead. This country's unfunded liabilities are out of control:

[From the Investor's Business Daily]

GINGRICH AND THE COPPERHEADS

(By Stuart Sweet)

Newt Gingrich, a former history professor, risks being a footnote in history. Even if he leads Congress to victory over President Clinton in the coming battle of the budget, he will accomplish little relative to the size of the country's long-term fiscal problems.

Gingrich defines the political space in America. All the other major players position themselves a calibrated distance to his left. Sen. Phil Gramm is trying to occupy the same space. Sen. Bob Dole is slightly to their left. Clinton is some distance farther away, and congressional Democrats farther still.

Unfortunately, Gingrich has flinched from confronting the true crisis in Medicare and the government's other unfunded liabilities.

According to Medicare's actuaries—career civil servants—the hospital portion of Medicare has an unfunded liability of 3.37% of taxable payroll. That is, if every worker in the nation paid another 3.37% of his or her gross pay to the government for the next 75 years, America could honor its promises to pay hospitals what it will owe them for treating senior citizens.

On a net present value basis, this unfunded liability equals $5.4 trillion in 1995 dollars.

Social Security is in somewhat better shape. It has an unfunded liability of 2.17% of payroll and a negative net worth of $3.5 trillion in 1995 dollars.

The two add up to $8.9 trillion. And the amount climbs higher every year we delay tackling the problem.

By my calculations, the GOP budget plan reduces Medicare's unfunded hospital bill liabilities by perhaps $1.5 trillion. That's about one-sixth of what is needed to restore Medicare and Social Security to actuarial balance.

By comparison, the amount of federal debt held by the public is less than $4 trillion. If Gingrich forces Clinton's surrender on the budget this fall, the debt held by the public will total just under $5 trillion in 2002, when the budget is "balanced."

The GOP is silent about what would come next. But the numbers on Medicare and Social Security tell the story. The budget could stay balanced for another decade. Then, in 2012 and beyond, fiscal disaster strikes.

In other words, the GOP's plan to "save" Medicare only postpones fiscal Armageddon, giving Medicare's hospital trust fund five years of breathing room. It will go broke in 2007 instead of 2002.

Then, about 2012, the retirement of the baby boom will hit the government's finances with an impact equivalent to the moon smashing into the earth.

Our politics only rarely produce major chances for fiscal reform. The last time was 1983, when Social Security's unfunded liability, then 1.82% of taxable payroll, was "solved." Twelve years later, the stakes are more than three times higher.

To be sure, Gingrich is bolder than Clinton and Democrats in Congress. Clinton's 10-year balanced budget plan would trim Medicare's unfunded liability by a trivial amount. Congressional Democrats pounced on him for even that. And they've launched a million-dollar ad campaign to denounce the plan to "slash Medicare."

This is crass politics, not commitment to Medicare. Cabinet officers and nonpartisan actuaries agree that Medicare benefits would have to be more than cut in half for its hospital fund to balance.

You have to go back to 1864, when the Peace Democrats and the Democratic Copperheads undermined President Lincoln in the midst of the Civil War, to find equally irresponsible partisanship.

Lincoln didn't slow the war effort to appease the Copperheads. He did what he thought was right.

Today, only Gingrich can redefine the political geometry by putting forward a comprehensive plan to return Medicare to long-run financial health and to put Social Security back "on the table."

The right place for this move is the budget reconciliation process, which should conclude no later than this Christmas.

Nothing is stopping the GOP from attaching more reforms to the reconciliation bill, to control spending after 2002. These could include raising the eligibility age, increasing copayments and deductibles, or privatizing the Social Security System.

That would be radical and genuinely historic. It might draw support from unlikely sympathizers. The Washington Post, for example, has come out in favor of slowing Social Security spending by raising the retirement age and limiting COLA's.

If Gingrich is playing to the history books and not the next election, he cannot be too bold on entitlements. Lincoln saved the Union by defying the Copperheads. And Republicans dominated Washington for seven decades because of his resolve.

BEST WISHES FOR HEALTHY RECOVERY TO BOB BARRACLOUGH, A FIRE SERVICE FRIEND

HON. CURT WELDON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 29, 1995

Mr. WELDON of Pennsylvania. Mr. Speaker, a very dear friend of the American fire service underwent bypass surgery this past week. On behalf of the Congressional Fire Services Caucus and the Congressional Fire Services Institute, I want to take this opportunity to extend my best wishes to Bob Barraclough for a speedy recovery.

I have known Bob for many years. A native of Pennsylvania like myself, Bob got his start in the fire service as a youth spending time at the station house with his father who was a firefighter. For the past 15 years, Bob, himself, has served as a volunteer firefighter.

Presently, he divides his time between business, Class 1, public speaking, and involvement with a number of fire-related associations. A strong supporter of CFSI, Bob is a major contributor to the institute's internship program. The program gives future leaders of the fire service invaluable Washington experience that will serve them well in the years ahead.

I look forward to seeing Bob on his feet again soon. Until then, we in Washington send our best wishes to you, Bob, for a full recovery.

A TRIBUTE TO THE TENTH ANNIVERSARY OF FOOD FOR ALL

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 29, 1995

Mr. LEWIS of California. Mr. Speaker, I would like to bring to your attention the fine work and outstanding public service of a distinguished nonprofit organization, Food for All, founded in Redlands, CA in 1985 by Linda and Milan Hamilton. In recognition of its years of growth and success, the innovative Food for All Program is marking its 10th anniversary this year and will celebrate the occasion at a dinner ceremony on October 12.

In cooperation with local retailers, Food for All offers consumers an easy and convenient way to support local efforts to combat hunger. Food for All's simple concept uses barcoded donor cards available at supermarket checkout stands which shoppers purchase along with their groceries. As the administrator of these funds, Food for All distributes 90 percent of these contributions in the form of grants to community-based organizations and international projects striving for long-term solutions to hunger. These grants are made through a network of volunteer committees and local grant advisory boards.

Since 1985, Food for All has distributed 3,352 grants totaling more than $4.7 million. Of this amount, $2.2 million has gone to emergency food suppliers such as food pantries, soup kitchens, and shelters; $1.4 million has been awarded to multiservice agencies which help families and individuals develop the ability to support themselves and others; and $1.1 million has been granted to projects overseas which develop self-sufficiency for families and communities.

The Food for All Program has grown and increased supermarket participation from two stores at inception to presently 1,713 stores in nine States. Supporting this worthy effort is a network of more than 800 volunteers who participate in solicitation, merchandising, funds distribution, community outreach, and a number of other Food for All activities. In addition, I particularly want to recognize Paul Gerrard of Gerrard's Markets and Jack Brown of Stater Brothers Markets for their leadership in making Food for All the phenomenal success that it is today.

Mr. Speaker, I ask that you join me, our colleagues, and the many supporters of Food for All in recognizing this outstanding program for its community- and market-based approach to addressing hunger. As we recognize Food for All for its worthy contributions over the past 10 years, let us not forget its origins in the hearts and minds of Linda and Milan Hamilton. For everything they and so many others have done to make it a success, it is only fitting that the House of Representatives pay tribute to Food for All today.

AMERICAN FOREIGN POLICY COUNCIL REPORT POSES QUESTIONS

HON. MARK E. SOUDER

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 29, 1995

Mr. SOUDER. Mr. Speaker, the DOD appropriations bill emerged from conference with significantly more money added for certain items above the House recommended level. One important addition is $100 million more than the Nunn-Lugar program.

The Nunn-Lugar or Cooperative Threat Reduction Program has been accused of permitting the Russians to replace obsolete missile systems with more modern and more threatening ones, in fact, facilitating the upgrading of Russian strategic forces.

Yesterday in the Economic and Educational Opportunities Committee, we passed out a budget reconciliation package which reduced spending by more than $10 billion. Some of those savings were made by eliminating the out-of-school interest subsidy that students receive on their loans, during a so-called grace period. While we are reducing benefits to students in America, with the Nunn-Lugar program, the United States is actually encouraging Russian students to study nuclear physics because we will pay them salaries to work at the International Science and Technology Center in Moscow they graduate. The center receives $21 million in Nunn-Lugar aid. Scientists involved in nuclear weapons testing and nerve agent research are said to have received Nunn-Lugar grants. When the General Accounting Office examined the Nunn-Lugar program, it was this center that "raised the most concerns among GAO investigators."

I am enclosing a series of reports from the American Foreign Policy Council which poses more questions about the legitimacy of the Cooperative Threat Reduction Program:

Russia Test-Launched New ICBM

Yesterday morning, the Russian government test-launched a new-generation intercontinental ballistic missile (ICBM). The launch is the most visible sign of Moscow's ongoing strategic ongoing strategic nuclear modernization program, as the House prepares to vote on the 1996 defense authorization and appropriations bills.

Reuters reported from Moscow that the ICBM was launched from the Plesetsk cosmodrome 600 miles north of the Russian capital.

Russian Military Space Forces spokesman Ivan Safronov says that the missile is a three-stage TOPOL-M, a variant of the SS-25. According to Safronov, the TOPOL-M will be based on mobile launchers and in silos.

He stated that 90 of the 154 SS-18 ICBM silos in Russia will be converted to house the TOPOL-M. The SS-18s are being dismantled with United States aid under the "Cooperative Threat Reduction" or Nunn-Lugar program. The TOPOL-M cannot be deployed, if Russia is to remain within START limits, until the SS-18s and other ICBMs are dismantled. Therefore, this aspect of Nunn-Lugar funding will help make deployment of the TOPOL-M possible.

To date, Congress has failed to conduct significant oversight of the Nunn-Lugar program, and how portions of it are being used to benefit Russian military modernization. The Cooperative Threat Reduction Act (PL 103-160), Section 1203(d)(2) contains a restriction that Nunn-Lugar recipients "forego * * * the replacement of destroyed weapons of mass destruction."

The launch underscores the need to revisit Nunn-Lugar, and to deploy a national ballistic missile defense system by 2003.

According to Safronov, once the SS-18s and other aging systems are dismantled, they will be replaced with ultramodern missiles. He told Reuters: "Russia hopes to replace all its outdated missiles in the coming years."

Amendment Would Tie Nunn-Lugar to Moscow's Biological Weapons Compliance

Problem. The Russian military maintains a clandestine biological weapons program in violation of its international agreements. U.S. assistance to dismantle obsolete Russian weapons, build housing for officers, "convert" portions of military plants for civilian purposes, and other aid under the Cooperative Threat Reduction (Nunn-Lugar) program frees up Defense Ministry funds to finance the biological weapons program. To date, the U.S. has offered Moscow little incentive to account fully for—let alone abandon—its germ warfare research and development.

Solution. Congress can provide Moscow that incentive by conditioning all Nunn-Lugar funding for Russia on biological weapons research, development, and production.

An amendment to H.R. 1530 is being offered by Rep. Robert K. Dornan (R-CA) to offer that incentive. The amendment is a measured, constructive approach that maintains full Nunn-Lugar funding. The amendment reads:

"Sec. 1108. Limitation on Cooperative Threat Reduction Program Relating to Offensive Biological Weapons Program in Russia.

"None of the funds appropriated pursuant to the authorization in section 301 for Cooperative Threat Reduction programs may be obligated or expended for programs or activities with Russia unless and until the President submits to Congress a certification in writing that Russia has terminated its offensive biological weapons program.".

Congress's original intent for the Cooperative Threat Reduction Program was to help former Soviet republics to dismantle weapons of mass destruction that could be used against the United States and its allies, or that could proliferate to rogue regimes.

The Clinton administration has acknowledged that Moscow continues a substantial covert biological weapons program, and that Russia is not in compliance with the 1972 Biological Weapons Convention. The Dornan amendment offers the most substantive step yet toward helping Russia abandon germ warfare and comply with its international commitments. Rep. Dornan is currently seeking cosponsors, according to legislative director Bill Fallon.

What will hearings reveal? There has been no effective oversight of the Nunn-Lugar program. A new GAO report states that Nunn-Lugar assistance already is being diverted to finance Russian development of new weapons of mass destruction. Rep. Curt Weldon (R-PA), Chairman of the Subcommittee on Military Research and Development of the National Security Committee, has called for hearings.

GAO: Russia Uses Nunn-Lugar Aid To Develop New Weapons

American aid to Russia is being used to pay scientists who continue to develop weapons of mass destruction and dual-use technologies, Moscow and Kiev have blocked U.S. audits of the aid, and the Clinton administration is four months late in making an accounting to Congress.

These fundamental problems with aid under the Cooperative Threat Reduction Act (P.L. 103-160), or "Nunn-Lugar" program) are revealed in a draft General Accounting Office (GAO) report made public by Bill Gertz in today's Washington Times. The report and article make the following points:

Nunn-Lugar has done little to reduce the proliferation threat or improve nuclear weapons controls in Russia.

Moscow is using Nunn-Lugar conversion funds to "reactivate dormant weapons facilities."

The International Science and Technology Center in Moscow, receiving $21 million in Nunn-Lugar aid, "raised the most concerns among the GAO investigators."

U.S. officials monitored the Center "only intermittently," and not quarterly.

U.S. officials told the GAO that the Center "is intended to help prevent proliferation . . . rather than preclude scientists from working on Russian weapons of mass destruction," even though the Center bars funding for such work.

The Center is "creating dual-use items" that can be used in Russian military modernization.

Nunn-Lugar pays nuclear scientists to prevent them from emigrating, but they "may spend part of their time working on Russian weapons of mass destruction," according to the report.

Scientists involved in nuclear weapons testing and nerve agent research received Nunn-Lugar grants.

The U.S. has made no audits of Nunn-Lugar funding in Russia or Ukraine, because Moscow and Kiev have objected to such audits, the GAO said.

The Clinton administration is four months late in providing Congress with an accounting for Nunn-Lugar funds spent, which is required by law.

The State Department will assume funding of the Center from the Department of Defense next year, and hopes to spend another $90 million over seven years.

Russia Fails To Meet All Six Conditions To Receive Nunn-Lugar Funding

The Russian government is violating all six congressional restrictions in the Cooperative Threat Reduction Act (PL 103-160) that authorizes U.S. aid for the "demilitarization of the former Soviet Union." PL 103-160 contains a loophole that allows aid without the recipient meeting the six commitments, if the president deems such aid to be in the "national interest." However, Congress has not yet assessed whether aid in these circumstances remains in the national interest. The six PL 103-160 commitments are:

Section 1203(d)(1): "Making substantial investment of its resources for dismantling or destroying its weapons of mass destruction. . . ." Russia is dismantling nuclear warheads on its own, but is replacing many with modern ones. The U.S. agreed to pay for Russia to design its own $15 million fissile material storage facility, but DoD reported, "The project has been hampered by problems with the Russians not paying their designers to meet the Russian commitment to this effort." The GAO states, "Russia is likely to place a low priority on paying the high cost of [destroying its declared 40,000 metric ton chemical weapons stockpile]."

Section 1203(d)(2): "Foregoing any military modernization program that exceeds legitimate defense requirements and foregoing the replacement of destroyed weapons of mass destruction." The CIA expects Russia to "flight test and deploy there new ballistic missiles—a road-mobile ICBM, a silo-based ICBM, and an SLBM—during this decade . . . [and] a new ballistic missile submarine after the turn of the century." The United States presents no offensive threat to the Russian Federation, and therefore the strategic modernization program is not within Russia's "legitimate defense requirements." Obsolete weapons being destroyed with the help of PL 103–160 will be replaced with modern systems. Russia maintains large covert programs to develop new generations of chemical and biological weapons.

Section 1203(d)(3): "Foregoing any use in new nuclear weapons of fissionable or other components of destroyed nuclear weapons." According to the GAO, the Administration has failed to get Russia to agree to "specific transparency measures that would help ensure that stored materials are derived from dismantled weapons, safe from unauthorized use, and not used in new weapons." Therefore, the U.S. must assume that Russia will recycle warhead components in its strategic modernization program.

Section 1203(d)(4): "Facilitating United States verification of any weapons destruction carried out under this title . . ." Russia has thrown up numerous obstacles to U.S. verification of weapons destruction, and the U.S. has no means to inspect or account for destruction of any Russian nuclear warheads. Moscow has not permitted substantial U.S. inspection of its chemical weapons program; likewise, Moscow has stonewalled on U.S. inspection of its biological weapons facilities, though Kremlin officials made a token "concession" at the May 10 summit that allows U.S. inspections of a "handful" of biological weapons facilities in three months.

Section 1203(d)(5): "Complying with all relevant arms control agreements." Russia is currently in violation of the Biological Weapons Convention, the Chemical Weapons Convention, STRT I, and the Vienna Confidence Building Measures Agreement, and may be in violation of the ABM Treaty (with S–500s).

Section 1203(d)(6): "Observing internationally recognized human rights, including the protection of minorities." The 35,000 dead in Chechnya, widespread persecution of various ethnic groups (particularly Chechens, Georgians and Azeris), renewed domestic political murders, legal and administrative mechanisms for dictatorial rule, sharp restrictions and intimidation of journalists and widespread police abuses indicate widespread human rights violations.

GAO AND U.S. EMBASSY SAY THAT MILITARY CONVERSION AID WILL HELP MODERNIZE RUSSIAN ARMED FORCES AND PROMOTE PROLIFERATION

Congress thinks American military conversion assistance to Russia is helping to put Soviet-built military plants out of the war business—thus reducing threats to the United States—and to bring them into the consumer production business, thus helping build a market economy.

The General Accounting Office (GAO) and a cable from the U.S. Embassy in Moscow report evidence to the contrary.

Rather than break up high-tech military design bureaus to make sure they will never again develop weapons, the Russian government's strategy is to channel Western aid "to a small number of key technology-rich research and design institutes," according to the July 8, 1994 cable. Most of these institutes will remain state-owned. Few are going out of the military business.

A 1995 GAO report states, "These parent companies [designated for U.S.-funded conversion aid] would still produce some defense equipment * * * raising the possibility that U.S. aid could benefit the parent defense companies if safeguards are not put in place." (GAO/NSIAD/95–7)

"Many of the companies selected for conversion will continue to produce weapons. Profits and technology from the newly privatized firms could be returned to the parent defense enterprises. Furthermore, many Russian officials remain interested in preserving a sizable defense industry to earn hard currency by exporting arms," the GAO report adds.

"Russia's * * * military leaders are anxious to learn about the management and manufacturing methods of the West," observes the embassy cable, adding. "The Russian military is attempting to regain military potency with dwindling financial resources."

To compensate for its huge personnel reductions, the Russian military is going high-tech, and needs Western aid. According to the embassy cable, "With this change, the Russian military is shifting strategies and doctrine. First, the military is deferring new production to focus on systems upgrade and research. Second, the military is shifting from military-only research to dual-use technology research that will benefit the Russian economy. Third, the Defense Ministry is seeking to guide the creation of 30 defense-industrial-financial conglomerates that would produce both military and civilian high-tech equipment. Finally, the military is broadening beyond an emphasis on weapons procurement to improve weapon maintenance, improved information processing, and better battle management."

This helps explain why hard-line Russian military leaders are so intent on expanding Nunn-Lugar funding to pay for "conversion," and why they are so supportive of the U.S. Commerce Department's efforts to promote American investment and technology transfer to such enterprises.

SIX REASONS TO RECONSIDER THE NUNN-LUGAR PROGRAM

Congress is on the verge of providing the Clinton administration with desperately needed political cover for its mishandling of the Nunn-Lugar program in the former Soviet Union. Lack of congressional oversight has permitted hard-line elements in Russia to manipulate the Clinton administration and abuse the program in ways that are not only wasteful, but harmful to American national security. Nunn-Lugar is being used mainly to destroy obsolete weapons that Moscow will replace with high-tech arms currently under development. Nunn-Lugar funds have been diverted to fund some of this development.

1. Russia is in violation of most if not all six conditions set by Congress in the original Nunn-Lugar (Cooperative Threat Reduction) legislation (PL 103–160). (For a discussion of each point, see Foreign Aid Advisory No. 5, "Russia Fails to Meet All Six Conditions to Receive Nunn-Lugar Funding," May 19, 1995.)

2. Moscow needs Nunn-Lugar funding to enable deployment of new generation ICBM. When Russia test-launched a new-generation TOPOL-M ICBM on September 5, 1995, military spokesman Ivan Safronov told Reuters that 90 of the existing 154 SS–18 ICBM silos in Russia will be convered to house the new TOPOL-M. In other words, the TOPOL-Ms cannot be deployed until Nunn-Lugar helps dismantle the obsolete SS–18s. Safronov added, "Russia hopes to replace all its outdated missiles in the coming years."

3. Russia continues clandestine production of chemical and biological weapons. Russia maintains large covert programs to develop new generations of chemical and biological weapons. Dissident chemical weapons scientist Vil Mirzayanov revealed an entire new class of binary chemical weapons under development, which Moscow refuses to acknowledge. The Clinton administration acknowledges that Russia is continuing with its substantial clandestine germ warfare program.

4. Nunn-Lugar aid has been diverted to fund development of weapons of mass destruction. The GAO released a June report that found that the International Science and Technology Center in Moscow, receiving $21 million in Nunn-Lugar aid, "raised the most concerns among the GAO investigators." The report says that the Center is "creating dual-use items" that can be used in Russian military modernization. The report adds that Nunn-Lugar pays nuclear scientists to prevent them from emigrating, but they "may spend part of their time working on Russian weapons of mass destruction." Scientists involved in ongoing nuclear weapons testing and nerve agent research received Nunn-Lugar grants, GAO said.

5. Nunn-Lugar aid may promote weapons proliferation. A 1994 GAO report raises the possibility that U.S. aid may unwittingly promote weapons proliferation: "Many of the [Russian] companies selected for conversion will continue to produce weapons. Profits and technology from the newly privatized firms could be returned to the parent defense enterprises. Furthermore, many Russian officials remain interested in preserving a sizable defense industry to earn hard currency by exporting arms."

6. Nunn-Lugar aid is helping Russian plants that continue to manufacture high-tech weapons. The 1994 GAO report states that Moscow is using Nunn-Lugar conversion funds to "reactivate dormant weapons facilities." It adds, "These [Russian] parent companies [designated for U.S.-funded conversion aid] would still produce some defense equipment . . . raising the possibility that U.S. aid could benefit the parent defense companies if safeguards are not put in place." Commerce Department publications acknowledge that related aid programs go directly to Russian military enterprises that continue to produce modern tanks, armor, military electronics, military aircraft, antiship weapons, cruise missiles, intercontinental ballistic missiles, and submarine-launched ballistic missiles, as well as anti-aircraft systems designed to shoot down American "stealth" aircraft.

WHY IS THE U.S AIDING RUSSIA'S HIGH-TECH MILITARY INDUSTRY?

Russia's high-tech military industry is the backbone of a planned large-scale modernization program that Defense Minister Pavel

Grachev says will compensate for troop reductions and compete with American firms on the international arms market.

Last week, a top Russian officer, Col. Gen. Yevgeny Maslin, lobbied senators to maintain funding for "conversion" of Russian military plants. At the same time, he defended Moscow's strategic nuclear modernization program. The CIA and DIA report that Russia is readying to test-launch a new generation silo-based ICBM, a mobile ICBM, and SLBM, and is developing a new ballistic-missile submarine to go on-line within the next decade.

The U.S. government, in trying to help Russian "reform," has been promoting and subsidizing the transfer of American technology and capable to many of Russia's most advanced military design bureaus and plants. Rather than abandoning military production for consumer products, these plants form the core of Russia's conventional and nuclear military modernization. To remain predominant in the military-industrial complex, they need Western technology and investment.

The Clinton Administration, with bipartisan congressional support, has been providing just that. The Bureau of Export Administration of the Department of Commerce, the Defense Enterprise Fund, the Nunn-Lugar Cooperative Threat Reduction Program, and other government programs and entities are promoting Russian firms that are not abandoning military production, but have merely opened civilian production lines to attract American support. The Commerce Department bulletin BISNIS Search for Partners (December 9, 1994) describes some of the firms.

"the principal designer and producer of Russian shipborne air defense missile systems"; "designs and produces sensor/guidance systems for airborne weapons"; a major producer of electronic components for space and military use"; "responsible for design and development of land-based, road-mobile solid-propellant missiles"; "global positioning system work with . . . MiG aircraft"; "developed guidance, navigation, and flight control systems for ballistic missiles"; "a leading developer of space satellite systems, sea and land-based cruise missile systems, and intercontinental ballistic missile systems"; "designs and develops tactical medium-range surface-to-air missile systems and weapons guidance systems for fighter aircraft"; "probably the world's leading producer of VHF air surveillance and surface-to-air missile target acquisition radars, which have counter-stealth features"; "a leading center for the design of launchers and ground support equipment for missiles and aircraft"; "a leader in the development and production of electronic control systems for missile complexes"; "a developer of submarine-launched ballistic missiles. . . ."

POINTS TO CONSIDER

Is Congress serving the nation by helping an increasingly hostile and unstable Russia to modernize its decaying war machine? Current policy is inadvertently exacerbating the following problems:

Strengthening the un-reformed military-industrial complex with the means to expand its political base in Russia; Proliferation of high-tech weapons to rogue regimes; Threats of a revitalized, high-tech military against Russia's neighbors; New threats to the United States, particularly through proliferation and strategic nuclear modernization.

LIST OF ARMS CONTROL AGREEMENTS RUSSIA IS CURRENTLY BREAKING

The debate about ballistic missile defense is mainly between those who place their faith in arms control agreements with Russia, and those who place their faith in U.S.-controlled defensive systems to knock out ballistic missiles fired at the United States or its allies.

The Russian parliament will demand that the U.S. comply "unconditionally" with the Anti-Ballistic Missile (ABM) treaty if Russia is to ratify START II—i.e., no ballistic missile defense. However, Moscow is systematically breaking current commitments and the U.S. is not demanding "unconditional" compliance. The following list drawn from open sources shows Russia's track record.

Biological Weapons Convention. Russia maintains a substantial covert biological weapons program in violation of the 1972 convention, according to the Arms Control and Disarmament Agency's (ACDA) recent annual report to Congress. Russian defectors and public officials, as well as the CIA, confirm the report.

Chemical weapons agreements. Russia is reported not to be complying with a 1989 bilateral chemical weapons accord with the U.S., and with the 1993 Chemical Weapons Convention. Although the Convention has not been ratified by the U.S. or Russia, both sides have come to an understanding that they will abide by it and allow mutual inspections. As of 1995, Russia continued to conceal chemical weapons facilities from U.S. inspectors.

Missile Technology Control Regime. Russia violated the 1990 Missile Technology Control Regime by seeking to sell SS–25 ICBM technology to Libya, and by successfully selling SS–25 technology to Brazil. The administration declined to impose sanctions because Russia "promised to stop."

START I. Moscow conducted a mock nuclear attack on the United States in 1993, failing to give the U.S. advance notification as required by the treaty. Russia conducted a mock SS–25 ICBM, air-launched cruise missile, and submarine-launched ballistic missile attack on the United States on June 22, 1994, but ACDA will neither confirm nor deny whether Russia gave the required advance notice. In 1995, Russia used SS–25s as space launchers without properly notifying the U.S. in advance. Questions remain about encryption of SS–19 ICBM flight tests, whose telemetry should be decipherable so the U.S. can determine the warhead load.

START II. The new ACDA annual report states that Moscow intentionally tried to conceal technical characteristics of the SS–N–20 SLBM in tests in 1991 and 1995. The administration failed to pursue the violation.

Conventional Forces in Europe (CFE) Treaty. Moscow has broken the CFE treaty by waging the war in Chechnya, and has stated its intention to violate the CFE treaty further, not only by maintaining disallowed troop and armor concentrations in the northern Caucasus, but by creating a new 58th Army to be based in Chechnya.

Agreements on transparency of fissile material storage and weapons dismantling. The July 1995 ACDA report finds that Russia is not making good on its agreements with the U.S. to make all fissile material storage facilities and weapons dismantling processes transparent to U.S. inspectors.

IN RECOGNITION OF 150 YEARS OF THE ORSON STARR HOUSE

HON. SANDER M. LEVIN
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Friday, September 29, 1995

Mr. LEVIN. Mr. Speaker, 1995 marks the 140th anniversary of what is believed to be the oldest standing home in Royal Oak, MI. On Sunday, October 8, the Woman's Historical Guild will celebrate this impressive anniversary. They will be joined by their friends from the Royal Oak History Society, the Royal Oak History Commission, and the Royal Oak Historical District Study Commission.

Orson Starr first moved to Royal Oak, MI, with his wife Rhoda Gibbs Starr, and their son, John Almon Starr, in 1831. As Mr. Starr's manufacturing business prospered, the family moved from the original log home to a house which Mr. Starr, built with such extraordinary craftsmanship, it is still standing today. The house was originally built in Greek Revival architectural style. The style is still apparent to the home today and is more commonly known as "Michigan Farmhouse" style.

Despite major changes in the 1900's, interested citizens have been successful in maintaining the home and preserving its history. The Woman's Historical Guild of Royal Oak is presently responsible for preservation of the interior of the home. Through the contributions of the Historical Guild, the city of Royal Oak, and individuals, this historic site is now open for all to see and learn from.

My thanks to all those individuals and organizations involved in the preservation of Royal Oak history, and my congratulations and best wishes on this 150th year of the Orson Starr house.

A TRIBUTE TO AJEA 2000 FOR THEIR SERVICE TO THE COMMUNITY

HON. BOBBY L. RUSH
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Friday, September 29, 1995

Mr. RUSH. Mr. Speaker, it is with great pleasure that I rise today to pay tribute to AJEA 2000, an organization in my district that has contributed greatly to the educational enrichment of the minds of our youths. AJEA 2000 is a network of four innercity Catholic schools in Chicago who raise funds to support tuition and other educational costs for financial disadvantaged children. These schools have worked successfully for decades within Chicago's neighborhoods to produce well educated young people who have become leaders in our city and beyond.

The four participating schools, St. Ambrose, St. Elizabeth, St. James, and Holy Angels, have one of the best records of student retention, graduation, and academic achievement in the city. By providing scholarships and other award grants to students, many otherwise disadvantaged children have the opportunity that every American deserves—and that is the opportunity for the best education possible.

Mr. Speaker, please let the record show that I am proclaiming Saturday, October 7, 1995, "AJEA 2000 Day" in Chicago in honor of the more than 2,000 financially disadvantaged children they have helped. AJEA 2000's commitment to further the education and lives of young people is one that should be commended. It is an honor and a privilege to enter these words into the RECORD.

MEDICARE REFORM

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 29, 1995

Mr. PACKARD. Mr. Speaker, the Clinton administration's trustee's report warns the Medicare Trust Fund starts to go broke next year and the entire program will go bankrupt in 7 years.

America's elderly and future generations are at risk. If the fund goes bankrupt, the law says the government will make no hospital or other trust-paid health services available. We can save Medicare by using new approaches, new management, and new technologies.

Medicare and Medicaid are Government-run health care programs filled with fraud and waste—roughly $44 billion each year. Currently, Medicare spends more than twice the amount of the private sector and in 1994 costs rose 11 percent. The plan we propose will allow for increased Medicare spending, but at a slower rate. If spending increases 6 percent instead of 10 percent as Clinton proposes, the trust fund will be solvent.

We need to create a system that offers the best care at the lowest costs. We can save Medicare and improve it, and give seniors the greatest control over their own health care.

If we don't act, our 32 million seniors, 4 million disabled, and our future generations will be the ones in jeopardy.

CENTENNIAL CELEBRATION OF ST. MARY'S HOSPITAL

HON. WILLIAM J. MARTINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, September 29, 1995

Mr. MARTINI. Mr. Speaker, I rise today in honor and recognition of the centennial celebration of St. Mary's Hospital in Passaic, NJ.

The celebration began Sunday, August 13, 1995, and events continued throughout the week. St. Mary's is dear to me not only because I was born there, but also because it is a beacon for the community. Advanced medical specialists and eternal charity have come to characterize this establishment. For 100 years St. Mary's has served the people of Passaic County; its longevity is a testament to its success. I have no doubt that generations to come will be the beneficiaries of St. Mary's loyal service.

In 1895, St. Mary's opened her doors to the public in the old St. Nicholas Young Men's Parish Center as a 20–bed emergency hospital. Sponsored and staffed by the Sisters of Charity of St. Elizabeth, St. Mary's Hospital continues, "the healing mission of Jesus by responding to the changing health care needs of the communities we serve." The mission statement and goal of the Sisters of Charity is embodied by the staff of St. Mary's and illustrated every day through their gentle care and kind hearts.

St. Mary's Hospital remains a leader in the development and implementation of innovative medical procedures. The hospital's vision and altruism does not end there; St. Mary's continues to help those members of the community burdened by poverty. Their humanism is further illustrated through the practice of giving each patient one-on-one personal attention, thereby ensuring a comfortable and thorough diagnosis of their ailment.

Through dedication and love St. Mary's Hospital has healed millions of lives both spiritually and medically. By opening their doors to those who cannot afford the medical attention they deserve, the hospital provides a service rarely seen in this day and age. This reiterates their loyalty to their mission which began 100 years ago.

The centennial of this outstanding hospital demonstrates the exceptional dedication of a staff devoted to serving others for the betterment of their community.

DEDICATION, ACCOMPLISHMENT, FRIENDSHIP

HON. JAMES A. BARCIA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, September 29, 1995

Mr. BARCIA. Mr. Speaker, there are moments in life that are a mixture of joy and sadness, and many of us who care about Saginaw Valley State University, are about to experience such a time with the retirement of Charles B. Curtiss. For the past 32 years, this man has been a member of the university's governing board, and on Monday, October 2, he is being honored for his years of service following retirement from the SVSU Board of Control.

Charles Curtiss is certainly dedicated. He served as the chairman of a local committee that led to the establishment of Saginaw Valley State University. His 32 years of service is the longest length anyone has ever served at a public institution of higher learning in Michigan. His motivation on behalf of SVSU specifically and higher education generally, has been inspirational to many who have come after him and will continue to serve as a model for years to come.

He has had many accomplishments. Besides helping to create a university, he is most active with fund raising to help keep it strong. He has greatly contributed to the raising of millions of dollars during his tenure. He designed the management formula for the university to make sure that it kept its focus by effectively establishing one program before moving on to another.

Perhaps most importantly, Charles Curtiss is a good friend, and has made many. I was privileged to work with him during my days as a student at SVSU, as a student body president. Our friendship developed quickly and early, and has grown over the years. Charles' appointment and reappointments to the SVSU board by both Republican and Democratic Governors, including George Romney, William Milliken, and James Blanchard, clearly demonstrating his ability to make people of different persuasions understand his effectiveness at leadership.

At the coming event, Charles will be honored by having the Business and Professional Development Building of the West Complex of Saginaw Valley State named as "Charles B. Curtiss Hall." This is a fitting tribute for a man who has given of himself over the years, and has left a mark that will be most difficult to match.

Mr. Speaker, we need dedicated leaders who make true accomplishments while conducting themselves in a friendly and respectable manner. We need people like Charles Curtiss. That is precisely why I said earlier that this moment is a mixture of joy and sadness. We have joy because we appreciate all that Charles has done, and we wish him well. We are sad because we will miss him, and we know that someone like him is so hard to find.

I urge you, Mr. Speaker, and all of our colleagues to join me in thanking Charles B. Curtiss for his years of dedication, accomplishment, and friendship, and wish him well for the new challenges he is certain to undertake.

REMARKS OF CONGRESSMAN NICK SMITH AT A.B. LAFFER, V.A. CANTO AND ASSOCIATES 36TH WASHINGTON CONFERENCE

HON. NICK SMITH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, September 29, 1995

Mr. SMITH of Michigan. Mr. Speaker, I would like to submit for the RECORD my speech I made this morning at the A.B. Laffer, V.A. Canto and Associates 36th Washington Conference.

There are two points I wish to make. First, that a failure to increase the debt ceiling, even for a prolonged period, will not result in a default. Second, the Federal debt has become a burden on everyone in our society and congressional fortitude in balancing our budget would result in lower interest rates.

Since the Second Liberty Bond Act was passed in 1917, Congress has set an overall dollar ceiling on the amount of debt the Treasury can issue. Prior to the act, Congress voted on each debt issuance. The limit applies to nearly all debt of the Federal Government, including nonmarketable securities issued to trust funds. Periodically the debt reaches the ceiling and Congress is faced with the question of whether to increase the limit. Since 1940 Congress has responded with an increase 77 times. In October of this year, the debt ceiling will again be reached and this will be the leverage that my colleagues and I will use to ensure the American people get a balanced Federal budget for the first time since 1969.

The Secretary of Treasury and the President have called for separating the increase in the debt ceiling from the budget. However, there exists substantial precedent for using the debt ceiling to affect legislation, particularly on budget issues. There were prolonged interruptions in the debt ceiling associated with the debate over the Balanced Budget and Emergency Deficit Control Act—Gramm-Rudman-Hollings—in 1985. The debt ceiling vote was withheld, and the Treasury began underinvesting trust funds in early September of 1985 and by November of 1985 actively disinvested trust funds in order to make payments. A permanent increase in the debt ceiling to $2.0787 trillion was enacted on December 12, 1985.

The 1990 budget was resolved during six temporary increases in the debt ceiling between August 9 and a permanent increase on November 5. During this session the Treasury primarily used the postponement of auctions to manage the cash flow.

The Congressional Budget Office, as of yesterday, estimates the debt limit will be reached sometime at the end of October. Treasury's first potential cash management problem could occur November 3. At this point, Social Security payments must go out. During the first week of November, these payments, along with other retirement and disability payments, will reduce Treasury's cash by about $37 billion. The next hurdle will be on November 15, when interest payments of approximately $25 billion are due. Overcoming this hurdle will require clever cash management on Treasury's part.

Some have argued that failure to raise the debt ceiling will result in a "train wreck" which will cause Treasury to default and forever harm the credit of the United States. This need not be true. Treasury Secretary Rubin has told me, both in a letter and in personal conversation, that in the case of reaching the debt ceiling Government obligations would be paid on a first-in-first-out basis. I have introduced H.R. 2098, which would alter this. H.R. 2098 provides that, in the case the Treasury is unable to borrow on a timely basis due to the debt ceiling being reached, the Secretary of the Treasury has authority to follow a priority of payment as established by the President. This will ensure that vital payments will be made as the cash flow is managed in order to preserve the soundness of the existing debt obligations.

In every month that Treasury is likely to be at the debt limit, there is sufficient cash to make all interest payments, Social Security payments, Medicare payments, and other essential payments. Nonessential payments might have to be delayed, but there is no question that interest and principal on Government obligations would be paid.

Moving to my second point, some have argued that it would be irresponsible to not increase the debt limit, even if we do not get a balanced budget agreement, because the financial markets will be so shaken by the possibility of a delay in payments that interest rates will skyrocket. However, it is high long-term real rates that are putting a drag on the economy. A firm commitment by the Congress to balance the budget, to the point of willingness to risk short-term rate increases, could easily flatten the yield curve and shift it down, in other words, lower long-term rates.

Government borrowing consumes massive amounts of America's financial capital. The outstanding debt subject to limit stands at $4.86 trillion. To put this in perspective, $4.86 trillion if stacked in $1,000 bills would reach more than 300 miles into space. The effect of such a debt reaches beyond the obvious effect on interest rates, it places a burden on those who will follow us in shaping this great Nation of ours. Each child born in our country today, during their lifetime, will pay approximately $187,000 in taxes just to pay their share of the interest on the national debt. That doesn't include paying off one penny of the principal. Boston University economist Laurence Kotlikoff forecasts that, if Federal spending continues at its current rate, a child born today could have up to 84 percent of his income consumed by taxes. In 17 years, if we continue on the current path, all tax revenue will be consumed by entitlements and interest payments on this enormous debt.

Balancing the budget will take several hundred billion dollars out of the demand for loanable funds. The reduction in Treasury demand is part of the reason Chairman Greenspan and others are predicting such a decline in rates. But rates could drop prior to the actual balancing if Congress takes a firm enough position on the issue. Thus, I predict failure to raise the debt ceiling in order to force a balanced budget by 2002 will cause a decline in long-term rates and possibly even short-term rates, given the term structure of U.S. debt.

Nobel Laureate Milton Friedman was espousing his crowding out hypothesis some 30 years ago. He was correct. Government spending will crowd out private investment. Another Nobel Laureate, James Buchanan, and his colleague, Richard Wagner, warned us almost 20 years ago that an unconstrained Federal deficit would lead to high interest rates and eventually high inflation as the Fed is forced to monetize the debt. In addition, we have seen, over the last 15 years, a massive rise in our trade imbalance. The latter is in good part due to our huge Government borrowing, resulting in foreign countries lending us money instead of buying our goods. It is time that we put a stop to this. We cannot sustain a Leviathan government and retain economic growth and our personal freedom.

What Thomas Jefferson wrote in a letter to Samuel Kercheval in 1816 should be the motto for the debt limit coalition as pressure mounts to compromise: "And to preserve their independence, we must not let our leaders load us with perpetual debt. We must make our election between economy and liberty, or profusion and servitude."

CELEBRATING THE 100TH ANNIVERSARY OF THE BOROUGH OF EAST NEWARK

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, September 29, 1995

Mr. MENENDEZ. Mr. Speaker, I rise today to recognize the Borough of East Newark, which is celebrating its 100th anniversary this year. Although East Newark is small in size, the residents are known for their big hearts.

Once a part of Kearny, East Newark broke away in the spring of 1895 to become an independent borough. The vote was cast for incorporation on July 2, 1895, and the new borough, just 64 acres in area, became the smallest community in the State of New Jersey.

Two of the early industries in East Newark were the Clark Thread Co. and the Clark Mile End Spool Cotton Co., the largest thread mills in the United States at the time. The companies became Englehard Industries in the early 1930s. The area is now home to the East Newark Industrial Center, which houses over 80 corporations in the garment industry.

With its industries in place, East Newark began to build its community. The East Newark Volunteer Fire Department was organized in October 1895, and the East Newark Police Department was established a month later. Today, both are still in place, 100 years after they were first established to provide for the protection of life and property. East Newark's first public school was built in 1896, and still serves children from kindergarten to eighth grade.

The first church established in the borough was St. Anthony's Roman Catholic Church, the congregation originally founded in 1901 by Italians who moved from West Hoboken. While the original church was destroyed by fire in 1935, it was soon rebuilt and still serves the community today at the same site on Second Street.

In many ways, East Newark's history continues to influence the present. Current Mayor Joseph R. Smith is a descendant of John C. Smith, one of the original petitioners in the effort to establish the borough. I would like to salute Mayor Smith, Council President Walter Roman, Councilman Hans Peter Lucas, Councilman William Lupkovich, Councilman Frank Madalena, Councilman Robert Rowe, and Councilman Charles Tighe for continuing a tradition of excellence in community service.

While the past century has seen monumental changes in the face of the community, East Newark remains an example of smalltown pride and big-spirited determination. With a population of only 2,200, East Newark proves that you do not have to be big in size to make a big contribution. Please join me today in celebrating the 100th anniversary of this little metropolis, which continues to forge its own path on the road to a new century.

THE 50TH ANNIVERSARY OF THE CLINTON TOWNSHIP DEPARTMENT OF FIRE/RESCUE

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, September 29, 1995

Mr. BONIOR. Mr. Speaker, I rise today to observe the 50th anniversary of the Clinton Township Department of Fire/Rescue. The event is being commemorated this evening, September 29, 1995, during a dinner and dance at the Fern Hill Country Club in Clinton Township, MI.

In July 1944, the Township Board of Trustees asked the citizens of the township if they would authorize $10,000 to purchase equipment and staff a fire department. In November, a bid was accepted for the purchase of a fire truck and by May 1945, Mr. Andrew Rushford was hired as the head of the volunteer fire department.

Fifty years later, the department has grown to 79 highly trained and professional personnel. Since the single engine volunteer days of 1945, the Clinton Township firefighters have come a long way. Annually, members receive over 13,000 contact hours of training. They respond to over 4,000 calls a year. They have one of the best hazardous materials response teams in the State and the Fire Marshall Division investigates the cause of every fire in the township.

We are truly fortunate to have people committed to serving their communities as firefighters. They stand ready to assist people 24 hours a day, regardless of the conditions or how difficult the situation may be. These men and women often face tasks that must be done during the worst moments of other people's lives. Fires, accidents, medical emergencies—regardless of the circumstances, firefighters can be counted on to do their best. The job is one in which we hope that the skills possessed are never used. However, as we all know, when these skills are required, we are grateful for those who have them.

The members of the Clinton Township Department of Fire/Rescue have seen many changes in their community. Largely rural in 1945, Clinton Township has grown to become a populated suburban community. Major highways traverse the city, including Interstate I-94. Despite these changes, the department remains committed to serving the public, not only Clinton Township residents, but often travelers on these many roads who may be residents of other cities, States, and even countries. I believe that one of the most inspiring qualities of firefighters is that their mission is to save all lives, whether the person is young or old, rich or poor. When most are panicked and fleeing a crisis, they are going in and often risking their own lives in the process. The members of the Clinton Township Department of Fire/Rescue are no exception and on behalf of everyone who has ever needed their services, I thank them for their devotion to duty.

I ask that my colleagues join me in offering heartfelt congratulations to the members of the Clinton Township Department of Fire/Rescue for 50 years of outstanding service. I know that they will continue to serve the public with pride, dedication, and professionalism.

WORLD WAR II COMMEMORATIVE COMMUNITY CEREMONY

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, September 29, 1995

Ms. KAPTUR. Mr. Speaker, on August 26 the citizens of Toledo held a ceremony in commemoration of World War II. I was privileged to participate in that ceremony to honor the 70 million strong allied nations who achieved that victory. We honored in particular the 405,000 Americans who gave their lives in that struggle, our 671,000 wounded, and the 16 million who served abroad and on the home front. It was a moving ceremony, Mr. Speaker, and I ask that the remarks of the participants be included here in the CONGRESSIONAL RECORD:

WORLD WAR II COMMEMORATIVE COMMUNITY CEREMONY

We are here today as free citizens, as the heirs of true patriots. It is especially fitting to commemorate together this 50th anniversary of Allied victory in World War II, and that we publicly pay tribute to the 400,000 dead Americans, 671,000 wounded, the 16 million who served in that war, and the over 70 million Allies who united in a struggle for freedom.

I am pleased to tell you that the final site selection for our nation's World War II Memorial to be located in Washington, DC will be made by the first of October. Ground for the Memorial will be broken on November 4, 1995, a dedication which will kick off a week of celebrations and remembrance—of allied victory in Europe, in the Pacific, and in North Africa and the Mediterranean.

The soon-to-be-built World War II Memorial in our Nation's Capital, which took five years of hard work to gain passage through Congress, will serve as a permanent memorial to the veterans of that war which preserved liberty in this generation. The memorial will also stand in tribute to the home-front families and civilians who served this nation in myriad ways. It is a memorial to the men who captained neighborhood drilling in blackouts, to "Rosie the Riveter", to all of the men and women who kept our country running while so many others were overseas, to everyone who bought a War Bond, who planted a Victory Garden, who carefully utilized ration cards for gasoline and food. And it is a memorial to our nation's truest legacy: the children born after the war, and their children, and their children, and on into the 21st century.

In one way or another America will always be fighting against some form of tyranny, and for the rights of men and women to live in freedom and with dignity. We are reminded of the lofty words in America the Beautiful, "those heroes proved in liberating strife who more than self their country loved, and mercy and sacrifice more than life." We are reminded of how great our debt is to those who went before, and what a real responsibility it is to measure up to them, to plan and work for our secure and free future, and that of our children.

During this second half of the twentieth century, our country led the world into the nuclear age and tamed its awesome power. Our nation built the Hoover Dam and harnessed the powers of the oceans and the waters. Ours is still the finest health care system in the world even with its shortcomings. Social Security gives our senior citizens dignity in retirement. In the last 50 years, America lifted half of the nation out of poverty and built a middle class.

The Statue of Liberty, Mother of Exiles, boldly remains a beacon of hope to the world's dreamers seeking sanctuary on our golden shores. She observes us today as the sons and daughters of those who faced a darkened world, with tyranny triumphant, and beat back the global forces of darkness to enshrine the rule of law. Our forbearers preserved the inalienable rights of each person and enlarged freedom for the majority. They forged an industrial and agricultural giant, prosperous and democratic, unknown in all the history of humankind. In things great and small, they affirmed again and again their fighting faith that tomorrow would be better than today, that they could make it so.

We, the children of freedom, must rededicate ourselves to bettering America and charting a new course for a new century.

We must infuse the spirit of America—our liberty and our nationhood—with a renewed optimism such as Carl Sandberg captured when he eloquently penned, "I see America, not in the setting sun of a black night . . . I see America in the crimson light of a rising sun, fresh from the burning, creative hand of God. I see great days ahead, great days possible to men and women of will and vision. . . ."

In remembrance of those years of World War II and in recognition of all that has passed in the 50 years that followed the peace of the Spring and Fall of 1945, I am honored to present to Lucas County Commission President Sandy Isenberg this award, conferred by the President of the United States and the U.S. Department of Defense, designating Lucas County, Ohio as a World War II Commemorative Community.

REMARKS BY REV. GEORGE M. RINKOWSKI AT WORLD WAR II COMMEMORATIVE COMMUNITY CEREMONY

To all assembled here, today, and to the whole Nation! A Benediction is a blessing. We, the United States of America, have been wonderfully blessed during the course of our history. But, we have been a blessings to the world at large and to many nations individually. As we commemorate the end of World War II, we must keep in mind our prisoners of war and our missing in action, are comrades. We must not forget the sacrifices these comrades are still making and the suffering they are still suffering for us and our way of life. They must remain alive in our minds and our hearts. Their families continue to suffer along with them.

We are "One Nation Under God" Indivisible, with Liberty and Justice for all. These ten words of our pledge of allegiance to the flag of our country summarize the Declaration of Independence made by fathers of our land. We are commemorating with thanksgiving the many sacrifices of our Army, Navy, Air Force, Marines and Coast Guard who brought liberty and justice to those many nations enslaved by the powers of darkness and the evils of aggression.

In the history of the world there has never been a nation that conquered and rehabilitated both the freed nations and the aggressor war-mongers. We did good to those who had done so much evil. And we bettered the lives of those who had been overcome by intruders.

Fifty years and in every year since then we have been a blessing to the world. The principles of government which we established a few centuries ago have become the force for good to many nations and a good example to many more.

As we remember with thanksgiving the great work of the sixteen million members of our Armed Forces who served as a bulwark against evil aggressors, we want to commemorate the millions of our fellow citizens who worked and supported our fighting forces. The agony and suspense of those at home cannot be calculated. We send prayers to God to reward them for their goodness.

Thanks be to God!! And God Bless America!

A CHINA-BURMA-INDIA THEATER AND PACIFIC THEATER VETERAN WORLD WAR II

(By Earl W. Hoffsis)

Over 53 years ago I served half way around the world from Toledo, the place of my birth.

After a lengthy, 94 day trip from Newport News, VA, I arrived in India, the mysterious East. In the China-Burma-India Theater of war, a land area comprising the largest theater of the war, the majority of the 325,000 manpower were in support of the Army Air Force. My unit, XX Bomber command had the task of preparing and utilizing the newly manufactured Superfort the B–29 to shorten the war in the far east. The CBI theater was last in all supplies, men and equipment as the war was getting hot in the European theater with invasion at Normandy imminent.

In this land of the famous Flying Tigers and Merrill's Marauders and the Mars Task Force, a great deal of the making of the initial airfields was by hand labor with hundreds of Indian and Chinese pulling huge rollers to get the fields in shape for the biggest bomber of the war.

Since supplies were scarce as was the means of getting them to the forward bases, the ATC and Bomb Groups were also put into action to get the gas, bombs, food, clothing and food over the Hump into China. Due to the extreme altitude and many sudden breaking storms, many planes were lost between India and Kunming, China. The route became known as the "Aluminum Trail" due to the many C47's and crews sacrificed through storms, enemy action or accident.

The 4 engine bombers, B–24's and B–29's flew some of the longest missions of World War II, some in excess of 3200 miles, where mines were laid in harbors in the Singapore and Rangoon area.

The Burma, China terrain was some of the roughest of the war. At times, trails were only wide enough for men and their mules, such as those of the 612th and 613th Field Artillery. Few if any jeeps could make the grade or path width. Some of the diseases of the area accounted for many of the casualties of the CBI.

Shortly after seeing the Stars and Stripes at half mast in memory of our fallen leader, President Franklin Roosevelt, the XXth Bomber Command was shipped to Tinian Island, where along with the XXIst Bomber Command located on Tinian, Saipan and Guam were better able to complete their bombing missions in the Tokyo area. The round trip time was 12 to 14 hours.

The gallant Marines, Army and Navy had cleared the Marianas, Okinawa and Iwo Jima with a heavy toll of life. Many heavy bombers were saved by the islands of Okinawa and Iwo Jima being under American Control. In all it reported that over 8,000 airmen were saved from ditching in the Pacific, over enemy territory and with damaged planes through their making emergency landings on Iwo Jima or Okinawa.

It was from Tinian, a short distance from our base that the Enola Gay made its flight into history. This date just 50 years ago this past August 14 will be known forever as V–J day to all veterans of the China-Burma-India and Asiatic theaters.

For us old veteran, historians cannot change the events as etched permanently in our memory.

LETTER TO MARCY KAPTUR

VETERANS MEMORIAL,
Toledo, Ohio, August 26, 1995.

As a Nation, and as a people, we are always available to celebrate war. Flesh against flesh—blood against blood—and—steel against steel. We mark with pride the winning of war, but without ego centered on victory. Equally we turn out collective back on war, if there is no winner.

Turn back to the end of the war in Korea. Remember . . . that February day when Vietnam released and returned prisoners. Was it victory when Gerry Denton stepped off the plane and held Jane in his arms for the first time in over seven years? It was for Denton, but not for America. We celebrate victory, perhaps, because we have never learned to celebrate peace.

When I came home to Tucson after my time in the service of my country, my road was—perhaps, different from yours, and yours, not because I am a woman, because no sooner was the ink on my separation papers dry—then I was, along with so many other women, lost in the bright light of victory in Asia and in Europe.

My return raised more eyebrows than salutes. The question of patriotism lost in the questions. A widow at 20, a reason, perhaps. A call to do what was needed to be done, a need to compete, anything you can do—I can do better. Or was it a legacy of generations of soldiers and sailors, a bloodline an Uncle in South Africa and winning the Victoria Cross, dead in the battle of the Marne in France. Cousins in the battle of Normandy and in the landings in the Pacific. A brother in the North Atlantic on the run to Murmansk (sp) in Russia. Are my genes less willing? Wiling to take the oath. Any less willing to work for victory? Parades? Celebrations! And perhaps—thanks for the peace.

But no parades, no thanks, only the challenge that comes from the feeling—as soon as I took off that uniform, put my wings in a drawer and visited my mother's grave, that I was overcome by the feelings, my service had stepped into the glare of challenge, and somehow, never cast a shadow.

Like many other women who answered the call, heard the challenge, we marched home to the sound of muffled drums, and vanished. Over the past few years the drums have picked up the beat, was it Desert Storm? Or was it the women, in gun ships, on bomb runs, or was it the shadow of the women in the 1940s who hit the flight lines running, who heard the call.

Was it my cousin who—as a nurse—lead the children into safe haven from the bombing in Liverpool, or was my cousin who commanded an ack ack battery near Dover and who met the ragged convoy coming from France and to find her badly burned brother in those wounded.

My challenge to myself, and to you, today, will be to pledge to volunteer for peace. To extend that hand that covers your heart and reach out to help. Help the fallen and the falling. To steady the step of those who have lost the way. Take the time to share—time—with those who have only the memory of other times. To wage a war for peace!

Hear again the call to volunteer, when you raise your right hand to pledge your life, your energy, your compassion to win the peace.

As veterans we share a common thread of willingness to be counted. Our Nation is calling on you again to be counted. Get out of the back row and step up front. Into the front lines—get the facts. Get the ammo of involvement, and get off your fences and fight for the right to be an American. A nation that shows the way with people, not with the gold of treasury, the strength of industry, but a people who are celebrating peace; hearing and healing.

I am proud of my American birth, I must also thank the warriors my family gave me in my heritage. A heritage I pledged for war and continue to pledge—again—for peace.

My husband, of only four weeks, name is on this monument. I honor his name and will not forget his sacrifice.

LOIS M. NELSON,
Women Airforce Service Pilot, WWII.

DEDUCTIBILITY FOR THE COST OF PROVIDING MEALS TO EMPLOYEES OF SEAFOOD PROCESSORS OPERATING IN REMOTE LOCATIONS OF ALASKA

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 29, 1995

Mr. YOUNG of Alaska. Mr. Speaker, I rise to introduce a bill to restore 100 percent deductibility for meals which seafood processing companies are compelled to provide to their employees at processing operations located in remote areas of Alaska. This legislation is necessary because the limitations on the deductibility of business meals and entertainment enacted in 1986 and 1993 have inadvertently reduced the deductibility of these employer provided meals to only 50 percent. The consequence has been that these companies, most of which are small businesses, are forced to pay hundreds of thousands of dollars in additional taxes simply because they must provide meals to their employees at remote locales where there are no other meal options.

This legislation would conform the treatment of seafood processors under the Internal Revenue Code with the treatment of other employers—such as operators of commercial vessels and oil and gas rigs—who must provide meals to their employees because the employees do not have another practical alternative to obtaining their meals. Under current law, these employers, because they must provide meals to their employees, are permitted to deduct the full cost of such meals as an ordinary and necessary business expense. The bill I am introducing would provide the same treatment for seafood processors in Alaska.

The seafood processing industry in Alaska is primarily located in remote coastal areas of the State, almost all along the Aleutian chain of islands. Most of these facilities operate on a seasonal basis from spring through fall, and must fly their workers in for temporary periods. The processing plants are located near very small towns and native villages. In some cases the processing plant is the only human activity in the area. Because of this isolation and lack of infrastructure the firms which operate in the areas have no choice but to provide all meals consumed by their employees. In fact, these operations are so isolated that the employers must also provide all housing, recreation, transportation and medical services.

There would be only about 40 firms which fall into the category covered by our legislation. Most employ under 100 people, although some are larger operations with hundreds of workers. But in all cases it must be emphasized that the employer is the only source of food and shelter for the employees and that the plants are located in very remote areas. In many cases there are no other settlements, and, indeed, no other human activity for many miles around. A final significant impact of the industry on our Nation comes from its role as a source of export revenue. Over 50 percent of the export earnings generated by the seafood industry nationwide originates in the Pacific Northwest and Alaska. After years of suffering from huge trade deficits it is encouraging to see that our region of the country is making a positive contribution to our balance of payments.

The changes to the tax laws in 1986 and 1993 which reduced the deductibility of business meal and entertainment expenses from 100 percent to 80 percent and then to 50 percent were justified as an appropriate limitation on a discretionary business expense with a significant personal consumption element. The decision was made that good public policy required changing the tax code so that the public was no longer helping defray the cost for business organizations to entertain clients and other business associates.

However, Congress recognized that where the employer must as a practical or legal matter provide meals to employees—that it, where the employees do not really have the option of providing meals for themselves—that such a mandatory cost of business should continue to be fully deductible to the business. Under current law, employers of crew members on certain commercial vessels and employers of certain oil and gas workers, who provide meals to their employees when those employees have no real alternative means of obtaining food are permitted to deduct the full cost of providing the meals. The same precise situation applies to seafood processors in Alaska and they should be governed by the same rule. Their workers cannot go to a restaurant, they cannot go home and they cannot bring meals with them to work since they live in bunkhouses and do not have access to grocery stores.

The companies which are covered by this amendment have paid the Federal treasury millions of dollars in taxes since 1986. These tax payments are both unintended and unfair. In attempting to correct the abuse of the three martini lunch Congress certainly did not intend to burden legitimate businesses which are providing meals to their employees in cases where those employees have no other source of food.

ITALIAN-AMERICAN HERITAGE

HON. WILLIAM J. MARTINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, September 29, 1995

Mr. MARTINI. Mr. Speaker, I rise today in honor and recognition of Columbus Day and in celebration of Italian-American heritage.

In 1492, Christopher Columbus, a brave and noble explorer landed in a vast and foreign land full of promise. His courage and desire for success made him a hero to his people and a leader among men.

Today, centuries later, we recognize this historic day to pay tribute to Christopher Columbus and all Americans who boldly strive for success in their communities. By making the most out of Columbus's discovery every day the American people have distinguished themselves as an exceptional Nation.

Columbus Day celebrates our proud and united people and recognizes in particular the unique Italian-American experience. With strong leadership and eternal pride, Italian-American communities distinguish themselves through a strong sense of family and dedication to their youth.

Through the work of such groups as UNICO National, an organization committed to support youth programs, community development and other charitable societies, children and adults in the Italian-American community view the achievements of past leaders and understand what actions epitomize role models. Without the unceasing efforts of an exceptional staff, UNICO National would not enjoy the success and prestige that have come to characterize the organization.

In honor of their dedication to the growth and development of their communities and the United States as a whole, one day a year is devoted to acknowledging the contributions and achievements of Italian-Americans. Happy Columbus Day to my fellow Italian-Americans as they celebrate our patriotic heritage.

OTA: DEFENSE AGAINST THE DUMB

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 29, 1995

Mr. BROWN of California. Mr. Speaker, today marks the last day of existence for the Congressional Office of Technology Assessment [OTA]. For 23 years OTA has served the American public by giving invaluable guidance and analysis on the dizzying array of technological advances we face in modern society. In its ignorance, Congress has voted to end this institution. It will be missed.

In recent months, I have seen a lot of mindless things being done in the American public's name. First we saw science-based regulatory decisionmaking being used as a slogan for the process of gutting Federal health and safety regulations. Then we have witnessed the slashing of research budgets designed to provide the science upon which these decisions were to be based. Across government, research and development budgets have been cut in order to pay for tax cuts that we don't need.

This mindless approach to government substitutes public relations gimmicks for policy, trying to palm off as reforms simplistic proposals to sell House office buildings, dissolve cabinet agencies, and end daily ice deliveries to House offices. The unfortunate irony of this process is that the victim of this irrationality has been an agency set up to make the legislative process more rational: OTA.

I was serving in Congress in the mid-1960's when we first discussed the need for OTA. In what seems like the dark ages, before e-mail, genetic engineering, flip phones, and dozens of other technologies that have changed our lives, we were concerned that the rush of technological advance would overwhelm our ability to make rational political judgments. We looked over the various congressional support agencies and did not find the kind of scientific and technological expertise needed to address the challenge. So, we created OTA, an agency that has served Congress well in the intervening years.

In recent months we have heard many criticisms of OTA, as those intent upon issuing press releases on the downsizing of government focused upon that agency's elimination. Some said that OTA studies took too long. But the OTA was established to provide comprehensive, balanced analysis of complex questions. It looked at the technology, at its social and economic impacts, and then made a range of recommendations for congressional action. That process takes a long time. For those with short attention spans, those who fear factual information because their minds are already made up, and those who never get past the executive summary of "shake and bake" boiler-plate policy reviews, OTA probably takes too long. For those of us who take our elective responsibilities seriously, careful analysis is a necessity.

Some critics have maintained that other congressional support agencies could accomplish the same task. That was not the case in 1972 and is even less true today. None of the support agencies have the expertise that OTA had on science and technology issues. None of these agencies employ the use of a balanced panel of outside experts and stakeholders to review the issue under examination. None of these agencies have a bipartisan, bicameral governing body to insure neutrality and independence. None of these agencies have a science advisory panel composed of world-class science and technology leaders. Each of these agencies have expertise and produce competent studies, but none can produce the high-quality in-depth studies for which OTA has become internationally known.

And I disagree with those who say that the executive branch, or the National Academy of Sciences, or some department of science could provide this information. These are not congressional agencies. They cannot tailor information to the unique needs of the legislative branch. And, as we determined when we first looked at this issue in the 1960's, we did not want the legislative held captive to information produced by the executive branch, without regard to which party is in the White House.

Mr. Speaker, as someone who was around at the birth of this agency, it saddens me to be present at its death. It saddens me to see dedicated public servants turned out of jobs that they performed with outstanding competence, even up until the final hours today. Each of us owes a debt of gratitude to those people and each of us has a responsibility to help them make the transition to another position. For those of my colleagues who are unaware, these people cannot use the Ramspeck provisions to move into civil service jobs. In fact they do not even have active civil service status. We have treated these people poorly and they deserve much better.

Let me conclude with an observation made by a former OTA employee who stated OTA's task as being to create for Congress a "defense against the dumb." It is shameful that in the end, OTA was defenseless against a very dumb decision by Congress.

IN CELEBRATION OF THE LIFE OF CLEVELAND L. ROBINSON

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, September 29, 1995

Mr. RANGEL. Mr. Speaker, I rise to pay tribute to Cleveland L. Robinson, distinguished leader of the trade union movement and fighter for economic and civil rights. Indeed, he spent his life working for the poor and for those who have the least. Mr. Robinson's life is a great example of leadership for the new generation. Mr. Robinson passed away on August 23, 1995, and was buried in New York. In honor of Mr. Robinson and for the edification of my colleagues. I introduce the following statement:

CLEVELAND L. ROBINSON

Cleveland Lowellyn Robinson was born December 12, 1914, in Swaby Hope, a rural parish of Manchester, in Jamaica. He worked as an assistant teacher and then as a police officer until he emigrated to the United States in 1914.

Cleve, as he was known to all, began his union career in the United States in 1946, when he successfully led an effort to unionize the Manhattan dry goods company, where he worked. He joined the staff of District 65 as an organizer in 1947, was elected vice-president of the union in 1950 and secretary-treasury in 1952, a post he held until his retirement in 1992. During the 1950s and 1960s, Cleve led the Negro Affairs Committee, supervised the union's work in the south, and led its adult literacy and vocational education programs.

During the fifties, he worked with A. Philip Randolph to found the Negro American Labor Council and become the council's president upon Randolph's retirement in 1966. Cleve was a charter member of the organization's successor, the National Coalition of Black Trade Unionists, and served as CBTU's executive vice-president until his death.

Cleve was a close friend and advisor to the late Dr. Martin Luther King, Jr. in 1963, Cleve served as the administrative chair for the great March on Washington. Cleve's work epitomized the union's philosophical and organizational commitment to civil rights that led King to describe District 65 as "the conscience of the labor movement." Cleve also served as a commissioner of the New York City Commission on Human Rights under Mayors Wagner and Lindsay. He was a life member of the NAACP since 1953, and a member of the boards of directors of the southern Christian Leadership Conference and the Martin Luther King, Jr., Center for Non-Violent Social Change. He was a founding member of the New York State Martin Luther King, Jr. Commission, appointed by Governor Mario Cuomo as the commission's vice-chairman in 1985 and the chairman in 1993.

Cleve was also a staunch supporter of the African National Congress since the early 1960s and a close friend of the Congress of South Africa Trade Unions [COSATU]. He was a founder of the Labor Committee Against Apartheid Coordinating Council, and co-chair of the official visit of Nelson Mandela to New York in 1990.

Cleve continually maintained close ties to his native Jamaica, organizing relief efforts for hurricane victims and other support projects. The government of Jamaica bestowed upon him numerous honors, including the coveted Independence Day Award in 1992.

In 1993, Cleve was made an Honorary doctor of Humane Letters by Brooklyn College of the City University of New York.

Cleveland Robinson was an indefatigable organizer and champion of workers' economic and civil rights for over forty years. He dedicated his life's work to the realization of Dr. King's "beloved community." His work was not deterred by the loss of his eyesight to glaucoma during the 1960s. It was often said that Cleve may have lost his sight, but that he was a man of great vision.

He is survived by his beloved family, his wife of 18 years, the former Doreen McPherson; his sister, Myra Sinclair; his sons, Winston and Noel, and daughter-in-law, Lucille; his daughter, Barbara Stuart; and six grandchildren. His first wife, Susan Jenkins Robinson, passed away in 1970.

DEFEND LIFE AND OUR NATION

HON. RICHARD "DOC" HASTINGS

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Friday, September 29, 1995

Mr. HASTINGS of Washington. Mr. Speaker, let me clearly say to my fellow colleagues in the House that I strongly believe in the sanctity of life, and it is with great reluctance that I vote today for the Defense appropriations conference report. I remain concerned that the language of this conference report—which would prohibit the use of abortions at military medical facilities—will only go into affect if the Defense authorization report contains similar language. I have made it clear that the Defense authorization conference must not alter this important language.

As a member of the National Security Committee, however, I am also aware of the fact that our party has committed to revitalizing our defense, and this legislation is the key element of fulfilling that promise. Defense spending has been cut by nearly 30 percent over the past 5 years. Spending on procurement of military hardware has fallen by almost 75 percent over that same period of time. President Clinton's defense budget would slash another $7 billion out of our national security. This bill freezes spending at last year's level, giving our Armed Forces much needed resources in these uncertain times.

I understand the concerns expressed by some of my colleagues. But there is no reason to expect that sending the bill back to conference would result in strengthening the anti-abortion language already in the bill. There is, however, a very good chance that doing so could deny our young men and women in uniform funds which are essential to their safety, their training, and to the equipment which they must have to do their job.

This is a difficult vote. But I have decided that I must vote in favor of a strong national defense today, and continue to work to protect our unborn in the days, weeks, and months ahead.

Finally, Mr. Speaker, I urge those members who serve on the Department of Defense authorization conference committee—which is meeting this week—to retain language which will defend innocent life and provide for the vital functions of our Nation's defense at home and abroad.

INTRODUCTION OF FARMS FOR THE FUTURE ACT OF 1995

HON. SAM FARR

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 29, 1995

Mr. FARR. Mr. Speaker, today I am introducing the Farms for the Future Act of 1995. I have joined my friend Mr. GILCHREST in drafting this bill to help fix a problem that threatens the very essence of Thomas Jefferson's vision of our Republic: the family farm.

The U.S. Department of Agriculture Resource Inventory shows that the Nation is losing over 1 million acres of productive farmland each year to urban development. This represents a loss of topsoil roughly equivalent to that being saved by Federal erosion control efforts, including the Conservation Reserve Program.

The land being lost is disproportionately prime farmland with the highest productivity. In many cases, it is irreplaceable as a source of domestic fruit and vegetable production, 85 percent of which comes from counties near expanding cities.

The loss of this land threatens our Nation's long-term ability to produce abundant inexpensive food supply and compete in the global agricultural market. Moreover, keeping this land in agricultural production has additional benefits, ranging from watershed and wildlife habitat enhancement, to reducing the tax burden on communities from wasteful urban sprawl.

Since the late 1970's, States and localities have invested an estimated $650 million to protect this resource—funds that went directly into farmers' pockets in exchange for voluntarily agreeing not to develop their property. This has protected 400,000 acres of high-quality farmland, but a study by the American Farmland Trust shows that for every farmer the States can help, another six willing farmers are disappointed. Meanwhile, the Federal Government has contributed almost nothing.

This is wrong. A national problem of this magnitude deserves national attention. The State and local leaders in this effort deserve a Federal partner. And the farmers who have been turned away from State and local programs because of a lack of resources deserve Federal support to help them meet their goals.

This Federal response should be governed by two basic principles. First, Federal efforts to conserve productive farmland must protect the private property rights of farmers. Second, the Federal Government should build upon existing and future State and local farmland preservation efforts.

My bill does that by simply helping the existing State farmland conservation programs more effectively serve the farmers and other agricultural landowners who want to get the equity out of their land without contributing to urban sprawl. It would establish a matching grant program to add Federal resources to this State driven effort.

I urge my colleagues support of this legislation.

1996 DEFENSE APPROPRIATIONS CONFERENCE REPORT

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 29, 1995

Mr. VENTO. Mr. Speaker, I rise to oppose the Defense appropriations conference report for fiscal year 1996. With the severe cuts the Republican majority is making in education, environmental protection, housing programs, and in other vital needs, increasing defense spending by nearly $7 billion dollars more than the Pentagon requested is not justified.

The security of the United States cannot be provided for by simply increasing the number of planes, bombers, and submarines. Economic security, safety at work, and access to quality health care are real elements of national security. How can we say the United States is more secure with these appropriations, while Medicare is being cut; while funds are reduced for occupational safety for American workers; while educational programs are gutted?

The conference report provides for more B–2 stealth bombers, B–2's that are not part of the Pentagon's request. That's $493 million for unnecessary planes while programs to assist senior citizens are slashed. The report continues in this vein, with funding for the *Seawolf* submarine, an increase in spending on Star Wars missile defense, and billions more for other weapons and programs.

At the same time as funding spirals upward for uncalled for defense programs, the Republican majority is sacrificing funds for the United States share of U.N. peacekeeping operations and cutting United States assistance for the demilitarization of the former Soviet Union. The environment also takes a hit in this conference report. Programs to clean-up environmental contamination from past military activities and to improve current and future Defense Department environmental awareness also receive less funding. This is short-sighted and misses the aspects of security that comprise our quality of life, a quality that is linked to the environment in which we live.

Mr. Speaker, the security of the United States is not served by this conference report. We need smart people not just smart bombs! Increasing spending on weapons and programs the Pentagon did not ask for does not provide security for workers, students, children, or senior citizens. I strongly urge a "No" vote on the Defense conference report.

TRIBUTE TO SANFORD RUBENSTEIN

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, September 29, 1995

Mr. TOWNS. Mr. Speaker, I want to take this opportunity to thank Mr. Sanford Rubenstein for his work as a delegate to the 1995 White House Conference on Small Business. His contributions at the conference were helpful in formulating a small business policy agenda for the 21st Century. Mr. Rubenstein participated in vital discussions that are critical to small businesses, such as the need to access capital, regulatory reform, and pro-growth tax policies.

The recommendations of Mr. Rubenstein and his fellow delegates at the conference will serve as the basis for important new legislation which will be considered by the Congress and the President. Sandy Rubenstein's selfless work in making the 1995 White House Conference on Small Business should be recognized and commended.

COMMEMORATING 50 YEARS OF EXCELLENCE

HON. MICHAEL BILIRAKIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 29, 1995

Mr. BILIRAKIS. Mr. Speaker, I rise today to recognize and congratulate J.P. Griffin, Inc. and Griffin Service Corp. on the occasion of their 50th anniversary in business.

Their story is a vivid illustration of the promise of opportunity which is inherent to freedom. It began with a handshake. That's when Lester Olson became a one-third partner in J.P. Griffin, Inc., an appliance repair company he had joined a year earlier when the firm was launched. Leaving a secure position with a shipyard where he made $840 per month, he began his new job making the grand sum of $30 per week. But Lester and his wife Yetive knew how to combine opportunity with hard work and sacrifice.

As the company took on more and more jobs involving the installation of commercial refrigerated display cases and walk-in coolers, it became a natural transition to move into work with refrigerated shipping vessels, and finally, air conditioning.

By the early 1950's, Floridians were turning off their fans, closing their windows, and installing central air conditioning in their homes and businesses. J.P. Griffin, Inc. was one of the leaders during this breakthrough period.

In the early 1960's, the service department was separated from the construction department, and Griffin Service Corp. was set up under the management of Ted Wade. Today, Bryan Lingerfelt manages Griffin, Inc., just as his father did for over 20 years.

No history of the development of modern Tampa would be complete without mentioning the impact of companies like J.P. Griffin, Inc. and the Griffin Service Corp. Equally as important, their community contributions have been significant throughout the years.

For these reasons, Mr. Speaker, I am pleased to congratulate Griffin Inc. and Griffin Service for 50 years of excellence.

SUPPORT HUMANE TREATMENT OF HORSES

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 29, 1995

Mr. GOODLING. Mr. Speaker, today I am introducing the "Safe Commercial Transportation of Horses for Slaughter Act of 1995." This legislation would improve the handling care and equipment requirement for the safe transportation of horses for slaughter. Similar legislation has been introduced in the Senate.

Last year, I was stunned by an article in Equidae, the National Horseman's Inc., publication, that exposed the inhumane treatment of horses transported for slaughter. Imagine injured, pregnant, and ill horses crammed into cattle cars with combative stallions and other horses to be shipped on long journeys to slaughterhouses with no dividers separating them. For those of you who are not horse enthusiasts, it's like putting a fox in a hen house. As a thoroughbred owner, I find this appalling. Many including myself, consider horses to be a part of their families like a dog or cat. Can you imagine this treatment to Fido or Fluffy? I think not.

I recently met with Kelly Young and Nancy Waite from my district and Trina Bellak of the Humane Society of the United States about this matter. On a recent trip to a horse auction in New Holland, PA, they described the horrible conditions to which these horses are subjected. One mare was found so ill, she lay trembling on the floor of a trailer. An attendant attempted to rescue it, but, unfortunately, was too late. The mare had to be put down. The tragedy is that had she not found this horse, it would have been thrown into a trailer with dozens of other horses, and most likely would have died from overcrowding.

However, what is even more repugnant is that an individual from New York, an attendant at the auction, has been convicted of violating 150 counts of New York's State law regulating horse transport. He has accumulated fines amounting to $11,000 and has yet to pay them. Meanwhile, horses continue to be transported in vehicles with ceilings too low for their height. Pregnant mares, new born foals, rambunctious stallions, and injured horses continue to be packed together, often without food or water for days.

Mr. Speaker, my legislation would give the Secretary of Agriculture the authority to ensure that protections are in place to prevent these horrendous practices that occur during the transport of horses for slaughter. This legislation makes no attempt to outlaw the slaughter industry, but rather protect horses from unnecessary pain and suffering.

This bill would require horses to be rested and provided food and water after traveling no longer than 24 hours; vehicles would be required to be in sanitary condition and provide at least 6 feet, 6 inches of headroom; provide adequate ventilation and shelter from extreme heat and cold; be of appropriate size for the number of horses transported; allow for position of horses by size, and separation of stallions; provide for veterinarians to determine if horses are able to withstand stress of transportation.

Several States have passed legislation similar to this bill. However, because this is an interstate industry, it is necessary to have a uniform Federal law. My bill has the full support of the American Horse Council, the American Horse Protection Association, and the Humane Society of the United States.

Mr. Speaker, I urge my colleagues to cosponsor this legislation which is specifically geared toward providing horses adequate protection during transportation for slaughter. I plead with all animal enthusiasts to support this bill.

TIP OF THE HAT TO A 31ST DISTRICT VOLUNTEER

HON. AMO HOUGHTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, September 29, 1995

Mr. HOUGHTON. Mr. Speaker, every so often, a member of our society goes far beyond the normal call of duty, and deserves special recognition. One of my constituents, John Van Wicklin, is such a person.

In November of 1994, John shared with me his vision of holding a weeklong summer camping program for abused and neglected children in rural Allegany County—one of the poorest counties in New York State, if not the Nation. He set up a chapter of the Royal Family Kids' Camp [RFKC], a nonprofit organization founded by Wayne Tesch of Costa Mesa, CA.

The main objectives of RFKC are to provide abused and neglected children (ages 6–12) with a safe haven from the horrors of abuse, a fun-filled week, a host of positive memories and role models, and a context of basic Christian values. His goal was to raise $11,000 to cover the costs of running the camp. Whatever he couldn't raise, he was prepared to pay out of his own pocket.

John worked directly with Commissioner Joan Sinclair, Ben Fanton and others in the Allegany County Department of Social Services to identify the 28 hardest cases in the county's system. As they identified these children, the hard work of raising the necessary dollars and recruiting volunteers of all different backgrounds and interests began.

Scores of people answered the call by volunteering their time, energy and resources to make John's vision a reality. People from all walks of life pitched in—many community members donated materials; a local medical doctor, Doug Mayhle, took time out of his busy schedule to be a camp counselor; a player from the Buffalo Bills signed autographs and sent a message to each kid; and the faculty, staff, administration and students of Houghton College were a huge help. Also, thanks to many gracious donors, his financial goal was comfortably surpassed.

In the end, everyone's hard work paid off, and the camp was a tremendous success. John sent me a letter in July of 1995, to relay a story from the camp. There are many stories. Each one starts with a young child who was in some way denied part of his or her childhood. Each story ends with a child who was given the chance to be a kid again, in an environment without the terror of being physically, sexually, or mentally abused. Children with dreadful worries—much greater than any child should ever have—were seen laughing and smiling with other children of similar backgrounds, and a group of dedicated adults whom they learned to trust.

John plans to hold another camp in 1996, and increase his budget to accommodate more children. From what I understand, people are already lining up at John's doorstep to get involved.

Mr. Speaker, my hat's off to John Van Wicklin. I hope you and all of my colleagues here in Congress will join me in saluting him and the many friends and volunteers of the Royal Family Kids' Camps around the Nation. Their spirit and dedication are much appreciated.

ANNIVERSARY OF KHALISTAN'S INDEPENDENCE

HON. PETER T. KING

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, September 29, 1995

Mr. KING. Mr. Speaker, on October 7, 1987, the Sikh Nation took its destiny into its own hands by declaring the independence of Khalistan. I am very pleased to salute the Sikhs of Khalistan on this anniversary.

The Sikh Nation ruled Punjab in the eighteenth and nineteenth centuries and was supposed to receive its own country when the British freed India in 1947. Though promised by India that their freedom would be protected, those promises collapsed like a house of cards. As a result, no Sikh has ever signed the Indian constitution and the Sikh Nation has struggled ever since then to regain its sovereignty.

I find it appropriate that as the anniversary of Khalistan's independence approaches, the government of Canada is re-opening its investigation into the 1985 explosion of an Air India jetliner which killed 329 people to determine if there was any involvement by the Indian government.

In this light, American support for Khalistan's independence is crucial. I commend the Council of Khalistan for the work it is doing to free the Sikh Nation and I join my colleagues in congratulating the Sikh Nation on the anniversary of Khalistan's declaration of independence.

I am placing into the record a review of *Soft Target*, the book that describes the Air India case, by David Kilgour, a Canadian Member of Parliament, and an article from *Awaze Quam* by Dr. Gurmit Singh Aulakh, President of the Council of Khalistan.

SHOULD THE U.S. BE TRADING WITH INDIA?

WASHINGTON.—Dr. Gurmit Singh Aulakh, President of the Council of Khalistan, today condemned India's downing of its own airliner ten years ago. June 23 marks the tenth anniversary of the attack, which killed 329 people. "This was a tragic event," said Dr. Aulakh. The Sikh Nation extends its deepest sympathies to the families of the victims. This act was brutal terrorism in its most naked form.

Agents of the Indian regime openly blamed the Sikhs for the attack even before it was known to the public that it had happened. But in Soft Target, journalist Brian McAndrew of the Toronto Star and Zuhair Kashmeri of the Toronto Globe and Mail, show conclusively that the Indian regime blew up its own airliner.

In the book, an agent of the Canadian Security Intelligence Service (CSIS) is quoted as saying "If you really want to clear the incidents quickly, take vans down to the Indian High Commission and the consulates in Toronto and Vancourver, load everybody up and take them down for questioning. We know it and they know it that they are involved." According to the book, the Indian consul general in Toronto, Surinder Malik, identified and "L. Singh" whom Malik said was a Sikh activist in Canada, as the culprit. This occurred when the police had just found the passenger register. But according to Kashmeri and McAndrew, Malik took his wife and daughter off that flight shortly before it departed. An auto dealer who was a friend of Malik's also cancelled his reservation at the last minute.

The book also reports that less than a year before the Air India bombing, 29 people were killed and 32 injured in an airplane bombing Madras which also appears to have been planned by Indian Intelligence. According to Soft Target "CSIS found the similarities between the Madras plot and the bombing—aboard Air India remarkable." Additionally, according to Kashmeri and McAndrew, "CSIS was astounded that such similar plans could be hatched in opposite parts of the world. It would not be so astounding though, if the plans emanated from the same source—namely, from within the Indian intelligence service."

"Brutal terrorist acts like the Air India bombing should prevent any country from receiving American aid or trade," said Dr. Aulakj. "Events like this only remind us that India is a brutal tyrant which will stop at nothing to achieve its aims. If America is a moral country, it must cut off all aid to India." Dr. Aulakj said.

Recently, India has emerged as a new U.S. business partner despite evidence that it is collapsing. Several Swiss drug companies pulled out last year due to the unstable market and the Washington Post reported last fall that it takes the average Indian three days pay just to buy a box of Corn Flakes. Yet the U.S. and India have exchanged visits from high-level officials in pursuit of increased trade between India and the United States.

The Indian regime has murdered over 120,000 Sikhs since 1984. It has also killed over 43,000 Kashmiri Muslims since 1988, over 150,000 Christians in Nagaland since 1947, and tens of thousands of Assamese, Marupuris, and others. According to the U.S. State Department, over 41,000 cash bounties were paid to police officers between 1991 and 1993 for killing Sikhs.

Many people are beginning to see the breakup of India as inevitable. Dr. Jack Wheeler of Freedom Research Foundation, who foresaw the Soviet breakup, predicted last year in the newsletter Strategic Investment that within ten years, Indian "will cease to exist as we know (it)."

On October 7, 1987, the Sikh nation declared the independent country of Khalistan. No Sikh has ever signed the Indian constitution. Sikh ruled Punjab from 1710 to 1716 and from 1765 to 1849. In the February 1992 state elections in Punjab, only 4 percent of the Sikhs there voted, according to Indian Abroad. On December 26, former Member of Parliament Simranjit Singh Mann spoke to a crowd of 50,000 Sikhs calling for a peaceful, democratic, nonviolent movement to liberate Khalistan. He asked those attending to raise their hands if they supported freedom for Khalistan. All 50,000 did so. For that speech he was arrested on January 5 under the new-expired Terrorist and Disruptive Activities Act (TADA), despite the fact that the Punjab and Haryana High Court has ruled that speaking out for Khalistan is not a crime. Mr. Mann remains in illegal detention in a windowless cell after more than five months.

"The continuing detention of Sardar Mann shows how frightened India is of an idea," said Dr. Aulakh. "Just talking about freedom for Khalistan terrifies the brutal tyrants of New Delhi. But freedom for Khalistan and all the nations living under brutal Indian occupation is inevitable," said Dr. Aulakh.

"India is not one nation," he said, "It is a conglomeration of many nations thrown together for administrative purposes by the British. It is last vestige of colonialism. With 18 official language, India is doomed to disintegrate just as the former Soviet Union did." Dr. Aulakh said, "The Sikh Nation's demand for an independent Khalistan is irrevocable, irreversible, and non-negotiable. But we are willing to sit down with the Indian regime anytime to demarcate the boundaries of Khalistan. A peaceful resolution to this issue is in India's interest. It is time for India to recognize the inevitable and withdraw from Khalistan and all the nations it brutally occupies."

WHAT LAY BEHIND THE AIR-INDIA DISASTER

(By David Kilgour)

This book will be received with hostility by External Affairs Minister Joe Clark and his departmental advisers on India, the Indian High Commission in Ottawa and segments of the RCMP and CSIS. Canadians who cling to the romantic but fast-fading notion that the present government in New Delhi is a beacon of hope for a non-violent and democratic world will also be skeptical.

Basing their conclusions partly on information leaked by RCMP, CSIS and Metro Toronto Police investigators, journalists Zuhair Kashmeri and Brian McAndrew contend in Soft Target that during most of the eighties senior Canadian Cabinet ministers and their officials—who were obsessed with winning the favor of the two Gandhi governments for trade, Commonwealth and North-South reasons—were easily duped by Indian agents operating within Canada. This manipulation, begun partly because India's Congress I Party needed the Sikhs as scapegoats to win votes on a law-and-order platform, resulted in a large community of hard-working and enterprising Canadians becoming estranged from both Ottawa and a good deal of Canadian society.

A particularly refreshing feature of Soft Target is its treatment of Sikhism, a 500-year-old faith few Canadians know much about. The founder, Guru Nanak, believed in one God, a classless democracy and equality of the sexes. A later guru built the Golden Temple in Punjab, probably more spiritually important to Sikhs worldwide than the Vatican to Catholics or Mecca to Moslems. The last and most influential guru, Gobind Singh, first persuaded many Sikhs to wear the turban and four other faith symbols largely so that they could not deny their religion when persecuted for it. The Sikh homeland, which at its peak stretched from Tibet to Afghanistan, was lost in 1839 when its ruler converted to Christianity and came under the control of England's ubiquitous Queen Victoria.

The first Sikhs who in 1904 managed to settle on Canada's West Coast, despite MacKenzie King's effort, as deputy labor minister, to bar all Indian immigrants until 1947, experienced much hardship. By the eighties, however, 200,000 to 250,000 Sikhs were prospering across Western and Central Canada, when Indira Gandhi ordered the attack on the Golden temple. She had first detained hundreds of suspected Sikh separatists and, in 1981, unleashed a surveillance operation against expatriate Khalistani supporters in Canada and elsewhere.

Two cases examined here are the shooting of Toronto policeman Chris Fernandes and the Air-India disaster. About the Fernandes killing, the authors conclude that *agents provocateurs* from the Toronto Indian consulate, seeking to discredit Sikhs generally among Canadians, in effect engineered the violence at the demonstration where Fernandes was shot. The vice-consul had inflamed some of the participants, had predicted in advance that violence might break out and even hired a friend's son to photograph the event. Canadian public opinion predictably sided with the Indian and Canadian governments against the Sikhs.

The worst mass murder in Canadian history occurred near Ireland 10 years ago, killing 329 Air-India passengers, many of them Canadian citizens, and crew. Many people concluded that Canadian Sikhs had placed a bomb on board, but a nation-wide investigation, costing an estimated $60-million, has left the crime still unsolved.

According to Soft Target, some senior CSIS officials and one RCMP officer eventually concluded that an Indian intelligence service was probably the real culprit. After all, a number of persons associated with the Indian government had cancelled their reservations on the doomed flight. And why did the Indian consul-general in Toronto have a near-perfect account of what happened so soon after the event?

Moreover, a similar bombing had occurred at the Madras airport in southern India about a year earlier, most probably caused by the Third agency, an Indian intelligence group created in the early eighties to win support for Indira Gandhi's government by encouraging Sikh extremists in Punjab. One group at CSIS concluded from the exclusively circumstantial evidence available that most likely the Third agency ordered the bombing, knowing that suspicion would fall on Sikhs generally and Canadian ones in particular. Another CSIS group inferred that the planting of a bomb was not authorized in New Delhi, but originated solely with local security agents.

Some Canadians became convinced that Talwinder Singh Parmar, head of a tiny extremist Sikh group based in Vancouver, the Babbar Khalsa, was the Air-India murderer. The RCMP, say Kashmeri and McAndrew, eventually decided that Parmar was an agent of the government of India. They query why, among numerous contradictions, a major financial backer of Parmar in Vancouver received a $2 million loan from the State Bank of India (Canada). By early 1989, Parmar had disappeared, and Joe Clark finally ordered several Indian diplomats to leave. Until then, as detailed carefully in Soft Target, Clark and his officials had accommodated the Indian government repeatedly in ways that seemed to have the effect of poisoning the minds of Canadians against Sikhs.

This controversial book examines some important issues and is largely convincing. All who want Ottawa to do the correct thing for correct reasons in both domestic and foreign policy should read it.

IS AMERICORPS WORTH KEEPING?

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 29, 1995

Mr. GINGRICH. Mr. Speaker, I think you will find SUSAN MOLINARI's article on AmeriCorps informative:

IS AMERICORPS WORTH KEEPING?

(By Susan Molinari)

Volunteerism is a tremendously American tradition. Few of us, however, would characterize a volunteer as someone who is paid (more than minimum wage) receives medical benefits and child care allowances, and gets a $5,000 education stipend.

Welcome to the AmeriCorps world of volunteerism.

The Clinton administration's year-old AmeriCorps program is riddled with problems, not the least of which is that it's too expensive to administer. That's why the Senate followed the House's lead and voted on Tuesday to completely de-fund AmeriCorps. The government simply must stop making financial commitments it can't keep, especially when we have to rob other needed programs to do so.

OTHER PROGRAMS SUFFER

Despite that fact that we were able to fund the 20,000 AmeriCorps "volunteers," we could not, for instance, fully fund either the Pell Grant or the Stafford Loan program, both of which help thousands more.

For every AmeriCorps participant who got education dollars, five students could get Pell Grants. Factor in other, noneducation costs for one volunteer to participate in AmeriCorps, and the number of Pell Grants that could be funded jumps to 18.

Some of AmeriCorps' high costs are directly attributable to the way this "volunteer" program is administered. The nonpartisan, independent General Accounting Office estimates that it costs $27,000 per participant to run the program, and this figure jumps to $33,000 when the dropout rate is factored in.

AmeriCorps' overhead, including $2 million in payments to a public relations firm, accounts for some of the more than $10,000-per-participant cost overruns from the $17,000 originally estimated. More than half the cost of the program goes to pay for the bureaucrats who administer it.

According to the GAO, the price tag to the federal government for one AmeriCorps volunteer is $15.30 per hour, including salary, health and child care benefits. This doesn't include the education stipend, training or administrative overhead. When you plug in the money cities, states and private sources kick in, the cost per hour for one volunteer's time jumps to $19.60, again minus education stipend, training and overhead. Originally, this number was supposed to be $6.43 per hour.

While government costs soar way over initial projections, private contributions have been much lower than expected. Rather than picking up half the costs, as was promised at the outset, private funds make up only 7% of the cost for each volunteer, the GAO now estimates.

Rather than costly new government bureaucracies, we have a better way to encourage charity and foster community spirit. For decades we have used the tax code to create just such an atmosphere, through deductions for charitable contributions. And we have a better way to fund the education of middle and lower-income students—by fully funding existing programs such as Pell Grants, to the extent resources will allow.

I admire the 20,000 young men and women who have joined AmeriCorps, as I admire the 89.2 million Americans who volunteer—without pay—their 19 billion hours worth of time each year. Trying to encourage volunteerism through a big-government approach, however, does more to encourage bureaucrats than community service.

AmeriCorps participants do worthy work, but the real substance of American-style volunteerism is proven every day by those who are willing to give their time to make others' lives better.

MEDICARE REFORM

HON. E de la GARZA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, September 29, 1995

Mr. DE LA GARZA. Mr. Speaker, I would like to speak today about the subject of Medicare. It is a topic that has been in the headlines and on the news every day now for weeks. It is on the minds of almost every constituent I see. It is among the foremost issues we are addressing here in this body, and definitely, I think it would be safe to say, is the current major concern of seniors across America.

The GOP has put out a plan to cut Medicare. Based on what is known or perhaps I should say not known in terms of legislative language being unavailable, this plan is one which it seems will have a devastating impact on the most vulnerable of Americans—senior citizens.

In a letter I received from the Families USA Foundation it spoke about how seniors will lose guaranteed health protections that they have today. It spoke about how these individuals will lose out-of-pocket health cost protections at the same time that pending proposals would double Medicare premiums. We're talking about out-of-pocket health costs which already consume more than one-fourth of seniors' incomes.

What this says to me is that something is drastically wrong—that this is not the path to pursue.

Allow me quote from a letter I received this week from a Texas senior:

> As a Senior Citizen and drawing Social Security, which I earned, I would like to input my viewpoint on Medicare. I am more fortunate than some of my widow friends in the amount that I get each month, but with the price of living today it is not very much. Out of this Social Security deducts $46.00 per month and believe me this covers very little, so in order to pay for health care I am forced to take a supplemental policy that costs me $65.00 per month. If Congress cuts any part of this Medicare care it will force all of us to go on the county medical care for the indigent. Can you imagine what that would do to the whole country if all the people on Medicare had to go that way. Most of us have worked hard all our lives and paid our bills, but what the government has done . . . is unforgivable . . . and NOW they want to put us all on WELFARE.

This is typical of what I am hearing. People are frightened. People are scared. And rightly so.

My party is closely identified with Medicare. Democrats first conceived of Medicare and led the effort to enact the program into law. We have been its champions ever since. This program has been a success, helping to provide health care to millions of Americans who otherwise could not afford it. That is not bad as so many today would have us believe. It is good. If changes need to be made then our goal must be to work together to determine what it is we need to do that is positive and will continue to protect our Nation's seniors. That is what I am wholeheartedly committed to doing.

INTRODUCTION OF BILL TO INCREASE DEDUCTION FOR HEALTH INSURANCE COSTS OF SELF-EMPLOYED INDIVIDUALS

HON. SUE W. KELLY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, September 29, 1995

Mrs. KELLY. Mr. Speaker, I rise today to introduce legislation that will restore equity and fairness in the tax treatment of the nation's small business entrepreneurs. The Self-Employed Health Fairness Act amends the Internal Revenue Code of 1986 to increase the deduction for health insurance costs of self-employed individuals to 100% of such costs.

Mr. Speaker, our tax code is fundamentally unfair to the self-employed in its treatment of the deductibility of health insurance. Large corporations enjoy a permanent, 100% deduction for health insurance premiums, while the self-employed business person has previously received only a 25% deduction. Congress enacted legislation this year to make the deduction permanent, and to raise it from 25% to 30% in 1995.

I supported this legislation and was encouraged by its passage. For the sake of fairness, however, we should take the next logical step and raise the deductibility for the self-employed to 100%. We must ask ourselves a very basic and fundamental question: Why should we treat the self-employed small business person differently from a large corporation?

The fact is, small business is, by far, the country's most important motivator for innovation, job creation and economic growth. Creating a successful small business takes guts, determination, and hard work, but it represents the very best of the American dream. I know this firsthand, Mr. Speaker. Both myself and my husband are small business owners. We both have experienced the satisfaction of creating successful small businesses, creating new jobs, and contributing to our community.

However, we have also felt the onerous tax and regulatory burdens that stand in the way of successful small businesses today. Self-employed small business owners face a number of very unique problems, and the disparity in the tax treatment of health insurance cost represents one of the more troublesome of these.

Let's send a message to America's self-employed businessmen and women that they are just as important as big business. Let's restore fairness and equity to the tax code's treatment of the health care expenses of self-employed individuals. I urge my colleagues to join me in enacting this important legislation.

EIGHT ANNIVERSARY OF THE SIKH STRUGGLE FOR FREEDOM AND HUMAN RIGHTS

HON. DAN BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 29, 1995

Mr. BURTON. Mr. Speaker, I rise today to discuss the urgent human rights situation in Punjab. As I have said many times on this floor, The Indian government and Indian armed forces have repeatedly trampled on the human rights of the Sikh majority in this northern province.

The State Department has reported that between 1991 and 1993, the Indian government paid 41,000 cash bounties to policemen for extra judicial killings of Sikh suspects. Human Rights Watch issued a report in 1994 quoting a Punjab police officer as saying that 4,000 to 5,000 Sikhs were tortured at his police station alone. Asia Watch said in one of its many reports on the appalling situation in Punjab that virtually every Sikh being held in prison is tortured.

The Indian government's current reign of terror dates back to the attack on the Golden Temple in Amritsar in 1984. That summer, Indian security forces launched a blistering assault on this holiest of Sikh shrines, along with 38 other Sikh temples, killing an estimated 20,000 Sikhs.

The brutal atrocities committed against the Sikh people led to a strong independence movement throughout Punjab. On October 7, 1987, the five-member Panthic Committee, appointed by all of the major SIKH resistance groups, declared their intention to create an independent Sikh homeland by the name of Khalistan, and created a governing body know as the Council of Khalistan. This October marks the eight anniversary of that declaration.

The President of the Council of Khalistan, Dr. Gurmit Singh Aulakh, resides in Washington DC, and has been a tireless advocate of human rights and self determination for the Sikhs. Dr. Aulakh has worked with great determination over the last eight years to inform Members of Congress and other government officials of the terrible atrocities being committed against the Sikh people.

The human rights situation has not improved over the last eight years, if anything, it has gotten worse. Earlier this month, an esteemed human rights activist, Jaswant Singh Khalra, was abducted from his home after having publicized the murder and cremation of thousands of Sikhs by Indian security forces. Mr. Khalra is reportedly being tortured in prison. Just this week, over 150 of the most distinguished Sikh leaders held a peaceful protest in front of the Governor's mansion to protest Mr. Khalra's detention. All were arrested and harassed.

Mr. Speaker, I call on the Indian government in Punjab to begin to respect the basic and fundamental human rights that all human beings deserve—life, liberty, justice and self-determination. It is time for the reign of terror to end. I congratulate Dr. Aulakh and his many colleagues on their dedication and persistence over the last eight years. On this eight anniversary of the declaration of Khalistan, I congratulate all of the Sikh people who have peacefully and quietly stood up for their rights under an oppressive system. My thoughts and prayers are with the families whose sons and daughters have disappeared or been tortured or murdered.

LEGITIMATE BUSINESS EXPENSE DEDUCTIONS

HON. SAM JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, September 29, 1995

Mr. SAM JOHNSON of Texas. Mr. Speaker, today I am introducing legislation, along with my colleague Mr. CARDIN, that would once again allow businesses to deduct the expenses they incur while responding to legislative proposals that can affect their businesses, their communities, and their livelihood. The bill would simply allow businesses to deduct legitimate business expenses incurred in contacting or working with their State representatives.

In 1993, Congress approved the Budget Reconciliation Act of 1993 which contained a provision that disallowed the deduction of certain business expenses against Federal corporate income taxes. The denial of deductibility of lobbying expenses was proposed as a means of curtailing the activities of special interests here in Washington. Those who advocated this provision made no claim that it was necessary to address any problem at the State level.

Instead of solving a problem, the enactment of this provision has created a major problem at the State level. Most businesses, and especially small business owners, can't afford the time to visit personally with their State legislators to discuss the impact of legislation on their businesses. To make sure their voice is heard in the legislative process, they count on trade associations, to which they pay dues. Of course, the dues are generally deductible as an ordinary and customary expense of doing business.

The problem under the 1993 change is that the portion of trade association dues attributable to lobbying activities by the trade association is no longer deductible. This creates a major record-keeping headache for the association and the small business owner.

The original proposal before the Congress 2 years ago would have applied to local governments as well as State and Federal government. Fortunately, before it was adopted, it was amended to exclude local government from its coverage. That was a significant improvement. The bill Congressman CARDIN and I introduced today will further mitigate the adverse impact of the proposal by exempting State legislatures as well.

As a former State legislator, I know well the value of the input of businesses in the deliberations of State legislatures. With small staffs and limited resources, State legislatures make important use of information provided by local economic interests in considering policy proposals. Additionally, State Governors frequently appoint "Blue Ribbon Commissions" and other advisory groups to recommend legislative solutions to problems. These advisory bodies depend on input from members of the business, professional, and agricultural communities who are knowledgeable about circumstances within the State. The record-keeping requirements and tax penalties associated with the lobbying tax discourages this important participation.

Mr. Speaker, we ought not to be making it harder for Americans to participate in the decision-making process in their State capitols. The denial of a deduction of a legitimate business expense incurred to lobby at the State level is an unwarranted intrusion of the Federal Government on the activity of State governments. At a time when we are attempting to return many responsibilities to the State level, it makes no sense for us to impose obstacles on the ability of State legislatures to gather the information they will need to do their jobs. I would ask our colleagues to join us in restoring this deduction at the State level.

IN HONOR OF ROY L. WINES, JR.

HON. MICHAEL P. FORBES

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, September 29, 1995

Mr. FORBES. Mr. Speaker, I rise today to pay tribute to a loving husband and father, a civic leader, and a hero, a man whom I revere and am proud to call my dear friend. His name is Roy Wines.

Roy was born and raised in Southampton, NY. His ancestors were of Welsh background and they settled in Southold in the 1640's. At the young age of 18 he enlisted in the Army Air Corps and received his wings in 1943, becoming one of the youngest pilots in the Air Corps. After serving as a flight instructor until the end of WWII, he attended the Long Island Agricultural and Technical Institute where he achieved the highest academic average in his class. In 1947 he married his childhood sweetheart, Violet Albright, and they now have two sons and six grandchildren.

Over the years Roy has been dedicated to serving the community in both church and civic activities. As a member of the United Methodist Church of Southampton he has served as lay leader, as a member of the board of trustees, as chairman of the administrative council, and as chairman of the building committee. In the community Roy has served as vice commander of the American Legion in Southampton, member of the board of trustees of the Rogers Memorial Library in Southampton, member of the board of trustees of Southampton Hospital, treasurer of Southampton Historical Society, disaster chairman for the local Red Cross, chairman of Troop 58, Boy Scouts of America, and as a member of the Southampton Fire Department for over 43 years.

It was while he was serving in the Southampton Fire Department that we truly learned of Roy's dedication to his job, fellow citizens, and Nation. On March 30, 1974, the Southampton Fire Department was called to the home of Mr. and Mrs. Ruggieri whose house was on fire. The Ruggieri's home was engulfed in flames and they were trapped in their upstairs bedroom. Mrs. Ruggieri was 4 months pregnant at the time with their daughter, Kate. Ignoring the raging inferno that was the Ruggieri's home, Roy, alone, climbed up a ladder and led Mr. and Mrs. Ruggieri to safety. While descending the ladder, the heat of the fire caused the bay window from the living room below to explode. Mrs. Ruggieri said, "I will always be grateful to Roy Wines for saving three lives." I am enclosing her letter to the Southampton Fire Department for the RECORD.

Unfortunately, Roy has been dealing with some serious health problems and I wanted to take this opportunity to share the love and affection of our whole community for Roy with this House. Even with that added burden, Roy is still very much involved in many church and civic related activities. With so few heroes in today's world, I am honored to know Roy and I join Roy's family, friends, and the Nation in expressing our deep-felt gratitude for his honorable and heroic efforts.

SEPTEMBER 18, 1995.

DEAR MEMBERS OF THE SOUTHAMPTON FIRE DEPARTMENT: I am delighted to finally have the opportunity to acknowledge and thank Mr. Roy Wines for his selfless act of courage in the rescue he participated in as a fireman to save my husband and myself from a house fire in March 1974.

The fire occurred at a house we were renting on Meadow Lane in Southampton. The owner was planning a renovation of the kitchen and we agreed to go out and prepare for the contractors. Due to a severe snow storm, it took us almost eight hours to reach Southampton, and we did not arrive until almost midnight.

I remember being awakened around one a.m. to the sounds of crashing in the living room below. Because I was then four months pregnant with my daughter, Kate, I did not sleep well and so fortunately awoke to hear the noise. I woke my husband and he called the police, for we both thought the house was being burglarized. We barricaded the bedroom door and waited for the police to arrive. Within minutes, smoke started to come under the door, and when we tried to escape, we were forced back by a huge wall of fire that was racing up the staircase from the first floor.

We called the fire department and waited, not knowing what to expect next and not even sure we could or would be rescued. We tried several times to break out windows, but to no avail. The worst moment came when all the power in the house went out and we were in complete darkness, without flashlights or matches.

I will never forget the incredible sense of relief upon hearing and seeing the Southampton Fire Department trucks pull into our driveway.

The details of our rescue have faded with time, but I think you should know that it was Roy Wines, who alone, came up a ladder and led us both to safety. It took great courage at a time when the fire had reached such a stage that the bay window from the living room below exploded as we descended the ladder.

I know that many volunteer firemen and police officers helped in the rescue efforts that night, but I will always be grateful to

Roy Wines for saving three lives on March 30, 1974.

Thank you and God bless.

A PRAYER FOR RICHARD ANDREW BAUTISTA

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 29, 1995

Mr. TORRES. Mr. Speaker, I rise today to express my heartfelt sympathy to the Bautista family. Friday, September 22, 1995, 12-year-old Richard Andrew Bautista was shot once in the head as he was returning on the freeway from a Los Angeles Dodgers' game.

The young Bautista, a soccer player, an altar boy, and a friend to many at Whittier St. Gregory the Great School, was, without provocation, the victim of more senseless violence. Only 5 days earlier in Los Angeles, gang members fatally shot 3-year-old Stephanie Kuhen.

While the greater Los Angeles community quickly responded to help the Kuhen and Bautista families, nothing can bring little Stephanie back to life and nothing can restore the peace that Richard knew when he was at the baseball game. I am torn inside—the father of 5 children and grandfather of 10—for I cannot sufficiently express my grief and convey to the families my sorrow.

I was touched by Richard's fellow students who are raising money to buy a soccer ball and present it with all their signatures. In their small way, as a community, they are saying and we should say—we are here for you.

Mr. Speaker, I ask my colleagues assembled to pray with me for Richard's speedy recovery. Our collective spirit of love is with the Bautista and Kuhen families.

NII COPYRIGHT PROTECTION ACT OF 1995

HON. CARLOS J. MOORHEAD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 29, 1995

Mr. MOORHEAD. Mr. Speaker, today I am proud to introduce, along with Representative PATRICIA SCHROEDER, the ranking Democratic member on the Subcommittee on Courts and Intellectual Property, and Representative HOWARD COBLE, one of our most senior and valued Members, the NII Copyright Protection Act of 1995.

This bill is the product of recommendations made by the Working Group on Intellectual Property Rights, led by the Honorable BRUCE A. LEHMAN, the Commissioner of Patents and Trademarks, of the administration's information infrastructure task force. After intense study and several hearings, this bill reflects the collective input of the administration, the Congress, and the private sector on protecting intellectual property on the Internet.

It is a new age in the world of copyright. Digitization now allows us to send and retrieve perfect copies of copyrighted information over the National and Global Information Infrastructures [NII and GII]. With these evolutions in technology, the copyright law must change as well to protect one of our Nation's most valuable resources and exports, the products of our authors. Whether it be movie, video, compact discs, software programs or books, the NII and GII will change the landscape as to how these products are delivered to the marketplace. In order for the Internet to be a success, it must carry desired content. Copyright owners will not make their works available in the digital environment, however, until such material can be effectively protected, since computerized networks now make unauthorized reproduction, adaptation, distribution, and other uses of works so easy.

This bill is a starting point. While it does not address all of the issues that need to be considered on protecting intellectual property on the NII and GII, including provisions regarding special uses by libraries, it represents generally the steps which we must undertake in protecting access to creative works.

I look forward to working with our subcommittee and the entire Congress in carefully examining the state of copyright law, and to making necessary changes so that the benefits of the electronic age can truly materialize.

SPEECH OF DEPUTY SECRETARY OF STATE STROBE TALBOT TO THE DELEGATIONS OF THE EUROPEAN PARLIAMENT AND THE U.S. CONGRESS

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 29, 1995

Mr. LANTOS. Mr. Speaker, last evening a delegation of the Members of the U.S. Congress hosted a dinner in honor of our colleagues of the European Parliament who are here in Washington for the semi-annual meetings between delegations of our two legislative bodies. The current meeting between our two delegations is the 44th meeting since this parliamentary exchange began not long after the European Parliament was established.

Last night our two delegations had the honor and pleasure of hearing from our distinguished Deputy Secretary of State, Strobe Talbot. His remarks were not sugar-coated, and they were not the light fare of an after dinner speech.

Deputy Secretary Talbot gave us a very sober, thoughtful, and insightful analysis of the impact and consequences of the various appropriations and authorization bills that have been adopted by the House and Senate thus far this year. Fortunately, none of these bills have yet been approved by both Houses, and none have been enacted into law.

Mr. Speaker, it is important that we fully understand the effect of these pieces of legislation before the members of this body uncritically vote again for the unfortunate legislation that has been approved already by one of the Houses of Congress.

I ask that Deputy Secretary Talbot's remarks of last night be placed in the RECORD. Mr. Speaker, I sincerely urge my colleagues in the Congress to give serious, thoughtful, and careful consideration to these views.

PREPARED REMARKS BY DEPUTY SECRETARY STROBE TALBOT, CONGRESSIONAL DINNER IN HONOR OF EUROPEAN PARLIAMENTARIANS

Thank you, Mr. Chairman.

Representatives of the European parliament and of the diplomatic corps, members of the House and Senate, friends and colleagues, ladies and gentlemen: it's an honor to be here with you tonight.

I want to join the rest of you in offering my thanks to Ben Gilman for his hospitality. Mr. Chairman, I bring greetings from Secretary Christopher, who is now at an event honoring the Israeli and Palestinian statesmen who, a few hours ago, took another bold step toward a comprehensive and lasting peace in the Middle East. Today's landmark agreement—like those in September 1993 and August 1994 that preceded it—is in no small measure the result of hard work by European, as well as American, diplomats.

Today's good news also reflects bipartisan cooperation here in the United States going back over two decades and several Administrations, Republican and Democratic. Leaders from both sides of the aisle on Capitol Hill have played an essential role in securing the funding for the Middle East peace process. I can only hope that in the future the same kind of cooperation—between the two branches of our government, and between our two parties—will be possible on other issues of abiding concern.

As everyone here knows, the Clinton Administration and the 104th Congress have some serious differences, notably over the amount of money that Congress is prepared to allocate to the conduct of American foreign policy.

There is a lot at stake in how this issue is resolved. If the cuts suggested by Senate appropriators are put into law, the State Department would be forced to close as many as a quarter of our posts worldwide—some 50 embassies and consulates, including in Europe and the Middle East. Other proposed cuts would force the United States to fall even further behind in its payments to international organizations. That would result in clear violations of our international obligations, including our Treaty obligations under the UN charter. These cuts would make all but impossible the kind of initiatives that have supported the Middle East peace process.

The case for continuing American engagement in the world may be self-evident to everyone here this evening, but I'm not sure that it is obvious to all of your constituents, who include the citizens of Galway, Ireland, and Genoa, Italy, and Regensburg, Germany as well as those of Tampa, Florida, and Middletown, New York, and Bakersfield, California.

Let me offer an explanation for why some in the United States are flirting with ideas and proposals that are isolationist in their potential consequence if not in their motivation.

During the Cold War, many Americans defined what we were for—and what we were willing to pay for, and even fight and die for—largely in terms of what we were against. There was a world-class dragon out there for us—if not to slay, then at least to contain in its lair. For most Americans, the principal objective of American foreign policy—and the principal purpose of our diplomatic activity and military presence in Europe—could, quite literally, be reduced to a two- or three-word slogan: "Contain Communism," or "Deter Soviet aggression."

There was, on the home front of American foreign policy, little doubt or dispute that we had a vital national interest in supporting institutions, and participating in ventures, that enabled us to protect ourselves and our Allies from the Red Menace.

Today, the rationale for vigorous American international engagement—and for the resources to support it—will no longer fit on a bumper sticker. But it can fit easily enough into a single paragraph, which might go something like this:

At the heart of President Clinton's foreign policy—and underlying much of his domestic policy as well—is a recognition that the world is increasingly integrated and a determination to make integration work in our favor. Integration means that, for good or for ill, one nation, region, or continent is susceptible to influences from others. Distances are shorter, borders more permeable. Commerce and culture ride the jet stream, the air waves, an the fiber-optic cables, to the betterment of all of us. But so do crime and terror, to our common peril. Those scourges, along with nuclear proliferation, infectious disease and environmental degradation, are truly international problems that demand international solutions.

That means we must not only revitalize and enlarge existing institutions and arrangements and habits of cooperation, but we must also put in place new ones. The purpose of such enlargement, revitalization and innovation should be to make sure that the ties that bind us together are positive—that they benefit and strengthen us, individually and collectively; and that they enable us better to deal with common threats and enemies.

Therefore, it is no less important today than it was during the nearly fifty years of the Cold War that the United States remain engaged in the world—and especially, I stress: especially in Europe.

I emphasize the transatlantic dimension of America's international role not just because I am speaking to visitors from across that particular ocean. And not just because the ties between the United States and Europe date back to our colonial origins. I do so because what happens in Europe is key to what happens everywhere else.

The Cold War was a global struggle. But it began in Europe, and it ended there. It is in Europe that, together, we are establishing the guiding principles of the post-Cold War era. It is also there that we are facing the most daunting tests of our ability to concert our energies and our wisdom—and thus to defeat the most serious threats to our common interests and our shared goals.

As Secretary Christopher said last June in Madrid, "every generation must renew the [Transatlantic] partnership by adapting it to meet the challenge of its time." The challenge for our generation is in large part economic and commercial. As leading economic powers, the United States and the nations of Europe share an interest in a vibrant open trading system. That means that we must apply to the elimination of trade barriers the same far-sightedness and sense of common purpose that we applied to tearing down the Berlin Wall and the Iron Curtain. And there still are such barriers, both between Western and Central Europe, and between the European Union and the United States . The need to eliminate these barriers takes on added importance in light of the worrisome long-term economic trends that the transatlantic community faces—stagnant income growth in North America, and stubborn unemployment in Europe. We can certainly do better—and that means better by our own people—if we further open our markets to one another.

Let me, if I may, now speak about integration and cooperation in the realm of our common political values and our common security interests. The goal of peace, stability and cooperation among nations is as near fulfillment in Europe as it is anywhere on earth; but it is also in Europe that this goal faces one of its greatest dangers. That may sound paradoxical, but it is actually quite natural, since Europe has been the site of both the best and the worst in human history, especially in this century. Europe is, after all, both the birthplace and the graveyard of fascism and communism. The political culture that nurtured, if that's the word, the monstrosities perpetrated in the name of Kark Marx and in the careers of Hitler and Mussolini also made possible the realization of the dream of Jean Monnet.

So it is understandable that Europe today, as this century comes to an end, should provide the most promising and advanced example of integration—dramatized by the very existence of a European Parliament—while, simultaneously, it confronts us, in the former Yugoslavia, with the most vexing and dangerous example of disintegration.

Over the past four years, the tragedy and horror in the Balkans has occasioned a good deal of finger pointing back and forth across the Atlantic. That is as understandable as it is regrettable. After all, when it seems too hard to fix a problem of this magnitude, it is all too easy to fix the blame on someone else.

But in recent months, and particularly in recent weeks and days, the situation, while still perilous, has become more hopeful. A turning point came, I believe, at the London Conference in late July. That gathering of seventeen nations crystallized the resolve of the international community to back diplomacy with force, and it streamlined the mechanism for doing so.

The day before yesterday, Secretary Christopher, Assistant Secretary of State Holbrooke, and EU special envoy Carl Bildt announced another breakthrough in the negotiations over the constitutional underpinnings of a Bosnian peace settlement. As we speak, Ambassador Holbrooke is flying back to the region for more negotiations.

When future historians write the history of this episode—the worst conflict in Europe since the end of World War II and the first major threat to peace on the Continent in the post-Cold War era—they may give us credit for getting it right, although they will unquestionably regret that we took so long to do so. I, for one, will settle for that verdict.

But I also hope that future historians will note that we drew the right lessons. And first among these is the need for the United States to work with individual European governments as well as with collective European institutions to prevent such conflicts in the future, and to increase our capacity to resolve them if they do occur.

There are many organizations that have vital roles to play in this regard, notably the OSCE. But as we are now seeing in the Balkans, the two most important institutions are, and will continue to be, the EU and NATO. The EU is the foundation for future economic growth and prosperity across the continent, while NATO is the bulwark of transatlantic security and the linchpin of American engagement in Europe. Let me say a word about why both should take in new members.

Over the past six years, virtually all of the peoples of Central Europe and the former Soviet Union have undertaken dramatic reforms. They have toppled communist dictatorships, liberalized command economies, and begun the hard work of building stable, secure, independent, democratic, market-oriented and prosperous states, at peace with their own populations and at peace with their neighbors. But those reforms are not guaranteed to continue or succeed. All of these countries, whether they have gained their freedom for the first time or recovered the sovereignty that they lost earlier in the century, are embarked on a difficult transition that will take years, if not decades, if not a generation or more. It is in our interest as well as their own that they succeed.

That is why the United States is counting on the European Union to expand. Only the EU can offer the newly liberalized economies of these newly liberated nations the markets they need to continue and complete their evolutions. Only EU membership can lock in the essential political, economic and social reforms that these emerging democracies are now implementing.

We understand the political difficulties involved in expansion. We know that the candidate members will have to work hard to meet the conditions of membership. But we also hope that current EU members will approach the question of expansion with an open mind, understanding the benefits to all.

Now, a few words about NATO—an organization that includes twelve members of the EU but that also serves as an anchor of American and Canadian commitment to the Continent's security. Earlier today, NATO Secretary General Willy Claes held a briefing in Brussels for representatives from twenty-six nations in Central Europe and the former Soviet Union on the rationale and process of NATO enlargement. This morning, as part of President Clinton's commitment to full consultations with Congress, we provided staff members with that same briefing.

As today's briefings make clear, the enlargement of NATO will bolster democratization and regional stability in the region that used to be the domain of the Warsaw Pact. But this process is going to require skill and steadiness in many respects. We must—pursue the goal of NATO enlargement in a way that genuinely and comprehensively advances the larger one of integration; that does not, in other words, create a new division in Europe.

With that imperative in mind, the Alliance is well on its way to developing new ways to promote cooperation with the armed forces of the non-NATO European states. Under the banner of the Partnership for Peace, nations that have been enemies in the past are now conducting joint peacekeeping exercises: Albanians and Greeks, Bulgarians and Turks, Hungarians and Romanians. In August, soldiers from three Allied and fourteen Partnership countries trained together at Fort Polk in Louisiana; another set of exercises will begin in Vyskov in the Czech Republic this weekend; and starting on Monday there will be a maritime training maneuver in the Skagerrak Channel off the north coast of Denmark.

In order to ensure that NATO enlargement does indeed serve the larger cause of post-Cold War integration, the Alliance is prepared, in parallel with the process of bringing in new members, to conduct a dialogue, and eventually to develop a more formal relationship, with the Russian Federation. That way, all parties will be assured that the emergence of the new security order in Europe respects, and enhances, their legitimate interests.

This goal may sound rather abstract, but we have, in the work that our governments are doing with the Russian Federation today, an opportunity to make cooperation between NATO and Russia concrete, practical, productive and promising, both for the immediate cause of peace in the Balkans and for the long-range one of European security and integration.

Earlier today, President Clinton and Foreign Minister Kozyrev met in the White House and agreed that Russia and the members of NATO have a shared interest in cooperating closely in implementing the settlement that will, we all hope, emerge from the current negotiations. Of course, any U.S. participation in a peace implementation plan will be under NATO command and control, and we are committed to full consultations with the Congress as the planning unfolds.

So the paradox of the former Yugoslavia can, I believe, still be turned to a net advantage for the future of Europe: the most immediate and dangerous challenge we face offers a historic opportunity for pan-European and Transatlantic cooperation. In the relatively near future, peacekeepers from NATO and former Warsaw Pack countries could be working side-by-side to implement a peace settlement.

Let me close with reference to a European city that is not represented by any of you here tonight: Sarajevo. In 1914, its citizens heard the first shot of what became known as the Great War, the conflagration that plunged Europe into darkness. Seventy years later, another generation of Sarajevans were the hosts of the 1984 Olympic Games. They distinguished themselves, however briefly, in the eyes of the world as a model multi-ethnic, multifaith community. Serbs and Croats—Orthodox, Catholics, Jews and Muslims—lived together in harmony.

For most of the past four years, this same city has been besieged; its citizens struck down by snipers and torn limb from limb by mortars; its outskirts the site of mass graves for the victims of genocide.

But there is now some hope that this same city could, before this year is out, be universally recognized, including by Serbia and Croatia, as the capital of a unitary state of Bosnia and Herzegovina. In which case it would be, once again, as it was during the Olympics eleven years ago, a symbol of Europe's—and the world's—noblest aspirations.

We might dare to imagine that a politician from Sarajevo may, in the not-too-distant future, take a seat in the European Parliament. In that capacity he or she might even have the honor, as I have tonight, of addressing a meeting of this biannual interparliamentary gathering.

Of course, that will happen only if the current negotiations stay on track, and that's a very big if indeed. So it's appropriate, Mr. Chairman, that at the end of the evening tonight, you'll be serving us coffee and not champagne. It's too early to celebrate a victory or congratulate ourselves on success. There's plenty of hard work ahead. But it's not too early to see where we want to go and to reaffirm our determination to get there together.

RUSSIA AND NATO EXPANSION

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, September 29, 1995

Mr. SMITH of New Jersey. Mr. Speaker, the ink had hardly dried on Russian President Boris Yeltsin's secret decrees authorizing military intervention in Chechnya last December when he arrived in Budapest for a summit meeting of the Conference, now Organization, on Security and Cooperation in Europe [OSCE]. Ironically, the summit agenda included adoption of a so-called Code of Conduct on Politico-Military Aspects of Security aimed at, among other things, promoting the peaceful settlement of disputes. The Code also reiterated the sovereign right of participating States to join alliances, a contentious point which has had a chilling effect on United States-Russian relations as a growing number of European states seek to join NATO. At a Budapest news conference, Yeltsin decried eastward expansion, warning of the growing prospects for what he termed a "cold peace" and cautioning against creation of new lines of demarcation in Europe which would "sow the seeds of mistrust."

Mr. Speaker, Moscow's preoccupation with NATO expansion diverts attention away from the real threat to Russian security and stability—the Kremlin's failure to resolve crises, such as the conflict in Chechnya, through peaceful means. President Yeltsin has, himself, sown the seeds of mistrust in the fertile killing fields of Chechnya. Veteran Russian human rights activist Sergei Kovalev, who appeared before the Helsinki Commission earlier this year, recently warned of an increasing militarization in Russia, resulting from the Chechen conflict, which could undermine moves toward democracy in his country. Last December, Yeltsin suggested it premature "to bury democracy in Russia." Time will tell if Russian democracy can weather the turbulent storm brewing on the horizon as the country prepares for a new round of parliamentary elections later this year.

"If history teaches anything," President Reagan once observed, "it teaches self-delusion in the face of unpleasant facts is folly." Mr. Speaker, it appears that, at long last, the Clinton administration may be beginning to come to terms with present realities in Russia. Deputy Secretary of State Strobe Talbott stated last week that "there is great uncertainty about the future in the East * * * and we have to be prepared for the worst even as we do everything we can to bring about the best." An expanded NATO, Talbott acknowledged, could protect Europe from possible turmoil in Russia. His remarks came after an official visit to Moscow. Meanwhile, Secretary of Defense Perry, on a tour of capitals of several leading candidates for NATO membership, signaled a growing determination to proceed, albeit gradually, with NATO expansion.

In a related development, NATO ambassadors in Brussels last week gave preliminary approval to criteria which could govern expansion of the Alliance beyond its current 16 members. To date, 25 countries, including Russia, have joined the Partnership For Peace Program. The expansion study, to be presented to interested countries on Thursday, will, I hope, provide much-needed impetus to the process of enlarging NATO. A number of countries, including Romania, Hungary, Latvia, Lithuania, and Ukraine have already asked NATO to dispatch missions to their capitals in order to receive further details on the process.

Russian reaction to these developments has been predictably sharp. Moscow's vocal opposition to NATO expansion could, ironically, further solidify support for membership in former Warsaw Pact countries and, perhaps, in some of the New Independent States.

Mr. Speaker, I urge the administration to resist firmly any attempt by Russia to veto NATO expansion, in general, or the admission of any state or states, in particular. President Clinton should clearly communicate this point to President Yeltsin when the two meet next month in New York. It is my view that every state should be given the same chance to pursue NATO membership, including the Baltic States and Ukraine.

It is up to Russia to determine what, if any, relationship it is interested in pursuing with the Alliance. Mr. Speaker, the process of NATO expansion should not be further delayed as the Russians attempt to sort out their own affairs. Mr. Speaker, a democratic Russia has nothing to fear from the expansion of a voluntary defensive alliance founded upon democratic principles and norms of behavior. Russia has sown the seeds of mistrust through its brutal military campaign in Chechnya and it is up to the Russians to demonstrate that they can indeed be a reliable partner with the West.

STATE INFRASTRUCTURE BANKS—INNOVATIVE FINANCING FOR OUR TRANSPORTATION NEEDS

HON. BILL McCOLLUM

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 29, 1995

Mr. McCOLLUM. Mr. Speaker, today I have introduced the State Infrastructure Banks Act of 1995. This bill will provide new opportunities for State and local governments to finance vital transportation infrastructure needs.

This act gives States the option of creating State Infrastructure Banks [SIBs]. SIBs are infrastructure investment funds designed to provide States with a variety of financing options for infrastructure projects.

Traditionally, Federal transportation funding programs offer only one form of financial support—reimbursement grants. SIBs offer a new financial concept for funding transportation programs which cannot be accommodated within the structure of traditional Federal reimbursement programs. With traditional grant programs the Federal share of a project's costs is set, usually at 80 percent, and there are not alternative ways to finance the transportation projects. This act would allow States to transfer up to 15 percent of their federally apportioned transportation funds into SIBs. States would then utilize the SIBs to tailor the role of Federal funds to a project's needs. This is especially important when over time the project needs change.

In addition, SIBs would encourage innovative financing partnerships between the public and private sectors. Private financing sources are very interested in investing in public infrastructure. Unfortunately, the traditional Federal funding requirements do not provide these potential investors with any opportunity. SIBs provide States with a range of loan and credit options for each infrastructure project. Such options may include low interest loans for all or part of a project, loans with interest-only periods in early years, construction period financing and more. Other potential investors may include the bond market, commercial banks, construction consortia, mutual funds, insurance funds and retirement funds.

Current funding approaches do not allow infrastructure development to keep pace with the private economy it is designed to serve. Historically, Federal transportation programs require that States obligate Federal-aid funds on a so-called pay-as-you-go basis. In effect, this requires that project sponsors have all the cash required to build a project available well before beginning construction. In private sector terms, this structure effectively dictates that States fully fund a project's costs with 100 percent government equity before construction begins. The sectors of the economy that depend on transportation do not wait until 100 percent equity financing is available before they begin development. As long a infrastructure financing practices are tied to the current rules, infrastructure investment can be expected to perpetually lag behind the economy's needs and demands.

By requiring the accumulation of all capital as equity in advance, traditional funding rules actually result in deferred reconstruction projects. This serves to drive up construction costs much more rapidly than inflation rates due to the increased rate of deterioration of the infrastructure. As a result, projects cost more than anticipated. Therefore, fewer projects can be undertaken.

Additionally, SIBs allow the States to leverage decreasing Federal funds. Historically, the Federal Government substantially underwrote the costs of new transportation projects often with reimbursement grants of up to 90 percent. Today, the Federal Government's share of investment in transportation infrastructure is estimated to be only 30–40 percent of total investment.

Leveraging is accomplished in the State Infrastructure Bank Act of 1995 by giving SIBs the option of using Federal funds as a capital reserve. The SIB may then borrow money in the bond market and establish a significantly larger loan fund. Another way of leveraging is to use the funds as a credit reserve for enhancement and support of privately financed projects by using reserve ratio accounting methods. This maximizes Federal dollars.

SIBS also maximize taxpayer dollars used for transportation in other ways. With SIBs, this same money can be recycled numerous times for making several different loans for infrastructure needs. Second, the initial Federal investment is expanded with each new loan when they are repaid with interest.

A modern transportation infrastructure is a critical element for creating economic development and job growth. Additionally, these improvements in our transportation networks generally enhance the quality of life for everybody. I believe the State Infrastructure Banks Act of 1995 offers solutions to the inherent problems of the current funding mechanism and better accommodates the needs of our Nation's infrastructure.

RENE ANSELMO TRIBUTE

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Friday, September 29, 1995

Mr. RICHARDSON. Mr. Speaker, I want to ask my colleagues to join me in paying special tribute to a remarkable individual whose long and distinguished career can forever be a symbol of determination, perseverance and audacity. Mr. Rene Anselmo, who died earlier this month from heart disease, was not only the millionaire chairman of Alpha Lyracom Space Communications, operating under the name Pan American Satellite, but also made a lasting contribution to the Hispanic community by helping to create television's Spanish International Network [SIN], now Univision.

Reynold Vincent Anselmo was an energetic and restless young man who joined the Marines in 1942 at the age of 16, spend 3½ years as a World War II tail-gunner, and completed 37 missions in the South Pacific. After the war, he enrolled in the University of Chicago's Great Books programs and after earning a theater and literature degree in 1951, he moved to Mexico where he discovered an affinity for Hispanic culture.

In Mexico, Mr. Anselmo directed and produced television and theater shows, and in 1954 he started working for Mexico's largest media company, Televisa, selling its TV programs to other Latin American companies. His hard work and dedication attracted the attention of Mr. Emiliano Azcarraga Vidaurreta, the founder and head of Televisa, who in 1961 hired him to start up television's SIN, now Univision Two years later, Mr. Anselmo moved to New York to manage SIN and oversee the TV stations.

At that time, Hispanics comprised less than 5 percent of the U.S. population, and the only Spanish-language stations were on the UHF channels that most TV sets were not them equipped to receive. Mr. Anselmo, however, used his Mexican connections and experience to build the business. By 1984, SIN had 400 TV stations and cable affiliates and served the more than 15 million Hispanic people in the United States who represented the fastest-growing segment of the population. SIN provided an alternative to the U.S. media, which did not pay too much attention to the Spanish community or when it did, cast it in a less than favorable stereotype.

In 1986 SIN was under siege by the Federal Communications Commission, which claimed that SIN's ownership violated rules against ownership of United States networks by aliens. As a result, Mr. Anselmo abdicated his position in 1986 and separated from his old friend and partner Mr. Azcarraga. Instead of retiring, Mr. Anselmo founded Pan American Satellite Corp. [PanAmSat], the world's only private global satellite services company. To do this, Mr. Anselmo had to fight against steep odds to break the monopoly on satellite transmission of video images held by the International Telecommunications Satellite Organization, or Intelsat owned by 120 governments, including the United States.

Before Mr. Anselmo launched his satellite company, no one had challenged Intelsat's international monopoly. Today, PanAmSat handles a significant share of transatlantic news, transmissions by ABC, CBS, CNN and the BBC; and channels financial data for Volvo, Citibank Corp. Latino, and others.

In addition to Mr. Anselmo's devotion to his companies, he was a loving husband, father and grandfather, and a great neighbor. In fact, he was probably best known in his hometown of Greenwich, CT, not for his business success, but for his beautification of the town. Mr. Anselmo personally paid for the planting of tens of thousands of bulbs each spring.

Not only will Greenwich, CT, be a less pretty place with his passing, but all of America loses a great businessman, family man, and war veteran. For a better understanding of this great man, my colleagues may be interested in reading a profile of him which was published in Continental Profiles in August 1991.

[From Continental Profile, Aug. 1991]

HIGH FLIER

(By Frank Lovece)

Look! Up in the sky! It's a bird! It's a plane! It's . . . well, it's a bird, as artificial satellites are affectionately called. And this particular bird is a rare duck indeed: The first privately owned, international telecommunications satellite in orbit. Not surprisingly, the guy who sent it flying is a bit of a strange bird himself.

This is Rene Anselmo, chairperson of Alpha Lyracom Space Communications, operating under the name Pan American Satellite—no relation to the airline. Prior to this particular first, he's distributed American TV shows in Mexico, founded a theater company that evolved into Second City, and helped create television's Spanish International Network (SIN), now Univision. And despite having cleared a cool $100 million when he sold his SIN shares five years ago, he is far less Michael Douglas as Gordon Gekko than James Whitmore as Harry Truman.

In his plush office on the second floor of a modern, red-brick low-rise in Greenwich, Connecticut, the crusty, 65-year-old Anselmo is dressed comfortably in an open-collared shirt and a pull-over sweater. Except for the halo of cigarette smoke from the Winstons he chain-smokes, he looks more ready for his grandkids than for multimillion dollar business deals.

"I don't consider myself a businessman," Anselmo says "I guess I'm just your classic, basic promoter entrepreneur."

That he is, with a high-tech twist. Until Anselmo came along, U.S. TV networks, news organizations, and banks needing to transmit voice, data, or video internationally had virtually no other avenue but Intelsat, a 15-satellite, 120-nation co-operative. Each member-nation has a signatory organization, generally the government PTT (post/telephone/telegraph) monopoly. In the United States, it's the Communications Satellite Corp., a publicly traded company created by an act of Congress in 1962 just for this. Known as Comsat, it enjoys a legal monopoly. And just like nature feels about vacuums, Rene Anselmo abhors monopolies.

Spurred by the deregulatory climate of the 1980's, and flush from the sale of SIN, Anselmo put up most of the $85 million needed to buy and launch his RCA-made satellite, dubbed PAS–1. It lifted off June 15, 1988 from Kourou, French Guiana, via Arianespace, the European private-rocket company-with Anselmo having no assured customers, and only about $40 million in insurance if the darned thing blew up.

Yet his pie in the sky paid off: Among other things, Pan American Satellite beamed this year's Academy Awards ceremony overseas, live: handles a significant share of transatlantic news transmissions by ABC, CBS, CNN, and BBC; and channels financial data for Volvo, Citibank Corp, Latino, and others, Financial observers say Anselmo's privately held firm should surpass its projected 1991 revenue of $25 million. The company is now well positioned in a telecommunications equipment-and-services market that the U.S. Department of Commerce predicts will be worth $1 trillion next year.

Yet even with that big a market, why start such a risky, untested venture at age 61, after having cashed in on a fortune? "Well, I gotta do something," Anselmo protests. "Satellites and broadcasting are so integrally related, and with SIN I was an early user of satellites, so it was just a natural adjunct," he says, shrugging. "And the reason nobody ever did it before is nobody was ever allowed to do it."

This is so. It wasn't until 1984 that a Rockville, Maryland firm called Orion Network Systems began nudging the government for permission to launch a private, international telecommunications satellite (private domestic satellites are a separate and fairly common thing). Thusly nudged, President Ronald Reagan signed a 1984 document called Presidential Determination Act #85–2, allowing private satellites to compete in the Intelsat market.

"I immediately jumped in," Anselmo recalls, "because I knew all the satellite service we weren't getting—and the costs for what was available were exorbitant because it was a monopoly market. The whole system had to be changed," he says, "and it was a nice, personally challenging thing to do."

Reynold Vincent Anselmo has had a lifetime of nice, personally challenging things to do. Born in Medford, Massachusetts, he joined the Marine Corps at 16 and spent three-and-a-half years as a World War II tail-gunner, completing 37 combat missions in the South Pacific. He came home to earn a theater and literature degree from the University of Chicago in 1951, and to found a campus theater group called Tonight at 8:30—some of the core members later went on to create the famous troupe, Second City.

"Rene and I lived side by side in basement apartments," recalls acting teacher Paul Sills, who co-founded Second City and the two predecessor groups. "He was an interesting man, full of details. Always wore white shoes and carried an umbrella; had some of the Harvard Yard about him. What I learned from Rene was that you could actually start a theater—that you didn't need anybody's permission."

By now it was the beat 1950s, the era of Jack Kerouac's On the Road. Anselmo drifted to Mexico. He liked it enough that after a brief return to the States—where he was a guest director at the Pasadena Playhouse, and met Mary Morton, his future wife—he returned to Mexico to live.

After a $25-a-week stint dramatizing Time magazine stories for the U.S. government's Voice of America radio broadcasts, Anselmo hooked up with a radio-show distributor named Paul Talbot, and began a small syndication company. When a television developed, Talbot began buying syndication rights to Americans shows and had them dubbed in Spanish; Anselmo would lease them to Mexico TV stations. Some years later, Emilio Azcarraga, founder of the Mexican TV network Televisa, S.A., hired Anselmo to start up a division to export their programs to other Spanish-speaking countries.

In 1961, Anselmo—still a Televisa employee—and other investors began buying UHF TV stations in the United States, and pioneered Spanish broadcasting here. Over the course of 25 years, that core of stations grew into SIN/Univision, with 400 TV stations and cable affiliates. Yet since it was 20 percent owned by Azcarraga, Anselmo—a U.S. native who ran it out of New York City—had to divest himself because of a complicated federal issue over whether the network was foreign-owned—which was strictly forbidden.

The incident, to Anselmo, is an example of bureaucracy and authority gone awry. Scrappy as ever, he sees the same red-tape morass in Intelsat and Comsat. "It's like Communism and Socialism in Eastern Europe," he grumbles. "You wonder how the people over there put up with that for 75 years."

He's probably overstating the case—Intelsat has done much demonstrable good, making telecommunication available to countries that otherwise couldn't afford it. Yet Anselmo's correct that as in any monopoly situation, you can't go across the street if you don't like the price or service.

Comsat charges a reported flat rate of $2,637 an hour; Pan American Satellite, between $1,000 and $2,400 an hour, depending on usage based on volume per year, with most customers paying, says Anselmo, about $1,300. Even with a few hundred added at each end for earthstation fees (included in the comsat rate), Pan American Satellite is a bargain. And to the joy of news organizations with breaking reports, Anselmo always has a satellite transponder or two set aside for last-minute spot bookings.

He's also fighting like a bulldog for access to the international telephone systems. Known as "public switched networks" (PSNs), these phone lines are used to transmit almost everything, from voice to data. The right to compete with Intelsat in this market would be a boon to Anselmo. However, such access was specifically excluded from the Presidential Determination Act that allowed the formation of Pan American Satellite in the first place. Not one to lie down in the face of a monopoly, Anselmo has embarked on an ambitious, yet seemingly quixotic campaign to remedy the situation. Tired of writing lengthy missives to politicians and bureaucrats, which he feared were not being read, Anselmo took out a paid advertisement in *The New York Times*, to address the situation. But this was no staid political ad. In the form of a 17-frame comic strip, it featured Anselmo and his dog taking on well-heeled lobbyists (in football regalia) and in one panel depicts Anselmo as a Kurdish refugee. The cartoon culminates with Anselmo making a plea for President Bush to "strike a blow for global telecommunications liberalization. Lift the PSN restriction now."

Most of the U.S. telecommunications industry wants Anselmo and others to have the access to PSNs: Literally dozens of telecommunications users, satellite makers, and others filed comments on his behalf with the Federal Communications Commission last February.

That prompted Intelsat to recommend Anselmo be given 100 PSN circuits to use—an amount Anselmo says is "like having a billion dollars in your pockets and saying, 'Here's a penny.'" He exaggerates, yet according to spokespersons at both Intelsat and the F.C.C., 100 circuits is, indeed, a pittance.

But the game seems destined to change. Orion Network Systems Inc. is close to launching its two satellites, and Anselmo is negotiating to order three. And chances are, every bird will be booked: The last few years have seen explosive growth in satellite news services, fax transmissions, video teleconferencing, private telephone networks, and bank/credit data communication—the latter of which increased over 40-fold from 1970 to 1985, and could soon account for 40 percent of all telecommunications traffic.

At present, however, it's still a poker game with an enormous ante. Anselmo's first satellite cost a cut-rate $47 million; slightly more advanced ones are double that now. "And launch costs have quadrupled," Anselmo says. "You have an $80 million satellite, an $80 million launch, another $32 million for insurance—and then it's $10 million a year [operating and maintenance costs] for 13 years," the average life of a communications satellite. Now add in the cost of a satellite earthstation teleport in Homestead, Florida, and 40 or so employees.

Each bird Anselmo puts up will top out, he figures, at $40 million in revenue a year. "You're making money there," Anselmo says. "But owning satellites is not a good business in itself. You have to develop services. Let's say you're an airline. You want to put in VSATs, these dishes for data, and hook up travel agencies all over the place, so they can get into the computer via satellite. Now the airline doesn't want to operate that. So you provide that service: You install the stations, take care of them, provide the satellite transmission—there's money *there*."

"You don't do these things to make money," Anselmo claims. "You do and you don't. I'm doing it to give me something to do, and I just love breaking up this whole monopolistic system—all these state-owned telecommunications systems that don't provide good service in their countries and don't let anyone else provide it. I'd just *love* to break up that system," he says, tilting his lance.

SALUTE TO THE SIKH NATION OF KHALISTAN

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, September 29, 1995

Mr. LIPINSKI. Mr. Speaker, today I would like to salute the Sikh nation of Khalistan on the eighth anniversary of its declaration of independence. The Sikh leadership declared Khalistan independent on October 7, 1987.

Many of us have been long-time supporters of Khalistan's struggle to achieve its rightful place among the independent countries of the world. Frankly, it is in America's best interest to support the independence of Khalistan. Upon achieving its independence, Khalistan has promised to sign a friendship treaty with the United States, as opposed to occupying

Indian regime which votes against the American position in the United Nations 84 percent of the time. I am inserting an article from India Abroad of May 5, 1995, on this issue. As India deploys the Prithvi nuclear missile and continues development of the Trishul, in violation of international standards, it would help promote America's interests in the region if we had a reliable, democratic ally which could serve as a buffer between India and Pakistan.

But while strategic concerns are important, they are not the best reason to support freedom for Khalistan. We should support freedom for Khalistan because it is the right thing to do. Currently, the Sikhs of Khalistan live under the boot of brutal Indian oppression. This oppression has caused the deaths of more than 120,000 Sikhs since India's brutal attack on the Sikh Nation's holiest shrine, the Golden Temple at Amritsar, in June 1984. Thousands of Sikhs have been arrested, tortured and killed by the brutal Indian regime. Thousands of others have simply disappeared, never to be heard from again. In some cases, their families have been waiting for several years for word of their whereabouts. Our own State Department reported in 1994 that between 1991 and 1993, over 41,000 cash bounties were handed out to police officers as a reward for killing Sikhs. In November, the Indian newspaper Hitavada reported that the late governor of Punjab, Surendra Nath, had been paid the equivalent of $1.5 billion to organize and support covert terrorist activities in Punjab, Khalistan, and in neighboring Kashmir. I am again entering this report into the RECORD so that my colleagues can see clearly the true nature of Indian democracy.

One definition of insanity is doing the same thing over and over and expecting different results. Despite years of evidence that their repression has only strengthened the Sikh Nation's determination to liberate Khalistan, the Indian regime continues to increase the brutality and tyranny in a futile effort to scare the Sikh Nation into submitting to India's brutal rule. So great is the Indian regime's fear of the Sikh Nation that when Sikh leader Simranjit Singh Mann called for a peaceful movement to liberate Khalistan, he was arrested and held in illegal detention for 6 months. So great is their fear that when Jaswant Singh Khalra, general secretary of the Human Rights Wing, Shiromani Akali Dal issued a report showing that the regime had arrested, tortured, and killed 25,000 young Sikh men, then declared their bodies unidentified and cremated them, the police kidnapped Mr. Khalra and made him disappear like so many before him. These are merely two of the most recent examples of India tyranny in occupied Khalistan. There are so many other examples, large and small, that it would take me the rest of the session to list them.

There is only one way to secure freedom for the Sikh Nation; a sovereign and independent Khalistan. Only by supporting independence for Khalistan can the United States, the bastion of freedom for the world, help to insure freedom in the Indian subcontinent. It is time for our government to speak out in support of freedom for Khalistan and the other nations living under Indian misrule. Until then, I hope my colleagues will join me in congratulating the Sikh Nation on Khalistani independence day.

[From Heritage Foundation Study: India Abroad, May 5, 1995]

THINK TANK LISTS INDIA'S U.N. VOTES AND RECEIPT OF AID

A study by the Heritage Foundation, an influential conservative think tank in Washington, has found that India is high on the list of the top 10 countries receiving American aid though it voted against the U.S. at the United Nations, Aziz Haniffa writes. The study noted that India, which is slated to receive over $155 million in U.S. aid this year, voted against the U.S. last year at the U.N. Meanwhile, the World Bank is seeking to convince industrial nations, specially the U.S., that aid can be profitable, Ela Dutt reports.

TOP 10 COUNTRIES VOTING AGAINST THE UNITED STATES AT THE U.N. AND TOTAL UNITED STATES FOREIGN AID FOR FISCAL YEAR 1995

	U.N. votes against United States in 1994 [Percent]	Fiscal year 1995 aid
India	84	$155,479,000
Laos	80	2,000,000
China	77	771,000
Labanon	71	9,195,000
Burundi	70	15,772,000
Srl Lanka	70	35,872,000
Zimbabwe	70	31,729,000
Algeria	69	75,000
Angola	69	5,000,000
Ghana	69	58,587,000

STUDY LINKS U.N. VOTING WITH AID

(By Aziz Haniffa)

WASHINGTON.—A study by the Heritage Foundation, an influential conservative think tank here, particularly in Republican circles, has found that India headed the list of the top 10 countries receiving U.S. aid, while voting against the United States in the United Nations.

The study, written by Bryan T. Johnson, a policy analyst, with the foundation, noted that India, which is slated to receive over $155 million in U.S. assistance in the fiscal year 1995, cast its ballot in opposition to America 84 percent of the time last year at the U.N. "That is as often as Cuba," the report said.

TOP 10 LARGEST RECIPIENTS OF UNITED STATES FOREIGN AID AND THEIR VOTING RECORD

	Fiscal year 1995 aid	U.N. votes against United States in 1994 [Percent]
Israel	$3,003,800,000	5
Egypt	2,121,729,000	85
India	155,479,000	54
Peru	150,516,000	55
Bolivia	134,178,000	58
Bangladesh	112,679,000	64
Ethiopia	92,148,000	51
Haiti	85,813,000	57
South Africa	82,463,000	58
Philippines	74,004,000	61

According to the document, India was followed closely by Laos (80 percent anti-U.S. voting record, while receiving $2 million in U.S. aid); China (77 percent, $771,000); Lebanon (71 percent, $9.1 million); Burundi (70 percent, $15.7 million); Sir Lanka (70 percent, $35.8 million); Zimbabwe (70 percent, $31.7 million); Algeria (69 percent, $75,000); Angola (69 percent, $5 million), and Ghana (69 percent, $56 million). By contrast, Russia, which as part of the Soviet Union confronted the U.S. on nearly every issue during the Cold War, was found by the Heritage study to have voted against the U.S. only 33 percent of the time last year. It also said that of the 10 countries that voted with the U.S. the most, nine are former Soviet-bloc countries. The study noted that some 74 percent of U.S. foreign aid recipients voting in the 1994 U.S. session did so against the U.S. a majority of the time. It said that of the 113 countries that are foreign aid recipients and also members of the U.N., 95 of them voted against the U.S. more often than Russia.

It reported that the top 10 countries, headed by India, that voted against the U.S. that most would receive nearly $313 million in foreign aid in the fiscal year 1995.

All but one of America's top 10 largest recipients, which the report identified as Israel, voted against the U.S. a majority of the time in the 1994 U.N. session.

While acknowledging that while there are many reason why a country may vote with or against the U.S. at the U.N., Johnson contended that "clearly the amount of aid they receive from the U.S. is not one of them."

Thus, he asserted in his report, "If the voting record of an aid recipient at the U.N. is any record of whether countries are serving U.S. interests—and champions of foreign aid must conclude that it is—then the U.S. is not getting its money's worth."

TOP 10 COUNTRIES VOTING WITH THE UNITED STATES AT THE UNITED NATIONS

	Percent of votes against United States in 1994	Fiscal year 1995 aid
1. Israel	5	$3,003,000,000
2. Georgia	10	75,000
3. Slovak Republic	20	1,580,000
4. Hungary	20	3,420,000
5. Czech Republic	21	1,954,000
6. Poland	22	4,068,000
7. Bulgaria	22	1,682,000
8. Albania	22	1,249,000
9. Moldova	23	1,011,000
10. Slovenia	24	125,000

He wrote that these voting records demonstrate that an overwhelming majority of the recipients of U.S. foreign aid fail to support U.S. interests abroad, adding, "In fact, the data show that some of these countries actually undermine U.S. policies abroad."

The study said that this information begs the question: Why is the U.S. spending so much money on countries who care little about America's interests abroad? Consequently, the report urged that when foreign aid is scrutinized as a target for cutting the federal budget, "Congress would do well to look further into these numbers."

It said, "Not only has foreign aid failed at its primary mission of promoting economic development, it often has failed, too, at supporting America's national interests abroad."

The U.S. Agency for International Development, which has come under heavy criticism since Republicans took control of Congress in November, with Sen. Jesse Helms, North Carolina Republican and chairman of the Foreign Relations Committee, calling for its abolition, dismissed the findings of the Heritage report.

USAID said in a statement that "to use recorded votes in the United Nations as an indication of support for American interests is a red herring."

It said the figures released by Johnson's report "do not reflect the overall voting picture" of U.S. aid recipients, and noted that 77.4 percent of U.N. votes are determined by consensus, leaving less than one-quarter of its votes to be resolved by recorded votes. Consequently, the statement argued, the fact that countries often side with the United States during consensus votes are ignored by the Heritage report.

The statement also said a country's U.N. voting record "is only one dimension of its relations with the United States," emphasizing, "Bilateral economic, strategic and political issues are often more directly important to U.S. interests."

However, Johnson in an interview with India Abroad argued that it is the recorded votes that matter and not the consensus votes that simply deal "with minor issues related to procedural, administrative things."

He asserted that the recorded votes are what "deal with the big issues like extending the embargo on Cuba, Bosnia, things like that, and even in the U.S. Congress it is the recorded votes that analysts and pollsters always look at."

Johnson ridiculed the agency's contention as a "poor way of arguing," saying that the recorded votes on particular issues "is where the distinction can be made very clearly, unlike consensus votes." He denied that he was being judgmental or specifically identifying individual countries, declaring, "One of the last things I would want to do is to say that foreign aid should be used to try to affect the voting records of various countries in the U.N." He said the rationale for the study was essentially to rebut the Clinton administration's contention that there was a connection "between our foreign aid dollars spent and America's national interest being supported by the foreign aid recipients."

Congressional sources, however, acknowledged that the Heritage study was "bad news for India," and that when Congress reconvenes, India critics on Capitol Hill like Rep. Dan Burton, Indiana Republican, would use the report as fodder to justify their attacks on India and to call for cuts in U.S. development aid to that country.

[From the Hitavada, Nov. 6, 1994]

SURENDRA NATH PAID TO FAN MILITANCY?

(By Sukhbir Osan)

CHANDIGARH, November 5.—Was the late Punjab Governor, Mr. Surendra Nath, who died in a plane crash with nine family members, behind the thousands of killings in Punjab and Kashmir through a third agency?

According to highly placed sources, the Union Government had made available a huge amount of Rs. 4500 crore to Mr. Surendra Nath, IPS, who held many a prestigious post from time to time, to "prop up" terrorism in Punjab and Kashmir in a bid to defame the Punjab and Kashmir militants. Both the Union Home Minister Mr. S.B. Chavan and the Internal Security Minister Mr. Rajesh Pilot were well aware of the fact that Mr. Nath had very successfully infiltrated "officials" of the Punjab and Kashmir Government into various terrorist groups.

What is further intriguing the minds of the people of Punjab is the ignorance being feigned by the Government of India, especially its Home Ministry regarding the "seizures" made from "Punjab Raj Bhawan" after the demise of Mr. Nath. The total "collection" amounts to Rupees 800 crore inclusive of cash, jewelry, and other immovable property. In fact, according to sources, this "body" seems to be a part of the amount of Rs. 4500 crore which was placed at the disposal of Mr. Surendra Nath to root out terrorism.

Mr. Surendra Nath played an all important role to give strength to the hitherto lesser known C.I.S.F. (Central Industrial Security Force) and it is being alleged that some of "its" men were used to kill innocent persons including the family members of the Punjab police personnel as well as teachers, doctors, engineers, media men and political personalities.

A "suspended" police official Bakhsish Singh remained very close to Mr. Surendra Nath. Mr. Singh was the security in charge of the all time high-profile top Akali leader and the former Punjab Finance Minister Mr. Balwant Singh who was gunned down by "terrorists" in a broad day light. Mr. Bakhsish Singh was immediately suspended after the ghastly murder of Mr. Balwant Singh. But with the advent of Mr. Surendra Nath as the Governor of Punjab, Mr. Bakhsish Singh, a Nath confidant, re-appeared on the scene and enjoyed a very easy access to Mr. Surendra Nath even at "odd" hours and was "well informed" of all the "secret missions" of the late Governor.

Though the Union Home Minister, Mr. S.B. Chavan has denied that currency has been seized from the Punjab Raj Bhavan, he has further complicated the issue by saying that only the Prime Minister Mr. Rao could say anything about the "seizures" made from the Raj Bhavan.

Though the veteran CPI leader and the former Punjab Minister, Mr. Satyapal Dang as well as the Khalistan protagonist Mr. Simranjit Singh Mann have asked for a CBI probe into the Punjab Raj Bhavan seizures, the Government of India is maintaining a studied silence. Meanwhile, a Human Rights protagonist and an advocate of the Punjab and Haryana High Court has filed a written petition in the Supreme Court for a CBI probe into the matter.

According to sources, the list of seizures prepared by intelligence agencies is very long and is consisting of Rupees 110 crore in cash, jewelry worth Rupees 40 crore, immovable property worth Rupees 650 crore, various political bungalows and farm houses and above all his attempt to grab land near Kullu at a throw away price of Rupees 8 crore.

The Prime Minister, these sources maintain, is annoyed with both Mr. Chawan and Mr. Pilot since he feels that their infighting is behind all this "leakage" to media persons and may have a "damaging influence" on the Congress I performance in the ensuing election being held in the Southern States.

HOUSE OF REPRESENTATIVES—*Friday, October 6, 1995*

The House met at 10 a.m. and was called to order by the Speaker pro tempore [Mrs. MORELLA].

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
October 6, 1995.

I hereby designate the Honorable CONSTANCE A. MORELLA to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Let us pray using the words of Isaac Watts:

O God, our help in ages past,
Our hope for years to come,
Our shelter from the stormy blast,
And our eternal home.
Before the hills in order stood,
Or earth received her frame,
From everlasting thou art God,
To endless years the same.
A thousand ages in thy sight
Are like an evening gone,
Short as the watch that ends the night
Before the rising sun.
O God, our help in ages past,
Our hope for years to come,
Be thou our guide while troubles last,
And our eternal home.

Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Virginia [Mr. DAVIS] come forward and lead the House in the Pledge of Allegiance.

Mr. DAVIS led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

HOUSE OF REPRESENTATIVES,
OFFICE OF THE CLERK,
Washington, DC, October 6, 1995.

Hon. NEWT GINGRICH,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 5 of Rule III of the Rules of the U.S. House of Representatives, I have the honor to transmit a sealed envelope received from the White House on Tuesday, October 3, 1995 at 3:55 p.m. and said to contain a message from the President whereby he returns without his approval H.R. 1854 the "Legislative Branch Appropriations Act, 1996."

With warm regards,

ROBIN H. CARLE, *Clerk.*

LEGISLATIVE BRANCH APPROPRIATIONS ACT, 1996—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 104–122)

The SPEAKER pro tempore laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I am returning today without my approval H.R. 1854, the "Legislative Branch Appropriations Bill, FY 1996."

H.R. 1854 is, in fact, a disciplined bill, one that I would sign under different circumstances. But, at this point, Congress has completed action on only 2 of the 13 FY 1996 appropriations bills: this one and H.R. 1817, the Military Construction appropriations bill. Thus, the vast majority of Federal activities lack final FY 1996 funding and are operating under a short-term continuing resolution.

I appreciate the willingness of Congress to work with my administration to produce an acceptable short-term continuing resolution before completing action on the regular, full-year appropriations bills for FY 1996. I believe, however, that it would be inappropriate to provide full-year regular funding for Congress and its offices while funding for most other activities of Government remains incomplete, unresolved, and uncertain.

As I said 2 months ago, I don't think Congress should take care of its own business before it takes care of the people's business. I stated that if the congressional leadership were to follow through on its plan to send me its own funding bill before finishing work on the rest of the budget, I would veto it. I am now following through on that commitment.

I urge the Congress to move forward promptly on completing the FY 1996 appropriations bills in a form that I can accept.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *October 3, 1995.*

The SPEAKER pro tempore. The objections of the President will be spread at large upon the Journal, and the veto message and bill will be printed as a House document.

Mr. DAVIS. Madam Speaker, I ask unanimous consent to postpone consideration of the President's veto message on the bill H.R. 1854 until Thursday, October 12, 1995.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

GENERAL LEAVE

Mr. DAVIS. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the veto message of the President to the bill, H.R. 1854, and that I may include tabular and extraneous material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

COMMUNICATION FROM THE HONORABLE MARGE ROUKEMA, MEMBER OF CONGRESS

The SPEAKER pro tempore laid before the House the following communication from the Honorable MARGE ROUKEMA, Member of Congress:

HOUSE OF REPRESENTATIVES,
Washington, DC, July 27, 1995.

Hon. NEWT GINGRICH,
The Speaker, Office of The Speaker, H-232, The Capitol, Washington, DC.

DEAR MR. SPEAKER: Due to the increasing demands placed on me as Chairwoman of the Subcommittee on Financial Institutions and Consumer Credit and other legislative duties, I hereby resign as a Member of the Glass Ceiling Commission, established pursuant to P.L. 102–166.

Thank you for your consideration.

Sincerely,

MARGE ROUKEMA.

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

APPOINTMENT AS MEMBER OF GLASS CEILING COMMISSION

The SPEAKER pro tempore laid before the House the following communication from the Honorable Richard Armey, majority leader, and the Honorable Richard Gephardt, minority leader:

House of Representatives,
Washington, DC, October 3, 1995.

Hon. Newt Gingrich,
The Speaker, House of Representatives, Washington, DC.

Dear Mr. Speaker: Pursuant to section 203(b)(1)(G) of Public Law 102–166, we hereby appoint the following Member of the House of Representatives to serve as a member of the Glass Ceiling Commission: The Honorable Sue Kelly of New York.

Sincerely,

Richard Armey,
Majority Leader.
Richard Gephardt,
Minority Leader.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

House of Representatives,
Office of the Clerk,
Washington, DC, October 6, 1995.

Hon. Newt Gingrich,
The Speaker, House of Representatives, Washington, DC.

Dear Mr. Speaker: Pursuant to the permission granted in clause 5 of rule III of the Rules of the House of Representatives, the Clerk received the following messages from the Secretary of the Senate on Monday, October 2, 1995 at 2:25 p.m.:

That the Senate passed without amendment H.R. 2288;

That the Senate passed S. 1254; and

That the Senate passed S. Con. Res. 29.

With warm regards,

Robin H. Carle, *Clerk.*

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair desires to announce that pursuant to clause 4 of rule I, the Speaker signed the following enrolled bills on Saturday, September 30, 1995: H.R. 2404, to extend authorities under the Middle East Facilitation Act of 1994 until November 1, 1995, and for other purposes.

And the Speaker pro tempore signed the following enrolled bills on Monday, October 2, 1995: H.R 2288, to amend part D of title IV of the Social Security Act to extend for 2 years the deadline by which States are required to have in effect an automated data processing and information retrieval system for use in the administration of State plans for child and spousal support; and S. 895, to amend the Small Business Act to reduce the level of participation by the Small Business Administration in certain loans guaranteed by the Administration, and for other purposes.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Davis to revise and extend their remarks and include extraneous material:)

Mr. Horn, for 5 minutes each day, on October 10, 11, 12, and 13.

Mr. Wamp, for 5 minutes, on October 10.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. Davis) and to include extraneous matter:)

Mr. Combest.

Mr. Goodling.

Mr. Davis.

Mr. Bonior in two instances.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. Con. Res. 29. Concurrent resolution providing for marking the celebration of Jerusalem on the occasion of its 3,000th anniversary; to the Committee on House Oversight.

ENROLLED BILLS SIGNED

Mr. THOMAS, from the Committee on House Oversight, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 2288. An act to amend part D of title IV of the Social Security Act to extend for 2 years the deadline by which States are required to have in effect an automated data processing and information retrieval system for use in the administration of State plans for child and spousal support; and

H.R. 2404. An act to extend authorities under the Middle East Facilitation Act of 1994 until November 1, 1995, and for other purposes.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 895. An act to amend the Small Business Act to reduce the level of participation by the Small Business Administration in certain loans guaranteed by the Administration, and for other purposes.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. THOMAS, from the Committee on House Oversight, reported that that committee did on the following dates present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H.J. Res. 108. An act making continuing appropriations for the fiscal year 1996, and for other purposes.

H.R. 2399. An act to amend the Truth in Lending Act to clarify the intent of such act and to reduce burdensome regulatory requirements on creditors.

September 30, 1995:

H.R. 2404. An act to extend authorities under the Middle East Facilitation Act of 1994 until November 1, 1995, and for other purposes.

October 3, 1995:

H.R. 2288. An act to amend part D of title IV of the Social Security Act to extend for 2 years the deadline by which States are required to have in effect an automated data processing and information retrieval system for use in the administration of State plans for child and spousal support.

ADJOURNMENT

Mr. DAVIS. Madam Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 8 minutes a.m.), under its previous order, the House adjourned until Tuesday, October 10, 1995, at 12:30 p.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1483. A letter from the Comptroller, Department of Defense, transmitting a violation of the Antideficiency Act in the Office of the Air Force Surgeon General at Bolling Air Force Base, Washington, DC, pursuant to 31 U.S.C. 1517(b); to the Committee on Appropriations.

1484. A letter from the Deputy and Acting CEO, Resolution Trust Corporation and the Executive Director, Thrift Depositor Protection Oversight Board, transmitting the Corporation's unaudited financial statements for the 6-month period ending June 30, 1995, pursuant to Public Law 102–233, section 106(e)(1) (105 Stat. 1765); to the Committee on Banking and Financial Services.

1485. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report involving United States exports to Kuwait, pursuant to 12 U.S.C. 635(b)(3)(i); to the Committee on Banking and Financial Services.

1486. A letter from the Secretary of the Treasury, transmitting a copy of the fifth monthly report pursuant to the Mexican Debt Disclosure Act of 1995, pursuant to Public Law 104–6, section 404(a) (109 Stat. 90); to the Committee on Banking and Financial Services.

1487. A letter from the Secretary of Labor, transmitting a report covering the administration of the Employee Retirement Income Security Act [ERISA] during calendar year 1993, pursuant to 29 U.S.C. 1143(b); to the Committee on Economic and Educational Opportunities.

1488. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification of a proposed issuance of export license agreement for the transfer of defense articles or defense services sold commercially to Malaysia (Transmittal No. DTC-55-95), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

1489. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting a report on the extent of compliance of the independent states of the former Soviet Union with the biological weapons convention and other international agreements relating to the control of biological weapons, pursuant to Public Law 103-337, section 1207(c) (108 Stat. 2885); to the Committee on International Relations.

1490. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting a report of U.S. citizen expropriation claims and certain other commercial and investment disputes, pursuant to Public Law 103-236, section 527(f); to the Committee on International Relations.

1491. A letter from the Assistant Secretary for Administration, Department of Commerce, transmitting a report of activities under the Freedom of Information Act for calender year 1994, pursuant to 5 U.S.C. 552(d); to the Committee on Government Reform and Oversight.

1492. A letter from the Secretary of Agriculture, transmitting the Secretary's management report for the period ending March 31, 1995, pursuant to Public Law 101-576, section 306(a) (104 Stat. 2854); to the Committee on Government Reform and Oversight.

1493. A letter from the Chairman, Federal Election Commission, transmitting proposed regulations governing communications disclaimer requirements (11 C.F.R. sections 110.11), pursuant to 2 U.S.C. 438(d); to the Committee on House Oversight.

1494. A letter from the Secretary of Veterans Affairs, transmitting a draft of proposed legislation to amend title 38, United States Code, to modify disbursement agreement authority to include residents and interns serving in any Department facility providing hospital care or medical services; to the Committee on Veterans' Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. STUMP: Committee on Veterans' Affairs. H.R. 2394. A bill to increase, effective as of December 1, 1995, the rates of compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for the survivors of certain disabled veterans (Rept. 104-273). Referred to the Committee of the Whole House on the State of the Union.

MEMORIALS

Under clause 4 of rule XXII,

164. The SPEAKER presented a memorial of the Senate of the State of Washington, relative to postratification of amendment XXVII to the U.S. Constitution; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 104: Mr. FOGLIETTA, Mr. MANTON, and Mr. HUTCHINSON.

H.R. 325: Mrs. KELLY.

H.R. 528: Mr. THORNBERRY, Mr. OBERSTAR, Ms. LOFGREN, Mr. BREWSTER, Mr. PAXON, and Mr. CALVERT.

H.R. 863: Mr. OLVER, Mr. FATTAH, and Mr. FAZIO of California.

H.R. 1742: Mr. JOHNSTON of Florida and Mr. FOGLIETTA.

H.R. 1749: Mr. BLUTE and Mr. CHABOT.

H.R. 2447: Mr. JACOBS.

H. Con. Res. 26: Mr. ZIMMER.

EXTENSIONS OF REMARKS

IN HONOR OF JOHN HENRY WALBRIDGE UPON HIS RETIREMENT FROM THE CENTRAL INTELLIGENCE AGENCY

HON. LARRY COMBEST

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, October 6, 1995

Mr. COMBEST. Mr. Speaker, I rise today to pay tribute to John Henry Walbridge. After a distinguished career with the U.S. Government he is retiring from the Central Intelligence Agency's Clandestine Services.

Mr. Walbridge is an exceptional American who has dedicated his life to service to his country. Mr. Walbridge began his career in Government service as a cadet at the Citadel, graduating in 1969. Thereafter, he entered service in the United States Army as a commissioned officer serving in Vietnam with distinction with the Green Berets. Following Vietnam, Mr. Walbridge joined the Foreign Service working there for 5 years when he concluded that he wanted to seek higher education and spend several years in Africa working on an advanced degree.

His broad experience in the military, independence, and tenaciousness came to the attention of the Central Intelligence Agency as they were looking for bright young officers who could accept the challenging task of recruiting and handling human intelligence sources around the world. In 1982, Mr. Walbridge began a successful career at the Central Intelligence Agency serving in Africa, Europe, and Latin America.

I wish to highlight that Mr. Walbridge served with great distinction in Central America making an important and lasting contribution to the establishment of democratic governments in the region. This contribution directly reflected his many talents, his steadfast loyalty, and his willingness to go to extra measures to ensure that this Nation's interests were well served. His performance was of such high caliber that he has been strongly recommended for the CIA's Career Intelligence Medal in recognition for a lifetime of achievement.

As chairman of the Permanent Select Committee on Intelligence, I am proud to know that Americans like Mr. Walbridge are serving in our intelligence community. They are our first line of defense in a world that continues to be fraught with dangers. Please join me in wishing John Walbridge a happy and prosperous retirement.

TRIBUTE TO DON HOLLIFIELD

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, October 6, 1995

Mr. BONIOR. Mr. Speaker, I rise today to pay tribute to Don Hollifield who was honored this past Wednesday by the Clinton Township Democratic Club. Don was recognized at the group's biannual awards dinner at Paradiso Elegant Banquets in Clinton Township.

After 2 years in the U.S. Navy and nearly 3 years with the Detroit Police Department as a uniformed patrolman, Don Hollifield began his present career with the State of Michigan as an investigator. For 10 years he served as a drug investigator where he received several citations from the Michigan State Police. In 1983, Don's expertise as an investigator became an asset to the charitable gaming division. His experience has helped ensure that numerous charitable organizations operate successfully and in compliance with the law.

In his various professional positions, Don Hollifield has been a servant of the people of Michigan, Detroit, and the United States. The people of the State of Michigan have been especially fortunate because they have been able to depend on Don Hollifield for 22 years. During these years he has devoted much of his spare time to many other organizations, including the Vietnam Veterans of America Chapter 154, the American Legion Post 225, and the Chippewa Valley High School Band. I commend him for his years of dedicated involvement.

I also commend the Clinton Township Democratic Club for recognizing Don. He is committed to making the world a better place and his recognition at tonight's dinner is well deserved. His time, talents, and energy are appreciated by all of us and we are grateful for his efforts.

On behalf of the Clinton Township Democratic Club I ask my colleagues to join me in saluting Don Hollifield. He has provided outstanding leadership in our community and I know he is proud to be honored by the club.

HONORING SHADOWFAX CORPORATION

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 6, 1995

Mr. GOODLING. Mr. Speaker, I am pleased to honor the immense achievements of the Shadowfax Corp. on their 10th anniversary. Shadowfax is a nonprofit organization that provides residential and vocational services to hundreds of people with disabilities in York County.

Founded by David B. Bryant in 1985, Shadowfax provides services based upon a personalized program emphasizing self reliance, living skills, community, and self confidence. Shadowfax operates under the philosophy that every individual deserves a quality life.

The accomplishments of the Shadowfax are best illustrated by the individual success stories of their clients. Shadowfax has seen a young woman move from their vocational program to a job in a York company and a man who could not feed himself care for his own personal hygiene. These successes and the multitude of other successes are a true testimony to the dedicated professionals at Shadowfax.

As chairman of the House Committee on Economic and Educational Opportunities, I am proud that this high quality program exists in my congressional district. On behalf of the residents of Pennsylvania's 19th District, thank you for 10 years of service to our community and congratulations on a job well done.

TRIBUTE TO JOE SLABBINCK

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, October 6, 1995

Mr. BONIOR. Mr. Speaker, I rise today to pay tribute to my good friend Joe Slabbinck who was honored this past Wednesday by the Clinton Township Democratic Club. Joe was recognized at the club's biannual awards dinner at Paradiso Elegant Banquets in Clinton Township.

Joe and his wife, Brenda, have dedicated much of their lives to improving our community. After 30 years of work at Chrysler Corp., his success at helping build world class quality cars is only surpassed by his success in building organizations dedicated to meeting people's needs.

Joe is currently a board member of the Clinton Township Goodfellows. In the past he has served as president, vice president, and secretary of the group. The Interfaith Center for Racial Justice and the Volunteer Services Committee of the United Community Service have also benefited from Joe's commitment to civic involvement.

I have known Joe for many years and have had the fortunate opportunity to work with him on numerous occasions. Joe always makes sure that projects stay on track. He is the first to take responsibility and the last to take credit. His strong work ethic and sense of humility mean that everyone enjoys working with him.

I commend the Clinton Township Democratic Club for recognizing Joe. He is committed to making the world a better place and his recognition at tonight's dinner is well-deserved. His time, talents, and energy are appreciated by all of us and we are grateful for his efforts.

On behalf of the Clinton Township Democratic Club I ask my colleagues to join me in saluting Joe Slabbinck. He has provided outstanding leadership in our community and I know he is proud to be honored by the club.

HOUSE OF REPRESENTATIVES—*Tuesday, October 10, 1995*

The House met at 12:30 p.m. and was called to order by the Speaker pro tempore [Mr. EVERETT].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
October 10, 1995.

I hereby designate the Honorable TERRY EVERETT to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

MORNING BUSINESS

The SPEAKER pro tempore. Pursuant to the order of the House of May 12, 1995, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning hour debates. The Chair will alternate recognition between the parties, with each party limited to not to exceed 30 minutes, and each Member except the majority and minority leaders limited to not to exceed 5 minutes.

The Chair recognizes the gentlewoman from Colorado [Mrs. SCHROEDER] for 5 minutes.

THIS CONGRESS IS ANTIEVERYTHING THE CONGRESSIONAL CAUCUS ON WOMEN'S ISSUES HAS WORKED FOR

Mrs. SCHROEDER. Mr. Speaker, I take the floor to talk about some interesting things that symbolize what is happening in the political debate in this House.

Last week we saw a real brouhaha on this floor about something I never thought we would see a brouhaha over. There are three women in the basement of this building that represent the suffragettes, and when that statue was done, they were supposed to bring that statue and bring it in the rotunda. As my colleagues know, the statue was done many, many years ago, but they never put it in the rotunda. They have kept it in the basement.

Mr. Speaker, this year we are celebrating the 75th anniversary of women having the right to vote, and so some of us thought, well, maybe it is time we could at least keep our word to the people who paid for that statue and see if we could bring it up to the second floor where it belongs, in the rotunda. I guess they thought there were too many women in the rotunda already. I did not see any; I mean it is kind of a guy circle in there. But guess what? When it came to the floor, Members on the other side of the aisle said no, and that symbol, representing women and the gains they have made in the 75 years, got pushed back down in the basement where they still are if we were to walk around and see them. Hopefully we will finally reach some consensus on it.

But that also reflects what is happening to statutes, or laws, that have been passed by this body because many of the statutes that we have worked so hard to get through are being desecrated, they are being pushed back down or pushed out of the lawbooks, and let me talk about some of those.

One of the things that I was proudest to have participated in was in 1988 we did something I think every American and everyone who stands in this well and talks about family values ought to have been for, and that was no American family should be forced to go to the poorhouse because one person in that family got terribly ill. This bill was called the Spousal Impoverishment Act, and what it meant is that there were many elderly couples, and when one would get to the point where they needed to go to a nursing home, there was nothing else that could happen. Both had to sell everything they had and be totally impoverished before Medicaid would allow one to go into the nursing home, and then, when that one was deceased, my colleagues can imagine what happened to the remaining spouse. There they were, totally impoverished.

Mr. Speaker, our bill said that was wrong, and what we should do in that family situation is divide those assets between each party and, yes, use the asset, the half of the assets that represent the one, but we do not impoverish them both because one got ill.

My colleagues, that was done away with by the Committee on Commerce last week as they marked up the Medicaid bill and had no hearings. So the spousal impoverishment statute, just like the women's suffrage statue, has not been allowed to come to the first floor. The spousal impoverishment statute has been shoved out of the lawbooks, and we are back to putting families' lives on the line.

Another thing that happened was that adult children, their homes could be attached, all sorts of things could happen if their family member was in a nursing home and could no longer pay. So it not only went to the immediate couple, it then could go back to their children, and we started reaching back and put liens on their homes and whatever until they started paying, and I do not think there is any American alive who wants their children to be tapped for that. We all want to be independent. We all hope we will live to be healthy in our old age and never need to have this happen. But again we have prevented that from happening through the law, and again that all disappeared as it came out of the Committee on Commerce in the new Medicaid bill as it now stands.

We saw on the Senate side, the other body, we had worked so hard for child support enforcement, strong child support enforcement. The other body in its wisdom has decided to put a 10-percent tax on that. So, if the Government helps collect child support, the Government keeps 10 percent of that money.

Now, Mr. Speaker, that again, I think, is very antifamily values and antieverything the Congressional Caucus on Women's Issues had worked for. If my colleagues look at any number of other issues, they see them being rolled back, they see them being recognized rolled back, and, as my colleagues know, people do not believe it. We had even the Violence Against Women Act barely, barely funded when it was unanimously agreed to a year ago.

I hope people watch what happens to that statue of those three women, and wake up and find out what is happening to the statutes that so many women have cared about, and men, too.

MEDISCARE TACTICS AND OTHER FALL FICTION

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Arizona [Mr. HAYWORTH] is recognized during morning business for 5 minutes.

Mr. HAYWORTH. Mr. Speaker, I always enjoy spending time of course in the Sixth District in Arizona, but I also enjoy returning to the well of this body to hear some very creative accounts of what has transpired here, and I appreciate my predecessor here in the well for offering her unique interpretation on events, but, as the RECORD will reflect, because I have done some checking specifically about the statue of the suffragettes that came to the floor as a unanimous-consent request, one Member, a new addition to this House, the gentlewoman from North Carolina, stood in opposition citing the cost of $80,000 to $100,000.

□This symbol represents the time of day during the House proceedings, e.g., □1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Now there are those in this body who say, "Hey, it is no big deal. A little bit of money for a symbol; that's fine." I personally would like to see the statue brought up, but perhaps we ought to find some means of funding to remove the statue——

Mrs. SCHROEDER. Mr. Speaker, will the gentleman yield?

Mr. HAYWORTH. No, not at this time, I will not yield. The gentlewoman has had 5 minutes. I appreciate my amount of time. I will not yield to the gentlewoman at this time. I would be happy to debate her at a later time.

So too have we had interesting interpretations, not only from the gentlewoman and indeed from almost all the folks over here on this side of the aisle, as to what is transpiring in terms of health care for all Americans, but especially health care for senior citizens. I listened with great interest as my friends on the other side continue to play the game of "MediScare."

As my colleagues know, we thought the big fiction time for reading, Mr. Speaker, was in the summer with those great big, thick paperback books. No, no. It is right now here in the fall with the blatant charges that are coming from the other side that are just filled with disinformation.

With reference to the so-called spousal impoverishment statute, I would hope that Members on the other side would stand with us to rail against the greater source of spousal impoverishment and family impoverishment, and that is a confiscatory tax policy that penalizes for Americans for succeeding not only in this life, but from the grave. The same folks who voted to tax us retroactively maintain an estate tax that is absolutely confiscatory and punishes the very people we should be helping. Indeed our entire policy is this: "If you succeed in this Nation, somehow you are to be punished." It is not fair.

Why it is not fair that one works hard and succeeds. They ought to take that money and surrender it to the State.

Mrs. SCHROEDER. Mr. Speaker, will the gentleman yield?

Mr. HAYWORTH. I will not yield at this juncture. I will continue my remarks, and the gentlewoman has had her time earlier.

My colleagues heard it completely in the fiction that we will hear no doubt again from the other side today. It has been the greatest line. It is cited as a catechism even among the pollsters of the liberal news media who seek somehow to solidify something that is absolutely false. The other side will march to the well of this House and say that the new majority is trying to change Medicare to pay for a tax cut. That is just blatantly and totally false. The fact is the new majority worked very hard on a budget plan to bring this budget into balance within 7 years that paid for all of the tax reductions along the way.

My colleagues, here is the big secret that somehow is not getting out. Indeed, Mr. Speaker, I would challenge the major news media outlets of this Nation to use this part of my remarks because it is the absolute truth, and it is what people are missing in this whole debate. If our budget were balanced today, right now, we would still have a problem with the Medicare trust fund. Members of both parties, three members of the President's own Cabinet, tell us that Medicare is going broke. We have to fix it, and something else that follows the school lunch fiction and all the other scare tactics. The fact is we are not cutting Medicare. We are reducing the rate of growth. The average expenditure per beneficiary rises almost 40 percent over the next 6 years, from $4,800 this year to $6,700 in the year 2002. So, it is not a cut, and to hear the wailing and gnashing of teeth, and creative accounting from the other side almost defies imagination.

I say to my colleagues, apply it in everyday terms to your own life. Your son or daughter comes to you asking for an allowance. I use an example from my own. My oldest daughter, going from junior high to high school, wanted an allowance increase from $5 a week. I felt in a sense of parental largesse we double it to $10 a week. Now because I did not give her $15, Mr. Speaker, she wasn't yelling that it was a cut of $5. She got a real increase.

So, my colleagues and Mr. Speaker, listen closely to the charges. They are without foundation. It is the MediScare tactics of the past. Read the real record. Check the real numbers.

OUR SENIORS' CONCERNS ABOUT REPUBLICAN MEDICARE REFORM

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, the gentleman from Texas, Mr. GENE GREEN, is recognized during morning business for 5 minutes.

Mr. GENE GREEN of Texas. Mr. Speaker, I yield such time as she may consume to my colleague, the gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. Mr. Speaker, I will be very brief because the gentleman from Texas is being very kind. I am glad I got to answer these statements.

No. 1, the cost for bringing the statue up. There has been a private group that the Senate has put together that is willing to do this, it is my understanding, so that is not an issue.

No. 2, I find that countering spousal impoverishment by saying that estate taxes are too high; for heaven's sakes, if they are both in the poorhouse, estate taxes are not going to matter.

So we are beginning to see what the gentleman from Arizona and his party——

Mr. HAYWORTH. Mr. Speaker, will the gentleman yield?

Mrs. SCHROEDER. Mr. Speaker, the gentleman did not yield to me, and I do not mind yielding. I think I yielded to the gentleman every time.

Mr. HAYWORTH. Will the gentlewoman yield?

Mrs. SCHROEDER. At this point, Mr. Speaker, I yield back to the gentleman from Texas, Mr. GENE GREEN.

Mr. HAYWORTH. Mr. Speaker, will the gentleman yield?

Mr. GENE GREEN of Texas. I will yield, but let me make my remarks about the Medicare to my colleague from Arizona because I want to make sure my colleagues understand that that is what our morning hour here is about, so we can exchange ideas and talk about it.

Over the last week I spent a lot of time in my district, like other Members have, and I used this last week to meet with constituents, and visit a number of my senior citizens' centers, and answer their questions, and I have not had the opportunity to host our Social Security Commissioner, Dr. Shirley Chater, in Houston, and she toured one of our west-end senior citizen centers, the Magnolia Senior Nutrition site, and also the Texas Medical Center to talk with those who are most affected by the proposed cutbacks in Medicare.

□ 1245

You will notice I did not say cuts, cutbacks, because when you add more population to it and you do not plan for that increase, it is a cutback.

Ms. Chater made an interesting point during her visit. I would like to reiterate it. We have all heard the word "bankrupt" a lot. All by friends on the other side of the aisle stand up and wave the Medicare Trustees' report and explain how they are trying to save the system from going bankrupt. Ms. Chater is not only Social Security Administrator, but she is also one of the trustees of the Medicare trust fund, and she pointed out to the seniors in Houston, TX that the system really is not going bankrupt. It may have problems that need to be addressed, like it has eight times or nine times in its history over the last 30 years, but as long as people paid into the trust fund, those of us who are earning now, it is not going bankrupt as long as we plan for the future.

My friends on the other side of the aisle say we are scaring seniors. Seniors ought to be scared. I think the polls show they are getting scared by what they hear. In fact, they should be the ones that should quit scaring seniors into thinking they are going to cut $270 million out of Medicare and it will not be around next year unless they do that, because that is what the fear is: Unless we cut $270 million out of the growth over 7 years we will not have Medicare next year.

We will have Medicare next year, we will have it the year after that, but we need to have a reasonable plan to get its policies on expenditures in line like we do every Federal program; but not $270 billion, more like $90 billion. It is not true, and it is is wrong to scare the people into thinking that.

Let us be honest with the American people. They need $270 billion to meet their tax cut goals. I have heard those goals were met with the appropriation bills. But, Mr. Speaker, we have only passed one appropriation bill here on this floor that went to the President, and was vetoed last week, so those cuts are not in place.

Now they are talking about cutting Medicare. There are no ifs, ands, or buts; the seniors in this country will have to bear the brunt of the pain to balance that budget to give that tax break. That is the truth, and even the Republican Members of our other body have expressed strong opposition to cutting taxes while simultaneously slashing Medicare.

These Senate Republicans are beginning to say, as our Democrat leader, the gentleman from Missouri [Mr. GEPHARDT], has said for months, in fact the gentleman from Missouri was in Houston at another senior citizen site a few months ago, and said that before we start talking about reforming Medicare, let us sit down and look at the whole budget, but let us take off this tax cut of $247 billion.

I was in Houston for over a week, and I have talked to hundreds of seniors. Several have asked me to outline what the plan entailed. I have briefly explained $110 billion will come from health care providers, 80 billion from the beneficiaries and their increase in Medicare part B, and $80 billion from future unspecified cuts will be decided by some bureaucrat here in Washington, DC. Of course, that begged the question: Who is going to make that decision? Will these unspecified cuts be out of providers, or will they come from increased beneficiaries' cuts? We do not know, but that is the only place this can come out of, unless we take more out of the Federal budget.

The translation is, I tell the seniors in my district, to expect more direct hits down the road if this plan passes. My constituents asked me, "It's kind of sketchy to us. Why don't we get some more detail?" I said, "Okay, that is what I will do." I am waiting, because I know the Committee on Ways and Means is still meeting, to see what their plan will do on these unspecified cuts.

Mr. Speaker, I know I have exhausted my time, and my colleague, the gentleman from Arizona [Mr. HAYWORTH], has left. But I know that I join with a lot of people, the AARP, the American Medical Association, and a lot of my colleagues on the other side of the aisle who question what may be happening to Medicare if we do not do something reasonable instead of cutting $270 billion.

THE UPCOMING WHITE HOUSE CONFERENCE ON TRAVEL AND TOURISM

The SPEAKER pro tempore (Mr. EVERETT). Under the Speaker's announced policy of May 12, 1995, the gentleman from Wisconsin [Mr. ROTH] is recognized during morning business for 5 minutes.

Mr. ROTH. Mr. Speaker, I want to say something today about a worldwide phenomenon that is taking place that we seem to be oblivious to, and we should be aware of. That is what is taking place in travel and tourism. If you take a look at the jobs, not only in our congressional districts but around the country and around the world, there is no industry like travel and tourism that is creating jobs and meaningful employment for people.

On October 30 and 31, let me repeat that, on October 30 and 31 of this year, of this month, we are going to be convening here in Washington the biggest White House conference on travel and tourism ever. As chairman of the Travel and Tourism Caucus here in Congress, the largest caucus here in Congress, I can vouch for the fact that we have not given enough recognition to travel and tourism. Travel and tourism does not ask anything from the Government, it just gives to the Government. It is the biggest tax producer in America. Tourism in the United States is a $360 billion business. It is the Nation's second largest employer.

Travel and tourism is a worldwide phenomenon. Do you know that 10 percent of all the jobs throughout the world come from the area of travel and tourism? It is also the largest producer of taxes in the world. Jobs and taxes translate into travel and tourism. This is true globally, but it is also true locally for all of us. In every single one of the 435 congressional districts, travel and tourism has a preponderant, overwhelming influence.

For example, in my own district in Wisconsin, tourism brought in more than $6 billion in States' revenue. That is more than $17 million a day, and it puts bread on the table of some 128,000 workers just in our State. Just in my district alone, people vacationing and traveling for business spend over $700 million every year, and 18,000 new jobs are created as a result.

That is why I want all of our Congressmen to focus in on this conference on the 30th and 31st of this month, because it is the first time we have had a conference like this. If we want good-paying jobs for our people, if we are concerned about what is happening for senior citizens and Medicare and Medicaid and so on, we have to have dollars to fund those programs. Those dollars come basically from travel and tourism. All of us rely on the travel and tourism dollar.

We in Congress must recognize that industry for the jobs and prosperity it creates in our towns, cities, and throughout America, and quite frankly throughout the world. I want to do something positive here to help our working people. Therefore, I encourage all of you to become involved in the Travel and Tourism Caucus. We have some 280 members in our Travel and Tourism Caucus, but we have 435 Congressmen, so in this interim period, between now and the conference, the White House conference, I am asking every Member of Congress to join, to become a Member of the travel and tourist industry, because we have to high-profile this industry.

It is time for us to get involved. Travel and tourism is the incoming economic tide of the future. In every one of our congressional districts, in every part of America, in every part of the world, the global economy is being influenced by travel and tourism. October 30 and 31 is when the conference will be held, when we give recognition to the men and women who make travel and tourism such a wonderful benefit to our districts, our country, and the world.

CALLING FOR TIME FOR CONSIDERATION AND PUBLIC SCRUTINY ON PROPOSED MEDICARE REFORMS

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from New Jersey [Mr. PALLONE] is recognized during morning business for 5 minutes.

Mr. PALLONE. I am very concerned, Mr. Speaker, that the Speaker, the gentleman from Georgia, NEWT GINGRICH, and the Republican leadership are basically moving forward with this Medicare plan that they have proposed much too fast and without any real opportunity for public scrutiny. I am a member of the Committee on Commerce, and not yesterday but the Monday previous, on October 2, we received a copy for the first time of the 421-page House Medicare restructuring legislation proposed by the Republican leadership. Later that same day, on Monday, October 2, our Committee on Commerce was expected to mark up the bill, without any opportunity for a hearing, without any opportunity, really, to even have looked at the legislation.

At the time, I proposed an amendment to postpone voting until hearings were held to review the impact of the legislation on senior citizens and the health care industry. All but one Republican voted against the measure, voted against the effort to postpone until we had hearings, and, of course, the amendment failed. Because of that, many members, the Democratic members of the Committee on Commerce, including myself, felt we really were just witnessing a railroad job, and there was no point in staying at the markup anymore.

Instead, on the next day, Tuesday, October 3, a week ago, the Democratic members of the Committee on Commerce called our own hearing to begin discussing the ramifications of this bill. I learned a number of things in the course of those hearings on the Republican Medicare proposal. First, I learned that of the $270 billion proposed for reductions in Medicare, nearly half would not even go to shoring up the Medicare Hospital Trust Fund, known as Medicare part A, which the Republicans, and I believe falsely, are suggesting faces insolvency.

Instead, the seniors would be asked to pay more for physicians' and outpatient services under what is known as Medicare part B, and premiums would double from $46.10 per month over the next 7 years to over $90 a month. I make this distinction between part A and part B again because the Republicans keep talking about the insolvency, which is not really true, of part A, which is the hospital trust fund. Medicare part B, though, the fund which pays for physicians' care, and where the seniors are being asked now to pay twice as much for their premiums, that Medicare part B comes out of the same fund as would $245 billion in tax cuts proposed by the Republican leadership.

I would maintain that since any changes to Medicare part B do not really impact part A, they are separate funds, it is highly likely that the part B cuts would be used for tax cuts, and most of those, of course, much of that to the wealthiest of Americans. Do not let the Republican leadership fool you. Most of the money that they are talking about cutting is, in effect, going to be used for a tax cut. The amount of the cut in Medicare is almost equivalent to the $245 billion tax cut they are proposing.

The other thing that I learned about this Medicare plan is that it essentially seeks to lure seniors into HMO's and other managed care programs with no choice of doctors. This is the main way that the Republican leadership proposes to save a lot of money, if seniors do not move into managed care plans. There are budgetary gimmicks in this legislation that would kick in and take even more money out of the Medicare system.

Previous to having received this Medicare legislation, I had talked on the House floor about the Republican proposals for a voucher system, where they would simply give a senior a voucher or a coupon for a certain amount of money and say, that is all we can afford. That is all we are going to give you for your Medicare. Of course, the Republican leadership said that is not what they had proposed as part of their Medicare program, but if you look at the details of the Medicare program, you can see that is exactly what it is. It is a voucher system, because essentially what they are doing is giving the HMO and the managed care system a certain set amount of money, and if a senior wants a better system, or if the HMO or managed care system wants to charge seniors more for a better quality health care system, then the senior has to pay for it. That is another thing that are not brought out, but if you look at the legislation, it is exactly true.

Then, beyond that, if over the next 7 years or over the next 5 years we find out that not enough money is saved because not enough seniors are going into the voucher system or into the HMO or the managed care system, then all the cutbacks, the so-called failsafe, where if they do not save enough money they are going to cut back more on the reimbursement to doctors, hospitals, and health care providers, all those cuts come in the fee-for-service system, the current system where seniors choose their own doctor or their own hospital.

What is effect you are going here with this Medicare legislation is saying, you either go into a voucher system, or if you do not, we are going to force you into one, because the cuts are going to come on the fee-for-service side. Mr. Speaker, I would like to talk about this more. Maybe there will be more of an opportunity later this afternoon.

THE SEATTLE MARINERS

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Washington [Mr. METCALF] is recognized during morning business for 5 minutes.

Mr. METCALF. Mr. Speaker, I just have to say it, how about those Seattle Mariners? The whole Nation saw the playoff as they swept the Yankees in Seattle to win the divisional series.

To recap, in the bottom of the 11th inning, Joey Cora bunted to get to first base, then Ken Griffey, Jr. followed with a great single which moved Cora all the way to third, as we watched. Then as the American League's batting champion, Edgar Martinez, hit a ball to deep left field, we knew Cora was home. But did you see Ken Griffey, Jr. really hustle all the way from first base to score the winning run? What a finish.

I would like to place a friendly challenge to may colleague, the gentleman from Cleveland, OH. If the Mariners lose the American League series, I will send a box of Washington apples and a salmon to him. I look forward to what my colleague would risk on this wager.

Seriously, Mr. Speaker, I would like to congratulate the Mariners and Lou Piniella for their outstanding season, and it is not over yet. The Mariners just refuse to lose.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12, rule I, the House will stand in recess until 2 p.m. today.

Accordingly (at 12 o'clock and 59 minutes p.m.), the House stood in recess until 2 p.m.

☐ 1400

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. EVERETT) at 2 p.m.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

May the beauty of the day not be lost in our sight, may the majesty of Your many graces be known in our hearts, may the splendor of Your love ever live in our souls, and may Your hand of forgiveness lift us up and point us in the way. O gracious God, from whom comes every good gift and all abundant blessing so fill our minds and hearts and souls that the presence of Your spirit is real to us beginning this day and for eternity. In Your name, we pray. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentlewoman from Colorado [Mrs. SCHROEDER] come forward and lead the House in the Pledge of Allegiance.

Mrs. SCHROEDER led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

> H.R. 1655. An act to authorize appropriations for fiscal year 1996 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 1655) "An Act to authorize appropriations for fiscal year 1996 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. SPECTER, Mr. LUGAR, Mr. SHELBY, Mr. DEWINE, Mr. KYL, Mr. INHOFE, Mrs. HUTCHISON, Mr. MACK, Mr. COHEN, Mr. THURMOND, Mr. KERREY, Mr. GLENN, Mr. BRYAN, Mr. GRAHAM, Mr. KERRY, Mr. BAUCUS, Mr. JOHNSTON, Mr. ROBB, and Mr. NUNN to be the conferees on the part of the Senate.

RESIGNATION FROM THE HOUSE OF REPRESENTATIVES

The SPEAKER pro tempore laid before the House the following resignation from the House of Representatives:

HOUSE OF REPRESENTATIVES,
Washington, DC, September 11, 1995.
Hon. NEWT GINGRICH,
Speaker of the House of Representatives, Washington, DC.

DEAR SPEAKER GINGRICH: I am writing to inform you that I will be resigning my position as the Member of Congress from the 15th Congressional District of California. The effective resignation date will be October 10, 1995.

Sincerely,

NORMAN Y. MINETA,
Member of Congress.

DEMOCRATS' DANCING ON MEDICARE PLAN

(Mr. BALLENGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BALLENGER. Mr. Speaker, the Democrats have detailed their own Medicare plan, best referred to as the Fred Astaire of Medicare. Light on its feet and even lighter on its details, the Democrats' plan dances around the hard decisions of the Medicare crisis in search of easy, look-good answers.

It promises the seniors everything, everything except a Medicare system, because under the Democrats' plan, Medicare won't be around for the people who are 56 years old today.

Mr. Speaker, I ask my colleagues on the other side of the aisle to unlace those dancing shoes—don't give seniors the song and dance, then leave them to pay the band. Work with us to do what's right—let's save Medicare for the next generation, not just through the next election cycle.

MEDICARE PRESERVATION ACT

(Mrs. KELLY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. KELLY. Mr. Speaker, there are two competing points of view regarding the future of Medicare; those that want to save the system and those that want to stand on the sidelines and try to scare as many seniors as possible.

For those of us committed to saving Medicare, our best weapon is a commodity that isn't always put to use in Washington: the truth. Despite what the other side continues to claim, the truth is, we're not cutting Medicare; Medicare spending increases under the Medicare Preservation Act.

The defining feature of our proposal is choice; seniors will now have the ability to choose from a range of health care options, from the fee-for-service approach of the traditional Medicare program to managed care options and medical savings accounts.

The most important truth that everyone must know is that Medicare faces imminent collapse in 7 years unless we act. We are offering a plan that increases Medicare spending, preserves the solvency of the system, and gives seniors new choices to better meet their health care needs.

I urge my colleagues on the other side of the aisle to stop the rhetorical warfare they are engaging in and work with us to preserve and protect Medicare.

DEMOCRATS CANNOT ADD

(Mr. KNOLLENBERG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KNOLLENBERG. Mr. Speaker, it seems Goals 2000 bureaucrats have changed the way we teach addition and subtraction. If not, then how can the political operatives of the Democratic National Committee call a $1,900 increase a cut? It's really quite simple. Either they can't add, or scaring senior citizens with imaginary Medicare cuts is the only way they believe Democrats can regain control of Congress.

While the Republican majority diligently works to save Medicare, the paid political hands at the DNC have launched a Medicare campaign that suggests that Republicans are cutting Medicare, even though our plan increases spending per Medicare beneficiary from $4,800 this year to $6,700 in 2002.

Mr. Speaker, scare tactics and fear mongering will not save Medicare. It's time for the minority party to fire their political advisors and join our efforts to preserve, protect, and strengthen Medicare. The American people want leadership from their Representatives in Congress—not cynical 30-second political ads.

THE REAL REPUBLICAN PLAN TO SAVE MEDICARE

(Mr. EWING asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EWING. Mr. Speaker, among the many myths that Democrats are perpetuating about the GOP plan to save Medicare, the biggest is that the Republicans want to cut Medicare. This is simply not the case. The Republican plan actually increases individual benefits from an annual $4,800 to $6,700 by the year 2002, and increases Medicare spending from $161 billion this year to $274 billion.

Two years ago it was explained to Congress that today, and I quote, "Today Medicaid and Medicare are going up three times the rate of inflation. We propose to let it go up at two times the rate of inflation. This is not a cut."

This quote is not from a Republican. This is from the President, President Clinton.

Mr. Speaker, I encourage both sides of the aisle to negotiate this and come together. Members should recognize that Medicare needs to be improved and saved.

You see, Mr. Speaker, at least some Democrats understand basic mathematics. At least some of them know that their wild claims about Republican efforts to save Medicare are false. Democrats, instead of scaring people, should roll up their sleeves to preserve and strengthen Medicare.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Edwin Thomas, one of his secretaries.

PERMISSION FOR MEMBER TO OFFER AMENDMENT IN LIEU OF COMMITTEE AMENDMENT TO H.R. 436, EDIBLE OIL REGULATORY REFORM ACT

Mr. BURR. Mr. Speaker, I ask unanimous consent to offer an amendment in the nature of a substitute to H.R. 436, Edible Oil Regulatory Reform Act, on behalf of the gentleman from Virginia [Mr. BLILEY]. That bill will be called up under the Corrections Calendar later today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

Mr. OBERSTAR. Reserving the right to object, Mr. Speaker, I do so for the purpose of inquiring of the gentleman from North Carolina for what purpose he makes this unanimous-consent request.

Mr. BURR. Mr. Speaker, if the gentleman will yield, to offer an amendment in the nature of a substitute on behalf of the gentleman from Virginia [Mr. BLILEY].

Mr. OBERSTAR. Mr. Speaker, the concern that I have is that this procedure violates the rules of Corrections Day. Under the rules, the bill called up, "shall not be subject to amendment, except those amendments recommended by the primary committee of jurisdiction, or those offered by the Chairman of the primary committee," and it does not say, or his designee.

Mr. BURR. If the gentleman will continue to yield, I recognize the gentleman's concern. The gentleman from Virginia [Mr. BLILEY] has been unavoidably detained, and we have an amendment in the nature of a substitute that has been worked out between the Committee on Commerce, the Committee on Transportation and Infrastructure, and the Committee on Agriculture. Because of the nature of the issue that we are talking about, I hope the gentleman will understand, and to bring some common sense to this one thing, I would hope that we could proceed with it.

Mr. OBERSTAR. Mr. Speaker, I shall not object, but I reserved the right in order to point out the flaw of the process. The process of Corrections Day is a real shortcut of the legislative process that we have followed in this House for well over 100 years, and the Suspension Calendar was the appropriate means for bringing legislation to the floor. Even the rules that the majority have adopted do not provide them the flexibility that they now seek through a unanimous-consent request, and that is my concern. I will withdraw my reservation, but I did so in order to point out the flaws of the process.

Mr. BURR. I thank the gentleman.

Mr. OBERSTAR. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

CORRECTIONS CALENDAR

The SPEAKER pro tempore. This is the day for the call of the Corrections Calendar.

The Clerk will call the bill on the Corrections Calendar.

EDIBLE OIL REGULATORY REFORM ACT

The Clerk called the bill (H.R. 436) to require the head of any Federal agency to differentiate between fats, oils, and greases of animal, marine, or vegetable origin, and other oils and greases, in issuing certain regulations, and for other purposes.

The Clerk read the bill, as follows:

H.R. 436

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DIFFERENTIATION AMONG FATS, OILS, AND GREASES.

(a) IN GENERAL.—In issuing or enforcing any regulation or establishing any interpretation or guideline relating to a fat, oil, or grease under any Federal law, the head of any Federal agency shall differentiate between—

(1)(A) animal fats and oils and greases, and fish and marine mammal oils, within the meaning of paragraph (2) of section 61(a) of title 13, United States Code; or

(B) oils of vegetable origin, including oils from the seeds, nuts, and kernels referred to in paragraph (1)(A) of such section; and

(2) other oils and greases, including petroleum.

(b) CONSIDERATIONS.—In differentiating between the class of fats, oils, and greases described in subsection (a)(1) and the class of oils and greases described in subsection (a)(2), the head of the Federal agency shall consider differences in the physical, chemical, biological, and other properties, and in the environmental effects, of the classes.

The SPEAKER pro tempore. Pursuant to the order of the House of today, the Chair recognizes the gentleman from North Carolina [Mr. BURR].

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. BURR OF NORTH CAROLINA

Mr. BURR. Mr. Speaker, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. BURR of North Carolina in lieu of the Committee on Commerce amendment:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Edible Oil Regulatory Reform Act".

SEC. 2. DIFFERENTIATION AMONG FATS, OILS, AND GREASES.

(a) IN GENERAL.—Except as provided in subsection (c), in issuing or enforcing any regulation or establishing any interpretation or guideline relating to a fat, oil, or grease under any Federal law, the head of any Federal agency shall—

(1) differentiate between and establish separate classes for—

(A) animal fats and oils and greases, and fish and marine mammal oils, within the meaning of paragraph (2) of section 61(a) of title 13, United States Code, and oils of vegetable origin, including oils from the seeds, nuts, and kernels referred to in paragraph (1)(A) of such section; and

(B) other oils and greases, including petroleum; and

(2) apply different standards to different classes of fats and oils as provided in subsection in subsection (B).

(b) CONSIDERATIONS.—In differentiating between the class of fats, oils, and greases described in subsection (a)(1)(A) and the class of oils and greases described in subsection (a)(1)(B), the head of the Federal agency shall consider differences in the physical, chemical, biological, and other properties, and in the environmental effects, of the classes.

(c) EXCEPTION.—The requirements of this Act shall not apply to the Food and Drug Administration and the Food Safety and Inspection Service.

(d) FINANCIAL RESPONSIBILITY.—

(1) Section 1004(a)(1) of the Oil Pollution Act of 1990 (33 U.S.C. 2704(a)(1)) is amended by striking "for a tank vessel," and inserting "for a tank vessel carrying oil in bulk as cargo or cargo residue (except a tank vessel on which the only oil carried is an animal fat or vegetable oil, as those terms are used in section 2 of the Edible Oil Regulatory Reform Act)".

(2) Section 1016(a) of the Oil Pollution Act of 1990 (33 U.S.C. 2176(a)) is amended in the first sentence by striking ", in the case of a tank vessel, the responsible party could be subject under section 1004(a)(1) or (d) of this Act, or to which, in the case of any other vessel, the responsible party could be subjected under section 1004(a)(2) or (d)" and inserting "the responsible party could be subjected under section 1004(a) or (d) of this Act".

Mr. BURR (during the reading). Mr. Speaker, I ask unanimous consent that the amendment in the nature of a substitute be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from North Carolina [Mr. BURR] and the gentleman from Minnesota [Mr. OBERSTAR] will each be recognized for 30 minutes.

The Chair recognizes the gentleman from North Carolina [Mr. BURR].

Mr. BURR. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 436, the Edible Oils Regulation Reform Act. This legislation will correct an unintended and burdensome problem created by certain Federal regulations, and so it is very fitting that this legislation is being considered today on the new House corrections calendar.

As my colleagues are aware, there are several environmental laws that contain definitions of the term "oil". While the legislative history of each statute indicates that it was the intent of Congress that the term "oil" referred to petroleum and petroleum-related products, the definitions are fairly broad and Federal regulators have taken the view that the term must be interpreted to include all types of oil, including vegetable oils and animal fats.

☐ 1415

As my colleagues from other committees will describe in greater detail, this has meant that regulations written for the transportation and handling of petroleum have also been applied to transportation and handling of vegetable oils and animal fats. These same problems potentially arise when it comes to the storage and disposal of oils.

The legislation before us today would solve this problem by directing Federal agencies with regulatory responsibilities to do one simple thing: to differentiate between animal fats or vegetable oils and other types of oils and greases, including petroleum, when they write regulations. This simple correction will prevent unjustified and burdensome regulations from being imposed on animal fats and vegetable oils, which clearly do not present the same environmental risks as other types of oil and greases, including petroleum.

I want to point out that this legislation has been endorsed by three separate committees. It has been reported twice by the Committee on Transportation and Infrastructure, once by the Committee on Agriculture, and once by the Committee on Commerce. It is good legislation that makes common sense, Mr. Speaker.

The amendment I offer today on behalf of the Committee on Commerce makes several refinements to the bill as recorded by the Committee on Commerce and includes important provisions from other versions of the bill.

The first refinement is to make clear that the requirements of the bill do not apply to the Food and Drug Administration and the Food Safety and Inspection Service. The problems identified by this legislation have not arisen under the Federal Food, Drug and Cosmetic Act or statutes administered by the FDA or the FSIS. Rather, they have arisen under traditional environmental statutes, such as the Oil Pollution Act and other hazardous waste laws.

When the bill came before the Committee on Commerce, a concern was expressed that it was not clear on how the requirement to differentiate between different classes of oil might affect FDA's product approvals and other regulatory activities, so the committee attempted to exempt the FDA from the scope of the bill. The amendment today makes that exemption explicit and, with the concurrence of the House Committee on Agriculture, also exempts the Food Safety and Inspection Service, which conducts business similar to the FDA's.

The amendment also clarifies that the differentiation required by the bill is between animal fats or vegetable oils and other types of oil and grease, including petroleum. It is not the intent of the amendment to require the heads of Federal agencies to differentiate among different types of animal fats and vegetable oils.

Finally, the amendment includes important provisions on financial responsibility under the Oil Pollution Act which were included in the versions of the bills adopted by the Committee on Transportation and Infrastructure and the Committee on Agriculture.

In closing, I want to commend my colleagues, the gentleman from Illinois [Mr. EWING], and the gentlewoman from Missouri [Ms. DANNER], for introducing this legislation and for working hard to move it through the process. I also want to commend Speaker GINGRICH and Committee on Rules Chairman SOLOMON for putting in place this corrections day that allows us to make commonsense changes to Federal regulations.

Mr. Speaker, I reserve the balance of my time.

Mr. OBERSTAR. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we have just seen in my reservation how flawed this process is even as a process, and I object to it more as process than substance, although the substance is also of concern and I will address that in a moment.

The suspension calendar is truly the more appropriate means of addressing noncontroversial issues on which there is a general agreement, in fact an overwhelming consensus. But this process of corrections day is just fraught with danger and fraught with opportunity for special interests.

It was conceived as a means of correcting regulations that had become too burdensome or making adjustments in law that, relatively minor in their application, have become too burdensome. Process-wise, it was also intended to protect the rights of the committee system.

But the way it has worked out, the Committee on Transportation and Infrastructure, which is the committee of primary jurisdiction, it is our committee that has handled the Clean Water Act, it is our committee that has twice reported this language in two different bills, in slightly different form but twice reported to this House and it has passed this House. But in the rush to deal with an issue that on its face is relatively noncontroversial, the majority has bypassed the Committee on Transportation and Infrastructure, causing it to waive its referral rights, and proceed to get a bill to the floor to justify this process.

If a special interest has a problem, they have an interest, all they need to do is get someone in the majority to pay attention to them, craft a bill, get it introduced, maybe drag along one from our side, and then ram it through in this process. There is no urgency to this legislation to justify the trampling of the legislative process as we have seen it.

We dealt with this issue appropriately in the Committee on Transportation and Infrastructure, in the Clean Water Act amendments that we passed earlier this year. We addressed it later in the Coast Guard authorization bill, which was an appropriate place. Again it went to this body and again the issue passed.

The regulations DOT issued which caused the concern, caused that language to be included in two bills, have been withdrawn. Why do we have to have a bill on the House floor under this extraordinary procedure to address the issue that is frankly not much of an issue?

The substance of the issue is within the ambit of the Oil Pollution Act of 1990. That bill defined oil as including oil of any kind or form. At the time we debated that legislation in committee and on the floor, it was clearly understood that the definition would include vegetable oils and animal fats.

In the course of implementation of the Oil Pollution Act, there has been an increasing desire on the part of a number of interests to have edible oils treated differently from oils that are derived from petroleum. The snack food industry in particular has been very interested in this issue and been very vocal on this issue.

Edible oils, to be sure, do not pose the same toxic threat to the environment as petroleum oils do, but they are not without harm to the environment. Edible oils may be the same type as you put on a salad, but a spill of 10,000 gallons or more can be very toxic to birds, to aquatic animals.

We need look only to the mid-1960's in my own State of Minnesota when a soybean containment tank burst at very, very low temperatures, subzero temperatures, 30, 40 below zero. The soybean oil spilled out into the Minnesota River, where it could not be reclaimed at those very low temperatures in mid-February. It remained there until the spring when the migratory waterfowl, notably ducks, got into it and got fouled and we lost tens of thousands of migratory birds.

Edible oils are high in biological oxygen demand. They can and in this case did result in fish kill. They resulted in bird kills. They are appropriate, therefore, edible oils, for regulation with respect to their effect upon or potential effect upon the environment.

That is why the legislation that we passed in the House addressed this issue, to keep a containment process, to keep the management of edible oils within the ambit of government regulation, not exclude them, but to treat them with the proper concern and respect that ought to be considered.

There is one shortcoming. If you are going to do this process, then you really ought to be fair to all industries, and there is the issue of silicone fluids. The bill that we are considering today applies to all laws but does not include silicone fluids.

In the course of discussion of this issue in our committee deliberations, we included silicone fluids. That leveled the playing field. But the present bill does not include silicone fluids.

Again, the process, had this been brought to the floor as a freestanding bill on the Union Calendar, would have been open to amendment. If it were brought on the Suspension Calendar, it would have been subject to a higher level of consideration, where a Member with concern over this issue could have insisted that his or her concerns be reflected in the final version of the bill considered on the floor.

That is, both on process and on substance, sort of the essence of the concern that I have. I will address further concerns later.

Mr. Speaker, I reserve the balance of my time.

Mr. BURR. Mr. Speaker, I yield 3 minutes to the gentlewoman from Nevada [Mrs. VUCANOVICH].

Mrs. VUCANOVICH. Mr. Speaker, I would like to take this time to thank chairmen BLILEY, SHUSTER, and ROBERTS as well as Mr. EWING and Ms. DANNER for their hard work to get this bill to the floor so soon. It took a great deal of teamwork on their part. With Many other issues pressing for attention it has not been easy for them to take the time to work on this little bill. Despite the fact this is a small matter, the chairmen recognized the need to move without delay.

H.R. 436 is a perfect example of why we need the corrections process. Who could have predicted during the rush to respond to the *Valdez* accident that we would inadvertently impact consumers and farmers the way we did by not clearly defining the word oil? It is clearly a silly idea to regulative vegetable oil in the same manner as petroleum oil, but congress did it. Not intentionally mind you, but through a lack of precision in the original bill. Now we have the chance to correct the problem.

This little bill has huge ramifications for the shipping industry, farmers, and thousands of other Americans who deal with this commodity on a daily basis. I am very happy that through the corrections process we can give these Americans much needed relief.

I know that all my colleagues can see the need for this fix, and hope Members will vote accordingly.

Mr. BURR. Mr. Speaker, I yield 12 minutes to the gentleman from Illinois [Mr. EWING], and I ask unanimous consent that he be allowed to control that time.

The SPEAKER pro tempore (Mr. EVERETT). Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. EWING. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, my appreciation to the Committee on Commerce, the Committee on Transportation and Infrastructure, and the Committee on Agriculture and their chairman for helping, along with the gentlewoman from Nevada [Mrs. VUCANOVICH], for her efforts, and the counsel that deals with the correction calendar, for bringing this bill to the floor.

□ 1430

Today the U.S. House of Representatives has an opportunity to remedy one of the unnecessary, illogical Federal regulations that led to the creation of Corrections Day. H.R. 436, the Edible Oil Regulatory Reform Act, which I introduced earlier this year along with the gentlewoman from Missouri [Ms. DANNER], will restore common sense to the Federal regulatory process by requiring Federal agencies to recognize the obvious difference between edible oils and toxic oils when issuing and promulgating regulations. The Edible Oils Regulatory Reform Act, H.R. 436, the oils are nontoxic, natural products, like cooking and salad oils, which many of us eat every day. There are unnecessarily stringent regulations that force producers, shippers, and manufacturers to comply with costly and counterproductive requirements without providing any additional measure of protection to the environment of enhancing the health and safety of our citizens.

Simply stated, H.R. 436 will require Federal agencies to differentiate between edible oils and petroleum-based oils when promulgating regulations under the Oil Pollution Act of 1990. This commonsense legislation does not change or weaken the underlying principles or the Oil Protection Act of 1990 or other related statutes, like the Clean Water Act. It seems clear to everyone except Federal regulators that the Oil Pollution Act was designed to reduce the risk of, improve the response to, and minimize the impact catastrophic oil spills like the one in Prince William Sound, Alaska, not to regulate edible agricultural products.

In fact, vegetable oils have been used to help clean up beaches fouled with petroleum, and vegetable oils are being explored as a substitute lubricant for machinery in environmentally sensitive areas This not only demonstrates the significant difference between the vegetable oils and petroleum oils, it highlights the fact that animal fats and vegetable oils do not pose the same risks to human health and environment and should not be treated the same.

The version of H.R 436 before the House today is slightly different from the introduced version. The modifications add a financial responsibility section to the bill which conforms the text of H.R. 436 with similar legislation introduced in the U.S. Senate. This noncontroversial language was accepted by the U.S. Coast Guard and approved by the House as part of H.R. 1361, the Coast Guard Authorization Act for Fiscal Year 1996. The financial responsibility relief provided in this section applies only to exclusive shippers of those nontoxic oils, and it brings industry, insurance and bonding requirements back into line with the value of the product. Like the rest of H.R. 436, nothing in this section exempts edible oils from all regulatory requirements.

The net effect will be to place transporters of edible oils on a par with other shippers of nontoxic products, and it will allow the U.S. agricultural oils to be more competitive in world markets.

In addition, in H.R. 1361, the House also adopts the edible oil differentiation language contained in H.R. 436 as part of H.R. 961, the Clean Water Act Amendment of 1995. Although the House has already acted twice on this issue in the 104th Congress, H.R. 436 should be adopted as a standalone measure because similar language was adopted twice in the House and once in the Senate during the 103rd Congress only to see the underlying bill die at the end of 1994.

I know of no objection to the substance of H.R. 436 from any Member of this body or from the administration. H.R. 436 passed on a unanimous vote in both the Committee on Commerce and the Committee on Agriculture. It has also passed the Committee on Transportation and Infrastructure.

SUMMARY

Mr. Speaker, Congress has enacted two principal statutes that address the discharge of "oil" into the nation's waters—the FWPCA and OPA 90. Due to the statutes' broad definition of oil and lacking clear congressional direction on differentiation, regulatory agencies generally have proposed or issued rules that will regulate animal fats and vegetable oils to the same degree as toxic oils, for example, petroleum oils, without regard for the significant differences between them, in spite of scientific and other data justifying differentiation. These statutes, however, give the agencies broad regulatory discretion so that differentiation can be accomplished without compromising any of the objectives or principles of the statutes. As these rules will impose costly, inappropriate, and often counterproductive requirements, the animal fat and vegetable oil industry has been working towards the development of regulations that differentiate animal fat and vegetable oils from toxic oils to avoid the imposition of costly requirements intended for petroleum-based and other oils that are inappropriate for animal fats and vegetable oils.

Thus, a legislative change is needed to provide direction to regulatory agencies by requiring them to differentiate between nontoxic animal fats and vegetable oils, on the one hand, and all other oils, including toxic petroleum and nonpetroleum oils, on the other hand, when promulgating oil pollution prevention and response regulations. This can be done without an amendment to these statutes that would change or alter the principles contained in them. In particular, agencies: First, should provide a category for animal fats and vegetable oils separate and apart from all other oils; and second, should differentiate these oils from other oils based on a recognition of their distinct properties.

BACKGROUND

On August 18, 1990, the U.S. Congress, in direct response to several catastrophic U.S. petroleum oilspills, including the *Exxon Valdez* spill, enacted the Oil Pollution Act of 1990 [OPA 90] to reduce the risk of oilspills, improve facility and vessel oilspill response capabilities, and minimize the impact of oilspills on the environment. In enacting OPA 90, Congress amended the Federal Water Pollution Control Act to impose certain requirements on the owners and operators of vessels carrying "oil" and on facilities posing a risk of "substantial" harm or "significant and substantial harm" to the environment, including requiring owners and operators to prepare and submit response plans to various federal agencies by February 18, 1993, for review and approval, or stop handling oil. Other requirements affecting the handling and transportation of oil were also enacted.

Although petroleum oil has been the focus of Congress' attention during the enactment of OPA 90, the law's applicability was not limited to petroleum oil and, as a result, it applies to all oils, including animal fats and vegetable oils. Since enactment, various Federal agencies have issued proposed or interim final rules implementing OPA 90 requirements, which include FWPCA provisions. The principal federal agencies and what they are responsible for regulating are as follows:

U.S. Coast Guard [USCG]: vessels and marine-transportation-related [MTR] onshore facilities, including any piping or structures used for the transfer of oil to or from a vessel.

DOT Research and Special Programs Administration [RSPA]: tank trucks and railroad tank cars carrying oil.

U.S. Environmental Protection Agency: large non-transportation-related onshore facilities handling, storing, or transferring oil; and, the National Contingency Plan [NCP].

DOI Minerals Management Service [MMS]: offshore facilities, including any facility on or over U.S. navigable waters.

National Oceanic and Atmospheric Administration [NOAA]: natural resource damage assessment [NRDA] regulations.

Federal natural resource trustees having an interest in these rules include the Departments of Agriculture, Commerce, and Interior.

ISSUE

The animal fat and vegetable oil industry handles, ships, and stores over 25 billion pounds of animal fats and vegetable oils annually in the United States. These agricultural substances are essential components of food products produced in the United States. Industry is concerned that some of the regulations being developed will regulate animal fats and vegetable oils to the same degree or in the same manner as petroleum oils, in spite of information collected to date that suggests that different or less stringent regulations are appropriate. For example, a June 28, 1993 report by ENVIRON Corporation, "Environmental Effects of Releases of Animal Fats and Vegetable Oils to Waterways" and an associated Aqua Survey, Inc., study on the aquatic toxicity of petroleum oil and of animal fats and vegetable oils found that, unlike petroleum oils, the presence of animal fats and vegetable oils in the environment does not cause significant or substantial harm. That study reached the following conclusions with respect to the effects of potential discharges of animal fats and vegetable oils:

They are non-toxic to the environment.

They are essential components to human and wildlife diets.

They are readily biodegradable.

They are not persistent in the environment.

They have a high Biological Oxygen Demand [BOD], which could result in oxygen deprivation where there is a large spill in a confined body of water that has low flow and dilution.

They can coat aquatic biota and foul wildlife—for example, matting of fur or feathers, which may lead to hypothermia.

The animal fat and vegetable oil industry continues to seek data regarding the impact of animal fats and vegetable oils on the environment that will offer new insights to the appropriate regulation of these materials. On the basis of scientific data available to date, however, the only potential environmental harm that may result from spills of these products is the result of potential physical effects of spills of liquids in large quantities. Those potential physical effects consist of: First, the fouling of aquatic biota and wildlife that are exposed to the liquid products in high concentrations; and, second, the potential oxygen deprivation from the biodegradation of high concentrations of liquid substances in confined and slow-flowing bodies of water. Fouling is not an issue, however, in the case of substances that are solids or congeal in the temperature conditions of the natural environment. In fact, that vegetable-based oils do not pose the same risk to the environment is illustrated by the fact that soybean-based solvents have been used to clean up petroleum oil spills. Soybean oil ester, through a process called CytoSol™, was used to clean-up fuel oil spilled during the *Morris J. Berman* spill in Puerto Rico. A NOAA marine biologist recognized the use of CytoSol™ as a logical application of two environmentally promising technologies. "Illinois Soybean Farmer," (March/April 1994).

Moreover, the likelihood that an animal fat or vegetable oil spill of such magnitude will occur is extremely small. The industry's spill prevention efforts have resulted in an excellent environmental record for these products. For example, a review of the data recorded and compiled by the Coast Guard reveals that, from 1986 to 1992, animal fats and vegetable oils together accounted for only about 0.4 percent of the oil spill incidents in and around U.S. waters—both in terms of incidents and their volume. Less than half of those spills were in water. Further, these spills were generally very small. Only 13 of those spills were greater than 1,000 gallons. Put another way, only about 0.02 percent of all oil spill incidents in and around U.S. waters over the last seven years were spills of animal fats or vegetable oils greater than 1,000 gallons.

Furthermore, equipment and techniques used to respond to petroleum oil spills often will aggravate rather than mitigate the environmental impact if used for animal fats and vegetable oils. Attempts to remove the small quantities of animal fats and vegetable oils present in a typical spill would in most cases cause more environmental harm than would the presence of those products in the environment alone. For example, in comments filed on RSPA Docket Nos. HM-214 and PC-1, dated June 3, 1993, the Department of the Interior recommended the establishment of response plan requirements for animal fats and vegetable oils comparable to those for other oils. This recommendation was based on anecdotal data derived from a discharge of butter from a U.S. Government warehouse into Shoal Creek, MD. DOI conceded, however, that the principal adverse environmental effects of the Shoal Creek incident were caused by the removal efforts themselves.

In addition to the differences noted above between animal fats and vegetable oils and petroleum oils, the animal fat and vegetable oil industry is significantly different from the petroleum industry in other ways warranting disparate regulatory treatment. For example, there are notable differences in the vessel characteristics and transfer operations involving animal fats and vegetable oils and those involving petroleum oils. Vessels carrying petroleum oils can exceed 500,000 deadweight tons—the *Exxon Valdez* was over 213,000 deadweight tons. In contrast, vegetable oils typically are carried on small parcel tankers ranging from 30,000 to 45,000 deadweight tons. Further, differences exist in the size of the tanks carrying these two kinds of products. Large tankers carrying petroleum oil may have 10 large center tanks and about 15 wing tanks with individual tank capacities reaching approximately 592,000 tons or 177,500,000 gallons of oil. Parcel tankers carrying vegetable oil typically have about 30 to 35 cargo tanks that range from 1,000 to 3,500 tons capacity each. With regard to transfer operations, the typical amount of vegetable oil loaded or offloaded during a transfer ranges from 500 to 5,000 tons. In contrast, a tanker carrying petroleum commonly loads or offloads its entire cargo during one transfer operation.

Similarly, facilities that handle or store animal fats and vegetable oils do not share the same characteristics as petroleum refineries and other facilities. Facilities that handle animal fats and vegetable oils are generally located in or near areas in which agricultural raw materials—for example, oilseeds, oil bearing plants, and animals—are available. Consequently, unlike petroleum oil facilities, many are found in the Midwestern United States relatively far removed from the regional oil spill response centers which have evolved over the years and which are principally dedicated to petroleum oil spills.

In addition to the need for differentiation, there is also a need for financial responsibility regulations under OPA 90 that reflect the actual risk associated with spills of animal fats and vegetable oils. Under current financial responsibility rules, which were intended to address the problem of petroleum oil pollution from tankers and handling facilities, are not limited to tank vessels carrying petroleum oil, but unfortunately apply to all tank vessels regardless of the cargo carried. Specifically, the definition of tank vessel is not cargo linked; therefore, by operation of law, every tank vessel, regardless of its cargo, has the same liability and financial responsibility requirement as a petroleum oil tanker. Other vessels, on the other hand, are subject to half the limitation amounts applicable to tank vessels.

The higher amounts applicable to tankers reflect the fact that the risks of pollution related to enormous quantities of petroleum oil carried on tankers as cargo vastly outweigh the potential harm from other vessels whose spills of petroleum oil are limited to bunker fuel or lubricating oil used in the propulsion and other mechanical systems of the ship. However, considering the animal fat and vegetable oil industry's excellent spill prevention record and the significantly lower risk of environmental harm posed by a spill of these nontoxic, readily biodegradable agricultural products, the risk of harm presented by vessels carrying animal fats and vegetable oils is similar to that of other non-petroleum-carrying vessels and the liabilities and financial responsibility amounts should be placed at the appropriate level.

DIFFERENTIATED RULES NEEDED

Unfortunately, there has been an overabundance of supposition and anecdotal data cited to date to give support to treating these nontoxic substances in the same manner as petroleum oils. Reliance upon such information underscores the dangers of imposing regulatory requirements on the industry in a manner not specifically mandated by Congress and without adequate scientific foundation. In fact, no documented scientific data support treating these nontoxic animal fats and vegetable oils in the same manner as petroleum.

To the contrary, the significant differences between animal fats and vegetable oils and other oils, warrant regulation of these substances in a different manner. Identical requirements would represent a misapplication of limited industry resources. In addition, requiring tank vessels whose only oil cargo is animal fat or vegetable oil to provide the same amount of financial responsibility as tank vessels carrying petroleum oil fails to recognize the risk of harm presented by these vessels and imposes an unnecessary burden on owners and operators.

Unfortunately, agencies have been attempting to achieve differentiation through vague regulatory language that requires further administrative or judicial interpretation to decipher and through discussions in the preambles to regulations published in the Federal Register. These techniques are examples of regulations that are not clear on their face and in need of revision. Not only should available scientific information be used to differentiate, but so should basic common sense. Many existing regulatory regimes go into detail to create separate categories for classes or types of oils—petroleum, edible, et cetera. Thus proven scientific and regulatory structures already exist that could form the basis of or model for a similar approach for regulations issued to implement the pollution prevention statutes.

Differentiation in rules is also warranted in view of President Clinton's Executive Order on Regulatory Planning and Review enunciates, and requires agencies to adhere to, certain principles of regulation. Executive Order No. 12,866, 58 Fed. Reg. 51,735, 51,736 (1993). Among those principles are the following:

In setting regulatory priorities, each agency shall consider, to the extent reasonable, the degree and nature of the risks posed by various substances or activities within its jurisdiction.

Each agency shall base its decisions on the best reasonably obtainable scientific, technical, economic, and other information concerning the need for, and consequences of, the intended regulation.

Each agency shall identify and assess alternative forms of regulation and shall, to the extent feasible, specify performance objectives, rather than specifying the behavior or manner of compliance that regulated entities must adopt.

Each agency shall avoid regulations that are inconsistent, incompatible, or duplicative of its other regulations or those of other Federal agencies.

Each agency shall tailor its regulations to impose the least burden on society, including individuals, businesses of differing sizes, and other entities, including small communities and governmental entities, consistent with obtaining the regulatory objectives, taking into account, among other things, and to the extent practicable, the costs of cumulative regulations.

CONCLUSION

The animal fat and vegetable oil industry continues to seek data to better understand the environmental risks associated with the transportation, handling, and storage of animal fats and vegetable oils. On the basis of scientific data currently available, however, there is no rational basis for regulating nontoxic animal fats and vegetable oils in the same manner as petroleum oils. In fact, it is very likely that imposing certain regulatory requirements on animal fats and vegetable oils based solely on requirements developed for the petroleum oil, for example, removal and response strategies and techniques, could lead to greater damage to the environment than the actual impact of a discharge of these substances themselves. Moreover, these requirements would add to the cost of these agricultural products. A category for animal fats and vegetable oil should be implemented that is separate and distinct from all other oils, including petroleum oil. In addition, regulations should take into account the differences in the physical, chemical, biological, and other properties, and the environmental effects of these oils. Further, regulatory principles should be followed which clearly permit regulatory regimes to reflect the economic impact on the industry regulated.

In fact, judging from the bipartisan mix of cosponsorship, H.R. 436 enjoys broad support and is absolutely not controversial.

Again, Mr. Speaker, I want to thank the gentlewoman from Missouri [Ms. DANNER] for her assistance and leadership as well as the chairman, the gentleman from Kansas [Mr. ROBERTS], the chairman, the gentleman from Virginia [Mr. BLILEY], the chairman, the gentleman from Pennsylvania [Mr. SHUSTER], and the Correction Day task force for their input and cooperation on this issue.

It is time to finally solve the problem. I believe that it is the delay in passage of legislation such as this, as we did in the 103d Congress and the 104th Congress, that is the irritation among our constituents for nonaction. It is time that we pass this bill and made it law.

Mr. Speaker, I urge my colleagues on both sides of the aisle to support H.R. 436.

Mr. Speaker, I yield the remainder of my time to the gentleman from Texas [Mr. DE LA GARZA].

Mr. DE LA GARZA. Mr. Speaker, I thank the gentleman for yielding, and I thank the manager of the bill.

Mr. Speaker, I am pleased to join my colleagues in supporting and bringing to the floor H.R. 436, the Edible Oil Regulatory Reform Act. H.R. 436 would require Federal agencies to differentiate between edible oils, animal fat and vegetable oil, and petroleum-based oil products when issuing regulations under Federal laws that deal with a fat, grease or oil.

Mr. EWING, Ms. DANNER, and the cosponsors of the bill are to be congratulated for once again attempting to correct the oversight contained in the Oil Pollution Act of 1990. The work of our former colleague, new Secretary Jill Long Thompson should also not be overlooked as similar legislation passed the House twice last year under her leadership, only to die in the Senate.

The substitute language adopted in the Agriculture Committee has the broad intent of covering all Federal law and also contains specific changes to the Oil Pollution Act of 1990 to ensure that animal fat and vegetable oil are classified separately from petroleum-based products based on differences in physical, chemical, biological or other properties.

The substitute being offered here on the floor would exempt the Food Safety and Inspection Service as well as the Food and Drug Administration from the provisions of this bill, which causes the Agriculture Committee some concern because we only saw the language yesterday, but for the sake of moving this important piece of legislation, we do not intend to object to the exemption. We will work with our colleagues in the other body should any concerns be brought to our attention in regard to this particular provision.

The Oil Pollution Act was passed in response to the *Exxon Valdez* oilspill in Prince William Sound. It contained specific requirements on the handling and transportation of oil, but Congress did not differentiate between the various types of oil in the legislative language. Studies to date show the only potential environmental harm from animal fat or vegetable oil spills to be the physical effects of a spill of liquid in large quantities.

This legislation would require that the liability for a tank vessel carrying animal fat or vegetable oil would be limited to the greater of $600 per gross ton of the tank vessel, or $500,000 under the Oil Pollution Act.

I am also pleased that report language was added to address concerns expressed by the fledgling biodiesel industry to ensure that their products would be included under this legislation as long as they do not contain petroleum or toxic additives. Biodiesel products include such things as greases, hydraulic fluid or solvents that are much friendlier to the environment than traditional petroleum-based products.

There is language in H.R. 961, the House-passed version of Clean Water Act amendments, which would require differentiation among animal fat and vegetable oils in all water pollution laws.

H.R. 436 has bipartisan support with 80 sponsors here in the House and a broad list of outside groups who have also supported its passage. I encourage my colleagues to support its passage.

Mr. EWING. Mr. Speaker, I yield 3 minutes to the gentlewoman from Missouri [Ms. DANNER].

Ms. DANNER. Mr. Speaker, in the wake of the *Exxon Valdez* oilspill, the Congress passed legislation known as the Oil Pollution Act of 1990. This law created important environmental regulations aimed at reducing the risk of oil spills.

But while the Oil Pollution Act was designed to prevent environmental harm from petroleum oil spills, it was applied by many Federal agencies to animal fats and vegetable oils.

The result of these errant regulations are lower profits for producers in the agricultural sector, higher costs to shippers and users of vegetable oils, and in the final analysis, higher costs for virtually all processed food items we consume.

Because of the sweeping definitions in the Oil Pollution Act of 1990, Federal agencies have failed to make the sensible, logical, and obvious distinctions between toxic and edible oils.

Now it is necessary for Congress to direct the Federal agencies to start regulating those oils separately. The Edible Oil Regulatory Reform Act is intended to stop Government from regulating these oils in the same manner as petroleum.

Federal agencies must consider differences in the physical, biological, chemical makeup of the oils and the possible effects of spills on the environment.

Mr. Speaker, laws and regulations must have purpose. They should meet the simple standard of either protecting the public good from realistic threats or generally improving people's lives. Above all, our laws must be reasonable.

Congress wisely started the corrections day process so we could more easily repeal regulations that fail this elementary standard.

I think the vast majority of Americans would agree that regulating corn oil, for example, and petroleum in identical fashion is by no means reasonable.

In fact, this legislation enjoys support from both Republicans and Democrats, producers and consumers, and the administration and Congress. I'm pleased to be a part of this truly nonpartisan effort.

I would like to extend appreciation to the Members who worked on this legislation, particularly my friend from Illinois, TOM EWING, who has been instrumental in bringing this legislation to the floor.

Americans have repeatedly called upon Members of Congress to eliminate burdensome Federal regulations and work together to make a real difference in people's lives. Today we are answering that call.

Mr. Speaker, I have some additional information I would like to include as part of the RECORD at this point.

REQUIREMENT FOR DIFFERENTIATION BETWEEN ANIMAL FATS AND VEGETABLE OILS AND OTHER OILS UNDER CERTAIN REGULATIONS

SUMMARY

Congress has enacted two principal statutes that address the discharge of "oil" into the nation's waters—the FWPCA and OPA 90. Due to the statutes' broad definition of oil and lacking clear Congressional direction on differentiation, regulatory agencies generally have proposed or issued rules that will regulate animal fats and vegetable oils to the same degree as toxic oils (e.g., petroleum oils) without regard for the significant differences between them, in spite of scientific and other data justifying differentiation. These statutes, however, give the agencies broad regulatory discretion so that differentiation can be accomplished without compromising any of the objectives or principles of the statutes. As these rules will impose costly, inappropriate, and often counterproductive requirements, the animal fat and vegetable oil industry has been working toward the development of regulations that differentiate animal fat and vegetable oils from toxic oils to avoid the imposition of costly requirements intended for petroleum-based and other oils that are inappropriate for animal fats and vegetable oils.

Thus, a legislative change is needed to provide direction to regulatory agencies by requiring them to differentiate between nontoxic animal fats and vegetable oils, on the one hand, and all other oils, including toxic petroleum and non-petroleum oils, on the other hand, when promulgating oil pollution prevention and response regulations. This can be done without an amendment to these statutes that would change or alter the principles contained in them. In particular, agencies (1) should provide a category for animal fats and vegetable oils separate and apart from all other oils and (2) should differentiate these oils from other oils based on a recognition of their distinct properties.

BACKGROUND

On August 18, 1990, the U.S. Congress, in direct response to several catastrophic U.S. petroleum oil spills, including the EXXON VALDEZ spill, enacted the Oil Pollution Act of 1990 (OPA 90) to reduce the risk of oil spills, improve facility and vessel oil spill response capabilities, and minimize the impact of oil spills on the environment. In enacting OPA 90, Congress amended the Federal Water Pollution Control Act to impose certain requirements on the owners and operators of vessels carrying "oil" and on facilities posing a risk of "substantial" harm or "significant and substantial harm" to the environment, including requiring owners and operators to prepare and submit response plans to various federal agencies by February 18, 1993, for review and approval, or stop handling oil. Other requirements affecting the handling and transportation of oil were also enacted.

Although petroleum oil has been the focus of Congress' attention during the enactment of OPA 90, the law's applicability was not limited to petroleum oil and, as a result, it applies to all oils, including animal fats and vegetable oils. Since enactment, various federal agencies have issued proposed or interim final rules implementing OPA 90 requirements (which include FWPCA provisions). The principal federal agencies and what they are responsible for regulating are as follows:

U.S. Coast Guard (USCG): vessels and marine-transportation-related (MTR) onshore facilities, including any piping or structures used for the transfer of oil to or from a vessel.

DOT Research and Special Programs Administration (RSPA): tank trucks and railroad tank cars carrying oil.

U.S. Environmental Protection Agency: large non-transportation-related onshore facilities handling, storing, or transferring oil; and, the National Contingency Plan (NCP).

DOI Minerals Management Service (MMS): offshore facilities including any facility on or over U.S. navigable waters.

National Oceanic and Atmospheric Administration (NOAA): natural resource damage assessment (NRDA) regulations.

Federal natural resource trustees having an interest in these rules include the Departments of Agriculture, Commerce, and Interior.

ISSUE

The animal fat and vegetable oil industry handles, ships, and stores over 25 billion pounds of animal fats and vegetable oils annually in the United States. These agricultural substances are essential components of food products produced in the United States. Industry is concerned that some of the regulations being developed will regulate animal fats and vegetable oils to the same degree or in the same manner as petroleum oils, in spite of information collected to date that suggests that different or less stringent regulations are appropriate. For example, a June 28, 1993 report by ENVIRON Corporation, "Environmental Effects of Releases of Animal Fats and Vegetable Oils to Waterways" and an associated Aqua Survey, Inc. study on the aquatic toxicity of petroleum oil and of animal fats and vegetable oils found that, unlike petroleum oils, the presence of animal fats and vegetable oils in the environment does not cause significant or substantial harm. That study reached the following conclusions with respect to the effects of potential discharges of animal fats and vegetable oils:

They are non-toxic to the environment.

They are essential components to human and wildlife diets.

They are readily biodegradable.

They are not persistent in the environment.

They have a high Biological Oxygen Demand (BOD), which could result in oxygen deprivation where there is a large spill in a confined body of water that has low flow and dilution.

They can coat aquatic biota and foul wildlife (e.g., matting of fur or feathers, which may lead to hypothermia).

The animal fat and vegetable oil industry continues to seek data regarding the impact of animal fats and vegetable oils on the environment that will offer new insights to the appropriate regulation of these materials. On the basis of scientific data available to date, however, the only potential environmental harm that may result from spills of these products is the result of potential physical effects of spills of liquids in large quantities. Those potential physical effects consist of (1) the fouling of aquatic biota and wildlife that are exposed to the liquid products in high concentrations; and, (2) the potential oxygen deprivation from the biodegradation of high concentrations of liquid substances in confined and slow-flowing bodies of water. Fouling is not an issue, however, in the case of substances that are solids or congeal in the temperature conditions of the natural environment. In fact, that vegetable-based oils do not pose the same risk to the environment is illustrated by the fact that soybean-based solvents have been used to clean up petroleum oil spills. Soybean oil ester, through a process called CytoSol™, was used to clean-up fuel oil spilled during the MORRIS J. BERMAN spill in Puerto Rico. A NOAA marine biologist recognized the use of CytoSol™ as a "logical application of two environmentally promising technologies." Illinois Soybean Farmer, p. 12 (March/April 1994).

Moreover, the likelihood that an animal fat or vegetable oil spill of such magnitude will occur is extremely small. The industry's spill prevention efforts have resulted in an excellent environmental record for these products. For example, a review of the data recorded and compiled by the Coast Guard reveals that, from 1986 to 1992, animal fats and vegetable oils together accounted for only about 0.4 percent of the oil spill incidents in and around U.S. waters (both in terms of incidents and their volume). Less than half of those spills were in water. Further, these spills were generally very small. Only 13 of those spills were greater than 1,000 gallons. Put another way, only about 0.02 percent of all oil spill incidents in and around U.S. waters over the last seven years were spills of animal fats or vegetable oils greater than 1,000 gallons.

Furthermore, equipment and techniques used to respond to petroleum oil spills often will aggravate rather than mitigate the environmental impact if used for animal fats and vegetable oils. Attempts to remove the small quantities of animal fats and vegetable oils present in a typical spill would in most cases cause more environmental harm than would the presence of those products in the environment alone. For example, in comments filed on RSPA Docket Nos. HM–214 and PC–1, dated June 3, 1993, the Department of Interior recommended the establishment of response plan requirements for animal fats and vegetable oils comparable to those for other oils. This recommendation was based on anecdotal data derived from a discharge of butter from a U.S. government warehouse into Shoal Creek, Maryland. DOI conceded, however, that the principal adverse environmental effects of the Shoal Creek incident were caused by the removal efforts themselves.

In addition to the differences noted above between animal fats and vegetable oils and petroleum oils, the animal fat and vegetable oil industry is significantly different from the petroleum industry in other ways warranting disparate regulatory treatment. For example, there are notable differences in the vessel characteristics and transfer operations involving animal fats and vegetable oils and those involving petroleum oils. Vessels carrying petroleum oils can exceed 500,000 deadweight tons (the EXXON VALDEZ was over 213,000 deadweight tons). In contrast, vegetable oils typically are carried on small parcel tankers ranging from 30,000 to 45,000 deadweight tons. Further, differences exist in the size of the tanks carrying these two kinds of products. Large tankers carrying petroleum oil may have 10 large center tanks and about 15 wing tanks with individual tank capacities reaching approximately 592,000 tons or 177,500,000 gallons of oil. Parcel tankers carrying vegetable oil typically have about 30 to 35 cargo tanks that range from 1,000 to 3,500 tons capacity each. With regard to transfer operations, the typical amount of vegetable oil loaded or offloaded during a transfer ranges from 500 to 5,000 tons. In contrast, a tanker carrying petroleum commonly loads or offloads its entire cargo during one transfer operation.

Similary, facilities that handle or store animal fats and vegetable oils do not share the same characteristics as petroleum refineries and other facilities. Facilities that handle animal fats and vegetable oils are generally located in or near areas in which agricultural raw materials (e.g., oilseeds, oil bearing plants, and animals) are available. Consequently, unlike petroleum oil facilities, many are found in the Midwestern United States relatively far removed from the regional oil spill response centers which have evolved over the years and which are principally dedicated to petroleum oil spills.

In addition to the need for differentiation, there is also a need for financial responsibility regulations under OPA 90 that reflect the actual risk associated with spills of animals fats and vegetable oils. Under current financial responsibility rules, which were intended to address the problem of petroleum oil pollution from tankers and handling facilities, are not limited to tank vessels carrying petroleum oil, but unfortunately apply to all tank vessels regardless of the cargo carried. Specifically, the definition of tank vessel is not cargo linked; therefore, by operation of law, every tank vessel, regardless of its cargo, has the same liability and financial responsibility requirement as a petroleum oil tanker. Other vessels, on the other hand, are subject to half the limitation amounts applicable to tank vessels.

The higher amounts applicable to tankers reflect the fact that the risks of pollution related to enormous quantities of petroleum oil carried on tankers as cargo vastly outweigh the potential harm from other vessels whose spills of petroleum oil are limited to bunker fuel or lubricating oil used in the propulsion and other mechanical systems of the ship. However, considering the animal fat and vegetable oil industry's excellent spill prevention record and the significantly lower risk of environmental harm posed by a spill of these non-toxic, readily-biodegradable agricultural products, the risk of harm presented by vessels carrying animal fats and vegetable oils is similar to that of other non-petroleum-carrying vessels and the liabilities and financial responsibility amounts should be placed at the appropriate level.

DIFFERENTIATED RULES NEEDED

Unfortunately, there has been an overabundance of supposition and anecdotal data cited to date to give support to treating these non-toxic substances in the same manner as petroleum oils. Reliance upon such information underscores the dangers of imposing regulatory requirements on the industry in a manner not specifically mandated by Congress and without adequate scientific foundation. In fact, no documented scientific data support treating these non-toxic animal fats and vegetable oils in the same manner as petroleum.

To the contrary, the significant differences between animal fats and vegetable oils and other oils, warrant regulation of these substances in a different manner. Identical requirements would represent a misapplication of limited industry resources. In addition, requiring tank vessels whose only oil cargo is animal fat or vegetable oil to provide the same amount of financial responsibility as tank vessels carrying petroleum oil fails to recognize the risk of harm presented by these vessels and imposes an unnecessary burden on owners and operators.

Unfortunately, agencies have been attempting to achieve differentiation through vague regulatory language that requires further administrative or judicial interpretation to decipher and through discussions in the preambles to regulations published in the Federal Register. These techniques are examples of regulations that are not clear on their face and in need of revision. Not only should available scientific information be used to differentiate, but so should basic common sense. Many existing regulatory regimes go into detail to create separate categories for classes or types of oils (petroleum, edible, etc). Thus proven scientific and regulatory structures already exist that could form the basis of or model for a similar approach for regulations issued to implement the pollution prevention statutes.

Differentiation in rules is also warranted in view of President Clinton's Executive Order on Regulatory Planning and Review enunciates, and requires agencies to adhere to, certain principles of regulation. Exec. Order No. 12,866, 58 Fed. Reg. 51,735, 51,736 (1993). Among those principles are the following:

> In setting regulatory priorities, each agency shall consider, to the extent reasonable, the degree and nature of the risks posed by various substances or activities within its jurisdiction.
>
> Each agency shall base its decisions on the best reasonably obtainable scientific, technical, economic, and other information concerning the need for, and consequences of, the intended regulation.
>
> Each agency shall identify and assess alternative forms of regulation and shall, to the extent feasible, specify performance objectives, rather than specifying the behavior or manner of compliance that regulated entities must adopt.
>
> Each agency shall avoid regulations that are inconsistent, incompatible, or duplicative of its other regulations or those of other Federal agencies.
>
> Each agency shall tailor its regulations to impose the least burden on society, including individuals, businesses of differing sizes, and other entities (including small communities and governmental entities), consistent with obtaining the regulatory objectives, taking into account, among other things, and to the extent practicable, the costs of cumulative regulations.

CONCLUSION

The animal fat and vegetable oil industry continues to seek data to better understand the environmental risks associated with the transportation, handling, and storage of animal fats and vegetable oils. On the basis of scientific data currently available, however, there is no rational basis for regulating nontoxic animal fats and vegetable oils in the same manner as petroleum oils. In fact, it is very likely that imposing certain regulatory requirements on animal fats and vegetable oils based solely on requirements developed for the petroleum oil (e.g. removal and response strategies and techniques) could lead to greater damage to the environment than the actual impact of a discharge of these substances themselves. Moreover, these requirements would add to the cost of these agricultural products. A category for animal fats and vegetable oil should be implemented that is separate and distinct from all other oils, including petroleum oil. In addition, regulations should take into account the differences in the physical, chemical, biological, and other properties, and the environmental effects of these oils. Further, regulatory principles should be followed which clearly permit regulatory regimes to reflect the economic impact on the industry regulated.

OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, October 10, 1995.

STATEMENT OF ADMINISTRATION POLICY

H.R. 436—Differentiate Between Petroleum and Animal and Vegetable Oils (Ewing (R) IL and 83 cosponsors)

The Administration has no objection to House passage of H.R. 436.

Mr. EWING. Mr. Speaker, I yield back the balance of my time.

Mr. OBERSTAR. Mr. Speaker, I yield myself 7½ minutes.

Mr. Speaker, under the amendment, there are separate requirements. There is a requirement for separate regulations for edible and nonedible oils under any Federal law.

I would like to inquire of the gentleman from North Carolina: What laws have been researched to determine the application of this language? Could the gentleman tell us which laws specifically are affected?

Mr. BURR. Mr. Speaker, will the gentleman yield?

Mr. OBERSTAR. I yield to the gentleman from North Carolina.

Mr. BURR. Mr. Speaker, I thank the gentleman for yielding.

Those pertinent to the transportation and handling of oil have been looked at as it relates to this bill, and disposal, excuse me.

Mr. OBERSTAR. Is that the only Federal law? It says "any Federal law."

Mr. BURR. As it relates to this amendment, sir, the transportation, the disposal has been looked at relative to the change for edible oils. The two committees of jurisdiction have also looked at it.

Mr. OBERSTAR. I submit there are more laws that would be affected by this provision. The oil pollution law, for example, has two applications to the Clean Water Act and to the transportation of oils. So we are talking about the Coast Guard. We are talking about rail. We are talking about pipeline transportation. Is that what the gentleman has in mind?

Mr. BURR. If the gentleman will yield further, I would remind the gentleman that this amendment deals with the differentiation. There is no exemption, exclusion. It deals with the differentiation.

Mr. OBERSTAR. I understand that. But what I am trying to get at is the scope of this provision. I think it should be clear on the record what it is, which laws are being affected by this process we are engaged in here.

Mr. BURR. If the gentleman will yield further, three committees have looked at this issue.

Mr. OBERSTAR. That is not my question. I did not ask how many committees. I asked how many laws. The gentleman does not have a catalogue of laws affected by this provision?

Mr. BURR. If the gentleman will yield further, the gentleman is asking me for statutory jurisdiction of each of these committees of which I am not a member. I would suggest it does affect the Oil Pollution Act, which we are here to address, and certainly it does make common sense for us to address a differentiation between vegetable oils and petroleum-based products.

Mr. OBERSTAR. Reclaiming my time, it is not the differentiation that concerns me. It is to be clear about the scope of impact of this legislation. I would suggest that when the gentleman asks unanimous consent for leave for Members to submit additional comments for the RECORD, that he or the committee chairman submit for the RECORD the list of those laws that will be affected by this legislation so that the public, in evaluating, and other Members, in evaluating this legislation would know which laws specifically are affected by that very broad language.

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Mr. BURR. Mr. Speaker, will the gentleman yield?

Mr. OBERSTAR. I yield to the gentleman from North Carolina.

Mr. BURR. Mr. Speaker, I would certainly request of the Committee on Commerce for that listing and also make the request of the other two committees.

Mr. OBERSTAR. Mr. Speaker, I thank the gentleman from North Carolina. I think that would be very important and very useful.

When the Committee on Transportation and Infrastructure, Mr. Speaker, considered this legislation, we considered specific laws. The bill before us is a broad sweep and says all laws. It just sort of cast a wide net out upon the waters and said anything that we did not think of specifically, we just cast this language out. That is, I suggest, not very appropriate legislation, it is not very carefully crafted legislation, and it is again a reason for being concerned with this process.

I am a very strong believer in processes protecting rights of individuals and rights of the Members of this body, protecting rights of various interests and the broad public interest, and I think this process here is truly a disservice to that process.

Mr. BURR. Mr. Speaker, will the gentleman yield?

Mr. OBERSTAR. I yield to the gentleman from North Carolina.

Mr. BURR. Is the gentleman suggesting that we only use common sense in some cases?

I hear the gentleman's concern with process, but I would question that the gentleman is more concerned with process than outcome, and, in fact, the common sense comes into play, and the majority of Americans say there should be a differentiation between the two.

Mr. OBERSTAR. Reclaiming my time, the issue again, I state very clearly, is not differentiation. The issue I am raising here is what are the laws under which differentiation is to take place. There is no listing. There is a broad, sweeping grant of authority, and that is the matter that concerns me.

Yes, there should be a differentiation. But under which laws? How broadly? How narrowly? How specifically is this language to be drawn? How specifically is it to be targeted?

As my colleagues know, we did that in the Committee on Transportation and Infrastructure. We were very careful about it. This bill is just a broad, sweeping generalization. I do not think it is appropriate to do that. We must be more specific about the laws that are going to be affected.

Now, as to the matter of differentiation, that is a matter of substantive debate, and we could have a discussion on whether the edible oil industry is appropriate in their concern that the oil they produce should not be considered in the same breath with the toxic effects of certain petroleums or petroleum derivatives, and that is an entirely different matter.

But, as I said in my opening remarks, we have had our own experience in Minnesota where with the soybean oil spill there were toxic effects. Nontoxic substances in high amounts can have toxic effects. They ought to be considered separately and appropriately.

In addition, just because one industry or one sector says we do not want to be included with everybody else that has toxic oils, and ours are not from one standpoint, is no reason to bring a special bill to the House floor for a special purpose. We had the opportunity to consider this issue when the House took up the Clean Water Act. The degree of specificity provided in that legislation, in both the Oil Pollution Act and the Clean Water Act, where relief was provided, did not raise any kind of debate, did not ask for any kind of consideration, and I do not think it is appropriate, and that is the basis of my objection.

The matter of differentiation, simply because it has taken a long time for the appropriate agency of Government to issue regulations under previously existing laws, is no reason to bring a special bill to the House floor. It is difficult, going back to the gentleman's point about differentiation, it is difficult to know whether such differentiation is appropriate when we do not know specifically in this bill the laws to which that differentiation should be applied.

Mr. BURR. Mr. Speaker, will the gentleman yield?

Mr. OBERSTAR. I yield to the gentleman from North Carolina.

Mr. BURR. In fact, in the bill itself I think the gentleman would see that what we have done is we have allowed the heads of Federal agencies to consider differences in physical, chemical, biological, and other properties, and the environmental effects of the classes. To some degree we have empowered the heads of these agencies to make the determination in the best interests of this country. I do not think the gentleman would disagree with that interest.

Mr. OBERSTAR. I just say that when language in a bill says any Federal law, it is incumbent upon the author of such language to be specific, to say what those laws are. I do not think that we should ask the public to accept something so broad and sweeping they have no idea of what its implications and what its applications are.

Mr. Speaker, I reserve the balance of my time.

Mr. BURR. Mr. Speaker, I yield 3 minutes to the gentleman from Arkansas [Mr. HUTCHINSON].

Mr. HUTCHINSON. Mr. Speaker, I thank the gentleman from North Carolina [Mr. BURR] for yielding this time to me. I compliment the gentleman from North Carolina [Mr. BURR], the gentleman from Virginia [Mr. BLILEY], the gentleman from Illinois [Mr. EWING], and the gentlewoman from Missouri [Ms. DANNER] for their hard work on this bill, and I rise in strong support of H.R. 436, the Edible Oil Regulatory Reform Act. This commonsense, risk-based approach to regulation embodies what the Speaker had in mind when he established the Corrections Day Calendar. This well-crafted, noncontroversial bill simply requires Federal agencies to differentiate between animal fats and vegetable oils on the one hand and petroleum-based on the other.

The Clean Water Act and the Oil Pollution Act of 1990 are the two primary statutes addressing discharge of oil into the Nation's waters impacted by this bill and to a lesser extent the Hazardous Materials Transportation Act. Due to these statutes' broad definitions of oil and the lack of explicit guidance from Congress, the regulatory agencies have not adequately differentiated between animal fats and vegetable oils and other oils, including petroleum. Regulations that do not make these commonsense differentiations could impose costly, unnecessary burdens on handlers, transporters, and others involved in the edible oil industry.

The animal fat and vegetable oil industry handles, ships, and stores over 25 billion pounds of product annually in the United States. These agricultural substances are essential components to our Nation's economy and diet.

The record is filled with documented examples and justifications for treating animal fat and vegetable oil differently from other types of oil. For example, these edible oils simply do not present the same type of risk to the environment that other oils do.

When Congress enacted the Oil Pollution Act of 1990, it did not intend to apply the same response planning, liability, financial responsibility, and cleanup requirements to edible oils to the same extent as to crude oil and petroleum-based substances.

Comparable versions of H.R. 436 have already passed the House in two bills this year: H.R. 1361, the Coast Guard authorization bill for fiscal year 1996 and H.R. 961, the clean water amendments of 1995.

Both versions moved through the Transportation and Infrastructure Committee, the committee on which I served which the gentleman from Pennsylvania [Mr. SHUSTER] chairs, the committee with jurisdiction over the Oil Pollution Act and the Clean Water Act. The committee has an extensive record of testimony and other data affirming the need for the legislation.

The bill before us combines the views of the three committees involved: the Committee on Commerce, the Committee on Agriculture, and the Committee on Transportation and Infrastructure.

It includes a broad mandate for common sense: generally all Federal agencies are required to differentiate between animal fat and vegetable oils on the one hand and petroleum-based oils on the other.

It includes provisions to take into account the special nature of food and drug regulations that do not relate to environmental discharge.

H.R. 436 is an important, noncontroversial solution to a regulatory situation that needs correction, and I urge my colleagues to support the bill.

Mr. BURR. Mr. Speaker, I yield 3 minutes to the gentleman from Iowa [Mr. LATHAM].

Mr. LATHAM. Mr. Speaker, I thank the gentleman from North Carolina [Mr. BURR] for yielding this time to me, and I especially want to thank the chairman of the subcommittee, the gentleman from Illinois [Mr. EWING], and the gentlewoman from Missouri [Ms. DANNER], for putting this excellent bill forward. I am very, very proud to be a cosponsor.

Mr. Speaker, as a member of both the Committee on Agriculture and the Committee on Transportation and Infrastructure, this particular bill has great significance to me, and I am very, very proud once again to be a cosponsor. One of the reasons that last year I ran for Congress as a farmer and a small business person myself was because of the sometimes outrageous regulations that are placed on farmers and small business people seeing the direct effect of what those regulations have on people who are working very, very hard every day, striving to improve the lives for themselves and for their children. That is one reason that I am so supportive also of Correction Days, because it does give us an opportunity to right some of these wrongs which have been put on the American public and which have no benefit to the American people, but cause great restrictions as far as common sense in the business and workplace. My district in northwest Iowa produces a tremendous amount of soybeans. We have the largest soybean crush in the United States, any district in the United States. We produce more soybean oil than any other district, and that is why I am so proud that H.R. 436 simply requires, once and for all, for Federal agencies to tell the difference between what is a nontoxic vegetable oil or animal fats and petroleum-based oils when writing regulations, and we should keep in mind that this does not exempt vegetable oils or animal fats from regulations and spill plans. The oils covered by this bill are nontoxic, edible, natural, and biodegradable, and I think the folks at home should realize when they are cooking every day the oil that they get out of the bottle that they are frying their food in, this is what we are talking about. This is not the sludge or the crude from the *Exxon Valdez* or something like this. These are edible oils that are used every day in the kitchen in our homes and we eat every day. This should be very, very noncontroversial.

I think this bill symbolizes the commonsense reforms to the environmental regulations of the Republican Congress that we are trying to put forth today. This bill removes unnecessary costs of burdensome shipping standards which should not apply to nontoxic products such as vegetable oils and animal fats.

It is also my understanding that the provisions of this legislation cover products made from vegetable oils/animals fats that contain no petroleum or toxic additives. Such products include, but are not limited to, lubricants, greases, hydraulic fluids, solvents and monoalkyl esters used as fuel for diesel engines (biodiesel). These products are non-toxic, biodegradable, and should be treated no differently than pure vegetable oils and animal fats.

This type of regulation in the past is part of the absurdity that we have had in our regulatory parts of this Government, and it is really hard for me to believe that it takes an act of Congress to state that vegetable oil is not toxic and should not be held to the same standard as crude oil. American farmers have suffered from increased shipping rates and loss of foreign markets due to these crazy regulations, and I ask for everyone to support 436, which is common sense. It brings back some sanity to this Government.

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Mr. OBERSTAR. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to observe that for all the hoopla over Corrections Day created by the majority, that in 10 months we have considered San Diego sewage and edible oils, one of which is being resolved by the Environmental

Protection Agency on its own, and the other of which is being resolved by the Department of Transportation, and regulations that agency has issued, which is part of two other bills which have passed the House. This is a large waste of the body's time and a process that is inappropriate for the consideration of such subjects.

Mr. Speaker, I yield back the balance of my time.

Mr. BURR. Mr. Speaker, I yield myself 30 seconds.

Mr. Speaker, I would make this comment to my colleague, that in my 9 short months here in Washington, I have learned that sometimes a little nudge is what is needed to get the process started. I hope this nudge of Corrections Day will enable us to eliminate those things that to the American people are common sense, that we should change and clarify.

Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois [Mr. EWING].

The SPEAKER pro tempore (Mr. EVERETT). The gentleman from Illinois [Mr. EWING] will close debate.

Mr. EWING. Mr. Speaker, I thank the gentleman for yielding time to me, and for giving me the opportunity to close on this bill.

Mr. Speaker, it is so simple, we should not have to be here. Yet we are here today because it has not been done. That is what the American people are unhappy about: Two Congresses, multiple bills, and we still have the regulatory rock around our necks. It is hard on agriculture, it does not hurt the environment, and yet, it even increases costs to consumers across this country.

Mr. OBERSTAR. Mr. Speaker, will the gentleman yield?

Mr. EWING. I yield to the gentleman from Minnesota.

Mr. OBERSTAR. Mr. Speaker, I would like to point out to the gentleman that the process has worked as far as the substance of the gentleman's issue is concerned. This body has acted in last Congress and this Congress. It is the other body that has not acted. I suggest the gentleman direct his anger to the other body.

Mr. EWING. Mr. Speaker, I would ask the gentleman, then, why the objection to do it? We need to do it, get it out there is an individual bill so it will not die as part of some other legislation. The people of this country cannot understand how we can be so bureaucratic. It is time for a change. The Corrections Day Calendar is a good calendar, and I would certainly encourage people of get behind this bill. Let us show the American people we do care about what they are concerned about, that we do care and that we can make government effective, efficient, and responsible.

Mr. SMITH of New Jersey. Mr. Speaker, I want to express my strong support for two bills we are considering today, both of which were introduced by my good friend and colleague Representative HUTCHINSON.

H.R. 1384 makes an important contribution to veterans health care by helping ensure that the VA health care system can retain the best health personnel. Unfortunately, existing VA regulations actually create a disincentive for many health care professionals to work in the VA health care system.

By restricting nurses, physician assistants, and dental auxiliaries from obtaining additional work outside the VA, we are forcing these personnel to make a choice between remaining in the VA, or leaving the system altogether. Many of these employees feel that they must obtain income from secondary sources in order to support their families and make ends meet. They should be allowed to do so, while still serving the VA. We should not risk losing talented people in the VA health care system simply because of an outdated regulation that no longer serves a useful purpose.

Mr. Speaker, I also want to urge my colleagues to support H.R. 1536, which will extend the VA's authority to use local salary data to determine the salary levels of nurse anesthetists. This provision is necessary to ensure that nurse anesthetists are fairly compensated for their services, in the same manner that compensation for regular nurses is determined through the Veterans Affairs Nurse Pay Act of 1990.

As a member of the Veterans' Subcommittee on Hospitals and Health Care, I was pleased to support both of these bills at both the subcommittee and the full committee level. I want to thank Chairman HUTCHINSON for his diligent work on these legislative initiatives, and urge all my colleagues to give their full support to these two measures.

Mr. BURR. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. Pursuant to the rule, the previous question is ordered.

The question is on the amendment in the nature of a substitute offered by the gentleman from North Carolina [Mr. BURR].

The amendment in the nature of a substitute was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and (three-fifths having voted in favor thereof) the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BURR. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to include extraneous material in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 436, EDIBLE OIL REGULATORY REFORM ACT

Mr. BURR. Mr. Speaker, I ask unanimous consent that the Clerk may be authorized to make technical and conforming changes to H.R. 436, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

EXEMPTING CERTAIN FULL-TIME HEALTH CARE PROFESSIONALS OF THE DEPARTMENT OF VETERANS AFFAIRS FROM RESTRICTIONS ON REMUNERATED OUTSIDE PROFESSIONAL ACTIVITIES

Mr. STUMP. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1384), to amend title 38, United States Code, to exempt certain full-time health care professionals of the Department of Veterans Affairs from restrictions on remunerated outside professional activities, as amended.

The Clerk read as follows:

H.R. 1384

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DEPARTMENT OF VETERANS AFFAIRS PERSONNEL ADMINISTRATION.

(a) EXEMPTION OF CERTAIN HEALTH-CARE PROFESSIONALS FROM RESTRICTIONS ON REMUNERATED OUTSIDE PROFESSIONAL ACTIVITIES.—Section 7423 of title 38, United States Code, is amended—

(1) in subsection (b), by striking out paragraph (1) and redesignating paragraphs (2), (3), (4), (5), and (6) as paragraphs (1), (2), (3), (4), and (5), respectively;

(2) by redesignating subsections (c), (d), (e), and (f) as subsections (d), (e), (f), and (g), respectively; and

(3) by inserting after subsection (b) the following new subsection (c):

"(c)(1) An employee of the Veterans Health Administration who is covered by subsection (a) (other than a registered nurse, a physician's assistant, or an expanded-duty dental auxiliary) may not assume responsibility for the medical care of any patient other than a patient admitted for treatment at a Department facility.

"(2) The limitation in paragraph (1) shall not apply in a case in which the employee, upon request and with the approval of the Under Secretary for Health, assumes such responsibilities to assist communities or medical practice groups to meet medical needs which would not otherwise be available. The approval of the Under Secretary may not be for a period in excess of 180 days, which may be extended by the Under Secretary for additional periods of not to exceed 180 days.".

(b) CROSS REFERENCE AMENDMENTS.—Subsection (d) of such section, as redesignated by subsection (a)(2), is amended—

(1) in the matter preceding paragraph (1), by striking out "subsection (b)(6)" and inserting in lieu thereof "subsection (b)(5)"; and

(2) in paragraph (2), by striking out "paragraph (1)(B)" and inserting in lieu thereof "section 7421(b) of this title".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Arizona [Mr. STUMP] and the gentleman from Mississippi [Mr. MONTGOMERY] each will be recognized for 20 minutes.

The Chair recognizes the gentleman from Arizona [Mr. STUMP].

GENERAL LEAVE

Mr. STUMP. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on H.R. 1384.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. STUMP. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 1384 would exempt VA professional nurses, physicians' assistants, and expanded-duty dental auxiliaries from restrictions regarding outside professional activities for remuneration.

Mr. Speaker, the CBO has stated H.R. 1384 would have no significant impact on the Federal budget. I would like to express my appreciation to the gentleman from Mississippi, SONNY MONTGOMERY, ranking member of the full committee, the gentleman from Arizona, TIM HUTCHINSON, chairman of the Subcommittee on Hospitals and Health Care, as well as the gentleman from Texas, CHET EDWARDS, who is the ranking member of the subcommittee, for their support of the bill.

Mr. Speaker, in addition to thanking the gentleman from Mississippi [Mr. MONTGOMERY] for his work on this bill, I would like to be one of the first Members on this floor today to say how much I regret his decision to retire from the House at the end of this term. The gentleman from Mississippi has been a great friend for many years, and we have worked on many issues over those years. I just want him to know that I will miss both his friendship and his counsel. There will, of course, be many occasions over the next 14 months to more properly express our appreciation for his outstanding service in this House, but I would like him to know that I both regret his decision, but also wish him the very best in his future endeavors.

Mr. Speaker, I yield such time as he may consume to the gentleman from Arkansas [Mr. HUTCHINSON], chairman of the Subcommittee on Hospitals and Health Care of the Committee on Veterans' Affairs.

Mr. HUTCHINSON. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I want to be the second person to publicly express my sadness at the decision of the ranking member, the gentleman from Mississippi, SONNY MONTGOMERY, longtime chairman of the Committee on Veterans' Affairs, not to seek reelection. There surely will be no Member more missed around this place than SONNY MONTGOMERY, a great champion of veterans and a great patriot.

Mr. Speaker, I strongly support H.R. 1384. I commend the chairman, the gentleman from Arizona [Mr. STUMP], for bringing this bill to the floor this morning. I also want to thank the ranking member on our subcommittee, the gentleman from Texas [Mr. EDWARDS], for his assistance.

Mr. Speaker, I support this legislation which I introduced to exempt certain VA health care professionals from restrictions on remunerated outside professional activities, and urge its immediate passage.

Mr. Speaker, this legislation would lift the moonlighting ban on professional registered nurses, physicians' assistants, and dental auxiliaries. This outdated law, enacted in 1946, nearly 50 years ago, was written at a time when nurses were expected to be on call 24 hours a day. The role of nurses has changed from one of physician's handmaiden to that of independent practitioner, necessitating a changed work schedule for nurses by removal of the expectation of 24-hour-a-day availability.

Additionally, physicians' assistants and dental auxiliaries work at a set schedule and are not required to be available 24 hours a day. The law maintains the restrictions on VA health care professionals, such as physicians, who continue to be on call 24 hours a day, 7 days a week. Additionally, Mr. Speaker, the pay structure for nurses has changed through the years. No longer are nurses paid with the expectation of nonstop availability for duty. Instead, they are compensated at an hourly rate with a possibility of overtime pay. Thus, nurse staffing problems caused by moonlighting have become virtually nonexistent.

Economic realities are the driving force behind the need to find outside employment. Quite simply, many families need to moonlight in order to make ends meet, and will make an employment decision based on the ability to work two jobs. The removal of this ban can only help in the recruitment and retention of qualified personnel.

Mr. Speaker, this legislation is strongly supported by the Department, professional organizations representing the affected groups, and the Committee on Veterans' Affairs. Both the Subcommittee on Hospitals and Health Care, of which I am the chairman, and the full committee unanimously reported out this measure. Once again, I am in strong support of this legislation and urge its immediate passage.

Mr. MONTGOMERY. Mr. Speaker, I yield myself such times as I may consume.

Mr. Speaker, I want to thank the gentleman from Arizona [Mr. STUMP], chairman of the Committee on Veterans' Affairs. We work well together. I was chairman for 13 years, and now BOB is the chairman, and we will continue to work together. I appreciate what the gentleman has said. There comes a time that you have to move on. I think this is my time.

To the gentleman from Arizona, TIM HUTCHINSON, the chairman of the subcommittee, I thank him and I offer him congratulations. He has handled this big subcommittee very, very well. It is very important to veterans to have health care and medical care, and this is part of the bills we have up today to help those veterans.

Incidentially, Mr. Speaker, I think this is a proper time today to point out that tomorrow at 9 o'clock, World War II veterans will be honored in this Chamber at a joint committee of both the House and the Senate. I would certainly encourage the Members to be here, and the gentleman from Arizona [Mr. STUMP], and I had the privilege of leading House delegations both to Europe and to Honolulu, to Pearl Harbor, to celebrate the 50th anniversary of the ending of World War II, but we think it will be a nice celebration, and I hope that the Members would attend.

Mr. Speaker, I rise in support of H.R. 1384, as amended. This bill would lift the current ban on outside work by full-time VA nurses and certain other employees. The rule abandoning outside work was intended to help VA hospitals meet their staffing needs. Today that ban is too broad, so the old rule is not only unnecessary, it is unfair. I urge Members to support this measure.

Mr. Speaker, I reserve the balance of my time.

Mr. STUMP. Mr. Speaker, I yield 3 minutes to the gentleman from Wisconsin [Mr. SENSENBRENNER].

Mr. SENSENBRENNER. Mr. Speaker, I would like to thank the gentleman from Arizona [Mr. STUMP] and the gentleman from Arkansas [Mr. HUTCHINSON] for expediting this bill, as well as to also pay tribute to the distinguished service that the gentleman from Mississippi [Mr. MONTGOMERY] has given to the people of the United States, as well as to the veterans of this country.

Mr. Speaker, when the Veterans' Administration's Department of Medicine and Surgery was created in 1946, there was a drastic need for health care professionals to provide care for our Nation's wounded World War II veterans. At that time, it was necessary to place restrictions on the outside employment for certain Veterans' Administration health care personnel in order to provide adequate care for our country's wounded heroes. However, outside employment no longer interferes with current Veterans' Administration health care staffing needs, and the moonlighting restrictions are no longer necessary to maintain adequate patient care. In addition, these restrictions have caused unnecessary burdens on the Veterans' Administration's ability to hire and retain quality health care professionals.

I first became aware of the need for this legislation at one of my many townhall meetings when Mrs. Mary Flaherty, a registered nurse at the Zablocki Veterans' Administration Health Center in Milwaukee, pointed out the adverse economic impact this restriction had on her and the 311 other full-time registered nurses at the Zablocki Center. H.R. 1384 amends title 38 of the United States Code to exempt professional nurses, physicians assistants, and expanded duty dental auxiliaries employed by the Veterans' Administration from restrictions on outside employment. H.R. 1384 removes current restrictions that limit the earning ability of thousands of Veterans' Administration employees by allowing them to seek supplemental employment without giving up their full-time employment with the Veterans' Administration.

Mr. Speaker, it is refreshing when Congress acts swiftly to negate outdated and burdensome laws and regulations that affect hard-working taxpayers' ability to provide for their families.

Mr. Speaker, I hope this bill is speedily enacted into law.

Mr. MONTGOMERY. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas [Mr. EDWARDS], a ranking member on the Subcommittee on Hospitals and Health Care of the Committee on Veterans' Affairs.

Mr. EDWARDS. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, there are not going to be any press people in the gallery this afternoon watching the discussion on this bill. There will not be any headlines in tomorrow's newspapers around the country.

This bill will not be on the evening news broadcast nationally this evening because there is no conflict on it, because the Congress has done its business the way it should do its business, on a bipartisan basis, putting the interest of medical care for veterans first, as it should be the priority of this House when we deal with veterans' legislation.

Mr. Speaker, I want to commend the gentleman from Arizona [Mr. STUMP], the chairman of the committee, and the gentleman from Arkansas [Mr. HUTCHINSON], for their leadership on this bill. I want to commend the gentleman from Mississippi [Mr. MONTGOMERY], along with the gentleman from Arkansas [Mr. HUTCHINSON], for continuing not only their commitment to veterans, but their efforts to see that the House on veterans' issues does its business as it should on a nonpartisan basis.

□ 1515

The end result of this legislation is going to be to improve the quality of health care for hundreds of thousands of veterans all across America. It will help our VA hospitals and medical centers retain the finest quality in nurses and physician assistants and dental hygienists. This is significant legislation, because it will significantly help those Americans who have been willing to put their lives on the line for our country.

So while there is no great conflict, there will be no headlines in the newspapers, I want to thank the gentleman from Arizona and the gentleman from Arkansas and the gentleman from Mississippi for carrying on the business of Congress in such an efficient and professional manner.

Mr. Speaker, I must add a personal editorial note, that it is a shame that the American people do not see the Congress operating as it has operated on this legislation, in a very positive way, a very amicable way, a very nonpartisan way. If the American people were to see Congress working on this as the leaders have worked on both sides of the aisle on this legislation, I think perhaps people would have a better and fairer sense of the way Congress operates on much of our business.

So this legislation is good legislation. It is going to help our Nation's veterans, and I want to urge passage of it today.

Mr. Speaker, let me finalize my comments by saying I would be remiss if I were not to pay tribute to the gentleman from Mississippi [Mr. MONTGOMERY]. I came here as a young man straight out of Texas A&M University in 1974 to work for the then chairman of the Veterans' Affairs Committee, Olin E. "Tiger" Teague, a gentleman that was known at the time as Mr. Veteran of the Congress. Mr. Teague told me about another gentleman who at the time was taking a real leadership position for our veterans, and particularly fighting for the interests of our POW's and MIA's. He told me that Mr. MONTGOMERY would be known as the next Mr. Veteran of the U.S. Congress, and that is in fact what has happened for so many years of great and unselfish service.

Mr. Speaker, I do not know of any Member of Congress who has served with greater distinction, with greater class, with greater humility, with greater kindness, or greater commitment, genuine commitment, to helping those men and women who are willing to fight for our country. This is the first piece of legislation that Mr. MONTGOMERY has helped bring to the floor since his announcement that he is going to retire.

Mr. Speaker, I simply want to say on behalf of all of my colleagues in Congress and all of the veterans of America that we will miss dearly, we will miss greatly, the gentleman from Mississippi who has set a standard of gentlemanness, a standard of professionalism that we younger Members of Congress for many years to come would be well advised to follow. If we were to do so, and this Congress were to act in its business always as Mr. MONTGOMERY has always acted on his congressional business, the institution of Congress would be held in high esteem by all Americans.

So to the general from Mississippi, to the gentleman from Mississippi, I say it is an honor to serve with the gentleman. This is not a goodbye today because we are fortunate to have the services of the gentleman for many months to come until the next election, but thank you for your leadership.

I thank the gentleman from Arizona [Mr. STUMP] and the gentleman from Arkansas [Mr. HUTCHINSON] for their fine work on this piece of legislation.

Mr. MONTGOMERY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to thank the gentleman from Texas [Mr. EDWARDS]. I first met the gentleman many years ago, the gentleman from Waco, and we met those great World War II Texas Division people that were in Italy and fought so well. The gentleman from Texas [Mr. EDWARDS] has a wonderful veterans district with several hospitals there, and I appreciate the kind words he said. I still will be around for 14 months, I hope.

Mr. Speaker, I yield such time as he may consume to the gentleman from Texas [Mr. DE LA GARZA].

Mr. DE LA GARZA. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I echo the words of my colleague from Texas, Mr. EDWARDS, not only on this bill, but in relation to our good friend, General MONTGOMERY. I rise in support of the legislation and I commend both sides for what they have done for the veterans.

Let me say that General MONTGOMERY and I came here at the same time, and for us, from Texas, it was certainly an easy transition from Olin "Tiger" Teague who was Mr. Veteran to Mr. Veteran General MONTGOMERY.

I take great pride in mentioning the Montgomery bill of rights. Recently when both gentlemen, the gentleman from Arizona [Mr. STUMP] and the gentleman from Mississippi [Mr. MONTGOMERY] were in Hawaii for the commemoration of the 50th anniversary of the end of World War II, and I was privileged to accompany them, I told one of the young men who was about to be made sergeant the next day and he was already talking about when he might return home, and I said, "Well, you can get an education", and he says, "Oh, yes, the Montgomery bill of rights." And I pointed to the gentleman from

Mississippi, and I said, "That is the Montgomery bill of rights right there." And with great awe and admiration he rushed over to thank Mr. MONTGOMERY, and that is his legacy.

Mr. Speaker, I know later we will have other comments, but in association with what we do today, the gentleman from Mississippi will have left a legacy as a friend of the veteran, and all of us who are veterans thank him.

This legislation is good. We still have a long ways to go in regards to taking care of the problems of veterans, but I feel very comfortable with the two gentlemen managing the bill here that we will address those issues, and I thank the gentleman for yielding to me.

Mr. MONTGOMERY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want also to thank the gentleman from Texas for his very kind remarks. I enjoyed very much having his wife and himself on our trip. He is a World War II veteran.

To the gentleman from Texas [Mr. DE LA GARZA], there is a seat right there in front for you tomorrow and I hope you will be right there. Mr. DE LA GARZA was in two services, I believe. He was in the Army and also in the Navy, and that is rather unusual. So I thank the gentleman again for his kindness.

Mr. Speaker, I reserve the balance of my time.

Mr. STUMP. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to thank both the gentlemen from Texas for their remarks about this bill, and I would especially like to thank Mr. EDWARDS for his kind remarks about the operation of his committee and mine, and I want the gentleman to know that he is one of the reasons why we operate in a bipartisan manner.

Mr. Speaker, I have no further requests for time and I yield back the balance of my time.

Mr. MONTGOMERY. Mr. Speaker, I have no further requests for time and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. EVERETT). The question is on the motion offered by the gentleman from Arizona [Mr. STUMP] that the House suspend the rules and pass the bill, H.R. 1384, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

EXTENDING THE DEPARTMENT OF VETERANS AFFAIRS AUTHORITY TO USE NURSE ANESTHETIST CONTRACT SALARY DATA IN ESTABLISHING PAY RATES FOR VA-EMPLOYED NURSE ANESTHETISTS

Mr. STUMP. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1536) to amend title 38, United States Code, to extend for 2 years an expiring authority of the Secretary of Veterans Affairs with respect to determination of locality salaries for certain nurse anesthetist positions in the Department of Veterans Affairs.

The Clerk read as follows:

H.R. 1536

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 7451(d)(3)(C)(iii) of title 38, United States Code, is amended by striking out "April 1, 1995" and inserting in lieu thereof "December 31, 1997".

The SPEAKER pro tempore (Mr. LATHAM). Pursuant to the rule, the gentleman from Arizona [Mr. STUMP] will be recognized for 20 minutes and the gentleman from Mississippi [Mr. MONTGOMERY] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Arizona [Mr. STUMP].

GENERAL LEAVE

Mr. STUMP. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks and include extraneous materials on H.R. 1536.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. STUMP. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 1536 would extend until December 31, 1997, the authority to permit VA Medical Center Directors to use nurse anesthetist contract agency compensation data to adjust locality-based nurse pay rates.

This would only be done where a VA locality survey provides insufficient data.

The Department requested extension of this authority which will allow the VA to remain competitive in the job market for nurse anesthetists.

The Congressional Budget Office has stated the bill would have no significant cost to the Federal Government.

I want to thank the ranking member of the Veterans' Affairs Committee, SONNY MONTGOMERY, for helping move the bill to the floor.

I also want to thank TIM HUTCHINSON, chairman of the Hospitals and Health Care Subcommittee, and CHET EDWARDS the subcommittee's ranking member for their efforts on the bill.

Mr. MONTGOMERY. Mr. Speaker, I yield yield such time as he may consume to the gentleman from Texas [Mr. EDWARDS].

Mr. EDWARDS. Mr. Speaker, again, as with the previous legislation that we just passed, this legislation will basically help the VA medical centers bring the best quality of health care to our Nation's veterans by allowing flexibility in pay scale for VA nurse anesthetists. This will allow us to keep many of our finest nurse anesthetists in the VA hospitals. Without this legislation, there is a very real chance that many of these important people in our VA health care system might be pulled out of the public health care system and somewhere into private practice. If that were to happen, that would be a loss not only to our VA health care centers, but to the veterans that they serve.

Mr. Speaker, once again, as in the previous legislation, I want to commend the gentleman from Arizona [Mr. STUMP] and the gentleman from Arkansas [Mr. HUTCHINSON] for their leadership on this important legislation, along with the gentleman from Mississippi [Mr. MONTGOMERY] for his leadership as the ranking member of the full committee. I urge passage of this legislation.

Mr. STUMP. Mr. Speaker, I yield such time as he may consume to the gentleman from Arkansas [Mr. HUTCHINSON].

Mr. HUTCHINSON. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I rise in strong support of H.R. 1536. I want to commend the gentleman from Arizona [Mr. STUMP] for his work on this bill and for bringing it to the floor today. Again, I thank the ranking member, the gentleman from Mississippi [Mr. MONTGOMERY], for his work on this bill, along with so many on behalf of veterans. I also want to express my gratitude to the gentleman from Texas [Mr. EDWARDS], the ranking member on the Subcommittee on Hospitals and Health Care, for his kind words earlier and for his good work and for how easy it is to work with him on behalf of all veterans.

This is another one of those bills, as Mr. EDWARDS said, that will not be on the evening news, but it is an example of the way Congress ought to work. Mr. Speaker, members of this committee, Mr. STUMP, Mr. MONTGOMERY, Mr. EDWARDS, and the other members of our committee, Mr. KENNEDY, we have very strong differences on many issues. We certainly are no less loyal to our political parties, but what makes this committee work so well is a greater loyalty to our veterans. While we feel strongly about our particular issues, we feel even stronger about the need to work together on behalf of the veterans of this country. So it is a great committee on which to serve.

Mr. Speaker, I rise in full support of this legislation to extend the expiring authority to determine locality pay for VA nurse anesthetists and urge immediate passage of the bill. The bill continues the VA authority to use salary data from any employee of nurse anesthetists as a means of setting appropriate locality pay rates to December 31, 1997. This authority was made necessary because of a quirk in the Veterans Affairs Nurse Pay Act of 1990 which established a locality pay system for

VA nurses, but failed to provide an adequate means for determining the rates of pay for nurse anesthetists.

The legislation passed unanimously in both the Subcommittee on Hospitals and Health Care and the full Veterans' Affairs Committee. It is supported by the VA, and CBO has concluded that the legislation has no significant cost to the Federal Government. So once again, Mr. Speaker, I urge quick passage of H.R. 1536.

Mr. MONTGOMERY. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, there have been some around here who have said in years past that the members of the Committee on Veterans' Affairs get up and congratulate each other on both sides of the aisle, and I like that. I think we would do much better around here if we did that in other committees, if we were to work more closely together. We enjoy working with the other side of the aisle, as they enjoy working with us. Of course, we have a wonderful constituency in that we have the veterans and their dependents and the others who are affected by what we do in veterans programs.

Mr. Speaker, I rise in support of this legislation, and I would hope that this would be a unanimous vote.

Mr. Speaker, I yield back the balance of my time.

□ 1530

Mr. STUMP. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. LATHAM). The question is on the motion offered by the gentleman from Arizona [Mr. STUMP] that the House suspend the rules and pass the bill, H.R. 1536.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

VETERANS' COMPENSATION COST-OF-LIVING ADJUSTMENT ACT OF 1995

Mr. STUMP. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2394) to increase, effective as of December 1, 1995, the rates of compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for the survivors of certain disabled veterans.

The Clerk read as follows:

H.R. 2394

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Veterans' Compensation Cost-of-Living Adjustment Act of 1995".

SEC. 2. INCREASE IN RATES OF DISABILITY COMPENSATION AND DEPENDENCY AND INDEMNITY COMPENSATION.

(a) RATE ADJUSTMENT.—The Secretary of Veterans Affairs shall, affective on December 1, 1995, increase the dollar amounts in effect for the payment of disability compensation and dependency and indemnity compensation by the Secretary, as specified in subsection (b).

(b) AMOUNTS TO BE INCREASED.—The dollar amounts to be increased pursuant to subsection (a) are the following:

(1) COMPENSATION.—Each of the dollar amounts in effect under section 1114 of title 38, United States Code.

(2) ADDITIONAL COMPENSATION FOR DEPENDENTS.—Each of the dollar amounts in effect under sections 1115(1) of such title.

(3) CLOTHING ALLOWANCE.—The dollar amount in effect under section 1162 of such title.

(4) NEW DIC RATES.—The dollar amounts in effect under paragraphs (1) and (2) of section 1311(a) of such title.

(5) OLD DIC RATES.—Each of the dollar amounts in effect under section 1311(a)(3) of such title.

(6) ADDITIONAL DIC FOR DISABILITY.—The dollar amounts in effect under sections 1311(c) and 1311(d) of such title.

(7) DIC FOR DEPENDENT CHILDREN.—The dollar amounts in effect under sections 1313(a) and 1314 of such title.

(c) DETERMINATION OF INCREASE.—The increase under subsection (a) shall be made in the dollar amounts specified in subsection (b) as in effect on November 30, 1995.

(2) Except as provided in paragraphs (3) and (4), each such amount shall be increased by the same percentage as the percentage by which benefit amounts payable under title II of the Social Security Act (42 U.S.C. 401 et seq.) as increased effective December 1, 1995, as a result of a determination under section 215(i) of such Act (42 U.S.C. 415(i)).

(3) Each dollar amount increased pursuant to paragraph (2) shall, if not a whole dollar amount, be rounded down to the next lower whole dollar amount.

(4)(A) The old-law DIC rates shall each be increased by the amount by which the new-law DIC rate is increased as determined under paragraphs (2) and (3).

(B) For purposes of this paragraph:

(i) The term "old-law DIC rates" means the dollar amounts in effect under section 1311(a)(3)(3) of title 38, United States Code.

(ii) The term "new-law DIC rate" means the dollar amount in effect under section 1311(a)(1) of title 38, United States Code.

(d) SPECIAL RULE.—The Secretary may adjust administratively, consistent with the increases made under subsection (a), the rates of disability compensation payable to persons within the purview of section 10 of Public Law 85–857 (72 State. 1263) who are not in receipt of compensation payable pursuant to chapter 11 of title 38, United States Code.

(e) PUBLICATION OF ADJUSTED RATES.—At the same time as the matters specified in section 215(i)(2)(D) of the Social Security Act (42 U.S.C. 415(i)(2)(D)) are required to be published by reason of a determination made under section 215(i) of such Act during fiscal year 1995, the Secretary of Veterans Affairs shall publish in the Federal Register the amounts specified in subsection (b), as increased pursuant to subsection (a).

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Arizona [Mr. STUMP] will be recognized for 20 minutes, and the gentleman from Mississippi [Mr. MONTGOMERY] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Arizona [Mr. STUMP].

GENERAL LEAVE

Mr. STUMP. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 2394.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. STUMP. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 2394, the Veterans' Compensation Cost-of-Living Adjustment Act of 1995, would authorize the VA to provide the same cost-of-living adjustment [COLA] payable to Social Security recipients.

However, the bill is consistent with the reconciliation recommendations recently forwarded by the VA Committee to the Budget Committee.

Those recommendations include rounding down the 1996 COLA to the next lower dollar amount for veterans receiving disability compensation and dependency and indemnity compensation [DIC] recipients.

Additionally, the bill would provide an equal COLA to all DIC recipients based upon the new flat-rate payment schedule.

The Congressional Budget Office has indicated the bill reduces direct spending under the pay-as-you-go budget rules.

I believe this bill treats veterans and their survivors fairly while complying with the budget resolution, and I urge my colleagues to support the bill.

I want to thank my good friend SONNY MONTGOMERY, the ranking minority member of the committee for his assistance on this measure.

Before yielding to him I also want to thank TERRY EVERETT, chairman of the Compensation Subcommittee and LANE EVANS, the ranking minority member on the subcommittee for their efforts on this bill.

Mr. Speaker, I yield such time as he may consume to the gentleman from Alabama [Mr. EVERETT] for an explanation of the bill.

Mr. EVERETT. Mr. Speaker, H.R. 2394 is a cost of living adjustment bill which will increase the rates of compensation for service connected disabled veterans along with the rates of dependency and indemnity compensation [DIC] for survivors of certain disabled veterans. The rate of increase will match that set by the Social Security Administration and will become effective on December 1, 1995.

In 1993, the House Veterans' Affairs Committee approved a measure that granted a one-half COLA based on the new-law benefit amount for all DIC recipients.

This year, however, despite some COLA provisions to help meet the committee's reconciliation targets, we will be able to improve on OBRA 93 and give a full rate increase to all DIC recipients based on the new-law benefit amount of $790.

This bill would also provide for a round down to the next lower dollar amount for all compensation and DIC benefits when the amount is not a whole dollar. While we have not studied all cost of living adjustments, according to the congressional research service, a major portion of Federal programs made COLA round downs permanent in the 1980's, including military retirement, aid for dependent children, supplemental security income, Social Security, railroad retirement, civil service retirement, and food stamps.

This is a good bill. If the letters from your constituents are anything like the ones I have been receiving, you know that a full DIC COLA is not something a lot of surviving spouses are expecting. This year, the administration's budget request and the budget resolution both suggested a half COLA. With a bipartisan effort, we are able to provide a full rate increase to help ensure an adequate standard of living for the 2.23 million veterans receiving disability compensation, in addition to the almost 313,000 surviving spouses and children of our veterans whose lives were shortened by service-connected illness or injury.

Mr. Speaker, I would also like to add to what has been said about my good friend the gentleman from Mississippi [Mr. MONTGOMERY]. I came to this Congress 2½ years ago. He was one of the first men I met here. I have great admiration for him. I also have many people in my district who know him and love him, think the world of him.

I would just echo what was said. If all Members of this Congress operated the way that SONNY MONTGOMERY operates, this Congress would have a much different reputation.

Mr. MONTGOMERY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to thank the gentleman from Alabama, the chairman of the Subcommittee on Compensation, Pension Insurance and Memorial Affairs of the Committee on Veterans' Affairs, for the kindness he said. If I have done that well, maybe I should not leave, but I know it is time to go.

I enjoy working with the gentleman from Alabama. Our districts join in the two States. We are very close friends. I commend the gentleman from being the chairman of the subcommittee and taking an interest in the compensation, in working in certain areas that need to be done, such as the computer area, which has saved the taxpayers some money. I want to commend the gentleman.

Mr. Speaker, I am in strong support of the last bill on the calendar for today, H.R. 2394. It will provide for a cost-of-living adjustment for disabled veterans and their survivors.

The bill, I want to express this, Mr. Speaker, calls for the increases to be effective December 1, 1995. It is my understanding also that this will be around 3 percent. I wanted to also say that it does go and help the disabled veterans. I urge my colleagues to support this measure.

Mr. Speaker, I yield 2 minutes to the gentlewoman from Oregon [Ms. FURSE].

Ms. FURSE. Mr. Speaker, this bill we are considering today—to provide disabled veterans the same cost-of-living-adjustment as we give Social Security recipients—represents one of the most important contracts we must honor.

That contract is the one we have with disabled veterans of our military services to enable their COLA's to keep up with the consumer price index. In my view, simply keeping up with inflation as this bill does, is only a bare minimum of what we owe our disabled veterans. They deserve more.

As disabled veterans age, their disabilities often cause problems at an increasing rate. Therefore, we absolutely must increase their COLA's with the rate of inflation and we really should do more for them.

I believe our priorities are wrong when we are spending $15 billion more on airlift than necessary by buying the enormously expensive C–17 air cargo plane. Our priorities are wrong when we are signing up for 20 more B–2 bombers that the Department of Defense does not even want at an eventual cost of at least $30 billion.

Rather than waste more taxpayer dollars on these outmoded cold war systems, it is far more important for us to attempt to repay the debt we owe our disabled veterans and their survivors. They have made tremendous sacrifices on our behalf and we do not do enough for them.

Before I close, I want to pay tribute to my colleague, Mr. MONTGOMERY. He has worked incredibly hard on behalf of our Nation's veterans for many, many years. We all appreciate the contributions you have made and I look forward to working with you throughout the remainder of this Congress.

I urge my colleagues to support the veterans disability compensation cost of living adjustment.

Mr. MONTGOMERY. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, I want to thank the gentlewoman from Oregon. She has been very supportive of veterans' programs. She has always been there when we have asked for her support. She has never voted against one of the veterans' bills. I look forward to working with the gentlewoman for 14, 15 more months. I thank the gentlewoman for talking on this bill.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. STUMP. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Arizona [Mr. STUMP] that the House suspend the rules and pass the bill, H.R. 2394.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

SECOND SUPPLEMENTARY AGREEMENT AMENDING AGREEMENT BETWEEN UNITED STATES AND GERMANY ON SOCIAL SECURITY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 104–123)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Ways and Means and ordered to be printed.

To the Congress of the United States:

Pursuant to section 233(e)(1) of the Social Security Act (the "Act"), as amended by the Social Security Amendments of 1977 (Public Law 95–216; 42 U.S.C. 433(e)(1)), I transmit herewith the Second Supplementary Agreement Amending the Agreement Between the United States of America and the Federal Republic of Germany on Social Security (the Second Supplementary Agreement), which consists of two separate instruments: a principal agreement and an administrative arrangement. The Second Supplementary Agreement, signed at Bonn on March 6, 1995, is intended to modify certain provisions of the original United States-Germany Social Security Agreement, signed January 7, 1976, which was amended once before by the Supplementary Agreement of October 2, 1986.

The United States-Germany Social Security Agreement is similar in objective to the social security agreements with Austria, Belgium, Canada, Finland, France, Greece, Ireland, Italy, Luxembourg, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, and the United Kingdom. Such bilateral agreements provide for limited coordination between the United States and foreign social security systems to eliminate dual social security coverage and taxation, and to help prevent the loss of benefit protection that can occur when workers divide their careers between two countries.

The present Second Supplementary Agreement, which would further amend the 1976 Agreement to update and clarify several of its provisions, is necessitated by changes that have occurred in United States and German law in recent years. Among other things, it would extend to U.S. residents the advantages of recent German Social Security legislation that allows certain ethnic German Jews from Eastern Europe to receive German benefits based on their Social Security coverage in their former homelands.

The United States-Germany Social Security Agreement, as amended, would continue to contain all provisions mandated by section 233 and other provisions that I deem appropriate to carry out the provisions of section 233, pursuant to section 233(c)(4) of the Act.

I also transmit for the information of the Congress a report prepared by the Social Security Administration explaining the key points of the Second Supplementary Agreement, along with a paragraph-by-paragraph explanation of the effect of the amendments on the principal agreement and the related administrative arrangement. Annexed to this report is the report required by section 233(e)(1) of the Act on the effect of the agreement on income and expenditures of the U.S. Social Security program and the number of individuals affected by the agreement. The Department of State and the Social Security Administration have recommended the Second Supplementary Agreement and related documents to me.

I commend the United States-Germany Second Supplementary Social Security Agreement and related documents.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *October 10, 1995.*

TOLERANCE AND JUSTICE FOR ALL AMERICANS

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, today my city of Denver and many other Coloradans went to the Supreme Court and a very, very powerful argument was put together by my city and many others that would say that all Americans, all Americans, have the right to equal protection of the laws, including gay men and lesbians. Amendment 2 was adopted by a slim majority in my State of Colorado in 1992, and this is the final culmination of it in the Supreme Court.

Mr. Speaker, as I stand in this well, the word "tolerance" is right here to my left. The word "justice" is right behind me. Those kinds of words are printed all over and chiseled on stone all throughout this great city. The issue today is do we really mean it.

Justice Ginsburg made a compelling analogy to the suffragettes, pointing out that when they could not win the right to vote nationally, they went to localities to do that. I certainly hope that the outcome continues to be in accordance with the words that we have chiseled on all of our stones around here about tolerance and justice and equal protection for all.

Mr. Speaker, the Supreme Court today heard a powerful argument on behalf of the city of Denver and other parties that a majority of voters cannot override the right to equal protection of the laws enjoyed by all Americans, including gay men and lesbians.

Amendment 2, adopted by a slim majority of voters in 1992, would have deprived all branches of Colorado government of the power to remedy any claim of discrimination based on homosexual, lesbian, or bisexual orientation. Some people have framed this as a special protection issue, but it is clear that what is at issue is the right of people to be free from arbitrary, irrational discrimination based on their sexual orientation. Equal treatment, not special treatment, is the issue. Even more fundamentally, what is at stake is the ability of one group of voters to place roadblocks in the way of others who seek to participate in the political process.

Justice Ruth Bader Ginsburg made a compelling analogy in this morning's argument to the suffragists and their struggle to win the vote for women. She noted that when suffragists were unable to win the right to vote on a broader basis, they sought and won the right to vote in certain localities. It would have been an outrageous interference with the political gains made by suffragists at the local level for a State to move to invalidate those local voting laws. Similarly, it is unacceptable for a slim majority to declare that the State government, State subdivisions, municipalities, and school districts are powerless to act to provide a remedy for arbitrary discrimination.

Observers of today's argument are hopeful that the Supreme Court will uphold the Colorado Supreme Court's decision invalidating amendment 2. I congratulate Denver and the other appellees for their powerful arguments before the Supreme Court this morning, and look forward to a decision consistent with this Nation's commitment to the civil rights of all its citizens.

WELCOME TO PRESIDENT ZEDILLO

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RICHARDSON. Mr. Speaker, today the new President of Mexico, Ernesto Zedillo, is in town meeting with our President and the bipartisan congressional leadership. Mr. Speaker, Mexico is a good friend, and it has had some tough times, and it is important that we show support to the new government and the new President of Mexico.

Last week the President of Mexico paid back $700 million of Mexico's debt ahead of schedule. As a good neighbor should, the United States helped Mexico out of a severe financial crisis with a loan of $20 billion. Among our top priority goals in United States-Mexico relations are to disrupt and defeat the narcotrafficking that so negatively affects both of our countries and to build the American economy by helping United States business do business with Mexico.

Mr. Speaker, it is important to welcome the new President of Mexico, to say that we are friends, that we back each other, that we need each other, that the problems of immigration and drugs and many other foreign policy issues and our economic ties are strong and should become stronger.

Mr. Speaker, I include for the RECORD a letter to me from Ambassador James R. Jones, as follows:

EMBASSY OF THE UNITED STATES
OF AMERICA, MEXICO,
October 3, 1995.

Hon. BILL RICHARDSON,
U.S. House of Representatives,
Washington, DC.

DEAR MR. RICHARDSON: Bill, I have written many "Dear Colleague" letters during my seven terms in Congress. This is the first time I have written you as U.S. Ambassador to Mexico. The occasion is the State Visit to Washington next week of Mexican President Ernesto Zedillo. I want to give you my assessment of our bilateral relationship and the status of Mexico's economic and political condition and prospects for the future.

Overall, U.S.-Mexico relations are the most mature, positive and cooperative I have seen since first visiting Mexico as a young White House Assistant nearly thirty years ago.

Among our top priority goals here at the U.S. Embassy in Mexico, two principal objectives are to disrupt and defeat the narcotrafficking that so negatively affects both of our countries and to build the American economy by helping U.S. business do business with Mexico.

Mexico and the United States are cooperating more closely and effectively than ever in the fight against domestic and foreign drug cartels who hope to use Mexico as a shipping point to America. President Zedillo has told me each time we have met how seriously he views the threat of organized crime to Mexico's sovereignty and its economic well-being. He has ordered closer cooperation of Mexican law enforcement agencies with ours and we are seeing results. A major narcotics trafficker and several cartel lieutenants have been arrested. Together with Mexican authorities we have developed more effective measures to detect and intercept drug shipments. So far this year, more than 400,000 metric tons of cocaine, heroin, marijuana and dangerous drugs have been seized in transit. We have a long way to go to stop the flow of drugs to the United States, but we are moving in the right direction.

Progress continues also in developing commercial opportunities for U.S. business with Mexico in ways that benefit both countries. The North American Free Trade Agreement (NAFTA) is working. Last year, Mexico surpassed Japan as our second largest trading partner before the currency crisis hit in December causing Mexico's most severe recession in decades. Today, even in the midst of this economic crisis, U.S. exports to Mexico are seven percent higher than before NAFTA took effect. And today our exports to Mexico support more than 700,000 U.S. jobs.

In addition, the economic recovery program in Mexico is also working. Absent a most unexpected event, I believe that the macroeconomic recovery will begin by the end of this year and recovery of the real economy by the middle of next year. This is important to us for two reasons: first, Mexicans buy overwhelmingly from the U.S. About 70 percent of their imports come from us. When Mexican consumers increase their purchasing power, it will expand our market opportunities which enhance jobs in the U.S. Second, creating economic opportunities in Mexico itself is without doubt the most effective way to control illegal immigration. Therefore, increasing commerce helps us both.

The Mexican Government has held steadfast to free market economic reforms and sound fiscal and monetary policies. The loan assistance package which the United States arranged to help Mexico avoid a default which could have triggered a global recession was not foreign aid. This loan has already earned our government $479 million in interest and there are indications that Mexico will be able to pay the principal ahead of schedule.

Mexico is experiencing its greatest political, legal and democratic reforms in history. Election law changes last year have resulted in generally recognized fair elections and have given strength to opposition political parties. The Mexican Congress has gained vast new powers. The Supreme Court has been reformed. Some critics have viewed these developments as a sign of weakness in the Presidency and of potential instability. I believe just the opposite. It takes more strength to advance democracy than it does to retain authoritarian rule. We strongly support these democratic reforms and believe they improve stability in these difficult times.

This is a period of dramatic transition in Mexico as well as with our bilateral relations. The direction of this change is very positive. The values being promoted in Mexico such as a free market economy, open democratic systems, cleaning out corruption and strengthening law enforcement are values we share.

We also share a 2,000 mile border with this nation of 92 million people. We must make our relationship work to provide new opportunities for both countries. I will welcome your ideas.

Sincerely yours,

JAMES R. JONES,
Ambassador.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

NEW REPUBLICAN MEDICARE PLAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey [Mr. PALLONE] is recognized for 5 minutes.

Mr. PALLONE. Mr. Speaker, I would like to continue with part of what I was talking about earlier today, and, that is, the new Republican leadership Medicare plan which I say new because as a member of the House Committee on Commerce, I first received the actual legislation not yesterday, but a week ago Monday on the day when the Committee on Commerce was expected to mark up the bill without any opportunity for a hearing. As a consequence, the Commerce Democrats decided to have their own hearings a week ago last Tuesday, on October 3, and there were a number of things that came out of that hearing that were very interesting in terms of where this Republican Medicare plan is taking us.

The concern that I have or one of the major concerns that I have is that this bill seeks to lure seniors into HMO's or other managed care programs with no choice of doctors in order to try to achieve the $270 billion in savings that are proposed. If seniors do not move into managed care plans, budgetary gimmicks would kick in to take even more money out of the Medicare system. So I consider this plan a very unhealthy plan for the future of Medicare.

Let me talk a little bit about the concerns I have and why I say that it will force essentially seniors into HMO's or managed care systems. One of the concerns that I had a few months ago was that the Republican plan was going to basically put forward a voucher system whereby the Federal Government would give the senior a certain amount of money in a voucher or coupon and that if that was not enough to pay for a good quality health care plan, the senior would have to make up the difference by putting out more money.

□ 1545

Mr. PALLONE. One of the things we found in this bill is that only a set amount of money would be directed to pay for the HMO or the managed care plan and that seniors, if they wanted a better plan or if they felt that HMO did not provide adequate coverage, would, in fact, be asked or could, in fact, be asked by the HMO or managed care system to pay more out of pocket. That is the reality.

That is what we have before us when we look at this, when we look at this GOP Medicare plan that is before the Committee on Commerce. It is essentially a voucher system. But worse than that is that there is a proposal, if enough savings are not achieved, in other words, if enough seniors do not opt to go into a managed care HMO system, then cuts would automatically occur a few years down the line.

But the cuts, again, would be not to those people who go into the HMO or to the managed care system but rather for those seniors who opt to stay in a traditional fee-for-service system where they choose their own doctor or own hospital. All of the cuts that would come into play, if enough people do not go into HMO's or managed care, all of the cuts in the reimbursement rates to the hospitals or physicians or to other health care providers would come on the fee-for-service side.

What that would mean is that eventually those hospitals and doctors that continue in the fee-for-service system, where you can choose your own doctor and you do not have to go into managed care, they would find less and less money coming to them from the Federal Government, and they ultimately would have to, again, move into an HMO or managed care system because it would not pay for them to stay in the traditional fee-for-service system.

So what we have here is a program that essentially forces all of our senior citizens ultimately into an HMO or fee-for-service where they do not have choice of doctors.

The other thing that came to light in the document that was given to the Committee on Commerce last week is that the whole discussion on the part of the Republican leadership about how they were trying to go after fraud and abuse in Medicare, well, essentially that is a hoax. Because if you look at the actual bill, it makes it more and more difficult for the Federal Government to weed out fraud and abuse in the Medicare system. We estimate that over a course of 7 years, $126 billion could be saved by reducing fraud and abuse.

But the GOP bill makes the existing civil monetary penalties and anti-kickback laws considerably more lenient. According to the inspector general of the Department of Health and Human Services, who testified before our alternative Commerce Democrats' meeting, hearing last week, the Medicare restructuring legislation would substantially increase the Government's burden of proof in cases under the Medicare-Medicaid anti-kickback statute. Although a fund would be created to direct funds recovered from wrongdoers, this fund would not go to further law enforcement efforts. What that means is it is going to be harder for the Government to prove fraud and abuse because the Government would have a higher burden of proof.

If we do recover monies, because we do find fraud and abuse, find these kickback schemes that have existed, that money will not go back to law enforcement. There will be less and less, and it will be more and more difficult for the Government to go after fraud and abuse.

A DANGEROUS PROPOSAL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Colorado [Mr. SKAGGS] is recognized for 5 minutes.

Mr. SKAGGS. Mr. Speaker, I would like to continue the discussions that we have been having here for some weeks now about the so-called Istook-McIntosh-Ehrlich proposal, an un-American, unfair effort to clamp down on political expression and political advocacy activities through a broad swathe of America, individuals and nonprofits and for-profits and partnerships. You name it, just about everybody is going to be covered by this effort to restrict the ability of Americans to enjoy their first amendment rights to participate in the public affairs of this country.

One of the things that is buried in this voluminous proposal has to do with the compliance provisions to make sure that no one and no organization was too active politically if they happened to get anything of value or a grant from the Federal Government. Remember that anything of value encompasses a multitude of possibilities, including, for instance, such things as irrigation water going to a western rancher or farmer from the Bureau of Reclamation.

In any case, anybody that is subject to the Istook limits on political advocacy and expression could be called to task, not in order to defend against a government allegation of a violation but, if challenged, would have to prove their innocence under this legislation. Again, it is not a case where the Government has to prove a violation. If you are challenged for having done too much political activity in a year, you have to prove your innocence. You not only have to prove your innocence by what would be the normal standard in our courts of a preponderance of the evidence, more than 50 percent, you have to establish compliance by clear and convincing evidence.

Now we are talking, remember, about exercising our first amendment rights and being able to show that we have not overexercised, if you will, and having to show that on meeting our own burden of proof by clear and convincing evidence. Not only could a government agent come in to challenge a citizen or a nonprofit or a for-profit organization about this in this land of the free, but this bill invites, by incorporating what is called the False Claims Act, invites rampant vigilantism throughout this country because under the False Claims Act any citizen can sue anybody that they think may have violated these restrictions and any citizen can put an organization or their neighbor to the task of defending, of proving innocence under the absolutely warped scheme that would be imposed on this country under the Istook-McIntosh-Ehrlich bill.

Under the False Claims Act, if you are put to this proof that you have not overdone your political expression this year, you are doing so at the risk of treble damages and fines imposed under the False Claims Act. Again, an invitation to the opponents of anyone who is taking a position that may not be particularly popular in their community or in their neighborhood, an invitation to this kind of gratuitous activity by badly motivated vigilantes.

One of the other things about this proposal that, again, has not gotten the kind of attention it deserves is the reporting requirement. Every organization in this country that gets any grant or thing of value from the Federal Government, and that may be, for instance, a reduced postage mailing permit for publications and newspapers, but anyone that gets such a thing of value from the Federal Government is going to have to file every year a certification with regard to their compliance that enumerates their political activities for the preceding Federal fiscal year and gives an estimate of how much was spent on political activity.

All of these individual reports will be collated by every Federal agency that dispenses anything of value or any grant money and sent over to the Census Bureau, which every year will be required under this crazy legislation to pull together a national registry of political activity in this country and make it available on the Internet.

Can you imagine anything as inconsistent, as contradictory to the fundamental principles of this democracy, of the free exercise of speech and communication and freedom of assembly, having to do with the political life of our democracy?

Rumor two, although, this masquerades as having to do only with lobbyists and the Federal Government, these restrictions apply across the board to anything anybody does having the slightest bearing on any public decision at the local level, the State level, the Federal level, the county level; anything imaginable would be swept under these mindless restrictions.

It is the most dangerous Orwellian, McCarthyite proposal we have seen in a long time.

UNITED STATES ASSISTING FRENCH NUCLEAR TESTING IN THE PACIFIC?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from American Samoa [Mr. FALEOMAVAEGA] is recognized for 5 minutes.

Mr. FALEOMAVAEGA. Mr. Speaker, on Sunday, October 1, 1995, France detonated a second nuclear bomb in the South Pacific, thumbing its nose at over 150 nations that have called for France to stop its reckless and irresponsible behavior.

I find it deplorable that France, which exploded a 110 kiloton blast, seven times more destructive than the bomb that devastated Hiroshima, is again showing the world that, in the name of national interest, it is more than willing to reopen the global arms race while encouraging nuclear proliferation.

Mr. Speaker, I also find it deplorable that while the United States has gone on record as opposing France's resumption of nuclear testing and called for its end, our Government may in fact be in complicity with French President Chirac's decision to explode eight more nuclear bombs in the South Pacific.

On this subject, I would recommend to our colleagues and the public an excellent article in the New York Times, September 30, 1995, by Daniel Plesch and Simon Whitby of the British-American Security Information Council.

Mr. Plesch and Whitby note the near universal condemnation of France's resurrection of the nuclear nightmare in the South Pacific, and that despite the outcry, the United States continues to support the tests by allowing France to fly its DC–8 supply planes across the United States on their way to the Pacific. According to the State Department, these planes, which are likely carrying nuclear material, are permitted to stop over on the west coast.

They further state that, "the Clinton administration should prohibit these overflights. This ban might not stop the nuclear tests, but it would slow France's ability to supply and thus operate its Mururoa test site.

Mr. Speaker, this Mururoa atoll where France has exploded nuclear bombs for the past 30 years, France has now exploded over 168 nuclear bombs on this atoll. This atoll now has probably 10 Chernobyls contained on this Pacific atoll, which is a volcanic formation. If that atoll ever leaks out, I do not know what is going to happen to the 200,000 Polynesian Tahitians living on these islands, let alone the 28 million people who live in the Pacific.

What arrogance, Mr. Speaker, that France has done this to the people of the Pacific region and might even be to the Americans living in the State of Hawaii on the Pacific coast States.

Mr. Speaker, I find it atrocious and the height of hypocrisy if this and other reports in the press are true that our Nation is acting in complicity with France's testing in the Pacific. Permitting French overflights of the United States with aircraft carrying nuclear materials or bomb components bound for France's South Pacific test site clearly undercuts the administration's policy against French testing.

Mr. Speaker—whether the administration is placing the American public at risk with these French nuclear overflights or is covertly supporting France's nuclear testing in the Pacific, I think they owe Members in Congress some answers regarding the extent and detail of U.S. nuclear collaboration with the Government of France. This matter is rife with hypocrisy and should not be kept hidden and secret from the American people.

Moreover, Mr. Speaker, if these French planes are carrying plutonium or other fissile materials, these overflights would be in clear violation of U.S. law without certification clearances from the Nuclear Regulatory

Commission and the Department of Energy. For the State Department to merely declare that they don't know what's on board these flights is a travesty.

Mr. Speaker, if the Clinton administration is sincere about nuclear disarmament and opposition to French nuclear testing, it should immediately suspend all nuclear cooperation with France until it acts responsibly by stopping their tests in the Pacific.

The article follows:

[The New York Times, Sept. 30, 1995]

FRANCE'S BOMB, OUR PROBLEM

(By Daniel Plesch and Simon Whitby)

WASHINGTON.—The world has looked on in outrage as France has brought the nuclear nightmare back to the South Pacific. To date, 150 countries have criticized the underground weapons tests at the Mururoa Atoll in French Polynesia that resumed early this month after three years and that are to continue into 1996. Despite the outcry, the United States continues to support the tests by allowing France to fly its DC–8 supply planes across the United States on their way to the Pacific. According to the State Department, these planes, which are likely carrying nuclear material, are permitted to stop over on the West Coast.

The Clinton Administration should prohibit these overflights. This ban might not stop the nuclear tests, but it would slow France's ability to supply and thus operate its Mururoa test site.

State Department officials acknowledge that the French are ferrying military equipment, but they will neither confirm nor deny reports that the planes are carrying nuclear materials.

After the international opposition to the Pacific tests spread last summer, France reversed its long-held position at talks in Geneva on a comprehensive treaty that would ban all nuclear weapons tests. It no longer argues for a loophole that would allow the testing of nuclear weapons with under 500 tons of explosive power.

But France also said it will not agree to a full test ban until after its tests in the Pacific are completed in 1996.

The overflights are only one example of the complex relationship between France and the United States on nuclear weapons. Relations have always been highly secret and have never been subject to Congressional scrutiny.

During World War II, France supplied the Manhattan Project—the development of the atomic bomb—with heavy water that it had taken out of the country ahead of the advancing Nazis.

In the early 1970's, France helped the United States get around provisions of the Partial Test Ban Treaty of 1963. President John F. Kennedy had committed to a ban on above-ground nuclear tests. France, however, had not made such a pledge and continued to explode bombs above Mururoa until 1974. American planes were allowed to fly near the blasts to collect data.

In return for this privilege and for France's practical support for NATO, even though it had withdrawn from the alliance's military command, the United States has given France considerable help in building its nuclear forces.

Experts who are familiar with the arrangement say that this has included assistance for France's work on the neutron bomb, nuclear-warhead components, missile guidance systems and stealth technology for cruise missiles. Today, the United States is reported to be helping France with computer tests of its nuclear stockpile.

President Jacques Chirac has said that these tests are needed to determine if the weapons will work properly. But French officials have acknowledged that the main reason is to gather the data needed to develop new warheads. But they do not acknowledge that the United States is helping them.

France maintains that it has never relied on foreign support to build its nuclear weapons and that it never will. The secrecy around the program has helped France preserve its image as an independent nuclear state—a keystone of its foreign policy.

To undermine this not-so-grand illusion and to stress its opposition to French tests in the Pacific, Congress should insist that the Clinton Administration disclose the details of the American nuclear collaboration with France.

ORDER OF BUSINESS

Mr. DREIER. Mr. Speaker, I ask unanimous consent that the majority leader's hour may precede the minority leader's hour in special orders today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

THE ADVANTAGES OF NAFTA

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from California [Mr. DREIER] is recognized for 60 minutes as the designee of the majority leader.

Mr. DREIER. Mr. Speaker, I thank my friend, the gentleman from Texas [Mr. DOGGETT], for agreeing to my unanimous-consent request.

Mr. Speaker, in light of the arrival this week of Mexico's President, Ernest Zedillo, I would like to take a few minutes to talk about a very controversial issue and one which has gotten a great deal of attention over the past several months, and that is the North American Free-Trade Agreement.

We all know there was a very serious crisis which took place last December with devaluation of the peso, and many people have, I believe, mistakenly claimed that the problems that have existed have been because of the North American Free-Trade Agreement. Over the next few minutes I would like to make the case as to why this has not happened because of the North American Free-Trade Agreement.

☐ 1600

Quite frankly, I believe that the North American Free-Trade Agreement has been one of those key items which has played a role in actually diminishing the potential negative impact on the economies of both the United States and Mexico, the reason being that the North American Free-Trade Agreement locks in the kinds of economic reforms which heretofore have not existed in Mexico.

A short-term analysis of United States-Mexico economic relations does not do justice to the North American Free-Trade Agreement, which is, and I underscore this, Mr. Speaker, a long-term agreement to promote greater economic efficiency, job creation, and regional economic integration within the Americas.

President Zedillo, as I said, is in town, and in the aftermath of the currency crisis that took place earlier this year, the critics have been out there flooding the intellectual mainstream with anti-NAFTA pollution. NAFTA has lived up to its four major promises.

First, it has increased United States exports beyond where they would be without the lower tariff barriers; it stopped Mexico from raising trade barriers, which cost United States jobs in response to their internal economic difficulties; third, it has helped increase the efficiency and health of many United States companies involved in production sharing to compete with Asian companies; and, fourth, it has provided United States firms with a tangible advantage over competitors from Europe and Asia.

Let me take this issue, because I know many people are concerned about the fact that some jobs have moved from the United States to Mexico. I know you, Mr. Speaker, have suffered greatly in your district, and several others have, but let me lay some facts out.

During NAFTA, we have seen an increase in U.S. exports. In the first year of the North American Free-Trade Agreement, United States-Mexico trade surged at a record pace from $80 billion in 1993 to $100 billion in 1994. United States and Mexican exports to the other's markets rose more than 20 percent, or about $10 billion each. So we have had this increase in the flow of goods and services between the two countries increase to the tune of about $10 billion each. Even using the most conservative export jobs multiplier, this has created more than 100,000 United States jobs, added to the 700,000 United States jobs already tied to our exports to Mexico.

United States export growth has been temporarily slowed because of Mexico's financial problems. We all acknowledge that. Yet despite the peso crisis, United States exports to Mexico for the first half of 1995 still exceeded the export level they were before the North American Free-Trade Agreement.

Let me say that again. In spite of the peso crisis, we have still seen an increase in our exports to Mexico, and it is at a level above what it was before implementation of the North American Free-Trade Agreement.

NAFTA has helped keep Mexico from raising trade barriers in response to the peso crisis. This is what I was alluding to at the outset. It is a fact that in the past Mexico often responded to their internal economic problems by closing their markets to foreign products. For example, back in 1982 when we saw the major debt crisis exist there, the Mexican Government essentially closed the country to imports from the United States. U.S. exports dropped back in 1982, following their closure, dropped a whopping 50 percent and it took 6 years to recover from their decision to basically close their markets.

Well, this knee jerk protectionist response represented what was clearly very bad Mexican economic policy. It is important to note that shutting out existing U.S. exports cost some Americans their jobs.

With NAFTA, Mexico is legally committed to keeping its market open to United States goods. Let me underscore that again. If it were not for NAFTA, the chance for Mexico to completely close down its market, dropping tremendously our opportunity to export into Mexico, would have been on the horizon. But NAFTA ensured that those things would be locked in.

By preventing a repeat of that protectionist measure that was taken in 1982 by the Mexican Government, we clearly protected literally hundreds of thousands of United States jobs. Rather than pursuing their past knee jerk course of action, namely, closing off their economy, Mexico has responded to financial problems by accelerating the sale of parts of the government-owned railroads, airports, and oil monopoly.

As we talk regularly about decentralization, trying to privatize and deregulate, the Mexican Government, in the wake of their financial crisis, moved toward privatization of sectors of, as I said, the railroad, the oil monopoly, and their airports. With liberalized foreign investment laws, United States companies are also now major players in the Mexican banking and telecommunications industry. We know that that has existed, because many people in the United States have been involved in those areas.

The other point that I raise is NAFTA has promoted production sharing with manufacturing occurring in both the United States and Mexico, which has helped increase the efficiency and the health of many United States companies competing with efficient Asian companies.

One of the major goals of the NAFTA is to spur business partnerships and global competitiveness among the North American countries, among firms in North America. Production partnerships are critical to a growing U.S. job market.

The United States International Trade Commission believes that United States-Mexico production sharing is critical to countering the fierce trade competition which faces this country from Asia and Europe. Goods made in conjunction with operations in Mexico contain much more United States content than similar goods made elsewhere in the world. That means that as more manufacturing is located in low wage countries, a trend that clearly is inevitable, more United States jobs are maintained by sourcing these facilities in Mexico rather than in countries in the Pacific rim. So we need to realize that there is a great benefit to U.S. jobs by sourcing within this hemisphere, rather than on the other side of the world.

Economic theory is one thing, but yesterday's New York Times in an article on the NAFTA described a classic example of production sharing and the complexity of trade's impact on our economy.

Key Tronic Corp. is a large manufacturer of computer keyboards in Spokane, WA. The company faces its stiffest competition from Japanese competitors. We often hear people on this House floor talk about the problems of Japan and the fact that they have access to our markets and yet we do not have access to theirs. So we know there is a great deal of competitiveness that comes from Japan.

That is obviously the case for Key Tronic. This company recently laid off 277 workers who were employed assembling the keyboards for Key Tronic, and they moved those jobs to Mexico.

NAFTA critics hailed this as a great sign that NAFTA has failed, because these 277 jobs failed Spokane and moved to Mexico. The keyboard manufacturing operation in Mexico is clearly more efficient than it is in Spokane. That was a business decision that Key Tronic made.

Due to the increased efficiency of this one aspect of Key Tronic's operations, the company's sales have surged. They have gone way up. The company today is much healthier, because they were able to take advantage of a more efficient operation within this hemisphere, rather than seeing those jobs move to the Pacific rim or other low-wage countries.

The components for the keyboards assembled in Mexico largely come from plants, where? Around Spokane, WA. Due to the increased keyboard sales, those plants have all increased output and employment. The overall employment level in Spokane related to Key Tronic sales is actually up. It is up because they took advantage, because they took advantage of this efficiency that existed in Mexico.

Now, key points from the Key Tronic experience that I think we need to learn, Mr. Speaker, the keyboards are being made more efficiently for lower cost. American computer manufacturers who purchase keyboards will now be able to offer more competitive prices to their consumers. Key Tronic is a healthier company, better able to stand up to Japanese competition. Key Tronic employees in the United States have a better future in a healthier company. Key Tronic suppliers are healthier with better future prospects for them. Their employees are better off.

In the long run it is indefensible to promote trade barriers that intentionally reduce economic efficiency when competitors elsewhere in the world continue to strive for efficient means of production. That is why we need to recognize that free trade is obviously the wave of the future.

Yes, I want to make sure we do not lose U.S. jobs. But I realize as we compete internationally, it is essential for us to continue moving ahead with these partnerships. Trade is a win-win situation and, on balance, will create more opportunity here in the United States.

NAFTA has provided United States firms with a tangible advantage over our competitors from both Europe and Asia. As Robert Paltrow, president of N.A. Communications, an Armonk, NY marketing firm, recently said: "The great sucking sound is not the sucking of our jobs to Mexico. It is the sucking of jobs from the Orient."

The remarkable level of United States exports to Mexico even during enduring a major Mexican recession, is clear evidence that NAFTA provides United States firms significant advantages over their competitors from Europe and Asia. Even during bad economic times United States firms account for a majority of the increase in Mexican imports. They are coming from this country.

As Mexico recovers from their slump, Mr. Speaker, United States exporters are a major beneficiary. At least 70 percent of all Mexican imports come from the United States. This gives us another major stake in Mexican economic stability. Not that everyone in southern California does not already recognize that long-term economic health in Mexico is critical to finding a solution to the problem of illegal immigration, giving the United States a clear stake in economic development in Mexico is very, very important.

Many people have argued that we should not have engaged in this agreement. But, quite frankly, there is no benefit for the United States having a poor southern neighbor. Trade is not a zero sum game.

I recognize that there are tremendous losses of jobs in many of the districts, including yours, Mr. Speaker, as the gentleman has just informed me. But the fact of the matter is, I argue that many of those jobs that have gone to Mexico would have gone with or without NAFTA, and what has happened is the opportunity for partnership, deregulation, decentralization, and privatization. The things we all herald in Mexico were locked in because of the North American Free-Trade Agreement.

So I believe that while we listen to those critics out there who talk about that giant sucking sound, who talk about the fact that we have somehow given up our sovereignty, we have to recognize that maintaining our sovereignty is a top priority, and I am as committed to that as anyone. But recognizing that we live in a global economy is just as important. It is just as important because if we do not recognize that, the United States of America will be at a tremendous disadvantage to other countries throughout the world.

So this has been a positive agreement. It is a long-term agreement. It is one that is going to be phased in over a 15-year period. But I believe very sincerely that the arguments that we made 2 years ago on behalf of the North American Free-Trade Agreement stand today.

Mr. Speaker, I again thank my friend from Texas. I have consumed a grand total of 12 minutes, having gone just slightly beyond the 10, but in between the 10 and 15 that I said I would use.

LOBBYIST INTERESTS AND CUTS IN MEDICARE

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Texas [Mr. DOGGETT] is recognized for 60 minutes as the designee of the minority leader.

Mr. DOGGETT. Mr. Speaker, this afternoon I want to discuss two of the most critical issues facing this Congress. They are, first, the question of ethics, the question of special interest influence on the people's House, and whether the people's interests out there across America are being tended to in this House or only the special interests' interests.

Then there is the question of Medicare, the fact that within only a few days, this House will be called to vote upon the Republican Medicare plan; that is, the pay more, get less plan, for the Nation's seniors and people with disabilities.

Indeed, not only do I want to talk about these two critical issues, but to discuss what appears to be an interrelationship between the critical matter of the future of Medicare and the $270 billion that the Republicans have proposed to cut from it and this question of lobbyist and special interest influence.

As we look at the first question, that of ethics and of lobby reform, it was on day one of this Congress from this spot that many of us were calling to change business as usual, to call for a gift ban, to call for lobby reform. Since that time, we have had considerable talk of change. Indeed, if talk was change, I guess the Capitol dome would be upside down by this point, because we have had so much talk of change, and yet when it comes to the basic way in which this Congress operates, there does not appear to have been a very considerable amount of change.

□ 1615

We made absolutely no progress on getting a gift ban, no progress in getting new lobby registration laws, but we did have considerable talk about how much things have changed. The lobby registration laws were enacted the year that I was born, in 1946, and many of us think that it is time for there to be real change in the way that the lobby is regulated. There was talk of change, and finally, under considerable demand from Members of the Democratic Party in the U.S. Senate, that Senate acted this summer by a vote of 98 to 0, both Republicans and Democrats coming together to reform the lobby registration laws. Those are embodied in Senate bill 1060, and among other things this particular piece of legislation will close loopholes in existing lobby registration laws, it will cover for the first time all professional lobbyists, whether they are lawyers or nonlawyers, whether they are in-house or out-house lobbyists, and they will cover those who are lobbying the executive branch as well as those that are lobbying this Congress. Furthermore, this proposal will require disclosure of who is paying whom, a very important matter with reference to lobbying, and it will also require more detailed reporting of receipts and expenditures with reference to lobbying.

Mr. Speaker, this is information that the American people need to know and should know in order to find out whether this Congress is focused on their needs, on the national and the public interests, or focused only on the needs of a handful of Washington special interests. But, despite the fact that the U.S. Senate Republicans and Democrats finally, coming together to reform these lobby laws after 50 years, what has happened here in the U.S. Congress on the House side, on this side of the Rotunda; and the answer is there has been a little talk, but there has been no action. There has been talk about change, but there has been no change. We have had time to consider matters this afternoon like edible oil, but we do not have time to consider what Members of Congress eat and drink, and dine and wine with members of the lobby or the way that is reported. There just does not seem to be time under this Republican leadership to deal with these matters that I think are important to the American people.

Indeed when it comes to the question of lobbies and lobby influence here, the only real change that the Republican leadership appears to have committed itself to until this time is that of affirmative action. Now I know some of you are out there saying, "Wait a minute. The Republicans, a lot of them are against affirmative action." Well, you are wrong about that. You have not had a chance to follow what has happened here in Washington. You see, there may be some Republicans that are against affirmative action on the basis of ethnicity, on the basis of gender, whether you are a woman and should have some affirmative action, but there is very, very strong support among this Republican leadership for affirmative action based on party, and they have spent much of this year going around to the Washington law firms and lobbyists checking to see if they have a sufficient quota of Republicans among the lobbyists that come over to this House. Some Members of this House would not even see a lobbyist unless they are a Republican, so affirmative action is alive and well as long as it is on the basis of party, and that has been the principal lobby reform that this particular House leadership has provided.

There is, of course, one second area, and that is the one to which my colleague, the gentleman from Colorado [Mr. SKAGGS], referred to earlier, and that is that many in this Republican leadership have been extremely concerned about those very vicious lobbies: The Girl Scouts, Catholic Charities, the YMCA, some of the other nonprofits that come to the Congress from time to time not using Federal money, since there is a barrier to that, but who may in the course of their public service work receive some Federal grant for some other function, and the mere fact that they might want to voice their concerns to this Congress, there is great determination to silence them from having any say at the same time that at least one commentator, looking at the beginning of this Congress, with the New York Times, suggested that, after the Republicans took control of the House, the relationship between lobbyists and legislators moved from discreet help to open collaboration, and then they proceed to give a number of examples of the tremendous increase in influence that the paid lobby, not the nonprofit lobby, has had in this session of Congress.

So, it is little wonder that this Republican leadership cannot find a minute this afternoon, or tonight, or tomorrow, or next week, or next month, to deal with the question of lobby registration and reforming the laws that are nearly 50 years old with reference to lobbies and the way they influence this Congress. They do not have time for that.

And of course the same is true with reference to the issue of gift bans, with reference to the Golf Caucus of this Congress, which is not limited to the Democratic or Republican side, but includes both; whether or not Members of this Congress should be able to enjoy a lengthy vacation done under the name of attending a charity ski resort or whether they can be wined and dined every day by members of the lobby. That issue of gift ban finally again, after Democrats passed gift ban through the last session of Congress, did it a couple of times and saw it killed over in the Senate by the Republicans. Well, this year finally, under Democratic leadership, the Democrats and the Republicans worked together, and even though the Senate is a majority Republican body at present, they came together and worked out a reasonable balance to the gift ban issue. It does not prohibit every single gift, but it gets at the excesses under this whole problem of gifts, something this Congress has not come fully to grips with in the past, and that bill also passed unanimously once it got out of the light of day on the floor of the U.S. Senate, and it has been sitting over here for some time at the Speaker's desk.

Again there is a suggestion by the majority leader, my colleague from Texas, Mr. ARMEY that this House just does not have time at the moment even though it has time to deal with this very critical national issue of edible oils to deal with the issue of gifts and the oiling of the political process by lobbyists through freebies to Members of Congress. Well, a newspaper in his district had this to say under the title "Wait a Minute." I am referring to the Fort Worth Star-Telegram of October 3. It said hold up the praise for the House of Representatives. If you are a lobbyist, take your favorite House Member to lunch, steaks for everyone. You would expect them there at the stockyards in Fort Worth to be thinking of steaks for everyone. And how about a golfing vacation for free? The House leadership will not get to lobby legislation until next year, which might mean 1997, next year being an election year. Thus, do the Republicans, once in power, act like the old Democratic leadership which the Fort Worth Star-Telegram criticized last year upon which these Republicans heaped descriptions like arrogant. The most fundamental changes have to do with reforming campaign finance and lobbying. Without that the conservative chant about taking back our Federal Government is mere loose verbiage, the words of a very conservative Texas editorial writer with reference to this willingness to talk about edible oils without talking about the oiling of the political process.

In my hometown of Austin, TX, in the Daily Texan last week, a very, I think, thoughtful article under the title "GOP Stalls on Congressional Ethics Reform," by Kim Bridges, a student there at the University of Texas. He says GOP stonewalling will not restore America's faith in their officials. Ethics reform, despite what Mr. ARMEY seems to be implying, is not a trifling issue. It is not a gift for the people, but a vital act to relieve frustrations Americans feel about the integrity of their Government. Well put, I would say, with reference to this whole issue of gift ban and of lobby reform, for when my colleague from Texas speaks of the fact that he thinks we have to deal with the national issues first and maybe get around next year or the year after to lobby reform and a gift ban, he has got it all backwards because you cannot really deal with the national issues unless you are willing to deal with the process that produces the judgment on that issue, and we are going to see, as I discussed, the whole question of Medicare, how that is particularly important in this debate about the Republican effort to cut $270 billion from Medicare.

And, oh, yes, there is, of course least but certainly not last, the whole question of ethics in this House as it relates to the work of the House Committee on Standards of Official Conduct. I found quite alarming and have commented on it previously, the comments of the chairman of that committee, that the letter of the law is not compelling to me, she said. My goal is to have a process that the committee members feel good about, and apparently the standard in the House Committee on Standards of Official Conduct is the feel-good standard, not exactly the one that I think the American people who spoke out and said they wanted real change in this body had in mind. The only encouraging thing has not come from the leadership, but the fact that perhaps finally a few Members of the House are willing to act in a bipartisan basis, Republicans speaking up and joining Democrats to demand an independent counsel.

Last week I was encouraged to read one of my new freshman Republican colleagues saying for the first time in print that one of the biggest problems we have in this place is trust. He referred to the public demand on Congress for gift, lobbyist, pension and PAC reform, and he said that for that reason this concern of the American people to have trust in the most basic institutions of their democracy that probably right now, and I am quoting probably right now, I would try to go to an independent, to an outside, counsel were his words, and indeed an outside counsel, a truly independent counsel with full powers, unrestrained, to search in a bipartisan, or a nonpartisan way really, for the truth in the matter involving Speaker GINGRICH is essential to the standard in this House and to removing the ethical cloud that has hung over this House from day one.

What about the issue of Medicare, and what does all this business about ethics, about special interests, influence, have to do with the question of Medicare and the fact that Republicans think that America's seniors should pay more and get less, should in fact not be able to have the protection that Medicare was designed to provide them? Well, for those of you who watched the CBS Evening News last night, you begin to get a picture of what is involved here and how this question of special interest influence that some want to defer until some day somewhere over the rainbow, perhaps over the next election, over the golden rainbow, how all of that is related to this immediate question that will be taken up in the House on October 18, next week, on slashing the Medicare program by $270 billion. For in this particular piece my fellow Texan, Dan Rather, began the introduction of the piece, and he said last night on the CBS Evening News one key proposal would let Medicare recipients opt for something called a medical savings account or a MSA, a sort of medical individual retirement account. It is a controversial idea; some have called it radical, so you may be wondering how it got included in the Republican plan, and I am sure millions of Americans are wondering how is it that this idea of experimenting on us with MSA's got in this Republican plan in the first place. There was nothing about it in the so-called Contract on America. Where did they come up with this idea? In fact, indeed there was nothing in the Contract on America about slashing Medicare by $270 billion.

□ 1630

He goes on to say, "You can start in getting an answer to that with a company calling itself Golden Rule, which apparently did unto others with an open wallet for the politically connected." Then they began something that they do on CBS called the reality check, and turned to Eric Ingberg. Mr. Ingberg reported the following: "The stampede by Republicans to anoint medical savings accounts as a miracle solution," and indeed, that is what it has been called, a panacea, a miracle solution to the needs of our seniors. He says, "It owes much to one businessman's well-financed political crusade. J. Patrick Rooney, the head of Indiana's Golden Rule Insurance, pioneered selling the MSA type plans. He originated a textbook campaign to promote MSA legislation, which could bring rich rewards to his company. One early move, giving money to the National Center for Policy Analysis, the think tank that developed MSAs, that helped sell the idea to NEWT GINGRICH, who in turn put Rooney on his TV college lecture series," one of the matters pending there in the Ethics Committee, the particular group, the National Center for Policy Analysis, has itself been involved not only in receiving money but in debating and supporting this MSA concept.

In one recent television presentation, not last night, on national television, one economist pointed out that a principal effect on MSAs would be to provide significant help to companies like Golden Rule Insurance Co. that are currently experiencing a decline in market share, were his words, because they have failed to innovate. They may have failed to innovate, I am not sure, but they certainly understand the legislative process, because as Mr. Ingberg reported last night, "Then Rooney and Golden Rule, following a time-honored political custom, opened their checkbooks. They gave at least $157,000 to GOPAC."

GOPAC is the group that is currently fighting a Federal lawsuit concerning disclosure of information about its contributors. GOPAC has been very resistent to the idea of even letting their contributors be known, and certainly to letting Federal authorities question their contributors about whether GOPAC was perhaps an attempt to pervert the democratic process and completely circumvent Federal election laws.

GOPAC is also the same group that paid for jet trips and nights in resort hotels for the Speaker. They paid for him, and this was when he was a Member of Congress, not actually serving as Speaker, they paid for a trip for him to Bermuda in 1992. They paid for an 18-day stay in the Colorado Rockies in 1989. They reportedly funded trips to promote a book that he wrote in 1984. They provided a copy of their mailing list for his campaign, so this same GOPAC that got $157,000 from the Golden Rule folks has been pretty involved up here for a number of years.

Indeed, I found considerable irony in a report of the Wall Street Journal on this whole matter of ethics reform, that instead of doing something about a gift ban and a lobby reform this fall, that Speaker GINGRICH had advocated writing a paper.

You would think, as many books as he has been able to write, both fiction and nonfiction, though sometimes when you look at them it gets confusing as to which is the fiction and which is the nonfiction when it deals with the way our government intertwines with the lives of ordinary Americans, but you would think that a person who had time to write that many books for personal profit and pleasure would have had time to write all the papers in the world that he needed about the gift ban and the lobby reform that this Congress, of which he was a Member, passed not once but twice last year, but which, still, as this Congress is beginning in September of this year, he still thinks we need to write a paper about. The paper, I do not know if it has been written, there are certainly none presented, the book sales are going on.

Let me return to Mr. Ingberg, because he says, "In addition to the $157,000 to GOPAC, the Gingrich political arm, another $45,000 went directly to the last two Gingrich campaigns, and in addition," out of concern for the American people and what they know about the political process, "Golden Rule was golden in its rule and it sponsored the Gingrich cable TV show." He says. "GINGRICH insists himself that he likes MSAs because they work," and it appears that they have worked very well for him and for GOPAC.

Indeed, continuing with the Ingberg report from last night's CBS news, Golden Rule would not talk to Mr. Ingberg, and he concludes his report by saying, "Washington has its own Golden Rule: money talks. It is not exactly clear yet on the MSA issue how loud. Eric Ingberg, CBS news, Washington."

I think that it is a good example of why, when we are dealing with matters of public policy, we need our lobby laws reformed. We need gifts banned. We need to be assured before we slash $270 billion from Medicare that it is being done in the public interest and not in the self-serving interest of some insurance company someplace. Indeed, an insurance company that the Wall Street Journal has reported in September of this year, that perhaps, "No other health insurance can cherry-pick," that is, pick the best risk out and leave perhaps the taxpayers, in the case of Medicare, with the balance; "No other insurance company," the Wall Street Journal reports, "can cherry-pick its way to unusually high profits as well as Golden Rule Insurance Company. Screening insurance applicants carefully, Golden Rule tries to sell policies only to the healthy, or those whose existing medical problems can be exempted from coverage."

One of the real, basic problems, whether you are talking about Golden Rule or any other insurance company, or no insurance company, with these MSAs, is that whole problem of leaving on the traditional Medicare system, as it sinks, those who are least healthy, and cherry-picking off the others into these so-called MSA's, which may be more to the direct savings benefit of some of those who set up the plans than to those that might participate in those plans.

So it is the interrelationship between the need to make a break between the special interest and the public interest and the interrelationship between this sad circumstance and the debate that lies ahead within the next few days on the question of Medicare and of Medicaid.

October 18, a day, 1 day in American history, the only day in American history that this same Republican leadership that has been so closely tied with Golden Rule is going to rule that the American people and their Representatives here in Congress will have that 1 day to mark up on the floor of the House and decide the fate of the Medicare system, whether the Medicare system will follow the approach of the majority leader, the gentleman from Texas [Mr. ARMEY], who said there in Texas earlier this summer that Medicare is an imposition on his freedom, he would have never set it up in the first place, whether we follow the approach of eventually seeing Medicare abolished as an imposition on someone's freedom, or we take the approach that those of us from Texas and elsewhere who supported the Medicare creation in the first place, that having the security, the health security in one's retirement years, affords a certain freedom of itself.

There is closely linked, of course, to the Medicare issue in this Congress, as it relates to seniors, as it relates to people with disabilities, the question of Medicaid. Some people think of Medicaid only as a program for poor people. It is true that the people who participate in the Medicaid program are poor, but in my State of Texas, three of every four residents of nursing homes are on Medicaid. That is the principal financing system, since a deficiency of Medicare, which we should be out here today debating how to improve and strengthen it instead of how to bleed it dry, but a deficiency with reference to Medicare is that it does not adequately cover long-term health care or prescriptions. The Medicaid program is therefore turned to.

What is the solution that is being offered to those three of four Texans who rely on Medicaid to help them in nursing homes, being there, I am sure, since I have yet to find anyone in this country, much less my home community of Austin, TX, who had as their ambition to go into their nursing homes. There are many fine nursing homes, but most of the people, if not every single one of them that are in nursing homes, are in there because they cannot take care of themselves. So those most vulnerable people in our society, three out of four Texans in nursing homes, they are depending on Medicaid.

What does this same Republican leadership that could not find time to deal with lobby reform or ethics reform, could not find time to complete an ethics investigation, how is it that they propose to deal with Medicaid, the safety net for those three out of four Texans and many, many people across this United States? They proposed to abolish Medicaid, to eliminate it. They say that they will replace it with certain block grants to the States, and then they will just transfer the program along to the States. Of course, they will not transfer enough money for the States to do it adequately, but maybe the States can make up for it and take care of it in some way.

In the course of transferring the Medicaid problem to someone else, instead of assuming responsibility where it belongs, as a national problem, as a national issue of providing a safety net to the most vulnerable people in our society, our seniors who cannot take care of themselves and are in nursing homes, our people with disabilities who are in nursing homes today, this Republican leadership has added to the taking away adequate money. They have also taken away adequate health and safety standards.

Yes, it was with considerable effort, and after one scandal after another that States were not adequately policing. In fact, I know from my service in the Texas legislature as a Texas State Senator that we uncovered with one agency there in Texas a pile of about 600 complaints that had never even been looked at with respect to some of these administrators in some of these homes.

Yet, after one problem after another, it finally produced Federal standards to ensure the safety and health, sometimes not adequate standards, but certainly better than what we would have otherwise across this country for those who are in nursing homes. What does this Republican leadership do about those safety and health standards? It repeals them. It repeals not just one that someone might find debatable or questionable or not productive in assuring health and safety. We need to review all these regulations to see if they serve their purpose. However, the Republican leadership has a better idea. Instead of looking to fine-tune the regulations and assure the health and safety of the millions of Americans who are in nursing homes, they repeal all the regulations, so that we will have the least common denominator with reference to health and safety in nursing homes.

I suppose, at a time when funds are going to be cut back to those nursing homes, one could hardly expect that even the most concerned nursing home would not be out there trying to figure a way to cut some corners in order to make a go of it. Yet, at the same time the money is going down, the regulations are being totally repealed. We leave the health and the safety of millions of America's most vulnerable seniors and individuals with disabilities to no Federal protection whatsoever. As I visited at Austin this weekend, people there were amazed, were in a state of disbelief that a leadership could be so callous as to repeal every one of those health and safety regulations.

There is another aspect of it. That is the fact that we will also no longer have any limitation with reference to compelling a spouse who has the misfortune of no longer being able to attend to the needs at home of their loved one, their husband or their wife, and have to place their husband and wife, perhaps with Alzheimer's or with some other exceedingly difficult and troubling disability, which takes an immense emotional toll on a spouse in any event, but now, in addition to that, they could be forced to sell their home, to sell their car, in order to finance the spouse being in a nursing home, under the way this plan is going to be revised.

Some may think that that is just, you know, a possibility that might not be achieved, but I had occasion this weekend in Austin, TX, to talk with someone who faced a very similar situation. I stood for a couple of hours out at a grocery store in north Austin, and held office hours there so people could come up and discuss with me their individual problems, or discuss this great concern that so many of them have about Medicare and Medicaid.

Carlene Willy came up, a University of Texas employee, and told me about the plight of her mother, about the fact that when her mother had to go into a nursing home, that she was forced to sell her house as a part of going into that nursing home, in order to get approved for Medicaid; how she is struggling as an individual, and does not really know if Medicare costs go up considerably, and we end up with this pay more, get less Republican plan, and if at the same time the Medicaid that provides financing for nursing homes, that is block-granted in a truly block-granted hinted approach, that if that happens, she is going to be faced with a personal crisis; because, you see, it is not only a question of how Medicare affects our Nation's seniors and our Nation's millions with disabilities, but it is a question of how it impacts the ordinary middle-class family, or in her case, a single individual; how they are going to face the problems of making ends meet themselves, in some cases taking care of their children and at the same time meeting a medical emergency or a need for long-term health care of a parent or a loved one of advanced years.

Mr. Speaker, my problem, as I listened to these stories at home of people concerned that we are about to junk one of the most effective programs this Congress has ever set up, Medicare, supplemented by Medicaid, when we hear then in Washington how the Members of the Republican leadership think they can fix up and doctor up Medicare, that the kind of doctoring they have in mind is the kind of doctoring done by Dr. Kevorkian.

It just does not it seems to me that Medicare or Medicaid need any kind of mercy killing. I think it needs to be strengthened and improved on a bipartisan basis, not bled to death. I guess that is, perhaps, another analogy. There was a time in medical history a couple of centuries ago when doctors thought many elements could be treated by bleeding.

□ 1645

That seems to be the approach that our Republican colleagues have taken to Medicare. They say it has some problems, and it does, and it needs attention, though it is not a crisis situation. But their solution is not to improve and strengthen Medicare; their approach is the approach used by the medical profession 200 years ago: Bleed the patient. Keep bleeding it.

In this case, they want to bleed it to the tune of $270 billion in order to fund a tax break for the wealthiest people in this country, $245 billion over the next few years, eventually $600-something billion in total tax breaks that are going to come out as a result of cuts or with the benefit of cuts from the Medicare System, with the slashing of the Medicaid Program, to fund those tax cuts. Treat that patient by bleeding it and bleeding it, and if bleeding does not work, start amputating things, which is what they are doing with reference to both Medicare and Medicaid.

Mr. Speaker, I believe that as we look at this Republican Medicare plan, and little looking has occurred because we have had the Committee on Ways and Means only this week beginning to have a chance to mark up or chop up the bill. That is going on perhaps this afternoon. The Medicare Program is getting its first markup now, and then in little more than a week it will be here on the floor of Congress with only a day to debate it, and then the American people will hear some discussion of the pay-more-get-less plan. But it will be perhaps only after a conference committee resolves the differences that we will know the full burden of that plan and what it will ultimately mean to the people of America.

Before going into that, I do need, as a Texan, to point out one other thing about this Medicaid debate, and it is a particularly critical one for my State, not just my State, and that is the question of the formulas, for as the State comptroller of Texas has so ably pointed out throughout this debate, this particular Medicaid formula being advanced here in the House is going to provide the State of Texas next year with 46 cents on the dollar, 46 percent of the Medicaid spending of New York State; $298 per capita in Texas, $654 in New York. By the year 2000, a Texan will be worth 54 percent of what a person in New York is worth.

Now, I am confident that there are very significant needs in New York State with reference to the health of disadvantaged young people. About 1 in 4 children in this country are on Medicaid for their health care needs, for disadvantaged seniors. But why is it that a Texan is only worth half as much as a person in New York? I think all of these people are important and in need of health services. But the formula that this House is being asked to approve gives us 50 cents on the dollar, not even that next year in the State of Texas, and yet some of the Texans that are in this Republican leadership have blessed that plan which denies to Texas and denies to many other States a recognition of the growing levels of people that come on to our Medicaid Program.

Again, when you shortchange Texas, as this plan does, as our State comptroller has pointed out, you again put the squeeze on nursing homes. At the same time you take off the regulations, you assure shortcuts, you assure poor-quality care, and assure danger, until another scandal comes along and someone says, wait a minute, that Republican Congress that was so zealous, so extremist in 1994, has to repeal every single health and safety standard as to giving Texas 50 cents on the dollar—with reference to its individuals with disabilities and seniors in nursing homes—of what New York got. We have to go back, because we have had one scandal after another of people being found dead and diseased in nursing homes across this country. We ought not to let that happen.

If we would address this formula and in fact address whether it is really in the interests of this country to shift the Medicaid problem to the Nation's States instead of dealing with it here as a part of our responsibility to assure that every American would have the level of health care coverage that a Member of Congress would have, then I think we would be doing a better job than getting mixed up in the formula debate in the first place.

But let us look now, as a part of this Republican pay-more-get-less plan, at some of the things that are done with reference to differences between the Senate and the House plans, because I think ultimately we are going to get a little bit of both.

The Republican plan, as analyzed, would appear to mean premium increases per month of about $18 over what we would otherwise have. That does not seem like much to a lot of people, but to the person who came along to see me out at the grocery store in North Austin this weekend and had a sack of prescriptions—not one of which was paid by Medicare since Medicare does not cover prescriptions—another $18 a month is a mighty big chunk to have to take care of.

Also, the deductibles would be increased. Both the House and the Senate plans increase premiums, and the Senate plan also cuts benefits and doubles deductibles from $100 a year to $210 a year. Now I understand that to someone making well over $100,000 here in the Congress, that does not seem like very much. But if you are one of the women in this country, the millions of women in this country, who have nothing more than a Social Security check, and a small one at that, to pay for your health care and for your rent and for your prescriptions and your food, getting that deductible increased so that you do not have Medicare after you pay the first $100, you have to pay the first $200 or $210 before you have Medicare, I think what is going to happen is what people told me about yesterday when I was over at the Conley Guerrero Senior Activity Center there in Austin, is that when they face that choice of whether to get health care many of those seniors are going to say well, I believe I can wait. I believe I can tough out the pain. I do not believe that I can afford to eat and pay my rent and go get that additional care, because I have to come up with $18 more a month in premiums. I have to come up with $210 before it even does me any good, and I believe I can put it off.

In many cases, putting it off is going to do serious damage to the health of that senior, who is not an expert in health care. I think we need to be encouraging access to health care, accessibility of that health care, rather than erecting new barriers for those seniors.

I also found in my visits in Austin considerable concern about the question of whether or not one would be able to continue to see their own physician. Many of these seniors have complex health care problems. It is important once a physician-patient relationship is established. There are things that cannot be recorded in that funny handwriting you sometimes see the doctor makes on the chart. There is a human connection between the health care provider, between the physician and the patient. Seniors particularly have concern about having that relationship broken, about having that relationship ruptured by what they call managed health care. They are concerned about the quality and the contact with the health care individual. I think that is a legitimate concern and one that is not being adequately addressed by this Republican plan.

Then the Senate plan, as you may know, is a plan that would also, instead of bringing down the age and covering more of those in our society who do not have health insurance, the Senate plan goes the other way. It says, well, let us eventually not cover people who are 65 years old at all with Medicare, deny them all Medicare coverage, just as we are going to repeal all of those health and safety standards for the nursing homes. Deny it for those who are 65, deny it for those who are 66 entirely, and raise the age to 67. I think that is the wrong direction in which to go.

These changes that are being proposed to be implemented this year, through, as bad as they are, as far-reaching as they are, when they come up in this House on October 18, next week, are not nearly so severe as where we are headed with reference to Medicare.

You see, the basic premise that these great reformers have with reference to Medicare is the basic premise that Medicare is an imposition on their freedoms, that it was a mistake. That is why over 90 percent of the Republicans who are in Congress in 1965 voted against it in the first place. If you go back and you look at the debate 30 years ago, you can just about read it today, because they are saying the same thing today that those who opposed Medicare were saying three decades ago.

I see the gentlewoman from Colorado [Mrs. SCHROEDER], who has spoken so eloquently on these matters, entering. I have been discussing, of course, the interrelationship between the failure of this Congress to deal with ethics, continuing to postpone this investigation of the Speaker, continuing to defer action on lobby reform, on gift reform, and now the fact that we are about to get 1 day on the whole question of gutting and cutting Medicare by $270 billion, which may actually have, as a principal benefit, apply the golden rule to golden rule insurance companies, providing significant savings to those who may prosper as private companies on this disintegration of the Medicare System, but may do nothing but cause great pain and harm and fear to the Nation's seniors and individuals with disabilities.

Mrs. SCHROEDER. Mr. Speaker, would the gentleman yield?

Mr. DOGGETT. I yield to the gentlewoman from Colorado.

Mrs. SCHROEDER. Mr. Speaker, I thank the gentleman from Texas. I was working in my office when I saw you take the floor and I thought you were making some very eloquent points that I am really pleased you have the courage to come over here and continually make.

I do think there is an interconnection. This morning when I arrived, I gave a 5-minute dissertation of what was going on in Medicare and Medicaid and talked about the fact that what they are talking about doing is taking away the spousal impoverishment, so that if a family, if a couple, suddenly one has to go into a nursing home, guess what? They have to spend everything they have before they can qualify for Medicaid. They undid the spousal impoverishment that we worked so hard on.

They also said that now, if you go to a nursing home, there is not going to be any standards that we worked so hard to get, standards to treat people with dignity. We remember those horror stories, and on and on and on.

I want the gentleman from Texas to know that a Member from the other side took the floor, would not yield back to let me answer him, and started saying that I was doing mediscare again and this was just terrible and what was really wrong with America was Federal estate taxes were too high. Now, Federal estate taxes were too high? That just tells you, it kind of brings the gift ban, it brings the campaign finance reform, it brings the fat cats together. In other words you are a middle-class couple and somebody gets really ill, you have to deplete all of your resources. They can then go after your children's resources. They are undoing all of the laws that we put in to protect and divide those. And the answer was, I am trying to scare people because they did that. I did not do that, they did it. They scared people. And what is really wrong with America is the Federal estate tax is too high.

Now, none of these people are worried about the estate tax, because they are not going to have any estate at all. What they are worried about is where do they go now that poor houses have been absolved in most of the country.

So I think the gentleman is doing a very good job, and I think that is why we are seeing this connection, this synergy come together, of just writing off the average American.

Mr. DOGGETT. I actually was noting that I visited with Carlene Wiley in Austin, TX on Saturday morning at a grocery store in North Austin, and she is one of those people who is just too concerned about estate taxes for her mother, because the only way she could get her mother into a Texas nursing home when she was unable to care for her any more was to sell her mother's house, so that her mother has no estate left other than whatever little personal belongings she may have there in the nursing home.

I think that may be the type of person. We are talking about real, live human beings that are out there today facing these problems, whether we take that system in place today and extend it so that if you have a couple out there and one of them becomes so ill with say Alzheimer's that they can no longer be cared for at home, with the tremendous emotional toll that that would take on a husband or wife, that they find themselves in addition to that awful emotional loss faced with selling their house or selling their car, selling their estate in order to just get a basic level of health care without any longer even a Federal safety net there as far as assuring that when they get into the nursing home after they have sold their house and car, they will have any quality care.

☐ 1700

Mrs. SCHROEDER. The gentleman is right. I know the gentleman's family, and he knows mine. I cannot think of anything worse than my husband and I later on, one or the other of us becoming very, very ill and having to go to a nursing home. Obviously we would feel terrible about that.

But the fact is that now, after what the Committee on Commerce did, we took away the spousal impoverishment thing. It would not just be the mother and her home, it is everything that couple owns must be sold before they can go onto Medicaid. Everything they own.

The remaining spouse, who is still healthy, ends up with a big goose egg. How are they going to live the rest of their life? Suppose they are 80 at this point, and their home has now been sold and their car has now been sold?

That is why the Women's Caucus worked so hard in 1988 to say, no, no, no, divide the couple's assets and make sure both of them do not have to be impoverished to get one of them the kind of care they need, because what happens to the one that is left, the survivor?

Now, of course, they can also go after adult children. They are repealing that, so they could also come after this woman's home that was in the grocery store. It would not just be her mother's home she had to cash out. They could now put a lien on her home to help pay, because of what they did in the Committee on Commerce.

But to have the response be, well, we really should lower estate taxes on people, that is ridiculous. I believe the Federal estate tax does not even kick in until they have a Federal estate of over $600,000. That is not an issue for the average American person. But who is giving these big campaign contributions? Who is giving the gifts, who is taking people to play golf, who is doing all that? Those are the things that we are complaining about.

Mr. DOGGETT. I was wondering in that regard if the gentlewoman had the opportunity last night to see the reality check. She is aware of the need that this Republican leadership has to do a reality check, because sometimes we wonder where they came from when they talk about conditions in America that do not seem to bear any relationship to the way real life is out there for ordinary hardworking Americans. But did the gentlewoman see the reality check last night about the role of Golden Rule Insurance Company and the medical savings accounts with reference to this whole Medicare struggle?

Mrs. SCHROEDER. I thought the gentleman was doing a very good job of explaining that, and I think they ought to explain it again, because I also saw this weekend that the other side of the aisle is talking about even doing away with all the Federal health insurance for all Federal employees and Federal retirees and giving them this same medical health account that they talk about, that this insurance company apparently is feeling that they could make a lot of money on.

Mr. DOGGETT. In other words, if they pick out the healthiest seniors and leave traditional Medicare with those that are the weakest and the sickest and lack good health, that need the most care, they cherry pick those, as the term is used in the industry, then the next step, just like probably the next step after wrecking Medicare is to wreck Social Security and slay that dragon, as Speaker GINGRICH's Peace and Freedom Coalition called for in February this year, that the next step would be to go to Federal workers and to let the same golden rule apply there.

Mrs. SCHROEDER. Golden Rule is going to own all the gold if this works the way the gentleman from Texas is explaining. That is exactly what I understand. They are going to say to people, if I am right, they have this option to have this medical savings account. However, anybody who has more than a couple thousand dollars of expenses a year certainly would not take that option, would the gentleman not guess?

Mr. DOGGETT. I would think that would be the case. The gentlewoman is aware that at the same time that Golden Rule developed this zealous interest for reforming, in its own self-interest, the Medicare system which has served America so well, that it contributed $157,000 to GOPAC. Is the gentlewoman familiar with GOPAC?

Mrs. SCHROEDER. The gentleman from Texas is absolutely right. GOPAC is something I am very familiar with. I think one of the other items that I also read this weekend was the New Yorker article about GOPAC and about its connection to the Speaker and bringing this new leadership in, how it funded the tapes and the training and all of those types of things that we now see happening.

It sounds very convoluted, and when we start talking about it, I am sure people's eyes glaze over, but I think it is terribly important to understand how this Government is working. I think when they understand that, they will understand that there is so much cynicism, that if really big bucks goes into something that then allows you to become so terribly powerful, guess what, you are very apt to use your power to make those big bucks even more bucks.

It is a good investment, right? It appears that this insurance company that made this investment in GOPAC made a very good investment. They are now going to get paid back many times over by having legislation that helps them.

Mr. DOGGETT. So Golden Rule contributed to this farm team program called GOPAC to train and tutor people, and these were the same people that were going around, regardless of what office they were running for, and telling the American people that they could come to Washington and they could eliminate waste and fraud and eliminate bureaucrats and they would solve all the problems in the world.

Now what they are doing, instead of eliminating waste and fraud, is eliminating the basic standard of care that our seniors have relied on, whether they are in nursing homes or whether they are in Medicare. In fact, the antifraud provisions in this bill, which you would expect all of us would have gotten together on, they have actually provided less funding to fight fraud with reference to Medicare and Medicaid in the appropriations bill than was done in the last Congress in which the gentlewoman served. Is that not correct?

Mrs. SCHROEDER. The gentleman from Texas again, I am sorry to say, is very correct. We should not look at people's words, we should look at the bill. Here all they want to do is throw words. We have not even seen the real bill, I guess, on Medicare.

We got a printed one, I hear, on Friday. Then on Monday there was a new chairman's mark that was something entirely different, and I guess they spent yesterday discussing it, but again it was all verbal. It is all fuzz. It is a bag of smoke. It is a real bag of smoke, but in that bag of smoke I think there are some chunks of gold for a few people who invested early, invested early in the new group in power.

What it really means is they are toasting the average American's Medicare card, that the Medicare things that you thought you owned and you thought were represented by your Medicare card are being really brokered away in all of this and diminished.

For all of this Mediscare that I think they are the ones projecting, I think it is interesting that they do not ask the trustees did they do the right thing. They have not taken their bill to the trustees. They are not having hearings.

I have been saying, look, they have had more hearings on the Chinese prison system than we have had on Medicare, and I think it is because they do not want all these connections of the Golden Rule and GOPAC and Medicare proposals all coming together, because then maybe more people would see it than just the several television shows that have been talking about it or the New Yorker article that is talking about it.

Mr. DOGGETT. I always thought when they talked about Mediscare, they were talking about the Republicans who were mediscared to come out here on the floor and explain these cuts that they are making, and they still have not as of today. We have yet, through this very afternoon, now that we are well into October, we have yet to have a Republican Member come on the floor and explain the way seniors are going to be cut.

They are saving all that for this surprise package that I suppose will be presented to us next week. At least we have a date for that. We have no date for a report on the ethics problems involving Speaker GINGRICH. We have no date for dealing with the problem of lobbyists giving gifts to Members of this Congress. We have no date with reference to reforming the 50-year-old lobby registration laws. But they have given us 1 day next week for the surprise package to cut $270 billion from Medicare, have they not?

Mrs. SCHROEDER. Absolutely. If the gentleman would yield again, we also have no date for when we are going to take up campaign finance reform, which was the grand handshake up in New Hampshire. We have not seen that, either.

But the really interesting thing is, in all my life in politics, whenever there has been an election year we have always talked about the October surprise. The October surprise was always what the candidate was going to pull at the last moment.

I suddenly think we have a new word that "October surprise" is going to mean, and it is going to be the surprise for America's older citizens and what this Medicare package might mean that we have not seen yet. This October surprise is going to have a whole new message this fall. Beware the October surprise.

But I think if you really know about it, which is what the gentleman is trying to tell everybody, you would not be surprised, because if you make the connection between GOPAC and you make the connection between campaign finance reform and gifts and lobbying and all the things that concern people, then you would not be surprised the way it is going to come out, I think.

But for those who have listened to the rhetoric and not demanded the details, they are going to be surprised. I think the time has come to demand the details. If this is so harmless, let us see it. If this is so wonderful, maybe they have come up with something no one ever thought of before.

Mr. DOGGETT. Maybe Golden Rule has come up with something.

Mrs. SCHROEDER. Maybe Golden Rule has come up with something.

Mr. DOGGETT. I believe the gentlewoman was a supporter of a proposal by a colleague of ours, the gentleman from California [Mr. MILLER], to actually suggest as a part of lobby reform that we identify the lobbyists that come up with these great ideas that suddenly become amendments and laws binding all of us in America.

If we had that on this Medicare plan, then we would be able to see with lobby reform what role Golden Rule had, and whether there is any relationship between the well over $1 million that put it, according to one of those political commentators on CBS last night, in the first tier of power here in Washington.

Mrs. SCHROEDER. Absolutely. I think another thing we need is, unfortunately, because we are seeing so many lobbyists now really just moving in and supposedly writing the bills, they ought to put their name on the bill. Let them know which lobbyist coauthored these bills.

Then I think we would not be so surprised, if you saw who the real authors of some of these bills are. Then I think you are not going to be surprised about what the results are, and it becomes really essential that the American people see this. Jefferson must be just cringing as he hears this discussion, if he hears this discussion.

Mr. DOGGETT. In other words, instead of letting all the ego of names stay right here in the Congress, so that it is the Joan Smith Act, this could be known as the Golden Rule-Gingrich Act to Cut Medicare or whatever one might want to call it.

Mrs. SCHROEDER. Absolutely. If we had that kind of disclosure, I think we would have much less in the line of October surprises when this passes because we will know exactly how it is going to look. It is going to look like something they favor. If they paid the fiddler, they are calling the tune.

And apparently they paid the fiddler, and apparently they are calling the tune, so let us get the facts out. I think the gentleman from Texas once again has done an eloquent job.

Mr. DOGGETT. I thank the gentlewoman, also. I believe this issue of ethics and special interest domination of this body and the Medicare cuts of $270 billion are closely interrelated. We must deal with both. We have a date for dealing with one of these next week. It is time to get a date for dealing with the gift ban and the lobby reform.

THE BUDGET AND APPROPRIATIONS PROCESS

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from New York [Mr. OWENS] is recognized for 60 minutes as the designee of the minority leader.

Mr. OWENS. Mr. Speaker, the previous dialog is very much in concert with what I would like to talk about. I have been talking about the budget and appropriations process as being one of the most important things that has happened in this Congress in the last 20 years.

It is always important every session of Congress what we do with the budget and appropriations process. Nothing is more important than the budget and appropriations process. But in particular in a year when the Contract With America insists that we must balance the budget, and balancing the budget means making horrendous cuts of programs that have existed for the last 50 years, it is very important that we follow carefully this budget and appropriations process.

We are now in a period where a great deal of stagnation has occurred. The first appropriations bills have gone to the White House, the appropriation for the actual budget of the House of Representatives and the Senate, and the President has vetoed it because he wants to have that bill as a part of the bigger discussion. The other major appropriations bills are moving quite slowly and we have passed a continuing resolution.

I have previously talked about a continuing resolution. We have passed a continuing resolution to allow the Congress 6 more weeks to reach a point where it can meet the requirements of having all the appropriations bills passed for this fiscal year which began October 1.

I want to talk about the need for, in this process, a more honest dialog. I think that is what the previous two speakers were talking about, the need for honest dialog as we move into this very important discussion and very important negotiations that will take place between a Republican-controlled House and Senate and a Democratic President in the White House.

□ 1715

The scenario is going to be pretty much as I predicted some time ago. The major appropriations bills will be vetoed by the President. He has already pledged that he will veto the Education, Human Services, Labor appropriations bills, and he said he is going to veto any bill which has the Medicare cuts that are being proposed. So we know that the major bills will be vetoed.

We know that there are not enough votes. The Republican majority does not have enough votes to override these vetoes. We know that the discussions are going to take place. Negotiations are at a very intense level at the White House with the President. These are going to be mega negotiations, and those negotiations are going to determine the direction of America for the next 10 or 20 years.

What comes out of those negotiations will give us some breathing room to take these massive changes at a slower pace. What comes out of the negotiations could be an agreement that will move America in the wrong direction. We do not want that to happen.

We would like to have those negotiations take place, and I think that the American public needs to understand that they have a major role to play in the coming negotiations between the Republican-controlled Congress and the Democratic President. Public opinion is always important. Both the President and the Republican leadership will be watching public opinion as we move into those negotiations. The public has to be involved. They have to understand what is going on.

In order to do that, of course, we need an honest discourse. We need some admissions, like the one that the two previous speakers were trying to get from the Republicans, the admission that they never supported Medicare. Ninety percent of Republicans have always been against Medicare. So if they never supported Medicare, it should be known, it should be on the table. Their argument that they are moving to try to prevent a bankruptcy of Medicare, you can have reasonable doubts raised if you know that they never supported Medicare when it was first proposed by Lyndon Johnson. Ninety percent of the Republicans voted against it. They have consistently been against Medicare. So why should you believe that, if 90 percent of them were against it in the first place, they are honestly seeking to save it from bankruptcy?

Why not believe instead the Democratic argument? A bill has been introduced to follow through on that argument that if you really are worried about bankruptcy, the commission recommended that you had a problem of about $90 billion and that over this 7-year period a $90 billion problem exists and a cut of $90 billion is necessary? That can be achieved by cutting real waste.

But if you try to cut $270 billion, then you are getting into the heart of the program, the benefits. You are going to be forced to raise premiums.

The honesty would help a great deal to let the American people know from the outset that we are talking about a $90 billion problem and not a $270 billion problem. The $270 billion is needed because the greater portion of that money will go toward the provision of a tax cut for the wealthiest Americans. We need some honesty.

I was fortunate last night to be a part of a very honest dialog in Durham, NC. I was invited by a workers' committee for occupational safety and health. They had a hearing, which is a people's hearing to bring some honesty into the discussion of the OSHA problem. That kind of thing should be taking place all over America. People are going to have to come out, have your own hearings, have your own forums, have your own discussion, and take a close look at what is going on.

Last week, 100 economists declared, and many of these economists are Nobel Prize winners, they declared there is a great need in America for an increase in the minimum wage. What is on the table is the Gephardt bill, which I am a cosponsor of, which calls for an increase of about 90 cents in the minimum wage over two steps, not very much, but at least that is needed.

We need an honest discussion. And if you have 100 economists who say that this increase is necessary and who show that inflation has eroded the wages of American workers to the point where they are making far less than they were making 20 or 30 years ago, then we can go forward accepting the fact that these are economists trained to do this. We accept their wisdom on so many other issues. Why not accept it on the minimum wage and go forward?

So the honesty in the dialog is very important. You know, the Roman Empire had some of the best systems in the world in terms of their system for justice and government, et cetera. You know, part of the reason the Roman Empire declined is because, despite the fact they had the systems, the people who were running the systems began to take them as a joke. They began to violate those systems and refused to deal with those systems in an honest way, and the rot that went into those systems led to the destruction of the Roman Empire.

This Nation is in a position where, unless we bring some honesty in our dialog and discourse, we certainly are going to not be able to get through this critical period on negotiation with an outcome, a final product that is going to carry America forward.

On the subject of honesty in Medicare and Medicaid, nothing is more important, because that is the biggest program that is on the chopping block, biggest in terms of its impact on American people, not just the dollar figure but the impact on the American people. Both Medicare and Medicaid will impact on the lives of most Americans.

We would not want a situation where we have less health care and we have fewer people covered than we had last year when we were proposing a movement toward universal coverage.

I am going to yield to the gentleman from Michigan [Mr. BONIOR], our whip, to help us to bring some kind of reasonableness back into this dialog on Medicare and Medicaid.

Mr. BONIOR. I thank my colleague for yielding and for taking the time to talk about these two important issues today.

What is happening on Medicare and Medicaid is truly revolutionary in the sense that the majority in this institution wants to cut out of those two programs roughly $450 billion over a 7-year period, $182 billion out of Medicaid and $270 billion, as my friend from New York has suggested, on Medicare.

Do not take our word for it. If you think $270 billion is going way overboard, take the word of a Republican congressman from the State of Iowa, the gentleman from Iowa [Mr. GANSKE]. The gentleman from Iowa [Mr. GANSKE] just got here. He is a freshman. He is also a medical doctor. Let me read to you what he says about these cuts. He said in the Des Moines Register on the October 3, 1995,

> I guarantee you that these reductions would be bad for quality health care, not just for our senior citizens but also for working families. If Medicare and Medicaid cuts are too deep, hospitals and doctors will shy away from serving the elderly and the poor and will try to push costs to the nonelderly, which could further increase the number of uninsured or the quality of the whole health care system could decline.

That is from a Republican medical doctor who serves in this body on this side of the aisle, a new Member who got here. He understands the draconian nature of these cuts.

When we talk about Medicaid, most people think it is a program just for the poor. It is not. About 60 percent of Medicaid goes to long-term care for the elderly, for nursing home and skilled care, and people ought to also understand that two out of every five children in the United States get their health care through Medicaid. These are terribly important programs for our people and for our country.

In addition, the gentleman, my friend from New York, talked about truth in the discussion of these two issues. What we have not heard and what you are not going to hear on the other side of the aisle is what they are doing to nursing home regulations. I happened to wake up on Saturday, and I am not getting the Detroit News or the Detroit Free Press, because both of those papers are practicing, in my estimation, unfair labor practices against the union. There has been a strike going on. I got the New York Times: I went over to the store and got the New York Times. Here is the headline in the Saturday New York Times, "Bills Would Relax Federal Controls on Nursing Home Care. Repeal of '87 Law Sought."

Now, what are they doing by repealing these regulations on nursing homes? Well, let me tell you what they are doing. They are repealing the minimum quality standards for nursing homes.

Remember when we had in this country a hue and a cry about drugging patients in nursing homes, strapping them in straitjackets to their beds, abusing patients in nursing homes? We put together some basic standards of human decency that nursing homes had to follow. Those are being repealed in their proposal on Medicaid. They repeal the minimum quality standards for nursing homes. They repeal the guaranteed coverage for people with Alzheimer's. They repeal guaranteed coverage for veterans in nursing home care. They repeal protection against impoverishment of spouses. Right now, you do not lose your home. You get to keep a little cash if you use all your assets and have a wife or a husband in a nursing facility, because we know they are extremely expensive. Under this, there is no protection. You lose the house, you lose everything. The spouse could be impoverished. They repeal protection against liens on homes of spouses. They repeal financial protections for children of nursing home residents. That is how far they have gone. It is truly draconian.

So I say to my friend from New York, this issue of Medicaid and Medicare is critically important for this country. People just need to focus back, if they could remember what it was like in the 1940's and the 1950's before we had Medicare in this country. I mean, we had a huge number of seniors, I think it is somewhere in the neighborhood of 40 percent of the seniors were living in poverty in America. The reason was, once they got sick, they had no health care coverage. It would wipe them out. It not only would wipe them out, it would affect their children and grandchildren, who, in many instances, would take them in and take care of them and would financially burden them.

We have reduced that poverty rate tremendously. We have cut it by more than half, and it is because of Medicare, because of the Medicare legislation, a promise we made to our seniors that was passed and became law in 1965.

This proposal that is before this Congress and is being discussed right now on the House Committee on Ways and Means takes $270 billion out of it—$270 billion—not to reduce the deficit, not to cut the budget, not to fix the system, but, as my friend from New York and as my friends from the States of Texas and Colorado mentioned a little earlier, to pay for tax cuts for the wealthiest individuals and corporations in America today. That is what is going on here.

It is an incredible shift in resources in this country from the elderly, from working families, and from the poor into the pockets of those who really are doing very well. Fifty percent of their tax cuts are to go to people who make over $100,000 a year or more, and it just seems to me, and I would say to my friend from New York, that we have an obligation to do all that we can in these waning hours and to try to get the American people interested in coming out, speaking out. We are starting to do that now.

I am hearing it all over in my district. They are saying, "Stop this insanity before it goes any further. Stop these extreme views on the other side of the aisle before they improverish families all over this country once again as they did, as families were impoverished in the 1940's and the 1950's."

Let me just say to my friend from New York, I want to thank him for taking out this special order and encourage my colleagues who are listening to his special order and who may in fact be on the floor to do what we can in these waning hours to make the American people aware of the draconian nature of these cuts. They are severe. They are brutal. They will raise the premiums that seniors will pay for part B of Medicare from around $45 a month to $90 a month. The Senate bill was incorporateed. They will raise your deductible.

None of that is going to go into the Medicare trust fund. All of it is to the general fund to be used for tax cuts.

I thank my colleague for yielding a little bit of time to me, and I appreciate his comments.

Mr. OWENS. I thank the gentleman, and I want to reinforce and reemphasize what he said.

We are not going to get an honest dialog if we depend on the talk show hosts only, the editorial boards of the newspapers. We are not going to get an honest dialog which puts forth the most important facts and the most important aspects of the situation. It is going to be necessary for people to demand, to ask the right questions, and begin to ask more questions and demand some solid, solid answers.

□ 1730

It is not going to happen unless we have quite an outpouring of activity on the part of the general public. This is true of the Medicare-Medicaid situation; it is true across-the-board.

On this whole matter of trying to balance the budget within 7 years, it may be desirable to balance the Federal budget, but why do we have to do it in 7 years? We could move at a slower pace and accomplish the same thing without having all the tremendous, draconian cuts and dislocations that are taking place.

In this matter of balancing the budget, I have repeatedly said, and I will say it again, and I have a chart which reemphasizes what I said before, part of the answer, part of the solution to the problem of balancing the budget, is to take a look at what has happened to taxes in America since 1943. Part of the answer of balancing the budget is what we did with the Congressional Black Caucus budget. We looked at the situation in terms of the tremendous low percentage of the tax burden borne by corporate America, how since 1943, when the corporations were responsible for 39.8 percent of the tax burden, and I have the fractions here, I usually say 40 percent, but 39.8 percent if you want to follow the chart in a detailed way, 39.8 percent of the tax burden was borne by corporations in 1943 and individuals and families were responsible for only 27.1 percent of the tax burdens.

By 1983, we had a cataclysmic shift. Instead of individuals being responsible for 27.1 percent, they found themselves responsible for 48.1 percent of the total tax burden, and the percentage of the responsibility of the corporations in America dropped as low as 6.2 percent in 1983.

That is a low point. But it is not too different in terms of ratio right now in 1995. Individuals and families are bearing 43.7 percent of the overall tax burden, while corporations are bearing only 11.2 percent of the overall tax burden. Other taxes, excise taxes and duties and other things make up the rest of the revenue collected.

But if you look at this, you can see how the American people have been swindled. Unfortunately, I cannot blame all of this on the Republicans, because Democrats were running the Committee on Ways and Means for a large percentage of the time here. There were Republican Presidents who had trickle-down theories and pushed it down, under Ronald Reagan down to 6.2 percent with his trickle-down theories.

Here is the great swindle that the American people ought to be angry about, but in the discourse, the dialog about the balanced budget, we cannot get this argument to surface. The editorial pages have not dealt with it at all. No columnists seem to be able to see the obvious. Nobody wants to take a look at the need to balance things off.

You can balance the budget if you raise from that 11.2 percent, raise the corporate percentage of the tax burden up to 16 percent. We would balance the budget in the alternative budget presented by the Congressional Black Caucus. We balance the budget without cutting Medicare or Medicaid 1 cent. We even increased education by 25 percent.

The key to it, in addition to cutting defense and cutting corporate welfare, is to raise the tax burden on corporations up to 16 percent. You can have a tax cut in our alternative budget. We had a tax cut for individuals who deserved a tax cut in the middle- and working-class families. You can lower the tax burden for individuals and families while you raise the tax burden on corporations, and you still will wipe out the deficit and not have to make the draconian cuts.

Mr. BONIOR. If the gentleman will yield further, that is a very interesting chart. I want to draw my colleagues' attention to the middle two bars. The blue represents family individual share of revenues and the red is the corporate share.

What is interesting about that chart is that you see in 1983, 48 percent of the burden fell on families and only 6.2 percent on corporations, which is a huge change from 40 years ago when they were picking up 40 percent of the share. But in addition to that, I want to point out something that is relevant to the tax bill that the Republicans passed here 4 or 5 years ago.

That 6.2 percent was so embarrassingly low that we changed it in 1985, and the reason we changed it is, we found that between 1981 and 1985, 130 of the top 250 corporations in America paid no Federal corporate income tax. So we introduced legislation here and we even embarrassed Ronald Reagan into joining us. He knew that was inequitable, and they were required to pay a minimum tax, called an alternative minimum tax. They have to pay something, so the burden is not so heavy on middle-income working people across this country. That has been in effect for 10 years, this alternative minimum tax.

What did they do on this side of the aisle when they took over and took charge of this place? When they had their tax bill on the floor about 4 or 5 months ago, they repealed the alternative minimum tax. They repealed it. So now we are going to get back to the situation where that red bar is going to go down again, and that blue bar, which is working families and middle-income people, is going to rise again.

I thank my colleague for showing that to us this evening.

Mr. OWENS. Mr. Speaker, I thank the gentleman. I would like to point out I have been talking about this for 3 months now, and I have yet to see any major columnist discuss it, I have yet to see any editorial board discuss it. Rush Limbaugh, who follows me very closely and often targets me for his ridicule and comments, does not talk about this. I would like to send a message to Rush and his staff to, at least, put this on your agenda and comment on it.

Let us introduce it into the dialog and explain to us why in this period where corporations are making very high profits, Wall Street is booming, why in this period of transition, where strange things are taking place in our economy, while Wall Street is booming, corporations are making high profits, there is a great deal of downsizing and streamlining which leads to high unemployment, and, worse than high unemployment, underemployment. People are getting new jobs, but they are making far less than they made before.

This has been a transition period, and the way to get through the transition period and finance the kinds of programs that are needed for job retraining, for education, which the President has emphasized that education is vital in this particular situation that we face, we need a way to finance it. Instead of cutting the education budget by $4 billion and cutting the job training budget by another $5 billion, we should be financing with an increase in the taxes on those who can pay them, the corporations, the necessary ingredients of a transition program. And we know that education and job training are vital to that transition situation.

Otherwise we are in a situation where the standard of living of Americans is going to be falling rapidly. The 5 percent will continue to get far richer than before, while the people who make up the other 95 percent, especially those in the very middle, continue to get poorer.

Mr. BONIOR. If the gentleman will yield on the education point, I think you have touched on another point that the American people are starting to feel and understand now.

What our colleagues on the other side of the aisle have done on education is really emasculated the programs that were put in place in order for people to climb the ladder of success in this country. That is the way people move economically and socially in this country, through education.

But if you look at the budget, the School to Work Program, 70 percent of kids in this country do not go to college, do not finish college. Yet we have nothing in place—we had nothing in place—where we could match their interests and their skills with what is in the workplace. So we developed this program called School to Work, patterned after what they do in Germany.

They have a very good apprenticeship program there. You work 2½ days and go to school 2½ days, and learn a skill that will be useful. Instead of flipping hamburgers, you will be able to do something productive. In Germany this program works well. They have over 400 choices for kids; computer programming, journalism, you can get your education 2½ days a week. You get experience first hand and provide that business community with the expertise you develop once you graduate from high school.

It is a good program, and we have instituted it here recently, a couple of years ago in the Congress. We have pilot programs in the country. It is working well.

What did we do 2 weeks ago? We zeroed out School to Work. And it is not just School to Work. It is vocational education, it is Pell grants for kids who want to go to college that have been cut, it is Perkins loans, it is Stafford loans.

I was just at Wayne State University in Detroit with my friend JOHN DINGELL the other day. Thirteen thousand of those kids rely on Federal loans to get through school. They are working one and two jobs a year. And these programs are being cut. They are being cut by our colleagues on this side of the aisle.

What disturbs me is that Speaker GINGRICH got through school on a student loan. PHIL GRAMM got through school on a student loan. In fact, if it was not for student loans, they would not be where they are today, which is the only good reason to be against student loans, from my perspective. But they got there, and now they want to take the ladder and yank it up and will not let anybody else climb it.

So they are taking away the tools that people have to move off welfare and to move into the higher levels, economic levels, in this country in education. I think the American people are starting to see that, they are starting to understand it. They started right at the bottom in terms of school lunch programs for the smallest of our children, and they have worked their way through vocational education and tech prep, and they have cut these programs for student loans. They are hurting our society.

We have always prided ourselves on the fact that we would invest in our people. We always as a country decided in times of crisis, after the Second World War we did the GI bill. After the

Soviets launched Sputnik, we did the National Defense Act.

Education is the key. What you earn depends to a large extent on what you can learn in school. It creates a more civilized society. And it seems to me that we are going in the wrong direction. We in this budget that my friend from New York is talking about today are spending $50 billion on a B–2 program, a bomber that cannot tell the difference between a mountain and a thunderstorm. We are spending $50 billion on a star wars program to intercept missiles in space, when clearly that threat, while it is still there, has diminished considerably with the fall of the Soviet Union. We are producing hardware that, quite frankly, we do not need, that would be better used in providing kids with an education in this country.

So I thank my colleague for raising that point.

Mr. OWENS. I thank the gentleman for reemphasizing the fact that education has been recognized by the best minds in America as being a No. 1 priority. We understand we are in a technological and scientific revolution. We understand that you need the best minds possible in order to compete in this global economy. Yet we have not acted accordingly. The dialog has not placed that emphasis where it belongs. I submit, again, the article by Lester Thurow which appeared on September 3, 1995, this year. Thurow, who is a professor of economics at the Massachusetts Institute of Technology, has testified on the Hill before many committees. He is recognized as an authority.

I think his warning ought to be heeded. He has written many books. He is not a Democrat or a Republican. I think it is an objective voice. And when he starts this article with the following paragraph, we ought to all take heed. It ought to be a part of the ongoing dialogue. The newspapers ought to pick it up, the talk radio hosts. I recommend to Rush Limbaugh, that you read the article. You do not read anything, but you have your staff read the article thoroughly and comment on it to your audience even, who needs to understand what the best minds in America are saying about the phenomena we face.

I will only read the first paragraph, because previously I have introduced the entire article into the RECORD:

> No country without a revolution or a military defeat and subsequent occupation has ever experienced such a sharp shift in the distribution of earnings as America has in the last generation. At no other time have median wages of American men fallen for more than two decades.

□ 1745

> Never before have a majority of American workers suffered real wage reductions while the per capita domestic product was advancing.

Here is a situation we are in, and, in order to deal with it, we ought to raise the level of the dialog by analyzing and listening to the voice of people like Mr. Lester Thurow. We ought to take a close look at the big-spender lists that are compiled by certain groups, and I understand I was singled out on Rush Limbaugh's show as 1 of the 10 big spenders in the Congress. Well, let us have some honesty in that dialog. It is also a distorted dialog because Rush has people who know how to add, but he does not have people who know how to subtract.

You know, as the minority whip has just said a few minutes ago, we are spending money on programs that will, weapons systems that are, no good, and I am on record as being against the spending of $33 billion for the F–22 that happens to be manufactured in Marietta, GA, which is the district of the Speaker of the House; $33 billion ought to be subtracted from my big-spender total, Rush. Tell your staff to get a specialist who knows how to subtract. The only people you have know how to add. Subtract the money from the *Seawolf* submarine, which I oppose. We do not need to spend $2.1 billion to build another *Seawolf* submarine. Subtract the money which I propose we cut from the CIA budget. We proposed a modest cut of 10 percent over a 5-year period, and the CIA accepts the basic figure that they are spending, about $28 billion per year, the CIA and other intelligence operations related to the CIA. If you cut that $28 billion by 10 percent a year, you would have $2.8 billion. You could restore the cuts in the title I program for education for the disadvantaged. You could restore the cut in Head Start. The $2.8 billion a year out of the CIA would be quite an important amount of money when you consider the small, but very effective, programs that have been cut which spend far less. Take that off my total, Mr. Limbaugh. I oppose star wars, the wasting of money for a program that most scientists said never made much sense anyhow and would not be effective. There is no power in the world capable of really firing that kind of, offering the kind of, threat, that they insist is there. I oppose that. Subtract that from the total. Let us have some honesty in the dialog.

You know, Mr. Limbaugh has targeted me. I would like to say, you know, I am honored to have such enemies. You know the full-disclosure laws that affect the Congress I would like to see applied to some of our talk show hosts so that in the dialog you know who you are listening to. You will be listening to a multimillionaire when you listen to Rush Limbaugh, and you ought to know that. You can check my disclosure record and see exactly what I am worth and where it comes from. It is quite a paltry sum, I assure you. Senator BYRD in the Senate recently proposed that we have talk show hosts fill out disclosure forms in the same way that Members of Congress and the Senate are required to fill out disclosure forms. I think that makes a lot of sense because regular talk show hosts are privileged people. The American people are making available, especially those who are using broadcast television, they are making available a limited asset, a limited communications medium. We do not have an unlimited number of opportunities for people to broadcast. It is regulated by the Federal Communications Commission because it is limited, and people who are using radio and using broadcast television are people in a special category who ought to be considered in the same manner as public officials. At least let us know where your income comes from and let the people who are listening be able to determine what your point of view is, how it is influenced, and have as much information on your financial status as we have on public officials because really the talk show hosts, especially the more arrogant ones, have taken a role which is similar to public officials. They should not do that, but the kind of world we are living in, the entertainment, and the sports, and the religion, and politics are all merging together. We cannot separate it. We would like to see it remain separated, but it is all merging together, and people are often listening to entertainers who have opinions that they are pumping out over the airways, and they are caught off guard, and they absorb a lot of that.

So the reality is that is what we are faced with, so let us take a look at the people that are privileged to use broadcast television, broadcast waves of radio, like Mr. Limbaugh. You know, he is really not a public official. He is like very close to, I understand, the Speaker of the House. He could be called the jester of the Speaker, you know, the joker.

In Shakespeare's plays, Mr. Speaker, they always have comic relief, a jester, a joker, and not always was it comic relief. They did have some insights sometime. I think in King Lear they do not call him a jester. He is called a fool. King Lear refers to his jester as his fool, but the fool is not stupid. I remember that play very well. I had to do quite a bit of work on it, and I know that the fool made some of the most insightful comments, so the fool is not stupid, Mr. Limbaugh is not stupid, but he still is not a major player, he is a fool. You know, the fool in King Lear disappeared, and there is a great deal of discussion in literature about whatever happened to the fool. As we know, King Lear went down the hill. He had two daughters he gave his fortune to, and they were not very grateful, and they took all that he had, and he went mad in the end. The fool disappeared because the fool was no fool. The fool was a mercenary. He just walked out of the situation. You know, King Lear later died as a result of being in prison and tortured, and his daughter, the good daughter, was hanged, and the question is what happened to the fool. Was a fool being a mercenary, not a central player, moved off of the scene? I am sure when you have multimillion-dollar jesters on television they should not labor under the illusion that they are major players, but they are significant. You know, they do make a contribution, and we welcome the contribution of the jesters and the fools, but we do not take it too seriously.

Let me just talk about one more thing in terms of the distorted and dishonest dialog. Unfortunately my colleague from Texas previously made a comment about New York versus Texas with respect to Medicaid and how Texas only gets 50 percent of what New York gets. He did not bother to round the dialog out by saying New York at the local level and the State level puts in far more than Texas and, as a result of what the State and the local governments put into Medicare and Medicaid, they get more from the Federal Government. That would have rounded off the dialog.

You hear a lot of discussions about New York. The Speaker has always, you know, for the whole time that I have been here, he has always used New York as a favorite whipping boy, and now that he is Speaker he has not stopped at all. So he recently called New York a great wasteland. Let us round out the dialog and take a look at New York versus the Nation. New York right now is the State which supplies the greatest amount of money to the Federal Treasury in ratio to what they get back. We pay into the Federal coffers as of last year, the last year that the figures are available, for 1994, the fiscal year 1994, we paid in $18 billion more into the Federal Treasury than we got back from New York. If New York were able to take that $18 billion, we could solve all our fiscal problems, I assure you, but $18 billion more went out of New York to the Federal Treasury than came back in terms of Federal outlays, and you are going to have to take my word for it.

I yield to the gentleman from Michigan.

Mr. BONIOR. Does the gentleman know where that $18 billion went? I have an idea where some of it went. It went to the Speaker's district. The Speaker represents Cobb County in Georgia.

Now Cobb County gets probably more Federal aid and assistance than any other county in the country. It is in the top two or three in the country.

Mr. OWENS. The gentleman is correct.

The gentleman is from Michigan. Michigan is a loser State. Michigan paid $10 billion more into the Federal coffers than it got back from the Federal Government, $10 billion.

Now people talk about the Rust Belt and the Northeast as had it economically. They are not growing, but for some reason all of the Great Lakes States were losers. The Great Lakes States lost more than anybody else collectively. Illinois, Indiana, Michigan, Ohio, Wisconsin; they lost $42 billion in this balance-of-payment game. They paid $42 billion more into the Federal Government than they got back.

New York was the State with the highest. You know we do not have the highest population. California. Something has happened in California. They are very smart. California did pay in more than they got out, but only 3 billion; 3.7 billion was paid into the coffers more than they got back. California has learned how to get their money back. Something is happening. It is the largest State, but New York is still the biggest loser, 18 billion, 18.8 billion, by the way almost 19 billion versus California's 3.7 billion. So, when they slur New York and talk about New York being a wasteland and a drain on the Federal Government, let us take a close look at the implications. Let us take a close look at the implications of all this talk about States rights economically and pushing down programs, you know in these various grants that go to the States, and flat grants, and you are going to let the State run the situation. New York may work out very well if you keep going in that direction and you let New York stand alone in its own financing and not have to pay into the Federal coffer because the gainer States are the ones with the loudest voice around here about States' rights and wanting to change the system.

The biggest gainers are in the South. The biggest gainers are Alabama, and Georgia, and Kentucky. Mississippi is one of the biggest gainers. The absolutely biggest gainer is next door to us in Virginia.

I yield to the gentleman from Michigan.

Mr. BONIOR. Maybe those States like Georgia that send folks up here, some folks up here like the Speaker who advocate getting Government off our backs, maybe we ought to get Government off the backs of the people down in Georgia and stop the sucking sound of the Federal dollars from all these other States going into Georgia.

Mr. OWENS. There is a sucking sound out of New York, there is a sucking sound out of Michigan, out of all the Great Lakes States, the northeast States. There is a sucking sound moving the money mostly into the South and the Midwest, and those are the people who yell the loudest about getting Government off our backs and not wanting Government to be a part of solving their problems. Let us really take a close look and have an honest dialog about this whole matter about which States' populations are paying more into the Federal coffers, who is paying for the Medicare and Medicaid, who is paying for the defense budget. Let us take a close look at it and have an honest dialog about it.

I thank the gentleman for his comments, and I am quoting, you know, for the benefit of Rush Limbaugh and all the others, I am quoting from a document called the Federal Budget and the States, Fiscal Year 1994 and an introduction by DANIEL PATRICK MOYNIHAN, and it is published by the offices of Senator DANIEL PATRICK MOYNIHAN and the Taubman Center for State and Local Government of the John F. Kennedy School of Government, Harvard University.

So, I urge you, Mr. Limbaugh, to have your folks get a copy, and you can check and see that everything that I am saying today is well analyzed, and well documented, and acceptable, and you ought to offer it to your audience as a dialog, as part of a dialog of honesty, about what is happening in the finances for the United States of America.

Some of the people who are pushing so hard for States to have control of programs worry me a great deal because we may be in for a Balkanization of the United States. What if we had 50 States which became 50 countries? What if we followed the pattern of the Soviet Union and we broke up? New York would be able to make it, ladies and gentlemen. New York would not have a problem. They have problems economically, they come and they go. Somehow we continue to pour more into the Federal coffers than we get back.

□ 1800

Mississippi would have a major problem. Georgia would have a problem. The losers and the gainers are clearly stated here. You ought to take a hard look at it. The biggest gainers, of course, are the South Atlantic States, they all gain, and the east South Central States, they all gain. It is quite an eye opener. I urge you to get a copy of the Federal Budget and the States, published by the Taubman Center for State and Local Government. I urge Mr. Limbaugh to make sure that his extensive staff gets a copy and discusses that with the people.

The dialog ought to be more honest. Stop slurring New York. The generosity of the people of New York should be appreciated, because over many decades, New York has done this. They have paid more into the Federal coffers than they have ever gotten back. I think Franklin Roosevelt, who was a genius, clearly understood with the New Deal policies that you were going to be moving vast dollar amounts of wealth from the Northeast, including New York State, into the rest of the country, from the west coast into the rest of the country. This generosity was not by naive people. Lyndon Johnson often boasted of the fact that every time he conceived of the new program, the Southern States would gain. He often sold his programs openly to the southerners in decisionmaking power in the Senate and in the House by saying, "Look, if you take Medicare, Medicare, if you go with me on Medicare, if you go with me on Medicaid, it is not going to be your problem. You are not going to have to cough up the money. The money is going to come out of the Northeastern States. The money is going to come out of the Great Lakes States, the industrial States. The money is going to flow to Alabama, to Georgia, to Mississippi." It is still flowing that way.

Let us be honest about the dailog. Do not slur New York. Appreciate New York. Appreciate Michigan.

We have this distorted dialog in many ways, and I am going to do something I have not done so far this year. That is, I want to comment on the O.J. Simpson case. I have not been following it very closely. The average sophomore in high school knows more about it than I do. I am going to limit my comments. First of all, I accept the President's statement that the jury has made a decision. As Americans we should also respect the decision of the jury.

But I have been a little upset and even became quite angry about the fact that the inner-city ladies on the jury, that is what they have been referred to as, inner-city ladies, have been unreasonably vilified. They have been criticized, they have been treated with great contempt. I must come to their defense and say that that is a great example, a great manifestation of the kind of dishonest and distorted dialogs that Americans have become comfortable with. The fact that this is a race situation, everybody has become very comfortable accepting that this is a conflict between American blacks and the rest of the population, it is a black-white situation.

Ted Koppel goes on and on with special 1½ hour shows, and they play out these distorted arguments that do not address some very obvious situations and very obvious facts. No. 1, the system says that if you have reasonable doubt, reasonable doubt, you should find a defendant not guilty. Whose reasonable doubt? The reasonable doubt of the people on the jury.

Was there reason for them to have reasonable doubt? Oh, yes, there was. Why was there reason for the people on the jury to have reasonable doubt? Because they had a set of architects and engineers to manufacture that reasonable doubt probably unparalleled in murder trial history. You have Mr. Dershowitz, you had Mr. Bailey, you had Mr. Shecht, you had Mr. Cochran. A lot has been made of the fact that Johnny Cochran was on stage in front of the cameras, so it is Johnny Cochran versus the prosecution team, but most of the defense team was white. It was interracial. I think Mr. Shapiro was the original lead attorney, and maybe in charge of the whole thing. I do not know. It is said Johnny Cochran's final speech was not necessarily written by Johnny Cochran. The team put it together.

You have architects and engineers of reasonable doubt, the best in America, the best that America has. Automatically, a person on the jury must have been influenced by the quality of the lawyers, the reputation of the lawyers. If I was sitting on the jury, I am quite an admirer of Alan Dershowitz, and if he was a lawyer for the defendant, I would be influenced. My doubt would be pricked. Mr. F. Lee Bailey, who has written books and was famous, it would be pricked also.

When you have that kind of team of attorneys, automatically their presence creates some doubt, but the way they handle a case, so skillfully, given the fact that they have great skills and unlimited funds, so they could have an investigation and find out things about Mark Furman that nobody else would admit, all of that would create reasonable doubt, an interracial team of the top lawyers in America.

Bigger than the racial factor or the racial card was the dollar card. Why is it that nobody was honest enough to discuss the dollar card, the money involved in this case? Why is not Ted Koppel on "Nightline" discussing that? Why are not the editorial boards that insist on commenting on this case, even though they said it is over, on and on they go with the comments, why are they displaying great contempt for the inner city women, and implying that they were ignorant, and therefore they had reasonable doubt because they were ignorant? No, they had reasonable doubt because the architects of reasonable doubt put those doubts there on the one hand, the best paid lawyers in America. And probably that trial, more was spent on it than has been spent on any murder trial in America. That interracial team raised those doubts.

I understand Mr. Shecht was welcomed by his law class back to school. I picked up this article in the New York Times which says that "Barry Shecht, a Member of the O.J. Simpson defense team, returned to school this week. He received a tumultuous welcome from his students."

Most of the students disagreed with the verdict, but they applauded the player, they applauded the architect of reasonable doubt. To quote Mr. Shecht, "I am sure we will engage in extended discussions about this case," he told 300 students and faculty members who crowed around him at a welcome home party on Thursday. "The case taught us a lot about race. It taught us a lot about the police. It taught us a lot about science and its limitations, and maybe it taught us a lot about each other." What Mr. Shecht does not say is it taught us a lot about money, about the power of the dollar in the courtroom, about your ability to get the very best.

I quote from the article: "Whatever the public opinion of the not guilty verdicts, Mr. Shecht said he had been received graciously everywhere. 'It is interesting, because the students here have had a very positive reaction to my involvement in the case, which is pleasing, because I know that a lot of them don't agree with the verdict.'" If you do not agree with the verdict, Harvard students, are you going to applaud Mr. Dershowtiz returning? If you do not agree with the verdict, are we going to celebrate Mr. Shapiro?

What I am saying is they are the architects of reasonable doubt, and they placed the doubt there, on the one hand. On the other side, you had gross incompetence, gross incompetence manifested by the public representatives, the police department; of course, not just incompetent, but evil, racist, to the point where great amounts of doubt were instilled in reasonable people after hearing the voice, the report on Mark Fuhrman, which the rich, well-funded legal team could get because it was able to hire some very good investigators. That is reasonable doubt created out of a public servant and a public institution. The police department and their sloppiness in the case, documented again and again, you know, certainly was an instrument in the generation of reasonable doubt.

Again, the defense team, the prosecution team, why did they not insist on a greater representation of the peers of the defendant? Our system says you should be tried by a jury of your peers. Why are we persecuting and vilifying inner city ladies when they were really not the peers of Mr. Simpson? There were no football players on the jury. There were no millionaires on the jury. People like Rush Limbaugh, he did not live in California, but people like that, celebrities, celebrities were not on the jury. This was not a jury of Mr. Simpson's peers. It seems to me the prosecution should have tried harder to get a jury of the peers. Why does not somebody talk about that portion of the system?

Why does not somebody talk about the fact that in America we still have a ceremonial speech by the judge which says, "If you have a reasonable doubt, don't come back with a verdict of guilty"? That is part of the system.

There was a lot of talk about the power of television, and we ought to remove television from the situation because it made people behave differently. The power of television we ought to escalate. I think every felony trial in America should be videotaped, at least, because the people who do not have the money cannot employ the best legal advice. They are getting shafted day in and day out in the courts. There ought to be a video record of every case, of every felony, so judges know, everybody in that court knows, that "There is a record here, transcripts," which are written and very expensive to get, and they never tell the full story because they are, after all, the written word. The videos would produce a greater degree of justice. If the judges know the video camera is watching, "History will record what I am doing here in this courtroom," let us have more television, not less, the power of television could bring far more justice than we have.

The distorted reasoning, the mutilated logic and the dialog that is one-sided is becoming, you know, a major habit of the American scene. If we cannot talk honestly about situations, then how can we ever solve them? The dishonesty and the mutilated logic of the discussion by people who are well educated of this O.J. Simpson case is very disturbing. Tell me about the dollar card, talk about the dollar card. Stop insisting that it is a race card.

There were interracial teams on both sides. The predominance of whites—the district attorney of Los Angeles was white, and most of the team was white, except Mr. Darden and maybe one other guy who got in there later, I understand. The predominance of whites on the defense team says that it was not a race card. The doubt was sowed by architects who know how to sow it. The doubt was sowed by engineers who know how to do it, because they were very well paid.

Let us talk about all of that in order to have a reasonable dialog. Let us talk about the competence of public officials in these trials, of the competence factor. Let us maybe have a situation where we can make appeals to the best attorneys in the country to somehow do prosecution, sometimes. There are a lot of things to talk about, except the ignorance, quote, of the inner city women who made the decision. I think reasonable doubt was certainly there for numerous reasons.

The salvation of the greatest democracy that ever existed is what we are talking about. If we cannot have an honest dialog, we cannot solve problems, we cannot solve budget problems here, we cannot solve appropriations problems. I would like to quote the Pope, applaud the Pope's statement that this Nation was founded by men who understood God very well, and I think God spoke through the pen of Thomas Jefferson when he said, "All men are created equal, all have a right to life, liberty, and the pursuit of happiness."

I think in our dialog about the budget and our dialog about balancing the budget, we ought to take a hard look at what those Founders said, not get away from it. We are a Nation founded under the premise that all men are created equal. They all deserve health care, they all deserve a right to life, liberty, and the pursuit of happiness. If you do not have the benefit of modern technology, you are not being treated equal. You are not being treated as if you were created equal.

The Preamble to the Constitution talks about promoting the general welfare. That means health care, Medicaid, for everybody. We need to deal with the imbalance in the tax revenues. I have recommended creation of a revenues commission. A revenues commission would play a major role in balancing the budget and providing for the general welfare, and guaranteeing the right to life, liberty, and the pursuit of happiness of all Americans.

A TRIBUTE TO EARL FREUDENBERG

The SPEAKER pro tempore (Mr. EVERETT). Under a previous order of the House, the gentleman from Tennessee [Mr. WAMP] is recognized for 5 minutes.

Mr. WAMP. Mr. Speaker, I rise today to commend a man who has made unique and valuable contributions to his chosen calling, radio broadcast journalism, and to the community as a whole in Chattanooga in the Third District of Tennessee, which I have the honor to represent.

In many ways, Earl Freudenberg is a perfect example of how to get ahead and better yourself in America. He started early, worked hard, and moved up the ranks quickly. But Earl Freudenberg is not the kind of man who would be content simply bettering his own lot in life. Throughout his life, Earl Freudenberg has served as a fine example of the doer and the joiner who pitches in to help out on all manner of worthy community projects.

Earl got his feet wet in radio broadcasting when he was barely in his teens. While still at Northside Junior High School in Chattanooga, Earl helped out at WAPO Radio in Chattanooga by pulling copy off the wire machine to help the sportcaster broadcast road game scores for the Chattanooga Lookouts baseball team. As a junior at the Kirkman Technical High School in Chattanooga, Early wrote advertising copy for WAPO and later he operated the control board at the station.

The day Earl graduated from high school he was offered a weekend operators job at WDOD radio in Chattanooga and before long he had a job as program director at the station, becoming the youngest program director in the Chattanooga market. Earl Freudenberg had achieved solid success early in his chosen profession. But when duty called, Earl answered. He joined the U.S. Army in 1970 and served in South Carolina and Germany. While overseas he worked on the staff of the Armed Forces Network.

After his military service, Earl returned to Chattanooga to become news director at WDOD. In the early 1980's he broadened his experience by serving a stint as news director at WDEF, channel 12, the CBS television affiliate in Chattanooga. Later he returned to WDOD where he has remained since.

But—as I said a moment ago—Earl is one of Chattanooga's doers. For years, he served as announcer for Chattanooga's nationally acclaimed Armed Forces Day parade. He has pitched in for numerous civic organizations in the Chattanooga area. A special cause of Earl's is the Chattanooga Police Forgotten Child Fund. Each year at Christmastime Earl broadcasts from the chilly parking lot of a shopping center in Chattanooga in an effort to build support for this wonderful venture. He doesn't mind—he even seems to enjoy—braving the cold weather to bring some warmth into the lives of little children. He also serves on the Forgotten Child Fund's board and on the governing groups of several other civic groups, including Bethel Bible Village, the Kidney Foundation, and Teen Challenge to name but a few of his civic efforts. His achievements have been recognized both by his professional associates and the community at large. In 1978, he was recognized by Sigma Delta Chi, the professional journalists society, and in 1981 Earl Freudenberg was named Tennessee Press Association Broadcaster of the Year. He has won numerous community awards, including Red Bank Outstanding Citizen, the Walker County Law Enforcement Award, and the Scenic City Beautiful Award. In 1993, Earl won the coveted Chattanooga Downtown Sertoma Club's National Heritage Award. The award's citation gives a good summary of who Earl Freudenberg is. The Sertomans said the award was going "to an individual who has not only dedicated a portion of his life to providing service to the community but has also dedicated his life to upholding the ideals upon which this country was founded."

Mr. Speaker, I am proud and honored to recognize on the House floor this fine citizen of the Third District of Tennessee.

□ 1815

COMMUNICATION FROM THE HONORABLE RICHARD BURR, MEMBER OF CONGRESS

The SPEAKER pro tempore (Mr. EVERETT) laid before the House the following communication from the Honorable RICHARD BURR, Member of Congress:

HOUSE OF REPRESENTATIVES,
Washington, DC, October 5, 1995.
Hon. NEWT GINGRICH,
219 Cannon,
Washington, DC.

DEAR MR. SPEAKER: This is to formally notify you pursuant to Rule L (50) of the Rules of the House that a member of my staff has been served with a subpoena issued by the United States District Court for the District of Columbia. This subpoena relates to his employment by a former Member of the House.

After consultation with the General counsel to the Clerk, I have determined that compliance with the subpoena is consistent with the privileges and precedents of the House.

Sincerely,
RICHARD BURR,
Member of Congress.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

HOUSE OF REPRESENTATIVES,
OFFICE OF THE CLERK,
Washington, DC, October 5, 1995.
Hon. NEWT GINGRICH,
Speaker, U.S. House of Representatives, Washington, DC.

DEAR MR. SPEAKER: This is to notify you pursuant to Rule L (50) of the Rules of the House I have been served with a subpoena issued by the United States District Court for the District of Columbia.

The General Counsel has determined that compliance with the subpoena is not inconsistent with the privileges and precedents of the House.

With warm regards,
Sincerely,
ROBIN H. CARLE,
Clerk.

COMMUNICATION FROM CHIEF ADMINISTRATIVE OFFICER OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from Scot M. Faulkner, Chief Administrative Officer of the House of Representatives:

HOUSE OF REPRESENTATIVES, OFFICE OF THE CHIEF ADMINISTRATIVE OFFICER,
Washington, DC, October 3, 1995.
Hon. NEWT GINGRICH,
Speaker, U.S. House of Representatives, Washington, DC.
Re Cantwell-Cleary Co., Inc. v. Professional Packaging Solutions, Inc.

DEAR MR. SPEAKER: This is to formally notify you pursuant to Rule L (50) of the Rules of the House that my Office has been served with a subpoena issued by the Circuit Court of Prince George's County, Maryland.

After consultation with the General Counsel, I have determined that compliance with the subpoena is consistent with the privileges and precedents of the House.

Sincerely,
SCOT M. FAULKNER,
Chief Administrative Officer.

COMMUNICATION FROM CHIEF ADMINISTRATIVE OFFICER OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from Scot M. Faulkner, Chief Adminstrative Officer of the House of Representatives:

HOUSE OF REPRESENTATIVES, OFFICE OF THE CHIEF ADMINISTRATIVE OFFICER,
Washington, DC, October 4, 1995.
Hon. NEWT GINGRICH,
Speaker, U.S. House of Representatives, Washington, DC.
Re Wright v. Wright

DEAR MR. SPEAKER: This is to formally notify you pursuant to Rule L (50) of the Rules of the House that my Office has been served with a subpoena issued by the Superior Court of the District of Columbia.

After consultation with the General Counsel, I have determined that compliance with the subpoena is consistent with the privileges and precedents of the House.

Sincerely,
SCOT M. FAULKNER,
Chief Administrative Officer.

COMMUNICATION FROM CHIEF ADMINISTRATIVE OFFICER OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from Scot M. Faulkner, Chief Adminstrative Officer of the House of Representatives:

HOUSE OF REPRESENTATIVES, OFFICE OF THE CHIEF ADMINISTRATIVE OFFICER,
Washington, DC, October 4, 1995.
Hon. NEWT GINGRICH,
Speaker, U.S. House of Representatives, Washington, DC.
Re Shafer-Tasso v. Henry and USAA Casualty Insurance Company

DEAR MR. SPEAKER: This is to formally notify you pursuant to Rule L (50) of the Rules of the House that my Office has been served with a subpoena issued by the Circuit Court, Fourth Judicial Circuit, of Duval County, Florida.

After consultation with the General Counsel, I have determined that compliance with the subpoena is consistent with the privileges and precedents of the House.

Sincerely,
SCOT M. FAULKNER,
Chief Administrative Officer.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. PALLONE) to revise and extend their remarks and include extraneous material:)

Mr. FALEOMAVAEGA, for 5 minutes, today.

Mr. PALLONE, for 5 minutes, today.

Mr. GIBBONS, for 5 minutes, today.

Mr. SKAGGS, for 5 minutes, today.

Ms. KAPTUR, for 5 minutes, today.

(The following Member (at the request of Mr. EVERETT) to revise and extend his remarks and include extraneous material:)

Mr. BALLENGER, for 5 minutes, on October 12.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. PALLONE) and to include extraneous matter:)

Mr. TORRICELLI.

Mr. LANTOS.

Mr. STOKES.

Mr. TORRES.

Mr. ACKERMAN.

Mr. KANJORSKI.

(The following Members (at the request of Mr. EVERETT) and to include extraneous matter:)

Mr. BAKER of California.

Mrs. MORELLA.

Mr. FUNDERBURK.

Mr. SMITH of New Jersey.

(The following Members (at the request of Mr. WAMP) and to include extraneous matter:)

Mr. VISCLOSKY.

Mr. MINETA.

Mr. RICHARDSON.

Mr. SHAW.

Mr. SHUSTER.

Mr. KANJORSKI.

ADJOURNMENT

Mr. WAMP. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 20 minutes p.m.), under its previous order, the House adjourned until tomorrow, Wednesday, October 11, 1995, at 8 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1495. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report involving United States exports to Pakistan, pursuant to 12 U.S.C. 635(b)(3)(i); to the Committee on Banking and Financial Services.

1496. A letter from the Director, Defense Security Assistance Agency, transmitting notification concerning the Department of the Air Force's proposed Letter(s) of Offer and Acceptance [LOA] to Korea for defense articles and services (Transmittal No. 96-02), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

1497. A letter from the Director, Defense Security Assistance Agency, transmitting notification concerning the Department of the Air Force's proposed Letter(s) of Offer and Acceptance [LOA] to Saudi Arabia for defense articles and services (Transmittal No. 96-03), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

1498. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting a report to Congress on South Africa's status as an adherent to the Missile Technology Control Regime [MTCR], pursuant to 22 U.S.C. 2797b-1; to the Committee on International Relations.

1499. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on International Relations.

1500. A letter from the Chief, Retirement Branch, Department of the Air Force, transmitting the annual report for the Air Force nonappropriated fund retirement plan for the plan year ending September 30, 1994, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Reform and Oversight.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Ms. DUNN of Washington (for herself, Mr. Shaw, Mr. Blute, Mr. Ehlers, Mr. Knollenberg, Mr. Torkildsen, and Mr. LaTourette):

H.R. 2452. A bill to amend the Internal Revenue Code of 1986 to provide for the treatment of excess benefit arrangements of certain tax-exempt group medical practices, and for other purposes; to the Committee on Ways and Means.

By Mr. FRANK of Massachusetts:

H.R. 2453. A bill to amend title 18, United States Code, to increase speedy trial time limits; to the Committee on the Judiciary.

By Mr. THORNBERRY:

H.R. 2454. A bill to eliminate automatic pay adjustments for Members of Congress; to the Committee on House Oversight, and in addition to the Committee on Government Reform and Oversight, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

H.R. 2455. A bill to require that travel awards that accrue by reason of official travel of a Member, officer, or employee of the Senate or House of Representatives be used only for official travel or transferred to a qualified non-profit organization; to the Committee on House Oversight, and in addition to the Committee on Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

H.R. 2456. A bill to amend title 5, United States Code, to limit the number of years that a Member of Congress may participate in either the Civil Service Retirement System or the Federal Employees' Retirement System; to the Committee on House Oversight, and in addition to the Committee on Government Reform and Oversight, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. JONES introduced a bill (H.R. 2457) to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Exuberance*; which was referred to the Committee on Transportation and Infrastructure.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 156: Mr. Ehlers and Mr. Riggs.

H.R. 244: Ms. DeLauro and Mr. Doyle.

H.R. 393: Mr. Souder.

H.R. 528: Mr. Tejeda, Mr. LaTourette, Mr. Poshard, Mr. Faleomavaega, and Mr. McHale.

H.R. 540: Mr. Engel and Mr. Quinn.

H.R. 721: Mr. Torricelli.

H.R. 911: Mr. Camp, Mr. Young of Alaska, Mrs. Thurman, Mr. Kolbe, Mr. McDade, Mr. Goodlatte, Mr. Goss, Mr. Walker, and Mr. Rogers.

H.R. 969: Ms. Rivers and Ms. Lofgren.

H.R. 1083: Mr. Andrews.

H.R. 1201: Ms. McKinney, Mr. Hastings of Florida, Mr. Mineta, Mr. Nadler, and Mr. Foglietta.

H.R. 1202: Mr. Dixon, Mrs. Meyers of Kansas, Mr. Skaggs, and Mr. Zimmer.

H.R. 1226: Mr. Pickett, Mr. Burton of Indiana, and Mr. McCollum.

H.R. 1521: Mr. Foglietta and Ms. Roybal-Allard.

H.R. 1733: Mr. Ney, Ms. Lofgren, and Mr. Richardson.

H.R. 1846: Ms. Furse, Mr. Shays, and Mr. Stark.

H.R. 1930: Mr. Richardson.

H.R. 1968: Mr. Ehlers.

H.R. 2027: Mr. Dellums and Mr. Cramer.

H.R. 2090: Mr. Doyle and Mr. Blute.

H.R. 2098: Mr. Neumann, Mr. Bartlett of Maryland, and Mr. Bereuter.

H.R. 2169: Mr. Hamilton.

H.R. 2181: Ms. Roybal-Allard.

H.R. 2193: Mr. DeFazio, Mr. Bunn of Oregon, Mr. Fazio of California, and Mr. Cunningham.

H.R. 2268: Mr. Leach and Mr. Ganske.

H.R. 2270: Mr. Crapo, Mr. Kolbe, Mr. Chabot, Mr. Hoekstra, and Mr. Stockman.

H.R. 2306: Mr. Wynn.

H.R. 2326: Mr. Davis, Mr. Skeen, Mr. Fattah, Mr. Clement, Mrs. Morella, and Mr. Martini.

H.R. 2341: Mr. Skeen and Mr. Hoke.

H.R. 2367: Mr. Hutchinson and Mr. Duncan.

H.R. 2411: Mr. Lucas, Mrs. Clayton, Mr. McHugh, and Mr. Ehlers.

H.R. 2422: Mr. Clay, Mr. Miller of California, Ms. Jackson-Lee, Mr. Frazer, Mr. Wise, and Mr. Rangel.

H.J. Res. 70: Mrs. Thurman.

H. Con. Res. 50: Mr. Oberstar, Mr. Jacobs, Mr. Brown of Ohio, and Mr. Matsui.

H. Res. 118: Mr. Mineta, Mr. Hoyer, Mrs. Meyers of Kansas, and Mr. Foglietta.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

44. The SPEAKER presented a petition of Gregory D. Watson, Austin, TX, relative to bringing to the attention of the U.S. House of Representatives a joint resolution adopted by both chambers of the Legislature of the State of Alabama in the year 1959 memorializing the Congress to call a convention to consider and submit an amendment to the U.S. Constitution to delegate to the several States the power to establish and maintain exclusive control of public education within their respective boundaries; which was referred to the Committee on the Judiciary.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 2405

Offered By: Mr. Cramer

Amendment No. 1: Page 108, line 9, through page 109, line 4, amend subsection (g) to read as follows:

(g) Weather Service Modernization.—Title VII of the National Oceanic and Atmospheric Administration Authorization Act of 1992 is amended—

(1) in section 706—

(A) by amending subsection (b)(6) to read as follows:

"(6) any recommendations of the Committee submitted under section 707(c) that evaluate the certification.";

(B) by striking "60-day" in subsection (c)(2) and inserting in lieu thereof "30-day";

(C) by amending subsection (d) to read as follows:

"(d) Final Decision.—If the Secretary decides to close, consolidate, automate, or relocate any such field office, the Secretary shall publish the certification in the Federal Register and submit the certification to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science of the House of Representatives."; and

(D) by amending subsection (f) to read as follows:

"(f) Transition Program.—The Secretary shall maintain for a period of at least two years after the closure of any weather office a program to—

"(1) provide timely information regarding the activities of the National Weather Service which may affect service to the community, including modernization and restructuring; and

"(2) work with area weather service users, including persons associated with general aviation, civil defense, emergency preparedness, and the news media, with respect to the provision of timely weather warnings and forecasts."; and

(2) by amending section 707(c) to read as follows:

"(c) Duties.—The Committee may review any certification under section 706 for which the Secretary has provided a notice of intent to certify in the plan, including any certification for which there is a significant potential for degradation of service within the affected area. Upon the request of the Committee, the Secretary shall make available to the Committee the supporting documents developed by the Secretary in connection with the certification. The Committee shall evaluate any certification reviewed on the basis of the modernization criteria and with respect to the requirement that there be no degradation of service, and advise the Secretary accordingly.".

H.R. 2405

Offered By: Mr. Doyle

Amendment No. 2: Page 90, line 16, strike "$49,955,000" and insert in lieu thereof "$121,265,000".

Page 90, line 17, strike "$43,234,000" and insert in lieu thereof "$55,714,000".

Page 90, line 20, strike "$59,829,000" and insert in lieu thereof "$112,186,000".

Page 90, line 22, strike "$45,535,000" and insert in lieu thereof "$66,597,000".

Page 90, line 23, strike "$476,000" and insert in lieu thereof "$1,701,000".

Page 91, line 3, strike "$1,994,000" and insert in lieu thereof "$2,304,000".

Page 91, line 5, strike "$7,557,000" and insert in lieu thereof "$6,295,000".

Page 91, line 7, strike "$12,370,000" and insert in lieu thereof "$14,919,000".

Page 91, after line 7, insert the following new paragraph:

(9) Fuels Conversion, Natural Gas, and Electricity, $2,687,000.

Page 91, line 13, strike "$55,074,000" and inset in lieu thereof "$88,645,000".

Page 91, line 14, strike "$55,110,000" and insert in lieu thereof "$109,518,000".

Page 91, line 15, strike "$112,123,000" and insert in lieu thereof "$176,568,000".

Page 91, line 17, strike "$17,813,000" and inset in lieu thereof "$31,600,000".

H.R. 2405

OFFERED BY: MR. DOYLE

AMENDMENT NO. 3: Page 104, after line 5, insert the following new section:

SEC. 313. CHANGE IN FUNCTION.

Nothing in this Act requires any change in function for facilities under the Naval Nuclear Propulsion Program.

Page 3, after the item in the table of contents relating to section 312, insert the following:

"Sec. 313. Change in function.".

H.R. 2405

OFFERED BY: MS. DUNN OF WASHINGTON

AMENDMENT NO. 4: Page 29, line 18, insert ", of which at least $2,000,000 is reserved for research and early detection systems for breast and ovarian cancer and other women's health issues" after "$293,200,000".

H.R. 2405

OFFERED BY: MR. HOKE

AMENDMENT NO. 5: Page 76, line 1, through page 77, line 9, amend section 252 to read as follows:

SEC. 252. FEASIBILITY OF PRIVATIZATION OF MICROGRAVITY PARABOLIC FLIGHT OPERATIONS.

(a) REPORT TO CONGRESS.—The President, within 180 days after the date of enactment of this Act, shall transmit a report to the Congress on the feasibility of privatizing all parabolic flight aircraft operations conducted by or for the National Aeronautics and Space Administration in support of microgravity research, astronaut training, and other functions, through issuance of one or more long-term, renewable, block purchase contracts for the performance of such operations by United States private sector providers.

(b) AUTHORITY TO CARRY OUT PRIVATIZATION.—Upon the expiration of 90 days after the transmittal of a report under subsection (a), the President may carry out the privatization of microgravity parabolic flight operations as described in subsection (a).

Page 3, amend the item in the table of contents relating to section 252 to read as follows:

"Sec. 252. Feasibility of privatization of microgravity parabolic flight operations.".

H.R. 2405

OFFERED BY: MR. HOKE

AMENDMENT NO. 6: Page 76, line 1, through page 77, line 9, strike section 252.

Page 77, line 10, page 78, lines 1 and 11, and page 79, line 1, redesignate sections 253 through 256 as sections 252 through 255, respectively.

Page 3, amend the table of contents for subtitle C of title II accordingly.

H.R. 2405

OFFERED BY: MS. JACKSON-LEE

AMENDMENT NO. 7: Page 32, following line 5, insert the following new paragraph:

(8) For High-Performance Computing and Communications, in addition to amounts authorized by paragraph (5), $35,000,000, of which $22,000,000 shall be available for Information Infrastructure Technology and Applications.

H.R. 2405

OFFERED BY: MR. KENNEDY OF MASSACHUSETTS

AMENDMENT NO. 8: Page 133, line 5, insert "or" after "Technology Initiative,".

Page 133, lines 6 and 7, strike "; or" and all that follows through "pollution research".

H.R. 2405

OFFERED BY: MR. KLECZKA

AMENDMENT NO. 9: Page 90, lines 17 through 19, strike ", including" and all that follows through "Energy Research".

H.R. 2405

OFFERED BY: MS. LOFGREN

AMENDMENT NO. 10: On page 110, after line 5 insert the following new sub-section:

"(d) Nothing in this Act shall preclude or inhibit the National Oceanic and Atmospheric Administration from carrying out studies of long term climate and global change."

H.R. 2405

OFFERED BY: MS. LOFGREN

AMENDMENT NO. 11: On page 133, line 6, strike "(B) the Climate Change Action Plan;" and renumber accordingly.

H.R. 2405

OFFERED BY: MR. PALLONE

AMENDMENT NO. 12: At the end of title IV (page 129, after line 9), add the following new subtitle (and amend the table of contents in section 1 accordingly):

Subtitle F—Reauthorization of Coastal Zone Management Act of 1972

SEC. 461. SHORT TITLE.

This subtitle may be cited as the "Coastal Zone Management Reauthorization Act of 1995".

SEC. 462. EXTENSION OF FINANCIAL ASSISTANCE FOR DEVELOPMENT OF STATE COASTAL PROGRAMS.

Section 305(a) of the Coastal Zone Management Act of 1972 (16 U.S.C. 1454(a)) is amended—

(1) by striking "1991, 1992, and 1993" and inserting "1996, 1997, 1998, and 1999"; and

(2) by striking "two" and inserting "four".

SEC. 463. IMPLEMENTATION ASSISTANCE FOR COASTAL ZONE ENHANCEMENT.

Section 309(b) of that Act (16 U.S.C. 1456b(b)) is amended—

(1) by inserting "(1)" before "Subject to"; and

(2) by adding at the end the following new paragraph:

"(2)(A) Following the approval of program changes by the Secretary in accordance with section 306(e) and subject to the availability of appropriations, the Secretary may make grants under this subsection to States for implementing the changes.

"(B) Grants may be made under this paragraph to implement a program change only in the first 2 full fiscal years following the approval of the change by the Secretary.".

SEC. 464. RESEARCH ACTIVITIES OUTSIDE OF NATIONAL ESTUARINE RESEARCH RESERVE BOUNDARIES.

Section 315(e) of that Act (16 U.S.C. 1461(e)) is amended by adding at the end the following new paragraph:

"(4) Financial assistance under paragraph (1)(B) for research may be used for research activities conducted outside the boundaries of a national estuarine reserve if such activities support research conducted within the boundaries of the reserve.".

SEC. 465. AUTHORIZATION OF APPROPRIATIONS.

(a) STATE PROGRAM DEVELOPMENT GRANTS.—Section 318(a)(1) of that Act (16 U.S.C. 1464(a)(1)) is amended to read as follows:

"(1) for grants under section 305, to remain available until expended, $750,000 for each of the fiscal years 1996, 1997, 1998, 1999, 2000, 2001, and 2002;".

(b) ADMINISTRATIVE, RESOURCE MANAGEMENT, AND COASTAL ZONE ENHANCEMENT GRANTS.—Section 318(a)(2) of such Act (16 U.S.C. 1464(a)(2)) is amended to read as follows:

"(2) for grants under sections 306, 306A, and 309, to remain available until expended—

"(A) $64,064,000 for fiscal year 1996;

"(B) $65,583,000 for fiscal year 1997;

"(C) $70,493,000 for fiscal year 1998;

"(D) $73,312,000 for fiscal year 1999; and

"(E) $76,244,000 for each of the fiscal years 2000, 2001, and 2002;".

(c) NATIONAL ESTUARINE RESERVE GRANTS.—Section 318(a)(3) of such Act (16 U.S.C. 1464(a)(3)) is amended to read as follows:

"(3) for grants under section 315, to remain available until expended—

"(A) $7,148,000 for fiscal year 1996;

"(B) $7,286,000 for fiscal year 1997;

"(C) $7,394,000 for fiscal year 1998;

"(D) $7,519,000 for fiscal year 1999; and

"(E) $7,644,000 for each of the fiscal years 2000, 2001, and 2002;".

(d) TECHNICAL ASSISTANCE AND ADMINISTRATIVE EXPENSES.—Section 318(a)(4) of such Act (16 U.S.C. 1464(a)(4)) is amended to read as follows:

"(4) for activities under section 310 and for administrative expenses incident to the administration of this title, to remain available until expended, $10,000,000 for each of the fiscal years 1996, 1997, 1998, 1999, 2000, 2001, and 2002."

H.R. 2405

OFFERED BY: MR. ROEMER

AMENDMENT NO. 13: Page 104, after line 5, insert the following new section:

SEC. 313. LABORATORIES EFFICIENCY IMPROVEMENT.

(a) ELIMINATION OF SELF-REGULATION.—Notwithstanding any other provision of law, the Department shall not be the agency of implementation, with respect to departmental laboratories, other than departmental defense laboratories, of Federal, State, and local environmental, safety, and health rules, regulations, orders, and standards.

(b) PERSONNEL REDUCTIONS.—

(1) REQUIREMENTS.—The aggregate number of individuals employed at all government-owned, contractor-operated departmental laboratories, other than departmental defense laboratories, shall be reduced, within 5 years after the date of the enactment of this Act, by at least one-third from the number so employed as of such date of enactment. At least 3 percent of such reduction shall be accomplished within 1 year, at least 6 percent within 18 months, at least 10 percent within 2 years, and at least 15 percent within 30 months.

(2) OBJECTIVES.—The Secretary shall ensure that the personnel reductions required by paragraph (1) are made consistent with, to the extent feasible, the following objectives:

(A) Termination of departmental laboratory research and development facilities that are not the most advanced and the most relevant to the programmatic objectives of the Department, when compared with other facilities in the United States.

(B) Termination of facilities that provide research opportunities duplicating those afforded by other facilities in the United States, or in foreign countries when United States scientists are provided access to such facilities to the extent necessary to accomplish the programmatic objectives of the Department.

(C) Relocation and consolidation of departmental laboratory research and development activities, consistent with the programmatic objectives of the Department, within laboratories with major facilities or demonstrable concentrations of expertise appropriate for performing such research and development activities.

(D) Reduction of management inefficiencies within the Department and the departmental laboratories.

(E) Reduction of physical infrastructure needs.

(F) Utilization of other resources for performing Department of Energy funded research and development activities, including universities, industrial laboratories, and others.

(c) REPORTS TO CONGRESS.—

(1) INITIAL REPORT.—Within 1 year after the date of the enactment of this Act, the Secretary shall transmit a report to the Congress that—

(A) identifies the extent to which Department and departmental laboratory staffs have been reduced as a result of the implementation of subsection (a) of this section; and

(B) explains the extent to which reductions required by subsection (b)(1) have been made consistent with the objectives set forth in subsection (b)(2).

(2) ANNUAL REPORTS.—The Secretary shall transmit to the Congress, along with each of the President's annual budget submissions occurring—

(A) after the report under paragraph (1) is transmitted; and

(B) before the full personnel reduction requirement under subsection (b) is accomplished, a report containing the explanation described in paragraph (1)(B) of this subsection.

(d) DEFINITIONS.—For purposes of this section—

(1) the term "departmental laboratory" means a Federal laboratory, or any other laboratory or facility designated by the Secretary, operated by or on behalf of the Department;

(2) the term "departmental defense laboratories" means the Lawrence Livermore National Laboratory, the Los Alamos National Laboratory, and the Sandia National Laboratories;

(3) the term "Federal laboratory" has the meaning given the term "laboratory" in section 12(d)(2) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710a(d)(2)); and

(4) the term "programmatic objectives of the Department" means the goals and milestones of the Department, as set forth in departmental strategic planning documents and the President's annual budget requests.

Page 3, after the item in the table of contents relating to section 312, insert the following:

"Sec. 313. Laboratories efficiency improvement.".

H.R. 2405

OFFERED BY: MR. THORNBERRY

AMENDMENT NO. 14: Page 108, line 9, through page 109, line 4, amend subsection (g) to read as follows:

(g) STREAMLINING WEATHER SERVICE MODERNIZATION.—

(1) RESTRUCTURING FIELD OFFICES.—Section 706 of the Weather Service Modernization Act (15 U.S.C. 313 note) is amended—

(A) by amending subsection (a) to read as follows:

"(a) PROHIBITION.—The Secretary shall not close, pursuant to implementation of the Strategic Plan, before January 1, 1996, any field office associated with the areas identified in the National Research Council report entitled 'Assessment of NEXRAD Coverage and Associated Weather Services' as areas where there appears to be a potential for degraded radar-detection coverage with the new system. These areas include—

"(1) northern Alabama, northern Indiana, northwestern North Dakota, northwestern Pennsylvania, and southeastern Tennessee;

"(2) Yuma, Arizona, Key West, Florida, Caribou, Maine, and Cedar City, Utah; and

"(3) all areas served by Department of Defense NEXRADs.";

(B) in subsection (b)—

(i) by inserting "described in subsection (a)" after "relocate any field office";

(ii) by striking "any State" in paragraph (4) and inserting in lieu thereof "areas described in subsection (a)"; and

(iii) by amending paragraph (6) to read as follows:

"(6) a description of the adequacy of communications within the next generation radar network and with users.";

(C) by striking "60-day" in subsection (c)(2) and inserting in lieu thereof "30-day"; and

(D) by striking subsections (e) and (f).

(2) REPEAL.—Section 707 of the Weather Service Modernization Act (15 U.S.C. 313 note) is repealed.

H.R. 2405

OFFERED BY: MR. THORNBERRY

AMENDMENT NO. 15: Page 109, after line 4, insert the following new subsection:

(h) NEXRAD TRANSFER.—There are transferred from the Department of Defense to the National Oceanic and Atmospheric Administration the responsibility for operating and administering all NEXRAD facilities operated before the date of the enactment of this Act by the Department of Defense.

H.R. 2405

OFFERED BY: MR. TRAFICANT

AMENDMENT NO. 16: Page 79, after line 16, insert the following new section:

SEC. 257. USE OF ABANDONED AND UNDERUTILIZED BUILDINGS, GROUNDS, AND FACILITIES.

(a) IN GENERAL.—In meeting the needs of the National Aeronautics and Space Administration for additional facilities, the Administrator shall select abandoned and underutilized buildings, grounds, and facilities in depressed communities that can be converted to National Aeronautics and Space Administration facilities at a reasonable cost, as determined by the Administrator.

(b) DEFINITIONS.—For purposes of this section, the term "depressed communities" means rural and urban communities that are relatively depressed, in terms of age of housing, extend of poverty, growth of per capital income, extent of unemployment, job lag, or surplus labor.

Page 3, after the item in the table of contents relating to section 256, insert the following:

Sec. 257. Use of abandoned and underutilized buildings, grounds and facilities.

H.R. 2405

OFFERED BY: MR. TRAFICANT

AMENDMENT NO. 17: Page 152, after line 19, insert the following new title:

TITLE VIII—BUY AMERICAN

SEC. 801. BUY AMERICAN.

(a) COMPLIANCE WITH BUY AMERICAN ACT.—No funds appropriated pursuant to this Act may be expended by an entity unless the entity agrees that in expending the assistance the entity will comply with sections 2 through 4 of the Act of March 3, 1933 (41 U.S.C. 10a–10c, popularly known as the "Buy American Act").

(b) SENSE OF CONGRESS.—In the case of any equipment or products that may be authorized to be purchased with financial assistance provided under this Act, it is the sense of Congress that entities receiving such assistance should, in expending the assistance, purchase only American-made equipment and products.

Page 4, after the items in the table of contents relating to title VII, insert the following:

TITLE VIII—BUY AMERICAN

Sec. 801. Buy American.

H.R. 2405

OFFERED BY: MR. WARD

AMENDMENT NO. 18: Page 91, after line 17, insert the following new subsection:

(e) SONOLUMINESCENCE.—Nothing in this Act requires any minimum expenditure for research and development on sonoluminescence.

H.R. 2405

OFFERED BY: MR. YOUNG OF ALASKA

AMENDMENT NO. 19: Page 79, after line 16, insert the following new section:

SEC. 257. CLARIFICATION OF MAJOR FEDERAL ACTION.

The licensing of a launch vehicle or launch site operator by the Secretary of Transportation and any amendment, extension, or renewal thereof, shall not be considered a major Federal action significantly affecting the quality of the human environment for purposes of section 102 of the National Environmental Policy Act of 1969 (42 U.S.C. 4332).

Page 3, in the table of contents for subtitle C of title II, insert the following after the item relating to section 256:

"Sec. 257. Clarification of major Federal action.".

H.R. 2405

OFFERED BY: MR. YOUNG OF ALASKA

AMENDMENT NO. 20: Beginning on page 112, line 10, strike Subtitle B of title IV of the bill.

H.R. 2405

OFFERED BY: MR. YOUNG OF ALASKA

AMENDMENT NO. 21: Page 114, line 19, strike "(a) MARINE PREDICTION RESEARCH.—".

Page 115, strike lines 1 through 17.

Page 121, strike line 16 (and redesignate the subsequent paragraphs accordingly).

Page 122, strike lines 10 through 21 (and redesignate the subsequent subsection accordingly).

H.R. 2405

OFFERED BY: MR. YOUNG OF ALASKA

AMENDMENT NO. 22: On page 123, strike lines 1 through 18.

H.R. 2405

OFFERED BY: MR. YOUNG OF ALASKA

AMENDMENT NO. 23: Page 123, strike lines 2 through 7 (and redesignate the subsequent subsections accordingly).

Page 123, beginning at line 10, strike "or any other Act".

Page 123, line 12, strike "all".

H.R. 2405

OFFERED BY: MR. YOUNG OF ALASKA

AMENDMENT NO. 24: Strike title IV of the bill.

SENATE—*Tuesday, October 10, 1995*

The Senate met at 9:15 a.m., and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

We pray with the Psalmist, "Show me Your ways, O Lord; teach me Your paths. Lead me in Your truth and teach me, for You are the God of my salvation; on You I wait all the day."—Psalm 25:4-5.

Almighty God, we praise You for Your guidance. As we begin the work of this Senate today, we acknowledge again our total dependence on You. Revelation of Your truth comes in relationship with You; Your inspiration is given when we are illuminated with Your spirit. Therefore, we prepare for the decisive decisions of this day by opening our minds to the inflow of Your spirit. You know what is ahead today. Crucial issues confront us. Votes will be cast and aspects of the future of our Nation will be shaped by what is decided.

We praise You Lord, that when this day comes to an end we will have the deep inner peace of knowing that You heard and answered this prayer for guidance.

As a caring community we reach out to Senator WILLIAM COHEN and ask that You give him Your comfort and strength now at the time of the death of his father, Rubin Cohen. Grant him Your peace. In the name of our Lord. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The able majority leader, Senator DOLE, is recognized.

Mr. DOLE. I thank the President pro tempore.

SCHEDULE

Mr. DOLE. I would just indicate to my colleagues that we will have morning business until the hour of 9:30 this morning. At 9:30 we begin consideration of S. 143, a bill that consolidates Federal employment training programs. We had a time agreement reached on this bill on September 15 allowing 15 amendments to the bill.

There will be no votes prior to 2:15 today. However, rollcall votes can be expected on or in relation to amendments to S. 143 from 2:15 on throughout the day.

Between 11:30 and 12:30 this morning, there will be a period for morning business with time controlled by Senators HUTCHISON and NUNN, and then, as customary, we will recess from 12:30 to 2:15 for weekly policy conferences.

MORNING BUSINESS

The PRESIDING OFFICER (Mr. GRAMS). Under the previous order, there will now be a period for the transaction of morning business.

The Senator from Alabama.

RETIREMENT OF SENATOR NUNN

Mr. HEFLIN. Mr. President, I rise to pay tribute to a great U.S. Senator, Senator SAM NUNN. After 23 years, it is difficult to envision a U.S. Senate without our esteemed colleague from Georgia. There is no doubt that had he run again in 1996, he could have won and won easily. Had he decided to stay, he would have remained the most influential Senator on defense and one of the most effective conservative Democrats overall.

Senator SAM NUNN's intellectual depth on defense and national security matters is unparalleled in this body. He has been a staunch and unyielding proponent of a strong national defense and has demonstrated a keen interest in the wide breadth of defense issues.

His thoughtfulness and dedication to what he thinks is best gives him an extraordinary amount of credibility that the Senate will sorely miss when he leaves. On many occasions he has been mentioned as a possible nominee for Secretary of Defense, Secretary of State, or even as President of the United States.

Although SAM NUNN is best known as an authority on defense issues, he has played a prominent role on other major issues as well. He is well known for his indepth knowledge of foreign affairs. His voice on human rights and civil rights has always evidenced a progression and sensitivity in seeking solutions. He is a prominent member of the Governmental Affairs Committee where he held hearings on wrongdoings in many areas and recently pertaining to some in the health insurance industry.

Having come from a farming family, he has fought for sound agricultural policy and has been a champion of the often misunderstood cotton and peanut programs. He has been a major moderating influence on our party through his work on the Democratic Leadership Council. He has fought long and hard for a balanced budget and believes in the constitutional amendment requiring the same.

His great-uncle, Carl Vinson, served for 50 years in the House of Representatives chairing the Naval Affairs and the Armed Services Committee. Recently in Honolulu, as we were celebrating the 50th anniversary of V-J Day, the end of World War II, we had various ceremonies on the aircraft carrier named for his great-uncle, *Carl Vinson*.

The seat which he now occupies was held for nearly 40 years by the late Richard Russell, who is a revered Senator and who also served as a chairman of the Armed Services Committee. Since he came to the Armed Services Committee in the 1970's, Senator NUNN has backed a strong national defense. No one in the Senate did more to bring about the breakup of the Communist regimes in the old Soviet Union. He has also attended to the details of defense policy, at one time chairing the Manpower Subcommittee in helping to shape the Reserve Force structure and callup procedures that allowed the United States to respond quickly to Saddam Hussein's aggression in the summer and fall of 1990.

He also worked on the Goldwater-Nichols Defense Reorganization Act of 1986, which simplified the military chain of command and granted considerable power to the Chairman of the Joint Chiefs of Staff.

In my judgment, SAM NUNN will go down as one of the giants of the Senate. His leadership and foresight will be missed here, but I am confident that we will enjoy those same qualities through other avenues that Senator NUNN undertakes and other projects that he tackles during the years to come.

Mr. President, I yield the floor.

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, I rise today to express my profound sorrow upon hearing the announcement by the senior Senator from Georgia, my close and trusted friend, SAM NUNN, that he will not run for another term in 1996. His departure at the end of this Congress will surely mark a point of great loss to this body. I truly believe our future collective efforts will be notably diminished by his absence.

I recall very clearly when Senator NUNN first joined the Senate in 1973. It was evident to me from the outset that he was a man of integrity, ability, and dedication, and that he would maintain the highest standards for both his personal conduct and the quality of his work. He was appointed to serve on the Committee on Armed Services when Congress convened in 1973, and in 1974 he was named chairman of the ad hoc

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Subcommittee on Manpower and Personnel. In 1975, when the Subcommittee Manpower and Personnel was actually formed, he was named its chairman and he served in that capacity for 6 years, until 1981. In 1983, 10 years after he joined the Committee on Armed Services, he became the ranking minority member until 1987, when he became the chairman of the committee. He served with great distinction in that capacity for 8 years, and during that time he earned the respect of leaders around the globe for his wisdom, statesmanship, and insight.

Among his many accomplishments in the Senate, there are two which particularly stand out. First is the Nunn-Lugar program of reducing the possibility of nuclear war by actually removing nuclear weapons. This initiative has been carried out in a manner which promotes mutual trust and respect between the United States and Russia, and its consequences have reached far beyond simply dismantling weapons. Second is the manner in which Senator NUNN guided the legislative program during the turbulent post-cold-war drawdown of the Armed Forces. His highly skillful work, both inside and outside the Congress, ensured our Armed Forces would remain as strong and viable as possible.

I believe history will note what all of us here already know, that Senator NUNN led the Committee on Armed Services and guided the national agenda on defense matters through some of our most challenging periods with exceptional skill, courage, and wisdom. His high standards of excellence, his ability to view an issue from all relevant angles and perspectives and analyze problems across all different levels, combined with his high intelligence and strong leadership skills, have resulted in a wisdom of effort which has benefited the entire Nation.

We have heard many hours of debate in this Chamber about defense and national security matters. All too often that debate has focused on very narrow aspects of the issues, and the major points of the larger issue are easily lost. Senator NUNN has a well-earned reputation for returning our debate to the larger, principal issue and pointing out the implications of various courses of action. He has been able to illustrate how defense is only one element of national security, and how national security is only one element of national policy. Senator NUNN's ability to recognize the primary issue and guide the process to a meaningful conclusion have served our Nation and this body very well these past 23 years.

Throughout his 27-year career in political life, Senator NUNN has exemplified strong, selfless devotion to duty to our Nation and its citizens. He represented his constituents well and faithfully, and remained mindful of the national interest. He well deserves his reputation as a figure of high international stature. We will remember him as a man of dignity and high purpose.

Mr. President, our Nation owes Senator NUNN its deepest appreciation for his truly distinguished service. I am pleased that he intends to remain engaged in public policy matters, and I wish him and his wife, Colleen, continued success and happiness in all future endeavors.

Mr. President, I yield the floor.

THE RETIREMENT OF SENATOR NUNN

Ms. MIKULSKI. Mr. President, I was saddened to learn that Senator NUNN will retire from the Senate at the end of his fourth term, and I rise to salute him for his great contributions to the Senate, to the citizens of Georgia, and to the United States.

I know that many of my colleagues have already spoken eloquently about Senator NUNN and his accomplishments. But I wanted to express my gratitude for what Senator NUNN has meant to me, to our national security, and to the creation of an opportunity structure for the young people of this country.

For me, Senator NUNN serves as a model for commitment and patriotism. Senator NUNN has worked to ensure that while we downsize our military, we do not downgrade our military. He realizes that national security is too important to become politicized. He believes that a strong defense is not a Republican position or a Democratic position—it is a necessity for the world's only superpower.

This commitment has yielded tangible results. Both as chairman and as ranking member of the Armed Services Committee, Senator NUNN has worked to improve the quality and morale of our troops, and to ensure that we continue to have the best trained, best equipped military in the world.

And finally Mr. President, while we have all focused on Senator NUNN's contribution to our national security, he has also made a great contribution to creating an opportunity structure for our Nation's youth. He is one of the early pioneers of national service. Long before it became a hot political issue, he understood how national service could create an ethic of service in our country. He fought to enable young people to make an investment through their own sweat equity in themselves and their communities. I know that he will continue this fight after he leaves the Senate.

Mr. President, we will miss Senator NUNN in the Senate. But I know that he will continue his contributions to improving the lives of Americans and to improve America's standing in the world.

HUGO PRINCZ

Mr. LIEBERMAN. Mr. President, nearly 2 years ago, it was my privilege to meet with Mr. Hugo Princz in my office. He told me how he and his family had been victimized by Nazi brutality and disregard for international laws and civilized norms; how his family's American passports were ignored in 1942 by German officials and they were sent to death camps; how his entire family was exterminated simply because they were Jewish as were so many other Jews during those dark days of the Holocaust; and how fate intervened in the closing days of World War II and American soldiers intercepted and liberated the prison train which was taking him to his death.

I was saddened by the horrors he had suffered and endured and by the losses he had sustained. But just as powerful as the sorrow I felt for him was the outrage I felt at the brutality he was still enduring from the legalistic folly being perpetuated by the German Government which refused to resolve his claims for fair reparations. Since Mr. Princz was rescued by American forces and was not processed through a center for displaced persons, the German government argued, he was not a stateless person eligible for the reparations which Germany agreed to pay to Holocaust survivors in the 1960's. Despite repeated attempts to get the German Government to recognize the validity of his claim, Hugo Princz was denied the remedy he was entitled to by common decency and conscience if not by the letter of German law.

But Hugo Princz did not survive the horrors of Maidanek, Auschwitz, and Dachau by being a quitter. He persisted in his claims against Germany, eventually suing in Federal district court in 1992. Still the years passed with no relief. But Hugo Princz never gave up hope. His goal was not monetary compensation; rather, it was the justice which he and his family had been denied since the early days of 1942. Finally, on September 18, 1995, Hugo Princz was offered and accepted a settlement by the Federal Republic of Germany. Fifty years after the end of World War II, 50 years after his family was torn apart with all but Hugo going to their deaths, finally, after 50 more years of being denied justice, this courageous American who has demonstrated the patience of Job received what should have been given so long ago. The settlement which Hugo was offered is not adequate compensation for what he has endured; it is a victory of the spirit not the accountant's ledger. It was too long in coming and too difficult to achieve. But it is a victory for Hugo Princz; for his courage, his persistence, his faith, and his memories.

Each of us who have been touched by Hugo Princz have been enriched by the contact. I hope that these recent events will bring to him at long last the peace which he has been denied all these years. I wish Hugo, his wife, Delores, and his children, Giselle, Howard, and Cheryl, all the peace and joy they so richly deserve and have waited so long to enjoy.

THE BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, the skyrocketing Federal debt, now about $25 billion short of $5 trillion, has been fueled for a generation by bureaucratic hot air; it is sort of like the weather, everybody has talked about it but almost nobody did much about it. That attitude began to change immediately after the elections in November 1994.

When the new 104th Congress convened this past January, the U.S. House of Representatives quickly approved a balanced budget amendment to the U.S. Constitution. On the Senate side, all but one of the 54 Republican Senators supported the balanced budget amendment.

That was the good news. The bad news was that only 13 Democrat Senators supported it, and that killed the balanced budget amendment for the time being. Since a two-thirds vote—67 Senators, if all Senators are present—is necessary to approve a constitutional amendment, the proposed Senate amendment failed by one vote. There will be another vote during the 104th Congress.

Here is today's bad debt boxscore:

As of the close of business Friday, October 6, the Federal debt—down to the penny—stood at exactly $4,974,778,210,422.20 or $18,884.34 for every man, woman, and child on a per capita basis.

The PRESIDING OFFICER. Is there further morning business?

The Chair, in its capacity as a Senator from Minnesota, suggests the absence of a quorum.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mrs. KASSEBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. KASSEBAUM. Mr. President, what is the order of business at this point?

MEASURE READ FOR THE SECOND TIME—H.R. 927

The PRESIDING OFFICER. The clerk will read the bill for a second time.

The assistant legislative clerk read as follows:

A bill (H.R. 927) to seek international sanctions against the Castro government in Cuba, to plan for support of a transition government leading to a democratically elected government in Cuba, and for other purposes.

The PRESIDING OFFICER. Is there objection to further proceedings under the bill?

Mrs. KASSEBAUM. I object.

The PRESIDING OFFICER. Objection is heard.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is now closed.

WORKFORCE DEVELOPMENT ACT OF 1995

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of S. 143, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 143) to consolidate Federal employment training programs and create a new process and structure for funding the programs, and for other purposes, which had been reported from the Committee on Labor and Human Resources, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Workforce Development Act of 1995".

(b) TABLE OF CONTENTS.—The table of contents is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Findings and purposes.
Sec. 3. Definitions.

TITLE I—STATEWIDE WORKFORCE DEVELOPMENT SYSTEMS

Subtitle A—State Provisions

Sec. 101. Statewide workforce development systems established.
Sec. 102. State allotments.
Sec. 103. State apportionment by activity.
Sec. 104. State plans.
Sec. 105. State workforce development boards.
Sec. 106. Use of funds.

Subtitle B—Local Provisions

Sec. 111. Local apportionment by activity.
Sec. 112. Distribution for secondary school vocational education.
Sec. 113. Distribution for postsecondary and adult vocational education.
Sec. 114. Distribution for adult education.
Sec. 115. Special rule for minimal allocation.
Sec. 116. Redistribution.
Sec. 117. Local application for workforce education activities.
Sec. 118. Local partnerships, agreements, and workforce development boards.

Subtitle C—Provisions for Other Entities

Sec. 121. Indian workforce development activities.
Sec. 122. Grants to outlying areas.

Subtitle D—General Provisions

Sec. 131. Accountability.
Sec. 132. Incentives and sanctions.
Sec. 133. Unemployment trust fund.
Sec. 134. Authorization of appropriations.
Sec. 135. Effective date.

TITLE II—TRANSITION PROVISIONS

Subtitle A—Transition Provisions Relating to Use of Federal Funds for State and Local Activities

Sec. 201. Waivers.

Subtitle B—Transition Provisions Relating to Applications and Plans

Sec. 211. Interim State plans.
Sec. 212. Applications and plans under covered Acts.

Subtitle C—Job Corps and Other Workforce Preparation Activities for At-Risk Youth

CHAPTER 1—GENERAL JOB CORPS PROVISIONS

Sec. 221. Purposes.
Sec. 222. Definitions.
Sec. 223. General authority.
Sec. 224. Individuals eligible for the Job Corps.
Sec. 225. Screening and selection of applicants.
Sec. 226. Enrollment and assignment.
Sec. 227. Job Corps centers.
Sec. 228. Program activities.
Sec. 229. Support.
Sec. 230. Operating plan.
Sec. 231. Standards of conduct.
Sec. 232. Community participation.
Sec. 233. Counseling and placement.
Sec. 234. Leases and sales of centers.
Sec. 235. Closure of Job Corps centers.
Sec. 236. Interim operating plans for Job Corps centers.
Sec. 237. Effective date.

CHAPTER 2—OTHER WORKFORCE PREPARATION ACTIVITIES FOR AT-RISK YOUTH

Sec. 241. Workforce preparation activities for at-risk youth.

Subtitle D—Interim Administration of School-to-Work Programs

Sec. 251. Administration of school-to-work programs.

Subtitle E—Amendments Relating to Certain Authorizations of Appropriations

Sec. 261. Older American Community Service Employment Act.
Sec. 262. Carl D. Perkins Vocational and Applied Technology Education Act.
Sec. 263. Adult Education Act.

TITLE III—NATIONAL ACTIVITIES

Sec. 301. Federal Partnership.
Sec. 302. National assessment of vocational education programs.
Sec. 303. Labor market information.
Sec. 304. National Center for Research in Education and Workforce Development.
Sec. 305. Transfers to Federal Partnership.
Sec. 306. Transfers to other Federal agencies and offices.
Sec. 307. Elimination of certain offices.

TITLE IV—AMENDMENTS TO THE REHABILITATION ACT OF 1973

Sec. 401. References.
Sec. 402. Findings and purposes.
Sec. 403. Consolidated rehabilitation plan.
Sec. 404. Definitions.
Sec. 405. Administration.
Sec. 406. Reports.
Sec. 407. Evaluation.
Sec. 408. Declaration of policy.
Sec. 409. State plans.
Sec. 410. Individualized employment plans.
Sec. 411. Scope of vocational rehabilitation services.
Sec. 412. State Rehabilitation Advisory Council.
Sec. 413. Evaluation standards and performance indicators.
Sec. 414. Repeals.
Sec. 415. Effective date.

TITLE V—OTHER PROGRAMS

Subtitle A—Amendments to Immigration and Nationality Act

Sec. 501. Prohibition on use of funds for certain employment activities.

Subtitle B—Welfare Programs

Sec. 511. Welfare reform.

TITLE VI—REPEALS OF EMPLOYMENT AND TRAINING AND VOCATIONAL AND ADULT EDUCATION PROGRAMS

Sec. 601. Repeals.

Sec. 602. Conforming amendments.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) increasing international competition, technological advances, and structural changes in the United States economy present new challenges to private businesses and public policymakers in creating a skilled workforce with the ability to adapt to change and technological progress;

(2) despite more than 60 years of federally funded employment training programs, the Federal Government has no single, coherent policy guiding employment training efforts;

(3) according to the General Accounting Office, there are over 100 federally funded employment training programs, which are administered by 15 different Federal agencies and cost more than $20,000,000,000 annually;

(4) many of the programs fail to collect enough performance data to determine the relative effectiveness of each of the programs or the effectiveness of the programs as a whole;

(5) because of the fragmentation, duplication, and lack of accountability that currently exist within and among Federal employment training programs it is often difficult for workers, jobseekers, and businesses to easily access the services they need;

(6) high quality, innovative vocational education programs provide youth with skills and knowledge on which to build successful careers and, in providing the skills and knowledge, vocational education serves as the foundation of a successful workforce development system;

(7) in recent years, several States and communities have begun to develop promising new initiatives such as—

(A) school-to-work programs to better integrate youth employment and education programs; and

(B) one-stop systems to make workforce development activities more accessible to workers, jobseekers, and businesses; and

(8) Federal, State, and local governments have failed to adequately allow for private sector leadership in designing workforce development activities that are responsive to local labor market needs.

(b) PURPOSES.—The purposes of this Act are—

(1) to make the United States more competitive in the world economy by eliminating the fragmentation in Federal employment training efforts and creating coherent, integrated statewide workforce development systems designed to develop more fully the academic, occupational, and literacy skills of all segments of the workforce;

(2) to ensure that all segments of the workforce will obtain the skills necessary to earn wages sufficient to maintain the highest quality of living in the world; and

(3) to promote the economic development of each State by developing a skilled workforce that is responsive to the labor market needs of the businesses of each State.

SEC. 3. DEFINITIONS.

As used in this Act:

(1) ADULT EDUCATION.—

(A) IN GENERAL.—The term "adult education" means services or instruction below the college level for adults who—

(i) lack sufficient education or literacy skills to enable the adults to function effectively in society; or

(ii) do not have a certificate of graduation from a school providing secondary education (as determined under State law) and who have not achieved an equivalent level of education.

(B) ADULT.—As used in subparagraph (A), the term "adult" means an individual who is age 16 or older, or beyond the age of compulsory school attendance under State law, and who is not enrolled in secondary school.

(2) AREA VOCATIONAL EDUCATION SCHOOL.—The term "area vocational education school" means—

(A) a specialized secondary school used exclusively or principally for the provision of vocational education to individuals who are available for study in preparation for entering the labor market;

(B) the department of a secondary school exclusively or principally used for providing vocational education in not fewer than 5 different occupational fields to individuals who are available for study in preparation for entering the labor market;

(C) a technical institute or vocational school used exclusively or principally for the provision of vocational education to individuals who have completed or left secondary school and who are available for study in preparation for entering the labor market, if the institute or school admits as regular students both individuals who have completed secondary school and individuals who have left secondary school; or

(D) the department or division of a junior college, community college, or university that provides vocational education in not fewer than 5 different occupational fields leading to immediate employment but not necessarily leading to a baccalaureate degree, if the department or division admits as regular students both individuals who have completed secondary school and individuals who have left secondary school.

(3) AT-RISK YOUTH.—The term "at-risk youth" means an individual who—

(A) is not less than age 15 and not more than age 24; and

(B)(i) is determined under guidelines developed by the Governing Board to be low-income, using the most recent available data provided by the Bureau of the Census, prior to the determination; or

(ii) is a dependent of a family that is determined under guidelines developed by the Governing Board to be low-income, using such data.

(4) CHIEF ELECTED OFFICIAL.—The term "chief elected official" means the chief elected officer of a unit of general local government in a substate area.

(5) COMMUNITY-BASED ORGANIZATION.—The term "community-based organization" means a private nonprofit organization of demonstrated effectiveness that is representative of a community or a significant segment of a community and that provides workforce development activities.

(6) COVERED ACTIVITY.—The term "covered activity" means an activity authorized to be carried out under a provision described in section 601(b) (as such provision was in effect on the day before the date of enactment of this Act).

(7) DISLOCATED WORKER.—The term "dislocated worker" means an individual who—

(A) has been terminated from employment and is eligible for unemployment compensation;

(B) has received a notice of termination of employment as a result of any permanent closure, or any layoff of 50 or more people, at a plant, facility, or enterprise;

(C) is long-term unemployed;

(D) was self-employed (including a farmer and a rancher) but is unemployed due to local economic conditions;

(E) is a displaced homemaker; or

(F) has become unemployed as a result of a Federal action that limits the use of, or restricts access to, a marine natural resource.

(8) DISPLACED HOMEMAKER.—The term "displaced homemaker" means an individual who was a full-time homemaker for a substantial number of years, as determined under guidelines developed by the Governing Board, and who no longer receives financial support previously provided by a spouse or by public assistance.

(9) ECONOMIC DEVELOPMENT ACTIVITIES.—The term "economic development activities" means the activities described in section 106(e).

(10) EDUCATIONAL SERVICE AGENCY.—The term "educational service agency" means a regional public multiservice agency authorized by State statute to develop and manage a service or program, and provide the service or program to a local educational agency.

(11) ELEMENTARY SCHOOL; LOCAL EDUCATIONAL AGENCY; SECONDARY SCHOOL.—The terms "elementary school", "local educational agency" and "secondary school" have the meanings given the terms in section 14101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801).

(12) FEDERAL PARTNERSHIP.—The term "Federal Partnership" means the Workforce Development Partnership established in section 301.

(13) FLEXIBLE WORKFORCE ACTIVITIES.—The term "flexible workforce activities" means the activities described in section 106(d).

(14) GOVERNING BOARD.—The term "Governing Board" means the Governing Board of the Federal Partnership.

(15) INDIVIDUAL WITH A DISABILITY.—

(A) IN GENERAL.—The term "individual with a disability" means an individual with any disability (as defined in section 3 of the Americans with Disabilities Act of 1990 (42 U.S.C. 12102)).

(B) INDIVIDUALS WITH DISABILITIES.—The term "individuals with disabilities" means more than 1 individual with a disability.

(16) LOCAL ENTITY.—The term "local entity" means a public or private entity responsible for local workforce development activities or workforce preparation activities for at-risk youth.

(17) LOCAL PARTNERSHIP.—The term "local partnership" means a partnership referred to in section 118(a).

(18) OLDER WORKER.—The term "older worker" means an individual who is age 55 or older and who is determined under guidelines developed by the Governing Board to be low-income, using the most recent available data provided by the Bureau of the Census, prior to the determination.

(19) OUTLYING AREA.—The term "outlying area" means the United States Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau.

(20) PARTICIPANT.—The term "participant" means an individual participating in workforce development activities or workforce preparation activities for at-risk youth, provided through a statewide system.

(21) POSTSECONDARY EDUCATIONAL INSTITUTION.—The term "postsecondary educational institution" means an institution of higher education, as defined in section 481(a) of the Higher Education Act of 1965 (20 U.S.C. 1088(a)), that offers—

(A) a 2-year program of instruction leading to an associate's degree or a certificate of mastery; or

(B) a 4-year program of instruction leading to a bachelor's degree.

(22) RAPID RESPONSE ASSISTANCE.—The term "rapid response assistance" means workforce employment assistance provided in the case of a permanent closure, or layoff of 50 or more people, at a plant, facility, or enterprise, including the establishment of on-site contact with employers and employee representatives immediately after the State is notified of a current or projected permanent closure, or layoff of 50 or more people.

(23) SCHOOL-TO-WORK ACTIVITIES.—The term "school-to-work activities" means activities for youth that—

(A) integrate school-based learning and work-based learning;

(B) integrate academic and occupational learning;

(C) establish effective linkages between secondary education and postsecondary education;

(D) provide each youth participant with the opportunity to complete a career major; and

(E) provide assistance in the form of connecting activities that link each youth participant with an employer in an industry or occupation relating to the career major of the youth participant.

(24) STATE.—The term "State" means each of the several States of the United States, the District of Columbia, and the Commonwealth of Puerto Rico.

(25) STATE BENCHMARKS.—The term "State benchmarks", used with respect to a State, means—

(A) the quantifiable indicators established under section 131(c) and identified in the report submitted under section 131(a); and

(B) such other quantifiable indicators of the statewide progress of the State toward meeting the State goals as the State may identify in the report submitted under section 131(a).

(26) STATE EDUCATIONAL AGENCY.—The term "State educational agency" means the State board of education or other agency or officer primarily responsible for the State supervision of public elementary or secondary schools, or, if there is no such officer or agency, an officer or agency designated by the chief Governor or by State law.

(27) STATE GOALS.—The term "State goals", used with respect to a State, means—

(A) the goals specified in section 131(b); and

(B) such other major goals of the statewide system of the State as the State may identify in the report submitted under section 131(a).

(28) STATEWIDE SYSTEM.—The term "statewide system" means a statewide workforce development system, referred to in section 101, that is designed to integrate workforce employment activities, workforce education activities, flexible workforce activities, economic development activities (in a State that is eligible to carry out such activities), vocational rehabilitation program activities, and workforce preparation activities for at-risk youth in the State in order to enhance and develop more fully the academic, occupational, and literacy skills of all segments of the population of the State and assist participants in obtaining meaningful unsubsidized employment.

(29) SUBSTATE AREA.—The term "substate area" means a geographic area designated by a Governor that reflects, to the extent feasible, a local labor market in a State.

(30) TECH-PREP PROGRAM.—The term "tech-prep program" means a program of study that—

(A) combines at least 2 years of secondary education (as determined under State law) and 2 years of postsecondary education in a nonduplicative sequence;

(B) integrates academic and vocational instruction and utilizes worksite learning where appropriate;

(C) provides technical preparation in an area such as engineering technology, applied science, a mechanical, industrial, or practical art or trade, agriculture, a health occupation, or business;

(D) builds student competence in mathematics, science, communications, and workplace skills, through applied academics and integrated instruction in a coherent sequence of courses;

(E) leads to an associate degree or a certificate in a specific career field; and

(F) leads to placement in appropriate employment or further education.

(31) VOCATIONAL EDUCATION.—The term "vocational education" means organized educational programs that—

(A) offer a sequence of courses that provide individuals with the academic knowledge and skills the individuals need to prepare for further education and careers in current or emerging employment sectors; and

(B) include competency-based applied learning that contributes to the academic knowledge, higher-order reasoning and problem-solving skills, work attitudes, general employability skills, and occupational-specific skills, of an individual.

(32) VOCATIONAL REHABILITATION PROGRAM.—The term "vocational rehabilitation program" means a program assisted under title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.).

(33) WELFARE ASSISTANCE.—The term "welfare assistance" means a Federal, State, or local government cash payment for which eligibility is determined by need or by an income test.

(34) WELFARE RECIPIENT.—The term "welfare recipient" means an individual who receives welfare assistance.

(35) WORKFORCE DEVELOPMENT ACTIVITIES.—The term "workforce development activities" means workforce education activities, workforce employment activities, flexible workforce activities, and economic development activities (within a State that is eligible to carry out such activities).

(36) WORKFORCE EDUCATION ACTIVITIES.—The term "workforce education activities" means the activities described in section 106(b).

(37) WORKFORCE EMPLOYMENT ACTIVITIES.—The term "workforce employment activities" means the activities described in paragraphs (2) through (8) of section 106(a), including activities described in section 106(a)(6) provided through a voucher described in section 106(a)(9).

(38) WORKFORCE PREPARATION ACTIVITIES FOR AT-RISK YOUTH.—The term "workforce preparation activities for at-risk youth" means the activities described in section 241(b), carried out for at-risk youth.

TITLE I—STATEWIDE WORK- FORCE DEVELOPMENT SYSTEMS

Subtitle A—State Provisions

SEC. 101. STATEWIDE WORKFORCE DEVELOPMENT SYSTEMS ESTABLISHED.

For program year 1998 and each subsequent program year, the Governing Board shall make allotments under section 102 to States to assist the States in paying for the cost of establishing and carrying out activities through statewide workforce development systems, in accordance with this title.

SEC. 102. STATE ALLOTMENTS.

(a) IN GENERAL.—The Governing Board shall allot to each State with a State plan approved under section 104 an amount equal to the total of the amounts made available under subparagraphs (A), (B), (C), and (D) of subsection (b)(2), adjusted in accordance with subsection (c).

(b) ALLOTMENTS BASED ON POPULATIONS.—

(1) DEFINITIONS.—As used in this subsection:

(A) ADULT RECIPIENT OF AID TO FAMILIES WITH DEPENDENT CHILDREN.—The term "adult recipient of aid to families with dependent children" means a recipient of aid to families with dependent children under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) who is not a dependent child (as defined in section 406(a) of such Act (42 U.S.C. 606(a))).

(B) INDIVIDUAL IN POVERTY.—The term "individual in poverty" means an individual who—

(i) is not less than age 18;

(ii) is not more than age 64; and

(iii) is a member of a family (of 1 or more members) with an income at or below the poverty line.

(C) POVERTY LINE.—The term "poverty line" means the poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)) applicable to a family of the size involved, using the most recent available data provided by the Bureau of the Census, prior to the program year for which the allotment is made, and applying the definition of poverty used by the Bureau of the Census in compiling the 1990 decennial census.

(2) CALCULATION.—Except as provided in subsection (c), from the amount reserved under section 134(b)(1), the Governing Board—

(A) using funds equal to 60 percent of such reserved amount, shall make available to each State an amount that bears the same relationship to such funds as the total number of individuals who are not less than 15 and not more than 65 (as determined by the Governing Board using the most recent available data provided by the Bureau of the Census, prior to the program year for which the allotment is made) in the State bears to the total number of such individuals in all States;

(B) using funds equal to 10 percent of such reserved amount, shall make available to each State an amount that bears the same relationship to such funds as the total number of individuals in poverty in the State bears to the total number of individuals in poverty in all States;

(C) using funds equal to 10 percent of such reserved amount, shall make available to each State an amount that bears the same relationship to such funds as the average number of unemployed individuals (as determined by the Secretary of Labor for the most recent 24-month period for which data are available, prior to the program year for which the allotment is made) in the State bears to the average number of unemployed individuals (as so determined) in all States; and

(D) using funds equal to 20 percent of such reserved amount, shall make available to each State an amount that bears the same relationship to such funds as the average monthly number of adult recipients of aid to families with dependent children (as determined by the Secretary of Health and Human Services for the most recent 12-month period for which data are available, prior to the program year for which the allotment is made) in the State bears to the average monthly number of adult recipients of aid to families with dependent children (as so determined) in all States.

(c) ADJUSTMENTS.—

(1) DEFINITION.—As used in this subsection, the term "national average per capita payment", used with respect to a program year, means the amount obtained by dividing—

(A) the total amount allotted to all States under this section for the program year; by

(B) the total number of individuals who are not less than 15 and not more than 65 (as determined by the Governing Board using the most recent available data provided by the Bureau of the Census, prior to the program year for which the allotment is made) in all States.

(2) MINIMUM ALLOTMENT.—Except as provided in paragraph (3), no State with a State plan approved under section 104 for a program year shall receive an allotment under this section for the program year in an amount that is less than 0.5 percent of the amount reserved under section 134(b)(1) for the program year.

(3) LIMITATION.—No State that receives an increase in an allotment under this section for a program year as a result of the application of paragraph (2) shall receive an allotment under this section for the program year in an amount that is more than the product obtained by multiplying—

(A) the total number of individuals who are not less than 15 and not more than 65 (as determined by the Governing Board using the most recent available data provided by the Bureau of the Census, prior to the program year for which the allotment is made) in the State; and

(B) the product obtained by multiplying—

(i) 1.3; and

(ii) the national average per capita payment for the program year.

SEC. 103. STATE APPORTIONMENT BY ACTIVITY.

(a) ACTIVITIES.—From the sum of the funds made available to a State through an allotment received under section 102 and the funds made available under section 901(c)(1)(A) of the Social Security Act (42 U.S.C. 1101(c)(1)(A)) to carry out this Act for a program year—

(1) a portion equal to 25 percent of such sum (which portion shall include the amount allotted to the State from funds made available under section 901(c)(1)(A) of the Social Security Act) shall be made available for workforce employment activities;

(2) a portion equal to 25 percent of such sum shall be made available for workforce education activities; and

(3) a portion (referred to in this Act as the "flex account") equal to 50 percent of such sum shall be made available for flexible workforce activities.

(b) RECIPIENTS.—In making an allotment under section 102 to a State, the Governing Board shall make a payment—

(1) to the Governor of the State for the portion described in subsection (a)(1), and such part of the flex account as the Governor may be eligible to receive, as determined under the State plan of the State submitted under section 104; and

(2) to the State educational agency of the State for the portion described in subsection (a)(2), and such part of the flex account as the State educational agency may be eligible to receive, as determined under the State plan of the State submitted under section 104.

SEC. 104. STATE PLANS.

(a) IN GENERAL.—For a State to be eligible to receive an allotment under section 102, the Governor of the State shall submit to the Governing Board, and obtain approval of, a single comprehensive State workforce development plan (referred to in this section as a "State plan"), outlining a 3-year strategy for the statewide system of the State.

(b) PARTS.—

(1) IN GENERAL.—The State plan shall contain 3 parts.

(2) STRATEGIC PLAN AND FLEXIBLE WORKFORCE ACTIVITIES.—The first part of the State plan shall describe a strategic plan for the statewide system, including the flexible workforce activities, and, if appropriate, economic development activities, that are designed to meet the State goals and reach the State benchmarks and are to be carried out with the allotment. The Governor shall develop the first part of the State plan, using procedures that are consistent with the procedures described in subsection (d).

(3) WORKFORCE EMPLOYMENT ACTIVITIES.—The second part of the State plan shall describe the workforce employment activities that are designed to meet the State goals and reach the State benchmarks and are to be carried out with the allotment. The Governor shall develop the second part of the State plan.

(4) WORKFORCE EDUCATION ACTIVITIES.—The third part of the State plan shall describe the workforce education activities that are designed to meet the State goals and reach the State benchmarks and are to be carried out with the allotment. The State educational agency of the State shall develop the third part of the State plan.

(c) CONTENTS OF THE PLAN.—The State plan shall include—

(1) with respect to the strategic plan for the statewide system—

(A) information describing how the State will identify the current and future workforce development needs of the industry sectors most important to the economic competitiveness of the State;

(B) information describing how the State will identify the current and future workforce development needs of all segments of the population of the State;

(C) information identifying the State goals and State benchmarks and how the goals and benchmarks will make the statewide system relevant and responsive to labor market and education needs at the local level;

(D) information describing how the State will coordinate workforce development activities to meet the State goals and reach the State benchmarks;

(E) information describing the allocation within the State of the funds made available through the flex account for the State, and how the flexible workforce activities, including school-to-work activities, to be carried out with such funds will be carried out to meet the State goals and reach the State benchmarks;

(F) information identifying how the State will obtain the active and continuous participation of business, industry, and labor in the development and continuous improvement of the statewide system;

(G) information identifying how any funds that a State receives under this title will be leveraged with other public and private resources to maximize the effectiveness of such resources for all workforce development activities, and expand the participation of business, industry, labor, and individuals in the statewide system;

(H) information describing how the State will eliminate duplication in the administration and delivery of services under this Act;

(I) information describing the process the State will use to independently evaluate and continuously improve the performance of the statewide system, on a yearly basis, including the development of specific performance indicators to measure progress toward meeting the State goals;

(J) an assurance that the funds made available under this title will supplement and not supplant other public funds expended to provide workforce development activities;

(K) information identifying the steps that the State will take over the 3 years covered by the plan to establish common data collection and reporting requirements for workforce development activities and vocational rehabilitation program activities;

(L) with respect to economic development activities, information—

(i) describing the activities to be carried out with the funds made available under this title;

(ii) describing how the activities will lead directly to increased earnings of nonmanagerial employees in the State; and

(iii) describing whether the labor organization, if any, representing the nonmanagerial employees supports the activities;

(M) the description referred to in subsection (d)(1); and

(N)(i) information demonstrating the support of individuals and entities described in subsection (d)(1) for the plan; or

(ii) in a case in which the Governor is unable to obtain the support of such individuals and entities as provided in subsection (d)(2), the comments referred to in subsection (d)(2)(B),

(2) with respect to workforce employment activities, information—

(A)(i) identifying and designating substate areas, including urban and rural areas, to which funds received through the allotment will be distributed, which areas shall, to the extent feasible, reflect local labor market areas; or

(ii) stating that the State will be treated as a substate area for purposes of the application of this title, if the State receives an increase in an allotment under section 102 for a program year as a result of the application of section 102(c)(2); and

(B) describing the basic features of one-stop delivery of core services described in section 106(a)(2) in the State, including information regarding—

(i) the strategy of the State for developing fully operational one-stop delivery of core services described in section 106(a)(2);

(ii) the time frame for achieving the strategy;

(iii) the estimated cost for achieving the strategy;

(iv) the steps that the State will take over the 3 years covered by the plan to provide individuals with access to one-stop delivery of core services described in section 106(a)(2);

(v) the steps that the State will take over the 3 years covered by the plan to provide information through the one-stop delivery to individuals on the quality of workforce employment activities, workforce education activities, and vocational rehabilitation program activities, provided through the statewide system;

(vi) the steps that the State will take over the 3 years covered by the plan to link services provided through the one-stop delivery with services provided through State welfare agencies; and

(vii) in a case in which the State chooses to use vouchers to deliver workforce employment activities, the steps that the State will take over the 3 years covered by the plan to comply with the requirements in section 106(a)(9) and the information required in such section;

(C) identifying performance indicators that relate to the State goals, and to the State benchmarks, concerning workforce employment activities;

(D) describing the workforce employment activities to be carried out with funds received through the allotment;

(E) describing the steps that the State will take over the 3 years covered by the plan to establish a statewide comprehensive labor market information system described in section 303(c) that will be utilized by all the providers of one-stop delivery of core services described in section 106(a)(2), providers of other workforce employment activities, and providers of workforce education activities, in the State;

(F) describing the steps that the State will take over the 3 years covered by the plan to establish a job placement accountability system described in section 131(d); and

(G)(i) describing the steps that the State will take to segregate the amount allotted to the State from funds made available under section 901(c)(1)(A) of the Social Security Act (42 U.S.C. 1101(c)(1)(A)) from the remainder of the portion described in section 103(a)(1); and

(ii) describing how the State will use the amount allotted to the State from funds made available under such section 901(c)(1)(A) to carry out—

(I) the required activities described in clauses (ii) through (v) of section 106(a)(2)(B) and section 303; and

(II) any permissive activities carried out by the State that consist of—

(aa) the evaluation of programs provided through the statewide system of the State;

(bb) the provision of services through the statewide system for workers who have received notice of permanent or impending layoff, or workers in occupations that are experiencing limited demand due to technological change, the impact of imports, or plant closures; or

(cc) the administration of the work test for the State unemployment compensation system and provision of job finding and placement services for unemployment insurance claimants; and

(3) with respect to workforce education activities, information—

(A) describing how funds received through the allotment will be allocated among—

(i) secondary school vocational education, or postsecondary and adult vocational education, or both; and

(ii) adult education;

(B) identifying performance indicators that relate to the State goals, and to the State benchmarks, concerning workforce education activities;

(C) describing the workforce education activities that will be carried out with funds received through the allotment;

(D) describing how the State will address the adult education needs of the State;

(E) describing how the State will disaggregate data relating to at-risk youth in order to adequately measure the progress of at-risk youth toward accomplishing the results measured by the State goals, and the State benchmarks;

(F) describing how the State will adequately address the needs of both at-risk youth who are in school, and out-of-school youth, in alternative education programs that teach to the same challenging academic, occupational, and skill proficiencies as are provided for in-school youth;

(G) describing how the workforce education activities described in the State plan and the State allocation of funds received through the allotment for such activities are an integral part of comprehensive efforts of the State to improve education for all students and adults;

(H) describing how the State will annually evaluate the effectiveness of the State plan with respect to workforce education activities;

(I) describing how the State will address the professional development needs of the State with respect to workforce education activities;

(J) describing how the State will provide local educational agencies in the State with technical assistance; and

(K) describing how the State will assess the progress of the State in implementing student performance measures.

(d) PROCEDURE FOR DEVELOPMENT OF PART OF PLAN RELATING TO STRATEGIC PLAN.—

(1) DESCRIPTION OF DEVELOPMENT.—The part of the State plan relating to the strategic plan shall include a description of the manner in which—

(A) the Governor;

(B) the State educational agency;

(C) representatives of business and industry, including representatives of key industry sectors, and of small- and medium-size and large employers, in the State;

(D) representatives of labor and workers;

(E) local elected officials from throughout the State;

(F) the State agency officials responsible for vocational education;

(G) the State agency officials responsible for postsecondary education;

(H) the State agency officials responsible for adult education;

(I) the State agency officials responsible for vocational rehabilitation;

(J) such other State agency officials, including officials responsible for economic development and employment, as the Governor may designate;

(K) representatives of elected officials of tribal governments;

(L) the representative of the Veterans' Employment Training Service assigned to the State under section 4103 of title 38, United States Code; and

(M) other appropriate officials, including members of the State workforce development board described in section 105, if the State has established such a board;

collaborated in the development of such part of the plan.

(2) FAILURE TO OBTAIN SUPPORT.—If, after a reasonable effort, the Governor is unable to obtain the support of the individuals and entities described in paragraph (1) for the strategic plan the Governor shall—

(A) provide such individuals and entities with copies of the strategic plan;

(B) allow such individuals and entities to submit to the Governor, not later than the end of the 30-day period beginning on the date on which the Governor provides such individuals and entities with copies of such plan under subparagraph (A), comments on such plan; and

(C) include any such comments in such plan.

(e) APPROVAL.—The Governing Board shall approve a State plan if the Governing Board—

(1) determines that the plan contains the information described in subsection (c);

(2) determines that the State has prepared the plan in accordance with the requirements of this section, including the requirements relating to development of any part of the plan; and

(3) has negotiated State benchmarks with the State in accordance with section 131(c).

(f) NO ENTITLEMENT TO A SERVICE.—Nothing in this Act shall be construed to provide any individual with an entitlement to a service provided under this Act.

SEC. 105. STATE WORKFORCE DEVELOPMENT BOARDS.

(a) ESTABLISHMENT.—A Governor of a State that receives an allotment under section 102 may establish a State workforce development board—

(1) on which a majority of the members are representatives of business and industry;

(2) on which not less than 25 percent of the members shall be representatives of labor, workers, and community-based organizations;

(3) that shall include representatives of veterans;

(4) that shall include a representative of the State educational agency and a representative from the State agency responsible for vocational rehabilitation;

(5) that may include any other individual or entity that participates in the collaboration described in section 104(d)(1); and

(6) that may include any other individual or entity the Governor may designate.

(b) CHAIRPERSON.—The State workforce development board shall select a chairperson from among the members of the board who are representatives of business and industry.

(c) FUNCTIONS.—The functions of the State workforce development board shall include—

(1) advising the Governor on the development of the statewide system, the State plan described in section 104, and the State goals and State benchmarks;

(2) assisting in the development of specific performance indicators to measure progress toward meeting the State goals and reaching the State benchmarks and providing guidance on how such progress may be improved;

(3) serving as a link between business, industry, labor, and the statewide system;

(4) assisting the Governor in preparing the annual report to the Governing Board regarding progress in reaching the State benchmarks, as described in section 131(a);

(5) receiving and commenting on the State plan developed under section 101 of the Rehabilitation Act of 1973 (29 U.S.C. 721);

(6) assisting the Governor in developing the statewide comprehensive labor market information system described in section 303(c) to provide information that will be utilized by all the providers of one-stop delivery of core services described in section 106(a)(2), providers of other workforce employment activities, and providers of workforce education activities, in the State; and

(7) assisting in the monitoring and continuous improvement of the performance of the statewide system, including evaluation of the effectiveness of workforce development activities funded under this Act.

SEC. 106. USE OF FUNDS.

(a) WORKFORCE EMPLOYMENT ACTIVITIES.—

(1) IN GENERAL.—Funds made available to a State under this title to carry out workforce employment activities through a statewide system—

(A) shall be used to carry out the activities described in paragraphs (2), (3), and (4); and

(B) may be used to carry out the activities described in paragraphs (5), (6), (7), and (8), including providing activities described in paragraph (6) through vouchers described in paragraph (9).

(2) ONE-STOP DELIVERY OF CORE SERVICES.—

(A) ACCESS.—The State shall use a portion of the funds described in paragraph (1) to establish a means of providing access to the statewide system through core services described in subparagraph (B) available—

(i) through multiple, connected access points, linked electronically or otherwise;

(ii) through a network that assures participants that such core services will be available regardless of where the participants initially enter the statewide system;

(iii) at not less than 1 physical location in each substate area of the State; or

(iv) through some combination of the options described in clauses (i), (ii), and (iii).

(B) CORE SERVICES.—The core services referred to in subparagraph (A) shall, at a minimum, include—

(i) outreach, intake, and orientation to the information and other services available through one-stop delivery of core services described in this subparagraph;

(ii) initial assessment of skill levels, aptitudes, abilities, and supportive service needs;

(iii) job search and placement assistance and, where appropriate, career counseling;

(iv) customized screening and referral of qualified applicants to employment;

(v) provision of accurate information relating to local labor market conditions, including employment profiles of growth industries and occupations within a substate area, the educational and skills requirements of jobs in the industries and occupations, and the earnings potential of the jobs;

(vi) provision of accurate information relating to the quality and availability of other workforce employment activities, workforce education activities, and vocational rehabilitation program activities;

(vii) provision of information regarding how the substate area is performing on the State benchmarks;

(viii) provision of initial eligibility information on forms of public financial assistance that may be available in order to enable persons to participate in workforce employment activities, workforce education activities, or vocational rehabilitation program activities; and

(ix) referral to other appropriate workforce employment activities, workforce education activities, and vocational rehabilitation employment activities.

(3) LABOR MARKET INFORMATION SYSTEM.—The State shall use a portion of the funds described in paragraph (1) to establish a statewide comprehensive labor market information system described in section 303(c).

(4) JOB PLACEMENT ACCOUNTABILITY SYSTEM.—The State shall use a portion of the funds described in paragraph (1) to establish a job placement accountability system described in section 131(d).

(5) PERMISSIBLE ONE-STOP DELIVERY ACTIVITIES.—The State may provide, through one-stop delivery—

(A) co-location of services related to workforce development activities, such as unemployment insurance, vocational rehabilitation program activities, welfare assistance, veterans' employment services, or other public assistance;

(B) intensive services for participants who are unable to obtain employment through the core

services described in paragraph (2)(B), as determined by the State; and

(C) dissemination to employers of information on activities carried out through the statewide system.

(6) OTHER PERMISSIBLE ACTIVITIES.—The State may use a portion of the funds described in paragraph (1) to provide services through the statewide system that may include—

(A) on-the-job training;

(B) occupational skills training;

(C) entrepreneurial training;

(D) training to develop work habits to help individuals obtain and retain employment;

(E) customized training conducted with a commitment by an employer or group of employers to employ an individual after successful completion of the training;

(F) rapid response assistance for dislocated workers;

(G) skill upgrading and retraining for persons not in the workforce;

(H) preemployment and work maturity skills training for youth;

(I) connecting activities that organize consortia of small- and medium-size businesses to provide work-based learning opportunities for youth participants in school-to-work programs;

(J) programs for adults that combine workplace training with related instruction;

(K) services to assist individuals in attaining certificates of mastery with respect to industry-based skill standards;

(L) case management services;

(M) supportive services, such as transportation and financial assistance, that enable individuals to participate in the statewide system; and

(N) followup services for participants who are placed in unsubsidized employment.

(7) STAFF DEVELOPMENT AND TRAINING.—The State may use a portion of the funds described in paragraph (1) for the development and training of staff of providers of one-stop delivery of core services described in paragraph (2), including development and training relating to principles of quality management.

(8) INCENTIVE GRANT AWARDS.—The State may use a portion of the funds described in paragraph (1) to award incentive grants to substate areas that reach or exceed the State benchmarks established under section 131(c), with an emphasis on benchmarks established under section 131(c)(3). A substate area that receives such a grant may use the funds made available through the grant to carry out any workforce development activities authorized under this Act.

(9) VOUCHERS.—

(A) IN GENERAL.—A State may deliver some or all of the workforce employment activities described in paragraph (6) that are provided under this title through a system of vouchers administered through the one-stop delivery of core services described in paragraph (2) in the State.

(B) ELIGIBILITY REQUIREMENTS.—

(i) IN GENERAL.—A State that chooses to deliver the activities described in subparagraph (A) through vouchers shall indicate in the State plan described in section 104 the criteria that will be used to determine—

(I) which workforce employment activities described in paragraph (6) will be delivered through the voucher system;

(II) eligibility requirements for participants to receive the vouchers and the amount of funds that participants will be able to access through the voucher system; and

(III) which employment, training, and education providers are eligible to receive payment through the vouchers.

(ii) CONSIDERATIONS.—In establishing State criteria for service providers eligible to receive payment through the vouchers under clause (i)(III), the State shall take into account industry-recognized skills standards promoted by the National Skills Standards Board.

(C) ACCOUNTABILITY REQUIREMENTS.—A State that chooses to deliver the activities described in paragraph (6) through vouchers shall indicate in the State plan—

(i) information concerning how the State will utilize the statewide comprehensive labor market information system described in section 303(c) and the job placement accountability system established under section 131(d) to provide timely and accurate information to participants about the performance of eligible employment, training, and education providers;

(ii) other information about the performance of eligible providers of services that the State believes is necessary for participants receiving the vouchers to make informed career choices; and

(iii) the timeframe in which the information developed under clauses (i) and (ii) will be widely available through the one-stop delivery of core services described in paragraph (2) in the State.

(b) WORKFORCE EDUCATION ACTIVITIES.—The State educational agency shall use the funds made available to the State educational agency under this title for workforce education activities to carry out, through the statewide system, activities that include—

(1) integrating academic and vocational education;

(2) linking secondary education (as determined under State law) and postsecondary education, including implementing tech-prep programs;

(3) providing career guidance and counseling for students at the earliest possible age, including the provision of career awareness, exploration, and guidance information to students and their parents that is, to the extent possible, in a language and form that the students and their parents understand;

(4) providing literacy and basic education services for adults and out-of-school youth, including adults and out-of-school youth in correctional institutions;

(5) providing programs for adults and out-of-school youth to complete their secondary education;

(6) expanding, improving, and modernizing quality vocational education programs; and

(7) improving access to quality vocational education programs for at-risk youth.

(c) FISCAL REQUIREMENTS FOR WORKFORCE EDUCATION ACTIVITIES.—

(1) SUPPLEMENT NOT SUPPLANT.—Funds made available under this title for workforce education activities shall supplement, and may not supplant, other public funds expended to carry out workforce education activities.

(2) MAINTENANCE OF EFFORT.—

(A) DETERMINATION.—No payments shall be made under this title for any program year to a State for workforce education activities unless the Governing Board determines that the fiscal effort per student or the aggregate expenditures of such State for workforce education for the program year preceding the program year for which the determination is made, equaled or exceeded such effort or expenditures for workforce education for the second program year preceding the fiscal year for which the determination is made.

(B) WAIVER.—The Governing Board may waive the requirements of this section (with respect to not more than 5 percent of expenditures by any State educational agency) for 1 program year only, on making a determination that such waiver would be equitable due to exceptional or uncontrollable circumstances affecting the ability of the applicant to meet such requirements, such as a natural disaster or an unforeseen and precipitous decline in financial resources. No level of funding permitted under such a waiver may be used as the basis for computing the fiscal effort or aggregate expenditures required under this section for years subsequent to the year covered by such waiver. The fiscal effort or aggregate expenditures for the subsequent years shall be computed on the basis of the level of funding that would, but for such waiver, have been required.

(d) FLEXIBLE WORKFORCE ACTIVITIES.—

(1) CORE FLEXIBLE WORKFORCE ACTIVITIES.—The State shall use a portion of the funds made available to the State under this title through the flex account to carry out school-to-work activities through the statewide system, except that any State that received a grant under subtitle B of title II of the School-to-Work Opportunities Act of 1994 (20 U.S.C. 6141 et seq.) shall use such portion to support the continued development of the statewide School-to-Work Opportunities system of the State through the continuation of activities that are carried out in accordance with the terms of such grant.

(2) PERMISSIBLE FLEXIBLE WORKFORCE ACTIVITIES.—The State may use a portion of the funds made available to the State under this title through the flex account—

(A) to carry out workforce employment activities through the statewide system; and

(B) to carry out workforce education activities through the statewide system.

(e) ECONOMIC DEVELOPMENT ACTIVITIES.—In the case of a State that meets the requirements of section 118(c), the State may use a portion of the funds made available to the State under this title through the flex account to supplement other funds provided by the State or private sector—

(1) to provide customized assessments of the skills of workers and an analysis of the skill needs of employers;

(2) to assist consortia of small- and medium-size employers in upgrading the skills of their workforces;

(3) to provide productivity and quality improvement training programs for the workforces of small- and medium-size employers;

(4) to provide recognition and use of voluntary industry-developed skills standards by employers, schools, and training institutions;

(5) to carry out training activities in companies that are developing modernization plans in conjunction with State industrial extension service offices; and

(6) to provide on-site, industry-specific training programs supportive of industrial and economic development;

through the statewide system.

(f) LIMITATIONS.—

(1) WAGES.—No funds provided under this title shall be used to pay the wages of incumbent workers during their participation in economic development activities provided through the statewide system.

(2) RELOCATION.—No funds provided under this title shall be used or proposed for use to encourage or induce the relocation, of a business or part of a business, that results in a loss of employment for any employee of such business at the original location.

(3) TRAINING AND ASSESSMENTS FOLLOWING RELOCATION.—No funds provided under this title shall be used for customized or skill training, on-the-job training, or company specific assessments of job applicants or workers, for any business or part of a business, that has relocated, until 120 days after the date on which such business commences operations at the new location, if the relocation of such business or part of a business, results in a loss of employment for any worker of such business at the original location.

(g) LIMITATIONS ON PARTICIPANTS.—

(1) DIPLOMA OR EQUIVALENT.—

(A) IN GENERAL.—No individual may participate in workforce employment activities described in subparagraph (A), (B), (C), (E), (G), (J), or (K) of section 106(a)(6) until the individual has obtained a secondary school diploma or its recognized equivalent, or is enrolled in a program or course of study to obtain a secondary school diploma or its recognized equivalent.

(B) EXCEPTION.—Nothing in subparagraph (A) shall prevent participation in workforce employment activities described under subparagraph (A), (B), (C), (E), (G), (J), or (K) of section 106(a)(6) by individuals who, after testing and in the judgment of medical, psychiatric, academic, or other appropriate professionals, lack the requisite capacity to complete successfully a course of study that would lead to a secondary school diploma or its recognized equivalent.

(2) SERVICES.—

(A) REFERRAL.—If an individual who has not obtained a secondary school diploma or its recognized equivalent applies to participate in workforce employment activities described under subparagraph (A), (B), (C), (E), (G), (J), or (K) of section 106(a)(6), such individual shall be referred to State approved adult education services that provide instruction designed to help such individual obtain a secondary school diploma or its recognized equivalent.

(B) STATE PROVISION OF SERVICES.—Notwithstanding any other provision of this Act, a State may use funds made available under section 103(a)(1) to provide State approved adult education services that provide instruction designed to help individuals obtain a secondary school diploma or its recognized equivalent, to individuals who—

(i) are seeking to participate in workforce employment activities described under subparagraph (A), (B), (C), (E), (G), (J), or (K) of section 106(a)(6); and

(ii) are otherwise unable to obtain such services.

Subtitle B—Local Provisions

SEC. 111. LOCAL APPORTIONMENT BY ACTIVITY.

(a) WORKFORCE EMPLOYMENT ACTIVITIES.—

(1) IN GENERAL.—The sum of the funds made available to a State for any program year under paragraphs (1) and (3) of section 103(a) for workforce employment activities shall be made available to the Governor of such State for use in accordance with paragraph (2).

(2) DISTRIBUTION.—Of the sum described in paragraph (1), for a program year—

(A) 25 percent shall be reserved by the Governor to carry out workforce employment activities through the statewide system; and

(B) 75 percent shall be distributed by the Governor to local entities to carry out workforce employment activities through the statewide system, based on—

(i) such factors as the relative distribution among substate areas of individuals who are not less than 15 and not more than 65, individuals in poverty, unemployed individuals, and adult recipients of aid to families with dependent children, as determined using the definitions specified and the determinations described in section 102(b); and

(ii) such additional factors as the Governor (in consultation with local partnerships described in section 118(a) or, where established, local workforce development boards described in section 118(b)), determines to be necessary.

(b) WORKFORCE EDUCATION ACTIVITIES.—

(1) IN GENERAL.—The sum of the funds made available to a State for any program year under paragraphs (2) and (3) of section 103(a) for workforce education activities shall be made available to the State educational agency serving such State for use in accordance with paragraph (2).

(2) DISTRIBUTION.—Of the sum described in paragraph (1), for a program year—

(A) 20 percent shall be reserved by the State educational agency to carry out statewide workforce education activities through the statewide system, of which not more than 5 percent of such 20 percent may be used for administrative expenses; and

(B) 80 percent shall be distributed by the State educational agency to entities eligible for financial assistance under section 112, 113, or 114, to carry out workforce education activities through the statewide system.

(3) STATE DETERMINATIONS.—From the amount available to a State educational agency under paragraph (2)(B) for a program year, such agency shall determine the percentage of such amount that will be distributed in accordance with sections 112, 113, and 114 for such year for workforce education activities in such State in each of the following areas:

(A) Secondary school vocational education, or postsecondary and adult vocational education, or both; and

(B) Adult education.

(c) SPECIAL RULE.—Nothing in this title shall be construed to prohibit any individual or agency in a State (other than the State educational agency) that is administering workforce education activities on the day preceding the date of enactment of this Act from continuing to administer such activities under this title.

SEC. 112. DISTRIBUTION FOR SECONDARY SCHOOL VOCATIONAL EDUCATION.

(a) ALLOCATION.—Except as otherwise provided in this section and section 115, each State educational agency shall distribute the portion of the funds made available for any program year (from funds made available for the corresponding fiscal year, as determined under section 134(c)) by such agency for secondary school vocational education under section 111(b)(3)(A) to local educational agencies within the State as follows:

(1) SEVENTY PERCENT.—From 70 percent of such portion, each local educational agency shall be allocated an amount that bears the same relationship to such 70 percent as the amount such local educational agency was allocated under section 1124 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6333) for the preceding fiscal year bears to the total amount received under such section by all local educational agencies in the State for such year.

(2) TWENTY PERCENT.—From 20 percent of such portion, each local educational agency shall be allocated an amount that bears the same relationship to such 20 percent as the number of students with disabilities who have individualized education programs under section 614(a)(5) of the Individuals with Disabilities Education Act (20 U.S.C. 1414(a)(5)) served by such local educational agency for the preceding fiscal year bears to the total number of such students served by all local educational agencies in the State for such year.

(3) TEN PERCENT.—From 10 percent of such portion, each local educational agency shall be allocated an amount that bears the same relationship to such 10 percent as the number of students enrolled in schools and adults enrolled in training programs under the jurisdiction of such local educational agency for the preceding fiscal year bears to the number of students enrolled in schools and adults enrolled in training programs under the jurisdiction of all local educational agencies in the State for such year.

(b) MINIMUM ALLOCATION.—

(1) IN GENERAL.—Except as provided in paragraph (2), no local educational agency shall receive an allocation under subsection (a) unless the amount allocated to such agency under subsection (a) is not less than $15,000. A local educational agency may enter into a consortium with other local educational agencies for purposes of meeting the minimum allocation requirement of this paragraph.

(2) WAIVER.—The State educational agency may waive the application of paragraph (1) in any case in which the local educational agency—

(A) is located in a rural, sparsely-populated area; and

(B) demonstrates that such agency is unable to enter into a consortium for purposes of providing services under this section.

(3) REDISTRIBUTION.—Any amounts that are not allocated by reason of paragraph (1) or (2) shall be redistributed to local educational agencies that meet the requirements of paragraph (1) or (2) in accordance with the provisions of this section.

(c) LIMITED JURISDICTION AGENCIES.—

(1) IN GENERAL.—In applying the provisions of subsection (a), no State educational agency receiving assistance under this title shall allocate funds to a local educational agency that serves only elementary schools, but shall distribute such funds to the local educational agency or regional educational agency that provides secondary school services to secondary school students in the same attendance area.

(2) SPECIAL RULE.—The amount to be allocated under paragraph (1) to a local educational agency that has jurisdiction only over secondary schools shall be determined based on the number of students that entered such secondary schools in the previous year from the elementary schools involved.

(d) ALLOCATIONS TO AREA VOCATIONAL EDUCATION SCHOOLS AND EDUCATIONAL SERVICE AGENCIES.—

(1) IN GENERAL.—Each State educational agency shall distribute the portion of funds made available for any program year by such agency for secondary school vocational education under section 111(b)(3)(A) to the appropriate area vocational education school or educational service agency in any case in which—

(A) the area vocational education school or educational service agency, and the local educational agency concerned—

(i) have formed or will form a consortium for the purpose of receiving funds under this section; or

(ii) have entered into or will enter into a cooperative arrangement for such purpose; and

(B)(i) the area vocational education school or educational service agency serves an approximately equal or greater proportion of students who are individuals with disabilities or are low-income than the proportion of such students attending the secondary schools under the jurisdiction of all of the local educational agencies sending students to the area vocational education school or the educational service agency; or

(ii) the area vocational education school, educational service agency, or local educational agency demonstrates that the vocational education school or educational service agency is unable to meet the criterion described in clause (i) due to the lack of interest by students described in clause (i) in attending vocational education programs in that area vocational education school or educational service agency.

(2) ALLOCATION BASIS.—If an area vocational education school or educational service agency meets the requirements of paragraph (1), then—

(A) the amount that will otherwise be distributed to the local educational agency under this section shall be allocated to the area vocational education school, the educational service agency, and the local educational agency, based on each school's or agency's relative share of students described in paragraph (1)(B)(i) who are attending vocational education programs (based, if practicable, on the average enrollment for the prior 3 years); or

(B) such amount may be allocated on the basis of an agreement between the local educational agency and the area vocational education school or educational service agency.

(3) STATE DETERMINATION.—

(A) IN GENERAL.—For the purposes of this subsection, the State educational agency may determine the number of students who are low-income on the basis of—

(i) eligibility for—

(I) free or reduced-price meals under the National School Lunch Act (7 U.S.C. 1751 et seq.);

(II) the program for aid to families with dependent children under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.);

(III) benefits under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.); or

(IV) services under title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.); and

(ii) another index of economic status, including an estimate of such index, if the State educational agency demonstrates to the satisfaction of the Governing Board that such index is a more representative means of determining such number.

(B) DATA.—If a State educational agency elects to use more than 1 factor described in subparagraph (A) for purposes of making the determination described in such subparagraph, the State educational agency shall ensure that the data used is not duplicative.

(4) APPEALS PROCEDURE.—The State educational agency shall establish an appeals procedure for resolution of any dispute arising between a local educational agency and an area vocational education school or an educational service agency with respect to the allocation procedures described in this section, including the decision of a local educational agency to leave a consortium.

(5) SPECIAL RULE.—Notwithstanding the provisions of paragraphs (1), (2), (3), and (4), any local educational agency receiving an allocation that is not sufficient to conduct a secondary school vocational education program of sufficient size, scope, and quality to be effective may—

(A) form a consortium or enter into a cooperative agreement with an area vocational education school or educational service agency offering secondary school vocational education programs of sufficient size, scope, and quality to be effective and that are accessible to students who are individuals with disabilities or are low-income, and are served by such local educational agency; and

(B) transfer such allocation to the area vocational education school or educational service agency.

(e) SPECIAL RULE.—Each State educational agency distributing funds under this section shall treat a secondary school funded by the Bureau of Indian Affairs within the State as if such school were a local educational agency within the State for the purpose of receiving a distribution under this section.

SEC. 113. DISTRIBUTION FOR POSTSECONDARY AND ADULT VOCATIONAL EDUCATION.

(a) ALLOCATION.—

(1) IN GENERAL.—Except as provided in subsection (b) and section 115, each State educational agency, using the portion of the funds made available for any program year by such agency for postsecondary and adult vocational education under section 111(b)(3)(A)—

(A) shall reserve funds to carry out subsection (d); and

(B) shall distribute the remainder to eligible institutions or consortia of the institutions within the State.

(2) FORMULA.—Each such eligible institution or consortium shall receive an amount for the program year (from funds made available for the corresponding fiscal year, as determined under section 134(c)) from such remainder bears the same relationship to such remainder as the number of individuals who are Pell Grant recipients or recipients of assistance from the Bureau of Indian Affairs and are enrolled in programs offered by such institution or consortium for the preceding fiscal year bears to the number of all such individuals who are enrolled in any such program within the State for such preceding year.

(3) CONSORTIUM REQUIREMENTS.—In order for a consortium of eligible institutions described in paragraph (1) to receive assistance pursuant to such paragraph such consortium shall operate joint projects that—

(A) provide services to all postsecondary institutions participating in the consortium; and

(B) are of sufficient size, scope, and quality to be effective.

(b) WAIVER FOR MORE EQUITABLE DISTRIBUTION.—The Governing Board may waive the application of subsection (a) in the case of any State educational agency that submits to the Governing Board an application for such a waiver that—

(1) demonstrates that the formula described in subsection (a) does not result in a distribution of funds to the institutions or consortia within the State that have the highest numbers of low-income individuals and that an alternative formula will result in such a distribution; and

(2) includes a proposal for an alternative formula that may include criteria relating to the number of individuals attending the institutions or consortia within the State who—

(A) receive need-based postsecondary financial aid provided from public funds;

(B) are members of families participating in the program of aid to families with dependent children under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.);

(C) are enrolled in postsecondary educational institutions that—

(i) are funded by the State;

(ii) do not charge tuition; and

(iii) serve only low-income students;

(D) are enrolled in programs serving low-income adults; or

(E) are Pell Grant recipients.

(c) MINIMUM AMOUNT.—

(1) IN GENERAL.—No distribution of funds provided to any institution or consortium for a program year under this section shall be for an amount that is less than $50,000.

(2) REDISTRIBUTION.—Any amounts that are not distributed by reason of paragraph (1) shall be redistributed to eligible institutions or consortia in accordance with the provisions of this section.

(d) SPECIAL RULE FOR CRIMINAL OFFENDERS.—Each State educational agency shall distribute the funds reserved under subsection (a)(1)(A) to 1 or more State corrections agencies to enable the State corrections agencies to administer vocational education programs for juvenile and adult criminal offenders in correctional institutions in the State, including correctional institutions operated by local authorities.

(e) DEFINITION.—For the purposes of this section—

(1) the term "eligible institution" means an institution of higher education, a local educational agency serving adults, or an area vocational education school serving adults that offers or will offer a program that seeks to receive financial assistance under this section;

(2) the term "institution of higher education", notwithstanding section 427(b)(2) of the Higher Education Amendments of 1992 (20 U.S.C. 1085 note), has the meaning given the term in section 435(b) of the Higher Education Act of 1965 as such section was in effect on July 22, 1992;

(3) the term "low-income", used with respect to a person, means a person who is determined under guidelines developed by the Governing Board to be low-income, using the most recent available data provided by the Bureau of the Census, prior to the determination; and

(4) the term "Pell Grant recipient" means a recipient of financial aid under subpart 1 of part A of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070a et seq.).

SEC. 114. DISTRIBUTION FOR ADULT EDUCATION.

(a) IN GENERAL.—Except as provided in subsection (b)(3), from the amount made available by a State educational agency for adult education under section 111(b)(3)(B) for a program year, such agency shall award grants, on a competitive basis, to local educational agencies, correctional education agencies, community-based organizations of demonstrated effectiveness, volunteer literacy organizations, public or private nonprofit agencies, postsecondary educational institutions, public housing authorities, and other nonprofit institutions that have the ability to provide literacy services to adults and families, or consortia of agencies, organizations, or institutions described in this subsection, to enable such agencies, organizations, institutions, and consortia to establish or expand adult education programs.

(b) GRANT REQUIREMENTS.—

(1) ACCESS.—Each State educational agency making funds available for any program year for adult education under section 111(b)(3)(B) shall ensure that the entities described in subsection (a) will be provided direct and equitable access to all Federal funds provided under this section.

(2) CONSIDERATIONS.—In awarding grants under this section, the State educational agency shall consider—

(A) the past effectiveness of applicants in providing services (especially with respect to recruitment and retention of educationally disadvantaged adults and the learning gains demonstrated by such adults);

(B) the degree to which an applicant will coordinate and utilize other literacy and social services available in the community; and

(C) the commitment of the applicant to serve individuals in the community who are most in need of literacy services.

(3) CONSORTIA.—A State educational agency may award a grant under subsection (a) to a consortium that includes an entity described in subsection (a) and a for-profit agency, organization, or institution, if such agency, organization, or institution—

(A) can make a significant contribution to carrying out the purposes of this Act; and

(B) enters into a contract with the entity described in subsection (a) for the purpose of establishing or expanding adult education programs.

(c) LOCAL ADMINISTRATIVE COSTS LIMITS.—

(1) IN GENERAL.—Except as provided in paragraph (2), of the funds provided under this section by a State educational agency to an agency, organization, institution, or consortium described in subsection (a), at least 95 percent shall be expended for provision of adult education instructional activities. The remainder shall be used for planning, administration, personnel development, and interagency coordination.

(2) SPECIAL RULE.—In cases where the cost limits described in paragraph (1) will be too restrictive to allow for adequate planning, administration, personnel development, and interagency coordination supported under this section, the State educational agency shall negotiate with the agency, organization, institution, or consortium described in subsection (a) in order to determine an adequate level of funds to be used for noninstructional purposes.

SEC. 115. SPECIAL RULE FOR MINIMAL ALLOCATION.

(a) GENERAL AUTHORITY.—For any program year for which a minimal amount is made available by a State educational agency for distribution under section 112 or 113 such agency may, notwithstanding the provisions of section 112 or 113, respectively, in order to make a more equitable distribution of funds for programs serving the highest numbers of low-income individuals (as defined in section 113(e)), distribute such minimal amount—

(1) on a competitive basis; or

(2) through any alternative method determined by the State educational agency.

(b) MINIMAL AMOUNT.—For purposes of this section, the term "minimal amount" means not more than 15 percent of the total amount made available by the State educational agency under section 111(b)(3)(A) for section 112 or 113, respectively, for such program year.

SEC. 116. REDISTRIBUTION.

(a) IN GENERAL.—In any program year that an entity receiving financial assistance under section 112 or 113 does not expend all of the amounts distributed to such entity for such year under section 112 or 113, respectively, such entity shall return any unexpended amounts to the State educational agency for distribution under section 112 or 113, respectively.

(b) REDISTRIBUTION OF AMOUNTS RETURNED LATE IN AN PROGRAM YEAR.—In any program year in which amounts are returned to the State educational agency under subsection (a) for programs described in section 112 or 113 and the State educational agency is unable to redistribute such amounts according to section 112 or 113, respectively, in time for such amounts to be expended in such program year, the State educational agency shall retain such amounts for distribution in combination with amounts provided under such section for the following program year.

SEC. 117. LOCAL APPLICATION FOR WORKFORCE EDUCATION ACTIVITIES.

(a) IN GENERAL.—

(1) IN GENERAL.—Each eligible entity desiring financial assistance under this title for workforce education activities shall submit an application to the State educational agency at such time, in such manner and accompanied by such information as such agency (in consultation with such other educational entities as the State educational agency determines to be appropriate) may require. Such application shall cover the same period of time as the period of time applicable to the State workforce development plan.

(2) DEFINITION.—For the purpose of this section the term "eligible entity" means an entity eligible for financial assistance under section 112, 113, or 114 from a State educational agency.

(b) CONTENTS.—Each application described in subsection (a) shall, at a minimum—

(1) describe how the workforce education activities required under section 106(b), and other workforce education activities, will be carried out with funds received under this title;

(2) describe how the activities to be carried out relate to meeting the State goals, and reaching the State benchmarks, concerning workforce education activities;

(3) describe how the activities to be carried out are an integral part of the comprehensive efforts of the eligible entity to improve education for all students and adults;

(4) describe the process that will be used to independently and continuously improve the performance of the eligible entity; and

(5) describe how the eligible entity will coordinate the activities of the entity with the activities of the local workforce development board, if any, in the substate area.

SEC. 118. LOCAL PARTNERSHIPS, AGREEMENTS, AND WORKFORCE DEVELOPMENT BOARDS.

(a) LOCAL AGREEMENTS.—

(1) IN GENERAL.—After a Governor submits the State plan described in section 104 to the Governing Board, the Governor shall negotiate and enter into a local agreement regarding the workforce employment activities, school-to-work activities, and economic development activities (within a State that is eligible to carry out such activities, as described in subsection (c)) to be carried out in each substate area in the State with local partnerships (or, where established, local workforce development boards described in subsection (b)).

(2) LOCAL PARTNERSHIPS.—

(A) IN GENERAL.—A local partnership referred to in paragraph (1) shall be established by the local chief elected official, in accordance with subparagraphs (B) and (C), and shall consist of individuals representing business, industry, and labor, local secondary schools, local postsecondary education institutions, local adult education providers, local elected officials, rehabilitation agencies and organizations, and community-based organizations, within the appropriate substate area.

(B) MULTIPLE JURISDICTIONS.—In any case in which there are 2 or more units of general local government in the substate area involved, the chief elected official of each such unit shall appoint members of the local partnership in accordance with an agreement entered into by such chief elected officials. In the absence of such an agreement, such appointments shall be made by the Governor of the State involved from the individuals nominated or recommended by the chief elected officials.

(C) SELECTION OF BUSINESS AND INDUSTRY REPRESENTATIVES.—Individuals representing business and industry in the local partnership shall be appointed by the chief elected official from nominations submitted by business organizations in the substate area involved. Such individuals shall reasonably represent the industrial and demographic composition of the business community. Where possible, at least 50 percent of such business and industry representatives shall be representatives of small business.

(3) BUSINESS AND INDUSTRY INVOLVEMENT.—The business and industry representatives shall have a lead role in the design, management, and evaluation of the activities to be carried out in the substate area under the local agreement.

(4) CONTENTS.—

(A) STATE GOALS AND STATE BENCHMARKS.—Such an agreement shall include a description of the manner in which funds allocated to a substate area under this title will be spent to meet the State goals and reach the State benchmarks in a manner that reflects local labor market conditions.

(B) COLLABORATION.—The agreement shall also include information that demonstrates the manner in which—

(i) the Governor; and

(ii) the local partnership (or, where established, the local workforce development board);

collaborated in reaching the agreement.

(5) FAILURE TO REACH AGREEMENT.—If, after a reasonable effort, the Governor is unable to enter into an agreement with the local partnership (or, where established, the local workforce development board), the Governor shall notify the partnership or board, as appropriate, and provide the partnership or board, as appropriate, with the opportunity to comment, not later than 30 days after the date of the notification, on the manner in which funds allocated to such substate area will be spent to meet the State goals and reach the State benchmarks.

(6) EXCEPTION.—A State that indicates in the State plan described in section 104 that the State will be treated as a substate area for purposes of the application of this title shall not be subject to this subsection.

(b) LOCAL WORKFORCE DEVELOPMENT BOARDS.—

(1) IN GENERAL.—Each State may facilitate the establishment of local workforce development boards in each substate area to set policy and provide oversight over the workforce development activities in the substate area.

(2) MEMBERSHIP.—

(A) STATE CRITERIA.—The Governor shall establish criteria for use by local chief elected officials in each substate area in the selection of members of the local workforce development boards, in accordance with the requirements of subparagraph (B).

(B) REPRESENTATION REQUIREMENT.—Such criteria shall require, at a minimum, that a local workforce development board consist of—

(i) representatives of business and industry in the substate area, who shall constitute a majority of the board;

(ii) representatives of labor, workers, and community-based organizations, who shall constitute not less than 25 percent of the members of the board;

(iii) representatives of local secondary schools, postsecondary education institutions, and adult education providers;

(iv) representatives of veterans; and

(v) 1 or more individuals with disabilities, or their representatives.

(C) CHAIR.—Each local workforce development board shall select a chairperson from among the members of the board who are representatives of business and industry.

(3) CONFLICT OF INTEREST.—No member of a local workforce development board shall vote on a matter relating to the provision of services by the member (or any organization that the member directly represents) or vote on a matter that would provide direct financial benefit to such member or the immediate family of such member or engage in any other activity determined by the Governor to constitute a conflict of interest.

(4) FUNCTIONS.—The functions of the local workforce development board shall include—

(A) submitting to the Governor a single comprehensive 3-year strategic plan for workforce development activities in the substate area that includes information—

(i) identifying the workforce development needs of local industries, students, jobseekers, and workers;

(ii) identifying the workforce development activities to be carried out in the substate area with funds received through the allotment made to the State under section 102, to meet the State goals and reach the State benchmarks; and

(iii) identifying how the local workforce development board will obtain the active and continuous participation of business, industry, and labor in the development and continuous improvement of the workforce development activities carried out in the substate area;

(B) entering into local agreements with the Governor as described in subsection (a);

(C) overseeing the operations of the one-stop delivery of core services described in section 106(a)(2) in the substate area, including the responsibility to—

(i) designate local entities to operate the one-stop delivery in the substate area, consistent with the criteria referred to in section 106(a)(2); and

(ii) develop and approve the budgets and annual operating plans of the providers of the one-stop delivery; and

(D) submitting annual reports to the Governor on the progress being made in the substate area toward meeting the State goals and reaching the State benchmarks.

(5) CONSULTATION.—A local workforce development board that serves a substate area shall

conduct the functions described in paragraph (4) in consultation with the chief elected officials in the substate area.

(c) ECONOMIC DEVELOPMENT ACTIVITIES.—A State shall be eligible to use the funds made available through the flex account for flexible workforce activities to carry out economic development activities if—

(1) the boards described in section 105 and subsection (b) are established in the State; or

(2) in the case of a State that indicates in the State plan described in section 104 that the State will be treated as a substate area for purposes of the application of this title, the board described in section 105 is established in the State.

Subtitle C—Provisions for Other Entities

SEC. 121. INDIAN WORKFORCE DEVELOPMENT ACTIVITIES.

(a) PURPOSE.—

(1) IN GENERAL.—The purpose of this section is to support workforce development activities for Indian and Native Hawaiian individuals in order—

(A) to develop more fully the academic, occupational, and literacy skills of such individuals;

(B) to make such individuals more competitive in the workforce; and

(C) to promote the economic and social development of Indian and Native Hawaiian communities in accordance with the goals and values of such communities.

(2) INDIAN POLICY.—All programs assisted under this section shall be administered in a manner consistent with the principles of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.) and the government-to-government relationship between the Federal Government and Indian tribal governments.

(b) DEFINITIONS.—As used in this section:

(1) ALASKA NATIVE.—The term "Alaska Native" means a Native as such term is defined in section 3(b) of the Alaska Native Claims Settlement Act (43 U.S.C. 1602(b)).

(2) INDIAN, INDIAN TRIBE, AND TRIBAL ORGANIZATION.—The terms "Indian", "Indian tribe", and "tribal organization" have the same meanings given such terms in subsections (d), (e) and (l), respectively, of section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

(3) INSTITUTION OF HIGHER EDUCATION.—The term "institution of higher education" has the meaning given the term in section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a)).

(4) NATIVE HAWAIIAN AND NATIVE HAWAIIAN ORGANIZATION.—The terms "Native Hawaiian" and "Native Hawaiian organization" have the same meanings given such terms in paragraphs (1) and (3), respectively, of section 9212 of the Native Hawaiian Education Act (20 U.S.C. 7912).

(5) TRIBALLY CONTROLLED COMMUNITY COLLEGE.—The term "tribally controlled community college" has the same meaning given such term in section 2(a)(4) of the Tribally Controlled Community College Assistance Act of 1978 (25 U.S.C. 1801(a)(4)).

(6) TRIBALLY CONTROLLED POSTSECONDARY VOCATIONAL INSTITUTION.—The term "tribally controlled postsecondary vocational institution" means an institution of higher education that—

(A) is formally controlled, or has been formally sanctioned or chartered, by the governing body of an Indian tribe or Indian tribes;

(B) offers a technical degree or certificate granting program;

(C) is governed by a board of directors or trustees, a majority of whom are Indians;

(D) demonstrates adherence to stated goals, a philosophy, or a plan of operation, that fosters individual Indian economic and self-sufficiency opportunity, including programs that are appropriate to stated tribal goals of developing individual entrepreneurships and self-sustaining economic infrastructures on reservations;

(E) has been in operation for at least 3 years;

(F) holds accreditation with or is a candidate for accreditation by a nationally recognized accrediting authority for postsecondary vocational education; and

(G) enrolls the full-time equivalent of not fewer than 100 students, of whom a majority are Indians.

(c) PROGRAM AUTHORIZED.—

(1) ASSISTANCE AUTHORIZED.—From amounts made available under section 134(b)(2), the Governing Board shall make grants to, or enter into contracts or cooperative agreements with, Indian tribes and tribal organizations, Alaska Native entities, tribally controlled community colleges, tribally controlled postsecondary vocational institutions, Indian-controlled organizations serving Indians or Alaska Natives, and Native Hawaiian organizations to carry out the authorized activities described in subsection (d).

(2) FORMULA.—The Governing Board shall make grants to, or enter into contracts and cooperative agreements with, entities as described in paragraph (1) to carry out the activities described in paragraphs (2) and (3) of subsection (d) on the basis of a formula developed by the Governing Board in consultation with entities described in paragraph (1).

(d) AUTHORIZED ACTIVITIES.—

(1) IN GENERAL.—Funds made available under this section shall be used to carry out the activities described in paragraphs (2) and (3) that—

(A) are consistent with this section; and

(B) are necessary to meet the needs of Indians and Native Hawaiians preparing to enter, reenter, or retain unsubsidized employment.

(2) WORKFORCE DEVELOPMENT ACTIVITIES AND SUPPLEMENTAL SERVICES.—

(A) IN GENERAL.—Funds made available under this section shall be used for—

(i) comprehensive workforce development activities for Indians and Native Hawaiians;

(ii) supplemental services for Indian or Native Hawaiian youth on or near Indian reservations in Oklahoma, Alaska, or Hawaii; and

(iii) supplemental services to recipients of public assistance on or near Indian reservations or former reservation areas in Oklahoma or in Alaska.

(B) SPECIAL RULE.—Notwithstanding any other provision of this section, individuals who were eligible to participate in programs under section 401 of the Job Training Partnership Act (29 U.S.C. 1671) (as such section was in effect on the day before the date of enactment of this Act) shall be eligible to participate in an activity assisted under subparagraph (A)(i).

(3) VOCATIONAL EDUCATION, ADULT EDUCATION, AND LITERACY SERVICES.—Funds made available under this section shall be used for—

(A) workforce education activities conducted by entities described in subsection (c)(1); and

(B) the support of tribally controlled postsecondary vocational institutions in order to ensure continuing and expanded educational opportunities for Indian students.

(e) PROGRAM PLAN.—In order to receive a grant or enter into a contract or cooperative agreement under this section an entity described in subsection (c)(1) shall submit to the Governing Board a plan that describes a 3-year strategy for meeting the needs of Indian and Native Hawaiian individuals, as appropriate, in the area served by such entity. Such plan shall—

(1) be consistent with the purposes of this section;

(2) identify the population to be served;

(3) identify the education and employment needs of the population to be served and the manner in which the services to be provided will strengthen the ability of the individuals served to obtain or retain unsubsidized employment;

(4) describe the services to be provided and the manner in which such services are to be integrated with other appropriate services; and

(5) describe the goals and benchmarks to be used to assess the performance of entities in carrying out the activities assisted under this section.

(f) FURTHER CONSOLIDATION OF FUNDS.—Each entity receiving assistance under this section may consolidate such assistance with assistance received from related programs in accordance with the provisions of the Indian Employment, Training and Related Services Demonstration Act of 1992 (25 U.S.C. 3401 et seq.).

(g) NONDUPLICATIVE AND NONEXCLUSIVE SERVICES.—Nothing in this section shall be construed—

(1) to limit the eligibility of any entity described in subsection (c)(1) to participate in any program offered by a State or local entity under this Act; or

(2) to preclude or discourage any agreement, between any entity described in subsection (c)(1) and any State or local entity, to facilitate the provision of services by such entity or to the population served by such entity.

(h) PARTNERSHIP PROVISIONS.—

(1) OFFICE ESTABLISHED.—The Governing Board shall establish an office within the Federal Partnership to administer the activities assisted under this section.

(2) CONSULTATION REQUIRED.—

(A) IN GENERAL.—The Governing Board, through the office established under paragraph (1), shall develop regulations and policies for activities assisted under this section in consultation with tribal organizations and Native Hawaiian organizations. Such regulations and policies shall take into account the special circumstances under which such activities operate.

(B) ADMINISTRATIVE SUPPORT.—The Governing Board shall provide such administrative support to the office established under paragraph (1) as the Governing Board determines to be necessary to carry out the consultation required by subparagraph (A).

(3) TECHNICAL ASSISTANCE.—The Governing Board, through the office established under paragraph (1), is authorized to provide technical assistance to entities described in subsection (c)(1) that receive assistance under this section to enable such entities to improve the workforce development activities provided by such entities.

SEC. 122. GRANTS TO OUTLYING AREAS.

(a) GENERAL AUTHORITY.—Using funds made available under section 134(b)(3), the Governing Board shall make grants to outlying areas to carry out workforce development activities.

(b) APPLICATION.—The Governing Board shall issue regulations specifying the provisions of this Act that shall apply to outlying areas that receive funds under this title.

Subtitle D—General Provisions

SEC. 131. ACCOUNTABILITY.

(a) REPORT.—Each State that receives an allotment under section 102 shall annually prepare and submit to the Governing Board a report that states how the State is performing on State benchmarks specified in this section, which relate to workforce development activities carried out through the statewide system of the State. In preparing the report, the State may include information on such additional benchmarks as the State may establish to meet the State goals.

(b) GOALS.—

(1) MEANINGFUL EMPLOYMENT.—Each statewide system supported by an allotment under section 102 shall be designed to meet the goal of assisting participants in obtaining meaningful unsubsidized employment opportunities in the State.

(2) EDUCATION.—Each statewide system supported by an allotment under section 102 shall

be designed to meet the goal of enhancing and developing more fully the academic, occupational, and literacy skills of all segments of the population of the State.

(c) BENCHMARKS.—

(1) MEANINGFUL EMPLOYMENT.—To be eligible to receive an allotment under section 102, a State shall develop, in accordance with paragraph (5), and identify in the State plan of the State, proposed quantifiable benchmarks to measure the statewide progress of the State toward meeting the goal described in subsection (b)(1), which shall include, at a minimum, measures of—

(A) placement in unsubsidized employment of participants;

(B) retention of the participants in such employment (12 months after completion of the participation); and

(C) increased earnings for the participants.

(2) EDUCATION.—To be eligible to receive an allotment under section 102, a State shall develop, in accordance with paragraph (5), and identify in the State plan of the State, proposed quantifiable benchmarks to measure the statewide progress of the State toward meeting the goal described in subsection (b)(2), which shall include, at a minimum, measures of—

(A) student mastery of academic knowledge and work readiness skills;

(B) student mastery of occupational and industry-recognized skills according to skill proficiencies for students in career preparation programs;

(C) placement in, retention in, and completion of secondary education (as determined under State law) and postsecondary education, and placement and retention in employment and in military service; and

(D) mastery of the literacy, knowledge, and skills adults need to be productive and responsible citizens and to become more actively involved in the education of their children.

(3) POPULATIONS.—To be eligible to receive an allotment under section 102, a State shall develop, in accordance with paragraph (5), and identify in the State plan of the State, proposed quantifiable benchmarks to measure progress toward meeting the goals described in subsection (b) for populations including, at a minimum—

(A) welfare recipients;

(B) individuals with disabilities;

(C) older workers;

(D) at-risk youth; and

(E) dislocated workers.

(4) SPECIAL RULE.—If a State has developed performance indicators, attainment levels, or assessments for skills according to challenging academic, occupational, or industry-recognized skill proficiencies, the State shall use such performance indicators, attainment levels, or assessments in measuring the progress of all students in attaining the skills.

(5) NEGOTIATIONS.—

(A) INITIAL DETERMINATION.—On receipt of a State plan submitted under section 104, the Governing Board shall, not later than 30 days after the date of the receipt, determine—

(i) how the proposed State benchmarks identified by the State in the State plan compare to the model benchmarks established by the Governing Board under section 301(b)(4)(B)(ii);

(ii) how the proposed State benchmarks compare with State benchmarks proposed by other States in their State plans;

(iii) whether the proposed State benchmarks, taken as a whole, are sufficient—

(I) to enable the State to meet the State goals; and

(II) to make the State eligible for an incentive grant under section 132(a).

(B) NOTIFICATION.—The Governing Board shall immediately notify the State of the determinations referred to in subparagraph (A). If the Governing Board determines that the proposed State benchmarks are not sufficient to make the State eligible for an incentive grant under section 132(a), the Governing Board shall provide the State with guidance on the steps the State may take to allow the State to become eligible for the grant.

(C) REVISION.—Not later than 30 days after the date of receipt of the notification referred to in subparagraph (B), the State may revise some or all of the State benchmarks identified in the State plan in order to become eligible for the incentive grant or provide reasons why the State benchmarks should be sufficient to make the State eligible for the incentive grant.

(D) FINAL DETERMINATION.—After reviewing any revised State benchmarks or information submitted by the State in accordance with subparagraph (C), the Governing Board shall issue a final determination on the eligibility of the State for the incentive grant.

(6) INCENTIVE GRANTS.—Each State that sets high benchmarks under paragraph (1), (2), or (3) and reaches or exceeds the benchmarks, as determined by the Governing Board, shall be eligible to receive an incentive grant under section 132(a).

(7) SANCTIONS.—A State that has failed to demonstrate sufficient progress toward reaching the State benchmarks established under this subsection for the 3 years covered by a State plan described in section 104, as determined by the Governing Board, may be subject to sanctions under section 132(b).

(d) JOB PLACEMENT ACCOUNTABILITY SYSTEM.—

(1) IN GENERAL.—Each State that receives an allotment under section 102 shall establish a job placement accountability system, which will provide a uniform set of data to track the progress of the State toward reaching the State benchmarks.

(2) DATA.—

(A) IN GENERAL.—In order to maintain data relating to the measures described in subsection (c)(1), each such State shall establish a job placement accountability system using quarterly wage records available through the unemployment insurance system. The State agency or entity within the State responsible for labor market information, as designated in section 303(c)(1)(B), in conjunction with the Commissioner of Labor Statistics, shall maintain the job placement accountability system and match information on participants served by the statewide systems of the State and other States with quarterly employment and earnings records.

(B) REIMBURSEMENT.—Each local entity that carries out workforce employment activities or workforce education activities and that receives funds under this title shall provide information regarding the social security numbers of the participants served by the entity and such other information as the State may require to the State agency or entity within the State responsible for labor market information, as designated in section 303(c)(1)(B).

(C) CONFIDENTIALITY.—The State agency or entity within the State responsible for labor market information, as designated in section 303(c)(1)(B), shall protect the confidentiality of information obtained through the job placement accountability system through the use of recognized security procedures.

SEC. 132. INCENTIVES AND SANCTIONS.

(a) INCENTIVES.—

(1) IN GENERAL.—The Governing Board may award incentive grants of not more than $15,000,000 per program year to a State that—

(A) reaches or exceeds State benchmarks established under section 131(c), with an emphasis on the benchmarks established under section 131(c)(3), in accordance with section 131(c)(6); or

(B) demonstrates to the Governing Board that the State has made substantial reductions in the number of adult recipients of aid to families with dependent children, as defined in section 102(b)(1)(A), resulting from increased placement of such adult recipients in unsubsidized employment.

(2) USE OF FUNDS.—A State that receives such a grant may use the funds made available through the grant to carry out any workforce development activities authorized under this Act.

(b) SANCTIONS.—

(1) FAILURE TO DEMONSTRATE SUFFICIENT PROGRESS.—If the Governing Board determines, after notice and an opportunity for a hearing, that a State has failed to demonstrate sufficient progress toward reaching the State benchmarks established under section 131(c) for the 3 years covered by a State plan described in section 104, the Governing Board may reduce the allotment of the State under section 102 by not more than 10 percent per program year for not more than 3 years. The Governing Board may determine that the failure of the State to demonstrate such progress is attributable to the workforce employment activities, workforce education activities, or flexible workforce activities, of the State, and reduce only the portion of the allotment for such activities.

(2) EXPENDITURE CONTRARY TO ACT.—If the Governor of a State determines that a local entity that carries out workforce employment activities in a substate area of the State has expended funds made available under this Act in a manner contrary to the purposes of this Act, and such expenditures do not constitute fraudulent activity, the Governor may deduct an amount equal to the funds from a subsequent program year allocation to the substate area.

(c) FUNDS RESULTING FROM REDUCED ALLOTMENTS.—The Governing Board may use an amount retained as a result of a reduction in an allotment made under subsection (b)(1) to award an incentive grant under subsection (a).

SEC. 133. UNEMPLOYMENT TRUST FUND.

(a) IN GENERAL.—Section 901(c) of the Social Security Act (42 U.S.C. 1101(c)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (A), by striking clause (ii) and inserting the following:

"(ii) the establishment and maintenance of statewide workforce development systems, to the extent the systems are used to carry out activities described in section 303, or in any of clauses (ii) through (v) of section 106(a)(2)(B), of the Workforce Development Act of 1995, and"; and

(B) in subparagraph (B)—

(i) in the matter preceding clause (i), by striking "Department of Labor" and inserting "Department of Labor or the Workforce Development Partnership, as appropriate,"; and

(ii) by striking clause (iii) and inserting the following:

"(iii) the Workforce Development Act of 1995,"; and

(2) in the first sentence of paragraph (4), by striking "the total cost" and all that follows through "the President determines" and inserting "the total cost of administering the statewide workforce development systems, to the extent the systems are used to carry out activities described in section 303, or in any of clauses (ii) through (v) of section 106(a)(2)(B), of the Workforce Development Act of 1995, and of the necessary expenses of the Workforce Development Partnership for the performance of the functions of the partnership under such Act, as the President determines".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect July 1, 1998.

SEC. 134. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated to carry out this Act (other than subtitle C of title II) $7,000,000,000 for each of fiscal years 1998 through 2001.

(b) RESERVATIONS.—Of the amount appropriated under subsection (a)—

(1) 92.7 percent shall be reserved for making allotments under section 102;

(2) 1.25 percent shall be reserved for carrying out section 121;

(3) 0.2 percent shall be reserved for carrying out section 122;

(4) 4.3 percent shall be reserved for making incentive grants under section 132(a) and for the administration of this Act;

(5) 0.15 percent shall be reserved for carrying out sections 302 and 304; and

(6) 1.4 percent shall be reserved for carrying out section 303.

(c) PROGRAM YEAR.—

(1) IN GENERAL.—Appropriations for any fiscal year for programs and activities under this Act shall be available for obligation only on the basis of a program year. The program year shall begin on July 1 in the fiscal year for which the appropriation is made.

(2) ADMINISTRATION.—Funds obligated for any program year may be expended by each recipient during the program year and the 2 succeeding program years and no amount shall be deobligated on account of a rate of expenditure that is consistent with the provisions of the State plan specified in section 104 that relate to workforce employment activities.

SEC. 135. EFFECTIVE DATE.

This title shall take effect July 1, 1998.

TITLE II—TRANSITION PROVISIONS

Subtitle A—Transition Provisions Relating to Use of Federal Funds for State and Local Activities

SEC. 201. WAIVERS.

(a) WAIVER AUTHORITY.—

(1) IN GENERAL.—Notwithstanding any other provision of Federal law, and except as provided in subsection (d), the Secretary may waive any requirement under any provision of law relating to a covered activity, or of any regulation issued under such a provision, for—

(A) a State that requests such a waiver and submits an application as described in subsection (b); or

(B) a local entity that requests such a waiver and complies with the requirements of subsection (c);

in order to assist the State or local entity in planning or developing a statewide system or workforce development activities to be carried out through the statewide system.

(2) TERM.—

(A) IN GENERAL.—Except as provided in subparagraph (B), each waiver approved pursuant to this section shall be for a period beginning on the date of the approval and ending on June 30, 1998.

(B) FAILURE TO SUBMIT INTERIM PLAN.—If a State receives a waiver under this section and fails to submit an interim plan under section 211 by June 30, 1997, the waiver shall be deemed to terminate on September 30, 1997. If a local entity receives a waiver under this section, and the State in which the local entity is located fails to submit an interim plan under section 211 by June 30, 1997, the waiver shall be deemed to terminate on September 30, 1997.

(b) STATE REQUEST FOR WAIVER.—

(1) IN GENERAL.—A State may submit to the Secretary a request for a waiver of 1 or more requirements referred to in subsection (a). The request may include a request for different waivers with respect to different areas within the State.

(2) APPLICATION.—To be eligible to receive a waiver described in subsection (a), a State shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require, including information—

(A) identifying the requirement to be waived and the goal that the State (or the local agency applying to the State under subsection (c)) intends to achieve through the waiver;

(B) identifying, and describing the actions that the State will take to remove, similar State requirements;

(C) describing the activities to which the waiver will apply, including information on how the activities may be continued, or related to activities carried out, under the statewide system of the State;

(D) describing the number and type of persons to be affected by such waiver; and

(E) providing evidence of support for the waiver request by the State agencies or officials with jurisdiction over the requirement to be waived.

(c) LOCAL ENTITY REQUEST FOR WAIVER.—

(1) IN GENERAL.—A local entity that seeks a waiver of such a requirement shall submit to the State a request for the waiver and an application containing sufficient information to enable the State to comply with the requirements of subsection (b)(2). The State shall determine whether to submit a request and an application for a waiver to the Secretary, as provided in subsection (b).

(2) TIME LIMIT.—

(A) IN GENERAL.—The State shall make a determination concerning whether to submit the request and application for a waiver as described in paragraph (1) not later than 30 days after the date on which the State receives the application from the local entity.

(B) DIRECT SUBMISSION.—

(i) IN GENERAL.—If the State does not make a determination to submit or does not submit the request and application within the 30-day time period specified in subparagraph (A), the local entity may submit the request and application to the Secretary.

(ii) REQUIREMENTS.—In submitting such a request, the local entity shall obtain the agreement of the State involved to comply with the requirements of this section that would otherwise apply to a State submitting a request for a waiver. In reviewing an application submitted by a local entity, the Secretary shall comply with the requirements of this section that would otherwise apply to the Secretary with respect to review of such an application submitted by a State.

(d) WAIVERS NOT AUTHORIZED.—The Secretary may not waive any requirement of any provision referred to in subsection (a), or of any regulation issued under such provision, relating to—

(1) the allocation of funds to States, local entities, or individuals;

(2) public health or safety, civil rights, occupational safety and health, environmental protection, displacement of employees, or fraud and abuse;

(3) the eligibility of an individual for participation in a covered activity, except in a case in which the State or local entity can demonstrate that the individuals who would have been eligible to participate in such activity without the waiver will participate in a similar covered activity; or

(4) a required supplementation of funds by the State or a prohibition against the State supplanting such funds.

(e) ACTIVITIES.—Subject to subsection (d), the Secretary may approve a request for a waiver described in subsection (a) that would enable a State or local entity to—

(1) use the assistance that would otherwise have been used to carry out 2 or more covered activities (if the State or local entity were not using the assistance as described in this section)—

(A) to address the high priority needs of unemployed persons and at-risk youth in the appropriate State or community for workforce employment activities or workforce education activities;

(B) to improve efficiencies in the delivery of the covered activities; or

(C) in the case of overlapping or duplicative activities—

(i) by combining the covered activities and funding the combined activities; or

(ii) by eliminating 1 of the covered activities and increasing the funding to the remaining covered activity; and

(2) use the assistance that would otherwise have been used for administrative expenses relating to a covered activity (if the State or local entity were not using the assistance as described in this section) to pay for the cost of developing an interim State plan described in section 211 or a State plan described in section 104.

(f) APPROVAL OR DISAPPROVAL.—The Secretary shall approve or disapprove any request submitted pursuant to subsection (b) or (c), not later than 45 days after the date of the submission and shall issue a decision that shall include the reasons for approving or disapproving the request.

(g) FAILURE TO ACT.—If the Secretary fails to approve or disapprove the request within the 45-day period described in subsection (f), the request shall be deemed to be approved on the day after such period ends. If the Secretary subsequently determines that the waiver relates to a matter described in subsection (d) and issues a decision that includes the reasons for the determination, the waiver shall be deemed to terminate on the date of issuance of the decision.

(h) DEFINITION.—As used in this section:

(1) LOCAL ENTITY.—The term "local entity" means—

(A) a local educational agency, with respect to any act by a local agency or organization relating to a covered activity that is a workforce education activity; and

(B) the local public or private agency or organization responsible for carrying out the covered activity at issue, with respect to any act by a local agency or organization relating to any other covered activity.

(2) SECRETARY.—The term "Secretary" means—

(A) the Secretary of Labor, with respect to any act relating to a covered activity carried out by the Secretary of Labor;

(B) the Secretary of Education, with respect to any act relating to a covered activity carried out by the Secretary of Education; and

(C) the Secretary of Health and Human Services, with respect to any act relating to a covered activity carried out by the Secretary of Health and Human Services.

(3) STATE.—The term "State" means—

(A) a State educational agency, with respect to any act by a State entity relating to a covered activity that is a workforce education activity; and

(B) the Governor, with respect to any act by a State entity relating to any other covered activity.

(i) CONFORMING AMENDMENTS.—

(1) Section 501 of the School-to-Work Opportunities Act of 1994 (20 U.S.C. 6211) is amended—

(A) in subsection (a), by striking "sections 502 and 503" and inserting "section 502";

(B) in subsection (b)(2)(B)(ii)—

(i) by striking "section 502(a)(1)(C) or 503(a)(1)(C), as appropriate," and inserting "section 502(a)(1)(C)"; and

(ii) by striking "section 502 or 503, as appropriate," and inserting "section 502";

(C) in subsection (c), by striking "section 502 or 503" and inserting "section 502"; and

(D) by striking "Secretaries" each place the term appears and inserting "Secretary of Education".

(2) Section 502(b) of such Act (20 U.S.C. 6212(b)) is amended—

(A) in paragraph (4), by striking the semicolon and inserting "; and";

(B) in paragraph (5), by striking "; and" and inserting a period; and

(C) by striking paragraph (6).

(3) Section 503 of such Act (20 U.S.C. 6213) is repealed.

(4) Section 504 of such Act (20 U.S.C. 6214) is amended—

(A) in subsection (a)(2)(B), by striking clauses (i) and (ii) and inserting the following clauses:

"(i) the provisions of law listed in paragraphs (2) through (5) of section 502(b);

"(ii) the Job Training Partnership Act (29 U.S.C. 1501 et seq.); and

"(iii) the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.)."; and

(B) in subsection (b), by striking "paragraphs (1) through (3), and paragraphs (5) and (6), of section 503(b)" and inserting "paragraphs (2) through (4) and paragraphs (6) and (7) of section 505(b)".

(5) Section 505(b) of such Act (20 U.S.C. 6215(b)) is amended to read as follows:

"(b) USE OF FUNDS.—A State may use, under the requirements of this Act, Federal funds that are made available to the State and combined under subsection (a) to carry out school-to-work activities, except that the provisions relating to—

"(1) the matters specified in section 502(c);

"(2) basic purposes or goals;

"(3) maintenance of effort;

"(4) distribution of funds;

"(5) eligibility of an individual for participation;

"(6) public health or safety, labor standards, civil rights, occupational safety and health, or environmental protection; or

"(7) prohibitions or restrictions relating to the construction of buildings or facilities;

that relate to the program through which the funds described in subsection (a)(2)(B) were made available, shall remain in effect with respect to the use of such funds.".

Subtitle B—Transition Provisions Relating to Applications and Plans

SEC. 211. INTERIM STATE PLANS.

(a) IN GENERAL.—For a State or local entity in a State to use a waiver received under section 201 through June 30, 1998, and for a State to be eligible to submit a State plan described in section 104 for program year 1998, the Governor of the State shall submit an interim State plan to the Governing Board. The Governor shall submit the plan not later than June 30, 1997.

(b) REQUIREMENTS.—The interim State plan shall comply with the requirements applicable to State plans described in section 104.

(c) PROGRAM YEAR.—In submitting the interim State plan, the Governor shall indicate whether the plan is submitted—

(1) for review and approval for program year 1997; or

(2) solely for review.

(d) REVIEW.—In reviewing an interim State plan, the Governing Board may—

(1) in the case of a plan submitted for review and approval for program year 1997—

(A) approve the plan and permit the State to use a waiver as described in section 201 to carry out the plan; or

(B) disapprove the plan, and provide to the State reasons for the disapproval and technical assistance for developing an approvable plan to be submitted under section 104 for program year 1998; and

(2) in the case of a plan submitted solely for review, review the plan and provide to the State technical assistance for developing an approvable plan to be submitted under section 104 for program year 1998.

(e) EFFECT OF DISAPPROVAL.—Disapproval of an interim plan shall not affect the ability of a State to use a waiver as described in section 201 through June 30, 1998.

SEC. 212. APPLICATIONS AND PLANS UNDER COVERED ACTS.

Notwithstanding any other provision of law, no State or local entity shall be required to comply with any provision of a covered Act that would otherwise require the entity to submit an application or a plan to a Federal agency during fiscal year 1996 or 1997 for funding of a covered activity. In determining whether to provide funding to the State or local entity for the covered activity, the Secretary of Education, the Secretary of Labor, or the Secretary of Health and Human Services, as appropriate, shall consider the last application or plan, as appropriate, submitted by the entity for funding of the covered activity.

Subtitle C—Job Corps and Other Workforce Preparation Activities for At-Risk Youth

CHAPTER 1—GENERAL JOB CORPS PROVISIONS

SEC. 221. PURPOSES.

The purposes of this subtitle are—

(1) to maintain a Job Corps for at-risk youth as part of statewide systems;

(2) to set forth standards and procedures for selecting individuals as enrollees in the Job Corps;

(3) to authorize the establishment of residential and nonresidential Job Corps centers in which enrollees will participate in intensive programs of workforce development activities;

(4) to prescribe various other powers, duties, and responsibilities incident to the operation and continuing development of the Job Corps; and

(5) to assist at-risk youth who need and can benefit from an unusually intensive program, operated in a group setting, to become more responsible, employable, and productive citizens.

SEC. 222. DEFINITIONS.

As used in this subtitle:

(1) ENROLLEE.—The term "enrollee" means an individual enrolled in the Job Corps.

(2) GOVERNOR.—The term "Governor" means the chief executive officer of a State.

(3) JOB CORPS.—The term "Job Corps" means the corps described in section 223.

(4) JOB CORPS CENTER.—The term "Job Corps center" means a center described in section 223.

SEC. 223. GENERAL AUTHORITY.

If a State receives an allotment under section 241, and a center located in the State received assistance under part B of title IV of the Job Training Partnership Act for fiscal year 1996 and was not closed in accordance with section 235, the State shall use a portion of the funds made available through the allotment to maintain the center, and carry out activities described in this subtitle for individuals enrolled in a Job Corps and assigned to the center.

SEC. 224. INDIVIDUALS ELIGIBLE FOR THE JOB CORPS.

To be eligible to become an enrollee, an individual shall be an at-risk youth.

SEC. 225. SCREENING AND SELECTION OF APPLICANTS.

(a) STANDARDS AND PROCEDURES.—

(1) IN GENERAL.—The State shall prescribe specific standards and procedures for the screening and selection of applicants for the Job Corps.

(2) IMPLEMENTATION.—To the extent practicable, the standards and procedures shall be implemented through arrangements with—

(A) one-stop career centers;

(B) agencies and organizations such as community action agencies, professional groups, and labor organizations; and

(C) agencies and individuals that have contact with youth over substantial periods of time and are able to offer reliable information about the needs and problems of the youth.

(3) CONSULTATION.—The standards and procedures shall provide for necessary consultation with individuals and organizations, including court, probation, parole, law enforcement, education, welfare, and medical authorities and advisers.

(b) SPECIAL LIMITATIONS.—No individual shall be selected as an enrollee unless the individual or organization implementing the standards and procedures determines that—

(1) there is a reasonable expectation that the individual can participate successfully in group situations and activities, is not likely to engage in behavior that would prevent other enrollees from receiving the benefit of the program or be incompatible with the maintenance of sound discipline and satisfactory relationships between the Job Corps center to which the individual might be assigned and surrounding communities; and

(2) the individual manifests a basic understanding of both the rules to which the individual will be subject and of the consequences of failure to observe the rules.

SEC. 226. ENROLLMENT AND ASSIGNMENT.

(a) RELATIONSHIP BETWEEN ENROLLMENT AND MILITARY OBLIGATIONS.—Enrollment in the Job Corps shall not relieve any individual of obligations under the Military Selective Service Act (50 U.S.C. App. 451 et seq.).

(b) ASSIGNMENT.—

(1) IN GENERAL.—Except as provided in paragraph (2), the State shall assign an enrollee to the Job Corps center within the State that is closest to the residence of the enrollee.

(2) AGREEMENTS WITH OTHER STATES.—The State may enter into agreements with 1 or more States to enroll individuals from the States in the Job Corps and assign the enrollees to Job Corps centers in the State.

SEC. 227. JOB CORPS CENTERS.

(a) DEVELOPMENT.—The State shall enter into an agreement with a Federal, State, or local agency, which may be a State board or agency that operates or wishes to develop an area vocational education school facility or residential vocational school, or with a private organization, for the establishment and operation of a Job Corps center.

(b) CHARACTER AND ACTIVITIES.—Job Corps centers may be residential or nonresidential in character, and shall be designed and operated so as to provide enrollees, in a well-supervised setting, with access to activities described in section 228.

(c) CIVILIAN CONSERVATION CENTERS.—The Job Corps centers may include Civilian Conservation Centers, located primarily in rural areas, which shall provide, in addition to other training and assistance, programs of work experience to conserve, develop, or manage public natural resources or public recreational areas or to develop community projects in the public interest.

(d) JOB CORPS OPERATORS.—To be eligible to receive funds under this chapter, an entity who entered into a contract with the Secretary of Labor that is in effect on the effective date of this section to carry out activities through a center under part B of title IV of the Job Training Partnership Act (as in effect on the day before the effective date of this section), shall enter into a contract with the State in which the center is located that contains provisions substantially similar to the provisions of the contract with the Secretary of Labor, as determined by the State.

SEC. 228. PROGRAM ACTIVITIES.

(a) ACTIVITIES PROVIDED THROUGH JOB CORPS CENTERS.—Each Job Corps center shall provide enrollees assigned to the center with access to activities described in section 106(a)(2)(B), and *such other workforce development activities as may be appropriate to meet the needs of the enrollees, including providing work-based learning throughout the enrollment of the enrollees and assisting the enrollees in obtaining meaningful unsubsidized employment on completion of their enrollment.*

(b) ARRANGEMENTS.—The State shall arrange for enrollees assigned to Job Corps centers in the State to receive workforce development activities through the statewide system, including workforce development activities provided through local public or private educational agencies, vocational educational institutions, or technical institutes.

(c) JOB PLACEMENT ACCOUNTABILITY.—Each Job Corps center located in a State shall be connected to the job placement accountability system of the State described in section 131(d).

SEC. 229. SUPPORT.

The State shall provide enrollees assigned to Job Corps centers in the State with such personal allowances as the State may determine to be necessary or appropriate to meet the needs of the enrollees.

SEC. 230. OPERATING PLAN.

To be eligible to operate a Job Corps center and receive assistance under section 241 for program year 1998 or any subsequent program year, an entity shall prepare and submit, to the Governor of the State in which the center is located, and obtain the approval of the Governor for, an operating plan that shall include, at a minimum, information indicating—

(1) in quantifiable terms, the extent to which the center will contribute to the achievement of the proposed State goals and State benchmarks identified in the State plan for the State submitted under section 104;

(2) the extent to which workforce employment activities and workforce education activities delivered through the Job Corps center are directly linked to the workforce development needs of the industry sectors most important to the economic competitiveness of the State; and

(3) an implementation strategy to ensure that all enrollees assigned to the Job Corps center will have access to services through the one-stop delivery of core services described in section 106(a)(2) by the State.

SEC. 231. STANDARDS OF CONDUCT.

(a) PROVISION AND ENFORCEMENT.—The State shall provide, and directors of Job Corps center shall stringently enforce, standards of conduct within the centers. Such standards of conduct shall include provisions forbidding violence, drug abuse, and other criminal activity.

(b) DISCIPLINARY MEASURES.—To promote the proper moral and disciplinary conditions in the Job Corps, the directors of Job Corps centers shall take appropriate disciplinary measures against enrollees. If such a director determines that an enrollee has committed a violation of the standards of conduct, the director shall dismiss the enrollee from the Corps if the director determines that the retention of the enrollee in the Corps will jeopardize the enforcement of such standards or diminish the opportunities of other enrollees. If the director determines that an enrollee has engaged in an incident involving violence, drug abuse, or other criminal activity, the director shall immediately dismiss the enrollee from the Corps.

(c) APPEAL.—A disciplinary measure taken by a director under this section shall be subject to expeditious appeal in accordance with procedures established by the State.

SEC. 232. COMMUNITY PARTICIPATION.

The State shall encourage and cooperate in activities to establish a mutually beneficial relationship between Job Corps centers in the State and nearby communities. The activities may include the use of any local workforce development boards established in the State under section 118(b) to provide a mechanism for joint discussion of common problems and for planning programs of mutual interest.

SEC. 233. COUNSELING AND PLACEMENT.

The State shall ensure that enrollees assigned to Job Corps centers in the State receive counseling and job placement services, which shall be provided, to the maximum extent practicable, through the delivery of core services described in section 106(a)(2).

SEC. 234. LEASES AND SALES OF CENTERS.

(a) LEASES.—

(1) IN GENERAL.—The Secretary of Labor shall offer to enter into a lease with each State that has an approved State plan submitted under section 104 and in which 1 or more Job Corps centers are located.

(2) NOMINAL CONSIDERATION.—Under the terms of the lease, the Secretary of Labor shall lease the Job Corps centers in the State to the State in return for nominal consideration.

(3) INDEMNITY AGREEMENT.—To be eligible to lease such a center, a State shall enter into an agreement to hold harmless and indemnify the United States from any liability or claim for damages or injury to any person or property arising out of the lease.

(b) SALES.—Notwithstanding the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et seq.), the Secretary of Labor shall offer each State described in subsection (a)(1) the opportunity to purchase the Job Corps centers in the State in return for nominal consideration.

SEC. 235. CLOSURE OF JOB CORPS CENTERS.

(a) NATIONAL JOB CORPS AUDIT.—Not later than March 31, 1997, the Governing Board shall conduct an audit of the activities carried out under part B of title IV of the Job Training Partnership Act (29 U.S.C. 1691 et seq.), and submit to the appropriate committees of Congress a report containing the results of the audit, including information indicating—

(1) the amount of funds expended for fiscal year 1996 to carry out activities under such part, for each State and for the United States;

(2) for each Job Corps center funded under such part (referred to in this subtitle as a "Job Corps center"), the amount of funds expended for fiscal year 1996 under such part to carry out activities related to the direct operation of the center, including funds expended for student training, outreach or intake activities, meals and lodging, student allowances, medical care, placement or settlement activities, and administration;

(3) for each Job Corps center, the amount of funds expended for fiscal year 1996 under such part through contracts to carry out activities not related to the direct operation of the center, including funds expended for student travel, national outreach, screening, and placement services, national vocational training, and national and regional administrative costs;

(4) for each Job Corps center, the amount of funds expended for fiscal year 1996 under such part for facility construction, rehabilitation, and acquisition expenses; and

(5) the amount of funds required to be expended under such part to complete each new or proposed Job Corps center, and to rehabilitate and repair each existing Job Corps center, as of the date of the submission of the report.

(b) RECOMMENDATIONS OF GOVERNING BOARD.—

(1) RECOMMENDATIONS.—The Governing Board shall, based on the results of the audit described in subsection (a), make recommendations to the Secretary of Labor, including identifying 25 Job Corps centers to be closed by September 30, 1997.

(2) CONSIDERATIONS.—

(A) IN GENERAL.—In determining whether to recommend that the Secretary of Labor close a Job Corps center, the Governing Board shall consider whether the center—

(i) has consistently received low performance measurement ratings under the Department of Labor or the Office of Inspector General Job Corps rating system;

(ii) is among the centers that have experienced the highest number of serious incidents of violence or criminal activity in the past 5 years;

(iii) is among the centers that require the largest funding for renovation or repair, as specified in the Department of Labor Job Corps Construction/Rehabilitation Funding Needs Survey, or for rehabilitation or repair, as reflected in the portion of the audit described in subsection (a)(5);

(iv) is among the centers for which the highest relative or absolute fiscal year 1996 expenditures were made, for any of the categories of expenditures described in paragraph (2), (3), or (4) of subsection (a), as reflected in the audit described in subsection (a);

(v) is among the centers with the least State and local support; or

(vi) is among the centers with the lowest rating on such additional criteria as the Governing Board may determine to be appropriate.

(B) COVERAGE OF STATES AND REGIONS.—Notwithstanding subparagraph (A), the Governing Board shall not recommend that the Secretary of Labor close the only Job Corps center in a State or a region of the United States.

(C) ALLOWANCE FOR NEW JOB CORPS CENTERS.—Notwithstanding any other provision of this section, if the planning or construction of a Job Corps center that received Federal funding for fiscal year 1994 or 1995 has not been completed by the date of enactment of this Act—

(i) the appropriate entity may complete the planning or construction and begin operation of the center; and

(ii) the Governing Board shall not evaluate the center under this Act sooner than 3 years after the first date of operation of the center.

(3) REPORT.—Not later than June 30, 1997, the Governing Board shall submit a report to the Secretary of Labor, which shall contain a detailed statement of the findings and conclusions of the Governing Board resulting from the audit described in subsection (a) together with the recommendations described in paragraph (1).

(c) CLOSURE.—The Secretary of Labor shall, after reviewing the report submitted under subsection (b)(3), close 25 Job Corps centers by September 30, 1997.

SEC. 236. INTERIM OPERATING PLANS FOR JOB CORPS CENTERS.

Part B of title IV of the Job Training Partnership Act (29 U.S.C. 1691 et seq.) is amended by inserting after section 439 the following section:

"SEC. 439A. OPERATING PLAN.

"(a) SUBMISSION OF PLAN.—To be eligible to operate a Job Corps center and receive assistance under this part for fiscal year 1997, an entity shall prepare and submit to the Secretary and the Governor of the State in which the center is located, and obtain the approval of the Secretary for, an operating plan that shall include, at a minimum, information indicating—

"(1) in quantifiable terms, the extent to which the center will contribute to the achievement of the proposed State goals and State benchmarks identified in the interim plan for the State submitted under section 211 of the Workforce Development Act of 1995;

"(2) the extent to which workforce employment activities and workforce education activities delivered through the Job Corps center are directly linked to the workforce development needs of the industry sectors most important to the economic competitiveness of the State; and

"(3) an implementation strategy to ensure that all enrollees assigned to the Job Corps center will have access to services through the one-

stop delivery of core services described in section 106(a)(2) by the State as identified in the interim plan.

"(b) SUBMISSION OF COMMENTS.—Not later than 30 days after receiving an operating plan described in subsection (a), the Governor of the State in which the center is located may submit comments on the plan to the Secretary.

"(c) APPROVAL.—The Secretary shall not approve an operating plan described in subsection (a) for a center if the Secretary determines that the activities proposed to be carried out through the center are not sufficiently integrated with the activities carried out through the statewide system of the State in which the center is located.".

SEC. 237. EFFECTIVE DATE.

(a) IN GENERAL.—Except as provided in subsection (b), this chapter shall take effect on July 1, 1998.

(b) INTERIM PROVISIONS.—Sections 234 and 235, and the amendment made by section 236, shall take effect on the date of enactment of this Act.

CHAPTER 2—OTHER WORKFORCE PREPARATION ACTIVITIES FOR AT-RISK YOUTH

SEC. 241. WORKFORCE PREPARATION ACTIVITIES FOR AT-RISK YOUTH.

(a) IN GENERAL.—For program year 1998 and each subsequent program year, the Governing Board shall make allotments under subsection (c) to States to assist the States in paying for the cost of carrying out workforce preparation activities for at-risk youth, as described in this section.

(b) STATE USE OF FUNDS.—

(1) CORE ACTIVITIES.—The State shall use a portion of the funds made available to the State through an allotment received under subsection (c) to establish and operate Job Corps centers as described in chapter 1, if a center located in the State received assistance under part B of title IV of the Job Training Partnership Act for fiscal year 1996 and was not closed in accordance with section 235.

(2) PERMISSIBLE ACTIVITIES.—The State may use a portion of the funds described in paragraph (1) to—

(A) make grants to eligible entities, as described in subsection (e), to assist the entities in carrying out innovative programs to assist out-of-school at-risk youth in participating in school-to-work activities;

(B) make grants to eligible entities, as described in subsection (e), to assist the entities in providing work-based learning as a component of school-to-work activities, including summer jobs linked to year-round school-to-work programs; and

(C) carry out other workforce development activities specifically for at-risk youth.

(c) ALLOTMENTS.—

(1) IN GENERAL.—The Governing Board shall allot to each State an amount equal to the total of—

(A) the amount made available to the State under paragraph (2); and

(B) the amounts made available to the State under subparagraphs (C), (D), and (E) of paragraph (3).

(2) ALLOTMENTS BASED ON FISCAL YEAR 1996 APPROPRIATIONS.—Using a portion of the funds appropriated under subsection (g) for a fiscal year, the Governing Board shall make available to each State the amount that Job Corps centers in the State expended for fiscal year 1996 under part B of title IV of the Job Training Partnership Act to carry out activities related to the direct operation of the centers, as determined under section 235(a)(2).

(3) ALLOTMENTS BASED ON POPULATIONS.—

(A) DEFINITIONS.—As used in this paragraph:

(i) INDIVIDUAL IN POVERTY.—The term "individual in poverty" means an individual who—

(I) is not less than age 18;

(II) is not more than age 64; and

(III) is a member of a family (of 1 or more members) with an income at or below the poverty line.

(ii) POVERTY LINE.—The term "poverty line" means the poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)) applicable to a family of the size involved, using the most recent available data provided by the Bureau of the Census, prior to the program year for which the allotment is made, and applying the definition of poverty used by the Bureau of the Census in compiling the 1990 decennial census.

(B) TOTAL ALLOTMENTS.—The Governing Board shall use the remainder of the funds that are appropriated under subsection (g) for a fiscal year, and that are not made available under paragraph (2), to make amounts available under this paragraph.

(C) UNEMPLOYED INDIVIDUALS.—From funds equal to 33⅓ percent of such remainder, the Governing Board shall make available to each State an amount that bears the same relationship to such funds as the average number of unemployed individuals (as determined by the Secretary of Labor for the most recent 24-month period for which data are available, prior to the program year for which the allotment is made) in the State bears to the average number of unemployed individuals (as so determined) in the United States.

(D) INDIVIDUALS IN POVERTY.—From funds equal to 33⅓ percent of such remainder, the Governing Board shall make available to each State an amount that bears the same relationship to such funds as the total number of individuals in poverty in the State bears to the total number of individuals in poverty in the United States.

(E) AT-RISK YOUTH.—From funds equal to 33⅓ percent of such remainder, the Governing Board shall make available to each State an amount that bears the same relationship to such funds as the total number of at-risk youth in the State bears to the total number of at-risk youth in the United States.

(d) STATE PLAN.—

(1) INFORMATION.—To be eligible to receive an allotment under subsection (c), a State shall include, in the State plan to be submitted under section 104, information describing the allocation within the State of the funds made available through the allotment, and how the programs and activities described in subsection (b)(2) will be carried out to meet the State goals and reach the State benchmarks.

(2) LIMITATION.—The Governing Board may not require a State to include the information described in paragraph (1) in the State plan to be submitted under section 104 to be eligible to receive an allotment under section 102.

(e) APPLICATION.—To be eligible to receive a grant under subparagraph (A) or (B) of subsection (b)(2) from a State, an entity shall prepare and submit to the Governor of the State an application at such time, in such manner, and containing such information as the Governor may require.

(f) WITHIN STATE DISTRIBUTION.—Of the funds allotted to a State under subsection (c)(3) for workforce preparation activities for at-risk youth for a program year—

(1) 15 percent shall be reserved by the Governor to carry out such activities through the statewide system; and

(2) 85 percent shall be distributed to local entities to carry out such activities through the statewide system.

(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subtitle, $2,100,000,000 for each of fiscal years 1998 through 2001.

(h) EFFECTIVE DATE.—This chapter shall take effect on July 1, 1998.

Subtitle D—Interim Administration of School-to-Work Programs

SEC. 251. ADMINISTRATION OF SCHOOL-TO-WORK PROGRAMS.

(a) IN GENERAL.—Any provision of the School-to-Work Opportunities Act of 1994 (20 U.S.C. 6101 et seq.) that grants authority to the Secretary of Labor or the Secretary of Education shall be considered to grant the authority to the Governing Board.

(b) EFFECTIVE DATE.—Subsection (a) shall take effect on October 1, 1996.

Subtitle E—Amendments Relating to Certain Authorizations of Appropriations

SEC. 261. OLDER AMERICAN COMMUNITY SERVICE EMPLOYMENT ACT.

Section 508(a)(1) of the Older American Community Service Employment Act (42 U.S.C. 3056f(a)(1)) is amended by striking "for fiscal years 1993, 1994, and 1995" and inserting "for each of fiscal years 1993 through 1998".

SEC. 262. CARL D. PERKINS VOCATIONAL AND APPLIED TECHNOLOGY EDUCATION ACT.

(a) IN GENERAL.—Section 3(a) of the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2302(a)) is amended by striking "for each of the fiscal years" and all that follows through "1995" and inserting "for each of fiscal years 1992 through 1998".

(b) RESEARCH.—Section 404(d) of such Act (20 U.S.C. 2404(d)) is amended by striking "for each of the fiscal years" and all that follows through "1995" and inserting "for each of fiscal years 1992 through 1998".

SEC. 263. ADULT EDUCATION ACT.

(a) IN GENERAL.—Section 313(a) of the Adult Education Act (20 U.S.C. 1201b(a)) is amended by striking "for each of the fiscal years" and all that follows through "1995" and inserting "for each of fiscal years 1993 through 1998".

(b) STATE LITERACY RESOURCE CENTERS.—Section 356(k) of such Act (20 U.S.C. 1208aa(k)) is amended by striking "for each of the fiscal years 1994 and 1995" and inserting "for each of fiscal years 1994 through 1998".

(c) BUSINESS, INDUSTRY, LABOR, AND EDUCATION PARTNERSHIPS FOR WORKPLACE LITERACY.—Section 371(e)(1) of such Act (20 U.S.C. 1211(e)(1)) is amended by striking "for each of the fiscal years" and all that follows through "1995" and inserting "for each of fiscal years 1993 through 1998".

(d) NATIONAL INSTITUTE FOR LITERACY.—Section 384(n)(1) of such Act (20 U.S.C. 1213c(n)(1)) is amended by striking "for each of the fiscal years" and all that follows through "1996" and inserting "for each of fiscal years 1992 through 1998".

TITLE III—NATIONAL ACTIVITIES

SEC. 301. FEDERAL PARTNERSHIP.

(a) ESTABLISHMENT.—There is established a Workforce Development Partnership that shall administer the activities established under this Act. The Federal Partnership shall be a Government corporation, as defined in section 103 of title 5, United States Code. The principal office of the Federal Partnership shall be located in the District of Columbia.

(b) GOVERNING BOARD.—

(1) COMPOSITION.—There shall be in the Federal Partnership a Governing Board that shall be composed of 13 individuals, including—

(A) 7 individuals who are representative of business and industry in the United States, appointed by the President by and with the advice and consent of the Senate;

(B) 2 individuals who are representative of labor and workers in the United States, appointed by the President by and with the advice and consent of the Senate;

(C) 2 individuals who are representative of education providers, 1 of whom is a State or local adult education provider and 1 of whom is a State or local vocational education provider, appointed by the President by and with the advice and consent of the Senate; and

(D) 2 Governors, representing different political parties, appointed by the President by and with the advice and consent of the Senate.

(2) TERMS.—Each member of the Governing Board shall serve for a term of 3 years, except that, as designated by the President—

(A) 5 of the members first appointed to the Governing Board shall serve for a term of 2 years;

(B) 4 of the members first appointed to the Governing Board shall serve for a term of 3 years; and

(C) 4 of the members first appointed to the Governing Board shall serve for a term of 4 years.

(3) VACANCIES.—Any vacancy in the Governing Board shall not affect the powers of the Governing Board, but shall be filled in the same manner as the original appointment. Any member appointed to fill such a vacancy shall serve for the remainder of the term for which the predecessor of such member was appointed.

(4) DUTIES AND POWERS.—

(A) POWERS.—The powers of the Federal Partnership shall be vested in the Governing Board.

(B) DUTIES.—The Governing Board shall—

(i) oversee the development and implementation of the nationwide integrated labor market information system described in section 303, and the job placement accountability system described in section 131(d);

(ii) establish model benchmarks for each of the benchmarks referred to in paragraph (1), (2), or (3) of section 131(c), at achievable levels based on existing (as of the date of the establishment of the benchmarks) workforce development efforts in the States;

(iii) negotiate State benchmarks with States in accordance with section 131(c)(5);

(iv) review and approve plans under section 104, and make allotments under section 102;

(v) receive and review reports described in section 131(a);

(vi) prepare and submit to the appropriate committees of Congress an annual report on the absolute and relative performance of States toward reaching the State benchmarks;

(vii) award annual incentive grants under section 132(a);

(viii) initiate sanctions described in section 132(b);

(ix) disseminate information to States on the best practices used by States to establish and carry out activities through statewide systems, including model programs to provide structured work and learning experiences for welfare recipients;

(x) perform the duties specified for the Governing Board in title II, including subtitle C of title II (relating to the Job Corps);

(xi) review all federally funded programs providing workforce development activities, other than programs carried out under this Act, and submit recommendations to Congress on how the federally funded programs could be integrated into the statewide systems of the States, including recommendations on the development of common terminology for activities and services provided through the programs;

(xii) review and approve the transition workplans developed by the Secretary of Labor and the Secretary of Education in accordance with sections 305 and 306; and

(xiii) oversee all activities of the Federal Partnership.

(C) FINAL DETERMINATIONS.—Notwithstanding any other provision of this Act, the Secretary of Labor and the Secretary of Education shall jointly make the final determinations with respect to the approval of State plans, and the disbursement of funds, under this Act.

(5) CHAIRPERSON.—The position of Chairperson of the Governing Board shall rotate annually among the appointed members described in paragraph (1)(A).

(6) MEETINGS.—The Governing Board shall meet at the call of the Chairperson but not less often than 4 times during each calendar year. Five members of the Governing Board shall constitute a quorum. All decisions of the Governing Board with respect to the exercise of the duties and powers of the Governing Board shall be made by a majority vote of the members of the Governing Board.

(7) COMPENSATION AND TRAVEL EXPENSES.—

(A) COMPENSATION.—Each member of the Governing Board who is not an officer or employee of the Federal Government shall be compensated at a rate to be fixed by the President but not to exceed the daily equivalent of the maximum rate authorized for a position above GS–15 of the General Schedule under section 5108 of title 5, United States Code, for each day (including travel time) during which such member is engaged in the performance of the duties of the Governing Board. All members of the Governing Board who are officers or employees of the United States shall serve without compensation in addition to compensation received for their services as officers or employees of the United States.

(B) EXPENSES.—While away from their homes or regular places of business on the business of the Governing Board, members of such Governing Board shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, for persons employed intermittently in the Government service.

(8) DATE OF APPOINTMENT.—The Governing Board shall be appointed not later than September 30, 1996.

(c) DIRECTOR.—

(1) IN GENERAL.—There shall be in the Federal Partnership a Director, who shall be appointed by the President, by and with the advice and consent of the Senate.

(2) COMPENSATION.—The Director shall be compensated at the rate provided for level IV of the Executive Schedule under section 5315 of title 5, United States Code.

(3) DUTIES.—The Director shall—

(A) make recommendations to the Governing Board regarding the activities described in subsection (b)(4)(B); and

(B) carry out the general administration and enforcement of this Act.

(4) DATE OF APPOINTMENT.—The Director shall be appointed not later than September 30, 1996.

(d) DETAIL OF GOVERNMENT EMPLOYEES.—Any Federal Government employee may be detailed to the Federal Partnership without reimbursement, and such detail shall be without interruption or loss of civil service or privilege. The Secretary of Education, the Secretary of Labor, and the Secretary of Health and Human Services shall detail a sufficient number of employees to the Federal Partnership for the period beginning October 1, 1996 and ending June 30, 1998 to enable the Federal Partnership to carry out the functions of the Federal Partnership during such period.

(e) INSPECTOR GENERAL.—There shall be an Office of the Inspector General in the Federal Partnership. The Office shall be headed by an Inspector General appointed in accordance with the Inspector General Act of 1978 (5 U.S.C. App.). The Inspector General shall carry out the duties prescribed in such Act.

(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for fiscal years 1996 and 1997 $500,000 to the Governing Board for the administration of this Act.

(g) CONFORMING AMENDMENT.—Section 11 of the Inspector General Act of 1978 (5 U.S.C. App.) is amended—

(1) in paragraph (1), by inserting "the Governing Board of the Workforce Development Partnership;" after "the Attorney General;"; and

(2) in paragraph (2), by inserting "the Workforce Development Partnership;" after "Treasury;".

SEC. 302. NATIONAL ASSESSMENT OF VOCATIONAL EDUCATION PROGRAMS.

(a) IN GENERAL.—The Assistant Secretary for Educational Research and Improvement (referred to in this section as the "Assistant Secretary") shall conduct a national assessment of vocational education programs assisted under this Act, through studies and analyses conducted independently through competitive awards.

(b) INDEPENDENT ADVISORY PANEL.—The Assistant Secretary shall appoint an independent advisory panel, consisting of vocational education administrators, educators, researchers, and representatives of business, industry, labor, and other relevant groups, to advise the Assistant Secretary on the implementation of such assessment, including the issues to be addressed and the methodology of the studies involved, and the findings and recommendations resulting from the assessment. The panel, in the discretion of the panel, may submit to Congress an independent analysis of the findings and recommendations resulting from the assessment. The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the panel established under this subsection.

(c) CONTENTS.—The assessment required under subsection (a) shall include descriptions and evaluations of—

(1) the effect of this Act on State and tribal administration of vocational education programs and on local vocational education practices, including the capacity of State, tribal, and local vocational education systems to address the purposes of this Act;

(2) expenditures at the Federal, State, tribal, and local levels to address program improvement in vocational education, including the impact of Federal allocation requirements (such as within-State distribution formulas) on the delivery of services;

(3) preparation and qualifications of teachers of vocational and academic curricula in vocational education programs, as well as shortages of such teachers;

(4) participation in vocational education programs;

(5) academic and employment outcomes of vocational education, including analyses of—

(A) the effect of educational reform on vocational education;

(B) the extent and success of integration of academic and vocational curricula;

(C) the success of the school-to-work transition; and

(D) the degree to which vocational training is relevant to subsequent employment;

(6) employer involvement in, and satisfaction with, vocational education programs;

(7) the effect of benchmarks, performance measures, and other measures of accountability on the delivery of vocational education services; and

(8) the degree to which minority students are involved in vocational student organizations.

(d) CONSULTATION.—

(1) IN GENERAL.—The Secretary of Education shall consult with the Committee on Economic and Educational Opportunities of the House of Representatives and the Committee on Labor and Human Resources of the Senate in the design and implementation of the assessment required under subsection (a).

(2) REPORTS.—The Secretary of Education shall submit to Congress—

(A) an interim report regarding the assessment on or before January 1, 2000; and

(B) a final report, summarizing all studies and analyses that relate to the assessment and that are completed after the assessment, on or before July 1, 2000.

(3) PROHIBITION.—Notwithstanding any other provision of law or regulation, the reports required by this subsection shall not be subject to any review outside of the Office of Educational Research and Improvement before their transmittal to Congress, but the President, the Secretary, and the independent advisory panel established under subsection (b) may make such additional recommendations to Congress with respect to the assessment as the President, Secretary, or panel determine to be appropriate.

(e) EFFECTIVE DATE.—This section shall take effect on July 1, 1998.

SEC. 303. LABOR MARKET INFORMATION.

(a) FEDERAL RESPONSIBILITIES.—The Governing Board, in accordance with the provisions of this section, shall oversee the development, maintenance, and continuous improvement of a nationwide integrated labor market information system that shall include—

(1) statistical data from cooperative statistical survey and projection programs and data from administrative reporting systems, that, taken together, shall enumerate, estimate, and project the supply and demand for labor at the substate, State, and national levels in a timely manner, including data on—

(A) the demography, socioeconomic characteristics, and current employment status of the substate, State, and national populations (as of the date of the collection of the data), including self-employed, part-time, and seasonal workers;

(B) job vacancies, education and training requirements, skills, wages, benefits, working conditions, and industrial distribution, of occupations, as well as current and projected employment opportunities and trends by industry and occupation;

(C) the educational attainment, training, skills, skill levels, and occupations of the populations;

(D) information maintained in a longitudinal manner on the quarterly earnings, establishment and industry affiliation, and geographic location of employment for all individuals for whom the information is collected by the States; and

(E) the incidence, industrial and geographical location, and number of workers displaced by permanent layoffs and plant closings;

(2) State and substate area employment and consumer information (which shall be current, comprehensive, automated, accessible, easy to understand, and in a form useful for facilitating immediate employment, entry into education and training programs, and career exploration) on—

(A) job openings, locations, hiring requirements, and application procedures, including profiles of industries in the local labor market that describe the nature of work performed, employment requirements, and patterns in wages and benefits;

(B) jobseekers, including the education, training, and employment experience of the jobseekers; and

(C) the cost and effectiveness of providers of workforce employment activities, workforce education activities, and flexible workforce activities, including the percentage of program completion, acquisition of skills to meet industry-recognized skill standards, continued education, job placement, and earnings, by participants, and other information that may be useful in facilitating informed choices among providers by participants;

(3) technical standards for labor market information that will—

(A) ensure compatibility of the information and the ability to aggregate the information from substate areas to State and national levels;

(B) support standardization and aggregation of the data from administrative reporting systems;

(C) include—

(i) classification and coding systems for industries, occupations, skills, programs, and courses;

(ii) nationally standardized definitions of labor market terms, including terms related to State benchmarks established pursuant to section 131(c);

(iii) quality control mechanisms for the collection and analysis of labor market information; and

(iv) common schedules for collection and dissemination of labor market information; and

(D) eliminate gaps and duplication in statistical undertakings, with a high priority given to the systemization of wage surveys;

(4) an analysis of data and information described in paragraphs (1) and (2) for uses such as—

(A) national, State, and substate area economic policymaking;

(B) planning and evaluation of workforce development activities;

(C) the implementation of Federal policies, including the allocation of Federal funds to States and substate areas; and

(D) research on labor market dynamics;

(5) dissemination mechanisms for data and analysis, including mechanisms that may be standardized among the States; and

(6) programs of technical assistance for States and substate areas in the development, maintenance, utilization, and continuous improvement of the data, information, standards, analysis, and dissemination mechanisms, described in paragraphs (1) through (5).

(b) JOINT FEDERAL-STATE RESPONSIBILITIES.—

(1) IN GENERAL.—The nationwide integrated labor market information system shall be planned, administered, overseen, and evaluated through a cooperative governance structure involving the Federal Government and the States receiving financial assistance under this Act.

(2) ANNUAL PLAN.—The Governing Board shall, with the assistance of the Bureau of Labor Statistics and other Federal agencies, where appropriate, prepare an annual plan that shall be the mechanism for achieving the cooperative Federal-State governance structure for the nationwide integrated labor market information system. The plan shall—

(A) establish goals for the development and improvement of a nationwide integrated labor market information system based on information needs for achieving economic growth and productivity, accountability, fund allocation equity, and an understanding of labor market characteristics and dynamics;

(B) describe the elements of the system, including—

(i) standards, definitions, formats, collection methodologies, and other necessary system elements, for use in collecting the data and information described in paragraphs (1) and (2) of subsection (a); and

(ii) assurances that—

(I) data will be sufficiently timely and detailed for uses including the uses described in subsection (a)(4);

(II) administrative records will be standardized to facilitate the aggregation of data from substate areas to State and national levels and to support the creation of new statistical series from program records; and

(III) paperwork and reporting requirements on employers and individuals will be reduced;

(C) recommend needed improvements in administrative reporting systems to be used for the nationwide integrated labor market information system;

(D) describe the current spending on integrated labor market information activities from all sources, assess the adequacy of the funds spent, and identify the specific budget needs of the Federal Government and States with respect to implementing and improving the nationwide integrated labor market information system;

(E) develop a budget for the nationwide integrated labor market information system that—

(i) accounts for all funds described in subparagraph (D) and any new funds made available pursuant to this Act; and

(ii) describes the relative allotments to be made for—

(I) operating the cooperative statistical programs pursuant to subsection (a)(1);

(II) developing and providing employment and consumer information pursuant to subsection (a)(2);

(III) ensuring that technical standards are met pursuant to subsection (a)(3); and

(IV) providing the analysis, dissemination mechanisms, and technical assistance under paragraphs (4), (5), and (6) of subsection (a), and matching data;

(F) describe the involvement of States in developing the plan by holding formal consultations conducted in cooperation with representatives of the Governors of each State or the State workforce development board described in section 105, where appropriate, pursuant to a process established by the Governing Board; and

(G) provide for technical assistance to the States for the development of statewide comprehensive labor market information systems described in subsection (c), including assistance with the development of easy-to-use software and hardware, or uniform information displays. For purposes of applying Office of Management and Budget Circular A-11 to determine persons eligible to participate in deliberations relating to budget issues for the development of the plan, the representatives of the Governors of each State and the State workforce development board described in subparagraph (F) shall be considered to be employees of the Department of Labor.

(c) STATE RESPONSIBILITIES.—

(1) DESIGNATION OF STATE AGENCY.—In order to receive Federal financial assistance under this Act, the Governor of a State shall—

(A) establish an interagency process for the oversight of a statewide comprehensive labor market information system and for the participation of the State in the cooperative Federal-State governance structure for the nationwide integrated labor market information system; and

(B) designate a single State agency or entity within the State to be responsible for the management of the statewide comprehensive labor market information system.

(2) DUTIES.—In order to receive Federal financial assistance under this Act, the State agency or entity within the State designated under paragraph (1)(B) shall—

(A) consult with employers and local workforce development boards described in section 118(b), where appropriate, about the labor market relevance of the data to be collected and displayed through the statewide comprehensive labor market information system;

(B) develop, maintain, and continuously improve the statewide comprehensive labor market information system, which shall—

(i) include all of the elements described in paragraphs (1), (2), (3), (4), (5), and (6) of subsection (a); and

(ii) provide the consumer information described in clauses (v) and (vi) of section 106(a)(2)(B) in a manner that shall be responsive to the needs of business, industry, workers, and jobseekers;

(C) ensure the performance of contract and grant responsibilities for data collection, analysis, and dissemination, through the statewide comprehensive labor market information system;

(D) conduct such other data collection, analysis, and dissemination activities to ensure that State and substate area labor market information is comprehensive;

(E) actively seek the participation of other State and local agencies, with particular attention to State education, economic development, human services, and welfare agencies, in data collection, analysis, and dissemination activities in order to ensure complementarity and compatibility among data;

(F) participate in the development of the national annual plan described in subsection (b)(2); and

(G) ensure that the matches required for the job placement accountability system by section 131(d)(2)(A) are made for the State and for other States.

(3) RULE OF CONSTRUCTION.—Nothing in this Act shall be construed as limiting the ability of a State agency to conduct additional data collection, analysis, and dissemination activities with State funds or with Federal funds from sources other than this Act.

(d) EFFECTIVE DATE.—This section shall take effect on July 1, 1998.

SEC. 304. NATIONAL CENTER FOR RESEARCH IN EDUCATION AND WORKFORCE DEVELOPMENT.

(a) GRANTS AUTHORIZED.—From amounts made available under section 134(b)(5), the Governing Board is authorized—

(1) for the period beginning on the date of enactment of this Act and ending on December 31, 1997, to support a national center that was established under section 404 of the Carl D. Perkins Vocational and Applied Technology Education Act and that was in existence on the day before the date of enactment of this Act, in accordance with such section 404 (as such section was in effect on the day before the date of enactment of this Act); and

(2) for the period after December 31, 1997, to award a grant, on a competitive basis, to an institution of higher education, public or private nonprofit organization or agency, or a consortium of such institutions, organizations, or agencies, to enable such institution, organization, agency, or consortium to establish a national center to carry out the activities described in subsection (b).

(b) AUTHORIZED ACTIVITIES.—Grant funds made available under this section shall be used by the national center assisted under subsection (a)(2)—

(1) to increase the effectiveness and improve the implementation of workforce development programs, including conducting research and development and providing technical assistance with respect to—

(A) combining academic and vocational education;

(B) connecting classroom instruction with work-based learning;

(C) creating a continuum of educational programs that provide multiple exit points for employment, which may include changes or development of instructional materials or curriculum;

(D) establishing high quality support services for all students to ensure access to workforce development programs, educational success, and job placement assistance;

(E) developing new models for remediation of basic academic skills, which models shall incorporate appropriate instructional methods, rather than using rote and didactic methods;

(F) identifying ways to establish links among educational and job training programs at the State and local levels;

(G) developing new models for career guidance, career information, and counseling services;

(H) identifying economic and labor market changes that will affect workforce needs;

(I) conducting preparation of teachers and professionals who work with programs funded under this Act; and

(J) obtaining information on practices in other countries that may be adapted for use in the United States;

(2) to provide assistance to States and local recipients of assistance under this Act in developing and using systems of performance measures and standards for improvement of programs and services; and

(3) to maintain a clearinghouse that will provide data and information to Federal, State, and local organizations and agencies about the condition of statewide systems and programs funded under this Act, which data and information shall be disseminated in a form that is useful to practitioners and policymakers.

(c) OTHER ACTIVITIES.—The Governing Board may request that the national center assisted under subsection (a)(2) conduct activities not described in subsection (b), or study topics not described in subsection (b), as the Governing Board determines to be necessary to carry out this Act.

(d) IDENTIFICATION OF CURRENT NEEDS.—The national center assisted under subsection (a)(2) shall identify current needs (as of the date of the identification) for research and technical assistance through a variety of sources including a panel of Federal, State, and local level practitioners.

(e) SUMMARY REPORT.—The national center assisted under subsection (a)(2) shall annually prepare and submit to the Governing Board and Congress a report summarizing the research findings obtained, and the results of development and technical assistance activities carried out, under this section.

(f) DEFINITION.—As used in this section, the term "institution of higher education" has the meaning given the term in section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a)).

(g) EFFECTIVE DATE.—This section shall take effect on July 1, 1998.

SEC. 305. TRANSFERS TO FEDERAL PARTNERSHIP.

(a) DEFINITIONS.—For purposes of this section, unless otherwise provided or indicated by the context—

(1) the term "Federal agency" has the meaning given to the term "agency" by section 551(1) of title 5, United States Code;

(2) the term "function" means any duty, obligation, power, authority, responsibility, right, privilege, activity, or program; and

(3) the term "office" includes any office, administration, agency, institute, unit, organizational entity, or component thereof.

(b) TRANSFER OF FUNCTIONS.—

(1) IN GENERAL.—There are transferred to the Federal Partnership, in accordance with subsection (c), all functions that the Secretary of Labor or the Secretary of Education exercised before the effective date of this section (including all related functions of any officer or employee of the Department of Labor or the Department of Education) that relate to a covered activity and that are minimally necessary to carry out the functions of the Federal Partnership. The authority of a transferred employee to carry out a function that relates to a covered activity shall terminate on July 1, 1998.

(2) OFFICE OF INSPECTOR GENERAL.—There are transferred to the Federal Partnership, in accordance with subsection (c), all functions that the Secretary of Labor or the Secretary of Education, acting through the Office of Inspector General of the Department of Labor or of the Department of Education, exercised before the effective date of this section (including all related functions of any officer or employee of the Department of Labor or the Department of Education) that relate to the auditing or investigation of a covered activity and that are minimally necessary to carry out the functions of the Federal Partnership. The authority of a transferred employee to carry out a function that relates to the auditing or investigation of a covered activity shall terminate on July 1, 1998.

(c) DETERMINATIONS OF FUNCTIONS BY THE GOVERNING BOARD.—

(1) TRANSITION WORKPLAN.—

(A) IN GENERAL.—Not later than the date of appointment of the Governing Board, the Secretary of Labor and the Secretary of Education shall prepare and submit to the Governing Board a proposed workplan that specifies the steps that the Secretaries will take, during the period ending on July 1, 1998, to carry out the transfers described in subsection (b).

(B) CONTENTS.—The proposed workplan shall include, at a minimum—

(i) an analysis of the functions that officers and employees of the Department of Labor and the Department of Education carry out (as of the date of the submission of the workplan) that relate to a covered activity or to the auditing or investigation of a covered activity;

(ii) information on the levels of personnel and funding used to carry out the functions (as of such date);

(iii) information on the proposed organizational structure for the Federal Partnership;

(iv) a determination of the functions described in clause (i) that are minimally necessary to carry out the functions of the Federal Partnership; and

(v) information on the levels of personnel and funding that are minimally necessary to carry out the functions of the Federal Partnership.

(2) REVIEW.—Not later than 30 days after the date of submission of the workplan, the Governing Board shall—

(A) review the workplan;

(B) approve the workplan or prepare a revised workplan that contains the analysis and information described in paragraph (1)(B), including a determination of the functions described in paragraph (1)(B)(iv), which shall be transferred under subsection (b); and

(C) submit the approved or revised workplan to the appropriate committees of Congress.

(d) PERSONNEL PROVISIONS.—

(1) APPOINTMENTS.—The Director may appoint and fix the compensation of such officers and employees, including investigators, attorneys, and administrative law judges, as may be necessary to carry out the functions of the Federal Partnership. Except as otherwise provided by law, such officers and employees shall be appointed in accordance with the civil service laws and their compensation fixed in accordance with title 5, United States Code.

(2) EXPERTS AND CONSULTANTS.—The Director may obtain the services of experts and consultants in accordance with section 3109 of title 5, United States Code, and compensate such experts and consultants for each day (including travel time) at rates not in excess of the rate of pay for level IV of the Executive Schedule under section 5315 of such title. The Director may pay experts and consultants who are serving away from their homes or regular place of business travel expenses and per diem in lieu of subsistence at rates authorized by sections 5702 and 5703 of such title for persons in Government service employed intermittently.

(e) DELEGATION AND ASSIGNMENT.—Except where otherwise expressly prohibited by law or otherwise provided by this section, the Governing Board may delegate any function transferred or granted to such Federal Partnership after the effective date of this section to such officers and employees of the Federal Partnership

as the Governing Board may designate, and may authorize successive redelegations of such functions as may be necessary or appropriate. No delegation of functions by the Governing Board under this subsection or under any other provision of this section shall relieve such Governing Board of responsibility for the administration of such functions.

(f) REORGANIZATION.—The Governing Board may allocate or reallocate any function transferred or granted to such Federal Partnership after the effective date of this section among the officers of the Federal Partnership, and establish, consolidate, alter, or discontinue such organizational entities in the Federal Partnership as may be necessary or appropriate.

(g) RULES.—The Governing Board is authorized to prescribe, in accordance with the provisions of chapters 5 and 6 of title 5, United States Code, such rules and regulations as the Governing Board determines to be necessary or appropriate to administer and manage the functions of the Federal Partnership.

(h) TRANSFER AND ALLOCATIONS OF APPROPRIATIONS AND PERSONNEL.—

(1) IN GENERAL.—Except as otherwise provided in this section, the personnel employed in connection with, and the assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds employed, used, held, arising from, available to, or to be made available in connection with the functions transferred by this section, subject to section 1531 of title 31, United States Code, shall be transferred to the Federal Partnership. Unexpended funds transferred pursuant to this subsection shall be used only to carry out the functions of the Federal Partnership.

(2) EXISTING FACILITIES AND OTHER FEDERAL RESOURCES.—Pursuant to paragraph (1), the Secretary of Labor and the Secretary of Education shall supply such office facilities, office supplies, support services, and related expenses as may be minimally necessary to carry out the functions of the Governing Board. None of the funds made available under this Act may be used for the construction of office facilities for the Federal Partnership.

(i) INCIDENTAL TRANSFERS.—The Director of the Office of Management and Budget, at such time or times as the Director shall provide, may make such determinations as may be necessary with regard to the functions transferred by this section, and to make such additional incidental dispositions of personnel, assets, liabilities, grants, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds held, used, arising from, available to, or to be made available in connection with such functions, as may be necessary to carry out the provisions of this section. The Director of the Office of Management and Budget shall provide for the termination of the affairs of all entities terminated by this section and for such further measures and dispositions as may be necessary to effectuate the objectives of this section.

(j) EFFECT ON PERSONNEL.—

(1) TERMINATION OF CERTAIN POSITIONS.—Positions whose incumbents are appointed by the President, by and with the advice and consent of the Senate, the functions of which are transferred by this section, shall terminate on the effective date of this section.

(2) ACTIONS.—

(A) IN GENERAL.—The Secretary of Labor and the Secretary of Education shall take such actions as may be necessary, including reduction in force actions, consistent with sections 3502 and 3595 of title 5, United States Code, to ensure that the positions of personnel that relate to a covered activity and are not transferred under subsection (b)(1) are separated from service.

(B) SCOPE.—The Secretary of Labor and the Secretary of Education shall take the actions described in subparagraph (A) with respect to not less than $\frac{1}{3}$ *of the positions of personnel that relate to a covered activity.*

(C) DEFINITION.—As used in this paragraph, the term "positions of personnel that relate to a covered activity" shall not include any position in an Office of Inspector General that relates to the auditing or investigation of a covered activity.

(k) SAVINGS PROVISIONS.—

(1) SUITS NOT AFFECTED.—The provisions of this section shall not affect suits commenced before the effective date of this section, and in all such suits, proceedings shall be had, appeals taken, and judgments rendered in the same manner and with the same effect as if this section had not been enacted.

(2) NONABATEMENT OF ACTIONS.—No suit, action, or other proceeding commenced by or against the Department of Labor or the Department of Education, or by or against any individual in the official capacity of such individual as an officer of the Department of Labor or the Department of Education, shall abate by reason of the enactment of this section.

(l) TRANSITION.—The Governing Board may utilize—

(1) the services of officers, employees, and other personnel of the Department of Labor or the Department of Education with respect to functions transferred to the Federal Partnership by this section; and

(2) funds appropriated to such functions;

for such period of time as may reasonably be needed to facilitate the orderly implementation of this section.

(m) REFERENCES.—A reference in any other Federal law, Executive order, rule, regulation, or delegation of authority, or any document of or relating to—

(1) the Secretary of Labor or the Secretary of Education with regard to functions transferred under subsection (b), shall be deemed to refer to the Governing Board; and

(2) the Department of Labor or the Department of Education with regard to functions transferred under subsection (b), shall be deemed to refer to the Federal Partnership.

(n) ADDITIONAL CONFORMING AMENDMENTS.—

(1) RECOMMENDED LEGISLATION.—After consultation with the appropriate committees of Congress and the Director of the Office of Management and Budget, the Governing Board shall prepare and submit to Congress recommended legislation containing technical and conforming amendments to reflect the changes made by this section.

(2) SUBMISSION TO CONGRESS.—Not later than March 31, 1997, the Governing Board shall submit the recommended legislation referred to in paragraph (1).

(o) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), this section shall take effect on June 30, 1998.

(2) REGULATIONS AND CONFORMING AMENDMENTS.—Subsections (g) and (n) shall take effect on September 30, 1996.

(3) WORKPLAN.—Subsection (c) shall take effect on the date of enactment of this Act.

SEC. 306. TRANSFERS TO OTHER FEDERAL AGENCIES AND OFFICES.

(a) TRANSFER.—There are transferred to the appropriate receiving agency, in accordance with subsection (b), all functions that the Secretary of Labor, acting through the Employment and Training Administration, or the Secretary of Education, acting through the Office of Vocational and Adult Education, exercised before the effective date of this section (including all related functions of any officer or employee of the Employment and Training Administration or the Office of Vocational and Adult Education) that do not relate to a covered activity.

(b) DETERMINATIONS OF FUNCTIONS AND APPROPRIATE RECEIVING AGENCIES.—

(1) TRANSITION WORKPLAN.—

(A) IN GENERAL.—Not later than 90 days after the date of appointment of the Governing Board, the Secretary of Labor and the Secretary of Education shall prepare and submit to the Governing Board a proposed workplan that specifies the steps that the Secretaries will take, during the period ending on July 1, 1998, to carry out the transfer described in subsection (a).

(B) CONTENTS.—The proposed workplan shall include, at a minimum—

(i) a determination of the functions that officers and employees of the Employment and Training Administration and the Office of Vocational and Adult Education carry out (as of the date of the submission of the workplan) that do not relate to a covered activity; and

(ii) a determination of the appropriate receiving agencies for the functions, based on factors including increased efficiency and elimination of duplication of functions.

(2) REVIEW.—Not later than 30 days after the date of submission of the workplan, the Governing Board shall—

(A) review the workplan;

(B) approve the workplan or prepare a revised workplan that contains—

(i) a determination of the functions described in paragraph (1)(B)(i), which shall be transferred under subsection (a); and

(ii) a determination of the appropriate receiving agencies described in paragraph (1)(B)(ii), based on the factors described in such paragraph, to which the functions shall be transferred under subsection (a); and

(C) submit the approved or revised workplan to the appropriate committees of Congress.

(3) REPORT.—Not later than July 1, 1998, the Secretary of Education and the Secretary of Labor shall submit to the appropriate committees of Congress information on the transfers required by this section.

(c) APPLICATION OF AUTHORITIES.—

(1) IN GENERAL.—

(A) APPLICATION.—Subsection (a), and subsections (d) through (n), of section 305 (other than subsections (g), (h)(2), (j)(2), and (n)) shall apply to transfers under this section, in the same manner and to the same extent as the subsections apply to transfers under section 305.

(B) REGULATIONS AND CONFORMING AMENDMENTS.—Subsections (g) and (n) shall apply to transfers under this section, in the same manner and to the same extent as the subsections apply to transfers under section 305.

(2) REFERENCES.—For purposes of the application of the subsections described in paragraph (1) (other than subsections (h)(2) and (j)(2) of section 305) to transfers under this section—

(A) references to the Federal Partnership shall be deemed to be references to the appropriate receiving agency, as determined in the approved or revised workplan referred to in subsection (b)(2);

(B) references to the Director or Governing Board shall be deemed to be references to the head of the appropriate receiving agency; and

(C) references to transfers in subsections (e) and (f) of section 305 shall be deemed to include transfers under this section.

(3) ADMINISTRATION.—Unexpended funds transferred pursuant to this section shall be used only for the purposes for which the funds were originally authorized and appropriated.

(4) CONTINUING EFFECT OF LEGAL DOCUMENTS.—All orders, determinations, rules, regulations, permits, agreements, grants, contracts, certificates, licenses, registrations, privileges, and other administrative actions—

(A) that have been issued, made, granted, or allowed to become effective by the President, any Federal agency or official of a Federal agency, or by a court of competent jurisdiction, in the performance of functions that are transferred under this section; and

(B) that are in effect on the effective date of this section or were final before the effective date of this section and are to become effective on or after the effective date of this section;

shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked in accordance with law by the President, the appropriate receiving agency or other authorized official, a court of competent jurisdiction, or by operation of law.

(5) PROCEEDINGS NOT AFFECTED.—

(A) IN GENERAL.—The provisions of this section shall not affect any proceedings, including notices of proposed rulemaking, or any application for any license, permit, certificate, or financial assistance pending before the Department of Labor or the Department of Education on the date this section takes effect, with respect to functions transferred by this section.

(B) CONTINUATION.—Such proceedings and applications shall be continued. Orders shall be issued in such proceedings, appeals shall be taken from the orders, and payments shall be made pursuant to such orders, as if this section had not been enacted, and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or revoked by a duly authorized official, by a court of competent jurisdiction, or by operation of law.

(C) CONSTRUCTION.—Nothing in this paragraph shall be deemed to prohibit the discontinuance or modification of any such proceeding under the same terms and conditions and to the same extent that such proceeding could have been discontinued or modified if this section had not been enacted.

(6) ADMINISTRATIVE ACTIONS RELATING TO PROMULGATION OF REGULATIONS.—Any administrative action relating to the preparation or promulgation of a regulation by the Department of Labor or the Department of Education relating to a function transferred under this section may be continued by the appropriate receiving agency with the same effect as if this section had not been enacted.

(d) CONSTRUCTION.—Nothing in this section shall be construed to require the transfer of any function described in subsection (b)(1)(B)(i) to the Federal Partnership.

(e) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), this section shall take effect on June 30, 1998.

(2) REGULATIONS AND CONFORMING AMENDMENTS.—Subsection (c)(1)(B) shall take effect on September 30, 1996.

(3) WORKPLAN.—Subsection (b) shall take effect on the date of enactment of this Act.

SEC. 307. ELIMINATION OF CERTAIN OFFICES.

(a) TERMINATION.—The Office of Vocational and Adult Education and the Employment and Training Administration shall terminate on July 1, 1998.

(b) OFFICE OF VOCATIONAL AND ADULT EDUCATION.—

(1) TITLE 5, UNITED STATES CODE.—Section 5315 of title 5, United States Code, is amended by striking "Assistant Secretaries of Education (10)" and inserting "Assistant Secretaries of Education (9)".

(2) DEPARTMENT OF EDUCATION ORGANIZATION ACT.—

(A) Section 202 of the Department of Education Organization Act (20 U.S.C. 3412) is amended—

(i) in subsection (b)(1)—

(I) by striking subparagraph (C); and

(II) by redesignating subparagraphs (D) through (F) as subparagraphs (C) through (E), respectively;

(ii) by striking subsection (h); and

(iii) by redesignating subsection (i) as subsection (h).

(B) Section 206 of such Act (20 U.S.C. 3416) is repealed.

(C) Section 402(c)(1) of the Improving America's Schools Act of 1994 (20 U.S.C. 9001(c)(1)) is amended by striking "established under" and all that follows and inserting a semicolon.

(3) GOALS 2000: EDUCATE AMERICA ACT.—Section 931(h)(3)(A) of the Goals 2000: Educate America Act (20 U.S.C. 6031(h)(3)(A)) is amended—

(A) by striking clause (iii); and

(B) by redesignating clauses (iv) and (v) as clauses (iii) and (iv), respectively.

(c) EMPLOYMENT AND TRAINING ADMINISTRATION.—

(1) TITLE 5, UNITED STATES CODE.—Section 5315 of title 5, United States Code, is amended by striking "Assistant Secretaries of Labor (10)" and inserting "Assistant Secretaries of Labor (9)".

(2) VETERANS' BENEFITS AND PROGRAMS IMPROVEMENT ACT OF 1988.—Section 402(d)(3) of the Veterans' Benefits and Programs Improvement Act of 1988 (29 U.S.C. 1721 note) is amended by striking "and under any other program administered by the Employment and Training Administration of the Department of Labor".

(3) TITLE 38, UNITED STATES CODE.—Section 4110(d) of title 38, United States Code, is amended—

(A) by striking paragraph (7); and

(B) by redesignating paragraphs (8) through (12) as paragraphs (7) through (11), respectively.

(4) NATIONAL AND COMMUNITY SERVICE ACT OF 1990.—The last sentence of section 162(b) of the National and Community Service Act of 1990 (42 U.S.C. 12622(b)) is amended by striking "or the Office of Job Training".

(d) UNITED STATES EMPLOYMENT SERVICE.—

(1) TITLE 5, UNITED STATES CODE.—Section 3327 of title 5, United States Code, is amended—

(A) in subsection (a), by striking "the employment offices of the United States Employment Service" and inserting "Governors"; and

(B) in subsection (b), by striking "of the United States Employment Service".

(2) TITLE 10, UNITED STATES CODE.—

(A) Section 1143a(d) of title 10, United States Code, is amended by striking paragraph (3).

(B) Section 2410k(b) of title 10, United States Code, is amended by striking ", and where appropriate the Interstate Job Bank (established by the United States Employment Service),".

(3) INTERNAL REVENUE CODE OF 1986.—Section 51 of the Internal Revenue Code of 1986 is amended by striking subsection (g).

(4) NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1993.—Section 4468 of the National Defense Authorization Act for Fiscal Year 1993 (29 U.S.C. 1662d–1 note) is repealed.

(5) TITLE 38, UNITED STATES CODE.—Section 4110(d) of title 38, United States Code (as amended by subsection (c)(3)), is further amended—

(A) by striking paragraph (10); and

(B) by redesignating paragraph (11) as paragraph (10).

(6) TITLE 39, UNITED STATES CODE.—

(A) Section 3202(a)(1) of title 39, United States Code is amended—

(i) in subparagraph (D), by striking the semicolon and inserting "; and";

(ii) by striking subparagraph (E); and

(iii) by redesignating subparagraph (F) as subparagraph (E).

(B) Section 3203(b) of title 39, United States Code, is amended by striking "(1)(E), (2), and (3)" and inserting "(2) and (3)".

(C) Section 3206(b) of title 39, United States Code, is amended by striking "(1)(F)" and inserting "(1)(E)".

(7) NATIONAL AND COMMUNITY SERVICE ACT OF 1990.—Section 162(b) of the National and Community Service Act of 1990 (42 U.S.C. 12622(b)) (as amended by subsection (c)(4)) is further amended by striking the last sentence.

(e) REORGANIZATION PLANS.—Except with respect to functions transferred under section 306, the authority granted to the Employment and Training Administration, the Office of Vocational and Adult Education, or any unit of the Employment and Training Administration or the Office of Vocational and Adult Education by any reorganization plan shall terminate on July 1, 1998.

TITLE IV—AMENDMENTS TO THE REHABILITATION ACT OF 1973

SEC. 401. REFERENCES.

Except as otherwise expressly provided in this title, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.).

SEC. 402. FINDINGS AND PURPOSES.

Section 2 (29 U.S.C. 701) is amended—

(1) in subsection (a)(4), by striking "the provision of individualized training, independent living services, educational and support services," and inserting "implementation of a statewide workforce development system that provides meaningful and effective participation for individuals with disabilities in workforce development activities and activities carried out through the vocational rehabilitation program established under title I, and through the provision of independent living services, support services,"; and

(2) in subsection (b)(1)(A), by inserting "statewide workforce development systems that include, as integral components," after "(A)".

SEC. 403. CONSOLIDATED REHABILITATION PLAN.

(a) IN GENERAL.—Section 6 (29 U.S.C. 705) is repealed.

(b) CONFORMING AMENDMENT.—The table of contents for the Act is amended by striking the item relating to section 6.

SEC. 404. DEFINITIONS.

Section 7 (29 U.S.C. 706) is amended by adding at the end the following new paragraphs:

"(36) The term 'statewide workforce development system' means a statewide system, as defined in section 3 of the Workforce Development Act of 1995.

"(37) The term 'workforce development activities' has the meaning given the term in section 3 of the Workforce Development Act of 1995.

"(38) The term 'workforce employment activities' means the activities described in paragraphs (2) through (8) of section 106(a) of the Workforce Development Act of 1995, including activities described in section 106(a)(6) of such Act provided through a voucher described in section 106(a)(9) of such Act.".

SEC. 405. ADMINISTRATION.

Section 12(a)(1) (29 U.S.C. 711(a)(1)) is amended by inserting ", including providing assistance to achieve the meaningful and effective participation by individuals with disabilities in the activities carried out through a statewide workforce development system" before the semicolon.

SEC. 406. REPORTS.

Section 13 (29 U.S.C. 712) is amended in the fourth sentence by striking "The data elements" and all that follows through "age," and inserting the following: "The information shall include all information that is required to be submitted in the report described in section 131(a) of the Workforce Development Act of 1995 and that pertains to the employment of individuals with disabilities, including information on age,".

SEC. 407. EVALUATION.

Section 14(a) (29 U.S.C. 713(a)) is amended in the third sentence by striking "to the extent feasible," and all that follows through the end of the sentence and inserting the following: "to the maximum extent appropriate, be consistent with the State benchmarks established under paragraphs (1) and (2) of section 131(c) of the Workforce Development Act of 1995. For purposes of this section, the Secretary may modify or supplement such benchmarks after consultation with the Governing Board established under section 301(b) of the Workforce Development Act of 1995, to the extent necessary to address unique considerations applicable to the participation of individuals with disabilities in the vocational rehabilitation program established under title I and activities carried out under other provisions of this Act.".

SEC. 408. DECLARATION OF POLICY.

Section 100(a) (29 U.S.C. 720(a)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (E), by striking "; and" and inserting a semicolon;

(B) in subparagraph (F)—

(i) by inserting "workforce development activities and" before "vocational rehabilitation services"; and

(ii) by striking the period and inserting "; and"; and

(C) by adding at the end the following subparagraph:

"(G) linkages between the vocational rehabilitation program established under this title and other components of the statewide workforce development system are critical to ensure effective and meaningful participation by individuals with disabilities in workforce development activities."; and

(2) in paragraph (2)—

(A) by striking "a comprehensive" and inserting "statewide comprehensive"; and

(B) by striking "program of vocational rehabilitation that is designed" and inserting "programs of vocational rehabilitation, each of which is—

"(A) an integral component of a statewide workforce development system; and

"(B) designed".

SEC. 409. STATE PLANS.

(a) IN GENERAL.—Section 101(a) (29 U.S.C. 721(a)) is amended—

(1) in the first sentence, by striking ", or shall submit" and all that follows through "et seq.)" and inserting ", and shall submit the State plan on the same dates as the State submits the State plan described in section 104 of the Workforce Development Act of 1995 to the Governing Board established under section 301(b) of such Act";

(2) by inserting after the first sentence the following: "The State shall also submit the State plan for vocational rehabilitation services for review and comment to any State workforce development board established for the State under section 105 of the Workforce Development Act of 1995, which shall submit the comments on the State plan to the designated State unit.";

(3) by striking paragraphs (10), (12), (13), (15), (17), (19), (23), (27), (28), (30), (34), and (35);

(4) in paragraph (20), by striking "(20)" and inserting "(B)";

(5) by redesignating paragraphs (3), (4), (5), (6), (7), (8), (9), (14), (16), (18), (21), (22), (24), (25), (26), (29), (31), (32), (33), and (36) as paragraphs (4), (5), (6), (7), (8), (9), (10), (12), (13), (14), (15), (16), (17), (18), (19), (20), (21), (22), (23), and (24), respectively;

(6) in paragraph (1)(B)—

(A) by redesignating clauses (i), (ii), and (iii) as clauses (ii), (iii), and (iv), respectively; and

(B) by inserting before clause (ii) (as redesignated in subparagraph (A)) the following: "(i) a State entity primarily responsible for implementing workforce employment activities through the statewide workforce development system of the State,";

(7) in paragraph (2)—

(A) in the matter preceding subparagraph (A), by striking "(1)(B)(i)" and inserting "(1)(B)(ii)"; and

(B) in subparagraph (B)(ii), by striking "(1)(B)(ii)" and inserting "(1)(B)(iii)";

(8) by inserting after paragraph (2) the following paragraph:

"(3) provide a plan for expanding and improving vocational rehabilitation services for individuals with disabilities on a statewide basis, including—

"(A) a statement of values and goals;

"(B) evidence of ongoing efforts to use outcome measures to make decisions about the effectiveness and future direction of the vocational rehabilitation program established under this title in the State; and

"(C) information on specific strategies for strengthening the program as an integral component of the statewide workforce development system established in the State, including specific innovative, state-of-the-art approaches for achieving sustained success in improving and expanding vocational rehabilitation services provided through the program, for all individuals with disabilities who seek employment, through plans, policies, and procedures that link the program with other components of the system, including plans, policies, and procedures relating to—

"(i) entering into cooperative agreements, between the designated State unit and appropriate entities responsible for carrying out the other components of the statewide workforce development system, which agreements may provide for—

"(I) provision of intercomponent staff training and technical assistance regarding the availability and benefits of, and eligibility standards for, vocational rehabilitation services, and regarding the provision of equal, effective, and meaningful participation by individuals with disabilities in workforce employment activities in the State through program accessibility, use of nondiscriminatory policies and procedures, and provision of reasonable accommodations, auxiliary aids and services, and rehabilitation technology, for individuals with disabilities;

"(II) use of information and financial management systems that link all components of the statewide workforce development system, that link the components to other electronic networks, and that relate to such subjects as labor market information, and information on job vacancies, skill qualifications, career planning, and workforce development activities;

"(III) use of customer service features such as common intake and referral procedures, customer data bases, resource information, and human service hotlines;

"(IV) establishment of cooperative efforts with employers to facilitate job placement and to develop and sustain working relationships with employers, trade associations, and labor organizations;

"(V) identification of staff roles and responsibilities and available resources for each entity that carries out a component of the statewide workforce development system with regard to paying for necessary services (consistent with State law); and

"(VI) specification of procedures for resolving disputes among such entities; and

"(ii) providing for the replication of such cooperative agreements at the local level between individual offices of the designated State unit and local entities carrying out activities through the statewide workforce development system;";

(9) in paragraph (6) (as redesignated in paragraph (5))—

(A) by striking subparagraph (A) and inserting the following:

"(A) contain the plans, policies, and methods to be followed in carrying out the State plan and in the administration and supervision of the plan, including—

"(i)(I) the results of a comprehensive, statewide assessment of the rehabilitation needs of individuals with disabilities (including individuals with severe disabilities, individuals with disabilities who are minorities, and individuals with disabilities who have been unserved, or underserved, by the vocational rehabilitation system) who are residing within the State; and

"(II) the response of the State to the assessment;

"(ii) a description of the method to be used to expand and improve services to individuals with the most severe disabilities, including individuals served under part C of title VI;

"(iii) with regard to community rehabilitation programs—

"(I) a description of the method to be used (such as a cooperative agreement) to utilize the programs to the maximum extent feasible; and

"(II) a description of the needs of the programs, including the community rehabilitation programs funded under the Act entitled "An Act to Create a Committee on Purchases of Blind-made Products, and for other purposes", approved June 25, 1938 (commonly known as the Wagner-O'Day Act; 41 U.S.C. 46 et seq.) and such programs funded by State use contracting programs; and

"(iv) an explanation of the methods by which the State will provide vocational rehabilitation services to all individuals with disabilities within the State who are eligible for such services, and, in the event that vocational rehabilitation services cannot be provided to all such eligible individuals with disabilities who apply for such services, information—

"(I) showing and providing the justification for the order to be followed in selecting individuals to whom vocational rehabilitation services will be provided (which order of selection for the provision of vocational rehabilitation services shall be determined on the basis of serving first the individuals with the most severe disabilities in accordance with criteria established by the State, and shall be consistent with priorities in such order of selection so determined, and outcome and service goals for serving individuals with disabilities, established in regulations prescribed by the Commissioner);

"(II) showing the outcomes and service goals, and the time within which the outcomes and service goals may be achieved, for the rehabilitation of individuals receiving such services; and

"(III) describing how individuals with disabilities who will not receive such services if such order is in effect will be referred to other components of the statewide workforce development system for access to services offered by the components;"; and

(B) by striking subparagraph (C) and inserting the following subparagraphs:

"(C) with regard to the statewide assessment of rehabilitation needs described in subparagraph (A)(i)—

"(i) provide that the State agency will make reports at such time, in such manner, and containing such information, as the Commissioner may require to carry out the functions of the Commissioner under this title, and comply with such provisions as are necessary to assure the correctness and verification of such reports; and

"(ii) provide that reports made under clause (i) will include information regarding individuals with disabilities and, if an order of selection described in subparagraph (A)(iv)(I) is in effect in the State, will separately include information regarding individuals with the most severe disabilities, on—

"(I) the number of such individuals who are evaluated and the number rehabilitated;

"(II) the costs of administration, counseling, provision of direct services, development of community rehabilitation programs, and other functions carried out under this Act; and

"(III) the utilization by such individuals of other programs pursuant to paragraph (11); and

"(D) describe—

"(i) how a broad range of rehabilitation technology services will be provided at each stage of the rehabilitation process;

"(ii) how a broad range of such rehabilitation technology services will be provided on a statewide basis; and

"(iii) the training that will be provided to vocational rehabilitation counselors, client assistance personnel, personnel of the providers of one-stop delivery of core services described in section 106(a)(2) of the Workforce Development Act of 1995, and other related services personnel;";

(10) in subparagraph (A) of paragraph (8) (as redesignated in paragraph (5))—

(A) in clause (i)(II), by striking ", based on projections" and all that follows through "relevant factors"; and

(B) by striking clauses (iii) and (iv) and inserting the following clauses:

"(iii) a description of the ways in which the system for evaluating the performance of rehabilitation counselors, coordinators, and other personnel used in the State facilitates the accomplishment of the purpose and policy of this title, including the policy of serving, among others, individuals with the most severe disabilities;

"(iv) provide satisfactory assurances that the system described in clause (iii) in no way impedes such accomplishment; and";

(11) in paragraph (9) (as redesignated in paragraph (5)) by striking "required—" and all that follows through "(B) prior" and inserting "required prior";

(12) in paragraph (10) (as redesignated in paragraph (5))—

(A) in subparagraph (B), by striking "written rehabilitation program" and inserting "employment plan"; and

(B) in subparagraph (C), by striking "plan in accordance with such program" and inserting "State plan in accordance with the employment plan";

(13) in paragraph (11)—

(A) in subparagraph (A), by striking "State's public" and all that follows and inserting "State programs that are not part of the statewide workforce development system of the State;"; and

(B) in subparagraph (C)—

(i) by striking "if appropriate—" and all that follows through "entering into" and inserting "if appropriate, entering into";

(ii) by redesignating subclauses (I), (II), and (III) as clauses (i), (ii), and (iii), respectively; and

(iii) by indenting the clauses and aligning the margins of the clauses with the margins of clause (ii) of subparagraph (A) of paragraph (8) (as redesignated in paragraph (5));

(14) in paragraph (14) (as redesignated in paragraph (5))—

(A) by striking "(14)" and inserting "(14)(A)"; and

(B) by inserting before the semicolon the following ", and, in the case of the designated State unit, will take actions to take such views into account that include providing timely notice, holding public hearings, preparing a summary of hearing comments, and documenting and disseminating information relating to the manner in which the comments will affect services; and";

(15) in paragraph (16) (as redesignated in paragraph (5)), by striking "referrals to other Federal and State programs" and inserting "referrals within the statewide workforce development system of the State to programs"; and

(16) in paragraph (17) (as redesignated in paragraph (5))—

(A) in subparagraph (B), by striking "written rehabilitation program" and inserting "employment plan"; and

(B) in subparagraph (C)—

(i) in clause (ii), by striking "; and" and inserting a semicolon;

(ii) in clause (iii), by striking the semicolon and inserting "; and"; and

(iii) by adding at the end the following clause:

"(iv) the manner in which students who are individuals with disabilities and who are not in special education programs can access and receive vocational rehabilitation services, where appropriate;".

(b) CONFORMING AMENDMENTS.—

(1) Section 7 (29 U.S.C. 706) is amended—

(A) in paragraph (3)(B)(ii), by striking "101(a)(1)(B)(i)" and inserting "101(a)(1)(B)(ii)"; and

(B) in paragraph (22)(A)(i)(II), by striking "101(a)(5)(A)" each place it appears and inserting "101(a)(6)(A)(iv)".

(2) Section 12(d) (29 U.S.C. 711(d)) is amended by striking "101(a)(5)(A)" and inserting "101(a)(6)(A)(iv)".

(3) Section 101(a) (29 U.S.C. 721(a)) is amended—

(A) in paragraph (1)(A), by striking "paragraph (4) of this subsection" and inserting "paragraph (5)";

(B) in paragraph (2)—

(i) in the matter preceding subparagraph (A), by striking "paragraph (1)(B)(i)" and inserting "paragraph (1)(B)(ii)"; and

(ii) in subparagraph (B)(i), by striking "paragraph (1)(B)(ii)" and inserting "paragraph (1)(B)(iii)";

(C) in paragraph (17) (as redesignated in subsection (a)(5)), by striking "paragraph (11)(C)(ii)" and inserting "paragraph (11)(C)";

(D) in paragraph (22) (as redesignated in subsection (a)(5)), by striking "paragraph (36)" and inserting "paragraph (24)"; and

(E) in subparagraph (C) of paragraph (24) (as redesignated in subsection (a)(5)), by striking "101(a)(1)(A)(i)" and inserting "paragraph (1)(A)(i)".

(4) Section 102 (29 U.S.C. 722) is amended—

(A) in subsection (a)(3), by striking "101(a)(24)" and inserting "101(a)(17)"; and

(B) in subsection (d)(2)(C)(ii)—

(i) in subclause (II), by striking "101(a)(36)" and inserting "101(a)(24)"; and

(ii) in subclause (III), by striking "101(a)(36)(C)(ii)" and inserting "101(a)(24)(C)(ii)".

(5) Section 105(a)(1) (29 U.S.C. 725(a)(1)) is amended by striking "101(a)(36)" and inserting "101(a)(24)".

(6) Section 107(a) (29 U.S.C. 727(a)) is amended—

(A) in paragraph (2)(F), by striking "101(a)(32)" and inserting "101(a)(22)";

(B) in paragraph (3)(A), by striking "101(a)(5)(A)" and inserting "101(a)(6)(A)(iv)"; and

(C) in paragraph (4), by striking "101(a)(35)" and inserting "101(a)(8)(A)(iii)".

(7) Section 111(a) (29 U.S.C. 731(a)) is amended—

(A) in paragraph (1), by striking "and development and implementation" and all that follows through "referred to in section 101(a)(34)(B)"; and

(B) in paragraph (2)(A), by striking "and such payments shall not be made in an amount which would result in a violation of the provisions of the State plan required by section 101(a)(17)".

(8) Section 124(a)(1)(A) (29 U.S.C. 744(a)(1)(A)) is amended by striking "(not including sums used in accordance with section 101(a)(34)(B))".

(9) Section 315(b)(2) (29 U.S.C. 777e(b)(2)) is amended by striking "101(a)(22)" and inserting "101(a)(16)".

(10) Section 635(b)(2) (29 U.S.C. 795n(b)(2)) is amended by striking "101(a)(5)" and inserting "101(a)(6)(A)(i)(I)".

(11) Section 802(h)(2)(B)(ii) (29 U.S.C. 797a(h)(2)(B)(ii)) is amended by striking "101(a)(5)(A)" and inserting "101(a)(6)(A)(iv)".

(12) Section 102(e)(23)(A) of the Technology-Related Assistance for Individuals With Disabilities Act of 1988 (29 U.S.C. 2212(e)(23)(A)) is amended by striking "section 101(a)(36) of the Rehabilitation Act of 1973 (29 U.S.C. 721(a)(36))" and inserting "section 101(a)(24) of the Rehabilitation Act of 1973 (29 U.S.C. 721(a)(24))".

SEC. 410. INDIVIDUALIZED EMPLOYMENT PLANS.

(a) IN GENERAL.—Section 102 (29 U.S.C. 722) is amended—

(1) by striking the section heading and inserting the following:

"SEC. 102. INDIVIDUALIZED EMPLOYMENT PLANS.";

(2) in subsection (a)(6), by striking "written rehabilitation program" and inserting "employment plan";

(3) in subsection (b)—

(A) in paragraph (1)(A)—

(i) in clause (i), by striking "written rehabilitation program" and inserting "employment plan"; and

(ii) in clause (ii), by striking "program" and inserting "plan";

(B) in paragraph (1)(B)—

(i) in the matter preceding clause (i), by striking "written rehabilitation program" and inserting "employment plan";

(ii) in clause (iv)—

(I) by striking subclause (I) and inserting the following:

"(I) include a statement of the specific vocational rehabilitation services to be provided (including, if appropriate, rehabilitation technology services and training in how to use such services) that includes specification of the public or private entity that will provide each such vocational rehabilitation service and the projected dates for the initiation and the anticipated duration of each such service; and";

(II) by striking subclause (II); and

(III) by redesignating subclause (III) as subclause (II); and

(iii) in clause (xi)(I), by striking "program" and inserting "plan";

(C) in paragraph (1)(C), by striking "written rehabilitation program and amendments to the program" and inserting "employment plan and amendments to the plan"; and

(D) in paragraph (2)—

(i) by striking "program" each place the term appears and inserting "plan"; and

(ii) by striking "written rehabilitation" each place the term appears and inserting "employment";

(4) in subsection (c)—

(A) in paragraph (1), by striking "written rehabilitation program" and inserting "employment plan"; and

(B) by striking "written program" each place the term appears and inserting "plan"; and

(5) in subsection (d)—

(A) in paragraph (5), by striking "written rehabilitation program" and inserting "employment plan"; and

(B) in paragraph (6)(A), by striking the second sentence.

(b) CONFORMING AMENDMENTS.—

(1) The table of contents for the Act is amended by striking the item relating to section 102 and inserting the following:

"Sec. 102. Individualized employment plans.".

(2) Paragraphs (22)(B) and (27)(B), and subparagraphs (B) and (C) of paragraph (34) of

section 7 (29 U.S.C. 706), section 12(e)(1) (29 U.S.C. 711(e)(1)), section 501(e) (29 U.S.C. 791(e)), subparagraphs (C), (D), and (E) of section 635(b)(6) (29 U.S.C. 795n(b)(6) (C), (D), and (E)), section 802(g)(8)(B) (29 U.S.C. 797a(g)(8)(B)), and section 803(c)(2)(D) (29 U.S.C. 797b(c)(2)(D)) are amended by striking "written rehabilitation program" each place the term appears and inserting "employment plan".

(3) Section 7(22)(B)(i) (29 U.S.C. 706(22)(B)(i)) is amended by striking "rehabilitation program" and inserting "employment plan".

(4) Section 107(a)(3)(D) (29 U.S.C. 727(a)(3)(D)) is amended by striking "written rehabilitation programs" and inserting "employment plans".

(5) Section 101(b)(7)(A)(ii)(II) of the Technology-Related Assistance for Individuals With Disabilities Act of 1988 (29 U.S.C. 2211(b)(7)(A)(ii)(II)) is amended by striking "written rehabilitation program" and inserting "employment plan".

SEC. 411. SCOPE OF VOCATIONAL REHABILITATION SERVICES.

Section 103 (29 U.S.C. 723) is amended—

(1) in subsection (a)(4)—

(A) in subparagraph (B), by striking "surgery or";

(B) in subparagraph (D), by striking the comma at the end and inserting ", and";

(C) by striking subparagraph (E); and

(D) by redesignating subparagraph (F) as subparagraph (E); and

(2) in subsection (b)(1), by striking "the most severe".

SEC. 412. STATE REHABILITATION ADVISORY COUNCIL.

(a) In General.—Section 105 (29 U.S.C. 725) is amended—

(1) in subsection (b)(1)(A)(vi), by inserting before the semicolon the following: "who, to the extent feasible, are members of any State workforce development board established for the State under section 105 of the Workforce Development Act of 1995"; and

(2) in subsection (c)—

(A) by redesignating paragraphs (3) through (7) as paragraphs (4) through (8), respectively;

(B) by inserting after paragraph (2) the following new paragraph:

"(3) advise the designated State agency and the designated State unit regarding strategies for ensuring that the vocational rehabilitation program established under this title becomes an integral part of the statewide workforce development system of the State;"; and

(C) in paragraph (6) (as redesignated in subparagraph (A))—

(i) by striking "6024), and" and inserting "6024),"; and

(ii) by striking the semicolon at the end and inserting the following: ", and any State workforce development board established for the State under section 105 of the Workforce Development Act of 1995;".

(b) Conforming Amendment.—Subparagraph (B)(iv), and clauses (ii)(I) and (iii)(I) of subparagraph (C), of paragraph (24) (as redesignated in section 409(a)(5)) of section 101(a) (29 U.S.C. 721(a)) are amended by striking "105(c)(3)" and inserting "105(c)(4)".

SEC. 413. EVALUATION STANDARDS AND PERFORMANCE INDICATORS.

Section 106(a)(1) (29 U.S.C. 726(a)(1)) is amended—

(1) by striking "1994" and inserting "1996"; and

(2) by striking the period and inserting the following: "that shall, to the maximum extent appropriate, be consistent with the State benchmarks established under paragraphs (1) and (2) of section 131(c) of the Workforce Development Act of 1995. For purposes of this section, the Commissioner may modify or supplement such benchmarks, after consultation with the Governing Board established under section 301(b) of the Workforce Development Act of 1995, to the extent necessary to address unique considerations applicable to the participation of individuals with disabilities in the vocational rehabilitation program.".

SEC. 414. REPEALS.

(a) In General.—Title I (29 U.S.C. 720 et seq.) is amended—

(1) by repealing part C; and

(2) by redesignating parts D and E as parts C and D, respectively.

(b) Conforming Amendments.—The table of contents for the Act is amended—

(1) by striking the items relating to part C of title I; and

(2) by striking the items relating to parts D and E of title I and inserting the following:

"Part C—American Indian Vocational Rehabilitation Services

"Sec. 130. Vocational rehabilitation services grants.

"Part D—Vocational Rehabilitation Services Client Information

"Sec. 140. Review of data collection and reporting system.

"Sec. 141. Exchange of data.".

SEC. 415. EFFECTIVE DATE.

(a) In General.—Except as provided in subsection (b), the amendments made by this title shall take effect on the date of enactment of this Act.

(b) Statewide System Requirements.—The changes made in the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.) by the amendments made by this title that relate to State benchmarks, or other components of a statewide system, shall take effect—

(1) in a State that submits and obtains approval of an interim plan under section 211 for program year 1997, on July 1, 1997; and

(2) in any other State, on July 1, 1998.

TITLE V—OTHER PROGRAMS

Subtitle A—Amendments to Immigration and Nationality Act

SEC. 501. PROHIBITION ON USE OF FUNDS FOR CERTAIN EMPLOYMENT ACTIVITIES.

Section 412(c)(1) of the Immigration and Nationality Act is amended by adding at the end the following new subparagraph:

"(D) Funds available under this paragraph may not be provided to States for workforce employment activities authorized and funded under the Workforce Development Act of 1995.".

Subtitle B—Welfare Programs

SEC. 511. WELFARE REFORM.

(a) Findings.—Congress finds that—

(1) the current welfare system in the United States is failing both the families who rely on the system and the taxpayers who support the system;

(2) the current system encourages dependency and fails to promote self-sufficiency adequately;

(3) one-size-fits-all approaches to welfare reform will not work;

(4) in order to be most effective, reforms of the welfare system should take into account the individual differences among States and among families;

(5) in recent years there has been an alarming increase in the number of births to unmarried teenagers;

(6) between 1986 and 1991, births to teenagers increased by 23 percent, from 50.2 to 62.1 births per 1,000 teenage females;

(7) there is a crisis in the collection of child support that is leaving thousands of families in poverty and is increasing welfare costs to taxpayers; and

(8) in 1991, the United States Commission on Interstate Child Support reported that $5,000,000 of the $15,000,000 awarded in child support in 1991 went uncollected.

(b) Sense of the Senate.—It is the sense of the Senate that any welfare reform legislation enacted by the Senate should be based on the following principles:

(1) Individuals on welfare should, from their first day on welfare, accept responsibility for themselves and their families. The receipt of welfare benefits by an individual should be conditioned on a partnership between the individual and the State in which the partners clearly delineate the steps that the family of the individual will take to enable the individual to move off welfare and into the workforce as well as the services, including child care, that will be provided by the State to enable the family to become self-sufficient. If an individual on welfare fails to meet the responsibilities of the individual there should be consequences, such as a reduction in welfare benefits.

(2) Each State should be given more flexibility to design welfare programs that effectively respond to the needs of welfare recipients in the State.

(3) Welfare reform legislation should effectively respond to the alarming increase in births to teenage parents.

(4) Both parents have the responsibility for providing financial support for their children, even if the parents are divorced or were never married. Welfare reform should be accompanied by aggressive efforts to improve the collection of child support.

(5) Welfare reform legislation should recognize the interaction between the welfare system and the statewide system to alleviate unintended consequences for persons other than welfare recipients who are in need of workforce development activities, as described in this Act.

(6) Neither political party contributes all of the best policies for welfare reform, so welfare reform legislation should have widespread bipartisan support.

TITLE VI—REPEALS OF EMPLOYMENT AND TRAINING AND VOCATIONAL AND ADULT EDUCATION PROGRAMS

SEC. 601. REPEALS.

(a) Immediate Repeals.—The following provisions are repealed:

(1) Section 204 of the Immigration Reform and Control Act of 1986 (8 U.S.C. 1255a note).

(2) Title II of Public Law 95–250 (92 Stat. 172).

(3) The Displaced Homemakers Self-Sufficiency Assistance Act (29 U.S.C. 2301 et seq.).

(4) Section 211 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App. 211).

(5) Subtitle C of title VII of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11441 et seq.).

(6) Section 5322 of title 49, United States Code.

(7) Subchapter I of chapter 421 of title 49, United States Code.

(b) Subsequent Repeals.—The following provisions are repealed:

(1) Section 6(d)(4) of the Food Stamp Act of 1977 (7 U.S.C. 2015(d)(4)).

(2) Sections 235 and 236 of the Trade Act of 1974 (19 U.S.C. 2295 and 2296), and paragraphs (1) and (2) of section 250(d) of such Act (19 U.S.C. 2331(d)).

(3) The Adult Education Act (20 U.S.C. 1201 et seq.).

(4) The Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.).

(5) The School-to-Work Opportunities Act of 1994 (20 U.S.C. 6101 et seq.).

(6) The Wagner-Peyser Act (29 U.S.C. 49 et seq.).

(7) The Job Training Partnership Act (29 U.S.C. 1501 et seq.).

(8) Part F of title IV of the Social Security Act (42 U.S.C. 681 et seq.).

(9) Title V of the Older Americans Act of 1965 (42 U.S.C. 3056 et seq.).

(10) Title VII of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11421 et seq.), other than subtitle C of such title.

(c) EFFECTIVE DATES.—

(1) IMMEDIATE REPEALS.—The repeals made by subsection (a) shall take effect on the date of enactment of this Act.

(2) SUBSEQUENT REPEALS.—The repeals made by subsection (b) shall take effect on July 1, 1998.

SEC. 602. CONFORMING AMENDMENTS.

(a) IMMEDIATE REPEALS.—

(1) REFERENCES TO SECTION 204 OF THE IMMIGRATION REFORM AND CONTROL ACT OF 1986.—The table of contents for the Immigration Reform and Control Act of 1986 is amended by striking the item relating to section 204 of such Act.

(2) REFERENCES TO TITLE II OF PUBLIC LAW 95–250.—Section 103 of Public Law 95–250 (16 U.S.C. 791) is amended—

(A) by striking the second sentence of subsection (a); and

(B) by striking the second sentence of subsection (b).

(3) REFERENCES TO SUBTITLE C OF TITLE VII OF THE STEWART B. MCKINNEY HOMELESS ASSISTANCE ACT.—

(A) Section 762(a) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11472(a)) is amended—

(i) by striking "each of the following programs" and inserting "the emergency community services homeless grant program established in section 751"; and

(ii) by striking "tribes:" and all that follows and inserting "tribes.".

(B) The table of contents of such Act is amended by striking the items relating to subtitle C of title VII of such Act.

(4) REFERENCES TO TITLE 49, UNITED STATES CODE.—

(A) Sections 5313(b)(1) and 5314(a)(1) of title 49, United States Code, are amended by striking "5317, and 5322" and inserting "and 5317".

(B) The table of contents for chapter 53 of title 49, United States Code, is amended by striking the item relating to section 5322.

(b) SUBSEQUENT REPEALS.—

(1) RECOMMENDED LEGISLATION.—After consultation with the appropriate committees of Congress and the Director of the Office of Management and Budget, the Governing Board shall prepare and submit to Congress recommended legislation containing technical and conforming amendments to reflect the changes made by section 601(b).

(2) SUBMISSION TO CONGRESS.—Not later than March 31, 1997, the Governing Board shall submit the recommended legislation referred to under paragraph (1).

Amend the title so as to read: "A bill to consolidate Federal employment training, vocational education, and adult education programs and create integrated statewide workforce development systems, and for other purposes.".

The Senate proceeded to consider the bill.

AMENDMENT NO. 2885

(Purpose: To provide a substitute amendment)

Mrs. KASSEBAUM. Mr. President, under the terms of the unanimous-consent agreement relating to consideration of S. 143, I send to the desk a substitute amendment.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Kansas [Mrs. KASSEBAUM] proposes an amendment numbered 2885.

Mrs. KASSEBAUM. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

The PRESIDING OFFICER. The Senator from Kansas.

Mrs. KASSEBAUM. Mr. President, I am pleased that today the Senate is considering Senate bill 143, the Work Force Development Act of 1995. This legislation is the product of several years of bipartisan efforts to bring about real and comprehensive reform of Federal job training programs.

I do not think anyone would argue about the need for bold and far-reaching change in our current patchwork of training programs. S. 143 provides that change.

The members of the Senate Labor and Human Resources Committee spent a lot of time in a number of hearings considering innovative, creative and constructive approaches to reform, and I am pleased that we are now going to take up consideration of this bill under a time agreement and give it our full attention.

Right now, the Federal Government runs well over 100 separate job training programs, each with its own set of rules and regulations. In combination, they create a maze of confusion to anyone who needs help getting a job. As often as not, they spell disappointment, not results, for those who have sought assistance in building a better life for themselves and their families.

Year after year, the General Accounting Office [GAO] has worked tirelessly to document how conflicting requirements and program overlap have reduced effectiveness and added unnecessary costs.

What is worse, Mr. President, is that right now we have almost no idea how well any of these programs are performing. The GAO concluded that most Federal agencies have no idea whether their programs work.

As just one example, last year Senator KENNEDY, the ranking member of the Senate Labor and Human Resources Committee, and I asked Department of Labor officials to tell us how many people are placed in permanent jobs after they receive Federal training. With the exception of one program, the Department of Labor keeps no records of how many people get jobs after the taxpayers fund their training. I was not only surprised by this finding but, frankly, troubled as well.

Mr. President, I concluded some time ago that the only way to truly reform Federal job training was to wipe the slate clean and begin again, and that is where the Work Force Development Act starts. This bill repeals over 80 different job training programs. They are wiped off the books, along with the stacks of regulations that go with them.

But the repeal of all the major Federal job training programs is just the first step toward real reform. In place of these programs, S. 143 would give States and local communities the flexibility and the means to fashion training programs and placement services that meet the local needs of job seekers and employers alike.

This is a critical change if we want to be successful in helping people find jobs. S. 143 would combine funds from these 80-odd programs and turn them over to the States and, in turn, to local communities, so that training programs will be tailored to actual jobs available in the community.

Let me emphasize that the Work Force Development Act is more than just another block grant proposal. I would like to discuss briefly four reasons why I believe this legislation will bring a comprehensive transformation in our approach to job-related training and education.

First, S. 143 will establish in each State a coordinated work force development system where everyone, regardless of why they are unemployed, can find help. Arbitrary eligibility requirements will be gone, as will the duplication now being created by having separate, independent programs offering essentially the same services.

Savings and greater efficiency are bound to result from consolidation, as each State develops its own coordinated plan to meet the needs of its workers and the private sector.

One-stop centers, broadly defined in the bill, form the cornerstone of each State's system. These are places that will be easy to find and easy to use. They will be available to anyone wanting to gain access to basic services, such as job listings, placement help and counseling.

I think, Mr. President, we have done a poor job in our ability to serve and assist those who are looking for jobs, and far too often, there are many individuals who get lost in the cracks.

At these one-stop centers, individuals will be given the full array of available options, from further education to on-the-job training in private industry. Many States have already adopted the one-stop approach, and S. 143 gives each State greater flexibility to adopt a method that works for that State.

The second unique feature of this legislation is its emphasis on accountability. In exchange for flexibility in the use of the funds, each State must set goals and benchmarks laying out how they will improve skills and provide real jobs.

This means that, for the first time, we will know exactly how many persons getting training actually get a job and for how long. Further, if a State fails to live up to its goals and benchmarks, it will face monetary sanctions.

Unlike the current system, States will be accountable for real results, and taxpayers will know what they are getting for their Federal job training dollars.

The third key feature of S. 143 is the significant role it gives to the private sector. It goes without saying that all the job training in the world will not help unless there are jobs available at the end of the road. Ultimately, it is the private sector that will provide these jobs, and they must be brought into the system in an integral way to help develop programs that work for each State and local community.

That is why the active and meaningful involvement of employers and businesses is critical to the success of any job training effort. No legislation can ever guarantee such involvement. Nevertheless, we have assured that businesses, large and small, will be at the table in the planning and implementation of the new system at every level—local, State, and Federal.

In addition, the legislation provides an incentive for greater business involvement, by permitting a limited portion of job training funds to be used for economic development in States which establish formal local boards.

Finally, and perhaps most important, this legislation will forge a new link between education and training. Mr. President, there is one thing that is fundamental to the success of any work force development effort and that is sound, strong education programs. We have often talked about the important link between quality vocational education and job training. But we have done very little to really forge that link in a way that will last, both at the Federal level and the State and local level. Basic education is often the foundation, and should be, of any successful job training program.

While vocational education is clearly aimed toward job preparation, we have paid far too little attention to vocational education over the years. It has been shoved off to the side and not made an integral part of the total work force preparation process.

In spite of the obvious connections, vocational and adult educators and job training providers have lived far too often in different worlds. As often as not, they have operated independently, sometimes at cross purposes.

The Workforce Development Act brings the education and training communities together in each State through a collaborative planning process. This process gives all interested parties the opportunity to sit down together and work toward common goals.

Moreover, they will have every incentive to cooperate because the stakes will be high. S. 143 provides that half of each State's funds be placed in a flexible account to be used in whatever mix of education and training the State sees fit. This flex account will be the vehicle through which all parties will come together to develop a unified training system.

This bill also brings down the walls between training and education at the Federal level. Two offices—one in the Department of Labor, the other in the Department of Education—are both eliminated. They are replaced by a single Federal partnership to oversee State efforts, reducing by at least one-third the number of Federal employees now involved with work force training and education programs.

These four features, I believe, are really the heart of this legislation. We will see the creation of a new initiative that I am convinced will provide far better services than we currently do, through the myriad job training programs that have been added on top of each other over the years without thinking of how they should really fit together.

These four features are one-stop centers, strong accountability, private sector involvement, and links between education and training. Together, they create a new, bold, and innovative approach to Federal support of work force development.

In addition, the bill contains two provisions that deal specifically with at-risk youth and the disabled. There is a separate subtitle for Job Corps and other activities aimed at addressing the specific needs of our most vulnerable young people.

There will be more discussion on Job Corps in the course of today's debate. But I want to emphasize at the outset that Job Corps is not a part of the block grant. Rather, it remains as a separate program that is fully funded. However, it does mean an end to Federal administration of the Job Corps Program, and allows the States the flexibility to design a program with their Job Corps center that best meets the needs of the population being served there.

Title II amends the Rehabilitation Act of 1973 to integrate vocational rehabilitation programs into the State's training system, while still recognizing the unique requirements of bringing the disabled into the work force.

As I noted at the outset, Mr. President, many years of work have gone into the development of this legislation. Members of the Labor Committee, in particular, have devoted a great deal of time in helping to shape this bill. I want to acknowledge all of their efforts as well as the contributions made by a number of Members who do not serve on the committee.

I also note that it would not have been possible to tackle a project of this scope without the benefit of the expertise of that individual Members brought to this issue.

Senator FRIST was especially helpful in integrating vocational rehabilitation programs for the disabled into the statewide system. Senator DEWINE played a key role in developing a separate provision for at-risk youth. Senator JEFFORDS, as chairman of the Education Subcommittee, was particularly helpful in shaping the education provisions.

On the other side of the aisle, I want to recognize the support and contributions of Senator PELL, ranking member of the Education Subcommittee, whose early and steadfast support has been invaluable. Likewise, the Senator from Nebraska, Senator KERREY, deserves special recognition. He has been a stalwart supporter of job training reform, as a cosponsor of this bill in its earlier versions.

S. 143 has a broad spectrum of support that includes Governors, representatives of the business community, and educators that will play a key role in the development of this new system.

We have received letters of support from the Republican Governors Association, the National Governors' Association, the State Board of Vocational Technical Education, the National School Boards Association, the American Vocational Association, the Council of Great City Schools, the National Association of Manufacturers, the U.S. Chamber of Commerce, and the National Alliance of Business.

Mr. President, I ask unanimous consent that these letters be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATE OF MICHIGAN,
OFFICE OF THE GOVERNOR,
Lansing, MI, October 5, 1995.

Hon. NANCY KASSEBAUM,
Chairwoman, Senate Labor and Human Resources Committee, U.S. Senate, Washington, DC.

DEAR SENATOR KASSEBAUM: On behalf of the Republican Governors' Association Workforce Development Task Force, we write to indicate our strong support for S. 143, the Workforce Development Act.

As you know, earlier this year, the RGA Workforce Task Force developed a comprehensive statement of principles outlining our vision and recommendations for consolidating existing federal employment and job training programs. We believe your approach as demonstrated in S. 143 lays the groundwork for a statewide workforce development system and meets many of the objectives we named.

While we strongly support S. 143 and urge the full Senate to approve the bill, we oppose amendments that would dismantle the intended consolidation, create new set-asides, or impair the flexibility states would have in implementing the Workforce Development Act. In particular, we oppose amendments requiring mandatory vouchers and mandatory local workforce boards or which limit the authority of Governors in designing and implementing the statewide workforce development system.

Regarding vouchers, while many states are interested in experimenting with vouchers, this remains an untried and unproven delivery system. While we support legislation allowing states to use vouchers as an option, it is inappropriate to impose a mandate at this time when states do not have the administrative capability or resources to immediately implement such a system.

This same reasoning applies to mandated local workforce boards. We believe most Governors will choose to develop a local delivery system. However, some states, in particular small states, may not have the resources to efficiently implement mandated local workforce development boards. It is important to structure local partnerships in a manner best suited for states while recognizing individual differences in the states.

Concerning FUTA issues, we support your efforts to ensure that FUTA revenues remain dedicated to their intended purposes while integrating them into a statewide workforce development system under a Governor's strategic control. We appreciate your work in this direction.

Finally, we believe provisions of the bill providing a 25% set-aside in funding for State Education Agencies should be included in the same block grant that flows to Governors for design of a statewide workforce development system. Education services are a critical component of successful career preparation and training programs. Providing Governors with greater access and linkage to education services will enable us to deliver a uniform, integrated and accountable workforce development delivery structure and eliminate duplication. We appreciate your serious consideration of options to address this issue, and our staff's are prepared to work with you in discussing possible courses of action.

Again, we thank you and your staff for your excellent leadership and hard work. We appreciate the positive working relationship we have enjoyed and the many opportunities you have provided us to participate in the drafting process. We look forward to continuing to work with you as you conference S. 143 with the House CAREERS Act.

Sincerely,

TOMMY G. THOMPSON,
Governor of Wisconsin.
JOHN ENGLER,
Governor of Michigan.
TERRY E. BRANSTAD,
Governor of Iowa.
CHRISTINE TODD WHITMAN,
Governor of New Jersey.
GEORGE V. VOINOVICH,
Governor of Ohio.

NATIONAL GOVERNORS ASSOCIATION,
Washington, DC, October 6, 1995.
Hon. NANCY LANDON KASSEBAUM,
Chair, Committee on Labor and Human Resources, U.S. Senate, Washington, DC.

DEAR SENATOR KASSEBAUM: We are pleased that the Senate will consider S. 143, the Workforce Development Act, next week and want to express our strong support for your efforts to reform and consolidate federal workforce development programs. While we remain concerned about funding setasides within the block grant, we believe that this legislation gives states great flexibility while holding us accountable for achieving results. This flexibility is especially critical given federal funding reductions in these programs.

As you put the finishing touches on S. 143 and take up amendments on the floor, our paramount concern is that you give Governors room to design programs that best meet the unique needs of our individual states. States have been moving toward integration of workforce development programs for at least a decade. It is imperative that federal legislation recognize the diversity of these efforts and not override state innovation with overly prescriptive federal rules or mandates. Therefore, we support any modifications that may be made to the bill that would increase the ability of states to develop a fully integrated workforce development system. In addition, we would support the availability of national reserve funds to assist states in the event of natural disasters, mass layoffs or to meet the needs of migrant workers.

We strongly oppose, therefore, amendments that move the bill toward federal micromanagement of the program. These include the following amendments:

An amendment to be offered by Senator Breaux to mandate the use of vouchers for job training services to dislocated workers. Governors support the bill's option for states to use vouchers and many states plan to test the use of them. We cannot support, however, mandating nationally this new service delivery mechanism.

Two amendments to be offered by Senators Jeffords and Pell. The first would place further restrictions on how states may use block grant funds by moving funds out of the "flex account" and into the setasides for workforce education and workforce employment activities. If this amendment were adopted, two thirds of the block grant funds would be rigidly assigned to certain activities, giving states flexibility with only one-third of the funds. The second Jeffords/Pell amendment would dictate what proportion of funds may be used for vocational versus adult education. We oppose this amendment as further limiting the ability of states to allocate funds according to their citizens' needs.

An amendment that may be offered by Senator Ashcroft to require states to conduct drug tests of clients served by workforce development. Given that federal workforce development aid is already being reduced in the appropriations process, we would view this requirement as an unfunded mandate.

An amendment to be offered by Senator Kyl to mandate local workforce boards. While many Governors do intend to create such boards, this decision should be left to states.

Finally, we are concerned about some provisions of S. 143 and hope that we may work with you to resolve them before final passage of any federal workforce legislation. First, we understand that you have added to the bill a provision which preempts state law and court rulings in at least six states by requiring that all block grant funds be subject to all procedures and rules applicable to state funds, including appropriation by state legislatures. We strongly object to this attempt to rewrite state laws through federal legislation and ask that this provision be stricken from the bill. The inclusion of this language could result in funds being allocated in a way that overrides the collaborative process involving the Governor, business representatives, the state education agency, and others required by the bill. If this occurs, state accountability will be lost because there will be no link between the state plan, including state goals and benchmarks, and the allocation of funds.

Similarly, the bill would overturn existing authority for adult and vocational education in at least 15 states by giving sole authority for these programs to state education agencies. State education agencies do not now have authority over funding or administration of these programs in these states. We ask that you revise the bill to recognize the full range of entities that now fund and administer these programs.

We remain opposed to the segregation of block grant funds and administration into workforce employment and workforce education categories. We strongly believe that these activities should be integrated as much as possible, as Congress did under the School-to-Work Opportunities Act. The collaborative group of state education officials, the Governor, workforce officials, and others should be responsible for all of the state plan and all of the funding, not just for the strategic plan and "flex account" funds. This is the only way to achieve an integrated system. We look forward to working with you and your staff during the conference process to give states as much opportunity as possible to integrate workforce activities.

We strongly oppose the bill's requirement that individuals in need of job training have a high school diploma or GED, or be enrolled in adult education, before entering job training. There is no clear evidence that having a GED increases individuals' employability or earnings, and we believe barring these individuals from training is counterproductive. Indeed, research shows that upgrading basic skills within the context of job training can be much more effective than adult education alone. Furthermore, the adult education system does not have the capacity to serve all of these individuals and therefore this requirement could pose an unfunded mandate on states, especially since Congress is simultaneously reducing federal job training and adult education aid to states. This requirement poses a particular problem for serving welfare recipients because, under the Senate's welfare bill, job training may be counted toward meeting work participation rates but adult education may not be counted.

Thank you for considering our views. We look forward to working with you to achieve final passage of workforce development reform legislation this year.

Sincerely,

GOV. ARNE H. CARLSON,
Chair, Human Resources Committee.
GOV. TOM CARPER,
Vice Chair, Human Resources Committee.

STATE DIRECTORS,
VOCATIONAL TECHNICAL EDUCATION,
Washington, DC, October 5, 1995.
Hon. NANCY LANDON KASSEBAUM,
Chair, Senate Labor and Human Resources Committee, Russell Office Building, Washington, DC.

DEAR CHAIRMAN KASSEBAUM: We are writing in strong support and with special appreciation for your leadership and strong commitment to the American workforce and to the country's Vocational Education system. The National Association of State Directors of Vocational Technical Education (NASDVTEc) strongly supports the passage of S. 143, the Workforce Development Act of 1995.

Our organization's support is based on S. 143's clear commitment to high quality vocational technical education. The bill provides the opportunity for flexibility, adaptation and change that is essential to the continuous improvement of the vocational technical education system, while assuring a positive partnership between state and local education agencies to plan, administer, and improve programs. We are pleased that the bill provides agencies to plan, administer, and improve programs. We are pleased that the bill provides a specific allocation for education and for the maintenance of state and local funding. These are critical elements to assuring that high quality vocational technical education is available.

NASDVTEc is concerned that the current reduced authorization level (a result of programs being removed from the bill) may jeopardize the ability of the vocational education system to continue to expand and improve to meet the rapidly changing technical needs of employers. We support efforts to return funding for workforce education to its original or increased level.

Thank you for your leadership in preparing this important legislation. NASDVTEc also wants to thank and commend your staff, in particular Wendy Cramer, for her dedication and patience throughout this process. If you have any questions or need any additional information, please do not hesitate to contact me or Kimberly A. Kubiak, NASDVTEc's Associate Executive Director at 202-737-0303.

Sincerely,

MADELEINE B. HEMMINGS,
Executive Director.

STATE DIRECTORS,
VOCATIONAL TECHNICAL EDUCATION,
Washington, DC, October 5, 1995.

MEMBER,
U.S. Senate,
Washington, DC.

DEAR SENATOR: The National Association of State Directors of Vocational Technical Education (NASDVTEc) strongly urges you to vote in favor of S. 143, the Workforce Development Act of 1995 when the Senate considers it on Tuesday, October 10, 1995.

Our organization strongly supports S. 143 because of its explicit commitment to quality Vocational Technical Education. The bill provides the opportunity for flexibility, adaptation and change that is essential to the continuous improvement of the vocational technical education system, while assuring a positive partnership between state and local education agencies to plan, administer, and improve programs. We are pleased that the bill provides a specific allocation for education and for the maintenance of state and local funding. These are critical elements to assuring that high quality vocational technical education is available.

NASDVTEc is concerned that the current reduced authorization level (a result of programs being removed from the bill) may jeopardize the ability of the vocational education system to continue to expand and improve to meet the rapidly changing technical needs of employers. We support efforts to return funding for workforce education to its original or increased level.

Thank you for your support of this nation's only Occupational Education System. If you have any questions or need any additional information, please do not hesitate to contact me or Kimberly A. Kubiak, NASDVTEc's Associate Executive Director at 202-737-0303.

Sincerely,

MADELEINE B. HEMMINGS,
Executive Director.

NSBA,
Alexandria, VA, October 5, 1995.

MEMBER,
U.S. Senate,
Washington, DC.

DEAR SENATOR: On Tuesday, October 10, you will be faced with a floor vote on S. 143, the Workforce Development Act. School board members are pleased that this bill reflects many provisions that are good for education and we are in support of this legislation. The National School Boards Association represents 95,000 local school board members nationwide who make the key fiscal and education policy decisions for local school districts.

NSBA wants to commend Senator Kassebaum for her sponsorship and leadership during the months of debate on this bill. She, along with committee staff from Senate Labor and Human Resources, have been strong advocates for vocational education and local control. Her bill, S. 143, contains the following provisions which NSBA completely support:

(1) A guaranteed workforce education allocation of not less than 25% in the block grant funds;

(2) A local governance structure in which the local education agencies (LEAs) apply to the state education agencies (SEAs) for funds and the LEAs are represented on local workforce development boards;

(3) A uniform substate formula for the funds to be distributed directly from the SEAs to the LEAs; and

(4) A supplement, not supplant statement, thereby ensuring that the federal vocational education dollars are used to improve local education programs.

Despite the disappointing authorization level for this legislation, NSBA supports the many fine education provisions in S. 143. NSBA urges you to vote for this bill and not to support any floor amendments which would remove any of these education components. If you have any questions or concerns, please contact Kathryn L. McMichael, Director, Federal Relations, 703-838-6782.

Thank you for your support.

Sincerely,

ROBERTA G. DOERING,
President.

THOMAS A. SHANNON,
Executive Director.

AMERICAN VOCATIONAL ASSOCIATION,
Alexandria, VA, October 4, 1995.

Hon. NANCY KASSEBAUM,
Chair, Labor and Human Resources Committee, Russell Office Building, Washington, DC.

DEAR CHAIRMAN KASSEBAUM: Thank you very much for all of your efforts to develop a consolidation proposal for vocational education and job training which underscores the value of quality workforce education. The American Vocational Association (AVA) actively is urging the passage of the Workforce Development Act (S. 143).

Since the earliest drafts of this bill were circulated, AVA has been very supportive of the structure of S. 143. We are pleased that the bill promotes innovative approaches to planning and implementing workforce education activities while retaining the critical expertise and authority of state and local educators in developing and administering education programs. Further, your commitment to a specific allocation of education, as well as a sub-state distribution formula and the maintenance of state and local funding, are critical components in attaining the highest quality workforce education.

With the passage of the CAREERS Act in the House, which AVA opposed, it is even more imperative that your bill pass the Senate and that its structure be preserved in conference.

While earlier versions of S. 143 contained a higher authorization level due to the incorporation of a few programs which have now been removed, the resulting bill cuts the authorization to a degree that jeopardizes the potential to improve the quality and expand the availability of vocational education programs. Therefore, AVA urges the passage of the Pell-Kennedy amendment to change the allocation of workforce education, workforce employment, and flexible funds to an even one-third allocation for each.

Again, thank you for your leadership in preparing this important legislation and for considering our views. I also want to thank and commend your staff, particularly Wendy Cramer and Carla Widener, for their dedication and assistance throughout this process. If you have any questions or need additional information, please feel free to contact me or Nancy O'Brien, AVA's Assistant Executive Director for Government Relations, at 703/683-3111, ext. 311.

Sincerely,

BRET LOVEJOY,
Executive Director.

COUNCIL OF THE GREAT CITY SCHOOLS,
Washington, DC, October 3, 1995.

Hon. NANCY KASSEBAUM,
Chairman, Senate Committee on Labor and Human Resources, U.S. Senate, Washington, DC.

DEAR SENATOR KASSEBAUM: The Council of the Great City Schools, the coalition of the nation's largest urban school districts, is pleased to support S. 143, the Workforce Development Act, as it moves to consideration by the full Senate. Your efforts to maintain a distinct occupational education program for secondary students, which is designed and delivered by the nation's schools reflects an important commitment to continuing progress toward the educational goals of the country.

Your bill not only addresses many of the larger issues surrounding occupational education and training, but also specifically deals with important operational details which can make or break a federal legislative initiative, such as the intrastate distribution of funds, and maintenance of effort.

While the Council cannot endorse the lowering of the authorization of appropriations, we still support your bill. One very specific area of concern, however, relates to the loss of the JOBS and other authorizations during the floor action on Welfare Reform. The removal of these authorization levels will lower the overall funds available for the block grant, and thereby also lower funds available for the 25% set-aside for workforce education. The Council, therefore, is requesting that you support a potential Pell-Kennedy amendment to adjust each of the set-aside percentages in the block grant to 33%.

As you might imagine, the Council of the Great City Schools rarely supports block grant legislation. However, your efforts to craft a pragmatic piece of legislation and to reach out for input from our organization and our colleagues, as well as to the other side of the aisle, require appreciative acknowledgment and our support.

Sincerely,

MICHAEL CASSERLY,
Executive Director.

OCTOBER 5, 1995.

DEAR SENATOR: We write to ask you to vote for S. 143, the Workforce Development Act when it comes before the Senate for consideration on Tuesday, October 10. This legislation maintains the integrity of federal investment in the quality of vocational-technical education and access to adult education, and respects state sovereignty and local authority for education. The separate allocation for workforce education programs and provisions for the active involvement of state and local education agencies and officials in the planning of a comprehensive workforce development system are critical components of America's high-skill, high-wage economy of the 21st Century.

We enthusiastically support the following provisions of S. 143:

A guaranteed allocation of block grant funds for workforce education programs and activities;

Planning and administration of the workforce education program by state and local education authorities and postsecondary institutions, together with procedures for their participation in the development and approval of comprehensive workforce development plans;

A uniform substate formula for distribution of workforce education funds to local schools and postsecondary institutions; and

Assurances that state and local financial effort will be maintained and that federal funds will supplement, not supplant state and local resources for vocational-technical and adult education.

Together these provisions will help sustain a national priority on the quality of the vocational-technical education our students need and access to adult education. They will more closely connect programs under this Act to federal, state and local funding streams for improved education and training. We urge your support of these provisions and call your attention to potential floor amendments.

SUPPORT ONE-THIRD ALLOCATION FOR EDUCATION

First, we have a major concern about the total funding for vocational/technical education under this Act and seek your support to increase it. The specific allocations for education and job training within the Workforce Development Act were initially calculated to approximate current federal investment in the antecedent programs. However, removal of the JOBS and food stamp employment authorities from the block grant substantially reduces the total funds available for the Act. The potential impact the legislation offers for planning and sustaining necessary workforce development is jeopardized if the minimum allocations for workforce education and workforce employment programs are insufficient. We strongly urge your support of the Pell-Kennedy amendment which will be offered to raise the guaranteed allocation of education and job training funds from 25 percent of each component to 33⅓ percent of the block grant for each component.

OPPOSE UNDERMINING OF WORKFORCE EDUCATION

Second, we urge also that you oppose any amendment which would undermine or eliminate specific allocations of funds for workforce education activities and oppose any amendment which would supersede state sovereignty and local control in the governance and administration of education.

On behalf of the students, parents, teachers, school leaders, postsecondary providers, and state education officials we represent, we urge your support of S. 143 together with the positions on amendments listed above. Thank you for consideration of our views and concerns.

Sincerely,

American Association of Family and Consumer Sciences.

American Association of School Administrators.

American Vocational Association.

California Department of Education.

Council for Educational Development and Research.

Council of Chief State School Officers.

Council of Great City Schools.

National Association of Secondary School Principals.

National Association of State Boards of Education.

National Association of State Directors of Vocational and Technical Education Consortium.

National School Boards Association.

Texas Education Agency.

Vocational Industrial Clubs of America.

NATIONAL ASSOCIATION OF MANUFACTURERS,
Washington, DC, October 4, 1995.

Hon. NANCY KASSEBAUM,
Chair, Labor and Human Resources Committee, U.S. Senate, Russell Senate Office Building, Washington, DC.

DEAR SENATOR KASSEBAUM: For more than two years, we have supported consolidation and reform of the current plethora of federal job-training programs. We congratulate you, as the chairwoman of the Senate Labor and Human Resources Committee, on your persistent and creative efforts to design a system that is cost-effective, reduces duplications and targets real jobs with systematic involvement of the business community.

You have consistently responded to our concerns. You have been open to the views of the business community as well as other constituencies. You have worked in a bipartisan fashion with Senator Kennedy and your committee to structure a fair approach. S. 143, the Workforce Development Act of 1995, creates a road map for reform and should receive the full endorsement of the Senate when it takes up this measure next week.

The status quo is unacceptable. While there may be ways in which S. 143 could be made even better, we believe swift passage is the correct course. Then we can begin to address the need for a job-training system that works effectively today, when fewer dollars must be spent more wisely. We plan to work closely with you and others on these matters.

Job-training reform is long overdue. It is essential to move forward with the effort to create effective programs that will help the U.S. workforce be the best in the world. We at the NAM and our affiliates at the state level plan to be vigorously involved in the eventual implementation of this effort.

Sincerely,

PAUL R. HUARD.

CHAMBER OF COMMERCE OF THE UNITED STATES OF AMERICA,
Washington, DC, October 5, 1995.

MEMBERS OF THE U.S. SENATE: The U.S. Chamber of Commerce, representing 215,000 businesses, 3,000 state and local chambers of commerce, 1,200 trade and professional associations, and 73 American Chambers of Commerce abroad, urges your support for the Workforce Development Act (S. 143), which is scheduled for floor consideration on October 10.

The Workforce Development Act, sponsored by Senator Nancy Kassebaum (R-KS), contains many provisions that the Chamber supports. S. 143 would consolidate and decentralize roughly 100 federal education and training programs into a simpler, integrated block grant system for states. The bill also would enable small businesses and local chambers of commerce to compete with the public sector in the delivery of education and training services; recognize the important role of business in the design and implementation of the new system; and promote the effective use of technology and the development of labor-market information to orient education and training services.

In addition to these provisions, the Chamber is encouraged that the Workforce Development Act maintains the important goal of preparing students and workers for skills needed in the modern workplace. S. 143 aims to achieve this goal by adopting many new approaches to workforce development. Examples include promoting the use of vouchers rather than funding streams for institutions and programs; establishing user-friendly, one-stop delivery centers where individuals and employers can share and obtain relevant job information; opening the door to new measures of accountability rather than relying on the old measure bureaucratic processes; and encouraging the creation of effective business-education partnerships.

Many, if not most, of these provisions are found in the Chamber's policy statement on restructuring the federal training and employment system. A copy of this statement is attached, for your review.

For American business, the knowledge and skills of employees are the critical factors for economic success and international competitiveness. The Workforce Development Act embodies language that can help achieve this end of creating a world-class workforce development system that is responsive to today's skill needs. Again, we urge your support for S. 143, and your opposition to any weakening amendments. Doing so will dramatically enhance the possibility of enacting meaningful workforce development legislation during the 104th Congress.

Sincerely,

R. BRUCE JOSTEN.

NATIONAL ALLIANCE OF BUSINESS,
Washington, DC, October 6, 1995.

Hon. NANCY LANDON KASSEBAUM,
Chairperson, Committee on Labor and Human Resources, U.S. Senate, Washington, DC.

DEAR SENATOR KASSEBAUM: On behalf of the Alliance, I strongly support Senate passage of S. 143, the Workforce Development Act of 1995. I commend you highly for the consistent bipartisan, consultative approach you have employed, especially with the business community, while developing the text of S. 143 for Senate action on October 10. The legislation takes an historic step toward consolidating dozens of education and training programs into an integrated workforce development system for the states.

The business community supports the innovations in the bill authorizing governors to use proven methods for business involvement such as establishing state and local workforce development boards to help ensure a close link between the services provided and skills needed in the modern workplace. We support one-stop career centers and the use of vouchers. We applaud the emphasis on program results and accountability for performance, especially against high standards, and the integration of academic achievement with work-based learning.

Provisions in the bill giving a lead role in the design, management, and evaluation of workforce development systems are particularly good when the governor chooses the option of establishing state and local workforce development boards. We believe that a workforce development system will not work effectively without a lead role of employers. Our view, as you know, prefers to mandate the establishment of local workforce development boards for this purpose.

As you go on to perfect this bill throughout the legislative process, I look forward to working with you to strengthen the role of business in the system, so that the bill's primary goal of workforce preparation and development meets the competitive needs of employers.

Under the bipartisan leadership you have employed and the continued cooperation between the business community and your committee, I am confident that this legislation can result in the most effective workforce preparation system possible for our country.

Sincerely,

WILLIAM H. KOLBERG,
President.

Mrs. KASSEBAUM. Over the past few years, I believe a bipartisan consensus has developed on the need to overhaul current Federal training efforts. I want to especially acknowledge the cooperation of the ranking member, Senator KENNEDY, in moving this bill forward.

Although we may not be in complete agreement about the solution, Senator KENNEDY and I share the desire to reform the current fragmented system. Senator KENNEDY has been a strong advocate for consolidation at the State level. His input in strengthening this bill has been most constructive. I am appreciative of his efforts and support in seeing this legislation fashioned and brought to the floor.

Past job training legislation has reflected a tradition of bipartisan cooperation and support. I hope, as we consider this bill today, we will be able to resolve our remaining differences and emerge with strong work force development legislation that all of us can support and that will be of benefit to all who will be served in the process.

Mr. President, I yield the floor.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, later on today, hopefully, we will have an opportunity to take action on an area of public policy which is of great significance and importance to working families in this country and of great significance and importance to the United States as a nation and its ability to compete—be a competitive society in our own country and also for the United States to be able to compete in the world.

At the outset, I commend the Chair of our Human Resource Committee, Senator KASSEBAUM, for her tireless work in bringing this legislation to the U.S. Senate and for her enormously effective manner in reaching out to Republicans and Democrats alike in trying to sift through various recommendations and ideas and suggestions, to galvanize those into an effort which reflects her driving sense that what is necessary is that we develop training programs that will be suitable for this Nation as we move into the next century, but that also understands there is a proliferation of those programs and there has to be a consolidation, a direction, a flexibility that is retained at the local level in communities, with inputs from the States and local communities, from the business and private sector as well as workers in those communities.

This has been a challenging responsibility. I think all of us in the Senate marvel at her energy and her prioritizing this important area of public policy. To many, probably, in this institution as well as across the country, training programs appear to be something that are rather mundane, but we recognize that without training, continuing upgrading of skills, the inputs of education, the interlocking relationships between training programs and the private sector, the impact on individuals and families in this country really would be profound.

So, this is a very important effort. It was a priority of Senator KASSEBAUM since the time she became Chair and a priority of hers long before, when she was a driving force in our committee to make better sense out of our training and education programs. All of us in the Senate are really grateful for her continued leadership in this very, very important policy area.

For the past 3 years, the members of our committee worked together to consolidate the outdated, overlapping variety of Federal job training and job education programs to create a more effective system providing these services and opportunities for youths and adults. The challenge facing the Nation on this issue is extremely serious. It is gratifying we are able to address it in a genuine spirit of bipartisanship.

For nearly two decades, the income gap between the rich and the poor in the United States has been widening. I will come back to this issue in a few moments. A major part of the problem is that the wages of low- and middle-income workers have been stagnating or declining throughout this period while upper income groups have received much of the benefit of a growing economy. That pattern cannot continue without imposing unacceptable costs on our Nation and our security. This legislation is a key part of our answer to that challenge. It offers a better approach to job training and job education that are the heart of our efforts to improve the skills of American workers in the modern economy.

We are very much in agreement on the need to consolidate and streamline the current fragmented system of multiple job training programs at the local level. Many of our early ideas came in response to the bipartisan "America's Choice, High Skills or Low Wages?" report in 1990, of the Commission on the Skills of the American Work Force, led by former Secretaries of Labor, Bill Brock and F. Ray Marshall. It was a truly bipartisan effort where we had the former Secretary of Labor under President Carter and the former Secretary of Labor, Bill Brock, who had been a Republican Senator from Tennessee. The members of their committee, which was reflective of business and labor, made a series of recommendations which I will come back to in just a few moments.

One of the major problems highlighted in the report was that the United States is not well organized to provide the highly skilled workers needed to support the emerging high performance work organizations. Public policy for worker training has been largely passive. This legislation is, in large measure, a long overdue response to that report. It addresses the maze of training and education programs, created over many years, for youths and adults seeking the skills and training needed for successful careers.

The job training portions of the Workforce Development Act are a major improvement over current law. They provide the information necessary to tell us, for the first time, whether job training programs are successful in improving the employment skills and earning power of American workers, and they provide needed incentives and sanctions to help us reach our goals.

One of the dilemmas we find ourselves in at the present time is, with the proliferation of various training programs, in many instances, too many instances, the individual being trained is uncertain of the skills that he or she is actually obtaining; at the time of the employment, the employer is unsure of those particular skills; and the taxpayers are unsure how their tax dollars are actually being invested and how valuable that investment really is. That is too often the current situation.

This is an attempt to make sure, No. 1, individuals who are involved in training programs are going to receive the good training and the skills necessary to compete in the economy; No. 2, that the employer is going to know the skills that individual actually has; and, No. 3, the taxpayer is going to know the investment in that individual and in that program is going to mean a stronger economy for us in the future that is going to benefit all of the American community. It is that desire to achieve, with variety, in a flexible way, those goals that is the underlying factor in terms of the support for this legislation.

The bill also lays the foundation for accomplishing two of the highest priorities of a bipartisan majority of the last Congress: effective school-to-work programs for non-college-bound youths, and the one-stop career centers for adults.

When we recognize that three out of four young people who graduate from high school are not going on to higher education but are going on into the job market, and when we take a look at what is happening in the job market for those individuals who just graduate from high school, the difficulty they have in getting an early entry job that provides any meaningful opportunity of acquiring skills necessary to move forward in the economy, we understand the challenge before the country, particularly the limited opportunities for many of these young people. It has been as a result, again, of the bipartisan efforts in the school-to-work programs that we have found advantage in addressing this issue. There have been a number of States that have been moving, with the encouragement of the school-to-work program, aggressively in this area with very, very strong support.

I can think of examples, both of Governor Thompson, a Republican, and his strong support for those concepts in the State of Wisconsin; also the former Governor of the State of Maine, who had been very active in the development of those programs.

This legislation would consolidate funds from a variety of programs and provide funds to States in the form of block grants. Major programs to be consolidated include the Job Training Partnership Act, the JTPA, Carl Perkins Vocational and Applied Technology Act, and the Adult Vocation Act. In addition, nearly 90 other job training and job education programs are included in this consolidation effort.

Mr. President, this effort that we have here today follows the attempt by Congress to be more effective in terms of the training programs. I think all of us understand the complexity and the difficulty that we have in doing a good job in terms of encouraging the acquisition of high grade skills in the individual and in the labor market area.

This represents, I think, the fourth great effort that this country has been involved in various training programs. We had the manpower demonstration administration years ago where we went through the CETA programs. They were discarded in the early 1980's with the leadership and the bipartisan effort that was made under the Senator from Indiana, Dan Quayle, in the development of the JTPA, which was an attempt to try to bring leaders within the local communities into the development of what was called the PIC organizations so that we would address and develop the skills that were necessary within the local community using leaders, business, community leaders, workers as well in those particular areas.

There have been a number of different communities where that particular formula worked extraordinarily well. One of them is my own city of Boston where they developed within the private sector what was called effectively the technology prep schools which involved the financial institutions in the high schools and a number of the health professions in high schools. The development of the public and private partnership had a very significant success in a number of our communities. But still, there were too many areas where there were gaps and failings. It is with the review of both the advantages and the disadvantages of that program that Senator KASSEBAUM has developed the Workforce Development Act to take advantage of the lessons that were developed through that JTPA in the early 1980's and also the recommendations that have been made upon review of that program and how that program actually could be strengthened.

With the funds available under the block grants, the bill requires each State to spend at least 25 percent of the totals on work force education and another 25 percent on work force employment activities. The remaining 50 percent will be placed in a flex account by which the State will be free to assign to another educator the employment activities. There is always the balance between giving the maximum flexibility into a community that can do an extremely effective job.

I am very proud of the initiatives which have been developed in my own State of Massachusetts that really developed under Governor Dukakis and have been continued under Governor Weld. In particular, Lieutenant Governor Cellucci has really done an extraordinary job with maximum flexibility.

So we want the maximum flexibility to permit these effective programs to grow, and then we also do not want to be into a situation where we are just effectively providing funding that will not be used effectively for those purposes of training and enhancing education. It is balanced.

Senator KASSEBAUM has fought and led our committee with great insight to make sure that the degrees of flexibility are going to be preserved at the local level to the maximum extent possible. This is something which I think is ensured in this legislation.

The dramatic and fundamental change proposed in the legislation will take place under a 3-year State work force development plan. Within this plan the State will include a strategic analysis which will describe the allocation choices for the funds in the flex account. The plan will also include the activities the State will undertake within the work force education and employment functions in order to meet the established benchmarks and goals. This bill mandates that each State's plan must include the establishment of a comprehensive one-stop delivery system which will provide the required course services, labor market information, and job placement activities. The corps services will include skill assessment, job search, placement assistance, employment screening referral, and local labor market information—that sort of one-stop area so that individuals will be able to come into this one-stop area where there will be the assessment of that individual's skills where the job market is, which training programs have been effective, and being able to use the latest in terms of information services so individuals will be able to know which training programs result in individuals actually gaining employment, what their wages will be, reviewing of what the effectiveness of that program will be in 2 years or 3 years down the road so people will say, "Well, when we go into this program, we know that we have the best opportunity developing the kind of skills and that we will have employment not just for 6 months, but for 2, 3 years, and our opportunities to make advancement will be considerable."

That kind of consolidation with one-stop shopping is virtually nonexistent in some communities where there has been development of those programs. The opportunities now with the new kinds of information sharing, computers, and research offers up extraordinary possibilities in terms of enhanced training in the evaluation of these programs.

I underscore what the Senator has said; that is, this very careful evaluation of the various programs that are being developed so that we will have the best information about knowing which programs are working and which ones are weaker.

Another hallmark of the legislation is the extent of flexibility provided to the States. In those States committed to developing the postdelivery system, the benefits will be substantial to those with significant information and assistance. As an example, the work force employment activities are accompanied by an extensive list of permissive services which may be offered to recipients, including the on-the-job training skill and greater entrepreneurial training.

As we know now as compared to where we were 20 or 30 years ago, even in the early part of the 1960's, for someone who worked in the Quincy shipyard on the south shore of Massachusetts—their father probably worked there and their grandfather worked there, and they worked there—they were able to make a very good living. What we have now in the development of the labor market is a recognition that an individual will probably have seven different jobs over the course of their lifetime. And those jobs, in many instances, will necessitate different kinds of skills.

We are dealing with an entirely different kind of labor market situation. This is an attempt to really move us from the past in terms of the types of skills into the modern age and doing it in a variety of different ways that have been outlined by Senator KASSEBAUM.

There will be amendments that will be offered by our colleagues. I will refer to those in just a moment or two.

With respect to the job education, the funds come primarily from vocational education and adult education. The legislation requires a variety of corps activities to be funded with a 25-percent share of the block grant and the flex account allocated to education. These corps activities include vocational education, technology prep, secondary and postsecondary linkages, literacy and basic education services for adult and out-of-school youth, and the integrated academic curriculums.

As Senator KASSEBAUM also pointed out, this bill authorizes $2.1 billion for education and training activities for at-risk youth. These funds will help to fund the Job Corps activities.

I will also come back to that issue in the course of the debate, and there will be an amendment offered to change the Job Corps rather significantly doing effective kinds of evaluation but basically to preserve the basic and fundamental structure on that program. We will have an opportunity to debate that later in the course of the day.

We have also included a mandatory requirement for the summer youth programs be funded from these resources. The summer youth program is enormously important. Also included in the summer youth programs will be the educational components which have been found to be so important and have made a real difference in the significance of the summer youth programs and also tying those to various employment opportunities.

We have seen, for example, in Boston how the public and the private sectors have moved very effectively together, and how there has been a real effective utilization of summer youth and moving young individuals actually into the private sector employment as a result of either 1 or 2 years participation in summer youth programs.

So that the way this is organized I think really emphasizes the most effective types of summer youth programs.

As Senator KASSEBAUM pointed out, Senator DEWINE was particularly involved in the shaping of those programs.

We have also made substantial progress in a variety of other issues such as retaining the employment service, placing a cap on the economic development expenditures, and protection for employees who participate in the training programs.

Also we are pleased to be able to remove the Workforce Development Act from the welfare reform bill recently passed by the Senate. This act is eminently deserving of independent consideration by Congress.

The series of amendments that we will offer today represent the road we still must travel to finish the job. I believe one of the most important amendments is to honor our commitment to the dislocated workers by retaining the trade adjustment assistance programs. Only a year ago, or 2 years ago, Senators in both parties gave strong support to NAFTA and GATT. They decided that the trade adjustment assistance is the answer to the crisis of workers dislocated by expanding world trade. Those promises to working men and women will be broken by the pending bill.

In addition, the bill lacks a clear commitment to other dislocated workers. What are we to say to the factory worker whose plant is closed and is moved to Mexico, or to the coal miners who have lost their jobs, or to the timber workers who received their pink slips, or to the bank employees who are lost in the latest megamerger? What are we to say to the people who need training, or education, or job placement services? Unless this legislation is amended, we will be destroying the hopes and dreams of tens of thousands of workers. We have a special responsibility.

The trade adjustment concept goes back a number of years to actually the early 1960's. But we have renewed as a key part of the commitment of this body—and Presidents alike—a commitment for trade adjustments for those individuals who fall into the categories and lose their employment as a result of NAFTA and the GATT. I believe that commitment should be retained.

I know we will have more of an opportunity to get into that discussion later on in the day.

There will also be an amendment offered to preserve the Federal role in the Job Corps Program and to ensure the program remains strong and effective enough to continue its excellent service to our Nation's youth. Republicans in the House increased the funding for the program. They called it one of the few Federal programs that is successful and effective. Instead of addressing legitimate concerns of the current program, the Senate, I believe, goes in an unwise path on this issue. Our Members will make the changes necessary to reform and strengthen this program.

The test of the legislation will be how well it prepares the Nation's work force for the changing economy in the years ahead. American workers are the backbone of the economy. If we invest wisely in them, the country will prosper. If we fail to do so, the current problems will fester, and the economy and the Nation will suffer.

In closing, I want to recognize a member of my staff whose ability and commitment was indispensable in the preparation of this landmark legislation. Steve Spinner, who served on my staff for the past 2 years, helped guide us at every step even as the cancer which finally took his life was ravishing his body. In a sense, this legislation is his monument. To his wife and daughter we extend our heartfelt thoughts and prayers as we carry on his work.

Mr. President, I want to just mention a number of our colleagues who are not on the committee who have been very much committed to the shaping of this legislation. First of all, on the committee, Senator DODD, for emphasizing the importance of the programs that are related to national activities, recognizing that there are particular challenges that can affect either particular States or regions as the result of the downsizing of Federal contracting. We have seen that issue here in a number of different communities or with particular disasters—the floods in the Midwest, earthquakes, fires in the far West which in many of these instances pass through various jurisdictions and there has been a national impact.

Decisions are being made in the national interest which adversely affect individuals and their families in a very significant way.

No. 1, they lose their job, and with little opportunity, perhaps if they are older, to acquire skills. And we want to make a special effort to ensure that their concerns will be recognized.

That program in the past has been utilized effectively, and I am enormously grateful to Senator KASSEBAUM and our colleagues on the committee for understanding the importance of this program. She has been unwilling to accept as broad a program as many of us would like but I do think has been willing to accept the essential aspect of the program, and we are very grateful for the cooperation we received in that area.

And No. 2, in another very important area which will be talked about by our friend and colleague, the Senator from Louisiana, Senator BREAUX, with the development of the vouchers for dislocated workers so that you can maximize flexibility by the individual in their ability to seek out good training programs and give them a greater opportunity and freedom to make judgments in terms of their own future. This is something that has been considered by the committee. I think the way it has been shaped will give us a good opportunity for a very solid program that can be evaluated carefully and may very well offer great opportunity in the future for expansion of training.

Again, I am grateful to the Senator for her willingness to accept the concept of the approach. It is not all of what was initially offered but is certainly something that was, I think, a very commendable idea, accepted in the House. And I commend Senator BREAUX and Senator DASCHLE, who have been our principal advocates of this, not just on this legislation but in previous efforts as well.

Later, we will have focus on the trade adjustment by Senator MOYNIHAN and Senator ROTH with an amendment. We will have an amendment on the Job Corps by Senator SPECTER and Senator SIMON, and we will also have an adult education earmark by Senator JEFFORDS and Senator PELL. And I understand there are a few other amendments as well.

Given the magnitude of this legislation, I think it is a real tribute, again, to the chair for the fact that we do have some areas we will have to have votes on in the Senate, but given the magnitude of this issue and the consolidation of all of these programs and working them through is really a great tribute to her leadership.

I will just say finally, because I see other colleagues who are prepared to address the Senate, what this legislation for this Senator is really about is to try to make sure, as we are moving in the latter part of this century and into the next century, we are going to see progress made for all Americans and American families in as great a lockstep as possible.

From 1950 to 1978, what we saw was that the country was really effectively growing together; with the progress that was being made during that period of time it was effectively shared by all the members of our society and the greatest amount went to those on the lower levels but everyone in the middle and the quintile, the top 20 percent, were also participating in the expansion and the robust nature of our economy.

What we are seeing now from 1980 effectively to 1993 is that those are the upper sectors which are benefiting to the greatest degree; those in the middle and in the middle lower are the ones that are continuing to fall behind. We have no magic wand to be able to bring all of these groups here into the general prosperity area. It is going to take a combination of different efforts on our part.

But one of the very important efforts will be to try to make sure that individuals who are in these areas are going to have both education and skill to the extent that we can provide those. Obviously, a key aspect of the education is done at the local level and at the State level. In higher education, obviously, we have an important responsibility. We have also responsibility in other areas as well.

But in the training programs, that is an area where we can try to ensure that there will be expanded skills for American workers. We can try to make sure, and build successful programs that will ensure, that American workers, as they move into the next century, are going to be at the cutting edge of all new skills.

We know our competitors are doing that. If you read the America's Choice Report, which I would suggest to anyone that really wants to have a good insight into where we are or where we have been and also where our competition is going, you will find out that most of the other industrial nations of the world are moving very aggressively in upgrading their skills in a continuing process. They are doing it with training programs, specific training programs. And they are doing training programs on the job and encouraging the businesses in those countries to participate. And those businesses in those countries do participate.

That is not the typical example here in the United States. It is only about 6 or 8 percent of total corporations that actually move with aggressive kinds of training programs. And most of those training programs are more to the white-collar workers rather than to the blue-collar workers.

We are trying to demonstrate by example that we have maximum assurance that there will be different opportunities for the acquisition of skills and education for the working families in this country which will effectively enhance their opportunity to improve their own economic vitality and the vital strength of our national economy.

Mr. President, I see others here who want to address the Senate. I am grateful again for the cooperation that was given by all members of the committee, as Senator KASSEBAUM has mentioned. We are very grateful for the participation of Democratic Senators as well as our Republican colleagues.

We look forward to addressing these issues during the course of the day. We know many of our colleagues have just come back. This is legislation which has been announced. We have been available to talk with our colleagues in the Senate. We are prepared to debate these issues and to get a judgment made on these matters so that we can move this very important legislation forward.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. FRIST). Who yields time?

Mr. KENNEDY. Mr. President, how much time is there?

The PRESIDING OFFICER. The Senator from Kansas has 4 hours 15 minutes, the Senator from Massachusetts 3 hours 30 minutes.

Mr. KENNEDY. How much time does the Senator want?

Mr. KERREY. Fifteen minutes.

Mr. KENNEDY. Fine.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. KERREY. I rise today as an original cosponsor of S. 143, the Workforce Development Act. I should say at the outset I consider this to be one of the two or three most important pieces of legislation this body will consider this year.

I want to, at the outset, commend the Senator from Kansas, Senator KASSEBAUM, for her hard work and willingness to reach out and include anyone who has an interest in work force development. I appreciate very much her openness, her diligence, her pursuit of the objectives. As a consequence of all those things, I believe it is likely this legislation will pass.

Indeed, I believe that it is one of the, as I said, two or three most important measures which will produce something good at the local level. Whether or not people at the local level will actually see some benefit, with this piece of legislation, Mr. President, I believe strongly that they will.

I also want to commend the distinguished Senator from Massachusetts somewhat carefully here. I introduced him not long ago, and the audience began to laugh as I did. So I have to be careful. I praise the Senator from Massachusetts. It was his request for a study 5 years ago—I believe it was from the GAO—that has provided the foundation for this bill, the foundation being that we have well over 100 different job training programs at the Federal level and the lack of coordination and the lack of accountability makes it difficult for us to be able to say in our States that we are doing all we can to solve the problem of inadequate skills in the work force.

So, Mr. President, as to whether or not this particular legislation will solve a problem, will there be an effect from the cause of our passing this law, of changing this law that is beneficial in the United States, the answer has to be, in my judgment, enthusiastically and overwhelmingly yes.

Last week, during our recess, there was a great deal of attention given to a census in the Department of Labor evaluation of the U.S. economy that indicated that, as a consequence of the economic growth that has occurred in the past few years, there is less poverty in America. That is quite good news. And it is an important piece of information for those of us who still believe it is one of our most important moral challenges to try to help those Americans who live in poverty and that we need to have economic growth in order to accomplish that.

That economic growth will help those who are poor, and is an awfully important and good piece of news for us. But contained in that report as well, Mr. President, was an indication that there is not only an increased concentration of wealth and power, but there is a continuation of a trend toward a widening of incomes between those at the top end of the economic spectrum and those at the bottom end.

This piece of legislation addresses one of the most important reasons why, when we see economic growth, we do not see an increase in prosperity in the middle class; we do not see a growing middle class. And the reason, Mr. President, is that the marketplace for today requires substantially more skills than it has in the past. It places a premium on it. Those with skills are secure. Their wages and salaries are being bid up, and those without skills are seeing their wages not being bid up. They are struggling out there.

In addition, Mr. President, the way we have organized our job training programs is inadequate. Not only is there lack of accountability, but there are eligibility requirements that make it difficult for people to get into programs and difficult for Governors and business people to engage in the task of working with our schools. There are all sorts of institutional and structural barriers that exist at the local level that this piece of legislation addresses.

So I say to those who, when they go home on recess and are faced with questions from citizens, "What are you doing that is constructive? Are you passing or changing any laws that will improve the quality of life in our community?" this is a piece of legislation that you can point to and say, "Yes. This will help." If you change the law with S. 143, there is no doubt in my mind 10 years from now, as we examine the data as it relates to our economy, we will see people with greater skills and greater income as a consequence of this legislation.

Importantly, I say parenthetically to my colleagues, there is another piece of legislation that would also enable us to say yes to people at the local level if they ask us if a law was going to benefit them. Interestingly, this one was also sponsored by Senator KASSEBAUM and Senator KENNEDY. It is S. 1028. I hope that this body will take it up this year. It is the Health Insurance Reform Act of 1995.

Last year during the debate over health care there was almost unanimous agreement, almost unanimous from Republicans and Democrats, that the least we could do would be to change the law to end the practice of discriminating against people because of preexisting conditions and saying to them that they are not able to port their insurance from one job to another.

The GAO has evaluated this piece of legislation. Twenty-five million Americans would benefit. Again, one of the most impressive tests of this piece of legislation, if S. 143, the Work Force Development Act, passes, is it presents me with an opportunity to say to citizens in Nebraska, "Here is a change in the law that will benefit us at the local level."

So I praise, at the beginning, the distinguished Senator from Kansas and the distinguished Senator from Massachusetts for their work on this legislation and their work, as well, on S. 1028. I hope that both pieces of legislation will become law in this session.

Mr. President, we recently considered welfare reform legislation on the floor of the Senate. I voted against that legislation because I believe, in fact, it will make things worse, not better. There were many differences of opinion on how to best accomplish the goal of revising a welfare system that has unquestionably grown unresponsive to those on welfare, as well as those who are trying to make welfare work.

But the one point of agreement throughout the welfare debate was the need for work, for meaningful employment in the private sector, to take the place of welfare benefits. I believe this bill, the Workforce Development Act of 1995, will do more to free dependence upon public assistance than any other legislation we have considered this year.

Job training and education are the foundations of meaningful employment, and meaningful employment is the foundation of a strong economy. A productive, employed work force translates into less reliance on welfare and, more importantly, leads to a strong self-reliant and globally competitive work force. This all translates into economic security for each American in the work force and for our Nation as a whole.

If we are to have a well-prepared work force with the training and ability to enter the 21st century, it is essential that we act now, and it is essential that we pass this legislation. We need to continue to work to create high-paying jobs in this country with site-specific training. We must meet the needs of both the employee and the employer in the community in which they work and operate.

Taxpayers spend $25 billion a year for job training. It is a price we pay for a duplicative system which is not measured and not terribly accountable. We have paid a price in frustration, as those involved in job training on the local and State levels can readily attest, and we have paid the price in underemployment and unemployment, as we have not focused our dollars on the needs of local communities with their specific needs and industries in mind.

The current system of 90 separate job training programs, each clamoring to achieve the same goal, leaves those looking for training to hop from one location or program to another. In addition to being duplicative, these 90 programs are run from Washington, DC, rather than from the communities that understand what skills and training are both needed and effective at the local level.

There are times when I believe it is constructive for the Federal Government to shift the responsibility and the power back to the local and the State level, and job training is a clear example. Those of us who have been Governors, both Republicans and Democrats, will say, I believe, that it is the States that have the best programs for developing jobs and for developing the training programs for those jobs.

There are other incidents where I do not believe that is the case. I believe that the Federal Government ought to be responsible for figuring out how to make health insurance affordable for all Americans. It pleases me today that we have strong bipartisan support for Medicare. That was not always the case. There was a time when Republicans were critical of Medicare. This year, they are not only supportive of that Great Society program, but they want to preserve it for our children and grandchildren. The fundamental principle upon which Medicare rests is that some Americans, regardless of how hard they work and how hard they try, are not going to be able to purchase health insurance. That, it seems to me, should be a Federal program.

I believe it would be a big mistake for this Congress to pass a law that would convert Medicare into a block grant program, but it is a great move forward for this Congress to change the law of block granting the responsibility of job training programs.

The Workforce Development Act has as its goal the meaningful employment of every American capable of working. It takes two very important steps toward accomplishing the goal.

First, the Workforce Development Act consolidates 90 job training programs into a single block grant to States. It does not just block grant to the States, it develops a coordinated work force development system. Our current job training system is not just duplicative, it is also confusing. Consolidation in the specific language of this bill does not just consolidate, it develops a system at the State and local level that will transform our job training system into a unified system of job training and training-related education.

This bill will end the frustrating process of hopping from one location to another in search of employment services by providing for the establishment of a one-stop delivery system for job search, screening, referral and placement, as well as skill assessments.

The one-stop centers contained in this legislation are unquestionably the foundation for the effort, but there is considerably a lot more that is done in this legislation that gives me confidence we are not just block granting and turning over to the States the responsibility; we are making sure that the taxpayers are getting their money's worth for this effort.

Mr. President, this legislation does not just block grant to the States, it empowers people at the local level and it empowers people in the private sector. It unquestionably will change the environment for job training in America and give citizens who care about job training an opportunity of participating and designing programs at the local level.

Second, the responsibility for directing and operating these training programs is turned over to the State governments. This legislation encourages communities to work together to craft effective job-training programs. It requires the participation of those who have a stake in having a skilled labor force and who understand the needs of local labor markets.

It provides flexibility to the States and local communities for the design and implementation of job training efforts. But, Mr. President, equally important to me, this legislation has monetary sanctions and, for the first time, establishes benchmarks and makes our job training programs accountable. States are not just given flexibility. In exchange for significant and desirable flexibility, they are also, for the first time, going to be held accountable for performance. They must develop a plan, and that plan is not only presented to the Federal Government but, more importantly, that plan is presented to the people in each of the individual States.

This legislation provides for the continuance of our most successful vocational and job training efforts with less interference from the Federal Government. For example, the block grant is divided three ways: 25 percent of the grant must be allocated to education; 25 percent is allocated to training; and 50 percent is allocated in a flex fund account, funds which a State can use for any employment or education activity the State deems important and relevant to its specific needs.

This legislation, in shifting of power and responsibility to the State and local level, puts heavy emphasis and focus upon education. It stipulates that a portion of the flex accounts should be used for school-to-work activities and that States, such as my State of Nebraska, that received implementation grants under the School-to-Work Opportunities Act, use a portion of their flex funds to continue their school-to-work programs under the terms of that act. This provides for the furtherance of exciting and innovative programs, such as school to work.

The Workforce Development Act provides for a strong foundation for applied learning by allowing States to link academic knowledge to real world applications in their own communities, and by forging a comprehensive sensible system of job training and education, this bill enhances both the ability and opportunity for lifelong learning.

But just as importantly, inside this flexibility, again, not only are the State and local governments engaged, but this piece of legislation empowers and gives an opportunity to the private sector, particularly private-sector employers, and most especially small businesses, to participate in designing the programs.

This change in the law will, in fact, empower Americans in a fashion that will enable them to engage in what, in my judgment, is one of the most difficult problems and most tormenting problems that we face, which is, as I said earlier, this widening gap between the economic haves and the economic have-nots, the threat to the middle class of America, and the insecurity that Americans feel at almost all economic levels in the work force today.

Mr. President, I urge my colleagues to support this bill. We are in the midst of, as all of us know, reform in many areas, including education and labor. Business leaders are constantly admonishing educators to make learning more relevant to the real world. I believe this bill is a giant step forward in that direction. By providing the means and the flexibility by which States and local communities can address their specific job training and education needs and by encouraging educators, industry, labor, and community leaders to forge the alliances necessary to make this happen, we can make the attainment of these skills and knowledge more relevant to the real world in which we live, work, and learn.

Again, I praise and applaud and thank both the distinguished Senator from Kansas and the distinguished Senator from Massachusetts. They have worked long and hard on this legislation. I am pleased to be able to come to the floor today and join them in cosponsoring it, and I urge its quick and speedy adoption.

I yield the floor.

Mrs. KASSEBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas.

Mrs. KASSEBAUM. Mr. President, my apologies. I was so anxious to jump in and express appreciation to the Senator from Nebraska, I did so before he finished speaking.

Senator KERREY had been a stalwart supporter in the last Congress for major job training reform and has provided the initiative for much of this effort. I value his support and his advice and his belief that this is a very important piece of legislation.

As Senator KENNEDY said, it is probably something that not a lot of people have thought about. It will not cause people to be sitting on the edge of their seats. But in many ways it could be the crux of a major change that could be of great value to a number of people. For that reason, I really very much support and appreciate Senator KERREY's efforts in the early days to continue lending support in efforts to reform the system.

I yield the floor.

Mr. KENNEDY. Mr. President, briefly, I want to also join in thanking Senator KERREY. As a former Governor, he has seen these programs in the State and has awareness about their effectiveness, and he has taken a very special interest in the issues of education and training. We are grateful for his suggestions and involvement in shaping the legislation.

I yield such time as the Senator from Louisiana may need.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Mr. BREAUX. Mr. President, I thank the Senator from Massachusetts. Let me start off by commending both the senior Senator from Massachusetts, Senator KENNEDY, and Senator KASSEBAUM from Kansas for the work they have put into this effort. It really has been an outstanding effort. It has been a pleasure to work with them personally, and with their staffs, in order to bring to the Senate today legislation which I think is really incredibly significant. It may not be, perhaps, as interesting or a hot-button issue like some of the issues Congress is now dealing with in terms of tax cuts and what we are doing with Medicare and what we are doing with welfare reform and what we are doing to the Medicaid Program. Those programs are getting a lot of attention in all of the media, and all of the interest groups around the country are taking strong positions in favor or in opposition to what we are doing. There is a great deal of national debate.

I suggest that what we are doing here this morning in the Senate is equally, if not more important than some of those other great debates going on with regard to Medicare, Medicaid, welfare reform, and the like, because I think that this legislation really speaks to the future of America. Are we going to be a competitive Nation with skilled workers who are able to compete in the work force and compete internationally and not just in our own backyards?

What we are doing today is saying to the American worker, yes, you are important and, yes, we as a Government can do better than we have in the past by giving you the training and education that you need in order to make a difference, in order to get a job in the competitive world that we live in, in order to be able to earn a living to support your family, because that is what this legislation is all about. It is about creating a system under which Americans will be better citizens, better individuals, better able to compete with the competition today, which is universal throughout this globe. It is not just competition within our own borders; it is universal competition throughout the world.

I am not sure how many people would know if you asked them, does the Government do anything for training? A lot of people do not know. We have about 90 different training programs on which we spend probably $7 billion. We try to have a program for every possible need. I think as a result of these good efforts that we have had over the years, in creating these programs, we have something that is sort of a mishmash of a whole bunch of different programs. People out there in the real world do not know where to go. Can you imagine a worker who has just lost his job trying to figure out which program he fits under? He goes to some organization and says, "I need help, I lost my job, the company has gone out of business because of foreign competition, and I need to be trained." Somebody dumps in his lap 90 different programs and descriptions about what they do. He has to try and figure out which one he fits under.

That is the way it works now—rather, that is the way it does not work now. If I had 90 different programs dumped in my lap after I lost my job, I would probably run as fast as I could away from all that material, because I am looking for help, not for some intelligence quiz on which program basically fits my needs.

So what I think is so important about this legislation is it takes all of those 90 different Federal programs and consolidates them. The programs I am talking about are the JTPA Program, job training for people who were laid off from their jobs and poor adults and students; TAA, which was a training and cash benefit program for workers laid off because of trade problems; NAFTA transitional adjustment assistance; Job Corps programs; Carl Perkins vocational education programs; adult education programs; school-to-work programs; programs that we have created for responding to natural disasters or base closings, where we try to train the people.

In other words, we have about 90 different programs on the Federal books. What we are attempting to do with this legislation is to try and consolidate them to make them work better, to give a chance to the people who benefit from these programs to understand better which one best serves their needs. It is organized around a one-stop career center, which means that workers who need help will not have to go out and get help just to find out where to get help. We are essentially saying that we want to let the worker who needs the help know where he or she has to go, without having to hire more people to help them navigate through a maze of Federal programs.

There are some people who say that for every problem, the Government has to find a solution. I think that is what got us into some of these problems in the past, where for every problem we try to create a new job training program. Every time there was a disaster, or a base closing, or a trade impact that affected workers, we created a program to train people. The intentions were wonderful. But I think what we have produced was a convoluted group of programs that have now grown to over 90 Federal programs. And so some have said, well, we ought to do that because that is what Government does, and that is what we as Democrats do—create programs. Others say, look, this is no role for Government. When somebody loses his job because of unfair trade practices, or a natural disaster, or because of downsizing, which is that new word corporations use, or if they lose jobs because of Government cutting back and closing military bases, well, we have no role. The survival of the fittest should govern. If you can find a job, good, and maybe if you cannot, too bad. Some people take that attitude about what Government should not do to help people.

I think the real solution is that both of those perspectives are incorrect. Certainly, they do not fit the dynamics of the situation in the end of the 20th century as we move to the 21st century. Things have changed. People who think Government should have a program for every problem, I think, are wrong. On the other hand, I think people who believe Government has no role at all are also wrong. What we ought to be doing is trying to help people solve their own problems. That, I think, is the proper role of Government—to help create conditions which allow people to make their own decisions and to help them better solve their own problems.

That is what I think this legislation is all about. It helps people understand how they can benefit from the consolidation of all these training programs and lets them decide which one best fits their needs. We all know that the American worker today is far different from the American worker in the 1930's and 1940's, where people went to work at a plant or factory and stayed there for their whole lifetime. Today, the average American changes jobs several times in their own lifetime. So they have to be constantly trained and given updated information and updated skills about how to compete, because they do not always work in the same place all of their lives, which was what we used to do in society. So things have changed.

One of the greatest programs that, I think, we as a government ever invented, was the old GI bill, because it worked and it was simple. Government said that people who served their country were going to get help after they finished serving by allowing the Government to help pay them to go to college to get the training they needed to be able to be competitive in American society. One of the good things is that the Government did not try and make all of the decisions. The Government, under the GI bill, did not say to a person that they had to go to a particular college. The Government did not say that you had to take a particular course or a particular line of study or to major in anything that the Government decided you should major in. The wonderful thing about the GI bill is that we trusted individual Americans to make those decisions by themselves. We gave them the funds and said, "Go to school." An individual could go to the school you would like to go to and major in what you think is best for your abilities, your intelligence, your interests; you make that decision. And that is why I think it worked so well. As a result, today, literally, this country has been reshaped by people who have benefited from the GI bill. So, what we have today in this legislation, which I strongly support, is it gives Americans who lose their jobs or find themselves in less beneficial jobs, an opportunity to make some decisions and choices.

It gives the States, that are going to be running this program, the flexibility to use vouchers, which I happen to think is very, very important. I really think we, in allowing the States to use vouchers, will improve this program. I think, for States to look at the concepts of giving an individual a voucher, giving that person the right to decide where to go to use it to get his training or her training, is a major step in the right direction.

First of all, when you allow an individual to decide where to go to school it creates competition among private institutions and public institutions for that person's interest. I think it is important for the individuals to decide where they want to go to school to get their training, rather than for us in Washington or in some State capital to make that decision for them. When government makes decisions for individuals, the decisions are not nearly as good as if the individual makes that decision.

The second advantage, I think, is competition. Because it will say to all of these schools that provide training that all of a sudden no one is going to dictate they are going to get students. They are going to have to get students based on their ability to serve those students. That is what competition is all about. Schools that are good will survive. Schools that do not meet the needs of the individuals will not survive. That is competition and I think competition, in that sense, will produce better schools, better able to address the needs of individuals who will benefit from these programs.

I think the third advantage of this concept is, we will reduce bureaucracy. Because of the system now, that tries to fit people into various programs, we have created a huge bureaucracy of people who just do that. If we allow the individual to make the decision of what is best for him or her, I think we have made a major step in the right direction.

I again compliment the ranking member, the distinguished Senator from Massachusetts, and the Chair of the committee, the distinguished Senator from Kansas, for the tremendous job they have done. This is really landmark legislation. This, for the first time, says we are going to try to consolidate all of these programs and make it simpler and easier for people to understand which program will benefit their particular needs and to give the States more flexibility in how they deliver those services, to give them the option to use vouchers as a means of saying to the individual: You go out and go to an accredited facility. You pick, you choose, you decide what you want to do with the rest of your life. The Government is not going to make that decision for you.

Finally, I think we are saying to American workers that we do care about your future. We do want you to be more competitive. We know a worker in this country will be able to compete—if she or he is well trained, well educated—with workers anywhere in the world.

The theory and theme of this legislation, I think, is yes, there is a role for government. It is to help people equip themselves to solve their own problems. It is not for government to solve everybody's problems all the time. And certainly not for government to walk away and say you are on your own, it is survival of the fittest and we are not going to care what you do with your future.

I think this approach, in consolidating the programs under the Workforce Development Act, is a major step in the right direction. I commend the Chair and ranking member who will have an amendment, to be offered later on, that has been worked on over the weekend. The staff is to be commended for using part of the recess, spending this time doing the work they have done to produce an amendment I think makes a great deal of sense and, hopefully, will be supported by everyone.

This is a good bill. It is landmark legislation. I thank the people who have been so involved in it.

I yield the floor.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I thank the Senator from Louisiana. As I think all Members know, he has been, over the years, a forceful advocate for this concept, developing the voucher system so a displaced worker could use a voucher system to search out the most effective program for that individual, to maximize individual choice. That has been something he has advocated, not just in this program, but on others as well, that I have had the opportunity to work on with him.

He also was a very strong spokesman to make sure we were going to preserve the basic integrity of the training programs and they were not going to be lost into the welfare system. He was an important leader to getting us where we are now, where we are considering these training programs in a broader context for working families.

So, for that leadership, we are very grateful to him and we thank him.

The PRESIDING OFFICER. Who yields time?

Mrs. KASSEBAUM. Mr. President, I think the Senator from Illinois had asked for 5 minutes.

Mr. SIMON. That is correct. I understand the Presiding Officer may wish to speak on this. He was here before I was. I will be pleased to yield to him.

Mrs. KASSEBAUM. I think he will be happy to have the Senator proceed for whatever amount of time the Senator wishes to use.

Mr. SIMON. Mr. President, I thank the Senator from Kansas and thank the Chair for his courtesy. I commend the Senator from Kansas, as well as the ranking member, Senator KENNEDY, for their work in this field.

I confess, I have mixed feelings about this bill. There are good things in it. One-stop shopping makes a great deal of sense. Labor market information makes a great deal of sense. My staff, who know more about the Adult Vocational Rehabilitation Act than I do, tell me that provision is very, very sound. And I like the idea of consolidation of programs. We have multiplied too many programs. There is just no question about that.

I have to say, I am less than completely enthusiastic about just having block grants to the States. Some years ago we consolidated some education programs and one of those was the school library program. During the whole Depression, not a single library in this Nation closed. But, after we consolidated the school library program into the block grants to the States on education, over half of the school libraries in the State of California, for example, have closed.

This idea of simply giving block grants to the States is not one that I am wildly enthusiastic about. I do believe we have to give States flexibility. If I can use an example the Presiding Officer is very familiar with, when we passed the bill—I was in the House then and worked on this—when we passed the bill requiring all States to give help to young people with disabilities, we did not do that because the Federal Government wanted power. We did it because States were not doing the job. We had a lot of schools that said if you are deaf, if you are blind, if you are in a wheelchair, sorry, we are not going to serve you. A majority of the mentally retarded were not being given any help in our public schools. So we put into law a Federal mandate. Would I be willing to say let us just give this money back to the States, and the States will decide whether they are going to help these young people or not? No. I am not willing to do it.

So, when I look at consolidation and I see school-to-work opportunities just getting started, and by all reports really doing some good—but I do not know what is going to happen in Tennessee or Illinois.

(Mrs. KASSEBAUM assumed the chair.)

Mr. SIMON. The National Literacy Act—by the most conservative estimates, we have 23 million adult Americans who cannot read a newspaper or who cannot fill out a job application form. This is a massive drag on our economy. We have to make our people more productive. Among other things, those adult Americans who have literacy deficiencies are not able to help their kids in school.

So, when I see that we are going to consolidate some of these things, I get concerned.

Then the Job Corps has been—are there problems? You bet. We are dealing with marginal young people. Almost 80 percent have dropped out of school. To just say to States, "You go ahead and run Job Corps, if you want to," I do not think makes sense.

Senator SPECTER and I will have an amendment this afternoon to keep the Job Corps and to make some improvements in terms of requirements on use of drugs or alcohol and some other things that I think are important. But 73 percent of the Job Corps alumni—these, again, are kids who are marginal—73 percent end up either getting a job or going on to college or to a vocational school.

So I view this legislation, Madam President, with mixed feelings. I commend you and the ranking member for all of the work you have done in this field. You have been a real legislator, Madam President, not only in this field, but with the problems we faced in Africa and in other areas.

I like the idea of consolidation, one-stop shopping, and labor market information. I am not an enthusiastic supporter of just saying to the States, "You have this money and you make all the decisions." I want to give some flexibility to the States, but I also want to make sure people get served who need to be served.

Madam President, I yield the floor. I see we are going to get some words of wisdom from my colleague from Tennessee.

The PRESIDING OFFICER (Mr. INHOFE). The Senator from Tennessee.

Mr. FRIST. Mr. President, I rise in support of S. 143, the Workforce Development Act. It is truly forward-thinking legislation. It is responsible legislation. It makes it easier for States to educate and train tomorrow's work force. And it is legislation that takes a balanced approach to accountability.

Mr. President, every day we are faced with choices—even the choice not to change business as usual. I wish to commend my colleague, the chairman of the Labor and Human Resources Committee, for tackling this unwieldy area of Federal policy—job training and employment assistance—and shaping it into a coherent and cohesive proposal.

Without her leadership and tenacity on this matter, the workers of America and their employers, the future of workers of America and their potential employers, and the young people of America and their aspirations would be held off or put off by the current unfocused, untenable, and unjustifiable approach to job training.

Mr. President, through her legislation, the distinguished Senator from Kansas has given States flexibility built on common sense and based on State-defined benchmarks. It includes the availability of financial incentives for focussing on a critical bottom line—helping people prepare for and acquire jobs.

Through her legislation, the Senator from Kansas gives individuals looking for training or jobs access to information and assistance that will lead to personal choices founded in facts as well as hopes—information and assistance that will lead to opportunities which recognize ability and confirm potential, and lead to concrete results.

As Americans move into the 21st century, a more advanced and highly technical job market awaits them. Twenty-five years ago, many speculated the year 2001 would reveal a truly space age society with robots or huge computers performing all of human's work. Those predictions will remain fantasy for many years, but one thing cannot be denied—the workplace is changing both rapidly and dramatically, as new applications for technology are continually discovered.

This increasing use of technology—from FAX machines and lap-top computers to high resolution video teleconferencing—has placed a strain on our work force, which has not always been able to keep up.

It has also created a boom industry, as employers and employees seek out higher education, job training and retraining programs to remain employable. As a result, the Federal Government spends more than $20 billion each year to fund dozens and dozens of job training and work force education programs across this country. Tennessee alone spends more than $237 million in Federal funds to administer myriad programs to prepare and retrain its workers.

But despite more than 100 programs and billion-dollar budgets, there is no real way of knowing how effective this approach actually is—the number of programs is unmanageable and too many overlap or duplicate services.

This lack of accountability and the waste of duplicative services prompted the Senate Labor and Human Resources Committee, of which I am a member, to report out the Work Force Development Act of 1995.

This legislation creates one system that integrates elements of education and training, and gives States the flexibility they need to design and implement programs that meets State-identified needs. States know the needs of their own job markets better than a large Federal bureaucracy, and can tailor their training and education programs to fit the needs of their employers and workers. If we pass S. 143, major Federal training programs would be consolidated within 2 years into one block grant to each State.

Currently, my own State of Tennessee operates more than 25 different job training programs under 9 different departments.

In Tennessee, the department of labor, the department of employment security, the department of human services, the department of education, the department of mental health and mental retardation, the department of economic and community development, the department of youth development, the department of corrections, and the Tennessee Board of Regents all operate separate programs to provide job training to Tennessee workers.

Each program and each department has its own separate bureaucracy and a separate budget.

The Workforce Development Act of 1995 eliminates unnecessary duplication and allows Tennessee and other States to create within their own borders one program that will serve their individual needs more efficiently and at less expense. Most of all, however, this legislation ensures that the program that will be in place will actually help those people who need it.

As chairman of the Disability Policy Subcommittee, I am especially pleased that title II of S. 143 contains amendments to title I of the Rehabilitation Act of 1973, amendments that clearly link State vocational rehabilitation programs to the work force development system envisioned by my colleague from Kansas.

Title I of the Rehabilitation Act authorizes the vocational rehabilitation program which provides Federal funds for counseling, for training and employment services for individuals with disabilities. The Federal Government provides 78 percent of the funding for the vocational rehabilitation program.

The vocational rehabilitation program began in 1921 initially to help disabled war veterans obtain rehabilitation and employment assistance. Today, it is a major source of employment assistance for many individuals with disabilities, including individuals with severe disabilities. Vocational rehabilitation programs, although operated by State vocational rehabilitation services, are located throughout a particular State. These programs help about a million individuals with disabilities a year, about 20 percent of whom enter the competitive labor market within 12 months. The average cost per person aided is about $2,500.

The Tennessee vocational rehabilitation program provides but one example of what can happen when the focus of an agency is clear—to get people with disabilities jobs. In 1994, this program in my State served 27,600 individuals with disabilities, of whom 81.2 percent were severely disabled. Of the individuals served, 5,300 were successfully employed, with 90.2 percent of them working in the competitive labor market.

The annualized income of these 5,300 individuals, once they entered the work force, increased from $6.7 million to $54 million. Let me repeat. The annualized income of these individuals, once they entered the work force, increased from $6.7 million to $54 million, truly an amazing return on a modest Federal investment.

Vocational rehabilitation programs have been one-stop centers for employment assistance for individuals with disabilities for many years. Making these programs a part of the work force development systems which will be authorized by S. 143 is both logical and necessary. By including vocational rehabilitation programs as an integral part of the larger system, two primary outcomes will be achieved. First, individuals with disabilities will be assisted and have access to appropriate supports and services so they can take advantage of what is available through their communities' one-stop centers. Second, vocational rehabilitation professionals will be enabled to provide technical assistance and information about disability related matters to other personnel, who, when appropriate, will be able to assist individuals with disabilities directly.

If vocational rehabilitation programs, which are currently funded at about $2 billion, had been left out of S. 143, I know we would have seen retraction from emerging collaboration between vocational rehabilitation programs and other job training programs.

Under the comprehensive one-stop centers system in S. 143, any citizen, including one with disability, will have access to core services and more, including assessments, coordination, referrals to other entities, and labor market information. An individual with severe disabilities, who may often require specialized, intensive services, may access such services in the same facilities in which core services are provided.

The key is that individuals receive job training and placement assistance and appropriate referrals from and to other parts of the work force development system, not that every service an individual receives be provided in the same location. Throughout the work force development system those individuals involved in coordinating and arranging services would follow the same procedures and policies when interacting with applicants and clients.

I believe these elements in S. 143 send a clear signal to States there will be one system. Vocational rehabilitation services will be a part of that system; individuals with disabilities will be served; individuals with disabilities will not fall through the cracks; and they will not become Ping-Pongs at the mercy of uninformed personnel.

Simply put, by recognizing the record and potential of the vocational rehabilitation program, we have strengthened it and the Workforce Development Act as well.

Given its special place in the world of job training and the range of specialized and intensive services it supports, the vocational rehabilitation program in title I of the Rehabilitation Act becomes a component of the Workforce Development Act through amendment to the Rehabilitation Act, not repeal of title I of the Rehabilitation Act. Through such legislative surgery, we are able to preserve this separate authorization of appropriation for vocational rehabilitation services and clear accountability for the use of these funds through State vocational rehabilitation agencies.

Although during deliberations on the Workforce Development Act in committee we did have our differences with regard to individuals with disabilities, we built and sustained a bipartisan consensus. This consensus should serve us well as we conference with the other body.

In closing, I wish to thank my colleague from Kansas for her leadership and her guidance and her patience that got us to this point today. Acquiring world-class skills for finding a job is neither guaranteed nor easy. It takes effort, information, time, resources, and opportunity. The chairman's bill levels the playing field so that those who make the effort and have the time can access information, resources, and opportunity. Through her legislation, the Senator from Kansas gives us a balanced equation. Tomorrow, America's work force will be at work better trained and better able to compete against global markets. The human value of such outcomes may be hard to measure in specific terms, but I am convinced that we will see a renewed spirit, unleashed pride, and the smiles that come with confidence on the faces of America, and that is good.

I thank the Chair and yield the floor.

Mrs. KASSEBAUM. Mr. President, I said in my opening statement how much I and the ranking member, Senator KENNEDY, have valued the efforts of the Senator from Tennessee to significantly improve the legislation, and I would like to again express appreciation to Senator FRIST, who worked on the vocational rehabilitation section and strengthened it in ways that I believe have added immeasurably to not only the success of the legislation but I think also the assurance to those in the rehabilitation community that while they want to work to become integrated into the work force, they also want to retain a statutory authority and a funding stream that gives them some certainty they have a voice. And it was the effort of Senator FRIST and staffs on both sides that worked together to develop this section that I think lends great strength to the bill, and I am very appreciative to the Senator.

Mr. FRIST. I thank the Senator.

Mr. President, I ask unanimous consent that questions and answers regarding vocational rehabilitation programs be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE EFFECT OF THE WORKFORCE DEVELOPMENT ACT OF 1995 ON VOCATIONAL REHABILITATION PROGRAMS

QUESTIONS AND ANSWERS

Q. If the Work Force Development Act of 1995, S. 143, were enacted into law, when would the provisions that affect vocational rehabilitation take effect?

A. The effective date of the provisions would vary. S. 143 would allow States up to 2 years to convert to a single work force development system with one-stop career centers. Some States are already engaged in such approaches to job training, information, and placement assistance. In these States, vocational rehabilitation agencies are involved and play a role in helping individuals with disabilities. S. 143, with the State option of a 2-year phase-in, takes into account the fact that States are at differing stages in investing in a single work force development system. In an effort to promote vocational rehabilitation programs continuing their involvement or beginning early involvement in planning and participation in new systems, provisions in S. 143 would allow a State vocational rehabilitation program to transition to the new work force development system, in a manner and by a time table set by its State (within the 2-year limit specified in S. 143).

Q. Does S. 143 repeal any part of the Rehabilitation Act of 1993?

A. No. It amends title I, the State grant program of the Rehabilitation Act. S. 143 would make a State's vocational rehabilitation program an integral component of a State's work force development system.

Q. Does S. 143 affect only the State grant program in the Rehabilitation Act?

A. Yes. It amends no other programs in the Rehabilitation Act.

Q. If the Work Force Development Act of 1995, S. 143, were enacted into law, how would funding for State vocational rehabilitation programs, currently funded through the Rehabilitation Act, be affected?

A. The authorization of appropriations and the funding formula in current law would be preserved. The effect would be that designated State vocational rehabilitation agencies would continue to administer and oversee the use of rehabilitation dollars. This would ensure that designated dollars would continue to be spent to provide job training and placement assistance for individuals with disabilities.

Q. If S. 143 were enacted into law, what services could an individual with a disability expect?

A. Any individual seeking job training and placement assistance, including an individual with a disability, would have access to core services as well as other services a State may elect to offer. The core services would include: Outreach and orientation to services available through one-stop centers, assessment, job search and placement assistance, career counseling where appropriate, screening and referral of qualified applicants to employment or other support services, and accurate and timely information relating to employment opportunities, training, and education.

Q. Does S. 143 recognize that many individuals with disabilities may have specialized needs that must be addressed in order for these individuals to take advantage of job training and placement opportunities?

A. Yes. Any individual with a disability would have access to auxiliary aids and services necessary to enable him or her to take advantage of core services. In addition, if a center also offered other services, an individual with a disability, seeking these services, would have access to auxiliary aids and services if needed. If an individual with a disability has specialized needs that must be addressed to enable the individual to take advantage of what is offered within a one-stop center system, appropriate assistance would be provided by vocational rehabilitation professionals. If a State vocational rehabilitation agency is operating under an order of selection that limits most services to individuals with the most severe disabilities, then this agency could continue such a policy under S. 143. An individual who has a disability not covered by the order of selection could access services through other one-stop centers personnel. In order for these personnel to assist individuals with disabilities, technical assistance from vocational rehabilitation professionals would be available.

Q. If S. 143 were enacted into law, would it be primarily a public system with public employees controlling what services an individual with a disability could access?

A. That decision will be a State decision. Currently, State vocational rehabilitation agencies vary in the extent to which services to individuals with disabilities are provided by public or private entities. In Tennessee today, 75 percent of State vocational rehabilitation dollars are spent on private service providers. S. 143 clearly expects employers' interests and needs to influence the design of a State's work force development system. Moreover, a State will be expected to reach all areas of the State with services. These factors may cause States to expand or redirect how job training and placement assistance are addressed. For example, to be better able to address employers' needs in a timely manner with well-trained workers, a State may expand the use and involvement of private providers and elect to make vouchers available to individuals.

Q. If S. 143 were enacted into law, how would the preferences and choices of an individual with a disability be affected?

A. Amendments to the Rehabilitation Act in 1992 strengthened an individual's role and choices with regard to vocational rehabilitation services. In addition, in these 1992 amendments, the U.S. Department of Education's Rehabilitation Services Administration was directed to develop evaluation standards and performance indicators to judge if individuals with disabilities are being given a meaningful role in the design of their service package and are able to make informed choices about rehabilitation services available. S. 143 does nothing to undermine these 1992 amendments to the Rehabilitation Act. In fact, these 1992 amendments should continue to buttress and strengthen an individual's ability to access services he or she needs and prefers within one-stop centers.

Q. If S. 143 were enacted into law, could an individual with a disability have access to vouchers?

A. Yes, to the extent and under the conditions a State specifies.

Q. What in S. 143 would increase the likelihood that an individual with a disability would receive services? That is, the individual would not be denied services on the basis of disability, not fall through the cracks, or not be treated like a ping pong ball—referred to one agency after another.

A. States are expected to set benchmarks and report on individuals assisted through work force development systems. A State must report on is the number of individuals with disabilities who acquired jobs. Under S. 143, individuals with disabilities should have more opportunities to receive information and services targeted to job openings in their communities. Moreover, since there would be one, and only one, job training and placement assistance system in a State, an individual with a disability could not be turned away or denied core services.

The percent of persons with earned income of any kind increased from 21 percent at application to 90 percent at closure. The gain in the average hourly wage rate from application to the achievement of an employment outcome was $4.36 per person. Of the individuals achieving employment in fiscal year 1993, their mean weekly earnings at the time of their application to the program was $32.20, compared to $204.10 at closure, an average weekly increase of $164.90.

In 1993, the Government Accounting Office [GAO] found that an individual who completed a vocational rehabilitation program was significantly more likely than an individual who did not complete the program of working for wages 5 years after exiting the program. In addition, the GAO found that individuals who achieved an employment outcome demonstrated four times the gain in wages compared to the other groups studied.

I am also pleased to share with my colleagues the positive impact that vocational rehabilitation is having in my home State of Iowa. During fiscal year 1993–94, 5,717 Iowans with disabilities were rehabilitated through the Division of Vocational Rehabilitation Services. At referral to DVRS, 33 percent has weekly earnings; at closure the rate went to 98 percent. Average weekly earnings rose from $49.94 at referral to $229.45 at closure. In addition, the Iowa Department for the Blind provided 765 blind persons with vocational rehabilitation services. At closure the average weekly income was $352. Seventy-three percent of those rehabilitated found work in the competitive labor market, including work in occupations such as psychologist, tax accountant, teacher, food service, and radio repair.

Mr. President, as I explained previously in my remarks, under S. 143, title I of the Rehabilitation Act, as amended most recently in 1992, is not repealed; rather it is retained, strengthened, and made an integral component of the statewide work force development system.

For example, the findings and purposes section of title I of the Rehabilitation Act are amended to make it clear that programs of vocational rehabilitation are intended to be an integral component of a State's work force development system. Further, the amendments clarify that linkages between the vocational rehabilitation program established under title I of the Rehabilitation Act and other components of the statewide work force development system are critical to ensure effective and meaningful participation by individuals with disabilities in work force development activities.

Section 14 and section 106 of title I of the Rehabilitation Act pertaining to evaluations of the program are amended to make it clear that, to the maximum extent appropriate, standards for determining effectiveness of the program must be consistent with State benchmarks established under the Workforce Development Act for all employment programs.

Provisions in the State plan under title I of the Rehabilitation Act of 1973 are also amended to include specific strategies for strengthening the vocational rehabilitation program as an integral component of the statewide work force development system established by the State. A cooperative agreement will be required to link the VR agency with the consolidated system. The cooperative agreement will address each State's unique system and will assure, for example, reciprocal referrals between the VR agency and the other components of the statewide system. The linkages will also assure that the staff at both agencies are adequately and appropriately trained. Most importantly, the linkages must be replicated at the local level so that the local office of the VR agency is working closely with the one-stop center in the community to make a seamless system of services a reality.

Many State vocational rehabilitation agencies, including the agency in Iowa, are already involved with efforts to link vocational rehabilitation with other components of the statewide system of work force development. The States that report the most success are those where the vocational rehabilitation agencies are involved in the consolidation efforts at the early planning stages. The other aspect that is critical to ensure success is the replication of cooperative agreements in local communities so that the VR counselors are working closely with the other job training programs in the statewide system.

In closing, Mr. President, I strongly support the provisions S. 143 pertaining to individuals with disabilities. The bill ensures meaningful and effective access to the generic training and education programs. In addition, the amendments to the Rehabilitation Act of 1973 will strengthen and support the involvement of vocational rehabilitation in a State's seamless system of work force development while ensuring the continued integrity and viability of the current program.

Mr. HARKIN. Mr. President, as ranking member of the Subcommittee on Disability Policy, I would like to take a few minutes to discuss the applicability of S. 143, the Workforce Development Act, to individuals with disabilities.

I would like to compliment Senator KASSEBAUM, the sponsor of the legislation and chair of the Committee on Labor and Human Resource, and Senator FRIST, the chair of the Subcommittee on Disability Policy, for including specific provisions in S. 143 that will enhance our Nation's ability to address the employment-related needs of individuals with disabilities, including individuals with significant disabilities. I am particularly pleased that these provisions were developed on a bipartisan basis and enjoy the broad-based support of the disability community.

On January 10, 1995, the Labor Committee heard testimony from Tony Young, on behalf of the Employment and Training Task Force of the Consortium for Citizens With Disabilities. CCD urged the Senate to recognize the positive advances made in the 1992 amendments to the Rehabilitation Act of 1973 and to take a two-pronged approach to addressing the needs of individuals with disabilities in our jobs consolidation legislation. I am pleased that the Senate bill adopted this two-pronged approach.

Under prong one, S. 143 guarantee individuals with disabilities meaningful and effective access to the core services and optional services that are made available to nondisabled individuals in generic work force employment activities and to work force education activities described in the legislation, consistent with nondiscrimination provisions set out in section 106(f)(7) of the legislation, section 504 of the Rehabilitation Act of 1973, and title II of the Americans With Disabilities Act.

The commitment to ensuring meaningful and effective access to generic services for individuals with disabilities is critical. Advocates for individuals with disabilities have often expressed concern that many current generic job training programs such as JTPA have not met the needs of individuals with disabilities. Ensuring access to generic services is critical for many people with disabilities who can benefit from such services.

The promise of access to generic services is also illustrated through other provisions in S. 143. The purposes of the bill—section 2(b)—include creating coherent, integrated statewide work force development systems designed to develop more fully the academic, occupational, and literacy skills of all segments of the population and ensuring that all segments of the work force will obtain the skills necessary to earn wages sufficient to maintain the highest quality of living in the world. The content of the State plan set out in section 104(c) of S. 143 must include information describing how the State will identify the current and future workforce development needs of all segments of the population of the State. The term "all" is intended to include individuals with disabilities.

The accountability provisions in S. 143, section 121(c)(4), specify that States must develop quantifiable benchmarks to measure progress toward meeting State goals for specified populations, including at a minimum, individuals with disabilities.

Under S. 143, State vocational rehabilitation agencies must be involved in the planning and implementation of the generic system. For example, under section 104(d) of S. 143, the part of the State plan related to the strategic plan must describe how the State agency officials responsible for vocational rehabilitation collaborated in the development of the strategic plan. Under section 105(a) of S. 143, the work force development boards must include a representative from the State agency responsible for vocational rehabilitation and under section 118 of S. 143, local workforce development boards must include one or more individuals with disabilities or their representatives.

Under prong two the current program of one-stop shopping for persons with disabilities, particularly those with severe disabilities, established under title I of the Rehabilitation Act of 1973, as amended most recently in 1992, is retained, strengthened, and made an integral component of the statewide work force development system.

The current vocational rehabilitation system has helped millions of individuals with disabilities over the past 75 years to achieve employment. Since the 1992 amendments, the number of individuals assisted in achieving employment each year has increased steadily. In fiscal year 1994, 203,035 individuals achieved employment, up 5.8 percent from fiscal year 1992, the year just prior to the passage of the amendments. Data for the first three quarters of fiscal year 1995 show a 8.4-percent increase in the number of individuals achieving employment as compared to the first three quarters for fiscal year 1994.

In fiscal year 1993, 85.7 percent of the individuals achieving employment through vocational rehabilitation were either competitively employed or self-employed. Seventy-seven percent of individuals who achieved employment as a result of the vocational rehabilitation program report that their own income is the primary source of support rather than depending on entitlement or family members.

Mrs. KASSEBAUM. Mr. President, I would like to speak for just a moment because at 11:30 we go back into morning business for an hour. We will be debating this later to a far greater extent, but because Job Corps has been raised this morning by several Members, I would like to speak for a moment to this because it is something on which we held several days of hearings. It is a subject on which I have had grave concerns. It has been a very important program through the years. But like many other things, it can stand change that I believe will make it even stronger.

Job Corps, under the legislation that we are considering, remains a residential program for at-risk youth, but it is integrated into the statewide work force development system. Too often today we have Job Corps centers that are federally run that operate independently of the vocational education efforts that are ongoing in the State. These centers remain separate and apart from job service information when we could include them into initiatives better able to help students find jobs.

I think it is just absolutely essential for us today to recognize that there is a population of at-risk youth that need a stronger support system. Many times the Job Corps centers have become, or should become perhaps, detention-center-type efforts, but because there has not been a directive that has focused on the changing needs of the population being served. I think that on the whole we are now doing a disservice. It is not to say that it is not an important initiative. And it remains so under this legislation with its own funding stream and its own section.

But primary responsibility for the operation of the Job Corps centers is transferred to the State. And each center must be linked to the one-stop center and at other local training and education efforts. I think that linkage is vital today to make it a successful effort.

During the 2-year transition period which is called for in this legislation, a national audit of the Job Corps Program will be performed. Based on the results of the audit, and other criteria, the Secretary of Labor is directed to close 25 underperforming Job Corps centers. The criteria used to determine which centers will be closed are as follows. This is, Mr. President, out of 112 centers which are operating with about 8 new ones under consideration.

The criteria would be, first, whether a given center has consistently received low performance measurement ratings under the Department of Labor or inspector general Job Corps rating system; second, whether the center is among those that have experienced the highest number of serious incidents of violence or criminal activity; third, whether or not the center requires the largest funding for rehabilitation and repair; fourth, the relative and absolute cost of the centers compared to all other centers; and, fifth, whether the center is among those with the least State and local support.

The centers that we found that were working the best were those that had strong local support, that had strong ties to the community and worked well in that endeavor.

Mr. President, funds saved as a result of these closures as well as additional funds will be allocated to the State for work force development activities directed specifically for at-risk youth. These activities may include, for example, grants to carry out programs to assist out-of-school at-risk youth and participating in school-to-work activities. Under this provision, 85 percent of the at-risk youth funds will be distributed at the local level.

As I say, we will be debating this at some length later on because it is of concern and it has supporters and critics on both sides of the aisle. But it is something, I believe, that is a good example of a program that started with the best of intentions, and still has the best of intentions, but must be looked at in the light of the reality of what we are dealing with today. And I feel those who are participants, the young men and women in the Job Corps Program, are not being served consistently as successfully as I believe they could with some important changes that we could make in this bill. But we will be continuing this debate later. I wanted to mention those aspects of it at this point.

Mr. KENNEDY. Mr. President, I will just yield such time—as I understand it, at 11:30 we will be moving to morning business.

I yield myself such time as I might use.

Mr. President, I will join in the debate and discussion on the Job Corps Program later on in the afternoon and the substance of what I think is an excellently crafted amendment by the Senator from Illinois and the Senator from Pennsylvania, which I think addresses the responses to some of the issues and problems that have been raised during the course of hearings on the Job Corps.

I think we do not want to lose sight of the fact that we are dealing with the most difficult of the young people in our society who, for one reason or another, have in most instances been deprived of a good education. They come from difficult and challenging backgrounds. This is in many instances the last step before a life of conflict and possibly even crime. And when you look over the profile of these young individuals, we recognize the difficulty and the complexity that is presented to a society and to a community in order to try to deal with this.

Part of the problem—we will have a chance to debate this later on in the course of the afternoon—is the fact that not all the States have the Job Corps at this particular time. Part of the problem is that many of the individuals who come through the Job Corps, the kind of skills that they might be suited for may not be in the Job Corps that is closest to them. They may have a particular aptitude to develop particular skills in the Job Corps that is in the next State or the State beyond that will give them the opportunity.

Part of the problem is to try to give an opportunity for young people to move out of a neighborhood or out of a community in which that neighborhood or community and the associates have had a powerful hold over that individual. We will have a chance to go into greater detail as to the challenges and the demands and also the difficulties of the existing Job Corps issue, but I must say that I have found that the program particularly is of value.

If you take, for example, holding a young person in my own State of Massachusetts inside of what is route 128 that has had any kind of contact with the law costs about $70,000 or $75,000 a year; it costs about $35,000 to $40,000 outside of Greater Boston, the route 128 area. We are talking about how we are going to come to grips with a group of young men and women, 17 years old, 16 to 18, 19 years old, who have had a very difficult and complex and rough life.

And the question is whether this Job Corps Program can open up some opportunities for these individuals to be constructive and productive and gainful citizens. In many instances it has been an extraordinary success. In some instances there needs to be improvement and strengthening of the program. I do think that the Simon-Specter amendment addresses the particular complexities of the program.

Finally, Mr. President, as I mentioned earlier, I think when we are looking at this legislation, when we are looking at the consolidation of the various programs that Senator KASSEBAUM has pointed out, we are also trying to include in here the best of the recommendations of the America's Choice Program, which I think provided the most comprehensive review of training, apprenticeship programs, what the needs were in our own society, what is happening in other countries, very extensive program and review of countries around the world, identifying those effective programs, those programs that were effective in providing skills and opportunity for young and old alike.

This proposal that is before us, although it does not include many of the different elements of the job training that I would like to see, is, I think, a very, very constructive, productive and innovative way of this Nation coming to grips with the challenge of ensuring the upgrading and continued upgrading of skills for young and old in our society.

I hope that we will have a chance to dispose of these other amendments later on in the afternoon and move the whole process forward.

Mr. PELL. Mr. President, I rise to express my strong support for this legislation, which makes dramatic and sweeping changes not only in job training but also in vocational and adult education.

In job training, change is without a doubt necessary. We need to consolidate programs and to build a system that better meets the needs of those who need job training services. In vocational and adult education, however, the need for a massive overhaul is much less clear. In some ways, we need simply to refine and not revamp what we already have in law.

I am generally pleased with the course that has been set in this bill. It will bring coherence and coordination to a system of too many programs that have often operated at odds with each other. It will focus job training services on those who need them most, and in a way that will help them get the advice, assistance, and training they need.

In vocational and adult education, I believe we have fashioned an agreement that should sustain the strong bipartisan support these programs have traditionally enjoyed. Among the important provisions are: No. 1, are within state formula; No. 2, a focus on at-risk students from low-income families; No. 3, maintenance of effort and supplement not supplant language; No. 4, an emphasis on the integration of academic and vocational education; No. 5, the linking of secondary and postsecondary education through exciting programs like tech prep; No. 6, the disaggregation of data to let us know better the progress we are making; and, No. 7, the continuation of the critically important adult education programs.

I would emphasize, however, that we can make this bill even better if we adopt a series of important amendments. I am very concerned, for instance, that adult education should have a separate stream of funding so that its accomplishments are not diminished. I believe that the flexibility account, which constitutes 50 percent of the funding, is too large, and that a better configuration would be one-third for work force education, one-third for work force training, and one-third for the flex account. Further, I believe we should approve an amendment strengthening the Job Corps provisions now in the bill. And, I do not believe that we should repeal the Trade Adjustment Act which helps individuals who because of international competition, and through no fault of their own, have lost their jobs.

Mr. President, I supported this bill in committee largely because of the strong provisions for adult and vocational education. I support it today for the same reasons. However, I believe we have the opportunity to make a good bill an even better one if we approve amendments such as those I have mentioned. I look forward to a lively and productive debate, and remain very hopeful that the end result will be legislation that has broad and deep bipartisan support.

Mr. DODD. Mr. President, few issues we consider are as directly linked to the future strength of our Nation as those before us today. The education and training we provide today point like a compass to our Nation's future path.

The needs in education and training are clearly great. Because in the last several decades, our economy has been transformed from an economy in which heavy manufacturing was the central element to an economy that is knowledge based.

Technology has and continues to revolutionize today's workplaces. The typewriters that gained widespread use early this century are now basically gone. Computers, with their incredible power and potential, have taken over. It is hard to imagine how just a few years ago we operated without internet, fax machines, or voice mail. In manufacturing, robotics and precision machinery have replaced workers on many assembly lines.

This rapid change makes for an exciting time in today's workplaces. But it also presents us with many challenges. We must assure that education and training provide all with access to the new tools of the trade.

The work force development bill before us today makes many positive changes to meet these challenges. Senator KASSEBAUM has thought creatively about job training and vocational and adult education programs, namely how we can make them more flexible, more customer-friendly, and less redundant while providing critical links between training and labor markets.

This bill includes many promising provisions, including the transition to an accessible "one-stop" work force development system. With Federal leadership, one-stops have been broadly improving access to job training and information services in States across the country.

This bill also integrates vocational education and the Perkins Act as full partners in the larger work force development system. Since we last visited vocational education in 1988, vocational education has been on the cutting edge of school reform—tech-prep and school-to-work have established promising new models that ensure youth get the knowledge and skills they need to pursue successful careers and complete their education. The Work Force Development Act continues and strengthens these important efforts.

We have worked hard on this bill in the Labor Committee and made much progress—progress which has continued as we have approached today's floor consideration.

I am particularly pleased that the bill now includes a summer jobs program for at-risk youth. In committee, I offered an amendment restoring the Federal Summer Jobs Program, which has made a profound difference for youth across the country, and especially in our poor, urban centers. While the provision in the bill before use today does not go as far as my amendment, it will ensure that States establish vital summer jobs programs.

In addition, the bill now also includes important worker protections. It integrates, rather than eliminates, the successful employment and training administration into the State structure. The Federal governance structure has also been substantially improved to recognize the primary responsibility of the Secretaries of Education and Labor.

I am especially pleased that several other changes I offered in the past weeks and months are a part of the bill we consider today, including increased parental involvement in vocational education and improved conflict of interest language.

That said, I remained concerned about some aspects of the bill before us.

I strongly believe we should make some provision in this bill for mass worker dislocations, especially those that affect more than one State, that are the result of Federal action or that are caused by natural disasters. Such mass layoffs and dislocations are often too much for any one State to handle, and we have a tradition of Federal involvement in this area. I plan to offer an amendment on this point. Without this amendment, the Federal Government would have no way of addressing mass worker dislocations, and States would be left to deal with them alone. I hope my colleagues will support my amendment.

In addition, I hope that we can restore the Job Corps Program. Senator KASSEBAUM has spoken often of the need to reform Job Corps, and I agree we should work together in a bipartisan fashion to build on the considerable progress the administration has already made in this area. But I do not believe the Job Corps provisions in this bill qualify as real reform. The bill arbitrarily pulls a number out of the air and says that 25 Job Corps centers must be closed.

It makes this determination before a national audit is complete—that's evocative of Judge Roy Bean's famous dictum to "hang 'em first, try 'em later." The bill would also ship management of this successful national program to the States—endangering the future of the Job Corps as well as multiplying one administrative structure by 50.

We can also improve upon the support offered for actual job training services. The work force development system, as proposed, will provide workers with information on local and State labor markets, with skills assessment and job search services. But it will guarantee workers very little in the way of real training.

Two amendments to be offered today will go a long way in providing workers with real training. The Breaux amendment will provide support for one of the most innovative training tools—training vouchers. Under his amendment, dislocated workers will be empowered to make key decisions about training.

Senator MOYNIHAN will offer an amendment to restore the Trade Adjustment Assistance Program. Repealing TAA, as this bill does, breaks a covenant with America's workers, many of whom have felt the dark side of free trade. I believe strongly that free trade is, on balance, good for America and our workers. But it is clear there must be assistance in helping workers transition to, train for and locate jobs in growing industries.

Finally, I remain concerned about maintaining a Federal commitment to audit education. Adult education has provided thousands of needy Americans with assistance in gaining literacy skills that make them better citizens, better parents and better workers. For these Americans, these dollars provide dignity. I think we must assure that these adults continue to receive these critical services through this new system.

I want to come back to the big picture for a moment. Education and training have always been bipartisan issues and I hope they can be on this bill. Through the amendments today, it is clear we can work through some of the concerns that remain to fashion consensus legislation that will be good for American workers and good for American students. I pledge to be a part of that dialog and am hopeful that at the end of the day, this will be legislation that I can support.

Mr. KENNEDY. I see the hour of 11:30 has approached.

MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, we will be in a period for morning business for not to exceed 1 hour to be divided equally between the Senator from Texas [Mrs. HUTCHISON] and the Senator from Georgia [Mr. NUNN].

Mrs. HUTCHISON addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

NATO EXPANSION

Mrs. HUTCHISON. Mr. President, Senator NUNN's plane is late, so I am going to start this dialog. Senator NUNN and I and other Democrats and Republicans have been talking about NATO expansion. We are very concerned that the debate needs to take place, that Americans need to understand what is important, what the questions should be, and what should be the criteria for the expansion of NATO.

After all, all of us understand that NATO is a mutual defense pact. And if we expand NATO, we must ask for and receive from the entering nation defense assurances, and we must also give those same defense assurances. Therefore, we are talking about American troops and American tax dollars, just as all of our NATO allies will be looking at the obligations they must accept.

All of us must realize how very important and crucial this decision is going to be. The expansion of NATO is a strategic decision that must not be made in haste and must not be made before we answer the crucial questions.

So Senator NUNN and I are taking this hour, along with others of our colleagues, to talk about it. Let us raise some of the questions that we think need to be answered, and let us look at potential alternatives, as well as the actual expansion of NATO, and the timetable that we might look at if we decide to make that decision.

The political map of Europe has changed dramatically since the toppling of the Berlin Wall. Just as these changes were a direct result of half a century of American leadership and NATO resolve, so, too, does the future of peace and stability in Europe depend on a strong and enduring NATO.

With the collapse of the Soviet Union and the rise of new governments, along with old ethnic and border disputes in Eastern Europe, a new set of challenges confronts the North Atlantic alliance.

A NATO study just released last week takes a decidedly positive stance toward the possibility of expanding NATO membership. The NATO study is specific in that it asserts that new NATO members will have the same benefits and obligations of all the other members of the alliance.

The study also anticipates no change in NATO nuclear policy or in the forward basing of NATO ground forces. These points are important, as far as they go. However, there are a number of very serious issues raised by the issue of NATO enlargement, and these questions need to be analyzed thoroughly before the United States and our NATO allies commit ourselves to this course of action.

First, although the NATO study talks about expansion leading to increased stability and security, it is largely silent on the real why of NATO enlargement. The real why is the deep concern in Eastern Europe and the Baltic countries about a future threat from Russia and the West's stake in responding to this potential threat.

Second, the study does not address the Russian reaction to NATO expansion. It notes that Russia has raised concerns which NATO is attempting to address, but the fact is that eastward NATO expansion in the near future is almost certain to prompt opponents of democracy and economic reform in Russia to new heights of paranoia and provocative nationalism. It could weaken the prodemocracy and proreform elements of the Russian polity that we should be striving to support. Rather than strengthening stability and security in Eastern Europe, repercussions in Russia from rapid NATO expansion could undermine our most important national security goal.

Third, full NATO membership for the nations of Eastern Europe has the potential to draw the United States and our NATO allies into regional border and ethnic disputes in which we have no demonstrable national security interest.

Many Americans and many of us in Congress have serious reservations about President Clinton's proposal to commit United States troops to a peacekeeping force in the former Yugoslavia. This is an issue we will debate here at a later date. But disagreements about the wisdom of this commitment within this body across our Nation and within NATO are directly relevant to NATO expansion.

Is it in America's interest to enter into treaty obligations that could end up committing American military and political power to current and future regional border and ethnic disputes in Eastern Europe and the Balkans?

When President Clinton argues that we must put troops on the ground in Bosnia in order to keep faith with our NATO allies and our leadership within the alliance, it illustrates perfectly the very real risks of rapid NATO expansion. Before the United States and our NATO allies take this step to guarantee mutual defense, we must acknowledge that the potential for civil war and border and ethnic strife in Eastern Europe is high. After years of vacillation and debate about what America should do about Bosnia, we must also acknowledge that there has not been a clear policy. To embark on NATO expansion without resolving this crucial question could be disastrous.

Potential flash points in Eastern Europe and the Balkans are easy to identify. Current and potential NATO members are directly involved in every one of them: Serbian opposition to Kosovo's aspirations to independence; Greek opposition to Macedonian independence; longstanding border disputes between Poland and Ukraine; unresolved problems stemming from the breakup of the former Yugoslavia.

If we move ahead rapidly with NATO expansion and the full mutual defense and security commitments that such membership implies, would that set the stage for direct American military involvement in such disputes as we have been drawn into in the conflicts in the former Yugoslavia? That is a very important question that we must answer before we take such a giant step.

Mr. President, there are alternatives to rapid NATO expansion, alternatives which would establish a rational progression to eventual NATO membership and which would provide real encouragement and support to the nations we want to help.

The economic and political integration of all the nations of Eastern Europe is the best way to ensure long-range stability and a rational progression to expanded NATO membership. For instance, any country eligible for European Union membership should be considered for NATO membership. So you start with European Union membership requirements and the economic and trade alliances that would provide stability, and then you take the next step to NATO membership.

Expanding trade and strengthening free market capitalism in the newly emergent nations of Eastern Europe would establish a strong foundation for peace and stability based on mutual interests.

In parallel fashion, resolution of regional and internal disputes should be a precondition for eligibility for NATO membership.

The Partnership for Peace and the Organization for Security and Cooperation in Europe should be used to help bring about permanent solutions to ethnic and other disputes involving European countries and the Eastern European countries anxious to join NATO. It will also strengthen the democracies in those countries. This would maximize security and stability within Eastern Europe and underscore that expansion is not aimed at Russia.

I believe American and NATO leadership and influence should be directed at setting up a means for arbitrating these disputes to bring an end to the existing conflicts and to head off future situations that could be caused by these disputes. No Nation should be considered for NATO membership unless it has committed itself for the present and the future to accept peaceful resolution of local and regional conflicts.

One approach would be to create a forum for arbitration, comprised of peers acceptable to all parties to the conflict. To be considered for NATO membership, all countries would agree to binding arbitration of border and ethnic disputes. This might be part of the Organization for Security and Cooperation in Europe or the Partnership for Peace. But let us put that idea on the table. If the American labor negotiation concept is binding arbitration, if the parties agree to the peers that would be the judges, would this not be a way to stop the ethnic and border conflict before they erupt into the tragedy that we have seen in the former Yugoslavia?

Rather than pell-mell rushing into NATO membership, the implications of which are fraught with dangers and complications, the United States and its Eastern European allies and our Western European allies should initiate a series of coordinated efforts to strengthen new democracies and build a stronger economy and bind the nations of Europe to a set of rules that would ensure peace and stability for decades to come.

The NATO allies should also make their position clear, with respect to the overarching goal of NATO membership, the possibility of future Russian aggression. Ironically, those countries with the most valid concerns in this regard—the Balkan nations and the Ukraine—are, because of their proximity to Russia, the least likely to gain NATO membership in the short run. The people of these countries are unlikely to feel more secure if NATO expands eastward but stops short of their borders, in effect, placing them in a buffer zone between an enlarged NATO and a more paranoid Russia. The NATO allies should ensure that all parties understand that accelerated and, if necessary, immediate enlargement of NATO would depend directly upon Russian behavior. And in this way we would provide a basis for accelerated NATO expansion in response to a real threat, but we would avoid provoking the very threat we are trying to guard against.

The key criterion would remain as outlined in the NATO study recently released, Enhancement of Europe's Security and Stability. This twofold strategy for the post-cold-war Europe would provide the affected nations with what they need most, a foundation to build greater prosperity and stability and a NATO security commitment against the possibility of future Russian aggression. This straightforward approach is also important for our citizens and those in other NATO countries who will have to pay the bills and make the sacrifices required by expanding eastward NATO's security commitments.

We, in America, cannot assess public opinion in other countries, of course.

But when NATO expansion and the debate that will follow focuses on the issues of NATO nuclear policy, NATO troop deployment, NATO infrastructure development, and former NATO commitments, played against the background of repercussions in Russia and priorities for our fewer defense dollars in the United States, we must first understand public opinion in our country, and we and our allies must undertake our primary goal, to maintain the underlying strength of NATO.

NATO has the total support of the American people. As we move forward to an expanding cooperation and mutual defense, we must maintain that American support of NATO. All of the issues that I have raised must be considered before we expand, so that once the commitment is made, we can be assured that we have the absolute will and determination to keep our commitment. The American people must fully understand and support the role of the United States for that goal to be achieved.

Mr. President, as I said when I started, Senator NUNN and I and many of our colleagues have traveled throughout the new Eastern European democracies. We have gone to Russia, as members of the Armed Services Committee. We have met with members of the Russian Duma. We want to take the steps that are right, and we want to take them at the right time. That is why Senator NUNN and I and others of our colleagues wanted to take this time today to start the debate, to start the thinking process, to make sure that we have thought of every eventuality and that the American people understand what is important, what questions must be asked, and what the criteria are for expanded NATO membership.

Mr. President, Senator NUNN has arrived. As I said, his plane was late, but he has now arrived. I want to take this opportunity before I turn the floor over to the senior Senator from Georgia to say that I, like so many of my colleagues, watched him yesterday announce that he would not seek a fifth term to the U.S. Senate. He said he needs time to read, write, and think. Mr. President, all of us understand in this body how very important the time to think and to write is to a good public debate and a solid public policy. I just want to say that I think Senator NUNN has provided that thoughtful public policy leadership in his four terms in the Senate, as chairman and now ranking member of the Armed Services Committee, on which I have been very fortunate to sit.

I have worked with Senator NUNN and have come to respect him greatly for the thought that he gives to public policy and for the leadership that he has given for our country. He and I agree in almost every respect about the need for a strong national defense, the need for us to think to the future, and I feel that by taking this time out, he is going to continue to provide even greater leadership for what we must do for the future to make sure that our country remains strong militarily.

I will end by just saying that I think the best of all things that can be said about the Senator is that he had the instinct to know when it was time for him to go and the judgment to do it while people still hoped that he would stay.

Mr. President, I thank you and I yield the floor.

Mr. NUNN. Mr. President, I want to thank my colleague and friend from Texas on two points. One is her very kind comments about my difficult decision which has now been made. I appreciate very much her thoughtfulness and her comments. I appreciate her friendship, and serving with her on the Armed Services Committee has been a great pleasure.

I also commend her for her substantive remarks on the question of NATO expansion. I will have more to say about that in a few minutes as we proceed to discuss that very important issue. But I know that the Senator from Kansas has been on the floor. I would much prefer to hear her address the subject. She has another bill to manage. I will listen to her attentively, and then I will make some comments on the substantive issue myself.

I thank the Chair and I thank my friend from Texas for her kind remarks.

Mrs. KASSEBAUM. Mr. President, I was just here to fill in for the Senator from Georgia until he got to the floor. I just have a few very brief remarks to make.

First, I want to say that I am very appreciative of Senator HUTCHISON and Senator NUNN for organizing this debate—a beginning debate, perhaps—on a very important subject. I think it is essential for us to begin to think about the consequences of the expansion of the North Atlantic Treaty Organization and what that may mean.

I would also like to say that the announcement of the Senator from Georgia yesterday was one which I think all of us felt great disappointment with, but also thoughtful understanding. Senator NUNN has brought to the U.S. Senate, and to the United States, sincerity, integrity, and a depth of knowledge in a debate of the public policy issues before us in this country through the four terms he has served that will be remembered far into the future. And his legacy will be one that will be an inspiration to all who wish to follow in public service. So I join with all on both sides of the aisle who will greatly miss his presence in the U.S. Senate.

Mr. President, I would like to join for a few minutes in this discussion on the North Atlantic Treaty Organization and its future.

This debate has been ongoing for years in Europe among foreign policy experts, and in the administration. But in Congress, which would have to approve any changes in the North Atlantic Treaty to accommodate new members, it is long overdue. I enter this debate as a strong supporter of NATO and a firm believer it must remain the foundation of the security architecture in Europe, just as the Senator from Texas pointed out in her excellent statement. Supporters of the NATO expansion have said for some time the issue is not, why and how, but rather who and when? In my mind, we have gotten ahead of ourselves. The issue, I believe, remains very much why and how. I believe the first order of business must be to clearly define in our own minds, and with our allies, what we want NATO to do in Europe's new security environment.

The Soviet Union is gone and with it the clear threat that held NATO together. We know we still need a security structure in Europe and that America should be a part of that structure. But we have not in my mind made clear the new purpose for that structure. It seems to me difficult to construct a security system and to make significant decisions such as whom to include, and by implication whom to exclude, without a clear, shared purpose to pursue. The dangers of fuzzy purpose have been made clear in Bosnia. For years, NATO hesitated, the allies could not agree, we did not act, and, in my view, the alliance has been weakened as a result. While NATO now seems to have found its footing in the Bosnia conflict, I suggest Bosnia has shown our first order of business must be to find anew our shared purpose for America's involvement in Europe. Only then can we properly consider what security structure will best serve that purpose.

Let me make clear that I am not arguing against changes in NATO. It is a cold war institution that must adapt to new realities. But I am not yet prepared to say that change necessarily equates with expansion. Perhaps President Clinton put it best in his speech at Freedom House last week when he called for NATO's modernization. It seems to me this broader question about how NATO should be updated to fit our new needs, not a predetermined notion that expansion is both desirable and inevitable, should be the debate we now take up. As this debate continues and reaches the Congress, we will face many questions. Are the American people prepared to pledge, in the words of the North Atlantic Treaty, that an armed attack against one or more of these potential new members will be considered an attack against all? That, I think, is a question we should keep first and foremost in our minds.

It is easy to say how important this expansion will be. It is important to the future of the organization. But when it comes right down to it, are we prepared to do what is asked for in the North Atlantic Treaty Organization Charter as it stands? I do not know the answer to that. But I do know that it is the basic issue we are debating. Those who support this expansion have a heavy burden to make their case.

I look forward to the comments of Senator NUNN. I think the debate is called for by Mrs. HUTCHISON in her role on the Armed Services Committee and her important role as a Senator from Texas, where there are a number of military installations. Kansas has military installations also. Fort Riley is always very involved in forward deployment to Germany. And certainly the same for the senior Senator from Georgia [Mr. NUNN]. These are issues of grave importance to all of us, and I think, as we can begin to reason together, it will be useful in this dialog.

I yield the floor.

The PRESIDING OFFICER (Mr. ASHCROFT). The Senator from Georgia.

Mr. NUNN. Mr. President, I thank my friend from Kansas, Senator KASSEBAUM, for her kind remarks about my service in the U.S. Senate. I am not here today to precipitate that discussion. We probably had enough retirement announcements around this institution for 1 year. That is not my purpose in taking the floor today, but I do thank her for her remarks.

I also agree with her words of caution on NATO expansion. We have a lot of thinking to do. We have a lot of debating to do. We have a lot of discussion to conduct, to make the right kind of decision, both for the alliance itself and for the stability of Europe.

I thank my friend from Texas, again, for organizing this discussion this morning. I think it is going to be very fruitful in precipitating other people to think and also speak on the subject. I talked to enough Senators on both sides of the aisle to know there are a number of people who are concerned, deeply concerned, and who have a lot of thoughts and a lot of questions about this matter. I think we will be hearing from them in the days and weeks ahead. So I thank both of my colleagues for their remarks.

I say to the Senator from Kansas, she has been a very fine leader. We have relied on her for so long in the field of foreign policy as well as many other fields, and I have such deep admiration for her and her leadership, and I am grateful to her for that.

Mr. President, the issue of NATO expansion deserves thorough and careful consideration because it has important ramifications for the future of NATO, for the countries of Central and Eastern Europe, for the future of Russia and the other countries of the former Soviet Union, and for the future security order throughout Europe, East and West.

President Clinton has declared, and NATO has concurred, the organization's enlargement is not an issue of whether but of when and how. I, like the Senator from Kansas, believe the when and how need to be discussed more thoroughly.

On September 28 of this year, NATO released a study on the why and how of enlargement. It reserves for future decisions the question of who and when. On the positive side, the study declares that NATO enlargement will be gradual, deliberate, and transparent. It presents no fixed set of criteria for membership but specifies that enlargement will be decided on a case-by-case basis, with the key judgments being whether a given country's admission will contribute to Europe's stability and security.

It states that new members will have the same benefits and obligations as all other members and it anticipates no change in NATO nuclear policy or in the forward basing of NATO ground forces.

On the less positive side, I believe three large gaps exist in the study and give it an unrealistically optimistic tone. First, the study provides no satisfactory answer to the key question of why, and merely expresses what NATO hopes will be the outcome of expansion: increased stability for all in the Euro-Atlantic area. All of us hope for that, but that does not really get down to the essential reasons of how and why expansion will lead to that result.

Second, it glosses over the increasingly negative Russian reaction to NATO expansion.

Third, it asserts that enlargement is part of a broad security architecture in Europe that transcends the idea of dividing lines in Europe, yet it is silent about the fact that gradual enlargement will create dividing lines between those countries admitted and those countries that are not admitted.

NATO was established primarily to protect the Western democracies from an expansionist Soviet Union that, after World War II, seemed determined to spread its influence through subversion, through political intimidation, and through the threat of the use of military force. With the end of the cold war, we have witnessed a heart pounding, terrain altering set of earthquakes centered in the former Soviet Union and in Eastern Europe. These seismic events have ended an international era. The European security environment has changed. We have moved from a world of high risk but also high stability, because of the danger of escalation and the balance of terror on both sides, to a world of much lower risk but much lower stability. We are all aware of the dramatic change in the threat environment in Europe resulting from these seismic changes.

The immediate danger is posed by violent terrorist groups, by isolated rogue states, by ethnic, religious and other types of subnational passions that can flare into vicious armed conflict, as we have seen too well and too thoroughly in the Bosnian conflict.

The lethality of any and all of these threats can be greatly magnified by the proliferation of nuclear, chemical, and biological weapons, as well as by the spread of destabilizing conventional weapons.

At the same time, Russia currently possesses at least 20,000 nuclear weapons—in fact over 20,000—at least 40,000 tons of chemical weapons, advanced biological warfare capability, hundreds of tons of fissile material, huge stores of conventional weapons, plus literally thousands of scientists and technicians skilled in manufacturing weapons of mass destruction.

Mr. President, this is the first time in history that an empire has disintegrated while possessing such enormous destructive capabilities. Even if these capabilities are greatly reduced, the know-how, the production capability, and the dangers of proliferation will endure for many years. Even if we do our very best job, this is going to be our No. 1 security threat for America, for NATO, and for the world in terms of decades; not simply a few years.

As we contemplate NATO enlargement, I believe that we must carefully measure NATO enlargement's effect on this proliferation security problem, which is our No. 1 security problem.

Threats cannot be cleanly delinked, resulting in one section on proliferation and another section on NATO enlargement as if there is no connectivity. Those two subjects are intimately related. And in the longer term, we cannot dismiss the possibility of a resurgent and threatening Russia. Russia not only has inherited the still dangerous remnants of the Soviet war machine, but in its current weakened condition Russia contains potential resources by virtue of its size and strategic location. Russia exerts considerable weight in Europe, Asia, and the Middle East. Meanwhile, Russia has inherited the former Soviet Union's veto power in the U.N. Security Council, and, therefore, has a major voice in multilateral decisionmaking.

Mr. President, Russia will be a major factor, for better or for worse, across the entire spectrum of actual and potential threats that face us over the next years ahead. Russia can fuel regional conflicts with high-technology conventional weapons along with other political and material support, or, on the other hand, Russia can cooperate with us in diffusing such conflicts, particularly by preventing the spread of Russian weaponry to irresponsible hands. Russia can emerge as a militarily aggressive power. That is certainly possible. Or Russia can assist the United States and the Western World and the free world in averting new rivalry among major powers that poison the international security environment. Russia can pursue a confrontational course that undermines the security and cooperation in Europe, or Russia can work with us to broaden and strengthen the emerging system of multilateral security in Europe.

Mr. President, no one knows the answer to any of these questions at this juncture. Russia itself does not know the answer because it is in a period of economic stress, and political challenge and turmoil.

Mr. President, out of this background come five fundamental points. First, preventing or curbing the proliferation of weapons of mass destruction is the most important and the most difficult security challenge we face. And that is particularly true when you have a very large growth of organized crime, international organized crime, and terrorism in our own country and around the world.

Second, Russia is a vast reservoir of weaponry, weapons material, and weapons know-how. Thousands of people in Russia and throughout the former Soviet Union have the knowledge, the access, and the strong economic incentives to engage in weapons traffic.

Mr. President, there are literally thousands of scientists in Russia that know how to make weapons of mass destruction, that know how to make high-technology weapons that can shoot down aircraft in the air including passenger liners, that know how to make missile technology to deliver these weapons of mass destruction across borders, and even across continents. They have this knowledge. But several thousand of them at least do not know where their next paycheck is coming from. They do not know how they are going to feed their families, and they are in great demand around the world from both terrorist organizations and from rogue Third World countries.

The third conclusion is that increased Russian isolation, paranoia, or instability would make our No. 1 security challenge more difficult and more dangerous.

The fourth conclusion: Although the West cannot control events in Russia, and probably can assist political and economic reform there only on the margins, as the medical doctors say, our first principle should be to do no harm.

Fifth, we must avoid being so preoccupied with NATO enlargement that we ignore the consequences it may have for even more important security priorities.

Mr. President, it is against this background that I offer a few observations on the current approach to NATO enlargement.

NATO was founded on a fundamental truth: The vital interests of the countries of NATO were put at risk by the military power and political intimidation of the Soviet Union. As President Harry Truman said in his memoirs, "The [NATO] pact was a shield against aggression and against the fear of aggression." Because NATO was built on this fundamental truth, and because we discussed it openly and faced it truthfully with our people, the NATO alliance endured and prevailed. There was no misunderstanding about why we were forming NATO when we did it. Today, we seem to be saying different things to different people on the subject of NATO enlargement.

To the Partnership for Peace countries, we are saying that you are all theoretically eligible, and, if you meet NATO's entrance criteria, you will move to the top of the list. To the Russians we are also saying that NATO enlargement is not threat-based, and it is not aimed at you. In fact, we say to Russia you, too, can eventually became a member of NATO.

This raises a serious question. Are we really going to be able to convince the East Europeans that we are protecting them from their historical threats—that usually boils down to Russia—while we convince the Russians that NATO enlargement has nothing to do with Russia as a potential military threat?

Are we really going to be able to convince the Ukraine and the Baltic countries that they are somehow more secure when NATO expands eastward but draws protective lines short of their borders and places them in what Russians are bound to perceive as the buffer zone? Is that going to make them feel more secure?

In short, Mr. President, are we trying to bridge the unbridgeable, to explain the unexplainable? Are we deluding others, or are we deluding ourselves?

The advantages of NATO's current course toward enlargement cannot be ignored, and I do not ignore that. If NATO expands in the near term to take in the Visegrad countries, these countries would gain in self-confidence and stability. It is possible that border disputes and major ethnic conflicts would be settled before entry—for instance, the dispute involving the Hungarian minority in Romania.

What these countries really want and what they really need is the ability to have trade and economic relations with the European Community and the rest of the world. They really need markets now—not military protection. Their threat is economic at this moment, and probably for the few years to come. No one can conceive of an invasion by Russia in the near term. The question is in the long term. That is another matter. But in the near term, economic trade and entry into the European Community is what they need most of all to stabilize their democratic efforts and their economy.

Serious disadvantages must also be thought through carefully. If NATO's enlargement stays on its current course, reaction in Russia is almost inevitably going to be a sense of isolation by those that are committed to democracy and democratic reform with varying degrees of paranoia, nationalism, and demagoguery emerging from across the current political spectrum. In next few years Russia will have neither the resources nor the wherewithal to respond to any NATO enlargement with a conventional military buildup. They simply do not have the resources to do that, even if they choose to.

If, however, the more nationalist and more extreme political forces gain the upper hand by election or otherwise, we are likely to see other responses that are more achievable, and also even more dangerous to European stability. For example, while Russia would take years to mount a sustained military threat to Eastern Europe, it can within weeks or months exert severe external and internal pressures on its immediate neighbors to the west, including the Baltic countries, and including the Ukraine. This could set in motion a dangerous action-reaction cycle.

Moreover, because a conventional military response from Russia in answer to NATO enlargement is not feasible economically, a nuclear response in the form of a higher alert status for Russia's remaining strategic nuclear weapons and conceivably renewed deployment of tactical nuclear weapons is more likely.

I recall very well when the United States and our allies felt we were overwhelmed with conventional forces by the former Soviet Union. How did we respond? We responded by building up tactical nuclear forces. We responded by deploying thousands of tactical nuclear forces because we did not have the tanks, we did not have the artillery tubes to meet the conventional challenge. Are we confident the Russians would be so different from us if they truly have a nationalistic surge and end up believing the NATO enlargement is a threat to them?

I am not confident that would not be their response as it was ours years ago.

The security of NATO, Russia's neighbors and the countries of Eastern Europe will not be enhanced if the Russian military finger moves closer to the nuclear trigger.

Where do we go from here? I recognize full well it is much easier to criticize than to construct, so let me make a few suggestions. I am not opposed to NATO expansion per se, but I feel that we need to alter the course of that expansion. I suggest a two-track approach to NATO enlargement. The first track would be evolutionary and would depend on political and economic developments within the European countries that aspire to full NATO membership. When a country becomes eligible for European Union membership, it will also be eligible to join the Western European Union, and then it will be prepared for NATO membership, subject, of course, to NATO's formal approval.

This is a natural process connecting economic and security interests. We can honestly say to Russia, and particularly the democrats in Russia who are struggling to be able to have a democracy in that country, this process is economic in nature and is not aimed at you.

The second track would also be a clear track. It would be a threat-based track. An accelerated and, if necessary, immediate expansion of NATO would depend on Russian behavior. We should be candid with the Russian leadership and the Russian people, above all be honest with the Russian people by telling them, frankly, if you respect the sovereignty of your neighbors, carry out your solemn arms control commitments and other international obligations, and if you continue down the path of democracy and economic reform, your neighbors will not view you as a threat and neither will NATO. We will watch, however, and we will react to aggressive moves against other sovereign states, to militarily significant violations of your arms control and other legally binding obligations pertinent to the security of Europe, and to the emergence of a nondemocratic Russian Government that impedes fair elections, suppresses domestic freedoms or institutes a foreign policy incompatible with the existing European security system. These developments would be threatening to the security of Europe and would require a significant NATO response, including expansion eastward. We would be enlarging NATO based on a real threat. We would not, however, be helping to create the very threat we are trying to guard against. And the Senator from Texas made this point very well a few minutes ago in her remarks.

Mr. President, this would change the psychology of the NATO expansion because the democrats in Russia would be able to say to their own people: Our behavior, what we do with our military forces, what we do with our tactical nuclear posture, what we do regarding human rights and freedom of the press, what we do regarding our solemn arms control obligations will have a bearing on whether NATO expands. If we do not cause a threat, we in turn are not likely to be threatened.

That changes the psychology completely from where it is now where the nationalists, any time you are in a meeting with Russian parliamentarians—and I am sure the Senator from Kansas and the Senator from Texas have experienced this—what you see is that when the nationalists hear about NATO expansion, they start smiling and almost clapping because it feeds right into what they want to convince their people of, that is, they have to reconstitute not only the military but the empire. On the other hand, when you talk about NATO expansion, those parliamentarians that truly believe in democracy start wiping their brow with their handkerchief because they know the kind of problems it is going to cause them politically in their own country.

Finally, Mr. President, Partnership for Peace, I believe, is a sound framework for this two-track approach. Its role would be to prepare candidate countries and NATO itself for enlargement on either the European track or the threat-based track. Programs of joint training and exercises, development of a common operational doctrine and establishment of the interoperational weaponry, technology and communications would continue based on more realistic contingencies. Tough issues such as nuclear policy and forward stationing of NATO troops would be discussed in a threat-based environment, one which we would hope would remain theoretical.

I know there are those in Europe and there are those here who say, How can we handle this expansion of the European community? We have complex matters like farm products. How do we handle farm products coming in from Eastern Europe, or any other type product?

When you expand NATO, you are extending a nuclear umbrella over the countries coming in. Are we to be told it is easier to say that if a country is attacked, America is going to respond if necessary with nuclear weapons, than it is to decide how many farm products come across our border?

I do not buy the argument that economic expansion is more difficult and more challenging than extending the nuclear umbrella.

As the Russian leaders and people make their important choices, they should know that Russian behavior will be a key and relative factor for NATO's future. This straightforward approach does not give them a veto. I do not favor giving Russia a veto. But I do favor putting them on notice that what they do themselves in creating threats to others may very well determine what the others do in terms of enlarging NATO and enlarging the security umbrella.

This straightforward approach is also important for our own citizens here in this country who will have to pay the bills. They will have to make the sacrifices required by expanded NATO security commitments.

Again, I am not against expanding NATO. I think there are countries in Eastern Europe and Central Europe that will be eligible for NATO membership, democracies that will qualify and be eventual members. I am concerned about how we do it and how we go about explaining our logic. It makes a big difference.

The profound historical contrast between post-World War I Germany and post-World War II Germany should tell us that neocontainment of Russia is not the answer at this critical historical juncture. If future developments require the containment of Russia, it should be real containment based on real threats.

I thank again my colleague from Texas for organizing this. I know there are others who are not back in town who want to speak on this subject, and I hope by her leadership and the discussions we have had this morning we will precipitate debate on this subject. I know there will be debate on both sides. There are other people, whom I respect greatly, who have different views on this subject, but it is time for us to start paying attention before we get down to the point of having some agreement presented to the Senate for our ratification that we have not studied, that we have not contemplated, but that has profound implications.

I at this point again thank my colleague from Texas and yield the floor.

Mrs. HUTCHISON. Mr. President, if the Senator will yield for a moment, I should like to say I really appreciate, of course, his very articulate view of this issue. He has given speeches on this subject. As I said earlier, he and I have traveled with the Armed Services Committee to Russia.

We have met with members of the Duma and we have also been to many of the new emerging Eastern European democracies. And I think that it would be very important for us to keep in mind the conflicts that we see in many of those different countries versus what we hear from members of the Duma. And I thought it was especially important that Senator NUNN mentioned the reformers, and I would like him, if he would, to comment on the upcoming elections and the impact that this discussion could have on those upcoming elections.

Mr. NUNN. I say to my friend from Texas, we have had some very interesting meetings in both Russia and this country with our Russian parliamentarian friends. And I believe that it is clear in those meetings that the fear among reformers and democrats is that this issue, which most of them do not realistically see as a threat to Russia, but that this expansion of NATO will give the nationalists, the extremists, the demagogues, those who want to restructure and rebuild the empire and threaten their neighbors, will give them an argument to be made for the Russian population that has been hearing that NATO is an enemy for the last 40, 45 years.

So, it is the great concern of the reformers in Russia that I believe we have to take into account. We will not be doing anyone in Europe a favor if, by taking certain action regarding NATO expansion, we end up giving an edge in the political process to the most extremist elements in Russia.

This is not to say that we should give them a veto. They should have no veto. NATO should make its own decisions. But Russian behavior and economic reality in Europe also should play a very important role in how we go about taking these important steps.

Mrs. HUTCHISON. Along that same line, if the Senator would yield, I think it is also important that we link Russian behavior to any expansions of NATO and how those will come about so that there will be an incentive on the part of Russia to make sure that they are cooperating in the community of nations and that they understand that it is only if we begin to see a buildup or some sort of aggressive behavior that then we would come in in a very swift manner and look at the expansion possibilities.

Mr. NUNN. I agree with the Senator from Texas on that. I think that is the way we ought to structure it. I believe having the natural approach of an economic admission to the European Community be one path, one option which is a natural course and would lead inevitably to NATO eligibility for those countries. That is one course.

But the other course ought to be very clear, the military-threat-based course. But where we are now is between those courses. We are saying that the European Community is not going to be able to expand fast enough and saying there is no threat from Russia. And we are saying that Russia can be a member of NATO at some point in time—and that simply does not ring true to people who have observed this process over a period of time from the European perspective, it does not ring very true to those in the Ukraine who worry about Russian reaction and know they will not be the first country, one of the first countries, to be admitted, does not ring true to the Baltics where they know that they can be subverted by Russia on a 48-hour basis. It would take years for Russia to be able to muster the military power to invade Poland, but to destabilize politically the Baltics would take a matter of days. And that may very well be the pattern that could emerge if we are not prudent in how we go about this situation.

Mrs. HUTCHISON. One other point that I think is important. The Senator from Georgia was very instrumental in negotiating the language that we put in our authorization bill regarding the missile defense capabilities that the United States would have and how that relates to the ABM Treaty that we have with Russia, and it also affects the START Treaty, which is being looked at for ratification by the Duma, the Russian Duma at this time.

I think those are very important issues, along with the nuclear warheads that are still in Russia. All of those are issues that I think must be looked at as we determine how our relationship with Russia and the impact that NATO expansion and the way we do it has. As the Senator from Georgia mentioned, there will be no Russian veto of NATO expansion. But as we move along, we can certainly make this decision in the right way that keeps our ability to negotiate with Russia on any changes in the ABM Treaty, on ratification of the START Treaty, those things that are very important to our security as well as their security and the security of Eastern Europe.

So it is not just an easy decision that we make with regard to any one country in Eastern Europe, as the Senator from Georgia fully realizes, especially having been so involved in the negotiations on what we will do in the future to protect our borders and our theaters from potential ballistic missile attack.

Mr. NUNN. I say to my friend from Texas, I could not agree more with her on what she said. The threat in Europe now is not Russian invasion of one of the Visegrad countries. The threat is the huge proliferation problem with nuclear materials being smuggled across the borders to these countries, with Russian scientists under severe economic pressure being in demand in various parts of the world. But, hopefully, we can work together to prevent that. That is the threat.

The threat is terrorism, the threat is ethnic strife, the threat is religious strife. It could change in 10 years. Ten years from now Russia could reemerge as a real military threat to some of those countries. We have to be prepared for that. We have to make sure we are in a position to react to that. But now we have many mutual interests, and not just with Russians, but with the East Europeans and others, in proliferation and working together against organized crime, which is one of the biggest challenges Russia has right now, their organized criminal activity which is devastating to confidence for investment, economic kinds of commitments by business people from all over the world.

So we have so many mutual interests with Russia. We are also going to have many differences with Russia. They do not have the same interests we have in many parts of the world. They have historically had different interests. But we have got to build the common bridges. And even when we have a disagreement, we have to continue to work at this proliferation problem because we do not want to wake up in 3 years or 5 years and find that the kind of people who just derailed Amtrak, if that was a terrorist group, the kind of people that blew up the Federal building in Oklahoma, or the kind of people who carried out a chemical attack in Tokyo, we do not want to wake up and find those people possess awesome weapons of mass destruction. Only by working with the elements in Russia who are willing to work on this are we going to be able to prevent this from happening. It will be difficult at best.

So I think this factor has to be very much considered in our overall deliberations about how we go about expanding a security alliance which, after all, is supposed to be about security. And this is the heart of our security threat. It is also the heart of Russia's security threat. I, like the Senator from Texas, believe they have a threat of missiles on their borders at some point.

I believe that at some point we will find it conducive to them and to us to work together in this overall area of preventing the spread of missile technology and also defending against it where required and where necessary. So I agree with the Senator from Texas and again commend her for her leadership and her thoughts on this subject.

THE FUTURE OF NATO—ENLARGING FOR A NEW CENTURY

Mr. LIEBERMAN. Mr. President, I rise today to join Senators NUNN and HUTCHISON and others in this important discussion on the future of NATO and NATO's role in maintaining U.S. national security in the next century. My colleague from Georgia has been a powerful driving force in the debate on the relevance of NATO. He takes second place to no one in his intellectual honesty and in his ability to examine this issue with depth and intelligence. I appreciate his seeking this time to engage the Senate in thoughtful discussion of this important issue and I thank him for asking me to take part.

Like the Senator from Georgia and many others in this Chamber, I am deeply concerned about the role the United States will play in international affairs in the years ahead of us. Our involvement with NATO—more precisely, our leadership of NATO—has been a critical part of American involvement in global affairs since our victory in the cold war. There is an important role for NATO to continue to play for the stability and security of Europe and the United States and we must continue to be an active leader in this highly successful alliance of sovereign, democratic states.

As all of us know too well, during this century the United States fought two world wars in Europe. We recognized that a free and stable Europe is vital to America's own national security. Our victory in those wars was attributable to the courage and ability of our Armed Forces, the support of the American people, and the willingness of the United States to form alliances with other nations when it was mutually beneficial.

At the end of the Second World War, we developed a strong alliance of free nations to ensure that America and Western Europe would remain safe and free. That alliance, the North Atlantic Treaty Organization—NATO—successfully deterred Soviet Communist expansionism which threatened the security of the United States and our European allies for four decades. NATO has been the most successful defensive alliance the world has ever seen. By maintaining the military and economic strength, and political will of its members, NATO deterred war and, in fact, never had to fire a shot against any of the states it had been formed to defend against.

Now the cold war is history. People in most of central and Eastern Europe have made bold and significant steps toward democracy. They have elected governments which share our beliefs in freedom, human rights, and the power of free markets.

There are some in America and abroad who argue that NATO is no longer necessary because the cold war has been won. But in my view those who advocate the abandonment of NATO are wrong. NATO is not an anachronism. The fundamental purpose of NATO—uniting like-minded, free, democratic nations in common self-defense to deter attacks and prevent war—remains as valid and worthy a purpose today as it was in 1949. It is important to do all that is necessary to ensure that NATO can continue to fulfill this role. That does not mean, however, that the NATO of 2001 should be or even can be identical to the NATO of 1949 or 1995.

NATO must adapt to new political geography and continue to contribute to the development of an integrated, free Europe.

Since the fall of the Berlin Wall, NATO and defense thinkers have conducted a number of studies on the future of NATO. In 1994 the Center for Strategic and International Studies [CSIS] published a report by its Senior NATO Policy Group, upon which I was privileged to serve along with Senators NUNN, COHEN, and MCCAIN. Earlier this year, the Council on Foreign Relations published the report of an independent task force chaired by former Secretary of Defense Harold Brown entitled "Should NATO Expand?" This year Secretary of Defense Perry provided his views on NATO expansion in a March 10 report to Congress. Each of these studies has moved forward the debate on NATO enlargement and new roles for NATO.

Now the alliance itself has issued a major report on the question in its September 1995 "Study on NATO Enlargement." This most recent study by the 16 member states of NATO sets out the purposes and principles of enlargement and establishes a process under which NATO will consider admitting new members on a case-by-case basis. It does not establish a specific timetable for the admission of new members, prioritize candidates for membership, or develop precise criteria which must be met in order to gain membership. It does, however, convey a number of important messages.

First, new members of NATO will need to accede to the Washington Treaty. No state may enjoy the rights and benefits of NATO membership without also assuming the obligations of membership.

Second, negotiations on admission of new members will consider both the candidate state's potential contributions to collective defense as well as broader political and security criteria.

Third, expansion of NATO, if it occurs, is intended to strengthen relations with Russia through increased European stability and security. While Russian sensitivities and security requirements must and will be considered, no country outside the alliance will have a veto over NATO enlargement.

Needless to say, a document such as this study which reflects consensus of 16 nations is unlikely to fully satisfy everyone. Because I have spoken often on the need for NATO to expand its membership sooner rather than later, I would have preferred to see in this study a statement of clear criteria for inviting new members to join the alliance. Unfortunately, in my view, many of these central issues have been left to the negotiations between NATO and each prospective new member.

I have read with great interest and attention the analysis of my friend from Georgia, Senator NUNN, on the question of NATO expansion. The questions he poses are good ones which need to be considered as we and NATO decide how to proceed. Senator NUNN continues to make invaluable contributions to the debate on these critical issues which affect our national security and I hope that he will continue to speak out and to help focus our attention on them.

Last week, the Senator from Texas [Mrs. HUTCHISON] and I had the opportunity to meet with NATO Secretary General Willy Claes and the U.S. Ambassador to NATO Robert Hunter. In the course of a wide-ranging discussion, we spoke of the importance of American leadership in NATO and the question of NATO enlargement.

In that regard, I would like to make a few observations.

First, NATO always has been and must continue to be an alliance which is both military and political. It will not just be the number of troops which NATO nations can mass which will keep Europe and the United States secure in the decades ahead as it was not just numbers which kept Europe secure during the cold war. Rather, it is the degree of political solidarity and agreement on fundamental principles of democracy, human rights, and the necessity for free markets which will keep the alliance viable and provide security for its members. Candidates for membership must demonstrate the same commitment to these democratic principles as current members. There can be no exceptions granted with regard to belief in and enforcement of human rights, the exercise of freedoms by citizens, the transparency of defense budgets, real civilian control of the military and intelligence arms of the government, and adherence to the principles of peaceful resolution of disputes within and beyond a state's borders.

Second, membership in the alliance carries with it obligations and benefits. No candidate can be accepted just because it wants the fruits of membership; each state must be able to contribute something to the alliance. This will be a difficult issue to resolve for the new democracies are constrained by their defense budgets and economic difficulties. NATO must be realistic, but at the same time creative, in determining what capabilities NATO requires and how new members can contribute to them.

Third, membership in NATO is not a zero-sum game. The new democracies of central and Eastern Europe are not competing with each for some predefined number of spaces being allocated for expansion. No one knows today whether the right number for the composition of NATO is 16, as it is today, or 18 or 20 or more. Candidates must be evaluated on the basis of the political and military norms which members must demonstrate on an absolute—not comparative—basis. It should not matter if one candidate country is less able to contribute than another candidate country. If the required standards are met, both should be admitted.

Fourth, participation in the Partnership for Peace is an important transitional step for candidate countries though it need not be a mandatory one if a candidate can demonstrate it meets the requirements of membership without it. I personally find it hard to believe that a country which chooses not to take part in the Partnership for Peace would or should be an early candidate for membership. If new members are to be full participants in all aspects of the alliance upon ratification of their membership, they should want to start exercising with NATO, determining what they need to achieve full integration, and exposing their own leaders—both military and civilian—to NATO procedures and thinking.

Fifth, contrary to the assertions of nationalist forces within Russia, NATO expansion is not and should not be construed as a threat to Russia. I fully agree with the conclusions of the recent NATO study that no state outside of NATO should have a veto over the accession of new members to the alliance. These are decisions which the independent members of the alliance themselves must make. Nor do I believe that decisions on membership should be based solely on threat considerations. NATO should expand to meet the requirements for security and stability in Europe well into the next century. Russian conduct today cannot be used as a criterion by itself to determine whether there is a need to expand the alliance's membership. To do so, in fact gives Russia a de facto veto over what the alliance does in the near-term and long-term. We must all do everything we can to assure the leaders and people of Russia that NATO expansion is not just a shifting of cold war confrontation lines to the east. At the same time we need to make decisions which are right for our security and that of our European allies today and into the next century.

Finally, we must not lose sight of the fact that we are a founding member of NATO not just because we wanted to help our friends in Western Europe, but because it was in our national interest. I believe that this is as true today as it was in 1949. NATO expansion is something we should do because it is in our interest and the interest of security and stability in Europe. It is not a gift which we offer up to former Communist States or a reward for beginning the movement to full democracy.

There is no doubt in my mind that it is in our interest to find ways to encourage and support the transitions to democracy which are taking place today in Europe. Expanding NATO membership is one way to do this. It should not, however, be done in isolation. Nor should it be done solely because of what is or is not going on within Russia. We have no desire to confront Russia along a new wall of tension and confrontation. All of us—Americans, Russians, current members of NATO, and prospective members—must continue to work together to find ways to cooperate and make the world a safer and more prosperous place for us all.

I hope that this discussion, which Senators NUNN and HUTCHISON have organized, will help set a positive tone for the policy debates which lie ahead on this important issue.

Mr. JOHNSTON addressed the Chair.

Mrs. HUTCHISON. Mr. President, could I inquire from the Senator from Louisiana if he wishes to speak on this subject or did he want to change subjects?

Mr. JOHNSTON. I did want to speak on this subject.

Mrs. HUTCHISON. I will be happy to yield.

Let me say, before the Senator from Georgia leaves, that I think that his last point was a very important one. That is, in the future as we look at the ABM Treaty and the missile defense technologies, I think that the strategic interests of the United States will probably be parallel with the interests of Russia because both of us will want to look for other ways to defend our own shores from potential ballistic missile attack. That is something that I think the Russians will be in agreement with the United States on, and I certainly hope that we can pursue our mutual defenses as we keep the ABM Treaty able to change with the times. It is no longer a bipolar world but, in fact, a multipolar world. So we will want to make sure that the ABM Treaty can last by letting it change with the times.

Well, I want to certainly yield some time to the Senator from Louisiana.

I also do want to mention that Senator COHEN from Maine was going to be with us today to add to this discussion. And a very sad thing happened. He lost his father just over the weekend, so he was not able to come. And our thoughts and prayers are certainly with Senator COHEN at this time. And we look forward to having a debate with him included because he is a thoughtful person who has traveled through these countries as well and I think will add greatly to the debate.

I yield now to the Senator from Louisiana.

Mr. JOHNSTON. Mr. President, I notice that the time is due to expire momentarily.

The PRESIDING OFFICER. Time has expired.

Mr. JOHNSTON. Mr. President, I ask unanimous consent to extend the time for morning business for 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

POLICY OF CONTAINMENT IS MADNESS

Mr. JOHNSTON. I thank the occupant of the chair.

Mr. President, over the Memorial Day recess, I had the opportunity, along with the Senator from Georgia and other Members of the Senate and of the House, to go to a conference sponsored by the Carnegie Institute for Peace in Madrid. It was a joint conference between us and Members of the Russian Duma. Those Members had been selected on a broad philosophical spectrum properly and as fully representative of the Duma as we could get. There were those who were the nationalists, there were those who were the Democrats, there were those representing every spectrum of the Duma.

We thought we were going to discuss a whole range of issues, but the theme that came back over and over and over again was the threat that all of these Members of the Duma feel from making the bordering countries around them of Eastern Europe members of NATO subject to the nuclear shield of the United States.

It is an obsession with those Members of the Duma, and as we discussed it with them, it struck me, first of all, that what possible interest is there of the United States to so threaten Russia that all of the ongoing things we have with respect to nuclear proliferation, with respect to the dismantlement of the Soviet nuclear weapons to threaten that ongoing process?

I think it is one of those policies, I do not know how conceived, but we really ought to rethink that and rethink it immediately.

A number of things occurred to me as we were at that conference in Madrid. As I say, first was the overwhelming universal feeling of all parts, all of the philosophical spectrum in Russia opposing this, not only opposing it but emotionally opposing it, feeling threatened by it.

Second, Mr. President, I was struck by what you might call the political immaturity, the fact that the political personality of Russia has not yet matured. Their national psyche is still in the formative process. Their emotional involvement in this new democratic experiment—it was just overwhelming to see the emotion of these Members of the Duma. At this critical time, at this time in a formative process for Russia, for us to come along, rather than portray ourselves as their friend, their ally, their helper, someone who is interested in seeing the country move forward, to come along, in effect, with a new policy of containment to me, Mr. President, is absolute madness.

It seems to me that we ought to find some way to have cooperation with these new Eastern European democracies to make them feel part of our political family without having them be part of our nuclear umbrella, particularly when that umbrella is surrounding the former Soviet Union, containing the former Soviet Union, and threatening the former Soviet Union.

TRIBUTE TO SENATOR SAM NUNN

Mr. JOHNSTON. Mr. President, just for one moment, I want to congratulate, of course, the Senator from Texas for her leadership, but the Senator from Georgia for his leadership on this issue, which is just another one of those issues in which, through the years, he has led this Senate, has led this country in its political thinking.

Most Senators of this body are content to properly represent their people, to reflect their political views, to be popular in the polls, to vote right, to vote in the national good. Other Senators like to think of themselves as being effective enough to be able to take the ideas of others which they agree with, to take the speeches, to take the bills, to take the thoughts of others and effectively represent those thoughts and feelings and bills out here on the floor of the Senate so as to move the country in the right direction.

There are occasional Senators, Mr. President, by virtue of their wisdom, their training, their background, their effort, their industry, their dedication, their devotion, but mainly by virtue of their God-given gifts, who are able to lead, to conceive the ideas by which the country ought to move, to determine what those policies are and, in the process, to serve as the beacon, the guidepost by which the rest of us Senators may guide our thoughts and our policies and our votes.

The Senator from Georgia [Mr. NUNN] is one of those rare individuals. As Senator BYRD said here on the floor not too many months ago, Senator NUNN will stand out in the history of this country through the 200 years of this Senate as one of the outstanding leaders, not just for the 1990's or the 1970's when he came, but throughout the history of the country.

He really gives lie to that old aphorism that no one is essential because, Mr. President, when Senator NUNN leaves this body, there will be left a tremendous hole. Of course, in his experience, and know-how and technique, but really in that kind of wisdom that guides the country, that forms policy, that gives Americans, and especially gives Senators, the confidence that the country is moving in the right direction. As long as Senator NUNN was here, we always knew there was a voice on foreign policy matters upon which we could rely, and defense matters.

He will be greatly missed and, I suspect, if he is ever replaced, it will be many, many decades before we ever develop a man of his ability and wisdom and judgment.

Mr. President, he will be greatly missed and, from a personal standpoint, I can say that many of us will miss him and certainly his wife, Colleen, who is one of the most beloved Senate wives in this body and certainly one greatly beloved by me and my family.

Mr. President, I yield the floor.

Mr. NUNN addressed the Chair.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. NUNN. Mr. President, I thank the Senator from Louisiana for his kind remarks, for his friendship and leadership. As he well knows, I have the greatest esteem for him. We have been colleagues from day one. He tried to claim seniority when he first came here and had to be awakened to the fact that he did not have it. I was the senior Member of the new class of 1972, now ancient.

Mr. JOHNSTON. If the Senator will yield, I have only said I was second to "NUNN" in seniority.

Mr. NUNN. The Senator is corrected on that. I appreciate his kind words and leadership. I appreciate him coming to the floor. He has basically been a keen observer of the national security scene and the NATO scene for a long, long time. All of us who have had dealings in this area realize that this is a subject that needs some really careful consideration. So I thank the Senator from Louisiana for his comments.

USE OF THE CAPITOL ROTUNDA FOR A RAOUL WALLENBERG CEREMONY

Mrs. HUTCHISON. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of House Concurrent Resolution 94 regarding the use of the Capitol rotunda for a Raoul Wallenberg ceremony just received from the House, that the concurrent resolution be agreed to, and that the motion to reconsider be laid upon the table, and that any statements relating to this measure be placed in the RECORD at the appropriate place as if read.

The PRESIDING OFFICER. Without objection, it is so ordered.

So the concurrent resolution (H. Con. Res. 94) was agreed to.

RECESS

The PRESIDING OFFICER. Under the previous order, the hour of 12:30 p.m. having arrived, the Senate will stand in recess until 2:15 p.m. today.

There being no objection, the Senate, at 12:40 p.m., recessed until 2:16 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. DEWINE).

Mr. PRYOR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PRYOR. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mrs. HUTCHISON). Without objection, it is so ordered.

Mr. PRYOR. Madam President, I ask unanimous consent I may proceed as in morning business. I ask unanimous consent that the time that I use not be charged against either side managing the bill that is now the pending business of the Senate.

The PRESIDING OFFICER. Is there objection?

Mrs. KASSEBAUM. Reserving the right to object, and I will not do so, just to suggest we are waiting for, I believe, probably Senator JEFFORDS and Senator PELL to offer the first amendment. But certainly I look forward to Senator PRYOR being able to speak as in morning business.

Mr. SIMON. I thank the Chair. I thank my distinguished colleague from Kansas.

I see the distinguished Senator from Rhode Island here at this time. I am wondering if he would like for me to withdraw my consent request and allow him to offer his amendment.

Mr. PELL. Madam President, I think I would prefer that the sponsor of the amendment have the first opportunity.

Mr. PRYOR. I thank the distinguished Senator. I will proceed. I will be sensitive to the time constraint that we are faced with.

(The remarks of Mr. PRYOR pertaining to the introduction of S. 1299 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. PRYOR. Mr. President, I thank once again the distinguished manager of the bill and my colleague from Rhode Island, who allowed me to go before him. I thank them.

WORKFORCE DEVELOPMENT ACT OF 1995

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mrs. KASSEBAUM. I yield to the Senator from Rhode Island whatever time is necessary for the offering of his amendment.

AMENDMENT NO. 2886

(Purpose: To provide for the State distribution of funds for secondary school vocational education, postsecondary and adult vocational education, and adult education)

Mr. PELL. I thank the Senator from Kansas, and I send an amendment to the desk on behalf of the Senator from Vermont [Mr. JEFFORDS] and myself and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Rhode Island [Mr. PELL], for Mr. JEFFORDS, for himself and Mr. PELL, proposes an amendment numbered 2886.

Mr. PELL. Madam President, I ask that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 77, strike lines 7 through 18, and insert the following:

(4) STATE DETERMINATIONS.—From the amount available to a State educational agency under paragraph (2)(B) for a program year, such agency shall distribute such funds for workforce education activities in such State as follows:

(A) 75 percent of such amount shall be distributed for secondary school vocational education in accordance with section 112, or for postsecondary and adult vocational education in accordance with section 113, or for both; and

(B) 25 percent of such amount shall be distributed for adult education in accordance with section 114.

The PRESIDING OFFICER. The Senator from Rhode Island should be aware there are 45 minutes allocated, equally divided, for this amendment.

Mr. PELL. Right. That will be done by the managers of the bill.

I want to express my strong support for the amendment offered by Senator JEFFORDS.

The bill provides that 25 percent of the funds go to the work force education. This amendment would stipulate that 25 percent of those education funds would go to adult education and 75 percent to vocational education.

To my mind, it is very important the adult education be assured of funding. In State after State this is a program that is run by volunteers and groups that do not have substantial political clout. Consequently, I fear that adult education will be at a considerable disadvantage in the give and take that will lead to dividing the pie with vocational education.

Today, adult education serves only half of all those who seek its services. This says nothing about outreach to those who need such services, but do not seek them. If the one-stop career centers operate as they are envisioned, it is reasonable to expect that we will identify many more adults who need adult education services. That, in turn, could well overwhelm an adult education system that is already overburdened.

Approval of the Jeffords amendment would mean simply that adult education would be ensured a flow of funds that would enable it to continue the very excellent and much-needed services it now provides. I would urge my colleagues to support its passage and that I strongly support it myself.

Mr. JEFFORDS addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. JEFFORDS. Mr. President, I rise in strong support of this amendment. I think this is a critical time in our history when we examine as we go forward how we are going to take care of the difficult problems facing our society. We are dealing in this bill with people who have difficulty obtaining employment, and at the same time in a related bill we are dealing with individuals who are on welfare.

Let me take a look at the overall needs of the Nation in order to emphasize how important it is that we allocate our scarce resources appropriately.

There are approximately 90 million people in this Nation who are functionally illiterate. There are also large numbers, millions, who are unemployed. What would be the cost of helping all 90 million achieve literacy? If we dedicated merely $10 per person, it would cost $900 million; or $100 per person, the figure would be $9 billion. However, to be truly effective, a more realistic figure would be $1,000 per person or $90 billion to help those 90 million people achieve literacy.

As far as unemployment is concerned, the figures are less specific, but we do know that for every space we have for employment training now, there are 10 people who are unemployed or underemployed who desire that slot. That leaves nine people who desire this training unserved for every one who receives training.

The amendment we have before us today will help ensure that we adequately provide literacy services for those who must, at least, overcome this obstacle before entering the work force; this is the essence of adult basic education. The amount of money that we are dealing with in this particular bill is approximately $5 billion.

When you remember those figures I gave you on what it would cost to help those 90 million people achieve literacy or the fact that it would probably cost 10 times as much to provide adequate job training for those who require it, you realize how desperate the need is for these funds to be adequately appropriated.

With respect to our amendment, my own experience causes me to be concerned that the pressures that are placed on these bills and the kinds of incentives that are placed in these bills will tend to focus resources on employment training at the expense of adult basic education.

I say that from my experience, because I have been in either the House or Senate for 21 years now, and I have been involved in all the employment training legislation that has gone on during that period of time. I have watched how these scarce resources were moved in one direction or another.

Before I go through that, let us look at what this bill and the welfare bill encourage States and individuals to do. One, we have the social welfare bill. The primary emphasis in this bill is to move people off welfare; that is, the States are rewarded for moving people off welfare.

On the other hand, and keep this in mind because it kind of shows what can happen here if we are not careful, there is a provision that could terminate benefits after 2 years. That is an incentive to the individual that says, "I must get educated, I must get a job or else I lose my benefits."

My experience tells me that the incentive created to get people off welfare, combined with the incentives we have now in employment training to try and move people off the unemployment rolls and on to the employment rolls will inadvertently result in what is referred to as creaming. That is the emphasis will be to focus the funds on those for whom it is easiest to get off welfare and to get employment. That means, however, those who need the funding and education the most, those who are on welfare now and have been on welfare for many years, will probably have no opportunity to get the education they need because States have responded to incentives to focus resources in other directions.

Let me now turn to some charts, first of all, to emphasize what I have been saying. I point to the first chart. I told all of you to remember the article from the business section of the Washington Post that came to the attention of all of us, "Battling Against Workplace Illiteracy." This article emphasized how critical and how important the failure of our country to have provided an adequate education to our people has been to this Nation. I will just read the subtitle: "Companies Take Action as Awareness Increases of $225 Billion Drag on U.S. Productivity." At the same time, as we remind ourselves that we are here to figure out how it is that this Nation can reduce the deficit, it seems very clear, when I look at the next chart, and other charts thereafter, that it is education that is a key to balancing the budget. If we do not improve the education of this Nation, not only will our deficit not get better, but it will get worse.

Let us take a look at the total drag on the economy now caused by the failure of our educational system. I tell you, when I see the statistics—I do not know how we got into this. In our schools, 50 percent of the kids who graduate, the "forgotten half" as we are prone to refer to them now, graduate from high school functionally illiterate. That is a big part of how we got to where we are.

Let us take a look at this next chart, which indicates over half a trillion dollars in gross domestic product is lost each year because we have failed to educate our people properly. The $225 billion I mentioned earlier is in this piece of the pie, which is green, $225 billion for the cost of illiteracy to the marketplace. That is the inability of people to handle a job they ought to be able to handle has created a drag on our business to such a degree that we lose about $225 billion of productivity annually.

Now let us get to the relevance of the two bills I have referred to today. First of all, take a look at $208 billion for welfare expenditures. That means that the individuals that are on welfare, as against not being on welfare and in the employment sector, costs us $208 billion. You see there is some double counting in here, obviously, because we are already up to $433 billion, and we still have another factor to go.

The other factor is for training of employees. The businesses in this Nation are required to spend $200 billion a year on either skill training or literacy programs. In fact, if you put literacy in there, it goes even higher. That is another burden on our businesses. If you add those up, we are over $600 billion, with some double counting.

In addition to that, if you consider what it would save this Nation by having higher revenues because businesses and individuals would be earning more, we lose another $125 billion.

My point, and a critical point, is that education is the key to our problems; education is the key to our future.

Now let me take a look at the next chart which I think will put things in perspective also.

We all say, "Hey, it's not our State. We are all doing fine. Our kids are getting educated. We don't have a problem."

Take a look at this chart. Those in green are the best States, and that means about 25 percent of their adults are functionally illiterate. Most of the States are even worse. Most of them are in the orange and red. Thirty to fifty percent of the adults in these States are functionally illiterate. The final category contains a large portion of the population and a lot of States. These States are shown in blue and have populations in which 50 percent or more of the adults are functionally illiterate. What a staggering indication that our country is in trouble.

The final chart will show you the relevance of illiteracy to the welfare problem. This one is very critical, and I think everyone should be aware of what we are talking about. The percentage of welfare recipients who have less than a high school diploma: Of those on welfare more than 5 years, almost 70 percent have less than a high school diploma. Of those on welfare 2 to 5 years, over 40 percent did not get a high school diploma. And of those who have less than 2 years on welfare, 30 percent.

What does that mean? It means that if we do not provide basic adult education, then there is no hope that those who have been on welfare more than 5 years are going to have an opportunity to get off welfare and to be able to be taxpaying citizens of this country.

I point out that what this means is that the way the incentives are built into this bill—and that is to try and enable people to move from unemployment to employment and to reduce the welfare rolls—all the emphasis will be placed upon this group right here, those that are on welfare less than 2 years. They are the ones more likely to be able to be employed, more likely to get off the unemployment and welfare rolls. And yet, there is little incentive to help those who have been on welfare more than 5 years. Without adult basic education these long-term welfare recipients, more than 60 percent of whom do not have a high school diploma, will not have the opportunity to become employable. In fact, I would guess that the incentives for States in this bill are such that very few long-term welfare recipients will be able to get the kind of education needed to give them any hope of getting off of welfare if we do not have adequate funding for adult education.

All this amendment does is to make sure that a minimum of 25 percent of the work force education funds here will be used for adult basic education—education for those on welfare who really need it.

I am sure, in my own mind, from my own experience, that if we do not pass this amendment, you are going to see the percentage of funds spent on adult education go down steadily. We will see more and more people suffering and losing their benefits, and we will have to restructure our work force development programs. It has happened before. It happened when we went from CETA to the Job Training Partnership Act. Since then, we have seen that we still did not effectively serve all of the target population. Now, without this amendment, this bill may very well have the exact same result.

So I urge you to support this amendment which would ensure the very minimum necessary to help long-term welfare recipients who need the most help get off of welfare and not just help those who need the minimum assistance to get off of welfare.

I yield the floor.

Mrs. KASSEBAUM. Mr. President, I ask how much time remains?

The PRESIDING OFFICER (Mr. SANTORUM). There are 22 minutes 30 seconds, and the Senator from Rhode Island has 12 minutes 25 seconds.

Mrs. KASSEBAUM. If I may comment for a moment, many of us put education as a top priority of interest and concern. But there are no two people, I think, in the U.S. Senate who have spoken with greater dedication to the importance of education than Senator PELL, who has lent his name to one of the most important student aid programs that there is, the Pell grant program, and Senator JEFFORDS. So it is with regret that I must oppose this amendment. I opposed it in committee where it was defeated on a tie vote, and I oppose it today for one major reason.

To me, it is an important one, because it goes to the heart of what we have tried to do with the work force development legislation. It would reduce the State flexibility, which is really at the heart of S. 143. Many have said that S. 143 is still too bureaucratic. Mr. President, we ended 80-some programs. We have really revolutionized the way we handle job training, and we have tried very hard to keep a flexibility in place so that the States can determine how best to design a program that fits the need of that State.

Major goals of the legislation are to create a single work force development system, to allow States flexibility in deciding what is needed. Throughout the development of this legislation, we have made every effort to minimize the number of mandates and funding set-asides. Some guidance to the States is necessary to assure that the Federal dollars are appropriately and effectively spent. That is why the bill sets minimum amounts—25 percent—which must be spent both on work force training and work force education activities respectively. Beyond that point, however, I do not believe we should be dictating the mix of education or training activities the State feels is most important. If we start down this path, I suggest that we will soon arrive at the same place we started, which was 90-odd separate, narrowly defined programs.

That is why, as I say, with all of the good intent of the authors of this amendment, I must oppose this. I do not believe that adult basic education services will be forgotten without this set-aside. The bill already requires that funds be provided for these services within the 25 percent that is reserved for education activities.

So I just suggest, Mr. President, that I think we have addressed that concern without, again, going back to a set-aside that would be very restrictive to the flexibility that is necessary.

I yield the floor.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Rhode Island yield time, or is the Senator using time on the bill?

Mr. KENNEDY. I yield myself 5 minutes on the bill.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KENNEDY. Mr. President, I rise to support the amendment. I think the Senator from Rhode Island and the Senator from Vermont have made a very strong case for adult education. We are perhaps the only advanced industrial nation in the world in which illiteracy is increasing. The fact is that the States themselves have not been responsive to this problem in developing adult education programs. It was the hope of all of us, when we developed the initial adult education programs at the Federal level, that the value of these programs would be clearly seen and the States themselves would develop such programs. But that has not been the case.

With the existing adult education program, it is oversubscribed by twice the number of individuals than actually receive services. There are 100 percent more individuals who want to participate in the adult education programs than are able to do so. So there is a great demand and desire for adult education.

Finally, Mr. President, what we have seen is that adult education programs have enormous benefits for both the individuals participating in the programs and for the economy. These programs are also enormously important in terms of the education of the children of adults who participate. One of the most powerful reasons for increasing support for adult education is because, for the most part, parents that are involved in these programs and have small children are able to participate more effectively in the development and the education of their children. So this has a dramatic impact in terms of bringing children along and enhancing their ability to achieve academic excellence.

So, Mr. President, I know that the Senator from Kansas has included in her legislation a provision reserving 25 percent of the funds in the block grant for education, and that her bill also requires that there be funds spent on adult education, but there are no figures specified. Looking at what has happened so far in the States, there is very little reason to believe that the States are going to embrace adult education programs in a robust kind of way. Adult education, it seems to me, has a very special standing, an importance in terms of our citizenry. Therefore, I think it deserves the kind of targeting in the legislation which the amendment would provide.

Mr. President, I see the Senator from Minnesota here. I ask how much time we have. We want to try to follow the agreement, which is to work through on the agreed time on the amendments.

The PRESIDING OFFICER. The Senator from Rhode Island has 6 minutes 21 seconds, the Senator from Kansas has 19 minutes.

Mrs. KASSEBAUM. Mr. President, I am happy to yield some time to the Senator from Minnesota. It is my understanding that Senator MOYNIHAN is prepared to offer the next amendment. Senator GRAMS has an amendment he will offer, and then we will stack those three votes. So we will complete the debate on this amendment, and that is with the agreement of Senator JEFFORDS and Senator PELL, just to give some indication for those who might be wondering what the timing is. I would be happy to yield 5 minutes to the Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. WELLSTONE. Mr. President, I thank the Senator from Kansas. Five minutes would certainly suffice.

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 5 minutes.

Mr. WELLSTONE. Mr. President, I rise to support the Pell-Jeffords amendment. I am proud to be an original cosponsor.

Mr. President, the Minnesota Literacy Council issued a study earlier this year, and I quote:

> Minnesota adult basic education has had a profound and multidimensional impact on individual learners and on the quality of life in Minnesota.

I was a teacher for 20 years, and I have spoken on the floor before and I have made the argument, and I think the evidence is irrefutable and irreducible—not because I make the argument, but nevertheless I think the evidence is very strong—that there is a very strong correlation between the education of a mother or a father, or both, and certainly whether or not a mother or father are literate, and what they can do by way of encouraging their children to learn in school. So, this is really, if you will, an important family issue.

Also, there is a tremendous multiplier effect that comes with adult basic education, which is why I thank my colleagues for their effort. To the extent a man or woman is literate, he or she not only can do better with their children, not only can do better at work, but also can more fully participate in the economic and the social and the political life of our Nation. In other words, this is critical to a functioning democracy.

Adult basic education programs work. I have seen that in Minnesota, over and over and over again, traveling around the State and working with people who are in adult education. In 1993, more than 36,000 people received adult basic education services free of charge at over 600 sites statewide. Of these, 63 percent obtained a high school diploma, GED, gained citizenship, secured employment or job advancement, or got off public assistance. So it is enormously important in my State.

Nationally, there was a recent article, and I think I heard the Senator from Vermont refer to this, in the Washington Post, which reported that about 90 percent of the Fortune 1,000 executives say illiteracy is hurting productivity and profitability, and it costs the United States, roughly speaking, $225 billion a year in lost productivity. So it seems to me this is really very much, if you will, a national security issue. It is a national commitment, and that is why I support this important focus on adult education.

As the Senator from Vermont pointed out, my State is ranked as one of the best States in terms of literacy rates. According to the Minnesota Literacy Council, about 20 percent, however, of Minnesotans, are functionally illiterate. According to the 1990 census, in Minnesota approximately 18 percent, or 445,000, aged 25 and over, do not have a high school diploma. If you add to that those between 18 and 25, the number of people without a high school diploma or GED would go up to about 560,000. So, again, it seems to me, this amendment is extremely important. It puts the focus on the education that is vitally important to adults, vitally important to their children, vitally important to families, vitally important to democracy, vitally important to job productivity, and I would argue in a State that has been the leader in the Nation, as my State so often is—if I can say that on the floor of the Senate—vitally important to Minnesota.

I yield the floor and I thank my colleague from Kansas for her graciousness.

Mr. LEAHY. Mr. President, I rise as a strong supporter and cosponsor of this amendment, which will guarantee that adult education—including adult literacy—programs receive adequate funding under the Workforce Development Act. Unfortunately, over 50 percent of adults in the United States are functionally illiterate, roughly 44 million Americans. Illiteracy costs the U.S. economy about $225 billion a year in lost productivity. As we improve our worker training programs, we must provide adequate funding to combat adult illiteracy.

In my home State, many dedicated Vermonters are working hard to help adults overcome illiteracy and enjoy a more productive and enjoyable life. For instance, my sister, Mary Leahy, has devoted herself to helping adults with reading and writing problems at Central Vermont Adult Basic Education in Barre, VT. Mary, along with many other Vermonters, know the deep satisfaction of helping another adult unlock his or her potential.

I urge my colleagues to support this amendment. It is one of the best ways to help our work force and improve the quality of life of millions of adults.

Mrs. KASSEBAUM. Mr. President, I do not know if anyone else wishes to be heard. Does the Senator from Vermont wish to speak at this time?

Mr. JEFFORDS addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont is recognized.

Mr. JEFFORDS. Mr. President, I would like to clarify where we are here, so people understand a little bit better.

First of all, when we talk about education in this bill, we are not just talking about what I was referring to as adult basic education. This is where all your money comes from for the so-called Perkins programs, the vocational education, the other employment money. That 25 percent amounts to a little over $1 billion.

What we are saying is, when you take a look, again, at this chart, the bulk of people on welfare are in the category where they have been on it 2 to 5 years. These are the ones who are supposed to lose their benefits if they do not get adequate education. There is $340 million that would be available for them, plus anyone else in that area, to get the basic adult education. That would be fine, but the demand is about $1.6 billion. All we are saying is, for God's sake, at least make sure they get the $340 million that is indicated when they need $1.6 billion to be able to comply with the purpose of the bill, and welfare, and that is get to work. How can you get work if you do not have an education, if you have no skill training? So we have $1.6 billion that should be out there to get the people off but only $340 million as provided in this bill. All this amendment does is say: At least, at least make sure they have the $340 million.

I urge everyone to vote for this amendment just to protect, as best they can, really the small amount of money that is available relative to the great need in this area.

I yield the floor.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I yield myself 1 minute.

I hope this amendment will be adopted. Effectively, what this amendment is doing is saying that adult education should be a priority and a national priority. For all the reasons the Senators from Rhode Island and Vermont have expressed here, plus the particular importance that this does not just benefit the adult, but also the child, which has been verified time in and time out by every single study, I hope the amendment will be accepted.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. JEFFORDS. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from Kansas.

Mrs. KASSEBAUM. Mr. President, I ask unanimous consent the Jeffords-Pell amendment be set aside for the consideration of the Moynihan amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. KASSEBAUM. Mr. President, I ask unanimous consent that any remaining time on that amendment would be yielded back.

Mr. KENNEDY. I yield it back.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from New York.

AMENDMENT NO. 2887 TO AMENDMENT NO. 2885

(Purpose: To strike the provisions repealing training and employment services for trade adjustment assistance, and for other purposes)

Mr. MOYNIHAN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from New York [Mr. MOYNIHAN] proposes an amendment numbered 2887 to amendment No. 2885.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 217, beginning on line 14, strike all through line 17.

On page 217, line 18, strike "(2)" and insert "(1)".

On page 217, line 20, strike "(3)" and insert "(2)".

On page 217, line 22, strike "(4)" and insert "(3)".

On page 217, line 24, strike "(5)" and insert "(4)".

On page 218, line 1, strike "(6)" and insert "(5)".

On page 220, beginning on line 1, strike all through page 225, line 6.

On page 225, line 7, strike "(2)" and insert "(1)".

On page 227, line 8, strike "(3)" and insert "(2)".

On page 232, line 10, strike "(4)" and insert "(3)".

On page 232, line 15, strike "(3)" and insert "(2)".

On page 233, line 1, strike "(3)" and insert "(2)".

On page 233, line 6, strike "(3)" and insert "(2)".

On page 233, line 17, strike "(3)" and insert "(2)".

On page 234, line 6, strike "(5)" and insert "(4)".

On page 242, lines 11 and 12, strike "(as amended in paragraph (1)(G)(i) is further amended" and insert "is amended".

On page 245, line 15, strike "(2)" and insert "(1)".

On page 260, line 9, strike "(6)" and insert "(5)".

Mr. MOYNIHAN. Mr. President, I rise to make a simple proposal, which I deeply wish the Senate will accept and see the reasons for. This amendment would simply preserve the Trade Adjustment Assistance Program, which has been in place for a third of a century now, having been one of the great social inventions, one of those that come along from time to time to help a nation, in this case ours, resolve a legitimate dispute in which there are legitimate interests on either side, in the very best tradition of a democratic society.

The conflict is elemental. When our Government enters a trade agreement with another nation or group of nations, as is increasingly the case, it undertakes to lower tariffs on goods coming into our country in return for lowered tariffs in other countries—lowered restrictions, access to markets, all the different arrangements that go into a multilateral world trading system which has emerged so exceptionally in the world, and of which we are the preeminent member, the largest trading nation in the world.

Getting to this point was not easy. It took courage, it took invention, and it happened here in the U.S. Congress. We have to go back to 1930 and the Smoot-Hawley tariff of that year, in which tariffs were raised to the highest levels in our history. The understanding was that this would protect American jobs.

Indeed, in the course of the next 2 years from the time it was signed by President Hoover, imports dropped by one-third in our Nation. More. Alas, so did exports. And the world spun into the disaster of the 1930's. The British left free trade and went to imperial preferences. In Japan, the Greater East Asia Co-Prosperity Sphere was put in place. Manchuria was invaded—China, in fact. But we somehow called it Manchuria. Unemployment soared.

In 1933, Mr. President, in Germany, Adolf Hitler came to power in a free election. Our Nation tumbled into a depression unlike anything we had known. And we had been warned. Mr. President, 1,000 economists—at a time when the Nation perhaps was more fortunate then than now and had only about 1,000 economists—wrote to President Hoover and said, "Do not do this." He did it even so.

Then in 1934, Cordell Hull, who was Secretary of State, began the reciprocal trade agreements program in which we would try to make our way by mutual accommodation with other countries. It was a great invention. A great man, Harry Hopkins, worked on it. It was to have been given an institution as part of the great postwar settlement—the World Bank, the United Nations, the International Monetary Fund, the International Trade Organization which was to have been located in Havana. But the ITO died in the Senate Finance Committee out of lingering fear of opening trade to the rest of the world. But I am happy to say in the last Congress it came back alive as the World Trade Organization now in place in Geneva as part of that enormous achievement, the Uruguay Round.

How did we get to the point where there was this consensus that we had the Kennedy round, the Tokyo round, the Uruguay round, and then the free trade agreement with Canada, the North American Free-Trade Agreement with Canada and Mexico, and more in prospect? Well, sir, one was the manifest benefits that trade had brought this Nation and the world.

But there was also a social invention. It began in 1954, when David MacDonald, then President of the United Steelworkers of America, proposed that as part of a next trade agreement, if workers were put out, if workers lost their jobs because of imports that the Federal Government had agreed to in a trade agreement, there would be some trade adjustment assistance. There would be training for them. The proposition was that, as a matter of public policy, the U.S. Government had entered into an agreement in which certain workers were displaced, certain workers lost their jobs, and other workers would gain jobs. The total would be much to the advantage of all. But there were individuals left out, and it had been the result of a Government policy. Well, then it ought to be the practice and policy of the Government to help with a readjustment.

In 1962, as the Trade Expansion Act of that year was under consideration, Luther Hodges, then President Kennedy's Secretary of Commerce, came before the Senate Finance Committee. He said this.

> Both workers and firms may encounter special difficulties when they feel the adverse effects of import competition. This is import competition caused directly by the Federal Government when it lowers tariffs as part of a trade agreement undertaken for the long-term economic good of the country as a whole. . . . The Federal Government has a special responsibility in this case. When the Government has contributed to economic injuries, it should also contribute to the economic adjustment required to repair them.

Sir, at that time I had the honor to be an Assistant Secretary of Labor. I was Assistant Secretary of Labor for Policy Planning and Research. We had done our work on this, sir. We knew what we were proposing. I thereupon became one of the three persons who negotiated the Long-term Cotton Textile Agreement—still in place in its successor form—that helped firms, and saw to it that firms which were losing out to international competitors because of a trade agreement—textile mills in the Carolinas, garment industries in New York, Chicago, and California—were protected, in this case by quotas.

Also, there was trade adjustment assistance for workers. We put that into that legislation, sir. And the American labor movement was solidly behind the Trade Expansion Act and the Kennedy round.

There was social learning going on here; how to protect certain vulnerable firms, workers whose jobs had been negotiated away in the larger general interest. And so we went from there to the Tokyo round. Labor supported the round because it had a commitment to trade adjustment. And then we had the free trade agreement with Canada and the North American Free-Trade Agreement with Canada and Mexico. And last year the Uruguay round. And before that, the commitment to trade adjustment assistance was crucial in obtaining the necessary support for fast track—in which the President brings a trade agreement back and sends it up here to the Congress for an up-or-down vote—and for NAFTA itself. The Uruguay round came to the Finance Committee in the 103d Congress when I had the honor to be chairman. And trade adjustment assistance was an essential commitment. Labor did not support the North American Free-Trade Agreement. I did not in fact support it. But we did not stop it, and we could have done so, and would have done so if there had been no trade adjustment assistance.

Mr. President, in the years just since 1975, to give you a sense of the dimension we are talking about here, 2 million workers have received trade adjustment assistance benefits as their right, as the public interest demands. The assistance is part of the trade expansion activity of the Federal Government. Tariffs and trade agreements, those, sir, have always been located in the Committee on Finance. The Committee on Finance has very carefully—not always successfully but I think with an ever assiduous effort—tried to see that trade adjustment assistance is maintained. You get trade adjustment assistance when it can be shown that tariff agreements have closed down an industry at the cost of the workers and management—2 million workers since 1975.

It would be such a great loss—turning our backs on generations of experience and learning the hard way—to give this up now. I do not think we want to do this to American workers. We made a commitment. Pacta sunt servanda, agreements must be kept. These are agreements at the highest level of Government. And they have been so enormously effective.

But, sir, I say to the Senate, I say to anyone listening outside the Senate, strip trade adjustment assistance from the trade laws and you will never see a trade agreement again in this time. For the men and women, the working people who will have seen a pledge to them broken, a commitment negotiated by their own leaders broken, the trust will not be there again. It is sufficiently eroded as is.

We know very well how difficult the last 10 years have been in this area, and we see troubles coming ahead of us. We do not need them. We worked out an arrangement which got by as—which I think is a fair statement—a social invention of very considerable measure.

And so, Mr. President, it fell to the distinguished chairman of our committee, Senator ROTH, and I to write to our very good friends, in whom we have the deepest respect, the chairman of the Committee on Labor and Human Resources and the ranking member, who are here today. On October 5, Senator ROTH and I wrote to say that the Committee on Finance has not had an opportunity to consider this matter, the folding in and thereby elimination of trade adjustment assistance, and the NAFTA transitional adjustment assistance program. These are programs under the jurisdiction of the Committee on Finance, and we respectfully asked they be removed from the Workforce Development Act, a remarkable bipartisan achievement, with the changes we would like to make, as, for example, those suggested by Mr. PELL and Mr. JEFFORDS.

Now I offer this amendment, and I would hope it might be accepted. It will ensure great harmony in this measure if it is accepted and disharmony if it is not. It will break with 33 years of legislation, break with three generations of learning and working together in the area of trade which has proved of such enormous benefit to the United States, and it would put in jeopardy, put a cloud over our prospects of continuing in that tradition.

Mr. President, I do not speak longer than necessary if there are other Senators who wish to speak.

Mr. WELLSTONE addressed the Chair.

Mr. MOYNIHAN. I see my friend from Minnesota present.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. Five minutes.

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 5 minutes.

Mr. WELLSTONE. I thank the Chair. I thank the Senator from Massachusetts for his graciousness.

Mr. President, while I agree with the underlying premise of this job training bill to consolidate and streamline—and I simply say to the Senator from Kansas and the Senator from Massachusetts, I deeply appreciate this bipartisan effort—I believe that repealing key elements of the Trade Adjustment Assistance Program in the process, as this bill does, is a serious mistake.

Mr. President, from January 1, 1993, to August 31 of this year, more than 2,300 Minnesota workers have received TAA. That assistance has taken the form of about $4.5 million in training funds—job search and educational assistance—and about $6.8 million in income support.

Let me just be very direct about it. I did not support NAFTA even with the TAA as a part of it. I opposed NAFTA and GATT, and the view I took then and the view I take now is it is far better to raise wages and living standards and environmental protection through international agreements than depress those standards.

I argued that GATT and NAFTA failed to meet these tests, and many of my predictions about NAFTA's adverse impact on American workers have come to pass. American jobs have been shipped to Mexico and workers have been left to fend for themselves.

This bill in present form without this amendment—and, Mr. President, I ask unanimous consent to be an original cosponsor of this amendment——

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WELLSTONE. Would exacerbate the problem. It is sometimes necessary to remind ourselves of promises made. Proponents of NAFTA, for example, promised it would boost exports to Mexico and create hundreds of thousands of new American jobs almost immediately.

Instead, 21 months after implementation of NAFTA, our trade balance with Mexico has dramatically worsened. Our trade deficit with Mexico for the first 6 months of this year was $8.5 billion. Furthermore, according to the Department of Labor, 42,000 Americans are certified to have lost their jobs as a result of NAFTA. And as an article in yesterday's New York Times observed, this number is undoubtedly lower than the actual numbers of jobs lost to NAFTA—that is, for a variety of reasons, not all workers eligible did apply.

What about the American companies that assured us during the NAFTA debate that many new American jobs would be created by the agreement? Public Citizen conducted a useful survey of a number of these firms. Public Citizen's report found that of 66 firms which had made explicit job-creating promises or projections and which replied to Public Citizen's inquiries, 89 percent reported making no significant progress toward meeting these projections.

Twenty months after NAFTA, Public Citizen also was able to contact five companies from my State of Minnesota. Officials from each one of these companies had made explicit projections or promises of economic benefits to Minnesotans from NAFTA. Unfortunately, after 20 months of NAFTA, none could report creating new jobs in Minnesota or even increased exports from Minnesota as a result of the agreement.

It seems to me a promise is a promise, and we must live up to our commitment. I think NAFTA was a profound mistake. I think GATT was a profound mistake. But the TAA as a part of NAFTA was supposed to help those workers gain new skills and obtain new jobs in the local economies because these workers are the ones who are rocked by some of these agreements and some of what has happened in the global economy.

The increasing globalization of our economy makes a lot of U.S. workers feel that the forces that directly affect our standard of living and the quality of our lives are moving further and further from our control and from accountability to us. It seems that local, State and national governments are increasingly powerless to solve our most pressing problems. And I am afraid that this trend only makes citizens more alienated from and distrustful of their governments.

Without this amendment, this bill would heighten this sense of alienation from their government that American workers feel. Repealing TAA would betray the commitments we made here in Congress to provide even modest job retraining and other benefits to sustain dislocated workers through a difficult transition period to another job. Even the House version of the job training bill which recently passed did not repeal TAA.

THE IMPORTANCE OF TRADE ADJUSTMENT ASSISTANCE

Let me describe why I think this job retraining funding commitment is so important, and how it works in practical terms.

Under the Trade Adjustment Assistance Program [TAA] and the special NAFTA/TAA program enacted when NAFTA was passed 2 years ago, workers who meet certain eligibility requirements and are certified as having lost their jobs because of competition from imported goods are eligible for special assistance. This assistance includes:

First, income support consisting of up to 52 weeks of extended unemployment benefits beyond the 26 weeks a worker would normally be entitled to under most State unemployment laws; and second, employment and retraining services;

The income support portion of these programs is an entitlement. A worker who meets the eligibility requirements is entitled to the extended unemployment benefits, provided that the worker is enrolled in training.

Employment and training services are provided through a capped entitlement—that is, funds are appropriated for these services, and eligible workers are entitled to receive them as long as funds are available.

This bill repeals the sections of TAA and the NAFTA/TAA program that give eligible workers a capped entitlement to employment and training services. Eliminating the entitlement to these services means that these workers will have to compete with all other job seekers for whatever employment and training services may be available in their State.

At the same time, the bill substantially cuts Federal job training programs overall, thereby prompting an intense competition for diminishing funding among the various groups of workers who need to be retrained—whatever the reason for their displacement.

Repealing these provisions fundamentally breaks faith with a commitment first made by President Kennedy in the Trade Expansion Act 1962—and renewed again when Congress passed the NAFTA/TAA program—that workers adversely affected by our trade policies would receive special assistance from the Government to find new employment.

Mr. President, since the TAA program was established, Democrats and Republicans alike have recognized our special responsibility to workers who lose the jobs as a direct result of Government trade policies. The Senate reaffirmed its commitment to honor that responsibility when it enacted the NAFTA/TAA program for workers displaced because of increased imports or shifts in production to Mexico and Canada. We must not renege on that commitment now.

Even under the current JTPA Dislocated Worker Program, there is not enough money to serve more than about 25 percent of eligible workers. Under the Kassebaum bill, there is no requirement that a State spend any particular portion of the Federal funds it receives to serve dislocated workers.

Moreover, while States are required to offer job search and job placement services through their one-stop centers, there is no requirement in the bill that States actually provide job training to anyone. If trade-impacted workers are no longer entitled to employment and training services, there is a good chance that in some States many will not get them. They will be out of luck.

This amendment preserves the employment and training portions of the TAA and NAFTA/TAA programs as a capped entitlement. This is part of a social contract that we made with working men and women when we asked them to support our efforts to open world markets and eliminate trade barriers. I believe we have an obligation to honor that contract.

At the Labor and Human Resources Committee markup on this bill, Senator KENNEDY offered an amendment similar to this one which preserved the right of trade-impacted workers to obtain retraining services, but required that all such services be provided through the same systems established by the State to serve other dislocated workers. Unfortunately, this amendment was defeated on a tie 8-to-8 vote. I hope that we will get a different result on this vote. American workers deserve better.

So I thank the Senator from New York for his amendment. I thank the Senator from Delaware. I thank him for their leadership. I am proud to be an original cosponsor, if that is appropriate, and I yield the floor.

Mr. ROCKEFELLER. Mr. President, in general, I believe that our country must improve our Federal job training programs to reduce fragmentation and increase efficiency. I also firmly believe that we should maintain our longstanding commitments to workers who are dislocated by Federal trade policy.

Two programs under the Finance Committee provide assurances that workers who are dislocated because of Federal trade policies will get retraining and support—the Trade Adjustment Assistance Act [TAA] and NAFTA-TAA.

In my view, these programs are fundamental commitments made to workers during trade negotiations. Many West Virginia workers have relied on TAA benefits in the past. In fact, since 1990, 1,673 West Virginians qualified for TAA benefits and got retraining and income support needed to rebuild their lives and find new jobs or careers after being dislocated. For these families, TAA offered hope and a second chance.

TAA means a great deal to workers in small towns that are hit with major plant closings. For example, when Hanover Shoes in Marlinton, WV, closed because of shoe imports, 231 West Virginia workers needed and got assistance thanks to TAA. Similar dislocations have occurred in Franklin, Bartow, Parsons, Martinsburg, and other communities because of the decline in shoe manufacturing and textiles in this country. Many of these workers have spent 10 years or more working in one factory, so it takes time and support to learn new skills. Similar disruptions occur in the oil, natural gas, and coal industry. West Virginia workers want to get new jobs and new careers, but retraining is often essential to help make a shift from an industry like textiles into another field.

Because of my concerns for dislocated workers in West Virginia and my longstanding support for TAA, I am strongly supporting Senator MOYNIHAN's amendment to strike the language repealing the TAA and NAFTA-TAA programs. We should not renege on this basic commitment to workers, especially at a time when we are just beginning to see plant closings and dislocations from NAFTA.

Personally, I believe that we do have a special obligation to workers who are dislocated by general trade policy or trade treaties like the North American Free-Trade Agreement—Federal decisions that we make knowing they may jeopardize jobs in particular industries or regions.

There is no doubt in my mind that more West Virginians will need retraining and benefits to cope with the dislocations created by trade policy, by NAFTA, and also because of the implementation of the Clean Air Act.

I believe passing the Moynihan amendment to strike language repealing TAA and NAFTA-TAA is essential, and I want to ensure that the new streamlined approach suggested by the Workforce Development Act will provide the help and training that West Virginia workers need, and deserve.

I strongly hope that the Moynihan amendment and other amendments will be adopted today to improve this legislation, and I expect that I will be supporting many of them.

Mr. BIDEN. Mr. President, I rise today in support of the amendment by the distinguished Senator from New York. This amendment preserves trade adjustment assistance—job training and job placement help for workers who have lost their jobs as a direct consequence of U.S. trade policies.

We here in Congress pass the laws that put out Nation's trade policies into effect—the policies that are negotiated by Presidents with our trading partners. We have the responsibility to assure that those trade policies benefit all Americans.

Now, Mr. President, at times I have supported expanded trade as one of the ways to promote our Nation's economic interests. I am convinced that we must open the markets for American products and services around the world. Those new markets are our best hope for a growing economy with growing incomes and expanded job opportunities.

I believe that without expanding world markets we will end up fighting over a stagnant or shrinking economy. But at the same time, there is no automatic guarantee that growth will benefit all Americans—in fact, economists will tell us that there will be losses as well as gains as jobs shift from low-growth to high-growth industries.

That is why we must have the ability to help those who will pay part of the price for progress—those whose job loss can be traced to changes in our trade policies. That is why we must preserve the trade adjustment assistance training programs.

These are men and women who have played by the rules—who have worked by the rules, Mr. President—and who, through no fault of their own, find their work is no longer needed. They have raised their families, built our neighborhoods and cities—they have done all a country can ask of them, and more.

But today, these men and women can find that their job security is dependent on trade policy made here in Washington. Our decisions to participate in trade agreements can expose their industries to increased international competition. How can we turn our backs on their plight?

Trade adjustment assistance not only helps these people deal with the transitions that are increasingly part of our rapidly changing international economy. This assistance makes good economic sense because it lowers the costs of economic adjustments—costs in wasted hours of unemployment and underemployment, in depressed communities, towns, and regions. By helping to move workers displaced by trade into new jobs faster, into jobs that best fit their skills and work experience, we reduce the costs of economic adjustment and increase the benefits for everyone.

I urge my colleagues to join with me in supporting this amendment. It is the fair thing for us to do, it is the responsible thing for us to do, and it makes good economic sense.

The PRESIDING OFFICER. Who yields time?

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Just 30 seconds, if I may, sir, I ask my friend from Massachusetts.

The PRESIDING OFFICER. The Senator has 4 minutes and 50 seconds remaining.

Mr. MOYNIHAN. I would like to put a table in the RECORD, a cumulative program activity record from the last 20 years to show—this is a carefully administered program—of 2,011,268 workers certified for the program, 2,032,507 were denied.

This is carefully administered and successful and ought to be continued.

I ask unanimous consent that it be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

CUMULATIVE PROGRAM ACTIVITY

[April 3, 1975 Through June 30, 1995]

	Cases	Workers
Cases Instituted	31,183	4,240,496
Certified	11,494	2,011,268
Partially Certified	416	104,824
Denied	17,594	2,032,507
Terminated/Withdrawn	1,576	91,897
In Process	103	N/A
Completed	31,080	4,2450,496

JUNE, 1995 PROGRAM ACTIVITY

Instituted	94	2,732
Certified	81	7,628
Part. Certified	0	0
Denied	27	2,694
Terminated/Withdrawn	9	2
Completed	117	10,324

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. How much time remains on the Moynihan amendment?

The PRESIDING OFFICER. The Senator from Massachusetts has 4 minutes, and the Senator from Kansas has the other 22 minutes 32 seconds.

Mr. KENNEDY. I yield myself my time remaining on the amendment.

Mr. President, I welcome the opportunity to be a cosponsor with the Senator from New York, Senator MOYNIHAN, on this amendment. He has made the case for this amendment very powerfully. Effectively, what we are saying is that for the past 30 years it has been a matter of national policy for Republicans and Democrats alike that, if we were going to enter into various trade agreements as a direct result of which individual workers were going to lose their jobs, those workers would be entitled to retraining and income support in the form of extended unemployment benefits so that they can continue to support their families while they are being retrained. The income support amounts to up to a year, rather than 6 months, of extended unemployment benefits. That is what is basically the outline of the Trade Adjustment Assistance Program.

And the concept behind that, Mr. President, was that as a result of expanded trade, the economy as a whole was going to benefit, Americans were going to benefit in all parts of the country. But some workers in some industries were also going to lose their jobs, and we recognize a special responsibility to those workers—in many instances workers who had worked a lifetime at a particular job—and ensure that those workers would be able to get training and financial support during that period of the training for up to 1 year.

Now, what have the results been, Mr. President? The fact is, that individuals have lost their jobs as a result of increased imports and plant relocations stemming from trade agreements like GATT and NAFTA. These are men and women who want to work, who can work, and the only reason they are not working is because a decision has been made that is in the national interest, passed by the Congress and the Senate, which results in their dislocation. These individuals' lives are disrupted. But under the TAA and NAFTA-TAA programs, they are able to get into training programs and are able to get some supplemental assistance. And then they are able to try and generally are able to get back into employment.

Now, what does the pending legislation say? It says that in spite of the assurances that were given by Members of Congress, Republicans and Democrats alike at the time we approved NAFTA and the GATT, that these programs would be available for them, that we had a broad bipartisan agreement to support—in spite of those assurances, this bill now says that if an individual is dislocated, there is no guarantee that there will be a training program there. And if there is no training program there, then there are no extended unemployment benefits. These individuals will no longer get any priority for assistance.

Now, Mr. President, I think this is basically going back on the solemn commitments that were made during the debate on NAFTA and on GATT. The Senator from New York mentioned a number of those.

Let's look at what was said about TAA by Members of Congress and the administration when we were debating whether to enter into the NAFTA.

On May 1, 1991, in a letter to congressional leaders requesting an extension of fast-track authority to negotiate the NAFTA, President Bush wrote as follows:

> [W]hile economic studies show that a free trade agreement would create jobs and promote growth in the United States, I know there is concern about adjustment in some sectors. These concerns will be addressed through provisions in the NAFTA designed to ease the transition for import-sensitive industries. In addition, my Administration is committed to working with the Congress to ensure that there is adequate assistance and effective retraining for dislocated workers.

At a question-and-answer session with business editors and writers on that same day, May 1, 1991, President Bush said again:

> I know that there's a concern—not just on Capitol Hill but in many of the labor halls around this country—about job loss. And our negotiators will address these concerns in provisions of the North American Free-Trade Agreement. We will work with Congress to see that dislocated workers receive proper assistance and retraining. We believe we have the answers to the questions that are being raised by the labor unions and by some on Capitol Hill.

On May 7, 1991, at a Finance Committee hearing on United States-Mexico trade, Secretary of Labor Lynn Martin repeated that commitment. She testified that:

> The President and I are both committed to working with the Congress to be sure there will be adequate assistance for effective retraining of any dislocated American workers. . . . The President is determined to assure the timely availability of comprehensive services to United States workers who might conceivably be displaced over a period of time as a result of such a trade agreement.

Carla Hills, then the U.S. Trade Representative, acknowledged at that same hearing that:

> Studies also show, and experience would indicate, that some sectors might face increased competitive pressure. In a broad sense, society benefits when we focus our jobs and our capital in sectors where we are most productive. But we should not and will not forget that the transition to a new job can be difficult for individual workers and communities. Not every worker will keep his or her job once a NAFTA is negotiated. . . . [W]e cannot ignore the impact that the loss of a job has on the individual affected. . . . [W]e have a responsibility to be ready to assist any dislocated workers affected by the NAFTA who face adjustment difficulties. Effective retraining and adjustment programs can facilitate adaptation to ongoing shifts in our economy.
>
> [T]he Administration is firmly committed to working with the Congress to ensure an effective, adequately funded worker adjustment program. . . . Any needed changes in U.S. law should be in place by the time the NAFTA enters into force and could appropriately be addressed in legislation implementing the NAFTA.

The importance of that commitment in persuading Members on both sides of the aisle to support the NAFTA agreement cannot be overstated.

During the Finance Committee hearings, Senator Bentsen, then the chairman of the committee, stressed the origins of trade adjustment assistance, noting that:

> It was President Kennedy who first proposed trade adjustment assistance when he launched a new round of global talks back in 1962. President Kennedy favored free trade because he knew it would benefit the United States as a whole; that, as competitive as we are, we would come out a net winner.
>
> But he also understood that a country had to do something for those who suffer in the move to open competition, and he saw trade adjustment assistance as an essential part of that trade policy. Adjustment assistance is just as much an essential part of our trade policy today as it was 30 years ago.
>
> That is why, when I was working to extend the fast track, I stressed to [President Bush] that we needed a firm commitment from the administration to work with the committee and the Congress on an effective program to work with the committee and the Congress on an effective program to meet the challenge of a Mexican agreement.
>
> We got a promise and an action plan from the President in May of 1991. That commitment was important to winning congressional approval of the fast track.

Senator Packwood, then the ranking Republican on the Finance Committee, agreed with Senator Bentsen that a commitment to trade adjustment assistance for workers who lost their jobs was an integral reason why Congress agreed to the fast-track authorization. He stated:

> I agree with the chairman that NAFTA will rise or fall on whether or not there is a good retraining act. Without it, I do not see any possibility that NAFTA will pass.

Senator ROTH, who is now the chairman of the Finance Committee and who has long been a champion of the TAA Program, also stressed how important worker adjustment assistance was to approval of the NAFTA. He stated:

> While many of us have made a final decision on whether to support NAFTA . . . there is one thing on which we can all agree, and that is the need to help dislocated workers make the difficult but necessary transition to new jobs. . . An effective worker adjustment program must go hand in hand with NAFTA.

Senator BAUCUS, also a member of the Finance Committee, stated:

> I think I speak for many Senators when I say that I will not vote for the NAFTA until a fully-funded worker retraining program is in place.

Mr. President, all we are saying is that we all support the consolidation of training programs. And the Senator from Kansas has done an extraordinary job in being able to do that. But we have a solemn responsibility to those workers who have lost or will lose their jobs because of NAFTA or GATT. I will not take the time to spell out a profile of who these workers are. But they are men and women who are proud Americans, and who have suffered as a result of the action of Congress. I think we can do no less than meet our responsibilities to them as has been outlined by the Presidents and the leaders of the Congress when we passed those particular treaties.

I thank the Chair.

Mrs. KASSEBAUM. Mr. President, if I may put a little different perspective on this issue, recognizing, as has been eloquently stated by the Senator from New York, Senator MOYNIHAN, and the ranking member of the Labor Committee, that there has been, through both Republican and Democratic administrations, a commitment regarding trade adjustment assistance.

But let me make clear how the TAA is handled in the work force development bill. While the training part of the trade adjustment assistance is consolidated into the bill, the entitlement to income support for dislocated workers under TAA is not repealed. This, of course, is something that remains under the Finance Committee. This means our commitment to workers who lose their jobs because of a trade agreement is maintained, it is not eliminated. That is why I believe S. 143 is important in the context of helping all workers. Workers who may have been affected by any trade agreement will still receive the assistance for job training but, I suggest, in a far more effective way.

It makes no sense to keep separate and distinct programs for workers who are laid off for one reason or another. All workers who lose their jobs should have access to job training. All workers who need assistance should be able to enter the system with the kind of quality assistance that is their due. Dislocated workers who need good training linked to real jobs have been ill-served by existing programs, including TAA. We must reform these programs and establish a comprehensive system that is based on accountability for putting people into real jobs. I think the Senator from New York would be certainly one who would agree with that goal as I know the Senator from Massachusetts does as well.

Secretary of Labor Reich has pointed out that under the current program when a plant closes, one group of workers may be eligible for training while others on a different assembly line are not. This makes no sense. How do you know whether somebody has lost work at Cessna Aircraft because of NAFTA or because of structural related cutbacks? We need to move to a single integrated job training system and not single out a particular group for special training programs. That is, as I suggested before, how we end up with the maze of programs that we have here today.

I believe that Governors and local elected officials will be responsive to the training needs of all their citizens and in particular to those who are laid off and have lost their jobs.

Anyone who is mindful of the concerns in their State will be putting those people first and foremost in wanting to offer the very best program.

Mr. President, I would like for a moment to comment on the General Accounting Office's report on the Trade Adjustment Assistance Job Training Program. It stated that it believes the TAA Program is seriously flawed. The GAO has testified that its study, as well as those of the Department of Labor Inspector General and a study commissioned by the Department of Labor, concluded that the TAA Program falls short in assisting dislocated workers to enter the work force.

I would like to list a few of the findings: TAA benefits are not equally available to all available workers as a result of the flawed certification process; and the TAA Program is often slow in reaching workers as a result of this complex certification process. I think there is a recognition that some of this does need to be improved. The TAA recipients do not receive services tailored to their needs because only a limited mix of services are provided. TAA lacks the ongoing counseling and support necessary to ensure completion of training. The liberal use of waivers has resulted in as many as half of TAA recipients not even participating in training. It rarely works with participants after they finish training to help them find jobs, and TAA does not have an effective accountability system in place.

The GAO has also pointed out that the existence of "several other targeted dislocated worker programs," in addition to the Trade Adjustment Assistance Program, suggesting that the United States overall approach to dislocated worker assistance needs reform.

The GAO followup study of the NAFTA–TAA Program last year indicated that many of the shortcomings of the existing TAA Program had not been addressed.

Mr. President, I urge my colleagues to oppose this amendment. I believe that the protection in the entitlement that exists still with the Finance Committee for financial support is protected and continues. At the same time the job training portion would be included in, I think, a much superior system so that everybody can be helped and assisted in a comprehensive way.

I yield the floor, Mr. President.

Mr. MOYNIHAN. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I yield myself 4 minutes.

Just in response to the Senator from Kansas, the concerns described in the GAO study which have been outlined in terms of criticisms of the way the Trade Adjustment Assistance Program was administered under previous administrations are in the process of being remedied under the present administration.

What we have seen under Secretary Reich is a vigorous effort to try and deal with some of the points that have been raised in the General Accounting Office report. We stand ready to make sure that any other problems which are brought to our attention are addressed.

Let me just say this, Mr. President. We are not saying that you have to have a separate training program for trade-impacted workers. We support the consolidation of training programs. We are not saying maintain a separate training program for those who fall under this particular category. We offered an amendment in committee to require that States provide training and employment services to workers eligible for TAA and NAFTA–TAA through the same programs established by the State to serve other dislocated workers. What we wanted to preserve, we said, was the guarantee that trade-impacted workers who needed retraining would actually receive training, which is something we have under the TAA and NAFTA–TAA programs which we do not provide to other dislocated workers. But my amendment was rejected in committee.

We are saying, all we want to do is make sure that these workers' rights to retraining are going to be protected as they were guaranteed by previous administrations, Republicans and Democrats alike. And we support providing that training through consolidated training programs. All we are saying is that these workers should be included in the same programs, but their rights to participate should be preserved. They, in effect, get a right to retraining if they qualify, and if they are in training, they can receive extended unemployment benefits so that they can continue to pay their bills and support their families while they are in training. Under the law, if they are not in training they are not able to receive the income support benefits.

At the present time, these workers have certain rights that were guaranteed by Presidents and Congress when we approved GATT and NAFTA, and we are saying continue those rights under the consolidated training programs. That is basically what we are asking for.

Mr. President, I yield back whatever time we have.

Mrs. KASSEBAUM. Mr. President, I do not know if the Senator from New York wishes to make any further comment.

Mr. MOYNIHAN. Mr. President, I would simply like to thank the chairperson for her courtesy and clarity. I do make the point, however, that the future of trade agreements in this country would be diminished if this authority does not remain in the committee that is required to approve the trade agreements themselves.

Mrs. KASSEBAUM. Mr. President, I now call on the Senator from Minnesota. I ask unanimous consent, first, to set aside the Moynihan amendment for a brief presentation of an amendment that has been agreed to by both sides.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mrs. KASSEBAUM. I yield to Senator GRAMS.

The PRESIDING OFFICER. The Senator is recognized.

AMENDMENT NO. 2888 TO AMENDMENT NO. 2885

(Purpose: To enable States to develop integrated plans)

Mr. GRAMS. Mr. President, I rise to offer an amendment and send it to the desk for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Minnesota [Mr. GRAMS] proposes an amendment numbered 2888 to amendment No. 2885.

Mr. GRAMS. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 30, between lines 6 and 7, insert the following:

(5) STATE OPTION FOR INTEGRATED PLAN.—Notwithstanding any other provision of this subsection, with the express written agreement of the Governor, the State educational agency, the State postsecondary education agency, and representatives of vocational education and community colleges, of a State, the Governor may develop all parts of the State plan, using procedures that are consistent with the procedures described in subsection (d). Nothing in this section shall be construed to require a Governor who develops an integrated State plan under this paragraph to duplicate any information contained in 1 part of the plan in another part of the plan.

Beginning on page 114, strike line 15 and all that follows through page 115, line 13, and insert the following:

(1) FAILURE TO DEMONSTRATE SUFFICIENT PROGRESS.—

(A) FINDING.—If the Federal Partnership determines, after notice and an opportunity for a hearing, that a State has failed to demonstrate sufficient progress toward reaching the State benchmarks established under section 121(c) for the 3 years covered by a State plan described in section 104, the Federal Partnership shall—

(i) make a finding regarding whether the failure is attributable to the workforce employment activities, or workforce education activities, of the State; and

(ii) provide advice to the Secretary of Labor and the Secretary of Education.

(B) REDUCTIONS.—

(i) FAILURE ATTRIBUTABLE TO BOTH CATEGORIES.—Except as provided in subparagraph (C), if the Federal Partnership finds that the failure referred to in subparagraph (A) is attributable to both categories referred to in subparagraph (A)(i), the Secretary of Labor and the Secretary of Education, acting jointly on the advice of the Federal Partnership, may reduce the allotment of the State under section 102 by not more than 10 percent per program year for not more than 3 years.

(ii) FAILURE ATTRIBUTABLE TO ONE CATEGORY.—Unless the Governor of the State has developed an integrated State plan under section 104(b)(5), if the Federal Partnership finds that the failure referred to in subparagraph (A) is attributable to 1 category of activities referred to in subparagraph (A)(i) but not to the remaining category, the Secretary of Labor and the Secretary of Education, acting jointly on the advice of the Federal Partnership, may decide to reduce only the portion of the allotment for the category of activities to which the failure is attributable.

(C) COMBINATION AND REDUCTION.—Notwithstanding sections 103 and 111, if the Federal Partnership finds that the Governor of the State has developed an integrated State plan under section 104(b)(5), and the failure referred to in subparagraph (A) is attributable to 1 category of activities referred to in subparagraph (A)(i) but not to the remaining category, the Secretary of Labor and the Secretary of Education, acting jointly on the advice of the Federal Partnership, in lieu of making a reduction under subparagraph (B), shall—

(i) reduce the portion of the allotment for the category of activities to which the failure is attributable by a percentage determined by the Secretaries, but not to exceed 5 percent of such portion, for a period determined by the Secretaries;

(ii) require the State to combine, for such period—

(I) an additional percentage, equal to the percentage determined under clause (i), of the funds made available through such portion; and

(II) the funds made available to the State under this subtitle for the remaining category; and

(iii) require the State to expend the combined funds in accordance with the strategic plan of the State referred to in section 104(b)(2) to carry out the remaining category of activities.

(D) CONSTRUCTION.—Notwithstanding any other provision of this title, funds referred to in subparagraph (C)(ii)(I) that are combined under subparagraph (C) shall be considered—

(i) to be made available under section 103(a)(1) if the combined funds are required to be expended for workforce employment activities; and

(ii) to be made available under section 103(a)(2) if the combined funds are required to be expended for workforce education activities.

Mr. GRAMS. Mr. President, the Federal job training system, as we know, is broken. The current patchwork of 163 programs is failing to give us the results we need as a Nation to compete in a worldwide economy. Furthermore, we can no longer afford the $25 billion it costs American taxpayers each year.

To improve results, the legislation before us will send one block grant to the States allowing each State to invest this money in the most efficient and effective employment programs. But with those dollars comes responsibilities. States would be accountable for how that money is spent. The State must be able to show how it meets or exceeds several specific performance standards. Such standards include increasing the number of job placements, increasing the length of time participants stay employed and increasing participant earnings.

While these are noble goals, as it currently stands, S. 143 requires the plan to be developed into three distinct parts: The strategic plan, the work force education plan, and the work force employment plan.

It also requires the block grant to be set aside into three separate pots of money: 25 percent for the Governor; 25 percent for the State education agency; and 50 percent for a flex account which is jointly administered by a broad-based group of State officials and private sector individuals.

After consulting with officials in my home State of Minnesota, it is clear that Minnesotans strongly support this bill, and they are anxious to assume the duty of training and placing of Minnesota workers.

However, Minnesota wants to go one step further and coordinate its efforts for education and training. Under the current bill, Minnesota and every other State would be required to create three separate plans covering education and training. My amendment would provide States with a choice.

I understand there are occasions when separate efforts may be desired. However, the Federal Government should not stand in the way of States wishing to coordinate those efforts. A State should be allowed to implement a work force State development strategy without divided State plans. If the Governor and State education agency can both agree to work through a collaborative State partnership, they should be allowed to. My amendment would give States that option.

By allowing States to form a collaborative effort in planning both sides of the block grant, States like Minnesota will be able to save time and resources, as well as to maximize the benefits to its workers.

My amendment requires the consent of the Governor, the State education agency, the State postsecondary agency, and representatives of vocational education and community colleges before the option to integrate into one State plan can be implemented.

My amendment also ensures that work force education and work force employment activities are integrated to the greatest extent possible within the constraints of State laws regarding educational authority.

It gives the State the option, again, only if the Governor and the State election officials agree, to integrate State planning for the block grant by using the collaborative effort.

The State will be allowed to develop one strategic plan tailored to the needs of the State to develop all areas that are required under the bill.

Most important, my amendment unifies State accountability for program performance by placing the responsibility for setting State performance indicators by all parts of the block grant with the same collaborative process that develops the State goals and benchmarks.

Lastly, State accountability is strengthened under this amendment.

If a Federal partnership finds that a State which has exercised its option to integrate has failed to make progress toward work force employment or educational goals, it may recommend a sanction of up to 10 percent from the State's block grant.

However, for States that do not exercise the integrated option, the Federal partnership can sanction the part of the plan that does not meet the benchmarks, up to 10 percent.

Under this scenario, only one-half of the sanction will return to the Federal partnership; the other half will remain in the State but will be transferred to the administrator of the programs that are meeting those goals.

Mr. President, in conclusion, this amendment will ensure that States have the option to put forth the most efficient strategy for implementing its block grant.

My amendment protects State education agency authority by expressly requiring agreement between all of the parties before exercising the option. It also maintains strict sanctions for States that do not meet those benchmarks.

Furthermore, my amendment has the strong support of Minnesota Gov. Arne Carlson, the National Governors' Association, and the Republican Governors' Association Workforce Development Task Force.

Mr. President, I ask unanimous consent that a letter from the National Governors' Association outlining that support be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL GOVERNORS' ASSOCIATION,
October 10, 1995.

Hon. ROD GRAMS,
U.S. Senate, Senate Dirksen 261, Washington, DC.

DEAR SENATOR GRAMS: It is our understanding that during consideration of the Workforce Development Act, you plan to offer an amendment that would provide states with additional flexibility to submit a unified state workforce development plan. NGA is strongly supportive of these efforts.

As I understand it, your amendment does two things. First of all, it would provide states with the option, if the Governor and the State Education Agency agree, of unifying policymaking authority for all of the block grant funds by using the state's collaborative process for the strategic plan to develop all parts of the state plan. This state option would address in part NGA's concerns that the bill would prohibit states from developing a fully integrated workforce development system because it fragments planning and implementation authority for the block grant. Your amendment would provide states with this important flexibility while also protecting the legal authority of the state education agency (SEA) by requiring the explicit consent of the SEA before the state can exercise this option. The NGA applauds your efforts to remove barriers that stand in the way of states creating a single unified workforce development system.

We thank you for your efforts to provide states with greater flexibility and look forward to preserving this provision during the conference process.

Sincerely,

GOV. ARNE H. CARLSON,
Chair, Human Resources Committee.

GOV. TOM CARPER,
Vice Chair, Human Resources Committee.

Mr. GRAMS. Mr. President, the task force includes Governor Thompson of Wisconsin, Governor Engler of Michigan, Governor Branstad of Iowa, Governor Voinovich of Ohio, and Governor Whitman of New Jersey.

In conclusion, I urge my colleagues to adopt this amendment.

I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mrs. KASSEBAUM. Mr. President, I would like to say that I am very appreciative of the Senator from Minnesota and the initiative he has undertaken on his amendment. I believe it strengthens our bill. I appreciate his willingness to work with us to craft a provision that streamlines the planning process for some States while maintaining important jurisdictional protections.

I think this is a very worthy addition.

UNANIMOUS-CONSENT AGREEMENT

Mrs. KASSEBAUM. Mr. President, I ask unanimous consent that votes now occur, first, on the Pell-Jeffords amendment, second, on the Moynihan amendment and, third, on the Grams amendment. I further ask unanimous consent that the second and third votes be limited to 10 minutes each and that 4 minutes of debate time be available between each vote.

The PRESIDING OFFICER (Mr. THOMPSON). Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I welcome the Senator's amendment and urge its adoption as well.

I am prepared to yield back my time. Mr. President, as I understand, we are prepared to move ahead with votes. The first vote would be the Jeffords-Pell amendment followed by the Moynihan-Kennedy-Wellstone amendment, followed by the Grams amendment. I urge an aye vote on all of them.

VOTE ON AMENDMENT NO. 2886

The PRESIDING OFFICER. The question is on agreeing to amendment No. 2886 offered by the Senator from Rhode Island [Mr. PELL]. The yeas and nays have been ordered.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Arizona [Mr. KYLE] is necessarily absent.

I also announce that the Senator from Maine [Mr. COHEN] is absent due to a death in the family.

Mr. FORD. I announce that the Senator from Nevada [Mr. BRYAN] and the Senator from Nebraska [Mr. EXON] are necessarily absent.

The result was announced—yeas 46, nays 49, as follows:

[Rollcall Vote No. 481 Leg.]

YEAS—46

Akaka
Baucus
Biden
Bingaman
Boxer
Bradley
Breaux
Bumpers
Byrd
Chafee
Conrad
Daschle
Dodd
Dorgan
Feingold
Feinstein
Ford
Glenn
Harkin
Heflin
Hollings
Inouye
Jeffords
Johnston
Kennedy
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Mikulski
Moseley-Braun
Moynihan
Murray
Pell
Pryor
Reid
Robb
Rockefeller
Sarbanes
Simon
Snowe
Specter
Stevens
Wellstone

NAYS—49

Abraham
Ashcroft
Bennett
Bond
Brown
Burns
Campbell
Coats
Cochran
Coverdell
Craig
D'Amato
DeWine
Dole
Domenici
Faircloth
Frist
Gorton
Graham
Gramm
Grams
Grassley
Gregg
Hatch
Hatfield
Helms
Hutchison
Inhofe
Kassebaum
Kempthorne
Kerrey
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Nunn
Pressler
Roth
Santorum
Shelby
Simpson
Smith
Thomas
Thompson
Thurmond
Warner

NOT VOTING—4

Bryan
Cohen
Exon
Kyl

So the amendment (No. 2886) was rejected.

Mrs. KASSEBAUM. Mr. President, I move to reconsider the vote.

Mr. KENNEDY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. KENNEDY. Mr. President, we might bring the membership up to speed about where we are on the various amendments and what we would like to try and do for the remainder of the afternoon.

Mrs. KASSEBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas.

Mrs. KASSEBAUM. Mr. President, on behalf of the majority leader, I ask unanimous consent that the next two stacked votes be postponed to occur not before 5:20 this evening.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. We have made some good progress, and as I understand it, we have an Ashcroft amendment on drug testing; we have the Glenn amendment on displaced homemakers; and a Pell amendment on the reallocation of the distribution of the formula; and a Phil Gramm amendment with regard to the reduction of FTE's.

There may be one or two other items, but I think those are the principal measures which we want to address. We have made good progress. We have two votes now which we will stack, hopefully have that vote shortly after 5:20. One is a very important measure dealing with the trade adjustment provisions. We are very hopeful after those we will come to the Job Corps amendment on which there is a great deal of interest. But we would like to invite those Members certainly on our side, my side and others who do have amendments to be prepared to move ahead because we are prepared to move ahead.

I see the Senator from Ohio in the Chamber at this time; also, the Senator from Louisiana who had an amendment which we have been able to work out. It is a very important amendment. So we would welcome the opportunity to deal with either or both of those in the next immediate period. Then the Senator from Connecticut, Senator DODD, has an amendment which has been worked out. And then perhaps we could be close enough to the period of 5:30 where we could vote on the other two amendments, if that is agreeable to the Members.

AMENDMENT NO. 2889 TO AMENDMENT NO. 2885

(Purpose: To ensure that training for displaced homemakers is included among work force employment activities and work force education activities for which funds may be used under this act)

Mr. GLENN. Mr. President, I rise to offer an amendment. I send an amendment to the desk and ask for its consideration.

The PRESIDING OFFICER. Without objection, the clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Ohio [Mr. GLENN] proposes an amendment numbered 2889 to amendment No. 2885.

Mr. GLENN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 11, strike lines 4 through 10 and insert the following:

(9) DISPLACED HOMEMAKER.—The term "displaced homemaker" means an individual who—

(A) has been dependent—

(i) on assistance under part A of title IV of the Social Security Act and whose youngest child is not younger than 16; or

(ii) on the income of another family member, but is no longer supported by such income; and

(B) is unemployed or underemployed, and is experiencing difficulty in obtaining or upgrading employment.

On page 50, line 9, strike "and".

On page 50, line 12, strike the period and insert "; and".

On page 50, between lines 12 and 13, insert the following:

(P) preemployment training for displaced homemakers.

On page 54, between lines 10 and 11, insert the following:

(6) providing programs for single parents, displaced homemakers, and single pregnant women;

On page 54, line 11, strike "(6)" and insert "(7)".

On page 54, line 13, strike "(7)" and insert "(8)".

On page 108, line 15, strike "and".

On page 108, line 16, strike the period and insert "; and".

On page 108, between lines 16 and 17, insert the following:

(F) displaced homemakers.

The PRESIDING OFFICER. The Senate will be in order.

There are 45 minutes of debate equally divided.

Mr. GLENN. Mr. President, I rise today to offer this amendment because I am extremely concerned that the current provisions in this bill will neglect and ignore a very important segment of our population, and that is displaced homemakers. Nationwide there are 17 million displaced homemakers. We have close to 700,000 in Ohio.

How do you define displaced homemaker? It can be people who are divorced; it can be widows. It does not have to be women. As a matter of fact, it can be widowers, those who have lost their wives and are responsible for taking care of the children in the family.

In other words, they are at-risk people which this bill has said it wants to take care of, which is defined in the bill, but I think this particular group has been pretty much left out. And I think that is a shame. I realize that the managers of the bill do not want amendments in the bill and are trying to hold those down, but I do not want to see us hold down amendments and see some 17 million displaced homemakers not be dealt with properly in this legislation, and that is what we are talking about here.

The current Perkins vocational programs for displaced homemakers and single parents has been extremely effective. Approximately 80 percent of women served in these programs are placed in employment and/or postsecondary education.

Mr. President, I repeat that. Approximately 80 percent of women served in these programs are placed in employment and/or postsecondary education. That is an amazing success story, 80 percent. If that is not considered a success story, I certainly do not know what is.

It is a good example in which something that we created many years ago works and works well. Recent statistics show that 85 percent of former program participants across the Nation rated the displaced homemakers programs "excellent" or "very good." And over 75 percent said that these programs were better than other Government-funded programs they had participated in. In other words, it gets accolades all over.

Mr. President, not long ago a lot of us voted for a welfare reform bill that was heavy on promises but light on the mechanics of how you get people off the welfare rolls. Well, what we are talking about right now is a vital component of moving people from welfare to work. And we can pass all the laws in the world requiring people to get off of welfare and get a job, but it is not going to do the least bit of good if we do not provide them with the job skills. That is where the rubber meets the road. That is what is going to move single parents from welfare to work.

Amber McDonald back in Ohio recently sent me a letter about her experiences about such training. I would like to quote this.

> I'd like to state that I am on public assistance at this time in my life and have one child. I don't take pride in the fact I receive welfare. I am grateful to the State of Ohio for their help. It has allowed me to survive and keep my child. It's a long hard road to getting off assistance. One I believe I'm on now. I am attending Displaced Homemaker classes and these classes have helped me make decisions—good solid decisions. Not the pleases-the-system decisions I've made in the past. The Displaced Homemaker classes educated me about where I could go, what I would need to succeed and how to go about it. We need this program and others like it. A lot of us want off welfare. We are as tired of being on the system as the system is of having us.

I think, Mr. President, that really summarizes this whole program. And this is why the success ratio of displaced homemaker programs is so high. It is because of people like Amber. They take their training very seriously. They are not deadbeats. They are taking this very seriously, and they have a lot riding on it. And they have been working very hard with this program. Before 1984 when States were not required to fund displaced homemakers training activities, States, unfortunately, spent less than 1 percent of their funding on specialized services for displaced homemakers.

This is unfortunate because programs for single parents and displaced homemakers have been effective in not only helping families move in the welfare system, but also in preventing families from entering the welfare system. And displaced homemakers remain an at-risk population, something this legislation purports to deal with. According to the 1990 census, more than half of the displaced homemakers live in or near poverty. I want to repeat that. According to the 1990 census, more than half of the displaced homemakers live in or near poverty. Some recent statistics show that 47 percent of displaced homemakers lack a high school diploma, and the median annual personal income for displaced homemakers is $6,766. Try living on that with a child in this modern day and age.

And I know that my distinguished colleague from Kansas will argue that this amendment, by separately defining and listing displaced homemakers, is somehow giving preferential treatment to one category of people and therefore goes against the philosophy of job training consolidation.

Unfortunately, displaced homemakers seem to be singled out for exclusion under this bill. For some unknown reason, the displaced homemakers are the only major program from Perkins not included in this bill. While ignoring displaced homemakers, the bill singles out veterans, out-of-school youth, youth in correctional facilities, adults in correctional facilities, older workers, at-risk youth, and individuals with disabilities, just to name a few.

But this was the only major program from Perkins not included in this bill. In fact, language in the House bill, H.R. 1617, the careers bill, includes a requirement for States to provide plans on addressing displaced homemakers. And that bill passed with an overwhelming bipartisan support of 345 to 79 in the House of Representatives.

My amendment will not—and I repeat will not—result in a set-aside. This amendment will only make it permissible for States—does not require it—it makes it permissible for States to fund specialized vocational employment and educational activities. It just makes it permissible for States to fund specialized vocational employment and educational activities. States will still have the flexibility in determining the funding amount and the types of programs to institute. There is nothing in this amendment that will require the States to fund employment or educational activities for displaced homemakers. I just want to make sure that

States are encouraged and reminded to continue these programs that are working so well.

Now, there may be some who will argue that displaced homemakers are included under the dislocated workers definition, but the reality is that this will not—I repeat will not—result in programs or services for these women. Displaced homemakers were included in the definition of a dislocated worker when Congress passed the Economic Dislocation and Worker Adjustment Act in 1988. And in 1994, a survey of 35 States found that virtually no services were provided to displaced homemakers under EDWAA.

Another argument that I have heard is theoretically everyone is eligible for services under this act under the discretion of the States. Well, given that we are already reducing the funding by 15 percent under this block grant, it is clear that funding will be inadequate to serve even the populations that are specifically referenced. I have been hearing from many people in Ohio who have benefited from these services. I read one such account a moment ago. And these women are now gainfully employed, and they are providing for their families. Recent data from just my home State of Ohio shows that displaced homemakers in Ohio who have gone through training programs are now working an average of 32 hours per week.

For example, Rebecca Richards, from Fairfield, OH, wrote how she and her child's life changed since she participated in a displaced homemaker program.

She said:

> As a result of the programs available, I was able to become a productive person in society.

And she concluded by saying:

> With the program, I found a friend who counseled me, listened to complaints and successes, gave me useful information and training, and helped me meet with other single parents to form a network of friends.

Let us face it. The traditional vocational training programs will not provide this type of training.

Another Ohioan, Diane Cook, wrote me saying that:

> Everyone makes mistakes but they all should be allowed a second chance. Give us that second chance.

The bottom line is to employ single parents so they can support their families. And what better way to accomplish this objective than encouraging the States to conduct tailored training programs which will affect over 17 million displaced homemakers all over this country?

Mr. President, I would say let us give them a second chance. I would only repeat two major facts. This is the one area that was not picked up out of Perkins and used as examples in this bill. It is included by an overwhelming vote that the House had on it, included in the House vote.

I urge adoption of this amendment. At the appropriate time I will move for a record rollcall vote. And I reserve the remainder of our time on this side.

Mrs. KASSEBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas.

Mrs. KASSEBAUM. I would like to ask the Senator from Ohio a couple questions because, as I understand it, in his proposed amendment he redefines the term "displaced homemaker" to include anyone who has been on welfare and has a child under the age of 16; is that correct?

Mr. GLENN. Would you repeat the question, please?

Mrs. KASSEBAUM. As it is defined in the Senator's amendment, "displaced homemaker" would be anyone who has been on welfare and has a child under the age of 16?

Mr. GLENN. If they had been on welfare, yes.

Mrs. KASSEBAUM. If they had been on welfare.

Mr. GLENN. If they had been previously.

Mrs. KASSEBAUM. Then the Senator also adds employment training for displaced homemakers to the list of permissible job training activities?

Mr. GLENN. Permissible job training activity, correct. Permissible, not required. That is an important point.

Mrs. KASSEBAUM. Programs for single parents and displaced homemakers and single pregnant women—the list required educational activities?

Mr. GLENN. Was the question whether they are required to participate in educational activity?

Mrs. KASSEBAUM. Yes. Are they required to do that?

Mr. GLENN. No, they are not required to; they would be permitted to.

Mrs. KASSEBAUM. Well, I guess I thought that under the language, as I read it, the State would be required to offer that.

Mr. GLENN. We have no amount required to be set aside in this. It permits the States a lot of flexibility to do what they think is best in each individual case, but we do not set aside a specific amount of money for this program.

Mrs. KASSEBAUM. Well, I am very sympathetic to what the Senator from Ohio is saying. I have been a strong supporter of the displaced homemaker programs. But I think that under the language of his amendment, as I read it, it significantly expands the concept of "displaced homemaker."

Under "Education Activities" it says that the State educational agency shall use the funds made available to the State under this subtitle for work force education activities. To carry it out, there are certain State activities that are included. It then lists these activities in this section.

Mr. GLENN. The States could permit the program. It does not require that the States actually set aside a certain amount of money for this program. In other words, it includes them in the same category as the rest of the ones I read into the RECORD.

Mrs. KASSEBAUM. I suggest that if it is only something the Senator is wanting to list as a permissible activity, we already do that under the Workforce Development Act. It is listed as a definition. It is included in the dislocated workers as one of the benchmarks in the bill. Although displaced homemakers are not counted separately, I will argue this is still a population that is very much a part of the training, both education and jobs, under the work force development bill.

Mr. GLENN. The difficulty, I believe, is that displaced homemakers have not automatically been considered displaced workers in the past, so they get left out of these programs.

Mr. KENNEDY. Can I ask the Senator a question? As I understand it, there are a number of programs that are available now for this population as defined by the Glenn amendment. There are about a half a dozen programs which are utilized in order to reach that population. This is a program that has proven to be an impressive success and provides a great sense of meaning for individuals who qualify. The fact that their lives are changed has a direct impact on the communities in which they reside.

I understand that what the Senator wants to do with his amendment is to make sure that the definition, which is used in other programs, will be used in this program and that the States will have at least a requirement to develop a program. The Senator is not saying how much.

Mr. GLENN. That is right.

Mr. KENNEDY. The clear expectation is that the respective States are going to provide some form of assistance to displaced homemakers. The Senator from Ohio is hopeful, and I agree, that States will recognize the importance of these services and they will find an area with which they will provide further support. But the Senator from Ohio is not prescribing a percent or amount.

What my colleague is basically doing, as I understand the amendment, is making sure that the need is going to be highlighted so that some attention is going to be focused on the program. If the States want a robust program, they can do it. If the States want a very modest program, they can do it. But nonetheless, this function, which is of such importance to many women in our society, will not be lost. That is the way I read the Senator's amendment, and it is a reason why I think it is commendable. I think that it is an extraordinarily vulnerable population and one which justifies this kind of support and attention.

Mr. GLENN. The Senator stated it very, very well. I agree with his statement.

Mrs. KASSEBAUM. Mr. President, I will only say, the definition as we traditionally thought of is one which is defined as a full-time homemaker for a substantial number of years and who no longer receives financial support previously provided by a spouse or public assistance. That is what we traditionally thought of as a displaced homemaker.

I will suggest that this expanded definition includes anyone who has been on welfare and has a child under the age of 16 will be, obviously, someone who is receiving some duplicative assistance as well.

I just suggest while it is a very vulnerable population, the amendment does make a dramatic change, and I suggest, at least of my reading of it, under the education requirements that it is a required education activity. While it is permissible under job training, as I read it, it is required under education activities.

I just think, Mr. President, that it runs contrary to the thrust of this bill which is attempting to get away, again, from our practice of narrowly defining programs and eligible recipients. Not that we do not all have some real sympathy; I believe it is important to be able to reach that population. But this practice is the reason we have, again, so many separate programs and I think have not served any of them as well as they could be and why we worked hard to try and do a totality of the system that could provide better quality assistance.

So I have to oppose this. I think that it really goes in a different direction to a larger degree than we had intended by creating the programs that we had under this legislation.

Mr. GLENN. Mr. President, I yield myself such time as I might require.

The displaced homemakers are not mentioned in the bill itself, yet at the same time, the bill singles out, as I understand, the veterans, singles out out-of-school youth, youth in correctional facilities, adults in correctional facilities, older workers, at-risk youth and individuals with disabilities. So it is not that the bill does not specify some of these specific difficulties that people have and try to address them.

As the Senator from Massachusetts said a moment ago, we estimate there are some 17 million displaced homemakers across this country. These can be men as well as women. The wife has died, a person is having a problem trying to raise the kids and that qualifies as a displaced homemaker as well as the usual definition of the wife who may be divorced or may have lost her husband for whatever reason or another. The figures are outstanding with regard to this program.

Approximately 80 percent of women served in the programs are placed in employment and postsecondary education; 80 percent. That is an amazing success story. It is very successful, and that is the reason I brought it up. It does not require the States to put money aside. It does not require that they set up programs. It says that they will be permitted to. On programs that have been successful and are continuing to be successful, they will be permitted to and, obviously, encouraged to because there is a need, and that need can be addressed if we adopt this amendment.

I do not want to cut off debate. I will be happy to yield back time and move to a vote at the appropriate time, if no one else wishes to speak.

Mrs. KASSEBAUM. Mr. President, just to clarify, displaced homemakers is listed in the bill. It is a category under "dislocated workers," and that is true with the definition that I gave earlier. But it is a benchmark under the dislocated worker section as something that should be addressed without setting aside any special allocation.

So just to clarify, we were conscious of it being an important population. It was not addressed as the Senator from Ohio would like to see it by his amendment. I do not want people to think we did not debate this and were not cognizant of that group.

Mr. President, I yield the floor.

Mr. KENNEDY. Mr. President, I think both Senators are correct. It is not defined as the Senator from Ohio wanted. It is defined as the Senator from Kansas has referred. It does seem, as I mentioned earlier and for the reasons the Senator from Ohio has spelled out, that we want to make sure this population is highlighted. As the Senator has pointed out as well, it will be up to the State to decide whether they are going to have an enhanced and robust program or not. But the Senator is trying to make sure that it is a population that is not overlooked.

Mr. President, if this completes the debate on this issue and it is agreeable with the Senator from Ohio, I would hope we could move onto the Senator from Connecticut's amendment which is yet to be considered. Has the Senator concluded?

Mr. GLENN. I have concluded. I ask for the yeas and nays.

The PRESIDING OFFICER (Mr. ABRAHAM). Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mrs. MURRAY. Mr. President, I rise today in support of the Glenn amendment to the Workforce Development Act. Although, the Senator from Ohio and I may be at odds this week over baseball's American League Championship, I could not agree more with his amendment that includes displaced homemakers and single parents in workforce education programs.

It is difficult to understand why these individuals, displaced homemakers, and single parents, are not currently included in this act. Congress has long mandated that these women had access to the job training and vocational education services needed to become and remain economically self-sufficient. Without including these single parents, we are severely penalizing women who choose to raise families and are then forced to cope without income due to the loss of their husbands or divorce.

I must emphasize that this amendment is not a set-aside, with no mandated funding and it adds no cost to the bill.

Further, the amendment preserves State flexibility and only clarifies that these services are permissible and not required by the State. The decision about how to serve displaced homemakers and single parents and at what level remains with the State.

The amendment's definition of "displaced homemaker" is the same as under Federal legislation under JTPA, Perkins, the Displaced Homemakers Self-Sufficiency Act, and the Higher Education Act. When displaced homemakers are defined as dislocated workers, they are simply not served through workforce training programs.

We cannot ignore this important segment of our population. These single parents are as deserving of career training as any other segment of our dislocated worker population.

Further, this amendment continues the theme of the recently-passed welfare reform legislation that moves citizens from public assistance to payrolls through education.

Let us come together on this amendment that truly supports family values. If we are to prioritize the working family in our society, we cannot forget those parents that have sacrificed economic gain for the growth of their children. When those single parents are left without a monthly paycheck, we must at least be willing to provide educational assistance that puts their family back on the road to self-sufficiency.

Mrs. KASSEBAUM. Mr. President, I ask unanimous consent that the Glenn amendment be set aside and that the vote occur after the previously scheduled votes on the Moynihan amendment and the Grams amendment, which will occur after 5:20, with 4 minutes of debate in between those amendments.

I believe the Senator from Michigan wants to speak for a few moments on Senator MOYNIHAN's amendment before Senator DODD offers.

The PRESIDING OFFICER. First, is there objection to the unanimous-consent request? Without objection, it is so ordered.

Who yields time?

Mrs. KASSEBAUM. Mr. President, I yield 5 minutes to the Senator from Michigan.

AMENDMENT NO. 2887

Mr. LEVIN. I thank the Senator from Massachusetts and the Senator from

Kansas for letting me go in at this point and yielding me time off of the bill so that I can speak for a moment on the bill and also on the Moynihan amendment.

Mr. President, from World War II until the 1980's, American families saw a steady rise in their standard of living. The poorest 20 percent saw their incomes increase by over 130 percent, and the middle 40 percent of American families doubled their income. Paraphrasing the words of John Kennedy, "a rising tide raised all boats."

A bedrock truth of American life virtually since our creation as a Nation has been the assurance that, with initiative and hard work, men and women can pull themselves up, and even more importantly, generations of Americans confidently expected that their children would have better lives than they had.

Unfortunately, most Americans no longer feel that for a variety of reasons, including Government policies in the 1980's, the increasing Federal deficit, our toleration of discrimination against American products in foreign markets, and a wider labor base in the United States. People are working harder to advance more slowly and, in some cases, only to slide back down.

Individuals who enter the labor market today expect to change jobs at least seven times within their lifetimes. This requires an extraordinary and unprecedented flexibility on their part. Workers are required to adapt to new situations and master new skills quickly if they are to succeed. But this cannot be done alone.

The Federal Government has a critical role in providing a system of training and retraining programs to help people through these transitions. In today's world marketplace, these programs are more important now than ever. However, as new programs to meet new needs have been designed and implemented, the system has become needlessly complicated. Many people who require job training services become lost within the maze of programs. A recent GAO report cited over 100 Federal programs that offer job training services. So, clearly, some consolidation and restructuring is necessary.

Mr. President, the Senator from New York, however, has offered an amendment to this bill which I think is critically important. It would maintain the Trade Adjustment Assistance Act as a separate program. This is a critically needed program which was set up to help workers who lose their jobs because of trade agreements into which we enter. And given the growing role of exports in our Nation's economy, a program of that type is required.

But even more important, a commitment was made during the debate in the presentation of both NAFTA and GATT. A commitment was made that trade adjustment assistance would be there if those two agreements were entered into and were implemented by the Congress. We knew when those agreements were passed that there would be a loss of jobs in some sectors and, knowing that, those agreements were entered into. And we decided, as part of that approach, to compensate for what are the harsh consequences to many in some sectors of our economy.

NAFTA-specific trade adjustment assistance provisions were added to NAFTA. They were added in order to gain more support for NAFTA in Congress. It was a commitment that was made and should be kept. And now that NAFTA has passed and American jobs are indeed being lost in some sectors, the least we can do is carry out our commitment that was made at that time and which helped to get approval of those two agreements. And the least we can do is provide a safety net for those Americans who have lost their jobs because of those agreements, either because the jobs have relocated to Mexico, or because they were displaced by imports from Mexico as a result of NAFTA.

Mr. President, the workers that frequently lose those jobs because of trade agreements are people who have worked their whole lives at one place. Their skills have been developed to suit the workplaces. Often they require extensive retraining. Trade adjustment assistance provides that training and it does so successfully. Over 85 percent of the workers assisted by the TAA have found permanent employment.

Mr. President, workers from my State of Michigan have benefited from TAA. From January 1993 to August 1995, over 4,000 workers in the State of Michigan received trade adjustment assistance. As I said, it has been 85-percent successful. We have had $4 million in training money, over $7 million for job location assistance and supplementary income. Those funds were used to help support families until they could get on their feet again and obtain permanent employment.

So while I generally support the goals of this legislation, Mr. President, some consolidation and reorganization of the system, I believe, is indicated. Surely, we ought to keep the commitments we made just a few years ago to the people who we knew were going to be displaced by trade agreements and keep our commitment to have a trade adjustment-specific program kept in place for them.

Mr. President, we should strive to pass a bill which recognizes the Federal job training network and provides more flexibility for States, but does so in a way which empowers individuals and provides maximum access to needed services.

The bill before us, S. 143, accomplishes these goals to a considerable extent. It would provide States with a substantial amount flexibility, institute benchmarks for service that States must meet, establish a reporting system to track recipients of services, and coordinate the program more closely with the private sector. All of these are important changes which I support.

Under S. 143, States will be required to formulate a State plan which explains how they will provide services with particular attention paid to how they will meet the needs of special population groups, like older workers. This will allow States to better tailor services to the local market demands.

In Michigan, in recent years, this has unfortunately often meant responding to large, sometimes permanent layoffs of factory workers. Several towns in my State are undergoing this process as we speak.

Compounding the problem within Michigan is the fact that many of our larger urban centers have entirely different employment problems. This bill would better enable us to respond to this type of variety by tailoring the program to address such situations.

I am very concerned, however, about changes to the Job Corps Program in the bill. Administration of the program would be turned over to the States and 25 Job Corps centers would be closed.

I support the approach to be offered by Senators SPECTER and SIMON that would maintain Federal standards and administration while increasing State and local involvement. Governors would have an opportunity to review a community's application before it was submitted to the Department of Labor. Community organizations and local work force development boards would actively participate.

The State of Michigan currently operates two Job Corps centers, one in Detroit, one in Grand Rapids, and a third is slated to open in Flint in 1996. As an indication of the Flint community's commitment to this program, over 30 local organizations have raised $2 million in resources to help support the program. Michigan, like many other industrial States, has a number of economically depressed communities struggling to train workers and generate jobs. Job Corps is one of the programs that many of these communities rely upon to help meet that challenge.

I am concerned that the block grant approach will not adequately retain the commitment to special population groups like older workers or at-risk youth which require different services than the rest of the population. Although the bill does contain benchmarks which the States would establish for themselves, I would like to see a clearer commitment to serving these groups.

Also, while the bill also allows for the establishment of local work force development boards to help integrate local officials into the process, they are not mandated. One of the important and productive parts of the current system is the private industry councils, or PIC's which work with local and county officials to design training programs that meet the needs of local businesses. It is fundamental to the success of job training programs that we prepare people for jobs which exist in their communities. Local work force development boards can be an important part of assuring that that happens. Therefore, I would like to see an expanded role for local participation.

Finally, I would like to highlight two organizations within my state which demonstrate the great potential of job training. Focus:HOPE, a retraining center in Detroit, was established in 1968 to meet the needs of the city's low-income residents. This program has been a shining success story. For example, a recent study found that 85 percent of the graduates of Focus:HOPE's Machinist Training Institute are employed in machinist trades. This is a tremendous step forward for people who come to the center with little educational background and very low skill levels. They leave with advanced training in computer-assisted machining. The average salary for this group is $25,000 to $35,000 per year. And, their skills are closely matched to the area's labor market. Some students are even recruited by local manufacturers before they finish their program. Focus:HOPE works. It provides an enormously valuable service to both the students and the Detroit community.

Similarly, OperationAble, founded in 1989, has become one of the most successful job training centers of its kind in the country. It serves older workers, in an innovative way. Job counselors carefully examine each individual's background, future needs and aspirations before helping them to plan a training program. Over 83 percent of OperationAble's students are placed in permanent jobs. OperationAble is mobilizing a vital part of our community, our older workers, one which should not be left out in a proposed consolidation.

Mr. President, the legislation before us has some pluses and minuses. I am hopeful that we will strengthen it. If we focus on the needs of working families caught in a changing marketplace, and eliminate unnecessary duplication and waste; if we learn from experience and build on what has worked best, we will have taken an important step forward.

Mr. BREAUX. Mr. President, I was going to inquire of the managers of the bill, through the Chair, if it is appropriate that I send an amendment to the desk at this time.

Mr. KENNEDY. Yes. We hope that the Senator will send his amendment to the desk.

AMENDMENT NO. 2890 TO AMENDMENT NO. 2885

(Purpose: To improve the voucher provisions)

Mr. BREAUX. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Louisiana [Mr. BREAUX], for himself, Mr. DASCHLE, Mr. KENNEDY, and Mr. PELL, proposes an amendment numbered 2890 to amendment No. 2885.

Mr. BREAUX. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 51, line 6, strike "deliver" and insert "deliver, to persons age 18 or older who are unable to obtain Pell Grants under title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.),".

On page 53, between lines 12 and 13, insert the following:

(D) INFORMATION.—A State that determines that a need exists to train persons age 18 or older through activities authorized under paragraph (6) shall indicate in the State plan described in section 104 for the State, or the annual report described in section 121(a) for the State, the extent, if any, to which the State will use the authority of this paragraph to deliver some or all such activities through a system of vouchers, including indicating the information and timeframes required under subparagraph (C).

On page 104, line 2, strike "or".

On page 104, line 7, strike the period and insert: "; or".

On page 104, between lines 7 and 8, insert the following:

(3) beginning with program year 2000, in the case of a State that elects to offer activities for persons age 18 or older under section 106(a)(6), the State uses the authority of section 106(a)(9) to deliver some or all of such activities through a system of vouchers.

On page 114, line 3, strike, "or".

On page 114, line 9, strike the period and insert "; or".

On page 114, between lines 9 and 10, insert the following:

(C) in the case of a State that elects to offer activities for persons age 18 or older under section 106(a)(6); uses the authority of section 106(a)(9) to deliver some or all of such activities through a system of vouchers.

Mr. BREAUX. Mr. President, I want to first start off by thanking the distinguished managers of the bill, the Senator from Massachusetts, Senator KENNEDY, and the Senator from Kansas, Senator KASSEBAUM, for all of the work they have been able to put into helping us draft this amendment. I think it is an amendment that should be enthusiastically supported by all of our colleagues.

Mr. President, just as a concept of the background of the entire bill, what we are doing is consolidating about 90 Federal programs that currently serve people who are in need of job training, to meet the needs and the skills, or demand, as we move into the 21st century.

I think the essence of the legislation is really monumental. It is historical that the U.S. Senate and, hopefully, the other body, at the appropriate time, can realize that all of these programs we have written over the years—90 different programs—aimed at encouraging people to become better trained so they could meet the demands and challenges of the work force in the 21st century need to be consolidated. If I found myself unemployed and I wanted to get help from my Government, I do not know if I would know where to go. There are 90 programs, and if somebody dumped them in front of me and said, "pick one," I would say, look, I have to be a rocket scientist to figure out which program fits my need.

The reason for that is basically that I think in the last several decades, we as a Congress have tried to create a solution or program for every problem. As a result of trying to address every problem with a program, we ended up with all of these programs and tried to address every conceivable need of every citizen in the country. Some would suggest that the proper role of Government is to help solve everybody's problems all the time. I suggest that that is really not the proper role. The proper role is to help people to solve their own problems, help equip the citizens of this country to be in a position to solve their own problems. On the other extreme, some in Government think there is no role for Government at all, and that if somebody loses his job, so be it, let him survive if he can. That is the survival of the fittest theory, that suggests there is no role for Government that is proper or appropriate in helping the citizens of our country meet the needs that are facing them. If a plant is closed because of downsizing, tough luck. If a military base is closed in your area and all the jobs associated with that base are lost, tough luck. If, in fact, we have a disaster, or because of some trade policy, foreign imports are increased and you lose your job in the domestic industry here in this country, tough luck. There is no role for Government to help at all.

That, I think, should be rejected categorically by all Members of this body as an improper response from Government. But we cannot, at the same time, create a program for every problem. What this legislation does is consolidate these 90 programs, make them more efficient, make them function better, make it easier for people to get help from the Government so they can help themselves. Because each of us has a duty in life to be responsible, to utilize the gifts we have, to help develop those gifts and be a better citizen. I think, by consolidating these programs, we move a long way toward accomplishing that.

My amendment is, really, patterned after the great success we have had in this country with the GI bill. The GI bill's great success was not that it created a whole bunch of programs, because it did not. It created one program. It told the people of this country if they served in the military that when they got back, the Government was going to help them go to college. Under the GI bill we did not tell them which college they had to go to, and we did not tell them which program or which studies they had to take when they got there. We did not tell them what they had to major in, and we to not tell them what they had to minor in. But we said, here is some financial help. Go to the school you think can serve your needs the best and take the courses you enjoy, that you are best adapted for. The great success of the program was really its flexibility, calling on people to be challenged in what they want to do and figure out where they can best go to meet those requirements.

The amendment I am offering with the managers of the bill provides incentives in this bill to encourage States to use vouchers, to give States the right to issue vouchers to the people in their State and let those individuals make the decisions as to how they best can get the proper training to meet the needs they have. Instead of what is usual in Washington or in some State capital, saying, "You have to go here to get your training and it has to be this type of training," the voucher system will say to the individual, "We trust you to make the right decision. We trust you to pick the best school, the best program, the best course that is going to meet your needs. No one in Washington is going to tell you where you can best be served. No one in your State capital is going to tell you what you have to do."

We, in this Government, trust the individual's instincts to do what is right when the proper choices are in front of him or her. So what we do in this amendment is fairly simple. It gives States two incentives, two incentives to adopt the voucher system.

First, it authorizes the Secretary to provide incentive awards to States that have begun providing services through these vouchers of up to $15 million extra money that a State would be able to receive if it sets up a voucher program within the States to give vouchers to individuals to allow them to go to the particular program they think best fits their particular needs.

The second incentive is that my amendment will allow Governors to use flexible funds on economic development activities if they have established a workforce development board or a voucher system. This is in the third year of the program. We are saying to the States, you are going to be able to use your flexible funds on economic development if you put together this workforce development board or if you have established the voucher program. And, in the third year, under my amendment, if a State decides to set up a voucher program, then it would be able to use the flex funds for economic development activity.

So this amendment essentially puts two additional incentives in the legislation to encourage the States—not demand the States to do it, but to encourage the States—to set up vouchers for the people who need the benefit of the programs. Then let that individual take those vouchers and go to where he or she thinks the needs they have can best be met within the program.

That would increase competition because all of these programs would start competing for the vouchers of the individuals. People in this society know if they provide a better service, people are going to use that service. They are going to go to the school that meets their needs. They are going to go to the best school, not a worse school; not a second-class school, but the best school. So schools, I think, because of competition, because of this amendment, will do a better job because they know people will be going to them based on their ability to deliver the training that individuals who are unemployed actually need.

I think it also teaches individuals responsibility, because they are going to have to make that decision. They are not going to just sit back and say, "Tell me where I have to go, tell me what I have to do, and tell me how I have to do it." They are going to say, "I have to make a decision." Maybe for the first time in the lives of some individuals, they are going to start taking responsibility for their future by saying, "I want to make sure I pick the best school, that I pick the best program. And after I finish with it, I know I am going to be a much better citizen." That individual will become a person who can market his or her abilities after receiving the training for the program they pick as opposed to the program that someone has picked for them.

In addition, I point out that in return for accepting the vouchers, school and training providers will be required to provide performance information. That means the completion rates of the people who go to their schools, the licensing rates, placement retention, wage rates, which voucher recipients and others could use to make good decisions about where to go to get the training they need.

In other words, schools that provide training to unemployed workers are going to have to provide information to the workers, the unemployed workers who are looking for the training, on how their schools perform so those unemployed workers will then have information they can use to determine which school is the best for their needs.

If I had a list of performance results based on schools, and at one school 95 percent of the people who went to that school and got the training became employed, and there was another school that only got jobs for about 15 percent of their people, is there any question about which school I would want to go to or anybody would want to go to? Of course, the answer is simple: They would want to go to the school that finds jobs for people that complete their programs.

That is competition and that is what this amendment does. It allows individuals to become more responsible. It allows them to make the decision based on what is best for them while at the same time it requires responsibility on the part of the institutions that they would be going to, to make sure that fly-by-night groups and organizations that have been created overnight just to take advantage of these programs are not going to be successful. With the information they are required to present, everybody will have a chance to make the right decision.

Mr. President, I think this amendment adds to the bill. I think it is an important step. It makes the bill an even stronger piece of legislation, one that we can all be proud of supporting.

I thank the managers of the bill, Senator KENNEDY and Senator KASSEBAUM, for their involvement and their assistance and their encouragement in this effort. I encourage all our colleagues to support the amendment, and I yield the floor.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I yield myself 3 minutes.

I thank the Senator from Louisiana for his cooperation on this innovative and creative concept, and thank as well Senator DASCHLE and others who have favored this improvement in the legislation. The way this has been crafted, those who will be eligible will be over 18 years of age, who are unable to obtain a Pell grant.

We can imagine a situation where there has been a significant closing of a plant or phasing out of a defense industry, or perhaps as a result of a merger, as we saw with the Chase Manhattan Bank and the Chemical Bank, affecting some 12,000 workers in different communities out there. We can see local community colleges or other educational facilities in communities responding to those particular needs. They will be developing programs which are designed to place individuals and upgrade their skills so they can be successfully employed.

We are maximizing the flexibility with this amendment and giving an individual the opportunity to take advantage of that situation, or maybe they will decide that they want to go to a different part of the country and will be able to go into a different program. We are permitting the States to make the judgment about what that voucher will be worth. It may be worth a couple of thousand dollars in Massachusetts, and it may be valued less in a different part of the country. So there is maximum flexibility within the State and maximum versatility for the displaced worker.

For the reasons that the Senator has spelled out, I think it is a very, very creative and imaginative way of trying to make us do better with training programs. I want to thank him for his cooperation. He has had legislation on this over a period of years and has worked very closely with all of the members of the committee.

We have tried to capture the essence of his proposal. I think we have, and we look forward to its success and, hopefully, building on it over the period of the future.

I thank the Senator from Louisiana. At an appropriate time, I hope the amendment will be accepted unanimously.

Mrs. KASSEBAUM. Mr. President, I, too, am pleased that we have been able to work out an agreement on the language with the Senator from Louisiana. He spent a lot of time on this. He has given a lot of thought to it. And I have supported the limited use of vouchers for job training services but only as an option for the States. I think there is a recognition that there is a place, but we need to be careful on how we move in that direction. I have been very concerned about mandating vouchers because it is a new and untested concept. Therefore, I think the direction that this amendment would take us is an important one.

I very much value the effort of Senator BREAUX to speak to this. He cares a lot about it. And the amendment will not mandate that States provide vouchers but, rather, will provide additional means to assist and encourage States to implement a voucher system. I am pleased to be a supporter of this amendment.

Mr. BREAUX. Mr. President, if I can just add one short note, I thank my colleagues for their most generous comments. Lt. Gov. Buddy McKay, of Florida, who served in the House with some of us when we were in the other body, in behalf of Governor Chiles, has a statement which is a couple of sentences that I want to read because I think it really makes the point very well. He said:

> In this country we trust citizens to choose their elected officials, but we don't trust them to choose training programs. Currently, leaders of Government employees in Washington, in Federal regional offices, in State capitals and State regional offices, and in service sites dictate those decisions for their own citizens. That is bunk. Informed citizens can make the best decisions for themselves. It is a simple enough premise in this country, but it is a revolutionary idea for government.

I think the point is well made that we trust citizens to make decisions on who their elected officials are but we do not trust them to decide which programs are best for them. I think, as the Lieutenant Governor said, that is "bunk." And this amendment would, I think, help us overcome that current situation and allow, through the voucher program, people to make the best decisions for themselves and trust the American citizen to do what is right instead of requiring the government to make that decision for them.

Mr. President, I yield the floor.

Mr. KENNEDY. Mr. President, we are prepared to yield back time and ask for the consideration of the amendment.

The PRESIDING OFFICER. Is all time yielded?

Mrs. KASSEBAUM. Yes.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Louisiana.

The amendment (No. 2890) was agreed to.

Mr. KENNEDY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mrs. KASSEBAUM. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Who yields time?

AMENDMENT NO. 2891 TO AMENDMENT NO. 2885

(Purpose: To provide for a migrant or seasonal farmworker program and for national discretionary grants)

Mr. DODD. Mr. President, I send an amendment to the desk and I ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Connecticut (Mr. DODD), for himself and Mr. PELL, proposes an amendment numbered 2891 to amendment No. 2885.

Mr. DODD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 7, line 19, strike "186(c)" and insert "187(c)".

On page 74, between lines 7 and 8, insert the following:

SEC. 108. MIGRANT OR SEASONAL FARMWORKER PROGRAM.

(a) GENERAL AUTHORITY.—Using funds made available under section 124(b)(3), the Secretary of Labor and the Secretary of Education, acting jointly on the advice of the Federal Partnership, shall make grants to, or enter into contracts with, entities to carry out the activities described in subsection (d).

(b) ELIGIBLE ENTITIES.—To be eligible to receive a grant or enter into a contract under this section, an entity shall have an understanding of the problems of migrant or seasonal farmworkers, a familiarity with the area to be served, and a previously demonstrated capacity to administer effectively a diversified program of workforce development activities for migrant or seasonal farmworkers.

(c) PROGRAM PLAN.—

(1) IN GENERAL.—To be eligible to receive a grant or enter into a contract under this section, an entity described in subsection (b) shall submit to the Federal Partnership a plan that describes a 3-year strategy for meeting the needs of migrant or seasonal farmworkers in the area to be served by such entity.

(2) CONTENTS.—Such plan shall—

(A) identify the education and employment needs of the population to be served and the manner in which the services to be provided will strengthen the ability of the individuals served to obtain or be retained in unsubsidized employment;

(B) describe the services to be provided and the manner in which such services are to be integrated with other appropriate services; and

(C) describe the goals and benchmarks to be used to assess the performance of such entity in carrying out the activities assisted under this section.

(d) AUTHORIZED ACTIVITIES.—Funds made available under this section shall be used to carry out comprehensive workforce development activities, and related services, for migrant or seasonal farmworkers.

(e) CONSULTATION WITH STATE AND LOCAL PARTNERSHIPS AND BOARDS.—In making grants and entering into contracts under this section, the Federal Partnership shall consult with the Governors (or, where established, the State workforce development boards described in section 105) and with local partnerships (or, where established, the local workforce development boards described in section 118(b)).

On page 74, line 8, strike "**108.**" and insert "**109.**".

On page 74, line 10, strike "124(b)(3)" and insert "124(b)(4)".

On page 117, line 7, strike "92.7" and insert "90.75".

On page 117, strike lines 11 through 15 and insert the following:

(3) 1.25 percent shall be reserved for carrying out section 108;

(4) 0.2 percent shall be reserved for carrying out section 109;

(5) 5.0 percent shall be reserved for making incentive grants under section 122(a), for making national discretionary grants under section 184, and for the administration of this title;

On page 117, line 16, strike "(5)" and insert "(6)".

On page 117, line 18, strike "(6)" and insert "(7)".

On page 117, line 19, strike "184 and 185" and insert "185 and 186".

On page 162, line 17, strike "186(c)" and insert "187(c)".

On page 163, line 4, strike "108, and 173" and insert "108, 109, 173, and 184".

On page 163, line 6, strike "108, 122(a), 161, and 184" and insert "108, 109, 122(a), 161, 184, and 185".

On page 163, lines 12 and 13, strike "186(c) and 187(b)" and insert "187(c) and 188(b)".

On page 166, line 22, strike "186(c)" and insert "187(c)".

On page 183, between lines 8 and 9, insert the following:

SEC. 184. NATIONAL DISCRETIONARY GRANTS.

(a) NATIONAL GRANTS.—Using funds made available under section 124(b)(5), the Secretary of Labor and the Secretary of Education, acting jointly on the advice of the Federal Partnership, may in a timely manner award a national grant—

(1) to an eligible entity described in subsection (b) to carry out the activities described in such subsection; and

(2) at the request of an officer described in subsection (c), to such an officer to carry out the activities described in such subsection.

(b) RAPID RESPONSE GRANTS.—

(1) IN GENERAL.—

(A) MAJOR ECONOMIC DISLOCATION.—Funds made available under this section to an eligible entity described in this subsection may be used to provide adjustment assistance to workers affected by a major economic dislocation that results from a closure, layoff, or realignment described in section 3(8)(B).

(B) EMERGENCY DETERMINATION.—Such funds may also be used to provide adjustment assistance to dislocated workers whenever the Federal Partnership (with the agreement of the Governor involved) determines that an emergency exists with respect to any particular distressed industry or any particularly distressed area. The Federal Partnership may make arrangements for the immediate provision of such emergency financial assistance for the purposes of this subsection with any necessary supportive documentation to be submitted on a date agreed to by the Governor and the Federal Partnership.

(2) ELIGIBLE ENTITIES.—To be eligible to receive a grant under this section for activities described in this subsection, an eligible entity shall be a State or local entity.

(3) APPLICATION.—To be eligible to receive a grant under this section for activities described in this subsection, an eligible entity shall submit an application to the Federal Partnership at such time, in such manner, and containing such information as the Federal Partnership determines to be appropriate.

(c) DISASTER RELIEF EMPLOYMENT ASSISTANCE.—

(1) IN GENERAL.—Funds made available under this section to officers described in this subsection shall be used solely to provide individuals in a disaster area with employment in projects to provide clothing, shelter, and other humanitarian assistance for disaster victims and in projects regarding the demolition, cleanup, repair, renovation, and reconstruction of damaged and destroyed structures, facilities, and lands located within the disaster area.

(2) OFFICERS.—To be eligible to receive a grant under this section for activities described in this subsection, an officer shall be a chief executive officer of a State within which is located an area that has suffered an emergency or a major disaster as defined in paragraph (1) or (2), respectively, of section 102 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122(1) and (2)) (referred to in this section as a "disaster area").

On page 183, line 9, strike "**184.**" and insert "**185.**".

On page 183, line 12, strike "124(b)(6)" and insert "124(b)(7)".

On page 188, line 4, strike "**185.**" and insert "**186.**"

On page 192, line 1, strike "**186.**" and insert "**187.**".

On page 204, line 9, strike "**187.**" and insert "**188.**"

On page 207, line 16, strike "186" and insert "187".

On page 207, line 21, strike "186" and insert "187".

On page 207, line 24, strike "186" and insert "187".

On page 208, line 2, strike "186" and insert "187".

On page 208, line 6, strike "186" and insert "187".

On page 208, line 17, strike "186" and insert "187".

On page 211, line 17, strike "**188.**" and insert "**189.**".

On page 216, line 10, strike "187" and insert "188".

On page 293, line 9, strike "186(c)" and insert "187(c)".

On page 307, line 25, strike "124(b)(6)" and insert "124(b)(7)".

Mr. DODD. Mr. President, I offer this amendment on behalf of myself and the Senator from Rhode Island, Senator PELL.

Mr. President, this is an amendment which we worked on for some time. I believe it will be accepted by both the floor manager and the ranking minority member.

Very briefly, this amendment is designed to establish a rapid response service where you have national disasters or national needs that would go beyond the capacity of States to respond to them. Our distinguished colleague from Louisiana talked about some of those when he mentioned base closures. Often, States cannot anticipate those results. All of a sudden States find themselves in the situation where a significant number of people lose their jobs—in the case of base closures because the Federal Government has made a decision affecting the economy of the local area. There are also, of course, other situations where you have natural disasters.

I think all of us at one time or another have certainly seen our States afflicted by unanticipated events with weather or climatic conditions. Again, we can find people who, through no fault of their own and no fault of the business, are displaced. This amendment allows for some additional funds to respond to people who find themselves out of work under those circumstances.

As the Presiding Officer will no doubt recall, I offered this amendment in the committee. There was a good discussion at the time, and we lost the amendment on a tie vote 8 to 8. But there was a strong enough feeling there that I brought this up to see if we could work out some of the language, which we are able to do.

As a result of that, today I offer this amendment which will allow us to respond in those kind of situations. I think it is in the national interest for the Federal Government to provide assistance to our States under those circumstances and, just as importantly if not more importantly, the very people who find themselves without work and unable to provide for their families.

I just want to underscore the point that has been made by others. We all know how well the economy is doing in certain areas. Profitability is up and productivity is at its highest level in many ways. The stock market has been doing very, very well. But, as the Senator from Massachusetts pointed out a few moments ago, look at 12,000 to 20,000 people losing their jobs as a result of a merger between Chemical and Chase Bank. And in another act of downsizing, DuPont laid off some 5,000 or 6,000 people recently. All of this downsizing contributes, I suppose, we are told, to the strength of the economic well-being of the country. Yet, the people who lose their jobs are oftentimes forgotten in the discussion. We need to focus on what happens to these people and what happens to their families.

This amendment does not address that situation specifically, but much of what is included in this bill does.

For those reasons, I commend the distinguished Senator from Kansas, the chairman of the committee, for the work in this area. I think we need to be thinking creatively when we end up with a tax proposal, a tax bill coming up—which we are apt to—as to how we might pay more attention to what happens to those people who lose their jobs not from a natural disaster, not from some accident or something undertaken by Government, but when you have great mergers and acquisitions which may result in a real need—the merger itself may be worthwhile—but when results of that activity cause thousands of people to lose their jobs, I think we have a responsibility to respond to them, and we need to be thinking about how we can do that.

I appreciate the efforts of Senator KASSEBAUM and staff to work the specifics out so this is now acceptable.

This amendment offers real protection to States and workers affected by mass layoffs due to economic downsizing, plant and base closings, and natural disasters.

It preserves the ability of the Federal Government to respond quickly and in a meaningful way to concentrated economic employment difficulties—the kind no one State can predict or pay for. Without this amendment, this assistance, which gets communities and workers through the worst of times, would no longer be available.

We keep hearing about an economic recovery, a rising stock market. But we have to remember that one result of the improving economy is downsizing in many industries all across the country. All of a sudden people are being thrown out of work through no fault of their own.

We may not be able to prevent these Americans from losing their jobs, but we should try to give them some aid in the form of training and other support to help them get back in to the work force.

The need for such assistance will not diminish in the coming years. Defense-related layoffs in the private sector alone are continuing, with up to an additional 25- to 30-percent reduction expected within the next 2 to 3 years. Mergers in the banking and other industries are resulting in thousands of layoffs. And the downsizing trend is expected to continue. Natural disasters, like the flooding in the Midwest, cannot be predicted. We cannot just turn our backs on Americans in need.

This amendment ensures that the resources will be available to provide emergency funds in order to get people back on their feet. Specific examples of how we have helped out recently are:

In addition to the grants that will go to Connecticut, which I mentioned earlier, Washington State received $14.6 million to assist workers laid off by Boeing. More than $4 million in retraining dollars have been made available for 9,500 GTE employees expected to be severed from their jobs in 22 States, including Missouri, Washington, and Illinois. More than $100 million has been spent in the last 4 years in response to natural disasters. For example, for the 1993 Midwest floods, funding went to Missouri, Illinois, Iowa, Minnesota, and Kansas.

This kind of vital assistance will continue under my amendment. The Secretary of Labor, with the Federal partnership, will be able to provide States, communities, and workers with critical assistance when there is a mass layoff, base closing, or natural disaster.

The need for this assistance is broadly recognized. Just last week, the National Governors' Association strongly endorsed this concept.

This amendment also ensures that migrant farmworkers continue to receive training services. There could not be a needier population, yet, because they move so much, they are difficult to serve. This amendment provides the Secretary with funds to assist these workers, as he currently does.

Mr. President, this amendment represents the kind of good compromise we can reach when we share the same goal—to assist workers in times of crisis.

I appreciate the efforts of Senator KASSEBAUM and am pleased the amendment will be accepted.

Mr. President, I urge adoption of the amendment.

Mr. KENNEDY. Mr. President, I yield myself such time as I might use. I will be very brief.

Mr. President, I commend the Senator from Connecticut for bringing this up, both in the committee and on the floor, and thank him for all of his work on this extremely important program, which I am pleased to say will be accepted.

I am grateful to the Senator from Kansas for her support of the program as well.

This amendment is particularly timely as we consider the events of the last few days with Hurricane Opal and the devastating economic impact it has left in its wake. It has been estimated to have caused over $2 billion in damage in that particular region of the country. What Member of this body would want the kind of devastation that has affected the Southern States? Not many years ago New England was similarly affected and we saw similar damage in the Midwest by the floods.

I see my friend and colleague from California, which has been devastated by a wide variety of natural disasters, by extraordinary fires, earthquakes, and other natural disasters. I think we are also very mindful of these dramatic changes that have been taking place in terms of mergers, downsizing, and the changes in the defense procurement where we find men and women that have devoted their lives working for this country. They have been in the defense production industry for 20 or 30 years during the cold war, and now with these dramatic shifts in changes in the procurement policies in defense, we see them virtually pink-slipped from these companies. They are older workers. We have some important responsibilities certainly to them. I think if you look at the record of this program particularly in the recent years under the Secretary of Labor it is really a commendable example about how these limited resources can be leveraged to give new hope and opportunity to tens of thousands of workers here in this country.

I think it is an extremely important measure and we are enormously grateful for the willingness of our Chair to consider this. Because I know, for the reasons she has outlined in the committee and expressed otherwise, of her concern about the general shape of this whole legislation, this has been modified, it has been adjusted to try to respond to some of her particular concerns and we are hopeful it will be accepted and included.

Mrs. KASSEBAUM. Mr. President, I, too, am pleased that we have been able to come together in agreement on the amendment put forward by the Senator from Connecticut and the Senator from Rhode Island. Senator DODD has been an eloquent advocate for wanting to make sure that these workers who may be laid off due to some sort of natural disaster would be taken care of, and we had some lengthy debates in the committee. This is an issue on which Members on both sides of the aisle have worked hard to address.

The national interest in addressing major economic dislocations from natural disasters is something that affects all of our States and goes often across State lines. It is difficult for States to adequately prepare to handle themselves when there is a disaster that may happen without any advanced notice.

While I have been reluctant to set aside a large amount at the Federal level which would further diminish moneys going to the States, this amendment will allow those funds already set aside at the national level for incentive grants to also be used for rapid response grants. This will assist workers affected by plant closures or mass layoffs or natural disasters.

In addition, a small amount of funds are being made available for migrant and seasonal farm workers, and this I believe is also something that the Senator from Connecticut and the Senator from Rhode Island have been particularly concerned about as well.

So I am pleased that this amendment does not substantially reduce the amount of funding that is going directly to the States under this bill, which was my primary concern when it was offered in committee.

I appreciate the willingness of my colleagues on the committee, Senator DODD and Senator PELL, to try to work out some language that we could all come together and support and I believe this is it.

So for all these reasons, Mr. President, I think it is a good amendment. I am very appreciative of the efforts of the Senator from Connecticut and the Senator from Rhode Island to help work out the language.

Mr. DODD. I thank the Chair. Just very briefly, I meant to point out that while this is not directly a result of the amendment that hopefully will be adopted shortly, it is an indication of the kind of difference this amendment will make. Just today, the Department of Labor announced it would provide $1,500,000 in retraining assistance to some 600 employees of the Southern Connecticut Telephone Co., who just lost their jobs. Also, recently, Allied Signal, a defense contractor, closed a facility in Connecticut. The Federal Government is able to provide an additional $4,300,000 to assist those 1,500 employees who will have lost their job.

This is an example of a national policy affecting a major local employer in that area, and so this is the kind of thing in which we think the Federal Government can play a proper role in assisting in these kinds of emergencies.

That first grant was announced today, and we are very pleased they are going to be offering some assistance to the people of Connecticut with that kind of support.

Mr. President, I again thank my colleagues for their support.

Mr. PELL. Mr. President, I am pleased to again join with Senator DODD in sponsoring this amendment. Unfortunately, when a similar version was offered at the Senate Labor and Human Resources Committee markup, it was defeated on an 8 to 8 tie.

Senator DODD and I know all too well how a State is affected by sudden, unexpected, large-scale worker dislocations. It is our strong belief that under S. 143 States would not be able to react to the large dislocations my home State has become familiar with recently. By their nature, these massive dislocations are abrupt events. In designing its general work force plan called for under this new legislation, no State would, or should, reserve a portion of its limited job training money to prepare for an event that might or might not take place at an undetermined time in the future.

This is why we have introduced this amendment that reserves a small pool of money at the Federal level to be dispersed to States when and if they are in need. This program works well now and I believe it should be allowed to continue.

I urge my colleagues to join us in support of this amendment.

The PRESIDING OFFICER. Who yields time?

Mrs. KASSEBAUM. Mr. President, if there is no one else who wishes to speak on this amendment, I would urge adoption of the amendment.

The PRESIDING OFFICER. Is all time yielded back?

Mr. KENNEDY. I yield back the remainder of the time.

Mrs. KASSEBAUM. I yield back the time.

The PRESIDING OFFICER. If all time is yielded back, the question is on agreeing to the amendment.

The amendment (No. 2891) was agreed to.

Mrs. KASSEBAUM. Mr. President, I move to reconsider the vote.

Mr. KENNEDY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. KENNEDY. Mr. President, if I understand it correctly, I see my friend and colleague, the Senator from California who wanted to speak, and the Senator from New York also wanted to speak briefly. After these speakers it was the hope that we might move toward the votes which had been ordered. Is that the understanding of the Chair?

Mrs. KASSEBAUM. Yes. Did I understand the Senator from Washington [Mrs. MURRAY] wanted to speak?

Mr. KENNEDY. If we can hold that in abeyance. She had talked to me, and then I received other instructions. But if we could work out perhaps for the benefit of the Members who have been inquiring about how we might be proceeding, how long did the Senator from California desire?

Mrs. FEINSTEIN. I have about 12 minutes.

Mr. KENNEDY. The only question is—how long did the Senator from New York wish to speak?

Mr. D'AMATO. Five minutes.

Mr. KENNEDY. I am just trying to think about how we might proceed. Does the Senator then want to speak after the three votes? Is that agreeable?

Mrs. FEINSTEIN. I would be happy to do that. That will be helpful.

Mrs. KASSEBAUM. Mr. President, I think it would perhaps serve us best to have the Senator from California and the Senator from New York make their comments and then go to the three votes that have already been ordered, the one on trade adjustment assistance, the amendment of Senator GRAMM, and the amendment of Senator GLENN. And then at that time the majority leader, I think, is to make a decision about whether we will continue this evening or put the rest of the amendments off until tomorrow.

Mr. KENNEDY. That is fine. I yield the time, 12 minutes, to the Senator from California.

The PRESIDING OFFICER. The Senator from California.

Mrs. FEINSTEIN. I thank the Senator from Massachusetts.

Let me begin by saying that I very much appreciate the job that has been done by the chairman of the committee and the ranking member, and I know it has not been easy to put together this kind of consensus. I am led to believe this bill will pass the Senate. However, I have to make my own point of view on it clear because what is sauce for the goose is not necessarily sauce for the gander, when you begin to change the formula on which some of these programs are based.

I have come to the conclusion that I must oppose this bill. I must oppose it for basically two reasons. The first is that the bill cuts dramatically into the ability of California to provide job training.

Let me point this out. While the United States added 3 million jobs from May 1991 to December 1993, California lost nearly 450,000 jobs during that time. As a matter of fact, in the last 5 years, our unemployment rate has never dropped below 7 percent, with a high of 10 percent in 1994.

So we have more people unemployed in the State of California than 13 other States have people today. So job training becomes a very important factor. Compared to current funding, this bill shifts funds from California to other States. Under the revised formula in the managers' amendment, almost one-half of all funds of the losing States come from California.

This is a proportion that is very high. I think the No. 1 determinant of a job training program should be existing unemployment needs and data. Instead, this block grant consolidation bases 10 percent only on unemployment. This is a major departure from the way these programs were determined in the past.

My major concern about this bill is that it gives greater weight to things other than unemployment, and the bill does not give adequate weight to unemployment. So with a 7.2-percent unemployment rate in September, while the national rate was 5.6 percent, California will lose about $7 million in this bill despite the fact that that is just a 4-percent reduction. It translates into $7 million based on the change in formula application.

The new managers' amendment drops the 20 percent for AFDC to 10 percent and increases from 10 percent to 20 percent the weight given to poverty. My State, has high rates of AFDC recipients and unemployed people. For example, California is home to 18 percent of all AFDC recipients. That translates into 909,000 AFDC cases. That translates into 2.6 million people on AFDC.

By deemphasizing AFDC recipients and unemployment with the low-weighting factor, the bill essentially gives California short shrift. Under current law, we receive 14.8 percent of job training funds. Under this approach, we will only get 14.2 percent. That is the $7 million difference. And it is a big difference.

Let me mention what has happened in California by way of Federal policy. California has struggled through the closing or realignment of 9 military bases in this round alone following 22 in previous rounds. In total, these have eliminated more than 200,000 direct and indirect jobs. The closings and realignments have drained about $7 billion out of the California economy.

Corporate defense downsizing has claimed 250,000 layoffs in the past 5 years, and that is expected to double. So from defense downsizing alone, before it is through, in the corporate sector and from base closures, California will lose over 1 million jobs. Now, that is something this formula does not take into consideration.

I mentioned California has 18 percent of the country's welfare caseload but 12.2 percent of the Nation's population. Now, what does this show? It shows that our need is actually higher than the population-driven formula number. So this formula and the redesignation of formula clearly does not work for California. This is not a case in this bill where as a product of consolidating 80 programs, States are going to be held harmless. That is not true. The money taken from California by this new formula is essentially given to other States that have less poverty and less unemployment.

So it is very hard for me, representing California, to turn around and vote for this bill. I am willing to say, sure, we should do our fair share, and I voted for the welfare reform bill despite the fact that I lost on major amendments that addressed the fact that we have a huge immigrant population. That bill will cost California billions of dollars.

Republican Medicare and Medicaid plans will cost California billions of dollars. Our own Governor has up to this point indicated he will not accept $42 million in Goals 2000 education funds. I cannot understand that—$42 million for schools when we have schools that are crumbling, elementary schools that have 5,000 youngsters in them, the highest class size in the Nation, and he plans to turn down these funds. I am hopeful he will reconsider. This is one more diminution of revenues to address the needs of 32 million people.

In summary, I very much recognize the good work done by both Senators here and by the committee, and I am appreciative of it. It is just when the State takes hit after hit after hit, when other States benefit and California with its needs, as has been referenced earlier—base closures, earthquakes, fires, riots, you name it—all the things that have happened, and when we know that job training is as important as it is, to take a loss of over $7 million in this bill, through the consolidation of programs and see the money essentially go to other States—under a different formula albeit—is very hard for me to do.

I appreciate the forbearance of the chairman and the ranking member, and I appreciate the opportunity to explain my vote.

Mrs. KASSEBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas.

Mrs. KASSEBAUM. Mr. President, I am very sensitive to the concerns of the Senator from California. She is a very effective advocate for her State in wanting to protect, of course, what should come to her State.

I would just point out that California gets twice what any other State gets. The closest States to California are New York and Texas. So while California has a large population, a population that has many needs, it also is a population that is getting a significant amount in this formula. No one knows better than the Senator from California how difficult these formula debates are.

We all want to get as much as we can. I think that when we are taking formulas from some 80 programs and combining them into one formula, that will be the fairest to most States, it obviously is not an easy task.

But we made 60 percent of the formula focus on population, which I think is the fairest way to distribute funds among the States. And the Senator from California has already pointed out 20 percent is based on poverty, 10 percent is based on the number of welfare recipients and 10 percent is based on employment.

I would also suggest that we are going to be continuing to reduce appropriations to each of the various programs. I think combining the programs as we do provides a greater sense of certainty to the States about what they will be receiving. It is also bound to do better under a single appropriation than trying to split it up among all of the other efforts that really do not provide the continuum of planning and certainty that I think is in the work force development legislation.

We did decrease the emphasis on welfare recipients because the JOBS program, which is the job training program for welfare recipients, was taken out of the bill during the welfare debate.

Finally, and most importantly, we put a cap on the maximum amount a State can gain or lose. It cannot gain more than 5 percent. It cannot lose more than 5 percent.

California, under this formula, does lose about 4.2 percent. This means, I think, that we have tried to again provide a balance over the previous year's allocation through the 5-percent provision. That is not such a dramatic shift that it cannot be accommodated. I certainly realize that some States can be adversely affected. But I believe, all in all, that this is the fairest approach that we could devise.

It is, as I say, very difficult when we try to get into allocations. The Senator from California represents a State with a large population, and many parts of that population really need some significant assistance. It would be my hope that with the moneys that presently are going to California, that this one appropriation will be a far more effective means of delivering those funds to the State and provide a more effective job training system.

Mr. President, I yield the floor. I do not know if the Senator from California wishes to respond in any other way to those comments. I will be happy to yield any other time that she might need.

Mr. JEFFORDS. Mr. President, I rise in strong general support for the Workforce Development Act of 1995. I commend the chairman of the Senate Labor and Human Resources Committee, Senator KASSEBAUM, for her tireless efforts over the last several years to restructure our vocational education and job training systems. Both the chairman and the ranking Democrat of the committee, Senator KENNEDY, have made this subject a focal point of the committee's deliberations. I supported this measure in the Labor Committee, and I continue to support the bill here.

Of course, I do not agree with everything contained in the bill. It is a large undertaking and I do have my disagreements with portions of it. Later today I will offer an amendment with Senator PELL to adjust the funding allocation for adult education activities. I may also support one or more of the other amendments that will be offered to the bill. However, I consider myself a strong supporter of this effort, and I heartily commend Senator KASSEBAUM for her unwavering efforts to make this much needed change a reality.

Mr. President, I believe this legislation is very badly needed. Let me briefly explain why I have reached that conclusion. Since the late 1960's, the Federal Government has invested huge sums helping people find employment through participation in a myriad of employment and training programs. From a few limited programs, this effort has now ballooned today into a confusing maze of over 160 separate programs. The administration of these is scattered across 15 separate Federal agencies, with a total cost to the taxpayer of more than $20 billion per year. Not surprisingly, Mr. President, these programs are hamstrung by duplication, waste and conflicting requirements that too often leave program trainees no better off than when they started.

I am a great believer in job training, and I count the Job Training Partnership Act among the legislative achievements of my years in Congress. However, the facts that illustrate the problems with our job training system, and which demonstrate the need for wide ranging reform, are not really in dispute. For example, Mr. President, there are more than 60 separate programs targeted at the economically disadvantaged. There are 34 literacy programs designed to help that same group. The system has six different standards for defining income eligibility levels, five for defining family and household income, and five for defining what is included in income.

For me, one of the most distressing aspects of this problem is that the system has no effective means of determining whether programs really work. The General Accounting Office has released several reports on this issue, and its findings have not been encouraging. One GAO report studied 62 programs. Of these, fully half had no means of checking whether participants obtained jobs after training. During the past decade, only seven of those programs were ever evaluated to find out whether trainees would have achieved the same outcomes without Federal assistance.

At this point, I need to digress for just a moment to speak about one new effort at self-evaluation undertaken this year. The Department of Labor has initiated a longitudinal study aimed at answering the question whether the Job Corps Program improves the employment opportunities and earnings of its participants. I support longitudinal studies and have encouraged their use in connection with job training program evaluation. However, this particular study, which is being directed by Mathematica Policy Research, has a very ugly underbelly that I want to explore a bit today.

This study employs a control group methodology. John A. Burghardt, director of the Mathematica project, offered this explanation to me in a September 29 letter responding to my inquiry:

> The National Job Corps Study is based on a random selection process in which approximately 11 out of 12 eligible applicants are selected to enter Job Corps, and 1 out of 12 eligible applicants is selected for a control group. The control group members are not eligible to enroll in Job Corps for a period of three years (but may do so after three years if they are eligible at that time).

What this means is that a kid can go through the Job Corps application process, qualify, be selected for training, and then be told that he or she cannot enroll for 3 years because we want to see him or her sink or swim as compared to the other applicants who were admitted. This "twist-in-the-wind" aspect of the study is unconscionable. It may make sense from a social science point of view, but it is inhumane in the extreme.

In my State of Vermont, a young man by the name of Donovan De Leon has been caught in the Job Corps study control group. He is heartbroken, and his family is in disbelief that he would be asked to make this sacrifice. In essence, they feel that the authorities are allowing him to fail in order to demonstrate the success that Job Corps can bring about. They have asked me if there is not another way to conduct this study that does not punish the innocent few in this fashion. I have to agree with their view, there must be another way.

This has just come to my attention and, with the current parliamentary situation, I may not be able to do anything to address the issue in the context of this bill. However, I will look for a way to take on this study either here or in other legislation. Further, I suspect that many other Senators, who have youngsters like Donovan De Leon in their States, will be of like mind.

Another problem proving the need for this legislation, Mr. President, is the confusion that the patchwork of conflicting programs causes. There are no clear entry points and no clear path from one job training program to another. The programs targeted for consolidation have conflicting eligibility criteria. They apply program incentives that are not always compatible with helping individuals find jobs. These program requirements may encourage staff to assist individuals who are the easiest to serve, rather than the most difficult. There is limited coordination across programs. There is no systematic link between educational services and job training services.

Providers of employment and training services range from public institutions of higher education to local education agencies; from nonprofit community based organizations to private for-profit corporations. Further, different programs very often target the same client populations. Youth, at-risk youth, veterans, native Americans, the poor and dislocated workers all have many programs designed for their benefit. Not surprisingly, people have difficulty knowing where to begin looking for assistance. As a result, they may go to the wrong agency, or worse, give up altogether.

Employers also experience problems with the multitude of employment programs. Employers want a system that is easy to access and that provides qualified job candidates. Instead, they must cope with solicitations from over 50 programs that provide job referral and placement assistance to individuals. Often, employers are not even involved in designing programs that should be responsive to their labor market needs. There is no clear linkage between economic development activities and employment and training programs to help employers meet their labor needs. Training programs are a waste of Federal dollars if employers cannot hire newly trained workers because their skills do not match employer needs.

Our principal international competitors do a much better job than we have matching worker training and skills to the needs of their industries and potential employers. The changes initiated in this bill are needed to enable us to compete effectively in the international arena. If employment and training programs are to succeed, a simple, integrated work force development system must be established that gives States, local communities, and employers both the assistance and the incentives to train real workers for real jobs. The Workforce Development Act takes on the challenge of structuring such a system. It will enable all segments of the work force to obtain the skills necessary to earn wages sufficient to maintain a high quality of living. Further, it will insure a skilled work force that can meet the labor market needs of the businesses of each State.

We are at a defining moment in our Nation's history. The United States is still the most productive country in the world. But we are losing our edge to other industrialized nations such as Japan and Germany as well as other rapidly developing countries such as Taiwan, Korea, and China. Our enormous Federal trade deficit is testimony to our deficiencies. Over the past 25 years, the standard of living for those Americans without at least a 4-year postsecondary degree has plunged. This, too, serves as an example of our Nation's declining productivity. In the next decade, we will be surpassed as the world's foremost economic power if we do not begin to redefine our priorities on national, State, and local levels.

In response to this problem, education must be a top priority and we must connect education with the workplace.

Our international competitors have been leaders in making the important link between education and work. Germany, for example, has long been a model for vocational education. As early as the sixth grade, students opt for a college-prep or vocational education program. In Germany's vocational education system, students receive extensive training in industry through collaborations with business along with pursuit of an academic curriculum.

Unfortunately, in the United States, misconceptions about vocational education abound. Some think of voc. ed. as a second rate education for students who could not otherwise succeed on a so-called traditional academic path. Nothing, could be further from the truth. Vocational education courses hold appeal for all students. In my home State of Vermont, over 4,500 students participate in vocational education courses, of which 12 percent are adults.

Another misconception is that there are few similarities among Federal vocational education and job training programs. In fact, a strong voc. ed. program is the best kind of job training and should be viewed as a major step in the lifelong learning process.

The Workforce Development Act is a major effort that strongly links education with job training. In addition, it also establishes a very strong linkage between the three levels of government: local, State, and Federal. The bill also calls on the private sector to be a major participant in work force development activities.

S. 143, the Workforce Development Act creates a unified system for vocational education and job training programs. The Governor and the State education agency work together with State and local panels to devise a comprehensive vocational education and job training system that will respond to the needs of all those who seek its services. This is already being done in my home State of Vermont through the establishment of work force investment boards. S. 143 will support a strong school-based infrastructure for vocational education of students from all age groups, and the foundation for a strong and competitive work force.

The Workforce Development Act emphasizes the important role business must play in devising vocational education and job training strategies. This past spring, the first detailed American business survey was released by the U.S. Department of Education. The study found that "a 10-percent increase in the educational attainment of a company's work force resulted in an 8.6-percent increase in productivity. Whereas a 10-percent increase in the value of capital stock such as tools, buildings, and machinery only resulted in a 3.4-percent increase in productivity."

In the book "Reinventing Education," Louis Gerstner, the chairman and CEO of IBM, writes:

> Business . . . [i]s not only a major stakeholder in the issue of education quality, it is the only potential source of major institutional pressure on the system. Without business pressure to improve the schools there will be no one else to act. And if no one acts, the schools will ultimately fail to change and fail to prepare our students and citizens adequately for the next century.

I urge my colleagues to act today and support S. 143, the Workforce Development Act.

Mr. THURMOND. Mr. President, I congratulate Senator KASSEBAUM and the Committee on Labor and Human Resources for their work on S. 143, the Workforce Development Act. I support this bill, and commend and thank the distinguished chairwoman for responding to my concerns regarding employment and training programs for veterans and for the disabled.

Currently, there are 160 Federal job training programs administered by 15 different Federal agencies. This bill will consolidate and restructure these programs into a single block grant that will go directly to the States with a minimum of Federal requirements. By eliminating the additional administrative costs of overlapping employment training programs at the Federal, State, and local level, this bill will drastically reduce the $20 billion spent each year to fund these programs. The purpose of S. 143 is not to eliminate the opportunities provided by these programs, but to maximize their effectiveness through reorganization and consolidation.

In particular, I am pleased that S. 143 addresses the special needs of unemployed individuals with physical or mental disabilities. Under title I of the Rehabilitation Act, the Vocational Rehabilitation Program has provided special job training to persons with disabilities. Of the 160 Federal job training programs, this is the only one that targets the special needs of the disabled. This bill recognizes the importance of training individuals with disabilities by preserving the integrity of the current Vocational Rehabilitation Program. Title I of the Rehabilitation Act will be amended so that vocational rehabilitation will be coordinated with the comprehensive workforce development system. A vocational rehabilitation representative will participate in the overall employment and training efforts for each State, providing technical assistance on training individuals with disabilities. By ensuring that the special needs of the disabled are met, S. 143 will strengthen an important service to a valuable element of our work force.

Another significant feature of this bill relates to veterans employment. This Nation has a long history of providing assistance to our veterans, dating back to colonial days. Since World War I, several laws have been enacted to reaffirm and strengthen the Federal Government's role in promoting wider employment and training opportunities for veterans.

Currently, the primary programs to assist veterans are those administered by the Department of Labor, through the Veterans' Employment and Training Service [VETS]. These include the Disabled Veterans' Outreach Program [DVOP], the Local Veterans' Employment Representative [LVER], and Veterans Employment Program, which are grant programs to the States.

Because of the national interest in veterans' programs, these grant programs will continue in their present form. In addition, the committee included language in the bill which first, added a veteran representative to the State workforce development board; second, added a veteran representative to the local workforce development boards; third, included veterans in the collaborative process developing a State plan; and fourth, designated veterans as a population group for benchmark measurement.

These provisions of the bill will ensure that veterans employment and training programs get the priority and visibility they need at a national level to address the unique concerns of veterans. At the same time, the bill provides that veterans employment and training programs will be integrated into the overall strategy, at the state and local level, for improving employment and training opportunities.

Again, I thank Senator KASSEBAUM for her excellent work on this bill and urge my colleagues to support it.

Mrs. KASSEBAUM. Mr. President, just to put everyone on notice, there will soon be a vote, as we had suggested earlier. Just so everyone will have a chance to get here in fashion, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mrs. KASSEBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. KASSEBAUM. Mr. President, I believe, if I am correct, the pending vote would be on the Moynihan amendment.

The PRESIDING OFFICER. The Senator is correct.

Mrs. KASSEBAUM. I believe we are prepared to vote.

Mr. KENNEDY. Mr. President, would it be agreeable, since we have three votes, that the second and third vote be 10-minute votes?

Mrs. KASSEBAUM. Yes. I ask unanimous consent that the second and third votes be 10-minute votes, with 4 minutes in between for further debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

VOTE ON AMENDMENT NO. 2887

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Maine [Mr. COHEN] is absent due a death in the family.

Mr. FORD. I announce that the Senator from Nebraska [Mr. EXON] is necessarily absent.

The PRESIDING OFFICER (Ms. SNOWE). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 52, nays 45, as follows:

[Rollcall Vote No. 482 Leg.]

YEAS—52

Abraham
Akaka
Baucus
Biden
Bingaman
Bond
Boxer
Bradley
Breaux
Bryan
Bumpers
Byrd
Campbell
Conrad
D'Amato
Daschle
Dodd
Dorgan
Feingold
Feinstein
Ford
Glenn
Graham
Harkin
Heflin
Hollings
Inouye
Johnston
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Mikulski
Moseley-Braun
Moynihan
Murray
Nunn
Pell
Pryor
Reid
Robb
Rockefeller
Roth
Sarbanes
Simon
Specter
Thompson
Wellstone

NAYS—45

Ashcroft
Bennett
Brown
Burns
Chafee
Coats
Cochran
Coverdell
Craig
DeWine
Dole
Domenici
Faircloth
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hatch
Hatfield
Helms
Hutchison
Inhofe
Jeffords
Kassebaum
Kempthorne
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Pressler
Santorum
Shelby
Simpson
Smith
Snowe
Stevens
Thomas
Thurmond
Warner

NOT VOTING—2

Cohen
Exon

So the amendment (No. 2887) was agreed to.

Mr. KENNEDY. Madam President, I move to reconsider the vote.

Mrs. KASSEBAUM. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2888

The PRESIDING OFFICER. There will now be 4 minutes, equally divided, on the Grams amendment.

The Senator from Massachusetts.

Mr. KENNEDY. Madam President, I see the Senator from Minnesota. We have 4 minutes evenly divided.

Mr. GRAMS. I have nothing more to add.

Mrs. KASSEBAUM. I yield back any time I might have.

Mr. KENNEDY. I yield the time and urge support for the amendment.

The PRESIDING OFFICER. The question is now on the amendment offered by the Senator from Minnesota. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Maine [Mr. COHEN] is absent due to a death in the family.

Mr. FORD. I announce that the Senator from Nebraska [Mr. EXON] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 97, nays 0, as follows:

[Rollcall Vote No. 483 Leg.]

YEAS—97

Abraham
Akaka
Ashcroft
Baucus
Bennett
Biden
Bingaman
Bond
Boxer
Bradley
Breaux
Brown
Bryan
Bumpers
Burns
Byrd
Campbell
Chafee
Coats
Cochran
Conrad
Coverdell
Craig
D'Amato
Daschle
DeWine
Dodd
Dole
Domenici
Dorgan
Faircloth
Feingold
Feinstein
Ford
Frist
Glenn
Gorton
Graham
Gramm
Grams
Grassley
Gregg
Harkin
Hatch
Hatfield
Heflin
Helms
Hollings
Hutchison
Inhofe
Inouye
Jeffords
Johnston
Kassebaum
Kempthorne
Kennedy
Kerrey
Kerry
Kohl
Kyl
Lautenberg
Leahy
Levin
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Mikulski
Moseley-Braun
Moynihan
Murkowski
Murray
Nickles
Nunn
Pell
Pressler
Pryor
Reid
Robb
Rockefeller
Roth
Santorum
Sarbanes
Shelby
Simon
Simpson
Smith
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Warner
Wellstone

NOT VOTING—2

Cohen
Exon

So, the amendment (No. 2888) was agreed to.

Mr. KENNEDY. Madam President, I move to reconsider the vote by which the amendment was agreed to.

Mrs. KASSEBAUM. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Massachusetts.

AMENDMENT NO. 2889

Mr. KENNEDY. Madam President, could we have order in the Senate so that the Senator from Ohio could be heard? There is a brief time limit, as I understand it, of 4 minutes.

The PRESIDING OFFICER. Four minutes equally divided.

Mr. KENNEDY. May we have order in the Senate so we can hear the Senator from Ohio?

The PRESIDING OFFICER. May we have order in the Chamber?

Mr. GLENN. Madam President, I offer this amendment because I think it is important we do not overlook displaced homemakers in this bill. What the amendment does is simply incorporate the definition of displaced homemaker in currently found law—the Perkins Act, the Higher Education Act, and the Displaced Homemaker Self-Sufficiency Act.

In the bill itself, the current language includes displaced homemakers only as a subcategory of dislocated workers. I do not think that is good enough.

My amendment, second, clarifies that employment services for displaced workers are permissible—not required by the States, they are permissible. Governors and States have the flexibility to decide whether displaced homemakers will receive employment services at all.

Third, my amendment gives States flexibility in providing work force education programs for displaced homemakers and single parents. I think there was some confusion about that earlier in the debate. The Senator from Kansas pointed out in my amendment there is a requirement that States give some attention to work force education programs for displaced homemakers. However, States do retain total flexibility.

Also, the amendment adds displaced homemakers to the list of populations in the bill for which States need to set or need to require performance benchmarks. I think it is very reasonable. Some 17 million Americans are displaced homemakers.

I urge support of this amendment, and I yield the remainder of my time to the Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I support this proposal. If there is any group of Americans who are left behind it has been the homemakers, and they have to be able to develop the high-level skills needed in order to compete in the economy. This does not require an allocation of funds by the States, but it does require that the States are going to at least have to give some consideration to this program. I think it is well justified. I hope it is accepted.

Mrs. KASSEBAUM. Madam President, I am also a strong supporter of the displaced homemaker program, but the amendment of Senator GLENN will start an entirely new program. It will create another set-aside effort for a particular special category. It is an expanded category because it substantially distorts the concept of what was thought of as a displaced homemaker by including anyone with a child aged 16 or younger who has received AFDC assistance.

Madam President, I feel strongly that the way we have addressed it in the bill, by listing it as one of the considerations under dislocated workers, which provides a benchmark but does not require it being set aside as a special program, is a very important rationale. Otherwise, we get right back into trying to serve a special population. If we do serve this one, then why should we not serve that one? This would put us right back where we started.

I think expanding the definition is a mistake. I think the requirement that it be so defined is a mistake, and I urge opposition to the amendment of the Senator from Ohio.

The PRESIDING OFFICER. The question is now on agreeing to the amendment offered by the Senator from Ohio. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

Mr. LOTT. I announce that the Senator from Maine [Mr. COHEN] is absent due to a death in the family.

Mr. FORD. I announce that the Senator from Nebraska [Mr. EXON], is necessarily absent.

The result was announced—yeas 44, nays 53, as follows:

[Rollcall Vote No. 484 Leg.]

YEAS—44

Akaka
Baucus
Biden
Bingaman
Boxer
Bradley
Breaux
Bryan
Bumpers
Byrd
Conrad
Daschle
Dodd
Dorgan
Feingold
Feinstein
Ford
Glenn
Graham
Harkin
Hollings
Inouye
Johnston
Kennedy
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Mikulski
Moseley-Braun
Moynihan
Murray
Nunn
Pell
Pryor
Reid
Robb
Rockefeller
Sarbanes
Simon
Snowe
Wellstone

NAYS—53

Abraham
Ashcroft
Bennett
Bond
Brown
Burns
Campbell
Chafee
Coats
Cochran
Coverdell
Craig
D'Amato
DeWine
Dole
Domenici
Faircloth
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hatch
Hatfield
Heflin
Helms
Hutchison
Inhofe
Jeffords
Kassebaum
Kempthorne
Kerrey
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Pressler
Roth
Santorum
Shelby
Simpson
Smith
Specter
Stevens
Thomas
Thompson
Thurmond
Warner

NOT VOTING—2

Cohen
Exon

So the amendment (No. 2889) was rejected.

Mrs. KASSEBAUM. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. SIMON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER OF PROCEDURE

Mrs. KASSEBAUM. Madam President, for the information of Senators, there will be no further rollcall votes this evening. However, we will continue to debate several amendments this evening. First, we will consider the amendment of Senator CRAIG, from Idaho, that I believe has been worked out on both sides.

Then we will move to debate the amendment of the Senator from Missouri [Mr. ASHCROFT] followed by, I believe, an amendment offered by the Senator from Texas [Mr. GRAMM]. Rollcall votes on those two amendments will occur tomorrow, as well as the disposition of the amendment of the Senator from Pennsylvania [Mr. SPECTER] and then there will be final passage.

It is my understanding the Senator from Ohio would like to offer a few minutes of comments as in morning business.

Mr. GLENN. Madam President, I ask unanimous consent to proceed for 5 minutes as in morning business.

Mr. CRAIG addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. I will not object. How much time does the Senator desire?

Mr. GLENN. Not more than 5 minutes for a short eulogy.

Mr. CRAIG. No objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRIBUTE TO RACHEL M. SCHLESINGER

Mr. GLENN. Madam President, the United States lost a wonderful woman and we lost a good friend today. Rachel Schlesinger died today in Arlington, VA, after a long-time struggle against cancer. She was the wife, the partner, indeed a wonderful supporter of James Schlesinger, who served in Cabinet positions in three separate administrations for this country. In all the agencies in which her husband served, she was universally loved.

I do not think I ever heard a hint of criticism about Rachel Schlesinger in all the years in Washington. She was born in Springfield, OH, in 1930 and grew up on the family farm, which she still owned with her sisters up to the time of her passing. Her father's family had come to southwestern Ohio from Pennsylvania Dutch country. Her mother's family had migrated from the German Palatinate and settled in rural Missouri. Her father was a livestock raiser and so called himself a dirt farmer who managed to survive the Depression, which was tough back in those days, of course. Rachel was an outstanding student at Springfield High School. She won a scholarship to Radcliffe College, which was then a woman's college at Harvard University, in 1948. She won honors in American history and literature. She graduated with honors in American history and literature.

After college, Rachel moved to New York and became a college editor at Mademoiselle magazine, and in 1954, she married Jim Schlesinger, whom she had known since her college years. She became a freelance writer but devoted her time mainly to family life.

Over time, they lived in Arlington, MA, Charlottesville, VA, Newport, RI, Santa Monica, CA, and Arlington, VA. Jim and Rachel had eight children: Cora, Charles, Ann, William, Emily, Thomas, Clara, and Jim, Jr. They all reside in Arlington, save for Charles, who is an engineer in Texas, and Ann, who lives with her husband and children in Prague.

Rachel had mixed feelings about her husband's Government service, but only rarely did she involve herself in public issues. One such occasion did occur in 1971 when her husband was Chairman of the Atomic Energy Commission. The Commission was about to test the warhead for the Spartan missile in the Aleutian Islands. There were widespread protests developed in this country and overseas primarily associated with the peace movement and the environmental movement. It was said that the underground detonation would probably initiate an earthquake and maybe even a Sunami wave that would inflict widespread damages throughout the Pacific.

Well, Rachel simply packed up two of her daughters and headed with her husband to Amchitka Island, where the test was to take place. The action of the family in going to the island quieted much of the alarm that the prospective test had generated.

In 1975, she accompanied her husband on an extended trip to Asia. It was the first trip to Japan by a United States Secretary of Defense since World War II. Needless to say, the trip, again, generated very widespread protests, but also an outpouring of support along with it. The trip occurred after the fall of Saigon. Kim Il-Song was uttering threats to overrun South Korea, just as South Vietnam had been overrun. And in Korea, there was great concern regarding the strength of the American commitment. The visit of Mrs. Schlesinger and her husband did much to reassure the Korean Government and public that American support was steadfast and that North Korea would be given no latitude for aggressive action.

In the 1980's, with her children departing from home, Mrs. Schlesinger again became active in local and charitable affairs. She was a very dedicated and accomplished musician. She served as a violinist with the Arlington Symphony Orchestra since 1983 and served on the board of directors with the symphony since 1987 and on the executive committee since 1990. She was founder and first chairman of the Ballston Pops, which she originally organized and continued to organize each May, and which will soon celebrate its 10th anniversary.

Mrs. Schlesinger served on the overseas committee to visit the Memorial Church at Harvard. She was deacon of Georgetown Presbyterian Church. She also taught and began to raise Christmas trees as a business, and even delivered most of these trees herself.

Despite the glamour of much official life in Washington, Rachel always referred to herself as a country girl. In her later years, she became more involved in the preservation of historic sites and increasingly the preservation of rural land. So, in addition to her civic and charitable work and her small business, she was very devoted to music, to gardening and, of course, her biggest devotion of all was to her family.

She is survived by Jim, who is a good friend of ours, of course, and many people here, as she was also. She is survived by her eight children, six grandchildren, and three sisters, Mrs. Ann Kirkwood of Prescott, AZ; Janice Lynn of Croton-on-the-Hudson, NY; and Rebecca Mellinger (Mrs. Jane Engelthanier) of Chicago, IL. She had one sister who preceded her in death, Mrs. Judith Peterson of Upper Arlington, OH.

Madam President, I just wanted to get that in today on the same day on which we lost this very good friend and dedicated American and wonderful supporter. I know her family is missing her, and our thoughts and prayers go out to them this evening.

I yield the floor.

WORKFORCE DEVELOPMENT ACT OF 1995

The Senate continued with the consideration of the bill.

Mr. CRAIG addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

AMENDMENT NO. 2892 TO AMENDMENT NO. 2885

(Purpose: To provide for evaluation of State programs)

Mr. CRAIG. Madam President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows:

The Senator from Idaho [Mr. CRAIG] proposes an amendment numbered 2892 to amendment No. 2885.

Mr. CRAIG. Madam President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 105, strike lines 4 through 14 and insert the following:

(1) IN GENERAL.—Each State that receives an allotment under section 102 shall annually prepare and submit to the Federal Partnership, a report that states how the State is performing on State benchmarks, and the status and results of any State evaluations specified in subsection (f), that relate to workforce development activities (and workforce preparation activities for at-risk youth) carried out through the statewide system of the State. In preparing the report, the State may include information on such additional benchmarks as the State may establish to meet the State goals.

On page 113, between lines 15 and 16, insert the following:

(f) EVALUATION OF STATE PROGRAMS.—

(1) IN GENERAL.—Each State that receives an allotment under section 102 shall conduct ongoing evaluations of workforce employment activities, flexible workforce activities, and activities provided through Job Corps centers, carried out in the State under this title.

(2) METHODS.—The State shall—

(A) conduct such evaluations through controlled experiments using experimental and control groups chosen by random assignment;

(B) in conducting the evaluations, determine, at a minimum, whether job training and job placement services provided through the activities described in paragraph (1) effectively raise the hourly wage rates of individuals receiving the services through such activities; and

(C) conduct at least 1 such evaluation at any given time during any period in which the State is receiving funding under this title for such activities.

Mr. CRAIG. Madam President, I want to thank the chairman, the Senator from Kansas, for her help and support in arriving at a final form of the performance measurement amendment that I am offering today. I understand and I think we heard the chairman just mention that both sides have cleared this, and I do appreciate the work of both the chair and the ranking member on agreeing to this amendment and working with us to get it to the form necessary for that agreement.

This amendment embodies a simple, commonsense principle but one that is often lacking in many of our Federal programs. I refer to the idea that when we have a program, we should study what we are doing to determine whether it works and, most importantly, how well it works.

This amendment simply would require that each State receiving an allotment under section 102 report on how it is performing on State benchmarks and on status and results of evaluations measuring the impact of job training programs on the wages of the individuals receiving the job training services. The need for and the benefits of such an evaluation process were brought home to me by the outstanding work already being done in this area by the Southwest Idaho Private Industry Council.

The folks at the Southwest Idaho PIC have visited with my staff and me frequently and have prepared an impressive array of information measuring the effectiveness of the PIC's programs. Specifically, the Southwest Idaho PIC regularly computes, among other figures, a return on investment.

Now, that is a very unique concept when we think of Federal programs. But this shows various ways that the clients of the PIC are repaying their entire investment made in their training program. Currently, the average graduate each earns enough, after just 13 months in the work force, to repay in Federal taxes the entire Federal share investment of his or her training.

Mr. President, if every federally funded job training provider across the country had to compute a return on investment, or similar measure of its performance, based on objective, empirical research data, we would see the best of both worlds. And in Idaho, with the training program of the Private Industry Council, we are beginning to realize that. More importantly, they are able to fine-tune their program to get the highest yield; and, in this instance, the highest yield very simply means a better-trained person, who comes to the job market more prepared and, as a result, is able to perform not only to their own satisfaction, but in a business sense, it returns to the taxpayer the kind of investment all of us strive for in job training programs.

We need to build a body of evidence on the true effectiveness of job training programs. Very few programs have ever been subjected to rigorous and scientific evaluation. We have the opportunity, with this amendment, to debate results, rather than mere hopes.

As a Department of Labor report already has pointed out, "there are many areas where little thorough and reliable evaluation evidence is available."

It is our intent with this amendment to compare the results for served clients with data from control groups—that is, unserved persons. Evaluations would be valid and reliable, and conducted through controlled experiments.

I stress the importance of comparing applies with apples—the control group should be identical to the served group in every way except for the provision of the job training services. This is the essence of scientific studies of this sort. Therefore, it is my understanding and intent that this amendment require that the demographic characteristics in each group be proportional to the characteristics in the other.

I thank the chairman and the ranking member for their consideration. I urge adoption of this very simple and practical amendment.

Mrs. KASSEBAUM. Madam President, I would like to say that we are prepared to accept the Craig amendment. I believe it would add an additional measure of accountability to the bill.

I am very appreciative of the Senator from Idaho bringing this to the attention of the committee. Under the Craig amendment, I think States will conduct ongoing evaluations of their training activities. I think that is enormously beneficial. It was something that was recommended in the Heritage Foundation bulletin as a weakness in the bill that we did not have that evaluation. I think being able to strengthen accountability is very important, and I am most appreciative. I think it has been agreed to on both sides.

Mr. SIMON. Madam President, it is a good amendment. We are pleased to accept it on this side.

Mrs. KASSEBAUM. Madam President, I urge adoption of the Craig amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2892) was agreed to.

Mrs. KASSEBAUM. Madam President, I move to reconsider the vote.

Mr. SIMON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2893 TO AMENDMENT NO. 2885

(Purpose: To establish a requirement that individuals submit to drug tests, to ensure that applicants and participants make full use of benefits extended through work force employment activities)

Mr. ASHCROFT. Madam President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Missouri [Mr. ASHCROFT] proposes an amendment numbered 2893 to amendment No. 2885.

Mr. ASHCROFT. Madam President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 65, between lines 23 and 24, add the following subsection:

(i) LIMITATIONS ON PARTICIPANTS.—

(1) FINDING.—Congress finds that—

(A) the possession, distribution, and use of drugs by participants in workforce employment activities should not be tolerated, and that such use prevents participants from making full use of the benefits extended through such activities at the expense of taxpayers; and

(B) applicants and participants should be tested for illegal drug use, in order to maximize the training and assistance provided under this Act.

(2) DRUG TESTS.—Each local entity carrying out workforce employment activities described in subparagraph (A), (B), (C), (D), (E), (G), (H), (J), or (K) of subsection (a)(6) shall administer a drug test—

(A) on a random basis, to individuals who apply to participate in such activities; and

(B) to a participant in such activities, on reasonable suspicion of drug use by the participant.

(3) ELIGIBILITY OF APPLICANTS.—In order for such an applicant to be eligible to participate in workforce employment activities, the applicant shall agree to submit to a drug test administered as described in paragraph (2) and, if the test is administered to the applicant, shall pass the test.

(4) ELIGIBILITY OF PARTICIPANTS.—In order for such a participant to be eligible to participate in workforce employment activities described in subparagraph (A), (B), (C), (D), (E), (G), (H), (J), or (K) of subsection (a) (6), the individual shall agree to submit to a drug test administered as described in paragraph (2) and, if the test is administered to the participant, shall pass the test. If a participant refuses to submit to the drug test, or fails the drug test, the local entity shall dismiss the participant from participation in the activities.

(5) REAPPLICATION.—

(A) IN GENERAL.—Except as provided in subparagraph (B), an individual who is an applicant and is disqualified from eligibility under paragraph (3), or who is a participant and is dismissed under paragraph (4), may reapply, not earlier than 6 months after the date of the disqualification or dismissal, to participate in the workforce employment activities described in subparagraph (A), (B), (C), (D), (E), (G), (H), (J), or (K) of subsection (a)(6). If the individual demonstrates that the individual has completed a drug treatment program and passed a drug test within the past 30 days, the individual may participate in such activities, under the same terms and conditions as apply to other applicants and participants, including submission to drug tests administered as described in paragraph (2).

(B) SECOND DISQUALIFICATION OR DISMISSAL.—If the individual reapplies to participate in the activities and fails a drug test administered under paragraph (2) by the local entity, while the individual is an applicant or a participant, the local entity shall disqualify the individual from eligibility for, or dismiss the individual from participation in, the workforce employment activities. The individual shall not be eligible to reapply for participation in the activities for 2 years after such disqualification or dismissal.

(6) APPEAL.—A decision by a local entity to disqualify an individual from eligibility for participation in workforce employment activities under paragraph (3) or (5), or to dismiss a participant as described in paragraph (4) or (5), shall be subject to expeditious appeal in accordance with procedures established by the State in which the local entity is located.

(7) DEFINITIONS.—As used in this section:

(A) DRUG.—The term "drug" means a controlled substance, as defined in section 102(6) of the Controlled Substance Act (21 U.S.C. 802(6)).

(B) DRUG TEST.—The term "drug test" means a biochemical drug test carried out by a facility that is approved by the local entity administering the test.

Mr. ASHCROFT. Madam President, the training of an appropriate and productive work force is essential to the future of America. We are not speaking this evening about some marginal enterprise. The success and survival of this society in the next century depends on our ability to be productive and our ability to be competitive in a global marketplace which, more frequently than not, now requires us to match the productivity of people around the globe. It is important for us, then, to do those things which we can to help our work force be the most competitive and productive work force on the face of the Earth.

There are a variety of challenges to productivity and worker success in America. One of the challenges which our workers face is the challenge of narcotics and drugs. The National Institute on Drug Abuse has found that illicit drug use costs about $140 billion annually in lost productivity, thefts, absenteeism and accidents. It is as if a $140 billion tariff were to be placed upon American goods in the world marketplace. It is a cost which must be undertaken, a cost which must be covered. It hurts our ability to compete. It substantially impairs our ability to deliver to consumers goods at an appropriate price. And it challenges the sense in which this society can be successful, not only in this decade but in the next century.

Just to give you an idea, we are debating a bill of $7.8 billion in terms of job training, and yet we are talking about $140 billion a year that we find is basically levied against our system because we have the problem of drug abuse in the workplace.

The amendment which I have sent to the desk and which I called to the attention of the U.S. Senate, for which I urge Senator's serious consideration, is an amendment which would seek to signal very clearly that this Government does not endorse drug use in the marketplace. As a matter of fact, we could not endorse it and make it work. Seventy-seven percent of all the companies that hire employees in the United States do drug testing because they know that, as a matter of fact, individuals who are on drugs are not productive, are not capable, do not turn out to be good employees.

The Utah Power and Light Co. ran a survey, and they found that individuals who had tested positive on drugs were 77 percent more likely to be fired during their first 3 years of employment.

So this challenge to America, the challenge to our productivity, the challenge to our ability to appropriately deploy a resource which is scarce—training dollars—is an important challenge, and it is the drug challenge.

There are a few facts about drugs in America which are not inspiring, but they are instructive. We began to make progress in the war on drugs. From 1989 to 1992, we were driving down the number of individuals who had used an illicit drug during the last 12 months. Unfortunately, since 1992, we have seen that on the uptake and on the increase.

We will not be competitive or successful if drug use continues to go in this direction. We need, as a Government, as a society, and as a culture, to send a signal, to make it a signal which is unmistakably clear that individuals cannot contemporaneously be involved in illicit narcotics in the work force and in the achievement of other goals and dreams that are common to America.

Certainly true in the private sector—77 percent of the firms in the private sector test for drug use. Even small firms, from 1 to 499 in number, 62.3 percent of those firms test. Of course, in the large firms, 88 percent test; 88.6 percent of those firms having between 2,500 jobs and 10,000 jobs test; 88 percent of the firms with over 10,000 test. It is important to note the categories in which firms do drug testing. Manufacturers—these are the places where people who are trained to work, who go through training programs need to find jobs.

Eighty-nine percent of the manufacturers involve themselves in drug testing; 88 percent in transportation; and sales, 71 percent; financial service, only 47 percent.

I venture to say that our job training program is not going to be training mutual fund managers. We are talking about folks who will have to find themselves employed in these categories. I think in fairness to individuals who will be looking for jobs in these industries where they will be drug tested, we should say to them, you need to be drug free to be part of the job training program.

We should not allow them to continue along a pathway of mythology which says you can go ahead and be involved in illicit drugs and still be involved productively in society. You can still get a good job. The truth of the matter is, you cannot.

We need to ask ourselves whether we are really being compassionate if we have a program of job training that ignores drug use and suggests that the mythology that you can just waltz along in drug use and get a job is reality, or whether we ought to introduce people to the reality of the fact if you want a job, you want to be on the payroll, you have to be off the drug role. It is that simple.

I think these are compelling facts that we do an injustice to a population of individuals that wants to aspire to and wants to prepare for the work force if we fail to tell them very clearly and unmistakably, you cannot have both of these tracks going. It does not work. It is bad national policy.

It costs the country $140 billion a year. It will not work for you personally, because 90 percent virtually of the kinds of businesses where you get jobs will not allow you to come to work without first taking a drug test. I believe it is time for us to say we ought to have drug testing for those who are involved in job training.

We need to prepare them at the earliest time possible to understand the reality of the work force. The reality of the work force is you cannot be on the payroll if you are on drugs.

These numbers, these conditions, I think compel us to a conclusion that we need to have drug testing. I think there are other reasons to have drug testing.

We have talked over and over again, we hear people remark how scarce job training funds are, how we need more job training funds, how there is a population that needs job training but we do not have all of the resources to meet the needs.

When you have a universe of scarcity, when you have more people needing training than you have funds to train them, you have to decide who you will train. It seems to me you ought to decide to train the people who are most likely to get jobs and most likely to be able to keep those jobs.

Now, the amendment which I have sent to the desk and for which I ask consideration and approval is an amendment that says we will train people who are drug free. It is really a way of saying we want to use our training funds efficiently. We want to use them effectively. We do not want to spend a lot of money training someone, then sending them to one of the manufacturers and having them wash them out of the system.

I think that is eminently reasonable. I think it is important for us, it is fair to the worker to say we need for you to confront reality now. It is fair to America to say we ought to deploy our resource for training where it is most productive and where it will have a positive effect and where it is likely to help someone get a job, instead of perpetuating a myth for them until they run into their application which requires them to be involved in drug testing.

Millions of taxpayers' dollars have been wasted on individuals expecting to receive or receiving training but not capable of being trained as they ought to. Can you imagine how difficult it would be to try and train someone who was on drugs? It seems to me that it is eminently reasonable we ought to say to individuals, if you want a job, you need to get off drugs.

Our program ought to make a clear and unmistakable statement. I think a vote for this amendment is a vote that says we as a country ought to say to individuals honestly and early, you cannot follow both tracks. You cannot follow the drug culture and also the culture of industry.

I think we ought to make that clear. It is unfair to them. If you vote against drug testing, you vote in favor of saying continue the current policy of ignoring drug use. I think ignoring drug use is like ignoring a cancer on the body of this great Nation. We may be able to ignore it today but its presence will be felt and it will erode and undermine and the canker of it all will make it impossible for us to succeed.

I come to say stop suggesting that you can be involved in the drug culture and the culture of industry and the work ethic. That is the wrong set of values. It is wrong. It is morally wrong to suggest that you can come along, go ahead and get training, you will get a job, send them out to hit this 89, 90 percent of the companies, and then have them rejected, told that the money the taxpayers have spent for their training is wasted. I think that is morally wrong.

I think it is also a bad allocation of public resources. If the resources are scarce, train the people for jobs who can benefit from the training. Make a statement to the people who pay their taxes, who send us here to Washington, that we will honor and respect those who care enough about themselves, their families and their futures to be drug free and to seriously deal with job training, and we will prefer them over people who do not care enough about themselves or their families to stay off drugs long enough to get job training.

I cannot imagine that this body would want to reject this amendment and thereby say that we preferred to tell people that we do not have a preference between drug use and nondrug use.

This bill is not an unreasonable bill. It provides for random drug tests. It provides for drug tests on reasonable suspicion. It allows individuals who have failed the drug test to clean up their lives and to come back. It allows firms to have greater confidence in graduates of drug training programs.

It makes the right statement. It says to America we need to be productive. We need to be competitive. We need to be successful. Yes, we need to be compassionate, so compassionate that we will not allow people to sail along in the middle of a myth but we will ask people to respect reality. Early in the program if you want to be involved in training, you should be drug free.

Let me just say this is not novel or new. There are Job Corps programs. Of course, they cost $23,000 a year for full-time people. There are requirements that there be drug training there. I think it is a good program. I think it is a good requirement. I think it is a requirement that should be extended to other individuals.

I believe that this amendment which would provide for this random drug testing would provide for opportunities for individuals to be preferred if they were drug free, because it would say to individuals if you are not drug free, we will not waste the public's resource on trying to train you for a job you cannot get because of your drug habit.

I think this is an amendment which ought to have the approval of the U.S. Senate because I believe it carries a strong endorsement of the people of this country. I urge the Members of the Senate to respond constructively and vote in favor of this amendment.

I reserve the balance of my time.

Mr. SIMON. Madam President, I respect the sincerity of our new colleague from Missouri. He is dealing with a problem that is unquestionably a major problem in our society.

I believe his approach is wrong. I want to tell him why I believe his approach is wrong.

First of all, if you take the logic of what he has to say, then why do we not take all of the citizens of this Nation and just randomly test them for drugs? We do not do that because there is an invasion of privacy that takes place if we do that.

We do that for people who are in public safety positions—pilots, people on the railroads, in positions like that.

I can recall some years ago when one of our colleagues who is no longer here announced he was going to have everyone in his Senate office tested for drugs. I guess I was around here and happened to be present and I was the next person the reporters could grab hold of and they asked me what I thought.

I said I was not going to do that. I related that we did have at one point one employee whose conduct was a little erratic and I had told my chief of staff that I wanted to talk to him and insist that he take a drug test or we were going to discharge him, and he quit before we got to that point.

I would not favor an amendment like this for Senate employees even though this is a hugely important role here. There is a basic privacy.

When you talk about people who are unemployed, you are talking about people who face disaster. What about other disaster programs? What about farmers in Missouri and Illinois or Maine or Kansas who are getting disaster relief?

Are we going to test farmers before they get disaster relief? Or, what about people who, in Missouri and Illinois, receive flood relief? We had a major problem in our two States. That is disaster assistance. Are we going to send a signal to the Nation: Sorry, if you cannot pass a drug test, we are not going to give you flood relief? I do not think we want to go down that road.

I am sure any study will show that people who have house mortgages under FHA and have a drug problem are much greater risks. Should we test everyone who wants to get a house mortgage in this country? Again, I think we should not go down that road. And I have a few other points, and then I am going to have to leave before my colleague even has a chance to rebut my arguments here.

I have heard a lot of speeches about unfunded mandates on this floor. I made a few myself and my guess is maybe the new Senator from Missouri has made a few speeches on unfunded mandates. This is an unfunded mandate. It costs about $35 apiece for these tests. And, incidentally—maybe not so incidentally—about 4 percent of the tests are inaccurate. So if we test 500,000 people, 20,000 of those tests—no small number—are inaccurate.

Do we have a problem? Should we deal with it? You bet. But the House of Representatives has just cut 23 percent from drug treatment and prevention. That is what we ought to be working on.

I visited Cook County jail—9,000 prisoners. I visited with a group of prisoners in the minimum security area, about 40 of them, in what is like an old army barracks that I remember. I was going around talking to them, and I said to one fellow, "What can we do to be of help to you?" He said, "I want to get into drug treatment."

I turned to the warden and I said, "How come he cannot get into drug treatment?" The warden said, "We have 9,000 prisoners and places for 200 in drug treatment."

I turned to this room with 40 people and said, "How many of you would like to get into drug treatment?" Probably three-quarters of them raised their hands.

If the Senator from Missouri wants to increase funding for drug treatment in our country, I will cosponsor the amendment. That is what we ought to do. We ought to do much more along that line.

Then, finally, let me just add one other point. Why do people go on drugs? I think there is a variety of reasons, but one factor for a great many is a lack of hope. What job training does is to give that spark of hope to a lot of people who have just given up in our society. I do not question for a moment the motivation of the junior Senator from Missouri. He is dealing with a problem that is very real, and he wants to do something to solve it. I want to do something to solve it. I do not think this does anything to solve it, and it creates some real problems. So I will, tomorrow when we vote on this, vote against it.

I yield the floor.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. ASHCROFT. Madam President, I thank my friend from Illinois. I really regret the fact he is leaving, because I would like to have a chance to respond. But I understand people leave this Senate very frequently. I would like to address, and I hope he will not be offended if I address very specifically, the arguments which he has raised, in his absence. I do not do that because he is leaving in anticipation he will not refute me, but I do it because, though he is leaving, I cannot do it at any other time.

Mr. SIMON. I understand.

Mr. ASHCROFT. The Senator raised a number of questions. If we are going to drug test individuals who are in the job training program, why not drug test farmers in Missouri who get crop subsidies in some way? Here are the reasons to drug test individuals. They are going to be drug tested anyway, and the benefit we give them is going to be lost. They are not going to get the jobs. Madam President, 89 percent of the manufacturers are going to say, "No dice. You are on drugs. You cannot work here." We are going to have spent $1,000, $2,000, $3,000, up to $20,000, $21,000, $22,000, $23,000 on these individuals and what are they going to do? They are going to run into a brick wall.

The idea that somehow it is compassionate to say, "That is quite all right. Just stay with your drugs. Don't worry, we aren't going to test you. Because we are not going to test everybody, we cannot test you." These are the folks who are going to run into the wall of tests as soon as they try to get jobs. These tests I am recommending are related to the fact we are trying to give them a benefit for purpose of employment. And one of the things that will stop them from enjoying the benefit is the fact they will have to take a drug test.

It seems to me it is eminently reasonable that, instead of saying we will spend the $5,000, $10,000, $15,000, $20,000 on your training and then you take the drug test, why do you not take the drug test first? Why do you not make a part of your preparation for the rest of your life, part of the development for the workplace—why do you not make it so you move yourself into a drug-free category?

No. 2, he said, "Why do we not do the farmers and the flood relief people," as if we pick and choose between farmers and individuals who get flood relief. Not so, we do not do it that way. But we do pick and choose. How often has it been said in this debate alone, "I wish we had more money. I wish we had more training. We need more training." So we are picking and choosing, except we are not picking and choosing wisely. We have decided we will just ignore the fact that some of the individuals who are in the program have a far lower opportunity to succeed than others. They are people on drugs.

Why do we not—since this resource is scarce, since we do not have a lot of money, since we have limited resources—why do we not focus it on people who are likely to succeed? It seems to me that is a question that hardly demands an answer.

Then, that is an unfunded mandate; somehow, that this is costly to the States, when you could spend $35 to find out you are not going to waste $5,000, $10,000, $15,000 or $20,000 on people because people will later run into a wall or not have the kind of training for the job for which they were seeking training. It seems to me this is a classic case of the ounce of prevention is better than the pound of cure.

They get a pound of cure. They get pounded when they go to ask for a job. They ought to have this clear statement made earlier. The Senator kindly says, if I would just agree to build drug treatment centers all over the country and fund drug treatment, he would be a cosponsor. I really think we ought to be involved in something other than treatment. This is a way for us to say let us prevent this. Let us not try to slam this gate after the horses are gone. Do you know what the success rate is for drug treatment centers that are sponsored by the Government? It is so low, it is less than 5 percent. It is less than 5 percent. And we want to do that instead of telling people up front they should not be involved in drugs? It is no wonder what is happening to us is that we are seeing this escalation.

We need to stop this escalation. We need to say it is time for us to wake up to reality. Let us not focus our resources on those who will not be able to benefit from them. Let us not perpetuate the myth that they can be a part of the drug culture and the work culture at the same time, and send them out to have these doors slammed in their faces. That is not compassion. That is not kindness.

We are sticking our heads in the sand while they are sticking needles into their arms. We need to be real, and we need to ask them to confront reality.

I yield the floor and reserve the remainder of my time.

Mrs. KASSEBAUM. Madam President, I, too, share the comments made by the Senator from Illinois in admiration for the sincerity and dedication of the Senator from Missouri in his efforts on this amendment. We all worry about the problem of drug abuse. Certainly, I think he makes a case, that if we are getting into job training, why should we not make sure during that process that those men and women who are engaged in programs will come out of it stronger and more able to be participants in a positive way in the work force?

I share the concerns raised about unfunded mandates. I know the Senator from Missouri has said we talk about unfunded mandates and we talk about prevention programs. But this mandate becomes part of the equation on this that I think we must address. Because I believe it requires mandatory testing, I simply have to oppose the amendment as it is offered at this point.

Under the legislation, as I understand it, the Governor of each State is responsible for administering the job training program. In some cases the Governor can contract with the private sector for necessary services. In other cases county officials or community colleges will run the program.

Is that correct?

Mr. ASHCROFT. My understanding is that the local entity, whether it is the Governor or whether another institution, would be responsible.

Mrs. KASSEBAUM. So the cost of the drug testing for job training applicants and participants would be paid for by the State or local government, or by the private sector, potentially?

Mr. ASHCROFT. Yes. If the Senator is inquiring of me under my amendment, there is no intention on our part to have additional funding from the Federal Government outside the block grant.

Mrs. KASSEBAUM. I am assuming that States could take funds to pay for this out of the job training moneys that are in the block grant going back to the State?

Mr. ASHCROFT. That is correct.

Mrs. KASSEBAUM. Or even vocational education dollars?

Mr. ASHCROFT. They could match this with resources of their own. The bill does not require that any particular funding, of course, be used to conduct the drug testing.

Mrs. KASSEBAUM. Madam President, I tend to believe the costs will be substantial. Local drug testing labs charge between $22 and $50 per test, with an additional $5 to $8 for a doctor to review the test to eliminate any false positives. If we have one-half million to 1 million individuals in job training programs, the total cost of drug testing could run into millions of dollars. We could also say this will be well worth the effort because we will be able, hopefully, to provide some assistance to those who are in job training.

Perhaps I did not understand the Senator from Missouri correctly. Did he say he did not think they should then be in a prevention program?

Mr. ASHCROFT. No. We do not specify what can happen. We just say that they are eligible to apply again for participation, and, if they can apply and demonstrate that they are drug free, then they are eligible for participation. So there is no continuing prejudice as a result of a single negative drug test. The multiple drug test amendment provides that after several drug tests, all of which are positive, the person has to wait for about a 2-year period before coming in to ask again for an application in the program.

Mrs. KASSEBAUM. I think that anybody who would be in testing would have to be a participant in some type of treatment program. It seems to me that this becomes a part of the process that would be necessary. I really feel that we are adding a significant burden.

I know it is of concern to the Governors. I received a letter from Governor Engler of Michigan and Governor Branstad of Iowa, respectively. They say that they write to share their concerns regarding the mandate of drug testing of job training participants. If I may quote the letter:

> In keeping with the principles adopted by the Republican Governors Association, we believe it is imperative for the States to have the maximum flexibility and freedom from mandates. If States want to use drug testing as a screening mechanism, then States should have the ability to do so. However, to make this a national policy is overprescriptive and holds serious cost implications in this time of budget cutback. We appreciate the concerns for our views and encourage you to oppose efforts that would mandate this effort.

The Senator from Missouri mentioned the Job Corps program. This is the one program where they have had a zero tolerance policy. There have been major drug problems in some of the Job Corps centers. I think it is a real tragedy. Again, this is the place where they should be making sure that any drug trafficking and any use of drugs be closely monitored and not be tolerated. They are beginning to make some inroads toward this goal.

But I can appreciate very much what the Senator is trying to say, that if they have this problem, what good will job training do if they cannot come to recognize that the problem needs to be corrected?

I would suggest to the Senator from Missouri that he consider modifying his amendment to make it voluntary and limit it to voluntary, reasonable-cause testing. It seems to me that we state then that it is something that is very important to us, encourage it be voluntary, and hope that the States and employers would join forces in making that a major effort. But I myself could not support the amendment as long as it is not mandatory for the various reasons that the Senator from Illinois outlined as well.

Mr. ASHCROFT. Madam President, let me just address these issues. And I thank the Senator from Kansas. I particularly thank her for providing me the opportunity to offer this amendment.

First of all, as it relates to whether or not this is a mandate, we are sending Federal money—$7.8 billion—in block grants. That money can be used to conduct the test. That is not an unfunded mandate. It is an opportunity to deploy the money that the Federal Government invests wisely. To take a $35 test and decide we are not going to spend $2,000 or $5,000 or $10,000 on someone who is going to fail a drug test when they go out to get a job—you can call it a Federal mandate, if you want, but any condition at all in the law, I guess, is called a Federal mandate. But the funding is in this bill.

I am delighted that the Republican Governors have written about mandates. But there are lots of other conditions in this bill. I would be most pleased to agree with the chairman that we would take all of the mandates out of this bill, but I would withdraw all of the conditions, and I would withdraw these conditions.

I hope she will submit the letters of the Republican Governors for the RECORD so that they can be clear about the fact that all of the other things in the bill that they objected to are not really less onerous. Many of them are far more onerous than this particular idea. The Job Corps obviously is the tough area. It is a residential program. It costs a lot of money. It takes the toughest cases, and in those toughest cases that is where they have problems with drugs more frequently than others. But they have recognized that it is inappropriate to spend this kind of resource and expect, having spent the kind of resource, to get good results unless we get people to be drug free. Because they have some failures does not mean that they should not do it. As a matter of fact, if they did not do drug testing, we would never know about the problem. People would just whistle through the program taking their drugs, and then hitting the wall when they go to apply for work. That is what we are really setting up as the way of handling this.

Two last points: First, this is a very generous amendment which suggests to the States that they do not have to have a specific program of testing. It says they have to develop a program, and it can be a random testing program.

It leaves it up to the States as to how to shape it, how often to have it, what numbers involved in the program. It does not say they have to do 10 per 1,000. It does not say they have to do 50 per 1,000. It says use your good judgment. It says to the States use your good judgment, but in spending this Federal resource find a way not to spend it so as to waste it, and do not lead people to believe they are on a track for a job when they are going to hit a wall of employers who say they are going to have to be tested.

The last point. The bill does provide that in addition to the random approach that Governors are allowed to select, there is a reasonable suspicion test that can be used in the program. So we are very close to what the chairman has suggested as a compromise. We do require that a State would set up a random testing program to be determined by the State. We also allow the States to participate in a reasonable suspicion imposition of a test.

I believe we should stop suggesting it is unimportant whether or not people who seek training are on drugs. We must make a statement to them. We must allocate our resource effectively, and that means we should stop devoting resource to those who are on drugs and begin to focus the resource on those who care enough to be ready to go on the payroll by being off drugs.

I thank the Senator, and I thank the Chair.

Mrs. KASSEBAUM. Madam President, if I may just make one further comment. Of the $7.2 billion in the block grant, 25 percent is vocational education, potentially even more, 25 percent, as the Senator from Missouri knows, is job training, and 50 percent is the flex account which the Governors can use for either vocational education or the job services section.

We tried hard to keep mandates as limited as possible. We do plan that the States have one-stop service centers rather than several duplicative job service outlets because we have found from experience that it is far better to have all that information in one place than a number of places.

Mandates do creep into the legislation. It is not just turning the money over to the States but it includes, hopefully, enough flexibility that the Governors and the business community and the participants in either education or job training can design the programs to best fit their communities.

I am very supportive of the efforts behind the amendment proposed by Senator Ashcroft. I only wish that I did not feel it was going to be overly prescriptive to the extent that it could potentially reduce the moneys which have become limited for both education and training.

Mr. ASHCROFT. Madam President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

Mrs. KASSEBAUM. Madam President, if the Senator from Missouri is finished, I would suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mrs. KASSEBAUM. Mr. President, I ask unanimous consent that further proceedings under the call of the quorum be dispensed with.

The PRESIDING OFFICER (Mr. ASHCROFT). Without objection, it is so ordered.

MORNING BUSINESS

Mrs. KASSEBAUM. I ask unanimous consent that there now be a period for the transaction of routine morning business with Senators permitted to speak for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Thomas, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORT OF THE SECOND SUPPLEMENTARY AGREEMENT—MESSAGE FROM THE PRESIDENT—PM 86

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Finance.

To the Congress of the United States:

Pursuant to section 233(e)(1) of the Social Security Act (the "Act"), as amended by the Social Security Amendments of 1977 (Public Law 95–216; 42 U.S.C. 433(e)(1)), I transmit herewith the Second Supplementary Agreement Amending the Agreement Between the United States of America and the Federal Republic of Germany on Social Security (the Second Supplementary Agreement), which consists of two separate instruments: a principal agreement and an administrative arrangement. The Second Supplementary Agreement, signed at Bonn on March 6, 1995, is intended to modify certain provisions of the original United States-Germany Social Security Agreement, signed January 7, 1976, which was amended once before by the Supplementary Agreement of October 2, 1986.

The United States-Germany Social Security Agreement is similar in objective to the social security agreements with Austria, Belgium, Canada, Finland, France, Greece, Ireland, Italy, Luxembourg, The Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, and the United Kingdom. Such bilateral agreements provide for limited coordination between the United States and foreign social security systems to eliminate dual social security coverage and taxation, and to help prevent the loss of benefit protection that can occur when workers divide their careers between two countries.

The present Second Supplementary Agreement, which would further amend the 1976 Agreement to update and clarify several of its provisions, is necessitated by changes that have occurred in U.S. and German law in recent years. Among other things, it would extend to U.S. residents the advantages of recent German Social Security legislation that allows certain ethnic German Jews from Eastern Europe to receive German benefits based on their Social Security coverage in their former homelands.

The United States-Germany Social Security Agreement, as amended, would continue to contain all provisions mandated by section 233 and other provisions that I deem appropriate to carry out the provisions of section 233, pursuant to section 233 (c)(4) of the Act.

I also transmit for the information of the Congress a report prepared by the Social Security Administration explaining the key points of the Second Supplementary Agreement, along with a paragraph-by-paragraph explanation of the effect of the amendments on the principal agreement and the related administrative arrangement. Annexed to this report is the report required by section 233(e)(1) of the Act on the effect of the agreement on income and expenditures of the U.S. Social Security program and the number of individuals affected by the agreement. The Department of State and the Social Security Administration have recommended the Second Supplementary Agreement and related documents to me.

I commend the United States-Germany Second Supplementary Social Security Agreement and related documents.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *October 10, 1995.*

MESSAGES FROM THE HOUSE RECEIVED DURING ADJOURNMENT

Under the authority of the order of the Senate of January 4, 1995, the Secretary of the Senate, on September 29, 1995, during the adjournment of the Senate, received a message from the House of Representatives announcing that the Speaker has signed the following enrolled bill:

H.R. 2404. An act to extend authorities under the Middle East Peace Facilitation Act of 1994 until November 1, 1995, and for other purposes.

Under the authority of the order of the Senate of January 4, 1995, the enrolled bill was signed on September 29, 1995, during the adjournment of the Senate by the President pro tempore (Mr. THURMOND).

Under the authority of the order of the Senate of January 4, 1995, the Secretary of the Senate, on October 2, 1995, during the adjournment of the Senate, received a message from the House of Representatives announcing that the Speaker has signed the following enrolled bills:

S. 895. An act to amend the Small Business Act to reduce the level of participation by the Small Business Administration in certain loans guaranteed by the administration, and for other purposes.

H.R. 2288. An act to amend part D of title IV of the Social Security Act to extend for 2 years the deadline by which States are required to have in effect an automated data processing and information retrieval system for use in the administration of State plans for child and spousal support.

Under the authority of the order of the Senate of January 4, 1995, the enrolled bills were signed on October 3, 1995, during the adjournment of the Senate by the President pro tempore (Mr. THURMOND).

MESSAGES FROM THE HOUSE

At 11:11 a.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 1601. An act to authorize appropriations to the National Aeronautics and Space Administration to develop, assemble, and operate the International Space Station.

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 94. Concurrent resolution authorizing the use of the rotunda of the Capitol for a dedication ceremony incident to the placement of a bust of Raoul Wallenberg in the Capitol.

At 2:40 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that pursuant to section 203(b)(1)(G) of Public Law 102–166, the majority leader and minority leader appoint Mrs. KELLY of New York to serve as a member of the Glass Ceiling Commission.

MEASURES REFERRED

The following bill was read the first and second times by unanimous consent and referred as indicated:

H.R. 1601. An act to authorize appropriations to the National Aeronautics and Space Administration to develop, assemble, and operate the International Space Station; to the Committee on Commerce, Science, and Transportation.

MEASURES PLACED ON THE CALENDAR

The following measure was read the second time and placed on the calendar:

H.R. 927. An act to seek international sanctions against the Castro government in Cuba, to plan for support of a transition government leading to a democratically elected government in Cuba, and for other purposes.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on October 3, 1995, he had presented to the President of the United States, the following enrolled bill:

S. 895. An act to amend the Small Business Act to reduce the level of participation by the Small Business Administration in certain loans guaranteed by the administration, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–1474. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, the report on the extent of compliance of the independent states of the former Soviet Union with the Biological Weapons Convention and other international agreements; to the Committee on Armed Services.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. BINGAMAN:

S. 1298. A bill to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Shooter*, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. PRYOR:

S. 1299. A bill to amend the Internal Revenue Code of 1986 to bring opportunity to small business and taxpayers; to the Committee on Finance.

By Mr. BREAUX:

S. 1300. A bill to amend the Internal Revenue Code of 1986 to simplify the method of payment of taxes on distilled spirits; to the Committee on Finance.

By Mr. SPECTER:

S. 1301. A bill to amend the Goals 2000: Educate America Act to eliminate the National Education Standards and Improvement Council and requirements concerning opportunity-to-learn standards, to limit the authority of the Secretary of Education to review and approve State plans, to permit certain local educational agencies to receive funding directly from the Secretary of Education, and for other purposes; to the Committee on Labor and Human Resources.

By Ms. MIKULSKI:

S. 1302. A bill to restore competitiveness to the sugar industry by reforming the Federal Sugar Program and thereby ensuring that consumers have an uninterupted supply of sugar at reasonable prices, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. McCAIN (for himself, Mr. BAUCUS, Mr. BINGAMAN, Mr. CAMPBELL, Mr. INOUYE, Mr. KYL, Mr. STEVENS, and Mr. THOMAS):

S. 1303. A bill to amend the Internal Revenue Code of 1986 to provide tax credits for Indian investment and employment, and for other purposes; to the Committee on Finance.

By Mr. McCAIN (for himself, Mr. BAUCUS, Mr. BINGAMAN, Mr. DOMENICI, Mr. FEINGOLD, Mr. INOUYE, Mr. KOHL, Mr. KYL, Mr. STEVENS, and Mr. THOMAS):

S. 1304. A bill to provide for the treatment of Indian tribal governments under section 403(b) of the Internal Revenue Code of 1986; to the Committee on Finance.

By Mr. McCAIN (for himself, Mr. BAUCUS, Mr. CAMPBELL, Mr. DOMENICI, Mr. INOUYE, Mr. KYL, Mr. STEVENS, and Mr. THOMAS):

S. 1305. A bill to amend the Internal Revenue Code of 1986 to treat for unemployment compensation purposes Indian tribal governments the same as State or local units of government or nonprofit organizations; to the Committee on Finance.

By Mr. McCAIN (for himself, Mr. BAUCUS, Mr. CAMPBELL, Mr. DOMENICI, Mr. INOUYE, and Mr. KYL):

S. 1306. A bill to amend the Internal Revenue Code of 1986 to provide for the issuance of tax-exempt bonds by Indian tribal governments, and for other purposes; to the Committee on Finance.

By Mr. McCAIN (for himself, Mr. BAUCUS, Mr. DOMENICI, and Mr. INOUYE):

S. 1307. A bill to amend the Internal Revenue Code of 1986 to exempt from income taxation income derived by a member of an Indian tribe directly or through a qualified Indian entity derived from natural resources activities; to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. PRYOR:

S. 1299. A bill to amend the Internal Revenue Code of 1986 to bring opportunity to small business and taxpayers; to the Committee on Finance.

THE BRINGING OPPORTUNITY TO OUR SMALL BUSINESS AND TAXPAYERS ACT

Mr. PRYOR. Madam President, on December 27, 1994, while in Arkansas over the last Christmas holiday, I announced one of the most important legislative initiatives for the 104th Congress. I call it, Bringing Opportunity to Our Small Businesses and Taxpayers—or BOOST.

BOOST is a five-point initiative that addresses problems faced by everyday individual taxpayers, small businesses, and family farms.

Madam President, BOOST delivers a much-needed dose of fairness to small taxpayers, and it provides a clear path toward capitalizing on two of our country's greatest assets—small business and the family farm.

Over these past 9 months, I have worked with my colleagues on both sides of the aisle to introduce the five bills which make up the BOOST package. Today, I am introducing these five important bills as a combined package. I believe this is important because it represents a collective vision for helping small business and the average individual taxpayer—one which we can do quickly with bipartisan support while causing very little drain, if any, or the Federal budget.

We can act quickly because the Finance Committee will meet this week to consider tax legislation as part of the budget reconciliation package which will soon come to the Senate floor. Madam President, the issues raised by the BOOST package are not politically charged, in fact, they are all issues that can pull us together.

The five bills I am referring to are as follows:

First, the Taxpayer Bill of Rights II, S. 258, introduced by Senator GRASSLEY and myself;

Second, a bill to make the 100 percent health care deduction for the self-employed, S. 262, introduced by Senator GRASSLEY, Senator ROTH, and myself;

Third, the S Corporation Reform Act of 1995, S. 758, introduced by Senator HATCH and myself;

Fourth, the Pension Simplification Act of 1995, S. 1006, introduced by Senator HATCH and myself; and

Fifth, the American Family-Owned Business Act of 1995, S. 1086, introduced by Senator DOLE and myself.

Madam President, each of these bills enjoys a broad base of support from small business and agriculture organizations; each has a balanced cosponsor list of both Republican and Democratic Senators; and each has been introduced in the House of Representatives with similar strong bipartisan support.

The bills have three primary goals.

The first is to create capital formation opportunities for American small business owners and their employees. The resulting payoff will be more jobs created in a sector that already creates over one-half of all new jobs in our country.

The second is to simplify the rules that small businesses must comply with in dealing with the Internal Revenue Service, resulting in reduced cost to small business whose resources may be better spent on business expansion and their employees' retirement savings.

And third, a very important goal of the BOOST package is to safeguard the rights of smaller taxpayers in their dealings with the IRS. The goal: to inspire greater taxpayer confidence in our tax system by making it more fair and more accountable.

Of course, these are all goals that every one of us can support in principle. But it is important to point out that BOOST is more than just a set of worthy goals. It is an actual nuts and bolts proposal which has attracted strong and broad bipartisan support. And even more than that, it carries only a modest revenue cost in times when it is very difficult to act in light of our Federal budget deficit.

Madam President, the enactment of BOOST will send a message that Congress can work together to achieve practical solutions to the very real problems faced by American small business and the individual American taxpayer. I hope we can enact this legislation very soon and send this message.

Madam President, I do want to comment on each of the five-points of the BOOST package.

TAXPAYER BILL OF RIGHTS II

On January 23 of this year, Senator GRASSLEY and I came to the Senate floor and introduced the Taxpayer Bill of Rights II, along with 20 cosponsors—12 Democrats and 8 Republicans. The Taxpayer Bill of Rights II builds on the foundation laid by the original Taxpayer Bill of Rights passed in 1988 and is the next natural step in requiring the IRS achieve higher standards of accuracy, timeliness and fair play in providing taxpayer service.

The Taxpayer Bill of Rights II achieves these new standards through 27 provisions, including:

First, expanding the authority of the Taxpayer Advocate to prevent hardships on taxpayers.

Second, requiring the IRS to abate interest when it has made an unreasonable error or delay, and enable the courts the power to review the interest abatement determination.

Third, strengthen the code so a taxpayer can recover out-of-pocket costs incurred in a case in which the IRS position was not substantially justified.

Finally, prohibit the IRS from issuing retroactive proposed regulations.

Madam President, the Taxpayer Bill of Rights II contains many more commonsense provisions designed to safeguard the rights of taxpayers and instill some confidence into our system of taxation.

Madam President, I would like to point out that the Taxpayer Bill of Rights II was passed twice in 1992 but was vetoed because it was included as part of two large tax bills with which President Bush did not agree. I believe the time is now to enact this legislation, and I am committed to work along with my friend Senator GRASSLEY to push the Taxpayer Bill of Rights II into law.

100 PERCENT DEDUCTION FOR SELF-EMPLOYED

The next important piece of the BOOST package is a bill, introduced by Senator GRASSLEY, Senator ROTH, and myself to make the health insurance premiums for the self-employed 100 percent deductible.

Earlier this year, the Congress passed, and the President signed into law, H.R. 831 which restored the 25 percent care deduction in 1994, increased the deduction to 30 percent for 1995, and permanently extended the 30 percent deduction for all years in the future. This was an important and positive step. The fact that the Senate could move such a tax bill without amendment underscored the widespread bipartisan support and importance of this effort.

It is now important to take the next step of making health insurance premiums 100 percent deductible for the self-employed.

Madam President, large corporations now enjoy a 100-percent deduction, and on top of this, they typically pay smaller insurance premiums because they have a larger number of employees.

So, the self-employed pay higher insurance premiums, and to compound it, they can only take a 30-percent tax deduction for premiums paid—a double penalty. These over 9 million self-employed small businessmen and women are innovators and job creators—people we should encourage, not penalize. That is why BOOST contains this important provision to make the deduction 100 percent.

THE S CORPORATION REFORM ACT OF 1995

On May 4, 1995, my friend and colleague, Senator HATCH, and I, introduced the S Corporation Reform Act of 1995, S. 758.

The bill is endorsed by the U.S. Chamber of Commerce, National Federation of Independent Business, the American Institute of Certified Public Accountants, and the members of the S Corporation Subcommittee of the American Bar Association. Today, we have 32 Senate cosponsors—12 Democrats and 20 Republicans.

As you can tell, this legislation is the culmination of the efforts of many, and certainly represents a step Congress can and should take in order to capitalize on one of our country's most valuable resources—small business.

Today, close to 2 million U.S. businesses are S Corporations, and these businesses are still subject to many of the oppressive restraints which date back to its original enactment in 1958.

Madam President, it goes without saying that times have changed since 1958. The financial environment is far more complex, and the 1950's Sub S limitations restrict growth opportunities. Frankly, Sub S needs an overhaul.

This legislation is the overhaul we need. It is an overhaul that is doable. And it is an overhaul that can give a boost to our economic recovery by creating more opportunities for capital growth and jobs in our country.

PENSION SIMPLIFICATION FOR SMALL BUSINESS

On June 30, 1995, Senator HATCH and I, introduced the Pension Simplification Act of 1995. This legislation contains provisions that target complex and costly rules effecting pension plans offered by small businesses—and there is a very good reason for this action.

In 1993, 83 percent of companies with 100 or more employees offered some type of retirement plan. In contrast, in businesses with less than 25 employees, only 19.6 percent of these employees had an employer-provided pension plan available to them, and only 15 percent of these employees participated in the plan.

A major factor contributing to this dismal statistic is the sky-high per-participant cost of establishing and maintaining a pension plan for small business. This legislation alleviates the high cost barriers for small business by creating a tax credit which can be applied toward the start-up costs of providing a new plan for employers with 50 or fewer employees.

Next, the bill slashes extensive annual nondiscrimination testing requirements for firms where no employee is highly compensated. These two provisions alone will significantly reduce the cost of starting up and maintaining a retirement plan for employers of small business. With these barriers lowered, we will be encouraging retirement savings for our Nation's small business worker.

AMERICAN FAMILY-OWNED BUSINESS ACT

The fifth point of BOOST was introduced on July 28, 1995, by Senator DOLE and myself—we call it the American Family-Owned Business Act.

Madam President, the impact of the estate tax on a family-owned business is devastating because of one simple fact—the rates are too high. The rates reach 55 percent of the value of an estate very quickly, and the tax bill comes due abruptly on the death of a loved one who also happens to be an invaluable asset to the family business.

For families whose major asset is its business, many times these enterprises are literally forced out of business because of the imposition of the estate tax. The effect is a disruption in not only the family's life but the lives of the employees of the business and the community that depends on or enjoys the goods or services provided by the business.

Contrast this scenario with the little to no impact the estate tax has on widely held businesses and you discover a disturbing reality in our current tax code—we place closely-held, family-owned businesses at a significant disadvantage when compared to widely held businesses.

Senator DOLE and I introduced the American Family-Owned Business Act with 44 cosponsors. Virtually every small business and agriculture organization in America has endorsed this bill. It carefully targets estate tax relief to family businesses whose major asset is its business and whose family members will materially participate in the business for years to come.

The message of the American Family-Owned Business Act is that we will treat family businesses more fairly, and in doing so, we will foster an environment which encourages family entrepreneurship. I am proud to work with the Majority Leader on this effort and I look forward to its passage.

PAY-FOR

Madam President, although BOOST package has only a moderate cost to the Federal Treasury, I do believe we must pay for these tax code reforms through cuts in spending.

I propose to pay for these important reforms from the provisions from my bill, S. 573, the Spending Reductions Act of 1996, which would save $5.374 billion in fiscal year 1996.

In order to achieve these savings, I first proposed a modest reduction in the Government's spending on Federal contractors. This is a broad topic I have focused on for over 14 years. But today, I am not proposing to address all of the problems involved with the Federal Government's extensive reliance on contractors and consultants. I simply want to address the concern expressed by the voters in the 1992 and 1994 elections to shrink the size of Government.

The Congress only acted half-way in responding to this message when it voted to cut the number of Federal employees by 12 percent, because Congress has yet to order a corresponding reduction in the contractor work force. This contractor work force has been growing at a rapid rate over the past 10 years, while at the same time, the number of Federal workers has actually declined. In the early 1980's, the Federal Government spent roughly $40 billion on service contracts. Last year, in fiscal year 1994, the Federal Government spent $110 billion on service contracts. My proposal is to reduce this amount for 1996, a modest 4.5 percent.

Madam President, this reduction will still permit agencies to get their work done, but it will also reduce some of the waste that comes from too much money being spent without adequate oversight. For example, at my request, the inspector general at the Pentagon has been looking at some contracts awarded by the star wars program. Listen to some of the problems they found with the three contracts they audited:

First, cost overruns on the contracts totalled $3.1 million.

Second, the contractor awarded prohibited subcontracts worth several million dollars.

Third, one contractor charged the Government for 588 hours of work that it did not actually perform.

I believe a reduction in spending, as I have proposed, will force agencies to spend money more wisely and eliminate such waste.

My next spending cut proposal will reduce spending on Federally Funded Research and Development Centers [FFRDC's] at the Department of Defense. FFRDC's, like Mitre, Rand, and the Center for Naval Analysis are contractors who work solely for the Federal Government. While these contractors perform some valuable service, I believe it is appropriate to cut back a modest amount on these in-house consulting companies, as we have on the Federal work force and as I am proposing on service contracts.

Madam President, our taxpayers should not continue being billed for the very high salaries and overhead being charged by these Government-run consulting firms. For example, the head of Aerospace made $230,000 in 1991 and $265,000 in 1992. I have no idea what they made in 1993 and 1994, but I imagine the increase has been alarming. This in-house Government contractor was making more than the President of the United States. My proposal would reduce spending on FFRDC's by $162.7 million from the amount authorized by the Department of Defense authorization bill. This would still leave over $1 billion for these companies.

Madam President, my final proposal to reduce spending involves an issue that I have worked on for a number of years—the export of arms to countries around the world. I am not proud of the fact that the United States is the leading arms exporter. We sell 53 percent of all the arms in international trade. However, my proposal is not targeted at totally reforming this arms trade, that is a battle for the future. I simply propose that we reduce the spending in our foreign military financing program by $271.5 million from the total budget of $3.7 billion.

Taken together, these spending reductions amount to over $5 billion in 1996. It is more than enough to cover the costs of the BOOST package for this year and to give the small family owned business and the family farmers a real break that they justly deserve.

CONCLUSION

In conclusion, I would just like to say that—while some in Washington are consumed with passing or blocking the huge tax cuts reported on the front page of every newspaper, we, in Congress, should all be concerned with the practical, commonsense, and relatively inexpensive changes that will help the American taxpayer believe that Government can work for, not against, them. Also, to allow and to encourage those entrepreneurs to create jobs for people who will be paying taxes and who will be boosting our local communities.

Our program, the BOOST program, is such a change. It offers an opportunity. It gives people a chance, it should give people hope where hope has not been present. It reaffirms a commitment to fairness for small taxpayers and capitalizes on one of our country's greatest assets—small business and the family farm.

I am urging, Madam President, my colleagues to join me in supporting BOOST to be included in any tax legislation sent from this Senate. Madam President, I ask unanimous consent that a copy of the bill and a brief summary be included in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1299

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; AMENDMENT OF 1986 CODE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Bringing Opportunity to Our Small Business and Taxpayers (BOOST) Act".

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

(c) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; amendment of 1986 Code; table of contents.

TITLE I—TAXPAYER BILL OF RIGHTS 2

Sec. 1001. Short title.

Subtitle A—Taxpayer Advocate

Sec. 1011. Establishment of position of Taxpayer Advocate within Internal Revenue Service.
Sec. 1012. Expansion of authority to issue taxpayer assistance orders.

Subtitle B—Modifications to Installment Agreement Provisions

Sec. 1021. Taxpayer's right to installment agreement.
Sec. 1022. Running of failure to pay penalty suspended during period installment agreement in effect.
Sec. 1023. Notification of reasons for termination or denial of installment agreements.
Sec. 1024. Administrative review of denial of request for, or termination of, installment agreement.

Subtitle C—Interest

Sec. 1031. Expansion of authority to abate interest.
Sec. 1032. Extension of interest-free period for payment of tax after notice and demand.

Subtitle D—Joint Returns

Sec. 1041. Disclosure of collection activities.
Sec. 1042. Joint return may be made after separate returns without full payment of tax.

Subtitle E—Collection Activities

Sec. 1051. Modifications to lien and levy provisions.
Sec. 1052. Offers-in-compromise.
Sec. 1053. Notification of examination.
Sec. 1054. Increase in limit on recovery of civil damages for unauthorized collection actions.
Sec. 1055. Safeguards relating to designated summons.

Subtitle F—Information Returns

Sec. 1061. Phone number of person providing payee statements required to be shown on such statement.
Sec. 1062. Civil damages for fraudulent filing of information returns.
Sec. 1063. Requirement to conduct reasonable investigations of information returns.

Subtitle G—Modifications to Penalty for Failure To Collect and Pay Over Tax

Sec. 1071. Preliminary notice requirement.
Sec. 1072. Disclosure of certain information where more than 1 person subject to penalty.
Sec. 1073. Penalties under section 6672.

Subtitle H—Awarding of Costs and Certain Fees

Sec. 1081. Motion for disclosure of information.
Sec. 1082. Increased limit on attorney fees.
Sec. 1083. Failure to agree to extension not taken into account.
Sec. 1084. Authority for court to award reasonable administrative costs.
Sec. 1085. Effective date.

Subtitle I—Other Provisions

Sec. 1091. Required content of certain notices.
Sec. 1092. Treatment of substitute returns under section 6651.
Sec. 1093. Relief from retroactive application of Treasury Department regulations.
Sec. 1094. Required notice of certain payments.
Sec. 1095. Unauthorized enticement of information disclosure.

Subtitle J—Form Modifications; Studies

Sec. 1100. Definitions.

CHAPTER 1—FORM MODIFICATIONS

Sec. 1101. Explanation of certain provisions.
Sec. 1102. Improved procedures for notifying service of change of address or name.
Sec. 1103. Rights and responsibilities of divorced individuals.

CHAPTER 2—STUDIES

Sec. 1111. Pilot program for appeal of enforcement actions.
Sec. 1112. Study on taxpayers with special needs.
Sec. 1113. Reports on taxpayer-rights education program.
Sec. 1114. Biennial reports on misconduct by Internal Revenue Service employees.
Sec. 1115. Study of notices of deficiency.
Sec. 1116. Notice and form accuracy study.

TITLE II—INCREASE OF DEDUCTION FOR HEALTH INSURANCE COSTS OF SELF-EMPLOYED INDIVIDUALS

Sec. 2001. Increase of deduction for health insurance costs of self-employed individuals.

TITLE III—S CORPORATION REFORM ACT OF 1995

Sec. 3001. Short title.

Subtitle A—Eligible Shareholders of S Corporation

CHAPTER 1—NUMBER OF SHAREHOLDERS

Sec. 3101. S corporations permitted to have 50 shareholders.
Sec. 3102. Members of family treated as 1 shareholder.

CHAPTER 2—PERSONS ALLOWED AS SHAREHOLDERS

Sec. 3111. Certain exempt organizations.
Sec. 3112. Financial institutions.
Sec. 3113. Nonresident aliens.
Sec. 3114. Electing small business trusts.

CHAPTER 3—OTHER PROVISIONS

Sec. 3121. Expansion of post-death qualification for certain trusts.

Subtitle B—Qualification and Eligibility Requirements for S Corporations

CHAPTER 1—ONE CLASS OF STOCK

Sec. 3201. Issuance of preferred stock permitted.
Sec. 3202. Financial institutions permitted to hold safe harbor debt.

CHAPTER 2—ELECTIONS AND TERMINATIONS

Sec. 3211. Rules relating to inadvertent terminations and invalid elections.
Sec. 3212. Agreement to terminate year.
Sec. 3213. Expansion of post-termination transition period.
Sec. 3214. Repeal of excessive passive investment income as a termination event.

CHAPTER 3—OTHER PROVISIONS

Sec. 3221. S corporations permitted to hold subsidiaries.
Sec. 3222. Treatment of distributions during loss years.
Sec. 3223. Consent dividend for AAA bypass election.
Sec. 3224. Treatment of S corporations under subchapter C.
Sec. 3225. Elimination of pre-1983 earnings and profits.
Sec. 3226. Allowance of charitable contributions of inventory and scientific property.
Sec. 3227. C corporation rules to apply for fringe benefit purposes.

Subtitle C—Taxation of S Corporation Shareholders

Sec. 3301. Uniform treatment of owner-employees under prohibited transaction rules.
Sec. 3302. Treatment of losses to shareholders.

Subtitle D—Effective Date

Sec. 3401. Effective date.

TITLE IV—PENSION SIMPLIFICATION

Subtitle A—Simplification of Nondiscrimination Provisions

Sec. 4000. Short title.
Sec. 4001. Definition of highly compensated employees; repeal of family aggregation.

Subtitle B—Targeted Access to Pension Plans for Small Employers

Sec. 4011. Credit for pension plan start-up costs of small employers.
Sec. 4012. Modifications of simplified employee pensions.
Sec. 4013. Exemption from top-heavy plan requirements.
Sec. 4014. Regulatory treatment of small employers.

TITLE V—ESTATE TAX EXCLUSION FOR FAMILY-OWNED BUSINESS

Sec. 5001. Short title.
Sec. 5002. Family-owned business exclusion.

TITLE VI—SPENDING REDUCTIONS

Sec. 6001. Short title.
Sec. 6002. Service contracts.
Sec. 6003. Federally funded research and development centers.
Sec. 6004. Foreign military financing.

TITLE I—TAXPAYER BILL OF RIGHTS 2

SEC. 1001. SHORT TITLE.

This title may be cited as the "Taxpayer Bill of Rights 2".

Subtitle A—Taxpayer Advocate

SEC. 1011. ESTABLISHMENT OF POSITION OF TAXPAYER ADVOCATE WITHIN INTERNAL REVENUE SERVICE.

(a) GENERAL RULE.—Section 7802 (relating to Commissioner of Internal Revenue; Assistant Commissioner (Employee Plans and Exempt Organizations)) is amended by adding at the end the following new subsection:

"(d) OFFICE OF TAXPAYER ADVOCATE.—

"(1) IN GENERAL.—There is established in the Internal Revenue Service an office to be known as the 'Office of the Taxpayer Advocate'. Such office, including all problem resolution officers, shall be under the supervision and direction of an official to be known as the 'Taxpayer Advocate' who shall report directly to the Commissioner of Internal Revenue. The Taxpayer Advocate shall be entitled to compensation at the same rate as the Chief Counsel for the Internal Revenue Service.

"(2) FUNCTIONS OF OFFICE.—

"(A) IN GENERAL.—It shall be the function of the Office of Taxpayer Advocate to—

"(i) assist taxpayers in resolving problems with the Internal Revenue Service,

"(ii) identify areas in which taxpayers have problems in dealings with the Internal Revenue Service,

"(iii) to the extent possible, propose changes in the administrative practices of the Internal Revenue Service to mitigate problems identified under clause (ii), and

"(iv) identify potential legislative changes which may be appropriate to mitigate such problems.

"(B) ANNUAL REPORTS.—

"(i) OBJECTIVES.—Not later than June 30 of each calendar year after 1995, the Taxpayer Advocate shall report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate on the objectives of the Taxpayer Advocate for the fiscal year beginning in such calendar year. Any such report shall contain full and substantive analysis, in addition to statistical information.

"(ii) ACTIVITIES.—Not later than December 31 of each calendar year after 1995, the Taxpayer Advocate shall report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate on the activities of the Taxpayer Advocate during the fiscal year ending during such calendar year. Any such report shall contain full and substantive analysis, in addition to statistical information, and shall—

"(I) identify the initiatives the Taxpayer Advocate has taken on improving taxpayer services and Internal Revenue Service responsiveness,

"(II) contain recommendations received from individuals with the authority to issue taxpayer assistance orders under section 7811,

"(III) contain a summary of at least 20 of the most serious problems encountered by taxpayers, including a description of the nature of such problems,

"(IV) contain an inventory of the items described in subclauses (I), (II), and (III) for which action has been taken and the result of such action,

"(V) contain an inventory of the items described in subclauses (I), (II), and (III) for which action remains to be completed and the period during which each item has remained on such inventory,

"(VI) contain an inventory of the items described in subclauses (II) and (III) for which no action has been taken, the period during which each item has remained on such inventory, the reasons for the inaction, and identify any Internal Revenue Service official who is responsible for such inaction,

"(VII) identify any Taxpayer Assistance Order which was not honored by the Internal Revenue Service in a timely manner, as specified under section 7811(b),

"(VIII) contain recommendations for such administrative and legislative action as may be appropriate to resolve problems encountered by taxpayers, and

"(IX) include such other information as the Taxpayer Advocate may deem advisable.

"(iii) REPORT TO BE SUBMITTED DIRECTLY.—Each report required under this subparagraph shall be provided directly to the Committees referred to in clauses (i) and (ii) without any prior review or comment from the Commissioner of the Internal Revenue Service, the Secretary of the Treasury, any other officer or employee of the Department of the Treasury, or the Office of Management and Budget.

"(3) RESPONSIBILITIES OF COMMISSIONER OF INTERNAL REVENUE SERVICE.—The Commissioner of Internal Revenue shall establish procedures requiring a formal response to all recommendations submitted to the Commissioner by the Taxpayer Advocate."

(b) CONFORMING AMENDMENTS.—

(1) Section 7811 (relating to taxpayer assistance orders) is amended—

(A) by striking "the Office of Ombudsman" in subsection (a) and inserting "the Office of the Taxpayer Advocate", and

(B) by striking "Ombudsman" each place it appears (including in the headings of subsections (e) and (f)) and inserting "Taxpayer Advocate".

(2) The heading for section 7802 is amended to read as follows:

"SEC. 7802. COMMISSIONER OF INTERNAL REVENUE; ASSISTANT COMMISSIONERS; TAXPAYER ADVOCATE."

(3) The table of sections for subchapter A of chapter 80 of subtitle F is amended by striking the item relating to section 7802 and inserting the following new item:

"Sec. 7802. Commissioner of Internal Revenue; Assistant Commissioners; Taxpayer Advocate."

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 1012. EXPANSION OF AUTHORITY TO ISSUE TAXPAYER ASSISTANCE ORDERS.

(a) TAXPAYER'S HARDSHIP.—Section 7811(a) (relating to authority to issue) is amended by striking "significant".

(b) TERMS OF ORDERS.—Subsection (b) of section 7811 (relating to terms of taxpayer assistance orders) is amended—

(1) by inserting "within a specified time period" after "the Secretary", and

(2) by inserting "take any action as permitted by law," after "cease any action,".

(c) LIMITATION ON AUTHORITY TO MODIFY OR RESCIND.—Section 7811(c) (relating to authority to modify or rescind) is amended to read as follows:

"(c) AUTHORITY TO MODIFY OR RESCIND.—Any Taxpayer Assistance Order issued by the Taxpayer Advocate under this section may be modified or rescinded only by the Taxpayer Advocate, the Commissioner, or any superior of either."

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

Subtitle B—Modifications to Installment Agreement Provisions

SEC. 1021. TAXPAYER'S RIGHT TO INSTALLMENT AGREEMENT.

(a) IN GENERAL.—Subsection (a) of section 6159 (relating to agreements for payment of tax liability in installments) is amended to read as follows:

"(a) IN GENERAL.—

"(1) AUTHORIZATION OF AGREEMENTS.—The Secretary is authorized to enter into written agreements with any taxpayer under which such taxpayer is allowed to satisfy liability for payment of any tax in installment payments if the Secretary determines that such agreement will facilitate collection of such liability.

"(2) AGREEMENT AS A MATTER OF RIGHT.—In the case of any taxpayer other than a corporation, the Secretary shall enter into such an agreement if—

"(A) the taxpayer requests such an agreement,

"(B) the tax liability is attributable to the tax imposed under chapter 1 and is less than $10,000, and

"(C) the taxpayer has paid any tax liability for the 3 preceding taxable years at the time such liability was due.

"(3) NOTICE.—The Secretary shall include in the instructions for returns of the tax imposed under chapter 1 the rights of taxpayers under this subsection and the steps necessary to exercise those rights."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the date of the enactment of this Act.

SEC. 1022. RUNNING OF FAILURE TO PAY PENALTY SUSPENDED DURING PERIOD INSTALLMENT AGREEMENT IN EFFECT.

(a) GENERAL RULE.—Section 6651 (relating to penalty for failure to file tax return or to pay tax) is amended by adding at the end the following new subsection:

"(g) TREATMENT OF INSTALLMENT AGREEMENTS UNDER SECTION 6159.—If—

"(1) an agreement is entered into under section 6159 for the payment of any tax in installments, and

"(2) the taxpayer requested the Secretary to enter into the agreement on or before the due date (including extensions) for the return of the tax,

the period during which such agreement is in effect shall be disregarded in determining the amount of any addition under paragraph (2) or (3) of subsection (a) with respect to such tax."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to installment agreements entered into after the date of the enactment of this Act.

SEC. 1023. NOTIFICATION OF REASONS FOR TERMINATION OR DENIAL OF INSTALLMENT AGREEMENTS.

(a) TERMINATIONS.—Subsection (b) of section 6159 (relating to extent to which agreements remain in effect) is amended by adding at the end the following new paragraph:

"(5) NOTICE REQUIREMENTS.—The Secretary may not take any action under paragraph (2), (3), or (4) unless—

"(A) a notice of such action is provided to the taxpayer not later than the day 30 days before the date of such action, and

"(B) such notice includes an explanation why the Secretary intends to take such action.

The preceding sentence shall not apply in any case in which the Secretary believes that collection of any tax to which an agreement under this section relates is in jeopardy."

(b) DENIALS.—Section 6159 (relating to agreements for payment of tax liability in installments) is amended by adding at the end the following new subsection:

"(c) NOTICE REQUIREMENTS FOR DENIALS.—The Secretary may not deny any request for an installment agreement under this section unless—

"(1) a notice of the proposed denial is provided to the taxpayer not later than the day 30 days before the date of such denial,

"(2) such notice includes an explanation why the Secretary intends to deny such request, and

"(3) such notice includes a statement of the taxpayer's right to administrative review under subsection (d).

The preceding sentence shall not apply in any case in which the Secretary believes that collection of any tax to which a request for an agreement under this section relates is in jeopardy."

(c) CONFORMING AMENDMENT.—Paragraph (3) of section 6159(b) is amended to read as follows:

"(3) SUBSEQUENT CHANGE IN FINANCIAL CONDITIONS.—If the Secretary makes a determination that the financial condition of a taxpayer with whom the Secretary has entered into an agreement under subsection (a) has significantly changed, the Secretary may alter, modify, or terminate such agreement."

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date 6 months after the date of the enactment of this Act.

SEC. 1024. ADMINISTRATIVE REVIEW OF DENIAL OF REQUEST FOR, OR TERMINATION OF, INSTALLMENT AGREEMENT.

(a) GENERAL RULE.—Section 6159 (relating to agreements for payment of tax liability in installments), as amended by section 1023(b), is amended by adding at the end the following new subsection:

"(d) ADMINISTRATIVE REVIEW.—The Secretary shall establish procedures for an independent administrative review of denials of requests for, or terminations of, installment agreements under this section."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on January 1, 1996.

Subtitle C—Interest

SEC. 1031. EXPANSION OF AUTHORITY TO ABATE INTEREST.

(a) GENERAL RULE.—Paragraph (1) of section 6404(e) (relating to abatement of interest in certain cases) is amended—

(1) by inserting "unreasonable" before "error" each place it appears in subparagraphs (A) and (B), and

(2) by striking "in performing a ministerial act" each place it appears.

(b) MANDATORY ABATEMENT FOR SMALL TAXPAYERS.—The first sentence of section 6404(e)(1) is amended by inserting "in the case of a taxpayer not described in section 7430(c)(4)(A)(iii) and shall abate the assessment of such interest until the date demand for payment is made in the case of a taxpayer described in section 7430(c)(4)(A)(iii)" before the period at the end.

(c) CLERICAL AMENDMENT.—The subsection heading for subsection (e) of section 6404 is amended by striking "Assessments" and inserting "Abatement".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to interest accruing with respect to deficiencies or payments for taxable years beginning after the date of the enactment of this Act.

SEC. 1032. EXTENSION OF INTEREST-FREE PERIOD FOR PAYMENT OF TAX AFTER NOTICE AND DEMAND.

(a) GENERAL RULE.—Paragraph (3) of section 6601(e) (relating to payments made within 10 days after notice and demand) is amended to read as follows:

"(3) PAYMENTS MADE WITHIN SPECIFIED PERIOD AFTER NOTICE AND DEMAND.—If notice and demand is made for payment of any amount and if such amount is paid within 21 days (10 days if the amount for which such notice and demand is made equals or exceeds $100,000) after the date of such notice and demand, interest under this section on the amount so paid shall not be imposed for the period after the date of such notice and demand."

(b) CONFORMING AMENDMENT.—Paragraph (3) of section 6651(a) (relating to addition to tax for failure to file tax return or pay tax) is amended by striking "10 days" and inserting "21 days (10 days if the amount for which such notice and demand is made equals or exceeds $100,000)".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply in the case of any notice and demand given after December 31, 1995.

Subtitle D—Joint Returns

SEC. 1041. DISCLOSURE OF COLLECTION ACTIVITIES.

(a) GENERAL RULE.—Subsection (e) of section 6103 (relating to disclosure to persons having material interest) is amended by adding at the end the following new paragraph:

"(8) DISCLOSURE OF COLLECTION ACTIVITIES WITH RESPECT TO JOINT RETURN.—If any deficiency of tax with respect to a joint return is assessed and the individuals filing such return are no longer married or no longer reside in the same household, upon request in writing of either of such individuals, the Secretary may disclose in writing to the individual making the request whether the Secretary has attempted to collect such deficiency from such other individual, the general nature of such collection activities, and the amount collected."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the date of the enactment of this Act.

SEC. 1042. JOINT RETURN MAY BE MADE AFTER SEPARATE RETURNS WITHOUT FULL PAYMENT OF TAX.

(a) GENERAL RULE.—Paragraph (2) of section 6013(b) (relating to limitations on filing of joint return after filing separate returns) is amended by striking subparagraph (A) and redesignating the following subparagraphs accordingly.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after the date of the enactment of this Act.

Subtitle E—Collection Activities

SEC. 1051. MODIFICATIONS TO LIEN AND LEVY PROVISIONS.

(a) WITHDRAWAL OF CERTAIN NOTICES.—Section 6323 (relating to validity and priority against certain persons) is amended by adding at the end the following new subsection:

"(j) WITHDRAWAL OF NOTICE IN CERTAIN CIRCUMSTANCES.—

"(1) IN GENERAL.—The Secretary may withdraw a notice of a lien filed under this section and this chapter shall be applied as if the withdrawn notice had not been filed, if the Secretary determines that—

"(A) the filing of such notice was premature or otherwise not in accordance with administrative procedures of the Secretary,

"(B) the taxpayer has entered into an agreement under section 6159 to satisfy the tax liability for which the lien was imposed by means of installment payments, unless such agreement provides otherwise,

"(C) the withdrawal of such notice will facilitate the collection of the tax liability, or

"(D) with the consent of the taxpayer or the Taxpayer Advocate, the withdrawal of such notice would be in the best interests of the taxpayer (as determined by the Taxpayer Advocate) and the United States.

Any such withdrawal shall be made by filing notice at the same office as the withdrawn notice. A copy of such notice of withdrawal shall be provided to the taxpayer.

"(2) NOTICE TO CREDIT AGENCIES, ETC.—Upon written request by the taxpayer with respect to whom a notice of a lien was withdrawn under paragraph (1), the Secretary shall promptly make reasonable efforts to notify credit reporting agencies, and any financial institution or creditor whose name and address is specified in such request, of the withdrawal of such notice. Any such request shall be in such form as the Secretary may prescribe."

(b) RETURN OF LEVIED PROPERTY IN CERTAIN CASES.—Section 6343 (relating to authority to release levy and return property) is amended by adding at the end the following new subsection:

"(d) RETURN OF PROPERTY IN CERTAIN CASES.—If—

"(1) any property has been levied upon, and

"(2) the Secretary determines that—

"(A) the levy on such property was premature or otherwise not in accordance with administrative procedures of the Secretary,

"(B) the taxpayer has entered into an agreement under section 6159 to satisfy the tax liability for which the levy was imposed by means of installment payments, unless such agreement provides otherwise,

"(C) the return of such property will facilitate the collection of the tax liability, or

"(D) with the consent of the taxpayer or the Taxpayer Advocate, the return of such property would be in the best interests of the taxpayer (as determined by the Taxpayer Advocate) and the United States,

the provisions of subsection (b) shall apply in the same manner as if such property had been wrongly levied upon, except that no interest shall be allowed under subsection (c)."

(c) MODIFICATIONS IN CERTAIN LEVY EXEMPTION AMOUNTS.—

(1) FUEL, ETC.—Paragraph (2) of section 6334(a) (relating to fuel, provisions, furniture, and personal effects exempt from levy) is amended—

(A) by striking "If the taxpayer is the head of a family, so" and inserting "So", and

(B) by striking "$1,650 ($1,550 in the case of levies issued during 1989)" and inserting "$1,750".

(2) BOOKS, ETC.—Paragraph (3) of section 6334(a) (relating to books and tools of a trade, business, or profession exempt from levy) is amended by striking "$1,100 ($1,050 in the case of levies issued during 1989)" and inserting "$1,250".

(3) INDEXED FOR INFLATION.—Section 6334 (relating to property exempt from levy) is amended by adding at the end the following new subsection:

"(f) INFLATION ADJUSTMENTS.—

"(1) IN GENERAL.—In the case of any calendar year beginning after 1996, each dollar amount referred to in paragraphs (2) and (3) of subsection (a) shall be increased by an amount equal to—

"(A) such dollar amount, multiplied by

"(B) the cost-of-living adjustment determined under section 1(f)(3) for such calendar year, by substituting 'calendar year 1995' for 'calendar year 1992' in subparagraph (B) thereof.

"(2) ROUNDING.—If any dollar amount after being increased under paragraph (1) is not a multiple of $10, such dollar amount shall be rounded to the nearest multiple of $10 (or, if such dollar amount is a multiple of $5, such dollar amount shall be increased to the next higher multiple of $10)."

(d) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall take effect on the date of the enactment of this Act.

(2) EXEMPT AMOUNTS.—The amendments made by subsection (c) shall take effect with respect to levies issued after December 31, 1995.

SEC. 1052. OFFERS-IN-COMPROMISE.

(a) GENERAL RULE.—Subsection (a) of section 7122 (relating to compromises) is amended by adding at the end the following new sentence: "The Secretary may make such a compromise in any case where the Secretary determines that such compromise would be in the best interests of the United States."

(b) REVIEW REQUIREMENTS.—Subsection (b) of section 7122 (relating to records) is amended by striking "$500." and inserting "$50,000. However, such compromise shall be subject to continuing quality review by the Secretary."

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 1053. NOTIFICATION OF EXAMINATION.

(a) IN GENERAL.—Section 7605 (relating to restrictions on examination of taxpayer) is amended by redesignating subsection (c) as subsection (d) and by inserting after subsection (b) the following new subsection:

"(c) NOTIFICATION REQUIREMENT.—No examination described in subsection (a) shall be made unless the Secretary notifies the taxpayer in writing by mail to an address determined under section 6212(b) that the taxpayer is under examination and provides the taxpayer with an explanation of the process as described in section 7521(b)(1). The preceding sentence shall not apply in the case of any examination if the Secretary determines that—

"(1) such examination is in connection with a criminal investigation or is with respect to a tax the collection of which is in jeopardy, or

"(2) the application of the preceding sentence would be inconsistent with national security needs or would interfere with the effective conduct of a confidential law enforcement or foreign counterintelligence activity."

(b) CONFORMING AMENDMENT.—Paragraph (1) of section 7521(b) (relating to safeguards) is amended by striking "or at".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 1054. INCREASE IN LIMIT ON RECOVERY OF CIVIL DAMAGES FOR UNAUTHORIZED COLLECTION ACTIONS.

(a) GENERAL RULE.—Subsection (b) of section 7433 (relating to damages) is amended by striking "$100,000" and inserting "$1,000,000".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to actions by officers or employees of the Internal Revenue Service after the date of the enactment of this Act.

SEC. 1055. SAFEGUARDS RELATING TO DESIGNATED SUMMONS.

(a) STANDARD OF REVIEW.—Subparagraph (A) of section 6503(k)(2) (defining designated summons) is amended by redesignating clauses (i) and (ii) as clauses (ii) and (iii), respectively, and by inserting before clause (ii) (as so redesignated) the following new clause:

"(i) the issuance of such summons is preceded by a review of such issuance by the regional counsel of the Office of Chief Counsel for the region in which the examination of the corporation is being conducted,".

(b) NOTICE REQUIREMENTS FOR ISSUANCE.—Section 6503(k) is amended by adding at the end the following new paragraph:

"(4) NOTICE REQUIREMENTS.—With respect to any summons referred to in paragraph (1)(A) issued to any person other than the corporation, the Secretary shall promptly notify the corporation, in writing, that such summons has been issued with respect to such corporation's return of tax."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to summons issued after the date of the enactment of this Act.

Subtitle F—Information Returns

SEC. 1061. PHONE NUMBER OF PERSON PROVIDING PAYEE STATEMENTS REQUIRED TO BE SHOWN ON SUCH STATEMENT.

(a) GENERAL RULE.—The following provisions are each amended by striking "name and address" and inserting "name, address, and phone number of the information contact":

(1) Section 6041(d)(1).
(2) Section 6041A(e)(1).
(3) Section 6042(c)(1).
(4) Section 6044(e)(1).
(5) Section 6045(b)(1).
(6) Section 6049(c)(1)(A).
(7) Section 6050B(b)(1).
(8) Section 6050H(d)(1).
(9) Section 6050I(e)(1).
(10) Section 6050J(e).
(11) Section 6050K(b)(1).
(12) Section 6050N(b)(1).

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to statements required to be furnished after December 31, 1995 (determined without regard to any extension).

SEC. 1062. CIVIL DAMAGES FOR FRAUDULENT FILING OF INFORMATION RETURNS.

(a) GENERAL RULE.—Subchapter B of chapter 76 (relating to proceedings by taxpayers and third parties) is amended by redesignating section 7434 as section 7435 and by inserting after section 7433 the following new section:

"SEC. 7434. CIVIL DAMAGES FOR FRAUDULENT FILING OF INFORMATION RETURNS.

"(a) IN GENERAL.—If any person willfully files a false or fraudulent information return with respect to payments purported to be made to any other person, such other person may bring a civil action for damages against the person so filing such return.

"(b) DAMAGES.—In any action brought under subsection (a), upon a finding of liability on the part of the defendant, the defendant shall be liable to the plaintiff in an amount equal to the greater of $5,000 or the sum of—

"(1) any actual damages sustained by the plaintiff as a proximate result of the filing of the false or fraudulent information return (including any costs attributable to resolving deficiencies asserted as a result of such filing), and

"(2) the costs of the action.

"(c) PERIOD FOR BRINGING ACTION.—Notwithstanding any other provision of law, an action to enforce the liability created under this section may be brought without regard to the amount in controversy and may be brought only within the later of—

"(1) 6 years after the date of the filing of the false or fraudulent information return, or

"(2) 1 year after the date such false or fraudulent information return would have been discovered by exercise of reasonable care.

"(d) COPY OF COMPLAINT FILED WITH IRS.—Any person bringing an action under subsection (a) shall provide a copy of the complaint to the Internal Revenue Service upon the filing of such complaint with the court.

"(e) FINDING OF COURT TO INCLUDE CORRECT AMOUNT OF PAYMENT.—The judgment of the court in an action brought under subsection (a) shall include a finding of the correct amount which should have been reported in the information return.

"(f) INFORMATION RETURN.—For purposes of this section, the term 'information return' means any statement described in section 6724(d)(1)(A)."

(b) CLERICAL AMENDMENT.—The table of sections for subchapter B of chapter 76 is amended by striking the item relating to section 7434 and inserting the following:

"Sec. 7434. Civil damages for fraudulent filing of information returns.
"Sec. 7435. Cross references."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to false or fraudulent information returns filed after the date of the enactment of this Act.

SEC. 1063. REQUIREMENT TO CONDUCT REASONABLE INVESTIGATIONS OF INFORMATION RETURNS.

(a) GENERAL RULE.—Section 6201 (relating to assessment authority) is amended by redesignating subsection (d) as subsection (e) and by inserting after subsection (c) the following new subsection:

"(d) REQUIRED REASONABLE INVESTIGATION OF INFORMATION RETURNS.—If a taxpayer asserts a reasonable dispute with respect to any item of income reported on an information return filed with the Secretary under chapter 61 by a third party, the Secretary, when making a determination of a deficiency based on such information return, shall have the burden of proof with respect to such determination unless the Secretary has conducted a reasonable investigation to corroborate the accuracy of such information return."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the date of the enactment of this Act.

Subtitle G—Modifications to Penalty for Failure To Collect and Pay Over Tax

SEC. 1071. PRELIMINARY NOTICE REQUIREMENT.

(a) IN GENERAL.—Section 6672 (relating to failure to collect and pay over tax, or attempt to evade or defeat tax) is amended by redesignating subsection (b) as subsection (c) and by inserting after subsection (a) the following new subsection:

"(b) PRELIMINARY NOTICE REQUIREMENT.—

"(1) IN GENERAL.—No penalty shall be imposed under subsection (a) unless the Secretary notifies the taxpayer in writing by mail to an address as determined under section 6212(b) that the taxpayer shall be subject to an assessment of such penalty.

"(2) TIMING OF NOTICE.—The mailing of the notice described in paragraph (1) shall precede any notice and demand of any penalty under subsection (a) by at least 60 days.

"(3) STATUTE OF LIMITATIONS.—If a notice described in paragraph (1) with respect to any penalty is mailed before the expiration of the period provided by section 6501 for the assessment of such penalty (determined without regard to this paragraph), the period provided by such section for the assessment of such penalty shall not expire before the date 90 days after the date on which such notice was mailed.

"(4) EXCEPTION FOR JEOPARDY.—This subsection shall not apply if the Secretary finds that the collection of the penalty is in jeopardy."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to assessments made after December 31, 1995.

SEC. 1072. DISCLOSURE OF CERTAIN INFORMATION WHERE MORE THAN 1 PERSON SUBJECT TO PENALTY.

(a) IN GENERAL.—Subsection (e) of section 6103 (relating to disclosure to persons having material interest), as amended by section 1041(a), is amended by adding at the end the following new paragraph:

"(9) DISCLOSURE OF CERTAIN INFORMATION WHERE MORE THAN 1 PERSON SUBJECT TO PENALTY UNDER SECTION 6672.—If the Secretary determines that a person is liable for a penalty under section 6672(a) with respect to any failure, upon request in writing of such person, the Secretary shall disclose in writing to such person—

"(A) the name of any other person whom the Secretary has determined to be liable for such penalty with respect to such failure, and

"(B) whether the Secretary has attempted to collect such penalty from such other person, the general nature of such collection activities, and the amount collected."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the date of the enactment of this Act.

SEC. 1073. PENALTIES UNDER SECTION 6672.

(a) PUBLIC INFORMATION REQUIREMENTS.—The Secretary of the Treasury or the Secretary's delegate (hereafter in this section referred to as the "Secretary") shall take such actions as may be appropriate to ensure that employees are aware of their responsibilities under the Federal tax depository system, the circumstances under which employees may be liable for the penalty imposed by section 6672 of the Internal Revenue Code of 1986, and the responsibility to promptly report to the Internal Revenue Service any failure referred to in subsection (a) of such section 6672. Such actions shall include—

(1) printing of a warning on deposit coupon booklets and the appropriate tax returns that certain employees may be liable for the penalty imposed by such section 6672, and

(2) the development of a special information packet.

(b) BOARD MEMBERS OF TAX-EXEMPT ORGANIZATIONS.—

(1) VOLUNTARY BOARD MEMBERS.—

(A) IN GENERAL.—The penalty under section 6672 of the Internal Revenue Code of 1986 shall not be imposed on unpaid, volunteer members of any board of trustees or directors of an organization referred to in section 501 of such Code to the extent such members are solely serving in an honorary capacity, do not participate in the day-to-day or financial operations of the organization, and do not have actual knowledge of the failure on which such penalty is imposed.

(B) APPLICATION OF PARAGRAPH.—This paragraph shall not apply if it results in no person being held liable for the penalty described in section 6672(a) of the Internal Revenue Code of 1986.

(2) DEVELOPMENT OF EXPLANATORY MATERIALS.—The Secretary shall develop materials explaining the circumstances under which board members of tax-exempt organizations (including voluntary and honorary

members) may be subject to penalty under section 6672 of such Code. Such materials shall be made available to tax-exempt organizations.

(3) IRS INSTRUCTIONS.—The Secretary shall clarify the instructions to Internal Revenue Service employees on the application of the penalty under section 6672 of such Code with regard to voluntary members of boards of trustees or directors of tax- exempt organizations.

(c) PROMPT NOTIFICATION.—To the maximum extent practicable, the Secretary shall notify all persons who have failed to make timely and complete deposit of any taxes described in section 6672 of the Internal Revenue Code of 1986 of such failure within 30 days after the return was filed reflecting such failure or after the date on which the Secretary is first aware of such failure. If the person failing to make the deposit is not an individual, the Secretary shall notify the entity subject to such deposit requirement and that entity shall notify, within 15 days of the notification by the Secretary, all officers, general partners, trustees, or other managers of the failure.

Subtitle H—Awarding of Costs and Certain Fees

SEC. 1081. MOTION FOR DISCLOSURE OF INFORMATION.

Paragraph (4) of section 7430(c) (defining prevailing party) is amended by adding at the end the following new subparagraph:

"(C) MOTION FOR DISCLOSURE OF INFORMATION.—Once a taxpayer substantially prevails as described in subparagraph (A)(ii), the taxpayer may file a motion for an order requiring the disclosure (within a reasonable period of time specified by the court) of all information and copies of relevant records in the possession of the Internal Revenue Service with respect to such taxpayer's case and the substantial justification for the position taken by the Internal Revenue Service."

SEC. 1082. INCREASED LIMIT ON ATTORNEY FEES.

Paragraph (1) of section 7430(c) (defining reasonable litigation costs) is amended—

(1) by striking "$75" in clause (iii) of subparagraph (B) and inserting "$110",

(2) by striking "an increase in the cost of living or" in clause (iii) of subparagraph (B), and

(3) by adding after clause (iii) the following:

"In the case of any calendar year beginning after 1995, the dollar amount referred to in clause (iii) shall be increased by an amount equal to such dollar amount multiplied by the cost-of-living adjustment determined under section 1(f)(3) for such calendar year, by substituting 'calendar year 1994' for 'calendar year 1992' in subparagraph (B) thereof. If any dollar amount after being increased under the preceding sentence is not a multiple of $10, such dollar amount shall be rounded to the nearest multiple of $10 (or, if such dollar amount is a multiple of $5, such dollar amount shall be increased to the next higher multiple of $10)."

SEC. 1083. FAILURE TO AGREE TO EXTENSION NOT TAKEN INTO ACCOUNT.

Paragraph (1) of section 7430(b) (relating to requirement that administrative remedies be exhausted) is amended by adding at the end the following new sentence: "Any failure to agree to an extension of the time for the assessment of any tax shall not be taken into account for purposes of determining whether the prevailing party meets the requirements of the preceding sentence."

SEC. 1084. AUTHORITY FOR COURT TO AWARD REASONABLE ADMINISTRATIVE COSTS.

Section 7430(c)(7)(B) is amended to read as follows:

"(B) the position taken in an administrative proceeding to which subsection (a) applies."

SEC. 1085. EFFECTIVE DATE.

The amendments made by this subtitle shall apply in the case of proceedings commenced after the date of the enactment of this Act.

Subtitle I—Other Provisions

SEC. 1091. REQUIRED CONTENT OF CERTAIN NOTICES.

(a) GENERAL RULE.—Subsection (a) of section 7522 (relating to content of tax due, deficiency, and other notices) is amended by striking "shall describe the basis for, and identify" and inserting "shall set forth the adjustments which are the basis for, and shall identify".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to notices sent after the date 6 months after the date of the enactment of this Act.

SEC. 1092. TREATMENT OF SUBSTITUTE RETURNS UNDER SECTION 6651.

(a) GENERAL RULE.—Section 6651 (relating to failure to file tax return or to pay tax), as amended by section 1022(a), is amended by adding at the end the following new subsection:

"(h) TREATMENT OF RETURNS PREPARED BY SECRETARY UNDER SECTION 6020(b).—In the case of any return made by the Secretary under section 6020(b)—

"(1) such return shall be disregarded for purposes of determining the amount of the addition under paragraph (1) of subsection (a), but

"(2) such return shall be treated as the return filed by the taxpayer for purposes of determining the amount of the addition under paragraphs (2) and (3) of subsection (a)."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply in the case of any return the due date for which (determined without regard to extensions) is after the date of the enactment of this Act.

SEC. 1093. RELIEF FROM RETROACTIVE APPLICATION OF TREASURY DEPARTMENT REGULATIONS.

(a) IN GENERAL.—Subsection (b) of section 7805 (relating to rules and regulations) is amended to read as follows:

"(b) RETROACTIVITY OF REGULATIONS.—

"(1) IN GENERAL.—Except as otherwise provided in this subsection, no temporary, proposed, or final regulation relating to the internal revenue laws shall apply to any taxable period ending before the earliest of the following dates:

"(A) The date on which such regulation is filed with the Federal Register.

"(B) In the case of any final regulation, the date on which any proposed or temporary regulation to which such final regulation relates was filed with the Federal Register.

"(C) The date on which any notice substantially describing the expected contents of any temporary, proposed, or final regulation is issued to the public.

"(2) PREVENTION OF ABUSE.—The Secretary may provide that any regulation may take effect or apply retroactively to prevent abuse of a statute to which the regulation relates.

"(3) CORRECTION OF PROCEDURAL DEFECTS.—The Secretary may provide that any regulation may apply retroactively to correct a procedural defect in the issuance of any prior regulation.

"(4) INTERNAL REGULATIONS.—The limitation of paragraph (1) shall not apply to any regulation relating to internal Treasury Department policies, practices, or procedures.

"(5) CONGRESSIONAL AUTHORIZATION.—The limitation of paragraph (1) may be superseded by a legislative grant from Congress authorizing the Secretary to prescribe the effective date with respect to any regulation.

"(6) ELECTION TO APPLY RETROACTIVELY.—The Secretary may provide for any taxpayer to elect to apply any regulation before the dates specified in paragraph (1).

"(7) APPLICATION TO RULINGS.—The Secretary may prescribe the extent, if any, to which any ruling (including any judicial decision or any administrative determination other than by regulation) relating to the internal revenue laws shall be applied without retroactive effect."

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendment made by subsection (a) shall apply with respect to—

(A) any temporary or proposed regulation filed on or after January 5, 1993, and

(B) any temporary or proposed regulation filed before January 5, 1993, and filed as a final regulation after such date.

(2) SPECIAL RULE.—Section 7805(b)(2) of the Internal Revenue Code of 1986 (as added by subsection (a)) shall apply only to statutes enacted on or after the date of the enactment of this Act.

SEC. 1094. REQUIRED NOTICE OF CERTAIN PAYMENTS.

If any payment is received by the Secretary of the Treasury or the Secretary's delegate (hereafter in this section referred to as the "Secretary") from any taxpayer and the Secretary cannot associate such payment with any outstanding tax liability of such taxpayer, the Secretary shall make reasonable efforts to notify the taxpayer of such inability within 60 days after the receipt of such payment.

SEC. 1095. UNAUTHORIZED ENTICEMENT OF INFORMATION DISCLOSURE.

(a) IN GENERAL.—Subchapter B of chapter 76 (relating to proceedings by taxpayers and third parties), as amended by section 1062(a), is amended by redesignating section 7435 as section 7436 and by inserting after section 7434 the following new section:

"SEC. 7435. CIVIL DAMAGES FOR UNAUTHORIZED ENTICEMENT OF INFORMATION DISCLOSURE.

"(a) IN GENERAL.—If any officer or employee of the United States intentionally compromises the determination or collection of any tax due from an attorney, certified public accountant, or enrolled agent representing a taxpayer in exchange for information conveyed by the taxpayer to the attorney, certified public accountant, or enrolled agent for purposes of obtaining advice concerning the taxpayer's tax liability, such taxpayer may bring a civil action for damages against the United States in a district court of the United States. Such civil action shall be the exclusive remedy for recovering damages resulting from such actions.

"(b) DAMAGES.—In any action brought under subsection (a), upon a finding of liability on the part of the defendant, the defendant shall be liable to the plaintiff in an amount equal to the lesser of $500,000 or the sum of—

"(1) actual, direct economic damages sustained by the plaintiff as a proximate result of the information disclosure, and

"(2) the costs of the action.

Damages shall not include the taxpayer's liability for any civil or criminal penalties, or other losses attributable to incarceration or the imposition of other criminal sanctions.

"(c) Payment Authority.—Claims pursuant to this section shall be payable out of funds appropriated under section 1304 of title 31, United States Code.

"(d) Period for Bringing Action.—Notwithstanding any other provision of law, an action to enforce liability created under this section may be brought without regard to the amount in controversy and may be brought only within 2 years after the date the actions creating such liability would have been discovered by exercise of reasonable care.

"(e) Mandatory Stay.—Upon a certification by the Commissioner or the Commissioner's delegate that there is an ongoing investigation or prosecution of the taxpayer, the district court before which an action under this section is pending, shall stay all proceedings with respect to such action pending the conclusion of the investigation or prosecution.

"(f) Crime-Fraud Exception.—Subsection (a) shall not apply to information conveyed to an attorney, certified public accountant, or enrolled agent for the purpose of perpetrating a fraud or crime."

(b) Clerical Amendment.—The table of sections for subchapter B of chapter 76, as amended by section 1062(b), is amended by striking the item relating to section 7435 and by adding at the end the following new items:

"Sec. 7435. Civil damages for unauthorized enticement of information disclosure.

"Sec. 7436. Cross references."

(c) Effective Date.—The amendments made by this section shall apply to actions after the date of the enactment of this Act.

Subtitle J—Form Modifications; Studies

SEC. 1100. DEFINITIONS.

For purposes of this subtitle:

(1) Secretary.—The term "Secretary" means the Secretary of the Treasury or his delegate.

(2) 1986 code.—The term "1986 Code" means the Internal Revenue Code of 1986.

(3) Tax-writing committees.—The term "tax-writing Committees" means the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate.

CHAPTER 1—FORM MODIFICATIONS

SEC. 1101. EXPLANATION OF CERTAIN PROVISIONS.

(a) General Rule.—The Secretary shall take such actions as may be appropriate to ensure that taxpayers are aware of the provisions of the 1986 Code permitting payment of tax in installments, extensions of time for payment of tax, and compromises of tax liability. Such actions shall include revising the instructions for filing income tax returns so that such instructions include an explanation of—

(1) the procedures for requesting the benefits of such provisions, and

(2) the terms and conditions under which the benefits of such provisions are available.

(b) Collection Notices.—In any notice of an underpayment of tax or proposed underpayment of tax sent by the Secretary to any taxpayer, the Secretary shall include a notification of the availability of the provisions of sections 6159, 6161, and 7122 of the 1986 Code.

SEC. 1102. IMPROVED PROCEDURES FOR NOTIFYING SERVICE OF CHANGE OF ADDRESS OR NAME.

The Secretary shall provide improved procedures for taxpayers to notify the Secretary of changes in names and addresses. Not later than June 30, 1997, the Secretary shall institute procedures for timely updating all Internal Revenue Service records with change-of-address information provided to the Secretary by taxpayers.

SEC. 1103. RIGHTS AND RESPONSIBILITIES OF DIVORCED INDIVIDUALS.

The Secretary shall include in the Internal Revenue Service publication entitled "Your Rights As A Taxpayer" a section on the rights and responsibilities of divorced individuals.

CHAPTER 2—STUDIES

SEC. 1111. PILOT PROGRAM FOR APPEAL OF ENFORCEMENT ACTIONS.

(a) General Rule.—The Secretary shall establish a 1-year pilot program for appeals of enforcement actions (including lien, levy, and seizure actions) to the Appeals Division of the Internal Revenue Service—

(1) where the deficiency was assessed without actual knowledge of the taxpayer,

(2) where the deficiency was assessed without an opportunity for administrative appeal, and

(3) in other appropriate circumstances.

(b) Report.—Not later than June 30, 1997, the Secretary shall submit to the tax-writing Committees a report on the pilot program established under subsection (a), together with such recommendations as he may deem advisable.

SEC. 1112. STUDY ON TAXPAYERS WITH SPECIAL NEEDS.

(a) General Rule.—The Secretary shall conduct a study on ways to assist the elderly, physically impaired, foreign-language speaking, and other taxpayers with special needs to comply with the internal revenue laws.

(b) Report.—Not later than June 30, 1996, the Secretary shall submit to the tax-writing Committees a report on the study conducted under subsection (a), together with such recommendations as he may deem advisable.

SEC. 1113. REPORTS ON TAXPAYER-RIGHTS EDUCATION PROGRAM.

Not later than April 1, 1996, the Secretary shall submit a report to the tax-writing Committees on the scope and content of the Internal Revenue Service's taxpayer-rights education program for its officers and employees. Not later than June 30, 1996, the Secretary shall submit a report to the tax-writing Committees on the effectiveness of the program referred to in the preceding sentence.

SEC. 1114. BIENNIAL REPORTS ON MISCONDUCT BY INTERNAL REVENUE SERVICE EMPLOYEES.

Not later than June 30, 1996, and during June of each second calendar year thereafter, the Secretary shall report to the tax-writing Committees on all cases involving complaints about misconduct of Internal Revenue Service employees and the disposition of such complaints.

SEC. 1115. STUDY OF NOTICES OF DEFICIENCY.

(a) General Rule.—The Comptroller General shall conduct a study on—

(1) the effectiveness of current Internal Revenue Service efforts to notify taxpayers with regard to tax deficiencies under section 6212 of the 1986 Code,

(2) the number of registered or certified letters and other notices returned to the Internal Revenue Service as undeliverable,

(3) any followup action taken by the Internal Revenue Service to locate taxpayers who did not receive actual notice,

(4) the effect that failures to receive notice of such deficiencies have on taxpayers, and

(5) recommendations to improve Internal Revenue Service notification of taxpayers.

(b) Report.—Not later than June 30, 1996, the Comptroller General shall submit to the tax-writing Committees a report on the study conducted under subsection (a), together with such recommendations as he may deem advisable.

SEC. 1116. NOTICE AND FORM ACCURACY STUDY.

(a) General Rule.—The Comptroller General shall conduct annual studies of the accuracy of 25 of the most commonly used Internal Revenue Service forms, notices, and publications. In conducting any such study, the Comptroller General shall examine the suitability and usefulness of Internal Revenue Service telephone numbers on Internal Revenue Service notices and shall solicit and consider the comments of organizations representing taxpayers, employers, and tax professionals.

(b) Reports.—The Comptroller General shall submit to the tax-writing Committees a report on each study conducted under subsection (a), together with such recommendations as he may deem advisable. The first such report shall be submitted not later than June 30, 1996.

TITLE II—INCREASE OF DEDUCTION FOR HEALTH INSURANCE COSTS OF SELF-EMPLOYED INDIVIDUALS

SEC. 2001. INCREASE OF DEDUCTION FOR HEALTH INSURANCE COSTS OF SELF-EMPLOYED INDIVIDUALS.

(a) Increase in Deduction.—Section 162(l) is amended—

(1) by striking "30 percent" in paragraph (1) and inserting "the applicable percentage", and

(2) by adding at the end the following new paragraph:

"(6) Applicable percentage.—For purposes of paragraph (1), the applicable percentage shall be determined as follows:

"For taxable years beginning in:	**The applicable percentage is:**
1996	75
1997 and thereafter ...	100."

(b) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 1995.

TITLE III—S CORPORATION REFORM ACT OF 1995

SEC. 3001. SHORT TITLE.

This title may be cited as the "S Corporation Reform Act of 1995".

Subtitle A—Eligible Shareholders of S Corporation

CHAPTER 1—NUMBER OF SHAREHOLDERS

SEC. 3101. S CORPORATIONS PERMITTED TO HAVE 50 SHAREHOLDERS.

Subparagraph (A) of section 1361(b)(1) (defining small business corporation) is amended by striking "35 shareholders" and inserting "50 shareholders".

SEC. 3102. MEMBERS OF FAMILY TREATED AS 1 SHAREHOLDER.

Paragraph (1) of section 1361(c) (relating to special rules for applying subsection (b)) is amended to read as follows:

"(1) Members of family treated as 1 shareholder.—

"(A) In general.—For purposes of subsection (b)(1)(A)—

"(i) except as provided in clause (ii), a husband and wife (and their estates) shall be treated as 1 shareholder, and

"(ii) in the case of a family with respect to which an election is in effect under subparagraph (E), all members of the family shall be treated as 1 shareholder.

"(B) Members of the family.—For purposes of subparagraph (A)(ii), the term 'members of the family' means the lineal descendants of the common ancestor and the spouses (or former spouses) of such lineal descendants or common ancestor.

"(C) COMMON ANCESTOR.—For purposes of this paragraph, an individual shall not be considered a common ancestor if, as of the later of the effective date of this paragraph or the time the election under section 1362(a) is made, the individual is more than 6 generations removed from the youngest generation of shareholders.

"(D) EFFECT OF ADOPTION, ETC.—In determining whether any relationship specified in subparagraph (B) or (C) exists, the rules of section 152(b)(2) shall apply.

"(E) ELECTION.—An election under subparagraph (A)(ii)—

"(i) must be made with the consent of all shareholders,

"(ii) shall remain in effect until terminated, and

"(iii) shall apply only with respect to 1 family in any corporation.".

CHAPTER 2—PERSONS ALLOWED AS SHAREHOLDERS

SEC. 3111. CERTAIN EXEMPT ORGANIZATIONS.

(a) CERTAIN EXEMPT ORGANIZATIONS ALLOWED TO BE SHAREHOLDERS.—

(1) IN GENERAL.—Subparagraph (B) of section 1361(b)(1) (defining small business corporation) is amended to read as follows:

"(B) have as a shareholder a person (other than an estate, a trust described in subsection (c)(2), or an organization described in subsection (c)(7)) who is not an individual,".

(2) ELIGIBLE EXEMPT ORGANIZATIONS.—Section 1361(c) (relating to special rules for applying subsection (b)) is amended by adding at the end the following new paragraph:

"(7) CERTAIN EXEMPT ORGANIZATIONS PERMITTED AS SHAREHOLDERS.—For purposes of subsection (b)(1)(B), an organization described in section 401(a) or 501(c)(3) may be a shareholder in an S corporation."

(b) CONTRIBUTIONS OF S CORPORATION STOCK.—Section 170(e)(1) (relating to certain contributions of ordinary income and capital gain property) is amended by adding at the end the following sentence: "For purposes of applying this paragraph in the case of a charitable contribution of stock in an S corporation, rules similar to the rules of section 751 shall apply in determining whether gain on such stock would have been long-term capital gain if such stock were sold by the taxpayer."

(c) SPECIAL RULES APPLICABLE TO PARTNERSHIPS AND S CORPORATIONS.—

(1) IN GENERAL.—Subsection (c) of section 512 (relating to unrelated business tax income) is amended—

(A) by inserting "or S corporation" after "partnership" each place it appears in paragraphs (1) and (3),

(B) by inserting "or shareholder" after "member" in paragraph (1), and

(C) by inserting "AND S CORPORATIONS" after "PARTNERSHIPS" in the heading.

(2) REPORTING REQUIREMENT.—Section 6037 (relating to return of S corporation) is amended by adding at the end the following new subsection:

"(c) SEPARATE STATEMENT OF ITEMS OF UNRELATED BUSINESS TAXABLE INCOME.—In the case of any S corporation regularly carrying on a trade or business (within the meaning of section 512(c)(1)), the information required under subsection (b) to be furnished to any shareholder described in section 1361(c)(7) shall include such information as is necessary to enable the shareholder to compute its pro rata share of the corporation's income or loss from the trade or business in accordance with section 512(a)(1), but without regard to the modifications described in paragraphs (8) through (15) of section 512(b)."

SEC. 3112. FINANCIAL INSTITUTIONS.

Subparagraph (B) of section 1361(b)(2) (defining ineligible corporation) is amended to read as follows:

"(B) a financial institution which uses the reserve method of accounting for bad debts described in section 585 or 593,".

SEC. 3113. NONRESIDENT ALIENS.

(a) NONRESIDENT ALIENS ALLOWED TO BE SHAREHOLDERS.—

(1) IN GENERAL.—Paragraph (1) of section 1361(b) (defining small business corporation) is amended—

(A) by adding "and" at the end of subparagraph (B),

(B) by striking subparagraph (C), and

(C) by redesignating subparagraph (D) as subparagraph (C).

(2) CONFORMING AMENDMENTS.—Paragraphs (4) and (5)(A) of section 1361(c) (relating to special rules for applying subsection (b)) are each amended by striking "subsection (b)(1)(D)" and inserting "subsection (b)(1)(C)".

(b) NONRESIDENT ALIEN SHAREHOLDER TREATED AS ENGAGED IN TRADE OR BUSINESS WITHIN UNITED STATES.—

(1) IN GENERAL.—Section 875 is amended—

(A) by striking "and" at the end of paragraph (1),

(B) by striking the period at the end of paragraph (2) and inserting ", and", and

(C) by adding at the end the following new paragraph:

"(3) a nonresident alien individual shall be considered as being engaged in a trade or business within the United States if the S corporation of which such individual is a shareholder is so engaged."

(2) APPLICATION OF WITHHOLDING TAX ON NONRESIDENT ALIEN SHAREHOLDERS.—Section 1446 (relating to withholding tax on foreign partners' share of effectively connected income) is amended by redesignating subsection (f) as subsection (g) and by inserting after subsection (e) the following new subsection:

"(f) S CORPORATION TREATED AS PARTNERSHIP, ETC.—For purposes of this section—

"(1) an S corporation shall be treated as a partnership,

"(2) the shareholders of such corporation shall be treated as partners of such partnership, and

"(3) any reference to section 704 shall be treated as a reference to section 1366."

(3) CONFORMING AMENDMENTS.—

(A) The heading of section 875 is amended to read as follows:

"SEC. 875. PARTNERSHIPS; BENEFICIARIES OF ESTATES AND TRUSTS; S CORPORATIONS."

(B) The heading of section 1446 is amended to read as follows:

"SEC. 1446. WITHHOLDING TAX ON FOREIGN PARTNERS' AND S CORPORATE SHAREHOLDERS' SHARE OF EFFECTIVELY CONNECTED INCOME."

(4) CLERICAL AMENDMENTS.—

(A) The item relating to section 875 in the table of sections for subpart A of part II of subchapter N of chapter 1 is amended to read as follows:

"Sec. 875. Partnerships; beneficiaries of estates and trusts; S corporations."

(B) The item relating to section 1446 in the table of sections for subchapter A of chapter 3 is amended to read as follows:

"Sec. 1446. Withholding tax on foreign partners' and S corporate shareholders' share of effectively connected income."

(c) PERMANENT ESTABLISHMENT OF PARTNERS AND S CORPORATION SHAREHOLDERS.—Section 894 (relating to income affected by treaty) is amended by adding at the end the following new subsection:

"(c) PERMANENT ESTABLISHMENT OF PARTNERS AND S CORPORATION SHAREHOLDERS.—If a partnership or S corporation has a permanent establishment in the United States (within the meaning of a treaty to which the United States is a party) at any time during a taxable year of such entity, a nonresident alien individual or foreign corporation which is a partner in such partnership, or a nonresident alien individual who is a shareholder in such S corporation, shall be treated as having a permanent establishment in the United States for purposes of such treaty."

SEC. 3114. ELECTING SMALL BUSINESS TRUSTS.

(a) GENERAL RULE.—Subparagraph (A) of section 1361(c)(2) (relating to certain trusts permitted as shareholders) is amended by inserting after clause (iv) the following new clause:

"(v) An electing small business trust."

(b) CURRENT BENEFICIARIES TREATED AS SHAREHOLDERS.—Subparagraph (B) of section 1361(c)(2) is amended by adding at the end the following new clause:

"(v) In the case of a trust described in clause (v) of subparagraph (A), each potential current beneficiary of such trust shall be treated as a shareholder; except that, if for any period there is no potential current beneficiary of such trust, such trust shall be treated as the shareholder during such period."

(c) ELECTING SMALL BUSINESS TRUST DEFINED.—Section 1361 (defining S corporation) is amended by adding at the end the following new subsection:

"(e) ELECTING SMALL BUSINESS TRUST DEFINED.—

"(1) ELECTING SMALL BUSINESS TRUST.—For purposes of this section—

"(A) IN GENERAL.—Except as provided in subparagraph (B), the term 'electing small business trust' means any trust if—

"(i) such trust does not have as a beneficiary any person other than an individual, an estate, or an organization described in section 401(a) or 501(c)(3),

"(ii) no interest in such trust was acquired by purchase, and

"(iii) an election under this subsection applies to such trust.

"(B) CERTAIN TRUSTS NOT ELIGIBLE.—The term 'electing small business trust' shall not include—

"(i) any qualified subchapter S trust (as defined in subsection (d)(3)) if an election under subsection (d)(2) applies to any corporation the stock of which is held by such trust, and

"(ii) any trust exempt from tax under this subtitle.

"(C) PURCHASE.—For purposes of subparagraph (A), the term 'purchase' means any acquisition if the basis of the property acquired is determined under section 1012.

"(2) POTENTIAL CURRENT BENEFICIARY.—For purposes of this section, the term 'potential current beneficiary' means, with respect to any period, any person who at any time during such period is entitled to, or at the discretion of any person may receive, a distribution from the principal or income of the trust. If a trust disposes of all of the stock which it holds in an S corporation, then, with respect to such corporation, the term 'potential current beneficiary' does not include any person who first met the requirements of the preceding sentence during the 60-day period ending on the date of such disposition.

"(3) ELECTION.—An election under this subsection shall be made by the trustee in such manner and form, and at such time, as the Secretary may prescribe. Any such election shall apply to the taxable year of the trust for which made and all subsequent taxable years of such trust unless revoked with the consent of the Secretary.

"(4) CROSS REFERENCE.—

"For special treatment of electing small business trusts, see section 641(d)."

(d) TAXATION OF ELECTING SMALL BUSINESS TRUSTS.—Section 641 (relating to imposition of tax on trusts) is amended by adding at the end the following new subsection:

"(d) SPECIAL RULES FOR TAXATION OF ELECTING SMALL BUSINESS TRUSTS.—

"(1) IN GENERAL.—For purposes of this chapter—

"(A) the portion of any electing small business trust which consists of stock in 1 or more S corporations shall be treated as a separate trust, and

"(B) the amount of the tax imposed by this chapter on such separate trust shall be determined with the modifications of paragraph (2).

"(2) MODIFICATIONS.—For purposes of paragraph (1), the modifications of this paragraph are the following:

"(A) Except as provided in section 1(h), the amount of the tax imposed by section 1(e) shall be determined by using the highest rate of tax set forth in section 1(e).

"(B) The exemption amount under section 55(d) shall be zero.

"(C) The only items of income, loss, deduction, or credit to be taken into account are the following:

"(i) The items required to be taken into account under section 1366.

"(ii) Any gain or loss from the disposition of stock in an S corporation.

"(iii) To the extent provided in regulations, State or local income taxes or administrative expenses to the extent allocable to items described in clauses (i) and (ii).

No deduction or credit shall be allowed for any amount not described in this paragraph, and no item described in this paragraph shall be apportioned to any beneficiary.

"(D) No amount shall be allowed under paragraph (1) or (2) of section 1211(b).

"(3) TREATMENT OF REMAINDER OF TRUST AND DISTRIBUTIONS.—For purposes of determining—

"(A) the amount of the tax imposed by this chapter on the portion of any electing small business trust not treated as a separate trust under paragraph (1), and

"(B) the distributable net income of the entire trust,

the items referred to in paragraph (2)(C) shall be excluded. Except as provided in the preceding sentence, this subsection shall not affect the taxation of any distribution from the trust.

"(4) TREATMENT OF UNUSED DEDUCTIONS WHERE TERMINATION OF SEPARATE TRUST.—If a portion of an electing small business trust ceases to be treated as a separate trust under paragraph (1), any carryover or excess deduction of the separate trust which is referred to in section 642(h) shall be taken into account by the entire trust.

"(5) ELECTING SMALL BUSINESS TRUST.—For purposes of this subsection, the term 'electing small business trust' has the meaning given such term by section 1361(e)(1)."

CHAPTER 3—OTHER PROVISIONS

SEC. 3121. EXPANSION OF POST-DEATH QUALIFICATION FOR CERTAIN TRUSTS.

Subparagraph (A) of section 1361(c)(2) (relating to certain trusts permitted as shareholders) is amended—

(1) by striking "60-day period" each place it appears in clauses (ii) and (iii) and inserting "2-year period", and

(2) by striking the last sentence in clause (ii).

Subtitle B—Qualification and Eligibility Requirements for S Corporations

CHAPTER 1—ONE CLASS OF STOCK

SEC. 3201. ISSUANCE OF PREFERRED STOCK PERMITTED.

(a) IN GENERAL.—Section 1361(c), as amended by section 3111(a)(2), is amended by adding at the end the following new paragraph:

"(8) TREATMENT OF QUALIFIED PREFERRED STOCK.—

"(A) IN GENERAL.—Notwithstanding subsection (b)(1)(D), an S corporation may issue qualified preferred stock.

"(B) QUALIFIED PREFERRED STOCK DEFINED.—For purposes of this paragraph, the term 'qualified preferred stock' means stock described in section 1504(a)(4) which is issued to a person eligible to hold common stock of an S corporation.

"(C) DISTRIBUTIONS.—A distribution (not in part or full payment in exchange for stock) made by the corporation with respect to qualified preferred stock shall be includible as interest income of the holder and deductible to the corporation as interest expense in computing taxable income under section 1363(b) in the year such distribution is received."

(b) CONFORMING AMENDMENTS.—

(1) Subparagraph (C) of section 1361(b)(1), as redesignated by section 3113(a)(1)(C), is amended by inserting "except as provided in paragraph (8)," before "have".

(2) Subsection (a) of section 1366 is amended by adding at the end the following new paragraph:

"(3) ALLOCATION WITH RESPECT TO QUALIFIED PREFERRED STOCK.—The holders of qualified preferred stock shall not, with respect to such stock, be allocated any of the items described in paragraph (1)."

SEC. 3202. FINANCIAL INSTITUTIONS PERMITTED TO HOLD SAFE HARBOR DEBT.

Subparagraph (B) of section 1361(c)(5) (defining straight debt) is amended by adding "and" at the end of clause (i) and by striking clauses (ii) and (iii) and inserting the following:

"(ii) in any case in which the terms of such promise include a provision under which the obligation to pay may be converted (directly or indirectly) into stock of the corporation, such terms, taken as a whole, are substantially the same as the terms which could have been obtained on the effective date of the promise from a person which is not a related person (within the meaning of section 465(b)(3)(C)) to the S corporation or its shareholders, and

"(iii) the creditor is—

"(I) an individual,

"(II) an estate,

"(III) a trust described in paragraph (2), or

"(IV) a person which is actively and regularly engaged in the business of lending money."

CHAPTER 2—ELECTIONS AND TERMINATIONS

SEC. 3211. RULES RELATING TO INADVERTENT TERMINATIONS AND INVALID ELECTIONS.

(a) GENERAL RULE.—Subsection (f) of section 1362 (relating to inadvertent terminations) is amended to read as follows:

"(f) INADVERTENT INVALID ELECTIONS OR TERMINATIONS.—If—

"(1) an election under subsection (a) by any corporation—

"(A) was not effective for the taxable year for which made (determined without regard to subsection (b)(2)) by reason of a failure to meet the requirements of section 1361(b) or to obtain shareholder consents, or

"(B) was terminated under paragraph (2) of subsection (d),

"(2) the Secretary determines that the circumstances resulting in such ineffectiveness or termination were inadvertent,

"(3) no later than a reasonable period of time after discovery of the circumstances resulting in such ineffectiveness or termination, steps were taken—

"(A) so that the corporation is a small business corporation, or

"(B) to acquire the required shareholder consents, and

"(4) the corporation, and each person who was a shareholder in the corporation at any time during the period specified pursuant to this subsection, agrees to make such adjustments (consistent with the treatment of the corporation as an S corporation) as may be required by the Secretary with respect to such period,

then, notwithstanding the circumstances resulting in such ineffectiveness or termination, such corporation shall be treated as an S corporation during the period specified by the Secretary."

(b) LATE ELECTIONS.—Subsection (b) of section 1362 is amended by adding at the end the following new paragraph:

"(5) AUTHORITY TO TREAT LATE ELECTIONS AS TIMELY.—If—

"(A) an election under subsection (a) is made for any taxable year (determined without regard to paragraph (3)) after the date prescribed by this subsection for making such election for such taxable year, and

"(B) the Secretary determines that there was reasonable cause for the failure to timely make such election,

the Secretary may treat such election as timely made for such taxable year (and paragraph (3) shall not apply)."

(c) AUTOMATIC WAIVERS.—The Secretary of the Treasury shall provide for an automatic waiver procedure under section 1362(f) of the Internal Revenue Code of 1986 in cases in which the Secretary determines appropriate.

(d) EFFECTIVE DATE.—The amendments made by subsection (a) and (b) shall apply with respect to elections for taxable years beginning after December 31, 1982.

SEC. 3212. AGREEMENT TO TERMINATE YEAR.

Paragraph (2) of section 1377(a) (relating to pro rata share) is amended to read as follows:

"(2) ELECTION TO TERMINATE YEAR.—

"(A) IN GENERAL.—Under regulations prescribed by the Secretary, if any shareholder terminates the shareholder's interest in the corporation during the taxable year and all affected shareholders agree to the application of this paragraph, paragraph (1) shall be applied to the affected shareholders as if the taxable year consisted of 2 taxable years the first of which ends on the date of the termination.

"(B) AFFECTED SHAREHOLDERS.—For purposes of subparagraph (A), the term 'affected shareholders' means the shareholder whose interest is terminated and all shareholders to whom such shareholder has transferred shares during the taxable year. If such shareholder has transferred shares to the corporation, the term 'affected shareholders' shall include all persons who are shareholders during the taxable year."

SEC. 3213. EXPANSION OF POST-TERMINATION TRANSITION PERIOD.

(a) In General.—Paragraph (1) of section 1377(b) (relating to post-termination transition period) is amended by striking "and" at the end of subparagraph (A), by redesignating subparagraph (B) as subparagraph (C), and by inserting after subparagraph (A) the following new subparagraph:

"(B) the 120-day period beginning on the date of any determination pursuant to an audit of the taxpayer which follows the termination of the corporation's election and which adjusts a subchapter S item of income, loss, or deduction of the corporation arising during the S period (as defined in section 1368(e)(2)), and".

(b) Determination Defined.—Paragraph (2) of section 1377(b) is amended by striking subparagraphs (A) and (B), by redesignating subparagraph (C) as subparagraph (B), and by inserting before subparagraph (B) (as so redesignated) the following new subparagraph:

"(A) a determination as defined in section 1313(a), or".

(c) Repeal of Special Audit Provisions for Subchapter S Items.—

(1) General rule.—Subchapter D of chapter 63 (relating to tax treatment of subchapter S items) is hereby repealed.

(2) Consistent treatment required.—Section 6037 (relating to return of S corporation), as amended by section 3111(c)(2), is amended by adding at the end the following new subsection:

"(d) Shareholder's Return Must Be Consistent With Corporate Return or Secretary Notified of Inconsistency.—

"(1) In general.—A shareholder of an S corporation shall, on such shareholder's return, treat a subchapter S item in a manner which is consistent with the treatment of such item on the corporate return.

"(2) Notification of inconsistent treatment.—

"(A) In general.—In the case of any subchapter S item, if—

"(i)(I) the corporation has filed a return but the shareholder's treatment on his return is (or may be) inconsistent with the treatment of the item on the corporate return, or

"(II) the corporation has not filed a return, and

"(ii) the shareholder files with the Secretary a statement identifying the inconsistency,

paragraph (1) shall not apply to such item.

"(B) Shareholder receiving incorrect information.—A shareholder shall be treated as having complied with clause (ii) of subparagraph (A) with respect to a subchapter S item if the shareholder—

"(i) demonstrates to the satisfaction of the Secretary that the treatment of the subchapter S item on the shareholder's return is consistent with the treatment of the item on the schedule furnished to the shareholder by the corporation, and

"(ii) elects to have this paragraph apply with respect to that item.

"(3) Effect of failure to notify.—In any case—

"(A) described in subparagraph (A)(i)(I) of paragraph (2), and

"(B) in which the shareholder does not comply with subparagraph (A)(ii) of paragraph (2),

any adjustment required to make the treatment of the items by such shareholder consistent with the treatment of the items on the corporate return shall be treated as arising out of mathematical or clerical errors and assessed according to section 6213(b)(1). Paragraph (2) of section 6213(b) shall not apply to any assessment referred to in the preceding sentence.

"(4) Subchapter S item.—For purposes of this subsection, the term 'subchapter S item' means any item of an S corporation to the extent that regulations prescribed by the Secretary provide that, for purposes of this subtitle, such item is more appropriately determined at the corporation level than at the shareholder level.

"(5) Addition to tax for failure to comply with section.—

"For addition to tax in the case of a shareholder's negligence in connection with, or disregard of, the requirements of this section, see part II of subchapter A of chapter 68."

(3) Conforming amendments.—

(A) Section 1366 is amended by striking subsection (g).

(B) Subsection (b) of section 6233 is amended to read as follows:

"(b) Similar Rules in Certain Cases.—If a partnership return is filed for any taxable year but it is determined that there is no entity for such taxable year, to the extent provided in regulations, rules similar to the rules of subsection (a) shall apply."

(C) The table of subchapters for chapter 63 is amended by striking the item relating to subchapter D.

SEC. 3214. REPEAL OF EXCESSIVE PASSIVE INVESTMENT INCOME AS A TERMINATION EVENT.

(a) In General.—Section 1362(d) (relating to termination) is amended by striking paragraph (3).

(b) Modification of Tax Imposed on Excessive Passive Investment Income.—

(1) Increase in threshold.—Subsections (a)(2) and (b)(1)(A)(i) of section 1375 (relating to tax imposed when passive investment income of a corporation having subchapter C earnings and profits exceeds 25 percent of gross receipts) are each amended by striking "25 percent" and inserting "50 percent".

(2) Tax rate increase after third consecutive year.—Section 1375 is amended by redesignating subsections (c) and (d) as subsections (d) and (e), respectively, and by inserting after subsection (b) the following new subsection:

"(c) Tax Rate Increase After Third Consecutive Year.—

"(1) In general.—If an S corporation is described in subsection (a) for more than 3 consecutive taxable years, then the rate of tax imposed under subsection (a) with respect to each succeeding consecutive taxable year (if any) shall be determined under the following table:

"In the case of the—	The rate of tax imposed under subsection (a) shall be equal to such rate of tax for the 3rd taxable year, plus the following percentage points:
4th taxable year	10
5th taxable year	20
6th taxable year	30
7th taxable year	40
8th taxable year and thereafter	50.

"(2) Years taken into account.—No tax shall be increased under paragraph (1) for any taxable year beginning before January 1, 1996."

(c) Conforming Amendments.—

(1) Section 1362(f)(1) is amended by striking "or (3)".

(2) Subsection (b) of section 1375 is amended by striking paragraphs (3) and (4) and inserting the following new paragraphs:

"(3) Subchapter C earnings and profits.—The term 'subchapter C earnings and profits' means earnings and profits of any corporation for any taxable year with respect to which an election under section 1362(a) (or under section 1372 of prior law) was not in effect.

"(4) Gross receipts from sales of capital assets (other than stock and securities).—In the case of dispositions of capital assets (other than stock and securities), gross receipts from such dispositions shall be taken into account only to the extent of the capital gain net income therefrom.

"(5) Passive investment income defined.—

"(A) In general.—Except as otherwise provided in this paragraph, the term 'passive investment income' means gross receipts derived from royalties, rents, dividends, interest, and annuities.

"(B) Exception for interest on notes from sales of inventory.—The term 'passive investment income' shall not include interest on any obligation acquired in the ordinary course of the corporation's trade or business from its sale of property described in section 1221(1).

"(C) Treatment of certain lending or finance companies.—If the S corporation meets the requirements of section 542(c)(6) for the taxable year, the term 'passive investment income' shall not include gross receipts for the taxable year which are derived directly from the active and regular conduct of a lending or finance business (as defined in section 542(d)(1)).

"(D) Special rule for options and commodity dealings.—

"(i) In general.—In the case of any options dealer or commodities dealer, passive investment income shall be determined by not taking into account any gain or loss (in the normal course of the taxpayer's activity of dealing in or trading section 1256 contracts) from any section 1256 contract or property related to such a contract.

"(ii) Definitions.—For purposes of this subparagraph—

"(I) Options dealer.—The term 'options dealer' has the meaning given such term by section 1256(g)(8).

"(II) Commodities dealer.—The term 'commodities dealer' means a person who is actively engaged in trading section 1256 contracts and is registered with a domestic board of trade which is designated as a contract market by the Commodities Futures Trading Commission.

"(III) Section 1256 contract.—The term 'section 1256 contract' has the meaning given to such term by section 1256(b).

"(E) Coordination with section 1374.—The amount of passive investment income shall be determined by not taking into account any recognized built-in gain or loss of the S corporation for any taxable year in the recognition period. Terms used in the preceding sentence shall have the same respective meaning as when used in section 1374."

(3) The heading for section 1375 is amended by striking "**25**" and inserting "**50**".

(4) The table of sections for part III of subchapter S of chapter 1 is amended by striking "25" in the item relating to section 1375 and inserting "50".

(5) Clause (i) of section 1042(c)(4)(A) is amended by striking "section 1362(d)(3)(D)" and inserting "section 1375(b)(5)".

CHAPTER 3—OTHER PROVISIONS

SEC. 3221. S CORPORATIONS PERMITTED TO HOLD SUBSIDIARIES.

(a) In General.—Paragraph (2) of section 1361(b) (defining ineligible corporation), as amended by section 3112, is amended by striking subparagraph (A) and by redesignating subparagraphs (B), (C), (D), and (E) as subparagraphs (A), (B), (C), and (D), respectively.

(b) Treatment of Certain Wholly Owned S Corporation Subsidiaries.—Section 1361(b) (defining small business corporation) is amended by adding at the end the following new subsection:

"(3) Treatment of certain wholly owned subsidiaries.—

"(A) In general.—For purposes of this title—

"(i) a corporation which is a qualified subchapter S subsidiary shall not be treated as a separate corporation, and

"(ii) all assets, liabilities, and items of income, deduction, and credit of a qualified subchapter S subsidiary shall be treated as assets, liabilities, and such items (as the case may be) of the S corporation.

"(B) Qualified subchapter S subsidiary.—For purposes of this subsection, the term 'qualified subchapter S subsidiary' means any corporation 100 percent of the stock of which is held by an S corporation as of the later of the effective date of the S election of the S corporation or the acquisition of the subsidiary, and at all times thereafter.

"(C) Treatment of terminations of qualified subchapter S subsidiary status.—For purposes of this subtitle, if any corporation which was a qualified subchapter S subsidiary ceases to meet the requirements of subparagraph (B), such corporation shall be treated as a new corporation acquiring all of its assets (and assuming all of its liabilities) immediately before such cessation from the S corporation in exchange for its stock.".

(c) Certain Dividends Not Treated as Passive Investment Income.—Section 1375(b)(5) (defining passive investment income), as added by section 3214(c)(2), is amended by adding at the end the following new subparagraph:

"(F) Treatment of certain dividends.—If an S corporation holds stock in a C corporation meeting the requirements of section 1504(a)(2), the term 'passive investment income' shall not include dividends from such C corporation to the extent such dividends are attributable to the earnings and profits of such C corporation derived from the active conduct of a trade or business."

(d) Conforming Amendments.—

(1) Subsection (c) of section 1361, as amended by sections 3111(a)(2) and 3201(a), is amended by striking paragraph (6) and redesignating paragraphs (7) and (8) as paragraphs (6) and (7), respectively.

(2) Subsection (b) of section 1504 (defining includible corporation) is amended by adding at the end the following new paragraph:

"(8) An S corporation."

SEC. 3222. TREATMENT OF DISTRIBUTIONS DURING LOSS YEARS.

(a) Adjustments for Distributions Taken Into Account Before Losses.—

(1) Subparagraph (A) of section 1366(d)(1) (relating to losses and deductions cannot exceed shareholder's basis in stock and debt) is amended by striking "paragraph (1)" and inserting "paragraphs (1) and (2)(A)".

(2) Subsection (d) of section 1368 (relating to certain adjustments taken into account) is amended by adding at the end the following new sentence:

"In the case of any distribution made during any taxable year, the adjusted basis of the stock shall be determined with regard to the adjustments provided in paragraph (1) of section 1367(a) for the taxable year."

(b) Accumulated Adjustments Account.—Paragraph (1) of section 1368(e) (relating to accumulated adjustments account) is amended by adding at the end the following new subparagraph:

"(C) Net loss for year disregarded.—

"(i) In general.—In applying this section to distributions made during any taxable year, the amount in the accumulated adjustments account as of the close of such taxable year shall be determined without regard to any net negative adjustment for such taxable year.

"(ii) Net negative adjustment.—For purposes of clause (i), the term 'net negative adjustment' means, with respect to any taxable year, the excess (if any) of—

"(I) the reductions in the account for the taxable year (other than for distributions), over

"(II) the increases in such account for such taxable year."

(c) Conforming Amendments.—Subparagraph (A) of section 1368(e)(1) is amended—

(1) by striking "as provided in subparagraph (B)" and inserting "as otherwise provided in this paragraph", and

(2) by striking "section 1367(b)(2)(A)" and inserting "section 1367(a)(2)".

SEC. 3223. CONSENT DIVIDEND FOR AAA BYPASS ELECTION.

Section 1368(e)(3) (relating to election to distribute earnings first) is amended by adding at the end the following new subparagraph:

"(C) Consent dividend.—Under regulations prescribed by the Secretary, an S corporation may, subject to the election under this paragraph, consent to treat as a distribution the amount specified in such consent, to the extent such amount does not exceed the accumulated earnings and profits of such corporation. The amount so specified shall be considered—

"(i) as distributed in money by the corporation to its shareholders on the last day of the taxable year of the corporation and as contributed to the capital of the corporation by the shareholders on such day, and

"(ii) if any such shareholder is an organization described in section 511(a)(2), as unrelated business taxable income (as defined in section 512) to such shareholder."

SEC. 3224. TREATMENT OF S CORPORATIONS UNDER SUBCHAPTER C.

Subsection (a) of section 1371 (relating to application of subchapter C rules) is amended to read as follows:

"(a) Application of Subchapter C Rules.—Except as otherwise provided in this title, and except to the extent inconsistent with this subchapter, subchapter C shall apply to an S corporation and its shareholders."

SEC. 3225. ELIMINATION OF PRE-1983 EARNINGS AND PROFITS.

(a) In General.—If—

(1) a corporation was an electing small business corporation under subchapter S of chapter 1 of the Internal Revenue Code of 1986 for any taxable year beginning before January 1, 1983, and

(2) such corporation is an S corporation under subchapter S of chapter 1 of such Code for its first taxable year beginning after December 31, 1995,

the amount of such corporation's accumulated earnings and profits (as of the beginning of such first taxable year) shall be reduced by an amount equal to the portion (if any) of such accumulated earnings and profits which were accumulated in any taxable year beginning before January 1, 1983, for which such corporation was an electing small business corporation under such subchapter S.

(b) Conforming Amendments.—

(1)(A) Subsection (a) of section 1375 is amended by striking "subchapter C" in paragraph (1) and inserting "accumulated".

(B) Subsection (b) of section 1375, as amended by section 3214(c)(2), is amended by striking paragraph (3) and by redesignating paragraphs (4) and (5) as paragraphs (3) and (4), respectively.

(C) The section heading for section 1375 is amended by striking "**subchapter c**" and inserting "**accumulated**".

(D) The table of sections for part III of subchapter S of chapter 1 is amended by striking "subchapter C" in the item relating to section 1375 and inserting "accumulated".

(2) Clause (i) of section 1042(c)(4)(A), as amended by section 3214(c)(5), is amended by striking "section 1375(b)(5)" and inserting "section 1375(b)(4)".

SEC. 3226. ALLOWANCE OF CHARITABLE CONTRIBUTIONS OF INVENTORY AND SCIENTIFIC PROPERTY.

(a) In General.—Section 170(e) (relating to certain contributions of ordinary income and capital gain property) is amended—

(1) by striking "(other than a corporation which is an S corporation)" in paragraph (3)(A), and

(2) by striking clause (i) of paragraph (4)(D) and by redesignating clauses (ii) and (iii) of such paragraph as clauses (i) and (ii), respectively.

(b) Stock Basis Adjustment.—Paragraph (1) of section 1367(a) (relating to adjustments to basis of stock of shareholders, etc.) is amended by striking "and" at the end of subparagraph (B), by striking the period at the end of subparagraph (C) and inserting ", and", and by adding at the end the following new subparagraph:

"(D) the excess of the deductions for charitable contributions over the basis of the property contributed."

SEC. 3227. C CORPORATION RULES TO APPLY FOR FRINGE BENEFIT PURPOSES.

(a) In General.—Section 1372 (relating to partnership rules to apply for fringe benefit purposes) is repealed.

(b) Partnership Rules To Apply For Health Insurance Costs of Certain S Corporation Shareholders.—Paragraph (5) of section 162(*l*) is amended to read as follows:

"(5) Treatment of certain S corporation shareholders.—

"(A) In general.—This subsection shall apply in the case of any 2-percent shareholder of an S corporation, except that—

"(i) for purposes of this subsection, such shareholder's wages (as defined in section 3121) from the S corporation shall be treated as such shareholder's earned income (within the meaning of section 401(c)(1)), and

"(ii) there shall be such adjustments in the application of this subsection as the Secretary may by regulations prescribe.

"(B) 2-percent shareholder defined.—For purposes of this paragraph, the term '2-percent shareholder' means any person who owns (or is considered as owning within the meaning of section 318) on any day during the taxable year of the S corporation more than 2 percent of the outstanding stock of such corporation or stock possessing more than 2 percent of the total combined voting power of all stock of such corporation."

(b) CONFORMING AMENDMENT.—The table of sections for part III of subchapter S of chapter 1 is amended by striking the item relating to section 1372.

Subtitle C—Taxation of S Corporation Shareholders

SEC. 3301. UNIFORM TREATMENT OF OWNER-EMPLOYEES UNDER PROHIBITED TRANSACTION RULES.

The last sentence of section 4975(d) (relating to exemptions from prohibited transactions) is amended by striking "a shareholder-employee (as defined in section 1379, as in effect on the day before the date of the enactment of the Subchapter S Revision Act of 1982),".

SEC. 3302. TREATMENT OF LOSSES TO SHAREHOLDERS.

(a) TREATMENT OF LOSSES IN LIQUIDATIONS.—Section 331 (relating to gain or loss to shareholders in corporate liquidations) is amended by redesignating subsection (c) as subsection (d) and by inserting after subsection (b) the following new subsection:

"(c) LOSSES ON LIQUIDATIONS OF S CORPORATION.—

"(1) IN GENERAL.—The portion of any loss recognized by a shareholder of an S corporation (as defined in section 1361(a)(1)) on amounts received by such shareholder in a distribution in complete liquidation of such S corporation which does not exceed the ordinary income basis of stock of such S corporation in the hands of such shareholder shall not be treated as a loss from the sale or exchange of a capital asset but shall be treated as an ordinary loss.

"(2) ORDINARY INCOME BASIS.—For purposes of this subsection, the ordinary income basis of stock of an S corporation in the hands of a shareholder of such S corporation shall be an amount equal to the portion of such shareholder's basis in such stock which is equal to the aggregate increases in such basis under section 1367(a)(1) resulting from such shareholder's pro rata share of ordinary income of such S corporation attributable to the complete liquidation."

(b) CARRYOVER OF DISALLOWED LOSSES AND DEDUCTIONS UNDER AT-RISK RULES ALLOWED.—Paragraph (3) of section 1366(d) (relating to carryover of disallowed losses and deductions to post-termination transition period) is amended by adding at the end the following new subparagraph:

"(D) AT-RISK LIMITATIONS.—To the extent that any increase in adjusted basis described in subparagraph (B) would have increased the shareholder's amount at risk under section 465 if such increase had occurred on the day preceding the commencement of the post-termination transition period, rules similar to the rules described in subparagraphs (A) through (C) shall apply to any losses disallowed by reason of section 465(a)."

Subtitle D—Effective Date

SEC. 3401. EFFECTIVE DATE.

(a) IN GENERAL.—Except as otherwise provided in this title, the amendments made by this title shall apply to taxable years beginning after December 31, 1995.

(b) TREATMENT OF CERTAIN ELECTIONS UNDER PRIOR LAW.—For purposes of section 1362(g) of the Internal Revenue Code of 1986 (relating to election after termination), any termination under section 1362(d) of such Code (as in effect on the day before the date of the enactment of this Act) shall not be taken into account.

TITLE IV—PENSION SIMPLIFICATION

Subtitle A—Simplification of Nondiscrimination Provisions

SEC. 4000. SHORT TITLE.

This title may be cited as the "Pension Simplification Act of 1995".

SEC. 4001. DEFINITION OF HIGHLY COMPENSATED EMPLOYEES; REPEAL OF FAMILY AGGREGATION.

(a) IN GENERAL.—Paragraph (1) of section 414(q) (defining highly compensated employee) is amended to read as follows:

"(1) IN GENERAL.—The term 'highly compensated employee' means any employee who—

"(A) was a 5-percent owner at any time during the year or the preceding year,

"(B) had compensation for the preceding year from the employer in excess of $80,000, or

"(C) was the most highly compensated officer of the employer for the preceding year.

The Secretary shall adjust the $80,000 amount under subparagraph (B) at the same time and in the same manner as under section 415(d), except that the base period shall be the calendar quarter beginning October 1, 1995."

(b) SPECIAL RULE WHERE NO EMPLOYEE HAS COMPENSATION OVER SPECIFIED AMOUNT.—Paragraph (2) of section 414(q) is amended to read as follows:

"(2) SPECIAL RULE IF NO EMPLOYEE HAS COMPENSATION OVER SPECIFIED AMOUNT.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), if a defined benefit plan or a defined contribution plan meets the requirements of sections 401(a)(4) and 410(b) with respect to the availability of contributions, benefits, and other plan features, then for all other purposes, subparagraphs (A) and (C) of paragraph (1) shall not apply to such plan.

"(B) EXCEPTION.—Subparagraph (A) shall not apply to a plan to the extent provided in regulations that are prescribed by the Secretary to prevent the evasion of the purposes of this paragraph."

(c) REPEAL OF FAMILY AGGREGATION RULES.—

(1) IN GENERAL.—Paragraph (6) of section 414(q) is hereby repealed.

(2) COMPENSATION LIMIT.—Paragraph (17)(A) of section 401(a) is amended by striking the last sentence.

(3) DEDUCTION.—Subsection (l) of section 404 is amended by striking the last sentence.

(d) CONFORMING AMENDMENTS.—

(1) Paragraphs (4), (5), (8), and (12) of section 414(q) are hereby repealed.

(2)(A) Section 414(r) is amended by adding at the end the following new paragraph:

"(9) EXCLUDED EMPLOYEES.—For purposes of this subsection, the following employees shall be excluded:

"(A) Employees who have not completed 6 months of service.

"(B) Employees who normally work less than 17½ hours per week.

"(C) Employees who normally work not more than 6 months during any year.

"(D) Employees who have not attained the age of 21.

"(E) Except to the extent provided in regulations, employees who are included in a unit of employees covered by an agreement which the Secretary of Labor finds to be a collective bargaining agreement between employee representatives and the employer.

Except as provided by the Secretary, the employer may elect to apply subparagraph (A), (B), (C), or (D) by substituting a shorter period of service, smaller number of hours or months, or lower age for the period of service, number of hours or months, or age (as the case may be) specified in such subparagraph."

(B) Subparagraph (A) of section 414(r)(2) is amended by striking "subsection (q)(8)" and inserting "paragraph (9)".

(3) Section 1114(c)(4) of the Tax Reform Act of 1986 is amended by adding at the end the following new sentence: "Any reference in this paragraph to section 414(q) shall be treated as a reference to such section as in effect before the Pension Simplification Act of 1995."

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to years beginning after December 31, 1995, except that in determining whether an employee is a highly compensated employee for years beginning in 1996, such amendments shall be treated as having been in effect for years beginning in 1995.

Subtitle B—Targeted Access to Pension Plans for Small Employers

SEC. 4011. CREDIT FOR PENSION PLAN START-UP COSTS OF SMALL EMPLOYERS.

(a) ALLOWANCE OF CREDIT.—Section 38(b) (defining current year business credit) is amended by striking "plus" at the end of paragraph (10), by striking the period at the end of paragraph (11) and inserting ", plus", and by adding at the end the following new paragraph:

"(12) the small employer pension plan start-up cost credit."

(b) SMALL EMPLOYER PENSION PLAN START-UP COST CREDIT.—Subpart D of part IV of subchapter A of chapter 1 (relating to business related credits) is amended by adding at the end the following new section:

"SEC. 45C. SMALL EMPLOYER PENSION PLAN START-UP COST CREDIT.

"(a) AMOUNT OF CREDIT.—For purposes of section 38—

"(1) IN GENERAL.—The small employer pension plan start-up cost credit for any taxable year is an amount equal to the qualified start-up costs of an eligible employer in establishing a qualified pension plan.

"(2) AGGREGATE LIMITATION.—The amount of the credit under paragraph (1) for any taxable year shall not exceed $1,000, reduced by the aggregate amount determined under this section for all preceding taxable years of the taxpayer.

"(b) QUALIFIED START-UP COSTS; QUALIFIED PENSION PLAN.—For purposes of this section—

"(1) QUALIFIED START-UP COSTS.—The term 'qualified start-up costs' means any ordinary and necessary expenses of an eligible employer which—

"(A) are paid or incurred in connection with the establishment of a qualified pension plan, and

"(B) are of a nonrecurring nature.

"(2) QUALIFIED PENSION PLAN.—The term 'qualified pension plan' means—

"(A) a plan described in section 401(a) which includes a trust exempt from tax under section 501(a), or

"(B) a simplified employee pension (as defined in section 408(k)).

"(c) ELIGIBLE EMPLOYER.—For purposes of this section—

"(1) IN GENERAL.—The term 'eligible employer' means an employer which—

"(A) had an average daily number of employees during the preceding taxable year not in excess of 50, and

"(B) did not make any contributions on behalf of any employee to a qualified pension plan during the 2 taxable years immediately preceding the taxable year.

"(2) PROFESSIONAL SERVICE EMPLOYERS EXCLUDED.—Such term shall not include an employer substantially all of the activities of which involve the performance of services in the fields of health, law, engineering, architecture, accounting, actuarial science, performing arts, or consulting.

"(d) SPECIAL RULES.—For purposes of this section—

"(1) AGGREGATION RULES.—All persons treated as a single employer under subsection (a) or (b) of section 52 or subsection (n) or (o) of section 414 shall be treated as one person.

"(2) DISALLOWANCE OF DEDUCTION.—No deduction shall be allowable under this chapter for any qualified start-up costs for which a credit is allowable under subsection (a)."

(c) CONFORMING AMENDMENTS.—

(1) Section 39(d) is amended by adding at the end the following new paragraph:

"(7) NO CARRYBACK OF PENSION CREDIT.—No portion of the unused business credit for any taxable year which is attributable to the small employer pension plan start-up cost credit determined under section 45C may be carried back to a taxable year ending before the date of the enactment of section 45C."

(2) The table of sections for subpart D of part IV of subchapter A of chapter 1 is amended by adding at the end the following new item:

"Sec. 45C. Small employer pension plan start-up cost credit."

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to costs incurred after the date of the enactment of this Act in taxable years ending after such date.

SEC. 4012. MODIFICATIONS OF SIMPLIFIED EMPLOYEE PENSIONS.

(a) INCREASE IN NUMBER OF ALLOWABLE PARTICIPANTS FOR SALARY REDUCTION ARRANGEMENTS.—Section 408(k)(6)(B) is amended by striking "25" each place it appears in the text and heading thereof and inserting "100".

(b) REPEAL OF PARTICIPATION REQUIREMENT.—

(1) IN GENERAL.—Section 408(k)(6)(A) is amended by striking clause (ii) and by redesignating clauses (iii) and (iv) as clauses (ii) and (iii), respectively.

(2) CONFORMING AMENDMENTS.—Clause (ii) of section 408(k)(6)(C) and clause (ii) of section 408(k)(6)(F) are each amended by striking "subparagraph (A)(iii)" and inserting "subparagraph (A)(ii)".

(c) ALTERNATIVE TEST.—Clause (ii) of section 408(k)(6)(A), as redesignated by subsection (b)(1), is amended by adding at the end the following new flush sentence:

"The requirements of the preceding sentence are met if the employer makes contributions to the simplified employee pension meeting the requirements of sections 401(k)(11) (B) or (C), 401(k)(11)(D), and 401(m)(10)(B)."

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to years beginning after December 31, 1995.

SEC. 4013. EXEMPTION FROM TOP-HEAVY PLAN REQUIREMENTS.

(a) EXEMPTION FROM TOP-HEAVY PLAN REQUIREMENTS.—Section 416(g) (defining top-heavy plans) is amended by adding at the end the following new paragraph:

"(3) EXEMPTION FOR CERTAIN PLANS.—A plan shall not be treated as a top-heavy plan if, for such plan year, the employer has no highly compensated employees (as defined in section 414(q)) by reason of section 414(q)(2)."

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to years beginning after December 31, 1995.

SEC. 4014. REGULATORY TREATMENT OF SMALL EMPLOYERS.

(a) IN GENERAL.—Section 7805(f) (relating to review of impact of regulations on small business) is amended by adding at the end the following new subparagraph:

"(4) SPECIAL RULE FOR PENSION REGULATIONS.—

"(A) IN GENERAL.—Any regulation proposed to be issued by the Secretary which relates to qualified pension plans shall not take effect unless the Secretary includes provisions to address any special needs of the small employers.

"(B) QUALIFIED PENSION PLAN.—For purposes of this paragraph, the term 'qualified pension plan' means—

"(i) any plan which includes a trust described in section 401(a) which is exempt from tax under section 501(a), or

"(ii) any simplified employee pension (as defined in section 408(k))."

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to regulations issued after the date of the enactment of this Act.

TITLE V—ESTATE TAX EXCLUSION FOR FAMILY-OWNED BUSINESS

SEC. 5001. SHORT TITLE.

This title may be cited as the "American Family-Owned Business Act".

SEC. 5002. FAMILY-OWNED BUSINESS EXCLUSION.

(a) IN GENERAL.—Part III of subchapter A of chapter 11 (relating to gross estate) is amended by inserting after section 2033 the following new section:

"SEC. 2033A. FAMILY-OWNED BUSINESS EXCLUSION.

"(a) IN GENERAL.—In the case of an estate of a decedent to which this section applies, the value of the gross estate shall not include the lesser of—

"(1) the adjusted value of the qualified family-owned business interests of the decedent otherwise includible in the estate, or

"(2) the sum of—

"(A) $1,500,000, plus

"(B) 50 percent of the excess (if any) of the adjusted value of such interests over $1,500,000.

"(b) ESTATES TO WHICH SECTION APPLIES.—This section shall apply to an estate if—

"(1) the decedent was (at the date of the decedent's death) a citizen or resident of the United States,

"(2) the excess of—

"(A) the sum of—

"(i) the adjusted value of the qualified family-owned business interests which—

"(I) are included in determining the value of the gross estate (without regard to this section), and

"(II) are acquired by a qualified heir from, or passed to a qualified heir from, the decedent (within the meaning of section 2032A(e)(9)), plus

"(ii) the amount of the adjusted taxable gifts of such interests from the decedent to members of the decedent's family taken into account under subsection 2001(b)(1)(B), to the extent such interests are continuously held by such members between the date of the gift and the date of the decedent's death, over

"(B) the amount included in the gross estate under section 2035,

exceeds 50 percent of the adjusted gross estate, and

"(3) during the 8-year period ending on the date of the decedent's death there have been periods aggregating 5 years or more during which—

"(A) such interests were owned by the decedent or a member of the decedent's family, and

"(B) there was material participation (within the meaning of section 2032A(e)(6)) by the decedent or a member of the decedent's family in the operation of the business to which such interests relate.

"(c) ADJUSTED GROSS ESTATE.—For purposes of this section, the term 'adjusted gross estate' means the value of the gross estate (determined without regard to this section)—

"(1) reduced by any amount deductible under section 2053(a)(4), and

"(2) increased by the excess of—

"(A) the sum of—

"(i) the amount taken into account under subsection (b)(2)(B)), plus

"(ii) the amount of other gifts from the decedent to the decedent's spouse (at the time of the gift) within 10 years of the date of the decedent's death, plus

"(iii) the amount of other gifts (not included under clause (i) or (ii)) from the decedent within 3 years of such date, over

"(B) the amount included in the gross estate under section 2035.

"(d) ADJUSTED VALUE OF THE QUALIFIED FAMILY-OWNED BUSINESS INTERESTS.—For purposes of this section, the adjusted value of any qualified family-owned business interest is the value of such interest for purposes of this chapter (determined without regard to this section), reduced by the excess of—

"(1) any amount deductible under section 2053(a)(4), over

"(2) the sum of—

"(A) any indebtedness on any qualified residence of the decedent the interest on which is deductible under section 163(h)(3), plus

"(B) any indebtedness to the extent the taxpayer establishes that the proceeds of such indebtedness were used for the payment of educational and medical expenses of the decedent, the decedent's spouse, or the decedent's dependents (within the meaning of section 152), plus

"(C) any indebtedness not described in subparagraph (A) or (B), to the extent such indebtedness does not exceed $10,000.

"(e) QUALIFIED FAMILY-OWNED BUSINESS INTEREST.—

"(1) IN GENERAL.—For purposes of this section, the term 'qualified family-owned business interest' means—

"(A) an interest as a proprietor in a trade or business carried on as a proprietorship, or

"(B) an interest as a partner in a partnership, or stock in a corporation, carrying on a trade or business, if—

"(i) at least—

"(I) 50 percent of such partnership or corporation is owned (directly or indirectly) by the decedent or members of the decedent's family,

"(II) 70 percent of such partnership or corporation is so owned by 2 families (including the decedent's family), or

"(III) 90 percent of such partnership or corporation is so owned by 3 families (including the decedent's family), and

"(ii) at least 30 percent of such partnership or corporation is so owned by each family described in subclause (II) or (III) of clause (i).

"(2) LIMITATION.—Such term shall not include—

"(A) any interest in a trade or business the principal place of business of which is not located in the United States,

"(B) any interest in—

"(i) an entity which had, or

"(ii) an entity which is a member of a controlled group (as defined in section 267(f)(1)) which had, readily tradable stock or debt on an established securities market or secondary market (as defined by the Secretary) within 3 years of the date of the decedent's death,

"(C) any interest in a trade or business not described in section 542(c)(2), if more than 35 percent of the adjusted ordinary gross income of such trade or business for the taxable year which includes the date of the decedent's death would qualify as personal holding company income (as defined in section 543(a)), and

"(D) that portion of an interest in a trade or business that is attributable to cash or marketable securities, or both, in excess of the reasonably expected day-to-day working capital needs of such trade or business.

"(3) OWNERSHIP RULES.—

"(A) INDIRECT OWNERSHIP.—For purposes of determining indirect ownership under paragraph (1), rules similar to the rules of paragraphs (2) and (3) of section 447(e) shall apply.

"(B) TIERED ENTITIES.—For purposes of this section, if—

"(i) a qualified family-owned business holds an interest in another trade or business, and

"(ii) such interest would be a qualified family-owned business interest if held directly by the family (or families) holding interests in the qualified family-owned business meeting the requirements of paragraph (1)(B),

then the value of the qualified family-owned business shall include the portion attributable to the interest in the other trade or business.

"(f) TAX TREATMENT OF FAILURE TO MATERIALLY PARTICIPATE IN BUSINESS OR DISPOSITIONS OF INTERESTS.—

"(1) IN GENERAL.—There is imposed an additional estate tax if, within 10 years after the date of the decedent's death and before the date of the qualified heir's death—

"(A) the qualified heir ceases to use for the qualified use (within the meaning of section 2032A(c)(6)(B)) the qualified family-owned business interest which was acquired (or passed) from the decedent, or

"(B) the qualified heir disposes of any portion of a qualified family-owned business interest (other than by a disposition to a member of the qualified heir's family or through a qualified conservation contribution under section 170(h)).

"(2) ADDITIONAL ESTATE TAX.—The amount of the additional estate tax imposed by paragraph (1) shall be equal to—

"(A) the adjusted tax difference attributable to the qualified family-owned business interest (as determined under rules similar to the rules of section 2032A(c)(2)(B)), plus

"(B) interest on the amount determined under subparagraph (A) at the annual rate of 4 percent for the period beginning on the date the estate tax liability was due under this chapter and ending on the date such additional estate tax is due.

"(g) OTHER DEFINITIONS AND APPLICABLE RULES.—For purposes of this section—

"(1) QUALIFIED HEIR.—The term 'qualified heir'—

"(A) has the meaning given to such term by section 2032A(e)(1), and

"(B) includes any active employee of the trade or business to which the qualified family-owned business interest relates if such employee has been employed by such trade or business for a period of at least 10 years before the date of the decedent's death.

"(2) MEMBER OF THE FAMILY.—The term 'member of the family' has the meaning given to such term by section 2032A(e)(2).

"(3) APPLICABLE RULES.—Rules similar to the following rules shall apply:

"(A) Section 2032A(b)(4) (relating to decedents who are retired or disabled).

"(B) Section 2032A(b)(5) (relating to special rules for surviving spouses).

"(C) Section 2032A(c)(2)(D) (relating to partial dispositions).

"(D) Section 2032A(c)(3) (relating to only 1 additional tax imposed with respect to any 1 portion).

"(E) Section 2032A(c)(4) (relating to due date).

"(F) Section 2032A(c)(5) (relating to liability for tax; furnishing of bond).

"(G) Section 2032A(c)(7) (relating to no tax if use begins within 2 years; active management by eligible qualified heir treatment as material participation).

"(H) Section 2032A(e)(10) (relating to community property).

"(I) Section 2032A(e)(14) (relating to treatment of replacement property acquired in section 1031 or 1033 transactions).

"(J) Section 2032A(f) (relating to statute of limitations).

"(K) Section 6166(b)(3) (relating to farmhouses and certain other structures taken into account).

"(L) Subparagraphs (B), (C), and (D) of section 6166(g)(1) (relating to acceleration of payment)."

(b) CLERICAL AMENDMENT.—The table of sections for part III of subchapter A of chapter 11 is amended by inserting after the item relating to section 2033 the following new item:

"Sec. 2033A. Family-owned business exclusion."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to estates of decedents dying after December 31, 1995.

TITLE VI—SPENDING REDUCTIONS

SEC. 6001. SHORT TITLE.

This title may be cited as the "Spending Reductions Act of 1995".

SEC. 6002. SERVICE CONTRACTS.

Notwithstanding any other provision of law, of the funds available for fiscal year 1996, the total amount available for service contracts shall not exceed $105,000,000,000.

SEC. 6003. FEDERALLY FUNDED RESEARCH AND DEVELOPMENT CENTERS.

Notwithstanding any other provision of law, of the funds available for the Department of Defense for fiscal year 1996, the total amount available for procurement of work from federally funded research and development centers shall not exceed $1,000,000,000.

SEC. 6004. FOREIGN MILITARY FINANCING.

Notwithstanding any other provision of law, of the funds available for fiscal year 1996, the total amount available for the Foreign Military Financing Program under section 23 of the Arms Export Control Act shall not exceed $3,500,000,000.

BOOST—FIVE-POINT PLAN

1. Taxpayer Bill of Rights 2 (T2). Laws ensuring the IRS treats taxpayers with respect are the key to making our tax system work. The original Taxpayer Bill of Rights, enacted in 1988, took the first step in the battle to achieve this goal. T2 is the next natural step toward requiring the IRS to meet new standards of timeliness, accuracy, and accountability.

2. 100% Health Care Deduction for Self-Employed. Today, large corporations may deduct 100% of the cost of their employees' health care premiums while the self-employed may deduct only 30% of their health insurance costs. There is no reason for treating self-employed workers differently than large corporations. BOOST provides a 75% deduction in 1996 and a permanent 100% deduction for 1997 and thereafter for the self-employed.

3. S Corporation Reform Act. In 1958, S Corporations were first created in the tax law to help small U.S. companies. The S corp rules have been extremely helpful to small businesses. Today, close to $2 million U.S. companies are S Corps. However, as written in 1958, S corps are very limited and operating as an S corp contains many pitfalls. The S Corporation Reform Act overhauls these outdated rules so small business can better compete in today's financial environment.

4. Small Businesses Pensions. In businesses with less than 25 employees, only 19.6% of the employees have any employer provided pension available, and only 15% of these employees participated in the plan. A major contributing factor to this dismal statistic is the sky-high cost of establishing and maintaining a pension plan for a small business. BOOST provides a maximum $1000 tax credit for the start-up costs of providing a new plan for employers with 50 or fewer employees, and it slashes annual nondiscrimination testing requirements for firms where no employee is highly compensated. Thus, BOOST alleviates high cost barriers for small businesses wishing to provide employees a pension.

5. American Family-Owned Business Act. The impact of the estate tax on a family-owned business is devastating because of one simple fact—the rates are too high. On top of this, the tax bill oftentimes comes due abruptly and at a time when the business has lost one of its key assets. The tremendous financial strain causes many family-owned businesses to close. The effect is that jobs are lost, and the community loses the goods and/or services provided by the business. The American Family-Owned Business Act carefully targets estate tax relief to estates whose major asset is its business and whose family members will materially participate in the business in the coming years.

By Mr. BREAUX:

S. 1300. A bill to amend the Internal Revenue Code of 1986 to simplify the method of payment of taxes on distilled spirits; to the Committee on Finance.

THE DISTILLED SPIRITS TAX PAYMENT SIMPLIFICATION ACT OF 1995

• Mr. BREAUX. Mr. President, I introduce the Distilled Spirits Tax Payment Simplification Act of 1995, a bill more readily known as all-in-bond. The bill would streamline the way in which the Government collects the Federal excise tax on distilled spirits by extending the current system of collection now applicable only to imported products to domestic products as well.

Today wholesalers purchase foreign bottled distilled spirits in bond—tax-free—paying the Federal excise tax directly after sale to a retailer. In contrast, when the wholesaler buys domestically bottled spirits—nearly 86 percent of total inventory—the price includes the Federal excise tax, prepaid by the distiller. This means that hundreds of U.S. family owned wholesale businesses increase their inventory carrying costs by 40 percent when buying U.S. products, which must be financed through borrowing.

Under my bill, wholesalers would be allowed to purchase domestically bottled distilled spirits in-bond from distillers just as they are now permitted to purchase foreign produced spirits. Products would become subject to tax on removal from the wholesale premises. Additionally, the Federal tax collection process would be simplified by providing that only one Federal agency collect the tax.

All-in-bond is an equitable and sound way in which to remove the burden of prepayment of the Federal excise tax on domestically bottled spirits while streamlining our tax collection system. I hope my colleagues will join me in cosponsoring this important legislation.•

By Mr. SPECTER:

S. 1301. A bill to amend the Goals 2000: Educate America Act to eliminate the National Education Standards and Improvement Council and requirements concerning opportunity-to-learn standards, to limit the authority of the Secretary of Education to review and approve State plans, to permit certain local educational agencies to receive funding directly from the Secretary of Education, and for other purposes; to the Committee on Labor and Human Resources.

GOALS 2000 LEGISLATION

Mr. SPECTER. Mr. President, back in 1983, when President Reagan's Education Secretary, Terrell Bell, issued that now-famous report on the problems of education in this country he called that report "A Nation at Risk." Not a school district at risk. Not a State at risk. But a nation at risk.

Recognizing the need to improve educational achievement of this Nation's children, Governors of both parties launched a program to raise the achievement standards in American schools and a national education goals effort was embraced at the 1989 education summit in Charlottesville.

That effort culminated early last year, when a bipartisan majority in Congress voted to approve Goals 2000 legislation. That legislation supports development of model national academic standards in 13 subjects, standards that any school district may use as guides.

The Goals 2000 legislation also authorizes grants to States to help reform their schools so they can achieve their education goals. Participating States must develop challenging State content and performance standards and assessments aligned with those standards.

Since the passage of Goals 2000, 48 States have applied for and received funding. Two States, Virginia and New Hampshire, have refused the funds and have taken issue with the intent of Goals 2000, citing fears of Federal intrusion. A third State, Montana, has declined to receive 2d year funding; and a fourth State, Alabama, announced last week that it was ending its participation. In addition, a number of organizations have leveled a wide assortment of charges against Goals 2000.

Some say the legislation usurps State and local control over education. Others say it does no such thing and represents unprecedented flexibility in Federal legislation.

All of the concerns expressed, however, ultimately focus on what is the most appropriate and effective Federal role in elementary and secondary education.

By way of background and to help put this in context, let me review a few facts.

States now contribute about 36 percent of the cost of running our schools; local agencies contribute 26 percent, and private institutions account for 30 percent. The Federal Government's financial stake amounts to less than 10 percent.

If one agrees with the old adage that money is power, then it appears that the principal responsibility for running our schools continues to rest with the States and with local communities.

Where the Federal Government has traditionally played an important role is in helping to build partnerships among States, communities, and private institutions; and in helping to disseminate information on what works in one part of the country to others which may be struggling with the same problem. In that regard, I have always believed that the Federal Government can play an important part in helping to ensure a degree of fairness and equity for all our children.

The Labor, Health, and Human Services and Education Subcommittee which I chair recently held a hearing on the Goals 2000 issue. To help us better understand the controversy surrounding goals, the subcommittee heard from two witnesses.

Our first witness was Education Secretary Richard Riley, who testified in support of the Goals 2000 legislation and the administration's request of $750 million for fiscal year 1996.

Our second witness was Mr. Ovide Lamontagne, who chairs the New Hampshire State Board of Education. Specifically, Mr. Lamontagne raised concerns about the Secretary of Education's ability to review and approve a State's plan for its entire educational system, which he considered unprecedented. After much discussion with Mr. Lamontagne and Secretary Riley, the Secretary seemed to think he could live without that provision. Mr. Lamontagne also stated that eliminating secretarial review and approval would go a long way toward improving the legislation.

We also addressed the issue of school districts receiving funds directly from the Secretary, if their States chose not to participate in Goals 2000. In addition, discussions were held concerning the National Education Standards and Improvement Council [NESIC] and both the Secretary and Mr. Lamontagne agreed that eliminating the Council would be desirable.

The legislation which I am introducing today addresses the concerns of States that have chosen not to participate in Goals 2000. Specifically, the legislation:

Permits school districts, in States that elect not to participate in the Goals 2000 Program, to apply directly to the Secretary of Education for Goals 2000 funding.

Eliminates the requirement that States submit their plans to the Secretary of Education.

Removes the authority of the Secretary of Education to review and approve State plans.

Deletes the requirements for the composition of State and local panels that develop State and local improvement plans.

Eliminates the National Education Standards and Improvement Council [NESIC], which was to certify national and State standards, and which some viewed as a national school board.

Removes the requirement for States to develop opportunity-to-learn standards. These standards would specify the educational resources—such as funding, facilities, and materials—deemed necessary for local schools to achieve State or national content and performance standards.

It is my hope that this legislation will improve Goals 2000 so that all States will feel they are able to participate in this important program because it strikes the proper balance between State and local responsibility for education and Federal leadership.

By Ms. MIKULSKI:

S. 1302. A bill to restore competitiveness to the sugar industry by reforming the Federal Sugar Program and thereby ensuring that consumers have an uninterrupted supply of sugar at reasonable prices, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

THE SUGAR COMPETITIVENESS ACT OF 1995

• Ms. MIKULSKI. Mr. President, today I am introducing legislation to dramatically reform the sugar program run by the Department of Agriculture. My bill, the Sugar Competitiveness Act, is designed to restore competitiveness to the sugar industry by reducing Government intervention in the marketplace.

Since the present sugar policy was enacted in 1981 we have seen 10 of the sugar refining industry's 22 refineries close. Another refinery is scheduled to close permanently in the near future. The industry has lost over 40 percent of its capacity, not to mention the thousands of blue-collar jobs that go with it.

My own hometown of Baltimore is home to a sugar refining plant. Generations of workers have walked through the gates of Domino sugar every morning to give an honest day's work for an honest day's pay. My bill is designed to save those jobs and preserve the future of the sugar refining industry.

Today, refiners are being forced to operate under an absurd situation in which the Department of Agriculture is forcing up the price of their raw material—raw cane sugar—to a level higher than the price of refined beet sugar. The USDA creates this artificial shortage by tightly restricting imports.

As a result of this Government-inflicted shortage of raw sugar, it has become impossible for refiners to compete. All refiners have been losing money for months.

Recently, refiners have been forced to pay 24 to 25 cents per pound for raw sugar, while their competitors, the beet sugar processors, have been selling refined sugar at those levels. It is impossible for refiners to cover these increased raw sugar costs in the refined sugar market.

But, there is more at stake here than the survival of the refining industry and its labor. Refiners provide over 50 percent of the sugar marketed in the United States. They play an important and unique role in ensuring that food processors and consumers have an uninterrupted supply of sugar under all circumstances.

When there is a domestic crop shortage, caused by a freeze or drought, as there often is, food processors depend upon the refiners to fill the void by importing more sugar. Any further loss of refining capacity will seriously endanger the Nation's sugar supply, to the detriment of consumers and food processors throughout the country.

The first thing my bill would do is eliminate USDA marketing allotments. These allotments limit the amount of sugar that domestic surgarcane and sugar beet processors can sell.

The second thing the bill does is to reduce the raw sugar cane loan rate from 18 cents to 12 cents per pound in stages, 2 cents per year for 3 years. Currently the USDA offers loans at a floor of 18 cents per pound for raw cane sugar, which is nearly double the world price of sugar. These loans set minimum prices that sugar processors must pay to producers, which drive up the cost of sugar for consumers.

Third, my bill regulates sugar imports to ensure that the market for raw cane sugar does not exceed the loan rate or the world market price, whichever is higher. Because the sugar program is designed as a no-net-cost subsidy, and the loans are non-recourse, the USDA keeps the market price for sugar processors much higher than necessary.

The fourth effect this legislation would have is to provide for 3-month CCC loans, and convert those loans from a non-recourse to a recourse basis. Under the current loan structure, sugar processors must put up sugar as collateral for loans. At the end of the present 9-month loan, the processor must decide to do one of two things, pay back the loan with interest or forfeit the sugar they put up as collateral. Processors can choose to simply hold on to the Government's money and forfeit the sugar collateral if it is more profitable.

If the processor forfeits, the disposition of the collateral sugar would fall to USDA. In order to avoid that possibility USDA maintains the market price much higher than the loan rate. Why should the taxpayer subsidize nonrecourse loans to corporations? My bill would correct the situation to the benefit of consumers by changing the loan structure to a recourse loan, which requires that processors repay the loan instead of simply forfeiting the sugar to USDA.

Finally, the proposed legislation increases the sugar marketing assessment, and extends it to imported sugar. The sugar marketing assessment is a fee paid by domestic processors to the CCC. Currently foreign processors who are allowed to sell limited amounts of sugar in the United States do not have to pay this. This bill levels the playing field between foreign and domestic processors.

Mr. President, America is at the crossroads. Over the past decade we have seen manufacturing jobs disappear in city after city. We have seen good paying jobs move out of our urban areas if not out of the country. Cities are being decimated by the flight of the middle class. Plants are closing and the jobs that honest, hard-working Americans rely on to feed their kids and put food on the table are disappearing.

I've decided that I'm not just going to stand by and watch. This Congress owes it to working men and women to do all we can to preserve those jobs, to level the playing field and to allow those that have made America a world economic leader to continue that job. When we talk about the current sugar program we're talking about a bad Federal policy that tears at the backbone of American manufacturing.

I think this bill moves the sugar program toward a more competitive base and will have dramatic impacts on lowering the price of sugar to consumers by letting market conditions dictate sugar prices instead of the U.S. Government.•

By Mr. McCAIN (for himself, Mr. BAUCUS, Mr. BINGAMAN, Mr. CAMPBELL, Mr. INOUYE, Mr. KYL, Mr. STEVENS, and Mr. THOMAS):

S. 1303. A bill to amend the Internal Revenue Code of 1986 to provide tax credits for Indian investment and employment, and for other purposes; to the Committee on Finance.

By Mr. McCAIN (for himself, Mr. BAUCUS, Mr. BINGAMAN, Mr. DOMENICI, Mr. FEINGOLD, Mr. INOUYE, Mr. KOHL, Mr. KYL, Mr. STEVENS, and Mr. THOMAS):

S. 1304. A bill to provide for the treatment of Indian tribal governments under section 403(b) of the Internal Revenue Code of 1986; to the Committee on Finance.

By Mr. McCAIN (for himself, Mr. BAUCUS, Mr. CAMPBELL, Mr. DOMENICI, Mr. INOUYE, Mr. KYL, Mr. STEVENS, and Mr. THOMAS):

S. 1305. A bill to amend the Internal Revenue Code of 1986 to treat for unemployment compensation purposes Indian tribal governments the same as State or local units of government or nonprofit organizations; to the Committee on Finance.

By Mr. McCAIN (for himself, Mr. BAUCUS, Mr. CAMPBELL, Mr. DOMENICI, Mr. INOUYE, and Mr. KYL):

S. 1306. A bill to amend the Internal Revenue Code of 1986 to provide for the issuance of tax-exempt bonds by Indian tribal governments, and for other purposes; to the Committee on Finance.

By Mr. McCAIN (for himself, Mr. BAUCUS, Mr. DOMENICI, and Mr. INOUYE):

S. 1307. A bill to amend the Internal Revenue Code of 1986 to exempt from income taxation income derived by a member of an Indian tribe directly or through a qualified Indian entity derived from natural resource activities; to the Committee on Finance.

INDIAN TRIBAL RESERVATION TAX RELIEF LEGISLATION

• Mr. McCAIN. Mr. President, I introduce a series of tax relief bills designed to encourage investment and economic development and growth on Indian Reservations and other native American communities throughout the United States.

Let me put it in plain and simple terms, native Americans as a group have experienced a grinding poverty of epidemic proportions since the days when they were first uprooted from their homelands or overrun by settlers. The treaties that the United States made with tribes in exchange for their land and peace have been honored, for most part, only in the breach.

The economic conditions on Indian reservations have not been improved by the occasional periods of economic growth that have swept much of the rest of our Nation. Instead, Indians have long suffered the indignity of promises broken, treaties discarded, and a hopelessness that reaches tragic, personal dimensions. Many Indian reservations are, relatively speaking, islands of poverty in the ocean of wealth that is the rest of America.

On repeated occasions in the last several sessions of the Congress, I have offered amendments to the Federal Tax Code that would create incentives for private sector investment on Indian reservations and that would remove inequities in the Federal Tax Code so that tribal governments can enjoy the same tax benefits accorded other nontaxable government entities. I have offered these provisions, not to authorize any particular advantage to Indians, but merely to give them the same kind of tax incentives and benefits the Congress has given other economically depressed areas and other units of government. Given the extremely underdeveloped nature of the economies in native American communities, I believe the tax relief we have promised the American people must include reasonable measures to stimulate economic growth and productivity for Indians.

Today I am introducing a series of measures that are designed to amend the Tax Code to give Indian tribes some tools with which to join with the private sector in improving their economies.

RESERVATION INVESTMENT TAX CREDIT

I rise today on behalf of myself, Senator BAUCUS, Senator BINGAMAN, Senator CAMPBELL, Senator INOUYE, Senator KYL, Senator STEVENS, and Senator THOMAS, to introduce the Indian Reservation Jobs and Investment Act of 1995. This bill is identical to provisions that passed the Congress in 1992 and were sent to the White House where they were vetoed because they were part of a larger bill containing other provisions opposed by the Bush administration. The measure I am reintroducing today would provide tax credits to otherwise taxable business enterprises if they locate certain kinds of income-producing property on Indian reservations. Credits would be extended to businesses placing new personal property, new construction property, and infrastructure investment property on Indian reservations.

The bill does not provide any tax credit for reservation property used in connection with gaming activities. The credits are available for expenditures related to personal property used in a business or trade on an Indian reservation, related to new construction of property to be used in a business or trade on an Indian reservation, or related to investment in reservation infrastructure that is available for use by the general public and is placed in serve in connection with a reservation business or trade.

The bill limits these credits to those reservations where there is economic need. The full credit is available to those reservations whose Indian unemployment rate exceeds the Nation's average unemployment by 300 percent. One-half of the credit is available on reservations where the unemployment rate is 150 to 300 percent of the national average. No investment tax credit is provided taxpayers on reservations where the Indian unemployment rate is less than 150 percent of the national average.

Mr. President, I am very concerned by how little private enterprise is present on Indian reservations. Typically the only economic activity is the generated by Federal or tribal government employment. I understand why this is the case, but I don't like the fact that it is the main way jobs and wealth are created in Indian country. By their very nature, governments, including tribal governments, simply are not good at running businesses. I know this is acknowledged by many tribes, who, consistent with their cultural traditions, have created tribal corporations or cooperative ventures that mix private sector business with tribal principles. But we must begin to see private investment being attracted to Indian reservations if we are to see any significant improvement in the economies of Indian tribes. The reservation tax credit provisions I am introducing today are designed to act as an incentive to encourage the private business sector to plow through many of the known obstacles to reservation economic development.

SECTION 403(b) PENSION RELIEF

On a second measure, I rise today on behalf of myself, Senator BAUCUS, Senator BINGAMAN, Senator DOMENICI, Senator FEINGOLD, Senator INOUYE, Senator KOHL, Senator KYL, Senator STEVENS, and Senator THOMAS, to introduce the Indian Tribal Government Pension Tax Relief Amendments of 1995. This bill would help address some very serious ambiguities currently found in the Tax Code relating to the availability of pension plans for Indian tribal governments and their employees. Under current law, there are no salary deferred pension plans expressly made available to Indian tribal governments and their employees.

Employees of Indian tribal governments are perhaps the only group of workers in America for whom current Federal tax law does not provide express authority for a tax-deferred pension plan. Commercial for-profit corporations and partnerships can offer section 401(k) retirement benefits to their employees. Public school systems and tax-exempt charitable and educational organizations can offer section 403(b) pension plans to their employees. State government employees have access to similar pension benefits under section 457. But people who work for tribal governments are not expressly authorized to have favorable Federal income tax treatment on their pension plans.

The bill also addresses an additional problem that has arisen from the fact that several tribes have participated in plans provided for under Section 403(b) of the Code and promoted by insurance underwriters, only later to find that such plans were not expressly intended for their use as governmental employees involved in activities other than education. Those retirement funds, affecting several tribes and the retirement savings of thousands of tribal employees, are now in jeopardy.

The pension relief measure I am introducing would enable tribal governments to compete, on the same terms, with other private and public sectors employers in attracting qualified employees. Let me be clear—this measure would give tribal workers no more tax relief than is already offered every other group of workers in our country. Mr. President, as we all know, many individuals choose who they will work for based on what employment benefits are offered, including retirement and pension plans. Many tribes have been trying to raise their salary and health benefits to competitive levels. But the Federal Tax Code has been increasingly interpreted by the Internal Revenue Service to prohibit tribes from offering their employees any form of the typical salary reduction pension plans, one of the most sought after benefits offered to prospective employees. Other units of government and tax exempt organizations are permitted to offer such plans. The fact that tribal governments are precluded from doing so is simply unfair. This injustice would be corrected by enactment of the Indian Tribal Government Pension Tax Relief Amendments of 1995.

The bill would expressly qualify, as tax-sheltered annuities under section 403(b) of the Internal Revenue Code, those annuity contracts purchased by employees of tribal governments. The Joint Committee on Tax has estimated that proposals largely identical to this one would have a negligible revenue effect on Federal fiscal year budget receipts. I am pleased to introduce this measure and urge my colleagues to support it and include it in the pending tax relief legislation under consideration.

TRIBAL UNEMPLOYMENT TAX EQUITY AND RELIEF

Mr. President, on a third measure, I rise today on behalf of myself, Senator BAUCUS, Senator CAMPBELL, Senator DOMENICI, Senator INOUYE, Senator KYL, Senator STEVENS, and Senator THOMAS, to introduce the Indian Tribal Government Unemployment Compensation Act Tax Relief Amendments of 1995. This bill would correct a serious oversight in the way the Internal Revenue Code treats Indian tribal governments for unemployment tax purposes under the unique, State-Federal unemployment program authorized by the Federal Unemployment Tax Act

[FUTA]. It would clarify existing tax statutes so that tribal governments are treated just as State and local units of governments are treated for unemployment tax purposes.

It is well-settled that tribal governments are not taxable entities under the Federal Tax Code because of their governmental status. But in recent years, the Internal Revenue Service has begun to advance an interpretation of FUTA that is particularly burdensome to Indian tribal governments. While FUTA expressly exempts all tax-exempt charitable organizations and all State and local units of government from paying the Federal portion of the FUTA tax, it does not expressly mention tribal governments.

FUTA involves a joint Federal-State taxation system that levies two taxes on most employers: An 0.8 percent unemployment tax and a State unemployment tax ranging up to more than 9 percent of a portion of an employer's payroll. Since its enactment in the 1930s, FUTA has treated foreign, Federal, State, and local government employers differently from private commercial business employers. It exempts all foreign, Federal, State, and local government employers from the 0.8 percent Federal FUTA tax. It exempts foreign and Federal Government employers from State unemployment programs and allows State and local government employers to pay lower State unemployment taxes. FUTA also treats income tax-exempt charitable organizations the same as State and local governments. All other private sector employers pay both the Federal and State FUTA tax rates. The FUTA statute does not expressly include tribal government employers within the definition of government employers.

The IRS has chosen in recent years to pursue some tribal governments for unpaid FUTA taxes who has proceeded on the good faith assumption that they, as units of government, were immune from the Federal portion of the tax. Some tribal governments also chose not to participate in the State unemployment programs. In such cases, former employees of the tribal governments, who were otherwise eligible for unemployment benefits, were denied benefits by many State unemployment programs because they had worked for what the States deemed an exempt employer—a tribal government. While this caused hardship on the former employees of tribal governments, it meant that the State unemployment funds were held harmless.

The IRS interpretation has caused another problem in recent years, as tribal governments have been subject to differing interpretations over whether and how they are covered under FUTA. The interpretations of FUTA made by State governments, the U.S. Internal Revenue Service, and the U.S. Department of Labor have varied from region to region and State to State, resulting in differing treatment of Indian tribal governments in different periods of time. This has led to considerable confusion among tribal governments about the amount they are supposed to pay. Some tribes have paid the Federal FUTA tax and then successfully obtained tax refunds because they were deemed exempt. Some tribes have not paid, assuming they were exempt, and then have been investigated by the IRS for nonpayment of hundreds of thousands of dollars in unemployment taxes, plus penalties and interest. Some tribes have paid taxes; other tribes have not had to pay. In each case, the tribes are identically situated but are treated differently simply because they are located within differing IRS regions or have been scrutinized by different IRS agents. This inconsistency of interpretation has also resulted in many former tribal government employees being denied eligibility to receive unemployment benefits.

Now the IRS has begun to pursue these tribes to collect unpaid assessments in the form of a penal tax under FUTA's unique enforcement mechanisms. Under FUTA, none of the funds assessed and collected would be paid as unemployment benefits to former employees of a tribal government that had not participated under FUTA. Nor would these dollars return to the State funds in which the tribes did not participate. Instead, the Federal IRS would collect the highest possible State and Federal unemployment taxes and place all of these funds directly into the U.S. Treasury without credit or benefit to any workers, Indian or otherwise. No one can reasonably argue that it is fair to impose this kind of taxation without benefit on the meager funds of an Indian tribal government simply because it has followed an interpretation of FUTA that some regional offices of the IRS and the States previously followed but now have abandoned.

The bill would also expressly authorize tribal governments, like State and local units of government, and like charitable organizations, to contribute to a State fund on a reimbursable basis for unemployment benefits actually paid out. Private sector employers typically must pay an unemployment tax in advance. The rationale for reimburser status is that governmental employers, like tribes and States, have a far more stable employment environment than that of the private sector, and that governmental revenue should not be committed to such purposes in advance of when the obligation to pay arises. Let me be clear, this bill would ensure that tribes participate in the unemployment compensation system. Many now do not do so. Their participation would be on the same terms that other governments participate.

The bill I am introducing today would permanently resolve this matter across the Nation for every Indian tribal government. For unemployment tax purposes, it would require that federally recognized Indian tribal government employers be treated the same way Federal, State, local government, and other tax-exempt organizations are treated. It would also remove an unemployment tax liability of tribal governments who did not pay unemployment compensation taxes in the past in the belief that they were exempt, provided that no benefits were paid to their former employer. I have requested a revenue estimate from the Joint Committee on Taxation. I believe, however, that the bill would have only a negligible effect on revenues.

Unless this problem is resolved, many former tribal government employees will continue to be denied benefits by State unemployment funds. I believe Indian and non-Indian workers who are separated from tribal governmental employment should be included within our Nation's comprehensive unemployment benefit system, and this bill will go a long way toward ensuring mandatory participation by tribal governments on a fair and equitable basis in the Federal-State unemployment fund system. I can think of nothing more fair than the approach clarified in this bill. I urge my colleagues to support it and include it in the pending tax relief legislation under consideration.

TRIBAL TAX-EXEMPT BOND AUTHORITY

Mr. President, on a fourth measure, I rise today on behalf of myself, Senator BAUCUS, Senator CAMPBELL, Senator DOMENICI, Senator INOUYE, and Senator KYL, to introduce the Tribal Government Tax-Exempt Bond Authority Amendments Act of 1995. This bill would bring new investment dollars to Indian reservations where capital formation is so desperately needed. The bill would replace the current restrictions on the issuance of tax-exempt bonds by tribes and tribal subdivisions with a provision that such bonds are to be issued under slightly more restrictive conditions than those that now apply to States and their political subdivisions. In 1982, the Congress adopted the Indian Tribal Governmental Tax Status Act of 1982—Public Law 97-473—which, among other things, authorized tribes and tribal subdivisions to issue tax-exempt bonds for certain purposes. In 1987, the Congress amended that act in Public Law 100-203, limiting the purposes for which tribes and tribal subdivisions could issue tax-exempt bonds to two: First, essential governmental functions, defined as functions customarily performed by State and local governments with general taxing powers, and second, certain tribally owned manufacturing facilities. The 1987 amendments were adopted to address perceived abuses in the issuance of tax-exempt bonds by tribes for purposes not related to their reservations and for the earning of arbitrage by issuing tax-exempt bonds at low rates for the purpose of investing the proceeds in higher-yielding, taxable obligations. The fact of the matter is that these abuses were effectively curtailed by the amendment to section 103 of the Internal Revenue Code enacted in 1986 and subsequently implemented and enforced. Tribes have informed the Committee on Indian Affairs that the 1987 restrictions on tribal government bonds are unfairly restrictive, in that the interpretation of what is an "essential governmental function" has been unduly limiting, given the type of activities that are customarily carried out by tribal governments for the benefit of their members and their reservations. Mr. President, there are serious deficiencies in the basic infrastructure on Indian reservations, primarily because increasingly tight fiscal restraints have limited the ability of the United States, through direct annual appropriations, to fund construction and other activities. Reservations lag far behind the rest of the United States in terms of sanitation, housing, roads, basic utilities, and public service facilities necessary to support a civilized society and a competitive economy. I believe that providing additional tax-exempt bond authority to tribal governments will go a long way toward attracting new sources of capital to Indian reservations. I urge my colleagues to support this bill and to include it in the pending tax relief legislation under consideration.

TRIBAL NATURAL RESOURCE TAX RELIEF

Mr. President, on a fifth measure, I rise today on behalf of myself, Senator BAUCUS, Senator DOMENICI, and Senator INOUYE to introduce the Treatment of Indian Tribal Natural Resource Income Act of 1995. This bill would extend an exemption to income derived by individual Indians from the harvest of natural resources from tribal trust land that is now extended to income derived by individual Indians from treaty-protected Indian fishing activity. In 1988 Congress amended the Internal Revenue Code to provide the treaty fishing exemption under section 7873, which serves as a model for this bill.

With most Indian reservations, tribes signing treaties with the United States assumed that the natural resources of the reservation, including timber and minerals, would be available for the use of the tribe and its members without taxation or other burden imposed by the United States. Accordingly, due to their status as nontaxable sovereign nations, tribal governments are not subject to Federal income tax under current law and practice on revenues generated when the tribal government carries out natural resource activities on the tribal trust land. However, in those cases where a tribe issues a subsistence permit or license to individual tribal members to harvest or process natural resources held in trust for the tribe by the United States, the Internal Revenue Service has been imposing a tax on that individual Indian's income. Such a tax is unfair and arbitrary, since in a 1956 case, Squire versus Capoeman, the U.S. Supreme Court ruled that natural resource income earned by individual Indians from their own individual allotments held in trust for them by the United States is exempt. That case did not deal with individual income derived from lands held in trust for an entire tribe. Recently the IRS has begun to take enforcement action to collect income taxes from Indian individuals harvesting the fruits of tribal trust lands. The effect of this IRS interpretation has been to impose a tax on income from Indian tribal trust lands which were never broken up and allotted, but not from allotted trust lands held for an individual Indian.

The bill I am introducing today would apply only to tribal members and only with regard to natural resources, underlying title to which is owned by the United States in trust for a tribe. It would remove the existing anomaly which allows a tribe as a whole to harvest or process such resources free of tax, but imposes an income tax on an individual tribal member of that tribe carrying out activity permitted by the tribe. I urge my colleagues to support this bill and to include it in the pending tax relief legislation under consideration.

Mr. President, I ask unanimous consent that a copy of each of the five bills I am introducing today, as well as a section-by-section description of each bill's provisions, be inserted in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1303

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Indian Reservation Jobs and Investment Act of 1995".

SEC. 2. INVESTMENT TAX CREDIT FOR PROPERTY ON INDIAN RESERVATIONS.

(a) ALLOWANCE OF INDIAN RESERVATION CREDIT.—Section 46 of the Internal Revenue Code of 1986 (relating to investment credits) is amended by striking "and" at the end of paragraph (2), by striking the period at the end of paragraph (3) and inserting ", and", and by adding after paragraph (3) the following new paragraph:

"(4) the Indian reservation credit.".

(b) AMOUNT OF INDIAN RESERVATION CREDIT.—

(1) IN GENERAL.—Section 48 of such Code (relating to the energy credit and the reforestation credit) is amended by adding after subsection (b) the following new subsection:

"(c) INDIAN RESERVATION CREDIT.—

"(1) IN GENERAL.—For purposes of section 46, the Indian reservation credit for any taxable year is the Indian reservation percentage of the qualified investment in qualified Indian reservation property placed in service during such taxable year, determined in accordance with the following table:

"In the case of qualified Indian reservation property which is—	The Indian reservation percentage is—
Reservation personal property	10
New reservation construction property.	15
Reservation infrastructure investment.	15

"(2) QUALIFIED INVESTMENT IN QUALIFIED INDIAN RESERVATION PROPERTY DEFINED.—For purposes of this subpart—

"(A) IN GENERAL.—The term 'qualified Indian reservation property' means property—

"(i) which is—

"(I) reservation personal property;

"(II) new reservation construction property; or

"(III) reservation infrastructure investment; and

"(ii) not acquired (directly or indirectly) by the taxpayer from a person who is related to the taxpayer (within the meaning of section 465(b)(3)(C)).

The term 'qualified Indian reservation property' does not include any property (or any portion thereof) placed in service for purposes of conducting or housing class I, II, or III gaming (as defined in section 4 of the Indian Gaming Regulatory Act (25 U.S.C. 2703)).

"(B) QUALIFIED INVESTMENT.—The term 'qualified investment' means—

"(i) in the case of reservation infrastructure investment, the amount expended by the taxpayer for the acquisition or construction of the reservation infrastructure investment; and

"(ii) in the case of all other qualified Indian reservation property, the taxpayer's basis for such property.

"(C) RESERVATION PERSONAL PROPERTY.—The term 'reservation personal property' means qualified personal property which is used by the taxpayer predominantly in the active conduct of a trade or business within an Indian reservation.

Property shall not be treated as 'reservation personal property' if it is used or located outside the Indian reservation on a regular basis.

"(D) QUALIFIED PERSONAL PROPERTY.—The term 'qualified personal property' means property—

"(i) for which depreciation is allowable under section 168;

"(ii) which is not—

"(I) nonresidential real property;

"(II) residential rental property; or

"(III) real property which is not described in (I) or (II) and which has a class life of more than 12.5 years.

For purposes of this subparagraph, the terms 'nonresidential real property', 'residential rental property', and 'class life' have the respective meanings given such terms by section 168.

"(E) NEW RESERVATION CONSTRUCTION PROPERTY.—The term 'new reservation construction property' means qualified real property—

"(i) which is located in an Indian reservation;

"(ii) which is used by the taxpayer predominantly in the active conduct of a trade or business within an Indian reservation; and

"(iii) which is originally placed in service by the taxpayer.

"(F) QUALIFIED REAL PROPERTY.—The term 'qualified real property' means property for which depreciation is allowable under section 168 and which is described in clause (I), (II), or (III) of subparagraph (D)(ii).

"(G) RESERVATION INFRASTRUCTURE INVESTMENT.—

"(i) IN GENERAL.—The term 'reservation infrastructure investment' means qualified personal property or qualified real property which—

"(I) benefits the tribal infrastructure;

"(II) is available to the general public; and

"(III) is placed in service in connection with the taxpayer's active conduct of a trade or business within an Indian reservation.

"(ii) PROPERTY MAY BE LOCATED OUTSIDE THE RESERVATION.—Qualified personal property and qualified real property used or located outside an Indian reservation shall be reservation infrastructure investment only if its purpose is to connect to existing tribal infrastructure in the reservation, and shall include, but not be limited to, roads, power lines, water systems, railroad spurs, and communications facilities.

"(H) COORDINATION WITH OTHER CREDITS.—The term 'qualified Indian reservation property' shall not include any property with respect to which the energy credit or the rehabilitation credit is allowed.

"(3) REAL ESTATE RENTALS.—For purposes of this section, the rental to others of real property located within an Indian reservation shall be treated as the active conduct of a trade or business in an Indian reservation.

"(4) INDIAN RESERVATION DEFINED.—For purposes of this subpart, the term 'Indian reservation' means a reservation, as defined in—

"(A) section 3(d) of the Indian Financing Act of 1974 (25 U.S.C. 1452(d)); or

"(B) section 4(10) of the Indian Child Welfare Act of 1978 (25 U.S.C. 1903(10)).

"(5) LIMITATION BASED ON UNEMPLOYMENT.—

"(A) GENERAL RULE.—The Indian reservation credit allowed under section 46 for any taxable year shall equal—

"(i) if the Indian unemployment rate on the applicable Indian reservation for which the credit is sought exceeds 300 percent of the national average unemployment rate at any time during the calendar year in which the property is placed in service or during the immediately preceding 2 calendar years, 100 percent of such credit;

"(ii) if such Indian unemployment rate exceeds 150 percent but not 300 percent, 50 percent of such credit; and

"(iii) if such Indian unemployment rate does not exceed 150 percent, 0 percent of such credit.

"(B) SPECIAL RULE FOR LARGE PROJECTS.—In the case of a qualified Indian reservation property which has (or is a component of a project which has) a projected construction period of more than 2 years or a cost of more than $1,000,000, subparagraph (A) shall be applied by substituting 'during the earlier of the calendar year in which the taxpayer enters into a binding agreement to make a qualified investment or the first calendar year in which the taxpayer has expended at least 10 percent of the taxpayer's qualified investment, or the preceding calendar year' for 'during the calendar year in which the property is placed in service or during the immediately preceding 2 calendar years'.

"(C) DETERMINATION OF INDIAN UNEMPLOYMENT.—For purposes of this paragraph, with respect to any Indian reservation, the Indian unemployment rate shall be based upon Indians unemployed and able to work, and shall be certified by the Secretary of the Interior.

"(6) COORDINATION WITH NONREVENUE LAWS.—Any reference in this subsection to a provision not contained in this title shall be treated for purposes of this subsection as a reference to such provision as in effect on the date of the enactment of this paragraph.".

(2) LODGING TO QUALIFY.—Paragraph (2) of section 50(b) of such Code (relating to property used for lodging) is amended—

(A) by striking 'and' at the end of subparagraph (C);

(B) by striking the period at the end of subparagraph (D) and inserting "; and" and

(C) by adding at the end the following subparagraph:

"(E) new reservation construction property.".

(c) RECAPTURE.—Subsection (a) of section 50 of such Code (relating to recapture in case of dispositions, etc.), is amended by adding at the end the following new paragraph:

"(6) SPECIAL RULES FOR INDIAN RESERVATION PROPERTY.—

"(A) IN GENERAL.—If, during any taxable year, property with respect to which the taxpayer claimed an Indian reservation credit—

"(i) is disposed of; or

"(ii) in the case of reservation personal property—

"(I) otherwise ceases to be investment credit property with respect to the taxpayer; or

"(II) is removed from the Indian reservation, converted, or otherwise ceases to be Indian reservation property, the tax under this chapter for such taxable year shall be increased by the amount described in subparagraph (B).

"(B) AMOUNT OF INCREASE.—The increase in tax under subparagraph (A) shall equal the aggregate decrease in the credits allowed under section 38 by reason of section 48(c) for all prior taxable years which would have resulted had the qualified investment taken into account with respect to the property been limited to an amount which bears the same ratio to the qualified investment with respect to such property as the period such property was held by the taxpayer bears to the applicable recovery period under section 168(g).

"(C) COORDINATION WITH OTHER RECAPTURE PROVISIONS.—In the case of property to which this paragraph applies, paragraph (1) shall not apply and the rules of paragraphs (3), (4), and (5) shall apply.".

(d) BASIS ADJUSTMENT TO REFLECT INVESTMENT CREDIT.—Paragraph (3) of section 50(c) of such Code (relating to basis adjustment to investment credit property) is amended by striking 'energy credit or reforestation credit' and inserting 'energy credit, reforestation credit, or Indian reservation credit other than with respect to any expenditure for new reservation construction property".

(e) CERTAIN GOVERNMENTAL USE PROPERTY TO QUALIFY.—Paragraph (4) of section 50(b) of such Code (relating to property used by governmental units or foreign persons or entities) is amended by redesignating subparagraphs (D) and (E) as subparagraphs (E) and (F), respectively, and inserting after subparagraph (C) the following new subparagraph:

"(D) EXCEPTION FOR RESERVATION INFRASTRUCTURE INVESTMENT.—This paragraph shall not apply for purposes of determining the Indian reservation credit with respect to reservation infrastructure investment.".

(f) APPLICATION OF AT-RISK RULES.—Subparagraph (C) of section 49(a)(1) of such Code is amended by striking 'and' at the end of clause (ii), by striking the period at the end of clause (iii) and inserting ", and", and by adding at the end the following new clause:

"(iv) the qualified investment in qualified Indian reservation property.".

(g) CLERICAL AMENDMENTS.—

(1) Section 48 of such Code is amended by striking the heading and inserting the following:

"SEC. 48. ENERGY CREDIT; REFORESTATION CREDIT; INDIAN RESERVATION CREDIT.".

(2) The table of sections for subpart E of part IV of subchapter A of chapter 1 is amended by striking the item relating to section 48 and inserting the following:

"Sec. 48. Energy credit; reforestation credit; Indian reservation credit.".

(h) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after December 31, 1995.

SECTION-BY-SECTION ANALYSIS—INDIAN RESERVATION JOBS AND INVESTMENT ACT OF 1995

Section 1 sets forth the short title of the Act.

Section 2(a) amends Section 46 of the Internal Revenue Code of 1986 (relating to investment credits) by adding new authority for an Indian reservation tax credit. This tax credit is designed to attract private industry and capital, expand existing industry, and make the private sector a permanent source of economic development on Indian reservations.

Section 2(b) establishes a 10% tax credit for personal property on reservations, and a 15% credit is provided for new construction property and infrastructure investment on reservations. The tax credit is not available for property acquired by the taxpayer from a person who is related to the taxpayer, nor for the development or operation of tribal gaming establishments authorized under the Indian Gaming Regulatory Act of 1988. The tax credit is allowed for investments used to acquire or construct reservation infrastructure, and for expenditures on personal property and new construction real property used predominately in the active conduct of a trade or business within an Indian reservation. The credits would extend to all 32 States in which the 555 federally-recognized tribes are located, using the definition of Indian reservation codified in section 3 (d) of the Indian Financing Act of 1974 (25 U.S.C. 1452(d)) and section 4 (10) of the Indian Child Welfare Act of 1978 (25 U.S.C. 1903 (10)). The full tax credit is available only on an Indian reservation in which the Indian unemployment rate exceeds 300 percent of the national average unemployment rate at any time during the year in which the property is placed in service or during the immediately preceding two calendar years. A one-half tax credit (50%) is available to those reservations where the Indian unemployment rate exceeds 150 percent but not 300 percent of the national rate during the same period. No tax credit is extended under the bill to any property on reservations where the Indian unemployment rate does not exceed 150 percent of the national rate during that period. The subsection provides a special timing rule for large construction projects. All Indian unemployment rates must be certified by the Secretary of the Interior.

Section 2(c) amends section 50 of the Internal Revenue Code (relating to recapture in case of dispositions) by providing authority for the recapture of tax credits through increased taxes if the property is disposed of, ceases to be investment credit property of the taxpayer, or is removed from the Indian reservation, converted, or otherwise ceases to be Indian reservation property.

Section 2(d) amends Section 50(c) of the Internal Revenue Code (relating to basis adjustment to investment credit property) to add Indian reservation credits to the types of property subject to basis adjustment.

Section 2(e) amends Section 50(b) of the Internal Revenue Code (relating to property used by governmental units or foreign persons or entities) to add a conforming exception for Indian reservation infrastructure investment.

Section 2(f) amends Section 49(a) (1) of the Internal Revenue Code of the Internal Revenue Code (relating to the application of at-risk rules) to make a conforming addition for qualified investment in qualified Indian reservation property.

Section 2(g) amends Section 48 of the Internal Revenue Code to make several conforming clerical changes.

Section 2(h) provides an effective date of this measure, so that it applies only to property placed in service after December 31, 1995.

S. 1304

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Indian Tribal Government Pension Tax Relief Amendments of 1995".

SEC. 2. TREATMENT OF INDIAN TRIBAL GOVERNMENTS UNDER SECTION 403(b).

In the case of any contract purchased in a plan year beginning before January 1, 1996, section 403(b) of the Internal Revenue Code of 1986 shall be applied as if any reference to an employer described in section 501(c)(3) of the Internal Revenue Code of 1986 which is exempt from tax under section 501 of such Code included a reference to an employer which is an Indian tribal government (as defined by section 7701(a)(40) of such Code), a subdivision of an Indian tribal government (determined in accordance with section 7871(d) of such Code), an agency or instrumentality of an Indian tribal government or subdivision thereof, or a corporation chartered under Federal, State, or tribal law which is owned in whole or in part by any of the foregoing.

SECTION-BY-SECTION ANALYSIS—INDIAN TRIBAL GOVERNMENT PENSION TAX RELIEF AMENDMENTS OF 1995

Section 1 sets forth the short title of the Act.

Section 2 would expressly qualify, as tax-sheltered annuities under section 403(b) of the Internal Revenue Code, those annuity contracts purchased by employees of a federally-recognized Indian tribal government (as defined by section 7701(a)(4) of such Code), a subdivision of such tribal government (as defined by section 7871(d) of such Code), an agency or instrumentality of such tribal government or subdivision, or a corporation chartered under Federal, State, or tribal law which is owned in whole or in part by such tribal government or subdivision.

S. 1305

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Indian Tribal Government Unemployment Compensation Act Tax Relief Amendments of 1995".

SEC. 2. TREATMENT OF INDIAN TRIBAL GOVERNMENTS UNDER FEDERAL UNEMPLOYMENT TAX ACT.

(a) IN GENERAL.—Section 3306(c)(7) of the Internal Revenue Code of 1986 (defining employment) is amended—

(1) by inserting "or in the employ of an Indian tribe," after "service performed in the employ of a State, or any political subdivision thereof,"; and

(2) by inserting "or Indian tribes" after "wholly owned by one or more States or political subdivisions".

(b) PAYMENTS IN LIEU OF CONTRIBUTIONS.—Section 3309 of the Internal Revenue Code of 1986 (relating to State law coverage of services performed for nonprofit organizations or governmental entities) is amended—

(1) in subsection (a)(2) by inserting ", including an Indian tribe," after 'the State law shall provide that a governmental entity';

(2) in subsection (b)(3)(B) by inserting ", or of an Indian tribe' after "of a State or political subdivision thereof";

(3) in subsection (b)(3)(E) by inserting "or the tribe's" after "the State"; and

(4) in subsection (b)(5) by inserting "or of an Indian tribe" after "an agency of a State or political subdivision thereof".

(c) STATE LAW COVERAGE.—Section 3309 of the Internal Revenue Code of 1986 (relating to State law coverage of services performed for nonprofit organizations or governmental entities) is amended by adding at the end the following new subsection:

"(d) ELECTION BY INDIAN TRIBE.—The State law shall provide that an Indian tribe may elect to make contributions for employment as if the employment is within the meaning of section 3306 of the Internal Revenue Code of 1986 or to make payments in lieu of contributions under this section, and shall provide that an Indian tribe may make separate elections for itself and each subdivision, subsidiary, or business enterprise chartered and wholly owned by such Indian tribe. State law may require an electing tribe to post a payment bond or take other reasonable measures to assure the making of payments in lieu of contributions under this section.".

(d) DEFINITIONS.—Section 3306 of the Internal Revenue Code of 1986 (relating to definitions) is amended by adding at the end the following new subsection:

"(t) INDIAN TRIBE.—For purposes of this chapter, the term "Indian tribe" has the meaning given to such term by section 4(e) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(e)), and includes any subdivision, subsidiary, or business enterprise chartered and wholly owned by such an Indian tribe."

(e) TRANSITION RULE.—For purposes of the Federal Unemployment Tax Act, service performed in the employ of an Indian tribe (as defined in section 3306(t) of the Internal Revenue Code of 1986 (as added by this Act)) shall not be treated as employment (within the meaning of section 3306 of such Code) if—

(1) it is service which is performed before the date of enactment of this Act and with respect to which the tax imposed under the Federal Unemployment Tax Act has not been paid; and

(2) such Indian tribe reimburses a State unemployment fund for unemployment benefits paid for service attributable to such tribe for such period.

SECTION-BY-SECTION ANALYSIS—INDIAN TRIBAL GOVERNMENT UNEMPLOYMENT COMPENSATION ACT TAX RELIEF AMENDMENTS OF 1995

Section 1 sets forth the short title of the Act.

Section 2. Treatment of Indian Tribal Governments Under Federal Unemployment Tax Act.

Subsection 2(a) In General.—This subsection (a) amends section 3306(c)(7) of the Internal Revenue Code. Section 3306(c)(7) provides an exemption from the 0.8% federal unemployment tax for employment for a state, any of its political subdivisions, or any of its wholly-owned instrumentalities. This subsection of the bill would make employment for a tribal government or any political subdivision or wholly tribally owned subsidiary thereof likewise exempt from the 0.8% federal unemployment tax.

Subsection 2(b). Payments in Lieu of Contributions.—This subsection amends several provisions of section 3309 of the Internal Revenue Code. Section 3309(a)(2) of the Internal Revenue Code now requires a state unemployment fund to offer coverage and benefits to employees of a state government, its political subdivisions and wholly-owned instrumentalities, and to employees of a religious, charitable, educational or other income tax exempt organization described in Section 501(c)(3) of the Internal Revenue Code. These employers may then elect to either pay a flat tax rate as do private, for-profit commercial businesses, or to make contributions, on a reimbursable basis, for all benefits paid out to their former employees.

Subsection 2(b)(1) of the bill would provide the same options to a tribal government or any political subdivision or wholly tribally owned subsidiary thereof. Section 3309(b)(3)(B) of the Internal Revenue Code now exempts from all unemployment taxes service performed by members of a State or political subdivision legislative body or judiciary.

Subsection 2(b)(2) of the bill would provide the same exemption to a tribal government's legislative body or judiciary. Section 3309(b)(3)(E) of the Internal Revenue Code now exempts from all unemployment taxes service designated by State law to be a major nontenured policymaking or advisory position or a policymaking or advisory position that ordinarily does not require more than 8 hours per week.

Subsection 2(b)(3) of the bill would provide the same exemption to the same service so designated by tribal law. Section 3309(b)(5) of the Internal Revenue Code now exempts from all unemployment taxes service that is part of an unemployment work-relief or work-training program assisted or financed in whole or in part by any Federal or state agency.

Subsection 2(b)(4) of the bill would provide the same exemption to the same service assisted or financed in whole or in part by a tribal government.

Subsection 2(c). State Law Coverage.—This subsection adds a new subsection to section 3309 of the Internal Revenue Code. Section 3309 contains provisions relating to State law coverage of services performed for nonprofit organizations or governmental entities. Subsection (e) of the bill extends to tribal governments and their subsidiaries certain flexibilities now extended to other governments and to charitable organizations. The new subsection provides that a state must permit a tribe to choose to pay the comparable tax rate paid by commercial businesses under the Act, or to choose to reimburse, like other governments and charitable organizations, the State fund in lieu of such contributions with amounts equal to the compensation attributable under State law to such service. The new subsection also provides that a tribe may make separate elections for itself and one or more of its enterprises, subsidiaries, or subdivisions.

Subsection 2(d). Definitions.—This subsection amends section 3306 of the Internal Revenue Code. Section 3306 contains definitions relating to the Federal Unemployment Tax Act provisions. Subsection (c) of the bill would add a definition of an "Indian tribe" to mean for these purposes a federally recognized Indian tribal government, adopting the same definition of a tribe as that used in 25 U.S.C. 450b(e), the Indian Self-Determination Act. The bill clarifies that, just as the subdivisions of a state government are included within the definition of a state, and consistent with federal Indian law provisions recognizing the unique nature of tribal government, included within the bill's definition of a tribe are its subdivisions, subsidiaries and enterprises wholly owned by the tribal government.

SUBSECTION 2(e). TRANSITION RULE.—This subsection of the bill provides tax relief to those tribal governments who in good faith did not pay federal or state unemployment taxes deemed due by the U.S. Internal Revenue Service under the Federal Unemployment Tax Act. It ceases all federal assessment and collection actions aimed at extracting non-federal funds from tribal governments who have not paid unemployment taxes provided they reimburse a state fund for all benefits paid to otherwise eligible former tribal employees during this period of non-payment. This relief is available only for periods prior to the date of enactment of this bill. The bill does not authorize refund actions for taxes already paid nor relief from a tribe's obligation to reimburse a state unemployment fund for benefits paid to former tribal employees.

S. 1306

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Tribal Government Tax-Exempt Bond Authority Amendments Act of 1995".

SEC. 2. MODIFICATIONS OF AUTHORITY OF INDIAN TRIBAL GOVERNMENTS TO ISSUE TAX-EXEMPT BONDS.

(a) GENERAL PROVISION.—Subsection (c) of section 7871 of the Internal Revenue Code of 1986 (relating to Indian tribal governments treated as States for certain purposes) is amended to read as follows:

"(c) ADDITIONAL REQUIREMENTS FOR TAX-EXEMPT BONDS.—

"(1) IN GENERAL.—Subsection (a) of section 103 shall apply to any obligation issued by an Indian tribal government (or subdivision thereof) only if such obligation is part of an issue 95 percent or more of the net proceeds of which are to be used to finance facilities located on land within or in close proximity to the exterior boundaries of an Indian reservation.

"(2) PRIVATE ACTIVITY BONDS.—Any private activity bond (as defined in section 141(a)) issued by an Indian tribal government (or subdivision thereof) shall be treated as a qualified bond for purposes of section 103(b)(1) to which section 146 does not apply if—

"(A) GENERAL RESTRICTIONS.—The requirements of section 144(a)(8)(B) and section 147 are met with respect to the issue.

"(B) SPECIFIC RESTRICTIONS.—

"(i) OWNERSHIP.—In the case of an issue the net proceeds of which exceed $500,000, 50 percent or more of the profits or capital interests in the facilities to be financed thereby (or in the entity owning the facilities) are owned either by an Indian tribe, a subdivision thereof, a corporation chartered under section 17 of the Indian Reorganization Act of 1934 (25 U.S.C. 477) or section 3 of the Oklahoma Welfare Act (25 U.S.C. 503), individual enrolled members of an Indian tribe, an entity wholly-owned by any of the foregoing, or any combination thereof.

"(ii) EMPLOYMENT TEST.—It is reasonably expected (at the time of issuance of the obligations) that for each $100,000 of net proceeds of the issue at least 1 employee rendering services at the financed facilities is an enrolled member of an Indian tribe or the spouse of an enrolled member of an Indian tribe.

"(3) DEFINITIONS.—For purposes of this subsection—

"(A) INDIAN TRIBE.—The term 'Indian tribe' means any Indian tribe, band, nation, pueblo, or other organized group or community, including any Alaska Native village, or regional or village corporation, as defined in, or established pursuant to, the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.) which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

"(B) INDIAN RESERVATION.—The term 'Indian reservation' means a reservation, as defined in—

"(i) section 3(d) of the Indian Financing Act of 1974 (25 U.S.C. 1452(d)); or

"(ii) section 4(10) of the Indian Child Welfare Act of 1978 (25 U.S.C. 1903(10)).

"(C) IN CLOSE PROXIMITY TO.—The term 'in close proximity to' means—

"(i) in the case of an Indian reservation, or portion thereof, located within a metropolitan statistical area (within the meaning of section 143(k)(2)(B)), within 1 mile of the boundaries of such reservation, or portion thereof; and

"(ii) in the case of an Indian reservation, or portion thereof, located within a nonmetropolitan area (as defined in section 42(d)(5)(C)(iv)(IV)), within 15 miles of the boundaries of such reservation, or portion thereof.

"(D) NET PROCEEDS.—The term 'net proceeds' has the meaning given such term by section 150(a)(3).".

(b) CONFORMING AMENDMENT.—Paragraph (3) of section 149(b) of the Internal Revenue Code of 1986 (relating to federally guaranteed bond is not exempt) is amended by redesignating subparagraph (D) as subparagraph (E) and by inserting after subparagraph (C) the following new subparagraph:

"(D) EXCEPTION FOR BONDS ISSUED BY INDIAN TRIBAL GOVERNMENTS.—Paragraph (1) shall not apply to any bond issued by an Indian tribal government (or subdivision thereof) unless it is federally guaranteed within the meaning of paragraph (2)(B)(ii).".

SEC. 3. EXEMPTION FROM REGISTRATION REQUIREMENTS.

The first sentence of section 3(a)(2) of the Securities Act of 1933 (15 U.S.C. 77c(a)(2)) is amended by inserting "or by any Indian tribal government or subdivision thereof (within the meaning of section 7871 of the Internal Revenue Code of 1986)," after "or territories,".

SEC. 4. EFFECTIVE DATE.

The amendments made by this Act shall apply to obligations issued after the date of the enactment of this Act.

SECTION-BY-SECTION ANALYSIS—TRIBAL GOVERNMENT TAX-EXEMPT BOND AUTHORITY AMENDMENTS ACT OF 1995

Section 1 sets forth the short title of the Act.

Section 2 amends Section 7871 of the Internal Revenue Code (relating to Indian tribal governments treated as States for certain purposes) by applying existing tax-exempt bond authority in Section 103(a) to those obligations issued by an Indian tribal government, or its subdivision, that are part of an issue 95 percent or more of the net proceeds of which are to be used to finance facilities located on land within or in close proximity to an Indian reservation. It would replace the current restrictions on the issuance of tax-exempt bonds by tribes and tribal subdivisions with a provision that such bonds are to be issued under slightly more restrictive conditions than those that now apply to States and their political subdivisions.

Section 3 amends section 3(a)(2) of the Securities Act of 1993 to exempt from the general registration requirements, as are other governmental bonds, those bonds issued under authority of these amendments.

Section 4 provides that these amendments shall apply to obligations issued after the date of enactment of this bill.

S. 1307

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Treatment of Indian Tribal Natural Resource Income Act of 1995".

SEC. 2. FEDERAL TAX TREATMENT OF INCOME DERIVED BY INDIANS FROM NATURAL RESOURCES ACTIVITIES.

(a) IN GENERAL.—Subchapter C of chapter 80 of the Internal Revenue Code of 1986 (relating to provisions affecting more than one subtitle) is amended by adding at the end the following new section:

"SEC. 7874. FEDERAL TAX TREATMENT OF INCOME DERIVED BY INDIANS FROM THE HARVEST OF TRIBALLY OWNED NATURAL RESOURCES.

"(a) IN GENERAL.—

"(1) INCOME AND SELF-EMPLOYMENT TAXES.—No tax shall be imposed by subtitle A on income derived from a natural resources-related activity conducted—

"(A) by a member of an Indian tribe directly or through a qualified Indian entity; or

"(B) by a qualified Indian entity.

"(2) EMPLOYMENT TAXES.—No tax shall be imposed by subtitle C on remuneration paid for services performed in natural resources-related activity by one member of a tribe for another member of such tribe or for a qualified Indian entity.

"(b) DEFINITIONS.—For purpose of this section.

"(1) NATURAL RESOURCES-RELATED ACTIVITY.—The term 'natural resources-related activity' means, with respect to an Indian tribe, any activity directly related to cultivating, harvesting, processing, extracting, or transporting natural resources held in trust by the United States for the benefit of such tribe or directly related to selling such natural resources but only if substantially all of the selling activity is performed by members of such tribe.

"(2) QUALIFIED INDIAN ENTITY.—

"(A) IN GENERAL.—The term 'qualified Indian entity' means an entity—

"(i) engaged in a natural resources-related activity of one or more Indian tribes;

"(ii) all of whose equity interests are owned by such tribes or members of such tribes; and

"(iii) substantially all of the management functions of the entity are performed by members of such tribes.

"(B) ENTITIES ENGAGED IN PROCESSING OR TRANSPORTATION.—Except as provided in regulations similar to regulations in effect under section 7873(b)(3)(A)(iii) on the date of the enactment of this section, if an entity is engaged to any extent in any processing or transporting of natural resources, the term 'qualified Indian entity' shall also include an entity whose annual gross receipts are 90 percent or more derived from natural resources-related activities of one or more Indian tribes each of which owns at least 10 percent of the equity interests in the entity. For purposes of this subparagraph, equity interests owned by a member of such a tribe shall be treated as owned by the tribe.

"(c) SPECIAL RULES.—

"(1) DISTRIBUTIONS FROM QUALIFIED INDIAN ENTITY.—For purposes of this section, any distribution with respect to an equity interest in a qualified Indian entity of one or more Indian tribes to a member of one of such tribes shall be treated as derived by such member from a natural resources-related activity to the extent such distribution is attributable to income derived by such entity from a natural resources-related activity.

"(2) DE MINIMIS UNRELATED AMOUNTS MAY BE EXCLUDED.—If, but for this paragraph, all but a de minimis amount derived by a qualified Indian tribal entity or by a tribal member through such entity, or paid to an individual for services, would be entitled to the benefits of subsection (a), then the entire amount shall be so entitled.

"(d) NO INFERENCE CREATED.—Nothing in this title shall create any inference as to the existence or non-existence or scope of any exemption from tax for income derived from tribal rights secured as of January 1, 1995, by any treaty, law, or Executive Order.".

(b) CONFORMING AMENDMENT.—The table of sections for subchapter C of chapter 80 of such Code is amended by adding at the end the following new item:

"Sec. 7874. Federal tax treatment of income derived by Indians from the harvest of tribally owned natural resources."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to periods before, on, or after the date of the enactment of this Act.

SECTION-BY-SECTION ANALYSIS—TREATMENT OF INDIAN TRIBAL NATURAL RESOURCE INCOME ACT OF 1995

Section 1 sets forth the short title of the Act.

Section 2 amends subchapter C of chapter 80 of the Internal Revenue Code to add a new section 7874 which would provide individual members of Federally-recognized tribal governments with an exemption from Federal income and employments taxes on income derived from certain economic activities related to natural resources held in trust for a tribe by the United States. These activities include those directly related to cultivating, harvesting, processing, extracting, or transporting such trust resources, and the selling of such resources if substantially all of the selling activity is performed by tribal members. The exemption covers both self-employment income and income paid to an individual by a qualified Indian entity, which by definition is limited to an entity engaged in such activity that is owned and controlled by a tribe or members of a tribe. Unless regulations in effect upon the date of enactment provide otherwise, income from entities engaged in processing or transportation is also exempt if the entity's gross receipts are 90 percent or more derived from the trust resources of one or more tribes each of which owns at least 10 percent of the equity interests in the entity. To the extent that it is derived from such a natural resources activity, individual income from a distribution made by a tribe to its members from an equity interest in a qualified Indian entity is treated as exempt.

Section 2(b) sets forth a conforming amendment to the table of sections in the Internal Revenue Code.

Section 2(c) provides that these amendments shall apply to periods before, on, or after the date of enactment of the Act.●

ADDITIONAL COSPONSORS

S. 327

At the request of Mr. HATCH, the name of the Senator from Louisiana [Mr. BREAUX] was added as a cosponsor of S. 327, a bill to amend the Internal Revenue Code of 1986 to provide clarification for the deductibility of expenses incurred by a taxpayer in connection with the business use of the home.

S. 434

At the request of Mr. KOHL, the name of the Senator from Michigan [Mr. LEVIN] was added as a cosponsor of S. 434, a bill to amend the Internal Revenue Code of 1986 to increase the deductibility of business meal expenses for individuals who are subject to Federal limitations on hours of service.

S. 483

At the request of Mr. HATCH, the name of the Senator from Alabama [Mr. HEFLIN] was added as a cosponsor of S. 483, a bill to amend the provisions of title 17, United States Code, with respect to the duration of copyright, and for the other purposes.

S. 551

At the request of Mr. CRAIG, the name of the Senator from Idaho [Mr. KEMPTHORNE] was added as a cosponsor of S. 551, a bill to revise the boundaries of the Hagerman Fossil Beds National Monument and the Craters of the Moon National Monument, and for other purposes.

S. 678

At the request of Mr. AKAKA, the name of the Senator from Missouri [Mr. BOND] was added as a cosponsor of S. 678, a bill to provide for the coordination and implementation of a national aquaculture policy for the private sector by the Secretary of Agriculture, to establish an aquaculture development and research program, and for other purposes.

S. 690

At the request of Mr. AKAKA, the name of the Senator from Missouri [Mr. BOND] was added as a cosponsor of S. 690, a bill to amend the Federal Noxious Weed Act of 1974 and the Terminal Inspection Act to improve the exclusion, eradication, and control of noxious weeds and plants, plant products, plant pests, animals, and other organisms within and into the United States, and for other purposes.

S. 881

At the request of Mr. PRYOR, the names of the Senator from Kentucky [Mr. FORD], the Senator from Alabama [Mr. HEFLIN], the Senator from Connecticut [Mr. DODD], the Senator from Oregon [Mr. HATFIELD], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Louisiana [Mr. BREAUX], the Senator from Kansas [Mr. DOLE], the Senator from Montana [Mr. BAUCUS], the Senator from Louisiana [Mr. JOHNSTON], and the Senator from Connecticut [Mr. LIEBERMAN] were added as cosponsors of S. 881, a bill to amend the Internal Revenue Code of 1986 to clarify provisions relating to church pension benefit plans, to modify certain provisions relating to participants in such plans, to reduce the complexity of and to bring workable consistency to the applicable rules, to promote retirement savings and benefits, and for other purposes.

S. 968

At the request of Mr. MCCONNELL, the names of the Senator from Oklahoma [Mr. INHOFE], and the Senator from Virginia [Mr. WARNER] were added as cosponsors of S. 968, a bill to require the Secretary of the Interior to prohibit the import, export, sale, purchase, and possession of bear viscera or products that contain or claim to contain bear viscera, and for other purposes.

S. 1072

At the request of Mr. THURMOND, the name of the Senator from Wyoming [Mr. SIMPSON] was added as a cosponsor of S. 1072, a bill to redefine "extortion" for purposes of the Hobbs Act.

S. 1170

At the request of Mr. PRESSLER, the names of the Senator from Iowa [Mr. GRASSLEY], and the Senator from New York [Mr. D'AMATO] were added as cosponsors of S. 1170, a bill to limit the applicability of the generation-skipping transfer tax.

S. 1219

At the request of Mr. MCCAIN, the name of the Senator from Georgia [Mr. NUNN] was added as a cosponsor of S. 1219, a bill to reform the financing of Federal elections, and for other purposes.

S. 1247

At the request of Mr. GRASSLEY, the name of the Senator from North Carolina [Mr. HELMS] was added as a cosponsor of S. 1247, A bill to amend the Internal Revenue Code of 1986 to allow a deduction for contributions to a medical savings account by any individual who is covered under a catastrophic coverage health plan.

S. 1266

At the request of Mr. MACK, the names of the Senator from Michigan [Mr. ABRAHAM], and the Senator from North Carolina [Mr. HELMS] were added as cosponsors of S. 1266, a bill to require the Board of Governors of the Federal Reserve System to focus on price stability in establishing monetary policy to ensure the stable, long-term purchasing power of the currency, to repeal the Full Employment and Balanced Growth Act of 1978, and for other purposes.

S. 1280

At the request of Mr. MACK, the name of the Senator from Mississippi [Mr. LOTT] was added as a cosponsor of S. 1280, a bill to amend the Internal Revenue Code of 1986 to provide all taxpayers with a 50-percent deduction for capital gains, to index the basis of certain assets, and to allow the capital loss deduction for losses on the sale or exchange of an individual's principal residence.

S. 1297

At the request of Mr. HATCH, the names of the Senator from Oklahoma [Mr. NICKLES], and the Senator from Montana [Mr. BAUCUS] were added as cosponsors of S. 1297, a bill to amend the Internal Revenue Code of 1986 to simplify certain provisions applicable to real estate investment trusts.

SENATE JOINT RESOLUTION 6

At the request of Mr. THURMOND, the name of the Senator from Virginia [Mr. WARNER] was added as a cosponsor of Senate Joint Resolution 6, A joint resolution proposing an amendment to the Constitution of the United States relating to voluntary school prayer.

SENATE RESOLUTION 146

At the request of Mr. JOHNSTON, the names of the Senator from Ohio [Mr. DEWINE], the Senator from Illinois [Mr. SIMON], and the Senator from Tennessee [Mr. FRIST] were added as cosponsors of Senate Resolution 146, A resolution designating the week beginning November 19, 1995, and the week beginning on November 24, 1996, as "National Family Week," and for other purposes.

AMENDMENTS SUBMITTED

THE WORKFORCE DEVELOPMENT ACT OF 1995

KASSEBAUM AMENDMENT NO. 2885

Mrs. KASSEBAUM proposed an amendment to the bill (S. 143) to consolidate Federal employment training programs and create a new process and structure for funding the programs, and for other purposes; as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Workforce Development Act of 1995".

(b) TABLE OF CONTENTS.—The table of contents is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Findings and purposes.
Sec. 3. Definitions.

TITLE I—WORKFORCE DEVELOPMENT AND WORKFORCE PREPARATION ACTIVITIES

Subtitle A—Statewide Workforce Development Systems

CHAPTER 1—PROVISIONS FOR STATES AND OTHER ENTITIES

Sec. 101. Statewide workforce development systems established.
Sec. 102. State allotments.
Sec. 103. State apportionment by activity.
Sec. 104. State plans.
Sec. 105. State workforce development boards.
Sec. 106. Use of funds.
Sec. 107. Indian workforce development activities.
Sec. 108. Grants to outlying areas.

CHAPTER 2—LOCAL PROVISIONS

Sec. 111. Local apportionment by activity.
Sec. 112. Distribution for secondary school vocational education.
Sec. 113. Distribution for postsecondary and adult vocational education.
Sec. 114. Distribution for adult education.
Sec. 115. Special rule for minimal allocation.
Sec. 116. Redistribution.
Sec. 117. Local application for workforce education activities.
Sec. 118. Local partnerships, agreements, and workforce development boards.
Sec. 119. Construction.

CHAPTER 3—ADMINISTRATION

Sec. 121. Accountability.
Sec. 122. Incentives and sanctions.
Sec. 123. Unemployment trust fund.
Sec. 124. Authorization of appropriations.
Sec. 125. Effective date.

Subtitle B—Job Corps and Other Workforce Preparation Activities for At-Risk Youth

CHAPTER 1—GENERAL PROVISIONS

Sec. 131. Purposes.
Sec. 132. Definitions.
Sec. 133. Authority of Governor.

CHAPTER 2—JOB CORPS

Sec. 141. General authority.
Sec. 142. Screening and selection of applicants.
Sec. 143. Enrollment and assignment.
Sec. 144. Job Corps centers.
Sec. 145. Program activities.
Sec. 146. Support.
Sec. 147. Operating plan.
Sec. 148. Standards of conduct.
Sec. 149. Community participation.
Sec. 150. Counseling and placement.
Sec. 151. Leases and sales of centers.
Sec. 152. Closure of Job Corps centers.
Sec. 153. Interim operating plans for Job Corps centers.
Sec. 154. Effective date.

CHAPTER 3—OTHER WORKFORCE PREPARATION ACTIVITIES FOR AT-RISK YOUTH

Sec. 161. Workforce preparation activities for at-risk youth.

Subtitle C—Transition Provisions

Sec. 171. Waivers.
Sec. 172. Flexibility demonstration program.
Sec. 173. Interim State plans.
Sec. 174. Applications and plans under covered Acts.
Sec. 175. Interim administration of school-to-work programs.
Sec. 176. Interim authorizations of appropriations.

Subtitle D—National Activities

Sec. 181. Federal Partnership.
Sec. 182. National Workforce Development Board and personnel.
Sec. 183. Labor market and occupational information.
Sec. 184. National Center for Research in Education and Workforce Development.
Sec. 185. National assessment of vocational education programs.
Sec. 186. Transfers to Federal Partnership.
Sec. 187. Transfers to other Federal agencies and offices.
Sec. 188. Elimination of certain offices.

Subtitle E—Repeals of Employment and Training and Vocational and Adult Education Programs

Sec. 191. Repeals.
Sec. 192. Conforming amendments.

TITLE II—WORKFORCE DEVELOPMENT-RELATED ACTIVITIES

Subtitle A—Amendments to the Rehabilitation Act of 1973

Sec. 201. References.
Sec. 202. Findings and purposes.
Sec. 203. Consolidated rehabilitation plan.
Sec. 204. Definitions.
Sec. 205. Administration.
Sec. 206. Reports.
Sec. 207. Evaluation.
Sec. 208. Declaration of policy.
Sec. 209. State plans.
Sec. 210. Individualized employment plans.
Sec. 211. Scope of vocational rehabilitation services.
Sec. 212. State Rehabilitation Advisory Council.
Sec. 213. Evaluation standards and performance indicators.
Sec. 214. Repeals.
Sec. 215. Effective date.

Subtitle B—Amendments to Wagner-Peyser Act

Sec. 221. General program requirements.
Sec. 222. Definitions.
Sec. 223. Functions.
Sec. 224. Designation of State agencies.
Sec. 225. Appropriations.
Sec. 226. Disposition of allotted funds.
Sec. 227. State plans.
Sec. 228. Federal Advisory Council.

Subtitle C—Amendments to Immigration and Nationality Act

Sec. 231. Prohibition on use of funds for certain employment activities.

Subtitle D—Amendments to the National Literacy Act of 1991

Sec. 241. National Institute for Literacy.
Sec. 242. State literacy resource centers.
Sec. 243. National Workforce Literacy Assistance Collaborative.
Sec. 244. Family literacy public broadcasting program.
Sec. 245. Mandatory literacy program.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) increasing international competition, technological advances, and structural changes in the United States economy present new challenges to private businesses and public policymakers in creating a skilled workforce with the ability to adapt to change and technological progress;

(2) despite more than 60 years of federally funded employment training programs, the Federal Government has no single, coherent policy guiding employment training efforts;

(3) according to the General Accounting Office, there are over 100 federally funded employment training programs, which are administered by 15 different Federal agencies and cost more than $20,000,000,000 annually;

(4) many of the programs fail to collect enough performance data to determine the relative effectiveness of each of the programs or the effectiveness of the programs as a whole;

(5) because of the fragmentation, duplication, and lack of accountability that currently exist within and among Federal employment training programs it is often difficult for workers, jobseekers, and businesses to easily access the services they need;

(6) high quality, innovative vocational education programs provide youth with skills and knowledge on which to build successful careers and, in providing the skills and knowledge, vocational education serves as the foundation of a successful workforce development system;

(7) in recent years, several States and communities have begun to develop promising new initiatives such as—

(A) school-to-work programs to better integrate youth employment and education programs; and

(B) one-stop systems to make workforce development activities more accessible to workers, jobseekers, and businesses; and

(8) Federal, State, and local governments have failed to adequately allow for private sector leadership in designing workforce development activities that are responsive to local labor market needs.

(b) PURPOSES.—The purposes of this Act are—

(1) to make the United States more competitive in the world economy by eliminating the fragmentation in Federal employment training efforts and creating coherent, integrated statewide workforce development systems designed to develop more fully the academic, occupational, and literacy skills of all segments of the workforce;

(2) to ensure that all segments of the workforce will obtain the skills necessary to earn wages sufficient to maintain the highest quality of living in the world; and

(3) to promote the economic development of each State by developing a skilled workforce that is responsive to the labor market needs of the businesses of each State.

SEC. 3. DEFINITIONS.

As used in this Act:

(1) ADULT EDUCATION.—

(A) IN GENERAL.—The term "adult education" means services or instruction below the college level for adults who—

(i) lack sufficient education or literacy skills to enable the adults to function effectively in society; or

(ii) do not have a certificate of graduation from a school providing secondary education (as determined under State law) and who have not achieved an equivalent level of education.

(B) ADULT.—As used in subparagraph (A), the term "adult" means an individual who is age 16 or older, or beyond the age of compulsory school attendance under State law, and who is not enrolled in secondary school.

(2) APPROPRIATE SECRETARY.—The term "appropriate Secretary" means, as determined under section 186(c)—

(A) the Secretary of Labor;

(B) the Secretary of Education; or

(C) the Secretary of Labor and the Secretary of Education, acting jointly.

(3) AREA VOCATIONAL EDUCATION SCHOOL.—The term "area vocational education school" means—

(A) a specialized secondary school used exclusively or principally for the provision of vocational education to individuals who are available for study in preparation for entering the labor market;

(B) the department of a secondary school exclusively or principally used for providing vocational education in not fewer than 5 different occupational fields to individuals who are available for study in preparation for entering the labor market;

(C) a technical institute or vocational school used exclusively or principally for the provision of vocational education to individuals who have completed or left secondary school and who are available for study in preparation for entering the labor market, if the institute or school admits as regular students both individuals who have completed secondary school and individuals who have left secondary school; or

(D) the department or division of a junior college, community college, or university that provides vocational education in not fewer than 5 different occupational fields leading to immediate employment but not necessarily leading to a baccalaureate degree, if the department or division admits as regular students both individuals who have completed secondary school and individuals who have left secondary school.

(4) AT-RISK YOUTH.—The term "at-risk youth" means an individual who—

(A) is not less than age 15 and not more than age 24; and

(B)(i) is determined under guidelines developed by the Federal Partnership to be low-income, using the most recent available data provided by the Bureau of the Census, prior to the determination; or

(ii) is a dependent of a family that is determined under guidelines developed by the Federal Partnership to be low-income, using such data.

(5) CHIEF ELECTED OFFICIAL.—The term "chief elected official" means the chief elected officer of a unit of general local government in a substate area.

(6) COMMUNITY-BASED ORGANIZATION.—The term "community-based organization" means a private nonprofit organization of demonstrated effectiveness that is representative of a community or a significant segment of a community and that provides workforce development activities.

(7) COVERED ACTIVITY.—The term "covered activity" means an activity authorized to be carried out under a provision described in section 191(b) (as such provision was in effect on the day before the date of enactment of this Act).

(8) DISLOCATED WORKER.—The term "dislocated worker" means an individual who—

(A) has been terminated from employment and is eligible for unemployment compensation;

(B) has received a notice of termination of employment as a result of any permanent closure, or any layoff of 50 or more people, at a plant, facility, or enterprise, or as a result of a closure or realignment of a military installation;

(C) is long-term unemployed;

(D) was self-employed (including a farmer and a rancher) but is unemployed due to local economic conditions;

(E) is a displaced homemaker; or

(F) has become unemployed as a result of a Federal action that limits the use of, or restricts access to, a marine natural resource.

(9) DISPLACED HOMEMAKER.—The term "displaced homemaker" means an individual who was a full-time homemaker for a substantial number of years, as determined under guidelines developed by the Federal Partnership, and who no longer receives financial support previously provided by a spouse or by public assistance.

(10) ECONOMIC DEVELOPMENT ACTIVITIES.—The term "economic development activities" means the activities described in section 106(e).

(11) EDUCATIONAL SERVICE AGENCY.—The term "educational service agency" means a regional public multiservice agency authorized by State statute to develop and manage a service or program, and provide the service or program to a local educational agency.

(12) ELEMENTARY SCHOOL; LOCAL EDUCATIONAL AGENCY; SECONDARY SCHOOL.—The terms "elementary school", "local educational agency" and "secondary school" have the meanings given the terms in section 14101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801).

(13) FEDERAL PARTNERSHIP.—The term "Federal Partnership" means the Workforce Development Partnership established in section 181, acting under the direction of the National Board.

(14) FLEXIBLE WORKFORCE ACTIVITIES.—The term "flexible workforce activities" means the activities described in section 106(d).

(15) INDIVIDUAL WITH A DISABILITY.—

(A) IN GENERAL.—The term "individual with a disability" means an individual with any disability (as defined in section 3 of the Americans with Disabilities Act of 1990 (42 U.S.C. 12102)).

(B) INDIVIDUALS WITH DISABILITIES.—The term "individuals with disabilities" means more than 1 individual with a disability.

(16) LOCAL ENTITY.—The term "local entity" means a public or private entity responsible for local workforce development activities or workforce preparation activities for at-risk youth.

(17) LOCAL PARTNERSHIP.—The term "local partnership" means a partnership referred to in section 118(a).

(18) NATIONAL BOARD.—The term "National Board" means the National Board of the Federal Partnership.

(19) OUTLYING AREA.—The term "outlying area" means the United States Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau.

(20) PARTICIPANT.—The term "participant" means an individual participating in workforce development activities or workforce preparation activities for at-risk youth, provided through a statewide system.

(21) POSTSECONDARY EDUCATIONAL INSTITUTION.—The term "postsecondary educational institution" means an institution of higher education, as defined in section 481(a) of the Higher Education Act of 1965 (20 U.S.C. 1088(a)), that offers—

(A) a 2-year program of instruction leading to an associate's degree or a certificate of mastery; or

(B) a 4-year program of instruction leading to a bachelor's degree.

(22) RAPID RESPONSE ASSISTANCE.—The term "rapid response assistance" means workforce employment assistance provided in the case of a permanent closure, or layoff of 50 or more people, at a plant, facility, or enterprise, including the establishment of on-site contact with employers and employee representatives immediately after the State is notified of a current or projected permanent closure, or layoff of 50 or more people.

(23) SCHOOL-TO-WORK ACTIVITIES.—The term "school-to-work activities" means activities for youth that—

(A) integrate school-based learning and work-based learning;

(B) integrate academic and occupational learning;

(C) establish effective linkages between secondary education and postsecondary education;

(D) provide each youth participant with the opportunity to complete a career major;

(E) provide assistance in the form of connecting activities that link each youth participant with an employer in an industry or occupation relating to the career major of the youth participant; and

(F) are designed and carried out by local partnerships that include representatives of business and industry, education providers, and the community in which the activities are carried out.

(24) State.—The term "State" means each of the several States of the United States, the District of Columbia, and the Commonwealth of Puerto Rico.

(25) State benchmarks.—The term "State benchmarks", used with respect to a State, means—

(A) the quantifiable indicators established under section 121(c) and identified in the report submitted under section 121(a); and

(B) such other quantifiable indicators of the statewide progress of the State toward meeting the State goals as the State may identify in the report submitted under section 121(a).

(26) State educational agency.—The term "State educational agency" means the State board of education or other agency or officer primarily responsible for the State supervision of public elementary or secondary schools, or, if there is no such officer or agency, an officer or agency designated by the Governor or by State law.

(27) State goals.—The term "State goals", used with respect to a State, means—

(A) the goals specified in section 121(b); and

(B) such other major goals of the statewide system of the State as the State may identify in the report submitted under section 121(a).

(28) Statewide system.—The term "statewide system" means a statewide workforce development system, referred to in section 101, that is designed to integrate workforce employment activities, workforce education activities, flexible workforce activities, economic development activities (in a State that is eligible to carry out such activities), vocational rehabilitation program activities, and workforce preparation activities for at-risk youth in the State in order to enhance and develop more fully the academic, occupational, and literacy skills of all segments of the population of the State and assist participants in obtaining meaningful unsubsidized employment.

(29) Substate area.—The term "substate area" means a geographic area designated by a Governor that reflects, to the extent feasible, a local labor market in a State.

(30) Tech-prep program.—The term "tech-prep program" means a program of study that—

(A) combines at least 2 years of secondary education (as determined under State law) and 2 years of postsecondary education in a nonduplicative sequence;

(B) integrates academic and vocational instruction and utilizes worksite learning where appropriate;

(C) provides technical preparation in an area such as engineering technology, applied science, a mechanical, industrial, or practical art or trade, agriculture, a health occupation, business, or applied economics;

(D) builds student competence in mathematics, science, communications, economics, and workplace skills, through applied academics and integrated instruction in a coherent sequence of courses;

(E) leads to an associate degree or a certificate in a specific career field; and

(F) leads to placement in appropriate employment or further education.

(31) Veteran.—The term "veteran" has the meaning given the term in section 101(2) of title 38, United States Code.

(32) Vocational education.—The term "vocational education" means organized educational programs that—

(A) offer a sequence of courses that provide individuals with the academic knowledge and skills the individuals need to prepare for further education and careers in current or emerging employment sectors; and

(B) include competency-based applied learning that contributes to the academic knowledge, higher-order reasoning and problem-solving skills, work attitudes, general employability skills, and occupation-specific skills, of an individual.

(33) Vocational rehabilitation program.—The term "vocational rehabilitation program" means a program assisted under title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.).

(34) Welfare assistance.—The term "welfare assistance" means—

(A) assistance provided under part A of title IV of the Social Security Act; and

(B) assistance provided under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.).

(35) Welfare recipient.—The term "welfare recipient" means—

(A) an individual who receives assistance under part A of title IV of the Social Security Act; and

(B) an individual who—

(i) is not an individual described in subparagraph (A); and

(ii) receives assistance under the Food Stamp Act of 1977.

(36) Workforce development activities.—The term "workforce development activities" means workforce education activities, workforce employment activities, school-to-work activities, and economic development activities (within a State that is eligible to carry out such activities).

(37) Workforce education activities.—The term "workforce education activities" means the activities described in section 106(b).

(38) Workforce employment activities.—The term "workforce employment activities" means the activities described in paragraphs (2) through (8) of section 106(a), including activities described in section 106(a)(6) provided through a voucher described in section 106(a)(9).

(39) Workforce preparation activities for at-risk youth.—The term "workforce preparation activities for at-risk youth" means the activities described in section 161(b), carried out for at-risk youth.

TITLE I—WORKFORCE DEVELOPMENT AND WORKFORCE PREPARATION ACTIVITIES

Subtitle A—Statewide Workforce Development Systems

CHAPTER 1—PROVISIONS FOR STATES AND OTHER ENTITIES

SEC. 101. STATEWIDE WORKFORCE DEVELOPMENT SYSTEMS ESTABLISHED.

For program year 1998 and each subsequent program year, the Secretary of Labor and the Secretary of Education, acting jointly on the advice of the Federal Partnership, shall make allotments under section 102 to States to assist the States in paying for the cost of establishing and carrying out activities through statewide workforce development systems, in accordance with this subtitle.

SEC. 102. STATE ALLOTMENTS.

(a) In General.—The Secretary of Labor and the Secretary of Education, acting jointly on the advice of the Federal Partnership, shall allot to each State with a State plan approved under section 104 an amount equal to the total of the amounts made available under subparagraphs (A), (B), (C), and (D) of subsection (b)(2), adjusted in accordance with subsections (c) and (d).

(b) Allotments Based on Populations.—

(1) Definitions.—As used in this subsection:

(A) Adult recipient of assistance.—The term "adult recipient of assistance" means a recipient of assistance under a State program funded under part A of title IV of the Social Security Act who is not a minor child (as defined in section 402(c)(1) of such Act).

(B) Individual in poverty.—The term "individual in poverty" means an individual who—

(i) is not less than age 18;

(ii) is not more than age 64; and

(iii) is a member of a family (of 1 or more members) with an income at or below the poverty line.

(C) Poverty line.—The term "poverty line" means the poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)) applicable to a family of the size involved, using the most recent available data provided by the Bureau of the Census, prior to the program year for which the allotment is made, and applying the definition of poverty used by the Bureau of the Census in compiling the 1990 decennial census.

(2) Calculation.—Except as provided in subsections (c) and (d), from the amount reserved under section 124(b)(1), the Secretary of Labor and the Secretary of Education, acting jointly on the advice of the Federal Partnership—

(A) using funds equal to 60 percent of such reserved amount, shall make available to each State an amount that bears the same relationship to such funds as the total number of individuals who are not less than age 15 and not more than age 65 (as determined by the Federal Partnership using the most recent available data provided by the Bureau of the Census, prior to the program year for which the allotment is made) in the State bears to the total number of such individuals in all States;

(B) using funds equal to 20 percent of such reserved amount, shall make available to each State an amount that bears the same relationship to such funds as the total number of individuals in poverty in the State bears to the total number of individuals in poverty in all States;

(C) using funds equal to 10 percent of such reserved amount, shall make available to each State an amount that bears the same relationship to such funds as the average number of unemployed individuals (as determined by the Secretary of Labor for the most recent 24-month period for which data are available, prior to the program year for which the allotment is made) in the State bears to the average number of unemployed individuals (as so determined) in all States; and

(D) using funds equal to 10 percent of such reserved amount, shall make available to each State an amount that bears the same relationship to such funds as the average monthly number of adult recipients of assistance (as determined by the Secretary of Health and Human Services for the most recent 12-month period for which data are available, prior to the program year for which the allotment is made) in the State bears to the average monthly number of adult recipients of assistance (as so determined) in all States.

(c) MINIMUM STATE ALLOTMENT.—

(1) DEFINITION.—As used in this subsection, the term "national average per capita payment", used with respect to a program year, means the amount obtained by dividing—

(A) the amount reserved under section 124(b)(1) for the program year; by

(B) the total number of individuals who are not less than age 15 and not more than age 65 (as determined by the Federal Partnership using the most recent available data provided by the Bureau of the Census, prior to the program year for which the allotment is made) in all States.

(2) MINIMUM ALLOTMENT.—Except as provided in paragraph (3) and subsection (d), no State shall receive an allotment under this section for a program year in an amount that is less than 0.5 percent of the amount reserved under section 124(b)(1) for the program year.

(3) LIMITATION.—No State that receives an increase in an allotment under this section for a program year as a result of the application of paragraph (2) shall receive an allotment under this section for the program year in an amount that is more than the product obtained by multiplying—

(A) the total number of individuals who are not less than age 15 and not more than age 65 (as determined by the Federal Partnership using the most recent available data provided by the Bureau of the Census, prior to the program year for which the allotment is made) in the State; and

(B) the product obtained by multiplying—

(i) 1.5; and

(ii) the national average per capita payment for the program year.

(4) ADJUSTMENTS.—In order to increase the allotments of States as a result of the application of paragraph (2), the Secretary of Labor and the Secretary of Education, acting jointly, shall reduce, on a pro rata basis, the allotments of the other States (except as provided in subsection (d)).

(d) OVERALL LIMITATIONS.—

(1) DEFINITION.—As used in this subsection, the term "State percentage" means—

(A) with respect to the program year preceding program year 1998, the percentage that a State receives of the financial assistance made available to States to carry out covered activities for the year ending on June 30, 1998; and

(B) with respect to program year 1998 and each subsequent program year, the percentage that a State receives of the amount reserved under section 124(b)(1) for the program year.

(2) LIMITATIONS.—No State shall receive an allotment under this section for a program year in an amount that would make the State percentage for the program year—

(A) less than the product obtained by multiplying—

(i) 0.95; and

(ii) the State percentage of the State for the preceding program year; or

(B) greater than the product obtained by multiplying—

(i) 1.05; and

(ii) the State percentage of the State for the preceding program year.

SEC. 103. STATE APPORTIONMENT BY ACTIVITY.

(a) ACTIVITIES.—From the sum of the funds made available to a State through an allotment received under section 102 and through funds received under section 6 of the Wagner-Peyser Act (29 U.S.C. 49e) to carry out this subtitle for a program year—

(1) a portion equal to 25 percent of such sum (which portion shall include the funds received by the State under section 6 of the Wagner-Peyser Act) shall be made available for workforce employment activities or activities carried out under the Wagner-Peyser Act (29 U.S.C. 49 et seq.);

(2) a portion equal to 25 percent of such sum shall be made available for workforce education activities; and

(3) a portion (referred to in this title as the "flex account") equal to 50 percent of such sum shall be made available for flexible workforce activities.

(b) RECIPIENTS.—In making an allotment under section 102 to a State, the Secretary of Labor and the Secretary of Education, acting jointly, shall make a payment—

(1) to the Governor of the State for the portion described in subsection (a)(1), and such part of the flex account as the Governor may be eligible to receive, as determined under the State plan of the State submitted under section 104; and

(2) to the State educational agency of the State for the portion described in subsection (a)(2), and such part of the flex account as the State educational agency may be eligible to receive, as determined under the State plan of the State submitted under section 104.

SEC. 104. STATE PLANS.

(a) IN GENERAL.—For a State to be eligible to receive an allotment under section 102, the Governor of the State shall submit to the Federal Partnership, and obtain approval of, a single comprehensive State workforce development plan (referred to in this section as a "State plan"), outlining a 3-year strategy for the statewide system of the State.

(b) PARTS.—

(1) IN GENERAL.—The State plan shall contain 3 parts.

(2) STRATEGIC PLAN AND FLEXIBLE WORKFORCE ACTIVITIES.—The first part of the State plan shall describe a strategic plan for the statewide system, including the flexible workforce activities, and, if appropriate, economic development activities, that are designed to meet the State goals and reach the State benchmarks and are to be carried out with the allotment. The Governor shall develop the first part of the State plan, using procedures that are consistent with the procedures described in subsection (d).

(3) WORKFORCE EMPLOYMENT ACTIVITIES.—The second part of the State plan shall describe the workforce employment activities that are designed to meet the State goals and reach the State benchmarks and are to be carried out with the allotment. The Governor shall develop the second part of the State plan.

(4) WORKFORCE EDUCATION ACTIVITIES.—The third part of the State plan shall describe the workforce education activities that are designed to meet the State goals and reach the State benchmarks and are to be carried out with the allotment. The State educational agency of the State shall develop the third part of the State plan in collaboration with the State postsecondary education agency and with representatives of vocational education and community colleges.

(c) CONTENTS OF THE PLAN.—The State plan shall include—

(1) with respect to the strategic plan for the statewide system—

(A) information describing how the State will identify the current and future workforce development needs of the industry sectors most important to the economic competitiveness of the State;

(B) information describing how the State will identify the current and future workforce development needs of all segments of the population of the State;

(C) information identifying the State goals and State benchmarks and how the goals and benchmarks will make the statewide system relevant and responsive to labor market and education needs at the local level;

(D) information describing how the State will coordinate workforce development activities to meet the State goals and reach the State benchmarks;

(E) information describing the allocation within the State of the funds made available through the flex account for the State, and how the flexible workforce activities, including school-to-work activities, to be carried out with such funds will be carried out to meet the State goals and reach the State benchmarks;

(F) information identifying how the State will obtain the active and continuous participation of business, industry, and labor in the development and continuous improvement of the statewide system;

(G) information identifying how the State will obtain the active and continuous participation of local partnerships (or, where established, local workforce development boards described in section 118(b)) in the development and continuous improvement of the statewide system;

(H) information identifying how any funds that a State receives under this subtitle will be leveraged with other public and private resources to maximize the effectiveness of such resources for all workforce development activities, and expand the participation of business, industry, labor, and individuals in the statewide system;

(I) information identifying how the workforce development activities to be carried out with funds received through the allotment will be coordinated with programs carried out by the Veterans' Employment and Training Service with funds received under title 38, United States Code, in order to meet the State goals and reach the State benchmarks related to veterans;

(J) information describing how the State will eliminate duplication in the administration and delivery of services under this subtitle;

(K) information describing the process the State will use to independently evaluate and continuously improve the performance of the statewide system, on a yearly basis, including the development of specific performance indicators to measure progress toward meeting the State goals;

(L) an assurance that the funds made available under this subtitle will supplement and not supplant other public funds expended to provide workforce development activities;

(M) information identifying the steps that the State will take over the 3 years covered by the plan to establish common data collection and reporting requirements for workforce development activities and vocational rehabilitation program activities;

(N) with respect to economic development activities, information—

(i) describing the activities to be carried out with the funds made available under this subtitle;

(ii) describing how the activities will lead directly to increased earnings of nonmanagerial employees in the State; and

(iii) describing whether the labor organization, if any, representing the nonmanagerial employees supports the activities;

(O) the description referred to in subsection (d)(1); and

(P)(i) information demonstrating the support of individuals and entities described in subsection (d)(1) for the plan; or

(ii) in a case in which the Governor is unable to obtain the support of such individuals and entities as provided in subsection (d)(2), the comments referred to in subsection (d)(2)(B);

(2) with respect to workforce employment activities, information—

(A)(i) identifying and designating substate areas, including urban and rural areas, to which funds received through the allotment will be distributed, which areas shall, to the extent feasible, reflect local labor market areas; or

(ii) stating that the State will be treated as a substate area for purposes of the application of this subtitle, if the State receives an increase in an allotment under section 102 for a program year as a result of the application of section 102(c)(2);

(B) describing the basic features of one-stop delivery of core services described in section 106(a)(2) in the State, including information regarding—

(i) the strategy of the State for developing fully operational one-stop delivery of core services described in section 106(a)(2);

(ii) the time frame for achieving the strategy;

(iii) the estimated cost of achieving the strategy;

(iv) the steps that the State will take over the 3 years covered by the plan to provide individuals with access to one-stop delivery of core services described in section 106(a)(2);

(v) the steps that the State will take over the 3 years covered by the plan to ensure that all publicly funded labor exchange services described in section 106(a)(2)(B), and all such services described in the Wagner-Peyser Act (29 U.S.C. 49 et seq.), are provided through the one-stop career center system of the State;

(vi) the steps that the State will take over the 3 years covered by the plan to provide information through the one-stop delivery to individuals on the quality of workforce employment activities, workforce education activities, and vocational rehabilitation program activities, provided through the statewide system;

(vii) the steps that the State will take over the 3 years covered by the plan to link services provided through the one-stop delivery with services provided through State welfare agencies; and

(viii) in a case in which the State chooses to use vouchers to deliver workforce employment activities, the steps that the State will take over the 3 years covered by the plan to comply with the requirements in section 106(a)(9) and the information required in such section;

(C) identifying performance indicators that relate to the State goals, and to the State benchmarks, concerning workforce employment activities;

(D) describing the workforce employment activities to be carried out with funds received through the allotment;

(E) describing the steps that the State will take over the 3 years covered by the plan to establish a statewide comprehensive labor market and occupational information system described in section 183(c) that will be utilized by all the providers of one-stop delivery of core services described in section 106(a)(2), providers of other workforce employment activities, and providers of workforce education activities, in the State;

(F) describing the steps that the State will take over the 3 years covered by the plan to establish a job placement accountability system described in section 121(d); and

(G) describing the process the State will use to approve all providers of workforce employment activities through the statewide system; and

(3) with respect to workforce education activities, information—

(A) describing how funds received through the allotment will be allocated among—

(i) secondary school vocational education, or postsecondary and adult vocational education, or both; and

(ii) adult education;

(B) identifying performance indicators that relate to the State goals, and to the State benchmarks, concerning workforce education activities;

(C) describing the workforce education activities that will be carried out with funds received through the allotment;

(D) describing how the State will address the adult education needs of the State;

(E) describing how the State will disaggregate data relating to at-risk youth in order to adequately measure the progress of at-risk youth toward accomplishing the results measured by the State goals and the State benchmarks;

(F) describing how the State will adequately address the needs of both at-risk youth who are in school, and out-of-school youth, in alternative education programs that teach to the same challenging academic, occupational, and skill proficiencies as are provided for in-school youth;

(G) describing how the workforce education activities described in the State plan and the State allocation of funds received through the allotment for such activities are an integral part of comprehensive efforts of the State to improve education for all students and adults;

(H) describing how the State will annually evaluate the effectiveness of the State plan with respect to workforce education activities;

(I) describing how the State will address the professional development needs of the State with respect to workforce education activities;

(J) describing how the State will provide local educational agencies in the State with technical assistance;

(K) describing how the State will assess the progress of the State in implementing student performance measures; and

(L) describing how the State will encourage the participation of parents of secondary school students involved in workforce education activities carried out under this subtitle in State and local decisions regarding workforce education activities carried out under this subtitle.

(d) PROCEDURE FOR DEVELOPMENT OF PART OF PLAN RELATING TO STRATEGIC PLAN.—

(1) DESCRIPTION OF DEVELOPMENT.—The part of the State plan relating to the strategic plan shall include a description of the manner in which—

(A) the Governor;

(B) the State educational agency;

(C) representatives of business and industry, including representatives of key industry sectors, and of small, medium-size, and large employers, in the State;

(D) representatives of labor and workers;

(E) local elected officials from throughout the State;

(F) the State agency officials responsible for vocational education;

(G) the State agency officials responsible for postsecondary education and community colleges;

(H) the State agency officials responsible for adult education;

(I) the State agency officials responsible for vocational rehabilitation;

(J) such other State agency officials, including officials responsible for economic development and employment, as the Governor may designate;

(K) the representative of the Veterans' Employment and Training Service assigned to the State under section 4103 of title 38, United States Code; and

(L) other appropriate officials, including members of the State workforce development board described in section 105, if the State has established such a board;

collaborated in the development of such part of the plan.

(2) FAILURE TO OBTAIN SUPPORT.—If, after a reasonable effort, the Governor is unable to obtain the support of the individuals and entities described in paragraph (1) for the strategic plan the Governor shall—

(A) provide such individuals and entities with copies of the strategic plan;

(B) allow such individuals and entities to submit to the Governor, not later than the end of the 30-day period beginning on the date on which the Governor provides such individuals and entities with copies of such plan under subparagraph (A), comments on such plan; and

(C) include any such comments in such plan.

(e) APPROVAL.—The Secretary of Labor and the Secretary of Education, acting jointly on the advice of the Federal Partnership, shall approve a State plan if—

(1) the Federal Partnership determines that the plan contains the information described in subsection (c);

(2) the Federal Partnership determines that the State has prepared the plan in accordance with the requirements of this section, including the requirements relating to development of any part of the plan; and

(3) the State benchmarks for the State have been negotiated and approved in accordance with section 121(c).

(f) NO ENTITLEMENT TO A SERVICE.—Nothing in this Act shall be construed to provide any individual with an entitlement to a service provided under this Act.

SEC. 105. STATE WORKFORCE DEVELOPMENT BOARDS.

(a) ESTABLISHMENT.—A Governor of a State that receives an allotment under section 102 may establish a State workforce development board—

(1) on which a majority of the members are representatives of business and industry;

(2) on which not less than 25 percent of the members shall be representatives of labor, workers, and community-based organizations;

(3) that shall include representatives of veterans;

(4) that shall include a representative of the State educational agency and a representative from the State agency responsible for vocational rehabilitation;

(5) that may include any other individual or entity that participates in the collaboration described in section 104(d)(1); and

(6) that may include any other individual or entity the Governor may designate.

(b) CHAIRPERSON.—The State workforce development board shall select a chairperson from among the members of the board who are representatives of business and industry.

(c) FUNCTIONS.—The functions of the State workforce development board shall include—

(1) advising the Governor on the development of the statewide system, the State plan

described in section 104, and the State goals and State benchmarks;

(2) assisting in the development of specific performance indicators to measure progress toward meeting the State goals and reaching the State benchmarks and providing guidance on how such progress may be improved;

(3) serving as a link between business, industry, labor, and the statewide system;

(4) assisting the Governor in preparing the annual report to the Federal Partnership regarding progress in reaching the State benchmarks, as described in section 121(a);

(5) receiving and commenting on the State plan developed under section 101 of the Rehabilitation Act of 1973 (29 U.S.C. 721);

(6) assisting the Governor in developing the statewide comprehensive labor market and occupational information system described in section 183(c) to provide information that will be utilized by jobseekers, employers, providers of one-stop delivery of core services described in section 106(a)(2), providers of other workforce employment activities, and providers of workforce education activities, in the State; and

(7) assisting in the monitoring and continuous improvement of the performance of the statewide system, including evaluation of the effectiveness of workforce development activities funded under this subtitle.

SEC. 106. USE OF FUNDS.

(a) Workforce Employment Activities.—

(1) In general.—Funds made available to a State under this subtitle to carry out workforce employment activities through a statewide system—

(A) shall be used to carry out the activities described in paragraphs (2), (3), and (4); and

(B) may be used to carry out the activities described in paragraphs (5), (6), (7), and (8), including providing activities described in paragraph (6) through vouchers described in paragraph (9).

(2) One-stop delivery of core services.—

(A) Access.—The State shall use a portion of the funds described in paragraph (1) to establish a means of providing access to the statewide system through core services described in subparagraph (B) available—

(i) through multiple, connected access points, linked electronically or otherwise;

(ii) through a network that assures participants that such core services will be available regardless of where the participants initially enter the statewide system;

(iii) at not less than 1 physical location in each substate area of the State; or

(iv) through some combination of the options described in clauses (i), (ii), and (iii).

(B) Core services.—The core services referred to in subparagraph (A) shall, at a minimum, include—

(i) outreach, intake, and orientation to the information and other services available through one-stop delivery of core services described in this subparagraph;

(ii) initial assessment of skill levels, aptitudes, abilities, and supportive service needs;

(iii) job search and placement assistance and, where appropriate, career counseling;

(iv) customized screening and referral of qualified applicants to employment;

(v) provision of accurate information relating to local labor market conditions, including employment profiles of growth industries and occupations within a substate area, the educational and skills requirements of jobs in the industries and occupations, and the earnings potential of the jobs;

(vi) provision of accurate information relating to the quality and availability of other workforce employment activities, workforce education activities, and vocational rehabilitation program activities;

(vii) provision of information regarding how the substate area is performing on the State benchmarks;

(viii) provision of initial eligibility information on forms of public financial assistance that may be available in order to enable persons to participate in workforce employment activities, workforce education activities, or vocational rehabilitation program activities; and

(ix) referral to other appropriate workforce employment activities, workforce education activities, and vocational rehabilitation employment activities.

(3) Labor market and occupational information system.—The State shall use a portion of the funds described in paragraph (1) to establish a statewide comprehensive labor market and occupational information system described in section 183(c).

(4) Job placement accountability system.—The State shall use a portion of the funds described in paragraph (1) to establish a job placement accountability system described in section 121(d).

(5) Permissible one-stop delivery activities.—The State may provide, through one-stop delivery—

(A) co-location of services related to workforce development activities, such as unemployment insurance, vocational rehabilitation program activities, welfare assistance, veterans' employment services, or other public assistance;

(B) intensive services for participants who are unable to obtain employment through the core services described in paragraph (2)(B), as determined by the State; and

(C) dissemination to employers of information on activities carried out through the statewide system.

(6) Other permissible activities.—The State may use a portion of the funds described in paragraph (1) to provide services through the statewide system that may include—

(A) on-the-job training;

(B) occupational skills training;

(C) entrepreneurial training;

(D) training to develop work habits to help individuals obtain and retain employment;

(E) customized training conducted with a commitment by an employer or group of employers to employ an individual after successful completion of the training;

(F) rapid response assistance for dislocated workers;

(G) skill upgrading and retraining for persons not in the workforce;

(H) preemployment and work maturity skills training for youth;

(I) connecting activities that organize consortia of small- and medium-size businesses to provide work-based learning opportunities for youth participants in school-to-work programs;

(J) programs for adults that combine workplace training with related instruction;

(K) services to assist individuals in attaining certificates of mastery with respect to industry-based skill standards;

(L) case management services;

(M) supportive services, such as transportation and financial assistance, that enable individuals to participate in the statewide system;

(N) followup services for participants who are placed in unsubsidized employment; and

(O) an employment and training program described in section 6(d)(4) of the Food Stamp Act of 1977 (7 U.S.C. 2015(d)(4)).

(7) Staff development and training.—The State may use a portion of the funds described in paragraph (1) for the development and training of staff of providers of one-stop delivery of core services described in paragraph (2), including development and training relating to principles of quality management.

(8) Incentive grant awards.—The State may use a portion of the funds described in paragraph (1) to award incentive grants to substate areas that reach or exceed the State benchmarks established under section 121(c), with an emphasis on benchmarks established under section 121(c)(3). A substate area that receives such a grant may use the funds made available through the grant to carry out any workforce development activities authorized under this subtitle.

(9) Vouchers.—

(A) In general.—A State may deliver some or all of the workforce employment activities described in paragraph (6) that are provided under this subtitle through a system of vouchers administered through the one-stop delivery of core services described in paragraph (2) in the State.

(B) Eligibility requirements.—

(i) In general.—A State that chooses to deliver the activities described in subparagraph (A) through vouchers shall indicate in the State plan described in section 104 the criteria that will be used to determine—

(I) which workforce employment activities described in paragraph (6) will be delivered through the voucher system;

(II) eligibility requirements for participants to receive the vouchers and the amount of funds that participants will be able to access through the voucher system; and

(III) which employment, training, and education providers are eligible to receive payment through the vouchers.

(ii) Considerations.—In establishing State criteria for service providers eligible to receive payment through the vouchers under clause (i)(III), the State shall take into account industry-recognized skills standards promoted by the National Skills Standards Board.

(C) Accountability requirements.—A State that chooses to deliver the activities described in paragraph (6) through vouchers shall indicate in the State plan—

(i) information concerning how the State will utilize the statewide comprehensive labor market and occupational information system described in section 183(c) and the job placement accountability system established under section 121(d) to provide timely and accurate information to participants about the performance of eligible employment, training, and education providers;

(ii) other information about the performance of eligible providers of services that the State believes is necessary for participants receiving the vouchers to make informed career choices; and

(iii) the timeframe in which the information developed under clauses (i) and (ii) will be widely available through the one-stop delivery of core services described in paragraph (2) in the State.

(b) Workforce Education Activities.—The State educational agency shall use the funds made available to the State educational agency under this subtitle for workforce education activities to carry out, through the statewide system, activities that include—

(1) integrating academic and vocational education;

(2) linking secondary education (as determined under State law) and postsecondary education, including implementing tech-prep programs;

(3) providing career guidance and counseling for students at the earliest possible age, including the provision of career awareness, exploration, planning, and guidance information to students and their parents that is, to the extent possible, in a language and form that the students and their parents understand;

(4) providing literacy and basic education services for adults and out-of-school youth, including adults and out-of-school youth in correctional institutions;

(5) providing programs for adults and out-of-school youth to complete their secondary education;

(6) expanding, improving, and modernizing quality vocational education programs; and

(7) improving access to quality vocational education programs for at-risk youth.

(c) FISCAL REQUIREMENTS FOR WORKFORCE EDUCATION ACTIVITIES.—

(1) SUPPLEMENT NOT SUPPLANT.—Funds made available under this subtitle for workforce education activities shall supplement, and may not supplant, other public funds expended to carry out workforce education activities.

(2) MAINTENANCE OF EFFORT.—

(A) DETERMINATION.—No payments shall be made under this subtitle for any program year to a State for workforce education activities unless the Federal Partnership determines that the fiscal effort per student or the aggregate expenditures of such State for workforce education for the program year preceding the program year for which the determination is made, equaled or exceeded such effort or expenditures for workforce education for the second program year preceding the fiscal year for which the determination is made.

(B) WAIVER.—The Federal Partnership may waive the requirements of this section (with respect to not more than 5 percent of expenditures by any State educational agency) for 1 program year only, on making a determination that such waiver would be equitable due to exceptional or uncontrollable circumstances affecting the ability of the applicant to meet such requirements, such as a natural disaster or an unforeseen and precipitous decline in financial resources. No level of funding permitted under such a waiver may be used as the basis for computing the fiscal effort or aggregate expenditures required under this section for years subsequent to the year covered by such waiver. The fiscal effort or aggregate expenditures for the subsequent years shall be computed on the basis of the level of funding that would, but for such waiver, have been required.

(d) FLEXIBLE WORKFORCE ACTIVITIES.—

(1) CORE FLEXIBLE WORKFORCE ACTIVITIES.—The State shall use a portion of the funds made available to the State under this subtitle through the flex account to carry out school-to-work activities through the statewide system, except that any State that received a grant under subtitle B of title II of the School-to-Work Opportunities Act of 1994 (20 U.S.C. 6141 et seq.) shall use such portion to support the continued development of the statewide School-to-Work Opportunities system of the State through the continuation of activities that are carried out in accordance with the terms of such grant.

(2) PERMISSIBLE FLEXIBLE WORKFORCE ACTIVITIES.—The State may use a portion of the funds made available to the State under this subtitle through the flex account—

(A) to carry out workforce employment activities through the statewide system; and

(B) to carry out workforce education activities through the statewide system.

(e) ECONOMIC DEVELOPMENT ACTIVITIES.—In the case of a State that meets the requirements of section 118(c), the State may use not more than 50 percent of the funds made available to the State under this subtitle through the flex account to supplement other funds provided by the State or private sector—

(1) to provide services to upgrade the skills of employed workers who are at risk of being permanently laid off;

(2) to retrain employed workers in new technologies and work processes that will facilitate the conversion and restructuring of businesses to assist in the avoidance of closures, or layoffs of 50 or more people, at a plant, facility, or enterprise;

(3) to provide customized assessments of the skills of workers and an analysis of the skill needs of employers;

(4) to assist consortia of small- and medium-size employers in upgrading the skills of their workforces;

(5) to provide productivity and quality improvement training programs for the workforces of small- and medium-size employers;

(6) to provide recognition and use of voluntary industry-developed skills standards by employers, schools, and training institutions;

(7) to carry out training activities in companies that are developing modernization plans in conjunction with State industrial extension service offices; and

(8) to provide on-site, industry-specific training programs supportive of industrial and economic development;

through the statewide system.

(f) LIMITATIONS.—

(1) WAGES.—No funds provided under this subtitle shall be used to pay the wages of incumbent workers during their participation in economic development activities provided through the statewide system.

(2) RELOCATION.—No funds provided under this subtitle shall be used or proposed for use to encourage or induce the relocation, of a business or part of a business, that results in a loss of employment for any employee of such business at the original location.

(3) TRAINING AND ASSESSMENTS FOLLOWING RELOCATION.—No funds provided under this subtitle shall be used for customized or skill training, on-the-job training, or company-specific assessments of job applicants or workers, for any business or part of a business, that has relocated, until 120 days after the date on which such business commences operations at the new location, if the relocation of such business or part of a business, results in a loss of employment for any worker of such business at the original location.

(4) DISPLACEMENT.—

(A) IN GENERAL.—No currently employed worker shall be displaced (including partial displacement such as a reduction in hours of nonovertime work, wages, or employment benefits) by any participant in an activity carried out under this subtitle.

(B) EXISTING CONTRACT FOR SERVICES OR COLLECTIVE BARGAINING AGREEMENT.—No activity carried out under this subtitle shall impair an existing contract for services or a collective bargaining agreement.

(C) LAYOFF OR TERMINATION.—No participant shall be employed or job opening filled for an activity carried out under this subtitle—

(i) when any other individual is on layoff from the same or a substantially equivalent job; or

(ii) when the employer has terminated the employment of any regular employee or otherwise reduced the workforce of the employer with the intention of filling the vacancy so created by hiring a participant whose wages are subsidized under this subtitle.

(5) HEALTH AND SAFETY.—Health and safety standards established under Federal and State law otherwise applicable to working conditions of employees shall be equally applicable to working conditions of participants engaged in work-related activities pursuant to this subtitle. Appropriate workers' compensation shall be provided to the participants on the same basis as the compensation is provided to other individuals in the State in similar employment (as determined under regulations issued by the Secretary of Labor).

(6) EMPLOYMENT CONDITIONS.—Participants employed or assigned to work in positions subsidized under this subtitle shall be provided benefits and working conditions at the same level and to the same extent as other employees working a similar length of time and doing the same type of work.

(7) NONDISCRIMINATION.—Except as otherwise permitted in law, no individual may be excluded from participation in workforce development activities carried out under this subtitle because of race, color, religion, sex, national origin, disability, or age.

(8) GRIEVANCE PROCEDURE.—The State shall establish and maintain (pursuant to regulations issued by the Secretary of Labor) a grievance procedure for resolving complaints alleging violations of any of the prohibitions or requirements described in this subsection. Such procedure shall include an opportunity for a hearing and shall be completed not later than the 90th day after the date of the submission of a complaint, by which day the complainant shall be provided a written decision by the State. A decision of the State under such procedure, or a failure of the State to issue a decision within the 90-day period, may be appealed to the Secretary of Labor, who shall investigate the allegations contained in the complaint and make a determination not later than 60 days after the date of the appeal as to whether a violation of a prohibition or requirement of this subsection has occurred.

(9) REMEDIES.—

(A) IN GENERAL.—Except as provided in subparagraphs (B) and (C), remedies that may be imposed under this paragraph for violations of the prohibitions and requirements described in this subsection shall be limited to—

(i) suspension or termination of payments under this subtitle;

(ii) prohibition of placement of any participant, for an appropriate period of time, with an employer that has violated this subsection; and

(iii) appropriate equitable relief (other than backpay).

(B) EXCEPTIONS.—

(i) REPAYMENT.—If the Secretary of Labor determines that a violation of paragraph (2) or (3) has occurred, the Secretary of Labor shall require the State or substate recipient of funds that has violated paragraph (2) or (3), respectively, to repay to the United States an amount equal to the amount expended in violation of paragraph (2) or (3), respectively.

(ii) ADDITIONAL REMEDIES.—In addition to the remedies available under subparagraph (A), remedies available under this paragraph for violations of paragraph (4) may include—

(I) reinstatement of the displaced employee to the position held by such employee prior to displacement;

(II) payment of lost wages and benefits of the employee; and

(III) reestablishment of other relevant terms, conditions, and privileges of employment of the employee.

(C) OTHER LAWS OR CONTRACTS.—Nothing in this paragraph shall be construed to prohibit a complainant from pursuing a remedy authorized under another Federal, State, or local law or a contract or collective bargaining agreement for a violation of the prohibitions or requirements described in this subsection.

(g) LIMITATIONS ON PARTICIPANTS.—

(1) DIPLOMA OR EQUIVALENT.—

(A) IN GENERAL.—No individual may participate in workforce employment activities described in subparagraph (A), (B), (C), (E), (G), (J), or (K) of subsection (a)(6) until the individual has obtained a secondary school diploma or its recognized equivalent, or is enrolled in a program or course of study to obtain a secondary school diploma or its recognized equivalent.

(B) EXCEPTION.—Nothing in subparagraph (A) shall prevent participation in workforce employment activities described under subparagraph (A), (B), (C), (E), (G), (J), or (K) of subsection (a)(6) by individuals who, after testing and in the judgment of medical, psychiatric, academic, or other appropriate professionals, lack the requisite capacity to complete successfully a course of study that would lead to a secondary school diploma or its recognized equivalent.

(2) SERVICES.—

(A) REFERRAL.—If an individual who has not obtained a secondary school diploma or its recognized equivalent applies to participate in workforce employment activities described under subparagraph (A), (B), (C), (E), (G), (J), or (K) of subsection (a)(6), such individual shall be referred to State approved adult education services that provide instruction designed to help such individual obtain a secondary school diploma or its recognized equivalent.

(B) STATE PROVISION OF SERVICES.—Notwithstanding any other provision of this title, a State may use funds made available under section 103(a)(1) to provide State approved adult education services that provide instruction designed to help individuals obtain a secondary school diploma or its recognized equivalent, to individuals who—

(i) are seeking to participate in workforce employment activities described under subparagraph (A), (B), (C), (E), (G), (J), or (K) of subsection (a)(6); and

(ii) are otherwise unable to obtain such services.

(h) LAWS AND PROCEDURES APPLICABLE TO EXPENDITURE OF STATE FUNDS.—Any funds received by a State under this subtitle shall be expended only in accordance with the laws and procedures applicable to expenditures of the State's own revenues, subject to the terms and conditions required under this subtitle, particularly section 104, section 105, and chapter 2.

SEC. 107. INDIAN WORKFORCE DEVELOPMENT ACTIVITIES.

(a) PURPOSE.—

(1) IN GENERAL.—The purpose of this section is to support workforce development activities for Indian and Native Hawaiian individuals in order—

(A) to develop more fully the academic, occupational, and literacy skills of such individuals;

(B) to make such individuals more competitive in the workforce; and

(C) to promote the economic and social development of Indian and Native Hawaiian communities in accordance with the goals and values of such communities.

(2) INDIAN POLICY.—All programs assisted under this section shall be administered in a manner consistent with the principles of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.) and the government-to-government relationship between the Federal Government and Indian tribal governments.

(b) DEFINITIONS.—As used in this section:

(1) ALASKA NATIVE.—The term "Alaska Native" means a Native as such term is defined in section 3(b) of the Alaska Native Claims Settlement Act (43 U.S.C. 1602(b)).

(2) INDIAN, INDIAN TRIBE, AND TRIBAL ORGANIZATION.—The terms "Indian", "Indian tribe", and "tribal organization" have the same meanings given such terms in subsections (d), (e), and (l), respectively, of section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

(3) INSTITUTION OF HIGHER EDUCATION.—The term "institution of higher education" has the meaning given the term in section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a)).

(4) NATIVE HAWAIIAN AND NATIVE HAWAIIAN ORGANIZATION.—The terms "Native Hawaiian" and "Native Hawaiian organization" have the same meanings given such terms in paragraphs (1) and (3), respectively, of section 9212 of the Native Hawaiian Education Act (20 U.S.C. 7912).

(5) TRIBALLY CONTROLLED COMMUNITY COLLEGE.—The term "tribally controlled community college" has the same meaning given such term in section 2(a)(4) of the Tribally Controlled Community College Assistance Act of 1978 (25 U.S.C. 1801(a)(4)).

(6) TRIBALLY CONTROLLED POSTSECONDARY VOCATIONAL INSTITUTION.—The term "tribally controlled postsecondary vocational institution" means an institution of higher education that—

(A) is formally controlled, or has been formally sanctioned or chartered, by the governing body of an Indian tribe or Indian tribes;

(B) offers a technical degree or certificate granting program;

(C) is governed by a board of directors or trustees, a majority of whom are Indians;

(D) demonstrates adherence to stated goals, a philosophy, or a plan of operation, that fosters individual Indian economic and self-sufficiency opportunity, including programs that are appropriate to stated tribal goals of developing individual entrepreneurships and self-sustaining economic infrastructures on reservations;

(E) has been in operation for at least 3 years;

(F) holds accreditation with or is a candidate for accreditation by a nationally recognized accrediting authority for postsecondary vocational education; and

(G) enrolls the full-time equivalent of not fewer than 100 students, of whom a majority are Indians.

(c) PROGRAM AUTHORIZED.—

(1) ASSISTANCE AUTHORIZED.—From amounts made available under section 124(b)(2), the Secretary of Labor and the Secretary of Education, acting jointly on the advice of the Federal Partnership, shall make grants to, or enter into contracts or cooperative agreements with, Indian tribes and tribal organizations, Alaska Native entities, tribally controlled community colleges, tribally controlled postsecondary vocational institutions, Indian-controlled organizations serving Indians, and Native Hawaiian organizations to carry out the authorized activities described in subsection (d).

(2) FORMULA.—The Secretary of Labor and the Secretary of Education, acting jointly on the advice of the Federal Partnership, shall make grants to, or enter into contracts and cooperative agreements with, entities as described in paragraph (1) to carry out the activities described in paragraphs (2) and (3) of subsection (d) on the basis of a formula developed by the Federal Partnership in consultation with entities described in paragraph (1).

(d) AUTHORIZED ACTIVITIES.—

(1) IN GENERAL.—Funds made available under this section shall be used to carry out the activities described in paragraphs (2) and (3) that—

(A) are consistent with this section; and

(B) are necessary to meet the needs of Indians and Native Hawaiians preparing to enter, reenter, or retain unsubsidized employment.

(2) WORKFORCE DEVELOPMENT ACTIVITIES AND SUPPLEMENTAL SERVICES.—

(A) IN GENERAL.—Funds made available under this section shall be used for—

(i) comprehensive workforce development activities for Indians and Native Hawaiians;

(ii) supplemental services for Indian or Native Hawaiian youth on or near Indian reservations in Oklahoma, Alaska, or Hawaii; and

(iii) supplemental services to recipients of public assistance on or near Indian reservations or former reservation areas in Oklahoma or in Alaska.

(B) SPECIAL RULE.—Notwithstanding any other provision of this section, individuals who were eligible to participate in programs under section 401 of the Job Training Partnership Act (29 U.S.C. 1671) (as such section was in effect on the day before the date of enactment of this Act) shall be eligible to participate in an activity assisted under subparagraph (A)(i).

(3) VOCATIONAL EDUCATION, ADULT EDUCATION, AND LITERACY SERVICES.—Funds made available under this section shall be used for—

(A) workforce education activities conducted by entities described in subsection (c)(1); and

(B) the support of tribally controlled postsecondary vocational institutions in order to ensure continuing and expanded educational opportunities for Indian students.

(e) PROGRAM PLAN.—In order to receive a grant or enter into a contract or cooperative agreement under this section an entity described in subsection (c)(1) shall submit to the Federal Partnership a plan that describes a 3-year strategy for meeting the needs of Indian and Native Hawaiian individuals, as appropriate, in the area served by such entity. Such plan shall—

(1) be consistent with the purposes of this section;

(2) identify the population to be served;

(3) identify the education and employment needs of the population to be served and the manner in which the services to be provided will strengthen the ability of the individuals served to obtain or retain unsubsidized employment;

(4) describe the services to be provided and the manner in which such services are to be integrated with other appropriate services; and

(5) describe the goals and benchmarks to be used to assess the performance of entities in carrying out the activities assisted under this section.

(f) FURTHER CONSOLIDATION OF FUNDS.—Each entity receiving assistance under this section may consolidate such assistance with assistance received from related programs in accordance with the provisions of the Indian Employment, Training and Related Services Demonstration Act of 1992 (25 U.S.C. 3401 et seq.).

(g) Nonduplicative and Nonexclusive Services.—Nothing in this section shall be construed—

(1) to limit the eligibility of any entity described in subsection (c)(1) to participate in any program offered by a State or local entity under this title; or

(2) to preclude or discourage any agreement, between any entity described in subsection (c)(1) and any State or local entity, to facilitate the provision of services by such entity or to the population served by such entity.

(h) Partnership Provisions.—

(1) Office established.—There shall be established within the Federal Partnership an office to administer the activities assisted under this section.

(2) Consultation required.—

(A) In general.—The Federal Partnership, through the office established under paragraph (1), shall develop regulations and policies for activities assisted under this section in consultation with tribal organizations and Native Hawaiian organizations. Such regulations and policies shall take into account the special circumstances under which such activities operate.

(B) Administrative support.—The Federal Partnership shall provide such administrative support to the office established under paragraph (1) as the Federal Partnership determines to be necessary to carry out the consultation required by subparagraph (A).

(3) Technical assistance.—The Federal Partnership, through the office established under paragraph (1), is authorized to provide technical assistance to entities described in subsection (c)(1) that receive assistance under this section to enable such entities to improve the workforce development activities provided by such entities.

SEC. 108. GRANTS TO OUTLYING AREAS.

(a) General Authority.—Using funds made available under section 124(b)(3), the Secretary of Labor and the Secretary of Education, acting jointly on the advice of the Federal Partnership, shall make grants to outlying areas to carry out workforce development activities.

(b) Application.—The Federal Partnership shall issue regulations specifying the provisions of this subtitle that shall apply to outlying areas that receive funds under this subtitle.

CHAPTER 2—LOCAL PROVISIONS

SEC. 111. LOCAL APPORTIONMENT BY ACTIVITY.

(a) Workforce Employment Activities.—

(1) In general.—The sum of—

(A) the funds made available to a State for any fiscal year under section 103(a)(1), less any portion of such funds made available under section 6 of the Wagner-Peyser Act (29 U.S.C. 49e); and

(B) the funds made available to a State for any fiscal year under section 103(a)(3) for workforce employment activities;

shall be made available to the Governor of such State for use in accordance with paragraph (2).

(2) Distribution.—Of the sum described in paragraph (1), for a program year—

(A) 25 percent shall be reserved by the Governor to carry out workforce employment activities through the statewide system, of which not more than 20 percent of such 25 percent may be used for administrative expenses; and

(B) 75 percent shall be distributed by the Governor to local entities to carry out workforce employment activities through the statewide system, based on—

(i) such factors as the relative distribution among substate areas of individuals who are not less than 15 and not more than 65, individuals in poverty, unemployed individuals, and adult recipients of assistance, as determined using the definitions specified and the determinations described in section 102(b); and

(ii) such additional factors as the Governor (in consultation with local partnerships or, where established, local workforce development boards described in section 118(b)), determines to be necessary.

(b) Workforce Education Activities.—

(1) In general.—The sum of the funds made available to a State for any program year under paragraphs (2) and (3) of section 103(a) for workforce education activities shall be made available to the State educational agency serving such State for use in accordance with paragraph (2).

(2) Distribution.—Of the sum described in paragraph (1), for a program year—

(A) 20 percent shall be reserved by the State educational agency to carry out statewide workforce education activities through the statewide system, of which not more than 5 percent of such 20 percent may be used for administrative expenses; and

(B) 80 percent shall be distributed by the State educational agency to entities eligible for financial assistance under section 112, 113, or 114, to carry out workforce education activities through the statewide system.

(3) State activities.—Activities to be carried out under paragraph (2)(A) may include professional development, technical assistance, and program assessment activities.

(4) State determinations.—From the amount available to a State educational agency under paragraph (2)(B) for a program year, such agency shall determine the percentage of such amount that will be distributed in accordance with sections 112, 113, and 114 for such year for workforce education activities in such State in each of the following areas:

(A) Secondary school vocational education, or postsecondary and adult vocational education, or both; and

(B) Adult education.

(c) Special Rule.—Nothing in this subtitle shall be construed to prohibit any individual, entity, or agency in a State (other than the State educational agency) that is administering workforce education activities or setting education policies consistent with authority under State law for workforce education activities, on the day preceding the date of enactment of this Act from continuing to administer or set education policies consistent with authority under State law for such activities under this subtitle.

SEC. 112. DISTRIBUTION FOR SECONDARY SCHOOL VOCATIONAL EDUCATION.

(a) Allocation.—Except as otherwise provided in this section and section 115, each State educational agency shall distribute the portion of the funds made available for any program year (from funds made available for the corresponding fiscal year, as determined under section 124(c)) by such agency for secondary school vocational education under section 111(b)(4)(A) to local educational agencies within the State as follows:

(1) Seventy percent.—From 70 percent of such portion, each local educational agency shall be allocated an amount that bears the same relationship to such 70 percent as the amount such local educational agency was allocated under section 1124 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6333) for the preceding fiscal year bears to the total amount received under such section by all local educational agencies in the State for such year.

(2) Twenty percent.—From 20 percent of such portion, each local educational agency shall be allocated an amount that bears the same relationship to such 20 percent as the number of students with disabilities who have individualized education programs under section 614(a)(5) of the Individuals with Disabilities Education Act (20 U.S.C. 1414(a)(5)) served by such local educational agency for the preceding fiscal year bears to the total number of such students served by all local educational agencies in the State for such year.

(3) Ten percent.—From 10 percent of such portion, each local educational agency shall be allocated an amount that bears the same relationship to such 10 percent as the number of students enrolled in schools and adults enrolled in training programs under the jurisdiction of such local educational agency for the preceding fiscal year bears to the number of students enrolled in schools and adults enrolled in training programs under the jurisdiction of all local educational agencies in the State for such year.

(b) Minimum Allocation.—

(1) In general.—Except as provided in paragraph (2), no local educational agency shall receive an allocation under subsection (a) unless the amount allocated to such agency under subsection (a) is not less than $15,000. A local educational agency may enter into a consortium with other local educational agencies for purposes of meeting the minimum allocation requirement of this paragraph.

(2) Waiver.—The State educational agency may waive the application of paragraph (1) in any case in which the local educational agency—

(A) is located in a rural, sparsely populated area; and

(B) demonstrates that such agency is unable to enter into a consortium for purposes of providing services under this section.

(3) Redistribution.—Any amounts that are not allocated by reason of paragraph (1) or (2) shall be redistributed to local educational agencies that meet the requirements of paragraph (1) or (2) in accordance with the provisions of this section.

(c) Limited Jurisdiction Agencies.—

(1) In general.—In applying the provisions of subsection (a), no State educational agency receiving assistance under this subtitle shall allocate funds to a local educational agency that serves only elementary schools, but shall distribute such funds to the local educational agency or regional educational agency that provides secondary school services to secondary school students in the same attendance area.

(2) Special rule.—The amount to be allocated under paragraph (1) to a local educational agency that has jurisdiction only over secondary schools shall be determined based on the number of students that entered such secondary schools in the previous year from the elementary schools involved.

(d) Allocations to Area Vocational Education Schools and Educational Service Agencies.—

(1) In general.—Each State educational agency shall distribute the portion of funds made available for any program year by such agency for secondary school vocational education under section 111(b)(4)(A) to the appropriate area vocational education school or educational service agency in any case in which—

(A) the area vocational education school or educational service agency, and the local educational agency concerned—

(i) have formed or will form a consortium for the purpose of receiving funds under this section; or

(ii) have entered into or will enter into a cooperative arrangement for such purpose; and

(B)(i) the area vocational education school or educational service agency serves an approximately equal or greater proportion of students who are individuals with disabilities or are low-income than the proportion of such students attending the secondary schools under the jurisdiction of all of the local educational agencies sending students to the area vocational education school or the educational service agency; or

(ii) the area vocational education school, educational service agency, or local educational agency demonstrates that the vocational education school or educational service agency is unable to meet the criterion described in clause (i) due to the lack of interest by students described in clause (i) in attending vocational education programs in that area vocational education school or educational service agency.

(2) ALLOCATION BASIS.—If an area vocational education school or educational service agency meets the requirements of paragraph (1), then—

(A) the amount that will otherwise be distributed to the local educational agency under this section shall be allocated to the area vocational education school, the educational service agency, and the local educational agency, based on each school's or agency's relative share of students described in paragraph (1)(B)(i) who are attending vocational education programs (based, if practicable, on the average enrollment for the prior 3 years); or

(B) such amount may be allocated on the basis of an agreement between the local educational agency and the area vocational education school or educational service agency.

(3) STATE DETERMINATION.—

(A) IN GENERAL.—For the purposes of this subsection, the State educational agency may determine the number of students who are low-income on the basis of—

(i) eligibility for—

(I) free or reduced-price meals under the National School Lunch Act (7 U.S.C. 1751 et seq.);

(II) assistance under a State program funded under part A of title IV of the Social Security Act;

(III) benefits under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.); or

(IV) services under title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.); and

(ii) another index of economic status, including an estimate of such index, if the State educational agency demonstrates to the satisfaction of the Federal Partnership that such index is a more representative means of determining such number.

(B) DATA.—If a State educational agency elects to use more than 1 factor described in subparagraph (A) for purposes of making the determination described in such subparagraph, the State educational agency shall ensure that the data used is not duplicative.

(4) APPEALS PROCEDURE.—The State educational agency shall establish an appeals procedure for resolution of any dispute arising between a local educational agency and an area vocational education school or an educational service agency with respect to the allocation procedures described in this section, including the decision of a local educational agency to leave a consortium.

(5) SPECIAL RULE.—Notwithstanding the provisions of paragraphs (1), (2), (3), and (4), any local educational agency receiving an allocation that is not sufficient to conduct a secondary school vocational education program of sufficient size, scope, and quality to be effective may—

(A) form a consortium or enter into a cooperative agreement with an area vocational education school or educational service agency offering secondary school vocational education programs of sufficient size, scope, and quality to be effective and that are accessible to students who are individuals with disabilities or are low-income, and are served by such local educational agency; and

(B) transfer such allocation to the area vocational education school or educational service agency.

(e) SPECIAL RULE.—Each State educational agency distributing funds under this section shall treat a secondary school funded by the Bureau of Indian Affairs within the State as if such school were a local educational agency within the State for the purpose of receiving a distribution under this section.

SEC. 113. DISTRIBUTION FOR POSTSECONDARY AND ADULT VOCATIONAL EDUCATION.

(a) ALLOCATION.—

(1) IN GENERAL.—Except as provided in subsection (b) and section 115, each State educational agency, using the portion of the funds made available for any program year by such agency for postsecondary and adult vocational education under section 111(b)(4)(A)—

(A) shall reserve funds to carry out subsection (d); and

(B) shall distribute the remainder to eligible institutions or consortia of the institutions within the State.

(2) FORMULA.—Each such eligible institution or consortium shall receive an amount for the program year (from funds made available for the corresponding fiscal year, as determined under section 124(c)) from such remainder that bears the same relationship to such remainder as the number of individuals who are Pell Grant recipients or recipients of assistance from the Bureau of Indian Affairs and are enrolled in programs offered by such institution or consortium for the preceding fiscal year bears to the number of all such individuals who are enrolled in any such program within the State for such preceding year.

(3) CONSORTIUM REQUIREMENTS.—In order for a consortium of eligible institutions described in paragraph (1) to receive assistance pursuant to such paragraph such consortium shall operate joint projects that—

(A) provide services to all postsecondary institutions participating in the consortium; and

(B) are of sufficient size, scope, and quality to be effective.

(b) WAIVER FOR MORE EQUITABLE DISTRIBUTION.—The Federal Partnership may waive the application of subsection (a) in the case of any State educational agency that submits to the Federal Partnership an application for such a waiver that—

(1) demonstrates that the formula described in subsection (a) does not result in a distribution of funds to the institutions or consortia within the State that have the highest numbers of low-income individuals and that an alternative formula will result in such a distribution; and

(2) includes a proposal for an alternative formula that may include criteria relating to the number of individuals attending the institutions or consortia within the State who—

(A) receive need-based postsecondary financial aid provided from public funds;

(B) are members of families receiving assistance under a State program funded under part A of title IV of the Social Security Act;

(C) are enrolled in postsecondary educational institutions that—

(i) are funded by the State;

(ii) do not charge tuition; and

(iii) serve only low-income students;

(D) are enrolled in programs serving low-income adults; or

(E) are Pell Grant recipients.

(c) MINIMUM AMOUNT.—

(1) IN GENERAL.—No distribution of funds provided to any institution or consortium for a program year under this section shall be for an amount that is less than $50,000.

(2) REDISTRIBUTION.—Any amounts that are not distributed by reason of paragraph (1) shall be redistributed to eligible institutions or consortia in accordance with the provisions of this section.

(d) SPECIAL RULE FOR CRIMINAL OFFENDERS.—Each State educational agency shall distribute the funds reserved under subsection (a)(1)(A) to 1 or more State corrections agencies to enable the State corrections agencies to administer vocational education programs for juvenile and adult criminal offenders in correctional institutions in the State, including correctional institutions operated by local authorities.

(e) DEFINITIONS.—For the purposes of this section—

(1) the term "eligible institution" means a postsecondary educational institution, a local educational agency serving adults, or an area vocational education school serving adults that offers or will offer a program that seeks to receive financial assistance under this section;

(2) the term "low-income", used with respect to a person, means a person who is determined under guidelines developed by the Federal Partnership to be low-income, using the most recent available data provided by the Bureau of the Census, prior to the determination; and

(3) the term "Pell Grant recipient" means a recipient of financial aid under subpart 1 of part A of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070a et seq.).

SEC. 114. DISTRIBUTION FOR ADULT EDUCATION.

(a) IN GENERAL.—Except as provided in subsection (b)(3), from the amount made available by a State educational agency for adult education under section 111(b)(4)(B) for a program year, such agency shall award grants, on a competitive basis, to local educational agencies, correctional education agencies, community-based organizations of demonstrated effectiveness, volunteer literacy organizations, libraries, public or private nonprofit agencies, postsecondary educational institutions, public housing authorities, and other nonprofit institutions that have the ability to provide literacy services to adults and families, or consortia of agencies, organizations, or institutions described in this subsection, to enable such agencies, organizations, institutions, and consortia to establish or expand adult education programs.

(b) GRANT REQUIREMENTS.—

(1) ACCESS.—Each State educational agency making funds available for any program year for adult education under section 111(b)(4)(B) shall ensure that the entities described in subsection (a) will be provided direct and equitable access to all Federal funds provided under this section.

(2) CONSIDERATIONS.—In awarding grants under this section, the State educational agency shall consider—

(A) the past effectiveness of applicants in providing services (especially with respect to recruitment and retention of educationally disadvantaged adults and the learning gains demonstrated by such adults);

(B) the degree to which an applicant will coordinate and utilize other literacy and social services available in the community; and

(C) the commitment of the applicant to serve individuals in the community who are most in need of literacy services.

(3) CONSORTIA.—A State educational agency may award a grant under subsection (a) to a consortium that includes an entity described in subsection (a) and a for-profit agency, organization, or institution, if such agency, organization, or institution—

(A) can make a significant contribution to carrying out the objectives of this subtitle; and

(B) enters into a contract with the entity described in subsection (a) for the purpose of establishing or expanding adult education programs.

(c) LOCAL ADMINISTRATIVE COST LIMITS.—

(1) IN GENERAL.—Except as provided in paragraph (2), of the funds provided under this section by a State educational agency to an agency, organization, institution, or consortium described in subsection (a), at least 95 percent shall be expended for provision of adult education instructional activities. The remainder shall be used for planning, administration, personnel development, and interagency coordination.

(2) SPECIAL RULE.—In cases where the cost limits described in paragraph (1) will be too restrictive to allow for adequate planning, administration, personnel development, and interagency coordination supported under this section, the State educational agency shall negotiate with the agency, organization, institution, or consortium described in subsection (a) in order to determine an adequate level of funds to be used for noninstructional purposes.

SEC. 115. SPECIAL RULE FOR MINIMAL ALLOCATION.

(a) GENERAL AUTHORITY.—For any program year for which a minimal amount is made available by a State educational agency for distribution under section 112 or 113 such agency may, notwithstanding the provisions of section 112 or 113, respectively, in order to make a more equitable distribution of funds for programs serving the highest numbers of low-income individuals (as defined in section 113(e)), distribute such minimal amount—

(1) on a competitive basis; or

(2) through any alternative method determined by the State educational agency.

(b) MINIMAL AMOUNT.—For purposes of this section, the term "minimal amount" means not more than 15 percent of the total amount made available by the State educational agency under section 111(b)(4)(A) for section 112 or 113, respectively, for such program year.

SEC. 116. REDISTRIBUTION.

(a) IN GENERAL.—In any program year that an entity receiving financial assistance under section 112 or 113 does not expend all of the amounts distributed to such entity for such year under section 112 or 113, respectively, such entity shall return any unexpended amounts to the State educational agency for distribution under section 112 or 113, respectively. The State educational agency may waive the requirements of the preceding sentence, on a case-by-case basis, for good cause as determined by such agency.

(b) REDISTRIBUTION OF AMOUNTS RETURNED LATE IN A PROGRAM YEAR.—In any program year in which amounts are returned to the State educational agency under subsection (a) for programs described in section 112 or 113 and the State educational agency is unable to redistribute such amounts according to section 112 or 113, respectively, in time for such amounts to be expended in such program year, the State educational agency shall retain such amounts for distribution in combination with amounts provided under such section for the following program year.

SEC. 117. LOCAL APPLICATION FOR WORKFORCE EDUCATION ACTIVITIES.

(a) IN GENERAL.—

(1) IN GENERAL.—Each eligible entity desiring financial assistance under this subtitle for workforce education activities shall submit an application to the State educational agency at such time, in such manner and accompanied by such information as such agency (in consultation with such other educational entities as the State educational agency determines to be appropriate) may require. Such application shall cover the same period of time as the period of time applicable to the State workforce development plan.

(2) DEFINITION.—For the purpose of this section the term "eligible entity" means an entity eligible for financial assistance under section 112, 113, or 114 from a State educational agency.

(b) CONTENTS.—Each application described in subsection (a) shall, at a minimum—

(1) describe how the workforce education activities required under section 106(b), and other workforce education activities, will be carried out with funds received under this subtitle;

(2) describe how the activities to be carried out relate to meeting the State goals, and reaching the State benchmarks, concerning workforce education activities;

(3) describe how the activities to be carried out are an integral part of the comprehensive efforts of the eligible entity to improve education for all students and adults;

(4) describe the process that will be used to independently evaluate and continuously improve the performance of the eligible entity; and

(5) describe how the eligible entity will coordinate the activities of the entity with the activities of the local workforce development board, if any, in the substate area.

SEC. 118. LOCAL PARTNERSHIPS, AGREEMENTS, AND WORKFORCE DEVELOPMENT BOARDS.

(a) LOCAL AGREEMENTS.—

(1) IN GENERAL.—After a Governor submits the State plan described in section 104 to the Federal Partnership, the Governor shall negotiate and enter into a local agreement regarding the workforce development activities to be carried out in each substate area in the State with local partnerships (or, where established, local workforce development boards described in subsection (b)).

(2) LOCAL PARTNERSHIPS.—

(A) IN GENERAL.—A local partnership referred to in paragraph (1) shall be established by the local chief elected official, in accordance with subparagraphs (B) and (C), and shall consist of individuals representing business, industry, and labor, local secondary schools, local postsecondary education institutions, local adult education providers, local elected officials, rehabilitation agencies and organizations, community-based organizations, and veterans, within the appropriate substate area.

(B) MULTIPLE JURISDICTIONS.—In any case in which there are 2 or more units of general local government in the substate area involved, the chief elected official of each such unit shall appoint members of the local partnership in accordance with an agreement entered into by such chief elected officials. In the absence of such an agreement, such appointments shall be made by the Governor of the State involved from the individuals nominated or recommended by the chief elected officials.

(C) SELECTION OF BUSINESS AND INDUSTRY REPRESENTATIVES.—Individuals representing business and industry in the local partnership shall be appointed by the chief elected official from nominations submitted by business organizations in the substate area involved. Such individuals shall reasonably represent the industrial and demographic composition of the business community. Where possible, at least 50 percent of such business and industry representatives shall be representatives of small business.

(3) BUSINESS AND INDUSTRY INVOLVEMENT.—The business and industry representatives shall have a lead role in the design, management, and evaluation of the activities to be carried out in the substate area under the local agreement.

(4) CONTENTS.—

(A) STATE GOALS AND STATE BENCHMARKS.—Such an agreement shall include a description of the manner in which funds allocated to a substate area in accordance with section 111(a) or in accordance with sections 111(b), 112, 113, and 114 will be spent to meet the State goals and reach the State benchmarks in a manner that reflects local labor market conditions.

(B) LOCAL RESPONSIBILITIES.—The agreement shall also include a description of the responsibilities of the local partnership (or, where established, local workforce development board described in subsection (b)) for carrying out workforce development activities under this subtitle.

(C) COLLABORATION.—The agreement shall also include information that demonstrates the manner in which—

(i) the Governor; and

(ii) the local partnership (or, where established, the local workforce development board);

collaborated in reaching the agreement.

(5) FAILURE TO REACH AGREEMENT.—If, after a reasonable effort, the Governor is unable to enter into an agreement with the local partnership (or, where established, the local workforce development board), the Governor shall notify the partnership or board, as appropriate, and provide the partnership or board, as appropriate, with the opportunity to comment, not later than 30 days after the date of the notification, on the manner in which funds allocated to such substate area will be spent to meet the State goals and reach the State benchmarks.

(6) EXCEPTION.—A State that indicates in the State plan described in section 104 that the State will be treated as a substate area for purposes of the application of this subtitle shall not be subject to this subsection.

(b) LOCAL WORKFORCE DEVELOPMENT BOARDS.—

(1) IN GENERAL.—Each State may facilitate the establishment of local workforce development boards in each substate area to set policy and provide oversight over the workforce development activities in the substate area.

(2) MEMBERSHIP.—

(A) STATE CRITERIA.—The Governor shall establish criteria for use by local chief elected officials in each substate area in the selection of members of the local workforce development boards, in accordance with the requirements of subparagraph (B).

(B) REPRESENTATION REQUIREMENT.—Such criteria shall require, at a minimum, that a local workforce development board consist of—

(i) representatives of business and industry in the substate area, who shall constitute a majority of the board;

(ii) representatives of labor, workers, and community-based organizations, who shall constitute not less than 25 percent of the members of the board;

(iii) representatives of local secondary schools, postsecondary education institutions, and adult education providers;

(iv) representatives of veterans; and

(v) 1 or more individuals with disabilities, or their representatives.

(C) CHAIR.—Each local workforce development board shall select a chairperson from among the members of the board who are representatives of business and industry.

(3) CONFLICT OF INTEREST.—No member of a local workforce development board shall vote on a matter relating to the provision of services by the member (or any organization that the member directly represents) or vote on a matter that would provide direct financial benefit to such member or the immediate family of such member or engage in any other activity determined by the Governor to constitute a conflict of interest.

(4) FUNCTIONS.—The functions of the local workforce development board shall include—

(A) submitting to the Governor a single comprehensive 3-year strategic plan for workforce development activities in the substate area that includes information—

(i) identifying the workforce development needs of local industries, students, jobseekers, and workers;

(ii) identifying the workforce development activities to be carried out in the substate area with funds received through the allotment made to the State under section 102, to meet the State goals and reach the State benchmarks;

(iii) identifying how the local workforce development board will obtain the active and continuous participation of business, industry, and labor in the development and continuous improvement of the workforce development activities carried out in the substate area; and

(iv) identifying how the local workforce development board will obtain the active and continuous participation of secondary school teachers, secondary school students involved in workforce education activities carried out under this subtitle, and parents of such students, in the development and continuous improvement of the workforce education activities carried out in the substate area;

(B) entering into local agreements with the Governor as described in subsection (a);

(C) overseeing the operations of the one-stop delivery of core services described in section 106(a)(2) in the substate area, including the responsibility to—

(i) designate local entities to operate the one-stop delivery in the substate area, consistent with the criteria referred to in section 106(a)(2); and

(ii) develop and approve the budgets and annual operating plans of the providers of the one-stop delivery; and

(D) submitting annual reports to the Governor on the progress being made in the substate area toward meeting the State goals and reaching the State benchmarks.

(5) CONSULTATION.—A local workforce development board that serves a substate area shall conduct the functions described in paragraph (4) in consultation with the chief elected officials in the substate area.

(c) ECONOMIC DEVELOPMENT ACTIVITIES.—A State shall be eligible to use not more than 50 percent of the funds made available to the State through the flex account for flexible workforce activities to carry out economic development activities if—

(1) the boards described in section 105 and subsection (b) are established in the State; or

(2) in the case of a State that indicates in the State plan described in section 104 that the State will be treated as a substate area for purposes of the application of this subtitle, the board described in section 105 is established in the State.

SEC. 119. CONSTRUCTION.

Nothing in this title shall be construed—

(1) to prohibit a local educational agency (or a consortium thereof) that receives assistance under section 112, from working with an eligible entity (or consortium thereof) that receives assistance under section 113, to carry out secondary school vocational education activities in accordance with this subtitle; or

(2) to prohibit an eligible entity (or consortium thereof) that receives assistance under section 113, from working with a local educational agency (or consortium thereof) that receives assistance under section 112, to carry out postsecondary and adult vocational education activities in accordance with this subtitle.

CHAPTER 3—ADMINISTRATION

SEC. 121. ACCOUNTABILITY.

(a) REPORT.—

(1) IN GENERAL.—Each State that receives an allotment under section 102 shall annually prepare and submit to the Federal Partnership, a report that states how the State is performing on State benchmarks specified in this section, which relate to workforce development activities (and workforce preparation activities for at-risk youth) carried out through the statewide system of the State. In preparing the report, the State may include information on such additional benchmarks as the State may establish to meet the State goals.

(2) CONSOLIDATED REPORT.—In lieu of submitting separate reports under paragraph (1) and section 409(a) of the Social Security Act, the State may prepare a consolidated report. Any consolidated report prepared under this paragraph shall contain the information described in paragraph (1) and subsections (a) through (h) of section 409 of the Social Security Act. The State shall submit any consolidated report prepared under this paragraph to the Federal Partnership, the Secretary of Agriculture, and the Secretary of Health and Human Services, on the dates specified in section 409(a) of the Social Security Act.

(b) GOALS.—

(1) MEANINGFUL EMPLOYMENT.—Each statewide system supported by an allotment under section 102 shall be designed to meet the goal of assisting participants in obtaining meaningful unsubsidized employment opportunities in the State.

(2) EDUCATION.—Each statewide system supported by an allotment under section 102 shall be designed to meet the goal of enhancing and developing more fully the academic, occupational, and literacy skills of all segments of the population of the State.

(c) BENCHMARKS.—

(1) MEANINGFUL EMPLOYMENT.—To be eligible to receive an allotment under section 102, a State shall develop, in accordance with paragraph (5), and identify in the State plan of the State, proposed quantifiable benchmarks to measure the statewide progress of the State toward meeting the goal described in subsection (b)(1), which shall include, at a minimum, measures of—

(A) placement in unsubsidized employment of participants;

(B) retention of the participants in such employment (12 months after completion of the participation); and

(C) increased earnings for the participants.

(2) EDUCATION.—To be eligible to receive an allotment under section 102, a State shall develop, in accordance with paragraph (5), and identify in the State plan of the State, proposed quantifiable benchmarks to measure the statewide progress of the State toward meeting the goal described in subsection (b)(2), which shall include, at a minimum, measures of—

(A) student mastery of academic knowledge and work readiness skills;

(B) student mastery of occupational and industry-recognized skills according to skill proficiencies for students in career preparation programs;

(C) placement in, retention in, and completion of secondary education (as determined under State law) and postsecondary education, and placement and retention in employment and in military service; and

(D) mastery of the literacy, knowledge, and skills adults need to be productive and responsible citizens and to become more actively involved in the education of their children.

(3) POPULATIONS.—To be eligible to receive an allotment under section 102, a State shall develop, in accordance with paragraph (5), and identify in the State plan of the State, proposed quantifiable benchmarks to measure progress toward meeting the goals described in subsection (b) for populations including, at a minimum—

(A) welfare recipients (including a benchmark for welfare recipients described in section 3(36)(B));

(B) individuals with disabilities;

(C) at-risk youth;

(D) dislocated workers; and

(E) veterans.

(4) SPECIAL RULE.—If a State has developed for all students in the State performance indicators, attainment levels, or assessments for skills according to challenging academic, occupational, or industry-recognized skill proficiencies, the State shall use such performance indicators, attainment levels, or assessments in measuring the progress of all students served under this title in attaining the skills.

(5) NEGOTIATIONS.—

(A) INITIAL DETERMINATION.—On receipt of a State plan submitted under section 104, the Federal Partnership shall, not later than 30 days after the date of the receipt, determine—

(i) how the proposed State benchmarks identified by the State in the State plan compare to the model benchmarks established by the Federal Partnership under section 182(b)(2);

(ii) how the proposed State benchmarks compare with State benchmarks proposed by other States in their State plans; and

(iii) whether the proposed State benchmarks, taken as a whole, are sufficient—

(I) to enable the State to meet the State goals; and

(II) to make the State eligible for an incentive grant under section 122(a).

(B) NOTIFICATION.—The Federal Partnership shall immediately notify the State of the determinations referred to in subparagraph (A). If the Federal Partnership determines that the proposed State benchmarks are not sufficient to make the State eligible for an incentive grant under section 122(a), the Federal Partnership shall provide the State with guidance on the steps the State may take to allow the State to become eligible for the grant.

(C) REVISION.—Not later than 30 days after the date of receipt of the notification referred to in subparagraph (B), the State may revise some or all of the State benchmarks identified in the State plan in order to become eligible for the incentive grant or provide reasons why the State benchmarks should be sufficient to make the State eligible for the incentive grant.

(D) DETERMINATION.—After reviewing any revised State benchmarks or information submitted by the State in accordance with subparagraph (C), the Federal Partnership shall make a determination on the eligibility of the State for the incentive grant, as described in paragraph (6), and provide advice to the Secretary of Labor and the Secretary of Education. The Secretary of Labor and the Secretary of Education, acting jointly on the advice of the Federal Partnership, may award a grant to the State under section 122(a).

(6) INCENTIVE GRANTS.—Each State that sets high benchmarks under paragraph (1), (2), or (3) and reaches or exceeds the benchmarks, as determined by the Federal Partnership, shall be eligible to receive an incentive grant under section 122(a).

(7) SANCTIONS.—A State that has failed to demonstrate sufficient progress toward reaching the State benchmarks established under this subsection for the 3 years covered by a State plan described in section 104, as determined by the Federal Partnership, may be subject to sanctions under section 122(b).

(d) JOB PLACEMENT ACCOUNTABILITY SYSTEM.—

(1) IN GENERAL.—Each State that receives an allotment under section 102 shall establish a job placement accountability system, which will provide a uniform set of data to track the progress of the State toward reaching the State benchmarks.

(2) DATA.—

(A) IN GENERAL.—In order to maintain data relating to the measures described in subsection (c)(1), each such State shall establish a job placement accountability system using quarterly wage records available through the unemployment insurance system. The State agency or entity within the State responsible for labor market and occupational information, as designated in section 183(c)(1)(B), in conjunction with the Commissioner of Labor Statistics, shall maintain the job placement accountability system and match information on participants served by the statewide systems of the State and other States with quarterly employment and earnings records.

(B) REIMBURSEMENT.—Each local entity that carries out workforce employment activities or workforce education activities and that receives funds under this title shall provide information regarding the social security numbers of the participants served by the entity and such other information as the State may require to the State agency or entity within the State responsible for labor market and occupational information, as designated in section 183(c)(1)(B).

(C) CONFIDENTIALITY.—The State agency or entity within the State responsible for labor market and occupational information, as designated in section 183(c)(1)(B), shall protect the confidentiality of information obtained through the job placement accountability system through the use of recognized security procedures.

(e) INDIVIDUAL ACCOUNTABILITY.—Each State that receives an allotment under section 102 shall devise and implement procedures to provide, in a timely manner, information on participants in activities carried out through the statewide system who are participating as a condition of receiving welfare assistance. The procedures shall require that the State provide the information to the State and local agencies carrying out the programs through which the welfare assistance is provided, in a manner that ensures that the agencies can monitor compliance with the conditions regarding the receipt of the welfare assistance.

SEC. 122. INCENTIVES AND SANCTIONS.

(a) INCENTIVES.—

(1) IN GENERAL.—The Secretary of Labor and the Secretary of Education, acting jointly on the advice of the Federal Partnership, may award incentive grants of not more than $15,000,000 per program year to a State that—

(A) reaches or exceeds State benchmarks established under section 121(c), with an emphasis on the benchmarks established under section 121(c)(3), in accordance with section 121(c)(6); or

(B) demonstrates to the Federal Partnership that the State has made substantial reductions in the number of adult recipients of assistance, as defined in section 102(b)(1)(A), resulting from increased placement of such adult recipients in unsubsidized employment.

(2) USE OF FUNDS.—A State that receives such a grant may use the funds made available through the grant to carry out any workforce development activities authorized under this title.

(b) SANCTIONS.—

(1) FAILURE TO DEMONSTRATE SUFFICIENT PROGRESS.—If the Federal Partnership determines, after notice and an opportunity for a hearing, that a State has failed to demonstrate sufficient progress toward reaching the State benchmarks established under section 121(c) for the 3 years covered by a State plan described in section 104, the Federal Partnership shall provide advice to the Secretary of Labor and the Secretary of Education. The Secretary of Labor and the Secretary of Education, acting jointly on the advice of the Federal Partnership, may reduce the allotment of the State under section 102 by not more than 10 percent per program year for not more than 3 years. The Federal Partnership may determine that the failure of the State to demonstrate such progress is attributable to the workforce employment activities, workforce education activities, or flexible workforce activities, of the State and provide advice to the Secretary of Labor and the Secretary of Education. The Secretary of Labor and the Secretary of Education, acting jointly on the advice of the Federal Partnership, may decide to reduce only the portion of the allotment for such activities.

(2) EXPENDITURE CONTRARY TO TITLE.—If the Governor of a State determines that a local entity that carries out workforce employment activities in a substate area of the State has expended funds made available under this title in a manner contrary to the objectives of this title, and such expenditures do not constitute fraudulent activity, the Governor may deduct an amount equal to the funds from a subsequent program year allocation to the substate area.

(c) FUNDS RESULTING FROM REDUCED ALLOTMENTS.—The Secretary of Labor and the Secretary of Education, acting jointly on the advice of the Federal Partnership, may use an amount retained as a result of a reduction in an allotment made under subsection (b)(1) to award an incentive grant under subsection (a).

SEC. 123. UNEMPLOYMENT TRUST FUND.

(a) IN GENERAL.—Section 901(c) of the Social Security Act (42 U.S.C. 1101(c)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (A)(iii), by striking "carrying into effect section 4103" and inserting "carrying out the activities described in sections 4103, 4103A, 4104, and 4104A"; and

(B) in subparagraph (B), in the matter preceding clause (i), by striking "Department of Labor" and inserting "Department of Labor or the Workforce Development Partnership, as appropriate,"; and

(2) in the first sentence of paragraph (4), by striking "the Department of Labor" and inserting "the Workforce Development Partnership".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect July 1, 1998.

SEC. 124. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated to carry out this title (other than subtitle B) $5,884,000,000 (which amount shall include the Federal funds made available to carry out the Wagner-Peyser Act (29 U.S.C. 49 et seq.)) for each of fiscal years 1998 through 2001.

(b) RESERVATIONS.—Of the amount appropriated under subsection (a)—

(1) 92.7 percent shall be reserved for making allotments under section 102;

(2) 1.25 percent shall be reserved for carrying out section 107;

(3) 0.2 percent shall be reserved for carrying out section 108;

(4) 4.3 percent shall be reserved for making incentive grants under section 122(a) and for the administration of this title;

(5) 1.4 percent shall be reserved for carrying out section 183; and

(6) 0.15 percent shall be reserved for carrying out sections 184 and 185 and the National Literacy Act of 1991 (20 U.S.C. 1201 note).

(c) PROGRAM YEAR.—

(1) IN GENERAL.—Appropriations for any fiscal year for programs and activities under this title shall be available for obligation only on the basis of a program year. The program year shall begin on July 1 in the fiscal year for which the appropriation is made.

(2) ADMINISTRATION.—Funds obligated for any program year may be expended by each recipient during the program year and the 2 succeeding program years and no amount shall be deobligated on account of a rate of expenditure that is consistent with the provisions of the State plan specified in section 104 that relate to workforce employment activities.

SEC. 125. EFFECTIVE DATE.

This subtitle shall take effect July 1, 1998.

Subtitle B—Job Corps and Other Workforce Preparation Activities for At-Risk Youth

CHAPTER 1—GENERAL PROVISIONS

SEC. 131. PURPOSES.

The purposes of this subtitle are—

(1) to maintain a Job Corps for at-risk youth as part of statewide systems;

(2) to set forth standards and procedures for selecting individuals as enrollees in the Job Corps;

(3) to authorize the establishment of residential and nonresidential Job Corps centers

in which enrollees will participate in intensive programs of workforce development activities;

(4) to prescribe various other powers, duties, and responsibilities incident to the operation and continuing development of the Job Corps; and

(5) to assist at-risk youth who need and can benefit from an unusually intensive program, operated in a group setting, to become more responsible, employable, and productive citizens.

SEC. 132. DEFINITIONS.

As used in this subtitle:

(1) AT-RISK YOUTH.—The term "at-risk youth" means an individual who—

(A) is not less than age 15 and not more than age 24;

(B) is low-income (as defined in section 113(e)); and

(C) is 1 or more of the following:

(i) Basic skills deficient.

(ii) A school dropout.

(iii) Homeless or a runaway.

(iv) Pregnant or parenting.

(v) Involved in the juvenile justice system.

(vi) An individual who requires additional education, training, or intensive counseling and related assistance, in order to secure and hold employment or participate successfully in regular schoolwork.

(2) ENROLLEE.—The term "enrollee" means an individual enrolled in the Job Corps.

(3) GOVERNOR.—The term "Governor" means the chief executive officer of a State.

(4) JOB CORPS.—The term "Job Corps" means the corps described in section 141.

(5) JOB CORPS CENTER.—The term "Job Corps center" means a center described in section 141.

SEC. 133. AUTHORITY OF GOVERNOR.

The duties and powers granted to a State by this subtitle shall be considered to be granted to the Governor of the State.

CHAPTER 2—JOB CORPS

SEC. 141. GENERAL AUTHORITY.

If a State receives an allotment under section 161, and a center located in the State received assistance under part B of title IV of the Job Training Partnership Act for fiscal year 1996 and was not closed in accordance with section 152, the State shall use a portion of the funds made available through the allotment to maintain the center, and carry out activities described in this subtitle for individuals enrolled in a Job Corps and assigned to the center.

SEC. 142. SCREENING AND SELECTION OF APPLICANTS.

(a) STANDARDS AND PROCEDURES.—

(1) IN GENERAL.—The State shall prescribe specific standards and procedures for the screening and selection of applicants for the Job Corps.

(2) IMPLEMENTATION.—To the extent practicable, the standards and procedures shall be implemented through arrangements with—

(A) one-stop career centers;

(B) agencies and organizations such as community action agencies, professional groups, and labor organizations; and

(C) agencies and individuals that have contact with youth over substantial periods of time and are able to offer reliable information about the needs and problems of the youth.

(3) CONSULTATION.—The standards and procedures shall provide for necessary consultation with individuals and organizations, including court, probation, parole, law enforcement, education, welfare, and medical authorities and advisers.

(b) SPECIAL LIMITATIONS.—No individual shall be selected as an enrollee unless the individual or organization implementing the standards and procedures determines that—

(1) there is a reasonable expectation that the individual can participate successfully in group situations and activities, is not likely to engage in behavior that would prevent other enrollees from receiving the benefit of the program or be incompatible with the maintenance of sound discipline and satisfactory relationships between the Job Corps center to which the individual might be assigned and surrounding communities; and

(2) the individual manifests a basic understanding of both the rules to which the individual will be subject and of the consequences of failure to observe the rules.

(c) INDIVIDUALS ELIGIBLE.—To be eligible to become an enrollee, an individual shall be an at-risk youth.

SEC. 143. ENROLLMENT AND ASSIGNMENT.

(a) RELATIONSHIP BETWEEN ENROLLMENT AND MILITARY OBLIGATIONS.—Enrollment in the Job Corps shall not relieve any individual of obligations under the Military Selective Service Act (50 U.S.C. App. 451 et seq.).

(b) ASSIGNMENT.—

(1) IN GENERAL.—Except as provided in paragraph (2), the State shall assign an enrollee to the Job Corps center within the State that is closest to the residence of the enrollee.

(2) AGREEMENTS WITH OTHER STATES.—The State may enter into agreements with 1 or more States to enroll individuals from the States in the Job Corps and assign the enrollees to Job Corps centers in the State.

SEC. 144. JOB CORPS CENTERS.

(a) DEVELOPMENT.—The State shall enter into an agreement with a Federal, State, or local agency, which may be a State board or agency that operates or wishes to develop an area vocational education school facility or residential vocational school, or with a private organization, for the establishment and operation of a Job Corps center.

(b) CHARACTER AND ACTIVITIES.—Job Corps centers may be residential or nonresidential in character, and shall be designed and operated so as to provide enrollees, in a well-supervised setting, with access to activities described in section 145.

(c) CIVILIAN CONSERVATION CENTERS.—The Job Corps centers may include Civilian Conservation Centers, located primarily in rural areas, which shall provide, in addition to other training and assistance, programs of work experience to conserve, develop, or manage public natural resources or public recreational areas or to develop community projects in the public interest.

(d) JOB CORPS OPERATORS.—To be eligible to receive funds under this chapter, an entity that entered into a contract with the Secretary of Labor that is in effect on the effective date of this section to carry out activities through a center under part B of title IV of the Job Training Partnership Act (as in effect on the day before the effective date of this section), shall enter into a contract with the State in which the center is located that contains provisions substantially similar to the provisions of the contract with the Secretary of Labor, as determined by the State.

SEC. 145. PROGRAM ACTIVITIES.

(a) ACTIVITIES PROVIDED THROUGH JOB CORPS CENTERS.—Each Job Corps center shall provide enrollees assigned to the center with access to activities described in section 106(a)(2)(B), and such other workforce development activities as may be appropriate to meet the needs of the enrollees, including providing work-based learning throughout the enrollment of the enrollees and assisting the enrollees in obtaining meaningful unsubsidized employment on completion of their enrollment.

(b) ARRANGEMENTS.—The State shall arrange for enrollees assigned to Job Corps centers in the State to receive workforce development activities through the statewide system, including workforce development activities provided through local public or private educational agencies, vocational educational institutions, or technical institutes.

(c) JOB PLACEMENT ACCOUNTABILITY.—Each Job Corps center located in a State shall be connected to the job placement accountability system of the State described in section 121(d).

SEC. 146. SUPPORT.

The State shall provide enrollees assigned to Job Corps centers in the State with such personal allowances as the State may determine to be necessary or appropriate to meet the needs of the enrollees.

SEC. 147. OPERATING PLAN.

To be eligible to operate a Job Corps center and receive assistance under section 161 for program year 1998 or any subsequent program year, an entity shall prepare and submit, to the Governor of the State in which the center is located, and obtain the approval of the Governor for, an operating plan that shall include, at a minimum, information indicating—

(1) in quantifiable terms, the extent to which the center will contribute to the achievement of the proposed State goals and State benchmarks identified in the State plan for the State submitted under section 104;

(2) the extent to which workforce employment activities and workforce education activities delivered through the Job Corps center are directly linked to the workforce development needs of the industry sectors most important to the economic competitiveness of the State; and

(3) an implementation strategy to ensure that all enrollees assigned to the Job Corps center will have access to services through the one-stop delivery of core services described in section 106(a)(2) by the State.

SEC. 148. STANDARDS OF CONDUCT.

(a) PROVISION AND ENFORCEMENT.—The State shall provide, and directors of Job Corps center shall stringently enforce, standards of conduct within the centers. Such standards of conduct shall include provisions forbidding violence, drug abuse, and other criminal activity.

(b) DISCIPLINARY MEASURES.—To promote the proper moral and disciplinary conditions in the Job Corps, the directors of Job Corps centers shall take appropriate disciplinary measures against enrollees. If such a director determines that an enrollee has committed a violation of the standards of conduct, the director shall dismiss the enrollee from the Corps if the director determines that the retention of the enrollee in the Corps will jeopardize the enforcement of such standards or diminish the opportunities of other enrollees. If the director determines that an enrollee has engaged in an incident involving violence, drug abuse, or other criminal activity, the director shall immediately dismiss the enrollee from the Corps.

(c) APPEAL.—A disciplinary measure taken by a director under this section shall be subject to expeditious appeal in accordance with procedures established by the State.

SEC. 149. COMMUNITY PARTICIPATION.

The State shall encourage and cooperate in activities to establish a mutually beneficial relationship between Job Corps centers in the State and nearby communities. The activities may include the use of any local workforce development boards established in the State under section 118(b) to provide a mechanism for joint discussion of common problems and for planning programs of mutual interest.

SEC. 150. COUNSELING AND PLACEMENT.

The State shall ensure that enrollees assigned to Job Corps centers in the State receive counseling and job placement services, which shall be provided, to the maximum extent practicable, through the delivery of core services described in section 106(a)(2).

SEC. 151. LEASES AND SALES OF CENTERS.

(a) LEASES.—

(1) IN GENERAL.—The Secretary of Labor shall offer to enter into a lease with each State that has an approved State plan submitted under section 104 and in which 1 or more Job Corps centers are located.

(2) NOMINAL CONSIDERATION.—Under the terms of the lease, the Secretary of Labor shall lease the Job Corps centers in the State to the State in return for nominal consideration.

(3) INDEMNITY AGREEMENT.—To be eligible to lease such a center, a State shall enter into an agreement to hold harmless and indemnify the United States from any liability or claim for damages or injury to any person or property arising out of the lease.

(b) SALES.—Notwithstanding the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et seq.), the Secretary of Labor shall offer each State described in subsection (a)(1) the opportunity to purchase the Job Corps centers in the State in return for nominal consideration.

SEC. 152. CLOSURE OF JOB CORPS CENTERS.

(a) NATIONAL JOB CORPS AUDIT.—Not later than March 31, 1997, the Federal Partnership shall conduct an audit of the activities carried out under part B of title IV of the Job Training Partnership Act (29 U.S.C. 1691 et seq.), and submit to the appropriate committees of Congress a report containing the results of the audit, including information indicating—

(1) the amount of funds expended for fiscal year 1996 to carry out activities under such part, for each State and for the United States;

(2) for each Job Corps center funded under such part, the amount of funds expended for fiscal year 1996 under such part to carry out activities related to the direct operation of the center, including funds expended for student training, outreach or intake activities, meals and lodging, student allowances, medical care, placement or settlement activities, and administration;

(3) for each Job Corps center, the amount of funds expended for fiscal year 1996 under such part through contracts to carry out activities not related to the direct operation of the center, including funds expended for student travel, national outreach, screening, and placement services, national vocational training, and national and regional administrative costs;

(4) for each Job Corps center, the amount of funds expended for fiscal year 1996 under such part for facility construction, rehabilitation, and acquisition expenses; and

(5) the amount of funds required to be expended under such part to complete each new or proposed Job Corps center, and to rehabilitate and repair each existing Job Corps center, as of the date of the submission of the report.

(b) RECOMMENDATIONS OF NATIONAL BOARD.—

(1) RECOMMENDATIONS.—The National Board shall, based on the results of the audit described in subsection (a), make recommendations to the Secretary of Labor, including identifying 25 Job Corps centers to be closed by September 30, 1997.

(2) CONSIDERATIONS.—

(A) IN GENERAL.—In determining whether to recommend that the Secretary of Labor close a Job Corps center, the National Board shall consider whether the center—

(i) has consistently received low performance measurement ratings under the Department of Labor or the Office of Inspector General Job Corps rating system;

(ii) is among the centers that have experienced the highest number of serious incidents of violence or criminal activity in the past 5 years;

(iii) is among the centers that require the largest funding for renovation or repair, as specified in the Department of Labor Job Corps Construction/Rehabilitation Funding Needs Survey, or for rehabilitation or repair, as reflected in the portion of the audit described in subsection (a)(5);

(iv) is among the centers for which the highest relative or absolute fiscal year 1996 expenditures were made, for any of the categories of expenditures described in paragraph (2), (3), or (4) of subsection (a), as reflected in the audit described in subsection (a);

(v) is among the centers with the least State and local support; or

(vi) is among the centers with the lowest rating on such additional criteria as the National Board may determine to be appropriate.

(B) COVERAGE OF STATES AND REGIONS.—Notwithstanding subparagraph (A), the National Board shall not recommend that the Secretary of Labor close the only Job Corps center in a State or a region of the United States.

(C) ALLOWANCE FOR NEW JOB CORPS CENTERS.—Notwithstanding any other provision of this section, if the planning or construction of a Job Corps center that received Federal funding for fiscal year 1994 or 1995 has not been completed by the date of enactment of this Act—

(i) the appropriate entity may complete the planning or construction and begin operation of the center; and

(ii) the National Board shall not evaluate the center under this title sooner than 3 years after the first date of operation of the center.

(3) REPORT.—Not later than June 30, 1997, the National Board shall submit a report to the Secretary of Labor, which shall contain a detailed statement of the findings and conclusions of the National Board resulting from the audit described in subsection (a) together with the recommendations described in paragraph (1).

(c) CLOSURE.—The Secretary of Labor shall, after reviewing the report submitted under subsection (b)(3), close 25 Job Corps centers by September 30, 1997.

SEC. 153. INTERIM OPERATING PLANS FOR JOB CORPS CENTERS.

Part B of title IV of the Job Training Partnership Act (29 U.S.C. 1691 et seq.) is amended by inserting after section 439 the following section:

"SEC. 439A. OPERATING PLAN.

"(a) SUBMISSION OF PLAN.—To be eligible to operate a Job Corps center and receive assistance under this part for fiscal year 1997, an entity shall prepare and submit to the Secretary and the Governor of the State in which the center is located, and obtain the approval of the Secretary for, an operating plan that shall include, at a minimum, information indicating—

"(1) in quantifiable terms, the extent to which the center will contribute to the achievement of the proposed State goals and State benchmarks identified in the interim plan for the State submitted under section 173 of the Workforce Development Act of 1995;

"(2) the extent to which workforce employment activities and workforce education activities delivered through the Job Corps center are directly linked to the workforce development needs of the industry sectors most important to the economic competitiveness of the State; and

"(3) an implementation strategy to ensure that all enrollees assigned to the Job Corps center will have access to services through the one-stop delivery of core services described in section 106(a)(2) of the Workforce Development Act of 1995 by the State as identified in the interim plan.

"(b) SUBMISSION OF COMMENTS.—Not later than 30 days after receiving an operating plan described in subsection (a), the Governor of the State in which the center is located may submit comments on the plan to the Secretary.

"(c) APPROVAL.—The Secretary shall not approve an operating plan described in subsection (a) for a center if the Secretary determines that the activities proposed to be carried out through the center are not sufficiently integrated with the activities to be carried out through the statewide system of the State in which the center is located.".

SEC. 154. EFFECTIVE DATE.

(a) IN GENERAL.—Except as provided in subsection (b), this chapter shall take effect on July 1, 1998.

(b) INTERIM PROVISIONS.—Sections 151 and 152, and the amendment made by section 153, shall take effect on the date of enactment of this Act.

CHAPTER 3—OTHER WORKFORCE PREPARATION ACTIVITIES FOR AT-RISK YOUTH

SEC. 161. WORKFORCE PREPARATION ACTIVITIES FOR AT-RISK YOUTH.

(a) IN GENERAL.—For program year 1998 and each subsequent program year, the Secretary of Labor and the Secretary of Education, acting jointly on the advice of the Federal Partnership, shall make allotments under subsection (c) to States to assist the States in paying for the cost of carrying out workforce preparation activities for at-risk youth, as described in this section.

(b) STATE USE OF FUNDS.—

(1) CORE JOB CORPS ACTIVITIES.—The State shall use a portion of the funds made available to the State through an allotment received under subsection (c) to establish and operate Job Corps centers as described in chapter 2, if a center located in the State received assistance under part B of title IV of the Job Training Partnership Act for fiscal year 1996 and was not closed in accordance with section 152.

(2) CORE WORK-BASED LEARNING OPPORTUNITIES.—

(A) IN GENERAL.—The State shall use a portion of the funds made available to the State through an allotment received under subsection (c) to make grants to eligible entities in substate areas, in accordance with the procedures described in subsection (e), to assist the substate areas in organizing summer jobs programs that provide work-based learning opportunities in the private and public sectors that are directly linked to year-round school-to-work activities in the substate areas.

(B) LIMITATION.—No funds provided under this subtitle shall be used to displace employed workers.

(3) PERMISSIBLE ACTIVITIES.—The State may use a portion of the funds described in paragraph (1) to—

(A) make grants to eligible entities in substate areas, in accordance with the procedures described in subsection (e), to assist each such entity in carrying out alternative programs to assist out-of-school at-risk youth in participating in school-to-work activities in the substate area; and

(B) carry out other workforce development activities specifically for at-risk youth.

(4) LAWS AND PROCEDURES APPLICABLE TO EXPENDITURE OF STATE FUNDS.—Any funds received by a State under this subtitle shall be expended only in accordance with the laws and procedures applicable to expenditures of the State's own revenues, subject to the terms and conditions required under this subtitle, particularly this section.

(c) ALLOTMENTS AND RESERVATION.—

(1) IN GENERAL.—The Secretary of Labor and the Secretary of Education, acting jointly on the advice of the Federal Partnership, shall allot to each State an amount equal to the total of—

(A) the amount made available to the State under paragraph (2); and

(B) the amounts made available to the State under subparagraphs (C), (D), and (E) of paragraph (4).

(2) ALLOTMENTS BASED ON FISCAL YEAR 1996 APPROPRIATIONS.—Using a portion of the funds appropriated under subsection (h) for a fiscal year, the Secretary of Labor and the Secretary of Education, acting jointly on the advice of the Federal Partnership, shall make available to each State the amount that Job Corps centers in the State expended for fiscal year 1996 under part B of title IV of the Job Training Partnership Act to carry out activities related to the direct operation of the centers, as determined under section 152(a)(2).

(3) RESERVATION OF FUNDS FOR INDIANS AND NATIVE HAWAIIANS.—The Secretary of Labor and the Secretary of Education, acting jointly, may reserve a portion of the funds that are appropriated under subsection (h) for a fiscal year, and that are not made available under paragraph (2), to carry out subsection (g).

(4) ALLOTMENTS BASED ON POPULATIONS.—

(A) DEFINITIONS.—As used in this paragraph:

(i) INDIVIDUAL IN POVERTY.—The term "individual in poverty" means an individual who—

(I) is not less than age 18;

(II) is not more than age 64; and

(III) is a member of a family (of 1 or more members) with an income at or below the poverty line.

(ii) POVERTY LINE.—The term "poverty line" means the poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)) applicable to a family of the size involved, using the most recent available data provided by the Bureau of the Census, prior to the program year for which the allotment is made, and applying the definition of poverty used by the Bureau of the Census in compiling the 1990 decennial census.

(B) TOTAL ALLOTMENTS.—The Secretary of Labor and the Secretary of Education, acting jointly on the advice of the Federal Partnership, shall use the remainder of the funds that are appropriated under subsection (h) for a fiscal year, and that are not made available under paragraph (2) or (3), to make amounts available under this paragraph.

(C) UNEMPLOYED INDIVIDUALS.—From funds equal to 33⅓ percent of such remainder, the Secretary of Labor and the Secretary of Education, acting jointly on the advice of the Federal Partnership, shall make available to each State an amount that bears the same relationship to such funds as the average number of unemployed individuals (as determined by the Secretary of Labor for the most recent 24-month period for which data are available, prior to the program year for which the allotment is made) in the State bears to the average number of unemployed individuals (as so determined) in the United States.

(D) INDIVIDUALS IN POVERTY.—From funds equal to 33⅓ percent of such remainder, the Secretary of Labor and the Secretary of Education, acting jointly on the advice of the Federal Partnership, shall make available to each State an amount that bears the same relationship to such funds as the total number of individuals in poverty in the State bears to the total number of individuals in poverty in the United States.

(E) AT-RISK YOUTH.—From funds equal to 33⅓ percent of such remainder, the Secretary of Labor and the Secretary of Education, acting jointly on the advice of the Federal Partnership, shall make available to each State an amount that bears the same relationship to such funds as the total number of at-risk youth in the State bears to the total number of at-risk youth in the United States.

(d) STATE PLAN.—

(1) INFORMATION.—To be eligible to receive an allotment under subsection (c), a State shall include, in the State plan to be submitted under section 104, information describing the allocation within the State of the funds made available through the allotment, and how the programs and activities described in subsection (b) will be carried out to meet the State goals and reach the State benchmarks.

(2) LIMITATION.—A State may not be required to include the information described in paragraph (1) in the State plan to be submitted under section 104 to be eligible to receive an allotment under section 102.

(e) APPLICATION.—To be eligible to receive a grant under paragraph (2) or (3)(A) of subsection (b) from a State to carry out programs in a substate area, an entity shall prepare and submit an application to the Governor of the State at such time, in such manner, and containing such information as the Governor may require. The Governor may establish criteria for reviewing such applications. Any such criteria shall, at a minimum, include the extent to which the local partnership (or, where established, the local workforce development board described in section 118(b)) for the substate area approves of such application.

(f) WITHIN STATE DISTRIBUTION.—Of the funds allotted to a State under subsection (c)(4) for workforce preparation activities for at-risk youth for a program year—

(1) 15 percent shall be reserved by the Governor to carry out such activities through the statewide system; and

(2) 85 percent shall be distributed to local entities to carry out such activities through the statewide system.

(g) FINANCIAL ASSISTANCE FOR INDIANS AND NATIVE HAWAIIANS.—The Secretary of Labor and the Secretary of Education, acting jointly, may use the funds reserved under subsection (c)(3), if any, to make grants to, or enter into contracts or cooperative agreements with, the entities described in section 107(c)(1) to carry out workforce preparation activities for at-risk youth who are Indians (as defined in section 107(b)(2)) or Native Hawaiians (as defined in section 107(b)(4)). To be eligible to receive such a grant, or enter into such a contract or cooperative agreement, such an entity shall submit to the Federal Partnership an application at such time, in such manner, and containing such information as the Federal Partnership may require.

(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subtitle, $2,100,000,000 for each of fiscal years 1998 through 2001.

(i) EFFECTIVE DATE.—This chapter shall take effect on July 1, 1998.

Subtitle C—Transition Provisions

SEC. 171. WAIVERS.

(a) WAIVER AUTHORITY.—

(1) IN GENERAL.—Notwithstanding any other provision of Federal law, and except as provided in subsection (d), the Secretary may waive any requirement under any provision of law relating to a covered activity, or of any regulation issued under such a provision, for—

(A) a State that requests such a waiver and submits an application as described in subsection (b); or

(B) a local entity that requests such a waiver and complies with the requirements of subsection (c);

in order to assist the State or local entity in planning or developing a statewide system or workforce development activities, or workforce preparation activities for at-risk youth, to be carried out through the statewide system.

(2) TERM.—

(A) IN GENERAL.—Except as provided in subparagraph (B), each waiver approved pursuant to this section shall be for a period beginning on the date of the approval and ending on June 30, 1998.

(B) FAILURE TO SUBMIT INTERIM PLAN.—If a State receives a waiver under this section and fails to submit an interim plan under section 173 by June 30, 1997, the waiver shall be deemed to terminate on September 30, 1997. If a local entity receives a waiver under this section, and the State in which the local entity is located fails to submit an interim plan under section 173 by June 30, 1997, the waiver shall be deemed to terminate on September 30, 1997.

(b) STATE REQUEST FOR WAIVER.—

(1) IN GENERAL.—A State may submit to the Secretary a request for a waiver of 1 or more requirements referred to in subsection (a). The request may include a request for different waivers with respect to different areas within the State.

(2) APPLICATION.—To be eligible to receive a waiver described in subsection (a), a State shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require, including information—

(A) identifying the requirement to be waived and the goal that the State (or the local agency applying to the State under subsection (c)) intends to achieve through the waiver;

(B) identifying, and describing the actions that the State will take to remove, similar State requirements;

(C) describing the activities to which the waiver will apply, including information on how the activities may be continued, or related to activities carried out, under the statewide system of the State;

(D) describing the number and type of persons to be affected by such waiver; and

(E) providing evidence of support for the waiver request by the State agencies or officials with jurisdiction over the requirement to be waived.

(c) LOCAL ENTITY REQUEST FOR WAIVER.—

(1) IN GENERAL.—A local entity that seeks a waiver of such a requirement shall submit to the State a request for the waiver and an application containing sufficient information to enable the State to comply with the requirements of subsection (b)(2). The State shall determine whether to submit a request and an application for a waiver to the Secretary, as provided in subsection (b).

(2) TIME LIMIT.—

(A) IN GENERAL.—The State shall make a determination concerning whether to submit the request and application for a waiver as described in paragraph (1) not later than 30 days after the date on which the State receives the application from the local entity.

(B) DIRECT SUBMISSION.—

(i) IN GENERAL.—If the State does not make a determination to submit or does not submit the request and application within the 30-day time period specified in subparagraph (A), the local entity may submit the request and application to the Secretary.

(ii) REQUIREMENTS.—In submitting such a request, the local entity shall obtain the agreement of the State involved to comply with the requirements of this section that would otherwise apply to a State submitting a request for a waiver. In reviewing an application submitted by a local entity, the Secretary shall comply with the requirements of this section that would otherwise apply to the Secretary with respect to review of such an application submitted by a State.

(d) WAIVERS NOT AUTHORIZED.—The Secretary may not waive any requirement of any provision referred to in subsection (a), or of any regulation issued under such provision, relating to—

(1) the allocation of funds to States, local entities, or individuals;

(2) public health or safety, civil rights, occupational safety and health, environmental protection, displacement of employees, or fraud and abuse;

(3) the eligibility of an individual for participation in a covered activity, except in a case in which the State or local entity can demonstrate that the individuals who would have been eligible to participate in such activity without the waiver will participate in a similar covered activity; or

(4) a required supplementation of funds by the State or a prohibition against the State supplanting such funds.

(e) ACTIVITIES.—Subject to subsection (d), the Secretary may approve a request for a waiver described in subsection (a) that would enable a State or local entity to—

(1) use the assistance that would otherwise have been used to carry out 2 or more covered activities (if the State or local entity were not using the assistance as described in this section)—

(A) to address the high priority needs of unemployed persons and at-risk youth in the appropriate State or community for workforce employment activities or workforce education activities;

(B) to improve efficiencies in the delivery of the covered activities; or

(C) in the case of overlapping or duplicative activities—

(i) by combining the covered activities and funding the combined activities; or

(ii) by eliminating 1 of the covered activities and increasing the funding to the remaining covered activity; and

(2) use the assistance that would otherwise have been used for administrative expenses relating to a covered activity (if the State or local entity were not using the assistance as described in this section) to pay for the cost of developing an interim State plan described in section 173 or a State plan described in section 104.

(f) APPROVAL OR DISAPPROVAL.—The Secretary shall approve or disapprove any request submitted pursuant to subsection (b) or (c), not later than 45 days after the date of the submission, and shall issue a decision that shall include the reasons for approving or disapproving the request.

(g) FAILURE TO ACT.—If the Secretary fails to approve or disapprove the request within the 45-day period described in subsection (f), the request shall be deemed to be approved on the day after such period ends. If the Secretary subsequently determines that the waiver relates to a matter described in subsection (d) and issues a decision that includes the reasons for the determination, the waiver shall be deemed to terminate on the date of issuance of the decision.

(h) DEFINITION.—As used in this section:

(1) LOCAL ENTITY.—The term "local entity" means—

(A) a local educational agency, with respect to any act by a local agency or organization relating to a covered activity that is a workforce education activity; and

(B) the local public or private agency or organization responsible for carrying out the covered activity at issue, with respect to any act by a local agency or organization relating to any other covered activity.

(2) SECRETARY.—The term "Secretary" means—

(A) the Secretary of Labor, with respect to any act relating to a covered activity carried out by the Secretary of Labor; and

(B) the Secretary of Education, with respect to any act relating to a covered activity carried out by the Secretary of Education.

(3) STATE.—The term "State" means—

(A) a State educational agency, with respect to any act by a State entity relating to a covered activity that is a workforce education activity; and

(B) the Governor, with respect to any act by a State entity relating to any other covered activity.

(i) CONFORMING AMENDMENTS.—

(1) Section 501 of the School-to-Work Opportunities Act of 1994 (20 U.S.C. 6211) is amended—

(A) in subsection (a), by striking "sections 502 and 503" and inserting "section 502";

(B) in subsection (b)(2)(B)(ii)—

(i) by striking "section 502(a)(1)(C) or 503(a)(1)(C), as appropriate," and inserting "section 502(a)(1)(C)"; and

(ii) by striking "section 502 or 503, as appropriate," and inserting "section 502";

(C) in subsection (c), by striking "section 502 or 503" and inserting "section 502"; and

(D) by striking "Secretaries" each place the term appears and inserting "Secretary of Education".

(2) Section 502(b) of such Act (20 U.S.C. 6212(b)) is amended—

(A) in paragraph (4), by striking the semicolon and inserting "; and";

(B) in paragraph (5), by striking "; and" and inserting a period; and

(C) by striking paragraph (6).

(3) Section 503 of such Act (20 U.S.C. 6213) is repealed.

(4) Section 504 of such Act (20 U.S.C. 6214) is amended—

(A) in subsection (a)(2)(B), by striking clauses (i) and (ii) and inserting the following clauses:

"(i) the provisions of law listed in paragraphs (2) through (5) of section 502(b);

"(ii) the Job Training Partnership Act (29 U.S.C. 1501 et seq.); and

"(iii) the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.)."; and

(B) in subsection (b), by striking "paragraphs (1) through (3), and paragraphs (5) and (6), of section 503(b)" and inserting "paragraphs (2) through (4) and paragraphs (6) and (7) of section 505(b)".

(5) Section 505(b) of such Act (20 U.S.C. 6215(b)) is amended to read as follows:

"(b) USE OF FUNDS.—A State may use, under the requirements of this Act, Federal funds that are made available to the State and combined under subsection (a) to carry out school-to-work activities, except that the provisions relating to—

"(1) the matters specified in section 502(c);

"(2) basic purposes or goals;

"(3) maintenance of effort;

"(4) distribution of funds;

"(5) eligibility of an individual for participation;

"(6) public health or safety, labor standards, civil rights, occupational safety and health, or environmental protection; or

"(7) prohibitions or restrictions relating to the construction of buildings or facilities;

that relate to the program through which the funds described in subsection (a)(2)(B) were made available, shall remain in effect with respect to the use of such funds.".

SEC. 172. FLEXIBILITY DEMONSTRATION PROGRAM.

(a) DEFINITION.—As used in this section:

(1) ELIGIBLE STATE.—The term "eligible State" means a State that—

(A)(i) has submitted an interim State plan under section 173;

(ii) has an executed memorandum of understanding with the Federal Government; or

(iii) is a designated "Ed-Flex Partnership State" under section 311(e) of the Goals 2000: Educate America Act (20 U.S.C. 5891(e)); and

(B) waives State statutory or regulatory requirements relating to workforce development activities while holding local entities within the State that are effected by such waivers accountable for the performance of the participants who are affected by such waivers.

(2) LOCAL ENTITY; SECRETARY; STATE.—The terms "local entity", "Secretary", and "State" have the meanings given the terms in section 171(h).

(b) DEMONSTRATION PROGRAM.—

(1) ESTABLISHMENT.—In addition to providing for the waivers described in section 171(a), the Secretary shall establish a workforce flexibility demonstration program under which the Secretary shall permit not more than 6 eligible States (or local entities within such States) to waive any statutory or regulatory requirement applicable to any covered activity described in section 171(a), other than the requirements described in section 171(d).

(2) SELECTION OF PARTICIPANT STATES.—In carrying out the program under paragraph (1), the Secretary shall select for participation in the program 3 eligible States that each have a population of not less than 3,500,000 individuals and 3 eligible States that each have a population of not more than 3,500,000 individuals, as determined in accordance with the most recent decennial census of the population as provided by the Bureau of the Census.

(3) APPLICATION.—

(A) SUBMISSION.—To be eligible to participate in the program established under paragraph (1), a State shall prepare and submit an application, in accordance with section 171(b)(2), that includes—

(i) a description of the process the eligible State will use to evaluate applications from local entities requesting waivers of—

(I) Federal statutory or regulatory requirements described in section 171(a); and

(II) State statutory or regulatory requirements relating to workforce development activities; and

(ii) a detailed description of the State statutory or regulatory requirements relating to workforce development activities that the State will waive.

(B) APPROVAL.—The Secretary may approve an application submitted under subparagraph (A) if the Secretary determines that such application demonstrates substantial promise of assisting the State and local entities within such State in carrying out comprehensive reform of workforce development activities and in otherwise meeting the purposes of this Act.

(C) LOCAL ENTITY APPLICATIONS.—A State participating in the program established under paragraph (1) shall not approve an application by a local entity for a waiver under this subsection unless the State determines that such waiver will assist the local entity in reaching the goals of the local entity.

(4) MONITORING.—A State participating in the program established under paragraph (1) shall annually monitor the activities of local entities receiving waivers under this subsection and shall submit an annual report regarding such monitoring to the Secretary. The Secretary shall periodically review the performance of such States and shall terminate the waiver of a State under this subsection if the Secretary determines, after notice and opportunity for a hearing, that the performance of such State has been inadequate to a level that justifies discontinuation of such authority.

(5) REFERENCE.—Each eligible State participating in the program established under paragraph (1) shall be referred to as a "Work-Flex Partnership State".

SEC. 173. INTERIM STATE PLANS.

(a) IN GENERAL.—For a State or local entity in a State to use a waiver received under section 171 or 172 through June 30, 1998, and for a State to be eligible to submit a State plan described in section 104 for program year 1998, the Governor of the State shall submit an interim State plan to the Federal Partnership. The Governor shall submit the plan not later than June 30, 1997.

(b) REQUIREMENTS.—The interim State plan shall comply with the requirements applicable to State plans described in section 104.

(c) PROGRAM YEAR.—In submitting the interim State plan, the Governor shall indicate whether the plan is submitted—

(1) for review and approval for program year 1997; or

(2) solely for review.

(d) REVIEW.—In reviewing an interim State plan, the Secretary of Labor and the Secretary of Education, acting jointly on the advice of the Federal Partnership, may—

(1) in the case of a plan submitted for review and approval for program year 1997—

(A) approve the plan and permit the State to use a waiver as described in section 171 or 172 to carry out the plan; or

(B)(i) disapprove the plan and provide to the State reasons for the disapproval; and

(ii) direct the Federal Partnership to provide technical assistance to the State for developing an approvable plan to be submitted under section 104 for program year 1998; and

(2) in the case of a plan submitted solely for review, review the plan and provide to the State technical assistance for developing an approvable plan to be submitted under section 104 for program year 1998.

(e) EFFECT OF DISAPPROVAL.—Disapproval of an interim plan shall not affect the ability of a State to use a waiver as described in section 171 or 172 through June 30, 1998.

SEC. 174. APPLICATIONS AND PLANS UNDER COVERED ACTS.

Notwithstanding any other provision of law, no State or local entity shall be required to comply with any provision of a covered Act that would otherwise require the entity to submit an application or a plan to a Federal agency during fiscal year 1996 or 1997 for funding of a covered activity. In determining whether to provide funding to the State or local entity for the covered activity, the Secretary of Labor or the Secretary of Education, as appropriate, shall consider the last application or plan, as appropriate, submitted by the entity for funding of the covered activity.

SEC. 175. INTERIM ADMINISTRATION OF SCHOOL-TO-WORK PROGRAMS.

(a) IN GENERAL.—Any provision of the School-to-Work Opportunities Act of 1994 (20 U.S.C. 6101 et seq.) that grants authority to the Secretary of Labor or the Secretary of Education shall be considered to grant the authority to the Federal Partnership.

(b) EFFECTIVE DATE.—Subsection (a) shall take effect on October 1, 1996.

SEC. 176. INTERIM AUTHORIZATIONS OF APPROPRIATIONS.

(a) CARL D. PERKINS VOCATIONAL AND APPLIED TECHNOLOGY EDUCATION ACT.—

(1) IN GENERAL.—Section 3(a) of the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2302(a)) is amended by striking "for each of the fiscal years" and all that follows through "1995" and inserting "for each of fiscal years 1992 through 1998".

(2) RESEARCH.—Section 404(d) of such Act (20 U.S.C. 2404(d)) is amended by striking "for each of the fiscal years" and all that follows through "1995" and inserting "for each of fiscal years 1992 through 1998".

(b) ADULT EDUCATION ACT.—

(1) IN GENERAL.—Section 313(a) of the Adult Education Act (20 U.S.C. 1201b(a)) is amended by striking "for each of the fiscal years" and all that follows through "1995" and inserting "for each of fiscal years 1993 through 1998".

(2) STATE LITERACY RESOURCE CENTERS.—Section 356(k) of such Act (20 U.S.C. 1208aa(k)) is amended by striking "for each of the fiscal years 1994 and 1995" and inserting "for each of fiscal years 1994 and 1995".

(3) BUSINESS, INDUSTRY, LABOR, AND EDUCATION PARTNERSHIPS FOR WORKPLACE LITERACY.—Section 371(e)(1) of such Act (20 U.S.C. 1211(e)(1)) is amended by striking "for each of the fiscal years" and all that follows through "1995" and inserting "for each of fiscal years 1993 through 1998".

(4) NATIONAL INSTITUTE FOR LITERACY.—Section 384(n)(1) of such Act (20 U.S.C. 1213c(n)(1)) is amended by striking "for each of the fiscal years" and all that follows through "1996" and inserting "for each of fiscal years 1992 through 1995".

Subtitle D—National Activities

SEC. 181. FEDERAL PARTNERSHIP.

(a) ESTABLISHMENT.—There is established in the Department of Labor and the Department of Education a Workforce Development Partnership, under the joint control of the Secretary of Labor and the Secretary of Education.

(b) ADMINISTRATION.—Notwithstanding the Department of Education Organization Act (20 U.S.C. 3401 et seq.), the General Education Provisions Act (20 U.S.C. 1221 et seq.), the Act entitled "An Act To Create a Department of Labor", approved March 4, 1913 (29 U.S.C. 551 et seq.), and section 169 of the Job Training Partnership Act (29 U.S.C. 1579), the Secretary of Labor and the Secretary of Education, acting jointly, in accordance with the plan approved or determinations made by the President under section 186(c), shall provide for, and exercise final authority over, the effective and efficient administration of this title, the Act amended by subtitle B of title II, the provisions amended by sections 241 and 242, and the officers and employees of the Federal Partnership.

(c) RESPONSIBILITIES OF SECRETARY OF LABOR AND SECRETARY OF EDUCATION.—The Secretary of Labor and the Secretary of Education, working jointly through the Federal Partnership, shall—

(1) approve applications and plans under sections 104, 107, 108, and 173;

(2) award financial assistance under sections 102, 107, 108, 122(a), 161, and 184;

(3) approve State benchmarks in accordance with section 121(c); and

(4) apply sanctions described in section 122(b).

(d) WORKPLANS.—The Secretary of Labor and the Secretary of Education, acting jointly, shall prepare and submit the workplans described in sections 186(c) and 187(b).

(e) INFORMATION AND TECHNICAL ASSISTANCE RESPONSIBILITIES.—The Secretary of Labor and the Secretary of Education, acting jointly, shall, in appropriate cases, disseminate information and provide technical assistance to States on the best practices for establishing and carrying out activities through statewide systems, including model programs to provide structured work and learning experiences for welfare recipients.

SEC. 182. NATIONAL WORKFORCE DEVELOPMENT BOARD AND PERSONNEL.

(a) NATIONAL BOARD.—

(1) COMPOSITION.—The Federal Partnership shall be directed by a National Board that shall be composed of 13 individuals, including—

(A) 7 individuals who are representative of business and industry in the United States, appointed by the President by and with the advice and consent of the Senate;

(B) 2 individuals who are representative of labor and workers in the United States, appointed by the President by and with the advice and consent of the Senate;

(C) 2 individuals who are representative of education providers, 1 of whom is a State or local adult education provider and 1 of whom is a State or local vocational education provider, appointed by the President by and with the advice and consent of the Senate; and

(D) 2 Governors, representing different political parties, appointed by the President by and with the advice and consent of the Senate.

(2) TERMS.—Each member of the National Board shall serve for a term of 3 years, except that, as designated by the President—

(A) 5 of the members first appointed to the National Board shall serve for a term of 2 years;

(B) 4 of the members first appointed to the National Board shall serve for a term of 3 years; and

(C) 4 of the members first appointed to the National Board shall serve for a term of 4 years.

(3) VACANCIES.—Any vacancy in the National Board shall not affect the powers of the National Board, but shall be filled in the same manner as the original appointment. Any member appointed to fill such a vacancy shall serve for the remainder of the term for which the predecessor of such member was appointed.

(4) DUTIES AND POWERS OF THE NATIONAL BOARD.—

(A) OVERSIGHT.—Subject to section 181(b), the National Board shall oversee all activities of the Federal Partnership.

(B) RECOMMENDATIONS ABOUT IMPLEMENTATION.—If the Secretary of Labor and the Secretary of Education fail to reach agreement with respect to the implementation of their duties and responsibilities under this Act and the amendments made by this Act, the National Board shall review the issues about which disagreement exists and make a recommendation to the President regarding a solution to the disagreement.

(5) CHAIRPERSON.—The position of Chairperson of the National Board shall rotate annually among the appointed members described in paragraph (1)(A).

(6) MEETINGS.—The National Board shall meet at the call of the Chairperson but not less often than 4 times during each calendar year. Seven members of the National Board shall constitute a quorum. All decisions of the National Board with respect to the exercise of the duties and powers of the National Board shall be made by a majority vote of the members of the National Board.

(7) COMPENSATION AND TRAVEL EXPENSES.—

(A) COMPENSATION.—In accordance with the plan approved or the determinations made by the President under section 186(c), each member of the National Board shall be compensated at a rate to be fixed by the President but not to exceed the daily equivalent of the maximum rate authorized for a position above GS–15 of the General Schedule under section 5108 of title 5, United States Code, for each day (including travel time) during which such member is engaged in the performance of the duties of the National Board.

(B) EXPENSES.—While away from their homes or regular places of business on the business of the National Board, members of such National Board shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, for persons employed intermittently in the Government service.

(8) DATE OF APPOINTMENT.—The National Board shall be appointed not later than 120 days after the date of enactment of this Act.

(b) DUTIES AND POWERS OF THE FEDERAL PARTNERSHIP.—The Federal Partnership shall—

(1) oversee the development, maintenance, and continuous improvement of the nationwide integrated labor market and occupational information system described in section 183, and the relationship between such system and the job placement accountability system described in section 121(d);

(2) establish model benchmarks for each of the benchmarks referred to in paragraph (1), (2), or (3) of section 121(c), at achievable levels based on existing (as of the date of the establishment of the benchmarks) workforce development efforts in the States;

(3) negotiate State benchmarks with States in accordance with section 121(c);

(4) provide advice to the Secretary of Labor and the Secretary of Education regarding the review and approval of applications and plans described in section 181(c)(1) and the approval of financial assistance described in section 181(c)(2);

(5) receive and review reports described in section 121(a);

(6) prepare and submit to the appropriate committees of Congress an annual report on the absolute and relative performance of States toward reaching the State benchmarks;

(7) provide advice to the Secretary of Labor and the Secretary of Education regarding applying sanctions described in section 122(b);

(8) review all federally funded programs providing workforce development activities or workforce preparation activities for at-risk youth, other than programs carried out under this title, and submit recommendations to Congress on how the federally funded programs could be integrated into the statewide systems of the States, including recommendations on the development of common terminology for activities and services provided through the programs;

(9) prepare an annual plan for the nationwide integrated labor market and occupational information system, as described in section 183(b)(2); and

(10) perform the duties specified for the Federal Partnership in this Act and the amendments made by this Act.

(c) DIRECTOR.—

(1) IN GENERAL.—There shall be in the Federal Partnership a Director, who shall be appointed by the President, by and with the advice and consent of the Senate.

(2) COMPENSATION.—The Director shall be compensated at the rate provided for level IV of the Executive Schedule under section 5315 of title 5, United States Code.

(3) DUTIES.—The Director shall make recommendations to the National Board regarding the activities described in subsection (b).

(4) DATE OF APPOINTMENT.—The Director shall be appointed not later than 120 days after the date of enactment of this Act.

(d) PERSONNEL.—

(1) APPOINTMENTS.—The Director may appoint and fix the compensation of such officers and employees as may be necessary to carry out the functions of the Federal Partnership. Except as otherwise provided by law, such officers and employees shall be appointed in accordance with the civil service laws and their compensation fixed in accordance with title 5, United States Code.

(2) EXPERTS AND CONSULTANTS.—The Director may obtain the services of experts and consultants in accordance with section 3109 of title 5, United States Code, and compensate such experts and consultants for each day (including travel time) at rates not in excess of the rate of pay for level IV of the Executive Schedule under section 5315 of such title. The Director may pay experts and consultants who are serving away from their homes or regular places of business travel expenses and per diem in lieu of subsistence at rates authorized by sections 5702 and 5703 of such title for persons in Government service employed intermittently.

(3) DETAIL OF GOVERNMENT EMPLOYEES.—Any Federal Government employee may be detailed to the Federal Partnership without reimbursement, and such detail shall be without interruption or loss of civil service or privilege. The Secretary of Education and the Secretary of Labor shall detail a sufficient number of employees to the Federal Partnership for the period beginning October 1, 1996 and ending June 30, 1998 to carry out the functions of the Federal Partnership during such period.

(4) USE OF VOLUNTARY AND UNCOMPENSATED SERVICES.—Notwithstanding section 1342 of title 31, United States Code, the Secretary of Labor and the Secretary of Education are authorized to accept voluntary and uncompensated services in furtherance of the purposes of this Act.

(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for fiscal years 1996 and 1997, $500,000 to the National Board for the administration of the duties and responsibilities of the Federal Partnership under this title.

SEC. 183. LABOR MARKET AND OCCUPATIONAL INFORMATION.

(a) FEDERAL RESPONSIBILITIES.—The Federal Partnership, in accordance with the provisions of this section, shall oversee the development, maintenance, and continuous improvement of a nationwide integrated labor market and occupational information system that shall include—

(1) statistical data from cooperative statistical survey and projection programs and data from administrative reporting systems, that, taken together, shall enumerate, estimate, and project the supply and demand for labor at the substate, State, and national levels in a timely manner, including data on—

(A) the demographics, socioeconomic characteristics, and current employment status of the substate, State, and national populations (as of the date of the collection of the data), including self-employed, part-time, and seasonal workers;

(B) job vacancies, education and training requirements, skills, wages, benefits, working conditions, and industrial distribution, of occupations, as well as current and projected employment opportunities and trends by industry and occupation;

(C) the educational attainment, training, skills, skill levels, and occupations of the populations;

(D) information maintained in a longitudinal manner on the quarterly earnings, establishment and industry affiliation, and geographic location of employment for all individuals for whom the information is collected by the States; and

(E) the incidence, industrial and geographical location, and number of workers displaced by permanent layoffs and plant closings;

(2) State and substate area employment and consumer information (which shall be current, comprehensive, automated, accessible, easy to understand, and in a form useful for facilitating immediate employment, entry into education and training programs, and career exploration) on—

(A) job openings, locations, hiring requirements, and application procedures, including profiles of industries in the local labor market that describe the nature of work performed, employment requirements, and patterns in wages and benefits;

(B) jobseekers, including the education, training, and employment experience of the jobseekers; and

(C) the cost and effectiveness of providers of workforce employment activities, workforce education activities, and flexible workforce activities, including the percentage of program completion, acquisition of skills to meet industry-recognized skill standards, continued education, job placement, and earnings, by participants, and other information that may be useful in facilitating informed choices among providers by participants;

(3) technical standards for labor market and occupational information that will—

(A) ensure compatibility of the information and the ability to aggregate the information from substate areas to State and national levels;

(B) support standardization and aggregation of the data from administrative reporting systems;

(C) include—

(i) classification and coding systems for industries, occupations, skills, programs, and courses;

(ii) nationally standardized definitions of labor market terms, including terms related to State benchmarks established pursuant to section 121(c);

(iii) quality control mechanisms for the collection and analysis of labor market and occupational information; and

(iv) common schedules for collection and dissemination of labor market and occupational information; and

(D) eliminate gaps and duplication in statistical undertakings, with a high priority given to the systemization of wage surveys;

(4) an analysis of data and information described in paragraphs (1) and (2) for uses such as—

(A) national, State, and substate area economic policymaking;

(B) planning and evaluation of workforce development activities;

(C) the implementation of Federal policies, including the allocation of Federal funds to States and substate areas; and

(D) research on labor market and occupational dynamics;

(5) dissemination mechanisms for data and analysis, including mechanisms that may be standardized among the States; and

(6) programs of technical assistance for States and substate areas in the development, maintenance, utilization, and continuous improvement of the data, information, standards, analysis, and dissemination mechanisms, described in paragraphs (1) through (5).

(b) JOINT FEDERAL-STATE RESPONSIBILITIES.—

(1) IN GENERAL.—The nationwide integrated labor market and occupational information system shall be planned, administered, overseen, and evaluated through a cooperative governance structure involving the Federal Government and the States receiving financial assistance under this title.

(2) ANNUAL PLAN.—The Federal Partnership shall, with the assistance of the Bureau of Labor Statistics and other Federal agencies, where appropriate, prepare an annual plan that shall be the mechanism for achieving the cooperative Federal-State governance structure for the nationwide integrated labor market and occupational information system. The plan shall—

(A) establish goals for the development and improvement of a nationwide integrated labor market and occupational information system based on information needs for achieving economic growth and productivity, accountability, fund allocation equity, and an understanding of labor market characteristics and dynamics;

(B) describe the elements of the system, including—

(i) standards, definitions, formats, collection methodologies, and other necessary system elements, for use in collecting the data and information described in paragraphs (1) and (2) of subsection (a); and

(ii) assurances that—

(I) data will be sufficiently timely and detailed for uses including the uses described in subsection (a)(4);

(II) administrative records will be standardized to facilitate the aggregation of data from substate areas to State and national levels and to support the creation of new statistical series from program records; and

(III) paperwork and reporting requirements on employers and individuals will be reduced;

(C) recommend needed improvements in administrative reporting systems to be used for the nationwide integrated labor market and occupational information system;

(D) describe the current spending on integrated labor market and occupational information activities from all sources, assess the adequacy of the funds spent, and identify the specific budget needs of the Federal Government and States with respect to implementing and improving the nationwide integrated labor market and occupational information system;

(E) develop a budget for the nationwide integrated labor market and occupational information system that—

(i) accounts for all funds described in subparagraph (D) and any new funds made available pursuant to this title; and

(ii) describes the relative allotments to be made for—

(I) operating the cooperative statistical programs pursuant to subsection (a)(1);

(II) developing and providing employment and consumer information pursuant to subsection (a)(2);

(III) ensuring that technical standards are met pursuant to subsection (a)(3); and

(IV) providing the analysis, dissemination mechanisms, and technical assistance under paragraphs (4), (5), and (6) of subsection (a), and matching data;

(F) describe the involvement of States in developing the plan by holding formal consultations conducted in cooperation with representatives of the Governors of each State or the State workforce development board described in section 105, where appropriate, pursuant to a process established by the Federal Partnership; and

(G) provide for technical assistance to the States for the development of statewide comprehensive labor market and occupational information systems described in subsection (c), including assistance with the development of easy-to-use software and hardware, or uniform information displays.

For purposes of applying Office of Management and Budget Circular A–11 to determine persons eligible to participate in deliberations relating to budget issues for the development of the plan, the representatives of the Governors of each State and the State workforce development board described in subparagraph (F) shall be considered to be employees of the Department of Labor.

(c) STATE RESPONSIBILITIES.—

(1) DESIGNATION OF STATE AGENCY.—In order to receive Federal financial assistance under this title, the Governor of a State shall—

(A) establish an interagency process for the oversight of a statewide comprehensive labor market and occupational information system and for the participation of the State in the cooperative Federal-State governance structure for the nationwide integrated labor market and occupational information system; and

(B) designate a single State agency or entity within the State to be responsible for the management of the statewide comprehensive labor market and occupational information system.

(2) DUTIES.—In order to receive Federal financial assistance under this title, the State agency or entity within the State designated under paragraph (1)(B) shall—

(A) consult with employers and local workforce development boards described in section 118(b), where appropriate, about the labor market relevance of the data to be collected and displayed through the statewide comprehensive labor market and occupational information system;

(B) develop, maintain, and continuously improve the statewide comprehensive labor market and occupational information system, which shall—

(i) include all of the elements described in paragraphs (1), (2), (3), (4), (5), and (6) of subsection (a); and

(ii) provide the consumer information described in clauses (v) and (vi) of section 106(a)(2)(B) in a manner that shall be responsive to the needs of business, industry, workers, and jobseekers;

(C) ensure the performance of contract and grant responsibilities for data collection, analysis, and dissemination, through the statewide comprehensive labor market and occupational information system;

(D) conduct such other data collection, analysis, and dissemination activities to ensure that State and substate area labor market and occupational information is comprehensive;

(E) actively seek the participation of other State and local agencies, with particular attention to State education, economic development, human services, and welfare agencies, in data collection, analysis, and dissemination activities in order to ensure complementarity and compatibility among data;

(F) participate in the development of the national annual plan described in subsection (b)(2); and

(G) ensure that the matches required for the job placement accountability system by section 121(d)(2)(A) are made for the State and for other States.

(3) RULE OF CONSTRUCTION.—Nothing in this title shall be construed as limiting the ability of a State agency to conduct additional data collection, analysis, and dissemination activities with State funds or with Federal funds from sources other than this title.

(d) EFFECTIVE DATE.—This section shall take effect on July 1, 1998.

SEC. 184. NATIONAL CENTER FOR RESEARCH IN EDUCATION AND WORKFORCE DEVELOPMENT.

(a) GRANTS AUTHORIZED.—From amounts made available under section 124(b)(6), the Secretary of Labor and the Secretary of Education, acting jointly on the advice of the Federal Partnership, are authorized to award a grant, on a competitive basis, to an institution of higher education, public or private nonprofit organization or agency, or a consortium of such institutions, organizations, or agencies, to enable such institution, organization, agency, or consortium to establish a national center to carry out the activities described in subsection (b).

(b) AUTHORIZED ACTIVITIES.—Grant funds made available under this section shall be used by the national center assisted under subsection (a)—

(1) to increase the effectiveness and improve the implementation of workforce development programs, including conducting research and development and providing technical assistance with respect to—

(A) combining academic and vocational education;

(B) connecting classroom instruction with work-based learning;

(C) creating a continuum of educational programs that provide multiple exit points for employment, which may include changes or development of instructional materials or curriculum;

(D) establishing high quality support services for all students to ensure access to workforce development programs, educational success, and job placement assistance;

(E) developing new models for remediation of basic academic skills, which models shall incorporate appropriate instructional methods, rather than using rote and didactic methods;

(F) identifying ways to establish links among educational and job training programs at the State and local levels;

(G) developing new models for career guidance, career information, and counseling services;

(H) identifying economic and labor market changes that will affect workforce needs;

(I) developing model programs for the transition of members of the Armed Forces from military service to civilian employment;

(J) conducting preparation of teachers, counselors, administrators, other professionals, and volunteers, who work with programs funded under this title; and

(K) obtaining information on practices in other countries that may be adapted for use in the United States;

(2) to provide assistance to States and local recipients of assistance under this title in developing and using systems of performance measures and standards for improvement of programs and services; and

(3) to maintain a clearinghouse that will provide data and information to Federal, State, and local organizations and agencies about the condition of statewide systems and programs funded under this title, which data and information shall be disseminated in a form that is useful to practitioners and policymakers.

(c) OTHER ACTIVITIES.—The Federal Partnership may request that the national center assisted under subsection (a) conduct activities not described in subsection (b), or study topics not described in subsection (b), as the Federal Partnership determines to be necessary to carry out this title.

(d) IDENTIFICATION OF CURRENT NEEDS.—The national center assisted under subsection (a) shall identify current needs (as of the date of the identification) for research and technical assistance through a variety of sources including a panel of Federal, State, and local level practitioners.

(e) SUMMARY REPORT.—The national center assisted under subsection (a) shall annually prepare and submit to the Federal Partnership and the Committee on Economic and Educational Opportunities of the House of Representatives and the Committee on Labor and Human Resources of the Senate a report summarizing the research findings obtained, and the results of development and technical assistance activities carried out, under this section.

(f) TRANSITION PERIOD.—Notwithstanding any other provision of law, the Secretary of Labor and the Secretary of Education, acting jointly on the advice of the Federal Partnership, may use funds made available under section 404 of the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2404) to prepare, during the period beginning on January 1, 1998, and ending June 30, 1998, to award a grant under subsection (a) on July 1, 1998.

(g) DEFINITION.—As used in this section, the term "institution of higher education" has the meaning given the term in section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a)).

(h) CONFORMING AMENDMENTS.—Section 404(a)(2) of the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2404(a)(2)) is amended—

(1) in subparagraph (A), by striking "for a period of 5 years" and inserting "until June 30, 1998"; and

(2) in the first sentence of subparagraph (B), by striking "5".

(i) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), this section shall take effect on July 1, 1998.

(2) TRANSITION PROVISIONS.—Subsection (f) shall take effect on January 1, 1998.

(3) AMENDMENTS.—The amendments made by subsection (h) shall take effect on the date of enactment of this Act.

SEC. 185. NATIONAL ASSESSMENT OF VOCATIONAL EDUCATION PROGRAMS.

(a) IN GENERAL.—The Secretary of Education (referred to in this section as the "Secretary") shall conduct a national assessment of vocational education programs assisted under this title, through studies and analyses conducted independently through competitive awards.

(b) INDEPENDENT ADVISORY PANEL.—The Secretary shall appoint an independent advisory panel, consisting of vocational education administrators, educators, researchers, and representatives of business, industry, labor, career guidance and counseling professionals, and other relevant groups, to advise the Secretary on the implementation of such assessment, including the issues to be addressed and the methodology of the studies involved, and the findings and recommendations resulting from the assessment. The panel, in the discretion of the panel, may submit to the Committee on Economic and Educational Opportunities of the House of Representatives, the Committee on Labor and Human Resources of the Senate, and the Federal Partnership an independent analysis of the findings and recommendations resulting from the assessment. The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the panel established under this subsection.

(c) CONTENTS.—The assessment required under subsection (a) shall include descriptions and evaluations of—

(1) the effect of this title on State and tribal administration of vocational education programs and on local vocational education practices, including the capacity of State, tribal, and local vocational education systems to address the purposes of this title;

(2) expenditures at the Federal, State, tribal, and local levels to address program improvement in vocational education, including the impact of Federal allocation requirements (such as within-State distribution formulas) on the delivery of services;

(3) preparation and qualifications of teachers of vocational and academic curricula in vocational education programs, as well as shortages of such teachers;

(4) participation in vocational education programs;

(5) academic and employment outcomes of vocational education, including analyses of—

(A) the effect of educational reform on vocational education;

(B) the extent and success of integration of academic and vocational curricula;

(C) the success of the school-to-work transition; and

(D) the degree to which vocational training is relevant to subsequent employment;

(6) employer involvement in, and satisfaction with, vocational education programs;

(7) the effect of benchmarks, performance measures, and other measures of accountability on the delivery of vocational education services; and

(8) the degree to which minority students are involved in vocational student organizations.

(d) CONSULTATION.—

(1) IN GENERAL.—The Secretary shall consult with the Committee on Economic and Educational Opportunities of the House of Representatives and the Committee on Labor and Human Resources of the Senate in the design and implementation of the assessment required under subsection (a).

(2) REPORTS.—The Secretary shall submit to the Committee on Economic and Educational Opportunities of the House of Representatives, the Committee on Labor and Human Resources of the Senate, and the Federal Partnership—

(A) an interim report regarding the assessment on or before January 1, 2000; and

(B) a final report, summarizing all studies and analyses that relate to the assessment and that are completed after the assessment, on or before July 1, 2000.

(3) PROHIBITION.—Notwithstanding any other provision of law or regulation, the reports required by this subsection shall not be subject to any review outside of the Department of Education before their transmittal to the Committee on Economic and Educational Opportunities of the House of Representatives, the Committee on Labor and Human Resources of the Senate, and the Federal Partnership, but the President, the Secretary, the Federal Partnership, and the independent advisory panel established under subsection (b) may make such additional recommendations to Congress with respect to the assessment as the President, the Secretary, the Federal Partnership, or the panel determine to be appropriate.

(e) EFFECTIVE DATE.—This section shall take effect on July 1, 1998.

SEC. 186. TRANSFERS TO FEDERAL PARTNERSHIP.

(a) DEFINITIONS.—For purposes of this section, unless otherwise provided or indicated by the context—

(1) the term "Federal agency" has the meaning given to the term "agency" by section 551(1) of title 5, United States Code;

(2) the term "function" means any duty, obligation, power, authority, responsibility, right, privilege, activity, or program; and

(3) the term "office" includes any office, administration, agency, institute, unit, organizational entity, or component thereof.

(b) TRANSFER OF FUNCTIONS.—There are transferred to the appropriate Secretary in the Federal Partnership, in accordance with subsection (c), all functions that the Secretary of Labor or the Secretary of Education exercised before the effective date of this section (including all related functions of any officer or employee of the Department of Labor or the Department of Education) that relate to a covered activity and that are minimally necessary to carry out the functions of the Federal Partnership. The authority of a transferred employee to carry out a function that relates to a covered activity shall terminate on July 1, 1998.

(c) TRANSITION WORKPLAN.—

(1) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Secretary of Labor and the Secretary of Education shall prepare and submit to the National Board a proposed workplan as described in paragraph (2). The Secretary of Labor and the Secretary of Education shall also submit the plan to the President, the Committee on Economic and Educational Opportunities of the House of Representatives, and the Committee on Labor and

Human Resources of the Senate for review and comment.

(2) CONTENTS.—The proposed workplan shall include, at a minimum—

(A) an analysis of the functions that officers and employees of the Department of Labor and the Department of Education carry out (as of the date of the submission of the workplan) that relate to a covered activity;

(B) information on the levels of personnel and funding used to carry out the functions (as of such date);

(C) a determination of the functions described in subparagraph (A) that are minimally necessary to carry out the functions of the Federal Partnership;

(D) information on the levels of personnel and other resources that are minimally necessary to carry out the functions of the Federal Partnership;

(E) a determination of the manner in which the Secretary of Labor and the Secretary of Education will provide personnel and other resources of the Department of Labor and the Department of Education for the Federal Partnership;

(F) a determination of the appropriate Secretary to receive the personnel, resources, and related items to be transferred under this section, based on factors including increased efficiency and elimination of duplication of functions;

(G) a determination of the proposed organizational structure for the Federal Partnership; and

(H) a determination of the manner in which the Secretary of Labor and the Secretary of Education, acting jointly through the Federal Partnership, will carry out their duties and responsibilities under this Act and the amendments made by this Act.

(3) REVIEW BY NATIONAL BOARD.—

(A) IN GENERAL.—Not later than 45 days after the date of submission of the proposed workplan under paragraph (1), the National Board shall—

(i) review and concur with the workplan; or

(ii) reject the workplan and prepare and submit to the President a revised workplan that contains the analysis, information, and determinations described in paragraph (2).

(B) FUNCTIONS TRANSFERRED.—If the National Board concurs with the proposed workplan, the functions described in paragraph (2)(C), as determined in the workplan, shall be transferred under subsection (b).

(4) REVIEW BY THE PRESIDENT.—

(A) IN GENERAL.—Not later than 30 days after the date of submission of a revised workplan under paragraph (3)(A)(ii), the President shall—

(i) review and approve the workplan; or

(ii) reject the workplan and prepare an alternative workplan that contains the analysis, information, and determinations described in paragraph (2).

(B) FUNCTIONS TRANSFERRED.—If the President approves the revised workplan, or prepares the alternative workplan, the functions described in paragraph (2)(C), as determined in such revised or alternative workplan, shall be transferred under subsection (b).

(C) SPECIAL RULE.—If the President takes no action on the revised workplan submitted under paragraph (3)(A)(ii) within the 30-day period described in subparagraph (A), the Secretary of Labor, the Secretary of Education, and the National Board may attempt to reach agreement on a compromise workplan. If the Secretary of Labor, the Secretary of Education, and the National Board reach such agreement, the functions described in paragraph (2)(C), as determined in such compromise workplan, shall be transferred under subsection (b). If, after an additional 15-day period, the Secretary of Labor, the Secretary of Education and the National Board are unable to reach such agreement, the revised workplan shall be deemed to be approved and shall take effect on the day after the end of such period. The functions described in paragraph (2)(C), as determined in the revised workplan, shall be transferred under subsection (b).

(5) DETERMINATION BY PRESIDENT.—

(A) IN GENERAL.—In the event that the Secretary of Labor and the Secretary of Education fail to reach agreement regarding, and submit, a proposed workplan described in paragraph (2), the President shall make the determinations described in paragraph (2)(C). The President shall delegate full responsibility for administration described in section 181(b) to 1 of the 2 Secretaries. Such Secretary shall be considered to be the appropriate Secretary for purposes of such administration and shall have authority to carry out any function that the Secretaries would otherwise be authorized to carry out jointly.

(B) TRANSFERS.—The functions described in paragraph (2)(C), as determined by the President under subparagraph (A), shall be transferred under subsection (b). All positions of personnel that relate to a covered activity and that, prior to the transfer, were within the department headed by the other of the 2 Secretaries shall be separated from service as provided in subsection (i)(2)(A).

(d) DELEGATION AND ASSIGNMENT.—Except where otherwise expressly prohibited by law or otherwise provided by this section, the National Board may delegate any function transferred or granted to the Federal Partnership after the effective date of this section to such officers and employees of the Federal Partnership as the National Board may designate, and may authorize successive redelegations of such functions as may be necessary or appropriate. No delegation of functions by the National Board under this subsection or under any other provision of this section shall relieve such National Board of responsibility for the administration of such functions.

(e) REORGANIZATION.—The National Board may allocate or reallocate any function transferred or granted to the Federal Partnership after the effective date of this section among the officers of the Federal Partnership, and establish, consolidate, alter, or discontinue such organizational entities in the Federal Partnership as may be necessary or appropriate.

(f) RULES.—The Secretary of Labor and the Secretary of Education, acting jointly on the advice of the Federal Partnership, may prescribe, in accordance with the provisions of chapters 5 and 6 of title 5, United States Code, such rules and regulations as the Secretary of Labor and the Secretary of Education, acting jointly on the advice of the Federal Partnership, determine to be necessary or appropriate to administer and manage the functions of the Federal Partnership.

(g) TRANSFER AND ALLOCATIONS OF APPROPRIATIONS AND PERSONNEL.—

(1) IN GENERAL.—Except as otherwise provided in this section, the personnel employed in connection with, and the assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds employed, used, held, arising from, available to, or to be made available in connection with the functions transferred by this section, subject to section 1531 of title 31, United States Code, shall be transferred to the appropriate Secretary in the Federal Partnership. Unexpended funds transferred pursuant to this subsection shall be used only to carry out the functions of the Federal Partnership.

(2) EXISTING FACILITIES AND OTHER FEDERAL RESOURCES.—Pursuant to paragraph (1), the Secretary of Labor and the Secretary of Education shall supply such office facilities, office supplies, support services, and related expenses as may be minimally necessary to carry out the functions of the Federal Partnership. None of the funds made available under this title may be used for the construction of office facilities for the Federal Partnership.

(h) INCIDENTAL TRANSFERS.—The Director of the Office of Management and Budget, at such time or times as the Director shall provide, may make such determinations as may be necessary with regard to the functions transferred by this section, and to make such additional incidental dispositions of personnel, assets, liabilities, grants, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds held, used, arising from, available to, or to be made available in connection with such functions, as may be necessary to carry out the provisions of this section. The Director of the Office of Management and Budget shall provide for the termination of the affairs of all entities terminated by this section and for such further measures and dispositions as may be necessary to effectuate the objectives of this section.

(i) EFFECT ON PERSONNEL.—

(1) TERMINATION OF CERTAIN POSITIONS.—Positions whose incumbents are appointed by the President, by and with the advice and consent of the Senate, the functions of which are transferred by this section, shall terminate on the effective date of this section.

(2) ACTIONS.—

(A) IN GENERAL.—The Secretary of Labor and the Secretary of Education shall take such actions as may be necessary, including reduction in force actions, consistent with sections 3502 and 3595 of title 5, United States Code, to ensure that the positions of personnel that relate to a covered activity and are not transferred under subsection (b) are separated from service.

(B) SCOPE.—The Secretary of Labor and the Secretary of Education shall take the actions described in subparagraph (A) with respect to not less than ⅓ of the positions of personnel that relate to a covered activity.

(j) SAVINGS PROVISIONS.—

(1) SUITS NOT AFFECTED.—The provisions of this section shall not affect suits commenced before the effective date of this section, and in all such suits, proceedings shall be had, appeals taken, and judgments rendered in the same manner and with the same effect as if this section had not been enacted.

(2) NONABATEMENT OF ACTIONS.—No suit, action, or other proceeding commenced by or against the Department of Labor or the Department of Education, or by or against any individual in the official capacity of such individual as an officer of the Department of Labor or the Department of Education, shall abate by reason of the enactment of this section.

(k) TRANSITION.—The National Board may utilize—

(1) the services of officers, employees, and other personnel of the Department of Labor or the Department of Education, other than personnel of the Federal Partnership, with

respect to functions transferred to the Federal Partnership by this section; and

(2) funds appropriated to such functions;

for such period of time as may reasonably be needed to facilitate the orderly implementation of this section.

(l) REFERENCES.—A reference in any other Federal law, Executive order, rule, regulation, or delegation of authority, or any document of or relating to—

(1) the Secretary of Labor or the Secretary of Education with regard to functions transferred under subsection (b), shall be deemed to refer to the Federal Partnership; and

(2) the Department of Labor or the Department of Education with regard to functions transferred under subsection (b), shall be deemed to refer to the Federal Partnership.

(m) ADDITIONAL CONFORMING AMENDMENTS.—

(1) RECOMMENDED LEGISLATION.—After consultation with the appropriate committees of Congress and the Director of the Office of Management and Budget, the Federal Partnership shall prepare and submit to Congress recommended legislation containing technical and conforming amendments to reflect the changes made by this section.

(2) SUBMISSION TO CONGRESS.—Not later than March 31, 1997, the Federal Partnership shall submit the recommended legislation referred to in paragraph (1).

(n) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), this section shall take effect on June 30, 1998.

(2) REGULATIONS AND CONFORMING AMENDMENTS.—Subsections (f) and (m) shall take effect on September 30, 1996.

(3) WORKPLAN.—Subsection (c) shall take effect on the date of enactment of this Act.

SEC. 187. TRANSFERS TO OTHER FEDERAL AGENCIES AND OFFICES.

(a) TRANSFER.—There are transferred to the appropriate receiving agency, in accordance with subsection (b), all functions that the Secretary of Labor, acting through the Employment and Training Administration, or the Secretary of Education, acting through the Office of Vocational and Adult Education, exercised before the effective date of this section (including all related functions of any officer or employee of the Employment and Training Administration or the Office of Vocational and Adult Education) that do not relate to a covered activity.

(b) DETERMINATIONS OF FUNCTIONS AND APPROPRIATE RECEIVING AGENCIES.—

(1) TRANSITION WORKPLAN.—Not later than 180 days after the date of enactment of this Act, the Secretary of Labor and the Secretary of Education shall prepare and submit to the President a proposed workplan that specifies the steps that the Secretaries will take, during the period ending on July 1, 1998, to carry out the transfer described in subsection (a).

(2) CONTENTS.—The proposed workplan shall include, at a minimum—

(A) a determination of the functions that officers and employees of the Employment and Training Administration and the Office of Vocational and Adult Education carry out (as of the date of the submission of the workplan) that do not relate to a covered activity; and

(B) a determination of the appropriate receiving agencies for the functions, based on factors including increased efficiency and elimination of duplication of functions.

(3) REVIEW.—

(A) IN GENERAL.—Not later than 45 days after the date of submission of the proposed workplan under paragraph (1), the President shall—

(i) review and approve the workplan and submit the workplan to the Committee on Economic and Educational Opportunities of the House of Representatives and the Committee on Labor and Human Resources of the Senate; or

(ii) reject the workplan, prepare an alternative workplan that contains the determinations described in paragraph (2), and submit the alternative workplan to the Committee on Economic and Educational Opportunities of the House of Representatives and the Committee on Labor and Human Resources of the Senate.

(B) FUNCTIONS TRANSFERRED.—If the President approves the proposed workplan, or prepares the alternative workplan, the functions described in paragraph (2)(A), as determined in such proposed or alternative workplan, shall be transferred under subsection (a) to the appropriate receiving agencies described in paragraph (2)(B), as determined in such proposed or alternative workplan.

(C) SPECIAL RULE.—If the President takes no action on the proposed workplan submitted under paragraph (1) within the 45-day period described in subparagraph (A), such workplan shall be deemed to be approved and shall take effect on the day after the end of such period. The functions described in paragraph (2)(A), as determined in the proposed workplan, shall be transferred under subsection (a) to the appropriate receiving agencies described in paragraph (2)(B), as determined in the proposed workplan.

(4) REPORT.—Not later than July 1, 1998, the Secretary of Labor and the Secretary of Education shall submit to the appropriate committees of Congress information on the transfers required by this section.

(c) APPLICATION OF AUTHORITIES.—

(1) IN GENERAL.—

(A) APPLICATION.—Subsection (a), and subsections (d) through (m), of section 186 (other than subsections (f), (g)(2), (i)(2), and (m)) shall apply to transfers under this section, in the same manner and to the same extent as the subsections apply to transfers under section 186.

(B) REGULATIONS AND CONFORMING AMENDMENTS.—Subsections (f) and (m) of section 186 shall apply to transfers under this section, in the same manner and to the same extent as the subsections apply to transfers under section 186.

(2) REFERENCES.—For purposes of the application of the subsections described in paragraph (1) (other than subsections (g)(2) and (i)(2) of section 186) to transfers under this section—

(A) references to the Federal Partnership shall be deemed to be references to the appropriate receiving agency, as determined in the approved or alternative workplan referred to in subsection (b)(3);

(B) references to the Secretary of Labor and the Secretary of Education, the Director, or the National Board shall be deemed to be references to the head of the appropriate receiving agency; and

(C) references to transfers in section 186 shall be deemed to include transfers under this section.

(3) ADMINISTRATION.—Unexpended funds transferred pursuant to this section shall be used only for the purposes for which the funds were originally authorized and appropriated.

(4) CONTINUING EFFECT OF LEGAL DOCUMENTS.—All orders, determinations, rules, regulations, permits, agreements, grants, contracts, certificates, licenses, registrations, privileges, and other administrative actions—

(A) that have been issued, made, granted, or allowed to become effective by the President, any Federal agency or official of a Federal agency, or by a court of competent jurisdiction, in the performance of functions that are transferred under this section; and

(B) that are in effect on the effective date of this section or were final before the effective date of this section and are to become effective on or after the effective date of this section;

shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked in accordance with law by the President, the appropriate receiving agency or other authorized official, a court of competent jurisdiction, or by operation of law.

(5) PROCEEDINGS NOT AFFECTED.—

(A) IN GENERAL.—The provisions of this section shall not affect any proceedings, including notices of proposed rulemaking, or any application for any license, permit, certificate, or financial assistance pending before the Department of Labor or the Department of Education on the date this section takes effect, with respect to functions transferred by this section.

(B) CONTINUATION.—Such proceedings and applications shall be continued. Orders shall be issued in such proceedings, appeals shall be taken from the orders, and payments shall be made pursuant to such orders, as if this section had not been enacted, and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or revoked by a duly authorized official, by a court of competent jurisdiction, or by operation of law.

(C) CONSTRUCTION.—Nothing in this paragraph shall be deemed to prohibit the discontinuance or modification of any such proceeding under the same terms and conditions and to the same extent that such proceeding could have been discontinued or modified if this section had not been enacted.

(6) ADMINISTRATIVE ACTIONS RELATING TO PROMULGATION OF REGULATIONS.—Any administrative action relating to the preparation or promulgation of a regulation by the Department of Labor or the Department of Education relating to a function transferred under this section may be continued by the appropriate receiving agency with the same effect as if this section had not been enacted.

(d) CONSTRUCTION.—Nothing in this section shall be construed to require the transfer of any function described in subsection (b)(2)(A) to the Federal Partnership.

(e) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), this section shall take effect on June 30, 1998.

(2) REGULATIONS AND CONFORMING AMENDMENTS.—Subsection (c)(1)(B) shall take effect on September 30, 1996.

(3) WORKPLAN.—Subsection (b) shall take effect on the date of enactment of this Act.

SEC. 188. ELIMINATION OF CERTAIN OFFICES.

(a) TERMINATION.—The Office of Vocational and Adult Education and the Employment and Training Administration shall terminate on July 1, 1998.

(b) OFFICE OF VOCATIONAL AND ADULT EDUCATION.—

(1) TITLE 5, UNITED STATES CODE.—Section 5315 of title 5, United States Code, is amended by striking "Assistant Secretaries of Education (10)" and inserting "Assistant Secretaries of Education (9)".

(2) DEPARTMENT OF EDUCATION ORGANIZATION ACT.—

(A) Section 202 of the Department of Education Organization Act (20 U.S.C. 3412) is amended—

(i) in subsection (b)(1)—

(I) by striking subparagraph (C); and

(II) by redesignating subparagraphs (D) through (F) as subparagraphs (C) through (E), respectively;

(ii) by striking subsection (h); and

(iii) by redesignating subsection (i) as subsection (h).

(B) Section 206 of such Act (20 U.S.C. 3416) is repealed.

(C) Section 402(c)(1) of the Improving America's Schools Act of 1994 (20 U.S.C. 9001(c)(1)) is amended by striking "established under" and all that follows and inserting a semicolon.

(3) GOALS 2000: EDUCATE AMERICA ACT.—Section 931(h)(3)(A) of the Goals 2000: Educate America Act (20 U.S.C. 6031(h)(3)(A)) is amended—

(A) by striking clause (iii); and

(B) by redesignating clauses (iv) and (v) as clauses (iii) and (iv), respectively.

(c) EMPLOYMENT AND TRAINING ADMINISTRATION.—

(1) TITLE 5, UNITED STATES CODE.—Section 5315 of title 5, United States Code, is amended by striking "Assistant Secretaries of Labor (10)" and inserting "Assistant Secretaries of Labor (9)".

(2) VETERANS' BENEFITS AND PROGRAMS IMPROVEMENT ACT OF 1988.—Section 402(d)(3) of the Veterans' Benefits and Programs Improvement Act of 1988 (29 U.S.C. 1721 note) is amended by striking "and under any other program administered by the Employment and Training Administration of the Department of Labor".

(3) TITLE 38, UNITED STATES CODE.—Section 4110(d) of title 38, United States Code, is amended—

(A) by striking paragraph (7); and

(B) by redesignating paragraphs (8) through (12) as paragraphs (7) through (11), respectively.

(4) NATIONAL AND COMMUNITY SERVICE ACT OF 1990.—The last sentence of section 162(b) of the National and Community Service Act of 1990 (42 U.S.C. 12622(b)) is amended by striking "or the Office of Job Training".

(d) UNITED STATES EMPLOYMENT SERVICE.—

(1) TITLE 5, UNITED STATES CODE.—Section 3327 of title 5, United States Code, is amended—

(A) in subsection (a), by striking "the employment offices of the United States Employment Service" and inserting "Governors"; and

(B) in subsection (b), by striking "of the United States Employment Service".

(2) TITLE 10, UNITED STATES CODE.—

(A) Section 1143a(d) of title 10, United States Code, is amended by striking paragraph (3).

(B) Section 2410k(b) of title 10, United States Code, is amended by striking ", and where appropriate the Interstate Job Bank (established by the United States Employment Service),".

(3) INTERNAL REVENUE CODE OF 1986.—Section 51 of the Internal Revenue Code of 1986 is amended by striking subsection (g).

(4) NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1993.—Section 4468 of the National Defense Authorization Act for Fiscal Year 1993 (29 U.S.C. 1662d-1 note) is repealed.

(5) TITLE 38, UNITED STATES CODE.—Section 4110(d) of title 38, United States Code (as amended by subsection (c)(3)), is further amended—

(A) by striking paragraph (10); and

(B) by redesignating paragraph (11) as paragraph (10).

(6) TITLE 39, UNITED STATES CODE.—

(A) Section 3202(a)(1) of title 39, United States Code is amended—

(i) in subparagraph (D), by striking the semicolon and inserting "; and";

(ii) by striking subparagraph (E); and

(iii) by redesignating subparagraph (F) as subparagraph (E).

(B) Section 3203(b) of title 39, United States Code, is amended by striking "(1)(E), (2), and (3)" and inserting "(2) and (3)".

(C) Section 3206(b) of title 39, United States Code, is amended by striking "(1)(F)" and inserting "(1)(E)".

(7) NATIONAL AND COMMUNITY SERVICE ACT OF 1990.—Section 162(b) of the National and Community Service Act of 1990 (42 U.S.C. 12622(b)) (as amended by subsection (c)(4)) is further amended by striking the last sentence.

(e) REORGANIZATION PLANS.—Except with respect to functions transferred under section 187, the authority granted to the Employment and Training Administration, the Office of Vocational and Adult Education, or any unit of the Employment and Training Administration or the Office of Vocational and Adult Education by any reorganization plan shall terminate on July 1, 1998.

Subtitle E—Repeals of Employment and Training and Vocational and Adult Education Programs

SEC. 191. REPEALS.

(a) IMMEDIATE REPEALS.—The following provisions are repealed:

(1) Section 204 of the Immigration Reform and Control Act of 1986 (8 U.S.C. 1255a note).

(2) Title II of Public Law 95-250 (92 Stat. 172).

(3) The Displaced Homemakers Self-Sufficiency Assistance Act (29 U.S.C. 2301 et seq.).

(4) Section 211 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App. 211).

(5) Subtitle C of title VII of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11441 et seq.).

(6) Section 5322 of title 49, United States Code.

(7) Subchapter I of chapter 421 of title 49, United States Code.

(b) SUBSEQUENT REPEALS.—The following provisions are repealed:

(1) Sections 235 and 236 of the Trade Act of 1974 (19 U.S.C. 2295 and 2296), and paragraphs (1) and (2) of section 250(d) of such Act (19 U.S.C. 2331(d)).

(2) The Adult Education Act (20 U.S.C. 1201 et seq.).

(3) The Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.).

(4) The School-to-Work Opportunities Act of 1994 (20 U.S.C. 6101 et seq.).

(5) The Job Training Partnership Act (29 U.S.C. 1501 et seq.).

(6) Title VII of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11421 et seq.), other than subtitle C of such title.

(c) EFFECTIVE DATES.—

(1) IMMEDIATE REPEALS.—The repeals made by subsection (a) shall take effect on the date of enactment of this Act.

(2) SUBSEQUENT REPEALS.—The repeals made by subsection (b) shall take effect on July 1, 1998.

SEC. 192. CONFORMING AMENDMENTS.

(a) IMMEDIATE REPEALS.—

(1) REFERENCES TO SECTION 204 OF THE IMMIGRATION REFORM AND CONTROL ACT OF 1986.—The table of contents for the Immigration Reform and Control Act of 1986 is amended by striking the item relating to section 204 of such Act.

(2) REFERENCES TO TITLE II OF PUBLIC LAW 95-250.—Section 103 of Public Law 95-250 (16 U.S.C. 791) is amended—

(A) by striking the second sentence of subsection (a); and

(B) by striking the second sentence of subsection (b).

(3) REFERENCES TO SUBTITLE C OF TITLE VII OF THE STEWART B. MCKINNEY HOMELESS ASSISTANCE ACT.—

(A) Section 762(a) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11472(a)) is amended—

(i) by striking "each of the following programs" and inserting "the emergency community services homeless grant program established in section 751"; and

(ii) by striking "tribes:" and all that follows and inserting "tribes.".

(B) The table of contents of such Act is amended by striking the items relating to subtitle C of title VII of such Act.

(4) REFERENCES TO TITLE 49, UNITED STATES CODE.—

(A) Sections 5313(b)(1) and 5314(a)(1) of title 49, United States Code, are amended by striking "5317, and 5322" and inserting "and 5317".

(B) The table of contents for chapter 53 of title 49, United States Code, is amended by striking the item relating to section 5322.

(b) SUBSEQUENT REPEALS.—

(1) TRADE ACT OF 1974.—

(A) Section 6(e)(3) of the Food Stamp Act of 1977 (7 U.S.C. 2015(e)(3)) is amended—

(i) in subparagraph (B), by striking the semicolon and inserting "; or";

(ii) by striking subparagraph (C); and

(iii) by redesignating subparagraph (D) as subparagraph (C).

(B) Section 225(a) of the Trade Act of 1974 (19 U.S.C. 2275(a)) is amended by striking "section 236" and inserting "the Workforce Development Act of 1995".

(C) Section 231 of such Act (19 U.S.C. 2291) is amended—

(i) in subparagraphs (A) and (B) of subsection (a)(5), by striking "a training program approved by the Secretary under section 236(a)" and inserting "a training program carried out under the Workforce Development Act of 1995";

(ii) in subsection (b)(1), in the matter following subparagraph (B), by striking "a training program approved under section 236(a)" and inserting "a training program carried out under the Workforce Development Act of 1995"; and

(iii) in subsection (c)—

(I) by striking paragraph (1) and inserting the following:

"(1) If a State or State agency has an agreement with the Secretary under section 239 and the State or State agency finds that it is not feasible or appropriate to enroll a worker in a training program under the Workforce Development Act of 1995, the State or State agency shall—

"(A) submit to such worker a written statement certifying such finding, and

"(B) submit to the Secretary a written statement certifying such finding and the reasons for such finding."; and

(II) in paragraph (2)—

(aa) by striking "(2)" and all that follows through "(B) If" and inserting "(2) If";

(bb) by striking "(1)(B)" each place it appears and inserting "(1)"; and

(cc) by striking "to approve a training program for such worker pursuant to the requirements of section 236(a)" and inserting "to enroll the worker in a training program carried out under the Workforce Development Act of 1995".

(D) Section 233 of such Act (19 U.S.C. 2293) is amended—

(i) in subsection (a)(3), by striking "training approved from him under section 236" and inserting "training carried out under the Workforce Development Act of 1995";

(ii) in subsection (b), by striking "a training program approved by the Secretary under section 236" and inserting "a training program carried out under the Workforce Development Act of 1995"; and

(iii) in subsection (f)(1), by striking "a training program approved under section 236(a)" and inserting "a training program carried out under the Workforce Development Act of 1995".

(E) Section 237(a) of such Act (19 U.S.C. 2297(a)) is amended by striking "; except that" and all that follows and inserting ", except that such reimbursement may not exceed $800 for any worker.".

(F) Section 238(d)(1) of such Act (19 U.S.C. 2298(d)(1)) is amended by striking "(including, but not limited to, subsistence and transportation expenses at levels not exceeding those allowable under section 236(b) (1) and (2))".

(G) Section 239 of such Act (19 U.S.C. 2311) is amended—

(i) in subsection (e)—

(I) in the first sentence, by striking "under sections 235 and 236 of this Act and"; and

(II) in the second sentence, by striking "Any agency" and all that follows through "agreement" and inserting "Any State agency carrying out workforce employment activities under the Workforce Development Act of 1995"; and

(ii) in subsection (f)—

(I) in paragraph (3), by striking "section 236(a)" and inserting "the Workforce Development Act of 1995"; and

(II) in paragraph (4), by striking "section 236" and inserting "the Workforce Development Act of 1995".

(H) Section 250(d) of such Act (19 U.S.C. 2331(d)) is amended—

(i) in paragraph (3)(B), by striking "a training program approved by the Secretary under section 236(a)" and inserting "a training program carried out under the Workforce Development Act of 1995"; and

(ii) by redesignating paragraphs (3), (4), and (5) as paragraphs (1), (2), and (3), respectively.

(I) Section 1425(b)(2) of the Omnibus Trade and Competitiveness Act of 1988 (19 U.S.C. 2293 note) is amended—

(i) in subparagraph (A)(i), by striking "a training program approved by the Secretary under section 236(a) of such Act" and inserting "a training program carried out under the Workforce Development Act of 1995"; and

(ii) in subparagraph (B), in the matter following clause (ii), by striking "a training program approved under section 236(a) of such Act" and inserting "a training program carried out under the Workforce Development Act of 1995.".

(2) REFERENCES TO THE ADULT EDUCATION ACT.—

(A) Subsection (b) of section 402 of the Refugee Education Assistance Act (8 U.S.C. 1522 note) is repealed.

(B) Paragraph (20) of section 3 of the Library Services and Construction Act (20 U.S.C. 351a(20)) is amended to read as follows:

"(20) The term 'educationally disadvantaged adult' means an individual who—

"(A) is age 16 or older, or beyond the age of compulsory school attendance under State law;

"(B) is not enrolled in secondary school;

"(C) demonstrates basic skills equivalent to or below that of students at the fifth grade level; or

"(D) has been placed in the lowest or beginning level of an adult education program when that program does not use grade level equivalencies as a measure of students' basic skills.".

(C)(i) Section 1202(c)(1) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6362(c)(1)) is amended by striking "Adult Education Act" and inserting "Workforce Development Act of 1995".

(ii) Section 1205(8)(B) of such Act (20 U.S.C. 6365(8)(B)) is amended by striking "Adult Education Act" and inserting "Workforce Development Act of 1995".

(iii) Section 1206(a)(1)(A) of such Act (20 U.S.C. 6366(a)(1)(A)) is amended by striking "an adult basic education program under the Adult Education Act" and inserting "adult education activities under the Workforce Development Act of 1995".

(iv) Section 3113(1) of such Act (20 U.S.C. 6813(1)) is amended by striking "section 312 of the Adult Education Act" and inserting "section 3 of the Workforce Development Act of 1995".

(v) Section 9161(2) of such Act (20 U.S.C. 7881(2)) is amended by striking "section 312(2) of the Adult Education Act" and inserting "section 3 of the Workforce Development Act of 1995".

(D) Section 203(b)(8) of the Older Americans Act (42 U.S.C. 3013(b)(8)) is amended by striking "Adult Education Act" and inserting "Workforce Development Act of 1995".

(3) REFERENCES TO THE CARL D. PERKINS VOCATIONAL AND APPLIED TECHNOLOGY EDUCATION ACT.—

(A) Section 245A(h)(4)(C) of the Immigration and Nationality Act (8 U.S.C. 1255a(h)(4)(C)) is amended by striking "Vocational Education Act of 1963" and inserting "Workforce Development Act of 1995".

(B) Section 4461 of the National Defense Authorization Act for Fiscal Year 1993 (10 U.S.C. 1143 note) is amended—

(i) by striking paragraph (4); and

(ii) by redesignating paragraphs (5) and (6) as paragraphs (4) and (5), respectively.

(C) Section 626(g) of the Individuals with Disabilities Education Act (20 U.S.C. 1425(g)) is amended—

(i) by striking "1973," and inserting "1973 and"; and

(ii) by striking ", and the Carl D. Perkins Vocational and Applied Technology Education Act".

(D) The Goals 2000: Educate America Act (20 U.S.C. 5801 et seq.) is amended—

(i) in section 306 (20 U.S.C. 5886)—

(I) in subsection (c)(1)(A), by striking all beginning with "which process" through "Act" and inserting "which process shall include coordination with the benchmarks described in section 121(c)(2) of the Workforce Development Act of 1995"; and

(II) in subsection (l), by striking "Carl D. Perkins Vocational and Applied Technology Education Act" and inserting "Workforce Development Act of 1995"; and

(ii) in section 311(b) (20 U.S.C. 5891(b)), by striking paragraph (6).

(E) The Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.) is amended—

(i) in section 1114(b)(2)(C)(v) (20 U.S.C. 6314(b)(2)(C)(v)), by striking "Carl D. Perkins Vocational and Applied Technology Education Act," and inserting "Workforce Development Act of 1995";

(ii) in section 9115(b)(5) (20 U.S.C. 7815(b)(5)), by striking "Carl D. Perkins Vocational and Applied Technology Education Act" and inserting "Workforce Development Act of 1995";

(iii) in section 14302(a)(2) (20 U.S.C. 8852(a)(2))—

(I) by striking subparagraph (C); and

(II) by redesignating subparagraphs (D), (E), and (F) as subparagraphs (C), (D), and (E), respectively; and

(iv) in the matter preceding subparagraph (A) of section 14307(a)(1) (20 U.S.C. 8857(a)(1)), by striking "Carl D. Perkins Vocational and Applied Technology Education Act" and inserting "Workforce Development Act of 1995".

(F) Section 533(c)(4)(A) of the Equity in Educational Land-Grant Status Act of 1994 (7 U.S.C. 301 note) is amended by striking "(20 U.S.C. 2397h(3)" and inserting ", as such section was in effect on the day preceding the date of enactment of the Workforce Development Act of 1995".

(G) Section 563 of the Improving America's Schools Act of 1994 (20 U.S.C. 6301 note) is amended by striking "the date of enactment of an Act reauthorizing the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.)" and inserting "July 1, 1998".

(H) Section 135(c)(3)(B) of the Internal Revenue Code of 1986 (26 U.S.C. 135(c)(3)(B)) is amended—

(i) by striking "subparagraph (C) or (D) of section 521(3) of the Carl D. Perkins Vocational Education Act" and inserting "subparagraph (C) or (D) of section 3(3) of the Workforce Development Act of 1995"; and

(ii) by striking "any State (as defined in section 521(27) of such Act)" and inserting "any State or outlying area (as the terms 'State' and 'outlying area' are defined in section 3 of such Act)".

(I) Section 214(c) of the Appalachian Regional Development Act of 1965 (40 U.S.C. App. 214(c)) is amended by striking "Carl D. Perkins Vocational Education Act" and inserting "Workforce Development Act of 1995".

(J) Section 104 of the Vocational Education Amendments of 1968 (82 Stat. 1091) is amended by striking "section 3 of the Carl D. Perkins Vocational Education Act" and inserting "the Workforce Development Act of 1995".

(K) The Older Americans Act of 1965 (42 U.S.C. 3001 et seq.) is amended—

(i) in section 502(b)(1)(N)(i) (42 U.S.C. 3056(b)(1)(N)(i)), by striking "or the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.)"; and

(ii) in section 505(d)(2) (42 U.S.C. 3056c(d)(2))—

(I) by striking "the Secretary of Education" and inserting "the Workforce Development Partnership";

(II) by striking "employment and training programs" and inserting "workforce development activities"; and

(III) by striking "the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.)" and inserting "the Workforce Development Act of 1995".

(4) SCHOOL-TO-WORK OPPORTUNITIES ACT OF 1994.—

(A) Section 1114(b)(2)(C)(v) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6314(b)(2)(C)(v)) (as amended in paragraph (3)(E)(i)) is further amended by striking "the School-to-Work Opportunities Act of 1994,".

(B) Section 5204 of such Act (20 U.S.C. 7234) is amended—

(i) by striking paragraph (4); and

(ii) by redesignating paragraphs (5) through (7) as paragraphs (4) through (6), respectively.

(C) Section 9115(b)(5) of such Act (20 U.S.C. 7815(b)(5)) (as amended in paragraph (3)(E)(ii)) is further amended by striking "the School-to-Work Opportunities Act of 1994 and".

(D) Section 14302(a)(2) of such Act (20 U.S.C. 8852(a)(2)) (as amended in paragraph (3)(E)(iii)) is further amended—

(i) in subparagraph (C) (as redesignated in such paragraph), by striking the semicolon and inserting "; and";

(ii) by striking subparagraph (D) (as redesignated in such paragraph); and

(iii) by redesignating subparagraph (E) (as redesignated in such paragraph) as subparagraph (D).

(E) Section 14307(a)(1) of such Act (20 U.S.C. 8857(a)(1)) (as amended in paragraph (3)(E)(iv)) is further amended by striking ", the School-to-Work Opportunities Act of 1994,".

(F) Section 14701(b)(1) of such Act (20 U.S.C. 8941(b)(1)) is amended—

(i) in subparagraph (B)(ii), by striking ", and the School-to-Work Opportunities Act of 1994, and be coordinated with evaluations of such Acts" and inserting "and be coordinated with evaluations of such Act"; and

(ii) in subparagraph (C)(ii), by striking ", the School-to-Work Opportunities Act of 1994,".

(5) JOB TRAINING PARTNERSHIP ACT.—

(A) Section 3502(d) of title 5, United States Code, is amended—

(i) in paragraph (3)—

(I) in subparagraph (A), by striking clause (i) and inserting the following:

"(i) the Governor of the appropriate State; and"; and

(II) in subparagraph (B)(iii), by striking "other services under the Job Training Partnership Act" and inserting "other workforce development activities under the Workforce Development Act of 1995"; and

(ii) in paragraph (4), in the second sentence, by striking "Secretary of Labor on matters relating to the Job Training Partnership Act" and inserting "Workforce Development Partnership on matters relating to the Workforce Development Act of 1995".

(B) Section 5(l) of the Food Stamp Act of 1977 (7 U.S.C. 2014(l)) is amended by striking "Notwithstanding section 142(b) of the Job Training Partnership Act (29 U.S.C. 1552(b)), earnings to individuals participating in on-the-job training programs under section 204(b)(1)(C) or section 264(c)(1)(A) of the Job Training Partnership Act" and inserting "Earnings to individuals participating in on-the-job training under the Workforce Development Act of 1995".

(C) Section 6 of the Food Stamp Act of 1977 (7 U.S.C. 2015) is amended—

(i) in subsection (d)(4)(N), by striking "the State public employment offices and agencies operating programs under the Job Training Partnership Act" and inserting "the State employment service offices and other State agencies and entities providing workforce employment activities under the Workforce Development Act of 1995"; and

(ii) in subsection (e)(3), by striking subparagraph (A) and inserting the following:

"(A) a program relating to workforce employment activities carried out under the Workforce Development Act of 1995;".

(D) The second sentence of section 17(b)(2) of the Food Stamp Act of 1977 (7 U.S.C. 2026(b)(2)) is amended—

(i) by striking "to accept an offer of employment from a political subdivision or a prime sponsor pursuant to the Comprehensive Employment and Training Act of 1973, as amended (29 U.S.C. 812)," and inserting "to accept an offer of employment from a service provider carrying out workforce employment activities through a program carried out under the Workforce Development Act of 1995,"; and

(ii) by striking ": *Provided*, That all of the political subdivision's" and all that follows and inserting ", if all of the jobs supported under the program have been made available to participants in the program before the service provider providing the jobs extends an offer of employment under this paragraph, and if the service provider, in employing the person, complies with the requirements of Federal law that relate to the program.".

(E) Section 245A(h)(4)(F) of the Immigration and Nationality Act (8 U.S.C. 1255a(h)(4)(F)) is amended by striking "The Job Training Partnership Act." and inserting "The Workforce Development Act of 1995.".

(F) Section 402(a)(4) of the Refugee Education Assistance Act of 1980 (8 U.S.C. 1522 note) is amended by striking "the Comprehensive Employment and Training Act of 1973" and inserting "the Workforce Development Act of 1995".

(G) Section 4461(1) of the National Defense Authorization Act for Fiscal Year 1993 (10 U.S.C. 1143 note) is amended by striking "The Job Training Partnership Act (29 U.S.C. 1501 et seq.)." and inserting "The Workforce Development Act of 1995.".

(H) Section 4471 of the National Defense Authorization Act for Fiscal Year 1993 (10 U.S.C. 2501 note) is amended—

(i) in subsection (d)(2), by striking "the State dislocated" and all that follows through "and the chief" and inserting "the Governor of the appropriate State and the chief";

(ii) in subsection (e)—

(I) in the first sentence, by striking "for training, adjustment assistance, and employment services" and all that follows through "except where" and inserting "to participate in workforce employment activities carried out under the Workforce Development Act of 1995, except in a case in which"; and

(II) by striking the second sentence; and

(iii) in subsection (f)—

(I) in paragraph (3)—

(aa) in subparagraph (B), by striking "the State dislocated" and all that follows through "and the chief" and inserting "the Governor of the appropriate State and the chief"; and

(bb) in subparagraph (C), by striking "grantee under section 325(a) or 325A(a)" and all that follows through "employment services" and inserting "recipient of assistance under the Workforce Development Act of 1995 providing workforce employment activities"; and

(II) in paragraph (4), by striking "for training," and all that follows through "beginning" and inserting "to participate in workforce employment activities under the Workforce Development Act of 1995 beginning".

(I) Section 4492(b) of National Defense Authorization Act for Fiscal Year 1993 (10 U.S.C. 1143 note) is amended by striking "the Job Training Partnership Act" and inserting "the Workforce Development Act of 1995".

(J) Section 4003(5)(C) of the National Defense Authorization Act for Fiscal Year 1991 (10 U.S.C. 2391 note) is amended by inserting before the period the following: ", as in effect on the day before the date of enactment of the Workforce Development Act of 1995".

(K) Section 1333(c)(2)(B) of the National Defense Authorization Act for Fiscal Year 1994 (10 U.S.C. 2701 note) is amended by striking "Private industry councils (as described in section 102 of the Job Training Partnership Act (29 U.S.C. 1512))." and inserting "Local partnerships or local workforce development boards, as appropriate, established under section 118 of the Workforce Development Act of 1995.".

(L) The fourth sentence of section 7(j)(13)(E) of the Small Business Act (15 U.S.C. 636(j)(13)(E)) is amended by striking "the Job Training Partnership Act (29 U.S.C. 1501 et seq.)" and inserting "the Workforce Development Act of 1995".

(M) Section 4(f)(2)(B) of the Employment Act of 1946 (15 U.S.C. 1022a(f)(2)(B)) is amended by striking "and include these in the annual Employment and Training Report of the President required under section 705(a) of the Comprehensive Employment and Training Act of 1973 (hereinafter in this Act referred to as 'CETA')" and inserting "and prepare and submit to the President an annual report containing the recommendations".

(N) Section 206 of the Full Employment and Balanced Growth Act of 1978 (15 U.S.C. 3116) is amended—

(i) in subsection (b)—

(I) in the matter preceding paragraph (1), by striking "CETA" and inserting "the Workforce Development Act of 1995"; and

(II) in paragraph (1), by striking "(including use of section 110 of CETA when necessary)"; and

(ii) in subsection (c)(1), by striking "CETA" and inserting "activities carried out under the Workforce Development Act of 1995".

(O) Section 401(d) of the Full Employment and Balanced Growth Act of 1978 (15 U.S.C. 3151(d)) is amended by striking "include, in the annual Employment and Training Report of the President provided under section 705(a) of CETA," and inserting "include, in the annual report referred to in section 4(f)(2)(B) of the Employment Act of 1946 (15 U.S.C. 1022a(f)(2)(B)),".

(P) Subsections (a), (b), and (c) of section 665 of title 18, United States Code are amended by striking "the Comprehensive Employment and Training Act or the Job Training Partnership Act" and inserting "the Workforce Development Act of 1995".

(Q) Section 239(e) of the Trade Act of 1974 (19 U.S.C. 2311(e)) (as amended in paragraph (1)(G)(i)) is further amended by striking "under title III of the Job Training Partnership Act" and inserting "made available under the Workforce Development Act of 1995".

(R) Section 480(b)(14) of the Higher Education Act of 1965 (20 U.S.C. 1087vv(b)(14)) is amended by striking "Job Training Partnership Act noneducational benefits" and inserting "benefits received through participation in workforce employment activities under the Workforce Development Act of 1995".

(S) Section 626 of the Individuals with Disabilities Education Act (20 U.S.C. 1425) is amended—

(i) in the first sentence of subsection (a), by striking "(including the State job training coordinating councils and service delivery area administrative entities established under the Job Training Partnership Act)" and inserting "(including any statewide workforce development boards established under section 105 of the Workforce Development Act of 1995 and local entities, as defined in section 3 of the Workforce Development Act of 1995)";

(ii) in subsection (e)—

(I) in paragraphs (3)(C) and (4)(A)(iii), by striking "local Private Industry Councils (PICS) authorized by the Job Training Partnership Act (JTPA)," and inserting "local partnerships or local workforce development boards, as appropriate, established under section 118 of the Workforce Development Act of 1995,"; and

(II) in clauses (iii), (iv), (v), and (vii) of paragraph (4)(B), by striking "PICS authorized by the JTPA" and inserting "local partnerships or local workforce development boards, as appropriate, established under section 118 of the Workforce Development Act of 1995"; and

(iii) in subsection (g), by striking "the Job Training Partnership Act (JTPA)," and inserting "the Workforce Development Act of 1995,".

(T) Subsection (a) of section 302 of the Department of Education Organization Act (20 U.S.C. 3443(a)) (as redesignated in section 271(a)(2) of the Improving America's Schools Act of 1994) is amended by striking "under section 303(c)(2) of the Comprehensive Employment and Training Act" and inserting "relating to such education".

(U) Section 504(c)(3) of the National Skill Standards Act of 1994 (20 U.S.C. 5934(c)(3)) is amended by striking "the Capacity Building and Information and Dissemination Network established under section 453(b) of the Job Training Partnership Act (29 U.S.C. 1733(b)) and".

(V) Section 508(1) of the National Skill Standards Act of 1994 (20 U.S.C. 5938(1)) is amended to read as follows:

"(1) COMMUNITY-BASED ORGANIZATION.—The term 'community-based organization' means a private nonprofit organization of demonstrated effectiveness that is representative of a community or a significant segment of a community and that provides workforce development activities, as defined in section 3 of the Workforce Development Act of 1995.".

(W) Section 1205(8)(B) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6365(8)(B)) (as amended in paragraph (2)(C)(ii)) is further amended by striking ", the Individuals with Disabilities Education Act, and the Job Training Partnership Act" and inserting "and the Individuals with Disabilities Education Act".

(X) Section 1414(c)(8) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6434(c)(8)) is amended by striking "programs under the Job Training Partnership Act," and inserting "programs under the Workforce Development Act of 1995,".

(Y) Section 1423(9) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6453(9)) is amended by striking "programs under the Job Training and Partnership Act" and inserting "programs under the Workforce Development Act of 1995".

(Z) Section 1425(9) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6455(9)) is amended by striking ", such as funds under the Job Training Partnership Act," and inserting ", such as funds made available under the Workforce Development Act of 1995,".

(AA) Section 5303(b)(2)(B) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7263(b)(2)(B)) is amended by striking "private industry council (established under the Job Training Partnership Act)," and inserting "local partnership or local workforce development board, as appropriate, established under section 118 of the Workforce Development Act of 1995,".

(BB) The last sentence of section 505 of the FREEDOM Support Act (22 U.S.C. 5855) is amended by striking ", through the Defense Conversion" and all that follows through "or through" and inserting "or through".

(CC) Section 42(i)(3)(D)(i)(II) of the Internal Revenue Code of 1986 is amended by striking "assistance under" and all that follows through "or under" and inserting "assistance under the Workforce Development Act of 1995 or under".

(DD) Section 51(d) of the Internal Revenue Code of 1986 is amended by striking paragraph (10).

(EE) Section 6334(d)(12) of the Internal Revenue Code of 1986 is amended to read as follows:

"(12) ASSISTANCE UNDER THE WORKFORCE DEVELOPMENT ACT OF 1995.—Any amount payable to a participant in workforce development activities carried out under the Workforce Development Act of 1995 from funds appropriated under such Act.".

(FF) Section 204(b) of the Emergency Jobs and Unemployment Assistance Act of 1974 (26 U.S.C. 3304 note) is amended by striking "designate as an area" and all that follows and inserting "designate as an area under this section an area that is a substate area under the Workforce Development Act of 1995.".

(GG) Section 223 of the Emergency Jobs and Unemployment Assistance Act of 1974 (26 U.S.C. 3304 note) is amended—

(i) in paragraph (3), by striking "assistance provided" and all that follows and inserting "assistance provided under the Workforce Development Act of 1995;"; and

(ii) in paragraph (4), by striking "funds provided" and all that follows and inserting "funds provided under the Workforce Development Act of 1995;".

(HH) Section 612(b) of the Rehabilitation Act of 1973 (29 U.S.C. 795a(b)) is amended by striking "the Job Training Partnership Act" and inserting "the Workforce Development Act of 1995".

(II) Section 701 of the Job Training Reform Amendments of 1992 (29 U.S.C. 1501 note) is repealed.

(JJ) Section 7 of Public Law 98–524 (29 U.S.C. 1551 note) is repealed.

(KK) Section 402 of the Veterans' Benefits and Programs Improvement Act of 1988 (29 U.S.C. 1721 note) is amended—

(i) in subsection (a), by striking "title III of the Job Training Partnership Act (29 U.S.C. 1651 et seq.)" and inserting "the Workforce Development Act of 1995";

(ii) in subsection (c), by striking "the office designated or created under section 322(b) of the Job Training Partnership Act" and inserting "the Workforce Development Partnership"; and

(iii) in subsection (d)—

(I) in paragraph (1), by striking "under—" and all that follows through "the Veterans'" and inserting "under the Veterans'"; and

(II) in paragraph (2), by striking "Employment and training" and all that follows and inserting "Workforce employment activities under the Workforce Development Act of 1995.".

(LL) Section 13(b) of the Veterans' Job Training Act (29 U.S.C. 1721 note) is amended by striking "assistance under the Job Training Partnership Act (29 U.S.C. 1501 et seq.)" and inserting "assistance under the Workforce Development Act of 1995".

(MM) Section 14(b)(3)(B)(i)(II) of the Veterans' Job Training Act (29 U.S.C. 1721 note) is amended by striking "under part C of title IV of the Job Training Partnership Act (29 U.S.C. 1501 et seq.)" and "under the Workforce Development Act of 1995".

(NN) Section 15(c)(2) of the Veterans' Job Training Act (29 U.S.C. 1721 note) is amended—

(i) in the second sentence, by striking "part C of title IV of the Job Training Partnership Act (29 U.S.C. 1501 et seq.)" and inserting "the Workforce Development Act of 1995"; and

(ii) in the third sentence, by striking "title III of".

(OO) Section 3(a)(2) of the Worker Adjustment and Retraining Notification Act (29 U.S.C. 2102(a)(2)) is amended by striking "to the State" and all that follows through "and the chief" and inserting "to the Governor of the appropriate State and the chief".

(PP) Section 6703(a) of title 31, United States Code, is amended by striking paragraph (4) and inserting the following:

"(4) Programs under the Workforce Development Act of 1995.".

(QQ) Section 512 of the Veterans' Rehabilitation and Education Amendments of 1980 (38 U.S.C. 4101 note) is amended by striking "the Comprehensive Employment and Training Act (29 U.S.C. et seq.)," and inserting "the Workforce Development Act of 1995,".

(RR) Section 4102A(d) of title 38, United States Code, is amended by striking "the Job Training Partnership Act" and inserting "the Workforce Development Act of 1995".

(SS) Section 4103A(c)(4) of title 38, United States Code, is amended by striking "(including part C of title IV of the Job Training Partnership Act (29 U.S.C. 1501 et seq.))".

(TT) Section 4213 of title 38, United States Code, is amended by striking "any employment or training program assisted under the Job Training Partnership Act (29 U.S.C. 1501 et seq.)," and inserting "any workforce employment activity carried out under the Workforce Development Act of 1995,".

(UU) Section 23 of the United States Housing Act of 1937 (42 U.S.C. 1437u) is amended—

(i) in subsection (b)(2)(A), by striking "the Job Training" and all that follows through "or the" and inserting "the Workforce Development Act of 1995 or the";

(ii) in the first sentence of subsection (f)(2), by striking "programs under the" and all that follows through "and the" and inserting "programs under the Workforce Development Act of 1995 and the"; and

(iii) in subsection (g)—

(I) in paragraph (2), by striking "programs under the" and all that follows through "and the" and inserting "programs under the Workforce Development Act of 1995 and the"; and

(II) in paragraph (3)(H), by striking "program under" and all that follows through "and any other" and inserting "program under the Workforce Development Act of 1995 and any other".

(VV) Section 504(c)(3) of the Housing Act of 1949 (42 U.S.C. 1474(c)(3)) is amended by striking "pursuant to" and all that follows through "or the" and inserting "pursuant to the Workforce Development Act of 1995 or the".

(WW) Section 203 of the Older Americans Act of 1965 (42 U.S.C. 3013) is amended—

(i) in subsection (a)(2), by striking the last sentence and inserting the following: "In particular, the Secretary of Labor and the Secretary of Education shall consult and cooperate with the Assistant Secretary in carrying out the Workforce Development Act of 1995."; and

(ii) in subsection (b), by striking paragraph (1) and inserting the following:

"(1) the Workforce Development Act of 1995,".

(XX) Section 502 of the Older Americans Act of 1965 (42 U.S.C. 3056) is amended—

(i) in subsection (b)(1)(N)(i), by striking "the Job Training Partnership Act (29 U.S.C. 1501 et seq.)" and inserting "the Workforce Development Act of 1995"; and

(ii) in subsection (e)(2)(C), by striking "programs carried out under section 124 of the Job Training Partnership Act (29 U.S.C. 1534)" and inserting "workforce employment activities carried out under the Workforce Development Act of 1995".

(YY) Section 503(b)(1) of the Older Americans Act of 1995 (42 U.S.C. 3056a(b)(1)) is amended by striking "the Job Training Partnership Act," each place it appears and inserting "the Workforce Development Act of 1995,".

(ZZ) Section 510 of the Older Americans Act of 1995 (42 U.S.C. 3056h) is amended by striking "the Job Training Partnership Act, eligible individuals shall be deemed to satisfy the requirements of sections 203 and 204(d)(5)(A) of such Act (29 U.S.C. 1603, 1604(d)(5)(A))" and inserting "the Workforce Development Act of 1995, eligible individuals shall be deemed to satisfy the requirements of such Act".

(AAA) Section 1801(b)(3) of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796ee(b)(3)) is amended by striking "activities carried out under part B of title IV of the Job Training Partnership Act (relating to Job Corps) (29 U.S.C. 1691 et seq.)" and inserting "activities carried out under chapter 2 of subtitle B of the Workforce Development Act of 1995".

(BBB) The second sentence of section 2(a) of the Environmental Programs Assistance Act of 1984 (42 U.S.C. 4368a(a)) is amended by striking "and title IV of the Job Training Partnership Act" and inserting "and the Workforce Development Act of 1995".

(CCC) The second sentence of section 103(d) of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4953(d)) is amended to read as follows: "Whenever feasible, such efforts shall be coordinated with a local partnership or local workforce development board, as appropriate, established under section 118 of the Workforce Development Act of 1995."

(DDD) Subsections (c)(2) and (d)(2) of section 109 of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4959) is amended by striking "administrative entities designated to administer job training plans under the Job Training Partnership Act" and inserting "local entities, as defined in section 3 of the Workforce Development Act of 1995".

(EEE) Section 304(c)(1) of the Age Discrimination Act of 1975 (42 U.S.C. 6103(c)(1)) is amended by striking "the Comprehensive Employment and Training Act of 1974 (29 U.S.C. 801, et seq.), as amended," and inserting "the Workforce Development Act of 1995".

(FFF) Section 414(b)(3) of the Energy Conservation and Production Act (42 U.S.C. 6864(b)(3)) is amended by striking "the Comprehensive Employment and Training Act of 1973" and inserting "the Workforce Development Act of 1995".

(GGG) Section 233 of the National Energy Conservation Policy Act (42 U.S.C. 6873) is amended, in the matter preceding paragraph (1), by striking "the Comprehensive Employment and Training Act of 1973" and inserting "the Workforce Development Act of 1995".

(HHH) Section 3161(c)(6) of the National Defense Authorization Act for Fiscal Year 1993 (42 U.S.C. 7274h(c)(6)) is amended by striking subparagraph (A) and inserting the following:

"(A) programs carried out jointly by the Secretary of Labor and the Secretary of Education under the Workforce Development Act of 1995;".

(III) Section 617(a)(3) of the Community Economic Development Act of 1981 (42 U.S.C. 9806(a)(3)) is amended by striking "activities such as those described in the Comprehensive Employment and Training Act" and inserting "workforce employment activities described in the Workforce Development Act of 1995".

(JJJ) Section 103(b)(2) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11302(b)(2)) is amended by striking "the Job Training Partnership Act" and inserting "the Workforce Development Act of 1995".

(KKK) Section 177(d) of the National and Community Service Act of 1990 (42 U.S.C. 12637(d)) is amended to read as follows:

"(d) TREATMENT OF BENEFITS.—Allowances, earnings, and payments to individuals participating in programs that receive assistance under this title shall not be considered to be income for the purposes of determining eligibility for and the amount of income transfer and in-kind aid furnished under any Federal or federally assisted program based on need, other than as provided under the Social Security Act (42 U.S.C. 301 et seq.).".

(LLL) Section 198C of the National and Community Service Act of 1990 (42 U.S.C. 12653c) is amended—

(i) in subsection (b)(1), by striking "a military installation described in section 325(e)(1) of the Job Training Partnership Act (29 U.S.C. 1662d(e)(1))." and inserting "a military installation being closed or realigned under—

"(A) the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note); and

"(B) title II of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100–526; 10 U.S.C. 2687 note)."; and

(ii) in subsection (e)(1)(B), by striking clause (iii) and inserting the following:

"(iii) an at-risk youth (as defined in section 132 of the Workforce Development Act of 1995).".

(MMM) Section 199L(a) of the National and Community Service Act of 1990 (42 U.S.C. 12655m(a)) is amended by striking "the Job Training Partnership Act (29 U.S.C. 1501 et seq.)" and inserting "the Workforce Development Act of 1995".

(NNN) Subparagraphs (H) and (M) of subsection (c)(2), and subsection (d)(7), of section 454 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12899c) are amended by striking "the Job Training Partnership Act" and inserting "the Workforce Development Act of 1995".

(OOO) The first sentence of section 456(e) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12899e(e)) is amended by inserting "(as in effect on the day before the date of enactment of the Workforce Development Act of 1995)" after "the Job Training Partnership Act" each place it appears.

(PPP) Section 31113(a)(4)(C) of the Violent Crime Control and Law Enforcement Act of 1994 (42 U.S.C. 13823(a)(4)(C)) is amended by striking "authorized under the Job Training Partnership Act (29 U.S.C. 1501 et seq.)" and inserting "or workforce employment activities authorized under the Workforce Development Act of 1995".

(6) STEWART B. MCKINNEY HOMELESS ASSISTANCE ACT.—

(A) Section 6703(a) of title 31, United States Code, is amended—

(i) by striking paragraph (15); and

(ii) by redesignating paragraphs (16) through (19) as paragraphs (15) through (18), respectively.

(B) Section 14205(a)(1) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8825(a)(1)) is amended by striking "the Indian education programs under part A of title IX of this Act, and the education for homeless children and youth program under subtitle B of title VII of the Stewart B. McKinney Homeless Assistance Act," and inserting "and the Indian education programs under part A of title IX,".

(c) RECOMMENDED LEGISLATION.—

(1) PREPARATION.—After consultation with the appropriate committees of Congress and the Director of the Office of Management and Budget, the Federal Partnership shall prepare and submit to Congress recommended legislation containing technical and conforming amendments to reflect the changes made by section 191(b).

(2) SUBMISSION TO CONGRESS.—Not later than March 31, 1997, the Federal Partnership shall submit the recommended legislation referred to under paragraph (1).

(d) EFFECTIVE DATES.—

(1) IMMEDIATE REPEALS.—The amendments made by subsection (a) shall take effect on the date of enactment of this Act.

(2) SUBSEQUENT REPEALS.—The amendments made by subsection (b) shall take effect on July 1, 1998.

TITLE II—WORKFORCE DEVELOPMENT-RELATED ACTIVITIES

Subtitle A—Amendments to the Rehabilitation Act of 1973

SEC. 201. REFERENCES.

Except as otherwise expressly provided in this subtitle, whenever in this subtitle an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.).

SEC. 202. FINDINGS AND PURPOSES.

Section 2 (29 U.S.C. 701) is amended—

(1) in subsection (a)(4), by striking "the provision of individualized training, independent living services, educational and support services," and inserting "implementation of a statewide workforce development system that provides meaningful and effective participation for individuals with disabilities in workforce development activities and activities carried out through the vocational rehabilitation program established under title I, and through the provision of independent living services, support services,"; and

(2) in subsection (b)(1)(A), by inserting "statewide workforce development systems that include, as integral components," after "(A)".

SEC. 203. CONSOLIDATED REHABILITATION PLAN.

(a) IN GENERAL.—Section 6 (29 U.S.C. 705) is repealed.

(b) CONFORMING AMENDMENT.—The table of contents for the Act is amended by striking the item relating to section 6.

SEC. 204. DEFINITIONS.

Section 7 (29 U.S.C. 706) is amended by adding at the end the following new paragraphs:

"(36) The term 'statewide workforce development system' means a statewide system, as defined in section 3 of the Workforce Development Act of 1995.

"(37) The term 'workforce development activities' has the meaning given the term in section 3 of the Workforce Development Act of 1995.

"(38) The term 'workforce employment activities' means the activities described in paragraphs (2) through (8) of section 106(a) of the Workforce Development Act of 1995, including activities described in section 106(a)(6) of such Act provided through a voucher described in section 106(a)(9) of such Act.".

SEC. 205. ADMINISTRATION.

Section 12(a)(1) (29 U.S.C. 711(a)(1)) is amended by inserting ", including providing assistance to achieve the meaningful and effective participation by individuals with disabilities in the activities carried out through a statewide workforce development system" before the semicolon.

SEC. 206. REPORTS.

Section 13 (29 U.S.C. 712) is amended in the fourth sentence by striking "The data elements" and all that follows through "age," and inserting the following: "The information shall include all information that is required to be submitted in the report described in section 121(a) of the Workforce Development Act of 1995 and that pertains to the employment of individuals with disabilities, including information on age,".

SEC. 207. EVALUATION.

Section 14(a) (29 U.S.C. 713(a)) is amended in the third sentence by striking "to the extent feasible," and all that follows through the end of the sentence and inserting the following: "to the maximum extent appropriate, be consistent with the State benchmarks established under paragraphs (1) and (2) of section 121(c) of the Workforce Development Act of 1995. For purposes of this section, the Secretary may modify or supplement such benchmarks after consultation with the National Board established under section 182 of the Workforce Development Act of 1995, to the extent necessary to address unique considerations applicable to the participation of individuals with disabilities in the vocational rehabilitation program established under title I and activities carried out under other provisions of this Act.".

SEC. 208. DECLARATION OF POLICY.

Section 100(a) (29 U.S.C. 720(a)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (E), by striking "; and" and inserting a semicolon;

(B) in subparagraph (F)—

(i) by inserting "workforce development activities and" before "vocational rehabilitation services"; and

(ii) by striking the period and inserting "; and"; and

(C) by adding at the end the following subparagraph:

"(G) linkages between the vocational rehabilitation program established under this title and other components of the statewide workforce development system are critical to ensure effective and meaningful participation by individuals with disabilities in workforce development activities."; and

(2) in paragraph (2)—

(A) by striking "a comprehensive" and inserting "statewide comprehensive"; and

(B) by striking "program of vocational rehabilitation that is designed" and inserting "programs of vocational rehabilitation, each of which is—

"(A) an integral component of a statewide workforce development system; and

"(B) designed".

SEC. 209. STATE PLANS.

(a) IN GENERAL.—Section 101(a) (29 U.S.C. 721(a)) is amended—

(1) in the first sentence, by striking ", or shall submit" and all that follows through "et seq.)" and inserting ", and shall submit the State plan on the same dates as the State submits the State plan described in section 104 of the Workforce Development Act of 1995 to the Federal Partnership established under section 181 of such Act";

(2) by inserting after the first sentence the following: "The State shall also submit the State plan for vocational rehabilitation services for review and comment to any State workforce development board established for the State under section 105 of the Workforce Development Act of 1995, which shall submit the comments on the State plan to the designated State unit.";

(3) by striking paragraphs (10), (12), (13), (15), (17), (19), (23), (27), (28), (30), (34), and (35);

(4) in paragraph (20), by striking "(20)" and inserting "(B)";

(5) by redesignating paragraphs (3), (4), (5), (6), (7), (8), (9), (14), (16), (18), (21), (22), (24), (25), (26), (29), (31), (32), (33), and (36) as paragraphs (4), (5), (6), (7), (8), (9), (10), (12), (13), (14), (15), (16), (17), (18), (19), (20), (21), (22), (23), and (24), respectively;

(6) in paragraph (1)(B)—

(A) by redesignating clauses (i), (ii), and (iii) as clauses (ii), (iii), and (iv), respectively; and

(B) by inserting before clause (ii) (as redesignated in subparagraph (A)) the following: "(i) a State entity primarily responsible for implementing workforce employment activities through the statewide workforce development system of the State,";

(7) in paragraph (2)—

(A) in the matter preceding subparagraph (A), by striking "(1)(B)(i)" and inserting "(1)(B)(ii)"; and

(B) in subparagraph (B)(ii), by striking "(1)(B)(ii)" and inserting "(1)(B)(iii)";

(8) by inserting after paragraph (2) the following paragraph:

"(3) provide a plan for expanding and improving vocational rehabilitation services for individuals with disabilities on a statewide basis, including—

"(A) a statement of values and goals;

"(B) evidence of ongoing efforts to use outcome measures to make decisions about the effectiveness and future direction of the vocational rehabilitation program established under this title in the State; and

"(C) information on specific strategies for strengthening the program as an integral component of the statewide workforce development system established in the State, including specific innovative, state-of-the-art approaches for achieving sustained success in improving and expanding vocational rehabilitation services provided through the program, for all individuals with disabilities who seek employment, through plans, policies, and procedures that link the program with other components of the system, including plans, policies, and procedures relating to—

"(i) entering into cooperative agreements, between the designated State unit and appropriate entities responsible for carrying out the other components of the statewide workforce development system, which agreements may provide for—

"(I) provision of intercomponent staff training and technical assistance regarding the availability and benefits of, and eligibility standards for, vocational rehabilitation services, and regarding the provision of equal, effective, and meaningful participation by individuals with disabilities in workforce employment activities in the State through program accessibility, use of nondiscriminatory policies and procedures, and provision of reasonable accommodations, auxiliary aids and services, and rehabilitation technology, for individuals with disabilities;

"(II) use of information and financial management systems that link all components of the statewide workforce development system, that link the components to other electronic networks, and that relate to such subjects as labor market and occupational information, and information on job vacancies, skill qualifications, career planning, and workforce development activities;

"(III) use of customer service features such as common intake and referral procedures, customer data bases, resource information, and human service hotlines;

"(IV) establishment of cooperative efforts with employers to facilitate job placement and to develop and sustain working relationships with employers, trade associations, and labor organizations;

"(V) identification of staff roles and responsibilities and available resources for each entity that carries out a component of the statewide workforce development system with regard to paying for necessary services (consistent with State law); and

"(VI) specification of procedures for resolving disputes among such entities; and

"(ii) providing for the replication of such cooperative agreements at the local level between individual offices of the designated State unit and local entities carrying out activities through the statewide workforce development system;";

(9) in paragraph (6) (as redesignated in paragraph (5))—

(A) by striking subparagraph (A) and inserting the following:

"(A) contain the plans, policies, and methods to be followed in carrying out the State plan and in the administration and supervision of the plan, including—

"(i)(I) the results of a comprehensive, statewide assessment of the rehabilitation needs of individuals with disabilities (including individuals with severe disabilities, individuals with disabilities who are minorities, and individuals with disabilities who have been unserved, or underserved, by the vocational rehabilitation system) who are residing within the State; and

"(II) the response of the State to the assessment;

"(ii) a description of the method to be used to expand and improve services to individuals with the most severe disabilities, including individuals served under part C of title VI;

"(iii) with regard to community rehabilitation programs—

"(I) a description of the method to be used (such as a cooperative agreement) to utilize the programs to the maximum extent feasible; and

"(II) a description of the needs of the programs, including the community rehabilitation programs funded under the Act entitled "An Act to Create a Committee on Purchases of Blind-made Products, and for other purposes", approved June 25, 1938 (commonly known as the Wagner-O'Day Act; 41 U.S.C. 46 et seq.) and such programs funded by State use contracting programs; and

"(iv) an explanation of the methods by which the State will provide vocational rehabilitation services to all individuals with disabilities within the State who are eligible for such services, and, in the event that vocational rehabilitation services cannot be provided to all such eligible individuals with disabilities who apply for such services, information—

"(I) showing and providing the justification for the order to be followed in selecting individuals to whom vocational rehabilitation services will be provided (which order of selection for the provision of vocational rehabilitation services shall be determined on the basis of serving first the individuals with the most severe disabilities in accordance with criteria established by the State, and shall be consistent with priorities in such order of selection so determined, and outcome and service goals for serving individuals with disabilities, established in regulations prescribed by the Commissioner);

“(II) showing the outcomes and service goals, and the time within which the outcomes and service goals may be achieved, for the rehabilitation of individuals receiving such services; and

“(III) describing how individuals with disabilities who will not receive such services if such order is in effect will be referred to other components of the statewide workforce development system for access to services offered by the components;”; and

(B) by striking subparagraph (C) and inserting the following subparagraphs:

“(C) with regard to the statewide assessment of rehabilitation needs described in subparagraph (A)(i)—

“(i) provide that the State agency will make reports at such time, in such manner, and containing such information, as the Commissioner may require to carry out the functions of the Commissioner under this title, and comply with such provisions as are necessary to assure the correctness and verification of such reports; and

“(ii) provide that reports made under clause (i) will include information regarding individuals with disabilities and, if an order of selection described in subparagraph (A)(iv)(I) is in effect in the State, will separately include information regarding individuals with the most severe disabilities, on—

“(I) the number of such individuals who are evaluated and the number rehabilitated;

“(II) the costs of administration, counseling, provision of direct services, development of community rehabilitation programs, and other functions carried out under this Act; and

“(III) the utilization by such individuals of other programs pursuant to paragraph (11); and

“(D) describe—

“(i) how a broad range of rehabilitation technology services will be provided at each stage of the rehabilitation process;

“(ii) how a broad range of such rehabilitation technology services will be provided on a statewide basis; and

“(iii) the training that will be provided to vocational rehabilitation counselors, client assistance personnel, personnel of the providers of one-stop delivery of core services described in section 106(a)(2) of the Workforce Development Act of 1995, and other related services personnel;”;

(10) in subparagraph (A) of paragraph (8) (as redesignated in paragraph (5))—

(A) in clause (i)(II), by striking “, based on projections” and all that follows through “relevant factors”; and

(B) by striking clauses (iii) and (iv) and inserting the following clauses:

“(iii) a description of the ways in which the system for evaluating the performance of rehabilitation counselors, coordinators, and other personnel used in the State facilitates the accomplishment of the purpose and policy of this title, including the policy of serving, among others, individuals with the most severe disabilities;

“(iv) provide satisfactory assurances that the system described in clause (iii) in no way impedes such accomplishment; and”;

(11) in paragraph (9) (as redesignated in paragraph (5)) by striking “required—” and all that follows through “(B) prior” and inserting “required prior”;

(12) in paragraph (10) (as redesignated in paragraph (5))—

(A) in subparagraph (B), by striking “written rehabilitation program” and inserting “employment plan”; and

(B) in subparagraph (C), by striking “plan in accordance with such program” and inserting “State plan in accordance with the employment plan”;

(13) in paragraph (11)—

(A) in subparagraph (A), by striking “State's public” and all that follows and inserting “State programs that are not part of the statewide workforce development system of the State;”; and

(B) in subparagraph (C)—

(i) by striking “if appropriate—” and all that follows through “entering into” and inserting “if appropriate, entering into”;

(ii) by redesignating subclauses (I), (II), and (III) as clauses (i), (ii), and (iii), respectively; and

(iii) by indenting the clauses and aligning the margins of the clauses with the margins of clause (ii) of subparagraph (A) of paragraph (8) (as redesignated in paragraph (5));

(14) in paragraph (14) (as redesignated in paragraph (5))—

(A) by striking “(14)” and inserting “(14)(A)”; and

(B) by inserting before the semicolon the following “, and, in the case of the designated State unit, will take actions to take such views into account that include providing timely notice, holding public hearings, preparing a summary of hearing comments, and documenting and disseminating information relating to the manner in which the comments will affect services; and”;

(15) in paragraph (16) (as redesignated in paragraph (5)), by striking “referrals to other Federal and State programs” and inserting “referrals within the statewide workforce development system of the State to programs”; and

(16) in paragraph (17) (as redesignated in paragraph (5))—

(A) in subparagraph (B), by striking “written rehabilitation program” and inserting “employment plan”; and

(B) in subparagraph (C)—

(i) in clause (ii), by striking “; and” and inserting a semicolon;

(ii) in clause (iii), by striking the semicolon and inserting “; and”; and

(iii) by adding at the end the following clause:

“(iv) the manner in which students who are individuals with disabilities and who are not in special education programs can access and receive vocational rehabilitation services, where appropriate;”.

(b) CONFORMING AMENDMENTS.—

(1) Section 7 (29 U.S.C. 706) is amended—

(A) in paragraph (3)(B)(ii), by striking “101(a)(1)(B)(i)” and inserting “101(a)(1)(B)(ii)”; and

(B) in paragraph (22)(A)(i)(II), by striking “101(a)(5)(A)” each place it appears and inserting “101(a)(6)(A)(iv)”.

(2) Section 12(d) (29 U.S.C. 711(d)) is amended by striking “101(a)(5)(A)” and inserting “101(a)(6)(A)(iv)”.

(3) Section 101(a) (29 U.S.C. 721(a)) is amended—

(A) in paragraph (1)(A), by striking “paragraph (4) of this subsection” and inserting “paragraph (5)”;

(B) in paragraph (2)—

(i) in the matter preceding subparagraph (A), by striking “paragraph (1)(B)(i)” and inserting “paragraph (1)(B)(ii)”; and

(ii) in subparagraph (B)(i), by striking “paragraph (1)(B)(ii)” and inserting “paragraph (1)(B)(iii)”;

(C) in paragraph (17) (as redesignated in subsection (a)(5)), by striking “paragraph (11)(C)(ii)” and inserting “paragraph (11)(C)”;

(D) in paragraph (22) (as redesignated in subsection (a)(5)), by striking “paragraph (36)” and inserting “paragraph (24)”; and

(E) in subparagraph (C) of paragraph (24) (as redesignated in subsection (a)(5)), by striking “101(a)(1)(A)(i)” and inserting “paragraph (1)(A)(i)”.

(4) Section 102 (29 U.S.C. 722) is amended—

(A) in subsection (a)(3), by striking “101(a)(24)” and inserting “101(a)(17)”; and

(B) in subsection (d)(2)(C)(ii)—

(i) in subclause (II), by striking “101(a)(36)” and inserting “101(a)(24)”; and

(ii) in subclause (III), by striking “101(a)(36)(C)(ii)” and inserting “101(a)(24)(C)(ii)”.

(5) Section 105(a)(1) (29 U.S.C. 725(a)(1)) is amended by striking “101(a)(36)” and inserting “101(a)(24)”.

(6) Section 107(a) (29 U.S.C. 727(a)) is amended—

(A) in paragraph (2)(F), by striking “101(a)(32)” and inserting “101(a)(22)”;

(B) in paragraph (3)(A), by striking “101(a)(5)(A)” and inserting “101(a)(6)(A)(iv)”; and

(C) in paragraph (4), by striking “101(a)(35)” and inserting “101(a)(8)(A)(iii)”.

(7) Section 111(a) (29 U.S.C. 731(a)) is amended—

(A) in paragraph (1), by striking “and development and implementation” and all that follows through “referred to in section 101(a)(34)(B)”; and

(B) in paragraph (2)(A), by striking “and such payments shall not be made in an amount which would result in a violation of the provisions of the State plan required by section 101(a)(17)”.

(8) Section 124(a)(1)(A) (29 U.S.C. 744(a)(1)(A)) is amended by striking “(not including sums used in accordance with section 101(a)(34)(B))”.

(9) Section 315(b)(2) (29 U.S.C. 777e(b)(2)) is amended by striking “101(a)(22)” and inserting “101(a)(16)”.

(10) Section 635(b)(2) (29 U.S.C. 795n(b)(2)) is amended by striking “101(a)(5)” and inserting “101(a)(6)(A)(i)(I)”.

(11) Section 802(h)(2)(B)(ii) (29 U.S.C. 797a(h)(2)(B)(ii)) is amended by striking “101(a)(5)(A)” and inserting “101(a)(6)(A)(iv)”.

(12) Section 102(e)(23)(A) of the Technology-Related Assistance for Individuals With Disabilities Act of 1988 (29 U.S.C. 2212(e)(23)(A)) is amended by striking “section 101(a)(36) of the Rehabilitation Act of 1973 (29 U.S.C. 721(a)(36))” and inserting “section 101(a)(24) of the Rehabilitation Act of 1973 (29 U.S.C. 721(a)(24))”.

SEC. 210. INDIVIDUALIZED EMPLOYMENT PLANS.

(a) IN GENERAL.—Section 102 (29 U.S.C. 722) is amended—

(1) by striking the section heading and inserting the following:

“SEC. 102. INDIVIDUALIZED EMPLOYMENT PLANS.”;

(2) in subsection (a)(6), by striking “written rehabilitation program” and inserting “employment plan”;

(3) in subsection (b)—

(A) in paragraph (1)(A)—

(i) in clause (i), by striking “written rehabilitation program” and inserting “employment plan”; and

(ii) in clause (ii), by striking “program” and inserting “plan”;

(B) in paragraph (1)(B)—

(i) in the matter preceding clause (i), by striking "written rehabilitation program" and inserting "employment plan";

(ii) in clause (iv)—

(I) by striking subclause (I) and inserting the following:

"(I) include a statement of the specific vocational rehabilitation services to be provided (including, if appropriate, rehabilitation technology services and training in how to use such services) that includes specification of the public or private entity that will provide each such vocational rehabilitation service and the projected dates for the initiation and the anticipated duration of each such service; and";

(II) by striking subclause (II); and

(III) by redesignating subclause (III) as subclause (II); and

(iii) in clause (xi)(I), by striking "program" and inserting "plan";

(C) in paragraph (1)(C), by striking "written rehabilitation program and amendments to the program" and inserting "employment plan and amendments to the plan"; and

(D) in paragraph (2)—

(i) by striking "program" each place the term appears and inserting "plan"; and

(ii) by striking "written rehabilitation" each place the term appears and inserting "employment";

(4) in subsection (c)—

(A) in paragraph (1), by striking "written rehabilitation program" and inserting "employment plan"; and

(B) by striking "written program" each place the term appears and inserting "plan"; and

(5) in subsection (d)—

(A) in paragraph (5), by striking "written rehabilitation program" and inserting "employment plan"; and

(B) in paragraph (6)(A), by striking the second sentence.

(b) CONFORMING AMENDMENTS.—

(1) The table of contents for the Act is amended by striking the item relating to section 102 and inserting the following:

"Sec. 102. Individualized employment plans.".

(2) Paragraphs (22)(B) and (27)(B), and subparagraphs (B) and (C) of paragraph (34) of section 7 (29 U.S.C. 706), section 12(e)(1) (29 U.S.C. 711(e)(1)), section 501(e) (29 U.S.C. 791(e)), subparagraphs (C), (D), and (E) of section 635(b)(6) (29 U.S.C. 795n(b)(6) (C), (D), and (E)), section 802(g)(8)(B) (29 U.S.C. 797a(g)(8)(B)), and section 803(c)(2)(D) (29 U.S.C. 797b(c)(2)(D)) are amended by striking "written rehabilitation program" each place the term appears and inserting "employment plan".

(3) Section 7(22)(B)(i) (29 U.S.C. 706(22)(B)(i)) is amended by striking "rehabilitation program" and inserting "employment plan".

(4) Section 107(a)(3)(D) (29 U.S.C. 727(a)(3)(D)) is amended by striking "written rehabilitation programs" and inserting "employment plans".

(5) Section 101(b)(7)(A)(ii)(II) of the Technology-Related Assistance for Individuals With Disabilities Act of 1988 (29 U.S.C. 2211(b)(7)(A)(ii)(II)) is amended by striking "written rehabilitation program" and inserting "employment plan".

SEC. 211. SCOPE OF VOCATIONAL REHABILITATION SERVICES.

Section 103 (29 U.S.C. 723) is amended—

(1) in subsection (a)(4)—

(A) in subparagraph (B), by striking "surgery or";

(B) in subparagraph (D), by striking the comma at the end and inserting ", and";

(C) by striking subparagraph (E); and

(D) by redesignating subparagraph (F) as subparagraph (E); and

(2) in subsection (b)(1), by striking "the most severe".

SEC. 212. STATE REHABILITATION ADVISORY COUNCIL.

(a) IN GENERAL.—Section 105 (29 U.S.C. 725) is amended—

(1) in subsection (b)(1)(A)(vi), by inserting before the semicolon the following: "who, to the extent feasible, are members of any State workforce development board established for the State under section 105 of the Workforce Development Act of 1995"; and

(2) in subsection (c)—

(A) by redesignating paragraphs (3) through (7) as paragraphs (4) through (8), respectively;

(B) by inserting after paragraph (2) the following new paragraph:

"(3) advise the designated State agency and the designated State unit regarding strategies for ensuring that the vocational rehabilitation program established under this title becomes an integral part of the statewide workforce development system of the State;"; and

(C) in paragraph (6) (as redesignated in subparagraph (A))—

(i) by striking "6024), and" and inserting "6024),"; and

(ii) by striking the semicolon at the end and inserting the following: ", and any State workforce development board established for the State under section 105 of the Workforce Development Act of 1995;".

(b) CONFORMING AMENDMENT.—Subparagraph (B)(iv), and clauses (ii)(I) and (iii)(I) of subparagraph (C), of paragraph (24) (as redesignated in section 209(a)(5)) of section 101(a) (29 U.S.C. 721(a)) are amended by striking "105(c)(3)" and inserting "105(c)(4)".

SEC. 213. EVALUATION STANDARDS AND PERFORMANCE INDICATORS.

Section 106(a)(1) (29 U.S.C. 726(a)(1)) is amended—

(1) by striking "1994" and inserting "1996"; and

(2) by striking the period and inserting the following: "that shall, to the maximum extent appropriate, be consistent with the State benchmarks established under paragraphs (1) and (2) of section 121(c) of the Workforce Development Act of 1995. For purposes of this section, the Commissioner may modify or supplement such benchmarks, after consultation with the National Board established under section 182 of the Workforce Development Act of 1995, to the extent necessary to address unique considerations applicable to the participation of individuals with disabilities in the vocational rehabilitation program.".

SEC. 214. REPEALS.

(a) IN GENERAL.—Title I (29 U.S.C. 720 et seq.) is amended—

(1) by repealing part C; and

(2) by redesignating parts D and E as parts C and D, respectively.

(b) CONFORMING AMENDMENTS.—The table of contents for the Act is amended—

(1) by striking the items relating to part C of title I; and

(2) by striking the items relating to parts D and E of title I and inserting the following:

"PART C—AMERICAN INDIAN VOCATIONAL REHABILITATION SERVICES

"Sec. 130. Vocational rehabilitation services grants.

"PART D—VOCATIONAL REHABILITATION SERVICES CLIENT INFORMATION

"Sec. 140. Review of data collection and reporting system.

"Sec. 141. Exchange of data.".

SEC. 215. EFFECTIVE DATE.

(a) IN GENERAL.—Except as provided in subsection (b), the amendments made by this subtitle shall take effect on the date of enactment of this Act.

(b) STATEWIDE SYSTEM REQUIREMENTS.—The changes made in the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.) by the amendments made by this subtitle that relate to State benchmarks, or other components of a statewide system, shall take effect—

(1) in a State that submits and obtains approval of an interim plan under section 173 for program year 1997, on July 1, 1997; and

(2) in any other State, on July 1, 1998.

Subtitle B—Amendments to Wagner-Peyser Act

SEC. 221. GENERAL PROGRAM REQUIREMENTS.

(a) IN GENERAL.—Section 1 of the Wagner-Peyser Act (29 U.S.C. 49) is amended by striking "national system" and all that follows and inserting "national system of employment service offices open to the public, there shall be in the Federal Partnership a United States Employment Service.".

(b) CONFORMING AMENDMENTS.—Paragraphs (1) and (4)(B) of section 3304(a), and section 3306(f)(2), of the Internal Revenue Code of 1986, and paragraphs (2) and (5) of section 303(a), paragraphs (1)(A)(ii) and (4) of section 901(c), and section 903(c)(2) of the Social Security Act (42 U.S.C. 503(a) (2) and (5), 1101(c) (1)(A)(ii) and (4), and 1103(c)(2)) are amended by striking "public employment offices" and inserting "employment service offices".

SEC. 222. DEFINITIONS.

(a) IN GENERAL.—Section 2 of the Wagner-Peyser Act (29 U.S.C. 49a) is amended—

(1) by striking paragraphs (1), (2), (3), and (4);

(2) by inserting before paragraph (5) the following paragraphs:

"(1) the term 'Federal Partnership' has the meaning given the term in section 3 of the Workforce Development Act of 1995;

"(2) the term 'one-stop career center system' means a means of providing one-stop delivery of core services described in section 106(a)(2)(B) of the Workforce Development Act of 1995;

"(3) the term 'Secretary', used without further modification, means the Secretary of Labor and the Secretary of Education, acting jointly; and"; and

(3) by redesignating paragraph (5) as paragraph (4).

(b) CONFORMING AMENDMENTS.—

(1) SECRETARY.—Section 7(d) of the Wagner-Peyser Act (29 U.S.C. 49f(d)) is amended by striking "Secretary of Labor" and inserting "Secretary".

(2) DIRECTOR.—Section 12 of the Wagner-Peyser Act (29 U.S.C. 49k) is amended by striking "The Director, with the approval of the Secretary of Labor," and inserting "The Secretary".

SEC. 223. FUNCTIONS.

(a) IN GENERAL.—Section 3 of the Wagner-Peyser Act (29 U.S.C. 49b) is amended—

(1) by striking subsection (a) and inserting the following subsection:

"(a) The Federal Partnership shall—

"(1) assist in the coordination and development of a nationwide system of labor exchange services for the general public, provided through the one-stop career center systems of the States;

"(2) assist in the development of continuous improvement models for such nationwide system that ensure private sector satisfaction with the system and meet the demands of jobseekers relating to the system; and

"(3) ensure, for individuals otherwise eligible to receive unemployment compensation, the continuation of any activities in which the individuals are required to participate to receive the compensation."; and

(2) by adding at the end the following new subsection:

"(c) Notwithstanding any Act referred to in section 181(b) of the Workforce Development Act of 1995, the Secretary of Labor and the Secretary of Education, acting jointly, in accordance with the plan approved or determinations made by the President under section 186(c) of such Act, shall provide for, and exercise final authority over, the effective and efficient administration of this Act and the officers and employees of the United States Employment Service.".

(b) CONFORMING AMENDMENTS.—Section 508(b) of the Unemployment Compensation Amendments of 1976 (42 U.S.C. 603a(b)) is amended—

(1) by striking "the third sentence of section 3(a)" and inserting "section 3(b)"; and

(2) by striking "49b(a)" and inserting "49b(b))".

SEC. 224. DESIGNATION OF STATE AGENCIES.

Section 4 of the Wagner-Peyser Act (29 U.S.C. 49c) is amended—

(1) by striking "a State shall, through its legislature," and inserting "a Governor shall"; and

(2) by striking "the United States Employment Service" and inserting "the Federal Partnership".

SEC. 225. APPROPRIATIONS.

Section 5(c) of the Wagner-Peyser Act (29 U.S.C. 49d(c)) is amended by striking paragraph (3).

SEC. 226. DISPOSITION OF ALLOTTED FUNDS.

Section 7 of the Wagner-Peyser Act (29 U.S.C. 49f) is amended—

(1) in subsection (b)—

(A) in paragraph (1), by striking "public employment service offices and programs" and inserting "employment service offices and employment service programs"; and

(B) in paragraph (2), by striking "and the appropriate private industry council and chief elected official or officials" and inserting ", and the appropriate local partnership established under section 118(a) of the Workforce Development Act of 1995 (or, where established, the appropriate local workforce development board described in section 118(b) of such Act)";

(2) in subsection (c)(2), by striking "any program under" and all that follows and inserting "any activity carried out under the Workforce Development Act of 1995.";

(3) in subsection (d)—

(A) by striking "United States Employment Service" and inserting "Federal Partnership"; and

(B) by striking "administrative entity under the Job Training Partnership Act" and inserting "local entity under the Workforce Development Act of 1995"; and

(4) by adding at the end the following subsection:

"(e) All job search, placement, recruitment, labor market information, and other labor exchange services authorized under subsection (a) shall be provided through the one-stop career center system established by the State.".

SEC. 227. STATE PLANS.

Section 8 of the Wagner-Peyser Act (29 U.S.C. 49g) is amended—

(1) by striking subsection (a) and inserting the following new subsection:

"(a) Any State desiring to receive assistance under this Act shall include in the portion of the State workforce development plan described in section 104 of the Workforce Development Act of 1995 relating to workforce employment activities, detailed plans for carrying out this Act in such State.";

(2) by striking subsections (b), (c), and (e);

(3) in subsection (d), by striking "United States Employment Service" and inserting "Federal Partnership"; and

(4) by redesignating subsection (d) as subsection (b).

SEC. 228. FEDERAL ADVISORY COUNCIL.

Section 11 of the Wagner-Peyser Act (29 U.S.C. 49j) is repealed.

Subtitle C—Amendments to Immigration and Nationality Act

SEC. 231. PROHIBITION ON USE OF FUNDS FOR CERTAIN EMPLOYMENT ACTIVITIES.

Section 412(c)(1) of the Immigration and Nationality Act is amended by adding at the end the following new subparagraph:

"(D) Funds available under this paragraph may not be provided to States for workforce employment activities authorized and funded under the Workforce Development Act of 1995.".

Subtitle D—Amendments to the National Literacy Act of 1991

SEC. 241. NATIONAL INSTITUTE FOR LITERACY.

Section 102 of the National Literacy Act of 1991 (20 U.S.C. 1213c note) is amended to read as follows:

"SEC. 102. NATIONAL INSTITUTE FOR LITERACY.

"(a) ESTABLISHMENT.—

"(1) IN GENERAL.—There is established the National Institute for Literacy (referred to in this section as the 'Institute'). The Institute shall be administered by the Federal Partnership established under section 181 of the Workforce Development Act of 1995 (referred to in this Act as the 'Federal Partnership'). The Federal Partnership may include in the Institute any research and development center, institute, or clearinghouse that the Federal Partnership determines is appropriately included in the Institute.

"(2) OFFICES.—The Institute shall have offices separate from the offices of the Department of Education or the Department of Labor.

"(3) RECOMMENDATIONS.—The Federal Partnership shall consider the recommendations of the National Institute Council established under subsection (d) in planning the goals of the Institute and in the implementation of any programs to achieve such goals. The daily operations of the Institute shall be carried out by the Director of the Institute appointed under subsection (g). If such Council's recommendations are not followed, the Federal Partnership shall provide a written explanation to such Council concerning actions the Federal Partnership has taken that includes the Federal Partnership's reasons for not following such Council's recommendations with respect to such actions. Such Council may also request a meeting with the Federal Partnership to discuss such Council's recommendations.

"(b) DUTIES.—

"(1) IN GENERAL.—The Institute is authorized, in order to improve the quality and accountability of the adult basic skills and literacy delivery system, to—

"(A) coordinate the support of research and development on literacy and basic skills education across Federal agencies and carry out basic and applied research and development on topics such as—

"(i) identifying effective models of basic skills and literacy education for adults and families that are essential to success in job training, work, the family, and the community;

"(ii) carrying out evaluations of the effectiveness of literacy and adult education programs and services, including those supported by this Act; and

"(iii) supporting the development of models at the State and local level of accountability systems that consist of goals, performance measures, benchmarks, and assessments that can be used to improve the quality of literacy and adult education services;

"(B) provide technical assistance, information, and other program improvement activities to national, State, and local organizations, such as—

"(i) providing information and training to State and local workforce development boards and one-stop centers concerning how literacy and basic skills services can be incorporated in a coordinated workforce development model;

"(ii) improving the capacity of national, State, and local public and private literacy and basic skills professional development and technical assistance organizations, such as the State Literacy Resource Centers established under section 103; and

"(iii) providing information on-line and in print to all literacy and basic skills programs about best practices, models of collaboration for effective workforce, family, English as a Second Language, and other literacy programs, and other informational and communication needs; and

"(C) work with the Federal Partnership, the Departments of Education, Labor, and Health and Human Services, and the Congress to ensure that they have the best information available on literacy and basic skills programs in formulating Federal policy around the issues of literacy, basic skills, and workforce development.

"(2) CONTRACTS, COOPERATIVE AGREEMENTS, AND GRANTS.—The Institute may enter into contracts or cooperative agreements with, or make grants to, individuals, public or private nonprofit institutions, agencies, organizations, or consortia of such institutions, agencies, or organizations to carry out the activities of the Institute. Such grants, contracts, or agreements shall be subject to the laws and regulations that generally apply to grants, contracts, or agreements entered into by Federal agencies.

"(c) LITERACY LEADERSHIP.—

"(1) FELLOWSHIPS.—The Institute is, in consultation with the Council, authorized to award fellowships, with such stipends and allowances that the Director considers necessary, to outstanding individuals pursuing careers in adult education or literacy in the areas of instruction, management, research, or innovation.

"(2) USE OF FELLOWSHIPS.—Fellowships awarded under this subsection shall be used, under the auspices of the Institute, to engage in research, education, training, technical assistance, or other activities to advance the field of adult education or literacy, including the training of volunteer literacy providers at the national, State, or local level.

"(3) DESIGNATION.—Individuals receiving fellowships pursuant to this subsection shall be known as 'Literacy Leader Fellows'.

"(d) NATIONAL INSTITUTE COUNCIL.—

"(1) IN GENERAL.—

"(A) ESTABLISHMENT.—There is established the National Institute Council (in this section referred to as the "Council"). The Council shall consist of 10 individuals appointed by the President with the advice and consent of the Senate from individuals who—

"(i) are not otherwise officers or employees of the Federal Government;

"(ii) are representative of entities or groups described in subparagraph (B); and

"(iii) are chosen from recommendations made to the President by individuals who represent such entities or groups.

"(B) ENTITIES OR GROUPS.—Entities or groups described in this subparagraph are—

"(i) literacy organizations and providers of literacy services, including—

"(I) providers of literacy services receiving assistance under this Act; and

"(II) nonprofit providers of literacy services;

"(ii) businesses that have demonstrated interest in literacy programs;

"(iii) literacy students;

"(iv) experts in the area of literacy research;

"(v) State and local governments; and

"(vi) organized labor.

"(2) DUTIES.—The Council shall—

"(A) make recommendations concerning the appointment of the Director and staff of the Institute;

"(B) provide independent advice on the operation of the Institute; and

"(C) receive reports from the Federal Partnership and the Director.

"(3) FEDERAL ADVISORY COMMITTEE ACT.—Except as otherwise provided, the Council established by this subsection shall be subject to the provisions of the Federal Advisory Committee Act.

"(4) APPOINTMENT.—

"(A) DURATION.—Each member of the Council shall be appointed for a term of 3 years. Any such member may be appointed for not more than 2 consecutive terms.

"(B) VACANCIES.—Any member appointed to fill a vacancy occurring before the expiration of the term for which the member's predecessor was appointed shall be appointed only for the remainder of that term. A member may serve after the expiration of that members' term until a successor has taken office. A vacancy in the Council shall be filled in the manner in which the original appointment was made. A vacancy in the Council shall not affect the powers of the Council.

"(5) QUORUM.—A majority of the members of the Council shall constitute a quorum but a lesser number may hold hearings. Any recommendation may be passed only by a majority of its members present.

"(6) ELECTION OF OFFICERS.—The Chairperson and Vice Chairperson of the Council shall be elected by the members. The term of office of the Chairperson and Vice Chairperson shall be 2 years.

"(7) MEETINGS.—The Council shall meet at the call of the Chairperson or a majority of its members.

"(e) GIFTS, BEQUESTS, AND DEVISES.—The Institute and the Council may accept (but not solicit), use, and dispose of gifts, bequests, or devises of services or property, both real and personal, for the purpose of aiding or facilitating the work of the Institute or the Council, respectively. Gifts, bequests, or devises of money and proceeds from sales of other property received as gifts, bequests, or devises shall be deposited in the Treasury and shall be available for disbursement upon order of the Institute or the Council, respectively.

"(f) MAILS.—The Council and the Institute may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

"(g) STAFF.—The Director of the Federal Partnership, after considering recommendations made by the Council, shall appoint and fix the pay of a Director of the Institute and staff of the Institute.

"(h) APPLICABILITY OF CERTAIN CIVIL SERVICE LAWS.—The Director of the Institute and staff of the Institute may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of that title relating to classification and General Schedule pay rates, except that an individual so appointed may not receive pay in excess of the annual rate of basic pay payable for GS–15 of the General Schedule.

"(i) EXPERTS AND CONSULTANTS.—The Council and the Institute may procure temporary and intermittent services under section 3109(b) of title 5, United States Code.

"(j) REPORT.—The Institute shall submit a report biennially to the Committee on Economic and Educational Opportunities of the House of Representatives and the Committee on Labor and Human Resources of the Senate. Each report submitted under this subsection shall include—

"(1) a comprehensive and detailed description of the Institute's operations, activities, financial condition, and accomplishments in the field of literacy for such fiscal year;

"(2) a description of how plans for the operation of the Institute for the succeeding fiscal year will facilitate achievement of the goals of the Institute and the goals of the literacy programs within the Federal Partnership, the Department of Education, the Department of Labor, and the Department of Health and Human Services; and

"(3) any additional minority, or dissenting views submitted by members of the Council.

"(k) FUNDING.—Any amounts appropriated to the Federal Partnership, the Secretary of Education, the Secretary of Labor, or the Secretary of Health and Human Services for purposes that the Institute is authorized to perform under this section may be provided to the Institute for such purposes.".

SEC. 242. STATE LITERACY RESOURCE CENTERS.

Section 103 of the National Literacy Act of 1991 is amended to read as follows:

"SEC. 103. STATE LITERACY RESOURCE CENTERS.

"(a) PURPOSE.—The purpose of this section is to establish a network of State or regional adult literacy resource centers to assist State and local public and private nonprofit efforts to eliminate illiteracy by—

"(1) stimulating the coordination of literacy services;

"(2) enhancing the capacity of State and local organizations to provide literacy services; and

"(3) serving as a reciprocal link between the National Institute for Literacy established under section 102 and service providers for the purpose of sharing information, data, research, and expertise and literacy resources.

"(b) ESTABLISHMENT.—From amounts appropriated pursuant to section 124(b)(6) of the Workforce Development Act of 1995, the Secretary of Labor and the Secretary of Education, acting jointly on the advice of the Federal Partnership, are authorized to make grants for purposes of establishing a network of State or regional adult literacy resource centers.

"(c) ALLOTMENT.—

"(1) IN GENERAL.—From sums available for purposes of making grants under this section for any fiscal year, the Secretary of Labor and the Secretary of Education, acting jointly on the advice of the Federal Partnership, shall allot to each State having an application approved under subsection (f) an amount that bears the same ratio to such sums as the amount allotted to such State—

"(A) in the case of fiscal years 1996, 1997, and 1998 under section 313(b) of the Adult Education Act (20 U.S.C. 1201(b)) for fiscal year 1995 for the purpose of making grants under section 321 of such Act (20 U.S.C. 1203), bears to the aggregate amount allotted to all States under such section for fiscal year 1995 for such purpose; and

"(B) in the case of fiscal years 1999, 2000, and 2001, under section 102 of the Workforce Development Act of 1995 for the fiscal year preceding the fiscal year for which the determination is made, bears to the aggregate amount allotted to all States under such section for such preceding fiscal year.

"(2) CONTRACTS.—The chief executive officer of each State that receives its allotment under this section shall contract on a competitive basis with the State educational agency, 1 or more local educational agencies, a State office on literacy, a volunteer organization, a community-based organization, an institution of higher education, or another nonprofit entity to operate a State or regional literacy resource center. No applicant participating in a competition pursuant to the preceding sentence shall participate in the review of its own application.

"(d) USE OF FUNDS.—Funds provided to each State under subsection (c)(1) to carry out this section shall be used to conduct activities to—

"(1) improve and promote the diffusion and adoption of state-of-the-art teaching methods, technologies and program evaluations;

"(2) develop innovative approaches to the coordination of literacy services within and among States and with the Federal Government;

"(3) assist public and private agencies in coordinating the delivery of literacy services;

"(4) encourage government and industry partnerships, including partnerships with small businesses, private nonprofit organizations, and community-based organizations;

"(5) encourage innovation and experimentation in literacy activities that will enhance the delivery of literacy services and address emerging problems;

"(6) provide technical and policy assistance to State and local governments and service providers to improve literacy policy and programs and access to such programs;

"(7) provide training and technical assistance to literacy instructors in reading instruction and in—

"(A) selecting and making the most effective use of state-of-the-art methodologies, instructional materials, and technologies such as—

"(i) computer assisted instruction;

"(ii) video tapes;

"(iii) interactive systems; and

"(iv) data link systems; or

"(B) assessing learning style, screening for learning disabilities, and providing individualized remedial reading instruction; or

"(8) encourage and facilitate the training of full-time professional adult educators.

"(e) ALTERNATIVE USES OF EQUIPMENT.—Equipment purchases pursuant to this section, when not being used to carry out the provisions of this section, may be used for other instructional purposes if—

"(1) the acquisition of the equipment was reasonable and necessary for the purpose of conducting a properly designed project or activity under this section;

"(2) the equipment is used after regular program hours or on weekends; and

"(3) such other use is—

"(A) incidental to the use of the equipment under this section;

"(B) does not interfere with the use of the equipment under this section; and

"(C) does not add to the cost of using the equipment under this section.

"(f) APPLICATIONS.—Each State or group of States, as appropriate, that desires to receive a grant under this section for a regional adult literacy resource center, a State adult literacy resource center, or both, shall submit to the Federal Partnership an application that describes how the State or group of States will—

"(1) develop a literacy resource center or expand an existing literacy resource center;

"(2) provide services and activities with the assistance provided under this section;

"(3) assure access to services of the center for the maximum participation of all public and private programs and organizations providing or seeking to provide basic skills instruction, including local educational agencies, agencies responsible for corrections education, welfare agencies, labor organizations, businesses, volunteer groups, and community-based organizations;

"(4) address the measurable goals for improving literacy levels as set forth in the plan submitted pursuant to section 104 of the Workforce Development Act of 1995; and

"(5) develop procedures for the coordination of literacy activities for statewide and local literacy efforts conducted by public and private organizations, and for enhancing the systems of service delivery.

"(g) PAYMENTS; FEDERAL SHARE.—

"(1) PAYMENTS.—The Secretary of Labor and the Secretary of Education, acting jointly on the advice of the Federal Partnership, shall pay to each State having an application approved pursuant to subsection (f) the Federal share of the cost of the activities described in the application.

"(2) FEDERAL SHARE.—The Federal share—

"(A) for each of the first 2 fiscal years in which the State receives funds under this section shall not exceed 80 percent;

"(B) for each of the third and fourth fiscal years in which the State receives funds under this section shall not exceed 70 percent; and

"(C) for the fifth and each succeeding fiscal year in which the State receives funds under this section shall not exceed 60 percent.

"(3) NON-FEDERAL SHARE.—The non-Federal share of payments under this section may be in cash or in kind, fairly evaluated, including plant, equipment, or services.

"(h) REGIONAL CENTERS.—

"(1) IN GENERAL.—A group of States may enter into an interstate agreement to develop and operate a regional adult literacy resource center for purposes of receiving assistance under this section if the States determine that a regional approach is more appropriate for their situation.

"(2) REQUIREMENTS.—Any State that receives assistance under this section as part of a regional center shall only be required to provide under subsection (g) 50 percent of the funds such State would otherwise be required to provide under such subsection.

"(3) MINIMUM.—In any fiscal year in which the amount a State will receive under this section is less than $100,000, the Federal Partnership may designate the State to receive assistance under this section only as part of a regional center.

"(4) INAPPLICABILITY.—The provisions of paragraph (3) shall not apply to any State that can demonstrate to the Federal Partnership that the total amount of Federal, State, local and private funds expended to carry out the purposes of this section would equal or exceed $100,000.

"(5) SPECIAL RULE.—In any fiscal year in which paragraph (2) applies, the Federal Partnership may allow certain States that receive assistance as part of a regional center to reserve a portion of such assistance for a State adult literacy resource center pursuant to this section.".

SEC. 243. NATIONAL WORKFORCE LITERACY ASSISTANCE COLLABORATIVE.

Subsection (c) of section 201 of the National Literacy Act of 1991 (20 U.S.C. 1211-1) is repealed.

SEC. 244. FAMILY LITERACY PUBLIC BROADCASTING PROGRAM.

Section 304 of the National Literacy Act of 1991 (20 U.S.C. 1213c note) is repealed.

SEC. 245. MANDATORY LITERACY PROGRAM.

Paragraph (3) of section 601(i) of the National Literacy Act of 1991 (20 U.S.C. 1211-2(i) is amended—

(1) by striking "1994, and" and inserting "1994,"; and

(2) by inserting ", and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, 1999, 2000, and 2001" before the period.

Amend the title so as to read: "A bill to consolidate Federal employment training, vocational education, and adult education programs and create integrated statewide workforce development systems, and for other purposes.".

JEFFORDS (AND OTHERS) AMENDMENT NO. 2886

Mr. PELL (for Mr. JEFFORDS, for himself, Mr. PELL, and Mr. LEAHY) proposed an amendment to amendment No. 2885 proposed by Mrs. KASSEBAUM to the bill S. 143, supra, as follows:

On page 77, strike lines 7 through 18, and insert the following:

(4) STATE DETERMINATIONS.—From the amount available to a State educational agency under paragraph (2)(B) for a program year, such agency shall distribute such funds for workforce education activities in such State as follows:

(A) 75 percent of such amount shall be distributed for secondary school vocational education in accordance with section 112, or for postsecondary and adult vocational education in accordance with section 113, or for both; and

(B) 25 percent of such amount shall be distributed for adult education in accordance with section 114.

MOYNIHAN (AND OTHERS) AMENDMENT NO. 2887

Mr. MOYNIHAN (for himself, Mr. WELLSTONE, Mr. KENNEDY, and Mr. ROCKEFELLER) proposed an amendment to amendment No. 2885 proposed by Mrs. KASSEBAUM to the bill S. 143, supra, as follows:

On page 217, beginning on line 14, strike all through line 17.

On page 217, line 18, strike "(2)" and insert "(1)".

On page 217, line 20, strike "(3)" and insert "(2)".

On page 217, line 22, strike "(4)" and insert "(3)".

On page 217, line 24, strike "(5)" and insert "(4)".

On page 218, line 1, strike "(6)" and insert "(5)".

On page 220, beginning on line 1, strike all through page 225, line 6.

On page 225, line 7, strike "(2)" and insert "(1)".

On page 227, line 8, strike "(3)" and insert "(2)".

On page 232, line 10, strike "(4)" and insert "(3)".

On page 232, line 15, strike "(3)" and insert "(2)".

On page 233, line 1, strike "(3)" and insert "(2)".

On page 233, line 6, strike "(3)" and insert "(2)".

On page 233, line 17, strike "(3)" and insert "(2)".

On page 234, line 6, strike "(5)" and insert "(4)".

On page 242, lines 11 and 12, strike "(as amended in paragraph (1)(G)(i) is further amended" and insert "is amended".

On page 245, line 15, strike "(2)" and insert "(1)".

On page 260, line 9, strike "(6)" and insert "(5)".

GRAMS AMENDMENT NO. 2888

Mr. GRAMS proposed an amendment to amendment No. 2885 proposed by Mrs. KASSEBAUM to the bill S. 143, supra, as follows:

On page 30, between lines 6 and 7, insert the following:

(5) STATE OPTION FOR INTEGRATED PLAN.—Notwithstanding any other provision of this subsection, with the express written agreement of the Governor, the State educational agency, the State postsecondary education agency, and representatives of vocational education and community colleges, of a State, the Governor may develop all parts of the State plan, using procedures that are consistent with the procedures described in subsection (d). Nothing in this section shall be construed to require a Governor who develops an integrated State plan under this paragraph to duplicate any information contained in 1 part of the plan in another part of the plan.

Beginning on page 114, strike line 15 and all that follows through page 115, line 13, and insert the following:

(1) FAILURE TO DEMONSTRATE SUFFICIENT PROGRESS.—

(A) FINDING.—If the Federal Partnership determines, after notice and an opportunity for a hearing, that a State has failed to demonstrate sufficient progress toward reaching the State benchmarks established under section 121(c) for the 3 years covered by a State plan described in section 104, the Federal Partnership shall—

(i) make a finding regarding whether the failure is attributable to the workforce employment activities, or workforce education activities, of the State; and

(ii) provide advice to the Secretary of Labor and the Secretary of Education.

(B) REDUCTIONS.—

(i) FAILURE ATTRIBUTABLE TO BOTH CATEGORIES.—Except as provided in subparagraph (C), if the Federal Partnership finds that the failure referred to in subparagraph (A) is attributable to both categories referred to in subparagraph (A)(i), the Secretary of Labor and the Secretary of Education, acting jointly on the advice of the Federal Partnership, may reduce the allotment of the State under section 102 by not more than 10 percent per program year for not more than 3 years.

(ii) FAILURE ATTRIBUTABLE TO ONE CATEGORY.—Unless the Governor of the State has developed an integrated State plan under section 104(b)(5), if the Federal Partnership finds that the failure referred to in subparagraph (A) is attributable to 1 category of activities referred to in subparagraph (A)(i) but not to the remaining category, the Secretary of Labor and the Secretary of Education, acting jointly on the advice of the Federal Partnership, may decide to reduce only the portion of the allotment for the category of activities to which the failure is attributable.

(C) Combination and Reduction.—Notwithstanding sections 103 and 111, if the Federal Partnership finds that the Governor of the State has developed an integrated State plan under section 104(b)(5), and the failure referred to in subparagraph (A) is attributable to 1 category of activities referred to in subparagraph (A)(i) but not to the remaining category, the Secretary of Labor and the Secretary of Education, acting jointly on the advice of the Federal Partnership, in lieu of making a reduction under subparagraph (B), shall—

(i) reduce the portion of the allotment for the category of activities to which the failure is attributable by a percentage determined by the Secretaries, but not to exceed 5 percent of such portion, for a period determined by the Secretaries;

(ii) require the State to combine, for such period—

(I) an additional percentage, equal to the percentage determined under clause (i), of the funds made available through such portion; and

(II) the funds made available to the State under this subtitle for the remaining category; and

(iii) require the State to expend the combined funds in accordance with the strategic plan of the State referred to in section 104(b)(2) to carry out the remaining category of activities.

(D) Construction.—Notwithstanding any other provision of this title, funds referred to in subparagraph (C)(ii)(I) that are combined under subparagraph (C) shall be considered—

(i) to be made available under section 103(a)(1) if the combined funds are required to be expended for workforce employment activities; and

(ii) to be made available under section 103(a)(2) if the combined funds are required to be expended for workforce education activities.

GLENN AMENDMENT NO. 2889

Mr. GLENN proposed an amendment to the amendment No. 2885 proposed by Mrs. Kassebaum to the bill S. 143, supra as follows:

On page 11, strike lines 4 through 10 and insert the following:

(9) Displaced homemaker.—The term "displaced homemaker" means an individual who—

(A) has been dependent—

(i) on assistance under part A of title IV of the Social Security Act and whose youngest child is not younger than 16; or

(ii) on the income of another family member, but is no longer supported by such income; and

(B) is unemployed or underemployed, and is experiencing difficulty in obtaining or upgrading employment.

On page 50, line 9, strike "and".

On page 50, line 12, strike the period and insert "; and".

On page 50, between lines 12 and 13, insert the following:

(P) preemployment training for displaced homemakers.

On page 54, between lines 10 and 11, insert the following:

(6) providing programs for single parents, displaced homemakers, and single pregnant women;

On page 54, line 11, strike "(6)" and insert "(7)".

On page 54, line 13, strike "(7)" and insert "(8)".

On page 108, line 15, strike "and".

On page 108, line 16, strike the period and insert "; and".

On page 108, between lines 16 and 17, insert the following:

(F) displaced homemakers.

BREAUX (AND OTHERS) AMENDMENT NO. 2890

Mr. BREAUX (for himself, Mr. Daschle, Mr. Kennedy, and Mr. Pell) proposed an amendment to the amendment No. 2885 proposed by Mrs. Kassebaum to the bill S. 143, supra, as follows:

On page 51, line 6, strike "deliver" and insert "deliver, to persons age 18 or older who are unable to obtain Pell Grants under title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.),".

On page 53, between lines 12 and 13, insert the following:

(D) Information.—A State that determines that a need exists to train persons age 18 or older through activities authorized under paragraph (6) shall indicate in the State plan described in section 104 for the State, or the annual report described in section 121(a) for the State, the extent, if any, to which the State will use the authority of this paragraph to deliver some or all of such activities through a system of vouchers, including indicating the information and timeframes required under subparagraph (C).

On page 104, line 2, strike "or".

On page 104, line 7, strike the period and insert: "; or".

On page 104, between lines 7 and 8, insert the following:

(3) beginning with program year 2000, in the case of a State that elects to offer activities for persons age 18 or older under section 106(a)(6), the State uses the authority of section 106(a)(9) to deliver some or all of such activities through a system of vouchers.

On page 114, line 3, strike "or".

On page 114, line 9, strike the period and insert "; or".

On page 114, between lines 9 and 10, insert the following:

(C) in the case of a State that elects to offer activities for persons age 18 or older under section 106(a)(6), uses the authority of section 106(a)(9) to deliver some or all of such activities through a system of vouchers.

DODD (AND PELL) AMENDMENT NO. 2891

Mr. DODD (for himself and Mr. Pell) proposed an amendment to amendment No. 2885 proposed by Mrs. Kassebaum to the bill S. 143, supra, as follows:

On page 7, line 19, strike "186(c)" and insert "187(c)".

On page 74, between lines 7 and 8, insert the following:

SEC. 108. MIGRANT OR SEASONAL FARMWORKER PROGRAM.

(a) General Authority.—Using funds made available under section 124(b)(3), the Secretary of Labor and the Secretary of Education, acting jointly on the advice of the Federal Partnership, shall make grants to, or enter into contracts with, entities to carry out the activities described in subsection (d).

(b) Eligible Entities.—To be eligible to receive a grant or enter into a contract under this section, an entity shall have an understanding of the problems of migrant or seasonal farmworkers, a familiarity with the area to be served, and a previously demonstrated capacity to administer effectively a diversified program of workforce development activities for migrant or seasonal farmworkers.

(c) Program Plan.—

(1) In general.—To be eligible to receive a grant or enter into a contract under this section, an entity described in subsection (b) shall submit to the Federal Partnership a plan that describes a 3-year strategy for meeting the needs of migrant or seasonal farmworkers in the area to be served by such entity.

(2) Contents.—Such plan shall—

(A) identify the education and employment needs of the population to be served and the manner in which the services to be provided will strengthen the ability of the individuals served to obtain or be retained in unsubsidized employment;

(B) describe the services to be provided and the manner in which such services are to be integrated with other appropriate services; and

(C) describe the goals and benchmarks to be used to assess the performance of such entity in carrying out the activities assisted under this section.

(d) Authorized Activities.—Funds made available under this section shall be used to carry out comprehensive workforce development activities, and related services, for migrant or seasonal farmworkers.

(e) Consultation With State and Local Partnerships and Boards.—In making grants and entering into contracts under this section, the Federal Partnership shall consult with the Governors (or, where established, the State workforce development boards described in section 105) and with local partnerships (or, where established, the local workforce development boards described in section 118(b)).

On page 74, line 8, strike "**108.**" and insert "**109.**".

On page 74, line 10, strike "124(b)(3)" and insert "124(b)(4)".

On page 117, line 7, strike "92.7" and insert "90.75".

On page 117, strike lines 11 through 15 and insert the following:

(3) 1.25 percent shall be reserved for carrying out section 108;

(4) 0.2 percent shall be reserved for carrying out section 109;

(5) 5.0 percent shall be reserved for making incentive grants under section 122(a), for making national discretionary grants under section 184, and for the administration of this title;

On page 117, line 16, strike "(5)" and insert "(6)".

On page 117, line 18, strike "(6)" and insert "(7)".

On page 117, line 19, strike "184 and 185" and insert "185 and 186".

On page 162, line 17, strike "186(c)" and insert "187(c)".

On page 163, line 4, strike "108, and 173" and insert "108, 109, 173, and 184".

On page 163, line 6, strike "108, 122(a), 161, and 184" and insert "108, 109, 122(a), 161, 184, and 185".

On page 163, lines 12 and 13, strike "186(c) and 187(b)" and insert "187(c) and 188(b)".

On page 166, line 22, strike "186(c)" and insert "187(c)".

On page 183, between lines 8 and 9, insert the following:

SEC. 184. NATIONAL DISCRETIONARY GRANTS.

(a) National Grants.—Using funds made available under section 124(b)(5), the Secretary of Labor and the Secretary of Education, acting jointly on the advice of the Federal Partnership, may in a timely manner award a national grant—

(1) to an eligible entity described in subsection (b) to carry out the activities described in such subsection; and

(2) at the request of an officer described in subsection (c), to such an officer to carry out the activities described in such subsection.

(b) Rapid Response Grants.—

(1) In general.—

(A) Major economic dislocation.—Funds made available under this section to an eligible entity described in this subsection may be used to provide adjustment assistance to workers affected by a major economic dislocation that results from a closure, layoff, or realignment described in section 3(8)(B).

(B) Emergency determination.—Such funds may also be used to provide adjustment assistance to dislocated workers whenever the Federal Partnership (with the agreement of the Governor involved) determines that an emergency exists with respect to any particular distressed industry or any particularly distressed area. The Federal Partnership may make arrangements for the immediate provision of such emergency financial assistance for the purposes of this subsection with any necessary supportive documentation to be submitted on a date agreed to by the Governor and the Federal Partnership.

(2) Eligible entities.—To be eligible to receive a grant under this section for activities described in this subsection, an eligible entity shall be a State or local entity.

(3) Application.—To be eligible to receive a grant under this section for activities described in this subsection, an eligible entity shall submit an application to the Federal Partnership at such time, in such manner, and containing such information as the Federal Partnership determines to be appropriate.

(c) Disaster Relief Employment Assistance.—

(1) In general.—Funds made available under this section to officers described in this subsection shall be used solely to provide individuals in a disaster area with employment in projects to provide clothing, shelter, and other humanitarian assistance for disaster victims and in projects regarding the demolition, cleanup, repair, renovation, and reconstruction of damaged and destroyed structures, facilities, and lands located within the disaster area.

(2) Officers.—To be eligible to receive a grant under this section for activities described in this subsection, an officer shall be a chief executive officer of a State within which is located an area that has suffered an emergency or a major disaster as defined in paragraph (1) or (2), respectively, of section 102 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122(1) and (2)) (referred to in this section as a "disaster area").

On page 183, line 9, strike "**184.**" and insert "**185.**".

On page 183, line 12, strike "124(b)(6)" and insert "124(b)(7)".

On page 188, line 4, strike "**185.**" and insert "**186.**"

On page 192, line 1, strike "**186.**" and insert "**187.**".

On page 204, line 9, strike "**187.**" and insert "**188.**"

On page 207, line 16, strike "186" and insert "187".

On page 207, line 21, strike "186" and insert "187".

On page 207, line 24, strike "186" and insert "187".

On page 208, line 2, strike "186" and insert "187".

On page 208, line 6, strike "186" and insert "187".

On page 208, line 17, strike "186" and insert "187".

On page 211, line 17, strike "**188.**" and insert "**189.**".

On page 216, line 10, strike "187" and insert "188".

On page 293, line 9, strike "186(c)" and insert "187(c)".

On page 307, line 25, strike "124(b)(6)" and insert "124(b)(7)".

CRAIG AMENDMENT NO. 2892

Mr. CRAIG proposed an amendment to amendment No. 2885 proposed by Mrs. KASSEBAUM to the bill S. 143, supra; as follows:

On page 105, strike lines 4 through 14 and insert the following:

(1) In general.—Each State that receives an allotment under section 102 shall annually prepare and submit to the Federal Partnership, a report that states how the State is performing on State benchmarks, and the status and results of any State evaluations specified in subsection (f), that relate to workforce development activities (and workforce preparation activities for at-risk youth) carried out through the statewide system of the State. In preparing the report, the State may include information on such additional benchmarks as the State may establish to meet the State goals.

On page 113, between line 15 and 16, insert the following:

(f) Evaluation of State Programs.—

(1) In general.—Each State that receives an allotment under section 102 shall conduct ongoing evaluations of workforce employment activities, flexible workforce activities, and activities provided through Job Corps centers, carried out in the State under this title.

(2) Methods.—The State shall—

(A) conduct such evaluations through controlled experiments using experimental and control groups chosen by random assignment;

(B) in conducting the evaluations, determine, at a minimum, whether job training and job placement services provided through the activities described in paragraph (1) effectively raise the hourly wage rates of individuals receiving the services through such activities; and

(C) conduct at least 1 such evaluation at any given time during any period in which the State is receiving funding under this title for such activities.

ASHCROFT AMENDMENT NO. 2893

Mr. ASHCROFT proposed an amendment to amendment No. 2885 proposed by Mrs. KASSEBAUM to the bill S. 143, supra; as follows:

On page 65, between lines 23 and 24, add the following subsection:

(l) Limitations on Participants.—

(1) Finding.—Congress finds that—

(A) the possession, distribution, and use of drugs by participants in workforce employment activities should not be tolerated, and that such use prevents participants from making full use of the benefits extended through such activities at the expense of taxpayers; and

(B) applicants and participants should be tested for illegal drug use, in order to maximize the training and assistance provided under this Act.

(2) Drug tests.—Each local entity carrying out workforce employment activities described in subparagraph (A), (B), (C), (D), (E), (G), (H), (J), or (K) of subsection (a)(6) shall administer a drug test—

(A) on a random basis, to individuals who apply to participate in such activities; and

(B) to a participant in such activities, on reasonable suspicion of drug use by the participant.

(3) Eligibility of applicants.—In order for such an applicant to be eligible to participate in workforce employment activities, the applicant shall agree to submit to a drug test administered as described in paragraph (2) and, if the test is administered to the applicant, shall pass the test.

(4) Eligibility of participants.—In order for such a participant to be eligible to participate in workforce employment activities described in subparagraph (A), (B), (C), (D), (E), (G), (H), (J), or (K) of subsection (a)(6), the individual shall agree to submit to a drug test administered as described in paragraph (2) and, if the test is administered to the participant, shall pass the test. If a participant refuses to submit to the drug test, or fails the drug test, the local entity shall dismiss the participant from participation in the activities.

(5) Reapplication.—

(A) In general.—Except as provided in subparagraph (B), an individual who is an applicant and is disqualified from eligibility under paragraph (3), or who is a participant and is dismissed under paragraph (4), may reapply, not earlier than 6 months after the date of the disqualification or dismissal, to participate in the workforce employment activities described in subparagraph (A), (B), (C), (D), (E), (G), (H), (J), or (K) of subsection (a)(6). If the individual demonstrates that the individual has completed a drug treatment program and passed a drug test within the past 30 days, the individual may participate in such activities, under the same terms and conditions as apply to other applicants and participants, including submission to drug tests administered as described in paragraph (2).

(B) Second disqualification or dismissal.—If the individual reapplies to participate in the activities and fails a drug test administered under paragraph (2) by the local entity, while the individual is an applicant or a participant, the local entity shall disqualify the individual from eligibility for, or dismiss the individual from participation in, the workforce employment activities. The individual shall not be eligible to reapply for participation in the activities for 2 years after such disqualification or dismissal.

(6) Appeal.—A decision by a local entity to disqualify an individual from eligibility for participation in workforce employment activities under paragraph (3) or (5), or to dismiss a participant as described in paragraph (4) or (5), shall be subject to expeditious appeal in accordance with procedures established by the State in which the local entity is located.

(7) Definitions.—As used in this section:

(A) DRUG.—The term "drug" means a controlled substance, as defined in section 102(6) of the Controlled Substance Act (21 U.S.C. 802(6)).

(B) DRUG TEST.—The term "drug test" means a biochemical drug test carried out by a facility that is approved by the local entity administering the test.

NOTICES OF HEARINGS

SUBCOMMITTEE ON OVERSIGHT AND INVESTIGATIONS

Mr. THOMAS. Mr. President, I would like to announce for the information of the Senate and the public that an oversight hearing has been scheduled before the Subcommittee on Oversight and Investigations, Energy and Natural Resources Committee, to examine the role of the Council on Environmental Quality in the decisionmaking and management processes of agencies under the committee's jurisdiction—Department of the Interior, Department of Energy, and the U.S. Forest Service.

The hearing will take place Friday, October 13, 1995, at 10 a.m., in room SD–366 of the Dirksen Senate Office Building in Washington, DC.

Those wishing to testify or who wish to submit written statements should write to the Committee on Energy and Natural Resources, U.S. Senate, Washington, DC 20510. For further information, please call Kelly Johnson or Jo Meuse at (202) 224–6730.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON PARKS, HISTORIC PRESERVATION, AND RECREATION

Mr. CAMPBELL. Mr. President, I would like to announce an addition to the hearing scheduled before the Subcommittee on Parks, Historic Preservation, and Recreation of the Committee on Energy and Natural Resources on Thursday, October 26, 1995, at 2 p.m., in room SD–366 of the Dirksen Senate Office Building in Washington, DC.

In addition to the other measures noted in the original hearing notice on September 29, 1995, the Subcommittee on Parks, Historic Preservation, and Recreation of the Committee on Energy and Natural Resources will also receive testimony on H.R. 562, a bill to modify the boundaries of Walnut Canyon National Monument in the State of Arizona.

For further information, please contact Jim O'Toole of the committee staff at (202) 224–5161.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

1995 ELLIS ISLAND MEDALS OF HONOR RECIPIENTS

• Mr. PRESSLER. Mr. President, as the former honorary chairman of Ethnic American Day, I have the distinct privilege of entering into the RECORD the names of the individuals who have been awarded the National Ethnic Coalition of Organizations [NECO] 1995 Ellis Island Medal of Honor.

NECO's distinguished board chairman is Mr. William Denis Fugazy. NECO, founded in 1984, is the only organization in the United States of America that celebrates the ethnic diversity of the American population. NECO also serves as a watchdog for ethnic, racial, and religious injustice, and has been a constant voice and vigorous advocate for ethnic unity and pride in America. One of its programs is the Ellis Island Medals of Honor.

Each year since 1986, NECO has recognized America's ethnic diversity by honoring the achievements and contributions of ethnic Americans in all professions, including government, entertainment, business and industry, sports, health care, and communications. NECO's Ellis Island Medals of Honor embody the true spirit of what makes the United States unique among the world's nations.

Many of our country's ethnic groups have no direct connection to Ellis Island. However, NECO rightly views Ellis Island as a landmark and symbol of the shared experiences of all immigrant groups that have landed on our soil. Most have come to our shores because they were the targets of ethnic, racial, and religious hatred, discrimination, stereotyping, and prejudice. Many continued to experience this intolerance in America itself.

NECO strives to eliminate this hatred. Through the Ellis Island Medals of Honor, NECO celebrates ethnic diversity and the great contributions of immigrants to the American experience. Whether they have entered past Lady Liberty in New York Harbor, John F. Kennedy International Airport, or through San Francisco Bay; whether they are Native Americans, African-Americans, Asian-Americans, or others who have not entered this country through Ellis Island; NECO's Ellis Island Medals of Honor embrace all ethnic Americans who call this great country home.

Mr. President, I am pleased to ask to have printed in the RECORD the National Ethnic Coalition of Organizations 1995 Ellis Island Medals of Honor recipients. I extend my congratulations to this very distinguished group of Americans.

The list follows:

1995 ELLIS ISLAND MEDALS OF HONOR RECIPIENTS

Dr. Mihran S. Agbabian; Mr. Raul Alarcon, Jr.; Hon. Madeleine Korbel Albright; Mr. George E. Altomare; Mr. Richard T. Anderson; Mr. Marion H. Antonini; Mr. Carlos J. Arboleya; Mr. Robert T. Aspromonte; Mr. Ronald G. Assaf; Mr. Frank Assumma; Mr. William L. Ayers, Jr.; Mr. Alan L. Bain; Dr. Gwendolyn Calvert Baker; Mr. Stephen Bartolin, Jr.; Ms. Barbara W. Bell; and Mr. Geza T. Bodnar.

Ms. Helen F. Boehm; Mr. Edgar Bronfman, Jr.; Hon. Joseph L. Bruno; Ms. Donna Grucci Butler; Stanley Q. Casey; Hon. Bernadette Castro; Mr. Leon H. Charney; Mr. Muzaffar A. Chishti; Mr. Philip Christopher; Mr. Richard J. Ciecka; Mr. Anthony J. Colavita, Esq.; Hon. Clay Constantinou; Rev. John J. Cremins, Ph.D.; Sr. Camille D'Arienzo; Mr. Vic Damone; Ms. Donna de Varona; Mr. Papken S. Der Torossian; and Brig. Gen. Robert C.G. Disney.

Ms. Kathleen A. Donovan; Mr. Robert B. Engel; Dr. Anthony S. Fauci, MD; Mr. Arthur V. Ferrara; Dr. George S. Ferzli, M.D., F.A.C.S.; Mr. Arnold L. Fisher; Mr. George P. Gabriel; Hon. Charles A. Gargano; Mr. Arie Genger; Ms. Kathie Lee Gifford; Mr. David Giladi; Ms. Bozenna Urbanowicz Gilbride; Mr. James F. Gill; Mr. Sandy Ginsberg; and Mr. Michael Goodwin.

Mr. Per Hellman; Hon. Alan G. Hevesi; Mr. Lou Holtz; Mr. Charles Hughes; Mr. Eric A. Hultgren; Ms. Carol Iovanna; Ms. Ann Iverson; Ms. Anne Jackson; Mr. Nasser J. Kazeminy; Mr. Denis P. Kelleher; Rev. Nam Soo Kim; Dr. Sang Jin Kim, Ph.D.; Dr. George J. Korkos, M.D.; Mr. Tommy Lasorda; Hon. Patrick J. Leahy; Mr. Moon Sung Lee; Mr. Antoine Lutfy; Mr. Edward J. Malloy; Chief Wilma Mankiller; and Hon. John M. Manos.

Ms. Annie B. Martin; Mr. Peter Max; Mr. Armando Mei; Mr. Joseph J. Melone; Mr. Sreedhar Menon; Hon. John L. Mica; Mr. Roderick B. Mitchell; Hon. Susan Molinari; Mr. Robert E. Mulcahy, III; Mr. Edward R. Muller; Rev. Msgr. James J. Murray; Mr. Nazar L. Nazarian; Mr. Wayne K. Nelson; Mr. John J. O'Connor; Mr. Charles J. Ogletree, Jr.; Mr. Andrew Ho-Taik Ohm; Ms. Athena Georgakakos Onorato; Hon. Leon E. Panetta; and Mr. Charles D. Peebler, Jr.

Mr. Harry Mark Petrakis; Ms. Carroll Petrie; Hon. Nicholas H. Politan; Mr. Oscar M. Porcelli; Ms. Sally Jessy Raphael; Dr. Antanas Razma; Hon. Ann Richards; Mr. Peter Evans Ricker; Mr. Leonard Riggio; Lady Blanka A. Rosenstiel; Mr. Wilbur L. Ross, Jr.; Mr. Arthur F. Ryan; Hon. Paul S. Sarbanes; Mr. Albert Shanker; and Ms. Louise Manoogian Simon.

Mr. Martin Singerman; Mr. Robert H. Siskin; Dr. David B. Skinner, M.D.; Mr. Michael P. Smith; Mr. Frank D. Stella; Mr. Sigmund Strochlitz; Mr. John J. Sweeney; Mr. John W. Teets; Sr. M. Martina Tybor, SS.C.M.; Mr. Bobby Vinton; Mr. Richard A. Voell; Mr. Emil Wagner; Mr. Eli Wallach; Mr. Dan K. Wassong; Mr. Gerald L. Wen; Ms. Mary Alice Williams; Mr. James Witham; Mr. Woodrow W. Woody; Hon. C.W. Bill Young.•

TRIBUTE TO LIZ McLAUGHLIN

• Mrs. MURRAY. Mr. President, I would like to pay tribute to a politician whose record refutes every negative interpretation of that word and whose life personifies the true meaning of the words "public service." In Everett, WA, Liz McLaughlin—affectionately known as Ms. Liz—has announced she will retire this year after nearly a decade on the Snohomish County Council and a lifetime of citizen activism—although the latter will no doubt continue.

Liz was appointed to the Snohomish County Council in 1986, and it is no surprise that in her first special election and two subsequent reelections to this office, she never had a challenger. She was unbeatable because citizens knew and trusted her.

Liz started to meet community needs many years ago by working in the Family Life Program at Everett Community College, showing early promise of her future accomplishments and leadership in children's and family issues. In 1979 she went to work for Congressman Al Swift where, as the full-time representative of the Congressman, she worked closely with people and Federal agencies, as well as local and government projects which affected the whole community. And the people who met Liz throughout those years attest to the fact that beyond her official and professional duties there was always the warm, personal, and caring quality that made her a true public servant.

After election to the county council, Liz focused on legislation which would affect families' and children's lives. She is proudest of her work in human services and was instrumental in establishing innovative programs like dispute resolution centers; family support centers; the Public Housing Trust Fund, which sets aside city and county funds for low-income seniors and people with special needs; and the North Sound Regional Support Network, a five-county association bringing mental health dollars to the local community to keep consumers close to their families. Legislation she authored was passed statewide to provide a permanent funding source for family and dispute resolution centers.

As might be expected, she chairs the county council's health and human services committee, and also serves on the public works utilities committee. She is vice president of the Washington State Association of Counties Western Region, serves on the WSAC legislative steering committee, the Snohomish County Housing Trust Fund Advisory Board, the board of health, and the National Association of Counties Education and Labor Committee.

In addition to her council boards, she has served as board president for Everett Community College Foundation. Board member for Providence General Medical Center, and cochair of the Human Services Council Partnership Forum. She has served as a director or member of numerous social service organizations and committees.

The daughter of Swedish immigrants, Liz was born and raised in Monroe, WA, and has lived in Everett for 45 years. Liz and her husband, Don, who is retired from Weyerhauser, have two grown sons and two grandchildren. Liz's announcement of retirement was met with expressions of regret and loss from her colleagues and constituents, but they understand that she deserves more private time with her own family and, I am sure, some new challenges.

I believe Liz chose politics as a way to accomplish community good on a larger scale than was possible as a lone caring individual. A strong believer in the two party system, she has long been active in her own Democratic Party, but always respected and was respected by her friends in the Republican Party. She did not lose her civility nor her sensitivity to other points of view. And she never forgot her personal responsibility to her constituents. A fellow councilwoman, Karen Miller, says: "She always looked at how what we did would affect people in their day-to-day living."

Ms. Liz, I salute you. In these days of intense cynicism about politics and politicians, your career stands out as a shining example of what a politician can accomplish and can be. You provide a model, in your motivation and in your performance, for all who seek to be entrusted with the public trust.•

ZEBRA MUSSELS AND SEA LAMPREY

• Mr. ABRAHAM. Mr. President, I would like to take this time to express my appreciation to the managers of the Commerce, Justice, State appropriations bill for their support and acceptance of an amendment which would provide funding for research on nonindigenous species in the Great Lakes—zebra mussels and sea lamprey.

While zebra mussels may sound harmless, they have caused health hazards as well as economic and environmental devastation in the Great Lakes region. For example, zebra mussels are largely responsible for increasing the bacteria levels on beaches surrounding Lake St. Clair. Because the zebra mussels consume particles in the lakes, sunlight is able to shine through the clear water. This increased sunlight reaches the aquatic plants on the lake floor causing them to grow more rapidly and prolifically than they would without the aid of zebra mussels. While this may not sound problematic, these plants then trap bacteria which cause health hazards to swimmers. The Lake St. Clair beaches have been forced to close due to the unhealthy levels of e-coli bacteria in the water.

In addition, while each zebra mussel is not much larger than a fingernail, they can cause multimillion-dollar problems to energy systems in the Great Lakes. These tiny animals attach to water intake valves needed to generate power for our communities. They attach to each other and create a reef-like barrier in these important intake valves. Clearing the zebra mussels out of these valves is a multimillion-dollar task.

I comment the Great Lakes Environmental Research Lab for their work on eradicating the zebra mussel population and again I thank the managers for their support of GLERL's work.

I also appreciate the managers' support for additional funding for the Great Lakes Fishery Commission. This commission is the only organization conducting research on reducing the sea lamprey population in the Great Lakes. The commercial fishery in the Great Lakes was all but eliminated in the early 1950's largely due to the impact of the invading sea lamprey. The Great Lakes Fishery Commission's work so far has helped the fishery rebound to a current economic value in excess of $4 million annually.

Because of the explosion in the sea lamprey population, Canada intends to increase their contribution to the Great Lakes Fisheries Commission. By treaty, however, the United States must provide 69 percent of the funding for the Great Lakes Fisheries Commission. Therefore, we must increase our contribution in order to leverage additional Canadian funding. I am pleased that the Canadians are working with us on this problem and am confident that the funds spent on sea lamprey research will be beneficial on a national as well as an international level.•

WE MUST SAVE MEDICARE—BUT WE MUST DO IT RESPONSIBLY

• Mr. DORGAN. Mr. President, if there is one thing that everyone seems to agree on in the debate over Medicare, it is that the future of the program must be guaranteed. Thanks to Medicare, 99 percent of older Americans now have health care coverage. It would be a tragedy for this program to become insolvent, and I am prepared to vote for the changes necessary to preserve it, just as I have done in the past.

Where I differ with some congressional leaders, however, is over how much projected Medicare spending must be cut in order to save the program. The 7-year budget plan, which passed the Congress in June over my objections, cuts projected Medicare spending by a whopping $270 billion. This same budget plan also cuts projected Medicaid spending by $182 billion while providing $245 billion in new tax breaks.

I believe it is wrong to be making an unprecedented level of cuts to Medicare, Medicaid, and education while granting tax relief largely to taxpayers making over $100,000 per year and to large corporations that take advantage of tax loopholes.

MEDICARE SOLVENCY

And according to Medicare experts, the amount needed to save the Trust Fund is $89 billion, not the $270 billion the budget would cut. Clearly, the vast majority of the Medicare cuts—$181 billion—have nothing to do with keeping Medicare solvent. The reason this budget cuts Medicare three times more than is necessary to save the Trust Fund is to pay for the one big cost item in the budget: new tax breaks.

THE PLAN PROPOSED BY SENATE REPUBLICAN LEADERS

Under the plan passed by the Senate Finance Committee, premiums for Medicare part B, which pays for physician services, would double and could exceed $100 per month in the year 2002. This premium would be deducted monthly from seniors' Social Security checks. On top of that, the part B deductible would also increase from $100 to $220.

Beneficiaries would also be given three options for receiving care: First, seniors could choose to remain in the traditional, fee-for-service plan; second, beneficiaries could choose to move into private managed care plans, like health maintenance organizations [HMO's]; or third, seniors could set up medical savings accounts [MSA's] to pay for their health care expenses. I believe Medicare should be expanded to give seniors more choices for coverage, but the same basic level and quality of care now available to beneficiaries must be assured. I would also oppose a proposal that would force seniors into health plans which restrict their choice of doctor.

The wealthiest seniors—individuals with incomes over $75,000 and couples making more than $150,000—would be asked to pay more for their Medicare by reducing the part B premium subsidy they receive. I support this proposal as a part of an overall effort to control the rate of growth of Medicare spending.

The Senate proposal would also increase the eligibility age for Medicare from 65 to 67 between the years 2003 and 2027. This would mean that people born since 1938 would have to wait longer for Medicare.

Finally, the majority of savings would come through reducing payments to hospitals, physicians, and other health care professionals who provide Medicare services.

IMPACT ON SENIORS

So what will these cuts mean to Medicare beneficiaries? I think the impact could be quite serious. Medicare premiums and deductibles will increase for North Dakota's 103,000 senior citizens, and quality and availability of care for all North Dakotans will be threatened.

I am concerned that the premium and deductible increases could make Medicare coverage unaffordable for some seniors. Most older Americans have very modest incomes; 75 percent of seniors on Medicare live on less than $25,000 a year. And in North Dakota, older Americans get by on even less: 70 percent of our State's seniors have incomes of under $15,000.

Already seniors spend 21 percent of their income on health care costs. In 1994, the average older American spent $2,500 for health care costs not covered by Medicare. Those over 75 pay even more, and these numbers don't even include the cost of long-term nursing home care, which averages nearly $40,000 per year.

The portion of the cuts which do not fall on beneficiaries directly will be borne by the doctors, hospitals, and other health care providers who deliver Medicare services. Because of this, I am concerned that the proposed level of cuts could create a quality gap between Medicare and the rest of the health system.

In effect, these cuts could create a second class health care system for the elderly on Medicare. Even now, Medicare reimburses health care providers at only 68 percent of the amount health providers get from private payors.

Another serious consequence of this budget plan on seniors is the substantial, $182 billion cut in projected spending on Medicaid. On top of new Medicare costs, Medicaid cuts could force hundreds of thousands of middle class seniors and their families to assume the burden of nursing home costs as well.

IMPACT ON HEALTH CARE SYSTEM

Cuts of this magnitude could have devastating consequences for our health care system, particularly in rural areas.

These cuts would take $537 million out of North Dakota over the next 7 years. That's $5,213 per Medicare beneficiary in North Dakota.

According to the North Dakota Hospital Association, as many as 12 to 20 rural hospitals in North Dakota are in danger of being shut down by these cuts. Rural hospitals rely heavily on Medicare patients, and many are already in very precarious financial condition. Other rural health care providers are similarly dependent on Medicare patients for their livelihood. These cuts will make access to health care even more of a problem for all North Dakotans living in those areas.

Teaching hospitals are also in jeopardy. We need teaching hospitals to educate our health care professionals and to conduct invaluable medical research which saves lives.

Another concern I have is that cuts of this magnitude cannot be absorbed within the Medicare system alone and that health care providers will have no choice but to shift their uncompensated costs onto their other patients in the form of higher fees. This means higher medical bills and higher health insurance costs for the rest of the population.

MEDICARE COST GROWTH

Are Medicare costs growing too fast? Do Medicare costs need to be brought under control? Yes, absolutely.

Medicare Program costs are growing at a little over 10 percent per year. But roughly one-half of this growth is caused by the increasing number of seniors in our country who become eligible for Medicare each month and the increased utilization of health care services that results from people living longer.

This year, 37 million Americans are covered by the Medicare Program. Every month over 200,000 older Americans enroll in Medicare for the first time. Just within the time frame of this budget, Medicare will cover 3.7 million more people than it does today.

A better measure of Medicare cost growth is to look at per person costs. Currently the cost of health care per person is increasing in Medicare at about the same rate it is increasing in the private sector—roughly 7.6 percent per year. The budget cuts would limit per person Medicare growth to 4.9 percent, while the private sector health care would stay at 7.6 percent.

WHAT SHOULD BE DONE

I believe it is possible to balance the budget and protect Medicare at the same time. But it will take the new leadership in Congress compromising on their tax cuts and being straight about the Medicare Trust Fund. It will also mean that Democrats must acknowledge that the current growth in Medicare spending is not sustainable and must be slowed.

We know that the amount needed to save the trust fund is $89 billion, not the $270 billion cut in the budget plan. This level of savings is achievable without any new increases in costs for beneficiaries and without hurting our world class health care system.

The first thing we must do is crack down on the waste, fraud, and abuse in the Medicare system. The General Accounting Office has found that as much as 10 cents of every dollar spent by Medicare goes to fraud and abuse. I regularly get letters from my constituents in North Dakota describing the wasteful duplication of services and paperwork that occur under Medicare. I have cosponsored legislation to address this problem once and for all.

We must also modernize Medicare so that it has the same management tools as the private sector to control costs. Case management services, for example, can improve the coordination and quality of care for beneficiaries and save money for Medicare at the same time. New computer technology can help prevent Medicare from making duplicative or improper payments. Adopting a single claims form for providers can cut down on paperwork.

I believe Medicare must also place greater emphasis on preventive care. Only a fraction of beneficiaries take advantage of the mammogram and flu shots covered by Medicare. We should improve these benefits and take steps to promote their use.

Removing barriers to practice for qualified non-physician providers will help Medicare save money and also help bring needed caregivers into more of rural North Dakota.

Finally, modest reductions in the rate of growth of Medicare spending—only what's needed to reach $89 billion—will ensure that Medicare remains solvent while protecting benefits so that Medicare remains a program worth saving.

With a little good faith all around, I am hopeful Congress can pass this kind of a plan later this year. It may take a Presidential veto before we get there, but I believe we can provide the fiscal discipline the American people want from the Federal Government without sacrificing the health security that they deserve.•

SECOND MUNICIPAL LEADERS' SUMMIT ON CLIMATE CHANGE

• Mr. GRAHAM. Mr. President, I would like to take this opportunity to congratulate the municipal leaders' communique which was produced at the Second Municipal Leaders Summit on Climate Change. It is important for our Nation to be made aware of the problems and progress in the climate research and air quality fields. I ask that this communique be printed in today's RECORD.

The communique follows:

ARTICLE 1—Local Authorities' Commitments to Climate Protection

1.1 We, the participants at the Second Municipal Leaders' Summit on Climate Change, urge local authorities, especially those in industrialized nations, who have not yet undertaken climate protection activities to:

(a) endeavor to reduce CO_2 emissions by at least 20% from 1990 levels by 2005;

(b) develop a local action plan to reduce urban level emissions of greenhouse gases and protect carbon sinks, which could include protecting and establishing municipal forests, managing urban growth, establishing sustainable transportation modes, reducing the procurement of tropical wood, etc.;

(c) set a target for emissions reduction appropriate to local municipal capacity and circumstances;

(d) undertake to reduce energy use and greenhouse gas emissions in the municipality's own operations, including building, facilities, vehicle fleets, and employee travel;

(e) undertake initiatives to change public attitudes and behavior to reduce energy consumption energy use;

(f) promote the advancement of renewable energy sources: hydro-energy, solar energy, wind energy, geothermal energy, biogas, biomass, as the only sustainable alternative forms of energy, noting that existing nuclear technology is not an appropriate alternative to fossil fuels.

Specific target dates for the above activities will be established by ICLEI's Cities for Climate Protection Campaign.

1.2 We urge local authorities in non-industrialised countries and countries in transition to strive to break the link between economic growth and energy consumption and, instead of imitating the path taken by industrialised nations, to take the wiser course and actively promote and give priority to renewable energy sources such as solar power and to newly emerging energy-efficient technologies. Energy efficiency will also enable the freeing up of financial resources for the economic and social development of these communities in a more sustainable manner.

ARTICLE II—COMMUNICATION TO NATIONAL GOVERNMENTS

2.1 We urge national governments and their utilities to accord local authorities greater powers, responsibilities and resources to enhance their capacity to reduce local energy use and thus reduce net greenhouse gas emissions.

2.2 We urge national governments to include local participation in the formulation of their national climate action plans and to enable local authorities by providing adequate training and financial resources, for example, by creating a dedicated fund to finance national and municipal climate protection efforts.

2.3 We urge national governments to give priority in their public infrastructure investments to local projects that reduce energy use, save money, improve air quality, create jobs, mitigate poverty, stimulate the local economy, and make communities more liveable.

2.4 We urge national governments to be innovative in their application of regulatory, tax, and other economic instruments to help adjust public and private sector behaviour in order to reduce fossil fuel consumption, protect and restore forests, and encourage the use of renewable energy sources.

ARTICLE III—COMMUNICATION TO THE CONFERENCE OF PARTIES

(A) RECOGNITION OF LOCAL AUTHORITIES AS A DISTINCT SECTOR

3.1 For the critical purposes of implementing the Framework Convention on Climate Change, we urge the Conference of the Parties (COP) to recognise that local authorities around the world are strategic partners with national governments in climate protection by recognising that the municipal sector is distinct from other sectors.

(B) LOCAL AUTHORITY'S INPUT INTO THE SUBSIDIARY BODIES

3.2 We urge the COP to establish consultative processes within the Subsidiary Bodies, pursuant to Articles 9 and 10 of the Framework Convention, which permit and encourage local authorities as a sector to advise the Subsidiary Bodies with respect to scientific and technical matters, as well as to implementation of the Convention.

3.3 We urge the COP to endorse the establishment of a Local Authority Climate Assembly to facilitate municipal advice to the COP on scientific, technical, and implementation matters subject to Articles 9 and 10.

3.4 We urge the COP to include local authority representation on all general advisory committees established to advise the Subsidiary Bodies.

(C) GREENHOUSE GAS REDUCTIONS IN ANNEX 1 PARTIES

3.5 We urge the COP to endorse and implement the "Draft Protocol to the United Nations Framework Convention on Climate Change on Greenhouse Gas Emission Reduction," proposed by Trinidad and Tobago on behalf of the Alliance of Small Island States (AOSIS). Key provisions of the draft protocol propose that Annex 1 Parties shall:

(a) Reduce their 1990 level of anthropogenic emissions of carbon dioxide by at least 20% by the year 2005.

(b) Adopt specific targets and timetables to limit or reduce other greenhouse gases not controlled by the Montreal Protocol, including targets and timetables for methane, nitrous oxides and fluorocarbons.

(c) Stimulate the use of green, renewable sources of energy.

3.6 We urge the COP to give due recognition to local authorities that undertake to reduce their emissions by 20% or more, by endorsing the goals of the Cities for Climate Protection Campaign, which is urging cities to adopt a 20% reduction target as a minimum, and by facilitating appropriate UN-sponsored recognition events and activities.

(D) GREENHOUSE GAS REDUCTIONS IN NON-ANNEX 1 PARTIES

3.7 We urge the COP and other UN agencies to recognise the important role that local authorities in both Annex 1[1] and non-Annex Parties can play in contributing to greenhouse-gas reduction through municipal policy exchanges, technology transfer, and promotion of new technologies.

3.8 We urge the COP and other UN agencies to facilitate this crucial partnership and help build local capacity for reducing greenhouse-gas emissions by ensuring that local authorities in developing countries and countries in transition have access to scientific findings, technology, programs and funding that will be available for the implementation of the goals set out in the Framework Convention on Climate Change—through their respective national governments where appropriate—with the aim of building local capacity in the area of methodologies and policies to reduce greenhouse gas emissions.

Second Municipal Leaders' Summit on Climate Change, Berlin, Germany, 29 March 1995.•

J.P. McCARTHY

• Mr. ABRAHAM. Mr. President, on August 16, Michigan, and America, lost a friend and companion from their airwaves. J.P. McCarthy, whose gentle questions and quiet concerns made the radio sparkle for millions of listeners in Detroit and surrounding communities, passed away from pneumonia brought on by a rare blood disease.

J.P. McCarthy interviewed Governors, legislators, businessmen, and even cardinals over the years, and became friends with almost all of them. He asked probing questions with a sincerity and a keen sense of civility that produced straight answers and more than a little enlightenment. He made our lives richer through his work.

And his work was not done merely on the radio. J.P. generously gave of his time and effort for numerous charities in and around his hometown. Many was the time when he would stay up late at a fundraiser, knowing full well that he would have to get up before 5 a.m. the next morning so that he could be on the air.

But, full as his schedule was, J.P. never neglected his family. After work he would return home for lunch with his wife, Judy, even when he could have been hob-knobbing with the rich and famous. That was the kind of man he was: devoted to family and friends, always certain of where his priorities should lay.

Cardinal Adam Maida, the archbishop of Detroit, told those of us at J.P.'s funeral that perhaps the strongest influence on his friend's life was his faith. After his last meeting with J.P., Cardinal Maida in his own words "knew he was a man who was at peace with God."

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[1] Australia, Austria, Belarus, Belgium, Bulgaria, Canada, Czech Republic, Denmark, European Community, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Japan, Latvia, Lithuania, Luxembourg, Netherlands, New Zealand, Norway, Poland, Portugal, Romania, Russian Federation, Spain, Sweden, Switzerland, Turkey, Ukraine, United Kingdom, United States of America.

May all who knew and loved J.P. McCarthy be consoled by the knowledge that he is at peace with God, and may we remember the warmth and enlightenment this kind and giving man provided us all.•

THIS IS V-J DAY

• Mr. INOUYE. Mr. President, over the last 4 years, much has already been said and done to pay tribute to our Nation's veterans of World War II. However, because this tribute is so special, I come forward today to bring to the attention of this body the late Judge Maurice Sapienza's poem, "This is V-J Day."

The late Judge Sapienza was born on October 10, 1915, and died on April 6, 1991. A graduate of Harvard College and Harvard Law School, Judge Sapienza was not only a distinguished legal scholar, but a noted poet who edited several anthologies of verse. Judge Sapienza composed "This is V-J Day" in 1945, and dedicated it to the memory of President Franklin D. Roosevelt. It was read over the radio on September 2, 1945, and subsequently published.

As we come to the end of the period of commemorating the 50th anniversary of World War II, I think it is very appropriate for this body to contemplate Judge Sapienza's moving words. Therefore, I ask that Judge Sapienza's poem be printed in the RECORD.

The poem follows:

THIS IS V-J DAY

(By Maurice Sapienza)

LISTEN:
This is the voice of your country:
I am the United States of America.
From my infancy up to this great, victorious day,
I have been proud of my officers and men.
They have trained my strength,
They have guided my way to Victory again
And forced the Rising Sun to set.
Now never again shall I forced to rout
This treacherous enemy.

Look, do you see my ships?
Listen, do you hear my guns?
Let the world see and hear me.
I have a story to tell.

Do you remember December, 1941?
Do you remember Pearl Harbor?
Let us go back to December 6, 1941.
Almost all my ships were there
In Pearl Harbor.
They were snugly anchored
Beam to beam, stern to bow,
Proud, strong, and safe.

Safe? Yes, the Pacific was a safe sea.
There was no threat to meet.
That afternoon, my chiefs
Were somewhere. Someone said
One was playing golf.
I am not sure.
Someone said one was given a note
To alert me from attack.
But he must have known
There was no danger
For he let me slumber in my anchorage.

My men had confidence in me.
They went to parties that night.
They had a good time.
Many hosts
Were entertaining them.
Their bars flowed freely with the best.
I had no cause to worry.

That night, a strange message went out.
A call to Tokyo was made.
Our monitors were alert.
They saw nothing to arouse them.
In the message:
"The hibiscus is in bloom"
It was true. The hibiscus blooms all year.
It is the flower of Hawaii.
It is a beautiful flower
And colors this peaceful paradise.

The next day came early.
It was Sunday, December 7, 1941.
Do you remember that morning?
Come back there with me.
Look, the sun was rising;
It cast its slanting light
Above the ragged mountain rims,
Until its light-columns settled on the surfaces
And slowly started on their daily
March across the earth.

Down the green slopes they came,
Across the valleys studded with pineapples—
Across the fields of sugar cane,
Over Schofield Barracks and Waianae,
Where Marines and Army men slumbered,
To Wheeler Fields, drying the dew
On planes and landing strips.
They slowly advanced
Toward low-lying Pearl Harbor,
Where my ships, in domino-rows,
Snuggled close to each other.

It was a peaceful scene
That the rays of the sun disclosed.
I watched the island birds
Open their eyes, stretch and shake their wings,
Before starting their forage for food.
I saw a few of them
Wing skyward slowly.

As I looked about
I saw that dawn
Had stirred the wing-men
At Hickam Field.
Mechanics were towing their planes
Into the landing strips,
Spinning slow propellers,
Pouring gasoline into the empty tanks,
And warming motors for the take-offs.
Men were moving listlessly
Inside my ships
And in the B.O.Q.s beside them.

Somewhere near,
An Army Private
Turned the bowl-shaped antennas
Of the Radar he loved.
Radio pulses were beaming out
As he watched the oscilloscope screen
Register the homing-pigeon pulses,
Splash fluorescent wakes of tiny lights
On the mirror screen
He saw the unseen terrain
Flash in view;
The coastline, the harbor,
My ships, and the mountains.

Some of the pulses beat sky-ward.
Squadrons of planes scurried them back
With tell-tale report.
It was a moment of indecision then—
A moment that rises in the history of man
With a message of significance to the alert;
A moment that heralds the tides of fate
And challenges the wisdom of man.
In such a moment, he made his report:
"Unidentified planes approaching"
It was a terse report.
It met a terse reply:
"Friendly planes expected."

The hum of his radar transmitter
Drowned in the drone
Of approaching planes.
The rays of the sun
Moved on unconcerned.
The quietness of the day of rest
Neglected the crescendo tones.
SUDDENLY
Bombs burst on earth.
I looked over the Harbor:
Planes were everywhere,
Zooming and screaming,
Unloosening tiny specks
That grew larger and larger
Until they burst in fire and thunder.
Wheeler Field, Hickam Field,
Both were writhing in flames.
Then hell broke loose.
The savage fury of violent death
Shook my ships
And tore gaping, mangled holes within my decks.

I had no steam to run.
I could only shudder and groan,
As bombs struck home.

There were some ships
That stung away some planes.
My men were all confused.
Death snatched them by the handful.
Some fired back.
Many never had the chance to move.
One by one my ships began to sink.
My men were perishing in flame and smoke.
One of my ships made the sea
And zig-zagged away from falling bombs.
One ship shuddered
When a fast torpedo
Bit into her side
And tore her flesh wide open;
But her 50-caliber guns
Gallantly blazed at once,
And her heavier guns
Swung up and fired away.
No plane got through
The wall of steel she blazed upright.

It was not long before the flames and smoke
Had blotted out the sun
And cast a pall of grimness on Pearl Harbor.
And the petals of "hibiscus"
That was in "full bloom"
Lay shattered and still
At the bottom of the sea.
How much more do you want to see?
Do you think that I will ever forget
My wounds, my deaths?
Oh, but I do not grieve my loss of ships:
They were salvaged soon
And put to sea
With the steam of anger at full speed.
It is the pain and death my men have suffered
That hurts me most.

There, above the Harbor,
Stands a hill.
It is a hill full of red earth
That some volcano upheaved
In its gasping throes.
That red earth is red dirt, red dust.
But in it lies a richer dust,
A dust that gashed vermillion
When the reaper plowed
His sudden harvest.
I see that hill there now.
It is a hallowed hill
That stares up to the sky
And bares a chest of crosses—
They are the white medals of men
Who died with and around me—
And I grieve because
They cannot be raised and salvaged
To stand upon my decks again.
They were gallant and brave.
And wherever I go,
They shall be my gods.

Can you hear me,
You who are there beneath that earth,
You who went down in my ships,
You who went skyward in planes
And plummeted to your graves in flames,
You who fired your guns until the last—
LISTEN
I am your Country.
And I have welded the Army, Navy, and Air Force to a oneness,
Into the most powerful weapon
This world has ever seen.

Listen to me just this once:
I will never forget you.
I have tried to avenge you.
Remember the Coral Sea,
And remember what I did at Midway:
My T.B.F.s
Covered torpedoes with their fusilage
And made the Japs
Think they were just ordinary fighters.
Did you see them hold their fire
Until torpedoes flashed to them
And bit with savage reprisal
Into their steel bellies?

O, you who died,
Listen
I put my fighting marines
Ashore on Guadalcanal
With an umbrella of steel.
I took death by the hair
And flung him
Across the Solomons,
Attu, Kiska,
Lae, Wake Island,
Tarawa, Makin,
Across the Central Pacific,
To Kwajalein, Eniwetok,
Across Tokyo in B-29s,
Then to Saipan, Tinian,
Guam, Peleliu,
The Philippines, Leyte, Luzon,
Iwo Jima—there on Mt. Suribachi
We planted my Stars and Stripes Forever—
Okinawa, the Jap Coast.
I did not forget you,
Nor did I forget those living now,
For we dropped two atomic bombs
And brought Russia into the fight
That we, and our Allies, were waging.

Listen,
Those dwarfs of the north
No longer gloat
Quick-filled with conquest;
They cowered in terror
As steel and death
Struck simultaneously
Into their thin veneer of civilization.
They believe in Shinto,
And combined
A spiritual and temporal power
And altered it upon a man
Who was saved from the shadows of the Shoguns
By their warrior caste.
They died by the thousands
To glorify their emperor-god.
They preferred death to surrender.
And we flung death
At them as fast as we could
Until we took the secret of the Universe
And threatened,
In the splitting of the infinite,
To crush them with blast of kingdom-come.

Can you still hear me?
Listen,
Today the Japs have formally surrendered.
It is V-J Day!
We have won.
The war is over.
The world is at peace.
And we have vowed
To lift the living world
To new horizons,
Where Peace stands up against the sky,
And the sword
Lies brittle-broken at its feet.

And you who fought and live,
LISTEN:
Time will never choke with dust
This voice that breaks the skies asunder
And challenges God
To blot out of the living mind
The writhing bodies on fire,
The relentless pain of dying,
The screaming agonies,
The sudden death,
Or to mild the bitter hatred
That burns within the hearts of those
Who lost their friends and relatives.
Let God judge the dead—
We shall judge the living enemy
So that never again
Shall barbarism rise,
And never again
Shall living hearts
Bear such griefs.

And you who did not fight but live,
LISTEN:
Those of you
Who profited from this war:
These words and the dead
Shall seek you out,
And lay their ghostly hands
Upon your hearts
And hold them fiercely,
Cursing the thing you were and are;
For on your hands
Is a stain
No conscience
Will forget.

And you,
O Statesmen,
LISTEN:
Let us not forget the price we paid:
The blood soaked land and sea, the unmarked grave,
The splintered death of treacherous air-raid,
The prayers of those who trusted in God to save.
And let us not forget the crimes of those
Who talked of peace, then turned to treacherous ways.
Judge hard, and send them to a damned repose,
With crosses down to warn all future days.
We are the living counterpart of the dead
Who raise their Cross in silent silhouette
Against the sky for all the world to see.
Let us resolve to resurrect these dead
That they may judge the crimes through us.
And let
Them write, O Statesmen, Their Peace, Their Victory!•

OPPOSING CUTS IN INTERNATIONAL BROADCASTING

• Mr. BIDEN. Mr. President, on September 29, I was unable to voice my opposition to the amendment proposed by Senator INOUYE that reduced funding for international broadcasting. There are many programs and institutions worthy of support, but I believe it was self-defeating to augment one at the expense of another, which is one of the most valuable instruments of American foreign policy—Radio Free Europe/Radio Liberty.

I come to this issue with a good deal of experience as to the importance of Radio Free Europe/Radio Liberty. The Radios, as they are commonly called, have set standards for objective journalism and analysis that are emulated and respected by news organizations and media across central Europe and the former Soviet Union.

Many of the millions worldwide that listen to our U.S.-supported broadcasters live in countries where information and news continue to be controlled by the government. In these parts of the world, government information bureaus, government wire agencies, government radios and television channels continue to constrict the free passage of ideas.

In an attempt to find offsetting funds in the bill, the sponsors of this amendment—naively and recklessly, in my opinion—would hobble an important instrument for promoting U.S. interests abroad. Last year, the Foreign Relations Committee, which authorizes funds for the Radios, debated and eventually agreed on a sensible plan to restructure and streamline the broadcasting programs.

As we speak, Mr. President, U.S.-supported international broadcasting is becoming a more efficient and effective operation. The drastic cuts in this amendment, if left as is, will undermine the reform effort and will almost certainly force the elimination of important radio services around the world.

Let's go over the International Broadcasting Act that this Congress enacted last year with bipartisan support as part of the State Department authorization bill. First, the act consolidated all the U.S. international broadcasting services and created a new broadcasting Board of Governors, which is now in place.

Second, the plan called for reductions in Voice of America and Radio Free Europe/Radio Liberty broadcasts to Eastern Europe and the former Soviet Union by one-third. In the last year, over 1,250 jobs in programming, news gathering, broadcasting, and support services have been eliminated.

Moving the headquarters of Radio Free Europe from Munich to Prague this fall, when completed, will reduce personnel costs by one-third. President Havel of the Czech Republic generously offered the Radios the use of the former Czechoslovak Parliament building at a symbolic fee of $12 per year.

Overall, the plan will save well over $400 million by 1997.

Moreover, Congress has directed that the funding of Radio Free Europe/Radio Liberty be assumed by the private sector by the end of the century. The radios are taking this seriously; indeed, the move to prague is a step on the path to privatization. The research arm of Radio Free Europe/Radio Liberty has already been privatized.

Mr. President, the president's fiscal 1996 request for international broadcasting is 20 percent lower than the 1994 level. The committee appropriation of $355 million is $40 million less than the President's request and $30 million less than the amount authorized by the Senate Foreign Relations Committee. In other words, international broadcasting is already facing severe reductions that will force the elimination of language services and hours of broadcasting.

This further cut to Radio Free Europe/Radio Liberty could irreplaceably damage our ability to broadcast to areas of the world where the United States has important national security interests. It is my firm belief that in the post-cold war world the United States must retain diversity and choice in the means by which it conducts its foreign policy. Gutting the radios—on top of the drastic cuts to State Department operations in the bill—would severely limit U.S. flexibility in promoting our goals overseas.

Once again, Mr. President, allow me to explain to my colleagues why the freedom radios are still as important today as they were during the last 40 years. Leaders such as Vaclav Havel, Lech Walesa, and Boris Yeltsin have all testified to the valuable contribution of Radio Free Europe/Radio Liberty in the demise of communism in Eastern Europe and the former Soviet Union.

Democratic government and market economies have not yet fully taken root in these parts of the world. The radios now offer a dual role: to provide a model of how an independent media should function, and to keep honest those who might seek to reestablish repression of the press. A survey of leaders of the former Soviet empire by the open media research institute found that nearly three-quarters of the respondents felt strongly that Western radio broadcasts were still needed.

Some 25 million listeners still tune in to Radio Free Europe/Radio Liberty. The radios provide critical information to the people of the former Soviet Union and Eastern Europe about the events in Chechnya and the former Yugoslavia. As you know, controlling the media and spreading disinformation are key strategies of the Bosnian Serb leaders, and in several new democracies there is only partial news freedom.

While Voice of America tells America's story, the radios act as surrogate media in the absence of free and independent media in the former Soviet empire, in Cuba, and now in Communist Asia. They fill the information gap—in the local languages—where governments deny citizens the fundamental right spelled out in article 19 of the Universal Declaration of Human Rights: "To seek, receive, and impart information and ideas through any media and regardless of frontiers."

Mr. President, Congress has already authorized a plan to restructure and economize the radios. The Appropriations Committee has subjected the programs to further spending reductions. I believe that additional cuts for U.S.-sponsored international broadcasting would be contrary to American interests abroad, and I urge that the amendment be dropped in conference.•

VISIT OF POPE JOHN PAUL II

• Mr. LIEBERMAN. Mr. President, I rise today to pay tribute to the visit of His Holiness, Pope John Paul II, to the United States over the past several days. In the space of just 5 days, the Pope left a lasting impression in the lives of millions of his faithful followers, including many people from the State of Connecticut, thousands of whom journeyed to New York to see the Pope in person.

As the Rev. Aldo J. Tos, pastor of St. Joseph's Church in Greenwich Village said, "Let us say the stone has been dropped into the pools of humanity. We await the ripples." In the hope of stirring the pools and encouraging the ripples, I ask that the text of the Pope's homily at the Mass at Camden Yards in Baltimore on Sunday, as compiled by the Associated Press, be printed in the RECORD following my remarks. In that homily, the Pope speaks of timeless virtues with a timely message, asking us, "'How ought we to live together?' In seeking an answer to this question, can society exclude moral truth and moral reasoning? Can the Biblical wisdom which played such a formative part in the very founding of your country be excluded from that debate?"

Mr. President, we are at a moment in our history when society is engaged in serious debate over the place of moral truth in public policy, especially as we grapple with the deteriorating condition of aspects of our culture. The debate is alive in this Chamber, affecting our views and our votes on a wide range of government laws and programs that have an impact on the behavior and destiny of the people of this and other nations. As we participate in that debate, we would do well to keep these words of Pope John Paul in mind: "It would indeed be sad if the United States were to turn away from that enterprising spirit which has always sought the most practical and responsible ways of continuing to share with others the blessings God has richly bestowed here."

The spirit of America (the "extraordinary human epic," as the Pope proclaimed) has been lifted up by the visit of this wise and holy man, and I hope his words will echo in millions of hearts and inspire many to do great things. As Pope John Paul II said, "Every generation of Americans needs to know that freedom consists not in doing what we like, but in having the right to do what we ought."

The text follows:

TRANSCRIPT OF POPE JOHN PAUL II'S HOMILY AT CAMDEN YARDS, BALTIMORE, OCTOBER 9, 1995

Dear Brothers and Sisters in Christ, each day, the church begins the Liturgy of the Hours with the pslam which we have just prayed together: "Come, let us sing joyfully to the Lord." In that call, ringing down the centuries and echoing across the face of the globe, the psalmist summons the people of God to sing the praises of the Lord and to bear great witness to the marvelous things God has done for us.

The psalmist's call to hear the Lord's voice has particular significance for us as we celebrate this Mass in Baltimore. Maryland was the birthplace of the church in colonial America. More than 360 years ago, a small band of Catholics came to the New World to build a home where they could "singe joyfully to the Lord" in freedom. They established a colony whose hallmark was religious tolerance, which would later become one of the cultural cornerstones of American democracy. Baltimore is the senior metropolitan See in the United States. Its first bishop, John Carroll, stands out as a model who can still inspire the church in America today. Here we held the great provincial and plenary councils which guided the church's expansion as waves of immigrants came to these shores in search of a better life.

Here in Baltimore, in 1884, the bishops of the United States authorized the "Baltimore Catechism," which formed the faith of tens of millions of Catholics for decades. In Baltimore, the country's Catholic school system began under the leadership of Saint Elizabeth Ann Seton. The first seminary in the United States was established here, under the protection of the virgin mother of God, as was America's first Catholic college for women. Since those heroic beginnings, men and women of every race and social class have built the Catholic community we see in America today, a great spiritual movement of witness, of apostolate, of good works, of Catholic institutions and organizations.

With warm affection, therefore, I greet your archbishop, Cardinal Keeler, and thank him for his sensitive leadership in this local church and his work on behalf of the bishops' conference. With esteem I greet the other cardinals and bishops present here in great numbers, the priests, deacons and seminarians, the women and men religious, and all God's people, the "living stones" whom the spirit uses to build up the body of Christ. I gladly greet the members of the various Christian churches and ecclesial communities. I assure them of the Catholic church's ardent desire to celebrate the jubilee of the year 2000 as a great occasion to move closer to overcoming the divisions of the second millennium. I thank the civil authorities who have wished to share this sacred moment with us.

(Remarks in Castilian, followed by this English translation) . . . I greet the Spanish-speaking faithful present here and all those following this Mass on radio or television. The church is your spiritual home. Your parishes, associations, schools and religious education programs need your cooperation and the enthusiasm of your faith. With special affection, I encourage you to transmit your Catholic traditions to the younger generations.

Our celebration today speaks to us, speaks to us not only of the past. The eucharist always makes present anew the saving mystery of Christ's death and resurrection, and points to the future definitive fulfillment of God's plan of salvation. Two years ago, at

Denver, I was deeply impressed by the vitality of America's young people as they bore enthusiastic witness to their love of Christ, and showed that they were not afraid of the demands of the Gospel. Today, I offer this Mass for a strengthening of that vitality and Christian courage at every level of the church in the United States: among the laity, among the priests and religious, among my brother bishops. The whole church is preparing for the third Christian millennium. The challenge of the great jubilee of the year 2000 is the new evangelization: a deepening of faith and a vigorous response to the Christian vocation to holiness and service. This is what the successor of Peter has come to Baltimore to urge upon each one of you: the courage to bear witness to the gospel of our redemption.

In today's Gospel reading, the apostles ask Jesus: "Increase our faith." This must be our constant prayer. Faith is always demanding, because faith leads us beyond ourselves. It leads us directly to God. Faith also imparts a vision of life's purpose and stimulates us to action. The Gospel of Jesus Christ is not a private opinion, a remote spiritual ideal, or a mere program for personal growth. The Gospel is the power which can transform the world! The Gospel is no abstraction: it is the living person of Jesus Christ, the word of God, the reflection of the Father's glory, the Incarnate Son who reveals the deepest meaning of our humanity and the noble destiny to which the whole human family is called. Christ has commanded us to let the light of the Gospel shine forth in our service to society. How can we profess faith in God's word, and then refuse to let it inspire and direct our thinking, our activity, our decisions, and our responsibilities towards one another?

In America, Christian faith has found expression in an impressive array of witnesses and achievements. We must recall with gratitude the inspiring work of education carried out in countless families, schools and universities, and all the healing and consolation imparted in hospitals and hospices and shelters. We must give thanks for the practical living out of God's call in devoted service to others, in commitment to social justice, in responsible involvement in political life, in a wide variety of charitable and social organizations, and in the growth of ecumenical and interreligious understanding and cooperation.

In a more global context, we should thank God for the great generosity of American Catholics whose support of the foreign missions has greatly contributed to the spiritual and material well-being of their brothers and sisters in other lands. The Church in the United States has sent brave missionary men and women out to the nations, and not a few of them have borne the ultimate witness to the ancient truth that the blood of martyrs is the seed of Christianity. In my visits to Catholic communities around the world I often meet American missionaries, lay, religious and priests. I wish to make an appeal to young Catholics to consider the missionary vocation. I know that the "spirit of Denver" is alive in many young hearts.

Today, though, some Catholics are tempted to discouragement or disillusionment, like the prophet Habakkuk in the first reading. They are tempted to cry out to the Lord in a different way: why does God not intervene when violence threatens his people; why does God let us see ruin and misery; why does God permit evil? Like the prophet Habakkuk, and like the thirsty Israelites in the desert at Meribah and Massah, our trust can falter; we can lose patience with God. In the drama of history, we can find our dependence upon God burdensome rather than liberating. We too can "harden our hearts." And yet the prophet gives us an answer to our impatience: "If God delays, wait for him; he will surely come, he will not be late." A Polish proverb expresses the same conviction in another way: "God takes his time, but he is just." . . . (Remarks in another language, then English translation): Our waiting for God is never in vain.

Every moment is our opportunity to model ourselves on Jesus Christ—to allow the power of the Gospel to transform our personal lives and our service to others, according to the spirit of the Beatitudes. "Bear your share of the hardship which the gospel entails," writes Paul to Timothy in today's second reading. This is no idle exhortation to endurance. No, it is an invitation to enter more deeply into the Christian vocation which belongs to us all by Baptism. There is no evil to be faced that Christ does not face with us. There is no enemy that Christ has not already conquered. There is no cross to bear that Christ has not already borne for us, and does not now bear with us. And on the far side of every cross we find the newness of life in the Holy Spirit, that new life which will reach its fulfillment in the resurrection. This is our faith. This is our witness before the world.

Dear Brothers and Sisters in Christ: "The spirit God has given us is no cowardly spirit. . . . Therefore, never be ashamed of your testimony to our Lord."

Thus wrote St. Paul to Timothy, almost 2,000 years ago; thus speaks the church to American Catholics today. Christian witness takes different forms at different moments in the life of a nation. Sometimes, witnessing to Christ will mean drawing out of a culture the full meaning of its noblest intentions, a fullness that is revealed in Christ. At other times, witnessing to Christ means challenging that culture, especially when the truth about the human person is under assault. America has always wanted to be a land of the free. Today, the challenge facing America is to find freedom's fulfillment in the truth: the truth that is intrinsic to human life created in God's image and likeness, the truth that is written on the human heart, the truth that can be known by reason and can therefore form the basis of a profound and universal dialogue among people about the direction they must give to their lives and their activities.

One hundred thirty years ago, President Abraham Lincoln asked whether a nation "conceived in liberty and dedicated to the proposition that all men are created equal" could "long endure." President Lincoln's question is no less a question for the present generation of Americans. Democracy cannot be sustained without a shared commitment to certain moral truths about the human person and human community. The basic question before a democratic society is: "How ought we live together?" In seeking an answer to this question, can society exclude moral truth and moral reasoning? Can the Biblical wisdom which played such a formative part in the very founding of your country be excluded from that debate?

Would not doing so means that tens of millions of Americans could no longer offer the contributions of their deepest convictions to the formation of public policy? Surely it is important for America that the moral truths which make freedom possible should be passed on to each new generation. Every generation of Americans needs to know that freedom consists not in doing what we like, but in having the right to do what we ought.

How appropriate is St. Paul's charge to Timothy! "Guard the rich deposit of faith with the help of the Holy Spirit who dwells within us." That charge speaks to parents and teachers; it speaks in a special and urgent way to you, my brother bishops, successors of the apostles. Christ asks us to guard the truth because, as he promised us: "You will know the truth and the truth will make you free." Depositum custodi! We must guard the truth that is the condition of authentic freedom, the truth that allows freedom to be fulfilled in goodness. We must guard the deposit of divine truth handed down to us in the church, especially in view of the challenges posed by a materialistic culture and by a permissive mentality that reduces freedom to license. But we bishops must do more than guard this truth. We must proclaim it, in season and out of season; we must celebrate it with God's people, in the sacraments; we must live it in charity and service; we must bear public witness to the truth that is Jesus Christ.

Dear brothers and sisters: Catholics of America! Always be guided by the truth—by the truth about God who created and redeemed us, and by the truth about the human person, made in the image and likeness of God and destined for a glorious fulfillment in the Kingdom to come. Always be convincing witnesses to the truth. "Stir into a flame the gift of God" that has been bestowed upon you in baptism. Light your nation—light the world—with the power of that flame! Amen.•

TRIBUTE TO BOBBY RAY MEMORIAL ELEMENTARY SCHOOL

• Mr. FRIST. Mr. President, tomorrow afternoon, several of my fellow Tennesseans will dedicate a new elementary school that honors a very special war hero from McMinnville. I will not be able to join them in this celebration but would like to take a moment to recognize the valor and determination of David Robert Ray and wish the students and faculty at Bobby Ray Memorial Elementary the very best in their new school.

A hospital corpsman second class [HC2c] in the U.S. Navy, Bobby Ray served in South Vietnam as a Marine medic. When this country called, he left his home in McMinnville to help his fellow countrymen who were fighting a foreign people on foreign soil. His life was dedicated to saving others, and he always did it with commitment and courage even as gunshots and mortar shells blasted around him.

On March 19, 1969, at the age of 24, Bobby Ray went above and beyond the call of duty. As enemy troops began a heavy assault on the Marines' Battery D. Ray began working on the serious and heavy casualties that fell from rocket and mortar blasts. As he treated a fallen marine, Ray himself became seriously wounded. Refusing medical help, he continued to provide emergency medical treatment to the other casualties. As the enemy drew closer, Ray was forced to battle oncoming soldiers while he administered medical aid. He did this until he ran out of ammunition and was fatally wounded. But before he died, Bobby Ray performed one more lifesaving act. He threw himself on the last patient he ever treated and saved him from an enemy grenade.

Hospital Corpsman Second Class David Robert Ray gave his own life to save the lives of many others. He became an inspiration to the soldiers in Battery D, who went on to defeat the enemy. For this ultimate sacrifice, the United States awarded Ray the Medal of Honor posthumously.

Tomorrow, Bobby Ray's family and hometown friends will gather in his honor to dedicate the Bobby Ray Memorial Elementary School. The students who attend this school will never know David Robert Ray—they are too young. But they will know of his dedication to serving his country and to saving the lives of others. Without ever meeting him, these children will know who Bobby Ray was, and hopefully, will learn from his incredible act of selflessness.

So, today, Mr. President, I would like to pay tribute to Bobby Ray, the man, the medic, the soldier, and the hero. And today, I wish to thank him and every American who has given the ultimate sacrifice to serve their country and their countrymen.•

LOU PANOS

• Mr. SARBANES. Mr. President, I am pleased to call to the attention of my colleagues the establishment of a scholarship at Towson State University's School of Communications in honor of my good friend Lou Panos, dean of Maryland's journalistic community. The scholarship marks this distinguished Marylander's 70th birthday and I can think of not more fitting way for him to be honored.

Anyone who has had the good fortune to have worked with Lou in his many public capacities would immediately describe him as a solid professional and an unusually civil practitioner of his craft. He has combined with these sterling personal qualities his thoughtfulness and a sense of fairness which has consistently singled him out among his contemporaries. Lou Panos' long and distinguished career reflects his longtime commitment to public service. He has been involved in a wide range of public service: as a sergeant at arms in the U.S. Army, 1944–46, as a journalist, as press secretary to Gov. Harry Hughes, and as the director of public affairs for the Maryland Shock Trauma Center and the Maryland Institute for Emergency Medical Services Systems.

In view of Lou Panos' commitment to high personal and professional standards, this scholarship represents his dedication to opportunity and education. It is my hope that this scholarship will provide the chance for deserving young people to follow in his path.

I want to take this opportunity to congratulate all those who were involved in instituting this scholarship, Pautuxent Papers and Towson State University's School of Communications, and the friends and colleagues of this most amiable Marylander. I know that all of those involved in this tribute share in my deep appreciation for Lou's outstanding leadership over the years. On this important occasion, I am pleased to join in saluting Lou Panos for his renowned service and in wishing him the very best in the years ahead. •

EDUCATION CUTS JUST AREN'T SMART

SLASHING EDUCATION HURTS PRODUCTIVITY, CAUSES LONG-TERM ECONOMIC PAIN

• Mr. DORGAN. Mr. President, we are confronting a crucial point in the history of our Nation. The next few decades could determine whether America has what it takes to adjust to a more competitive world with global markets. And quality education will be the key.

This Nation has enjoyed the greatest education system in the world. We cannot let up now, as the nature of our workforce changes. Global competition is putting greater and greater pressure on our workers, making it more important than ever that Americans have the educational tools they need to stay competitive and become even more productive.

That is why I am astounded that the Senate Appropriations Committee has approved an education funding bill that slashes our investment in education by $2.2 billion—a 7.7 percent reduction below the 1995 amount.

Yet, this Congress passed a Defense appropriations bill that provides $6.7 billion more in spending for defense programs than the Pentagon wanted or believes we need. It makes no sense to take $2 to $3 billion from education while questionable military projects like star wars receive increased funding. In fact, eliminating funding for two amphibious ships, which were added to the defense bill by the Republican Congress, could restore education spending to the 1995 level.

I find it unconscionable to deny more than 55,000 low-income children the opportunity to enroll in Head Start or to deny 6.5 million disadvantaged kids the help they need to improve their math and reading skills in order to pay for unneeded military hardware. We are saying to local school districts that we cannot afford to help them implement the reform plans they have developed—but we can afford an enormous increase in our defense spending that the military experts say we do not need.

I hear from parents and students in North Dakota and across the country every week about the difficult time they are having paying for a college education. And yet the majority party in Congress has responded by cutting Federal financial aid by 11.4 percent and higher education by 7.5 percent.

If these programs are not an investment in our Nation's defense, then I do not know what is. I think these education cuts will prove to be devastating for the future of our country. Education ought to rank at the top of the national agenda, and if funding is not restored to reasonable levels, I will find it impossible to support this appropriations bill.•

THE MEXICAN BAILOUT AND PROPOSED BAILOUT FUND

Mr. D'AMATO. Mr. President, I rise this evening because the annual meeting of the International Monetary Fund, IMF, and the World Bank are being held in Washington this week; as a matter of fact, this very evening. As financial leaders gather from all over the world, I think it is incumbent that we review recent developments concerning the IMF, the Mexican bailout and the IMF's proposed international bailout fund.

The IMF recently released its annual survey of global capital markets, which includes an analysis of the Mexican peso crisis. This IMF report confirms many of the concerns that I have expressed since the beginning of the year. The IMF report also raises many troubling questions.

First, did the Mexican Government persuade the U.S. officials to approve a loan package by exaggerating this crisis after denying there was a problem for over a year? And by overstating the crisis, did the Mexican Government increase its own problems and further destabilize the peso?

Second, was the bailout, as structured, really necessary? The Mexican Government and the Clinton administration claimed that without the bailout, conditions in Mexico would have been far worse. But the situation in Mexico is a disaster. Just ask the Mexican people.

Third, was the crisis in Mexico certain to spread to other emerging markets? That is the rumor that was spread. That is what Congress was told. According to the IMF report, the answer is no. The IMF report states that:

> once the panic trading subsided, markets discriminated, albeit imperfectly, among countries according to the quality of their economic fundamentals.

Fourth, should the administration have sent American taxpayers' dollars to pay off rich tesobono holders? The administration pushed this bailout plan without a single vote of Congress. The American people should not have been forced to bear the financial risk of the Mexican Government and foreign investors. The administration should not have soothed the pains of speculative investors at the expense of the American taxpayers and the Mexican people.

Mr. President, we now know that the U.S. tax dollars were sent to Mexico to bail out speculators. In fact, the IMF report indicates that the peso's devaluation was precipitated and made far worse by the massive withdrawal of money by Mexican and foreign investors. We now know that Mexican investors who had a firsthand view of Mexico's rapidly deteriorating political and economic situation in 1994 were the first to cash in their holdings and take their money out of the country.

Mr. President, the IMF report underscores the initial question that the American taxpayers have asked over and over: Why were billions of American taxpayers' dollars sent to a foreign country that was first abandoned by its own wealthy citizens, citizens who, Mr. President, had inside information and bailed out?

At a minimum, the Mexican Government should have looked to its own rich countrymen for help before turning to U.S. taxpayers to bail them out. At a minimum, our Treasury Department should have insisted upon that.

The IMF report confirms that the Mexican Government withheld important financial data and provided inaccurate and overly optimistic economic forecasts. If a country does not provide complete and accurate disclosure of key economic figures, we should punish this deception, not reward it.

Mr. President, I am also troubled by the IMF's role in the Mexican peso crisis. I am deeply concerned by the recent Whittome report, an internal study which focuses on the IMF's review of economic conditions in Mexico. Unfortunately, the U.S. Department of Treasury has classified this report. But according to news articles in the international press service, the Whittome report concluded that the IMF distorted its own reporting on Mexico in response to political pressure from the Mexican Government.

Why is this report being withheld from the American public and the Congress? We have a right to know what happened in this Mexican bailout. Unfortunately, this administration has made a habit of concealment. The Treasury Department has classified the Whittome report so the American people cannot read it and make their own judgment about how this crisis was handled. Mr. President, that is wrong. People have a right to know.

The Mexican Government has been less than candid with the American people and the world financial markets. The administration should not be aiding them in their disingenuous behavior. We should not reward bad economic policies or deception. That report should be made public.

The IMF and the World Bank and the Clinton administration have proposed the creation of a $50 billion bailout fund to handle future Mexico-style crises. I am opposed to using U.S. taxpayers' dollars to support this bailout fund.

The American taxpayers have already been forced to contribute more than their fair share. The Mexican bailout was billed to the Congress and the American people as an international effort, but American taxpayers were left holding the bag.

The American people are sick and tired of picking up the check. We still have not been paid back for the first bailout, and despite last week's propaganda, I doubt we ever will be. The Mexican Government and the U.S. Treasury have proudly proclaimed that the prepayment of $700 million of a $12.5 billion debt shows the bailout was a success.

What they have not told us is that this so-called "prepayment" of $700 million is only a fraction of the $2 billion that is due in a few weeks. What about the remaining $1.3 billion that is due at that time? It is no accident that this publicity coincides with Mexican President Zedillo's visit to Washington and the IMF's annual meeting.

I do not see how we can have a serious discussion about increasing the amount of money the IMF makes available to bail out other countries if we cannot trust the IMF's own reports, if we do not even get to the see the IMF's report, if the Treasury Department classifies it.

The IMF's future role in the world economy must be reexamined, especially in the light of the disturbing reports that the fund has become too easily swayed and manipulated by political pressures. We must demand candor, honesty, and good business judgment from our own officials and from anyone else asking for U.S. taxpayers' dollars. The American people deserve accountability. As the World Bank and the IMF consider international bailout funds and other mechanics that deal with global economic problems, the Congress must not be idle.

Mr. President, the Congress must remain vigilant in its efforts to protect taxpayers' dollars. We will be watching for the full payment from the Mexican Government at the end of this month, and we will be closely reviewing any proposed international bailout fund. If the administration is ready to declare the Mexican bailout a success, then we should have immediate repayment of the entire $12.5 billion of taxpayers' money.

Mr. President, I yield the floor.

PRAISING SOUTH DAKOTA YOUNG PEOPLE

Mr. PRESSLER. Mr. President, I rise today to praise Paul Glader, a young man from my home State of South Dakota. Although only 17, Paul has accomplished much. At his young age, he already is an experienced, successful journalist, having published several articles in local and regional newspapers. Paul is, indeed, a talented, articulate person.

I always am pleased and impressed with the accomplishments of young South Dakotans. Paul and other talented, young South Dakotans represent the future of my State. I am proud of their successes. I encourage and support their efforts.

Mr. President, Paul recently sent me three articles he published while working as a news editorial intern at the Indianapolis News. The articles demonstrate that Paul Glader has a promising, exciting future. I look forward to seeing more of Paul's work as he pursues his career. I am pleased to ask unanimous consent that three of his columns be printed in the RECORD at the end of my remarks. Again, my congratulations to Paul Glader. I wish him continued success.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Indianapolis News, July 6, 1995]

CHANGING PRISONERS' PATHS

(By Paul Glader)

An innovative prison industry program in Florida is proof that prisons sometimes can develop good citizens rather than hardened criminals.

At a prison in Dade County, 85 inmates manufacture modular homes for Prison Rehabilitative Industries & Diversified Enterprises Inc., better known as PRIDE. While they work, they learn marketable skills in carpentry, electrical installation, plumbing and air conditioning.

During fiscal 1993–94, more than 5,200 Florida inmates worked for PRIDE. Today, some of the men grow crops and livestock, while others learn upholstery, printing, dentistry, optical work, tire retreading, computers, merchandise or architecture.

Since PRIDE was chartered by the Florida Legislature in 1981, the corporation has operated 57 industries at 22 state correctional institutions across Florida.

By now, you are wondering how much it costs Florida taxpayers to pay PRIDE.

Nothing.

By non-profit, public/private corporation finished in the black this year with gross sales of $78 million and net earnings of $4 million. Out of that $4 million, it paid nearly $1.2 million to the Department of Correction for inmate incarceration, $635,000 for inmate services and $261,000 for victim restitution, retaining a $1.9 million surplus.

Obviously, the program works well economically. But that is not the only benefit and certainly not the most important.

Through teaching skills, PRIDE reduces prison idleness, provides incentive for good behavior and reduces the cost to state government.

PRIDE also is placing prisoners in jobs after they leave prison. Many are becoming productive rather then destructive citizens because of newfound skills and character.

David Jackson, a former inmate and PRIDE worker, now works at Premdor Inc. of Tampa and makes wood doors, Premdor General Manager Frank Moore said that David started as a laborer and worked his way up to lead man of the paint department, supervising three other workers.

Jackson recently was named employee of the month at Premdor, "I love my job," he said. Jackson also said he learned a work ethic at PRIDE of staying with a project until it was finished and doing the best possible quality of work.

A tracking study of 3,876 PRIDE graduates from 1991 through 1994 showed 873 of them had jobs upon release from prison. Of those 873, only 11 percent returned to prison. That is significant compared to the national recidivism rate of 70 percent.

PRIDE officials said that they help prisoners with housing, transportation, clothing and support when they are released so they can land on their feet and start working right away.

Sometimes PRIDE employees have an extra motivation for hard work. Female inmates in PRIDE's textile industry sew their own garments. Briefs they sew are purchased by all female correctional institutions in Florida. They may end up wearing what they made.

PRIDE workers also have made silk screen decals for St. Petersburg police cars. These inmates, who may have ridden in the cars as detainees before sprucing them up, impressed Officer Pete Venero. "They do fantastic work for real competitive prices," he said.

From a public policy standpoint, PRIDE is like a glass of ice water to a parched throat.

Both political parties sing the woeful ballads of prison overcrowding, repeat offenders and prisons' cost to taxpayers. Here is a remedy that works.

There is a lesson here for Indiana, Mayor Stephen Goldsmith has brought the idea of privatization and competition to city government. The race for governor in 1996 ought to include some PRIDE-like proposals for expanding Indiana's prison industries.

[From the Indianapolis News, May 24, 1995]

Saying Bye to Backyard Nukes

(By Paul Glader)

I lived with the Cold War in may backyard.

Ranchers around my area in remote South Dakota sold 1.5-acre sections of their land to serve as nuclear missile launch pads for the U.S. Air Force nearly 30 years ago. More than 13,500 acres in South Dakota were used for this purpose.

The government purposefully put the missiles in states such as South Dakota, North Dakota and Wyoming because of their low populations.

Razor wire surrounded the spots, and missile silos tunneled 60 feet below the surface. A Minuteman II missile rested inside each silo. Small bases were built to house the soldiers who monitored the groups of missile sites.

Occasionally, the soldiers would allow schoolchildren to tour the bases, where they would explain how the missiles program worked. In general, however, people in the area understood little about the international significance of the projectiles in their pastures.

To think that this prairie—their homes and cattle industry—could be in the sights of the Soviet Union's military was a sick contrast to the quiet, peaceful ranch country.

Cows grazed around the sites. The high-tech mesh of metal and wires contrasted with the dry rolling plains.

My sister and I would use the missile stations as checkpoints when we rode our bikes up the long gravel roads.

Armored vehicles periodically zoomed up and down the roads to check on disturbances at the missile sites. Often, the culprits were only birds flying past the radar.

Nearly two years ago, the Air Force vehicles stopped zooming past.

Camouflaged personnel disappeared.

Monstrous Air Force semi-trucks came and hauled away the unearthed missiles.

For a time, the silos lay empty.

Then the government contracted with blasting firms to come and implode the silos with dynamite. This measure was required under the START I treaty.

While home this winter, I covered the blast project for several newspapers in my area. The Air Force officials let the rancher push the button to detonate the implosion on his land. Rather than watching catastrophic destruction, I witnessed a small BOOM and a mushroom puff of dirt.

It is the end of an era for the U.S. military.

The Cold War seemed like a gigantic game of chicken that never developed. We can be thankful, however, that the weapon-holders didn't act prematurely.

Sometimes when you hear about highly complex international disarmament pacts such as the Nuclear Non-Proliferation Treaty and START I and II treaties, it is easy to be confused. It is easy to wonder, "Are they actually disarming?"

But you can be assured by South Dakota's common people that START treaties are followed on this side of the ocean.

The missile wing in ranch country brought down utility bills, and the Air Force paid for maintenance of the gravel roads. On one hand, many of us were disappointed to see the money leave our vast, poor land.

On the other hand, people there may find joy in the fact that we finally may be off the Russian surveillance system.

But in the perspective of most, the missiles and personnel just came and went.

Life hasn't changed too much for us. We still have to fight our own Cold War every winter when we put on our coveralls and go feed the cows.

[From the Indianapolis News, July 20, 1995]

Leaving the Frontier Land

(By Paul Glader)

Leaving a place called Opal to move to the other side of South Dakota with my family last month was the most difficult departure I've ever made.

Actually, Opal is not a town; it is a ranching community. It has a post office (run by a ranchwife in her basement); a K–8 school (two rooms located seven miles east of the post office); a fire department (a rancher's garage storing two watertanks on gooseneck trailers ready to hitch to a pickup); and a small community church.

During the first week after our family moved to the small, double-wide trailer-house at Opal, we found out some of the fringe benefits of my father's position as country preacher to this ranching community: Mail comes three times a week; everybody burns his own trash; you don't have to respect the 55 mph signs that dot the vast system of gravel roads; and rattlesnakes will keep you company when you are lonely.

Some visitors to Opal likened the place to a desert with its dry, yellow grasslands. But those who live around Opal feel it's a haven, partly because some of them own 10,000 or more acres of ranchland there. Their ranches are their castles and their sources of income.

My family did not own cattle or land. We were outsiders coming in. We adapted to the area and loved the people but still felt separate. You have to be born into a ranch family to be a cowboy. I knew I would never become one.

But now that we have moved from Opal, I see the profound impact Opal and its people had on my life, even though I remained a city-slicker while I was there.

A natural development for young boys was to seek work as a junior ranch hand. I worked for many ranchers, mostly hoeing tree patches, cleaning sheep barns, occasionally driving tractors and helping with sheep shearings.

One rancher, Clair Weiss, often had me hoe his eight-row tree patch. (Each row, by the way, was about 200 yards long.) I remember baking in the sun while chopping the 3-foot high weeds down from around the small cedar trees.

Some boys who grow up on the plains love the adventuresome, back-breaking cowboy life and grow up to own ranches. As I hoed my way past long rows of trees, I knew I couldn't spend my life in this place. But I realized that somehow, this exhausting labor in the hot sun would be to my benefit in the long run.

I knew I had to finish the job, and do it well, or Weiss wouldn't be pleased with me. Today, I cherish that early lesson complete with blisters and sunburn because the work ethic has stayed with me in jobs since them.

When I was 14, I met a hermit. He lived three miles from me as a crow flies. Through the years, he has become one of my best friends. He left art, academia and business to find truth and serenity away from the fast-paced world. He only gets to town about twice a year for supplies.

This modern-day hermit counseled me to continue learning rather than spend my time on pleasure, as did many of my peers.

He always told me of his new experiments with animals, such as training his dog, geese, turkeys and pheasants to get along. He also trained his geese to fly alongside his pickup truck.

He started teaching me photography, and took my senior pictures for no charge. He had dinner with my family and made dinner for our family many times.

We talked on the phone at least three times a week. Our conversations ranged from the adverse effects of Keynesian economics to gardening techniques.

He understood my desires for culture, knowledge and success because he once had them.

He calls me his grandson. I call him "grampaw." Now that I am gone, our relationship will have to be maintained through phone calls and letters instead of regular get-togethers.

I miss my ascetic grampaw. I miss the boots, wranglers, belt buckles and cowboy hats.

Sometimes we don't realize the good things until we have left them. Now that I have moved, I see there is no place on earth like Opal.

TRIBUTE TO NORMAN SANDAGER

Mr. PRESSLER. Mr. President, today I rise to pay special tribute to Norman Sandager, a South Dakotan and a veteran of the Korean war. Norman represents the very best our Nation sent to Korea when on June 25, 1950, the North Korean People's Army swept over the 38th parallel in an effort to extinguish the light of freedom for the people of South Korea. As a U.S. marine, and commander of a machine gun squadron, Norman Sandager helped thrust back an invading tide of communist aggression in South Korea. In fact, Norman successfully led his machine gun squadron of 13 men through

200 days of combat without losing a single soldier or taking any wounded in his group. Norman's achievement speaks highly of his courage and commitment.

Mr. President, the Korean war is sometimes referred to as the "forgotten war," possibly because it so closely followed the Second World War and was in many ways overshadowed by the divisive Vietnam war. Nevertheless, Norman's service and sacrifice are not forgotten. Norman put his life in harm's way by crossing the 38th parallel five times on behalf of a people he did not know except for the shared bond of liberty and freedom. In doing so he has enobled himself and our Nation. It is for his service and the service of thousands of brave, patriotic Americans that we recently dedicated the Korean War Memorial—a moving tribute to those who served. As a Vietnam veteran myself, having served in the United States Army, I extend my sincere appreciation for his answering the call to duty more than 40 years ago.

REMOVAL OF INJUNCTION OF SECRECY—EXTRADITION TREATY WITH BOLIVIA, TREATY DOCUMENT NO. 104–22

Mrs. KASSEBAUM. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from the Extradition Treaty with Bolivia, Treaty Document No. 104–22, transmitted to the Senate by the President on October 10, 1995; that the treaty be considered as having been read for the first time; referred, with accompanying papers, to the Committee on Foreign Relations and ordered to be printed; and ordered that the President's message be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The message of the President is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Extradition Treaty Between the Government of the United States of America and the Government of the Republic of Bolivia, signed at La Paz on June 27, 1995.

I transmit also, for the information of the Senate, the report of the Department of State with respect to the Treaty, and copies of diplomatic notes dated June 27, 1995, which were exchanged at the time of signing of the Treaty. Those notes set forth the expectations of the two Governments regarding the types of assistance each Government would provide to the other in extradition proceedings, pursuant to Article XVI of the Treaty.

The Treaty establishes the conditions and procedures for extradition between the United States and Bolivia. It also provides a legal basis for temporarily surrendering prisoners to stand trial for crimes against the laws of the Requesting State.

The Treaty represents an important step in combatting narcotics trafficking and terrorism, by providing for the mandatory extradition of nationals of the Requested State in a broad range of serious criminal offenses.

The provisions in this Treaty are substantively similar to those of other extradition treaties recently concluded by the United States.

This Treaty will make a significant contribution to international cooperation in law enforcement. I recommend that the Senate give early and favorable consideration to the Treaty and give its advice and consent to ratification.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *October 10, 1995.*

ORDERS FOR WEDNESDAY, OCTOBER 11, 1995

Mrs. KASSEBAUM. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 10:15 a.m., on Wednesday, October 11, 1995; that following the prayer, the Journal of proceedings be deemed approved to date, the time for the two leaders be reserved for their use later in the day; and that there then be a period for morning business until the hour of 11:30 a.m., with Senators permitted to speak for up to 5 minutes each with the exception of the following: Senator WARNER 20 minutes, Senator GRAMS 10 minutes, Senator DASCHLE 30 minutes.

I further ask unanimous consent that at 11:30 a.m., the Senate resume consideration of S. 143, the Workforce Development Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mrs. KASSEBAUM. Mr. President, for the information of all Senators the Senate will resume the Workforce Development Act tomorrow at 11:30 a.m. Rollcall votes can be expected on or in relation to any remaining amendments to that bill. And it is the majority leader's hope that the Senate will complete action on S. 143 at an early hour on Wednesday.

Following the completion of that bill, the Senate may begin consideration of the State Department reorganization bill, if available.

Senators are also reminded that there will be a joint meeting tomorrow morning at 9 a.m., commemorating the anniversary of the ending of World War II. Senators should gather in the Senate Chamber at 8:45 a.m., to proceed to the Hall of the House of Representatives 8:50 a.m., for the ceremony.

Mr. President, I would like to clarify that morning business tomorrow morning extends to 11:30 a.m.

RECESS UNTIL 10:15 A.M. TOMORROW

Mrs. KASSEBAUM. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in recess under the previous order.

There being no objection, the Senate, at 8:03 p.m., recessed until Wednesday, October 11, 1995, at 10:15 a.m.

NOMINATIONS

Executive nominations received by the Senate October 10, 1995:

NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE

C.E. ABRAMSON, OF MONTANA, TO BE A MEMBER OF THE NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE FOR A TERM EXPIRING JULY 19, 2000, VICE BARBARA J. H. TAYLOR, TERM EXPIRED.

WALTER ANDERSON, OF NEW YORK, TO BE A MEMBER OF THE NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE FOR A TERM EXPIRING JULY 19, 2000.

LEGAL SERVICES CORPORATION

LAVEEDA MORGAN BATTLE, OF ALABAMA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE LEGAL SERVICES CORPORATION FOR A TERM EXPIRING JULY 18, 1998. (REAPPOINTMENT)

JOHN N. ERLENBORN, OF ILLINOIS, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE LEGAL SERVICES CORPORATION FOR A TERM EXPIRING JULY 13, 1998, VICE JOHN G. BROOKS, TERM EXPIRED.

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

DAVID FINN, OF NEW YORK, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE HUMANITIES FOR A TERM EXPIRING JANUARY 26, 2000, VICE BILLIE DAVIS GAINES, TERM EXPIRED.

THE JUDICIARY

JOSEPH H. GALE, OF VIRGINIA, TO BE A JUDGE OF THE UNITED STATES TAX COURT FOR A TERM EXPIRING 15 YEARS AFTER HE TAKES OFFICE, VICE EDNA GAYNELL PARKER, RESIGNED.

AFRICAN DEVELOPMENT FOUNDATION

ERNEST G. GREEN, OF THE DISTRICT OF COLUMBIA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE AFRICAN DEVELOPMENT FOUNDATION FOR A TERM EXPIRING SEPTEMBER 22, 2001. (REAPPOINTMENT)

IN THE AIR FORCE

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be lieutenant general

MAJ. GEN. NICHOLAS B. KEHOE III [redacted] U.S. AIR FORCE.

THE FOLLOWING AIR NATIONAL GUARD OF THE UNITED STATES OFFICERS FOR PROMOTION IN THE RESERVE OF THE AIR FORCE UNDER THE PROVISIONS OF SECTIONS 12203 AND 8379, TITLE 10 OF THE UNITED STATES CODE. PROMOTIONS MADE UNDER SECTION 8379 AND CONFIRMED BY THE SENATE UNDER SECTION 12203 SHALL BEAR AN EFFECTIVE DATE ESTABLISHED IN ACCORDANCE WITH SECTION 8374, TITLE 10 OF THE UNITED STATES CODE:

LINE

To be lieutenant colonel

JULIAN ANDREWS [redacted]
LARITA A. ARAGON [redacted]
WESLEY A. BEAM, JR [redacted]
STEVEN P. BECK [redacted]
JACK M. FEARNEYHOUGH [redacted]
CURTIS T. HARRIS [redacted]
JOHN R. HASLETT III [redacted]
DONALD A. HAUGHT [redacted]
BARTON J. HIBBARD [redacted]
FRED R. JOHNSON [redacted]
ROBIN W. LANGENHAHN [redacted]
BRUCE R. MACOMBER [redacted]
STANLEY J. OSSERMAN [redacted]
JAMES A. PATTERSON [redacted]
SCOTT D. ROBINSON [redacted]
ROBERT C. RYAN [redacted]
MONTY J. VALENTINE [redacted]
DARRYLL D.M. WONG [redacted]

MEDICAL CORPS

To be lieutenant colonel

THOMAS C. ROTKIS [redacted]

NURSE CORPS

To be lieutenant colonel

JANICE L. ANDERSON [redacted]

IN THE ARMY

THE FOLLOWING-NAMED OFFICER, ON THE ACTIVE DUTY LIST, FOR PROMOTION TO THE GRADE INDICATED IN THE UNITED STATES ARMY IN ACCORDANCE WITH SECTIONS 618, 624 AND 628, TITLE 10, UNITED STATES CODE:

MEDICAL CORPS

To be major

AMY M. AUTRY [redacted]

THE FOLLOWING-NAMED OFFICERS, ON THE ACTIVE DUTY LIST, FOR PROMOTION TO THE GRADES INDICATED IN THE UNITED STATES ARMY IN ACCORDANCE WITH SECTIONS 618, 624 AND 628, TITLE 10, UNITED STATES CODE:

JUDGE ADVOCATE GENERAL

To be colonel

MICHAEL B. NEVEU [redacted]

CHAPLAIN CORPS

To be lieutenant colonel

ROBERT A. DIGGS [redacted]

THE FOLLOWING-NAMED OFFICER, ON THE ACTIVE DUTY LIST, FOR PROMOTION TO THE GRADE INDICATED IN THE UNITED STATES ARMY IN ACCORDANCE WITH SECTIONS 618, 624 AND 628, TITLE 10, UNITED STATES CODE:

VETERINARY CORPS

To be major

DUANE A. BELOTE [redacted]

IN THE MARINE CORPS

THE FOLLOWING-NAMED OFFICERS OF THE REGULAR MARINE CORPS FOR PERMANENT APPOINTMENT AS LIMITED DUTY OFFICERS TO THE GRADE OF CAPTAIN UNDER PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 531:

THURMOND BELL [redacted]
MICHAEL O. BIDDLE [redacted]
MITCHELL D. BLACK [redacted]
TIMOTHY J. BOOTH [redacted]
DOUGLAS D. BOWEN [redacted]
TONY W. BRILL [redacted]
MICHAEL E. BROWN [redacted]
WILLIAM J. BUDDS [redacted]
LEO E. CAMPBELL [redacted]
ROBERT L. CAMPBELL [redacted]
RICHARD A. CLARK [redacted]
BOBBY G. CLEMENT, JR [redacted]
RONALD W. COCHRAN [redacted]
DONALD E. DAVIS [redacted]
JOSEPH B. DAVIS, JR [redacted]
TIMOTHY C. DIETZ [redacted]
JAMES J. DIXON [redacted]
DONALD A. DYKSTRA [redacted]
DAVE C. ENGLERT [redacted]
DONALD E. EVANS, JR [redacted]
JAY E. FERRISS [redacted]
JAMES A. GAVITT [redacted]
JAMES E. GLICK [redacted]
GARY P. GONTHIER [redacted]
CYNTHIA A. GREENLEE [redacted]
GERALD J. GRIFFI [redacted]
ROBERT W. GROSS [redacted]
SCOTT T. HANSEN [redacted]
NICKEY R. HARRELL [redacted]
WILLIAM E. HIDLE [redacted]
MELVIN N. HILDERBRAND [redacted]
FRANK L. HOLOBINKO [redacted]
DANNY A. HURD [redacted]
JOHN F. IRVING [redacted]
LARRY D. JOHNSON [redacted]
MICHAEL J. KOEHLER [redacted]
TERRY D. LAUGHLIN [redacted]
LYLE G. LAYHER [redacted]
DAVID L. LINK [redacted]
JOHN M. LITTLE [redacted]
MILLIE E. MCCOY [redacted]
DAN M. MIELKE [redacted]
JOEL G. MILLER [redacted]
MARK A. OUELLETTE [redacted]
DARRYL S. PHILLIPS [redacted]
JOHN A. PIROLI [redacted]
WALTON S. PITCHFORD [redacted]
RONALD K. POSEY [redacted]
CHRISTOPHER A. PROSSER [redacted]
JAIME QUINONESGONZALES [redacted]
EDWARD R. RANES [redacted]
CHRISTOPHER C. REVELL [redacted]
BRENDA L. ROBERTS [redacted]
CHARLES A. ROTONDA [redacted]
JOHN J. SCHWARZEL [redacted]
SHAWN R. SHIVES [redacted]
SONNY H. SIDHU, JR [redacted]
MICHAEL P. SMITH [redacted]
KENNETH O. SPITTLER [redacted]
DONALD L. STPIERRE [redacted]
RONALD H. TALLMADGE [redacted]
ROBERT L. TURPIN [redacted]
MICHAEL A. VALADEZ [redacted]
KATHY L. VELEZ [redacted]
PHILLIP R. WAHLE [redacted]
ERNEST R. WALLS [redacted]

IN THE AIR FORCE

THE FOLLOWING OFFICERS FOR PROMOTION AS RESERVE OF THE AIR FORCE, UNDER THE PROVISIONS OF SECTIONS 12203, 8366, AND 8372, OF TITLE 10, UNITED STATES CODE. PROMOTIONS MADE UNDER SECTION 8372 AND CONFIRMED BY THE SENATE UNDER SECTION 12203 SHALL BEAR AN EFFECTIVE DATE OF 16 JUNE 1995 AND PROMOTIONS MADE UNDER SECTION 8366 SHALL BE EFFECTIVE UPON COMPLETION OF SEVEN YEARS OF PROMOTION SERVICE AND TWENTY-ONE YEARS OF TOTAL SERVICE, UNLESS A LATER PROMOTION EFFECTIVE DATE IS REQUIRED BY SECTION 8372(C), OR THE PROMOTION EFFECTIVE DATE IS DELAYED IN ACCORDANCE WITH SECTION 8380(B) OF TITLE 10.

LINE OF THE AIR FORCE RESERVE

To be lieutenant colonel

LARAINE L. ACOSTA [redacted]
BRUCE M. ALLEN [redacted]
ELLIOTT W. ALLEN, JR [redacted]
HERBERT R. ALLEN [redacted]
JOHN M. ALLEN [redacted]
MARK G. ALLEN [redacted]
SCOTT G. ALLEN [redacted]
DARRELL E. ANDERSON [redacted]
LARRY D. ANDERSON [redacted]
PETER T. ANDRES [redacted]
STEPHEN J. ANTHONY [redacted]
FRED A. ANTOON [redacted]
LESLIE R. ANZJON [redacted]
DONALD E. ARAVICH [redacted]
TERRY K. ARNDT [redacted]
STEPHEN TYLER ARNOLD [redacted]
ROBERT S. ARTHUR [redacted]
JAMES E. ASTOR [redacted]
RALPH L. BALZL [redacted]
BARBARA J. BANKS [redacted]
STEVEN L. BARBER [redacted]
WAYNE J. BARNUM [redacted]
RANDALL R. BARRETT [redacted]
ROBERT H. BEEBE [redacted]
DAVID S. BEIDEL [redacted]
BILLY D. BELL [redacted]
JOHN S. BELL [redacted]
RICHARD L. BENBOW [redacted]
GEORGE N. BENTLEY, JR [redacted]
WILLIAM E. BEST [redacted]
GILBERT C. BETZ [redacted]
ROBERT W. BIGI [redacted]
THOMAS C. BILLS [redacted]
ROGER A. BINDER [redacted]
LUCINDA A. BLACKWELL [redacted]
THOMAS R. BLANKENBILLER [redacted]
WILLIAM R. BOLDUC [redacted]
PHILLIP D. BOOTH [redacted]
WILLIAM A. BOSWELL [redacted]
LORRIE J. BOURLAND [redacted]
GAYLE I. BOWEN [redacted]
FOSTER S. BOYD [redacted]
GREGORY M. BOYER [redacted]
WALTER L. BRANT [redacted]
WILLIAM T. BRANUM [redacted]
RICHARD W. BRAUN [redacted]
JOHN R. BREUNINGER, JR [redacted]
CHARLES C. BRIGHT [redacted]
DENNIS D. BRIGHT [redacted]
DAVID A. BRISSON [redacted]
BEN M. BRISTOW [redacted]
RICHARD J. BROOKS [redacted]
STEPHANIE A. BROTHERTON [redacted]
RICHARD S. BROWN [redacted]
THOMAS W. BROWN [redacted]
THOMAS W. BROWN [redacted]
RICHARD G. BRUMPTON [redacted]
JOHN M. BRUSASCO [redacted]
MICHAEL A. BUNCH [redacted]
DONALD J. BURAND [redacted]
OLIVIA A. BURGESS [redacted]
CHRISTOPHER A. BURK [redacted]
KEVIN A. BUSHEY [redacted]
MICHAEL J. BYERS [redacted]
GREGORY L. CADICE [redacted]
MATTHEW B. CAFFREY, JR [redacted]
JOHN W. CALKINS [redacted]
CHESTER F. CAMP [redacted]
DONALD W. CAMPBELL [redacted]
KEVIN D. CAMPBELL [redacted]
DICKSON M. CAPPS [redacted]
MICHAEL L. CARAKER [redacted]
DARRYL R. CARATTINI [redacted]
JOHN J. CARLSON [redacted]
CAROLYN S. CARNEY [redacted]
JAMES L. CARTER [redacted]
MARK L. CARTER [redacted]
RICKY E. CARTER [redacted]
JOHN L. CARVAJAL, JR [redacted]
MAUREEN P. CASHMON [redacted]
FRANK J. CASSERINO [redacted]
STEPHEN CAVANAUGH [redacted]
KENNETH P. CHATELAIN [redacted]
PHILLIP S. CHERRY [redacted]
DAVID R. CHESSER [redacted]
MATT A. CHRIST [redacted]
DAVID R. CIDALE [redacted]
CARLOS G. CINTRON [redacted]
WILLIAM G. CLAPP [redacted]
WALTER J. CLARK [redacted]
WAYNE C. CLOSE [redacted]
GREG D. COLLIER [redacted]
DAVID L. COMMONS [redacted]
JOHN D. COMPTON [redacted]
LLYLE R. CONNER [redacted]
STEVEN R. CONNER [redacted]
RICHARD P. CONNIFF, JR [redacted]
DWIGHT W. COOK [redacted]
ROBERT S. COOMBS [redacted]
HARVEY J. COPSEY [redacted]
DOUGLAS L. CORBETT [redacted]
PATRICK A. CORD [redacted]
MICHAEL D. CORNELL [redacted]
NORMAN G. CORREA [redacted]
KENNETH A. COSTA [redacted]
STEVEN L. CRAIG [redacted]
SAMUEL E. CRAIN, JR [redacted]
RANDALL L. CRANE [redacted]
MARVIN D. CRATER [redacted]
JAMES V. CROMARTIE [redacted]
SILAS R. CRUTHIRDS, JR [redacted]
DAVID R. CULVER [redacted]
DAVID C. CUNNINGHAM [redacted]
PHILLIP K. CURRY [redacted]
JOHN CZABARANEK [redacted]
MICHAEL B. DAETWYLER [redacted]
WALTER L. DAFFRON III [redacted]
ARVID E. DAHLSTROM, JR [redacted]
ROBERT R. DAVIES [redacted]
ROBERT E. DAWSON III [redacted]
RONALD E. DELGIZZI [redacted]
MAX H. DELLAPIA [redacted]
PAUL DESISTO [redacted]
STEPHEN D. DETRO [redacted]
LOUISE M. DEWILDER [redacted]
GRADY L. DICKEY [redacted]
DENNIS M. DIGGETT [redacted]
VIRGINIA A. DILK [redacted]
SANDRA J. DISTRETTI [redacted]
CHRISTOPHER R. DIXON [redacted]
HENRY H. DORTON, JR [redacted]
LESTER E.R. DOTY [redacted]
FRANK J. DUBUISSON [redacted]
RICHARD M. DUESING [redacted]
JEFFREY L. DUNCAN [redacted]
WARREN L. EASTMAN [redacted]
GEORGE W. EDMONDS, JR [redacted]
ROGER W. ELLIS [redacted]
BRIAN R. EMARD, 002-44-6496
WILLIAM R. ETHERIDGE [redacted]
LARRY L. ETZEL [redacted]
FAITH H. FADOK [redacted]
DAVID E. FARAM [redacted]
ARTHUR J. FARRINGTON [redacted]
CHARLES E. FELTON [redacted]
STEWART T. FERGEN [redacted]
DAVID L. FERRE [redacted]
RICHARD R. FETTERMAN [redacted]
KENNETH M. FINN [redacted]
CLIFFORD N. FISHER [redacted]
MAX L. FISHER [redacted]
DENNIS R. FORINASH [redacted]
LAWRENCE A. FRANKLIN [redacted]
GEORGE R. FREEMAN [redacted]
CHARLES FREUND III [redacted]
THOMAS W. FREY [redacted]
PAUL C. FULKERSON [redacted]
BARRY D. FULLER [redacted]
RUBEN GARANSUAY [redacted]
DAVID A. GARCIA [redacted]
RICHARD A. GASSMAN [redacted]
ROBERT H. GAST, JR [redacted]
DAVID A. GILBERT [redacted]
CHRIS G. GOETSCH [redacted]
BRIAN V. GOMES [redacted]
ANTONIO E. GOMEZ [redacted]
DALE G. GOODRICH [redacted]
GUY B. GORDON [redacted]
SHARON L. GRADY [redacted]
BILLY M. GREEN [redacted]
EUGENE W. GREEN, JR [redacted]
HOWELL R. GREEN [redacted]
JOHN D. GREENE [redacted]
MICHAEL A. GRIFFITH [redacted]
WILLARD D. GRIFFITH, JR [redacted]
GWENDOLYN L.C. GRIMES [redacted]
LAWRENCE R. GROELINGER [redacted]
PAUL R. GROSKREUTZ [redacted]
TERRY M. GRUBER [redacted]
WILLIAM R. GUARINO [redacted]
KENNETH E. GUILES [redacted]
TIMOTHY J. GUMP [redacted]
JEFFREY L. HACKETT [redacted]
KATHLEEN A. HALE [redacted]
DAVID C. HALL [redacted]
DONALD J. HALLEY [redacted]
MARK D. HALSOR [redacted]
RICHARD E. HANSON [redacted]
DAVID M. HARDWICK [redacted]
CHARLES E. HARDY [redacted]
FRANCIS W. HARKINS, JR [redacted]
JERROLD H. HARNAGEL, JR [redacted]
STEPHEN HARRIS [redacted]
WILLIAM J. HARVEY, JR [redacted]
PATRICK J. HATHAWAY [redacted]
DAVID A. HAUGEN [redacted]
DAVID R. HAULMAN [redacted]
ALFRED D. HAWLEY III [redacted]
THOMAS J. HAYDEN [redacted]
RICHARD R. HAYES [redacted]

GEOFFREY L. HAYS [redacted]
CYNTHIA L. HAZELTON [redacted]
JEAN M. HAZLETT [redacted]
THOMAS A. HELMS [redacted]
RICHARD F. J. HENTERLY, JR [redacted]
DUWAYNE P. HEUPEL [redacted]
MICHAEL T. HIGGINSON [redacted]
RANDALL C. HILL [redacted]
ELWOOD H. HIPPEL, JR [redacted]
RALPH M. HITCHENS [redacted]
CLAUDE A. HODGES, JR [redacted]
KLAUS J. HOEHNA [redacted]
GREGORY D. HOFACRE [redacted]
STEPHEN J. HOGAN [redacted]
PATRICIA L. HOLLAND [redacted]
PAUL D. HOLLEN II [redacted]
JERRY D. HORNE [redacted]
ARTHUR W. HORTON, JR. [redacted]
JAMES R. HOSEY, JR [redacted]
JOHN T. HUFFMAN, JR [redacted]
JOHN W. HUFFMAN [redacted]
WARD S. HUFFMAN [redacted]
HENRY A. HUGGINS II [redacted]
RODNEY K. HUNTER [redacted]
KARL J. HURDLE [redacted]
LEE R. HUTCHINSON [redacted]
VANNESS IRVINE [redacted]
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EXTENSIONS OF REMARKS

THE UNITED NATIONS CONFERENCE ON WOMEN IN BEIJING—SUCCESSFUL ASSESSMENT GIVEN BY JOURNALIST JUDY WOODRUFF

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 10, 1995

Mr. LANTOS. Mr. Speaker, United States participation in the United Nations Conference on Women, which was held in Beijing in early September, was far more controversial in the United States than it should have been. Questions were raised about the appropriateness of American participation because the conference was held in China and, clearly, the human rights record of the Beijing regime is appalling. Others expressed concern about the supposedly "radical" agenda of the conference.

Mr. Speaker, I defended United States participation in the conference as appropriate and useful in several International Relations Committee hearings on that issue. I feel strongly that participation was in our interest. This was a U.N. conference, not a Chinese conference. The agenda and the procedures were agreed to by the member states of the United Nations, not dictated by the Chinese Government.

I personally opposed the decision of the Bush Administration to accept Beijing as the site of the conference. But I recognize that it was the executive branch's prerogative to make that decision. Those who argued that we should have refused to participate ignored the fact that our absence would have been detrimental to our Nation's standing in the world and would have eliminated all possibility of our influencing the work of the conference in galvanizing the international community into meaningful action to advance the status of women.

Mr. Speaker, many countries shared the concerns that were expressed about U.S. participation, but they decided that the best option was to go to Beijing and engage in the most open forum possible under the circumstances. We fully realized that the Chinese would attempt to place severe limits on freedom of action, and they did so. At the same time, however, our delegates protested these violations of internationally recognized rights.

Our presence in Beijing and the presence in Beijing of a large gathering of non-Chinese from all over the world had important repercussions on that very closed society. The voices of our American participants were heard, and our American women brought to the conference unparalleled commitment, expertise, experience, vision, and the passionate commitment to a free and open society.

Mr. Speaker, Judy Woodruff, an outstanding journalist and an anchor and senior correspondent of CNN, was one of the many international correspondents who attended and reported on the U.N. Conference on Women in Beijing. In the Washington Post, October 1, 1995 she gave her assessment of the conference. Ms. Woodruff has given us an excellent evaluation of the results of the conference. Mr. Speaker, I ask that Ms. Woodruff's article be placed in the RECORD and I urge my colleagues to give careful attention to her thoughtful views.

[From the Washington Post, Oct. 1, 1995]

BEIJING: A REAL PICTURE . . .

(By Judy Woodruff)

Since returning earlier this month from 2½ weeks of covering the Fourth World Conference on Women in Beijing, I have been repeatedly asked what it was like to arm-wrestle muscular Chinese security men amid nude protesters while reporting on the dominant issue of lesbian rights.

The Chinese police, uniformed and plainclothed, were ubiquitous, carrying out the orders of a government determined to minimize contact between foreigners and the Chinese population. The security was at times oppressive; there were hall "monitors" in most hotels. Buses were unreliable and conditions were especially difficult in Huairou, where the 32,000 nongovernmental organization (NGO) delegates were forced to gather, largely isolated, as the Chinese had wanted. All of them put up with relentless rain and ankle-deep mud in order to move from one workshop to another.

But the picture, fed by conservative critics, of a festival of radical feminism where ideas germinated in the West were spread aggressively among wide-eyed disciples from the rest of the world, didn't match the conference that I covered. Despite some of China's anti-women practices—a one-child policy that has led to frequent abortion of female fetuses, for example—it was fitting the conference was held in the world's most populous and dynamic continent. The Far Eastern Economic Review—hardly a beacon of radicalism—noted: "Just as Asia has outstripped the rest of the world in economic growth, so too has the continent experienced more than its share of the attendant social dislocations and what is termed in conference jargon the 'feminization' of poverty."

Indeed what the Beijing conference really was about was tens of thousands of women—and more than a handful of supportive men—who raised the money and carved out time to travel long distances to discuss and exchange valuable information about their work promoting health, education, and economic opportunity for women and girls and preventing violence. Some whom I met and interviewed for CNN were particularly memorable.

Merab Kiremire of Lusaka, Zambia, who three years ago started a program to give prostitutes information and skills to get them off the streets and into jobs. "I want to tell the world," Kiremire said, "that a lot of African women go into prostitution not because they want to but because they have no other alternatives." Since 1992, Kiremire has helped more than 150 prostitutes move to different occupations but also has seen dozens of women become sick with HIV infections, some of whom have died. She is a passionate advocate of the need to devote more resources to women's health and education.

Stories of violence against women and exploitation of women were pervasive at the conference, both at the formal U.N. session and at the NGO meeting. Jacqueline Pitanguy of Rio de Janiero runs an organization that tries to help domestic workers, who she says are paid little for their long hours, yet are devalued by society and physically isolated, making it hard for them to speak out about their plight. Back in Rio, she told me the conference Platform for Action "gives us international legitimacy . . . so in moments of difficulty . . . [public policy makers can't argue] what I'm saying is crazy; it can be supported by a document to which my country has agreed."

Among the many remarkable mothers and daughters who came together to the conference were Estefania Aldaba-Lim and her daughter, Cecilia Lazaro, from Manila. Aldaba-Lim, an official delegate and a former minister of social development and welfare in the Philippines, told riveting stories about her work during the past two decades with the "marginalized members of the population," the more than 55 percent of women in her country who are impoverished. They have been victims of incest, abuse and violence in the home; many have been forced to migrate to the United States and elsewhere to work as domestics to send money back to support the families they left behind. Anyone who doesn't understand the pain of a young mother leaving her children behind in order to try to provide some minimal economic security, ought to talk with Aldaba-Lim and Lazaro. The daughter, a television journalist, is just as eloquent: She says her mother, who was widowed at an early age, is her role model—a woman of privilege who has worked tirelessly for the less fortunate of her country.

Despite tight restrictions, the sessions had a visible effect on some Chinese women there. Chen Shu Yun, from the ancient capital of Xian, is a senior engineer and international trade specialist who is on the standing committee of the provincial people's congress in her home. Steering clear of publicized controversies in her country, Chen nevertheless came away determined to help women get better access to schooling and jobs. "Before this, I didn't pay enough attention to women's problems," she said, adding she plans to go back to her provincial government and suggest "a special group for the women's affairs. We have the special group . . . for the economic, for the industry, for the foreign affairs, but not for the women affairs."

To the skeptics who dismiss the Beijing conference as an inconsequential event in the world of serious international affairs, that will be true only if international and grass-roots organizations don't hold governments accountable. And to those who argue there was a dangerous political agenda at work, that is true only if you believe there is something dangerous about helping 70 percent of the world's poor, who happen to be women.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

HONORING THE WHITTINGTON CENTER

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 10, 1995

Mr. RICHARDSON. Mr. Speaker, this country's premier shooting and hunting center is located in northern New Mexico in my congressional district. As the proud Representative of the Whittington Center, I was honored to have had a tour of this outstanding facility during the August congressional recess.

As my colleagues debate and consider gun control measures, I would strongly suggest they too visit the Whittington Center and see first hand how responsible gun owners are training, shooting, and exercising their second amendment right.

Founded by the National Rifle Association in 1973, the Whittington Center is located in Raton, a wonderful community which has long been proud of its NRA neighbor. Whittington Center executive director Mike Ballew guided me through the Whittington complex. This facility, located on 52 square miles, is visited by some 70,000 people each year. It offers not just world class ranges for a variety of shooting, but hunting opportunities, training and camping sites. This is a first class center that all law-abiding shooters can be proud of.

While the Whittington Center is well known among the shooting public and hosts many competitive local, State, regional, and national matches, it does not receive much publicity. I agree with a recent commentary offered by Raton city commissioner Chip Ciammaichella that this center and the shooting sport deserves greater coverage so that more of our citizens have a better understanding of the NRA, the Whittington Center, and those who visit it.

I urge my colleagues to read Commissioner Ciammaichella's comments which follow as well as review literature I received from the Whittington Center during my August visit.

[From the Raton Range, Sept. 12, 1995]

SHOOTING SPORTS DESERVE MORE COVERAGE

(By Chip Ciammaichella)

Hearty congratulations to my good friend Ed Hager. He recently competed in the National Rifle Matches at Camp Perry, Ohio, and did very well. The "National Matches," as shooters have called them for years, is the Super Bowl of competitive high-powered rifle target shooting, drawing thousands of America's best civilian and military marksmen.

Ed competed in the "President's" match, as well as the National Trophy Match. Both matches had more than 1,400 top-notch participants, yet Ed was able to win the bronze medal in the Trophy Match, with only a mental lapse denying him first place. In the President's Match, Ed placed in the "President's 100" for the second straight year. Well done, buddy.

It's shame that Ed's achievements in such national competitions receive little or no local news' coverage. I realize that much of our local news comes from wire services and press releases, and today's high-tech communications make a wealth of information available from these sources. With so much information available at a news organizations' fingertips, much less time is spent "digging" for news. Since many people don't wish to "toot their own horn" with a press release, their achievements go un-noticed by the media. I guess, there's no substitute for good, old-fashioned legwork.

I realize that the shooting sports aren't football, but in Raton, I think that they should receive more coverage than at present. After all, we're the home of the NRA Whittington Center, easily the finest outdoor shooting facility in the world. Thousands of people shoot here every year, many of them in competition.

Whittington Center hosts many local, state, regional and national matches, and the number of large regional and national matches held here is increasing every year. With the future of Camp Perry always under attack, chances are good that the National Matches themselves will be held in Raton sometime in the not-too-distant future.

Raton benefits from the success of Whittington Center and the people who use the facility help our local economy. They stay in our motels, eat at our restaurants, fill-up at our gas stations and buy goods and services from our local merchants. Some even decide to move here. A little more news coverage of their exploits at Whittington would make them feel more at home and enhance their perception of Raton.

The combination of Whittington Center here in Raton, the respected Trinidad State Junior College gunsmithing school over the hill, New Mexico's reasonable gun laws and the natural beauty of our area make Raton an attractive prospective home to industry related to the shooting sports and firearms. It's a natural fit and a few firearms-related companies are already seriously eyeing Raton. I'm confident that more will follow, creating jobs for local people and helping to strengthen our local economy.

To succeed in drawing these companies to Raton, we need to have a better coordinated effort. While the Raton Chamber and Economic Development Council, Inc. has already targeted firearms-related industry, both government and the media can help out. Local government can best help by working to provide the infrastructure and quality of life that will make our community even more attractive to prospective businesses and individuals. The media can help out by paying more attention to the shooting sports and the people who compete in them.

I don't want to say that our local media has ignored shooting. Jim Roper and KRTN did quite a bit to make Whittington Center a reality, and Curtis Williams of The Range has just discovered the joys of practical pistol shooting. I'd just like to see a little more coverage of the matches held at Whittington and the people who compete in them. I'd also like to see coverage of some of our local shooters who compete at the state, regional or national levels.

NRA Whittington Center and the Raton Practical Shooting Club (Rat-Pack), will be hosting the USPSA/IPSC Area II practical shooting championships next spring. As a member of the Rat-Pack, albeit not one of the better shooters, I would like to compete. Between now and then I'm going to practice my little heart out, hoping to have a respectable showing in the match. Everyone, including Bill Richardson, knows that I crave attention. If I screw up and actually win the match (not blood likely), I'd sure like to hear my name on the radio and see my picture in the newspaper.

Better yet, maybe I'll just brag that I'm gonna win the thing, hands down, kind of like Cassius Clay used to do. Then, when I lose badly, The Range will definitely run the story.

NRA WHITTINGTON CENTER

"THE FUTURE OF SHOOTING"

Founded by NRA members . . . for NRA members

Founded in 1973, the NRA Whittington Center is the largest and most complete shooting and hunting complex in the world. Located on 52 beautiful square miles of New Mexico countryside, the NRA Whittington Center is truly your Whittington Center, with more than 70,000 visitors each year.

Created for the use of all NRA members and their families, the NRA Whittington Center offers an impressive range of fully-equipped shooting range facilities, camping and recreational areas, and some of the best hunting anywhere.

The NRA Whittington Center is owned, operated and funded by thousands of NRA members who want to preserve our hunting and shooting heritage of firearms ownership, hunting, and the shooting sports.

SHOOTING

"World-class ranges"

To play host for many of the top competitions in the world requires the best facilities . . . and that's exactly what you'll find at the NRA Whittington Center. An incredible variety of ranges are available—including high power, metallic silhouette, skeet, pistol, black powder, hunter sight-in, smallbore, trap and sporting clays.

All range facilities are designed to create the ideal shooting environment with safety as a priority.

HUNTING

"Trophy class"

The game rich NRA Whittington Center offers hunting opportunities for deer, elk, turkey, black bear, and more. Through effective wildlife management, consistently high success rates are achieved for all species at the Center . . . the finest hunting country in the Rockies. Everything you need to create the hunting and recreation adventure of a lifetime is available.

TRAINING

"Safety as a priority"

Firearms training makes up an important part of the activities at the NRA Whittington Center. Nationally-known instructors regularly conduct training in all shooting disciplines. Marksmanship and competition are strongly promoted, with the guiding principle of the safe handling of firearms.

NRA Whittington Center needs you!

You know what the best thing about the NRA Whittington Center is? It truly is Your NRA Whittington Center. The Center relies solely on the tax-deductible contributions of thousands of NRA members. Whether you plan to use this world-class facility or not, why not join with thousands of proud NRA members and support Your NRA Whittington Center today!

NRA Whittington Center, P.O. Box .30-06, Raton, NM 87740.

DR. JOSEPH A. MARASCO, JR., RECEIVES RADIOLOGY'S HIGHEST AWARD

HON. BUD SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 10, 1995

Mr. SHUSTER. Mr. Speaker, on September 12, 1995, Dr. Joseph A. Marasco, Jr., received the American College of Radiology's highest award, their gold medal for his contributions to the field of radiology.

In his moving acceptance speech he said:

On a Spring day in 1910, an apprehensive but excited nine year old immigrant from southern Italy stepped onto Ellis Island with his parents who were seeking the promise of America. That boy was my father who will be 94 years old in a few more weeks. I'm honored and proud to have him here today.

Dad married another Italian immigrant whose family also sought greater opportunity here. My parents made sacrifices for me. They wanted me to have all the benefits of American citizenship. They were proud of their roots but loved America and all it stands for.

Their story is not unique. Many of you in this audience have similar stories—beginning in the peat bogs of Ireland, the ghettos of Poland and Russia, Greek fishing villages, Philippine rice fields, remote African villages, Welsh coal mines, and many other places. Our forbearers found an opportunity and vitality here which enabled us to serve in the noblest of professions. Furthermore, as radiologists, we have been blessed to experience the queen of medical specialties. Think a moment. Would you be here today without the opportunity which is America. I know that I would not be.

Indeed, only in America could such a dream come true.

Following is a profile written about Dr. Marasco describing him as a "man for all seasons."

JOSEPH MARASCO NAMED ACR GOLD MEDALIST

(By Thomas F. Meaney)

A man for all seasons and the College had more than four a year during Joe Marasco's active involvement with the ACR. Not many have borne the pressures of recurring problems and challenges and have led the organization to rational and successful conclusion of events.

During his time on the Council, problems with the financial health of the College were uncovered. We were making decisions based on imperfect data. While things seemed to work well as a mom and pop operation, the sophistication of newer College activities required a change to a solid business footing. One example was that our production and inventories of teaching materials had grown excessively, placing a hidden burden on our finances. Joe Marasco took a leadership role, working with members of the Board of Chancellors and the issue was quickly clarified. His wisdom was apparent to all and he became the first member of the Council to serve on the Budget and Finance Committee. This pervasive insight into financial matters was rewarded by his election to the Board of Chancellors and to the position of treasurer.

But that was just the spring season and an unusually hot summer followed! He was one of the first to recognize that radiology had been ignoring a vital partner in our specialty—the radiological industry. We were interdependent but only casually speaking about our mutual interests and needs at a time when radiology's advances were exploding. We had to work together on a serious basis to reach our goals. This insight led to the formation of the Industrial Liaison Committee and the needed closer interaction of the profession with industry.

If June was warm, August was sweltering. The College offices were in Chicago and the action was in Washington, DC. While we had a superb branch office in Washington with excellent and effective staff, the division of our staff resources and duplication of our facilities could no longer be economically maintained. The only solution was consolidation of offices in Washington where legislators and regulators lived and worked, often on our business.

Moving our operation was not a trivial matter. Questions arose: where to locate and how to pay for it! Joe Marasco played a central role as chairman of the Site Selection Committee. His previous efforts in forming the Industrial Liaison Committee now came to center stage in planning for financing of a consolidated headquarters in Reston, Virginia. The sum of $10 million was an unrealistic goal scoffed at by skeptics on the board. The Radiology 2000 campaign began with the solid support of our members and industry. It was Joe Marasco who arranged a pledge of $1 million from Eastman Kodak which assured success. An amount of $8.5 million was raised!

A fifth season then arrived with the resignation of our executive director just prior to our move to Reston. Joe Marasco had just assumed the chairmanship of the board. Through his efforts, calm prevailed and a new executive director, John Curry, was named, with Otha Linton as associate executive director.

Fall and spring sometimes merge in Washington. Looking for cuts in Medicare costs, Congress was again considering RAPs. They were intent on placing the specialities of radiology, anesthesiology and pathology (RAPs) in Part A of Medicare, meaning that we would be a hospital service. His testimony before the House Ways and Means Subcommittee on Health was salutary. Calling for a "level playing field" and vowing to help in working out the problems as a partner with the subcommittee, the issue was defused. But fall is dangerous in the Congress as they reconcile the budget. RAPs could get back in. But, under the watchful eye of the chairman, it did not.

Had enough of the seasons? Just one more, a harsh winter. The relationship between diagnostic radiologists and radiation oncologists was not the best. Some were calling for the complete separation of the American College of Radiology and the Association of Therapeutic Radiology and Oncology (ASTRO). Working closely with the president of ASTRO, Joe Marasco and ASTRO President Jerry Hanks agreed to develop a constructive relationship that has resulted in a strong bond today.

Of course, there are pleasant seasons that often go unnamed. Joe Marasco's work with the ACR's self-evaluation project on skeletal radiology in the emergency radiology group was a satisfying contribution and a teaching success to students of all ages. Following his term as president of the ACR, he was elected to the board of the International Society of Radiology and now serves as treasurer.

Somehow, he managed to do many other things in his home town of Pittsburgh, PA—like participating in an active practice of radiology with a residency program, serving as program director and managing partner of his group. Or, take the Pittsburgh Opera, where he served on the board and became president. Or, when he was vice president of the United Methodist Church Union. And, let's not forget his prowess as an eight handicap golfer.

These incredible seasons could only have been weathered with the support, encouragement and devotion of his lovely wife Carrie and very understanding family, friends and colleagues.

572D ANTIAIRCRAFT ARTILLERY BATTALION

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 10, 1995

Mr. KANJORSKI. Mr. Speaker, on October 6, 1995, a proud group of veterans will reunite in my district in Wilkes-Barre, PA. The reunion will commemorate the 50th anniversary of their service to their country in World War II. I am pleased to welcome the members of the 572d Antiaircraft Association and proud to bring the story of the battalion known as the Helltracks to the attention of my colleagues.

The 572d Antiaircraft Artillery Automatic Weapons Battalion, Self-Propelled, was activated on June 10, 1943, at Camp Edwards, MA, on Cape Cod. After 3 months of training, fillers arrived from the New Cumberland Reception Center, making the outfit about 95 percent Pennsylvania men. On June 8, 1944, the 572d departed Camp Edwards for Camp McCain, MS, where they spent 4 weeks. Their next stop was Camp Livingston LA, which they left on August 24, 1944, for their last stop in the United States, Camp Shanks, NY.

On September 29, 1944, the 572d set sail aboard the HMS Chitral, an old East India freighter, with its lower depths jammed with bunks stacked four high. After an 11-day voyage across the Atlantic Ocean, which included a submarine scare, the Chitral docked at Greenock, Scotland.

From Greenock trains brought the men to Poole, Dorset, England. From there they marched to Parkestone, making the Sandscotes School for Girls its Headquarters, with the battalion billeted in homes in the neighborhood.

The 572d made its channel crossing on November 26, 1944, landing in the harbor of LeHavre, where they made camp for 6 days. They received orders to march on December 1, 1944, and march they did, crossing northern France in a single day. After V–E Day, May 8, 1945, the battalion regrouped and convoyed its way to Mannheim, where the halftracks became patrol wagons as the battalion turned into the Security Police for the metropolitan area.

Because of their mental attitude and state of training the Helltracks fought with fury and determination, making all of us Pennsylvanians proud of their role in our victory in Europe.

Mr. Speaker, the history of the Helltracks as excepted here from the Story of the Helltracks is an inspiring testament to the fighting men and women of World War II. Ninety-five percent of this heroic battalion was from Pennsylvania. Once again, I am pleased to welcome the Helltracks to Wilkes-Barre on the occasion of their 50th anniversary.

HONORING PHILIP COHEN, CIVIC ACTIVIST

HON. E. CLAY SHAW, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 10, 1995

Mr. SHAW. Mr. Speaker, on Sunday, October 15, 1995, the Northeast Dade Coalition, American Red Magen David of Israel and Admiral's Port Condominium along with the entire community of northeast Dade County, FL, will honor Mr. Philip Cohen for his many years of civic service and outstanding achievements.

Mr. Cohen is a world traveler and has been a successful CPA and businessman all his life, carrying three very diverse portfolios which employed several hundred employees. In addition, Mr. Cohen has earned a place in a Marquis publication, "Who's Who in the USA," as well as in the International "Who's Who of Cambridge, England."

He has taken his business expertise to the local community of northeast Dade County where he resides and is highly regarded. He remains quite active fulfilling his duties as president of the Magen David Adom Blood Bank, he raises funds for the Northeast Dade Coalition of over 80 condominiums, and he writes a monthly column called "Let's Talk Taxes" in various publications. It's hard to believe that this man is considered to be retired.

As a Member of Congress I represent hundreds of condominiums spanning some 97 miles of my district in southeast Florida. Although Miami may be viewed as the retirement capital of the world, I am proud to say that it is involved, dedicated activists like Mr. Philip Cohen who comprise the most active and respected representatives of our senior population in the United States of America. Congratulations to Mr. Cohen and to all of northeast Dade.

PROMOTING WORLD PEACE

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 10, 1995

Mr. RICHARDSON. Mr. Speaker, I rise today to draw attention to the efforts of my constituent the Reverend Eric Schneider of Santa Fe. Eric is a dedicated promoter of fundamental steps designed to foster world peace. I commend and support his efforts to further such a noble cause. More importantly, I call on all Members to read Reverend Schneider's eloquent proposal to ask the United Nations to declare 1999 "The International Year of Forgiveness."

I concur with Reverend Schneider's premise that regardless of one's religious or philosophical view, all people want world peace. As we near the end of one of history's bloodiest centuries, we should actively devote ourselves to a recognition of the positive role played by human forgiveness. I submit Rev. Eric Schneider's piece titled "Forgiveness: The Last Alternative" for all Members of Congress to consider.

FORGIVENESS: THE LAST ALTERNATIVE

(By Rev. Eric Schneider)

All people want permanent world peace, no matter what they think must be done as the means to that peace. But none of the military, economic, social, philosophical, humanitarian, political or even religious solutions to violence and war have succeeded, as newspapers and news broadcasts show us every day.

These proposed solutions have never gotten to the root of violence and war. It is this: Human beings hold deep, emotionally-charged grievances against members of other races, religions, genders and professions, as well as residents of other nations, and even neighborhoods. And much of our science fiction literature has prepared us to hold grievances against, and be enemies of, any residents of other planets we may contact.

Grievances are judgments that another has done us a wrong, or that others—or even the grandparents of others—have done us wrong. Our response to this judgment is a constant, low-grade feeling of anger that those people are thwarting our intentions to have a good life, or threatening to, by their very existence.

Almost any seeming provocation then becomes a justification for "preemptive" or retaliatory violence against them. This condition exists on every level of human relationship, from family, to community, to planet.

The one practice that cuts through and eliminates grievance of any kind, with anybody, is Forgiveness. But Forgiveness is not some far-off Christian ideal, to be held as a fond wish but highly impractical. Rather, it is a very practical method of resolving grievances and eliminating violence.

Forgiveness is—in this context—the recognition that it is an illusion to think that someone's actions in their own seeming interest are a threat to the quality of your life. (Of course, we're not talking about initiatory military, or other violent, action some group may take, since we are working prior to that stage, to prevent it.)

How we recognize this, it turns out in every case, is to:

(1) Be willing to give up being "right" in our judgments about people. Not to do them a favor, but to promote our own inner and outer peace and happiness.

(2) If this is difficult, then we ask ourselves, "What do I do that's like what I think they did, or are doing?" We will always find an answer. Then we ask, "Am I willing to forgive myself—or ask my God to forgive me—for being human enough to have done that?" When the answer is truly, "Yes," Forgiveness is present and the grievance shortly disappears. Anyone who doubts this simple practice will find it works every time you truly do it.

Let us North Americans—the most powerful military and economic people in history—take the lead in finally bringing peace to our world, by asking the United Nations to declare 1999 "The International Year of Forgiveness." We would invite members of every religious, racial, language, philosophical, political, geographical, trade and age group to forgive members of any other group—or any other individuals—against whom they'd been holding grievances.

To whatever extent we could—over the next 4½ years—educate and convince the people of the world to do this, we could start the next century—the next Millennium—with a globally clean slate for our children and ourselves, or a lot closer to it than we have ever been.

I propose we do this, and that we begin this global project now. I am willing to be responsible and accountable for it happening, and I ask the aid and support of the United States Congress.

REPUBLIC OF CHINA'S NATIONAL DAY

HON. EARL F. HILLIARD

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 10, 1995

Mr. HILLIARD. Mr. Speaker, I recently had the opportunity to attend the 13th International Conference on Asian Affairs sponsored by the Center of Asian Studies at St. John's University. I listened to many eminent experts discussing Taiwan's pragmatic diplomacy, President Lee Teng-hui's visit to Cornell, Taiwan's campaign to rejoin the United Nations, and Taiwan's relations with mainland China.

I was able to offer my observations on U.S. congressional support for the Republic of China. I told the participants that Congress has been pleased to see the democratic reforms in Taiwan as well as Taiwan's willingness to become an economic partner with the United States.

However, I cautioned them that Taiwan must not take United States support for granted, and that their efforts to educate Members of Congress must continue. I also concurred with panelist Nathan Mao's statement that Congress should take a strong stand against mainland China's missile testing near Taiwan. These missile tests, performed by the Chinese military this summer, were clearly meant to intimidate the people of the Republic of China.

Mr. Speaker, on the eve of the Republic of China's National Day, I ask that my colleagues join me in expressing my concern over the Chinese missile testing near Taiwan, and ask that the Clinton administration should assert that Mainland Chinese threats to Taiwan will only help consolidate public support behind President Lee Teng-hui of the Republic of China on Taiwan.

WORLD POPULATION AWARENESS WEEK

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 10, 1995

Mrs. MORELLA. Mr. Speaker, as the 21st century approaches, it becomes increasingly evident that the world must redouble its efforts to eliminate the underlying causes of poverty, environmental devastation, illiteracy, urban deterioration, hunger, and maternal and infant mortality. Rapid world population growth causes or exacerbates each of these problems.

To inform and educate people around the world of the consequences of rapid population growth and actions that can be taken to rationally and voluntarily balance our human numbers with our environment and resources, the Population Institute has taken the lead in sponsoring World Population Awareness Week, October 12 to October 19. Cosponsoring the week with the Institute are a number of international organizations, including the League of Women Voters, the National Audubon Society, and Sierra Club, and the National Wildlife Federation.

Governors of the 50 States are being asked to issue proclamations in recognition of World Population Awareness Week. I request permission to include the State of Maryland proclamation in the RECORD, and I urge my colleagues to request that Governors of your State take similar action.

THE STATE OF MARYLAND PROCLAMATION

From the Governor of the State of Maryland—World Population Awareness Week, October 22-29, 1995:

Whereas, world population is currently 5.7 billion and increasing by nearly 100 million per year, with virtually all of this growth added to the poorest countries and regions; and

Whereas, the annual increment to world population is projected to exceed 86 million through the year 2015, with three billion people—reaching their reproductive years within the next generation; and

Whereas, the environmental and economic impacts of this level of growth will almost certainly prevent inhabitants of poorer countries from improving their quality of life, and, at the same time, have deleterious repercussions for the standard of living in more affluent regions; and

Whereas, the 1994 International Conference on Population and Development in Cairo, Egypt crafted a 20 year Program of Action for achieving a more equitable balance between the world's population, environment and resources, that was duly approved by 180 nations, including the United States . . . and, Maryland is pleased to join in recognizing a special week to focus public awareness on the issue of world population.

Now, therefore, I, Parris N. Glendening, Governor of the State of Maryland, do hereby proclaim October 22-29, 1995 as World Population Awareness Week in Maryland, and do commend this observance to all of our citizens.

HONORING ARTHUR SACHS

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 10, 1995

Mr. ACKERMAN. Mr. Speaker, I rise today to join with my constituents and the members of Queens County Chapter 1203 of the National Association of Retired Federal Employees as they gather on October 15 to honor their president, Arthur Sachs.

Born in the Bronx, NY, Arthur began what may be called the classic American success story. After his graduation at age 18 from James Monroe High School, a most natural desire for involving himself in the community took hold and Arthur enlisted in the U.S. Merchant Marine. This led to a strong recognition on his part of a need to serve his country. Following his stint in the Merchant Marine, Arthur enlisted in the U.S. Marine Corps and served valiantly in both World War II and the Korean war. Upon his separation from active military service, Arthur again followed his desire to serve the community and began a career in the U.S. Postal Service.

It was in this function that Arthur's dedication and leadership talents truly came to fruition. He not only became a most effective member of the Postal Service, but also rose to the rank of vice-president of the New York Metropolitan Postal Union, one of our Nation's largest postal employee organizations. Serving as both a postal employee and the leader of a professional organization, Arthur was able to assist his colleagues in creating a truly effective service organization.

Not being one to sit idly by, Arthur's retirement from the U.S. Postal Service was highlighted by his participation in the National Association of Retired Federal Employees [NARFE]. As a member of the Queens County Chapter of NARFE, his organizational and leadership talents were quickly recognized and he became the Legislative Director of Queens County Chapter 1203 of NARFE. In an almost natural progression based upon Arthur's ability to lead, he was elected chairman of the chapter.

Mr. Speaker, in an age when we search for leaders to bring our communities and nation forward in the finest sense of America's true values and traditions, it is most assuring that we have Arthur Sachs to fill such a need.

I ask all of my colleagues in the House of Representatives to join me now in paying tribute to Arthur Sachs for an exemplary life of public service.

WORLD POPULATION AWARENESS WEEK

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 10, 1995

Mr. TORRICELLI. Mr. Speaker, I would like to submit for entry in the CONGRESSIONAL RECORD, this proclamation from the Governor of the State of New Jersey on World Population Awareness Week 1995. This week, October 22–29, is a time for people all over the planet to consider the social, economic, environmental, and political impact that population has on our world. World Population Awareness Week is an 11 year tradition of the Population Institute. This year's theme is "Gender Equality."

STATE OF NEW JERSEY EXECUTIVE DEPARTMENT—PROCLAMATION

WHEREAS, world population is currently 5.7 billion and increasing by nearly 100 million per year, with virtually all of this growth added to the poorest countries and regions—those that can least afford to accommodate their current populations, much less such massive infusions of human numbers; and

WHEREAS, the annual increment to world population is projected to exceed 86 million through the year 2015, with three billion people—the equivalent of the entire world population as recently as 1960—reaching their reproductive years within the next generation; and

WHEREAS, the environmental and economic impacts of this level of growth will almost certainly prevent inhabitants of poorer countries from improving their quality of life, and, at the same time, have deleterious repercussions for the standard of living in more affluent regions; and

WHEREAS, the 1994 International Conference on Population and Development in Cario, Egypt crafted a 20-year Program of Action for achieving a more equitable balance between the world's population, environment and resources, that was duly approved by 180 nations, including the United States;

NOW, THEREFORE, I, CHRISTINE TODD WHITMAN, Governor of the State of New Jersey, do hereby proclaim October 22-29, 1995 as WORLD POPULATION AWARENESS WEEK in New Jersey.

GIVEN, under may hand and the Great Seal of the State of New Jersey, this twenty-eighth day of August in the year of Our Lord one thousand nine hundred and ninety-five and of the Independence of the United States, the two hundred nineteenth.

CHRISTINE T. WHITMAN,
Governor.

TRIBUTE TO DON P. JOHNSON

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 10, 1995

Mr. VISCLOSKY. Mr. Speaker, it is my honor to introduce you and my other colleagues to a fine, outstanding citizen of Indiana's First Congressional District, Mr. Don P. Johnson. On October 8, 1995, Don, along with his friends and family, will celebrate his retirement after 19 years of service on the Munster Town Council. This commemorative dinner will be held at the Center for Visual Arts in Munster, IN.

Don has dedicated his life to public service throughout the years. A resident of Munster since 1971, he has been on the town council since 1977. On four different occasions, including this last term, Don has occupied the position of town council president. When he was not serving as president, he held the position of planning commissioner.

Moreover, Don has been employed as a financial analyst for LTV Steel Corp. since 1961, and he has been a "Stick With Steel" recycling representative.

In addition, community service has been a large part of Don's life. Don has served on the Main Street Task Force as a cochair, the Community Hospital board, the Lake County Solid Waste District, and the Munster Foundation Board as the director. In 1995, Don was appointed president of the Northwest Indiana Council of Towns and Smaller Cities [IACT]. In this capacity, he attended many IACT events while serving occasionally as a panelist. Don has also been active on the Munster Chamber of Commerce as an associate member, and a patron supporter of Munster High School drama and athletics programs. Moreover, Don serves on the Munster Lions Club, and he has been honored for attendance and fund raising. In 1995, he received the Distinguished Service Award from the Lions Club. As a member of the Westminster Presbyterian Church, Don serves as an auditing committee member, and he also supports the Habitat for Humanity and food pantry.

Don has also saved time to raise a successful family with his wife, Nancy, who is a teacher. Don and Nancy have raised three children: Gayle, and Air Force Academy graduate and teacher; Amy a teacher; and Douglas, a landscpae architect. In addition, Don and Nancy have four wonderful grandchildren.

Mr. Speaker, I ask that you, and my other colleagues, congratulate Don on his retirement from the Munster Town Council. His hard work and dedication to the council, as well as Indiana's First Congressional District, should be commemorated.

TRIBUTE TO HOOVER ADAMS, HARNETT COUNTY LEADER

HON. DAVID FUNDERBURK

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 10, 1995

Mr. FUNDERBURK. Mr. Speaker, probably no one had done more to put Harnett County, NC, on the map than Mr. Hoover Adams, civic leader and newspaper publisher. Mr. Hoover Adams of Dunn, NC, and his wife Mellicent Stalder Adams originally of Salem, NE, last month celebrated their 50th wedding anniversary. The celebratory dinner and receptions that surrounded the 50th wedding anniversary very clearly evidenced the high esteem in which the Hoover Adams family is held locally, nationally, and even internationally.

In the days around September 2, 1995, events held in Dunn, NC, honoring the Hoover Adams couple and family were attended by locals from all walks of life as well as dignitaries from all over. The Ambassador from the Ukraine, Dr. Scherbak, and his wife, traveled from Washington to honor the Adams family. U.S. Senator JESSE HELMS, Congressman DAVID FUNDERBURK, U.S. Ambassador to Barbados Jeanette Hyde, North Carolina Secretary of State Rufus Edmisten, and a personal representative of the Governor, George McCotter. Mr. Adams was presented with the Order of the Long Leaf Pine by Mr. McCotter. Mayors, sheriffs, superintendents, town council members, company and bank presidents, and many other officials and community leaders were present at a reception whose line continued for hours.

At a smaller dinner attended by some of the best and closest friends of the Hoover Adams family such as Mr. Jesse Alphin, Mr. Graham Henry, and Mr. John Wellons, longtime acquaintances gave glowing tribute to the couple for their contributions to the city of Dunn, the county of Harnett, and the State of North Carolina. Most telling and moving were the tributes given by the children of the Hoover Adamses. The fact that Brent, Bart, and Maere Kay spoke so highly of their parents speaks volumes about the close-knit family and its values. Hoover and Mellicent also have six lovely grandchildren.

The Raleigh News and Observer and other newspapers have highlighted the fact that Mr. Hoover Adams has been a political power in his own right and has been a friend of many high-ranking officeholders. He served as press consultant and campaign aide to former U.S. Senator Robert Morgan, who also paid tribute to Mr. Adams, and as a delegate at the 1968 and 1972 Democratic National Conventions. Mr. Hoover Adams has been actively involved in policies and has always been a conservative Democrat.

He has been a world traveler par excellence, visiting and reporting on dozens of countries on several continents. It has helped inform and educate the citizens of Harnett County and North Carolina about other places near and far. I had the pleasure of traveling with Mr. Adams to Bucharest, Romania in November 1994, and witnessing first-hand his travel skills as a gentleman and observer.

Perhaps most notable have been the extraordinary contributions of this special couple and family to Dunn and Harnett County, North Carolina. An indefatigable promoter of his city and county, Mr. Hoover Adams has made a major impact during the past 50-plus years.

He was born in Dunn on March 6, 1920, the son of Alexander Benton Adams and Lou Flora Morgan Adams. In 1937 he graduated from Dunn High School, and later attended Officer Candidate School in the U.S. Army. He served during World War II in the European Theater of Operations as an aide to Major General William C. Lee, also a Dunn native, who was the founder of America's Airborne Army. He also served in London, England, and in Indianapolis, IN and completed military service as a captain—serving at one time as assistant public relations director of the Troop Carrier Command.

Mr. Hoover Adams with the help, support and love of his wife, achieved something quite remarkable by founding a daily newspaper that has lasted 45 years to date, the first edition being published on December 6, 1950. He founded the Daily Record with hard work, long hours, and little money, but with a determination not to give up and not to fail. He was not given much of a chance by others in the industry. In 1978, he bought a competing daily newspaper called the Dunn Dispatch. Today the Daily Record is one of only about 400 independently owned daily newspapers in America. It also publishes the Central Carolina Consumer, the Harnett County News, and the Angier Independent.

Few individuals can match the civic involvement and contributions of Hoover Adams. He helped reactivate the Dunn Chamber of Commerce after World War II, served as president of the chamber, and was named Man of the Year by the chamber. He was also a founder of the Junior Chamber of Commerce. He served as president of the Dunn Rotary Club longer than any other member. He also served as a chairman of the local board of the Raleigh Federal Savings Bank, and for over 20 years as a member of the local board of NationsBank, formerly NCNB. For 20 years he was the chairman of the board of Eastern Carolina Regional Housing Authority of Goldsboro. He served virtually every charitable fundraising organization in the county including the Red Cross, the American Cancer Society, the Heart Fund, the Boy Scouts, and the Girl Scouts.

His interest in local educational and religious institutions reflected his strong religious faith. He is a member of the board of trustees of Heritage Bible College, member of the presidential board of advisors of Campbell University, and former Deacon of Hood Memorial Christian Church. A nondrinker, he served as chairman of the Dunn ABC board. He is a 32d-degree Mason and a member of the Scottish Rite and Dunn Shrine Club.

Perhaps one of his favorite projects was the General William C. Lee Airborne Museum which he helped found and now serves as president. He has been the driving force behind the General Lee Commission which sponsors an annual citywide celebration attracting major political and military figures from across the country. The General William Lee Museum is perhaps Dunn's most famous landmark and was certainly a major factor in Dunn being named an All-America City.

As one who started his newspaper career while still in high school writing Boy Scout news for E.C. Daniel, Jr.—who later married Margaret Truman—it is fitting that on November 2, 1995, Mr. Adams will be given a high honor by the Boy Scouts of America. So I am happy to pay tribute to an outstanding American and a great son of Dunn and Harnett County and North Carolina: Mr. Hoover Adams who always credits "the Lord and my friends" for his success.

A LAST U.S. COLONY

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 10, 1995

Mr. MINETA. Mr. Speaker, the islands of Palau rest at the far western edge of Micronesia in the Pacific Ocean. Few Americans know that these islands exist, let alone realize that they are only now emerging from U.S. control after nearly 50 years of U.N.-sanctioned trusteeship. But are the Palauans really achieving independence? Are their cherished goals of self-determination really being met?

Sadly, the people of Palau have not achieved all that they set out for, and our Government and its policies have been a major hindrance to the full development of political and economic self-sufficiency.

Mr. Speaker, I urge you and my colleagues to review a definitive history of this relationship, "The last U.S. Colony," written by Prof. Marc Landy of Boston College. It would be inappropriate to reprint the entire manuscript in the CONGRESSIONAL RECORD, but I commend you to his introduction and conclusion.

THE LAST U.S. COLONY

(By Marc Landy)

On October 1, 1994 the United States officially ceased to be a colonial power. Its last dependency, Palau, a tiny archipelago at the western end of what used to be called Micronesia, formally became free. Palau had been administered as a strategic trust under authority granted to the United States by the United Nations. It was the last remaining UN trust territory. Unfortunately the jubilation that should have accompanied the end of the colonial era must be muted by Palau's woefully inadequate preparation for self-government. Neither its economy nor its political system are sufficiently mature to enable it to face the rigors of independence, this despite almost fifty years of American oversight.

Palau now threatens to become yet another of the long list of small new nations to sink into the abyss, of poverty, tyranny and chaos. This article examines what went wrong in Palau and what can be done to prevent its economic and political ruin. Compared to the problems facing many other small states in the third world, Palau's difficulties are relatively tractable and simple. It is not riven by ethnic conflict. Nor does it suffer the scourges of ill health and illiteracy. If the world community cannot prevent Palau's ruin it has little chance of doing so where conditions are worse. On the other hand, Palau presents a good vantage point from which to consider general question of political and economic development. Precisely because it provides a simpler canvas, the broader problems and possibilities it illustrates reveal themselves more clearly and starkly.

The result of fifty years of American hegemony over Palau has been to create a regime which is fundamentally at odds with American political and economic principles. The U.S. prides itself on being a democratic republic founded on principles of liberty and personal security but it fostered a regime in Palau that is replete with corruption and political intimidation. In the past decade, one president has been assassinated and another has committed suicide. Dissidents have been abused and murdered. An atmosphere of suspicion and mistrust pervades island politics.

Despite America's commitment to private enterprise, Palau has failed to develop a viable private sector. It has become a remittance economy, dependent upon U.S. aid, and remittances from Palauans living overseas. The tourist trade is growing but still small. Agriculture, vital during the pre-war Japanese occupation, has dwindled. Commercial fishing in Palauan waters is conducted mostly by foreigners.

And yet, the island is not poor. The United States spends in excess of thirty million dollars a year in Palau. This amounts to more than two thousand dollars per Palauan, more per capita than the federal government spends on any single American state, and twice as much as it does for any state except Alaska. These U.S. funds go, for the most part, directly to the government to pay for the bulk of its administrative overhead. They compromise 60% of the government of Palau's revenue. Because two out of three Palauan workers is employed by the government, these remittances are in fact the major source of the island's prosperity.

This dual failure is the result of both sins of omission and sins of commission. On the one hand, the U.S. was inattentive to the whole matter of economic development and failed to perceive the negative impact on entrepreneurship and work habits of providing so much direct aid. On the other hand it abetted corruption and swindle which in turn established a repressive political atmosphere.

Palau's deepest political and economic weaknesses are a direct result of American policy. The United States stifled much of whatever initiative existed for building a sustainable economy by smothering it with largely unearned remittances. It intervened in the domestic political life of the Republic in a manner that encouraged factionalism and corruption and discouraged serious deliberation about the country's future.

The U.S. was not capricious. Its actions were guided by two conceptual premises. The first stems from a geo-political obsession. The intensity of the competition between the United States and the Soviet Union meant that places, even small and remote ones, needed to be brought under the U.S. banner to prevent them from falling prey to the Soviets. This type of outlook predates the Cold War. It typified the 19th Century colonial competition between France Britain and Germany. That urge to gobbled up terrtiory around the globe was fueled less by a positive desire to rule faraway places than by a fear of ceding them to rivals.

The second premises derives for Wilsonian Progressivism. It posited not only that all peoples were entitled to self-determination but that no great preparation was needed to enable them to exercise it wisely. At first glance, this seems to conflict with the prior premise. But, in practice the two were reconcilable. The trick was to make sure that the indigenous people freely chose to pursue American military geo-political interests. Hence the willingness of the U.S. to subsidize the Palauan economy, bribe many of Palau's political leaders and, generally encourage dependency.

It has become all too fashionable to criticize "Cold War thinking" as if the Cold War was some sort of mistake that could have been easily averted. This is not my contention. In the aftermath of World War II it was understandable for the military to place great value on the islands it had so recently shed blood to conquer. Thirty years later, however, after revolutions in communications and transportation, the "coaling station" mentality that took every Pacific Island to be a vital refueling depot has become outmoded.

In the Cold War context, it also made sense for the Department of State, seeking to contrast American commitment to freedom with the Soviet urge to dominate, would insist that military objectives be rendered compatible with national self-determination. But as the Soviet threat receded, the need to exaggerate Palau's readiness for independence should have disappeared as well. By the 1970's, so many former French, British, and Belgian colonies in Africa and Asia had crashed and burned as a result of ethnic strife, demagogic political leadership, and economic incompetence that the language of self determination and liberation came to sound increasingly hollow and shrill. The tragedy is that the modes of thinking that dominated the immediate postwar era did not evolve as the objective circumstances changed. The story of Palau is above all one of the mischiefs caused by the inability to reconsider policy premises in the light of new realities.

The consequence is that Palau has been set free to fail. To survive economically and thrive politically it must live up to standards that it has not been prepared to meet. Rather than provide needed assistance and criticism, the United States, will, in all likelihood, abstain, rationalizing its default on the basis of respect for Palau's sovereignty.

What is done cannot be undone. A return to colonial status, in Palau or elsewhere, is unthinkable. But if Palau, and places like it, are to progress, a more active and responsible reinvolvement by former colonial powers is both ethically and practically necessary. Such efforts are likely to prove more politically palatable if they are carried out on a multilateral basis.

Palau's problems were born of great power rivalry, they could well be solved by great power cooperation. Like the U.S., Japan is Palau's former colonizer. It is relatively close to Palau physically and provides the bulk of Palau's current tourist business. It is therefore a very good candidate to serve as a partner with the United States in an effort to help Palau.

Because Palau has among the most beautiful and diverse coral reefs in the world, it has vast tourist potential. Currently it has neither the trained workforce nor the infrastructure to fully capitalize on this great economic opportunity. Also, the fragility of those reefs require that visitation be tightly controlled. Rather than lamenting the devastation to come, a great opportunity exists for treating Palau as a model for the creation of an ecologically sustainable, profitable, tourist industry.

This specific objective could serve as the basis for a pilot project, testing the feasibility of joint Japan-United States involvement in Palau. The two powers would co-sponsor a team of scientists, engineers and representatives from environmental organization and the tourist industry to work with Palau on developing a plan for sustainable tourism. If Palau proved willing to abide by the plan, and particularly by the fiscal "strings" it would inevitably contain, the two nations would also help assemble the capital resources to carry it out.

Currently U.S.-Japan relations are marked by rancorous discord over trade and currency disputes. Palau provides an excellent example of a matter of common concern over which they could find fruitful grounds for agreement and cooperation. For little money or risk, they could show each other, and the world, how adept they are at cooperating in a good cause. A positive precedent would be set for more ambitious future multilateral activities.

REMEMBERING KEVIN CARPENTER

HON. BILL BAKER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 10, 1995

Mr. BAKER of California. Mr. Speaker, Kevin Reid Carpenter was a young man of unusual promise. A sophomore at the Coast Guard Academy in New London, CT, he was twice an honor representative for his Academy class and had been voted by his fellow students as the most outstanding cadet. Closer to home, Kevin had been student body president at Liberty High in Brentwood, CA, a school at which he is remembered for his personal warmth, caring spirit, and natural leadership ability.

Kevin died September 25 of a heart attack while playing soccer in New London. Evidently caused by an irregular heartbeat stemming from a childhood illness, Kevin's death has been a shock to his family, his community, and to the Coast Guard Academy. One is left to wonder why this exceptional young American was taken from us. Yet we know that although we sometimes cannot fathom God's ways, He is loving and worthy of our trust, even when events, from our human perspective, seem inexplicable.

On a personal note, I am particularly proud of Kevin's choice of the Coast Guard as the branch of service in which to serve. As a former Guardsman myself, I understand the words of one of Kevin's closest friends, Coast Guard Academy cadet Matthew Baer, who said "Kevin liked the idea of the Coast Guard, because we help people on a daily basis."

The motivation does not surprise me, as it characterized Kevin's life. A committed Christian, Kevin was active in many church, school, and community activities both because he loved life and because he wanted to serve others. This is the legacy of a life well-lived. As Kevin's paster, Larry Adams of Golden Hill Community Church, put it, "He had a life that counts because, in God's economy, it isn't the length, it's what you do with it."

Kevin did much with his life, and for this we honor him today. To his mother and stepfather, Tom and Carolyn Boden, his father, Bill Carpenter, his brothers Jeff and Neil and sister Alina, we extend our heartfelt sympathy. Yet we do so with the confidence of knowing that Kevin has entered a better land than this, our own beloved country, which he served so faithfully. It is in the spirit of this assurance that I urge all my colleagues to join with me in remembering Kevin Carpenter today.

A SALUTE TO COLEJON CORPORATION: WINNER OF SBA GRADUATE OF THE YEAR AWARD

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 10, 1995

Mr. STOKES. Mr. Speaker, I am proud to rise today to salute two residents of my congressional district, Lonzo Coleman and James E. Jones. This year their company, ColeJon Corp., received the Small Business Administration's Graduate of the Year Award. This award recognizes small businesses for their success in moving from set-aside projects to a more competitive business arena. The award was presented at the Minority Enterprise Development Week conference, which was held in Washington, DC, earlier this week. I would like to share with my colleagues the details of the exceptional history of ColeJon Corp., and why this SBA award is particularly significant.

It was in 1976 that Lonzo Coleman, a pipefitter, and James Jones, a sheet metal worker, pooled their savings to form ColeJon Corp., a mechanical contracting firm in Cleveland, OH. However, a Small Business Administration [SBA] official rejected their request for a loan, perhaps thinking that the venture did not have a chance for success. The new company got its start when it was able to obtain work under a SBA program that set-aside work for minority enterprises. Eventually, through hard work and dedication, the firm grew, expanding its services and competing for both Government and commercial contracts across the country.

Mr. Speaker, I am proud to report that ColeJon has achieved a high level of prosperity. Currently, approximately 90 percent of ColeJon's business is outside of Ohio. The firm competes for facilities management contracts at large Government and commercial establishments in 12 States. ColeJon Corp. has also completed several major projects in Cleveland, including the recently opened Rock and Roll Hall of Fame and Museum, and the Great Lakes Science Museum. These impressive enterprises indicate the level of skill and excellence which ColeJon has attained.

ColeJon Corp. is a wonderful example of how affirmative action can be good for this country. James Jones and Lonzo Coleman utilized affirmative action to break into the machine trade industry. ColeJon Corp. is now giving back to the State of Ohio by employing approximately 400 people. The success of this small business translates directly into economic growth for Ohio.

Mr. Speaker, small businesses such as ColeJon Corp. are essential to the economy of this country. Almost 60 percent of the private work force is employed by small business, and 54 percent of all sales in the country are completed by small businesses. This is why we need small business development. Additionally, minority businesses are essential in our efforts to promote development in economically disadvantaged regions. Minority businesses provide jobs for American workers and provide positive role models for minority youth. These enterprises provide minority representation in the global economic community.

Mr. Speaker, am proud to salute Lonzo Coleman and James Jones for their well-deserved success. I ask that my colleagues join me in extending our warmest congratulations to ColeJon Corp. for receiving the Small Business Administration's Graduate of the Year Award.

SENATE—*Wednesday, October 11, 1995*

(Legislative day of Tuesday, October 10, 1995)

The Senate met at 10:15 a.m., on the expiration of the recess, and was called to order by the Honorable FRANK H. MURKOWSKI, a Senator from the State of Alaska.

PRAYER

The PRESIDING OFFICER. In the absence of the Chaplain, we will have a short prayer, which I will read.

Almighty God, Sovereign of this Nation and Lord of our lives, we trust in You. This Senate is constituted with the fundamental conviction that You govern the affairs of this Nation. The women and men of this Senate have been called to their responsibilities by You through the voice of the people of their States. They are here by Your appointment.

Now, in this sacred moment of prayer, we acknowledge our total dependence on You for the endowment of the gifts of wisdom and discernment for the discussions, debates, and decisions of this day. Here are our minds; think through them. Here are our wills; guide us to do Your will. Here are our hearts; set them aflame with renewed patriotism and deeper commitment. We press on to the challenges of this day, dedicated to work diligently for Your glory. Dear God, bless America, and to that end, bless the deliberations of this Senate today. In Your holy name. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. THURMOND].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, October 11, 1995.

To the Senate:

Under the provisions of Rule I, Section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable FRANK H. MURKOWSKI, a Senator from the State of Alaska, to perform the duties of the Chair.

STROM THURMOND,
President pro tempore.

Mr. MURKOWSKI thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDING OFFICER (Mr. CAMPBELL). The Senator from Mississippi, Senator COCHRAN, is recognized.

SCHEDULE

Mr. COCHRAN. Mr. President, for the information of Senators, this morning, there will be a period for morning business until the hour of 11:30 a.m. At that time, the Senate will resume consideration of S. 143, the Workforce Development Act. Approximately 3 hours and 45 minutes remain for debate on the bill, with several amendments remaining in order to the bill under the unanimous-consent agreement. Rollcall votes can, therefore, be expected throughout the day. The majority leader has indicated that the Senate is expected to complete action on S. 143 today and it is, therefore, possible that the Senate may begin consideration of the State Department reorganization bill, S. 908, during today's session.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SIMON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of morning business, not to extend beyond the hour of 11:30, with Senators permitted to speak therein for up to 5 minutes each.

The Senator from Illinois is recognized.

NEEDLESS DIVISIONS IN OUR COUNTRY

Mr. SIMON. Mr. President, I just came from the ceremony held in the House Chamber. It was a marvelous ceremony, and I want to thank Senator THURMOND and Congressman SPENCE for putting it together.

Our colleague from Hawaii, Senator INOUYE, said something that I think is significant for this body and for the other. He said, "You do not need to look to Los Angeles to see needless divisions in our country." He said, "You can look right here at the House and the Senate."

I think that is true. Each of us is partisan. I am proud to be a Democrat. Other colleagues are proud to be Republicans. But when we come here, sure, let us have differing opinions, but the excessive partisanship that is here, I think, discourages this country about our process. I think it harms both parties, and I think there is nothing finer that we could do at this point than to listen to our colleague, Senator INOUYE—in both political parties; I am not suggesting either one is better on this. We can work together more.

As I leave this body at the end of next year, my greatest regret is that I have seen this body deteriorate gradually over the years and become more and more partisan. That has not helped the American public. That has not helped the two-party system.

I see my colleague from Wyoming. He is going to seek the floor.

I yield the floor.

Mr. THOMAS addressed the Chair.

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

WORKFORCE DEVELOPMENT ACT OF 1995

Mr. THOMAS. Mr. President, I rise this morning to speak in support of S. 143, the bill that is on the floor and will be on the floor later today, the job training bill.

Mr. President, I first want to commend Senator KASSEBAUM for the work she has done on this bill, and the others as well. I am not on that committee, but I am interested in this bill and what it seeks to do. I think it is symptomatic of the changes that need to be made in many of the programs, and it seeks to bring together 150, roughly, programs that have been designed over the years, each with a certain amount of merit, of course, and certainly each now with a constituency, and to bring those together and to seek to make them more efficient.

It seems to me, Mr. President, that one of the exciting things about this year in this Congress has been that there has been, for the first time in very many years, an opportunity to look at programs, to evaluate programs, to examine their purpose and then to see if indeed they are carrying out that purpose to see if there are better ways to do it and, perhaps as important as anything, to see if there is a way to shift those programs with more emphasis on the States and local government.

I come from a small State; I come from Wyoming. When I am in Washington, I live in Fairfax County, and there are twice as many people in Fairfax County as there are in the State of Wyoming. So we have a little different and unique need there for the kinds of programs. We still have a need for the programs, whether it be welfare or job

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

training, but we need to have it tailored in a way that, I suspect, is quite different from that of Pittsburgh or New York City, and that is what this program is all about.

I think too often—and I am concerned about this, Mr. President—as we seek to make change—and I think voters want to make change; they said they want to make change in November 1994. Yet, of course, there are people who legitimately do not want to change and want to stay with the status quo. It is much easier to oppose change than it is to bring it about. So we find often those who are, for whatever the reason, opposed to change, saying, well, that is going to gut the program, that is going to do away with the program, and that is going to eliminate the help for the people who have been the beneficiaries of the program. And that is not true. That is not true in this program, it is not true in health care, it is not true in Medicare, and it is not true in welfare.

On the contrary, these programs are designed to bring to those beneficiaries a more efficient program to specifically deal with the needs where those folks live. It gets us away from that idea that one size fits all, away from the idea that Washington knows best. Instead, it moves the programs where the decisions can be made by local people who respond to local needs. So we have, in this case, lots of money—$20 billion—going in these 150 programs, and this is an effort to bring them together and to block grant many of them to the States so that the States can say, in effect, here is where we need that education money.

We do need change, Mr. President. There undoubtedly has been a strong feeling that the things that the Government is doing are not succeeding. We have more poverty now than we had 40 years ago. So it is hard to say that the programs that are designed to alleviate poverty have been workable. It is not a matter of not having spent enough money, in my judgment, but rather not spending it as efficiently as we can. I think there is an adage that we need to adhere to, and that is that you simply cannot expect things to continue by doing the same thing. You cannot expect different results by doing the same thing, which is basically what we have done.

So, Mr. President, I rise in strong support. I think we have a great opportunity to make some changes. This is a testing time. Probably the greatest test of representative government, when voters say, look, we are not happy with the way things are, we think we need to change them, the greatest test is to see whether that Government will indeed be responsive to that request for change. I am first to say how difficult it is. And in each year it gets increasingly difficult. As we have more programs and we have more money and we have more people involved in these programs, we have more people involved in bureaucracies, more people involved in lobbying, there is a great resistance to change. I think we have, for the first time in many years, the greatest opportunity to bring about that change.

We need to reduce bureaucracy. We need to increase the private sector involvement. We need, perhaps most of all, to increase the accountability, to measure productivity in these programs, and we can do this.

So, Mr. President, I urge my colleagues to move forward with this education bill, this training to work, S. 143. I urge that we pass it. I urge that we shift many of these funds and responsibilities to local government, to State government, so that they can, indeed, be oriented to the problems that we seek to fix.

The PRESIDING OFFICER. Under the previous order, the Senator from Virginia is recognized to speak for up to 20 minutes.

RACHEL SCHLESINGER

Mr. WARNER. Mr. President, today Senator NUNN and I will speak on behalf of Rachel Schlesinger who just passed on to her reward. She is the widow of Dr. Schlesinger, a mutual friend.

Mr. President, I was privileged to serve in the Department of Defense during the period of 1972–74 with the Secretary of Defense Schlesinger. At that time I had the privilege of learning to know and revere his lovely wife, Rachel, who just passed on.

She was a source of great strength to Dr. Schlesinger as he undertook the important posts of Director of Office of Management and Budget, Secretary of Defense, Director of the Central Intelligence Agency, and Secretary of Energy.

He has had one of the most remarkable public service careers of any living American. I worked with him in each of these assignments through the years and learned to know and to love his late wife.

She was a great source of strength to this fine public servant. I am doubtful he could have fulfilled these important posts without that source of strength given by his wife and his children.

I join today with my distinguished friend and colleague, the senior Senator from Georgia, [Mr. NUNN], who, likewise, through the years, learned to respect and admire Jim Schlesinger and his wife, Rachel.

Our prayers go to their family, and I express my gratitude for the friendship given me through the years by Mrs. Schlesinger. I yield the floor.

The PRESIDING OFFICER. The distinguished Senator from Georgia, [Mr. NUNN], is recognized.

TRIBUTE TO RACHEL MELLINGER SCHLESINGER

Mr. NUNN. Mr. President, I rise this morning to pay tribute to a wonderful lady and wonderful friend, Rachel Mellinger Schlesinger. Rachel died yesterday morning in Arlington, VA. Rachel was the wife of James Schlesinger, a remarkable public servant who served in Cabinet positions in three administrations.

In a real sense Rachel served as first lady of the Department of Defense, first lady of the Department of Energy, and first lady of the Central Intelligence Agency, when Jim Schlesinger held these important Cabinet posts.

Rachel was a remarkable and accomplished woman, by every measure. She was a talented musician. She was active in the mental health movement, historic preservation, and in the preservation of the rural lands that she loved so much. She was also founder and first chairman of the Ballston Symphony and a deacon in her church.

Rachel rarely involved herself in public issues. She always had her own convictions and opinions, but her capacity to deal with crisis was famous. She accompanied Jim to many distant places in connection with his work and on several occasions, by putting herself willingly in dangerous situations, she helped calm and reassure her friends and our friends around the world and our allies around the world.

On one occasion which reached public attention, Jim was then Chairman of the Atomic Energy Commission. A Spartan missile warhead test was scheduled in the Aleutians, and there was widespread fear that it would cause an earthquake and a tidal wave known as a tsunami in that area. Rachel packed up her two daughters and her husband and moved them to the island where the test was to take place. The family's presence was widely publicized and calmed much of the alarm in that area.

Rachel traveled with Jim on an extended trip to Asia in 1975 when Jim became the first United States Secretary of Defense to visit Japan for many years. It was after the fall of Saigon, and there were widespread demonstrations. But the trip also generated an outpouring of support, due in no small part to Rachel Schlesinger's presence by Jim Schlesinger's side.

Rachel served as college editor of Mademoiselle magazine after graduation from Radcliffe with honors in American history and literature. After her marriage to Jim, she did some freelance writing for a time, but she soon devoted herself entirely to their growing family, and of course she was very, very proud of their eight wonderful and successful children. After their eight children had grown up, she became active again in charitable and cultural affairs. One of those eight, their daughter, Clara, served very ably in my office as an intern in 1985.

Rachel was a violinist with the Arlington Symphony since 1983. She was on the board of directors and on the executive committee of the symphony. She served on the overseers' committee of the Memorial Church at Harvard, was a deacon and Sunday school teacher at Georgetown Presbyterian Church, and distributed food on many, many occasions to the homeless over a large number of years.

Rachel was absolutely committed to mental health, and she worked closely with the National Alliance for the Mentally Ill, including testifying before the Congress. Rachel always retained her love of the land, from her childhood days on the family farm in Ohio. In the 1980's, she began to raise Christmas trees in the Shenandoah Valley, delivering them herself near Christmastime, including the delivery of several to the Nunn home just in time for our Christmas celebration.

Rachel's long battle with cancer is now over, but the memory of her rare spirit will comfort and sustain those she loved and cared for in a life of courage and a life of commitment.

I thank the Chair.

RACHEL SCHLESINGER

Mr. JOHNSTON. Mr. President, sadly we learned yesterday of the death of Rachel Mellinger Schlesinger, the wife of Jim Schlesinger and the mother of his eight children. On behalf of the Senate, I want to convey to Jim our deepest sympathy on the loss of his beloved companion of more than 40 years. I also want to say something about Rachel who, quietly and without fanfare, did those good works that the Book of Proverbs praises. She genuinely did open her hands to the poor and reach out her hands to the needy, distributing sandwiches to the homeless and testifying before Congress on the problems of the mentally ill. Rachel was a gifted, energetic, and compassionate woman, but such a private person that few Americans know of her contributions to the quality of our community life. I would like to take this opportunity to express our appreciation of what she did for us.

Rachel Line Mellinger was born on a farm in Springfield, OH, and always considered herself a country girl. She loved gardening, and in the 1980's, she bought a farm in the Shenandoah Valley to raise Christmas trees which she delivered personally to satisfied customers and delighted children. Thanks to her interest in the preservation of historic sites and rural land, Americans will have more of both to enjoy in times to come.

Like Thomas Jefferson, a fellow Virginia farmer, she was a talented writer and musician. She played the violin, not only for her own pleasure, but to give pleasure to others. She played with the Arlington Symphony Orchestra for 12 years and served on its board of directors. She was the founder and first chair of the Ballston Pops, a May festival which she originally organized 10 years ago.

She was active in the community both publicly and privately. She served as deacon of the Georgetown Presbyterian Church and on the overseers committee of the Memorial Church at Harvard, but on Sundays she could be found in the Sunday school where she taught classes. She was active in the mental health movement, and worked with the National Alliance for the Mentally Ill.

We all know that in public life, public service can be hard on families. Jim Schlesinger served in Cabinet positions in three administrations. Rachel Schlesinger also served, in strength and dignity, preserving the privacy of her children and supporting her husband with the warmth of her presence. It is not an exaggeration to say that in all the agencies in which her husband served, she was universally loved.

Rachel Mellinger Schlesinger was a wonderful person, wise, kind, and thoughtful, who did good and not harm all the days of her life. She will be missed.

Mr. President, I was please to be able to see her 3 days ago and can report that in her last days she was cheerful and reassuring to all of those around her. She will be greatly missed. I yield the floor.

THE POLITICS OF FEAR

Mr. GRAMS. Mr. President, my Minnesota office is located in the town of Anoka, the Halloween capital of the world.

For most of my neighbors there, a good scare means nothing more than a Halloween visit to a haunted house, or maybe a roller coaster ride at the amusement park, or an evening in front of the TV watching old horror movies. So who would have ever guessed that, in 1995, the list of ways to give somebody a good scare would include handing them a letter from their U.S. Congressman.

There is a campaign of fear and misinformation being waged around us, Mr. President, and I come to the floor today to share with you my absolute contempt for it, and my sincere sympathy for its innocent victims.

The perpetrators? My colleagues in the minority party, in both Chambers, who are sinking to new lows as they fight desperately against the tide of public opinion that came crashing down on them last November.

Their victims? Senior citizens, who have done nothing to deserve this kind of treatment, except, apparently, to grow old.

Let me tell you about one of those victims.

She is 91 years old, and for the last couple of years, she has lived in a nursing home in the town of Cambridge, MN.

Her name is Ethel Grams, and she is my grandmother. My grandmother received a letter, delivered right to her nursing home bed, from her Representative in the House. And I am appalled that older Americans, who are among the most vulnerable in society, are being subjected to these kinds of scare tactics, fear-mongering, and blatant, self-serving distortions.

The letter is about Medicare, and is sprinkled—liberally—with inflammatory phrases like drastic cuts and benefits coming under attack.

Her Congressman writes of Republicans, quote "coercing seniors into health plans" and "herding as many seniors as possible into managed health care programs."

"Republicans in Congress are proposing to cut Medicare by $270 billion over the next 7 years," he writes, "in order to pay for a tax cut of $245 billion for the wealthiest of Americans—those making over $350,000 a year."

Those assertions would be laughable if they were not so serious.

Mr. President, imagine suggesting to a 91-year-old woman, bedridden in a nursing home, that her health care plan is under attack, that with Republicans in the majority, the medical benefits she is relying upon will be slashed.

What is she supposed to think? How could she not be scared?

I cannot speak for every senior citizen, but I know how much it frightened my grandmother.

Unfortunately, this is not the only example of the damage being spread through this campaign of fear.

Another of my colleagues has mailed out his own letter to seniors, at taxpayer's expense, and portions of it were printed recently in the St. Paul Pioneer Press and Dispatch.

This Congressman wrote of drastic cuts and proclaimed that "the GOP plan in Congress would force seniors to give up their personal doctor."

"Millions of seniors would be forced into managed care programs. * * * While older Americans pay more for Medicare," he wrote, "the privileged will pay less in taxes, with some receiving lavish tax breaks."

Newsweek aptly labels the Democrats' campaign as "Medi-Scare" in a cover story last month. Let me quote a paragraph for you:

> "Democrats depict the GOP's Medicare plan as a bloodthirsty attack on the elderly. "More people will die," declares a hysterical new ad from the AFL–CIO. "And it's only for the sake of tax cuts for the rich," says Democrat Ed Markey of Massachusetts.

"That's hyperbole, for sure," writes Newsweek.

It is more than hyperbole. Anywhere else, this would be labeled, at best, a blatant distortion of the truth and the State attorneys general would be called in to investigate.

In Washington, we call the practice spin control. This is the only city I know where once a lie is repeated three times, it is accepted by most as being a fact.

Mr. President, it is time we hold our colleagues accountable for their misrepresentations, and, beginning today, that is what I intend to do.

They say our plan to preserve Medicare, cuts benefits to seniors—I say "show me." They say the majority of our tax cuts will go to the rich—I say "show me."

They say we are forcing seniors to give up their doctors—I say "show me." But I know they cannot, because the facts say otherwise.

Fact No. 1: We have to reform Medicare to ensure quality health care for our seniors at a cost we can honestly afford. Unless we do, there are only two options.

Either the Medicare hospital insurance trust fund, which has provided health care services for 37 million Americans, will go out of business, bankrupt in 7 years, or we can raise taxes on our seniors and working families by $388 billion over the next 7 years.

That is the option the Democrats have chosen seven times over the past three decades—they have reduced benefits and raised taxes.

But going to the taxpayers for more money is the easy way out, and Americans have said "enough." They are demanding reform, not higher taxes.

Fact No. 2: We are going to save Medicare by increasing spending, but at a slower rate not with the dangerous cuts breathlessly predicted by the Democrats.

Medicare spending under the Republican plan will increase by 40 percent, from $4,800 per beneficiary this year to $6,700 in the year 2002.

Like Americans do every month around their kitchen tables, we have set a budget we can afford, and then decided the best way to deliver the benefits.

We are not promising benefits and then raising taxes again and again to pay for them.

Fact No. 3: Medicare reform has no connection at all to our efforts to provide tax relief to the middle-class taxpayers, the working families who so desperately need it.

With or without tax cuts, Medicare is in severe financial trouble. Even President Clinton, who has been virtually absent during the Medicare debate, realizes that.

In fact, the budget he proposed last June combined slowing the growth in Medicare spending with $110 billion in tax cuts.

The Washington Post addressed the attempt to link tax relief and Medicare reform in a September 25 editorial:

> The Democrats have fabricated the Medicare-tax cut connection because it is useful politically. It allows them to attack and to duck responsibility both at the same time. We think it's wrong.

Fact No. 4: The vast majority of the tax relief in the Republican budget is directed right where it is needed most—to middle-class American families.

Every family with children will benefit from the $500 per child tax credit, and more than 85 percent of the children eligible for it live in families with incomes at or below $75,000.

These families are not the privileged or the wealthiest of Americans. They are average folks who are struggling to meet their tax burden while trying to make a good life for themselves.

Those are the facts, Mr. President. They are an honest attempt to look at the options, the costs, and the consequences—we are not taking some figures and then blatantly distorting them and proclaiming them as truth.

If my colleagues want to write and distribute fiction, they ought to label it as such and sell it through the Book of the Month Club.

The taxpayer financed fiction like the letter received by my grandmother—and similar letters received by hundreds of thousands of other senior citizens—must come to an end.

Government does have the power to do good, but the minority party undermines everyone's credibility when it preaches the politics of fear.

I suggest the next time someone wants to scare a senior citizen, they should invite over a willing relative and pop in a videotape of "Frankenstein" or "The Silence of the Lambs."

Do not threaten the security of strangers, and do not prey on their fears, because it is immoral and it is wrong, and it should be shame on them, Mr. President.

I yield the floor.

WALTER T. STEWART

Mr. HATCH. Mr. President, I rise to pay tribute to an exemplary citizen from the State of Utah, Walter T. Stewart, and to recognize his extraordinary service to our Nation in World War II.

It is my privilege and honor to report that Walter Stewart is being awarded the Distinguished Service Cross, our Nation's second highest military medal, for his extraordinary heroism and gallantry in the most decorated military battle in U.S. history.

At that time, he was a 25-year-old pilot with the 330th Bombardment Squadron, 93d Bombardment Group, based in the North African city of Benghazi, Libya. A dedicated veteran of the air war, Stewart had already flown 30 dangerous bomber missions.

Walter Stewart was skilled and he was courageous. Although only a first lieutenant, he was selected as deputy force leader of a large formation of B-24 heavy bombers assigned to attack the Ploesti oil refineries in Nazi-occupied Romania in a massive low-level assault. The target, 1,200 miles in distance from Libya, was so vital to the Third Reich that it was the most heavily defended stronghold in Europe, well exceeding the defenses of Berlin itself.

On August 1, 1943, Stewart's combat unit fearlessly spearheaded the enormous onrush of 176 American heavy bombers over the Romanian countryside. As the attacking force neared its target, murderous antiaircraft fire erupted from a fully alerted and prepared enemy. The 93d Bombardment Group heroically pressed on in its attack, defying extremely heavy fire from hundreds of enemy guns and cannons.

Only minutes from the target, the force leader's bomber and wingman were shot down in flames, and it fell to Lieutenant Stewart to take command at this perilous moment. Under his leadership, the attacking force swept over the target in waves, at roof-top altitude, and inflicted devastating damage upon it. As the lead aircraft, Lieutenant Stewart's B-24 Utah Man, dropped the first bomb on target.

Utah Man sustained heavy battle damage and became separated from the rest of the attacking force. Utah Man had been hit with hundreds of shells and bullets, sustained damage to its cockpit instruments, and was heavily leaking fuel. Yet, Lieutenant Stewart skillfully piloted Utah Man over the long and perilous route over rugged alpine mountains and across the Mediterranean Sea back to its home base in North Africa. Lieutenant Stewart's crew suffered no casualties.

On that August day in 1943, 310 men of the 93d Bombardment Group died, 185 were taken prisoner, and 150 were wounded. Fifty-four aircraft never returned.

Sadly, that was a fate that eventually befell Utah Man as well. In November 1943, after Water Stewart's reassignment to the United States, Utah Man and its crewmen would be lost over Bremen, Germany.

Lieutenant Stewart's coolness under fire, excellent judgment under pressure, courageous determination to reach the target, and his magnificent and inspiring leadership were of paramount value in the accomplishment of this dangerous mission. His service was such as to reflect great credit upon himself, the crew members of Utah Man, his home State of Utah, the University of Utah—his affinity for his alma mater is reflected in the name of his plane, his church, and his country.

Today, Walter Stewart is a highly cherished member of his church and community, an enormously respected businessman and farmer, a former missionary, a musician, the husband of 51 years to his beloved wife Ruth, a devoted father to his 5 children, and a loving grandfather to his 23 grandchildren.

Today, as in 1943, Walter Stewart exemplifies the American qualities of courage, hard work, integrity, and faith.

I am proud to serve citizens like Walter Stewart in the Senate and proud to call my colleagues attention to this man's distinguished service to our country. I am delighted that he is finally to be awarded this significant military honor.

THE 50TH ANNIVERSARY OF THE END OF WORLD WAR II

Mr. DOLE. For the information of all Senators, the proceedings from this morning's joint meeting to commemorate the 50th anniversary of the end of World War II will be printed under the record of House proceedings. The cost of printing the transcripts of speeches for the records of both Chambers is prohibitively expensive. I urge my colleagues who were unable to attend to take special notice of this tribute to Americans who selflessly served their country.

THE BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, before discussing today's bad news about the Federal debt, how about another go, as the British put it, with our pop quiz. Remember? One question, one answer.

The question: How many millions of dollars does it take to add up a trillion dollars? While you are thinking about it, bear in mind that it was the U.S. Congress that ran up the Federal debt that now exceeds $4.9 trillion.

To be exact, the total Federal debt—down to the penny—stands at $4,969,404,416,914.25, of which, on a per capita basis, every man, woman, and child in America owes $18,863.94.

Mr. President, back to our pop quiz, how many million in a trillion: There are a million million in a trillion.

The PRESIDING OFFICER. Who seeks recognition?

Mr. NUNN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. INHOFE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. FRIST). Without objection, it is so ordered.

JOB CORPS AMENDMENTS

Mr. INHOFE. Mr. President, this afternoon we are going to be discussing some of the amendments to the current Job Corps Program. One of those amendments will be offered by Senators SPECTER and SIMON in a bipartisan fashion.

There is something that is unique about this program. I have had some personal experiences with the Job Corps Program formerly as mayor of the city of Tulsa. We were able to use the participants of this program in doing massive public works within our city. Somehow none of this ever shows up to the credit of the Job Corps Program.

While I am the strongest supporter of virtually every element of the Contract With America, I do believe that there are some areas where we should give serious consideration to allowing a program to exist where it can breathe more freely across State lines, and this just might be the case as opposed to sending it in block grants back to the States.

The construction industry is an industry that, first, is cyclical and, second, varies from State to State. One of the problems that exists right now in the construction industry is that it is very difficult to find young people who will go into the construction industry, into carpentry, into masonry, some of these areas where perhaps the future does not look as glamorous as it would in some type of highly skilled or high-technology position. As a result of that, many people do not choose this except when there is a building boom going on.

One of the problems we have is that nationwide we could have a building boom in Pennsylvania and there could be a slump in Oklahoma. By the time you gear up to the boom in Pennsylvania, it could be in a slump again. Consequently, it has worked quite well to have these programs in a national scope where they do provide for a ready supply of skilled labor jobs, carpentry jobs, masonry jobs, and jobs that are critical to the building industry.

It is my understanding that the Specter-Simon amendment will not be scored, and if that is the case I would urge some of my conservative colleagues to give serious consideration to supporting the Specter-Simon amendment.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. SPECTER. Mr. President, I ask unanimous consent that further proceedings under the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

GOALS 2000

Mr. SPECTER. Mr. President, I have sought recognition to discuss further legislation which I introduced yesterday to amend Goals 2000 to make some changes which may satisfy a number of States which are concerned about excessive Federal intrusion under Goals 2000.

It is my view that there are no excessive intrusions at the present time. But in order to eliminate any concern about that issue, it was my thought that legislation might ease the concerns of some in the country who think there are too many intrusions.

The House of Representatives, in the Labor, Health and Human Services and Education appropriations bill, has eliminated the funding for the Goals 2000 Program. President Clinton has asked for an appropriation of $750 million and the Appropriations Subcommittee, which I chair, which includes funding for Department of Education, has recommended an appropriation slightly more than one-half of what the President has requested. This is because of the overall budget constraints.

But as we move forward in the legislative process and look ultimately to a conference with the House of Representatives, it is my view that we can ease many concerns, regarding Goals 2000, by a number of amendments which are incorporated into my proposed legislation, and at the same time make moneys available to a number of States which have not taken the funding.

Last year, two States, New Hampshire and Virginia, declined to participate in the Goals 2000 Program, and this year notice has been given by Montana and Alabama that they will not be participating.

The Labor-HHS-Education Subcommittee held a hearing on September 12, 1995 to bring together Secretary Riley and Mr. Ovide Lamontagne, who is the chairman of the Board of Education of the State of New Hampshire, to consider the matter before we had the markup by the subcommittee. At that time, a number of suggestions were made which might bridge the gap.

Again, I wish to emphasize my own personal view that there are not excessive strings, but in order to satisfy any concerns, we are seeking to move in a number of directions.

One of them would be to eliminate the National Education Standards and Improvement Council, which was designed to certify national and State standards. Some view this as a national school board, which I do not think it is, but the Secretary of Education, Richard Riley, thought we might eliminate it and still maintain the central thrust of the legislation; and that is that there ought to be some standards and goals, but to let the States establish their own standards and goals.

This program, Goals 2000, was very carefully crafted after a 1983 report by then-Secretary of Education Terrell Bell, a very conservative educator, who found something we all know: That the

American educational system is in a state of disarray.

Some schools are very good, like the high school I went to in Russell, KS, with 400 people, small classes, a good debating team, and a first-rate education. Notwithstanding other distinguished universities which I have attended—the University of Oklahoma, the University of Pennsylvania, Yale Law School—I think my best educational days were in high school, which underscores, at least my view, that some schools are very good. It also emphasizes the importance of elementary school.

But educational standards across the country are in a state of disrepair. Remedial action is necessary. Some of the items coming out of our subcommittee involve experimentation with privatization to take over the public school system, not competing with private school systems, but trying to eliminate the bureaucracies in schools in cities like Washington, DC, or in Baltimore, MD, Boston, MA, Hartford, CT, some schools in Florida.

I am not saying that privatization is the answer, or the charter school concept, which is also a program contained in the bill coming out of my subcommittee. But I think it is clear that the basic concept of goals is a valid one; that there ought to be a measurement, illustratively into the 4th year, at the end of the 8th year, at the end of the 12th year, but they do not have to be necessarily Federal standards.

I compliment a distinguished legislator in the State of New Hampshire, the Honorable Neals Larson, who is the chairman of the house of representatives education committee. Representative Larson is trying very, very hard to see to it that New Hampshire would accept funding under Goals 2000 in its current form.

Candidly, I agree with Representative Larson that there are no strings attached which are intrusive and that, if you take a look at other Federal funding for the disadvantaged, for school to work, that it is not unusual to have some articulation of standards. But notwithstanding all of that, let us see if we cannot move ahead and find a way to accommodate those who may have a contrary view.

The PRESIDING OFFICER. Under a previous order, time is limited to 5 minutes and time has expired.

Mr. SPECTER. Mr. President, I ask unanimous consent to be permitted to proceed for 2 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPECTER. I thank the Chair. Mr. President, stated very briefly, and the statement which was submitted yesterday will amplify these comments, this legislation will eliminate the requirement that the Secretary of Education approve and review State plans. Secretary Riley has been very accommodating and cooperative. He has expressed some concerns about this legislation. There may be others who will have concerns, others who were involved in the original Goals 2000 legislation, and we will make an effort to work with them on those concerns.

As a result of a public meeting which I participated in at Nashua High School back on September 9, an interesting thought was advanced, and that is to have funds go directly to local school boards for those States which decline to accept Goals 2000 funds.

Mr. Ovide Lamontagne, the chairman of the New Hampshire State Board of Education, thought that was an idea which would be acceptable. I am not suggesting that he made a final commitment to it, but at least from his point of view, it had merit subject to the power of the State to intervene if something extraordinary was done which was contrary to the State's views.

So, Mr. President, I urge my colleagues to take a look at the legislation as a way to amend Goals 2000, as a way of seeking an adjustment and accommodation with the House on the appropriations process and encouraging States which are not now entering into compliance with the ultimate view that we have to better the education of school children in America.

I thank the Chair and yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mrs. KASSEBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

WORK FORCE DEVELOPMENT ACT OF 1995

The PRESIDING OFFICER. Under the previous order, the Senate will resume consideration of S. 143, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 143) to consolidate Federal employment training programs and create a new process and structure for funding the programs, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Kassebaum amendment No. 2885, in the nature of a substitute.

Ashcroft amendment No. 2893 (to amendment No. 2885), to establish a requirement that individuals submit to drug tests, and to ensure that applicants and participants make full use of benefits extended through work force employment activities.

Mrs. KASSEBAUM. Mr. President, I ask unanimous consent that the pending Ashcroft amendment be set aside for the consideration of the amendment being offered by Senator SPECTER and Senator SIMON.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2894 TO AMENDMENT NO. 2885

(Purpose: To maintain a national Job Corps Program, carried out in partnership with States and communities)

Mr. SPECTER. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Pennsylvania [Mr. SPECTER], for himself, Mr. SIMON, Mr. HATCH, and Mr. JOHNSTON, proposes an amendment numbered 2894 to amendment No. 2885.

Mr. SPECTER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under Amendments Submitted.)

Mr. SPECTER. Mr. President, in the interest of time—and I understand my distinguished cosponsor, Senator SIMON, will be arriving in the Chamber shortly—I will proceed with some of the opening considerations.

This is a carefully crafted amendment which builds upon the work of the distinguished chairman of the committee, Senator KASSEBAUM. It is responsive to concerns raised by the General Accounting Office to maintain the Job Corps Program in its current structural form with reforms addressing many of the needs identified by Senator KASSEBAUM and the GAO report.

In my capacity as chairman of the appropriations subcommittee which has the responsibility for funding Job Corps, I have been intimately familiar with the operation of Job Corps. During the 15 years that I have been in the U.S. Senate, I have been an advocate for its implementation and have worked to secure funding of almost $1.1 billion for the program.

It is my view, after seeing the application of the Job Corps in my home State of Pennsylvania and in other States, after working assiduously with my former colleague, Senator Heinz, for the opening of a major Job Corps center in Pittsburgh and having seen the successful implementation of the other three Job Corps centers in Pennsylvania, that the current requirements operating as a Federal program ought to be maintained.

I appreciate the general concept of block grants, but it is a concern of mine that we may be going too far on the block grant concept at the outset, especially at a time when we have given the States great authority on welfare reform. To lump the funds for Job Corps with the other block grants which are being given to the States, in my judgment, is an open invitation to have these very important funds on job training diverted to other purposes.

There is no question about the need for a well-trained American work force, and there is no question about the importance of people having the ability to find jobs. If there is one core answer for the problems of crime, it is that people are able to hold a job and support themselves. I have long been interested in providing early intervention including education, job training, and realistic rehabilitation for juveniles and for first-time offenders. I believe that Job Corps goes a long way toward achieving that objective.

The legislation Senator SIMON and I have crafted and introduced here incorporates many of, if not most of, the remedies which have been proposed by Senator KASSEBAUM, such the provision regarding zero tolerance on drugs, alcohol, and violence. We have also responded to integrating the Job Corps into the overall work force development scheme, which is part of Senator KASSEBAUM's legislation.

This amendment works on issues identified by Senator KASSEBAUM, by strengthening State and local ties to the Job Corps, and by requiring that any plans to operate a center be submitted to the Governor for comment and review prior to submission to the Secretary of Labor. This allows for the integration of local interests of the Governor, but not total discretion to abolish the Job Corps or to abolish the great strides which have been made in so many Job Corps centers.

The amendment also requires screening and selection procedures for participating at-risk youth to be implemented through local partnerships and community organizations with the local work force development corps and one-stop career centers, again being responsive to concerns raised by Senator KASSEBAUM.

The Specter-Simon amendment relies on Chairman KASSEBAUM's national audit approach, but we submit that measure calls for the closing of five poorly performing centers by September 30, 1997, and five more by September 30 of the year 2000. We do allow discretion to the Secretary of Labor regarding this important provision which will allow him to close additional centers after an appropriate audit.

In essence, Mr. President, what we are looking at here is very extensive work done by the Committee on Labor and Human Resources under the direction of my distinguished colleague from Kansas. The GAO has identified certain problems which this Senator acknowledges to be true. But in the context of block grants being made this year beyond welfare such as with Medicaid, it is my judgment and the judgment of the other cosponsors, and I think a large part of the Senate, that we ought not go too far too fast.

The Job Corps has been an effective program that ought to be corrected, but we ought not allow the States to abolish the program at their own discretion. I have total confidence in my State of Pennsylvania. However, there are other States where that kind of confidence does not exist.

Now, Mr. President, without really trying to filibuster or speak at any undue length, I note the arrival of my distinguished colleague, Senator SIMON. However, first I yield to my distinguished colleague from Utah, Senator HATCH, 4 minutes.

Mr. HATCH. Thank you. Mr. President, I rise in support of the amendment offered by my colleagues, Senators SPECTER and SIMON, to maintain the Job Corps as a national program.

Now I have to say that I understand what the distinguished Senator from Kansas is trying to do and I generally support her on this bill.

With regard to Job Corps, I really do not believe it can work unless it is a national program, because much of the Job Corps Program depends upon the in-resident training. People coming to the actual Job Corps centers, living there, many of these kids culturally deprived, economically deprived, child abuse, kids that are in real trouble. This is the only program that works or that we have, in essence, for hard-core unemployed youth, and it does work. It is expensive. On the other hand, not nearly as expensive as if these kids wind up on welfare or wind up in the drug culture or wind up in the criminal culture of our society.

As my colleagues know, Utah is the home of two outstanding Job Corps centers. Wever Basin is a conservation center that is consistently rated in the top 10 centers; Clearfield Jobs Corps Center is run under contract by the Management Training Corps of Ogden, UT, which has a long and stellar history of managing Job Corps programs throughout the United States and has been named contractor of the year by the Labor Department. We are very proud of Utah's contribution to the Job Corps Program.

The Job Corps itself is unique. It is unlike education and training programs offered under the Job Training Partnership Act which I helped to author, the Carl Perkins Vocational Act, which I also worked on, or any other Federal initiative. First of all, it is geared to those young people who have failed in traditional settings and whose traditional support systems and often their own families have failed them.

Second, the Job Corps is primarily, as I said, a residential program. It is designed specifically to get these young people out of the streets, off the streets, and out of harm's way, away from the influences of gangs and drugs and violence. Job Corps centers can provide clean, structured, positive, environments, and they do.

For many young people, it makes little sense for them to spend 8 hours a day in a constructive learning situation only to return at 5 p.m. to abusive homes, pressure from unenlightened peers, or the temptations of drugs and alcohol.

Frankly, it would be hard for me to support the Job Corps if it were only another job training program. I think I would have great difficulty. I cannot justify $1 billion to duplicate something that States and local governments are already doing.

On that score, I think the Senator from Kansas is absolutely right. We need consolidation, and we need more State and local flexibility.

We learned during last year's debate on the crime bill we have over 150 separate job training and youth development programs, all having differing sets of regulations, reporting requirements, and so forth.

That is a waste of bureaucracy, pure and simple. I want to commend the Labor and Human Resources Committee for putting together this bill to do something about it. This is a commonsense solution to the proliferation of programs and to the needless expenditure of time and resources just to keep up with the paperwork.

But the Job Corps is not just another program. Its residential capability makes it different, and I believe the current national administration of Job Corps is necessary to promote both continuity and accountability. For that reason, I support the Specter-Simon amendment.

Another reason for supporting this amendment is it deals honestly and forthrightly with some of the legitimate criticisms that have been raised about Job Corps.

Again, I commend Senator KASSEBAUM for holding thorough oversight hearings on the Job Corps. The results of these hearings as well as the reports from the General Accounting Office and the Labor Department inspector general have identified specific areas in which Job Corps must improve.

No program should be immune from congressional inquiry. Any program that is doing its job effectively should welcome such hearings. Should this amendment carry, I encourage the Labor Department to continue its scrutiny of the program in its efforts to improve the identified areas.

Those of us who support this amendment to maintain Job Corps as a national program need to make it clear that this is not a hands-off Job Corps vote or license for business as usual. On the contrary, if Job Corps remains a national program, it remains subject to national oversight, including continual progress reports by the GAO and the Labor Department inspector general.

In this case, however, the way to address these issues is not throwing the baby out with the bath water. The Specter-Simon amendment makes many important reforms in the Job Corps.

For starters, the amendment ties the Job Corps more closely to the integrated job training system being created by S. 143. This only makes sense. Without making Job Corps a State program, we can make sure that Job Corps programs are coordinated with other State and local efforts. We can also utilize the one-stop career centers to make the Job Corps option more available to young people who could benefit from it.

Again, I want to thank Senators SPECTER and SIMON for providing more input for State Governors on this amendment. I believe this change will not only solidify cooperation, but will also be an additional check on Job Corps contractors.

I am also encouraged by the codification of Job Corps' guidelines concerning behavior by corps members. The zero-tolerance policy on drugs, alcohol, and violence must be strictly enforced. Of course, it means nothing if it is not.

By including these provisions in this amendment, we are giving congressional weight to the efforts of the Department of Labor and individual Job Corps contractors and center directors to ensure the state of Job Corps centers. Nothing less than the viability of the residential center concept is at stake.

In short, this is a we-mean-business provision. Students who want to turn their lives around should not have to confront the same negative influences in Job Corps as they left on the streets behind them.

Finally, the amendment requires the closure of the 10 worst performing centers. We have too many needs and too little money to continue to prop up consistently poor performing centers. The costs of operating Job Corps centers will continue to go up along with everything else. We must make tough decisions about where to make cuts.

It seems to me that one obvious place to look is the bottom rung of the performance ladder. While I applaud the efforts DOL made to enforce performance standards, there are still centers that have such a long way to go—that it is more economical to close them than to conserve resources to maintain program quality at other centers.

Mr. President, I believe the Specter-Simon amendment is a balanced response to the criticisms that have been raised about the program, as well as desirable of maintaining the Job Corps as a national program. I urge Senators to support the amendment.

Mr. SPECTER. I thank my distinguished colleague from Utah, and inquire how much time remains on our side.

The PRESIDING OFFICER. Ten minutes and thirty seconds remain.

Mr. SPECTER. I yield to my distinguished colleague from Illinois, Senator SIMON.

Mr. SIMON. Mr. President, I thank my colleague from Pennsylvania and I thank him for sponsoring this amendment and I appreciate the comments of Senator HATCH.

Mr. SPECTER. May I inquire of my colleague from Illinois how much time he intends to take? We have had some requests from other Senators.

Mr. SIMON. If my colleague can give me 5 minutes, that will be great.

Mr. SPECTER. Five minutes? Fine.

Mr. SIMON. Mr. President, first of all, we are not talking about the Sunday school class of Our Savior's Lutheran Church at Carbondale, IL. We are talking about a marginal group of young people: 79 percent high school dropouts, 73 percent have never been employed before. While they have problems, they have been improving.

This is the placement rate for the Job Corps. For those who criticize it and say only 36 percent graduate, those figures are also gradually going up. I point out, U.S. News & World Report just came out with the best colleges and universities in the Nation and I notice that Wichita State University, a great school in my colleague's State, had a 30-percent graduation rate. That is not an abysmal rate, when you take a look at what is happening. With the placement rate, it is not only that you get over 70 percent placed in jobs, it is also that 79 percent—interestingly the same percentage; these are high school dropouts—79 percent of the employers speak very highly of these young people who are marginal, who have really been struggling.

In 1991 the National Commission on Children, a bipartisan body of 34 members wrote, "We recommend that the Job Corps component of JTPA be expanded over the next decade"—not cut back, as this will do, without this amendment—"be expanded over the next decade to increase participation from its present level of approximately 62,000 a year to approximately 93,000 a year."

In 1993, the Milton Eisenhower Foundation, commemorating the 25th anniversary of the National Advisory Commission on Civil Disorders—listen to what they have to say, the Milton Eisenhower foundation.

> Next to Head Start, the Job Corps appears to be the second most successful across-the-board American prevention program ever created for high-risk kids.

What we are being asked to do is automatically cut back on 25 Job Corps centers and then block grant. There are areas where block grants make sense, but this is sure not one of them. Most States have no experience whatsoever in this field. Here we know we have a program that is working, is being commended by a great many people.

I will have printed in the RECORD a letter signed by Peter Brennan, Secretary of Labor under the Nixon administration, Dick Schubert, Deputy Secretary of Labor under both the Nixon and Ford administration, Bill Usery, Secretary of Labor under the Ford administration, Ray Marshall, Secretary of Labor under the Carter administration, Frank C. Casillas, Assistant Secretary of Labor under the Reagan administration, Malcolm Lovell Jr., Assistant Secretary for Manpower under the Nixon administration, and Under Secretary of Labor under the Reagan administration, Roger Semarad, Assistant Secretary of Labor under the Reagan administration—all them saying we ought to keep the Job Corps.

I ask unanimous consent to have that printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

[From the Washington Times, Letters to the Editor]

KILLING JOB CORPS WILL PUT YOUNG AT JEOPARDY

Job Corps is our country's successful national residential, educational and job-training program for at-risk youth. The Workplace Development Act (S.143) puts Job Corps' future, and the young people it serves, in jeopardy.

If passed, it will close 25 centers and turn over operations of this most comprehensive program to the states. In 30 years, no state has successfully operated such a program. The legislation ignores Job Corps' solid track record and poses a risky alternative.

This bill, which was amended to the welfare reform bill (H.R.4) is in sharp contract to all other proposed consolidation recommendations.

Four million young people in the United States need of basic education, job skills and job-placement assistance only Job Corps offers. Most youths who enroll in Job Corps have inadequate education. Most do not have the skills or attitudes needed to find and keep good jobs. All are from poor families.

As the largest, most comprehensive and cost-effective program of its kind, Job Corps is a solution for disadvantaged youths between the ages of 16 and 24. Seven out of 10 graduates enter jobs or pursue further education. Job Corps should remain a national program because it works, is accessible, cost-efficient, accountable and helps communities.

The American public, Congress and the Clinton administration should be proud of Job Corps. We implore the members of Congress from other sides of the aisle to continue support for Job Corps as a distinct national program.

PETER J. BRENNAN,
Secretary of Labor, Nixon Administration, New York.

DICK SHUBERT,
Deputy Secretary of Labor, Nixon/Ford Administration, Washington.

W.J. USERY, Jr.,
Secretary of Labor, Ford Administration, Washington.
RAY MARSHALL,
Secretary of Labor, Carter Administration, Austin, TX.
FRANK C. CASILLAS,
Assistant Secretary of Labor, Reagan Administration, Chicago.
MALCOLM R. LOVELL JR.,
Assistant Secretary for Manpower, Nixon Administration, Under Secretary of Labor, Reagan Administration, Washington.
ROGER SEMARAD,
Assistant Secretary of Labor, Reagan Administration, Leesburg, VA.

Mr. SIMON. Mr. President, I think the evidence is just overwhelming that we should not put the Job Corps on the chopping block. This is a program that has some difficulties because you are dealing with marginal young people, but it works. And when we have a program that works we ought to be expanding it and not cutting back on it.

I urge my colleagues to accept the amendment that Senator SPECTER and I have introduced. I think it is in the national interest.

I yield the floor.

The PRESIDING OFFICER. The Senator from Kansas.

Mrs. KASSEBAUM. Mr. President, I yield 7 minutes to the Senator from Ohio.

The PRESIDING OFFICER (Mr. ASHCROFT). The Senator from Ohio.

Mr. DEWINE. Mr. President, I rise today very reluctantly to oppose the amendment from my friends from Pennsylvania and Illinois and Utah. I say reluctantly because I totally agree with their objectives and I totally agree with their analysis of what is one of the gravest problems this country faces and that is the growing number of young people in this country who are literally growing up in a society that is separate from the rest of us.

Someone has come up with the term "at-risk youth." You see these at-risk youth when you go into a Job Corps center site, as I have in Dayton, OH, or in Cincinnati or in Cleveland. You talk to these kids—really not kids, young adults—and you find they have grown up in a family where there is one parent, that one parent may be an alcoholic or drug addict, where no one in the family has worked for years—where no one has in the neighborhood, really. They do not seem to know anybody in the neighborhood who has worked. That is not true in every case, but it is not atypical.

The thing we have to keep in mind, though, is when we go into a Job Corps site and see these young people, for every one you see in a Job Corps site there are 10, 100, maybe 1,000, maybe 10,000 more out there in every one of our States, so we are just seeing a small number of these individuals.

So I applaud the purpose of this amendment but I differ in the approach. We looked at this issue at length in the Labor Committee. The committee adopted an amendment that I offered that ensures that approximately 40 percent of the money that will be spent at the State level will be spent for these at-risk youth and that we will not allow the States to cream off the top, to just help those young people who are between jobs, to help just those in the middle class, but that the States will be required—the total package provides $2.1 billion that has to be spent on the at-risk youth.

Now we move to the question how do we spend this money the most effectively? There are those who look at Job Corps and say, "Do away with it." They cite the statistics of crime, drug abuse, lack of any definable results or quantitative results. There are others who say very eloquently, "The Job Corps does work and we have to have a residential facility." I believe the Senator from Kansas, who chairs our committee, has come up with a very rational compromise and it is a middle position. It is a position, I believe, that marries the best of both worlds.

What does it do? It says we understand there are problems with the Job Corps. We are going to try to fix those. It says, of the 111 or so Job Corps sites—we have eight more coming on, that makes 119—we are going to take 25, the worst, in an objective measure, and those will be eliminated. But the rest will stay in existence.

I want Members who are listening back in their offices to keep this in mind. They will continue and they will continue under the authority and the power of the States. Any State that might lose a Job Corps site—25. For example, let us say Ohio might lose one. It may. I do not know. But that money would continue to flow to the State and that money would have to be spent for at-risk youth. It could not be creamed off. It could not be used by the State for any other purpose but to target this at-risk youth. That, to me, is very, very significant.

I think it is important to point out exactly where this bill stands now. As a result of the amendment that I offered and other changes that were made, and the good work of the chairman, the Workforce Development Act now targets $2.1 billion of the funding on Jobs Corps and other education and training programs directly on the problems of at-risk youth.

States have to spend roughly 40 percent of job training dollars in this bill on the at-risk youth problem. They cannot cream off the easy part for the job training problem. They have to tackle the tough cases.

The bill provides us a framework based initially on a residential concept for Job Corps. But it requires that a major portion of this money be targeted at this at-risk youth population.

I believe that this legislation now represents a rational compromise. In this compromise, States must target the at-risk youth population. But along with this requirement, or mandate, they are given flexibility—flexibility that I think is essential if we are to empower the States and to encourage the States to develop a full-fledged program for at-risk youth.

States should not be in a position to turn and say, "Well, the at-risk youth is the Federal Government's problem. The at-risk youth is what we have Job Corps for." I do not think so. I think it is much better if it is integrated to the State's entire program to deal with all of the at-risk youth in the State.

This compromise keeps most Job Corps centers in place. But it shifts control of the centers to the States to promote a greater focus on local jobs. The goal of the compromise is to make sure States see helping at-risk youth as an integral, very significant part of their mission.

The specific issue of the future of the Job Corps Program is of great concern to myself and my colleague from Pennsylvania and other Members on the floor. Some people, as I said, want to abolish Job Corps. Some want to keep it with the status quo and make some minor changes. I believe the compromise that we have come up with will actually rescue Job Corps and start it down the path of truly fixing it.

It is clear that many of these at-risk youth that I have talked about will continue to need the kind of residential education that Job Corps provides. I think we need to keep that option open. That is why Job Corps was not abolished in this compromise. That is why the Labor Committee bill provides for a great deal of flexibility in how this fund for at-risk youth will be used. Indeed, the bill cures what has been one of the major complaints about the Job Corps program in the past—the fact that Job Corps is a nationally administered program that does not respond to the needs of the local labor markets. I will come back to that in a moment.

One of the key insights into a recent American political discourse is that we need to rebuild the sense of community. My friend from Indiana, Senator COATS, has talked about that. He has spoken eloquently on the need to rebuild the ties that make for a successful civil society.

But let us look at a typical Job Corps experience. A young woman or young man from Detroit, MI, may be sent to a Job Corps Center in Dayton, OH, and that Job Corps Center in Dayton, OH, may be run by a contractor from Utah. Then when that young man or that young woman goes out to find a job, the agency that is charged with helping that person find a job may be based in Atlanta, GA. You lose the sense of community which I think most people truly understand is essential if the person in the Job Corps is not only going to be trained but if they are going to have a real job afterward, 6 months or 12 months later, because that is the true test of whether it works or not.

The problem with the current system is that very few people involved in this process have any real ties to the local community or to the particular young adult being trained.

This is an extremely disjointed process, not a focused, locally oriented approach. More often than not, the young person does not remain in the community where a Job Corps center is. The person quite naturally tends to go home. I think a truly successful Job Corps Program should look at that young person not just as another client who is shipped somewhere, but as a member of the local community.

That is why streamlining the job training program into block grants to the States is how we have done it in this bill. We have also decided to shift the Job Corps Program to the States. There is a much greater chance that Job Corps will succeed in rescuing an at-risk youth if that program is tapped into a local community—local youth, local employers, and local jobs. The Job Corps needs to be part of a focused, comprehensive, locally oriented system. I think that is very, very important.

So let me conclude by saying, Mr. President, that everyone on this floor—as I look around at all the Members—has a great concern about at-risk youth. The only issue today is how we best serve these at-risk youth.

I believe that the continuation of Job Corps—and an improved Job Corps providing for residential services but integrated into a State system—is really the only way that we can go. It is a rational approach. It is a rational compromise. I think it has a much greater chance of success than continuing the current system.

So, I ask my colleagues—again, I say this quite reluctantly—to defeat this amendment and assure them that when they look at this bill they will find it is a bill that has considered at-risk youth, and not only has considered at-risk youth but has put a star behind that term, and say we care, we care about the at-risk youth in this society, and that this Congress, this Senate, is not going to forget about them but, even more importantly, the States are not either.

Thank you very much, Mr. President.

Mr. PELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. SPECTER. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. Twelve minutes and thirty seconds.

Mr. SPECTER. I yield 3 minutes to my distinguished colleague from Rhode Island with whom I served for many years on the authorizing committee, and who knows the subject very well.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. PELL. Mr. President, I thank my colleague.

Mr. President, when the subject of Job Corps was being discussed on the Senate floor at an earlier time, I spoke about solutions to,

> The important problems and challenges facing our young people: the need for originality and new ideas; the need for knowledge to combat ignorance; and, above all, the need for broadening the horizons for youth, so that each young man and young woman in the United States can develop the best of his or her talents in a climate of maximum opportunity.

I delivered those remarks in March 1964 during debate on President Johnson's poverty program, which created, among others, the Job Corps Program. Thirty-one years later, the problems and challenges are surprisingly, and unfortunately, the same. I doubt any of my colleagues would disagree with the importance of allowing our young people to develop to the best of their ability.

For many, colleges and universities are the places they go to develop their talents; still others find vocational schools or service in our Armed Forces to be the place. Regrettably, Mr. President, there remain some young men and women who do not even know what their talent is.

They are referred to as poverty youth. In reality, they are young Americans who, through no fault of their own, lack the skills needed to get an education or find a job.

It is for these people that Job Corps was created, has flourished, and must continue. It is just as important today as it was 34 years ago to do all we can to look for new ideas to old problems; to replace ignorance with knowledge; and most important, allow all of our young people, no matter who they are, where they live, or how much they make, to discover their special talent and go on to develop that talent.

This is why I am a cosponsor of and will vote for the Simon-Specter amendment. I am pleased the amendment calls for a review and closing of any centers that are not serving their students. I am also pleased about the strong emphasis the amendment places on community involvement. The hearings held by the Senate Labor and Human Resources Committee certainly pointed out the strong, positive impact an involved community can have on the success of a Job Corps Center. Most important, I am pleased that the Simon-Specter amendment keeps the Job Corps Program as a national program. This, I feel, is vital.

My only lingering regret, Mr. President, is that my own State of Rhode Island is one of four States which so far does not have a Job Corps Center of its own. I continue to hope that this omission can be addressed in the context of strengthening and improving the program.

I yield the floor.

Mrs. KASSEBAUM. Mr. President, I would like to yield 7 minutes to the Senator from Nebraska.

Mr. KERREY. Mr. President, I rise in opposition to this amendment. I believe the intent to preserve the Job Corps is a good intent. The Job Corps in the main has been a program that has had a substantial amount of success. However, the purpose of S. 143, of this piece of legislation, is to give not just the States more flexibility but provide, for the first time, taxpayers with a real system of accountability, requiring States to develop a plan, present benchmarks for that plan and suffer monetary penalties if they do not meet the objectives under the plan.

This says we are not just going to block grant money back to the States and allow them to willy-nilly spend the money. This legislation creates, for the first time, an accountable system and allows Governors and people in the States to preserve their Job Corps Program, but it says that we are going to transfer primary responsibility for any Job Corps Center to the State in which the Job Corps Center is located.

States rather than the Federal Government under this legislation, we believe, are in the best position to manage and operate these centers and, most important, to integrate them with their statewide work force development system.

I would actually make the case that this is a good area for us to begin to consider what kind of swaps we might be able to work with the States entirely. We are not only talking about giving the States responsibility. We are collecting a lot of taxpayer money here and shipping it back to the States to do a function that I believe is largely something that the States do better than the Federal Government anyway, which is to work with small business, to work with big business, to work with educational institutions to try to develop programs that will help individuals acquire skills they need to either get in the work force for the first time, which is typically what Job Corps does, or to acquire the skills to enable them to move up the economic ladder.

I actually would love to get into a debate, into a discussion as we talk about shifting more power back to the States about whether we want to not just shift power back to the States but whether we want to shift all funding responsibilities. I think it was a mistake for us to block grant, for example, Medicaid and give Medicaid back to the States under a block grant program. I did not support the welfare bill because I do not think income maintenance programs can be run by the States. But some kind of a swap as we are trying to decide what does the Federal Government do well and what do the States do well it seems to me to be appropriate rather than just assuming that everything ought to be shifted back to the States.

Some things the Federal Government does quite well. One of them, however, Mr. President, I do not believe is in the area of job training and economic development. There I believe very strongly the States should be given the principal responsibility and be given not just flexibility but as long as they are asking us for tax dollars that we on behalf of our taxpayers need to hold them accountable for what is going on.

Again, this legislation, S. 143, as I said yesterday when I spoke on it, is one of the very small number—in fact, I only have two on my list right at the moment—of changes in the law where I am certain a couple of years from now people on the street in Nebraska are going to come up and say, "You know, that work force development legislation, I have a job today because of that. I am earning $5,000 more a year because of that. My family survived as a consequence of that legislation."

This piece of legislation will produce real change that people will appreciate at the local level, where they are asking increasingly, what is this Congress all about? What are you doing that is relevant to our lives?

The other one, I point out again for emphasis, is S. 1128, the health insurance reform legislation. Mr. President, 25 million Americans will benefit if we end the practice of excluding people on the basis of preexisting conditions and allow people to port their insurance from one job to another.

Last year, in the debate over health care, it seemed no one was for that, and this year it has become popular to suggest it; 25 million Americans benefit from that. Again, by coincidence, it is sponsored by the Senator from Kansas and the Senator from Massachusetts. S. 143, like S. 1128, will enable you in townhall meetings to have people stand up and say: This one made a difference in my life. My family is stronger; my income is higher; I have that job; I have adjusted to the marketplace; I have skills and am able to do things I was not able to do before.

So those who are wondering whether or not you are voting against Job Corps, you are not voting against Job Corps by voting against this amendment. Job Corps is still alive under S. 143. We do not kill Job Corps with this proposal.

I have a letter—I suspect all my colleagues do—with a very impressive list of many of my friends here in Washington, DC, advocacy groups urging me to vote for this amendment. I will vote against this amendment and say to my friends and those at-risk youths I believe the States will in fact do a much better job.

We have a Job Corps facility in Nebraska. My guess is my Governor is going to say it does a good job; they are going to integrate it into their plan; they are not going to shut down the Job Corps Program in Crawford, NE, but they are going to integrate it into their development program. If it fails to do the job, Mr. President, they will know that they cannot come back to Washington and have the Congress bail them out. They will know if they do not do the job, they will have to turn to their legislature and their own Governor and try to make a losing program still get funding by the taxpayers.

So I believe this amendment should be defeated because I think it actually undercuts long-term the support for the Job Corps Program. It is much more likely that this particular piece of legislation does the right kind of empowering, does empower people at the local level, empowers small business to participate in economic development markets, enables us to turn to taxpayers and say these 90 different job training programs have been consolidated into one and we have tough requirements for benchmarking and tough requirements for standards. You know that you are going to get your money's worth in this program and much more likely that taxpayers will be satisfied as well.

Perhaps most important for me, S. 143 is going to empower people at the local level to get involved, trying to figure out what we can do to make sure that half of the graduating class that goes directly into the work force has the skills that the market says they need in order to get a job.

Increasingly, I talk to citizens who say: We are cut out of it; we do not seem to have much power, much opportunity. We try to get to our school boards to get help but we are not able to.

Mr. President, I request 2 additional minutes.

Mrs. KASSEBAUM. I yield the Senator 2 minutes.

Mr. KERREY. I say in conclusion, Mr. President, I think the amendment is well intended and I understand there is strong support for the Jobs Corps. I have been a strong supporter of Job Corps as well. But it is much more likely to survive if the taxpayers say: We are getting our money's worth if it is integrated into the State plan for job training and economic development.

So I hope my colleagues who support Job Corps will oppose this amendment and make sure that S. 143 does in fact empower the people at the local level.

Mr. SPECTER. Will my colleague yield for a question on my time?

I just have one very brief question. I inquire of my colleague from Nebraska if he would see a difference between the Job Corps in a State like Nebraska, administered by a Governor like Governor KERREY, or a State like Ohio, by my distinguished colleague, Senator DEWINE, compared to some of the other States in the United States where with a block grant we might not be so confident that we have Job Corps maintained?

Mr. KERREY. It is entirely possible that you are going to get situations where Governors are less friendly to the Job Corps than I would be or he might be, I say to the Senator from Pennsylvania, but one of the things that I have a difficult time with in general when it comes to Federal programs is people at the local level say: We know this thing is not working but the power to determine whether it survives reverts back to Washington.

And again I wish to say for emphasis there are some things that I do not want to shift to the States. I do not want to shift income maintenance to the States. I do not want to shift Medicaid to the States. I would like to empower people to make more decisions when it comes to health care, empower them to make more decisions. I do not want the Federal bureaucracies to control all the decisions, but when it comes to job training and economic development I really see it as a State role.

I would love to get into a discussion of how we get a swap with the States taking over things that are Federal responsibilities but saying to them where it is a State responsibility, you are going to be required to come up with your own money.

I would say to the Senator from Pennsylvania as well——

The PRESIDING OFFICER. The time has expired.

Mr. KERREY. I know from my own State of Nebraska, when people campaign for the office of Governor—I suspect it is similar to Pennsylvania—the No. 1 question they have to answer is, What are you going to do to create jobs?

The PRESIDING OFFICER. The Senator's time has expired.

Mr. KERREY. Economic development is so important, no Governor is going to get away with shutting down a Job Corps center that is doing a good job.

Mr. SPECTER. I ask unanimous consent that Senator HARKIN be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I would like to yield myself 7 minutes on the bill. And then I will yield 5 minutes on the bill to the Senator from Iowa.

I want to speak in support of the amendment. I must say I was in such agreement with my good friend, Senator KERREY, yesterday, and I am at difference with him today. We are talking about the same subject matters. But I very much appreciate his longstanding interest in terms of the training programs that have been developed out of the Human Resources Committee under the leadership of Senator KASSEBAUM.

I want to also pay tribute to Senator DEWINE, although I differ with him on this issue as well. He has spent an enormous amount of time as a Lieutenant Governor and in our committee in working across the partisan lines to bring focus and attention to at-risk youth in this country and has made it one of his priorities. I think all of us that care about the issue of at-risk youth are very much in his debt at this time and look forward to working with him down the road on other ways that we can be more effective.

Mr. President, I urge the Senate to support the Job Corps amendment. The committee bill on this issue is a classic case of throwing out the baby with the bathwater. I strongly support the basic purpose of the bill, which is to consolidate the current overlapping and often confusing array of Federal job training and job education programs. But it makes no sense to eliminate the Job Corps, which is a program that is not broken and does not need this kind of fixing. The Job Corps is a Federal program that works, and it deserves to remain a Federal program. It works extremely effectively to bring hope and opportunity into the lives of tens of thousands of disadvantaged young men and women every year. And it works extremely cost effectively as well.

A study in the 1980's found that the Job Corps saves $1.46 in future costs for crime and welfare for every $1 invested in the program. And there have been more than 200 IG reviews of the Job Corps Program, and they have been overwhelmingly in support of the Job Corps Program over the period of these last 30 years.

I will just quote briefly the IG report of 1991 where it says, "85 percent of the investment in Job Corps resulted in participants receiving measurable benefits." The GAO report of 1995: "Job Corps is serving its intended population. Employers who hire Job Corps students were satisfied with the students' work habits and technical training."

Mr. President, the Job Corps has its problems, like any social program, dealing with the difficult challenges of assisting disadvantaged youth and helping them to become productive and responsible citizens. We can deal with the program's problems. No one is trying to sweep them under the rug. But it would be very wrong and highly counterproductive to use these problems as a pretext to turn the entire Job Corps over to the States and abandon the many positive features that far outweigh the problems in this innovative Federal program.

Any fair assessment of the Job Corps demonstrates its success. The Job Corps is a unique residential program that provides education and training for at-risk youth. It is national in scope. A third of Job Corps participants are enrolled in centers outside their own States. That means Job Corps can offer a real choice to young men and women about the kind of careers they want. If the Job Corps center in their State does not provide that kind of training, they can enroll in a center in another State that does. If we fragment this national focus and turn the Job Corps into 50 separate programs, at the option of each State, the obvious advantage of this impressive national capability will be lost.

There is no question that Job Corps has succeeded in fulfilling its mission. In 1994, 73 percent of all the Job Corps participants were placed in jobs, joined the military, or went on to some form of further education. I will point out, in response to points that were made earlier about the issues of accountability for the Job Corps that included in the Specter-Simon amendment, there are required evaluations which look at placement rates, verified after 13 weeks, learning gains, placement wages, dropout rates, enrollees obtaining GED's—all different assessments and evaluations of the programs so that we will have a closer review of the success of the programs and also its challenges.

Finally, there is talk by some opponents of Job Corps of eliminating excessive Federal bureaucracy. The total bureaucracy consists of a grand total of about 190 officials. Some bureaucracy. It should be obvious to everyone that three to four officials per State cannot manage the Job Corps if we turn the program over to the States. The committee bill is a prescription for increased Job Corps bureaucracy, not reduced bureaucracy.

For all these reasons I urge the Senate to save the Job Corps. This is a vote for a Federal program that works. It is a vote for hope and jobs and opportunity for young men and women across the country who need our help the most. For them Job Corps is a lifeline. The Senate should preserve it, not cut it off.

Mr. President, I yield 7 minutes to the Senator from Iowa.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. I thank the Senator for yielding me this time off the bill. I did want to support the amendment and be a cosponsor of the amendment because I feel so strongly that Job Corps has done an outstanding job. There have been problems. Yes, there have been problems. I believe that we have addressed those problems. I believe this amendment addresses those problems.

But just to arbitrarily close 25 centers around the United States and then to turn this back over to the States with almost no benchmarks at all, I think would be the death knell for Job Corps, and it would be the end of it. Job Corps, as has been stated so many times, I am sure, by people who have spoken on the floor of the Senate here, Job Corps serves our most disadvantaged youth. These are not young people who have gone through high school and gotten good grades, maybe got a job; these are hardcore, unemployed, disadvantaged youths. To close them down would be a big mistake.

Despite the disadvantages of the youths that come into this program, the program has succeeded. The last comprehensive study of Job Corps found each $1 invested returns a $1.46. Last year, 73 percent of Job Corps students found jobs or entered higher education after leaving the centers. I challenge any State-run job training program to match that kind of figure. You cannot find it anywhere—73 percent. Now, they may place them, but in the Job Corps center that we have in Iowa, 95 percent of those found jobs with an average hourly wage of $6.20 an hour, and not minimum wage, more than minimum wage.

We have a Job Corps center in Denison, IA. I have to tell you, Mr. President, when this thing first started in Iowa, the Job Corps center, they took over an old junior college that had gone under. When it first started in Denison—Denison is a small community, community of about 6,700 people—when they thought about this Job Corps center there and they were going to bring these inner-city kids in and kids who had been on drugs, there was a public outcry, and it just about did not succeed in being located in Denison.

Finally, some cooler heads prevailed. They opened it up. And I can tell you, Mr. President, it has so much support in Denison and the surrounding countryside you cannot believe it. I know my friend from Nebraska was saying that we have got to get more local level involvement. You cannot get more local level involvement than what you have in the Denison, IA, Job Corps Center and, I daresay, a lot of other Job Corps centers around the country because they work closely with businesses in the community.

They are taught by people with skills in different occupations. They go out and work among people, so they get to understand what it is like to be in the work force. And the people in the Denison area have supported it overwhelmingly since it has come in. Five hundred kids a year go through there. And I might add it is one of the handful of centers that provides child care for students.

The child development center there opened in 1993. It allows parents to keep their children with them while they are enrolled in training programs. So a young mother, maybe with one or two kids, can come there, go through the program and keep her children with her. Children from 6 months to 2 years are in a developmental child care program. And at the Denison Job Corps Center, for children 3 to 5, we have a Head Start Program.

So, again, it is fully integrated with developmental for early childhood, Head Start, and allow these kids to stay there with their parents.

As I said, Job Corps in Denison is the third largest employer. It has 121 full-time employees and a $3.4 million annual payroll. And the center gives back to the community. It makes civic contributions. They built a new press box at the high school athletic field. The kids went out and built it. They contributed to the community. They built a new stage for the Donna Reed Performing Arts Festival that we have annually to commemorate the hometown of Donna Reed.

So, again—I do not know—when I hear people say that we need more local involvement, you cannot get more local involvement than what we have in the Job Corps Center in Denison, IA. We talk about turning it back to the States so they do not come to the Federal Government when they get in trouble. The fact is, under the bill, if you turn it back to the States with almost no benchmarks, they would not run to the Federal Government because there is nothing for them to meet.

But under the amendment, we set up benchmarks, we set up strict guidelines on drug usage and that type of thing, and we make sure that they meet certain stringent guidelines. So we have, I believe, addressed the problems that we have confronted in some Job Corps centers.

I am not going to stand here and say every Job Corps center has been the epitome of correctness and that they have been run right. But to just take a blunt meat-ax approach and cut them out is, I believe, the wrong way to go. I believe this amendment is the right way to go. It solves the problems. It keeps the centers going. It, indeed, closes 10, but not the 25, and it sets up the strict guidelines we need to make sure we do not have these problems in the future.

I urge those who want to make sure that we instill in these young people family values and a work ethic so they can get out of the environment they are in and put them in a new work environment in a community, you cannot beat the Job Corps for what they are doing. It is one of the best investments we have ever made. I certainly hope we do not do away with it, and I support the amendment wholeheartedly.

Mr. McCONNELL. Mr. President, if the distinguished sponsor of the bill, Senator KASSEBAUM, would yield, I would like to ask her a few questions about the impact this bill would have on Kentucky. Would the Senator yield for some questions?

Mrs. KASSEBAUM. Yes, I would be happy to yield.

Mr. McCONNELL. Our State has six Job Corps Centers. These centers currently receive a total of approximately $51 million annually to operate. Does this bill target any of the Kentucky facilities for closure?

Mrs. KASSEBAUM. This bill does not target any particular facility, in Kentucky or elsewhere, for closure.

Mr. McCONNELL. The bill does provide that 25 centers will be closed over a 2-year period. How will the decisions on closure be made.

Mrs. KASSEBAUM. The bill mandates that there be a national audit, over a 2-year period, of all Job Corps Centers, and that the national board make recommendations, based on objective performance criteria, to the Secretary of Labor. The national board will recommend that the 10 worst performing centers be closed in the first year after the audit, and that 15 additional poorly performing centers be closed in the following year.

Mr. McCONNELL. Will particular States, for example, with a disproportionate number of centers compared to the State's population, be targeted for closures?

Mrs. KASSEBAUM. No, there is no national formula established in this bill, based on geographic or population considerations. For allocating Job Corps funds, the only factors will be performance related. In fact, section 161(c) specifically provides that each State will continue to receive the same amount of funds for Job Corps even if any of the States' centers are closed. In that case, the State could then use those funds for other at-risk youth activities.

Among the factors that will be examined to determine the closure of centers are: Whether the center has experienced high incidents of criminal or violent activity; the physical condition of the facility; the degree to which the center has State and local support; and the costs of the center compared to other centers.

Mr. McCONNELL. I thank the Senator from Kansas for her explanation.

Mrs. KASSEBAUM. I appreciate the interest of the Senator from Kentucky in the impact of this bill upon his State. And, I would point out that, in the section of the bill dealing with other training programs, the State of Kentucky, according to the Congressional Research Service, will receive more funds than it currently receives. The reason for this is that the bill alters the funding formula for job training programs, and based on the new formula, Kentucky should receive a 4.2 percent increase in job training funds.

Mr. McCONNELL. I thank the Senator for her assistance.

Mrs. MURRAY. Mr. President, I speak today in support of the Simon-Specter amendment to the Workforce Development Act, which seeks to save one of America's most important programs—Job Corps.

For over three decades, the Job Corps has received bipartisan support and has created a tradition of success. In this time, Job Corps has empowered 1.6 million of America's disadvantaged youth to become responsible, tax-paying citizens.

Job Corps has proved its worth as a time-tested national program for at-risk youth. it is the only program offering a unique combination of residential education, support services, job training, and placement services.

This amendment reflects inspector general and Department of Labor testimony and General Accounting Office data that do not suggest or recommend State block granting as a means to improve Job Corps accountability.

The Workforce Development Act, as it currently exists, would close 25 Job Corps centers, one-fourth of the total Job Corps network. This represents an abandonment of $500 million in Federal facilities and the loss of thousands of jobs. The act would also currently end universal access to Job Corps for students and creates State restrictions for Job Corps programs.

The Specter-Simon amendment takes a much more rational approach to Job Corps consolidation. The amendment would simply close 10 Job Corps centers—5 by 1997 and 5 more by the year 2000, providing weaker performing centers time to improve. It would preserve Job Corps as a national program and protects national partnerships that provide essential support, training and job placement services along with universal access to Job Corps for all eligible at-risk youth, regardless where they reside.

Last year, 73 percent of Job Corps students found jobs with an average wage of $5.50 or returned to higher education after leaving the program. These numbers speak volumes about the success of the Job Corps Program.

Mr. President, I urge my colleagues to seek out Federal programs within each of their States that have proven track records. This is clearly one of those programs that has year-in and year-out provided the necessary direction of millions of disadvantaged young Americans.

I applaud the work of my colleagues—Senators SIMON and SPECTER, for their leadership, which strives to maintain a program so vital in each of our States. I believe this amendment will improve a Job Corps Program already demonstrating continued success.

Mrs. KASSEBAUM. Mr. President, I would like to lay out in some detail why I have reached the conclusion that something is seriously wrong with the Job Corps Program.

I know this program has broad bipartisan support. The Secretary of Labor has called Job Corps the crown jewel of all Federal training programs. We have a Job Corps Center in Kansas, and I initially supported that effort.

I strongly support the concept of a program that truly helps at-risk youth finish their high school education, obtain marketable job skills and get a job on which they can build a career. But Job Corps, as it is not operated by the Department of Labor, falls far short of delivering on those promises.

For years, Job Corps has claimed it places 80 percent of its participants in jobs, the military, or in higher education. I was surprised to learn, however, that half of the students dropped out in their first 6 months. Despite the fact that more than 50 percent of the students find their own jobs, Job Corps claims the majority of those dropouts as successful placements.

I also learned that Job Corps is by far the most expensive job training program operated by the Federal Government, with a budget of $1.2 billion. That translates to a cost of $23,000 for each student placement, far more than the average State college tuition.

A year ago last June, I asked for a briefing by the Department of Labor inspector general, which has been monitoring Job Corps regularly for the last several years. One of the most troubling of the inspector general's findings was Job Corps' extremely high dropout rates. One-third of new trainees drop out within the first 90 days and, as I said, 50 percent leave within 6 months.

The IG also found that only 12 percent of students were being placed in jobs requiring the skills they learned in the program. The vast majority of jobs found by Job Corps graduates were low-paying, low-skill positions.

The inspector general also questioned Job Corps' claimed placement rate of 80 percent. The IG found the actual number was closer to 60 percent. However, even this number is misleading because a job placement is defined by Job Corps as being on the job for only 20 hours.

In addition to poor performance and high dropout rates, the IG found very little accountability for Job Corps operators. The Department of Labor rarely took action to improve or upgrade centers that performed poorly year after year after year.

The inspector general also told me about an aspect of Job Corps about which, up until that time, I knew very little about. In addition to operating Job Corps Centers, the program also contracts out to employers and labor unions for advanced training programs for Job Corps graduates.

The inspector general examined one of these advanced training programs for computer skills and found the cost to be almost $37,000 per student. Yet, the contractor placed only 9 percent of the students in jobs using the data processing skills they learned in the program.

Almost half of the program's students dropped out and were not placed. Nearly one-fourth of so-called successful placements last less than a year in the job. And yet, Mr. President, this contractor had his contract renewed without competitive bidding.

In fact, none of these advanced training contracts—worth over $40 million—are subject to competitive bidding. Again, we found poor performance and little accountability within Job Corps.

On October 4, 1994, the first oversight hearing in more than a decade on Job Corps was held by the Senate Labor and Human Resources Committee, and then-Chairman KENNEDY, at my request.

The essence of the testimony presented by the Department of Labor was that Job Corps was still an extremely successful program with minor problems. Reports of violence in the centers were dismissed as minor occurrences blown out of proportion.

Yet following the oversight hearing, I began to receive disturbing phone calls and letters from parents, former Job Corps students and Job Corps employees about the violence that existed throughout the program.

On December 13, 1994, Job Corps provided me with information on serious incidents of violence and drug use on Job Corps centers. I was told that 23 homicides were committed by Job Corps students between 1992 and 1994.

For the same period, there were nearly 300 sexual assaults, 993 incidents of violence, and 416 serious drug-related incidents, all taking place at Job Corps centers.

Worst of all, according to Job Corps' own figures, the program admitted 4,520 students with a criminal record, and 9,678 students with a history of psychological or emotional problems.

Mr. President, this flies in the face of the statute, which requires that Job Corps enrollees be screened in order to prevent admission of students who will disrupt the program. It seems this requirement is routinely ignored.

In January of this year, the Labor and Human Resources Committee held two days of oversight hearings to examine performance, accountability and the incidence of violence at Job Corps sites.

Only days before the hearings, a 19-year-old girl was murdered by three other Job Corps students just outside the fence of the Knoxville Job Corps center. The police described the murder as "ritualistic."

Testimony at the hearing confirmed the pervasiveness of violence and lack of discipline throughout the program. The most compelling witnesses were the students themselves. Rhonda Wheeler lasted 10 days at the McKinney Job Corps Center in Texas.

> As for the violence on center, I saw twelve fights in the ten days I was there . . . I went to clerical class because that was one of my choices. Five minutes after I got there, two students started punching each other. Both were bleeding and one student picked up a typewriter and threw it at the other . . . Illegal drugs were rampant at McKinney . . . It was another one of those things that was part of the atmosphere of the place.

Fred Freeman, Jr., a former student at the Woodstock Job Corps center in Maryland, made this statement:

> The second night I got my "blanket party." This was standard treatment for new guys. A blanket party for those not familiar with the term is when you are sleeping in your bunk, somebody suddenly throws a blanket over you, and eight to ten guys take turns punching and kicking you. I told the residential advisor after it happened. He said he would report it, but nothing ever happened.

Two weeks later, Freeman said:

> Someone turned out the lights in the room and I was kicked and punched by him and his buddies. About 20 guys jumped me, and I got kicked from head to toe. After they left, my roommate took me down to the duty officer and they took me to Baltimore County Hospital. I had two cracked ribs and my right temple was swollen up like a balloon . . . No one got disciplined for the incident.

Shortly thereafter, the Knoxville Job Corps center was ordered closed by the Department of Labor. The McKinney Job Corps center was also closed, thanks in no small part to the compelling testimony of the young witnesses before the Committee.

Following the hearings, the Department of Labor agreed to take action to strictly enforce a One-strike-and-you're-out policy on violence and drug use. Job Corps also identified, in conjunction with the inspector general, more than 25 Job Corps centers considered to be problem centers due to violence and consistent low performance.

While the new policy has helped, I am sorry to say the violence continues. About 6 weeks ago, a 20-year-old Job Corps student in Oklahoma was murdered by two of his classmates.

Last June, the General Accounting Office released the results of a study I requested they conduct of Job Corps. These results only reinforced the inspector general's earlier conclusions. Mr. President, I think the title of the report speaks for itself: "High Costs and Mixed Results Raise Questions About Program's Effectiveness."

The GAO reviewed outcomes for nearly 2,500 students terminees from six Job Corps centers. This is some of what they found:

Nearly 70 percent of the students dropped out before completing vocational training. Of the 30-percent who graduated with a job skill, nearly two-thirds found no work or found a low-paying, no skill job.

The percentage of students obtaining jobs that matched their training was only 13 percent. This corroborates the IG's earlier findings. GAO also found that half of the graduates who do get jobs only lasted two months or less at their first job.

Mr. President, I know that Job Corps is circulating information to show that their performance has recently improved. My colleagues should be aware that none of the recent figures have been independently audited, and if their past records are any indication, Job Corps numbers are unreliable at best, intentionally misleading at worst.

The GAO also found that national training contractors who get paid substantial sums for finding students jobs, accounted for only 3 percent of all job placements. They also questioned the current Job Corps policy of awarding nine major national training contracts—at a cost of $41 million annually—without competitive bidding.

The report also noted that 84 percent of Job Corps vocational training is in construction, a field in which the number of job openings have steadily declined.

Mr. President, why are we spending tens of million of dollars for training for jobs that don't exist? It is little wonder Job Corps' placement rate is so low. We do a great disservice to our youth if we give them the expectation of a job where none really exists.

The inspector general continues to question the improper use of millions of dollars spent by Job Corps contractors, including some of those awarded contracts on a sole source basis.

Some of the costs these contractors claimed were identified by the IG to include: liquor and dry cleaning bills for more than $100,000; travel to China and South America by the president of one group; The son of the contractor's college tuition; $500,000 for an office in Tokyo; $300 a night rooms in resort hotels; and excessive salary increases and bonuses for company executives.

More recently, the inspector general found that Job Corps was forced to write off nearly $1.76 million owed by terminated students during program years 1992 to 1994. The write-offs were partly the result of job placement bonus payments to students which later proved to be nonexistent.

Mr. President, I could go on and on with more facts and figures. But I think the case for reform is clear. Even more compelling than the facts and figures are the complaints I have received from students and staff across the program, as recently as this past weekend.

Let me conclude with an excerpt of a letter I received from a Job Corps recruiter, dated August 1 of this year. He writes:

> I could not morally, ethnically or consciously send my friend's children and community members of Northeastern Wisconsin to these (Job Corps) centers and expect them not to be harmed physically and emotionally. . . .
>
> . . . All in all, the program is very dysfunctional and mismanaged at all levels of operation. It needs to be reorganized. The best way of doing this is to block grant it to the states. Let the states have responsibility for assisting young adults into the program—the states have a stronger commitment in helping become productive and well-rounded individuals. This is not happening under such a mismanaged oversized federal bureaucracy . . .

Mr. President, the amendment of the Senator from Pennsylvania will only perpetuate a national program that has clearly gone awry. I urge my colleagues to support true reform of the Job Corps Program, and reject the Specter amendment.

Mr. DOMENICI. Mr. President, I must reluctantly oppose the Specter amendment. This is clearly a difficult vote for many of us, particularly for those of us who strongly support Job Corps, because I know there will be many who argue that a vote against the Specter amendment represents a vote against the Job Corps Program. I want to make it very clear that my vote should not in any way be interpreted as a lack of support for the Job Corps Program. Quite the contrary is true. I have been a strong supporter of local Job Corps programs, and I believe my vote only reinforces that support.

Job Corps is our Nation's oldest, largest, and most comprehensive residential training and education program for unemployed and undereducated youth. It is also one of the best-loved Federal programs we have in place, and it has had strong bipartisan support over the past three decades. I have heard all the accolades showered on Job Corps here on the floor. I join my fellow Senators in their praises and I share in their endorsement of the program.

However, as Senator KASSEBAUM has pointed out, over the past decade, Job Corps has fallen short of its promise. At any one time, Job Corps serves around 44,000 young men and women at a cost of around $23,000 per individual. That is a hefty investment. For the most part, it has been a worthwhile investment. But as hearings have shown, and as the Department of Labor and the inspector general have reported, there is increasing evidence that the program is not meeting the needs of students or remaining fully accountable to the taxpayer.

Clearly, reform is in order. Both sides of the aisle acknowledge this, the administration acknowledges this, and even Job Corps, I think, would acknowledge this. And I think Senator KASSEBAUM and Senator SPECTER largely agree on how we go about improving the program. For example, both require a zero tolerance policy on drugs, alcohol, and violence. Both require an external audit to determine which centers are not operating efficiently and closes those that perform poorly. Both require increased community participation and integration into the State's overall work force development system.

I also want to make it clear that the underlying bill language does not eliminate Job Corps. Nor does it eliminate or reduce the funding for the program. Both the Specter amendment and the underlying bill acknowledge the role of the Job Corps Program, and there is certainly no intention of abolishing the program.

However, there is one major disagreement between the underlying bill and the Specter amendment. While the Specter amendment maintains the Federal oversight of the program, the Kassebaum bill places management for the program where it belongs: with the local communities.

In New Mexico, we have two outstanding Job Corps Centers, one in Albuquerque and one in Roswell. I have visited these centers, and I have seen first hand the kind of work they do. They each have a no-nonsense approach to placement and training, and they get results. They each have a proven record of success, and I anticipate they will continue with this track record under a statewide work force development system.

I know local Job Corps have expressed concern that if we turn management over to the States, their administrative costs will go through the ceiling. The Department of Labor, for example, has estimated that the number of full-time staff will increase by 6.1 full-time administrative staff per center, and that annual administrative expenses will increase by $650,301 per center.

Frankly, Mr. President, I don't think the Department of Labor is giving these centers enough credit. New Mexico's Job Corps centers can do a better job than that. New Mexico's Job Corps centers already actively seek strong community involvement. With increased local activity and control, our local centers can manage themselves more efficiently and can make an already successful program even better. But the Department of Labor would have us believing otherwise.

If I sound as if I have high expectations of New Mexico's Job Corps Center, it is because I do. Are my expectations unrealistic? I don't think so. If Job Corps is truly made an integral part of the statewide system—and if our Governors seek the input of Job Corps Administrators when developing their State plans, as I believe they will—I think the returns will be enormous.

I have full confidence that New Mexico's centers will continue in their remarkable records of success. When they have shown such promise, such a commitment to these young men and women, and have shown that their programs do make a difference, I think it would be a shame not to let them take control of their own programs. Why must we continue to insist that Federal management of the program is necessary to maintain the integrity of the program? Again, let's give our local centers a little credit.

I do not believe this program marks the end of Job Corps. If anything, I believe it marks a new beginning for a program with a great deal of potential. My vote today reflects my commitment to ensuring that Job Corp lives up to that potential by sending the decisionmaking home and into the hands of those who have shown that they can produce results: the local communities.

Mr. President, I want to thank New Mexico's Job Corps centers for all their input during this debate, especially the input of Sue Stevens, program director of admissions and placement. I want them to know that my vote reflects my full confidence in their abilities to continue Job Corps' tradition of excellence in New Mexico.

The PRESIDING OFFICER. Who yields time?

Mrs. KASSEBAUM. Mr. President, how much time is remaining on my side?

The PRESIDING OFFICER. The Senator from Kansas has 3 minutes and 30 seconds; the Senator from Pennsylvania has 2 minutes and 30 seconds.

Mrs. KASSEBAUM. I yield myself 10 minutes on the bill.

The PRESIDING OFFICER. The Senator from Kansas.

Mrs. KASSEBAUM. Mr. President, I would like to answer some of the questions that have come up during the course of this debate, but first I would like to thank the Senator from Ohio for an excellent statement on exactly why the language that is in the bill answers the concerns that we have for the population being served by Job Corps centers. This is one of the reasons I must oppose the amendment offered by Senator SPECTER and Senator SIMON.

What is of concern to us is the at-risk youth population. The Job Corps is not on the chopping block. The same amount of funding will go for Job Corps centers. The Denison center in Iowa is an excellent Job Corps center, and there is not any reason to believe that operation will necessarily change, except it will be under the responsibility of the State instead of the Federal Government. This means the State can contract with a private contractor to continue running the center or any center that is being run by a private contractor. That does not change for those centers.

As to the question about whether a Governor will be responsive, any Governor worth his salt is going to care about the population of his or her State. Certainly, the most vulnerable population is the one that we are trying to reach with improving and building on what was started with the Job Corps Program. The Job Corps was an excellent idea and is an excellent purpose still.

But, Mr. President, I hear over and over again that this is a very difficult group of young people to train and we should not expect a high success rate. I could not disagree with this view more. I think we do a disservice to the very young people that we are wanting to reach, and we are sending them a message that somehow they are at risk and this is the best they can do. When we fail to challenge at-risk youth we peg them by saying that the best they can do are menial jobs. Many times that is where they ultimately end up after spending time in the Job Corps Program, and we will never help them to move toward a better future.

I will be glad to yield in just a moment.

Mr. HARKIN. I just have one question.

Mrs. KASSEBAUM. Mr. President, I feel very strongly that in our desire to try and improve upon the record of the Job Corps centers. We are really wanting to say that we need to be able to look at a different delivery service that will help us meet a growing population, at-risk youth, and which I think can be held to greater success by stronger accountability.

Frankly, I think it is rather patronizing to suggest that these children cannot be motivated and accept the kind of discipline that they need to have to be higher achievers. We must do better, and we can do better.

Father Cunningham of Detroit, MI, who runs a program called Focus Hope, and has done a superb job with that program, takes inner-city youth from Detroit and turns them into machinists and engineers. He has a remediation program which increases the math and reading levels of at-risk youth at the third and fourth grade levels in 7 weeks. It can be done. I have seen other programs that do the same thing. He has a 6-month machinist training program that places graduates in jobs, often on an auto assembly line in Detroit earning $12 to $15 an hour to start. He has created a university-level school of engineering to train these same at-risk youth to be engineers at Chrysler and Ford and General Motors.

How has he done that? He does that by challenging them to be the best that they can be, by really making sure that they themselves are going to be self-disciplined enough to care about the program and strong work requirements that they have to meet.

That is what the Job Corps is supposed to be all about. I think we have seen a population that has changed since the beginning of the Job Corps Program, and we need to recognize that change and provide some of the requirements that will allow it to be what it should be.

I feel very strongly that we must recognize that we are falling short of the promise that the Job Corps Program has made. At a cost of almost $23,000 per student each year taxpayers are not getting their money's worth. More importantly, the at-risk youth for whom the program was designed are all too often being left empty handed as well.

The placement rate was mentioned by the Senator from Iowa. Different figures will meet different facts. Maybe it is 73 percent; maybe it is a much lower rate. But the important thing is that the placement rate in the Job Corps Program right now is being based on finding a job for 20 hours. If a person finds a job for 20 hours, that then is the placement rate on which that percentage is based. I do not think that is really the kind of figure that we need to strive for and I think we do a real disservice to the youth who are in the program.

In short, I feel strongly the Job Corps must change. Rather than leaving assistance for these vulnerable young men and women in the hands of the Federal Government, as the amendment before us offered by Senator SPECTER and Senator SIMON would do, S. 143 would return the program to where I believe it best belongs—the community.

I suggest, again, what S. 143 does not do, because there have been many myths that have gone around about what would be accomplished under the Workforce Development Act. It does not eliminate the Job Corps, and it is not just another job training program. It does not eliminate residential capability. That is entirely a decision that would be made by the Governor, and my guess is that where there is a residential program that is going well it will be maintained.

It does not reduce funding for the Job Corps, and Senator SPECTER, the chairman of the Appropriations Subcommittee for these funds, has always maintained a strong support funding level for Job Corps. It is in a section of a bill for at-risk youth. And if that amount of money is not used on the Job Corps center, as designed for use by the State, it stays with the at-risk youth program. It cannot be used somewhere else. As the Senator from Ohio says, it puts a star behind the at-risk youth, which is where we want to focus. It does not prohibit the use of Job Corps centers by private contractors. It will not prevent well-run centers from operating. It will not prevent construction of newly proposed centers. It does not prevent a State from recruiting nonresident students. It links Job Corps centers to the community and statewide training systems established under the bill. It gives States, not the Federal Government, the primary responsibility for the operation of the Job Corps centers. It eliminates wasteful national contracting abuses documented extensively by the GAO and the inspector general. It closes the 25 consistently poor-performing centers as determined by an independent audit. It establishes strong antiviolence and antidrug policies at the Job Corps centers and reforms the entire program by returning Job Corps to local control, which I believe can be and is a proven recipe for success.

I just suggest, Mr. President, that we sometimes have to be willing to be innovative and take some risks. This is not to, in any way, diminish the concept or the idea of the Job Corps program. It was a great concept when it was initiated. I believe it continues to have merit. I suggest that we are in a different time, with a different at-risk population of youth today that need to be addressed in a different way. It is not the same young men and women today that need assistance that were once there when the program started. We have to be willing to change it here and provide some different guidance to make it a more constructive, successful program.

Mr. President, I reserve any time that I may have remaining.

I yield the floor.

Mr. SPECTER. Mr. President, how much time remains on my side?

The PRESIDING OFFICER. The Senator from Pennsylvania has 2 minutes 30 seconds remaining.

Mr. SPECTER. I yield 1 minute 15 seconds to my cosponsor.

Mr. SIMON. Mr. President, someone said this does not kill the Job Corps. It sure severely wounds it. I have not had a letter from a single Governor saying we want to do this. Yet, the Job Corps in Denison, IA, and Golconda, IL, across State lines, takes care of people. That will not happen anymore.

Look at the language of the bill:

> The State shall use a portion of the funds made available through the allotment to maintain the center . . .

A portion. That means 5 percent, 50 percent. Mostly, these are residential right now. You can be sure if the State can save that money and use it for some other purpose, they are going to knock out those residential centers. Make no mistake about it, if you vote against the Specter-Simon amendment, you are voting to severely wound the Job Corps.

Mr. KENNEDY. Mr. President, I know the proponents of the amendment wanted to speak last, so I will yield myself 2 minutes on the bill.

Mr. President, the reason for the job Corps is probably more urgent today than at any other time. We set national priorities. We said the Head Start and other national programs are a national priority. We take the title I program for young people to try and bring them up, to try to make sure they are going to be competitive in our public education system. I think if we look around this country, these are the individuals that, without at least a helping hand, are going to fall into the class of the criminal element in our society.

This is the last best chance. The only problem I have with the Senator from Kansas is when she says we have problems and therefore we ought to take this rather dramatic step which, as I think the Senator from Illinois points out, can really undermine or end the program.

We say, let us do the evaluation and strengthen the program, let us build on this program, let us find out what needs to be done and deal with its particular problems. That is what this issue is. Are we going to give a focus and attention to the young people of this country that need focus and attention the most? I believe that is what is behind this amendment. I hope that it will be accepted.

I yield 2 minutes to the Senator from Pennsylvania.

(Mr. GORTON assumed the Chair.)

Mr. SPECTER. I thank my colleague from Massachusetts.

Mr. President, I agree with my distinguished colleague from Kansas when she says that we have a different group of youth. But I say that the differences in our society today from when the Job Corps was established, simply underscores the need for intensive job training and intensive care and intensive effort be made to see that the young people in America are trained to hold jobs and do not require welfare or enter the crime cycle.

My colleague and cosponsor from Illinois puts his finger on a key point, and that is that under a changed position of the bill there would be only an obligation to use a portion of the funds. Although we have $1.1 billion allocated, that really is not too much.

Mr. President, the four Job Corps centers which are available in my home State of Pennsylvania have done really an outstanding job. I had occasion to visit the Job Corps training center in Denison, IA—an outstanding job. My able staffer, Craig Higgins, has visited Job Corps centers across the country and finds an outstanding job. It is true that there are some that need to be closed. Our bill, in a more modulated way, provides for closure of 10 Job Corps centers, plus more closures if it is determined, after an audit, that more ought to be closed.

I believe that in an era where we are looking to block grants, we ought to proceed with a bit of caution, and that a program like Job Corps, with remedial reform measures, as suggested by GAO and Senator KASSEBAUM, will enable Job Corps to complete this very important function.

Mr. President, I ask unanimous consent that at this point a letter to me from the National Job Corps Coalition, setting forth an impressive list of sponsors be printed in the RECORD; that a letter from the Pennsylvania Job Corps Leadership Coalition, with a recitation of a considerable number of student success stories, as compiled by the Pennsylvania Job Corps Leadership Coalition, be printed in the RECORD; that an open letter to Congress from the Secretaries of Labor and Assistant Secretaries endorsing the Job Corps center be printed in the RECORD; that a letter from Mayor Tom Murphy of the city of Pittsburgh be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NATIONAL JOB CORPS COALITION,
NATIONAL HEADQUARTERS,
Washington, DC, October 6, 1995.

Hon. ARLEN SPECTER,
Hart Senate Office Building,
Washington, DC.

DEAR SENATOR SPECTER: On behalf of the more than 70 undersigned organizations representing business, labor, non-profit, advocacy and volunteerism, we are writing to express our collective and strong support for the Job Corps amendment that you and Senator Simon will offer during consideration of S. 143, the Workforce Development Act.

This amendment reflects 3 decades of solid bipartisan support for Job Corps and its tradition of success. Over the past 30 years, Job Corps has empowered more than 1.6 million of America's dis-advantaged youth to become responsible, tax-paying citizens.

We support the Specter-Simon Job Corps amendment because it preserves Job Corps as America's time tested national program for at-risk youth. It is the only program offering a unique combination of residential education, support services, job training and placement services. The amendment incorporates reforms suggested by the Inspector General, Department of Labor, Congressional testimony and General Accounting Office data. It should be noted that none of these reports and studies have recommended a state block grant approach as a means to improve or strengthen Job Corps' performance or accountability.

We are encouraged that the amendment preserves universal access to all eligible at-risk youth in need of Job Corps comprehensive services—regardless of where they live. Additionally, the amendment will continue to provide these youth access to strong national and regional labor markets for job placement. Overall, the Specter-Simon amendment codifies the strongest reforms to the program in Job Corps history. We support these reform efforts.

Senator Specter, we appreciate that you recognize that S. 143, as currently drafted, is counter to all other evaluations, recommendations and reforms offered in the spirit of helping young people through Job Corps. Your amendment will maintain Job Corps so that another 1.6 million youth will be able to participate in our nation's most effective residential education and training program.

Respectfully,

LAVERA LEONARD, ED.D.,
Chair, National Job Corps Coalition.

ORGANIZATIONS COMMITTED TO SUPPORT THE SPECTER-SIMON JOB CORPS AMENDMENT

AFL–CIO Appalachian Council; AFL–CIO International Brotherhood of Painters and Allied Trades; AFL–CIO International Union of Operating Engineers; AFL–CIO National Maritime Union of America; AFL–CIO United Auto Workers; Alpha Kappa Alpha Sorority, Inc.; American Youth Policy Forum; Association of Jewish Family & Children's Agencies; Bread for the World; Career Systems Development Corporation; Cavillo and Associates; Center for Law & Social Policy; Cherokee Nation of Oklahoma; Child Welfare League of America, Inc.; Children's Defense Fund; Chugash Development Corporation; Coalition on Human Needs; Commonwealth of Puerto Rico; Council of Jewish Federations; Coyne American Institute; Dau, Walker & Associates; Dynamic Education Systems, Inc.; and DMJM/HTB.

Education Management Corporation; Empire State Organization of Youth Employment Services; Fresh Air Fund; FEGS—New York City; General Electric Government

Services; Grand Rapids Public Schools; Home Builders Institute, the educational arm of the National Association of Home Builders; International Masonry Institute; ITT Job Training Services, Inc.; Jobs for Youth—Boston; Jobs for Youth—New York; Joint Action in Community Service; League of United Latin American Citizens; Management and Training Corporation; The MAXIMA Corporation; MINACT, Inc.; National Assocation of Child Care Resource and Referral Agencies.

National Child Labor Committee; National Association of Social Workers; National Congress of American Indians; National Youth Employment Coalition; National Urban League; Operative Plasterers and Cement Masons International; Opportunities Industrialization Centers for America; Pacific Education Foundation; Puerto Rico Volunteer Youth Corps; Res-Care, Inc.; Teledyne Economic Development Company; Texas Educational Foundation; The EC Corporation; Training and Development Corporation; Training and Management Resources; Transportation Communications International Union; Tribal Council of the Confederated Salish and Kootenai Tribes of the Flathead Indian Reservation; and Tuskegee University.

United Brotherhood of Carpenters and Joiners of America; U.S. Conference of Mayors; U.S. Department of Agriculture—Forest Service; U.S. Department of the Interior—Bureau of Reclamation; U.S. Department of the Interior—Fish and Wildlife; U.S. Department of the Interior—National Park Service; U.S. Department of Labor; University of Nevada—Reno; Utah Youth Employment Coalition; Vinnell Corporation; Wackenhut Educational Services, Inc.; Women Construction Owners and Exces.; Women in Community Service; American G.I. Forum Women; Church Women United; National Council of Catholic Women; National Council of Jewish Women; National Council of Negro Women; YWCA of U.S.A.; YWCA of Los Angeles; and Youth Build USA.

PENNSYLVANIA JOB CORPS
LEADERSHIP COALITION,
Edwardsville, PA, October 5, 1995.

Sen. ARLEN SPECTER,
Hart Senate Office Building,
Washington, DC.

DEAR SENATOR SPECTER: I write on behalf of the Pennsylvania Job Corps Leadership Coalition to applaud your efforts to save Job Corps. The Amendment you and Senator Simon are cosponsoring is testimony to your support of this one-of-a-kind program. It is also a credit to your leadership and vision, as you have forged a bipartisan alliance that institutes reforms but retains Job Corps' national mission.

The PJCLC continues to be adamantly opposed to the Job Corps provisions of the Workforce Development Act (S. 143) as its passage would be detrimental to the Commonwealth of Pennsylvania and its four Job Corps campuses. S. 143 mandates the closure of 25 centers, but exempts those states with one or no centers. The burden of center closures would fall disproportionately on states with more than one center, such as ours. State management would force an untested Pennsylvania administrative system to operate the most complex and challenging of programs for at-risk youth.

The failure of your amendment would constitute a national tragedy as thousands of young people would be deprived of the opportunity that is Job Corps. Its passage will mean the chance of the American Dream for millions more. Thousands of Pennsylvanians stand tall in their support of the Specter/Simon Amendment to S. 143. Thank you for your unwavering commitment to and steadfast support of Pennsylvania and America's Job Corps.

Sincerely,

ERIC S. LERNER,
Chair.

PENNSYLVANIA STUDENT SUCCESS STORIES

Anthony R. Bowling, 25, graduate of the Keystone Job Corps Center.—Anthony is the first black police officer hired in Hazleton, PA. After graduating from Job Corps, he earned an associate's degree in criminal justice from Luzerne Community College, where he was named to the Dean's list.

Mark Berry, 25, graduate of the Philadelphia Job Corps Center.—Mark completed his training in business-clerical and is now employed as a computer analyst for PNC Bank in Philadelphia. He earns $25,000 a year. He attends college in the evenings, and he's majoring in business management. He wants to eventually operate his own computer programming business.

Etta Jones, 20, graduate of the Keystone Job Corps Center in Drums.—During her year-and-a-half stay in Job Corps, Etta earned her GED and enrolled in Luzerne County Community College through the Job Corps center's partnership with the college. She earned an associate's degree in human services. Now she works with mentally challenged individuals at the Allegheny Valley Schools. Her goal is to become a supervisor in the near future.

Delroy Bolton, 18, graduate of the Pittsburgh Job Corps Center.—Delroy trained in carpentry for his year-and-a-half in Job Corps. He served as president of student government. Now, he is employed as a carpentry apprentice for A&B Contractors in Pittsburgh.

Robert Hunt, 18, graduate of the Pittsburgh Job Corps Center.—Robert, a very recent Job Corps graduate, described himself before Job Corps as "a menace to his neighborhood." After nine months in the program, he says: "I am a better person. I will continue to be a positive person." He earned his GED through Job Corps and was vice president of the student government. He is now employed as a maintenance technician with ICF Corporation in Philadelphia.

Shao Xu, 28, graduate of the Keystone Job Corps Center in Drums.—Shao earned an associate degree in architectural engineering. He is currently a student at Temple University in Philadelphia completing a degree in architecture.

Crystal Mouzon, 22, graduate of the Philadelphia Job Corps Center.—Crystal is now employed as a secretary earning $18,000 a year. "I'm a positive role model for the first time in my life," she said.

Grant Johnson, 20, graduate of the Red Rock Job Corps Center.—Grant trained in landscaping and is currently employed as a groundskeeper for Ninety Four, Inc. in Wilkes-Barre, PA.

Abby Eisenbach, 17, graduate of the Red Rock Job Corps Center.—Abby trained in building and apartment maintenance and is currently employed as a carpenter for Eric Anjkar, a custom wall builder. Abby's residential advisor described her as a "young woman with extremely low self-esteem from a troubled family who needed the structure Job Corps provided." While in Job Corps, Abby earned her GED. She was a dorm leader, a Big Sister, and a member of the Student Government.

AN OPEN LETTER TO CONGRESS: KEEP JOB CORPS A NATIONAL PROGRAM

Job Corps is our country's most successful job training and education program for at-risk youths because it is a national program. The Workforce Development Act (S. 143), puts Job Corps' future in jeopardy. If passed, it will close 25 centers and turn operations of our nation's most challenging residential education and job training program over to the States. In 30 years, no state has successfully operated such a program. The legislation ignores Job Corps' solid track record of success and invites a risky and tenuous future.

This bill is in sharp contrast to all other job training consolidation recommendations including the House of Representatives CAREERS Act of 1995, which has strong bipartisan support.

Four million young people in the U.S. are in need of the basic education, job skills and job placement assistance only offered by Job Corps. Most youth who enroll in Job Corps have inadequate education. Most do not have the skills or attitudes needed to find and keep good jobs. All are from poor families.

Job Corps is a solution for them. Over the years, Job Corps has helped 1.6 million young men and women become self-sufficient citizens. Job Corps is the nation's oldest, largest, most comprehensive and cost-effective residential education and training program for disadvantaged youth between the ages of 16 and 24. Seven out of 10 graduates get jobs or enter further education. Job Corps works. Job Corps should remain a national program because: Job Corps is cost-effective.

Job Corps is a public-private partnership that ensures consistently good residential education and training services for young people. Residential services are among the most complex services offered to youth. Few states have the expertise or desire to take on this challenge.

Job Corps returns $1.46 for every dollar invested in it through increased taxes paid by graduates and decreased costs of crime, incarceration and welfare.

Job Corps uses economies of scale to offer comprehensive services, including basic education, job training, counseling, social skills training, medical care, and leadership training. All this costs just $65 a day per student.

Job Corps is accountable. No other job training program is so rigorously monitored. Job Corps is evaluated on national, regional, and local levels, by the private and public sectors, and by the Inspector General and Government Accounting Office.

Job Corps is also fiscally accountable to America's taxpayers. Those who complete the Job Corps program boost their earnings by 15 percent. While in Job Corps, young people jump an average of two grade levels. They are most likely to complete high school and attend college.

Job Corps is accessible. Job Corps has always been available to all eligible youth.

If the Workforce Development Act of 1995 passes, local youth will not have equal access to Job Corps. All young people in need of Job Corps' comprehensive services should have the opportunity to succeed—like millions before them—regardless of state boundaries. Job Corps graduates should also be able to continue crossing state lines to take advantage of strong job markets.

Job Corps is a part of its community. Job Corps centers work for youth and for their communities. Job Corps students across the U.S. have completed more than $42 million in construction and service projects for their communities, including flood and disaster relief.

The American public, Congress and Administration should be proud of Job Corps. We implore the Members of Congress from both sides of the aisle to continue your support for Job Corps as a distinct national program.

PETER J. BRENNAN,
Secretary of Labor, Nixon Administration.
W.J. USERY, Jr.,
Secretary of Labor, Ford Administration.
RAY MARSHALL,
Secretary of Labor, Carter Administration.
FRANK C. CASILLAS,
Assistant Secretary of Labor, Reagan Administration.
MALCOLM R. LOVELL, Jr.,
Assistant Secretary for Manpower, Nixon Administration, Under Secretary of Labor, Reagan Administration.
DICK SCHUBERT,
Deputy Secretary of Labor, Nixon/Ford Administration.
ROGER SEMORAD,
Assistant Secretary of Labor, Reagan Administration.

CITY OF PITTSBURGH,
Pittsburgh, PA, September 1, 1995.

Hon. ARLEN SPECTER,
U.S. Senate, Hart Senate Office Building, Washington, DC.

DEAR SENATOR SPECTER: I understand that the Senate will be taking up Senator Dole's welfare reform package (H.R. 4) in the next few weeks. I am writing to express my concerns about the decision to incorporate Senator Kassebaum's workforce development consolidation legislation into this package.

First, as you know, I support efforts to consolidate our nation's training and employment programs. Members of the Pittsburgh Private Industry Council, appointed by me, assure me that clients, service providers and employers will all benefit from a more coherent workforce development system.

I do not believe, however, that welfare reform provides an adequate context in which to address workforce development consolidation. Although many welfare recipients receive services, employment and training programs benefit a much broader clientele. In order to ensure their diverse needs are considered, workforce development legislation deserves its own forum.

Such a forum would provide you and your colleagues with the opportunity to analyze the provisions of the Workforce Development Act in depth. At least two aspects require attention. First, local governance is still an issue. Although the legislation refers to local workforce development boards, there is no guarantee that these employer-driven boards will continue to play a strong role in the planning and implementation of employment and training programs. Having worked closely with the Pittsburgh Private Industry Council, I understand the extent of expertise and experience that members bring.

Second, the legislation contains a provision that jeopardizes the future of Job Corps. The Pittsburgh Job Corps center is vital to the region. Since 1972, it has provided opportunities for disadvantaged youth to develop the attitudes and skills required for productive employment. Given the high rate of unemployment, particularly among African-Americans, employment and training programs like Job Corps represent a critical component of our economic development strategy.

The proposed legislation would transfer governance of Job Corps to the states without providing any incentives for continued operation. Furthermore, twenty-five unspecified centers would be closed. In light of the evidence demonstrating Job Corp's success with at-risk populations, these measures are unjustified and should be stricken.

In summary, I urge you to support efforts to decouple the Workforce Development Act from H.R. 4. If these efforts are not successful, I request your assistance in ensuring that my concerns about local governance and the future of the Job Corps program are addressed.

Thank you for your attention.

Sincerely,

TOM MURPHY,
Mayor.

Mr. SPECTER. I urge my colleagues to support this amendment. I reserve the remainder of my time.

The PRESIDING OFFICER. Twenty-five seconds remain.

Mrs. KASSEBAUM. How much time remains on my side?

The PRESIDING OFFICER. There are 3 minutes 30 seconds remaining.

Mrs. KASSEBAUM. I yield briefly to the Senator from Ohio.

Mr. DEWINE. Mr. President, I would like to respond to the Senator from Illinois and the Senator from Pennsylvania. They are absolutely correct in what they read. But the rest of the story is that all of that money, in that area, that title, has to be spent for at-risk youth. So it is not a question of the State being able to take part of that money and divert it over here for some other purpose. You cannot even use it for some other purpose that has to do with job training. It has to specifically be targeted at at-risk youth. To me, that is the significant part.

I yield the floor.

Mrs. KASSEBAUM. Mr. President, I appreciate the observation made by the Senator from Ohio. He is exactly correct. In the section of the bill that is "At Risk Youth" there is an authorization for $2.1 billion, of that, $1.1 billion is for Job Corps.

If there are any savings to be found in Job Corps with the elimination of extra administration layers that money stays with the at-risk program in this section.

I cannot stress enough that those centers being well run will continue to be well run. I appreciate the Senator from Pennsylvania saying that the intensive training and intensive care are things that we would all want to accomplish with these initiatives.

I believe strongly that it can be better done by the State than by the Federal Government at this point in time. I hope that my colleagues would oppose the Specter-Simon amendment.

I yield the floor and yield my time back.

The PRESIDING OFFICER. There are 25 seconds remaining.

Mr. KENNEDY. Mr. President, I understand that it is the desire of the leader to conclude the debate on this and then move to the conclusion of the Ashcroft amendment, of which there was a 20-minute time.

I yield the floor.

Mr. SPECTER. Mr. President, I ask unanimous consent that a memorandum to me from Craig Higgins and Jim Sourwine be printed in the RECORD, as well as a table on the impact of the Job Corps in Pennsylvania.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MEMORANDUM

OCTOBER 10, 1995.

To: Senator Specter.
From: Craig Higgins and Jim Sourwine.
Re: Staff visits to Job Corps Centers.

As per your direction, outlined below is a description of staff visits to Job Corps centers.

TIMBERLAKE JOB CORPS CENTER

January 1990, staff visited the Timberlake Job Corps Center outside of Estacada, Oregon. Estacada is a small town located high in the Cascade mountains about 2 hours from Portland, Oregon. It is a Civilian Conservation Corps center operated by the Forrest Service serving about 250 students annually. The strength of their training programs was in forestry related jobs, however, they did offer vocational training in some construction trades, culinary arts and building maintenance. What was most striking was that the majority of the students were not from Oregon, but from large urban areas, such as Detroit, Chicago and Los Angeles. Most of the kids had been uprooted from their "street life" in the city and been transported high in the mountains of the Northwest to study and receive vocational training. There was nothing else to do but to study. The nearest town was 8 miles down the mountain and was not much more than a gas station, a country store, and a post office. Therefore, according to the staff, the kids worked hard to finish their training so they could get back to "civilization." Additionally, the staff reported most of the students who completed their training did not return home to the big cities, but found jobs in the Northwest.

The Kassebaum bill establishes Job Corps as a state-based program and would eliminate the possibility of students from Chicago or Detroit from receiving training from a center in Oregon, Pennsylvania or Arizona. For some kids, being far from the home environment is just what they need.

WOODSTOCK JOB CORPS CENTER

In 1988 or 1989, staff visited the Woodstock Job Corps Center located in Randallstown, Maryland. This was a large center which served approximately 500 students annually. The majority of the students came from the Baltimore/Washington area. The bulk of the training offered was in the construction trades and the culinary arts. This was a clean, well organized, center on property which had once been a monastery. Center staff reported having good ties with local businesses in the construction trades, which made job placement once the training was completed easier. The one problem identified was the difficulty in getting to jobs in suburban communities due to the lack of transportation.

At the time of the visit, Center staff reported that while there were discipline problems, they were controllable and were not unexpected given the size of the center and the severely disadvantaged population they served. In recent years, however, the Center has had more serious problems with violence.

IMPACT OF JOBS CORPS IN PENNSYLVANIA

[Data for Program Year 1994 (July 1, 1994–June 30, 1995)]

	In percent—		
	Total overall placement rate (all terminees)	Placement rate job training match	Average hourly wage
Keystone JCC	74.8	68.0	$5.61
Philadelphia JCC	90.4	61.0	6.28
Pittsburgh JCC	74.8	47.9	5.37
Red Rock JCC	80.1	66.5	5.53
Pennsylvania Composite rates	80.0	60.9	5.70
National rates	73.0	47.0	6.16

Note: Pennsylvania provided service for approximately 3,000 at-risk youth of which 65% were from Pennsylvania and 35% were from other states. Students average 2 grade level gains in an average of 7.5 months.

Mr. SPECTER. Mr. President, in conclusion I say that Congress has oversight; the committee, chaired by the distinguished Senator from Kansas, can correct any problems which arise. When they do arise from time to time, that action can be taken.

I very much think we ought to keep this Job Corps with the corrections, but keep it a national program.

The PRESIDING OFFICER. All time on the amendment has expired.

Mr. SPECTER. I ask unanimous consent that Senator PELL be added as an original cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT

Mrs. KASSEBAUM. Mr. President, I ask unanimous consent to lay aside the pending amendment offered by Senator Specter; that the Senate resume consideration of the Ashcroft amendment numbered 2893; that there be 20 minutes of debate equally divided in the usual form on that amendment, to be followed by 4 minutes equally divided for debate on the Specter amendment, to be followed by a vote on or in relation to the Specter amendment; further, that following that debate there be an additional 4 minutes debate on the Ashcroft amendment numbered 2893, to be followed by a vote on or in relation to the Ashcroft amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2893

The PRESIDING OFFICER. The clerk will report the Ashcroft amendment.

The legislative clerk read as follows:

The Senator from Missouri [Mr. ASHCROFT] proposes an amendment numbered 2893.

Mr. ASHCROFT. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is located in the RECORD of Tuesday, October 10, 1995.)

Mr. ASHCROFT. Mr. President, I thank the Senator for providing this time for explanation and debate regarding the amendment I have proposed.

The amendment which I have proposed is an amendment which would allow us to target and focus our scarce job training resources on individuals who would be most likely to use those resources effectively, most likely to benefit from training.

The amendment requires random drug testing for all job training applicants. The number of the individuals tested and the frequency would be left to the localities. The amendment would also ask the States to test participants in the program based on a standard of reasonable suspicion. If an applicant or participant tested positive they could reapply after 6 months from the date of disqualification but they must show for reapplication that they passed a drug test within the last 30 days.

Mr. President, as the chart behind me indicates, 89 percent of all the manufacturers test for drug utilization; 88 percent of all people in the transportation industry. It is true that in the financial services sector only 47 percent of employers test for drugs. The fact of the matter is, however, we are not in the business of developing mutual fund managers. We are talking about applicants and participants who will seek jobs in major industries like manufacturing and transportation.

Mr. President, it seems to me that if we have a scarce resource, we ought to focus it on individuals who will be able to get jobs at the conclusion of the program. Those individuals who are going to be placed are the ones who are drug-free.

Let us not perpetuate the myth that you can travel down the road of drug utilization and job development at the same time. You cannot. The truth of the matter is if you want a job, you are going to have be drug-free. These are the facts, and to suggest otherwise is both inaccurate and inappropriate.

So a vote "yes" for this amendment is a vote for the belief that a finite resource should be focused on individuals who are employable.

Are we interested in saving millions of dollars for the taxpayers? That is what the American people have asked us to do. Why should we spend thousands of dollars to train individuals who are going to hit this wall? Do we want to reduce the $140 billion companies lose to drug-addicted workers every year?

The PRESIDING OFFICER. The Senator has used 6 minutes.

Mr. ASHCROFT. I yield myself another minute and 30 seconds.

The National Institute on Drug Abuse indicates that $140 billion a year is lost in this country from theft, loss of productivity, accidents, and absenteeism related to drug use. Let us send a clear message that drug use is incompatible with the kind of productive employment necessary to our survival.

I think an intelligent policy is to say that we should have a random drug testing policy. Random testing will send a clear signal that drug utilization and job training are incompatible. A message that the Congress has failed to send in the past, but that we can and should send today.

Mr. President, I reserve the balance of my time.

Mr. KENNEDY. The amendment offered by the Senator from Missouri would require applicants and participants in job training programs to submit to drug testing. I am opposed to the amendment because it represents an unwarranted and unprecedented intrusion into the privacy of the thousands of ordinary Americans who use job training services.

In addition, the amendment is a costly and unfunded Federal mandate. One of the innovations of this job training bill is the degree of flexibility it gives States and localities. The Ashcroft amendment is completely out of step with that goal.

Drug testing has an important role in certain job training settings, just as it has in certain workplace settings. But the proposal by the Senator from Missouri is overbroad, excessively expensive, and an example of the intrusive Federal policy role that this bill is designed to combat.

The vast majority of the people who will use the job training services authorized in this bill are upstanding citizens, not criminals. They are displaced defense workers. They are blue collar workers who have been laid off as a result of a factory closing. They are professionals seeking to improve their skills in specialized fields.

The Ashcroft amendment says to these people: If you want this assistance to try to improve your skills and obtain employment, you have to agree to submit to a Government test for possible drug abuse. I do not believe that the privacy of ordinary citizens hoping to improve their job skills should be routinely invaded in this intrusive manner.

The Government uses drug testing today for airline pilots, train conductors, and other employees involved in sensitive public safety tasks. If programs funded by this bill train people in sensitive jobs, there is nothing that would prohibit drug testing.

But routinely testing of everyone is too extreme. We do not do it in other programs, and we should not do it in this one.

We do not drug-test people seeking Government assistance in financing a mortgage; we do not drug-test flood or earthquake victims applying for disaster relief; we do not drug-test crime victims seeking assistance from the Federal Office of Victim Services; we do not drug-test farmers seeking crop subsidies.

We do not drug-test corporate executives seeking overseas marketing assistance from the Commerce Department.

Why are job training recipients singled out for this stigma? No case has been made that this population is more susceptible to drug abuse than the population at large.

The amendment offered by the Senator from Missouri requires drug testing in two situations. First, every applicant to a job training program is subject to testing on a random basis. Second, participants in training programs are subject to testing based on reasonable suspicion of drug use. Both random basis and reasonable suspicion are undefined concepts. They raise the specter that excessive distinctions will be made based on stereotypes and prejudices.

As we have often been told, Washington does not have all the answers. We should not replace one set of Federal mandates with another set of Federal mandates. This bill is designed to maximize local flexibility, but the Ashcroft amendment goes in the opposite direction.

Indeed, the Ashcroft amendment would actually preempt some State laws. A number of State legislatures have addressed the circumstances under which drug testing can be utilized, but the Ashcroft amendment would actually override the considered judgments of those legislative bodies and put in place a one-size-fits-all Federal mandate.

Drug testing on the scale contemplated by this amendment would be enormously expensive. By some estimates, 1 million Americans use the job training services included in this bill. The Department of Health and Human Services estimates that the average cost of a drug test is about $35.

That means it would cost $35 million each year to administer an average of one test to each person. Either this amendment saddles local governments with a huge unfunded mandate, or it eats up a large portion of the Federal funds made available under this bill.

It is also important to note that drug testing technology is not infallible. Depending upon the type of testing technology that is used, as many as 4 percent of all drug tests result in false positives. That means that if a million drug tests are administered, some 40,000 Americans might be inaccurately labeled as drug users.

Of course there are often opportunities for appeals and confirmation tests and retests. But we should think long and hard before we adopt this amendment and subject tens of thousands of ordinary, law-abiding Americans to the Kafka-esque nightmare of being falsely accused of drug use.

The amendment requires those who test positive for drugs to obtain drug treatment. But who will pay for treatment? Right now, only a third of the Americans who need substance abuse treatment receive it because insurance coverage and public funding are inadequate. At the very moment that we debate this proposal, the Appropriations Committees of Congress are poised to slash Federal support for drug treatment. The House has already passed a bill that cuts Federal spending on drug treatment and prevention by 23 percent.

In light of that fiscal reality, it makes no sense to institute a massive new Government drug testing program.

Perhaps the intent of the Ashcroft amendment is to require local governments or job training programs themselves to pay for the treatment of those who test positive. That would at least guarantee that treatment is available, but it would cause the price tag of this amendment to reach an even more prohibitive level.

Finally, the amendment is objectionable because it may deter people who need job training services from seeking them. The threat of an intrusive drug test may put off drug users and nondrug users alike. We want to encourage people to improve their skills. We want to encourage the unemployed to become employed. We should not erect barriers to the services authorized in this bill.

Job training programs do not need the Federal Government to tell them how to deal with drug abuse. They have the tools they need. Where drug testing is appropriate, it will occur. But a sweeping Federal mandate is completely unnecessary and excessively expensive, and I urge the Senate to reject this amendment.

Mr. President, this amendment is a complete conflict with the whole spirit of the legislation. Rather than the Federal Government and Congress setting the rules, leave this up to the States and local communities.

I have concerns about the privacy issue, concerns about the cost issue, preempting State laws, the whole issues on quality control for random tests and what the circumstances are, what the definitions would be for reasonable suspicion. There are all kinds of reasons.

Mr. President, 6 years ago we had a very similar amendment. It was focused on welfare recipients. We say we have scarce resources and we need to be careful with our spending. But simply because they are on welfare should we require drug testing? The Senate said no and that amendment was soundly defeated.

I do not know what it is about the workers of this country. The Senator has in effect said that the displaced Raytheon workers who built the Patriot missile ought to be required to take some kind of a test.

In this legislation, under the national activities, if there are hurricanes, as we have just had, there will be members of communities in south Florida who will be eligible for help and assistance. What does the Ashcroft amendment say? You have to go out and take a drug test. If you are going to have people take a drug test, what about farmers? Are we going to say, because we have had national disasters, you are going to have to go out and get a drug test? We do not say that to the small business men and women. We do not say that to all the students in the country. We do not say that to all the people who are going to get generous tax breaks on mineral rights. We do not say that cattle growers who are going to get benefits from the Federal Government must take a drug test first. Why are we picking out workers in this country? Where is the case for it? Where is the justification? Where is the right to do that? Yesterday it was the people on welfare. Today it is the American workers. The case has not been made. It is a mandate to the various States and communities. You are going to be preempting the States.

If there is a justification, for example in terms of safety, if there is a justification in terms of security—like airline pilots and those who are in public transportation—they have the right to go ahead and do that now. There is no prohibition against them doing it now. There is no prohibition, if they set up training programs where public safety is at risk, that prohibits them from going ahead. We give that flexibility to the local community. So why should we superimpose a Federal mandate on it? It makes no sense. The case has not been met.

It may be a feel good amendment, but when we talk about scarce resources going to training—we see significant cuts in these programs in any event. And for the reasons the Senate soundly defeated a similar amendment just a few years ago, that targeted those individuals who are poor and needy and need some help and assistance, this amendment should be defeated as well. I do not think we ought to put at risk the workers of this country, who, generally because of the downsizing or because of mergers, are thrown off and become unemployed. It is clear that all they are trying to do is get into a training program and get a job, why should we threaten their rights of privacy.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time? The Senator from Missouri.

Mr. ASHCROFT. Mr. President, I regret the fact that not everyone in the Senate was in attendance last night when we debated these issues.

The Senator raises the question of why deal with job training? It is because reality is going to deal with job training applicants and participants on drugs. Mr. President, 89 percent of the employers will test for them in manufacturing; 88 percent in transportation. Why do we not move that test up and help people get started down the right path, instead of going through some kind of training and then being hit by this wall. We do not have that problem in farming. There is not going to be a drug test that keeps a farmer from selling his cattle. That issue is totally specious.

I do not know why we choose to discuss the welfare situation here, but we just passed a welfare bill that provides that States may suspend benefits to welfare recipients who test positive for drugs. I do not know what we did in 1986, but I know what we did in 1995 and that is part of the welfare reform measure we just passed.

The point is we do have scarce resources. Why waste them on individuals who are not going to be employable when they are through with the work training program? Since the resources are scarce, let us focus them on the individuals who are responsible enough, who care enough about their families, who care enough about their future to be able to benefit from the training program because they are not high on drugs. Let us not stick our heads in the sand, while someone else is sticking a needle in his arm.

Let us say if you have to be drug free to work then drug testing ought to be a fundamental part of your training. You have to learn to be drug free because that is the way the work force is going to survive. It is that simple.

Let us not perpetuate a myth that somehow you can go down the dual highway, one of the roads being drug utilization and the other road being job training or job seeking. The truth of the matter is, American industry is clear. Mr. President, 77 percent of all employers test for drugs, 89 percent in manufacturing, 88 percent in transportation.

We ought to send a signal loudly and clearly to individuals who are part of our training program. Part of your training is to adopt a lifestyle which will be productive and which will result in employability, not to persist in a lifestyle which will send you slamming into a wall of unemployment and despair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I yield myself 2 more minutes. The fact of the matter is, many of the defense-related industries require reasonable cause, not just suspicion or random selection, which the Senator has talked about here. I do not know why the Senator has a feeling that all displaced workers, like the 12,000 workers that were laid off when Chemical Bank and the Chase merged the other day in New York City, is where the problem is. Why is it that the Senator believes that workers are more at risk than farmers are? Than family-farmers are? Where is the justification to say the workers who work in the States of this country, that work in plants, work in small business—may even be a homemaker, because homemakers are included in here—where is the Senator's justification for it? It just is not there. We have asked for the justification. He has not been able to demonstrate it. And I fail to understand why we would single out those individuals.

Mr. ASHCROFT. Will the Senator yield?

Mr. KENNEDY. I yield.

Mr. ASHCROFT. I am pleased the Senator asked the question, because I have the answer. The farmer who gets assistance does not have to pass a drug test before he sells his cattle. But the employee who seeks training will have to pass a test before he can be hired. In the latter case, the benefit is denied, the benefit for which the training was undertaken. That is the answer to your question.

Mr. KENNEDY. Mr. President, I listened. I was prepared to yield. I fail to understand why the farmer who gets price subsidies, which are taxpayers' dollars, are not expected to have a drug test but our workers are. I am not out there to say every farmer who gets price supports ought to have this kind of test, because the case has not been made for any such test.

If we are going to say about farmers or small business men and women the case has not been made, then they should not be tested. Why are you going to say the workers ought to be? That is what the Senator is saying. You have not made the case that there is a requirement, you have not shone that there is a need for it, and you do not set any other kinds of standards. You say, return this activity to the States. What are the States going to do? They are going to use the least expensive methods, which in many instances are the most faulty systems.

There are standards which are established and should be established when you are talking about public safety and transportation, which are going to provide for the safety and well-being, the lives of the public. There should be standards and there should be adequate inspection and investigation and tests when necessary. We support that. There is nothing in the bill that denies anybody the opportunity to do it. But to suddenly say to those workers who are going to be affected by national activities, because of the hurricane you are going to be tested, or the homemakers, you are going to be tested. The Senator has not made the case.

I just wonder why we ought to be doing that, let alone preempting, which the Senator would do, any of the State laws that provide protections in terms of privacy, or set requirements in terms of various standards. You are preempting a number of State laws that are in effect, and you are effectively running over those.

The case has not been made for it. If the States want to be able to do it, there is no prohibition under the Kassebaum amendment. If there is a need for it, desire for it, if it is necessary, you can do it. I do not think the justification has been made that we should do it for all of those covered by the bill.

The PRESIDING OFFICER. Who yields time? The Senator from Missouri has 1 minute 56 seconds, the Senator from Massachusetts, 3 minutes 12 seconds.

Mr. ASHCROFT. Mr. President, this is a simple amendment. We have a limited number of dollars we devote to job training. We can either train people regardless of whether they use drugs, or we can decide to train people who are drug-free. If we train people who are drug-free, there will more people who will get jobs than if we train both the drug free and abusers of illicit drugs. It seems to me, if our ultimate objective is to train people to be employed, we should train people who care enough about working that they are willing to put aside a lifestyle of drug addiction and abuse.

In the end, the reason this amendment is worthy of our consideration is that 77 percent of all firms test for drug use. So, we can continue to waltz people along in the sleepy myth that you can be on drugs and get a job or we can embrace the truth.

Why waste the $2,000 or $4,000 in training a person only to have them disqualified when they get finished with the training? That is the difference between the farmer. That is the difference between the welfare recipient. There is reality at the end of the training. It is called employment and you cannot get it if you are on drugs.

I urge the Members of this body to respond, to allocate our training funds to individuals who are drug-free. Thank you.

Mr. KENNEDY. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 3 minutes and 12 seconds.

Mr. KENNEDY. Mr. President, it is interesting that in the Senator's amendment it provides that if an individual applicant fails the drug test, they can seek treatment through a drug treatment program. How much does the Senator think will be allocated for drug treatment programs?

Mr. ASHCROFT. Mr. President, I am not sure how much is available in drug treatment programs. There are drug treatment programs.

Mr. KENNEDY. How much does the Senator allow in his amendment? Does he expect the drug treatment programs to be paid for out of this?

Mr. ASHCROFT. No. There are separate funds available in every jurisdiction for drug treatment programs, some of which are Federal funds and some of which are State funds.

Mr. KENNEDY. Does the Senator know what happened to those treatment programs in the appropriations bills this last year? They have been reduced by close to a quarter, Mr. President.

This amendment just does not make any sense.

I yield the remainder of my time.

AMENDMENT NO. 2894

The PRESIDING OFFICER (Mr. SANTORUM). There are 4 minutes remaining on amendment No. 2894 offered by the Senator from Pennsylvania, Senator SPECTER.

Who yields time?

Mr. KENNEDY. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator has 2 minutes. Senator KASSEBAUM has 2 minutes.

Mrs. KASSEBAUM. I would be prepared to yield back time.

Mr. SIMON. I will take 1 minute.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. SIMON. Mr. President, there is no question that without the Specter amendment, we severely wound Job Corps. It is the only program we have working with at-risk young people which is really working, and working effectively. When the legislation says they have to use a portion of the money that we give to them to maintain Job Corps centers, they can use this for parole agents. It is revenue sharing with the States. It really is important. If you believe in helping at-risk young people in our Nation, pass this, the Specter-Simon amendment.

The PRESIDING OFFICER. Who yields time?

Mrs. KASSEBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas.

Mrs. KASSEBAUM. Mr. President, I want to say in closing that I think we have had a good debate on the pros and cons of the needs of the Job Corps Program and at-risk youth.

I suggest that this debate is about whether the Federal Government should continue in the same way as it has in running the Job Corps programs, or whether the States can do a better job. Can the local community be more involved and bring about a greater sense of accountability and responsibility for helping this very vulnerable population, which with the right set of guidelines and expectations can achieve more than it has done.

I urge my colleagues to vote against the Specter-Simon amendment, and to be willing to invest in trying to achieve even greater success with the Job Corps Program.

I yield back any time that I have remaining,

Mr. President, I ask for the yeas and nays on the Specter-Simon amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Pennsylvania. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Maine [Mr. COHEN] is absent due to a death in the family.

Mr. FORD. I announce that the Senator from New York [Mr. MOYNIHAN] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 57, nays 40, as follows:

[Rollcall Vote No. 485 Leg.]

YEAS—57

Akaka
Baucus
Bennett
Biden
Bingaman
Boxer
Bradley
Breaux
Bryan
Bumpers
Burns
Byrd
Campbell
Cochran
Conrad
Daschle
Dodd
Dorgan
Exon
Feingold
Feinstein
Ford
Glenn
Grassley
Harkin
Hatch
Hatfield
Heflin
Hollings
Inhofe
Inouye
Johnston
Kennedy
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Mikulski
Moseley-Braun
Murkowski
Murray
Pell
Pryor
Reid
Robb
Rockefeller
Santorum
Sarbanes
Shelby
Simon
Snowe
Specter
Stevens
Warner
Wellstone

NAYS—40

Abraham
Ashcroft
Bond
Brown
Chafee
Coats
Coverdell
Craig
D'Amato
DeWine
Dole
Domenici
Faircloth
Frist
Gorton
Graham
Gramm
Grams
Gregg
Helms
Hutchison
Jeffords
Kassebaum
Kempthorne
Kerrey
Kyl
Lott
Lugar
Mack
McCain
McConnell
Nickles
Nunn
Pressler
Roth
Simpson
Smith
Thomas
Thompson
Thurmond

NOT VOTING—2

Cohen
Moynihan

So the amendment (No. 2894) was agreed to.

Mr. SPECTER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. SIMON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2893

The PRESIDING OFFICER. Under the previous order, their will now be 4 minutes for debate on amendment No. 2893, offered by the Senator from Missouri [Mr. ASHCROFT].

Who yields time?

Mr. ASHCROFT addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. ASHCROFT. Mr. President, I ask for order in the Chamber.

The PRESIDING OFFICER. The Senate will please come to order.

There will be 4 minutes of debate before the next vote. The Senator from Missouri.

Mr. ASHCROFT. Thank you, Mr. President. This amendment would provide for random drug testing for individuals in job training programs. The truth of the matter is that 89 percent of all manufacturers, 88 percent of all those in the transportation industry, 77 percent of all employers provide for drug testing prior to employment. If we expect for people who move through our job training programs to be really employable, we need to ask them to participate by getting drug free in the process. We need to send a clear signal that being on a track of drug use and job training or employability are incompatible and inconsistent tracks.

We have limited job training resources. We do not have enough to go around. Let us make sure that we use them well by saying that those individuals who are drug-free will be the individuals for whom we provide job training. To ask that individuals undergo random drug tests in job training is merely to reflect the reality of the marketplace where 89 percent of manufacturers will require it.

Let us not perpetuate a myth that somehow drugs are compatible with employment and that productivity and achievement are compatible with drugs. Let us say that we provide for random drug testing that will focus our job training resources on those who care enough to be drug free and will be employable upon the completion of the program.

I yield the remainder of my time.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I yield myself 1½ minutes.

Mr. President, there are job training programs where this kind of testing is appropriate. When we talk about public safety, when we talk about the airlines, when we talk about the railroads, that is appropriate and that is permitted under this bill.

Effectively, what this Senator is saying is that every worker in this country is somehow under the suspicion of drug usage. The case has not been made. The people eligible for these benefits are the people in Florida who suffered under Hurricane Opal. They are going to be the homemakers, they are going to be the displaced workers, they are going to be the 12,000 workers from Chemical Bank and Chase Bank squeezed out as a result of mergers.

The case has not been made. Random, there is no definition of random.

Reasonable suspicion, there is no definition of what reasonable suspicion is. There is no definition of what the cost is, plus preempting the States.

In the Kassebaum bill, if there is a desire and need for that kind of testing it can be done locally. Why should we have an additional Federal mandate that is going to interfere with the workers of this country? We do not require it of farmers who get various benefits. We do not require it of small businessmen. We do not require it of defense contractors. We do not require it in the timber industry or the mining industry or those who use the public lands for grazing, who all get benefits. Why should we say to the workers who have been displaced with downsizing or mergers that you are going to be subject to this random testing? It was tried 6 years ago.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. KENNEDY. I yield myself 30 seconds.

We had a similar amendment to do it for all welfare recipients. That was rejected overwhelmingly. For the same reason it was rejected for welfare recipients, we ought to reject it for the workers of this country.

I yield back the remainder of time.

The PRESIDING OFFICER. The question occurs on agreeing to amendment No. 2893. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Maine [Mr. COHEN] is absent due to a death in the family.

Mr. FORD. I announce that the Senator from New York [Mr. MOYNIHAN] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 54, nays 43, as follows:

[Rollcall Vote No. 486 Leg.]

YEAS—54

Abraham
Ashcroft
Baucus
Bennett
Biden
Bingaman
Bond
Bradley
Brown
Bryan
Burns
Byrd
Campbell
Coats
Cochran
Coverdell
Craig
D'Amato
DeWine
Dole
Domenici
Faircloth
Feinstein
Frist
Glenn
Gorton
Gramm
Grassley
Gregg
Hatch
Heflin
Helms
Hutchison
Inhofe
Kyl
Lieberman
Lott
McCain
McConnell
Murkowski
Nickles
Nunn
Pressler
Reid
Roth
Santorum
Shelby
Simpson
Smith
Stevens
Thomas
Thompson
Thurmond
Warner

NAYS—43

Akaka
Boxer
Breaux
Bumpers
Chafee
Conrad
Daschle
Dodd
Dorgan
Exon
Feingold
Ford
Graham
Grams
Harkin
Hatfield
Hollings
Inouye
Jeffords
Johnston
Kassebaum
Kempthorne
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lugar
Mack
Mikulski
Moseley-Braun
Murray
Pell
Pryor
Robb
Rockefeller
Sarbanes
Simon
Snowe
Specter
Wellstone

NOT VOTING—2

Cohen
Moynihan

So the amendment (No. 2893) was agreed to.

Mrs. KASSEBAUM. I move to reconsider the vote.

Mr. ASHCROFT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2895

(Purpose: To reduce the Federal labor bureaucracy)

Mrs. KASSEBAUM. Mr. President, on behalf of Senator GRAMM of Texas, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Kansas [Mrs. KASSEBAUM], for Mr. GRAMM proposes an amendment No. 2895.

Mrs. KASSEBAUM. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 201, strike lines 18 through 22 and insert the following:

(B) SCOPE.—

(i) INITIAL REDUCTIONS.—Not later than the date of the transfer under subsection (b), the Secretary of Labor and the Secretary of Education shall take the actions described in subparagraph (A) with respect to not less than ⅓ of the number of positions of personnel that relate to a covered activity.

(ii) SUBSEQUENT REDUCTIONS.—Not later than 5 years after the date of the transfer under subsection (b), the Secretary of Labor and the Secretary of Education shall take the actions described in subparagraph (A)—

(I) with respect to not less than 60 percent of the number of positions of personnel that relate to a covered activity, unless the Secretaries submit (prior to the end of such 5-year period) a report to Congress demonstrating why such actions have not occurred; or

(II) with respect to not less than 40 percent of the number of positions of personnel that relate to a covered activity, if the Secretaries make the determination and submit the report referred to in subclause (I).

(iii) CALCULATION.—For purposes of calculating, under this subparagraph, the number of positions of personnel that relate to a covered activity, such number shall include the number of positions of personnel who are separated from service under subparagraph (A).

Mrs. KASSEBAUM. This amendment pertains to provisions of S. 143 dealing with reductions in the Federal work force, as we consolidated offices at the Federal level to oversee the new work force development system. This language was worked out with the Senator from Texas, and I believe it is acceptable on both sides.

Mr. KENNEDY. Mr. President, I urge the support of the amendment, which clearly is in focus with what the intention is for this legislation—that is, the reduction of personnel and manpower.

There has been a dramatic reduction in the period of the last 3 years. That flow line we expect to continue. This establishes some additional benchmark to be able to achieve it.

I think it is a reasonable amendment. I hope it would be accepted.

Mrs. KASSEBAUM. Mr. President, I urge adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment No. 2895.

The amendment (No. 2895) was agreed to.

Mrs. KASSEBAUM. I move to reconsider the vote.

Mr. KENNEDY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mrs. KASSEBAUM. Mr. President, I would like to discuss the important issue of encouraging competition between the private and public sectors in the delivery of training and employment services at the State and local levels.

As you know, the Workforce Development Act consolidates nearly 100 separate education and job training programs into a single, universal work force development system through block grants to the States.

I want to commend the U.S. Chamber of Commerce, the National Association of Manufacturers, the National Federation of Independent Business, the National Alliance of Business, and other business groups for their efforts to help shape legislation to restructure the Nation's education and training system. These representatives of the business community are advocating a comprehensive work force development system that is market-based, customer-driven, and that gets results.

Would the Senate majority leader, my colleague from Kansas, please comment on the role of business in restructuring Federal training programs?

Mr. DOLE. Mr. President, I agree with the distinguished Senator from Kansas. America needs a work force that is trained for private sector occupations—especially those generated by small businesses and entrepreneurs—that will help ensure a competitive U.S. economy. I believe the system must be private sector driven to ensure it is flexibile and responsive to the evolving dynamics of the labor market, international competition, and technological advances over the coming years and decades.

I believe small business should be able to compete with the public sector in the delivery of training and employment services and in the operation of the one-stop centers. If the consolidation of Federal programs is to adequately reflect the realities of today's labor market, business—particularly small business—absolutely must play a lead role in ensuring workers are equipped with the skills needed by America's employers. Incorporating competition and free-market principles into training services at the local level will also encourage public sector programs to operate more effectively. Opportunities for private-public sector competition in the implementation of local work force development plans is an area strongly pursued by U.S. business interests. In particular, I want to recognize the work by the U.S. Chamber of Commerce and the National Association of Manufacturers in this area and welcome their input in education and job training services on behalf of small business.

Does the distinguished chairman of the Senate Labor and Human Resources Committee agree on the unique role of small business?

Mrs. KASSEBAUM. Mr. President, the bill I introduced enables both local chambers and small businesses to compete with the public sector in the course of restructuring the Federal training system. I believe local chambers of commerce—in addition to small businesses—are uniquely positioned to operate one-stop centers and to serve as training providers. Today, local chambers are leading the way in many of the Nation's most innovative and effective work force development initiatives. I understand the U.S. Chamber of Commerce has undertaken a major initiative to mobilize local chambers of commerce to be in the vanguard in this effort to revolutionize training for America's private sector.

Similarly, regional and local affiliates of the National Association of Manufacturers serve as a strong intermediary source in bringing business, education and government leaders together at the State and community level to form meaningful and sustained work force development programs.

Mr. DOLE. Mr. President, I thank my colleague from Kansas for opening discussion on the important role that business brings to the table. With strong private sector input, efforts to turn primary responsibility for education programs to the State and local levels will hold much promise.

Mrs. KASSEBAUM. I appreciate the comments from the Senate majority leader on this important issue and I ask unanimous consent to have printed in the RECORD a letter from the chamber of commerce with an accompanying statement.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CHAMBER OF COMMERCE OF THE
UNITED STATES OF AMERICA,
Washington, DC, October 5, 1995.

MEMBERS OF THE UNITED STATES SENATE: The U.S. Chamber of Commerce, representing 215,000 businesses, 3,000 state and local chambers of commerce, 1,200 trade and professional associations, and 73 American Chambers of Commerce abroad, urges your support for the Workforce Development Act (S. 143), which is scheduled for floor consideration on October 10.

The Workforce Development Act, sponsored by Senator Nancy Kassebaum (R-KS), contains many provisions that the Chamber supports. S. 143 would consolidate and decentralize roughly 100 federal education and training programs into a simpler, integrated block grant system for states. The bill also would enable small businesses and local chambers of commerce to compete with the public sector in the delivery of education and training services; recognize the important role of business in the design and implementation of the new system; and promote the effective use of technology and the development of labor-market information to orient education and training services.

In additional to these provisions, the Chamber is encouraged that the Workforce Development Act maintains the important goal of preparing students and workers for skills needed in the modern workplace. S. 143 aims to achieve this goal by adopting many new approaches to workforce development. Examples include promoting the use of vouchers rather than funding streams for institutions and programs; establishing user-friendly, one-stop delivery centers where individuals and employers can share and obtain relevant job information; opening the door to new measures of accountability rather than relying on the old measure of bureaucratic processes; and encouraging the creation of effective business-education partnerships.

Many, if not most, of these provisions are found in the Chamber's policy statement on restructuring the federal training and employment system. A copy of this statement is attached, for your review.

For American business, the knowledge and skills of employees are the critical factors for economic success and international competitiveness. The Workforce Development Act embodies language that can help achieve this end by creating a world-class workforce development system that is responsive to today's skill needs. Again, we urge your support for S. 143, and your opposition to any weakening amendments. Doing so will dramatically enhance the possibility of enacting meaningful workforce development legislation during the 104th Congress.

Sincerely,

R. BRUCE JOSTEN,
Senior Vice President,
Membership Policy Group.

STATEMENT ON RESTRUCTURING THE FEDERAL TRAINING AND EMPLOYMENT SYSTEM

The U.S. Chamber recognizes that America's training and employment system is inadequate to meet the demands of rapidly evolving technologies and intensifying global competition. The current system is fragmented and duplicative, and often fails to provide workers and employers with the fast and effective training and placement services they need. Equally compelling is the fact that growing numbers of workers are becoming permanently displaced through structural changes in government policy and corporate restructuring, as opposed to cyclical changes in the economy. These weaknesses in the existing work-to-work transition system need to be resolved.

The U.S. Chamber, therefore, supports restructuring the federal training and employment system to make it more responsive to the needs of dislocated workers and skill requirements of employers. To be effective, it is essential that the new system reflect the following principles:

The business community must be centrally involved in all phases of the restructured system's design, development, operation, and evaluation.

The new system must not impose any new federal mandates or regulatory burdens upon employers. It must not be financed through the creation of a new tax or an increase in any current tax on business.

The new system should assist workers in pursuing job search and placement assistance, career advancement, and a career change. Services must be delivered as promptly and effectively as possible to help employers make quicker and less costly connections with prospective employees. Training services must reflect the local and regional skill needs of employers.

Information regarding career and training services should be offered competitively at the local level. Service providers may include representatives of the private sector. The creation and governance of the streamlined system must be business led. Attempts should be made to factor in the education, employment and training programs of all federal agencies.

There must be sufficient state and local flexibility incorporated into the design and implementation of the new re-employment system. Provisions to maintain accountability and standards of quality at the state and local level should be a part of the national restructuring plan.

The current labor market information system must be strengthened and enhanced. Voluntary occupational skills standards should be integrated into this system, so dislocated workers can know exactly what types of skills they will need for certain occupations.

In addition to strengthening state and local flexibility, the private sector should be encouraged to compete for the delivery of education, employment and training services. One way to help spur local competition and encourage public sector programs to operate more efficiently is to put financial resources directly in the hands of individuals to pursue private or public sector post-secondary education and training. The overall goal should be to improve the learning and achievement of individuals and help them to succeed in the workplace of the 21st century.

Block grants are considered a viable mechanism for diminishing control from the federal government and increasing state and local flexibility. State and local workforce development plans emerging from the block grants must maintain the goal of preparing students and workers for skills needed in a high performance workplace. Appropriate performance and skill standards and accountability measures should be incorporated into state and local programs that emanate from the block grant system.

Mr. SIMON. Is it not your understanding that nonresidential programs for at-risk youth described under section 161(b) (2) and (3) of the bill, could be provided by local, community-based organizations?

Mrs. KASSEBAUM. Yes, of course. The States could elect to provide these services through such organizations or other organizations in the private sector.

AMENDMENT NO. 2896

(Purpose: To make amendments with respect to museums and libraries)

Mr. PELL. Mr. President, I send an amendment to the desk on behalf of Senator JEFFORDS and myself and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Rhode Island [Mr. PELL] for himself and Mr. JEFFORDS, proposes an amendment numbered 2896.

Mr. PELL. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under “Amendments Submitted.”)

Mr. PELL. Mr. President, the House of Representatives recently approved the Careers Act which contains extensive provisions regarding library services. This is the companion bill to the legislation we are now considering and the bill the House will bring to conference, Senate bill 143.

I am of the mind we should have library services provisions formally on the table when we go to conference with the House. Thus, the amendment now being offered would include the Institute of Museum and Library Services reauthorization as part of S. 143.

Those provisions stress the importance of both museums and libraries to literacy, economic development and most importantly, the work force development, all of which are relevant and important to the bill now under consideration.

Mr. President, I believe this amendment is or should be considered noncontroversial, and I urge its approval.

Mr. JEFFORDS. I rise today in support of the amendment offered by my distinguished colleague from Rhode Island, Senator PELL, and myself which would incorporate the Institute of Museum and Library Services as part of S. 143, the Workforce Development Act of 1995.

Libraries have been key players in developing literacy programs and it only makes sense to include the Institute for Museum and Library Services [IMLS] as part of this bill today. The problem of illiteracy is of great concern to me and I believe that we should not pass up this opportunity today to recognize the power and purpose that libraries have in dealing with this problem and finding solutions to it. Libraries have made a positive impact in communities throughout the Nation and have been instrumental in enhancing educational and lifelong learning opportunities. Because of its focus on literacy as well as workforce and economic development, I believe that ensuring that the IMLS is part of the S. 143 is an action which will benefit individuals in all of our States. The Pell/Jeffords amendment today represents a holistic and winning approach to lifelong learning.

Mr. President, I am especially pleased that the Artifacts Indemnity Act has been included as part of this amendment. The Indemnity Program, created in 1975, has been an extraordinarily successful program. I believe that there has been only one claim for a very modest amount of money since it first began 20 years ago. Over the years, I have had many opportunities to speak with museum directors who have shared with me their thoughts on the importance of this program along with frustrations regarding the difficulty they have had in getting insurance for their exhibitions to travel throughout the United States, or for bringing some of the great U.S. exhibitions to their region. In response to those conversations, an extension of the indemnity program for domestic exhibitions has been included. We have also moved administration of this program to the Institute of Museums and Library Services, which I believe is a sensible and logical change that will only enhance the program's successes.

So again, I would like to thank the Senator from Rhode Island for offering his assistance in crafting this amendment and look forward to its adoption.

Mrs. KASSEBAUM. Mr. President, I do not believe there is an objection on either side of the aisle regarding this amendment.

Mr. KENNEDY. The Senator is right. We appreciate the Senator bringing this to the attention of the Members. We hope it will be included.

Mrs. KASSEBAUM. I urge the adoption.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 2896) was agreed to.

Mrs. KASSEBAUM. Mr. President, I move to reconsider the vote.

Mr. KENNEDY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2897

(Purpose: To make technical amendments)

Mrs. KASSEBAUM. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Kansas [Mrs. KASSEBAUM] proposes an amendment numbered 2897.

Mrs. KASSEBAUM. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On line 19, strike lines 5 through 14 and insert the following:

(35) WELFARE RECIPIENT.—The term “welfare recipient” means an individual who receives welfare assistance.

On page 50, strike lines 7 through 12 and insert the following:

viduals to participate in the statewide system; and

(N) followup services for participants who are placed in unsubsidized employment.

On page 65, lines 5 and 6, strike “section 103(a)(1)” and insert “this subtitle for workforce employment activities”.

On page 69, line 10, strike “and” and insert a comma.

On page 69, line 14, strike “and” and insert “or”.

On page 70, line 7, strike “and” and insert “or”.

On page 70, line 14, strike “and” and insert “or”.

On page 70, line 19, strike “and” and insert “or”.

On page 70, line 20, strike “to” and insert “for”.

On page 71, line 12, strike “and” and insert “or”.

On page 71, line 21, strike “and” and insert “or”.

On page 96, strike line 6 and insert the following:

(1) IN GENERAL.—

(A) NEGOTIATION AND AGREEMENT.—After a Governor submits

On page 96, between lines 13 and 14, insert the following:

(B) WORKFORCE EDUCATION ACTIVITIES.—In carrying out activities under this section, a local partnership or local workforce development board described in subsection (b) may make recommendations with respect to the allocation of funds for, or administration of, workforce education activities in the State involved, but such allocation and administration shall be carried out in accordance with sections 111 through 117 and section 119.

On page 108, strike lines 10 through 12 and insert the following:

(A) welfare recipients;

In subparagraph (B)(ii) of the matter inserted on page 114, after line 14, strike “reduce” and insert “reduce by 10 percent”.

In subparagraph (C)(iii) of the matter inserted on page 114, after line 14, strike “strategic plan of the State referred to in section 104(b)(2)” and insert “integrated State plan of the State referred to in section 104(b)(5)”.

After subparagraph (D) of the matter inserted on page 114, after line 14, insert the following:

(E) DEFINITION.—As used in this paragraph, the term “portion of the allotment”—

(i) used with respect to workforce employment activities, means the funds made available under paragraph (1) or (3) of section 103(a) for workforce employment activities (less any portion of such funds made available under section 6 of the Wagner-Peyser Act (29 U.S.C. 49e)); and

(ii) used with respect to workforce education activities, means the funds made available under paragraph (2) or (3) of section 103(a) for workforce education activities.

On page 175, line 25, strike “; and” and insert a semicolon.

On page 176, line 2, insert “and” after the semicolon.

On page 176, between lines 2 and 3, insert the following:

(E) career development planning and decisionmaking;

On page 176, line 11, strike the period and insert “, including training of counselors, teachers, and other persons to use the products of the nationwide integrated labor market and occupational information system to improve career decisionmaking.”.

On page 184, lines 18 through 20, strike “, which models” and all that follows through “didactic methods”.

On page 222, line 10, strike "from" and insert "for".

On page 239, line 19, strike "of" and insert "of the".

On page 248, line 23, strike "98-524" and insert "98–524".

On page 250, line 11, strike "and" and insert "and inserting".

On page 255, line 25, add a period at the end.

On page 290, line 14, strike "to" and insert "to the".

On page 290, line 17, strike "(a) IN GENERAL.—".

Beginning on page 290, strike line 23 and all that follows through page 291, line 5.

On page 292, strike lines 9 through 12 and insert the following:

(a) IN GENERAL.—Section 3(a) of the Wagner-Peyser Act (29 U.S.C. 49b(a)) is amended to read as follows:

On page 293, strike lines 2 through 13 and insert the following:

tion.".

On page 294, lines 9 through 14, strike "subsection (b)" and all that follows through "(2)" and insert "subsection (b)(2)".

On page 296, line 12, strike "to" and insert "to the".

On page 304, line 6, strike "members'" and insert "member's".

On page 309, lines 20 and 21, strike "technologies" and insert "technologies,".

On page 311, line 7, strike "purchases" and insert "purchased".

Mrs. KASSEBAUM. Mr. President, this is an amendment that bears technical and conforming amendments that I believe has been cleared on both sides of the aisle.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, we urge the acceptance of this amendment and appreciate the working out of the technical issues which have been included in this proposal.

We urge the Senate to accept it.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 2897) was agreed to.

THE REPEAL OF THE MCKINNEY ACT PROVISIONS FOR HOMELESS CHILDREN AND YOUTH

Mr. DOMENICI. I would first like to thank Senator KASSEBAUM for her excellent work on this long-awaited legislation to improve the delivery of America's work force training and education programs. This is a mammoth task well done, and I look forward to final passage this morning. Let me say, however, that I have a serious concern about homeless children that I would like to clarify with the Senator.

The legislation before us in its present form repeals the McKinney Homeless Assistance Act provisions for the Homeless Children and Youth Program. I believe this is an oversight and I agree with the chairman's intent to repeal the McKinney Act job training provisions to include them in this much improved legislation for those purposes. Unfortunately, the repeal language includes a repeal of the program for homeless children. This critical program helps homeless children to enroll in and attend school.

Before the McKinney Homeless Assistance Act, almost half of all school aged homeless children were not in school at any given time. The very poor attendance was caused in large part by school policies that did not take into account the unique problems of homeless families.

Residency requirements, for example, often prevented homeless families from enrolling their children in school because by definition a homeless family did not have an address that could be used to prove residence in a district. Furthermore, because a number of shelters only allowed people to stay for 30 days at a time, homeless families were often forced to move from shelter to shelter.

If these shelters were zoned for different schools, as is often the case, the children were forced to transfer as frequently as the families moved. This is a most difficult hurdle for any family, and more so for homeless families. Frequent school changes impede rather than promote the education of homeless children. Transfer of records between schools slowed the process even more, often keeping children out of school for weeks at a time.

To address this problem, we created the Education for Homeless Children and Youth Program in the McKinney Act. This program for homeless children requires States and local governments to ease the types of barriers I have described and to improve the support mechanisms for homeless children in schools. This program also provides money to States to identify homeless students, ease transfers and placements, and provide tutoring and school supplies.

I am proud to say that this program has made a difference. Since 1987, school attendance by homeless children nationally has risen from 50 percent to 82 percent and continues to increase each year. These improvements occur despite the fact that the number of homeless children continues to rise with the number of homeless families, as reported by the U.S. Conference of Mayors.

For homeless children, education will be their best chance to break the cycle of poverty. This McKinney Act program ensures that homeless children will have access to that chance. Now is not the time to repeal this program.

I understand, Senator KASSEBAUM, that you have indicated your support for the continuation of the McKinney Act Education for Homeless Children and Youth Program. Since the technical language of S. 143 repeals this program along with job training for homeless adults, I also understand that it is your intention to revisit this matter in conference.

I hope the Senator can reassure me that it is not her intent to repeal the McKinney Act program for homeless children, and that she will work in conference to assure that the final bill contains explicit protections for homeless children so that the progress we have made in helping homeless children continues.

Mrs. KASSEBAUM. Yes, I support the McKinney Act program for homeless children, and I appreciate the effort of the Senator from New Mexico in bringing this matter to the attention of the Senate. I assure the Senator and the Senate that I will work in conference to protect this program for homeless children by accepting language to ensure its continuation. I thank the Senator on behalf of homeless children and their families. They know the full benefits of this McKinney Act program for school placement and support and should have every assurance of its continuation.

NOTE

Due to a printing error, a statement by Senator HARKIN on page S14840 of the RECORD of October 10, 1995, appears incorrectly. The permanent RECORD will be corrected to reflect the following correct statement.

SUPPORT OF THE PROVISIONS PERTAINING TO INDIVIDUALS WITH DISABILITIES

Mr. HARKIN. Mr. President, as ranking member of the Subcommittee on Disability Policy, I would like to take a few minutes to discuss the applicability of S. 143, the Work Force Development Act, to individuals with disabilities.

I would like to compliment Senator KASSEBAUM, the sponsor of the legislation and chair of the Committee on Labor and Human Resources, and Senator FRIST, the chair of the Subcommittee on Disability Policy, for including specific provisions in S. 143 that will enhance our Nation's ability to address the employment-related needs of individuals with disabilities, including individuals with significant disabilities. I am particularly pleased that these provisions were developed on a bipartisan basis and enjoy the broad-based support of the disability community.

On January 10, 1995, the Labor Committee heard testimony from Tony Young, on behalf of the employment and training task force of the Consortium for Citizens With Disabilities. CCD urged the Senate to recognize the positive advances made in the 1992 amendments to the Rehabilitation Act of 1973 and to take a two-pronged approach to addressing the needs of individuals with disabilities in our jobs consolidation legislation. I am pleased that the Senate bill adopted this two-pronged approach.

Under prong one, S. 143 guarantees individuals with disabilities meaningful and effective access to the core services and optional services that are made available to nondisabled individuals in generic work force employment activities and to work force education activities described in the legislation, consistent with nondiscrimination provisions set out in section 106(f)(7) of the legislation, section 504 of the Rehabilitation Act of 1973, and title II of the Americans With Disabilities Act.

The commitment to ensuring meaningful and effective access to generic services for individuals with disabilities is critical. Advocates for individuals with disabilities have often expressed concern that many current generic job training programs such as JTPA have not met the needs of individuals with disabilities. Ensuring access to generic services is critical for many people with disabilities who can benefit from such services.

The promise of access to generic services is also illustrated through other provisions in S. 143. The purposes of the bill—(section 2(b))—include creating coherent, integrated statewide work force development systems designed to develop more fully the academic, occupational, and literacy skills of all segments of the population and ensuring that all segments of the work force will obtain the skills necessary to earn wages sufficient to maintain the highest quality of living in the world. The content of the State plan set out in section 104(c) of S. 143 must include information describing how the State will identify the current and future work force development needs of all segments of the population of the State. The term all is intended to include individuals with disabilities.

The accountability provisions in S. 143—(section 121(c)(4)—specify that States must develop quantifiable benchmarks to measure progress toward meeting State goals for specified populations, including at a minimum, individuals with disabilities.

Under S. 143, State vocational rehabilitation agencies must be involved in the planning and implementation of the generic system. For example, under section 104(d) of S. 143, the part of the State plan related to the strategic plan must describe how the State agency officials responsible for vocational rehabilitation collaborated in the development of the strategic plan. Under section 105(a) of S. 143, the work force development boards must include a representative from the State agency responsible for vocational rehabilitation and under section 118 of S. 143, local work force development boards must include one or more individuals with disabilities or their representatives.

Under prong two the current program of one-stop shopping for persons with disabilities, particularly those with severe disabilities, established under title I of the Rehabilitation Act of 1973, as amended most recently in 1992, is retained, strengthened, and made an integral component of the statewide work force development system.

The current vocational rehabilitation system has helped millions of individuals with disabilities over the past 75 years to achieve employment. Since the 1992 amendments, the number of individuals assisted in achieving employment each year has increased steadily. In fiscal year 1994, 203,035 individuals achieved employment, up 5.8 percent from fiscal year 1992, the year just prior to the passage of the amendments. Data for the first three quarters of fiscal year 1995 show a 8.4 percent increase in the number of individuals achieving employment as compared to the first three quarters for fiscal year 1994.

In fiscal year 1993, 85.7 percent of the individuals achieving employment through vocational rehabilitation were either competitively employed or self-employed. Seventy-seven percent of individuals who achieved employment as a result of the vocational rehabilitation program report that their own income is the primary source of support rather than depending on entitlement or family members.

The percent of persons with earned income of any kind increased from 21 percent at application to 90 percent at closure. The gain in the average hourly wage rate from application to the achievement of an employment outcome was $4.36 per person. Of the individuals achieving employment in fiscal year 1993, their mean weekly earnings at the time of their application to the program was $32.20, compared to $204.10 at closure, an average weekly increase of $164.90.

In 1993, the General Accounting Office [GAO] found that an individual who completed a vocational rehabilitation program was significantly more likely than an individual who did not complete the program of working for wages 5 years after exiting the program. In addition, the GAO found that individuals who achieved an employment outcome demonstrated four times the gain in wages compared to the other groups studied.

I am also pleased to share with my colleagues the positive impact that vocational rehabilitation is having in my home State of Iowa. During fiscal year 1993–94, 5,717 Iowans with disabilities were rehabilitated through the Division of Vocational Rehabilitation Services [DVRS]. At referral to DVRS, 33 percent have weekly earnings; at closure the rate went to 98 percent. Average weekly earnings rose from $49.94 at referral to $229.45 at closure. In addition, the Iowa Department for the Blind provided 765 blind persons with vocational rehabilitation services. At closure the average weekly income was $352.00. Seventy-three percent of those rehabilitated found work in the competitive labor market, including work in occupations such as psychologist, tax accountant, teacher, food service, and radio repair.

Mr. President, as I explained previously in my remarks, under S. 143, title I of the Rehabilitation Act, as amended most recently in 1992, is not repealed; rather it is retained, strengthened, and made an integral component of the statewide work force development system.

For example, the findings and purposes section of title I of the Rehabilitation Act are amended to make it clear that programs of vocational rehabilitation are intended to be an integral component of a State's work force development system. Further, the amendments clarify that linkages between the vocational rehabilitation program established under title I of the Rehabilitation Act and other components of the statewide work force development system are critical to ensure effective and meaningful participation by individuals with disabilities in work force development activities.

Section 14 and section 106 of title I of the Rehabilitation Act pertaining to evaluations of the program are amended to make it clear that, to the maximum extent appropriate, standards for determining effectiveness of the program must be consistent with State benchmarks established under the Work Force Development Act for all employment programs.

Provisions in the State plan under title I of the Rehabilitation Act of 1973 are also amended to include specific strategies for strengthening the vocational rehabilitation program as an integral component of the statewide work force development system established by the State. A cooperative agreement will be required to link the VR agency with the consolidated system. The cooperative agreement will address each State's unique system and will assure, for example, reciprocal referrals between the VR agency and the other components of the statewide system. The linkages will also assure that the staff at both agencies are adequately and appropriately trained. Most importantly, the linkages must be replicated at the local level so that the local office of the VR agency is working closely with the one-stop center in the community to make a seamless system of services a reality.

Many State vocational rehabilitation agencies, including the agency in Iowa, are already involved with efforts to link vocational rehabilitation with other components of the statewide system of work force development. The States that report the most success are those where the vocational rehabilitation agencies are involved in the consolidation efforts at the early planning stages. The other aspect that is critical to ensure success is the replication of cooperative agreements in local communities so that the VR counselors are working closely with the other job training programs in the statewide system.

In closing, Mr. President, I strongly support the provisions of S. 143 pertaining to individuals with disabilities. The bill ensures meaningful and effective access to the generic training and education programs. In addition, the amendments to the Rehabilitation Act of 1973 will strengthen and support the involvement of vocational rehabilitation in a State's seamless system of work force development while ensuring the continued integrity and viability of the current program.

Ms. MIKULSKI. Mr. President, I am pleased to support the Workforce Development Act. It confronts one of the most important issues affecting this Nation today—that is to make sure that America's work force is job ready for the 21st century.

Mr. President, I like this bill because it creates a one-stop delivery system for employment services. It recognizes the needs of dislocated workers; and it helps to streamline the job training process for everyone, including welfare recipients, by consolidating existing job training programs.

First, I like one-stop shopping, and I like streamlining the process. With this bill, States will be required to create one-stop career centers offering access to anyone who needs it. One-stop career centers mean more centralized services all in one place. They make the job training system more efficient and more effective.

Anyone who wants to can go to one location for job placement, job assistance, and job referral. One-stop centers link workers to the full range of services they will need, and I think that is great.

My State of Maryland is ahead of the game in creating one-stop centers. Maryland's one stop center in Columbia, MD is up and running and helping to make job training services easier and more efficient for all Maryland workers. It is an idea that I wholeheartedly support.

Second, Mr. President, I especially like the amendments to this bill that protect dislocated workers. Senator DODD has worked very hard to include a provision that creates a rapid response emergency fund for people affected by base closing, plant closing, and natural disasters.

In Maryland, we have seen tremendous job loss, plant closures, and company downsizing. According to the Baltimore Sun, Maryland could lose 20,000 to 50,000 Federal jobs in the next 5 years. That is a lot of jobs, a lot of people, and lot of families that will receive a big financial blow.

The Dodd amendment is very important to Maryland families who have lost income due to base closing—like Fort Richie, White Oak, David Taylor in Annapolis, and the Army Publications Distribution Center in Middle River.

These workers are men and women who have mortgages to pay, homes to heat, and other bills to pay in order to keep their families going. They need to know that their concerns were heard.

Further, Mr. President, Senator BREAUX and Senator DASCHLE have also offered an amendment to create vouchers for dislocated workers. The amendment further improves the bill by maximizing dislocated workers ability to chose what job training best fits their needs. They can make their own judgments and determine their own future.

I support the Dodd and Breaux amendments on behalf of all the Marylanders who have lost their jobs or who stand to lose their jobs today, tomorrow and in the future.

I am also pleased that we will continue our commitment to workers who have lost their jobs through changes in the international market.

I am talking about the importance of keeping our promises. Promises we made to protect workers from the possible effects of NAFTA and GATT.

I am pleased that this bill will not repeal the Target Adjustment Act, and instead preserves our responsibility to help dislocated workers. That is why I support Senator MOYNIHAN's amendment to take the Trade Adjustment Act out of this bill.

Third, Mr. President, the Senate recently considered welfare reform legislation. Welfare reform and the job training bill we consider today must work hand-in-hand.

If we want to be successful in keeping people off welfare, we must have in place a system that will allow people to change careers and change skills when the economy and technology forces them to.

I think that good job training programs are important to making welfare reform efforts successful. Welfare reform is about helping people get into jobs and stay jobs through job training and part-time work. This bill does that.

The one-stop centers created in this bill will allow welfare recipients to get the help they need to be job ready. They will get job counseling, skills assessment and other services all in one place. I believe that everyone can be well prepared, self sufficient and successful.

Finally, Mr. President, a lot of progress was made to improve this bill since the Labor Committee markup. I support the changes and the amendments improving the job training programs so that they operate more efficiently.

Also, I am pleased that this bill does not repeal title V of the Older Americans Act, the Senior Employment Program.

When the Labor Committee considered this bill, I had very serious concerns about how it would impact on our seniors. I offered an amendment in committee to take the Senior Employment Program out of the block grant because it provides an important service to seniors in this country. And although my amendment lost in committee, the Senior Employment Program has been removed from the bill we consider today.

The Senior Employment Program provides over 100,000 seniors an opportunity for employment, community service, and self-reliance.

Throughout this Nation, the Senior Employment Program is essential to providing important community services. Libraries are kept open in Baltimore so children can read. Ailing older people and children receive care through child and adult day care. Seniors and homebound persons in Catonsville and Hagerstown receive nutritious meals at senior centers and through Meals-on-Wheels.

Mr. President, this program is based on the principles of personal responsibility, lifelong learning, and service to community. It is too important to seniors to be considered as part of this bill, and it should rightfully be considered as part of the Older Americans Act reauthorization.

I would like to thank the Labor Committee chair, Senator KASSEBAUM, for her willingness to work with me to remove the Senior Employment Program from this block grant.

Mr. President, I am all for the idea of one-stop shopping, streamlining and simplifying the job training process, providing assistance for job readiness, and promoting some State flexibility. I am supporting this bill because I believe that job training and education are vital to creating a productive work force.

I commend Senator KASSEBAUM and Senator KENNEDY for their work on this bill and I look forward to its passage.

Mr. ABRAHAM. Mr. President, today the Senate will complete its consideration of the Work Force Development Act, legislation which will reform the existing system of Federal job training programs. As a member of the Committee on Labor and Human Resources, I recommend this bill to my colleagues for three specific reasons.

This bill before us will reduce the size and scope of the Federal Government's bureaucracy by eliminating a number of ineffective or duplicative job training programs and, in addition, consolidating many others. This legislation will shift much of the resources and responsibility for operating the remaining programs to the States which are better capable of designing and running effective education and job training programs. Finally—and I believe most importantly—these reforms will help ensure that American workers have the necessary education and skills to compete successfully in the global economy our Nation faces as we enter the 21st century.

Before I elaborate on each of these important endeavors, let me first commend the Senator from Kansas, the chairman of the Senate Committee on Labor and Human Resources, for her dedication to this issue and for her efforts to develop this measure and bring it to the floor. This has been an area of longstanding interest for the chairman, and her staff along with all of the members of the committee have been working on this legislation the entire year. In fact, job training reform was the subject of the first hearings the Labor Committee held this session.

Mr. President, it also should be noted that the chairman and the committee staff have worked very closely with the Governors—Democrat and Republican alike—in developing a structure for this work force development system which will allow the necessary Federal oversight to ensure accountability for the States while still providing them with tremendous flexibility. As with welfare reform, this bill represents the advent of a renewed effort toward consultation and cooperation between the Federal Government and the States. This new Federal-State relationship is critical not only to making programs such as job training and welfare successful, but it is essential to solving many other problems confronting our society as well.

Mr. President, let me return to the accomplishments of this legislation. First is the issue of eliminating unnecessary duplication and bureaucracy among the existing Federal job training programs.

At last count, according to the Government Accounting Office, there are 163 separate Federal job training programs being run by 1 of 15 Federal agencies. Altogether, these programs cost taxpayers more than $20 billion a year. While those numbers alone are astounding, what is even more surprising is the incredible overlap and redundancy of many of these programs. For instance, there are at least 60 programs aimed at assisting the economically disadvantaged, including 34 programs designed to address literacy alone. To add to the confusion, many of these same programs have differing standards for assessing income and other eligibility criteria.

However, Mr. President, perhaps the most shocking aspect of the present Federal job training system is the near total lack of accountability. There is essentially no reliable record of results. Fewer than half of the sixty-two training programs scrutinized in a recent GAO investigation bothered to keep track of whether participants had obtained jobs following their training. And only a handful of those programs chose to evaluate whether the training that was provided proved integral to securing employment or whether the individual participant could have obtained the job without receiving the training in question.

Mr. President, these facts alone would warrant a dramatic overhaul of the Federal job training system with the goal of eliminating ineffective programs, consolidating programs with identical or similar constituencies and services, and creating a reliable measure of accountability. However, I believe we should go further. And in this bill, we do.

In the legislation which is before us, we give the States the resources and the responsibility to establish their own comprehensive, integrated statewide work force development systems. We allow each State to develop a network of education, job training and employment services which reflects their own unique needs and circumstances. Yet we also demand results from the States and have devised a means by which we can assure fairness, integrity, and results.

Why, Mr. President, is it so important that the States be given the responsibility for running these programs? There are two basic reasons. The first is efficiency. It should come as no surprise that any Federal job training system—responsible for serving all 50 States—would suffer from inordinate overlap and redundancy. The present system has 19 programs which target youth, as well as several programs serving each of a variety of constituencies, including veterans, seniors, dislocated workers, and displaced homemakers.

States, however, are better situated to determine the actual needs of particular constituencies—to the extent those needs differ from that of other individuals seeking assistance. And States are much more likely than the Federal Government to have an accurate assessment of the realistic job opportunities which exist within the State's economy. As Father Bill Cunningham of Detroit's fabulously successful Focus: Hope training program told the Labor Committee back in January: Before any job training program can be successful, we must understand the difference between simply providing jobs for people and that of providing capable and skilled persons to meet the job demands. That is a critical distinction, but one that is often overlooked.

Mr. President, a significant problem with the current system is that it is both diffuse and duplicative; individuals seeking assistance often have no idea of where to turn for the help they need. And the various outlets for services usually have no capability or network they can utilize to connect those individuals with particular needs with the services they require. The States are better suited to devise and operate a comprehensive, integrated system that will address these shortcomings while still remaining sensitive to local needs and problems. Whereas the current system generally creates an new program to address every exigent circumstance, States can create a central system which will meet a variety of needs and demands and serve a diverse array of clientele.

In the State of Michigan, we have already spent enormous time and effort creating our own statewide work force development system, one that we call Michigan Works! The Michigan Works! system utilizes an approach known as no wrong door. This concept means that through whatever point you access the State work force development system, you will either be directly provided or put in contact with any of the services you need.

Mr. President, this is the case:

If you are an adult on public assistance trying to get your high school equivalency degree so you can get a job; or

If you are working at a low skill, low wage job, and you are desiring to learn a trade or a skill which will allow you to find a better job and earn a better living to support you and your family; or

If you are a laid-off assembly line worker who wants to receive computer training or another high-technology skill to prepare you for the high-wage jobs that are increasingly the boon of our economy.

Regardless of who you are or where you enter the system, all the services you could possibly need are only a phone call away because Michigan Works! has instituted a 1–800 number to facilitate access into its work force development system.

Mr. President, the second reason that States ought to be given control of these job training programs is one to which I have already alluded: namely, flexibility.

Each State has its own distinct demographic or economic concerns that require a unique approach, and Michigan is no different. However, Michigan must also take into consideration its geographical diversity as well. Michigan's southeastern and south central regions are primarily urban and suburban, whereas the western and northern portions of Michigan's Lower Peninsula are predominantly rural. And the most obvious unique feature that Michigan has to contend with is the Upper Peninsula. While the Upper Peninsula is many areas is essentially remote wilderness, there are still over 300,000 people living there. With the area economy linked as it is to agriculture and tourism, the unemployment rate during the winter months can be as high as 20 to 25 percent. And this is true as well for a number of areas in the northern portion of the Lower Peninsula.

Obviously, these contrasting areas will require vastly different approaches by the Michigan Works! system if the residents of these areas are all to be served adequately. It would not be logistically feasible or economically efficient for us to have every possible resource or service that a person in the Upper Peninsula might need available just around the corner. That is just not practical. So for Michigan it is imperative that options exist beyond the conventional notion of the one-stop career center, where all of the requisite services are available in one central location.

Michigan Works! envisions having several different service delivery options. One of these, the multiple points of entry would be ideal for the Upper Peninsula since it proposes to electronically link work force development agencies with service delivery providers and customers—even when all three may be separated geographically. Another option would possibly be ideal for the rural areas of the northern southern peninsula and among the smaller cities sprinkled throughout western Michigan. The hub and cluster model would contain a main center with several multiple points of entry throughout the given region to provide outreach and additional service delivery. These mechanisms could be combined with one-stop centers in our major urban areas to comprise Michigan's statewide work force development system. This array of options is possible precisely because of the flexibility afforded States in this legislation.

Finally, Mr. President, the most compelling reason I find for reforming our Federal job training system is the issue of our international economic competitiveness. To paraphrase the conclusion drawn in the committee report: Faced with increasingly stiff global competition, corporate restructuring, and continuing Federal budget deficits, our country cannot afford to support a job training system that wastes precious resources, fails to help train people for the jobs of tomorrow, and does not assist employers by providing a work force which meets their labor needs.

One of the criticisms of this bill is that it does not mandate the continuation of local work force development boards. While that is true, States are still required to institute some form of State-local partnership to promote adequate consultation and cooperation. And if States do establish local development boards, a majority of the members of these board must come from business and industry. Business must be a key, if not dominant, feature in the decisionmaking process in order for any work force development system to succeed. In Michigan, we are already committed to having local development boards, and we are committed to ensuring that the private sector is the dominant force on those panels.

Mr. President, to encourage States to establish local work force development boards, this bill offers such States an expanded array of permissible economic development activities for which they can utilize funds from their so-called flex account. These economic development activities represent the cutting edge of any truly innovative work force development system. They include:

Customized assessments of the skills of workers and an analysis of the skill needs of employers in the State;

Upgrading the skills of incumbent workers;

Productivity and quality improvement training programs for small- and medium-sized employers;

Recognition and use of voluntary, industry developed skill standards;

Training activities in companies that are developing modernization plans in conjunction with State industrial extension service offices; and

Onsite, industry specific training programs supportive of industrial and economic development.

Mr. President, I believe activities such as these are instrumental to any successful statewide work force development system. They are also exactly the type of policies which will improve our ability as a Nation to prosper in an increasingly competitive modern global economy. With the pace of advances made in technology and the increasing frequency with which American workers change jobs, it is of paramount importance that workers, businesses, and whole industries be able to adjust rapidly to such circumstances by bolstering existing training or learning new skills. Mr. President, now is the time to lay the ground work for such a capability and enhance our competitiveness heading into the next century. This bill represents a golden opportunity to accomplish this important objective.

In conclusion, Mr. President, I support this legislation because it accomplishes three of the primary goals I had in coming to Washington as a U.S. Senator. It eliminates Federal Government waste by reducing ineffective or duplicative programs—and the bureaucracy which oversees them. It gives to States, localities, and the private sector much stronger control over matters such as education, job training, and economic development. And last, I believe this legislation will produce a vastly improved American work force development system and, in turn, increase American competitiveness in the years to come.

It is for those reasons that I strongly support this legislation, and I sincerely hope that the vast majority of my colleagues will see fit to support it as well.

Mr. President, I ask unanimous consent that a brief description of eight different training programs which are part of the Michigan Works! system be entered in the RECORD.

If my colleagues will look they will see that these programs are very innovative and quite often address a particular constituency or a unique need. These are exactly the types of programs which I believe will prosper and proliferate under the legislation we are considering today.

There being no objection, the material was ordered printed in the RECORD, as follows:

EXAMPLES OF MICHIGAN WORK FORCE DEVELOPMENT PROGRAMS

EARN WHILE YOU LEARN (NOMINATING SPONSOR: THE JOB FORCE)

Provides opportunities for youth to develop modern employment skills while instilling a spirit of community service.

Students decide when, where, and how the project will proceed.

Uniqueness: 1994 NaCO Award for Excellence recipient (one of three nationally).

Results: 80 percent of the students suffered no learning loss; 60 percent increased their scores on the Michigan Assessment Test in either Math or Reading.

ACCELERATED TRAINING PROGRAMS (THE JOB FORCE)

Bay De Noc Community College, Michigan Works!, MESC, Delta/Schoolcraft ISD, and local employers have collaborated their strengths, talents and resources in a flexible, results-oriented education and training system.

Program has integrated and coordinated various local, State and Federal resources to offer accelerated training program to local residents that meet the demands of the employer community.

The first venture was for an accelerated machine tool program. The program lasts for 12 weeks. There are 9 students enrolled. Eighteen employers will be on the training site to interview prospective students for employment.

Efforts are underway for the recruitment for a new class beginning in August. It is anticipated that 20 students will be enrolled into this program.

MDS CAA/HEAD START/FAMILY SERVICE (THE JOB FORCE)

The Job Force and MDS CAA Head Start program have joined together in developing the Family Service Center (FSC).

FSC is a demonstration project which will strengthen the capacity of both agencies in addressing the problems of families reaching self-sufficiency as they relate to illiteracy, employability, and substance abuse.

FSC offers employability skills training, employment training positions, while coordinating with DSS programs.

Program evaluation has reported that FSC participating families exceeded control families in almost all employment preparation and job seeker behaviors.

TECHNOLOGY EDUCATION PROGRAM TITLE IIC (REGION II)

Participating agencies: Jackson ISD, Hillsdale ISD, and Lenawee ISD.

Exposes JTPA eligible youth in a process to better understand the utilization of various work-related problem solving technologies.

Goal: Arouse participant career interests and encourage the development of individual education and employment goals thereby resulting in continued school enrollment and attendance.

CHRISTIAN OUTREACH REHABILITATION AND DEVELOPMENT (BERRIEN/CASS/VAN BUREN CO. SDA'S)

Collaboration between several organizations utilizing JTPA's work experience program.

Assists the 21st Initiative Neighborhood Housing Program create safe, affordable high quality homes for purchase by low and moderate income families.

Provides hands-on job training of basic construction skills, work ethic and work maturity.

Results: 85.7 percent positive retention rate through June, 1995.

MEDICAL INSURANCE BILLING (MIB) (KALAMAZOO/ST. JOSEPH)

A training program that is employer driven based on high demand, high wages and excellent placement and retention rates.

Participating agencies: local hospital, Kalamazoo Valley Community College, private industry, Upjohn Institute, and the PIC.

The hospital initiated the MIB program by identifying a need existed.

Kalamazoo Valley CC developed a customized training program and hired trainers.

The MIB program included core instructors who were employed in the medical field.

Customer satisfaction surveys received after the first MIB training resulted in improvements and changes.

Within 5 weeks of completing the training, 54 percent of the participants were employed in a medical practice with an average wage over $7.50 /hr.

WORKPLACE INCUBATOR (THUMB AREA)

Workplace incubators are designed to provide a simulated workplace situation which (1) supports regular work experience habits; (2) supports exposure to varying occupational areas; and (3) supports the overall development of an individual's work ethic.

Operating within the county-based Vocational Technical Centers in each of the four counties of the SDA.

Significant roles in preparing individuals for the real "world of work."

Uniqueness—one of the unique features of the incubators is its cost effect/cost efficient method of promoting and utilizing collaborative partnerships.

Partnership between DSS, ISD's, CBO's, local health dept, community colleges, adult ed providers, Cooperative Extension, local literacy, area employers, numerous non-profit agencies, MESC, CMH, and MRS.

Results: incubators compliment all other job training activities by adding the "real world of work" flavor in a relatively compact period of time.

Incubators are a cost effective/cost efficient job training activity which can be tailored to suit the needs of any locale and/or target population, and can easily be assimilated into most job training curriculums.

WOMEN FIRST! (MACOMB/ST. CLAIR)

Began in Jan. 1993 as a model targeted at communities where a higher percentage of female heads of household are living below the poverty level.

Project was committed to resolving 100 percent of the barriers that prevented women from successfully completing training programs that would start them on the road to economic independence by jointly coordinating outreach, case management and follow-up support.

The project has exemplified what can be accomplished when two agencies work together on behalf of customers.

Joint outreach coordinated by the PIC and Macomb Co Community Services Agency.

Results: Exceeded planned enrollment. As of May, three women were still attending training and 76 percent of the women were employed as a result of the Women First program.

INDIAN POSTSECONDARY VOCATIONAL EDUCATION

Mr. BINGAMAN. Mr. President, I am interested in preserving the current policy and practice in the Carl Perkins Act for Indian postsecondary vocational institutions. During each of the last 6 years $4 million has been authorized and $2.9 million has been appropriated each year to provide some stability and base operational support for the nationally accredited tribal postsecondary vocational education institutions. Both the Crownpoint Institute of Technology in New Mexico and the United Tribes Technical College in North Dakota are currently supported with these funds. My concern is that this support not be abandoned in the legislation under consideration. I understand that the senior Senator from Arizona, who chairs the Committee of Indian Affairs, would also like to address this issue.

Mr. MCCAIN. Mr. President, I thank my colleague from New Mexico. I support the provisions in Senate bill 143 and would oppose any effort that would earmark funding for a specific Indian vocational institution, at the expense of all other Indian higher education institutions. I remind Senator BINGAMAN that the American Indian Higher Education Consortium, in a September 8, 1995, letter to him, strongly opposed such a proposal. I agree with them. To the extent there is less funding available for all 29 tribal postsecondary institutions throughout Indian Country in the coming fiscal years, the reductions should be shouldered by all of these schools in an equitable manner and in proportion to how the fiscal year 1995 funds were allocated. I know that this is the intention of my colleague from New Mexico. And, in fact, that is the intention of provisions that were developed by the Committee on Indian Affairs and that were incorporated into S. 143.

Mr. DOMENICI. Mr. President, I am pleased to join this discussion to clarify the intentions of The Workforce Development Act, S. 143, with regard to continued funding for Crownpoint Institute of Technology [CIT]. The fundamental concern we all have is that in replacing the Carl Perkins Act we are also potentially removing the only support CIT has for its basic operating expenses, and we clearly want to avoid this kind of financial disaster for CIT. The problem arises because CIT is the only tribally controlled community college or postsecondary vocational institute in Indian country that is not funded through the Department of the Interior. This odd situation is the result of the enabling legislation for Tribally Controlled Community Colleges that allows each tribe to have only one college. Since CIT and the Navajo Community College [NCC] are both on the Navajo Nation, only NCC qualifies for Interior funding under this act. CIT has relied on the Carl Perkins Act for its basic operating expenses, and receives no Interior Department funding. While fully supporting the block grant concept in this legislation, we want to assure the continuation of CIT and affirm the intention of this legislation to do so.

Mr. BINGAMAN. I thank the Senators. I have tried to maintain existing protections for the Crownpoint institution because of the important work it accomplishes. I do not want that to be at the expense of other fine tribal schools. And I thank the Senator from Arizona for clarifying that if there are funding reductions, they be applied proportionately to the tribal schools affected. I would ask the chairwoman of the Committee on Labor and Human Resources, Senator KASSEBAUM, whether she shares the views set forth by Senator MCCAIN?

Mrs. KASSEBAUM. I thank the Senators for their comments. I wish to associate myself with Senator MCCAIN's remarks in this regard. In a cooperative effort of our two committees, Senator MCCAIN and I developed these provisions with the intention that funding be authorized among the various tribal schools in proportion to the Federal allocations that they have received in prior years.

Mr. MCCAIN. Mr. President, I would like to additionally point out to the Senator from New Mexico that the House and Senate Committee report language reflects the intent that these funds should be distributed in the manner we have set forth.

Mr. BINGAMAN. I do thank the Senators for their remarks. It is my understanding then that if overall funding levels are maintained, the equivalent of the level of base operational support provided in fiscal year 1995 should be allocated to these Indian vocational education institutions. But if funding for these purposes is less than fiscal year 1995 levels, a lesser amount would be distributed based on each school's share of the overall amount it received in 1995.

Mr. McCAIN. That is my understanding.

Mr. BINGAMAN. Mr. President, I appreciate these clarifications and the commitment shown by Senators McCAIN, KASSEBAUM, and DOMENICI.

REFORMING THE FEDERAL JOB TRAINING SYSTEM

Mr. WELLSTONE. Mr. President, I intend to vote for this job training legislation as an indication of my support for efforts to reform the Federal job training system into an integrated, comprehensive, State-based work force development system that serves the real needs of unemployed and underemployed workers. I believe the current system does need to be reformed, streamlined, and made more decentralized, and its performance must be measured more accurately. Though there are parts of this bill with which I still seriously disagree, I will vote today to move the process forward and send the bill into conference with the House.

We started this process several years ago when Democrats developed our own proposal to streamline the job training system. The scores of Federal programs, which spend over $20 billion annually, must be made more coordinated and more coherent, and must better meet the actual needs of job-seekers. On that we are all agreed.

We have come a long way from the original version of this bill that was put forth by Senator KASSEBAUM. The version we will vote on today, while still imperfect, is a more streamlined, more responsible piece of legislation than the one that was considered by the full Labor and Human Resources Committee some months ago.

The governance structure established by the original bill was unwieldy, unaccountable, and open to serious abuse, potentially giving quasi-private entities approval power over billions in Federal spending. It has been much improved, and now final authority and accountability rests with the Secretaries of Education and Labor, where it should be. There are still some refinements to be made in conference, including stronger accountability mechanisms and standards, to protect against potential abuses, but it is a marked improvement over the original proposal.

Since the House does not have such an unwieldy and convoluted governance structure, I hope the conferees will streamline and simplify it, making the lines of accountability clearer in the final bill. The provisions that require states to develop Statewide work force development plans, in consultation with local authorities, and that require benchmarking of their performance, with specific penalties if they have not performed well, have also been improved.

The amended version of the bill retains Job Corps as a national program, with strict national oversight standards, a zero-tolerance drug policy, and other key reforms. For people in my State served by the HHH Job Corps Center in the Twin Cities, which serves hard-to-serve young people who might otherwise be effectively shut out of our social and economic life together, retaining and strengthening Job Corps, while providing for new guidelines and performance benchmarks, was a key step forward. We heard in the committee from young people who had been helped by the HHH Center's programs, and by others in Job Corps Programs throughout the country. Though some Job Corps centers are in need of reform, much of which is required by this bill, I believe strongly in the program and will continue to support it.

We have also fixed the outrageous provision in the original bill that would have repealed the Federal Trade Adjustment Assistance Program for workers dislocated by U.S. trade policies—including NAFTA and GATT. I was an original cosponsor of this amendment because those programs have served thousands of people in my State, providing both job training and income support assistance during interim periods while they looked for new jobs, and I did not believe we could go back on our word to provide workers with such aid. Even those who supported NAFTA made this commitment to help these workers, and it would have been truly outrageous if our amendment had not been approved. Since the House version of the bill does not repeal this program either, I am confident the final version of the bill will preserve it.

There were several other key improvements to the bill that were made during Senate consideration. The Senate's adoption of the amendment to set aside funds for a rapid response fund, administered by the Secretary of Labor, for workers dislocated by mass layoffs like plant closures, disasters, or other similar contingencies, was critically important. In addition to this provision, there should also be a mandate that States must serve dislocated workers; that is not in the current version of the bill, and should be included in conference. While some States, perhaps most, will likely serve these workers, there should be a guarantee in the bill that they be served.

The bill provides for at least some assistance to migrant workers, though as under current law far less than is actually needed for that often desperately poor and mobile population. It provides key job protections for people in State employment service offices, and requires health and safety, antidiscrimination, and other protections for job training program participants.

It mandates that States provide at least some level of summer youth job training assistance, though I remain very concerned that efforts to virtually gut the program's funding in the appropriations process may yet be successful, leaving hundreds of thousands of American youth without jobs during the summer in some of the most desperate inner-city neighborhoods of our Nation. But I have fought the first round of that fight on the rescissions bill, and the second round of that funding fight will come later this month.

The bill imposes a cap on the amount of job training funds that can be used by States for economic development activities, to ensure against their being used as just an economic development honey-pot that does not serve the primary purposes for which these Federal funds are intended—job retraining and reemployment. It also includes key provisions, which I insisted upon when the Labor Committee considered the bill, which require that representatives of veterans be given a seat on work force development boards, and be consulted along with other community leaders as State job training plans are developed. I am pleased that my efforts to include these provisions in the bill were successful.

As I have said, there are still serious problems with this bill. Overall, it makes substantial cuts in job training program funding, at precisely the time we should be maintaining adequate funding, investing in the character, skills and intellect of our people. While there may be some modest administrative savings from consolidating programs, I think that the huge savings estimated by some are wildly exaggerated, and are nowhere near the amounts cut in this bill. These reduced levels undermine our ability to provide American workers with the job training, education, and employment services they need to meet the needs of the next century.

It also moves us a step away from a Federal system which targets resources to those who most need it—dislocated workers, economically disadvantaged adults, and others—a trend which could prove disastrous if cash-strapped States decide they cannot afford to serve these populations. I am worried about that, and believe we in Congress will have to carefully monitor the program's implementation to ensure that those who are most in need are served by the States.

In addition, I think including education programs in a job training consolidation effort is a serious mistake. I worked hard at the beginning of this legislative process to keep programs like Perkins Vocational Education

Program out of this bill. I believe that program in particular should maintain its focus as an education program instead of being swept into a job training bill.

Overall, this bill eliminates six separate education programs and turns them into a block grant to the States. The block grant funds are to be used for vocational education and adult education, but the bill sets no minimum level of funding for either function. We have worked hard to improve the Perkins program and to use it to help integrate vocational and academic education. By repealing Perkins we risk taking several steps backward in those efforts.

This bill reduces funding for important education programs, including vocational education at the high school and college level. By reducing the Federal dollars allocated to education programs, and creating a block grant to serve both education and job training needs, we will likely divert much-needed funds from key education programs. I am hopeful that the education provisions of the bill will be overhauled in conference, and that some of the job training changes I have urged will also be addressed. I yield the floor.

Mrs. BOXER. Mr. President, today I am reluctantly voting for final passage of the Workforce Development Act, as amended by the Senate.

I believe several of these amendments were key to making the bill much more favorable to California. I say I support the bill reluctantly because I believe the overall 15-percent reduction in job training funding is unwise for this country and the cut in funding for California is unfair for my State still struggling out of an economic recession, repeated, disproportionate base closings, and downsizings and dislocations in defense and other industries.

Nevertheless, I will vote for the bill because I support the underlying program to consolidate our many separate job training programs, just as I supported the similar Democratic version in the last session of the Congress. As debate on this bill has shown, there is bipartisan interest in consolidating and reforming our job training programs to provide more flexibility to deal with our changing economy.

But there were some programs eliminated in the committee bill that I was pleased have been restored by the full Senate.

One of these was the Trade Adjustment Assistance Program. This program provides services to workers who lose their jobs as a result of competition from imported goods. It is a critical program to continue in the wake of the North American Free-Trade Agreement and the General Agreement on Tariffs and Trade. This program was restored to our job training program by the Moynihan amendment.

I also supported the amendment offered by Senator SIMON and Senator SPECTER, to keep the Job Corps Program a national program.

The committee bill would have turned the program over to the States as part of the block grant for job training. It would have been a State option to continue Job Corps.

Job Corps is one of the most successful programs to emerge from the efforts of Congress in the 1960's to attack the crisis in urban poverty and unemployment. Created in 1964, the Job Corps is the oldest, largest, and most comprehensive residential training and education program for young, unemployed, and undereducated youths ages 16–24.

In 1982 Job Corps was incorporated into the Republican-sponsored Job Training and Partnership Act, authored by then-Senator Dan Quayle. It was a good idea in 1964, it was a good idea in 1982, and it is still a good idea in 1995.

The Clinton administration has already addressed many of the problems often cited about the Job Corps. The Labor Department is imposing tougher performance standards, better screenings of participants and contractors, and other steps. Many of these reforms would be made law under the Specter-Simon Amendment.

This amendment would also weed out some of the weaker performing centers over the next 5 years. It would not abruptly close 25 centers—a quarter of the Job Corps, as the bill before us would do.

None of the six centers in California would be closed directly under the committee bill. California centers have not had problems in behavior and management that were targeted by the Inspector General.

However, two new centers for Long Beach and San Francisco were selected in 1994 to become operational in 1997. The Kassebaum bill would not authorize funds to operate these two new centers. This would be a particular blow for the Long Beach area, where the economy will suffer from the planned closing of the naval shipyard.

Last program year about 3,700 students participated in Job Corps at six centers throughout California and more than 80 percent were placed in jobs, joined the military, or pursued further education—a rate higher than the national average.

Even if California agrees to continue to operate these centers under a State program—and that is not assured—the centers would still lose if the national program is eliminated. Job Corps trains students to get jobs in the national market, not just the region. Enrollees can choose centers across the country that best match their career plans. Nationwide Job Corps provides vocational training in more than 100 trades, including construction, marketing, mechanics, and agriculture.

Why replace one relatively small, cost-efficient bureaucracy to administer the program nationally with 50 separate bureaucracies in the States?

There are nearly 730,000 youth living in poverty in California, the most of any State and about 200,000 higher than the next highest State, Texas. There are an estimated 151,000 youths in California in need of Job Corps. There are only 3 youths in California enrolled in Job Corps for every 100 who need to be enrolled. Nationally, there are 18 enrolled for every 100 who need it.

In California, from 1980 to 1990 the unemployment among black teenagers rose from 26 to 31 percent, for Hispanic youth 16 to 21 percent and for white teenagers from 13 to 15 percent.

Mr. President, I have been acutely aware of the impact of the Job Corps in California since I was elected to the Senate.

The San Francisco Board of Supervisors in January 1993 passed a resolution on Job Corps which said in part:

> . . . The unwillingness of society to invest in disadvantaged young people results in high unemployment rates, discouragement, a disinvestment in society, and frustration, and the costs of the unwillingness to invest results in incalculable discouragement, suffering and violence throughout, in particular, the African-American, Hispanic, and other disadvantaged communities, as well as throughout the entire City of San Francisco . . .

The same can be said for Los Angeles, San Diego, San Bernardino, Sacramento and San Jose—the other cities in my State with centers which have provided more than $2 million in community-related services since 1989.

This is not a perfect bill, but the bipartisan action on the Senate floor has made it a better bill. The final version will not be known until the Senate works out its differences with a similar bill in the House. I will be watching that process and will reserve my support until I can see the final version.

One of the areas ripe for improvement will be to require the use of local work force development boards. The Senate bill allows but does not mandate this key element in an effective delivery of job training services. These boards are essential to ensuring a meaningful leadership role for business and other private-sector representatives in the development and operation of employment and training programs. Their role would be similar to that of the private industry councils which serve now under the Job Training Partnership Act.

I urge the Senate conferees to support local oversight of job training services by requiring the local work force development boards.

FEDERAL GOVERNANCE STRUCTURE

Mr. KENNEDY. Mr. President, I support the purposes of this legislation but continue to have some real concerns about certain provisions in the bill. I am particularly concerned about the Federal governance structure mandated in the bill, including: The ambiguous relationships between the two secretaries; the unprecedented use of a board structure to run an operating agency; the composition of the proposed Federal partnership; and the drastic Federal staffing cuts. Each of these issues gives me great pause. Taken together, I fear that effectiveness of job training consolidation may be jeopardized.

Proponents offer two key reasons for such significant organizational change—the first is to save money, and the second is to provide better service. I do not believe that we will achieve either under the current proposal.

My colleague from Ohio has been a leader in the area of Government reform, and I would be interested in his observations on this issue.

Mr. GLENN. I share the concerns expressed by the senior Senator from Massachusetts. The legislation before us proposes a Federal governance structure that is intended to maximize coordination between the Departments of Labor and Education in the oversight of education and training block grant funds. And it is intended to increase the private sector's influence on education and training policy through a national board. Although these are desirable goals, they would be achieved through a governance structure, including proposed staff reductions, that would be virtually unworkable because it violates several basic principles of organizational reform.

First, it violates the principle of establishing clear lines of authority, by creating a new "Workforce Development Partnership" within the Departments of Labor and Education under the direction of a national board. The Workforce Development Partnership, as it stands, is so unwieldy that I fear it may be unworkable, and the resulting disorder would undermine the promise of devolving greater responsibilities to the States. When you have accountability dispersed across two departments and one board, you really don't have accountability. Instead, you have confusion, "passing the buck" and a failure to solve problems.

Second, it violates the principle of matching functions and structures. Experience shows that boards are good at some things: venting a broad array of opinion; debating issues; formulating policy; and ensuring consensus for that policy. Boards are not good, however, at carrying out administrative and management responsibilities, in part because of the need to make quick decisions. This bill assigns various administrative and management responsibilities to the national board that it is least capable of carrying out. The board's failure to effectively carry out such administrative and management responsibilities could undermine the ability of the States to implement a new work force development system.

Third, it violates the principle that adequate resources should be provided to carry out a task, by specifying an arbitrary and significant staffing cut that is likely to undermine the critical Federal role in making the transition to the new work force development system. The drastic change required by this legislation raises enormous transition problems. Putting this into place will require considerable imagination, innovation, patience, and investment—of time and money.

This is very hard to do if one partner is crippled by arbitrary staffing cuts at the beginning. This bill does not envision a handsoff role for the Federal Government. It instead mandates a very important Federal role—particularly in the transition—with respect to assisting the States in establishing new innovative, performance-based systems; charting new work force development plans; creating one-stop shopping for individuals and employers; measuring the success of the system and integrating it with other efforts. A proper Federal role is the key to promoting accountability and efficiency and to ensuring that confusion at the Federal level will not undermine the ambitious goals of the work force development system.

I would like to illustrate the challenges of transition by focusing on grant closeout. Based on the Department of Labor's most recent major program closeout—the Comprehensive Employment and Training Act [CETA]—the closeout effort would likely take 2 to 3 years. Planning for the CETA closeout began in early 1982. Although CETA ceased operations on October 13, 1983, most related closeout activity was not completed until the end of 1985. Considerable resources were involved in bringing to an end the 10-year program in 470 localities. The Department's Office of Inspector General was also heavily involved, and in its 1984 semiannual report noted "* * * it was necessary to devote tremendous audit resources to ensure the fiscal integrity of the closeout."

This is not to say that some staffing cuts in the future may not be appropriate. Before specifying such cuts, however, we need to take heed of a simple lesson from the business world: successful reforms are goal-oriented and carefully planned. The first step is to ask what you are trying to accomplish. Moving boxes around on an organizational chart looks impressive and satisfies our desire for action. But it does not make for good policy. It would not achieve the desired results and would certainly impose a period of transitional chaos.

I thank the Senator from Massachusetts for raising these important issues.

Mr. KENNEDY. I think the Senator from Ohio has made it clear that restructuring, while desirable, has to be thoughtfully done. Restructuring in business and government shows that structure is secondary to mission in successful reform efforts. Restructuring requires careful planning. This bill puts the cart before the horse. The Federal partnership would begin with a cut, without careful consideration of what needs to be achieved at the Federal level and the staffing level required to carry out such activities.

I look forward to the conference where I hope we will have an opportunity to fix some of these problems.

Mrs. KASSEBAUM. Mr. President, I ask unanimous consent Senator ABRAHAM be added as a cosponsor to S. 143.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. KASSEBAUM. Mr. President, I believe there are no further amendments.

Mr. KENNEDY. Mr. President, I know of none on our side.

FEDERAL GOVERNANCE STRUCTURE

Although I support this legislation and am voting for it, I continue to have concerns about various provisions in it. I am particularly concerned about the Federal governance structure mandated in the bill, including: The ambiguous relationship between the two Secretaries; the unprecedented use of a board structure to run an operating agency; the composition of the proposed Federal partnership; and the drastic Federal staffing cuts specified in the bill. Each of these issues is worthy of concern. Taken together, there is cause for this efforts to be dead on arrival, simply unable to operate.

Proponents offer two key reasons for such significant organizational change—the first is to save money, and the second is to provide better service. I do not believe that we will achieve either under the current proposal.

I would be interested in the observations on this issue of my distinguished colleague, Senator GLENN, who has been a leader in the area of governmental reform.

Mr. GLENN. I share the concerns of the Senator from Massachusetts [Mr. KENNEDY]. The legislation proposes a Federal governance structure that is intended to maximize coordination between the Department of Labor and Education in the oversight of education and training block grant funds, as well as increase the private sector's influence on education and training policy through a national board. Although these are desirable goals, they would be achieved through a governance structure, including proposed staff reductions, that would be virtually unworkable because it violates several basic principles of undertaking such organization reform.

First, it would violate the principle of establishing clear lines of authority, by creating a new work force development partnership within the Departments of Labor and Education under the direction of a national board. The work force development partnership, as it stands, is so unwieldy as to be devolving greater responsibilities to the States. You would have confusion, passing the buck, and a failure to solve problems.

Second, it would violate the principle of matching functions and structures. Experience shows that boards are good at some things: Venting a broad array of opinion; debating issues; making policy; and ensuring consensus for that policy. Boards are not good, however, at carrying out administrative and management responsibilities, in part because of the need to make quick decisions. This bill assigns various administrative and management responsibilities to the national board that it is least capable of carrying out. The Board's failure to carry out such administrative and management responsibilities effectively could undermine the ability of the States to implement a new work force development system.

Third, it would violate the principle of providing resources adequate for carrying out the task, by specifying an arbitrary one-third staffing cut that is likely to undermine the critical Federal role in making the transition to the new work force development system. The drastic change required by this legislation raises enormous transition problems. It requires considerable imagination, innovation, patience, and investment—of time and money—to put in place.

This is very hard to do if one partner is crippled by arbitrary staffing cuts at the beginning. This bill does not envision a hands-off role for the Federal Government. It instead mandates a very important Federal role, particularly in the transition, with respect to assisting the States in establishing new, innovative, performance-based systems, charting new, work force development plans, creating one-stop shopping for individuals and employers, measuring the success of the system, and integrating it with other efforts. A proper Federal role is the key to promoting accountability and efficiency and to ensure that confusion at the Federal level will not undermine the ambitious goals of the work force development system.

I would like to illustrate the challenges of transition by focusing on grant closeout. Based on the Department of Labor's most recent major program closeout—the Comprehensive Employment and Training Act [CETA], the closeout effort would be likely to take 2 to 3 years. Planning for the CETA closeout began in early 1982. Although CETA ceased operations on October 13, 1983, most related closeout activity was not completed until the end of 1985. Considerable resources were involved in bringing to an end the 10-year program in 470 localities. The Department's office of the inspector general also was heavily involved, and in its 1994 semiannual report noted "* * * it was necessary to devote tremendous audit resources to ensure the fiscal integrity of the closeout."

This is not to say that some Federal staffing cuts in the future may be not appropriate. Before specifying such cuts, however, we need to take heed of a simple lesson from the business world: Successful reforms are goal-oriented and carefully planned. The first step is to ask what you are trying to accomplish. Moving boxes around on an organizational chart looks impressive and satisfies our desire for action. But it does not make for good policy. It would not achieve the desired results and would certainly impose a period of transitional chaos.

Mr. KENNEDY. I think the Senator from Ohio has made it clear that restructuring, while desirable, has to be thoughtfully done. Restructuring requires careful planning. This bill puts the cart before the horse. The Federal partnership would begin with a cut, without careful consideration of what needs to be achieved at the Federal level and the staffing level required to carry out such activities.

I look forward to the conference and an opportunity to begin fixing these problems.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 2885, as amended.

So the amendment (No. 2885), as amended, was agreed to.

The PRESIDING OFFICER. If there be no further amendments to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

Mrs. KASSEBAUM. Mr. President, I ask unanimous consent that the committee be immediately discharged from further consideration of H.R. 1617, the Senate proceed to its immediate consideration, that all after the enacting clause be stricken and the text of S. 143, as amended, be inserted in lieu thereof; further, that H.R. 1617 then be read for a third time and the Senate immediately proceed to vote on passage of the bill.

I further ask consent that following passage of H.R. 1617, the Senate insist on its amendment and request a conference with the House, and the Chair be authorized to appoint conferees on the part of the Senate, and S. 143 be placed back on the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 1617) to consolidate and reform work force development and literacy programs and for other purposes.

Mrs. KASSEBAUM. Mr. President, I ask for the yeas and nays on final passage.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on the passage of H.R. 1617, as amended.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Maine [Mr. COHEN] is absent due to a death in the family.

Mr. FORD. I announce that the Senator from New York [Mr. MOYNIHAN] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced, yeas 95, nays 2, as follows:

[Rollcall Vote No. 487 Leg.]

YEAS—95

Abraham
Akaka
Ashcroft
Baucus
Bennett
Biden
Bingaman
Bond
Boxer
Bradley
Breaux
Brown
Bryan
Bumpers
Burns
Byrd
Campbell
Chafee
Coats
Cochran
Conrad
Coverdell
Craig
D'Amato
Daschle
DeWine
Dodd
Dole
Domenici
Dorgan
Exon
Faircloth
Feingold
Ford
Frist
Glenn
Gorton
Graham
Gramm
Grams
Grassley
Gregg
Harkin
Hatch
Hatfield
Heflin
Helms
Hollings
Hutchison
Inhofe
Inouye
Jeffords
Johnston
Kassebaum
Kempthorne
Kennedy
Kerrey
Kerry
Kohl
Kyl
Lautenberg
Leahy
Levin
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Mikulski
Moseley-Braun
Murkowski
Murray
Nickles
Nunn
Pell
Pressler
Pryor
Reid
Robb
Rockefeller
Roth
Santorum
Sarbanes
Shelby
Simpson
Smith
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Warner
Wellstone

NAYS—2

Feinstein
Simon

NOT VOTING—2

Cohen
Moynihan

So, the bill (H.R. 1617), as amended, was passed.

Mrs. KASSEBAUM. Mr. President, I move to reconsider the vote.

Mr. KENNEDY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mrs. KASSEBAUM. Mr. President, I send an amendment to the title to the desk and ask unanimous consent that it be considered and agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

The title was amended so as to read:

A bill to consolidate Federal employment training, vocational education, and adult education programs and create integrated statewide workforce development systems, and for other purposes.

Mrs. KASSEBAUM. Mr. President, in approving the Workforce Development Act, I believe the Senate has taken a great step forward in reforming Federal work force development efforts. It truly is a major and innovative approach that I think will serve both our education and job training arenas with great success.

Arriving at this point has been a long and difficult endeavor. Wiping the slate clean, so to speak, has meant convincing those who have invested time in existing programs that there is a better way to accomplish their goals. Taking the next step in developing that better way has proven to be just as challenging.

Mr. President, I am convinced that the time and effort put into this legislation has been worth it. We now have a blueprint for a system in which the needs of all who require a job, job training and job training-related education can be addressed. It is a system where the States will have flexibility to fit their needs while being accountable to the public for the use of Federal funds. It is a system which creates incentives for the involvement of a true partnership among job training advocates, educators, the business community, and State governments.

It has taken a couple of years, if not more, to put this proposal together and many hearings and consultations and many individuals have made major contributions to this effort. It is not possible to name them all. However, I do want to acknowledge several of them.

In particular, I express my appreciation to the members of my staff who have worked on this legislation: Ted Verheggen, Carla Widener, Wendy Cramer, Bob Stokes, and Susan Hattan. Other staff of committee members on both sides of the aisle have also made significant contributions to this legislation. From the Republican staff, I would include Sherry Kaiman and Reg Jones with Senator JEFFORDS, Pat Morrissey and Carol Fox with Senator FRIST, Dwayne Sattler with Senator DEWINE, Rick Murphy with Senator GREGG, Don Trigg with Senator ASHCROFT, and Gregg Willhauck with Senator ABRAHAM.

On the Democratic side of the aisle, I would like to express appreciation particularly to Ellen Guiney, Libby Street, Sarah Fox, and Omer Waddles with Senator KENNEDY; David Evans and Kevin Wilson with Senator PELL; Suzanne Day with Senator DODD; Charlie Barrone with Senator SIMON; Bobby Silverstein and Bev Schroeder with Senator HARKIN. I also want to recognize the efforts of Liz Aldridge and Mark Sigurski, who produced the legislative language with many of the incarnations of this legislation. In some ways this perhaps is the most trying and difficult part of the bill.

A special thanks also goes to Rick Appling and Ann Lordaman, of the Congressional Research Service. The staff of the General Accounting Office, the leadership of the Republican Governors Workforce Development Task Force, and many individuals in the business and education communities also lent valuable support to this effort.

In closing, Mr. President, I would like to say a special word about Steve Spinner. Senator KENNEDY gave an eloquent tribute to Steve Spinner in his opening remarks as we started the debate on the Workforce Development Act. As a member of Senator KENNEDY's staff, he worked very closely with me and my staff in developing the work force training provisions of this bill. He cared very deeply about bringing about reform in this area and offered invaluable advice, assistance and suggestions based on his experience in the field. His dedication and professionalism earned him great respect on both sides of the aisle. Unfortunately, Steve died of cancer a few weeks ago. We deeply regret his loss and regret he was unable to see through an effort to which he had devoted so much time and talent.

I yield the floor.

Mr. KENNEDY. Mr. President, the good chairman of our committee was speaking with her heart and soul about the extraordinary work of Steve Spinner who spent an enormous amount of time and energy in the developing and shaping of this legislation. He died just 2 weeks ago, at a young age, but made a remarkable contribution, which, through this legislation, other good works will live on for a very considerable period of time. And because of his works, young and old will have a better opportunity to have a more hopeful life, a better chance to provide for their families.

We are, I think, all extremely fortunate to have the help and assistance of extraordinary, dedicated men and women who help us with our legislative duties, but more than that are highly motivated and incredibly gifted and talented in their profession and whose work is absolutely essential and invaluable in shaping legislation. Steve Spinner falls in that category, as well as so many others that Senator KASSEBAUM mentioned and that I will include.

But Steve Spinner was a rare, uncommon individual. And I think those of us who serve on that committee are mindful at this moment with the successful passage of the legislation, not just by the handful of votes which would have been sufficient to see its completion, but the extraordinary efforts to try to encompass the breadth of this body in terms of focusing and giving attention to the needs of those that will benefit from this legislation was really extraordinary. And I think to a great degree the fact that we have had such overwhelming support for this legislation was a real tribute to Steve and his efforts and energies over a long period of time. Others were certainly indispensable as that path went along, but I think Steve, all of us recognized, was someone who was very, very gifted.

I also would mention Steve's wife, Claire and daughter Elisa at this moment as well. Elisa is 4 years old, and Claire was a very lovely and wonderful, devoted companion.

Mr. President, the legislation which we voted on this afternoon is a culmination of a long, bipartisan effort to reexamine and refocus the Federal role in the education and training of America's workers. And this complex effort involves many separate decisions and judgments about the services that are most effective, the appropriate roles of the Federal, State, and local governments in job training and how best to ensure that available resources are targeted to those who need them the most.

Much of our debate over the last 2 days has been focused on those questions, and appropriately so. But as we face the vote on the final passage of the legislation, it was important to consider how much is at stake in this bill and how important this issue is to our country and to its future.

The challenges of creating a world-class work force are central to America's ability to compete successfully in the global economy. It is also central to our standard of living and the quality of life for all of our people. The economic indicators are sending a message that none of us can ignore. Corporate profits are up, productivity is increasing, but the wages of most Americans are not.

Since 1979, the national household income has increased, but almost all of that increase has gone to families in the top 20 percent. And 60 percent of American households have actually seen their family incomes in real dollars decrease. The gap in income between the most affluent and least affluent members of our society is greater today than at any time since records began to be kept after World War II. It far exceeds the gap in any other industrial nation in the world. And the gap is widening, not decreasing.

Many different factors have contributed to this problem, but one element in the picture stands out. Men and women who lack education and job skills are having the hardest time of all. Three-quarters of American workers are without 4-year college degrees. They have suffered the steepest drop in wages and benefits. At the start of the 1980's, a male college graduate typically earned 49 percent more than a male high school graduate. Today the differential is 85 percent. The evidence is overwhelming that one realistic way toward reversing that dangerous trend is to improve the education and training available to workers.

For every year of additional education or job training after high school, a worker's income increases by 6 to 12 percent. That is why the legislation we are considering today is so important. The Federal Government has had a long history of involvement in job training, from the manpower programs in the 1960's to CETA in the 1970's to the Job Training Partnership Act of the 1980's, and many other training programs administered by the Department of Labor or the Department of Education.

The record of success is clearly mixed. And what we are attempting to do at the Federal level today is a clear departure from what we have done in the past and taking us into new territory. Our past job training policy was based on the assumption that the vast majority of workers would acquire basic skills in schools and that these skills would enable young men and women to attain good jobs with decent wages and benefits and work productively in those jobs for the rest of their lives.

On this basis, Federal training programs focused on particular groups facing special barriers—the disadvantaged, the disabled, and in more recent years the dislocated worker. There was a clear recognition that members of these groups needed special assistance. But at the same time, it was assumed most workers were already in the mainstream and could succeed effectively on their own.

We have had a rude awakening. In the highly competitive global economy that has emerged in recent years, U.S. workers have been losing ground. And in the painful process of analyzing that decline, we have come to realize that on the issue of job training we have not been doing the job.

It is not just the disadvantaged, disabled, and dislocated who suffer from inadequate education and training; it is a work-force-wide problem. Compared to other nations, we have clearly been underinvesting in the education and training of the vast majority of our workers. And American working families are paying a heavy price for that neglect.

Now for the first time we are looking at Federal training programs as part of a competitiveness strategy, central to the Nation's overall economic future. And that, in turn, has required us to broaden our outlook, to start seeing these issues in terms of the need for the kind of broader bipartisan reform we are recommending today.

In a sense, this bipartisan movement for reform began with Senator Dan Quayle's Job Training Partnership Act in 1982 and its effort to involve the private sector more closely in such reform.

The second major milestone on the road to reform was the 1990 reform report of America's Choice Commission, cochaired by two distinguished former Secretaries of Labor, Bill Brock and Ray Marshall, and their clear warning that unless we changed our ways, we were on the race to the bottom in the global economy.

The next major landmark was the 1992 report by the congressional General Accounting Office that so effectively blew the whistle on the current confusing array of Federal programs, and the past two Congresses picked up the challenge. We held bipartisan hearings on all of these challenges, enacted initial important reforms, such as the school-to-work legislation signed by President Clinton. And throughout this process in recent years, Senator KASSEBAUM and I have worked closely together to agree on the broad direction of reform. This legislation is the result of both of our efforts, and I commend her for her leadership, for without her leadership, we would not be where we are today.

We have not always agreed on all of the details, but we have certainly agreed on the major directions of the reforms we need. But we both are well aware that there are no simple answers and no silver bullets. We have approached this challenge with a maximum of bipartisanship and minimum of ideology.

This legislation is, obviously, not a final answer to the serious challenges that we face, but is a far better answer than we have had so far. I am grateful that the Senate has passed it by an overwhelming majority.

Mr. President, I want to join in mentioning very briefly our colleagues who have participated in this so actively. I mentioned the significant and outstanding leadership of the chairperson of our committee, Senator KASSEBAUM, whose commitment in this area has been really extraordinary. When we look over the broad range of debates and discussions that we have had over the period of this Congress, I think this really stands out as an extraordinary effort to try and bring together the diverse viewpoints and ideas and do it in a way which really represents the best in legislative effort in drawing the strong bipartisan support, and support from all the different elements of this body:

Senator JEFFORDS, with his strong commitment in education and the Adult Education Program, with our colleague Senator PELL, who has done so much in chairing and being the ranking minority member of the education committee for such a long period of time;

For Senators SPECTER and SIMON, who were so committed on the issues of the Job Corps and who spent a great deal of time on that issue;

To my friend and colleague, Senator DODD on the dislocated workers and the national priorities which will extend not only to the industrial areas but also will include the national priorities for those all over this Nation. It is an important program and we are grateful for his leadership;

Senator BREAUX and Senator DASCHLE for the work that they did in devising a completely different concept in permitting the maximum flexibility for individuals to make choices and selections out of the wide, diverse numbers of training programs so that they would be able to maximize their own skills and talents and innovative programs which they have pursued for some period of time and which has been included in this legislation;

Senator MOYNIHAN on the trade adjustment.

Senator MIKULSKI, who was so much involved in the senior community employment issue and which was not a part of this program, but she was so much involved in its continued success.

Senator KASSEBAUM has mentioned many of those who have been so involved. I want to particularly recognize Omer Waddles, who has done such extraordinary work, particularly in following up on the superb work of Steve Spinner, Ellen Guiney, Libby Street, Ross Eisenbrey, Greg Young, Sarah Fox, and Nick Littlefield, our general counsel, who is tireless in all of his endeavors and work on this legislation; Dave Evans, Mort Zuckerman for Senator SIMON; Suzanne Day, Bev Schroeder, Senator HARKIN; Bobby Silverstein, again, with Senator HARKIN.

Even though Senator KASSEBAUM has mentioned some of those who have served with her on the Republican side, we often find that their talents are invaluable to all of us on this issue.

There are many others: Susan Hattan, Ted Verheggen, Carla Widener, and Wendy Cramer. To all of those and others, I am enormously grateful for their support.

I want to thank the majority leader for scheduling this legislation and the minority leader as well for giving it a priority for us as well.

I am glad we were able to move this process forward. We look forward to the conference with the House Members, and we hope that the spirit of comity and cooperation and bipartisanship, which has been reflected in this debate during the past few days, will be evident in the conference and when the conference report returns.

Mr. President, I yield the floor.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. DOLE. Mr. President, I want to thank my colleagues Senator KASSEBAUM and Senator KENNEDY. This was a priority matter, and it was completed on schedule, on time. I thank both my colleagues for that.

CUBAN LIBERTY AND DEMOCRATIC SOLIDARITY [LIBERTAD] ACT OF 1995

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate turn to consideration of calendar No. 202, H.R. 927, the Cuba sanctions bill.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered. The clerk will report.

The bill clerk read as follows:

A bill (H.R. 927) to seek international sanctions against the Castro government in Cuba, to plan for support of a transition government leading to a democratically elected government in Cuba, and for other purposes.

The Senate proceeded to consider the bill.

AMENDMENT NO. 2898

(Purpose: To strengthen international sanctions against the Castro government in Cuba, to develop a plan to support a transition government leading to a democratically elected government in Cuba, and for other purposes)

Mr. DOLE. Mr. President, I send a substitute amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Kansas [Mr. Dole], for himself, Mr. Helms, Mr. Mack, Mr. Coverdell, Mr. Graham, Mr. D'Amato, Mr. Hatch, Mr. Gramm, Mr. Thurmond, Mr. Faircloth, Mr. Gregg, Mr. Inhofe, Mr. Hollings, Ms. Snowe, Mr. Kyl, Mr. Thomas, Mr. Smith, Mr. Lieberman, Mr. Warner, Mr. Nickles, Mr. Robb, Mr. Craig, Mr. Cohen, Mr. Burns, Mr. Reid, Mr. Lott, Mr. Stevens, Mr. Specter, Mr. Shelby, and Mr. Pressler, proposes an amendment numbered 2898.

Mr. DOLE. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's Record under "Amendments Submitted.")

CLOTURE MOTION

Mr. DOLE. Mr. President, I send a cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The bill clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the substitute amendment to Calendar No. 202, H.R. 927, an act to seek international sanctions against the Castro government.

Bob Dole, Jesse Helms, Bob Smith, Bill Frist, John Ashcroft, Jim Inhofe, Paul D. Coverdell, Spencer Abraham, Larry E. Craig, Trent Lott, Rod Grams, Frank H. Murkowski, Fred Thompson, Mike DeWine, Hank Brown, Chuck Grassley.

Mr. DOLE. Mr. President, I will just say a word and then turn it over to the distinguished Senator of the committee, Senator Helms. Senator Pell is here, Senator Dodd is here, and they will continue the debate.

I want to say just as I leave—not leave, but leave the floor, that is, not leave the Senate—I am not certain what the administration policy is toward Cuba. President Clinton says he wants to tighten the embargo on Castro's Cuba, and then the White House issues veto threats on the legislation which toughens sanctions. President Clinton says he wants to increase pressure on Castro, and then he cuts a secret deal with him and changes the U.S. embargo and allows more money to flow to Castro.

But whatever the administration's policy is, the Senate will have a chance to speak on this legislation. We will have to speak for the Cuban people who have been muzzled so long by Castro's tyranny.

The choice in this legislation is simple: Do you want to increase pressure on the last dictatorship in the hemisphere, or let Castro off the hook.

Many in the United States actually want to end the embargo, and in the coming debate, they will argue about property rights, legal interpretations, free trade, about many things. But let there be no mistake, passing this bill is about supporting democratic change in Cuba and sending Fidel Castro the way of all other dictators of Latin America.

Let me also indicate that they have had a very good debate on the House floor on this similar bill, the Burton bill, the Burton-Torricelli bill on the House side. Sixty-seven Democrats had strong bipartisan support on the measure. It passed with strong bipartisan support. I know we have bipartisan support here. I hope we will have enough support that we can obtain the 60 votes on cloture, pass this bill, go on to conference and send it to the President. I also hope that we do not grant a visa, of course, to Castro to visit the United Nations any time in the future. I assume that may be in the works.

This is an important bill, an important debate. It is about the last dictator in this hemisphere. I hope that we will tighten sanctions, which is precisely what the bill sponsored by Senator Helms, myself, and others does. There are a number of cosponsors, as the Record will reflect, Republicans and Democrats alike, cosponsoring this bill.

I yield the floor.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I indicate to my colleagues that there will be no more votes today. There is an agreement that there will be no amendments offered today. There will be lengthy discussions on both sides, as I understand it. So there will not be any votes. I give my colleagues advance notice of that.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. INHOFE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. INHOFE. Mr. President, I ask unanimous consent that I may be recognized for 1 minute as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

MISS AMERICA SHAWNTEL SMITH'S POSITION ON SCHOOL-TO-WORK

Mr. INHOFE. Mr. President, we were very proud to present to all of America today Miss America, Shawntel Smith. She has requested that I submit her statement, which she made today on the lawn of the Capitol, for the Record.

I ask unanimous consent at this time to have printed in the Record the statement by the new Miss America, and former Miss Oklahoma, Shawntel Smith.

There being no objection, the statement was ordered to be printed in the Record, as follows:

SCHOOL-TO-WORK: REINVENTING AMERICA'S WORK FORCE

(Platform Statement of Shawntel Smith, Miss America 1996)

As global communications and technological propel us toward the 21st century, we Americans are falling further and further behind. Everyday, millions of men and women wake up and go to work in jobs that fall short of their American dream, while in some places as many as 50% of our high school students simply drop out. Because many American workers and students are neither motivated nor clear about their economic future, they flounder.

As a nation, our competitive positions remains stagnant. Lagging productivity growth rates, rising unemployment and the absence of a skilled work force widen the gap between America and its competitors. American business and industry struggle to fill the jobs that exist because candidates lack the skills and education to make the grade.

America's classrooms and America's workplace today are out of sync. We're simply not preparing our nation's youth for the high skill, high wage jobs of a technology-based economy, and for that we all suffer. Students who cannot find the relevance in what they're learning, adults who cannot replace lost jobs, educators who cannot motivate their students, and employers who cannot compete.

As Miss America and as a student, I advocate school-to-work solutions that prepare today's students for tomorrow's workplace, providing them with appropriate and clearly marked paths from school to work or to continuing education. In doing so, I will encourage partnerships among the educators, employers, employee groups, students, parents, government and community leaders that spawn local school-to-work initiatives. Such initiatives not only offer "first chance" opportunities to students entering the work force but "second chance" opportunities to the unemployed and underemployed as well.

My very first priority will be to generate awareness for the school-to-work philosophy, reaching out to those who deserve its benefits but as yet are unaware of its existence. As I travel this country, I will seek out effective partnerships between educators, employers and students, sharing their stories with those who care to hear. I will speak with a sense of urgency because, in this case, there is no time to spare.

Among educators, I will encourage them to provide high-standards academic and relevant education that prepares all students for college, vocational or technical training, career education or immediate entry into the work force. I will ask them to take responsibility for ensuring that America's students be ready to succeed in a high-technology workplace.

Among employers, I will urge them to ensure the future competitiveness of America by taking an active role in the development of educational curricula and by providing work-based learning opportunities for all students. I will also ask them to examine the investments they make in human capital and to provide job training and retraining to all levels within the workplace.

Among students, I will motivate them to discover their personal paths from the classroom to the workplace, showing them that the American Dream is still attainable. I will challenge them to stay in school, so they can take from the education process what they'll need to succeed in the world of work. and I will help them understand that the process of lifelong learning is the key to their productivity and happiness.

From America's classrooms to its tool rooms to its board rooms, I will serve as a catalyst for change by shining the Miss America spotlight on and bringing a forceful voice to this new movement, a movement which seeks to put all Americans to work and makes our country strong and competitive once more.

These pledges I make today, the 11th day of October, 1995.

CUBAN LIBERTY AND DEMOCRATIC SOLIDARITY [LIBERTAD] ACT OF 1995

The Senate continued with the consideration of the bill.

Mr. HELMS. Mr. President, some of us have been waiting quite a while for the pending legislation, known generally as the Helms-Burton bill. But as the distinguished majority leader has just said, the pending bill has wide support in both parties and in both Houses of Congress.

The water was muddied a bit last week by President Clinton, but I will say for the President that, confusing as his actions are and have been with respect to Cuba, he did, in my judgment, reemphasize last week that the embargo against Fidel Castro's Communist regime in Cuba is still an absolute necessity. On that, I certainly agree with the President.

I think most Americans, and certainly those who are still prisoners in Cuba and those who fled Cuba and are now in exile, unanimously agree that the embargo against Fidel Castro must be continued.

For 36 years—and this covers a period when eight American Presidents were in the Oval Office—the U.S. policy of isolating Castro has been consistently bipartisan. And I do hope that consideration of this bill today, and for however long it takes beyond today, will continue to be bipartisan. It is called the Libertad bill, and it builds on and enhances that embargo policy, which I hope, as I say, will continue to be bipartisan.

Why? That is a rhetorical question, and everybody knows the answer to it. Certainly, every Senator is old enough to remember Fidel Castro's entry into Cuba. I remember Herbert Mathews of the New York Times—that newspaper that prints "all the news that is fit to print," as they say in boastful declarations—Mr. Mathews sent dispatch after dispatch to the New York Times from Havana reminding one and all that Fidel Castro was just a nice, little agrarian reformer. And then there was Edward R. Murrow, who broadcast nightly that Fidel Castro was a peace-loving agrarian reformer.

That is when Fidel Castro was in the boondocks and Mathews and Edward R. Murrow went out and sat at Castro's knee and trumpeted his propaganda via CBS and the New York Times.

Well, when Mr. Castro got to Havana, the bloodletting began. And anybody who is in this Senate is certainly old enough to remember what happened. There was tyranny throughout Cuba. Mr. Castro, first of all, took up all of the guns from his political enemies; and he lined up a great many of those political enemies before firing squads. As for the declarations by Herbert Mathews of the New York Times and Edward R. Murrow that Fidel Castro was not a Communist, the first declaration that Mr. Castro made when he became the premier of Cuba was, "I am a Communist, I have always been a Communist, and I will always be a Communist."

So Fidel Castro became known worldwide as a cruel, bloody tyrant, whose regime engaged in rampant human rights abuses, drug smuggling, arms trafficking, and terrorism. Mr. Castro sits atop a structure that regularly and routinely abuses, detains, tortures, and executes its citizens. He is a self-declared, committed Communist who stands against every fundamental principle that the American people value.

In all—I saw some statistics on this the other day, Mr. President—more than 10,000 Cubans have been killed by Castro and his regime, with tens of thousands more having fled their homeland to escape his tyranny. Currently, at least a thousand Cubans are, this very day, being held as political prisoners in Castro's jails. Yet, the United States liberal community, including this Senate, so desperately desires good news out of Cuba so that they can cast Castro in some favorable light that they will seize on the flimsiest of evidence. I fear that this is precisely what is going on down on Pennsylvania Avenue.

Let the record show that there has been no fundamental change in Fidel Castro's policies. None whatever. If you doubt it, ask Mario de Armis who is acknowledged by the U.S. State Department as the Cuban prisoner who has served the longest sentence—30 years in a Castro prison—for his political beliefs. He committed no crime. He just did not agree with Fidel Castro. He was not a Communist. So, to jail he was sent by Castro for 30 years.

Mr. de Armis supports the U.S. embargo. Let me quote exactly what he said recently:

> Stand on the side of the oppressed against the dictator Fidel Castro. It is not my opinion but the opinion of everybody. I refer to the working people of Cuba, that the embargo should be maintained, it should be kept in effect, it should be strengthened.

Or you might want to ask Armando Valladares, who was locked up for 20 years in a Castro prison. He said in a recent letter to me, "I strongly believe that the remaining days of Castro's tyranny will be shortened once your Libertad bill is passed."

Now, Mr. President, it is not just those who have suffered under Castro who have been forced to flee. It is not these people alone who favor continued isolation of Castro. It is those still inside Cuba, still struggling for freedom, who also endorse a tightening of the embargo.

Recently, I received a letter signed by scores of Cubans inside Cuba who courageously, at great risk to themselves and their personal safety, endorsed the Libertad bill. Let me quote from their letter: "Because of a wicked turn of destiny, a history with contrasting elements is repeating itself in Cuba. In the early years of the revolutionary triumph, the government headed by Castro confiscated all private property belonging to both Cuban and foreign capitalists to save economically the fledgling revolution."

"In 1995," the letter continues, "and in order to save the same revolution, socialism and [its] alleged gains, the same properties are put on sale for other capitalists to buy although this represents no benefit for the Cuban people."

Now, Mr. President, the letter is long but let me refer to one more statement: "We support the alternative you propose."

Now, Mr. President, he is referring to the pending legislation now before the

U.S. Senate. He goes on to say "Its approval will mean a definite turn in our favor. We thank you sincerely for what you are doing."

Now, these people, who are still in Cuba, and who ran a personal risk in writing their letter to me, said—referring to the impact of the economic embargo—"The economic embargo maintained by subsequent administrations has begun to have its effect, felt not against the people, but against those who cling to power."

Despite the risk of arrest and intimidation and forced exile, these letters of support coming to me and, I am sure, coming to Congressman BURTON and other Members of the House and Senate of the United States in support of the pending bill, continue to make their way out of Cuba and on to our desks in the Senate and in the House of Representatives.

I must emphasize, for the sake of clarity, that these are the people on the front line in Cuba. They know firsthand what kind of man Castro is and has been. They know what he represents. They are in a position to judge best what the impact of the pending bill, the Libertad bill, the Helms-Burton bill, will have in Cuba.

Now, some opponents of the pending legislation have recently made claims that it is time to normalize relations with Castro, that he has made political and economic reforms, and that Cuba is open for business and that we are somehow missing out on golden opportunities.

Some prominent people in business circles contend that we are missing out on what they describe as golden opportunities.

They seem willing to overlook the thousands of people murdered by Castro, the thousands of people who have been locked up in Castro's dingy prisons. No problem, they say, in effect. Just do a little business with Castro, make a little profit off of the misery of these Cuban people.

Talk about callous nonsense—Castro has not implemented even one serious political move toward a free society in the last 36 years—not once. His economic reforms have been designed more to alleviate pressure on his regime than to permit the betterment of the Cuban people.

The Cuban economy is in shambles. It is, in fact, in such dire straits that Castro has laid off some 500,000 to 800,000 workers, more than one-fifth of Cuba's work force.

Even Castro's new foreign investment law that has been trumpeted all around in big business circles, this foreign investment law continues to place economic decisionmaking in the hands not of free enterprise but in the hands of the Cuban Communist Government.

It has nothing to do with economic freedom for the Cuban people. The Cuban Communists, Mr. Castro's crowd, do you not know, will still dictate which Cubans get jobs and which Cubans will not. They will determine how much Cubans will be paid, and it is a pitiful sum that they intend to be paid.

So, I think we ought to stop kidding ourselves. We are still dealing with a tyrant, a tyrant who is determined to keep his grip on power. Fidel Castro is not now interested, nor has he ever been interested, in bringing genuine economic and political freedom to Cuba. That is why 30 Senators introduced the Cuban Liberty and Democratic Solidarity Act, the Libertad Act or the Helms-Burton bill, however you want to identify it.

We are convinced that real political and economic change will come to Cuba only by and when pressure is increased on the Castro regime and while we continue to make clear that we are supporting the Cuban people.

This combination of pressure on Castro and support for the Cuban people is central to the pending legislation, the Libertad bill.

What does this bill do? It certainly does more than stiffens sanctions. It has three separate and distinct objectives.

First, to bring an early end to the Castro regime by cutting off hard currency that keeps the Castro crowd afloat. Without hard currency from the outside, Mr. Castro's days will certainly be numbered. If you want to keep Castro in power, let him get hard currency from outside. But I say no, cut off the hard currency to Fidel.

Second, the bill stipulates that planning should start now for United States support to a democratic transition in Cuba with full respect for the self-determination of the Cuban people.

And third, of course, is to protect the property confiscated from United States citizens by Castro and his crowd, property that is being exploited this very day by Fidel Castro to subsidize his Communist regime, with foreign companies earning blood money at the expense of the Cuban people. That is what this bill is all about.

The proactive strategy set forth in this legislation preserves United States credibility with the Cuban people; it shows that the United States is one of the few countries not willing to legitimize the brutality of the Castro regime in exchange for some mythical market share.

Here is the point, Mr. President: This legislation seeks to break the status quo by extending an offer of broad, U.S. support for a peaceful transition, while providing disincentives to companies whose ventures prop up the Castro crowd, the Castro regime, the Communist regime in Cuba, that is exploiting the labor of the Cuban people and the resources of the American property owners. That is what those who want to prop up Castro are willing to do. They are willing to forget all of the murders, all of the decades in which people have suffered in jails since Castro took power.

Since this bill was introduced, there has been an unprecedented hue and cry from Mr. Castro's crowd in Havana and, to be honest about it, from certain quarters in the United States.

All sorts of dire consequences have been forecast about this bill's probable impact on United States relations with the Europeans and the Canadians. Well, la de da, the Canadians, after all, have been transshipping sugar from Cuba all along, in violation of United States law. I could catalog a lot of other things that ought to be stopped, which the U.S. Government ought to get about the business of stopping.

In any case, many of the same predictions that Congress heard in 1992 during the debate on the Cuban Democracy Act are being said today. Nothing came of those predictions about ruptured relations; but the predictions that did materialize were felt by Castro, who was and is the target of the Cuban Democracy Act.

The only dire consequences of the Libertad bill's enactment are dire for Mr. Castro. And I do not mind telling you I want to set his tail feathers afire, which is long overdue. He has tormented his own people long enough. I do not have much sympathy for the view held by Americans who do not feel that the United States ought to come to the aid of the Cuban people. We should have done it a long time ago.

The pending bill will hurt Mr. Castro at his most vulnerable point—his pocketbook. It makes clear that only a democratic Cuba, a free Cuba, will receive the benefits of American trade and recognition.

Cuba is the last Communist nation in this hemisphere. There once was a bunch of them. Castro is losing his grip on power. He knows it. We know it. And anybody with average vision ought to be able to see it. Why else has Castro launched such an aggressive campaign against this Libertad bill and in favor of lifting the embargo? Everybody knows that. Castro wants an influx of American hard currency. That is what he needs most. That is the only thing that will keep him afloat in the crisis that is growing over his head.

What Mr. Castro does not want is for the pending legislation to become law. For those who genuinely support freedom for the Cuban people, that, it seems to me, is the best reason for this United States Senate to follow the lead of the United States House of Representatives in approving the Cuban Liberty and Democratic Solidarity Act.

Mr. President, I ask unanimous consent the letters from the prodemocracy activists in Cuba and Armando Valladares be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

PARTIDO SOLIDARIDAD DEMOCRATICA,
Havana, Cuba, September 20, 1995.

Hon. JESSIE HELMS,
Chairman of the U.S. Senate, Committee on Foreign Regulations.

Because of a wicked turn of destiny, a history with contrasting elements is repeating itself in Cuba. In the early years of the revolutionary triumph, the government headed by Castro confiscated all private property belonging to both cuban and foreign capitalists to "save" economically the fledgeling revolution. In 1995 and in order to "save" the same revolution socialism, and alleged gains, the same properties are put on sale for other capitalists to buy although this represents no benefit for the cuban people.

The economic embargo maintained by subsequent American Administrations has begun to make its influence, felt not against the people, but against those who cling to power. These effects are felt after the downfall of the socialist camp. Which forced the Havana regime to improvise economic moves, waiting for a miracle to pull them out of a very difficult situation.

Against these efforts by the last totalitarian dictatorship in the continent, the Act of Freedom and Democratic Solidarity with Cuba sponsored by you is the most positive option. Efforts in other directions offer doubtfull solutions in such a long term that the agony of over 10 million people cannot wait.

We support the alternative you propose. Its approval will mean a definite turn in our favor. We thank you sincerely for what you are doing and we are sure that those who criticize you today will congratulate you tomorrow for your unobjectable contribution to process of democratic transformation in Cuba.

On behalf of a wide sector of the Oposition Movement I represent and on my own I congratulate you and pray to God for the success of your effort.

Embracing you,
ELIZARDO SAMPEDRO MARIN,
Presidente.

OTHER SUPPORT OF THE LIBERTAD BILL

Héctor Palacios Ruiz, Vice-presidente del PSD.

Leonel Morejón Almagro, Presidente de NATURPAZ (Defensores de ecologia y medio ambiente).

Odilia Collazo, Presidenta Partido Pro Derechos Humanos de Cuba.

Fernando Sanchez Lopez, Presidente de la APAL (Asociacion Pro Arte Libre).

Adolfo Fernandez Sainz, Ejecutivo del PSD.

Raul Rivero, Poeta y Periodista (Miembro del PSD/Agencia de Prensa Habana Press).

Orfilio Garcia Quesada, Asociacion de Ingenieros Independientes de Cuba.

Juan Pérez Izquierdo, Periodista PSD.

Rafael Solano Marales, Director Habana Press.

Amador Blanco, Comision de Derechos Humanos "Jose Marti" de Caibarien.

José R Marante, Consejo Medico Cub Independiente.

Dianelys Gonzalez, Asociacion Trab de la Salud Ind.

Pedro A Gonzalez Rodriguez, PSD prov Habana.

Caridad Falcón Vento, PSD Prov Pinar del Rao.

Hector Peraza Linares, Periodista PSD.

Mercedes Parada Antunez, Presidenta ADEPO.

Jesus Zuñiga, Director Centro de Información del PSD.

Secundino Coste Valdes, Periodista y Presidente de la Organizacion Opositora Panchito Gomez Toro.

Ernesto Ibar, Presidente Asoc Jovenes Democratas.

Félix Navarro, PSD de Perico, Matanzas.

Ivan Hernandez, PSD de Colon, Matanzas.

Abel Acosta, Partido Pro Derechos Humanos Cifuertes.

Mercedes Ruiz Fleites, PSD Santa Clara.

Francis Campaneria, PSD Camaguey.

Aurelio Sanchez, Partido Social Cristiano.

Luis E. Frometa, Alianza Cristiana.

Raquel Guerra Capote, Federacion Mujeres Amalia Simoni.

Blanco Gallo, Alianza Metodista Cristiana.

Carlos Oruña Liriano, Asoc Reconstruccion Democrata.

Silvia Lopez Reyes, Mov Fe, Democracia y Dignidad.

Alejandro Perez, Liga por la Reivindicacion Cristiana Nacional.

Josue Brown, Liga Evangelica Juvenil.

Gloria Hernandez Molina, Mov Catolico Democratico.

Guillermo Gutierrez, Union Evangelica Oriental.

Victor Suarez, Democrata Autentico Cristiano.

Eduardo Valverde, Accion Patriotica Civilista.

Onelio Barzaga, Mov Revolucionario Cubano autentico.

Agustin Figueredo, Union de Activistas Pro Derechos Humanos "Golfo de Guacanayabo."

Jose Angel Peña, PSD prov Granma.

Nidia Espinosa Carales, PSD prov Granma.

Rafael Abreu Manzur, PSD prov Santiago de Cuba.

Nicolas Rosario, Centro de Derechos Humanos de prov Santiago de Cuba.

Maria Antonia Escobedo, Frente Democratico Oriental.

Aristides Cisneros Roque, PSD Guantanamo.

Jorge Dante Abad Herrera, Partido Cubano pro Derechos Humanos de la prov Guantanamo.

ARMANDO VALLADARES,
Springfield, VA, September 21, 1995.

Hon. JESSE HELMS,
U.S. Senate, Washington, DC.

DEAR SIR: I am a former political prisoner of Fidel Castro's jails where I was confined for twenty-two long years. In those jails I saw many of my best friends die due to horrible tortures and inhumane treatment.

I strongly believe that the remaining days of Castro's tyranny will be shortened once your "Libertad" bill, now up for a vote, is passed. The endorsement of your legislation by the most influential dissident leaders inside Cuba proves that they are convinced, as I am, that this law is an important contribution towards our goal, a "Free and Democratic Cuba."

I commend you for your relentless effort and leadership. While the rest of the world seems to be content and sits idle watching the destruction of a country and its people, individuals like yourself come forward to fulfill a duty. That is eliminating injustices and abuses wherever they occur.

Que Viva Cuba Libre,
ARMANDO VALLADARES,
Former U.S. Ambassador,
U.N. Human Rights Commission.

Mr. HELMS. Mr. President, I yield the floor and I suggest the absence of a quorum.

The PRESIDING OFFICER. Will the Senator from North Carolina withhold? I believe the Senator from Rhode Island seeks recognition. Will the Senator withhold?

Mr. HELMS. Of course.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. PELL. Mr. President, I have a couple of points to make. One of them is, it seems to me unwise to support tacitly the practice of submitting a cloture motion at the same time as a bill or amendment is submitted. I think if this becomes a precedent, it could lead to abuse.

Second, I would like to make the observation that I think I am probably the only Member of this body who has lived under communism for a year or two, a couple of years, and been exposed to it.

I have been to Castro's Cuba four times since being in the Senate and twice to Guantanamo. My view is that the best medicine we can give the Cubans is to submit them to exposure to freedom and fresh air and clear light, that this is what gets rid of communism. I think back to when I lived under the Iron Curtain. We used to say the same thing, that communism would die of its own evil, which it did; of its own ineptitude, which it did. And this is what we should admit to having with Cuba. And, I submit, the legislation before us does not do that.

I believe all my colleagues agree on the goals of American policy toward Cuba—promoting a peaceful transition to democracy, economic liberalization and greater respect for human rights while simultaneously controlling immigration from Cuba. What is clearly different is how we get there. In my view, the legislation before us today is going to take us further away from achieving these goals and is contrary to U.S. national interests.

Rather than ratcheting up the pressure even further in order to isolate Cuba, as this bill would do, we should be expanding contact with the Cuban people. In that regard, I believe the measures announced by President Clinton last week are a step in the right direction. These measures include the reciprocal opening of news bureaus in the United States and Cuba in order to improve the accuracy of the bilateral flow of information; support for the development of independent, nongovernmental organizations in Cuba in order to strengthen civil society; clarification of standards for travel for purposes of news gathering, research, cultural, educational, religious and human rights activities; simplification of regulations that govern travel to Cuba by the Cuban-Americans for extreme humanitarian emergencies such as death or illness of family members; and, finally, authorization for Western Union to open offices in Cuba to facilitate the transfer of funds that are currently permissible for purposes of paying legal immigration fees and for case-by-case humanitarian needs.

Of course, I would like to see the administration go even further in order to permit the full, free flow of information and people between our two countries because I believe this would best facilitate the transition to democracy.

Under appropriate circumstances, too, I would support lifting the embargo. I say this not because I believe the Cuban Government should be rewarded. In fact, I am amongst those who are disappointed that the Cuban Government has failed to make truly meaningful steps toward political reform and improved human rights. Nor do I believe that should be done as a quid pro quo. We should undertake policy measures to enhance—not decrease—to enhance contact with the Cuban people, because that will serve American national interests; namely, the fostering of the peaceful transition to democracy on that island.

In my view, greater contact with the Cuban people will plant the seeds of change and advance the cause of democracy just as greater exchange with the West helped hasten the fall of communism in Eastern Europe. In his posthumously published book, former President Nixon wrote that "we should drop the economic embargo and open the way to trade, investment and economic interaction * * *" Nixon believed we would better help the Cuban people by building "pressure from within by actively stimulating Cuba's economic contacts with the free world."

The Cuban Government has been expanding political and economic ties with the rest of the world. These economic relations in and of themselves are no substitute for the economic benefits that would accrue from more normal relations with the United States, but they do provide sufficient space for Castro to refuse to give in to U.S. demands.

I think it is naive to think that the measure before us today is going to succeed in forcing Castro to step aside, where all other pressures have not. However, the measures proposed in this bill do have the serious potential of further worsening the living conditions of the Cuban people and once again making a mass exodus for Miami an attractive option. Taken to its most extreme, this bill could even provoke serious violence on the island.

This legislation is even more problematic than earlier efforts to tighten the screws on Castro. I say this because its implications go well beyond United States-Cuban relations. Not only does it alienate our allies and tie the administration's foreign policy hands, it also seriously injures certain Americans in order to benefit a class of individuals in the Cuban-American community. In the process, it throws out the window more than 40 years of international law and practice, in the area of expropriation.

Finally, it will make more difficult the transformation of the Cuban economy to a market based on economy, because of the complex property issues associated with these pending court judgments.

Contact and dialog between Havana and Washington will bring about democracy on the Island of Cuba, not isolation and impoverishment. Perhaps if we took that approach, our allies would seek a similar course, and realize that they might compromise some of their approaches with us.

I only ask my colleagues to observe the lessons of what happened with the removal of communism in Eastern Europe when it was forced out—when the light, free air, and freshness of democracy swept it out. But if you build walls and isolate that will not occur.

I yield the floor.

Mr. FAIRCLOTH addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. FAIRCLOTH. Mr. President, thank you.

Mr. President, this legislation presents the Senate with an opportunity to remind the people of Cuba that we have not forgotten them. Nor have we forgotten the decades of suffering and oppression inflicted on them by the brutal Castro dictatorship which began in 1958. With freedom on the march throughout the Americas, Communist Cuba is desperately fighting to preserve its experiment in government through enslavement. Now more than ever we must redouble our resolve and our efforts to rid our hemisphere of thugs like Fidel Castro and those who support him. I am proud to cosponsor this legislation which specifically stiffens sanctions against the Communist elite of Cuba who are exploiting confiscated property in a last ditch effort to preserve their privileged status.

The most important element of this legislation is contained in title III. It creates a new right of action that allows U.S. nationals to sue those who are exploiting their confiscated property in Cuba. This provision is necessary to protect the rights of United States nationals whose property has been confiscated by the Cuban Government without just and adequate compensation—in fact, without any compensation. This new civil remedy will also discourage persons and companies from engaging in commercial transactions involving confiscated property, and in so doing deprive Cuba's Communist elite of the capital—the cash money—which they need to perpetuate their exploitation of the people of Cuba.

This legislation does not compromise existing foreign claims settlement procedures, nor does it dilute the claims of the original certified claimants. It simply provides an additional remedy made available to all U.S. nationals whose claims are not covered under existing settlement mechanisms. In fact, we are making the recovery process less complicated because it will protect additional properties until claimed by their rightful owners under the laws of a democratic Cuba which I hope will come soon.

In the recent past, the United States expended significant effort to liberate the people of Haiti from a military dictatorship. Today the Clinton administration continues to spend enormous sums of taxpayers' dollars on Haiti. Every day I grow less certain of the administration's resolve to ensure that Haiti's present government is committed to democracy and liberty.

Recent White House policies toward Cuba also cause me to question whether President Clinton has the resolve necessary to maintain United States pressure on the Castro regime. Regardless, there should be no doubt about congressional resolve to stay the course toward liberation for the people of Cuba. This bill is an essential step toward achieving that goal. I strongly support it and encourage colleagues to do the same.

Mr. President, I yield the floor.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, my understanding is that this piece of legislation comes to the Senate floor without having been through a markup in the committee so that members of the committee could debate and potentially amend the legislation.

It, like so many other pieces of legislation these days, is cobbled together quickly—the Lord only knows where—and it is moved to the floor. And we are told, here is the issue. You go ahead and debate it. The regular order, of course, would be to have some hearings on something that represents a national problem, and, as a result of the hearings, understand the dimension of the problem and then to try to construct some appropriate, sensible, reasonable conclusion that addresses the problem, move it through a markup in the committee, and then bring it to the floor and debate it.

That is the way you would do something, if you are really interested in doing it the right way. But we see, unfortunately, a Senate and a Congress that these days seems intent on hour by hour and day by day changing the itinerary and the schedule and cobbling together some half-notion of what is in the press yesterday and how we might legislate responding to it tomorrow.

Well, I came to the floor today not so much to talk about Castro and Cuba. I know this bill is about Castro and Cuba. And I know that Castro and Cuba are a presence in our lives and around, and that we have to respond to and deal with them.

Frankly, Fidel Castro and Cuba are not the most important things in the lives of people I represent.

We have a Senate that is in session today. Very few Members are here for debate. And we have in the Chamber on the agenda the need to discuss Cuba and Castro.

We have had hearings during this Congress on all kinds of issues. We have had 11 days of hearings on Waco. We have had 10 days of hearings on Ruby Ridge. We have had 24 days of hearings on Whitewater. But I represent a part of the country that has a fairly high percentage of the population of the elderly who are concerned about Medicare and Medicaid, policies dealing with nursing homes, hospitals, and doctors.

We are seeing a proposal for a substantial change in the Medicare Program, and there were not any hearings on the specific plan that was laid down about a week and a half, 2 weeks ago, none. Some might say, well, we held a bunch of hearings beforehand so we thought through it then. Now we have put together this proposal.

My question is, well, if you have a proposal that you held close to your vest here for some long while, then unveiled it at the last moment, why did we not have a day or a week or 2 weeks of hearings about what is proposed to be done with Medicare? What about the specific plan? What does it do? What is the impact? What will it mean to the future of Medicare? What will it mean for senior citizens who rely on Medicare, for rural hospitals?

There are a lot of things that are important. Castro and Cuba rank well below, in my judgment, the question of what are the priorities that this Congress is establishing for the future of this country.

One thing is certain. We are not certain about a lot of things, but one thing is certain. One hundred years from now no one here will be alive—no one. But 100 years from now those who choose to wonder what we were about, what kind of value system we had, what we cared about, what we thought was important and dear to us, they will be able to look at how we spent our resources in this country. They will be able to look at the Federal budget and say, here is how that group of Americans at that point in time decided to spend its public resources. And they will be able to tell a little something about what we felt was important, how we felt we would advance the interests of the country.

I sat in the Chamber of the House of Representatives this morning, as did some of my colleagues, and heard a wonderful tribute to the veterans of the Second World War on the 50th anniversary of the end of the Second World War. And it was remarkable to see the number of people who stood up in that Chamber when asked, all the Medal of Honor winners, to stand up. And you looked around with a tear in your eye and seen those people who won this country's highest honor, who exhibited uncommon bravery, risked their lives, were wounded, and did extraordinary things to save the lives of others. And you realize what people have sacrificed for this country, what this country has done for itself and for others around the world.

One of the speakers this morning was STROM THURMOND, a wonderful Senator in this Chamber, in his nineties. I assume he would not mind if we mentioned his age. It is probably published all over—a vibrant and interesting Senator who has been here some long while, and when he spoke this morning I was remembering a conversation I had with him.

He, as I recall, enlisted in the Second World War when he was over the age of 40 and went overseas and then volunteered to get up in a glider, to be pulled aloft at night with some volunteers to crash land behind enemy lines in Normandy. This was not an 18- or 20-year-old kid; this was a fellow in his forties who volunteered to risk his life to do that. And I had a talk with him one day about what was going through his mind: Was he scared? Was he frightened?

I will never forget the discussion I had with Senator THURMOND—a wonderful discussion. I just thought to myself, what some people have done, gone through in this country is quite remarkable.

There was then a spirit of unity that was extraordinary in this country. We came together to do things, do things to preserve freedom and liberty. There is a kind of a shattering of the spirit, some say, these days. I do not know that that is true, but I know that there is some discord because it is so much easier for people to focus on what is wrong rather than what is right, to focus on the negative rather than the positive. And I understand all of that. I understand the tendency people have to hold something up to the light and say, "Gee, look at that imperfection; isn't that ugly? Isn't that awful?"

Sure. But it is not the whole story. Part of the story of this country is not just the celebration of what we have done in the Second World War to keep this world free and beat back the oppression of Nazism. Part of the story of this country is what a lot of those in this Chamber who came before us decided to stand up and do for our country. I was not here when they decided we ought to have the Social Security system, but, boy, I cannot express enough gratitude to those who had enough courage to stand up in the face of cries of socialism by others, saying, how could you possibly propose a program like this?

Well, I am glad there were enough builders, enough people who decided there are positive things to do that benefit this country, I am glad there were enough of them around to stand up and have their vote counted, which meant we now have a Social Security system in our country. It probably was not very easy for them. It was not more than 30 years ago Medicare was proposed, and the easiest thing in the world is to be opposed to everything. The old story goes it takes more skill to build a building than it does to wreck a building. It takes no skill to tear something down. We all understand that.

I was not here in the early 1960's, but the first people who brought Medicare to the floor of the Senate, recognizing that half of the senior citizens of this country had no health care coverage, were willing to stand here and make the case for the need for some dignity and some protection and some security for the elderly in this country. I regret to say 97 percent of the folks on the other side of the aisle said, we are sorry; we do not believe in this; we are going to vote against it; Medicare ought not happen.

Well, we persisted, those who were here before us persisted, and we developed a Medicare Program. And it has been a wonderful program. Perfect? No. Are there some blemishes? Yes. Does it need some adjustment? Sure. Has it been a positive thing for the senior citizens of this country? You bet it has. Ninety nine percent of the senior citizens of this country now have health care coverage and do not in their declining years, do not in their older years sit in abject fear of getting sick. That is a wonderful thing and a wonderful story as a part of the progress in our country.

Some will say, well, you can talk all you want about Medicare and Social Security, but the fact is those things do not work; this country is coming apart. And they will cite as evidence some of the enormous challenges we face. And I understand some of those challenges. We have racial tensions in our country. We are racially divided and we must address that. Mr. President, 23,000 murders. We have a crime epidemic, and we have to find a way to solve that; nearly 10 million people who are out of work and looking for a job; 25 million people on food stamps; 40 million people living in poverty; slightly over a million babies this year will be born out of wedlock with no father; 8,000 to 9,000 of them will never in their lifetime learn the identity of their father.

Challenges? Troubles? Absolutely. Absolutely. But you do not solve those problems and you do not address challenges by running away and pretending they do not exist. The question is, how do we meet these challenges? Where do all of us meet these challenges? What kind of things do we do first individually in our homes, then in our communities, and then, yes, in our elected Government, in the Congress? How do we come together with approaches and plans that address these vexing problems that confront our country?

If I did not think the future of this country is brighter than the past, I would hardly have the energy and strength to do this job. I am convinced that if you look at all of these problems together, you will conclude that a country that survived a major depression, that beat back the oppressive forces of tyranny and Nazism in the Second World War, a country that has met challenge after challenge, will meet these challenges. But we will not do it by turning our backs on the past and by deciding that those things that we have done together that make this a better country we should now take apart.

Most especially we are now in this Chamber involved in the process of making choices, choices about what we think will advance the interests of this country. It is not so much, in my judgment, choices between conservatives and liberals because, frankly, I think you have appetites in every chair in this Chamber to spend public money.

I recall when the defense bill came to the floor of the Senate, as will my colleagues. I was astounded to find that the bill for this country's defense, to appropriate money for America's defense, recommended by the Secretary of Defense and the four branches of our armed services, came to the floor of the Senate having had $7 billion added to it to buy ships, planes, submarines no one asked for, to buy B-2 bombers—20 of them are $30 billion—to start a Star Wars program and say; "By the way, we not only want to start it, we want you to deploy it in the field by 1999 on an accelerated basis."

The same people who come here and order B-2 bombers, whose cost for a nose wheel and a fuel gauge would pay for all the Head Start programs in our country with 55,000 kids, they also want to kick off Head Start, say to us: "Well, what is really important in our country is to have the B-2's. Do not talk to us about Head Start," they say.

This is all about choices. What choices do we make that advance this country's interests? The same people who came to this floor and said, "We want $7 billion more for defense. We want B-2's and star wars and so on"—and, incidentally, they also, I think page 167 of the defense authorization bill said they want $60 million for blimps. The hood ornament of goofiness is to buy 60 million dollars' worth of blimps. Lord knows what the Hindenburg strategy for buying blimps is. I searched far and wide in this Chamber to find out who wrote in $60 million to have blimps and failed to find out who it was. I concluded it is an immaculate conception in this bill with no discernible author.

Having said all that, the same people who wrote all of this into the defense bill said, when it came time to deal with the other side of America's needs: "We're sorry. We're out of money." We had plenty of money for this defense need well above what the Secretary asked for. "We insist you buy planes you did not ask for and ships you did not order, the two amphibious ships." Two of them—we chose one for $3.9 billion and one for $900 million. "Why be misers? We want to build both of them," they said. I will not even talk about submarines.

But the point is this: They said we can afford everything in defense, even what the Secretary of Defense did not ask for. We insist on wanting to give a tax cut, over half the benefit of which will go to Americans with over $100,000 in income.

So I brought an amendment to the floor and said if we are going to have to choose and we are going to set priorities, please let us do this, let us decide that the tax cut will go to working families and we will limit the benefits of the tax cut at least to those families earning below $100,000 in income and use the savings from that limitation of who gets the tax cut to below $100,000 in income to reduce the heavy cut they are going to make in Medicare. At least let us do that, limit the tax cut to those under $100,000 in income, and use that to try to at least eliminate some of the heavy hit on Medicare.

No, they did not want to go for that. All of them voted against it. Well, I want to give them another chance. I am going to offer another amendment this week, maybe $500,000. Would you agree at least to limit the tax cut to people who make less than $500,000 a year and use the savings in order to reduce the hit on Medicare? I mean, it seems to me this is all about choices and priorities.

A question we asked with respect to this budget is, do family farmers matter? Do kids matter? Is nutrition important? Does education advance this country's interests? All of those are questions we are asking. And we are answering those questions by what we decide to spend the public's money on.

Now, as I said earlier, I do not despair about the answers to these questions because I think one way or the other, one day the American people will come to the right conclusions. We want to get to the same location. All of us want to move this country ahead. We want this country to have more economic opportunity, more growth, better educated kids. We all want the same things but we have very different views on how we get there.

The new ideas these days, incidentally, are the ideas of block grants and flat taxes. I am thinking about the words "block" and "flat." It is really hard, it seems to me, to build a political movement using the words "block" and "flat." Block grants are, you just take all this money that comes into the Federal coffers and send it all back someplace else and say, "By the way, you spend it back someplace else, and no strings attached."

I say, why put 3,000 miles on a dollar? Why send money from North Dakota to Washington, only to send it back and say, you spend it, spend it as you wish? Why not cut down on the travel? You want to do that? You think nutrition is not a national need? Then why do you not just tell the Governors, You handle nutrition issues. You raise the money back home and you spend it? Personally, I would not support that. But that would be a more honest approach, probably a more responsible use of the taxpayers' dollar.

Flat taxes. That is an old, old idea dressed in new clothes that says, Let's have the wealthiest Americans pay less taxes and families pay a little more. I mean, it is part of the same philosophy that the problem in this country is the rich have too little and the poor have too much. And we must, some feel, come to this floor and make choices that remedy that by giving the rich more and taking from the poor.

Well, Medicare, Medicaid, education, family farming—these are the priorities, the issues that we need to discuss.

What about Medicare? Some say what are you talking about is cutting Medicare. No one is proposing cutting Medicare. No one. We are simply reducing the rate of growth. Let us analyze that just for a moment.

We know what it will cost to fund the Medicare program over the next 7 years. Two hundred thousand new Americans every month become eligible for Medicare. That is how America is graying. We know what Medicare will cost with the new people becoming eligible and also with the increased cost of health care each year. That being the case, if you cut $270 billion from what is needed to fund the Medicare Program, the fact is you are cutting Medicare. Yes, you are cutting the rate of growth, but you are also cutting Medicare in terms of what is needed.

Medicaid, well, if you cut 20, 25, 30 percent out of what a State needs—and North Dakota is cut 22 percent from what we need to fund Medicaid—then you say, By the way, there will be no national standards any longer for nursing homes. Do you think you have advanced the interests of this country, the interests of the poor, the interests of people who need help? I do not think so.

Education. Somebody wore a T-shirt once that said: "If you're interested in the next year, plant rice; interested in the next 10 years, plant trees; interested in the next century, educate kids." Education must also be our priority. The stamp of choice these days applied in this Chamber is that does not matter as much as B-2 bombers, probably does not even matter as much as Cuba to some.

Mr. President, we do not have much opportunity to debate these issues in lengthy hearings, in lengthy analysis of what it all means to people, to people who rely on Medicare and Medicaid, rely on guaranteed student loans or rely on the safety net for family farmers.

So we must take this time on the floor of the Senate to discuss what all this means and where it moves America. I hope that no one will decide that these debates are unworthy or for one reason or another these debates do not matter. It is not a sign of weakness that we cannot agree and have debates. That is the way a democracy works. My hope is that these debates as they unfold will inform the American people about these policies and what they mean for the future.

Mr. WELLSTONE. Will the Senator yield?

Mr. DORGAN. I will be happy to.

Mr. WELLSTONE. I wanted to ask the Senator a few questions.

First of all, Mr. President, I want to ask the Senator from North Dakota—I mean, I try to spend time in cafes in Minnesota, have coffee, unfortunately too much pie, with the people and just ask people what they are thinking about.

Has the Senator found in North Dakota that, when you go into a cafe, on the list of people's priorities, the Senate right now should be debating Cuba?

I have a whole series of questions. Does it come up at all?

Mr. DORGAN. I was in North Dakota all last week because the Senate had no votes last week. I did not hear one North Dakotan talk to me about Cuba. It does not mean Cuba is not interesting or important; it is that they are interested in the issues that affect their daily lives—farm programs, Medicare, and so on.

Mr. WELLSTONE. The second question I want to ask the Senator from North Dakota is, I said on the floor last week—and actually sometimes words come to you, but I actually now believe that this is exactly what is happening—that what I see going on here is a rush to recklessness, a fast track to foolishness.

Is there, on the part of people in North Dakota—let us start off just talking about Medicare recipients. I want to ask you about medical assistance and some other programs as well. I mean, do you find both with the beneficiaries and with the caregivers, whether it be in the rural parts of the State—North Dakota is mainly rural—or some of your larger cities—that would be our metro area—do you find a tremendous concern about what is going on in Washington where people feel like we do not have the information of what is going on?

It is not even that people necessarily reached a conclusion yet, but that they really want to know. They yearn for information. And they want to know exactly what is happening and how it is going to affect their view.

How it is going to affect them? Do you sense that in your State, and what are the concerns that you hear the most from people?

Mr. DORGAN. I think people are worried about a lot of things. They are worried about the fact that we do not have a balanced budget. People want us to put our books in order, to balance our budget.

I agree with that, and most Members agree with that. This is not a debate about whether the budget should be balanced. A number of us supported a balanced budget plan that was offered during the budget debate on the floor of the Senate that does have cuts in all these areas but does not single out for unfair cuts or does not propose cuts that unravel programs that a lot of Americans rely on, and certainly did not say to people at the upper-income scale of our country, "You have a million bucks, $2 million, $5 million. Guess what? Start smiling, we're going to give you a big tax cut." That was not in our budget, because we think there is a right way to balance the Federal budget. Do the hard work, balance the budget, make the tough choices and then later talk about the tax system.

I would like to find tax relief for working families. But at the moment, let us figure out how you balance the budget, and there are different ways of doing it.

You do not have to balance the budget by saying, "By the way, we want a $245 billion tax cut, on the one hand, and then we want a $270 billion cut in Medicare, on the other hand."

Someone asked me in North Dakota, "Why don't you just decide not to do the tax cut and that would provide most of the money for the Medicare problem."

I said, "Some people feel very strongly that this country will only grow if you give the Wall Street crowd more money in the form of tax breaks."

I do not happen to share that. If we are going to give tax breaks, we ought to give it to working families. We ought not talk about tax breaks, even if it is popular at the moment, until we solve the deficit problem. And I want to solve it the right way, not the wrong way.

The wrong way is to decide, for example, on Medicare and Medicaid—Medicaid is a good example—that we will send that problem back to the States by sending bulk money in the form of block grants. We will send to North Dakota 22 percent less than what is needed for Medicaid, and then at the same time say, "Oh, by the way, there are no national standards for nursing homes anymore."

You know the consequence of that. We have been through this. We have seen nursing homes. We have seen nursing homes where they put some old person in a restraint system so they cannot move their arms, and they sit in a chair for hour after hour after hour. They cannot scratch their cheek, they cannot wipe a tear from their eye, they cannot move, and often are not attended.

We have seen circumstances like that in this country, and we decided there ought to be some basic standards for nursing home care. I have been in nursing homes plenty, plenty. I am pleased to say, at least the ones I have been in, especially the one with my father for a long, long while, I am pleased to say he got good care. But I do not want to go back to the old days when we say, "By the way, you don't care. If you're poor and old, that's your tough luck."

I think we ought to have circumstances where we say that national standards for nursing homes make sense. They were worthwhile, they are still necessary, and we ought to say that we are willing to take care of the needs of poor people who need long-term care in nursing homes. If we can take care of the needs of a millionaire to say, "By the way, you deserve a tax cut today," is it reasonable to say now we cannot afford to take care of someone who has reached 70, 80 years old who has Alzheimer's and no money? That does not square with the priorities I learned when I grew up in a small town in North Dakota.

Mr. WELLSTONE. If the Senator will yield for another question, and I know the Senator from Arkansas has done a lot of work in this area of nursing homes and may want to ask some questions, but I would like to ask another question of the Senator. I have a few more, and I will not speak so much. I will put it in the form of a question.

Last week I spent a lot of time, and I will not even talk about the education front of it right now, with the people in the State and also at a hearing at the State capital. I, too, visited a number of different nursing homes.

In my own case, both my parents had Parkinson's disease, so it is a very personal issue with me. I think when people can stay at home, that is the way you should do it, live at home with dignity. Sometimes people describe to me a nursing home as a home away from home.

A number of the caregivers said to me that they do not know—with the medical assistance, in Minnesota about 60 percent of our medical assistance funding is for nursing homes and about two-thirds of the people in the homes receive medical assistance—they said they do not know exactly how they are going to absorb these cuts. We have been hearing a lot about Medicare, but they are really frightened about these cuts and they do not know whether it means they change eligibility or whether they reduce standards. I did not hear anyone, and I want to ask you this, I did not hear any one of the administrators——

Mr. HELMS. Point of order. Point of order. This is not a question.

Mr. WELLSTONE. I did not——

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Point of order. Point of order. The Senator is not asking a question, he is making a speech.

Mr. WELLSTONE. Yes, I want to know whether or not in North Dakota you heard any cry for removing standards for nursing homes. That is my question.

Mr. HELMS. I will call the hand of any Senator who makes a speech while asking a question.

Mr. WELLSTONE. Mr. President, my question was based upon—I started out by saying this is what I found in Minnesota.

Mr. HELMS. It is not a question.

Mr. WELLSTONE. Did you have the same experience in North Dakota? That is my question, Mr. President. I want to know whether or not you found administrators in North Dakota who want to remove national standards and go back to the days of restraining belts?

Mr. DORGAN. I will respond to the Senator from Minnesota by saying I had a meeting in North Dakota with virtually all the nursing home administrators and hospital administrators, because I am trying to find what are the consequences. While nursing home administrators would like very much to see some loosening of regulations here and there, I do not know that there is a population of nursing home administrators who believe that you ought to eliminate Federal standards. None of them came to me and said, "Look, let's get rid of all Federal standards."

That was not what was described to me by nursing home administrators. They clearly would like fewer regulations, I understand that. I think even nursing home administrators were surprised by the proposal that we would have no Federal standards with respect to nursing homes.

Mr. WELLSTONE. Does the Senator agree if we do not have those standards, we will go back to the days of indiscriminate use of restraining belts and the drugging of people, and that when children visit nursing homes, will the Senator agree, that when children visit nursing homes, they want to make sure their parents are receiving compassionate care?

Mr. HELMS. The Senator is making a speech again.

The PRESIDING OFFICER (Mr. THOMPSON). The Senator can only yield for a question.

Mr. WELLSTONE. That is the question.

Mr. DORGAN. I think, Mr. President, my point about nursing home standards is that the desire by some and the proposal now by the majority party to decide there shall be no national nursing home standards of any consequence is, I think, an extreme position, and I hope on reevaluation they will decide this goes way beyond the pale; that developing sensible standards was necessary and protects a lot of people in our country who deserve that protection. I hope that they will rethink that position.

Again, let me reiterate, we are talking about a series of issues—Medicare, Medicaid, education, family farming. This is not—this is not—an issue between conservatives and liberals, because I find it interesting that some of those who claim to be the most conservative Members of the Senate—I do not know who they are—but the most conservative Members of the Senate would, when the defense appropriations bill comes to the floor, say, "Heck, just spend the farm, spend it all. There is no proposal that is too grandiose for me. Whatever it is you want to buy, let me buy it. In fact, let's not buy 'it,' let's buy 10 of them. Let's order a dozen of them. Let's have a few of them made in my State."

That is sort of the attitude when that bill comes to the floor.

And I am thinking to myself, I am pretty confused about who is liberal and who is conservative. I thought these folks were people pretty close with the dollar, did not want to spend much, and all of a sudden it is like they are on shore leave. It is spend, spend, spend when those bills come to the floor. Then when a piece of legislation comes to the floor that deals with someone else's needs, they say, "Well, gee, we are out of money."

Well, this requires, it seems to me, a compromise and choices. It is all about priorities. We might radically disagree about priorities that advance this country's interests. But, in the end, I hope that we will finally get together and believe education, and the right investment in education, advances America's interests. End of story. I hope we can agree on that.

I hope we can all agree that there are ways to make certain that those who reach the retirement years of their lives and suffer health consequences and need long-term care really ought to receive the protection that a Medicaid program and Federal nursing home standards offer. I hope that we can come to those kinds of understandings between the most divergent positions here in the U.S. Senate. I hope that by the end of November all of us with differing positions, including the President, Republicans and Democrats, can find a way to sift through all of these differing positions and figure out a direction that makes sense for the country.

We will have to cut some spending in Medicare. I am saying that on the floor of the Senate. We need to do that. There needs to be an adjustment. It does not need to be $270 billion and should not be $270 billion. That is there because they need that to accommodate a tax cut.

So we do need to adjust Medicare, I agree. We need to make adjustments in a range of these areas. The question is, Which adjustments and how do we make them to advance the interests of this country? That is the important debate for us to have, I think, in the coming weeks. And often there has not been enough time for hearings so that we can make the case at hearings about the impact of these proposals.

Mr. PRYOR. Mr. President, I would like to ask the Senator from North Dakota if he would allow me to, through the Chair, address a question to my good friend from North Carolina and if he would yield to me for that purpose.

Mr. DORGAN. Yes.

Mr. PRYOR. Mr. President, I will address this question. I am wondering if my good friend from North Carolina would allow the Senator from Arkansas, say, at a time certain, to make a statement on what I consider to be the most important issue that is coming before this Congress through the balance of this session, which is the reconciliation bill. We will not, I remind my good friend—and I know he knows this—we will not have an ample opportunity—10 hours on a side—to properly debate perhaps one of the most monumental issues ever before the U.S. Senate, which is the tax cut and tax increase——

Mr. HELMS. If the Senator will yield for a moment, the Senator from North Dakota has not yielded the floor, has he?

Mr. DORGAN. That is correct. I have yielded to the Senator from Arkansas for a question.

Mr. HELMS. I cannot, under the circumstances, when an obvious filibuster is taking away the subject at hand—to answer the question of the Senator, I will be glad on a time certain to have the floor yielded to anybody who wants to make a speech. But our side wants to talk about the pending business.

I recall that when the reorganization of the State Department legislation came up, the first speaker that trotted out over there was that great statesman from Massachusetts, Mr. KENNEDY, who did not speak on the State Department. He spoke for 2 hours, 25 minutes on the minimum wage, a subject that he never brought up once when he was chairman of the relevant committee in the previous 2 years.

So if we could have an understanding that we will have a little bit of time on this side to discuss the pending legislation while you folks are making the speeches that you want to make, sure, I will make a deal with you. What does the Senator have in mind?

Mr. PRYOR. Well, Mr. President, I am not controlling time.

Mr. HELMS. I did not say the Senator was.

Mr. PRYOR. The Senator from North Dakota is controlling time on our side at this point.

Mr. HELMS. I established that, I think, with my question to the Chair.

Mr. DORGAN. Mr. President, I respect the Senator's wishes. This is not a filibuster. I wanted to take the floor——

Mr. HELMS. Oh, yes, it is. I know one when I see it.

Mr. DORGAN. Mr. President, I have watched filibusters and I have seen the good Senator filibuster. I can recognize one when I see one and have recognized them before with the good Senator. But this is not a filibuster. In fact, compared to some of the missives on the floor of the Senate, this has been relatively brief.

My intention was to come this afternoon, when I had an opportunity, to seek the floor and talk about some priorities and choices. I know others are interested in Castro and Cuba because that is the bill that was brought here. My understanding is there was no markup on the bill and no amendments offered. Anyway, it showed up on the floor of the Senate. I did not have anything to do with that. But I would like to talk about the priorities and some things that are important to me. I am pretty well done talking. It is not my intention to keep the floor. I know others wanted to do the same.

In deference to the Senator from North Carolina, it is not my intention to hold up the Senate.

Mr. DODD. If my colleague will yield, I will point out there was a cloture petition filed immediately when the bill was brought up. Under the rules of the Senate, it requires there is a cloture vote within a fixed amount of time. Even if we wanted to start a filibuster, that option has been pretty much precluded by the action taken by the majority leader.

We all know that they have at least six of our colleagues—four that are running for President—that are going to be in New Hampshire tonight. The majority leader has announced no more votes today. This is not a filibuster. We are accommodating those who could not be here. They have gone up to debate.

We are debating Cuba. But my colleagues are raising, I think, a legitimate issue. This bill has come to the floor without any markup by the Foreign Relations Committee. They are pointing out that this is another example of a piece of legislation that has not gone through the normal process.

We are having a major transfer of wealth occurring in a few days in this country from a cut in Medicare, Medicaid, a tax break of $240 billion, and we had zero hearings on that issue. Frankly, I think people do want—and I ask my friend whether or not he agrees with this—here we are going to spend a couple of days on Cuba, which has relevancy to some people. But ask the American people if they would rather see debate on Medicaid, Medicare, and a tax break, or some policy on Cuba. The effects of this legislation do not go into law until there is democracy in Cuba. I ask my colleague that.

Mr. HELMS. Mr. President, he cannot make a speech.

The PRESIDING OFFICER. The Senator from North Dakota has the floor.

Mr. DORGAN. The Senator is correct. I think everyone here knows this is not the issue of the day in the country—Cuba policy. It is the issue of the day on the Senate agenda, brought to us with relatively little notice, without going through a markup, which is fine. The fact is that the majority party has the right to do that.

Also, as the Senator from North Carolina knows, I have the right to come to the floor and seek recognition to speak about issues that are important to me. I would observe that no one in this Chamber is better on the issue of procedure on the Senate floor than the Senator from North Carolina. He knows that and I know that.

He also knows that, as a result of that, we are going to come to a time here in the matter of a couple of weeks in which the majority party is going to see this giant truck called reconciliation, with an empty box in the back, and they are going to throw everything in this reconciliation basket. They are going to throw Medicare, Medicaid, tax cuts, the farm bill, you name it, in that truck coming by. And what happens to folks on this side of the aisle?

The Senator from North Carolina knows what happens to us. We are limited in debate, limited in amendments. The fact is that we have a limited opportunity to get at these issues. That is what requires us to be here now and start talking about these issues, because we need that time to explore exactly what these policies are going to mean to this country.

I do not intend to prevent the Senator from having the floor. He has every right to seek the floor. He is managing the bill. I understand his frustration.

Mr. HELMS. I am not frustrated.

Mr. DORGAN. I simply sought the floor because there are things I want to say in the next couple of weeks, and every opportunity I get, I am going to do that. I want to talk about choices and priorities in this country. You and I want the same thing for the future of this country. Many in this Chamber share a different view, not about the destination but about how you get there. These are things I want all Americans to understand, the choices that are being made, and what it will mean to them.

Let me close as I began today. I began today talking about the ceremony—a quite wonderful ceremony in the Chambers on the 50-year anniversary of the end of the Second World War. It is remarkable when you think of what people gave for this country. Many gave their lives. There was a spirit of unity and a spirit of national purpose in this country at that time.

I had hoped, somehow, for us again in this country to rekindle that spirit of unity and national purpose, to build a better country, address this country's problems, fix what is wrong, and move on to a better and brighter future.

I think you want that, I want that. Part of achieving that is for us to have a healthy, aggressive debate about a whole range of choices in terms of how you get there, what you do to make this a better country. That is all my purpose is. With that I yield the floor.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, I ask unanimous consent that the distinguished Senator from Arkansas [Mr. PRYOR] be recognized for 15 minutes, at which time I regain 4 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

NURSING HOME STANDARDS

Mr. PRYOR. Mr. President, I thank the Chair for recognizing me. I also thank my friend from North Carolina for making it possible under these parliamentary procedures to allow me to speak for a few moments about what I consider to be, Mr. President, one of the more critical issues that is before the U.S. Senate in the next coming weeks with regard to 2 million nursing home patients who live in thousands of nursing homes across America.

I do not know, Mr. President, if people are aware of what is happening, what has happened in the Senate Finance Committee and the Ways and Means Committee, what will be happening on the Senate and House floors with regard to the Federal standards which were established in 1987 in a bipartisan effort that protects residents of nursing homes from abuse and neglect.

Mr. President, what is happening to these standards is they are about to be abolished. They are about to be annihilated. Mr. President, there are about to be no Federal standards—no Federal standards to protect 2 million elderly and infirm individuals who live in America's nursing homes.

I think that we ought to look, Mr. President, for just a moment at these 2 million people who are now residents of America's nursing homes to see if these protective standards should actually be eliminated as proposed by the Republican majorities in the Senate Finance Committee and the Ways and Means Committee.

Back in 1987, as part of the Omnibus Budget Reconciliation Act, the Congress put into place a set of standards known as Nursing Home Reform. Senator George Mitchell actually led in that effort, and I am pleased to say that I played a very small part in drafting these important standards.

In fact, it was a bipartisan effort. Republicans and Democrats came together, because nursing home standards should not be political. Now, even though these standards have led to improved care in our Nation's nursing homes—we are about to consider a so-called Medicaid reform bill, Mr. President, which would totally wipe these standards out.

Two weeks ago in the Senate Finance Committee meeting I offered an amendment to restore these protections during a Finance Committee markup and debate on Medicaid and Medicare.

My amendment was defeated on an 10–10 vote because, according to the leadership of the committee, it is "contrary" to the philosophy of the reforms being proposed, and we don't want to sacrifice flexibility.

Mr. President, just for a moment, I will draw a picture. I will draw a picture, a composite if I might, of the people who are living in the nursing homes in America. First, there are 2 million citizens, elderly and young and middle aged. People who reside in the nursing homes today are of all ages. Most of them are over 60.

In 25 years, we will no longer have 2 million people in the nursing homes, Mr. President, we will have 3.6 million people in nursing homes. That is going to come about two decades from now and it will be here before we know it.

We also find in these nursing homes, 80 percent of the residents depend on Medicaid to help them pay for their care; 77 percent of this nursing home population need help with their daily dressing; 63 percent need help with toileting; 91 percent need help with bathing; 66 percent have a mental disorder, and one-half of these residents have no living relative to serve as their advocate.

Let me repeat that, Mr. President: One-half of the residents of nursing homes, or approximately 1 million of these individuals, have no living relative as their advocate to come to their rescue and to take their case to the nursing home administrator or to the inspectors who inspect the nursing homes. One-half of this nursing home population of our country who reach the age of 65 are going to require nursing home care.

That means that one-half of all the people in this Chamber, one-half of all the people in the galleries in this great Capitol of ours, when they reach the age of 65, half of these folks, including me—I assume if I am around here that long—are going to require nursing home care.

Mr. President, that is basically a composite of who we are looking at and who we are trying to protect by restoring the Federal nursing home standards.

I find it very hard to believe that any meaningful reform that we might propose would be inconsistent with quality care in nursing homes. The very essence of reform is to get rid of what does not work, keep what does work and to make the whole program better.

Mr. President, we are committing an enormous mistake, an enormous mistake in even considering the elimination of our quality standards. The very reason that we have these standards to begin with, let us go back, the very reason the Federal Government stepped in is because the States would not. The Federal Government had to protect these people in these nursing homes because the State regulations were inadequate.

Mr. President, I know that we in Congress are very hard at work examining every program to find ways in which to increase flexibility to the States. I am for flexibility. I am a former Governor. I believe in flexibility. I believe we ought to eliminate what we call big government at every opportunity we can, that we need to return more power to the States, local decisionmakers, and I think my record indicates that I have supported that with my vote.

Mr. President, I want to say, though, I have a very difficult time believing that when people in America think of big government, they are thinking of the laws that provide for the most basic and minimum standard of care for the most frail and the most vulnerable among us.

I want to pose a question that I will be posing when we actually get to the debate on reconciliation, and I am going to ask this question to my good friends and colleagues on the other side of the aisle.

Now that we have finally, since 1987, finally come to the place in this country where we have just the bare minimum of standards to protect these 2 million individual residents of nursing homes, I would like to ask my colleagues, and I will pose this question at the appropriate times: Which rights that belong to these individuals now would you like to eliminate? What about the right to choose your own doctor? I wonder if our Republican friends are going to want to eliminate that right, which is today a right given by the full force and effect of the statutes of the United States of America?

I am going to ask my colleagues on the other side of the aisle would they like to eliminate the right not to be tied to a bed or a chair, or restrained? Are they willing to eliminate that right? I am going to ask that question to my colleagues on the other side of the aisle, just as I asked that question to my colleagues in the Senate Finance Committee on the other side of the aisle 2 weeks ago. I did not get a response to that question.

I am going to ask a third question, Mr. President, when we get to reconciliation and we start debating these statutes and these standards they are attempting to repeal now. What about the right of privacy, to have private medical records protected? Do our colleagues on the other side of the aisle want to eliminate that right? I am going to ask that question. What about the right of privacy in communications and the right to open your own mail and to read your own mail without someone reading it before you get it? What about that right, that is today guaranteed under the 1987 regulations that we enacted, I must say, through a bipartisan effort? These are some of the rights, some of the most basic rights that our friends on the other side of the aisle are attempting to annihilate.

There is a great deal of irony here, Mr. President, and that irony is that no one outside of the Congress has come to us and said we want you to repeal the nursing home reform law. At first, when I heard our colleagues, the Republicans, were going to repeal these Federal guidelines, these Federal standards that we worked so hard to achieve through a bipartisan effort with President Bush helping us to put these standards into effect, I said: OK, here comes the nursing home lobby, the nursing home administrators, the nursing home owners. They have come to Washington and they have gone over here and they have gotten them to try to repeal and annihilate these particular regulations.

Mr. President, the odd thing is, I talked yesterday to one of the largest chain operators in America of nursing homes. He said,

> We think the standards are good. We think the standards are working. We think the standards help us treat our residents better and we do not want to see those standards taken away. In fact, we think they are more efficient.

But, just last Saturday, in the New York Times, the executive vice president of the American Health Care Association, Mr. Paul Willging, said, "We never took a position that the 1987 law should be repealed." The New York Times reporter was unable to find anyone at this nursing home owners convention representing the industry who would say they wanted the law repealed.

I would like to point out that not only were these standards enacted with broad bipartisan consensus, there is also scientific evidence that they are working. They are improving nursing home care. They are making life better for those among us who live in nursing homes.

For example, we have here what is not a very pretty chart, I might say. I hope I will have some others in the next week or so. In the area of physical restraints, since this particular law has been passed, since we finally have minimum standards for nursing homes, we have decreased the need for physical restraints from 38 percent of the nursing home population down, now, to 20 percent. That is an amazing statistic for us to look at, and to show and demonstrate beyond doubt that this particular set of goals is working.

We also see another startling fact. Since we enacted these nursing home standards, we see now that when a nursing home patient becomes a hospital patient, he or she only has to spend, today, 5.3 days in that hospital as compared to 7.2 days before. The reason is because you have fewer bedsores, you have nursing home patients who are healthier, who are stronger, and whose quality of life has been better.

Also, let us look at another small chart here: The decrease in problematic care. There is a dramatic decrease in indicators or poor quality care—use of physical restraints, use of urinary catheters. It demonstrates without question we are seeing a very rapid decline in the need for these particular restraints to ever be used in nursing homes again.

Last Saturday, a Republican spokesman for the House Commerce Committee was quoted in the Washington Post as saying that the proposal to strip away the safety standards in nursing homes is "the ending of a 8-year experiment." This individual went on to say, and here again I am quoting, that the standards are "confining, expensive, and counterproductive." Last Friday, at a hearing on the Medicaid Program in the Senate caucus room, we were presented with the results of a scientific study by the independent, well-respected Research Triangle Institute. Rather than being confining, expensive, and counterproductive, as the Commerce staff member had claimed, this very, very distinguished study showed that the standards are in fact liberating, that they are cost effective, and result in improved outcomes. I say liberating because the standards have decreased the unnecessary use of physical and chemical restraints in nursing homes.

According to the Research Triangle Institute, since the nursing home reform standards were implemented in 1990, the use of restraints has dropped by 50 percent. So it does not sound to me like these standards have been confining for nursing home patients.

Mr. President, I would like to address an issue in the Medicaid debate which is of great concern to me—the issue of whether or not we should repeal the law which protects residents of nursing homes from abuse and neglect.

Back in 1987, as part of the Omnibus Budget Reconciliation Act, the Congress put into place a set of standards known as nursing home reform. Senator Mitchell led that effort, and I am pleased to say I helped draft these important standards. Now, even though the standards have led to improved care in our Nation's nursing homes, we are about to consider a so-called Medicaid reform bill which would wipe them out. I offered an amendment to restore these protections during the Finance Committee debate on Medicaid and Medicare. My amendment was defeated on a tie vote because, according to the leadership of the committee, it is—quote "contrary"—to the philosophy of the reforms being proposed.

Well, I find it hard to believe that any meaningful reform we would propose would be inconsistent with quality care in nursing homes. The purpose of reform is to get rid of what does not work, keep what does work, and make the whole program better. I think we are making a big mistake in even considering eliminating our quality standards. I, for one, hope we do not enact this dangerous change. We should not turn our backs on our frail elderly nursing home patients.

Mr. President, I know that we in the Congress are hard at work examining every program to find ways in which to increase flexibility for the States. There is a general mood in the Nation that we want to do away with Big Government and return more power to State and local decision makers. However, Mr. President, I have a hard time believing that when people in America think of Big Government, that they are thinking of the laws which provide a minimum standard of care for the most frail and vulnerable among us.

Mr. President, it is well known that as a former Governor, I am a strong supporter of States' rights. I have devoted much of my career to doing away with Big Government in the negative sense. I support ending Federal mandates which make unreasonable demands on our citizens. However, I do not feel that the nursing home reform law makes unreasonable demands. It is simply not unreasonable to ask nursing homes not to tie up residents, or administer mind-altering drugs to them, simply to quiet them down for the convenience of staff. It is not unreasonable to ask nursing homes to allow residents and their families to participate in decisions about their care. Mr. President, it is above all not unreasonable to ask nursing homes to ensure that care is provided to these vulnerable residents by an adequate staff that is well trained.

When we talk about ending Federal mandates, it is often because an industry or some other interest group has asked for the repeal of a particular law or regulation. The irony of this instance, Mr. President, is that no one outside of the Congress has asked that we repeal the nursing home reform law. Not only was this law accompanied by unprecedented consensus when it was first enacted, it still enjoys the support of the industry being regulated. Mr. President, if anyone were clamoring to repeal this law, we would expect it to be the nursing home industry. But just last Saturday, in the New York Times, the executive vice president of the American Health Care Association, Mr. Paul Willging, said—and I quote—"We never took a position that the 1987 law should be repealed." The New York Times reporter was unable to find anyone representing the industry who would say they wanted the law repealed.

Mr. President, I would like to point out that not only were these standards enacted with broad bipartisan consensus, there is scientific evidence that they are working. These standards are improving care. They are making life better for those among us who live in nursing homes.

Last Saturday, a Republican spokesman for the House Commerce Committee was quoted in the Washington Post as saying that the proposal to strip away the safety standards is "ending an 8-year experiment." He went on to say—and here again I am quoting—that the standards are "confining, expensive, and counterproductive."

Mr. President, the data we have so far lays waste to those unfounded assertions. Last Friday, at a hearing on the Medicaid Program, we were presented with the results of a scientific study by the independent, well-respected Research Triangle Institute. Rather than being confining, expensive, and counterproductive, as the Commerce Committee staffer claimed, this research indicates that the standards are liberating, cost-effective, and result in improved outcomes.

I say liberating because the standards have decreased the unnecessary use of physical and chemical restraints in nursing homes. According to the Research Triangle Institute, since the nursing home reform standards were implemented in 1990, the use of restraints has dropped by 50 percent. And the Republicans claim that the standards are confining? It does not sound to me like they have been confining for nursing home patients.

And lest you think that unrestrained patients are more difficult to care for, let me get to the second point—the standards are cost-effective. This study indicated that less staff time is needed to care for patients who are unrestrained. In addition, because patients are receiving better care and staying relatively healthier, they are being hospitalized less often. According to RTI, nursing home patients are suffering from fewer injuries and conditions caused by poor care—this translates to a 25-percent decrease in hospital days—resulting in a $2 billion per year savings in Medicare and Medicaid combined. So how can it be said that these standards are expensive?

The RTI study also points to improved patient outcomes—and I know of no better measure of nursing home productivity. There has been a 50-percent reduction in dehydration, a 4-percent reduction in the number of patients developing nutrition problems, and we see 30,000 fewer patients suffering from bedsores. We are also seeing significant declines in the use of indwelling urinary catheters, a reduction in the use of physical restraints, and far fewer patients who are not involved in activities. This contributes greatly to quality of life. The RTI data also show that since nursing home reform was implemented, patients are suffering less decline in functional and cognitive status. So I ask my colleagues on the other side of the aisle, how can it be said that these standards are counterproductive?

Mr. President, I pointed out earlier that the nursing home industry has not asked for a repeal of these standards. The industry is concerned, however, about the depth of the cuts being considered with respect to the Medicaid Program. Although nursing homes support the quality standards, they are understandably concerned about their ability to maintain these standards in the face of deep cuts in funding. This is a serious issue which we must address, Mr. President. But when we address these concerns about funding, we should start with the assumption that standards must be maintained. We should start with the assumption that we will not repeal a law which no one has asked us to repeal. Instead, what I fear my colleagues on the other side of the aisle would rather do is throw standards out the window, cut the funding indiscriminately, and then hope for the best. Mr. President, I am not willing to take such a chance with our frail elderly. I hope my colleagues in the Senate will join their voices with mine in this call to protect our vulnerable nursing home residents.

Mr. President, I would like to close by saying, during this debate on reconciliation, in which there will be very little time, we are going to look at this particular issue and a lot of other issues that relate to it. We are going to look at the need to continue, for example, the reimbursement, the rebate for the States that have Medicaid prescription drug programs. This is something the drug industry is fighting, but it is something we have to maintain so the States can get the best possible price for the drugs that they provide for poorest of the poor population.

There are going to be many other areas that we are going to look at. But we thought today would be a good day to start the debate on reconciliation, because we know the time will be short once that debate is actually, technically and literally begun.

Mr. President, I again thank my good friend from North Carolina who has been most cooperative.

I yield the floor.

CUBAN LIBERTY AND DEMOCRATIC SOLIDARITY [LIBERTAD] ACT OF 1995

The Senate continued with the consideration of the bill.

Mr. HELMS. Mr. President, I believe the distinguished Senator from Georgia is seeking recognition.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. COVERDELL. Mr. President, I come to the floor in support of the measure which is before the Senate, somewhat different than the previous speakers we have heard, to rise on behalf of the Cuban Liberty and Democratic Solidarity Act, otherwise called Libertad.

I hope the good chairman of the Foreign Relations Committee will let me embrace an issue of international consequence, as a prelude to my comments here.

A distinguished Member of this body, my good colleague from Georgia, Senator NUNN, as everybody knows now, has announced that he will depart the Senate after the conclusion of his term. Of course, this has an enormous impact in our home State of Georgia and the Nation as well. I told the Senator when we visited just before his announcement that he left a very rich legacy for himself, for his family, for our State, and for the Nation. We are all indebted to the service of the distinguished senior Senator from Georgia. It has been long, it has been arduous, statesmanlike, and it has been civil. And the Senator from Georgia has made a significant contribution to his era in the history of the U.S. Senate and our country.

I first met the Senator from Georgia when he was in the House of Representatives and just before I became a member of the Georgia Senate. And he was equally held in high regard in our home State as he was here on the national scene.

A lot of people have asked me what the effect would be of his departure. And I said, of course, there will be an interim effect, but I also pointed out that in our vast democracy filled with talent, capacity, one of the rich treasures of it which we have seen throughout our history is that we regroup and move on.

But another point I would like to make is the Senator in his closing statement in the House Chamber pointed out that he is not leaving public life, that he will continue to be an activist in public policy and a resource not only to us in the Senate but to the Nation as well.

So I wish the Senator every goodwill, and Godspeed to him and his family as they pursue a new adventure. He will be missed here. He will be appreciated. And as a fellow Georgian I think I speak for all of those in our State, we hold him in the highest regard and wish him the very best in his future.

Of course, the Senator from Georgia has been on the international scene for a long time. He has watched the effects in Cuba of an avowed enemy of the United States in one Fidel Castro. Fidel Castro has throughout his history been an arch enemy of the United States and its people. And to this day he has not disavowed any of his intentions nor his hostility to this country and its people. He has been the exporter of terrorism. He has been the exporter of revolution. He has been the exporter of turmoil. And its effect in our hemisphere has been significant, and its effect here in the United States has been significant.

There are those among us who think that this is the time to open relations with Cuba and that it will, through communication and interaction, cause Fidel Castro, this archenemy of the last three decades, to somehow soften his stance.

That reminds me of the Soviet policy. This Nation's capital was filled with Soviet apologists who felt that the definition of the Soviet Union as an "evil empire"—like former President Reagan—was the inappropriate approach to dealing with the Soviets. He felt that power and the force of power was what it was going to take to cause the Soviet Union to implode, and he was correct. Many of these apologists have become awfully silent. But there can be no doubt that the firm, forceful, aggressive policy of the United States toward the avowed enemy, the Soviet Union, had an impact and effect.

Mr. President, no one is suggesting that Fidel Castro is near the national concern as the Soviet Union was, but certainly anything that is 90 miles off the coast of the United States that is an avowed enemy needs to be watched very, very closely.

And I think the Cuban apologists are wrong, too. I believe that the policies of the last 30 years by Republican and Democrat administrations—by the vast majority of the Congress to impose tough sanctions, embargoes, and to hold firm that we are going to keep the pressure on this government of Fidel Castro until there is liberty, until there is democracy, until there is freedom—are absolutely correct.

This legislation is nothing more than an extension of U.S. policy as it has been shaped in a bipartisan way, as I said, by Republican and Democrat administrations alike.

Mr. President, this is absolutely no time for us to rewrite that policy. We are succeeding. Now that the Soviet Union cannot spoon-feed Castro, the sanctions are imposed and they are feeling the pressure of this United States power, it should be continued. It should not be modified. It should not be nullified. It should not be weakened. It should be toughened.

When you look at the nature of life in Cuba today, we still have a litany of human rights violations, personal rights and freedoms being tramped on. This is not a leader with which the United States should put its credibility on the line, nor ratify and certify, nor give strength by the suggestions that we should begin negotiating in good faith with a man who has such a history of totalitarian oppression.

Mr. President, one of the provisions which is somewhat controversial, but I think one of the more important pieces of debate with regard to the legislation, is title III, which has two parts. It denies entry into the United States to anyone who confiscates property or traffics in confiscated property; and, No. 2, it gives the U.S citizens valid property claims and a private right of action in Federal court.

I have been very concerned about property rights of U.S. citizens in foreign countries in our hemisphere for some period of time. Cuba is not the only country with which we have difficulties in regard to the interests of United States property owners in other countries. It has been at the center of a long debate—I see my colleague from Connecticut—with regard to Nicaragua and other countries. And considerable progress has been made in the aftermath of President Chamorro's new democracy for about a year. We were thrashing through this issue, and over and over making the point that U.S. citizens who own property there needed appropriate dispensation of that property. I think that discussion bore fruit, and many of those properties are now being settled. And I give much credit to the Chamorro government for the good faith in which they came to the table and tried to deal with those legitimate property rights. I think that will no longer be an issue in the not-too-distant future.

In the case of Cuba, however, we have 5,911 American property claims valued at $1.8 billion in 1960 value. This is an enormous issue. No one denies the confiscation. The Cuban Government has shown absolutely zero respect for this property and has indicated no intention of addressing the issue. And, to complicate it even further, they are using the property to produce currency in their hard-pressed economy.

What this involves is taking the property that was lawfully owned by people who are now U.S. citizens, or were U.S. citizens at the time, confiscating the property and actually entering into a world market on the property. We have a situation now where citizens of other countries in our hemisphere are negotiating with the Cuban Government and purchasing these properties for which there are claims by U.S. citizens and selling them to foreign nationals of other countries.

Mr. DODD. Will my colleague yield on this point? I do not want to interrupt his time, but it is an interesting conversation. I wonder if he might just yield.

Mr. COVERDELL. I will be glad to yield.

Mr. DODD. I am going to raise this in my own time. But my colleague brings up probably the most controversial part of the bill. He properly identified it as a controversial one. He is absolutely correct in identifying the number of certified U.S. claims as 5,911, that were the result of actions taken by the Castro government after 1959. Control of the country.

My concern here is not that issue at all. That is going to be difficult enough to deal with. Nonetheless, I feel confident we can ultimately address those claims. What I think we do here is add a new element to the problem which he has already alluded to, and that is what has heretofore been international and U.S. law with respect to the resolution of confiscation of property of a U.S. citizen. We are now going to expand the definition to include the property of Cuban nationals who left the country and became U.S. citizens subsequent to their property being taken.

We are talking about roughly a million people who have left Cuba. The estimates are that perhaps as many as hundreds of thousands of these individuals left behind property—no one suggests that everyone of the million people who left will have claims against Cuba, but several hundreds of thousands well may. So we add to the 5,911 claimants already certified, potentially, as many as 300,000 to 400,000 additional potential claims.

Those of us who are concerned about that provision naturally ask the question why we are prepared to provide special legal rights for this category of individuals. After all we have Polish-Americans, people who have left the former Soviet Union, people who fled China, as well as other countries of repression and left behind or had taken their property by former regimes. I think, any one of these groups can legitimately come forward and ask for similar treatment if we change the law.

There is a reason for current international law and practice in this area. Under existing law, the U.S. Government is responsible for espousing the claims of persons who were U.S. citizens at the time the confiscation occurred. For those individuals who were sovereign nationals of the country in question, the issue is with acts of their government. If we change domestic law in this one case, I think we can fully expect individuals who may have also lived under a Communist government to say why not us; we left; you have changed the law to for one group of people; we would like a similar application of the law in our case.

I just raise this with my colleague, and I am going to address it at greater length here, but it is one of the major concerns I have with this bill. I see it subjecting our Federal court system to substantial increased costs in order to process these new claims. In addition I am concerned that these new claims will probably make it very difficult to resolve the 5,911 certified U.S. claimants who have a right under longstanding law to have their claims addressed. These claimants have expressed that very concern. There are some strong letters from them—worried about exactly what happens to them as a result of this explosion of claims that may come before the court as a result of this legislation.

I raise that just as an issue. I know my colleague has been involved with the issue of expropriation generically, as have others. Expropriations have occurred in many countries—Panama, El Salvador, Nicaragua, a whole host of countries.

With respect to the issue you raise about companies from other countries doing business in Cuba. By my count 58 countries have some form of business interest in Cuba today. Great Britain has a number of interests—France, Germany. It is not just Latin American countries. Some of the most conservative democratic countries in Europe have major economic enterprises there. And we will virtually be precluding entrance into this country citizens of our allies in Europe who may have business interests there. Do we really want to alienate our closest trading partners in this way? It seems to me that we may be raising a tremendously complicated problem for ourselves down the road. I raise that for my colleague's comments.

Mr. COVERDELL. I appreciate that. As the Senator noted, I singled this out as one of the more controversial provisions.

Mr. DODD. He is absolutely correct.

Mr. COVERDELL. And my colleague would also acknowledge that this issue does not confine itself to Cuba alone. In fact, one of the countries in which we both maintain a rather high interest is Nicaragua, and that very question is preeminent in the struggle to resolve property rights of individuals who were Nicaraguan citizens at the time, came to the United States, became U.S. citizens and are now claiming property rights in Nicaragua.

So my response to my colleague from Connecticut is I believe that it is time for this to be elevated in debate and search such as we are doing today and will continue through the process of dealing with this legislation.

Frankly, I believe we need to obtain the interest and attention of the countries that the Senator pointed to, and I might also point out they are on both sides of our northern and southern border, too, with Canada and Mexico dealing with properties that were, in the Senator's definition, without question property confiscated by the Castro government, acknowledged property owned by U.S. citizens at that time.

Those properties—forget for a moment the question the Senator raised about expansion, which I think is a legitimate question. Those properties are being bartered by the government with full knowledge. We are not having a situation here where over the years the title is confused, a citizen acquired it or got it and somehow has sold it to a foreign national of another country. This is a program on the part of the Cuban Government to deal with its currency problems, which are immense. And I think the United States is morally required to confront that issue, I think not only with Cuba but we need to be making a statement, we need to be searching for resolution with our allies in terms of our respect for U.S.-owned property.

On a broader scale, I would say to the Senator from Connecticut, I think this is an issue that has not received enough attention, whether it is in Cuba or Nicaragua or some of the former Communist governments even in Europe. And I believe it is an issue of law.

I am not a lawyer, as is my distinguished colleague. But it is a question that requires more definition in this era of international history. We are talking about a period where we have an interdependent economy, far more open economy. We all acknowledge that. This question is basically in law 30 years or more old.

I think it deserves attention, and I am glad the Senator from North Carolina put it in the bill because I think it is going to force all of us to confront the issue more effectively than we have in the past. That would be my response to the Senator from Connecticut.

Just one more piece on that. The fact that the business interests in our immediate hemisphere, in our immediate sphere of influence, feel free enough to engage in transactions that affect these known properties, I think is very serious.

I hope the discussion—in fact, I would take it even further. I think that we may come to the point where we need to be entering into direct discussions with these governments with regard to these particular properties. I am talking about the 5,911 claims. There is a rather—I will not get into detail, but there is a rather elaborate circumstance of a company in Canada today that, with full knowledge of the situation, is pursuing and developing one of these pieces of property.

So, Mr. President, the point I want to make here is that this legislation is a direct extension of contemporary policy with Cuba that has been shaped by Republican Presidents and Democrat Presidents since Cuba was taken over by Fidel Castro. That is No. 1.

No. 2, I believe this entire question of property deserves and requires far more attention than it has received. And I think this is a valid attempt to deal with that. I am absolutely comfortable that the debate will modify this language before the end of the day, but I think it is appropriate that we are being drawn to this debate.

No. 3, the conditions in Cuba continue to be extensive human rights violations, extensive oppression, and imprisonment. It is an arbitrary, totalitarian government with its leadership showing no signs of any legitimate movement to democracy. And, Mr. President, I think it must be noted that Fidel Castro, exporter of terrorism, exporter of revolution, has made no—zero, none—accord to a movement to democracy or to renounce his adversarial, hostile attitude toward the people and Government of the United States of America.

And that is why I stand in support of the thrust of the legislation that is before this Senate today.

Mr. President, I yield the floor. I think the Senator from Connecticut is seeking recognition.

Mr. DODD addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, I thank the Chair. I appreciate my colleague's yielding to me in the middle of his remarks. And I just wish to make the point, I urge my colleagues here in the coming 2 days—I know that they have a lot of other things on their mind—to take a good, hard, close look at this bill. Because in the consideration of any matter like this, we ought to all ask ourselves several basic questions, the first being: Is what is being proposed in the best interests of our own country? That is the first question.

Put aside for a second what it may do to the targeted country where we are focusing the legislation. But what does it do to our foreign policy? And then, second, the obvious question: Is the legislation going to achieve the desired results? Those are two pretty basic questions we ought to ask ourselves.

Mr. President, when it comes to the issue of Cuba, unlike even North Korea apparently, but Vietnam, the People's Republic of China, the Eastern bloc countries—when still under the control of the Soviet Union—the Soviet Union itself, despite all of our difficulties, we managed to, at least for the most part, try to conduct our foreign policy in a way that made sense for us. That entailed having relations with them. And, in many of those cases that I have just mentioned, achieved the desired results such that today we find ourselves in a situation that is far beyond the imagination of most of us. The Eastern bloc countries that were under the control and the thumb of the Soviet Union today are struggling with their own form of democracy, but the world has changed.

I would make a case there were several reasons for that success. Certainly, on the one hand was the fact that their economies ended up being bankrupt because they spent such a tremendous percentage of their gross domestic product on arms.

One can argue that buildup had a desired effect economically. But I would also suggest, Mr. President, that it was the clever, clear idea that exposing the peoples of those countries to the fraud that was being perpetuated on them by the controllers, as well as the options that existed elsewhere, also contributed to the change that occurred.

I want to get to that argument as we look at Cuba. But Cuba is unique. This is almost a domestic political debate rather than a foreign policy debate, I would say. If we could step back and say to ourselves, what is in our best interest and how do we collectively, in a wise and thoughtful way, try to propose ideas that are going to achieve, as soon as possible, the desired results. Those results are to bring democracy to Cuba. We all agree on that.

However, if you disagree with all of the tactics of how to achieve that, then you are immediately suspect and usually the victim of a lot of name calling about where your political leanings are. God forbid you disagree with how we might achieve the desired results.

And so my objection to the bill being offered by the Senator from North Carolina is not what the Senator from North Carolina or others desire. I do not believe there is probably any debate about that or any division here. I think every one of us would like to see democracy come to Cuba. I will not say restored to Cuba, because the notion somehow that prior to 1959 we were looking at a democratic government is specious. But let us bring democracy to Cuba.

How do we best achieve that? What steps should we take? How do we work collectively with our allies, in this hemisphere and elsewhere, to produce those results? If we can step back and do that without worrying whether we are going to offend various factions or groups in this country that have, at least as far as I am concerned, a certain amount of right to be red-hot angry over the situation because they are the ones who were victimized or their families, then I think we might actually make some significant steps forward.

I mentioned briefly a moment ago that my concern with title III of this bill is because it potentially exposes our country to a tremendous number of similar problems in other places where there will be claims of an equal degree of legitimacy. There are 38 countries in the world where we presently have, Mr. President, outstanding claims by U.S. citizens against those governments because properties have been expropriated and there has been no compensation. I have now become a U.S. citizen, and I'm going to go to U.S. courts and try and get paid for it."

(Mr. ABRAHAM assumed the chair.)

Mr. DODD. Mr. President, that will cause an explosion of demands on our U.S. court system. So the first test is, what is the impact of this legislation on us, put aside for a minute on Cuba, on us? And if my colleagues will merely look at just what it does if we only take the Cuban case and given the average court costs associated with such claims and multiply it by the number of claimants, it is a tremendous amount of money the United States taxpayers will be asked to come up with so that our courts can handle this.

I would also argue that it is going to be rather difficult for us to turn down other claimants who lived in other countries at the time there was an expropriation without compensation. They are going to want the law changed for them as well.

So I urge my colleagues over this next day or so to please examine this provision of the law and understand that while you are trying, and I think all of us are, to effectuate some change in Cuba, that in doing so, we may be doing more injury to ourselves, adding more of a financial burden on ourselves, complicating things for ourselves without necessarily doing anything to Cuba.

I hope people will pay some attention to this, step back a little bit: "If I don't vote for this I will look like I am not for democracy in Cuba," or "I am in favor of Fidel Castro if I vote against the bill." That is not the case at all. Look at the provisions and what we are doing.

There are several basic questions we ought to be asking, and I will try over these next several minutes to address each of the questions that I think ought to be raised, aside from the basic questions about whether or not the bill before us is going to help or hurt the United States and, second, whether or not it is going to have the desired effects on the country in question, in this case Cuba, to effectuate the desired results, and that is a change to democracy.

Are we more likely as well to impose additional hardships on the people of Cuba, not the Government, but the people of Cuba? That is a legitimate question, it seems to me. Are we going to make the transition to democracy more difficult or less difficult if this legislation is adopted and signed into law? Finally, will this legislation place added strains on our relations with other governments?

I am not suggesting that this final question in and of itself ought to be the sole criteria, because if what you are doing is right, if it is good for us, if it produces the desired results, I am willing to accept the fact that some other governments may be uncomfortable.

I recall during the debate on whether or not to impose sanctions on the Government of South Africa, there were many of our allies that were uncomfortable. My reaction then, as it would be now, is so what, in some ways. We have to be a leader in the world, and if that is what it takes from time to time, then you ought to be willing to sacrifice that. But consider what you are doing. Make a very careful calculation as to whether you are going to produce results that you are seeking.

Lastly, as I said earlier, whether or not we are going to overwhelm our Federal court system, which I think is a very important question people ought to look at.

So, Mr. President, today we begin this debate. By the way, let me say to my colleagues, I think the raising of the issue of the Medicare and Medicaid debate and long-term care issues of nursing homes, while obviously not the subject of the bill before us, I think does raise a legitimate question, and that is, here we are now going to consume 2½ days of the Senate's time on this one bill. A cloture motion was filed immediately. So we are now going to take up 2 days. We did not have 1 day of hearings on Medicare or Medicaid with regard to the proposal that is now being considered by the Finance Committee.

I think Members of this body raise a legitimate issue when they question whether or not the priorities of the American public, if given the choice to express themselves, would have this body spend 2 days debating Medicare, Medicaid and long-term health care conditions or Cuba. I do not have any doubt in my mind what their priorities would be.

So we are going to end up next week or the week after with 20 hours equally divided, 10 hours on a side, to discuss all of Medicare, all of Medicaid, all of the tax breaks, all of the earned income tax credit provisions, and yet I am going to have 2½ days, apparently, to talk about one bill affecting Cuba.

Maybe somebody else thinks that is the priority of the country. I do not think so. Yet, that is the position we are in, because the majority has decided that is what the order of business will be.

I would have urged we spend 2 days with a good healthy debate on Medicare and Medicaid and long-term health care without necessarily having a bill in front of us, but a good solid discussion of what we are going to do in the next several weeks to millions of Americans and their families, and yet we are going to spend 2½ days on an issue that has not even had a vote in the Foreign Relations Committee. We had some hearings at least on the Cuba bill. No hearings on Medicare, Medicaid or long-term nursing home care and, as the Senator from Arkansas pointed out a moment ago, we are now going to strip regulations from legislation we adopted in a bipartisan fashion only a few years ago.

Mr. President, I want to turn, if I can, in this debate about Cuba to the decisions reached by President Clinton just a few days ago. Those decisions have now been highly criticized, a moral outrage has been expressed over changes in regulations affecting the Government of Cuba and related matters. I have seen press reports that the majority leader took strong exception to the Executive order and others have been trying to one-up each other as to who can come up with the most outrageous statement to describe the decisions taken by President Clinton.

I am not sure every report accurately reflects the feelings of my colleagues, but nonetheless some rather extreme statements have been made.

As I understand it, the President's policy initiatives are, in large measure, perfectly consistent with related provisions contained in the House-passed bill and the most recent version of the Senate substitute which is before us. So I am somewhat surprised that there is such a vehement attack on President Clinton and his proposals, where a mere simple reading of the bill before us includes many of the things the President did by Executive order.

Section 712 of the version of the amendment available to me specifically authorizes the President of the United States, and I quote:

> To furnish assistance to nongovernmental organizations to support democracy building efforts in Cuba.

That was a key element of the President's announcement last Friday. Section 722 of that same measure authorized the President to, and I quote:

> Establish and implement an exchange of news bureaus between the United States and Cuba.

That is another key element of the President's actions. Surely, the supporters of this legislation do not object to the implementation of these measures that they themselves have recommended in the context of the legislation before us.

What about the other elements of last Friday's announcement? Do my colleagues object to provisions which seek to put an end to the profiteering associated with legal transfers of funds—legal transfers of funds—by Cuban-American families in this country to their family members in Cuba seeking to emigrate to the United States under provisions of the United States-Cuban immigration agreement?

That is why the President has authorized Western Union to open offices in Cuba to make legal transfers of this nature easier and cheaper. Today, the families in this country trying to provide assistance to their families in Cuba, in many cases, get held up. It is a mugging, in effect, the prices they have to pay.

So here we are setting up Western Union offices in that country to help families, Cuban-American families, legally transfer funds to assist them. That is part of what the President did. Is that not what we ought to be trying to do in these particular cases? Or do our colleagues take issue with the enhanced enforcement measures announced by the President? These measures would step up enforcement of sanctions regulations, as well as compliance with the Neutrality Act. The President has also instructed that the Office of Foreign Assets Control, the embargo enforcement agency, be strengthened in Washington and in Miami.

I am hard pressed to understand the moral outrage over the President's decisions when virtually every one of them are at least de facto or de jure included in the bill we are now considering in part, and yet that is exactly—exactly—the case.

Now I would like to turn to the bill before us. Many stated purposes of the legislation are laudable and, again, let me emphasize, every single Member in this body I know, if they could will it, tonight would will that there be change in Cuba. That is not the issue. Every one of us would like to see democracy come to that country.

Secondly, Mr. President, I recall being offended when people would talk about my ethnicity in ways in which all of us who happened to be of one particular group are of a particular mindset—that they could speak for everybody who was an Irish-American. Today, to suggest somehow that every Cuban-American thinks exactly alike is insulting.

There is a great diversity of thought within the Cuban-American community as to how we ought to address the problem of Cuba. None that I know of disagree with the bottom line; that is, that we should seek to bring democracy to that country. But there is an honest division of thought among Cuban-Americans who believe there might be better ways of achieving those results.

It is offensive to many, some of whom even disagree with their fellow Cuban-Americans, that somehow they ought to be maligned because they think there may be a better way of achieving the desired results. Certainly, we ought to take that into consideration as we look at the legislation before us.

None of us argue about the goals. But the measures that we take have to be examined and examined carefully. All of us, I hope, would like to see that the transition from the present government in Cuba to democracy would happen without bloodshed. I hope it is not a point of contention that, ideally, we ought to try to achieve the same kind of peaceful transformation we saw happen in Poland, Hungary, Czechoslovakia, and other of the New Independent States. Many thought it would come to a war one day. I thought so, too. But I think all of us are grateful today for the fact that the transition—occurred without a shot being fired at least in recent times.

I think it would be in all of our interests to get a peaceful, bloodless transfer of power in Cuba and to figure out ways in which that could be advanced.

Certainly, I think we could have serious and negative implications on our Federal courts. I mentioned this at the outset of my remarks, but I want to spend some time on it because this is a critical piece of this bill.

Again, I urge my colleagues, or their staffs who may be listening, to look at these sections and understand the implications, because I think they could have profound results if we are not careful. It could have implications on some of our closest trading partners and run the risk of subjecting our country to reciprocal kinds of actions in the coming years.

I happen to believe it is imperative that our colleagues have a better understanding of the true impact of the legislation on the conduct of U.S. foreign policy and on international trade and commerce. Clearly, I think additional hearings and committee consideration of the bill would be the best way to achieve that outcome. That is, apparently, not going to happen.

I have to hand it to the authors of the legislation. They have tinkered with the language in this bill in an effort to conceal and obscure some of its fundamental problems. Unfortunately, none of the changes remove the inherent flaws.

The Helms-Dole substitute is 40 pages in length. It has gone through significant changes since being first introduced back in February. As I mentioned earlier, no hearings have been held in the Senate on later versions of the bill, including the one before us. Again, I doubt that is going to occur. My colleagues ought to look carefully at the bill and analyze what is in it.

This legislation breaks significant new legal ground in reversing more than 40 years of international and domestic law in the practice and treatment of confiscated property. Nor, I point out, is there universal support for the bill among those whose property was expropriated.

I hope my colleagues will pay attention to this. This is important. Some of the very individuals who have the most interest in this legislation—the certified American claimants—have gone on record in opposition, Mr. President, to the centerpiece of this legislation.

David Wallace, chairman and chief executive officer of Lone Star Industries, one of the major corporate claimants in Cuba, has made it clear where he stands on the central provisions of this bill. He is opposed to them, Mr. President. Let me state for the record that Mr. Wallace is a resident of my State of Connecticut and the headquarters of Lone Star is located in Stamford, CT.

Mr. Wallace speaks not only for Lone Star, but for a number of other important claimants, who are members of the Joint Corporate Committee on Cuban Claims, which he chairs. That organization represents 30 of the major corporate claimants holding more than half of the total value of certified claims.

He has written to me and other Members several times on this issue, most recently on October 10. He raised some very critical issues that I want to bring to the attention of my colleagues.

I ask unanimous consent to have his letter printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

JOINT CORPORATE COMMITTEE
ON CUBAN CLAIMS,
Stamford, CT, October 10, 1995.

DEAR SENATOR: I recently wrote to urge you to oppose Title III of legislation, the "Cuban Liberty and Democratic Solidarity Act," that purports to protect the property rights of U.S. nationals against the confiscatory takings by the Castro regime. At that time, Senator Helms was planning to attach this legislation as an amendment to the then-pending Foreign Operations Appropriations Bill. It is my understanding that this legislation now may be brought to the Senate floor as a free-standing bill as early as Wednesday of this week. I am writing once again to urge you to oppose this legislation insofar as it contains Title III in its present form because it poses the most serious threat to the property rights of U.S. certified claimants since the Castro regime's unlawful expropriations more than three decades ago.

In the rush to pass this legislation and thereby demonstrate our firm resolve against Fidel Castro, the far-reaching domestic consequences of this legislation have received far too little attention. In my letter of September 20th, I wrote of the irreparable harm certified claimants would suffer if Title III of this legislation is passed. For the first time ever and contrary to international law, this legislation would permit a specified national origin group, Cuban-Americans, who were not U.S. citizens at the time their property was confiscated, to file Title III lawsuits against the Government of Cuba for the property losses they suffered as Cuban nationals. Indeed, this legislation even permits Cuban exiles abroad to file lawsuits in U.S. federal courts if they establish a corporation in the United States for the purpose of pursuing any claim they may have against Cuba. The creation of a new right to sue is never an inconsequential matter yet the careful scrutiny such a provision deserves has been disturbingly lacking to date.

We can reasonably expect plaintiffs' attorneys to exploit this newly created lawsuit right to the fullest extent possible, creating a tide of litigation that will all but sweep away the value of the claims currently held by U.S. certified claimants. Each time one of those lawsuits is reduced to a final judgment against Cuba, the injury to U.S. certified claimants increases. Ultimately, the cumulative weight of those judgments will extinguish any possibility the certified claimants ever had of being compensated. A virtually bankrupt Cuba cannot be expected to compensate the U.S. certified claimants, who hold claims valued today at nearly $6 billion, when it is also facing the prospect of satisfying potentially tens of billions of dollars in federal court judgments held by Cuban-Americans, whose claims have been valued as high as $94 billion.

Our already overburdened federal courts will have to deal with the daunting task of adjudicating some 300,000 to 430,000 lawsuits, according to one estimate that has never been refuted. (And that does not even take into account the number of additional claims that we can anticipate will be brought on equal protection grounds by Vietnamese-Americans, Polish-Americans, Chinese-Americans and other national origin groups.) Indeed, a litigation explosion appears to be exactly what the bill's sponsors intend: They hope to enlist an army of lawyers to launch a barrage of federal court lawsuits against Cuba in order to hopelessly entangle the island in lawsuits. In so doing, title to property in Cuba will be clouded for years to come, thus ensuring that every effort at privatization or market-oriented economic reform will be doomed to failure. In a classic case of overkill, however, this endless litigation will not only encumber the current regime, but will impose an onerous burden on a future democratic government that will make normalization of relations with the United States virtually impossible.

Faced with this prospect, the president, as an exercise of executive prerogative in the conduct of foreign affairs, may elect to dismiss those federal court judgments pending against a friendly government in Cuba. However, dismissing those lawsuits may not turn out to be such a simple matter because the U.S. Government may very well find itself liable for tens of billions of dollars in property takings claims to this large class of citizens who were non-U.S. nationals at the time they lost properties in Cuba. In short, if Title III is enacted, we will be left either with the prospect of protracted litigation against Cuba, which will indefinitely delay normalization of relations with a post-Castro Cuban government, or enormous liability to possibly hundreds of thousands of Cuban-Americans should those federal court judgments be dismissed as an incident of normalization.

Amazingly, the Senate is poised to vote on this legislation without the benefit of the Judiciary Committee's views on these and other critical issues that fall within its purview. The Judiciary Committee has held no hearings on Title III, has not reviewed it, nor has it, or the Foreign Relations Committee for that matter, issued any reports on it. It is astonishing that we may be so casually headed toward putting our government, and ultimately U.S. taxpayers, on the line for tens of billions of dollars worth of Cuban-American claims in a foreign land. The only conclusion that can be drawn is that this legislation is being rushed to a vote before these serious issues can be thoroughly considered by the Senate through its normal procedures. Given the profound domestic implications of this legislation beyond the obvious and immediate injury to U.S. certified claimants, I urge you to oppose Title III of this legislation if for no other reason than to ensure that these concerns receive the careful deliberation they warrant.

Sincerely,

DAVID W. WALLACE,
Chairman.

Mr. DODD. Mr. President, let me quote, if I can here, part of what he says in this letter:

Amazingly, the Senate is poised to vote on this legislation without the benefit of the Judiciary Committee's views on these and other critical issues that fall within its purview. The Judiciary Committee has held no hearings of Title III, has not reviewed it, nor has it, or the Foreign Relations Committee for that matter, issued any reports on it. It is astonishing that we may be so casually headed toward putting our government, and ultimately U.S. taxpayers, on the line for tens of billions of dollars worth of Cuban-American claims in a foreign land. The only conclusion that can be drawn is that this legislation is being rushed to a vote before these serious issues can be thoroughly considered by the Senate through its normal procedures. Given the profound domestic implications of this legislation beyond the obvious and immediate injury to U.S. certified claimants, I urge you to oppose Title III of this legislation if for no other reason than to ensure that these concerns receive the careful deliberation they warrant.

Mr. President, this is a letter from a claimant. This is one of the people who was injured by what happened, seriously, when the Castro Government took over. Do not believe me; listen to them. They are the ones urging that some prudence be followed before we rush to judgment with this bill in order to satisfy the domestic concerns of some constituency groups, who, I might add, I do not think are necessarily all being represented when they are spoken of collectively.

I agree with Mr. Wallace when he concludes that "We can reasonably expect plaintiffs' attorneys to exploit this newly created lawsuit right to the fullest extent possible, creating a tide of litigation that will all but sweep away the value of the claims currently held by the certified claimants."

Mr. Wallace also submitted detailed written testimony to the Committee on Foreign Relations in which he explained the joint committee's opposition to this bill. These are the U.S. citizens that are the injured parties. They are the ones telling us that this bill is wrong and will cause real problems. We ought to be listening to them.

Among the arguments I found most compelling was that this legislation would produce a dramatic expansion of existing claims pool seeking compensation from Cuba. The vastly larger pool "would serve as a significant disincentive for a post-Castro Cuban Government to enter into meaningful settlements of negotiations with the United States, given the sheer enormity of the outstanding claims and the practical impossibility of satisfying all those claims."

Mr. Wallace goes on to state that "We, the joint committee, believe that a second tier of claimants will delay and complicate the settlement of certified claims and may undermine the prospects for serious settlement negotiations with the new Cuban Government that will come into power at some point."

He concluded as follows: "It is our view, based upon well-established principles of international law, that individuals and entities who were Cuban nationals at the time their property was confiscated must seek resolution of their claims in Cuban courts, under Cuban law."

Obviously, that is not going to happen now, Mr. President. We are talking about this taking effect when there is a transition government in place—hopefully and ideally, one that will respond. But Cuban nationals can then go back to that court in Cuba and satisfy them. To allow it, all of a sudden, to come to our courts raises very serious problems. In future Cuban governments, claims of former Cuban nationals may be fairly determined.

Mr. President, I urge my colleagues to take the time to review Mr. Wallace's correspondence and statement in their entirety. Taken together, they provide a very careful, reasoned analysis of why giving former Cuban nationals the private right of action to sue in United States courts will be detrimental to the interests of United States claimants.

I ask unanimous consent Mr. President at this juncture to have printed in the RECORD all of the correspondence and testimony from Mr. Wallace which he has sent to most offices, but for those who may not have seen them.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

JOINT CORPORATE COMMITTEE
ON CUBAN CLAIMS,
Stamford, CT, October 10, 1995.
Hon. CHRISTOPHER J. DODD,
U.S. Senate, Russell Senate Office Building, Washington, DC.

DEAR SENATOR DODD: I recently wrote to urge you to oppose Title III of legislation, the "Cuban Liberty and Democratic Solidarity Act," that purports to protect the property rights of U.S. nationals against the confiscatory takings by the Castro regime. At that time, Senator Helms was planning to attach this legislation as an amendment to the then-pending Foreign Operations Appropriations Bill. It is my understanding that this legislation now may be brought to the Senate floor as a free-standing bill as early as Wednesday of this week. I am writing once again to urge you to oppose this legislation insofar as it contains Title III in its present form because it poses the most serious threat to the property rights of U.S. certified claimants since the Castro regime's unlawful expropriations more than three decades ago.

In the rush to pass this legislation and thereby demonstrate our firm resolve against Fidel Castro, the far-reaching domestic consequences of this legislation have received far too little attention. In my letter of September 20th, I wrote of the irreparable harm certified claimants would suffer if Title III of this legislation is passed. For the first time ever and contrary to international law, this legislation would permit a specified national origin group, Cuban-Americans, who were not U.S. citizens at the time their property was confiscated, to file Title III lawsuits against the Government of Cuba for the property losses they suffered as Cuban nationals. Indeed, this legislation even permits Cuban exiles abroad to file lawsuits in U.S. federal courts if they establish a corporation in the United States for the purpose of pursuing any claim they may have against Cuba. The creation of a new right to sue is never an inconsequential matter yet the careful scrutiny such a provision deserves has been disturbingly lacking to date.

We can reasonably expect plaintiffs' attorneys to exploit this newly created lawsuit right to the fullest extent possible, creating a tide of litigation that will all but sweep away the value of the claims currently held by U.S. certified claimants. Each time one of those lawsuits is reduced to a final judgment against Cuba, the injury to U.S. certified claimants increases. Ultimately, the cumulative weight of those judgments will extinguish any possibility the certified claimants ever had of being compensated. A virtually bankrupt Cuba cannot be expected to compensate the U.S. certified claimants, who hold claims valued today at nearly $6 billion, when it is also facing the prospect of satisfying potentially tens of billions of dollars in federal court judgments held by Cuban-Americans, whose claims have been valued as high as $94 billion.

Our already overburdened federal courts will have to deal with the daunting task of adjudicating some 300,000 to 430,000 lawsuits, according to one estimate that has never been refuted. (And that does not even take into account the number of additional claims that we can anticipate will be brought on equal protection grounds by Vietnamese-Americans, Polish-Americans, Chinese-Americans and other national origin groups.) Indeed, a litigation explosion appears to be exactly what the bill's sponsors intend: They hope to enlist an army of lawyers to launch a barrage of federal court lawsuits against Cuba in order to hopelessly entangle the island in lawsuits. In so doing, title to property in Cuba will be clouded for years to come, thus ensuring that every effort at privatization or market-oriented economic reform will be doomed to failure. In a classic case of overkill, however, this endless litigation will not only encumber the current regime, but will impose an onerous burden on a future democratic government that will make normalization of relations with the United States virtually impossible.

Faced with this prospect, the president, as an exercise of executive prerogative in the conduct of foreign affairs, may elect to dismiss those federal court judgments pending against a friendly government in Cuba. However, dismissing those lawsuits may not turn out to be such a simple matter because the U.S. Government may very well find itself liable for tens of billions of dollars in property takings claims to this large class of citizens who were non-U.S. nationals at the time they lost properties in Cuba. In short, if Title III is enacted, we will be left either with the prospect of protracted litigation against Cuba, which will indefinitely delay normalization of relations with a post-Castro Cuban government, or enormous liability to possibly hundreds of thousands of Cuban-Americans should those federal court judgments be dismissed as an incident of normalization.

Amazingly, the Senate is poised to vote on this legislation without the benefit of the Judiciary Committee's views on these and other critical issues that fall within its purview. The Judiciary Committee has held no hearings on Title III, has not reviewed it, nor has it, or the Foreign Relations Committee for that matter, issued any reports on it. It is astonishing that we may be so casually headed toward putting our government, and ultimately U.S. taxpayers, on the line for tens of billions of dollars worth of Cuban-American claims in a foreign land. The only conclusion that can be drawn is that this legislation is being rushed to a vote before these serious issues can be thoroughly considered by the Senate through its normal procedures. Given the profound domestic implications of this legislation beyond the obvious and immediate injury to U.S. certified claimants, I urge you to oppose Title III of this legislation if for no other reason than to ensure that these concerns receive the careful deliberation they warrant.

Sincerely,

DAVID W. WALLACE,
Chairman.

LONE STAR INDUSTRIES, INC.,
Stamford, CT, July 26, 1995.

Hon. CHRISTOPHER J. DODD,
Russell Senate Office Building, Washington, DC.

DEAR SENATOR DODD: On behalf of the Joint Corporate Committee on Cuban Claims, of which I serve as Chairman, and as your constituent, I am writing to express my appreciation for your support on the property claims issue. In particular, I want to commend you for your thoughtful views on S. 381, the Cuban Liberty and Democratic Solidarity Act, and to offer the assistance of the Committee as this legislation is considered by the Senate.

The Joint Corporate Committee represents more than thirty U.S. corporations with certified claims against the Government of Cuba. Collectively, our members hold more than one-half of the $1.6 billion in outstanding certified corporate claims. As you know, the Joint Corporate Committee opposes the provisions of the Helms legislation dealing with property claims, and we have detailed our objections in testimony we submitted for the record to the Foreign Relations Committee.

We understand that Senator Helms is contemplating a strategy of attaching his legislation to the State Department Authorization Bill or the Foreign Aid Bill that will be before the Senate shortly. Please know that we stand ready to support your efforts in opposing this legislation, and have asked the Committee's Washington, D.C. counsel, Kirk O'Donnell of Akin, Gump, Strauss, Hauer & Feld, to work with you in that regard.

I also have asked our counsel to arrange a meeting with you in the near future in order that we might further explore how our Committee can best be of assistance in this effort. I look forward to meeting you and working with you on a more constructive legislative approach.

Sincerely,

DAVID W. WALLACE.

STATEMENT OF DAVID W. WALLACE, CHAIRMAN JOINT CORPORATE COMMITTEE ON CUBAN CLAIMS ON S. 381, THE CUBAN LIBERTY AND DEMOCRATIC SOLIDARITY ACT OF 1995—SUBMITTED TO THE SUBCOMMITTEE ON WESTERN HEMISPHERE AND PEACE CORPS AFFAIRS, THE COMMITTEE ON FOREIGN RELATIONS, U.S. SENATE—JUNE 14, 1995

Mr. Chairman and Members of the Subcommittee, I appreciate the opportunity to submit this statement expressing the views of the Joint Corporate Committee on Cuban Claims with respect to S. 381, the "Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1995."

The Joint Corporate Committee on Cuban Claims, of which I serve as Chairman, represents more than thirty U.S. corporations with certified claims against the Government of Cuba stemming from the Castro regime's unlawful confiscation of U.S. property without just compensation. Our member corporations hold more than one-half of the $1.6 billion in outstanding certified corporate claims. Since its formation in 1975, the Committee has vigorously supported the proposition that before our government takes any steps to resume normal trade and diplomatic relations with Cuba, the Government of Cuba must provide adequate compensation for the U.S. properties it unlawfully seized.

Although I am submitting this statement in my capacity as Chairman of the Joint Corporate Committee, I would like to note parenthetically that I also serve as Chairman and Chief Executive Officer of Lone Star Industries, Inc. Lone Star is a certified claim holder whose cement plant at Mariel was seized by the Cuban Government in 1960. Lone Star's claim is valued at $24.9 million plus 6% interest since the date of seizure.

On behalf of our Committee, I want to commend the significant contribution you have made to the debate on U.S.-Cuban policy by focusing renewed attention on the Castro regime's unlawful expropriation of U.S. property—an issue that all too often gets lost in the debate over the wisdom of the embargo policy. Recognizing the important role that trade and investment by U.S. businesses will have in Cuba's economic reconstruction and its eventual return to the international community, evidence of concrete steps by the Government of Cuba towards the satisfactory resolution of the property clams issue must be an essential condition for the resumption of economic and diplomatic ties between our nations.

I think it is important to recall the essential reason for which the U.S. Government first imposed a partial trade embargo against Cuba in 1960, following by the suspension of diplomatic relations in 1961 and the imposition of a total trade embargo in 1962. These actions were taken in direct response to the Castro regime's expropriation of properties held by American citizens and companies without payment of prompt, adequate and effective compensation as required under U.S. and international law. This illegal confiscation of private assets was the largest uncompensated taking of American property in the history of our country, affecting scores of individual companies and investors in Cuban enterprises.

These citizens and companies whose property was confiscated have a legal right recognized in long-established international law to receive adequate compensation or the return of their property. Indeed, Cuba's Constitution of 1940 and even the decrees issued by the Castro regime since it came to power in 1959 recognized the principle of compensation for confiscated properties. Pursuant to

Title V of the International Claims Settlement Act, the claims of U.S. citizens and corporations against the Cuban Government have been adjudicated and certified by the Foreign Claims Settlement Commission of the United States. Yet to this day, these certified claims remain unsatisfied.

It is our position that lifting the embargo prior to resolution of the claims issue would be unwise of a matter of policy and damaging to our settlement negotiations posture. First, it would set a bad precedent by signaling a willingness on the part of our nations to tolerate Cuba's failure to abide by precepts of international law. Other foreign nations, consequently, may draw the conclusion that unlawful seizures of property can occur without consequence, thereby leading to future unlawful confiscations of American properties without compensation. Second, lifting the embargo would remove the best leverage we have in compelling the Cuban Government to address the claims of U.S. nationals and would place our negotiators at a terrible disadvantage in seeking just compensation and restitution. We depend on our government to protect the rights of its citizens when they are harmed by the unlawful actions of a foreign agent. The Joint Corporate Committee greatly appreciates the steadfast support our State Department has provided over the years on the claims issue. However, we recognize that the powerful tool of sanctions will be crucial to the Department's ability ultimately to effect a just resolution of this issue.

Apart from the need to redress the legitimate grievances of U.S. claimants, we also should not overlook the contribution these citizens and companies made to the economy of pre-revolutionary Cuba, helping to make it one of the top ranking Latin American countries in terms of living standards and economic growth. Many of these companies and individuals look forward to returning to Cuba to work with its people to help rebuild the nation and invest in its future. As was the case in pre-revolutionary Cuba, the ability of the Cuban Government to attract foreign investment once again will be the key to the success of any national policy of economic revitalization.

However, unless and until potential investors can be assured of their right to own property free from the threat of confiscation without compensation, many U.S. companies simply will not be willing to take the risk of doing business with Cuba. It is only by fairly and reasonably addressing the claims issue that the Cuban Government can demonstrate to the satisfaction of the business community its recognition of and respect for property rights.

We are pleased that S. 381 does not waver from the core principle, firmly embodied in U.S. law, which requires the adequate resolution of the certified claims before trade and diplomatic relations between the U.S. and Cuban Governments are normalized. However, we are concerned with provisions of Section 207 of the revised bill that condition the resumption of U.S. assistance to Cuba on the adoption of steps leading to the satisfaction of claims of both the certified claimants *and* Cuban-American citizens who were not U.S. nationals at the time their property was confiscated. Notwithstanding the modifying provisions which accord priority to the settlement of the certified claims and give the President authority to resume aid upon a showing that the Cuban Government has taken sufficient steps to satisfy the certified claims, this dramatic expansion of the claimant pool, as a practical matter, would necessarily impinge upon the property interests of the certified claimants.

Even though the claimants who were not U.S. nationals at the time of the property loss would not enjoy the espousal rights that the certified claimants enjoy, the recognition of a second tier of claimants by the U.S. Government at a minimum would necessarily color, and likely make more complicated, any settlement negotiations with Cuba to the detriment of the certified claimants.

Moreover, the fact that the legislation gives priority for the settlement of certified property claims is of little consequence within the context of such a vastly expanded pool of claimants that seemingly defies a prompt, adequate and effective settlement of claims. In addition, once this second tier of claimants is recognized, it would be exceedingly difficult politically for the President to exercise his waiver authority. Finally, this dramatic expansion of the claimant pool would serve as a significant disincentive for a post-Castro Cuban Government to enter into meaningful settlement negotiations with the United States given the sheer enormity of the outstanding claims and the practical impossibility of satisfying all those claims.

In short, while we are sympathetic to the position of those individuals and entities who were not U.S. nationals at the time their property was seized, we believe that U.S. Government recognition and representation of this group of claimants—even falling short of espousal of their claims with a post-Castro government in Cuba—would harm the interests of the already certified claimants. We believe that the recognition of a second tier of claimants will delay and complicate the settlement of certified claims, and may undermine the prospects for serious settlement negotiations with the Cuban Government.

It is our view, based on well-established principles of international law, that individuals and entities who were Cuban nationals at the time their property was confiscated must seek resolution of their claims in Cuban courts under Cuban law under a future Cuban Government whereby the respective property rights of former and current Cuban nationals may be fairly determined. In taking that position, we categorically reject any notion that a naturalized American has any lesser degree of right than a native-born American. That objectionale and irrelevant notion serves only to cloud the real issue here, and that is simply the question of what rights are pertinent to a non-national as of the date of injury. Simply put, international law does not confer retroactive rights upon naturalized citizens.

Many of the same objections noted above also apply to Section 302 of the revised bill, which allows U.S. nationals, including hundreds of thousands of naturalized Cuban-Americans, to file suit in U.S. courts against persons or entities that traffic in expropriated property. We believe this unrestricted provision also will adversely affect the rights of certified claimants. By effectively moving claims settlement out of the venture of the Foreign Claims Settlement Commission and into the federal judiciary, this provision can be expected to invite hundreds of thousands of commercial and residential property lawsuits. Apart from the enormous, if not overwhelming, burden these lawsuits will place on our courts, this provision raises serious implications with respect to the Cuban Government's ability to satisfy certified claims.

First, allowing Cuba to become liable by way of federal court judgments for monetary damages on a non-dismissible basis necessarily will reduce whatever monetary means Cuba might have to satisfy the certified claims. Second, this expected multiplicity of lawsuits undoubtedly will cloud title to property in Cuba for years, thereby lessening the prospects for restitutionary approaches in satisfaction of some of these claims. Moreover, under this provision, the President would have no power to dismiss these suits as an incident of normalizing relations with a democratically elected government in Cuba once they are commenced. Consequently, the foreign investment will be crucial to Cuba's successful implementation of market-oriented reforms will be all but precluded by these unresolved legal proceedings.

In conclusion, we want to commend you for your efforts in raising the profile of the property claims issue and focusing attention on the importance of resolving these claims to the full restoration of democracy and free enterprise in Cuba. We also recognize and appreciate the efforts you have made to modify this legislation in response to the concerns expressed by the certified claimant community; however, we hope that you will further consider our continuing concerns regarding the implications of this legislation for the legal rights of certified claimants, an already overburdened court system, the claims settlement process and the orderly disposition of claims, and the post-Castro investment environment.

Mr. DODD. This legislation calls into question the fundamental concept, I might point out, of equal protection under our Constitution by granting a kind of judicial relief to one category of individuals that no other group has ever been granted.

This legislation is not proposed to give similar rights, as I pointed out earlier, to the former nationals—now U.S. citizens—of 37 other countries in the world where there are outstanding claims: Polish-Americans, Chinese-Americans, German-Americans, Vietnamese-Americans.

Are we to say to these same people who have been injured by Marxist governments, Communist governments, who have had their property taken without compensation, "Sorry, this law does not apply to you. It only applies to Cuban-Americans." I think we will have a hard time making that case to other people who come forward and seek equal treatment.

I urge my colleagues to just examine whether or not the enormity of that problem can be handled by our court systems. Is that the right way to go?

This legislation would vastly expand the traditional definition of who is a United States claimant for purposes of United States law, to include any Cuban national who is presently a United States citizen, regardless of the citizenship at the time of the expropriation, as well as any person who incorporates himself or herself as a business entity under United States law prior to this bill becoming law.

The introduction of this legislation has served as an open invitation to

Cuban-Americans and other foreign nationals around the globe who may have had property taken in Cuba to come to the United States to seek redress. I am not arguing about the illegitimacy of it, the horror of it, the wrongness of it at all. That is not my point. That is not the issue here.

If Cubans have left Cuba and gone someplace else, this bill says to them, "come here and incorporate yourself before this bill is signed into law and you have access to the United States courts."

Again, I urge my colleagues to look at this bill. Whatever your feelings are about Fidel Castro and Cuba, you are about to sign on to something here that could have profound and incredible implications for our court system.

It is not clear, Mr. President, how the courts are going to attest to the validity of such claims, nor do we have any firm estimate of the costs associated with the legal mandate.

Initially, CBO concluded that it does not have "sufficient information for estimating the number of such filings and the total cost that would be incurred by the Judiciary," although it did indicate that the costs to the U.S. Federal court system per case filed would be $4,500.

Now assuming the 5,911 claims that are filed, between $4,500 and $5,000 a claim, if, in fact, you expand the universe here, consider the implications. The math is not that hard if you are going to have several hundred thousand people seeking access to these courts.

Now, I point out to my colleagues that CBO later reversed its earlier conclusion that they could not determine how much the costs would be. They came back and said the costs may be $7 million.

The key assumption CBO made, Mr. President, in arriving at this number was that very few suits would be filed at all. That assumption has been challenged, I might add, by a number of experts on the issue.

The Senator from Rhode Island, Senator PELL, and I wrote to the Congressional Budget Office raising questions about this estimate as well. And, Mr. President, I point out we have not had any response to our latest inquiries, going back some time, about a new estimate.

One should be mindful, Mr. President, of the fact that an estimated 1 million Cuban emigres currently live in the United States, many of whom left behind business and other property when they fled the Castro regime, and has been expropriated without compensation.

The State Department has estimated there are approximately $94 billion in outstanding Cuban-American claims. That is in addition to the $6 billion in certified United States claims. A very detailed analysis has been done to give some rough estimates as to the number of claims that may be outstanding if this bill becomes law.

I urge my colleagues to review the August 25 letter sent to the Director of CBO by attorney Robert Muse, an attorney for one of the major U.S. certified claimants. In that letter he sets forth in some detail the various categories of property claims that could be generated, and estimates that the total number of lawsuits could reach 430,000. The costs could end up—just the court costs—in excess of $2 billion.

I ask unanimous consent that those documents be printed in the RECORD at this juncture.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MANSFIELD & MUSE,
Washington, DC, August 25, 1995.

Ms. JUNE E. O'NEILL,
Director, Congressional Budget Office, U.S. Congress, Washington, DC.

Re CBO Letter of July 31, 1995 Concerning Senator Helms' Proposed "Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1995."

DEAR MS. O'NEILL: As you know, Title III of Senator Helm's proposed legislation creates a cause of action in U.S. federal courts against agencies or instrumentalities of Cuba—as well as foreign and Cuban individuals or companies—that in the words of the bill "traffic" in properties "confiscated" by the government of Cuba. It makes no difference under Title III whether the owners of those properties were U.S. or Cuban nationals at the time of their property losses. So long as the potential litigant is a U.S. citizen at date of filing, he or she (or "it" in the case of a company) is free to institute a Title III lawsuit asserting, in the language of the statute, ownership or a "claim" to property confiscated in Cuba at any time after January 1, 1959. With these things in mind, CBO was asked how many such lawsuits might be expected if the LIBERTAD bill is enacted? It is the response to that question, given in your July 31 letter to Senator Helms, which concerns my client, Amstar Property Rights Holdings, Inc., and other holders of claims certified against Cuba by the Foreign Claims Settlement Commission.

In your first letter (of July 24) on this subject, written to Chairman Gilman of the House International Relations Committee, you said with respect to Title III that, in addition to nearly 6,000 claims on file with the Foreign Claims Settlement Commission, ". . . about 15,000 U.S. nationals who have not filed claims with the Commission [i.e. the Foreign Claims Settlement Commission] may also have had commercial property confiscated in Cuba." I gather from talking with Ms. Susanne Mehlman of your Office that the figure of 15,000 "who have not filed claims" was meant to describe naturalized Cuban Americans and Cuban companies that did not qualify to file claims with the Commission in the 1960's (because they were not U.S. citizens when their properties were taken), but, that your Office thought would qualify to file lawsuits with respect to those properties if Title III of the LIBERTAD bill is enacted.

In your July 31 letter to Senator Helms you refrain from stating any figure as to the number of Cuban Americans that may be expected to file Title III lawsuits. However, based upon a recent revision to the LIBERTAD bill restricting lawsuits to those in which the "amount in controversy" exceeds $50,000, you offer the opinion that, ". . . the number of [Cuban American] claims would be quite small."

The number of potential Title III litigants is a matter of understandable concern to individuals and companies, such as my client, that hold certified claims against Cuba. The prospects of these claimants receiving a favorable disposition of their long-held claims are very much dependent upon those claims not being diluted in a sea of newly-created Title III causes of action conferred on companies and individuals that did not meet the U.S. nationality requirement of the Foreign Claims Settlement Commission's Cuba program.[1] The reasoning of the certified claimants in opposing Title III of the LIBERTAD bill is straightforward. Each federal court judgment entered against Cuba on behalf of a Cuban national at date of property loss constitutes an additional claim on the limited resources of that country, thereby diluting the value of those claims certified by the Foreign Claims Settlement Commission.[2] It is blindingly obvious what Title III is meant to do, that is, to bypass the adjudicatory process of the Foreign Claims Settlement Commission—that Cuban Americans did not qualify for on prerequisite citizenship grounds—and create an unprecedented claims program in the federal courts on behalf of that specific national-origin group.

With the foregoing concerns of certified claimants in mind, I offer the following observations: First, I believe that your July 24 letter's figure of a maximum of 15,000 lawsuits to be expected from Cuban American individuals and companies if the LIBERTAD bill is enacted constitutes a serious understatement of the real number of such lawsuits. Second, your Office's subsequent failure to provide any estimate of potential lawsuits in your July 31 letter—except to say that the number will be "quite small"—warrants, I respectfully submit, at least some explanation. Third, your descriptions of Title III as only creating a right for U.S. nationals to "take civil action against persons or companies that traffic in confiscated properties," obscures a key provision of the LIBERTAD bill; that is, that it allows direct suits against the nation of Cuba itself—via its various agencies and instrumentalities—for "trafficking" in confiscated property.[3] Certain proponents of the LIBERTAD bill have created the entirely misleading impression that it is aimed only at what they describe as "third party [i.e. corporate] "traffickers," and, because there are comparatively few such corporate "traffickers", few lawsuits are to be expected if Title III is enacted. Unfortunately, I believe you have fallen into their trap by excluding from consideration in your estimate of potential lawsuits what will be the overwhelmingly most frequently named defendant—Cuba itself.[4] Fourth, the newly-added $50,000 "amount in controversy" requirement of Title III will not greatly restrict Section 302 lawsuits, as your letter suggests it will.

To elaborate on my last point first, the figure of $50,000 in controversy requirement of Title III relates to the value of the property that is being "trafficked" in; e.g., that is being, among other things, "used . . . or profited from . . ." Under Title III each trafficker must pay, in damages, the "fair market value" of the property being trafficked in to anyone who "owns a claim" to that property. (See, Section 302(a)(i)). A property—as will be demonstrated in a moment—

Footnotes at end of article.

that was worth as little as $3,500 in 1960 will today meet the bill's requirement of $50,000 in controversy. This is the case because, in calculating whether a given property has a value of $50,000 or more for the purposes of Title III, the following things are included: (1) Interest is added from the time of property loss and compounded annually. (See, Section 302(a)(1)(B)). If only 6% interest is applied to Title III court judgments (as was the case in Foreign Claims Settlement Commission decisions relating to Cuba) the compounded interest component alone, over a period of 35 years, increases the value of the property by 500%. Therefore a property with a value of $3,500 in 1960 equals an "amount in controversy" of $17,500 today. (2) Title III allows for the virtually automatic trebling of the value of any previously determined "sum" (to reiterate, interest is specifically included in determining the "sum" to be trebled). For such trebling to occur Section 302(a)(3) merely requires that a "trafficker" be given notice twice of an "intention to institute suit" before that trafficker becomes liable for "triple the amount determined" under 302(a)(ii). In filing suit a plaintiff will allege in his complaint that requisite notices were given and ignored and, therefore, that the amount of damages sought (i.e. the "amount in controversy") is the value of the property trebled. All of this means that a property with a 1960 value of $3,500 has, with compounded annual interest at 6%, become worth $17,500; when that figure is trebled it becomes $52,500 and comfortably meets Section 302(b)'s requirement of a "matter in controversy [that] exceeds the sum or value of $50,000."[5]

To return to the issue of the actual number of lawsuits the LIBERTAD bill is likely to engender if it becomes law, a Department of the Army publication reports that some 800,000 Cubans settled in the United States between January 1, 1959 and September 30, 1980. (See, "Cuba, A Country Study" (1985) at pg. 69–70, citing a National Research Council study). If we assume that a further 10,000–12,000 Cubans have entered the U.S. annually in the past 15 years, a total of 1 million Cubans have taken up residence in the U.S. since Fidel Castro came to power. The question put to CBO was, in essence: How many of these Cuban Americans may be expected to file suit with respect to "claimed" properties in Cuba if Section 302 is enacted? To further distill the question, it may be restated as: How many damage suits will be brought with respect to Cuban properties that were worth at least $3,500 in 1960?

In the first place, many of the hundreds of thousands of Cubans who suffered property losses in Cuba have died in the intervening 30–35 years.[6] Accordingly, any "claims" relative to properties located in Cuba that might be asserted in a Section 302 lawsuit, as likely as not, will be filed by the children and even grandchildren of the now deceased former owners. The broad definition given the word "property" (i.e. "future or contingent right . . . or other [property] interest") at Section 4(11) of the bill ensures such a result.[7] This fact alone will greatly increase the number of suits relative to any one Cuban property that may be expected under Section 302 of the LIBERTAD bill. (According to the same Department of the Army study quoted in the preceding paragraph, in 1958 the Cuban total fertility rate—i.e. the average number of children born to each woman—was 3.8. This gives us a sense of the number of descendants likely to assert a claim to any one decedent's former properties in Cuba).

Second, many of the properties in Cuba that will be the subject of Section 302 lawsuits had multiple ownership interests. Again, Section 4(11)(A) defines "property" as including any property ". . . whether real, personal, or mixed, or any present, future, or contingent right, security, or other interest therein, including any leasehold interest." Therefore, in the agricultural sector for example we can expect claims to be filed by the descendants of not only the owners of the property but also descendants of those who produced commodities from the land under various colono arrangements, or those who held leasehold, mortgage or other interests in the confiscated property. The same is true of the service and industrial sectors of the Cuban economy. This greatly expands the number of suits to be expected if Title III of the LIBERTAD bill becomes law. (By the way, your letter of July 24 misstates the intent of Title III when your projected figure of 15,000 possible litigants are described in terms of having had "commercial property confiscated in Cuba"; thereby creating the erroneous impression that only such properties are subject to suit. The requirement of the statute is not that the property have been "commercial"—under Section 4(9)(A)'s definition it can have been real or personal property, or any other type of property interest for that matter. The test for commencing litigation is whether the subject property is being used at the time of suit "in the conduct of a commercial activity." (See Section 302(a)(1). Therefore an originally non-commercial property (a residence, for instance) that is now being used in whole or perhaps even in part in a commercial vein such as, as a bicycle repair shop, or a hairdressers, or as business or professional offices, would be subject to suit under Section 302. In short, residential properties are exempt from suit under the LIBERTAD bill only to the extent that they are being, "used for residential purposes." (See, Section 304(11)(B). I will return to the issue of residential properties later in this letter).

In any event, even if we set aside for a moment the multiplicity of litigants and property interests that will assert themselves with respect to any one property, how many actual properties in Cuba may be subject to suit if Title III is enacted? The truth is, no one really knows for certain—but some informed estimates can be made.

In 1959 when the first departures for the U.S. from Cuba began, that country had a population of approximately 6.5 million. We can begin our analysis of potential lawsuits to be expected under Title III by first considering the number of various service establishments that may have existed in prerevoluntionary Cuba to serve a population of that size. (Examples of such service establishments would include restaurants; hotels; clothing shops; bars; groceries; dry goods stores; abattoirs and butchers; barbers and hairdressers; automobile service stations, distributors and parts suppliers; appliance shops; construction companies and building materials suppliers; shoeshops; hardware and feed stores; farm provisioners; laundries; touristic enterprises ranging from marinas and casinos, to nightclubs and theaters; department stores; bank branch offices; drugstores; clinics and professional office buildings used by doctors, dentists, accountants, architects, and lawyers—e.g., there were 7,858 attorneys in Cuba according to the 1953 census). If we arbitrarily—but certainly reasonably—assume that one of each type of service establishment existed per each 500 head of population, a total of approximately 12,000 such enterprises existed in each service category. We will assume, conservatively, that only 15 categories existed in pre-revolutionary Cuba. More than 15 such categories of course existed, but by limiting the number of categories we are able to correct our overall figure to allow for some service industries that had individual establishments (for example bank branches) at a rate of less than one per 500 head of population. When we multiply 12,000 service establishments times 15 categories of such establishments, we reach a total of 180,000. If as few as ⅓ of the owners of those establishments (again, a very conservative figure) settled in the U.S., a total of 60,000 service industry properties are likely to be the subject of lawsuits in federal courts if the LIBERTAD bill is enacted.[8] But, to reiterate an earlier point, each of these properties is capable of having multiple suite filed against it by the descendants of the original owners. If only two such descendant suits are brought on average with respect to each property, a total of 120,000 suits can be expected. Finally, if only one additional claim, on average, is brought by an individual alleging, for example, a leasehold, mortgage or security interest in each property, our total reaches a figure of 180,000 lawsuits to be expected from the Cuban service sector alone.

Turning to the Cuban industrial, manufacturing and transportation sectors, how many lawsuits might they engender? Again, it is difficult to know with any certainty. But, let us assume only 1,000 industrial, manufacturing and transportation properties in such representative enterprises as sugar production; tobacco manufacturing; fishing and seafood processing; rum distilling; brewing; steel making; cosmetic and toiletry manufacturing; mining; warehouses and freight lines; construction materials manufacturing; oil processing and distribution; meat packing; electronic goods and other durables manufacturing; and, finally, railroads, ferries and other modes of transportation. The lawsuits from this sector of the Cuba economy, it should be noted, will not be limited to the claims of the companies themselves. Section 4(11) of the LIBERTAD bill defines "property" to include any "security interest." Therefore, the shareholders in these industrial, manufacturing and transportation sectors of pre-revolutionary Cuba will be filing individual lawsuits if Title III is enacted. How many such lawsuits will be filed is really anyone's guess. But let us assume that each enterprise had even 100 shareholders now naturalized in the U.S. whose individual shareholdings were worth at least $3,500 thirty-five years ago. This means that a further 100,000 lawsuits may be expected—with again the fact that descendants of the original owners will be filing most of the suits ensuring that the figure of 100,000 is considerably enlarged.[9]

Then there are the lawsuits to be expected from Cuba's agricultural sector. Once again, it is difficult to quantify the number of such lawsuits—particularly when most agricultural properties had multiple interests encumbering them, such as colono and various other tenure and leasing arrangements. But if we pick a figure of at least 25,000 rural properties (out of a total of over 150,000 such properties[10]) whose owners emigrated to the U.S. and that had a value in 1960 of at least $3,500, and if we then assume two overlapping property interests asserted with respect to each property (e.g., a fee simple and a colono interest) by an average of two descendants claiming such interests, we arrive at a figure of 100,000 lawsuits generated by Cuba's agricultural sector.

Finally, there are the lawsuits that will be brought with respect to properties that, although originally residential, are now being used, in the language of Section 302(a)(1), in "the conduct of a commercial activity" and therefore are not exempt from suit under Section 4(11)(B)'s exception for "real property used for residential purposes." (Emphasis added). Cuba has no modern office blocks to speak of and very few purpose-built service premises of any kind. Therefore a great many formerly residential buildings are now used as commercial, professional or governmental premises. (It will be recalled that agencies and instrumentalities of the government of Cuba may be sued if they are using property in the conduct of a commercial activity). In any of those cases if the activity going on in the property is commercial in nature—that property is subject to suit under Title III. Given that whole sections of Havana that were formerly residential, such as Vedado and Miramar, are now being used in some form of commercial manner (even if only as a workshop or small restaurant (paladare) under recently liberalized self-employment laws) thousands of lawsuits may be expected from this quarter. In virtually every one of these cases the $3,500 threshold (in 1960 values) will be comfortably met. We will very conservatively assume that only 25,000 residential properties will be the subject of suit if Title III is enacted.[11] If, as is predictable, an average of as little as two lawsuits (by either descendants' interests or mortgage, etc. interests) are brought with respect to each property, our final figure from this sector totals 50,000 federal court litigations.

To summarize, the number of lawsuits to be reasonably expected if the LIBERTAD bill becomes law include: 180,000 in the service sector, 100,000 in the industrial, manufacturing and transportation sector, 100,000 from the agricultural sector and 50,000 from residential properties that are now being used "in the conduct of a commercial activity"—for a total of 430,000 lawsuits. Using your letter's figure of $4,500 in processing costs per lawsuit, 430,000 litigations will require the expenditure of $1,935,000,000 (or nearly $2 billion) by the federal government in court costs alone if Title III of the LIBERTAD bill is enacted.

As I have previously remarked, your letter says that, because of the newly-added $50,000 amount in controversy requirement of Title III, "CBO expects that the number of additional claims [i.e. from Cuban Americans] would be quite small." I have tried to demonstrate that the figure of $50,000 is illusory because the threshold amount can be met, within the terms of the proposed statute, by demonstrating that the property at issue was worth as little as $3,500 in 1960. But there is a second point I wish to make in this regard, that is, I believe your letter reveals a misplaced trust in the self-policing character of the American litigation system. In the case of the $50,000 amount in controversy requirement of Title III; (i) it will quickly become known by potential plaintiffs that they need only show a property value of $3,500 in 1960 in order to qualify to file suit, and (ii) even if there is a doubt as to whether a property interest was worth $3,500, isn't it predictable that many people will go ahead and aver that, at least upon information and belief, the $50,000 amount in controversy requirement has been met and let the court resolve whether or not it really has? (Although upon what controverting evidence a court would be able to dismiss a claim as monetarily insufficient is unclear). In essence, I suppose I question your basic assumption that an "amount in controversy" requirement of a statute can ever realistically be expected to dissuade potential litigants from commencing suit. This is particularly so with Title III of the LIBERTAD bill, which is overtly about an unprecedented use of the U.S. civil justice system to promote certain foreign policy objectives with respect to a particular country. Can we as a nation claim to be surprised when hundreds of thousands of Cuban Americans zealously (and quite patriotically in their view) file lawsuits against Cuban properties? Is something like an amount in controversy requirement of a U.S. statute really going to much dampen the litigious excitement the LIBERTAD bill will ignite in south Florida?

It is worth reiteration that all a plaintiff must show to receive a judgment against Cuba and other "traffickers" under Title III is, (i) ownership of a "claim" to property, and (ii) that the property is being used in a commercial manner by the government of Cuba or a private company or individual. As far as establishing the value of properties being "trafficked" in (in order that litigants may receive that sum as "damages"), we may trust that a body of experts will develop in Florida to provide appraisal evidence as to property values in pre-revolutionary Cuba. And, as is the nature of most experts, they may be expected to assess the value of properties in a way that is agreeable to the plaintiffs' lawyers who seek and retain their services and who are probably bringing the case on a not disinterested contingency fee basis. In short, it will be a very rare property that is not confidently asserted to have a value well in excess of the amount in controversy requirement of Title III.

For all of the reasons set out above, there can be little doubt that if Congress passes Title III it will produce a litigation explosion of a magnitude never before seen in this country.[12] I genuinely believe you could not be more wrong in your July 31 opinion that the "claims [of Cuban Americans] will be quite small and that additional costs to process these claims [will] not be significant." I have tried in this letter to explain and demonstrate the basis of my belief. No claim is made that the estimates appearing in this letter are beyond reasoned dispute from either direction. For example, it may be the case that service establishments existed in Cuba, on average, at the rate of one per 1,000 head of population rather one per 500, as argued earlier in this letter. If so, that would reduce the number of service sector lawsuits by half, to a total of 90,000. As a result, the final figure of lawsuits to be expected would be 340,000 instead of 430,000. On the other hand, we could probably easily double the estimate of 50,000 lawsuits expected to arise from Cuba's residential property sector—with more such suits to come with each liberalizing economic step of the Cuban government that allows broader scope for self-employment and small business formation. The point is, thoughtful adjustments can and should be made to the total number of lawsuits projected to be ultimately engendered by Title III of the LIBERTAD bill. However, I think it highly credible that the number of lawsuits to be expected must be in the range of 300,000 to 450,000—as large as these figures may seem, there is a logic to their calculation.

On a final point, Section 303(a)(2) of the LIBERTAD bill provides that ". . . a court may appoint a Special Master, including the Foreign Claims Settlement Commission, to make determinations regarding the amount and ownership of claims to ownership (sic) of confiscated property by the Government of Cuba." This provision of Title III leads you to remark in your July 31 letter that: "The Foreign Claims Settlement Commission could incur additional costs because it could be asked to assist the courts in reviewing cases. CBO estimates that the Commission will require several new attorneys and support personal (sic) to fulfill this responsibility, with costs up to about $1 million each year." In assessing your estimate that "several new attorneys" will be required by the Foreign Claims Settlement Commission to determine ownership and value of claims against Cuba it is instructive to consider that that is precisely what the Commission did in the Cuba claims program. In an approximately six-year period between 1965 and 1972, 5,911 claims of U.S. nationals were certified against Cuba—a further 2,905 were denied—making a total of 8,816 claims actually decided, producing a rate of decision of about 1,500 per year. Apparently there were ten attorneys at the Commission who handled the claims against Cuba. Their rate of decision was therefore approximately 150 per year. If Title III produces 400,000 claims from Cuban Americans, the Commission, if it is to determine the ownership and value of these claims over a four year period, will need to employ 665 attorneys if a rate of determination equal to that of the Cuban claims program is to be achieved.[13] If the costs of salarying, accommodating and otherwise supporting these attorneys is as little as $100,000 each per year, the cost to the federal government will reach nearly $250 million over a four year period in simply readying cases for further disposition by the federal courts.

Again, I make no claim of disputability for either my methodology or its ultimate conclusions in this attempt to estimate the number of lawsuits S. 381 may be expected to engender. My purpose in writing has been achieved if the various points raised in this letter prompt a reconsideration by your Office of the litigation implications—and the serious consequential harm to certified claimants such litigation will cause—if Title III of the LIBERTAD bill is enacted in its present form.

Yours sincerely,

ROBERT L. MUSE.

FOOTNOTES

[1] The requirement that a claimant be a U.S. national at the time of property loss appears at Section 503(a) of the Cuban Claims Act (22 U.S.C. Section 1643(b)). This statutory requirement bespeaks the adherence by the U.S. to a long-settled principle of international law. See, e.g. Claim No. IT-10,252, Decision No. IT-62, reprinted in 8 Department of State, DIGEST OF INTERNATIONAL LAW, 1236: "*The principle of international law that eligibility for compensation requires American nationality at the time of loss is so widely understood and universally accepted that citation of authority is scarcely necessary . . .*" The proposed lawsuit provisions of Title III of course would grossly violate that principle of international law.

[2] The Department of State has said that Cuban American claims against Cuba could be worth nearly $95 billion. (See, letter of April 28, 1995 from Wendy R. Sherman, Assistant Secretary, Legislative Affairs, to Chairman Benjamin Gilman of the House Committee on Foreign Relations). To put that figure in perspective, according to a recent Economist Intelligence Unit report on Cuba, that country's Gross Domestic Product in 1994 was 12.8 billion pesos. The official rate of exchange is one peso to one dollar, but the more revealing black market rate has fluctuated between 100 to 25 pesos per dollar over the past year.

[3] Title III's definition of "trafficking" is sufficiently expansive to cover any involvement whatever by the government of Cuba in "claimed" properties. "Traffics" includes: "sells, transfers, distributes, dispenses, brokers, manages, or otherwise disposes of confiscated property, or purchases, leases, receives, possesses, obtains control of, manages, uses, or otherwise acquires or holds an interest in confiscated property [or] engages in a commercial activity using or otherwise benefiting from a confiscated property . . ."

[4] Section 302(a)(1) provides that: ". . . any person or entity, *including any agency or instrumentality of a foreign state [i.e. Cuba]* in the conduct of a commercial activity, that . . . traffics in property which was confiscated by the Government of Cuba on or after January 1, 1959 shall be liable to the United States national who owns a claim to such property for money damages . . ." (Emphasis added). It has been said that your Office is of the view that few suits will be brought against Cuba "because it doesn't have any assets in this country." With all respect, the same reasoning applied to the various Foreign Claims Settlement Commission programs conducted over the years would mean that no one would bother to file claims pursuant to those programs, because rarely does an expropriating nation have significant assets in the U.S. In fact claims are indeed filed under these programs, as it attested to by the 5,911 claims certified against Cuba. The reason those claims were filed was not to recover Cuban assets in this country (there were virtually none here by the time the program commenced), but rather it was to enlist the support of the United States in the bilateral resolution with Cuba of the matter of the American claimants' property losses. Title III lawsuits, it should be remembered, are specifically made nondismissible under Section 302(g)(2). As a set of federal court judgments these Title III suits will come to constitute a future bilateral issue between the United States and Cuba of no less significance than the claims certified against that country by the Foreign Claims Settlement Commission. Indeed, unlike a certified claim, a court judgment carries with it rights of execution and attachment against any assets of the debtor nation that may be found now or in future within the United States. Therefore a government-to-government resolution of such outstanding judgments will prove a future practical necessity. In sum, Cuban Americans would be silly not to file individual Title III suits that they have every reason to believe will force themselves onto the prospective bilateral normalization agenda of the U.S. and Cuba.

[5] When this letter addresses various sectors of the prerevolutionary Cuban economy that are likely to engender Title III property claims, I think it helpful to keep in mind that Cuba was a comparatively affluent country in 1959. Therefore, properties with a value of at least $3,500 were no rarity. See, for example, the *Blue Ribbon Commission Report on the Economic Reconstruction of Cuba*, 1991, prepared by the Cuban American National Foundation, which says at pg. 9: "Before Castro's rise to power on 1 January, 1959, Cuba ranked among the best credit risks and business partners in the Western Hemisphere . . . Buttressed by Cuba's liberal foreign investment laws . . . Cuba's national income doubled between 1945 and 1958. Cuba's per capita Gross National Product ranked third among Latin American nations in 1953, behind Argentina and Venezuela." See also the testimony given to the Trade Subcommittee of the Ways and Means Committee on June 30, 1995 by Congresswoman Ilena Ros-Lehtinen: "Its fertile land, vast tracks of tourist beaches and resorts, and its geographical location, led Cuba to become one of the most developed countries in the hemisphere." In any case, whatever the general level of prosperity may have been in pre-revolutionary Cuba, those who were of the Cuban upper economic echelons came to the United States in highly disproportionate numbers, leaving, of course, disproportionately valuable properties behind in Cuba. This issue will be discussed in greater detail at a later point in this letter.

[6] The life expectancy of Cubans was 64 years in 1960, by late 1984 it had increased to 73.5 years. Even if the latter figure is used a Cuban who was as young as 38½ years old in 1960 is, as a purely actuarial matter, dead today.

[7] Ordinarily the laws of the place of death of the testor (in most Title III cases this will be Florida) will determine inheritance rights. For example, a Florida will provision that says no more than the "remainder of my property shall be divided among my children" would give each heir a cause of action against Cuba under Section 302. Specific bequests and intestacy would carry similar rights of action by inheritance. Interestingly enough Section 303 of the LIBERTAD bill provides that: "In determining ownership, courts shall not accept as conclusive evidence of ownership any findings, orders, judgments, or decrees from administrative agencies or courts of foreign countries [e.g., Cuba] . . ." Therefore, a decedent's actual ownership of a bequeathed Cuban property is statutorily exempted from judicial inquiry.

[8] Assuming that ⅕ of the owners of service establishments settled in the U.S. is not at all unreasonable when it is recalled that those arriving in this country in the aftermath of the Cuban revolution were of the middle and upper strata of Cuban society, i.e., the property-owning class of that country. Given the affluence of the Cubans who settled in the U.S. it is also highly likely that the properties they left behind were, in almost all cases, worth at least $53,500 at the time of confiscation. Of Cuba's population in 1958, 22% (or 1.3 million individuals) were of the upper and middle economic strata. (See, Thomas, *Cuba: The Pursuit of Freedom* (1971) at pg. 1110 where a UNESCO study to that effect is cited). It was precisely that strata of Cuban society that departed for the U.S. in the early 1960's and may be expected to file Title III lawsuits. For example, Cubans emigrating to the United States in the years 1959–62 were four times more likely to have been of the professional, semiprofessional and managerial classes than the general Cuban population. (See, Perez, *Cuba: Between Reform and Revolution (1988)*, at pg. 344. The question is therefore not what the value of the average property in Cuba was in 1960, but, rather, what was the average value of the properties left behind in the early 1960's by the highest socioeconomic strata of that country's population.

[9] Cuban corporate claims themselves present an interesting picture under Title III by virtue of Section 4(14) of the LIBERTAD bill which defines "United States national" as "an legal entity organized under the laws of the United States, or of any state . . . and which has it principal place of business in the United States." In short, there is no requirement that the company actually be owned by U.S. citizens. (In order to qualify as a U.S. national for the purposes of the Cuban Claims Act a corporation had to be 50% or more owned by U.S. citizens. Yet again, Title III departs from international law and abandons the sensible and long-established requirement that a company demonstrate some real connection with the country of its purported nationality). Section 4(14) quite simply means that Cuban exiles in such places as Spain, Venezuela, Mexico, and Costa Rica (or Cubans in the U.S., for that matter, who have not sought U.S. citizenship) need only organize a "legal entity"-i.e. form a corporation in the U.S. and transfer any "claim" they may have against Cuba to that corporation in order to file a Section 302 lawsuit, the filing and prosecution of which will constitute the principal business of the newly-formed U.S. corporation. There is no way of estimating the number of lawsuits this distinctly odd and suspect provision of Title III will engender.

[10] See Perez, *Cuba: Between Reform and Revolution* (1988) at pg. 302, where the author refers to a 1946 study that gives the total number of farms in Cuba at the time as 159,958, of which over 95,000 were of at least 25 acres and, in most cases, were considerably larger.

[11] This figure of 25,000 is arbitrarily selected from the total of over 150,000 housing units abandoned in Cuba when their owners left for the U.S. (See Jorge Dominguez, *Cuba since 1959*, at pg. 124 in CUBA, A SHORT HISTORY (1993) where the author says that from 1959 to 1975 approximately 9,300 housing units in Cuba were abandoned annually as a consequence of emigration. Sociedad Economica of London gives a figure of 139,256 housing units "vacated by emigration between 1960 and 1974," See, *Private Property Rights in Cuba: Housing* (1991)

[12] I am at a loss to recall any statute that upon enactment was capable of immediately generating several hundred thousand lawsuits. Even statutes with a potentially large pool of plaintiffs—for example, various anti-discrimination laws—are mitigated in their impact upon the courts by the fact that they are not retroactive in application. Title III is by contrast distinctly retroactive in its application, in that it provides non-U.S. nationals at time of injury with an *ex post facto* cause of action for injuries occurring, for the most part, over 30 years ago.

[13] In the case of Cuban American Title III claims it may be unrealistic to assume a rate of determination as rapid as that which occurred with respect U.S. nationals' claims. The claims that will be filed by Cuban Americans can be expected in many, if not most cases, to be thinly documented (if documented at all) as a result of circumstances of the claimants' departures from Cuba and the passage of time. See, Edward D. Re, *The Foreign Claims Settlement Commission and Cuba Claims Program*, 1 International Lawyer 81 at pg. 85 (1966): "Past programs have shown that long delays in the initiation of claims programs increase the burden of adjudication. Due to the destruction of records and the unavailability of witnesses, many claims have found difficult substantiate. This is particularly important since Commission Regulation require that claimants 'shall have the burden of proof on all issues involved in the determination of his claim.' The difficulties are increased where there has been lack of cooperation or access in the foreign country". It may be assumed the Mr. Re, as a former Chairman of Foreign claims Settlement Commission, knew what he was talking about. In any event, much of the evidence of ownership and value that Cuban Americans can be expected to present will, of necessity, be testimonial in nature and based largely upon memory and hearsay. It follows that the evaluation of such claims by the Commission under Section 303(a)(2) will prove an exceedingly laborious, time consuming and imperfect process. Ironically, President Johnson remarked, when signing the Cuban Claims Act in 1964 "*. . . the importance of making a permanent record which evidence and witnesses are still available.*" 51 Dept. State Bull. 674(1964). Section 303 proposes, of course, to attempt to create such a record by the Commission, for use in federal lawsuits by naturalized Cuban Americans, fully thirty-one years after President Johnson's remarks.

Mr. DODD. Interestingly, my colleagues and the authors of this bill will say those estimates are way too high, and they will say there will not be that many claimants.

I point out to my colleagues that in an earlier version of the Senate bill, section 301(5)(B)(ii) of that bill specifically makes the point, "Since Fidel Castro captured power in 1959, through his personal despotism he has confiscated the properties of hundreds of thousands of Cubans who claim asylum in the United States as refugees because of political persecution."

I do not argue with that statement at all. I endorse it. The point is you cannot on the one hand claim there will be very few people come forward and simultaneously point out about the hundreds of thousands of people who have legitimate claims against the Cuban Government. I stand by the figure of some 400,000 claims that may result from this change in law.

However, my colleague from North Carolina and supporters now seem to have had a change of heart, as I pointed out, and assert that the number of claims will be minuscule. Their message to us "we did not mean it when we said the Cuban Government confiscated the properties of hundreds of thousands of Cuban immigrants. Do not worry about the legislation burdening U.S. courts."

I suggest that is a high-risk position to take in light of the tremendous costs we could be inflicting on ourselves as a result of this legislation.

Mr. President, the way this measure is drafted, as I pointed out earlier, any potential claimants would be foolish not to file a claim in United States courts because once a democratic government has been established in Cuba the right to instigate new suits, will be terminated. So you have to do it quickly if this bill becomes law. I suspect that many will step forward and seek to do just that.

It seems to me before we move ahead to impose a new mandate in our courts we better understand the extent of the burden we are imposing and how we intend to pay for it. Otherwise we are simply imposing one more unfunded mandate on our economy. This time, in our Federal courts.

As has been pointed out several times today, there are currently 5,911 United States claims—that is claims of individuals who were citizens of the United States at the time of the expropriation, with certified claims against the Government of Cuba.

Under international law, Mr. President, as well as United States law and practice, the United States Government has an obligation to espouse these claims with Cuban authorities. It will do so at the appropriate time with a Government of Cuba that is prepared to accept its responsibilities under international law.

This legislation provides for lawsuits not only against the Government of Cuba but also other governments, foreign nationals, and corporations. I think it is terribly naive to think that other governments are going to sit back and do nothing while their citizens are being sued in U.S. courts for acts that are perfectly legal in their own country.

The World Trade Organization has already warned that provisions of this bill may violate international trade rules. I submit, Mr. President, and ask unanimous consent to have printed in the RECORD an article that that may be the case.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

WTO STATES SUPPORT CUBA OVER U.S. EMBARGO PLAN

GENEVA, July 11.—Cuba won support from other members of the World Trade Organization on Tuesday for a warning that proposed U.S. legislation extending its embargo against Havana would violate the rules of the new body.

Diplomats said the European Union as well as Mexico, Washington's partner in the North American Free Trade Association (NAFTA), and Colombia voiced concern over the pending bill in the United States Congress.

A Cuban trade official, M. Marciota, told the WTO General Council his government was raising the issue "in an attempt to prevent this latest violation of the rules of the international trading system from being enacted."

He called for a "clear and vigorous statement" from the WTO warning both the U.S. administration and Congress "of the legal monstrosity which enactment of this bill would represent."

The measure, introduced by anti-communist Republican senator Jesse Helms, would tighten the 35-year-old embargo by banning the import into the United States of sugar, molasses and syrup from countries which import these products from Cuba.

It would also prohibit the granting of U.S. entry visas for people who have invested in properties nationalised under the communist administration of President Fidel Castro since it came to power in 1959.

The EU has already told Washington it might take a case to the WTO, launched on January 1 under the new world trade treaty signed last year, to protect its rights if the bill went through.

On Tuesday EU ambassador Jean-Pierre Leng told the General Council, the WTO's ruling body, that Brussels had considerable doubts on whether the measures envisaged by the bill's backers were compatible with the trade watchdog's rules.

The issue came to the WTO as other Latin American countries are increasingly ignoring U.S. policies aimed at isolating the communist island, suffering severe economic hardship following the collapse of its long-time ally, the Soviet Union.

Over the past three or four years, Cuba has built up new trade links with most countries in Latin America and begun a cautious switch to market economics including opening up its industrial sector to foreign investment.

Under the rules of the WTO, and its predecessor the General Agreement on Tariffs and Trade, members are allowed to declare trade embargoes if they perceive a threat to their national sovereignty.

The United States has justified its stance against Cuba on these grounds, but many WTO members argue there can be no serious grounds for insisting that Cuba presents such a threat to the United States in the post-Cold War period.

Mr. DODD. Furthermore, I am sure all of my colleagues have received letters and phone calls from Canadian, British, European Union, Mexican Government officials and others, objecting to the legislation as an infringement on their sovereignty and as interfering with their trade relations. Canada and Mexico have both argued that the measure would violate the NAFTA legislation.

This bill is bad for U.S. business. Again, I would not make that the sole criterion, but, please think about what we are doing before we charge ahead here and have tremendous implications that will take some time to undo.

It undercuts efforts by the current administration, and previous ones, to ensure that U.S. investors can expect a stable and predictable environment when they seek to do business abroad. We can hardly insist that our trading partners respect international laws in areas of trade and investment when we ourselves are violating them. You cannot do business that way.

This legislation, if enacted, would disrupt international commercial relations to a significant degree. Under provisions of this bill the United States, in effect, expands its own right to sue in an area of law where we have heretofore studiously defended international law and practice. Having done so, how are we then going to defend the interests of American businesses abroad when a particular government decides that it no longer finds it convenient to follow international law? That would be a tragedy, a mistake.

If, in reaction to this legislation, other nations respond with special interest domestic legislation of their own, U.S. companies could be open to lawsuits throughout the world. Under those circumstances we would be in a very poor position, a very poor one indeed, having enacted this bill, to turn around and defend U.S. interests against a foreign government simply reacting to their own domestic, particular, special interest concerns.

Ironically, this legislation will also thwart the economic reform efforts that have slowly begun in Cuba—privatization, for example. I think all of us believe that the more we can secure privatization in Cuba, the better the results will be. Yet this measure would seriously undermine these efforts by targeting the very interests that are privatizing in Cuba. In effect we say to them, if you continue to undertake certain business activities then we are going to come after you.

You cannot, on the one hand, say we ought to encourage privatization, urge the international community to move in that direction, and then penalize the very elements that are doing it. Yet that is exactly what we will be doing if we enact this bill into law. It does not make any sense, Mr. President.

In fact the House-passed bill would even thwart privatization of the agricultural sector. Cuban farmers, availing themselves of the newly legalized private farmers markets, would be subject to suit in the United States because their produce or livestock may have been raised on confiscated property.

While I believe this legislation damages U.S. interests in all the ways I have just mentioned, I am also of the view it is unlikely to promote democratic or peaceful change in Cuba.

Do we get support in the United Nations for our Cuban policy? Only one country, one, joined the United States recently in voting against a U.N. resolution condemning the U.S. embargo. The one country that voted with us was Israel. Yet, business people from even Israel are doing business in Cuba today. They vote with us in the United Nations, the one vote we get, yet that country now is going to be the subject of the very law we are passing because, if Israel continues to do business in Cuba, Israelis are not going to be able to do business in this country, if their business activities in any way relate to confiscated properties.

Please, read this bill. This is not sound legislation. This is emotion speaking here. It is anger, it is frustration over what has happened in Cuba. But it is not sound thinking at all.

So, again I point out, one country joins us. The entire world votes against us on this issue. The one country that joins us, Israel, a good friend and loyal ally that always supports us in these things, is doing its own business in Cuba. It is one of the 58 countries today doing business in Cuba.

By the way, the countries doing business in Cuba are not all liberal, communist governments. The John Major government of Great Britain, is that some liberal, left wing government? The Government of France today under Chirac, the Government of Germany, are these all bad, rotten, no good characters? Are we now going to subject them to the provisions of this law? That does not make any sense. That is not the way to achieve the desired results that we would all like to see here.

Does anyone seriously believe this bill, if adopted, is likely to persuade other governments to adopt a policy of tightening this embargo and isolating Cuba diplomatically? How long have we heard those speeches? Non-U.S. trade and investment in Cuba have been expanding in recent months, not contracting. Regrettably, I would say, in many ways. But the facts of life are that is what is happening.

According to recent statistics released by the United States-Cuba Trade and Economic Council, businesses from 58 nations have formed more than 200 joint ventures in order to exploit business opportunities in Cuba. With the recent liberalization of Cuba's foreign investment laws, it will be even easier for foreign companies to set up shop in Havana.

Under the recent liberalization of Cuba's investment law, foreign investors will be able to wholly own their investments in most sectors of the Cuban economy.

Again, I am not suggesting in any way this ought to be some reason to start applauding Fidel Castro. I do not at all. I am just stating a fact. That is what is happening. So the idea we are going to get others to join us in these particular moves is not likely. Australia, Austria, Brazil, Canada, Chile, Colombia, Ecuador, China, the Dominican Republic, France, Germany, Greece, Holland, Honduras, Hong Kong, Israel, Italy—the list goes on. In fact, I ask unanimous consent to print in the RECORD all the countries and their companies that are doing business there. Some of these companies come from our strongest allies in the world.

There being no objection, the list was ordered to be printed in the Record, as follows:

[From the U.S.-Cuba Trade and Economic Council, Inc.]

NON-UNITED STATES COMPANIES AND THE REPUBLIC OF CUBA

Corporations and companies cited in the international media as having commercial activities with the Republic of Cuba.

AUSTRALIA

Western Mining Corp.

AUSTRIA

Rogner Group (tourism).

BRAZIL

Andrade Gutierrez Perforacao (oil).
Coco Heavy Equipment Factory (sugar).
Petrobras S.A. (oil).

CANADA

Advanced Laboratories (manufacturing).
Anglers Petroleum International.
Bow Valley Industries Ltd. (oil).
Canada Northwest Energy Ltd. (oil).
Caribgold Resources Inc. (mining).
Commonwealth Hospitality Ltd. (tourism).
Delta Hotels (tourism).
Extel Financial Ltd.
Fermount Resources Inc. (oil).
Fortuna Petroleum.
Fracmaster (oil).
Globafon.
Havana House Cigar and Tobacco Ltd.
Heath and Sherwood (oil).
Hola Cuba.
Holmer Gold Mines.
Inco Ltd. (mining).
Joutel Resources (mining).
LaBatt International Breweries.
Marine Atlantic Consultant (shipping).
MacDonalds Mines Exploration.
Metal Mining.
Mill City Gold Mining Corp.
Miramar Mining Corp. (Minera Mantua).
Pizza Nova (tourism).
Realstar Group (tourism)
Republic Goldfields.
Seintres-Caribe (mining).
Sherrit Inc. (mining).
Talisman Energy Inc.
Teck (mining).
Toronto Communications.
Val d'Or (mining).
Wings of the World (tourism).

CHILE

Dolphin Shoes (clothing).
Ingelco S.A. (citrus).
Latinexim (food/tourism).
New World Fruit.
Pole S.A. (citrus).
Santa Ana (food/tourism).
Santa Cruz Real Estate (tourism).

COLOMBIA

SAM (an Avianca Co.) (tourism).
Intercontinental Airlines.
Representaciones Agudelo (sporting goods).

ECUADOR

Caney Corp. (rum).

CHINA

Neuke (manufacturing).
Union de Companentes Industrials Cuba-China.

DOMINICAN REPUBLIC

Import-Export SA (manufacturing).
Meridiano (tourism).

FRANCE

Accord (tourism).
Alcatel (telecommunications).
Babcock (machinery).
Bourgoin (oil).
Compagnie Europeene des Petroles (oil).
Devexport (machinery).
Fives Lille (machinery).
Geopetrol.
Geoservice.
Jetalson (construction).
Maxims (cigars-owned by Pierre Cardin).
OFD (oil).
OM (tourism).
Pernod Ricard Group (beverages/tourism).
Pierre Cardin.
Pompes Guinard (machinery).
Societe Nationale des Tabacs (Seita) (tobacco).
Sucres et Donrees (sugar).
Thompson (air transport).
Total (oil).
Tour Mont Royal (tourism).

GERMANY

Condor Airlines (charters for Lufthansa).
LTU (LTI in Cuba) (tourism).

GREECE

Lola Fruits (citrus).

HOLLAND

Curacao Drydock Company (shipping).
Golden Tulips (tourism).
ING (banking).
Niref (minerals).

HONDURAS

Facuss Foods.

HONG KONG

Pacific Cigar.

ISRAEL

GBM (citrus).
Tropical (manufacturing).
World Textile Corp. S.A.

ITALY

Benetton (textiles).
Fratelli Cosulich (gambling).
Going (tourism).
Italcable (telecommunications).
Italturis (tourism).
Viaggo di Ventaglio (tourism).

JAMAICA

Caricom Investments Ltd. (construction).
Craicom Traders (Int'l mrktg of Cuban products).
Intercarib (tourism).
Superclubs (tourism).

JAPAN

Mitsubishi (auto/tourism).
Nissan Motor Corp. (auto).
Nissho Iwai Corp. (sugar).
Toyota.
Sumitomo Trading Corp. (auto).
Suzuki Motor Corp. (auto).

MEXICO

Aero-Caribe (subsidiary of Mexicana de Aviacion).
Bufete Industrial.
Cemex (construction).
Cubacel Enterprises (telecommunications).
Del Valle (manufacturing).
Domeq (export—rum).
DSC Consortium (tourism).
Grupo Domos (telecommunications).
Grupo Industrial Danta (textiles).
Grupo Infra de Gases.
Incorporacion International Comercial (beer).
Industrias Unidas de Telephonia de Larga. Distancia.
La Magdalena Cardboard Co.
Mexpetrol (oil).
Pemex.
Bancomex.
Mexican Petroleum Institute.
Protexa.
Bufete Industrial.
Inggineiros Civiles Asociados.
Equipos Petroleos Nacionales.
Telecomunicacionales de Mexico.
Vitro SA (manufacturing).

PANAMA

Bambi Trading.

SOUTH AFRICA

Anglo-American Corp. (mining).
Amsa (mining).
De Beers Centenary (mining).
Minorco (mining).
Sanachan (fertilizers).

SPAIN

Caball de Basto S.L.
Camacho (manufacturing).
Consorcio de Fabricantes Espanoles, Cofesa.
Corporacion Interinsular Hispana S.A. (tourism).
Esfera 2000 (tourism).
Gal (manufacturing).
Guitart Hotels S.A.
Grupo Hotelero Sol.

Hialsa Casamadrid Group.
Iberia Travel.
Iberostar S.A. (tourism).
Kawama Caribbean Hotels.
K.P. Winter Espanola (tourism).
Miesa SA (energy).
National Engineering and Technology Inc.
Nueva Compania de Indias S.A.
P&I Hotels.
Raytur Hoteles.
Sol Melia (tourism).
Tabacalera S.A. (tobacco).
Tintas Gyr SA (ink manufacturer).
Tryp (tourism).
Tubos Reunidos Bilbao (manufacturing).
Vegas de la Reina (wine imports).

SWEDEN

Foress (paper).
Taurus Petroluem.

UNITED KINGDOM

Amersham (pharmaceuticals).
BETA Funds International.
Body Shop International (toiletries).
British Berneo PLC (oil).
Cable & wireless comm.
Castrol (oil).
ED&F Man (sugar).
Fisions (pharmaceuticals).
Glaxo (pharmaceuticals).
Goldcrop Premier Ltd. (manufacturing).
ICI Export (chemicals).
Ninecastle Overseas Ltd.
Premier Consolidated Oilfields.
Rothschild (investmant bank).
Simon Petroleum Technology.
Tate & Lyle (sugar).
Tour World (tourism).
Unilever (soap/detergent).
Welcomme (pharmaceuticals).

VENEZUELA

Cervecera Nacional.
Covencaucho.
Fiveca (paper).
Fotosilvestrie.
Gibralter Trading (steel).
Grupo Corimon.
Grupo Quimico.
Ibrabal Trading.
Interlin.
Intesica.
Mamploca.
Mamusa.
Metalnez.
MM internacional.
Pequiven.
Plimero del Lago.
Proagro.
Sidor.
Venepal.
Venoco.

Mr. DODD. So, of course, as a result of the provisions in this bill and other regulations, we will be forced to sit on the sidelines here when the change begins to happen. And only after democracy comes to Cuba will we be able to fully engage with the new government down there. The requirements mandated by the House passed bill that must be met by the post-Castro government for it to be considered in transition to democracy and eligible for emergency humanitarian assistance are very stiff.

I ask unanimous consent that those requirements be printed at this particular point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SEC. 205. REQUIREMENTS FOR A TRANSITION GOVERNMENT.

For purposes of this Act, a transition government in Cuba is a government in Cuba which—

(1) is demonstrably in transition from communist totalitarian dictatorship to representative democracy;

(2) has recognized the right to independent political activity and association;

(3) has released all political prisoners and allowed for investigations of Cuban prisons by appropriate international human rights organizations;

(4) has ceased any interference with Radio or Television Marti broadcasts;

(5) makes public commitments to and is making demonstrable progress in—

(A) establishing an independent judiciary;

(B) dissolving the present Department of State Security in the Cuban Ministry of the Interior, including the Committees for the Defense of the Revolution and the Rapid Response Brigades;

(C) respecting internationally recognized human rights and basic freedoms as set forth in the Universal Declaration of Human Rights, to which Cuba is a signatory nation;

(D) effectively guaranteeing the rights of free speech and freedom of the press;

(E) organizing free and fair elections for a new government—

(i) to be held in a timely manner within a period not to exceed 1 year after the transition government assumes power;

(ii) with the participation of multiple independent political parties that have full access to the media on an equal basis, including (in the case of radio, television, or other telecommunications media) in terms of allotments of time for such access and the times of day such allotments are given; and

(iii) to be concluded under the supervision of internationally recognized observers, such as the Organization of American States, the United Nations, and other elections monitors;

(F) assuring the right to private property;

(G) taking appropriate steps to return to United States citizens (and entities which are 50 percent or more beneficially owned by United States citizens) property taken by the Cuban Government from such citizens and entities on or after January 1, 1959, or to provide equitable compensation to such citizens and entities for such property;

(H) granting permits to privately owned telecommunications and media companies to operate in Cuba; and

(I) allowing the establishment of independent trade unions as set forth in conventions 87 and 98 of the International Labor Organization, and allowing the establishment of independent social, economic, and political associations;

(6) does not include Fidel Castro or Raul Castro;

(7) has given adequate assurances that it will allow the speedy and efficient distribution of assistance to the Cuban people;

(8) permits the deployment throughout Cuba of independent and unfettered international human rights monitors; and

(9) has extradited or otherwise rendered to the United States all persons sought by the United States Department of Justice for crimes committed in the United States.

SEC. 206. REQUIREMENTS FOR A DEMOCRATICALLY ELECTED GOVERNMENT.

For purposes of this Act, a democratically elected government in Cuba, in addition to continuing to comply with the requirements of section 205, is a government in Cuba which—

(1) results from free and fair elections conducted under the supervision of internationally recognized observers;

(2) has permitted opposition parties ample time to organize and campaign for such elections, and has permitted full access to the media to all candidates in the elections;

(3) is showing respect for the basic civil liberties and human rights of the citizens of Cuba;

(4) has made demonstrable progress in establishing an independent judiciary;

(5) is substantially moving toward a market-oriented economic system;

(6) is committed to making constitutional changes that would ensure regular free and fair elections that meet the requirements of paragraph (2); and

(7) has made demonstrable progress in returning to United States citizens (and entities which are 50 percent or more beneficially owned by United States citizens) property taken by the Cuban Government from such citizens and entities on or after January 1, 1959, or providing full compensation for such property in accordance with international law standards and practice.

Mr. DODD. I am not going to list all of these requirements now, but I ask my colleagues to read section 205 of the House bill. It is hard to disagree with any of these. But the idea that we specifically exclude certain people from even being elected in their own country as a requirement of that country being in transition to democracy seems to be getting to deeply into the nitty gritty of another country's affairs. I do not think anyone can read these requirements and think that they are realistic. To think that a country must meet absolutely meet every one of these requirements before we can even do business with the new government down there is preposterous.

Assuming we had a change in that country, any kind of change at all, I think we would want to engage that new government. But no, under provisions in the House bill we have to wait until all these conditions—they go on for a page and a half here—are met. If we had applied those standards to the transitions that took place in the former Soviet Union, in Poland, and elsewhere in Eastern and Central Europe, we might have missed real opportunities to make a difference for democracy. In fact, many of these Newly Independent States have yet to meet all of the standards that we seek to impose on a post-Castro Cuba. If you applied the specifics to them today, for example, we have some people being elected in these countries that are former Communists—that would violate these standards. That does not make any sense. It is unrealistic and it is not a good idea. I wonder what would have happened in Poland, or in Russia, if we had applied the same kind of provisions of law.

Again, it is not just me speaking here. Last month the Inter-American Dialog issued its second report on Cuba. A number of very distinguished individuals were involved in crafting the report, Republicans as well as

Democrats, and distinguished foreign policy experts. I will ask the list of these members be printed in the RECORD. But let me just read some. Among the participants were Elliot Richardson, Oscar Arias, former President of Costa Rica, John Whitehead, former Deputy Secretary of State in the Reagan administration—we are not talking about some liberal Democrats here, who wrote the report. Listen to what they have to say. I ask unanimous consent that the full list of the members of that group be printed in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

MEMBERS OF THE INTER-AMERICAN DIALOGUE TASK FORCE ON CUBA

Elliot L. Richardson (Chair), Partner, Milbank, Tweed, Hadley and McCloy, Former U.S. Attorney General and Secretary of Defense.

Jorge I. Domínguez (Coordinator), Professor of Government, Harvard University.

Raúl Alfonsín, Former President of Argentina.

Oscar Arias, Former President of Costa Rica.

Peter D. Bell, President, Edna McConnell Clark Foundation, Co-Chair, Inter-American Dialogue.

Sergio Bitar, National Senator, Chile.

McGeorge Bundy, Scholar-in-Residence, Carnegie Corporation of New York, Former U.S. National Security Advisor.

Alejandro Foxley, President, Christian Democratic Party of Chile, Co-Chair, Inter-American Dialogue.

Peter Hakim, President, Inter-American Dialogue.

Ivan Head, Professor of Law, University of British Columbia, Canada.

Osvaldo Hurtado, Former President of Ecuador.

Abraham F. Lowenthal, President, Pacific Council on International Policy.

Jessica T. Mathews, Senior Fellow, Council on Foreign Relations, Columnist, The Washington Post.

Alberto Quirós Corradi, President, Seguros Panamerican, Venezuela.

Maurice Strong, Chairman, Ontario Hydro, Canada, Chairman, Earth Council.

Viron P. Vaky, Senior Fellow, Inter-American Dialogue, Former U.S. Assistant Secretary of State.

John Whitehead, Chairman, AEA Investors, Inc., Former U.S. Deputy Secretary of State.

Mr. DODD. The task force offered a number of recommendations to both the Cuban and United States Governments, designed to enhance the prospects for peaceful democratic change in Cuba. Among other things, and I am quoting:

> [It] urges the defeat of the Cuban Liberty and Democracy Solidarity Act.

I do not think John Whitehead, Elliot Richardson, or Oscar Arias, former President of Costa Rica, and a leading opponent in Central America against the Sandinista Government, are great friends or proponents of Fidel Castro. But they said this bill is a bad idea, a bad idea. Think twice before you do this.

Why is this bill bad? Because "It would injure and alienate ordinary Cubans, weaken Cuba's civil society—as threadbare as it may be—and retard Cuba's democratization. It would also reduce prospects for U.S. cooperation with other countries on Cuba."

I ask my colleagues to take a look at these recommendations, by this group of distinguished panelists who are bipartisan in nature.

I ask unanimous consent the report of the Inter-American Dialog Task Force be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

[The Second Report of the Inter-American Dialogue Task Force on Cuba]

CUBA IN THE AMERICAS: BREAKING THE POLICY DEADLOCK

SUMMARY OF RECOMMENDATIONS

The prospects for change in Cuba are today greater than at any time since 1959. Yet, current U.S. policy neither encourages change in Cuba nor advances U.S. national interests. For their part, Cuban government policies continue to poorly serve the interests of the Cuban people. The unbending policies of the two countries—perpetuated by national pride on both sides—have allowed a continuing deterioration in Cuba's circumstances and increased the dangers of violent conflict. Our recommendations have one fundamental purpose: to enhance the prospects for peaceful, democratic change in Cuba.

To the Government of Cuba

We urge Cuba's leaders to put their claim of public support to the test of free and fair elections that are internationally monitored.

Political prisoners should be freed, and the laws that repress dissent and prevent the operation of independent organizations should be repealed.

Cuba should broaden its economic reform program and adopt policies necessary to qualify for membership in the World Bank and International Monetary Fund.

To the U.S. Government

U.S. policy toward Cuba should be redirected to the objectives put forth by the past two administrations—to encourage a peaceful transition to democracy in Cuba. Cuba no longer poses a security threat to the United States. The main danger to U.S. national interest in Cuba is the prospect of prolonged violence, which could provoke mass migration and U.S. military action.

U.S. interests in Cuba would be most advanced by pursuing three concrete goals:

To reduce hostility in U.S.-Cuban relations:

The United States should consistently make clear that it has no intention of invading Cuba. It should condemn violent actions by the exile groups, notify the Cuban government of U.S. military exercises near Cuba, and encourage military attachés throughout the world to communicate with Cuban counterparts.

U.S. Cuba policy should give greater weight to humanitarian concerns by allowing charities to engage in all necessary financial transactions to advance their work, permitting Cuban-Americans again to aid relatives in Cuba, and lifting all restrictions on shipments of food and medicine.

Radio Marti should broadcast objective news, not propaganda, and should be politically independent. TV Marti should be canceled because it violates international conventions.

To encourage private markets, the rule of law, and independent organizations:

The U.S. government should exempt from its embargo all transactions that foster communications between the peoples of Cuba and the United States, specifically removing all obstacles to travel to Cuba and encouraging cultural and scientific exchanges between the two nations.

The United States should encourage the World Bank and IMF to work with the Cuban government to establish a path toward eventual membership. This may be the single best way to encourage sustained economic reform in Cuba. Washington should also support the efforts of Secretary-General Gaviria to involve the OAS in reviewing Cuba's hemispheric relations.

To promote pragmatic exchange between the U.S. and Cuban Governments:

The United States should make plain that economic and political reforms by Cuba—such as releasing political prisoners, accepting UN human rights monitors, allowing political dissent, and legalizing the formation of small businesses—would be met by parallel changes in U.S. policy toward Cuba. Both the U.S. and Cuban governments should undertake a controlled process of specific initiatives, conditioned understandings, and convergent steps, all limited in scope, but which together could cumulatively open the way for more substantial changes.

The United States should indicate its readiness to negotiate agreements with Cuba on issues in which both countries have coinciding interests. The United States and Cuba, for example, have both gained by recent agreements on immigration, and negotiations in this area should continue. Cuba and the United States would also benefit from cooperation to interdict drug traffickers, reciprocally inspect nuclear power plants, forecast weather-related disasters, and protect the environment.

The U.S. Embargo

We urge defeat of the Cuban Liberty and Democratic Solidarity Act—better known as the Helms-Burton legislation. It would injure and alienate ordinary Cubans, weaken Cuba's civil society, and retard Cuba's democratization. It would also reduce prospects for U.S. cooperation with other countries on Cuba. We continue, however, to oppose fully dismantling the trade embargo. The embargo can serve as a practical element of policy, if it is used as a bargaining chip in negotiations with Cuba of the kind we have recommended. A permanent situation of crisis around Cuba is unacceptable. Provoking an even more severe crisis is not a solution. The U.S. government should be prepared, step by step, to lift its trade embargo in response to specific initiatives taken by the Cuban government. What is needed from the United States is active bargaining, not passive waiting or the tightening of pressure without regard to the consequences.

Mr. DODD. I also think it behooves us to listen to the people who have stayed in Cuba for the last 30 years, who also want to see Castro go; who have experienced firsthand the impact of our policies. Speaking for this group, the Cuban Conference of Catholic Bishops has said that the passage of this legislation to tighten the embargo would contribute to "an increase in the suffering of the people and risk of violence in the face of desperation."

Again, these are not supporters of Fidel Castro. These are the people who have been in the frontlines in Cuba, fighting for change.

Mr. President, former National Security Adviser to President Carter, Zbigniew Brzezinski, had a very thoughtful article printed in the Houston Chronicle at the time of the refugee crisis last fall—again, someone whom I think all of us would agree was not soft on Castro, as some people like to use those words with anyone who disagrees with them. The title of this article is "Soft Landing or a Crash Dive in Store for Cuba?" Mr. Brzezinski laid out the alternative courses, and there are some, that we could follow in relations to Cuba to achieve the desired results. He concluded that it was in our interests for there to be a peaceful transition to a non-Communist regime in that country, rather than promote a social explosion and the concomitant tidal wave of Cuban humanity toward our shores.

Mr. President, I ask unanimous consent the article by Mr. Brzezinski be printed in the RECORD at this point, as well.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Houston Chronicle, Sept. 8, 1994]

SOFT LANDING OR A CRASH DIVE IN STORE FOR CUBA?

(By Zbigniew Brzezinski)

The Cuban regime is in its terminal stage. The critical issue at stake is whether its final gasp will be violent or relatively benign. American policy must make the strategic choice as to whether a "crash landing" scenario is preferable to a "soft landing."

As things are now headed, a bloody crash landing for the Castro regime is becoming more likely. U.S. sanctions are intensifying social and political tensions on the island. An explosion could occur before too much time has passed.

What then?

If an anti-Castro revolution succeeds quickly, the outcome may be viewed as beneficial to the United States as well as to the Cuban people themselves. The 35-year-old communist experiment in the Western Hemisphere will have gone up in the smoke of the final funeral pyre for the failed Marxist Utopia. It would be a fitting "Gotterdammerung" for a regime that was dedicated to violence and which ruled by violence.

But the explosion may not succeed. Castro is not only the Stalin of the Cuban revolution; he is also its Lenin. He does have considerable residual loyalty, not only among the ruling party-army elite, but within some sections of society.

It is also quite conceivable that Castro, faced with the realization that U.S. sanctions are stimulating an uprising, may use the current migration first to weaken the opposition and then, quite deliberately, to provoke an explosion which he can then more easily crush.

What then? Will the Clinton administration, which has made so much of the idea of "restoring" democracy to Haiti, sit back and do nothing while Cuban freedom fighters are crushed? Or will the United States launch an invasion of Cuba to finish the job?

The current policy of imposing intensifying social hardships on Cuba while condemning its regime—thereby also causing a greater outflow of migrants—only makes sense if the U.S. goal is to precipitate the early fall of the Castro regime. In that case, the United States must be ready to follow through on the strategic logic involved, while, indeed, rebuffing any Cuban proposals of wider negotiations.

In effect, the strategy of precipitating a "crash landing" also requires, as a last resort, clear-minded U.S. determination to invade Cuba.

Since there is reason to doubt that the Clinton administration is deliberately embarked on that course, and even more that it would be willing to launch a supportive invasion of Cuba, the U.S. rebuff to Cuba's overture for wider negotiations on the "true causes" for the flood of migrants makes little sense. A wiser and more effective response would be to seize the opportunity of the Cuban offer so that the United States can pursue a soft-landing strategy.

The Cubans have indicated that they would be prepared to contain the migratory outflow upon a positive American response to their proposal—and that would defuse the urgent problem posed by the migration itself.

But the U.S.-Cuban talks should not be limited to the issue of migration alone. Instead, they should be exploited to advance the soft-landing strategy by setting in motion a more deliberate, somewhat longer-term process designed to manage in a more benign way the terminal phase of the Castro regime.

Accordingly, in the dialogue with Havana, the United States should not be shy in offering its own diagnosis of the "true causes" of that regime's failures. Its brutal political dictatorship and its dogmatic economic management could be subjected to a scathing critique.

At the same time, attractive political and economic alternatives could also be put on the table. More specifically, the United States could propose a schedule for the staged introduction of democracy—perhaps on the model of what happened in Poland in 1989—as well as a similarly staged economic-aid program (including a step-by-step lifting of the embargo), designed to alleviate the immediate suffering of the population and then to stimulate the economic recovery of the island.

Such an initiative would gain the support of much of Latin American public opinion. It would also be likely to have European backing, especially from Spain. These reactions would be noted in Cuba, making a negative response by Castro more costly for him.

Of course, given the dictatorial nature of the Cuban regime, it would be up to Castro personally to decide whether to accept or reject the initiative. Acceptance could make the process of transition more peaceful and also increasingly difficult to resist.

A refusal by Castro—which at this stage represents the more likely reaction—might help to mobilize support for the U.S. initiative even on the part of some Cubans who otherwise would support Castro in a final showdown. That would further weaken and isolate the old dictator, enhancing the prospects of success for any eventual popular revolt against his regime.

There is little to be risked by exploring the soft-landing option. And much to be gained, especially by the Cuban people.

Mr. DODD. At any rate, I apologize to my colleagues for taking this amount of time, but my point here is I understand and appreciate the emotional levels that people feel when this issue comes up.

And I have great sympathy—not as a Cuban-American—but sympathy for how Cuban-Americans feel who had to leave their country under the worst of circumstances, or watch their families be imprisoned and treated brutally by their Government. But I think as we are examining how we deal with that problem, how we try to create the transition, that we do so with an eye toward what is in the best interest of our country, and also take steps that are not rooted and grounded in an emotional response but that are likely to produce the result which we can all support.

I strongly suggest to my colleagues that the legislation, no matter how well intended, does none of those things. In fact, I think it is bad for our country. I do not think it produces the kind of results at all that the proponents claim it will. In fact, I think it does quite the contrary. I do not think it is in the interest of this country. It does damage to our country, and I think it would make it that much more difficult to achieve the kind of results we would like to see in Cuba, and to see promptly.

For those reasons, Mr. President, I strongly urge that my colleagues vote against invoking cloture when that vote comes up—and that will be the first vote we will have on this measure—to send a message that this bill ought to go back to committee and be reexamined thoroughly as to whether this legislation really makes sense. If that does not occur, then vote against this legislation when that opportunity arises.

Mr. President, I yield the floor.

Mr. MACK addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. MACK. Mr. President, I rise today in support of the Cuban Liberty and Democratic Solidarity Act and encourage my colleagues to vote for cloture when that time arrives.

This is a bill which would seek increased international pressure on Fidel Castro, hold out the promise of assistance to transition and democratic governments in Cuba, and provide a powerful disincentive to those who would use illegally expropriated property belonging to United States citizens to prop up the Castro regime and its instruments of repression.

Despite the diligent efforts of the Clinton administration and apologists for Castro to misrepresent this bill, this bill is an effective, and thoughtful program for maintaining economic pressure on Castro, supporting democratic forces inside Cuba, and planning for future transition and democratic governments.

Fidel Castro has been in power for 36 years. That is longer than Mao and Joseph Stalin. That is mindboggling.

As happened with the Soviet Union and the People's Republic of China, much of the world has denied, ignored, and become inured to the litany of human rights abuses emanating from Cuba. Now, with the cold war over, there is even less interest.

Ramming tugs full of refugees, arbitrary arrests, made-up crimes and lengthy imprisonment in squalid prisons and psychiatric hospitals apparently do not raise an eyebrow anymore.

The final step in the process of accommodation, normalization of commercial and other ties, is taking place now as many countries look for commercial opportunities in Cuba.

Before I go on to explain why foreign investment in Cuba will prolong, not end, the tyranny of Fidel Castro, let me address the state of human rights in Cuba today.

I would like to read an excerpt from the 1994–95 Freedom in the World Report, compiled by Freedom House.

> With the possible exception of South Africa, Indonesia and China, Cuba under Castro has had more political prisoners per capita for longer periods than any other country.
>
> Since 1992 Cuba's community of human rights activists and dissidents has been subject to particularly severe crackdowns. Hundreds of human rights activists have been jailed or placed under house arrest.
>
> In the extended crackdown that began in August 1994, over thirty dissidents were detained and beaten while in custody.
>
> Dissidents are frequently assaulted in the streets and in their homes by plainclothes police and the 'rapid action brigades,' mobs organized by state security, often through the Committees for the Defense of the Revolution (CDRs).
>
> There is continued evidence of torture and killings in prisons and psychiatric institutions, where a number of the dissidents arrested in recent years have been incarcerated.
>
> Since 1990, the International Committee of the Red Cross has been denied access to prisoners.
>
> Freedom of movement and freedom to choose one's residence, education or job are restricted. Attempting to leave the island without permission is a punishable offense and crackdowns have been severe since 1993, except during the month-long exodus in 1994. The punishment for illegal exit——

I would like just to make a point here. The idea that you would live in a country that would have a law that would make it illegal for you to leave, and the punishment for that would be 3 years in prison is unconscionable. At the present time, there are some 1,000 individuals, it is estimated, in prison for that particular crime of wanting to leave the country.

Mr. JEFFORDS. Mr. President, will the Senator yield for a unanimous consent request?

Mr. MACK. Certainly.

PRIVILEGE OF THE FLOOR

Mr. JEFFORDS. Mr. President, I ask unanimous consent that John F. Guerra, a Pearson fellow on my staff, be granted the privilege of the floor for the pendency of this legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MACK. Unfortunately, the world has become so conditioned to Castro's abuses that the suffering of the Cuban people sometimes becomes a footnote in debates over maintaining the embargo, or Castro's efforts to revive Cuba's nuclear and military capabilities.

Mr. President, I have had the opportunity over the years to have been somewhat involved in the issues of human rights violations in Cuba having had the opportunity to talk with Cubans who have one way or another left the island of Cuba. I have also been in Geneva during the debate surrounding the issue of human rights violations in Cuba.

While I can understand how, over a period of time, people seem to be able to just brush aside the human aspects of this debate and focus on the legal constitutional issues, the reality of what we are talking about here today is not economics and it is not constitutional law. It is what is happening to individuals on a day-to-day basis.

I would say to you again that in my conversations with people who have left Cuba and who have left recently, their reaction to our backing away or backing down on the economic sanctions, or the embargo that is in place, they say that would be the wrong thing to do even though they are going through tremendous suffering. They say it would be the wrong thing to do. It is the only message they hear from around the world that says that someone is concerned about their future. It would be a terrible mistake for the Senate to reject this legislation.

I would like to turn the debate briefly away from the human rights aspect of it and talk a little bit about the embargo and maintaining economic pressure on Castro.

Foreign investors in Cuba often purport to be responding to changes in the regime. In fact, there have been no significant economic changes, let alone political ones.

Castro controls sectors of the economy that attract most foreign investment such as mining and petroleum, telecommunications, agriculture, and tourism.

An index of foreign investment in Cuba lists over a dozen democracies.

Foreign companies must make partnerships with the regime. Increasingly this means Cuba's military, which like China's, is getting more and more involved in the economy.

Tourism is the military's cash cow, especially foreigners-only restaurants and resorts which have created what Cubans call tourism apartheid.

The argument that foreign investment makes private citizens independent of state control by enabling them to support a free press, political parties, religious groups and labor and professional organizations simply does not apply to Cuba where there is no such thing as a right to private property, let alone free speech, association or assembly.

European, Canadian, and Mexican investors have been providing crucial support to Castro for years yet there is no benefit to ordinary Cubans. The constitution requires state ownership of the fundamental means of production. Foreign companies may not contract with workers.

Instead, companies pay the Government. Again, I want to stress this point. If you do business in Cuba today, the impression is created that these reforms are somehow or another dramatically changing what is happening in Cuba. If you are doing business in Cuba today and you hire a number of Cubans, you do not pay directly your work force.

You pay the money to the Cuban Government, say, 300 United States dollars a month for each employee. That employee receives $4 to $5 a month in pesos from the Cuban Government. The balance of that money stays with Fidel Castro's government. In fact, it enhances Fidel Castro's ability to control the island.

So this idea, this notion that somehow or other if we were to liberalize our approach in dealing with Fidel Castro that the people of Cuba will benefit is just hogwash. The individual who will benefit will be Fidel Castro. And anyone who has done any serious reading about Fidel Castro knows that his only motive is his own private power, his ability to remain in place as the leader. His interests are not, in fact, the Cuban people.

Decree Law No. 149 directs agents to search out and seize cash or property of Cubans deemed unduly wealthy. Deemed unduly wealthy, interesting concept, is it not, that the government would define and determine who in the country is unduly wealthy.

Individuals discovered with a motorbike or extra clothes can be charged with illegal enrichment and face lengthy prison terms. Sometimes foreign investments involve the $1.8 billion in U.S. properties seized in 1960 without compensation. Despite misleading representations to prospective investors, Cuba has never settled a single claim for these properties.

Castro encourages and courts this investment, even inventing a cosmetic law that purports to protect the assets of foreign investors. Our State Department asks our allies to discourage their citizens from investing in such properties, with mixed success. Somehow transactions that businessmen would not touch with a 10-foot pole in their own countries seem all right in Cuba, where fraudulent transactions involving the government are above the law.

This bill provides a powerful disincentive to those who knowingly invest in expropriated U.S. properties by providing another forum for legal action by U.S. citizens. However, neither this bill nor longstanding United States policy towards Cuba is inspired by the economic injuries suffered by our citizens. We simply refuse to prop up the Castro regime and its instruments of repression.

A recent report of the AFL-CIO's American Institute for Free Labor Development explained Castro's strategy to substitute hard currency for real change.

And I quote:

> "[r]eforms" are not seen as ends in themselves but as temporary mechanisms for gaining enough foreign currency and trade to ensure the survival of the communist system. "Privatization" is not an open-ended invitation to foreign entrepreneurs, but a tightly controlled partnership between investors and government agencies, for the purpose of strengthening those very agencies.

The Clinton administration's changeable Cuba policy may have led our allies to believe sentiment in the United States is divided over Cuba. It is not. Worse still, administration wavering may have caused Cubans to doubt United States resolve and take to rafts and innertubes in numbers greater than any time since the Mariel exodus.

Some of our allies have criticized the bill on the grounds that the United States has no right to tell its allies not to do business in Cuba. We are doing no such thing. This legislation is directed at Fidel Castro and his government. Insofar as this bill has a message for our allies, it is that we attach the greatest importance to ending the decades-long nightmare of the Cuban people. Foreign investment on Castro's terms prolongs that nightmare.

Other provisions of this bill would deny Cuba the money and legitimacy that comes from being a member of international financial and other institutions, like the Inter-American Development Bank and the Organization of American States.

This bill tells the States of the former Soviet Union they may not blithely restart their predecessor's close relations with Fidel Castro and expect the United States not to care.

We will not subsidize Russia's assistance to Cuba so long as it supports Castro's destabilizing ambitions in the hemisphere and keeps the Cuban people under the thumb of corrupt and inefficient Socialist economic policies.

We will however plan for the day, the moment, that the United States can help the people of Cuba make a transition to democracy. This bill holds out the promise of aid to transition and democratic governments in Cuba and allows the President great flexibility in extending the help and support of the United States.

Americans right now are already the largest donors of humanitarian aid to Cuba. We will do more. But we won't prolong the Castro nightmare 1 minute longer than necessary by relaxing pressure on Castro or helping him attract foreign investment.

Mr. President, not too long ago I saw a movie called "Braveheart." It is about the struggle for human freedom. And this movie was about the effort on the part of the Scottish people to secure their freedom. There was a scene in this movie in the midst of a battle in which the hero of the movie had spoken with the nobles in the country asking for their support. And at the crucial moment in the battle, I remember again the hero turning to someone for support from these nobles, and at this crucial moment, the nobles turned their backs on freedom. They turned their backs on freedom for one reason: for their self-interest, for their need to continue the existing system because they profited from it.

I know that the motivation, frankly, behind those who are in disagreement with what we are trying to accomplish is the desire to profit from the markets that will be available someday in Cuba. I understand that. I am disappointed that people react that way. We will never change that attitude. It has been in existence as long as man has been on the surface of this Earth.

But I think we ought to recognize it for what it is. People want to do business in China today for exactly the same reason. For a few brief moments the Nation focused on Harry Wu. But now he is back, and everyone has forgotten. The same kind of thing is happening in Cuba. Day in and day out innocent people who want the same things out of life that you and I enjoy, and those are the basic principles and the freedoms that we enjoy—the freedom of assembly, the freedom of religion, the freedom to pursue your own livelihood—and yet we are, in essence, not willing to stand up and fight for those individuals because of the commercial interest that exists throughout the world. I understand it. I reject it. I wish it was not there. But I think we ought to recognize it because that is what is driving a lot of this debate.

I would hope that just occasionally there would be an opportunity for the nobles of the world to say just once in this one case, "I am willing to give up the opportunity for profit, the opportunity for growth in my company, give up those opportunities so that other individuals that we do not know, never will meet, but who have struggled for the same kinds of freedom and liberty that we enjoy today." And I certainly would hope that this Congress will pass this legislation so that we can provide a message of hope to the people of Cuba.

I yield the floor.

Mr. REID. Mr. President, I rise in support of the Cuban Liberty and Democratic Solidarity Act of 1995. I believe this legislation will encourage the holding of free and fair democratic elections in Cuba. It will provide a policy framework for United States support to the Cuban people in response to the formation of a transition government or a democratically elected government in Cuba. This bill will also protect the rights of U.S. persons who own claims to confiscated property abroad.

I believe this legislation will expedite the transition to a democratic government in Cuba. Whether you are for or against this bill, no one disagrees that this should be the policy of our government. Denying United States visas to those who trade with Cuba and discouraging International Financial Institutions assistance to Cuba are necessary steps that will strengthen the embargo and bring about the downfall of the Castro regime.

One of the significant provisions of this bill is the section dealing with property. It is difficult to accept the argument that Fidel Castro's confiscation of property belonging to naturalized citizens should not be subject to a remedy under the domestic laws of the United States. Confiscations of property belonging to U.S. nationals at the time of the taking clearly violated international law. These takings were done to retaliate against U.S. nationals for acts of the U.S. Government, and the takings were without the payment of adequate and effective compensation.

While courts have generally not recognized actions of foreign governments against its own citizens, international human rights law does recognize that in certain circumstances a state violates international law when it confiscates the property of either its own citizens or aliens based on some invidious category such a race, nationality, or political opinion. Some legal scholars have noted that the international community may be moving toward recognition of claims when confiscations or expropriations are the result of such discrimination.

The stories of property confiscation in Cuba are repugnant. The confiscations of Cuban-owned property were based on such obscene grounds as an owner's having committed "offenses defined by law as counter-revolutionary."

I believe this legislation establishes the framework by which Cuba will become a democratic nation. I have heard from many in the Cuban-American community who spend the majority of their time working to realize this objective. This legislation honors the hard work of these fighters of freedom and I encourage my colleagues to support final passage. I thank the Chair and yield the floor.

Mrs. FEINSTEIN addressed the Chair.

The PRESIDING OFFICER (Mr. JEFFORDS). The Senator from California is recognized.

TRIBUTE TO SAM NUNN

Mrs. FEINSTEIN. Mr. President, I rise not to speak on this bill but to do two things. First, to say a few words and share my respect and admiration for the senior Senator from Georgia. And, second to share some of my reflections of the past year and where I think we seem to be heading with the reconciliation bill.

Mr. President, I do not serve on a committee with the senior Senator from Georgia, but I do try to listen to the floor when I am in the office. I have a very simple test, I either turn the sound up or down or off depending on the merit I find in the discussion. I have always turned the sound up to listen to Senator Sam NUNN. And, what I have heard is an intelligent, a reasoned, and a very informed person who has brought a great deal to bear in the debates on the Senate floor. He has been a strong and tireless advocate for a national defense policy that is well thought out, for foreign policy that explores each issue as part of a whole policy situation and not a separate standalone issue.

His ability, I think, to see individual defense programs or foreign policy actions as part of the total debate has given him the ability to think independently of party and the daily public opinion poll and put forth a policy that is really important.

I will miss him greatly. I very much regret his decision to retire from the U.S. Senate. I think it is to the Senate's loss when we lose one of our great minds.

The distinguished Senator has been an advocate for a strong national defense, especially pushing for a well-trained and modern force. He has constantly lent his support to support programs which would better prepare our men and women in uniform for war, but moreover for operations-other-than-war including humanitarian missions.

His leadership in foreign policy is marked, as well. He has been the single strongest voice for lessening the threat of nuclear proliferation from the States of the former Soviet Union with the policies advanced under the Nunn-Lugar program. And, he has helped our relationship with the new Russia and the nations of Eastern Europe through his ideas on NATO expansion and the Partnership for Peace Program.

Senator NUNN will continue to remain a voice of moderation and independent thought throughout the remainder of his term. I will miss his contributions to some of the most important issues of our day and this body will miss his leadership.

THE RECONCILIATION BILL

Mrs. FEINSTEIN. Mr. President, over the past 200 years, almost 2,000 men and women have stood in this Chamber charged with the task of governing the greatest democracy in the world. They were, like us, men and women of ideals and principle. This Chamber is also no stranger to revolutionary winds and radical ideas.

Some ideas dissipate quickly; others stand like pillars in our Nation's history. One thing has held true over time, most ideals will not withstand the rigors of the democratic process if they do not hold true to the democratic promise: The promise of opportunity for those willing to earn it, the promise of freedom for those willing to protect it, and the promise of security for those who play by the rules and give their fair share.

And these ideals, once implemented, must also withstand the test of time, which brings us to where we are today: Reexamining institutions and programs, cutting or streamlining where possible, eliminating where necessary. We have done some important work this year, and I commend the party in power for that. But I am deeply troubled by the direction of some of these changes and the extremes to which this Congress seems to be headed.

The American people voted for change in 1992 and in 1994. They clearly wanted a smaller, more efficient Government. They wanted a better use of their tax dollars. But they did not vote for the wholesale dismantling of Government. Laws that protect public safety, education, and access to basic health care are all critically needed and supported by the public we serve.

Some of the proposals being put forth in this Congress seem less like needed reform and more like revolution for revolution's sake. They go beyond reason and, I believe, beyond the wishes of the American people.

If moderation does not prevail, this level of extremism will ultimately take our country backward, not forward, and the damage will be felt not by us, but by generations to come.

Examples of the kind of extremism which seems to have gripped some in this Congress are littered throughout major bills we have dealt with this year, from regulatory reform to appropriations bills, to obscure language added to defense authorization bills, and to the upcoming reconciliation bill. But some of the most onerous and most blatant extremism is reserved for the upcoming Medicaid and Medicare plans. Let me give you examples of my concerns.

Medicaid is the safety net, a true safety net, for 36 million Americans. Does Medicaid need to be reformed? Yes, but you do not get there by simply cutting off the most vulnerable people from access to fundamental health care.

Six million Americans who are disabled rely on Medicaid for their health care. Because they have long-term, complex and expensive health conditions, they cannot buy private insurance. Medicaid is often the only health insurance available for this population. Yet, both the Senate and the House bills could jeopardize coverage for the disabled.

Nationally, 15 percent of Medicare beneficiaries rely on help from Medicaid to cover the required copayments. The Senate bill would allow States to remove such coverage, leaving millions of the poorest seniors quite possibly unable to pay their share of Medicare costs.

The House bill would also eliminate guaranteed coverage for children whose health insurance is Medicaid. Twenty percent of the Nation's children rely on Medicaid for basic health needs—immunizations, emergency care, regular checkups. This makes no sense to me, fiscal or moral.

What is revolutionary about regressing on quality and safety standards in nursing homes? Twenty years ago, Congress reacted to the appalling state of our country's seniors who resided in nursing homes: elderly patients strapped to their beds against their will, patients being fed dog food and drugs, lice-infested bed sheets. These pictures are not even old enough to fade from memory yet.

I well remember conditions in the early seventies that my sisters and I found when we went to look at some 40 San Francisco Bay Area nursing homes for my mother who had chronic brain syndrome—a deterioration of the brain that covers memory, reason, and judgment.

I remember the stench of urine, seniors strapped to wheelchairs, poor food, and on and on. We were lucky then to find 1 home out of 40 that we visited that had a level of care that was appropriate for my mother, and she lived there for 7 years.

The call for national standards then was loud, clear and bipartisan. In fact, the standards now in place were supported by both parties and signed into law by then-President Ronald Reagan.

Have we really so soon forgotten these lessons? In our extreme zeal to get Government off our backs, are we really willing to subject the next generation of seniors to the same degradations all over again?

Another aspect of the House Republican Medicaid plan that I believe goes beyond the bounds of reason is the repeal of protections against spousal impoverishment. A woman today who cannot afford the cost of nursing home care for her husband with Alzheimer's already must spend down her own resources to low levels in order to qualify for Medicaid.

Current law allows her to retain up to $14,961 in income to remain living independently, and prohibits States from imposing liens on homes of nursing home residents. The House bill eliminates these protections, protections which allow her to keep her car, her home, and enough money to pay her heating bills while paying for her husband's nursing home care with Medicaid assistance.

Over 10.5 million Californians, nearly one-third of my State's residents, have incomes less than 200 percent of the poverty line. These families are one tragedy, one major illness, one job loss away from not making it. Removing the only thing that stands between these families and bankruptcy is not reform, it is extreme, and it is unconscionable.

The Republican proposal cuts Medicare by $270 billion. That is not just extreme, I think it is disingenuous. The $270 billion in cuts is not going to the deficit. It is not being used to save Medicare. It is going to give tax breaks to the wealthy, and it is going to raise taxes for the poor.

Only $89 billion is needed to make the part A trust fund of Medicare solvent. That is what becomes insolvent in the year 2002. But cuts are also made in part B, which has nothing to do with the trust fund, and the reason for this is, in part, it would seem, to give a capital gains tax cut.

A capital gains tax cut largely benefits people who earn incomes of over $100,000 a year, and I can see reasons for a capital gains tax cut—but not by cutting Medicare. That is simply not moral.

The cuts to hospitals in part A will have a devastating impact, particularly on public hospitals and teaching hospitals. In my State, for example, the University of California maintains five big teaching hospitals. According to them last week, under this plan, they would face a net loss of $116.4 million over 7 years. Other California hospitals, already facing strapped budgets, would lose an additional $7 billion.

The Senate Medicare plan also includes arbitrary cuts in provider services if spending does not meet targeted levels—indiscriminate cuts in home health, hospital care, doctor visits and diagnostic tests.

Providers have already borne the brunt of congressional budget cuts over the last 10 years, and we all know what indiscriminate cuts mean; it means fewer doctors serving Medicare patients, and cutbacks in services for those who do.

This is not reform, it is a kind of politics, but these politics will hurt America's seniors and America's indigent. We can do better than that if moderate heads prevail.

I am not one that says only $89 billion should be cut. I recognize that we have to look at other things to balance the budget. I recognize that Medicare and Medicaid are culprits in budget balancing. But let us do it in a way that sees the light of day, that has full discussion, that takes into consideration many views, not just the views of one political party and, in fact, one branch of that political party.

Some of the extremism that I have seen this past year is not just an isolated case. Much of the legislation we have worked on takes this country back. Let me just throw out some of the areas: environmental protection, safety regulations, abortion rights, education.

We are not talking about Federal micro-management that can be done better by States. We are talking about things like clean air, clean water, hazardous waste cleanup, and airline safety.

For example, provisions in appropriations bills for the EPA and proposed budget cuts would hinder the enforcement of safe drinking water standards for contaminants like cryptosporidium and arsenic in water. Do the American people want this? No. It would prevent EPA from testing for groundwater contamination at underground storage tanks. Do the American people want this? No. It would reduce hazardous waste compliance inspections at Federal facilities, such as Edwards and Vandenberg Air Force Bases, the Department of Energy's Livermore Laboratories, San Diego Naval Station, and Sacramento Army Depot. Do Californians want this? No.

It would further delay the cleanup of 230 Superfund sites across this Nation, including a dozen or more in my State. One of them that would be delayed is called Iron Mountain Mine, located in Redding. It is interesting. It is a mountain that used to be an old copper mine. It has holes in it the height of a 30-story office building because the mountain was drilled. When it rains, the water mixes with the chemical and it produces sulfuric acid, which drains out into the Trinity River and metalizes the river bed. There are a couple of ways of controlling it, but they are very expensive. It is a big Superfund site. Is it important to do it? Of course. This river eventually becomes part of the drinking water for two-thirds of the people in the State of California.

But balancing the budget is not all that this agenda is about, because at the same time many are proposing cutbacks in funds to enforce environmental and safety standards, they want to give away billions of dollars in gold and mineral resources owned by American taxpayers to mining companies at a fraction of what they are worth. They want to open up the Arctic National Wildlife Refuge to oil development companies and permit logging on public lands, while waiving environmental laws that protect those lands.

This is not budget cutting; it is "setback" political agenda. These proposals place cost above safety in regulatory reform. To me, this means many safety standards can be challenged because they do not meet the least-cost alternative test, including shoulder belts and rear seat belts in cars, airbags in cars, and black boxes on airplanes. It means critical delays in safety regulations for things like commuter airlines and meat inspections. This is not reform; this is an abdication of responsibility.

This agenda is not about reducing taxes—at least not for everyone. While some plan to cut Medicare to give a capital gains tax break, they also want to increase taxes for 7.4 million lower income Americans. Republican proposals would reduce the earned-income tax credit for low-income workers and their families, and eliminate it entirely for low-income workers without children.

While the Senate proposals would also make cuts in capital gains taxes, a House plan would eliminate $3.5 billion in tax credits for developers investing in housing for low and moderate-income families.

Education, without an education and skilled work force this country will be nowhere. We cannot compete in a global marketplace. We all agree with that, regardless of party. Yet, there are efforts to cut the number of students receiving Pell Grants, to eliminate the direct student loan program, to tax colleges for every student that receives a Federal loan, to eliminate the AmeriCorps Program, which provides money for college to more than 4 million youngsters who serve their communities over the next 7 years.

This is not about getting Government off of our backs. We see attacks on a woman's right to choose everywhere in these bills—from preventing women in the military from using their own funds to pay for an abortion at military hospitals overseas, to preventing the District of Columbia from using its own locally-raised tax dollars to provide abortions for poor women, to denying Federal employees access to abortion services in their health benefits—an option available to all nongovernment employees—to the most insidious of all: House measures, and an expected Senate measure, to make Medicaid funding of abortion optional for States even in cases of rape and incest.

This is not reform, it is a step backward in time to the days we all remember well, where desperate women were forced to seek medical treatment in back allies. I remember it. I remember college dormitory students passing the plate so an 18 year old woman could go to Mexico for an abortion. There is no other way of describing this, except extremism.

The irony of the reconciliation bill is that it will contain many of these things. And our process, theoretically, is designed on big issues to have full discussion and debate. That is what this Senate is supposed to be all about. Some of these issues will have little public hearing. They will be limited to 20 hours of debate. These extreme proposals can set back our Nation, and they most certainly will impact the future of tens of millions of Americans.

I thank the Chair and yield the floor.

CUBAN LIBERTY AND DEMOCRATIC SOLIDARITY (LIBERTAD) ACT OF 1995

The Senate continued with the consideration of the bill.

Mr. HELMS. Mr. President, I ask the Chair to state the pending business.

The PRESIDING OFFICER. The pending business is amendment No. 2898 to H.R. 927.

CLOTURE MOTION

Mr. HELMS. I send a cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the substitute amendment, calendar No. 202, H.R. 927, an act to seek international sanctions against the Castro government in Cuba:

Senators Robert Dole, Jesse Helms, Bob Smith, Bill Frist, John Ashcroft, James M. Inhofe, Paul Coverdell, Spencer Abraham, Larry E. Craig, Trent Lott, Rod Grams, Frank Murkowski, Fred Thompson, Mike DeWine, Hank Brown, and Charles E. Grassley.

MORNING BUSINESS

(During today's session of the Senate, the following morning business was transacted.)

NOTICE OF PROPOSED RULEMAKING

Mr. THURMOND. Mr. President, pursuant to section 304(b) of the Congressional Accountability Act of 1995 (2 U.S.C. sec. 1384(b)), a notice of proposed rulemaking was submitted by the Office of Compliance, U.S. Congress. The notice relates to the Congressional Accountability Act and the Extension of Rights and Protections under the Fair Labor Standards Act of 1938, as applied to interns and irregular work schedules in the House of Representatives.

Section 304(b) requires this notice to be printed in the CONGRESSIONAL RECORD, therefore I ask unanimous consent that the notice be printed in the RECORD.

There being no objection, the notice was ordered to be printed in the RECORD, as follows:

THE CONGRESSIONAL ACCOUNTABILITY ACT OF 1995: EXTENSION OF RIGHTS AND PROTECTIONS UNDER THE FAIR LABOR STANDARDS ACT OF 1938 (INTERNS; IRREGULAR WORK SCHEDULES)

NOTICE OF PROPOSED RULEMAKING

Summary: The Board of Directors of the Office of Compliance is publishing proposed rules to implement section 203(a)(2) and 203(c)(3) of the Congressional Accountability Act (P.L. 104-1). The proposed regulations, which are to be applied to the House of Representatives and employees of the House of Representatives, set forth the recommendations of the Deputy Executive Director for the House of Representatives, Office of Compliance, as approved by the Board of Directors, Office of Compliance.

Dates: Comments are due within 30 days after publication of this notice in the CONGRESSIONAL RECORD.

Addresses: Submit written comments to the Chair of the Board of Directors, Office of Compliance, Room LA 200, Library of Congress, Washington, DC 20540-1999. Those wishing to receive notification of receipt of comments are requested to include a self-addressed, stamped post card. Comments may also be transmitted by facsimile ("FAX") machine to (202) 252-3115. This is not a toll-free call. Copies of comments submitted by the public will be available for review at the Law Library Reading Room, Room LM-201, Law Library of Congress, James Madison Memorial Building, Washington, D.C., Monday through Friday, between the hours of 9:30 a.m. and 4:00 p.m.

For Further Information Contact: Deputy Executive Director for the House of Representatives, Office of Compliance at (202) 252-3100. This notice is also available in the following formats: large print, braille, audio tape, and electronic file on computer disk. Requests for this notice in an alternative format should be made to Mr. Russell Jackson, Director, Service Department, Office of the Sergeant at Arms and Doorkeeper of the Senate, (202) 244-2705.

Supplementary Information:

Background—General: The Congressional Accountability Act of 1995 ("CAA"), PL 104-1, was enacted into law on January 23, 1995. In general, the CAA applies the rights and protections of eleven federal labor and employment law statutes to covered employees and employing offices within the legislative branch. Section 203(a) of the CAA applies the rights and protections of subsections (a)(1) and (d) of section 6, section 7, and section 12(c) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1) and (d), 207, 212(c) to covered employees and employing offices. Section 203(c) of the CAA directs the Board of Directors of the Office of Compliance established under the CAA to issue regulations to implement the section. Section 203(c)(2) further states that such regulations, with the exception of certain irregular work schedule regulations to be issued under section 203(a)(3), "shall be the same as substantive regulations issued by the Secretary of Labor to implement the statutory provisions referred to in subsection (a) except insofar as the Board may determine, for good cause shown and stated together with the regulation, that a modification of such regulations would be more effective for the implementation of the rights and protections under this section." Section 203(a)(2) of the CAA provides that "the term 'covered employee' [for the purpose of FLSA rights and protections] does not include an intern as defined in regulations * * *" issued by the Board pursuant to section 203(c).

Background: Part A—Interns: Part A of the proposed regulations defines the term "intern."

While there appears to be no definitive interpretation of the term "intern" for FLSA purposes in current House usage, the Board has consulted several House sources in formulating the proposed definition set forth herein. For example, the House Ethics Manual gives the following definition of the term "intern":

"An *intern* means an individual performing services in a House office on a temporary basis incidental to the pursuit of the individual's educational objectives. Some interns receive no compensation from any source, while some receive compensation or other assistance from an educational institution or other sponsoring entity."

House Comm. on Standards of Official Conduct, *House Ethics Manual*, a p. 196 (1992)("Ethics Manual"). *See also* "Guidance on Intern, Volunteer and Fellow Programs," dated June 29, 1990, reprinted at *Ethics Manual*, p. 206 (utilizing identical definition). It is from these background materials that the proposed definition has been drawn. The proposed regulation is not intended to cover other similar job positions such as volunteers or fellows, nor does it cover pages.

Part A—Interns: Section 1. An intern is an individual who:

(a) is performing services in an employing office as part of the pursuit of the individual's educational objectives, and

(b) is appointed on a temporary basis for a period not to exceed one academic semester (including the period between semesters); provided that an intern may be reappointed for one succeeding temporary period.

Background: Part B—Irregular Work Schedules: Section 203(c)(3) of the Act directs the Board to issue regulations for employees "whose work schedules directly depend on the schedule of the House of Representatives or the Senate that shall be comparable to the provisions of the Fair Labor Standards Act of 1938 that apply to employees who have irregular work schedules."

Section 7(f) of the Fair Labor Standards Act (29 U.S.C. 207(f)) provides that "No employer shall be deemed to have violated subsection (a) [requiring overtime pay after an employee has worked 40 hours in a workweek] by employing any employee in a workweek in excess of the maximum workweek applicable [currently 40 hours] if such employee is employed pursuant to a bona fide individual contract, or pursuant to an agreement made as a result of collective bargaining by representatives of employees, if the duties of such employee necessitate irregular hours of work and the contract or agreement (1) specifies a regular rate of pay not less than the minimum provided in * * * section 6 [currently set at $4.25 per hour] * * * and compensation at not less than one and one-half times that rate for all hours worked in excess of such maximum workweek and (2) provides a weekly guarantee of pay for not more than sixty hours based on the rates so specified." Part B of the proposed regulations implements the provisions of section 203(a)(3) of the CAA by developing FLSA overtime pay requirements for employees of covered employing offices whose schedules directly depend on the schedule of the House of Representatives.

The proposed regulation develops a standard for determining whether an individual's work schedule "directly depends" on the schedule of the House of Representatives. In setting the remaining requirements for such employees, the proposed regulations adopt almost verbatim the requirements of sections 7(f) and 7(o) of the FLSA, (29 U.S.C. §§207(f) and (o)).

Section 203(a)(3) directs the Board to adopt regulations "comparable" to the irregular work provisions of the FLSA. Section 2 of the proposed regulation incorporates the provisions of section 7(f) of the FLSA. The

Board has not proposed to vary the requirements of section 7(f) because the Board is not currently aware of any working conditions which would require modification of the requirements for covered employees who work irregular hours, as compared to employees who work irregular hours in the private sector. However, there may be aspects to the House of Representatives' operations, such as very wide variations in weekly hours of work of some covered employees whose schedules directly depend on the schedule of the House of Representatives or times when such employees may work a large number of overtime hours for extended periods, which commentors may believe would require a modification of the proposed regulation. Accordingly, the Board invites comments on whether the contracts or agreements referenced in Section 2 of the proposed regulation can or should be permitted to provide for a guaranty of pay for more than 60 hours and whether the terms and use of such contracts or agreements should differ in some other manner from those permitted in the private sector. The Board further invites comment on whether and to what extent the regulations in this subpart may and should vary in any other respect from the provisions of section 7(f) of the FLSA.

The Board also invites comment on whether this proposed regulation should be considered the sole irregular work schedule provision applicable to covered employees or whether, in addition, section 203 of the CAA applies the irregular hours provision of section 7(f) of the FLSA with respect to covered employees whose work schedules do not directly depend on the schedule of the House or Senate.

Pursuant to section 203(a)(3) of the CAA, the proposed regulation also authorizes employing offices to compensate covered employees with compensatory time off in lieu of overtime compensation where such employees' work schedules meet the irregular schedule definition of Section 1 of the proposed regulation. The Secretary of Labor has not promulgated regulations regarding the receipt of compensatory time in lieu of overtime compensation by employees who work irregular work schedules and no comparable authority exists for employees covered by the FLSA in the private sector to accrue compensatory time in lieu of paid overtime. The proposed regulation's terms regarding compensatory time are derived from the provisions of section 7(o) of the FLSA which permits public employers to continue the practice of providing compensatory time in lieu of monetary payment for overtime worked. The Board is not currently aware of any working conditions in the House of Representatives which would require a different approach to the accrual and use of compensatory time than that applied to public employers and employees under the FLSA. However, there may be aspects of the House's operations which commentors may believe warrant a different approach.

Section 7(o) was incorporated into the FLSA as part of the Fair Labor Standards Amendments of 1985. The legislative history of those amendments reflects that the amendments "respond[ed] to [concerns of state and local governments] by adjusting certain FLSA principles with respect to employees of states and their political subdivisions." S. Rep. No. 159, 99th Cong., 1st Sess. 4 (1985), *reprinted in* 1985 U.S.C.C.A.N. 651, 655. In this regard there was a recognition that "the financial costs of coming into compliance with the FLSA—particularly the overtime provisions of section 7—[were] a matter of grave concern" and that "many state and local government employers and their employees voluntarily [had] worked out arrangements providing for compensatory time off in lieu of pay for hours worked beyond the normally scheduled work week. These arrangements * * * reflect[ed] mutually satisfactory solutions that [were] both fiscally and socially responsible. To the extent practicable, [Congress sought] to accommodate such arrangements". *Id.* at 8–9. In arriving at the maximum number of hours that could be accrued, the original Senate bill provided for a cap of 480 hours of compensatory time for all employees. The House proposed a cap of 180 hours for all employees except public safety employees, who would be permitted to accrual 480 hours. The current provisions of section 7(o) were agreed to in conference. See H.R. CONF. Rep. No. 357, 99th Cong., 1st Sess. 8 (1985), *reprinted in* 1985 U.S.C.C.A.N. 669.

The Board invites comment on whether and to what extent Section 7(o) is an appropriate model for the Board's regulations. The Board also invites comment, if Section 7(o) does provide an appropriate model, on whether and to what extent the regulations, including the accrual and use of compensatory time off and the limits on the maximum number of hours that can be accrued, should vary from the provisions of section 7(o) of the FLSA.

Part B—Irregular Work Schedules: Section 1. For the purposes of this Part, a covered employee's work schedule "directly depends" on the schedule of the House of Representatives only if the employee's normal workweek arrangement requires that the employee be scheduled to work during the hours that the House is in session and the employee may not schedule vacation, personal or other leave or time off during those hours, absent emergencies and leaves mandated by law. A covered employee's schedule "directly depends" on the schedule of the House of Representatives under the above definition regardless of the employee's schedule on days when the House is not in session.

Section 2. No employing office shall be deemed to have violated section 203(a)(1) of the CAA, which applies the protections of section 7(a)(1) of the Fair Labor Standards Act ("FLSA") to covered employees and employing offices, by employing any employee for a workweek in excess of the maximum workweek applicable to such employee under section 7(a) of the FLSA if such employee is employed pursuant to a bona fide individual contract, or pursuant to an agreement made as a result of collective bargaining by representatives of employees, if the employee's work schedule directly depends on the schedule of the House of Representatives within the meaning of Section 1, and the contract or agreement (1) specifies a regular rate of pay of not less than the minimum hourly rate provided in subsection (a) of section 6 of the FLSA and compensation at not less than one and one-half times such rate for all hours worked in excess of such maximum workweek [currently 40 hours], and (2) provides a weekly guaranty of pay for not more than sixty hours based on the rates of pay so specified.

Section 3. Covered employees whose work schedules directly depend on the schedule of the House of Representatives within the meaning of Section 1 must be compensated for all hours worked in excess of the maximum workweek applicable to such employees at time-and-a-half either in pay or in time off, pursuant to the relevant collective bargaining agreement, employment agreement or understanding arrived at before the performance of the work. However, those employees employed under a contract or agreement under Section 2 may be compensated in time off only for hours worked in excess of the weekly guaranty. In the case of a covered employee hired prior to the effective date of this regulation, the regular practice in effect immediately prior to the effective date with respect to the grant of compensatory time off in lieu of the receipt of overtime compensation shall constitute an agreement or understanding for purposes of this section. A covered employee under this section may not accrue compensatory time in excess of 240 hours of compensatory time for hours worked, except that if the work of such employee for which compensatory time may be provided includes work in a public safety activity, an emergency response activity or seasonal activity, the employee may accrue not more than 480 hours of compensatory time. Any employee who has accrued the maximum hours of compensatory time off shall, for additional overtime hours of work, be paid overtime compensation. If compensation is paid to an employee for accrued compensatory time, such compensation shall be paid at the regular rate earned by the employee at the time the employee receives such payment. The employee shall be permitted by the employing office to use compensatory time within a reasonable period after making the request if the use of such time does not unduly disrupt the operations of the employing office.

An employee who has accrued compensatory time authorized by this Section shall, upon termination of employment, be paid for the unused compensatory time at a rate of compensation not less than (A) the average regular rate received by such employee during the last 3 years of the employee's employment, or (B) the final regular rate received by such employee, whichever is higher.

Method of Approval:

The Board recommends that these regulations be approved by resolution of the House of Representatives.

Signed at Washington, D.C., on this 10th day of October, 1995.

GLEN D. NAGER,
Chair of the Board,
Office of Compliance.

NOTICE OF PROPOSED RULEMAKING

Mr. THURMOND. Mr. President, pursuant to section 304(b) of the Congressional Accountability Act of 1995 (2 U.S.C. sec. 1384(b)), a notice of proposed rulemaking was submitted by the Office of Compliance, U.S. Congress. The notice relates to the Congressional Accountability Act and the Extension of Rights and Protections under the Fair Labor Standards Act of 1938, as applied to interns and irregular work schedules in all employing offices except the Senate and the House of Representatives.

Section 304(b) requires this notice to be printed in the CONGRESSIONAL RECORD, therefore I ask unanimous consent that the notice be printed in the RECORD.

There being no objection, the notice was ordered to be printed in the RECORD, as follows:

THE CONGRESSIONAL ACCOUNTABILITY ACT OF 1995: EXTENSION OF RIGHTS AND PROTECTIONS UNDER THE FAIR LABOR STANDARDS ACT OF 1938 (INTERNS; IRREGULAR WORK SCHEDULES)

NOTICE OF PROPOSED RULEMAKING

Summary: The Board of Directors of the Office of Compliance is publishing proposed rules to implement section 203(a)(2) and 203(c)(3) of the Congressional Accountability Act (P.L. 104-1). The proposed regulations, which are to be applied to all covered employees and employing offices except the Senate and the House of Representatives and employees of the Senate and the House of Representatives, set forth the recommendations of the Executive Director, Office of Compliance, as approved by the Board of Directors, Office of Compliance.

Dates: Comments are due within 30 days after publication of this notice in the CONGRESSIONAL RECORD.

Addresses: Submit written comments to the Chair of the Board of Directors, Office of Compliance, Room LA 200, Library of Congress, Washington, DC 20540-1999. Those wishing to receive notification of receipt of comments are requested to include a self-addressed, stamped post card. Comments may also be transmitted by facsimile ("FAX") machine to (202) 252-3115. This is not a toll-free call. Copies of comments submitted by the public will be available for review at the Law Library Reading Room, Room LM-201, Law Library of Congress, James Madison Memorial Building, Washington, DC, Monday through Friday, between the hours of 9:30 a.m. and 4:00 p.m.

For Further Information Contact: Executive Director, Office of Compliance at (202) 252-3100. This notice is also available in the following formats: large print, braille, audio tape, and electronic file on computer disk. Requests for this notice in an alternative format should be made to Mr. Russell Jackson, Director, Service Department, Office of the Sergeant at Arms and Doorkeeper of the Senate, (202) 244-2705.

Supplementary Information: Background—General: The Congressional Accountability Act of 1995 ("CAA"), PL 104-1, was enacted into law on January 23, 1995. In general, the CAA applies the rights and protections of eleven federal labor and employment law statutes to covered employees and employing offices within the legislative branch. Section 203(a) of the CAA applies the rights and protections of subsections (a)(1) and (d) of section 6, section 7, and section 12(c) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1) and (d), 207, 212(c), to covered employees and employing offices. Section 203(c) of the CAA directs the Board of Directors of the Office of Compliance established under the CAA to issue regulations to implement the section. Section 203(c)(2) further states that such regulations, with the exception of certain irregular work schedule regulations to be issued under section 203(a)(3), "shall be the same as substantive regulations issued by the Secretary of Labor to implement the statutory provisions referred to in subsection (a) except insofar as the Board may determine, for good cause shown and stated together with the regulation, that a modification of such regulations would be more effective for the implementation of the rights and protections under this section." Section 203(a)(2) of the CAA provides that "the term 'covered employee' [for the purpose of FLSA rights and protections] does not include an intern as defined in regulations. . ." issued by the Board pursuant to section 203(c).

Background: Part A—Interns: Part A of the proposed regulations defines the term "intern."

While there appears to be no definitive interpretation of the term "intern" for FLSA purposes in current House usage, the Board has consulted several sources in formulating the proposed definition set forth herein. For example, the House Ethics Manual gives the following definition of the term "intern":

"An *intern* means an individual performing services in a House office on a temporary basis incidental to the pursuit of the individual's educational objectives. Some interns receive no compensation from any source, while some receive compensation or other assistance from an educational institution or other sponsoring entity."

House Comm. on Standards of Official Conduct, *House Ethics Manual*, a p. 196 (1992)("Ethics Manual"). *See also* "Guidance on Intern, Volunteer and Fellow Programs," dated June 29, 1990, reprinted at *Ethics Manual*, p. 206 (utilizing identical definition).

Interpretive Ruling No. 442 issued by the Senate Select Committee on Ethics on April 15, 1992, states that intern programs designed for the educational benefit of the participants are deemed to be "officially connected" expenses that are related to the performance of a Senator's official responsibilities and that the supervising Senator is responsible for determining if such program "is primarily for the benefit of the intern." Similarly, the Senate Edition of the *Congressional Handbook* (1994) ("Senate Handbook") states that "Interns may be employed on a temporary basis for a few weeks to several months...". (Senate Handbook at p. I-10)

The proposed definition has drawn upon these sources. This proposed regulation is not intended to cover other similar job positions such as volunteers or fellows, nor does it cover pages.

Part A—Interns: Section 1. An intern is an individual who:

(a) is performing services in an employing office as part of the pursuit of the individual's educational objectives, and

(b) is appointed on a temporary basis for a period not to exceed one academic semester (including the period between semesters); provided that an intern may be reappointed for one succeeding temporary period.

Background: Part B—Irregular Work Schedules:

Section 203(c)(3) of the Act directs the Board to issue regulations for employees "whose work schedules directly depend on the schedule of the House of Representatives or the Senate that shall be comparable to the provisions of the Fair Labor Standards Act of 1938 that apply to employees who have irregular work schedules."

Section 7(f) of the Fair Labor Standards Act (29 U.S.C. 207(f)) provides that "No employer shall be deemed to have violated subsection (a) [requiring overtime pay after an employee has worked 40 hours in a workweek] by employing any employee in a workweek in excess of the maximum workweek applicable [currently 40 hours] if such employee is employed pursuant to a bona fide individual contract, or pursuant to an agreement made as a result of collective bargaining by representatives of employees, if the duties of such employee necessitate irregular hours of work and the contract or agreement (1) specifies a regular rate of pay not less than the minimum provided in . . . section 6 [currently set at $4.25 per hour] . . . and compensation at not less than one and one-half times that rate for all hours worked in excess of such maximum workweek and (2) provides a weekly guarantee of pay for not more than sixty hours based on the rates so specified." Part B of the proposed regulations implements the provisions of section 203(a)(3) of the CAA by developing FLSA overtime pay requirements for employees of covered employing offices whose schedules directly depend on the schedule of the House of Representatives or the Senate.

The proposed regulation develops a standard for determining whether an individual's work schedule "directly depends" on the schedule of the House of Representatives or the Senate. In setting the remaining requirements for such employees, the proposed regulations adopt almost verbatim the requirements of sections 7(f) and 7(o) of the FLSA, (29 U.S.C. §§207(f) and (o)).

Section 203(a)(3) directs the Board to adopt regulations "comparable" to the irregular work provisions of the FLSA. Section 2 of the proposed regulation incorporates the provisions of section 7(f) of the FLSA. The Board has not proposed to vary the requirements of section 7(f) because the Board is not currently aware of any working conditions which would require modification of the requirements for covered employees who work irregular hours, as compared to employees who work irregular hours in the private sector. However, there may be aspects to the House of Representatives' or the Senate's operations, such as very wide variations in weekly hours of work of some covered employees whose schedules directly depend on the schedule of the House or Senate or times when such employees may work a large number of overtime hours for extended periods, which commentors may believe would require a modification of the proposed regulation. Accordingly, the Board invites comments on whether the contracts or agreements referenced in Section 2 of the proposed regulation can or should be permitted to provide for a guaranty of pay for more than 60 hours and whether the terms and use of such contracts or agreements should differ in some other manner from those permitted in the private sector. The Board further invites comment on whether and to what extent the regulations in this subpart may and should vary in any other respect from the provisions of section 7(f) of the FLSA.

The Board also invites comment on whether this proposed regulation should be considered the sole irregular work schedule provision applicable to covered employees or whether, in addition, section 203 of the CAA applies the irregular hours provision of section 7(f) of the FLSA with respect to covered employees whose work schedules do not directly depend on the schedule of the House or Senate.

Pursuant to section 203(a)(3) of the CAA, the proposed regulation also authorizes employing offices to compensate covered employees with compensatory time off in lieu of overtime compensation where such employees' work schedules meet the irregular schedule definition of Section 1 of the proposed regulation. The Secretary of Labor has not promulgated regulations regarding the receipt of compensatory time in lieu of overtime compensation by employees who work irregular work schedules and no comparable authority exists for employees covered by the FLSA in the private sector to accrue compensatory time in lieu of paid overtime. The proposed regulation's terms regarding compensatory time are derived from the provisions of section 7(o) of the FLSA which permits public employers to continue the practice of providing compensatory time in lieu of monetary payment for overtime worked. The Board is not currently aware of any working conditions in the House of Representatives or the Senate which would require a different approach to the accrual and use of compensatory time than that applied to public employers and employees under the FLSA. However, there may be aspects of House or Senate operations which commentors may believe warrant a different approach.

Section 7(o) was incorporated into the FLSA as part of the Fair Labor Standards Amendments of 1985. The legislative history of those amendments reflects that the amendments "respond[ed] to [concerns of state and local governments] by adjusting certain FLSA principles with respect to employees of states and their political subdivisions." S. Rep. No. 159, 99th Cong., 1st Sess. 4 (1985), *reprinted in* 1985 U.S.C.C.A.N. 651, 655. In this regard there was a recognition that "the financial costs of coming into compliance with the FLSA—particularly the overtime provisions of section 7—[were] a matter of grave concern" and that "many state and local government employers and their employees voluntarily [had] worked out arrangements providing for compensatory time off in lieu of pay for hours worked beyond the normally scheduled work week. These arrangements . . . reflect[ed] mutually satisfactory solutions that [were] both fiscally and socially responsible. To the extent practicable, [Congress sought] to accommodate such arrangements". *Id.* at 8–9. In arriving at the maximum number of hours that could be accrued, the original Senate bill provided for a cap of 480 hours of compensatory time for all employees. The House proposed a cap of 180 hours for all employees except public safety employees, who would be permitted to accrual of 480 hours. The current provisions of section 7(o) were agreed to in conference. See H.R. CONF. Rep. No. 357, 99th Cong., 1st Sess. 8 (1985), *reprinted in* 1985 U.S.C.C.A.N. 669.

The Board invites comment on whether and to what extent Section 7(o) is an appropriate model for the Board's regulations. The Board also invites comment, if Section 7(o) does provide an appropriate model, on whether and to what extent the regulations, including the accrual and use of compensatory time off and the limits on the maximum number of hours that can be accrued, should vary from the provisions of section 7(o) of the FLSA.

Part B—Irregular Work Schedules: Section 1. For the purposes of this Part, a covered employee's work schedule "directly depends" on the schedule of the House of Representatives only if the employee's normal workweek arrangement requires that the employee be scheduled to work during the hours that the House or Senate is in session and the employee may not schedule vacation, personal or other leave or time off during those hours, absent emergencies and leaves mandated by law. A covered employee's schedule "directly depends" on the schedule of the House of Representatives or the Senate under the above definition regardless of the employee's schedule on days when the House or Senate is not in session.

Section 2. No employing office shall be deemed to have violated section 203(a)(1) of the CAA, which applies the protections of section 7(a)(1) of the Fair Labor Standards Act ("FLSA") to covered employees and employing offices, by employing any employee for a workweek in excess of the maximum workweek applicable to such employee under section 7(a) of the FLSA if such employee is employed pursuant to a bona fide individual contract, or pursuant to an agreement made as a result of collective bargaining by representatives of employees, if the employee's work schedule directly depends on the schedule of the House of Representatives or the Senate within the meaning of Section 1, and the contract or agreement (1) specifies a regular rate of pay of not less than the minimum hourly rate provided in subsection (a) of section 6 of the FLSA and compensation at not less than one and one-half times such rate for all hours worked in excess of such maximum workweek [currently 40 hours], and (2) provides a weekly guaranty of pay for not more than sixty hours based on the rates of pay so specified.

Section 3. Covered employees whose work schedules directly depend on the schedule of the House of Representatives or the Senate within the meaning of Section 1 must be compensated for all hours worked in excess of the maximum workweek applicable to such employees at time-and-a-half either in pay or in time off, pursuant to the relevant collective bargaining agreement, employment agreement or understanding arrived at before the performance of the work. However, those employees employed under a contract or agreement under Section 2 may be compensated in time off only for hours worked in excess of the weekly guaranty. In the case of a covered employee hired prior to the effective date of this regulation, the regular practice in effect immediately prior to the effective date with respect to the grant of compensatory time off in lieu of the receipt of overtime compensation shall constitute an agreement or understanding for purposes of this section. A covered employee under this section may not accrue compensatory time in excess of 240 hours of compensatory time for hours worked, except that if the work of such employee for which compensatory time may be provided includes work in a public safety activity, an emergency response activity or seasonal activity, the employee may accrue not more than 480 hours of compensatory time. Any employee who has accrued the maximum hours of compensatory time off shall, for additional overtime hours of work, be paid overtime compensation. If compensation is paid to an employee for accrued compensatory time, such compensation shall be paid at the regular rate earned by the employee at the time the employee receives such payment. The employee shall be permitted by the employing office to use compensatory time within a reasonable period after making the request if the use of such time does not unduly disrupt the operations of the employing office.

An employee who has accrued compensatory time authorized by this Section shall, upon termination of employment, be paid for the unused compensatory time at a rate of compensation not less than (A) the average regular rate received by such employee during the last 3 years of the employee's employment, or (B) the final regular rate received by such employee, whichever is higher.

Method of Approval:

The Board recommends that these regulations be approved by concurrent resolution as neither the House of Representatives nor the Senate has exclusive responsibility for the employing offices covered by these regulations.

Signed at Washington, DC, on this 10th day of October, 1995.

Glen D. Nager,
Chair of the Board,
Office of Compliance.

NOTICE OF PROPOSED RULEMAKING

Mr. THURMOND. Mr. President, pursuant to section 304(b) of the Congressional Accountability Act of 1995 (2 U.S.C. sec. 1384(b)), a notice of proposed rulemaking was submitted by the Office of Compliance, U.S. Congress. The notice relates to the Congressional Accountability Act and the Extension of Rights and Protections under the Fair Labor Standards Act of 1938, as applied to interns and irregular work schedules in the Senate.

Section 304(b) requires this notice to be printed in the Congressional Record, therefore I ask unanimous consent that the notice be printed in the Record.

There being no objection, the notice was ordered to be printed in the Record, as follows:

The Congressional Accountability Act of 1995: Extension of Rights and Protections Under the Fair Labor Standards Act of 1938 (Interns; Irregular Work Schedules)

NOTICE OF PROPOSED RULEMAKING

Summary: The Board of Directors of the Office of Compliance is publishing proposed rules to implement section 203(a)(2) and 203(c)(3) of the Congressional Accountability Act (P.L. 104–1). The proposed regulations, which are to be applied to the Senate and employees of the Senate, set forth the recommendations of the Deputy Executive Director for the Senate, Office of Compliance, as approved by the Board of Directors, Office of Compliance.

Dates: Comments are due within 30 days after publication of this notice in the Congressional Record.

Addresses: Submit written comments to the Chair of the Board of Directors, Office of Compliance, Room LA 200, Library of Congress, Washington, DC 20540–1999. Those wishing to receive notification of receipt of comments are requested to include a self-addressed, stamped post card. Comments may also be transmitted by facsimile ("FAX") machine to (202) 252–3115. This is not a toll-free call. Copies of comments submitted by the public will be available for review at the Law Library Reading Room, Room LM–201, Law Library of Congress, James Madison Memorial Building, Washington, DC, Monday through Friday, between the hours of 9:30 a.m. and 4:00 p.m.

For Further Information Contact: Deputy Executive Director for the Senate, Office of Compliance at (202) 252–3100. This notice is also available in the following formats: large print, braille, audio tape, and electronic file on computer disk. Requests for this notice in an alternative format should be made to Mr. Russell Jackson, Director, Service Department, Office of the Sergeant at Arms and Doorkeeper of the Senate, (202) 244–2705.

Supplementary Information:

Background—General: The Congressional Accountability Act of 1995 ("CAA"), PL 104–1, was enacted into law on January 23, 1995. In general, the CAA applies the rights and protections of eleven federal labor and employment law statutes to covered employees and employing offices within the legislative branch. Section 203(a) of the CAA applies the rights and protections of subsections (a)(1) and (d) of section 6, section 7, and section 12(c) of the Fair Labor Standards Act of 1938

(29 U.S.C. 206(a)(1) and (d), 207, 212(c) to covered employees and employing offices. Section 203(c) of the CAA directs the Board of Directors of the Office of Compliance established under the CAA to issue regulations to implement the section. Section 203(c)(2) further states that such regulations, with the exception of certain irregular work schedule regulations to be issued under section 203(a)(3), "shall be the same as substantive regulations issued by the Secretary of Labor to implement the statutory provisions referred to in subsection (a) except insofar as the Board may determine, for good cause shown and stated together with the regulation, that a modification of such regulations would be more effective for the implementation of the rights and protections under this section." Section 203(a)(2) of the CAA provides that "the term 'covered employee' [for the purpose of FLSA rights and protections] does not include an intern as defined in regulations. . ." issued by the Board pursuant to section 203(c).

Background: Part A—Interns: Part A of the proposed regulations defines the term "intern."

While there appears to be no definitive interpretation of the term "intern" for FLSA purposes in current Senate usage, in formulating its definition, the Board has consulted several Senate sources that use and define the term. For example, Interpretive Ruling No. 442 issued by the Senate Select Committee on Ethics on April 15, 1992, states that intern programs designed for the educational benefit of the participants are deemed to be "officially connected" expenses that are related to the performance of a Senator's official responsibilities and that the supervising Senator is responsible for determining if such program "is primarily for the benefit of the intern." Similarly, the Senate Edition of the *Congressional Handbook* (1994) ("Senate Handbook") states that "Interns may be employed on a temporary basis for a few weeks to several months. . .". (Senate Handbook at p. I-10) The proposed definition has drawn upon these sources. This proposed regulation is not intended to cover other similar job positions such as volunteers or fellows, nor does it cover pages.

Part A—Interns: Section 1. An intern is an individual who:

(a) is performing services in an employing office as part of the pursuit of the individual's educational objectives, and

(b) is appointed on a temporary basis for a period not to exceed one academic semester (including the period between semesters); provided that an intern may be reappointed for one succeeding temporary period.

Section 2. An intern for the purposes of section 203(a)(2) of the Act also includes an individual who is a senior citizen intern appointed under S.Res. 219 (May 5, 1978, as amended by S.Res. 96, April 9, 1991).

Background: Part B—Irregular Work Schedules: Section 203(c)(3) of the Act directs the Board to issue regulations for employees "whose work schedules directly depend on the schedule of the House of Representatives or the Senate that shall be comparable to the provisions of the Fair Labor Standards Act of 1938 that apply to employees who have irregular work schedules."

Section 7(f) of the Fair Labor Standards Act (29 U.S.C. 207(f)) provides that "No employer shall be deemed to have violated subsection (a) [requiring overtime pay after an employee has worked 40 hours in a workweek] by employing any employee in a workweek in excess of the maximum workweek applicable [currently 40 hours] if such employee is employed pursuant to a bona fide individual contract, or pursuant to an agreement made as a result of collective bargaining by representatives of employees, if the duties of such employee necessitate irregular hours of work and the contract or agreement (1) specifies a regular rate of pay not less than the minimum provided in . . . section 6 [currently set at $4.25 per hour] . . . and compensation at not less than one and one-half times that rate for all hours worked in excess of such maximum workweek and (2) provides a weekly guarantee of pay for not more than sixty hours based on the rates so specified." Part B of the proposed regulations implements the provisions of section 203(a)(3) of the CAA by developing FLSA overtime pay requirements for employees of covered employing offices whose schedules directly depend on the schedule of the Senate.

The proposed regulation develops a standard for determining whether an individual's work schedule "directly depends" on the schedule of the Senate. In setting the remaining requirements for such employees, the proposed regulations adopt almost verbatim the requirements of sections 7(f) and 7(o) of the FLSA, (29 U.S.C. §§207(f) and (o)).

Section 203(a)(3) directs the Board to adopt regulations "comparable" to the irregular work provisions of the FLSA. Section 2 of the proposed regulation incorporates the provisions of section 7(f) of the FLSA. The Board has not proposed to vary the requirements of section 7(f) because the Board is not currently aware of any working conditions which would require modification of the requirements for covered employees who work irregular hours, as compared to employees who work irregular hours in the private sector. However, there may be aspects to the Senate's operations, such as very wide variations in weekly hours of work of some covered employees whose schedules directly depend on the schedule of the Senate or times when such employees may work a large number of overtime hours for extended periods, which commentors may believe would require a modification of the proposed regulation. Accordingly, the Board invites comments on whether the contracts or agreements referenced in Section 2 of the proposed regulation can or should be permitted to provide for a guaranty of pay for more than 60 hours and whether the terms and use of such contracts or agreements should differ in some other manner from those permitted in the private sector. The Board further invites comment on whether and to what extent the regulations in this subpart may and should vary in any other respect from the provisions of section 7(f) of the FLSA.

The Board also invites comment on whether this proposed regulation should be considered the sole irregular work schedule provision applicable to covered employees or whether, in addition, section 203 of the CAA applies the irregular hours provision of section 7(f) of the FLSA with respect to covered employees whose work schedules do not directly depend on the schedule of the House or Senate.

Pursuant to section 203(a)(3) of the CAA, the proposed regulation also authorizes employing offices to compensate covered employees with compensatory time off in lieu of overtime compensation where such employees' work schedules meet the irregular schedule definition of Section 1 of the proposed regulation. The Secretary of Labor has not promulgated regulations regarding the receipt of compensatory time in lieu of overtime compensation by employees who work irregular work schedules and no comparable authority exists for employees covered by the FLSA in the private sector to accrue compensatory time in lieu of paid overtime. The proposed regulation's terms regarding compensatory time are derived from the provisions of section 7(o) of the FLSA which permits public employers to continue the practice of providing compensatory time in lieu of monetary payment for overtime worked. The Board is not currently aware of any working conditions in the Senate which would require a different approach to the accrual and use of compensatory time than that applied to public employers and employees under the FLSA. However, there may be aspects of the Senate's operations which commentors may believe warrant a different approach.

Section 7(o) was incorporated into the FLSA as part of the Fair Labor Standards Amendments of 1985. The legislative history of those amendments reflects that the amendments "respond[ed] to [concerns of state and local governments] by adjusting certain FLSA principles with respect to employees of states and their political subdivisions." S. Rep. No. 159, 99th Cong., 1st Sess. 4 (1985), *reprinted in* 1985 U.S.C.C.A.N. 651, 655. In this regard there was a recognition that "the financial costs of coming into compliance with the FLSA—particularly the overtime provisions of section 7—[were] a matter of grave concern " and that "many state and local government employers and their employees voluntarily [had] worked out arrangements providing for compensatory time off in lieu of pay for hours worked beyond the normally scheduled work week. These arrangements . . . reflect[ed] mutually satisfactory solutions that [were] both fiscally and socially responsible. To the extent practicable, [Congress sought] to accommodate such arrangements". *Id.* at 8–9. In arriving at the maximum number of hours that could be accrued, the original Senate bill provided for a cap of 480 hours of compensatory time for all employees. The House proposed a cap of 180 hours for all employees except public safety employees, who would be permitted to accrual 480 hours. The current provisions of section 7(o) were agreed to in conference. See H.R. CONF. Rep. No. 357, 99th Cong., 1st Sess. 8 (1985), *reprinted in* 1985 U.S.C.C.A.N. 669.

The Board invites comment on whether and to what extent Section 7(o) is an appropriate model for the Board's regulations. The Board also invites comment, if Section 7(o) does provide an appropriate model, on whether and to what extent the regulations, including the accrual and use of compensatory time off and the limits on the maximum number of hours that can be accrued, should vary from the provisions of section 7(o) of the FLSA.

Part B—Irregular Work Schedules: Section 1. For the purposes of this Part, a covered employee's work schedule "directly depends" on the schedule of the Senate only if the employee's normal workweek arrangement requires that the employee be scheduled to work during the hours that the Senate is in session and the employee may not schedule vacation, personal or other leave or time off during those hours, absent emergencies and leaves mandated by law. A covered employee's schedule "directly depends" on the schedule of the Senate under the above definition regardless of the employee's schedule on days when the Senate is not in session.

Section 2. No employing office shall be deemed to have violated section 203(a)(1) of the CAA, which applies the protections of section 7(a)(1) of the Fair Labor Standards Act ("FLSA") to covered employees and employing offices, by employing any employee for a workweek in excess of the maximum workweek applicable to such employee under section 7(a) of the FLSA if such employee is employed pursuant to a bona fide individual contract, or pursuant to an agreement made as a result of collective bargaining by representatives of employees, if the employee's work schedule directly depends on the schedule of the Senate within the meaning of Section 1, and the contract or agreement (1) specifies a regular rate of pay of not less than the minimum hourly rate provided in subsection (a) of section 6 of the FLSA and compensation at not less than one and one-half times such rate for all hours worked in excess of such maximum workweek [currently 40 hours], and (2) provides a weekly guaranty of pay for not more than sixty hours based on the rates of pay so specified.

Section 3. Covered employees whose work schedules directly depend on the schedule of the Senate within the meaning of Section 1 must be compensated for all hours worked in excess of the maximum workweek applicable to such employees at time-and-a-half either in pay or in time off, pursuant to the relevant collective bargaining agreement, employment agreement or understanding arrived at before the performance of the work. However, those employees employed under a contract or agreement under Section 2 may be compensated in time off only for hours worked in excess of the weekly guaranty. In the case of a covered employee hired prior to the effective date of this regulation, the regular practice in effect immediately prior to the effective date with respect to the grant of compensatory time off in lieu of the receipt of overtime compensation shall constitute an agreement or understanding for purposes of this section. A covered employee under this section may not accrue compensatory time in excess of 240 hours of compensatory time for hours worked, except that if the work of such employee for which compensatory time may be provided includes work in a public safety activity, an emergency response activity or seasonal activity, the employee may accrue not more than 480 hours of compensatory time. Any employee who has accrued the maximum hours of compensatory time off shall, for additional overtime hours of work, be paid overtime compensation. If compensation is paid to an employee for accrued compensatory time, such compensation shall be paid at the regular rate earned by the employee at the time the employee receives such payment. The employee shall be permitted by the employing office to use compensatory time within a reasonable period after making the request if the use of such time does not unduly disrupt the operations of the employing office.

An employee who has accrued compensatory time authorized by this Section shall, upon termination of employment, be paid for the unused compensatory time at a rate of compensation not less than (A) the average regular rate received by such employee during the last 3 years of the employee's employment, or (B) the final regular rate received by such employee, whichever is higher.

Method of Approval:

The Board recommends that these regulations be approved by resolution of the Senate.

Signed at Washington, DC, on this 10th day of October, 1995.

GLEN D. NAGER,
Chair of the Board,
Office of Compliance.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Thomas, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORT ON HAZARDOUS MATERIALS TRANSPORTATION FOR CALENDAR YEARS 1992–93—MESSAGE FROM THE PRESIDENT—PM 87

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Commerce, Science, and Transportation.

To the Congress of the United States:

In accordance with Public Law 103–272, as amended (49 U.S.C. 5121(e)), I transmit herewith the Biennial Report on Hazardous Materials Transportation for Calendar Years 1992–1993 of the Department of Transportation.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *October 11, 1995.*

MESSAGES FROM THE HOUSE

At 4 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 436. An act to require the head of any Federal agency to differentiate between fats, oils, and greases of animal, marine, or vegetable origin, and other oils and greases, in issuing certain regulations, and for other purposes.

H.R. 1384. An act to amend title 38, United States Code, to exempt certain full-time health-care professionals of the Department of Veterans Affairs from restrictions on remunerated outside professional activities.

H.R. 1536. An act to amend title 38, United States Code, to extend for 2 years an expiring authority of the Secretary of Veterans Affairs with respect to determination of locality salaries for certain nurse anesthetist positions in the Department of Veterans Affairs.

H.R. 2394. An act to increase, effective as of December 1, 1995, the rates of compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for the survivors of certain disabled veterans.

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent and referred as indicated:

H.R. 1384. An act to amend title 38, United States Code, to exempt certain full-time health-care professionals of the Department of Veterans Affairs from restrictions on remunerated outside professional activities; to the Committee on Veterans' Affairs.

H.R. 1536. An act to amend title 38, United States Code, to extend for 2 years an expiring authority of the Secretary of Veterans Affairs with respect to determination of locality salaries for certain nurse anesthetist positions in the Department of Veterans Affairs; to the Committee on Veterans' Affairs.

H.R. 2394. An act to increase, effective as of December 1, 1995, the rates of compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for the survivors of certain disabled veterans; to the Committee on Veterans' Affairs.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–1475. A communication from the Secretary of Agriculture, transmitting, the report on programs, policies, and initiatives which facilitate fathers' involvement in their children's lives; to the Committee on Agriculture, Nutrition, and Forestry.

EC–1476. A communication from the Under Secretary of Defense, transmitting, pursuant to law, the report of a violation of the Antideficiency Act, case number 93–08; to the Committee on Appropriations.

EC–1477. A communication from the Under Secretary of Defense, transmitting, pursuant to law, the report of a violation of the Antideficiency Act, case number 92–14; to the Committee on Appropriations.

EC–1478. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, a description of the property to be transferred to the Republic of Panama in accordance with the Panama Canal Treaty of 1977 and its related agreements; to the Committee on Armed Services.

EC–1479. A communication from the Secretary of Housing and Urban Development, transmitting, the report summary entitled, "Putting the Pieces Together: Controlling Lead Hazards in the Nation's Housing"; to the Committee on Banking, Housing, and Urban Affairs.

EC–1480. A communication from the President and Chairman of the Export-Import Bank, transmitting, pursuant to law, a statement regarding transactions involving exports to Kuwait; to the Committee on Banking, Housing, and Urban Affairs.

EC–1481. A communication from the President and Chairman of the Export-Import Bank, transmitting, pursuant to law, a statement with respect to a transaction involving the combined-cycle power generation facility in Mexico; to the Committee on Banking, Housing and Urban Affairs.

EC–1482. A communication from the President and Chairman of the Export-Import Bank, transmitting, pursuant to law, a statement regarding transactions involving exports to Pakistan; to the Committee on Banking, Housing, and Urban Affairs.

EC–1483. A communication from the Chairman of Federal Finance Board, transmitting, pursuant to law, the report on low-income housing and community development activities of the federal home loan bank system for

1994; to the Committee on Banking, Housing, and Urban Affairs.

EC-1484. A communication from the Chairman of the Board of Governors of the Federal Reserve System, transmitting, pursuant to law, the report on the credit advertising rules under the Truth in Lending Act; to the Committee on Banking, Housing, and Urban Affairs.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-319. A resolution adopted by the Western States Land Commissioners Associations relative to federal royalty collections; to the Committee on Energy and Natural Resources.

POM-320. A joint resolution adopted by the Legislature of the State of Alaska; to the Committee on Energy and Natural Resources:

"HOUSE JOINT RESOLUTION NO. 13

"Whereas in Sec. 1002 of the Alaska National Interest Lands Conservation Act (ANILCA), the United States Congress reserved the right to permit further oil and gas exploration, development, and production within the coastal plain of the Arctic National Wildlife Refuge, Alaska; and

"Whereas the oil industry, the state, and the United States Department of the Interior consider the coastal plain to have the highest potential for discovery of very large oil and gas accumulations on the continent of North America, estimated to be as much as 10,000,000,000 barrels of recoverable oil; and

"Whereas the residents of the North Slope Borough, within which the coastal plain is located, are supportive of development in the '1002 study area'; and

"Whereas oil and gas exploration and development of the coastal plain of the refuge and adjacent land could result in major discoveries that would reduce our nation's future need for imported oil, help balance the nation's trade deficit, and significantly increase the nation's security; and

"Whereas, for the first year ever, more than one-half of the oil used in the United States has come from foreign sources as domestic crude oil production fell to 6,600,000 barrels per day, its lowest annual level since 1954; and

"Whereas development of oil at Prudhoe Bay, Kuparuk, Endicott, Lisburne, and Milne Point has resulted in thousands of jobs throughout the United States and projected job creation as a result of coastal plain oil development will have a positive effect in all 50 states; and

"Whereas Prudhoe Bay production is declining by approximately 10 percent a year; and

"Whereas opening the coastal plain of the Arctic National Wildlife Refuge now allows sufficient time for planning environmental safeguards, development, and national security review; and

"Whereas the oil and gas industry and related Alaskan employment have been severely affected by reduced oil and gas activity, and the reduction in industry investment and employment has broad implications for the Alaskan work force and the entire state economy; and

"Whereas the 1,500,000-acre coastal plain of the refuge comprises only eight percent of the 19,000,000-acre refuge, and the development of the oil and gas reserves in the refuge's coastal plain would affect an area of only 5,000 to 7,000 acres, which is one and one-half percent of the area of the coastal plain; and

"Whereas 8,000,000 of the 19,000,000 acres of the refuge have already been set aside as wilderness; and

"Whereas the oil industry has shown at Prudhoe Bay, as well as at other locations along the Arctic coastal plain, that it can safely conduct oil and gas activity without adversely affecting the environment or wildlife populations; be it

"*Resolved by the Alaska State Legislature*, That the Congress of the United States is urged to pass legislation to open the coastal plain of the Arctic National Wildlife Refuge, Alaska, to oil and gas exploration, development, and production; and be it further

"*Resolved*, That that activity be conducted in a manner that protects the environment and uses the state's work force to the maximum extent possible."

POM-321. A resolution adopted by the Council of the City of West Branch, Michigan relative to waste; to the Committee on Environment and Public Works.

POM-322. A resolution adopted by the Council of the City of Warren, Ohio relative to traffic control devices; to the Committee on Environment and Public Works.

POM-323. A joint resolution adopted by the Legislature of the State of California; to the Committee on Environment and Public Works:

"JOINT RESOLUTION NO. 15

"Whereas, due to chronic failures of the sewage system that serves the City of Tijuana, in Baja California, Mexico, large amounts of untreated wastewater flow into the Tijuana River and its tributaries and across the international border into the San Diego area of this state; and

"Whereas, the flows of untreated wastewater often contain toxic contaminants because Mexico does not require the pretreatment of industrial waste and thus pose a threat to both public health and the ecosystems of the Tijuana River estuary and beaches located near the mouth of the river; and

"Whereas, to address those issues, in July, 1990, the federal government and the Mexican government signed Minute 283, calling for a conceptual plan for an international solution to the border sanitation problem in San Diego, California and Tijuana, Baja California; and

"Whereas, the two governments agreed in Minute 283 to the creation of an international wastewater treatment plant, to be constructed on the southwest bank of the Tijuana River on the United States side of the border, that will be capable of treating twenty-five million gallons of untreated wastewater per day and is to be funded and supervised by both the United States and Mexico, through the United States section of the International Boundary and Water Commission; Now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California, jointly*, That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to move with all deliberate speed, and take all necessary steps, to complete the construction of the International Wastewater Treatment Plant on the Tijuana River near San Diego as soon as possible; and be it further

"*Resolved*, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the United States House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

POM-324. A joint resolution adopted by the Legislation of the State of Nevada; to the Committee on Environment and Public Works.

"SENATE JOINT RESOLUTION NO. 23

"Whereas, in 1977, the Congress of the United States amended the Clean Air Act for the purpose of correcting and preventing the continued deterioration of visibility in large national parks and wilderness areas resulting from the pollution of the air; and

"Whereas, this amendment did not provide adequate resources to carry out its provisions and targeted only a few of the major types of sources of the pollution affecting visibility; and

"Whereas, as a result, the Federal Government and the individual states were extremely slow in developing an effective program to reduce air pollution in these areas; and

"Whereas, the two emission control programs specifically concerned with visibility in national parks and wilderness areas include the program for Prevention of Significant Deterioration of Air Quality, which is directed mainly at new sources of pollution and a program visibility protection which is primarily aimed at existing sources of pollution; and

"Whereas, the program for Prevention of Significant Deterioration of Air Quality requires that each new or enlarged "major emitting facility" locating near large national parks or wilderness areas install the "best available control technology," establish increments (allowable increases) that limit cumulative increase in levels of pollution in clear air areas and to some extent, have protected visibility by reducing the growth of emissions that contribute to regional haze; and

"Whereas, in 1990, the United States General Accounting Office issued a report which discussed some of the shortcomings of the program for Prevention of Significant Deterioration of Air Quality; and

"Whereas, this report indicated that federal land managers had failed to meet their responsibilities because of a lack of allocated time, personnel and data, and because the United States Environmental Protection Agency had failed to forward applications for permits; and

"Whereas, the report indicated that many sources of air pollution in national parks and wilderness areas are exempt from the requirements of the program for Prevention of Significant Deterioration of Air Quality because they are considered minor sources or because they existed before the program for Prevention of Significant Deterioration of Air Quality took effect; and

"Whereas, the other program for visibility protection, established by the amendments to the Clean Air Act of 1977, directs states to establish measures to achieve "reasonable progress" toward the national visibility goal and to require the installation of the "best available retrofit technology" on large source contributing to air pollution at major national parks and wildlife areas; and

"Whereas, in 1980, the Environmental Protection Agency issued rules to control air pollution caused by visible plumes from nearby individual sources and express its intention to regulate regional haze to some future date "when improvement in monitoring techniques provides more data on source-specific levels of visibility impairment, regional scale-models become more refined, and scientific knowledge about the relationships between air pollutants and visibility improves"; and

"Whereas, to date, the Environmental Protection Agency has not proposed rules for the regulation of regional haze, but has required only regulation of air pollution that is attributable to individual sources through the use of simple techniques, and in the past 14 years only one source of pollution has been required to control its emissions pursuant to this program; and

"Whereas, it is evident that the Environmental protection Agency has not been required to enforce the visibility provisions of the federal law and this failure should be addressed before any new legislation is passed which penalizes a regional area; and

"Whereas, in 1990, the Clean Air Act was once again amended to include numerous new statutes and amendments to existing statutes which called for more regulation of air quality for the purpose of providing continued and expanded efforts to improve air quality; and

"Whereas, the amendment added Section 169B which provided the mechanism for the Administrator of the Environmental Protection Agency to establish visibility transport regions and visibility transport commissions; and

"Whereas, that section specifically created The Grand Canyon Visibility Transport Commission which is required to prepare and submit to the Administrator of the Environmental protection Agency by November 15, 1995, a report recommending what measures, if any, should be taken pursuant to the Clean Air Act to address adverse impacts on visibility from potential or projected growth in emissions in the region; and

"Whereas, the report will also discuss the establishment of clean air corridors in which additional restrictions in emissions may be appropriate to protect visibility in affected areas, the imposition of the requirements of the program for Prevention of Significant Deterioration of Air Quality which affect the construction of new or modified major stationary sources in those clean air corridors, the alternative siting analysis provisions as provided in the Clean Air Act, the imposition of nonattainment status requirements within clean air corridors and the adoption of regulations to provide long-range strategies for addressing regional haze which impairs visibility in affected areas; and

"Whereas, a total of $8,000,000 per year for 5 years was authorized for appropriation to the Environmental Protection Agency and other federal agencies to conduct research to identify and evaluate sources and source regions of air pollution as well as regions that provide predominantly clean air to national parks and wilderness areas, but it does not appear that the Environmental Protection Agency has requested or received such an appropriation; and

"Whereas, with the exception of minor federal funding, the Grand Canyon Visibility Transport Commission is an unfunded mandate, and to date, most of the work which has been done pursuant to the mandate is the result of efforts made by state governments, industries and conservation groups; and

"Whereas, for these reasons, the amendments to the Clean Air Act adopted in 1990, including Section 169B, have not been fully implemented and allowed sufficient time to produce their desired effect; and

"Whereas, certain scientific studies, assessments and inventories have shown that air quality in the Intermountain West Region continues to improve even though the amendments adopted in 1990 have not been fully implemented; and

"Whereas, the clean air corridor concept may result in a severe restraint on population growth and economic development in the western states, a result which was not intentional when Congress passed Section 169B of the Clean Air Act whereby the cleanest air in the nation, with the best visibility, may be managed by the Environmental Protection Agency as the dirtiest; and

"Whereas, the Nevada Legislature has grave concerns about the consequences of the recommendations which may be made by the Grand Canyon Visibility Transport Commission to the Administrator of the Environmental Protection Agency because of previously stated facts involving the federal regulation of visibility; Now, therefore, be it

"*Resolved, by the Senate and Assembly of the State of Nevada, jointly*, That Congress is hereby urged to refrain from adopting additional statutes and the Environmental Protection Agency is hereby urged to refrain from adopting additional regulations which regulate air quality and visibility until the amendments to the Clean Air Act adopted in 1990 and the regulations adopted thereunder have been fully implemented and allowed sufficient time to produce their intended results; and be it further

"*Resolved*, That as part of its oversight of the regulatory program, Congress is hereby urged to resist proposals such as clean air corridors, the imposition of nonattainment status requirements within clean air corridors and the imposition of no-build provisions within a transport region that are not equitable to all states; and be it further

"*Resolved*, That Congress is hereby urged to support proposals that are equitable, such as the uniform application of the existing provisions of the program for Prevention of Significant Deterioration of Air Quality in the Clean Air Act and the imposition or addition of more stringent controls on existing sources of air pollution and visibility impairment; and be it further

"*Resolved*, That the Environmental Protection Agency and any other federal agency that regulates air quality are hereby urged to base any future regulations related to air quality and visibility on clear scientific evidence which is reviewed and confirmed by others within the scientific community; and be it further

"*Resolved*, That the Secretary of the Senate prepare and transmit a copy of this resolution to the Vice President of the United States as the presiding officer of the Senate, the Speaker of the House of Representatives, each member of the Nevada Congressional Delegation and the Administrator of the Environmental Protection Agency; and be it further

"*Resolved*, That this resolution becomes effective upon passage and approval."

POM–325. A joint resolution adopted by the Legislature of the State of Nevada; to the Committee on Environment and Public Works.

"SENATE JOINT RESOLUTION NO. 20

"Whereas, the present interstate highway system in the United States will be inadequate to meet the needs of local and interstate commerce in the 21st century; and

"Whereas, the Secretary of Transportation has submitted a proposal to Congress for the designation of the National Highway System; and

"Whereas, more than $6.5 billion in federal funding for highways will not be allocated to the states unless the designation of the National Highway System is approved by Congress not later than September 30, 1995; and

"Whereas, the National Highway System will consist of a network of highways which are vitally important to the strategic defense policy of the United States; and

"Whereas, the National Highway System will reduce traffic congestion which presently costs travelers approximately $1 billion each year in lost productivity in each of the nation's eight largest metropolitan areas; and

"Whereas, the National Highway System will connect important urban areas which are not presently served by an interstate highway; and

"Whereas, the National Highway System will benefit consumers by reducing the cost of transporting goods within the United States; and

"Whereas, the National Highway System will include the entire 545 miles of the interstate highway system in Nevada; and

"Whereas, although only 4.7 percent of the highways in Nevada will be included in the National Highway System, those highways will account for approximately 66 percent of the motor vehicle traffic in Nevada; and

"Whereas, the National Highway System will improve access for visitors to such destinations as Lake Tahoe, Lake Mead and Jackpot, Nevada; Now, therefore, be it

"*Resolved by the Senate and Assembly of the State of Nevada, jointly*, That the Nevada Legislature hereby urges Congress to approve the designation of the National Highway System; and be it further

"*Resolved*, That the Secretary of the Senate prepare and transmit a copy of this resolution to the Vice President of the United States as the presiding officer of the Senate, the Speaker of the House of Representatives and each member of the Nevada Congressional Delegation; and be it further

"*Resolved*, That this resolution becomes effective upon passage and approval."

POM–326. A joint resolution adopted by the Legislature of the State of Nevada; to the Committee on Environment and Public Works.

"SENATE JOINT RESOLUTION NO. 22

"Whereas, in 1984, Congress enacted Public Law 98–381 which appropriated $77,000,000, calculated at 1983 price levels, for a program to increase the generation capacity of the power plant at Hoover Dam and for a visitor facilities program to improve the parking, visitor facilities and roadways at Hoover Dam; and

"Whereas, although Public Law 98–381 does not specify the amount of the appropriation to be spent on the respective programs, the Senate Report of the Committee on Energy and Natural Resources (S. Rep. No. 98–137, 98th Congress, 1st Session (1983), at page 14) indicates that $32,000,000 would be needed for the visitor facilities program; and

"Whereas, appropriations made for the visitor facilities program are to be repaid with interest when the program is substantially completed from revenue received from the sale of power at the Hoover Dam power plant; and

"Whereas, as of the end of the 1994 federal fiscal year, approximately $120,000,000 has been expended on the visitor facilities program; and

"Whereas, as of May 1995, the visitor facilities program is not complete and additional money will be necessary to complete the program: Now, therefore, be it

"*Resolved, by the Senate and Assembly of the State of Nevada, jointly*, That the Nevada Legislature urges Congress to investigate the costs incurred for the visitor facilities program at Hoover Dam which are in addition to the amount originally appropriated by Congress for the program; and be it further

"*Resolved*, That the Nevada Legislature urges Congress to direct the Bureau of Reclamation of the United States Department of the Interior to develop alternative sources of funding to pay the costs incurred for the visitor facilities program at Hoover Dam which are in addition to the amount originally estimated for the program of $32,000,000; and be it further

"*Resolved*, That the Secretary of the Senate of the State of Nevada prepare and transmit a copy of this resolution to the Vice President of the United States as presiding officer of the United States Senate, the Speaker of the House of Representatives and each member of the Nevada Congressional Delegation; and be it further

"*Resolved*, That this resolution becomes effective upon passage and approval."

POM-327. A concurrent resolution adopted by the Legislature of the State of Texas; to the Committee on Environment and Public Works.

"HOUSE CONCURRENT RESOLUTION

"Whereas, in 1991 the Congress of the United States established a 65-mile-per-hour speed limit on rural sections of interstate highways, recognizing recent advancements in road and automobile technology as well as the increased need for rapid road transportation in today's competitive global economy; and

"Whereas, current federal law continues, however, to restrict the ability of states to adopt this standard for divided four-lane highways of comparable design and quality; and

"Whereas, within the borders of Texas, most national and state highways traverse broad expanses of rural countryside and, with few intersections or potential traffic hazards, are ideally suited for higher speed travel than is currently permitted by federal law; and

"Whereas, higher speed limits are essential for promoting rapid ground travel in rural areas of Texas, many of which are not served by rail, air, or any other mode of transportation; moreover, the 55-mile-per-hour speed limit places a disproportionate burden on this state's rural residents, who often must travel great distances for work, shopping, medical care, and other basic necessities; and

"Whereas, responding to the special needs of rural communities, the Texas Legislature has enacted a statute that will raise the speed limit on divided four-lane highways as soon as federal law permits; and

"Whereas, the State of Texas can best determine maximum speed limits most appropriate to its unique geography, to its vast rural highway system, and to the needs of its citizens: Now, therefore, be it

"*Resolved*, That the 74th Legislature of the State of Texas hereby urge the Congress of the United States to allow states to establish a 65-mile-per-hour speed limit for rural sections of divided four-lane highways; and, be it further

"*Resolved*, That the Texas secretary of state forward official copies of this resolution to the United States secretary of transportation, to the speaker of the house of representatives and president of the senate of the United States Congress, and to all members of the Texas congressional delegation with the request that it be officially entered in the Congressional Record as a memorial to the Congress of the United States of America."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. D'AMATO, from the Committee on Banking, Housing, and Urban Affairs, without amendment:

S. 1309. An original bill to reauthorize the tied aid credit program of the Export-Import Bank of the United States, and to allow the Export-Import Bank to conduct a demonstration project (Rept. No. 104–154).

By Mr. PRESSLER, from the Committee on Commerce, Science, and Transportation, with an amendment in the nature of a substitute:

S. 1048. A bill to authorize appropriations for fiscal year 1996 to the National Aeronautics and Space Administration for human space flight; science, aeronautics, and technology; mission support; and inspector general; and for other purposes (Rept. No. 104–155).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources:

Charles William Burton, of Texas, to be a Member of the Board of Directors of the United States Enrichment Corporation for the remainder of the term expiring February 24, 1996.

Derrick L. Forrister, of Tennessee, to be an Assistant Secretary of Energy (Congressional and Intergovernmental Affairs).

Eluid Levi Martinez, of New Mexico, to be Commissioner of Reclamation.

Patricia J. Beneke, of Iowa, to be an Assistant Secretary of the Interior.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. BINGAMAN:

S. 1308. A bill to amend chapter 73 of title 31, United States Code, to provide for performance standards for block grant programs, and for other purposes; to the Committee on Governmental Affairs.

By Mr. D'AMATO:

S. 1309. An original bill to reauthorize the tied aid credit program of the Export-Import Bank of the United States, and to allow the Export-Import Bank to conduct a demonstration project; from the Committee on Banking, Housing, and Urban Affairs; placed on the calendar.

By Mr. KERRY:

S. 1310. A bill to amend the Internal Revenue Code of 1986 to expand the availability of individual retirement accounts, and for other purposes; to the Committee on Finance.

By Mr. CAMPBELL (for himself and Mr. BRADLEY):

S. 1311. A bill to establish a National Fitness and Sports Foundation to carry out activities to support and supplement the mission of the President's Council on Physical Fitness and Sports, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. BAUCUS:

S. 1312. A bill to amend the Internal Revenue Code of 1986 to assist in the financing of education expenses for the middle class; to the Committee on Finance.

By Mr. CAMPBELL:

S. 1313. A bill to amend the Internal Revenue Code of 1986 to permit Indian tribal governments to maintain section 401(k) plans for their employees; to the Committee on Finance.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. BRADLEY (for himself, Mr. HATCH, Mr. COHEN, Mr. ROCKEFELLER, Mr. SPECTER, Mrs. MURRAY, and Mrs. FEINSTEIN):

S. Res. 180. A resolution proclaiming October 15, 1995, through October 21, 1995, as the "Week Without Violence", and for other purposes; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BINGAMAN:

S. 1308. A bill to amend chapter 73 of title 31, United States Code, to provide for performance standards for block grant programs, and for other purposes; to the Committee on Governmental Affairs.

THE BLOCK GRANT PERFORMANCE STANDARDS ACT

Mr. BINGAMAN. Mr. President, I introduce the Block Grant Performance Standards Act of 1995. This legislation is intended to provide a minimum set of performance standards for all block grants allocating Federal funds to States, localities, and other recipients.

In the 104th Congress, we have seen a movement toward block grants. The idea behind this movement is that we have too many programs providing funding to other levels of government, and that these programs involve too much paperwork. This reasoning leads to the conclusion that if we bundle these programs into broader block grants, we will release other levels of government to better allocate these resources without wasting time and money filling out paperwork bound for bureaucrats in Washington.

Mr. President, I agree that in many cases some of this reasoning is correct. To the extent possible, we should try to reduce paperwork and increase flexibility for State and local governments receiving Federal funds. I believe, however, that in creating block grants we must be responsible to taxpayers and resist the temptation to simply turn over blank checks to other levels of government. As the elected officials at the Federal level, I believe that we must set up minimal performance standards for the block grants we provide.

I am pleased that some of the block grants we are creating do have accountability built in. The Chair of the Senate Committee on Labor and Human Resources, Senator KASSEBAUM, for example, has done an admirable job of including planning and performance standards for the States' administration of the job training block grants anticipated by S. 143, now before the Senate. I was successful in attaching an amendment to the welfare reform bill approved by the Senate that will provide similar accountability.

The legislation I am introducing today is intended to provide accountability standards for all block grant programs. It requires entities receiving block grants to submit a plan to the agency administrating the grant program that outlines the goals of the entity for the use of the Federal funds, a description of how the goals will be achieved, and a discussion of performance indicators that will be used to measure progress toward those goals. It also ensures public participation in the development of this plan through the creation of appropriate community advisory committees. Finally, it provides for the provision of penalties for entities receiving block grants who consistently do not meet the goals they set for themselves in their block grant plans over a period of 2 years.

Mr. President, I believe that this legislation strikes the right balance in ensuring that we meet our fiduciary responsibilities to Federal taxpayers and our desire to provide maximum flexibility to entities receiving block grants. It builds on the work of others, including Senator ROTH, the sponsor of the Government Performance and Results Act of 1993, Public Law 103-62, which set similar performance standards for the Federal Government; and David Osborne, who has written on the need to develop performance standards for government. It also draws on the work of Senator HATFIELD and his legislation to implement flexibility within current programs: S. 88, the Local Empowerment and Flexibility Act of 1995.

Mr. President, I ask unanimous consent that the text of the bill and an article be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1308

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Block Grant Performance Standards Act of 1995".

SEC. 2. ADMINISTRATION OF BLOCK GRANTS.

Chapter 73 of title 31, United States Code, is amended by adding at the end thereof the following new subchapter:

"SUBCHAPTER II—CONDITIONS APPLICABLE TO BLOCK GRANTS

"§ 7321. Purposes

"The purposes of this subchapter are to—

"(1) enable more efficient use of Federal, State, and local resources;

"(2) establish accountability for achieving the purposes of block grant programs; and

"(3) establish effective partnerships to address critical issues of public interest.

"§ 7322. Definitions

"For purposes of this subchapter, the term—

"(1) 'block grant program' means a program in which Federal funds are directly allocated to States, localities, or other recipients for use at the discretion of such States, localities, or recipients in meeting stated Federal purposes.; and

"(2) 'plan' means a block grant strategic plan described under section 7324.

"§ 7323. Requirement of approved block grant strategic plans

"No payment may be paid under any block grant program to any eligible entity unless such entity has submitted and received approval for a plan.

"§ 7324. Block grant strategic plans

"The head of an agency administering a block grant program shall designate the criteria that shall be included in a block grant strategic plan. At a minimum, each plan shall contain—

"(1) a description of goals and objectives, including outcome related goals and objectives for each of the designated program activities for each of the first 6 fiscal years of the plan;

"(2) a description of how the goals and objectives are to be achieved, including a description of the operational processes, skills and technology, and the human, capital, information and other objectives required to meet the goals and objectives for the current fiscal year;

"(3) a description of performance indicators to be used in measuring or assessing the relevant output service levels and outcomes of each of the mandatory program activities; and

"(4) a description of the program evaluation to be used in comparing actual results with established goals and objectives, and the designation of results as highly successful or failing to meet the goals and objectives of the program.

"§ 7325. Review and approval of block grant strategic plans

"After receipt of a plan, the head of an agency shall—

"(1) no later than 90 days after the receipt of the application, approve or disapprove all or part of the plan;

"(2) no later than 15 days after the date of such approval or disapproval, notify the applicant in writing of the approval or disapproval; and

"(3) in the case of any disapproval of a plan, include a written justification of the reasons for disapproval in the written notice of disapproval.

"§ 7326. Community advisory committees

"(a) An entity applying for a block grant shall establish a community advisory committee in accordance with this section.

"(b) A community advisory committee shall advise an applicant in the development and implementation of a plan, including advice with respect to—

"(1) conducting public hearings; and

"(2) receiving comment and reviews from communities affected by the plan.

"(c) Membership of the community advisory committee shall include—

"(1) persons with leadership experience in private business and voluntary organizations;

"(2) elected officials representing jurisdictions included in the plan;

"(3) representatives of participating qualified organizations;

"(4) the general public; and

"(5) individuals and representatives of community organizations who shall help to enhance the leadership role of the local government in developing a plan.

"(d) Before submitting an application for approval, or any reports required as a condition of receiving any payment under a block grant program, the applicant shall submit such application or report to the community advisory committee for review and comment. Any comments of the committee shall be submitted with the application or report to the head of an agency.

"§ 7327. Technical and other assistance

"The head of an agency administering a block grant program may provide technical assistance to applicants for block grants in developing information necessary for the design or implementation of a plan.

"§ 7328. Conditional termination or alteration of block grant strategic plan

"(a) The head of an agency administering a block grant program shall establish procedures by regulation for implementing penalties of not less than 5 percent of the grant a recipient would otherwise receive for failing to meet the goals and objectives included in the plan for a block grant.

"(b) The head of an agency shall establish procedures by regulation for—

"(1) suspending the grant a recipient would otherwise receive for a period of 3 years for failure for 2 consecutive years to meet the goals and objectives included in the plan for a block grant; and

"(2) reallocating the amount of the grant a recipient would otherwise receive to other governmental or nonprofit institutions within the plan.

"§ 7329. Administration with other conditions of block grant programs

"The provisions of this subchapter (including all conditions and requirements) shall supersede any other provision of law relating to the administration of any block grant program only to the extent of any inconsistency with such other provision.".

SEC. 3. TECHNICAL AND CONFORMING AMENDMENTS.

(a) TABLE OF SECTIONS.—Chapter 73 of title 31, United States Code, is amended by striking out the chapter heading and the table of sections and inserting in lieu thereof the following:

"CHAPTER 73—ADMINISTERING BLOCK GRANTS

"SUBCHAPTER I—BLOCK GRANT AMOUNTS

"Sec.
"7301. Purpose.
"7302. Definitions.
"7303. Reports and public hearings on proposed uses of amounts.
"7304. Availability of records.
"7305. State auditing requirements.

"SUBCHAPTER II—CONDITIONS APPLICABLE TO BLOCK GRANTS

"7321. Purposes.

"7322. Definitions.
"7323. Requirement of approved block grant strategic plans.
"7324. Block grant strategic plans.
"7325. Review and approval of block grant strategic plans.
"7326. Community advisory committees.
"7327. Technical and other assistance.
"7328. Conditional termination or alteration of block grant strategic plan.
"7329. Administration with other conditions of block grant programs.

"SUBCHAPTER I—BLOCK GRANT AMOUNTS".

(b) CHAPTER REFERENCES.—Chapter 73 of title 31, United States Code, is amended—

(1) in section 7301 in the matter preceding paragraph (1) by striking out "chapter" and inserting in lieu thereof "subchapter"; and

(2) in section 7302 in the matter preceding paragraph (1) by striking out "chapter" and inserting in lieu thereof "subchapter".

SEC. 4. EFFECTIVE DATE.

This Act shall take effect on October 1, 1997, and shall apply to payments under block grant programs on and after such date.

[From the Washington Post, June 1, 1995]

A FEDERAL CHALLENGE FOR LOCAL INGENUITY

(By David Osborne)

In the new Republican Congress, block grants are breaking out all over. And heaven knows, they're superior to narrow categorical grants. But as the time for decisions draws near, it's worth stopping for a moment to ask: Are block grants the best we can do?

There is one simple idea missing from the block grant debate of 1995. It's called accountability for results. In their heat to downsize the federal government, the Republicans may miss the best opportunity in a generation to create a federalism that works.

We all know that the current federal system, with its 550-plus categorical grant programs, is a mess. We also know from every poll on the issue that the public supports devotion of responsibilities to state and local governments.

What we don't know is that block grants are the best solution.

Congress's inability to resist creating new categorical grant programs—they sprout up almost like weeds in a garden—has been a problem since the 1960s. By 1991 Congress funded almost 100 social service grant programs, more than 80 health care grant programs and close to 30 grant programs that dealt with housing or development in poor communities.

Many of these were for absurdly small amounts—$3 million or $4 million nationally. More than half of the Education Department's 90-odd programs were for less than $15 million.

When one department administers so many tiny grant programs, something is wrong. Thousands of public employees, in Washington and in state and local governments, spend countless hours publicizing programs, writing and reviewing grant applications, reporting on how money was spent and audited. Billions of dollars go to the professionals and bureaucrats who do this, rather than the intended recipients: students, poor people, urban residents and the unemployed.

For 25 years, the knee-jerk response has been the block grant, which consolidates many categorical grant programs into one grant with—at least theoretically—few strings attached.

There is just one problem with this. Block grants are blind to performance. They shower as much money on wasteful, ineffective programs as they do on innovative, cost-effective approaches.

We need a third way: block grants in which state and local governments compete in part based on the results they achieve. This kind of model has become common at the state level. Pennsylvania's highly regarded Ben Franklin Partnership, for instance, invented what it calls "challenge grants" to fund local economic development centers.

The concept is simple, and Congress would be wise to adopt it. Consider the idea of a community development challenge grant, administered by the Department of Housing and Urban Development. Under this approach, the federal government would establish broad guidelines, objectives and performance measures. State and/or local governments would then compete for challenge grants based on three criteria:

Need: This could be determined by a community's unemployment rate, poverty rate and median income.

Quality of strategy: Does the proposed strategy leverage private sector involvement? Does it empower communities to solve more of their own problems? Does it encourage competition and choice? Does it measure and reward results?

Results: The federal government would measure the number of jobs created, changes in the poverty and unemployment rates, job placement rates, private investment leveraged, changes in indicators of family health, incidence of graft or corruption and so on.

The higher a government ranked on these criteria, the more funding it would receive. Eventually, only two criteria would be necessary: need and results. Until data on results build up, however, HUD could use quality criteria to drive state and local governments toward strategies that have proven more effective than traditional service delivery by public bureaucracies.

This approach would cause states and localities to attack the problems federal programs are designed to solve, without dictating the approaches they use. It would tap state and local ingenuity without abandoning federal responsibility.

By setting goals, measuring outcomes and rewarding success, challenged grants would push lower levels of governments to come up with strategies that worked. Local entities could focus on their own areas of greatest need and craft their own initiatives, without micromanagement from above. They could not, however, continue to collect their full grants without producing results.

The Clinton administration is already testing a version of this model through its "Oregon Option"—a performance-based contract between the state and several federal departments, first proposed last year by the Alliance for Redesigning Government. HUD Secretary Henry Cisneros has also proposed three performance-based block grants. Yet few Republicans in Congress are listening.

The Republicans' impulse to hand money to the states regardless of their performance is particularly ironic given the public's intense demand for more efficient and effective government. Remember, this is federal money, raised through federal taxes to attack national problems that state and local governments will never solve on their own.

It is easy to wax poetic about the virtues of state government. But as the author of a book on the subject, "Laboratories of Democracy," I feel compelled to inject some reality.

State and local romantics often forget one fact: States, cities and counties must compete to keep their taxes low, lest they drive businesses and wealthy residents away. This is why no state has ever made a sustained investment in combating poverty or creating a viable training system. It is also why no state save Hawaii—separated by thousands of miles of ocean from its neighbors—has ever funded universal health insurance.

It is equally ironic that Congress wants to give block grants only to the states. The fact that current proposals ignore local governments is perhaps the most obvious sign of how little thinking their authors have done.

Again, a dose of reality: The typical state bureaucracy performs a little better than the typical federal bureaucracy—but not much. Most of the real improvement in performance over the past two decades has come at the local level. In addition, most public services are provided by local governments, not state governments. And the level of government Americans trust most is—you guessed it—local government.

If Congress wants to make government work better and cost less, it will control its jerking knee and craft challenge grants aimed at both state and local governments. If it simply wants to make the federal government smaller, it will create block grants for the states. The choice will be revealing.

By Mr. KERRY

S. 1310. A bill to amend the Internal Revenue Code of 1986 to expand the availability of individual retirement accounts, and for other purposes; to the Committee on Finance.

THE SAVINGS AND INVESTMENT INCENTIVE ACT OF 1995

• Mr. KERRY. Mr. President, in these difficult budgetary times we not only have a fiscal deficit that we must address, but we also have a savings deficit in this country that requires creative and innovative approaches to helping people save and plan for their retirements.

That is why I am offering the Savings and Investment Incentive Act of 1995 which will expand deductible IRA's, create a special nondeductible IRA program, allow penalty-free withdrawals for specific reasons; and it appeals to our sense of fairness by targeting the middle class.

What does this mean? It means that any individual who is not an active participant in an employee-sponsored plan would be eligible for a deductible IRA, regardless of income.

It means that income levels for participants in the IRA program would be doubled for those who participate in employer-provided pension plans.

It means that all middle-income Americans who earn up to $50,000, and couples who earn up to $80,000, indexed for inflation, could fully deduct IRA contributions.

It means that people eligible for traditional IRAs could now set up a special IRA that would provide a new saving vehicle that encourages middle-income Americans to save by allowing an incentive tax-free withdrawal without draining the Treasury.

I did cosponsor, along with 60 of my colleagues, a more ambitious proposal authored by my friend from Delaware, Senator ROTH, and my friend from Louisiana, Senator BREAUX, but, given our budgetary constraints, I respectfully suggest that this bill is, perhaps, more realistic.

While contributions to the new special IRA's, under this proposal, would not be deductible, if funds remain in the account for at least 5 years withdrawals would be tax free. Individuals in the upper end of the new income brackets would be able to convert balances in their traditional deductible IRA accounts to the "Special IRA" accounts without being subject to penalty.

The amount transferred from the existing contribution-deductible IRA to the special IRA would be subject to ordinary income tax in the year of the transfer.

But, this legislation recognizes people's real needs in the real world. Under this plan withdrawals of earnings for the "Special IRA's" within 5 years would be subject to ordinary income tax and a 10-percent penalty unless the withdrawals are for education expenses, a first-time home purchase, unemployment, or medical care.

Mr. President, we need to invest more. We need to save more. We need to be fair and recognize the difficult economic times that middle-class Americans are suffering. We need to help them save for their future and find innovative creative ways to do it.

This bill has the approval of the Treasury Department and does everything the Roth-Breaux "Super-IRA" proposal does in a way that does not inflate the deficit.

I believe, Mr. President, that the Savings and Investment Incentive Act of 1995 is a moderate, fair, commonsense approach that doubles the income levels for participation; allows non penalty deductions for a variety of real life situations; and it will work for working Americans without busting the Treasury.

Mr. President, I ask unanimous consent that the bill appear in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1310

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; AMENDMENT OF 1986 CODE.

(a) SHORT TITLE.—This Act may be cited as the "Savings and Investment Incentive Act of 1995".

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

TITLE I—RETIREMENT SAVINGS INCENTIVES

Subtitle A—IRA Deduction

SEC. 101. INCREASE IN INCOME LIMITATIONS.

(a) IN GENERAL.—Subparagraph (B) of section 219(g)(3) is amended—

(1) by striking "$40,000" in clause (i) and inserting "$80,000", and

(2) by striking "$25,000" in clause (ii) and inserting "$50,000".

(b) PHASE-OUT OF LIMITATIONS.—Clause (ii) of section 219(g)(2)(A) is amended by striking "$10,000" and inserting "an amount equal to 10 times the dollar amount applicable for the taxable year under subsection (b)(1)(A)".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1995.

SEC. 102. INFLATION ADJUSTMENT FOR DEDUCTIBLE AMOUNT AND INCOME LIMITATIONS.

(a) IN GENERAL.—Section 219 is amended by redesignating subsection (h) as subsection (i) and by inserting after subsection (g) the following new subsection:

"(h) COST-OF-LIVING ADJUSTMENTS.—

"(1) IN GENERAL.—In the case of any taxable year beginning in a calendar year after 1996, each dollar amount to which this subsection applies shall be increased by an amount equal to—

"(A) such dollar amount, multiplied by

"(B) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting 'calendar year 1995' for 'calendar year 1992' in subparagraph (B) thereof.

"(2) DOLLAR AMOUNTS TO WHICH SUBSECTION APPLIES.—This subsection shall apply to—

"(A) the $2,000 amounts under subsection (b)(1)(A) and (c), and

"(B) the applicable dollar amounts under subsection (g)(3)(B).

"(3) ROUNDING RULES.—

"(A) DEDUCTION AMOUNTS.—If any amount referred to in paragraph (2)(A) as adjusted under paragraph (1) is not a multiple of $500, such amount shall be rounded to the next lowest multiple of $500.

"(B) APPLICABLE DOLLAR AMOUNTS.—If any amount referred to in paragraph (2)(B) as adjusted under paragraph (1) is not a multiple of $5,000, such amount shall be rounded to the next lowest multiple of $5,000."

(b) CONFORMING AMENDMENTS.—

(1) Clause (i) of section 219(c)(2)(A) is amended to read as follows:

"(i) the sum of $250 and the dollar amount in effect for the taxable year under subsection (b)(1)(A), or".

(2) Section 408(a)(1) is amended by striking "in excess of $2,000 on behalf of any individual" and inserting "on behalf of any individual in excess of the amount in effect for such taxable year under section 219(b)(1)(A)".

(3) Section 408(b)(2)(B) is amended by striking "$2,000" and inserting "the dollar amount in effect under section 219(b)(1)(A)".

(4) Subparagraph (A) of section 408(d)(5) is amended by striking "$2,250" and inserting "the dollar amount in effect for the taxable year under section 219(c)(2)(A)(i)".

(5) Section 408(j) is amended by striking "$2,000".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1995.

SEC. 103. COORDINATION OF IRA DEDUCTION LIMIT WITH ELECTIVE DEFERRAL LIMIT.

(a) IN GENERAL.—Section 219(b) (relating to maximum amount of deduction) is amended by adding at the end the following new paragraph:

"(4) COORDINATION WITH ELECTIVE DEFERRAL LIMIT.—The amount determined under paragraph (1) or subsection (c)(2) with respect to any individual for any taxable year shall not exceed the excess (if any) of—

"(A) the limitation applicable for the taxable year under section 402(g)(1), over

"(B) the elective deferrals (as defined in section 402(g)(3)) of such individual for such taxable year."

(b) CONFORMING AMENDMENT.—Section 219(c) is amended by adding at the end the following new paragraph:

"(3) CROSS REFERENCE.—

"For reduction in paragraph (2) amount, see subsection (b)(4)."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1995.

Subtitle B—Nondeductible Tax-Free IRA's

SEC. 111. ESTABLISHMENT OF NONDEDUCTIBLE TAX-FREE INDIVIDUAL RETIREMENT ACCOUNTS.

(a) IN GENERAL.—Subpart A of part I of subchapter D of chapter 1 (relating to pension, profit-sharing, stock bonus plans, etc.) is amended by inserting after section 408 the following new section:

"SEC. 408A. SPECIAL INDIVIDUAL RETIREMENT ACCOUNTS.

"(a) GENERAL RULE.—Except as provided in this chapter, a special individual retirement account shall be treated for purposes of this title in the same manner as an individual retirement plan.

"(b) SPECIAL INDIVIDUAL RETIREMENT ACCOUNT.—For purposes of this title, the term 'special individual retirement account' means an individual retirement plan which is designated at the time of establishment of the plan as a special individual retirement account.

"(c) TREATMENT OF CONTRIBUTIONS.—

"(1) NO DEDUCTION ALLOWED.—No deduction shall be allowed under section 219 for a contribution to a special individual retirement account.

"(2) CONTRIBUTION LIMIT.—The aggregate amount of contributions for any taxable year to all special individual retirement accounts maintained for the benefit of an individual shall not exceed the excess (if any) of—

"(A) the maximum amount allowable as a deduction under section 219 with respect to such individual for such taxable year, over

"(B) the amount so allowed.

"(3) SPECIAL RULES FOR QUALIFIED TRANSFERS.—

"(A) IN GENERAL.—No rollover contribution may be made to a special individual retirement account unless it is a qualified transfer.

"(B) LIMIT NOT TO APPLY.—The limitation under paragraph (2) shall not apply to a qualified transfer to a special individual retirement account.

"(d) TAX TREATMENT OF DISTRIBUTIONS.—

"(1) IN GENERAL.—Except as provided in this subsection, any amount paid or distributed out of a special individual retirement account shall not be included in the gross income of the distributee.

"(2) EXCEPTION FOR EARNINGS ON CONTRIBUTIONS HELD LESS THAN 5 YEARS.—

"(A) IN GENERAL.—Any amount distributed out of a special individual retirement account which consists of earnings allocable to contributions made to the account during the 5-year period ending on the day before such distribution shall be included in the gross income of the distributee for the taxable year in which the distribution occurs.

"(B) ORDERING RULE.—

"(i) FIRST-IN, FIRST-OUT RULE.—Distributions from a special individual retirement account shall be treated as having been made—

"(I) first from the earliest contribution (and earnings allocable thereto) remaining in the account at the time of the distribution, and

"(II) then from other contributions (and earnings allocable thereto) in the order in which made.

"(ii) ALLOCATIONS BETWEEN CONTRIBUTIONS AND EARNINGS.—Any portion of a distribution allocated to a contribution (and earnings allocable thereto) shall be treated as allocated first to the earnings and then to the contribution.

"(iii) ALLOCATION OF EARNINGS.—Earnings shall be allocated to a contribution in such manner as the Secretary may by regulations prescribe.

"(iv) CONTRIBUTIONS IN SAME YEAR.—Except as provided in regulations, all contributions made during the same taxable year may be treated as 1 contribution for purposes of this subparagraph.

"(C) CROSS REFERENCE.—

"For additional tax for early withdrawal, see section 72(t).

"(3) QUALIFIED TRANSFER.—

"(A) IN GENERAL.—Paragraph (2) shall not apply to any distribution which is transferred in a qualified transfer to another special individual retirement account.

"(B) CONTRIBUTION PERIOD.—For purposes of paragraph (2), the special individual retirement account to which any contributions are transferred shall be treated as having held such contributions during any period such contributions were held (or are treated as held under this subparagraph) by the special individual retirement account from which transferred.

"(4) SPECIAL RULES RELATING TO CERTAIN TRANSFERS.—

"(A) IN GENERAL.—Notwithstanding any other provision of law, in the case of a qualified transfer to a special individual retirement account from an individual retirement plan which is not a special individual retirement account—

"(i) there shall be included in gross income any amount which, but for the qualified transfer, would be includible in gross income, but

"(ii) section 72(t) shall not apply to such amount.

"(B) TIME FOR INCLUSION.—In the case of any qualified transfer which occurs before January 1, 1997, any amount includible in gross income under subparagraph (A) with respect to such contribution shall be includible ratably over the 4-taxable year period beginning in the taxable year in which the amount was paid or distributed out of the individual retirement plan.

"(e) QUALIFIED TRANSFER.—For purposes of this section

"(1) IN GENERAL.—The term 'qualified transfer' means a transfer to a special individual retirement account from another such account or from an individual retirement plan but only if such transfer meets the requirements of section 408(d)(3).

"(2) LIMITATION.—A transfer otherwise described in paragraph (1) shall not be treated as a qualified transfer if the taxpayer's adjusted gross income for the taxable year of the transfer exceeds the sum of—

"(A) the applicable dollar amount, plus

"(B) the dollar amount applicable for the taxable year under section 219(g)(2)(A)(ii).

This paragraph shall not apply to a transfer from a special individual retirement account to another special individual retirement account.

"(3) DEFINITIONS.—For purposes of this subsection, the terms 'adjusted gross income' and 'applicable dollar amount' have the meanings given such terms by section 219(g)(3), except subparagraph (A)(ii) thereof shall be applied without regard to the phrase 'or the deduction allowable under this section'."

(b) EARLY WITHDRAWAL PENALTY.—Section 72(t) is amended by adding at the end the following new paragraph:

"(6) RULES RELATING TO SPECIAL INDIVIDUAL RETIREMENT ACCOUNTS.—In the case of a special individual retirement account under section 408A—

"(A) this subsection shall only apply to distributions out of such account which consist of earnings allocable to contributions made to the account during the 5-year period ending on the day before such distribution, and

"(B) paragraph (2)(A)(i) shall not apply to any distribution described in subparagraph (A)."

(c) EXCESS CONTRIBUTIONS.—Section 4973(b) is amended by adding at the end the following new sentence: "For purposes of paragraphs (1)(B) and (2)(C), the amount allowable as a deduction under section 219 shall be computed without regard to section 408A."

(d) CONFORMING AMENDMENT.—The table of sections for subpart A of part I of subchapter D of chapter 1 is amended by inserting after the item relating to section 408 the following new item:

"Sec. 408A. Special individual retirement accounts."

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1995.

TITLE II—PENALTY-FREE DISTRIBUTIONS

SEC. 201. DISTRIBUTIONS FROM CERTAIN PLANS MAY BE USED WITHOUT PENALTY TO PURCHASE FIRST HOMES, TO PAY HIGHER EDUCATION OR FINANCIALLY DEVASTATING MEDICAL EXPENSES, OR BY THE UNEMPLOYED.

(a) IN GENERAL.—Paragraph (2) of section 72(t) (relating to exceptions to 10-percent additional tax on early distributions from qualified retirement plans) is amended by adding at the end the following new subparagraph:

"(D) DISTRIBUTIONS FROM CERTAIN PLANS FOR FIRST HOME PURCHASES OR EDUCATIONAL EXPENSES.—Distributions to an individual from an individual retirement plan—

"(i) which are qualified first-time homebuyer distributions (as defined in paragraph (7)); or

"(ii) to the extent such distributions do not exceed the qualified higher education expenses (as defined in paragraph (8)) of the taxpayer for the taxable year."

(b) FINANCIALLY DEVASTATING MEDICAL EXPENSES.—

(1) IN GENERAL.—Section 72(t)(3)(A) is amended by striking "(B),".

(2) CERTAIN LINEAL DESCENDANTS AND ANCESTORS TREATED AS DEPENDENTS AND LONG-TERM CARE SERVICES TREATED AS MEDICAL CARE.—Subparagraph (B) of section 72(t)(2) is amended by striking "medical care" and all that follows and inserting "medical care determined—

"(i) without regard to whether the employee itemizes deductions for such taxable year, and

"(ii) in the case of an individual retirement plan—

"(I) by treating such employee's dependents as including all children, grandchildren and ancestors of the employee or such employee's spouse and

"(II) by treating qualified long-term care services (as defined in paragraph (9)) as medical care for purposes of this subparagraph (B)."

(3) CONFORMING AMENDMENT.—Subparagraph (B) of section 72(t)(2) is amended by striking "or (C)" and inserting ", (C) or (D)".

(c) DEFINITIONS.—Section 72(t), as amended by this Act, is amended by adding at the end the following new paragraphs:

"(7) QUALIFIED FIRST-TIME HOMEBUYER DISTRIBUTIONS.—For purposes of paragraph (2)(D)(i)—

"(A) IN GENERAL.—The term 'qualified first-time homebuyer distribution' means any payment or distribution received by an individual to the extent such payment or distribution is used by the individual before the close of the 60th day after the day on which such payment or distribution is received to pay qualified acquisition costs with respect to a principal residence of a first-time homebuyer who is such individual or the spouse, child (as defined in section 151(c)(3)), or grandchild of such individual.

"(B) QUALIFIED ACQUISITION COSTS.—For purposes of this paragraph, the term 'qualified acquisition costs' means the costs of acquiring, constructing, or reconstructing a residence. Such term includes any usual or reasonable settlement, financing, or other closing costs.

"(C) FIRST-TIME HOMEBUYER; OTHER DEFINITIONS.—For purposes of this paragraph—

"(i) FIRST-TIME HOMEBUYER.—The term 'first-time homebuyer' means any individual if—

"(I) such individual (and if married, such individual's spouse) had no present ownership interest in a principal residence during the 3-year period ending on the date of acquisition of the principal residence to which this paragraph applies, and

"(II) subsection (h) or (k) of section 1034 did not suspend the running of any period of time specified in section 1034 with respect to such individual on the day before the date the distribution is applied pursuant to subparagraph (A).

In the case of an individual described in section 143(i)(1)(C) for any year, an ownership interest shall not include any interest under a contract of deed described in such section. An individual who loses an ownership interest in a principal residence incident to a divorce or legal separation is deemed for purposes of this subparagraph to have had no ownership interest in such principal residence within the period referred to in subparagraph (A)(II).

"(ii) PRINCIPAL RESIDENCE.—The term 'principal residence' has the same meaning as when used in section 1034.

"(iii) DATE OF ACQUISITION.—The term 'date of acquisition' means the date—

"(I) on which a binding contract to acquire the principal residence to which subparagraph (A) applies is entered into, or

"(II) on which construction or reconstruction of such a principal residence is commenced.

"(D) SPECIAL RULE WHERE DELAY IN ACQUISITION.—If any distribution from any individual retirement plan fails to meet the requirements of subparagraph (A) solely by reason of a delay or cancellation of the purchase or construction of the residence, the amount of the distribution may be contributed to an individual retirement plan as provided in section 408(d)(3)(A)(i) (determined by substituting '120 days' for '60 days' in such section), except that—

"(i) section 408(d)(3)(B) shall not be applied to such contribution, and

"(ii) such amount shall not be taken into account in determining whether section 408(d)(3)(A)(i) applies to any other amount.

"(8) QUALIFIED HIGHER EDUCATION EXPENSES.—For purposes of paragraph (2)(D)(ii)—

"(A) IN GENERAL.—The term 'qualified higher education expenses' means tuition and fees required for the enrollment or attendance of—

"(i) the taxpayer,

"(ii) the taxpayer's spouse,

"(iii) a dependent of the taxpayer with respect to whom the taxpayer is allowed a deduction under section 151, or

"(iv) the taxpayer's child (as defined in section 151(c)(3)) or grandchild,

as an eligible student at an institution of higher education (as defined in paragraphs (1)(D) and (2) of section 220(c)).

"(B) EXCEPTIONS.—The term 'qualified higher education expenses' does not include expenses described in subparagraphs (B) and (C) of section 220(c)(1).

"(C) COORDINATION WITH SAVINGS BOND PROVISIONS.—The amount of qualified higher education expenses for any taxable year shall be reduced by any amount excludable from gross income under section 135.

"(9) QUALIFIED LONG-TERM CARE SERVICES.—For purposes of paragraph (2)(B)—

"(A) IN GENERAL.—The term 'qualified long-term care services' means necessary diagnostic, curing, mitigating, treating, preventive, therapeutic, and rehabilitative services, and maintenance and personal care services (whether performed in a residential or nonresidential setting) which—

"(i) are required by an individual during any period the individual is an incapacitated individual (as defined in subparagraph (B)),

"(ii) have as their primary purpose—

"(I) the provision of needed assistance with 1 or more activities of daily living (as defined in subparagraph (C)), or

"(II) protection from threats to health and safety due to severe cognitive impairment, and

"(iii) are provided pursuant to a continuing plan of care prescribed by a licensed professional (as defined in subparagraph (D)).

"(B) INCAPACITATED INDIVIDUAL.—The term 'incapacitated individual' means any individual who—

"(i) is unable to perform, without substantial assistance from another individual (including assistance involving cueing or substantial supervision), at least 2 activities of daily living as defined in subparagraph (C), or

"(ii) has severe cognitive impairment as defined by the Secretary in consultation with the Secretary of Health and Human Services.

Such term shall not include any individual otherwise meeting the requirements of the preceding sentence unless a licensed professional within the preceding 12-month period has certified that such individual meets such requirements.

"(C) ACTIVITIES OF DAILY LIVING.—Each of the following is an activity of daily living:

"(i) Eating.

"(ii) Toileting.

"(iii) Transferring.

"(iv) Bathing.

"(v) Dressing.

"(D) LICENSED PROFESSIONAL.—The term 'licensed professional' means—

"(i) a physician or registered professional nurse, or

"(ii) any other individual who meets such requirements as may be prescribed by the Secretary after consultation with the Secretary of Health and Human Services.

"(E) CERTAIN SERVICES NOT INCLUDED.—The term 'qualified long-term care services' shall not include any services provided to an individual—

"(i) by a relative (directly or through a partnership, corporation, or other entity) unless the relative is a licensed professional with respect to such services, or

"(ii) by a corporation or partnership which is related (within the meaning of section 267(b) or 707(b)) to the individual.

For purposes of this subparagraph, the term 'relative' means an individual bearing a relationship to the individual which is described in paragraphs (1) through (8) of section 152(a)."

(d) PENALTY-FREE DISTRIBUTIONS FOR CERTAIN UNEMPLOYED INDIVIDUALS.—Paragraph (2) of section 72(t) is amended by adding at the end the following new subparagraph:

"(E) DISTRIBUTIONS TO UNEMPLOYED INDIVIDUALS.—A distribution from an individual retirement plan to an individual after separation from employment, if—

"(i) such individual has received unemployment compensation for 12 consecutive weeks under any Federal or State unemployment compensation law by reason of such separation, and

"(ii) such distributions are made during any taxable year during which such unemployment compensation is paid or the succeeding taxable year."

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to payments and distributions after December 31, 1995.

SEC. 202. CONTRIBUTIONS MUST BE HELD AT LEAST 5 YEARS IN CERTAIN CASES.

(a) IN GENERAL.—Section 72(t), as amended by this Act, is amended by adding at the end the following new paragraph:

"(10) CERTAIN CONTRIBUTIONS MUST BE HELD 5 YEARS.—

"(A) IN GENERAL.—Paragraph (2)(A)(i) shall not apply to any amount distributed out of an individual retirement plan (other than a special individual retirement account) which is allocable to contributions made to the plan during the 5-year period ending on the date of such distribution (and earnings on such contributions).

"(B) ORDERING RULE.—For purposes of this paragraph, distributions shall be treated as having been made—

"(i) first from the earliest contribution (and earnings allocable thereto) remaining in the account at the time of the distribution, and

"(ii) then from other contributions (and earnings allocable thereto) in the order in which made.

Earnings shall be allocated to contributions in such manner as the Secretary may prescribe.

"(C) SPECIAL RULE FOR ROLLOVERS.—

"(i) PENSION PLANS.—Subparagraph (A) shall not apply to distributions out of an individual retirement plan which are allocable to rollover contributions to which section 402(c), 403(a)(4), or 403(b)(8) applied.

"(ii) CONTRIBUTION PERIOD.—For purposes of subparagraph (A), amounts shall be treated as having been held by a plan during any period such contributions were held (or are treated as held under this clause) by any individual retirement plan from which transferred.

"(D) SPECIAL ACCOUNTS.—For rules applicable to special individual retirement accounts under section 408A, see paragraph (8)."

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to contributions (and earnings allocable thereto) which are made after December 31, 1995.•

By Mr. CAMPBELL (for himself and Mr. BRADLEY):

S. 1311. A bill to establish a National Fitness and Sports Foundation to carry out activities to support and supplement the mission of the President's Council on Physical Fitness and Sports, and for other purposes; to the Committee on Commerce, Science, and Transportation.

THE NATIONAL PHYSICAL FITNESS AND SPORTS FOUNDATION ACT

• Mr. CAMPBELL. Mr. President, I introduce the National Physical Fitness and Sports Foundation Act. This legislation serves the growing need of the President's Council on Physical Fitness to expand and become more self-sufficient.

Mr. President, the foundation created by this bill simply allows the Council to expand its scope and activities without burdening the Federal Government with this expense. As it stands today, the President's Council operates under a severely limited budget. This legislation will empower the Council to become more self-reliant, and less dependent on Federal funding, by creating opportunities to generate and solicit independent sources of funding for the organization.

At a time where we are operating under fiscal restraints, I want to assure my colleagues that this bill does not create a quasi-federal agency to add to the already burdensome system. The foundation created by this bill will be established in collaboration with the Department of Health and Human Services. It would be a nonprofit, private corporation that would encourage the participation by, and support of private organizations for the activities of the Council.

For my colleagues that may not be familiar with the Council, I would like to provide some background on its mission and intent. The President's Council on Physical Fitness and Sports was originally established by President Eisenhower in 1956 to promote physical fitness for our Nation's youth. Since that time, the Council has undergone significant changes, expanding its services to include opportunities with physical fitness, sports, and sports medicine for people of all ages. Today, the Council serves an important role with other national physical fitness and sports organizations and several Federal agencies, collaborating on important issues and campaigns to improve the health of the citizens of this country.

The President's Council on Physical Fitness is of personal interest to me. As many of my colleagues know, sports, specifically judo, played a critical role in my life. I was hardly a role model as a young man; I hung out with a tough crowd and got into plenty of trouble. The discipline and commitment that judo taught me, literally turned my life around. After many years of dedicated training, I was honored with a gold medal in the 1963 Pan Am Games for judo, and then was selected a year later as captain of the 1964 U.S. Olympic Judo Team. I personally know what a difference sports can make in a person's life. That is why I am encouraging any and all efforts to promote sports and physical fitness in our country.

The Council is the only Federal office that is solely devoted to programs involving physical activity, fitness, and sports. Because of the invaluable role these activities play in the lives of nearly all Americans, it is critical that we support this organization in its vital efforts to continue to promote high standards of health and fitness for the citizens of this Country.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1311

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Physical Fitness and Sports Foundation Establishment Act".

SEC. 2. ESTABLISHMENT AND PURPOSE OF FOUNDATION.

(a) ESTABLISHMENT.—There is established the National Physical Fitness and Sports Foundation (hereinafter in this Act referred to as the "Foundation"). The Foundation shall be a charitable and nonprofit corporation and shall not be an agency or establishment of the United States.

(b) PURPOSES.—It is the purpose of the Foundation to—

(1) in conjunction with the President's Council on Physical Fitness and Sports, develop a list and description of programs, events and other activities which would further the goals outlined in Executive Order 12345 and with respect to which combined private and governmental efforts would be beneficial; and

(2) encourage and promote the participation by private organizations in the activities referred to in subsection (b)(1) and to encourage and promote private gifts of money and other property to support those activities.

(c) DISPOSITION OF MONEY AND PROPERTY.—At least annually the Foundation shall transfer, after the deduction of the administrative expenses of the Foundation, the balance of any contributions received for the activities referred to in subsection (b), to the Public Health Service Gift Fund pursuant to section 231 of the Public Health Service Act (42 U.S.C. 238) for expenditure pursuant to the provisions of that section and consistent with the purposes for which the funds were donated.

SEC. 3. BOARD OF DIRECTORS OF THE FOUNDATION.

(a) ESTABLISHMENT AND MEMBERSHIP.—

(1) IN GENERAL.—The Foundation shall have a governing Board of Directors (hereinafter referred to in this Act as the "Board"), which shall consist of nine Directors, to be appointed not later than 90 days after the date of enactment of this Act, each of whom shall be a United States citizen and—

(A) three of whom must be knowledgeable or experienced in one or more fields directly connected with physical fitness, sports or the relationship between health status and physical exercise; and

(B) six of whom must be leaders in the private sector with a strong interest in physical fitness, sports or the relationship between health status and physical exercise (one of which shall be a representative of the United States Olympic Committee).

The membership of the Board, to the extent practicable, shall represent diverse professional specialties relating to the achievement of physical fitness through regular participation in programs of exercise, sports and similar activities.

(2) EX OFFICIO MEMBERS.—The Assistant Secretary for Health, the Executive Director of the President's Council on Physical Fitness and Sports, the Director for the National Center for Chronic Disease Prevention and Health Promotion, the Director of the National Heart, Lung, and Blood Institute and the Director for the Centers for Disease Control and Prevention shall serve as ex officio, nonvoting members of the Board.

(3) NOT FEDERAL EMPLOYMENT.—Appointment to the Board or serving as a member of the staff of the Board shall not constitute employment by, or the holding of an office of, the United States for the purposes of any Federal employment or other law.

(b) APPOINTMENT AND TERMS.—

(1) APPOINTMENT.—Of the members of the Board appointed under subsection (a)(1), three shall be appointed by the Secretary of Health and Human Services (hereinafter referred to in this Act as the "Secretary"), two shall be appointed by the Majority Leader of the Senate, one shall be appointed by the Minority Leader of the Senate, two shall be appointed by the Speaker of the House of representatives, and one shall be appointed by the Minority Leader of the House of Representatives.

(2) TERMS.—Members appointed to the Board under subsection (a)(1) shall serve for a term of 6 years. A vacancy on the Board shall be filled within 60 days of the date on which such vacancy occurred in the manner in which the original appointment was made. A member appointed to fill a vacancy shall serve for the balance of the term of the individual who was replaced. No individual may serve more than two consecutive terms as a Director.

(c) CHAIRPERSON.—A Chairperson shall be elected by the Board from among its members and serve for a 2-year term. The Chairperson shall not be limited in terms or service.

(d) QUORUM.—A majority of the sitting members of the Board shall constitute a quorum for the transaction of business.

(e) MEETINGS.—The Board shall meet at the call of the Chairperson, but in no event less than once each year. If a Director misses three consecutive regularly scheduled meetings, that individual may be removed from the Board and the vacancy filled in accordance with subsection (b)(2).

(f) REIMBURSEMENT OF EXPENSES.—The members of the Board shall serve without pay. The members of the Board shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Board.

(g) GENERAL POWERS.—

(1) ORGANIZATION.—The Board may complete the organization of the Foundation by—

(A) appointing officers and employees;

(B) adopting a constitution and bylaws consistent with the purposes of the Foundation and the provision of this Act; and

(C) undertaking such other acts as may be necessary to carry out the provisions of this Act.

In establishing bylaws under this paragraph, the Board shall provide for policies with regard to financial conflicts of interest and ethical standards for the acceptance, solicitation and disposition of donations and grants to the Foundation.

(2) LIMITATIONS ON OFFICERS AND EMPLOYEES.—The following limitations apply with respect to the appointment of officers and employees of the Foundation:

(A) Officers and employees may not be appointed until the Foundation has sufficient funds to compensate such individuals for their service. No individual so appointed may receive pay in excess of the annual rate of basic pay in effect for Executive Level V in the Federal service.

(B) The first officer or employee appointed by the Board shall be the secretary of the Board who—

(i) shall serve, at the direction of the Board, as its chief operating officer; and

(ii) shall be knowledgeable and experienced in matters relating to physical fitness and sports.

(C) No Public Health Service employee nor the spouse or dependent relative of such an employee may serve as an officer or member of the Board of Directors or as an employee of the Foundation.

(D) Any individual who is an officer, employee, or member of the Board of the Foundation may not (in accordance with the policies developed under paragraph (1)(B)) personally or substantially participate in the consideration or determination by the Foundation of any matter that would directly or predictably affect any financial interest of the individual or a relative (as such term is defined in section 109(16) of the Ethics in Government Act of 1978) of the individual, of any business organization or other entity, or of which the individual is an officer or employee, or is negotiating for employment, or in which the individual has any other financial interest.

SEC. 4. RIGHTS AND OBLIGATIONS OF THE FOUNDATION.

(a) IN GENERAL.—The Foundation—

(1) shall have perpetual succession;

(2) may conduct business throughout the several States, territories, and possessions of the United States;

(3) shall locate its principal offices in or near the District of Columbia; and

(4) shall at all times maintain a designated agent authorized to accept service of process for the Foundation.

The serving of notice to, or service of process upon, the agent required under paragraph (4), or mailed to the business address of such agent, shall be deemed as service upon or notice to the Foundation.

(b) SEAL.—The Foundation shall have an official seal selected by the Board which shall be judicially noticed.

(c) POWERS.—To carry out the purposes under section 2, the Foundation shall have the usual powers of a corporation acting as a trustee in the District of Columbia, including the power—

(1) except as otherwise provided herein, to accept, receive, solicit, hold, administer and use any gift, devise, or bequest, either absolutely or in trust, of real or personal property or any income therefrom or other interest therein;

(2) to acquire by purchase or exchange any real or personal property or interest therein;

(3) unless otherwise required by the instrument of transfer, to sell, donate, lease, invest, reinvest, retain or otherwise dispose of any property or income therefrom;

(4) to sue and be sued, and complain and defend itself in any court of competent jurisdiction, except for gross negligence;

(5) to enter into contracts or other arrangements with public agencies and private organizations and persons and to make such payments as may be necessary to carry out its functions; and

(6) to do any and all acts necessary and proper to carry out the purposes of the Foundation.

For purposes of this Act, an interest in real property shall be treated as including, among other things, easements or other rights for preservation, conservation, protection, or enhancement by and for the public of natural, scenic, historic, scientific, educational inspirational or recreational resources. A gift, devise, or bequest may be accepted by the Foundation even though it is encumbered, restricted or subject to beneficial interests of private persons if any current or future interest therein is for the benefit of the Foundation.

SEC. 5. PROTECTION AND USES OF TRADEMARKS AND TRADE NAMES.

(a) PROTECTION.—Without the consent of the Foundation, in conjunction with the President's Council on Physical Fitness and Sports, any person who uses for the purpose of trade, to induce the sale of any goods or services, or to promote any theatrical exhibition, athletic performance or competition—

(1) the official seal of the President's Council on Physical Fitness and Sports consisting of the eagle holding an olive branch and arrows with shield breast encircled by name "President's Council on Physical Fitness and Sports";

(2) the official seal of the Foundation;

(3) any trademark, trade name, sign, symbol or insignia falsely representing association with or authorization by the president's Council on Physical Fitness and Sports or the Foundation;

shall be subject in a civil action by the Foundation for the remedies provided for in the Act of July 9, 1946 (60 stat. 427; commonly known as the Trademark Act of 1946).

(b) USES.—The Foundation, in conjunction with the President's Council on Physical Fitness and Sports, may authorize contributors and suppliers of goods or services to use the trade name of the President's Council on Physical Fitness and Sports and the Foundation, as well as any trademark, seal, symbol, insignia, or emblem of the President's Council on Physical Fitness and Sports or the Foundation, in advertising that the contributors, goods or services when donated, supplied, or furnished to or for the use of, approved, selected, or used by the President's Council on Physical Fitness and Sports or the Foundation.

SEC. 6. VOLUNTEER STATUS.

The Foundation may accept, without regard to the civil service classification laws, rules, or regulations, the services of volunteers in the performance of the functions authorized herein, in the same manner as provided for under section 7(c) of the Fish and Wildlife Act of 1956 (16 U.S.C. 742f(c)).

SEC. 7. AUDIT, REPORT REQUIREMENTS, AND PETITION OF ATTORNEY GENERAL FOR EQUITABLE RELIEF.

(a) AUDITS.—For purposes of Public Law 88-504 (36 U.S.C. 1101 et seq.), the Foundation shall be treated as a private corporation under Federal law. The Inspector General of the Department of Health and Human Services and the Comptroller General of the United States shall have access to the financial and other records of the Foundation, upon reasonable notice.

(b) REPORT.—The Foundation shall, as soon as practicable after the end of each fiscal year, transmit to the Secretary and to Congress a report of its proceedings and activities during such year, including a full and complete statement of its receipts, expenditures, and investments.

(c) RELIEF WITH RESPECT TO CERTAIN FOUNDATION ACTS OR FAILURE TO ACT.—If the Foundation—

(1) engages in, or threatens to engage in, any act, practice or policy that is inconsistent with the purposes described in section 2(b); or

(2) refuses, fails, or neglects to discharge its obligations under this Act, or threaten to do so;

the Attorney General may petition in the United States District Court for the District of Columbia for such equitable relief as may be necessary or appropriate.•

By Mr. CAMPBELL:

S. 1313. A bill to amend the Internal Revenue Code of 1986 to permit Indian tribal governments to maintain section 401(k) plans for their employees; to the Committee on Finance.

401(K) PROGRAM LEGISLATION

• Mr. CAMPBELL. Mr. President, today, I introduce a bill that will statutorily permit tribal governments, and enterprises owned by tribal governments, to offer salary reduction pension plans to their employees under section 401(k) of the Internal Revenue Code.

Under current law, tribal governments are not allowed to offer tax deferred, salary reduction pension plans because tax exempt organization are generally prohibited from doing so. Further exacerbating the dilemma confronting tribal governments is the fact that they are not eligible to participate in other tax deferred, salary reduction pension plans.

For example, since 1982 a dozen or more Indian tribal governments have adopted section 403(b) salary reduction pension arrangements only to have the Internal Revenue Service determine these arrangements are not properly qualified. In addition, Indian tribal governments are not eligible to offer section 457 salary reduction pension arrangements because they are not "eligible employers", as defined in section 457.

It is apparent that Indian tribal governments seem to be one of only a few categories of employers who do not have these kinds of pension arrangements available to them. I believe that Indian tribal governments, like most all employers, should have opportunity to offer competitive salary reduction pension arrangements, such as a 401(k).

Mr. President, the 401(k) plan was formally authorized in 1978 as a salary reduction arrangement for employees of profit making firms. The authority was subsequently expanded to tax exempt organization and State and local government. In 1986, however, State and local governments and nonprofit organizations, including Indian tribes, were prohibited from offering 401(k)'s. At this time, only rural electric cooperatives are exempted from the prohibition.

Mr. President, this bill simply adds Indian tribal governments to the list of qualified offerors.

A 401(k) plan permits employees to elect a contribution of part of their wages on a tax-deferred basis to a plan that may offer several investment options. Employers usually make contributions, which are also tax-deferred. In the same way, investment earnings are also tax deferred. This means that taxes aren't paid on the amount saved until it is withdrawn, thereby earning greater interest. Essentially, this expands the amount of money invested, and allows participants to put more money to work for them.

Without question, Indian tribal governments should be allowed to offer some kind of tax deferred salary reduction plan. Almost all sectors of society, including the Federal Government, Congress, State and local governments, and private employees are allowed to enroll in salary reduction pension plans. In 1990, according to Department of Labor statistics, about 19.5 million Americans were enrolled in 401(k) plans.

Tribal governments should be allowed to offer 401(k) pension plans because they will give tribal employees an incentive to save money for retirement. It's no secret that Indian tribes have a history of economic hardship. Under this plan, workers who otherwise might not save money, and workers who otherwise might not be offered a pension plan, will be allowed to participate. In addition, the portability of benefits will encourage tribal employees to enroll in pension plans. If an employee terminates employment with the tribe, that person is allowed to put the accumulated savings into an individual retirement account [IRA]. A 401(k) plan also must be offered to all employees on a nondiscriminatory basis, ensuring that both higher and lower wage employees must be able to access pension benefits.

As tribal governments are successful in their business ventures, it is critically important that tribal employees are encouraged to save money for retirement. In the past, only a few tribal governments had the resources to offer employees salary reduction pension plans. Today, however, with the growth of tribal enterprises, there is more money to invest in the future and there are more tribal employees. In my home

State, the largest employer in Montezuma County is now the Ute Mountain Ute Tribe. It's time that Congress recognize the economic gains being made by tribes and to allow them to offer these broad based, elective deferral arrangements for their employees.

There is danger that if Congress fails to act now, tribes will mistakenly offer their employees 401(k) pension plans. Current law is confusing, leading some tribes to think that they are already qualified to offer 401(k) plans. Investment companies are trying to sell 401(k) pension plans to tribes, even though it's not legal. Unfortunately, we know from the past that this can lead to the loss of tribal funds. This proposal explicitly allows tribal governments to offer these plans, thereby clearing up any confusion.

Recognizing the advantages of section 401(k) salary reduction pension arrangements, the House Ways and Means Committee included in its budget reconciliation mark a provision to again expand the authority to a broader range of organizations that include nonprofit organizations and State and local governments.

Mr. President, it is my hope that in the coming days this proposal will be favorably considered by my colleagues on the Finance Committee. In closing I would ask unanimous consent that a revenue estimate from the Joint Tax Committee also be included in the RECORD to accompany the text of the bill.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1313

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ELIGIBILITY OF INDIAN TRIBAL GOVERNMENTS TO MAINTAIN SECTION 401(k) PLANS.

(a) IN GENERAL.—The last sentence of section 401(k)(4)(B) of the Internal Revenue Code of 1986 (relating to ineligibility of certain governments and exempt organizations) is amended to read as follows: "This subparagraph shall not apply to a rural cooperative plan or a plan maintained by an Indian tribal government (within the meaning of section 7871)."

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to plans established after December 31, 1994.

CONGRESS OF THE UNITED STATES,
JOINT COMMITTEE ON TAXATION,
Washington, DC, October 9, 1995.

Hon. BEN NIGHTHORSE CAMPBELL,
U.S. Senate,
Washington, DC.

DEAR SENATOR CAMPBELL: This is in response to your request dated July 17, 1995, for a revenue estimate of a proposal that would modify present law to permit Indian tribal governments to maintain qualified cash or deferred arrangements (sec. 401(k) plans).

For the purpose of the revenue estimate, we have assumed that employees of tribal governments would include employees of gambling casinos owned and operated by Indian tribal governments.

The proposal would be effective with respect to plans established after December 31, 1994. We estimated that this proposal would reduce Federal fiscal year budget receipts as follows:

[In millions of dollars]

Fiscal years:	
1996	−1
1997	−2
1998	−2
1999	−2
2000	−3
2001	−3
2002	−3
1996–2002	−16

Note: Details do not add to total due to rounding.

I hope this information is helpful to you. If we can be of further assistance, please let me know.

Sincerely,

KENNETH J. KIES,
Chief of Staff.●

ADDITIONAL COSPONSORS

S. 143

At the request of Mrs. KASSEBAUM, the name of the Senator from Michigan [Mr. ABRAHAM] was added as a cosponsor of S. 143, a bill to consolidate Federal employment training programs and create a new process and structure for funding the programs, and for other purposes.

S. 490

At the request of Mr. GRASSLEY, the name of the Senator from Missouri [Mr. BOND] was added as a cosponsor of S. 490, a bill to amend the Clean Air Act to exempt agriculture-related facilities from certain permitting requirements, and for other purposes.

S. 743

At the request of Mrs. HUTCHISON, the name of the Senator from Illinois [Ms. MOSELEY-BRAUN] was added as a cosponsor of S. 743, a bill to amend the Internal Revenue Code of 1986 to provide a tax credit for investment necessary to revitalize communities within the United States, and for other purposes.

S. 789

At the request of Mr. CHAFEE, the name of the Senator from Maine [Ms. SNOWE] was added as a cosponsor of S. 789, a bill to amend the Internal Revenue Code of 1986 to make permanent the section 170(e)(5) rules pertaining to gifts of publicly traded stock to certain private foundations, and for other purposes.

S. 877

At the request of Mrs. HUTCHISON, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 877, a bill to amend section 353 of the Public Health Service Act to exempt physician office laboratories from the clinical laboratories requirements of that section.

S. 907

At the request of Mr. MURKOWSKI, the name of the Senator from Washington [Mrs. MURRAY] was added as a cosponsor of S. 907, a bill to amend the National Forest Ski Area Permit Act of 1986 to clarify the authorities and duties of the Secretary of Agriculture in issuing ski area permits on National Forest System lands and to withdraw lands within ski area permit boundaries from the operation of the mining and mineral leasing laws.

S. 949

At the request of Mr. GRAHAM, the names of the Senator from North Carolina [Mr. HELMS], the Senator from Utah [Mr. BENNETT], the Senator from Pennsylvania [Mr. SPECTER] and the Senator from Louisiana [Mr. BREAUX] were added as cosponsors of S. 949, a bill to require the Secretary of the Treasury to mint coins in commemoration of the 200th anniversary of the death of George Washington.

S. 969

At the request of Mr. BRADLEY, the names of the Senator from Kentucky [Mr. FORD] and the Senator from New Jersey [Mr. LAUTENBERG] were added as cosponsors of S. 969, a bill to require that health plans provide coverage for a minimum hospital stay for a mother and child following the birth of the child, and for other purposes.

S. 978

At the request of Mrs. HUTCHISON, the name of the Senator from Indiana [Mr. COATS] was added as a cosponsor of S. 978, a bill to facilitate contributions to charitable organizations by codifying certain exemptions from the Federal securities laws, to clarify the inapplicability of antitrust laws to charitable gift annuities, and for other purposes.

S. 1000

At the request of Mr. BURNS, the names of the Senator from Tennessee [Mr. FRIST], the Senator from South Carolina [Mr. THURMOND] and the Senator from Wyoming [Mr. THOMAS] were added as cosponsors of S. 1000, a bill to amend the Internal Revenue Code of 1986 to provide that the depreciation rules which apply for regular tax purposes shall also apply for alternative minimum tax purposes, to allow a portion of the tentative minimum tax to be offset by the minimum tax credit, and for other purposes.

S. 1043

At the request of Mr. STEVENS, the names of the Senator from Nevada [Mr. BRYAN], the Senator from Kentucky [Mr. FORD] and the Senator from Louisiana [Mr. JOHNSTON] were added as cosponsors of S. 1043, a bill to amend the Earthquake Hazards Reduction Act of 1977 to provide for an expanded Federal program of hazard mitigation, relief, and insurance against the risk of catastrophic natural disasters, such as hurricanes, earthquakes, and volcanic eruptions, and for other purposes.

S. 1086

At the request of Mr. DOLE, the name of the Senator from South Carolina

[Mr. THURMOND] was added as a cosponsor of S. 1086, a bill to amend the Internal Revenue Code of 1986 to allow a family-owned business exclusion from the gross estate subject to estate tax, and for other purposes.

S. 1247

At the request of Mr. GRASSLEY, the names of the Senator from Texas [Mrs. HUTCHISON] and the Senator from Colorado [Mr. BROWN] were added as cosponsors of S. 1247, a bill to amend the Internal Revenue Code of 1986 to allow a deduction for contributions to a medical savings account by any individual who is covered under a catastrophic coverage health plan.

S. 1249

At the request of Mr. FRIST, the name of the Senator from Colorado [Mr. BROWN] was added as a cosponsor of S. 1249, a bill to amend the Internal Revenue Code of 1986 to establish medical savings account, and for other purposes.

S. 1271

At the request of Mr. CRAIG, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 1271, a bill to amend the Nuclear Waste Policy Act of 1982.

S. 1280

At the request of Mr. MACK, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 1280, a bill to amend the Internal Revenue Code of 1986 to provide all taxpayers with a 50-percent deduction for capital gains, to index the basis of certain assets, and to allow the capital loss deduction for losses on the sale or exchange of an individual's principal residence.

S. 1289

At the request of Mr. KYL, the name of the Senator from Idaho [Mr. CRAIG] was added as a cosponsor of S. 1289, a bill to amend title XVIII of the Social Security Act to clarify the use of private contracts, and for other purposes.

SENATE RESOLUTION 180—TO PROCLAIM "WEEK WITHOUT VIOLENCE"

Mr. BRADLEY (for himself, Mr. HATCH, Mr. COHEN, Mr. ROCKEFELLER, Mr. SPECTER, Mrs. MURRAY, and Mrs. FEINSTEIN) submitted the following resolution, which was referred to the Committee on the Judiciary:

S. RES. 180

Whereas the Week Without Violence, a public-awareness campaign designed to inspire alternatives to the problem of violence in our society, falls on October 15, 1995, through October 21, 1995;

Whereas the prevalence of violence in our society has become increasingly disturbing, as reflected by the fact that 2,000,000 people are injured each year as a result of violent crime, with a staggering 24,500 reported murders in 1993 and with losses from medical expenses, lost pay, property, and other crime-related costs totaling billions of dollars each year;

Whereas studies show that violence against women in their own homes causes more total injuries to women than rape, muggings, and car accidents combined and that ½ of all women who are murdered in the United States are killed by their male partners;

Whereas violence has invaded our homes and communities and is exacting a terrible toll on our country's youth;

Whereas children below the age of 12 are the victims of 1 in 4 violent juvenile victimizations reported to law enforcement, adding up to roughly 600,000 violent incidents involving children under the age of 12 each year;

Whereas studies show that childhood abuse and neglect increases a child's odds of future delinquency and adult criminality and that today's juvenile victims are tomorrow's repeat offenders;

Whereas the risk of violent victimization of children and young adults has increased in recent years;

Whereas according to FBI statistics, on a typical day in 1992, 7 juveniles were murdered;

Whereas from 1985 to 1992, nearly 17,000 persons under the age of 18 were murdered;

Whereas the YWCA, as the oldest women's membership movement in the United States, continues its long history as an advocate for women's rights, racial justice, and nonviolent approaches to resolving many of society's most troubling problems;

Whereas the chapters of the YWCA provide a wide range of valuable programs for women all across the country, including job training programs, child care, battered women's shelters, support programs for victims of rape and sexual assault, and legal advocacy;

Whereas the YWCA Week Without Violence campaign will take an active approach to confront the problem of violence head-on, with a grassroots effort to prevent violence from making further inroads into our schools, community organizations, workplaces, neighborhoods, and homes;

Whereas the Week Without Violence will provide a forum for examining viable solutions for keeping violence against women, men, and children out of our homes and communities;

Whereas national and local groups will inspire and educate our communities about effective alternatives to violence; and

Whereas the YWCA Week Without Violence is both a challenge and a clarion call to all Americans: Now, therefore, be it

Resolved, That the Senate encourages all Americans to spend 7 days without committing, condoning, or contributing to violence and proclaims the week of October 15, 1995, through October 21, 1995, as the "Week Without Violence".

Mr. BRADLEY. Mr. President, I rise today with my colleague Senator HATCH as well as Senator COHEN, Senator ROCKEFELLER, Senator SPECTER, Senator MURRAY, and Senator FEINSTEIN to submit a resolution to declare the week of October 15 the "Week Without Violence."

Mr. President, just look at yesterday's papers. Dateline Washington: A D.C. police officer dies after being shot while on duty. Dateline Arizona: One person dies and many more are hurt after suspected sabotage derails an Amtrak train. Dateline Philadelphia: A man is arrested for allegedly committing two sexual assaults. And the list continues.

All of these stories are from yesterday's newspapers, where tales of death and violence fill page after page of newsprint. Unfortunately, there was nothing unusual about yesterday. It was just a typical day in America—where the headlines of today are torn from the nightmares of days past.

These stories, and the hundreds like them across the country, focus a disturbing spotlight on the prevalence of violence in our society.

The statistics are alarming. Every year, 2 million people are injured each year as a result of violent crime. There were a staggering 24,500 murders reported in 1993; losses from medical expenses, lost pay, property, and other crime-related costs total billions of dollars a year.

But it does not stop there. Violence against women in their own homes causes more total injuries to women than rape, muggings, and car accidents combined. And half of all the women murdered in the United States are killed by their male partners.

It continues. Instead of buying books and computers, our schools are buying the latest metal detectors and are hiring teams of armed guards. Schools have had to choose between education and safety. And still, 15 percent of suburban teenagers and 17 percent of urban teenagers say they have carried a gun within the last month. It is nearly inconceivable to think that parents have to send their children off to school each day worrying that they might be gunned down, but in many areas, that's a fact of life.

These stories and statistics may be unbelievable, but they are true. Violence in our society touches the inner city and the small town, rich and poor, black and white. Violence does not discriminate.

But what can we do? Do we lock ourselves in our homes, shut out from society? Do we arm ourselves with latest automatic weapons? Do we try to strike first, to keep the harm away from us?

Or do we identify practical alternatives to this violence? Do we try to make a difference? And do we try to leave a safer society for our children?

The choice here is clear. In order to combat the rise of violence, we must be proactive. We need to provide real choices for our children. They do not have to resort to guns, violence, and hate.

Toward that end, the YWCA is sponsoring a nationwide Week Without Violence campaign. Beginning this Sunday, the YWCA will provide a forum for identifying real solutions to the problem of violence.

Through education and discussion, we can provide our children with real change. By working to fight violence in our communities, schools can again become centers for learning and homes can again be rid of the fear that has permeated their walls.

Through the work of organizations like the YWCA, our communities can choose actions other than violence. In bringing its message to the schools, community centers, workplaces, and houses of worship, the YWCA's Week Without Violence can provide resistance to this rising tide.

Violence against women does not have to continue. Assault and murder rates do not have to rise. Hate words do not have to dominate public discourse. There are alternatives. And the Week Without Violence will aid our communities in identifying them.

In concurrence with, and in support of, the YWCA's Week Without Violence campaign, I urge all of my colleagues to support this resolution.

Mrs. MURRAY. Mr. President, I am proud to join so many of my colleagues in submitting this important resolution, to proclaim the week of October 15, 1995 through October 21, 1995 as the "Week Without Violence."

As a mother and as a woman, I am deeply troubled about the epidemic of violence in our Nation. And I have devoted myself to doing all I can, as a Senator, to make our streets, our neighborhoods, and our homes safe for our children and families.

The numbers are shocking. But, often the real story gets lost in the statistics. Let us take a moment to reflect about what we mean when we say that violence is ever-present in our society. We are referring to senseless crimes committed among strangers; husbands physically and emotionally battering their wives; parents at the end of their ropes driven to abuse and neglect their own children; and young people with guns on the playground who have lost hope about their futures.

I believe that education and public awareness are some of our best tools in bringing about an end to violence in our country. And that is why this "Week Without Violence" is so important. We must lead by example, and send a message to all Americans that we are committed to ending the cycle of pain, hurt, and fear destroying America's families and society as a whole. We need to work together with our neighbors, and local and national groups to communicate loud and clear the message that "violence is unacceptable, abuse is wrong, and it's got to stop."

But, education is not enough. We must maintain the Federal Government's commitment to preventing and reducing violent crimes. I am pleased the Senate recently restored funding for the Violence Against Women Act, and I encourage my colleagues to continue to support important programs like VAWA which are critical to ensuring the safety of our citizens.

I also would like to commend the YWCA, the oldest womens' membership movement in the United States, for its ongoing efforts to resolve societal ills through nonviolent means, and for helping to reduce violence through prevention and education initiatives. And I also would like to recognize the invaluable services the YWCA provides to survivors of violence through job training programs, shelters, child care, and support groups for rape and assault victims.

Together, we can make our country a safer place to live and raise our families. This "Week Without Violence" is an important step in that direction, and I am proud of our commitment to creating a safer tomorrow for all Americans.

AMENDMENTS SUBMITTED

THE WORKFORCE DEVELOPMENT ACT OF 1995

SPECTER (AND OTHERS) AMENDMENT NO. 2894

Mr. SPECTER (for himself, Mr. SIMON, Mr. HATCH, Mr. JOHNSTON, Mr. PELL, and Mr. HARKIN) proposed an amendment to amendment No. 2885 proposed by Mrs. KASSEBAUM to the bill (S. 143) to consolidate Federal employment training programs and create a new process and structure for funding the programs, and for other purposes; as follows:

In subtitle B of title I, strike chapters 1 and 2 and insert the following:

CHAPTER 1—GENERAL PROVISIONS

SEC. 131. DEFINITIONS.

As used in this subtitle:

(1) AT-RISK YOUTH.—The term "at-risk youth" means an individual who—

(A) is not less than age 15 and not more than age 24;

(B) is low-income (as defined in section 113(e));

(C) is 1 or more of the following:

(i) Basic skills deficient.

(ii) A school dropout.

(iii) Homeless or a runaway.

(iv) Pregnant or parenting.

(v) An individual who requires additional education, training, or intensive counseling and related assistance, in order to secure and hold employment or participate successfully in regular schoolwork.

(2) ENROLLEE.—The term "enrollee" means an individual enrolled in the Job Corps.

(3) GOVERNOR.—The term "Governor" means the chief executive officer of a State.

(4) JOB CORPS.—The term "Job Corps" means the Job Corps described in section 142.

(5) JOB CORPS CENTER.—The term "Job Corps center" means a center described in section 142.

(6) OPERATOR.—The term "operator" means an entity selected under this chapter to operate a Job Corps center.

(7) SECRETARY.—The term "Secretary" means the Secretary of Labor.

CHAPTER 2—JOB CORPS

SEC. 141. PURPOSES.

The purposes of this chapter are—

(1) to maintain a national Job Corps program, carried out in partnership with States and communities, to assist at-risk youth who need and can benefit from an unusually intensive program, operated in a group setting, to become more responsible, employable, and productive citizens;

(2) to set forth standards and procedures for selecting individuals as enrollees in the Job Corps;

(3) to authorize the establishment of Job Corps centers in which enrollees will participate in intensive programs of workforce development activities; and

(4) to prescribe various other powers, duties, and responsibilities incident to the operation and continuing development of the Job Corps.

SEC. 142. ESTABLISHMENT.

There shall be established in the Department of Labor a Job Corps program, to carry out, in conjunction with the activities carried out by the National Board as specified in section 156, activities described in this chapter for individuals enrolled in the Job Corps and assigned to a center.

SEC. 143. INDIVIDUALS ELIGIBLE FOR THE JOB CORPS.

To be eligible to become an enrollee, an individual shall be an at-risk youth.

SEC. 144. SCREENING AND SELECTION OF APPLICANTS.

(a) STANDARDS AND PROCEDURES.—

(1) IN GENERAL.—The Secretary shall prescribe specific standards and procedures for the screening and selection of applicants for the Job Corps, after considering recommendations from the Governors, State workforce development boards established under section 105, local partnerships and local workforce development boards established under section 118(b), and other interested parties.

(2) METHODS.—In prescribing standards and procedures under paragraph (1) for the screening and selection of Job Corps applicants, the Secretary shall—

(A) require enrollees to take drug tests within 30 days of enrollment in the Job Corps;

(B) allocate, where necessary, additional resources to increase the applicant pool;

(C) establish standards for outreach to and screening of Job Corps applicants;

(D) where appropriate, take measures to improve the professional capability of the individuals conducting such screening; and

(E) require Job Corps applicants to pass background checks, conducted in accordance with procedures established by the Secretary.

(3) IMPLEMENTATION.—To the extent practicable, the standards and procedures shall be implemented through arrangements with—

(A) centers providing the one-stop delivery of core services described in section 106(a)(2);

(B) agencies and organizations such as community action agencies, professional groups, and labor organizations; and

(C) agencies and individuals that have contact with youth over substantial periods of time and are able to offer reliable information about the needs and problems of the youth.

(4) CONSULTATION.—The standards and procedures shall provide for necessary consultation with individuals and organizations, including court, probation, parole, law enforcement, education, welfare, and medical authorities and advisers.

(b) SPECIAL LIMITATIONS.—No individual shall be selected as an enrollee unless the individual or organization implementing the standards and procedures determines that—

(1) there is a reasonable expectation that the individual considered for selection can

participate successfully in group situations and activities, is not likely to engage in behavior that would prevent other enrollees from receiving the benefit of the program or be incompatible with the maintenance of sound discipline and satisfactory relationships between the Job Corps center to which the individual might be assigned and surrounding communities; and

(2) the individual manifests a basic understanding of both the rules to which the individual will be subject and of the consequences of failure to observe the rules.

SEC. 145. ENROLLMENT AND ASSIGNMENT.

(a) RELATIONSHIP BETWEEN ENROLLMENT AND MILITARY OBLIGATIONS.—Enrollment in the Job Corps shall not relieve any individual of obligations under the Military Selective Service Act (50 U.S.C. App. 451 et seq.).

(b) ASSIGNMENT.—After the Secretary has determined that an enrollee is to be assigned to a Job Corps center, the enrollee shall be assigned to the center that is closest to the residence of the enrollee, except that the Secretary may waive this requirement for good cause, including to ensure an equitable opportunity for at-risk youth from various sections of the Nation to participate in the Job Corps program, to prevent undue delays in assignment of an enrollee, to adequately meet the educational or other needs of an enrollee, and for efficiency and economy in the operation of the program.

(c) PERIOD OF ENROLLMENT.—No individual may be enrolled in the Job Corps for more than 2 years, except—

(1) in a case in which completion of an advanced career training program under section 147(d) would require an individual to participate for more than 2 years; or

(2) as the Secretary may authorize in a special case.

SEC. 146. JOB CORPS CENTERS.

(a) OPERATORS AND SERVICE PROVIDERS.—

(1) ELIGIBLE ENTITIES.—The Secretary shall enter into an agreement with a Federal, State, or local agency, which may be a State board or agency that operates or wishes to develop an area vocational education school facility or residential vocational school, or with a private organization, for the operation of each Job Corps center. The Secretary shall enter into an agreement with an appropriate entity to provide services for a Job Corps center.

(2) SELECTION PROCESS.—Except as provided in subsections (c) and (d), the Secretary shall select an entity to operate a Job Corps center on a competitive basis, after reviewing the operating plans described in section 149. In selecting a private or public entity to serve as an operator for a Job Corps Center, the Secretary shall, at the request of the Governor of the State in which the center is located, convene and obtain the recommendation of a selection panel described in section 151(b). In selecting an entity to serve as an operator or to provide services for a Job Corps center, the Secretary shall take into consideration the previous performance of the entity, if any, relating to operating or providing services for a Job Corps center.

(b) CHARACTER AND ACTIVITIES.—Job Corps centers may be residential or nonresidential in character, and shall be designed and operated so as to provide enrollees, in a well-supervised setting, with access to activities described in section 147. In any year, no more than 20 percent of the individuals enrolled in the Job Corps may be nonresidential participants in the Job Corps.

(c) CIVILIAN CONSERVATION CENTERS.—

(1) IN GENERAL.—The Job Corps centers may include Civilian Conservation Centers operated under agreements with the Secretary of Agriculture or the Secretary of the Interior, located primarily in rural areas, which shall provide, in addition to other training and assistance, programs of work experience to conserve, develop, or manage public natural resources or public recreational areas or to develop community projects in the public interest.

(2) SELECTION PROCESS.—The Secretary may select an entity to operate a Civilian Conservation Center on a competitive basis, as provided in subsection (a), if the center fails to meet such national performance standards as the Secretary shall establish.

(d) INDIAN TRIBES.—

(1) DEFINITION.—As used in this subsection:

(A) INDIAN.— The term "Indian" means a person who is a member of an Indian tribe.

(B) INDIAN TRIBE.—The term "Indian tribe" means any Indian tribe, band, nation, or other organized group or community, which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

(2) GENERAL AUTHORITY.—The Secretary may enter into agreements with Indian tribes to operate Job Corps centers for Indians.

SEC. 147. PROGRAM ACTIVITIES.

(a) ACTIVITIES PROVIDED THROUGH JOB CORPS CENTERS.—Each Job Corps center shall provide enrollees assigned to the center with access to activities described in section 106(a)(2)(B), and such other workforce development activities as may be appropriate to meet the needs of the enrollees, including providing work-based learning throughout the enrollment of the enrollees and assisting the enrollees in obtaining meaningful unsubsidized employment, participating successfully in secondary education or postsecondary education programs, enrolling in other suitable training programs, or satisfying Armed Forces requirements, on completion of their enrollment.

(b) ARRANGEMENTS.—The Secretary shall arrange for enrollees assigned to Job Corps centers to receive workforce development activities through or in coordination with the statewide system, including workforce development activities provided through local public or private educational agencies, vocational educational institutions, or technical institutes.

(c) JOB PLACEMENT ACCOUNTABILITY.—The Secretary shall establish a job placement accountability system for Job Corps centers, and coordinate the activities carried out through the system with activities carried out through the job placement accountability systems described in section 121(d) for the States in which Job Corps centers are located.

(d) ADVANCED CAREER TRAINING PROGRAMS.—

(1) IN GENERAL.—The Secretary may arrange for programs of advanced career training for selected enrollees in which the enrollees may continue to participate for a period of not to exceed 1 year in addition to the period of participation to which the enrollees would otherwise be limited.

(2) POSTSECONDARY EDUCATIONAL INSTITUTIONS.—The advanced career training may be provided through a postsecondary educational institution for an enrollee who has obtained a secondary school diploma or its recognized equivalent, has demonstrated commitment and capacity in previous Job Corps participation, and has an identified occupational goal.

(3) COMPANY-SPONSORED TRAINING PROGRAMS.—The Secretary may enter into contracts with appropriate entities to provide the advanced career training through intensive training in company-sponsored training programs, combined with internships in work settings.

(4) BENEFITS.—

(A) IN GENERAL.—During the period of participation in an advanced career training program, an enrollee shall be eligible for full Job Corps benefits, or a monthly stipend equal to the average value of the residential support, food, allowances, and other benefits provided to enrollees assigned to residential Job Corps centers.

(B) CALCULATION.—The total amount for which an enrollee shall be eligible under subparagraph (A) shall be reduced by the amount of any scholarship or other educational grant assistance received by such enrollee for advanced career training.

(5) DEMONSTRATION.—Each year, any operator seeking to enroll additional enrollees in an advanced career training program shall demonstrate that participants in such program have achieved a reasonable rate of completion and placement in training-related jobs before the operator may carry out such additional enrollment.

SEC. 148. SUPPORT.

The Secretary shall provide enrollees assigned to Job Corps centers with such personal allowances, including readjustment allowances, as the Secretary may determine to be necessary or appropriate to meet the needs of the enrollees.

SEC. 149. OPERATING PLAN.

(a) IN GENERAL.—To be eligible to operate a Job Corps center, an entity shall prepare and submit an operating plan to the Secretary for approval. Prior to submitting the plan to the Secretary, the entity shall submit the plan to the Governor of the State in which the center is located for review and comment. The entity shall submit any comments prepared by the Governor on the plan to the Secretary with the plan. Such plan shall include, at a minimum, information indicating—

(1) in quantifiable terms, the extent to which the center will contribute to the achievement of the proposed State goals and State benchmarks identified in the State plan submitted under section 104 for the State in which the center is located;

(2) the extent to which workforce employment activities and workforce education activities delivered through the Job Corps center are directly linked to the workforce development needs of the region in which the center is located;

(3) an implementation strategy to ensure that all enrollees assigned to the Job Corps center will have access to services through the one-stop delivery of core services described in section 106(a)(2) by the State; and

(4) an implementation strategy to ensure that the curricula of all such enrollees is integrated into the school-to-work activities of the State, including work-based learning, work experience, and career-building activities, and that such enrollees have the opportunity to obtain secondary school diplomas or their recognized equivalent.

(b) APPROVAL.—The Secretary shall not approve an operating plan described in subsection (a) for a center if the Secretary determines that the activities proposed to be carried out through the center are not sufficiently integrated with the activities carried out through the statewide system of the State in which the center is located.

SEC. 150. STANDARDS OF CONDUCT.

(a) PROVISION AND ENFORCEMENT.—The Secretary shall provide, and directors of Job

Corps center shall stringently enforce, standards of conduct within the centers. Such standards of conduct shall include provisions forbidding the actions described in subsection (b)(2)(A).

(b) DISCIPLINARY MEASURES.—

(1) IN GENERAL.—To promote the proper moral and disciplinary conditions in the Job Corps, the directors of Job Corps centers shall take appropriate disciplinary measures against enrollees. If such a director determines that an enrollee has committed a violation of the standards of conduct, the director shall dismiss the enrollee from the Job Corps if the director determines that the retention of the enrollee in the Job Corps will jeopardize the enforcement of such standards or diminish the opportunities of other enrollees.

(2) ZERO TOLERANCE POLICY.—

(A) GUIDELINES.—The Secretary shall adopt guidelines establishing a zero tolerance policy for an act of violence, for use, sale, or possession of a controlled substance, for abuse of alcohol, or for other illegal or disruptive activity.

(B) DEFINITIONS.—As used in this paragraph:

(i) CONTROLLED SUBSTANCE.—The term "controlled substance" has the meaning given the term in section 102 of the Controlled Substances Act (21 U.S.C. 802).

(ii) ZERO TOLERANCE POLICY.—The term "zero tolerance policy" means a policy under which an enrollee shall be automatically dismissed from the Job Corps after a determination by the director that the enrollee has carried out an action described in subparagraph (A).

(c) APPEAL.—A disciplinary measure taken by a director under this section shall be subject to expeditious appeal in accordance with procedures established by the Secretary.

SEC. 151. COMMUNITY PARTICIPATION.

(a) ACTIVITIES.—The Secretary shall encourage and cooperate in activities to establish a mutually beneficial relationship between Job Corps centers in the State and nearby communities. The activities shall include the use of any local partnerships or local workforce development boards established in the State under section 118(b) to provide a mechanism for joint discussion of common problems and for planning programs of mutual interest.

(b) SELECTION PANELS.—The Governor may recommend individuals to serve on a selection panel convened by the Secretary to provide recommendations to the Secretary regarding any competitive selection of an operator for a center in the State. The panel shall have not more than 7 members. In recommending individuals to serve on the panel, the Governor may recommend members of State workforce development boards established under section 105, if any, members of any local partnerships or local workforce development boards established in the State under section 118(b), or other representatives selected by the Governor. The Secretary shall select at least 1 individual recommended by the Governor.

(c) ACTIVITIES.—Each Job Corps center director shall—

(1) give officials of nearby communities appropriate advance notice of changes in the rules, procedures, or activities of the Job Corps center that may affect or be of interest to the communities;

(2) afford the communities a meaningful voice in the affairs of the Job Corps center that are of direct concern to the communities, including policies governing the issuance and terms of passes to enrollees; and

(3) encourage the participation of enrollees in programs for improvement of the communities, with appropriate advance consultation with business, labor, professional, and other interested groups, in the communities.

SEC. 152. COUNSELING AND PLACEMENT.

The Secretary shall ensure that enrollees assigned to Job Corps centers receive academic and vocational counseling and job placement services, which shall be provided, to the maximum extent practicable, through the delivery of core services described in section 106(a)(2).

SEC. 153. ADVISORY COMMITTEES.

The Secretary is authorized to make use of advisory committees in connection with the operation of the Job Corps program, and the operation of Job Corps centers, whenever the Secretary determines that the availability of outside advice and counsel on a regular basis would be of substantial benefit in identifying and overcoming problems, in planning program or center development, or in strengthening relationships between the Job Corps and agencies, institutions, or groups engaged in related activities.

SEC. 154. APPLICATION OF PROVISIONS OF FEDERAL LAW.

(a) ENROLLEES NOT CONSIDERED TO BE FEDERAL EMPLOYEES.—

(1) IN GENERAL.—Except as otherwise provided in this subsection and in section 8143(a) of title 5, United States Code, enrollees shall not be considered to be Federal employees and shall not be subject to the provisions of law relating to Federal employment, including such provisions regarding hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits.

(2) PROVISIONS RELATING TO TAXES AND SOCIAL SECURITY BENEFITS.—For purposes of the Internal Revenue Code of 1986 and title II of the Social Security Act (42 U.S.C. 401 et seq.), enrollees shall be deemed to be employees of the United States and any service performed by an individual as an enrollee shall be deemed to be performed in the employ of the United States.

(3) PROVISIONS RELATING TO COMPENSATION TO FEDERAL EMPLOYEES FOR WORK INJURIES.—For purposes of subchapter I of chapter 81 of title 5, United States Code (relating to compensation to Federal employees for work injuries), enrollees shall be deemed to be civil employees of the Government of the United States within the meaning of the term "employee" as defined in section 8101 of title 5, United States Code, and the provisions of such subchapter shall apply as specified in section 8143(a) of title 5, United States Code.

(4) FEDERAL TORT CLAIMS PROVISIONS.—For purposes of the Federal tort claims provisions in title 28, United States Code, enrollees shall be considered to be employees of the Government.

(b) ADJUSTMENTS AND SETTLEMENTS.—Whenever the Secretary finds a claim for damages to a person or property resulting from the operation of the Job Corps to be a proper charge against the United States, and the claim is not cognizable under section 2672 of title 28, United States Code, the Secretary may adjust and settle the claim in an amount not exceeding $1,500.

(c) PERSONNEL OF THE UNIFORMED SERVICES.—Personnel of the uniformed services who are detailed or assigned to duty in the performance of agreements made by the Secretary for the support of the Job Corps shall not be counted in computing strength under any law limiting the strength of such services or in computing the percentage authorized by law for any grade in such services.

SEC. 155. SPECIAL PROVISIONS.

(a) ENROLLMENT OF WOMEN.—The Secretary shall immediately take steps to achieve an enrollment of 50 percent women in the Job Corps program, consistent with the need to—

(1) promote efficiency and economy in the operation of the program;

(2) promote sound administrative practice; and

(3) meet the socioeconomic, educational, and training needs of the population to be served by the program.

(b) STUDIES, EVALUATIONS, PROPOSALS, AND DATA.—The Secretary shall assure that all studies, evaluations, proposals, and data produced or developed with Federal funds in the course of carrying out the Job Corps program shall become the property of the United States.

(c) GROSS RECEIPTS.—Transactions conducted by a private for-profit contractor or a nonprofit contractor in connection with the operation by the contractor of a Job Corps center or the provision of services by the contractor for a Job Corps center shall not be considered to be generating gross receipts. Such a contractor shall not be liable, directly or indirectly, to any State or subdivision of a State (nor to any person acting on behalf of such a State or subdivision) for any gross receipts taxes, business privilege taxes measured by gross receipts, or any similar taxes imposed on, or measured by, gross receipts in connection with any payments made to or by such contractor for operating or providing services for a Job Corps center. Such a contractor shall not be liable to any State or subdivision of a State to collect or pay any sales, excise, use, or similar tax imposed on the sale to or use by such contractor of any property, service, or other item in connection with the operation of or provision of services for a Job Corps center.

(d) MANAGEMENT FEE.—The Secretary shall provide each operator or entity providing services for a Job Corps center with an equitable and negotiated management fee of not less than 1 percent of the contract amount.

(e) DONATIONS.—The Secretary may accept on behalf of the Job Corps or individual Job Corps centers charitable donations of cash or other assistance, including equipment and materials, if such donations are available for appropriate use for the purposes set forth in this chapter.

SEC. 156. REVIEW OF JOB CORPS CENTERS.

(a) NATIONAL JOB CORPS REVIEW.—Not later than March 31, 1997, the National Board shall conduct a review of the activities carried out under part B of title IV of the Job Training Partnership Act (29 U.S.C. 1691 et seq.), and submit to the appropriate committees of Congress a report containing the results of the review, including—

(1) information on the amount of funds expended for fiscal year 1996 to carry out activities under such part, for each State and for the United States;

(2) for each Job Corps center funded under such part, information on the amount of funds expended for fiscal year 1996 under such part to carry out activities related to the direct operation of the center, including funds expended for student training, outreach or intake activities, meals and lodging, student allowances, medical care, placement or settlement activities, and administration;

(3) for each Job Corps center, information on the amount of funds expended for fiscal year 1996 under such part through contracts to carry out activities not related to the direct operation of the center, including funds

expended for student travel, national outreach, screening, and placement services, national vocational training, and national and regional administrative costs;

(4) for each Job Corps center, information on the amount of funds expended for fiscal year 1996 under such part for facility construction, rehabilitation, and acquisition expenses;

(5) information on the amount of funds required to be expended under such part to complete each new or proposed Job Corps center, and to rehabilitate and repair each existing Job Corps center, as of the date of the submission of the report;

(6) a summary of the information described in paragraphs (2) through (5) for all Job Corps centers;

(7) an assessment of the need to serve at-risk youth in the Job Corps program, including—

(A) a cost-benefit analysis of the residential component of the Job Corps program;

(B) the need for residential education and training services for at-risk youth, analyzed for each State and for the United States; and

(C) the distribution of training positions in the Job Corps program, as compared to the need for the services described in subparagraph (B), analyzed for each State;

(8) an overview of the Job Corps program as a whole and an analysis of individual Job Corps centers, including a 5-year performance measurement summary that includes information, analyzed for the program and for each Job Corps center, on—

(A) the number of enrollees served;

(B) the number of former enrollees who entered employment, including the number of former enrollees placed in a position related to the job training received through the program and the number placed in a position not related to the job training received;

(C) the number of former enrollees placed in jobs for 32 hours per week or more;

(D) the number of former enrollees who entered employment and were retained in the employment for more than 13 weeks;

(E) the number of former enrollees who entered the Armed Forces;

(F) the number of former enrollees who completed vocational training, and the rate of such completion, analyzed by vocation;

(G) the number of former enrollees who entered postsecondary education;

(H) the number and percentage of early dropouts from the Job Corps program;

(I) the average wage of former enrollees, including wages from positions described in subparagraph (B);

(J) the number of former enrollees who obtained a secondary school diploma or its recognized equivalent;

(K) the average level of learning gains for former enrollees; and

(L) the number of former enrollees that did not—

(i) enter employment or postsecondary education;

(ii) complete a vocational education program; or

(iii) make identifiable learning gains;

(9) information regarding the performance of all existing Job Corps centers over the 3 years preceding the date of submission of the report; and

(10) job placement rates for each Job Corps center and each entity providing services to a Job Corps center.

(b) RECOMMENDATIONS OF NATIONAL BOARD.—

(1) RECOMMENDATIONS.—The National Board shall, based on the results of the review described in subsection (a), make recommendations to the Secretary of Labor, regarding improvements in the operation of the Job Corps program, including—

(A) closing 5 Job Corps centers by September 30, 1997, and 5 additional Job Corps centers by September 30, 2000;

(B) relocating Job Corps centers described in paragraph (2)(A)(iii) in cases in which facility rehabilitation, renovation, or repair is not cost-effective; and

(C) taking any other action that would improve the operation of a Job Corps center or any other appropriate action.

(2) CONSIDERATIONS.—

(A) IN GENERAL.—In determining whether to recommend that the Secretary of Labor close a Job Corps center, the National Board shall consider whether the center—

(i) has consistently received low performance measurement ratings under the Department of Labor or the Office of Inspector General Job Corps rating system;

(ii) is among the centers that have experienced the highest number of serious incidents of violence or criminal activity in the past 5 years;

(iii) is among the centers that require the largest funding for renovation or repair, as specified in the Department of Labor Job Corps Construction/Rehabilitation Funding Needs Survey, or for rehabilitation or repair, as reflected in the portion of the review described in subsection (a)(5);

(iv) is among the centers for which the highest relative or absolute fiscal year 1996 expenditures were made, for any of the categories of expenditures described in paragraph (2), (3), or (4) of subsection (a), as reflected in the review described in subsection (a);

(v) is among the centers with the least State and local support; or

(vi) is among the centers with the lowest rating on such additional criteria as the National Board may determine to be appropriate.

(B) COVERAGE OF STATES AND REGIONS.—Notwithstanding subparagraph (A), the National Board shall not recommend that the Secretary of Labor close the only Job Corps center in a State or a region of the United States.

(C) ALLOWANCE FOR NEW JOB CORPS CENTERS.—Notwithstanding any other provision of this section, if the planning or construction of a Job Corps center that received Federal funding for fiscal year 1994 or 1995 has not been completed by the date of enactment of this Act—

(i) the appropriate entity may complete the planning or construction and begin operation of the center; and

(ii) the National Board shall not evaluate the center under this title sooner than 3 years after the first date of operation of the center.

(3) REPORT.—Not later than June 30, 1997, the National Board shall submit a report to the Secretary of Labor, which shall contain a detailed statement of the findings and conclusions of the National Board resulting from the review described in subsection (a) together with the recommendations described in paragraph (1).

(c) IMPLEMENTATION OF PERFORMANCE IMPROVEMENTS.—The Secretary shall, after reviewing the report submitted under subsection (b)(3), implement improvements in the operation of the Job Corps program, including closing 10 individual Job Corps centers pursuant to subsection (b). In implementing such improvements, the Secretary may close such additional Job Corps centers as the Secretary determines to be appropriate. Funds saved through the implementation of such improvements shall be used to maintain overall Job Corps program service levels, improve facilities at existing Job Corps centers, relocate Job Corps centers, initiate new Job Corps centers, and make other performance improvements in the Job Corps program.

(d) REPORT TO CONGRESS.—The Secretary shall annually report to Congress the information specified in paragraphs (8), (9), and (10) of subsection (a) and such additional information relating to the Job Corps program as the Secretary may determine to be appropriate.

SEC. 157. ADMINISTRATION.

The Secretary shall carry out the responsibilities specified for the Secretary in this chapter, notwithstanding any other provision of this title.

SEC. 158. EFFECTIVE DATE.

(a) IN GENERAL.—Except as provided in subsection (b), this chapter shall take effect on July 1, 1998.

(b) REPORT.—Section 156 shall take effect on the date of enactment of this Act.

In section 161(a), strike "subsection (c)" and all that follows through "workforce preparation" and insert "subsection (c) for States, to enable the Secretary of Labor to carry out in the States, and to assist the States in paying for the cost of carrying out, workforce preparation".

In section 161(b)(1), strike "The State" and all that follows through "subsection (c)" and insert "The Secretary of Labor shall use the funds made available for a State through an allotment made under subsection (c)(2)".

In section 161(b)(1), strike "section 152" and insert "section 156".

In section 161(b)(2)(A), strike "subsection (c)" and insert "subsection (c)(3)".

In section 161(b)(3), strike "the funds described in paragraph (1)" and insert "the funds made available to the State through an allotment received under subsection (c)(3)".

In section 161(c)(1), strike "to each State" and insert "for each State".

In section 161(c)(1)(A), strike "to the State" and insert "for the State".

In section 161(c)(2), strike "to each State" and all that follows and insert "for each State, for the operation of Job Corps centers—

"(A) the amount that Job Corps centers in the State expended for fiscal year 1996 under part B of title IV of the Job Training Partnership Act to enable the Secretary of Labor to carry out activities described in paragraphs (2) and (3), and to pay for rehabilitation expenses described in paragraph (4), of section 156(a), as determined under such paragraphs; and

"(B) such amount as may be necessary for the planning, construction, and operation described in section 156(b)(2)(C) for any center described in such section in the State.".

In section 161(d), strike "subsection (c)" and insert "subsection (c)(3)".

In section 181(b), strike "this title" and insert "this title (other than subtitle B)".

In section 182(a)(4)(B), strike "under this Act" and insert "under this Act (other than subtitle B)".

In section 186(c)(2)(H), strike "under this Act" and insert "under this Act (other than subtitle B)".

In the second sentence of section 186(c)(5)(A), strike "181(b)" and insert "181(b) (other than the administration of subtitle B)".

In the third sentence of section 186(c)(5)(A), strike "administration" and insert "administration (other than the administration of subtitle B)".

In section 198C(e)(1)(B)(iii) of the National and Community Service Act of 1990 (42 U.S.C. 12653c(e)(1)(B)(iii)), as amended in section 192(b)(5)(LLL), strike "132" and insert "131".

GRAMM AMENDMENT NO. 2895

Mrs. KASSEBAUM (for Mr. GRAMM) proposed an amendment to amendment No. 2885 proposed by her to the bill S. 143, supra; as follows:

On page 201, strike lines 18 through 22 and insert the following:

(B) SCOPE.—

(i) INITIAL REDUCTIONS.—Not later than the date of the transfer under subsection (b), the Secretary of Labor and the Secretary of Education shall take the actions described in subparagraph (A) with respect to not less than ⅓ of the number of positions of personnel that relate to a covered activity.

(ii) SUBSEQUENT REDUCTIONS.—Not later than 5 years after the date of the transfer under subsection (b), the Secretary of Labor and the Secretary of Education shall take the actions described in subparagraph (A)—

(I) with respect to not less than 60 percent of the number of positions of personnel that relate to a covered activity, unless the Secretaries submit (prior to the end of such 5-year period) a report to Congress demonstrating why such actions have not occurred; or

(II) with respect to not less than 40 percent of the number of positions of personnel that relate to a covered activity, if the Secretaries make the determination and submit the report referred to in subclause (I).

(iii) CALCULATION.—For purposes of calculating, under this subparagraph, the number of positions of personnel that relate to a covered activity, such number shall include the number of positions of personnel who are separated from service under subparagraph (A).

PELL (AND JEFFORDS) AMENDMENT NO. 2896

Mr. PELL (for himself and Mr. JEFFORDS) proposed an amendment to amendment No. 2885 proposed by Mrs. KASSEBAUM to the bill S. 143, supra; as follows:

On page 315, after line 16, insert the following:

SEC. ___1. MUSEUM AND LIBRARY SERVICES.

The Museum Services Act (20 U.S.C. 961 et seq.) is amended to read as follows:

"TITLE II—MUSEUM AND LIBRARY SERVICES

"Subtitle A—General Provisions

"SEC. 201. SHORT TITLE.

"This title may be cited as the 'Museum and Library Services Act'.

"SEC. 202. GENERAL DEFINITIONS.

"As used in this title:

"(1) COMMISSION.—The term 'Commission' means the National Commission on Libraries and Information Science established under section 3 of the National Commission on Libraries and Information Science Act (20 U.S.C. 1502).

"(2) DIRECTOR.—The term 'Director' means the Director of the Institute appointed under section 204.

"(3) INSTITUTE.—The term 'Institute' means the Institute of Museum and Library Services established under section 203.

"(4) MUSEUM BOARD.—The term 'Museum Board' means the National Museum Services Board established under section 276.

"SEC. 203. INSTITUTE OF MUSEUM AND LIBRARY SERVICES.

"(a) ESTABLISHMENT.—There is established within the Foundation an Institute of Museum and Library Services.

"(b) OFFICES.—The Institute shall consist of an Office of Museum Services and an Office of Library Services. There shall be a National Museum Services Board in the Office of Museum Services.

"SEC. 204. DIRECTOR OF THE INSTITUTE.

"(a) APPOINTMENT.—

"(1) IN GENERAL.—The Institute shall be headed by a Director, appointed by the President, by and with the advice and consent of the Senate.

"(2) TERM.—The Director shall serve for a term of 4 years.

"(3) QUALIFICATIONS.—Beginning with the first individual appointed to the position of Director after the date of enactment of this Act, every second individual so appointed shall be appointed from among individuals who have special competence with regard to library and information services. Beginning with the second individual appointed to the position of Director after the date of enactment of this Act, every second individual so appointed shall be appointed from among individuals who have special competence with regard to museum services.

"(b) COMPENSATION.—The Director shall be compensated at the rate provided for level III of the Executive Schedule under section 5314 of title 5, United States Code.

"(c) DUTIES AND POWERS.—The Director shall perform such duties and exercise such powers as may be prescribed by law, including—

"(1) awarding financial assistance for activities described in this title; and

"(2) using not less than 5 percent and not more than 7 percent of the funds made available under this title for each fiscal year to award financial assistance for projects that involve both—

"(A) activities relating to library and information services, as described in subtitle B, carried out in accordance with such subtitle; and

"(B) activities relating to museum services, as described in subtitle C, carried out in accordance with such subtitle.

"(d) NONDELEGATION.—The Director shall not delegate any of the functions of the Director to any person who is not directly responsible to the Director.

"(e) COORDINATION.—The Director shall ensure coordination of the policies and activities of the Institute with the policies and activities of other agencies and offices of the Federal Government having interest in and responsibilities for the improvement of museums and libraries and information services.

"SEC. 205. DEPUTY DIRECTORS.

"(a) APPOINTMENT.—The Office of Library Services shall be headed by a Deputy Director, who shall be appointed by the Director from among individuals who have a graduate degree in library science and expertise in library and information services. The Office of Museum Services shall be headed by a Deputy Director, who shall be appointed by the Director from among individuals who have expertise in museum services.

"(b) COMPENSATION.—Each such position of Deputy Director shall be a Senior Executive Service position, which shall be paid at a rate of pay for a position at ES–1 of the Senior Executive Service schedule.

"SEC. 206. PERSONNEL.

"(a) IN GENERAL.—The Director may, in accordance with applicable provisions of title 5, United States Code, appoint and determine the compensation of such employees as the Director determines to be necessary to carry out the duties of the Institute.

"(b) VOLUNTARY SERVICES.—The Director may accept and utilize the voluntary services of individuals and reimburse the individuals for travel expenses, including per diem in lieu of subsistence, in the same amounts and to the same extent as authorized under section 5703 of title 5, United States Code, for persons employed intermittently in Federal Government service.

"SEC. 207. CONTRIBUTIONS.

"The Institute shall have authority to solicit, accept, receive, and invest in the name of the United States, gifts, bequests, or devises of money and other property or services and to use such property or services in furtherance of the functions of the Institute. Any proceeds from such gifts, bequests, or devises, after acceptance by the Institute, shall be paid by the donor or the representative of the donor to the Director. The Director shall enter the proceeds in a special interest bearing account to the credit of the Institute for the purposes in each case specified.

"Subtitle B—Library Services and Technology

"SEC. 211. SHORT TITLE.

"This subtitle may be cited as the 'Library Services and Technology Act'.

"SEC. 212. STATEMENT OF PURPOSE; RECOGNITION OF NEED.

"(a) STATEMENT OF PURPOSE.—The purposes of this subtitle are as follows:

"(1) To stimulate excellence and promote equity and lifelong access to learning and information resources in all types of libraries.

"(2) To combine the ability of the Federal Government to stimulate significant improvement and innovation in library services with support at State and local levels, and with cooperative programs with other agencies and with public and private sector partnerships, to achieve national library service goals.

"(3) To establish national library service goals for the 21st century. Such goals are that every person in America will be served by a library that—

"(A) provides all users access to information through regional, State, national, and international electronic networks;

"(B) contributes to a productive workforce, and to economic development, by providing resources and services designed to meet local community needs;

"(C) provides a full range of resources and programs to develop reading and critical thinking skills for children and adults;

"(D) provides targeted services to people of diverse geographic, cultural, and socioeconomic backgrounds, to individuals with disabilities, and to people with limited functional literacy or information skills; and

"(E) provides adequate hours of operation, facilities, staff, collections, and electronic access to information.

"(b) RECOGNITION OF NEED.—The Congress recognizes that strong library services are essential to empower people to succeed in our Nation's increasingly global and technological environment.

"SEC. 213. DEFINITIONS.

"As used in this subtitle:

"(1) INDIAN TRIBE.—The term 'Indian tribe' means any tribe, band, nation, or other organized group or community, including any Alaska native village, regional corporation, or village corporation, as defined in or established pursuant to the Alaska Native Claims

Settlement Act (43 U.S.C. 1601 et seq.), which is recognized by the Secretary of the Interior as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

"(2) LIBRARY CONSORTIA.—The term 'library consortia' means any local, statewide, regional, interstate, or international cooperative association of library entities which provides for the systematic and effective coordination of the resources of school, public, academic, and special libraries and information centers for improved services for their clientele.

"(3) LIBRARY ENTITY.—The term 'library entity' means a library that performs all activities of a library relating to the collection and organization of library materials and other information and that makes the materials and information publicly available. Such term includes State library administrative agencies and the libraries, library related entities, cooperatives, and consortia through which library services are made publicly available.

"(4) PUBLIC LIBRARY.—The term 'public library' means a library that serves free of charge all residents of a community, district, or region, and receives its financial support in whole or in part from public funds. Such term also includes a research library, which, for the purposes of this sentence, means a library, which—

"(A) makes its services available to the public free of charge;

"(B) has extensive collections of books, manuscripts, and other materials suitable for scholarly research which are not available to the public through public libraries;

"(C) engages in the dissemination of humanistic knowledge through services to readers, fellowships, educational and cultural programs, publications of significant research, and other activities; and

"(D) is not an integral part of an institution of higher education.

"(5) STATE.—The term 'State', unless otherwise specified, includes the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau.

"(6) STATE ADVISORY COUNCIL.—The term 'State advisory council' means an advisory council established pursuant to section 252.

"(7) STATE LIBRARY ADMINISTRATIVE AGENCY.—The term 'State library administrative agency' means the official agency of a State charged by law of that State with the extension and development of public library services throughout the State, which has adequate authority under law of the State to administer the State plan in accordance with the provisions of this subtitle.

"(8) STATE PLAN.—The term 'State plan' means the document which gives assurances that the officially designated State library administrative agency has the fiscal and legal authority and capability to administer all aspects of this subtitle, provides assurances for establishing the State's policies, priorities, criteria, and procedures necessary to the implementation of all programs under this subtitle, submits copies for approval as required by regulations promulgated by the Director, and identifies a State's library needs and sets forth the activities to be taken toward meeting the identified needs supported with the assistance of Federal funds made available under this subtitle.

"SEC. 214. AUTHORIZATION OF APPROPRIATIONS.

"(a) AUTHORITY.—

"(1) IN GENERAL.—There are authorized to be appropriated to the Secretary of Education—

"(A) for the purpose of awarding grants under subchapter A of chapter 2 and for related administrative expenses, $75,000,000 for fiscal year 1996, and such sums as may be necessary for each of the 4 succeeding fiscal years; and

"(B) for the purpose of awarding grants under subchapter B of chapter 2 and for related administrative expenses, $75,000,000 for fiscal year 1996, and such sums as may be necessary for each of the 4 succeeding fiscal years.

"(2) TRANSFER.—The Secretary of Education shall transfer any funds appropriated under the authority of paragraph (1) to the Director to enable the Director to carry out this subtitle.

"(b) JOINT PROJECTS.—Not less than 5 percent and not more than 7 percent of the funds appropriated under this section for a fiscal year may be made available for projects described in section 204(c)(2) for the fiscal year.

"(c) ADMINISTRATION.—Not more than 10 percent of the funds appropriated under this section for a fiscal year may be used to pay for the Federal administrative costs of carrying out this subtitle.

"CHAPTER 1—BASIC PROGRAM REQUIREMENTS

"SEC. 221. RESERVATIONS AND ALLOTMENTS.

"(a) RESERVATIONS.—From the amount appropriated under the authority of section 214(a) for any fiscal year, the Director—

"(1) shall reserve 1½ percent to award grants in accordance with section 261; and

"(2) shall reserve 8 percent to carry out a national leadership program in library science in accordance with section 262.

"(b) ALLOTMENTS.—

"(1) IN GENERAL.—From the sums appropriated under the authority of section 214(a) and not reserved under subsection (a) for any fiscal year, the Director shall allot the minimum allotment, as determined under paragraph (3), to each State. Any sums remaining after minimum allotments have been made for such year shall be allotted in the manner set forth in paragraph (2).

"(2) REMAINDER.—From the remainder of any sums appropriated under the authority of section 214(a) that are not reserved under subsection (a) and not allotted under paragraph (1) for any fiscal year, the Director shall allot to each State an amount that bears the same relation to such remainder as the population of the State bears to the population of all the States.

"(3) MINIMUM ALLOTMENT.—

"(A) IN GENERAL.—For the purposes of this subsection, the minimum allotment shall be—

"(i) with respect to appropriations for the purposes of subchapter A of chapter 2, $200,000 for each State, except that the minimum allotment shall be $40,000 in the case of Guam, American Samoa, the United States Virgin Islands, the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau; and

"(ii) with respect to appropriations for the purposes of subchapter B of chapter 2, $200,000 for each State, except that the minimum allotment shall be $40,000 in the case of Guam, American Samoa, the United States Virgin Islands, the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau.

"(B) RATABLE REDUCTIONS.—If the sums appropriated under the authority of section 214(a) and not reserved under subsection (a) for any fiscal year are insufficient to fully satisfy the aggregate of the minimum allotments for all States for that purpose for such year, each of such minimum allotments shall be reduced ratably.

"(4) DATA.—The population of each State and of all the States shall be determined by the Director on the basis of the most recent data available from the Bureau of the Census.

"SEC. 222. ADMINISTRATION AND EVALUATION.

"(a) IN GENERAL.—Not more than 5 percent of the total funds received under this subtitle for any fiscal year by a State may be used for administration.

"(b) CONSTRUCTION.—Nothing in this section shall be construed to limit spending for evaluation costs under section 251 from sources other than this subtitle.

"SEC. 223. PAYMENTS; FEDERAL SHARE; AND MAINTENANCE OF EFFORT REQUIREMENTS.

"(a) PAYMENTS.—The Director shall pay to each State library administrative agency having a State plan approved under section 224 the Federal share of the cost of the activities described in the State plan.

"(b) FEDERAL SHARE.—

"(1) IN GENERAL.—Except as provided in paragraph (3), the Federal share shall be 50 percent.

"(2) NON-FEDERAL SHARE.—The non-Federal share of payments shall be provided from non-Federal, State, or local sources.

"(3) SPECIAL RULE.—The Federal share—

"(A) for the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands, shall be 66 percent; and

"(B) for the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau, shall be 100 percent.

"(c) MAINTENANCE OF EFFORT.—

"(1) IN GENERAL.—The amount otherwise payable to a State for a fiscal year under chapter 2 shall be reduced if the level of State expenditures, as described in paragraph (2), for the previous fiscal year are less than the average of the total of such expenditures for the 3 fiscal years preceding that previous fiscal year. The amount of the reduction in allotment for any fiscal year shall be in exact proportion to the amount which the State fails to meet the requirement of this subsection.

"(2) LEVEL OF STATE EXPENDITURES.—The level of State expenditures for the purposes of paragraph (1) shall include all State dollars expended by the State library administrative agency for library programs that are consistent with the purposes of this subtitle. All funds included in the maintenance of effort calculation under this subsection shall be expended during the fiscal year for which the determination is made, and shall not include capital expenditures, special one-time project costs, or similar windfalls.

"(3) WAIVER.—The Director may waive the requirements of paragraph (1) if the Director determines that such a waiver would be equitable due to exceptional or uncontrollable circumstances such as a natural disaster or a precipitous and unforeseen decline in the financial resources of the State.

"SEC. 224. STATE PLANS.

"(a) STATE PLAN REQUIRED.—

"(1) IN GENERAL.—In order to be eligible to receive a grant under this subtitle, a State library administrative agency shall submit a

State plan to the Director not later than April 1, 1996.

"(2) DURATION.—The State plan shall cover a period of 5 fiscal years.

"(3) REVISIONS.—If a State library administrative agency makes a substantive revision to its State plan, then the State library administrative agency shall submit to the Director an amendment to the State plan containing such revision not later than April 1 of the fiscal year preceding the fiscal year for which the amendment will be effective.

"(b) CONTENTS.—The State plan shall—

"(1) specify priorities for improvement of library services so that all people in the State have convenient and appropriate access to information delivered by libraries through new and emerging technologies assisted under subchapter A of chapter 2;

"(2) identify those persons who need special services under subchapter B of chapter 2 and specify priorities for meeting the purpose described in section 241(a);

"(3) describe how section 243 will be implemented within the State, specify the accountability and evaluation procedures to be followed by public libraries receiving funds under such section, and specify whether and how funds are to be aggregated under section 243(b)(2) to improve library services provided to children in the State described in section 243(a)(2);

"(4) describe the activities and services for which assistance is sought, including—

"(A) priorities for the use of funds under this subtitle; and

"(B) a description of the types of libraries and library entities that will be eligible to receive funds under this subtitle;

"(5) provide that any funds paid to the State in accordance with the State plan shall be expended solely for the purposes for which the funds are authorized and appropriated and that such fiscal control and fund accounting procedures have been adopted as may be necessary to assure proper disbursement of, and account for, Federal funds paid to the State (including any such funds paid by the State to any other entity) under this subtitle;

"(6) provide procedures to ensure that the State library administrative agency shall involve libraries and users throughout the State in policy decisions regarding implementation of this subtitle, and development of the State plan, including establishing the State advisory council;

"(7) provide satisfactory assurance that the State library administrative agency—

"(A) will make such reports, in such form and containing such information, as the Director may require to carry out this subtitle and to determine the extent to which funds provided under this subtitle have been effective in carrying out the purposes of this subtitle, including reports on evaluations under section 251;

"(B) will keep such records and afford such access thereto as the Director may find necessary to assure the correctness and verification of such reports;

"(C) will provide to State advisory council members an orientation regarding the provisions of this subtitle and members' responsibilities, including clear, easily understandable information about the State plan; and

"(D) will report annually at a meeting of the State advisory council on the State library administrative agency's progress toward meeting the goals and objectives of the State plan;

"(8) describe the process for assessing the needs for library and information services within the State, and describe the results of the most recent needs assessment;

"(9) establish goals and objectives for achieving within the State the purposes of this subtitle, including the purposes in sections 212(a), 231(a), and 241(a); and

"(10) describe how the State library administrative agency, in consultation with the State advisory council, will—

"(A) administer this subtitle; and

"(B) conduct evaluations under section 251, including a description of the types of evaluation methodologies to be employed.

"(c) ACCOUNTABILITY.—Each State plan shall—

"(1) establish State-defined performance goals to set forth the level of performance to be achieved by an activity assisted under this subtitle;

"(2) express such goals in an objective, quantifiable, and measurable form unless authorized to be in an alternative form in accordance with section 1115(b) of title 31, United States Code;

"(3) briefly describe the operational processes, skills and technology, and the human, capital, information, or other resources, required to meet the performance goals;

"(4) establish performance indicators in accordance with subsection (d) to be used in measuring or assessing the relevant outputs, service levels, and outcomes, of each activity assisted under this subtitle;

"(5) provide a basis for comparing actual program results with the established performance goals; and

"(6) describe the means to be used to verify and validate measured values.

"(d) PERFORMANCE INDICATORS.—Performance indicators described in subsection (c)(4) shall include—

"(1) evidence of progress toward the national library service goals under section 212(a)(3);

"(2) consultation with the State educational agency;

"(3) identification of activities suitable for nationwide replication; and

"(4) progress in improvement of library services provided to children described in section 243(a)(2).

"(e) APPROVAL.—

"(1) IN GENERAL.—The Director shall approve any State plan under this subtitle that meets the requirements of this subtitle and provides satisfactory assurances that the provisions of such plan will be carried out.

"(2) PUBLIC AVAILABILITY.—Each State library administrative agency receiving a grant under this subtitle shall make the State plan available to the public.

"(3) ADMINISTRATION.—If the Director determines that the State plan does not meet the requirements of this section, the Director shall—

"(A) immediately notify the State library administrative agency of such determination and the reasons for such determination;

"(B) offer the State library administrative agency the opportunity to revise its State plan;

"(C) provide technical assistance in order to assist the State library administrative agency to meet the requirements of this section; and

"(D) provide the State library administrative agency the opportunity for a hearing.

"CHAPTER 2—LIBRARY PROGRAMS

"Subchapter A—Information Access Through Technology

"SEC. 231. GRANTS TO STATES FOR INFORMATION ACCESS THROUGH TECHNOLOGY.

"(a) PURPOSE.—The purpose of this subchapter is to provide for the improvement of library services so that all people have access to information delivered by libraries through new and emerging technologies, whether the information originates locally, from the State, nationally, or globally.

"(b) GRANTS.—

"(1) IN GENERAL.—The Director shall award grants under this subchapter from allotments under section 221(b) to States that have State plans approved under section 224.

"(2) FEDERAL SHARE.—Grants awarded under paragraph (1) shall be used to pay the Federal share of the cost of activities under section 232 that are described in a State plan approved under section 224.

"SEC. 232. AUTHORIZED ACTIVITIES.

"Each State that receives a grant under section 231(b) may use the grant funds to provide statewide services and subgrants to public libraries, other types of libraries and library consortia, or library linkages with other entities, in accordance with the State plan. Such services and subgrants shall involve—

"(1) organization, access, and delivery of information;

"(2) lifelong learning, and workforce and economic development; or

"(3) support of technology infrastructure.

"Subchapter B—Information Empowerment Through Special Services

"SEC. 241. GRANTS TO STATES FOR INFORMATION EMPOWERMENT THROUGH SPECIAL SERVICES.

"(a) PURPOSE.—The purpose of this subchapter is to provide for the improvement of library and information services targeted to persons of all ages and cultures who have difficulty using a library and to communities which are geographically disadvantaged in access to libraries, who or which need special materials or services, or who or which will benefit from outreach services for equity of access to library services and information technologies, including children (from birth through age 17) from families living below the income official poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)) applicable to a family of the size involved).

"(b) GRANTS.—

"(1) IN GENERAL.—The Director shall award grants under this subchapter from allotments under section 221(b) to States that have State plans approved under section 224.

"(2) FEDERAL SHARE.—Grants awarded under paragraph (1) shall be used to pay the Federal share of the cost of the activities under section 242 that are described in a State plan approved under section 224.

"SEC. 242. AUTHORIZED ACTIVITIES.

"Each State that receives a grant under section 241(b) may use the grant funds to provide statewide services and subgrants to public libraries, other types of libraries and library consortia, or library linkages with other entities, in accordance with the State plan. Such services and subgrants shall involve activities that—

"(1) increase literacy and lifelong learning;

"(2) serve persons in rural, underserved, or inner-city areas; or

"(3) support the provision of special services.

"SEC. 243. SERVICES FOR CHILDREN IN POVERTY.

"(a) STATE LEVEL RESERVATION.—

"(1) IN GENERAL.—Except as provided in subsection (c), from the total amount that each State library administrative agency receives under this subchapter for a fiscal year, such agency shall reserve the amount of funds determined under paragraph (2) to provide assistance to public libraries in the State to enable such libraries to enhance the provision of special services to children described in such paragraph who are served by such libraries.

"(2) AMOUNT.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), the amount of funds a State library administrative agency shall reserve under paragraph (1) shall be equal to the sum of—

"(i) $1.50 for every preschooler (birth through age 5) in the State from a family living below the income official poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)) applicable to a family of the size involved); and

"(ii) $1.00 for every school-age child (ages 6 through 17) in the State from such a family.

"(B) MAXIMUM.—The maximum amount that a State library administrative agency may reserve under paragraph (1) for any fiscal year shall not exceed 15 percent of the total amount such agency receives under this subchapter for such year.

"(b) WITHIN STATE DISTRIBUTION.—

"(1) IN GENERAL.—Except as provided in paragraph (2), each public library in a State shall receive under this section for a fiscal year an amount that bears the same relation to the amount the State library administrative agency reserves under subsection (a) for such year as the number of children described in subsection (a)(2) served by such public library for the preceding fiscal year bears to the number of such children served by all public libraries in the State for such preceding fiscal year.

"(2) EXCEPTION.—

"(A) IN GENERAL.—If a State library administrative agency determines that the amount available under paragraph (1) for a fiscal year for 2 or more public libraries is too small to be effective, then such agency may aggregate such amounts for such year.

"(B) REQUIREMENTS.—Each State library administrative agency aggregating amounts under subparagraph (A) for a fiscal year—

"(i) shall only aggregate the amount available under paragraph (1) for a public library for a fiscal year if the amount so available for such year is $3,000 or less; and

"(ii) shall use such aggregated amounts to enhance the library services provided to the children described in subsection (a)(2) served by the public libraries for which such agency aggregated such amounts for such year.

"(c) ADJUSTMENTS.—

"(1) APPROPRIATIONS INCREASE.—For any fiscal year for which the amount appropriated to carry out this subtitle is greater than the amount appropriated to carry out this subtitle for the preceding fiscal year by a percentage that equals or exceeds 10 percent, the amount each State library administrative agency shall reserve under subsection (a)(2) for the fiscal year for which the determination is made shall be increased by the same such percentage.

"(2) APPROPRIATIONS DECREASE.—For any fiscal year for which the amount appropriated to carry out this subtitle is less than the amount appropriated to carry out this subtitle for the preceding fiscal year by a percentage that equals or exceeds 10 percent, the amount each State library administrative agency shall reserve under subsection (a)(2) for the fiscal year for which the determination is made shall be decreased by the same such percentage.

"(d) PLAN.—Each public library desiring assistance under this section shall submit a plan for the expenditure of funds under this section to the State library administrative agency. Such plan shall include a description of how the library will—

"(1) identify the children described in subsection (a)(2);

"(2) collaborate with community representatives to ensure planning and implementation of appropriate, helpful library services; and

"(3) establish indicators of success.

"(e) PRIORITIES.—Priorities for the use of funds under this section may include activities for children described in subsection (a)(2) such as—

"(1) development of after-school homework support and summer and vacation reading programs;

"(2) development of family literacy programs;

"(3) extension of branch hours to provide space and resources for homework;

"(4) development of coalitions and training programs involving libraries and other service providers in the State;

"(5) development of technological resources;

"(6) hiring specialized outreach staff; and

"(7) development of peer tutoring programs.

"CHAPTER 3—ADMINISTRATIVE PROVISIONS

"Subchapter A—State Requirements

"SEC. 251. STATE EVALUATION.

"(a) IN GENERAL.—Each State receiving a grant under this subtitle shall annually evaluate, in accordance with subsections (b) and (c), the activities assisted under subchapters A and B of chapter 2.

"(b) SUBCHAPTER A ACTIVITIES.—Each evaluation of activities assisted under subchapter A of chapter 2 shall include a description of how effective such activities are in ensuring that—

"(1) every American will have affordable access to information resources through electronic networks;

"(2) every public library will be connected to national and international electronic networks;

"(3) every State library agency will promote planning and provide support for full library participation in electronic networks;

"(4) every public librarian will possess the knowledge and skills needed to help people obtain information through electronic sources; and

"(5) every public library will be equipped with the technology needed to help people obtain information in an effective and timely manner.

"(c) SUBCHAPTER B ACTIVITIES.—

"(1) IN GENERAL.—Each evaluation of activities assisted under subchapter B of chapter 2 shall include—

"(A) with respect to activities to increase literacy and lifelong learning—

"(i) an analysis of the current situation in the State;

"(ii) how such activities will meet the needs of the current situation in the State and the target groups to be served; and

"(iii) a report of the effect of such activities in relation to the objectives of such activities;

"(B) with respect to activities to serve people in rural and urban areas—

"(i) procedures used to identify library users within a community;

"(ii) a description of needs and target groups to be served;

"(iii) an analysis of the levels of success to be targeted;

"(iv) a report of the effect of such activities in relation to the objectives of such activities; and

"(v) a description of the background of the current level of library service to people in rural and urban areas, and how such activities will extend, improve, and further provide library resources to such people;

"(C) with respect to activities to support the provision of special services—

"(i) an analysis of the current situation in the State;

"(ii) how such activities will meet the needs of the current situation in the State; and

"(iii) a report of the effect of such activities in relation to the objectives of such activities; and

"(D) with respect to activities to serve children under section 243—

"(i) an analysis of the current local situations;

"(ii) a description of such activities, including objectives and costs of such activities; and

"(iii) a report of the effect of such activities in relation to the objectives of such activities.

"(2) INFORMATION.—Each public library receiving assistance under section 243 shall submit to the State library administrative agency such information as such agency may require to meet the requirements of paragraph (1)(D).

"SEC. 252. STATE ADVISORY COUNCILS.

"(a) COUNCILS REQUIRED.—Each State desiring assistance under this subtitle shall establish a State advisory council.

"(b) COMPOSITION.—Each State advisory council shall be broadly representative of the library entities in the State, including public, school, academic, special, and institutional libraries, and libraries serving individuals with disabilities.

"(c) DUTIES.—Each State advisory council shall—

"(1) consult with the State library administrative agency regarding the development of the State plan;

"(2) advise the State library administrative agency on the development of, and policy matters arising in the administration of, the State plan, including mechanisms for evaluation;

"(3) assist the State library administrative agency in—

"(A) the dissemination of information regarding activities assisted under this subtitle; and

"(B) the evaluation of activities assisted under this subtitle; and

"(4) establish bylaws to carry out such council's duties under this subsection.

"Subchapter B—Federal Requirements

"SEC. 261. SERVICES FOR INDIAN TRIBES.

"(a) GRANTS AUTHORIZED.—From amounts reserved under section 221(a)(1) for any fiscal year the Director shall award grants to organizations primarily serving and representing Indian tribes to enable such organizations to carry out the authorized activities described in subsection (b).

"(b) AUTHORIZED ACTIVITIES.—Grant funds awarded under this section may be used for—

"(1) inservice or preservice training of Indians as library personnel;

"(2) the purchase of library materials;

"(3) the conduct of special library programs for Indians;

"(4) salaries of library personnel;

"(5) transportation to enable Indians to have access to library services;

"(6) dissemination of information about library services;

"(7) assessment of tribal library needs; and

"(8) contracts to provide public library services to Indians living on or near reservations or to accomplish any activities described in paragraphs (1) through (7).

"(c) PROHIBITION.—No funds shall be awarded pursuant to this section unless such funds will be administered by a librarian.

"(d) DUPLICATION.—In awarding grants under this section, the Director shall take such actions as may be necessary to prevent the grant funds provided under this section from being received by any 2 or more entities to serve the same population.

"(e) MAINTENANCE OF EFFORT.—Each organization that receives a grant under this section and supports a public library system shall continue to expend from Federal, State, and local sources an amount not less than the amount expended by such organization from such sources for public library services during the second fiscal year preceding the fiscal year for which the determination is made.

"(f) CONSTRUCTION.—Nothing in this section shall be construed to prohibit the dissemination of restricted collections of tribal cultural materials with funds made available under this section.

"(g) APPLICATION.—

"(1) IN GENERAL.—Any organization which desires to receive a grant under this section shall submit an application to the Director that—

"(A) describes the activities and services for which assistance is sought; and

"(B) contains such information as the Director may require by regulation.

"(2) CRITERIA.—The Director shall issue criteria for the approval of applications under this section, but such criteria shall not include—

"(A) an allotment formula; or

"(B) a matching of funds requirement.

"SEC. 262. NATIONAL LEADERSHIP PROGRAM.

"(a) IN GENERAL.—From the amounts reserved under section 221(a)(2) for any fiscal year the Director shall establish and carry out a program of national leadership and evaluation activities to enhance the quality of library services nationwide. Such activities may include—

"(1) education and training of persons in library and information science, particularly in areas of new technology and other critical needs, including graduate fellowships, traineeships, institutes, or other programs;

"(2) research and demonstration projects related to the improvement of libraries, education in library and information science, enhancement of library services through effective and efficient use of new technologies, and dissemination of information derived from such projects; and

"(3) preservation or digitization of library materials and resources, giving priority to projects emphasizing coordination, avoidance of duplication, and access by researchers beyond the institution or library entity undertaking the project.

"(b) GRANTS OR CONTRACTS.—

"(1) IN GENERAL.—The Director may carry out the activities described in subsection (a) by awarding grants to, or entering into contracts with, library entities, agencies, or institutions of higher education.

"(2) COMPETITIVE BASIS.—Grants and contracts described in paragraph (1) shall be awarded on a competitive basis.

"(c) SPECIAL RULE.—The Director, with policy advice from the Museum Board shall make every effort to ensure that activities assisted under this section are administered by appropriate library and information services professionals or experts and science professionals or experts.

"SEC. 263. STATE AND LOCAL INITIATIVES.

"Nothing in this subtitle shall be construed to interfere with State and local initiatives and responsibility in the conduct of library services. The administration of libraries, the selection of personnel and library books and materials, and insofar as consistent with the purposes of this subtitle, the determination of the best uses of the funds provided under this subtitle, shall be reserved to the States and their local subdivisions.

"Subtitle C—Museum Services

"SEC. 271. PURPOSE.

"It is the purpose of this subtitle—

"(1) to encourage and assist museums in their educational role, in conjunction with formal systems of elementary, secondary, and postsecondary education and with programs of nonformal education for all age groups;

"(2) to assist museums in modernizing their methods and facilities so that the museums may be better able to conserve the cultural, historic, and scientific heritage of the United States; and

"(3) to ease the financial burden borne by museums as a result of their increasing use by the public.

"SEC. 272. DEFINITIONS.

"As used in this subtitle, the term 'museum' means a public or private nonprofit agency or institution organized on a permanent basis for essentially educational or aesthetic purposes, that utilizes a professional staff, owns or utilizes tangible objects, cares for the tangible objects, and exhibits the tangible objects to the public on a regular basis.

"SEC. 273. MUSEUM SERVICES ACTIVITIES.

"(a) GRANTS.—The Director, subject to the policy direction of the Museum Board, may make grants to museums to pay for the Federal share of the cost of increasing and improving museum services, through such activities as—

"(1) programs to enable museums to construct or install displays, interpretations, and exhibitions in order to improve museum services to the public;

"(2) assisting museums in developing and maintaining professionally trained or otherwise experienced staff to meet their needs;

"(3) assisting museums in meeting their administrative costs in preserving and maintaining their collections, exhibiting the collections to the public, and providing educational programs to the public through the use of the collections;

"(4) assisting museums in cooperating with each other in developing traveling exhibitions, meeting transportation costs, and identifying and locating collections available for loan;

"(5) assisting museums in conservation of their collections; and

"(6) developing and carrying out specialized programs for specific segments of the public, such as programs for urban neighborhoods, rural areas, Indian reservations, and penal and other State institutions.

"(b) CONTRACTS AND COOPERATIVE AGREEMENTS.—

"(1) PROJECTS TO STRENGTHEN MUSEUM SERVICES.—The Director, subject to the policy direction of the Museum Board, is authorized to enter into contracts and cooperative agreements with appropriate entities to pay for the Federal share of enabling the entities to undertake projects designed to strengthen museum services, except that any contracts or cooperative agreements entered into pursuant to this subsection shall be effective only to such extent or in such amounts as are provided in appropriations Acts.

"(2) LIMITATION ON AMOUNT.—The aggregate amount of financial assistance made available under this subsection for a fiscal year shall not exceed 15 percent of the amount appropriated under this subtitle for such fiscal year.

"(3) OPERATIONAL EXPENSES.—No financial assistance may be provided under this subsection to pay for operational expenses.

"(c) FEDERAL SHARE.—

"(1) 50 PERCENT.—Except as provided in paragraph (2), the Federal share described in subsections (a) and (b) shall be not more than 50 percent.

"(2) 100 PERCENT.—The Director may use not more than 20 percent of the funds made available under this section for a fiscal year to make grants under subsection (a), or enter into contracts or agreements under subsection (b), for which the Federal share may be 100 percent.

"(d) REVIEW AND EVALUATION.—The Director shall establish procedures for reviewing and evaluating grants, contracts, and cooperative agreements made or entered into under this section. Procedures for reviewing grant applications or contracts and cooperative agreements for financial assistance under this section shall not be subject to any review outside of the Institute.

"SEC. 274. ASSESSMENTS.

"(a) IN GENERAL.—The Director, subject to the policy direction of the Museum Board and in consultation with appropriate representatives of museums and other types of community institutions, agencies, and organizations, shall undertake an assessment of the collaborative possibilities museums can engage in to serve the public more broadly and effectively.

"(b) CONTENTS.—The assessment shall include—

"(1) an investigation of opportunities to establish collaborative programs between museums within a community, including an investigation of the role that larger institutions can play as mentors to smaller institutions;

"(2) an investigation of opportunities to establish collaborative programs between museums and community organizations;

"(3) an investigation of the potential for collaboration between museums on technology issues to reach a broader audience; and

"(4) an investigation of opportunities for museums to work with each other and with other community resources to serve the public better and to coordinate professional and financial development activities.

"(c) LIMITATION.—This section shall not apply in any fiscal year for which the amount appropriated under section 277(a) is less than $28,700,000.

"SEC. 275. AWARD.

"The Director, with the advice of the Museum Board, may annually award a National Award for Museum Service to outstanding museums that have made significant contributions in service to their communities.

"SEC. 276. NATIONAL MUSEUM SERVICES BOARD.

"(a) ESTABLISHMENT.—There is established in the Institute a National Museum Services Board.

"(b) COMPOSITION AND QUALIFICATIONS.—

"(1) COMPOSITION.—The Museum Board shall consist of the Director and 14 members appointed by the President, by and with the advice and consent of the Senate.

"(2) QUALIFICATIONS.—The appointive members of the Museum Board shall be selected from among citizens of the United States—

"(A) who are members of the general public;

"(B) who are or have been affiliated with—

"(i) resources that, collectively, are broadly representative of the curatorial, conservation, educational, and cultural resources of the United States; and

"(ii) museums that, collectively, are broadly representative of various types of museums, including museums relating to science, history, technology, and art, zoos, and botanical gardens; and

"(C) who are recognized for their broad knowledge, expertise, or experience in museums or commitment to museums.

"(3) GEOGRAPHIC AND OTHER REPRESENTATION.—Members of the Museum Board shall be appointed to reflect persons from various geographic regions of the United States. The Museum Board may not include, at any time, more than 3 members from a single State. In making such appointments, the President shall give due regard to equitable representation of women, minorities, and persons with disabilities who are involved with museums.

"(c) TERMS.—

"(1) IN GENERAL.—Each appointive member of the Museum Board shall serve for a term of 5 years, except that—

"(A) of the members first appointed, 3 shall serve for terms of 5 years, 3 shall serve for terms of 4 years, 3 shall serve for terms of 3 years, 3 shall serve for terms of 2 years, and 2 shall serve for terms of 1 year, as designated by the President at the time of nomination for appointment; and

"(B) any member appointed to fill a vacancy shall serve for the remainder of the term for which the predecessor of the member was appointed.

"(2) REAPPOINTMENT.—No member of the Museum Board who has been a member for more than 7 consecutive years shall be eligible for reappointment.

"(3) SERVICE UNTIL SUCCESSOR TAKES OFFICE.—Notwithstanding any other provision of this subsection, a member shall serve after the expiration of the term of the member until the successor to the member takes office.

"(d) DUTIES AND POWERS.—The Museum Board shall have the responsibility for general policies with respect to the duties, powers, and authorities vested in the Institute relating to museum services, including general policies with respect to—

"(1) financial assistance awarded under this title for museum services;

"(2) projects described in section 204(c)(2); and

"(3) measures to ensure that the policies and activities of the Institute for Museum and Library Services are coordinated with other activities of the Federal Government.

"(e) CHAIRPERSON.—The President shall designate 1 of the appointive members of the Museum Board as Chairperson of the Museum Board.

"(f) MEETINGS.—

"(1) IN GENERAL.—The Museum Board shall meet—

"(A) not less than 3 times each year, including—

"(i) not less than 2 times each year separately; and

"(ii) not less than 1 time each year in a joint meeting with the Commission, convened for purposes of making general policies with respect to financial assistance for projects described in section 204(c)(2); and

"(B) at the call of the Director.

"(2) VOTE.—All decisions by the Museum Board with respect to the exercise of the duties and powers of the Museum Board shall be made by a majority vote of the members of the Museum Board who are present. All decisions by the Commission and the Museum Board with respect to the policies described in paragraph (1)(A)(ii) shall be made by a ⅔ majority vote of the total number of the members of the Commission and the Museum Board who are present.

"(g) QUORUM.—A majority of the members of the Museum Board shall constitute a quorum for the conduct of business at official meetings of the Museum Board, but a lesser number of members may hold hearings. A majority of the members of the Commission and a majority of the members of the Museum Board shall constitute a quorum for the conduct of business at official joint meetings of the Commission and the Museum Board.

"(h) COMPENSATION AND TRAVEL EXPENSES.—

"(1) COMPENSATION.—Each member of the Museum Board who is not an officer or employee of the Federal Government shall be compensated at a rate to be fixed by the President, but not to exceed the daily equivalent of the maximum rate authorized for a position above grade GS–15 of the General Schedule under section 5108 of title 5, United States Code, for each day (including travel time) during which such member is engaged in the performance of the duties of the Museum Board. All members of the Museum Board who are officers or employees of the Federal Government shall serve without compensation in addition to compensation received for their services as officers or employees of the Federal Government.

"(2) TRAVEL EXPENSES.—The members of the Museum Board shall be allowed travel expenses, including per diem in lieu of subsistence, in the same amounts and to the same extent, as authorized under section 5703 of title 5, United States Code, for persons employed intermittently in Federal Government service.

"(i) COORDINATION.—The Museum Board, with the advice of the Director, shall take steps to ensure that the policies and activities of the Institute are coordinated with other activities of the Federal Government.

"SEC. 277. AUTHORIZATION OF APPROPRIATIONS.

"(a) GRANTS.—For the purpose of carrying out this subtitle, there are authorized to be appropriated to the Director $28,700,000 for the fiscal year 1996, and such sums as may be necessary for each of the fiscal years 1997 through 2000.

"(b) ADMINISTRATION.—Not more than 10 percent of the funds appropriated under this section for a fiscal year may be used to pay for the administrative costs of carrying out this subtitle.

"(c) JOINT PROJECTS.—Not less than 5 percent and not more than 7 percent of the funds appropriated under this section for a fiscal year may be made available for projects described in section 204(c)(2) for the fiscal year.

"(d) SUMS REMAINING AVAILABLE.—Sums appropriated pursuant to subsection (a) for any fiscal year shall remain available for obligation until expended.".

SEC. ___2. NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE.

(a) FUNCTIONS.—Section 5 of the National Commission on Libraries and Information Science Act (20 U.S.C. 1504) is amended—

(1) by redesignating subsections (b) through (d) as subsections (d) through (f), respectively; and

(2) by inserting after subsection (a) the following:

"(b) The Commission shall have the responsibility to advise the Director of the Institute of Museum and Library Services on general policies with respect to the duties and powers vested in the Institute of Museum and Library Services relating to library services, including—

"(1) general policies with respect to—

"(A) financial assistance awarded under the Museum and Library Services Act for library services; and

"(B) projects described in section 204(c)(2) of such Act; and

"(2) measures to ensure that the policies and activities of the Institute of Museum and Library Services are coordinated with other activities of the Federal Government.

"(c)(1) The Commission shall meet not less than 1 time each year in a joint meeting with the National Museum Services Board, convened for purposes of providing advice on general policy with respect to financial assistance for projects described in section 204(c)(2) of such Act.

"(2) All decisions by the Commission and the National Museum Services Board with respect to the advice on general policy described in paragraph (1) shall be made by a ⅔ majority vote of the total number of the members of the Commission and the National Museum Services Board who are present.

"(3) A majority of the members of the Commission and a majority of the members of the National Museum Services Board shall constitute a quorum for the conduct of business at official joint meetings of the Commission and the National Museum Services Board.".

(b) MEMBERSHIP.—Section 6 of the National Commission on Libraries and Information Science Act (20 U.S.C. 1505) is amended—

(1) in subsection (a)—

(A) in the first sentence, by striking "Librarian of Congress" and inserting "Librarian of Congress, the Director of the Institute of Museum and Library Services (who shall serve as an ex officio, nonvoting member),";

(B) in the second sentence—

(i) by striking "special competence or interest in" and inserting "special competence in or knowledge of; and

(ii) by inserting before the period the following: "and at least one other of whom shall be knowledgeable with respect to the library and information service and science needs of the elderly";

(C) in the third sentence, by inserting "appointive" before "members"; and

(D) in the last sentence, by striking "term and at least" and all that follows and inserting "term."; and

(2) in subsection (b), by striking "the rate specified" and all that follows through "and while" and inserting "the daily equivalent of the maximum rate authorized for a position above grade GS–15 of the General Schedule under section 5108 of title 5, United States Code, for each day (including traveltime) during which the members are engaged in the business of the Commission. While".

SEC. ___3. TRANSFER OF FUNCTIONS FROM INSTITUTE OF MUSEUM SERVICES.

(a) DEFINITIONS.—For purposes of this section, unless otherwise provided or indicated by the context—

(1) the term "Federal agency" has the meaning given to the term "agency" by section 551(1) of title 5, United States Code;

(2) the term "function" means any duty, obligation, power, authority, responsibility, right, privilege, activity, or program; and

(3) the term "office" includes any office, administration, agency, institute, unit, organizational entity, or component thereof.

(b) TRANSFER OF FUNCTIONS.—There are transferred to the Institute of Museum and Library Services established under section 203 of the Museum and Library Services Act all functions that the Director of the Institute of Museum Services exercised before the date of enactment of this section (including all related functions of any officer or employee of the Institute of Museum Services).

(c) DETERMINATIONS OF CERTAIN FUNCTIONS BY THE OFFICE OF MANAGEMENT AND BUDGET.—If necessary, the Office of Management and Budget shall make any determination of the functions that are transferred under subsection (b).

(d) DELEGATION AND ASSIGNMENT.—Except where otherwise expressly prohibited by law or otherwise provided by this section, the Director of the Institute of Museum and Library Services may delegate any of the functions transferred to the Director of the Institute of Museum and Library Services by this section and any function transferred or granted to such Director of the Institute of Museum and Library Services after the effective date of this section to such officers and employees of the Institute of Museum and Library Services as the Director of the Institute of Museum and Library Services may designate, and may authorize successive redelegations of such functions as may be necessary or appropriate. No delegation of functions by the Director of the Institute of Museum and Library Services under this section or under any other provision of this section shall relieve such Director of the Institute of Museum and Library Services of responsibility for the administration of such functions.

(e) REORGANIZATION.—The Director of the Institute of Museum and Library Services may allocate or reallocate any function transferred under subsection (b) among the officers of the Institute of Museum and Library Services, and may establish, consolidate, alter, or discontinue such organizational entities in the Institute of Museum and Library Services as may be necessary or appropriate.

(f) RULES.—The Director of the Institute of Museum and Library Services may prescribe, in accordance with chapters 5 and 6 of title 5, United States Code, such rules and regulations as the Director of the Institute of Museum and Library Services determines to be necessary or appropriate to administer and manage the functions of the Institute of Museum and Library Services.

(g) TRANSFER AND ALLOCATIONS OF APPROPRIATIONS AND PERSONNEL.—Except as otherwise provided in this section, the personnel employed in connection with, and the assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds employed, used, held, arising from, available to, or to be made available in connection with the functions transferred by this section, subject to section 1531 of title 31, United States Code, shall be transferred to the Institute of Museum and Library Services. Unexpended funds transferred pursuant to this subsection shall be used only for the purposes for which the funds were originally authorized and appropriated.

(h) INCIDENTAL TRANSFERS.—The Director of the Office of Management and Budget, at such time or times as the Director shall provide, may make such determinations as may be necessary with regard to the functions transferred by this section, and make such additional incidental dispositions of personnel, assets, liabilities, grants, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds held, used, arising from, available to, or to be made available in connection with such functions, as may be necessary to carry out this section. The Director of the Office of Management and Budget shall provide for the termination of the affairs of all entities terminated by this section and for such further measures and dispositions as may be necessary to effectuate the purposes of this section.

(i) EFFECT ON PERSONNEL.—

(1) IN GENERAL.—Except as otherwise provided by this section, the transfer pursuant to this section of full-time personnel (except special Government employees) and part-time personnel holding permanent positions shall not cause any such employee to be separated or reduced in grade or compensation for 1 year after the date of transfer of such employee under this section.

(2) EXECUTIVE SCHEDULE POSITIONS.—Except as otherwise provided in this section, any person who, on the day preceding the effective date of this section, held a position compensated in accordance with the Executive Schedule prescribed in chapter 53 of title 5, United States Code, and who, without a break in service, is appointed in the Institute of Museum and Library Services to a position having duties comparable to the duties performed immediately preceding such appointment shall continue to be compensated in such new position at not less than the rate provided for such previous position, for the duration of the service of such person in such new position.

(j) SAVINGS PROVISIONS.—

(1) CONTINUING EFFECT OF LEGAL DOCUMENTS.—All orders, determinations, rules, regulations, permits, agreements, grants, contracts, certificates, licenses, registrations, privileges, and other administrative actions—

(A) that have been issued, made, granted, or allowed to become effective by the President, any Federal agency or official of a Federal agency, or by a court of competent jurisdiction, in the performance of functions that are transferred under this section; and

(B) that were in effect before the effective date of this section, or were final before the effective date of this section and are to become effective on or after the effective date of this section;

shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked in accordance with law by the President, the Director of the Institute of Museum and Library Services or other authorized official, a court of competent jurisdiction, or by operation of law.

(2) PROCEEDINGS NOT AFFECTED.—This section shall not affect any proceedings, including notices of proposed rulemaking, or any application for any license, permit, certificate, or financial assistance pending before the Institute of Museum Services on the effective date of this section, with respect to functions transferred by this section. Such proceedings and applications shall be continued. Orders shall be issued in such proceedings, appeals shall be taken from the orders, and payments shall be made pursuant to the orders, as if this section had not been enacted, and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or revoked by a duly authorized official, by a court of competent jurisdiction, or by operation of law. Nothing in this paragraph shall be construed to prohibit the discontinuance or modification of any such proceeding under the same terms and conditions and to the same extent that such proceeding could have been discontinued or modified if this section had not been enacted.

(3) SUITS NOT AFFECTED.—This section shall not affect suits commenced before the effective date of this section, and in all such suits, proceedings shall be had, appeals taken, and judgments rendered in the same manner and with the same effect as if this section had not been enacted.

(4) NONABATEMENT OF ACTIONS.—No suit, action, or other proceeding commenced by or against the Institute of Museum Services, or by or against any individual in the official capacity of such individual as an officer of the Institute of Museum Services, shall abate by reason of the enactment of this section.

(5) ADMINISTRATIVE ACTIONS RELATING TO PROMULGATION OF REGULATIONS.—Any administrative action relating to the preparation or promulgation of a regulation by the Institute of Museum Services relating to a function transferred under this section may be continued by the Institute of Museum and Library Services with the same effect as if this section had not been enacted.

(k) TRANSITION.—The Director of the Institute of Museum and Library Services may utilize—

(1) the services of such officers, employees, and other personnel of the Institute of Museum Services with respect to functions transferred to the Institute of Museum and Library Services by this section; and

(2) funds appropriated to such functions for such period of time as may reasonably be needed to facilitate the orderly implementation of this section.

(l) REFERENCES.—A reference in any other Federal law, Executive order, rule, regulation, or delegation of authority, or any document of or relating to—

(1) the Director of the Institute of Museum Services with regard to functions transferred under subsection (b), shall be deemed to refer to the Director of the Institute of Museum and Library Services; and

(2) the Institute of Museum Services with regard to functions transferred under subsection (b), shall be deemed to refer to the Institute of Museum and Library Services.

(m) ADDITIONAL CONFORMING AMENDMENTS.—

(1) RECOMMENDED LEGISLATION.—After consultation with the appropriate committees of Congress and the Director of the Office of Management and Budget, the Director of the Institute of Museum and Library Services shall prepare and submit to the appropriate committees of Congress recommended legislation containing technical and conforming amendments to reflect the changes made by this section.

(2) SUBMISSION TO CONGRESS.—Not later than 6 months after the effective date of this section, the Director of the Institute of Museum and Library Services shall submit to the appropriate committees of Congress the recommended legislation referred to under paragraph (1).

SEC. ___4. SERVICE OF INDIVIDUALS SERVING ON DATE OF ENACTMENT.

Notwithstanding section 204 of the Museum and Library Services Act, the individual who was appointed to the position of Director of the Institute of Museum Services under section 205 of the Museum Services Act (as such section was in effect on the day before the date of enactment of this Act) and who is serving in such position on the day before the date of enactment of this Act shall serve as the first Director of the Institute of Museum and Library Services under section 204 of the Museum and Library Services Act (as added by section ___1 of this Act), and shall serve at the pleasure of the President.

SEC. ___5. CONSIDERATION.

Consistent with title 5, United States Code, in appointing employees of the Office of Library Services, the Director of the Institute of Museum and Library Services shall give strong consideration to individuals with experience in administering State-based and national library and information services programs.

SEC. ___6. REPEALS AND TECHNICAL AND CONFORMING AMENDMENTS.

(a) REPEALS.—

(1) LIBRARY SERVICES AND CONSTRUCTION ACT.—The Library Services and Construction Act (20 U.S.C. 351 et seq.) is repealed.

(2) HIGHER EDUCATION ACT OF 1965.—Title II of the Higher Education Act of 1965 (20 U.S.C. 1021 et seq.) is repealed.

(b) REFERENCES TO LIBRARY SERVICES AND CONSTRUCTION ACT.—

(1) OMNIBUS EDUCATION RECONCILIATION ACT OF 1981.—Section 528 of the Omnibus Education Reconciliation Act of 1981 (20 U.S.C. 3489) is amended—

(A) by striking paragraph (12); and

(B) by redesignating paragraphs (13) through (15) as paragraphs (12) through (14), respectively.

(2) ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965.—Section 3113(10) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6813(10)) is amended by striking "section 3 of the Library Services and Construction Act" and inserting "section 213(7) of the Library Services and Technology Act".

(3) COMMUNITY IMPROVEMENT VOLUNTEER ACT OF 1994.—Section 7305 of the Community Improvement Volunteer Act of 1994 (40 U.S.C. 276d–3) is amended—

(A) by striking paragraph (1); and

(B) by redesignating paragraphs (2) through (6) as paragraphs (1) through (5), respectively.

(4) APPALACHIAN REGIONAL DEVELOPMENT ACT OF 1965.—Section 214(c) of the Appalachian Regional Development Act of 1965 (40 U.S.C. App. 214(c)) is amended by striking "Library Services and Construction Act;".

(5) DEMONSTRATION CITIES AND METROPOLITAN DEVELOPMENT ACT OF 1966.—Section 208(2) of the Demonstration Cities and Metropolitan Development Act of 1966 (42 U.S.C. 3338(2)) is amended by striking "title II of the Library Services and Construction Act;".

(6) PUBLIC LAW 87–688.—Subsection (c) of the first section of the Act entitled "An Act to extend the application of certain laws to American Samoa", approved September 25, 1962 (48 U.S.C. 1666(c)) is amended by striking "the Library Services Act (70 Stat. 293; 20 U.S.C. 351 et seq.),".

(c) REFERENCES TO INSTITUTE OF MUSEUM SERVICES.—

(1) TITLE 5, UNITED STATES CODE.—Section 5315 of title 5, United States Code, is amended by striking the following:

"Director of the Institute of Museum Services." and inserting the following:

"Director of the Institute of Museum and Library Services.".

(2) DEPARTMENT OF EDUCATION ORGANIZATION ACT.—Section 301 of the Department of Education Organization Act (20 U.S.C. 3441) is amended—

(A) in subsection (a)—

(i) by striking paragraph (5); and

(ii) by redesignating paragraphs (6) and (7) as paragraphs (5) and (6), respectively; and

(B) in subsection (b)—

(i) by striking paragraph (4); and

(ii) by redesignating paragraphs (5) through (7) as paragraphs (4) through (6), respectively.

(3) ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965.—

(A) Sections 2101(b), 2205(c)(1)(D), 2208(d)(1)(H)(v), and 2209(b)(1)(C)(vi), and subsections (d)(6) and (e)(2) of section 10401 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6621(b), 6645(c)(1)(D), 6648(d)(1)(H)(v), 6649(b)(1)(C)(vi), and 8091 (d)(6) and (e)(2)) are amended by striking "the Institute of Museum Services" and inserting "the Institute of Museum and Library Services".

(B) Section 10412(b) of such Act (20 U.S.C. 8102(b)) is amended—

(i) in paragraph (2), by striking "the Director of the Institute of Museum Services," and inserting "the Director of the Institute of Museum and Library Services,"; and

(ii) in paragraph (7), by striking "the Director of the Institute of Museum Services," and inserting "the Director of the Institute of Museum and Library Services,".

(C) Section 10414(a)(2)(B) of such Act (20 U.S.C. 8104(a)(2)(B)) is amended by striking clause (iii) and inserting the following new clause:

"(iii) the Institute of Museum and Library Services.".

(d) REFERENCES TO HIGHER EDUCATION ACT OF 1965.—

(1) HIGHER EDUCATION ACT OF 1965.—Paragraph (2) of section 356(b) of the Higher Education Act of 1965 (20 U.S.C. 1069b(b)) is amended by striking "II,".

(2) HIGHER EDUCATION AMENDMENTS OF 1986.—Part D of title XIII of the Higher Education Amendments of 1986 (20 U.S.C. 1029 note) is repealed.

(e) REFERENCES TO OFFICE OF LIBRARIES AND LEARNING RESOURCES.—

(1) EDUCATION AMENDMENTS OF 1974.—Section 519 of the Education Amendments of 1974 (20 U.S.C. 1221i) is repealed.

(2) DEPARTMENT OF EDUCATION ORGANIZATION ACT.—Section 413(b)(1) of the Department of Education Organization Act (20 U.S.C. 3473(b)(1)) is amended—

(A) by striking subparagraph (H); and

(B) by redesignating subparagraphs (I) through (M) as subparagraphs (H) through (L), respectively.

SEC. ___7. ARTS AND ARTIFACTS.

The Arts and Artifacts Indemnity Act (20 U.S.C. 971 et seq.) is amended to read as follows:

"SECTION 1. SHORT TITLE.

"This Act may be cited as the 'Arts and Artifacts Indemnity Act'.

"SEC. 2. INDEMNITY FOR EXHIBITIONS OF ARTS AND ARTIFACTS.

"The Director of the Institute of Museum and Library Services may enter into agreements to indemnify against loss or damage such items as may be eligible for such indemnity agreements under section 3—

"(1) in accordance with the provisions of this Act; and

"(2) on such terms and conditions as the Director shall prescribe, by regulation, in order to achieve the objectives of this Act and, consistent with such objectives, to protect the financial interest of the United States.

"SEC. 3. ELIGIBLE ITEMS.

"(a) TYPES OF ITEMS.—The Director may enter into an indemnity agreement under section 2 with respect to items—

"(1) that are—

"(A) works of art, including tapestries, paintings, sculpture, folk art, and graphics and craft arts;

"(B) manuscripts, rare documents, books, or other printed or published materials;

"(C) other artifacts or objects; or

"(D) photographs, motion pictures, or audio and video tape;

"(2) that are of educational, cultural, historical, or scientific value; and

"(3) the exhibition of which is certified (where appropriate) by the Secretary of State or the designee of the Secretary of State as being in the national interest.

"(b) ITEMS ON EXHIBITION.—

"(1) SCOPE.—An indemnity agreement made under this Act shall cover eligible items while on exhibition, generally when the items are part of an exchange of exhibitions. An item described in subsection (a) that is part of an exhibition that originates either in the United States or outside the United States and that is touring the United States shall be considered to be an eligible item.

"(2) DEFINITION.—For purposes of this subsection, the term 'on exhibition' includes the period of time beginning on the date the eligible items leave the premises of the lender or place designated by the lender and ending on the date such items are returned to the premises of the lender or place designated by the lender.

"SEC. 4. APPLICATIONS.

"(a) IN GENERAL.—Any person, nonprofit agency, institution, or government desiring to enter into an indemnity agreement for eligible items under this Act shall submit an application to the Director at such time, in such manner and in accordance with such procedures, as the Director shall, by regulation, prescribe.

"(b) CONTENTS.—An application submitted under subsection (a) shall—

"(1) describe each item to be covered by the agreement (including an estimated value of such item);

"(2) show evidence that the item is an item described in section 3(a); and

"(3) set forth policies, procedures, techniques, and methods with respect to preparation for, and conduct of, exhibition of the item, and any transportation related to such item.

"(c) APPROVAL.—On receipt of an application under this section, the Director shall review the application as described in section 5 and, if the Director agrees with the estimated value described in the application and if such application conforms with the requirements of this Act, approve the application and enter into an indemnity agreement with the applicant under section 2. On such approval, the agreement shall constitute a contract between the Director and the applicant pledging the full faith and credit of the United States to pay any amount for which the Director becomes liable under such agreement. The Director, for such purpose, is authorized to pledge the full faith and credit of the United States.

"SEC. 5. INDEMNITY AGREEMENT.

"(a) REVIEW.—On receipt of an application meeting the requirements of subsections (a) and (b) of section 4, the Director shall review the estimated value of the items for which coverage by an indemnity agreement is sought.

"(b) AGGREGATE AMOUNT OF LOSS OR DAMAGE.—The aggregate amount of loss or damage covered by indemnity agreements made under this Act shall not exceed $3,000,000,000, at any one time.

"(c) INDIVIDUAL AMOUNT OF LOSS OR DAMAGE.—No indemnity agreement for a single exhibition shall cover loss or damage in excess of $300,000,000.

"(d) EXTENT OF COVERAGE.—If the estimated value of the items covered by an indemnity agreement for a single exhibition is—

"(1) $2,000,000 or less, then coverage under this Act shall extend only to loss or damage in excess of the first $15,000 of loss or damage to the items covered;

"(2) more than $2,000,000 but less than $10,000,000, then coverage under this Act shall extend only to loss or damage in excess of the first $25,000 of loss or damage to the items covered;

"(3) not less than $10,000,000 but less than $125,000,000, then coverage under this Act shall extend only to loss or damage in excess of the first $50,000 of loss or damage to the items covered;

"(4) not less than $125,000,000 but less than $200,000,000, then coverage under this Act shall extend only to loss or damage in excess of the first $100,000 of loss or damage to the items covered; or

"(5) $200,000,000 or more, then coverage under this Act shall extend only to loss or damage in excess of the first $200,000 of loss or damage to the items covered.

"SEC. 6. REGULATIONS AND CERTIFICATION.

"(a) REGULATIONS.—The Director shall prescribe regulations providing for prompt adjustment of valid claims for loss or damage to items that are covered by an agreement entered into pursuant to section 2, including provision for arbitration of issues relating to the dollar value of damages involving less than total loss or destruction of such covered items.

"(b) CERTIFICATION.—In the case of a claim of loss or damage with respect to an item that is covered by an agreement entered into pursuant to section 2, the Director shall certify the validity of the claim and the amount of the loss to the Speaker of the House of Representatives and the President pro tempore of the Senate.

"SEC. 7. REPORT.

"The Director shall prepare, and submit at the end of each fiscal year to the appropriate committees of Congress, a report containing information on—

"(1) all claims paid pursuant to this Act during such year;

"(2) pending claims against the Director under this Act as of the end of such year; and

"(3) the aggregate face value of contracts entered into by the Director that are outstanding at the end of such year.

"SEC. 8. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated such sums as may be necessary—

"(1) to enable the Director to carry out the functions of the Director under this Act; and

"(2) to pay claims certified pursuant to section 6(b).".

KASSEBAUM AMENDMENT NO. 2897

Mrs. KASSEBAUM proposed an amendment to amendment No. 2885 proposed by her to the bill S. 143, supra; as follows:

On line 19, strike lines 5 through 14 and insert the following:

"(35) WELFARE RECIPIENT.—The term 'welfare recipient' means an individual who receives welfare assistance."

On page 50, strike lines 7 through 12 and insert the following: "viduals to participate in the statewide system; and

"(N) followup services for participants who are placed in unsubsidized employment."

On page 65, line 5 and 6, strike "section 103(a)(1)" and insert "this subtitle for workforce employment activities."

On page 69, line 10, strike "and" and insert a comma.

On page 69, line 14, strike "and" and insert "or".

On page 70, line 7, strike "and" and insert "or".

On page 70, line 14, strike "and" and insert "or".

On page 70, line 19, strike "and" and insert "or".

On page 70, line 20, strike "to" and insert "for".

On page 71, line 12, strike "and" and insert "or".

On page 71, line 21, strike "and" and insert "or".

On page 96, strike line 6 and insert the following:

"(1) IN GENERAL.—

"(A) NEGOTIATION AND AGREEMENT.—After a Governor submits".

On page 96, between lines 13 and 14, insert the following:

"(B) WORKFORCE EDUCATION ACTIVITIES.—In carrying out activities under this section, a local partnership or local workforce development board described in subsection (b) may make recommendations with respect to the allocation of funds for, or administration of, workforce education activities in the State involved, but such allocation and administration shall be carried out in accordance with sections 111 through 117 and section 119."

On page 108, strike lines 10 through 12 and insert the following:

"(A) welfare recipients;"

In subparagraph (B)(ii) of the matter inserted on page 114, after line 14, strike "reduce" and insert "reduce by 10 percent".

In subparagraph (C)(iii) of the matter inserted on page 114, after line 14, strike "strategic plan of the State referred to in section 104(b)(2)" and insert "integrated State plan of the State referred to in section 104(b)(5)".

After subparagraph (D) of the matter inserted on page 114, after line 14, insert the following:

"(E) DEFINITION.—As used in this paragraph, the term 'portion of the allotment'—

"(i) used with respect to workforce employment activities, means the funds made available under paragraph (1) or (3) of section 103(a) for workforce employment activities (less any portion of such funds made available under section 6 of the Wagner-Peyser Act (29 U.S.C. 49e)); and

"(ii) used with respect to workforce education activities, means the funds made available under paragraph (2) or (3) of section 103(a) for workforce education activities".

On page 175, line 25, strike "; and" and insert a semicolon.

On page 176, line 2, insert "and" after the semicolon.

On page 176, between lines 2 and 3, insert the following:

"(E) career development planning and decisionmaking;"

On page 176, line 11, strike the period and insert ", including training of counselors, teachers, and other persons to use the products of the nationwide integrated labor market and occupational information system to improve career decisionmaking.".

On page 184, lines 18 through 20, strike ", which models" and all that follows through "didactic methods".

On page 222, line 10, strike "from" and insert "for".

On page 239, line 19, strike "of" and insert "of the".

On page 248, line 23, strike "98-524" and insert "98–524".

On page 250, line 11, strike "and" and insert "and inserting".

On page 255, line 25, add a period at the end.

On page 290, line 14, strike "to" and insert "to the".

On page 290, line 17, strike "(a) IN GENERAL.—".

Beginning on page 290, strike line 23 and all that follows through page 291, line 5.

On page 292, strike lines 9 through 12 and insert the following:

"(a) IN GENERAL.—Section 3(a) of the Wagner-Peyser Act (29 U.S.C. 49b(a)) is amended to read as follows:"

On page 293, strike lines 2 through 13 and insert the following: "tion.".".

On page 294, lines 9 through 14, strike "subsection (b)" and all that follows through "(2)" and insert "subsection (b)(2)".

On page 296, line 12, strike "to" and insert "to the".

On page 304, line 6, strike "members" and insert "member's".

On page 309, lines 20 and 21, strike "technologies" and insert "technologies,".

On page 311, line 7, strike "purchases" and insert "purchased".

THE CUBAN LIBERTY AND DEMOCRATIC SOLIDARITY (LIBERTAD) ACT OF 1995

DOLE (AND OTHERS) AMENDMENT NO. 2898

Mr. DOLE (for himself, Mr. HELMS, Mr. MACK, Mr. COVERDELL, Mr. GRAHAM, Mr. D'AMATO, Mr. HATCH, Mr. GRAMM, Mr. THURMOND, Mr. FAIRCLOTH, Mr. GREGG, Mr. INHOFE, Mr. HOLLINGS, Ms. SNOWE, Mr. KYL, Mr. THOMAS, Mr. SMITH, Mr. LIEBERMAN, Mr. WARNER, Mr. NICKLES, Mr. ROBB, Mr. CRAIG, Mr. COHEN, Mr. BURNS, Mr. REID, Mr. LOTT, Mr. STEVENS, Mr. SPECTER, Mr. SHELBY, and Mr. PRESSLER) proposed an amendment to the bill (H.R. 927) to seek international sanctions against the Castro Government in Cuba, to plan for support of a transition Government leading to a democratically elected government in Cuba, and for other purposes; as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as "Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1995".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short Title; table of contents.
Sec. 2. Findings.
Sec. 3. Purposes.
Sec. 4. Definitions.

TITLE I—STRENGTHENING INTERNATIONAL SANCTIONS AGAINST THE CASTRO GOVERNMENT

Sec. 101. Statement of Policy.
Sec. 102. Authorization of support for democratic and human rights groups and international observers.
Sec. 103. Enforcement of the economic embargo of Cuba.

Sec. 104. Prohibition against indirect financing of Cuba.
Sec. 105. United States opposition to Cuban membership in international financial institutions.
Sec. 106. United States opposition to the termination of the suspension of the Government of Cuba from participation in the Organization of American States.
Sec. 107. Assistance by the independent states of the former Soviet Union for the Government of Cuba.
Sec. 108. Television broadcasting to Cuba.
Sec. 109. Reports on commerce with, and assistance to, Cuba from other foreign countries.
Sec. 110. Importation safeguard against certain Cuban products.
Sec. 111. Reinstitution of family remittances and travel to Cuba.
Sec. 112. News bureaus in Cuba.
Sec. 113. Impact on lawful U.S. Government activities.

TITLE II—SUPPORT FOR A FREE AND INDEPENDENT CUBA

Sec. 201. Policy toward a transition government and a democratically elected government in Cuba.
Sec. 202. Assistance for the Cuban people.
Sec. 203. Implementation; reports to Congress.
Sec. 204. Termination of the economic embargo of Cuba.
Sec. 205. Requirements for a transition government.
Sec. 206. Factors for determining a democratically elected government.
Sec. 207. Settlement of outstanding U.S. claims to confiscated property in Cuba.

TITLE III—PROTECTION OF PROPERTY RIGHTS OF UNITED STATES NATIONALS AGAINST CONFISCATORY TAKINGS BY THE CASTRO REGIME

Sec. 301. Statement of Policy.
Sec. 302. Liability for trafficking in confiscated property claimed by United States nationals.
Sec. 303. Proof of ownership of claims to confiscated property.
Sec. 304. Exclusivity of Foreign Claims Settlement Commission certification procedure.

SEC. 2. FINDINGS.

The Congress makes the following findings:

(1) The economy of Cuba has experienced a decline of approximately 60 percent in the last 5 years as a result of—

(A) the reduction in subsidies from the former Soviet Union;

(B) 36 years of Communist tyranny and economic mismanagement by the Castro government;

(C) the precipitous decline in trade between Cuba and the countries of the former Soviet bloc; and

(D) the policy of the Russian Government and the countries of the former Soviet bloc to conduct economic relations with Cuba predominantly on commercial terms.

(2) At the same time, the welfare and health of the Cuban people have substantially deteriorated as a result of Cuba's economic decline and the refusal of the Castro regime to permit free and fair democratic elections in Cuba or to adopt any economic or political reforms that would lead to democracy, a market economy, or an economic recovery.

(3) The repression of the Cuban people, including a ban on free and fair democratic elections and the continuing violation of fundamental human rights, has isolated the Cuban regime as the only nondemocratic government in the Western Hemisphere.

(4) As long as no such economic or political reforms are adopted by the Cuban government, the economic condition of the country and the welfare of the Cuban people will not improve in any significant way.

(5) Fidel Castro has defined democratic pluralism as "pluralistic garbage" and has made clear that he has no intention of permitting free and fair democratic elections in Cuba or otherwise tolerating the democratization of Cuban society.

(6) The Castro government, in an attempt to retain absolute political power, continues to utilize, as it has from its inception, torture in various forms (including psychiatric abuse), execution, exile, confiscation, political imprisonment, and other forms of terror and repression as most recently demonstrated by the massacre of more than 40 Cuban men, women, and children attempting to flee Cuba.

(7) The Castro government holds hostage in Cuba innocent Cubans whose relatives have escaped the country.

(8) The Castro government has threatened international peace and security by engaging in acts of armed subversion and terrorism, such as the training and supplying of groups dedicated to international violence.

(9) Over the past 36 years, the Cuban government has posed a national security threat to the United States.

(10) The completion and any operation of a nuclear-powered facility in Cuba, for energy generation or otherwise, poses an unacceptable threat to the national security of the United States.

(11) The unleashing on United States shores of thousands of Cuban refugees fleeing Cuban oppression will be considered an act of aggression.

(12) The Government of Cuba engages in illegal international narcotics trade and harbors fugitives from justice in the United States.

(13) The totalitarian nature of the Castro regime has deprived the Cuban people of any peaceful means to improve their condition and has led thousands of Cuban citizens to risk or lose their lives in dangerous attempts to escape from Cuba to freedom.

(14) Attempts to escape from Cuba and courageous acts of defiance of the Castro regime by Cuban pro-democracy and human rights groups have ensured the international community's continued awareness of, and concern for, the plight of Cuba.

(15) The Cuban people deserve to be assisted in a decisive manner in order to end the tyranny that has oppressed them for 36 years.

(16) Radio Marti and Television Marti have been effective vehicles for providing the people of Cuba with news and information and have helped to bolster the morale of the Cubans living under tyranny.

(17) The consistent policy of the United States towards Cuba since the beginning of the Castro regime, carried out by both Democratic and Republican administrations, has sought to keep faith with the people of Cuba, and has been effective in isolating the totalitarian Castro regime.

SEC. 3. PURPOSES.

The purposes of this Act are—

(1) to assist the Cuban people in regaining their freedom and prosperity, as well as in joining the community of democratic countries that are flourishing in the Western Hemisphere;

(2) to strengthen international sanctions against the Castro government;

(3) to provide for the continued national security of the United States in the face of continuing threats from the Castro government of terrorism, theft of property from United States nationals, and the political manipulation of the desire of Cubans to escape that results in mass migration to the United States;

(4) to encourage the holding of free and fair democratic elections in Cuba, conducted under the supervision of internationally recognized observers;

(5) to provide a policy framework for United States support to the Cuban people in response to the formation of a transition government or a democratically elected government in Cuba; and

(6) to protect American nationals against confiscatory takings and the wrongful trafficking in property confiscated by the Castro regime.

SEC. 4. DEFINITIONS.

As used in this Act, the following terms have the following meanings:

(1) AGENCY OR INSTRUMENTALITY OF A FOREIGN STATE.—The term "agency or instrumentality of a foreign state" has the meaning given that term in section 1603(b) of title 28, United States Code, except as otherwise provided for in this Act under paragraph 4(5).

(2) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term "appropriate congressional committees" means the Committee on International Relations and the Committee on Appropriations of the House of Representatives and the Committee on Foreign Relations and the Committee on Appropriations of the Senate.

(3) COMMERCIAL ACTIVITY.—The term "commercial activity" has the meaning given that term in section 1603(d) of title 28, United States Code.

(4) CONFISCATED.—The term "confiscated" refers to

(A) the nationalization, expropriation, or other seizure by the Cuban government of ownership or control of property, on or after January 1, 1959,—

(i) without the property having been returned or adequate and effective compensation provided; or

(ii) without the claim to the property having been settled pursuant to an international claims settlement agreement or other mutually accepted settlement procedure; and

(B) the repudiation by the Cuban government of, the default by the Cuban government on, or the failure by the Cuban government to pay, on or after January 1, 1959—

(i) a debt of any enterprise which has been nationalized, expropriated, or otherwise taken by the Cuban government,

(ii) a debt which is a charge on property nationalized, expropriated, or otherwise taken by the Cuban government, or

(iii) a debt which was incurred by the Cuban government in satisfaction or settlement of a confiscated property claim.

(5) CUBAN GOVERNMENT.—(A) The terms "Cuban government" and "Government of Cuba" include the government of any political subdivision of Cuba, and any agency or instrumentality of the Government of Cuba.

(B) For purposes of subparagraph (A), the term "agency or instrumentality" is used within the meaning of section 1603(b) of title 28, United States Code.

(6) DEMOCRATICALLY ELECTED GOVERNMENT IN CUBA.—The term "democratically elected government in Cuba" means a government that the President has determined as being democratically elected, taking into account the factors listed in section 206.

(7) ECONOMIC EMBARGO OF CUBA.—The term "economic embargo of Cuba" refers to the economic embargo imposed against Cuba pursuant to section 620(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2370(a)), section 5(b) of the Trading With the Enemy Act (50 U.S.C. App. 5(b)), the International Emergency Economic Powers Act (50 U.S.C. 1701 and following), the Export Administration Act of 1979 (50 U.S.C. App. 2401 and following), as modified by the Cuban Democracy Act of 1992 (22 U.S.C. 6001 and following).

(8) FOREIGN NATIONAL.—The term "foreign national" means—

(A) an alien, or

(B) any corporation, trust, partnership, or other juridical entity not organized under the laws of the United States, or of any State, the District of Columbia, or the Commonwealth of Puerto Rico, or any other territory or possession of the United States.

(9) KNOWINGLY.—The term "knowingly" means with knowledge or having reason to know.

(10) OFFICIAL OF THE CUBAN GOVERNMENT OR THE RULING POLITICAL PARTY IN CUBA.—The term "official of the Cuban Government or the ruling political party in Cuba" refers to members of the Council of Ministers, Council of State, central committee of the Cuban Communist Party, the Politburo, or their equivalents.

(11) PROPERTY.—The term "property" means any property (including patents, copyrights, trademarks, and any other form of intellectual property), whether real, personal or mixed, and any present, future, or contingent right, security, or other interest therein, including any leasehold interest.

(B) For purposes of title III of this Act, the term "property" shall not include real property used for residential purposes, unless, at the time of enactment of this Act—

(i) the claim to the property is held by a United States national and the claim has been certified under title V of the International Claims Settlement Act of 1949; or

(ii) the property is occupied by an official of the Cuban government or the ruling political party in Cuba.

(12) TRAFFICS.—(A) As used in title III, a person or entity "traffics" in property if that person or entity knowingly and intentionally—

(i) sells, transfers, distributes, dispenses, brokers, manages, or otherwise disposes of confiscated property, or purchases, leases, receives, possesses, obtains control of, manages, uses or otherwise acquires or holds an interest in confiscated property,

(ii) engages in a commercial activity using or otherwise benefitting from a confiscated property, or

(iii) causes, directs, participates in, or profits from, trafficking (as described in clauses (i) and (ii)) by another person, or otherwise engages in trafficking (as described in clauses (i) and (ii)) through another person,

without the authorization of the United States national who holds a claim to the property.

(B) The term "traffic" does not include—

(i) the delivery of international telecommunications signals to Cuba;

(ii) the trading or holding of securities publicly traded or held, unless the trading is with or by a person determined by the Secretary of the Treasury to be a specially designated national;

(iii) transactions and uses of property incident to lawful travel to Cuba, to the degree that such transactions and uses of property are necessary to the conduct of such travel; or

(iv) transactions and uses of property for residential purposes by a person who is both a citizen of Cuba and a resident of Cuba, and who is not an official of the Cuban government or the ruling political party in Cuba, unless, at the time of enactment of this Act, the claim to the property is held by a United States national and the claim has been certified under title V of the International Claims Settlement Act of 1949.

(13) TRANSITION GOVERNMENT IN CUBA.—The term "transition government in Cuba" means a government that the President determines as being a transition government consistent with the requirements and factors listed in section 205.

(14) UNITED STATES NATIONAL.—The term "United States national" means—

(A) any United States citizen; or

(B) any other legal entity which is organized under the laws of the United States, or of any State, the District of Columbia, or the Commonwealth of Puerto Rico, or any other territory or possession of the United States, and which has its principal place of business in the United States.

TITLE I—STRENGTHENING INTERNATIONAL SANCTIONS AGAINST THE CASTRO GOVERNMENT

SEC. 101. STATEMENT OF POLICY.

It is the sense of the Congress that—

(1) the acts of the Castro government, including its massive, systematic, and extraordinary violations of human rights, are a threat to international peace;

(2) the President should advocate, and should instruct the United States Permanent Representative to the United Nations to propose and seek within the Security Council a mandatory international embargo against the totalitarian government of Cuba pursuant to chapter VII of the Charter of the United Nations, employing efforts similar to consultations conducted by United States representatives with respect to Haiti;

(3) any resumption of efforts by an independent state of the former Soviet Union to make operational the nuclear facility at Cienfuegos, Cuba, and the continuation of intelligence activities from Cuba targeted at the United States and its citizens will have a detrimental impact on United States assistance to such state; and

(4) in view of the threat to the national security posed by the operation of any nuclear facility, and the Castro government's continuing blackmail to unleash another wave of Cuban refugees fleeing from Castro's oppression, most of whom find their way to United States shores further depleting limited humanitarian and other resources of the United States, the President should do all in his power to make it clear to the Cuban government that—

(A) the completion and operation of any nuclear power facility, or

(B) any further political manipulation of the desire of Cubans to escape that results in mass migration to the United States,

will be considered an act of aggression which will be met with an appropriate response in order to maintain the security of the national borders of the United States and the health and safety of the American people.

SEC. 102. AUTHORIZATION OF SUPPORT FOR DEMOCRATIC AND HUMAN RIGHTS GROUPS AND INTERNATIONAL OBSERVERS.

(a) AUTHORIZATION.—The President is authorized to furnish assistance to and make available other support for individuals and nongovernmental organizations to support democracy-building efforts in Cuba, including the following:

(1) Published and information matter, such as books, videos, and cassettes, on transitions to democracy, human rights, and market economies to be made available to independent democratic groups in Cuba.

(2) Humanitarian assistance to victims of political repression and their families.

(3) Support for democratic and human rights groups in Cuba.

(4) Support for visits and permanent deployment of independent international human rights monitors in Cuba.

(b) DENIAL OF FUNDS TO THE GOVERNMENT OF CUBA.—In implementing this section, the President shall take all necessary steps to ensure that no funds or other assistance are provided to the Government of Cuba or any of its agencies, entities, or instrumentalities.

(c) SUPERSEDING OTHER LAWS.—Assistance may be provided under this section notwithstanding any other provision of law, except for section 634A of the Foreign Assistance Act of 1961 (22 U.S.C. 2394) and comparable notification requirements contained in sections of the annual foreign operations, export financing, and related programs appropriations Act.

SEC. 103. ENFORCEMENT OF THE ECONOMIC EMBARGO OF CUBA.

(a) POLICY.—(1) The Congress hereby reaffirms section 1704(a) of the Cuban Democracy Act of 1992, which states the President should encourage foreign countries to restrict trade and credit relations with Cuba in a manner consistent with the purposes of that Act.

(2) The Congress further urges the President to take immediate steps to apply the sanctions described in section 1704(b)(1) of such Act against countries assisting Cuba.

(b) DIPLOMATIC EFFORTS.—The Secretary of State should ensure that United States diplomatic personnel abroad understand and, in their contacts with foreign officials are communicating the reasons for the United States economic embargo of Cuba, and are urging foreign governments to cooperate more effectively with the embargo.

(c) EXISTING REGULATIONS.—The President shall instruct the Secretary of the Treasury and the Attorney General to enforce fully the Cuban Assets Control Regulations in part 515 of title 31, Code of Federal Regulations.

(d) TRADING WITH THE ENEMY ACT.—(1) Subsection (b) of section 16 of the Trading With the Enemy Act (50 U.S.C. App. 16(b)), as added by Public Law 102–484, is amended to read as follows:

"(b)(1) A civil penalty of not to exceed $50,000 may be imposed by the Secretary of the Treasury on any person who violates any license, order, rule, or regulation issued in compliance with the provisions of this Act.

"(2) Any property, funds, securities, papers, or other articles or documents, or any vessel, together with its tackle, apparel, furniture, and equipment, that is the subject of a violation under paragraph (1) shall, at the direction of the Secretary of the Treasury, be forfeited to the United States Government.

"(3) The penalties provided under this subsection may be imposed only on the record after opportunity for an agency hearing in accordance with sections 554 through 557 of title 5, United States Code, with the right to prehearing discovery.

"(4) Judicial review of any penalty imposed under this subsection may be had to the extent provided in section 702 of title 5, United States Code".

(2) Section 16 of the Trading With the Enemy Act is further amended—

(A) by striking subsection (b), as added by Public Law 102–393; and

(B) by striking subsection (c).

(e) Coverage of Debt-for-Equity Swaps Under the Economic Embargo of Cuba.—Section 1704(b)(2) of the Cuban Democracy Act of 1992 (22 U.S.C. 6003(b)(2)) is amended—

(1) by striking "and" at the end of subparagraph (A);

(2) by redesignating subparagraph (B) as subparagraph (C); and

(3) by inserting after subparagraph (A) the following new subparagraph:

"(B) includes an exchange, reduction, or forgiveness of Cuban debt owed to a foreign country in return for a grant of an equity interest in a property, investment, or operation of the Government of Cuba or of a Cuban national; and".

SEC. 104. PROHIBITION AGAINST INDIRECT FINANCING OF CUBA.

(a) Prohibition.—Notwithstanding any other provision of law, no loan, credit, or other financing may be extended knowingly by a United States national, a permanent resident alien, or a United States agency to a foreign or United States national for the purpose of financing transactions involving any property confiscated by the Cuban government the claim to which is owned by a United States national as of the date of enactment of this Act, except for financing by the owner of the property or the claim thereto for a permitted transaction.

(b) Suspension and Termination of Prohibition.—(1) the President is authorized to suspend this prohibition upon a determination pursuant to section 203(a).

(2) The prohibition in subsection (a) shall cease to apply on the date of termination of the economic embargo of Cuba, as provided for in section 204.

(c) Penalties.—Violations of subsection (a) shall be punishable by such civil penalties as are applicable to similar violations of the Cuban Assets Control Regulations in part 515 of title 31, Code of Federal Regulations.

SEC. 105. UNITED STATES OPPOSITION TO CUBAN MEMBERSHIP IN INTERNATIONAL FINANCIAL INSTITUTIONS.

(a) Continued Opposition to Cuban Membership in International Financial Institutions.—

(1) Except as provided in paragraph (2), the Secretary of the Treasury shall instruct the United States executive director of each international financial institution to use the voice and vote of the United States to oppose the admission of Cuba as a member of such institution until the President submits a determination pursuant to section 203(c).

(2) Once the President submits a determination under section 203(a) that a transition government in Cuba is in power—

(A) the President is encouraged to take steps to support the processing of Cuba's application for membership in any international financial institution, subject to the membership taking effect after a democratically elected government in Cuba is in power, and

(B) the Secretary of the Treasury is authorized to instruct the United States executive director of each international financial institution to support loans or other assistance to Cuba only to the extent that such loans or assistance contribute to a stable foundation for a democratically elected government in Cuba.

(b) Reduction in United States Payments to International Financial Institutions.—If any international financial institution approves a loan or other assistance to the Cuban government over the opposition of the United States, then the Secretary of the Treasury shall withhold from payment to such institution an amount equal to the amount of the loan or other assistance, with respect to each of the following types of payment:

(1) The paid-in portion of the increase in capital stock of the institution.

(2) The callable portion of the increase in capital stock of the institution.

(c) Definition.—For purposes of this section, the term "international financial institution" means the International Monetary Fund, the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Multilateral Investment Guaranty Agency, and the Inter-American Development Bank.

SEC. 106. UNITED STATES OPPOSITION TO TERMINATION OF THE SUSPENSION OF THE GOVERNMENT OF CUBA FROM PARTICIPATION IN THE ORGANIZATION OF AMERICAN STATES.

The President should instruct the United States Permanent Representative to the Organization of American States to oppose and vote against any termination of the suspension of the Cuban government from participation in the Organization until the President determines under section 203(c) that a democratically elected government in Cuba is in power.

SEC. 107. ASSISTANCE BY THE INDEPENDENT STATES OF THE FORMER SOVIET UNION FOR THE GOVERNMENT OF CUBA.

(a) Reporting Requirement.—Not later than 90 days after the date of enactment of this Act, the President shall submit to the appropriate congressional committees a report detailing progress toward the withdrawal of personnel of any independent state of the former Soviet Union (within the meaning of section 3 of the FREEDOM Support Act (22 U.S.C. 5801)), including advisers, technicians, and military personnel, from the Cienfuegos nuclear facility in Cuba.

(b) Criteria for Assistance.—Section 498A(a)(11) of the Foreign Assistance Act of 1961 (22 U.S.C. 2295a(a)(1)) is amended by striking "of military facilities" and inserting "military and intelligence facilities, including the military and intelligence facilities at Lourdes and Cienfuegos,".

(c) Ineligibility for Assistance.—(1) Section 498A(b) of that Act (22 U.S.C. 2295a(b)) is amended—

(A) by striking "or" at the end of paragraph (4);

(B) by redesignating paragraph (5) as paragraph (6); and

(C) by inserting after paragraph (4) the following:

"(5) for the government of any independent state effective 30 days after the President has determined and certified to the appropriate congressional committees (and Congress has not enacted legislation disapproving the determination within the 30-day period) that such government is providing assistance for, or engaging in nonmarket based trade (as defined in section 498B(k)(3)) with, the Government of Cuba; or".

(2) Subsection (k) of section 498B of that Act (22 U.S.C. 2295b(k)), is amended by adding at the end the following:

"(3) Nonmarket based trade.—As used in section 498A(b)(5), the term 'nonmarket based trade' includes exports, imports, exchanges, or other arrangements that are provided for goods and services (including oil and other petroleum products) on terms more favorable than those generally available in applicable markets or for comparable commodities, including—

"(A) exports to the Government of Cuba on terms that involve a grant, concessional price, guarantee, insurance, or subsidy;

"(B) imports from the Government of Cuba at preferential tariff rates;

"(C) exchange arrangements that include advance delivery of commodities, arrangements in which the Government of Cuba is not held accountable for unfulfilled exchange contracts, and arrangements under which Cuba does not pay appropriate transportation, insurance, or finance costs; and

"(D) the exchange, reduction, or forgiveness of Cuban government debt in return for a grant by the Cuban government of an equity interest in a property, investment, or operation of the Government of Cuba or of a Cuban national.".

"(4) Cuban government.—(A) The term Cuban government includes the government of any political subdivision of Cuba, and any agency or instrumentality of the Government of Cuba.

"(B) For purposes of subparagraph (A), the term 'agency or instrumentality' is used within the meaning of section 1603(b) of title 28, United States Code.".

(d) Facilities at Lourdes, Cuba.—(1) The Congress expresses its strong disapproval of the extension by Russia of credits equivalent to $2000,000,000 in support of the intelligence facility at Lourdes, Cuba, announced in November 1994.

(2) Section 498A of the Foreign Assistance Act of 1961 (22 U.S.C. 2295a) is amended by adding at the end the following new subsection:

"(d) Reduction in Assistance for Support of Intelligence Facilities in Cuba.—(1) Notwithstanding any other provision of law, the President shall withhold from assistance provided, on or after the date of enactment of this subsection, for an independent state of the former Soviet Union under this Act an amount equal to the sum of assistance and credits, if any, provided on or after such date by such state in support of intelligence facilities in Cuba, including the intelligence facility at Lourdes, Cuba.

"(2)(A) The President may waive the requirement of paragraph (1) to withhold assistance if the President certifies to the appropriate congressional committees that the provision of such assistance is important to the national security of the United States, and, in the case of such a certification made with respect to Russia, if the President certifies that the Russian Government has assured the United States Government that the Russian Government is not sharing intelligence data collected at the Lourdes facility with officials or agents of the Cuban Government.

"(B) At the time of a certification made with respect to Russia pursuant to subparagraph (A), the President shall also submit to the appropriate congressional committees a report describing the intelligence activities of Russia in Cuba, including the purposes for which the Lourdes facility is used by the Russian government and the extent to which the Russian Government provides payment or government credits to the Cuban Government for the continued use of the Lourdes facility.

"(C) The report required by subparagraph (B) may be submitted in classified form.

"(D) For purposes of this paragraph, the term appropriate congressional committees, includes the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate.

"(3) The requirement of paragraph (1) to withhold assistance shall not apply with respect to—

"(A) assistance to meet urgent humanitarian needs, including disaster and refugee relief;

"(B) democratic political reform and rule of law activities;

"(C) technical assistance for safety upgrades of civilian nuclear power plants;

"(D) the creation of private sector and nongovernmental organizations that are independent of government control;

"(E) the development of a free market economic system; or

"(F) assistance for the purposes described in the Cooperative Threat Reduction Act of 1993 (title XII of Public Law 103–160)".

SEC. 108. TELEVISION BROADCASTING TO CUBA.

(a) Conversion to UHF.—The Director of the United States Information Agency shall implement a conversion of television broadcasting to Cuba under the Television Marti Service to ultra high frequency (UHF) broadcasting.

(b) Periodic Reports.—Not later than 45 days after the date of enactment of this Act, and every three months thereafter until the conversion described in subsection (a) is fully implemented, the Director shall submit a report to the appropriate congressional committees on the progress made in carrying out subsection (a).

(c) Termination of Broadcasting Authorities.—Upon transmittal of a determination under section 203(c), the Television Broadcasting to Cuba Act (22 U.S.C. 1465aa et seq.) and the Radio Broadcasting to Cuba Act (22 U.S.C. 1465 et seq.) are repealed.

SEC. 109. REPORTS ON COMMERCE WITH, AND ASSISTANCE TO, CUBA FROM OTHER FOREIGN COUNTRIES.

(a) Reports Required.—Not later than 90 days after the date of enactment of this Act, and by January 1 each year thereafter until the President submits a determination under section 203(a), the President shall submit a report to the appropriate congressional committees on commerce with, and assistance to, Cuba from other foreign countries during the preceding 12-month period.

(b) Contents of Reports.—Each report required by subsection (a) shall, for the period covered by the report, contain the following, to the extent such information is available—

(1) a description of all bilateral assistance provided to Cuba by other foreign countries, including humanitarian assistance;

(2) a description of Cuba's commerce with foreign countries, including an identification of Cuba's trading partners and the extent of such trade;

(3) a description of the joint ventures completed, or under consideration, by foreign nationals and business firms involving facilities in Cuba, including an identification of the location of the facilities involved and a description of the terms of agreement of the joint ventures and the names of the parties that are involved;

(4) a determination as to whether or not any of the facilities described in paragraph (3) is the subject of a claim against Cuba by a United States national;

(5) a determination of the amount of Cuban debt owed to each foreign country, including—

(A) the amount of debt exchanged, forgiven, or reduced under the terms of each investment or operation in Cuba involving foreign nationals or businesses; and

(B) the amount of debt owned the foreign country that has been exchanged, reduced, or forgiven in return for a grant by the Cuban government of an equity interest in a property, investment, or operation of the Government of Cuba or of a Cuban national;

(6) a description of the steps taken to assure that raw materials and semifinished or finished goods produced by facilities in Cuba involving foreign nationals or businesses do not enter the United States market, either directly or through third countries or parties; and

(7) an identification of countries that purchase, or have purchased, arms or military supplies from Cuba or that otherwise have entered into agreements with Cuba that have a military application, including—

(A) a description of the military supplies, equipment, or other material sold, bartered, or exchanged between Cuba and such countries;

(B) a listing of the goods, services, credits, or other consideration received by Cuba in exchange for military supplies, equipment, or material, and

(C) the terms or conditions of any such agreement.

SEC. 110. IMPORTATION SAFEGUARD AGAINST CERTAIN CUBAN PRODUCTS.

(a) Statement of Policy.—(1) The Congress notes that section 515.204 of title 31, Code of Federal Regulations, prohibits the entry of, and dealings outside the United States in, merchandise that—

(A) is of Cuban origin,

(B) is or has been located in or transported from or through Cuba, or

(C) is made or derived in whole or in part of any article which is the growth, produce, or manufacture of Cuba.

(2) The Congress notes that United States accession to the North American Free Trade Agreement does not modify or alter the United States sanctions against Cuba, noting that the statement of administrative action accompanying that trade agreement specifically states the following:

(A) "The NAFTA rules of origin will not in any way diminish the Cuban sanctions program. * * * Nothing in the NAFTA would operate to override this prohibition.".

(B) "Article 309(3) [of the NAFTA] permits the United States to ensure that Cuban products or goods made from Cuban materials are not imported into the United States from Mexico or Canada and that United States products are not exported to Cuba through those countries.".

(3) The Congress notes that section 902(c) of the Food Security Act of 1985 (Public Law 99–198) required the President not to allocate any of the sugar import quota to a country that is a net importer of sugar unless appropriate officials of that country verify to the President that the country does not import for re-export to the United States any sugar produced in Cuba.

(4) Protection of essential security interests of the United States requires enhanced assurances that sugar products that are entered are not products of Cuba.

(b) In General.—(1) Notwithstanding any other provision of law, no sugar or sugar product shall enter the United States unless the exporter of the sugar or sugar product to the United States has certified, to the satisfaction of the Secretary of the Treasury, that the sugar or sugar product is not a product of Cuba.

(2) If the exporter described in paragraph (1) is not the producer of the sugar or sugar product, the exporter may certify the origin of the sugar or sugar product on the basis of—

(A) its reasonable reliance on the producer's written representations as to the origin of the sugar or sugar product; or

(B) a certification of the origin of the sugar product by its producer, that is voluntarily provided to the exporter by the producer.

(c) Certification.—The Secretary of the Treasury shall prescribe the form, content, and manner of submission of the certification (including documentation) required in connection with the entry of sugar or sugar products, in order to ensure the strict enforcement of this section. Such certification shall be in a form sufficient to satisfy the Secretary that the exporter has taken steps to ensure that it is not exporting to the United States sugar or sugar products that are a product of Cuba.

(d) Penalties.—

(1) Unlawful acts.—It is unlawful to—

(A) enter any product or article if such entry is prohibited under subsection (b), or

(B) make a false certification under subsection (c).

(2) Forfeiture.—Any person or entity that violates paragraph (1) shall forfeit to the United States—

(A) in the case of a violation of paragraph (1)(A), the goods entered in violation of paragraph (1)(A), and

(B) in the case of a violation of paragraph (1)(B), the goods entered pursuant to the false certification that is the subject of the violation.

(3) Enforcement.—The Customs Service may exercise the authorities it has under sections 581 through 641 of the Tariff Act of 1930 (19 U.S.C. 1581 through 1641) in order to carry out paragraph (2).

(e) Reports to Congress.—The Secretary of the Treasury shall report to the Congress on any unlawful acts and penalties imposed under subsection (d).

(f) Publication of Lists of Violators.—(1) The Secretary of the Treasury shall publish in the Federal Register, not later than March 31 and September 30 of each year, a list containing, to the extent such information is available, the name of any person or entity located outside the customs territory of the United States whose acts result in a violation of paragraph (1)(A) of subsection (d) or who violate paragraph (1)(B) of subsection (d).

(2) Any person or entity whose name has been included in a list published under paragraph (1) may petition the Secretary to be removed from such list. If the Secretary finds that such person or entity has not committed any violations described in paragraph (1) for a period of not less than 1 year after the date on which the name of the person or entity was so published, the Secretary shall remove such person from the list as of the next publication of the list under paragraph (1).

(g) Definitions.—For purposes of this section:

(1) Enter, entry.—The terms "enter" and "entry"—mean entered, or withdrawn from warehouse for consumption, in the customs territory of the United States.

(2) Product of cuba.—The term "product of Cuba" means a product that—

(A) is of Cuban origin,

(B) is or has been located in or transported from or through Cuba, or

(C) is made or derived in whole or in part from any article which is the growth, produce, or manufacture of Cuba.

(3) Sugar, sugar product.—The terms "sugar" and "sugar product" means sugars, syrups, molasses, or products with sugar content described in additional U.S. note 5 to Chapter 17 of the Harmonized Tariff Schedule of the United States.

SEC. 111. REINSTITUTION OF FAMILY REMITTANCES AND TRAVEL TO CUBA.

It is the sense of Congress that the President should, before considering the reinstitution of general licensure for—

(1) family remittances to Cuba—

(A) insist that, prior to such reinstitution, the government of Cuba permit the unfettered operation of small businesses fully endowed with the right to hire others to whom they may pay wages, buy materials necessary in the operation of the business and such other authority and freedom required to foster the operation of small businesses throughout the island, and

(B) require a specific license for remittances above $500; and

(2) travel to Cuba by U.S. resident family members of Cuban nationals resident in Cuba itself insist on such actions by the Government of Cuba as abrogation of the sanction for refugee departure from the island, release of political prisoners, recognition of the right of association and other fundamental freedoms.

SEC. 112. NEWS BUREAUS OF CUBA.

(a) ESTABLISHMENT OF NEWS BUREAUS.—The President is authorized to establish and implement an exchange of news bureaus between the United States and Cuba, if—

(1) the exchange is fully-reciprocal;

(2) the Cuban Government allows free, unrestricted, and uninhibited movement in Cuba of journalists of any United States-based news organizations;

(3) the Cuban Government agrees not to interfere with the news-gathering activities of individuals assigned to work as journalists in the news bureaus in Cuba of United States-based news organizations;

(4) the United States Government is able to ensure that only accredited journalists regularly employed with a news gathering organization avail themselves of the general license to travel to Cuba; and

(5) the Cuban Government agrees not to interfere with the transmission of telecommunications signals of news bureaus or with the distribution within Cuba of any United States-based news organization that has a news bureau in Cuba.

(b) ASSURANCE AGAINST ESPIONAGE.—In implementing this section, the President shall take all necessary steps to assure the safety and security of the United States against espionage by Cuban journalists it believes to be working for the intelligence agencies of the Cuban Government.

(c) FULLY RECIPROCAL.—It is the sense of Congress that the term "fully reciprocal" means that all news services, news organizations, and broadcasting services, including such services or organizations that receive financing, assistance or other support from a governmental or official source, are permitted to establish and operate a news bureau in each nation.

SEC. 113. IMPACT ON LAWFUL U.S. GOVERNMENT ACTIVITIES.

Nothing in this Act shall prohibit any lawfully authorized investigative, protective, or intelligence activity of a law enforcement agency or of an intelligence agency of the United States.

TITLE II—SUPPORT FOR A FREE AND INDEPENDENT CUBA

SEC. 201. POLICY TOWARD A TRANSITION GOVERNMENT AND A DEMOCRATICALLY ELECTED GOVERNMENT IN CUBA.

It is the policy of the United States—

(1) to support the self-determination of the Cuban people;

(2) to facilitate a peaceful transition to representative democracy and a free market economy in Cuba;

(3) to be impartial toward any individual or entity in the selection by the Cuban people of their future government;

(4) to enter into negotiations with a democratically elected government in Cuba regarding the status of the United States Naval Base at Guantanamo Bay;

(5) to consider the restoration of diplomatic relations with Cuba and support the reintegration of the Cuban government into the Inter-American System after a transition government in Cuba comes to power and at such a time as will facilitate the rapid transition to a democratic government;

(6) to remove the economic embargo of Cuba when the President determines that there exists a democratically elected government in Cuba; and

(7) to pursue a mutually beneficial trading relationship with a democratic Cuba.

SEC. 202. ASSISTANCE FOR THE CUBAN PEOPLE.

(a) AUTHORIZATION.—

(1) IN GENERAL.—The President may provide assistance under this section for the Cuban people after a transition government, or a democratically elected government, is in power in Cuba, subject to subsections 203 (a) and (c).

(2) EFFECT ON OTHER LAWS.—Subject to section 203, the President is authorized to provide such forms of assistance to Cuba as are provided for in subsection (b), notwithstanding any other provision of law, except for—

(A) this Act;

(B) section 620(a)(2) of the Foreign Assistance Act of 1961 (22 U.S.C. 2370(a)(2)); and

(C) section 634A of the Foreign Assistance Act of 1961 (22 U.S.C. 2394) and comparable notification requirements contained in sections of the annual foreign operations, export financing, and related programs appropriations Act.

(b) RESPONSE PLAN.—

(1) DEVELOPMENT OF PLAN.—The President shall develop a plan detailing, to the extent possible, the manner in which the United States would provide and implement support for the Cuban people in response to the formation of—

(A) a transition government in Cuba; and

(B) a democratically elected government in Cuba.

(2) TYPES OF ASSISTANCE.—Support for the Cuban people under the plan described in paragraph (1) shall include the following types of assistance:

(A) TRANSITION GOVERNMENT.—(i) The plan developed under paragraph (1)(A) for assistance to a transition government in Cuba shall be limited to such food, medicine, medical supplies and equipment, and other assistance as may be necessary to meet the basic human needs of the Cuban people.

(ii) When a transition government in Cuba is in power, the President is encouraged to remove or modify restrictions that may exist on—

(I) remittances by individuals to their relatives of cash or humanitarian items, and

(II) on freedom to travel to visit Cuba other than that the provision of such services and costs in connection with such travel shall be internationally competitive.

(iii) Upon transmittal to Congress of a determination under section 203(a) that a transition government in Cuba is in power, the President should take such other steps as will encourage renewed investment in Cuba to contribute to a stable foundation for a democratically elected government in Cuba.

(B) DEMOCRATICALLY ELECTED GOVERNMENT.—(i) The plan developed under paragraph (1)(B) for assistance for a democratically elected government in Cuba should consist of assistance to promote free market development, private enterprise, and a mutually beneficial trade relationship between the United States and Cuba. Such assistance should include—

(I) financing, guarantees, and other assistance provided by the Export-Import Bank of the United States;

(II) insurance, guarantees, and other assistance provided by the Overseas Private Investment Corporation for investment projects in Cuba;

(III) assistance provided by the Trade and Development Agency;

(IV) international narcotics control assistance provided under chapter 8 of part I of the Foreign Assistance Act of 1961; and

(V) Peace Corps activities.

(c) INTERNATIONAL EFFORTS.—The President is encouraged to take the necessary steps—

(1) to seek to obtain the agreement of other countries and multinational organizations to provide assistance to a transition government in Cuba and to a democratically elected government in Cuba; and

(2) to work with such countries, institutions, and organizations to coordinate all such assistance programs.

(d) REPORT ON TRADE AND INVESTMENT RELATIONS.—

(1) REPORT TO CONGRESS.—The President, following the transmittal to the Congress of a determination under section 203(c) that a democratically elected government in Cuba is in power, shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate and other appropriate congressional committees a report that describes—

(A) acts, policies, and practices which constitute significant barriers to, or distortions of, United States trade in goods or services or foreign direct investment with respect to Cuba;

(B) policy objectives of the United States regarding trade relations with a democratically elected government in Cuba, and the reasons therefor, including possible—

(i) reciprocal extension of nondiscriminatory trade treatment (most-favored-nation treatment);

(ii) designation of Cuba as a beneficiary developing country under title V of the Trade Act of 1974 (relating to the Generalized System of Preferences) or as a beneficiary country under the Caribbean Basin Economic Recovery Act, and the implications of such designation with respect to trade and any other country that is such a beneficiary developing country or beneficiary country or is a party to the North American Free Trade Agreement; and

(iii) negotiations regarding free trade, including the accession of Cuba to the North American Free Trade Agreement;

(C) specific trade negotiating objectives of the United States with respect to Cuba, including the objectives described in section 108(b)(5) of the North American Free Trade Agreement Implementation Act; and

(D) actions proposed or anticipated to be undertaken, and any proposed legislation necessary or appropriate, to achieve any of such policy and negotiating objectives.

(2) CONSULTATION.—The President shall consult with the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate and other appropriate congressional committees and shall seek advice from the appropriate advisory committees established under section 135 of the Trade Act of 1974 regarding the policy and negotiating objectives and the

legislative proposals described in paragraph (1).

(e) COMMUNICATION WITH THE CUBAN PEOPLE.—The President is encouraged to take the necessary steps to communicate to the Cuban people the plan developed under this section.

(f) REPORT TO CONGRESS.—Not later than 180 days after the date of the enactment of this Act, the President shall transmit to the appropriate congressional committees a report describing in detail the plan developed under this section.

SEC. 203. IMPLEMENTATION; REPORTS TO CONGRESS.

(a) IMPLEMENTATION WITH RESPECT TO TRANSITION GOVERNMENT.—Upon making a determination, consistent with the requirements and factors in section 205, that a transition government in Cuba is in power, the President shall transmit that determination to the appropriate congressional committees and should, subject to the authorization of appropriations and the availability of appropriations, commence to provide assistance pursuant to section 202(b)(2)(A).

(b) REPORTS TO CONGRESS.—(1) The President shall transmit to the appropriate congressional committees a report setting forth the strategy for providing assistance authorized under section 202(b)(2)(A) to the transition government in Cuba, the types of such assistance, and the extent to which such assistance has been distributed.

(2) The President shall transmit the report not later than 90 days after making the determination referred to in paragraph (1), except that the President shall consult regularly with the appropriate congressional committees regarding the development of the plan.

(c) IMPLEMENTATION WITH RESPECT TO DEMOCRATICALLY ELECTED GOVERNMENT.—Upon making a determination, consistent with section 206, that a democratically elected government in Cuba is in power, the President shall transmit that determination to the appropriate congressional committees and should, subject to the authorization of appropriations and the availability of appropriations, commence to provide such forms of assistance as may be included in the plan for assistance pursuant to section 202(b)(2)(B).

(d) ANNUAL REPORTS TO CONGRESS.—Once the President has transmitted a determination referred to in either subsection (a) or (c), the President shall, not later than 60 days after the end of each fiscal year, transmit to the appropriate congressional committees a report on the assistance to Cuba authorized under section 202, including a description of each type of assistance, the amounts expended for such assistance, and a description of the assistance to be provided under the plan in the current fiscal year.

SEC. 204. TERMINATION OF THE ECONOMIC EMBARGO OF CUBA.

(a) PRESIDENTIAL ACTIONS.—Upon submitting a determination to the appropriate congressional committees under section 203(a) that a transition government in Cuba is in power, the President, after consulting with the Congress, is authorized to take steps to suspend the economic embargo on Cuba and to suspend application of the right of action created in section 302 as to actions thereafter filed against the Government of Cuba, to the extent that such action contributes to a stable foundation for a democratically elected government in Cuba.

(b) SUSPENSION OF CERTAIN PROVISIONS OF LAW.—In carrying out subsection (a), the President may suspend the enforcement of—

(1) section 620(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2370(a));

(2) section 620(f) of the Foreign Assistance Act of 1961 (22 U.S.C. 2370(f)) with regard to the "Republic of Cuba";

(3) sections 1704, 1705(d), and 1706 of the Cuban Democracy Act (22 U.S.C. 6003, 6004(d), 6005);

(4) section 902(c) of the Food Security Act of 1985; and

(5) the prohibitions on transactions described in part 515 of title 31, Code of Federal Regulations.

(c) ADDITIONAL PRESIDENTIAL ACTIONS.—Upon submitting a determination to the appropriate congressional committees under section 203(c) that a democratically elected government in Cuba is in power, the President shall take steps to terminate the economic embargo of Cuba.

(d) CONFORMING AMENDMENTS.—On the date on which the President submits a determination under section 203(c)—

(1) section 620(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2370(a)) is repealed;

(2) section 620(f) of the Foreign Assistance Act of 1961 (22 U.S.C. 2370(f)) is amended by striking "Republic of Cuba";

(3) sections 1704, 1705(d), and 1706 of the Cuban Democracy Act (22 U.S.C. 6003, 6004(d), 6005) are repealed; and

(4) section 902(c) of the Food Security Act of 1985 is repealed.

(e) REVIEW OF SUSPENSION OF ECONOMIC EMBARGO.—

(1) REVIEW.—If the President takes action under subsection (a) to suspend the economic embargo of Cuba, the President shall immediately so notify the Congress. The President shall report to the Congress no less frequently than every 6 months thereafter, until he submits a determination under section 203(c) that a democratically elected government in Cuba is in power, on the progress being made by Cuba toward the establishment of such a democratically elected government. The action of the President under subsection (a) shall cease to be effective upon the enactment of a joint resolution described in paragraph (2).

(2) JOINT RESOLUTIONS.—For purposes of this subsection, the term "joint resolution" means only a joint resolution of the 2 Houses of Congress, the matter after the resolving clause of which is as follows: "That the Congress disapproves the action of the President under section 203(a) of the Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1995 to suspend the economic embargo of Cuba, notice of which was submitted to the Congress on _____.", with the blank space being filled with the appropriate date.

(3) REFERRAL TO COMMITTEES.—Joint resolutions introduced in the House of Representatives shall be referred to the Committee on International Relations and joint resolutions introduced in the Senate shall be referred to the Committee on Foreign Relations.

(4) PROCEDURES.—(A) Any joint resolution shall be considered in the Senate in accordance with the provisions of section 601(b) of the International Security Assistance and Arms Export Control Act of 1976.

(B) For the purpose of expediting the consideration and enactment of joint resolutions, a motion to proceed to the consideration of any joint resolution after it has been reported by the appropriate committee shall be treated as highly privileged in the House of Representatives.

(C) Not more than 1 joint resolution may be considered in the House of Representatives and the Senate in the 6-month period beginning on the date on which the President notifies the Congress under paragraph (1) of the action taken under subsection (a), and in each 6-month period thereafter.

SEC. 205. REQUIREMENTS FOR A TRANSITION GOVERNMENT.

(a) A determination under section 203(a) that a transition government in Cuba is in power shall not be made unless that government has taken the following actions—

(1) legalized all political activity;

(2) released all political prisoners and allowed for investigations of Cuban prisons by appropriate international human rights organizations;

(3) dissolved the present Department of State Security in the Cuban Ministry of the Interior, including the Committees for the Defense of the Revolution and the Rapid Response Brigades; and

(4) has committed to organizing free and fair elections for a new government—

(i) to be held in a timely manner within 2 years after the transition government assumes power;

(ii) with the participation of multiple independent political parties that have full access to the media on an equal basis, including (in the case of radio, television, or other telecommunications media) in terms of allotments of time for such access and the times of day such allotments are given; and

(iii) to be conducted under the supervision of internationally recognized observers, such as the Organization of American States, the United Nations, and other election monitors;

(b) In addition to the requirements in subsection (a), in determining whether a transition government is in power in Cuba, the President shall take into account the extent to which that government—

(1) is demonstrably in transition from communist totalitarian dictatorship to representative democracy;

(2) has publicly committed itself to, and is making demonstrable progress in—

(A) establishing an independent judiciary;

(B) respecting internationally recognized human rights and basic freedoms as set forth in the Universal Declaration of Human Rights;

(C) effectively guaranteeing the rights of free speech and freedom of the press, including granting permits to privately owned media and telecommunications companies to operate in Cuba;

(D) permitting the reinstatement of citizenship to Cuban-born nationals returning to Cuba;

(E) assuring the right to private property; and

(F) allowing the establishment of independent trade unions as set forth in conventions 87 and 98 of the International Labor Organization, and allowing the establishment of independent social, economic, and political associations;

(3) has ceased any interference with broadcasts by Radio Marti or the Television Marti Service;

(4) has given adequate assurances that it will allow the speedy and efficient distribution of assistance to the Cuban people; and

(5) permits the deployment throughout Cuba of independent and unfettered international human rights monitors.

SEC. 206. FACTORS FOR DETERMINING A DEMOCRATICALLY ELECTED GOVERNMENT.

For purposes of determining under section 203(c) of this Act whether a democratically elected government in Cuba is in power, the President shall take into account whether, and the extent to which, that government—

(1) results from free and fair elections—

(A) conducted under the supervision of internationally recognized observers; and

(B) in which opposition parties were permitted ample time to organize and campaign for such elections, and in which all candidates in the elections were permitted full access to the media;

(2) is showing respect for the basic civil liberties and human rights of the citizens of Cuba;

(3) is substantially moving toward a market-oriented economic system based on the right to own and enjoy property;

(4) is committed to making constitutional changes that would ensure regular free and fair elections and the full enjoyment of basic civil liberties and human rights by the citizens of Cuba; and

(5) is continuing to comply with the requirements of section 205.

SEC. 207. SETTLEMENT OF OUTSTANDING U.S. CLAIMS TO CONFISCATED PROPERTY IN CUBA.

(a) SUPPORT FOR A TRANSITION GOVERNMENT.—Notwithstanding any other provision of this Act—

(1) no assistance may be provided under the authority of this Act to a transition government in Cuba, and

(2) the Secretary of the Treasury shall instruct the United States executive director of each international financial institution to vote against any loan or other utilization of the funds of such bank or institution for the benefit of a transition government in Cuba, except for assistance to meet the emergency humanitarian needs of the Cuban people,

unless the President determines and certifies to Congress that such a government has publicly committed itself, and is taking appropriate steps, to establish a procedure under its law or through international arbitration to provide for the return of, or prompt, adequate, and effective compensation for, property confiscated by the Government of Cuba on or after January 1, 1959, from any person or entity that is a United States national who is described in section 620(a)(2) of the Foreign Assistance Act of 1961.

(b) SUPPORT FOR A DEMOCRATICALLY ELECTED GOVERNMENT.—Notwithstanding any other provision of this Act—

(1) no assistance may be provided under the authority of this Act to a democratically elected government in Cuba, and

(2) the Secretary of the Treasury shall instruct the United States executive director of each international financial institution to vote against any loan or other utilization of the funds of such bank or institution for the benefit of a democratically elected government in Cuba,

unless the President determines and certifies to Congress that such a government has adopted and is effectively implementing a procedure under its law or through international arbitration to provide for the return of, or prompt, adequate, and effective compensation for, property confiscated by the Government of Cuba on or after January 1, 1959, from any person or entity that is a United States national who is described in section 620(a)(2) of the Foreign Assistance Act of 1961.

(c) REPORT TO CONGRESS.—Not later than 180 days after the date of enactment of this Act, the Secretary of State shall provide a report to the appropriate congressional committees containing an assessment of the property dispute question in Cuba, including—

(1) an estimate of the number and amount of claims to property confiscated by the Cuban government held by United States nationals beyond those certified under section 507 of the International Claims Settlement Act of 1949,

(2) an assessment of the significance of promptly resolving confiscated property claims to the revitalization of the Cuban economy,

(3) a review and evaluation of technical and other assistance that the United States could provide to help either a transition government in Cuba or a democratically elected government in Cuba establish mechanisms to resolve property questions,

(4) an assessment of the role and types of support the United States could provide to help resolve claims to property confiscated by the Cuban government held by United States nationals who did not receive or qualify for certification under section 507 of the International Claims Settlement Act of 1949, and

(5) an assessment of any areas requiring legislative review or action regarding the resolution of property claims in Cuba prior to a change of government in Cuba.

(d) SENSE OF CONGRESS.—It is the sense of the Congress that the satisfactory resolution of property claims by a Cuban government recognized by the United States remains an essential condition for the full resumption of economic and diplomatic relations between the United States and Cuba.

(e) WAIVER.—The President may waive the prohibitions in subsections (a) and (b) if the President determines and certifies to the Congress that it is in the vital national interest of the United States to provide assistance to contribute to the stable foundation for a democratically elected government in Cuba.

TITLE III—PROTECTION OF PROPERTY RIGHTS OF UNITED STATES NATIONALS AGAINST CONFISCATORY TAKINGS BY THE CASTRO REGIME

SEC. 301. STATEMENT OF POLICY.

The Congress makes the following findings:

(1) Individuals enjoy a fundamental right to own and enjoy property which is enshrined in the United States Constitution.

(2) The wrongful confiscation or taking of property belonging to United States nationals by the Cuban government, and the subsequent exploitation of this property at the expense of the rightful owner, undermines the comity of nations, the free flow of commerce, and economic development.

(3) Since Fidel Castro seized power in Cuba in 1959—

(A) he has trampled on the fundamental rights of the Cuban people, and

(B) through his personal despotism, he has confiscated the property of—

(i) millions of his own citizens,

(ii) thousands of United States nationals, and

(iii) thousands more Cubans who claimed asylum in the United States as refugees because of persecution and later became naturalized citizens of the United States.

(4) It is in the interest of the Cuban people that the government of Cuba respect equally the property rights of Cuban and foreign nationals.

(5) The Cuban government is offering foreign investors the opportunity to purchase an equity interest in, manage, or enter into joint ventures with property and assets some of which were confiscated from United States nationals.

(6) This "trafficking" in confiscated property provides badly needed financial benefit, including hard currency, oil and productive investment and expertise, to the current government of Cuba and thus undermines the foreign policy of the United States—

(A) to bring democratic institutions to Cuba through the pressure of a general economic embargo at a time when the Castro regime has proven to be vulnerable to international economic pressure, and

(B) to protect the claims of United States nationals who had property wrongfully confiscated by the Cuban government.

(7) The U.S. State Department has notified other governments that the transfer of properties confiscated by the Cuban government to third parties "would complicate any attempt to return them to their original owners."

(8) The international judicial system, as currently structured, lacks fully effective remedies for the wrongful confiscation of property and for unjust enrichment from the use of wrongfully confiscated property by governments and private entities at the expense of the rightful owners of the property.

(9) International law recognizes that a nation has the ability to provide for rules of law with respect to "conduct outside its territory that has or is intended to have substantial effect within its territory".

(10) The United States Government has an obligation to its citizens to provide protection against wrongful confiscations by foreign nations and their citizens, including the provision of private remedies.

(11) To deter trafficking in wrongfully confiscated property, United States nationals who were the victims of these confiscations should be endowed with a judicial remedy in the courts of the United States that would deny traffickers any profits from economically exploiting Castro's wrongful seizures.

SEC. 302. LIABILITY FOR TRAFFICKING IN CONFISCATED PROPERTY CLAIMED BY UNITED STATES NATIONALS.

(a) CIVIL REMEDY.—(1) LIABILITY OF TRAFFICKERS.—(A) Except as otherwise provided in this section, any person or entity, including any agency or instrumentality of a foreign state in the conduct of a commercial activity, that after the end of the 6-month period beginning on the date of enactment of this Act traffics in property which was confiscated by the Government of Cuba on or after January 1, 1959, shall be liable to the United States national who owns the claim to such property for money damages in an amount equal to the sum of—

(i) the amount which is the greater of—

(I) the amount, if any, certified to the claimant by the Foreign Claims Settlement Commission under the International Claims Settlement Act of 1949, plus interest;

(II) the amount determined under section 303(a)(2), plus interest; or

(III) the fair market value of that property, calculated as being the then current value of the property, or the value of the property when confiscated plus interest, whichever is greater; and

(ii) reasonable court costs and attorneys' fees.

(B) Interest under subparagraph (A)(I) shall be at the rate set forth in section 1961 of title 28, United States Code, computed by the court from the date of confiscation of the property involved to the date on which the action is brought under this subsection.

(2) PRESUMPTION IN FAVOR OF THE CERTIFIED CLAIMS.—There shall be a presumption that the amount for which a person or entity, including any agency or instrumentality of a foreign state in the conduct of a commercial activity, is liable under clause (i) of paragraph (1)(A) is the amount that is certified under subclause (I) of that clause.

The presumption shall be rebuttable by clear and convincing evidence that the amount described in subclause (II) or (III) of that clause is the appropriate amount of liability under that clause.

(3) Requirement for Prior Notice and Increased Liability for Subsequent Additional Notice.—(A) Following the conclusion of 180 days after the date of enactment of this Act but at least 30 days prior to instituting suit hereunder, notice of intention to institute a suit pursuant to this section must be served on each intended party or, in the case of ongoing intention to add any party to ongoing litigation hereunder, to each such additional party.

(B) Except as provided in this section, any person or entity, including any agency or instrumentality of a foreign state in the conduct of commercial activity, that traffics in confiscated property after having received—

(i) a subsequent additional notice of a claim to ownership of the property by the United States national who owns the claim to the confiscated property, and

(ii) notice of the provisions of this section, shall be liable to that United States national for money damages in an amount which is the sum of the amount equal to the amount determined under paragraph (1)(A)(ii), plus triple the amount determined applicable under subclause (I), (II), or (III) of paragraph (1)(A)(i).

(4) Applicability.—(A) Except as otherwise provided in this paragraph, actions may be brought under paragraph (1) with respect to property confiscated before, on, or after the date of enactment of this Act.

(B) In the case of property confiscated by the Government of Cuba before the date of enactment of this title, no United States national may bring an action under this section unless such national acquired ownership of the claim to the confiscated property before such date of enactment.

(C) In the case of property confiscated on or after the date of the enactment of this Act, no United States national who acquired ownership of a claim to confiscated property by assignment for value after such date of enactment may bring an action on the claim under this section.

(5) Treatment of Certain Actions.—(A) In the case of any action brought under this section by a United States national who was eligible to file the underlying claim in the action with the Foreign Claims Settlement Commission under title V of the International Claims Settlement Act of 1949 but did not so file the claim, the court may hear the case only if the court determines that the United States national had good cause for not filing the claim.

(B) In the case of any action brought under this section by a United States national whose claim in the action was timely filed with the Foreign Claims Settlement Commission under title V of the International Claims Settlement Act of 1949 but was denied by the Commission, the court may assess the basis for the denial and may accept the findings of the Commission on the claim as conclusive in the action under this section unless good cause justifies another result.

(6) Inapplicability of Act of State Doctrine.—No court of the United States shall decline, based upon the act of state doctrine, to make a determination on the merits in an action brought under paragraph (1).

(7) Notwithstanding any other provision of law, an action under this section may be brought and may be settled, and a judgment rendered in such action may be enforced, without the necessity of obtaining any license or other permission from any agency of the United States, except that this subsection shall not apply to the execution of a judgment against or the settlement of actions involving property blocked under the authority of the Trading with the Enemy Act (Appendix to title 50, United States Code, sections 1 through 44).

(8) Notwithstanding any other provision of law, any claim against the Government of Cuba shall not be deemed an interest in property the transfer of which required or requires a license or permission of any agency of the United States.

(b) Amount in Controversy.—An action may be brought under this section by a United States national only where the matter in controversy exceeds the sum or value of $50,000, exclusive of costs.

(c) Service of Process.—(1) Service of process shall be effected against an agency of instrumentality of a foreign state in the conduct of a commercial activity, or against individuals acting under color of law in conformity with section 1608 of title 28, United States Code, except as provided by paragraph (3) of this subsection.

(2) Service of process shall be effected against all parties not included under the terms of paragraph (1) in conformity with section 1331 of title 28, United States Code.

(3) For all actions brought under section 302 of the Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1995, no judgment by default shall be entered by a court of the United States against the government of Cuba, its political subdivision, or its agencies or instrumentalities, unless a government recognized by the United States in Cuba and with which it has diplomatic relations is given the opportunity to cure and be heard thereon and the claimant establishes his claim or right to relief by evidence satisfactory to the court.

(d) Certain Property Immune From Execution.—Section 1611 of title 28, United States Code, is amended by adding at the end of the following:

"(c) Notwithstanding the provisions of section 1610 of this chapter, the property of a foreign state shall be immune from attachment and from execution in an action brought under section 1605(7) to the extent the property is a facility or installation used by an accredited diplomatic mission for official purposes.".

(e) Election of Remedies.—

(1) Election.—Subject to paragraph (2), and except for an action or proceeding commenced prior to enactment of this Act—

(A) any United States national that brings an action under this section may not bring any other civil action or proceeding under the common law, Federal law, or the law of any of the several states, the District of Columbia, or any territory or possession of the United States that seeks monetary or nonmonetary compensation by reason of the same subject matter; and

(B) any person who brings, under the common law or any provision of law other than this section, a civil action or proceeding for monetary or nonmonetary compensation arising out of a claim for which an action would otherwise be cognizable under this section may not bring an action under this section on that claim.

(2) Treatment of certified claimants.—In the case of any United States national that brings an action under this section based on a claim certified under title V of the International Claims Settlement Act of 1949—

(A) if the recovery in the action is equal to or greater than the amount of the certified claim, the United States national may not receive payment on the claim under any agreement entered into between the United States and Cuba settling claims covered by such title, and such national shall be deemed to have discharged the United States from any further responsibility to represent the United States national with respect to that claim;

(B) if the recovery in the action is less than the amount of the certified claim, the United States national may receive payment under a claims agreement described in subparagraph (A) but only to the extent of the difference between the amount of the recovery and the amount of the certified claim; and

(C) If there is no recovery in the action, the United States national may receive payment on the certified claim under a claims agreement described in subparagraph (A) to the same extent as any certified claimant who does not bring an action under this section.

(f) Deposit of Excess Payments by Cuba Under Claims Agreement.—Any amounts paid by Cuba under any agreement entered into between the United States and Cuba settling certified claims under title V of the International Claims Settlement Act of 1949 that are in excess of the payments made on such certified claims after the application of subsection (e) shall be deposited into the United States Treasury.

(g) Termination of Rights.—(1) All rights created under this section to bring an action for money damages with respect to property confiscated by the Government of Cuba before the date of enactment of this Act shall cease upon transmittal to the Congress of a determination of the President under section 203(c).

(2) The termination of rights under paragraph (1) shall not affect suits commenced before the data of such termination, and in all such suits, proceedings shall be had, appeals taken, and judgments rendered in the same manner and with the same effect as if this subsection had not been enacted.

SEC. 303. PROOF OF OWNERSHIP OF CLAIMS TO CONFISCATED PROPERTY.

(a) Evidence of Ownership.—(1) In any action brought under this Act, the courts shall accept as conclusive proof of ownership a certification of a claim to ownership that has been made by the Foreign Claims Settlement Commission pursuant to title V of the International Claims Settlement Act of 1949 (22 U.S.C. 1643 and following).

(2) In the case of a claim that has not been certified by the Foreign Claims Settlement Commission before the enactment of this Act, a court may appoint a Special Master, including the Foreign Claims Settlement Commission, to make determinations regarding the amount and ownership of claims to ownership of confiscated property by the Government of Cuba. Such determinations are only for evidentiary purposes in civil actions brought under this Act and do not constitute certifications pursuant to title V of the International Claims Settlement Act of 1949.

(3) In determining ownership, courts shall not accept as conclusive evidence of ownership any findings, orders, judgments, or decrees from administrative agencies or courts of foreign countries or international organizations that invalidate the claim held by a United States national, unless the invalidation was found pursuant to binding international arbitration to which the United States submitted the claim.

(b) Amendment of the International Claims Settlement Act of 1949.—Title V of the International Claims Settlement Act of 1949 (22 U.S.C. 1643 and following) is amended by adding at the end of the following new section:

"DETERMINATION OF OWNERSHIP CLAIMS REFERRED BY DISTRICT COURTS OF THE UNITED STATES

"SEC. 514. Notwithstanding any other provision of this Act and only for purposes of section 302 of the Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1995, a United States district court, for fact-finding purposes, may refer to the Commission, and the Commission may determine, questions of the amount and ownership of a claim by a United States nationals (as defined in section 4 of the Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1995, resulting from the confiscations of property by the Government of Cuba described in section 503(a), whether or not the United States national qualified as a national of the United States (as defined in section 502(1)) at the time of action by the Government of Cuba".

(c) RULE OF CONSTRUCTION.—Nothing in this Act or in section 514 of the International Claims Settlement Act of 1949, as added by subsection (b), shall be construed—

(1) to require or otherwise authorize the claims of Cuban nationals who became United States citizens after their property was confiscated to be included in the claims certified to the Secretary of State by the Foreign Claims Settlement Commission for purposes of future negotiation and espousal of claims with a friendly government in Cuba when diplomatic relations are restored; or

(2) as superseding, amending, or otherwise altering certifications that have been made pursuant to title V of the International Claims Settlement Act of 1949 before the enactment of this Act.

SEC. 304. EXCLUSIVITY OF FOREIGN CLAIMS SETTLEMENT COMMISSION CERTIFICATION PROCEDURE.

Title V of the International Claims Settlement Act of 1949 (22 U.S.C. 1643 and following), as amended by section 303, is further amended by adding at the end the following new section:

"EXCLUSIVITY OF FOREIGN CLAIMS SETTLEMENT COMMISSION CERTIFICATION PROCEDURE

"SEC. 515. (a) Subject to subsection (b) neither any national of the United States who was eligible to file a claim under section 503 but did not timely file such claim under that section, nor any national of the United States (on the date of the enactment of this section) who was not eligible to file a claim under that section nor any national of Cuba, including any agency, instrumentality, subdivision, or enterprise of the Government of Cuba or any local government of Cuba in place on the date of the enactment of this section, nor any successor thereto, whether or not recognized by the United States, shall have a claim to, participate in, or otherwise have an interest in, the compensation proceeds or non-monetary compensation paid or allocated to a national of the United States by virtue of a claim certified by the Commission pursuant to section 507, nor shall any district court of the United States have jurisdiction to adjudicate any such claim.

"(b) Nothing in subsection (a) shall be construed to detract from or otherwise affect any rights in the shares of capital stock of nationals of the United States owning claims certified by the Commission under section 507.".

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. HELMS. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Wednesday, October 11, 1995, to conduct a hearing on Iran sanctions.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON EAST ASIAN AND PACIFIC AFFAIRS

Mr. HELMS. Mr. President, I ask unanimous consent that the Subcommittee on East Asian and Pacific Affairs of the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, October 11, 1995, at 2 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

EDIBLE OIL REGULATORY REFORM ACT

• Mr. CHAFEE. Mr. President, the Senate received from the House today H.R. 436, the Edible Oil Regulatory Reform Act. The bill would amend the Oil Production Act of 1990, or OPA–90. As chairman of the Environment and Public Works Committee, which has exclusive jurisdiction over OPA–90, I support the Senate's passage of H.R. 436 by unanimous consent without delay.

As a member of the Environment and Public Works Committee at the time the committee reported the bill that became OPA–90, I am well acquainted with the statute. As many of us will recall, the Congress enacted OPA–90 in the aftermath of the catastrophic *Exxon Valdez* oilspill in Prince William Sound, AK.

One of the key elements of OPA–90 requires all vessels to demonstrate a certain minimum level of financial responsibility to cover the costs of cleanup and damages in the event of an oilspill. The intent behind this requirement is to ensure that an entity that discharges oil into our natural environment pay for the costs and damages arising from the spill—not the U.S. taxpayer. This intent remains sound and should continue to inform the application of the statute.

In passing OPA–90, however, Congress did not intend to abandon the use of common sense. As the act currently stands, there is no distinction made in the financial responsibility requirements for oil-carrying vessels, regardless of the kind of oil being carried. Therefore, a vessel carrying sunflower oil is held to the same requirements under OPA–90 as a carrier of deep crude.

H.R. 436 simply recognizes that vegetable oils and animal fats are different from petroleum oils. Most important, they are different in ways that make it less likely that a spill of vegetable oil or animal fat will cause the same kind of environmental damage as would a petroleum oil spill. For example, vegetable oils and animal fats contain none of the toxic components of petroleum oil.

This is not to suggest that a spill of vegetable oil or animal fat will have no adverse environmental impacts. Experience has shown to the contrary, especially in the case of the Blue Earth River spill in Minnesota in the mid-1960's. Here it is important to note that H.R. 436 would not provide an exemption for carriers of vegetable oil or animal fats. They still would be subject to a mandatory minimum financial responsibility requirement under OPA–90.

Thus, H.R. 436 will lend more rationality to the application of OPA–90 while maintaining the fundamental integrity of the act's purpose and approach. I commend my colleagues in the House for recognizing an opportunity to improve the implementation of an environmental statute.

Finally, as chairman of the Environment and Public Works Committee, let me say that I appreciate the willingness of all Senators to expedite action on this bill. Without unanimous consent, H.R. 436 would have been referred to the Committee on Environment and Public Works. My review of the bill has convinced me that it is a straightforward, commonsense piece of legislation on which committee hearings are unnecessary and to which I can lend my support.•

NATIONAL FIRE PREVENTION WEEK

• Mr. SARBANES. Mr. President, this week is National Fire Prevention Week, a time for us to look back on the year's efforts to prevent fire-related deaths, injuries, and property damage, and an occasion to reflect on the important role of the brave men and women who comprise our national fire service.

Mr. President, as you know, fire is a serious problem in the United States—an average of 4,000 Americans die from fire annually and nearly 30,000 Americans sustain fire-related injuries every year.

Fire Prevention Week falls on the anniversary of the Great Chicago Fire of 1871 which tragically killed 250 people, burned 17,000 buildings, and rendered over 100,000 people homeless. As a nation, we have made significant progress in our efforts to improve firefighting and prevention methods since then, but we still have a long way to go. More recently, the Happy Land Social Club fire of 1990 in New York City which claimed the lives of 87 people reminds us of the massive destruction that can be caused by fire.

Increasingly, however, the efforts of our fire service and organizations such as the National Fire Protection Association, the annual sponsor of National Fire Prevention Week, are making a difference. Due to a thoughtful, multipronged attack, in which battles are won by not having them fought in the first place, fire-related deaths are at an alltime low—reduced to 4,275 last year from 8,900 deaths in 1913 when standardized recordkeeping began.

No one is immune to the dangers of fire. On February 26, 1994, nine Marylanders were killed in a single family home simply because a candle was placed too close to a sofa bed. In order to avoid tragedies like these, members of the fire service, the National Fire Protection Association, and others use National Fire Prevention Week each year to renew and strengthen their commitment to fire-related education programs, construction and engineering improvements, and more effective fire regulations. In line with a recent escalation in efforts to minimize fires caused by carelessness or neglect, the theme of this year's Fire Prevention Week is "Watch What You Heat."

I salute the American Fire Service on the occasion of National Fire Prevention Week and I join in their call to make our country as fire safe as possible.•

ETHEL STAATS CELEBRATES 100TH BIRTHDAY

• Mrs. BOXER. Mr. President, I invite my colleagues to join me in congratulating Mrs. Ethel Staats from my hometown, Greenbrae, CA, on the very special occasion of her upcoming 100th birthday on October 22, 1995.

Mrs. Statts has, throughout her 100 years, been a devoted mother, grandmother, and great-grandmother. She had 3 children, 14 grandchildren, and 17 great-grandchildren. She has been the foundation of a very strong and close family.

In addition, she has dedicated herself to the care and support of others in the community. In her youth, she was a respected nurse, caring for others, and now, in her later years, she has been spending much of her time babysitting and caring for the children of our neighborhood. When my grown children were babies, Mrs. Staats was always there to lend a hand.

She continues to enjoy baseball and football on the radio, with a particular interest in the San Francisco Giants and the Cincinnati Reds.

She happily resides at Rafael Convalescent Hospital in San Rafael, CA. As she says, "If I have to be some place other than home, this place is great."

Ethel Staats is a special woman, one of those senior citizens whom we can all look to with admiration, and who deserves mentioning on her very special day. I wish her the best for her future years and happiest of birthdays.•

TRIBUTE TO ROBERT J. LEWIS

• Mr. BIDEN. Mr. President, one of the greatest pleasures of our service in the Senate, is that we have the opportunity to call the Nation's attention to acts of extraordinary service and sacrifice by our citizens, and to record those acts as a part of our proud and uniquely American history of leadership by the People.

On more occasions than any of us can count, Mr. President, our praise and thanks have been earned by members of a group who truly embody the highest ideals of citizenship and service—our Nation's firefighters. During this National Fire Prevention Week, I am especially proud to pay tribute to a firefighter from my State, Capt. Robert J. Lewis of the Talleyville Fire Company.

On June 30 of this year, the Talleyville Fire Company was dispatched to help battle a house fire in Brandywood, a community just north of Wilmington, DE. There was heavy smoke coming from the attic, and the firefighters immediately went to work with handlines directed to the upper floor of the house.

An engine crew from the nearby Claymont Fire Company was assigned to search the main attic. In the course of that search, Claymont Firefighter Greg Denston was caught when fire broke through the wall, engulfing the attic in flames and leaving little chance of escape by way of the staircase.

In the course of working his way to the attic, Firefighter Denston had lost his helmet, and his protective mask had become dislodged when the flames broke through the wall. He alertly activated his personal safety signal device, hoping that someone would hear his call for help.

Rescue Capt. Robert J. Lewis did hear, Mr. President, and he responded.

Captain Lewis found a Claymont Fire Company helmet at the bottom of the attic staircase. He fought his way through heavy smoke and intense heat, and managed to get to the attic by way of the kind of fold-down stairs that can be hard to navigate under the best of circumstances. And these were surely the worst of circumstances.

The attic was literally under siege by the fire. But Captain Lewis managed to locate Firefighter Denston and to pull him down the stairs, where several other firefighters helped get their injured comrade out of the house and on his way to medical treatment. Firefighter Denston was hospitalized for 7 days, and has continued his recovery at home.

The hope of that recovery is only possible, Mr. President, because Robert Lewis answered the call for help, as firefighters do every day in cities and towns across America.

Captain Lewis' professional instincts—and all firefighters are professionals—his professional instincts were perfect; he acted precisely as his training had taught him.

But training can only teach you how to save a life. It cannot make you do it.

The personal instinct that led Captain Lewis to act quickly and decisively—automatically, without pausing to weigh the pros and cons, putting his concern for another above his concern for his own safety—that instinct comes from deep within. It is something hard to define, but it makes ordinary citizens into heroes every day.

One American writer described it this way: "There is a certain blend of courage, integrity, character and principle which has no satisfactory dictionary name but has been called different things at different times, in different countries. Our American name for it is 'guts.'" Training makes a professional; guts, Mr. President, make a hero.

Capt. Robert J. Lewis of the Talleyville Fire Company did not become a hero on June 30, 1995. He was already a hero, as were his fellow firefighters, because they know that every time they answer the call they may be putting their lives at risk. And still they answer—without pausing to weigh the pros and cons, putting their concern for others above their concern for their own safety—each and every time.

In recognizing Captain Lewis for his extraordinary service, we recognize all firefighters. They represent and summon the best in us—the best of the American character—and we are grateful to them all.•

ORDERS FOR THURSDAY, OCTOBER 12, 1995

Mr. HELMS. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 9:30 a.m. tomorrow, Thursday, October 12, 1995; that following the prayer, the Journal of proceedings be deemed approved to date, the time for the two leaders be reserved for their use later in the day; that there be a period of morning business until the hour of 11 a.m. with Senators to speak for up to 5 minutes each with the exception of the following: Mr. KOHL, 10 minutes; Mr. BURNS, 10 minutes; Mr. HATCH, 30 minutes.

I further ask unanimous consent that at 11 a.m. the Senate resume consideration of H.R. 927, the Cuba sanctions bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, I further ask that any first-degree amendments be filed up to 1 p.m. tomorrow under the provisions of rule XXII.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. HELMS. Mr. President, for the information of all Senators, a cloture motion was filed on the pending substitute amendments to the Cuba sanctions bill, and it is the hope of the two leaders that the cloture vote could occur tomorrow late evening.

A second cloture motion was filed, and that vote is expected to occur Friday morning. Also, the Senate could begin consideration of the State Department reauthorization bill if available.

RECESS UNTIL 9:30 A.M. TOMORROW

Mr. HELMS. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in recess under the previous order.

There being no objection, the Senate, at 6:31 p.m., recessed until Thursday, October 12, 1995, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate October 11, 1995:

THE JUDICIARY

P. MICHAEL DUFFY, OF SOUTH CAROLINA, TO BE U.S. DISTRICT JUDGE FOR THE DISTRICT OF SOUTH CAROLINA VICE MATTHEW J. PERRY, JR., RETIRED.

SUE E. MYERSCOUGH, OF ILLINOIS, TO BE U.S. DISTRICT JUDGE FOR THE CENTRAL DISTRICT OF ILLINOIS, VICE HAROLD A. BAKER, RETIRED.

JED S. RAKOFF, OF NEW YORK, TO BE U.S. DISTRICT JUDGE FOR THE SOUTHERN DISTRICT OF NEW YORK, VICE DAVID N. EDELSTEIN, RETIRED.

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

WILLIAM P. FOSTER, OF FLORIDA, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE ARTS FOR A TERM EXPIRING SEPTEMBER 3, 2000, VICE ROY M. GOODMAN, TERM EXPIRED.

FARM CREDIT ADMINISTRATION

LOWELL LEE JUNKINS, OF IOWA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE FEDERAL AGRICULTURAL MORTGAGE CORPORATION, VICE EDWARD CARLES WILLIAMSON.

IN THE COAST GUARD

THE FOLLOWING CADET OF THE U.S. COAST GUARD ACADEMY FOR APPOINTMENT TO THE GRADE OF ENSIGN:

JORDAN D. ISAAC

THE FOLLOWING OFFICERS OF THE U.S. COAST GUARD PERMANENT COMMISSIONED TEACHING STAFF AT THE COAST GUARD ACADEMY FOR PROMOTION TO THE GRADE OF COMMANDER:

KURT J. COLELLA
GEORGE J. RAZENDES

IN THE NAVY

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF VICE ADMIRAL IN THE U.S. NAVY WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10 U.S.C., SECTION 601:

To be vice admiral

REAR ADM. ALEXANDER J. KREKICH [redacted]

IN THE AIR FORCE

THE FOLLOWING-NAMED OFFICERS FOR PERMANENT PROMOTION IN THE U.S. AIR FORCE, UNDER THE PROVISIONS OF SECTIONS 618 AND 628, TITLE 10, U.S.C., AS AMENDED, WITH DATE OF RANK TO BE DETERMINED BY THE SECRETARY OF THE AIR FORCE.

LINE OF THE AIR FORCE

To be colonel

LARRY E. FREEMAN [redacted]
JOHN S. NEWTON [redacted]
DOUGLAS B. WALTER [redacted]

To be lieutenant colonel

JASON BAIRD [redacted]
WILLIAM J. B[redacted]
JAMES D. CARNAHAN [redacted]
CALVIN W. MORRIS [redacted]

To be major

SEAN P. CAIN [redacted]
DAVID A. FENNELL [redacted]
JAMES D. HEDGES [redacted]
CHARLES D. HOWLAND [redacted]
JAMES R. KING [redacted]
KURT R. LA FRANCE [redacted]
RICHARD C. MC EACHIN [redacted]
ROBERT S. MC GEHEE [redacted]
ROBERT F. STAMMLER [redacted]

MEDICAL SERVICE CORPS

To be lieutenant colonel

JOHN B. CARLETON [redacted]

DENTAL CORPS

To be colonel

GERALD R. CRANE [redacted]

To be lieutenant colonel

JOHN R. EMBRY [redacted]

MEDICAL CORPS

To be colonel

STEPHEN A. MC GUIRE [redacted]

To be major

CHARLES R. FRIEND [redacted]
TERRY L. HASKE[redacted]
PATRICK M. LASSEN [redacted]

CHAPLAIN

To be major

ALLEN L. HECKMAN [redacted]
BOBBY V. PAGE [redacted]

THE FOLLOWING OFFICERS FOR APPOINTMENT IN THE REGULAR AIR FORCE UNDER THE PROVISIONS OF SECTION 531, TITLE 10, U.S.C., WITH GRADE AND DATE OF RANK TO BE DETERMINED BY THE SECRETARY OF THE AIR FORCE PROVIDED THAT IN NO CASE SHALL THE OFFICERS BE APPOINTED IN A GRADE HIGHER THAN THAT INDICATED.

LINE OF THE AIR FORCE

To be captain

MICHAEL A. FRALEY [redacted]
DENNIS WREN [redacted]

THE FOLLOWING OFFICER FOR APPOINTMENT IN THE REGULAR AIR FORCE UNDER THE PROVISIONS OF SECTION 531, TITLE 10, U.S.C., WITH A VIEW TO DESIGNATION UNDER THE PROVISIONS OF SECTION 8067, TITLE 10, U.S.C., TO PERFORM DUTIES INDICATED WITH GRADE AND DATE OF RANK TO BE DETERMINED BY THE SECRETARY OF THE AIR FORCE PROVIDED THAT IN NO CASE SHALL THE FOLLOWING OFFICER BE APPOINTED IN A HIGHER GRADE THAN INDICATED.

NURSE CORPS

To be captain

TIMOTHY L. COOK [redacted]

IN THE ARMY

THE FOLLOWING-NAMED OFFICER, ON THE ACTIVE DUTY LIST, FOR PROMOTION TO THE GRADE INDICATED IN THE U.S. ARMY IN ACCORDANCE WITH SECTIONS 618, 624 AND 628, TITLE 10, UNITED STATES CODE.

To be lieutenant colonel

DEREK J. HARVEY [redacted]

THE FOLLOWING-NAMED OFFICERS FOR PROMOTION IN THE RESERVE OF THE ARMY, UNDER THE PROVISIONS OF TITLE 10, U.S.C., SECTIONS 12203(A) AND 3370:

ARMY NURSE CORPS

To be colonel

BARBARA HASBARGEN [redacted]
PATRICIA PELLEGRINO [redacted]
ELIZABETH PIDCOCK [redacted]

DENTAL CORPS

To be colonel

STEPHEN J. GOEPFERD [redacted]

MEDICAL CORPS

To be colonel

STANLEY L. FLEMMING [redacted]
RICHARD A. HURD [redacted]
BILLY R. NORDYKE [redacted]
CARL A. PATOW [redacted]

MEDICAL SERVICE CORPS

To be colonel

ALAN K. ABRAHAM [redacted]
ROGER S. BLACKSTOCK [redacted]
THOMAS R. BROWN [redacted]
MICHAEL R. CHEEK [redacted]
MALCOLM B. WESTCOTT [redacted]
ROBERT A. WIRTZ [redacted]

ARMY MEDICAL SPECIALIST CORPS

To be colonel

WILLIAM H. O'GRADY [redacted]

VETERINARY CORPS

To be colonel

GARY VROEGINDEWEY [redacted]

THE FOLLOWING-NAMED OFFICERS FOR PROMOTION IN THE RESERVE OF THE ARMY, UNDER THE PROVISIONS OF TITLE 10, U.S.C., SECTIONS 12203(A) AND 3366:

ARMY NURSE CORPS

To be lieutenant colonel

MARY B. ALEXANDER [redacted]
HELEN E. ALM[redacted]
JUDITH B. ANDERSON [redacted]
SHERYL L. ANDRAKIN[redacted]
FRANCES ARROWSMITH [redacted]
PAULA M. ATTWELL [redacted]
KIMBERLY BALLANTYNE [redacted]
LINDA A. BARILE [redacted]
RICHARD B. BARNES [redacted]
TERRY V. BAXTER [redacted]
SUK K. BEARDTAYLOR [redacted]
MARY T. BENNETT [redacted]
IRMA L. BERNARD [redacted]
STEPHEN BLACKBURN[redacted]
JANET M. BLOK [redacted]
MARY E. BOUDREAU [redacted]
DAVID M. BOUDREAUX [redacted]
CAROL L. BOWDOIN [redacted]
SHARON W. BRAMMER [redacted]
MARIA A. BRANSON [redacted]
BOBBY L. BREWTON [redacted]
MERRY A. BRINKLEY [redacted]
VIVIAN J. BURDICK [redacted]
LORETTA BURTON [redacted]
MARK S. BUTCHER [redacted]
MARY K. BUTRUM [redacted]
DORIS P. CALDWELL [redacted]
DEBORAH K. CAMPBELL [redacted]
KATHLEEN CAMPBELL [redacted]
CHRISTINE CARRS [redacted]
ROBBIN L. CARTER [redacted]
MINNIE E. CLARK [redacted]
SANDRA G. COLE [redacted]
PATRICIA J. COMEAU [redacted]
CLARICE COMISSIONG [redacted]
RICHARD N. COONRADT [redacted]
TERRY M. CRASS [redacted]
JOYCE L. CROCKETT [redacted]
CHRISTINE CROMARTY [redacted]
ROBYN R. DADIG[redacted]
GARY R. DALEGOWSK[redacted]
MILDRED R. DAMICO [redacted]
ELLEN M. DENNIS [redacted]
LYNN M. DERICKSON [redacted]
DIANA M. DISTEFANO [redacted]
MAUREEN C. DONER [redacted]
FLOYD D. DRAKE [redacted]
SHARON A. DRAYTON [redacted]
MICHAEL W. DURAN[redacted]
JOHN R. EDDY [redacted]
PETER ENG[redacted]
I. FERNANDEZDELGADO [redacted]
NOREENE L. FOSTER [redacted]
ROBERT L. FOSTER[redacted]
JEWERLENE FOWLER [redacted]
MARIA FUENTESTORRES [redacted]
MARK A. GALANTOWICZ [redacted]
RONALD G. GAMACHE [redacted]
TERESA K. GAMBLIN [redacted]
HELEN L. GANT[redacted]
DEBRA A. GAYER [redacted]
HAYWARD S. GILL, JR. [redacted]
MICHAEL F. GNASTER [redacted]
CONNIE F. GODJIKIAN [redacted]
JEROME L. GONZALES [redacted]
KAREN M. GOODMAN [redacted]
JAMES R. GOODWIN [redacted]
MARY A. GOULD [redacted]
KATHY M. GRAHAM [redacted]
LINDA J. GRAVES [redacted]
JOHN A. GREEN [redacted]
SANDRA GREEN [redacted]
LARRY D. GRONLAND [redacted]
MARY A. GROSS [redacted]
LINDA A. HAFENBREDL[redacted]
MORRIS W. HALL[redacted]
WANDA G. HALL[redacted]
DIANE A. HAMMER [redacted]
PAMELA K. HANSON [redacted]
MICHAEL D. HARPER [redacted]
RUTH M. HARRIS [redacted]
VALERIE L. HARRIS [redacted]
STEPHA HATTON-WARD [redacted]
JOYCE T. HAYNIE [redacted]
JOAN A. HEANEY [redacted]
KENNETH E. HELLER [redacted]
LEOMA M. HERRINGTON [redacted]
CONNIE R. HILLBERG [redacted]
LYNDA S. HILLIARD [redacted]
TIMOTHY A. HOHON [redacted]
VIRGINIA HOLLOWAY [redacted]
VIRGINIA M. HOLT, [redacted]
WARREN M. HOVE[redacted]
SHARON L. HUBBARD [redacted]
THOMAS B. HUNTER [redacted]
KENNETH J. HYLE[redacted]
CHRISTINE H. INOUYE [redacted]
KATHRYN L. JANSKY [redacted]
ALAN R. JONES [redacted]
VICTO JURGENSMEIER [redacted]
CAROL A. KABAN, [redacted]
CHARLES R. KELLNER [redacted]
ELIZABETH KINDSCH[redacted]
DIANE E. KNECHT [redacted]
VICTORIA KNIGHTON [redacted]

FAYE L. KNOCHENMUS [redacted]
JAMES V. KOLLAR [redacted]
CONNIE J. KOTEFKA [redacted]
RICHARD KRAJEWSK [redacted]
SHIRLEY C. KYLES [redacted]
KATHRYN L. LANDOSK [redacted]
JAMES E. LAUGHLIN [redacted]
KATHLEEN M. LENIHAN [redacted]
JINNA A. LESSARD [redacted]
BARBARA N. LETT [redacted]
SUSAN LINDQUIST [redacted]
PATRICIA A. LITTLE [redacted]
STANTON J. LLOYD [redacted]
KATHLEEN S. LUTZ [redacted]
DONNA L. LYNCH [redacted]
PFEIFFER A. MACLEOD [redacted]
ARNEATHA MARTIN [redacted]
JOANN B. MARTIN [redacted]
JUANJ. MARTINEZ [redacted]
STEPHEN D. MASSEY [redacted]
SHIRLEY S. MAYER [redacted]
JOANNE M. MC CARTHY [redacted]
MICHAEL A. MC LAIN, [redacted]
CAROLJEAN C. MC LEAN [redacted]
KATHLEEN A. MC NULTY [redacted]
KAY A. MC WHIRTER [redacted]
BARBARA MELVEN [redacted]
LOUISA R. MENYHERT [redacted]
DOUGLAS MEUWISSEN [redacted]
JUDITH M. MORGAN [redacted]
DENINE V. MOYER [redacted]
FRANCIS J. MURPHY [redacted]
MARYANN NADEAU [redacted]
NORMA J. NATION [redacted]
MAUREEN A. NICHE [redacted]
LAURA J. NORWOOD [redacted]
PHILIP NOTO [redacted]
PATRICIA NOWOSACKI [redacted]
BRUCE R. O'DONNELL [redacted]
SHARON R. PARDUE [redacted]
SHARON C. PENN [redacted]
JOANNE L. PICHASKE [redacted]
CHERYL D. PIKE [redacted]
ALMA T. POINTZES [redacted]
JESSE J. POMPA [redacted]
REBECCA K. POOLE [redacted]
KAREN H. PRICE [redacted]
MICHAEL J. PROTO, JR [redacted]
HELEN K. QUINN [redacted]
KENNETH R. RAMDAS [redacted]
MARTHA M. RANKIN [redacted]
ZENAIDA C. RAYBON [redacted]
DARLA M. REED [redacted]
ERNESTINE REMBERT [redacted]
CELIA L. RICHARDS [redacted]
DEMETRIA J. RODGERS [redacted]
OLGA C. RODRIGUEZ [redacted]
CLYDE V. ROSE [redacted]
DONALD RUTHERFORD [redacted]
KATHLEEN M. RYALS [redacted]
JEFFER Y. SABINO [redacted]
HAROLD E. SAILSBURY [redacted]
VIVIAN Z. SALGADO [redacted]
BARBARA J. SAMPSON [redacted]
LUZ E. SANTOSRIVERA [redacted]
ROBERT J. SARGENT [redacted]
NANCY G. SAUNDERS [redacted]
PAULINE T. SAXTON [redacted]
ANDRE C. SCHUETZ [redacted]
CHERYL D. SHARP [redacted]
PAULINE W. SHAVER [redacted]
MARY P. SHERMAN [redacted]
RUBY M. SIMMONS [redacted]
IDEL SIMMONSAUSTIN [redacted]
JANE L. SINNOTT [redacted]
JOHN T. SLAGLE [redacted]
JAMES A. SLATER [redacted]
PATRICIA A. SMITH [redacted]
FRANCES I. SNELL [redacted]
JOSE R. SOTO [redacted]
MARIA I. SOTOORTIZ [redacted]
KENNETH A. SPANTON [redacted]
DONNA M. SPICER [redacted]
JAMES A. SPIVEY [redacted]
HANNAH L. STEPHEN [redacted]
DONALD STEVENS [redacted]
JOSEPH V. STEWART [redacted]
MARIA O. STEWART, [redacted]
DEBORAH STITTSWORTH [redacted]
LYNNE A. TAYLOR, [redacted]
TERESA C. TAYLOR [redacted]
LISA F. THOMPSON [redacted]
ARMIDA TORRES [redacted]
CONSTANCE A. TRIPP [redacted]
JANET M. TROY [redacted]
TOMMY R. TRUEBLOOD [redacted]
ELIZABETH URBANIAK [redacted]
DONNA J. URDAHL [redacted]
DONALD VANDERHEYDEN [redacted]
AUDREY J. VEAL [redacted]
PAMELA S. WALKER [redacted]
COX E. WALLACE [redacted]
DANIEL T. WALTERS [redacted]
DEBORAH L. WATSON [redacted]
FRANCES L. WEST [redacted]
CARL A. WHEELER [redacted]
JOHN A. WHITFIELD [redacted]
JOHN A. WILD [redacted]
ARMANTINE WILLIAMS [redacted]
SHARLOTTA W. WILSON [redacted]
THRESA A. WILSON [redacted]
MICHAEL WIRSCHING [redacted]
GLORIA G. WOODS [redacted]
MARYELLEN YACKA [redacted]
JOSEPH G. ZILLA [redacted]
TIMOTHY G. ZOELLE [redacted]
MARK K. ZYGMOND [redacted]

DENTAL CORPS

To be lieutenant colonel

PAUL F. ABBEY [redacted]
ROBERT S. AYERS [redacted]
BRUCE A. BAKER [redacted]
JOSEPH E. BAPTISTE [redacted]
JAMES N. BAUM [redacted]
JOSEPH G. BECKER [redacted]
JIMMY D. BLANCHARD [redacted]
THOMAS G. BRAUN [redacted]
RONALD BURKHOLDER [redacted]
ROBIN K. DARLING [redacted]
KEVIN DILLMAN [redacted]
JEFFREY D. DOW [redacted]
JOHN H. FULMER [redacted]
ROBERT E. GARDNER [redacted]
GLENN E. GARLAND [redacted]
DAVID B. GILBERT [redacted]
ROLLO E. GOWER [redacted]
STEPHEN P. GRADY [redacted]
JOHN W. HARDEN [redacted]
JAMES D. HARDISON [redacted]
DONALD S. HART [redacted]
ROBERT HWANG [redacted]
LEE P. JOHNS, JR [redacted]
CHARLES M. KING [redacted]
RICHARD LINNEMEIER [redacted]
MICHAEL F. MC CARTHY [redacted]
MICHAEL J. MC GOWAN [redacted]
TIMOTHY P. NARY [redacted]
RODERICK A. NEITZEL [redacted]
PETER A. PATE [redacted]
ALLEN B. QUEEN [redacted]
WILLIAM R. REED [redacted]
BRENT SCHVANEVELDT [redacted]
THOMAS P. TRESKA [redacted]
MARK G. TURNER [redacted]
PETER C. WEE [redacted]
STANLEY L. WENDT [redacted]
CHARLES W. WHATTON [redacted]
CURTIS S. WILKENSON [redacted]
DENISE WILLIAMS [redacted]

MEDICAL CORPS

To be lieutenant colonel

N.M. ADIELE [redacted]
AQUILIO C. AGLIAM [redacted]
JOHN H. ANSOHN [redacted]
PINAR E. ATAKENT [redacted]
ALLAN F. AVBEL [redacted]
BENNIE L. BAKER [redacted]
STEVEN T. BALDWIN [redacted]
DENIE BARNETTSCOTT [redacted]
CHARLES R. BEASLEY [redacted]
THOMAS F. BENDOWSKI [redacted]
JEFFREY A. BERMAN [redacted]
OMKAR N. BHATT [redacted]
PETER J. BIGHAM [redacted]
ENRIQ BLANCOTORRES [redacted]
EDGAR O. BORRERO, [redacted]
WALTER D. BRANCH [redacted]
JACK L. BREAUX [redacted]
ARNOLD J. BRENDER [redacted]
MICHAEL R. BRENNAN [redacted]
ARNOLD D. BRIDGES [redacted]
BOBBY J. BROOKS [redacted]
DEBRA M. BROWN [redacted]
LARRY D. BROWN [redacted]
LAWRENCE BRUBAKER [redacted]
MICHAEL V. CANALE [redacted]
SUSAN H. CAPPS [redacted]
ANAVEL O. CARIN [redacted]
JOHN F. CARLETON [redacted]
LIE P. CHANG [redacted]
SARVESWA CHERUKURI [redacted]
MATILDE M. CHUA [redacted]
BOGDAN A. CHUMAK [redacted]
NICKOLAS COLLUCCI [redacted]
HECTOR F. COLON [redacted]
MATTHEW M. CONKLIN [redacted]
CHRISTOPHER CONNER [redacted]
MARC G. COTE [redacted]
LAUREN M. CURTIS [redacted]
ASDGHIG D. DADERIAN [redacted]
BERNARD DEKONGING [redacted]
HOWARD F. DETWILER [redacted]
JAN V. DICKEY [redacted]
THOMAS R. DORSEY [redacted]
PEDRO R. DUMADAG [redacted]
MARK S. DWYER [redacted]
ROBERT J. EGIDIO [redacted]
DOUGLAS D. ELIASON [redacted]
ANTONIO EXPOSITO [redacted]
TOD F. FORMAN [redacted]
MARK L. FRANCIS [redacted]
MICHAEL F. FRY [redacted]
JEFFREY FULLENKAMP [redacted]
GUY GARCIAVARGAS [redacted]
JOHN G. GAROFALO [redacted]
MICHAEL P. GAVIN [redacted]
MATTHEW J. GERVAIS [redacted]
HENRY S. GINDT [redacted]
PHILIPPE H. GIRERD [redacted]
MARIO F. GOLLE [redacted]
PATRICK L. GOMEZ [redacted]
RONALD I. GROSS [redacted]
SYED S. HAQQIE [redacted]
CHARLES M. HARRISON [redacted]
CARL D. HEINECKE [redacted]
JEAN C. HENRY [redacted]
BARNEY J. HENSON [redacted]
ROBERT L. HOLMES [redacted]
THOMAS E. HOLTHUS [redacted]
PHILLIP M. HUTCHINS [redacted]
KENNETH W. LAIRD [redacted]
WINSTON I. LEVY [redacted]
BRIAN K. LOW [redacted]
DAVID E. LUDLOW [redacted]
SCOTT M. MALOWNEY [redacted]
DANNEN MANNSCHRECK [redacted]
LOUIS S. MARKEL [redacted]
JOSEPH E. MC ANDREW [redacted]
THOMAS D. MC CLAIN [redacted]
STEVE L. MC KENZIE [redacted]
HORST B. MEHNER [redacted]
CONCEPCION MENDOZA [redacted]
MARGARET A. MILLER [redacted]
BARBARA C. MOLINA [redacted]
RAMANATHPUR MURTHY [redacted]
JONATHAN NEWMARK [redacted]
DAVID P. NICHOLS [redacted]
PHILLIP A. NOKES [redacted]
DOROTHY A. O'KEEFE [redacted]
MARTIN G. PAUL [redacted]
KEVIN L. PEHR [redacted]
LAURENCE R. PLUMB [redacted]
CARY S. POLLACK [redacted]
ALEXANDER PRUITT [redacted]
JOAN M. RADJIESKI [redacted]
FELICITAS E. RAMOS [redacted]
JOSEPHINE G. REYES [redacted]
ROBERT P. RYAN [redacted]
STEPHEN SAHLSTROM [redacted]
COSWIN K. SAITO [redacted]
MOHAMMAD SAKLAYEN [redacted]
DAVID M. SCHMIDT [redacted]
DAVID T. SCHULZ [redacted]
STEVE SCHWAITZBERG [redacted]
ERIC W. SCOTT [redacted]
PAUL C. SHAKIN [redacted]
ROGER S. SIMMS [redacted]
SUSAN G. SKEA [redacted]
LEE STEVENS [redacted]
DANIEL P. STOLTZFUS [redacted]
AHMED N. SYED [redacted]
DONALD R. TAYLOE [redacted]
CHARLES L. TRUWIT [redacted]
GENE E. TULLIS [redacted]
STEPHEN C. ULRICH [redacted]
CHARLES M. WARE [redacted]
ASA M. WARMACK [redacted]
DAVID B. WILDE [redacted]
CAROL J. WILKERSON [redacted]
KEVIN K. WOISARD [redacted]
GEORGE W. WRIGHT [redacted]
DENNIS C. ZACHARY [redacted]
FRANK A. ZIMBA [redacted]

MEDICAL SERVICE CORPS

To be lieutenant colonel

ROBERT B. ALFORD, JR. [redacted]
TERRY T. ALLMOND [redacted]
DOUGLAS J. ANDERSON [redacted]
LEON E. ANDREWS [redacted]
BRUCE J. ASHBAUGH [redacted]
WILLIAM R. BAGWELL [redacted]
ERIC D. BEACH [redacted]
RAYMOND M. BELKNAP [redacted]
JAMES M. BISHOP [redacted]
JEANNE J. BLAES [redacted]
TIMOTHY A. BRIGGS, [redacted]
JOSEPH L. BROWN, [redacted]
RICHARD S. CAREY [redacted]
DOUGLAS R. CARNEY [redacted]
JOHN A. CAYNON, [redacted]
ABIE R. CHADDERDON [redacted]
KHALID A. CHAUGHTAI [redacted]
ELIZABETH M. CLARK [redacted]
ROBERT L. COLEGATE [redacted]
JEFFREY E. CONDIT [redacted]
CURTIS A. CONKLIN [redacted]
HERMAN A. CORNISH [redacted]
MORRIS F. CRISLER [redacted]
PHILIP E. CROMER, [redacted]
STEVEN C. DANIELL [redacted]
JERRY A. DAVENPORT [redacted]
WALTER J. DAVIS [redacted]
OVILA J. DIONNE, [redacted]
EILEEN P. DOHERTY [redacted]
MICHAEL C. DOHERTY, [redacted]
JOHN S. DOMENECH, [redacted]
RICHARD H. DRENNAN, [redacted]
KARL A. DRERUP [redacted]
CHARLES S. DRESBACH, [redacted]
HARRY L. DURRIE [redacted]
LEE D. ELLIS [redacted]
WILLIAM H. ETTINGER [redacted]
ROOSEVELT EUBANKS [redacted]
TRAVIS A. EVERETT [redacted]
JAMES M. FORD [redacted]
RICHARD V. FRANCIS [redacted]
DONALD E. GARWOOD, [redacted]
JUAN C. GOMEZ, [redacted]
RICARDO R. GONZALES [redacted]
BRUCE J. GORAL, [redacted]

EDWARD L. GRIFFIN [redacted]
EDWARD F. HALLIDAY [redacted]
GEORGE E. HAMILTON [redacted]
EDWIN L. HARLESS [redacted]
NORMAN K. HARTLEY [redacted]
AARON HEARD, JR. [redacted]
PAUL R. HELLMOLD [redacted]
STEPHEN J. HICKS [redacted]
MARION N. HOLLEY [redacted]
STACY H. INOUYE [redacted]
LULA M, JACKSON [redacted]
EDWARD J. JASON [redacted]
JEFFREY D. JOHNSON [redacted]
SUSANNE L. JOHNSON [redacted]
BOBBIE G. JONES [redacted]
PEGGY H. JOYNER [redacted]
JAMES W. KAMERMAN [redacted]
DANIEL E. KARNES [redacted]
RICHARD H. KEILIG [redacted]
BERIC E. KIMBALL [redacted]
MICHAEL KNUTSON [redacted]
JOSEPH R. KOHUT [redacted]
LELAND V. KUHN [redacted]
RICHARD KUZNIA [redacted]
DONALD M. LAIRD [redacted]
JULIO C. LARACUENTE [redacted]
ROBERT LEE [redacted]
GREGORY F. LINDEN [redacted]
ROGER T. LITTLE [redacted]
MARCEL C. LOH [redacted]
ERNEST LYONS, JR [redacted]
BARBARA M. MACKNIK [redacted]
GEORGE MASTROIANN [redacted]
ARTHUR M. MC CARTHY [redacted]
NIKKI S. MC CARTY [redacted]
ROBERT M. MC DERMOTT [redacted]
ROBERT F. MC DONNELL [redacted]
ROBERT E. MC MILLAN [redacted]
REINALDO MELENDEZ [redacted]
DENNIS R. MILLER [redacted]
JERRY C. MILLER [redacted]
MICHAEL R. MOHN [redacted]
LINWOOD MOORE [redacted]
ROBERT H. OLDFIEL [redacted]
MARK D. OLSON [redacted]
PAUL J. ORTMANN [redacted]
MARK J. PEDDLE II [redacted]
KAREN M. PFAU [redacted]
RONALD D. PHILLIPS [redacted]
DEENA G. PITTMAN [redacted]
KATHERINE PLATON [redacted]
FLOYD W. PRIESTER [redacted]
SANDRA L. PRIOR [redacted]
WILLIAM A. PULIG [redacted]
LARRY E. RAAF [redacted]
WILLIAM RAFFERTY [redacted]
PAUL E. RAMSDEN [redacted]
JAMES P. RANDOLPH [redacted]
WILLIAM J. RICKMAN [redacted]
JOHN W. RIDLEY [redacted]
WILLIAM R. RILEY [redacted]
VAN S. ROMINE [redacted]
O.D. ROSABORGES [redacted]
ROBERT A. ROSICS [redacted]
MARCUS R. RUSSELL [redacted]
THOMAS O. SALMON [redacted]
JERALD W. SAWYER [redacted]
MARK R. SEYMOUR [redacted]
TERRY W. SHOCKLEY [redacted]
PAUL D. SIMPSON [redacted]
ALBERT R. SMITH [redacted]
JAMES E. SMITH [redacted]
PETER N. SMITH [redacted]
KENNETH SPOTO [redacted]
DAVID S. STEIN [redacted]
ROBERT J. STEPPLING [redacted]
STEVEN R. STINGER [redacted]
LINUS W. STORMS [redacted]
ROBERT H. STRETCH [redacted]
GREG S. SWANSON [redacted]
CLIFTON K. TAKENAKA [redacted]
DEBRA J. TENNEY [redacted]
NOEL H. THOMAS [redacted]
CARY T. THREAT [redacted]
PRASAD TIRUNAGARU [redacted]
JOSEPH TORRES, JR [redacted]
LELAND C. TOY [redacted]
DEAN E. TREMBLE [redacted]
DAVID L. TURNER [redacted]
STANLEY D. TURNER [redacted]
WILLIAM UROSEVICH [redacted]
WILLEM VANDEMERWE [redacted]
MARTIN P. WATSON [redacted]
JEROME WESTERGAARD [redacted]
JOHN R. WIECHEC [redacted]
ROBERT J. WIETZEL [redacted]
MARK J. WOLCOTT [redacted]
NEIL L. WOODIEL [redacted]
HORACE J. YOUNG [redacted]
RALPH S. ZELLEM [redacted]
HENRY A. ZOMPA [redacted]

ARMY MEDICAL SPECIALIST CORPS

To be lieutenant colonel

REMEDIOS M. BALAN [redacted]
ANDREW DALESSANDRO [redacted]
NANCY L. ELLWOOD [redacted]
MARY W. ERICKSON [redacted]
MARIA C. GARZA [redacted]
KIM R. GOTTSHALL [redacted]
GARY J. HAGUE [redacted]
KAREN S. JOHNSON [redacted]
KENDRA, KATTELMANN [redacted]
PATRICIA I. KING [redacted]
KAREN F. KLINKNER [redacted]
WILLIAM LINNENKOHL [redacted]
TERRI LOWELL [redacted]
JOHN L. LUTE [redacted]
MICHAEL MACLIN [redacted]
ROBERT J. MOORE [redacted]
JANE M. MORRICAL [redacted]
MARILYN A. O'BANNON [redacted]
MARGARET B. O'NEIL [redacted]
NANCY M. PRICKETT [redacted]
CYNTHIA A. SPENCE [redacted]
ARLENE SPIRER [redacted]
DENISE C. SPRAGUE [redacted]
ZACHARY D. TRUITT [redacted]

VETERINARY CORPS

To be lieutenant colonel

WOODROW P. BUTLER [redacted]
JOHNNIE J. EIGHMY [redacted]
MARK E. GANTS [redacted]
GEORGE A. JACOBY [redacted]
WADE B. LAWRENCE [redacted]
WILLIAM W. MCBETH [redacted]
MARSHALL MOULIERE [redacted]
WILLIAM A. NUSZ [redacted]
DANNY R. RAGLAND [redacted]
EDMOND C. STALEY [redacted]
CHARLES TEMPLETON [redacted]
CRAIG L. WARDRIP [redacted]

HOUSE OF REPRESENTATIVES—*Wednesday, October 11, 1995*

The House met at 8 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Make us aware, O gracious God, of the sacrifices of those who have gone before us, whose faithfulness and courage have shown the way. We pray for all those who have devoted their lives in service to others and whose own dedication has inspired us all. Bless all who have served with Your favor and may Your everlasting arms support us all the day long. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. The gentleman from Arizona [Mr. HAYWORTH] will come forward and lead the House in the Pledge of Allegiance.

Mr. HAYWORTH of Arizona led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

RECESS

The SPEAKER. Pursuant to the order of the House of Friday, September 29, 1995, the House will stand in recess subject to the call of the Chair.

Accordingly (at 8 o'clock and 3 minutes a.m.), the House stood in recess subject to the call of the Chair.

☐ 0900

JOINT MEETING OF THE 104TH CONGRESS TO CLOSE THE COMMEMORATION OF THE 50TH ANNIVERSARY OF WORLD WAR II

During the recess the following proceedings took place in honor of the 50th anniversary of World War II, the Speaker of the House of Representatives presiding.

The Assistant to the Sergeant at Arms, Kevin Brennan, announced the Vice President of the United States and the Members of the U.S. Senate, who entered the Hall of the House of Representatives, taking the seats reserved for them.

The SPEAKER. The joint meeting to close the commemoration of the 50th anniversary of World War II will come to order.

The Assistant to the Sergeant at Arms announced the Joint Armed Forces Color Guard.

The historical colors were carried into the Chamber; the flag was carried into the Chamber by the color bearer and a guard from each of the branches of the Armed Forces.

The national anthem was presented by the U.S. Army Chorus.

The color guard saluted the Speaker, faced about, and saluted the House.

The flag was posted, and the Members and guests were seated.

The Chaplain of the U.S. House of Representatives, Rev. James David Ford, D.D., delivered the following invocation:

Let us pray. As we gather for this special occasion, O gracious God, we offer our thanksgivings as we recall the valiant deeds and historic acts of another day, a time which lives in our hearts with gratitude and praise.

O loving God, whose will it is that all people live in harmony and peace, we ask Your blessing on all those who answered the Nation's call to service so the forces of evil would be put down and that opportunities for freedom and liberty would abound.

We especially lift up the names of those who gave their lives for others, often in places so far from home. We hold these names in high honor and reverence, for their sacrifice is etched forever in the history of our Nation. We recognize them at this time, and we join with our families in this holy memory.

We pray, O God, that as we contemplate the devotion and consecration of those who have served we will be worthy of their commitment in our stewardship of the blessings of this land. We pray, Almighty God, that the duty and honor of serving You and our country may ever enable us to take pride in our responsibilities and be faithful in all our tasks now and ever more. Amen.

The SPEAKER. It is most appropriate we hold this joint meeting of Congress to thank and honor the World War II generation who 50 years ago fought the most destructive war in history and saved the world for freedom. This morning we remember all who served our Nation, but our focus is on the World War II veteran, their families and those who served on the home front.

Many of those who served in World War II, family members of those who served as well as those who served in the home front, are our special guests this morning and at this time I think it is entirely appropriate to recognize and thank them.

First, I would like all those who have received our Nation's highest military award for valor, the Congressional Medal of Honor, to please stand and remain standing or raise your hand. [Applause.]

Next, would all World War II veterans, including our colleagues in the House and Senate who served, please stand and remain standing or raise your hand. [Applause.]

At this time, I would also like to extend the House's welcome and recognize the efforts of General Kicklighter, executive director of the 50th Anniversary of World War II Commemoration Committee. We are grateful for all you and your staff have done over the past 5 years to thank and honor the World War II generation.

I wonder if General Kicklighter, his staff, and the committee might rise for just a moment because they spent a number of years. [Applause.]

And last, but certainly not least, I want to thank two Members of Congress for their efforts in making this historic joint meeting a reality: Congressman FLOYD SPENCE and Senator STROM THURMOND. We thank you for your leadership and all the work you have done to make this occasion possible.

Let me just say that, on my part, I welcome all of you back, all of you who served your country. I think it is important for us to remember how real the dangers of evil are, how close we came to losing freedom, how difficult the fight was, and the great capacity of a free society to call on its young men and women to do remarkable things, if that is what it takes. And I hope that today will drive home for another generation the fact that the price of liberty is the willingness to sacrifice and the willingness to be committed and that you, for a very crucial time in the history of the human race, did all that you could to make sure that the cause of freedom would prevail.

Mr. Vice President.

Vice President GORE. Mr. Speaker, Mr. Leader, Members of Congress, members of the President's Cabinet, General Shalikashvili and members of the Joint Chiefs of Staff and all members of the Armed Services who are gathered here and, most of all, to our

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

World War II veterans and to their families, on behalf of the U.S. Senate, I, too, welcome you.

We are gathered this morning as a grateful people and as a grateful Nation for the culmination of our country's half century commemorations for those who served in World War II. From the still cemeteries, along the hedgerows and beaches of Normandy to the streets of a new and united Berlin, to the now calm and peaceful waters of Pearl Harbor, we have honored America's heroes throughout this past year, whether it was our soldiers who were sent to faraway lands, our Americans who did their part on the home front.

Commemorations are tinged by both glory and by sadness, by memories of great feats of the human spirit and memories of painful loss.

I have had the privilege to take part in the World War II ceremonies this year, first at Arlington National Cemetery for D-day, then at the American cemetery at Mattingly, England, in Paris, and at Berlin for VE day and finally at Fort Myer for VJ day. And along with all those gathered at these commemorations I felt the mix of conflicting emotions.

On the one hand, occasions such as these are opportunities to remember the tremendous sacrifice, the lost lives of young men and women, many whose names we will never know and who we can never adequately thank, those who are remembered by simple white stones on quiet slopes across Europe and in the Pacific. We also mourn the loss of those we did know and love, friends and family. These are scars that time simply cannot heal.

But even though we grieve our loss, we also celebrate a great victory, indeed a triumph of good over evil. While we mourn those who gave their lives, we celebrate the gifts that their enormous sacrifices bequeathed to all of us: freedom, democracy, a world safe for humankind.

There is, however, another quiet truth that is woven into the fabric of our commemorations and into our experiences as a nation at war, and that truth is simple if powerful: There is nothing America cannot accomplish when we work together. When confronted with a challenge at home or on distant shores, we are at our very best when we stand as one as Americans; and that is true whether we pursue legislation in this hallowed Chamber, rebuild after a hurricane or earthquake or join hands to defeat tyranny and oppression in places like South Africa, Haiti, Bosnia, Iraq or wherever evil shows its ugly face.

What better example of America working together than the veterans and their families who sit here today, heroes like Ruth Staples and her sister, Ina. Their entire family was involved in the war effort.

Ina's husband was a tail gunner in the Army Air Corps, flying over Europe. Their brothers, James and Owen Kline, enlisted. James was in the Navy fighting in the Pacific; and Owen, deceased just a few years ago, was a paratrooper in the 82d Airborne. And Ruth, along with her sister Edna, now deceased, did her part going to work in the rail yard in Brunswick, MD, right after graduating from high school.

Also here today are two Gold Star children, Prof. Ann Jennalie Cook and her sister Margaret Sue Cook. They were in grade school living in Oklahoma with their mother and younger brother, David, when they received a note from their father. Right before he took part in the Normandy invasion, he wrote, I am so proud of both my daughters and think you are the finest girls in the world.

Sergeant Cook would not see his daughters again. He died 6 days after D-day on June 12, 1944. But I know if he could be here today he would be just as proud to see his children and grandchildren growing strong in a world that is safe and free.

And I also know that Sergeant Cook's daughters, along with all of us, are just as proud of him, of his service and his sacrifice to keep America strong and out of harm's way; and we are no less grateful today, 50 years later, than we were on the day when victory was won.

And there is one final group that deserves special recognition today, those who served America during war and then came back home, rolled up their sleeves and served America during peace in this great building, in this wonderful Capital City, as Members of the U.S. Congress, redeeming the promise of self-governing—patriots like Representative HENRY HYDE and Senators DANIEL INOUYE, STROM THURMOND, and BOB DOLE. They answer the call to duty every day and every hour by serving the American people, reaching across party lines to work together, united as Americans, assuring our land and our citizens will be secure in a world that is free, building opportunity for all.

So, today, let all of these examples, whether sisters in Maryland, children in a family in Oklahoma, or Members of Congress from all across this great land, that the examples of these brave men and women be an inspiration to all of us. Let us remember the noble purpose which animated their efforts a half century ago and in that spirit let us continue to work together to create a world where peace, prosperity, and happiness for all are not goals for tomorrow but the realities we enjoy today.

The SPEAKER. Representative HENRY J. HYDE enlisted in the U.S. Navy on Veterans Day, November 11, 1942, and was commissioned an ensign in the U.S. Navy Reserve in October 1944. He served in the South Pacific, New Guinea, and the Philippines. He continued his military career in the Naval Reserves until 1968, retiring with the rank of commander.

The Chair recognizes the Honorable HENRY J. HYDE, Representative from the State of Illinois and chairman of the Committee on the Judiciary.

Mr. HYDE. Mr. Speaker, Mr. President, we are met today to pay tribute to the millions of Americans who, in the face of tyranny and aggression, answered "yes" when their country called.

To serve one's nation is always an ennobling experience. That is especially true when that service and the sacrifice it entails is performed in the context of a great struggle for freedom. And that, my friends, is precisely what World War II was: A great struggle for freedom, on whose outcome hung the fate of liberty and justice and decency in the world.

The years, now over 50, have had their way with us. We are fewer and grayer and slower, but the words of Lord Tennyson were never more appropriate:

> Tho' much is taken, much abides; and tho'
> We are not now of that strength which in old days
> Moved earth and heaven; that which we are, we are;
> One equal temper of heroic hearts,
> Made weak by time and fate, but strong in will
> To strive, to seek, to find, and not to yield.

When you visit the Vietnam Memorial, those 58,196 names overwhelming; but a World War II memorial would contain 291,557 names of U.S. military killed in action. And add to that our war dead in Korea and the First World War and this century, mercifully coming to a close becomes, the bloodiest century in all history.

We own an unpayable debt to those heroes of freedom whose gift of self, embodied in the performance of their duty, now rest in cemeteries in Normandy and throughout the islands of the Pacific. We commend their eternal souls to the mercy of God, in whose kingdom every tear will be wiped away.

But if we cannot repay the debt we owe our beloved dead, we may at least discharge some portion of it by being better citizens and neighbors ourselves. We may honor their sacrifice by building the kind of America they fought and died for, a land of liberty and justice for all, a decent and tolerant society, a community of civic friendship, a leader in freedom's cause in the world.

Every war produces its heroes, not all of them acknowledged. One of my heroes is Congressman BOB STUMP of Arizona who, at barely 16 years of age, exaggerated his age so he could enlist in the Navy. We both participated in the invasion of Luzon in the Philippines, January 9, 1945; but we never knew each other back then.

Another hero of mine lies buried in a cemetery at Normandy. In June 1994, as a Scottish bagpipe band played the piercing mournful strains of "Amazing Grace," I walked up to a white cross to read his name, but there was no name, just the words: "Here lies, in honored glory, a comrade in arms—known but to God."

Sacred scripture tells us there is a time for weeping. Pope John Paul II told us last week that:

> We shall see that the tears of this century have prepared the ground for a new springtime of the human spirit.

And so today, 50 years later, rather than mourn our Nation's war dead, let us thank God that such men lived.

Vice President GORE. Senator DANIEL K. INOUYE entered the U.S. Army 1 year after the attack on Pearl Harbor, joining the legendary 442d Regimental Combat Team, a unit comprised solely of Japanese-Americans. He fought in Italy and France, gaining a battlefield commission to second lieutenant. He was gravely injured on April 21, 1945, when he lost his right arm to a rifle grenade. He won numerous awards for his service, rising to the rank of captain before being discharged in 1947.

It is an honor to recognize for remarks the Honorable DANIEL K. INOUYE, Senator from the State of Hawaii and ranking minority member of the Committee on Indian Affairs. Senator INOUYE.

Mr. INOUYE. Mr. Speaker, Mr. President and my fellow Americans, during the past 4 years, Americans have gathered in cities and towns and villages throughout this land and in strange places with strange names like Guadalcanal, Iwo Jima, Anzio, Normandy, Guam, and in many other places to honor the 299,131 American men and women who stood in harm's way and gave their lives on our behalf. Thousands upon thousands of our fellow citizens participated in parades and festivities, and many inspiring speeches were heard.

As a veteran of that war, I am grateful to America for the many honors bestowed upon our fallen comrades; but, most respectfully, I feel that these glorious parades and inspiring speeches may have missed the real essence of why we were victorious, what made us win.

I remember the thousands upon thousands of schoolchildren scouring the countryside looking for scrap metal, tons of scrap metal that found its way to the front lines as bullets and bombs.

I remember the many thousands of victory gardens in every village, hamlet and town, gardens that produced over one-third of all the vegetables that we Americans consumed during that war.

I remember the long lines of citizens to give blood and to buy war bonds.

I remember the 866 American ships, merchant ships, that were sunk by submarines, carrying our cargo and the nearly 7,000 American seamen who rest at the bottom of the sea.

I remember those gallant ladies, wives and sweethearts who rolled up their sleeves and took over the places of their loved ones at the assembly lines and took over the tractors and the farms until the men returned. And I recall that, at that moment, the productivity of our Nation rose by over 25 percent in less than a month. The record shows that these sweethearts of America helped to build over 60,000 tanks, over 120,000 ships and over 300,000 aircraft.

And I recall that in the early days of this war, when the days were the darkest, more than 6 million men and women, our fellow citizens, volunteered. High among this list of volunteers were Native Americans, our first citizens, the Indians, who volunteered in larger numbers per capita than any other group.

Something happened to America at that time. I am not wise enough to know what it was, but it was the strange, strange power that our Founding Fathers experienced in those early uncertain days. Let's call it the spirit of America, a spirit that united and galvanized our people. We were ready for any challenge, any obstacle.

My fellow Americans, today the obstacles and challenges are many, but I ask where is that spirit? Eight days ago, a verdict was announced in a Los Angeles courtroom, and experts throughout this land sadly suggested that our land was divided. All of us know that, or at least we should know that, that our land is dangerously divided and dangerously polarized.

What are we, the elected voices of America, doing? Sadly, what most Americans hear are the sounds of dissension, discord and division on Capitol Hill. Instead of the great and grand voice of reason, they hear angry shouts. They see party leaders congratulating themselves on party line votes in the Congress. Americans need not go to Los Angeles to see division. They can just watch the Congress.

If we are to appropriately remember and honor those 299,131 men and women who gave their lives in the defense of freedom and in that great war, let us begin by discarding those sounds of division. Let us begin by demonstrating that we are capable of calm and resolute leadership. Let us begin the process of restoring that spirit of America that blessed us at the time of our Revolution and the Great War. We can do no less.

The SPEAKER. The U.S. Army Chorus and the U.S. Coast Guard Band will now present "Songs of the GI."

The U.S. Army Chorus and the U.S. Coast Guard Band presented "Songs of the GI." [Applause.]

The SPEAKER. Representative G.V. "SONNY" MONTGOMERY is one of the veterans' best friends. He entered World War II as an enlisted person, was awarded the Bronze Star for valor, earned three Battle Stars and attained the rank of captain by the end of the war. He was recently awarded the Department of Defense Medal for Distinguished Public Service by Secretary Perry because of the success of the Montgomery GI bill in recruiting, retention and readjustment to civilian life.

The Chair recognizes and wishes also to take a moment to express his personal feelings that we will all miss you upon your retirement next year and hopes that all will recognize the Honorable SONNY MONTGOMERY, representative from the state of Mississippi and ranking minority member of the Committee on Veterans' Affairs.

Mr. MONTGOMERY. Thank you very much. Maybe, Mr. Speaker, I should reconsider.

Mr. Speaker and Mr. Vice President, my appreciation to the minority leader for giving me this opportunity to honor World War II veterans, their families and those who paid the supreme sacrifice.

When we think of World War II, we also must think of those who were on the home front. They gave us the planes, the guns, the ships and the tanks to win the war. As mentioned, I was a combat veteran of World War II, and I saw the guns and tanks improve as new equipment came to our armored division, and we finally got tank guns better than the Germans.

There are 24 World War II veterans in the House today and 20 in the Senate. Our numbers have dropped off over the years. Thirty years ago, 55 percent of the Members were World War II veterans.

As bad as World War II was, some good things came out of it. The GI bill is an example. It was sponsored by the American Legion and passed by this Congress in 1944. This bill gave returning veterans educational benefits, homes to live in, priority on Federal jobs and good medical care.

After the war, we realized the United States had been an isolated nation. Most Americans did not even have a high school education. The GI bill helped change all of that, and some historians say this bill might be the most important legislation passed in this century.

The key point I want to make this morning is aimed at our young people: Freedom and democracy don't come without a price. More than half of the people living in America today were born after World War II. They need to know the great sacrifices that were made to preserve the freedom we all enjoy.

In 1994 and 1995, Congressman BOB STUMP and I led House delegations to Europe and then to the Pacific to celebrate the 50th anniversary of the war's end. In visiting the American cemeteries in Europe and the Punch bowl in Honolulu—HENRY HYDE touched on this—I was greatly moved as I walked among the crosses and Stars of David of young Americans who had lost their life. Most were only 18, 19 years old. Some of the markers read, "This man is known only to God."

These 18- and 19-year-olds answered the call of their country and should never be forgotten.

In Washington, thanks to Congresswoman MARCY KAPTUR and others, a World War II memorial will be built on The Mall near the Vietnam and Korean memorials. The site has been approved and design and fund-raising are in progress. It will take at least 5 to 7 years to complete the project. This memorial is important, but it does not discharge the debt we owe to those who served.

Many veterans across the country were in Honolulu in August celebrating VJ day. A Honolulu newspaper headline read:

> The old World War II boys and girls are in town for their last hurrah, so let's let them have a good time.

Maybe this is our last hoorah, but the newspaper should have also have said, these citizen-soldiers from small towns and big cities were with us when we needed a win.

I close with a comment that former President George Bush made on Pearl Harbor Day in 1991. He said:

> The lessons of World War II will live on and well they should: preparedness, strength, decency and honor, courage, sacrifice, the willingness to fight and even die for one's country.

The commitment to duty, honor and country was strong among those who served in World War II. Today, we might be a little bent over, slightly overweight and we walk with a limp, but our heads are high with the pride of serving this great country.

God bless these wonderful veterans, wherever they are. Thank you.

Vice President GORE. Senator STROM THURMOND began his military career on January 9, 1924, when he was commissioned a second lieutenant in the U.S. Army Reserves. He entered active service in 1942 and was assigned to the 82d Airborne Division, parachuting into Normandy, France, on June 5, 1994. He was awarded five Battle Stars, 18 decorations and numerous medals and awards. He continued his military service in the Army Reserves rising to the rank of major general.

The Chair recognizes the Honorable STROM THURMOND, Senator from the State of South Carolina, President pro tempore of the Senate and chairman of the Committee on Armed Services. Senator THURMOND. [Applause].

Mr. THURMOND. Mr. Speaker, Mr. President, it is an honor for me to address this joint meeting of Congress to commemorate the 50th anniversary of the end of the Second World War; and it is my privilege to cochair this event with my able and distinguished colleague from South Carolina, Congressman FLOYD SPENCE.

It is appropriate that we commemorate the end of the war, for it is truly a defining moment in our history. It is also fitting that we honor the memory of those who supported the war effort, those who served and particularly those who fell.

Many individuals worked unselfishly and to the limit of their ability to achieve the victory. Many contributed their best efforts to provide our soldiers, sailors, airmen, marines, Coast Guardsmen and merchant mariners with the means they needed to prevail. Many served in uniform and placed their lives at risk and many paid the ultimate price.

We pause today to remember these sacrifices because each one was an essential component of our overall success and, without them, our world today would be a very different place. We pause to express our formal appreciation of those who placed the value of liberty and the future of our civilization above their own personal safety and comfort. Our hearts go out once again to the parents and loved ones whose loss has been so great.

This is also a day to recall the bravery of individuals who were decorated and particularly those who were awarded the Medal of Honor. In the Chamber today are three veterans who were awarded the Nation's highest honor whom I would like to recognize:

Col. Charles Murray, who personally attacked an enemy position of more than 200 soldiers, then led the platoon to capture their objective and despite serious wounds refused medical attention until his men were deployed for a counterattack.

Capt. Maurice Britt, who endured multiple grenade and bullet wounds in an intense firefight but refused medical attention and led a small group of his men in repelling a very strong enemy attack.

And Rear Adm. Eugene Fluckey, who entered a harbor containing more than 30 enemy ships while commanding the submarine U.S.S. *Barb*. He destroyed six of the enemy ships, escaped the harbor with his boat and crew, and sank another ship 4 days later.

I am proud to recognize these fine Americans who are with us today.

The event we commemorate today is in sympathy of the military victory of the allies over the Axis powers. The end of the Second World War means much more than that. It signifies the end of a period of tyranny of a magnitude and scale previously unknown in the world. The images of combat in this war are horrible, as are those of the concentration camps, the senseless murders of civilians and the mistreatment of prisoners of war.

Today, we commemorate the end of an event that continues to serve as a warning to aspiring dictators that men will bear any hardship to secure their ultimate freedom. This event is also a powerful symbol and indicator of what good people working together in a just and righteous cause are capable of achieving. It also serves to remind free men that freedom is not free and that freedom is always worth the price.

There is a panel inside the rotunda of our U.S. Capitol depicting freedom in the form of a woman with her soul upraised chasing away a figure depicting tyranny. That sentiment, expressed by the artist Bernini 150 years ago, is the same heartfelt sentiment of our Founding Fathers, of those who sacrificed in the Second World War and of those of us here today.

Let us dedicate ourselves to a future anchored on that sentiment and worthy of these sacrifices.

Mr. Speaker and Mr. President, I thank you for this opportunity to honor our veterans, their families and also those who served on the home front. God bless our veterans and God bless this great country for which they fought.

The SPEAKER. It is an honor for me to introduce our next speaker. He is a distinguished World War II veteran who was awarded the Medal of Honor for his uncommon valor, leadership and inspiration during the bloody battle of Guam in July 1944.

During that battle, Marine Capt. Louis H. Wilson commanded his company through some of the Pacific war's most vicious combat. During several continuous days of battle, he led his men, spearheading attacks and repelling enemy counterattacks.

He was wounded three times, yet denied first aid for himself until he saw to the needs of his men. For his heroic actions on Guam, he was awarded the Medal of Honor. He went on to become the 26th Commandant of the U.S. Marine Corps.

The Chair recognizes Gen. Louis H. Wilson, U.S. Marine Corps retired, an esteemed World War II veteran Medal of Honor recipient and former Commandant of the Marine Corps.

General WILSON. Thank you, Mr. Speaker, Vice President, ladies and gentlemen of the Senate and the House of Representatives and distinguished guests.

Today, I stand before you representing over 17 million American men and women who served our Nation in the Army, the Navy, the Marine Corps, the Coast Guard and the Merchant Marines during World War II. The war engulfed the world and shook our country. Americans from all walks of life and from every State and territory in our Union joined in the struggle that ultimately saved the very concept of freedom and democracy.

Today, we begin to close the commemoration of a victory 50 years ago. That victory is not without an incredible toll in lives and effort by those individuals in the Armed Forces that won that war and the families who sacrificed so much.

These young Americans of five decades ago were plunged into a war which had a scope and intensity hardly conceivable today. They did not seek or expect the war which descended upon them, yet these ordinary citizens rose brilliantly and selflessly, leaving homes and families in answer to their country's cause. They joined in a united effort and relentless struggle to defend liberty and did so on land, in the air, on and under the sea, in tropic heat and arctic cold, in rain forests, mountains, deserts around the globe.

During the 4 years of this war, they suffered torment, disease, and near starvation. They lost their youth, their health, and, far too many, their lives. More than 290,000 Americans gave their lives, over 670,000 were wounded and more than 105,000 suffered as prisoners of war.

Our victory changed this Nation forever. It transformed the generation which had grown up in despair of economic depression. It accelerated the movement toward true equality for all, which continues to this day. Most important of all, it brought hope and belief in the future, opening the way for the most prosperous economy in the history of mankind and powering an unprecedented advance of science and technology. None of this could have occurred without the men and women of a half century ago who fought for our country's freedom, and, as you have heard, some of whom are in this very room today.

The marvelous world which we have today and the wonders of the age which we now enjoy were made possible by the noble sacrifices of each of those who fought against tyranny and oppression. As the half century anniversary of the end of World War II draws to a close, we mark a significant milestone in our Nation's history and in our goal for a better life, a better life not just for Americans but for all peoples of the world.

The end of the World War II was the beginning of a new era. It brought the light of freedom to millions who had known only the bonds of colonial servitude. It brought a belief in the common interest of all nations in the preservation of peace and prosperity. In the intervening 50 years, the lives of almost everyone here and in the world has been enhanced beyond comparison.

And as we pass the torch to future generations we are confident that America remains ready for the challenges to come. I am certain that our Nation today has the same caliber of patriots as those who brought us victory in World War II. And when our country is called upon to rise again to an equally difficult task, let us pray that it is served by men and women such as those who served 50 years ago. If so, our Nation will be well served indeed. [Applause.]

The SPEAKER. The Honorable Robert H. Michel, former Republican leader of the House of Representatives, was elected to the 85th Congress and for 36 years served the constituents of Peoria, IL, with great distinction until his retirement at the end of the 103d Congress.

During World War II, he also served with great distinction. He was a combat infantryman in England, France, Belgium, and Germany. Having been wounded by machinegun fire, he was discharged as a disabled veteran after being awarded the Bronze Star, Purple Heart, and four battle stars.

At this time, the Honorable Robert H. Michel will lead the U.S. Army Chorus in singing "God Bless America."

Mr. MICHEL. Mr. Speaker, and Mr. President, distinguished members of the military, my colleagues, and ladies and gentleman, I am deeply honored that you should call me out of retirement to lead the singing of "God Bless America." But before doing so, let me take just a moment.

I have always been very proud of the fact that I was privileged to serve my country for better than 40 years, both in the military and in this Congress. And it seems to me that those of us outside of Government, outside of the military, owe the utmost of respect to both the military and to our three coordinate branches of Government that represent civil authority.

And, you know, we really ought to be proud of our country, if for no other reason than in the last few years the majority of emerging democracies are opting for our system of government. That ought to make us all mighty proud, whether we are in the military, whether we are in the civilian authority.

So, for me, I thought what a privilege and a pleasure to be asked back to lead you all with our good friends from the Army Chorus, the U.S. Coast Guard Band and join this old soldier in singing "God Bless America."

The United States Army Chorus rendered "God Bless America." [Applause.]

Vice President GORE. Senator ROBERT DOLE enlisted in the United States Army in 1943 and served as a first lieutenant with the Tenth Mountain Division in Italy. He was gravely wounded during the battle of Mount Belvedere, north of Florence, and was twice decorated for valor. His decorations include two Purple Hearts and a Bronze Star with oakleaf cluster. He was discharged with the rank of captain.

After helping the veterans gathered here and others to win World War II, he continued a personal battle against the injuries sustained in service to this country. Anyone who knows the story of BOB DOLE's victory and that personal battle knows something about true courage.

The Chair recognizes the Honorable ROBERT DOLE, the majority leader of the Senate and Senator from the State of Kansas.

Mr. DOLE. Mr. Speaker, Mr. President, my House and Senate colleagues and fellow veterans, and I know there are many here today and many in the gallery, men and women:

I might add, as I have been sitting there listening to other speakers, you think about a lot of things. I thought about Percy Jones General Hospital, where DAN INOUYE was the best bridge player in the hospital. He played all night long and all day.

I remember Col. Philip Hart. The Hart Building is named after Colonel Hart. We were on the same ward together. I was a second lieutenant; he was a colonel. He was out running errands for me. I couldn't believe it, but it happened.

You think about your best friends who didn't come back. You think about a lot of things. And then you think about what Oliver Wendell Holmes said. He said, "In our youth, our hearts were touched by fire."

I think the same is true for my generation. Our hearts were also touched by fire as we united from the front line to the factory line to save the world for democracy.

And I know I speak again for all veterans here today, men and women, in saying that we consider ourselves fortunate that we returned home after the war and today, like every day, we should remember those courageous Americans who made the ultimate sacrifice for their country.

Americans like 23-year-old Lt. William Ford, Jr., who lost his life in an Air Force training mission on October 1, 1943; and Americans like his 21-year-old brother, Sgt. John Ford, who was killed less than 2 weeks after William when his aircraft was shot down over New Guinea 52 years ago tomorrow.

And with us on the House floor this morning is William and John Ford's mother, Mrs. Anastasia Ford. Mrs. Ford, would you please stand?

To you, Mrs. Ford, and to all those loved ones who gave their life for their country, America offers our respect and our appreciation and our enduring prayers. And you also have our promise that the best way, indeed the only way, to honor the memory of David and John Ford is to ensure the survival of the ideals for which they fought and died.

That was the message delivered from this podium just over 50 years ago when my hero, Dwight Eisenhower, addressed the House of Representatives. We are honored that his son, John, is here today.

John, we are honored to have you here. Please stand, John.

And General Eisenhower came that day to thank the 3 million American soldiers who had served under his command and to express our thanks for the support we had received from the home front. And he spoke for the ages when he said that, and I quote, "There is no doubt that our people's spirit of determination will continue to fire this nation through ordeals yet to come.".

And one of the great lessons of this century and the legacy of an entire generation is that Ike was right. America has faced many ordeals in the past half century, and the spirit of determination of the American people fired our country through all of them.

So as we remember and pay tribute to the last 50 years, we must look ahead to the next 50 years, particularly Senator THURMOND, to the ordeals we face now and those yet to come: Ordeals like the budget deficit that threatens our children's tomorrow and the scourge of drugs that threaten their today.

In looking forward, it should become clear to my generation and to all generations that our work is not yet finished and our mission is not yet complete.

So as we leave this Chamber today let this Congress and the American people resolve to face our ordeals and tackle our problems with the same spirit of determination, the same courage and the same unwavering belief in the rightness of our mission that we displayed 50 years ago when our hearts were touched by fire and when America saved the world.

The SPEAKER. The benediction will be given by the Reverend Lloyd John Ogilvie, Chaplain of the U.S. Senate.

The Chaplain of the Senate, the Reverend Lloyd John Ogilvie, offered the following benediction:

Verses from the 46th Psalm provide an appropriate conclusion to this ceremony.

> The Lord of Hosts is with us. Come behold the works of the Lord for He makes wars to cease. Be still and know that I am God. I will be exalted in the Earth. I will be exalted among the Nations.

Let us pray. O Lord God of hosts, be with us yet lest we forget, lest we forget. As we conclude this period of national celebration of the end of World War II, keep us mindful that it was because of Your intervention that we were able to break the back of tyranny. May we never forget the supreme sacrifice of so many to accomplish so much to liberate humankind from the evil grip of a brutal enemy.

And, Lord, sharpen our memories of what can be done when we trust You completely and work together in unity in a cause of patriotism that demands our utmost for Your ultimate purpose for our Nation. May our greater loyalty to You and what is best for our Nation overcome our secondary party spirit that often divides us.

Lord, bring us together as we claim Your supernatural wisdom in solving the problems that confront us and Your strength and courage for grasping the full potential of Your destiny for our great Nation. In Your victorious name, O Jehovah shalom, the only source of lasting peace, who calls us to be peacemakers together. Amen.

The SPEAKER. Members and guests will stand for the retirement of the colors.

The colors were retired from the Chamber.

The SPEAKER. At this time, the Members of the Senate will retire.

The Members of the Senate retired from the Chamber.

The SPEAKER. The purpose for the joint meeting having been fulfilled, the joint meeting is concluded. The House will continue in recess until approximately 11 a.m.

The honored guests retired from the Chamber, at 10 o'clock and 16 minutes a.m. The proceedings to close the Commemoration of the 50th Anniversary of World War II were concluded.

□ 1101

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore [Mr. SHAYS] at 11 a.m.

PRINTING OF PROCEEDINGS HAD DURING RECESS

Mr. KNOLLENBERG. Mr. Speaker, I ask unanimous consent that the proceedings had during the recess be printed in the CONGRESSIONAL RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

50TH ANNIVERSARY OF WORLD WAR II

(Mrs. FOWLER asked and was given permission to extend her remarks at this point in the RECORD and to include extraneous matter.)

Mrs. FOWLER. Mr. Speaker, like many Americans, I have taken a great deal of interest in the events commemorating the 50th anniversary of World War II. Particularly fascinating to me have been the reminiscences of veterans and civilians who came through the great struggle and lived to tell the tale. Their stories illustrate both the huge scope of the conflict and the personal toll it exacted on individuals and families.

More than 16 million Americans, including my father served in the U.S. Armed Forces during the war. Of those, more than 400,000 lost their lives, and thousands more were grievously injured. Others were separated from their families for years, fighting in far-off lands or holding on to the hope in dreary POW camps.

In peacetime, it is all too easy to forget the courage and commitment of these Americans, and the heavy price they paid for our freedom. It is also easy to take for granted the important work our men and women in uniform still do every day.

This commemoration has served as an important reminder of these things. One of the greatest tributes our Nation can pay to those who gave so much is to maintain a strong national defense—both to protect what they bought at such a great cost, and to ensure that no lives are lost in the future because we were caught unprepared.

Albert Pike once said that what we do for ourselves dies with us, but what we do for others remain and is immortal. As this commemoration ends, let us all remember the immortal contributions of those who offered up everything they had so that we might live in the sunshine of freedom. And let us renew our commitment to maintain that precious gift so that their sacrifice will not have been in vain.

THE 50TH ANNIVERSARY OF END OF WORLD WAR II

(Mr. STUMP asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. STUMP. Mr. Speaker, I am proud to be one of 21 current Members of the House of Representatives being honored for military service during World War II.

We, along with the millions of other young men and women who served our country in uniform during that war, strongly believed we were each doing our part for America.

We all served together, side by side. One people, one war, one commitment, and one objective—to restore the peace and the freedom to those overwhelmed by tyranny.

Mr. Speaker, Americans of all religions, of all races, and of diverse political philosophies, came together on the battlefield and on the homefront, helping to extinguish the flames of oppression and the evil that infected mankind throughout the world. America provided a beacon of hope in a dark sea of despair.

On our road to victory in World War II, the names of the battles and the campaigns are engraved in the annals of war and history. The blood of thousands of brave young Americans consecrate innumerable battlefields around the world: Pearl Harbor, Bataan, Coral Sea, Corregidor, Midway, Guadalcanal, North Africa, Sicily, Solerno, Anzio, Tarawa, Monte Cassino, Normandy, Saipan, The Philippine Sea, Peleliu, Leyte, Luzon, the Bulge, Iwo Jima, and Okinawa.

Mr. Speaker, although that war brought out the frenzied depravity in man—the Holocaust, Manzinar and other Japanese relocation camps, racial segregation, ethnic cleansing, criminal mistreatment of allied POW's, and the destruction of more than 55 million men and women, certain historic events symbolized the benevolence of Americans as well. The Red Cross, the Homeguard, Gold Star Mothers and Wives, War Bonds, care packages, and the reconstruction of Germany and Japan.

The Commemoration of the 50th Anniversary of World War II will end with a closing week of ceremonies in November. Although, this event will mark the official end of commemorations, we must never forget to honor those brave men and women who served in the war that changed our future.

Mr. Speaker, this generation of Americans had a rendezvous with destiny. Fifty years ago last month, General MacArthur stood upon the deck of the U.S.S. *Missouri*, in Tokyo Bay, to receive the unconditional surrender of the Empire of Japan. In MacArthur's closing remarks, he spoke directly to the mothers, the fathers, the wives, and the sweethearts of those men and women back home.

> And so my fellow countrymen, today I report to you that your sons and daughters have served you well and faithfully . . . their spiritual strength and power has brought us through to victory. They are homeward bound—take care of them.

Mr. Speaker, I would say to my fellow Americans, to take care of them as well. I speak to the spouses, the children, the grandchildren, and the friends of those brave patriots who served this country in war. Please continue to care for them. They deserve it, and they have earned it.

In the 50 years since they have returned home, they have faithfully served this country with dignity, and with strengthened character. They have all helped to create the single greatest country on the face of the earth, and have altered, for the better, the future of mankind, both at home and abroad.

Mr. Speaker, for those who are no longer with us, there are no words to adequately describe the supreme sacrifice each has made in the service of their country.

But words in the context of why we honor their memory, pale in comparison to the ultimate deed that these brave Americans have done for us now living in a free world. We must all sustain the memories of their heroism and their service with respect, with reverence, and with our heartfelt affection.

Our humble words can never repay the debt that we owe these great men and women, yet, we can strive to keep their faith and to uphold their vision which led them into battle and to their final sacrifice.

Mr. Speaker, we are, after all, the caretakers of their memory.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 94. Concurrent resolution authorizing the use of the rotunda of the Capitol for a dedication ceremony incident to the placement of a bust of Raoul Wallenberg in the Capitol.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair announces that we will have fifteen 1-minute speeches on each side.

MEDICARE REFORM A SMALL BUSINESS PRIORITY

(Mrs. KELLY asked and was given permission to address the House for 1 minute.).

Mrs. KELLY. Mr. Speaker, I rise this morning to mention one of the other reasons we must reform Medicare—our Nation's small businesses.

It is conservatively estimated that employer costs will rise by more than 125 percent in only seven years, if we fail to fix Medicare. Mr. Speaker, what small business can survive overhead like that?

Our Nation has more than 20 million small businesses, and it is these organizations which have made us the super power we are.

They are the engines of innovation and growth in our economy, providing virtually all the new jobs in our country over the past 10 years.

My State is the 2d most taxed State in the Nation, and my district is the 12th most taxed district in the country. I ask you, Mr. Speaker, how can I justify this increased burden on my small businesses?

Mr. Speaker, I hope that when the fearmongers start throwing their fictitious claims they remember the 37 million beneficiaries and our 20 million small businesses, rather than just their petty political goals.

SYMPTOMS IN THE HEADLINES

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker: Prosecutor executed in Boston; World Trade Center bombed: Federal building blown up in Oklahoma: Amtrak train sabotaged in Arizona; A mailbox Unabomber that is killing people through mailboxes: 25,000 murders a year; in some cities high school dropout rates over 50 percent.

I believe these are symptoms, Mr. Speaker, and Congress is addressing them as problems. Maybe the problems will be found in the Federal laws that reward dependency, penalize achievement, subsidize illegitimacy, kill families, kill investments, kill jobs.

I say to my colleagues: without jobs we will continue to have the symptoms that are the headlines of the U.S. papers.

THE REPUBLICAN PLAN PRESERVES AND PROTECTS MEDICARE

(Mr. TIAHRT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TIAHRT. Mr. Speaker, this weekend I spoke with my parents, and they are very concerned about the bickering that is going on over Medicare. This morning, in honor of the World War II veterans, we heard Senator INOUYE ask that we work together to attack our common problems here in America. Well, Mr. Speaker, here are the facts on Medicare:

The President's board of trustees has told us that by 2002 Medicare will be bankrupt. The Republicans have a plan to preserve and protect that program. The plan includes the fact that no senior will be required to give up their Medicare benefits, that the payments will go from $4,800 per year per beneficiary this year up to $6,700 per year per beneficiary. They will also offer options to seniors for other types of Medicare plans.

Mr. Speaker, some Members of Congress would try to scare our seniors into supporting opposition to this plan. It is a good plan. I request the seniors in America to call their Congressman and support the Republican plan to preserve and protect Medicare.

TRUTH IN THE DETAILS

(Mr. KNOLLENBERG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KNOLLENBERG. Mr. Speaker, for all my colleagues who tried to scare the American public into believing that the devil was in the Republican Medicare plan, they forgot one thing, the truth is in the details, and in the marketplace of ideas, the truth will prevail.

The 1960's Medicare System is going broke. The Democrats know it, the Republicans know it, and the American public knows it. The truth in the details about the Medicare Preservation Act, is this:

There are no cuts in Medicare spending, we increase per beneficiary spending by $1,900. There is no increase in Medicare copayments. There is no increase in Medicare deductibles. And there is no change in the current rate of Medicare premiums. Most importantly, the $270 billion saved by Medicare under this proposition will be kept in Medicare to ensure its solvency for years to come.

Mr. Speaker, the truth is in the details.

LET US TALK ABOUT DETAILS

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, I think it is very important to talk about the details. Let us talk about what is going on with Medicaid. Some of those details we know. There was no hearing, but, nevertheless, the Committee on Commerce has marked up the bill.

And let us talk about some of the, I think, very non-family-friendly things that they did:

If a couple suddenly finds one of them very, very ill and needing nursing home care, they did away with the 1988 statute that we passed, and now the entire couple's resources must be expended before they can go on Medicaid.

Mr. Speaker, in 1988 we said that was not fair, the resources should be divided between the two, and they only had to deplete half because the remaining family members should not have to be poor. It also allows us to reach out and go back to the adult children and attach their homes. We always felt that that was not fair either, that nobody wants to be dependent upon their children, and it also removed the standards that we fought so hard for in nursing homes.

Mr. Speaker, kennels will have more standards than we will have in nursing homes.

THE TRUTH

(Mr. KIM asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KIM. Mr. Speaker, I am really concerned about this assault and accusation that the Republicans are trying to give millions and millions of dollars' tax credit to rich people at the expense of poor, elderly people by cutting Medicare spending. I am really concerned. This is a bunch of lies.

Let me tell my colleagues exactly what happened.

Here is a tax credit; they are talking about tax cuts, which is $500 tax credit for child support. That money does not come from Medicare spending. It comes from actually non-Medicare spending cut, which is about $622 billion. None of that Medicare money going to tax cut.

The second lie: Republicans just passed amendment to Medicare bill which prohibits any money being transferred from Medicare fund to other, other account.

Come on, let us stop this rhetoric. No money shall be transferred for the Medicare to other funds except Medicare trust fund itself. That is the truth.

AMERICA'S SENIORS BEING SOLD UP THE RIVER

(Ms. DELAURO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DELAURO. Mr. Speaker, backroom deals are becoming the standard for this new Congress. Last night, after a closed door meeting with Speaker GINGRICH the American Medical Association reversed its position and announced the association will now support the proposal.

According to the New York Times, a representative of the AMA reported that the organization reversed its position because "doctors would receive billions of dollars more than the Republicans had planned. But he and Mr. GINGRICH refused to give the details, nor would they specify which other groups might receive less money to make up the difference."

Well, why do we not make an educated guess? Medicare savings can only be achieved by cutting from providers or from beneficiaries. And, if the Republicans are not cutting from providers then guess who is making up the difference? America's seniors.

While Republicans buy off the special interests, it is America's seniors who are being sold up the river.

NO CONNECTION BETWEEN CUTTING TAXES AND MEDICARE

(Mr. HEFLEY asked and was given permission to address the House for 1 minute.)

Mr. HEFLEY. Mr. Speaker, liberal Democrats are, I believe, at the end of their rope. They know that action must be taken to preserve Medicare for future generations. But they come to the well and spew the grossest class warfare slogans I have ever heard.

Democrats go on and on about tax cuts for the rich.

But, least we forget, to a Democrat, anyone who has a job is rich. Anyone who has children is rich. Anyone who pays taxes is rich.

Mr. Speaker, there really is no connection between cutting taxes and Medicare. Medicare is going bankrupt—period. That has nothing to do with tax rates, or capital gains tax rates, or what level of income pays the biggest share of the tax burden.

But one thing is clear—Medicare is going bankrupt. No matter how hard they cry and scream about tax cuts, Democrats have not lifted one finger to save Medicare. And that is wrong.

EXTREME CUTS NOT NEEDED IN ORDER TO SAVE MEDICARE

(Mr. GENE GREEN of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GENE GREEN of Texas. Mr. Speaker, just so my colleagues know that there are two sides to the debate, Medicare is not going bankrupt until, not going bankrupt until, the year 2002, and we can change Medicare by cutting over the next few years and increasing beneficiaries' costs may be $90 billion, not $270 billion. That is why the Republicans are scared, because the American people are not buying what they are trying to sell them. It is a tax cut of $245 billion over that same 7 years and a Medicare cut of $270 billion.

Mr. Speaker, the American College of Physicians and Surgeons, the AARP, finally came off of dead center and said it is wrong. We even have a freshman Republican doctor who has been quoted as saying, "I guarantee you that these reductions will be bad for quality health care, not just for our senior citizens, but also for working people."

Hello. Earth to the other side of the aisle. Listen to your own people. These extreme, and that is extreme, cuts do not need to be made to save Medicare, only $90 billion, not $270 billion.

PROUD TO BE A PART OF MEDICARE REFORM

(Mr. SAM JOHNSON of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SAM JOHNSON of Texas. Mr. Speaker, let me correct the statement that was just made. It is not $90 billion; $90 billion in the Democrat plan takes us out to the year 2006. Guess what? There are 4 more years before the baby boomers arrive, and that is where the real problem exists. Our reform takes us out to that point, and there is a $300 billion difference in their plan and ours. They do not fund Medicare.

As my colleagues know, today is an important day for me because I am 65 and I have got a Medicare card. Guess what? I worried about it because of the bankruptcy, so I have spent months working with doctors, hospitals, nursing homes, insurance companies, and seniors in my district, as have a lot of us around the country, to save Medicare and find a solution. As my colleagues know, we have come up with a smorgasbord of choices, and I am proud to have been a part of the reform effort, not only for myself, but for every American who depends on Medicare. I am proud knowing that Congress has not just looked toward the next election, but we have looked to the next generation to make a better America for our kids.

□ 1115

HEALTH CARE IN RURAL AMERICA

(Mr. DE LA GARZA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DE LA GARZA. Mr. Speaker, I may be one of the few here that voted for Medicare, and the counterparts of the Members now that are complaining chastised me for having voted for Medicare when it was enacted in my first session of Congress.

I am concerned about rural America and health in rural America. The cuts proposed by our colleagues will increase the severe financial pressure on rural hospitals, and force some rural hospitals to close. Rural hospitals lose money on Medicare patients while urban hospitals make a small profit. Medicare accounts for almost 40 percent of the net patient revenue in the average rural hospital, as much as 80 percent in some rural hospitals. The Republican cut of $58 billion over 7 years, a 20-percent cut in 2002 alone, will almost devastate most rural hospitals. We need to look at that.

I went throughout my country. I did not see what my colleagues were saying in their prepared speeches.

The Republican Medicare cuts will force 9.6 million older and disabled Americans in rural America to pay higher premiums and higher deductibles for a weakened second class Medicare Program.

Medicare spending for people in rural areas of America will be cut by $58 billion over 7 years—a 20-percent cut in 2002 alone.

The Republican cuts will increase the severe financial pressure on rural hospitals in America and force some rural hospitals to close. Today, rural hospitals lose money on Medicare patients while urban hospitals make a small profit. Medicare accounts for almost 40 percent of net patient revenue in the average rural hospital, and as much as 80 percent in some rural hospitals.

According to the American Hospital Association, under the Republican cuts, the typical rural hospital will lose $5 million in Medicare funding over 7 years.

Rural Medicare recipients would lose much-needed doctors. America's rural Medicare recipients would need 5,084 more primary care physicians to have the same doctor to population ratio as the Nation as a whole. Yet the American Medical Association has stated that the cuts in Medicare are so severe that they "will unquestionably cause some physicians to leave Medicare." [New York Times, October 10, 1995.]

THE CLEVELAND INDIANS—A TEAM OF DESTINY

(Mr. HOKE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.

Mr. HOKE. Mr. Speaker, I thank my friend, the gentleman from Washington [Mr. METCALF], from the great apple- and fish-producing State, for his friendly wager on the outcome of the American League Baseball Championship series between the mightly Cleveland Indians and a team from Washington. I am sorry that I was not here yesterday to accept his bet immediately, but consider it done.

Mr. Speaker, I will wager an assortment of high-pressure hose fittings, high-quality roller bearings, and of course as much slab steel as the gentleman from Washington [Mr. METCALF] thinks that he can use. Cleveland, after all, is a working man's city, and we make stuff, we do not pick it off trees or pull it out of rivers.

However, since I am not sure how well industrial products are appreciated in the more agrarian regions of our great and vast country, I will also throw in a case of beer from our Great Lakes Brewing Co. and an assortment of Polish pierogies, German bratwurst, and Hungarian paprikash.

I do not mean to predict an outcome or want to sound overconfident, but just for the sake of clarification, I think the gentleman from Washington should know that I like my apples green and my salmon smoked.

The Indians are a team of destiny. No one knows more about overcoming adversity than the Cleveland Indians, except maybe House Republicans, and it is no coincidence that the last time the Indians won the pennant was the last time the Republicans controlled the House in sweeping proportions, just like the Indians will take the pennant this year.

The LOCKBOX IS A SHAM

(Mr. BENTSEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BENTSEN. Mr. Speaker, all along, the Republican Medicare plan has been nothing but a shell game to design to hide that they are cutting Medicare to pay for tax cuts for the rich. The American people were not fooled, and they quickly caught on that Medicare would have to be cut by $270 billion if the Republicans were not also trying to cut taxes by $245 billion.

In fact, $150 billion of the Medicare cuts the Republicans propose having nothing to do with the insolvency proposed in part A, so the Republicans have now introduced a new gimmick: the so-called Medicare lockbox.

Each new explanation only makes the Republicans look more and more like a kid caught with his hand in the cookie jar. The fact is we have a single Federal budget with a single bottom line. Tax cuts and Medicare expenditures are both part of that bottom line. If you cut taxes by $245 billion, then you have to make up the lost revenues in order to balance the budget by 2002. The Republicans make up that lost revenue by cutting Medicare.

To claim that tax cuts are paid for from other cuts is absurd. The lockbox is a sham. Democrats want to fix Medicare as we always have, and the Republicans are not being honest about their intentions to raid Medicare to pay for tax cuts for the rich.

WE MUST LISTEN TO OUR CONSTITUENTS ON THE MEDICARE ISSUE

(Ms. JACKSON-LEE asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. JACKSON-LEE. Mr. Speaker, I wonder whether anyone reads their mail. I take time to do it, and I think it is important as we debate this matter, since we are only having about half a second of hearings on Medicare, to really listen to the constituents.

I can tell you I am getting a lot of mail. From Sister Jane Abell of the Dominican Sisters:

> I am opposed to the proposed Medicare and Medicaid cuts, especially when the Congress wants to give the Pentagon $7 billion more than they requested. In my view it is unjust to make the most vulnerable people in our society bear the brunt of needed cuts. I hope this issue will be more fully debated and more humane compromises reached.

Yes, Sister, I am going to be working on that and so are the Democrats.

Two senior citizens say:

> My wife and I have had total of 14 operations. We spend $650 per 3 months for Medicare Plus insurance. About one-third of our retirement goes for medical. We do not need cuts, we need to clean up what we have and cut the waste.

That is what we are saying to the Republicans: Cut the waste and the fraud and abuse, do not take $270 billion out of Medicare just to give tax increases to those who well can afford it. Let me tell you something. If you listen to our hospitals, Texas Children's, our local community hospitals, they are saying, "Do not cut Medicare and Medicaid, do not cut services." Let us be rational, let us be real. Let us do something right for Medicare and for our senior citizens.

MEDICARE CUTS HURT

(Mr. FARR asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FARR. Mr. Speaker, last week I got a check in the mail.

At first I thought it was a check for having a flag flown over the Capitol.

But it wasn't.

Then I thought maybe it was a misdirected campaign contribution.

But it wasn't.

Then I looked again.

It was a check from a senior citizen in my district who is so scared she will lose her Medicare benefits, she wanted to contribute $10 to the government to make the system whole again.

She thought that if enough people contributed $10, everything would be all right and she could rest easy about the state of her health care.

Mr. Speaker, I wish I could give her that reassurance.

Not only did I send the check back to her, I had to tell her that the outlook was bleak for protecting her health care under current proposals now making their way through the reconciliation process.

It's a sad day in America that we've come to this point; that our senior citizens are so scared of our actions that they are begging us not to take away their health care.

I sent the check back but, unfortunately, it won't even begin to cover her Medicare cuts.

My constituent is going to need that $10 check. Actually, she's going to need a whole lot more.

TOO MUCH MONEY IN HEALTH CARE CUTS AND TOO MUCH MONEY TO THE AMA

(Mr. KLECZKA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KLECZKA. Mr. Speaker, a lot of talk has been had today on Medicare. Let me make two quick points. No. 1, there is a solvency problem of Part A, the hospital trust fund, and we are told to extend the solvency to the year 2006 it will take $90 billion. In about 10 minutes the Democrats on the Committee on Ways and Means will produce their bill to save the Medicare trust fund, but although it takes $90 billion to save the trust fund, the Republicans are cutting $270 billion. I ask, why are they cutting three times as much as necessary, and after they cut $270 billion, they resolve the trust fund to the year 2006 also? Because the balance is going for tax cuts.

We had a committee meeting marking up the Medicare bill yesterday. There was an amendment to provide for mammography screening for women 65 and over. The amendment was defeated, with all Republicans voting against it, and the reason they say we could not provide this screening for women: We do not have the money. At the same time, the Speaker is sitting with the AMA giving them $3 billion in a payoff so they would come out and support the bill. Let us get real.

APPOINTMENT OF CONFEREES IN LIEU OF CONFEREE ON S. 440, NATIONAL HIGHWAY SYSTEM DESIGNATION ACT OF 1995 AND S. 395, ALASKA POWER ADMINISTRATION ASSET SALE AND TERMINATION ACT

The SPEAKER pro tempore (Mr. SHARP). Without objection, the Chair appoints the following Members as conferees to fill the vacancies resulting from the resignation from the House of the gentleman from California [Mr. MINETA]: Mr. BORSKI, on S. 440; Mr. OBERSTAR, for consideration of House amendment No. 2 for the conference on S. 395.

There was no objection.

The SPEAKER pro tempore. The Clerk will notify the Senate of the change in conferees.

PERMISSION FOR CERTAIN COMMITTEES AND THEIR SUBCOMMITTEES TO SIT TODAY DURING 5-MINUTE RULE

Mr. HEFLEY. Mr. Speaker, I ask unanimous consent that the following committees and their subcommittees be permitted to sit today while the House is meeting in the Committee of the Whole House under the 5-minute rule:

The Committee on Banking and Financial Services, the Committee on Commerce, the Committee on International Relations, the Committee on the Judiciary, the Committee on Science, the Committee on Small Business, the Committee on Transportation and Infrastructure.

It is my understanding that the minority has been consulted and there is no objection to these requests.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

OMNIBUS CIVILIAN SCIENCE AUTHORIZATION ACT OF 1995

Mr. QUILLEN. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 234, and ask for its immediate consideration.

The Clerk read as follows:

H. RES. 234

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for consideration of the bill (H.R. 2405) to authorize appropriations for fiscal years 1996 and 1997 for civilian science activities of the Federal Government, and for other purposes. The first reading of the bill shall be dispensed with. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Science. After general debate the bill shall be considered for amendment under the five-minute rule. The bill shall be considered by title rather than by section. The first section and each title shall be considered as read. An amendment striking section 304(b)(3) shall be considered as adopted in the House and in the Committee of the Whole. During consideration of the bill for amendment, the Chairman of the Committee of the Whole may accord priority in recognition on the basis of whether the Member offering an amendment has caused it to be printed in the portion of the Congressional Record designated for that purpose in clause 6 of rule XXIII. Amendments so printed shall be considered as read. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from Tennessee [Mr. QUILLEN] is recognized for 1 hour.

Mr. QUILLEN. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from California [Mr. BEILENSON], pending which I yield myself such time as I may consume.

During consideration of this resolution, all time yielded is for purposes of debate only.

Mr. Speaker, House Resolution 234 is an open rule providing for the consideration of H.R. 2405, the Omnibus Civilian Science Authorization Act of 1995. The rule provides 1 hour of general debate, divided equally between the chairman and ranking minority member of the Committee on Science.

The rule provides that the bill be considered by title, rather than by section, and that the first section and each title be considered as read. Additionally, the rule provides for the automatic adoption of an amendment striking section 304(b)(3) related to rulemaking activities by the Department of Energy. The rule accords priority in recognition to Members who have preprinted their amendments in the CONGRESSIONAL RECORD. Finally, the rule provides one motion to recommit, with or without instructions.

Mr. Speaker, H.R. 2405 consolidates the following seven bills into one measure:

H.R. 1814 authorizing appropriations for the environmental research, development, and demonstration activities of the Environmental Protection Agency.

H.R. 1815, the National Oceanic and Atmospheric Administration Authorization Act, which covers the National Oceanographic Service, the Oceanic and Atmospheric Research Administration, the National Weather Service, and other important functions.

H.R. 1816, the Department of Energy, Civilian Research and Development Act.

H.R. 1851, reauthorizing the U.S. Fire Administration, which coordinates the Nation's fire safety and emergency medical service activities, and educates the public on fire prevention and control.

H.R. 1852, the National Science Foundation Authorization Act.

H.R. 1870, the American Technology Advancement Act, which provides for the important technological invasions promoted by the Department of Commerce Technology Administration, and the National Institute of Standards and Technology.

H.R. 2043, the National Aeronautics and Space Administration Authorization Act, which will keep America at the forefront of space exploration and research.

Although the minority expressed some dissatisfaction with all of these bills, I would like to point out that each one was ordered reported by a voice vote, and reports were filed on each bill by the Committee on Science.

I salute the chairman, the gentleman from Pennsylvania, BOB WALKER, the ranking member, the gentleman from California, GEORGE BROWN, and all of the Members of the Committee on Science for their diligence and devotion in bringing this conference measure forward. I strongly support this bill, and this open rule will allow all Members to fully participate in the amendment process. I urge its adoption

Mr. Speaker, I include for the RECORD the following material:

THE AMENDMENT PROCESS UNDER SPECIAL RULES REPORTED BY THE RULES COMMITTEE,[1] 103D CONGRESS V. 104TH CONGRESS

[As of October 10, 1995]

Rule type	103d Congress		104th Congress	
	Number of rules	Percent of total	Number of rules	Percent of total
Open/Modified-open[2]	46	44	51	74
Modified Closed[3]	49	47	15	22
Closed[4]	9	9	3	4
Total	104	100	69	100

[1] This table applies only to rules which provide for the original consideration of bills, joint resolutions or budget resolutions and which provide for an amendment process. It does not apply to special rules which only waive points of order against appropriations bills which are already privileged and are considered under an open amendment process under House rules.

[2] An open rule is one under which any Member may offer a germane amendment under the five-minute rule. A modified open rule is one under which any Member may offer a germane amendment under the five-minute rule subject only to an overall time limit on the amendment process and/or a requirement that the amendment be preprinted in the Congressional Record.

[3] A modified closed rule is one under which the Rules Committee limits the amendments that may be offered only to those amendments designated in the special rule or the Rules Committee report to accompany it, or which preclude amendments to a particular portion of a bill, even though the rest of the bill may be completely open to amendment.

[4] A closed rule is one under which no amendments may be offered (other than amendments recommended by the committee in reporting the bill).

SPECIAL RULES REPORTED BY THE RULES COMMITTEE, 104TH CONGRESS

[As of October 10, 1995]

H. Res. No. (Date rept.)	Rule type	Bill No.	Subject	Disposition of rule
H. Res. 38 (1/18/95)	O	H.R. 5	Unfunded Mandate Reform	A: 350–71 (1/19/95).
H. Res. 44 (1/24/95)	MC	H. Con. Res. 17 H.J. Res. 1	Social Security Balanced Budget Amdt	A: 255–172 (1/25/95).
H. Res. 51 (1/31/95)	O	H.R. 101	Land Transfer, Taos Pueblo Indians	A: voice vote (2/1/95).
H. Res. 52 (1/31/95)	O	H.R. 400	Land Exchange, Arctic Nat'l. Park and Preserve	A: voice vote (2/1/95).
H. Res. 53 (1/31/95)	O	H.R. 440	Land Conveyance, Butte County, Calif	A: voice vote (2/1/95).
H. Res. 55 (2/1/95)	O	H.R. 2	Line Item Veto	A: voice vote (2/2/95).
H. Res. 60 (2/6/95)	O	H.R. 665	Victim Restitution	A: voice vote (2/7/95).
H. Res. 61 (2/6/95)	O	H.R. 666	Exclusionary Rule Reform	A: voice vote (2/7/95).
H. Res. 63 (2/8/95)	MO	H.R. 667	Violent Criminal Incarceration	A: voice vote (2/9/95).
H. Res. 69 (2/9/95)	O	H.R. 668	Criminal Alien Deportation	A: voice vote (2/10/95).
H. Res. 79 (2/10/95)	MO	H.R. 728	Law Enforcement Block Grants	A: voice vote (2/13/95).
H. Res. 83 (2/13/95)	MO	H.R. 7	National Security Revitalization	PQ: 229–100; A: 227–127 (2/15/95).
H. Res. 88 (2/16/95)	MC	H.R. 831	Health Insurance Deductibility	PQ: 230–191; A: 229–188 (2/21/95).
H. Res. 91 (2/21/95)	O	H.R. 830	Paperwork Reduction Act	A: voice vote (2/22/95).
H. Res. 92 (2/21/95)	MC	H.R. 889	Defense Supplemental	A: 282–144 (2/22/95).
H. Res. 93 (2/22/95)	MO	H.R. 450	Regulatory Transition Act	A: 252–175 (2/23/95).
H. Res. 96 (2/24/95)	MO	H.R. 1022	Risk Assessment	A: 253–165 (2/27/95).
H. Res. 100 (2/27/95)	O	H.R. 926	Regulatory Reform and Relief Act	A: voice vote (2/28/95).
H. Res. 101 (2/28/95)	MO	H.R. 925	Private Property Protection Act	A: 271–151 (3/2/95).
H. Res. 103 (3/3/95)	MO	H.R. 1058	Securities Litigation Reform	
H. Res. 104 (3/3/95)	MO	H.R. 988	Attorney Accountability Act	A: voice vote (3/6/95).
H. Res. 105 (3/6/95)	MO			A: 257–155 (3/7/95).
H. Res. 108 (3/7/95)	Debate	H.R. 956	Product Liability Reform	A: voice vote (3/8/95).
H. Res. 109 (3/8/95)	MC			PQ: 234–191 A: 247–181 (3/9/95).
H. Res. 115 (3/14/95)	MO	H.R. 1159	Making Emergency Supp. Approps	A: 242–190 (3/15/95).
H. Res. 116 (3/15/95)	MC	H.J. Res. 73	Term Limits Const. Amdt	A: voice vote (3/28/95).
H. Res. 117 (3/16/95)	Debate	H.R. 4	Personal Responsibility Act of 1995	A: voice vote (3/21/95).
H. Res. 119 (3/21/95)	MC			A: 217–211 (3/22/95).
H. Res. 125 (4/3/95)	O	H.R. 1271	Family Privacy Protection Act	A: 423–1 (4/4/95).
H. Res. 126 (4/3/95)	O	H.R. 660	Older Persons Housing Act	A: voice vote (4/6/95).
H. Res. 128 (4/4/95)	MC	H.R. 1215	Contract With America Tax Relief Act of 1995	A: 228–204 (4/5/95).
H. Res. 130 (4/5/95)	MC	H.R. 483	Medicare Select Expansion	A: 253–172 (4/6/95).
H. Res. 136 (5/1/95)	O	H.R. 655	Hydrogen Future Act of 1995	A: voice vote (5/2/95).
H. Res. 139 (5/3/95)	O	H.R. 1361	Coast Guard Auth. FY 1996	A: voice vote (5/9/95).
H. Res. 140 (5/9/95)	O	H.R. 961	Clean Water Amendments	A: 414–4 (5/10/95).
H. Res. 144 (5/11/95)	O	H.R. 535	Fish Hatchery—Arkansas	A: voice vote (5/15/95).
H. Res. 145 (5/11/95)	O	H.R. 584	Fish Hatchery—Iowa	A: voice vote (5/15/95).
H. Res. 146 (5/11/95)	O	H.R. 614	Fish Hatchery—Minnesota	A: voice vote (5/15/95).
H. Res. 149 (5/16/95)	MC	H. Con. Res. 67	Budget Resolution FY 1996	PQ: 252–170 A: 255–168 (5/17/95).
H. Res. 155 (5/22/95)	MO	H.R. 1561	American Overseas Interests Act	A: 233–176 (5/23/95).
H. Res. 164 (6/8/95)	MC	H.R. 1530	Nat. Defense Auth. FY 1996	PQ: 225–191 A: 233–183 (6/13/95).
H. Res. 167 (6/15/95)	O	H.R. 1817	MilCon Appropriations FY 1996	PQ: 223–180 A: 245–155 (6/16/95).
H. Res. 169 (6/19/95)	MC	H.R. 1854	Leg. Branch Approps. FY 1996	PQ: 232–196 A: 236–191 (6/20/95).
H. Res. 170 (6/20/95)	O	H.R. 1868	For. Ops. Approps. FY 1996	PQ: 221–178 A: 217–175 (6/22/95).
H. Res. 171 (6/22/95)	O	H.R. 1905	Energy & Water Approps. FY 1996	A: voice vote (7/12/95).
H. Res. 173 (6/27/95)	C	H.J. Res. 79	Flag Constitutional Amendment	PQ: 258–170 A: 271–152 (6/28/95).
H. Res. 176 (6/28/95)	MC	H.R. 1944	Emer. Supp. Approps	PQ: 236–194 A: 234–192 (6/29/95).
H. Res. 185 (7/11/95)	O	H.R. 1977	Interior Approps. FY 1996	PQ: 235–193 D: 192–238 (7/12/95).
H. Res. 187 (7/12/95)	O	H.R. 1977	Interior Approps. FY 1996 #2	PQ: 230–194 A: 229–195 (7/13/95).
H. Res. 188 (7/12/95)	O	H.R. 1976	Agriculture Approps. FY 1996	PQ: 242–185 A: voice vote (7/18/95).
H. Res. 190 (7/17/95)	O	H.R. 2020	Treasury/Postal Approps. FY 1996	PQ: 232–192 A: voice vote (7/18/95).
H. Res. 193 (7/19/95)	C	H.J. Res. 96	Disapproval of MFN to China	A: voice vote (7/20/95).
H. Res. 194 (7/19/95)	O	H.R. 2002	Transportation Approps. FY 1996	PQ: 217–202 (7/21/95).
H. Res. 197 (7/21/95)	O	H.R. 70	Exports of Alaskan Crude Oil	A: voice vote (7/24/95).
H. Res. 198 (7/21/95)	O	H.R. 2076	Commerce, State Approps. FY 1996	A: voice vote (7/25/95).
H. Res. 201 (7/25/95)	O	H.R. 2099	VA/HUD Approps. FY 1996	A: 230–189 (7/25/95).
H. Res. 204 (7/28/95)	MC	S. 21	Terminating U.S. Arms Embargo on Bosnia	A: voice vote (8/1/95).
H. Res. 205 (7/28/95)	O	H.R. 2126	Defense Approps. FY 1996	A: 409–1 (7/31/95).
H. Res. 207 (8/1/95)	MC	H.R. 1555	Communications Act of 1995	A: 255–156 (8/2/95).
H. Res. 208 (8/1/95)	O	H.R. 2127	Labor, HHS Approps. FY 1996	A: 323–104 (8/2/95).
H. Res. 215 (9/7/95)	O	H.R. 1594	Economically Targeted Investments	A: voice vote (9/12/95).
H. Res. 216 (9/7/95)	MO	H.R. 1655	Intelligence Authorization FY 1996	A: voice vote (9/12/95).
H. Res. 218 (9/12/95)	O	H.R. 1162	Deficit Reduction Lockbox	A: voice vote (9/13/95).
H. Res. 219 (9/12/95)	O	H.R. 1670	Federal Acquisition Reform Act	A: 414–0 (9/13/95).
H. Res. 222 (9/18/95)	O	H.R. 1617	CAREERS Act	A: 388–2 (9/19/95).
H. Res. 224 (9/19/95)	O	H.R. 2274	Natl. Highway System	PQ: 241–173 A: 375–39–1 (9/20/95).
H. Res. 225 (9/19/95)	MC	H.R. 927	Cuban Liberty & Dem. Solidarity	A: 304–118 (9/20/95).
H. Res. 226	O	H.R. 743	Team Act	A: 344–66–1 (9/27/95).
H. Res. 227 (9/21/95)	O	H.R. 1170	3-Judge Court	
H. Res. 228 (9/21/95)	O	H.R. 1601	Internatl. Space Station	A: voice vote (9/27/95).
H. Res. 230 (9/27/95)	C	H.J. Res. 108	Continuing Resolution FY 1996	A: voice vote (9/28/95).
H. Res. 234 (9/29/95)	O	H.R. 2405	Omnibus Science Auth	

Codes: O-open rule; MO-modified open rule; MC-modified closed rule; C-closed rule; A-adoption vote; D-defeated; PQ-previous question vote. Source: Notices of Action Taken, Committee on Rules, 104th Congress.

Mr. QUILLEN. Mr. Speaker, I reserve the balance of my time.

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Mr. BEILENSON. Mr. Speaker, I thank the gentleman from Tennessee [Mr. QUILLEN] for yielding the customary 30 minutes of debate time to me. I yield myself such time as I may consume.

Mr. Speaker, this is an open rule. We do not oppose it, although we do have serious concerns about the way that the bill has been considered and has been brought before us. We find it very disturbing, in fact, that the majority on the Committee on Rules is condoning the process by which the Committee on Science considers this bill and by which the House will take it up today.

Seven separate authorization bills, six of them major ones, were rolled into one major piece of legislation. These were traditionally considered individually and they should have been this time as well, we believe. Instead of having 6 or 7 hours of general debate, as would ordinarily be the case, we will have only 1 hour of time, only for the most cursory type of debate on these seven separate pieces of legislation.

During the hearing process, we understand the legislation was often not made available so that Members could not ask about it and witnesses could not respond to specific legislative proposals. That meant that much of what the committee had recommended has no basis in the printed record of the committee's proceedings. Since H.R. 2405 was never reported by the committee, it is insulated from several points of order that apply only to committee-reported bills. That includes clause 5(a) of rule XXI, which prohibits an authorizing committee from reporting a bill that contains an appropriation of funds.

For example, Mr. Speaker, we understand that section 312 of the bill takes funds that have been previously appropriated for clean coal technology and permits them to be used to pay for termination costs of various programs zeroed out in title III. This section appears to permit a new purpose for funds that had been previously appropriated by the House.

Under the precedents of the House, this section appears to constitute an appropriation violative of clause 5(a) of rule XXI which prohibits an authorizing committee from reporting a bill that contains an appropriation of funds.

Mr. Speaker, if this bill had been reported by the Committee on Science, if it were being considered under the procedures the House would normally follow, a point of order would lie against section 312 of H.R. 2405.

Those are special concerns, and since most of us will recall that the current chairman of the Committee on Science, the distinguished gentleman from Pennsylvania [Mr. WALKER], when in the minority, was one of those who complained most vociferously and properly, at times, about using the Committee on Rules to protect bills that violated House rules.

The distinguished ranking member of the Committee on Science, the gentleman from California [Mr. BROWN], has called the process by which this bill is being considered unprecedented, unwarranted, and unwise, and we believe he is correct in so categorizing it.

As my colleagues know, Mr. BROWN is perhaps the perfect example of the type of policy specialist who has served the committee system in the House so well and so fairly for so many years in the past. We should be making the maximum use of his expertise in his warnings about this bill, about the way it has been and is being considered, and should not go unheeded.

That goes to the heart of the importance of the authorization process which gives the House the opportunity to consider broad policy issues after conscientious consideration after the committee hearing and markup process. Mr. BROWN has been speaking eloquently about the significance of this procedure and its proper use for many years, and we fear that we have not listened carefully enough to his warnings about the necessity for a deliberative authorization process, at least in this particular case.

Mr. Speaker, the 1 hour of general debate provided by this rule precludes all but the most cursory type of consideration. This is 1 hour of debate for six major bills that address such disparate programs as nuclear physics, space, the Weather Service, global climate change, fossil fuel energy research, environmental technologies, marine research, Department of Energy laboratories, and the National Science Foundation. They should, as I suggested earlier, have been taken up separately. We have to wonder if the majority planned this so that the programs which deserve more time and more thoughtful consideration, especially since they are being cut back so severely, would not get the attention they deserve.

Mr. Speaker, the ranking member, the gentleman from California [Mr. BROWN] testified before our committee about some other procedural concerns. In several instances the Committee on Science acted without benefit of testimony on matters entirely outside its jurisdiction; and, important to the omnibus structure of the bill, since this bill would go to four separate committees in the Senate, it certainly will not survive the process in this unprecedented omnibus form.

Mr. Speaker, the substance of the bill itself is disturbing to many of us. We hope that the concerns about the Federal Government's role in encouraging the important investments made by civilian research and development can be fully debated. This is an important debate, focusing as it does on the enormous cut of 33 percent for civilian R&D over the next 5 years.

The bill represents, sadly, the first step in dismantling the scientific infrastructure that supports our understanding of the environment; it cuts the programs that bring better science to bear on the environmental problems we have discussed so often this year and undoubtedly will continue to in years to come. The bill cuts NOAA's global climate change budget in half, almost certainly terminating some of the research to determine the validity of the global warning phenomenon. It imperils our efforts to ensure our Nation's future energy security and reduce our dangerous reliance on nonrenewable and foreign energy resources by cutting our investment in energy research and development so drastically. It effectively eliminates the National Science Foundation's research in social and behavioral sciences without the benefit of hearings or the opportunity for comments, and its cuts in NASA will, as the ranking member of the committee testified, adversely affect our future space program.

All in all, Mr. Speaker, this omnibus bill represents a massive disinvestment in our civilian research and development efforts at a time when it is precisely these programs that we should be strengthening.

So in conclusion, Mr. Speaker, we have many concerns about the way in which these several pieces of legislation are being brought before us today. We hope that under this open rule Members are able to sort out and vote intelligently on all of the many disparate matters that will come before us in this omnibus piece of legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. QUILLEN. Mr. Speaker, I have no requests for time.

Mr. BEILENSON. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from California [Mr. BROWN], the ranking member of the committee.

Mr. BROWN of California. Mr. Speaker, I thank the gentleman very much for yielding me this time.

Mr. Speaker, although it may be a little repetitious, I want to go over some of the factors which relate to this bill and which relate to the rule under which we are considering it.

Mr. Speaker, I am pleased that the chairman of the committee has requested an open rule for the consideration of H.R. 2405, and I indicated my pleasure during the hearing at the Committee on Rules. This continues a tradition of the Committee on Science, which sometimes, to the chagrin of other Members of the House, has requested open rules and debated bills rather lengthily here on the floor.

While all Members will have an opportunity to come to the floor and offer amendments by which the House as a whole can express its will, the opportunity in this case may be more theoretical than real. The Committee on Rules has chosen to honor the request of the chairman of the Committee on Science to bundle seven bills which were separately reported by the Committee on Science. While a few are relatively noncontroversial, many were reported only after many hours of debate and discussion in the committee.

Unfortunately, Members who are not on the Committee on Science have had very little time to digest this seven-course meal; and other critical activities which are likewise ongoing this week, like the markup of the budget reconciliation bill, are likely to further distract Members' attention away from this bill.

This is a shame, Mr. Speaker, because the policies in this bill will have an impact in every district in this Nation. H.R. 2405 reflects the Republican budget resolution, which reverses the policies of the last 50 years that have made the United States the undisputed world leader in science and technology. H.R. 2405 is another step in the most massive disinvestment of Federal support for research and technology since the end of World War II.

For some, the impacts will come soon, as researchers in Federal laboratories lose their jobs, as universities cut faculty and research programs, as graduate students in science and engineering find themselves without challenging work opportunities. But the greater impacts will be long-range, in the loss of economic opportunities, in the loss of our intellectual capital, in the diminution of our scientific and engineering enterprise, and in missed opportunities for improved environmental quality, energy security, and health care.

Mr. Speaker, I do not fault the gentleman from Pennsylvania [Mr. WALKER], the chairman of the Committee on Science, for rolling these bills together into a single omnibus bill, even though I think it will have the effect of diminishing the attention we can give to each agency. Indeed, I commend him for his efforts to elevate the authorization process for the civilian science agencies by emulating the defense authorization bill.

I might say parenthetically that over the past years, we have worked together in a constructive way to enhance the authorization process, and I give the chairman, the distinguished gentleman from Pennsylvania [Mr. WALKER], full credit for attempting, in what he is doing here, to continue to enhance that process. I doubt seriously that what we are doing will have that effect, and I want all of the Members of the House to consider whether or not this is the answer to the problem of enhancing the authorization process in the workings of the House.

Mr. Speaker, I would like to say first of all that the bill does not authorize all of civilian science, which would be desirable, in our opinion. Many important civilian science agencies, including the single largest civilian science agency, the National Institutes of Health, are not included in this bill. Therefore, the House cannot truly set priorities in the civilian science portfolio in this bill as the Armed Services Committee does with regard to military expenditures.

Second, the structure of the authorization and appropriation committees in the House and Senate are not as conducive to moving authorization bills for these programs as they are for moving a defense authorization and appropriation bill. In the House, for example, the appropriations for the programs in H.R. 2405 are assigned to four different subcommittees, each with many of the programs competing with these science programs for its 602(b) allocation. In the Senate, this bill will be referred to four different authorizing committees that historically have not been particularly active in passing authorizations. Although it is a little late to comment on it, the chairmen of some of these authorizing committees in the Senate were also chairmen of appropriation subcommittees and have too little motivation to go through the process of dealing with the funding of these programs twice.

This structure is very different from the single defense authorizing committee and the single defense appropriations committee with parallel jurisdiction in both the House and Senate. For that reason, I see little reason to believe that the Senate will act at all on this bill, despite the Chairman's commendable efforts to convince the Senate to act. In fact, if he desires, I would be more than happy to join him in trying to get bipartisan action in the Senate. But as I say, I am dubious that we can succeed in this.

Finally and most importantly, the defense authorization bill comes to the floor before the appropriations bill, and that has been worked out very carefully over the years and has the full support of the leadership in order to accomplish that. Despite the hard work that our committee has expended on the part of H.R. 2405, the fact is that it is largely irrelevant to the fiscal year 1996 appropriation process. The real funding decisions have already been made in the various appropriations bills. We will debate this bill and vote on amendments, but the debate will be largely symbolic, with little effect on the real world.

Mr. Speaker, to the extent that the House now conforms H.R. 2405 to the actions of the Appropriations Committee, the Committee on Science will be reduced to a rubber stamp. Indeed, the chairman of the committee has acknowledged the weakness of the authorizing process. He instituted a number of interesting new procedures this year to help ensure the committee's relevance to the budget process, but I question whether he has been entirely successful in this effort. In his other role as the vice chairman of the Budget Committee, the chairman of the Committee on Science first helped to establish his desired science budget policies in the budget resolution. The chairman then instructed the Committee on Science that the authorization levels for each agency needed to be within authorization caps mandated by the budget resolution, although no such caps could of course be found within the House budget resolution, a point that I made repeatedly during the deliberations in the subcommittees. Nonbinding report language, however, accompanying the House budget resolution was elevated to dogma for the Committee on Science.

Finally, when the Appropriations Committee began to mark up bills with numbers different from those that the chairman of the Committee on Science wanted, he hastily called markup sessions with the barest minimum of notice and opportunity to review the bill, and often without adequate hearings.

□ 1145

At the DOE bill markup, for example, the chairman announced that the old mandatory budget authorization caps that he had instructed the subcommittee's chairman would be binding on the subcommittee had been replaced, overnight, by new, higher budget resolution caps which remarkably permitted the committee to raise the authorization funding closer to levels that had been approved by the appropriators.

As the chairman will surely respond, the evidence of the committee's influence can be shown by the fact that most of the appropriations funding, with a few notable exceptions, are fairly close to the levels found in this bill that we will be taking up. But I think that a careful consideration of the facts above will show that the only influence exercised was that of the chairman, not of the collective membership of the committee.

Despite my high respect for the chairman, and my own efforts previously as chairman to influence appropriators, and it is not a sin to try and do that, this does not reflect, however, the action of the full committee. The individual members of the committee have little if any input into the fundamental policy decisions, most of which were made prior to any committee consideration. The chairman arbitrarily limited the committee scope of action and merely asked them to ratify decisions already made.

Whether the chairman's increased leverage over the appropriation process will be worth the loss of a collegial and democratic process at the Committee on Science level remains to be judged by history. Of course the usurpation of the responsibilities of the members of the authorizing committee, the Committee on Science in this case, by the Republican leadership, does not end at the committee's doors.

As we will witness in the reconciliation process this week, the Republican leadership will have no qualms about ditching the considered work product of any of the committees and substituting their own politically correct views, as with the Commerce Dismantling Act, or as in the case of the Committee on Agriculture. The leadership will bypass that committee entirely and write the farm reconciliation bill itself.

Mr. Speaker, in the light of these actions it is hardly surprising that some Members on both sides of the aisle have begun to question whether authorizing committees have any role in this new Congress. Unfortunately, we do nothing to advance an answer to that question today in our largely symbolic consideration of H.R. 2405.

Mr. QUILLEN. Mr. Speaker, I yield as much time as he may consume to the gentleman from Pennsylvania [Mr. WALKER], the distinguished chairman of the Committee on Science.

Mr. WALKER. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, I rise in support of this open rule, and I thank the chairman of the Committee on Rules for his assistance in bringing H.R. 2405 to the floor. This bill is a compilation of seven traditional agency authorization bills the Committee on Science is required to produce to meet its oversight and priority setting responsibilities. Consideration of this comprehensive bill is beneficial both from a practical and a programmatic viewpoint.

Combining these authorization bills under a single umbrella provides Congress with a clear means of considering civilian R&D in its entirety and provides an excellent forum for setting research priorities. Defense funding has traditionally been considered in an omnibus package, and by doing the same with civilian research funding the committee is elevating science as a priority to a more prominent standing within the authorization process.

The unification and rationalization of most of the Government's fundamental science functions in one vehicle demonstrates the advantage of coordinating these programs. It is a good illustration of the enormous potential of a consolidated Federal science infrastructure. So I do urge the support of this resolution to bring this rule to the floor.

I am disappointed in the previous discussion, because it takes what should be a policy concern and rather reduces it to a personality battle that the gentleman from California evidently has with the chairman. Most of what he discussed was what the chairman did in this.

The chairman of the Committee on Science cannot act without a majority of the members of the committee being with him, unlike the old days. when the gentleman's party ran the Committee on Science and ran the Congress, we operated with a proxy system where the chairman would sit there and vote other people's votes along the way, and would determine the course of policy by the use of an abhorrent system called proxy voting.

Today you actually have to have Members in the room and a majority of those Members have to support the actions that the chairman suggests or any person other than the chairman might suggest. So we are operating in a manner in Congress today which is entirely different, where Members actually cast their votes for real.

It is a strange new world, I know, to the people who for years operated in back rooms and then voted with proxies. But the fact is that this is the way in which policy can indeed get made, and get made I think in a beneficial way.

This particular bill was the subject of many days of hearings in subcommittees. It is a bill that the gentleman from California suggested had not had proper hearings. In all cases these were matters that were heard in subcommittee. The committee deliberated on these matters not only in subcommittee but in full committee. The decision to wrap them together in a bill brought to the floor was indeed a decision made with the idea of enhancing the stature of science.

To suggest that somehow this bill is diminishing the work of science I think does not reflect reality. In fact, it gets almost humorous when you look at the fact that we are dealing with the broad base of science for the first time. For the first time in the history of the House, we are dealing with the broad base of science as a comprehensive kind of program.

I am also amused, having seen some of the missives that the minority is sending out to the Members, that at the time that we are trying to raise the stature of the program to a national effort, something that the Nation should be proud of, the minority is sending out letters that are broken down State-by-State, district-by-district, appealing to the Members' pork barrel concerns.

If that does not undermine the ability to deal with these matters as a national concern, I do not know what does. Yet they come to the floor and suggest that somehow there is something happening here that diminishes science's concern. We probably ought to look at what they are doing.

I also heard them suggest that NIH is not included in this bill. No, it is not in this bill. NIH is not in the jurisdiction of our committee. Much as the gentleman from California and I might like to have it in the jurisdiction of our committee, it is not. We cannot bring it to the floor as a bill because we do not have the appropriate jurisdiction. I wish it were different, but it is not.

I guess the final thing I would make mention of is that the mention was made in the debate that we should not do the right thing because the Senate might not act. I mean, in general it has been discussed here that this is the right thing to do, to treat science as an issue that needs some comprehensive treatment, but we ought not do it because the Senate might not act.

William Penn, who founded the commonwealth which I am proud to help represent, once made the statement that right is right even if everyone is against it, and wrong is wrong even if everyone is for it. Sometimes in this body we ought to consider that. If it is the right thing to do, even if everyone is against it, maybe we ought to try it, and so on, because right is right, even if everyone is against it. Wrong is wrong, even if everyone is for it.

In this case we have the right bill, we have the right rule. I would suggest that we should support both the rule and ultimately the bill.

Mr. BEILENSON. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. BROWN], the distinguished ranking member of the committee.

Mr. BROWN of California. I thank the gentleman very much for yielding me the time.

Mr. Speaker, I have the very highest respect for the distinguished chairman of the Committee on Science, and I did not intend to personalize this discussion in the fashion that he seemed to indicate he thought I was trying to do. I was referring to his institutional role as chairman when I suggested some of the things that he has done in his institutional role as vice chairman of the Committee on the Budget, and in other roles that he plays.

He has continued to present this bill in his remarks just now as being justified because it allows us to deal in one bill with the broad base of science in a comprehensive way. Obviously he did not really mean that, because he further on in his remarks acknowledged that the entire field of the health sciences, which represents about a third of our civilian science, was not included. Of course it does not deal with the even larger broad base of science which is contained in the defense bill, which is about 55 percent of our total science expenditures.

So we cannot in this bill establish programs for the board base of science at the maximum we are talking about, perhaps 30 percent, of that broad base of Federal investments in research and development.

In that 30 percent that we deal with in this broad-based bill, we are setting a trend which differs completely from what is happening in the other two-thirds. In the case of the health sciences, basic research, we continue to increase that budget, not much. For next year it barely exceeds the cost-of-living increase, but it is an increase.

In the case of the 55 percent of the Federal R&D investments which are in the Defense Department, you would think with the declining threat to our national security, surely we would be leading the way by reducing our investments in military R&D. As a matter of fact, the military R&D programs continue essentially stable.

So in this key element, civilian research and development outside of the health field, we are proposing a one-third cut over the next several years in contradistinction to the other two-thirds of our Federal R&D investment. This, of course, is the very disturbing thing that bothers me.

The chairman has also indicated that we had, I gather, full and free debate on this bill and that we acted democratically in voting it out. Technically he is in error. This bill before us has never been before the Committee on Science. We have never had a chance to vote on it. It was not reported by the Committee on Science. If it had been, it would have been subject to a point of order, as the distinguished member of the Committee on Rules on the minority side pointed out.

What we did do is have a varying degree of debate over varying portions of this bill, and when these portions were voted out, as they were, then they were put together after the bill had left the committee and taken to the Committee on Rules and asked for their blessing, which they got. I do not disapprove of that. But by no means have we, as the chairman said, had full and free debate on this bill. Now if he had intended to say that we had free and full debate on most of the components of this bill when they were reported out of the committee, I would of course agree with him, but not on the statement that he made here.

Now, as to whether or not we should be influenced by the Senate prospects, normally I would agree. We voted out in previous years a lot of bills which we knew from historical experience over a decade the Senate would not take up, but we knew it was right to vote them out. We voted them out and then we used every device that we could, including the obviously inadequate efforts of the then chairman, to get the Senate to consider these bills.

If the current chairman believes that there is a realistic chance, and I hope he is correct, then I would pledge my full support in going with him or doing anything I could, either opposing him or supporting him, as would do the most good, to get the Senate to act on this package or any version of it, to separate it and send it out and act on a separate portion.

The chairman has never approached me about that. I do not see from his performance during the first part of this year that he intends to ask for any help in doing that. I think that I have, based on the experience with similar problems, some right to advise him in all good conscience that I doubt if he is going to succeed. But if there is a chance, I would like to help him.

Mr. QUILLEN. Mr. Speaker, I reserve the balance of my time.

Mr. BEILENSON. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. Mr. Speaker, I have several amendments to the bill, one that I have been working on for many years.

I believe we have come to some language that might make it a part of law.

Let me start out by saying I wish the gentleman from Pennsylvania [Mr. WALKER] the best. I am familiar with the years I have been here of his steadfast determination, and I have really no complaints. On some of the policy issues that we might have, that is understandable. But I think we need a strong leader in this particular field. I would hope that the gentleman from California [Mr. BROWN] and the gentleman from Pennsylvania [Mr. WALKER] can get together for the best interests of our country.

The first one says, though, "Look, we've got a big NASA here, it's not on the Moon anymore, it's lost a little bit of luster," and one of the reasons we have a rough time coming up and stabilizing the funding is not everybody has a piece of NASA like we do with the Pentagon.

The Traficant amendment says to the greatest extent practicable, when NASA is going on and developing new initiatives where it does not hurt NASA, they should look at communities diversely around our country and spread those opportunities of NASA around and get more of a constituency, if you will, and more of a support base.

□ 1200

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. TRAFICANT. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Speaker, I want to tell the gentleman that we are prepared, when the gentleman offers that amendment, to take that amendment. I think it is an excellent addition. We are prepared on this side to take that amendment at the appropriate time.

Mr. TRAFICANT. Mr. Speaker, I appreciate that. The second amendment, I am not so sure. The third one is a straight Buy American language we have had in many, and I do not think that is a problem, but I think we come to an impasse on the second amendment.

Mr. Speaker, the second amendment deals with the issue of technology transfer.

The budget cuts are real. There has to be some cuts. R&D in America has taken some hits. But there has been a participatory joint R&D program with the private sector in NASA, and now we are coming up under new technology-transfer initiatives, unrestricted disclosure.

The Traficant amendment says when there is a joint R&D program, and in fact NASA is determining to, in fact, release certain undisclosed, unrestricted information, that at the request of the company, who is also a participant in the funding of it, that the NASA Administrator would not release into a period not to exceed 5 years.

Now, before everybody panics over this, if the NASA Administrator who still has the discretion would believe that it is not as significant as the concern of the company, that may only be a short period of time. But the Traficant bill says in order for it to be a 5-year holding back of this release of this information that there would have to be a 50-percent contribution in the private sector. I think language could be worked out here.

Let me say this. American industry needs some protection here. They are coming up and ask to spend more and more of their dollars in R&D, and the long-range R&D is going to be coming from overseas. Let us be careful.

Mr. Speaker, the Traficant language says when our economy can be endangered, the private sector entities would be endangered by that disclosure, that they have a right to request this action, and it could be granted. The Traficant language says that the Administrator, on the request of a private sector entity, shall delay for a period not to exceed 5 years the unrestricted public disclosure of technical data in the possession of or under the control of the Administrator that has been generated in the performance of experimental, developmental, or research activities or programs funded jointly by the administration and the private sector entity.

Further on in there it does state for it to be the maximum of 5 years there has to be a cost-sharing factor of 50 percent. It still leaves open the discretion, it still gives that opportunity, and let me say this:

Those industries that would be adversely affected by premature disclosure of any sensitive research information must get some consideration. This technology-transfer amendment would require NASA to notify Congress as well annually of all determinations that withhold sensitive data from premature disclosure.

Mr. Speaker, I think it is time we provide American industry with some assurances that their sensitive research efforts will be protected, not be compromised. I believe there is language that makes sense, and I am hoping that we can come to some common ground. I believe this is an important issue in technology transfer.

Mr. BEILENSON. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. QUILLEN. Mr. Speaker, I, too, yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore (Mr. HEFLEY). Pursuant to House Resolution 234 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 2405.

The Chair designates the gentleman from Georgia [Mr. KINGSTON] as Chairman of the Committee of the Whole, and requests the gentleman from Connecticut [Mr. SHAYS] to assume the chair temporarily.

□ 1204

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2405) to authorize appropriations for fiscal years 1996 and 1997 for civilian science activities of the Federal Government, and for other purposes, with Mr. SHAYS (Chairman pro tempore) in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. Pursuant to House Resolution 234, the bill is considered as having been read the first time.

Under the rule, the gentleman from Pennsylvania [Mr. WALKER] and the gentleman from California [Mr. BROWN] each will be recognized for 30 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Chairman, I yield myself 12 minutes.

Mr. Chairman, I am pleased to bring to the floor today H.R. 2405, the Omnibus Science Authorization Act of 1995. This legislation represents the work of the Science Committee begun last winter with the authorization hearings and culminating in the reporting of seven separate authorization bills.

Authorizations totaling $21.5 billion for the core research activities of seven agencies are provided in H.R. 2405. Those agencies are: the National Science Foundation, the National Aeronautics and Space Administration, the Department of Energy, the National Oceanic and Atmospheric Administration, the Environmental Protection Agency, the technology programs of the Department of Commerce, and the United States Fire Administration. This amount represents a reduction of $2.4 billion from spending at current levels, but increase spending on targeted basic research.

We are considering these authorizations as seven titles in one bill in an attempt to bring to the House a comprehensive civilian science spending and policy bill. Considering these bills as a whole, rather than as separate pieces, clearly illustrates the themes of emphasizing basic research and fundamental science that the Committee on Science has stressed over the past 9 months.

First, the committee believes that a strong basic research foundation is essential to the future of our Nation. Basic budget realities dictate that we follow this course. We do not have the luxury, and it is not a wise use of resources to continue steering taxpayer dollars in the direction of applied research which can, and should, be market-driven and conducted by the private sector.

Second, the committee took seriously the mandate to achieve a balanced budget by the year 2002. We recognize that as important as this Nation's science and research efforts are to our future, every sector of the government, including science, must make sacrifices so that the economy can be improved for all of our citizens.

Opponents of this measure will tell you that they did not feel bound by the limits set by the House Budget Committee. I can assure you, Mr. Chairman, that the majority of the members of the committee took those limits very seriously, and made the tough choices that were necessary for us as authorizers to contribute fully to the budget and appropriations process. We approached the task of trimming spending from those programs which have outlived their usefulness and from those which may have proven their worth, but which, we believe, can get along with less of an increase than had been requested by the administration. We also followed several criteria: Research should be focused on long-term, noncommercial research, leaving economic feasibility and commercialization to the marketplace; Federal funding research and development should not be carried out beyond demonstration of technical feasibility; revolutionary new ideas that make possible the impossible should be pursued; the Federal Government should avoid funding research in areas that are receiving or could receive funding from the private sector; government-owned laboratories should confine their in-house research to areas in which they have no peer; and research and development programs should be tightly focused on the agency's stated mission.

The chairmen of the four subcommittees will each be describing the sections of the bill for which they are responsible, but I want to touch on several provisions which I believe to be significant and which demonstrate that the Science Committee's decision that we should make the difficult decisions responsibly.

The 2-year authorization for the National Science Foundation provides for 3-percent growth in the research activities account which funds the real work of the foundation in the second year, while freezing salaries and expenses of the bureaucracy. We have directed that the agency streamline its bureaucracy by at least one directorate, and we have funded other accounts at, or more than, the President's request.

Understand that. We put the emphasis in this agency on basic research. What we said was it was high time that we begin trimming bureaucracy in government in favor of doing real programs. This puts the money in programs and tells the agency that they have got to take some money out of bureaucracy.

Two weeks ago the House passed an authorization for the construction of the international space station H.R. 2405 authorizes the remainder of NASA's budget for fiscal year 1996 at $11.5 billion, and refocuses NASA's priorities towards basic research, human exploration, and space science. And, we have begun the process of getting NASA out of the business of operating mature systems, such as the space shuttle, and utilizing new funding resources in programs like Mission to Planet Earth by tapping the private sector's expertise.

The committee's authorization for the Department of Energy's civilian energy research and development programs cuts $960 million from the current year total of $5.21 billion. Within that cut, however, we protect and enhance basic research. By eliminating corporate subsidies and low-priority programs, and streamlining the bureaucracy, we have been able to increase funding for life sciences research, basic energy sciences, and high energy and nuclear physics.

A strong EPA research and development program is critical to providing the needed information needed to make reasonable regulations. We have preserved that essential research mission by eliminating program which duplicate research conducted by other agencies and eliminating corporate technology subsidies.

In the area of technology, we have reasserted our strong commitment to the priority of the core scientific work of the National Institute of Standards and Technology, yet another example of where we have been able to refocus an agency to its primary mission.

The U.S. Fire Administration, which oversees the important fire training and prevention programs, has been funded at $28 million for each of the next 2 years, nearly the entire request that the President made of us.

In closing, Mr. Chairman, I thank the four subcommittee chairs—Mr. SENSENBRENNER, Mrs. MORELLA, Mr. ROHRABACHER, Mr. SCHIFF—and the vice chairman of our committee, Mr. EHLERS, for their hard work and dedication to this process. I also want to commend all the other members of the committee on both sides of the aisle who assisted in moving this legislation through committee and to the floor. H.R. 2405 is a bill which is fiscally responsible, yet keeps the U.S. science enterprise healthy and vital. I urge support of the legislation.

Mr. Chairman, I reserve the balance of my time.

Mr. BROWN of California. Mr. Chairman, I yield myself 5 minutes initially.

Mr. Chairman, I rise today in strong opposition to H.R. 2405 and in opposition to the overall direction that the Republican leadership has laid out for our Nation's research and development program. If there is any doubt about what the future holds for American science and technology, my colleagues should pay close attention to the debate over this bill.

But I would like to say just parenthetically, Mr. Chairman, that, unless we have an awful lot of Members assiduously sitting in their offices watching the television screen, that we currently have on the floor less than 10 Members. So, we are not going to have a vigorous exchange of views, which is conducive to broad-scale understanding of the policy issues involved here.

Now in part the reason for that is that most of the Members have said to themselves: Why should I go down and listen to a debate over a package of authorization bills when we have already passed the appropriations bills and these actions that we take probably will be of little consequence? The action that we take today, the importance of that action, is not based upon whether we pass the authorization bill or not. As a matter of fact, this debate is about the ideas which are contained here which are of vital importance to the future of our country. It is about how research and development can be brought into the mainstream of economic policy. It is about whether we will make the investments today to contribute to our economic growth in the future.

☐ 1215

I also want to make sure that this is not and should not be a partisan debate. Indeed, research and development has been one of the strongest areas of bipartisan agreement between the two parties over the past 50 years. Many of the programs that have been targeted in this bill are the results of such bipartisan agreement. Many of them are programs that were initiated by the past two Republican administrations. I strongly supported those programs then, and I will continue to do so today.

As a matter of fact, I participated in the effort to convince these past two Republican administrations that this was the correct direction to move in, and those arguments were successful because they came not just from Democrats but from Republicans, from the business community, from the research community, and from many others.

Mr. Chairman, what is different today than in the past is the extremism that has made its way into the thinking of the Republican leadership and the Republican planning process. The decisions that have been presented to us by this bill have nothing to do with whether science is good or science is bad, but whether it passes the ideological litmus test of the Republican leadership.

Thus, I again stress that this should not be a partisan debate, but the issue has, much to my regret, been politicized. It would be profoundly misleading to call H.R. 2405 an authorization bill for science programs. Rather, it is a deauthorization bill. It is a first step toward the most significant postwar reduction in science funding ever proposed.

Mr. Chairman, I have a chart here which I think will illustrate the point very well. On this chart, as Members can see, the bottom line is that it shows a 33-percent decline in R&D over the next 5 years, R&D in those areas represented in this bill, which, as I indicated earlier, actually is only about a one-third of the total R&D investment of the Federal Government. But these are the components that are included in the bill, and as Members can see, after the year 2000, the next 5 years, these are all drastically declining.

I wish I had the chart, we had the information, as to what is happening with the other two-thirds of R&D: the military, health, and certain smaller portions such as agriculture. These are continuing to either slightly increase or to remain relatively stable. Therefore, the first question that comes to my mind is what is so bad about the science programs within the jurisdiction of the Committee on Science that they have to take a one-third cut while the other two-thirds are not.

Mr. Chairman, the Republican budget resolution which was adopted earlier this year included this 33-percent reduction in science programs within our committee over the next 5 years. The bill before us today is the first installment in that planned disinvestment. It is ironic that the Republican plan requires that in order to pay for a tax cut, we must sacrifice the very things that we know lead to long-term economic growth.

Mr. Chairman, I am not just trying to parrot a catch phrase here. In developing alternative bills in the committee to the Republican bills, we recognized that it was imperative to do so within the framework of a budget philosophy that would balance the budget within 7 years. We did that. We did not choose to make the tax cut within our budget; we adopted the philosophy of the conservative coalition budget, which calls for balancing in the 7-year period, but does not provide for the tax cut which is in the Republican budget.

As a consequence, we were able to provide in our alternative, which the Members will get a chance to vote on, funding for all these programs at a somewhat higher level; not as much as the President proposes, certainly not as much as we spent last year, but not as severe a cut as we see in the figures before us on this chart.

Mr. Chairman, over the past several decades there has been widespread agreement among economists that between a quarter and a half of all improvements in economic growth is attributable to technology development; the technology is represented by these programs, as a matter of fact, and not necessarily so much the technology developed in the military programs, which are generally rather special purpose. R&D is an investment in the Nation's future. Although deficit reduction will remain the foremost national priority, this is only one element of improving the national economy. Deficit reduction by itself, valuable as it is, could slow the economy, unless accompanied by investments such as those in research and development and certain other specific infrastructure investments. It is highly illustrative to look at what reductions in this bill hit the hardest.

I would like to show the next chart at this point. In this chart, we are able to see the differences between the cuts received below 1995 or increases for the various categories, including, as I have referred to earlier, the defense and the health sciences, the first two. These, as you can see, receive an increase in funding above the 1995 level.

All of the rest of these are cut in various degrees. Commerce is notable for the fact that it takes the largest cut. Interior takes the second largest cut, and the fact is that the Committee on Commerce programs have been found to be not politically correct by the Republican leadership, and they have, of course, suffered the consequences.

Mr. Chairman, there is no question that these major cuts have been focused on programs which involve technology partnership with the private sector. In the opinion of the Republican leadership, this is not good science and, therefore, they are going to cut it to the bone, or eliminate it if they possibly can. We will have some further discussion of that a little later on.

Of all of our expenditures in R&D, those that involve cooperation with the private sector, those which basically were programs that came out of the 1988 trade bill and the advanced technology programs of that trade bill, are the ones which will make America more productive and will help us to come out of the slump that we are in. There is a similar agenda for environmental research and development. The fact is that that is being drastically cut. Much of the energy research is being cut, because it is considered to be applied.

Mr. Chairman, I will present one more chart here to give the broad picture. The real reason that there is an advanced technology program in the 1988 trade bill is because we found that other nations of the world were taking global market shares and we were not, and that there was a direct relationship between this and the amount they were investing in research and development.

This chart gives us an illustration of what will be the comparison between us and Japan between now and the year 2000, based upon budgets and plans already announced in Japan, compared with the Republican budget resolution, which is the same picture as I showed before: a one-third decrease in these programs. In Japan they are proposing a doubling of their investment.

Mr. Chairman, it takes a few years for these kinds of investments to pay off. Our investments during the period after World War II is what gave us the leadership in the world in terms of competitiveness. It was our failure to maintain that rate of growth, while Japan and Europe, as well as other Asian countries, continued to increase theirs. That began to disturb our balance of trade. We hope that we will not have the bad sense to continue to follow the path laid out here, because I can assure the Members that it will be devastating to our economic future.

Mr. Chairman, I will not belabor the remainder of the remarks here. I have previously asked approval to put them in the RECORD, and we will have further discussion of them as we proceed with the debate.

We now spend about 2.4 percent of the GNP on R&D. Japan spends nearly 3 percent and in July of this year announced a national plan to double this by the year 2000. This will be in stark contrast to the Republican plan to decrease our civilian research by over 30 percent during the same period.

I know that we will hear many arguments during the course of this debate that seek to rationalize these reductions. Most of them are based on nothing more than sloganeering—by calling R&D by other names such as "corporate welfare", "applied research", "bureaucratic overlap", and so on.

In particular, Republicans have repeatedly justified their reductions by claiming that these undesirable areas of research have been cut in order to fund basic research. There is even a claim that this bill increases basic research. Nothing can be farther from the truth. The fact of the matter is that this bill cuts basic research below fiscal year 1995 levels and dramatically below the request level. The Republican claim is only possible if one actually redefines the term "basic research" in some way other than the current convention used by the OMB, the administration, and the science agencies. The only area of basic research that is being increased is NIH which is not in this bill.

Clearly, the distortion is intended to assure the University community that their research will be protected. The fact of the matter is that it is impossible to inflict a 33-percent reduction in R&D over the next 5 years and not cut basic research. Indeed, it cannot even be done this year.

The distinction between basic and applied research is, of course, convenient for budget cutting purposes but it is meaningless as a public policy and reveals a profound lack of understanding on the part of the Republicans of what basic research really is and how basic and applied research is related.

We will also hear today that the research that is being eliminated can and should be done by the private sector. Privately owned companies are completely oriented toward maximizing a return on investment. Research that may take years to mature has become an increasingly poor investment for most companies. The Republican assertion that the private sector will somehow step in to take up the slack is sadly out of touch with reality.

On May 22 of this year, the Wall Street Journal reported the disturbing news of a sharp decline in industrial research and development over the past 4 years. Spending among AT&T, GE, IBM, Kodak, Texaco, and XEROX—giants in the high-technology industry—declined by 30 percent since 1990. This is all associated with the emerging corporate imperative to achieve a favorable short-term return on the stockholders' investment. Federal R&D policy simply cannot ignore this reality and must adjust to it with the type of Government-industry partnerships that were conceived by the Bush and Clinton administrations.

I will close by stating my intention to offer a substitute to this bill at some point later in the process. Although this will no doubt be called the Brown substitute or the Democratic substitute I want to be clear on the fact that this substitute is nonpartisan in every conceivable way. Indeed, my substitute is a simple attempt to maintain at some minimal level the investments in R&D that have had wide bipartisan support in the past. The bulk of my substitute is, in fact, the result of initiatives begun during Republican administrations.

Indeed it was only in February 1992 when all 20 Republican members of the Science Committee, including the present majority leadership, set forth their independent views and estimates for the Budget Committee strongly advocating a 2-percent real increase in civilian R&D. Their submittal stated:

> Surely, a 2% real increase in civilian R&D can be accommodated within a $1.5 trillion budget pie. To not make this investment would be irresponsible and ultimately lead to catastrophe.

They were right then and could well make the same case today.

I will ask my colleagues on both sides of the aisle to join me in supporting this substitute.

Mr. Chairman, I reserve the balance of my time.

Mr. WALKER. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. SENSENBRENNER], chairman of the Subcommittee on Space and Aeronautics of the Committee on Science.

Mr. SENSENBRENNER. Mr. Chairman, let me begin by commending the gentleman from Pennsylvania for his leadership of the Committee on Science during this 104th Congress. Because we must balance the budget and restore financial discipline to the Federal Government, all discretionary accounts are experiencing new fiscal pressures. Consequently, we must prioritize programs and discontinue those functions that the private sector can take over from Washington. Under the gentleman from Pennsylvania's leadership, all of us on the Science Committee have worked to accomplish this task and focus our civil science expenditures on those activities which only the Government can perform and which have the largest long-term benefits to the country. H.R. 2405 meets these goals by focusing on basic research and fulfills the responsibility Congress has to ensure that tax dollars are spent wisely.

Mr. Chairman, American science is undergoing a profound change. Government set up the modern scientific establishment right after World War II and the organization of the scientific enterprise reflects its cold war origins. Since that time, we've always worked to increase the science budget. As a consequence, many activities that would defy our traditional definitions of proper scientific activity have been funded by the Federal Government, including corporate welfare and questionable behavioral disciplines. Recently in the weekly research journal, Science, two social scientists experienced in Federal funding of science wrote that "the social contract currently governing U.S. science is an obstacle to needed changes in science policy. This policy cannot realistically justify large science budgets. The situation demands more than a defense of the status quo—if faced constructively, it is an opportunity to develop a sounder social contract, to develop an ecology in which science can thrive."

H.R. 2405 is the first step in developing this new contract. We elevate science's profile in the Federal Government by considering Federal civil science activities as whole, as this bill does, rather than as a collection of separate and unconnected programs. Similarly, H.R. 2405 will help us better integrate science into the very fabric of society by encouraging greater public-private partnerships to achieve our scientific goals. For example, title II of the bill, which authorizes funding for NASA, includes funding and authority for unique government-industry cooperation to develop new space launch vehicles that place industry in the leading role. Similarly, title II begins privatizing certain functions of NASA that the private sector is providing, such as airborne microgravity experiments. By taking these steps, we can better leverage Federal and private dollars in pursuit of the national interest, saving taxpayer resources in the short and long term.

By passing H.R. 2405, Congress will send the message that we are serious about balancing the budget and that we are going to do so intelligently by focusing on those programs with the greatest need for Federal dollars and the greatest benefit to the Nation. H.R. 2405 is an important step in the process of ensuring the long-term health of the scientific enterprise by cutting out fat and waste while improving our commitment to basic research. Please join us in passing this bill.

Mr. BROWN of California. Mr. Chairman, I yield 5 minutes to the gentlewoman from Texas [Ms. JACKSON-LEE].

□ 1230

Ms. JACKSON-LEE. Mr. Speaker, I thank the gentleman from California [Mr. BROWN] for yielding me this time, and I certainly adhere to some of the instructive remarks that he has made.

Mr. Speaker, I think we come to this issue hoping for a bipartisan approach, for who can be against research and development that basically is the underpinnings of the work of the 21st century. Certainly it has been the hallmark of this Republican Congress that has been controlled by this party for a couple of months that in everything, small is better. Many productive and useful activities of this Government have been cast aside in the blinding light of that irrational ideology. If the United States is going to continue, however, its preeminent role in technology and commerce, then we must not allow the decimation of our scientific establishment.

Basic science research has been the driving engine in the prosperity of our country for the past 50 years. Why only yesterday, two of America's most prominent physicists won the Nobel Prize. With the more than obvious beneficial results of such investments as federally funded research, it is incomprehensible to me that my Republican colleagues are so eager to cut one of the best returns on investment we can make.

Mr. Speaker, numerous studies have indicated that up to one-half of all U.S. economic growth is directly attributable to the introduction of new technology. I entreat my colleagues that this is in fact an important debate, and that we should come to the House Floor in droves, for this talks about where this country will be in the 21st century. Do we want to slash and cut research and development that has been the very backbone of many of the discoveries in this world?

It has been stated by the Republican majority that this bill is cutting R&D spending by only 12 percent, while actually raising the overall level of basic research by 1 percent. What they have not said is that based upon the budget resolution which the Republican Party led the fight for, there will be a 33 percent decline in Federal research funding from now until the year 2000. The recipients of this precipitous decline include NASA, NSF, DOE, the principal torch-bearers in our R&D advancement.

These same Republican colleagues say that they are supportive of basic science, cutting only what they deem to be applied. Well, based upon the facts, I have serious reservations concerning the definitions of both basic and increase. Using OMB definitions, H.R. 2405 does indeed cut fiscal year 1996 spending on basic research, which has been basically what has driven this country.

Federal R&D investment has been the backbone, because private sector companies have stopped their long-term R&D investment. We realize that if we are to continue in this manner, if we are to have a future for our children, the elementary school children, the secondary school children and our colleges, the Government must play a part in research and development. There is nothing wrong with that.

Yes, we must bring the budget down, and we have an alternative that I hope we will be able to support that responds to bringing the budget deficit down, but does not steer us away from research and development, creating jobs for America in the 21st century.

In closing, let me say that I want to remind my Republican colleagues of their former President, our former President, the advice that President Ronald Reagan gave us. He said, "America has always been greatest when we dare to be great." Let us be great with R&D, and let us make sure that we keep support of a very important opportunity in our country.

Mr. PETE GEREN of Texas. Mr. Chairman, will the gentlewoman yield?

Ms. JACKSON-LEE. I yield to the gentleman from Texas.

Mr. PETE GEREN of Texas. Mr. Chairman, I thank my friend for yielding time to me.

Mr. Chairman, the Basic Research Subcommittee developed the provisions of titles I and VII of H.R. 2405, which authorize the activities of the National Science Foundation and the United States Fire Administration, respectively. These are small agencies with a disproportionate impact on the well being of the Nation.

The National Science Foundation plays a key role in developing and sustaining America's unparalleled academic research enterprise. It is the only Federal agency with the sole mission to support basic science and engineering research and education in the Nation's schools, colleges, and universities. Its programs support individual faculty members, postgraduate research fellows and graduate students; the operation of national research facilities; the modernization of scientific instruments and research facilities; and science education at all levels of instruction.

Although NSF represents only 4 percent of the Federal R&D budget, the agency provides one quarter of all Federal support for academic basic research. This support makes major contributions to disciplinary research, including, for example, more than 40 percent of Federal funding for mathematics research and one-third of the funding for both the Earth sciences and the nonmedical biological sciences.

In addition, NSF is an important participant in multiagency research efforts in areas of strategic importance to America's technological strength. For example, NSF provides approximately 30 percent of the total funding for the High Performance Computing and Communications Program. This major Federal-university-industry research initiative provides the technical underpinnings for the emergence of the National Information Infrastructure.

Finally, NSF plays a large role in precollege and undergraduate science and mathematics education. The foundation supports programs of model curriculum development, teacher preparation and enhancement, and informal science education.

A direct linkage exists between these wide-ranging research and education activities and the long-term economic health and well being of our country. These programs generate the new knowledge and produce the human capital needed to fuel a technologically-based economy. Ultimately, the success of NSF's programs are reflected in such concrete ways as the productivity of the Nation's workforce.

The NSF authorization in H.R. 2405 attempts to maintain the core research and education programs of the foundation in a difficult budget climate. I share the commitment of many of my colleagues to achieve a balanced budged over the next 7 years and realize that even the most valuable Federal programs, such as NSF's research activities, must bear some of the pain of achieving this goal.

Although the bill lowers funding from fiscal year 1995 levels, it is an allocation that provides relatively gentle treatment for NSF in a year in which many Federal science and technology programs authorized by the Science Committee have experienced severe cuts. In addition, some funding increases are provided by the bill in the second year that will bring the NSF research directorates back to the fiscal year 1995 funding levels.

The bill also addresses the question of how to ensure a wise allocation of resources in stringent budget times. A requirement is included for NSF to develop and submit to Congress annually a clear statement of the agency's goals. The annual multi-year plan is intended to highlight expected areas of program emphasis, including research initiatives under development, and contain criteria and procedures for assessing progress toward defined goals. A related requirement calls for the development and periodic updating of a plan for new construction of NSF's national research facilities, such as telescopes, and upgrades to existing national facilities. These two requirements will assist Congress in determining priorities to ensure that the resources allocated to NSF are used for maximum benefit.

The other major provision of H.R. 2405 which was the product of the Basic Research Subcommittee is title VII, which authorizes the U.S. Fire Administration. This agency has long enjoyed bipartisan support in Congress because of its vital mission to improve the safety of all our citizens. The agency supports training, research, and public education efforts which have advanced public awareness of fire safety practices, and have improved the effectiveness of fire services and home fire safety devices. Much has been accomplished, but the record of fire death rates and property loss in the Nation reveals that much remains to be done.

The bill authorizes funding for the important programs of the U.S. Fire Administration at a level very close to the President's request. This is a significant accomplishment because of the severe downward budget pressures on all Federal agencies and activities. In light of the current budget climate, I am pleased that the committee has developed a bill that will sustain the important programs of the Fire Administration.

Mr. Chairman, I want to acknowledge the open and collegial approach taken by the chairman of the Basic Research Subcommittee, Mr. SCHIFF, in developing titles I and VII of H.R. 2405, and am pleased to join him in commending these measures to the House for its favorable consideration.

Mr. WALKER. Mr. Chairman, I yield 6 minutes to the gentleman from New Mexico [Mr. SCHIFF], chairman of the subcommittee on Basic Research.

Mr. SCHIFF. Mr. Chairman I rise in support of H.R. 2405.

I would like to thank my chairman, BOB WALKER, for his tireless efforts on behalf of science as evidenced by this omnibus science bill before the House today. This legislation for the first time attempts to focus the House's attention at one time on most of the civilian research and development programs supported by the Federal Government.

I also want to thank the ranking minority member, Mr. BROWN and my subcommittee ranking member, Mr. GEREN, for their hard work in bringing this bill through the Science Committee.

Beginning in February of this year, the Science Committee and its subcommittees have held a number of budget and oversight hearings and markups on the separate pieces of legislation that have been rolled into this omnibus bill. The process has been very fair and thoughtful, and the result is good legislation which reauthorizes many important programs while staying within the budgetary constraints established by the budget resolution. This legislation demonstrates that Congress' dual responsibilities of balancing the budget and supporting important Federal research and development programs are not mutually exclusive—indeed, they are supportive because they force us to become more efficient and to prioritize.

I am proud of the role my Subcommittee on Basic Research has contributed in creating this legislation. Responsible for the authorization of the National Science Foundation and the Federal Emergency Management Administration's [FEMA] fire programs, the subcommittee worked on a bipartisan basis to complete 2-year authorization bills, H.R. 1852 and H.R. 1851, respectively.

The Basic Research Subcommittee's legislation was incorporated into H.R. 2405 as titles I and VII. I would like to focus my remarks on those two titles.

The National Science Foundation [NSF] is the principal supporter of fundamental research and education conducted at colleges and universities in the fields of mathematics, science, and engineering. The NSF accomplishes this through grants and contracts to more than 2,000 colleges, universities, and other research institutions in all areas of the United States. The NSF accounts for approximately 25 percent of all Federal support to academic institutions for basic research. As chairman of the Science Committee and vice-chairman of the Budget Committee, Mr. WALKER has voiced his strong support for basic research. I share these views, and title I of H.R. 2405 reflects this strong support.

In addition to budget authorizations for fiscal years 1996 and 1997, there are provisions in this bill on prohibition of lobbying activities, financial disclosure of high-level employees, protecting Reservist and National Guard personnel recalled to active duty, and assigning to the White House Office of Science and Technology Policy the task of finding ways to further reduce indirect costs.

I would like to point out that in these difficult fiscal times, NSF was affected very little by the budget resolution in fiscal year 1996. In fact, the budget resolution's assumptions provide for growth in the research and related accounts at NSF of 3 percent per year after 1996, which is reflected in title I of this bill for fiscal year 1997.

It is important to state here that the science community needs to recognize that the majority in both the House and the Senate, are supportive of basic research. Members understand that basic research is essential, that it is an appropriate Federal activity, and that it is an economic driver. The Science Committee is acutely aware of the importance of basic research, and so worked to preserve funding even as other Federal programs have been cut to meet aggregate budget requirements.

I would now like to address title VII of H.R. 2405. This is the part of the legislation which authorizes the United States Fire Administration [USFA] and includes funding for the National Fire Academy [NFA]. The USFA performs a vital function for our country, one that saves lives and property. H.R. 2405 incorporates the funding levels reported by the subcommittee and full committee which are sufficient to enable this agency to accomplish its mission.

Like the NSF, the USFA was affected very little when one consider the tight fiscal constraints under which we are operating. The authorized level is about 3 percent lower than the administration's request, and we have preserved all of the essential functions and activities of the USFA and the Fire Academy.

Before closing, I would like to discuss the titles over which my subcommittee did not have jurisdiction, but which are equally important. Title II of the bill is the reauthorization of the National Aeronautics and Space Administration [NASA], minus funding for the space station, which has been reauthorized in separate legislation previously passed by the House. H.R. 2405 makes much needed reforms in the way NASA operates, primarily by refocusing its mission on basic research, space science, and human exploration of space.

The NASA provisions of this legislation require the agency to develop plans to privatize the space shuttle. This effort could save taxpayers more than a billion dollars over the next 5 years. At the same time, the bill continues NASA's next generation reusable launch vehicle program. This very important program will help to develop a commercially viable launch vehicle that will ensure U.S. leadership in space transportation. A subscale model of such a vehicle is currently being tested in New Mexico. The Delta Clipper or DC–X has been successfully launched several times and shows amazing promise. Given the future significance of space commercialization and space transportation, I am hopeful and optimistic that this program will be pursued vigorously and successfully.

Title III reauthorizes the civilian research and development programs of the Department of Energy [DOE]. These programs include some extremely important research that will help to enable this Nation to move toward energy independence. Research programs in solar and renewable energy, nuclear energy and fusion, and advanced fossil fuels extraction methods are important for national security as well as economic security. Advances in these areas and others will help the United States to become free from relying on foreign sources of oil.

Another DOE-sponsored activity covered under this title is human genome research, ongoing at Los Alamos National Laboratory in New Mexico and at other sites. This research, which includes mapping the human genetic code, may be the key to the discovery of a cure for cancer and other devastating diseases.

As a Member who represents a State with two world-class national laboratories involved in energy research, I personally hope that funding levels for the programs in this section will be increased while staying within a balanced budget as we continue through the budget process. But, I am confident that title III of H.R. 2405 preserves the essential energy research and development programs necessary to move this Nation forward.

Titles IV and V of the bill authorize the National Oceanic and Atmospheric

Administration's [NOAA] and the Environmental Protection Agency's [EPA] research and development programs and provide for the continuation of important programs within NOAA's atmospheric and ocean research activities and EPA's air and water quality research activities, while staying within the constraints of the budget resolution.

Finally, title VI of H.R. 2405 provides for continuation of the essential research activities of the National Institute of Standards and Technology [NIST] and the Office of Technology Administration within the Department of Commerce. NIST provides technical assistance to industry through the development of measurements and standards as well as a wide range of technology services such as standard reference materials and data, information on national and international standards, laboratory accreditation, equipment calibration, and evaluation of inventions. The NIST laboratories conduct essential basic research on infrastructural technologies such as new measurement methods.

In the likely event that the Department of Commerce, the current Cabinet-level home for NIST, is eliminated, NIST needs to be preserved either as an independent agency or housed in some other Cabinet-level department. While the Congress is not likely to create another Federal agency because of budget constraints, I think we should further explore the concept of a Department of Science to house NIST and all other Federal civilian science activities. By consolidating these programs into one agency we will ultimately save money and eliminate bureaucracies.

Chairman WALKER, thank you again for all of your hard work on this bill. I urge my colleagues to support its passage.

Mr. BROWN. Mr. Chairman, I yield 3½ minutes to the gentlewoman from California [Ms. LOFGREN].

Ms. LOFGREN. Mr. Chairman, I rise to oppose the bill H.R. 2405, the so-called Omnibus Civilian Science Authorization Act of 1995, as it exists now. The bill has a grandiose title to mask its pernicious effects on the Nation's research and development system. We will hear again and again in this debate how the majority supports research, especially basic research. Would that their rhetoric was matched by their legislative language.

Otto von Bismarck once warned that those who liked laws and sausages should watch neither one being made. This bill offers a stellar example of this principle. The legislation we consider here is not the product of in-depth consideration by the Science Committee. It is, rather, a large muddle made up of a jumble of small messes—slapped together authorization bills for agencies under our jurisdiction to create the unwieldy morass we are about to debate. If the component titles were more than the product of little thought and even less deliberation, this might be acceptable. H.R. 2405, however, is in the unenviable position of being less than the sum of its parts.

The value of science and technology to the Nation and its people has, for the last 50 years, been an area where both parties have shared a common vision. Many economists credit innovation with up to half of U.S. economic growth. Both parties have also agreed that the Federal Government played a critical role in maintaining American leadership in these vital areas. The Federal Government has been an early adopter of new technologies; ask Cray Supercomputer how long it took their market to broaden beyond the Department of Energy and the Department of Defense. The Government joined with industry to improve existing technologies or to adapt them to new needs. After the war, the Government injected vast new resources into the Nation's universities and reaped a network of laboratories and a supply of talent that is the envy of the world.

Until now. H.R. 2405 marks wholesale retreat from this bipartisan consensus. The majority cry is, "Less will be more." That's unlikely. The cost of maintaining leadership is not shrinking, it is rising. Indeed, in some fields we have admitted that we cannot afford to maintain progress with our resources alone.

Mr. Chairman, there will be an amendment in the nature of a substitute offered to correct the shortsightedness that permeates H.R. 2405. The substitute recognizes that every element of Federal activity will be squeezed in the effort to balance the budget, but that reducing investment in future productivity is the worst of all possible ways to do this. The substitute will authorize less spending than that actually spent in fiscal year 1995. It is less than the President requested for fiscal year 1996. But it is above the level authorized in H.R. 2405.

Historians mark the zenith of the Confederacy as the day Pickett's soldiers charged into the teeth of Union cannon on Cemetery Ridge on July 3, 1863. At least they died with guns blazing and on the attack. With H.R. 2405, the majority furls our flag and skulks from the field. We should not be surprised if history records the end of American scientific and technological leadership with the passage of this bill.

Mr. Chairman, I urge a vote in favor of the substitute to H.R. 2405.

□ 1245

Mr. WALKER. Mr. Chairman, I yield 7 minutes to the gentleman from California [Mr. ROHRABACHER], chairman of the Subcommittee on Energy and Environment.

Mr. ROHRABACHER. Mr. Chairman, simply put, this bill is good for science and good for the taxpayer. Titles III, IV, and V concern agencies under the jurisdiction of the Subcommittee on Energy and Environment which I chair.

The authorization does not mindlessly cut programs across the board, which President Clinton insisted on doing in the continuing resolution. Rather, it follows the priorities laid out in the budget resolution passed by the House in May and puts us on the path to a balanced budget. It preserves funding for fundamental scientific research, while obtaining most of it and most of its budget savings from three major areas, that is, the bureaucracy, market development, and promotion programs, and corporate welfare.

If my colleagues have been reading their mail, they have been reading some misleading statements in the last few days. There have been claims of extremist cuts in research that could lead to all kinds of disastrous consequences. But, of course, there are no specifics included, no details of actual cuts. That is because there are so few specifics to back up these charges.

Instead of name-calling, as Al Smith used to say, let us look at the record. Fact: In the Department of Energy title, basic energy sciences, we see that it has been increased by $100 million over the fiscal year 1995 levels. At hearings held before my Subcommittee on Energy and Environment in February, every director of a major national laboratory testified in person or in writing that the scientific facilities initiative was their number one research priority for fiscal year 1996. It is fully funded in this bill.

Fact: The $1 billion general science and research account is reduced from the fiscal year 1995 levels by exactly 1 percent. How awesome it is that we want to take it down by 1 percent while we are trying to balance the budget.

Fact: Reducing an account called energy supply research and development, or another one, energy conservation research and development, does not mean that we are reducing funds for scientific research.

For example, there are administrative slush funds at DOE that are used to pay for each program's own policy gurus and to hire, get this, to hire expensive outside public relations firms to promote their programs. They are listed under what? That is right, research and development.

Programs to subsidize new heat pumps for the world's largest air conditioner manufacturers are also listed under basic research and development. Programs to subsidize the purchase of alternative fuel vehicles are funded under what heading? You guessed it, research and development.

In these budgets, the titles are intended to mislead rather than to explain. Do not let anybody tell you that we are cutting basic research.

Fact: Almost none of the massive increases called for by the Clinton administration budget request, and none of them since 1993 for the Department of Energy under this bill's jurisdiction, involve fundamental scientific research. These hikes that President Clinton has been calling for in spending are for market development and promotion programs and for politically inspired programs such as the climate change action plan.

The NOAA authorization has been subject to even more misleading lobbying. Contrary to what you may have heard, H.R. 2405 provides for a 25-percent increase in NOAA's weather satellite program, so this vital needed information and the information gathering program can remain on target.

The National Weather Service modernization program is fully funded. That means that lifesaving doppler radar will be installed on schedule.

Keep in mind that NOAA's budget has increased by over 50 percent in the last 5 years. What we are proposing is that over a 5-year period this growth would come out to be just 30 percent. That is not draconian.

But there are some cuts in this area. For example, we save $300 million without affecting NOAA's core mission. We accomplish this by eliminating congressional add-ons, eliminating costly procedures for closing old Weather Service offices, and by privatizing the fleet and eliminating the NOAA core corps.

You will hear this called that we are cutting NOAA research. What we are doing instead is saving the taxpayers the $2 billion that it would cost to modernize the NOAA fleet, which should have been privatized in the first place. Cutting NOAA research? Nothing could be further from the truth.

The NOAA fleet is operated by the NOAA Navy, an anachronistic corps of civilians dressed up in Navy officer's uniforms, receiving military pay and military retirement benefits. This is a throwback to World War I when the mapping of the U.S. coastline was considered a military, not a civilian job. Private charters are itching for the chance to provide the vessels for needed research at lower cost, and we should give them this chance and save the taxpayers some money.

Our mark on EPA has also been under attack, but we have taken great pains to see that the EPA title provides full funding for research that is relevant to EPA's mission. For example, we increased the funding for air quality research.

We get our savings, however, when we are talking about the EPA, by cutting and by looking at politically inspired programs like the environmental technologies initiative which was put forward by this administration, and the Clinton climate change action plan. Among other things, this program seeks to find out what would happen to fish if global warming is actually a reality. Well, all we ask and all we are trying to fund is the core mission, the research and development core mission of the EPA which we are not touching.

Mr. Chairman, I urge my colleagues to support sound science and a balanced budget by passing H.R. 2405, and for my colleagues to take a close look at some of these charges of what is actually being proposed in our legislation. We protect basic research and development by taking out the frills, taking out nonsensical programs that are not research related.

Mr. BROWN of California. Mr. Chairman, I yield 2 minutes to the gentlewoman from Connecticut [Ms. DELAURO].

Ms. DELAURO. Mr. Chairman, I rise today in strong opposition to H.R. 2405, the omnibus antiscience and anticompetitiveness bill. This is a reckless bill, a shortsighted approach to national priority setting that endangers America's role in the global economy both today and in the future.

As a representative from the Third District of Connecticut, I have the honor of representing one of our Nation's research jewels. Yale University, located in my hometown of New Haven, boasts one of the most advanced scientific research facilities in the world. The work done at Yale and at colleges and universities across America provides an absolutely essential component of our Nation's economic competitiveness by conducting federally funded basic research and applied science.

The knowledge gained by these efforts teams cutting edge scientific breakthroughs with practical applications that point the way toward America's future economic progress. America's economic competitors around the world know well the value of investing in civilian research and development. American jobs in every State in the Union rely on international competitiveness.

Yet the United States invests a smaller percentage of its R&D dollars on civilian research and development than does nearly any of our economic competitors. Mexico, the Philippines, Japan, Argentina, Canada, Italy, Germany, Taiwan, Korea, France, and Britain all surpass America in their investment in civilian research and development.

How can America ensure our future economic competitiveness with this shortsighted approach? The fact that we will still rank slightly ahead of the formerly Communist Czech Republic stands as little consolation for the working men and women of this country whose hard work produces goods and services that are suffering from increased competition from our economic rivals.

We must stand tall for intelligent scientific policy. As the President of the California Institute of Technology recently wrote, "Without first class science, we can look toward only to a second class economy and second class standard of living." Vote no on H.R. 2405.

Mr. WALKER. Mr. Chairman, I yield 5 minutes to the gentlewoman from Maryland [Mrs. MORELLA].

Mrs. MORELLA. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, with the beginning of this Congress, the Science Committee, under the leadership of the gentleman from Pennsylvania, has engaged in a new process which strives to put us, as an authorizing committee, at the table with the Appropriations Committee and the Budget Committee in the setting of public policy and in directing how our Federal moneys are spent.

As a result, the committee has been exercising our policy setting responsibilities with a strong voice in the funding process. The gentleman from Pennsylvania, as chairman of the committee, has asked all the subcommittee Chairs to produce authorization bills which reflect the House-passed budget resolution, moving us to a balanced budget in 7 years.

We needed to do this because otherwise the committee's authorization might not have been considered credible or realistic in our work product. As difficult as it has been, the committee is being guided by the same budgetary limitations affecting the Appropriations Committee. Accordingly, these budget limitations have forced us to prioritize our Federal spending, resulting in a limitation of our ability to fund every worthwhile program.

H.R. 2405, the Omnibus Civilian Science Authorization Act, reflects the need to prioritize our Nation's scientific research funding under tight fiscal limitations which moves us to a balanced Federal budget. It also incorporates as title VI, the committee-passed version of H.R. 1870, the American Technology Advancement Act of 1995, which provides for the authorization of programs within the technology administration, especially the laboratory functions of the National Institute of Standards and Technology [NIST].

Mr. Chairman, I believe NIST is a well-run agency with a well-defined mission. NIST's mission to promote economic growth by working with industry to develop technology, measurements, and standards is integral to our Nation's competitiveness in the global marketplace. Title VI of H.R. 2405 sends out the strong signal that the core scientific work being done at the NIST laboratories must be a priority.

In addition, NIST's construction account must also be maintained as another priority. Without the necessary renovation and construction of facilities, NIST will simply not be able to adequately fulfill its basic mission in the future. The bill before us today reinforces this priority with its funding of NIST construction and modernization of its laboratories.

Title VI of H.R. 2405 provides fiscal year 1996 authorizations for the Under Secretary for Technology, for the NIST core programs, and for construction of research facilities. It also contains language permitting NIST to perform important administrative functions. These include: expanding NIST's ability to continue hiring the best and the brightest scientists; permanently extending the NIST personnel demonstration project; increasing the cap on the NIST Postdoctoral Fellows Program; providing authority to give excess scientific equipment to secondary schools; and creating authority for a NIST metro shuttle for employees, among others.

I commend the chairman for his efforts in bringing this bill to the floor and I will support its passage.

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Mr. BROWN of California. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Texas [Mr. HALL], the ranking member of the Subcommittee on Space and Aeronautics.

Mr. HALL of Texas. Mr. Chairman, I thank the gentleman from California [Mr. BROWN] for yielding this time to me, and of course I rise in support of the Nation's several space programs, and there are many reasons why I take this position. Basically it is because I have seen the benefit that our spending on space exploration has delivered to our citizens over the past 37 years. Communications satellites, weather satellites that are so important in this year of the hurricanes, advanced materials that have led to improved hip and joint replacements, technologies developed for the space program that have absolutely revolutionized medical diagnostic and monitoring devices and so forth; the list is absolutely endless, and I am convinced that our continued investment in the space program will deliver equally impressive returns in the future.

As we debate H.R. 2045, the Omnibus Civilian Science Authorization Act of 1995, I would like to urge my fellow Members to make sure that we do nothing today to hurt the Nation's civil space program. We have tough decisions to make in the midst of difficult budgetary times. However, we should resist the temptation to be penny-wise and pound-foolish when it comes to one of America's most important investments in the future: Our investment in the space program.

As the former chairman of the Space Subcommittee, I have long pushed NASA to streamline its activities and be the best steward it can be of the taxpayers' money. I believe that NASA has responded to the challenge. Many Members may be unaware that NASA—with help from both Congress and the administration—has cut its funding plans by some 35 percent since 1993. In many ways, NASA has led the way in delivering a quality product at the lowest possible cost.

However, I believe that we have cut NASA just about as much as we can. To make any more cuts to NASA's budget runs the risk of unraveling all of the progress we have made and jeopardizing the projects that are so important to America's future: projects in aeronautics, in science, in space technology, and so forth. I do not believe we want to make that mistake.

Why do I feel so strongly about the space program? It is because I have seen the benefit that our spending on space exploration has delivered to our citizens over the last 37 years. Communications satellites, weather satellites—so important in this "year of the hurricanes", advanced materials that have led to improved hip and joint replacements, technologies developed for the space program that have revolutionized medical diagnostic and monitoring devices, and so forth. The list is endless, and I am convinced that our continued investment in the space program will deliver equally impressive returns in the future.

One need only look at the space station program and the research that is planned for that orbiting facility to realize that we are on the verge of an exciting era in research and development. As many of you may know, I am personally very interested in the potential for important advances in medical research that may come from experiments conducted on the space station.

When I was chairman of the Space Subcommittee, I held a series of hearings over the last 3 years on the potential benefits of space-based biomedical research. The testimony we received from some of the premier medical experts in the country—people like Dr. Michael DeBakey and Dr. Charles LeMaistre, as well as some of the most promising, up-and-coming researchers, was truly impressive, and I invite Members to review the hearing record.

We have worked hard to ensure that NASA and the National Institutes of Health develop good collaborative research activities, and that effort is bearing fruit. At a time when every family in America, on average, has someone that has been touched by the dreaded disease of cancer, we should not turn our back on any possible avenue of progress. I think that the space program has much to offer in our fight against the diseases that afflict our citizens—young and old, men and women—and we should not turn away in a misguided attempt to save a few dollars. Space is an investment in our future and that of our children. I urge my fellow Members to support the space program.

Mr. BROWN of California. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from Tennessee [Mr. TANNER].

Mr. TANNER. Mr. Chairman, I wish I could be more optimistic in remarks I have to make about H.R. 2405. It claims to trim corporate welfare, while maintaining support for university-based research.

The rhetoric accompanying this bill claims that by maintaining funding at the National Science Foundation we are preserving our core investment in university-based research. At least in my State of Tennessee, the facts present a far different picture.

According to a National Science Foundation report, in Tennessee NSF provides only 5 percent of the Federal obligations to universities, while the Department of Energy provides 18 percent of the Federal funds going to Tennessee.

The 22-percent cut to the Oak Ridge National Laboratory means less Federal spending at Tennessee universities. In my conversations with officials at the University of Tennessee, cuts to the Oak Ridge Lab translate directly into cuts in Tennessee's research budget and access to research facilities. These cuts result in the College of Engineering losing one-third of its research funding, the Center of Biotechnology stands to lose almost three-quarters of a million dollars, and reductions to the Energy, Environment, and Resource Center could eliminate $6 million in research funds alone. Now these cuts, hiding behind the jargon of corporate welfare, directly impact university research in my State.

I would now like to talk about title VI, the provisions regarding the National Institute of Standards and Technology. This bill provides no authorization and no funding for the Advanced Technology Program and the Manufacturing Extension Partnership at NIST. The elimination of these two programs sends the strongest signal possible to our business community that we simply do not care about the harsh realities they face today. It is a matter of fact that corporate research focus today is short-term and risk-adverse and our small and medium-sized manufacturers in this country face international competition on every street corner in America. As Michael Schrage, research associate at MIT put it, what is being advocated in this portion of the bill are "science and technology policies that would have been deemed simplistic during the country's agrarian heyday."

This bill would eliminate government-industry partnerships which enjoy widespread support among the private sector, professional associations, and the university community. The actions of the Committee on Science on title VI are not based on one private-sector witness or professional association person appearing before the Subcommittee on Technology who advocated eliminating those programs.

Our major corporations are cutting research funding and focusing on short-term goals in response to the pressures of Wall Street. For example, a recent article in the New York Times of September 26, 1995, reported on the breakup of the AT&T laboratories, due to diminishing corporate interest on the brilliant breakthrough discoveries that might lead to an entirely new generation of products. In this global economy blindly eliminating government-industry partnerships which promote private-sector investment in long-term research and development with no immediate payback such as the market forces might demand is not only shortsighted in our opinion but dangerous.

In closing may I say that Members here today should realize we are not talking about simply cuts in numbers of bureaucrats or the elimination of wasteful government programs. We are all for that. We are talking about cutting basic research at both Federal labs and universities, and cutting successful long-term industry-government partnerships.

This is the real-time, life-size embodiment of the old axiom, penny-wise and pound-foolish. Under the cover of political rhetoric I am afraid we are doing something very dangerous to our country.

Mr. WALKER. Mr. Chairman, I yield 1 minute to the gentleman from Florida [Mr. WELDON].

Mr. WELDON of Florida. Mr. Chairman, I just would like to make a couple of general comments. I am going to speak later during the discussion regarding NASA, but I have been listening this morning about how we do not want to cut, we do not want to cut, and every single time we had a bill come up on this floor where there is any reductions in spending, that is the theme, and that is why we have this tremendous problem.

Mr. Chairman, we have got about a $5 trillion debt. We are going to spend $270 billion paying interest on the debt in 1996. Imagine how much we could spend on basic science research, on NASA, on other important seed corn programs, if we did not have to pay all this interest on the debt, and this minority, when it was the majority, was never able to make any of these tough decisions, and that is why they are the minority today, and, if we do not deal with this problem and make the tough decisions, as the chairman of the full committee, the gentleman from Pennsylvania [Mr. WALKER], has done, then we are going to be bankrupt. Our children are going to inherit bankruptcy.

Five trillion dollars of debt, $180,000 for every man, woman, and child; that is the problem we are dealing with. This bill preserves important programs. I support the bill.

Mr. BROWN of California. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. Mr. Chairman, I met several times with leadership on the other side, and let me say this:

This bill leaves the sole discretion to the Administrator to make decisions about whether or not they should delay the information to be in fact published.

Under title II the Traficant amendment says instead of "may delay upon the request of a private sector entity" "shall delay." It can only be a 1-day delay.

There is some concern coming out that if, in fact, some chief executive of a company is friends with the Administrator, that that company is going to be favorably treated. Let me say this:

Under the open-ended language of this bill with full disclosure, with full sole discretion available to the Administrator, my God, those types of things can happen overnight.

I think this is an industry-friendly amendment.

Mr. Chairman, I have only taken a minute because I want the staff to review this language. I think it makes the bill better.

Mr. BROWN of California. Mr. Chairman, I yield myself the balance of my time.

The CHAIRMAN. The gentleman from California [Mr. BROWN] is recognized for 2 minutes.

Mr. BROWN of California. Mr. Chairman, as we indicated at the beginning of this debate, it is quite possible that this authorization bill, packaged as it is, may never see the light of the President's signature, and the significance of what we are doing really is to explore some of the policy issues and some of the semantic issues which are involved in this debate.

For example, on the Republican side they have said rather consistently that this bill is friendly to basic research, and they confess that they are cutting certain things that they call corporate welfare. This is a wonderful position to be in from a p.r. position because everybody likes basic research and nobody likes corporate welfare. So they are going to cut corporate welfare.

Now the corporate welfare they are cutting are the programs which were adopted and enacted under the last Republican administration to show that this Government wanted to be partners with American industry and to assist them. I can remember the debates we had with President Bush's science adviser and with his Cabinet members about how this could best be done. I remember the discussions with Admiral Watkins, for example, the last Secretary of Energy, about the importance of the Department of Energy making their resources available to the private sector, to the corporations, to pursue research that would have a payoff in the short and middle term, what the distinguished chairman calls corporate welfare. Now this was not Admiral Watkins' view of it. Similarly in the Department of Commerce, where they were authorized to have an Advanced Technology Program and a Manufacturing Extension Program, they wanted to cooperate with industry in doing that. They did not consider it corporate welfare, and these are the programs which, of course, are taking the brunt of these one-third cuts which we have shown in the graphs are going to take place.

Mr. WALKER. Mr. Chairman, I yield myself the balance of my time.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. WALKER] is recognized for 3 minutes.

Mr. WALKER. Mr. Chairman, we have heard a lot today about extremism and the idea that one-third cuts are extreme. I would like to read one quote to my colleagues that I think is an interesting quote in that regard. It says:

> I'm also in the belief that any agency of Government can be cut probably by at least a third without seriously impairing the overall results.

That was said on September 7, 1995, about a month ago, and it was said by none other than the ranking member of the Committee on Science.

Now either one-third cuts are extreme or they can be done without impairing the overall results. I do not know which it is, but the fact is that those kinds of issues are what we are dealing with, but we have not gone through and cut by one-third with a meat ax. We have been very, very careful about how we cut things because we wanted to make certain that, as we cut programs, we cut out a lot of the fat of Government.

Now what my colleagues just heard is people standing up here and defending this whole idea of corporate welfare, that somehow if Republican administrations put it in place for the big Fortune 500 companies, that should be justification enough for us to keep it.

Wrong. None of those Republican administrations balanced the budget, not a one of them, and we were criticized day in and day out on the House floor for the fact that Ronald Reagan and George Bush were not balancing the budget.

Mr. Chairman, this Congress has come here to balance the budget. How are we going to do so if we do not do something about adjusting priorities? And that is exactly what we are doing. Is that going to be at the expense of science? No.

My colleagues saw some charts here on the floor indicating that our spending is going down while Japan is going up. Well, at least they did admit that the Japan upward line was proposed, but the fact is this country spends in R&D more than Japan, France, Italy, Great Britain, and Germany combined. All of them combined do not spend as much as we do in R&D.

So what we have got to get going is getting the right kind of priority out of R&D. Can we do that? I think we can.

Here is a pretty good article out of Science magazine, news and comment. It is talking about how Japan is behind us for instance in the human genome research. It makes the point that Japan, for all of their spending, is not doing a very good job in some instances. We think what we ought to do is prioritize the money in this Government so we do a better job of spending it, and we cannot do a better job of spending science money by calling corporate welfare science and then spending lots of money on it.

Mr. Chairman, it is high time that we stop the Fortune 500 companies from coming in here and getting the Government to do the things that they could spend their own money on. The fact is the General Accounting Office on one of these big technology programs, the ATP program, the Advanced Technology Program, said that 80 percent of the money would have or might have been done by the companies if the Government had not provided the money. That tells us the right thing.

We support basic research; that is what needs to be done.

Mr. HOYER. Mr. Chairman, I rise today in opposition to H.R. 2405, the Omnibus Science Research Authorization Act of 1995. While the bill contains provisions which I support, I believe the bill cuts deeply into the Federal science research and development budget. I recognize that there must be cuts in many of these programs, however this bill clearly lessens our ability to excel in achieving the highest quality research and development. Now more than ever, we need to stay the course. The research performed and gained from these agencies and the entities they support are crucial to the vitality of our Nation.

Science plays a key role in the economic and technological development of our Nation. As an important player in the global economy, we must ensure that we are unrelenting in our efforts to remain competitive. The reductions contained in this bill are shortsighted and make unnecessary cuts to vital research and development programs. Therefore, it is important that we oppose this measure which makes cuts to prevent us from achieving our goal.

The bill authorizes $21.5 billion in fiscal year 1996 for several science programs and agencies. Its authorization level is $3 billion less than fiscal year 1995, and $3.6 billion less than the administration's request. It makes cuts in various agencies which provide critical research and information which benefit the Nation.

The bill provides $54 million less than the fiscal year 1995 and $228 million less than the administration's request for the National Science Foundation. While this may be a small cut, it represents the first time the National Science Foundation has received decreased funding. The National Science Foundation provides excellent support for research in the physical and mathematical sciences at universities. Moreover, it plays a significant role in ensuring that universities such as the University of Maryland and Johns Hopkins University maintain a standard of excellence in research which is internationally recognized. At a time when the reponsibilities and activities of the National Science Foundation are increasing, it does not make sound sense to make big cuts to its budget.

The bill authorizes a total of $1.7 billion for fiscal year 1996 for the National Oceanic and Atmospheric Administration [NOAA]. This represents $297 million less than the fiscal year 1995 funding and $476 million less than the administration's request. Mr. Chairman, this is particularly disturbing given that NOAA is presently in the middle of their efforts to modernize and restructure the National Weather Service.

The bill authorizes $4.3 billion in fiscal year 1996 civilian research, development, demonstration, and commercial application activities for the Energy Department. This is a decrease of $1.4 billion from the administrations request and $1.1 billion less than the fiscal year 1995 funding level. It is clear that as our fossil fuels and other resources become scarce, these programs are increasingly important.

As I stated previously, there are provisions in the bill which I support. I want to thank Congresswoman HARMAN and my colleague from Maryland, Mr. BARTLETT, for their efforts to restore funding for the Mission to Planet Earth Program. I also want to thank the chairman and the committee for accepting the Harman-Bartlett amendment during the full committee markup of the NASA authorization bill.

Mission to Planet Earth produces practical benefits and long-term understanding of the environment. The centerpiece of Mission to Planet Earth is the Earth Observing System [EOS]. EOS will help us understand the causes of natural disasters and how to respond to them. The importance of the EOS Program becomes clearer when we look at the record number of hurricanes we have experienced this year. EOS will allow us to dramatically improve weather forecasts and improve agricultural and natural resources productivity. EOS will generate the facts needed to make objective decisions about the environment.

I am also pleased with the $28 million funding level for the U.S. Fire Administration and the National Fire Academy in fiscal years 1996 and 1997. This small investment in our Nation's fire safety and emergency medical activities provides the American people with the finest public education, fire prevention and control, and research into fire suppression in the world.

No one doubts the data which ranks the United States below many other industrialized countries in fire safety. The funds in this bill will enable the National Fire Academy to continue to provide the best training in the world to our Nation's first responders.

There are more than 340 Members of this body in the bipartisan Fire Services Caucus. We all must continue to support the U.S. Fire Administration, which provides the backbone of our Nation's fire safety and protection services.

Today, it is my intention to support the Brown substitute which provides sufficient levels of funding to keep our science programs on track. Not only does the Brown substitute provide sufficient operating levels for the National Science Foundation, NOAA, and the Department of Energy's research and development program, it authorizes higher levels for Mission to Planet Earth and the U.S. Fire Administration. The Brown substitute moves us in the direction we ought to be going with our science budget. The research and development we perform today will lead to a better quality of life for us all tomorrow. Therefore, I would urge my colleagues to oppose the committee bill and support the Brown substitute.

Ms. HARMAN. Mr. Chairman, I rise today to voice my support for a strong, balanced civil space program, and in particular for NASA's Mission to Planet Earth Program.

Title II of H.R. 2405 contains a bipartisan amendment which I offered at full committee with my colleague Mr. BARTLETT of Maryland. That amendment, which was adopted by voice in the Science Committee, restored $274 million of the $323 which had been cut from Mission to Planet Earth. The amendment was budget neutral and required a corresponding general reduction at NASA to pay for the increased Mission to Planet Earth authorization.

The intent of both Mr. BARTLETT and myself, as well as the language of the amendment, is unambiguous—the amendment authorized an additional $274 million for Mission to Planet Earth, but placed certain conditions on the obligation or expenditure of such additional funds. No conditions or limits were placed on the actual authorization or appropriations.

The most important obligation or expenditure condition was a requirement that the NASA Administrator report to Congress on a plan for implementing the recommendations of a recently completed National Academy of Sciences review of the Mission to Planet Earth Program.

The National Academy's report, which was released last month, validates the committee's actions of authorizing the additional $274 million. In particular, the report recommends that the Earth Observing System's PM-1 and Chem-1 missions be implemented without delay—an important endorsement in light of earlier committee report language which advocated delaying the missions to realize savings. Additionally, the National Academy found that the scientific basis of Mission to Planet Earth is fundamentally sound, and that any further budgetary reductions would severely damage the program.

Mr. Chairman, Mission to Planet Earth's scientific and economic benefits are numerous. In addition to providing invaluable information on global change, the program's scientific data will help us better understand the effects of El Nino conditions on our Nation's farms, and will further the developing science of risk assessment.

I urge my colleagues to support NASA's Mission to Planet Earth, as an integral part of a civil space program which balances human space flight with science, aeronautics, and technology.

Mr. TANNER. Mr. Chairman, I wish I could be more optimistic in my remarks, but I cannot. H.R. 2405, the Omnibus Civilian Science Authorization Act of 1995 claims to trim corporate welfare, while maintaining support for university-based research. But it does not. H.R. 2405 cuts civilian R&D Programs by 12 percent in fiscal year 1996, the first step in the majority's plan to cut Federal R&D spending by 33 percent over the next 7 years. The rhetoric accompanying H.R. 2405 claims that by maintaining funding at the National Science Foundation we're preserving our core investment in university-based research.

At least in my State of Tennessee, the facts present a different picture. According to an NSF report, in Tennessee NSF provides only

5 percent of the Federal obligations to universities, while the Department of Energy provides 18 percent of Federal funds. Cuts to DOE's Health, Environment and Safety account and to Energy R&D will impact universities and colleges across the State—at Fisk University, Middle Tennessee State University, Tennessee State University, Tennessee Technological University, the University of Memphis, the University of Tennessee, and Vanderbilt University.

The 22 percent cut to the Oak Ridge National Lab also means less Federal spending at Tennessee Universities. In my conversations with officials at the University of Tennessee, cuts to Oak Ridge translate directly into cuts to the University of Tennessee's research budget and access to research facilities. These cuts could result in the College of Engineering losing one-third of its research funding, the Center of Biotechnology stands to lose almost three-quarters of a million dollars, and reductions to the Energy, Environment and Resource Center could eliminate $6 million in research funds for the University of Tennessee. These cuts, hiding behind jargon of corporate welfare, directly impact university research. And although we have been told that NSF will grow by 10 percent over the next 7 years, according to the University of Tennessee this will not make up the difference—there will simply be more competition for less funds.

I would now like to address the provisions in title VI of H.R. 2405 regarding the National Institute of Standards and Technology [NIST]. This bill provides no authorization and no funding for the Advanced Technology program and the Manufacturing Extension Partnership [MEP] at NIST. The elimination of the ATP and the MEP sends a strong signal to the business community that we don't care about the harsh economic realities they face today. Corporate research focus is short-term and risk adverse and our small and medium-sized manufactures face international competitors on every street corner in America. As Michael Schrage, research associate at MIT put it, what's being advocated are "science and technology policies that would have been deemed simplistic during the country's agrarian heyday."

We are eliminating government/industry partnerships which enjoy widespread support among the private sector, professional associations, and the university community. What has the Science Committee based it's actions on? Not the hearing record. Not one private sector witness or professional association appearing before the Technology Subcommittee has advocated eliminating those programs. Our major corporations are cutting research funding and focusing on short term goals in response to the pressures of Wall Street. For example, a recent article in the New York Times (26 September 1995) reported on the break-up of the AT&T lab, due to diminishing corporate interest on the brilliant breakthrough discoveries that might lead to an entirely new generation of products.

We should not be blindly eliminating government/industry partnerships which promote private sector investment in long-term, high-risk research that is vital to our economic future.

In closing, Members here today should realize that what we're talking about aren't simply cuts in numbers of bureaucrats or the elimination of wasteful Government programs—we're cutting basic research at both Federal labs and at universities, and we're cutting successful industry/Government partnerships.

We should not be penny-wise and pound foolish. Under the cover of political rhetoric, we're in danger of indiscriminately chopping research and undermining a system that has for decades produced the best scientists and engineers in the world.

I am all for fiscal conservativism and deficit reduction, but the need to cut the deficit is no excuse for setting aside common sense and good judgment.

I urge my colleagues to support the conservative substitute for H.R. 2405.

Mr. HAYES. Mr. Chairman, I rise today in strong support for the amendment by my colleague from Alaska and Chairman of the House Resources Committee, which strikes section 422(b) of H.R. 2405, thereby preventing passage of the bill with a shortsighted and under-funded Sea Grant program.

During the full committee mark up on H.R. 1175, the Sea Grant Authorization Bill, in the Science Committee, I and other members received assures from the Chair that we would be consulted as the process moved forward to address concerns with the low funding levels advocated by the chairman's mark. I reluctantly supported reporting the bill for consideration on the floor with the understanding that we would work together to resolve the situation. The presence of the same language in H.R. 2405 raises serious questions about whether the Science Committee ever had any true intention of working with me or other Members to properly raise funding levels.

The appropriators on both sides of the Capitol have made a commitment to and recognized the importance of the Sea Grant Program by designating over $50 million. The Resources Committee version of H.R. 1175 similarly orders the priorities of the program in a responsible manner and reasonably authorizes $53 million. The provisions of H.R. 2405, however, do not realize the contributions that Sea Grant makes to research and outreach on matters critical to the survival of coastal communities. The Science Committee's $36 million is not satisfactory.

The Sea Grant Program has been a highly acclaimed and successful research program to advance our cognizance of marine sciences and subsequently apply that knowledge to assist coastal communities in better managing their marine resources. Since 1968, Louisiana Sea Grant, for example, has been instrumental in helping people living and working in coastal Louisiana to improve marine conservation through research, education, and advisory services. By addressing vital economic, environmental, and resource management issues, Louisiana Sea Grant has facilitated the effective implementation of many Federal and State conservation policies to preserve our marine and fisheries resources in the Gulf of Mexico, while at the time protecting our important economic industries that depend on those same resources.

Louisiana Sea Grant's advisory and extension services were especially crucial in facilitating gulfwide workshops to better inform shrimpers about appropriate compliance with turtle excluder devise [TED] regulations as required by the National Marine Fisheries Service to enforce the Endangered Species Act. While, like most shrimpers, I question the legitimacy of the science justifying the rule itself, the shrimping community unanimously praised these meetings as productive.

Moreover, Sea Grant's research and education efforts will also assist us in improving our understanding the causes of Vibro vulnificus and could be an integral component in our fight to preserve the Gulf Coast oyster industry. By recognizing causes of Vibrio, timely data can be distributed to the public to prevent the misinformation about at-risk consumer populations.

H.R. 2405's $36 million will not satisfactorily enable Sea Grant to perform all of these functions. I understand and expect that Chairman YOUNG will expeditiously bring H.R. 1175 to the floor for full and fair debate of the higher authorization numbers. For the long-term sustainability of our marine resources, I commend my colleague from Alaska and again urge Members to support the Young amendment.

Mr. Chairman, I rise today in strong support for the amendment by my colleague from Pennsylvania, Mr. DOYLE, which increases the amounts in conservation and fossil fuel research and development accounts in H.R. 2405 up to the levels contained within the fiscal year 1996 Interior Appropriations conference report.

In my home State of Louisiana, the downturn in the oil and gas boom of the 1980's has devastated our economy. We are only now starting to recover. The research efforts of the Department of Energy, in cooperation and partnership with universities across our State, are and will continue to be critical to the future hope of ailing Gulf Coast businesses which still depend on oil and gas for significant portions of their income.

Embodied in the Doyle amendment, we have an opportunity to provide needed additional dollars for research for purposes of determining potential strategies for increasing our dwindling domestic energy resources. At the same time, Mr. DOYLE recognizes the House's obligation to balance the Federal budget and does so by following the path of the appropriators for fiscal year 1996 spending. In his remarks during the full committee mark up on the Department of Energy R and D bill, H.R. 1815, Chairman WALKER when referring to the premise behind his substitute amendment stated that "if we found, in the course of the on-going process, that additional moneys were going to be made available in energy accounts, that in fact the committee should be given a chance to act on those additional monies." The Doyle amendment accomplishes precisely that objective. In fact, as my colleagues are well aware, the House Interior Appropriations Bill included higher fiscal year 1996 figures which acknowledge the importance of a Federal presence in research and development of fossil fuels and energy conservation.

The conservation and fossil programs provide near-term and long-term benefits in the development of innovative technologies to reduce energy use, commercialize new energy efficient products, make exploration and extraction of energy sources cheaper and more efficient, and promote national energy security.

John Henry, the first Secretary of the Smithsonian Institution, once said that "science is the pursuit above all which impresses us with the capacity of man for intellectual and moral progress and awakens the human intellect to aspiration for higher condition of humanity."

It is in this spirit that I urge my colleagues to adopt the Doyle amendment and to demonstrate our commitment to invest in the improvement of the condition of every American through this vital energy research.

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the bill shall be considered under the 5-minute rule by titles, and the first section and each title shall be considered read.

An amendment striking section 304(b)(3) of the bill is adopted.

During consideration of the bill for amendment, the Chairman of the Committee of the Whole may accord priority in recognition to a Member who has caused an amendment to be printed in the designated place in the CONGRESSIONAL RECORD. Those amendments will be considered read.

The Clerk will designate section 1.

The text of section 1 is as follows:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Omnibus Civilian Science Authorization Act of 1995".

(b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents.

TITLE I—NATIONAL SCIENCE FOUNDATION

Sec. 101. Short title.
Sec. 102. Definitions.

Subtitle A—National Science Foundation Authorization

Sec. 111. Authorization of appropriations.
Sec. 112. Proportional reduction of research and related activities amounts.
Sec. 113. Consultation and representation expenses.
Sec. 114. Reprogramming.
Sec. 115. Further authorizations.

Subtitle B—General Provisions

Sec. 121. Annual report.
Sec. 122. National research facilities.
Sec. 123. Eligibility for research facility awards.
Sec. 124. Administrative amendments.
Sec. 125. Indirect costs.
Sec. 126. Research instrumentation and facilities.
Sec. 127. Financial disclosure.
Sec. 128. Educational leave of absence for active duty.
Sec. 129. Prohibition of lobbying activities.
Sec. 130. Science Studies Institute.
Sec. 131. Educational impact.
Sec. 132. Divisions of the Foundation.
Sec. 133. Limitation on appropriations.
Sec. 134. Eligibility for awards.

TITLE II—NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

Subtitle A—General Provisions

Sec. 201. Short title.
Sec. 202. Findings.
Sec. 203. Definitions.

Subtitle B—Authorization of Appropriations

Chapter 1—Authorizations

Sec. 211. Human space flight.
Sec. 212. Science, aeronautics, and technology.
Sec. 213. Mission support.
Sec. 214. Inspector General.
Sec. 215. Total authorization.
Sec. 216. Additional authorization and corresponding reduction.
Sec. 217. Limited availability.

Chapter 2—Restructuring the National Aeronautics and Space Administration

Sec. 221. Findings.
Sec. 222. Asset-based review.

Chapter 3—Limitations and Special Authority

Sec. 231. Use of funds for construction.
Sec. 232. Availability of appropriated amounts.
Sec. 233. Reprogramming for construction of facilities.
Sec. 234. Consideration by committees.
Sec. 235. Limitation on obligation of unauthorized appropriations.
Sec. 236. Use of funds for scientific consultations or extraordinary expenses.
Sec. 237. Limitation on transfer to Russia.

Subtitle C—Miscellaneous Provisions

Sec. 241. Commercial space launch amendments.
Sec. 242. Office of Air and Space Commercialization authorization.
Sec. 243. Requirement for independent cost analysis.
Sec. 244. National Aeronautics and Space Act of 1958 amendments.
Sec. 245. Procurement.
Sec. 246. Additional National Aeronautics and Space Administration facilities.
Sec. 247. Purchase of space science data.
Sec. 248. Report on Mission to Planet Earth.
Sec. 249. Shuttle privatization.
Sec. 250. Aeronautical research and technology facilities.
Sec. 251. Launch voucher demonstration program amendments.
Sec. 252. Privatization of microgravity parabolic flight operations.
Sec. 253. Eligibility of awards.
Sec. 254. Prohibition of lobbying activities.
Sec. 255. Limitation on appropriations.
Sec. 256. Unitary Wind Tunnel Plan Act of 1949 amendments.

TITLE III—DEPARTMENT OF ENERGY

Sec. 301. Short title.
Sec. 302. Definitions.
Sec. 303. Authorization of appropriations.
Sec. 304. Funding limitations.
Sec. 305. Limitation on appropriations.
Sec. 306. Merit review requirements for awards of financial assistance.
Sec. 307. Policy on capital projects and construction.
Sec. 308. Further authorizations.
Sec. 309. High energy and nuclear physics.
Sec. 310. Prohibition of lobbying activities.
Sec. 311. Eligibility for awards.
Sec. 312. Termination costs.

TITLE IV—NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

Sec. 401. Short title.
Sec. 402. Definitions.

Subtitle A—Atmospheric, Weather, and Satellite Programs

Sec. 411. National Weather Service.
Sec. 412. Atmospheric research.
Sec. 413. National Environmental Satellite, Data, and Information Service.

Subtitle B—Marine Research

Sec. 421. National Ocean Service.
Sec. 422. Ocean and Great Lakes research.
Sec. 423. Use of ocean research resources of other Federal agencies.

Subtitle C—Program Support

Sec. 431. Program support.

Subtitle D—Streamlining of Operations

Sec. 441. Program terminations.
Sec. 442. Limitations on appropriations.
Sec. 443. Reduction in the commissioned officer corps.

Subtitle E—Miscellaneous

Sec. 451. Weather data buoys.
Sec. 452. Duties of the National Weather Service.
Sec. 453. Reimbursement of expenses.
Sec. 454. Eligibility for awards.
Sec. 455. Prohibition of lobbying activities.
Sec. 456. Report on laboratories.

TITLE V—ENVIRONMENTAL PROTECTION AGENCY

Sec. 501. Short title.
Sec. 502. Definitions.
Sec. 503. Authorization of appropriations.
Sec. 504. Scientific research review.
Sec. 505. Prohibition of lobbying activities.
Sec. 506. Eligibility for awards.
Sec. 507. Graduate student fellowships.

TITLE VI—TECHNOLOGY

Subtitle A—Technology Administration

Sec. 601. Short title.
Sec. 602. Authorization of appropriations.
Sec. 603. National Institute of Standards and Technology Act amendments.
Sec. 604. Stevenson-Wydler Technology Innovation Act of 1980 amendments.
Sec. 605. Personnel.
Sec. 606. Fastener Quality Act amendments.
Sec. 607. Prohibition of lobbying activities.
Sec. 608. Limitation on appropriations.
Sec. 609. Eligibility for awards.
Sec. 610. Standards conformity.
Sec. 611. Further authorizations.

TITLE VII—UNITED STATES FIRE ADMINISTRATION

Sec. 701. Short title.
Sec. 702. Authorization of appropriations.
Sec. 703. Fire safety systems in Army housing.
Sec. 704. Successor fire safety standards.
Sec. 705. Termination or privatization of functions.
Sec. 706. Report on budgetary reduction.

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The CHAIRMAN. Are there any amendments to section 1?

Mr. SCHIFF. Mr. Chairman, I move to strike the last word as to title I, for the purpose of engaging in a brief colloquy with the chairman of the committee, the gentleman from Pennsylvania [Mr. WALKER].

In section 134 entitled "Eligibility for Awards," it states: "The director shall exclude any person who receives an earmark." I have been asked by several universities as to what the definition of "any person" is. Could the chairman please clarify how he interprets this language?

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. SCHIFF. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Chairman, I would certainly interpret "person" narrowly to mean only an awardee institution and not its affiliates or subcontractors. Similarly, we would not view contracts that receive funding under the Federal acquisition regulation procedures for noncompetitive procurements as "not subjected to a competitive, merit-based award process."

Mr. SCHIFF. Further on that section, Mr. Chairman, if a university receives an earmark and refuses it, would this section prohibit them from receiving future funding?

Mr. WALKER. Mr. Chairman, I would like to point out we used the words "received funds." If we had used the term "awarded funds," then we would have had a problem; however, should the university never receive the funds because they refused to accept them, then this section would not apply.

Mr. SCHIFF. Mr. Chairman, I thank the gentleman.

The CHAIRMAN. The Clerk will designate title I. The text of title I is as follows:

TITLE I—NATIONAL SCIENCE FOUNDATION

SEC. 101. SHORT TITLE.

This title may be cited as the "National Science Foundation Authorization Act of 1995".

SEC. 102. DEFINITIONS.

For purposes of this title—

(1) the term "Director" means the Director of the Foundation;

(2) the term "Foundation" means the National Science Foundation;

(3) the term "institution of higher education" has the meaning given such term in section 1201(a) of the Higher Education Act of 1965;

(4) the term "national research facility" means a research facility funded by the Foundation which is available, subject to appropriate policies allocating access, for use by all scientists and engineers affiliated with research institutions located in the United States; and

(5) the term "United States" means the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and any other territory or possession of the United States.

Subtitle A—National Science Foundation Authorization

SEC. 111. AUTHORIZATION OF APPROPRIATIONS.

(a) FINDINGS.—The Congress finds that—

(1) the programs of the Foundation are important for the Nation to strengthen basic research and develop human resources in science and engineering, and that those programs should be funded at an adequate level;

(2) the primary mission of the Foundation continues to be the support of basic scientific research and science education and the support of research fundamental to the engineering process and engineering education; and

(3) the Foundation's efforts to contribute to the economic competitiveness of the United States should be in accord with that primary mission.

(b) FISCAL YEAR 1996.—There are authorized to be appropriated to the Foundation $3,126,000,000 for fiscal year 1996, which shall be available for the following categories:

(1) Research and Related Activities, $2,226,300,000, which shall be available for the following subcategories:

(A) Mathematical and Physical Sciences, $632,200,000.

(B) Engineering, $311,600,000.

(C) Biological Sciences, $293,300,000.

(D) Geosciences, $408,800,000.

(E) Computer and Information Science and Engineering, $249,500,000.

(F) Social, Behavioral, and Economic Sciences, $111,300,000.

(G) United States Polar Research Programs, $156,000,000.

(H) United States Antarctic Logistical Support Activities, $62,600,000.

(I) Critical Technologies Institute, $1,000,000.

(2) Education and Human Resources Activities, $600,000,000.

(3) Major Research Equipment, $70,000,000.

(4) Academic Research Facilities Modernization, $100,000,000.

(5) Salaries and Expenses, $120,000,000.

(6) Office of Inspector General, $4,500,000.

(7) Headquarters Relocation, $5,200,000.

(c) FISCAL YEAR 1997.—There are authorized to be appropriated to the Foundation $3,171,400,000 for fiscal year 1997, which shall be available for the following categories:

(1) Research and Related Activities, $2,286,200,000.

(2) Education and Human Resources Activities, $600,000,000.

(3) Major Research Equipment, $55,000,000.

(4) Academic Research Facilities Modernization, $100,000,000.

(5) Salaries and Expenses, $120,000,000.

(6) Office of Inspector General, $5,000,000.

(7) Headquarters Relocation, $5,200,000.

SEC. 112. PROPORTIONAL REDUCTION OF RESEARCH AND RELATED ACTIVITIES AMOUNTS.

If the amount appropriated pursuant to section 111(b)(1) is less than the amount authorized under that paragraph, the amount authorized for each subcategory under that paragraph shall be reduced by the same proportion.

SEC. 113. CONSULTATION AND REPRESENTATION EXPENSES.

From appropriations made under authorizations provided in this title, not more than $10,000 may be used in each fiscal year for official consultation, representation, or other extraordinary expenses at the discretion of the Director. The determination of the Director shall be final and conclusive upon the accounting officers of the Government.

SEC. 114. REPROGRAMMING.

(a) $500,000 OR LESS.—In any given fiscal year, the Director may transfer appropriated funds among the subcategories of Research and Related Activities, so long as the net funds transferred to or from any subcategory do not exceed $500,000.

(b) GREATER THAN $500,000.—In addition, the Director may propose transfers to or from any subcategory exceeding $500,000. An explanation of any proposed transfer under this subsection must be transmitted in writing to the Committee on Science of the House of Representatives, and the Committees on Labor and Human Resources and Commerce, Science, and Transportation of the Senate. The proposed transfer may be made only when 30 calendar days have passed after transmission of such written explanation.

SEC. 115. FURTHER AUTHORIZATIONS.

Nothing in this title shall preclude further authorization of appropriations for the National Science Foundation for fiscal year 1996: *Provided*, That authorization allocations adopted by the Conference Committee on House Concurrent Resolution 67, and approved by Congress, allow for such further authorizations.

Subtitle B—General Provisions

SEC. 121. ANNUAL REPORT.

Section 3(f) of the National Science Foundation Act of 1950 (42 U.S.C. 1862(f)) is amended to read as follows:

"(f) The Foundation shall provide an annual report to the President which shall be submitted by the Director to the Congress at the time of the President's annual budget submission. The report shall—

"(1) contain a strategic plan, or an update to a previous strategic plan, which—

"(A) defines for a three-year period the overall goals for the Foundation and specific goals for each major activity of the Foundation, including each scientific directorate, the education directorate, and the polar programs office; and

"(B) describe how the identified goals relate to national needs and will exploit new opportunities in science and technology;

"(2) identify the criteria and describe the procedures which the Foundation will use to assess progress toward achieving the goals identified in accordance with paragraph (1);

"(3) review the activities of the Foundation during the preceding year which have contributed toward achievement of goals identified in accordance with paragraph (1) and summarize planned activities for the coming three years in the context of the identified goals, with particular emphasis on the Foundation's planned contributions to major multi-agency research and education initiatives;

"(4) contain such recommendations as the Foundation considers appropriate; and

"(5) include information on the acquisition and disposition by the Foundation of any patents and patent rights.".

SEC. 122. NATIONAL RESEARCH FACILITIES.

(a) FACILITIES PLAN.—The Director shall provide to Congress annually, as a part of the report required under section 3(f) of the National Science Foundation Act of 1950, a plan for the proposed construction of, and repair and upgrades to, national research facilities. The plan shall include estimates of the cost for such construction, repairs, and upgrades, and estimates of the cost for the operation and maintenance of existing and proposed new facilities. For proposed new construction and for major upgrades to existing facilities, the plan shall include funding profiles by fiscal year and milestones for major phases of the construction. The plan shall include cost estimates in the categories of construction, repair, and upgrades for the year in which the plan is submitted to Congress and for not fewer than the succeeding 4 years.

(b) LIMITATION ON OBLIGATION OF UNAUTHORIZED APPROPRIATIONS.—No funds appropriated for any project which involves construction of new national research facilities or construction necessary for upgrading the capabilities of existing national research facilities shall be obligated unless the funds are specifically authorized for such purpose by this title or any other Act which is not an appropriations Act, or unless the total estimated cost to the Foundation of the construction project is less than $50,000,000. This subsection shall not apply to construction projects approved by the National Science Board prior to June 30, 1994.

SEC. 123. ELIGIBILITY FOR RESEARCH FACILITY AWARDS.

Section 203(b) of the Academic Research Facilities Modernization Act of 1988 is amended by striking the final sentence of paragraph (3) and inserting in lieu thereof the following: "The Director shall give priority to institutions or consortia that have not received such funds in the preceding 5 years, except that this sentence shall not apply to previous funding received for the same multiyear project.".

SEC. 124. ADMINISTRATIVE AMENDMENTS.

(a) NATIONAL SCIENCE FOUNDATION ACT OF 1950 AMENDMENTS.—The National Science Foundation Act of 1950 (42 U.S.C. 1861 et seq.) is amended—

(1) by redesignating the subsection (k) of section 4 (42 U.S.C. 1863(k)) that was added by section 108 of the National Science Foundation Authorization Act of 1988 as subsection (l);

(2) in section 5(e) (42 U.S.C. 1864(e)) by amending paragraph (2) to read as follows:

"(2) Any delegation of authority or imposition of conditions under paragraph (1) shall be promptly published in the Federal Register and reported to the Committees on Labor and Human Resources and Commerce, Science, and Transportation of the Senate and the Committee on Science of the House of Representatives.";

(3) by inserting "be entitled to" between "shall" and "receive", and by inserting ", including traveltime," after "Foundation" in section 14(c) (42 U.S.C. 1873(c));

(4) by striking section 14(j) (42 U.S.C. 1873(j)); and

(5) by striking "Atomic Energy Commission" in section 15(a) (42 U.S.C. 1874(a)) and inserting in lieu thereof "Secretary of Energy".

(b) NATIONAL SCIENCE FOUNDATION AUTHORIZATION ACT, 1976 AMENDMENTS.—Section 6(a) of the National Science Foundation Authorization Act, 1976 (42 U.S.C. 1881a(a)) is amended by striking "social," the first place it appears.

(c) NATIONAL SCIENCE FOUNDATION AUTHORIZATION ACT OF 1988 AMENDMENTS.—(1) Section 117(a)(1)(B)(v) of the National Science Foundation Authorization Act of 1988 (42 U.S.C. 1881b(1)(B)(v)) is amended to read as follows:

"(v) from schools established outside the several States and the District of Columbia by any agency of the Federal Government for dependents of its employees.".

(2) Section 117(a)(3)(A) of such Act (42 U.S.C. 1881b(3)(A)) is amended by striking "Science and Engineering Education" and inserting in lieu thereof "Education and Human Resources".

(d) EDUCATION FOR ECONOMIC SECURITY ACT AMENDMENTS.—Section 107 of Education for Economic Security Act (20 U.S.C. 3917) is repealed.

(e) TECHNICAL AMENDMENT.—The second subsection (g) of section 3 of the National Science Foundation Act of 1950 is repealed.

SEC. 125. INDIRECT COSTS.

(a) MATCHING FUNDS.—Matching funds required pursuant to section 204(a)(2)(C) of the Academic Research Facilities Modernization Act of 1988 (42 U.S.C. 1862c(a)(2)(C)) shall not be considered facilities costs for purposes of determining indirect cost rates.

(b) REPORT.—The Director of the Office of Science and Technology Policy, in consultation with other relevant agencies, shall prepare a report analyzing what steps would be needed to—

(1) reduce by 10 percent the proportion of Federal assistance to institutions of higher education that are allocated for indirect costs; and

(2) reduce the variance among indirect cost rates of different institutions of higher education,

including an evaluation of the relative benefits and burdens of each option on institutions of higher education. Such report shall be transmitted to the Congress no later than December 31, 1995.

SEC. 126. RESEARCH INSTRUMENTATION AND FACILITIES.

The Foundation shall incorporate the guidelines set forth in Important Notice No. 91, dated March 11, 1983 (48 Fed. Reg. 15754, April 12, 1983), relating to the use and operation of Foundation-supported research instrumentation and facilities, in its notice of Grant General Conditions, and shall examine more closely the adherence of grantee organizations to such guidelines.

SEC. 127. FINANCIAL DISCLOSURE.

Persons temporarily employed by or at the Foundation shall be subject to the same financial disclosure requirements and related sanctions under the Ethics in Government Act of 1978 as are permanent employees of the Foundation in equivalent positions.

SEC. 128. EDUCATIONAL LEAVE OF ABSENCE FOR ACTIVE DUTY.

In order to be eligible to receive funds from the Foundation after September 30, 1995, an institution of higher education must provide that whenever any student of the institution who is a member of the National Guard, or other reserve component of the Armed Forces of the United States, is called or ordered to active duty, other than active duty for training, the institution shall grant the member a military leave of absence from their education. Persons on military leave of absence from their institution shall be entitled, upon release from military duty, to be restored to the educational status they had attained prior to their being ordered to military duty without loss of academic credits earned, scholarships or grants awarded, or tuition and other fees paid prior to the commencement of the military duty. It shall be the duty of the institution to refund tuition or fees paid or to credit the tuition and fees to the next semester or term after the termination of the educational military leave of absence at the option of the student.

SEC. 129. PROHIBITION OF LOBBYING ACTIVITIES.

None of the funds authorized by this title shall be available for any activity whose purpose is to influence legislation pending before the Congress, except that this shall not prevent officers or employees of the United States or of its departments or agencies from communicating to Members of Congress on the request of any Member or to Congress, through the proper channels, requests for legislation or appropriations which they deem necessary for the efficient conduct of the public business.

SEC. 130. SCIENCE STUDIES INSTITUTE.

(a) AMENDMENT.—Section 822 of the National Defense Authorization Act for Fiscal 1991 (42 U.S.C. 6686) is amended—

(1) by striking "Critical Technologies Institute" in the section heading and in subsection (a), and inserting in lieu thereof "Science Studies Institute";

(2) in subsection (b) by striking "As determined by the chairman of the committee referred to in subsection (c), the" and inserting in lieu thereof "The";

(3) by striking subsection (c), and redesignating subsections (d), (e), (f), and (g) as subsections (c), (d), (e), and (f), respectively;

(4) in subsection (c), as so redesignated by paragraph (3) of this subsection—

(A) by inserting "science and" after "developments and trends in" in paragraph (1);

(B) by striking "with particular emphasis" in paragraph (1) and all that follows through the end of such paragraph and inserting in lieu thereof "and developing and maintaining relevant informational and analytical tools.";

(C) by striking "to determine" and all that follows through "technology policies" in paragraph (2) and inserting in lieu thereof "with particular attention to the scope and content of the Federal science and technology research and develop portfolio as it affects interagency and national issues";

(D) by amending paragraph (3) to read as follows:

"(3) Initiation of studies and analysis of alternatives available for ensuring the long-term strength of the United States in the development and application of science and technology, including appropriate roles for the Federal Government, State governments, private industry, and institutions of higher education in the development and application of science and technology.";

(E) by inserting "science and" after "Executive branch on" in paragraph (4)(A); and

(F) by amending paragraph (4)(B) to read as follows:

"(B) to the interagency committees and panels of the Federal Government concerned with science and technology.";

(5) in subsection (d), as so redesignated by paragraph (3) of this subsection, by striking "subsection (d)" and inserting in lieu thereof "subsection (c)"; and

(6) by amending subsection (f), as so redesignated by paragraph (3) of this subsection, to read as follows:

"(f) SPONSORSHIP.—The Director of the Office of Science and Technology Policy shall be the sponsor of the Institute.".

(b) CONFORMING USAGE.—All references in Federal law or regulations to the Critical Technologies Institute shall be considered to be references to the Science Studies Institute.

SEC. 131. EDUCATIONAL IMPACT.

(a) FINDINGS.—The Congress finds that—

(1) Federal research funds made available to institutions of higher education often create incentives for such institutions to emphasize research over undergraduate teaching and to narrow the focus of their graduate programs; and

(2) National Science Foundation funds for Research and Related Activities should be spent in the manner most likely to improve the quality of undergraduate and graduate education in institutions of higher education.

(b) EDUCATIONAL IMPACT.—(1) The impact that a grant or cooperative agreement by the National Science Foundation would have on undergraduate and graduate education at an institution of higher education shall be a factor in any decision whether to award such grant or agreement to that institution.

(2) Paragraph (1) shall be effective with respect to any grant or cooperative agreement awarded after September 30, 1996.

(c) REPORT.—The Director shall provide a plan for the implementation of subsection (b) of this section, no later than December 31, 1995, to the Committee on Science of the House of Representatives and the Committee on Commerce, Science, and Transportation and the Committee on Labor and Human Resources of the Senate.

SEC. 132. DIVISIONS OF THE FOUNDATION.

(a) AMENDMENT.—Section 8 of the National Science Foundation Act of 1950 (42 U.S.C. 1866) is amended by inserting "The Director may appoint, in consultation with the Board, not more than 6 Assistant Directors to assist in managing the Divisions." after "time to time determine.".

(b) REPORT.—By November 15, 1995, the Director shall transmit to the Congress a report on the reorganization of the National Science Foundation required as a result of the amendment made by subsection (a).

SEC. 133. LIMITATION ON APPROPRIATIONS.

(a) EXCLUSIVE AUTHORIZATION FOR FISCAL YEAR 1996.—Notwithstanding any other provision of law, no sums are authorized to be appropriated for fiscal year 1996 for the activities for which sums are authorized by this title unless such sums are specifically authorized to be appropriated by this title.

(b) SUBSEQUENT FISCAL YEARS.—No sums are authorized to be appropriated for any fiscal year after fiscal year 1996 for the activities for which sums are authorized by this title unless such sums are specifically authorized to be appropriated by an Act of Congress with respect to such fiscal year.

SEC. 134. ELIGIBILITY FOR AWARDS.

(a) IN GENERAL.—The Director shall exclude from consideration for awards of financial assistance made by the Foundation after fiscal year 1995 any person who received funds, other than those described in subsection (b), appropriated for a fiscal year after fiscal year 1995, from any Federal funding source for a project that was not subjected to a competitive, merit-based award process. Any exclusion from consideration pursuant to this section shall be effective for a period of 5 years after the person receives such Federal funds.

(b) EXCEPTION.—Subsection (a) shall not apply to awards to persons who are members of a class specified by law for which assistance is awarded to members of the class according to a formula provided by law.

The CHAIRMAN. Are there any amendments to title I?

AMENDMENT OFFERED BY MR. BROWN OF CALIFORNIA

Mr. BROWN of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BROWN of California: Page 10, strike line 1 through line 7.

Mr. BROWN of California. Mr. Chairman, this is not a matter of monumental importance. I will not belabor it at all if the majority is willing to accept the amendment, which merely strikes section 115 on page 10. I should explain that it has no effect in law or anything else, as far as I can tell.

In the debate over the bill that this involves, the National Science Foundation, there was some discussion in the committee that the appropriators had already appropriated more money than this bill provided. I think the chairman of the committee, in his wisdom, said that he would concede that, and that if we wanted to authorize more money, we could do it later on. This reflects that understanding.

It says: "Nothing in this title shall preclude further authorization of appropriations for the National Science Foundation," and then it has a proviso that the authorization allocations adopted by the conference committee on House Concurrent Resolution 67 and approved by Congress should allow for further authorization.

Mr. Chairman, to begin with, the first line is of no effect, because we know we can authorize any time we can get the House to approve it, which means generally getting the action through the Committee on Rules, to the floor, and getting the floor to accept it, and then the Senate to accept it and the President to sign it. We can do that any time. It does not have to be set forth in this bill.

Mr. SCHIFF. Mr. Chairman, will the gentleman yield?

Mr. BROWN of California. I yield to the gentleman from New Mexico.

Mr. SCHIFF. Mr. Chairman, as the gentleman knows, at the time that language was inserted into the bill we were at different points in the budget process. I think where we are now, in view of the fact of where we are now, I think the gentleman's amendment is well taken. We are prepared to accept it.

Mr. BROWN of California. I appreciate that, Mr. Chairman.

Let me conclude by making one further remark. "The proviso that authorization allocations adopted by the conference Committee on the Budget resolution allows for it." Now, we all know there is nothing in the budget resolution that pertains to authorization. It pertains only to appropriations. Therefore, to have this language in here, which implies that something in the budget amendment would relate to authorizations for the National Science Foundation is a fiction, so that is not necessary either. I am happy to accept the gentleman's willingness to accept the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. BROWN].

The amendment was agreed to.

The CHAIRMAN. Are there further amendments to title I?

If not, the Clerk will designate title II.

The text of title II is as follows:

TITLE II—NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

Subtitle A—General Provisions

SEC. 201. SHORT TITLE.

This title may be cited as the "National Aeronautics and Space Administration Authorization Act, Fiscal Year 1996".

SEC. 202. FINDINGS.

The Congress makes the following findings:

(1) The National Aeronautics and Space Administration has failed to request sufficient funds to perform all missions it has proposed in annual budget requests. For fiscal year 1996, the budget requested is $140,000,000 below the amount required to fulfill program commitments made by the fiscal year 1995 budget approved by Congress. The request for fiscal year 1996 proposes continued underfunding of the requirements of the National Aeronautics and Space Administration by $439,000,000 for fiscal year 1997, $847,000,000 for fiscal year 1998, $1,189,000,000 for fiscal year 1999, and $1,532,000,000 for fiscal year 2000.

(2) In order to close the gap between projected program requirements and the underfunding requested, the National Aeronautics and Space Administration should aggressively pursue actions and reforms directed at reducing institutional costs, including management restructuring, facility consolidation, procurement reform, personnel base downsizing, and convergence with other defense and private sector systems.

(3) While institutional reforms, restructurings, and downsizing hold the promise of comporting the projected needs of the National Aeronautics and Space Administration with funding levels requested by the Administration, such reforms provide no guarantee against cancellation of missions in the event reform efforts fail to achieve cost reduction targets.

(4) The National Aeronautics and Space Administration must reverse its current trend toward becoming an operational agency, and return to its proud history as the Nation's leader in basic scientific air and space research.

(5) Commercial space activity is in a delicate state of growth but has the potential to eclipse Federal space activity in its economic return to the Nation if not stifled.

(6) The United States is on the verge of creating and using new technologies in microsatellites, information processing, and space launch that could radically alter the manner in which the Government approaches its space mission.

(7) The overwhelming preponderance of the Federal Government's requirements for routine, nonemergency manned and unmanned space transportation can be most effectively, efficiently, and economically met by a free and competitive market in privately developed and operated launch services.

(8) In formulating a national space transportation service policy, the National Aeronautics and Space Administration should aggressively pursue reverse contracting opportunities to support the private sector development of advanced space transportation technologies including reusable space vehicles, single-stage-to-orbit vehicles, and manner space systems.

(9) International cooperation in space exploration and science activities serves the United States national interest—

(A) when it—

(i) reduces the cost of undertaking missions the United States Government would pursue unilaterally;

(ii) enables the United States to pursue missions that it could not otherwise afford to pursue unilaterally; or

(iii) enhances United States capabilities to use and develop space for the benefit of United States citizens; and

(B) when it does not—

(i) otherwise harm or interfere with the ability of United States private sector firms to develop or explore space commercially;

(ii) interfere with the ability of Federal agencies to use space to complete their missions;

(iii) undermine the ability of United States private enterprise to compete favorably with foreign entities in the commercial space arena; or

(iv) transfer sensitive or commercially advantageous technologies or knowledge from the United States to other countries or foreign entities except as required by those countries or entities to make their contribution to a multilateral space project in partnership with the United States, or on a quid pro quo basis.

(10) The National Aeronautics and Space Administration and the Department of Defense can cooperate more effectively in leveraging their mutual capabilities to conduct joint space missions that improve United States space capabilities and reduce the cost of conducting space missions.

SEC. 203. DEFINITIONS.

For purposes of this title—

(1) the term "Administrator" means the Administrator of the National Aeronautics and Space Administration; and

(2) the term "institution of higher education" has the meaning given such term in section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a)).

Subtitle B—Authorization of Appropriations

CHAPTER 1—AUTHORIZATIONS

SEC. 211. HUMAN SPACE FLIGHT.

(a) AUTHORIZATIONS.—There are authorized to be appropriated to the National Aeronautics and Space Administration for fiscal year 1996 for Human Space Flight the following amounts:

(1) For Space Shuttle Operations, $2,341,800,000.

(2) For Space Shuttle Safety and Performance Upgrades, $837,000,000.

(3) For Payload and Utilization Operations, $315,000,000.

(4) For Russian Cooperation, $100,000,000.

(b) CONSTRUCTION OF FACILITIES.—(1) Of the funds authorized to be appropriated under subsection (a)(2), $5,000,000 are authorized for modernization of the Firex Systems, Pads A and B, Kennedy Space Center.

(2) Of the funds authorized to be appropriated under subsection (a)(2), $7,500,000 are authorize for replacement of the Chemical Analysis Facility, Kennedy Space Center.

(3) Of the funds authorized to be appropriated under subsection (a)(2), $4,900,000 are authorized for replacement of the Space Shuttle Main Engine Processing Facility, Kennedy Space Center.

SEC. 212. SCIENCE, AERONAUTICS, AND TECHNOLOGY.

(a) AUTHORIZATIONS.—There are authorized to be appropriated to the National Aeronautics and Space Administration for fiscal year 1996 for Science, Aeronautics, and Technology the following amounts:

(1) For Space Science, $1,995,400,000, of which—

(A) $1,167,600,000 are authorized for Physics and Astronomy, of which $51,500,000 shall be for the Gravity Probe B, except that no funds are authorized for the Space Infrared Telescope Facility; and

(B) $827,800,000 are authorized for Planetary Exploration, of which $30,000,000 shall be for the New Millennium Spacecraft, including $5,000,000 for the National Aeronautics and Space Administration's participation in Clementine 2 (Air Force Program Element 0603401F Advanced Spacecraft Technology).

(2) For Life and Microgravity Sciences and Applications, $293,200,000.

(3) For Mission to Planet Earth, $1,013,100,000, of which $21,500,000 shall only be for activities described in section 248(b)(7)(A), except that no funds are authorized for the Consortium for International Earth Science Information Network (except as provided in section 217) or the Topex Poseidon Follow-On mission. Funds authorized by this paragraph may not be expended to duplicate private sector or other Federal activities or to procure systems to provide data unless the Administrator certifies to Congress that no private sector or Federal entity can provide suitable data in a timely manner. Notwithstanding any other provision of law, funds in excess of those authorized by this paragraph may not be obligated for Mission to Planet Earth.

(4) For Space Access and Technology, $639,800,000 of which—

(A) $193,000,000 are authorized for Advanced Space Transportation;

(B) $10,000,000 are authorized to be made available for defraying the costs of converting or redesigning commercially inconsistent elements of former Federal facilities or to take actions required for conformance with Federal laws or regulations relating to commercial space transportation infrastructure, to remain available until expended;

(C) $20,000,000 shall be for continuing the Launch Voucher Demonstration Program authorized under section 504 of the National Aeronautics and Space Administration Authorization Act, Fiscal Year 1993(15 U.S.C. 5803); and

(D) $33,900,000 are authorized for the Small Spacecraft Technology Initiative, except that funds for such Initiative may not be expended to duplicate private sector activities or to fund any activities that a private sector entity is proposing to carry out for commercial purposes. No funds are authorized under this paragraph for the Partnership for Next Generation Vehicle.

(5) For Aeronautical Research and Technology, $826,900,000, of which—

(A) $354,700,000 are authorized for Research and Technology Base activities;

(B) $245,500,000 are authorized for High Speed Research;

(C) $133,,000,000 are authorized for Advanced Subsonic Technology, except that no funds are authorized for concept studies for Advanced Traffic Management and Affordable Design and Manufacturing;

(D) $40,200,000 are authorized for High-Performance Computing and Communications; and

(E) $48,100,000 are authorized for Numerical Aerodynamic Simulation.

(6) For Mission Communication Services, $461,300,000.

(7) For Academic Programs, $102,200,000.

(b) CONSTRUCTION OF FACILITIES.—(1) Of the funds authorized to be appropriated under subsection (a)(3), $17,000,000 are authorized for construction of the Earth Systems Science Building, Goddard Space Flight Center.

(2) Of the funds authorized to be appropriated under subsection (a)(5), $5,400,000 are authorized for modernization of the Unitary Plan Wind Tunnel Complex, Ames Research Center.

(3) Of the funds authorized to be appropriated under subsection (a)(2), $3,000,000 are authorized for the construction of an addition to the Microgravity and Development Laboratory, Marshall Space Flight Center.

SEC. 213. MISSION SUPPORT.

There are authorized to be appropriated to the National Aeronautics and Space Administration for fiscal year 1996 for Mission Support the following amounts:

(1) For Safety, Reliability, and Quality Assurance, $37,600,000.

(2) For Space Communication Services, $319,400,000.

(3) For Construction of Facilities, including land acquisition, $152,600,000, of which—

(A) $6,300,000 shall be for restoration of Flight Systems Research Laboratory, Ames Research Center;

(B) $3,000,000 shall be for restoration of chilled water distribution system, Goddard Space Flight Center;

(C) $4,800,000 shall be for replacing chillers, various buildings, Jet Propulsion Laboratory;

(D) $1,100,000 shall be for rehabilitation of electrical distribution system, White Sands Test Facility, Johnson Space Center;

(E) $4,200,000 shall be for replacement of main substation switchgear and circuit breakers, Johnson Space Center;

(F) $1,800,000 shall be for replacement of 15kV load break switches, Kennedy Space Center;

(G) $9,000,000 shall be for rehabilitation of Central Air Equipment Building, Lewis Research Center;

(H) $4,700,000 shall be for restoration of high pressure air compressor system, Marshall Space Flight Center;

(I) $6,800,000 shall be for restoration of Information and Electronic Systems Laboratory, Marshall Space Flight Center;

(J) $1,400,000 shall be for restoration of canal lock, Stennis Space Center;

(K) $2,500,000 shall be for restoration of primary electrical distribution systems, Wallops Flight Facility;

(L) $30,000,000 shall be for repair of facilities at various locations, not in excess of $1,500,000 per project;

(M) $30,000,000 shall be for rehabilitation and modification of facilities at various locations, not in excess of $1,500,000 per project;

(N) $2,000,000 shall be for minor construction of new facilities and additions to existing facilities at various locations, not in excess of $750,000 per project;

(O) $10,000,000 shall be for facility planning and design not otherwise provided for; and

(P) $35,000,000 shall be for environmental compliance and restoration.

(4) For Research and Program Management, including personnel and related costs, travel, and research operations support, $2,094,800,000.

SEC. 214. INSPECTOR GENERAL.

There are authorized to be appropriated to the National Aeronautics and Space Administration for Inspector General, $17,300,000 for fiscal year 1996.

SEC. 215. TOTAL AUTHORIZATION.

Notwithstanding any other provision of this subtitle, the total amount authorized to be appropriated to the National Aeronautics and Space Administration under this title shall not exceed $11,547,400,000 for fiscal year 1996.

SEC. 216. ADDITIONAL AUTHORIZATION AND CORRESPONDING REDUCTION.

(a) AUTHORIZATION.—In addition to amounts authorized by section 212(a)(3), there are authorized to be appropriated to the National Aeronautics and Space Administration for fiscal year 1996 for Mission to Planet Earth $274,360,000, to be derived from amounts otherwise authorized by this title.

(b) OPERATING PLAN.—The Administrator shall, within 30 days after the later of—

(1) the date of the enactment of this Act; and

(2) the date of the enactment of the Act making appropriations for the National Aeronautics and Space Administration for fiscal year 1996,

transmit to the Committee on Science of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate an operating plan which identifies which amounts will be transferred pursuant to subsection (a).

(c) LIMITATION ON OBLIGATION AND EXPENDITURE.—None of the funds authorized by subsection (a) shall be available for obligation or expenditure until—

(1) the National Academy of Sciences has conducted a comprehensive review of the Mission to Planet Earth program as part of its study of the United States Global Change Research Program;

(2) the Administrator has reported to the Committee on Science of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate a plan for implementing the study's recommendations and a formal request for all or part of such funds; and

(3) 90 legislative days have passed after the report is transmitted under paragraph (2).

SEC. 217. LIMITED AVAILABILITY.

Nothing in this title shall interfere with the rights of any parties under contracts. Nothing in this title shall preclude the Consortium for International Earth Science Information Network from receiving a contract awarded following a full and open competition.

CHAPTER 2—RESTRUCTURING THE NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

SEC. 221. FINDINGS.

The Congress finds that—

(1) the restructuring of the National Aeronautics and Space Administration is essential to accomplishing the space missions of the United States while simultaneously balancing the Federal budget;

(2) to restructure the National Aeronautics and Space Administration rapidly without reducing mission content and safety requires objective financial judgment;

(3) no effort has been undertaken by the National Aeronautics and Space Administration to perform a formal economic review of its missions and the Federal assets that support them;

(4) therefore it is premature and unwarranted to attempt closing any National Aeronautics and Space Administration field center until an asset-based review of United States space missions and capabilities to support them is performed; and

(5) cost savings from the closing of National Aeronautics and Space Administration field centers are speculative and potentially injurious to mission goals, unless derived from an asset-based analysis.

SEC. 222. ASSET-BASED REVIEW.

(a) REQUEST FOR PROPOSALS.—Not later than 30 days after the date of the enactment of this Act, the Administrator shall publish in the Commerce Business Daily a request for proposals to perform a National Aeronautics and Space Administration asset-based review.

(b) QUALIFIED PROPOSALS.—Qualified proposals to perform the asset-based review under this section shall be from United States persons whose primary business is corporate financial strategy, investment banking, accounting, or asset management. All proposals shall, at a minimum, propose to review, for each capital asset owned by the National Aeronautics and Space Administration—

(1) its primary function or purpose in relationship to a program, mission, or activity of the National Aeronautics and Space Administration;

(2) the existence of other capital assets which duplicate or overlap with such function or purpose;

(3) the Federal and non-Federal users thereof; and

(4) its necessity to carry out a program, mission, or activity of the National Aeronautics and Space Administration.

(c) REPORT.—The contractor selected to perform the asset-based review under this section shall complete such review and transmit to the Administrator and the Congress, no later than July 31, 1996, a report containing, at a minimum—

(1) for each National Aeronautics and Space Administration field center facility—

(A) a list of capital assets that should be permanently retired or disposed of;

(B) a list of capital assets that may be transferred to non-Federal institutions and corporations, if the transfer of such asset is cost effective; and

(C) a list of capital assets essential to the conduct of National Aeronautics and Space Administration programs, missions, or activities, and a justification for retaining the asset;

(2) for each National Aeronautics and Space Administration program element—

(A) a list of capital assets essential to the conduct of the program element; and

(B) a plan for achieving the most cost-effective consolidation and efficient use of necessary capital assets to support such program element, including the use of non-Federal assets where appropriate; and

(3) for each National Aeronautics and Space Administration capital asset—

(A) the total annual cost of maintaining and operating such capital asset, including Federal employee and contractor costs;

(B) the depreciated cost, replacement cost, and salvage value; and

(C) the most cost-effective strategy for maintaining, replacing, upgrading, or disposing of the capital asset, as appropriate.

(d) IMPLEMENTATION.—The Administrator shall consider the results of the asset-based review conducted under this section, and based on the Administrator's recommendations, the President shall propose to Congress legislation required to implement those recommendations no later than September 30, 1996.

(e) CLOSING OF FIELD CENTERS.—The Administrator shall not close any National Aeronautics and Space Administration field center until after the asset-based review report is transmitted under subsection (c), and may only close field centers that would become obsolete as a result of the implementation of the Administrator's recommendations, and may do so only after enactment of legislation implementing those recommendations.

CHAPTER 3—LIMITATIONS AND SPECIAL AUTHORITY

SEC. 231. USE OF FUNDS FOR CONSTRUCTION.

(a) AUTHORIZED USES.—Funds appropriated under sections 211(a), 212(a), and 213 (1) and (2), and funds appropriated for research operations support under section 213(4), may be used for the construction of new facilities and additions to, repair of, rehabilitation of, or modification of existing facilities at any location in support of the purposes for which such funds are authorized.

(b) LIMITATION.—None of the funds pursuant to subsection (a) may be expended for a project, the estimated cost of which to the National Aeronautics and Space Administration, including collateral equipment, exceeds $500,000, until 30 days have passed after the Administrator has notified the Committee on Science of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate of the nature, location, and estimated cost to the National Aeronautics and Space Administration of such project.

(c) TITLE TO FACILITIES.—If funds are used pursuant to subsection (a) for grants to institutions of higher education, or to nonprofit organizations whose primary purpose is the conduct of scientific research, for purchase or construction of additional research facilities, title to such facilities shall be vested in the United States unless the Administrator determines that the national program of aeronautical and space activities will best be served by vesting title in the grantee institution or organization. Each such grant shall be made under such conditions as the Administrator shall determine to be required to ensure that the United States will receive therefrom benefits adequate to justify the making of that grant.

SEC. 232. AVAILABILITY OF APPROPRIATED AMOUNTS.

To the extent provided in appropriations Acts, appropriations authorized under chapter 1 may remain available without fiscal year limitation.

SEC. 233. REPROGRAMMING FOR CONSTRUCTION OF FACILITIES.

(a) IN GENERAL.—Appropriations authorized under any paragraph of section 211(b), 212(b), or 213(3)—

(1) may be varied upward by 10 percent in the discretion of the Administrator; or

(2) may be varied upward by 25 percent, to meet unusual cost variations, after the expiration of 15 days following a report on the circumstances of such action by the Administrator to the Committee on Science of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate.

The aggregate amount authorized to be appropriated under sections 211(b), 212(b) and 213(3) shall not be increased as a result of actions authorized under paragraphs (1) and (2) of this subsection.

(b) SPECIAL RULE.—Where the Administrator determines that new developments in the national program of aeronautical and space activities have occurred; and that such developments require the use of additional funds for the purposes of construction, expansion, or modification of facilities at any location; and that deferral of such action until the enactment of the next National Aeronautics and Space Administration Authorization Act would be inconsistent with the interest of the Nation in aeronautical and space activities, the Administrator may use up to $10,000,000 of the amounts authorized under section 211(b), 212(b), or 213(3) for each fiscal year for such purposes. No such funds may be obligated until a period of 30 days has passed after the Administrator has transmitted to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science of the House of Representatives a written report describing the nature of the construction, its costs, and the reasons therefor.

SEC. 234. CONSIDERATION BY COMMITTEES.

Notwithstanding any other provision of law—

(1) no amount appropriated to the National Aeronautics and Space Administration may be used for any program for which the President's annual budget request included a request for funding, but for which the Congress denied or did not provide funding;

(2) no amount appropriated to the National Aeronautics and Space Administration may be used for any program in excess of the amount actually authorized for the particular program by October 1; and

(3) no amount appropriated to the National Aeronautics and Space Administration may be used for any program which has not been presented to the Congress in the President's annual budget request or the supporting and ancillary documents thereto,

unless a period of 30 days has passed after the receipt by the Committee on Science of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate of notice given by the Administrator containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of such proposed action. The National Aeronautics and Space Administration shall keep the Committee on Science of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate fully and currently informed with respect to all activities and responsibilities within the jurisdiction of those committees. Except as otherwise provided by law, any Federal department, agency, or independent establishment shall furnish any information requested by either committee relating to any such activity or responsibility.

SEC. 235. LIMITATION ON OBLIGATION OF UNAUTHORIZED APPROPRIATIONS.

(a) Reports to Congress.—Not later than 30 days after the later of the date of enactment of an Act making appropriations to the National Aeronautics and Space Administration for fiscal year 1996 and the date of enactment of this Act, the Administrator shall submit a report to Congress and to the Comptroller General which specifies—

(1) the portion of such appropriations which are for programs, projects, or activities not authorized under chapter 1 of this subtitle, or which are in excess of amounts authorized for the relevant program, project, or activity under this title; and

(2) the portion of such appropriations which are authorized under this title.

(b) Federal Register Notice.—The Administrator shall, coincident with the submission of the report required by subsection (a), publish in the Federal Register a notice of all programs, projects, or activities for which funds are appropriated but which were not authorized under this title, and solicit public comment thereon regarding the impact of such programs, projects, or activities on the conduct and effectiveness of the national aeronautics and space program.

(c) Limitation.—Notwithstanding any other provision of law, no funds may be obligated for any programs, projects, or activities of the National Aeronautics and Space Administration for fiscal year 1996 not authorized under this title until 30 days have passed after the close of the public comment period contained in the notice required in subsection (b).

SEC. 236. USE OF FUNDS FOR SCIENTIFIC CONSULTATIONS OR EXTRAORDINARY EXPENSES.

Not more than $30,000 of the funds appropriated under section 212 may be used for scientific consultations or extraordinary expenses, upon the authority of the Administrator.

SEC. 237. LIMITATION ON TRANSFERS TO RUSSIA.

(a) Limitation.—No funds authorized to be appropriated to the National Aeronautics and Space Administration for fiscal year 1996 may be paid or otherwise transferred to Russia unless—

(1) the payment or transfer is authorized by this title;

(2) the payment or transfer is made in exchange for goods or services that have been provided to the National Aeronautics and Space Administration in accordance with a written agreement between the National Aeronautics and Space Administration and Russia;

(3) the Government of the Russian Federation agrees to provide a monthly report to the National Aeronautics and Space Administration during the term of such written agreement, that fully accounts for the disposition of the funds paid or transferred, including information with respect to the preceding month on—

(A) the amount of the funds received, and the date of receipt;

(B) the amount of the funds converted from United States currency, the currency into which the funds have been converted, and the date and rate of conversion;

(C) the amount of non-United States currency, and of United States currency, that is disbursed to any contractor or subcontractor, the identity of such contractor or subcontractor, and the date of disbursement; and

(D) the balance of the funds not disbursed as of the date of the report;

(4) Russia has provided all monthly reports with respect to which an agreement was made pursuant to paragraph (3); and

(5) the President, before such payment or transfer and annually upon submission of the President's budget request for fiscal years after fiscal year 1996, has certified to the Congress that—

(A) the presence of any troops of the Russian Federation or the Commonwealth of Independent States; and

(B) any action by the Russian Federation or the Commonwealth of Independent States, in Estonia, Latvia, Lithuania, or any other independent state of the former Soviet Union do not violate the sovereignty of those independent states.

(b) Definition.—For purposes of this section, the term "Russia" means the Government of the Russian Federation, the Russian Space Agency, or any agency or instrumentality of the Government of the Russian Federation or the Russian Space Agency.

Subtitle C—Miscellaneous Provisions

SEC. 241. COMMERCIAL SPACE LAUNCH AMENDMENTS.

(a) Amendments.—Chapter 701 of title 49, United States Code, is amended—

(1) in the table of sections—

(A) by amending the item relating to section 70104 to read as follows:

"70104. Restrictions on launches, operations, and reentries.";

(B) by amending the item relating to section 70108 to read as follows:

"70108. Prohibition, suspension, and end of launches, operation of launch sites and reentry sites, and reentries.";

and

(C) by amending the item relating to section 70109 to read as follows:

"70109. Preemption of scheduled launches or reentries.";

(2) in section 70101—

(A) by inserting "microgravity research," after "information services," in subsection (a)(3);

(B) by inserting ", reentry," after "launching" both places it appears in subsection (a)(4);

(C) by inserting ", reentry vehicles," after "launch vehicles" in subsection (a)(5);

(D) by inserting "and reentry services" after "launch services" in subsection (a)(6);

(E) by inserting ", reentries," after "launches" both places it appears in subsection (a)(7);

(F) by inserting ", reentry sites," after "launch sites" in subsection (a)(8);

(G) by inserting "and reentry services" after "launch services" in subsection (a)(8);

(H) by inserting "reentry sites," after "launch sites," in subsection (a)(9);

(I) by inserting "and reentry site" after "launch site" in subsection (a)(9);

(J) by inserting "reentry vehicles," after "launch vehicles" in subsection (b)(2);

(K) by striking "launch" in subsection (b)(2)(A);

(L) by inserting "and reentry" after "commercial launch" in subsection (b)(3);

(M) by striking "launch" after "and transfer commercial" in subsection (b)(3); and;

(N) by inserting "and development of reentry sites," after "launch-site support facilities," in subsection (b)(4);

(3) in section 70102—

(A) by inserting "from Earth" after "and any payload" in paragraph (3);

(B) by redesignating paragraphs (10) through (12) as paragraphs (14) through (16), respectively;

(C) by inserting after paragraph (9) the following new paragraphs:

"(10) 'reenter' and 'reentry' mean to return or attempt to return, purposefully, a reentry vehicle and its payload, if any, from Earth orbit, from exo-atmospheric flight, or from outer space to Earth.

"(11) 'reentry services' means—

"(A) activities involved in the preparation of a reentry vehicle and its payload, if any, for reentry; and

"(B) the conduct of a reentry.

"(12) 'reentry site' means the location on Earth to which a reentry vehicle is intended to return (as defined in a license the Secretary issues or transfers under this chapter).

"(13) 'reentry vehicle' means a vehicle designed to return from Earth orbit or outer space to Earth, or a reusable launch vehicle designed to return from outer space or exo-atmospheric flight to Earth, substantially intact."; and

(D) by inserting "or reentry services" after "launch services" each place it appears in paragraph (15), as so redesignated by subparagraph (B) of this paragraph;

(4) in section 70103(b)—

(A) by inserting "and Reentries" after "Launches" in the subsection heading;

(B) by inserting "and reentries" after "space launches" in paragraph (1); and

(C) by inserting "and reentry" after "space launch" in paragraph (2);

(5) in section 70104—

(A) by amending the section designation and heading to read as follows:

"§ 70104. Restrictions on launches, operations, and reentries";

(B) by inserting "or reentry site, or reenter a reentry vehicle," after "operate a launch site" each place it appears in subsection (a);

(C) by inserting "or reentry" after "launch or operation" in subsection (a)(3) and (4);

(D) in subsection (b)—

(i) by striking "launch license" and inserting in lieu thereof "license";

(ii) by inserting "or reenter" after "may launch"; and

(iii) by inserting "or reentering" after "related to launching"; and

(E) in subsection (c)—

(i) by amending the subsection heading to read as follows: "Preventing Launches and Reentries.—";

(ii) by inserting "or reentry" after "prevent the launch"; and

(iii) by inserting "or reentry" after "decides the launch";

(6) in section 70105—

(A) by inserting "or reentry site, or reentry of a reentry vehicle," after "operation of a launch site" in subsection (b)(1); and

(B) by striking "or operation" and inserting in lieu thereof ", operation, or reentry" in subsection (b)(2)(A);

(7) in section 70106(a)—

(A) by inserting "or reentry site" after "observer at a launch site"; and

(B) by inserting "or reentry vehicle" after "assemble a launch vehicle";

(8) in section 70108—

(A) by amending the section designation and heading to read as follows:

"§ 70108. Prohibition, suspension, and end of launches, operation of launch sites and reentry sites, and reentries";

and

(B) in subsection (a)—

(i) by inserting "or reentry site, or reentry of a reentry vehicle," after "operation of a launch site"; and

(ii) by inserting "or reentry" after "launch or operation";

(9) in section 70109—

(A) by amending the section designation and heading to read as follows:

"§ 70109. Preemption of scheduled launches or reentries";

(B) in subsection (a)—

(i) by inserting "or reentry" after "ensure that a launch";

(ii) by inserting ", reentry site," after "United States Government launch site";

(iii) by inserting "or reentry date commitment" after "launch date commitment";

(iv) by inserting "or reentry" after "obtained for a launch";

(v) by inserting ", reentry site," after "access to a launch site";

(vi) by inserting ", or services related to a reentry," after "amount for launch services"; and

(vii) by inserting "or reentry" after "the scheduled launch"; and

(C) in subsection (c), by inserting "or reentry" after "prompt launching";

(10) in section 70110—

(A) by inserting "or reentry" after "prevent the launch" in subsection (a)(2); and

(B) by inserting "or reentry site, or reentry of a reentry vehicle," after "operation of a launch site" in subsection (a)(3)(B);

(11) in section 70111—

(A) by inserting "and reentry services" after "launch services" in subsection (a)(1)(B);

(B) by inserting "or reentry services" after "or launch services" in subsection (a)(2);

(C) by inserting "or reentry" after "commercial launch" both places it appears in subsection (b)(1);

(D) by inserting "or reentry services" after "launch services" in subsection (b)(2)(C);

(E) by striking "or its payload for launch" in subsection (d) and inserting in lieu thereof "or reentry vehicle, or the payload of either, for launch or reentry"; and

(F) by inserting ", reentry vehicle," after "manufacturer of the launch vehicle" in subsection (d);

(12) in section 70112—

(A) by inserting "or reentry" after "one launch" in subsection (a)(3);

(B) by inserting "or reentry services" after "launch services" in subsection (a)(4);

(C) by inserting "or reentry services" after "launch services" each place it appears in subsection (b);

(D) by striking ", Space, and Technology" in subsection (d)(1);

(E) by inserting "OR REENTRIES" after "LAUNCHES" in the heading for subsection (e); and

(F) by inserting "or reentry site or a reentry" after "launch site" in subsection (e);

(13) in section 70113(a)(1) and (d)(1) and (2), by inserting "or reentry" after "one launch" each place it appears;

(14) in section 70115(b)(1)(D)(i)—

(A) by inserting "reentry site," after "launch site,"; and

(B) by inserting "or reentry vehicle" after "launch vehicle" both places it appears;

(15) in section 70117—

(A) by inserting "or reentry site or reenter a reentry vehicle" after "operate a launch site" in subsection (a);

(B) by inserting "or reentry" after "approval of a space launch" in subsection (d);

(C) by amending subsection (f) to read as follows:

"(f) LAUNCH NOT AN EXPORT; REENTRY NOT AN IMPORT.—A launch vehicle, reentry vehicle, or payload that is launched or reentered is not, because of the launch or reentry, an export or import, respectively, for purposes of a law controlling exports or imports."; and

(D) in subsection (g)—

(i) by striking "operation of a launch vehicle or launch site," in paragraph (1) and inserting in lieu thereof "reentry, operation of a launch vehicle or reentry vehicle, or operation of a launch site or reentry site,";

(ii) by striking "or" at the end of paragraph (1);

(iii) by inserting "reentry," after "launch," in paragraph (2);

(iv) by striking the period at the end of paragraph (2) and inserting in lieu thereof "; or"; and

(v) by adding at the end the following new paragraph:

"(3) any amateur and similar small rocket activities, as defined by the Secretary by regulation.";

(16) in section 70119, by inserting the following after paragraph (2):

"There are authorized to be appropriated to the Secretary of Transportation $6,000,000 to carry out this chapter for fiscal year 1996. None of the funds authorized by this section may be expended for policy development or analysis activities not directly related to the Secretary's regulatory responsibilities under this chapter.".

(b) ADDITIONAL AMENDMENTS.—(1) Section 70105 of title 49, United States Code, is amended—

(A) by inserting "(1)" before "A person may apply" in subsection (a);

(B) by striking "receiving an application" both places it appears in subsection (a) and inserting in lieu thereof "accepting an application in accordance with criteria established pursuant to subsection (b)(2)(D)";

(C) by adding at the end of subsection (a) the following new paragraph:

"(2) In carrying out paragraph (1), the Secretary may establish procedures for certification of the safety of a launch vehicle, reentry vehicle, or safety system, procedure, service, or personnel that may be used in conducting licensed commercial space launch or reentry activities.";

(D) by striking "and" at the end of subsection (b)(2)(B);

(E) by striking the period at the end of subsection (b)(2)(C) and inserting in lieu thereof "; and";

(F) by adding at the end of subsection (b)(2) the following new subparagraph:

"(D) regulations establishing criteria for accepting or rejecting an application for a license under this chapter within 60 days after receipt of such application."; and

(G) by inserting ", or the requirement to obtain a license," after "waive a requirement" in subsection (b)(3).

(2) The amendment made by paragraph (1)(B) shall take effect upon the effective date of final regulations issued pursuant to section 70105(b)(2)(D) of title 49, United States Code, as added by paragraph (1)(F) of this subsection.

(3) Section 70102(5) of title 49, United States Code, is amended—

(A) by redesignating subparagraphs (A) and (B) as subparagraphs (B) and (C), respectively; and

(B) by inserting before subparagraph (B), as so redesignated by subparagraph (A) of this paragraph, the following new subparagraph:

"(A) activities directly related to the preparation of a launch site or payload facility for one or more launches;".

(4) Section 70103(b) of title 49, United States Code, is amended—

(A) in the subsection heading, as amended by subsection (a)(4)(A) of this section, by inserting "AND STATE SPONSORED SPACEPORTS" after "AND REENTRIES"; and

(B) in paragraph (1), by inserting "and State sponsored spaceports" after "private sector".

(5) Section 70105(a)(1) of title 49, United States Code, as amended by subsection (b)(1) of this section, is amended by inserting at the end the following: "The Secretary shall submit to the Committee on Science of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate a written notice not later than 7 days after any occurrence when a license is not issued within the deadline established by this subsection.".

(6) Section 70111 of title 49, United States Code, is amended—

(A) in subsection (a)(1), by inserting after subparagraph (B) the following:

"The Secretary shall establish criteria and procedures for determining the priority of competing requests from the private sector and State governments for property and services under this section.";

(B) by striking "actual costs" in subsection (b)(1) and inserting in lieu thereof "additive costs only"; and

(C) by inserting after subsection (b)(2) the following new paragraph:

"(3) The Secretary shall ensure the establishment of uniform guidelines for, and consistent implementation of, this section by all Federal agencies.".

(7) Section 70112 of title 49, United States Code, is amended—

(A) in subsection (a)(1), by inserting "launch, reentry, or site operator" after "(1) When a";

(B) in subsection (b)(1), by inserting "launch, reentry, or site operator" after "(1)A"; and

(C) in subsection (f), by inserting "launch, reentry, or site operator" after "carried out under a".

SEC. 242. OFFICE OF AIR AND SPACE COMMERCIALIZATION AUTHORIZATION.

There are authorized to be appropriated to the Secretary of Commerce for the activities of the Office of Air and Space Commercialization, $457,000 for fiscal year 1996.

SEC. 243. REQUIREMENT FOR INDEPENDENT COST ANALYSIS.

The Chief Financial Officer for the National Aeronautics and Space Administration shall be responsible for conducting independent cost analyses of all new projects estimated to cost more than $5,000,000 and shall report the results annually to Congress at the time of the submission of the President's budget request. In developing cost accounting and reporting standards for carrying out this section, the Chief Financial Officer shall, to the extent practicable and consistent with other laws, solicit the advice of expertise outside of the National Aeronautics and Space Administration.

SEC. 244. NATIONAL AERONAUTICS AND SPACE ACT OF 1958 AMENDMENTS.

(a) DECLARATION OF POLICY AND PURPOSE.—Section 102 of the National Aeronautics and

Space Act of 1958 (42 U.S.C. 2451) is amended—

(1) by striking subsection (e) and redesignating subsections (f) through (h) as subsections (e) through (g), respectively; and

(2) in subsection (g), as so redesignated by paragraph (1) of this subsection, by striking "(f), and (g)" and inserting in lieu thereof "and (f)".

(b) REPORTS TO THE CONGRESS.—Section 206(a) of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2476(a)) is amended—

(1) by striking "January" and inserting in lieu thereof "May"; and

(2) by striking "calendar" and inserting in lieu thereof "fiscal".

(c) DISCLOSURE OF TECHNICAL DATA.—Section 303 of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2454) is amended—

(1) in subsection (a)(C), by inserting "or (c)" after "subsection (b)"; and

(2) by adding at the end the following new subsection:

"(c)(1) The Administration may delay for a period not to exceed 5 years the unrestricted public disclosure of technical data in the possession of, or under the control of, the Administration that has been generated in the performance of experimental, developmental, or research activities or programs funded jointly by the Administration and the private sector.

"(2) Within 1 year after the date of the enactment of the National Aeronautics and Space Administration Authorization Act, Fiscal Year 1996, the Administrator shall issue regulations to carry out this subsection. Paragraph (1) shall not take effect until such regulations are issued.

"(3) Regulations issued pursuant to paragraph (2) shall include—

"(A) guidelines for a determination of whether data is technical data within the meaning of this subsection;

"(B) a requirement that a determination described in subparagraph (A) that particular data is technical data shall be reported to the Committee on Science of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate;

"(C) provisions to ensure that technical data is available for dissemination within the United States to United States persons and entities in furtherance of the objective of maintaining leadership or competitiveness in civil and governmental aeronautical and space activities by the United States industrial base; and

"(D) a specification of the period or periods for which the delay in unrestricted public disclosure of technical data is to apply to various categories of such data, and the restrictions on disclosure of such data during such period or periods, including a requirement that the maximum 5-year protection under this subsection shall not be provided unless at least 50 percent of the funding for the activities or programs is provided by the private sector.

"(4) Along with the initial publication of proposed regulations under paragraph (2), the Administrator shall include a list of those experimental, developmental, or research activities or programs conducted by, or funded in whole or in part by, the Administration that may result in products or processes of significant value in maintaining leadership or competitiveness in civil and governmental aeronautical and space activities by the United States industrial base. Such list shall be updated biannually.

"(5) For purposes of this subsection, the term 'technical data means any recorded information, including computer software, that is or may be directly applicable to the design, engineering, development, production, manufacture, or operation of products or processes that may have significant value in maintaining leadership or competitiveness in civil and governmental aeronautical and space activities by the United States industrial base.".

SEC. 245 PROCUREMENT.

(a) PROCUREMENT DEMONSTRATION PROGRAM.—

(1) IN GENERAL.—The Administrator shall establish within the Office of Space Access and Technology a program of expedited technology procurement for the purpose of demonstrating how innovative technology concepts can rapidly be brought to bear upon space missions of the National Aeronautics and Space Administration.

(2) PROCEDURES AND EVALUATION.—The Administrator shall establish procedures for actively seeking from persons outside the National Aeronautics and Space Administration innovative technology concepts, relating to the provision of space hardware, technology, or service to the National Aeronautics and Space Administration, and for the evaluation of such concepts by the National Aeronautics and Space Administration's Advisory Council against mission requirements.

(3) REQUIREMENT.—At least 1 percent of amounts authorized to be appropriated under section 212(a)(4) shall be used for innovative technology procurements that are determined under paragraph (2) of this subsection to meet mission requirements.

(4) SPECIAL AUTHORITY.—In order to carry out this subsection the Administrator shall recruit and hire for limited term appointments persons from outside the National Aeronautics and Space Administration with special expertise and experience related to the innovative technology concepts with respect to which procurements are made under this subsection.

(5) SUNSET.—This subsection shall cease to be effective 10 years after the date of its enactment.

(b) TECHNOLOGY PROCUREMENT INITIATIVE.—

(1) IN GENERAL.—The Administrator shall coordinate National Aeronautics and Space Administration resources in the areas of procurement, commercial programs, and advanced technology in order to—

(A) fairly assess and procure commercially available technology from the marketplace in the most efficient manner practicable;

(B) achieve a continuous pattern of integrating advanced technology from the commercial sector, and from Federal sources outside the National Aeronautics and Space Administration, into the missions and programs of the National Aeronautics and Space Administration;

(C) incorporate private sector buying and bidding procedures, including fixed price contracts, into procurements; and

(D) provide incentives for cost-plus contractors of the National Aeronautics and Space Administration to integrate commercially available technology in subsystem contracts on a fixed-price basis.

(2) CERTIFICATION.—Upon solicitation of any procurement for space hardware, technology, or services that are not commercially available, the Administrator shall certify, by publication of a notice and opportunity to comment in the Commerce Business Daily, for each such procurement action, that no functional equivalent, commercially available space hardware, technology, or service exists and that no commercial method of procurement is available.

SEC. 246. ADDITIONAL NATIONAL AERONAUTICS AND SPACE ADMINISTRATION FACILITIES.

The Administrator shall not construct or enter into a new lease for facilities to support National Aeronautics and Space Administration programs unless the Administrator has certified to the Congress that the Administrator reviewed existing National Aeronautics and Space Administration and other federally owned facilities, including military facilities scheduled for closing or reduction, and found no such facilities appropriate for the intended use.

SEC. 247. PURCHASE OF SPACE SCIENCE DATA.

(a) IN GENERAL.—To the maximum extent possible, the National Aeronautics and Space Administration shall purchase from the private sector space science data. Examples of such data include scientific data concerning the elemental and mineralogical resources of the moon and the planets, Earth environmental data obtained through remote sensing observations, and solar storm monitoring.

(b) COMPETITIVE BIDDING.—(1) Contracts for the purchase of space data under this section shall be awarded in a process of full, fair, and open competitive bidding.

(2) Submission of cost data, either for the purposes of supporting the bid of fulfillment of the contract, shall not be required of bidders.

(3) Conformance with military specifications (Milspec) or National Aeronautics and Space Administration specifications systems with respect to the design, construction, or operation of equipment used in obtaining space science data under contracts entered into under this section shall not be a requirement for a commercial provider bidding to provide such services.

(4) Contracts under this section shall not provide for the Federal Government to obtain ownership of data not specifically sought by the Federal Government.

SEC. 248. REPORT OF MISSION TO PLANET EARTH.

(a) REQUIREMENT.—The Administrator shall, within 6 months after the date of the enactment of this Act, transmit to the Congress a report on Mission to Planet Earth.

(b) CONTENTS.—The plan required by subsection (a) shall include—

(1) an analysis of Earth observation systems of other countries and the ways in which the United States could benefit from such systems, including by eliminating duplication of effort;

(2) an analysis of how the Department of Defense's airborne and space sensor programs could be used in Mission to Planet Earth;

(3) a plan for infusing advanced technology into the Mission to Planet Earth program, including milestones and an identification of available resources;

(4) a plan to solicit proposals from the private sector on how to innovatively accomplish the most critical research on global climate change;

(5) an integrated plan for research in the Scientific Research and Mission to Planet Earth enterprises of the National Aeronautics and Space Administration;

(6) a plan for developing metrics and milestones to quantify the performance of work on Mission to Planet Earth; and

(7) an analysis of how the United States Government can—

(A) most effectively utilize space-based and airborne Earth remote sensing data, services, distribution, and applications provided by the United States private sector to meet

Government goals for Mission to Planet Earth; and

(B) evaluate and foster commercial data sources, commercial archiving services, commercial applications, and commercial distribution of Mission to Planet Earth data.

SEC. 249. SHUTTLE PRIVATIZATION

(a) POLICY AND PREPARATION.—The Administrator shall prepare for an orderly transition from the Federal operation, or Federal management of contracted operation, of space transportation systems to the Federal purchase of commercial space transportation services for all nonemergency launch requirements, including human, cargo, and mixed payloads. In those preparations, the Administrator shall take into account the need for short-term economies, as well as the goal of restoring the National Aeronautics and Space Administration's research focus and its mandate to promote the fullest possible commercial use of space. As part of those preparations, the Administrator shall plan for the potential privatization of the Space Shuttle program.

(b) REQUEST FOR PROPOSALS.—Within 30 days after the date of the enactment of this Act, the Administrator shall publish in the Commerce Business Daily a request for proposals to achieve a single prime contract for the space shuttle program. The request for proposals shall include—

(1) a timetable and milestones for selecting a single prime contractor not later than September 30, 1996;

(2) criteria for selection of the single prime contractor;

(3) the annual target cost to be achieved by the single prime contractor;

(4) proposed terms and conditions of the single prime contract, including fee and incentives for achieving the target cost, and for savings below the target cost; and

(5) a requirement that each proposal be accompanied by a plan by the proposer to privatize the space shuttle program.

(c) PRIVATIZATION PLANS.—The Administrator shall forward all privatization plans received pursuant to subsection (b)(5) to the Congress not later than 30 days after the deadline for submitting proposals under subsection (b).

(d) LIMITATION ON USE OF FUNDS.—None of the funds authorized by this title shall be used to plan or prepare for Federal Government, or federally contracted, operation of the Space Shuttle beyond the year 2012, nor for studying, designing, or developing upgrades to the Shuttle whose sole purpose is to extend the operational life of the Space Shuttle system beyond 2012. Nothing in this title shall preclude the Federal, or federally contracted, operation of the Space Shuttle through the year 2012, or the privatized operation of the Space Shuttle after the year 2012.

SEC. 250. AERONAUTICAL RESEARCH AND TECHNOLOGY FACILITIES.

Notwithstanding any other provision of law, no funds may be obligated for fiscal year 1996 for Aeronautical Research and Technology programs of the National Aeronautics and Space Administration in excess of amounts authorized by this title, except to the extent that the Administrator receives from non-Federal sources full reimbursement of such excess amounts through payment of costs associated with research at the aeronautical research and technology facilities of the National Aeronautics and Space Administration.

SEC. 251. LAUNCH VOUCHER DEMONSTRATION PROGRAM AMENDMENTS.

Section 504 of the National Aeronautics and Space Administration Authorization Act, Fiscal Year 1993 (15 U.S.C. 5803) is amended—

(1) in subsection (a)—

(A) by striking "the Office of Commercial Programs within"; and

(B) by striking "Such program shall not be effective after September 30, 1995.";

(2) by striking subsection (c); and

(3) by redesignating subsections (d) and (e) as subsections (c) and (d), respectively.

SEC. 252. PRIVATIZATION OF MICROGRAVITY PARABOLIC FLIGHT OPERATIONS.

(a) FINDING.—The Congress finds that no national security or mission critical justification exists for the National Aeronautics and Space Administration to maintain its own fleet of aircraft to provide a short duration microgravity environment via parabolic flight.

(b) PRIVATIZATION OF FLIGHT OPERATIONS.—(1) The Administrator shall privatize all parabolic flight aircraft operations conducted by or for the National Aeronautics and Space Administration in support of microgravity research, astronaut training, and other functions, through issuance of one or more long-term, renewable, block purchase contracts for the performance of such operations by United States private sectors providers.

(2) Within 30 days after the date of the enactment of this Act, the Administrator shall issue a request for proposals to provide services as described in paragraph (1). The Administrator shall coordinate the process of review of such proposals, and shall oversee the transfer of such operations to the private sector.

(3) Within 6 months after the issuance of a request for proposals under paragraph (2), the Administrator shall award one or more contracts for microgravity parabolic flight services, and shall cease all National Aeronautics and Space Administration-operated parabolic aircraft flights, and shall thereafter procure all microgravity parabolic flight services from private sector providers. National Aeronautics and Space Administration experimenters, and National Aeronautics and Space Administration-funded experimenters, who would otherwise use National Aeronautics and Space Administration-owned or operated microgravity parabolic flight aircraft, shall be issued vouchers for the procurement of microgravity parabolic flight services from the private sector.

SEC. 253. ELIGIBILITY FOR AWARDS.

(a) IN GENERAL.—The Administrator shall exclude from consideration for awards of financial assistance made by the National Aeronautics and Space Administration after fiscal year 1995 any person who received funds, other than those described in subsection (b), appropriated for a fiscal year after fiscal year 1995, from any Federal funding source for a project that was not subjected to a competitive, merit-based award process. Any exclusion from consideration pursuant to this section shall be effective for a period of 5 years after the person receives such Federal funds.

(b) EXCEPTION.—Subsection (a) shall not apply to awards to persons who are members of a class specified by law for which assistance is awarded to members of the class according to a formula provided by law.

SEC. 254. PROHIBITION OF LOBBYING ACTIVITIES.

None of the funds authorized by this title shall be available for any activity whose purpose is to influence legislation pending before the Congress, except that this shall not prevent officers or employees of the United States or of its departments or agencies from communicating to Members of Congress on the request of any Member or to Congress, through the proper channels, requests for legislation or appropriations which they deem necessary for the efficient conduct of the public business.

SEC. 255. LIMITATION ON APPROPRIATIONS.

(a) EXCLUSIVE AUTHORIZATION FOR FISCAL YEAR 1996.—Notwithstanding any other provision of law, no sums are authorized to be appropriated for fiscal year 1996 for the activities for which sums are authorized by this title unless such sums are specifically authorized to be appropriated by this title.

(b) SUBSEQUENT FISCAL YEARS.—No sums are authorized to be appropriated for any fiscal year after fiscal year 1996 for the activities for which sums are authorized by this title unless such sums are specifically authorized to be appropriated by Act of Congress with respect to such fiscal year.

SEC. 256. UNITARY WIND TUNNEL PLAN ACT OF 1949 AMENDMENTS.

The Unitary Wind Tunnel Plan Act of 1949 is amended—

(1) in section 101 (50 U.S.C. 511) by striking "transsonic and supersonic" and inserting in lieu thereof "transonic, supersonic, and hypersonic"; and

(2) in section 103 (50 U.S.C. 513)—

(A) by striking "laboratories" in subsection (a) and inserting in lieu thereof "laboratories and centers";

(B) by striking "supersonic" in subsection (a) and inserting in lieu thereof "transonic, supersonic, and hypersonic"; and

(C) by striking "laboratory" in subsection (c) and inserting in lieu thereof "facility".

The CHAIRMAN. Are there any amendments to title II?

AMENDMENT OFFERED BY MS. DUNN OF WASHINGTON

Ms. DUNN of Washington. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Ms. DUNN: Page 29, line 18, insert ", of which at least $2,000,000 is reserved for research and early detection systems for breast and ovarian cancer and other women's health issues" after "$293,200,000".

Ms. DUNN of Washington. Mr. Chairman, my amendment will set aside $2 million out of the $293 million authorized for life and microgravity sciences and applications in this bill for research and for early detection systems for breast and ovarian cancer and other women's issues.

Mr. Chairman, because of the unique microgravity environment space provides for research, new and effective approaches to diagnosing and treating breast and ovarian cancer tumors are being investigated in space labs in ways not possible on Earth. The low gravity of space allows cancer cells, actual human cancer cells, to be grown in a 3-dimensional form replicating those to be found in the human body. Developing technology to help eradicate breast cancer is not a new direction for NASA, but one that needs to be spotlighted as a continuing basis.

For example, technology that NASA has developed for the Hubbell space telescope is being applied at this time to digital mammography techniques that the National Cancer Institute hopes will lead to better treatments of breast cancer through even earlier detection. Right now, NASA and the National Cancer Institute have identified two technologies that hold promise for direct digital mammography with high resolution and a wide field of view that is necessary for early detection. They are now in the process of testing these diagnostic systems.

These advanced sensors and signal processors could boost the resolution of a mammogram and allow physicians to detect cancer soon after its onset.

Mr. SENSENBRENNER. Mr. Chairman, will the gentlewoman yield?

Ms. DUNN of Washington. I yield to the gentleman from Wisconsin.

Mr. SENSENBRENNER. Mr. Chairman, we are prepared to accept this amendment. The amendment reserves $2 million of the life and microgravity science budget program specifically for research on the development of early detection systems for breast and ovarian cancers and other women's health issues. Since it is my understanding that NASA has been working toward the aims of the gentlewoman's amendment, and since this reservation of funds would not adversely impact other planned life sciences research by NASA, I would accept the amendment of my colleague, the gentlewoman from Washington, and commend it to my colleagues.

In fact, NASA and the National Institutes of Health have been engaged under 18 separate cooperative research agreements in a variety of fields. Our bill fully funds the $4.2 million already planned for cancer-related research under these NASA-NIH agreements. NASA has developed, using the Hubbell space telescope technologies, a revolutionary new detection system for the early identification of breast cancer. The system uses charged coupled devices developed by NASA for converting light from faint, distant stars into digital imagery. The same sensitive imaging technology is being used to conduct nonsurgical biopsies on women who may or may not have breast cancer, without leaving a scar. This is another example of how spinoffs from the space program are applied to solve very real problems on Earth, and is one of the reasons why the taxpayers' investment in the space program pays dividends, not only in terms of finances, but also in terms of alleviating human suffering and detecting diseases early enough so they can be cured.

Ms. DUNN of Washington. Reclaiming my time, Mr. Chairman, I thank the gentleman. On behalf of the one in eight women who will be diagnosed with breast cancer this year, and the 46,000 women who die every year from this disease, and on behalf of those women who are diagnosed with ovarian cancer, who suffer from osteoporosis and other women's health diseases, I thank the gentleman for his acceptance of my amendment, and ask my colleagues to support this amendment.

Mr. BROWN of California. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I rise for the purpose of adding my support for the gentlewoman's proposal. I think it is meritorious and deserves the unanimous support of the House.

Mr. Chairman, if I may indulge very briefly under my time on a slightly different subject, my distinguished colleague on the other side, the gentleman from Pennsylvania [Mr. WALKER], mentioned my comments regarding cutting any agency by 33 percent, and he felt this represented some inconsistency on my part in discussing the 33-percent reductions in this bill. There are some slight differences here in that I was stating that a department could reduce its budget, and I was really being guided by the example of NASA. I know the gentleman will be familiar with this.

NASA began in 1991 to reduce its budget, and has succeeded in making the kind of a budget reduction that we are talking about here, roughly one-third over the next 5 years. it is being asked to take even more than that. The point here is that this did not come out of the muscle of research and development. A good part of that came by reducing the overhead of the agency here in Washington, making some other changes, including the kind urged on the Republican side to privatize or to contract for services, and under this combination of circumstances, namely, reducing the waste, fraud and abuse, and corporate overhead at the headquarters, and restructuring programs to put more in the private sector, you can make these reductions. Unfortunately, those are not the kind of reductions called for in this bill. As a consequence, I still feel that they are extreme.

I did not use that in the sense of implying that anybody is an extremist who supports extreme cuts in the budget. I am just trying to point out the factuality of the situation. These cuts are larger, they impact R&D more, and they fall outside the scope of my own remark about how much budget cutting you could do if you include all the factors involved.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Washington, [Ms. DUNN].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. TRAFICANT

Mr. TRAFICANT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TRAFICANT:

Page 79, after line 16, insert the following new section:

SEC. 257. USE OF ABANDONED AND UNDERUTILIZED BUILDINGS, GROUNDS, AND TO FACILITIES.

(a) IN GENERAL.—In meeting the needs of the National Aeronautics and Space Administration for additional facilities, the Administrator whenever feasible, shall select abandoned and underutilized buildings, grounds, and facilities in depressed communities that can be converted to National Aeronautics and Space Administration facilities at a reasonable cost, as determined by the Administrator.

(b) DEFINITIONS.—For purposes of this section, the term "depressed communities" means rural and urban communities that are relatively depressed, in terms of age of housing, extent of poverty, growth of per capita income, extent of unemployment, job lag, or surplus labor.

Page 3, after the item in the table of contents relating to section 256, insert the following:

Sec. 257. Use of abandoned and underutilized building, grounds, and facilities.

Mr. TRAFICANT (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. TRAFICANT. Mr. Chairman, this amendment deals with the fact that we provide for an opportunity, whenever feasible, that the administrator shall select abandoned facilities, underutilized buildings and grounds in depressed communities that can be converted to NASA facilities at a reasonable cost. Under the amendment, the term "depressed community" means both rural and/or urban communities.

Mr. SENSENBRENNER. Mr. Chairman, will the gentleman yield?

Mr. TRAFICANT. I yield to the gentleman from Wisconsin.

Mr. SENSENBRENNER. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, we are prepared to accept the gentleman's amendment, with the modification that he had just described, by stating that the administrator, whenever feasible, shall select the abandoned and underutilized buildings. I believe the modified amendment makes a significant contribution to this bill, and I am glad that this side is able to work out the problems and to support his amendment.

Mr. BROWN of California. Mr. Chairman, will the gentleman yield?

Mr. TRAFICANT. I yield to the gentleman from California.

Mr. BROWN of California. Mr. Chairman, in the case of the amendments of the gentleman from Ohio [Mr. TRAFICANT], I follow one general rule. If the gentleman can successfully persuade the Republicans to accept them, they must be good amendments, and I therefore go along with this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. TRAFICANT].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. SCOTT

Mr. SCOTT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SCOTT:

Page 31, line 13, strike "$826,900,000" and insert in lieu thereof "$860,300,000"

Page 31, strike line 18 through line 22, and insert in lieu thereof the following:

(C) $163,400,000 are authorized for Advanced Subsonic Technology;

□ 1330

Mr. SCOTT. Mr. Chairman, I am delighted to speak while everyone is in a cooperative mood.

Mr. Chairman, I appreciate the opportunity to offer this amendment to restore $33.4 million in fund cuts from NASA's advanced subsonic technology request, which is one of the main components of NASA's aeronautics activity. Although I acknowledge and support the need to cut government spending where appropriate in order to meet our budget responsibilities, such a cut to NASA's aeronautics program is extremely counterproductive to our shared goals of creating a stronger economy and a stronger America.

Mr. Chairman, the aeronautics industry is responsible for this country's greatest positive balance of trade, $30 billion, and without the research and support of NASA the U.S. aeronautics research would not be competitive in the global marketplace. It was, in fact, the purpose for which Congress created NASA in the first place.

Mr. Chairman, it is important to remember that Congress created NASA's predecessor, the National Advisory Committee on Aeronautics, the NACA, for the purpose of regaining America's competitiveness in aviation at a time of European dominance. Despite the early lead the country enjoyed as a result of the Wright Brothers' flight in 1903, by 1917 the Europeans had become the major force in aviation.

NACA established NASA Langley in Hampton, VA, as a research center to provide the United States with the competitive edge it had lost to the Europeans by providing long-term research and some of the first successful public-private partnerships that helped the United States to regain its preeminence in aeronautics. Now, at a time when the Europeans are in high gear supporting research and development of the Airbus, we are poised to shoot ourselves in the foot again by cutting the very program that kept the United States aeronautics program competitive. We are on a fast track to the back seat status we suffered in 1917.

Mr. Chairman, this amendment, while not restoring all of the funds cut in NASA's very modest request, will enable these programs to continue at a responsible level, so that we can effectively continue our long-term research in fuel economy, in increased safety, reduced sonic boom, improved design, and reduced environmental impacts. Much of this research is considered high-risk, high-reward research, the very kind of research that private companies who have to be concerned about their quarterly profits are least likely to invest in until the research looks promising on a short-term basis. Considering the state of the national economy, we can ill-afford to reduce earned investment in long-term research in the aeronautics industry. NASA aeronautics works and is deserving for our continued support and attention.

Mr. Chairman, the House appropriations subcommittee, the Senate appropriations and authorizing committees have all fully funded this program. The committee bill is the only one to cut the advanced subsonic program by $34.4 million. We should not contribute to the loss of U.S. preeminence in aeronautics. I urge the Members of both sides of the aisle to continue to support aeronautics and this country's economy by supporting this amendment.

Mr. SENSENBRENNER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, regretfully, the gentleman from Virginia [Mr. SCOTT] has fallen under the sway of what I call Washington math. He is claiming that this bill cuts the advanced subsonics program by an amount of money. It does not. This bill increases this program by 6 percent. The gentleman from Virginia wants to increase it by more. That is his prerogative. However, under the discretionary spending cap that was passed in 1993 by the Clinton budget, whenever we increase a discretionary spending account, we are supposed to reduce other discretionary spending accounts, and this amendment does not do that. It is just a plusing up of the advanced subsonic program without an offset anywhere else in NASA.

Now, apparently the amendment of the gentleman from Virginia [Mr. SCOTT] wants to pump that whole issue of what to cut off to the NASA Administrator. What our committee has attempted to do is to run NASA on as tight a budget as possible. We are sick and tired of cost overruns at NASA. All of the accounts that we have put in this bill are under the new faster, better, cheaper NASA, and there really is not much play around for the Administrator to offset these other programs without underfunding them, and that is going to require stretch-outs and cost overruns in these other programs in the long run.

The gentleman from Virginia, if his amendment were to be responsible, should have identified where the offsets were, rather than leaving that decision being made to the executive branch. The fact of the matter remains that this bill increases the advanced subsonic program by 6 percent. It has been the determination of the Committee on Science that that is enough. I would hope that the House would accept the committee position and reject the amendment of the gentleman from Virginia for the reasons that I have stated.

Mr. BROWN of California. Mr. Chairman, I rise in support of the amendment of the gentleman from Virginia.

Mr. Chairman, I feel very strongly about the importance of this amendment for a number of reasons which I will try to categorize. For one thing, it reflects a primary opportunity to discuss really whether we think that money spent to encourage and aid industry in their work is corporate welfare. I think we all know that over the past decade or so, the threat to the American aerospace industry's once virtual monopoly of long-distance air carriers comes from places like France where the European Airbus received something like $2 billion a year in outright subsidies from their government, and in other countries of the world, including potentially our Asian competitors where they do not hesitate to not only direct the direction of research and development in air transportation as other things, but to fund it quite handsomely.

Now, what the gentleman from Virginia [Mr. SCOTT] is proposing is a modest increase in the amount contained in this account for aircraft research, subsonic research, not up to the level of the President's request, but certainly more than is contained in this bill, even though this bill has what is essentially a cost-of-living increase, as the gentleman mentioned, about a 6-percent increase over 1995.

Mr. Chairman, what is happening is that the international competition in this field is increasing. If we are to walk away from that and say to France and to Japan and to other countries, you go ahead and continue to subsidize and with each additional $1 billion, you can take an additional *x* percent of the global market and we are just going to walk away from that and let you have it. That is essentially what we are saying.

Now, is that what the experts in this country have suggested? I am going to just quote from the findings of the National Research Council which has reviewed this situation recently, and it says as follows: "NASA should emphasize the development of advanced aeronautical technology in the following order: Advanced subsonic aircraft." That is the first priority. That is what this amendment is directed at. Then, "high-speed supersonic aircraft. Second NASA should work with aircraft manufacturers, the airline industry, and the FAA to bring about major improvements in the utility and safety of the global air traffic management system."

Another part of the language in this bill, which the gentleman's amendment would strike, prohibits NASA from continuing to cooperate with the FAA on air traffic management. That in itself is justification for the gentleman's amendment. It has nothing to do with the dollar amount.

Again, quoting from the National Research Council: "The magnitude of NASA's civil aeronautics budget should be increased."

Mr. SENSENBRENNER. Mr. Chairman, will the gentleman yield?

Mr. BROWN of California. I yield to the gentleman from Wisconsin.

Mr. SENSENBRENNER. Mr. Chairman, if all of this is so important, how come you could not identify where to offset this increase in other NASA accounts? The amendment is silent on that.

Mr. BROWN of California. Mr. Chairman, the amendment is deliberately silent on this because we think that the caps imposed upon the subcommittee by the chairman have no basis in law and certainly no merit. The budget language has nothing to do with it, so there is no need for an offset.

Mr. SENSENBRENNER. If the gentleman will yield further, maybe that is the difference between a Congress that ran up a $5 trillion debt and a Congress that wants to balance the budget.

Mr. BROWN of California. Well, Mr. Chairman, the gentleman from Wisconsin [Mr. SENSENBRENNER] has already acknowledged that it was under the Republicans that the budget got out of balance.

Mr. SENSENBRENNER. Mr. Chairman, if the gentleman will yield further, the Republicans have not controlled this House for 40 years and Congress has the power of the purse, unless someone changed the Constitution when we were not looking.

Mr. BROWN of California. Well, Mr. Chairman, the response to that, the rebuttal, is that the Republican President could have vetoed the Democratic Congress on these bills if he wished to, and he chose not to.

Mr. SENSENBRENNER. Will the gentleman yield further?

Mr. BROWN of California. Absolutely.

Mr. SENSENBRENNER. As a matter of fact, the Republican President did veto spending bills and got overridden by Congress.

Mr. BROWN of California. Including a lot of Republicans who obviously must have voted to override them.

Now, this detracts a little from the point that we are trying to make. In this amendment, we have a confrontation with the philosophy that is involved in most of these cuts, namely that they are corporate welfare.

The CHAIRMAN. The time of the gentleman from California [Mr. BROWN] has expired.

(By unanimous consent, Mr. BROWN of California was allowed to proceed for 1 additional minute.)

Mr. BROWN of California. Mr. Chairman, just for the purpose of making a adequate summary, I would say that this is a confrontation of ideology. It is also a matter which threatens the economic future of this country, because the export of aircraft, transcontinental airplanes, represents the largest or the next-to-the-largest favorable-balance-of-trade item in the American economy. Do we want to continue to have that eroded under the pious hope that the private aircraft companies in this country can make up for those billions of dollars in subsidies that are coming from the governments of these other countries, or do we want to do something recommended by the industry, recommended by the scientific community, recommended by anyone who has any expertise in this area, that we do our best to remain competitive in the global economy? This amendment would help us to do that.

Mr. WALKER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, this is an interesting amendment, and the gentleman from California [Mr. BROWN] has defined it, I think, well. He said that the idea of putting caps on spending has no merit, and that what they are arguing is that there is absolutely no merit to the idea of capping budgets and thereby to try to reduce spending.

Mr. BROWN of California. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from California.

Mr. BROWN of California. Mr. Chairman, the gentleman has misstated my position. The gentleman from Pennsylvania [Mr. WALKER] knows that I voted for a balanced budget amendment that balances the budget in 7 years and contains all of the discipline necessary to do that. The gentleman did not like that particular budget, so now he is accusing me of not supporting caps. I think that is unjust.

Mr. WALKER. Mr. Chairman, reclaiming my time, the gentleman voted for a balanced budget, but he has steadily come to the floor and refused to do anything to enforce the balanced budget that the House actually passed. The gentleman voted for a balanced budget that did not pass. We voted for a balanced budget that did pass.

What you have to do in order to bring about a balanced budget is not just take credit for having passed this wonderful vote that you can go back home and tell the people, I voted for a balanced budget. You have to actually enforce it. You have to actually do something to cut the spending to make the balanced budget work.

That is what caps are all about. Caps are all about doing the enforcement necessary to actually balance the budget. The gentleman chafes under that .

Mr. SENSENBRENNER. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Wisconsin.

Mr. SENSENBRENNER. Mr. Chairman, I seem to recall in the 1993 budget agreement which was passed by a single party in Congress and signed by President Clinton, there was a discretionary spending cap which meant that if one account at any discretionary spending area was increased, there had to be a dollar-for-dollar offset in other accounts. Now, this amendment that has been proposed by the gentleman from Virginia [Mr. SCOTT] does not even pass the test that was imposed by President Clinton 2 years ago, because there is no offset there.

□ 1345

Mr. WALKER. Sure. The point is that what they want to do is they just want to go on spending as though spending was not a problem; that you can have balanced budgets but, oh, by the way, spend for everything imaginable.

I have been watching some of the things on television where other committees are having their deliberations, and guess what? Every ranking member talks about how we ought not to have any caps on their spending. They have got a very important area, does not matter what it is, just keep spending the money, so we come to the floor here and we hear about spending the money.

This is a particularly interesting one that the gentleman from Virginia has brought forward, because the fact is that in high speed research where you are doing the actual work toward developing the next generation of aircraft, we increase the budget. We increase the budget by as much as the President wanted to increase the budget. So we are doing the leading edge research, but what the gentleman from Virginia is proposing is that we ought to do work in subsonic research.

Just so we get the terminology so people can understand it, subsonic research is the planes that we already fly. All these planes fly at speeds below the speed of sound. So it is the planes that we already know how to build and know how to fly, and they want to increase the research dollars in that area.

What we are suggesting is that maybe industry could help us do the research in those areas where they already are building the airplanes. There are multi-billion-dollar Fortune 500 companies that are involved in doing this work. We are suggesting that maybe they ought to share in some of that research, while the Federal Government picks up the tab, an increasing tab, if you will, for those things in the high speed research areas.

It seems to me that that makes some sense. If you are going to balance the budget, let us have some shared resources. Let us have the Federal Government do the work of actually doing the fundamental work that business and industry probably cannot pick up because there is no market share in that. But where there is a market share, maybe we can have a shared program.

We are not suggesting wiping out the money for subsonic research. All we are doing is suggesting that some of the money could be cut back and the industry could come in and share part of the burden. Good heavens, that does not seem like an extreme or radical notion.

These are big companies. They are paying big dividends. They have the ability to do some of these kinds of things, particularly if the gentleman from California is correct that that is where the increase in the market is going to be for the future. Any good businessman I know wants to be a part of increasing the market for the future. Good heavens, what we are proposing here is giving them their opportunity to do it their own way, to put some of their own resources in it to make certain that we are driven in the direction that allows them to exploit that market.

The Democrats who simply believe that Government always is the right solution to everything cannot accept the fact that these kinds of partnerships are good things for the country. So what we have here is an amendment that suggests increasing the amount of money that goes to this program at the detriment to virtually everything else in the NASA budget, and in the end the real drive here is to spend infinitely more money overall for NASA. Defeat the amendment.

Mr. TRAFICANT. Mr. Chairman, I move to strike the requisite number of words, and I yield to the gentleman from California [Mr. BROWN], the distinguished ranking member.

Mr. BROWN of California. Mr. Chairman, the Members on the other side have made some interesting statements which I think deserve to be responded to. This last dialogue, for example, which indicates that there has been increased funding for supersonic research and development and that is justified, apparently that is good research or whatever they choose to dignify it with as a name in order to get it in the budget. But the subsonic research, which is essential to our competitive posture in the world, that is bad science or corporate welfare, whichever way they choose to define it, and they use both terms.

The fact is that supersonic air transport has been conventional for the last generation. The Concorde is a supersonic transport, and it has been flying for a generation. The United States had a competing supersonic transport and decided not to proceed with it because based upon economic analysis, it would go bankrupt. We were somewhat more subjected to the rigors of the market because we were not subsidizing our supersonic transport like the French are funding theirs, subsidizing theirs.

So the argument that it is OK to fund the supersonic transport but not the subsonic, when the basic market is in the subsonic and nobody is ever going to make much money off the supersonic, it seems to me to be a little naive. It means we are going to waste one hell of a lot of money on something that the French do not want to waste money on because they have already lost too much money, but we do not want to put money into the area where the French are stealing our market, and it is a big market. That is not common sense. I think that we ought to consider that as we look at this amendment before us.

The argument actually really does get us involved in fantasy land to some degree, and it is also illustrated by the constant referral to the fact that the gentleman from California is some sort of a nut who does not believe in fiscal discipline and cannot enforce caps. The fact is that those nuts who think like I do over in the Senate have already voted the amount of money that we are requesting here. They have set their caps at considerably above the caps——

POINT OF ORDER

Mr. SENSENBRENNER. Mr. Chairman, point of order. I believe it is against the rules to refer to proceedings in the other body.

The CHAIRMAN. The gentleman should avoid characterization of Members of the other body.

Mr. BROWN of California. Is the gentleman specifically referring to my use of the term "those nuts in the other body"? I will refrain from using that term.

The CHAIRMAN. The gentleman will refrain.

Mr. BROWN of California. The gentlemen in the other body have already adopted a cap——

Mr. SENSENBRENNER. Point of order, Mr. Chairman. The gentleman cannot do that, either.

The CHAIRMAN. The gentleman will refrain from referring to Members of the other body.

Mr. BROWN of California. Would the Chair instruct me as to how we should refer to the Members of the Senate?

The CHAIRMAN. The gentlemen should not refer to Members of the Senate.

Mr. BROWN of California. That is an almost insurmountable handicap to my argument here.

Mr. Chairman, I would like to point out that in some magical way, the authorization and appropriation bills which we will be called upon to consider in conference already have the amount of money in it. The gentleman from Virginia [Mr. SCOTT] referred to that earlier when he made his presentation. I forget how he got away with it, but he pointed out that that money was there.

The other side is arguing that it is both illegal, immoral, and probably fattening for us to do the same thing. I am a little chagrined to have that kind of a characterization made. If the gentleman would like to explain to me how what we want to do here is immoral and illegal but what is happening on the other side, if I can get away with that term, is perfectly all right, even though it has what we are trying to do in it here.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Virginia [Mr. SCOTT].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. SCOTT. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 139, noes 281, not voting 12, as follows:

[Roll No. 701]

AYES—139

Abercrombie
Ackerman
Baldacci
Barcia
Bateman
Becerra
Beilenson
Bentsen
Berman
Bevill
Bishop
Bonior
Borski
Boucher
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Cardin
Clay
Clayton
Clyburn
Coleman
Collins (IL)
Collins (MI)
Conyers
Cramer
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Dooley
Durbin
Edwards
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Filner
Flake
Foglietta
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gibbons
Gonzalez
Green
Hall (OH)
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hoke
Horn
Houghton
Hoyer
Jackson-Lee
Jefferson
Johnson, E. B.
Johnston
Kennedy (MA)
Kennedy (RI)
Kildee
Lantos
Levin
Lewis (GA)
Lofgren
Maloney
Manton
Markey
Martinez
Matsui
McDermott
McHale
McKinney
Meek
Mfume
Miller (CA)
Mink
Mollohan
Moran
Nadler
Neal
Oberstar
Olver
Ortiz
Owens
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Pickett
Rahall
Rangel
Reed
Richardson
Rivers
Roemer
Rose
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Scott
Serrano
Sisisky
Skaggs
Spratt
Stokes
Studds
Thompson
Thornton
Towns
Velazquez
Vento
Visclosky
Volkmer
Ward
Watt (NC)
Waxman
Wise
Woolsey
Wyden
Wynn
Yates

NOES—281

Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bereuter
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Brewster
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clement
Clinger
Coble

Coburn
Collins (GA)
Combest
Condit
Cooley
Costello
Cox
Coyne
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
Deal
DeLay
Diaz-Balart
Doggett
Doolittle
Doyle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Geren
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Gordon
Goss
Graham
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (TX)
Hamilton
Hancock
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Holden
Hostettler
Hunter
Hutchinson
Hyde
Inglis
Istook
Jacobs
Johnson (CT)
Johnson (SD)
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kim
King
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Lipinski
Livingston
LoBiondo
Longley
Lowey
Lucas
Luther
Manzullo
Martini
Mascara
McCarthy
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
McNulty
Meehan
Menendez
Metcalf
Meyers
Mica
Miller (FL)
Minge
Molinari
Montgomery
Moorhead
Morella
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Obey
Orton
Oxley
Packard
Pallone
Parker
Paxon
Peterson (MN)
Petri
Pombo
Pomeroy
Porter
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Ramstad
Regula
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Schumer
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stark
Stearns
Stenholm
Stockman
Stump
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thurman
Tiahrt
Torkildsen
Torricelli
Traficant
Upton
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Williams
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—12

Chapman
Dickey
Dornan
Fields (LA)
Kennelly
Moakley
Murtha
Tejeda
Torres
Tucker
Waters
Wilson

□ 1414

The Clerk announced the following pair:

On this vote:

Mr. Moakley for, with Mr. Dornan against.

Mrs. SMITH of Washington, Mr. COYNE, and Mr. GILMAN changed their vote from "aye" to "no."

Ms. MCKINNEY and Messrs. NADLER, LANTOS, and HOKE changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. YOUNG OF ALASKA

Mr. YOUNG of Alaska. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. YOUNG of Alaska: No. 19: Page 79, after line 16, insert the following new section:

SEC. 257. CLARIFICATION OF MAJOR FEDERAL ACTION.

The licensing of a launch vehicle or launch site operator by the Secretary of Transportation and any amendment, extension, or renewal thereof, shall not be considered a major Federal action significantly affecting the quality of the human environment for purposes of section 102 of the National Environmental Policy Act of 1969 (42 U.S.C. 4332).

Page 3, in the table of contents for subtitle C of title II, insert the following after the item relating to section 256:

"Sec. 257. Clarification of major Federal action.".

□ 1415

Mr. MILLER of California. Mr. Chairman, I reserve a point of order against the amendment offered by the gentleman from Alaska [Mr. YOUNG].

The CHAIRMAN. A point of order is reserved.

The Chair recognizes the gentleman from Alaska [Mr. YOUNG] for 5 minutes.

Mr. YOUNG of Alaska. Mr. Chairman, I do hope my good friend on the committee will not raise the point of order.

The background for this amendment, the National Environmental Protection Act, requires involvement of Federal agencies when activities constitute a major Federal action. Commercial Space Transportation Act requires the Department of Transportation to license launch vehicles and launch site operators. Department of Transportation, DOT, has determined licensing among constituents, alone constituents, major Federal action. It is acting as middleman in interpretation of NEPA requirements. Little or no Federal funding involved in the manufacturing, and structure and operation of launch sites or launch-like sites.

Problem: DOT's interpretation of NEPA has increased regulatory burden and cost of compliance with NEPA.

If I may continue, the problems are that DOT's interpretation of NEPA has increased regulatory burden and costs of compliance with NEPA. DOT requires extensive paperwork which is duplicative of the NEPA requirements.

I want to stress that. This duplicates what is already put in place by NEPA. DOT has determined that it is a decisionmaker regarding whether environmental assessment is adequate or more costly. Time and money environmental impact statement is required.

Now I have a solution. This is what my amendment does:

Solution that eliminates DOT as the middleman or the interpreter of NEPA requirements. No NEPA requirements will be waivered.

I want to stress that, my good friend from California. State governments and other Federal agencies will interpret NEPA requirements. The result will be streamlined regulatory process industry, more efficient, better able to compete with international marketplace.

Mr. Chairman, this is a good amendment, and there is really nothing wrong with it. If my colleagues want to discuss the merits of it, let us discuss the merits, but what has happened, we have an agency here that has put itself in a position to interpretation when it is already in place with NEPA, and this is one of the reasons we have such a problem today in being competitive and so much disruption for the general public. It is why should two agencies be involved in something when we waive nothing, when NEPA sets down the requirements, when we have DOT saying this is what they interpret what NEPA interprets? It is an example of overgoverning what we are attempting to do, and in no way does this weaken, nor does it take away, a right of any group, or a right of a State or a committee to participate in the process.

It is a good amendment, Mr. Chairman, and I urge the passage of the amendment.

POINT OF ORDER

The CHAIRMAN. Does the gentleman from California [Mr. MILLER] insist on his point of order?

Mr. MILLER of California. Mr. Chairman, I press my point of order that this amendment is not germane to the bill being amended and, therefore, violates clause 7 of rule XVI of the House rules, the general rule of germaneness.

As the gentleman has pointed out in his arguments on behalf of his amendment, this is about amending or providing an exemption to the National Environmental Policy Act and not about the facilities of the authorizations under this act or under this title, and, therefore, I believe it to be a nongermane amendment and, therefore, out of order for consideration at this time.

The CHAIRMAN. Are there any other Members who wish to be heard on the point of order?

Mr. YOUNG of Alaska. Mr. Chairman, I regret that the gentleman from California [Mr. MILLER] raised the point of order. It may be, in fact, subject to a point of order. But this amendment is an example of what should be done.

No one gave DOT the authority to which they are proving today. By duplicating what NEPA is doing, to slow up the process of issuing a launch site or launch vehicle; now that is an example of, I must say so, of why this Congress has allowed the agencies to run this country and why the people are upset. And if we cannot, in fact, and if the gentleman from Illinois would like to speak to me, I will speak to him, too, if in fact we cannot interpret what is in reality wrong in this Government by this body, then we are not doing our jobs, and I would withdraw the amendment.

Mr. Chairman, I ask unanimous consent to withdraw the amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Alaska?

There was no objection.

The CHAIRMAN. The amendment is withdrawn.

AMENDMENT OFFERED BY MS. JACKSON-LEE

Ms. JACKSON-LEE. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Ms. JACKSON-LEE: Page 32, following line 5, insert the following new paragraph:

(8) For High-Performance Computing and Communications, in addition to amounts authorized by paragraph (5), $35,000,000, of which $22,000,000 shall be available for Information Infrastructure Technology and Applications.

Ms. JACKSON-LEE. Mr. Chairman, I would hope that again we can come to the table on this issue in a bipartisan manner when we talk about children and having them access the superhighway.

Mr. Chairman, my amendment to section 212 of H.R. 2405 raises the authorization of appropriations for NASA's High Performance Computing and Communications Program by $35 million in order to bring the level back to the President's request. Most of this increase is designated for the newest portion of the HPCC Program that supports educational applications of computing and networking, the Information Infrastructure Technology and Applications component, which is referred to as IITA.

IITA funds quality educational tools and curriculum projects in all 50 States. Through this activity NASA has provided "800" number dial-up access to the Internet for 850 teachers in schools across the country. If there is anything that I have heard in my district in Houston, it is in the school system and their fear of being left out of this high technology. This program was designed to assist teachers in discovering how to use the Internet to improve classroom instruction and to provide opportunities for teachers' own professional development.

In addition to assisting teachers in gaining network access, IITA funds a wide variety of educational development and demonstration projects. I would like to highlight a few of these projects to indicate their nature and scope.

At the Antelope Valley, CA, school district, an electronic multimedia student workbook is being designed for physically disabled students that can be read over the Internet using World Wide Web browsers.

At Lincoln Elementary School in Grand Forks, ND, a teacher is working with his students to put information about volcanos on the Internet as part of a larger, multischool project to develop Earth science lessons for the fifth- to eighth-grade levels.

In Texas a project developed by the Johnson Space Center deployed via the Texas Educational Network and used by K–12 teachers all over the State of Texas helps Texas teachers find educational materials on the Internet. This is a widely utilized concept that I think we would be terribly undermining the 21st century education of our children to not provide for it.

Finally, NASA's IITA program provides support to science museums which work with local teachers to develop improved science curriculum products related to a museum's assets and to gain access to instructional materials available via the Internet. In addition, some museums use resources provided by NASA's IITA program to improve the kinds of science information available to museum visitors by incorporating the most recent science data into exhibits and displays. A good example of this is the Houston museum's exhibit using the Comet Shoemaker-Levy 9's collision with Jupiter last year.

It is clear that NASA's IITA program supports many valuable educational programs that benefit students throughout the Nation. The extensive use of the Internet allows many of the newly developed materials to be readily available. We have constantly talked about what is wrong on the Internet; let's talk about what is right on the Internet. What is right on the Internet is that our children are accessing good educational tools involving them in science and preparing our children to be competitive in this global market.

What have been the accusations against the educational system in this United States? It has been that we have been short on math and science. This access to the Internet clearly allows this opportunity to be able to be sophisticated and competitive in this global market.

This week the Committee on Science has joined the Committee on Economic and Educational Opportunities to hold hearings on the impact of technology on education in the 21st century. It is widely accepted that technology can be a powerful tool for overcoming many of the shortcomings underlying the poor performance of America's schools. As we debate this bill today, in one of our hearing rooms students are demonstrating examples of some of the latest computer and network-based instructional materials.

I find it ironic that we would leave them out and not have them included, if you will, while we are listening to them in the Committee on Science hearings. It is important to include teachers and students. It is important to support the IITA program. This amendment does that. This amendment cries out for bipartisan support, recognizing the importance of technology and recognizing, to put it in, I guess, a child's words, "Let us see something good and interact with something good on the Internet."

I would ask that my colleagues support me in this amendment and support our children for the 21st century.

Mr. SENSENBRENNER. Mr. Chairman, I rise in opposition to the amendment offered by the gentlewoman from Texas [Ms. JACKSON-LEE].

Mr. Chairman, this is the second budget-busting amendment that we have heard from the other side. It even violates the principles of offsets contained in the 1993 Clinton budget bill, $35 million more for an earmarked program that the gentlewoman from Texas [Ms. JACKSON-LEE] wants to spend it on with no offset whatsoever, either in NASA or outside of NASA. This means that the Administrator of NASA is going to have to figure out where to find this $35 million. The author of the amendment does not come up and say where to find the $35 million. She punts that whole issue over to the administration, and that is an abdication of congressional responsibility.

Now, is the Administrator supposed to take this money out of the Johnson Space Flight Center? Is he supposed to take this money out of mission control for bringing the space station up into orbit? That is not specific, and an Administrator of NASA would have to do that.

I think that the amount of money that is in this bill which was agreed to by the Committee on Appropriations and passed by the House of Representatives is an adequate amount for this program. We should not have an extra $35 million increase for NASA without saying where it is going to come out of, and I would urge that the committee reject this amendment.

□ 1430

Mr. TIAHRT. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I do not think there is any question that it is important that children have access to information, and there is no question about whether they can get it through the Internet or some other forms. I think what is important is to find out that they have the ability to get on-line, and not be afraid of computers.

Mr. Chairman, what they are doing in Wichita, in fact this week I was able to visit a charter school called the Dodge Edison school, where Dr. Larry Reynolds, in control of his budget, has provided computers not only for his students, but computers that can be checked out into their home, where they can tie into the Edison intermail, electronic mail, where they can learn about their ideas, they can communicate with the teachers, they can do their homework, they can look at what is on the schedule. All through the computerized system, they are learning the principles of using a computer that are absolutely necessary for the Internet, but it is not paid for by Federal tax dollars, it is paid for by local tax dollars, where it is a very important issue to them, so they have taken the resources and they have channeled them. I do not think it is necessary for them to take Federal tax dollars.

Ms. JACKSON-LEE. Mr. Chairman, will the gentleman yield?

Mr. TIAHRT. I yield to the gentlewoman from Texas.

Ms. JACKSON-LEE. Mr. Chairman, I thank the gentleman for his comments. I am glad that he was able to see certainly some very vital activity in his home district. What I would offer to say to the gentleman in countering, and I think these numbers fall within the Senate budget resolution, so we are in keeping with the spirit of our intentions. In many places across the country, and I know the gentleman comes from an area different from my community—an urban area, but many places across the country, including some rural areas, have real difficulty in using local funds for high-technology educational needs.

Obviously, we realize that we must be in partnership. This small effort acts as a partnership to local funds in some school districts and communities that cannot afford these kinds of services, and they would, therefore, eliminate or diminish the opportunity for those children to participate in the Internet information system.

Mr. TIAHRT. Mr. Chairman, reclaiming my time, it is a question of priorities, which I think is what the gentlewoman did say here. Even in our rural areas we have the information network of Kansas, where we have tied together through electronic means the school systems, but it is done, again, without Federal tax dollars. I think what would better secure the future for these children is balancing the budget so they have a strong economy to grow into. That is why I oppose this amendment.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. TIAHRT. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, this helps point out the reason why it is sometimes good to bring these bills to the floor in a comprehensive way. The gentlewoman made her whole argument based upon the fact that we need to have access of children to computers. I think the gentleman and I agree with that. The problem that she pointed out was the access to the Internet and all of these kinds of things, as though this were the only money in the Federal Government was spending in computers.

The fact is we just passed title I of this bill. If we go back to page 7, where the National Science Foundation authorization is, we will find on that page that we are spending $249 million on computer work. That is the place where the Internet was created, was by the National Science Foundation. This is the place where we are funding those kinds of activities, to assure that children are going to have access in the future.

The point is that when we have duplicative programs in government, there are times when we can reduce some because we are willing to fund others. That is exactly what is happening in this bill. We have $249 million being spent in the National Science Foundation in the computer area. The gentlewoman objects to a cut in some of the areas within NASA's budget that do exactly the same kind of work.

I would simply suggest that perhaps this is a place where, when we are trying to balance the budget, that it makes sense to end some duplication and do it the right way. I thank the gentleman for yielding.

Mr. TIAHRT. In closing, Mr. Chairman, I would like to say Dr. Larry Reynolds has done a good job of establishing priorities at Dodge Edison school and he is teaching his children how to use the computer. They are very friendly with it, they are becoming more and more so, as are their parents. That is the biggest obstacle to getting people involved in the system, to overcome fear of computers. It is a matter of priorities. I think balancing the budget is also important. That is why I oppose this amendment.

Mr. BROWN of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment offered by the gentlewoman from Texas [Ms. JACKSON-LEE]. Again, this is in some sense a repetition of some of the arguments, at least, that we went through in connection with the former amendment to increase funding for aerospace research, subsonic aeronautics research.

The figure to which we seek to increase this is the same amount as the Senate, the other body, has already appropriated. They had no problem with caps in this matter, and I do not see any particular reason why that bugaboo should be used in this situation. It is not a budget buster. There is nothing in the budget resolution that applies to this bill in any way, shape, or form, as the gentleman knows. But they choose to use that kind of language in the hope, apparently, that it will have effect of emphasis in reasserting their particular views with regard to whether a particular item is good science or corporate welfare or something of that sort.

Mr. Chairman, I think we all recognize that the problem of improving the availability of computer resources in education is a matter of considerable importance. It has been indicated that much is being done at the State level already, and that is true. A great deal is being done in California, and the communication companies, the private communication companies, are spending hundreds of millions of dollars to provide access, to provide fiber optics to the classroom, and to provide for other kinds of things.

This money here is not intended to duplicate that. This money is to provide for additional funding for the kind of research that NASA does in terms of improving software and improving the technologies themselves that make computers more effective as an educational tool.

Some of us have been working to try to move into this new era of computers for at least a decade or longer, and there has been considerable success. We are proud of that success. Does that mean that we should now begin to cut the money that we have been investing? It is not the same, incidentally, as the money that NSF is spending, despite the contention that this account has been cut because it does exactly the same thing that NSF is doing.

If Members would check with NSF, they would find that they would deny that they are doing the same thing as NASA is. If they are, I would join in cutting their budget for that purpose. However, this is an extremely important issue. It is one that needs help, financial help, to establish those things that the private sector is not going to do. It would indicate our commitment to the kind of educational goals that every President has set forth for the last 20 years. I think it is a very good amendment.

Mr. Chairman, I rise in support of the amendment from the gentlelady from Texas to increase the authorization for educational applications in the NASA High Performance Computing and Communications Program. In her statement on the amendment, Ms. JACKSON-LEE pointed out the irony in the need to defend a program cut by the Committee on Economic and Educational Opportunities and by the Science Committee, which advances educational technologies, while the committee is simultaneously holding hearings and demonstrations to highlight the ways technology can improve the effectiveness of the Nation's schools.

There is no significant debate about whether the application of the latest information technologies can improve teaching and learning. The main question is how to spur the deployment of the technologies as broadly as possible and integrate them into the curriculum in the most effective ways. No one disputes that we have a long way to go in overcoming the many barriers to achieving the promise of educational technology. Certainly further experimentation is needed to understand what works best and how to replicate best practices on a large scale.

The NASA Information Infrastructure Technology Applications component of the High Performance Computing and Communications Program is specifically targeted at developing and demonstrating computer and network-based instructional tools and in assisting teachers in the use of new technologies. It supports cooperative, cost-shared efforts among schools, universities, industry, and NASA laboratories, with participation by institutions in every State. The expertise which NASA's scientists and engineers bring is particularly valuable in tailoring new information technologies to educational uses.

Unfortunately in the quest to slash Federal programs, the majority has not spared education programs. Technology is certainly not a silver bullet that will instantly transform our schools. But the promise of technology is manifest, as is being effectively demonstrated today by school kids in the Science Committee's hearing room. Greater—not reduced—efforts are warranted to deploy technology more broadly.

Cutting programs that contribute to educational technology development and its effective use will only harm and delay the improvement of K–12 education, putting further off the time when America's schoolchildren may obtain a truly world-class education. I strongly support the amendment to restore funding for NASA's educational technology efforts and urge its passage.

Ms. JACKSON-LEE. Mr. Chairman, will the gentleman yield?

Mr. BROWN of California. I yield to the gentlewoman from Texas.

Ms. JACKSON-LEE. Mr. Chairman, I would like to make an inquiry to the gentleman from California [Mr. BROWN], because I think there have been many who have spent long years in this area, but maybe not as long as the gentleman has, having had the opportunity to work closely with the private sector as the Government has tried to be a partner in their efforts.

It is my understanding, even though this is maybe an extended issue on this particular amendment, that usually when the dollars go down in research and development in Government, we find that industry follows suit. Even though we have had some outstanding leadership in the private sector, if we are to make equal across the Nation children's opportunities to access Internet and to apply the science of computerization, the application of such, this program is vital to doing so, and I ask the gentleman for a response.

Mr. BROWN of California. Mr. Chairman, the gentlewoman is absolutely correct. What we are doing in funding this particular program is vital to the further utilization, the development of a market, if you could use that term, for increased communication activities through the schools. Education is considered to be a major market.

However, what I am afraid of is that the opposition to this stems from a feeling that the role of the Federal Government is not to assist education. I went through this in 1981, when President Reagan submitted his first budget, and NSF had some very interesting things in this area being done. They were totally eliminated. The grounds were not that they were not important, but it was not an appropriate role for the Federal Government.

Mr. TRAFICANT. Mr. Chairman, I move to strike the requisite number of words.

Ms. JACKSON-LEE. Mr. Chairman, will the gentleman yield?

Mr. TRAFICANT. I yield to the gentlewoman from Texas.

Ms. JACKSON-LEE. Mr. Chairman, I will not take up the full time. I thank the gentleman for yielding to me.

Mr. Chairman, I simply want to conclude by acknowledging to my colleagues that we have a great opportunity as we move toward the 21st century. Let us not leave our children out, our teachers, and our educational system. Let us equalize the access to this very important tool. I would ask for support of this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Texas [Ms. JACKSON-LEE].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Ms. JACKSON-LEE. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 144, noes 276, not voting 12, as follows:

[Roll No. 702]

AYES—144

Ackerman
Becerra
Beilenson
Bentsen
Berman
Bevill
Bishop
Bonior
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Chapman
Clay
Clayton
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Condit
Conyers
Coyne
Cramer
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Doyle
Durbin
Edwards
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Filner
Flake
Foglietta
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Geren
Gibbons
Gonzalez
Green
Gutierrez
Hall (OH)
Hall (TX)
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hoyer
Jackson-Lee
Jefferson
Johnson, E. B.
Johnston
Kennedy (MA)
Kennedy (RI)
Kildee
Kleczka
Lantos
Levin
Lewis (GA)
Lofgren
Lowey
Maloney
Manton
Markey
Martinez
Matsui
McCarthy
McDermott
McKinney
Meek
Menendez
Mfume
Miller (CA)
Mink
Mollohan
Moran
Nadler
Neal
Oberstar
Olver
Ortiz
Orton
Owens
Pallone
Pastor
Payne (NJ)
Pelosi
Peterson (FL)
Rahall
Rangel
Reed
Richardson
Rivers
Rose
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Schumer
Scott
Serrano
Skelton
Stenholm
Stokes
Studds
Tanner
Thompson
Thornton
Torricelli
Towns
Velazquez
Vento
Visclosky
Ward
Waters
Watt (NC)
Waxman
Williams
Wise
Wyden
Wynn
Yates

NOES—276

Abercrombie
Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cardin
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Cooley
Costello
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
Deal
DeLay
Diaz-Balart
Dickey
Dooley
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Gordon
Goss
Graham
Greenwood
Gunderson
Gutknecht
Hamilton
Hancock
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Jacobs
Johnson (CT)
Johnson (SD)
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kim
King
Kingston
Klink
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Lewis (CA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Lipinski
Livingston
LoBiondo
Longley
Lucas
Luther
Manzullo
Martini
Mascara
McCollum
McCrery
McDade
McHale
McHugh
McInnis
McIntosh
McKeon
McNulty
Meehan
Metcalf
Meyers
Mica
Miller (FL)
Minge
Molinari
Montgomery
Moorhead
Morella
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Obey
Oxley
Packard
Parker
Paxon
Payne (VA)
Peterson (MN
Petri
Pickett
Pombo
Pomeroy
Porter
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Ramstad
Regula
Riggs
Roberts
Roemer
Rogers

Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Sisisky
Skaggs
Skeen
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stark
Stearns
Stockman
Stump
Stupak
Talent
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thurman
Tiahrt
Torkildsen
Traficant
Upton
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—12

Dornan
Fields (LA)
Kennelly
Leach
Moakley
Murtha
Tejeda
Torres
Tucker
Volkmer
Wilson
Woolsey

□ 1459

The Clerk announced the following pair:

On this vote:

Mr. Moakley for, with Mr. Dornan against.

So the amendment was rejected.

The result of the vote was announced as above recorded.

□ 1500

AMENDMENT OFFERED BY MR. TRAFICANT

Mr. TRAFICANT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TRAFICANT: Page 64, line 14, through page 67, line 2, amend subsection (c) to read as follows:

(c) DISCLOSURE OF TECHNICAL DATA.—Section 303 of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2454) is amended—

(1) in subsection (a)(C), by inserting "or (c)" after "subsection (b)"; and

(2) by adding at the end the following new subsection:

"(c)(1) The Administrator, on the request of a private sector entity, shall delay for a period of at least one day, but not to exceed 5 years the unrestricted public disclosure of technical data in the possession of, or under the control of, the Administration that has been generated in the performance of experimental, developmental, or research activities or programs funded jointly by the Administration and such private sector entity.

"(2) Within 1 year after the date of the enactment of the National Aeronautics and Space Administration Authorization Act, Fiscal Year 1996, the Administrator shall issue regulations to carry out this subsection. Paragraph (1) shall not take effect until such regulations are issued.

"(3) Regulations issued pursuant to paragraph (2) shall include—

"(A) guidelines for a determination of whether data is technical data within the meaning of this subsection;

"(B) provisions to ensure that technical data is available for dissemination within the United States to United States persons and entities in furtherance of the objective of maintaining leadership or competitiveness in civil and governmental aeronautical and space activities by the United States industrial base; and

"(C) a specification of the period or periods for which the delay in unrestricted public disclosure of technical data is to apply to various categories of such data, and the restrictions on disclosure of such data during such period or periods, including a requirement that the maximum 5-year protection under this subsection shall not be provided unless at least 50 percent of the funding for the activities or programs is provided by the private sector.

"(4) Along with the initial publication of proposed regulations under paragraph (2), the Administrator shall include a list of those experimental, developmental, or research activities or programs conducted by, or funded in whole or in part by, the Administration that may result in products or processes of significant value in maintaining leadership or competitiveness in civil and governmental aeronautical and space activities by the United States industrial base. Such list shall be updated biannually.

"(5) The Administrator shall annually report to the Congress all determinations made under paragraph (1).

"(6) For purposes of this subsection, the term 'technical data' means any recorded information, including computer software, that is or may be directly applicable to the design, engineering, development, production, manufacture, or operation of products or processes that may have significant value in maintaining leadership or competitiveness in civil and governmental aeronautical and space activities by the United States industrial base.".

Mr. TRAFICANT (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SENSENBRENNER. Mr. Chairman, will the gentleman yield?

Mr. TRAFICANT. I yield to the gentleman from Wisconsin.

Mr. SENSENBRENNER. Mr. Chairman, we are prepared to accept the gentleman's amendment on this side. We feel it makes a constructive addition to the bill.

Mr. TRAFICANT. With that, Mr. Chairman, I ask that the amendment be passed without prejudice.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. TRAFICANT].

The amendment was agreed to.

The CHAIRMAN. Are there any other amendments to title II?

Mrs. SEASTRAND. Mr. Chairman, I move to strike the last word to engage in a colloquy with the gentleman from Pennsylvania [Mr. WALKER].

Mr. Chairman, I would just like to ascertain from the gentleman from Pennsylvania the intention and authorization amount of section 212 of this Omnibus Civilian Science Authorization Act. Is is true that $10 million of H.R. 2405 is authorized for converting commercially inconsistent elements of former Federal space launch facilities for conformance with Federal regulations relating to commercial space transportation?

Mr. WALKER. If the gentlewoman will yield, that is correct.

Mrs. SEASTRAND. Is it also the intention that the purpose of this authorization is to encourage commercialization of space launches, which will lead NASA and private high technology industries to rely on a more affordable and efficient private sector to provide space launching services?

Mr. WALKER. Again, the gentlewoman is correct in her interpretation.

Mrs. SEASTRAND. Last, is it the intention of this authorization to allow those States developing legitimate commercial spaceports to compete for these funds via a bidding process through NASA?

Mr. WALKER. That is the intention of the language. I would certainly feel that that is what NASA will engage in in terms of practices with regard to this.

Mrs. SEASTRAND. Mr. Chairman, I thank the chairman of the committee. I appreciate the time and effort and the intelligent organization that he contributed to this legislation. I wholeheartedly support it.

The CHAIRMAN. Are there any other amendments to title II?

AMENDMENT OFFERED BY MR. WELDON OF FLORIDA

Mr. WELDON of Florida. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WELDON of Florida: Page 74, after line 23, insert the following new subsection:

(e) SAFE OPERATION.—

In reviewing proposals for moving to a single prime contractor the Administrator shall give priority to continued safe operation of space transportation systems.

Mr. WELDON of Florida. Mr. Chairman, my amendment is a very simple amendment. As NASA goes through the procedures of looking into the issue of selecting a single prime contractor for the operation of our Nation's space shuttle, my amendment clarifies that their priority should be making sure that we have consistent safe operation of our space shuttle.

This past August I toured Kennedy Space Center. Then again last week I had the privilege of having the chairman of the Subcommittee on Space and Aeronautics join me at Kennedy Space Center, and talk with the people who put that space shuttle together and make sure that it will fly safely, and talk to the people who are down there at the ground level tightening the bolts, making sure that this system is going to function and function properly so that it can return our astronauts safely back to Earth.

Mr. Chairman, I discovered that there are three things that they consider to be most important in this program, and, that is, safety, safety, safety. They want to make sure that as our space program continues on into the future, that our space shuttle will be safe and will continue to run safely. I feel that my amendment clarifies the language in this bill to make sure that our space program continues to be the world's leader.

Mr. SENSENBRENNER. Mr. Chairman, will the gentleman yield?

Mr. WELDON of Florida. I yield to the gentleman from Wisconsin, the distinguished subcommittee chairman.

Mr. SENSENBRENNER. Mr. Chairman, we are pleased to accept this amendment. I believe that the gentleman from Florida has made an extremely valuable contribution to this bill.

Obviously safety cannot be compromised with the space shuttle, because if we should have another disaster, America is out of manned space exploration for a generation. That is why I believe that mandating the Administrator of NASA to place safety first and going to a single prime contractor, as is proposed by the gentleman from Florida, puts the horse before the cart, and that is really important if we are to have a viable space program for generations to come.

Mr. WELDON of Florida. I thank the gentleman.

Mr. Chairman, I rise in support of the bill before us.

No, this is not a perfect bill. In fact, I have discovered since my election to Congress, that there are few perfect bills. However, the bill before us is a good bill and takes some very important steps that move our country in the right direction.

These are difficult budgetary times. We have already imposed upon our children a national debt of $5 trillion dollars.

It is for our children and their children that we must make prudent decisions about those endeavors we can and cannot afford. Only by doing this can we ensure a brighter future for them.

We must separate those endeavors that we must pursue from those that may be worthy activities but are not critical to our children's future, are too expensive for us to pursue at this time, or should be undertaken by the private sector. This bill does this. This bill makes tough decisions. It sets priorities. It will ensure a brighter future for our Nation.

I would like to take this opportunity to discuss one aspect of this bill—NASA. The NASA provisions are responsible and meet our national requirements. They ensure a vibrant space program with clear direction.

Overall, the bill provides $11.5 billion for NASA programs in 1996. This is $597 million under the administration's request. I am very pleased that this reduction will not impact the space station or space shuttle programs. These two programs are essential to our Nation's continued international leadership in space and they are funded at levels nearly identical to the President's request.

Multiyear funding for the space station was provided in H.R. 1601, which passed the House by voice vote on September 28, 1995. It was funded at the administration's request. Thus, the bill before us does not include funding for the space station, but is fully consistent with H.R. 1601.

The bill before us ensures a sound space shuttle program by fully funding space shuttle operations at the administration's budget request. The President requested $3.231 billion and H.R. 2405 provides $3.178 billion. The entire $53 million reduction from NASA's requested budget comes from completing the closure of the Iuka facility and will have no negative consequences on space shuttle operations.

For mission support, another key component of shuttle operations, H.R. 2405 provides $2.1 billion, this is $108 million below the President's request. The administrator of NASA has said that this savings is achievable because of those who have taken advantage of buyouts offered by the agency. No additional reductions will be required to achieve this budget target.

The bill includes language requested by NASA that enables NASA to explore the possibility of moving portions of the operation of the space shuttle under a single prime contract. As the Vice-Chairman of the Space Subcommittee I will closely monitor NASA's activities in this respect. I will not allow the safety of space shuttle operations to be compromised.

I will make sure that any move to a single prime contract by the Clinton administration does not compromise the integrity of our space shuttle program.

Finally, I am pleased that the bill includes provisions to strengthen commercial space endeavors. The bill expands the Commercial Space Launch Act to include the full range of space transportation activities. H.R. 2405 also takes significant steps in funding the development of the next reusable launch vehicle. These are very important steps in our Nation's future.

The United States once held 100 percent of the world's commercial space launch market. Today, this has slipped to about 30 percent. The provisions in this bill relating to commercial space launches will help us regain a larger share of this expanding market.

I want to thank Chairman WALKER for his leadership in the areas of science, research and development, and space exploration. We must excel in these areas in order to continue pushing the envelop on advanced technology. This bill does this and at the same time cuts out the waste, inefficiencies, and inappropriate uses of scarce Federal dollars.

H.R. 2405 is a targeted, well-focused bill. It ensures a brighter future for our children.

I urge all Members of the Congress to support this bill.

Mr. ROHRABACHER. Mr. Chairman, will the gentleman yield?

Mr. WELDON of Florida. I yield to the distinguished gentleman from California.

Mr. ROHRABACHER. Mr. Chairman, I would just like to take this opportunity to congratulate the gentleman from Florida [Mr. WELDON] on the leadership he has been providing on this vital part of America's space effort. The shuttle at this moment is a piece of technology that we depend upon.

The gentleman from Florida [Mr. WELDON] has been making it his job to make sure that America gets the best use out of this technology. He is focusing today on safety but he has provided leadership in a number of areas concerning the shuttle. I would just like to congratulate him and rise in support of his amendment.

Mr. WELDON of Florida. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida [Mr. WELDON].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. HOKE

Mr. HOKE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HOKE: Page 76, line 16, strike "30" and insert in lieu thereof "60".

Page 76, line 18, insert "which meet the microgravity flight needs of the National Aeronautics and Space Administration," after "to provide services".

Page 76, line 21, insert "as specified in paragraph (3)" after "to the private sector".

Page 76, line 25, strike ", and" and insert in lieu thereof "to a microgravity flight provider certified by the Federal Aviation Administration, and, except as provided in paragraph (4),".

Page 77, after line 9, insert the following new paragraphs:

(4) The Administrator may, as necessary to ensure the continuity of National Aeronautics and Space Administration operations, continue to operate parabolic aircraft flights for up to 3 months after a contract is awarded under paragraph (3). If the Administrator continues operations pursuant to this paragraph, the Administrator shall concurrently transmit to the Congress an explanation of the reasons for such action.

(5) Six months after the National Aeronautics and Space Administration ceases all parabolic aircraft flights under paragraph (3), the Administrator shall transmit a report to Congress on the effectiveness of privatization under this section.

Mr. HOKE (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HOKE. Mr. Chairman, this amendment is straightforward and I believe that it has been accepted by both sides of the aisle.

My intention with this amendment is not to hamper efforts generally with respect to privatization and downsizing but to ensure that when we do initiate these actions, they are undertaken in a thoughtful, credible, step-by-step manner, and in this particular case do not cripple NASA's ability to continue with its world-class microgravity research.

In short, this amendment guards against any gaps in large microgravity aircraft research by permitting the agency to operate its microgravity support planes for up to 3 months after a viable private contractor has received FAA certification, should such a contractor exist and be awarded a contract. I repeat, this does not allow the administrator to prevent privatization in any way. Rather, it only serves to guard against gaps in the research.

To my knowledge, no thorough study has yet been conducted which demonstrates a critical need to privatize NASA's microgravity aircraft against NASA's will and better judgment. In fact, both NASA and the Aerospace Safety Advisory Panel, the organization established after the Apollo 1 launchpad fire to review proposals just like the one in the bill, have asked Congress to proceed slowly and deliberately. ASAP further warns that:

> under the proposed scenario, the lives of astronauts in training, as well as those of the researchers and air crew on board could be at risk . . . It must be recognized that microgravity flying . . . requires the precise performance of maneuvers close to operational and structural limits. It takes years for a pilot to gain the experience necessary to fly such complex maneuvers. In addition, specially trained and experienced maintenance and inspection teams are required to ensure that the aircraft is safe prior to flight operations. To our knowledge there is no private enterprise conducting operations similar to NASA large aircraft microgravity flight operations anywhere in the world. The costs involved in purchasing and modifying the appropriate aircraft plus the time needed to obtain the required flight operations expertise can be an expensive and herculean undertaking in itself.

Clearly these are strong cautionary words, and therefore, I would prefer to have the privatization happen contingent upon a positive review of its feasibility. Failing that, I believe that some study must be made of how his privatization has progressed. Thus, I am asking that NASA take a review of this several months after privatization has gone into effect.

Privatization where possible is a goal we should all desire, but we need to be sure that it is done in a rational and reasonable way. Because microgravity research is so important not just to scientists, but to our Nation's industrial, biomedical, chemical, and manufacturing sectors, privatization should be done cautiously and with our full understanding of its implications. That is why my amendment asks for a study to be conducted after privatization has begun to review the performance of private contractors offering microgravity aircraft services to NASA.

In the interest of time, I ask for the assistance of the chairman and ranking member of the Science Committee in keeping a close eye on the NASA's privatization efforts and to make correction of NASA policies.

Mr. SENSENBRENNER. Mr. Chairman, will the gentleman yield?

Mr. HOKE. I yield to the gentleman from Wisconsin.

Mr. SENSENBRENNER. Mr. Chairman, we are pleased to accept this amendment. I commend the gentleman from Ohio [Mr. HOKE] for offering it.

The amendment addresses the concerns of NASA, specifically that it provides the agency with a 3-month overlap of zero G operations by both NASA aircraft as well as aircraft operated by a prime contractor. This will ensure that there will be no hiatus in zero G capability during the transition period, and this means that there will be no impact in the training schedule of the astronauts.

Privatization of this program by NASA means that now private corporations will have the opportunity to compete for a contract to provide this service to the agency. There are at this time companies that are prepared to enter competition and who are investing considerable amounts of time and capital to lay the groundwork for this effort. This legislation provides the opportunity to the private sector to demonstrate their ability to provide this service more efficiently, and this amendment allows sufficient overlap between the existing Federal operation and its private counterpart to ensure that there is no gap in this important function.

Mr. HOKE. I thank the chairman for accepting the amendment.

Mr. BROWN of California. Mr. Chairman, will the gentleman yield?

Mr. HOKE. I yield to the gentleman from California.

Mr. BROWN of California. Mr. Chairman, I have reviewed the gentleman's amendment in great detail, and applying the same high standards as I did to the other gentleman from Ohio on this side of the aisle, I would like to say that as long as your amendment meets the rigorous standards of the Republican leadership of the committee, I am happy to support it.

Mr. HOKE. I thank the ranking member very much and will keep that in mind. I appreciate having worked with him when he was the chairman of the committee.

Mr. Chairman, I include for the RECORD a letter from the chairman of the Aerospace Safety Advisory Panel, as follows:

NATIONAL AERONAUTICS AND
SPACE ADMINISTRATION,
Washington, DC, October 5, 1995.

Hon. MARTIN R. HOKE,
House of Representatives, Cannon Building, Washington, DC.

DEAR CONGRESSMAN HOKE: The Aerospace Safety Advisory Panel appreciates very much your confidence in its work and is must pleased to respond to your letter of September 11, 1995, requesting our assessment of the provision in H.R. 2043 mandating the privatization of NASA's microgravity flight operations.

The Panel was previously made aware that such a provision had been included in the Bill and has begun some preliminary investigation into the potential impact to safety of NASA microgravity aircraft operations. Our subcommittee on aircraft operations under the leadership of VADM Robert F. Dunn (retired) will be the cognizant Panel representative for this study. Since our investigation is in the preliminary stage we hesitate to offer a definitive comment at this time. It should be noted that any time there is a major change in modus of operations of such magnitude, the impact to safety must be a prime concern. Our first recommendation would be to proceed slowly and deliberately because under the proposed scenario, the lives of the astronauts in training, as well as those of the researchers and air crew on board could be at risk. Thorough investigation and weighing of all hazards and risk factors must take precedence over other considerations.

It must be recognized that microgravity flying, especially when utilizing large aircraft such as NASA's KC-135 or DC-9, requires the precise performance of maneuvers close to operational and structural limits. It takes years for a pilot to gain the experience necessary to fly such complex maneuvers. In addition, specially trained and experienced maintenance and inspection teams are required to ensure that the aircraft is safe prior to flight operations. To our knowledge there is no private enterprise conducting operations similar to NASA's large aircraft microgravity flight operations anywhere in the world. The costs involved in purchasing and modifying the appropriate aircraft plus the time needed to obtain the required flight operations expertise can be an expensive and herculean undertaking in itself.

Since the aircraft involved are used to support other NASA programs in addition to the microgravity flight operations, NASA must first address a number of major considerations before a comprehensive assessment can be made:

1. What exactly is meant by the term "privatization"?
2. How would "privatization" benefit NASA's microgravity research programs?
3. Would the existing microgravity aircraft simply be turned over to a commercial entity for flight operation or would they have to purchase and certify new aircraft?
4. What priorities would be given to allow NASA to continue to support the needed astronaut training, Space Shuttle operations and basic microgravity research programs?
5. What are the economic benefits?
6. Where would the experienced pilots, flight crews and ground maintenance personnel come from?
7. What are the legal and liability aspects of "privatizing" this operation?

The above notwithstanding, the Panel recognizes the imperative to bring about efficiencies without compromising safety and is committed to assist NASA in that endeavor. In that light, it is our recommendation the provision of H.R. 2043 directing the privatization of NASA's microgravity flight operations be stricken from the Bill for this year and that NASA and the Panel be permitted to conduct the appropriate investigations into the safety, legal and economic aspects of the effort prior to the next legislative session.

Sincerely,

PAUL M. JOHNSTONE
Chairman, Aerospace Safety Advisory Panel.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. HOKE].

The amendment was agreed to.

The CHAIRMAN. Are there any other amendments to title II?

If not, the clerk will designate title III.

The text of title III is as follows:

TITLE III—DEPARTMENT OF ENERGY

SEC. 301. SHORT TITLE.

This title may be cited as the "Department of Energy Civilian Research and Development Act of 1995".

SEC. 302. DEFINITIONS.

For purposes of this title—

(1) the term "CERN" means the European Organization for Nuclear Research;

(2) the term "Department" means the Department of Energy;

(3) the term "Large Hadron Collider project" means the Large Hadron Collider project at CERN;

(4) the term "major construction project" means a civilian development, demonstration, or commercial application protect whose construction costs are estimated to exceed $100,000,000 over the life of the project;

(5) the term "Secretary" means the Secretary of Energy;

(6) the term "substantial construction project" means a civilian research, development, demonstration, or commercial application project whose construction costs are estimated to exceed $10,000,000, but not to exceed $100,000,000, over the life of the project; and

(7) the term "substantial equipment acquisition" means the acquisition of civilian research, development, demonstration, or commercial application equipment at a cost estimated to exceed $10,000,000 for the entire acquisition.

SEC. 303. AUTHORIZATION OF APPROPRIATIONS

(a) ENERGY SUPPLY RESEARCH AND DEVELOPMENT ACTIVITIES.—There are authorized to be appropriated to the Secretary for fiscal year 1996 for Energy Supply Research and Development operating, capital equipment, and construction the following amounts:

(1) Solar and Renewable Energy, $235,451,000, of which—

(A) $235,331,000 shall be for operating and capital equipment; and

(B) $120,000 shall be for construction of Project GP–C–002, General Plant Projects, National Renewable Energy Laboratory.

(2) Nuclear Energy, $270,448,000, of which—

(A) $267,748,000 shall be for operating and capital equipment, including, subject to section 304(c), $14,000,000 for the AP600 light water reactor;

(B) $1,000,000 shall be for construction of Project GPN–102, General Plant Projects, Argonne National Laboratory-West, Idaho; and

(C) $1,700,000 shall be for completion of construction of Project 95–E–207, Modifications to Reactors, Experimental Breeder Reactor-II, Sodium Processing Facility, Argonne National Laboratory-West, Idaho.

(3) Environment, Safety, and Health, $128,433,000 for operating and capital equipment.

(4) Biological and Environmental Research, $369,645,000, of which—

(A) $313,550,000 shall be for operating and capital equipment;

(B) $3,500,000 shall be for construction of Project GPE–120, General Plant Projects, Various Locations;

(C) $5,700,000 shall be for construction of Project 94–E–339, Human Genome Laboratory, Lawrence Berkeley Laboratory;

(D) $4,295,000 shall be for completion of construction of Project 94–E–338, Structural Biology Facility, Argonne National Laboratory;

(E) $2,600,000 shall be for completion of construction of Project 94–E–337, ALS Structural Biology Support Facilities, Lawrence Berkeley Laboratory; and

(F) $40,000,000 shall be for construction of Project 91–EM–100, Environmental Molecular Sciences Laboratory, Pacific Northwest Laboratory.

(5) Fusion Energy, $254,144,000, of which—

(A) $245,144,000 shall be for operating and capital equipment for Magnetic Fusion Energy;

(B) $4,800,000 shall be for operating and capital equipment for Inertial Fusion Energy;

(C) $1,000,000 shall be for construction of Project GPE–900, General Plant Projects, Various Locations; and

(D) $3,200,000 shall be for construction of Project 96–E–310, Elise Project, Lawrence Berkeley Laboratory.

(6) Basic Energy Sciences, $827,981,000, of which—

(A) $805,412,000 shall be for operating and capital equipment, including $60,000,000 for the Scientific Facilities Initiative;

(B) $4,500,000 shall be for construction of Project GPE–400, General Plant Projects, Various Locations;

(C) $12,883,000 shall be for construction of Project 96–E–305, Accelerator and Reactor Improvements and Modifications;

(D) $3,186,000 shall be for completion of construction of Project 89–R–402, 6–7 GeV Synchrotron Radiation Source, Argonne National Laboratory; and

(E) $2,000,000 shall be for construction of Project 87–R–405, Combustion Research Facility, Phase II, Sandia National Laboratories-Livermore.

(7) Advisory and Oversight Program Direction, $6,200,000 for operating.

(8) Policy and Management—Energy Research, $2,200,000 for operating.

(9) Multiprogram Energy Laboratories—Facilities Support—

(A) $15,539,000 shall be for operating and capital equipment;

(B) $8,740,000 shall be for construction of Project GPE–801, General Plant Projects, Various Locations;

(C) $8,740,000 shall be for construction of Project 95–E–310, Multiprogram Laboratory Rehabilitation, Phase 1, Pacific Northwest Laboratory;

(D) $1,500,000 shall be for construction of Project 95–E–303, Electrical Safety Rehabilitation, Pacific Northwest Laboratory;

(E) $3,270,000 shall be for completion of construction of Project 95–E–302, Applied Science Center, Phase 1, Brookhaven National Laboratory;

(F) $2,500,000 shall be for construction of Project 95–E–301, Central Heating Plant Rehabilitation, Phase 1, Argonne National Laboratory;

(G) $2,038,000 shall be for construction of Project 94–E–363, Roofing Improvements, Oak Ridge National Laboratory;

(H) $440,000 shall be for completion of construction of Project 94–E–351, Fuel Storage and Transfer Facility Upgrade, Brookhaven National Laboratory;

(I) $800,000 shall be for construction of Project 96–E–332, Building 801 Renovations, Brookhaven National Laboratory;

(J) $2,400,000 shall be for completion of construction of Project 96–E–331, Sanitary Sewer Restoration, Phase I, Lawrence Berkeley Laboratory;

(K) $1,200,000 shall be for construction of Project 96–E–330, Building Electrical Service Upgrade, Phase I, Argonne National Laboratory;

(L) $2,480,000 shall be for construction of Project 95–E–309, Loss Prevention Upgrade-Electrical Substations, Brookhaven National Laboratory;

(M) $1,540,000 shall be for construction of Project 95–E–308, Sanitary System Modifications, Phase II, Brookhaven National Laboratory;

(N) $1,000,000 shall be for construction of Project 95–E–307, Fire Safety Improvements, Phase III, Argonne National Laboratory;

(O) $1,288,000 shall be for completion of construction of Project 93–E–324, Hazardous Materials Safeguards, Phase I, Lawrence Berkeley Laboratory;

(P) $1,130,000 shall be for completion of construction of Project 93–E–323, Fire and Safety Systems Upgrade, Phase I, Lawrence Berkeley Laboratory; and

(Q) $2,411,000 shall be for construction of Project 93–E–320, Fire and Safety Improvements, Phase II, Argonne National Laboratory.

Notwithstanding subparagraphs (A) through (Q), the total amount authorized under this paragraph shall not exceed $39,327,000.

(10) Technical Information Management Program, $14,394,000, of which—

(A) $12,894,000 shall be for operating and capital equipment; and

(B) $1,500,000 shall be for construction of Project 95–A–500, Heating, Venting, and Air Conditioning Retrofits, Oak Ridge.

(11) Environmental Management, $644,197,000, of which—

(A) $627,127,000 shall be for operating and capital equipment;

(B) $339,000 shall be for completion of construction of Project 92–E–601, Melton Valley Liquid Low-Level Waste Collection and Transfer System Upgrade, Oak Ridge National Laboratory;

(C) $4,000,000 shall be for construction of Project 88–R–830, Bethel Valley Liquid Low-Level Waste Collection and Transfer System Upgrade, Oak Ridge National Laboratory;

(D) $2,255,000 shall be for construction of Project GPN–103, Oak Ridge Landlord General Plant Projects;

(E) $730,000 shall be for construction of Project GPN–102, Test Reactor Area Landlord General Plant Projects, Idaho National Engineering Laboratory;

(F) $1,900,000 shall be for construction of Project 95–E–201, Test Reactor Area Landlord Fire and Life Safety Improvements, Idaho National Engineering Laboratory;

(G) $2,040,000 shall be for construction of Project GPE–600, General Plant Projects, Waste Management, Non-Defense, Various Locations;

(H) $300,000 shall be for construction of Project 94–E–602, Bethel Valley Federal Facility Agreement Upgrades, Oak Ridge National Laboratory;

(I) $4,048,000 shall be for construction of Project 93–E–900, Dry Cast Storage, Idaho National Engineering Laboratory;

(J) $787,000 shall be for construction of Project 91–E–602, Rehabilitation of Waste Management Building 306, Argonne National Laboratory; and

(K) $671,000 shall be for completion of construction of Project 88–R–812, Hazardous Waste Handling Facility, Lawrence Berkeley Laboratory.

(b) GENERAL SCIENCE AND RESEARCH ACTIVITIES.—There are authorized to be appropriated to the Secretary for fiscal year 1996 for General Science and Research Activities operating, capital equipment, and construction the following amounts:

(1) High Energy Physics, $680,137,000, of which—

(A) $554,191,000 shall be for operating and capital equipment, including $15,000,000 for the Scientific Facilities Initiative;

(B) $12,146,000 shall be for construction of Project GPE–103, General Plant Projects, Various Locations;

(C) $9,800,000 shall be for construction of Project 96–G–301, Accelerator Improvements and Modifications, Various Locations;

(D) $52,000,000 shall be for construction of Project 94–G–305, B-Factory, Stanford Linear Accelerator Center; and

(E) $52,000,000 shall be for construction of Project 92–G–302, Fermilab Main Injector, Fermi National Accelerator Center.

(2) Nuclear Physics, $316,873,000, of which—

(A) $239,773,000 shall be for operating and capital equipment, including $25,000,000 for the Scientific Facilities Initiative;

(B) $3,900,000 shall be for construction of Project GPE-300, General Plant Project, Various Locations;

(C) $3,200,000 shall be for construction of Project 96-G-302, Accelerator Improvements and Modifications, Various Locations; and

(D) $70,000,000 shall be for construction of Project 91-G-300, Relativistic Heavy Ion Collider, Brookhaven National Laboratory.

(3) Program Direction, $9,500,000.

(c) FOSSIL ENERGY RESEARCH AND DEVELOPMENT.—There are authorized to be appropriated to the Secretary for fiscal year 1996 for Fossil Energy Research and Development operating, capital equipment, and construction the following amounts:

(1) Coal, $49,955,000 for operating.

(2) Oil Technology, $43,234,000 for operating, including maintaining programs at the National Institute for Petroleum and Energy Research.

(3) Gas, $59,829,000 for operating.

(4) Program Direction and Management Support, $45,535,000 for operating.

(5) Capital Equipment, $476,000.

(6) Construction of Project GPF-100, General Plant Projects for Energy Technology Centers, $1,994,000.

(7) Cooperative Research and Development, $7,557,000.

(8) Fossil Energy Environmental Restoration, $12,370,000.

(d) ENERGY CONSERVATION RESEARCH AND DEVELOPMENT.—There are authorized to be appropriated to the Secretary for fiscal year 1996 for Energy Conservation Research and Development operating and capital equipment the following amounts:

(1) Buildings Sector, $55,074,000.

(2) Industry Sector, $55,110,000.

(3) Transportation Sector, $112,123,000.

(4) Technical and Financial Assistance (Non-Grants), $7,813,000.

SEC. 304. FUNDING LIMITATIONS.

(a) FISCAL YEAR 1996 APPROPRIATIONS.—None of the funds authorized by this title may be used for the following programs, projects, and activities:

(1) Solar Buildings Technology Research.

(2) Solar International Program.

(3) Solar Technology Transfer.

(4) Solar Program Support.

(5) Hydropower.

(6) Space Power Reactor Systems.

(7) Nuclear Energy Facilities.

(8) Soviet-Designed Reactor Safety.

(9) Russian Replacement Power Initiative.

(10) Civilian Radioactive Waste Research and Development.

(11) Tokamak Physics Experiment.

(12) Advanced Neutron Source.

(13) Energy Research Analysis.

(14) Energy Research Laboratory Technology Transfer.

(15) University and Science Education.

(16) Technology Partnerships.

(17) In-House Energy Management.

(18) Direct Liquefaction.

(19) Indirect Liquefaction.

(20) Systems for Coproducts.

(21) High Efficiency-Integrated Gasification Combined Cycle.

(22) High Efficiency-Pressurized Fluidized Bed.

(23) Technical and Economic Analysis.

(24) International Program Support.

(25) Coal Technology Export.

(26) Gas Delivery and Storage.

(27) Gas Utilization.

(28) Fuel Cells Climate Change Action Plan.

(29) Fuels Conversion, Natural Gas, and Electricity.

(30) Clean Coal Technology Program.

(31) Buildings Sector Implementation and Deployment.

(32) Industry Sector Municipal Solid Wastes.

(33) Industry Sector Implementation and Deployment.

(34) Alternative Fuels Utilization.

(35) Transportation Sector Implementation and Deployment.

(36) Utility Sector Integrated Resource Planning.

(37) International Market Development.

(38) Inventions and Innovation Program.

(39) Municipal Energy Management.

(40) Information and Communications.

(41) Policy and Management—Energy Conservation.

(42) Gas Turbine-Modular Helium Reactor.

(b) PRIOR FISCAL YEAR OBLIGATION AND EXPENDITURE.—No funds may be available for obligation or expenditure with respect to the following:

(1) University of Nebraska Medical Center Transplant Center.

(2) Oregon Health Sciences University.

(c) LIGHT WATER REACTOR MATCHING FUNDS.—Funds appropriated for the AP600 light water reactor pursuant to section 303(a)(2)(A) shall be available only to the extent that matching private sector funds are provided for such project, and subject to the condition that such Federal funds shall be repaid to the United States out of royalties on the first commercial sale of such reactor design.

SEC. 305. LIMITATION ON APPROPRIATIONS.

(a) EXCLUSIVE AUTHORIZATION FOR FISCAL YEAR 1996.—Notwithstanding any other provision of law, no sums are authorized to be appropriated for fiscal year 1996 for the activities for which sums are authorized by this title unless such sums are specifically authorized to be appropriated by this title.

(b) SUBSEQUENT FISCAL YEARS.—No sums are authorized to be appropriated for any fiscal year after fiscal year 1996 for the activities for which sums are authorized by this title unless such sums are specifically authorized to be appropriated by Act of Congress with respect to such fiscal year.

SEC. 306. MERIT REVIEW REQUIREMENT FOR AWARDS OF FINANCIAL ASSISTANCE.

(a) MERIT REVIEW REQUIREMENT.—The Secretary may not award financial assistance to any person for civilian research, development, demonstration, or commercial application activities, including related facility construction, unless an objective merit review process is used to award the financial assistance.

(b) REQUIREMENT OF SPECIFIC MODIFICATION OF MERIT REVIEW PROVISION.—

(1) IN GENERAL.—A provision of law may not be construed as modifying or superseding subsection (a), or as requiring that financial assistance be awarded by the Secretary in a manner inconsistent with subsection (a), unless such provision of law—

(A) specifically refers to this section;

(B) specifically that such provision of law modifies or supersedes subsection (a); and

(C) specifically identifies the person to be awarded the financial assistance and states that the financial assistance to be awarded pursuant to such provision of law is being awarded in a manner inconsistent with subsection (a).

(2) NOTICE AND WAIT REQUIREMENT.—No financial assistance may be awarded pursuant to a provision of law that requires or authorizes the award of the financial assistance in a manner inconsistent with subsection (a) until—

(A) the Secretary submits to the Congress a written notice of the Secretary's intent to award the financial assistance; and

(B) 180 days has elapsed after the date on which the notice is received by the Congress.

(c) DEFINITIONS.—For purposes of this section:

(1) The term "objective merit review process" means a thorough, consistent, and independent examination of requests for financial assistance based on preestablished criteria and scientific and technical merit by persons knowledgeable in the field for which the financial assistance is requested.

(2) The term "financial assistance" means the transfer of funds or property to a recipient or subrecipient to accomplish a public purpose of support or stimulation authorized by Federal law. Such term includes grants, cooperative agreements, and subawards but does not include cooperative research and development agreements as defined in section 12(d)(1) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710a(d)(1)), nor any grant that calls upon the National Academy of Sciences, the National Academy of Engineering, the Institute of Medicine, or the National Academy of Public Administration to investigate, examine, or experiment upon any subject of science or art and to report on such matters to Congress or any agency of the Federal Government.

SEC. 307. POLICY ON CAPITAL PROJECTS AND CONSTRUCTION.

(a) REQUIREMENT OF PRIOR AUTHORIZATION.—(1) No funds are authorized to be appropriated to the Secretary for any substantial construction project, substantial equipment acquisition, or major construction project unless a report on such project or acquisition has been provided to Congress in accordance with subsection (b).

(2) The Secretary may not obligate any funds for any substantial construction project, substantial equipment acquisition, or major construction project unless such project or acquisition has been specifically authorized by statute.

(3) This subsection may not be amended or modified except by specific reference to this subsection.

(b) REPORTS TO CONGRESS.—(1) Within 180 days after the date of the enactment of this Act, the Secretary shall submit to the Congress a report that identifies all construction projects and acquisitions of the Department described in subsection (a) for which the preliminary design phase is completed but the construction or acquisition is not completed. Such report shall include—

(A) an estimate of the total cost of completion of the construction project or acquisition, itemized by individual activity and by fiscal year; and

(B) an identification of which construction projects or acquisitions have not been specifically authorized by statute.

The Secretary shall annually update and resubmit the report required by this paragraph, as part of the report required under section 15 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5914).

(2) The Secretary shall, after completion of the preliminary design phase of a major construction project, submit to the Congress a report containing—

(A) an estimate of the total cost of construction of the facility;

(B) an estimate of the time required to complete construction;

(C) an estimate of the annual operating costs of the facility;

(D) the intended useful operating life of the facility; and

(E) an identification of any existing facilities to be closed as a result of the operation of the facility.

SEC. 308. FURTHER AUTHORIZATIONS.

Nothing in this title shall preclude further authorization of appropriations for civilian research, development, demonstration, and commercial application activities of the Department of Energy for fiscal year 1996: *Provided*, That authorization allocations adopted by the Conference Committee on House Concurrent Resolution 67, and approved by Congress, allow for such further authorizations.

SEC. 309. HIGH ENERGY AND NUCLEAR PHYSICS.

(a) LARGE HADRON COLLIDER PROJECT.—

(1) NEGOTIATIONS.—The Secretary, in consultation with the Director of the National Science Foundation and the Secretary of State, shall enter into negotiations with CERN concerning United States participation in the planning and construction of the Large Hadron Collider project, and shall ensure that any agreement incorporates provisions to protect the United States investment in the project, including provisions for—

(A) fair allocation of costs and benefits among project participants;

(B) a limitation on the amount of United States contribution to project construction and an estimate of the United States contribution to subsequent operating costs;

(C) a cost and schedule control system for the total project;

(D) a preliminary statement of costs and the schedule for all component design, testing, and fabrication, including technical, goals and milestones, and a final statement of such costs and schedule within 1 year after the date on which the parties enter into the agreement;

(E) a preliminary statement of costs and the schedule for total project construction and operation, including technical goals and milestones, and a final statement of such costs and schedule within 1 year after the date on which the parties enter into the agreement;

(F) reconsideration of the extent of United States participation if technical or operational milestones described in subparagraphs (D) and (E) are not met, or if the project falls significantly behind schedule;

(G) conditions of access for United States and other scientists to the facility; and

(H) a process for addressing international coordination and cost sharing on high energy physics projects beyond the Large Hadron Collider.

(2) OTHER INTERNATIONAL NEGOTIATIONS.—Nothing in this title shall be construed to preclude the President from entering into negotiations with respect to international science agreements.

(b) REPORT TO CONGRESS.—Before January 1, 1996, the Secretary, in consultation with the Director of the National Science Foundation and with the high energy and nuclear physics communities, shall prepare and transmit to the Congress a strategic plan for the high energy and nuclear physics activities of the Department, assuming a combined budget of $950,000,000 for all activities authorized under section 303(b) for fiscal year 1997, and assuming a combined budget of $900,000,000 for all activities authorized under section 303(b) for each of the fiscal years 1998, 1999, and 2000. The report shall include—

(1) a list of research opportunities to be purchased including both ongoing and proposed activities;

(2) an analysis of the relevance of each research facility to the research opportunities listed under paragraph (1);

(3) a statement of the optimal balance among facility operations, construction, and research support and the optimal balance between university and laboratory research programs;

(4) schedules for the continuation, consolidation, or termination of each research program, and continuation, upgrade, transfer, or closure of each research facility; and

(5) a statement by project of efforts to coordinate research projects with the international communities to maximize the use of limited resources and avoid unproductive duplication of efforts.

SEC. 310. PROHIBITION OF LOBBYING ACTIVITIES.

None of the funds authorized by this title shall be available for any activity whose purpose is to influence legislation pending before the Congress, except that this shall not prevent officers or employees of the United States or of its departments or agencies from communicating to Members of Congress on the request of any Member or to Congress, through the proper channels, requests for legislation or appropriations which they deem necessary for the efficient conduct of the public business.

SEC. 311. ELIGIBILITY FOR AWARDS.

(a) IN GENERAL.—The Secretary shall exclude from consideration for awards of financial assistance made by the Department after fiscal year 1995 any person who received funds, other than those described in subsection (b), appropriated for a fiscal year after fiscal year 1995, from any Federal funding source for a project that was not subjected to a competitive, merit-based award process. Any exclusion from consideration pursuant to this section shall be effective for a period of 5 years after the person receives such Federal funds.

(b) EXCEPTION.—Subsection (a) shall not apply to awards to persons who are members of a class specified by law for which assistance is awarded to members of the class according to a formula provided by law.

SEC. 312. TERMINATION COSTS.

Unobligated funds previously appropriated for the Clean Coal Technology program may be used to pay costs associated with the termination of Energy Supply Research and Development, General Science and Research, Fossil Energy Research and Development, and Energy Conservation Research and Development programs, projects, and activities of the Department.

AMENDMENT OFFERED BY MR. ROEMER

Mr. ROEMER. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 13 offered by Mr. ROEMER: Page 104, after line 5, insert the following new section:

SEC. 313. LABORATORIES EFFICIENCY IMPROVEMENT.

(a) ELIMINATION OF SELF-REGULATION.—Notwithstanding any other provision of law, the Department shall not be the agency of implementation, with respect to departmental laboratories, other than departmental defense laboratories, of Federal, State, and local environmental, safety, and health rules, regulations, orders, and standards.

(b) PERSONNEL REDUCTIONS.—

(1) REQUIREMENTS.—The aggregate number of individuals employed by all government-owned, contractor-operated departmental laboratories, other than departmental defense laboratories, shall be reduced, within 5 years after the date of the enactment of this Act, by at least one-third from the number so employed as of such date of enactment. At least 3 percent of such reduction shall be accomplished within 1 year, at least 6 percent within 18 months, at least 10 percent within 2 years, and at least 15 percent within 30 months.

(2) OBJECTIVES.—The Secretary shall ensure that the personnel reductions required by paragraph (1) are made consistent with, to the extent feasible, the following objectives:

(A) Termination of departmental laboratory research and development facilities that are not the most advanced and the most relevant to the programmatic objectives of the Department, when compared with other facilities in the United States.

(B) Termination of facilities that provide research opportunities duplicating those afforded by other facilities in the United States, or in foreign countries when United States scientists are provided access to such facilities to the extent necessary to accomplish the programmatic objectives of the Department.

(C) Relocation and consolidation of departmental laboratory research and development activities, consistent with the programmatic objectives of the Department, within laboratories with major facilities or demonstrable concentrations of expertise appropriate for performing such research and development activities.

(D) Reduction of management inefficiencies within the Department and the departmental laboratories.

(E) Reduction of physical infrastructure needs.

(F) Utilization of other resources for performing Department of Energy funded research and development activities, including universities, industrial laboratories, and others.

(c) REPORTS TO CONGRESS.—

(1) INITIAL REPORT.—Within 1 year after the date of the enactment of this Act, the Secretary shall transmit a report to the Congress that—

(A) identifies the extent to which Department and departmental laboratory staffs have been reduced as a result of the implementation of subsection (a) of this section; and

(B) explains the extent to which reductions required by subsection (b)(1) have been made consistent with the objectives set forth in subsection (b)(2).

(2) ANNUAL REPORTS.—The Secretary shall transmit to the Congress, along with each of the President's annual budget submissions occurring—

(A) after the report under paragraph (1) is transmitted; and

(B) before the full personnel reduction requirement under subsection (b) is accomplished, a report containing the explanation described in paragraph (1)(B) of this subsection.

(d) DEFINITIONS.—For purposes of this section—

(1) the term "departmental laboratory" means a Federal laboratory, or any other laboratory or facility designated by the Secretary, operated by or on behalf of the Department;

(2) the term "departmental defense laboratories" means the Lawrence Livermore National Laboratory, the Los Alamos National

Laboratory, and the Sandia National Laboratories;

(3) the term "Federal laboratory" has the meaning given the term "laboratory" in section 12(d)(2) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710a(d)(2)); and

(4) the term "programmatic objectives of the Department" means the goals and milestones of the Department, as set forth in departmental strategic planning documents and the President's annual budget requests.

Page 3, after the item in the table of contents relating to section 312, insert the following:

"Sec. 313. Laboratories efficiency improvement.".

Mr. ROEMER. Mr. Chairman, my amendment is an amendment that is fairly simple and straightforward and easy to explain. It will help balance the budget by requiring that the national laboratories participate in fair, even cuts, as many of the other items in this bill are experiencing. It does it in a fair way. It exempts the defense laboratories, such as Sandia, Los Alamos, and Livermore. It does impact the energy laboratories. This bill is about eliminating real corporate welfare. It is saying, in fact, that the Government, the taxpayer, should not be footing the bill for the AT&Ts and the Motorolas and the Intels and all the big corporations in the United States that have the ability to have their own laboratories, to have their own research, we should not be putting all kinds of our tax dollars forward in these areas. We should be asking the national laboratories to participate in fair deficit reduction.

Mr. Chairman, this is reform. This is repositioning and retooling the national laboratories in 1995 to move into the next century. This is asking that the national laboratories not be exempt from any kind of pain in cuts. If we are debating on this House floor cuts in Head Start programs, in Medicare, if we are debating cuts in agriculture programs, certainly the national laboratories should be part of this restructuring.

I come to this, Mr. Chairman, as a strong supporter of the national laboratories. These are in fact resources, valuable resources for our science and research and development community, but there can be better efficiencies. There can be better ways to do this research than currently under the environment of the last 40 and 50 years.

My amendment, Mr. Chairman, does two things, two simple things: First of all it eliminates self-regulation by the DOE labs in meeting Federal, State and local environmental health and safety regulations. This was maybe the prime recommendation by Mr. Bob Galvin, the former CEO of Motorola in the Galvin Report, saying that while the Federal labs should continue to have to abide by health and safety regulations, they should not do it from Washington, DC., with scores of bureaucrats, and with a labyrinth bureaucracy.

□ 1515

That is what this Congress supposedly is trying to do, is come up with new ideas to cut out the layers of red tape and bureaucracy. That is what Mr. Galvin recommended as a former CEO of Motorola. Let us get rid of that and have the laboratories abide by those regulations, but do it in a businesslike fashion, do it from their laboratories and their States and at the local level, not from Washington, DC., with a big building here in Washington, DC., doing the self-regulating. That is the first thing that this amendment does.

Second, the Department of Energy will be required to downsize the number of full-time employees, again exempting the Defense Department labs by one-third over a period of 5 years.

Mr. Chairman, this is a measure that was heartily endorsed by the Council on Competitiveness. Now, the Council on Competitiveness is a proresearch, proscience group that actually recommended in our hearings that we cut back in an 18-month period by 33 percent, not in a 5-year period as recommended in my legislation. They recommended it, although they are proresearch, they are proscience, they are pro-national laboratories. They said you could accomplish this in 18 months.

In order to make sure that we get a fair restructuring, adequate efficiency in our national laboratories, we have given the national laboratories 5 years to meet this goal.

Mr. Chairman, this is a bipartisan amendment. It is offered by myself and the gentleman from Wisconsin [Mr. KLUG]. It is an effort on the part of a Republican and a Democrat to lead a new direction on balancing the budget, not the status quo that some Members on my side of the aisle have advocated over the years: Well, let us do nothing about the deficit, let us let the deficit be where it is, and we will be content to have a $4.8 trillion deficit.

But it also does not reflect some of the extremism that we see sometimes on the other side of the aisle, that the balanced budget amendment, the balanced budget should be achieved simply by cutting programs for children, cutting programs for senior citizens and not having the national laboratories participate in this tough, tough environment to move toward a balanced budget in a fair way.

Mr. ROHRABACHER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I will speak my own mind on this, which should not be the first, because I happen to agree with my colleague that this amendment is a good amendment, and I will be supporting it.

But I do realize that there are a number of people on this side of the aisle who do not agree with that opinion, and I will by yielding to them as soon as they arrive here.

Let me say I agree that at the labs, just like everywhere else, we should be setting down guidelines as to how they can reduce their own costs and how they can reduce the costs to the Federal Government of maintaining this laboratory system.

I think that the amendment before us today is thoughtful. It is one that will actually achieve its goal, and it is one I think the author should be commended for.

Mr. WAMP. Mr. Chairman, will the gentleman yield?

Mr. ROHRABACHER. I yield to the gentleman from Tennessee.

Mr. WAMP. Mr. Chairman, I thank the gentleman for yielding.

I wanted to come in my subcommittee chairman's absence and rise in support of the bill offered by the chairman, the gentleman from New Mexico [Mr. SCHIFF], H.R. 2142, which actually sets new priorities for our national Federal laboratory system.

While I very much respect my colleague from Indiana and know that everything he does is well-intentioned, and I think he is one of the brightest stars on this side of the aisle, but in this case it is the wrong approach to how we make our Federal laboratory system more efficient. It does not take into consideration the priorities that need to be set for where we spend our money in these critical areas. It would be like coming into a plant and saying you are all of the same worth and everyone is going to have to be reduced over time by these figures regardless of your productivity, regardless of your efficiency, regardless of what time you come to work and what time you leave.

What we need to do, as Bob Galvin, through the Galvin Commission actually identified, is redefine the role of our Federal laboratory system and come up with a whole new mission in the post-cold-war era of what our laboratories should actually do, and we need to make them more efficient.

Secretary O'Leary has actually enacted quite a few cuts in the programs of the Department of Energy, including the laboratories over time. Maybe some of them do not go far enough, and I think this side of the aisle will make sure that they go further.

But I think that while your approach is well-intentioned, it is the wrong approach at the wrong time.

I think another amendment will be heard later today that just says let us sell off all the laboratories except three, which again is a meat-ax approach to a very delicate thing. Our laboratories in this country are essential to our international competitiveness, and I know the gentleman from Indiana knows that and recognizes that.

So I think our intent would be the same, but your approach I cannot agree with.

Mr. ROEMER. Mr. Chairman, will the gentleman yield?

Mr. ROHRABACHER. I yield to the gentleman from Indiana.

Mr. ROEMER. Mr. Chairman, I say "thank you" to the chairman for his support for this amendment, and to the gentleman from Tennessee who just spoke, I share a great deal of admiration for him. He was at many of the hearings where we debated the future of our national laboratories, and I would say this, he quoted from the Galvin report.

Certainly a major part of my amendment is taken directly from the Galvin report in terms of terminating the self-regulation by DOE of the national laboratories and doing it more efficiently, doing it like businesses do it.

I would say, second, the gentleman represents Oak Ridge, which is one of the best national laboratories we have. My amendment does not say we are going to cut Oak Ridge by 33 percent. In fact, what the effect of my amendment might be is to say Oak Ridge is a great laboratory, it is doing things very well. We may move some work from other national laboratories to Tennessee in order to increase our efficiencies and to do things better with the group of scientists that are currently doing a great job there. It does not mandate closures.

Mr. ROHRABACHER. Reclaiming my time, the gentleman is suggesting his amendment only mandates that we make tough choices rather than what those choices will be?

Mr. ROEMER. I would say the distinguished chairman said it more succinctly than I said it in the last 2 minutes. We should not delegate our tough choices to a committee or to a commission to make the choices to close national laboratories. We are elected to represent the people and the taxpayers. We should make those choices right here right now.

AMENDMENT OFFERED BY MR. RICHARDSON AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. ROEMER

Mr. RICHARDSON. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. RICHARDSON as a substitute for the amendment offered by Mr. ROEMER: Page 104, after line 5, insert the following new section:

SEC. 313. DEPARTMENT OF ENERGY LABORATORY OPERATIONS BOARD.

(a) DEFINITIONS.—

For purposes of this section—

(1) the term "Department" means the Department of Energy;

(2) the term "laboratory" means—

(A) a laboratory, as defined in section 12(d)(2) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710a(d)(2)), or

(B) a Federal laboratory, as defined in section 4 of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3703);

but such term does not include defense laboratories, and

(3) the term "Secretary" means the Secretary of Energy.

(b) LABORATORY OPERATIONS BOARD.—

(1) ESTABLISHMENT AND MEMBERSHIP.—The Secretary shall establish a Department of Energy Laboratory Operations Board (in this section referred to as the "Board"). The Board shall consist of at least 12 members divided equally between Federal and public members.

(2) FEDERAL MEMBERS.—The Secretary shall appoint Federal members from among the senior management of the Department on the basis of their responsibilities with respect to the operation of Department laboratories, including research and development, policy, or administration responsibilities.

(3) PUBLIC MEMBERS.—The Secretary shall appoint public members from institutions of higher education, industry, or government on the basis of their experience or accomplishments in research and development, policy, or administration.

(4) TERMS OF MEMBERSHIP.—The Secretary shall appoint each member for a term of 6 years, except that terms shall be staggered to provide continuity.

(5) GOVERNANCE OF THE BOARD.—The Board shall be chaired by one of the public members so designated by the Secretary.

(c) PURPOSE AND GOAL OF THE BOARD.—

(1) PURPOSE.—The purpose of the Board is to provide advice regarding the strategic direction for Department laboratories, the coordination of budget and policy issues affecting laboratory operations, and effective laboratory management.

(2) GOAL.—The primary goal of the Board is to facilitate productive and cost-effective use of Department laboratories.

(d) FUNCTIONS OF THE BOARD.—

(1) IN GENERAL.—The functions of the Board shall include—

(A) helping to sharpen the mission focus of Department laboratories;

(B) assisting the Department in timely resolution of issues and problems across laboratories;

(C) facilitating application of best business practices in laboratory management, including reduction of unnecessary or counterproductive management burdens;

(D) developing recommendations for the Secretary regarding the size, mission, or scope of laboratories and laboratory activities in view of changes in Federal policy or resources, including funding; and

(E) providing advice and recommendations to the Secretary with respect to—

(i) management improvement initiatives to reduce the burden of Department oversight, to clarify lines of control and accountability, and to secure higher levels of research and development performance at lower cost;

(ii) cost-containment generally, including application of best business practices, and more efficient use of resources to comply with Federal and other administrative and regulatory requirements;

(iii) strategic direction for the laboratories, including validation of strategic plans, programmatic and management issues, and coordination of the laboratories as a system;

(iv) development and implementation of a Laboratory Mission Plan for the Department laboratories to ensure that activities of each Department laboratory are optimally focussed on the missions of the Department; and

(v) departmental efforts to integrate its basic and applied research programs and to integrate Department laboratory research programs with research and development programs of industry, other government agencies, and institutions of higher education.

(2) PUBLIC MEMBERS ONLY.—A subcommittee of the Board consisting of its public members shall—

(A) analyze issues affecting Department laboratories to provide the basis for independent views;

(B) report to the Secretary and the Congress on at least an annual basis assessing the performance of—

(i) the Department, in improving its management practices of Department laboratories through the reduction or elimination of unnecessary or counterproductive management burdens;

(ii) the Department laboratories, in reducing costs by a cumulative amount of at least $1,400,000,000 between fiscal year 1996 and fiscal year 2000 through the elimination of unnecessary or counterproductive administrative practices and procedures; and

(iii) the Department, in meeting the goal of cutting employment of the Department laboratories by 15 percent over 5 years, using fiscal year 1994 personnel figures as the baseline; and

(C) provide recommendations regarding budget allocation for programs or Department laboratories.

(3) ADDITIONAL FUNCTIONS.—The Secretary may establish additional functions for the Board, or request additional review, comment, or recommendations from public members of the Board.

(4) FUNCTIONS LIMITATION.—The Federal Advisory Committee Act (5 U.S.C. App.), section 17 of the Federal Energy Administration Act (15 U.S.C. 776), and section 552b of title 5, United States Code, do not apply to the Board or its members.

(e) SUNSET.—This section terminates on September 30, 2005.

Page 3, after the item in the table of contents relating to section 312, insert the following:

Sec. 313. Department of Energy Laboratory Operations Board.

Mr. RICHARDSON (during the reading). Mr. Chairman, I ask unanimous consent the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. RICHARDSON. Mr. Chairman, let me just make it clear what my amendment does and why I think it is a preferable choice to what my colleague from Indiana is doing.

My amendment would, first of all, establish a laboratory operations board for the purposes of providing attention to the reform that is needed at the DOE national laboratories. But what my amendment would do is cut lab personnel by 15 percent, not 30 percent. What my amendment would do is strip about $1.4 billion in excess costs in the DOE labs.

My amendment would apply to what the gentleman from Indiana [Mr. ROEMER] is doing to the civilian labs. What is happening right now at the Department of Energy is cost cutting is already going and taking place. It happened at Los Alamos Laboratories just this last weekend when I had close to 500 of my personnel that are being laid off.

I think that, in the interests of good science, we should not, as politicians, be making these decisions. These should be scientific decisions.

The amendment offered by the gentleman from Indiana [Mr. ROEMER] would lay off close to 14,000 people out of the DOE lab system, scientists, engineers, technical experts.

The Department of Energy can live with my amendment. What my amendment does is simply implement and recognize the cost cutting that already is going on at DOE.

Mr. Chairman, today the Royal Swedish Academy of Sciences announced a Nobel Prize for physics. They went to two scientists who performed the research at Department of Energy national labs, Martin Perl, for his work at Stanford linear accelerator center; Frederick Reines, for work at Los Alamos. The Royal Swedish Academy also announced the 1995 Nobel Prizes in chemistry will go to two researchers who received their funding support from DOE. These four awards bring to 64 the number of Nobel Prizes from the United States, resulting from research supported by DOE.

What my amendment does is acknowledge the good work of the gentleman from Indiana [Mr. ROEMER] and the gentleman from Wisconsin [Mr. KLUG], but it is not a meat cleaver. Mine is 15 percent.

This is being implemented by the Department of Energy. It is moving ahead. The language in my bill has a number of commissions that work with the DOE to ensure that we do reduce spending at the labs.

Mr. Chairman, if we are going to be at the vanguard of science and transfer of technology and energy and shifting many of these labs from defense to civilian research, let us not cut it by 30 percent, 25 percent less than the administration budget. I think we are talking about people that lose their jobs but also the Nation's research and science capability.

My amendment, at 15 percent over 5 years, is something that the scientific community and the Department of Energy can live with. The 30 percent, 30 percent, you are literally going to be closing down some laboratories. You are going to be laying off 14,000 people. I have an estimate of 20,000 people, but I will accept the figure of the gentleman from Indiana [Mr. ROEMER] or someone's figure that it is 14,000.

The goal of the gentleman from Indiana is to enhance efficiency of these labs. But I think his approach is wrong. This amendment is a meat cleaver when what you need is a scalpel.

So I want to also apologize to the Committee on Science for coming forth with this amendment at the last minute, but this is too broad a meat-ax approach, and I would hope that Members on both sides of the aisle recognize that there is an honest effort at cutting, at reducing waste, at continuing a 5-year trend of reducing spending at the labs, but doing it in a way that can be absorbed.

Mr. Chairman, I would just simply like to state that this amendment is consistent with the Galvin report. The Galvin report did not say cut the labs, the civilian side, by a third. They basically said that the labs had to find new missions and reinforce old missions. They said there should be the defense labs, and there should be the civilian labs, and some of the defense labs should also do other research than nuclear weapons.

Theirs was a serious report, but to reinforce this amendment as the reason for supporting the Galvin report, I do not think is good science. I do not think it is good government.

I would urge my colleagues to support the substitute.

The CHAIRMAN. The time of the gentleman from New Mexico [Mr. RICHARDSON] has expired.

(At the request of Mr. BROWN of California and by unanimous consent, Mr. RICHARDSON was allowed to proceed for 1 additional minute.)

Mr. BROWN of California. Mr. Chairman, will the gentleman yield?

Mr. RICHARDSON. I yield to the gentleman from California.

Mr. BROWN of California. Mr. Chairman, I thank the gentleman for yielding.

I take this time not so much to discuss his amendment, but I was intrigued by his citation of the two outstanding scientists in the laboratories of the Department of Energy who won the Nobel Prize in physics. Of course, these are not the first scientists who have distinguished themselves in either the laboratories or in research funding from the Department of Energy.

One that I wanted to mention because he is a Californian is Dr. Sherry Roland at the University of California at Irvine, who won the Nobel Prize in chemistry just within the last few days because of the pioneering work that he did on atmospheric chemistry relating to the depletion of ozone. In the event that some of my friends on the other side still think that this ozone depletion theory is still the fantasy of some cockamamie environmentalist, the Nobel Prize committee did not think so and awarded him the Nobel Prize in chemistry for that research.

May I just conclude by saying that I appreciate the gentleman offering this amendment.

Mr. WALKER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to both of the amendments. I think we are making a bad mistake here on the floor to adopt what is essentially an amendment taking the Department of Energy's position. The gentleman from New Mexico offers it, I know, in good faith, but essentially what he is doing is locking in what the department of Energy has already decided to do in terms of restructuring the labs. It is simply the Department of Energy's approach taken forward.

□ 1530

The gentleman from Indiana [Mr. ROEMER] does take an approach here which I believe the language is unclear as to exactly what the effects would be, but the language of his amendment says that the aggregate number of individuals employed at all Government-owned, contractor-operated, departmental laboratories, other than the defense ones, would be affected, which sounds to me like it could be interpreted, as someone interpreted earlier, as being a one-third cut from every laboratory.

Now, as my colleagues know, we can interpret it both ways, but it is certainly possible to put that interpretation on the language that we have before us and with absolutely no discretion about how that is going to be done. I think that is a bad approach.

Now earlier today we have members of the minority coming to the floor complaining about the fact we have taken all these terrific cuts in science. Mr. Chairman, the fact is that when the gentleman from Indiana [Mr. ROEMER] tells us about the fact that we somehow should cut here, the cuts have already been made. We have cut $1.1 billion out of these accounts. We have left it to the Department to begin the process of trying to figure out how to apportion those cuts in a way that makes sense, but we did the job. We cut $1.1 billion out of these accounts, so these are cuts over and above the $1.1 billion of money that has already been cut, and let us understand we are cutting money out of programs that most people regard as a national asset for this country. We have had very little testimony to indicate that we do not have in the national laboratories assets of great importance to our future.

The gentleman from Indiana a few moments ago referred to the Oak Ridge Laboratory as being a stellar laboratory that maybe we would put more things into. That is fine if he can identify the good ones. I wonder if he can tell us what the bad ones are that are going to be eliminated so that we can put the money into Oak Ridge. I wonder can the gentleman tell us what the ones are that are going to get cut. He has identified the good one that is going to get more money under his amendment; what are some of the bad ones out there that are going to end up being eliminated under the gentleman's amendment?

Mr. ROEMER. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Indiana.

Mr. ROEMER. Mr. Chairman, I would say to the distinguished gentleman from Pennsylvania [Mr. WALKER] that it is up to the discretion of the Secretary of Energy to make that decision. Certainly we should say that there have to be cuts and we should not pass that on, and I would say to the gentleman, if he would further yield, that it could be that one of my—I have a facility in my district that may end up losing jobs and go to Tennessee. So I am certainly willing to do that in the efforts of deficit reduction.

Mr. WALKER. Reclaiming my time, so in other words the gentleman was incorrect when he said that Oak Ridge would be protected because the Secretary would have the discretion to cut Oak Ridge; is that right?

Mr. ROEMER. If the gentleman would yield, I did not say Oak Ridge would be protected. I said a hypothetical that Oak Ridge was a stellar laboratory and, in fact, in gaining greater efficiencies they may move some of the facilities——

Mr. WALKER. Mr. Chairman, if we can identify the stellar laboratories, which ones are not stellar?

Mr. ROEMER. Mr. Chairman, I am sure the gentleman from Tennessee [Mr. WAMP] would identify Oak Ridge as a stellar laboratory. The problem around here, Mr. WALKER, is everybody thinks they have a stellar one, so we do not cut anybody's anything around here, and what I am saying is we got to make some tough choices——

Mr. WALKER. OK, and the gentleman, I do not think, has supported us along the way with a $1.1 billion cut we have already made in these programs. I do not remember the gentleman voting for the bill that had that $1.1 billion cut in it.

Mr. ROEMER. I have opposed many of the gentleman's cuts in Head Start programs for children and Medicare for senior citizens.

Mr. WALKER. No, those are not in our committee.

Mr. ROEMER. B-2 cuts, CIA cuts; I voted for a host of cuts. We disagree on where we should cut.

Mr. WALKER. No, the accounts that include the national laboratories have been cut by $1.1 billion under our bill. Now I do not remember the gentleman supporting that, and the gentleman's amendment is an add-on beyond the $1.1 billion that has already been cut in those accounts.

Now can the gentleman tell me that he is in support of the $1.1 billion that we have already cut?

Mr. ROEMER. I am in support of making rational, fair cuts in science as I am in the B-2 bomber, but I am not going to sit here and engage in a colloquy with the gentleman from Pennsylvania as to which national laboratory should be shut down.

Mr. WALKER. The gentleman is perfectly willing to suggest that he knows laboratories that should not be affected by this because he regards them as stellar, but he is not going to engage in the tough decision then of where the cuts are going to be made, and the point is, I would say to the gentleman, that we have a lot of very good facilities all over the country.

Now he made reference to the Galvin report. So does the Department of Energy. The Department of Energy is not following the Galvin report, neither is the gentleman. I mean everybody seems to take the Galvin report and do with it whatever they want. As my colleagues know, they find that this language and that language and decide that the Galvin report justifies anything they decide they want to do.

The Galvin report is very clear with its recommendation. The Galvin report suggests the privatization scheme over a 10-year period by going to a private corporation that would run the labs for a period of time so that what we could do is ultimately sort out what the good ones and the bad ones were, and we would sort them out based upon the marketplace.

The gentleman is taking a totally different approach. First of all, it is not 10 years, it is 5 years for his approach. Second, he does not allow the kind of process that the Galvin Commission recommended, and so to refer to the Galvin Commission report as being the basis for this amendment I just think is totally wrong based upon what the Galvin report did.

I would say the same is true of the gentleman from New Mexico's amendment. He refers to that and yet offers an amendment that essentially does what the Department of Energy has already decided to do, and that does not take into account the Galvin Commission either.

When the Department of Energy testified before our committee, they said that they took the alternative approach offered by Galvin rather than the main recommendation.

Mr. Chairman, I think maybe we ought to take the opinion of some experts here and not begin dismantling with four amendments what most people regard as a national treasure in our science establishment. If the gentleman wants to cut another third below the $1.2 billion that we have put in place, that can be the gentleman's decision, and some members may decide to go along with it, but I think we ought to be making sensible decisions, decisions based upon sound policy choices rather than taking an approach that is embodied in the gentleman's amendment.

Mr. ROEMER. Mr. Chairman, I ask unanimous consent for an additional 2 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. ROEMER. Mr. Chairman, I would just ask the gentleman from Pennsylvania [Mr. WALKER] if Mr. Galvin did not support the termination of self-regulation in his recommendations to Congress.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. ROEMER. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Sure. There are a number of——

Mr. ROEMER. That is what I was citing in the Galvin report.

Mr. WALKER. There are a number of reforms that the Galvin Commission recommended, but their main recommendation, their chief recommendation, was, as you begin the business of paring down the laboratories, to do it based upon a private-sector kind of approach, and not a private sector, not just taking the labs and privatizing them immediately because of the bureaucratic overhead in them at the present time. They cannot be sustained in the private sector, and we will lose them.

The Galvin Commission has a very specific recommendation in that regard. I think we ought to follow the recommendation of the experts. We think that that should be done within a cost-cutting regime, and we are willing to cut money out of DOE, but we are not willing to dismantle the agency in ways that I personally regard as irresponsible.

Mr. ROEMER. I would just respectfully disagree with the gentleman. The gentleman says that he is cutting $1.1 billion out of our science budget. The gentleman has come up with a monetary figure. We have told the Secretary of Energy that it should be a percent in terms of the national laboratories not being exempt. There is not a huge difference in arriving at $1.1. billion, or $1 billion, or $1.7 billion as opposed to our recommendation to the committee.

Mr. WALKER. Our $1.1 billion is based upon going through program by program and looking at what we think can be sustained in terms of cuts over a period of time. We took the sensible approach to it. Certainly the Secretary, in dealing with that $1.1 billion, can decide that they want to spend less money in the national labs, and that may be one of the approaches that they want to take. We do not prevent them from doing that, but we do not mandate a system that goes down through and says at least 3 percent of the reduction has to be in 1 year, 6 percent within 18 months, 10 percent within 2 years, 15 percent within 30 months.

I mean that is not giving any latitude. That is in fact taking an approach that may or may not produce the results that assure that the national labs remain as a strong science asset for the country.

Mr. SCHIFF. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise to respectfully oppose the gentleman from New Jersey's amendment to essentially do an across-the-board cut in national laboratory staff of one-third. I want to say at the outset that there are two national laboratories in New Mexico, but these two national laboratories fall jurisdictionally more on the military side of funding and would not be affected by the gentleman's bill, and I emphasize that to point out that my particular State would not be affected by the bill if it does become law. However, I want to emphasize that I think it is a mistake to come forward with the idea of a one-third across-the-board cut.

I would say that my colleague from New Mexico, Mr. RICHARDSON's amendment is a better approach if we have to act in this bill. However, I believe that both are unnecessary. It is my view, Mr. Chairman, that every agency, and every program, funded by the Federal Government does indeed have an obligation to look to see how it can operate more efficiently, more effectively, and in a better way for the taxpayers, and nobody is exempt from that, not the national laboratories, including the national laboratories that are in New Mexico, as far as that goes, but an across-the-board cut is not based upon any finding of there is a more efficient way of doing things.

It is true that the Galvin Commission estimated that perhaps the national laboratories could be reduced by one-third in personnel, but he was talking about specific personnel in specific places, and even then only if certain management changes were made from the point of view of the Department of Energy. So it is a process that we should work at deliberately and identify those positions which might be reduced and not be arbitrary about it for the national laboratories or any other program.

I want to say also that in the Committee on Science we are working on this issue. I have a bill introduced, H.R. 2142, which attempts to set out missions for the national laboratory and an obligation upon the Secretary of Energy to refine those missions, to assign them to appropriate laboratories to avoid duplication of process where it is not necessary and to try to achieve maximum efficiency.

There are other bills that would set up, for example, a military BRAC type of closure board to examine national laboratories for closure. I do not agree with those bills, but at least a closure board would be looking individually at laboratories and would not be an across-the-board cut either.

I think an across-the-board cut is bad policy. I think we can stay within a bald budget, which is our necessary economic goal, without doing so, and I would, therefore, urge rejection of the Roemer amendment.

Mr. RICHARDSON. Mr. Chairman, I ask unanimous consent to strike the requisite number of words.

The CHAIRMAN. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. RICHARDSON. Mr. Chairman, let me put in perspective what we are doing here.

The gentleman from Indiana's amendment cuts the civilian labs by 33 percent. My amendment cuts by 15 percent but is consistent with the Department of Energy's cost-cutting measures.

Now I do not think Members of Congress would want to get on record against reductions and, perhaps, wastes that already are taking place, and I would like to just simply read some of the labs that would be affected under Mr. ROEMER's amendment.

Argonne National Laboratory, University of Chicago; Brookhaven National Laboratory, Upton, NY; Idaho National Engineering Laboratory; Laurence Berkeley Laboratory at the University of California; Oak Ridge National Laboratory; the Pacific Northwest Laboratory; Ames Laboratory; Continuous Electron Beam Accelerator Facility; Fermi National Accelerator Laboratory; National Renewable Energy Laboratory; Oak Ridge Institute for Science and Education; Princeton Plasma Physics Lab; Savannah River Tech Center; Stanford Linear Accelerator Center; Bettis Atomic Power Lab; Energy Technology Engineering Center; Environmental Measurements Lab; Inhalation Toxicology Research Institute; Knolls Atomic Power Lab; Lab of Biomedical and Environmental Sciences; Lab of Radiology and Environmental Health; National Institute for Petroleum and Energy Research; New Brunswick Labs; and Savannah River Ecology Lab.

□ 1545

What I just want to do, Mr. Chairman, is say this. My amendment is consistent with what DOE is doing. They do not want to cut 15 percent, but we, through the strong efforts of many on the majority and minority, are saying "We do not have the money anymore. You have to do more with less."

If we go beyond the 15 percent, we are cutting science, we are cutting the future. I agree with the chairman, the gentleman from New Mexico [Mr. SCHIFF], and the gentleman from Pennsylvania [Mr. WALKER], we should not be doing 30 or 15 percent. We are not scientists. I think we have to make good science decisions with good budget decisions.

My amendment is supported by the administration. I hope that is not the kiss of death with everybody here, but if they vote against my amendment at 15 percent, Members are voting against even cutting what the labs are already doing. I know this is an authorization effort, and it requires a lot more study. I think this Committee on Science has done a good job. The bill of the gentleman from New Mexico [Mr. SCHIFF], I support it, too. However, I am here sort of as a fireman to try to stop a cut by one-third that some very respected Members of Congress are offering that are going to cut 14,000 jobs, and that I do not think is good science.

Mr. ROEMER. Mr. Chairman, will the gentleman yield?

Mr. RICHARDSON. I yield to the gentleman from Indiana.

Mr. ROEMER. Mr. Chairman, I have always had a great deal of respect for my good friend, the gentleman from New Mexico. I did not know it was possible to get 10 minutes to speak on his same amendment. He has a lot more power than I gave him credit for. I have even more respect for him.

However, the point that the gentleman is making by reading the list of national laboratories is one of the points that I make, in that not every one of those is going to be affected. There could be two of those that are affected by cutting out different personnel and making better efficiencies in our national laboratories that even you admit should be done.

The second point is we are all proud of the Nobel Prize winners that are being announced, and so many of them from America. So many of these Nobel Prize winners are also from our private laboratories and our private universities. This bill seeks a better partnership and cooperation with our laboratories and universities, the University of Chicago and other schools.

Mr. ROHRABACHER. Mr. Chairman, will the gentleman yield?

Mr. RICHARDSON. I yield to my good friend, the gentleman from California.

Mr. ROHRABACHER. Mr. Chairman, the gentleman is saying that what he is presenting to us is the position of President Clinton?

Mr. RICHARDSON. I am offering an amendment, Mr. Chairman, at the request of the Department of Energy that says we can live with 15 percent over 5 years. We are going to be doing that as part of the mandates by Congress, but if we go beyond that, at 30 percent, then we are cutting science, we are cutting 14,000 people. It is a meat-axe approach.

Mr. ROHRABACHER. If the gentleman will continue to yield, Mr. Chairman, I would ask, his figures are consistent with the President's request?

Mr. RICHARDSON. The President is 25 percent higher. The President's budget request is 25 percent higher. What my amendment does is cut it by a certain percentage; as I said, 15.

Mr. ROHRABACHER. What the gentleman is saying is we should be supportive of his position because his numbers are closer to what the President would request on this item?

Mr. RICHARDSON. Let me say that I am told that Secretary O'Leary has agreed to 10 percent, and I believe the 15 percent is a goal that most likely can be achieved, by balanced budget provisions or otherwise.

Mr. ROHRABACHER. Mr. Chairman, those of us who are not in support of the President's position would be opposed to the gentleman's amendment.

Mr. WAMP. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, we are having a healthy discussion this afternoon about the role of the national laboratories. We need to have this discussion, and actually I think this first amendment here is going to flesh out a lot of the feelings and points that Members need to make with respect to this issue, and probably avoid a lot of discussion in the later amendments. I want to back up just for a moment, though, because I have become so sensitive since I became a Member of Congress to how the use of words can confuse people.

I want to go back to what our distinguished chairman of the Committee on Science, the gentleman from Pennsylvania [Mr. WALKER], said in the well just a few minutes ago when he was talking about Bob Galvin's recommendations and the Galvin report when he used the word privatization.

I just want to point out that the word "corporatization" is what Bob Galvin used time and time again in the Galvin report. Privatization has a different meaning to a whole lot of different people. I do not want anyone thinking that the Republican chairman of the Committee on Science recommended privatizing our national laboratories based on his use of that word a few minutes ago. Corporatization is a different approach. It is not selling off the laboratories. That is not what Galvin said.

Let the record be clear, that is not what the chairman of the committee, the gentleman from Pennsylvania, just said. I want that pointed out. There are so many people that take words and use them, that the "Republican majority is trying to privatize." No, corporatization means private contractors manage. We have that right now across the country. It is more efficient, wherever it can be properly applied. Let us not abuse the word privatization.

Mr. Chairman, I do want to identify myself with the comments from the distinguished chairman of the Subcommittee on Basic Research of the Committee on Science, the gentleman from New Mexico [Mr. SCHIFF], on his bill, H.R. 2142, which I do support, which redefines the missions of our Federal laboratory system in the post-cold war era. I support that concept, and it really does not line up with the proposals that are before us in these next three amendments.

Mr. KLUG. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the Richardson amendment. Let us make it very clear, there is a clear distinction, I think, obviously to anybody who looks at the choice in these amendments, between the amendment offered by my friend and colleague, the gentleman from Indiana [Mr. ROEMER], and myself, and the gentleman from New Mexico [Mr. RICHARDSON]. The amendment of the gentleman from Indiana says the Department of Energy will cut 30 percent. The amendment of the gentleman from New Mexico [Mr. RICHARDSON] says we will set up a committee that may recommend that we may cut 15 percent, if the Secretary thinks it is a good idea.

So we have a clear choice. It is pretty easy. Either you think the DOE labs should be shrunk and you want to make a 30-percent cut, or you think we need another commission. That is the one thing Washington has more of than we have national energy labs at this point.

We have had two studies done on the DOE labs in the last year. The first, the Galvin Commission, which we have talked about, says in one of its earliest conclusions, "The National Labs should be downsized." That is what the commission we set up to review the DOE labs said. That is the conclusion, downsize the DOE labs.

A few minutes ago the gentleman from New Mexico [Mr. RICHARDSON] shrunk in horror when he said, "You know, the result of this could be that we may close one of them if we force them to close 30 percent." What a horrible idea. They are scattered across the country.

What else did Galvin say? It says, "The existing budget of the National Laboratory system exceeds that required to perform its agenda in the areas of national security, energy, environment, and fundamental science." In other words, we have more labs than we have work to do at the laboratories. That is the very condition and the very conclusion, downsize because we do not have enough work to do.

"It is unrealistic for these institutions to attempt to retain their current size by laying claims to new missions." In other words, if we do not have enough work to do at the laboratories already and we have excess laboratories, we will just think of new things for them to do. One of the new things, frankly, is to get involved in industrial policy and advanced technology.

To the credit of the gentleman from Pennsylvania [Mr. WALKER], I think he has been absolutely right on point on this issue, that when the Federal Government is involved in science, it should be involved in basic science. One of the things he has done, and sent a very strong message in this bill and his other work in the committee, is to get away from applied science and industrial policy and to get us into basic research.

If what we are going to do is to stay with basic research, we should define what that research mission is. If we are keeping labs alive essentially by creating industrial policy, that is a fundamental mistake. I am not making that up, the Galvin Commission came to the same conclusion: "Through downsizing, there may be opportunities in the future to convert one or more multi-program laboratories into institutions dedicated to only one primary mission."

The bottom line in all of this, Mr. Chairman, is the fact that we now have a series of laboratories stretching across the country largely created to help do defense research during the cold war. As that nuclear mission has shrunk, we only have two or three key laboratories, including that of the gentleman from New Mexico [Mr. SCHIFF] in his district, doing military-related research.

Unfortunately for a number of those other laboratories, we do not have missions for them today. I think the amendment of the gentleman from Indiana [Mr. ROEMER] and myself is exactly right, that when we do not have a mission, we should force the Secretary of Energy to make difficult decisions about which of those labs to keep open and which of those labs to close. Before we have to do that, fundamentally we have to decide what the core mission is going to be of the Department of Energy laboratories, so we can say "This lab does this, this lab does this, and this lab no longer has any business."

Mr. Chairman, we have to, I think, at the end of the cold war, make very difficult decisions about defense programs. We have made difficult decisions about which DOE labs belong in continuing to do that defense mission, but fundamentally we have to cut 30 percent of the spending, because we have to force closure of the labs, and in contrast to my colleague, the gentleman from New Mexico, I do not think that is a horror story. Frankly, I think for this Congress that will be a success story.

Mr. RICHARDSON. Mr. Chairman, will the gentleman yield?

Mr. KLUG. I yield to the gentleman from New Mexico.

Mr. RICHARDSON. Mr. Chairman, I would just like to state, first of all, the Galvin Commission said nothing about cutting the labs by a third. I do not believe the chairman of the Committee on Science is supporting the gentleman's amendment, nor is the minority. I think the decision should be made on science, on production, and on cost cutting. My amendment at 15 percent achieves all of those goals. I just want to point that out for the RECORD.

I want the gentleman to affirm whether I am correct. Does the Galvin

Commission support the gentleman's amendment?

Mr. KLUG. I do not think the Galvin Commission said whether it was a 15-percent or 30-percent cut. They recommended redefining the mission of the laboratories and appropriately downsizing. I agree with my colleague, the gentleman from Indiana [Mr. ROEMER], that we should be much more aggressive rather than timid in this area.

Mr. ROEMER. Mr. Chairman, will the gentleman yield?

Mr. KLUG. I yield to the gentleman from Indiana.

Mr. ROEMER. Actually, Mr. Chairman, what the Galvin report said, I would say to the gentleman from New Mexico [Mr. RICHARDSON], was we should corporatize or privatize a host of laboratories. We are not in favor of that. The gentleman from Wisconsin, [Mr. KLUG], and I are saying they are a valuable resource.

Mr. KLUG. Reclaiming my time, actually, I am in favor of privatizing, but as an intermediate step.

Mr. ROEMER. I am sorry for stepping ahead to the gentleman's next amendment, but I am not in favor of that, and I think we should maintain those as a national resource and asset.

Mr. TIAHRT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to start by saying that the gentleman from New Mexico [Mr. RICHARDSON] is probably a better advocate for the Secretary of State than he is for the Secretary of the Department of Energy.

I do think that there is a significant difference between these two amendments, as was pointed out by the gentleman from Wisconsin. On one hand, one requires a recommendation or a report, and that is the Richardson amendment. The other one, the so-called Roemer amendment, does require action.

I think that the downsizing is a topic that has often plagued the private sector in America. In my own area, Wichita, KS, where the Boeing Co. has recently gone from 24,000 employees to 15,000 employees, that is a significant downsizing. Other companies like IBM, they have also had to face downsizing. What has occurred through the process is the establishment of priorities: What is the company in business for, what is important to the stockholders, and how can they best serve those stockholders.

I think that the Roemer amendment does drive priorities by forcing a downsizing. I think that downsizing and the priorities establishment is something that has been lacking.

I want to say Secretary O'Leary is, I think, on the right track to some degree, which is demonstrated in the Richardson amendment when it talks about the functions of the Board, on page 3, is to help sharpen the mission focus of the Department laboratories. That is a very good thing to do.

However, the so-called Roemer amendment would be more effective in doing that because it does drive action for the reductions of 33 percent, so I think that most of us would prefer action over recommendations, and that is why I rise in opposition to the Richardson amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Mexico [Mr. RICHARDSON] as a substitute for the amendment offered by the gentleman from Indiana [Mr. ROEMER].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. RICHARDSON. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The CHAIRMAN. Pursuant to clause 2(c) of rule XXIII, the Chair may reduce to 5 minutes the minimum time for electronic voting, if ordered, on the underlying Roemer amendment.

The vote was taken by electronic device, and there were—ayes 147, noes 274, not voting 11, as follows:

[Roll No. 703]

AYES—147

Ackerman
Allard
Armey
Baldacci
Barcia
Becerra
Beilenson
Bentsen
Berman
Bevill
Bishop
Bonior
Borski
Boucher
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Callahan
Clay
Clayton
Clyburn
Coburn
Coleman
Collins (IL)
Collins (MI)
Condit
Conyers
Costello
Coyne
Cramer
Danner
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doyle
Durbin
Engel
Ensign
Evans
Everett
Fattah
Fazio
Filner
Flake
Foglietta
Ford
Fox
Franks (NJ)
Frost
Furse
Gejdenson
Gephardt
Gibbons
Gonzalez
Green
Gutierrez
Hancock
Hastings (FL)
Hefner
Hilliard
Hinchey
Horn
Hoyer
Jackson-Lee
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kennedy (RI)
Kildee
Klink
LaFalce
Lantos
Levin
Lewis (GA)
Lowey
Maloney
Manton
Martinez
Mascara
Matsui
McCarthy
McDermott
McKinney
McNulty
Meek
Mfume
Miller (CA)
Minge
Montgomery
Moran
Nadler
Oberstar
Olver
Ortiz
Owens
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Pomeroy
Poshard
Rahall
Rangel
Richardson
Rivers
Roberts
Rose
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Schumer
Scott
Serrano
Skaggs
Skelton
Spratt
Stearns
Stokes
Studds
Stump
Thompson
Torres
Towns
Velazquez
Vento
Waters
Watt (NC)
Waxman
Wise
Woolsey
Wyden
Wynn
Yates

NOES—274

Abercrombie
Andrews
Archer
Bachus
Baesler
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Brewster
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Calvert
Camp
Canady
Cardin
Castle
Chabot
Chambliss
Chapman
Chenoweth
Christensen
Chrysler
Clement
Clinger
Coble
Collins (GA)
Combest
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Diaz-Balart
Dickey
Doggett
Dooley
Doolittle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
English
Eshoo
Ewing
Farr
Fawell
Fields (TX)
Flanagan
Foley
Forbes
Fowler
Frank (MA)
Franks (CT)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Geren
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Gordon
Goss
Graham
Greenwood
Gunderson
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harman
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Holden
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Jacobs
Johnson (CT)
Johnson, Sam
Jones
Kaptur
Kasich
Kelly
Kennedy (MA)
Kim
King
Kingston
Kleczka
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Longley
Lucas
Luther
Manzullo
Markey
Martini
McCollum
McCrery
McDade
McHale
McHugh
McInnis
McIntosh
McKeon
Meehan
Menendez
Metcalf
Meyers
Mica
Miller (FL)
Mink
Molinari
Mollohan
Moorhead
Morella
Murtha
Myers
Myrick
Neal
Nethercutt
Neumann
Ney
Norwood
Nussle
Obey
Orton
Oxley
Packard
Pallone
Parker
Paxon
Petri
Pickett
Pombo
Porter
Portman
Pryce
Quillen
Quinn
Radanovich
Ramstad
Reed
Regula
Riggs
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Sisisky
Skeen
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stark
Stenholm
Stockman
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thornton
Thurman
Tiahrt
Torkildsen
Torricelli
Traficant
Upton
Visclosky
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Ward
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Williams
Wolf
Young (AK)
Young (FL)
Zimmer

NOT VOTING—11

Bass
Dornan
Fields (LA)
Kennelly
Moakley
Schiff
Tejeda
Tucker
Volkmer
Wilson
Zeliff

□ 1621

Mrs. MALONEY, Ms. HARMAN, and Messrs. DOGGETT, KENNEDY of Massachusetts, MOLLOHAN, THORNTON, and PARKER changed their vote from "aye" to "no."

Messrs. HANCOCK, ALLARD, and STEARNS changed their vote from "no" to "aye."

So the amendment offered as a substitute for the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana [Mr. ROEMER].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. ROEMER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The CHAIRMAN. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 135, noes 286, not voting 11, as follows:

[Roll No. 704]

AYES—135

Allard
Andrews
Ballenger
Barcia
Barr
Barrett (WI)
Barton
Brownback
Burr
Burton
Callahan
Camp
Cardin
Castle
Chenoweth
Christensen
Clayton
Coble
Coburn
Collins (GA)
Combest
Condit
Conyers
Cooley
Costello
Cox
Coyne
Cremeans
Cubin
Danner
Deal
Doggett
Doyle
Ensign
Everett
Flanagan
Foley
Fox
Frank (MA)
Franks (NJ)
Funderburk
Geren
Gilchrest
Goss
Greenwood
Hamilton
Hancock
Harman
Hayworth
Heineman
Hobson
Hoekstra
Hoke
Holden
Hostettler
Inglis
Istook
Jacobs
Johnson (SD)
Johnson, Sam
Kanjorski
Kaptur
Kasich
Kennedy (RI)
Kleczka
Klink
Klug
LaHood
Largent
Latham
Laughlin
Lincoln
Linder
LoBiondo
Longley
Lowey
Luther
Mascara
McHale
McIntosh
Meehan
Metcalf
Miller (FL)
Minge
Mink
Montgomery
Myers
Myrick
Neal
Neumann
Ney
Norwood
Obey
Owens
Oxley
Parker
Peterson (MN)
Petri
Pomeroy
Portman
Poshard
Pryce
Radanovich
Ramstad
Reed
Roemer
Rohrabacher
Roth
Royce
Sabo
Salmon
Sanford
Scarborough
Schroeder
Shadegg
Shays
Smith (MI)
Smith (WA)
Souder
Stark
Stearns
Stenholm
Stockman
Stump
Stupak
Talent
Tauzin
Taylor (MS)
Thornberry
Upton
Vento
Visclosky
Vucanovich
Waters
Watts (OK)

NOES—286

Abercrombie
Ackerman
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Barrett (NE)
Bartlett
Bateman
Becerra
Beilenson
Bentsen
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TN)
Bryant (TX)
Bunn
Bunning
Buyer
Calvert
Canady
Chabot
Chambliss
Chapman
Chrysler
Clay
Clement
Clinger
Clyburn
Coleman
Collins (IL)
Collins (MI)
Cramer
Crane
Crapo
Cunningham
Davis
de la Garza
DeFazio
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Dooley
Doolittle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Evans
Ewing
Farr
Fattah
Fawell
Fazio
Fields (TX)
Filner
Flake
Foglietta
Forbes
Ford
Fowler
Franks (CT)
Frelinghuysen
Frisa
Frost
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Graham
Green
Gunderson
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hefley
Hefner
Herger
Hilleary
Hilliard
Hinchey
Horn
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Jackson-Lee
Jefferson
Johnson (CT)
Johnson, E. B.
Johnston
Jones
Kelly
Kennedy (MA)
Kildee
Kim
King
Kingston
Knollenberg
Kolbe
LaFalce
Lantos
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lightfoot
Lipinski
Livingston
Lofgren
Lucas
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Matsui
McCarthy
McCollum
McCrery
McDade
McDermott
McHugh
McInnis
McKeon
McKinney
McNulty
Meek
Menendez
Meyers
Mfume
Mica
Miller (CA)
Molinari
Mollohan
Moorhead
Moran
Morella
Murtha
Nadler
Nethercutt
Nussle
Oberstar
Olver
Ortiz
Orton
Packard
Pallone
Pastor
Paxon
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Pickett
Pombo
Porter
Quillen
Quinn
Rahall
Rangel
Regula
Richardson
Riggs
Rivers
Roberts
Rogers
Ros-Lehtinen
Rose
Roukema
Roybal-Allard
Rush
Sanders
Sawyer
Saxton
Schaefer
Schumer
Scott
Seastrand
Sensenbrenner
Serrano
Shaw
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Solomon
Spence
Spratt
Stokes
Studds
Tanner
Tate
Taylor (NC)
Thomas
Thompson
Thornton
Thurman
Tiahrt
Torkildsen
Torres
Torricelli
Towns
Traficant
Velazquez
Waldholtz
Walker
Walsh
Wamp
Ward
Watt (NC)
Waxman
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Williams
Wise
Wolf
Woolsey
Wyden
Wynn
Yates
Young (AK)
Young (FL)
Zimmer

NOT VOTING—11

Bass
Dornan
Fields (LA)
Kennelly
Moakley
Schiff
Tejeda
Tucker
Volkmer
Wilson
Zeliff

□ 1631

Mr. MARKEY changed his vote from "aye" to "no."

Mr. SAM JOHNSON of Texas, Mrs. LOWEY, and Messrs. STOCKMAN, PORTMAN, NORWOOD, UPTON, BURTON of Indiana, and COOLEY changed their vote from "no" to "aye".

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. The Committee will rise informally in order that the House may receive a message.

PERSONAL EXPLANATION

Mr. GREENWOOD. Mr. Speaker, on rollcall vote No. 704, it was my intention to vote "no". I was in the Commerce Committee's Medicare markup, and in my haste, I misconstrued the intent of the Roemer amendment.

MESSAGE FROM THE PRESIDENT

The SPEAKER pro tempore (Mr. BONILLA) assumed the chair.

The SPEAKER pro tempore. The Chair will receive a message.

A message in writing from the President of the United States was communicated to the House by Mr. Edwin Thomas, one of his secretaries.

The SPEAKER pro tempore. The Committee will resume its sitting.

□ 1635

OMNIBUS CIVILIAN SCIENCE AUTHORIZATION ACT OF 1995

The Committee resumed its sitting.

The CHAIRMAN. Are there further amendments to title III?

AMENDMENT OFFERED BY MR. WALKER

Mr. WALKER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WALKER: Page 90, line 16, strike "$49,955,000" and insert "$121,265,000."

Page 90, line 17, strike "$43,234,000" and insert "$55,714,000."

Page 90, line 20, strike "$59,829,000" and insert "$112,186,000."

Page 90, line 22, strike "$45,535,000" and insert "$66,597,000."

Page 90, line 23, strike "$476,000" and insert "$1,701,000."

Page 91, line 3, strike "$1,994,000" and insert "$2,304,000."

Page 91, line 5, strike "$7,557,000" and insert "$6,295,000."

Page 91, line 7, strike "$12,370,000" and insert "$14,919,000."

Page 91, after 7, insert the following new paragraph:

(9) Fuels Conversion, Natural Gas, and Electricity, $2,687,000.

Page 91, line 13, strike "$55,074,000" and insert "$88,645,000."

Page 91, line 14, strike "$55,110,000" and insert "$109,518,000."

Page 91, line 15, strike "$112,123,000" and insert "$176,568,000."

Page 91, line 17, strike "$7,813,000" and insert "$31,600,000."

Page 91, after line 17, insert the following:

(5) Policy and Management—Energy Conservation, $7,666,000.

(e) FISCAL YEAR 1997.—There are authorized to be appropriated to the Secretary for fiscal year 1997 for operating, capital equipment, and construction, the following amounts:

(1) Energy Supply Research and Development Activities, $2,600,000,000.

(2) General Science and Research Activities, $950,000,000.

(3) Fossil Energy Research and Development, $220,950,000.

(4) Energy Conservation Research and Development, $230,120,000.

Page 93, strike lines 3 and 4 and lines 21 and 22; and redesignate the subparagraphs accordingly.

Page 103, line 24, strike "Unobligated" and insert in lieu thereof "Subject to further appropriations, unobligated".

Mr. WALKER (during the reading). Mr. Chairman, I ask unanimous consent the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WALKER. Mr. Chairman, this amendment essentially is an attempt to bring about where the authorization bill is in the energy area in line with where the Interior appropriations conference report has come in terms of numbers. So what we do in this particular amendment is align the 1996 authorization levels for fossil energy and energy conservation R&D with the levels contained in the 1996 Interior appropriations conference report. I think that solves the problems of a couple of Members who wanted to make certain that our authorization bill, if it passed, did not interfere with the arrangements that have already been made with regard to the fossil energy accounts in the present appropriations bill.

But beyond that, it needs to be understood that one of the reasons why we accepted somewhat higher levels than the original authorization bill called for in Interior appropriations was because there was a problem in terms of close-out costs and a number of other anomalies in the process that gave them a 1-year problem. So as a result, when the House committee came forward with its report, that is, the appropriations subcommittee, what they did was indicated that they would then look at a plan for downsizing these accounts over the years in the future.

I quote from page 80 of that report: "Those would be in line or be consistent with the recommendations of the authorization committee of jurisdiction as adopted by the House."

So it was our feeling that this whole arrangement is based upon the fact that, yes, for this year we are going to have to have numbers consistent with close-out costs and a number of other items.

But as we look out toward the next year, then we have to make certain that we get these accounts on a glide path toward a balanced budget by the year 2002.

So this amendment also contains 1997 spending figures which are consistent with the amounts of money that presently are in the authorization bill for 1996. In other words, what we have done is we have accepted the Interior appropriations numbers for this year, and then we have moved the bills' authorized amounts to next year, which means there would be a reduction next year over what is being spent this year, but it would still be considerably above what the budget recommendation called for. We think it does establish a glide path toward a balanced budget.

So I would say to my colleagues that if what you want to do is assure that in these authorized accounts we do get ourselves on the road toward a balanced budget and assure that we are going to get to a balanced budget by the year 2002, what you want to do is support this amendment. It does two things: Yes, for the moment it raises the authorized levels to the appropriated levels to conform our bill with what is coming along in the appropriations accounts, but for the future what it does is it assures we are on the glide path to a balanced budget beginning with the amounts that are put in the bill for next year.

I would urge you to accept this amendment, to assure that we do two things: make certain that we have sufficient authorization to cover the appropriations for this year; but, second, to assure that next year we are on the glide path toward a balanced budget.

Mr. BROWN of California. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I am sympathetic to the amendment offered by the gentleman from Pennsylvania, and I know he offers the amendment in an effort to make this bill a more acceptable bill and more in conformity with actions already taken by the Committee on Appropriations.

But let me indicate, in all honesty, some of my reservations about this, and they are probably nitpicking. We proposed earlier a couple of amendments which were aimed at doing essentially the same thing in other categories where the authorization is below the appropriation. The chairman, in his eloquence, and he is very eloquent, defended to the death the logic of maintaining our authorization in this bill substantially below both the House- and the Senate-appropriated numbers.

I understand that consistency is the hobgoblin of small minds, and the gentleman from Pennsylvania [Mr. WALKER] certainly does not have a small mind and, therefore, does not have to be consistent, but I raise that point just so that we will understand that on occasion we can be inconsistent and the result is not always bad.

In this case, his willingness to raise the 1996 figures for this category of energy R&D to the level already appropriated is commendable. Now, the other part of his amendment is not quite so commendable, because it then goes on to authorize for fiscal year 1997.

There are one or two places in this bill where we have 2-year authorizations, but it is not the pattern, and certainly not in this particular case. This is another technical inconsistency. I can understand that the gentleman from Pennsylvania [Mr. WALKER], in his desire to put his imprint as much as possible on the future, now wants to imprint his 1997 numbers, which he has not yet had a chance to do in the Committee on the Budget, onto this bill. I would prefer that he followed due procedure and waited until, as vice chairman of the Committee on the Budget, he can undoubtedly influence them to come up with these numbers, and then we could put it in another bill.

But, as I say, I am nitpicking here, because essentially I believe in 2-year authorizations, and I certainly believe that they should not be lower than the appropriations. So I take this opportunity to take advantage of it to point these things out and hope that the political dialog can be somewhat more rational as a result of it.

Mr. WAMP. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I certainly commend our distinguished chairman of the full Committee on Science for this action.

What has happened here is that at our Committee on Science earlier this year as we did our work, the gentleman from Virginia [Mr. DAVIS] actually offered an amendment that said, and it passed the Committee on Science, that if the appropriators actually appropriated a dollar figure higher than the authorization that we were setting in place there, that we could increase these funds at that time, and this accommodates that desire.

As he knows, my friend from Pennsylvania, Mr. DOYLE, and I were prepared to offer an amendment, which is at the desk which I do not believe is necessary at this time, which would actually accommodate this, and the chairman saw this need to increase this funding up to that appropriated level in 1996.

I want to point out this keeps us within our budget caps, keeps us on the glide path to a balanced budget, something we can all agree must be done.

I commend the chairman for this action and support his initiative.

Mr. DOYLE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, first I want to commend the chairman of our Committee on Science, the gentleman from Pennsylvania [Mr. WALKER], for his action in this amendment. But I would like to express some concerns about this amendment also.

First of all, I think it is wonderful in this amendment that we are going to match the authorization levels in this bill with those contained in the Interior appropriations conference report. It is what we talked about doing in committee. It is what we talked about during the Davis amendment, and I commend the chairman for raising those levels.

However, I do have some concern with the fact that we are going to authorize 1997 numbers today, and some of the concerns I have are with regard to the fossil energy program. It is my understanding that, under the chairman's amendment, that we would be taking fossil energy from $380 million down to $220 million next year, in 1997.

I would like to read from the House Interior appropriations conference report, which says:

The committee recommendation reduces fossil energy research and development funding about 10 percent below fiscal year 1995 levels. The committee intends to continue reducing this account by 10 percent a year for each of the next 4 years.

So it seems to me that the language that I read in the House Interior appropriations conference report calls for a gradual phasing down of the fossil energy budget by an amount of 10 percent a year over the next 4 years.

As I understand the chairman's intention, it is his intention to get that entire cut in next year's budget in 1997, as opposed to doing it gradually, if I understand the chairman correctly, and I cannot in good conscience support that type of a cut in a 1-year period.

I do support the conference report, which gets us there 10 percent a year over a 4-year period.

AMENDMENT OFFERED BY MR. DOYLE AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. WALKER

Mr. DOYLE. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. DOYLE as a substitute for the amendment offered by Mr. WALKER:

Page 90, line 16, strike "$49,955,000" and insert in lieu thereof "$121,265,000".

Page 90, line 17, strike "$43,234,000" and insert in lieu thereof "$55,714,000".

Page 90, line 20, strike "$59,829,000" and insert in lieu thereof "$112,186,000".

Page 90, line 22, strike "$45,535,000" and insert in lieu thereof "$66,597,000".

Page 90, line 23, strike "$476,000" and insert in lieu thereof "$1,701,000".

Page 91, line 3, strike "$1,994,000" and insert in lieu thereof "$2,304,000".

Page 91, line 5, strike "$7,557,000" and insert in lieu thereof "$6,295,000".

Page 91, line 7, strike "$12,370,000" and insert in lieu thereof "$14,919,000".

Page 91, after line 7, insert the following new paragraph:

(9) Fuels Conversion, Natural Gas, and Electricity, $2,687,000.

Page 91, line 13, strike "$55,074,000" and insert in lieu thereof $88,645,000".

Page 91, line 14, strike "$55,110,000" and insert in lieu thereof $109,518,000".

Page 91, line 15, strike "$112,123,000" and insert in lieu thereof $176,568,000".

Page 91, line 17, strike "$7,813,000" and insert in lieu thereof $31,600,000".

Page 91, after line 17, insert the following:

(5) Policy and Management—Energy Conservation, $7,666,000.

Page 93, lines 4 and 5, strike paragraph (29).

Page 93, lines 21 and 22, strike paragraph (41).

Redesignate paragraphs (30) through (42) on page 93 accordingly.

Page 91, at the end of section 303, insert the following new section:

(e) FISCAL YEAR 1997.—There are authorized to be appropriated to the Secretary for fiscal year 1997, for the purposes for which amounts are authorized under subsections (c) and (d), amounts which are 10 percent less than the amounts authorized under such subsections.

Mr. DOYLE (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

□ 1645

Mr. DOYLE. Mr. Chairman, basically what my substitute amendment does is basically what the chairman does in his amendment; we raise the fossil energy and energy conservation levels up to the level in the Interior appropriations conference report. The only difference is for the year 1997, since we are doing a 2-year authorization, that we in 1997 authorize 10 percent less basically in accordance to the language of the House conference report which calls for a 10-percent reduction over the next 4 years. We just do that in 1997. It is basically the same as what the gentleman from Pennsylvania [Mr. WALKER] does, with the exception being we are authorizing a 10-percent reduction in 1997 versus a reduction from $380 million to $220 million.

Mr. ROHRABACHER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, it just seems to me we have got two alternatives in front of us: One alternative by the chairman, who basically is setting forth a proposal that we balance the budget. Again we are faced with another alternative coming from the other side of the aisle in which balancing the budget has no priority whatsoever.

While I have some questions about the chairman's original proposal, certainly this substitute basically takes away from the chairman's long-term goals, and I think they are supposed to be the long-term goals of this Congress, which is we will balance the budget within a reasonable period of time.

I remember during the early days of this session when the Republicans were challenged, people said, "We do not need a balanced budget amendment. Just do it. Just go ahead and do it."

Well, that is what we are trying to do. Over and over again, what we found is every time we try to do this, because the people said, "You do not need the balanced budget amendment, you can do it because you are the majority," when we try it, we get nothing but opposition from the other side of the aisle.

This is yet another example of how, when we are trying to balance the budget, not only can we not get a balanced budget amendment, but we cannot get a game plan to lead us to a balanced budget amendment.

Mr. DOYLE. Mr. Chairman, will the gentleman yield?

Mr. ROHRABACHER. I yield to the gentleman from Pennsylvania.

Mr. DOYLE. Mr. Chairman, the gentleman is talking to one of the Democrats that voted for a balanced budget amendment. Raising this up to the authorization levels in the Appropriations Subcommittee on Interior is consistent with the House budget resolution asking for a 10-percent reduction.

Mr. ROHRABACHER. That is what the chairman is doing.

Mr. DOYLE. I agree with the chairman. The chairman and my amendment are similar in that respect. We both agree with that. Where my amendment differs is I am using the report language in the Interior appropriations conference report. I read it verbatim.

It is my impression that the members of that conference and the chairman of the House Appropriations Subcommittee on Interior are also committed to balancing the budget. I think I am just reading the language, not from any Democrats; I am reading the House conference report, which is Republican language and is consistent with what your Interior appropriations chairman has said, which is we will reduce these accounts 10 percent a year over the next 4 years.

We are committed to reducing these accounts. It is just that the gentleman from Pennsylvania [Mr. WALKER] proposes to do it in 1 year. We propose to do it over a 4-year period, both consistent with balancing the budget. I appreciate the gentleman's comments, but I wish the gentleman would not characterize it as us not wanting to balance the budget.

Mr. ROHRABACHER. Mr. Chairman, reclaiming my time, it seems every time we come forward with some proposal like this, there is some kind of objection. I think the gentleman from Pennsylvania, Chairman WALKER, just like the other members of the committee on the majority side, have made their commitment to try to do what we can to balance the budget. I personally would go a lot further than what the gentleman from Pennsylvania [Mr. WALKER] has, but he wants to be responsible and try to make sure everybody can vote for this, and he is letting DANA ROHRABACHER be the radical here. But the fact is I would even be more strenuous in cutting down the budget than the gentleman from Pennsylvania [Mr. WALKER]. He is being frugal, but not irresponsible. Now what we find is even a frugal approach is being rejected by the other side of the aisle.

Mr. WALKER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, we have an interesting series of arguments going on. On the one hand, we have the ranking Democrat on the committee arguing that these are somehow my figures, that I created these figures.

None of the figures we are dealing with here were created by this chairman. They were figures created by our committee. Our committee voted for the $220 million. They voted for the $220 not for next year, but for this year. That is the authorization level. That is what our committee decided to do, by a majority vote in our committee. We made that determination. These are not Chairman WALKER's figures; they are the figures developed as a part of our consensus process.

Now, the fact is that as we move forward, that the Committee on Appropriations said there are a number of contracts and all kinds of problems in keeping with that figure for this year. We have decided to agree with that, that in essence that for this year we will accept that figure. So we are giving them the authorization numbers that they need in order to comply with contractual arrangements and a number of other anomalies within the process.

Now, what they wrote in their report was if there is no authorization figure, that their intent is to go at 10 percent a year. That is what the Committee on Appropriations decided to do. The authorizing committees, it may surprise some people to find out, have some authority in all of this, too, and in fact that was recognized in the report. What they said was they would agree to a plan for getting to a balanced budget that was passed by the House as an authorization plan. What we are trying to do here is to do exactly what the report asks us to do.

I realize there are people that would decide that they do not want to go that far, that they do not want to actually get us toward a balanced budget. Ten percent a year does not get one anywhere close to a balanced budget. The fact is that this year's number is within the context of the balanced budget.

But I do not think there is anybody who analyzes this and suggests that doing 10 percent a year over the next several years gets to a balanced budget.

So what we are trying to do here is make certain that we are taking an approach that recognizes what needs to be done this year, but, beginning next year, moves us on to that glidepath for a balanced budget.

My colleague from Pennsylvania has decided he does not want to do that. He wants to go to the overall figure. He wants to do 10 percent a year. He is about $270 million out of whack with me. He wants to spend $270 million more than I do and call that a balanced budget approach? Fine, It is not. It does not get anywhere close to a balanced budget. It is, in fact the antithesis of a balanced budget, and it is the kind of thing that we cannot permit to have happen on a regular basis if we are going to meet the conditions that we have set forth.

So I would ask the House to reject the Doyle substitute. The Doyle substitute is, in fact, going the opposite direction from what we have to do. It takes these high figures from this year and uses them as a base off which to continue spending at levels that are much too high to get to a balanced budget.

I do not think that is the route that the House is going to take. It seems to me we want to get down to doing two things: We want to make certain that, as in the original Walker amendment, that we make certain our authorizations come to the appropriate numbers. But, second, we want to make certain that beginning next year, we get on the glidepath to the balanced budget that supposedly everybody is for. But it is always amazing to me, Members say, "I voted for a budget amendment, I am for it." Fine. What did they vote to do to discipline yourself to actually get to one? That is what we are enacting in the House today.

Mr. WAMP. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Tennessee.

Mr. WAMP. Mr. Chairman, just to clarify then, now in 1996 the gentleman's amendment ups the amount to the full appropriated amount?

Mr. WALKER. Mr. Chairman, reclaiming my time, absolutely.

Mr. WAMP. Mr. Chairman, if the gentleman will continue to yield, in 1997 is it not possible we could reauthorize again next fall?

We are talking somewhat semantics, to reauthorize into the future. I understand the gentleman wants the stakes to be set in the ground. The fact is the appropriators are also going to have a voice in what we spend in 1997 as well.

Mr. WALKER. Mr. Chairman, reclaiming my time, they continue to have that voice. They did say in their report they would respect the authorization levels set by the House. I think that presents us with an opportunity and, in my view, an obligation to then give our best wisdom about how we move in that direction. With this amendment, what we are trying to do is meet that obligation and utilize that opportunity.

Mr. DOYLE. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Pennsylvania.

Mr. DOYLE. Mr. Chairman, this is the point I am trying to make.

It is my understanding that what the chairman wanted to do today is in effect lock us into a number, today, for next year's authorization. If I would vote for the gentleman's amendment, what I am in effect voting for is not only to raise these levels up to the Interior, but I am also locking myself into saying I will vote for $220 million for fossil energy next year.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. WALKER] has expired.

(By unanimous consent, Mr. WALKER was allowed to proceed for 1 additional minute.)

Mr. DOYLE. Mr. Chairman, if the gentleman will continue to yield, what I would like to see us do as the Committee on Science, No. 1, no member of the Committee on Science voted to authorize for 1997. We talked about 1996. That is what the vote was in the Committee on Science.

We said if additional moneys were found per the Davis amendment and per the gentleman's speeches here, too, we would authorize at higher levels. We found additional money. The appropriators gave us additional money, and we are upping it. Now we are going to say for 1997. No member of the Committee on Science voted only 1997 authorizations, as the gentleman tried to state. We are going to state today we are going to set 1997 authorization levels, and we are all going to be honor bound by that. I would expect the gentleman would intend to hold us to that.

Mr. WALKER. Mr. Chairman, reclaiming my time, the House Committee on Science did vote for the $220 million per year for 1996, and we have simply extended that over to 1997, having gotten the new moneys.

I would say as chairman, that I have fulfilled the obligation that the committee gave me. If additional moneys were found, we were supposed to move ahead with it. I have done that, but we are now going to go to what the committee decided it wanted to do with the $220 million.

Mr. BROWN of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am rising in support of the substitute amendment we are considering here and take issue with some of the statements which the chairman of the committee has made.

This has been a controversial area within the committee, because despite the chairman's protestations that these numbers have been arrived at by full and fair discussion in the committee, and so forth, the committee began the year with a memo from the chairman to the subcommittee chairmen telling them how much they could authorize within their subcommittees and asserting this was their 602(b) authorization number.

I think we all know that there is no such thing as a 602(b) authorization level for authorizing legislation. The process does not exist. The 602(b) process applies to appropriation bills only, and in fact the budget resolution applies to appropriation bills only, not the authorization bills, and the chairman knows this full well. But I sometimes suspect he thinks by talking real fast that people will think that he is saying something that is real important when it really has no basis in fact or law, and I regret this.

Mr. Chairman, I rise in strong support of the Doyle amendment to raise authorization levels for the fossil energy and conservation research and development activities of the Department of Energy. At a time when the United States is extremely dependent on foreign oil, the Congress should not move to slash research and development efforts in fossil energy and conservation.

I drove to work today in a car; I dare say most of us did. Figuratively speaking, half of the gas in my gas tank came from foreign countries. Do I want my grandkids to depend on foreign resources and to have the geopolitical problems that go along with them? Investment in R&D now will pay off later in increased energy conservation and less developed energy security problems. In 20 years, American auto manufacturers might be selling cars that are powered by renewable fuels or perhaps fossil resources will be increasingly produced domestically with enhanced recovery technologies. We cannot know now what the future will bring. However, we can be sure that with less R&D in these areas, the future will not bring as much innovation and discovery and that the American public will be poorer for it.

If we cut R&D, we will balance the budget but leave an investment deficit for our children. It simply doesn't make sense to stymy long-term investment in knowledge and discovery that can solve future fossil energy and energy security problems.

I urge my colleagues to vote for the Doyle amendment.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. BROWN of California. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Chairman, the gentleman knows that the chairman has never contended in any way, shape or form that what he did in allocating 602(b)'s had any authority in law or the rules of the House. The chairman made the decision that that was the way he was going to run the committee.

The gentleman from California, when he ran the committee, ran it in a different way. He never gave his subcommittee chairman any caps. That was his choice. My choice was to try to exercise some degree of responsibility. I know the gentleman does not agree with that, but the gentleman has never stated anything that was not factual in that regard.

I simply stated from the beginning that this committee was going to operate in a sensible manner that lived within the budget restraints that this House had voted on itself. I know the gentleman does not agree with that, but the gentleman did not agree with the budget in the first place.

Mr. BROWN of California. Mr. Chairman, reclaiming my time, I am very pleased that the chairman has made this clarification, and he has stated that there is nothing in law or in the Budget Act that allows him to proscribe a number like he did.

Mr. WALKER. Mr. Chairman, if the gentleman will yield further, I am allowed to do it as chairman of the committee. It is not a matter of allowing. The gentleman is suggesting that there is nothing in the rules or in law. I am agreeing with the gentleman. As chairman of the committee, in consultation with the subcommittee chairmen, I am certainly allowed to do that. It is certainly something that we can do as a committee to be responsible. The gentleman does not like it, but it does not mean we are not allowed to do it.

Mr. BROWN of California. Mr. Chairman, reclaiming my time, I think this is a useful dialog, and I enter into it in good spirits because I have the greatest respects for the chairman, and the gentleman will recall that I have frequently praised him for the discipline and the leadership which he is giving his side of the committee, and I think he is setting new standards.

It is not the style I am accustomed to. I preferred a much more collegial way of operating. I was unaware, frankly, of the extensive deliberations that the gentleman claims he was had with the subcommittee chairmen in which he reached these numbers.

Now, that is the way the appropriators work. I assume the gentleman is saying he is following a similar process in the authorizing committee. I do not condemn the gentleman for that. I think that this is an interesting innovation, and I hope it works. But the gentleman is not very consistent.

The gentleman has just proposed an amendment which extends the authorization for an additional year, and, to the best of my knowledge, the gentleman has not brought this before the committee, either the minority or the majority, staff. The gentleman has unilaterally picked this number because in the gentleman's opinion, it coincides with the budgetary glidepath necessary to balance the budget.

□ 1700

Mr. WALKER. Mr. Chairman, again, if the gentleman would yield, I did not arbitrarily pick a number. I took exactly the numbers that the committee has approved for 1996. I took the numbers that the committee reported for 1996 and put them in 1997, and so it is no arbitrary number.

Mr. BROWN of California. That was not my contention, that the gentleman has not picked the number that we approved for 1996. My contention is the committee never approved it for 1997.

Mr. DOYLE. Mr. Chairman, will the gentleman yield?

Mr. BROWN of California. I yield to the gentleman from Pennsylvania.

Mr. DOYLE. Mr. Chairman, I think that this is the point I am trying to make and I would make to every Member of this body. We, as a Science Committee, have not met to discuss authorization levels for 1997. We are going to abdicate that today by taking the 1996 numbers and say, "Let's use them for the 1997 numbers." Now, we may well end up there when we sit as a committee and decide authorization levels, but we ought not to do it today. I would like to do it in committee.

The CHAIRMAN. The time of the gentleman from California [Mr. BROWN] has expired.

(By unanimous consent, Mr. BROWN of California was allowed to proceed for 2 additional minutes.)

Mr. BROWN of California. Mr. Chairman, I continue to yield to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Chairman, I would say to the gentleman that we have an open-rule process. The gentleman was going to bring his own version of reality to the floor. As chairman of the committee, I am not precluded from bringing my own amendment to the floor, and that is exactly what I have done. I have brought an amendment to the floor. The House can accept it or reject it.

Mr. Chairman, the amendment I brought happens to be consistent with what the committee already agreed to do in 1996, but under the open-rule process I would tell the gentleman this is something that I am perfectly allowed to do.

Mr. BROWN of California. The gentleman, if he will allow me to reclaim my time, I have never contended that he was not allowed to do that. He can project an amendment clear through to 2000 if he wishes. I am objecting to the fact that he is purporting to represent that this has been discussed in the committee and that he does nothing that has not been cleared by a democratic process in the committee.

Mr. WALKER. If the gentleman would yield, I never said anything of the kind. I said that this was approved by the committee as 1996 numbers. I never contended that I brought this matter before the committee. I brought it to the floor as my own amendment.

Mr. BROWN of California. Let us agree that we have a slight misunderstanding then.

Mr. DOYLE. Mr. Chairman, will the gentleman yield?

Mr. BROWN of California. I yield to the gentleman from Pennsylvania.

Mr. DOYLE. Mr. Chairman, I would just ask the gentleman that, if we approve his amendment today, would he consider all members of the Committee on Science, those that vote for his amendment this evening, would sort of be honor-bound to stick to those authorization levels when we meet as a committee and discuss 1997 authorizations?

I am asking a question, if the gentleman would like to respond.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. BROWN of California. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Chairman, Members obviously do whatever they want to do. As my colleagues know, some days they vote one way, some days they vote another way. Members can make their decisions at a particular time. I would think that, if the people vote in a particular way today, and they have changed their minds tomorrow, that the voters might have a problem with that, but the fact is the Members can do whatever they want.

Mr. DOYLE. So we will not have to meet as a committee then. We will just authorize 1997 tonight and the Committee on Science does not have to have any more authorization meetings.

Mr. Chairman, I just do not think that is a good way to do business.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. DOYLE] as a substitute for the amendment offered by the gentleman from Pennsylvania [Mr. WALKER].

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. DOYLE. Mr. Chairman, I request a recorded vote and pending that make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

Members will record their presence by electronic device.

Pursuant to the provisions of clause 2 of rule XXIII the Chair will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the pending question following this quorum call. Members will record their presence by electronic device.

The call was taken by electronic device.

The following Members responded to their name:

[Roll No. 705]

Abercrombie
Ackerman
Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bateman
Becerra
Beilenson
Bentsen
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Brownback
Bryant (TN)
Bryant (TX)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cardin
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clayton
Clement
Clinger
Clyburn
Coble
Coburn
Coleman
Collins (GA)
Collins (IL)
Collins (MI)
Combest
Conyers
Cooley
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
de la Garza
Deal
DeFazio
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Doolittle
Doyle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fields (TX)
Filner
Flake
Flanagan
Foglietta
Foley
Forbes
Ford
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Furse
Gallegly
Ganske
Gejdenson
Geren
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Green
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Heineman
Herger
Hilleary
Hilliard
Hinchey
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Houghton
Hoyer
Hutchinson
Hyde
Inglis
Jackson-Lee
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kildee
Kim
King
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Lantos
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Lipinski
LoBiondo
Lofgren
Longley
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCollum
McCrery
McDade
McDermott
McHale
McHugh
McInnis
McIntosh
McKeon
McNulty
Meehan
Meek
Menendez
Metcalf
Meyers
Mfume
Mica
Miller (CA)
Miller (FL)
Minge
Mink
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Orton
Oxley
Packard
Pallone
Parker
Pastor
Paxon
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Richardson
Riggs
Rivers
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Roybal-Allard
Royce
Rush
Salmon
Sanders
Sanford
Sawyer
Saxton
Scarborough
Schaefer
Schroeder
Schumer
Scott
Seastrand
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stark
Stearns
Stenholm
Stockman
Stokes
Studds
Stump
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thompson
Thornberry
Thornton
Thurman
Tiahrt
Torkildsen
Torres
Towns
Traficant
Upton
Velazquez
Vento
Visclosky
Volkmer
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Ward
Waters
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Williams
Wilson
Wolf
Woolsey
Wyden
Wynn
Yates
Young (AK)
Young (FL)
Zimmer

☐ 1724

The CHAIRMAN. Four hundred Members have answered to their name, a quorum is present, and the Committee will resume its business.

RECORDED VOTE

The CHAIRMAN. The pending business is the demand of the gentleman from Pennsylvania [Mr. DOYLE] for a recorded vote.

A recorded vote was ordered.

The CHAIRMAN. Pursuant to clause 2(c) of rule XXIII, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, without intervening business will be taken on the underlying amendment offered by the gentleman from Pennsylvania [Mr. WALKER].

The vote was taken by electronic device, and there were—ayes 173, noes 245, not voting 14, as follows:

[Roll No. 706]

AYES—173

Abercrombie
Bachus
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Beilenson
Bentsen
Berman
Bevill
Bishop
Bonior
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Cardin
Clayton
Clement
Clyburn
Coble
Coburn
Coleman
Collins (IL)
Collins (MI)
Costello
Coyne
Cramer
Danner
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Durbin
Edwards
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Filner
Flake
Foglietta
Ford
Fox
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Geren
Gibbons
Gillmor
Gonzalez
Gordon
Green
Gutierrez
Hall (TX)
Hamilton
Hastings (FL)
Hayes
Hefner
Hilliard
Hinchey
Holden
Hoyer
Jackson-Lee
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy (MA)

Kennedy (RI)
Kildee
Kleczka
Klink
LaFalce
Lantos
Levin
Lewis (GA)
Lincoln
Lipinski
Lofgren
Maloney
Manton
Markey
Mascara
Matsui
McCarthy
McDermott
McHale
McKinney
Meek
Menendez
Mfume
Miller (CA)
Mink
Mollohan
Montgomery
Moran
Murtha
Neal
Ney
Oberstar
Olver
Ortiz
Orton
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Pomeroy
Poshard
Rahall
Rangel
Regula
Richardson
Rivers
Roemer
Rose
Rush
Sabo
Sanders
Sawyer
Schroeder
Scott
Serrano
Skaggs
Skelton
Slaughter
Spratt
Stenholm
Stokes
Studds
Stupak
Tanner
Thompson
Thornton
Thurman
Torres
Torricelli
Towns
Velazquez
Visclosky
Volkmer
Wamp
Ward
Waters
Watt (NC)
Waxman
Williams
Wise
Woolsey
Wyden
Wynn
Yates

NOES—245

Ackerman
Allard
Andrews
Archer
Armey
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Collins (GA)
Combest
Conyers
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dreier
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Forbes
Fowler
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Gilchrest
Gilman
Goodlatte
Goodling
Goss
Graham
Greenwood
Gunderson
Gutknecht
Hall (OH)
Hancock
Hansen
Harman
Hastert
Hastings (WA)
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Horn
Hostettler
Houghton
Hutchinson
Hyde
Inglis
Istook
Jacobs
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
LoBiondo
Longley
Lowey
Lucas
Luther
Manzullo
Martinez
Martini
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
McNulty
Meehan
Metcalf
Meyers
Mica
Miller (FL)
Minge
Molinari
Moorhead
Morella
Myers
Myrick
Nadler
Nethercutt
Neumann
Norwood
Nussle
Obey
Oxley
Packard
Parker
Paxon
Peterson (MN)
Petri
Pickett
Pombo
Porter
Portman
Pryce
Quillen
Quinn
Radanovich
Ramstad
Reed
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Roybal-Allard
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Schumer
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Sisisky
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stark
Stearns
Stockman
Stump
Talent
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Tiahrt
Torkildsen
Traficant
Upton
Vento
Vucanovich
Waldholtz
Walker
Walsh
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)
Zimmer

NOT VOTING—14

Bass
Chapman
Clay
Condit
Dornan
Duncan
Fields (LA)
Hunter
Kennelly
Moakley
Owens
Tejeda
Tucker
Zeliff

□ 1733

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. Walker].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. KLUG

Mr. KLUG. Mr. Chairman, I offer an amendment.

PARLIAMENTARY INQUIRY

Mr. BROWN of California. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BROWN of California. Mr. Chairman, first of all, I cannot hear the Chairman.

The CHAIRMAN. The gentleman is correct. The committee will be in order.

Mr. BROWN of California. Second, Mr. Chairman, I was on my feet seeking recognition to call for a roll call vote, as was the gentleman from Pennsylvania [Mr. Doyle] on the last vote and we were not recognized, primarily because of the disorder in the House, I believe.

The CHAIRMAN. The Chair looked at both sides of the aisle for Members seeking recognition and did not see any Member seeking recognition, and moved to the gentleman from Wisconsin [Mr. Klug].

Mr. BROWN of California. The Chair did not see me seeking recognition?

The CHAIRMAN. The Chair did not.

Mr. BROWN of California. Nor the gentleman from Pennsylvania [Mr. Doyle].

The CHAIRMAN. The Chair did not see the gentleman from California nor the gentleman from Pennsylvania seeking recognition.

Mr. BROWN of California. For the Record I would like to state that I was seeking recognition, as was the gentleman from Pennsylvania [Mr. Doyle].

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. Klug:

Page 104, after line 5, insert the following new section:

SEC. 313. PRIVATIZATION OF DOE LABORATORIES.

(a) Sale of Laboratories.—Within 30 days after the date of the enactment of this Act, the Secretary of Energy shall publish in the Commerce Business Daily a request for proposals to sell all Department of Energy laboratories other than Los Alamos National Laboratory, Sandia National Laboratories, and Lawrence Livermore National Laboratory. The Secretary shall coordinate the process of review of such proposals, and shall oversee the transfer of such operations to the private sector.

(b) Report on Disposition.—If no offer to purchase property under this section is received within an 18-month period after a request for proposals is published in the Commerce Business Daily, the Secretary shall submit a report to the Congress containing recommendations on the appropriate disposition of the property and functions of such laboratories.

(c) Privatization of Lawrence Livermore National Laboratory.—(1) Within 30 days after the date of the enactment of this Act, the Secretary of Energy shall begin the process of transferring national security and defense-related research from Lawrence Livermore National Laboratory to Los Alamos National Laboratory.

(2) Within 18 months after the date of the enactment of this Act, the Secretary of Energy shall publish in the Commerce Business Daily a request for proposals to sell Lawrence Livermore National Laboratory. The Secretary shall coordinate the process of review of such proposals, and shall oversee the transfer of such operations to the private sector.

(3) If no offer to purchase property under paragraph (2) is received within an 18-month period after a request for proposals is published in the Commerce Business Daily, the Secretary shall submit a report to the Congress containing recommendations on the appropriate disposition of the property and remaining functions of Lawrence Livermore National Laboratory.

(d) Contracting Authority.—Notwithstanding any other provision of law, the Secretary is authorized, to the extent provided in advance in appropriations Acts, to enter into contracts for research functions performed by the laboratories described in this section prior to their privatization. Contract authority for such research for any fiscal year shall not exceed levels appropriated for those research functions for fiscal year 1995.

Page 3, after the item in the table of contents relating to section 312, inserting the following:

Sec. 313. Privatization of DOE laboratories.

Mr. KLUG (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was not objection.

Mr. KLUG. Mr. Chairman, the Department of Energy maintains 10 major laboratories and 18 minor laboratories with a joint annual budget of approximately $6 million and a payroll of more than 50,000 employees. Earlier this year we received a critical report done and headed by Bob Galvin, the former Chairman of Motorola and the so-called Galvin Report which took a close look at the future of Department of Energy labs across the country.

Mr. Chairman, earlier this afternoon we had an opportunity in this Chamber in an amendment offered by the gentleman from New Mexico [Mr. RICHARDSON] to cut the DOE laboratory budget by 15 percent, and then in an amendment by the gentleman from Indiana [Mr. ROEMER] we had an opportunity to cut the DOE budget by 30 percent. We unfortunately failed in both of those efforts.

We have talked for some time in this Chamber, over the last several months in particular, led by the freshmen with the idea of dismantling the Department of Energy. Mr. Chairman, about 30 percent of the Department of Energy staff runs and operates something called the Power Marketing Administration, which is a collection of 130 dams across the country. Nearly another 40 percent of the Department of Energy staff works in running and operating and managing those 10 Department of Energy labs with a budget of $6 billion.

This amendment, based on testimony we heard in the Committee on Commerce earlier this summer, recommends that we dramatically move above and beyond the Galvin Commission recommendation and essentially says, within 30 days after the date of the enactment of this act, the Secretary of Energy shall publish in the Commerce Business Daily requests for proposals to sell all Department of Energy laboratories except Los Almos, Sandia and Lawrence Livermore National Laboratories.

The reason we need to do this, Mr. Chairman, quite frankly is, as we discussed earlier today in the deliberations to cut the Department of Energy lab budget, was the fact that many of these labs no longer have a mission. For example, the mission of Lawrence Livermore 40 years ago was to do 90 percent of its research on nuclear power research. Today we find ourselves with that same laboratory doing less than 40 percent of its research on nuclear defense research connected to the national defense of this country.

Now, Mr. Chairman, I note that there are a number of my colleagues here who will say you cannot move to privatization even though that is what the Galvin Commission recommended very strongly. But let me suggest that across the world, other countries have attempted to do that, and frankly, with a great deal of success.

In Britain, for example, the British Maritime Laboratory devoted to research and design on ship design and maritime structures was successfully privatized nearly 10 years ago. The National Engineering Laboratory in Great Britain, with a staff of 400 people dealing with the engineering of large structures such as oil rigs, was sold to a number of private investment firms just last year. The national physical lab, which does the primary meteorology research for the British government, was sold to a consortium of bidders including Laboure University. The Transport Research Laboratory was put up for sale as of August 31 of this year, and that deal will close at the end of 1995, and the AAE Technology Research Laboratory, which does most of the nuclear research for the British government, is going to be put up for sale in April of next year, although it is not clear whether it will be sold to a private firm or corporatized.

□ 1745

I know this will send shudders to a number of my colleagues who represent these laboratories and represent the employees. But with a mission I think largely now unfocused at the end of the cold war, with dedicating three very specific laboratories across the country to doing national security work, and with moving to privatize the other seven laboratories, I think we have managed to preserve that infrastructure but get those employees off the public payroll and allow them to do what they are beginning to do anyway, which is to move away from the kind of classic nuclear research, defense industry program that these laboratories have been engaged in for years and instead shift to a number of industrial technology research programs which those labs have embraced as a new way to define their mission into the future, now that the defense programs have all been evaporated underneath them.

In that case they can do research on energy, they can do research on environmental technology, on advanced technology for manufacturing. I think those are all appropriate missions, but I would suggest to my colleagues those are missions better served in the private sector rather than in seven government laboratories largely constructed and funded and developed over the years to do arms research for the United States military.

Mr. Chairman, I realize this is a bold move, but it is a move I think frankly that many of my colleagues in the Committee on Commerce endorsed. It is based on a hearing we had in the Committee on Commerce earlier this year.

I would like to close, if I might, with a quote from a colleague of mine on the CATO Institute who pointed out to say: "The principal organizational recommendation of this task force, the Galvin Commission, is that the laboratories be as close to corporatized as is imaginable. We are convinced that simply fine-tuning a policy or a mission, a project or certain administrative functions, will produce minimal benefits at best."

If colleagues are serious about cutting back on the $6 billion we now devote to the Department of Energy facilities, if we are serious about moving away from a cold war mission, and if we are serious about preserving those laboratories but doing it without taxpayer subsidies which can no longer be justified, I would urge my colleagues to support this amendment to move toward the sale and the privatization of 7 of the 10 DOE labs.

Mr. DEFAZIO. Mr. Chairman, I move to strike the last word.

I have a question for the maker of the amendment. If he would, I would like to know the comparative budgets. You have excluded Los Alamos, Sandia, and Lawrence Livermore. What is their budget compared to the total budgets of those which you would sell?

Mr. KLUG. If the gentleman will yield, I am looking at staffers to try to determine that. I cannot tell you. But the reason we focused on those three primary labs is because they are still dedicated and devoted to national security purposes. That is the core principal for the original organization of the DOE labs. As the Galvin Commission pointed out, those other seven labs have poorly defined missions at this point, and that is why we zeroed in on those for the privatization efforts.

Mr. DEFAZIO. Reclaiming my time, I hope before the end of this debate we can get those numbers. I think that the serious money in the Department of Energy, if you look at the Department of Energy budget, it is not any more dedicated to energy independence and conservation of resources in this country. It is dedicated only to nuclear weapons production against a lot of enemies that no longer exist. These three labs get the lion's share of the money.

Things that would make America truly competitive in the next century, like solar energy research, research conservation, we are gutting and doing away with. During the Reagan years, we sold all of our solar energy division here in Washington, DC. We privatized it. You know who bought it? Seimens, the Germans. Now what? They are the world's leader in solar energy technology. The United States is far, far behind.

So we are going to unilaterally disarm, that is, give up any research that makes America more competitive in the international energy markets, international energy wars, but we are going to keep on building hydrogen bombs that we do not need when we have already got 10,000 of them. So the gentleman here, it looks good on the surface, but I wish the gentleman would do away with the obsolete nuclear weapons laboratories, ones that are building hydrogen bombs, and save the real money as opposed to picking on the things that have a real product, research for the civilian sector, research that makes this country more competitive in the international marketplace. It is an ill-intentioned amendment from that direction since it does not go after the big bucks.

Mr. ROHRABACHER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in reluctant opposition to this amendment. I am the chairman of the subcommittee that would have dealt with this bill had this bill been submitted in the proper way. The fact is that I am very sympathetic with the goal that the gentleman from Wisconsin [Mr. KLUG] has in mind here. Had we had a chance to look at it and to examine the issues and examine the figures and the facts, I might be standing today in partnership with the gentleman from Wisconsin [Mr. KLUG] in support of this amendment. But we do not know. In fact, there were hearings on various bills that were aimed at privatizing laboratories or reforming the laboratory system and the bill of the gentleman from Wisconsin [Mr. KLUG] was not included because it was not submitted to us. Thus for all we know, there could be some unintended consequences that we have not looked at.

So whereas I am always open-minded to try to find ways of privatizing government services and seeing how we can do this, I would have to be in opposition to this particular amendment at this time. I would hope that the gentleman from Wisconsin [Mr. KLUG], if this loses in a vote on the floor, would not give up but instead resubmit this and submit to the committee and I would be very happy to bring this up at the earliest possible time.

Mr. KLUG. Mr. Chairman, will the gentleman yield?

Mr. ROHRABACHER. I yield to the gentleman from Wisconsin.

Mr. KLUG. I want to thank my colleague from California for his willingness to work on this. I think it is the intention of both members of the Committee on Science and also the Committee on Commerce to get to that point in serious discussions next year.

To answer briefly my colleague from Oregon, if I might, of the $6 billion programmed for the national energy laboratories, roughly $2.5 billion still goes to nuclear weapons research. The balance is spread among a wide array of programs. But again I think what we need to do is to figure out as we talked about on privatizing other areas, that what we should do is figure out a way to move these forward, allow the Secretary to develop individual strategies perhaps to corporatize some and privatize others and to see quite frankly what interest is out there in the private sector because I am convinced these are a national treasure that we can preserve, be run and operated by the private sector and at the same time preserve the technology for important science and technology programs.

Mr. ROHRABACHER. Reclaiming my time, I would just say that I agree with that goal. I agree totally with that goal and that may well be achievable. I would like to try to proceed and to study that issue and let people on both sides of the aisle have their say and examine it as it should be examined. In terms of the amount of money spent on energy research, let me just say, to correct my friend, this bill is about $6.5 billion of non-defense energy and environmental research. That is what this is about. So I do not think that that is low-balling this issue. I believe that $6.5 billion spent by the Federal Government on energy and environmental research is a good sum of money. Our job is to make sure it is spent properly. Some people may want to spend more money, but we should at the very least prioritize and make sure that the very most effective and promising sources of energy and environmental technology are funded. That is what this is all about, when we are trying to balance the budget, to find that particular project, rather than funding all the projects or cutting all the projects by 10 or 20 percent, find those projects that are most promising and fund those and come up with creative ideas like we just have.

Mr. BAKER of California. Mr. Chairman, will the gentleman yield?

Mr. ROHRABACHER. I yield to the gentleman from California.

Mr. BAKER of California. Let me just speak in behalf of our national treasures that we are cutting. The Livermore and Sandia labs and the other labs in New Mexico as well as California are cutting. This year the laboratory in my district, Livermore Lab, is cutting $46.4 million. That is a lot of jobs, a lot of scientists, a lot of science.

Are we afraid of the future? Are we afraid of looking forward and saying, is there an alternative to burning coal and burning oil? Do we need nuclear fusion? Without the national ignition facility which has just been proposed by the Energy Department, Livermore was selected as the site because of their laser capability. Without it, we are going to have to go back to nuclear testing. France is fighting that battle now and losing. We are not going to do that.

The national ignition facility allows us to keep our stockpile fresh. It also allow us to keep out stockpile fresh. It also allows us to study nuclear power. We are not afraid of the future. We are going to manage our $6 billion and we are going to downsize the laboratories because the need for nuclear defensive laboratories is waning. But we want to be prepared for China, we want to be prepared for the next empire and the laboratories are doing that for us.

Ms. LOFGREN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I oppose the amendment and I would like to say just a couple of things about why. I do not have a national lab in my district, but I have a very great interest in the national labs because, like other Americans, I believe that science and research really holds the key to our economic future as a country.

I think it is important to outline what the Galvin report did say and did not say. The Galvin report never said to put our national labs up for sale. In fact, when Mr. Galvin testified before the Committee on Science, that question was posed to him. He said that that was not a good idea, that it was impossible to imagine who would have the money to bid on these labs.

What the Galvin report suggested was a different type of management structure for the labs. Actually it is an issue that I think, as the gentleman from California [Mr. ROHRABACHER] has said, deserves additional analysis and study. I for one believe it is something that we ought to explore, but never once did Mr. Galvin suggest that the national labs go outside of the ownership of the Federal Government. I think the concept of selling the national jewels is one that ought to be rejected.

Finally, I would like to note that the complex arrangement of some of these labs, for example, the linear accelerator at Stanford University is not readily susceptible to a bid as is suggested in the amendment. I would say in closing that the only people who have lobbied me to eliminate our investment in the labs are foreign companies. Our economic competitors have lobbied me to cut the labs. No one else in America has.

Mr. BARTLETT of Maryland. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I yield to the gentleman from Michigan [Mr. CHRYSLER].

Mr. CHRYSLER. Mr. Chairman, I rise in support of the Klug amendment to privatize the Department of Energy laboratories. Congressman KLUG's amendment would privatize the DOE laboratories, encouraging private sector innovation and competitiveness, much like we did in the dismantling of the Department of Commerce act, H.R. 1756.

By privatizing the laboratory functions of the DOE, we will encourage these newly privatized entities to produce and sell their services more widely. By removing the nonessential research and development functions and the means of production from the Federal Government labs, we will now produce on the basis of demand, and in turn spin off other industries, creating jobs and providing increased revenues for the Nation.

Speaking from firsthand experience, the private sector entities have always proved to be more efficient and accountable, and if they are not, they would go out of business. Federal programs, on the other hand, such as the DOE labs, are simply not held to the degree of accountability that private sector labs are. Instead of going out of business, as would be the case in the private sector, Congress merely passes the cost on to the taxpayers.

Mr. BARTLETT of Maryland. Mr. Chairman, reclaiming my time, I think that the spirit of this amendment is supported by many people on both sides of the aisle. That spirit is that we really need to look at these national labs because some of their missions have changed. We are in a post-cold-war era. That does not mean that we are in a really safe world. I am not sure this is the best way to approach that problem, but I wanted to take just a moment to focus on one of the things that our labs are doing which I think is very important for our future.

Mr. Chairman, first I want to commend my committee chairman, Mr. WALKER, for this sensible approach to consolidating U.S. civilian science research and development programs into an omnibus bill. I believe that this approach elevates civilian science R&D and its contribution to our national security.

It is a sound precedent for prioritizing national science programs.

As we consider H.R. 2405 and our priorities in science policy, I urge my colleagues to reflect on the importance of these science programs.

I am particularly interested in alternative energy research programs. Just as it is irresponsible to saddle our children with the national debt we have created, it is irresponsible for this Nation not to develop clean, safe alternative energy sources for future generations.

Harnessing fusion power is the most challenging and ambitious scientific endeavor ever undertaken by man. Not only is fusion one of very few long-term energy options for the future but it is at the cutting edge of scientific research and technology. This country must not lose sight of the importance of scientific research, especially research that has such a tremendous payoff.

Steady progress continues in demonstrating the scientific and technological feasibility of magnetic fusion power as a viable long-term energy supply system. I realize that all programs must be tailored to more closely meet today's budgetary constraints, and this bill does not responsibly.

However with additional funding cuts we would forfeit our ability to develop a technology that holds great promise for our Nation's economic and environmental future.

I thank my colleagues on the Science Committee for their attention to alternative energy research and urge support for the civilian science programs in H.R. 2405.

□ 1800

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. KLUG].

The amendment was rejected.

AMENDMENT OFFERED BY MS. FURSE

Ms. FURSE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Ms. FURSE:
Page 94, strike line 6.

Ms. FURSE. Mr. Chairman, I rise today to offer an amendment to strike a very punitive provision in this bill. That provision would eliminate last year's funding for a vital program in Oregon. This program has just begun. It is relying on a grant from the Department of Energy.

Mr. Chairman, I want to take just a few minutes to describe this program so that the Members will know exactly what it is that is being terminated. The Biomedical Information Communication Center is the backbone of Oregon health sciences rural network. This network provides information, education, and diagnostic services to health care providers and citizens throughout the State of Oregon. Through its innovative, 21st century information system, student practitioners can be educated and trained on the spot in their hometown communities. This allows isolated towns to retain health personnel in their area. Rural doctors are able to obtain information on the latest research in medical techniques via the network.

For example, if there were an injured logger in a rural, remote area, his x-rays can be transmitted electronically so that doctors hundreds of miles away can treat the patient. At a time when we are celebrating the many potential benefits of the information superhighway and are exploring ways to upgrade health and medical services to rural populations, this communications center will put innovative ideas into practice.

Mr. Chairman, a 1-year grant was approved by the Department of Energy to pay for the cost of completing the infrastructure of the network and to provide the staff and services. The Biomedical Information Communications Center opened September 15, relying on the grant, and personnel and programs are in place for the entire next year, based on a commitment of last year's appropriation. If, at this eleventh hour, the Congress were to pull the rug from under this important project, the jobs of more than 100 people would be in jeopardy and, even more important, thousands of people throughout the State would be denied the most up-to-date health care information far from its cities.

It makes no economic nor common sense whatsoever to terminate the Biomedical Information Communications Center in this bill. It is fundamentally unfair for Congress to renege on commitments it has already made.

I urge my colleagues to support rural health care, sound health science, and vote "yes" for this amendment so that we can fix the punitive provision in the bill.

Mr. WALKER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, the language is in the bill for a very specific reason. One of the most disturbing processes that characterized Congresses of the past was the fact that we had a lot of earmarked science, money that showed up out of nowhere in conference committees that just suddenly appeared as spending that we ought to be doing because somebody thought it was a good thing. There was never peer review, never showed up on the House floor or Senate floor for debate. It just emerged out of a conference committee out of nowhere and so on, a specific earmark for a specific university or for a specific program.

So what we have decided to do is try to eliminate some of those programs and say to them, "Compete with the rest of us." If this program is as good as the gentlewoman tells us it is, it ought to be very competitive. It ought to be able to go in and offer its credentials with everybody else, be peer reviewed by people who have knowledge about the programs and survive and be funded. They did not want to do that. They did an end run, got somebody to offer an earmark, got somebody to practice a little pork-barreling for them and throw it in the bill.

What we are going to do is we are going to stop that practice. Where we have projects that are on the dole because of some earmark along the way, we are going to divest them. We are not making a judgment about those programs. We are saying about those programs they ought to come in and compete in the regular process, and we would be perfectly happy to have Oregon or Nebraska or wherever get their money through the good old traditional way of actually competing fairly.

But this outrage that the American people's tax money gets spent simply because somebody sits in a committee somewhere and sneaks it in in the dark of night has got to stop. This is a ridiculous way to do science.

We are spending vast amounts of science money in this country going for earmarked pork-barrel projects. We cannot afford it. The science of this country is too important to have it being run that way, and so when this amendment is offered to knock out that provision, what this amendment is is that this is a propork, proearmark amendment. This simply says, "Keep it. We got it, it is all ours," and so on, "and now we ought to keep it. It does not matter how we got it. If we got it unfairly, if we stuck it in in the dark of night, keep it, it is fine." I think the American people are telling us they want the Government run more effectively and they want to make certain the moneys we spend have been properly evaluated.

These projects, good as they might be, were not properly evaluated, and we thought they ought to be cut out. So we included in our bill a cut of some of these programs that showed up as earmarks in the past.

I would say to my colleagues, I think we ought to oppose this amendment. It is a terrible way to spend the taxpayers' money when what happens is powerful people in the Congress are able to earmark things without being properly reviewed, and it seems to me that this is a good chance to strike an antiearmarking blow once and for all.

Mr. BARRETT of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Wisconsin.

Mr. BARRETT of Wisconsin. Mr. Chairman, I agree with the gentleman's sentiment about getting rid of pork-barrel projects. It rings hollow with me when I think back to the debate we had on this floor about hydrogen research, which, as I recall, had a 50-percent increase, the bulk of which went to a plant close to or in the gentleman's district.

Mr. WALKER. The gentleman is making an accusation, which I think is against the rules of the House. The gentleman is absolutely wrong in both his facts and what we believe was done. I have supported hydrogen research for a long time. The gentleman is making an outrageous claim here. I brought it to the floor. I did not sneak it in in the dead of night somewhere. I brought up to the floor as part of a bill because it is the right thing to do.

I have no plant in my district. I have no plant close to my district. The fact is the money in that program went to Texas. If the gentleman thinks I am from Texas, maybe he ought to go check his Members' handbook and find out the real facts.

Mr. BARRETT of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Wisconsin.

Mr. BARRETT of Wisconsin. I did not say you sneaked it in in the middle of the night. I said it had a 50-percent increase.

Mr. WALKER. It is entirely legitimate. There are increases in this bill as well. We increase a number of places for science. Does the gentleman not want to increase priority science? Does the gentleman not believe doing hydrogen research is, in fact, the right kind of thing to do for our energy future? Maybe the gentleman is against doing good science. The gentleman can be a total antiscience person on this floor. He can do that. That is fine.

Mr. BARRETT of Wisconsin. If the gentleman will yield further, I stand by my statement that my understanding is there is considerable hydrogen research done in the State of Pennsylvania. Maybe I am wrong. But I think that that is something—

Mr. WALKER. I would hope that Pennsylvania and a number of other States are doing hydrogen research. The gentleman is absolutely correct in his assumption here.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. WALKER] has expired.

(By unanimous consent, Mr. WALKER was allowed to proceed for 2 additional minutes.)

Mr. WALKER. The gentleman is making an accusation here as though I brought a pork-barrel item to the floor myself. I did nothing of the kind. The gentleman will find nothing in my district that got any of that money, and the gentleman will find that the bulk of the hydrogen money goes to States far outside.

I just think it is outrageous for the gentleman to raise the level, because I tell you what happened on this program, if the gentleman is up to defending this program, it was sneaked into a conference report. There was no debate on it on the House floor, no debate on the Senate floor. I think the gentleman came out here and tried to cut the hydrogen money, in fact. The gentleman came out here and got his shot at cutting the hydrogen money. In fact, he could not do it, because the House recognized the gentleman simply did not want to do something that was not in the best long-term interests of the country. Having good hydrogen research is the way to do it.

Mr. BARRETT of Wisconsin. If the gentleman will yield further, again, I may vote with the gentleman on this. I think we should have some consistency. Yes, I felt hydrogen production, I correct myself, should have taken a cut just like other things. I think we should have some consistency. That should take a cut just as you go after these projects. That is what I am asking for, simply asking for consistency.

Mr. WALKER. The fact is, there is no port in any of these bills. There was no designation of Pennsylvania or any other place for the hydrogen money. It was put out on a competitive basis. Anybody who wanted to compete for it was happy to compete for it. The gentleman walks away. He does not want to hear the truth. This is what I am asking for in this kind of situation.

I think what we ought to have is a competitive process where everybody has a chance to come in and compete, and this kind of program is just an outrage, and I would hope that we would vote against this program that got the money strictly through a really pork-barrel, earmarked approach.

Mr. ROHRABACHER. Mr. Chairman, I move to strike the requisite number of words.

I think the gentleman from Wisconsin who just spoke and insinuated something about the chairman of the Committee on Science owes the chairman of the Committee of Science an apology. The insinuation was that this is some way correlates, the support of the gentleman from Pennsylvania [Mr. WALKER], of hydrogen research, in some way correlates to the, you know, what we have in front of us today, which is basically pork-barreling that has not gone, and earmarking, that has not gone through the process, and it is very clear to those of us who are on the Committee on Science that any money allocated for hydrogen research was something that went through the committee process. Everyone had a chance to debate it. Everyone had a chance to examine it, to disagree or agree with the gentleman from Pennsylvania [Mr. WALKER] about hydrogen research.

That is totally unlike what we are talking about today in this bill, where we are basically talking about something that was put in, not through the committee process, but instead has just materialized in front of us. I think that it is basically my colleague from Wisconsin, who, through this insinuation at the gentleman from Pennsylvania [Mr. WALKER] and owes him an apology. I would have to say that I have witnessed that what the gentleman from Pennsylvania [Mr. WALKER] did on the hydrogen research bill has nothing to do and is totally dissimilar and was absolutely consistent with the rules.

I would suggest that if some one is going to make those kinds of insinuations, that maybe they should study the the process and understand it a little more before they attack a senior Member, as such.

□ 1815

Mr. WYDEN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to speak on behalf of the Furse amendment. I would hope for a moment we could get beyond the matter of accusations and look at a few facts.

The first is that the Oregon Health Sciences Center has cooperated with the Committee on Science at every turn. They have submitted detailed responses to committee questions with respect to earmarks. The president of the university has been available to the bipartisan leadership of the Committee on Science. The fact is that the university has cooperated in every respect with the Committee on Science.

Now, these funds have been obligated. Contracts have been let. Expenses are being met on a monthly basis with the expectation of the Department of Energy providing promised grant moneys. It now becomes simply a matter of fairness to ensure that the obligations under this contract are met.

The gentlewoman from Oregon [Ms. FURSE] has been absolutely correct in talking about the extraordinary potential of telemedicine. As our friend, the chairman of the health committee, notes, telemedicine is the medicine of the future. So this program that is being pioneered at the University of Oregon Health Sciences Center dollar for dollar is going to produce a return across this country. To consider that, after the University of Oregon Health Sciences Center has cooperated in an aboveboard fashion with the committee at every step along the way, the obligation has essentially been incurred by the Federal Government; the potential of the telemedicine is extraordinary. To then come and rupture the good work that has been done strikes me as a tragedy, not just for the country, but for the Nation.

Mr. Chairman, I would hope my colleagues on a bipartisan basis would support the excellent amendment of the gentlewoman from Oregon [Ms. FURSE]. It has implications for bringing this country together, urban and rural areas across the Nation, across our State, and I hope my colleagues will support the amendment.

Mr. ROHRABACHER. Mr. Chairman, will the gentleman yield?

Mr. WYDEN. I yield to the gentleman from California.

Mr. ROHRABACHER. Mr. Chairman, first of all, this might be a very fine program, and it probably is a very fine program, but what does this have to do with the Department of Energy?

Mr. WYDEN. Mr. Chairman, reclaiming my time, as the gentleman knows, the Department of Energy has been one of the pioneers in the research field. That is what this is all about. The Oregon Health Sciences Center is on the cutting edge of future medical technology.

Mr. ROHRABACHER. Mr. Chairman, if the gentleman will continue to yield, is this not supposed to be energy research, and not medical research?

Mr. WYDEN. Mr. Chairman, as the gentleman knows, the Department of Energy is involved in a variety of important research. Much of this interfaces between communications and health and a number of related agencies.

Mr. ROHRABACHER. This is one of the reasons why these types of requests should go through the committee and subcommittee and be presented there rather than just being basically voiced on the floor.

Mr. WYDEN. Mr. Chairman, reclaiming my time, I want to repeat again that the university has cooperated with the Committee on Science at every step. They have returned detailed responses. The university president has been available to the committee at every step along the way. The University of Oregon Health Sciences Center has cooperated.

Mr. ROHRABACHER. Mr. Chairman, if the gentleman will yield further, I am sorry the gentleman's information is incorrect, unless my staff is incorrect. I am informed there has been no communication from the university this year, and that this was not presented to our subcommittee, nowhere along the line.

If this is such an important project and this is so justifiable, why was not an amendment presented to us at the subcommittee so we could go through the procedures and it could be talked out, so people up and down through the system would have their chance to have a say and to vote on this? Why do we have to have it just appear all of a sudden on the floor at the last minute?

Mr. BROWN of California. Mr. Chairman, will the gentleman yield?

Mr. WYDEN. I yield to the gentleman from California.

Mr. BROWN of California. With regard to the point that the distinguished subcommittee chairman raises, the gentleman is correct in stating on the basis of the information from his staff that there has been no interaction this year. On the other hand, the gentleman from Oregon [Mr. WYDEN] is absolutely correct; there were extensive discussions during the last Congress when I was chairman of the committee.

The gentleman may recall that we threatened to subpoena the earmarked institutions and bring them into Washington. The University of Oregon voluntarily came in and sent their president of the institution, and there were discussions. I will speak a little bit later about my attitude about earmarks, but the gentleman is correct that the cooperation was extended, the programs were fully explained, and they are among the best in the world.

Mr. ROHRABACHER. Mr. Chairman, if the gentleman will continue to yield, that is last year. They had a different Congress than.

Mr. DEFAZIO. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment. Were it so that this bill has been scrubbed so clean. It seems out of a number of earmarks, that it would have been chosen for some reason. Now, was this particular earmark chosen to be eliminated because it lacks merit? I think not.

What we are talking about here goes to some of the essential themes before this Congress. It is about health care in America. It is about providing more efficient health care. It is about saving lives for fewer dollars. That is what this project would do.

I represent a district that is the 45th largest district in the U.S. Congress. Many people in my district live a couple hours away from the nearest hospital. We have a lot of rural clinics. Those rural clinics will be tied in by this system, which is developing a model for rural medicine across America, so that when Blue River, OR, has a nurse-practitioner and there is a serious accident and they take the x ray, they can get real-time consultation with experts up in Portland and decide whether or not we have to dispatch a helicopter, a very expensive helicopter, on a mercy flight, or whether that person can be stabilized and transported an hour by ambulance to the nearest hospital.

Those are the sorts of decisions that will be made in an informed manner with this system. It is a system not just for the State of Oregon. Oregon is going to be the model, and it is going to set the template for the rest of the Nation, a way to provide rural health care in this country and meet our fiscal constraints.

So it is not that this program lacks merit. I would wonder what are the merits of the Florida State University earmark, the Southern earmark, the University of Vermont earmark, the earmark for A&M College Systems in Baton Rouge, LA. I think there is an important person representing that area, lives down that way. The University of Florida solar program. These are all earmarks that are still in the bill. This is not a clean bill that suddenly has achieved great virtue, although the chairman would have us believe that.

A couple of things have been chosen, for whatever reason, to be eliminated. I guess the question is, should this remain in on its merits? It saves money. Ultimately, it will save tens of millions, hundreds of millions of dollars across the country, for rural Oregonians and rural Americans. It will save lives.

The most outrageous thing about this amendment is this was funded previously. The program was begun on September 15. Funds have already been committed, people have been hired.

The software is being written, the technology is contracted for. And now we are going to cut it off in midstream, because we are saying that the Senator from Oregon, MARK HATFIELD, somehow no one knew what the chairman of the Committee on Appropriations was doing, that he snuck this in in the dark of the night. As Members heard from the former chairman of the committee, Portland State, the Oregon Health Sciences Center came forward with information last year.

Mr. ROHRABACHER. Mr. Chairman, will the gentleman yield?

Mr. DeFAZIO. I yield to the gentleman from California.

Mr. ROHRABACHER. Mr. Chairman, was this item in the Senate bill? If MARK HATFIELD was so supportive of it, was it in the Senate bill? It was not in the House bill. It just sort of appeared. That really is the question. We are trying to make sure things do not just appear anymore.

The CHAIRMAN. The Chair would remind Members not to refer to Members of the Senate.

Mr. BROWN of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, at the beginning of this debate, I indicated that it really did not make too much difference what we did with this bill, but that we could expect some interesting dialog as a result of it, and this dialog with regard to earmarking or so-called pork is a part of that.

Now, I have been involved generally in close cooperation with the gentleman from Pennsylvania [Mr. WALKER] on this issue for a number of years. We have almost always seen eye to eye in conducting a vigorous campaign to restrict the growth of earmarks which during the eighties reached the level of almost $1 billion on appropriation bills for research and development. Not earmarks for highways and dams and things like that, but for research and development, whose essence is that it should be peer reviewed and the best should be selected.

We felt that it was a crusade that was worth conducting. We compiled annual lists of the States and, as far as we could tell, the Members of this august body who were the most successful in their practice of earmarking.

Now, amongst the list of centers, the State of Oregon ranked very high. The reasons were very simple. It had two outstanding Senators, one of whom was the ranking minority member during this period of the Committee on Appropriations, and he had no hesitancy about getting what Oregon ought to have. He was not the only one. The Senator from Louisiana, from South Carolina, other Senators, from Alaska, I do not want to pick out any particular Senators, but they, because they were members of the Committee on Appropriations, participated in the conference, got very expert at this business of trading off pork with their counterparts on the House side. It became a fine art, which the gentleman from Pennsylvania [Mr. WALKER] and I tried to stop.

Now, let me say, as I have already indicated, that the question was not necessarily the merit of the particular project. I tried wherever possible to invite these earmarked institutions to come in and defend their earmarks and, if it seemed meritorious, to assist them with getting a proper authorization.

We did that with the University of Oregon, and they were extremely cooperative. We did it with many other institutions. We did it with a fine institution up in Michigan, for example, which a former House subcommittee appropriations chairman wanted to earmark. We thought it was sufficiently meritorious to authorize it.

Our effort is to cooperate in making the systems of this Congress work effectively and to achieve the public goal. Now, it is my opinion, and I will state it very strongly, that the University of Oregon Health Sciences Center is one of the finest institutions in this country. I do not think there is any question about that. It will be a model for many other States. But it did go about securing its funding in the manner which has been described, which I was opposed to, and I sought to correct. But it was of very little avail, except that, as I indicated, there was full cooperation from the university in helping us to understand on the committee the work that these programs do, and I am glad to assert they were extremely cooperative.

Mr. WYDEN. Mr. Chairman, will the gentleman yield?

Mr. BROWN of California. I yield to the gentleman from Oregon.

Mr. WYDEN. Mr. Chairman, I appreciate the gentleman from California yielding, because I suspect this debate is closing.

Mr. Chairman, the Furse amendment is not a referendum on earmarks. A lot of us on a bipartisan basis have reservations, as the gentleman from California [Mr. BROWN] has said, about the earmarking concept. What we are concerned about is when a university does cooperate with the bipartisan leadership of the Committee on Science, does things in an above the board way, and incurs these obligations, it is a great mistake to then in effect tear up all of that good work which has the potential to serve the country. This is not a referendum on earmarks. This is a question of fairness for a particular university that has cooperated with the Congress in a bipartisan way.

Mr. ROHRABACHER. Mr. Chairman, will the gentleman yield?

Mr. BROWN of California. I yield to the gentleman from California.

Mr. ROHRABACHER. Mr. Chairman, let me for the record state that I have deep admiration for the former chairman of the Committee on Science and in the past several years I have worked with the former chairman, the gentleman from California [Mr. BROWN], on this issue as well as on the issue about other what I consider to be some kind of violations of the Committee on Appropriations process. The gentleman has my full respect for this and other issues that we have worked side-by-side on

The CHAIRMAN. The time of the gentleman from California [Mr. BROWN] has expired.

(By unanimous consent, Mr. BROWN of California was allowed to proceed for 2 additional minutes.)

Mr. ROHRABACHER. Mr. Chairman, this is a new Congress, and what the gentleman was describing earlier seems to indicate that this particular item was handled last year, and perhaps had there not been this change over between the Republicans and Democrats, that this might not have come up as an issue because things would have been handled, the university's request would have been handled in a different way earlier on because we would have been aware of it. As it was, the university did not communicate with us, but was in communication with the chairman and with the former leaders of the committee.

So I see where there is a breakdown of communication here, perhaps as the former chairman has indicated, with no bad thoughts or any strategy in mind, but just because of naivete did not remake the request. We needed the request earlier on before the subcommittee so people could have basically voted on it. By not following that procedure, that is why we have come to this conflict today.

Mr. Chairman, I do verify and respect the former chairman for all he has done in this area and appreciate the work that he has done.

The CHAIRMAN. The time of the gentleman from California [Mr. BROWN] has expired.

(By unanimous consent, Mr. BROWN of California was allowed to proceed for 2 additional minutes.)

Mr. BROWN of California. Mr. Chairman, I appreciate the gentleman's remarks and, Mr. Chairman, to complete my statement, I want to make this point. The campaign against earmarking needs to be continued and it should be on a bipartisan basis, and I would appreciate a chance to cooperate in that.

Second, the point before us is that the particular language in the bill here attempts to revoke two earmarks from last year's appropriations bill. I have said from the beginning that this bill that we are considering is not going anywhere and I will tell Members that if we strike out the money for the University of Oregon Health Sciences University, the former ranking minority member, who is now the chairman of that Committee on Appropriations, is going to take great umbrage and we will not get any consideration of getting this bill out of the Senate, which I think is probably just as well.

I am curious as to what masterful stroke of political acumen made the gentleman from California [Mr. ROHRABACHER] decide to strike out the favored project over the last 15 years of the senior Senator from Oregon who chairs the Committee on Appropriations. Could the gentleman answer that?

Mr. ROHRABACHER. Mr. Chairman, if the gentleman would yield for a response, these two projects were the only two projects that came out of this conference committee that were in neither the House bill nor the Senate bill, and that is why they were selected.

Mr. BROWN of California. Well, Mr. Chairman, the concluding point I will make is that I have looked at the bill, there are about three pages of other earmarks, as was pointed out earlier. My objection to the provisions here, and my reason for supporting the amendment of the gentlewoman from Oregon [Ms. FURSE] is that out of about 20, the gentleman has selected two, for one reason or another, and I was trying to elicit what those reasons were.

I would say, for lack of equal application of the gentleman's zeal, that we ought not to go ahead with these two.

There is a third paragraph here which is so defective that the Committee on Rules struck it out. The gentleman should have asked them to strike out these two earmarked positions as well and he would have a much better bill.

I have mixed emotions in saying this, because the bill is very bad. I hope it gets worse and that will guarantee it will not get anywhere, but I think this has been a most enlightening debate and it has been a pleasure to participate in it with the gentleman.

Mr. BROWN of California. Mr. Chairman, I include four pages for the RECORD regarding earmarks in the House and Senate energy and water 1995 appropriations bill.

EARMARKS IN HOUSE AND SENATE ENERGY AND WATER 1995 APPROPRIATIONS BILL

Location/section	Description	House	Senate
Corp. of Engineers, pp. H18 and S12	* * * has provided $300,000 for the Corps of Engineers to proceed with detailed design and plans and specifications, including detailed cost estimates, for certain elements of the master plan of the multipurpose Indiana University South Bend, St. Joseph River, Indiana, project * * *. The Committee expects the Corps to continue to conduct this work in close cooperation with Indiana University South Bend.	$300,000.00	$300,000.00
Pp. H19 and S22	* * * has included $300,000 for continuation of the Construction Technology Transfer Project between the Corps of Engineers research institutions and Indiana State University.	300,000.00	0
Corps of Engineers, p. S22	* * * Committee has included an additional $2,000,000 for R&D activities related to zebra mussel control		[1] 2,000,000.00
Corp. of Engineers, Aquatic Plant Control Program, p. H28.	* * * directs that $1,000,000 of these additional funds be used to increase the research effort at the Corps of Engineers waterways Experiment Station * * * for cooperative research to be conducted primarily by the University of Miami, Florida.	1,000,000.00	1,000,000.00
Corp. of Engineers, Oil Spill Research p. S58.	In accordance with section 7001(c)(10) of the act [Oil Pollution Act of 1990], the Committee has added $275,000 * * * to establish cooperative agreements with research institutions located in the northern gulf coast region to conduct essential research in oilspill remediation and restoration.		275,000.00
Dept. of Energy/Electric Energy Systems and Storage, p. H71.	* * * has included $600,000 to support the ongoing and productive research at the Florida Solar Energy Center	600,000.00	600,000.00
DOE/Biological & Environmental Research, pp. H72 and S85.	* * * provides $1,000,000 to make one grant to continue research and develop technology for commercial exploitation in the disposal of infectious hospital waste through electron beam sterilization at a public, urban teaching hospital affiliated with a comprehensive medical school and research center with an active electron beam program and documentable experience in operating a functional machine.	1,000,000.00	1,000,000.00
DOE/Biological & Environmental Research, p. S86.	* * * Committee recommends an appropriation of $5,000,000 to assist the University of Nebraska Medical Center in the development of its transplant center * * *.		5,000,000.00
	Positron emission tomograph (PET) * * * Committee directs the Department to undertake a cooperative project to develop and test this concept in a medical setting * * * and has provided funding for this purpose.		Unspecified
	* * * Committee has included $5,000,000 for the second phase of the Biomedical Information Center (BIC) at the Oregon Health Sciences University		5,000,000.00
DOE/Supporting Research and Technical Analysis, pp. H75 and S90.	* * * to continue the Midwest Superconductivity Consortium. The Consortium is directed to continue using a competitive review process to identify and fund university research * * *.	3,200,000.00	3,700,000.00
DOE/Supporting Research and Technical Analysis, p. H76.	* * * is supportive of the work done at Florida State University's Super Computations Research Institute * * * recommendation includes $5,900,000 to continue the Super Computations Research Institute.	5,900,000.00	
DOE/Supporting Research and Technical Analysis, pp. H76 and S91.	* * * Lawrence Berkeley Laboratory, the Ana G. Mendez Educational Foundation and Jackson State University have enjoyed a productive relationship intended to enhance computer science and scientific research at all three institutions * * * directs the Department to continue the program, and provides $4,000,000 to maintain and support this relationship.	4,000,000.00	4,000,000.00
DOE/Supporting Research and Technical Analysis, p. S90.	* * * Committee recommendation provides $500,000 to continue the partnership begun in 1992 with Lawrence Livermore and Sandia National Laboratories, Southern University, and other institutions of higher education to support the Louisiana systemic initiative * * * to increase representation of minorities and women in science, math technology, engineering and related disciplines.		500,000.00
DOE/Supporting Research and Technical Analysis, p. S91.	* * * urges the Department to fund nonprofit optics consortia to coordinate research and development activity between the private sector, university researchers, and the Government * * *.		Unspecified
DOE/Supporting Research and Technical Analysis, p. S91.	* * * an additional $5,000,000 under university and science education programs to establish the Center for Minorities in Science, Engineering, and Technology at existing facilities at Southern University and A&M College System in Baton Rouge, LA.		5,000,000.00
DOE/Environmental Restoration and Waste Management, p. H77.	From within available funds, the Committee recommendation is to continue the support of the existing University Research Program in Robotics at the level of fiscal year 1994 of $4,000,000.	4,000,000.00	
Defense Environmental Restoration and Waste Management, p. S134.	* * * the Department is presently considering a proposal to establish the International Center for Groundwater Remediation Design. The Center is an outgrowth of the partnership between Lawrence Livermore Lab and the University of Vermont * * *. The Committee encourages the Department to support this university/national laboratory consortia * * *.		Unspecified
Cong. Record, 6/30/94, p. S8033	* * * within funds available for hydrogen research, $250,000 shall be made available to an institution [University of Oklahoma] where expertise in electrochemical (fuel cells), thermochemical and photochemical reactions for hydrogen production may be synergistically studied and the application to gas storage and alternate vehicle technology may be integrated.		250,000.00
Grand totals		20,300,000.00	26,625,000.00

[1] Although included on this list, Senate report provides no cue as to where research will be conducted. The $2,000,000 for this earmark is not included in Senate grand total amount.

Note: Page references with H=House report; S=Senate report.

Mr. CHAIRMAN. The question is on the amendment offered by the gentlewoman from Oregon [Ms. FURSE].

The amendment was rejected.

AMENDMENT OFFERED BY MR. KLECZKA

Mr. KLECZKA. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. KLECZKA: Page 90, lines 17 through 19, strike ", including" and all that follows through "Energy Research".

Mr. KLECZKA. Mr. Chairman, a short time ago the gentleman from Pennsylvania [Mr. WALKER], chairman of the committee, indicated that the time has come that we have to stop earmarking, and in an effort to continue the war against earmarking, this amendment does exactly that.

I direct the attention of the Members to page 90 of the authorization bill before us where we do authorize funds for various programs in the fossil fuel energy program. If the Members look down to the coal technology, up pops off the page one big fat earmark, and if I might read the portion that deals with the authorization for oil technology, it indicates an amount of $43,234,000 for operating; however, it adds including maintaining programs of the National Institute of Petroleum and Energy Research.

Mr. Chairman, the reason I raise this point is because the House spoke a few months ago on the appropriations bill whereby a vote of 251 to 160 this earmark was deleted. My information is that the committee will accept this amendment and I will yield to the gentleman from California.

Mr. ROHRABACHER. Mr. Chairman, the committee will accept this amendment.

Mr. KLECZKA. Mr. Chairman, I yield to the gentleman from California [Mr. BROWN] and ask if he also concurs?

Mr. BROWN of California. Mr. Chairman, since it has met my ironclad test of what constitutes a good amendment, mainly satisfying the Republicans, I am happy to accept it.

Mr. KLECZKA. Mr. Chairman, I want to thank the gentleman from California [Mr. BROWN] for accepting this ironclad amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. KLECZKA].

The amendment was agreed to.

Mr. WARD. Mr. Chairman, I move to strike the last word in order to engage the gentleman from Pennsylvania [Mr. WALKER] in a colloquy.

Mr. Chairman, I appreciate the gentleman taking the time to talk with me about my concerns over report language in this bill that serves to prioritize research and development programs for the Department of Energy, in particular requiring $1 million to be spent on research in the area of sonoluminescence.

Mr. Chairman, I offered an amendment to the energy and water appropriations bill to strike that funding. The amendment was passed by a vote of 276 to 141. I believe there is widespread support for allowing the Department of Energy, and other departments, for that matter, and their scientists and administrators, to make the decisions on what research and development projects to fund, and that Congress should not attempt to micromanage these issues.

Mr. Chairman, I know the gentleman from Pennsylvania [Mr. WALKER] shares my respect for the importance of research and development programs but especially in the area of basic energy sciences. That is why I seek his assurance that the report language would not be binding, in that the Department of Energy would not be required to spend $1 million on sonoluminescence research.

Mr. WALKER. Mr. Chairman, if the gentleman would yield, the gentleman is correct that the Committee on Science believes the research into sonoluminescence is worthy of support. We hope the Department of Energy will agree. Scientists at Lawrence Livermore believe the effect of sound waves in water holds promise for a number of applications, however, the report language would not be binding and the Department of Energy would be free to spend its research dollars as it sees fit.

Mr. WARD. Mr. Chairman, I thank the gentleman very much for his assistance.

The CHAIRMAN. Are there further amendments to title III?

Mr. TORKILDSEN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to engage my colleague, the gentleman from Pennsylvania [Mr. WALKER], the Chair of the Committee on Science, in a colloquy regarding H.R. 2405.

Specifically, I rise to inquire about section 303(b)(2) of H.R. 2405, the Omnibus Science Authorization Act of 1995, which authorizes funds for the Department of Energy nuclear physics program. I would also like to applaud the gentleman for his leadership role in funding this program.

It is my understanding that $316,873,000 is authorized to be appropriated for nuclear physics for fiscal year 1996, of which $239,773,000 is designated for operating and capital equipment. Of these dollars, I understand that it is the intention of the Committee on Science to support the university-based accelerators under the nuclear physics account within the funds available. Furthermore, I understand that it is the intention of the committee to support the William H. Bates Linear Accelerator Center, named after former Congressman Bill Bates, and located in Middleton, MA, again within available funds; is this correct?

Mr. WALKER. Mr. Chairman, if the gentleman would yield, the gentleman is correct that university-based accelerators are crucial to the further scientific exploration of the nuclear physics field in the United States. I thank the gentleman from Massachusetts [Mr. TORKILDSEN] for bringing up this important point for clarification.

Mr. TORKILDSEN. Mr. Chairman, again I applaud the chairman for his leadership role and thank him for his clarification.

The CHAIRMAN. Are there further amendments to title III?

If not, the Clerk will designate title IV.

The text of title IV is as follows:

TITLE IV—NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

SEC. 401. SHORT TITLE.

This title may be cited as the "National Oceanic and Atmospheric Administration Authorization Act of 1995".

SEC. 402. DEFINITIONS.

For the purposes of this title, the term—

(1) "Act of 1890" means the Act entitled "An Act to increase the efficiency and reduce the expenses of the Signal Corps of the Army, and to transfer the Weather Bureau to the Department of Agriculture", approved October 1, 1890 (26 Stat. 653);

(2) "Act of 1947" means the Act entitled "An Act to define the functions and duties of the Coast and Geodetic Survey, and for other purposes", approved August 6, 1947 (33 U.S.C. 883a et seq.);

(3) "Act of 1970" means the Act entitled "An Act to clarify the status and benefits of commissioned officers of the National Oceanic and Atmospheric Administration, and for other purposes", approved December 31, 1970 (33 U.S.C. 857-1 et seq.);

(4) "Administrator" means the Administrator of the National Oceanic and Atmospheric Administration; and

(5) "Secretary" means the Secretary of Commerce.

Subtitle A—Atmospheric, Weather, and Satellite Programs

SEC. 411. NATIONAL WEATHER SERVICE.

(a) OPERATIONS AND RESEARCH.—There are authorized to be appropriated to the Secretary to enable the National Oceanic and Atmospheric Administration to carry out the operations and research duties of the National Weather Service, $472,338,000 for fiscal year 1996. Such duties include meteorological, hydrological, and oceanographic public warnings and forecasts, as well as applied research in support of such warnings and forecasts.

(b) SYSTEMS ACQUISITION.—There are authorized to be appropriated to the Secretary to enable the National Oceanic and Atmospheric Administration to carry out the public warning and forecast systems duties of the National Weather Service, $79,034,000 for fiscal year 1996. Such duties include the development, acquisition, and implementation of major public warning and forecast systems. None of the funds authorized under this subsection shall be used for the purposes for which funds are authorized under section 102(b) of the National Oceanic and Atmospheric Administration Authorization Act of 1992 (Public Law 102-567). None of the funds authorized by such section 102(b) shall be expended for a particular NEXRAD installation unless—

(1) it is identified as a National Weather Service NEXRAD installation in the National Implementation Plan for modernization of the National Weather Service, required under section 703 of the National Oceanic and Atmospheric Administration Authorization Act of 1992 (Public Law 102-567); or

(2) it is to be used only for spare parts, not as an installation at a particular site.

(c) NEW NEXRAD INSTALLATIONS.—No funds may be obligated for NEXRAD installations not identified in the National Implementation Plan for 1996, unless the Secretary certifies that such NEXRAD installations can be acquired within the authorization of NEXRAD contained in section 102(b) of the National Oceanic and Atmospheric Administration Authorization Act of 1992.

(d) ASOS PROGRAM AUTHORIZATION.—Of the sums authorized in subsection (b), $16,952,000 for fiscal year 1996 are authorized to be appropriated to the Secretary, for the acquisition and deployment of—

(1) the Automated Surface Observing System and related systems, including multisensor and backup arrays for National Weather Service sites at airports; and

(2) Automated Meteorological Observing System and Remote Automated Meteorological Observing System replacement units.

and to cover all associated activities, including program management and operations and maintenance.

(e) AWIPS AUTHORIZATION.—Of the sums authorized in subsection (b), there are authorized to be appropriated to the Secretary $52,097,000 for fiscal year 1996, to remain available until expended, for—

(1) the acquisition and deployment of the Advanced Weather Interactive Processing System and NOAA Port and associated activities; and

(2) associated program management and operations and maintenance.

(f) CONSTRUCTION OF WEATHER FORECAST OFFICES.—There are authorized to be appropriated to the Secretary to enable the National Oceanic and Atmospheric Administration to carry out construction, repair, and modification activities relating to new and existing weather forecast offices, $20,628,000 for fiscal year 1996. Such activities include planning, design, and land acquisition related to such offices.

(g) STREAMLINING WEATHER SERVICE MODERNIZATION.—

(1) REPEALS.—Sections 706 and 707 of the Weather Service Modernization Act (15 U.S.C. 313 note) are repealed.

(2) CONFORMING AMENDMENTS.—The Weather Service Modernization Act (15 U.S.C. 313 note) is amended—

(A) in section 702, by striking paragraph (3) and redesignating paragraphs (4) through (10) as paragraphs (3) through (9), respectively, and

(B) in section 703—

(i) by striking "(a) NATIONAL IMPLEMENTATION PLAN.—";

(ii) by striking paragraph (3) and redesignating paragraphs (4), (5), and (6) as paragraphs (3), (4), and (5), respectively; and

(iii) by striking subsections (b) and (c).

SEC. 412. ATMOSPHERIC RESEARCH.

(a) CLIMATE AND AIR QUALITY RESEARCH.—(1) There is authorized to be appropriated to the Secretary to enable the National Oceanic and Atmospheric Administration to carry out its climate and air quality research duties, $8,757,000 for fiscal year 1996. Such duties include internannual and seasonal climate research and long-term climate and air quality research.

(2) The Administrator shall ensure that at least the same percentage of the climate and air quality research funds that were provided to institutions of higher education for fiscal year 1995 is provided to institutions of higher education from funds authorized by this subsection.

(b) ATMOSPHERIC PROGRAMS.—There are authorized to be appropriated to the Secretary to enable the National Oceanic and Atmospheric Administration to carry out its atmospheric research duties, $39,894,000 for fiscal year 1996. Such duties include research for developing improved prediction capabilities for atmospheric processes, as well as solar-terrestrial research and services.

(c) GLOBE AUTHORIZATION.—There are authorized to be appropriated to the Secretary to enable the National Oceanic and Atmospheric Administration to carry out the Global Learning and Observations to Benefit the Environment program, $7,000,000 for fiscal year 1996.

SEC. 413. NATIONAL ENVIRONMENTAL SATELLITE, DATA, AND INFORMATION SERVICE.

(a) SATELLITE OBSERVING SYSTEMS.—There are authorized to be appropriated to the Secretary to enable the National Oceanic and Atmospheric Administration to carry out its satellite observing systems duties, $319,448,000 for fiscal year 1996, to remain available until expended. Such duties include spacecraft procurement, launch, and associated ground station systems involving polar orbiting and geostationary environmental satellites, as well as the operation of such satellites. None of the funds authorized under this subsection shall be used for the purposes for which funds are authorized under section 105(d) of the National Oceanic and Atmospheric Administration Authorization Act of 1992 (Public Law 102-567).

(b) POES PROGRAM AUTHORIZATION.—Of the sums authorized in subsection (a), there are authorized to be appropriated to the Secretary $184,425,000 for fiscal year 1996, to remain available until expended, for the procurement of Polar Orbiting Environmental Satellites, K, L, M, N, and N^1, and the procurement of the launching and supporting ground systems of such satellites.

(c) GEOSTATIONARY OPERATIONAL ENVIRONMENTAL SATELLITES.—Of the sums authorized in subsection (a), there are authorized to be appropriated to the Administrator $46,300,000 for fiscal year 1996, to remain available until expended—

(1) to procure up to three additional Geostationary Operational Environmental NEXT Satellites (GOES I-M clones) and instruments; and

(2) for contracts, and amendments or modifications of contracts, with the developer of previous GOES-NEXT satellites for the acquisition of the additional satellites and instruments described in paragraph (1).

(d) ENVIRONMENTAL DATA AND INFORMATION SERVICES.—There are authorized to be appropriated to the Secretary to enable the National Oceanic and Atmospheric Administration to carry out its environmental data and information services duties, $35,665,000 for fiscal year 1996. Such duties include climate data services, geophysical data services, and environmental assessment and information services.

(e) NATIONAL POLAR-ORBITING OPERATIONAL ENVIRONMENTAL SATELLITE SYSTEM PROGRAM AUTHORIZATION.—Of the sums authorized in subsection (a), there are authorized to be appropriated to the Secretary, for fiscal year 1996, $39,500,000, to remain available until expended, for the procurement of the National Polar-Orbiting Operational Environmental Satellite System, and the procurement of the launching and supporting ground systems of such satellites.

Subtitle B—Marine Research

SEC. 421. NATIONAL OCEAN SERVICE.

(a) MAPPING AND CHARTING.—There are authorized to be appropriated to the Secretary, to enable the National Oceanic and Atmospheric Administration to carry out mapping and charting activities under the Act of 1947 and any other law involving those activities, $29,149,000.

(b) GEODESY.—There are authorized to be appropriated to the Secretary, to enable the National Oceanic and Atmospheric Administration to carry out geodesy activities under the Act of 1947 and any other law involving those activities, $19,927,000 for fiscal year 1996.

(c) OBSERVATION AND PREDICTION.—

(1) IN GENERAL.—There are authorized to be appropriated to the Secretary, to enable the National Oceanic and Atmospheric Administration to carry out observation and prediction activities under the Act of 1947 and any other law involving those activities, $11,279,000 for fiscal year 1996.

(2) CIRCULATORY SURVEY PROGRAM.—In addition to amounts authorized under paragraph (1), there are authorized to be appropriated to the Secretary, to enable the National Oceanic and Atmospheric Administration to carry out the Circulatory Survey Program, $695,000 for fiscal year 1996.

(3) OCEAN AND EARTH SCIENCES.—In addition to amounts authorized under paragraph (1), there are authorized to be appropriated to the Secretary, to enable the National Oceanic and Atmospheric Administration to carry out ocean and earth science activities, $4,231,000 for fiscal year 1996.

(d) ESTUARINE AND COASTAL ASSESSMENT.—

(1) IN GENERAL.—There are authorized to be appropriated to the Secretary, to enable the National Oceanic and Atmospheric Administration to support estuarine and coastal assessment activities under the Act of 1947 and any other law involving those activities, $1,171,000 for fiscal year 1996.

(2) OCEAN ASSESSMENT.—In addition to amounts authorized under paragraph (1), there are authorized to be appropriated to the Secretary, to enable the National Oceanic and Atmospheric Administration to carry out the National Status and Trends Program, the Strategic Environmental Assessment Program, and the Hazardous Materials Response Program, $8,401,000 for fiscal year 1996.

(3) DAMAGE ASSESSMENT PROGRAM.—In addition to amounts authorized under paragraph (1), there are authorized to be appropriated to the Secretary, to enable the National Oceanic and Atmospheric Administration to carry out the Damage Assessment Program, $585,000 for fiscal year 1996.

(4) COASTAL OCEAN PROGRAM.—In addition to amounts authorized under paragraph (1), there are authorized to be appropriated to the Secretary, to enable the National Oceanic and Atmospheric Administration to carry out the Coastal Ocean Program, $9,158,000 for fiscal year 1996.

SEC. 422. OCEAN AND GREAT LAKES RESEARCH.

(a) MARINE PREDICTION RESEARCH.—There are authorized to be appropriated to the Secretary, to enable the National Oceanic and Atmospheric Administration to carry out marine prediction research activities under the Act of 1947, the Act of 1890, and any other law involving those activities, $13,763,000 for fiscal year 1996.

(b) NATIONAL SEA GRANT COLLEGE PROGRAM.—(1) Section 212(a) of the National Sea Grant College Program Act (33 U.S.C. 1131(a)) is amended to read as follows:

"(a) GRANTS AND CONTRACTS; FELLOWSHIPS.—There are authorized to be appropriated to carry out sections 205 and 208, $34,500,000 for fiscal year 1996.".

(2) Section 212(b)(1) of the National Sea Grant College Program Act (33 U.S.C. 1131(b)(1)) is amended by striking "an amount" and all that follows through "not to exceed $2,900,000" and inserting in lieu thereof "$1,500,000 for fiscal year 1996".

(3) Section 203(4) of the National Sea Grant College Program Act (33 U.S.C. 1122(4)) is amended by striking "discipline or field" and all that follows through "public administration)" and inserting in lieu thereof "field or discipline involving scientific research".

SEC. 423. USE OF OCEAN RESEARCH RESOURCES OF OTHER FEDERAL AGENCIES.

(a) FINDINGS.—The Congress finds the following:

(1) Observing, monitoring, and predicting the ocean environment has been a high priority for the defense community to support ocean operations.

(2) Many advances in ocean research have been made by the defense community which could be shared with civilian researchers.

(3) The National Oceanic and Atmospheric Administration's missions to describe and predict the ocean environment, manage the Nation's ocean and coastal resources, and promote stewardship of the world's oceans would benefit from increased cooperation with defense agencies.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that the National Oceanic and Atmospheric Administration should expand its efforts to develop interagency agreements to further the use of defense-related technologies, data, and other resources to support its oceanic missions.

(c) REPORT.—

(1) IN GENERAL.—Not later than 120 days after the date of the enactment of this Act, the Secretary of Commerce shall submit to the Committee on Science of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate a report on the feasibility of expanding the use of defense-related technologies, data, and other resources to support and enhance the oceanic missions of the National Oceanic and Atmospheric Administration.

(2) CONTENTS.—The report required under paragraph (1) shall include—

(A) a detailed listing of defense-related resources currently available to the National Oceanic and Atmospheric Administration and the National Oceanic and Atmospheric Administration missions which utilize those resources;

(B) detailed findings and recommendations, including funding requirements, on the potential for expanding the use of available defense-related resources;

(C) a detailed listing and funding history of the National Oceanic and Atmospheric Administration resources, including data and technology, which could be supplemented by defense-related resources;

(D) a listing of currently unavailable defense-related resources, including data and technology, which if made available would enhance the National Oceanic and Atmospheric Administration mission performance;

(E) recommendations on the regulatory and legislative structures needed to maximize the use of defense-related resources;

(F) an assessment of the respective roles in the use of defense-related resources of the Army Corps of Engineers, data centers, operational centers, and research facilities of the National Oceanic and Atmospheric Administration; and

(G) recommendations on how to provide access to relevant defense-related data for non-Federal scientific users.

Subtitle C—Program Support

SEC. 431. PROGRAM SUPPORT.

(a) EXECUTIVE DIRECTION AND ADMINISTRATIVE ACTIVITIES.—There are authorized to be appropriated to the Secretary, to enable the National Oceanic and Atmospheric Administration to carry out executive direction and administrative activities under the Act of 1970 and any other law involving those activities, $20,632,000 for fiscal year 1996.

(b) CENTRAL ADMINISTRATIVE SUPPORT.—There are authorized to be appropriated to the Secretary, to enable the National Oceanic and Atmospheric Administration to carry out central administrative support activities under the Act of 1970 and any other law involving those activities, $30,000,000 for fiscal year 1996.

(c) RETIRED PAY.—There are authorized to be appropriated to the Secretary, for retired pay for retired commissioned officers of the National Oceanic and Atmospheric Administration under the Act of 1970, $7,706,000 for fiscal year 1996.

(d) MARINE SERVICES.—

(1) CONTRACTING AUTHORITY.—Notwithstanding any other provision of law, the Secretary is authorized to enter into contracts for data or days-at-sea to fulfill the National Oceanic and Atmospheric Administration missions of marine research, climate research, fisheries research, and mapping and charting services.

(2) UNOLS VESSEL AGREEMENTS.—In fulfilling the National Oceanic and Atmospheric Administration mission requirements described in paragraph (1), the Secretary shall use excess capacity of University-National Oceanographic Laboratory System vessels where appropriate, and may enter into memoranda of agreement with operators of those vessels to carry out those mission requirements.

(3) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary, to enable the National Oceanic and Atmospheric Administration to carry out marine services activities, including activities described in paragraphs (1) and (2), $60,689,000 for fiscal year 1996.

(e) AIRCRAFT SERVICES.—There are authorized to be appropriated to the Secretary, to enable the National Oceanic and Atmospheric Administration to carry out aircraft services activities (including aircraft operations, maintenance, and support) under the Act of 1970 and any other law involving those activities, $9,548,000 for fiscal year 1996.

(f) FACILITIES REPAIRS AND RENOVATIONS.—There are authorized to be appropriated to the Secretary, to enable the National Oceanic and Atmospheric Administration to carry out facilities repairs and renovations, $7,374,000 for fiscal year 1996.

Subtitle D—Streamlining of Operations

SEC. 441. PROGRAM TERMINATIONS.

(a) TERMINATIONS.—No funds may be appropriated for the following programs and accounts:

(1) The National Undersea Research Program.

(2) The Fleet Modernization, Shipbuilding, and Construction Account.

(3) The Charleston, South Carolina, Special Management Plan.

(4) Chesapeake Bay Observation Buoys.

(5) Federal/State Weather Modification Grants.

(6) The Southeast Storm Research Account.

(7) The Southeast United States Caribbean Fisheries Oceanographic Coordinated Investigations Program.

(8) National Institute for Environmental Renewal.

(9) The Lake Champlain Study.

(10) The Maine Marine Research Center.

(11) The South Carolina Cooperative Geodetic Survey Account.

(12) Pacific Island Technical Assistance.

(13) Sea Grant/Oyster Disease Account.

(14) National Coastal Research and Development Institute Account.

(15) VENTS program.

(16) National Weather Service non-Federal, non-wildfire Fire Weather Service.

(17) National Weather Service Regional Climate Centers.

(18) National Weather Service Samoa Weather Forecast Office Repair and Upgrade Account.

(19) Dissemination of Weather Charts (Marine Facsimile Service).

(b) REPORT.—Not later than 60 days after the date of the enactment of this Act, the Secretary shall submit to the Committee on Science of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate a report certifying that all the programs listed in subsection (a) will be terminated no later than September 30, 1995.

(c) REPEAL OF SEA GRANT PROGRAMS.—

(1) REPEALS.—(A) Section 208(b) of the National Sea Grant College Program Act (33 U.S.C. 1127(b)) is repealed.

(B) Section 3 of the Sea Grant Program Improvement Act of 1976 (33 U.S.C. 1124a) is repealed.

(2) CONFORMING AMENDMENT.—Section 209 of the National Sea Grant College Program Act (33 U.S.C. 1128(b)(1)) is amended by striking "and section 3 of the Sea Grant Program Improvement Act of 1976".

(d) ADDITIONAL REPEAL.—The NOAA Fleet Modernization Act (33 U.S.C. 851 note) is repealed.

SEC. 442. LIMITATIONS ON APPROPRIATIONS.

(a) SUBSEQUENT FISCAL YEARS.—No sums are authorized to be appropriated for any fiscal year after fiscal year 1996 for the activities for which sums are authorized by this title unless such sums are specifically authorized to be appropriated by Act of Congress with respect to such fiscal year.

(b) FISCAL YEAR 1996.—No more than $1,692,470,000 is authorized to be appropriated to the Secretary for fiscal year 1996, by this Act or any other Act, to enable the National Oceanic and Atmospheric Administration to carry out all activities associated with Operations, Research, and Facilities.

(c) REDUCTION IN TRAVEL BUDGET.—Of the sums appropriated under this Act for Operations, Research, and Facilities, no more than $20,000,000 may be used for reimbursement of travel and related expenses for National Oceanic and Atmospheric Administration personnel.

SEC. 443. REDUCTION IN THE COMMISSIONED OFFICER CORPS.

(a) MAXIMUM NUMBER.—The total number of commissioned officers on the active list of the National Oceanic and Atmospheric Administration shall not exceed—

(1) 369 for fiscal year 1996;

(2) 100 for fiscal year 1997; and

(3) 50 for fiscal year 1998.

No such commissioned officers are authorized for any fiscal year after fiscal year 1998.

(b) SEPARATION PAY.—The Secretary may separate commissioned officers from the active list of the National Oceanic and Atmospheric Administration, and may do so without providing separation pay.

Subtitle E—Miscellaneous

SEC. 451. WEATHER DATA BUOYS.

(a) PROHIBITION.—It shall be unlawful for any unauthorized person to remove, change the location of, obstruct, willfully damage, make fast to, or interfere with any weather data buoy established, installed, operated, or maintained by the National Data Buoy Center.

(b) CIVIL PENALTIES.—The Administrator is authorized to assess a civil penalty against any person who violates any provision of this section in an amount of not more than $10,000 for each violation. Each day during which such violation continues shall be considered a new offense. Such penalties shall be assessed after notice and opportunity for a hearing.

(c) REWARDS.—The Administrator may offer and pay rewards for the apprehension and conviction, or for information helpful therein, of persons found interfering, in violation of law, with data buoys maintained by the National Data Buoy Center; or for information leading to the discovery of missing National Weather Service property or the recovery thereof.

SEC. 452. DUTIES OF THE NATIONAL WEATHER SERVICE.

(a) IN GENERAL.—To protect life and property and enhance the national economy, the Secretary, through the National Weather Service, except as outlined in subsection (b), shall be responsible for—

(1) forecasts and shall serve as the sole official source of weather warnings;

(2) the issue of storm warnings;

(3) the collection, exchange, and distribution of meteorological, hydrological, climatic, and oceanographic data and information; and

(4) the preparation of hydrometeorological guidance and core forecast information.

(b) COMPETITION WITH PRIVATE SECTOR.—The National Weather Service shall not compete, or assist other entities to compete, with the private sector when a service is currently provided or can be provided by commercial enterprise, unless—

(1) the Secretary finds that the private sector is unwilling or unable to provide the services; and

(2) the service provides vital weather warnings and forecasts for the protection of lives and property of the general public.

(c) AMENDMENTS.—The Act of 1890 is amended—

(1) by striking section 3 (15 U.S.C. 313); and

(2) in section 9 (15 U.S.C. 317), by striking all after "Department of Agriculture" and inserting in lieu thereof a period.

(d) REPORT.—Not later than 60 days after the date of the enactment of this Act, the Secretary shall submit to the Committee on

Science of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate a report detailing all National Weather Service activities which do not conform to the requirements of this section and outlining a timetable for their termination.

SEC. 453. REIMBURSEMENT OF EXPENSES.

(a) IN GENERAL.—Notwithstanding section 3302 (b) and (c) of title 31, United States Code, and subject to subsection (b) of this section, all amounts received by the United States in settlement of, or judgment for, damage claims arising from the October 9, 1992, allision of the vessel ZACHERY into the National Oceanic and Atmospheric Administration research vessel DISCOVERER—

(1) shall be retained as an offsetting collection in the Marine Services account of the National Oceanic and Atmospheric Administration;

(2) shall be deposited in that account upon receipt by the United States Government; and

(3) shall be available only for obligation for National Oceanic and Atmospheric Administration vessel repairs.

(b) LIMITATION.—Not more than $518,757.09 of the amounts referred to in subsection (a) may be deposited into the Marine Services account pursuant to subsection (a).

SEC. 454. ELIGIBILITY FOR AWARDS.

(a) IN GENERAL.—The Administrator shall exclude from consideration for awards of financial assistance made by the National Oceanic and Atmospheric Administration after fiscal year 1995 any person who received funds, other than those described in subsection (b), appropriated for a fiscal year after fiscal year 1995, from any Federal funding source for a project that was not subjected to a competitive, merit-based award process. Any exclusion from consideration pursuant to this section shall be effective for a period of 5 years after the person receives such Federal funds.

(b) EXCEPTION.—Subsection (a) shall not apply to awards to persons who are members of a class specified by law for which assistance is awarded to members of the class according to a formula provided by law.

SEC. 455. PROHIBITION OF LOBBYING ACTIVITIES.

None of the funds authorized by this title shall be available for any activity whose purpose is to influence legislation pending before the Congress, except that this shall not prevent officers or employees of the United States or of its departments or agencies from communicating to Members of Congress on the request of any Member or to Congress, through the proper channels, requests for legislation or appropriations which they deem necessary for the efficient conduct of the public business.

SEC. 456. REPORT ON LABORATORIES.

(a) IN GENERAL.—Not later than 120 days after the date of the enactment of this Act, the Secretary shall conduct a review of the laboratories operated by the National Oceanic and Atmospheric Administration and submit a report to the Committee on Science of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate.

(b) REQUIREMENTS.—The report required by subsection (a) shall—

(1) address potential efficiencies and savings which could be achieved through closing or consolidating laboratory facilities;

(2) review each laboratory's—

(A) mission and activities and their correlation to the mission priorities of the National Oceanic and Atmospheric Administration;

(B) physical assets, equipment, condition, and personnel resources; and

(C) organization and program management; and

(3) address other issues the Inspector General considers relevant.

The CHAIRMAN. Are there amendments to title IV?

Mr. ROHRABACHER. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. LAHOOD] having assumed the chair, Mr. KINGSTON, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2405) to authorize appropriations for fiscal years 1996 and 1997 for civilian science activities of the Federal Government, and for other purposes, had come to no resolution thereon.

□ 1845

GENERAL LEAVE

Mr. DUNCAN. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days in which to revise and extend their remarks and include extraneous material on H.R. 2405 the bill just considered.

The SPEAKER pro tempore (Mr. LAHOOD). Is there objection to the request of the gentleman from Tennessee?

There was no objection.

DEPARTMENT OF TRANSPORTATION BIENNIAL REPORT ON HAZARDOUS MATERIALS TRANSPORTATION, CALENDAR YEARS 1992–1993—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Transportation and Infrastructure:

To the Congress of the United States:

In accordance with Public Law 103–272, as amended (49 U.S.C. 5121(e)), I transmit herewith the Biennial Report on Hazardous Materials Transportation for Calendar Years 1992–1993 of the Department of Transportation.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *October 11, 1995.*

ELECTION OF MEMBER TO COMMITTEE ON ECONOMIC AND EDUCATIONAL OPPORTUNITIES

Mr. HOYER. Mr. Speaker, I offer a privileged resolution (H. Res. 236) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

HOUSE RESOLUTION 236

Resolved, That the following named Member be, and is hereby, elected to the following standing committee of the House of Representatives:

To the Committee on Economic and Educational Opportunities: the following Member: CHAKA FATTAH of Pennsylvania.

The resolution was agreed to.

A motion to reconsider was laid on the table.

SPECIAL ORDERS

The Speaker pro tempore. Under the Speaker's announced policy of May 12, 1995, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

TRIBUTE TO JIM KENNELLY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut [Mr. GEJDENSON] is recognized for 5 minutes.

Mr. GEJDENSON. Mr. Speaker, I rise today first as a senior member of the Connecticut delegation to give our condolences to a colleague, the gentlewoman from Connecticut, BARBARA KENNELLY, who lost her husband this weekend.

Jim Kennelly was my speaker when I was first elected to the State House in 1975. Speaker Kennelly was one of the individuals that every Member, Republican and Democrat, respected for his incredible knowledge of the rules of the House. In every legislative opportunity, Speaker Kennelly really showed his brilliance. As a legislator, he was second to no one. He held such a commanding presence on legislative matters in the State House.

Mr. Speaker, I think that of all those 151 Members that served those two sessions that I served in the Connecticut General Assembly with Speaker Kennelly, it was clear he was felt to be the most brilliant Member of the body, the most dedicated public servant working late into the night.

We are going to miss Jim, and we obviously feel for our colleague and friend, BARBARA KENNELLY. I have known the Kennelly's now for in the range of 20, 25 years. The intensity of political life is such that it bonds you in a way that almost no other experience except for war may do to individuals. And for Democrats and Republicans alike, as we have tremendous battles over substantive issues, our feelings for our families and for our friendship is that much more intense. I will miss Jim Kennelly, and I pain for my colleague and friend, BARBARA KENNELLY.

Mrs. JOHNSON of Connecticut. Mr. Speaker, will the gentleman yield?

Mr. GEJDENSON. I yield to the gentlewoman from Connecticut.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I thank the gentleman from Connecticut.

Both Sam and I served in the Connecticut State Legislature when Jim was Speaker of the House of Representatives. While Sam served directly under him, I felt his influence in the upper chamber. Jim Kennelly was probably as brilliant a legislative mind as any State has enjoyed. But not only was he a fine legislator, he was an extremely able politician in the best sense of that word.

He really did listen to the concerns of people from different parts of the State with different difficulties, different problems, and, kind of in the tradition of Tip O'Neill, he led in the best sense of that word. The gift that he gave to Connecticut during his years of political involvement, though naturally we did not all agree, was a gift that every single citizen enjoyed with or without their direct knowledge.

As we join on the floor here tonight to remember Jim Kennelly, I would like to comment on my heartfelt sympathy for BARBARA, his extremely able wife and our colleague, for she has served Jim and her family, this Congress and her constituency and our Nation with extraordinary ability. They were a close couple, a strong family, the best kind of model both of public servants and capable leaders that America is capable of producing.

I join you in paying tribute to Jim Kennelly, an outstanding political leader and a special person in the hearts of every Member of the Connecticut constituency.

Mr. GEJDENSON. I would like to thank the gentleman from Utah, Mr. HANSEN, who has agreed to wait a couple extra minutes so that we can complete our respect and concern for BARBARA.

I yield to the gentlewoman from Connecticut [Ms. DELAURO].

Ms. DELAURO. Mr. Speaker, I want to thank my colleagues, SAM GEJDENSON and NANCY JOHNSON, and I wish we did not have to take the floor this evening for this sad occasion. Connecticut truly today did lose one of its finest public servants in Jim Kennelly. My colleague, our colleague, BARBARA KENNELLY, lost so much more today, and we extend to BARBARA and to her family and to her children our heartfelt sympathy. Our thoughts and our prayers are with the Kennelly family.

We pay tribute to a man who was truly a powerhouse, an unbelievable legislator in his own right, and as well a political spouse. There were none better in that role. It was 1959 that Jim and BARBARA were married, and they became a political power couple in the State of Connecticut. Jim was a rising star. BARBARA was heir to one of Connecticut's most famous political dynasties.

Together they shared the dream and, as our NANCY JOHNSON just said, they were a wonderful couple. They were a political couple. They were a caring couple. They cared about what happened to people in the State of Connecticut and all over this country. They pursued their dreams and their dedication together. Jim Kennelly ran for public office in 1966. He was elected as a State representative in the State House. He climbed that ladder to the very top rung. He served as the Speaker of the House. I did not have the opportunity to serve with him there, but he was there from 1975 to 1978.

As my colleagues on both sides of the aisle mentioned, he had the respect of Republicans and Democrats in that body. No one will question BARBARA KENNELLY's rise also as a star in proving her adeptness in a political world, and she climbed that ladder as did her husband.

I often had the opportunity to watch Jim Kennelly watch BARBARA KENNELLY as she spoke and as she went out and she did her work. There was a great love, great affection, and great pride in his eyes as he watched her.

There are those of us who know what the demands of political life are all about. And for women Members oftentimes there is a lot expected to balance that nontraditional role of being a Member of the Congress and at the same time also being a wife and a mother. Women in Congress understand the need to have a very supportive spouse. Jim Kennelly was such a man.

He was comfortable and content to be at the top rung in political life as well as being the supportive spouse.

So I join my colleagues tonight in offering our sympathy and our heartfelt prayers for BARBARA and her family.

Mr. MILLER of California. Mr. Speaker, will the gentleman yield?

Mr. GEJDENSON. I yield to the gentleman from California.

Mr. MILLER of California. Mr. Speaker, I just want to thank the gentleman and the gentlewoman from Connecticut [Mr. JOHNSON], for taking this time to pay respects to Jim Kennelly. I did not know him in his legislative capacity, but the stories and the testimony of his accomplishments are legend about his service in the State legislature.

I had an opportunity to know him as BARBARA'S husband and had a couple of chances to travel with him and to spend time, and he was a wonderful, wonderful human being. He was very generous in his time to other spouses on the trip. He was insightful about politics. He was a very good storyteller. He made people very comfortable to be around him. His company was enjoyed and sought by those who would share any kind of time with him.

I just want to express my sympathies and concerns and my prayers and those of my wife Cynthia for BARBARA and for the children. Jim was a wonderful husband and a wonderful friend and a wonderful person to know I thank the gentleman very much for taking the time.

Mr. DURBIN. Mr. Speaker, will the gentleman yield?

Mr. GEJDENSON. I yield to the gentleman from Illinois.

Mr. DURBIN. Mr. Speaker, I would like to thank my colleagues from Connecticut and California for this tribute.

One of the rewards of public service is the friendships that you make. It has been my great fortune to make the friendship of BARBARA KENNELLY and her husband, Jim. These friendships extend beyond business hours when we have a chance to relax and get to know one another.

I came to know the Kennelly family; what a great legendary political family they are. Jim, who served with such distinction at the legislative level, was known to me when I worked at the State legislative level for his leadership not only in Connecticut but across the Nation. Then I came to meet BARBARA and realized what she contributed to our country here in her service to the U.S. House of Representatives.

As the gentlewoman from Connecticut , [Mrs. DELAURO] said, Jim graduated from the role of speaker and legislative leader to the role of political spouse, not an easy burden to carry for many men, but he carried it so well. He respected BARBARA'S contribution. He was part of her decision process. He was supportive of her. All of us in public life depend so much on that support and he did such a great job.

I am sorry to hear of his passing. I extend my condolences to Barbara and the family, and I hope that this special order is an indication that Jim's contribution to Connecticut and the country will be long remembered.

Mr. GEJDENSON. Mr. Speaker, just a few more words. There is no, I think, statement that a legislator can make about one of his colleagues that is more respectful than speaker. And for me the first speaker I ever served under was Speaker Kennelly. He was a brilliant and powerful speaker. He was someone with a great concern for the rank and file members. I was a freshman of the general assembly, but the door was always open to Speaker Kennelly. He was always there to help us.

My second term in Connecticut—the speaker appoints the chairman of committees—he appointed me the chairman of the labor and industrial relations committee. Not something you have happen very often, especially in the old days, making somebody new and somebody young the chairman of a committee.

One of the meetings I was coming to, my car had broken down and I was hitchhiking in and his daughter picked me up hitchhiking and she did not know I was a State legislator. We both ended up walking into the speaker's office almost together. I am not sure he was that happy that his daughter was picking up hitchhikers, but he was an amazing speaker. He was an amazing friend. He is legend in Connecticut for his knowledge of Robert's Rules of Order. And while today knowing the process and knowing the rules is not as respected as it used to be, it is critical to the operation of a legislative body. Virtually without reference, he could deal with any complicated legislative situation on the floor.

Mr. Speaker, I would like to yield to my colleague, Mr. SHAYS.

Mr. SHAYS. Mr. Speaker, Jim Kennelly was the best speaker that I have ever seen in my life in the 20 years I have been a member of the State house and Congress.

□ 1900

He was someone who believed so passionately in the institution and his responsibilities of guiding the chamber that he was quite willing to make a ruling that may not have been what he wanted to make, and may have caused tremendous problems for the operation. But he would, on occasion, agree that the minority's point was well taken, and in spite of the pressure that he might have gotten from a whole host of different people and in spite of the pressure he might have felt for himself to move business along, he was willing to concede that the process was so important that he would adjust his timetable and his schedule and accept the ruling that was in fact against his own wishes.

He was extraordinarily kind. He was as intelligent as I have ever known anyone to be. He was a leader in terms of our constitutional convention when we established our new Constitution for the State of Connecticut. He was a man you could go to and always know you were going to get a straight and direct answer and know that it came with a great deal of thought and energy.

He was a wonderful man. He enriched my life. I used him as a model. I am not saying that I followed him. The gentleman would probably say I did not follow him well at all, but I certainly knew what an ideal legislator was like, and he was it.

Mr. GEJDENSON. Just reclaiming my time for one moment, you always felt intellectually challenged when you went in to meet Speaker Kennelly, whether you were with him on the issue or as you were on many occasions on the opposite side of the issue, that he always gave you an honest and very tough intellectual presentation. You had to prove your point. You had to know your facts. You knew when you went in to see him, he certainly knew the facts and the law.

Mr. SHAYS. I would just say that he is part of an incredible family, the Bailey family. John Bailey, his father-in-law, the chairman of the Democratic Party in Connecticut, in fact brought that Democratic Party from minority status to extraordinary majority status, helped elect the first Jewish Governor, the first woman Governor. He was all part of this incredible family.

There is a real loss in Connecticut with the passing of Jim Kennelly. I thank both my colleagues for allowing me the opportunity to really say something that I feel very deeply about.

Mr. GEJDENSON. Before yielding to the gentleman from Indiana [Mr. BURTON], I must add that Chairman Bailey was also national chairman under President John Kennedy.

Mr. SHAYS. He sure was.

Mr. GEJDENSON. This was a family, on the Kennelly and the Bailey side, that had an incredible impact on the country.

Mr. BURTON of Indiana. Just briefly, and I thank the gentleman for yielding. I only met Mr. Kennelly a couple of times, but whether we have philosophical or political differences around here or not, we are all family. Once you go through the wars like we have, we build up a very strong mutual respect for one another, even though we do have those differences.

BARBARA KENNELLY is one of the finest people I know in this Chamber, and her husband likewise was a fine person. On behalf of the people who are not here tonight on our side of the aisle, we want to express our condolences to her and her family. I know this is a very difficult time. As part of the House of Representatives family, we want to express our concern for them.

Mr. SHAYS. If the gentleman would just yield so I could express my admiration and love for Barbara Kennelly, and let her know that everyone on our side of the aisle has extraordinary respect for her and hopes that the next few days are as easy as possible for her.

Mr. GEJDENSON. I yield to the gentlewoman from California [Ms. PELOSI].

Ms. PELOSI. I thank the gentleman for yielding and for taking this special order mourning the loss of Jim Kennelly and extending our condolences to our colleague.

As a fellow graduate of Trinity College, Washington, DC, as our colleague BARBARA KENNELLY is, I know how important her family is to her, how much she loved her husband, how proud her mother is of her entire family and this proud tradition that the Bailey family and the Kennelly family have brought to Connecticut, indeed to the entire country.

I hope it is a consolation to BARBARA that so many of her colleagues express their love and admiration for her tonight. As was said this morning, as we mourn the loss of those who die, in this case Jim, let us thank God that he lived.

Ms. DELAURO. I just wanted to add that I said I did not serve with the Speaker because I did not serve in the Connecticut State Legislature. But given where Jim Kennelly was in the firmament of Connecticut politics, and John Bailey, if the walls could tell stories, I think it would be pretty wild.

In fact, I think Connecticut has lost a piece of its history today. We all want BARBARA to know that she too and her family are Connecticut's history, part of the history of this body here, and that it is a tribute to her and to Jim to have so many of her colleagues on their feet tonight loving and being with her in spirit and thought and prayers.

Mr. GEJDENSON. Mr. Speaker, I would just close by saying the family, the Kennelly children and the Baileys, Jim's other relatives, that we all give them our deepest sympathies, but to say that for Jim, his legacy are his accomplishments.

As Speaker of the Connecticut House, he molded every piece of legislation that went through it. He was an active Speaker that led the issues, fighting for change, and improving Connecticut's cities and its citizens' lot. For that he will always be remembered by the rest of society; by his family, of course, as their father and husband. We will all miss him.

The SPEAKER pro tempore. The Chair joins with all Members of the House in expressing our deepest condolences to Congresswoman KENNELLY and her family.

SAY WHAT IS TRUE

The SPEAKER pro tempore (Mr. FOX of Pennsylvania). Under a previous order of the House, the gentleman from Utah [Mr. HANSEN] is recognized for 5 minutes.

Mr. HANSEN. Mr. Speaker, out West the predominant church out there in one of the States sings a song that says, "Oh, say what is true." What a refreshing statement, that you should always say the truth.

When I was a freshman around here in 1981, I remember distinctly getting a fundraising letter from an organization, and they wrote to me and they said, if you will only send us some money, $10, $20, $30, $40, $50, we will be in a position to take care of the Chesapeake Bay which then-Secretary of the Interior Jim Watt is polluting. We can take that money and we can step in and we will save Chesapeake Bay.

Strangely enough that afternoon Secretary Watt had an appointment with me. He came in the office. I showed him the letter. He got a good laugh out of it and he said, how ridiculous. He said, in effect, we are putting a lot of money into the Chesapeake Bay to take care of it. Out of curiosity, though, I sent them some money and about 6 months later I got an interesting reply that said out of your generosity, Mr. HANSEN, we were able to save Chesapeake Bay from the ravages of Secretary Watt and all the rotten things he was going to do.

We all know in reality that he did nothing to the bay. In fact he put the money into it, but it was a whale of a good fundraising letter.

I think that the American people should realize, Mr. Speaker, that this is the oldest fundraising trick in the book. Create a straw man and knock it down. I thought it was interesting today, because sent to me from the great State of Utah is a letter, and this letter comes from a man by the name of Robert Redford from Sundance, UT, kind of a familiar name around the United States, and he is sending out a fundraising letter and Mr. Redford is asking basically the same thing as these folks did on Save the Bay.

I will not bore the House with all of the things that are in it, but he says.

Incredibly the new leadership in Congress is ready to break this longstanding contract. They want to begin selling off our natural heritage to private commercial interests in order to raise a few quick bucks under the pretext of deficit reduction. Our national parks would be closed down like military bases.

I am sure that Mr. Redford is a little misguided here, but here is the bill he is referring to, H.R. 260. Page 13 of the bill, as we used to say around here, and in State legislatures and in county commissions and even the third-class cities, when all else fails, read the legislation.

Let me read it, for all these people who are trying to come out with a national park closing bill:

"Nothing in this act shall be construed as modifying or terminating any unit of the national park system without an act of Congress," the way it has been for almost 200 years.

He goes to say, "Our national forests would be sold off and logged." Pray tell, where is the bill? Can somebody bring the bill up, give me a bill number and show it to me? I am the chairman of that committee. I am the one that handles all the public land, national forest, parks. Where is the bill? I want to see it. But, of course, this will be a great one to raise a few bucks.

Our wildlife refuges would be opened to destructive oil and gas development. Name the wildlife refuge in America, Mr. Redford. Where is it? There is only one that I am aware of and that happens to be Anwar in Alaska, of 19 million acres, and Mr. YOUNG, the chairman of the full Committee on Resources, wants an infinitesimal part of that to be used for exploration of fossil fuels. But where in the lower 48 or Hawaii or Guam, the Virgin Islands, or Puerto Rico, where is it? I would like to know where it is, but I am sure that will hit the hot button with a few folks and they will come up with it.

Hundreds of millions of acres of scenic lands would simply be given away. Where is that bill? I do not know. Every piece of legislation, the Park Service, the BLM, the Forest Service, every one of them has a management plan, and nobody but nobody is giving away any private ground at this particular point.

Well, another one says, "Here in Utah, we would lose 20 million acres overnight. That's two-thirds of all our federally protected lands, under legislation that is now before Congress." What is the bill number? Where is it? Who is sponsoring the bill? As the old Member from Utah, I would sure like to know where that bill is.

I have nothing against Mr. Redford. He has a right to do that. But come on, now, folks, let us be reasonable about this. If we are going to do it, let us go back to that old Mormon song, "Oh, say what is true." What a refreshing thing to do. Would that not be nice if in all America the politicians did that?

I still remember all the people on Social Security who call in and say, gee, I got a letter from a past Congressman and he thinks Social Security is going to be gutted, but if you will give $10, $20, $30, $40, $50, we will save that legislation. I have not been around here as long as a lot of folks but 15 years, and I will tell you most of that legislation is saved right now.

Mr. Speaker, I have a lot more examples here, I can see I have used my 5 minutes, but I would surely hope that people are wise enough, prudent enough, and have enough judgment to realize when they get these letters, are they predicated and grounded in truth or are they just some way to pick up a fast buck for a lot of people?

MEDICARE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. KIM] is recognized for 5 minutes.

Mr. KIM. Mr. Speaker, I hope all my California people right now are watching me and listening to me today, especially senior citizens, because I would like to talk about Medicare.

I am deeply concerned about all this rhetoric that is going on, frightening senior citizens by twisted information and disinformation. I would like to get the facts straight tonight.

I was an engineer all my life. I have been dealing with the facts, numbers. I used to get straight A's in all the math and physics. Tonight I am going to talk about facts again and perhaps dealing with the simple numbers.

All this rhetoric that is going on, saying that we give millions and millions of dollars tax credit to rich people at the expense of senior citizens by cutting Medicare spending. Let me get this straight. Give a tax credit to rich people? Let me get a little chart here.

The tax cut we are talking about is $500 tax credit to the child support, $2,000 for child adoption. That is what we are talking about. The tax credit is coming from a non-Medicare spending cut, roughly $622 billion, the money is coming from this fund. Not the Medicare money, not the Medicare trust fund.

By doing this, we can save $377 billion for deficit credit. By giving a tax credit to child support, we can stimulate the economy, thus create more jobs and more revenue to Government.

Besides, Congress passed an amendment to the Medicare bill to prohibit transferring any money from Medicare to other funds. It is illegal to transfer money from Medicare to other general funds. It cannot be done. So how can they say that we are giving all the million-dollar credit to rich taxpayers at the expense of a Medicare cut? That is absolutely false. It is not true.

The second argument is that we are cutting too fast too much. That is another rhetoric that I cannot accept. Let us talk about that quickly. Too fast. What do you mean by too fast? Because according to the Medicare trust fund report, Medicare will be bankrupt in 7 years. We have got to save it.

Oh, yes, we have a plan, a counterplan to extend it out to 10 years, same general plan. But if Medicare is bankrupt in 7 years, how can you save it in 10 years? Let me show a little chart to show what we are doing.

We are talking about cutting too fast too much. Here it is.

□ 1915

Right now, the Medicare part A has been financed by payroll taxes. You pay half; your employer contributes the other half.

Is it fair to you that we have to raise the taxes so you can subsidize the existing Medicare plan? Of course not.

Let us take a look at the part B. This is what you are paying. The beneficiary only pays 31 percent. Other taxpayers are subsidizing by 68 percent. In other words, beneficiaries only pay one-third, and other taxpayers have to subsidize by two-thirds. It used to be half and half. It keeps going up. If you do nothing, within 7 years the beneficiary will only pay 18 percent; the other taxpayers have to subsidize by 82 percent. Is it fair, asking other taxpayers to pay almost 90 percent of the Medicare plan? Of course not.

All we are trying to do is maintain this relationship, one-third paid by the senior citizens, two-thirds paid by the other, younger taxpayers. We feel that is fair. We would like to maintain that same proportion, same 31, one-third, and two-thirds relationship.

They call that a cut. Is it really a cut, trying to maintain the same ratio of one-third, two-thirds? Is it really cutting too much to try to maintain the same ratio?

Right now, the Medicare price has gone up out of control. Part B last year alone has gone up 12 percent while the private plan only has gone up 1.5 percent. The price is out of control.

There is so much waste and fraud going on in the Medicare system. That is why we try to correct it, try to save the Medicare from bankruptcy. It is fair to everybody, fair to the younger generation as well.

Again, I would like to readdress again to my Democrat colleagues who argue $270 billion Medicare savings is too much. They believe that $90 billion is enough to save the system. Let me tell you, their plan would leave Medicare with a $300 billion deficit just at the time the first wave of baby boomers reach retirement. This is going to be chaotic when the baby boomers decide to retire.

This Democrat plan will not work. We have got to do something now. Of course, it is better not to do anything and let it bankrupt it. But they are not going to get a quick decision.

I think that solving the Medicare problem is difficult now. But imagine when the baby boomers hit, it is going to be really chaotic.

Again, we are not cutting Medicare to provide a tax cut for the rich. We are not cutting too much too fast. Instead we are trying to save the Medicare from bankruptcy to preserve fairness for the working families.

AMERICAN DIES IN CUSTODY OF PALESTINIANS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. BURTON] is recognized for 5 minutes.

Mr. BURTON of Indiana. Mr. Speaker, I hope all of my colleagues who are here will listen to what I am going to read to them. A man named Mohammed Rahim Mosleh, an American citizen, was picked up for questioning Wednesday at a cafe by plainclothesmen who identified themselves as agents of Jericho's preventive security police on the West Bank, now the new domicile of the Palestinian Liberation Organization.

He was picked up. He was dressed only in his trousers when his body was returned today at 2:00 a.m.

Now get this, my colleagues, his forehead was bruised blue, his lip was torn open, blood had flowed from one ear, and there were what appeared to be burn marks on his right foot, like cigarette burns, according to family members.

Palestinian security officials speaking on conditions of anonymity, said Mosleh was overcome by the 98 degree heat in Jericho and had a heart attack. Get that, he had a heart attack with his head smashed in, his lip bleeding, his blood coming out of his ear and burn marks on his feet.

A doctor at Jericho's hospital, where Mosleh was dead on arrival, refused to issue a death certificate. The certificate would normally include a cause of death.

Witnesses said Mosleh was playing cards at a village coffee shop when six men identifying themselves as preventive security agents for the PLO approached his table Wednesday and invited Mosleh outside. They said they were investigating a theft of gold from his sister and asked him to come with them to Jericho. When he did not return that night, his wife and two of his sons drove to Jericho on Thursday to ask about him. Preventive security agents twice told them to come back later, assuring them that Mosleh was there.

On the third trip, another agent said preventive security knew nothing about his whereabouts.

Now, I am for the peace process in the Middle East. We all want there to be peace in the Middle East, and we want it to work out between the Israeli Government and the PLO leader, Yasser Arafat, and the PLO forces. But here is an American citizen that was tortured to death, and nobody is doing anything about it. This is an American citizen who had his head bashed in, his lip torn open, beaten in the ear so severely that blood came out of his ear, and burn marks on his feet. He was tortured to death, and nobody is doing anything about it.

To add insult to injury, we are going to give the PLO $500 million over the next 5 years. Now, I am for the peace process. But this kind of baloney has to stop, and so I say to the State Department and to the President and anybody else who has any authority over this peace process over there, we want a full accounting of this man's death and those who perpetrated this atrocity must be brought to justice.

If we do not get justice, then we ought to cut off that $500 million in aid we are giving them. There should be severe conditions, in any event, put on that aid.

[From the Washington Post, Sept. 30, 1995]

AMERICAN DIES IN CUSTODY OF PALESTINIANS

(By Barton Gellman)

EIN YABROUD, WEST BANK, Sept. 29.—A Palestinian American grocer on vacation from Dallas was returned dead to his wife and family here early today after about 36 hours in custody of security police in the Palestinian self-rule enclave of Jericho.

Members of his immediate family said Aram Mohammed Rabim Mosleh, 52, picked up for questioning Wednesday at an Ein Yabroud cafe by plainclothesmen who identified themselves as agents of Jericho's Preventive Security police. Mosleh was dressed only in trousers when his body was returned today at 2 a.m. His forehead was bruised blue, his lip was torn, blood had flowed from one ear, and there were what appeared to be burn marks on his right foot, according to family members who saw him.

Palestinian security officials, speaking on condition of anonymity, said Mosleh was overcome by the 98-degree weather in Jericho and had a heart attack. A doctor at Jericho's hospital, where Mosleh was dead on arrival, refused to issue a death certificate. The certificate would normally include a cause of death.

Mosleh is at least the fourth person—the first holding a U.S. passport—to die in suspicious circumstances in the hands of the Palestinian self-rule security establishment.

Although the time of death could not be pinned down precisely, Mosleh appears to have lost his life within hours of Thursday's White House appearance by Palestinian leader Yasser Arafat for the signing of an accord extending palestinian rule in the West Bank. The Jericho forces are responsible to Arafat.

One American official said the U.S. consul general in Jerusalem would place "tremendous pressure" on the Jericho forces for an independent investigation into Mosleh's death, and said the FBI would take part, as it sometimes does in foreign cases involving Americans to establish if there was any political motivation against the United States.

"This will be an enormous embarrassment for Arafat in Washington," the official said.

A report last month by the Israeli human rights group B T selem found a "greatly disturbing picture" of "gross human rights violations" by the Jericho-based security police. Some of those interrogated and released have told of being beaten and tortured with electric prods, hit cigarettes and burning plastic.

John Bargeron, deputy consul general in Jerusalem, was said to be planning a trip to Jericho on Saturday to meet with the chief of Palestinian forces there. He planned to ask about unconfirmed reports that another Palestinian American had been arrested with Mosleh and remained in custody.

This village near Ramallah, about 12 miles north of Jerusalem, has an unusually large number of American citizens. Many of the men, like Mosleh, live and work in the United States. They send money to their families here and return for one or two months a year.

Mosleh was no stranger to controversy. Two years ago, Israeli police arrested him on suspicion that he had killed two Palestinians in the West Bank. They held him eight months, according to U.S. diplomatic officials and Asid Mosleh, his oldest son. The Israelis released him without charge.

Mosleh then returned to Dallas, where he owns a grocery store. The business made him wealthy by the standards of Ein Yabroud, where he was nicknamed "the millionaire," the Associated Press reported. He arrived here for a visit last month at his fortress-like and palatial family * * *.

"Anybody can have a heart attack," said Wahid Hussein Mosleh's brother-in-law, who said the family did not want further trouble with Preventive Security.

Witnesses said Mosleh was playing cards at a village coffee shop when six men identifying themselves as Preventive Security agents approached his table Wednesday and invited Mosleh outside. They said they were investigating a theft of gold from his sister and asked him to come with them to Jericho.

When he did not return that night, his wife and two of his sons drove to Jericho on Thursday to ask about him. A Preventive Security agent twice told them to come back later, assuring them that Mosleh was there.

One their third trip another agent said Preventive Security knew nothing about Mosleh.

A preliminary investigation by U.S. diplomats suggested today that Mosleh was handed over by Preventive Security to the Mukhabarat. One Preventive Security representative told a U.S. field investigator that his service had obtained a "receipt" for the prisoner.

PLO VIOLATIONS OF THE PEACE ACCORDS

1. The PLO does not halt terrorist attacks by PLO members.

2. The PLO has not disciplined PLO members who engage in terrorism.
3. The PLO continues to preach hostile propaganda against Israel.
4. The PLO still has not changed the PLO Covenant, which denies Israel's right to exist and calls for its destruction.
5. The PLO has failed to urge Palestinian Arabs to reject anti-Israel Violence and terrorism.
6. The PLO has failed to honor Israel's requests for the extradition of terrorist suspects.
7. The PLO hires fugitive terrorists for its police force. (More than 20 fugitive terrorists have been hired by the PLO police force.)
8. The PLO has not adhered to the agreed upon limits concerning sovereignty issues.
9. The PLO fails to condemn terrorist attacks. (Between June and November 1994, there were at least 72 Arab terrorist attacks on Israelis. Arafat did not explicitly condemn any of these attacks.)
10. The PLO does not respect human rights in Gaza and Jericho.
11. The PLO operates in Jerusalem in direct violation of the accords.
12. The PLO fails to prevent incitement by organizations within its jurisdiction. It has not banned Hamas or Islamic Jihad.

IS THE PLO REALLY BROKE?

("The conglomeration of Palestinian movements under the umbrella of the Palestine Liberation Organization are the richest of all terrorist groups. It is estimated that they have worldwide assets approaching 10 billion U.S. dollars and an annual income of about 1½ to 2 billion U.S. dollars."—report by the United Kingdom's National Criminal Intelligence Service (NCIS)).

A FEW OF THE PLO'S HOLDINGS

The PLO has bank accounts around the world.

The PLO has a partnership in Nigeria Airways.

The PLO owns the duty-free shop at Nuratala Mohammed International Airport in Lagos.

The PLO controls Air Zimbabwe.

The PLO controls Kenya Airways.

The PLO owns the duty-free shop at Jomo Keynatta Airport in Nairobi.

In Nicaragua, 25% of the national airline Aeronica is PLO owned.

The PLO owns a substantial share of the duty-free store at Nicaragua's "Aeropuerto Internacionale Las Nercedas."

Mr. Arafat, a billionaire, owns twelve homes and three airplanes.

PLO COMPLIANCE AND FINANCING

The Clinton administration is providing $500 million to the PLO.

This funding has to be authorized by Congress.

The Senate, under pressure from the Clinton administration, is preparing a long-term authorization of this funding, with almost no strings attached.

This is a scandal of major proportions; as conservatives, we must do something to stop it.

According to the British National Criminal Intelligence Service [NCIS], the PLO is hiding assets of $7 to $10 billion.

The PLO is in major violation of their agreements with Israel—they continue to support terrorism. Arafat, in his speeches, continues to praise terrorists. The PLO refuses to hand murderers over to Israel, as they are obligated to do by the accords.

The PLO is misusing funds from foreign donors and is engaged in massive fraud. Authenticated documents proving that donor funds have been used for a host of illegal activities.

[From the Center for Security Policy, Sept. 27, 1995]

WE'RE "SHOCKED, SHOCKED": ARAFAT BITES THE HANDS TRYING TO FEED HIM $500 MILLION IN U.S. FOREIGN AID

WASHINGTON, D.C.—In an extraordinary display of ingratitude, not to say intemperateness, Yasser Arafat's Palestinian Authority (PA) recently repudiated legislation aimed at ensuring its continued access to hundreds of millions in U.S. tax-dollars. On 23 September 1995, the PA's "Ministry of Information" issued a press release excoriating a legislative initiative sponsored by Sens. Jesse Helms and Claiborne Pell, the chairman and ranking member respectively of the Senate Foreign Relations Committee. The Helms-Pell legislation was adopted last week by the United States Senate as an amendment to the Fiscal Year 1996 Foreign Operations appropriations bill.

Without mentioning the amendment by name, the Palestinian Authority heaped vitriol on the preconditions imposed by the Helms-Pell amendment on further disbursement of the $500 million that president Clinton pledged to Arafat two years ago. Its release declared, in part:

"The American decision to extend financial assistance to the Palestinian National Authority contradicts any accepted practice. This decision that was taken while handcuffed (sic) with heavy chains of conditions. It is provocative and insulting to the Palestinian national feelings. The decision is a flagrant intrusion in internal Palestinian matters. . . The American Congress has placed at the very heart of its conditions the closing of Palestinian institutions in Jerusalem and the cessation of support by the Palestinian National Authority for these institutions. This exposes the true face of American policy towards the Holy City, a policy that supports and assists further Jewish occupation of Jerusalem, its annexation to Israel and it further confirms Israel's claims that Jerusalem is its united, everlasting capital. . .

". . . The American Congress has relinquished the American role as a sponsor of the Declaration of Principles and declared its absolute partiality in the interest of the worst and most damaging of Israeli interpretations, by rushing ahead more than the Israelis themselves have done when they [members of Congress] demanded the canceling of some articles in the Palestinian National charter and when they demanded Palestinian co-operation with Israel in surrendering wanted Palestinian citizens to it despite the fact that this demand violates the signed agreements between the PLO and the government of Israel. . . ."

"The conditions that the American Congress demanded will not find anyone to respond to them. The members of Congress, who do not respect international legitimacy, will not need to wait six long months because the Palestinian people will not barter their rights for all the money in the world." (Emphasis added.)

ARAFAT NEVER PROMISED YOU A ROSE GARDEN

What makes you such vitriolic attacks particularly stunning is the fact that they are basically directed at two senior Senators who have gone to great lengths to protect the PLO/PA from the sort of real conditions that many Americans believe are in order. In light of Arafat's continuing support for terrorism against Israel, his failure to comply with other commitments under the Declaration of Principles and his diversion of international aid to personal and political purposes inimical to real peace, a powerful case can be made for denying any further distribution of the roughly $350 million yet to be disbursed to the PA.

Congressional leaders, and Senator Helms in particular, have come under enormous pressure from the Clinton Administration, the Israeli government of Yitzhak Rabin and the American Israel Public Affairs Committee to keep the aid flowing to Arafat, such problems notwithstanding. In the end, Senator Helms was induced to set aside his instinctive—and well-founded—opposition to undisciplined foreign aid and to those who support international terrorism. Instead, he lent his name to a foreign aid bill for the PLO/PA whose conditions were deliberately crafted with sufficient ambiguity and/or loop-holes to meet with Arafat's approval and to allow hundreds of millions of additional tax-dollars go to his organizations.

THE BOTTOM LINE

The simple truth is that two years after the Oslo I agreements were signed, efforts to moderate Yasser Arafat's behavior through financial, political (and, in the case of Israel, territorial) concessions have not had the desired effect. Instead, such concessions in the face of continued Palestinian gangsterism appear only to have encouraged more of the same. For example, last week, even as the Congress was considering the Helms-Pell legislation, Arafat used interviews with the Egyptian and Jordanian press to affirm that the Oslo agreements are implementing the notorious "plan to phases" adopted by the PLO in 1974. Phase I involves obtaining territory from Israel via negotiation; Phase II will use that territory to launch a final campaign for the destruction of Israel.

Fortunately, Congress has an alternative at hand to such appeasement. Legislation has been introduced in both the Senate and House that would mandate a complete cutoff of funding for the PLO/PA. This bill, known as the Middle East Peace Compliance Act and sponsored in the Senate by Sens. Alfonse D'Amato, Richard Shelby and Larry Graig and in the House by Reps. Michael Forbes, Jim Saxton and Tom DeLay, would allow continued aid to go toward legitimate, monitorable and private humanitarian projects in Palestinian-controlled areas—provided the PLO honors its commitments.

The Center for Security Policy urges Senator Helms and others affronted by Yasser Arafat's imperiousness to substitute the real conditions called for by the D'Amato-Forbes bill for the ersatz conditions of the Helms-Pell legislation. As the attached op.ed by Center for Security Policy director Frank J. Gaffney, Jr. published in today's Newsday makes clear, Israel is not the only nation with stake in the quality of such conditionality. America's not vital interests dictate that the United States must make every effort to avoid rewarding PLO support for terrorism and other non-compliance.

FIRE PREVENTION WEEK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from West Virginia [Mr. WISE] is recognized for 5 minutes.

Mr. WISE. Mr. Speaker, I rise today as the Nation celebrates Fire Prevention Week to speak about a fire cause that affects every American no matter where they live. I am referring to the act of arson.

The United States Fire Administration's Annual Report to Congress states that in 1994 arson continued to be the second leading cause of fire deaths in residences and the leading cause of dollar loss from fire. Each year 1,000 people die from an estimated 332,000 arson fires. Direct property loss is in excess of $1.6 billion. Since 1984 arson fire deaths have increased 33 percent.

Unfortunately, West Virginians were not spared from the scourge of arson. That same report indicated that 18.4 percent of all reported fires in West Virginia were caused by arson, with losses exceeding $1.6 million.

As a member of the congressional Fire Services Caucus, I was proud to support the Arson Prevention Act of 1994 which passed the 103d Congress and was signed into law by President Clinton. This legislation enable States to conduct meaningful programs to combat arson.

During Fire Prevention Week we must pause to consider how all of us, not just the fire service, can work toward making all Americans safer from the ravages of fire.

The American people should be enraged about the tragic cost to lives and property from this preventable cause of fire.

I am pleased to report, Mr. Speaker, that the International Association of Arson Investigators is working tirelessly to combat this crime in all its forms. I am especially proud of the West Virginian Chapter of the International Association of Arson Investigators. This dedicated group provides training to police, fire, and insurance investigators on how to better detect arson in our State. They also work to educate our citizens about how arson hurts everyone.

Let us then pause, Mr. Speaker, during Fire Prevention Week to honor all those men and women dedicated to fighting the war against arson and urge all Americans to support their efforts.

TAXES AND MEDICARE

Mr. Speaker, turning to another topic, I would like to talk a little bit about taxes and the sleeper issue that is coming up in the next couple of weeks.

What I want to do is to talk about we hear a lot about Medicare and Medicaid, but it is taxes that are also very important for West Virginians, where we are finding out more and more as we analyze the budget proposals that will be coming in the next couple of weeks in the Republican leadership's proposals. We are seeing there is a tax increase for thousands of working West Virginia families, middle-income and lower-income working families.

First, Mr. Speaker, it may be difficult for you to see this chart, but if you look, what this says is who benefits from the GOP tax cut. That is my first chart. If you can see the red, the red says that people, and this is people earning over $100,000 or more, this is the percentage that they get from the tax cut where they get over 52 percent of the tax cut that goes to those earning over $100,000 or more. The little blue sliver are those people earning $30,000 or less. Those people, incidentally, get 3 percent of the benefits of the tax package. So these are the folks over $100,000 a year, they get 52 percent of the total package; $30,000 or below, they get 3 percent.

Now let us flip it and see what happens to West Virginia taxpayers. Here we have the people making the blue portion, the people making $30,000 or less comprise 68 percent of our State's population. So this blue portion, which is almost 70 percent of our State's population, gets less, gets about 3 percent of the total tax package. This little red sliver, and I know you probably cannot see it because it is almost infinitesimal, that is the 1.5 percent in our State that earn over $100,000 a year. Mr. Speaker, they are going to get 52 percent of the tax package. It is totally skewed, as you can see.

Mr. Speaker, I would also point out that because of the rollbacks in the earned income tax credit that goes to working families under $24,000 a year, that in West Virginia someone making under $10,000 a year, basically working at minimum wage, will actually see a $9 increase in their taxes while someone earning over $100,000 a year will see a $2,400 tax cut. That certainly seems to me not to be equitable, not to reward work, not to try and get money to the middle income that I think everybody agrees has been the group most strapped.

I hope these changes certainly can be addressed.

MEDICARE PRESERVATION ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota [Mr RAMSTAD] is recognized for 5 minutes.

Mr. RAMSTAD. Mr. Speaker, today our House Committee on Ways and Means passed the Medicare Preservation Act to save Medicare, to keep the Medicare system solvent until the year 2010 and to let seniors have more choices in health care plans.

Our legislation keeps Medicare solvent, as I said, and lets seniors stay in the current fee-for-service system or choose a HMO, a preferred provider network or a medical savings account.

Why should seniors not have the same choices in health care that every other American has?

Mr. Speaker, also it is important to point out that this legislation increases Medicare spending about 6.5 percent a year, which means the average Medicare beneficiary will receive $4,800 this year and $6,700 in the year 2002.

The point I want to make tonight, Mr. Speaker, is that this legislation guarantees, guarantees that none of the Medicare savings will go for tax cuts. They will go into a lockbox to be used only to maintain the long-term solvency of Medicare.

Mr. Speaker, I ask that this article, this opinion piece by the well-respected economist, Robert Samuelson, which was published in today's Washington Post, be made part of the RECORD.

Economist Samuelson points out in this piece in today's Post, and I am quoting now, "Democrats cast Republicans as cutting everything from Medicare to college loans to pay for a tax cut for the rich. That is untrue." That is Mr. Samuelson's words.

To continue "To listen to the Democrats, you would think that every spending cut is needed to provide a tax cut for the rich. They say that Medicare is being cut to help the wealthy, to provide a tax cut for the rich." Mr. Samuelson goes on to say, "Perhaps this makes good rhetoric, but it flunks first-grade arithmetic."

Let me continue reading from this column: "In the Republican budget, spending is cut $900 billion over the next 7 years. This is in the total budget. That is nearly 4 times the size of the tax cuts." Mr. Samuelson goes on to say: "The Democrats are double, triple, and quadruple counting spending cuts as an offset to the tax reduction. Even a 1-to-1 count, that is, $250 billion in spending cuts for $245 billion in tax cuts, is a stretch," and then Mr. Samuelson goes on to explain in an academic, analytical, truthful way what we are doing.

□ 1930

He explains that under the congressional budget resolution, the Republicans cannot enact a tax cut until the Congressional Budget Office certifies that our plan would balance the budget by the year 2002. Once that happens, the CBO assumes that interest rates will drop and economic growth will increase. In turn, these changes improve the budget balance by $170 billion between now and the year 2002.

So from the balanced budget that we are putting forth here in Congress, interest rates will drop, economic growth will increase to the tune of $170 billion, and in these extra savings will the tax cut be paid.

At least 70 percent of it will be paid from growth in the economy. So I think, Mr. Speaker, it is important that we get to the facts and the truth in talking about what we are doing with respect to Medicare. Nobody is cutting Medicare to provide any tax breaks whatsoever. What we are doing is balancing the budget in a responsible way. We have already provided for the tax cuts in today's legislation. To preserve Medicare is a big step forward, not only for the seniors of this country, but for future generations as well.

Mr. Speaker, I include for the RECORD the article quoted from.

[From the Washington Post, October 11, 1995]

BUDGETARY BOMBAST

(By Robert J. Samuelson)

The tax debate is a triumph of political rhetoric over common sense. Republicans and Democrats alike portray the Republicans' proposed tax cuts—$245 billion between 1996 and 2002—as bigger and more important than they are. Each side has its reasons. Republicans say they're providing major tax relief for most ordinary Americans. Not true. Democrats cast Republicans as savagely cutting everything from Medicare to college loans to pay for "a tax cut for the rich." That, too, is untrue.

Just for the record, reject both the Republican tax cuts and the Democrats' critique. Lower taxes, in my view, shouldn't come until the budget is balanced. People should feel the price of government: taxes paid for services received. When the two are split, government becomes lax, because the price of more government is falsely seen as zero. But we are far beyond such a principled debate. Even Democrats advocate tax cuts, arguing that their plan is fairer. The debate gushes partisan cliches.

Start with Republican myths. The $245 billion sounds like a huge tax cut. It isn't. Recall that it occurs over seven years. In this period, the Congressional Budget Office estimates that federal taxes (before the cut) will total $12.8 trillion. The $245 billion cut is about 1.9 percent of that. Of course, some people will get more. The plan's centerpiece is a $500 tax credit for every dependent child. A family with moderate income (up to say $40,000 to $50,000) and two children would receive a noticeable tax cut.

But about half of families have no children, and nearly 30 percent of households are singles. Even for higher-income families with children, the effect of the child tax credit would fade. (In 1994 a two-parent family with two children and $75,000 of income paid about $15,000 to $16,000 in federal taxes.) And the rest of the tax cut—Congress is still working on details—is splintered among many, highly symbolic reductions.

Consider the most controversial proposal: a capital gains tax cut. Capital gains are profits from the sale of stocks, bonds and other assets. Now, these profits are taxed at a maximum of 28 percent. The House Republicans would reduce that to 19.8 percent, arguing that a lower rate would spur investment and risk-taking. Gee, there's already an investment boom, with ample risk-taking. The present capital gains tax isn't a major obstacle. A reduction would mostly benefit wealthier Americans by increasing their profits from the sale of existing stocks and bonds.

Although the Republican myths are outrageous, the Democratic myths are worse. To listen to Democrats, you'd think that every spending cut is needed to provide a "tax cut for the rich." Medicare is being cut to help the wealthy: so are Medicaid, the school lunch program and welfare. The litany is endless. Perhaps this makes good rhetoric, but it flunks first-grade arithmetic.

In the Republican budget, spending is cut about $900 billion between 1996 and 2002 from the levels under present law. That's about 6.2 percent of what the CBO reckons would be spent and nearly four times the size of the tax cut. The Democrats are double, triple and quadruple counting spending cuts as an offset to the tax reduction. Even a one-for-one count ($245 billion of spending cuts for $245 billion of tax cuts) is a stretch. Here's why.

Under the congressional budget resolution, the Republicans can't enact a tax cut until the CBO certifies that their plan would balance the budget by 2002. Once that happens, the CBO assumes that interest rates will drop and economic growth will increase. In turn, these changes further improve the budget balance by about $170 billion between now and 2002. It is these extra savings that, in theory, mainly finance the Republican tax cut. They account for about 70 percent of the total.

The point is that—without a huge tax increases, that almost no one favors—the Republican spending cuts are needed simply to balance the budget. If the Democrats don't want to balance the budget, they should say so. If they have $900 billion of other spending cuts, they should say so. But their endless carping about the "tax cut for the rich" merely disguises their own unwillingness to confront the budget deficits. Republicans have made some unpopular choices about government; Democrats have not.

It is not that Republican choices are beyond criticism. Their plan to curb the Earned Income Tax Credit, which provides tax relief for the working poor, is mean and would shrink the net tax cut substantially. But the tax cut is not mainly a giveaway to the rich. Its effects are spread along the income distribution. Even if it were approved, the well-to-do would continue to pay most federal taxes. In 1994 the richest fifth of Americans (a group that begins at about $75,000 of family income) paid 59 percent of federal taxes.

The trouble with the Republican plan is that it has warped the budget debate. Democrats have succeeded, temporarily at least, in turning it into an old-fashioned argument about class, when it ought to be about redefining the role of government. There are legitimate disagreements here, and they ought to be aired. But it is not true—as Democrats imply—that the whole process is being driven by a crass desire to aid the wealthy.

Ideally, Republicans would postpone tax cuts. Congress should discipline itself and see if a projected balanced budget actually occurs. The prospect of future tax cuts would also dampen the temptation to undo some spending cuts. But the Republicans aren't likely to delay the tax cut, in part because they fear that doing so would trigger a voter backlash. This could be true, despite polls showing that tax cuts rank behind deficit reduction in popularity. Americans are so cynical about politics that they'll seize almost any reason to vindicate their cynicism.

But there is a next-best policy: strip the tax cut to its bare political minimum, the child tax credit. The cost would drop sharply (to about $163 billion over seven years, which is almost exactly the size of CBO's expected "dividend" from balancing the budget). And it would be much harder to attack as a giveaway to the rich. The result would be to refocus the budget debate where it belongs: on what government should—and shouldn't—do.

FACTS BEING OVERLOOKED ON PROPOSED TAX CUT

The SPEAKER pro tempore (Mr. FOX of Pennsylvania). Under a previous order of the House, the gentleman from Tennessee [Mr. DUNCAN] is recognized for 5 minutes.

Mr. DUNCAN. Mr. Speaker, there has been so much talk lately about the proposed $245 billion tax cut that some key facts are being overlooked or lost in all the political rhetoric.

First, this is not an all-at-once cut. It is spread over 7 years. This comes out to $35 billion per year. This amounts to slightly less than 2 percent of Federal spending over this period. Federal spending has gone up almost 300 percent since 1980. The first Reagan budget was $581 billion. We are at a figure almost triple that now, and will be at more than triple that during this 7-year budget period; in other words, a 300 percent increase in Federal spending in the last 15 years, while inflation during that time has averaged about 3 percent a year, or roughly 45 to 50 percent over that period.

Federal spending, in other words, Mr. Speaker, has increased at a rate roughly six times the rate of inflation over this period. Surely it is not asking too much for Federal bureaucrats to give back 2 percent a year when they have had such whopping increases, and an almost 300 percent increase over the last 15 years.

Federal taxes now take almost half of the average person's income. We are talking about the average person here, not the wealthy, but almost half of the average person's income when you consider taxes of all types: Federal, State, local, sales, property, income, gas, excise, Social Security, and so forth. When you consider the indirect taxes that we all pay in the form of higher prices because corporations do not pay any taxes, they have to pass their taxes on to the consumer in the form of higher prices for shirts, tires, shoes, food or everything that we buy.

Second, most of this proposed tax increase, over 70 percent, would go to people making less than $50,000 per year. Somehow we never hear about that.

Third, one of our leaders, the gentleman from Texas [Mr. ARMEY], has proposed a flat tax which would totally exclude all income under $38,000 for a married couple and $26,000 for a single person. In other words, most of the people I represent would be totally excluded from Federal income taxes. They would still have to pay other taxes, but what this really means is that the position of most Republicans is that we would exclude lower income people from Federal income taxes altogether. Somehow, we never hear about that either.

Now, I voted for the $245 billion tax cut, this 2 percent tax cut. But I also happen to be one of 10 Republicans who voted for a so-called compromise budget which would have put off any tax cut until we get the budget balanced. I am willing to accept less, but we should not exaggerate this $245 billion tax cut all out of proportion just for partisan political purposes. We should not constantly call this a tax cut for the wealthy, when by far the majority of it goes to middle and lower income citizens.

Our very biased national media is reporting this tax cut in a very biased, very unfair manner. I believe the people of this country know better how to spend their money, far better how to spend their own money, than the bureaucrats in Washington do. I know, too, that even with this proposed 2 percent tax cut, the Federal Government would still be spending over $1.6 trillion, rising to almost $2 trillion over this next 7 years, even if we pass this very modest 2 percent tax cut.+

The choice is simple: Are we going to side with the ordinary, hard working people and give them back 2 percent of their money, or are we going to side with the bureaucrats and say you really do not have to tighten your belts. You have had just a 300 percent increase over the last 15 years, but apparently that is not enough.

Despite the lies, despite the demagoguery, despite the distortions, despite all the propaganda, I believe the people still want us to cut spending and cut taxes and give some of their money, their hard earned money, back to them.

MEDICARE REFORM MUST BE BIPARTISAN

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Texas [Ms. JACKSON-LEE] is recognized for 5 minutes.

Ms. JACKSON-LEE. Mr. Speaker, the Ways and Means Committee has finally completed marking up the Republican Medicare reform bill which has had no wide-spread review by all of those to be impacted by such drastic legislation. And as demonstrated throughout this saga, my Republican colleagues have shown a propensity for distorting the truth and stretching the facts. As evidence, I submit the following:

At the beginning of debate, Democrats protested that the Republican majority had delivered a new version of the bill with nine pages of revisions in the morning and had not explained them.

The changes proposed include a stipulation that any savings must be used to shore up the Medicare System, but this has been attacked by critics, as budget gimmickery because much of the Medicare revenues likely can still be tapped for other budget needs, under their plan.

It was brought to the attention of the Nation and the committee that a letter from Health Care Financing Administration head Bruce Vladeck claims the Republican proposal and the Democrats' cutting $270 billion dollars from Medicare plan to reduce Medicare spending by $90 billion over the same timeframe, both would extend the ailing Medicare trust fund to exactly the same date—2006. The question then is why this enormous cut by the Republicans is required.

Ways and Means Committee counsel Charles Kahn conceded during the markup that because of a bill passed by the House earlier this year rescinding a tax under which proceeds were earmarked for the Medicare trust fund, the net Republican savings would extend the life of the trust fund to only 2006, rather than 2010 as the Republicans have been claiming.

The committee's Democratic members unveiled a substitute consensus bill. It would continue to beef up the anti-fraud and abuse efforts, revise the way Medicare pays for graduate medical education, and create new Medicare benefits to pay for increased mammography screening, screening for colorectal cancer, and supplies for diabetics. Republicans rejected separate amendments to include the new benefits.

An amendment by Representative RANGEL to provide tax credits to primary care doctors and other health professionals who agree to serve patients in areas with a shortage of medical personnel was offered in a good faith effort to ensure good health care for all Americans.

Medicare can be reformed in a bipartisan manner. Where are my Republican colleagues to join me in this effort. Do not destroy Medicare.

TRIBUTE TO THE FIREFIGHTERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Alabama [Mr. BEVILL] is recognized for 5 minutes.

Mr. BEVILL. Mr. Speaker, I rise today to pay tribute during National Fire Prevention Week to all the firefighters who do such an outstanding job protecting their communities. They are dedicated professionals working a dangerous job which requires them to put their own lives on the line while saving others. They are true heroes and we certainly appreciate and respect all of them.

I especially want to recognize the volunteer firefighters who work to protect the rural areas where they live. They face unique challenges and risks in protecting large areas. Frequently, they must deal with a lack of equipment, inadequate water supply and not enough well-trained volunteer firefighters.

As you know, a majority of rural fire departments say that improving the water supply is one of their highest priorities. Studies show that residents living in communities with populations of 5,000 or less are almost twice as likely to die in a house fire than residents in communities of 5,000 or more. Compared to city dwellers, rural homeowners suffer more than twice the property loss from fire each year. It is a major challenge for small communities to provide fire protection for area residents, farms and forests and lack of adequate water supply is one of the main reasons.

As we recognize National Fire Prevention Week, we should look for ways at the local, State and Federal level to strengthen the capabilities of our rural volunteer fire departments.

All levels of government must cooperate to help provide essential rural fire protection.

And, as citizens, we must work together to try to reduce the number of fires our firefighters must deal with. As you know, common sense and personal responsibility can go a long way toward the prevention of fires.

SAVING MEDICARE

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentlewoman from California [Mrs. SEASTRAND] is recognized for 60 minutes as the designee of the majority leader.

Mrs. SEASTRAND. Mr. Speaker, there is good news today. We heard one of the earlier gentlemen tell us that the Committee on Ways and Means voted out our Medicare Preservation Act bill. We are on our way to strengthening and protecting and preserving Medicare.

Besides that good news, one of my colleagues, Mr. SAM JOHNSON, celebrated his 65th birthday today. I know the members of the Committee on Ways and Means congratulated him, and he has come of age now. He is old enough to join millions of other Americans who are on Medicare. I just know that he has not been scared off by many of the criticisms, the things we read about in the headlines and newspaper and we see on television, about attempts that are planned, that the Medicare Preservation Act is heartless and uncaring and so on. The Committee on Ways and Means presented a check for $4,800 to Mr. JOHNSON. I know he will not be cashing it tomorrow. The point is to let not only he know, but other senior citizens in America today who are also celebrating their birthday with Mr. JOHNSON today, that Medicare is going to be there for them.

That is how much we are going to spend this year alone in Medicare, $4,800. The good news is in our plan we are going to increase that over the next 7 years to $6,700. Only can you be in Washington, DC, and so often hear about how we are cutting Medicare, when this is actually an increase.

So what I say to my colleague, Mr. JOHNSON, is happy birthday, and I know that, as I said, we are on our way to preserving and protecting Medicare.

I am going to enter into a conversation with my friend, the gentleman from Minnesota [Mr. GUTKNECHT]. The gentleman also, as I am, is one of those reform-minded freshmen. We came to this House with such hopes and dreams, and we are just plugging away, are we not?

But it is interesting. I was here a few months, and on my desk I found a report in April from the Social Security and Medicare Board of Trustees. I read it, and it said, "If you, Congress," now that is me, I cannot pass the buck, that is me, "if you do not do something about this, we are going to see Medicare go broke."

It is going bankrupt now. I would just like to tell people that I am 54 years old, so I have an interest in this program continuing. My mom is 83. She is probably not going to appreciate my saying that to everyone in the world today, but she is soon to be 84, come this December. She is a Medicare recipient, and she has those concerns, like many of her friends and many of my friends who are at that age and are concerned about costs of health care and such.

So I remember hearing from my mom when she heard the news on television and reading the headlines, "What are you going to do about this?" So I have been talking to her.

The point I wanted to make about being one of those freshmen, my point is to come here and not be part of the problem that we seem to have had for so many years. Obviously many voters also consider there was gridlock in this House. They wanted to see something done. "Do it, do it now." So I have been doing my best, as well as my colleague, to see to it that we do have some solutions to the problems.

I think my concern over the last several months, whether I go to my town hall meetings or my senior conferences, or as I visited health care facilities, nursing homes, convalescent homes, from one end of my district, which incidentally, includes the central coast of California, from Santa Barbara to Paso Robles in the north, it is a very large area, and people are concerned that we are going to do something about it.

So I am hoping as we continue this conversation, we saw the first step taken today to move this legislation through the Committee on Ways and Means, and I hope we can all come together to solve the problem, to preserve and protect it, and put aside all of the rhetoric that we hear, and to assure my 83-year-old mom and her friends and all those people I saw in those health care facilities that are utilizing Medicare right now, that we are going to be there for them and to take the rhetoric out of the situation.

So I would like to ask the gentleman from Minnesota [Mr. GUTKNECHT] if that is what he is hearing from his people? I think we see people, wondering if we are going to do it, "are they really going to reform Medicare?" Some of the other situations, are we going to balance that budget in 7 years, are we going to reform welfare, are we going to give tax relief to our middle-income families?

That is what I am hearing. And they are looking to us, and I am anxious to get on with the situation of passing the legislation and having the discussion with the American people.

Mr. GUTKNECHT. Mr. Speaker, I thank the gentlewoman from California. I would just like to say first and foremost, not only are we both freshmen, but I think we both have parents, and parents are both on the Medicare system. They are concerned. And I am concerned as a good son. I want to make certain that my parents get the health care that they need.

But I think also, I come at this also not only as a freshman and as someone who has parents who are on the Medicare system, but I come at this also as a parent of teenagers. So there is a generational responsibility I think we have, not only to our parents, but I think we have a responsibility, and a special responsibility, to our kids. For too long here in Washington, politics as usual was "Well, we will try to patch it over and get past the next election, and then we will worry about it and really solve the problem."

I think the message of last November was that "politics as usual" just is not getting the job done. They wanted people to come to Washington and really look at the problem; take off the partisan glasses, if you will, and look at the problem, and try to come up with solutions that will really solve it long-term, so that we save the Medicare system, for example. Not just to get through the next election, but so that we save the Medicare system for the next generation.

I think that is the charge we were given, and I think up to this point, we have responded appropriately.

Let me just read, if I could, a couple of quotes from that report that you alluded to earlier. This has been said before, but I do not think it can be said too often. The trustees said, "Under all sets of assumptions, the trust fund is projected to become exhausted even before the major demographic shift begins."

What that means is the program is going to go bankrupt even before the baby boomers start to retire. That was what they said on page 3.

They went on to say on page 13, "The fact that exhaustion would occur under a broad range of future economic conditions and is expected to occur in the relatively near future indicates the urgency of addressing the HI fund's financial imbalance."

In other words, we have got a serious problem and we need to get busy now about solving it. And the longer Congress waits, the more they sit and twiddle their thumbs and play politics as usual, the worse the problem will become.

To their credit, I think our leadership here in the House and in the Senate have had something like 36 different hearings, talking about the problem and how we got to where we are. In my district, for example, I have had 33 town hall meetings. I do not know about in your district.

Mrs. SEASTRAND. I have had 30 meetings, a senior citizen conference, and one big Medicare briefing at a hospital that brought in 400 people. So we have all been out in the hinterlands talking to our constituents.

I do not know about you, but I find many people are in the state of denial. It was interesting, just other day an editorial in one of my local papers suggested "Let's just raise taxes and take care of the situation. Why are we worried about this and concerning our seniors and everyone else?"

I would just like to remind people, and I can tell you, I am going to be putting in a letter to the editor in rebuttal to that editorial, that that has been done before. Not too long ago we raised taxes. We can raise taxes until we are blue in the face. Yet the system is broken. It needs to be fixed.

I think this is the important point that we need to get to, the message to our seniors. I do not know about the gentleman, but I found the more people are in opposition to the situation, they are not really understanding what our program is. I think as we talk to people more and more about our program, they seem to say "Well, wait a minute. That isn't what I am reading in the headlines of the newspaper."

I think as we educate people to the situation of what our plan means, Medicare Plus, that we want to give choices, we are going to give increases, I think we are going to take the fears out of our moms and dads. And the gentleman mentioned he has teenagers. I have a 23 and a 25 year old. They are concerned about what the future means. So it is all a matter of education and talking, as we are doing here today, reaching out in our communities, at the town hall meetings, Medicare policy briefings, visiting the nursing homes, as I said before, and trying to get our message out.

□ 1945

Mr. GUTKNECHT. If I could just join this here, because I really do think the gentlewoman has hit on a very important point, and that is that long-term I believe the facts are our friends. I think the more people get to understand the facts of what we are talking about in terms of where we are now and how we got to where we are now, and the reforms that we are talking about, I think the more people understand the facts of the situation, and I have found in my town meetings where people begin to understand the direction that we are going, we have found less and less resistance and people begin to appreciate it.

When we talk, for example, about what has happened back in Minnesota, where on the public sector side when you are talking about Medicare or Medicaid or medical assistance, we have been seeing, and last year I think we saw in the State of Minnesota about a 10.4 percent inflation rate when you are talking about the public sector side on Medicare and Medicaid and medical assistance. The inflation rate on that side of the equation has been about 10.4 percent. On the private sector side, where they have used managed care and competitive forces and created markets, it has been running 1.1 percent.

Mrs. SEASTRAND. Innovative ideas.

Mr. GUTKNECHT. We have seen inflation rates running 1.1 percent. It does not take a Fulbright scholar or a genius to figure out why can we not steal some of those ideas that are working so well in the private sector to control cost, and still provide people with the health care they need and want. Why can we not steal those ideas and apply them to Medicare and Medicaid?

We have been joined by our colleague, the gentleman from Georgia [Mr. KINGSTON]. I wonder if he would like to join us in this colloquy.

Mr. KINGSTON. I would love to. I think that I am touching bases on what the gentleman is saying. When we are increasing the spending per recipient from $4,800 to $6,700, we are clearly not cutting. But what we are doing is ending "politics as usual."

I am honored to be on the floor with the two freshmen Members, who have so much energy and vibrance and have brought so much reform to this body. But the one message of the freshman class has been this is not politics as usual. They are going to be realistic and they will address the trustees' report by the Clinton administration that says Medicare is going to be bankrupt in seven years.

In doing this, the freshman class, along with the leadership, has worked for a long-term practical solution, a solution that offers choice of physicians, that offers simplified language.

I heard you speaking earlier about grandma and so forth. I used to sell commercial insurance. I can say that one of the biggest problems people have with insurance, Medicare and so forth, is they cannot understand that stuff. To move towards simplified language and a clear choice of doctors, to move towards the clear choice of the different plans, if we want to get into a health maintenance organization, if we want to keep traditional Medicare, if we want to keep an insured private sector type plan, to have those options, I believe, is what our seniors want. But the long-term solution, to put Medicare on a solid basis once again, is the key to guaranteeing that it will survive.

Mrs. SEASTRAND. Mr. Speaker, it is interesting. If we do not reform Medicare, payroll taxes will have to be doubled by the year 2020 to avoid bankruptcy. I know on the central coast of California, basically our economic basis is built on small businesses. This will just be devastating to them. They are having troubles now with regulations, taxes and such, and if we follow what that editorial said in my local paper of "just raise taxes," this is going to be a burden on our small businessmen and such.

It is interesting that we have talked earlier about misinformation out there, what is in the headlines and newspapers, the ads, and so on. It was interesting because, especially last week, there was a real attempt nationwide to have advertising on television. I know many of my colleagues call it MediScare.

Here we are, we are talking about our plan, we have options for people, choices. We are going to increase the dollars for spending over the next seven years and we are offering the choices, as I said, and we will talk more about that later, about the kind of options they are going to have, yet it was interesting to see the campaign.

What was interesting to me was to see that many of these organizations that were paying for the "attack ads," as I call them, to scare our seniors, they were paid with our own Federal tax dollars. Groups that file their IRS forms, and we find out that they receive grants from the Federal Government. Taxpayers out there, those small businessmen and women I talked about, that if we do not reform Medicare, here they are through the back door giving these organizations dollars to go in a back door with advertising condemning a program and using MediScare. They are saying that seniors will not have choices. They said we are cutting Medicare.

So I think, again, as a freshman who wants to do something about it, people are tired of this, and once we get beyond the scaring, and talking to people and educating them as to what our plan is, people will be with us, our seniors and such.

Mr. KINGSTON. If the gentlewoman would yield, one of the things that the Medicare reform plan does do is crack down on fraud and abuse, seriously attacking it, even to the extent that would allow seniors to have a financial incentive for reporting fraud and abuse.

What I hear at my town meetings, and I am sure others have as well, is that people are going to the hospital for one thing and then getting bills for services that they never even came close to receiving. Frequently it is picked up by an auditor, but often people say, "Don't worry about it. Medicare is paying for it." Yet that is right out of your pocket.

The gentlewoman had mentioned some of these taxpayer-funded groups fighting Medicare reform, fighting for the status quo, fighting for a program that will go bankrupt in 7 years. I believe that is an example of the waste and abuse of our system. If they are going to use their money, their Federal grant money for political purposes, and, as you know, there are 40,000 organizations that receive over $39 billion a year in grants and funding from the Federal Government without even opening their books, if they are going to do that, then they should, I think, certainly participate in it by opening up their books for public inspection, because they are wasting it.

Ms. PELOSI. If the gentlewoman would yield, just on that point, because obviously we have differing views on your version of the story in terms of Medicare. Is the gentleman stating that there are people out there using taxpayer dollars that they receive from grants for purposes other than what those grants were designated for?

Mr. KINGSTON. Well, I believe the gentlewoman knows the situation of one group.

Ms. PELOSI. I know that that is against the law.

Mr. KINGSTON. Mr. Speaker, there is one group that received 97 percent of its budget from Federal taxpayers and spent $405,000 financing candidates for Congress.

Ms. PELOSI. Mr. Speaker, Is the gentleman saying they are using taxpayer dollars to do that?

Mr. KINGSTON. Ninety-seven percent.

Ms. PELOSI. No, no, are you saying they used taxpayer dollars to do that?

Mr. KINGSTON. Ninety-seven percent of their budget comes from the taxpayer, and they turned around and spent $405,000 on PAC contributions to political candidates. So I would say that if it was the case that not just the letter but the spirit of the law of not using tax dollars for political purposes, if that law was being followed, then we would not have that problem. What I would also wonder is that since it is already illegal for groups to use tax dollars for political purposes, I am confused why we do not have bipartisan support for the Istook amendment.

Mr. GUTKNECHT. Mr. Speaker, I want to join in on this particular discussion. We do not know, as a matter of fact, whether or not any Federal laws have been violated and I would give the administration the benefit of the doubt. But if in fact, the facts that we do know to be true, that they did in fact give over $400,000 to political candidates, if in fact their tax returns were correct, which we have now seen and they have received over 96 percent of their funding from Federal taxpayers, then in fact I think, yes, they probably were in violation of Federal law. They should be investigated. There ought to be some prosecution of those people.

That is the kind of thing that either the law is not clear enough, which is why the Istook amendment is here to try to clarify that, or the enforcement is lax. But, clearly, what the taxpayers do not want to have to do is to watch groups receiving large amounts of Federal tax money turning around and using that money either to directly lobby the United States Congress or to otherwise try to affect events, buying advertising to affect what is happening in the public arena. All we do know is that they received a huge amount of Federal money and they are in fact actively out there lobbying, and they have actually set up a PAC and contributed over $400,000 to Congressional candidates.

Ms. PELOSI. Mr. Speaker, the gentleman from Georgia knows I regard him as a gentleman, and just hearing him say that these people may be in violation of the law because they receive X amount of dollars and they give out X amount of dollars, I think we want the Record to be clear that he is not saying that they are in violation of the law, because we all know that anyone who gets grant money from the Federal Government cannot use one penny of that money for lobbying the Federal Government or for any PAC contributions.

If the gentleman is saying that anyone who gets a grant from the Federal Government should not use other money to lobby the government or other money to make PAC contributions, then the gentleman would hopefully apply that to defense contractors and others who receive huge amounts of money from the Federal Government.

Mr. KINGSTON. As the gentlewoman from California knows, as a distinguished and a very good member of the Committee on Appropriations knows, so often as members of that committee we get lobbied by people who have, in fact, come to Washington for the purpose of lobbying for more money and, quite often, on taxpayer dollars in the name of a conference.

So I would say that there is plenty of murky water in there as we try to verify this. Perhaps some of the wording in the Istook amendment is not perfect. However, certainly what the Istook amendment is trying to accomplish is something that we all need to deal with as we get lobbied, particularly members of the Committee on Appropriations, by governmental and quasi-governmental groups.

I also wanted to point out to the gentlewoman, I have offered an amendment that exempts what I hope would be small-fry groups; for example, historical associations, small art museums, symphony groups and theater groups, who spend actually less than $25,000 a year on government-related lobbying or information campaigns, as the case may be, however you want to call it, because I need the input from my homeless shelter and I need the input from my historical association, and so forth. But I know that their members do not want to think of them spending over $25,000 a year on Washington quasi-lobbying conferences and that sort of thing.

I believe the amendment that I have offered in the Subcommittee on Treasury-Postal Subcommittee on Treasury-Postal conference committee is a step to help strengthen that, and I hope because of that we can get some bipartisan support.

Mrs. SEASTRAND. Mr. Speaker, I think this is an issue that will be discussed more and more on the floor of this House, and it is interesting, I have here a report of some six or seven organizations that receive nearly $80 million in Federal funding between July 1993 and June 1994. The question is are they using this for their operating expenses or are they using it for lobbying.

I understand what the gentlewoman from California is saying, but I will tell my colleagues, the taxpayers that are in my central coast of California look at this, scratch their head and say what is wrong here, because it is coming out of a pocket and whether it is used and legal or not, they want to see this type of thing stopped. When they see an organization getting 96 percent of their entire budget from the Federal Government and still turning around and lobbying against reforms, and so on, they are asking questions.

Mr. Speaker, the gentleman from Minnesota had a few comments to make.

Mr. GUTKNECHT. I want to get back and talk about Medicare, but in terms of this one particular organization it is hard, I think, it is a long stretch of the imagination to say that an organization can receive less than 4 percent of its gross revenues from nongovernment sources and not be almost an arm of the Federal Government.

□ 2000

And then to be actively involved in the activities that at least we believe and have been alleged that they have been involved with, I think raises serious questions. As I say, I am willing to give the Attorney General the benefit of the doubt. I assume that they are investigating. We believes that they should investigate.

I agree with you, if that is true, it is illegal and it should be stopped. But it clearly is not clear in terms of the law today, and we want to see it stopped. I think all Americans want to see it stopped, because I think it is a heresy to think that taxpayers' dollars can be used to lobby for more taxpayers' dollars. And particularly when some of the ideas that are being brought forward are at least in the view of many of us far from honest. They are not bound by the facts, at least as we see them and as most people would see them.

Mrs. SEASTRAND. That is where I was coming from, the idea of talking about trying to educate our American people about our plan, and then we see these ads in and attacks on radio, television and such, and we kind of got sidetracked over there.

I think, overall, as I said, as being freshman reformers, we want to come here and see that it is not business as usual. We want to roll up our sleeves. We want to fix it. We want to fix the problems. And these ads do not help in a dialog when you are actually saying that we are cutting Medicare, there are not going to be choices, that we are going to do all these horrendous things. As I was saying before, once our people understand what the program is, it is interesting, you have mentioned your town hall meetings, where people come in and talk about the fraud, waste, and abuse. I do not know if you gentlemen have experienced this, but some will bring their bill from the hospital, and it is like a phone book. They will actually sit down or hold it up and show all the things that were wrong, the $2,500 that was charged for something that was just an obscene charge.

Our seniors are very concerned about this. But again, once we sit down and talk at our town hall meetings, present the case to them, they say, your plan is honest. It is responsible. It is a long-term solution. It is just not a Band-Aid approach.

Mr. KINGSTON. Mr. Speaker, on the description and the adjectives, I have here a September 15 editorial from the Washington Post which, if anything, is not exactly a fan of the Republican Party and the leadership. Yet they are saying in here that Republicans have a plan. It is credible. It is inventive. It addresses a genuine problem that is going to get worse. And this is a pretty good editorial, particularly coming from a group that is traditionally very critical of anything that the majority party has done.

Again, getting back to what you are saying, your freshman class has led the way, clear thinking, responsibility, making things accountable, cracking down on fraud, maintaining choice of position, simplified language. That is why groups like the Washington Post, who even if it was begrudgingly, will say, Republicans have a credible plan and they are addressing a genuine problem.

Mrs. SEASTRAND. I have additional editorials here, on and on, the Washington Post, Columbus Dispatch, the

Atlanta Journal Constitution, all of these are in September, the Providence Journal Bulletin, the Cincinnati Enquirer, the Star Tribune, the Dallas Morning News, Seattle Times, on and on, same type of situation, saying that this is a plan that is worthy to be looked at. It is sensible, responsible. And I am encouraged by reading these editorials, because sometimes, again, when you get caught up with seeing those 30-second type commercials on television, things get lost. But we have to stand here and remind ourselves that we are being cited in editorials across this Nation that our plan is worthy of being looked at.

Mr. GUTKNECHT. If I could interject, I think facts are our friends. I think the more people get to know the facts, and the editorial boards around the country, and you recited some of them, most of them are not exactly Republican propaganda organs, but the more they have had a chance to look at the plan, the more they like it.

One of the arguments we hear from some of the folks is that seniors are going to be forced into managed care, as if that is a terrible thing, and that managed care is like the devil you do not know.

First of all, I think we need to make it very clear, no one is going to be forced into any program. And you mentioned your mother. I think that a lot of, particularly the more fragile senior citizens, I think they are going to stay right where they are.

Mrs. SEASTRAND. My mom is going to stay right where she is, in a traditional Medicare situation.

Mr. GUTKNECHT. I think they ought to have that choice, and they ought to be able to stay right where they are. I think more seniors ought to have the options that are available now in the private sector.

Let me talk a little bit about a study that came out this weekend, funded by the Minnesota State Legislature and done by the Minnesota Health Data Institute. In that study, they interviewed over 17,000, to be exact, they interviewed 17,591 Minnesotans. This is the largest study of its kind ever done. And what they really wanted to find out is how satisfied the people of the State of Minnesota are with their various health plans.

We in Minnesota have probably a larger penetration of managed care programs of various colors, and there is a wide variety of different programs that are available in the State of Minnesota, but I think it is interesting to note, the HMO's and the managed care programs have not penetrated the Medicare population as well as they would like to because of some of the regulations that the Health Care Finance Agency puts on it.

But in the study, obviously this print is too small to be read on the television screen, but I do want to talk about one particular chart, because I think it is very instructive. The argument that seniors despise managed care, at least in the State of Minnesota, is simply not true. In fact, they asked all Medicare recipients whether or not they were satisfied with the health care that they are getting. And when you asked just all Medicare recipients, about 77 percent are very or extremely satisfied; 17 percent are somewhat satisfied; but about 6 percent are dissatisfied.

Now, when you take the group who are members of various managed care programs and ask them the same question, their overall satisfaction, what you find is about 88 percent of them are very or extremely satisfied; only 11 percent are somewhat satisfied; and 1 percent on the largest plan that is available in the State of Minnesota, only 1 percent are dissatisfied or extremely dissatisfied.

The point here is that the level of satisfaction among members who are participating in managed care programs in the State of Minnesota, and it goes down for all the various managed care programs, people are actually more satisfied with the care they are getting in managed care programs than they are with regular fee-for-service Medicare. The system does work. And if we allowed more of these programs to develop and evolve in a more competitive market-oriented system, I think seniors are going to get better care. And they are going to be more satisfied with the system that they will have than under the system that they have today.

Mr. KINGSTON. I think the point of the gentleman is that this is but an option. It is an option that is good. It is not an option to be scared of. But if you do not want it, you can have traditional Medicare. If you do not want it, you can have a Medicare account. If you do not want it, you can have traditional insurance. Medicare has been described as a 1964 Blue Cross-Blue Shield plan. Do you want your mama driving a 1964 Chevrolet Biscayne? We had one when I was a kid.

Mrs. SEASTRAND. Maybe that is something we should look at.

Mr. KINGSTON. I wanted my mama to get all the advantage of the 1990's and the technology that is out there in medicine, transportation, and safety. And this Medisave account, they actually have one like this in Singapore. It has led to lowering the cost of health care yet at the same time increasing the quality and keeps choice of physicians.

Mrs. SEASTRAND. I am glad that you mentioned that. Our seniors have an option, because at home just this last weekend, I visited a rehabilitation institute. And they are very concerned because of the fact that the particular HMO's that they are dealing with are not sending patients to the institute for really serious rehabilitation care. And so I can understand their concerns.

But I made the point, in this plan, our plan, if you are not happy about what you are in, an HMO or such, you will be able to opt out and then choose another plan. And I also would agree with the gentleman from Minnesota, once this is up, the free enterprise system, the competitive spirit, we are going to see innovative programs. We are going to see different—I look at it as a menu, not only that one car for everybody, as you were commenting about, that 1964 car, or one particular dinner, we are going to open up a menu. We are going to see all different kinds of things that we can choose from.

Mr. KINGSTON. It will be in simplified, easy to understand terms so that you do not have to be an accountant. You do not have to be a lawyer. You do not have to be an insurance agent to understand it. You do not have to have it explained to you.

Mrs. SEASTRAND. Very simplified. And if I understand, my mom will receive her information and she will be able to choose and check off where she would like to go, into what kind of a plan. And if she does not, for whatever reason, she forgets to check the box of what she wants to choose, then she will be put into the traditional Medicare Program. So I think this is, as I said, the more our seniors and our American people hear about our plan, they are going to get excited about it like I am, too.

Mr. GUTKNECHT. I would like to tell a story that happened in one of my town meetings where a truck driver got up. He said, I am going to retire here in a couple years and, as I understand it, he said, as soon as I retire, I am going to have to leave the insurance plan that I have right now. And he had heard some of the numbers. And he said, I think actually my insurance plan, which I am very satisfied with, is cheaper than what I hear the average cost of Medicare. Why is it that I cannot just stay where I am? And I said, that is a very good question.

And so one of the things we are going to try and do is make it possible for people, when they retire, to stay right where they are. If they are with the firefighters, perhaps stay with the firefighters health care plan. I they are a teacher, they can stay in the teachers' plan. But the key to all of this is to create markets and competition, because I think the real answer long term to controlling cost is to use the marketplace.

I carry with me a little chip that is actually developed and manufactured in my district. Depending on which electronics company you are talking to, we believe that this is the most powerful desktop chip ever built. It is the power PCAS IBM AS-400 64-byte risk. This will do essentially the same work that a computer which would have weighed something like 2,000 pounds would have done about 12 years ago.

Now this will do that same work in, it is like taking the difference between a 2,000-pound computer that you would carry on your back and now all that computing capacity will be in a wristwatch. And the interesting thing is the cost has come down geometrically. Part of the reason that that has happened is because market forces and competition have forced the free enterprise system to find smarter, better, and cheaper ways to produce these.

This is what is happening in the private sector every day, whether we are talking about automobiles, encyclopedias, or computers. Obviously, electronics is perhaps the most exaggerated example of that, but that is what is happening.

What we have got to do is figure out ways to help create markets to create competition, so that if your mother or my parents are not particularly satisfied with the plan that they have now, they ought to have the option to shop around a little bit. It ought to be simple and easy to understand English so that they understand what they are getting from that particular program.

Mrs. SEASTRAND. This has not been done in the last 30 years. They were all forced to go into one situation. Some of our seniors are healthier, and they do not need certain situations as other seniors do. In our plan, we are going to give them so many choices so that they can choose.

For instance, my mom will probably stay in the traditional Medicare. But if there are some seniors that are just entering the plan, like our SAM JOHNSON, who just turned 65 today, and they are healthy, probably the medical savings account would be their best option.

Mr. KINGSTON. Or the congressional plan, opening up a Federal employee type benefit plan for seniors. If it is good enough for the U.S. Congress, it is good enough for my mama.

I want to comment on this computer chip, because I think it is interesting that you bring out that high technology, because that was done by the private sector. If the Government was in charge of the development of that computer chip, we would still be on the vacuum tube.

Mrs. SEASTRAND. We are, too.

Mr. KINGSTON. In fact, the Federal Government is the largest purchaser of vacuum tubes, I believe, in the world. And no one in America has a TV or radio anymore, unless they have it for novelty purposes, run by vacuum tubes.

Mr. GUTKNECHT. When we fly home every weekend, for those of us who fly a lot it is a scary thought, maybe I should not warn Americans about this, but the air traffic control system relies heavily on vacuum tube technology. We are the largest buyer of vacuum tubes in the world. We have to buy them from Czechoslovakia. They are no longer made here in the United States. They are no longer made in North America. But we are the largest buyer.

The rest of the world, the free enterprise system is using this. And this is the equivalent of, I think, something like 9 million, this little chip does the work of 9 million vacuum tubes. That is what is happening in the private sector. The vacuum tube is what is happening in the public sector.

Mr. KINGSTON. There is no reason, in getting back to my days as a commercial insurance agent, I can say this, there is no reason that insurance products as an intangible item cannot advance the way a tangible computer chip does.

When I sold workers compensation, product liability, fire insurance, I can tell you just in the 10 or 12 years I was in the business, the policies changed tremendously and in most cases got more competitive and at a lower price brought a better product to the consumer. That is what we need to do with Medicare so that our seniors, and the gentlewoman from California mentioned about the senior population increasing, I believe the population sector that is increasing the most in society right now is the individuals over 87 years old.

□ 2015

We need to have the innovations, the technology and the know-how to keep up with them, so that we can continue offering some of the great things that the private sector can do and not have this stifling bureaucracy that cuts off innovation and deprives the consumer.

Mrs. SEASTRAND. You had mentioned about fraud, waste, and abuse. I think there was one thing that I heard in those town hall meetings, the concerns of the seniors, was the fact that they recognize fraud, waste, and abuse when they are looking at that bill from the hospital or such. They are concerned.

I am pleased that our plan is going to give the chance for our seniors to review their bills, and we are going to try and simplify the billing process so they can. As you mentioned, they do not need a S&P or an attorney to interpret their bills, and if they find $1,000 or in excess of $1,000 in fraud, we are going to give an incentive to them.

I think this is the way to go. If there is anything that I know about our seniors is they are very thrifty. They are concerned about their bills. They do not want to waste dollars and, I might add, they also have the time to look over those bills. So we are going to give them the tools to be of assistance to us so we can save money.

Right now the experts tell us we are spending almost $44 billion alone a year regarding fraud, waste, and abuse. Those are a lot of seniors that we can be of assistance to if we were not spending those dollars in this area. I am pleased to know our plan is going to be of assistance to our seniors to help look for this fraud.

Mr. GUTKNECHT. I think any of us who have had town meetings, at virtually all of them we have heard examples. I remember one example, I believe in Lake City, MN, where a senior stood up and said she had been billed $232 for a toothbrush.

I think that is repeated so often and, as the gentleman from Georgia [Mr. KINGSTON] said, many times these are caught but many times they are not. I think sometimes there is an attitude with some people that it is not our money.

I think part of this whole thing using medical savings accounts and encouraging seniors to review their bills, I think is a way of saying we all have to take responsibility. Because I think one of the analogies I like about this, or even the national debt and the deficit and all the other problems we have in the national budget, is we are all in the same boat and you cannot sink half a boat.

I think we all know now and I think everyone has now finally come to the conclusion that the Medicare boat especially is heading for the rocks. What we are saying is we have to drastically change course. If we stay on, keep doing what we have been doing, the boat is going to hit the rocks and we are all going to go down together. It is going to hurt seniors, us, our children. It is going to hurt everybody.

We do not have to make drastic changes to the system but we do have to change course. We cannot keep doing what we have been doing. My grandmother says it best. She says if you always do what you have always done, you will always get what you have always got.

We need to begin making some of those changes, again taking the best ideas from the private sector, giving seniors choices, making markets, helping to create markets so that we have competitive forces out there. I am actually convinced that we are going to save a lot more than we think. As I understand it, the CBO is now scoring our legislation, saying they are only estimating that about 25 percent of seniors will get involved in some of these various new options we are talking about with managed care, medical savings accounts, and the like.

My sense is long-term you will see much larger percentages than that, and I think you will see those inflation rates dropping precipitously so that we will save the system. We will simplify it, make it easier for consumers and for seniors, and we can save the system not only for the seniors who are there today but for the baby boomers when we start to retire in 2011.

Mr. KINGSTON. If the gentleman will yield, there is one thing that always goes on in Washington, and we all admit it goes on on the left, it goes on on the right, and that is special interest groups that surround Members of Congress by telling folks back home:

> The sky is falling. The only way you can prevent it is by sending me a $25 check and writing this postcard to your Member of Congress telling him or her what to do.

It is all this fear.

One of the things that the other side of the aisle is employing is the tax cut for the rich to pay for Medicare. Let us talk about the tax cut a minute.

First of all, statistically when you put more money in the pocket of the American consumers, they buy more goods and services, jobs expand, more people are working, revenues to the Treasury actually go up. Under Ronald Reagan, for example, from 1980 to 1990 revenues after his tax cut went from $500 billion to $1 trillion. Unfortunately, spending on a bipartisan basis outpaced revenues. However, there was truly a lesson. The same thing was done under Kennedy.

Let us look at this so-called tax increase: $500 per child tax credit, and taking care of your mother in your house or your father in your house. If I have a senior citizen who is a dependent living in my house, I get a tax credit for it.

You do not hear the Democrats talking about this senior citizens' earnings limitation, so that if they are 65 and they want to continue to work, they will not be penalized up to $30,000 on their Social Security by working. Senior citizens want to continue working after 65. We are trying to give them the option of it.

Increasing the estate tax from $600,000 to $750,000 so that seniors, should they choose, can continue to save their money and pass it on to their children if they want to.

And then the capital gains tax cuts. In my district, and I am sure every other district in America, you have growth areas. Very typically you have a widow who has lived in the house for 30 years and suddenly that property, not suddenly but over the 30-year period of time, is worth a lot of money. She wants to sell it. She may need to sell it for long-term health care, for a retirement home, for a medical emergency, or whatever, and yet if she does, she is going to be clobbered at a 28-percent tax rate for the value of that up to her income bracket.

What is wrong with cutting that in half for the senior citizen? Yet we just hear all this fearmongering that the Rockefellers are going to benefit from it. That is not the case. Seventy-five percent of the money goes to people with a combined income of $75,000 or less, and our senior citizens will benefit tremendously from it.

Mrs. SEASTRAND. I think if the gentleman from Georgia would come to the central coast of California, we have fairs, quite a few fairs throughout the district and they are all the time, as I am sure you do in Georgia, talking to the men and women, moms and dads, coming up, talking about the fact that something has to be done, I can't continue in my small business, very concerned, they are looking for some relief. They are excited about the prospect of a capital gains tax reduction. Seniors are excited when we talk about I want to have you keep more of your dollars in your pocket. I want to reduce that tax hike that you got hit with recently.

The idea of moms and dads when they come to the fair, let me tell you, they do bring the children and they are excited about the prospect of the $500 tax credit. Also I am a mom, I have two adopted children so I know how important it is also to give that tax credit to the children that are waiting to be adopted and moms and dads wanting to do the right thing and to add to their family. These are not for, as you said, the rich people. We are talking about middle class and our low-income people throughout America. This is what it is—I want to give and I know you gentlemen want to give dollars back so that they can control their own destinies.

Mr. KINGSTON. We just do now want to take it in the first place. It is the people's money. That is what really gets me about the arrogance on the other side when they say you are giving money to them. It ain't our money, for crying out loud. We are talking about the people of America. We are talking about their money. We are just not going to confiscate as much as we have been confiscating. If you do not think it is confiscation, don't pay your taxes one time and find out about it. That is the absolute truth.

I was speaking last week to the drivers of UPS in my district. A guy said to me:

> Listen, I make good money as a truck driver for UPS. I don't make a lot of money but it is a good living. I've got 3 kids. My wife works. We work typically 50 hours a week or more each. Yet at the end of the month, we have got absolutely zero because our money is going to taxes.

As you know statistically, that two-income middle-class family is paying 40.5 percent of their income in taxes. The same family in the 1950's as a percentage of that income only 2 percent went to the Federal Government. Today that family is paying 24 percent to the Federal Government. We are killing the American middle class with taxes and they are sick and tired of it and it is their doggone money. We are not giving it back to them.

Mrs. SEASTRAND. Even if the budget were balanced and we did not have that problem of looking at how we are going to handle that situation, even if it were balanced, Medicare would still have to be saved from bankruptcy. I think that is an important point. The tax relief has nothing to do with this issue. We need to save the program because it is the way the system is made up. It is failing. It needs help. We have to breathe life into it.

Again that is why I am excited about our medical savings accounts and all of the other options we are going to give. It is good news that our bill passed out of the Committee on Ways and Means today.

Mr. GUTKNECHT. And the tax relief, if I could just say and the gentleman from Georgia [Mr. KINGSTON] has said it so well. Whose money is it? It is not Washington's money. We did not earn it. They earned it. They work hard every day. We are saying you ought to be able to keep a little of it.

The second and more important point is who can spend it more efficiently. Are there any people in America who really believe—in fact, let us play a little mental game with this. Let us envision that you won a big lottery and all of a sudden you became a very wealthy person and you wanted to help humanity.

What is the first thing you would do? I do not think the first thing that you would do is give the money to the Federal Government. Because I do not care what your circumstances, I do not think anybody really believes the most efficient way to distribute funds or the most efficient way to buy things is through the Federal Government. We know what the most efficient unit is. It is called the family. That is why that family tax credit is so important. Those families know how to spend that money efficiently. They will get real value for the money and they will plow it back into the economy and frankly I think long-term we will see overall revenues to the Federal Government go up because of the increased activity.

The second point that needs to be made, and this is where some of our friends on the left get so upset. It is about this capital gains tax cut really which I think is so important. Really what we want to do is stimulate economic growth in this country so we have more jobs and more opportunity. It is about converting this society from a welfare state to an opportunity society. This is what we promised last November. We were serious about it. We want to change that. But even capital gains where I think we have to say, it may well be that some wealthy people will take more advantage of that tax break than other people. This is true. But let me give a very important fact. Again I think facts are our friends. Forty-four percent of the people who pay a capital gains tax in the United States are wealthy for one day. The day they sell their businesses, the day they sell their farm, the day they sell some other investment which in many cases they have been paying taxes on for a long period of time. Again whose money is it? The Federal Government did not help create that wealth. The Federal Government did not help create that wealth. The Federal Government is not really helping to create those jobs that usually go with those capital gains.

I think what we need to do, we promised we would give tax relief and unlike some of the other people who have been elected, the old politics as usual, we made a promise last November that we were going to lower taxes on families and we were going to make it easier for people to invest and save. We were serious then, we are serious now and we are going to come through with that tax relief.

You are right, it has absolutely nothing to do with saving Medicare. The Medicare fund would be going bankrupt whether we gave tax relief to American families and encouraged jobs and investment or whether we did not.

Let me just finally say about the tax cut, all we are really doing is giving back a little bit of what was taken away in the big tax increase a few years ago. This is just starting to give back to the people what they had before the big tax increase. I think it is a great idea, it is long overdue, I think once the American people begin to understand the facts there will be overwhelming support for this.

Mr. KINGSTON. If the gentleman will yield, after the outside-the-beltway tax increase, the Bush-Democrat party deal, the economy slumped. Revenues did not increase, because the prosperity was not there. Yet under the Reagan cut, prosperity increased, revenues increased. There comes a point where the American public has had all the fun they can stand and they are not going to continue working this hard. The UPS driver that I was talking about, why would he want to continue working 50 hours a week when he knows the marginal increase is almost zip?

Mrs. SEASTRAND. If he can keep his dollars, he is going to do additional things. He is going to buy that home, he is going to maybe buy a new truck to get the family around. People do not put their dollars necessarily in a mattress anymore. They are going to do something with those dollars. They are going to buy it, invest it in a business or a home or hopefully they are a small business and they will hire someone additionally and give that young person a job.

□ 2030

So this is all important too, and I think the most important thing is that we made promises in the fall of 1994, many of us as reform-minded freshmen who have come here because of promises we made. It is my intention to keep that promise. It is exciting times here this fall in 1995 because there is a lot to do, and we are going to not only save Medicare but we are going to help to give tax relief to the American people.

Mr. GUTKNECHT. One last point about tax relief. This is something not well understood, and sometimes it gets lost in the whole discussion: The tax cuts we are talking about have been paid for. I mean, we have made, by the time we finish with reconciliation, with the rescission bill which we passed earlier in the session and the appropriations bills which are working their way through the House now, we will have cut over $44 billion in discretionary domestic spending. We paid for the tax cuts irrespective of what we are doing with Medicare or anything else in the budget. We are paying for the tax cut by cutting Federal spending. That is critically important because I think that is what many of the money markets are out there looking towards, and that is why we are going to get greater economic growth, and that is why we are going to get lower inflation, lower interest rates down the road if we follow through with this plan.

Mr. KINGSTON. What the gentleman is saying, instead of taking the money from the people, the American middle class, you are going to take it from the Washington bureaucrats, which is exactly the platform that the two of you and the other Members of the freshman class campaigned on. When I go back home and talk to my civic clubs and describe the freshman class, I say for the first time in my political life normal people create the majority of the folks in there.

I believe, as your freshman class has got a reputation, you are not running for Senate, you are not running for President, you are not running to be committee chairmen up here in 20 years. You just want to balance the budget and go home and make a better America, and I think that that is the difference, and this is your approach on Medicare. You are being reasonable. You are being sensible. You are moving to simplify it. You are moving to protect it. You are moving to save it. You are moving to strengthen it. That is what the American people want.

I am glad to be part of your team. Even though I am in the sophomore class, I do think our philosophies are exactly alike, and I am proud to be with you, and I appreciate being in this special order tonight.

Mrs. SEASTRAND. I guess we started off talking about so many things that we have to talk to our seniors and Americans across this Nation, to talk about our Medicare Preservation Act and how difficult it is because so often the headlines are the 30-second ads, which always use the key words, "rich," "cut," and so on, and scare people. I am proud to say we are moving forward with a plan. We are going to save, protect and strengthen Medicare. It is going to be there for my mom, who is 83. It is going to be there for me and future generations.

We are going to try, as I said before, to get the message out across this land that this is what we are doing.

Mr. GUTKNECHT. We have got to close here. I just want to say it has been my pleasure to participate in this special order. I do believe, as John Adams said, facts are stubborn things. I do think more of the American people, the more they get to know the facts, whether we are talking about welfare reform, tax relief for families, saving Medicare, I think the American people will understand. I think they do understand that this is what they sent us here to do. They do not want politics as usual. They want to save Medicare, not just to get through the next election but they want to save Medicare for the next generation.

I think if we are permitted to pursue these reforms we are talking about, if we do not lose hope and faith in the American people, they will not lose faith in us.

I thank you for allowing me to participate, I say to the gentlewoman from California [Mrs. SEASTRAND].

THE IMPACT OF REPUBLICAN PROPOSALS ON MEDICARE AND MEDICAID

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentlewoman from California [Ms. PELOSI] is recognized for 60 minutes as the designee of the minority leader.

Ms. PELOSI. Mr. Speaker, last week the gentleman from California [Mr. LANTOS], the gentlewoman from California [Ms. WOOLSEY], and I held a field hearing in San Francisco on the impact of the extreme Republican proposals to devastate both Medicare and Medicaid, and all this devastation has wrought to pay for a tax break for the rich, yes, a tax break for the rich.

The Republican proposal would cut $270 billion from Medicare and $182 billion from Medicaid programs. Over 50 percent of the tax break will go to the highest 6 percent income earners in the country, over 50 percent of the tax break goes to the highest 6 percent of the population.

The hearing was very revealing. We had an extraordinary list of panelists who are respected in their fields who presented their views on the impact of these drastic cuts.

First, we heard from individuals, experts, really, because they can say directly how these cuts would affect them. The first panel was comprised of representatives of working families, mothers and children and seniors. Our first witness was a pioneer in the field of women's health and women's rights, Del Martin. At age 74, Del was a delegate to the White House Conference on

Aging and is a respected community leader.

Del said seniors are more than willing to carry their share of the deficit reduction burden.

> We are told that Medicare is responsible for only 6 percent of last year's Federal deficit. Why then, why then is Medicare being cut by 35 percent? That is not fair. Congressional leaders refused to even consider eliminating tax breaks and loopholes which primarily benefit the wealthy. You do not need a PhD in economics to know there is something drastically wrong in this balancing act.

Del went on to say in her testimony the increase in Medicare costs for her personally projected over the Republican plan would amount to over 27 percent of her income, and this percentage would increase as her income diminishes as time goes by. She said as she grows older, that if this Medicare plan is put into effect, her children may have to help her, and that is why these Medicare and Medicaid cuts, these drastic cuts proposed by the extreme Republican majority are of concern to not only our senior citizens but our middle-aged, middle-income families and children in America.

I think it was Betty Davis who said, Mr. Speaker, growing old is not for sissies. And being elderly in our country and being faced with these cuts in Medicare and Medicaid will have a devastating impact on America's families, because if our parents are not cared for, the delivery of service is not paid for by Medicare and Medicaid, then who is going to pay?

Under the Republican plan, I will tell you who is going to pay. The Republicans will have a call on the income of the working children of those parents from those elderly parents. The Republican plan will say that a woman, a spouse whose husband has gone, say, to a nursing home under Medicaid will not be able to retain even the $14,000 per year that she is now allowed to save. That money will have to go for her husband's care in the nursing home, and she will be pauperized and not able to stay in the community, and that the Republican plan will allow States to call on the home that that spouse is living in, in order to pay for her husband's care in the nursing home.

So this strikes right to the economic and health security of our senior citizens, but also the economic security of their children as those working married children who are trying to raise their own families will now have more responsibility for the health care bills of their parents.

Another member of the panel was a remarkable young woman, Melica Sadasar, who is director of Family Rights and Dignity, an organization for homeless and low-income families. She spoke to the consequences that changing Medicaid into block grants would have on poor children. She said the decision to block grant Medicaid relegates mothers and children to a caste of disposable human rights. These political decisions simply say that our children, that their lives are not valuable, that their futures are irrelevant. This is political savagery, she had said. This is child abuse masquerading as congressional legislation. "How can we say to an entire generation of children that their country will not protect or invest in them?"

Mr. Speaker, I contend that these changes in Medicare and Medicaid will not lead to balancing the budget or reducing the deficit. Indeed, the best way for us to do that is to invest in human capital, to invest, to intervene earlier if someone is sick or in need of care, rather than waiting until the bill is so much higher.

Finally, on that panel, Mr. Speaker, Bruce Livingston, the executive director of Health Access, spoke, and he talked very movingly about his parents and what the impact would be on their economics and indeed on their dignity and indeed on his financial security. He said that his father was a Vietnam vet and a career U.S. civil servant, had wisely and carefully structured a health plan for himself and his mother prior to his father's death. That included reliance on Medicare and Medicaid.

Now, like many Americans, his mother must rely solely on herself and whatever benefits she still receives from her husband's pension to make ends meet.

Bruce said,

> My father worked very hard to provide security for his family. This was the most important thing in his life. When I asked him why he fought in that war, he said, "I wanted to care for my family." My father would turn over in his grave if he thought the security he built for my mother was threatened because of proposals for tax cuts for the wealthy.

Bruce's father and mother made their financial decisions based on the promise that Medicare and Medicaid would be there for them. Bruce said, "My parents kept their promises to the U.S. Government. Now, as their son, I ask you to keep your promise to them."

As I said earlier, Bruce is part of that sandwich generation where he will now have his assets and his income called upon to help pay for his mother's health care costs.

I saw an interesting poster at one of the rallies that said, "My children cannot afford my health care."

What does it do to the dignity of a senior who has worked all of his or her life to provide for his or her retirement to then have to go to their working-age children, middle-income, working-age children who are caring for their own children, and say, "We need to call on your assets to take care of my health care benefits because Medicare and Medicaid are no longer there?" It is interesting to hear our colleagues, to talk about the choices seniors will have.

Oh, yes, they will have a choice. They can stay in Medicare with higher premiums and lower benefits. If they go into one of these other managed plans, I predict, Mr. Speaker, you can call that the Roach Motel plan, because once they go in that plan, they are not going to have any choices. It is in and it is not out, and let me choose another plan because I do not like it in there; so seniors have to be very, very concerned about this Republican proposal.

Well, it is clear it is easy to understand why the Republicans want to change Medicare. They did not believe in it in the first place. Ninety-five percent of the Republicans in the Congress voted against Medicare 30 years ago when it was passed in the Congress of the United States. They have not liked it. Now they want to move on from it, and it providing the health security to America's seniors.

We had other panels that I am going to get around to. But first I would like to yield to some of my colleagues from Northern California so that they can address some of the other voices that they are hearing from their districts. They can tell us about some of the other voices they are hearing from their districts on the Republican proposal. I first would like to yield to that fighter for seniors, the gentleman from California [Mr. FARR], who has been in very close touch with the seniors in his district and is here to report on their concerns about the impact of the Republican cuts in Medicare and Medicaid to give a tax break to the 6 percent wealthiest in our country.

Mr. FARR of California. I thank the gentlewoman.

I really appreciate the gentlewoman yielding this time. I hope that in our brief moment here tonight that we can bring to attention what is really going on in Congress.

Like the gentlewoman, this last week I met with senior citizens in my area and, in fact, they gave me this postcard. They asked me what would I do with it, what does it matter when they go out and gather signatures and then they turn in cards, cards by the hundreds. Every one of these cards is just coming in from the districts daily.

Those cards read:

> California seniors are willing to do their fair share to help reduce the budget deficit, but the drastic measures now proposed for Medicaid and Medicare are unacceptable. Your vote, those of Members of Congress, to devastate Medicare in this way would be breaking a campaign promise to thousands of your constituents.

I got to thinking just with that first sentence in there, "campaign promises." Is that not what this discussion really is all about? It is not about reforming Medicare. It is about a campaign promise that was made that this year the Republican-controlled Congress will give tax cuts to the very wealthy. That was a promise made, and when you think about it, I looked in the Webster's Dictionary of what is a promise. A promise is a legally binding declaration that gives the person to whom it is made a right to expect or to claim performance or forbearance of a specific act.

In order to deliver on that campaign promise, to cut Federal programs so that they can pay for tax cuts, they have to find a major program like Medicare, and attack it.

Now, we know it has some problems, and we are all willing to do something about it. But if you really want to keep your promises to seniors, you would not be attacking the very program that benefits them. In fact, the first thing you would do is you would get up and say "Look, this isn't about tax cuts. It is so much not about tax cuts that we are not even going to consider tax cuts. Take them off the table. We'll never deal with them." That honesty would bring us a long way.

This card goes on to say, "The current budget proposal described as a reduction in the rate of growth is nothing less than a cut, which will cost seniors and their families thousands of dollars more for their health care."

We just heard a debate that this is not going to cost seniors more, everybody is happy about it. If everybody really believes that, where are they? They are not in here saying "Give us this Republican proposal, give us this plan. We can't wait to have it. It is going to be so wonderful, the nirvana we are all going to live under when we do not have to spend more with less."

The card goes on to say, "Additionally, I am very concerned about congressional plans to cut spending for programs under the Older Americans Act, Meals on Wheels, congruent meal programs, programs to prevent elderly abuse," all of those programs we heard about at the hearings and out on the lawn that are under the acts. "Please act responsibly."

I think that is what we are trying to do here tonight, is be responsible about Medicare, about Medicaid, about the Older Americans Act. These are vital to seniors and to their families.

These cards just come from my district. So when I met with these seniors this last Monday, they said, "How can we just as individuals out here who have signed our names and have written you cards, and some of us are too old to write long letters, so the best thing we can do is sign a card, how can our plea, our voice, be heard in the U.S. Congress?"

I said, "There is a wonderful thing about Congress, and that is there are what is called special orders. And I will bring back to the U.S. Capitol, where we are standing tonight, all of these cards and all of this poster that you put out and the signatures you have had, and you will see and the rest of the nation can see your concerns, and will be able to join in with you, as thousands and millions of seniors are doing across the country to say 'don't break your promise to seniors just because you want to keep your promise to the rich.'"

Ms. PELOSI. I thank the gentleman for his speech. I hope the gentleman will continue to contribute to our discussion this evening. I commend the gentleman for his hard work in the district and congratulate him on this collection of signatures on the cards of real people, real grassroots people speaking out about the injustices of the Medicare and Medicaid cuts.

As the gentleman says, of course, we all stipulate that we must address the issue of waste, fraud and abuse. Indeed, President Clinton last year in his comprehensive health care reform addressed these issues. This was rejected by the Republicans. The President addressed the issue of the shoring up of the trust fund, of eliminating waste, fraud and abuse, and by moving forward with a comprehensive health plan, universal access to health care for all Americans, really took the bull by the horns in saying this is the only way we are going to address the rising cost of health care in America, is by making health care more available to many more of our citizens.

What is interesting is that today the reason we have the hearings in our district that the gentlewoman from California [Ms. WOOLSEY] participated in, was because our people really could not come to Washington to be able to be heard by the committees of jurisdiction on this issue. Some came and spoke on the lawn where we had our hearings outside, and some came and spoke in our district. It is very sad that our colleagues on the other side of the aisle were not there to hear what these experts had to say about the Republican proposal, indeed, what the individuals had to say about the insecurity that these proposals brought to their lives.

But what is interesting is what has happened in the last 24 hours here in Washington, DC. Within the last 24 hours, senior citizens who came to a hearing room where Medicare and Medicaid were being written up into legislation, legislative language, were ejected from the meeting with the assistance of the police. These senior citizens were ejected from the meeting. Within a number of hours, representatives of the AMA were waltzed into the Speaker's office to talk about what they wanted out of the Republican Medicare bill. They came out and said "We picked up, the AMA, we picked up $3 billion. $3 billion. So we support the plan." Nothing about what this does to undermine the delivery of health care services in America. "We, the AMA, we picked up $3 billion."

Well, guess who is paying the $3 billion? Those seniors who got ejected by the police from the hearing, because that same day, as the AMA is celebrating their $3 billion windfall, the Committee on Energy and Commerce voted a $25 per month increase in premiums for senior citizens in America to pay for the increase that they gave the AMA, and to also pay for the tax break, over 50 percent of which goes to the 6 percent highest earners in our country.

Before I yield to my colleague, I want to state that I will be placing in the RECORD the full statements of Bruce Livingston, executive director of Health Access, and other representatives of various groups.

Mr. Speaker, I am pleased to yield to our colleague, the gentlewoman from California [Ms. WOOLSEY], who was present at the hearing, who had some of her constituents there, and who has been a relentless fighter in this fight. She brings dignity and pride to the State of California by her service on the Committee on the Budget, where she represents so very well the values of the people of her district.

Ms. WOOLSEY. Mr. Speaker, I thank the gentlewoman for yielding. First of all, I want to thank you, my fellow Bay Area colleague, for having the forums that we had while we were in the district last week and for putting this special order together tonight, because when I was listening to what they were saying on the other side of the aisle earlier, it totally floored me. We must, in the Bay Area, live in a totally different part of this world or something than they represent, because the entire Bay Area, from SAM FARR's district down to Santa Cruz and north and through San Francisco and into Sonoma County and across the Bay to Oakland, Alameda, and Oakland, we do not hear these things.

I do not know why I did not bring them. I have stacks and stacks of petitions from the people in my district, one of the most affluent districts, by the way, in the United States of America, of seniors saying they do not like these cuts, if not for themselves, for other people they know. They are willing to pay their fair share, but they want fraud and abuse taken care of; they want the tax cuts off the table.

Well, I always do tell people that I am fortunate to represent Marin and Sonoma Counties, because being the two counties directly north of the gentlewoman's district, across the Golden Gate Bridge, I know that all of my fellow members of the Bay Area delegation, including myself and those that I work with in the sixth District, I know that we live in an oasis of sanity. That makes it easier for us, because we work with people who time and time again, our constituents, the true leaders of this country when it comes to caring, when it comes to understanding, and when it comes to working for the rights of other people in this Nation, including their own rights. But they care about other people.

So last week when Nancy and TOM LANTOS and I had the hearing in San Francisco and we met with many of the people who wanted to tell us what they thought about these radical cuts in Medicare and Medicaid, which Speaker GINGRICH and the new majority are pushing through our Congress, I was comfortable being with all of you, because I knew that we represented districts much the same. But I felt appalled that we had to have these meetings in our districts, which we have been having all over the place anyway.

I have had meetings with hospital administrators, with doctors, and with senior citizens throughout my entire district. Nobody is coming to me saying they like what is happening.

But we had to have more meetings than the one in San Francisco, because we are making up for 1 day of hearings here in the House of Representatives in the committee. We tried to make up for that with a week of hearings out on the front lawn, where we could have people come and actually express themselves. But it was important that we take these hearings also to the Bay Area within our own districts.

So when we had our hearings last week, we were able to hear what people really though about the impact of Medicare. The wonderful people spoke out, people like Dr. Tom Peters, who is the head of the Marin County Department of Public Health in my district, and to Anthony Wagner, the executive director of Laguna-Hondo hospital in San Francisco, and Paul Dimoto, who is with the San Francisco AIDS Foundation. They came to us, and they gave us one message to bring back here to Washington. That one message is this: The Gingrich Medicare and Medicaid cuts will devastate the elderly, the poor, and the disabled.

Today, I think we all know that the Committee on Ways and Means passed their assault on Medicare and Medicaid. Today, the new majority demonstrated their willingness to ram their plan through Congress with only 1 day of public hearings. What an outrage.

As a former Member of the Petaluma City Council, I can tell you that we talked longer and harder about sidewalk repairs than Speaker GINGRICH and his allies have for an issue which affects the health of millions of Americans.

So we are here tonight, the three of us, speaking out to the people that have been shut out, shut out of the democratic process by the new majority. We are here tonight to tell you that people in the Bay Area, seniors, patients in nursing homes and middle-income families, are scared to death, scared by the new majority's assault on Medicare and Medicaid. They know that this plan will inflict real pain on real people. They know and we know that the Gingrich Medicare and Medicaid plan is not fair. The people of Sonoma and Marin Counties know that the Gingrich Medicare and Medicaid plan is not fair as well as our knowing it.

Maybe even the majority knows that this plan is not fair. Maybe they do not really care. But the American people care, and so do the people who testified before NANCY PELOSI, TOM LANTOS, and myself last week in San Francisco. So do the doctors, the hospital administrators, the senior citizens, who have come to forums and hearings that I have had in Marin and Sonoma Counties.

I urge my colleagues, everyone in this House of Representatives, to heed the words of the people that we have been talking to, to reject these attacks on seniors, children, and middle-class families, and to show that we really care, really care about the people in this country.

Ms. PELOSI. I thank the gentlewoman from California for her statement this evening, for her participation in the hearing, and for her leadership on this very important issue. It was interesting then and now to hear your point that as a leader in local government, the time that you have spent, the period of public comment that is required for changes in the infrastructure in your district, be it a sidewalk or whatever, and how quickly the Republican majority wants to move forth with its stealth plan before anybody can really see what it is. I know our colleague, Mr. FARR, has a similar experience.

Mr. FARR. I think it is very interesting. The gentlewomen are on a city council and very involved in local government. Congresswoman PELOSI was on the board of supervisors in San Francisco County. I served the local government and then in the State legislature. There is not a city, county, or State in the Nation that does not require publication of any change in law that you are going to make, and that publication has to be available to the public, I know in California, at least 30 days before you even have a public hearing on it.

In the State legislature, an analysis has to be made of both the costs and the benefits, and that is all public information. In fact, you can call up on a hot line and get it, and those bills are free to any constituent in the State of California who wants them.

The point is, every time you are going to tinker with the law, the process requires that the public be aware and know about it. The one exception to that rule is right here in the U.S. Capitol, where essentially you do not have to tell anybody until the day that a vote is taken what is in the law. I think that is very confusing to most of the American public, because they are familiar with going to a school board meeting or going to a city council meeting or even petitioning their State legislature and finding out the details of the law, not what some press release says, not a public relations firm comment, but what is the law. People can read.

In this case, the public of the United States has no idea what is in this great promise to resolve Medicare, other than it is going to affect their pocketbook.

□ 2100

Mr. FARR. It is essentially going to take money, saying, "Government, you spend less, and, people, you spend more." For those people that are on fixed incomes that have signed these petitions that were at your hearing, what did they tell you? "Our incomes are limited. We are on fixed incomes. We cannot go out and make more money. We do not have the ability to increase our income. Our water bills have gone up, our garbage bills have gone up, our sewage bills have gone up, our telephone bills have gone up, and our cable television bills have gone up. Now you are coming along and saying the most vile thing of all, our health care bills are going to go up even more. Where are we going to get the money to pay for it?"

This is the sham being played on America. It is essentially saying, "You people, the poorest in the Nation, who have limited incomes, who cannot go out and get more, you have to pay more," so that they can turn around, take that money, and give tax cuts to the most wealthy people. This is not the Nation of America that takes care of people like that. It is not why we ran for Congress and why we took the oath of office to be here. Not to rob from the poor to give to the rich.

Ms. PELOSI. Mr. Speaker, as the gentleman mentioned earlier, if this is not all about giving a tax break to the wealthiest Americans, why do they not just take the tax cut off the table? Let us address getting rid of waste, fraud, and abuse in Medicare and Medicaid. Let us address the delivery of health care to our senior citizens, because that is mostly what we are talking about here, outside the arena of "We will take this money and we will spend it on a tax cut." If that is not what the purpose of this is, let us eliminate it.

Within the Republican Party there are many people saying it is not right to do this; we ought not have that tax cut. But the majority of the Republicans are insisting on it, because that is what this is about. They want to give the tax cut. They are going to where they can get many people who are paying into the system, and that is our seniors, and asking them to pay more into the system for their health care.

It would be a more fair and honest debate if we could have this debate without a tax cut on the table.

Ms. WOOLSEY. Mr. Speaker, if the gentlewoman would continue to yield, first I want to say I do not believe they are hearing what they are saying they are hearing from their constituents, because their constituents cannot be that different than ours. I know a Republican Representative just north of me. Our newspapers are telling us that his constituents are saying to him what they are saying to me, and that is keep your hands off our Medicare and our Medicaid. Because Medicaid is going to get hit next if we even tweak with Medicare. We will pass it down to the poorest of the poor; our elderly, frail seniors, and also the other third of the people who are on Medicare, which are the disabled and handicapped, and then children who are on welfare, which make up 70 percent of welfare recipients who need Medicaid.

So he is hearing what I am hearing. I know that. They are hearing what we are hearing. They are just trying to tell them that they think something else. It will not work. I do not know about other Members, but I have a lot of faith in the American people, and when they know what is happening to them, they will not put up with this.

Now, when we talk about process and we talk about the difference between local government and State government and county government, we have the Brown Act in California. I cannot imagine taking the AMA into a back room and negotiating what we are going to do with their fees and leaving all of the people, the consumers, the seniors, out of that debate process. No way.

It is such an insult to the people of this country. That is exactly why American voters are getting disenchanted. They think they do not have a say. The Republicans, in doing what they did with the AMA, gave the American voters a lot to believe in when they told them you, the American voters, do not mean anything to us. We are taking a special interest group into a back room and we are going to make great decisions that affect you.

Ms. PELOSI. Mr. Speaker, it is interesting that the gentlewoman makes that comment because at the same time that this is happening, as lobbyists are having very special access in this process, the Republican majority is at the same time saying anyone who gets a grant from the Federal Government should not be able to lobby the Federal Government.

Certainly nobody who gets a grant from the Federal Government should use any of those Federal grant dollars to lobby the Federal Government, and they must use it for the purpose of the grant. But just because an organization has competed in a process and won a grant does not mean they have abdicated their rights as a citizen of our country to be able to petition government. That is the right of a democracy. The public's participation in the formation of public policy is what a democracy is all about as much as a free election of representatives.

So when we talk about process, we are talking about a stealth plan which continues to be substituted. As recently as 48 hours ago, the plan became a new plan. And as recently as the AMA walking in that office, there was another change made. So we have this stealth plan and then we have a process where there are no open hearings where consumers can come in and citizens can come in and say this is how this would affect me, or professional judgment opinion would say this is how this would affect the delivery of service. And on top of that, we are going to squelch the voices of people who have participated in our process and have won grants.

And yet, Mr. Speaker, when we ask them would they apply that to the Defense Department, which awards contracts into the hundreds of billions of dollars, they say, oh, no, not the Defense Department. Well, if we are going to do it to people on the domestic side, then we should do it on the defense side or not do it at all.

And I prefer that. I prefer that the people who get government contracts have the ability to speak out, whether it is defense contracts or other contracts. But in this situation, the defense contractors are off the table, just as they are in the budget priorities.

Mr. FARR. I think we are really hitting on what is at stake here. It is really confidence in America. We have lost that confidence. I do not think the Contract for America buys confidence, particularly when you have in that contract this big tax cut. The American public can understand if you want to balance the budget let us stick to balancing the budget, but do not get us confused with also doing big tax cuts.

To the best of my knowledge, frankly, the debate has not been very honest because there are two forms of balancing the budget. There is a fast track, which I think is the Republican form, a steep glidepath, and then there is the more moderate glidepath which the President introduced, and the American public should know what the consequences are by taking either the steep path or by taking the less steep path. Because along the way, if you hurt the most vulnerable people, and we have seen in the Contract With America that we have already hit and hurt rural America, we have hit and hurt the elderly citizens, we have hit and hurt the school children needing lunch programs, we have hit and hurt students who want to go to college by making them pay more. What difference is it going to make if you have a balanced budget if people are too sick to enjoy it, too poor to access college, everything becomes too expensive? You have not really developed this kind of wonderful Utopia that all of a sudden you are going to get with a balanced budget where interest rates come down.

So I think the debate on how you balance the budget ought to be a lot more honest and it should be a lot more honest about who will get hurt if you take the fast slope toward balancing it. And along the way, we are hurting the very people that we want to help.

As you said, we prohibit Girl Scouts from coming in here and lobbying in Congress if they receive any Federal grants, but the big aerospace industry, defense industry, who get billions of dollars, can come in here and lobby for B-2 bombers, even when nobody in the Defense Department wants them, and they are not taken off the list.

So this is really about building confidence in America, and I appreciate both of my colleagues in northern California and the Bay Area for bringing a little sunshine and sunlight into what has been a very closed, mysterious system that I think misses a point of honesty, and the honesty is if we want to balance the budget let us talk about it, but not under the guise of just making poor people pay more so rich people can pay less.

Ms. WOOLSEY. If the gentlewoman would yield, in my hearings and forums I have been having in my district, I will have 100 or 200 people possibly in a room, and of course somebody in the room is going to disagree with me, and when that person stands up, the rest of the wonderful senior people as well as this person that stands up and gives his opinion sometimes boo or speak out, and I stop that person, those people immediately and say, no, no, this gentleman has every bit a right to give me his opinion as you do. This is the American process, which is about hearing each other and what we care about.

That has been the disappointment in this debate here in the House of Representatives. We have not allowed those who do not agree with what the new majority is recommending to have their say.

One of the other things they tell me in my meetings is besides taking the tax breaks off the table, why are we increasing the defense budget beyond what the Department of Defense wanted in the first place. They would like those increases off the table, also. They are very clear about that. So those are the kinds of inputs I am getting, and I believe that those around the country, besides ourselves, are getting the same kind of input from their constituents.

Ms. PELOSI. I think the polls are showing that the Republican proposal to cut Medicare in order to fund a tax break for the wealthiest Americans is not a popular proposal in all of America.

I want to take up on a point you mentioned about defense. Certainly we all, as we stipulated earlier, we must address the waste, fraud, and abuse in Medicare, as President Clinton tried to do and as we will all, I think, in a bipartisan way address, and let us also stipulate that we are all patriotic Americans and we want to have a very strong national defense.

But as we try to reduce the deficit and balance the budget, why, when the Republican majority is trying to look for inefficiencies in Government, do they take defense off the table? Maybe there are no inefficiencies in the defense budget. It could be. I doubt it, that there are no inefficiencies in any part of the budget. But why is it not on the table?

So when we say to senior citizens in order to balance the budget in *x* number of years and give a tax break to the wealthiest Americans, you will have to pay a higher premium per month and that could amount to several hundred dollars a year which, contrary to what my colleagues on the Republican side of the aisle may think, is a great deal of money to our senior citizens, while at the same time we are saying but we will hold harmless the entire defense budget and not look there for any inefficiencies or any ways that we can cut.

So it is about process, it is about the process of a closed process with a stealth plan. It is about substance, it is about what this proposal will do, and it is about priorities. If we do not respect the contributions that have been made by our senior citizens and also recognize that unless we invest in people, as our colleague from California, Mr. FARR, said, what is the use of balancing the budget? Our people are sick, our children are undereducated. If we define a strong country, it certainly is in terms of our national defense and our military might, but it most certainly is even more so in terms of the health, education, and well-being of our people.

I would like to yield back to my colleague from California, Mr. FARR, to further pursue that line of thought.

Mr. FARR. I think the big debate here in Congress is how do we ensure that we have a society moving into the 21st century that is a responsible society. It is not just the rights of individuals that you have heard a lot about, particularly when it got into issues about Waco and things like that; it is the responsibilities of society. We are not going to have what I call the domestic tranquility of this country balanced in a style in which we can all appreciate if indeed you have disenfranchised a lot of people. If parents do not think their kids can get an affordable education, we talk about accessible education, accessible education means you can get there from here, that you have a chance to avail yourself of the great schools. And we have some wonderful ones in the State of California, some of the best in the world. But what good are they if they are too expensive to get to and the kids are not getting into because of cost. What good is a health care program if you cannot access it?

So what happens is things, as we know, they get worse. I think that the one difficulty that is not in this entire Contract for America that they are trying to approach is what happens to the people that do not make it, that fall through the cracks.

Ms. PELOSI. That is laissez-faire. Too bad.

Mr. FARR. Do they end up on the streets as the homeless population we are all very familiar with? I think the security of this Nation, the domestic security is dependent on the confidence that people have in government, and a government that tells you that they are going to help you with one hand, balancing the budget, and with the same hand takes away your own ability to access prosperity is a country that is not telling you the truth.

□ 2115

Ms. WOOLSEY. Mr. Speaker, we are missing another point here. That is that this does not just affect seniors. The sandwich generation comes to me in my meetings, 40-, 50-, 60-, and 70-year-olds say to me, I have a parent in a nursing home. The 70-year-olds could be in a nursing home themselves. But they have got parents they are worried about in nursing homes. They know they will have to start taking on more and more of the responsibility for that parent.

Now, many, many of the sandwich generation also have children that need to go to college, and college education is going up. Loans are going to be far more expensive. These same people are going to want to help their children go to college. They are going to make a choice: Do I send my kid to school, help my child go to college; do I help my parent in a nursing home? And for heaven sakes, where will they ever have any discretionary money to put away so that their children do not have to help them when they are seniors? I mean, we are just squeezing the middle income sandwich generation down to having nothing. They are frustrated and, boy, I do not blame them.

Ms. PELOSI. We talked earlier about the middle income, middle-aged people in America, which includes very many people who are the backbone of society, making such a valuable contribution to the greatness of our country, as they try to do their own jobs, educate their children and feel some responsibility for their aging parents, as you call them, the sandwich generation.

They are so at risk not only under the Medicare cuts but under Medicaid cuts. I think many people are not aware, they think of Medicaid as a poor people program. But very many seniors benefit greatly from Medicaid, whether it is long-term health care or, for example, 5 million American women have their Medicare premiums paid by Medicaid, 5 million American women. Of course that is not the whole number. There are men who have it, too. But women would be particularly hit by this.

These Medicaid cuts compound the problems caused by the Medicare cuts. Poor or nearly poor elderly, those are monthly incomes below $625 a month, may no longer be assured that Medicaid will provide cost sharing protections for their Medicare. As I say, the Medicare can pay for their Medicaid, their Medicare premiums, copayments and deductibles. The copays and deductibles can rise and these people, where are they going to get the money to pay for that? From their children.

These low income elderly are doubly hurt because Medicare premiums and copayments will increase substantially at the same time that the Medicaid Program stops paying for them. Further, under the Republican plan, there would be no more guarantee of coverage for nursing home care after an individual or family has spent all of its savings. There would be no more guarantee that spouses of nursing home residents would be able to retain enough monthly income to remain in the community.

States would be allowed to place liens on the family home and family farms. In addition to all of that, States would be allowed to require adult children of nursing home residents to pay for their parents' nursing home care, which could be $40,000 per year. I mean, where are people going to get this money?

If you have a mother or father with Alzheimer's disease, for example, requiring nursing home care and you are trying to put your children through college, you have good reason to oppose the Republican plan. What the Republicans are doing is wrong, and working families deserve better.

I just might add, apart from the money issue, an absolutely shocking part of the proposal is that they would remove the standards from nursing homes. This is the era of Dickens. We are returning to the past. We would eliminate Federal standards for nursing homes. It is appalling.

Ms. WOOLSEY. Mr. Speaker, when I was a youngster, I was in the Girl Scouts. And every Christmas we would sing to nursing homes and go in and out of these nursing homes. This was in the early 1950's. I mean, I am old. I would leave those nursing homes sobbing because here were these old people sitting on newpapers. I had never seen such dismal situations. Well, it is improved now. There is a reason there are national Federal standards for nursing homes. You go in a nursing home and you can pretty much, at least where I live, feel that somebody is being taken care of with quality and dignity.

Well, I just blink and we could go right back to seniors on newspapers.

Ms. PELOSI. It is very hard to understand why they would think that that is a good idea. But it is also easy to understand why they do not want anybody having public hearings to have to come in and testify as to why that is not a good idea.

I did want to put on the RECORD some more testimony from our hearing in San Francisco, but I am pleased to yield to the gentleman from California if he had something further to add before that.

Mr. FARR. Mr. Speaker, I was just thinking about this issue of national standards. It is too bad that they have not really gone out and asked the American public what they think about it. Obviously we have national standards for aviation. We all use it a lot having to fly back and forth from California. We respect those national standards. They do not leave those up to States. Banks have national standards. The stock exchange has national standards. Drugs have national standards.

I think the American public has realized this in areas where there is a vulnerability at risk, you want some national standards. To say to the most elderly people of this country, your future, your time when you may be most vulnerable in life, most frail in life, we are going to leave this up to your State. If they like you and they have money and they want to spend it on you, they will take care of you.

But what about those States—and you never know where you are going to end up in life, you do not know where you are going to end up being an elderly person, where in your hometown you may not be able to afford it. Many people move in their elderly age to other States, other locales. Is there not supposed to be some kind of equal playing field here, a common denominator that says in this country that we are going to have standards for people that are in need, that are frail and need special care?

Under this proposal they take them all away. In fact there may not be any standards at all. Is it optional that you do not have to take care of people anymore? What kind of country are we developing here?

Ms. WOOLSEY. The gentleman said if the State has money, maybe they will have high standards. What about if the consumer or the patient does not have money? I bet you people who have will be in nursing homes that have high standards. Those who are the most vulnerable, who are on Medicaid, who have the least, are probably going to be the ones faced with the nursing homes without standards. And I think that is what we are talking about today.

We are talking about not having a system, that just the few that have plenty get to have, reap the rights. We are talking about having a country where everybody knows that they can have, can live in dignity when they are old and when they are at the end of their lives, that everybody has options for an education. That middle income families do not feel, are not going to feel pulled in the middle, apart, because they do not know whether they should help their parent in a nursing home or their child in a school and they are feeling badly because they are not putting any money away.

We cannot have a country that only marches to the beat of the top 6 percent of the wealthiest in this country, because that is not what this United States is built on.

Ms. PELOSI. Well, I agree. I think that the one thing that everyone in this body will agree to, and that is that we are proud of our country, that it is a great country and that it is a decent country. And I do not think that greatness and decency are associated with what you just described about how our senior citizens, who helped build our country, would be treated under this plan.

So I think it is very important for people to understand, certainly we have concerns about the poor in our country. But if you are not poor, you are still very much at risk under this plan. And we have said it over and over again. If you are working, middle-age, middle-income people, you will be more responsible under this plan for your parents' care, paying for it, just at the same time as you may be putting your children through school.

I did want to also say how the Republican proposal would undermine, undermine the excellence of the American health care system. People always say, if I ever were to be sick, I want to be sick in America. We had some very fine testimony from experts who gave us their professional judgment about what the impact of these cuts would be.

Congresswoman WOOLSEY mentioned one, Dr. Tom Peters from Marin County. I wanted to quote from the statement of Dr. Wintroub from the University of California, San Francisco, one of the finest teaching hospitals in the country. And Mr. Speaker, I will include his statement as well as that of Tim McMurdo, Tom Peters, and Richard Cordova for the RECORD as well.

Mr. Speaker, Dr. Wintroub testified that by eliminating Medicare payments for teaching and patient care, as well as graduate medical education, the Republicans are putting in jeopardy the future of health care delivery in this country. The indirect medical education adjustment, the direct medical education and the disproportionate share payments account for over 15 percent of all Medicare and Medicaid revenues to UCSF, University of California San Francisco, an excellent teaching hospital, and 42 percent of the total budget for UCSF Medical Center is dependent on Medicare and Medicaid.

In addition to that, Mr. McMurdo, chief executive officer, San Mateo County General Hospital testified that the proposed cuts to Medicare and Medicaid programs will have a catastrophic effect on hospitals and clinics that have heretofore relied on the stability of Federal and State payments to help cover the cost of care. This reliance has grown increasingly important since private insurance carriers continue to cut payments to hospitals and physicians as the number of uninsured people continues to grow. It is estimated that hospitals and other providers in our bay area will lose hundreds of millions of dollars over the next 7 years if these cuts are enacted.

Mr. Cordova, from the San Francisco General Hospital, said, you cannot slash both Medicare and Medicaid, Medi-Cal disproportionate share hospital payments for graduate medical education and indirect medical education support and essentially eliminate the entitlement status for Medi-Cal without causing a virtual earthquake in the provision of health care for many of our most needy residents.

Mr. Peters says, the blunt truth of the matter is, if you ridicule and deny the efforts at comprehensive redesign of the American health care system and instead insist only on weakening two of its most important components, the quality and availability of health care for all Americans is threatened.

Mr. Speaker, the point being that even the wealthiest Americans will not have access to the kind of quality of care that exists today when we undermine it for the rest of the country.

I yield to the gentlewoman from California, if she has anything to say on that subject, as she presided over that section of the panel.

Ms. WOOLSEY. What I would say would be pretty repetitive. But just in general, we did hear that training colleges and training hospitals, health departments, small community hospitals and county hospitals and clinics were subject to closing their doors, if we go with what we are anticipating with the Republican Medicare/Medicaid cuts.

Ms. PELOSI. In the interest of time, Mr. Speaker, I may have to take another special order to go to our third panel. But with your permission, I would like to put their statements in the RECORD. That would be the statement of Mr. Paul Di Donato, Dr. Bergman, and I have one more, but I will reference that.

Dr. Bergman, who is from the Packard Children's Hospital at Stanford said, without a regular pediatrician and with limited financial resources, he was talking about the impact on children, without a regular pediatrician and with limited financial resources, these families will often be forced to wait until the child's illness has progressed to a more serious and complicated level. Beyond the increased costs of providing health care in the emergency room and treating illnesses of increased severity because of delay in initiating treatment, there is the more important cost, there is the more important cost in unnecessary suffering of children. Delays in treatment often lead to lifelong disabling conditions or chronic illnesses.

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And that is not about balancing a budget. It is about a false sense of values.

The other statement I want to put in the RECORD is from Anthony Wagner from Laguna Honda Hospital, city and county of San Francisco. I will be addressing his remarks in another special order.

Mr. FARR of California. I just want to close in my part here, again, reminding people that these are cards from my district that I picked up just this last Monday. Here is one just out of the pile from Beth Binkert from Pacific Grove, and I think the key sentence in here is the second sentence that says:

> These actions represent broken promises and unfair treatment to your elderly constituency. In fact, the current cuts will substantially increase out-of-pocket expenses for the seniors you represent.

These cards are to all Members of Congress addressed in care of my office, but that key point, "These actions represent broken promises," and I think tonight we pointed out the promise made here is the tax cut for the rich, not the promise to keep people in their elderly years secure in health care delivery.

The testimony referred to follows:

TESTIMONY ON MEDICARE REFORM BY DEL MARTIN, MEDICARE BENEFICIARY, OCTOBER 2, 1995

I've been hearing some cold hard figures about drastic cuts in Medicare. I'm here to tell you what that would mean to me personally.

In 1994 I received $9,373 in Social Security benefits and $8,267 in additional income for a total of $17,640. I paid $3,854 or 22% of that income on medical & dental expenses, leaving me $13,786 for other living expenses.

In 1994 my doctor bills amounted to $1,130. Medicare approved only $521.34 (less than ½) for payment. We hear a lot about doctors taking advantage of Medicare. In my experience that is simply not true. Medicare clients are lucky to find doctors who will accept Medicare limits. Many doctors say NO to Medicare patients.

The exorbitant expense comes from hospital bills. I underwent outpatient surgery which required the use of operating room and personnel and space for a change of clothes. I was in the hospital for a maximum of four hours. The cost was $1,790. I did not receive a copy of the itemized bill, but presume Medicare did. It was paid in full without question. From past experience I have found that hospitals charge for everything within sight, whether used or not, right down to a piece of Kleenex tissue. If I were a member of Congress I would take a look at hospital costs.

Hospitals are cutting skilled staff although numerous studies show that adequate staffing of registered nurses and other skilled professionals reduces mortality, infection, accident and readmission rates.

Under the Republican bill to cut Medicare for a savings of $270 billion over the next seven years, beneficiaries are being pushed to join health maintenance organizations (HMOs) rather than stay in traditional fee-for-service Medicare. They say managed care is the best vehicle for improving care while containing costs. Long ago I learned the hard way that you get what you pay for. Under managed care HMOs are paid whether or not services are used—an incentive to restrict admissions to hospitals, send patients home too soon, reduce staffing and limit access to specialists.

Containing costs by using HMOs means cutting services. Congress is not dealing with reality. Excessive hospital, HMO, insurer and drug company profits are the source of rising costs.

For me an HMO is not acceptable. To retain traditional Medicare coverage will cost me another $1,000 or more per year. That would raise my medical expenses to about $5,000 or 27% of my present income, which will diminish in the next seven years.

As a delegate to the White House Conference on Aging and a member of the Leadership Council of the National Committee to Preserve Social Security and Medicare, I have been closely following what is happening in Congress. Seniors are more than willing to carry their share of the deficit reduction burden. We are told Medicare is responsible for only 6% of last year's federal deficit. But Congress proposes a 35% cut, not 6%, to reduce the deficit. That is not fair. In 1994 the Pentagon was responsible for 36% of the deficit. Military bases all over the country are closing down, but defense spending is to increase over the next seven years. That is not fair. Congressional leaders refuse to even consider eliminating tax breaks and loopholes which primarily benefit the wealthy. These loopholes will cost the federal treasury $2.5 trillion over the next seven years—almost ten times the amount they want to cut out of Medicare over the same period.

You don't need a Ph.D. in economics to know there is something drastically wrong with this balancing act. Too large a burden is being placed on Medicare and thus on America's oldest, and in many cases poorest, citizens.

TESTIMONY ON MEDICAID REFORM BY MALIKA SAADA SAAR, DIRECTOR, FAMILY RIGHTS AND DIGNITY, OCTOBER 2, 1995

In his book, Faces at the Bottom of the Well, Derek Bell tells the story of aliens who come to this country demanding the possession of Black folks. In return for the US government handing over all African American citizens, the aliens promise to alleviate the nation's environmental and economic ills. After a brief and self-serving debate, the US government agrees to the exchange.

Bell's parable powerfully illustrates the disposability of the African American community, that our community is not valued or considered sacrosanct. When I hear Newt Gingrich talk about low income mothers and children, I am reminded of Derek Bell's story. For it is this same concept of human disposability being demonstrated.

The decision to block grant AFDC, and now Medicaid, to basically strip families of a desperately needed safety net, relegates mothers and children to a caste of disposable human beings. These political decisions simply say to our children that their lives are not valuable, that their futures are irrelevant.

Last week, I was in the Bayview speaking to families. One mother, with tears streaming down her face, approached me. She told me about her child: a six year old boy who stood at the window of his room and witnessed a friend, not much older than him, get killed. Since then, the child has suffered severe mental trauma. He is receiving extensive counseling and therapy.

If Medicaid is block granted, this six year old African American boy will not be guaranteed any of the services presently offered to him under Medi-Cal. His life, his future, will be deemed disposable.

This is political savagery, this is child abuse masquerading as Congressional legislation. The consequences of block granting AFDC, dismantling HUD, and eliminating the Federal entitlement status of Medicaid, will inevitably take the shape of children's and mothers' bodies strewn on the streets of America; they will be hungry, diseased, and disregarded.

How dare we do this. How dare we say to an entire generation of children that their country will not protect nor invest in them. This cruelty must be stopped. If it is continued, low income families will stand on the threshold of extinction. And that is absolutely unacceptable.

TESTIMONY ON MEDICARE AND MEDICAID BY BRUCE LIVINGSTON, EX. DIR., HEALTH ACCESS, OCTOBER 2, 1995

Good morning Members of Congress. My name is Bruce Livingston, and I am pleased to have the opportunity to speak to you today—not in my usual capacity as the Executive Director of Health Access, but as a concerned son.

Just two months ago my father passed away. He died of cancer three days after his 65th birthday. Fortunately for him and for my family, he died with very little pain, soon after he was diagnosed with cancer. And fortunately for my mother and for my family, he planned for their security—and their health care—after his retirement.

My father retired from civil service at the age of 62 after serving with the US Air Force in Korea and Viet Nam, and then as the civilian director of 600 staff persons at the Army Corps of Engineers in Alaska. He was an accountant and a very careful financial planner for both the US Government and his family. He made sure that when he retired, all of his bills were paid, his car was paid off, and his house expenses could be covered by his monthly pension. Because he retired as a veteran, he had the VA safety net, but the heart of his medical coverage planning was Medicare and Medicaid. He purchased an HMO plan for my mother. He shopped very carefully so that they had enough coverage in case either he, or my mother fell ill.

When he died, my mother's benefits from his pension were reduced. My mother still receives a potion of his pension and social security, but it is much less than what they received while he was alive. Yet my mother's monthly household expenses have not decreased—they are exactly the same. She has no source of income to fall back on.

If Medicare and Medicaid should be reduced, and my mother is forced to pay higher premiums for less coverage at her HMO, her very tenuous safety net could spring a big hole. Right now, my mother is a healthy woman. The proposed cuts by the Republican leadership would reduce the reimbursement rates to doctors and health care facilities. Who knows how her HMO will respond to these reductions. Hopefully, the standard procedures she now depends on will still be covered. But if she is asked to pay out of pocket for any procedures, her whole world could come tumbling down. It is also possible that the HMO could increasingly deny operations, tests, and access to specialists.

My parents house, their biggest reward for a lifetime of work, could also be lost if long-term care coverage is cut out of Medicaid, or if Congress cuts Medicaid costs by making the homes of the elderly part of their payment.

My father worked very hard to provide security to his family. This was the most important thing in his life. While at his military funeral, before his final twenty-one gun salute, I thought about a conversation I had with him a dozen years after he returned from a two year tour in Viet Nam. I asked him why he fought in that war. He said it was not his role to question the government. He ended the conversation by saying simply, "I wanted to care for my family."

My father would turn over in his grave if he thought that the security he built for my mother was threatened because of proposals of tax cuts for the wealthy. He believed completely in the promises made to him by the US Government—both as a member of the military and as a retired civil servant.

He and my mother made their financial decisions based on the promise that Medicare and Medicaid would be there for them, to cover their health care needs, when they needed it, for as long as they needed, once retired. My parents kept their promises to the US Government. Now, as their son, I ask you to keep your promise to them. Don't cut Medicare and Medicaid. Please don't end these entitlements.

TESTIMONY ON REDUCTIONS IN MEDICARE AND MEDICAID FUNDING

(By Richard Cordova, Executive Administrator, San Francisco General Hospital, October 2, 1995)

Madam Chair and Members of this Committee: I am Richard Cordova, Executive Administrator and Chief Executive Officer of San Francisco General Hospital.

Thank you for holding this hearing and for the opportunity to appear before you today. I am astounded at the paucity of public hearings on the health care impacts of proposed federal reductions. I recognize that the gravity of these proposals demand unusual community outreach and public deliberation. True opportunities for this discourse have been denied in Washington. As such, I appreciate your efforts to bring this discussion back to San Francisco so that we may have the opportunity to share with you our fears and projections for these sweeping reductions in Medicare and Medicaid financing.

The only reason we have had the luxury of debating rather than enacting universal health coverage in recent years is because of a small and extremely fragile institutional health safety net. This safety net is centered around no more than three to four hundred public and nonprofit hospitals nationwide, a much smaller number of children's hospitals, and a nationwide (but poorly funded) network of community health centers and rural health facilities.

We have already witnessed the deterioration of many of these essential safety net providers in recent years. With the failure of Congress to enact a national health plan setting the goal of universal coverage, our nation's safety net is facing a crisis today of unprecedented proportions.

The number of uninsured are growing. Many state and local governments are aggressively curbing their own health spending. In other words, this crisis would exist even without the potentially devastating impact of the budget reductions currently proposed for the Medicare and Medicaid programs, which could make this situation substantially worse.

Preliminary analysis of the proposed reductions clearly threaten the quality of and access to care, for already vulnerable members of our community, children, the elderly, the disabled, the working poor, low-income, immigrants and the indigent.

The Republican proposal requires massive reductions over the 7 year period from 1995 to 2002. To achieve this goal, 53% of the proposed $894 billion in federal reductions comes from health and human services programs.

The Republican Medicaid and Medicare cuts are based on three strategies: Capping growth in expenditures, limiting the scope of benefits, restricting the number of persons eligible for programs.

Public hospitals receive significant funding from Medicaid and Medicare to provide services to the poor and indigent. Roughly 77% of San Francisco General Hospital's revenue are from these sources. As a result, significant funding reductions will severely impact the Hospital's ability to meet critical acute care and emergency care needs for these populations.

In addition to functioning as a safety net hospital, the Hospital provides invaluable services to the entire community. For example, San Francisco General Hospital is the only designated Level 1 Trauma Center in the region and the sole provider of trauma care to San Francisco residents and visitors. The Hospital admits over 2,700 critically injured patients per year. San Francisco General Hospital is also the Bay Area regional Poison Control Center. This Center responds to poison control calls for all nine Bay Area counties.

We are also the largest provider of HIV care, and have been recognized by the U.S. News and World Report as the Number One provider of HIV care in the country, and the only provider of emergency psychiatric services. The federal budget proposal jeopardizes all these programs which benefit the entire San Francisco community.

As a business entity, SFGH is a significant contributor to the San Francisco economy, putting approximately $220 million back into the City's economy each year.

The National Association of Public Hospitals estimates that San Francisco General will lose $182 million in Medicaid revenues from fiscal years 1996 through 2002. Over the seven year period, this is the equivalent of receiving no Medicaid revenue at all, for one and a half of the seven years. Reductions of this magnitude would require the Hospital to significantly reduce its outpatient, acute care, emergency care and specialty care services.

Since the early 1980s, California has contained growth in Medi-Cal expenditures by restricting eligibility, limiting the scope of services and instituting select provider contracting for hospital services. As a result, California is 49th in the amount expended per Medi-Cal beneficiary. California spends $602 per Medi-Cal child, approximately 40% less than the national average of $955; California spends $4,929 per Medi-Cal elder, approximately 45% less than the national average of $8,704.

The GOP reduction proposals penalize a State for adopting cost savings measures that other states have not adopted.

California will have very few choices if Medicaid reductions are approved, the state will be forced to further reduce eligibility, increase taxes, reduce or eliminate program benefits, or reduce or eliminate other State programs.

Restricting eligibility of Medicaid programs will increase the number of uninsured Americans. According to the Kaiser Commission, 7% to 18% of California's Medi-Cal eligibles may lose coverage by the year 2002.

There are an estimated 156,000 uninsured in San Francisco. This number could increase by 10,000 to 30,000 if the proposed reductions are passed.

The increased burden for providing health care to individuals who are no longer eligible for Medicaid and become uninsured will shift to the counties, at an increased expense.

County health care systems are uniquely reliant on governmental support to provide care to Medicaid and Medicare beneficiaries, the uninsured, working poor families and indigent persons, the City and County of San Francisco is no exception.

Over the past five years, the Department has significantly reduced City and County general fund support for health care services by maximizing reimbursement from the State and Federal governments. As a result, since 1991–92, the Department has reduced the City and County general fund allocation by $63 million.

Forty-seven percent of the San Francisco Department of Public Health's revenues are from Medicaid and Medicare. The majority of these funds are used to provide primary care in community-based health centers, outpatient and acute care to the poor at San Francisco General Hospital, and long-term care to the disabled and elderly at Laguna Honda Hospital.

Only 16% of the Department of Public Health's funding comes from the City and County. These funds are used to pay for acute care, primary care, mental health, substance abuse and health care services for the indigent, uninsured and incarcerated persons at the County's jails.

In sum, public hospitals and health systems provide a wide range of primary care and specialty services. Some public hospitals, such as San Francisco General Hospital, also provide trauma care, a burn center, high-risk obstetrics and neonatal intensive care, spinal cord/brain injury rehabilitation, emergency psychiatric services, and crisis response units for both industrial and natural disasters. In addition, California's public hospitals train one-third of the State's physician residents. These critical services and activities must be preserved under any federal cost containment strategy.

There are many unanswered questions still associated with these proposals. As the SFGH Executive Administrator, I am weary of "budget blue prints" which require massive reductions without a specific plan of action. I know that you are familiar with the expression, "The devil's in the details." The few details which have been released do not bode well for the protection of a viable safety net in our country.

You can not slash both Medicare and Medi-Cal Disproportionate Share Hospital payments, reduce payments for Graduate Medical Education and Indirect Medical Education support, and essentially eliminate the entitlement status for Medi-Cal without causing a virtual earthquake in the provision of health care for many of our most needy residents.

Let me remind all of us here today, that these proposals will *increase* the need for safety net health care services, while *reducing* funding to meet this increased need.

According to State law, the County is obligated to continue in its role as the provider of last resort in spite of reduced federal support. The City and County will unequivocally be required to increase its support for health care services in response to these reductions.

Thank you again for holding this hearing. I look forward to our continued advocacy in the spirit of good will and humane public policy.

Testimony on the Impact of Potential Reductions in the Medicare and Medicaid Programs

(By Timothy McMurdo, Chief Executive Officer, San Mateo County General Hospital, October 2, 1995)

Good morning, my name is Tim McMurdo. I am the Chief Executive Officer of the Division of Hospitals and Clinics of San Mateo County located approximately 20 miles south of San Francisco, California. Our hospital in conjunction with other health services of the county provide a safety net for over 60,000 individuals who are indigent, uninsured and under insured. Many of the individuals we serve receive Medicare and Medicaid benefits.

The Medicare and Medicaid programs pay for a significant amount of the care that is provided in hospitals and by physicians. Medicare generally accounts for a larger portion of the payor mix in private hospitals with Medicaid (Medi-Cal in California) paying for a smaller part of the payor mix. In public hospitals this Medicare/Medi-Cal payor mix is usually inverted with Medi-Cal often making up the largest group of patients cared for. In both the private and the public sector, however, the programs combined can amount to over one-half of the net revenues received by hospitals to pay for care.

The proposed cuts to the Medicare and Medicaid programs will have a catastrophic effect on hospitals and clinics that have heretofore relied on the stability of federal and state payments to help cover the cost of care. This reliance has grown increasingly important since private insurance carriers continue to cut payments to hospitals and physicians and as the number of uninsured people continues to grow.

It is estimated that hospitals and other providers on the San Francisco Bay Area Peninsula will lose hundreds of millions of dollars over the next seven years if these cuts are enacted. These losses will undoubtedly place hospitals that are currently in financial jeopardy due to rapid changes that have already taken place in the health care market, at a much higher level of risk of closure or significant curtailment of programs and personnel. Moreover, heavily utilized public hospitals will be required to take on an even greater burden of uncompensated care as resources at private hospitals to provide charity care dwindle and as those once eligible to receive benefits from Medicare and Medicaid now find themselves in the ranks of the uninsured. It can be assumed that ultimately counties will bear the brunt of the financial responsibility for caring for this increased number of patients dispossessed by Medicare and Medicaid. If county revenues are not available to pay for this additional burden of care, access to many important medical services will be reduced or possibly eliminated. Since Medicaid is a program primarily designed to support poor women with children and older Americans in need of skilled nursing care and long term care, these cuts could be particularly harsh to those who are most vulnerable and who need the care most.

Most hospitals have already reduced their administrative and overhead cost significantly to stay in step with cuts in reimbursement coming from the private health insurance industry. Additional cuts from Medicare and Medicaid will now directly affect those providing care to patients at the bedside. San Mateo County General Hospital for example, estimates that over 80 positions or 15% of the work force including physicians, nurses, ancillary and administrative staff would have to be eliminated. This would result in 500 less patients per year being admitted to the acute setting and 5,000 to 7,000 patients not being able to see a primary care physician or specialist for outpatient services. At larger hospitals on the Peninsula the effect would be greater. Cuts in Medicare and Medicaid will also negatively affect other traditional services offered by counties. In addition to inpatient hospital care, services for the mentally ill and adults with disabilities, in-home support services for the elderly and disabled, and public health nursing will all be affected.

Hospitals on the Peninsula are also major employers that spend in the aggregate approximately $200,000,000 per year for over 5,000 employees. Cuts in Medicare and Medi-Cal would affect local economies as well if major losses of jobs result.

The centerpiece of the Medicare cuts appears to be in incentive programs that will give individuals a chance of keeping traditional Medicare benefits by paying more for those services or shifting to a managed care or health maintenance organization (HMO) arrangement where there is no out-of-pocket cost. The ability of HMO's to control cost and provide high quality care in particular to a population like Medicare beneficiaries who often require higher cost sub-specialty care is unclear. It is clear, however, if the HMO model is adopted, choice and access to hospital and specialty physician providers will be controlled through primary care physicians with the incentive to manage each case at the least expensive level of care as possible. This may create conflict between patients and physicians and other providers as well who must increasingly make decisions regarding care with the financial impact in mind.

In addition block granting Medicaid dollars raises many questions regarding the equitable distribution of those dollars based on actual utilization within the states and the potential for states to spend these dollars on items other than their intended purpose.

In summary, the proposed cuts will have a major impact on service availability and access for patients. However, hospitals and medical providers are bound by legal, ethical and moral standards by which they must provide care. The proposed reduction will not correspondingly release providers from those requirements. How quality can continue to be maintained at the highest standard without adequate resources is an open question. I urge you to oppose the cuts in the Medicare/Medicaid programs on behalf of all individuals who will suffer as a result of them and for the many hundreds of thousands of health professionals who have committed their lives to making the health care system of the United States of America second to none.

Testimony on Medicare and Medicaid Reform by Thomas Peters, Ph.D., Director, Marin County Department of Social Services—October 2, 1995

Good morning. My name is Dr. Thomas Peters. I am the Director of Health and Human Services for Marin County, and I also serve as the Chairman of the Association of Bay Area Health Officials, and as a member of the Executive Committee of the County Health Executives Association of California.

Our time this morning is limited, but let me share with you some reactions and observations about the current proposals to "reform" Medicare and Medicaid.

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As a number of you know, I have been privileged to serve as a public health official in the Bay Area for more than 22 years, 17 years in the Health Department here in San Francisco, and the last 5 in Marin County.

Over those years, I have travelled regularly to Sacramento and Washington, and in fact have just returned from Washington D.C., where I had the opportunity, and the shock, of learning more detail about the "radical reform plan" to strip nearly a half-trillion dollars from Medicare and Medicaid.

Having read everything I could find about these proposals, and having had numerous discussions in Washington, I was left frankly astounded, flabbergasted, and chagrined:

Astounded—because the only meaningful hearings on such a complex and critical matter for the country were being held outside the chambers of Congress.

Flabbergasted—because of the striking absence of specificity regarding the "reform" proposals. In California, for even a fraction of the changes being proposed, we would have to hold, under mandate of law, specific, detailed hearings on the cuts and their likely impact. Every cut . . . every position . . . every program reduction, would have to be posted and explained.

Chagrined—because with the notable exception of the efforts of those Congressional members who held the outside hearings, and with the writings of a few commentators, I simply do not sense the urgency of the threat which these proposals pose to the health of every American.

Let's look more closely at these "reform" proposals, at least at the broad outline that has thus far been revealed.

Given the scope, magnitude, and intent of what we now know about the frighteningly-fast proposals to change Medicare, I would say that if the health care field had the equivalent of a District Attorney, the "radical reform plan" would be subject to three violations, each filed as a felony—for fraud, extortion, and assault:

Fraud—To date, we have seen no verifiable evidence that the magnitude of Medicare's problems require a $270 billion expenditure reduction. It is commonly known that some financial correction in Medicare is needed, and that, indeed, some significant savings could be achieved. But $270 billion?! Where is the actuarial data to back up this demand?

Extortion—If the attempt is successful in simply declaring the problem to be so severe as to warrant these draconian reductions, then tens of billions of dollars will have to be suddenly extracted from this country's medical providers. This would undeniably undermine the basic financial structure of America's hospitals, clinics, nursing homes, and medical offices.

Assault—Count 1 will be for assault against seniors, for they will be the ones most immediately threatened by these proposals. The sicker they are, the more outcast they will become, and the more harm will befall them.

Count 2 will be assault against working Americans. Not only will they invariably be forced to pay much more for their health care, but they will also find the health care network on which they and their families depend will be weakened and more inaccessible.

III

Let me turn to the seniors themselves:

I am the health director for the "grayest" county in California—that is, the county with the oldest average age.

As such, I have the advantage, the pleasure, and the privilege of talking with many seniors. They have much to say, so let me for a moment speak on their behalf.

Increasingly, they will admit to being scared, worried, and angry:

Scared—because as they get sicker and more infirm, in many cases needing nursing home and in-home care, it will be less available and less monitored. In addition, they understand (even if some policy-makers do not), that the combined half-trillion dollar reduction of Medicare and Medicaid is a direct threat to overall health care quality and accessibility—in hospitals, in nursing homes, in doctors' offices.

They know that Medicaid is the "safety net" for Medicare, and that many of the poorest and sickest seniors have only this double system to care for them. If you rip Medicare and then go on to shred Medicaid, many will be injured or killed in the fall.

Worried—about the pressures and dilemmas they may cause to their own children—forcing these children into the "sandwich generation," having to choose between the well-being of their parents and their children.

Angry—because the math being presented in these "radical reform" proposals just doesn't add up. While they may be gray, they're not stupid, and they correctly sense a high degree of chicanery.

IV

You will hear the claim that these "reform" efforts are new and creative, cleverly crafted to generate huge savings without dire consequences.

If only that were so.

The blunt truth is that this "radical reform plan" is not creative, but crushing, and it will soon be seen as a matter not of reform, but of regret.

What the just-released analysis by the impartial Congressional Budget Office reveals is a plan notable only for being flat-footed and ham-handed: of the total projected "savings," nearly $200 billion will be created simply by denying payment for services in hospitals, clinics, nursing homes, and medical offices.

In other words, the masterminds of this scheme intend to earn their money the old-fashioned way: steal it.

And finally, you will hear from the supporters of the "radical reform plan" that these changes, as painful as they may be, are necessary in order to save both Medicare and Medicaid.

Nothing could be further from the truth.

Actually, their claim is reminiscent of the haunting and infamous remark during the Vietnam War: "It became necessary to bomb the village in order to save it."

The blunt truth of the matter is this: if you ridicule and deny the efforts at comprehensive redesign of the American health care system, and instead insist only on weakening two of its most important components, the quality and availability of health care for all Americans is threatened.

V

Let me conclude with this remark.

The public should be aware that certain members of Congress, in giving voice to the justifiable medical, social, and financial fears engendered by the radical proposals, are being charged with being "morally bankrupt."

That's strong language, and a grievous charge against their integrity. Instead, they deserve credit for courage. For indeed:

What is "morally bankrupt" is proposing profound changes in the American health care system in a manner that is not honest in its explanation of either the intent or the impact.

What is "morally bankrupt" is rejecting and ridiculing the previous calls for comprehensive health care reform, and now proposing instead to weaken the system of medical care for the elderly, for the young—indeed for all Americans.

And what is "morally bankrupt" is to attempt to deny the American people their basic right to debate and discuss issues of profound social change, and of life and death.

The members of Congress seeking to slow the runaway of "reform" in Washington deserve acknowledgement for being morally courageous in their struggles to honor a national commitment to the ill and aged of America. On behalf of the health and well-being of all Americans, we should immediately give these representatives our full support.

TESTIMONY ON MEDICARE AND MEDICAID REFORM BY BRUCE U. WINTROUB, MD, EXECUTIVE VICE DEAN, UNIVERSITY OF CALIFORNIA, SAN FRANCISCO—OCTOBER 2, 1995

Academic medical centers serve a state and national need:

They ensure Americans the highest quality of health care in the world; and

They are a national resource for this reason.

UC's academic medical centers share a three-fold mission with the nation's teaching hospitals:

Training the next generation of physicians;

Performing innovative and life-saving clinical research; and

Providing patient care for the sickest and often neediest patients.

Academic medical centers are instrumental to the vitality of California's economy:

As major employers within their regions; and

As a research engine for California's leading $7.7 billion biotechnology industry. The industry's three major companies trace their origins to our medical centers.

UC's academic medical centers have responded to California's fiercely competitive health care market by cutting costs and managing care:

$200 million in cuts at UC medical centers over the past three years. The centers plan to cut another $75 million in the current budget year; and

US's teaching hospitals are regional centers of treatment and diagnostic innovation and have affiliated with community hospitals, non-profit clinics and physician groups to form efficient and integrated delivery systems. UC has also increased training of versatile primary care physicians.

However, California's academic medical centers face unique issues and circumstances:

California is the nation's most aggressive and competitive health care market. The penetration of managed care is more than twice the national average for the private sector and more than four times the national average for Medicare;

HMOs refuse to share in the responsibility of paying for our teaching mission and are capturing dollars intended to pay teaching hospitals for the greater costs they incur. The California Association of Hospitals and Health Systems estimates the windfall for California HMOs will be $280 million this year alone; and

California's teaching hospitals are losing millions of dollars because of the way Medicare calculates payments to HMOs. The Medicare formula for paying HMOs includes special payments—the Indirect Medical Education Adjustment, the Direct Medical Education and Disproportionate Share payments—that Congress intended for teaching hospitals. HMOs are not required to pass through these payments to the institutions that incur the costs, putting medical centers at a competitive disadvantage.

UC is very concerned about the impact of Medicare reform on our ability to carry out our unique teaching and patient care missions:

Several proposals under consideration would slash specific Medicare payments which are earmarked for paying costs associated with teaching and patient care. These payments—the indirect medical education adjustment (IME), the direct medical education (DME) and disproportionate share payments (DSH)—support a significant portion of UC's medical center operating budgets; and

Medicare and Medicaid payments account for 42 percent of our medical centers' net operating revenue. In turn, the IME, DME and DSH payments account for 36.5 percent of the total Medicare and Medicaid payments to our medical centers.

In addition, proposals targeting funding cuts for graduate medical education would have a devastating impact on UC's medical centers:

One plan would cut IME payments by as much as 60 percent; eliminate DSH altogether, and reduce DME funding by as much as 30 to 40 percent;

Under this scenario, UC medical centers would lose as much as $55 million from the IME reduction alone; cuts to all three programs would represent a loss of more than $100 million; and

These are real cuts; they would be in addition to other proposed changes and reductions that all hospitals, including UC's medical centers, would have to absorb.

Under current proposals, UC's teaching hospitals would be hurt disproportionately and each of our five medical centers would face dire choices:

We believe that the unique missions of our medical centers should be protected. We believe that Congress should adopt the following principles as it works to reform the Medicare system:

Preserve the core missions of academic medical centers;

Protect teaching hospitals from Medicare reductions that are greater than the overall percentage reduction in the Medicare program;

Fix the current Medicare managed care formula that diverts graduate medical education funding away from the teaching hospitals that incur the costs of training physicians; and

Make graduate medical education a shared responsibility of the private and public sectors.

Testimony on the Impact of Medicaid Reform on Children by David Bergman, MD, Vice President for Quality of Care, Packard Children's Hospital, Stanford University, October 2, 1995

Congresswoman Pelosi and other distinguished guests, my name is Dr. David Bergman and I am here today to represent Packard Children's Hospital. I am a practicing pediatrician and Vice President for Quality of Care at LPCH. I also serve as Chairman of the Academy of Pediatrics Committee on Quality Improvement and I have been involved with numerous research projects assessing the quality of care delivered to children. Thank you for the opportunity to testify today on the impact the proposed reductions in Medicaid will have on children and their families.

I would like to begin by reminding all of us, that when we speak of reductions in Medicaid funding, we are speaking of reductions in access to health care for children.

Not only are there direct impacts on children, such as reducing the number of children eligible to receive Medicaid there are also indirect impacts. Many of the proposed reductions will limit the ability of physicians and children's hospitals to provide the breadth and depth of services needed to provide the high quality of care that children deserve.

As we look at what the financial impacts are on Packard Children's Hospital and other children's hospitals, we are really speaking about the impacts on children, especially low income children, and their ability to get the health care necessary to live full and productive lives.

We believe that increased Medicaid savings and enhanced state flexibility can be accomplished while preserving Medicaid as the nation's health care safety net for children.

In any Medicaid restructuring, we urge your support of three key issues.

1. Ensure equity for California Medicaid recipients;

2. Protect the health care safety net for children from low income families; and

3. Protect children with special care needs.

All three of these areas are important in maintaining good health for children. Children are the healthiest segment of our community, but also other than the elderly the segment least likely to have commercial health insurance. Medicaid is the health insurance for over one quarter of all children.

Congress in its wisdom several years ago, untied Medicaid from welfare and instead tied it to income levels. Most of us do not realize that a majority of the children on Medicaid are white and live in two parent families with at least one working parent. These children need our help. If it wasn't for Medicaid, approximately 40% of all children would be uninsured. Even with Medicaid, approximately 16% of our children are still uninsured.

Fewer dollars translates to more children without health care insurance and less comprehensive coverage for those who are eligible. And no insurance limits the ability of children to get the needed and timely medical care. This may mean that children who are currently seen in primary care clinics—at Packard 89% of our primary care visits are for children who have Medicaid—and obtain well child exams and immunizations, or treatment for acute illnesses will either not receive preventive health care or will be forced to use the emergency room as their "medical home."

Without a regular pediatrician and with limited financial resources these families will often be forced to wait until their child's illness has progressed to a more serious and complicated level all the time hoping the illness will spontaneously resolve.

Beyond the increased costs of providing health care in an emergency room and treating illnesses of increased severity because of delay in initiating treatment, there is the more important cost in unnecessary suffering of children. Delays in treatment often lead to lifelong disabling conditions or chronic illnesses.

California has long been a leader in providing quality health care to its citizens in a cost effective manner. Currently, however, California is 48th in the nation in its per person expenditure of Medicaid funds. For children, the average cost per enrollee is $601 versus $955 nationally. As a Medicaid growth state, the proposed program cap will not only fail to cover California's growth in eligibles (primarily children) and hospital price inflation, but will perpetuate existing funding inequities and punish California for developing a cost-effective program. We need to ensure equity for California's children.

One way to protect the health care safety net for children from low income families is to maintain disproportionate share as a separate program.

Disproportionate share helps to maintain the health care safety net for children from low income families because Medicaid does not cover the full cost of care. Disproportionate share is a program that was initiated by the federal government and is matched by states to provide additional dollars to hospitals that care for a disproportionate number of patients who receive Medicaid or are uninsured. On average, the base Medicaid payment covers only 80% of every dollar a children's hospital spends to care for a child. Even with the addition of disproportionate share payments, Medicaid on average pays less than the full cost.

Children's Hospitals are recommending that disproportionate share dollars be paid directly to disproportionate share hospital providers and that minimum guidelines for qualification be established. This could save approximately $6 billion annually.

Without disproportionate share dollars, the barriers to access health care for low income and uninsured children will increase.

Based on preliminary analysis and projected savings outlined in the approved House and Senate budget resolutions, we estimate that the potential long term impact on Lucile Packard Children's Hospital would mean fewer available federal and state dollars ranging from $38 million to $105 million over the next seven years.

Next, we must protect children with special health care needs and incorporate minimum national standards for eligibility and access to medically necessary and appropriate care for children.

Many children's hospitals including Packard Children's Hospital have patients from multiple states. This is an even greater problem for children's hospitals located in close proximity to state boundaries. Not only is it essential that all children be treated equitably regardless of where they live, but it is equally important that they have the same access to quality medical care as those fortunate enough to have what private insurance can obtain. By this I mean, that children should be guaranteed access to pediatric specialists and subspecialists.

I offer you an example from the commercial insurance side, of a patient whose family fought for his right to have medically appropriate care by a pediatric subspecialist.

Imagine this same situation, if you will, for the typical family who receives Medicaid and ask yourself whether or not the families of these children will be able to fight for the most appropriate medical care to which their children should be entitled or will they be forced to receive inadequate and at times life threatening care.

Recently, we had a child at Packard Children's Hospital who was diagnosed with Wilms tumor. This is a type of kidney cancer unique to children. The child was in a managed care plan and was referred to a surgeon who cares for adults and who had no experience in treating Wilms tumor.

The appropriate treatment requires surgery provided by pediatric surgeons and pediatric oncologists. The father objected to having a surgeon trained in adult urology who had never previously performed this surgery and requested that his child be treated at Packard Children's Hospital where a leading pediatric surgeon with extensive experience with Wilms tumor was based.

Fortunately, for this patient, the father had the sophistication and resources to have his child be treated by the appropriate pediatric specialists in spite of the managed care plan and physicians denial of coverage. The father later sued the insurer and an arbitrator found in favor of the parent. As a result of his efforts, all insurance carriers in California now have to provide appropriate pediatric specialty services. Should we allow anything less for children receiving Medicaid?

Testimony on Reductions in Medicare and Medicaid Funding by Anthony Wagner, Executive Administrator, Laguna Honda Hospital, October 2, 1995

Madam Chair and Members of this Committee:

I am Anthony Wagner, Executive Administrator and Chief Executive Officer of Laguna Honda Hospital, which is located here in San Francisco.

Thank you for holding this hearing, and for the opportunity to appear before you today to discuss the grave implications of projected Federal budget reductions in Medicare and Medicaid financing.

As you may be aware, Laguna Honda Hospital (LHH) serves more patients than any other municipally operated facility in our country. This represents approximately 40% of staffed long term beds in San Francisco. Our 1995 year to date average daily census is 1,170 patients. There are approximately 80 persons on the waiting list for admission to LHH.

Our patients exhibit a wide variety of medical conditions. Over 700 of our patients currently suffer from dementia, at least 60 of these patients exhibit the behavior of "dementia with wandering". This condition requires additional precautions, including the provision of medical care in a locked area, to ensure patient safety. We also provide specialized hospice, HIV and head injury care to our patients. Over 22% of our patients are under the age of 60, with the average age continuing to drop. An increasing number of our patients are exhibiting complex medical and psychological problems. I attribute this increase to societal trends which include increased drug abuse, heightened consequences of risky behaviors and an increase in years of life. Unfortunately, these individuals are too medically compromised to be placed in other institutions.

I stand before you today chagrined by the moral and financial forecasts associated with the Republican proposals for Medicare and Medicaid. As the Executive Administrator of Laguna Honda Hospital, I find myself in the perilous position of interpreting legislation which may portend grave consequences for the health and safety of our patients and staff.

The GOP budget reflects disproportionate cuts in health and human service related programs, a full 53% of the $894 billion in proposed reductions is slated to come from these programs alone. It is impossible to slash $182 billion from Medicaid, $270 billion from Medicare and $588 million from Substance Abuse and Mental Health programs over the next seven years without compromising the integrity of the traditional safety net, and threatening the ability of providers to offer timely, culturally competent, and cost efficient medical services to a vulnerable population.

Individuals and service providers most acutely affected by these cuts will also suffer from *simultaneous* elimination or reduction of critical welfare, education, housing and labor related programs.

Let me elaborate on a few of the financial consequences associated with these proposals:

The San Francisco Department of Public Health projects at least a $2.9 million revenue reduction this year (1995-96) from Medicaid. The reductions would be in long-term care and in acute care. This revenue loss increases to $69 million in fiscal year 2001-2002 alone.

17% of the State's Medi-Cal expenditures are spent on long-term care. There is a significant need for these service. For example, although Laguna Honda Hospital, has one-third of all skilled nursing beds in the City, it consistently has a waiting list for admission into the Hospital.

Over 93% of Laguna Honda Hospital's budget is based on Medi-Cal revenues. Significant changes to the Medicaid reimbursement rate will result in drastic consequences for our hospital, as well as other long term care facilities in the State.

In San Francisco, this shift will force an increased reliance on the City's general Fund for support. Currently, Laguna Honda Hospital draws no general fund dollars, with the advent of these changes and the elimination of a "State Match Requirement", the county general fund may be forced to assume up to 50% or approximately $50 million of our currently projected budget.

Laguna Honda Hospital operates a small acute care hospital along with its long term care facility, as such, it is officially designated as a Distinct Part Skilled Nursing Facility. This designation allows for a higher reimbursement rate, than a free standing facility, in recognition of the acuity of these patients. This rate is now vulnerable to an as-yet undefined reduction.

I would be remiss in my responsibilities if I spoke only on the impact of Medicaid reductions. As you are aware the Medicare reductions are equally ominous, especially as they relate to the provision of safe, humane and appropriate long term care. As the nation's population ages, the need for long-term care increases. The Medicare population has doubled since the program began, from 19.5 million in 1967 to 37 million in 1995.

The current House language does not specify exactly how $270 billion in federal Medicare reductions will occur. The allocation of the "Fail-Safe" spending limit is not defined, thus making it impossible to accurately analyze. None the less, it is obvious that physician and hospital rates will face negative adjustments.

In addition to the funding reductions, the GOP proposes to remove federal standards of care for nursing facilities. Removal of these standards severely compromises the community's ability to ensure high quality, appropriate and timely quality care to residents in these facilities.

Both the House and Senate bill include the repeal of the "Boren Amendment" and related federal provisions which mandate provider rates that are comparable to those paid in the private sector, and that are based on costs.

Finally, I am worried about a proposal which would pay bonuses to facilities in low cost areas with relatively healthy patients, and would penalize facilities in higher cost areas with relatively sicker patients.

In sum, the Republican bill leaves the elderly and their families unprotected. This bill takes away current legal protections from the elderly and their families:

There would be no more guarantee of coverage for nursing home care after an individual or family has spent all of its own savings.

Those elderly whom States elected to cover would no longer have a guarantee of choice of which nursing home or home care provider to select.

There would be no more guarantee that spouses of nursing home residents would be able retain enough money to remain in the community.

Nursing home residents (whether covered by Medicaid or not) would no longer be protected from the use of restraints, drugs or other poor quality care.

States would be allowed to impose liens on personal residences (including family farms).

States would be allowed to require the adult children of nursing home residents to contribute toward the cost of their parents care, regardless of the financial circumstances or family obligations.

Elderly with incomes below poverty ($625 per month) would lose their guarantee to assistance with their monthly Medicare premiums, deductibles, and coinsurance.

Given the preliminary information which has been revealed to date on these proposals, I have grave concerns about our ability to continue to provide quality medical care to a growing population with increasingly complex needs.

From increased co-payment requirements, to reduced facility assurances; from slashed hospital and physician reimbursement rates to the ruse of medical savings accounts, it is clear that both patients, providers, facilities, the general population and surely the county government will be forced to shoulder additional and unbearable burdens associated with these cuts.

I sincerely appreciate your attention to this situation, by calling for a special hearing on these critical issues. Thank you for the opportunity to share my views with you today.

I look forward to our continued dialogue, as these proposals take shape.

TESTIMONY ON PENDING CONGRESSIONAL MEDICAID PROPOSALS BY PAUL DI DONATO, SAN FRANCISCO AIDS FOUNDATION, OCTOBER 2, 1995

My name is Paul Di Donato and I am the Director of Federal Affairs for the San Francisco AIDS Foundation. The AIDS Foundation serves over 3000 clients annually with direct client, case management and housing services, develops HIV education and prevention initiatives, provides research and treatment education and engages in local, state and federal public policy advocacy efforts around HIV/AIDS issues, including work on national health care reform last year and the battle to save Medicaid this year. I am pleased to be here to testify about the critical importance of Medicaid to people living with HIV/AIDS in San Francisco, in California and across the nation.

The importance of continued adequate funding of and federal standards for Medicaid—as a matter of life and death for people with HIV/AIDS—becomes crystal clear when one realizes the tremendous extent to which the bulk of people with HIV/AIDS rely on Medicaid. The HIV/AIDS trends in Medicaid are also essential to understand. In fact, when one analyzes these facts, the likely impact on people with HIV/AIDS of the current Republican proposals before Congress becomes frighteningly clear.

Medicaid provides health coverage to over 40% of people with HIV/AIDS nationally, including over 90% of pediatric AID cases. In California, this figure is close to 50%. In the Bay Area, it is close to 60%. Medicaid is the largest insurer of people with HIV/AIDS and has become increasingly so through every year of the epidemic. The growth trend in Medicaid coverage of HIV/AIDS health care is astounding. Between 1991 and 1995 alone, the Health Care Financing Administration estimates that Medicaid HIV/AIDS care costs more than doubled. In California, the figures quadrupled from 1986 to 1993.

Medicaid will provide close to $4 billion worth HIV/AIDS care nationally in 1995, a figure that includes the federal and state contributions. In comparison, the Ryan White CARE Act has been funded at $656 million for FY 1996, thus making Medicaid the largest, single HIV/AIDS program funded by either the federal government or the states. In California, Medi-Cal provided $165 million in HIV/AIDS care in 1992-93, the last year for which the state has such figures. Medi-Cal's importance to San Francisco and to California for HIV/AIDS care is not surprising given the impact of HIV/AIDS in these areas. San Francisco has had over 20,000 AIDS cases to date and 1 in every 25 residents (approximately 28,000) is assumed to be HIV-positive; California has had over 85,000 cases of AIDS to date and approximately 150,000 Californians are assumed to be living with HIV.

Medicaid is especially important for people with HIV/AIDS because of the nature of HIV/AIDS itself. Due to the general age and average lifespan of those living with HIV, few people with AIDS ever qualify for Medicare—approximately 4%. Moreover, with the average cost of HIV/AIDS care at $120,000-$140,000 per person, HIV/AIDS quickly impoverishes even those who are well off at the start of the disease, thus making self-financing of adequate care virtually impossible for everyone. Furthermore, the private health insurance industry, through a variety of means—legal and illegal—manages to reduce its share of coverage of annual HIV/AIDS health care costs every year.

I do not need to review in detail the federal proposals on Medicaid here: the $182 billion in cuts by the year 2002; the incentives for states to cut even more from their contributions to the program and the permission to do so; the block granting with its attendant loss of essential federal guidelines, standards and mandates; the incentives for states to implement the barest of bare-bones managed care plans and so on. California will loose over $19 billion, or 20% of its federal Medicaid monies by the year 2002 under the current Republican Congressional plans. Like other states, California will be free to set new standards for eligibility, services rendered with Medicaid dollars and the like.

Let me say simply and clearly that every major element of these plans will devastate people with HIV and AIDS dependent now or in the future on Medi-Cal:

The funding cuts will result in many PWA's loosing some or all of their desperately-needed Medicaid health services with the obvious result being increased illness and premature death;

Mandatory managed care programs without adequate funding and guidelines will also result in decreased access to care and a lower level of care that is inappropriate for HIV/AIDS and other serious, chronic or life-threatening diseases;

The block granting of Medicaid will only compound these problems through the loss of federal guidelines that now protect vulnerable populations and mandate a broad benefits package. The inevitable end effect of block granting will be the loss of essential services for those who need them.

Let me mention one California-specific example of innovative and essential Medicaid-financed care likely to fall victim to these Congressional proposals. In California, we have used waivers to create innovative, humane and cost-effective programs, such as the AIDS Medi-Cal Waiver Program. This program provides nurse case-management and home and community-based care to Medi-Cal recipients with symptomatic HIV or AIDS. In 1994, the AIDS waiver program cost $5.3 million, yet saved over $90 million in nursing home and hospital costs, as calculated by the federal government, that would have otherwise been incurred for these recipients. Such optional programs will likely be the first to go as California attempts to manage Medi-Cal with a dramatic decrease in federal dollars.

It must be made clear as well that there is no safety net underneath the Medicaid system to compensate for these draconian measures. For example, in San Francisco, our Public Health Department, which provides essential HIV/AIDS services and many other essential services, currently receives 40% of its income from Medi-Cal. San Francisco's Public Health Department will not only not be able to make up for this loss in HIV/AIDS care resulting from these Medicaid cuts, but will be hard-pressed to maintain its level of current services. Moreover, Congress is cutting other funds essential to public health departments and urban health care infrastructures, such as funds for mental health and substance abuse.

Ryan White CARE dollars and the non-profit sector that exists in the AIDS community are no solutions. Ryan White monies in the Bay Area and throughout California have always been inadequate to meet the demands of the HIV epidemic; they are already stretched to a breaking point. Moreover, in many Ryan White programs and other city and state funded programs, Medicaid funding provides the foundation upon which other funds are used to build the HIV/AIDS care system. Thus, there is no safety net to catch those who will fall between the ever-widening, soon to be gaping Medicaid/Medi-Cal crack.

Reform in Medicaid may be desirable, even necessary. However, what we are looking at in these proposals moving through Congress now with such speed is not careful reform or effective cost-efficiency' it is a wholesale rampage against the medical safety net in this nation.

Thank you.

Ms. PELOSI. I thank the gentleman, and I yield to the gentlewoman from California for her closing remarks.

Ms. WOOLSEY. My final remark would have to do with health care reform in general. I believe until we are willing to first take the tax cuts off the table, second, do something about defense expenditures beyond what was asked by the Department of Defense, and, third, we must look at the entirety of health care reform, not just balance the budget on the backs of seniors and the most vulnerable and not just take one piece of health care. We must look at the entire health care program.

Ms. PELOSI. I thank the gentlewoman for her participation in our special order tonight.

I would just comment on her role as a member of the Committee on the Budget, thank her for her leadership role there in representing the values of our community. Many of us believe the budget of our country should be a statement of our Nation's values and those values should reflect the priority we place on investing in our children and in the health care of all our people and certainly protections for our senior citizens. We have grave concerns about how those at the low end of the economic scale fare in our country, but we have a large responsibility to middle-income and working people in our country to make sure that they are not paying the bill for everyone, and they would bear a terrible brunt from these Medicare and Medicaid cuts, unless they think that unless you are a senior, unless you are a poor person, this does not matter to you. They have to know that they are directly impacted by it, and their ability to raise and educate their own children will be very, very much affected by the Republican proposals, which I believe are not a statement of America's values, and I hope that the American people will speak out loudly and clearly to our Republican Members of Congress to make their voices heard to our colleagues so that they will reject this ill-advised and ill-conceived, in-secret proposal to cut Medicare and Medicaid to give a tax break to the wealthiest Americans.

A DEBATE ON MEDICARE AND MEDICAID

The SPEAKER pro tempore (Mr. FOX of Pennsylvania). Under the Speaker's announced policy of May 12, 1995, the gentleman from Pennsylvania [Mr. WELDON] is recognized for 60 minutes as the designee of the majority leader.

Mr. WELDON of Pennsylvania. Mr. Speaker, I wish I was going to take an hour here on a different topic, but I have to respond, along with my colleague, to some of the things that have just been said.

One of the pluses of our great society is you can say anything on the floor of the House. You do not have to back it up with fact. You can say anything you want about anything. Whether or not you believe it is something people back home have to make up their own minds.

I would say the American people have spoken about what this party has done. I would remind my Democrat colleagues before they leave the floor that since Bill Clinton took office, 136 publicly elected officials have switched parties in America, 136. Zero have switched from the Republican Party to the Democrat Party, and 136 have switched from the Democrat Party to the Republican Party, including 5 Members of Congress and the only American Indian in Congress.

So I would say to my colleagues the American people are listening, and your elected officials around the country are coming in droves to support the ideals and the principles of this party.

What we are going to attempt to do is provide some honest information to rebut what you have just said here. Let me read a quote. This quote is from Senator DANIEL PATRICK MOYNIHAN, one of the most stalwart Democrats in the Senate. This quote was from September 17, 1995:

> At the present moment, Medicare costs double every 7 years. The Republicans want to slow that down to doubling every 10 years. The Administration is somewhere in between. No one is talking about abolishing Medicare and, indeed, no one is talking about cutting Medicare, especially the rate of growth.

I would say to my colleagues on the Democrat side this is Senator MOYNIHAN speaking. This is not some Republican. This is not NEWT GINGRICH. This is your leader on health care issues and on Medicare issues, Senator MOYNIHAN. If you want to quote someone, respond to the quote of Senator MOYNIHAN. Let us be factual, Mr. Speaker, in this debate. Let us stop the use of partisan politics in attempting to scare senior citizens.

Your party does not have a corner on caring for people any more than ours does. I think it is wrong to use mean-spirited attacks to try to scare seniors into thinking someone is trying to take benefits away from them. That is absolutely outrageous.

I yield to the gentleman from California [Mr. RIGGS].

Mr. RIGGS. I appreciate this opportunity to address my fellow northern Californians in the spirit of bipartisanship. I thought I would come over to the floor and perhaps present a little different perspective than what our colleagues and C-SPAN viewers may have just heard in this last hour.

We have just heard and witnessed a display of incredible partisanship, the kind of scare tactics that have nothing to do about what is really right for this country and everything to do with a naked attempt by the Democratic minority to regain power and regain control of the Congress.

My colleagues failed to point out, as they were talking about these draconian cuts, as they were displaying postcards which I assume are paid for by some special interest group, they failed to point out the House and Senate budget conference report calls for an increase, and I will be happy to show you the numbers, by the way, if anyone would care to walk across the aisle and see them, the House and Senate conference budget report calls for an increase, I think we understand plain English, an increase in Medicare spending in California per beneficiary from $5,821 today to $8,839 in the year 2002.

Furthermore, the House budget conference report calls for an aggregate of $50,283 per Medicare beneficiary in California over the next 7 years. That does not sound like the kind of draconian cuts that I just heard you describing.

In fact, witnessing this whole display really makes me remember the words of Will Rogers, or maybe it was Woody Allen, who said, "No matter how cynical I get, I just can't seem to keep up."

I also want to point out, before the gentlewoman from Sonoma County leaves, I want to point out to her, of course, any other colleagues, I want to point out that the gentlewoman just sent to her constituents at taxpayer expense a so-called franked newsletter, a franked mailer. This is one of the most outrageous and cynical things that I think I have seen in my service in Congress, because it says in the flier, "I am outraged that Speaker of the House NEWT GINGRICH and the extremists in Congress are cutting programs." Then it goes on to say, "Sonoma County seniors will have to empty their wallets in order to make up for a $270 billion cut to Medicare."

Here are the House-Senate budget conference figures, an increase per beneficiary, $5,000 today, $8,000 in 7 years, an aggregate per beneficiary in California of $50,283.

Furthermore, these folks in the minority party go on and on and on, but I do not hear them embracing the President's proposal. Is the President not in fact the leader of the National Democratic Party? And the President, finally, after months of procrastination, sent up to Congress a revised budget proposal, and he proposes in this revised budget to address the inflation rate in the Medicare Program. He has recognized that Medicare, in recent years, has been growing at a nonsustainable rate. He, too, wants to control the inflation rate.

In fact, according to the nonpartisan Congressional Budget Office, the President's proposed savings in Medicare are $192 billion compared to the $270 billion in our plan, and that difference, according to the nonpartisan Congressional Budget Office, seven-tenths of 1 percent. So I do not understand, again, unless this is all about partisan politics and a naked power grab in an attempt by the Democratic minority to regain control of this Congress. I do not understand what this special order is about, because surely our colleagues are not recognizing the inherent fundamental problems in the Medicare Program.

First of all, they are not acknowledging that average beneficiaries receive far more than they pay into the system, and that is, we all have access to these numbers, but the average two-income couple receives $117,200 more than it contributes or pays into the Medicare trust fund. The average one-income couple receives $126,700 more in benefits than what they pay into the trust fund.

Even more alarmingly, here is the fundamental problem with Medicare: The pool of taxpayers funding Medicare is shrinking. When the program began in 1965, we have roughly 5½ taxpayers supporting each Medicare beneficiary. Today it is 3.3 taxpayers for each beneficiary; and by the year 2035, the ratio, with the baby-boomers reaching retirement age, is going to shrink to 2 taxpayers supporting each beneficiary.

You do not have to be an insurance underwriting expert. You do not even have to understand actuarial tables to realize there is a major problem in the Medicare trust fund that requires, in my view, an honest bipartisan approach to solving this problem.

We heard none of that again in this past hour, so I can only deduce from again, their presentation, if you want to call it that, our colleagues on the other side of the aisle are proposing other alternatives for fixing Medicare. So what would those alternatives be?

Well, the Medicare trustees, which includes three Clinton secretaries and the administrator of the Social Security Administration, have told us we do have two choices.

Ms. WOOLSEY. Mr. Speaker, point of personal privilege.

Mr. RIGGS. Mr. Speaker, regular order.

Mr. WELDON of Pennsylvania. Regular order, Mr. Speaker.

The SPEAKER pro tempore. The time is controlled by the gentleman from Pennsylvania.

Ms. WOOLSEY. The gentleman from Pennsylvania [Mr. WELDON], point of personal privilege, the gentleman referred to me. May I respond?

Mr. WELDON of Pennsylvania. I will yield to the gentlewoman at the appropriate time.

Continue.

Mr. RIGGS. I thank the gentleman again for yielding.

The Medicare trustees put the Congress on notice back in April benefits would have to be reduced by 30 percent or taxes raised, payroll taxes raised, by 44 percent to restore Medicare solvency, unless changes are made to the program as we are proposing.

I would tell the gentleman from Pennsylvania I can only deduce by this presentation we just heard and saw from our colleagues that they are either in favor of reducing benefits by 30 percent and rationing health care benefits or raising payroll taxes by 44 percent, which would wipe out the economic recovery, such as it is in America today, and destroy literally tens of thousands of jobs in the process.

So again I hope we can get past this very cynical, naked display of partisanship that we just saw, this blatant abuse of, as far as I am concerned, of the taxpayers' precious dollar and really have an honest debate and if our colleagues on the other side of the aisle who now, of course, not having even looked our direction over the past hour, of course, not being willing to yield to us, want to have a legitimate debate, I say to them, I would be happy to meet with you here in this august Chamber and schedule a debate.

We will have an honest, open, bipartisan debate, not again these attempts to score strictly partisan political points, because I think that does a disservice to this country. I think we ought to elevate the debate above, again, this political rhetoric that we heard in the last hour.

I thank the gentleman from Pennsylvania for yielding.

Mr. WELDON of Pennsylvania. Let me just say, before I yield to my colleagues on the other side, I will in fact yield to them despite past hours of times where Members of your side would not yield to our Members, namely, I was over here one night with the gentleman from Pennsylvania [Mr. GREENWOOD], who tried repeatedly to get an honest dialog going, but you would not allow that to take place, even though there was no attempt to have bipartisan spirit, I will allow the gentlewoman to respond and have some comments while the gentleman from California [Mr. RIGGS] is still in the Chamber.

Ms. WOOLSEY. I really did come here to talk to you about fire prevention and be with you on that debate.

Since I was referred to, I do, out of a point of personal privilege, want to respond.

First of all, I would like to thank my colleague from north of me for showing my newsletter, which was actually sent out with the newspaper and it was not franked and it cost a third less at least of what it would have if it had been franked. But it is a newsletter I have gotten compliments about all around the district. People appreciated it. They do appreciate communication from the person that represents them in Congress.

I would like to ask the question about all this rhetoric. One, I do not think you listened to what went on in the hour before, when we were up here. Otherwise you would not be able to accuse us of not answering questions. We were responding to what we heard earlier.

□ 2145

But I would like to ask you, will you take the tax breaks off the table so that we actually can have an honest debate about Medicare and Medicaid and balancing the budget? Would the gentleman not vote for that?

Mr. WELDON of Pennsylvania. Reclaiming my time, I yielded to the gentlewoman thinking she was going to respond to a point of personal privilege about something that our colleague from California said. Evidently that is not the case. I thought the gentlewoman was going to make a complaint about what he said being false or erroneous.

Mr. RIGGS. If the gentleman will yield, I do want to respond to the gentlewoman, because I was, again, just quoting from a flier that was actually sent to me by a disgruntled constituent who came across it somehow. Of course, we can acknowledge that we both represent parts of a single county, Sonoma County, in northern California.

My concern is that, again, I am happy to make this available to anybody who wants to look at it carefully, but my concern is there is no factual information in here. That is where I ask the question. You claim a $270 billion cut to Medicare. In effect, I would ask the gentleman from Pennsylvania to yield to anybody on that side who wants to acknowledge that the numbers that are actually in the budget resolution, which I will now say for the third time, an increase in California that is higher than the national average, an increase in spending per Medicare beneficiary from $5,821 today to $8,139 in the year 2002, an aggregate per beneficiary of $50,283 over that time period.

Would it not have been more balanced, would it not have been in the spirit of bipartisanship, to perhaps mention those numbers in this newsletter, which again I am assuming was produced and distributed at taxpayer expense? Would it not have been more honest to inform your constituents of the conclusions in the Medicare trustees' report, the Board of Trustees, Old Age, and Survivors Trust Fund, 1995 annual report? There is no reference to that anywhere in here.

As I pointed out earlier, there are three Clinton Cabinet Secretary members and the Administrator of the Social Security Administration serving on that board of trustees.

I would also like to point out that just 2 years ago, the President of the United States stood here in this Chamber, up at that podium, and said, and I have the actual quote, in his 1993 address to Congress, "Today, Medicaid and Medicare are going up at three times the rate of inflation. We propose," this was in the President's health care proposal, "We propose to let it go up at two times the rate of inflation. This is not a Medicare or Medicaid cut." But I believe that is the term you use in your newsletter.

That is the President of the United States. This is not a Medicare or Medicaid cut. So when you hear all this business about cuts, let me caution you that this is not what is going on. We are going to have two increases in Medicare and Medicaid and a reduction in the rate of growth.

That pretty much summarizes what we have been talking about in our plan.

I want to point out one other thing. There is no link to tax cuts. Apples and oranges. Medicare savings can only be used to save Medicare. The President, of course, has recently changed his rhetoric, claiming, again quoting the President, "Not one red cent of the money being paid by seniors will go to the trust fund. It will go to fund a tax cut that is too big." Notice he says too big, because the President also favors some form of middle-class tax relief.

The President is wrong. Under current law, premiums and payroll taxes paid into the Medicare Trust Fund can only be used for the Medicare Program. This is true of both the trust fund that pays hospital expenses, part A, and the trust fund that pays physicians and other expenses, part B. As the Medicare trustees themselves stated in their April 1995 report, "The assets of the Trust Fund may not be used for any other purpose."

Mr. WELDON of Pennsylvania. I thank the gentleman for those comments. Let me say what offends me most about the debate on this issue is what has become nothing more or less than gross partisan attacks. That is what offends me. Let me tell you why. I am a Republican who works with the other side on labor issues, proudly. I work with the other side on environmental issues, wetlands protection, endangered species. I am in front on all of those issues working with Members on the other side. I am working with the other side even in areas of defense cuts. I voted to eliminate the B-2 bomber, which I heard many of my colleagues tonight say only Republicans are concerned about strong defense. I can look at the votes and the delegation of our colleagues from California and that vote in particular.

But the point is, you have turned this into partisan name-calling, trying to scare seniors, giving us the impression tonight that only Democrats care about kids and seniors. Let me tell you, I am the youngest of nine kids. My mother is 85. We were born and raised in a poor town. I was the first to go to college. She has 55 grandkids and 38 great-grandkids, all living today. My mother has no pension. She relies on Social Security and Medicare and Medicaid.

I resent having anyone on the other side saying I do not care about my mother. Who are you to say that we as Republicans are insensitive to the concerns of seniors? I taught school in a public school for 7 years in west Philadelphia and adjacent. I ran a chapter 1 program with economically deprived kids. I resent the fact that you stand up here in a 1-hour special order and try to portray Republicans as not being concerned about human beings, and that is exactly what was said tonight. I heard my other friend and colleague from California say, and you know, they do not want to cut defense.

Ask the 1 million people in this country, the United Auto Workers, ask the Electrical Workers, who have lost their jobs in plants in southern California, in Boeing and GE. Ask them if we have cut defense at all. One million men and women have been downsized because of 9 years of defense cuts, not cuts in the rate of increase, but actual real cuts in terms of defense spending.

So all I am saying is why can we not move beyond the partisanship and discuss this as intelligent human beings? The people back home do not want to see your side get up and call us names and us get up and call you names. They want us to solve problems.

Ms. WOOLSEY. First of all, I would like to be clear that we did not say that you did not care. We talked about what was being proposed. Second, I would like to say, if you want that debate, why did we have 1 day of hearings in the Committee on Ways and Means?

Mr. WELDON of Pennsylvania. We have had debate on this issue for the 9 years I have been here. Talking about 1 day of debate in the Committee on Ways and Means is not about what is going on in this country on this issue, or I have been living in a vacuum. I have that debate at town meetings every day.

Ms. PELOSI. If the gentleman will yield, the gentleman knows the esteem with which Members on this side of the aisle hold him for the values and courage he has demonstrated on his own side of the aisle on these issues. But it is amazing to hear the gentleman be so surprised that people will comment on a plan, and, yes, we have talked about these issues in general, but in terms of subjecting the particular proposal to the public scrutiny, that has not been done.

I appreciate what the gentleman said about chapter 1 and his participation as a teacher teaching disadvantaged children. That is why I know the gentleman probably shares a concern that many of us have that nearly $1 billion was cut out of the Labor-HHS budget for that chapter 1 program.

When we talk about the defense budget, the point is we are all for a strong defense, and, God knows, nobody came here and said only the Republicans care about a strong defense.

We all care about a strong defense. The point is that when we subjected the budget to cuts, both the rescission bill and in preparing for the budget for next year, defense was off the table. In fact, there was $7 billion more in the bill than even the administration had asked for, and billions more than last year's budget.

So it may be the appropriate number. It may be the exact appropriate number. All we are saying is, as we subject all of our spending to the harsh scrutiny, why is defense not on the stable?

Mr. WELDON of Pennsylvania. Mr. Speaker, reclaiming my time, as a member of the Committee on National Security, it was President Clinton's Defense Secretary, Les Aspin, who came up with the bottoms up review who told us what we needed to protect this country. To meet Secretary Aspin's bottoms up review, the General Accounting Office said President Clinton's plan was $150 billion short. The Congressional Budget Office said his plan was $60 billion short. Democrats like the gentleman from Missouri, IKE SKELTON, on our committee, came out with their own budget saying he was $44 billion short. The President stood in this very well in the State of the Union speech this year, and what did he say? We need to put $25 billion more back into defense.

That was not me standing in the well there, it was the President of the country, who is the leader of your party.

Ms. PELOSI. If the gentleman will yield further, the gentleman is talking about increases in defense spending, an overall number. We are talking about what are those dollars spent on and how can there be savings of waste, fraud and abuse and inefficiencies in the defense budget that is subjected to the same kind of scrutiny that the rest of the budget is? It is about that.

Mr. WELDON of Pennsylvania. Reclaiming my time, I will say that I am just as much for cutting out waste, fraud and abuse as anyone, and will take a back seat to no one in attempting to reduce defense spending, whether it is through cutting the Office of the Secretary of Defense, which we are doing by 25 percent this year. While defense spending has gone down, the number of people in the Secretary's Office has gone up dramatically, or, whether it is by putting in procurement reforms.

But let me say if we are talking about reforming, I never hear the other side, and maybe even some on my side, talk about the waste, fraud and abuse in human service delivery. I looked at a study that was done by the Baltimore Sun last December, and for any of our colleagues listening to this debate tonight, I will be happy to provide a copy of that study.

The Baltimore Sun did an exposé on SSI [supplemental security income]. They found that it is one of the grossest programs in terms of waste, fraud and abuse this country has. Now, whether he talked about some of the sufferings of poor people, which I can very well relate to, believe me, let me say this: Why do we not hear anyone talking about the example that was given in the Baltimore Sun of a family in Louisiana, a common law couple living together, where the mother has now been certified to get SSI because she is too stressed out to work, the father was certified to get SSI because he is overweight and can't work. They have five teenage boys, and because, after a number of tries, the mother was able to get all five kids certified as operating below their functional level, now has all of them fully qualified for SSI, that that family is receiving $47,500 a year, tax free.

Let me say to my colleagues back in their offices, and to the constituents all across the country, let me repeat that number again, just in case there are senior citizens back home that did not hear it correctly: $47,500 a year for one family in Louisiana documented by the Baltimore Sun as receiving SSI benefits.

When the reporter asked the mother, "What do you say about receiving all this money?" She said, "I am entitled to it."

You know what? She is. Do you know in fact that under the current guidelines established by the minority party when they were in control, she is not violating the law. She is entitled to $47,500 a year.

Then the reporter went on to ask her, "Ma'am, how much of this money do you use to help your kids improve themselves?" She said, "I do not use any of that for that. They all have teenage girlfriends, they are teenagers, I give them $25 a month total to spend on their teenage girlfriends."

To our senior citizens listening across America to this debate, I hope they ask the question to Members of Congress, what are you doing to cut the waste, fraud and abuse out of the SSI system, which is completely out of control?

Let me also further state an example given to me by my good friend and your colleague from California [ELTON GALLEGLY] when he brought in to me a four-page brochure, printed in Spanish, paid for by the taxpayers of this country. That brochure being distributed in Mexico today, and says anyone who is pregnant can go to a hospital in ELTON's area and receive prenatal care, postnatal care, deliver the baby, the baby becomes an American citizen, and, furthermore, in Spanish it says the mother cannot be turned in to the Immigration Service.

I wonder if our taxpayers around the country know that their money is going to illegal immigrants to come in and have their children delivered. Is that waste, fraud, and abuse, or only in the case of the Pentagon or others?

What I am saying is this debate should be based on substance, it should be bipartisan, and it should not be this rhetorical name-calling back and forth, because there is enough waste here that all of us should be attacking it. If there is waste in defense, we should be doing it bipartisan. If there is waste in human services, you should be joining with us. If you are not joining with us, you are only ignoring one part of the problem. That is what I object to.

Even though we were not here to get time, I yield to my colleague.

Mr. FARR. If the gentleman would have asked for it, we would have yielded.

Mr. WELDON of Pennsylvania. That would have been a change from past practices of these 1-hour speeches.

Mr . FARR. We are all Californians. We yield a lot.

First of all, this issue about getting to the merits of the debate, and I appreciate that, we want to get to that, and I think it is appropriate. Tonight we generate a debate on the floor that we have not been able to have in committee. I would be willing to come down here and do that and hope we schedule that. I think the real big issue here, and I think you can understand this, if you go out to our constituency and on the one hand are telling them look, we are going to balance the budget; everything is targeted in this, that is why these cuts are in here. Then you turned around and say, by the way, we are also going to give a big tax break.

That is why the phoniness comes. People do not think you can do both. I do not think you can do both. If you really legitimately believe that this whole issue is just related to sort of waste, fraud and abuse, then let us take the tax cut off the table. Just have the Republicans abandon that.

Mr. WELDON of Pennsylvania. Reclaiming my time, what I would say to the gentleman is the Republican Conference came up with a proposal for America, across the board, that we put forth to the American people in last November's elections, and the American people responded overwhelmingly.

□ 2200

As I mentioned in the beginning of my talk, in case my colleagues have not been aware of this, since the President took office, 136 public elected officials have switched parties. None have switched to your party. One hundred thirty-six have switched to our party from California, from Washington, from Maine, from the south, including five Members of Congress.

But let me say this to my colleagues, where I find fault with your holding up this issue of tax cuts is, where is your proposal to save Medicare? This is the report issued by the three cabinet members and signed not by Republicans, but by Robert Rubin, Robert Reich and Donna Shalala. They said, and I quote, the fund is projected to be exhausted in 2001.

So my question for my colleagues is, where is your plan?

Mr. FARR. We have a plan, the President's plan, and it is a good plan.

Mr. WELDON of Pennsylvania. So the gentleman is saying it is the President's plan.

Mr. RIGGS, correct me, would you read what the President's plan calls for?

Mr. RIGGS. Mr. Speaker, absolutely, I would be happy to, if the gentleman would yield. And, of course, both plans, our proposal to fix and strengthen Medicare and the President's newest budget, have been now reviewed and scored, as we say back here in Washington, by the nonpartisan Congressional Budget Office, and I repeat, President Clinton's savings from Medicare amount to $192 billion over seven years compared to the $270 billion Republicans will save.

The truth is, Bill Clinton's newest budget would allow Medicare to grow by 7.1 percent, while the Republican budget would allow Medicare to grow by 6.4 percent. When you cut through all the rhetoric and scare tactics, the difference in growth rates in Medicare spending in the Republican budget and in the Clinton plan is only 7 tenths of 1 percent.

Mr. WELDON of Pennsylvania. Mr. Speaker, reclaiming my time, I ask each of my three colleagues from California, do they now publicly state on the record that they support President Clinton's plan, which, in fact, cuts Medicare by what amount or reduces the level of growth by what amount?

Mr. RIGGS. Mr. Speaker, the President's savings, because remember, both his plan and our plan continues to increase Medicare spending, but at a slower rate. His savings is $192 billion over seven years.

Mr. WELDON of Pennsylvania. Mr. Speaker, I yield to the gentlewoman from California to ask if she supports that initiative?

Ms. PELOSI. Mr. Speaker, I was seeking recognition for a couple of different reasons, but I would be pleased to address that point.

Mr. WELDON of Pennsylvania. Does the gentlewoman support that?

Ms. PELOSI. First of all, any savings that come, any cuts in Medicare-Medicaid, if they are deemed to be there, should be plowed back into Medicare.

Mr. WELDON of Pennsylvania. Does the gentlewoman support that level of change?

Ms. PELOSI. No, I do not support the President's level of cuts.

Mr. WELDON of Pennsylvania. So the gentlewoman does not support the President's plan.

Ms. PELOSI. Not the level of cuts. But we cannot just—the point is, I support the President's approach, which is——

Mr. WELDON of Pennsylvania. But the gentlewoman does not support the President's change?

Ms. PELOSI. The savings that come from his proposal are to be plowed back into Medicare.

Mr. WELDON of Pennsylvania. But the gentlewoman does not support that plan?

Ms. PELOSI. I do not support his level of cuts.

Mr. WELDON of Pennsylvania. Which plan does the gentlewoman support?

Ms. PELOSI. I support a plan that approaches——

Mr. WELDON of Pennsylvania. Which plan is that?

Ms. PELOSI. A plan that approaches——

Mr. WELDON of Pennsylvania. No, which plan is it? Identify it by name.

Ms. PELOSI. It does not have a name. It is a plan that says——

Mr. WELDON of Pennsylvania. Is there a plan?

Ms. PELOSI. The plan is let us have universal access for all Americans to health care.

Mr. WELDON of Pennsylvania. Well, whose plan is it?

Ms. PELOSI. The gentleman is very clever. He makes a great long speech——

Mr. WELDON of Pennsylvania. Who has the plan?

Ms. PELOSI. About how we should be civil to each other in a debate. I do not have to have a plan.

Mr. WELDON of Pennsylvania. OK, so the gentlewoman does not have to have a plan.

Reclaiming my time. Moving on to the gentlewoman from California

Ms. PELOSI. Sir, sir, I have a plan. It is called Medicare.

Mr. WELDON of Pennsylvania. The gentlewoman from California, does she have a plan? Excuse me.

Ms. PELOSI. It is called Medicare.

Mr. WELDON of Pennsylvania. Regular order, Mr. Speaker.

The SPEAKER pro tempore (Mr. FOX). The gentleman from California controls the time.

Mr. WELDON of Pennsylvania. Does the gentlewoman from California support the President's plan?

Ms. WOOLSEY. I want to say I am going to repeat what——

Mr. WELDON of Pennsylvania. Does the gentlewoman support the President's plan?

Ms. WOOLSEY. No, I do not support the President's plan.

Mr. WELDON of Pennsylvania. Mr. Speaker, now reclaiming my time, does the gentleman from California [Mr. FARR] does he support the President's plan?

Mr. FARR. I want to see us have a debate on the President's plan in your committee.

Mr. WELDON of Pennsylvania. Does the gentleman support the President's plan?

Mr. FARR. We cannot even get a debate on it.

Mr. WELDON of Pennsylvania. Does the gentleman support the President's plan?

Mr. FARR. I cannot support it. You will not bring it to the floor.

Mr. WELDON of Pennsylvania. Mr. Speaker, we now have the three Members of Congress, who spent an hour on the floor tearing apart the Republican plan, saying it was outrageous, it was insensitive, was not compassionate, and now we have, after each of them have been read the President's plan and said there is a plan out there, it is the President's plan, now have said individually they do not support the President's plan.

That is exactly the problem. And let me point out what this debate has come out to.

Ms. WOOLSEY. Will the gentleman yield?

Ms. PELOSI. Would the gentleman yield?

Mr. RIGGS. Regular order, Mr. Speaker.

The SPEAKER pro tempore. Mr. WELDON has the floor.

Mr. WELDON of Pennsylvania. Mr. Speaker, I will quote Democrat Chicago Mayor Bill Daley in an article in the New York Times, and I quote. "The only message we have got is the same one we had in November. The Republicans are going to cut Social Security and Medicare. People look at it and say forget it, we don't buy that. The sky isn't falling".

This is not NEWT GINGRICH, this is the Democratic Mayor Bill Daley saying here we go again. We are going to scare the seniors. Like the attempt was made when Ronald Reagan came in to convince seniors that now Republicans were going to end Social Security. It was a scare tactic for nothing less than partisan politics.

And I will again quote Mr. MOYNIHAN, the most respected Member of the Senate on issues involving Medicare and health care. This is from September of this year on David Brinkley.

> At the present moment, Medicare costs double every seven years. The Republicans want to slow that down to doubling every ten years. The administration is somewhere in between. No one is talking about abolishing Medicare, and, indeed, no one is talking about cutting Medicare, especially the rate of growth.

Now, Mr. Speaker, if we could get beyond the rhetoric and have an honest debate and Democrats present an honest alternative, if other Members do not like the President's, they should put their plan up. We cannot say we are not going to cut anything, that is not realistic.

Ms. PELOSI. Mr. Speaker, would the gentleman yield?

Mr. WELDON of Pennsylvania. Be happy to yield.

Ms. PELOSI. Mr. Speaker, I thank the gentleman, and I do want Mr. WELDON to get around to his special order, because he has been such a tremendous leader in the House on fire safety, but I want to respond to him directly about his question about the plan.

The plan I support is called Medicare. I do think that when we talk about the trustees talking about needing some shoring up, it always has. A half dozen times we have had to shore up the Medicare trust fund, and we will do it again. And we can address the waste, fraud, and abuse issue as well. But what we really need is access to universal health care in America to reduce the rising cost of health care in our country which will then have its impact on Medicare costs and Medicaid costs.

So the plan that I support is one that has been successful and it is called Medicare.

I just want to make one other point. The gentleman talked about some anecdotal evidence of abuses at SSI. I am with him on that. Put it all on the table. Subject it all to the harshest scrutiny. Our complaint is not that social services are not subject to scrutiny. We do not fight for them so that people can waste money, we fight for them so people's needs are met. Our complaint is everything is not on the table.

Mr. WELDON of Pennsylvania. Mr. Speaker, reclaiming my time, I appreciate the gentlewoman's comments, and I respect her, as she knows, as one of the tireless workers on behalf of human needs in this Congress and I respect that. But let me say what offends me is that I do not hear the same level of special orders, of dialog over here, talking about the abuse of the human service delivery programs in this country as I hear with the rhetoric going on with Medicare.

This issue of SSI is not new. It is not some anecdotal comment. In fact, the money that is being used to take care of families who can now qualify their kids as operating below their grade level is known as crazy money. And all over the country parents are going to psychiatrists to get their kids qualified so they can collect SSI forever. That is outrageous, because it takes money away from kids who have legitimate needs, and it takes money away from legitimate concerns of seniors who have the need of SSI.

Mr. Speaker, what I am saying is, we have to admit in this body, both sides, that there is gross waste and abuse all over. We need to stop scaring people. The worst part about what I heard tonight is scaring seniors. No one wants to hurt senior citizens. I am not going to vote here to hurt my 85-year-old mother or her friends in my hometown or the town where I was the mayor, which is the second poorest town in my county. I will not vote to do that.

We have to stop the rhetoric of scaring seniors into thinking the bad Republicans are going to rob them and take their benefits, and that is what is being said here, and that is what offends me.

I yield to my colleague.

Mr. RIGGS. Mr. Speaker, I appreciate the gentleman yielding, because I want to add to the other quotes he has cited here tonight, which I think are very important, helpful, and instructive, for the—well, I will not call it a debate because I think we are back at a point where we are having a bit of a dialog.

I want to add the comment from our respected and esteemed colleague from northern Virginia, Congressman JIM MORAN, who said in the Hill newsletter on September 27, "The Republican Medicare preservation act is not nearly as draconian as it was assumed by us Democrats." Then he pauses and goes on to say, "I am not sure how many of us would be willing to admit that."

We would like to have a constructive debate on our proposal, and certainly on any substitute proposals. And just to set the RECORD here straight tonight, I have heard the Speaker of the House, NEWT GINGRICH, say more than once that he will use his power and prerogative as Speaker to make in order on the House floor, when we actually take up Medicare legislation next week, any alternative proposal that your side of the aisle wants to put forward; or, for that matter, he will make in order, under the rules of the House, the President's proposal.

So we are going to have an open and honest debate next week. We are going to have debate on Medicare as a freestanding bill.

Ms. WOOLSEY. Mr. Speaker, will the gentleman yield?

Mr. RIGGS. Let me finish my point. We will be able to have recorded votes on any competing proposals to our plan. So it is not really true to say that—certainly it is not true to say that this subject has not been thoroughly debated on Capitol Hill. We have had 30 hearings in the House since this session of Congress began back in January: six over in the Senate, the Committee on Commerce alone has had a dozen hearings and heard from almost 100 witnesses and taken hours and hours of testimony. So I think we are well prepared going into this debate.

Mr. FARR. Mr. Speaker, would the gentleman yield?

Mr. RIGGS. Well, I have to yield back to the gentleman so he can yield to others.

But I think we are well prepared going into this debate next week. And again I join my colleague in saying, Where are my colleagues' plan? Let us get it out there on the table so we can look at it and we can seriously consider it in the context of preserving and strengthening Medicare.

Mr. WELDON of Pennsylvania. I have to limit our time now because I do have to do at least 15 minutes on what I came here for. So if my colleagues will stick around, I will yield to each of them to make a closing comment, in fairness.

I will start with my good friend, Ms. PELOSI.

Ms. PELOSI. Mr. WELDON, I want to make the point that when we talk about the fact that there have been all these hearings on the Republican Medicare proposals, they have not been on the proposal that is on the table right now. As we all know, it is congressional procedure to air the legislation that we are going to vote on.

Have we talked in concept about Medicare and about changes in Medicare that might be advisable? Certainly. But do we know the particulars of the substitute plan that was placed on the table Monday night by Mr. ARCHER? Most of us do not. That is the plan the American people should have a period of public comment on. Maybe they will like it. Why be afraid of it?

Mr. WELDON of Pennsylvania. Mr. Speaker, reclaiming my time, the gentlewoman makes a point. This plan is available for anyone who has access to Internet, or, if they call my office, I will send them a copy.

I agree that Members should have ample opportunity to vote. I can recall being here my first session of Congress at 2:30 in the morning when Jim Wright was in the Chair and they brought out a 1,200-page document, put it on the desk, and said we have to vote on it tonight. We didn't have days, hours or minutes. It was the continuing resolution that we were being forced to vote on that none of us had seen.

This did not just deal with Medicare. It was the blueprint for the entire country's fiscal process for the next fiscal year. We did not have minutes to consider it.

Unfortunately, part of the practice of this institution is that we get bills like that. In this case we have it. I have had town meetings, I have interacted with my people. I know the parameters of this. There is a chance to amend it. We will all have an opportunity on the floor to present a viable alternative, and at that point in time we want to hear what your alternative does.

We want to hear it. I have heard tonight that none of my colleagues on that side support the President's proposed plan because of the level of controls on increases, so I will be interested to know what their plan is.

I now yield to my colleague from California, Mr. FARR.

Mr. FARR. I appreciate that, Mr. WELDON. The gentleman mentioned he was mayor of a city, and I think the point to debate here is that America deserves the opportunity to know what the law is going to be. Your city could not adopt a city ordinance the way we are adopting the Medicare plan in America, because your city would require that the plan be published in the newspaper; that there be a public hearing scheduled on the very text of the ordinance being considered.

That is what is the problem with this system. We have not been able to see that in this massive bill, and I am really surprised, and appreciate your concern about the procedure, and I would hope in the leadership the gentleman would bring about a law like we have in California that says legislators cannot hear a bill unless it has been in print for 30 days. Cannot even hear it.

Mr. WELDON of Pennsylvania. Mr. Speaker, reclaiming my time. How many terms has the gentleman been here, Mr. FARR?

Mr. FARR. For one term.

Mr. WELDON of Pennsylvania. One term. The gentleman has so much eloquence, I thought he had been here for more than one term.

Let me just say that, unfortunately, in the 9 years I have been here, in this session, I have had more chance to look at legislation than any period of time in my history. We have been given bills that do not even go through our committees in the past that we had to vote on on the floor.

I agree, granted, we should have more time, but it is not like we have not been discussing this issue.

Mr. FARR. We have discussed the issue, but we have to look at the law. We are lawmakers. Anybody can go out and discuss the issue. That is an academic exercise.

Mr. WELDON of Pennsylvania. We would like to see your plan. When will we get that?

Mr. FARR. My point is, we have not even had a hearing on that plan.

Mr. WELDON of Pennsylvania. Well, when will we get your plan? When will we get yours to look at?

Mr. FARR. Well, will there be a hearing on it?

Mr. WELDON of Pennsylvania. I will have a hearing. When will my colleagues give us a plan?

Mr. FARR. We will give the gentleman a plan as soon as he schedules that hearing.

Mr. WELDON of Pennsylvania. No. Members are complaining about our not providing a chance to let them look at this, but when are you going to give us your plan to look at—to tear apart like they are tearing ours apart?

Ms. WOOLSEY. Mr. Speaker, will the gentleman yield?

Mr. WELDON of Pennsylvania. Give us a date certain. When will my colleagues give us your plan?

Ms. WOOLSEY. We have a plan. Our plan is 30 years old, Mr. WELDON. It is called Medicare.

Mr. WELDON of Pennsylvania. So my colleagues are not going to reform it at all. They do not buy this?

□ 2215

Does the gentlewoman buy this or not?

Ms. WOOLSEY. It is not acceptable to bring the issue of something so important to every senior and every family in this country to the House floor for debate. We have not had hearings. I was a member of a city council. On that city council we talked about sidewalk repairs to a much greater extent.

Mr. WELDON of Pennsylvania. Reclaiming my time, when do we get your plan to save Medicare?

Ms. WOOLSEY. Our plan is Medicare.

Mr. WELDON of Pennsylvania. When will we get your plan?

Ms. WOOLSEY. When we can have a bipartisan debate on what needs to happen in order to fix what is wrong.

Mr. WELDON of Pennsylvania. Mr. Speaker, I think I have had enough of this issue. I think the facts are what they are. Anyone watching this who cannot see what this is all about is just not paying attention.

This is not about a bipartisan debate. It is about one party coming up with a plan, maybe it is not perfect, but putting it out there for people to look at, and the other party walking away and saying, we do not even support our President because the plan he has we cannot support. Even though we said initially the President had a plan, we do not want to embrace that because you do not want to make a tough decision. You want to have your cake and you want to eat it, too. You cannot do it anymore. That game is over.

We are going to move on.

I would just say in closing, I appreciate the emotion displayed by myself and other Members. I respect everyone who was here tonight. I would like to continue this. I will come back again. If we get time, we can have a good, honest split-the-time debate. I will come back.

The gentleman from California, Mr. RIGGS, will you come back as well?

Mr. RIGGS Absolutely.

Mr. WELDON of Pennsylvania. So if we get the time tomorrow night, I will be here.

FIRE PREVENTION WEEK

Let me move on to a topic that I originally wanted to address that is very near and dear to me because it is the reason I got involved in public service in the first place. And that is the emergency responders of this country.

Before being mayor of my hometown I was a local fire chief in a volunteer company and director of fire training for a county of 560,000 people. I literally grew up working with those people who respond to our disasters.

The reason why I wanted to take out this special order tonight is that this week is Fire Prevention Week. It is a week where we want to raise the awareness of one of the Nation's most serious problems. That problem is the loss of life caused by fire and disaster throughout this country.

We tend to focus in America on incidents involving war and loss of life from plagues and other illnesses, and certainly that is critical and an important priority of our society. But, Mr. Speaker, we fail to look at the fact that our Nation has the worst record of any industrialized nation in the world when it comes to fires and natural and man-made disasters.

On average, 6,000 people a year die from fires primarily in one- and two-family dwellings. In fact, according to the Safe Kids Campaign, which is a national group focusing on protective measures for our children, almost 1,000 children each year are killed from fires, primarily residential fires. We in this country do not take the issue serious unless it is the result of a major disaster, like we saw with the World Trade Center or the Oklahoma City bombing or the wildlands fires out West or a flood like we had in the Midwest or down South. We need to understand the importance of raising the awareness of our children and our families every day throughout the year.

When I first came to Congress 9 years ago, I saw a void in terms of awareness of the people who were out there protecting our communities. And there are a million and a half of them Eighty percent of them are volunteer; 20 percent of them are paid.

I saw a void in understanding on the point of our public officials that these people are really America's No. 1 domestic defenders. They are the people who respond to every disaster we have, not just the fires in our homes, not just the hazmat incidents, the bombings like we saw in New York, the wildlands fires, the hurricanes such as in Florida, the tornadoes we saw in the Midwest, the floods and the earthquakes. In every one of those instances, year after year, these emergency responders come out and give of themselves to protect our people and our communities.

Mr. Speaker, this is one time during the year when we can recognize the work of these selfless heroes. In fact, at the end of this week, we will have the annual fallen firefighters memorial at Emmitsburg, the site of the National Fire Academy for this country. At that site we will recognize those individuals who gave their life during the last year in protecting the American people.

Mr. Speaker, what is so outrageous is that each year we lose approximately 100 men and women all across America, some paid, many of them volunteers. These individuals selflessly give of themselves to protect their communities and each year approximately 100 of them make the supreme sacrifice.

On this occasion, this weekend, as we do every year, we will pay tribute to their families and their loved ones. I think the best way we can pay tribute to these unsung heroes is to acknowledge the real problem that America has, the need to take care of our children, to educate them on what to do if they are in an emergency situation, the need to deal with our seniors, many of whom are confined and live alone and do not have adequate alarm systems or do not have the adequate ability to protect themselves if an incident occurs in their house and the ability to teach our families how they need to be able to be prepared to deal with emergencies, and that is what this week is about.

Yesterday, the International Association of Firefighters, the organization of paid firefighters nationally, brought to Washington a group of young children and individuals who had suffered burns in real instances around the country. What a tragedy it was and what a tragedy it is to see someone who suffers burns from an incident in their home or in their place of work.

These kids came down here to remind us that we have an obligation every day of the year to try to heighten the awareness of young kids as to how they can prevent burns from occurring in the home, in the workplace, in the school or other places where our families assemble.

I commend the firefighters associations for bringing those kids here and for Senator DOLE for speaking to them to remind them that we do care and that we are going to continue to work on funding for burn foundations across the country and for educational programs like those provided by the National Fire Protection Association and the International Association of Firefighters to protect our kids, especially those that are done in cooperation with the National Safe Kids Campaign.

Today over across the street, we had, along with the Congressional Fire Services Institute, a 2-hour luncheon session for Members of Congress and their staffs where we taught them how to use portable fire extinguishers. Some say, why is that necessary? My first term in Congress, we had a fire in the Speaker's suite that burned the entire suite and could have jeopardized life in that particular building, but because of aggressive action by some staffers and because of the quick response of the D.C. Fire Department, the fire was extinguished.

We want every staffer in our buildings to know that they should understand how to respond to an emergency, how to use a portable extinguisher. And along that line, we have also done CPR classes where Members of Congress and staffers can learn the basic techniques of CPR and hopefully spread that word back in their districts.

Tomorrow we will have a program at the Capitol Hill Day Care Center where we will talk to young children who are there every day about fire protection, life safety, and about some of the basic lessons that they should be learning, like how to dial 911 when an emergency call is needed or how to drop and roll if in fact the child's clothing should somehow catch on fire or one of the other things that can happen to a kid in the home that they need to understand they can take action on themselves.

On Friday, we will have a session with Members of Congress on national legislation looking at the whole issue of disasters. A year ago, over a year ago, I petitioned Speaker Tom Foley to convene a bipartisan task force of Members of this body to focus on the issue of natural and man-made disasters, partly because I felt we were not totally prepared, partly because of the frustration that I hear every day from the emergency responders across the country, and partly because every time we have a disaster this Congress is asked to come in and allocate billions and billions of dollars that we do not have to pay people primarily in property areas where they could have bought insurance, either flood insurance, earthquake insurance or fire insurance.

This legislation that we are going to advocate and highlight this Friday in fact focuses on a national system to not just take the burden off the taxpayers but to establish a reinsurance fund through the private insurance companies to pay for disasters, but also to provide an incentive for local towns and counties to adequately preplan their emergencies, to make sure those building codes are up to date and enforced, to make sure there are adequate emergency plans in place in each community and to make sure the emergency responders are properly trained and equipped.

So, Mr. Speaker, all week long we will have a series of activities in Washington focusing on the ultimate objective of reducing the loss of life in this country and the damage to property from the perils of fire and other disasters. But I think it is more important than that in terms of the issue not just of educating the citizens of this country but in recognizing those heroes that we take for granted too much in this country.

I have had the pleasure, over the last 9 years, of traveling 49 of the 50 States and to work and speak to individual and State fire service groups in each one of those States. Those brave individuals in each of those 49 States are the same. They are selfless people, unselfish people who care about their neighborhoods, care about their communities. They are Republicans and Democrats, and they are there doing a service in many cases with no compensation as volunteers.

This is a time and this is a week for us to acknowledge them, to pay tribute to their work, to thank them for being the real heroes of this country, that we can look up to and pay our respects to, to pat them on the back for a job well done, to stop by the local emergency response station and let them know we appreciate their work, to take our kids over and help sensitize them to the kinds of things they should understand in case an emergency occurs in their home. This is a week where we can pay tribute to these people.

As I traveled around the country and interacted with these folks, one of the things I heard in my early time in Congress was they just were not getting the response from the Congress that they felt was necessary. We took that notion and 8 years ago, 7 years ago formed the Congressional Fire and Emergency Services Caucus. That caucus, Mr. Speaker, quickly became the largest caucus in the Congress and remains the largest caucus in the Congress with over 400 Members, Republicans and Democrats who laid down their partisan differences and who come together to say, we together can support these brave men and women and give them the kinds of resources they need.

Following the formation of that caucus, which has had successes in a number of legislative areas, ranging from increasing funds for training to passing legislation dealing with safe cigarettes to dealing with issues involving hazardous materials, putting an emphasis on FEMA, on urban search and rescue and all of the other issues that confront us every day, we also formed a congressional institute, and that institute works as the educational arm of the Congress in sensitizing us to the real priorities that emergency responders have every day.

In talking to these emergency responders nationwide, the one message that I keep repeating to them that is so important is that they have to let public officials at all levels know who they really are. They are not just the people who respond to our disasters. They are not just the firefighters. In every one of the towns where we have emergency response organizations, and Mr. Speaker, there are 32,000 organized emergency response departments in this country, in every one of them, the local fire and EMS department is the location where they hold the town meetings. It is the hall where the young couple holds its wedding reception. It is the organization that gets called when there is a child that is lost and they have got to organize a search party. It is the group of people that you call when the cellar is flooded and you have to pump it out. It is the group of people who organize the July 4th parades and Memorial Day celebrations, Christmases for kids that have special needs and all of other things that make our communities in America so vibrant and strong.

And so during this week, as we recognize and celebrate the need to educate the people of this country on how to protect themselves from the ravages of fire and other disasters, let us especially pay tribute to those brave men and women, 1.5 million of them in 32,000 departments across America who today are responding to every type of disaster that the mind can imagine. Let us thank them for their efforts.

Mr. Speaker, as further effort this week to encourage Members to get involved locally in these issues, we will be distributing this week some of the most important devices that Members can take and sell back home in terms of educating their own citizens on how to prevent loss of life and property damage.

□ 2230

The First Alert Company is providing smoke detectors for every Member of the House and the Senate which they can use as an example of what should be done in every home in this country, and that is placing a low-cost, in some cases, $5 or $6 smoke detector in a home that can alert families there is, in fact, a problem.

I would encourage all of our colleagues, Mr. Speaker, to take these detectors, which they are getting for free and to use them as examples of simple things that can be done by families, and if families, in fact, cannot afford to buy smoke detectors, let us know where they are so that we can work with the groups that are providing them nationally. In fact, both the International Association of Fire Chiefs and the First Alert Company have gone time and again to provide free smoke detectors and free batteries to many of our urban areas, especially areas where we have high incidences of poverty, coupled with incidences of arson and fire so we can protect those people who do not have the financial resources to buy this equipment.

These are simple tools, but perhaps one of the most important tools in protecting lives and especially children in terms of incendiary fires and situations that would occur that would threaten the lives of our youngsters throughout this country tonight.

In closing, let me say I took this special order out in hopes I could spend an hour talking about many of the programs in place today and many of the actions that are being done both in this Congress and throughout America, and let me say this issue is about as strong a bipartisan effort as I can think of. The Democrats who are involved in this are leading the way as equals with Republicans on these issues, and they have been supportive along the track all the way down the line even when some of our Republican administrations were not as sensitive to these concerns as they should have been.

I just wish we could take that spirit of bipartisanship that we use in dealing with fire and life safety issues instead of scaring people and use that same spirit to address some of these other concerns that we have in this Nation which cause us to polarize, split apart and just demean each other, call out partisan name-calling back and forth. If we could accomplish that, then perhaps we could really show the American people that we can solve the problems of this country and we can do it in a way that is bipartisan and that can give each party credit, because the ultimate goal is not to achieve a winning edge over the other party. The ultimate goal is to meet the needs of the American people.

GENERAL LEAVE

Mr. RIGGS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the subject of the special order offered by the gentleman from Pennsylvania [Mr. WELDON] on today.

The SPEAKER pro tempore (Mr. FOX of Pennsylvania). Is there objection to the request of the gentleman from California?

There was no objection.

WARNING FROM THE MEDICARE TRUSTEES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. RIGGS] is recognized for 5 minutes.

Mr. RIGGS. Mr. Speaker, I just wanted to conclude the discussion that we have out here on the floor tonight. I thought it was a frank give-and-take, if you will pardon the pun, and I want to stress that I think it is important to have more discussion along these lines.

I join with my colleagues in assuring the concerns and chagrin of my colleague, the gentleman from Pennsylvania [Mr. WELDON], who just did a superb job, was very animated, I think, very correct in his remarks in speaking about his disgust at the tactics we have seen employed by the opposition party out here on the floor whenever we have attempted to honestly discuss the warning contained in the Medicare trustees' report back to April.

Each year the Medicare trustees issue a report on the status of the Medicare trust funds. This past April 3, the disclosed Medicare will soon be bankrupt and urged Congress to respond swiftly to this crisis. I think it is important for our colleagues and constituents to understand the Medicare trustees are a nonpartisan, impartial board that reports on the status of Medicare each year. The trustees consist, as we have pointed out, of four Clinton administration officials, the Treasury Secretary, Labor Secretary, Health and Human Services Secretary, and Social Security Commissioner, and two nonadministration officials who represent the public. In other words, a majority, four out of six of the members of the Medicare trustees board, are Clinton-appointed trustees.

The trustees warned that Medicare is headed toward bankruptcy. Their report said the Medicare hospital trust fund part A, which covers hospital services for seniors, will begin to experience "increasing annual deficits" in 1996 and will be depleted in 2002. In other words, Medicare starts to go bankrupt, starts to go into the red, next year and will be completely bankrupt in 7 years.

In addition, the cost of the Medicare Supplementary Insurance Program, Medicare part B, which pays doctors' bills, has grown by 53 percent over the past 5 years. The trustees again warned, under the current system balancing the Medicare hospital trust fund for the next 25 years would require tax increases or a reduction in benefits.

The trustees' report actually stated, "Either outlays would have to be reduced by 30 percent, which would lead obviously to health care rationing for Medicare beneficiaries, or income increase by 44 percent or some combination thereof."

Mr. Speaker, as you well know, we have ruled out those two alternatives of health care rationing or a further increase in payroll taxes to top of the payroll taxes of the 1970's and 1980's. But we have responded to the Medicare trustees's urging to act quickly to address Medicare's problems.

So we hope that we can again have an honest debate. I would say to my colleagues on the other side of the aisle, using your logic, since President Clinton has finally come to the table, he has finally joined the debate, he too has proposed restraining the rate of growth in the Medicare Program and providing middle-class tax relief, by their own logic, President Clinton is proposing to, quote unquote, cut Medicare, in order to pay for a middle-class tax break. We know that is not true.

We know the scare tactics are ultimately not going to succeed with the American people. I am just concerned and disappointed that Congress and the Democrats have decided to spend all of their time and energy attacking the Medicare Preservation Act instead of joining us in saving Medicare. Their tactics distort our bill and what it would mean to senior citizens, demonstrating again why Americans are so upset with Washington, DC. The tactics are politics as usual, and it is politics at its worst, so we have already brought out tonight our bill increases Medicare spending in terms of the national average from $4,800 per beneficiary today to $6,700 per beneficiary in just 7 years.

The figures, again, in California are higher, $5,000 today to roughly $8,000 in approximately just 7 years.

Our bill expands choices to seniors. It does not increase deductibles or copayments, and the premium rate in Medicare part B stays exactly the same as the current rate. Our proposal saves Medicare from bankruptcy through the next generation, not just the next election.

Amercians, Mr. Speaker, of every age are tired of the excuses and the 30-second ads. They want Medicare saved. They know that in their hearts it is the right thing do, and they know we must do it, and that is exactly what our proposal, which we will be debating and voting on this House floor next week, October 19, that is exactly what our proposal, the Medicare Preservation Act, does.

We have an obligation to lead as the governing party in the House of Representatives, and I urge our colleagues, stop the nonstop campaigning and join us in our efforts to save Medicare. You owe that to America's seniors.

TRIBUTE TO FIREFIGHTERS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California [Ms. WOOLSEY] is recognized for 5 minutes.

Ms. WOOLSEY. Mr. Speaker, if you want to hear about some brave firefighters, make that 2,164 extremely brave firefighters, talk to the people I represent in West Marin, CA. You see, over the past week, at least 45 homes and over 12,000 acres of Point Reyes National Seashore in Marin County, CA, have been destroyed by tragic wildfire, a fire caused by an irresponsible individual with an illegal campfire and in a non-campground.

I flew over the disaster area during the initial stages of the fire last week, and I can tell you that I have never seen anything so mighty and devastating and so tragic in my entire life. But, Mr. Speaker, the damage and injuries would have been far worse were it not for the incredible courage of firefighters from throughout the San Francisco Bay area and California, men and women who put their lives at risk to protect one of our Nation's greatest national treasures, the Point Reyes national seashore and the town of Inverness, CA.

Special praise goes to the Department of the Interior, the California department of forestry and fire protection, and the Marin County fire department. These three agencies coordinated an unprecedented fire fighting effort the likes of which you have never seen. In all, 2,164 firefighters representing 40 agencies participated in this massive effort.

In the effort to thank and honor them, I would like to submit a list of those agencies for the RECORD.

The list referred to follows:

AGENCIES THAT ASSISTED IN THE MOUNT VISION FIRE

National Park Service, Point Reyes National Seashore, Pt. Reyes.

California Department of Forestry, Santa Rosa.

Novato Fire District, Novato.

Dixon County Fire Protection District, Dixon.

Marin County Fire, San Rafael.

Vacaville County Fire Protection District, Vacaville.

Napa County Fire Department, Napa.

US Forest Service, San Francisco.

Suisun City Fire Department, Suisun.

Larkspur Fire Department, Larkspur.

Redwood Valley-Capella Fire Protection District, Redwood Valley.

San Mateo County Fire Department, San Mateo.

Ross Department of Police Services, Ross.

Oakland Fire Department, Oakland.

California Highway Patrol, Corte Madera.

California Department of Corrections, Santa Rosa.

Tiburon Fire District, Tiburon.

Corte Madera Fire Department, Corte Madera.

Salvation Army, San Rafael.

Kentfield Fire Department, Kentfield.

Department of Youth Authority, Sacramento.

San Rafael Fire Department, San Rafael.

Mr. Speaker, by air and land, these men and women worked around the clock with only a few hours' sleep. They slept on the ground in disposable paper sleeping bags. Thanks to their tireless efforts, 80 percent of the national park remains untouched, untouched by the fires, and Mr. Speaker, there were no, I repeat no, major injuries or loss of life.

Just to give you a hint of their selflessness, one resident whose home remains standing amid several others that were burned to the ground, returned to his home to find a note in his kitchen from the Tiburon fire engine company No. 12. The note said that the firefighters had fought to save the house from the surrounding flames and that they had been successful, but they wanted to thank the homeowner because afterwards they had come in and had soda and crackers. As the resident said, when he returned home, no amount of soda and crackers will ever be enough to repay these firefighters for their heroic actions. In fact, he said that he was the one that should be thanking the firefighters, not the other way around.

I assure you, Mr. Speaker, similar stories of firefighters going beyond their call of duty to assist victims and protect homes and the park can be found throughout West Marin.

Mr. Speaker, as we celebrate National Fire Prevention Week, let us salute our Nation's firefighters. Like the constituent that I told you about, we are all forever indebted to these courageous men and women, the true heroes of the United States of America.

Mr. HOYER. Mr. Speaker, let me first thank the gentleman from Pennsylvania [Mr. WELDON] for organizing this special order in recognition of Fire Prevention Week.

I would also like to commend the chairman of the bipartisan Fire Caucus, Mr. BOEHLERT, for his hard work and commitment to the fire service. The over 340 Members of this body who are in the Fire Caucus, are well served by such an able and effective chairman.

Mr. Speaker, most Americans recognize that the United States has the finest fire protection in the world.

Clearly, we have made valiant strides in fire prevention and safety since the very sobering report, America Burning, in 1973.

Firefighter deaths in the line of duty, as well as civilian fatalities, are on the decline.

Organizations such as the National Fire Protection Association who are sponsoring Fire Prevention Week have been integral in fire education and the promotion of safety and prevention.

The U.S. Fire Administration, located in my home State of Maryland, provides the backbone of our Nation's fire safety and protection services.

This administration also trains hundreds of firefighters each year and provides the very best in fire data and information.

Mr. Speaker, although we have seen these dramatic improvements in the number of fire-related fatalities in the last 20 years, the United States still lags behind many other industrialized nations in fire safety.

Last year, 100 of our very best firefighters were killed in the line of duty. Additionally, over 4,000 civilians were killed as a result of structural, vehicle, and outdoor fires.

While we can celebrate our accomplishments in fire prevention and safety over the two decades, we must take very seriously the challenge that lies ahead.

Mr. Speaker, I believe this challenge is twofold.

First, we must recognize the tremendous public service provided by America's fire-fighters.

Today, there are just over one million firefighters operating out of more than 30,000 departments nationwide.

Their dedication and service allow all Americans to rest a little easier at night and feel confident that if, in the unfortunate event that there is a fire, their lives and property will be protected by an able and dedicated fire service.

These firefighters should be all of our heroes as they work exhausting shifts and take on the greatest physical and mental challenges.

I have introduced a bill along with the chairman of the Fire Caucus, Mr. BOEHLERT, which would seek to correct one of the greatest inequities in the Federal Government pay system.

Every day over 10,000 Federal firefighters around the country put their lives on the line to protect the lives and property of the American people. Under the present pay system, Federal firefighters work over 25 percent more hours per week, yet earn nearly 44 percent less per hour than the average municipal firefighter.

Simply put, I have introduced this legislation to correct this pay inequity by bringing Federal firefighters under the same pay system as all Federal employees. Although the bill will not fully close the gap, it will compensate Federal firefighters at a level closer to that of municipal firefighters.

Where we can, we must also continue to ensure that all fire fighters, volunteer, municipal, and Federal receive all of the benefits and rights that can and should be afforded to them so that we can continue to encourage the very best in America to join the firefighter ranks.

Mr. Speaker, throughout the country, whenever there is an emergency, a fire, or other type of disaster, firefighters are the first to respond. They don't simply put out fires. They provide moral support and are active and responsible members of our communities.

I rise with great admiration and appreciation for the service and dedication of firefighters throughout the United States.

Second and equally important, she must work toward a day when all Americans are educated about fire prevention and specific steps people can take to reduce fire hazards in the home and work place. The role of the U.S. Fire Administration along with States and local fire officials is crucial to this effort.

To address this issue, I have introduced a bill, H.R. 771, with Congressmen WELDON and BOEHLERT, which seeks to create a grant program, administered by the USFA, which would provide moneys to individual States and localities for the purposes of fire education and prevention.

Given that each State has different fire and safety issues and concerns, this bill will allow the USFA to focus its resources appropriately on each of the different needs.

Mr. Speaker, Let me be clear. I do not believe that the Fire Safety and Education Act of 1995 provides the entire answer to our fire prevention concerns. There must be a partnership between fire departments and organizations and the citizens of each community throughout America. What we can do is help to empower the American people to learn how to prevent fires from occurring and take greater responsibility for their own safety.

Teamwork is the key to continuing our efforts in reducing fire-related fatalities and damages.

This week is an important step in focusing attention on the successes of the past 20 years, but also the work that lies ahead. Whether through legislation on the Federal or State level, through increased training of our firefighters, and through education initiatives on the local levels, we must continue to focus on fire protection and safety.

Fire Prevention Week is a very good opportunity to focus on the fire service and these issues and I thank the gentleman from Pennsylvania for arranging for this special order.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. TEJEDA (at the request of Mr. GEPHARDT), for today and the balance of the week, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. GEJDENSON) to revise and extend their remarks and include extraneous material:)

Mr. SKAGGS, for 5 minutes, today.

Ms. JACKSON-LEE, for 5 minutes, today.

Mr. WISE, for 5 minutes, today.

Ms. DELAURO, for 5 minutes, today.

Mr. GEJDENSON, for 5 minutes, today.

Mr. BEVILL, for 5 minutes, today.

(The following Members (at the request of Mr. DUNCAN) to revise and extend their remarks and include extraneous material:)

Mr. HANSEN, for 5 minutes, today.

Mr. JONES, for 5 minutes, on October 12.

Mr. KIM, for 5 minutes each day, today and on October 12.

Mr. BURTON of Indiana, for 5 minutes each day, on October 12 and 13.

Mr. BRYANT of Tennessee, for 5 minutes, today.

Mrs. SMITH of Washington, for 5 minutes, on October 12.

Mr. SMITH of Michigan, for 5 minutes each day, on October 12 and 13.

Mr. MCINNIS, for 5 minutes, today.

Mrs. JOHNSON of Connecticut, for 5 minutes, today.

Mr. SHAYS, for 5 minutes, today.

Mr. FRANKS of Connecticut, for 5 minutes, today.

Mr. RAMSTAD, for 5 minutes, today.

Mr. DUNCAN, for 5 minutes, today.

(The following Member (at his own request) and to include extraneous matter:)

Mr. RIGGS, for 5 minutes, today.

(The following Member (at her own request) and to include extraneous matter:)

Ms. WOOLSEY, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. GEJDENSON) and to include extraneous matter:)

Mr. STOKES.
Mr. KENNEDY of Rhode Island.
Mr. HAMILTON in two instances.
Mr. HOLDEN in two instances.
Mr. LANTOS.
Mr. ORTON.
Mr. STARK.
Mr. WAXMAN.
Mr. CLAY.
Mr. DIXON.
Mr. FARR.
Mr. FOGLIETTA in two instances.
Mr. WARD in two instances.
Mr. MARTINEZ.
Mr. EDWARDS.
Mr. ANDREWS in two instances.
Ms. JACKSON-LEE.
Mr. CARDIN.
Mr. FAZIO of California.
Mr. FROST.
Mrs. SCHROEDER.
Mr. VENTO.
Mr. POSHARD in three instances.
Ms. KAPTUR.
Mr. LAFALCE.

(The following Members (at the request of Mr. DUNCAN) and to include extraneous matter:)

Mr. WALKER.
Mr. MCDADE.
Mr. TALENT.
Mr. GILMAN in two instances.
Mr. YOUNG of Florida.
Mr. RADANOVICH.
Mrs. SMITH of Washington.
Mr. BURTON.
Mr. SMITH of Texas.
Mr. HASTERT.
Mr. HANSEN
Mr. STUMP.
Mr. PORTER.
Mr. WATTS.
Mr. HAYWORTH.
Mr. KING.
Mr. FORBES.
Mr. SPENCE.
Mr. ZIMMER.

(The following Members (at the request of Ms. WOOLSEY) and to include extraneous matter:)

Mrs. FOWLER.
Mr. DELLUMS.
Mr. WELLER.
Mr. THOMPSON.
Mr. MCCOLLUM.
Mr. KIM.
Mr. FOLEY.
Mr. YOUNG of Florida.
Mr. ACKERMAN.

ADJOURNMENT

Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 43 minutes p.m.), the House adjourned until tomorrow, Thursday, October 12, 1995, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1501. A letter from the Chairman, Federal Financial Institutions Examination Council, transmitting the Council's report on procedures to improve the identification of money laundering schemes involving depository institutions, pursuant to Public Law 103-325, section 404(c) (108 Stat. 2246); to the Committee on Banking and Financial Services.

1502. A letter from the Secretary of Labor, transmitting the Department's annual report to Congress on the fiscal year 1993 program operations of the Office of Workers' Compensation Programs [OWCP], the administration of the Black Lung Benefits Act [BLBA], the Longshore and Harbor Workers' Compensation Act [LHWCA], and the Federal Employees' Compensation Act for the period October 1, 1993, through September 30, 1994; also a report on an annual audit of the LHWCA special fund accounts as required by section 44(j) of LHWCA; to the Committee on Economic and Educational Opportunities.

1503. A letter from the Secretary of Health and Human Services, transmitting the Department's report to Congress on out-of-wedlock childbearing, pursuant to Public Law 103-322, section 320907 (108 Stat. 2126); to the Committee on Commerce.

1504. A letter from the Director, Defense Security Assistance Agency, transmitting notification concerning the Department of the Navy's proposed Letter(s) of Offer and Acceptance [LOA] to Kuwait for defense articles and services (Transmittal No. 96-01), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

1505. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting a copy of Presidential Determination No. 95-50: Suspending Restrictions on United States Relations with the Palestine Liberation Organization, pursuant to Public Law 103-236, section 583(b)(2) (108 Stat. 489); to the Committee on International Relations.

1506. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting a copy of Presidential Determination No. 95-44, authorizing the furnishing of assistance from the emergency refugee and migration assistance fund to meet the urgent needs of refugees in Rwanda and Burundi, pursuant to 22 U.S.C 2601(c)(3); to the Committee on International Relations.

1507. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification for fiscal year 1996 that no U.N. agency or U.N. affiliated agency grants any official status, accreditation, or recognition to any organization which promotes and condones or seeks the legislation of pedophilia, or which includes as a subsidiary or member any such organization, pursuant to Public Law 103-236, section 102(g) (108 Stat. 389); to the Committee on International Relations.

1508. A letter from the Auditor, District of Columbia, transmitting a copy of a report entitled "Audit of the District of Columbia's Recycling Program," pursuant to D.C. Code, section 47-117(d); to the Committee on Government Reform and Oversight.

1509. A letter from the Director of Communications and Legislative Affairs, Equal Employment Opportunity Commission, transmitting a copy of the Agency's Federal sector report on EEO complaints and appeals for fiscal year 1993; also a copy of the EEOC's annual report on the employment of minorities, women, and people with disabilities in the Federal Government for fiscal year 1993; to the Committee on Government Reform and Oversight.

1510. A letter from the Director, Office of Management and Budget, transmitting OMB's estimate of the amount of discretionary new budget authority and outlays for the current year, if any, and the budget year provided by House Joint Resolution 108 and H.R. 1817, pursuant to Public Law 101-508, section 13101(a) (104 Stat. 1388-578); to the Committee on Government Reform and Oversight.

1511. A letter from the Director, Office of Management and Budget, transmitting the annual report on its 1995 Federal financial management status report and Government-wide 5-year financial management plan, pursuant to Public Law 101-576, section 301(a) (104 Stat. 2849); to the Committee on Government Reform and Oversight.

1512. A letter from the Executive Director of Government Affairs, Non-Commissioned Officers Associations of the United States of America, transmitting the annual report of the Non-Commissioned Officers Association of the United States of America containing the consolidated financial statements for the period December 31, 1994, and 1993, pursuant to Public Law 100-281, section 13 (100 Stat. 75); to the Committee on the Judiciary.

1513. A letter from the Chairman, U.S. International Trade Commission, transmitting the 10th annual report on the impact of the Caribbean Basin Economic Recovery Act on U.S. industries and consumers, pursuant to 19 U.S.C. 2704; to the Committee on Ways and Means.

1514. A letter from the Chairman, U.S. International Trade Commission, transmitting the second annual report on the impact of the Andean Trade Preference Act on U.S. industries and consumers and on drug crop eradication and crop substitution, pursuant to 19 U.S.C. 3204; to the Committee on Ways and Means.

1515. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation for the conservation title of the 1995 farm bill; jointly, to the Committees on Agriculture, Transportation and Infrastructure, and Resources.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MOORHEAD: Committee on the Judiciary. H.R. 1506. A bill to amend title 17, United States Code, to provide an exclusive right to perform sound recordings publicly by means of digital transmissions, and for other purposes; with an amendment (Rept. 104-274). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. GILMAN (for himself, Mr. KING, Mr. SHAW, Mr. BERMAN, and Mr. FORBES):

H.R. 2458. A bill to impose sanctions on foreign persons exporting certain goods or technology that would enhance Iran's ability to extract, refine, store, process, or transport petroleum products or natural gas; to the Committee on International Relations, and in addition to the Committees on Ways and Means, Banking and Financial Services, Commerce, and Government Reform and Oversight, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. KASICH:

H.R. 2459. A bill to amend the Congressional Budget Act of 1974 to extend and reduce the discretionary spending limits and to extend the pay-as-you-go requirements set forth in the Balanced Budget and Emergency Deficit Control Act of 1985; to the Committee on the Budget, and in addition to the Committee on Rules, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. BARTON of Texas:

H.R. 2460. A bill to amend the Community Services Block Grant Act to redefine the term "eligible entity"; to the Committee on Economic and Educational Opportunities.

By Mr. ENGLISH of Pennsylvania (for himself, Mr. HOUGHTON, Ms. MCKINNEY, Mr. BLUTE, Mr. LONGLEY, Mr. FILNER, Mr. WELLER, Mr. ACKERMAN, Mr. DAVIS, Mr. CHRYSLER, Mr. NEY, and Mr. ENSIGN):

H.R. 2461. A bill to amend the Internal Revenue Code of 1986 to repeal the inclusion in gross income of unemployment compensation; to the Committee on Ways and Means.

By Mr. ENGLISH of Pennsylvania (for himself, Mr. SOUDER, Mr. FOX, Mr. LOBIONDO, and Mr. ENSIGN):

H.R. 2462. A bill to eliminate automatic pay adjustments for Members of Congress; to the Committee on House Oversight, and in addition to the Committee on Government Reform and Oversight, for a period to be subsequently determined by the Speaker, in each case for the consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. FROST:

H.R. 2463. A bill to provide for payments to individuals who were the subjects of radiation experiments conducted by the Federal Government; to the Committee on the Judiciary.

By Mr. HANSEN:

H.R. 2464. A bill to amend Public Law 103-93 to provide additional lands within the State of Utah for the Goshute Indian Reservation, and for other purposes; to the Committee on Resources.

H.R. 2465. A bill to establish 5-year terms for, and require the advice and consent of the Senate in the appointment of, the Director of the National Park Service, and for other purposes; to the Committee on Resources.

H.R. 2466. A bill to improve the process for land exchanges with the Forest Service and the Bureau of Land Management; to the Committee on Resources, and in addition to the Committee on Agriculture, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. HASTERT (for himself, Mr. PORTER, Mrs. COLLINS of Illinois, Mr. RUSH, and Mr. NORWOOD):

H.R. 2467. A bill to grant certain patent rights for certain nonsteroidal anti-inflammatory drugs for a 2-year period; to the Committee on the Judiciary, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. LOBIONDO (for himself, Mr. ZIMMER, Mr. WELDON of Florida, Mrs. VUCANOVICH, Mr. HOSTETTLER, Mr. TAYLOR of North Carolina, Mr. HEFLEY, Mr. BARTON of Texas, Mr. LIVINGSTON, Mr. BLUTE, Mr. BOEHNER, Mr. CHRISTENSEN, Mr. FIELDS of Texas, Mr. FRELINGHUYSEN, Mr. SAXTON, Mr. GILCHREST, Mr. HASTERT, Mr. KLUG, Mr. LAUGHLIN, Mr. MYERS of Indiana, Mr. COX, Mr. MONTGOMERY, Mr. WELDON of Pennsylvania, Mr. SOUDER, Mr. WELLER, Mr. BRYANT of Tennessee, Mr. COLLINS of Georgia, Mr. OXLEY, Mr. GUTKNECHT, Mr. HEINEMAN, Mr. PETE GEREN of Texas, Mr. LATOURETTE, Mrs. CHENOWETH, Mrs. CUBIN, Mr. KING, Mr. NEY, Mr. RAMSTAD, Mr. ROYCE, Mr. STOCKMAN, Mr. WICKER, Mr. STEARNS, Mrs. MYRICK, Mr. HUTCHINSON, Mr. BEREUTER, and Mr. EHLERS):

H.R. 2468. A bill to reform the process under which Federal prisoners bring lawsuits relating to prison conditions and treatment; to the Committee on the Judiciary.

By Mr. STOCKMAN:

H.R. 2469. A bill to amend title II of the Social Security Act to permit an individual entitled to both old-age or disability insurance benefits and to widow's or widower's insurance benefits to receive both without reduction in the amount of the widow's or widower's insurance benefit by the amount of the old-age or disability insurance benefit; to the Committee on Ways and Means.

By Mr. STOCKMAN (for himself, Mr. FUNDERBURK, Mr. YOUNG of Alaska, Mrs. CHENOWETH, and Mr. HOSTETTLER):

H.R. 2470. A bill to restore the second amendment rights of all Americans; to the Committee on the Judiciary, and in addition to the Committees on Government Reform and Oversight, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. TORKILDSEN (for himself and Mrs. FOWLER):

H.R. 2471. A bill to amend the Federal Election Campaign Act of 1971 to reduce the amount that a nonparty multicandidate political committee may contribute to a candidate in a congressional election, and for other purposes; to the Committee on House Oversight.

By Mr. YATES:

H. Con. Res. 106. Concurrent resolution permitting the use of the rotunda of the Capitol for a ceremony to commemorate the days of remembrance of victims of the Holocaust; to the Committee on House Oversight.

By Mr. HOYER:

H. Res. 236. Resolution electing Representative CHAKA FATTAH of Pennsylvania to the Committee on Economic and Educational Opportunities; considered and agreed to.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 65: Mr. MCHALE.

H.R. 103: Mr. POMEROY.

H.R. 218: Mr. HOKE.

H.R. 294: Mr. FROST.

H.R. 438: Mr. BLUTE.

H.R. 468: Mr. STUPAK.

H.R. 580: Mr. FRISA.

H.R. 727: Mr. JOHNSTON of Florida.

H.R. 784: Mr. HANCOCK, Mr. HAYWORTH, Mr. LARGENT, Mr. LATOURETTE, Mr. LIVINGSTON, Mr. SKEEN, and Mr. HORN.

H.R. 789: Mrs. CHENOWETH and Mr. BREWSTER.

H.R. 791: Mr. BLUTE.

H.R. 842: Mr. HOSTETTLER.

H.R. 1000: Mrs. MEEK of Florida, Mr. ROEMER, and Mr. WYDEN.

H.R. 1023: Mr. GUNDERSON, Mr. GENE GREEN of Texas, and Mr. WALSH.

H.R. 1047: Mr. STOCKMAN.

H.R. 1090: Mr. NADLER.

H.R. 1114: Mr. DOOLEY.

H.R. 1119: Mr. FOX and Mr. ROHRABACHER.

H.R. 1161: Mr. COBLE.

H.R. 1204: Mr. MARTINI.

H.R. 1222: Mr. ZIMMER, Mr. MEEHAN, and Mr. LUTHER.

H.R. 1386: Mr. ANDREWS, Mrs. THURMAN, and Mr. HOKE.

H.R. 1404: Mr. FOLEY, Ms. FURSE, Mr. BILBRAY, and Mr. LEVIN.

H.R. 1484: Mr. FOLEY and Mr. CARDIN.

H.R. 1496: Mr. PICKETT.

H.R. 1499: Mrs. MEYERS of Kansas, Ms. RIVERS, and Mr. BARRETT of Nebraska.

H.R. 1500: Mr. DEUTSCH, Mr. GEJDENSON, and Mr. GENE GREEN of Texas.

H.R. 1539: Mrs. MORELLA.

H.R. 1684: Mr. STARK, Mr. FILNER, and Mr. HEFLEY.

H.R. 1702: Mr. NADLER.

H.R. 1703: Mr. NADLER.

H.R. 1704: Mr. NADLER.

H.R. 1801: Mr. MARTINI and Mr. TORKILDSEN.

H.R. 1803: Mr. ENSIGN.

H.R. 1810: Mr. LOBIONDO.

H.R. 1818: Mrs. CUBIN and GUTKNECHT.

H.R. 1856: Mr. ROSE, Mr. TORKILDSEN, Mr. STOCKMAN, Mr. SKEEN, Mrs. LOWEY, Mr. MICA, Mr. SMITH of Texas, Mrs. CUBIN, Mr. CHAMBLISS, Mr. SAWYER, Mr. KILDEE, and Mr. FRANKS of New Jersey.

H.R. 1920: Mr. GUTIERREZ, Mr. NADLER, Mr. MORAN, Mr. GENE GREEN of Texas, Mr. DOYLE, Mr. CONDIT, Mrs. MALONEY, and Ms. WOOLSEY.

H.R. 1930: Mr. FRANKS of New Jersey.

H.R. 1972: Mr. FROST, Mr. BARRETT of Nebraska, Mr. MCINNIS, Mr. SKEEN, Mr. FILNER, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. CALLAHAN, Mr. MINGE, and Mr. DUNCAN.

H.R. 2029: Mr. TAYLOR of North Carolina and Mr. BOEHLERT.

H.R. 2081: Mr. CRAPO.

H.R. 2137: Mr. BLILEY.

H.R. 2143: Mr. MENENDEZ and Mr. KLINK.

H.R. 2145: Mr. NEY.

H.R. 2199: Mr. THORNBERRY.

H.R. 2200: Mr. OXLEY, Mr. CHAMBLISS, Mr. SISISKY, Ms. RIVERS, Mr. BARTON of Texas, Mr. MANZULLO, Mr. PETERSON of Minnesota, Mrs. THURMAN, Mr. FOX, Mr. CARDIN, Mr. RAMSTAD, Mrs. CUBIN, Mr. NEUMANN, Mr. CRAPO, and Mr. PETERSON of Florida.

H.R. 2240: Mr. MORAN, Mr. OLVER, Mrs. MORELLA, Mr. FRANK of Massachusetts, Mr. SKAGGS, Mr. STARK, Mr. SMITH of New Jersey, and Mr. JEFFERSON.

H.R. 2265: Mrs. CLAYTON, Mr. GOODLATTE, and Mr. TANNER.

H.R. 2285: Mr. BEREUTER, Mr. BAKER of California, Mr. EMERSON, Ms. DUNN OF WASHINGTON, Mr. FROST, and Mr. KING.

H.R. 2308: Mr. THORNBERRY.

H.R. 2328: Mr. FOX and Mr. EHLERS.

H.R. 2341: Mr. NETHERCUTT.

H.R. 2342: Mr. STENHOLM and Mr. HALL of Texas.

H.R. 2351: Mr. LOBIONDO and Mr. ENGLISH of Pennsylvania.

H.R. 2373: Mr. DICKEY.

H.R. 2374: Mrs. JOHNSON of Connecticut, Mr. ZIMMER, and Mr. HORN.

H.R. 2375: Mr. FAZIO of California and Mr. MATSUI.

H.R. 2402: Mr. CRAPO, Mrs. CHENOWETH, and Mr. HASTINGS of Washington.

H.R. 2414: Mr. HAMILTON, Mr. ROSE, and Mr. WARD.

H.R. 2417: Mr. ENGLISH of Pennsylvania, Mr. STEARNS, Mr. STOCKMAN, Mr. CRANE, Mr. BAKER of California, Mr. METCALF, Mr. STUMP, Mr. NETHERCUTT, Mr. KLECZKA, and Mr. LAHOOD.

H.R. 2429: Mr. BEILENSON.

H. Con. Res. 80: Mr. LEWIS of Georgia, Mr. NADLER, Mr. PORTER, Mr. TORKILDSEN, Mr. BARRETT of Wisconsin, Mr. WATT of North Carolina, Mr. WAXMAN, Mrs. SCHROEDER, Ms. FURSE, and Mr. GANSKE.

H. Con. Res. 102: Mr. KLUG, Mr. DURBIN, Mrs. MORELLA, Ms. ROYBAL-ALLARD, and Mr. KILDEE.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 39

OFFERED BY: MR. FARR OF CALIFORNIA

AMENDMENT NO. 1: Page 21, line 13, before the first semicolon insert the following: "and conservation and management measures necessary to minimize, to the extent practicable, adverse impacts on that habitat caused by fishing".

Page 23, line 21, strike "(15)" and insert "(14)".

Page 24, line 12, strike the semicolon and insert "; and'.".

Page 24, strike lines 13 through 17.

H.R. 2405

OFFERED BY: MR. SAXTON

AMENDMENT NO. 25: Page 114, line 19, strike "(a) MARINE PREDICTION RESEARCH.—".

Page 115, strike lines 1 through 17.

Page 122, strike lines 10 through 21 (and redesignate the subsequent subsection accordingly).

H.R. 2405

OFFERED BY: MR. SAXTON

AMENDMENT NO. 26: On page 122, line 5, strike "Science" and insert instead "Resources and the Committee on Science".

H.R. 2405

OFFERED BY: MR. SAXTON

AMENDMENT NO. 27: On page 128, line 16, strike "Science" and insert instead "Resources and the Committee on Science".

H.R. 2405

OFFERED BY: MR. THORNBERRY

AMENDMENT NO. 28: Page 109, after line 4, insert the following new subsection:

(h) NEXRAD OPERATIONAL AVAILABILITY AND RELIABILITY.—(1) The Secretary of Defense, in conjunction with the administrator of the National Oceanic and Atmospheric Administration, shall take immediate steps to ensure the NEXRADs operated by the Department of Defense that provide primary detection coverage over a portion of their range function as fully committed, reliable elements of the national weather radar network, operating with the same standards, quality, and availability as the National Weather Service-operated NEXRAD's.

(2) NEXRADs operated by the Department of Defense that provide primary detection coverage over a portion of their range are to be considered as integral parts of the National Weather Radar Network.

H.R. 2405

OFFERED BY: MR. YOUNG OF ALASKA

AMENDMENT NO. 29: On page 122, line 5, strike "Science" and insert instead "Resources and the Committee on Science".

H.R. 2405

OFFERED BY: MR. YOUNG OF ALASKA

AMENDMENT NO. 30: On page 122, strike lines 11 through 13.

On page 122, line 14, strike "(B)" and insert instead "(1)".

H.R. 2405

OFFERED BY: MR. YOUNG OF ALASKA

AMENDMENT NO. 31: On page 128, line 16, strike "Science" and insert instead "Resources and the Committee on Science".

EXTENSIONS OF REMARKS

MEDICAL RESEARCH'S POPULARITY

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 11, 1995

Mr. PORTER. Mr. Speaker, as Congress moves to streamline government, we are faced with the responsibility of carefully reviewing each and every program to determine whether and to what extent proposed spending can be justified. As chairman of the Labor, Health and Human Services, Education Appropriations Subcommittee, I have found medical research at the National Institutes of Health to be one of our most vital endeavors. Federally supported biomedical research produces treatments to combat disease and injury, helping people live longer, healthier lives. On the economic side, the United States leads the world in biomedical research and development. Federally supported biomedical research creates high-skill jobs and supports an industry that generates a growing economy and a positive balance of trade for our country. In addition, the total costs associated with NIH since its inception have been more than paid for in terms of health care savings from just one discovery. And there have been thousands. The payback is tremendous.

The value of the medical research is widely held and supported by the American people. This fact is corroborated by a recent Harris Poll, the highlights of which I am including:

AMERICANS OPPOSE CUTS IN MEDICAL RESEARCH DOLLARS

Respondents were told that one impact of proposed changes in the Federal budget would be less money going to universities and their hospitals which teach medical students and do medical research. When asked whether they favored or opposed these changes in the Federal budget, 65 percent opposed proposed cuts in Federal support for universities and hospitals.

The younger those surveyed, the higher their response—among 18- to 24-year-olds, the opposition to the proposed cuts rises to 75 percent and among 25- to 29-year-olds, the opposition to the proposed cuts is 72 percent.

AMERICANS WOULD PAY HIGHER TAXES TO SUPPORT MEDICAL RESEARCH

Seventy-three percent would be willing to pay a dollar more per week in taxes if they knew the money would be spent on medical research to better diagnose, prevent, and treat disease.

Results from a November 1993 Harris poll were very similar—74 percent were willing to pay a dollar more per week in taxes if spent on medical research.

AMERICANS URGE CONGRESS TO PROVIDE TAX INCENTIVES FOR PRIVATE INDUSTRY TO CONDUCT MEDICAL RESEARCH

Sixty-one percent of those surveyed want their Senators and Representatives to support legislation that would give tax credits to private industries to conduct more medical research.

AMERICANS ARE WILLING TO DESIGNATE TAX REFUND DOLLARS FOR MEDICAL RESEARCH

Forty-five percent would probably and 15 percent would definitely check off a box on their Federal income tax return to designate tax refund money specifically for medical research.

When asked how much money they would be willing to designate to medical research, the median amount reported was $23.

AMERICANS OVERWHELMINGLY VALUE MAINTAINING THE UNITED STATES' POSITION AS A LEADER IN MEDICAL RESEARCH

Ninety-four percent of those surveyed feel that it is important that the United States maintain its role as a world leader in medical research.

AMERICANS HEARTILY ENDORSE HAVING THE FEDERAL GOVERNMENT SUPPORT BASIC SCIENCE RESEARCH

Those surveyed were asked if they agree or disagree with the following: "Even if it brings no immediate benefits, basic science research which advances the frontiers of knowledge is necessary and should be supported by the Federal Government."

Sixty-nine percent of respondents agree and 79 percent of young people ages 18 to 24 agree with the need to support basic research.

MEDICAL RESEARCH TAKES SECOND PLACE ONLY TO NATIONAL DEFENSE FOR TAX DOLLAR VALUE

While 45 percent gave Federal defense spending the highest rating for tax dollar value, second went to medical research with 37 percent of the respondents giving it a favorable tax dollar value.

Public education and Federal anti-crime effort ranked the lowest.

AMERICANS WANT MORE INFORMATION ABOUT MEDICAL RESEARCH IN THE PRINT AND BROADCAST MEDIA

Sixty-one percent of the Americans surveyed would like to see more medical research information in newspapers, magazines, and on television.

Seventy-seven percent of young people 18 to 24 want more medical research information from these sources.

HONORING THE CUCAMONGA VITICULTURAL DISTRICT

HON. JAY KIM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 11, 1995

Mr. KIM. Mr. Speaker, I rise today to recognize the long overdue establishment of the Cucamonga Viticultural District, which will be celebrated on October 20, 1995.

The Cucamonga Viticultural District, which encompasses portions of the cities of Ontario, Rancho Cucamonga, and the community of Guasti, was officially established on May 1, 1995 in recognition of the regions unique and historic viticultural appeal.

Viticultural production began in the area in the late 1840's helping to establish California as a grape producing, wine-making region. This early activity helped to influence other growers and vintners, who through their efforts and dedication created a new industry for California. Cucamonga Valley viticultural production reached its peak almost 100 years later; in the 1940's and 1950's with over 60 wineries producing from approximately 35,000 acres. By this time the valley was home to the world's largest vineyard—6 thousand continuous acres covering Ontario, Rancho Cucamonga, and Guasti. In 1962, Cucamonga Viticultural District wines accounted for 98 percent of the 9½ million gallons of wine produced in the southern California wine district. Although development has replaced many of the vineyards, the remaining vintners produce award-winning wines from mature grape varieties such as: Zinfandel, Grenache, Mataro, Mission, Muscat of Alexandria, Palomino, Golden Chasselas, and others. Additionally several tons of the grapes grown in the Cucamonga Viticultural District are sold and shipped every season to wineries located in other parts of California and across the United States.

This appellation is truly deserved, signifying the distinct characteristics that make the Cucamonga Viticultural District one of a kind.

SALUTE TO THE NAACP HONOREES DR. C. DELORES TUCKER, BURT SIEGEL, AND OPERATION UNDERSTANDING

HON. THOMAS M. FOGLIETTA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 11, 1995

Mr. FOGLIETTA. Mr. Speaker, I rise today to salute Dr. C. Delores Tucker, Burt Siegel, and Operation Understanding who will be honored at the 23d annual awards dinner of the Philadelphia Branch of the National Association for the Advancement of Colored People.

Today, Dr. C. Delores Tucker, Burt Siegel, and Operation Understanding, will be honored for their outstanding work in supporting equal opportunity for humanity in the city of Philadelphia. Dr. C. Delores Tucker has worked tirelessly as the head of the National Political Congress of Black Women, Inc. Almost single handed, Delores Tucker has woken up America to the harshly negative effects of Gangsta Rap. Burt Siegel is the associate executive director of the Jewish Community Relations Council of Greater Philadelphia. On so many issues, Burt has been a loud and articulate conscience in our city. Operation Understanding, cofounded by George M. Ross, seeks to ease tensions between the African-American and Jewish communities. Together these individuals have worked to promote intergroup

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

harmony and understanding among Philadelphia's many rich and diverse ethnic communities.

I am proud of the accomplishments of Dr. C. Delores Tucker, Burt Siegel, and Operation Understanding, and I join with the Philadelphia National Association for the Advancement of Colored People in congratulating these exceptional individuals. I hope that my colleagues will join with me today in wishing Dr. C. Delores Tucker, Burt Siegel, Operation Understanding, and George Ross the very best in their continued service to the Philadelphia community.

CONTINUE ISOLATING MOBUTU

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 11, 1995

Mr. HAMILTON. Mr. Speaker, I recently engaged in an exchange of letters with the State Department concerning the need for the United States to maintain its policy of diplomatic isolation against Africa's longest reigning and most corrupt dictator, President Mobutu Sese Seko of Zaire.

HOUSE OF REPRESENTATIVES, COMMITTEE ON INTERNATIONAL RELATIONS,
Washington, DC, August 17, 1995.

Hon. WARREN CHRISTOPHER,
Secretary of State, Department of State, Washington, DC.

DEAR MR. SECRETARY: It has come to my attention that the Administration may seek the assistance of President Mobutu of Zaire in providing Zairean troops to address security concerns along Zaire's borders with Rwanda and Burundi. I oppose such a move.

I agree with you concerning the seriousness of the security situation in Eastern Zaire and its connection to the incipient civil war in Burundi and the threat of renewed civil war in Rwanda. I also understand that the international community has made a commitment to the Government of Rwanda to address the security issue. I support that commitment.

But I do not believe that engaging the assistance of President Mobutu is a constructive way to address the security issue, for two reasons.

First, on a practical level, this step is more likely to exacerbate the security situation than improve it. Zairean forces in the border regions have been smuggling arms and providing resources and protection to the ex-Armed Forces of Rwanda. The population in Eastern Zaire is sympathetic to the Hutu cause. It is doubtful that Mobutu has the capacity to improve security in Eastern Zaire.

Second, seeking Mobutu's support sends exactly the wrong message to Zaire. Mobutu will use this appeal to claim legitimacy. For many years, during the Cold War, Mobutu posed as a "friend of the West" in order to gain Western acquiescence and support for his corrupt regime in Zaire. I fear that the proposed initiative will reinvigorate this charade. The outcome will be that Mobutu will be less likely to work with Prime Minister Kengo and the various opposition forces in facilitating a democratic transition in Zaire.

Mobutu's exit from the political scene is necessary to resolve Zaire's political crisis. To that end, I continue to support a policy of isolating Mobutu and denying him a legitimate role in international affairs. For these reasons, I do not believe the United States should have any role in seeking his help to address the deteriorating security situation in Eastern Zaire and along Zaire's border with Rwanda and Burundi.

I look forward to your reply.

With best wishes,

Sincerely,

LEE H. HAMILTON,
Ranking Democratic Member.

U.S. DEPARTMENT OF STATE,
Washington, DC, September 25, 1995.

Hon. LEE H. HAMILTON,
House of Representatives.

DEAR MR. HAMILTON: I am responding to your letter of August 17 to the Secretary recording your opposition to seeking President Mobutu's assistance in providing Zairian troops to address security concerns along Zaire's borders with Rwanda and Burundi. We have no intention of conferring "legitimacy" on President Mobutu. We agree that this would seriously weaken our policy to support the transition to democracy in Zaire.

Contrary to recent press reports, the U.S. has not approached Mobutu for assistance with the refugee crisis and security in eastern Zaire. Our contacts were exclusively within cabinet ministries, particularly the prime Ministry and Foreign Ministry. It is correct that the United States, acting with its Troika partners (France and Belgium), has in the past not excluded outright any possibility of conversation with President Mobutu. You may recall, however, that Mobutu refused to receive the Troika representatives when its members wished to present a joint demarche regarding obstacles to the transition to democracy in April.

Regarding your concerns that Zairian forces are unlikely to improve the security situation in eastern Zaire, UNHCR notes that the elite Zairian security contingent operating in the camps under its auspices has performed professionally and had a demonstrably positive effect on camp security, to the pleasant surprise of many observers of the region. We agree, however, with your concern about indiscipline among Zairian forces generally, which is exacerbated when their salaries are not paid. (UNHCR pays the salaries of the troops seconded to its camps.) The performance of the non-UNHCR Zairian troops during the recent (now-suspended) forced repatriation was certainly of concern.

More generally, we would note that the focus of our Zaire policy remains support for the democratic transition and efforts toward economic reform. We continue to view Mobutu as the principal obstacle to democratic and economic reform in Zaire. The presidential proclamation barring those who obstruct democracy in Zaire from entering the U.S. would continue to apply to Mobutu should he request a visa. In this connection, however, we must take into account our obligations as host country to the United Nations. If Mobutu wishes to attend the 50th anniversary ceremonies this fall (as we expect he will), he would be permitted to come to the United States for that purpose.

We appreciate your interest in Zaire policy, and hope that this information will be helpful to you. Please do not hesitate to contact us if you have further questions or concerns.

Sincerely,

WENDY R. SHERMAN,
Assistant Secretary, Legislative Affairs.

CENTRAL SAN JOAQUIN VALLEY SALUTES TOP FIVE BUSINESSES

HON. GEORGE P. RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 11, 1995

Mr. RADANOVICH. Mr. Speaker, there is a program which involves constituents in my district which is worthy of note. In its fourth year, the Top Five program has become established as a local award that truly recognizes the best of the best in central San Joaquin Valley business.

The sponsors are: Baker, Peterson & Franklin, Certified Public Accountants; California State University Business Center; and the Fresno Business Journal.

The purpose of the Top Five is to provide the opportunity for successful companies and business leaders to interact with each other, and to stimulate businesses to persist in their efforts to redefine and reshape relations with their employees, their customers, and their communities in ways that promote the welfare of all.

The Business Journal goes on to state that the 1995 Top Five awards showcase outstanding private companies whose innovations and achievements have made a special contribution to the valley. This year, 41 businesses were nominated from a broad coverage area of Fresno, Madera, Mariposa, Kings, and Tulare Counties, with a significant number of finalists hailing from the mountain communities. Types of businesses represented by applicants range from manufacturers to services, and business sizes range from a handful of employees to nearly 1,000.

The five winners who were honored at a reception were selected by an independent panel of respected business and professional leaders. They are:

Danish Creamery Association whose CEO is James A. Gomes. Danish Creamery is one of Fresno's oldest businesses and has received many medals attesting to the associations commitment and quality. It employs 130 people.

Heidi's 1-Hour Photo in Mariposa. The owner is Heidi Vetter. She employs 6 others who offer photo finishing. Heidi has also added a custom-framing shop which allows her to process film into a family treasure hanging on the wall.

Inland Star Distributing Centers, Inc. Michael Kelton, who is president has a staff of 10. Inland Star began in 1981 as a local, single-site, public warehouse. It is now a national, five-site, full-service distribution organization.

Ruiz Food Products, owned by Fred Ruiz employs 775 people. Ruiz Foods is a multi-million-dollar business that was recently listed No. 26 among the top 500 Hispanic-owned businesses nationwide. It, today, is the largest burrito manufacturer in the United States.

Sierra Press, Inc., in Mariposa employs 5 people. Jim Wilson is the CEO. The business was cofounded by Mr. Wilson and Jeff Nicholas. Sierra Press has built a devoted customer base through its unique approach to book publishing. They specialize in photographic scenes and memories of America's national parks.

Once again, congratulations to all the companies who participated this year.

TRIBUTE TO LINDA OVERMOYER

HON. JOSEPH M. McDADE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 11, 1995

Mr. McDADE. Mr. Speaker, today I rise to pay tribute to Ms. Linda Overmoyer. On Tuesday, October 24, 1995, Ms. Overmoyer will be officially honored at the annual conference of the National Industries for the Blind [NIB]. Please join me in applauding Ms. Overmoyer for her perseverance in meeting many personal and professional challenges, for her accomplishment in winning NIB's Testimony to Work Essay Contest, and for setting an example of excellence for others.

Linda Overmoyer's submission to NIB's Testimony to Work Contest embodies the pride and accomplishment that results from pursuing excellence in her everyday life. Ms. Overmoyer, 47 and the mother of four grown children, and her husband Robert Overmoyer II, recently purchased their own home. Her employment at North Central Sight Services, Inc., in Williamsport, PA, has provided Ms. Overmoyer with full-time employment and benefits such as medical insurance and a retirement plan.

The Javits-Wagner-O'Day Act was created by Congress to provide job opportunities for Americans who are blind. Through this act, Linda Overmoyer, who has been legally blind for 20 years and totally blind for 13 years, now has the satisfaction of helping other people who are blind. Ms. Overmoyer is a member of the Williamsport Lion's Club, through which she received her guide dog, and travels throughout central Pennsylvania speaking to other Lion's Clubs and youth groups about the ways in which her job and guide dog have increased her independence.

The following is Ms. Overmoyer's winning Testimony to Work essay:

PARTICIPATING IN THE "AMERICAN DREAM"

In May of 1983, my husband and I entered into a new phase of our lives. That was the time we began our employment with North Central Sight Services, Inc. It was also the beginning of something we had thought would be beyond possibility for us.

Some people in our society do not look upon this as anything great or beyond an everyday occurrence. Much like getting a glass of water. But when you're visually impaired, this becomes a challenge much like climbing that last great mountain.

Before our employment, we were like so many who are always on the receiving end of things and never able to fully participate in the natural flow of life. We were living in government housing, participating in the food stamp program, and dependent on government medical assistance.

Since our employment, and especially since the involvement of the National Industries for the Blind (NIB), life has become more concrete and provides more of a purpose. We are no longer in government housing, we are no longer in the food stamp program and we no longer partake of the medical assistance we once did.

When NIB became a part of our production facility and work became more secure, we felt the freedom to invest in the purchase of our own home. Also, benefits have come to us such as: paid holidays, sick leave, medical coverage (Blue Cross/Shield), bereavement days, and retirement plans. All of which have improved our present life and hopes for the future.

CONGRATULATIONS TO THE FIRE SERVICE

HON. MICHAEL P. FORBES

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 11, 1995

Mr. FORBES. Mr. Speaker, I rise today to pay tribute to the men and women of the American fire service who answered the call when fire threatened my district in Long Island. In a situation that could have been catastrophic to the people of Long Island, I learned firsthand the skills and generosity of the American fire service.

As everyone knows, the recent drought in New York led to the terrible wildfires which swept across Long Island this fall. The local fire service, aided by colleagues from across the country, fought heroically to fight the fires. Despite arid conditions and a heavy fuel load, the terrific firefighters were able to protect the residents of Eastern Long Island from any loss of life.

I am extremely pleased to report that all is now quiet on Eastern Long Island. The raging fire is no more; thanks to the determination and hard work of 3,000 firefighters who came from all over Suffolk and Nassau Counties, New York and even Connecticut; along with county, State and Federal fire experts.

Tired and exhausted, our firefighters dug deep to find the strength to carry on the face of such an ominous foe. They put the health and welfare of an entire Eastern Long Island community ahead of their own safety to stop the raging flames. The perseverance, determination, bravery, and courage of some 5,000 firefighters, police, emergency medical and other personnel can be summed up simply with the words of Bruce Stark, a 24-year-old firefighter from East Islip: "Civilians are depending on us, and if they bail out we have no hope."

Our heartfelt thanks go out to each and very firefighter who selflessly worked for days to extinguish the mammoth fire.

In those few days we witnessed first hand the acts of Long Island's solid-gold, true blue American heroes and on behalf of all of us in the community, I express the utmost gratitude to all who worked so successfully to save our homes, our businesses, our schools, and our churches and synagogues.

It is a tribute to the hard work and training of the American Fire Service and the firefighters of Long Island that the fires on Long Island didn't do more damage than they did. It is my pleasure to use the occasion of Fire Prevention Week to thank all the firefighters for what they did for the people of Long Island.

NATIONAL DAY

HON. MATTHEW G. MARTINEZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 11, 1995

Mr. MARTINEZ. Mr. Speaker, I would like to join the Taiwanese people in celebrating the 84th anniversary of National Day which commemorates the revolution and overthrow of the Ching Dynasty.

Mr. Speaker, Taiwan has a dynamic economy that is the envy of the world. Taiwan has the 19th largest economy in the world and it holds nearly $100 billion in foreign exchange reserves. The United States, moreover, is Taiwan's main foreign investor and trading partner.

By any measurable standard, Taiwan is an economic powerhouse that has earned its rightful place in the world community. Taiwan has unequivocally demonstrated that it cannot be relegated to the ash heap of history.

Mr. Speaker, Taiwan can no longer be treated as a pariah, as a second class citizen within the international community of states. The Taiwanese people, through their sweat and toil, have built a great democratic nation that shines like a beacon of hope throughout Asia. Taiwan is a thriving and bustling democracy of 21 million people who demand their rightful place on the world stage.

Recent developments such as Beijing's guided missile test off the coast of northern Taiwan represents nothing more than a crude attempt at intimidating the Taiwanese people. Such efforts will not succeed in cowing the indomitable spirit of democratic reform in Taiwan.

It is time for the United States to take the lead in actively supporting Taiwan's full participation in and representation on major international organizations like the United Nations, the General Agreement on Tariffs and Trade, the International Monetary Fund, and the World Bank. A political and economic force as important as Taiwan deserves no less. Taiwan's participation in these international regimes would in no way diminish, prejudice or challenge mainland China's current international status.

Moreover, private visits by Taiwanese officials to America, such as President Lee Teng-Hui's historic visit this past June, should be welcomed by the United States Government. This does not mean we should disregard the legitimate concerns of the People's Republic of China. Nor does it mean the United States should kowtow to Beijing's unwarranted threats.

The ultimate fate of Taiwan must be the product of peaceful negotiations between Beijing and Taipei, between the Chinese and Taiwanese people. Military force is not and can never be a viable option to resolve the Taiwan-Straits question. There is simply too much as stake for both Taiwan and China, and for the geopolitical stability of the Pacific-rim.

Finally, Mr. Speaker, I would like to salute the people of Taiwan for their tremendous democratic and economic accomplishments. Taiwan deserves and has earned our respect, admiration, and steadfast support.

HONORING JOSEPH KAMANSKY

HON. JAY KIM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 11, 1995

Mr. KIM. Mr. Speaker, I rise today to pay tribute to Mr. Joseph Kamansky who on October 20, 1995, will be honored by the West End YMCA by being inducted into their Hall of Fame.

Mr. Kamansky was born in Ontario in 1914 and attended Euclid Elementary School, Chaffey High School, and Chaffey Junior College. In partnership with his brother Louis, he began ranching in south Ontario. Five years later, in partnership with Fred Beal he began a 21-year career as the owner of a service station and garage. In 1962 he and his wife Rosalie, whom he married on August 1, 1936, began their successful real estate career. Joe quickly became active on many committees for the Inland Empire West Board of Realtors, and in 1975 was presented their first Realtor Associate Award, followed with life membership in 1981 and membership for life by the California Association of Realtors in 1989. In 1976 Joe was elected to the San Bernardino County Board of Supervisors from the 2d district where he served with distinction until 1978.

The community and service to others has been a constant part of the life of Joe Kamansky. He was a sustaining member of the Girl Scouts and Boy Scouts for many years. He served on the board of directors of the West End Boys Club for 5 years, volunteered as a Little League coach for 5 years, officiated at the Chaffey High School Invitational track meet for 33 years, and for 10 years sponsored the Eagle Scout Annual Dinner. Throughout all of his civic and community involvement, Joe is most recognized for his more than 40 years of service as a member of the board of directors for the West End YMCA. In 1975, he was named the YMCA Man of the Year. He found that through the YMCA he could do the most to benefit the community, working hand in hand with the youth of our community, helping to sustain and nurture our young people. Joe has found that the friendships and good people in the community made for a fine and lasting YMCA. His dedication and enthusiasm will always be appreciated, and will be passed on to the youth of our neighborhoods.

Joe truly deserves to be named to the West End YMCA Hall of Fame, and I salute his tireless efforts.

TRIBUTE TO COL. CHARLES P. MURRAY, JR.

HON. FLOYD SPENCE

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 11, 1995

Mr. SPENCE. Mr. Speaker, today, in a joint meeting, the Congress honored World War II veterans, their families, and those who served on the home front to ensure that freedom prevailed in that great conflict. This moving ceremony was part of the closing activities of the commemoration of the 50th anniversary of World War II.

Representing the Second Congressional District of South Carolina at the joint meeting was Medal of Honor recipient Col. Charles P. Murray, Jr., who was accompanied by his wife, Anne. Colonel and Mrs. Murray reside in Columbia. Colonel Murray served valiantly in World War II. He is an outstanding patriot who is most deserving of the recognition that he has received. I would like to take this opportunity to include in the CONGRESSIONAL RECORD, the entry of Colonel Murray, which appears in the publication "Medal of Honor Recipients 1863–1978," prepared by the Committee on Veterans' Affairs of the United States Senate. I feel that his example is an inspiration to all as we honor those, like Colonel Murray, who dedicated themselves to the call of duty to our great Nation in World War II.

MURRAY, CHARLES P., JR.

Rank and organization: First Lieutenant, U.S. Army, Company C, 30th Infantry, 3d Infantry Division. Place and date: Near Kaysersberg, France, 16 December 1944. Entered service at: Wilmington, N.C. Birth: Baltimore, Md. G.O. No. 63, 1 August 1945. Citation: For commanding Company C, 30th Infantry, displaying supreme courage and heroic initiative near Kaysersberg, France, on 16 December 1944, while leading a reinforced platoon into enemy territory. Descending into a valley beneath hilltop positions held by our troops, he observed a force of 200 Germans pouring deadly mortar, bazooka, machinegun, and smallarms fire into an American battalion occupying the crest of the ridge. The enemy's position in a sunken road, though hidden from the ridge, was open to a flank attack by 1st Lt. Murray's patrol but he hesitated to commit so small a force to battle with the superior and strongly disposed enemy. Crawling out ahead of his troops to a vantage point, he called by radio for artillery fire. His shells bracketed the German force, but when he was about to correct the range his radio went dead. He returned to his patrol, secured grenades and a rifle to launch them and went back to his self-appointed outpost. His first shots disclosed his position; the enemy directed heavy fire against him as he methodically fired his missiles into the narrow defile. Again he returned to his patrol. With an automatic rifle an ammunition, he once more moved to his exposed position. Burst after burst he fired into the enemy, killing 20, wounding many others, and completely disorganizing its ranks, which began to withdraw. He prevented the removal of 3 German mortars by knocking out a truck. By that time a mortar had been brought to his support. 1st Lt. Murray directed fire of this weapon, causing further casualties and confusion in the German ranks. Calling on his patrol to follow, he then moved out toward his original objective, possession of a bridge and construction of a roadblock. He captured 10 Germans in foxholes. An eleventh, while pretending to surrender, threw a grenade which knocked him to the ground inflicting 8 wounds. Though suffering and bleeding profusely, he refused to return to the rear until he had chosen the spot for the block and had seen his men correctly deployed. By his singlehanded attack on an overwhelming force and by his intrepid and heroic fighting, 1st Lt. Murray stopped a counterattack, established an advance position against formidable odds, and provided an inspiring example for the men of his command.

PROPOSED CHANGES IN CUBA POLICY

HON. DICK ZIMMER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 11, 1995

Mr. ZIMMER. Mr. Speaker, President Clinton's proposed changes in our Cuba policy are wrong. Allowing U.S. news agencies to establish bureaus, allowing academic exchanges, and easing currency restrictions will only reward the Castro regime for maintaining an oppressive dictatorial regime over the Cuban people and will undermine congressional efforts to tighten the noose by strengthening economic sanctions. Castro will be succored by President Clinton's proposals.

There can be no reconciliation with the murderous regime that has enslaved the Cuban people for more than 36 years and continues to sustain itself by inflicting pain on the island nation. I must disagree with the comments attributed to Richard Nuccio, President Clinton's special advisor on Cuba, as reported in the Sunday edition of the New York Times when he characterized the administration's proposals as steps to help the Cuban people produce change.

I deeply regret the suffering of the Cuban people, but the greatest pain one could inflict on them is to allow Fidel Castro to continue in power.

I urge the Clinton administration to support congressional efforts to isolate the Castro regime and to create an international coalition that will force the end of Castro's rule.

I also urge my congressional colleagues to oppose the administration's policies of appeasement and to repudiate them unequivocally.

A 300TH ANNIVERSARY TRIBUTE TO PHILADELPHIA'S CHRIST CHURCH

HON. THOMAS M. FOGLIETTA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 11, 1995

Mr. FOGLIETTA. Mr. Speaker, I rise today to pay tribute to one of Philadelphia's most renowned religious and historic institutions. As Christ Church of Philadelphia prepares to celebrate its tercentenary anniversary this November, I would like to take a moment to reflect on the remarkable longevity and history of this most special congregation.

Since the opening of its doors on November 15, 1695, Christ Church of Philadelphia has influenced and witnessed the development of our Nation. On July 20, 1775, the Continental Congress gathered at the church to worship. Before penning the Declaration of Independence and the Constitution in 1776 and 1787, our Founding Fathers entered the halls of Christ Church for strength and guidance. The list of Christ Church's early congregants reads like a history text book. George Washington, Betsy Ross, and Benjamin Franklin were all members of the parish. Christ Church's adjacent graveyard is the final resting home for scores of American patriots including three of the six men who signed both the Declaration of Independence and the Constitution.

Throughout its sacred history, the congregants of Christ Church have dedicated themselves to public and community service. The first African-American Episcopal priest, Absalom Jones, was ordained Deacon at Christ Church in 1795. During the Civil War, members of Christ Church helped wounded soldiers. In World War I, Rector Louis Washburn established medical clinics and soup kitchens which assisted community residents through the Great Depression. In recent years, Rector James Trimble has led Christ Church in their coordination of the Philadelphia Interfaith Action Alliance which has raised more than $4 million to build 1,000 low-cost homes for families in Philadelphia.

Commencing on November 10, 1995, Christ Church has planned a 10-day schedule of events to celebrate its Tercentenary. The highlight of this occasion will be a 3 day conference entitled, "The Soul of America in a World of Violence: A Religious Response." Continuing in Christ Church's rich history of social progress, this vital conference will assemble leaders from throughout the Nation to address how violence affects our cities, our children, and our Nation as a whole.

Mr. Speaker, Congress has already recognized the historical significance of Christ Church when it was designated a national shrine in 1950. I would like to ask my colleagues to rise and join me once again in paying tribute to Christ Church on the glorious occasion of its 300th anniversary.

COMMEMORATING THE END OF WORLD WAR II

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 11, 1995

Mr. HAMILTON. Mr. Speaker, I am very pleased to participate in today's joint meeting of Congress to honor World War II veterans, their families, and those who served on the home front.

In recent years Washington has witnessed the construction of a host of memorials: We have honored the veterans of the Vietnam war. We have honored the Korean war veterans. We have honored the Navy with an impressive memorial on Pennsylvania Avenue. It is proper that we honored those veterans for their sacrifices.

But we have not properly honored the veterans of World War II with a permanent memorial here in the Nation's Capital. As a result, World War II veterans may feel they have not been sufficiently recognized. But that oversight will be corrected. We are finally preparing to construct a memorial to the veterans of World War II. I commend those who have pushed so hard to see this approved.

Today's joint meeting is one in a series of events designed to commemorate the end of World War II and honor the contributions made by those who served in that effort. I wish to add my voice of appreciation.

Without any doubt, World War II and its struggle against totalitarianism is the defining event of our time. It continues to reverberate 50 years later, overshadowing all of the events that have occurred since 1945. It will shape our history and our attitudes into the next century.

I am impressed by the many ways World War II has shaped the world we live in today: The global struggle of the past half century—the cold war—was the direct result of World War II. Today, we still live in the ideological shadow of the cold war: the post-cold-war era.

The great powers of today emerged victorious from World War II: Not just the United States, which became the world's most powerful Nation, with the strongest economy—but also France, Britain, and Russia. Other powers—Germany and Japan—emerged from the war's ashes of the war.

World War II laid the groundwork for the longest economic boom in world history. It also ushered in the atomic age.

The boundaries of Europe and Asia that were drawn in the aftermath of World War II remain, with few exceptions.

Many of our political leaders during the last 50 years were tested in World War II, from Dwight Eisenhower to Jack Kennedy to George Bush.

World War II also has affected our life in more subtle ways. A number of technological advances we take for granted today are the direct result of World War II: jet engines, penicillin, radar, synthetic rubber, even computers, just to name a few.

World War II also had a profound impact on American society and culture. Our higher education system was radically altered by the millions of veterans who attended college on the GI bill. Women emerged as a power in their own right as a result of World War II, and have become a crucial force in our workplace. Our suburbs—now the dominant lifestyle in America—were first created for returning veterans. the baby boom generation that dominates much of American culture is the direct result of World War II.

Today, as we remember the end of World War II, let us honor the sacrifices made by our World War II veterans. Let us guard the freedoms they fought to protect. And let us never forget that the political pluralism and economic prosperity that we see around the world are the legacy of World War II and those who fought and died in that war.

H.R. 1555—TELECOMMUNICATIONS

HON. MIKE WARD

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 11, 1995

Mr. WARD. Mr. Speaker, in early August this House passed a historic bill to update this Nation's telecommunications laws. H.R. 1555 will change the status quo and allow for full and fair competition in local service, cable, and long distance. Consumers across America will benefit from the new jobs and economic benefits that will be created by this important bill.

While the long distance companies opposed H.R. 1555, there are still a number of advantages they retain if this bill becomes law. I would like to include in the RECORD the attached paper which outlines these advantages.

WHY BELL COMPANIES NEED FEDERAL LEGISLATION

The states are opening the Bell companies markets to competition, without Federal legislation. Currently over 60% of all local telephone lines are in states that allow local competition. By year end 1995 it is expected that almost 80% of all local telephone lines will be subject to competition.

Nevertheless, a Federal Court-approved AT&T consent decree absolutely bars Bell companies from offering interLATA services or manufacturing, and seriously interferes with their information services and other offerings (e.g., customer premises equipment, cellular and PCS).

This results in government-mandated advantage to long distance companies that can offer one-stop shopping of local, long distance and information services.

The Bell companies have only two avenues for relief—Congress and the courts. The triennial review process promised by the Department of Justice to lift the decree prohibitions has broken down. The waiver process in the AT&T consent decree has broken down.

Even when it works, the Court process (e.g., information services relief), including appellate review, takes years, creates uncertainty, delays relief, and stifles real competition.

AT&T reneged on its commitment to support Bell companies efforts to lift the "line of business" restrictions in the Decree, restrictions that AT&T said it did not support.

AT&T and others continue to use the decree successfully to limit competition in their long distance markets.

With increasing competition from new local exchange carriers, cellular providers and PCS, the Bell companies will increasingly be harmed by the inability to offer the same one-stop shopping alternatives that long distance companies can offer.

Congress should reestablish itself as the principal telecommunications policy maker and open all markets to competition as soon as possible and at the same time.

WHY LONG DISTANCE CARRIERS CAN AFFORD TO KILL FEDERAL LEGISLATION

There are no Federal restrictions uniquely applied to long distance companies affecting their ability to enter any other telecommunications market including the local exchange market, the intraLATA toll market, the cable TV market, or manufacturing.

Virtually all States already permit intraLATA toll competition, 29 States have opened and 14 others are considering opening the local exchange to competition.

Currently over 60% of all local telephone lines are in states that allow local telephone competition.

By year end almost 80% of all local telephone lines are expected to be subject to competition.

States commissions have years of experience working with carriers on interconnection of local networks, e.g., cellular to local, intraLATA toll to local, and local to local networks, so no new Federal program is required.

Issues of interconnecting local to interstate networks have largely been resolved through FCC-mandated equal access and interconnection rules.

The FCC already has fully adequate powers over interconnection in the communications Act.

Long distance carriers have already announced that they are investing billions of dollars in local networks and services in virtually every major metropolitan market as soon as possible, showing their confidence in existing processes.

Long distance carriers also have access to alternatives to the local loop.

Cellular services through ownership (e.g., ATT/McCaw) or simple resale (e.g., MCI's recently announced strategy).

Personal Communications Services: AT&T spent over $1.68B in 21 MTAs, and will spend an estimated additional $2.5B to build out those properties; Sprint spent $2.1B in 29 MTAs. Cable loops to over 70% of households and businesses in the US.

Long distance carriers have been able to use consent decree restrictions to keep the Bell companies from competing with them. As a result, the long distance companies have been able to raise their rates 5 times and 20% in the last 4 years, while the Bell companies lowered their access charges to those long distance companies 7 times and 40% during the same period.

In other words, long distance companies win if there is no Federal legislation. They keep their markets closed to Bell company competition, maintain oligopoly profits for the Big Three, gain unrestrained access to the Bell companies' markets, and can offer one-step shopping while the Bell companies cannot.

KEY ADVANTAGES RETAINED BY LONG DISTANCE CARRIERS UNDER REVISED H.R. 1555

LONG DISTANCE CARRIERS MAY ENTER THE LOCAL TELEPHONE EXCHANGE MARKET IMMEDIATELY

Bell Companies Cannot Enter the Long Distance Market Until:

They Face Facilities-based Competition in Residence and Business Markets.

They Comply with Checklist.

LONG DISTANCE CARRIERS MAY IMMEDIATELY RESELL THE LOCAL SERVICES OF THE BELL COMPANIES AT SPECIAL RATES

Bell Companies Are Barred from Reselling Long Distance Services until They are Granted Full InterLATA Relief, Except Limited Incidental InterLATA Services.

LONG DISTANCE CARRIERS ARE NOT REQUIRED TO USE SEPARATE SUBSIDIARIES TO OFFER LOCAL SERVICES

Bell Companies Are Required to Use Separate Subsidiaries for Long Distance Offerings, Including Incidental InterLATA Service and Grandfathered InterLATA Services

LONG DISTANCE CARRIERS MAY OFFER ALARM MONITORING SERVICES

Bell Companies Cannot Offer Alarm Monitoring Services for Years

LONG DISTANCE COMPANIES MAY OFFER ELECTRONIC PUBLISHING SERVICES WITHOUT SEPARATE SUBSIDIARY REQUIREMENTS

Bell Companies May Offer Electronic Publishing Services Only Through Separated Affiliate Or Joint Venture Structures

LONG DISTANCE COMPANIES MAY MANUFACTURE THEIR EQUIPMENT

Bell Companies Cannot Manufacture Their Equipment Until InterLATA Relief Is Obtained

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HONORING EMERGENCY SERVICE WORKERS DURING LOCAL HEROES WEEK

HON. CHET EDWARDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 11, 1995

Mr. EDWARDS. Mr. Speaker, today I extend a well-deserved thanks to the police, fire, and emergency service workers in Bell County and part of Coryell County. These public servants are being recognized during Local Heroes Week which was first celebrated in 1992 by local government and business.

Contributions from local businesses provide money to purchase gifts, such as special shirts and caps, and to fund an endowment for scholarships at Central Texas College for the immediate family of these heroes.

This year, Local Heroes Week will run from November 5 through 11. Nearly 1,000 police, fire, and emergency service workers in the two-county area will be honored. My thanks go out to the organizers of this event. I especially thank the men and women being honored, those public servants who day in and day out put their lives on the line to protect us from crime, disaster, fire, and sickness.

I ask Members to join me in honoring the police, fire, and emergency workers in my Texas congressional district and across the country who provide us with much needed—but often not recognized or appreciated—public service.

HONORING VIOLA M. BERARD

HON. PATRICK J. KENNEDY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 11, 1995

Mr. KENNEDY of Rhode Island. Mr. Speaker, I rise today to honor Viola M. Berard of Woonsocket. Viola M. Berard has become the first citizen in the history of Woonsocket, RI, to win the major honors of Autumnfest Grand Marshal and Senior Citizen of the Year in the same year.

Mrs. Berard is an outstanding recipient of these prestigious awards, which recognize four decades of commitment to the city of Woonsocket, beginning with her four terms of service on the school committee from 1957 to 1965, including a term as chairwoman, and continuing with her current dedication as the coordinator of the Volunteers in Action human resources committee for northern Rhode Island. Her greatest achievement in bettering the lives of thousands of greater Woonsocket residents comes in her work as an incorporator of the Northern Rhode Island Community Mental health Center nearly three decades ago, and her leadership to the center as its former president, staff member and in her continuing role as a volunteer, prompting the center to be named in her honor.

Mrs. Berard has been active in many other good causes in Woonsocket, from her active current involvement with the Quota Club, Connecting for Children and Families and the American Red Cross, and her past involvement with Tri-Hab House, Catholic Family Services, and the Visiting Nurses Association. She was honored at a grand marshal reception sponsored by the Autumnfest Steering Committee on October 3, 1995, at Fleet Bank in Woonsocket, led the Autumnfest Parade on October 9, 1995, and then will be honored again by the Woonsocket Senior Citizens Center Advisory Committee at a banquet in her honor on October 19, 1995, at the Woonsocket Senior Citizens Center.

ACROSS THE ROAD

HON. MIKE WARD

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 11, 1995

Mr. WARD. Mr. Speaker, last Sunday, October 1, I participated in the Farm Aid Town Hall Meeting in my district of Louisville, KY. Along with gaining very insightful information from our Nation's farmers, I had the privilege to hear Katie Godfrey, a 10-year-old from Powersville, MO, read a poem in which she describes a hog-raising operation near her home. I hereby request that her poem is printed in the RECORD as follows:

ACROSS THE ROAD

Across the road is no place to play
The smell is so bad, it smells everyday
Across the road is a pool of waste
The smell stings my eyes like I've just been maced
Across the road, they pollute the creek
The smell is enough to make you sick
Across the road they dump waste over the side
They put out their hogs after they've died
Across the road they've begun to build on
The fans keep us up from dusk 'til dawn
Across the road they bring grain by the load
I can no longer ride my bike on the road
Across the road the pigs are noisy when they sell
All my friends feel sorry for me because of the smell—

KATIE GODFREY.

TRIBUTE TO MARGARET OWINGS

HON. SAM FARR

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 11, 1995

Mr. FARR. Mr. Speaker, it is my great pleasure to rise today in salute of one of the Nation's most outspoken and respected conservationists, Margaret Owings. A longtime resident of Big Sur, on California's beautiful central coast, Mrs. Owings is perhaps most responsible for the natural beauty that is seen in her community to this day. Residents and visitors alike know of the time and effort she has contributed in maintaining the wondrous, untouched nature that has made the Big Sur region one of California's most prized natural treasures.

Before arriving in Big Sur just a few years back, Mrs. Owings had already stockpiled an impressive list of achievements from graduating Mills College to doing post-graduate work at Radcliffe College. Before turning her expertise to political activism, she was a renowned artist whose paintings have graced the walls of the Santa Barbara Museum of Art, Stanford Art Gallery, and the Museum of International Folk Art in Santa Fe. However, during the past 30 years, she has dedicated her life to the conservationist movement.

Margaret Owings has always followed the credo that "once you come to live in an area you have the responsibility to help preserve it." And perhaps not remarkably to those who know her, this is just what she has done. Mrs. Owings' contributions are immense. Confronted by a legion of hunters and a California statues enabling these hunters to savagely kill mountain lions, she battled to have a new law championing the rights of the mountain lions. Though hunters tried to have the law repealed, Mrs. Owings still did not quit. She adamantly supported the California Wildlife Protection Initiative to create a safe home for these animals. What's more, she also started Friends of the Sea Otter. This 4,000-member organization has fought to establish the coastline as a refuge for the otters.

Mrs. Owings not only has made her town a safer place for animals to live. She has also made it a better place for all of us to live. She diligently argued to preserve the scenic beauty of Big Sur by preventing legislation to widen State 1. Finally, Mrs. Owings, in conjunction with her Big Sur neighbors, agreed to prevent construction of hotels and golf courses along the coast that would obstruct and rob Big Sur of its natural beauty.

For this tireless effort, she has received the Conservation Service Award of the U.S. Department of the Interior, the Joseph Wood Krutch Gold Medal of the Humane Society, the Audubon Medal, and the Directors Conservation Award from the California Academy of Sciences. Yet, despite these achievements I still feel it is necessary for this Congress to pay its tribute. I am proud to have people like Margaret Owings in my district. Her unfaltering dedication to maintaining the natural beauty and species diversity sets an example that we all should strive to follow.

DR. MARGARET HUBER: LEADING THE COLLEGE OF NOTRE DAME INTO THE 21ST CENTURY

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 11, 1995

Mr. LANTOS. Mr. Speaker, I invite my colleagues to join me in welcoming Dr. Margaret A. Huber as the 16th president of the College of Notre Dame in Belmont, CA. As Dr. Huber is inaugurated, I am confident that her proven leadership abilities will allow the college to build upon its foundation of success and its commitment to the education of the whole person. Dr. Huber will lead the College of Notre Dame into the 21st century as an elite institution in the world of academia.

Upon earning a bachelor of science in chemistry from Duquesne University, a master of science administration from the University of Notre Dame in Indiana, and a Ph.D. in higher education at the University of Michigan, Dr. Huber began her administrative career in Santa Fe, NM. There she served as the executive director of the Archdiocese of Santa Fe Catholic Foundation, distinguishing herself as a future leader.

From there, Dr. Huber moved to La Roche College in Pittsburgh, PA. Working as president of the college from 1981 to 1992, she helped to increase the enrollment by 47 percent and the gifts by an outstanding 1000 percent. Dr. Huber also created long-range planning and budgeting processes which helped in the redirecting of the mission of the college.

Throughout her distinguished career, Dr. Huber has been honored by a number of organizations, including Zonta International with their Status of Women Award.

Arriving at the College of Notre Dame, the first accredited all women's college in the State of California, Dr. Huber has drawn from her experience at La Roche College by developing a new master plan and creating new marketing and technology plans for the college that will be put into practice next year. She continues to strive towards the goals of preparing the students of Notre Dame to be better citizens, to be aware of the world and its affairs, to develop stronger characters and self confidence, and to build a sense of community among all the students.

According to its mission statement, the College of Notre Dame is "dedicated to the search for truth, the transmission of knowledge, and the appreciation of beauty." I am confident that Dr. Huber will devote herself to these pursuits, thereby making the College of Notre Dame the best it can possibly be.

Leading the College into its third century of existence, Dr. Huber's efforts to fulfill the goals of the College have already spurred growth in the college's many programs. Mr. Speaker, colleagues, please join me in wishing Dr. Huber all the best as she sets about her difficult but extremely important task of educating the leaders of our future.

TRIBUTE TO THE HONORABLE DION G. MORROW

HON. JULIAN C. DIXON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 11, 1995

Mr. DIXON. Mr. Speaker, I rise today to pay tribute to a great jurist and an even greater friend, Los Angeles Superior Court Judge Dion G. Morrow. On October 23, 1995, Judge Morrow will officially step down from the bench capping a stellar judicial career spanning two decades. On October 19, 1995, at the Luminarias Restaurant, I will join in a retirement salute to Judge Morrow in recognition of his many distinguished years of service to Los Angeles' legal community. At this time however, please allow me to share this retrospective of his celebrated career with my distinguished colleagues.

A lifelong resident of Los Angeles, Judge Morrow was born on July 9, 1932, He graduated from Polytechnic High School and received his undergraduate degree from George Pepperdine University, where he received several awards for his gifted oratorical and debate skills. In 1957, he received his law degree from Loyola University School of Law, and was admitted to the California bar.

Judge Morrow began his legal career in 1957 as an attorney in private practice in the south central neighborhoods of Los Angeles. He practiced law for 16 years before moving to the Los Angeles City Attorney's Office in October 1973. From 1973 to 1975, he served as senior special counsel and assistant city attorney.

In October 1975, Judge Morrow was appointed to the Compton Judicial District by then-Governor Jerry Brown. Two years later, Governor Brown elevated him to the Los Angeles Superior Court. His early years on the bench were spent in the criminal court before becoming one of the first direct calendar fast track judges in the central district in October 1987. For the past 8 years, he has sat in the central district civil court.

Throughout his legal career, Judge Morrow has served as a mentor and educator to other aspiring attorneys. In addition to his busy judicial responsibilities, he has participated in numerous seminars and lectures for the California Judges Association, California Judicial Education and Research, the Rutter Group, and Continuing Education of the Bar. He has also served as an instructor at the National Judicial College in Reno, NV, and is currently an assistant professor at California State University, Los Angeles, where he teaches in the School of Criminal Justice.

Judge Morrow is also an active member of the John M. Langston Bar Association. During his long affiliation with this organization, he has served alternately as president, secretary, and as the first delegate from the association to the conference of delegates of the State bar.

For several years, he served on the California State bar disciplinary committee. In 1971 he served on the state bar resolutions committee, and in 1973 on the credentials committee.

Through his distinguished legal profession, Judge Morrow has endeavored to set examples of excellence both in the courtroom and around his community. He has worked steadfastly and selflessly behind the scenes nurturing, teaching, and cajoling those with whom he would come in contact to pursue the same standards of excellence.

I have been privileged to have him as my friend for over 30 years; it is a friendship that I cherished. Thus, it is a special honor for me to have this opportunity to salute the outstanding career of such an outstanding human being.

It is difficult to find the right words to properly convey the enormous contributions made by this outstanding jurist and humanitarian. Perhaps words expressed by the renowned Supreme Court Justice Louis D. Brandeis best capture the essence of Judge Morrow's contributions to the legal profession. Justice Brandeis noted that:

> There is in most Americans some spark of idealism, which can be fanned into a flame. It takes sometimes a divining rod to find what it is; but when found, and that means often, when disclosed to the owners, the results are often most extraordinary.

Dion, because of your extraordinary achievements and contributions to Los Angeles, we are all better prepared to confront the challenges of the future. Although you have decided to pursue other challenges, including seeking that perfect hole in one, your contributions to Los Angeles' citizens and its judicial system will endure. As you set course in a new direction, you may do so secure in the knowledge that you have rendered esteemed, noble, and honorable service to your community.

Mr. Speaker, I am proud to salute my good friend Judge Dion G. Morrow. Please join me, his lovely wife Glynis Ann Morrow, and their children and grandchildren, in extending our heartfelt appreciation and best wishes for a wonderful future filled with good health, happiness, and much prosperity.

TRIBUTE TO SHARON BERKOWITZ

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 11, 1995

Mr. WAXMAN. Mr. Speaker, I ask my colleagues to join me in saluting Sharon Berkowitz, who will be honored at Shaare Zedek Medical Center's annual Women For * * * Save A Baby Luncheon on November 12, 1995.

Sharon Berkowitz has made immeasurable contributions to charities here in Los Angeles and in Israel. In Los Angeles, she has taken a leadership role in a wide variety of organizations affiliated with the modern orthodox movement, including the PTA of Harkham Hillel Hebrew Academy, Hadassah, and the newly formed organization for the assistance of newly married couples in difficult financial straits.

Sharon Berkowitz is best known for her long-standing work with the oldest medical facility in Israel, the eminently respected Shaare Zedek Medical Center. For years, Shaare Zedek has benefited from the many contributions of Sharon Berkowitz and her husband, Rabbi Jacob Berkowitz, Associate Rabbi of Beth Jacob Congregation of Beverly Hills.

In her work with Shaare Zedek, Sharon Berkowitz has focused her efforts on the medical center's renowned neonatology department, which is recognized worldwide for its pioneering treatment of low weight babies, babies with congenital birth defects, and babies from all over the region who require specialized treatment that is not readily available at other facilities.

Shaare Zedek's program for ill newborns has built bridges between Israel and her Arab neighbors. Through this program, Muslims, Christians, and Jews have been able to transcend their differences in the interest of saving babies precariously on the border between life and death.

I ask my colleagues to join me in recognizing Sharon Berkowitz for all of her charitable work, and especially her work with Shaare Zedek's Neonatology Department. The survival of the children treated there is often dependent upon her efforts and those of other humanitarian supporters of the neonatology program. I wish her many years of good health and success in all of her future endeavors.

"I DON'T CARE WHAT IT DOES—I LIKE THE CONCEPT"—WORDS OF WISDOM FROM THE MAJORITY LEADER

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 11, 1995

Mr. STARK. Mr. Speaker, I would like to include in the RECORD the following column by Rick Horowitz from the Palm Beach Post of September 29, 1995, describing the House majority leader's comments on the flat tax proposal.

According to the columnist, the gentleman from Texas admitted that his taxes as a Member of Congress would be lower under his flat tax than under current law, but that personal gain was not his motivation in proposing a flat tax:

Rep. Armey insisted that personal gain wasn't the motivation for his plan; he truly didn't know who would do better or who would do worse, or even whether the plan was revenue-neutral or would lead to major funding gaps. In fact—well, these are the words he used:

I don't care what it does—I like the concept.

Mr. Speaker, that pretty much sums up the Republican agenda this year. I don't know what it does, but it is a new idea and we like the concept. You can see it in the medical savings account idea in the Medicare Reconciliation bill—which CBO insists will cost the program money, not save money like the ideologies of the right proclaim. You can see it in the Members who've introduced bills to permit more CFCs, because most of the world's scientists are probably wrong when they say CFCs are destroying the ozone layer. You can see it in the family cap in the welfare bill, because teenagers will quit having sex if you starve the babies they have.

Concepts are wonderful, Mr. Speaker. Too bad the real world awaits.

[From the Palm Beach Post, Sept. 29, 1995]

THE GOP REVOLUTION IN A NUTSHELL

(By Rick Horowitz)

Such a reasonable question—two questions, really. And such an interesting reply.

At last week's annual convention of the National Conference of Editorial Writers in San Antonio, it was conversation pretty much nonstop, with the occasional break for food and beverage, or to hear from some outside force with something to say: the majority leader of the House of Representatives for instance.

Dick Armey came home to Texas to share a meal, tell a few jokes, make a few points. He brought the latest news from Washington, where the dismantling of the welfare state was proceeding with vigor.

Rep. Armey methodically set out the accomplishments of the Republican Congress—the hardest-working, most effective, most revolutionary Congress in memory, he claimed—and the outlook for the closing days of the session.

He fired the requisite shots across the already listing Democratic bow. He talked philosophy. How the market, freed from government interference, can perform miracles. How, beyond a few insignificant exceptions, what a person earns in life squares almost exactly with how hard a person has worked. How, given their respective contributions to society, the high school football coach deserves to be paid more than the high school English teacher.

And he pushed one of his pet ideas: the "flat tax." Why should Taxpayer X and Taxpayer Y be treated differently by the IRS just because they earn different incomes? Let everyone pay the same rate—17 percent of wages, salaries and pensions, in Rep. Armey's version. People could figure their taxes in minutes. They could file their returns on postcards. What could be wrong with that?

Then came the post-speech Q&A—a clarification, here, a prediction there—and then one David Bowman was standing at an audience microphone. Mr. Bowman, the editorial-page editor of the Huntsville (Ala.) News, wondered if Rep. Armey might possibly tell the crowd how much he paid in taxes under the current laws. Rep. Armey, momentarily flustered, offered up an estimate.

Mr. Bowman then asked Rep. Armey whether he'd be paying more or less than that under his flat-tax proposal. Rep. Armey said he didn't know.

Was there a pocket calculator in the house? (Nope.) Could anybody divide his congressional salary by 17 percent? Finally, he grabbed a pen and did some quick math himself, right there on his speech text. And what do you know? Under the flat tax, his taxes would go down plenty—what a pleasant surprise!

As the giggles spread in the cheap seats, Rep. Armey insisted that personal gain wasn't the motivation for his plan; he truly didn't know who would do better and who would do worse, or even whether the plan was revenue-neutral or would lead to major funding gaps. In fact—well, these are the words he used:

"I don't care what it does—I like the concept."

Ladies and gentlemen, the Republican revolution in a nutshell. Concepts. Theories. A straight line on a piece of graph paper. Neat. Clean. Simple. Sterile.

In the real world—the messy, sloppy real world—"what it does" matters. "What it does" affects actual human beings, whether "it" is a new tax system or massive welfare reform, the overhaul of Medicare or the dismantling of environmental protections. Somebody might get hurt out here. Somebody might want to pay attention to that.

"I don't care what it does," says the majority leader of the House of Representatives. "I like the concept."

A TRIBUTE TO MRS. RUTH WOOD

HON. JAMES M. TALENT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 11, 1995

Mr. TALENT. Mr. Speaker, I rise before the House today, to recognize a valued member of my staff who will be retiring this year. Mrs. Ruth Wood has provided me with dedicated service for over 4 years. Mrs. Wood was an instrumental member of my election team in my first campaign for Congress in 1992. After taking office in 1993, Mrs. Wood joined my congressional staff as a receptionist and as my military academy liaison. Mrs. Wood, who had previously served former Representative Jack Buechner, has provided my office with invaluable experience and professionalism.

Her work on the selection process of academy applicants has been outstanding. Her expertise in this area is unquestionable. Under her direction, 15 young people from my district received acceptance offers from the military academies in 1995. During her service with Representative Buechner, she had the distinction one year of placing more nominees in the service academies than any other House office. Her leadership in this area will be greatly missed.

Mrs. Wood has also distinguished herself with a lifelong commitment of service to the Republican Party. Her efforts to assist numerous local, State, and national candidates, stands as a testament to her unselfish dedication to promote leaders to public office which exemplify the qualities and values of our great party.

Again, Mr. Speaker, it is my honor to recognize her service to this institution, her country, and her community. I ask that we all join to offer our gratitude to Mrs. Ruth Wood for her many years of dedicated service to our Nation.

TRIBUTE TO BRYAN BALDWIN

HON. LAMAR S. SMITH

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 11, 1995

Mr. SMITH of Texas. Mr. Speaker, I rise to pay tribute to Mr. Bryan Baldwin.

On Tuesday, October 24, 1995, Mr. Baldwin will be honored at the annual conference of the National Industries for the Blind (NIB) as the 1995 Peter J. Salmon National Blind Employee of the Year.

After nine years at the San Antonio Lighthouse, Mr. Baldwin, who has been blind since birth, teaches computer skills to the visually impaired, enabling them to obtain more technologically advanced jobs. He exemplifies self-determination, demonstrated by remarkable job growth and commitment to help others live independently.

After high school, Baldwin worked in a plant nursery. Six years later, he was still earning minimum wage and had no benefits. Married and ready to start a family, Baldwin decided to seek a higher-paying job with more benefits that would better use his education and skills. Baldwin applied for an assembler's position at the San Antonio Lighthouse and was hired in 1985. He has progressed from general assembler to machine operator to quality assurance lab technician and, finally, to his current position as computer trainer.

While a lab technician, Baldwin used computers to evaluate and document test results. He discovered that he had a natural talent and interest in how software programs could make many of his tasks easier. He bought a computer of his own and taught himself how to operate several programs. Encouraged by his supervisor, Baldwin then applied for a computer trainer position in a job skills training program at the Lighthouse's William Judson Career Guidance and Skills Training Center.

Through the Javits-Wagner-O'Day (JWOD) Program, Baldwin now has the satisfaction of helping other people who are blind. Baldwin has returned to school at Palo Alto Community College, is active in his church, and spends most of his free-time with his two daughters.

Baldwin says of his success, "I was totally surprised when I heard I had received this award. It makes me feel so good because I'm really just doing my job. I'm fortunate because every day I help other people like myself realize that there are so many options available to them."

TRIBUTE TO ST. LUCIE COUNTY FOR BECOMING FLORIDA LEADING CITRUS PRODUCER

HON. MARK FOLEY

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 11, 1995

Mr. FOLEY. Mr. Speaker, today, I rise to pay tribute to St. Lucie County, FL, for becoming the State's largest producer of citrus products. I am exceptionally proud to represent the fine people of St. Lucie County and today, they are deserving of national recognition. Besides being the home of the State's most fertile citrus land, St. Lucie County is also the home of some of the best fishing on the eastern seaboard, a center of marine research, an excellent example of intermodal transportation, and a diverse group of people representing all areas of the country who are proud to call St. Lucie County, "home."

Mr. Speaker, many in Florida are unaware that agriculture is an extremely important component of the economy of the State of Florida. Florida is the largest agricultural State in the Southeast and the eighth largest in the Nation boasting annual farm cash receipts of $6.1 billion. In so doing it provides direct employment for more than 100,000 people and is an economic generator for an additional $18 billion in economic activity.

At the backbone of this economic activity is Florida's world famous citrus industry. Florida is the overwhelming producer of all citrus in the United States, accounting for more than 81 percent of the national total annually. In fact, Florida is the world leader in the production of grapefruit, accounting for 32.3 percent of the world's supply annually. The quality of Florida's fresh citrus products like grapefruit are world renown, especially those of the Indian River Region of which St. Lucie County is a part.

In 1994–95, St. Lucie County became the State leader in citrus production by producing 32.4 million boxes of oranges, grapefruit and tangerines. This is a real tribute to the 500 growers of the 108,488 acres of citrus and the hard working people in their groves, and the owners and employees of all the citrus related businesses. In St. Lucie County alone, citrus accounts for about $1 billion in economic activity for the county, while employing 20 percent of the county's work force.

Previously, St. Lucie County had already ranked as the number one county in grapefruit production in the entire Nation. Because of the soil conditions that prevail on the eastern seaboard of Florida, grapefruit from the Indian River Region is the finest available in the world today. And now, this high quality high value crop is finding its niche world wide with millions of cartons of fruit exported annually.

Mr. Speaker, the investment in citrus in Florida is a long-term investment, and the growth of the St. Lucie County crop is a credit to the perseverance of those who make the citrus industry the basis for their livelihood. Florida's citrus growers, producers, and workers persevere elements unique to south Florida that range from hurricanes to frosts. Their work is not a part of an overnight operation but rather a commitment to the entire community, economy, and industry. This is evidenced by a new processing plant and packing facility currently in the works, therefore, by the year 2000 the crop is expected to expand another 25 percent.

I would like to extend my congratulations to everybody in St. Lucie County, this is an achievement that the entire county can take pride in. On behalf of the entire county I encourage everyone to drink more grapefruit and orange juice as it has been scientifically proven to better your health and state of mind, and that is something we all could use.

OXAPROZIN

HON. J. DENNIS HASTERT

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 11, 1995

Mr. HASTERT. Mr. Speaker, today I will introduce a bill to restore some of the rights to market the non-steroidal anti-inflammatory drug oxaprozin, which were lost during the 21 years it took the Food and Drug Administration to approve this drug—a period that consumed the entire 17 years of the drug's patent life. This bill is necessary in order to remedy the unjustifiable delay in approving this important drug used to treat arthritis.

Oxaprozin, marketed by Searle under the name Daypro, was first patented in 1971, and an investigational new drug [IND] application was filed with the FDA shortly thereafter. Eleven years later, in August 1982, a new drug application [NDA] was filed, but FDA approval was not granted until October 29, 1992, over 21 years after submission of the IND application and over 10 years after the filing of the NDA. As a result of this delay, the patent for oxaprozin expired before Daypro could be brought to market.

While it is important that drugs meet Federal safety and efficacy standards, we should not lose sight of the fact that this review process comes at the expense of both those whose illness or suffering may be shortened or lessened, and at the expense of the rights of those to whom our laws have offered the incentives of patent protection for their investments. Patent protection is necessary for pharmaceutical manufacturers to recoup their extraordinary development costs so that they may obtain funds to reinvest into new and more effective products.

The bill that I am introducing today does not grant full recovery of the time that was lost while oxaprozin was under review; it does not grant half or even a quarter of that time. This bill provides for an additional 2-year period of protection for oxaprozin. This 2-year period is based upon a thoroughly documented review of FDA inaction during the time the oxaprozin application was pending before the agency. I believe such relief is entirely fair, appropriate and equitable under the circumstances, and I urge my colleagues to support this measure.

TRIBUTE TO THE HARRISON POST

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 11, 1995

Mr. BURTON of Indiana. Mr. Speaker, I rise today to recognize the final issue of the Harrison Post, Fort Benjamin Harrison's weekly newspaper that published its last issue on September 28, 1995.

The Harrison Post was established in April 1966, by Ferdinand Stauch, a veteran of "Merrill's Marauders," and has well served the information needs of the military community at Fort Harrison for nearly 30 years.

Due to the closure of Fort Harrison, most of the soldiers have departed, and it was inevitable that the Harrison Post would have to stop the presses. Throughout the base closure process, the newspaper maintained its commitment to excellence. The Harrison Post has won 27 awards for excellence in journalism, and is considered to be one of the most honored newspapers of its type in the Army.

Throughout its history, the Harrison Post has provided timely, accurate, and reliable information to the servicemen and women, retirees, and civilians that have made up the Fort Harrison community. I take this opportunity to salute the Harrison Post, and those who have served on its staff, for their contributions and service to the Nation.

MANY FEDERAL PROGRAMS ARE UNNECESSARY AND BURDENSOME

HON. BILL ORTON

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 11, 1995

Mr. ORTON. Mr. Speaker, when I visited with residents of the Third Congressional District of Utah, I find that many want Federal programs streamlined and made more efficient. Many programs are unnecessary and burdensome. On other occasions, however, I am reminded that there are many Federal programs that make real differences in the lives of people and give us substantial return for the Federal dollar invested in them.

An article published in the September 27, 1995, edition of the Salt Lake Tribune highlights one such program in my district. West Valley City, UT, is one of five cities in the Nation to receive an Outstanding Community Service Award for its Green Thumb Senior Community Service Employment Program. The newspaper article spotlights the work of two senior citizens who are involved with the Green Thumb Program in West Valley City. The program clearly is helping these folks remain active and independent until they retire while at the same time making contributions to the community they live in. I would like to submit this article for inclusion in today's RECORD to pay tribute to this program, the senior citizens in West Valley City it is helping, and the city officials who take the time to be involved in the program and make it work.

Bunny Bowen works in anticipation of not having to work anymore.

She has plans for retirement: publishing her 2,000 poems, reopening a ceramics shop, getting back on the stage.

In the meantime, she answers phones for the West Valley City Police Department, logs reports, arrest information and protection orders into computers.

One of several West Valley City employees hired through the federally funded Green Thumb Senior Employment Program. Bowen, 62, praises her employer. "They go out of their way for us," she says.

West Valley City is one of five cities in the United States to receive an Outstanding Community Service Award for its Green Thumb Service Senior Community Service Employment Program.

Green Thumb was established in 1965 by President Johnson to hire retired farmers to work on the Nation's parks and highways. These days, the program provides job training to senior workers with household incomes less than $9,340. Workers earn minimum wage while they are trained and then have the option of working for the agency that trained them or seeking a job elsewhere. About 282 Utahans worked for Green Thumb last year.

West Valley City now employs five Green Thumb trainees and four graduates.

Ron Burris, area Green Thumb supervisor, says West Valley City does more for its elderly employees than most agencies by holding resume and interviewing workshops to help them learn the process of getting a job.

Like hundreds of Utah senior citizens, Bowen found herself in the financial gap between working and retirement. After 26 years of doing books for her husband's business, her experience was outdated and her Social Security income minimal.

"The job market's tough when you're older," Bowen says. "I was scared to death of computers."

Bowen eventually found work through Green Thumb and plans to work for two more years and then retire.

But not Claude Heiner. The 68-year-old former mining engineer has worked for the city for three years and does not see his job ending anytime soon.

Heiner started working for West Valley City after a car accident left him in a wheelchair unable to continue his consulting business. Now he manages the office at the city shops, taking complaints about road damage, snowplowing and dispatching drivers.

"This really wasn't what I wanted, but it gave me something to do besides sitting around the house," Heiner says. "I'll work as long as my health holds out."

REPUBLIC OF CHINA ON TAIWAN

HON. ROBERT E. ANDREWS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 11, 1995

Mr. ANDREWS. Mr. Speaker, the Republic of China on Taiwan, our firm and steady ally in the region celebrated its National Day on October 10. Its economic growth and political progress serve as the standard for other developing countries, and its commitment to human rights and democracy deserve our adoration. I ask my colleagues to join me in wishing Taiwan continued success in facing the many challenges that lie ahead.

While Taiwan has served as a role model for developing nations, it has been unable to participate in many international organizations. When President Clinton meets with President Jiang of the People's Republic of China at the celebration of the 50th anniversary of the United Nations in New York, the voices of 21 million people on Taiwan will be conspicuously unheard. Their duly elected government has been frozen out of participation in the U.N. by the PRC. We must seek to rectify this situation.

The United States should make clear to China that we respect the pursuit of reunification. But reunification through military action is totally unacceptable. The United States is bound by the Taiwan Relations Act of 1980 to seek a peaceful resolution to the Taiwan situation. Part of the solution may come from equal participation in international organizations.

When the United States moved to no longer recognize the ROC in exchange for the PRC in 1979, one of the reasons given was that the 1.2 billion people of China must have a vote. That same argument now applies to the 21 million people in Taiwan. I hope that the United States will not shy away from its responsibility to our long term ally.

STATEMENT OF MR. McCOLLUM AND MR. GONZALEZ REGARDING H.R. 2399

HON. BILL McCOLLUM

OF FLORIDA

HON. HENRY B. GONZALEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 11, 1995

Mr. McCOLLUM. Mr. Speaker, in response to some questions that have been raised, we want to clarify that it is, and has always been, our intent that all provisions of H.R. 2399, the Truth in Lending Act Amendments of 1995, that amend the Truth in Lending Act—including the increases in tolerance—apply solely to loans secured by real estate.

COMMEMORATING THE 50TH ANNIVERSARY OF WORLD WAR II

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 11, 1995

Mr. Speaker, I am proud to join my colleagues, our Nation's military leaders, distinguished veterans, and the host of family and friends who have assembled with us in the House Chamber this morning. I want to pay special tribute to those veterans who have journeyed from across the country to join us for this special joint meeting of Congress. Joint meetings are special events to mark historic moments in our Nation's history. Today's ceremony marks the closing activities of the commemoration of the 50th anniversary of World War II. It is, indeed, proper and fitting that we gather for acknowledgement of this significant period in our Nation's history.

History reveals that World War II was the greatest and most destructive war in history. The war killed more people, destroyed more property, and probably had more far-reaching consequences than any other war in history. The war began on September 1, 1939, with the invasion of Poland by Germany. The United States entered the war in December of 1941, following the Japanese attack on Pearl Harbor.

Mr. Speaker, as we gather today to commemorate the 50th anniversary of World War II, we pause to honor the brave Americans who answered the Nation's call to service. We also honor those who lost their lives in the conflict. We know that families lost fathers, sons, daughters, and friends. We gather today to remind these families that their losses were not in vain. The war forever changed our Nation, signaling a renewed commitment to freedom and democracy. It is with the somber reminder of the valor and determination of our fallen comrades who fought for democracy that we gather today.

I want to take this opportunity to pay special tribute to my colleagues in Congress who are veterans of World War II, including those who are highlighted on today's program—Representatives, HENRY HYDE and "SONNY" MONTGOMERY, and Senators DANIEL INOUYE, STROM THURMOND, and Senate Majority Leader ROBERT DOLE. As a veteran of World War II, I take pride in being included in the ranks of these brave patriots who united in service to this country a half-century ago.

Mr. Speaker, I am proud to have some of the members of my family join me for today's commemoration ceremony, including my wife, Jay, my daughter, Lori, and my granddaughter, Nicolette. My young grandson, Brett Hammond, is also here with me. As I look at Brett and Nicolette, it is my feeling that we fought a war many years ago, so that perhaps members of their generation will be able to enjoy peace. As we move forward, let us do so with the strong hope that World War II will, indeed, become known as the last world war. Let this be our commitment to our children, our grandchildren, and our brave comrades who have passed on.

TRIBUTE TO A YOUNG LEADER: MR. LARRY CHAMPAGNE III

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 11, 1995

Mr. CLAY. Mr. Speaker, I am sure that by now most of our colleagues have either read or heard about Mr. Larry Champagne III, the young hero who saved his schoolmates and bus driver when he brought their swerving school bus to a halt after the driver suffered a stroke at the wheel. I am proud to say that Mr. Champagne is one of my junior constituents.

More importantly, I want to call young Larry's story to the attention of our colleagues because his act of courage is one of the many wonderful and dynamic things our young people are doing today. Contrary to popular belief, Larry Champagne and his schoolmates are among the 98 percent of young Americans who are doing the right thing. They are the young leaders who are studying hard, obeying authority, and making small but positive contributions to their communities. They are the unsung heroes of the 90's.

I submit to our colleagues the October 6, 1995 St. Louis Post Dispatch article about Larry Champagne. It is my hope that his story will touch their hearts, as it did mine, and inspire some confidence in young Larry's generation. Then, I offer our colleagues the challenge of doing everything within their power to protect the programs that young Larry and his peers will need to fully develop the leadership talents they displayed on October 5, 1995.

[From the St. Louis Post Dispatch, Oct. 6, 1995]

PEACHY—BOY HERO CELEBRATES CELEBRITY

(By Carolyn Bower)

Ten-year-old Larry Champagne III got pulled from class repeatedly Thursday to talk with national radio and television reporters.

But Larry was coping with his sudden celebrity status.

"I'm OK," he grinned outside Bellerive School in the Parkway School District. "I'm peachy. I'm carrots and peas."

Larry, a fifth-grader, became a hero after he stopped a school bus on U.S. Highway 40 near Sarah Avenue in St. Louis Tuesday after the bus driver suffered a stroke. The bus has been going about 55 mph.

Larry is credited with saving himself and 17 other students from serious injury. The bus driver, Ernestine Blackman, was in serious condition Thursday at Barnes Hospital.

On Thursday afternoon, Bellerive's 460 pupils filed into the school gym for an assembly to honor Larry and the other students. In sweet, high voices, the students sang a song about making a difference, taking a risk and becoming the voices of hope in the world.

Said principal Ken Russell: "We are here to honor the students on Bus 3 for their courage, wisdom and bravery in the face of danger. * * * You were good listeners. You were helpful. You are heroes."

The students were on their way to school from their homes in St. Louis Tuesday morning when they heard cars honking and felt the bus swerve and hit a guardrail.

Then they saw Blackman fall from her seat. Larry made his way to the front, grabbed the steering wheel and stomped on the brake, stopping the bus. A pickup plowed into the bus.

Then Larry and five other students helped the bus driver, got the door open and summoned help.

Russell gave Larry a stack of newspapers and a framed copy of a front-page Post-Dispatch story about Larry.

School officials presented the Bus 3 students with medallions on red, white and blue ribbons.

Walle Amusa, and aide to St. Louis Mayor Freeman Bosley Jr., read a message from Bosley and invited the children to meet the mayor next Wednesday. The mayor's message said: "I am very proud of you. It is great to know that we have young people like you who are level-headed, responsible, courageous and humble."

Tim Stieber, a division manager for Mayflower bus company, gave Larry a billed hat, a bus driver's jacket, commendation and $100 gift certificate to Toys 'R' Us.

The television program "A Current Affair" filmed the assembly.

In addition to local news organizations, Larry has had interviews or inquiries from NBC, CBS, USA Today, National Public Radio, Time Magazine for Kids, the Associated Press, United Press International, CNN in Los Angeles, Paul Harvey, David Letterman's show, the "Today" show, the "Tonight Show" and radio stations in Boston, San Francisco and Utica. Charles Osgood wrote Thursday's "Osgood File" rhyme about Larry.

Larry's relatives said the attention at first drove him to tears, but he bounced back.

His grandfather Lawrence Champagne, said: "Larry didn't want to be a hero, but now he's jumping in with both feet and dealing with it."

The grandfather said Larry's actions had lifted the family's spirits just weeks after Larry's father, Lawrence Champagne II, was stabbed to death in St. Louis.

"My son may have lost his life, but his son has saved lives," the grandfather said. "This is a memory we'll cherish forever."

THE DEPARTMENT OF STATE, AMERICAN JOBS AND FOREIGN LOBBYISTS

HON. LINDA SMITH

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 11, 1995

Mrs. SMITH of Washington. Mr. Speaker, I rise today to let the American people know how Government has really operated in Washington for far too long. For the past several months I have been working in a bipartisan manner with my colleagues in the House and Senate from Washington State, Oregon, and California to address a serious issue. American men and women in the longshoreman's trade are being displaced by foreign workers because our own State Department's rule interpretations strongly favor foreign workers despite Congress' efforts to protect American workers in a trade where half of their jobs have disappeared in the last decade alone.

It's not bad enough that our State Department is failing to protect American jobs but they have ignored Congress' charge to update their annual rule interpretation list for almost 2 years. So let's see, not only does our own State Department favor foreign workers but now they ignore Congress' instructions as well. But wait Mr. Speaker, it gets better!

Now I have discovered that after fourteen other Members of the House and Senate joined me in writing to Secretary Christopher about this problem a mid-level bureaucrat in the Transportation and Economic Section of the Department of State decided he would call foreign ship owners to let them know they too should be concerned about this issue. Yes. We have a State Department official calling foreign lobbyists as if he had been retained to be their personal agent. Whose State Department is this anyway?

But just when I think it could not get any worse I find out that the State Department has agreed to be lobbied by foreign vessel owners and operators so that they can continue to discriminate against American workers. Their concern? It is that the profit margins for foreign vessel owners and operators will be cut.

So let's review what has been going on in our State Department. First, State promulgates rules which discriminate against American workers in favor of foreigners. Second, State ignores the law and defies Congress' charge to produce annual reciprocity lists for almost 2 years. Third, a State Department official takes it upon himself to be the agent for foreign lobbyists by calling foreign ship owners and operators to protect what amounts to be corporate pork for foreigners doled out by our State Department. Last, as if notifying foreigners that their sweet deal may be in danger is not enough, the United States Department of State decides to meet with foreign lobbyists so that their concerns can be made a part of the official State Department evaluation.

While some have asked me which American worker needs to fear our State Department next the real question Americans must ask themselves is "How much does it cost a foreign interest to have the Department of State act as your lobbyist?" The obvious answer, the livelihoods of thousands of American men and women in the longshoreman's trade.

CONGRATULATIONS ELECTRICIAN'S MATE FIRST CLASS, SUBMARINE SERVICE RICHARD CRISP

HON. GLENN POSHARD

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 11, 1995

Mr. POSHARD. Mr. Speaker, I rise today to congratulate Electrician's Mate First Class, Submarine Service Richard Crisp who will retire from the United States Navy on December 31, 1995. Richard entered the Navy on May 30, 1973 and has served his nation faithfully.

During his time in the United States Navy, Richard has distinguished himself as an extraordinary member of our armed forces. He has been awarded the Submarine Service Designation, the navy Achievement Medal 2nd Award, the Meritorious Unit Commendation 2nd Award, the navy Recruiting Award, the Coast Guard Special Operations Ribbon, the Sea Service Ribbon, and the Deterrent Patrol Insignia 2nd Award.

Mr. Speaker, Richard Crisp has proven himself to be a faithful member of the United States Navy. His 20 years of loyal service is greatly appreciated, and I wish him the very best as he enters retirement.

ALTERNATIVE MEDICARE BILL

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 11, 1995

Mr. VENTO. Mr. Speaker, I recently cosponsored H.R. 2422, the Medicare bill offered as an alternative to the Republican Medicare plan. I am cosponsoring the bill because I believe that it is important for Democrats to offer an alternative plan to the Republicans' massive, unnecessary, and unjustified cuts.

H.R. 2422 cuts approximately $90 billion from Medicare over the next 7 years instead of $270 billion of cuts claimed by the Republicans. The trustees of the Medicare trust fund have stated that reducing Medicare by $90 billion would extend the solvency of the trust fund without the prospect of a shortfall and maintain as sufficient a balance as has upheld the Medicare trust fund for the past 30 years.

Although H.R. 2422 is a significant step in the right direction, I do, however have concerns about some provisions which could significantly reduce provider reimbursement rates. Reducing these rates in States such as Minnesota where reimbursement rates are already low may have an unintended negative consequence. Still, we need alternatives to the Republican bill, and this measure serves as such an alternative.

The Medicare payment disparity that persists today between States should be addressed. The changes being advanced by reduced payments tend to highlight this difference but are not the genesis of the problem. That is, the low reimbursement rates for select States that have achieved significant cost savings are locked into place and become compounded by the policy changes being advanced.

CELEBRATION MARKS MORE THAN AN ANNIVERSARY FOR TAIWAN

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 11, 1995

Mr. ACKERMAN. Mr. Speaker, October 10 marks the anniversary of the birth of the Republic of China [ROC]. On this occasion, I wish to send my greetings and congratulations to the leaders on Taiwan, and especially President Lee, whom I have had the good fortune to meet with both in Taiwan and in the United States.

When President Lee of Taiwan came to Cornell in June, I had the opportunity to talk with him and discuss Taiwan's relationship with the United States. He thanked me for the incredible congressional support he had received prior to his visit, and reiterated his people's strong respect for the United States. He reaffirmed our bilateral friendship, and the desire of Taiwan to continue that friendship into the next century.

Taiwan is and has been a loyal ally and trading partner in Asia. Its people participate in and fully subscribe to the principles of freedom and democracy. They have worked with us on issues ranging from endangered species to trademark infringements. They look to us for guidance and protection.

President Clinton will be meeting with President Jiang at the occasion of the 50th anniversary of the United Nations. It is ironic that the two Presidents will meet in honor of the United Nations, a body in which the 21 million people of Taiwan have no voice.

I ask my colleagues to join with me in urging President Clinton not to enter into any agreement which would further restrict our ally Taiwan, or compromise its growing democracy. Better relations with the PRC must not come at the sacrifice of the 21 million people on Taiwan who must depend on us to defend their interests.

The October 10 celebration should mark the continuance of the friendship between our two countries, as well as the founding of a nation. Again, I congratulate Taiwan on the occasion of its National Day.

BOLEY'S 25TH ANNIVERSARY

HON. C.W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 11, 1995

Mr. YOUNG of Florida. Mr. Speaker, this month the city of St. Petersburg and the county of Pinellas will be honoring the Boley Centers for Behavioral Health Care, Inc., on its 25th anniversary, and I, too, want to commend this organization and its founders led by Mary R. Koenig on this occasion.

The mission of the Boley Centers is to provide our community with comprehensive services for those with mental illnesses. Through its rehabilitation programs and a network of community residences and apartments, Boley Centers has helped thousands of disabled residents of St. Petersburg and Pinellas County. The vast majority of Boley Centers' clients have been integrated into the community without the need for any additional hospitalization, and this has meant a considerable savings to the State and the county and speaks highly of the staff and services provided by Boley Centers.

As one who has worked to help secure Federal funding for several of Boley Centers' resident complexes, I believe its clients are fortunate to have this outstanding program available to them in our community, and on this its silver anniversary, I salute Boley Centers, its Boley Angels, and the scores of others who have helped make Boley Centers one of the finest programs of its kind in our country.

HAPPY ANNIVERSARY TO THE YWCA OF WESTERN NEW YORK

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 11, 1995

Mr. LaFALCE. Mr. Speaker, I would like to recognize today the history and achievements of the YWCA of Western New York, which is celebrating its 125 anniversary on October 27.

The YWCA has a distinguished tradition of service to women, to Western New York, and to this country. The Western New York YWCA was founded in 1870, only 15 years after the founding of the national YWCA. The Western New York chapter lost no time in making its mark on the community.

One of its earliest efforts was to coordinate charity work in Buffalo. The coalition of charities it organized has lasted to this day, evolving into the present-day United Way. Other local organizations with roots in the YWCA are the Urban League, the Business and Professional Women's Clubs, and the Travelers Aid Society.

The Western New York YWCA has made its strongest mark on family and women's issues.

It began child care and "well baby" programs early on, and it now operates the largest licensed after-school day care program in the region, along with other family support programs such as one for at-risk teens.

It has focused on assisting women in entering and advancing in the workplace—from recruiting women into necessary defense jobs in the Second World War to its current Leadership Development Program which encourages and prepares women to enter jobs traditionally held by men. The YWCA also runs a transitional housing program, which helps women in trouble to get back on their feet. It even runs a monthly cable program, called "Womanworks" which focuses on modern women's issues.

Of course, the YWCA also offers a wide range of fitness programs, on which many families in the community have come to rely. These programs include everything from youth sports to a special exercise program for people with arthritis.

Aside from its distinguished tradition of community service, the Western New York YWCA has made its mark on American history. For example, in the 1950's—a time of intense racial tension—it named Mary Wood as Executive Director; the first African-American YWCA executive in the country. At one time, it counted among its members Presidents Millard Fillmore and Grover Cleveland. In fact, the downtown building of the Western New York YWCA is at the site of the home of President Fillmore.

Mr. Speaker, the YWCA certainly has earned our recognition and appreciation as it marks 125 years of service to the region and the country. I congratulate this organization for carrying on in its superb traditions by continuing to provide the Western New York community with critical support programs, and I hope that it will celebrate many great anniversaries in the future.

HOLDEN SALUTES WORLD WAR II VETERANS

HON. TIM HOLDEN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 11, 1995

Mr. HOLDEN. Mr. Speaker, it is with great pleasure that I rise today to honor and pay tribute to our World War II veterans as we commemorate the 50th anniversary of World War II.

We stand here today because of the sacrifices and efforts of those people who fought and gave their lives for freedom.

Countless soldiers, sailors, and airmen, gave their lives at places like Midway, Normandy, Anzio, Bastogne, and Okinawa, so that we could enjoy the blessings of liberty.

There were many heroes worthy of our recognition and praise. I am proud that one of those heroes is from my district, and is here with us today.

It is my great pleasure that Capt. Jim Burt of Wyomissing, PA, is here with us. Captain Burt is an Army veteran and a Congressional Medal of Honor winner.

Captain Burt risked his life in heavy fighting near the city of Aachen in Germany. Despite being wounded early in the fighting, Captain Burt led his troops for more than 8 days until victory was won.

I would like to thank Captain Burt, and all of the men and women who fought and gave their lives to preserve our freedom.

You answered the call of duty, and we thank you for all that you have done for our great country.

Mr. Speaker, I ask all of my colleagues to join me in honoring these fine men and women.

SALUTE TO OAKLAND PRIVATE INDUSTRY COUNCIL

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 11, 1995

Mr. DELLUMS. Mr. Speaker, I rise to honor the Oakland Private Industry Council. The city of Oakland has truly benefited from this organization. The Oakland Private Industry Council should be applauded for actively promoting job training and placement of the economically disadvantaged.

The Oakland Private Industry Council is nationally recognized for its creative development of nontraditional employment and training programs. Just recently, a $1.2 million grant from the State of California was awarded to the council. These funds will provide retraining for civilian workers displaced by the closure of the Oak Knoll Medical Center. These persons will be provided with critically needed skills for high demand occupations.

Governor Pete Wilson has commended the Oakland Private Industry Council 4 consecutive years for making an outstanding contribution to the development of Oakland's work force. Each year the council has exceeded its established performance goals.

This year the council again honors its service providers which have exceeded their established performance goals and their business partners who assisted them.

I join in saluting the Oakland Private Industry Council and this year's honorees. In recognition of their dedicated and professional service to Oakland's economically disadvantaged population, I would like to commend the Auto Parts Club, Youth Employment Partner Inc., Federal Express, Career Resource Center, Port of Oakland, Berkeley Adult School, Oakland Neighborhood Center, and the Vietnamese Fishermen Association.

Today, I pay a special tribute to the Oakland Private Industry Council for its continued hard work and dedication to the community in providing employment and training services for our city.

50TH ANNIVERSARY OF THE END OF WORLD WAR II

HON. J.D. HAYWORTH

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 11, 1995

Mr. HAYWORTH. Mr. Speaker, as we celebrate the 50th anniversary of World War II, I want to honor an Arizona National Guard Unit, the 158th Regimental Combat Team [RCT] or "Bushmasters" as they called themselves, which fought in the Pacific campaigns. When the war ended, they had spent 4 years overseas, 312 days in combat, and suffered approximately 1,600 casualties in three campaigns. While they went unnoticed with the public, they were recognized by the Commander of the Army in the Pacific, Gen. Douglas MacArthur. The Bushmasters had earned three campaign streamers with two arrowheads, a Presidential unit citation, and the unending praise from General Douglas MacArthur. He proclaimed: "No greater fighting combat team ever deployed for battle."

Arizonans already knew what General MacArthur discovered about the Bushmasters because they were our soldiers. They were our husbands, our fathers, and our sons. They were citizen-soldiers who came from cities such as Phoenix and Tucson, from the many Indian Nations in Arizona, from the mining communities of eastern Arizona, from the timber and railroad towns up north, and from the ranch country in the south.

Before World War II, the Bushmaster Regiment already had a colorful past. The unit charged up San Juan Hill with Teddy Roosevelt's Rough Riders, secured the border when Poncho Villa raided the border towns, and fought in France during World War I. Arizonans had many reasons for joining the unit. Some of them joined for the camaraderie. Some joined because the unit was colorblind and it gave them dignity and equity that they did not have in civilian society. The unit had some of Arizona's more famous people come through its ranks, including the late Senator Carl Hayden and Pima Indian Chief Antonio Azul.

When the Bushmasters reported for Federal service, they proved their value during the Louisiana maneuvers in 1940. The regimental commander Col. J. Prugh Hernadon, a bookkeeper from Tucson, tried a new form of communication with his radios. He had native American members of his unit transmit messages in their native languages to keep the enemy from intercepting their radio transmissions.

The Bushmasters performed so well that the Army shipped them to the Panama Canal Zone shortly after Pearl Harbor was attacked. They were given the task of defending the canal from sabotage. A year later General MacArthur personally requested the Bushmaster Regiment to help him capture the island of New Guinea from the Japanese. In January, 1944, the 2d Battalion, under Lt. Col. Frederick Stofft of Tucson, were the first soldiers of the Bushmaster Regiment to enter combat.

The Bushmasters developed a reputation for their fighting skills. In the Philippines Capt. Bayard W. Hart, a Cherokee Indian, and his men of Company G from Safford, AZ, were awarded the Presidential unit citation for capturing a Japanese gun emplacement without a loss of life to his men. In Dutch New Guinea, they beat the battle-hardened Japanese Tiger Marines. Shortly after the battle they became feared by their enemy. Japanese shortwave broadcasts referred to them as "the butchers of the Pacific" for the rest of the war. It was no surprise to the Bushmasters that they were selected to lead the assault of the invasion of Japan.

When the war ended, the Bushmasters returned home to Arizona, going back to the lives they had known before the war. They may have come from different cultures, spoke different languages, and grown up in different traditions, but they fought for the values they all shared as Americans: freedom, democracy, and justice.

Mr. Speaker, Americans can best remember their sacrifice by striving to live by those values that they were so willing to fight and die for.

OMNIBUS BILLS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 11, 1995

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, October 4, 1995 into the CONGRESSIONAL RECORD.

FEDERAL GOVERNMENT REFORM

The operations of the federal government have received enormous scrutiny recently. Many Americans saw the last election as a call to dramatically reduce the size and scope of the federal government. The House of Representatives has responded by passing bills to place limits on government regulations, and will soon consider measures to eliminate entire government agencies.

But in the midst of all the high-profile activity, less sweeping but important changes have been made to help government work more efficiently. The challenge before us is to determine what we want the government to do, and make sure that it does the job well.

Reinventing government: Two years ago, Vice President Gore came forth with recommendations for reforming the way the federal government operates. He recently detailed the progress that has been made on implementing these recommendations.

Last year, Congress passed legislation to cut 272,000 federal employees. So far, 160,000 have been cut. There are now fewer federal employees than there were when John F. Kennedy was president. Furthermore, federal agencies have closed more than 2,000 field offices.

In addition, 16,000 pages of regulations have been eliminated, and 31,000 are being reworked—resulting in an estimated savings to the public of nearly $28 billion. For example, the Environmental Protection Agency has either cut or changed 85% of its regulations, thereby cutting its paperwork requirements by 25%. These changes are estimated to save industry 20 million hours of labor a year. The Department of Housing and Urban Development has eliminated 65% of its regulations; the Small Business Administration, 50%.

But just as important as cutting back on the size of government is making it work more effectively, and progress is being made on this front as well. Earlier this year, a national business magazine evaluated a number of businesses' telephone customer service. The magazine gave its highest rating to the Social Security Administration, which outperformed companies such as Southwest Airlines and L.L. Bean. the IRS has also significantly improved its telephone service, and has pledged to cancel penalties for taxpayers who are given incorrect information.

Congress has acted to improve government efficiency as well. A law enacted earlier this year makes it more difficult for the federal government to impose unfunded mandates on state and local governments. Congress also strengthened a law to lessen the paperwork burden imposed by the federal government on businesses and individuals.

Both the House and Senate have passed bills which would place limits on federal agencies' power to issue new regulations and require them to perform detailed cost-benefit analyses before new rules could usually be issued.

There is wide agreement that the federal procurement process is much too cumbersome, time-consuming and wasteful. The House recently passed a bill to dramatically streamline the process and make it more competitive. In addition, many federal agencies and the House now allow employees to make some purchases like businesses would—at the local office supply store. As the procurement process becomes more efficient, government agencies will have less need for warehouse space for large inventories. Walter Reed Army Medical Center in Washington used to need seven warehouses to store its supplies—now it uses half of one. The House recently sold off thousands of unneeded office furnishings, eliminating the need for warehouse space that cost $245,000 a year.

Outlook: Many Hoosiers feel frustrated, irritated, even angry about the hassle and the inflexible rules they often find in the federal government. They rightly are demanding change. Having watched the private sector streamline and become more productive and lower costs, Americans know that the federal government must go through the same passage of change. Quite understandably they have a strong skepticism that it can be done.

There is a lot of discussion today about what the federal government's role should be, and I think that is good. My concern is that the debate is sometimes too simplistic, with the "get rid of it all" school on one side and the "government as national nanny" school on the other. Some people argue that the way to fix the federal government is to eliminate as much of it as possible. My sense is that most of us don't want to get rid of government; we want to limit it and make it effective. We want government to make sure that our meat is safe to eat and that the skies are safe for air travel; to aid communities in recovering from the ravages of natural disasters; to insure our savings if our bank fails, for example. We want to see a government that moves us toward meeting our nation's common goals, that recognizes people are its customers and gives them their money's worth. We want a government that recognizes that most people are neither crooked nor stupid and want to do the right thing so long as the right thing makes sense to them. They want to see a government that cuts obsolete regulations, rewards results, and negotiates and seeks consensus rather than dictates.

We need to do some hard thinking about what it is we want government to do and how we want it done. Our quest must be to reduce the cost and simplify the operation of government while maintaining essential programs and functions. We need to design a government that uses common sense to solve problems. We must stop doing things that government doesn't do very well and that don't need to be done by government. Where government can make a positive difference in the lives of ordinary Americans it must be made to work more efficiently and effectively.

Those of us in government must convince people that we are serious about limiting government and making it work better. This effort must become a way of life for all of us. It is a task that is never finished. As the world has become more complex so has the federal government. Too often it has become more master than servant. That is what has to change, and that's what reinventing government is all about.

TRIBUTE TO LINCOLN UNIVERSITY OF PENNSYLVANIA

HON. ROBERT S. WALKER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 11, 1995

Mr. WALKER. Mr. Speaker, I am honored to be able to congratulate Lincoln University of Pennsylvania, America's first college for African-Americans, which will bestow honorary doctoral degrees on the President and First Lady of the Republic of Ghana, His Excellency Flight Lieutenant Jerry John Rawlings and Nana (Mrs.) Konadu Agyeman-Rawlings.

It is fitting that President Rawlings of Ghana—the first African nation to gain independence from Europe—should receive his first honorary degree from the United States' first college for African-Americans, a college that is named after the author of the Emancipation Proclamation.

In fact, Lincoln University has longstanding ties to the Republic of Ghana. The first President of Ghana, Dr. Kwame Nkrumah, graduated from Lincoln University with a bachelor of arts degree, cum laude, in 1939 and a bachelor of sacred theology degree in 1942.

Dr. Nkrumah later received an honorary doctorate from Lincoln University, as did His Excellency Alex Quaison-Sackey, Ghana's first Ambassador to the United Nations. The first American Ambassador to Ghana was also a Lincoln graduate, His Excellency Franklin H. Williams, class of 1941.

President Rawlings is a leader both in Ghana and the world community. Under his leadership, Ghana has enacted the difficult economic reforms that lead to short-term hardships but long-term prosperity. With consistent economic growth, Ghana now serves as a model for African and other nations that are moving into the developed world. In addition, President Rawlings is a passionate advocate for American involvement—at the governmental and nongovernmental levels—in African affairs.

First Lady Agyeman-Rawlings has also displayed outstanding leadership qualities. She is the founder and president of the 31st December Women's Movement, a group advocating the empowerment of Ghana's women. In addition, the First Lady is a recipient of the African-American Institute's coveted Star Crystal Award for her work with women's groups.

Mr. Speaker, let me again congratulate Lincoln University on this important occasion. I am very proud of the accomplishments of this fine institution.

REMEMBERING ALL THOSE WHO SERVED IN WORLD WAR II

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 11, 1995

Ms. KAPTUR. Mr. Speaker, today in this joint session of Congress commemorating the victory of freedom in the 20th century, as we remember and honor all those who served in World War II, I want to introduce to the House a veteran, a woman, a pilot who served as a Women Airforce Service Pilot, Lois M. Nelson of Ohio's Ninth District. Lois is a remarkable woman. A pilot before joining the service, she flew our B-17s, B-24's and many other planes from the factories to the front where they could do some good. She also flew planes that had been on the front back to the repair hangers and recalls "you could smell the odor of combat on them; you knew where they had been." Lois and the more than one thousand other Women Airforce Service Pilots performing an invaluable and, unfortunately often overlooked, service in America's war effort. Let us remember them today. Lois represents all veterans from our community who are being commemorated here. Her life reminds us all of the treasured values of duty, honor, and country.

Last August 26, the citizens of Lucas County held a ceremony establishing our community as a World War II Commemorative County. That commemoration was graced with Lois's poignant remarks, and I ask that those remarks be printed at this place in the RECORD on the occasion of the 50th anniversary of the Allied Victory.

As a Nation, and as a people, we are always available to celebrate war. Flesh against flesh, blood against blood, and steel against steel. We mark with pride the winning of war, but with our ego centered on victory. Equally we turn our collective back on war if there is no winner.

Turn back to the ending of the war in Korea. Remember that February day when Viet Nam released and returned prisoners, was it victory when Gerry Denton stepped off the plane and held Jane in his arms for the first time in over seven years? It was for Denton, but not for America.

We celebrate victory perhaps, because we have never learned to celebrate peace.

When I came home to Tucson after my time in the service of my country, my road was perhaps different from yours, and yours, not because I am a woman, because no sooner was the ink on my separation papers dry—than I was, along with so many other women, lost in the bright light of victory in Asia and in Europe.

My return raised more eyebrows than salutes. The question of patriotism lost in the questions. A widow at 20, a reason, perhaps. A call to do what was needed to be done, a need to compete, anything you can do—I can do better. Or was it a legacy of generations of soldiers and sailors—a bloodline.

An uncle in South Africa and winning the Victoria Cross—dead in the Battle of the Marne in France. Cousins in the Battle of Normandy and in the landings in the Pacific. A brother in the North Atlantic on the run to Murmansk in Russia. Are my genes less willing? Willing to take the oath. Any less willing to work for victory? Parades! Celebrations! And perhaps—thanks for the peace.

But no parades, no thanks, only the challenge that comes from the feeling, as soon as I took off that uniform, put my wings in a drawer and visited my mother's grave; that I was overcome by the feeling, my service had stepped into the glare of challenge, and somehow, never cast a shadow.

Like many other women who answered the call, heard the challenge, we marched home to the sound of muffled drums and vanished. Over the past few years the drums have picked up the beat. Was it Desert Storm? Or was it the women in gun ships, on bomb runs. Or was it the shadow of the women in the 1940s who hit the flight lines running—who heard the call.

Was it my cousin who, as a nurse, led the children into safe haven from the bombing in Liverpool. Or was my cousin who commanded an ack ack battery near Dover and who met the ragged convoy coming from France and to find her badly burned brother in those wounded.

My challenge to myself, and to you today, will be to pledge to volunteer for peace. To extend that hand that covers your heart and reach out to help. Help the fallen and the falling. To steady the step of those who have lost the way. Take the time to share—time—with those who have only the memory of other times. To wage a war for peace!

Hear again the call to volunteer—when you raise your right hand to pledge your life, your energy, your compassion to win the peace.

As veterans we share a common thread of willingness to be counted. Our Nation is calling on you again to be counted. Get out of the back row and step up front. Into the front lines, get the facts. Get the ammo of involvement and get off your fences and fight for the right to be an American. A nation that shows the way with people—not with the gold of treasury—the strength of industry—but a people who are celebrating peace—hearing and healing.

I am proud of my American birth, I must also thank the warriors my family gave me in my heritage. A heritage I pledged for war and continue to pledge—again—for peace.

My husband, of only four weeks, name is on this monument. I honor his name and will not forget his sacrifice.

TRIBUTE TO JASON CHAO

HON. PETER T. KING

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 11, 1995

Mr. KING. Mr. Speaker, I am proud to rise in tribute to Jason Chao who is leaving the Taipei Economic and Cultural Representative Office in Washington, DC, after many years of outstanding service.

J.C., as he is known by his many friends, has been an outstanding representative and advocate for the Government of the Republic of China in Taiwan. He has established strong professional and personal relationships with many Members of this body who greatly admire his integrity and ability.

Over the years Taiwan has become an economic superpower and a model democracy. It is because of the efforts of people like Jason Chao that Taiwan has been able to make these great strides.

J.C. now returns to his native Taiwan to pursue a career in the media. While I certainly wish him well in his new career, I also look forward to the day he returns to Government service so that he can continue to strengthen the ties of friendship between Taiwan and the United States.

ENDING GENDER BIAS IN THE CLASSROOM

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 11, 1995

Mrs. SCHROEDER. Mr. Speaker, I would like to congratulate the Women's College Coalition and the Ad Council for launching the first-ever public service campaign promoting girls' achievement in school. In light of recent cutbacks in programs that encourage gender equity in the classroom, such as the elimination of programs administered by the Women's Educational Equity Act, it is becoming increasingly important for groups such as these to pick up where we, as legislators, have left off.

The campaign's call to action, "Expect the best from a girl and that's what you'll get," should soon become as familiar as other slogans the Ad Council has coined, such as "take a bite out of crime" and "a mind is a terrible thing to waste." The campaign features four real-life role models for girls who tell their stories of personal achievement via television, radio, and print ads and promote public awareness of the gender bias against girls. The ads urge teachers, parents, and adolescent girls to get involved in the sciences and math, the basis for the careers of tomorrow. And they tell girls that it's cool to speak up in class. They call on parents to buy their daughters chemistry sets instead of tea sets.

I commend these two groups for investing in the development of tomorrow's leaders and for showing such a strong dedication towards achieving equality.

HELP FOR THE NATIONAL PARK SERVICE

HON. JAMES V. HANSEN

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 11, 1995

Mr. HANSEN. Mr. Speaker, I am today introducing a bill which will help to depoliticize and professionalize the National Park Service. My bill will accomplish this by establishing a 5-year term for the National Park Service Director and by making the Director subject to Senate confirmation.

Mr. Speaker, at the beginning of the Clinton administration, there were stories indicating that a movie star and television actor were being considered for the position of Director of the National Park Service. While those stories indicated that such persons were being considered because the agency currently faces a morale crisis, I would suggest that it will take more than selection of a celebrity as Director to resolve those problems. In fact, selection of someone whose major qualification is that they have visited national parks since childhood, but who have no prior experience in Federal land management issues would in my opinion be adverse, not beneficial, to the agency and employee morale.

The media has also been replete with stories about how key slots in this administration are being selected. According to some reports, ethnic diversity, gender, and political paybacks are being considered just as much as qualifications in the selection of key positions within the administration. In my view, this is wrong.

My bill would address this problem by setting professional standards as the basis for selecting the Director of the National Park Service. It would further ensure that the National Park Service is able to develop and carry out its programs in a professional manner by isolating the appointment of the Director from the Presidential election cycle.

Currently, the heads of the Bureau of Land Management and Fish and Wildlife Service are subject to Senate confirmation. The Forest Service, has throughout its history been headed by a career professional, until the recent politicalization of this position by the Clinton administration. While the Senate confirmation process has in recent years focused too heavily on factors unrelated to the qualification of an individual for a particular position, overall I believe this process has merit and can see no reason for the current double standard in the selection of heads for the land management agencies.

Therefore, I hope my colleagues will join me in supporting this important measure.

A TRIBUTE TO COL. ERNEST R. ZUICK

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 11, 1995

Mr. FAZIO of California. Mr. Speaker, I rise today to honor Col. Ernest R. Zuick, who will retire from the California Air National Guard on November 1, 1995, after completing a long and distinguished career of more than 37 years of service to our Nation, including 13 years service as an adjunct staff member of the Reserve Forces Policy Board in the Office of the Secretary of Defense. I want to take a few minutes to highlight some of his accomplishments.

Colonel Zuick joined the California Air National Guard as an airman basic on May 17, 1958, and rose to the grade of staff sergeant. After completing over 10 years enlisted service, he was appointed as a first lieutenant on March 31, 1969. He subsequently rose through the commissioned ranks and was promoted to the grade of colonel on December 31, 1984. His military positions during that period included administrative clerk, administrative officer, public affairs officer, administrative management officer and education and training officer.

Colonel Zuick has served on State active duty for the California State Military Department since June 1, 1976. He joined the office of the adjutant general, Sacramento, as an administrative services officer and has served the adjutant general in a number of other capacities since that time including deputy assistant chief of staff, air division; personnel services officer; personnel services officer; training officer; and chief, offices of policy and liaison. In the latter capacity, Colonel Zuick has overall responsibility for legislative research and coordination and legislative inquiry response and complaint resolution on matters pertaining to the California State Military Department, including liaison with State and Federal legislators, the Governor's office, and other State and Federal agencies. The chief, office of policy and liaison is a member of the adjutant general's special staff and reports directly to the assistant adjutant general and the adjutant general.

Colonel Zuick has also served as a member of the adjunct staff of the Reserve Forces Policy Board, Office of the Secretary of Defense, from 1982 to present, serving as publications editor of Reserve Component Programs, the Board's annual report to the President and the Congress. In addition, Colonel Zuick assisted in the preparation and publication of a report commemorating the Reserve Forces Policy Board's 40th anniversary, providing a permanent history of the contributions of the Reserve Forces Policy Board to the defense of our Nation. His performance of duty in each of these assignments was exemplary. This assignment represents the longest tenure that any member of the California National Guard has served with the Office of the Secretary of Defense. Additionally, he is the only staff member of the California Air National Guard to wear the Office of the Secretary of Defense Identification Badge.

His decorations include the Defense Meritorious Service Medal, Meritorious Service Medal, Joint service Commendation Medal, Air Force Commendation Medal/1 Device, Air Force Outstanding Unit Award, Air Force Organizational Excellence Award/2 Devices, Air Reserve Forces Meritorious Service Medal, National Defense Service Medal, Air Force Longevity Service Award/6 Devices, Armed Forces Reserve Medal/1 Device, Small Arms Expert Marksmanship Ribbon, Air Force Training Ribbon, Medal of Merit/3d Award, California Commendation Medal/2nd Award, Governor's Outstanding Unit Award/2d Award, State Service Medal/6th Award, California Drill Attendance/31st Award, and numerous other awards and decorations.

Colonel Zuick's civilian education includes a bachelor of arts degree in art from Fresno State College; a master of arts degree in art education, also from Fresno State College; a master of public administration degree from Auburn University, and secondary and community college teaching credentials. His military education includes the Air Command and Staff College, the Air War College, and the National Defense Strategy Seminar.

Colonel Zuick resides in Carmichael, CA, with his wife, Johnnie. He is a member and former president of the National Guard Association of California, the National Guard Association of the United States, the Air Force Association, and the Association of the United States Army.

Mr. Speaker, Colonel Zuick is an extraordinary officer. I have been impressed by his outstanding service and contributions to our Nation by his service in our Armed Forces. As he prepares to retire from military service, I congratulate and thank him for his many years of outstanding service to our Nation and extend my best wishes for his future endeavors.

COMMEMORATION OF THE 50TH ANNIVERSARY OF WORLD WAR II

HON. ROBERT E. ANDREWS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 11, 1995

Mr. ANDREWS. Mr. Speaker, this day, on which we commemorate the 50th anniversary of the end of World War II, I would like to take the opportunity to extend my heartfelt thanks to the men and women who so proudly served their country over the course of those difficult years, both on the battlefield and at home. Over a half-century has now passed since Japan surrendered aboard the U.S.S. *Missouri* in Tokyo Bay; and yet, neither the magnitude of the sacrifice that our World War II veterans made, nor the significance of their accomplishments in the name of freedom and peace, has been diminished in our collective consciousness. It is a privilege to salute these courageous Americans on this occasion.

In the 3½-year history of the Second World War, over 17 million Americans served in the Armed Forces, ensuring the survival of democracy abroad through their valor and bravery in combat. Millions more provided invaluable contributions to the cause on the home front, by working in support of the military effort and by preserving the morale and integrity of the Nation in a period of such utter turmoil. The cost of victory was, indeed, great: over 670,000 soldiers were wounded in combat, and more than 290,000 lost their lives in combat. On this day, we remember the awesome sacrifice which they made to their country, and realize that the legacy of their passing is a world which today is more committed to democratic ideals than it has ever been before, and a global community which has become more vigilant against the evils of totalitarianism and genocide.

Today I wish to join with all Americans in acknowledging the 50th anniversary of World War II, and in thanking those who served their country during that conflict, particularly the 40,000 veterans from my district. May their sacrifices to our country never be forgotten.

A GRAVE INJUSTICE

HON. MARTIN FROST

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 11, 1995

Mr. FROST. Mr. Speaker, today I introduced legislation that will attempt to correct a grave injustice that occurred in this country—an injustice that involved thousands of people who were the victims of secret government-sponsored radiation tests beginning in the 1940s.

My bill will compensate some of these individuals and follows the President's Advisory Committee on Human Radiation Experiments' recommendation in compensating those victims or surviving family members of plutonium, zirconium and total-body irradiation experiments and would authorize a payment of $50,000. This payment is clearly not adequate, but at least it is something.

One of the people injected with plutonium, Elmer Allen, lived in my congressional district in Texas. Believing that he was being treated for bone cancer, Mr. Allen received an injection of plutonium in 1947. Although doctors did not expect him to live long, Elmer Allen lived another 44 years. But those were difficult years for a man troubled by numerous illnesses and health problems.

We can never fully compensate these people for what their government has done to them. It's just astonishing that the federal government sponsored these experiments. However we can provide some measure of relief with this payment and recognition that the United States Government was wrong to conduct secret experiments on its citizens.

Our country sometimes makes mistakes. However the great thing about this country is that we come to realize these mistakes and accept responsibility. It is time to accept this responsibility and act quickly on this legislation to correct this terrible wrong.

REINVENTING GOVERNMENT

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 11, 1995

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, October 11, 1995, into the CONGRESSIONAL RECORD.

OMNIBUS BILLS

Congress is completing work on an omnibus budget reconciliation bill. Budget reconciliation bills balance revenue and spending legislation to meet budget targets. This one will be the thirteenth budget reconciliation bill since the 1974 Congressional Budget Act, and by far the largest single omnibus bill in history. It will include major changes in Medicare, banking, farm programs, welfare, trade negotiations, veterans assistance, student loans, environmental preservation, small business support, and hundreds of other important issues. Almost every key policy change in this session of Congress will be in one single bill.

Omnibus bills are bills that contain numerous unrelated provisions. The largest omnibus bills have been budget reconciliation plans, which typically amount to less than $50 billion. This year, however, the congressional leadership is planning an unprecedented $900 billion reconciliation plan. Budget reconciliation bills are supposed to focus on changes that impact the deficit, but this year's plan also includes a large number of controversial policy decisions. Omnibus budget bills are usually written behind closed doors in the Speaker's office, and they are brought to the floor of the House under closed rules that prohibit amendments and severely limit debate. Thus, Members have only one up-or-down vote on the entire legislative package.

In theory, omnibus bills can be used to combine a few complicated, intertwined issues for more efficient consideration on the floor of Congress. The larger the bill, however, the less attention Congress pays to critical issues. While the need for omnibus bills can be legitimate under some circumstances, I have expressed the concern for many years that abuse of this process cheats Americans out of fair and effective representation. Beginning with the work of the Joint Committee on the Organization of Congress in 1993, I have been working on steps to limit the scope of omnibus bills.

DRAWBACKS

There are several serious problems with omnibus bills. First, citizen representation is diminished. Members get only one vote on hundreds or thousands of different issues. It is very difficult to address important constituent concerns on these issues if a legislator has only one vote on so many provisions. Second, Members rarely have enough time to read—let alone study—large omnibus bills. Members should have the opportunity to ask questions, offer amendments, and debate the merits of every critical issue facing our country. It is impossible to foresee all the consequences of any given bill, and open debate and public scrutiny invariably improve the quality of legislation. Third, omnibus bills place a huge amount of power in the hands of a few key leaders and their staffs, which increases the influence of special interests and the potential for corruption. Omnibus tax bills, for example, are notorious for including numerous tax loopholes for powerful interests with well-connected lobbyists.

WHY?

It is not easy to explain why the Congress has become so dependent on omnibus bills. In part, the volume of work and the tendency to delay action to the last minute contribute to the problem. In addition, Members of Congress do not want to send bills with little political support to the floor as separate bills. Because they avoid the normal committee process, omnibus bills strengthen the power of congressional leaders to shape a bill. The increased reliance on huge omnibus bills reveals the marked deterioration in Congress' consensus-making skills.

The increasing reliance on omnibus bills suggests that Congress is simply unable to deal in a fair and effective manner with the variety, complexity, and sheer number of issues that crowd the agenda. I have the uneasy feeling that these omnibus bills show the Congress losing control of the legislative process. All Americans believe major government reforms are urgent, but Congress is unable to address them deliberately and forthrightly. Members of Congress in both parties complain that there has been a failure of the institution to manage the budget process.

I believe Congress' heavy reliance on omnibus bills is a serious mistake. Congress should take immediate steps to return to more open procedures.

POSSIBLE SOLUTIONS

There are a number of steps Congress should take to alleviate the problems of omnibus bills. First, Members should be given time to review the bills. Although current rules require a three-day waiting period for members to review most bills, the congressional leadership rarely observes these rules. These rules should be strengthened. Second, Congress should enact an expanded line-item veto, which would allow the President to break omnibus bills into separate parts. I support a line-item veto. Earlier this year, the House passed a limited version of the line-item veto that would apply only to yearly spending bills—it would not apply to omnibus budget bills. I voted for a line-item veto that would be tougher on omnibus tax bills, but it was defeated. Third, Congress should limit or prohibit legislation that deals with many unrelated topics. Currently, for example, the leadership could bring an omnibus bill to the floor that funds a national park and a nuclear submarine, and Members would have limited opportunity to debate the merits of these distinct issues. Bills with such different provisions should be restricted. Fourth, House rules should be changed to allow Members to have a vote on whether or not to divide huge omnibus bills into smaller parts. Current rules allow the leadership to prevent such a vote. I am working to change these rules to allow Members an individual vote on major portions of a bill.

CONCLUSION

Omnibus bills have clearly gotten out of hand. It is simply unacceptable to force Members of Congress to vote on critically important bills that they have not had time to review. It severely diminishes representative democracy when Members are not permitted to vote on separate issues. Omnibus bills can be acceptable when used for legitimate purposes in a limited fashion, but the huge omnibus bills in recent years are an abuse of the system that must be reformed.

THE 50TH ANNIVERSARY OF THE END OF WORLD WAR II

HON. BENJAMIN L. CARDIN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 11, 1995

Mr. CARDIN. Mr. Speaker, I rise today, on the day that Congress has chosen to commemorate and salute the veterans of World War II, to recognize the contributions of the workers whose productivity gave our military men and women the tools they needed to achieve victory.

This Sunday, October 15, thanks to a grant from the National Endowment for the Humanities as well as State, local, and private moneys, the men and women of Glenn L. Martin Aircraft Co. will celebrate their role in the 50th anniversary of the end of World War II.

And what a role they played. Glenn L. Martin in the Middle River area of Baltimore County attracted tens of thousands of workers from all over America and forged them into a team that contributed the first modern bombers to the U.S. Navy and Army Air Corps as well as our Allies. During the war, more than 100,000 workers built more than 7,000 bombers.

In addition, these Maryland immigrants created new communities and stayed to raise families and share their talents and ideas.

They won the production battle of World War II. I am delighted that this Sunday will offer them a time of reunion and recognition for their contributions to the victory effort.

TRIBUTE TO BOY SCOUT TROOP 28 OF MAPLE SHADE, NJ

HON. ROBERT E. ANDREWS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 11, 1995

Mr. ANDREWS. Mr. Speaker, I rise today to thank Boy Scout Troop 28 of Maple Shade, NJ. On October 7, 1995, members of Troop 28 aided in making my Maple Shade town meeting a rousing success.

I am heartened by the dedication of these young men, and I feel that it is necessary to honor their contributions. I wish to thank assistant scoutmasters Jim Johnson and Stephen Mandichak, assistant senior patrol leader Michael DeNight, Boy Scouts Louis Fala, Douglas Galson, Douglas Mandichak, Jared Mandichak, and Brian DeNight, Webelo Cub Scout Christopher Fala, and Cub Scouts Richard Fala and Eric Galson.

In serving the people of the First Congressional District of New Jersey, I find it necessary to hold regular town meetings. These town meetings cannot possibly become reality without the aid of my constituents. The young men of Troop 28 presented the colors of the flag of the United States in front of the 50 residents who attended the meeting. All those present witnessed a dedication to our country that no one can match.

It is essential that the youth of our Nation become exposed to civic affairs. By participating in our Government at an early age, these young men have learned a lesson that will last a lifetime. It is my hope that they will continue to be involved in their community and the world around them in the years ahead. I urge all of my colleagues to join with me today in honoring Boy Scout Troop 28 of Maple Shade, NJ.

TAIWAN AND WORLD RECOGNITION

HON. SHEILA JACKSON-LEE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 11, 1995

Ms. JACKSON-LEE. Mr. Speaker, during the August recess, I had an opportunity to visit the Republic of China on Taiwan and to meet with President Lee Teng-Hui and Foreign Minister Frederick Chein. I was very impressed with their plans for further economic growth and political reforms. However, both men appeared very upset with PRC's military exercises around the island during July and August. They viewed the Chinese missile tests as an undisguised military threat against Taiwan and pleaded for international attention to the matter of increasing military tensions in the Asia-Pacific region, emphasizing China's constant belligerence.

I share President Lee and Minister Chien's concern. I noticed that the tests had adversely affected confidence in Taiwan's economic climate, sending both the Taiwanese stock market index plummeting to its lowest level since December 1993 and causing the Taiwan dollar to fall to a 12-month low.

I hope that the Chinese Government, in the spirit of cooperation, will announce its cessation of future military exercises near the shores of Taiwan. Continued exercises will only further discourage Taiwanese business investments in mainland China and exacerbate increased tension in the Taiwan straits. These affronting activities harm both the Republic of China on Taiwan as well as mainland China.

Mr. Speaker, I hope that there will be peace in the Taiwan straits as the Republic of China on Taiwan readies itself for the celebration of National Day on October 10, 1995.

WORLD MENTAL HEALTH WEEK

HON. BENNIE G. THOMPSON

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 11, 1995

Mr. THOMPSON. Mr. Speaker, I rise today in observation of World Mental Health Week. This week has been set aside to focus on the mental health disorders that affect millions of people all over the world. Researchers have concluded that nearly 1 in 3 Americans will experience a mental disorder during his or her lifetime. Mental disorders can strike cruelly, producing hallucinations, paranoia, depression, panic, obsessions' and can even lead some to suicide.

Some people with serious mental illnesses experience moderate problems that respond well to immediate treatment. Others have severe problems that continue over a long period of time. The population affected with serious mental illness is a diverse group with different diagnoses levels and durations of disability. Therefore, the needs of this group can be very different. Because of these disorders, many individuals are unable to complete their education, maintain employment, or lead productive lives.

The realities of mental disorders demand the attention and cooperative efforts of those involved in the development and planning of necessary comprehensive health, social services, housing, and disability policy. Mr. Speaker, I urge all of my colleagues to join me in recognition of Mental Health Week.

TAIWAN CELEBRATES NATIONAL HOLIDAY AND DEMOCRATIC PROGRESS

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 11, 1995

Mr. LANTOS. Mr. Speaker, yesterday the people of Taiwan celebrated the anniversary of the 1911 revolution in China which led to the overthrow of the last imperial dynasty and the establishment of the Republic of China under Dr. Sun Yat-sen. This was a critically important event in the history of modern China, and it is highly appropriate to commemorate this event as the watershed moment for the beginning of democracy in the Republic of China in Taiwan. We hope that one day it will also be commemorated as a turning point in the struggle for democracy in the People's Republic of China as well.

In a formal speech marking this important anniversary, President Lee Teng-hui of Taiwan urged the Government of the People's Republic of China to respect the democratic system of government and the free market economic system that are now in place in Taiwan. President Lee said that China cannot resist the trend toward freedom and democracy, and that respect for Taiwan's democratic system of government is "the most important precondition for Chinese reunification."

The people and Government of Taiwan have made great progress in democratic development, and President Lee deserves particular commendation for his critical role in this process. Next March, the people of Taiwan will have the opportunity to participate in the first direct Presidential election. This development reflects the changes that have taken place throughout Taiwan in recent years. The evolution of a strong democratic tradition on Taiwan is something that all of us can welcome.

Mr. Speaker, I join in extending my warmest best wishes and heartiest congratulations to the people of Taiwan on their national day, and I wish them great success as they continue their democratic development. Government officials in Beijing should take note of the outstanding progress that has been achieved on Taiwan in a flourishing democracy.

TRIBUTE TO M. SGT. SUSAN A. O'CONNOR

HON. JERRY WELLER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 11, 1995

Mr. WELLER. Mr. Speaker, today I'd like to honor the retirement of M. Sgt. Susan A. O'Connor from the Air Force Reserve.

Master Sergeant O'Connor has served her country well. Enlisting in the Air Force Reserve on September 19, 1975, Master Sergeant O'Connor has spent her entire career at O'Hare LAP Air Reserve Station in Illinois. She served with distinction in the base operations field for 2 years and the command and control field for the past 18 years.

Master Sergeant O'Connor has performed vital command and control functions as Air Force Reserve units became involved in worldwide events, including Somalia, Haiti, Rwanda, Bosnia, and, of course, Desert Shield and Desert Storm. She also provided outstanding support as our units from O'Hare deployed for operational readiness inspections and the rotational deployments to Panama, supporting airlift operations throughout Latin and South America.

Throughout her tenure in the Reserves, Master Sergeant O'Connor has proven to be professional, knowledgeable, experienced, and dedicated. Her skills demonstrate a natural born leader and her positive outlook and work ethic are an inspiration to all. Her service to our country is greatly appreciated and respected.

Congratulations to Master Sergeant O'Connor on her retirement effective September 30, 1995 and good luck in future endeavors.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference.

This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, October 12, 1995, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

OCTOBER 13

10:00 a.m.

Energy and Natural Resources

Oversight and Investigations Subcommittee

To hold hearings to examine the role of the Council on Environmental Quality in the decision-making and management processes of agencies under the Committee's jurisdiction (Department of the Interior, Department of Energy, and U.S. Forest Service).

SD–366

Judiciary

Terrorism, Technology, and Government Information Subcommittee

To continue hearings to examine certain Federal law enforcement actions with regard to the 1992 incident at Ruby Ridge, Idaho.

SD–106

Judiciary

Terrorism, Technology, and Government Information Subcommittee

To resume hearings to examine certain Federal law enforcement actions with regard to the 1992 incident at Ruby Ridge, Idaho.

SH–216

OCTOBER 17

10:00 a.m.

Judiciary

Administrative Oversight and the Courts Subcommittee

To hold hearings on conserving judicial resources, focusing on the caseload of the District of Columbia Circuit and the appropriate allocation of judgeships.

SD–226

3:00 p.m.

Conferees

Closed, on H.R. 1655, to authorize appropriations for fiscal year 1996 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System.

S–407, Capitol

OCTOBER 18

9:30 a.m.

Labor and Human Resources

To hold hearings to examine the impact of emerging infections on the nation's health.

SD–430

10:00 a.m.

Judiciary

To hold hearings to examine property rights issues.

SD–226

OCTOBER 19

10:00 a.m.

Judiciary

Business meeting, to consider pending calendar business.

SD–226

2:00 p.m.

Foreign Relations

Business meeting, to consider pending calendar business.

SD–419

OCTOBER 20

10:00 a.m.

Judiciary

To resume hearings to examine the status of religious liberty in the United States.

SD–226

OCTOBER 23

10:00 a.m.

Judiciary

Constitution, Federalism, and Property Rights Subcommittee

To resume hearings to examine the status and future of affirmative action.

SD–226

OCTOBER 24

10:00 a.m.

Judiciary

Administrative Oversight and the Courts Subcommittee

To hold hearings on S. 1101, to make improvements in the operation and administration of the Federal courts.

SD–226

OCTOBER 25

10:00 a.m.

Veterans' Affairs

To hold hearings to examine veterans' employment issues.

SR–418

OCTOBER 26

2:00 p.m.

Energy and Natural Resources

Parks, Historic Preservation and Recreation Subcommittee

To hold hearings on S. 231, to modify the boundaries of Walnut Canyon National Monument in the State of Arizona, S. 342, to establish the Cache La Poudre River National Water Heritage Area in the State of Colorado, S. 364, to authorize the Secretary of the Interior to participate in the operation of certain visitor facilities associated with, but outside the boundaries of, Rocky Mountain National Park in the State of Colorado, S. 489, to authorize the Secretary of the Interior to enter into an appropriate form of agreement with, the town of Grand Lake, Colorado, authorizing the town to maintain permanently a cemetery in the Rocky Mountain National Park, S. 608, to establish the New Bedford Whaling National Historical Park in New Bedford, Massachusetts, and H.R. 562, to modify the boundaries of Walnut Canyon National Monument in the State of Arizona.

SD–366

OCTOBER 31

10:00 a.m.

Judiciary

To hold hearings to examine changes in Federal law enforcement as a result of the incident in Waco, Texas.

SD–106

NOVEMBER 1

10:00 a.m.

Judiciary

To continue hearings to examine changes in Federal law enforcement as a result of the incident in Waco, Texas.

SD–106

NOVEMBER 15

10:00 a.m.

Judiciary

Administrative Oversight and the Courts Subcommittee

To hold hearings on S. 582, to amend United States Code to provide that certain voluntary disclosures of violations of Federal laws made pursuant to an environmental audit shall not be subject to discovery or admitted into evidence during a Federal judicial or administrative proceeding.

SD–226

POSTPONEMENTS

OCTOBER 12

9:00 a.m.

Environment and Public Works

To hold hearings on S. 1285, to reauthorize and amend the Comprehensive Environmental Recovery, Compensation, and Liability Act of 1980.

SD–406

SENATE—*Thursday, October 12, 1995*

(Legislative day of Tuesday, October 10, 1995)

The Senate met at 9:30 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

A voice from the past calls us to make our work this day an expression of our faith. In 1780, Samuel Adams said, "If you carefully fulfill the various duties of life, from a principle of obedience to your heavenly Father, you will enjoy that peace which the world cannot give nor take away." Let us pray:

Gracious Father, we seek to be obedient to You as we fulfill the sacred duties of this Senate today. May the Senators and all who assist them see the work of this day as an opportunity to glorify You by serving our country. We renew our commitment to excellence in all that we do. Our desire is to know and do Your will. Grant us a profound experience of Your peace, true serenity in our souls, that comes from complete trust in You and dependence on Your guidance. Free us of anything that would distract us or disturb us as we give ourselves to the tasks and challenges today. In the Lord's name. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The able Senator from Utah is recognized.

SCHEDULE

Mr. HATCH. Mr. President, this morning there will be a period for morning business until the hour of 11 a.m. today. At 11, the Senate will resume consideration of H.R. 927, the Cuba sanctions bill. A cloture motion was filed on the substitute amendment to that bill yesterday, and if an agreement can be reached it is possible that the cloture vote could occur as early as this evening.

All Senators are reminded that, in accordance with the provisions of rule XXII, all first-degree amendments to the substitute must be filed by 1 p.m. today.

MORNING BUSINESS

The PRESIDING OFFICER (Mr. THOMPSON). Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 11 a.m., with Senators permitted to speak therein for up to 5 minutes each.

Under the previous order, the Senator from Utah [Mr. HATCH] is recognized to speak for up to 30 minutes.

REVITALIZING AMERICA'S DRUG CONTROL EFFORTS

Mr. HATCH. Mr. President, it is time to speak plainly. To borrow a phrase, President Clinton has been AWOL—absent without leadership—on the drug issue. Our country is badly hurt by his abdication of responsibility. This is the opinion of both liberals and conservatives, Republicans and Democrats.

A little more than 1 year ago, President Clinton signed into law the Violent Crime Control and Law Enforcement Act of 1994. In doing so he stated that "this is the beginning, not the end, of our effort to restore safety and security to the people of our country."

To commemorate the 1-year anniversary of that measure's enactment, the Clinton administration held several days of media events.

Unfortunately, while President Clinton and his aides were celebrating the year-old crime bill, HHS announced that teen drug use almost doubled over the past 2 years. Just as Nero fiddled while Rome burned, the Clinton administration holds media events while seemingly ignoring the evidence of a worsening drug crisis.

Let me take you back a few years, to 1992. As a candidate for President, then Mr. Clinton talked tough on drugs, declaring that "President Bush hasn't fought a real war on crime and drugs * * * [and] I will."

On the link between drugs and crime, candidate Clinton said "We have a national problem on our hands that requires a tough national response," as reported in the New York Times, March 26, 1993, referring to previous Clinton statements.

Since the campaign, however, President Clinton has rarely mentioned the drug issue in a substantive way. He has not made the drug issue a visible crusade. He simply has not led this country against the scourge that is killing our children.

Not so long ago, Nancy Reagan led the "Just Say No" campaign. That was just one demonstration of committed leadership at the national level. Today, we hear virtually nothing from the White House. We need a campaign to get the President to "Just Say Something"—and say it loudly and consistently.

Through the 1980's and into the early 1990's we saw dramatic reductions in casual drug use—reductions that were won through increased penalties, strong Presidential leadership, and a clear national antidrug message.

Casual drug use dropped by more than half between 1977 and 1992 according to the National Household Survey on Drug Abuse.

Casual cocaine use fell by 79 percent, while monthly cocaine use fell from 2.9 million users in 1988 to 1.3 million in 1992, again, from the National Household Survey on Drug Abuse. Imagine if we had had a 79-percent reduction in teen pregnancy, or AIDS transmission.

The Federal drug control and treatment budget grew from $1.5 to $13 billion under Presidents Reagan and Bush.

Beyond the substantial investment of money and materiel, the drug war was fought by engaged Commanders in Chief, who used the bully pulpit to change attitudes. Presidents Reagan and Bush involved themselves in this effort and helped rescue much of a generation.

It was in the face of these gains that Mr. Clinton, then candidate for President, said he would do a better job than they.

Yet today, after only a few short years, we are rapidly losing ground, as illustrated by this chart.

I might say, rather than aggressively fighting this losing trend, the Clinton administration, like a sports franchise on the decline, appears content to celebrate past victories with prior leadership rather than trying to achieve anything of substance.

Over the past 2 years, almost every available indicator shows that our gains against drug use have either stopped or reversed.

This chart, "Trends in High School Marijuana Use," from the most recent edition of the National High School Survey reported, for the second year in a row, sizable increases in drug use among our Nation's 8th, 10th, and 12th graders. In fact, as this chart illustrates, over the past 2 years, past month use of marijuana is up 110 percent for 8th graders, from 3.7 to 7.8 percent; up 95 percent for 10th graders, from 8.1 to 15.8 percent; and up 60 percent among 12th graders, from 11.9 to 19 percent.

Other surveys show similar trends. Last month, HHS released alarming figures showing that marijuana use is

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

up sharply—up 50 percent—among young people. The category of "recent marijuana use" was up a staggering 192 percent among 14- to 15-year-olds. Among 12- to 13-year-olds, recent marijuana use was up 137 percent.

There are trends in youthful drug use between ages 12 and 17. This troubling data should come as no surprise. It follows last year's discouraging survey, which, as this next chart illustrates, shows the number of youthful, past year marijuana users increased by 450,000 users—up from 1.6 million in 1992 to 2.1 million in the space of just 1 year. As the chart illustrates, in 1994, that number reached 2.9 million. In other words, nearly 1.3 million more kids are smoking pot today than were doing so in 1992. That is astounding.

More to the point, this sharp increase in drug use comes on the heels of consistent declines in drug use dating back to 1979.

According to substance abuse experts, many of these youthful marijuana users will end up cocaine addicts. Joseph Califano, head of Columbia University's Center on Addiction and Substance Abuse, and former Secretary of HEW, estimates that 820,000 of these new youthful marijuana users will eventually try cocaine. Of these 820,000 who try cocaine, Califano estimates that some 58,000 will end up as regular users and addicts.

This country does not need another 58,000 cocaine addicts.

Prevention messages are not getting through, either. According to a recent survey by Frank Luntz, teens think cigarettes are more dangerous than marijuana. The May 1995 survey by Frank Luntz showed that 82 percent of 12- to 17-year-olds believe cigarettes are either "somewhat" or "very" dangerous, as compared with 81 percent for marijuana.

There are other ominous signs as well: According to a story in USA Today last month, a pending Government study will show an astounding 144-percent increase in overdose deaths nationally due to methamphetamines over the past 2 years.—USA Today, September 7, 1995.

Cocaine and heroin prices continue to fall, even as cocaine purity reaches record levels. Emergency room admissions for cocaine overdoses have never been higher.

These trends are disastrous. When Senator DOLE called attention to these trends in a recent op ed, three Clinton Cabinet Members—Brown, Shalala, and Reno—wrote back to say that "teenage marijuana use * * * remains far below the record highs of the late 1970's and early 1980's."—Washington Times, October 6, 1995.

In other words, we should not get too upset because today's drug problem is not as bad as it was at its worst point in our Nation's history.

Unfortunately, we are sitting on the edge of a major drug catastrophe, and President Clinton's lack of visibility and leadership has not helped.

In fact, there have been troubling signs since the earliest days of the administration. In early 1993, respected columnist A.M. Rosenthal described President Clinton's record in developing and promoting a strong antidrug policy as: "No leadership. No role. No alerting. No policy."—A.M. Rosenthal, New York Times, March 26, 1993.

Dr. Mitchell Rosenthal, the president of the Nation's largest residential treatment organization, Phoenix House, said that developing drug trends should have been "a big signal to the President and his Cabinet that they've got to pay serious attention to [the drug problem]."—New York Times, July 16, 1993.

Back then, I warned this administration that "the concept of the war against drugs is in danger of being dismantled by its relative silence."

I warned that certain administration policies were "tantamount to decriminalizing drugs" and would have the effect of increasing drug use. Sadly, we critics are being proven right.

President Clinton has abandoned many of the drug control efforts undertaken by his immediate predecessors. Indeed, he has even abandoned the moral leadership of the bully pulpit.

President Clinton himself rarely speaks out against drug abuse, and he offers little, if any, moral support or leadership to those fighting the drug war in America or abroad.

For example, President Clinton has cut Federal interdiction efforts, which have helped check the flow of drugs into our cities, and States, to our children, and, in the past, made the drug trade a risky proposition. Two years ago, he ordered a massive reduction in the interdiction budgets of the Defense Department, Customs Service, and the Coast Guard. Cocaine seizures plummeted. U.S. Customs cocaine seizures in the transit zone dropped 70 percent, while Coast Guard cocaine seizures fell by more than 70 percent.

We have just learned that transit-zone interdiction results for the first 6 months of 1995 were even worse than last year. This chart illustrates the decline in transit-zone interdictions—down from 440 kilograms per day in 1992 to 205 kilograms per day in the first 6 months of 1995, even though drug pushing is up. Over the course of a year, the lowered disruption rate, from these figures, in 1992 and even 1993, means that as much as 85 additional tons of cocaine and marijuana could be arriving unimpeded on American streets, and killing our kids.

The administration also accepted a one-third cut in resources to attack the cocaine trade in the source and transit countries of South America, and disrupted cooperative efforts with source country governments when it ordered the United States military to stop providing radar tracking of drug-trafficking aircraft to Colombia and Peru.

The Clinton administration claimed these cuts to interdiction represented a so-called controlled shift. But the shift—in my opinion, and I think in the opinion of almost everybody who studies this—was really a reckless abdication of responsibility.

Having gutted our Federal efforts to stop drugs from arriving here, President Clinton has also weakened efforts to deal effectively with them once they hit our streets. Upon taking office, President Clinton promoted the drug czar to Cabinet level, but then slashed the drug czar's staff by 80 percent.

The President undercut law enforcement efforts initiated by his predecessors, allowing the DEA to lose 198 drug agents over a 2-year period. The President also proposed a fiscal year 1995 budget that would have cut 621 additional drug enforcement positions from the FBI, the DEA, the INS, Customs, and the Coast Guard.

Those cuts were blocked by congressional Republicans, and many Democrats, but they should never have been proposed in the first place.

Under President Clinton, Federal drug prosecutions have slipped—down more than 12 percent since 1992, from 25,033 in 1992 to 21,905 in 1995. I have asked, but the Justice Department has no coherent explanation for these declines.

And who could forget President Clinton's Surgeon General, who remarked, memorably, on the need to consider drug legalization.

Perhaps A.M. Rosenthal put it best when he wrote in the August 4, 1995, New York Times that: "Mr. Clinton's leadership has sometimes seemed to us antidrug types as ranging from absent to lackadaisical."

Mr. President, the Federal Government has a unique responsibility in attacking the drug trade.

Only the Federal Government can interdict drugs before they reach our streets, make drug trafficking more difficult, operate overseas, and mount complex multinational investigations. Every kilogram of cocaine or heroin that gets through makes State and local law enforcement's job more difficult and more dangerous.

Today, illicit drugs represent one of the greatest threats to America's future. Drugs contribute to a wide range of devastation affecting all Americans, particularly our children and youth. Drugs directly contribute to violent crime and property crime.

The break-up of marriages and families can often be linked to drug use, as can lower productivity in the workplace, poor education, and myriad other societal problems.

In fact, if drug use returns to the levels of the 1970's in this country, our ability to control health care costs, reform welfare, improve the academic performance of our school-age children, and reduce crime in our housing projects will all be seriously compromised. Indeed, we stand little chance of success in these battles if we lose further ground in the drug war.

This Congress must not allow the American people to think that we condone President Clinton's abdication of responsibility. We must not be complicit through our silence.

I believe a revitalized war on drugs would include the following elements: First, do more in Latin America: Fighting drugs at the source just makes sense—we ought to be going after the beehive, not just the bees. Foreign programs are cost-effective. For example, our program in Peru cost just $16 million to run last year.

It was very effective in some ways. It would be much more if we put some force behind it.

Second, we need to beef up interdiction. Interdiction programs are our first line of defense against smugglers. The administration should allow the Department of Defense to spend more than 0.3 percent of its budget currently devoted to drugs. That is the fiscal year 1995 level. The Coast Guard and Customs interdiction assets need to be restored as well.

Third, we have to encourage whoever is President of the United States to use the bully pulpit. President Clinton is our President, and I am hopeful that these remarks today will encourage him to use the bully pulpit to fight against this matter. Only the President can give the drug issue the high profile it deserves. Members of Congress on both sides of the aisle should encourage the President to speak out on this issue.

Fourth, we need to adjust our budget priorities. This country needs to look more closely at our budget priorities. We should consider reprogramming the surplus of the super-secret National Reconnaissance Office—estimated at up to $1.7 billion—into the drug war. This surplus is more than the combined drug budgets of DEA—the Drug Enforcement Administration—and the FBI. The DEA is $801 million and the FBI is $540 million, respectively, in fiscal year 1995. It is more than the total that we spent on interdiction last year. The fiscal year 1995 interdiction spending was $1.29 billion.

But the National Reconnaissance Office has up to $1.7 billion and it ought to be redirected into the drug war.

Fifth, we ought to make drug dealers pay. The most immediate effect of drug dealing on our local communities is the degradation of the causes in the quality of life.

Some States have laws forcing drug dealers to contribute to a local community impact fund. We need to look into the possibility of doing this on the Federal level.

Sixth, reject efforts to lower crack penalties. This May the U.S. Sentencing Commission proposed steep reductions in proposed sentences for crack cocaine dealers. It was irresponsible public policy. It had to be blocked. It was blocked by the full Senate on September 29. The Senate must remain firm to prevent unwarranted reductions in drug penalties.

Seventh, we have to fund drug treatment programs that work. The Federal Government permits drug addicts to get disability payments from Social Security, known as SSI payments. And in doing so it undercuts tough but effective treatment programs like Phoenix House. Roughly 20,000 addicts were receiving Social Security disability payments in 1990—payments because of their drug addiction. It should surprise no one to hear that 4 years later only 1 percent had recovered and left the rolls.

The Social Security disability system is being reformed, but we need to make sure that loopholes like these do not exist in other areas.

These are just a few of the things that we think we should be doing. Later this Congress, I plan to invite Members and policy experts to participate in a national drug summit. I want the Congress to examine policy options which will reverse these crushing increases in drug use in our society. I wish to bring national attention to bear on just how bad our situation has become. I want to revitalize the drug war.

In coming months, I will be calling upon a number of colleagues to join in this effort. And by working together, I believe we will be able to reclaim lost ground.

I do not come to this issue as a beginner. I have actually seen the ravages of drugs. I have seen them destroy families. I have seen young people, with tremendous potential, who literally were geniuses, who could have done anything they wanted to do in society completely gone, their minds gone because of drugs. I have seen murders and maimings and rapes and abuse, children abused because of drugs. I have seen drugs fund the Mafia and other organized crime groups in this country.

We have seen a proliferation of drugs on the streets in the greatest city in this world, Washington, DC. It has become a garbage dump of drugs and drug abuse and drug use and drug peddling. You can go down on some of the streets and see them peddling the drugs. It is pathetic that we allow this to continue to exist.

It is going to take all of us, but I am prodding the President. We have been friends. I have helped him in many ways up here, and I intend to continue to try to help him when he is right. But I am prodding him here today to get serious about this, to do something about it. Worry a little bit more about our children. Get out there out front and do the things that really the President ought to be doing to let our society and our people know that drug abuse is a wrongful thing; that it is a harmful thing; that it is a life-destroying thing; that whether the life continues or not, it is destroyed, and many lives actually are destroyed, not just the living but people have died because of drugs and drug overdoses, and it is a health matter. We are paying through the nose in emergency rooms across this country in uncompensated care because of this particular malady that has affected our affluent society, and we have to do something about it.

There is nobody in our society who should be able to do it better than whoever is President of the United States. I believe with President Clinton's ability to articulate he could do a very good job, and it would help him with the American people if he would. So I am encouraging him to do this today by pointing out the deficiencies that exist and saying let us quit letting them exist. Let us do something about it. And I hope all of us can work together in encouraging him to do so.

Mr. President, I thank the Chair, and I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. SANTORUM). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. CAMPBELL). Without objection, it is so ordered.

RETIREMENT OF SENATOR NUNN

Mr. KENNEDY. Mr. President, I am honored to have served with our colleague from Georgia, Senator NUNN. He is an outstanding statesman and legislator, and I am saddened by his decision to end his distinguished career in the Senate.

I have had the privilege of serving with Senator NUNN during his entire 23 years in the Senate. He has been a thoughtful and skilled legislator whose wisdom and leadership have made large contributions to the country on a great variety of issues, especially in the area of national defense.

Senator NUNN is widely recognized as the Senate's preeminent voice on military issues, and that reputation is well deserved.

As a leading member of the Armed Services Committee throughout his Senate career, and as chairman of the committee for 8 years, from 1987 through 1994, he has displayed an unwavering commitment to the security of our country and to the men and women of our Armed Forces who provide it.

It would take hours to detail the many contributions that Senator NUNN has made to the national security of the United States. Let me cite just four of them. The first, most recently, was his effective intervention in Haiti a year ago. President Clinton had decided that United States forces should land in Haiti. The question was whether the landing would be welcomed, or opposed—would they land as friendly peacekeepers or hostile invaders.

At that critical moment in our recent history, Senator NUNN accompanied former President Carter and General Colin Powell on an extraordinary mission to Haiti to convince the dictators not to oppose the United States forces. Despite huge obstacles, Senator NUNN helped convince the dictators that a peaceful transition to democracy was the only realistic alternative to heavy bloodshed. Our forces landed in peace, and a year later, the first free elections have been held in Haiti. Senator NUNN helped make that peaceful transition possible, and deserves great credit for his role.

A second example was the Goldwater-Nichols legislation, enacted in 1986, which reformed the organization of the Defense Department more extensively than at any time since the creation of the Department after World War II. Senator NUNN was a leading figure in the development and implementation of this landmark legislation. It established the Chairman of the Joint Chiefs of Staff as the principal military adviser to the President, and it strengthened the unified battlefield commands, giving them full control of our forces in the field. The success of the act was clearly demonstrated in Operation Desert Storm.

A third example of Senator NUNN's impressive leadership on national security issues was his successful defense of the Anti-Ballistic Missile Treaty. Senator NUNN understands the importance of America's maintaining the best armed, best trained, and best led forces in the world. But he also understands the importance of arms control to reduce the likelihood of conflict. His defense of the ABM Treaty was a prime example of his leadership on this all-important issue.

The Reagan administration sought to undermine the ABM Treaty in 1987 through a legal reinterpretation of the treaty text. SAM NUNN spent many hours going over the negotiating record of the treaty, reviewing in detail the issues raised by the administration. After careful deliberation, he concluded that the administration's case was wrong, and that the traditional interpretation of the treaty was correct. He went to work on the floor of the Senate and masterfully defended the treaty, upholding the Nation's solemn commitment to the treaty, the cornerstone of all nuclear arms agreements signed in the past 23 years.

A fourth example is Senator NUNN's understanding of the use of cooperation in reducing threats to national security through a program that bears his name. The cooperative threat reduction program between the United States and the nations of the former Soviet Union is known as the Nunn-Lugar program. Through these ongoing efforts, we are working with Russia, Ukraine, Kazakhstan, and other Soviet successor nations to reduce and dismantle their nuclear weapons stockpiles and production capability, and to convert elements of their defense industry to commercial uses. This program is a major example of the opportunities for long-term peace and prosperity that the end of the cold war can mean for our country and our former adversaries.

Many other examples of Senator NUNN's wise and conscientious leadership can be cited. We all know that we have the strongest and most effective military forces in the world today, and that achievement is due in no small part to the brilliant work of Senator NUNN.

It has been an honor to serve with him on the Armed Services Committee. We will miss him, and the Senate and the Nation will miss his leadership, his statesmanship, and most of all his friendship. As he made clear in his statement earlier this week, he is committed to continuing his service to Georgia and the country and the world in other ways in the years ahead. I know I join all my colleagues in wishing him a long and happy and productive career beyond the Senate.

WORLD POPULATION AWARENESS WEEK

Mr. BUMPERS. Mr. President, I ask unanimous consent that the following proclamation be inserted in the RECORD. The proclamation was signed by Gov. Jim Guy Tucker and designates October 21–29, 1995, as World Population Awareness Week in the State of Arkansas. This proclamation is part of a worldwide effort to implement recommendations of the International Conference on Population and Development, held in Cairo last year.

It is clear that we are facing a population crisis. We now live in a world of 5.7 billion people, a population that grew by nearly 100 million last year, the largest annual increase ever recorded. Unemployment in many developing countries is as high as 30 percent, and to accommodate their growing populations, the nations of the world will have to produce 500 million new jobs by the yearly 2000.

The world's resources cannot accommodate continuing growth at the current rate. More than 1.7 billion people, nearly one-third of the world population, lack an adequate supply of drinking water, and 26 billion tons of arable topsoil vanish from the world's croplands every year. At least 65 countries that depend on subsistence farming may be unable to feed their populations by the year 2000.

Time is a luxury we do not enjoy. Action is required now to ensure a reasonable quality of life and a stable and secure world for a child born today. I applaud the action of Governor Tucker and other officials of government and private organizations who are working to increase awareness of this problem and encourage the actions necessary to resolve it.

There being no objection, the proclamation was ordered to printed in the RECORD, as follows:

STATE OF ARKANSAS, PROCLAMATION

TO ALL TO WHOM THESE PRESENTS SHALL COME—GREETINGS

Whereas, the world population is currently 5.7 billion and increasing by nearly 100 million per year, with virtually all of this growth added to the poorest countries and regions—those that can least afford to accommodate their current populations, much less such massive infusions of human numbers; and

Whereas, the annual increment to world population is projected to exceed 86 million through the year 2015, with three billion people—the equivalent of the entire world population as recently as 1960—reaching their reproductive years within the next generation; and

Whereas, the environmental and economic impacts of this level of growth will almost certainly prevent inhabitants of poorer countries from improving their quality of life, and at the same time, have deleterious repercussions for the standard of living in more affluent regions; and

Whereas, the 1994 International Conference on Population and Development in Cario, Egypt crafted a 20-year Program of Action for achieving a more equitable balance between the world's population, environment and resources that was duly approved by 180 nations, including the United States;

Now, Therefore, I, Jim Guy Tucker, Governor of the State of Arkansas, do hereby proclaim October 22–29, 1995, as, World Population Awareness Week, in the State of Arkansas and urge all citizens of the state to support the purpose and the spirit of the Cairo Program of Action, and call upon all governments and private organizations to do their utmost to implement that document, particularly the goals and objectives therein aimed at providing universal access to family planning information, education and services, as well as the elimination of poverty, illiteracy, unemployment, social disintegration, and gender discrimination that have been reinforced by the 1995 United Nations International Conference on Social Development, endorsed by 118 world leaders in 1995, and by the 1995 United Nations Fourth World Conference on Women.

In Witness Whereof, I have hereunto set my hand and caused the Great Seal of the State of Arkansas to be affixed at the Capitol in Little Rock on this 21st day of September in the year of our Lord nineteen hundred ninety-five.

THE BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, on that evening in 1972 when I first was elected to the Senate, I made a commitment to myself that I would never fail to see a young person, or a group of young people, who wanted to see me.

It has proved enormously beneficial to me because I have been inspired by the estimated 60,000 young people with whom I have visited during the nearly 23 years I have been in the Senate.

Most of them have been concerned about the enormity of the Federal debt that Congress has run up for the coming generations to pay.

The young people and I almost always discuss the fact that under the U.S. Constitution, no President can spend a dime of Federal money that has not first been authorized and appropriated by both the House and Senate of the United States.

That is why I began making these daily reports to the Senate on February 22, 1992. I wanted to make a matter of daily record of the precise size of the Federal debt which as of yesterday, Wednesday, October 11, stood at $4,968,818,321,533.20 or $18,861.72 for every man, woman, and child in America on a per capita basis.

CHINA AND HUMAN RIGHTS

Mr. HELMS. Mr. President, a heartrending article about China's forced abortion policy was published in September's Reader's Digest. The article emphasized the absurdity of the U.N. Fourth Conference on Women having been held in Beijing, and should be required reading for those who insist that China's human rights record should be considered only in the abstract—and should not interfere with full-scale relations with the Communist Chinese.

The Reader's Digest story, "A Question of Duty," relates a young Chinese obstetrician's courageous decision to refuse to murder a baby born illegally under Chinese law. For refusing to kill the baby—who survived a chemical abortion procedure—Dr. Yin Wong was banished to a remote Chinese province. Dr. Wong eventually escaped to the United States where he hopes to be granted political asylum. But the baby Dr. Wong fought to save was put to death under orders from the local Chinese family planning office.

Mr. President, the thought of killing a baby is abhorrent, but it is commonplace in Communist China. The concept that the birth of a human being can be illegal is grotesque, but in China, it is the law of the land—for mothers who already have one child.

Mr. President, I will never understand how or why the United Nations chose Beijing for such a high-profile human rights meeting. It was the U.N. Population Program [U.N.F.P.A.] that helped design China's population control program 20 years ago. This cruel experiment, which uses forced abortions and sterilizations to limit each family to one child, has debased the value of human life and has forever discredited U.N.F.P.A.

For fiscal year 1995, the Clinton administration handed over $50 million to U.N.F.P.A., and Mr. Clinton proposed another $55 million for fiscal year 1996. If Senators will take the time to read Dr. Yin Wong's story, they will understand why many Americans feel so strongly, as I do, that further funding of the U.N. Population Program, using American taxpayer's money, should be prohibited.

Mr. President, I ask unanimous consent that "A Question of Duty" from the September 1995 Reader's Digest be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Reader's Digest, September 1995]

WHAT IS A DOCTOR TO DO WHEN FACED WITH AN ORDER TO COMMIT MURDER? A QUESTION OF DUTY

(By Dr. Yin Wong)

(The author asked that her name be changed for fear of reprisals against her family.)

The hospital in southern China was busy in early morning of December 24, 1989. As a 24-year-old specialist in obstetrics and gynecology, I had performed two Caesareans and a difficult forceps delivery. My supervisor had put me in charge of that night's shift—a new and frightening responsibility. I was exhausted and hadn't eaten for about eight hours. Yet when I finally got to the doctors lounge at 1 a.m., I was too excited to eat or sleep.

Instead, I lay in bed marveling at the three new lives I had welcomed into the world. And I thought of my father. He had chosen a profession that, in China, paid little more than twice the wages of a street sweeper: he was a doctor. He would often say, "The most noble work a person can do is savings lives."

My father was a beloved figure in our province, famous for his humility. He wore a workingman's clothes and carried his instruments in a cheap vinyl bag with a broken zipper. His reflex hammer was an ancient model with a wooden handle. He refused to throw it away. "Tools don't make a doctor," he told me "Knowledge and compassion do."

Now at last growing drowsy, I remembered that it was Christmas Eve. Like millions of Chinese, my parents were Christian. I thought of the times we had celebrated this holy day together: decorating a tiny tree, singing "Silent Night"—quietly, so our neighbors wouldn't report us—and hearing my father whisper the story of the Christ child. I'll call him on Christmas morning, I thought as I drifted off to sleep.

I was awakened by a knock at the door. It was the midwife who handled routine deliveries. "Come!" she shouted. "We need you to take care of something!"

As I rushed after her, I heard the crying of a newborn baby. When I reached the delivery room, a bedraggled woman was struggling to sit up in bed. "Don't! Don't!" she shouted in a local dialect.

The midwife, a girl of 20 with a ponytail and bad acne, began drawing iodine from a clear glass bottle through a three-inch needle into a large syringe. She told me that the woman's abortion had gone awry. The mother, eight months pregnant, already had one child—a second was forbidden under China's strict population-control law. Arrested and forced into the hospital by the local Family Planning Office, the mother had been injected with rivanol, an abortifacient drug. "But the baby was born alive," said the midwife. The cries were coming from an unheated bathroom across the hall.

"I asked the orderly to bury it," she continued. A small hill nearby served as an unmarked graveyard for such purposes. "But he said it was raining too hard."

Then the full import of this moment became clear to me. As the obstetrician in charge, I had the duty of ensuring there were no abortion survivors. That meant an injection of 20 milliliters of iodine or alcohol into the soft spot of the infant's head. It brings death within just minutes.

The midwife held the syringe out to me. I froze. I had no hesitancy about performing first-trimester abortions, but this was different. In the year since joining the hospital staff, I have always managed to let more senior doctors perform the task.

On the bed next to me, the child's mother looked at me with pleading eyes. She knew what the needle meant. All women knew. "Have mercy!" she cried.

With the mother still protesting, I went across the hall to the bathroom. It was so cold I could see my breath. Next to a garbage pail with the words DEAD INFANTS scrawled on the lid was a black plastic garbage bag. I was moving, and cries were coming from inside. Kneeling, I told the midwife to open the bag.

I have imagined a premature new-born, hovering between life and death. Instead, I found a perfect 4½-pound baby boy, failing his tiny fists and kicking his feet. His lips were purple from lack of oxygen.

Gently, I cradled his head in one hand and placed the fingertips of the other on his soft spot. The skin there felt wonderfully warm, and it pulsed each time he wailed. My heart leapt. This is a life, a person, I thought. He will die on this cold floor.

"Doctor!" the mother screamed from across the hall. "Doctor, stop!"

The midwife pressed the glass syringe into my hand. It felt strangely heavy. This is just a routine procedure, I argued with myself. It isn't wrong. It's the law.

All at once, the baby kicked. His foot caught the barrel of the syringe and pushed it dangerously near his stomach. I jerked it away. This is Christmas Eve! I thought. I can't believe I'm doing this on Christmas Eve!

I touched the baby's lips with my index finger. He turned his head to suckle. "Look, he's hungry," I said. "He wants to live."

I stood up, feeling faint. The syringe slipped from my fingers and shattered on the floor, splattering brownish-yellow liquid on my shoes.

I told the midwife to carry the baby into the delivery room and get him ready to go down to Intensive Care. "I'll ask the supervisor for permission to treat him," I said, I felt certain that the senior obstetrician, a woman in her late 50s with two children, would never harm this child.

It was almost 2 a.m. when I knocked at the supervisor's office. Her voice was groggy with sleep. Opening the door, I quickly explained: "We have a baby boy who was born alive after a rivanol abortion. May I send him to IC?"

"Absolutely not!" she said from her bed. "This is a second birth!"

"But he's healthy," I insisted. "Could you please come take a look?"

There was a pause, then she replied angrily, "Why are you asking me this? You know the policy!"

Her tone frightened me. "I'm sorry," I said as I shut the door.

In staff meetings, the supervisor had frequently reminded us how important the birth-control policy was. Usually she would disclose that someone in a neighboring hospital had been jailed for allowing the birth of a child without a government permit. But recently there had been a chilling incident involving our orderly.

He was a taciturn, shabby man in his 50s, whose sole job was to bury infants. He was paid 30 yuan apiece. Burying four infants a day, on average, the orderly earned more than twice the salary of a doctor. "Why so much?" I once asked a colleague. "Because no one else will do what he does," she replied.

When I pressed for details, she told me that in cases of abortion failure, the man sometimes had to bury the infants alive. "No matter what happens," she explained, "the birth-control policy must be obeyed."

Weeks after I learned this, a midwife sent the orderly an aborted fetus, which he stored temporarily beneath a stairwell. While the orderly was out, the baby revived and began to cry. A visiting policeman discovered the child and questioned my supervisor. She told him the infant was only an illegal child awaiting burial. The officer apologized for interfering.

At the next staff meeting, the word went out: "Don't send the orderly any fetuses that might be alive. Give the injection."

Now, filled with foreboding, I headed back toward the delivery room. A man with the weatherbeaten face of a peasant grabbed my arm. "Doctor," he pleaded, "this is the son we've always wanted. Please do not kill him!"

I continued down the hall and entered the bathroom. The baby was still lying on the floor. "Why didn't you do what I instructed?" I asked the midwife.

"Who is going to pick up this baby?" she replied. She meant a baby that was not allowed to live.

As the midwife looked on in astonishment, I gathered up the crying baby and hurried into the delivery room. I laid him in an infant bed.

Under an ultraviolet heat lamp, with the help of oxygen tubes that I taped under his nostrils, his hands and feet soon turned pink. Carefully I wrapped him in a soft blanket.

The midwife prepared another syringe—this time with alcohol—and placed it on a tray next to the newborn's bed. "Don't do this!" the mother cried again. Grasping the bed rail, she tried to haul herself over the edge. I hurried to her side.

"Calm down," I said, easing her back onto the pillow. Whispering, I added, "I don't want to harm your baby—I'm trying to help."

The woman began to cry. "Dear lady," she said softly, "I will thank you for the rest of my life."

Just then, the midwife came over with a clipboard. "What should I put on the report?" she asked. The last entry read, "1:30—born alive." The chart was supposed to be updated before the midwife went home.

"Don't write anything," I answered curtly. Exasperated, the midwife left.

I looked at the baby. His cherubic face was ringed by a halo of black hair. This life is a gift from God, I thought. No one has the right to take it away. The thought became so insistent that I had the impression it was being said by someone else. I wondered: Is this how God talks to people?

For the next two hours I stood vigil over the child. Gradually he ceased whimpering and fell asleep.

Finally, I went to see the supervisor again. "I'm sorry," I told her, "but I can't do this. I feel it's murder, and I don't want to be a murderer."

The supervisor's voice exploded: "How can you call yourself an obstetrician? Take care of the problem at once! Don't bother me again!"

With my heart beating wildly, I returned to the delivery room. The baby was still asleep, but when I touched his mouth he wheeled to suckle again. "Still hungry, little one?" I whispered. My eyes filled with tears.

Suddenly, I felt terribly alone. I thought of my father. Would he support me? Despite the early hour, I went to the pay phone in the lobby and dialed. Both parents listened at one receiver as my words poured out. "I keep hearing God's voice," I told them. "'This is a life,' it says. 'You cannot be part of a murder.'"

When I finished, there was a long silence. Finally, my father spoke. "I am proud of you," he said.

"I am, too," said my mother, crying softly. "But you must be careful! Don't write anything down or leave a record. The Party may want to make an example of you."

I understood. During the Cultural Revolution, when I was eight years old, my father was arrested for saving the life of an official who was considered a "counterrevolutionary." My father had been exiled to the countryside while my mother was sent to a labor camp. My four-year-old brother and I were left with neighbors. Those years had been hard. I remembered my mother's stories of torture and starvation.

My determination wavered. Then my father spoke again. "You are a child of God, and so is this baby," he said simply. "Killing him would be like killing your own brother."

I hung up and hurried back. The maternity ward was in chaos. The delivery-room door had been locked, and the baby's father was pounding on it and screaming, "Don't kill my child!"

I ran into the delivery room through a side door. There, beside the baby's bed, my supervisor stood with a syringe, feeling for the soft spot. The infant's blanket and oxygen tubes had been stripped away. He was crying violently. "Don't give that injection!" I shouted as I seized the syringe.

"What are you doing?" the supervisor yelled. "You're breaking the law!"

Instead of fear, I felt a sense of peace. "This child committed no crime," I replied. "How can you kill him?"

The supervisor gaped at me. Lowering her voice, she said ominously, "If you continue to disobey, you will never practice medicine again."

"I would rather not be a doctor than commit murder," I said. "I would rather waive my right to have my own child than kill this one." Then a thought occurred to me. "Why can't I just adopt him?"

"You have completely lost your senses!" the supervisor cried. After she left, I swaddled the baby again and replaced the oxygen tubes. He quieted down and his color returned.

At 8 a.m., the hospital administrator arrived at work and was told what had happened. He summoned me to his office. "Why are you unwilling to do your duty?" he demanded. "Are these people friends of yours? Did you take money from them?"

"I don't even speak their dialect!" I said angrily. "And you can search me for money if you want."

Minutes later, a senior bureaucrat from the local Family Planning Office walked into the room and took a folder out of an expensive attaché case. He began to read the text of a local directive on birth control: "Those who obstruct Family Planning officers from performing duties shall be subject to punishment. . . ."

When he finished, he looked at me and said sharply, "Do you realize it is illegal for this baby to live?"

"None of us has the right to decide that," I said.

The man grew angry. "We are talking about government policy here. You have broken the law!"

"I don't feel I have."

"Very well, he said evenly. "Let's you and I go and give the injection."

"No!"

"You admit, then, that you are breaking the law? If so, I have the right to have you arrested right now!"

Desperately, I searched for an out. I had been on call more than 24 hours and couldn't think clearly. I felt queasy. "I am off duty," I said weakly. "My shift is over."

"Not true," he said. "You haven't finished your tasks."

"Please," I said. Then I began to cry. My legs buckled, and I fell to the floor. The last thing I remember was a spreading blackness before my eyes.

When I came to, I was lying outside the doctors lounge. It was almost noon. The baby? I leapt up and ran to the delivery room.

The tiny bed was empty. "Where . . . ?" I asked the midwife.

"The man from Family Planning ordered us to give the injection," she replied, averting her eyes.

Despite all my efforts, the little boy had been killed.

Over the past decade, accounts of hospital-sanctioned infanticides in China have shown up in numerous publications, from the Washington Post to The Wall Street Journal and Amnesty International. "Such reports are so widespread and explicit that their truth can hardly be doubted," says John S. Aird, former director of the China branch of the U.S. Census Bureau. And yet, like the scattered stories of the Holocaust that filtered into the media during World War II, these dispatches have mostly been ignored. Yin Wong's story may be the most detailed published to date.

"This is the dark underside of China's 'one child' policy," says Steven W. Mosher, director of the Asian Studies Center at The Claremont Institute in Claremont, Calif. "The PRC never actually orders infanticide. Yet its harsh demands on local family-planning officials inevitably lead to these unspeakable acts."

This month, Beijing is host to the United Nations' Fourth World Conference on Women, which draws hundreds of population-control experts from around the world. It is bitter irony that this organization has chosen to meet in a country where population-control zealotry has led to what must be described as crimes against humanity.

For interfering with China's family-planning policy, Yin Wong was banished to a remote mountain area. Eventually she escaped to the United States, where she has applied for political asylum. Her case is pending.

"I am fortunate," she says. "For now I live in a country where I am not forced to violate my conscience. My colleagues in China are not so lucky. The worst part is how it destroys their souls."

COMMERCE, JUSTICE, STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS, FISCAL YEAR 1996—OCTOBER 12, 1995

Mr. BINGAMAN. Mr. President, although the bill has already passed the Senate, I want to state my strong opposition to H.R. 2076, the fiscal year 1996 appropriations for the Departments of Commerce, State, Judiciary, and related agencies.

Mr. President, I believe that H.R. 2076 is the epitome of the shortsightedness of the 104th Congress. H.R. 2076 leaves our country at a disadvantage internationally and it significantly eliminates the past emphasis of fighting crime through prevention programs. I am encouraged that the final Senate version of the bill is different from what emerged from the appropriations committee. Some of the programs that have been reinstated or have had the appropriations increased are beginning to make serious inroads into the problem of crime in our communities.

I would like to first address the programs that are important to New Mexicans and that I hope will emerge from conference unscathed. These specific programs are or have the potential of being very successful if given a chance.

COPS PROGRAM

The first program that has proven to be successful is the Community Oriented Policing Services program, otherwise known as COPS. In 1 year, since the program's inception, New Mexico has received more than 180 officers from the COPS Program. All parts of New Mexico have been awarded officer positions. From the Aztec Police Department in the north and Sunland Park in the south, to Quay County in the east and Laguna Pueblo in the west, all have felt the impact of this program.

The COPS Program is different from the block grant proposal that was in the committee version because it emphasizes the concept of community policing. It gets officers out into the community preventing crimes rather than reacting to crimes once they have been committed.

Mr. President, I am encouraged that the Senate stripped out the language that provided a $1.7 billion block grant for communities. From my understanding, the block grant money could be used to hire secretaries, buy a radar gun, or buy a floodlight for a local jail. The law enforcement community is against this broad approach. The sentiment is best summed up by Donald L. Cahill, the chairman of the national legislative committee for the Fraternal Order of Police, who testified before the Senate Judiciary Committee in February on the block grant type proposal. He stated:

> This broader category opens the door to using these funds for numerous purposes other than hiring police officers—such as hiring prosecutors or judges, buying equipment, lighting streets, or whatever. These are all worthwhile—but they won't arrest a single criminal.

The bottom line is to place more officers on the street and the COPS Program has proven to be successful. That is why the Fraternal Order of Police, the National Sheriffs' Association, and the National Troopers' Coalition support the COPS Program.

To quote Mr. Cahill again: "Police are the answer for today and prevention is the answer for tomorrow."

DRUG COURTS PROGRAM

Mr. President, I am also encouraged that the Senate adopted Senator Biden's amendment that reinstated the drug court concept. In Las Cruces, NM, we have a drug court that receives State funding. If given a chance to receive Federal funding, this program could be expanded or used as a model for other drug courts throughout the State. This program has shown to be an innovative way to lower dramatically recidivism rates among those with alcohol problems. The focused treatment program includes frequent drug testing, judicial and probation supervision, drug counseling, detoxification treatment, and educational opportunities. Participants in the program who do not finish are prosecuted to the full extent of the law.

The Las Cruces drug court demonstrates true partnership with the community. It works in conjunction with five other agencies from the community: Partners for Prevention, Southwest Counseling Service, Southern New Mexico Human Development, N.M. State University Criminal Justice Department, and Dona Ana Branch Community College. The Drug Court Program specifically attacks a problem which has become national in scope. If this program is eliminated in conference, the Congress in essence is saying that it washes its hands of this matter.

VIOLENCE AGAINST WOMEN

I am encouraged that the Senate has retained the Violence Against Women Act. By doing so, the Senate is stating that this program does address an issue that has become national in scope and it is a priority. I am also encouraged that the Senate today overwhelmingly adopted an amendment by my friend and colleague from Delaware, Senator BIDEN, that restores funding for the Violence Against Women Act at the level requested by the administration.

If given the resources, this act has the potential to demonstrate that the Federal Government can make a real difference when dealing with violence against women. Through prosecution, outreach, and education, the Federal Government has assumed the responsibility of a full partner in this cause.

COMMERCE, JUSTICE, STATE APPROPRIATIONS

I find myself unable to support the final version of the Commerce, Justice, State appropriations bill because when the dust finally settled on the structure of the bill, it became clear that the interests of the Nation were not going to be served by its passage.

We should not envision our attempts to achieve a balanced budget as just a slash and burn process. We need to bias our spending toward those projects that produce real growth in our economy. Growth generates jobs, better incomes, a higher standard of living for our citizens, and helps to minimize the role of Government in the economy by helping to empower workers and businesses to thrive in a global trading environment rather than to be wards of the State. The wards of the State that we are rewarding this year are those contractors winning the 129 military construction projects valued at $795 million above the President's request in the Defense appropriations bill. This spending was not in the national interest and is all too typical of the sloth and waste that has been part of our Nation's appropriations process for years. Do not fool yourselves. Nothing in this process has changed.

What we are failing to do in the Commerce, Justice, State appropriations bill is to leverage the tremendous entrepreneurial business energy in our Nation by partnering with it Federal support to do the things that the private sector cannot or will not do on its own. This bill guts the National Institute of Standards and Technology [NIST] which sets standards and develops measurement systems for machine tools as well as componentry in our most advanced high-technology industries. It has been NIST that has overseen the important Malcolm Baldrige Award which has helped encourage and inspire American industry to reach higher levels of performance and quality. The Manufacturing Extension Program and Advanced Technology Program [ATP] are both cut back in this bill, particularly ATP which is practically shut down. It is these programs that have helped us move technologies primarily caught in national laboratories and our defense technology base out into the commercial sector. While Japan is redoubling its efforts and investing heavily in miniaturization and subatomic level processing, the United States cannot afford to forgo efforts in linking our private sector and our national laboratories.

Other programs that are critical to the economic security of the Nation and either are eliminated or drastically cut back are the International Trade Administration; Bureau of Export Administration; as already mentioned, NIST; the Economic Development Agency; the National Telecommunications and Information Administration; and the Minority Business Development Agency.

I am not opposed to restructuring what our Government does, and I am not opposed either to scaling back Government. I am, however, committed to economic growth and think that we must set tough standards by which to measure the need for and role of Government in our economic activities. There is such a role. The invisible hand that so often we hear about is only there to strangle us if we do not understand what the invisible hand responds to and what it does not.

As I have mentioned before on the floor of this Chamber, I would recommend that those who frequently call on the ghost of Adam Smith and subscribe to the prescriptions of the invisible hand pull from their shelves a copy of "Wealth of Nations." Dust it off and give it another good read. Smith clearly outlines the role of Government, a perspective with which I would agree.

He states that first, the State has a "night watchman function," to see to the safety and security of its citizens. He argues that the State must educate its labor force—something that we do poorly in this Nation. He continues that the State must build the infrastructure on which commerce depends; that it must build roads, canals, bridges; and in the modern context, airports, the national information infrastructure, basic research laboratories, and export assistance offices. The Government must pay for itself and must therefore tax and charge for its services. And the Government must support development of those technologies that are not at first easily commercializable—in his day, shipbuilding, and in ours, nuclear energy. Adam Smith himself outlines these as the indispensable functions of Government, of minimalist Government, and leaves the rest to be fixed by the market.

Those of us who are tasked with the responsibilities of writing budgets and voting on them cannot neglect the indispensable roles that Government does have. But I believe that the theologies driving recent Republican budgets have neglected these roles. And we must revisit this effort knowing that while we must cut our budget deficit, we must also promote high-end economic growth which creates high wage jobs and a better standard of living for our citizens. And enmeshed as we are in a global economy, we have to export more and erase the chronic deficits that represent real job-leakage from our economy.

I look forward to voting in favor of a Commerce, Justice, State appropriations bill that cuts back unproductive investments that the government makes in favor of those that address the welfare of our Nation, now and into the future. But I am afraid that this bill does not help to secure the welfare of our citizens.

In closing Mr. President, I am disappointed at this legislation as it was presented to the Senate. I am happy that we have been able to make some changes to the more misguided portions of the bill and I am also glad that the managers have agreed to accept amendments I intended to offer to the bill. However, I cannot support a bill that takes our Nation back in time and dismantles programs upon which we should be basing our future.

NEEDED: IMMIGRATION REFORM WHICH PROTECTS FAMILIES AND U.S. WORKERS

Mr. KENNEDY. Mr. President, in the coming weeks, the full Senate will be engaged in the important issue of reforming the immigration laws. Our principal goal is to provide the additional authority needed to combat illegal immigration. Initial progress is being made as a result of increases in resources and personnel of the Immigration and Naturalization Service to deal with this ongoing crisis that is so harmful to the country, but much needs to be done.

It would be a mistake, however, to allow the Nation's concerns about illegal immigration to create an unjustified and unwarranted backlash in Congress over legal immigration.

Legal immigrants come to America within the limits prescribed in the immigration laws. They join their families, roll up their sleeves, and contribute to U.S. communities. There is every reason to believe that today's new Americans will build an even stronger America for the next generation just as our immigrant predecessors did for us.

It is especially important, therefore, that any reforms of the laws governing legal immigration must protect families and U.S. workers.

Most Americans agree that U.S. citizens should have the right to bring spouses, children, and other close family members to this country to be with them here if they wish to do so. Yet, there are those who would deny American citizens the privilege to reunite their families in America.

Proposals currently before Congress would make it illegal for an American citizen to bring a parent who is under age 65. It would be illegal for Americans to bring in their adult children. And it would be illegal to bring in a brother or sister.

In each of these cases, under current law, the U.S. citizen must agree to sponsor their relatives—to provide for them if they fall on hard times. And we must take additional steps to ensure that U.S. citizens fulfill their sponsorship obligations and be prepared to take legal action against them when they fail to care for their immigrant relatives.

Clearly, some reforms may be desirable in the numbers admitted each year. But we should not deny U.S. citizens the privilege of family reunification—whether it involves their parents, their adult children, or their brothers and sisters.

In the case of brothers and sisters, large numbers of Americans have already paid millions of dollars in fees to the Federal Government to have their siblings join them in America. Yet, not only are there those who would eliminate this immigration for the future, they would even deny any possibility of family reunification here for those Americans who have paid hard-earned dollars to the Government and waited patiently for their brothers and sisters to come.

In addition to protecting families, our laws governing legal immigration must also protect U.S. workers. When immigrants come here at the request of an employer to fill a job vacancy, and not for family reunification, we must make certain that they do not displace a U.S. worker from that job. And we must ensure that employers do not underpay immigrants and undercut the wages of American workers.

Our immigration laws have enabled dedicated workers to come here to contribute their skills and ingenuity to American businesses. At times, they have made the difference between the success and failure of an enterprise and have saved American jobs in the process.

Nevertheless, in many respects, the laws and procedures governing immigration for employment fail to protect U.S. workers adequately. Although U.S. employers are required to attempt to recruit U.S. workers before turning to immigrants, this process results in the hire of an American worker less than one-half of 1 percent of the time. Clearly, the current recruitment requirement does not work and is widely ignored.

I am particularly concerned that the laws permitting temporary foreign workers to come to this country have not kept pace with changes in the labor market. U.S. companies are resorting increasingly to temporary hires, rather than permanent employees, and are contracting out functions which they previously performed in-house with permanent staff. The growth of temporary and part-time employees in the labor market means that temporary foreign workers are now in direct competition with this new class of American worker.

Lax immigration standards on temporary foreign workers—so-called nonimmigrants—have enabled computer consulting firms, health care providers, and too many others to turn to temporary foreign workers. As some U.S. companies lay off U.S. workers from their permanent payrolls, they are hiring temporary foreign workers to take their places.

This practice cannot be permitted to continue. I join with the chairman of the Immigration Subcommittee, Senator SIMPSON, in seeking reforms of this aspect of our immigration laws. Clearly, when employers cannot find a qualified U.S. worker, the immigration laws should fill the gap. But these laws must not be a pretext for hiring cut-rate foreign labor at the expense of U.S. workers.

The immigration issue is about our roots as Americans. It is also about how we see our future. We all agree that we must control illegal immigration. But very different considerations apply to legal immigrants. In the process of enacting immigration reform, we must remember and honor the many benefits which legal immigrants have brought to our Nation. The reforms we enact must crack down on illegal immigrants, but they must also protect U.S. workers and the right of American citizens to reunite with their families.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. The hour of 11 a.m. having passed, morning business is closed.

CUBAN LIBERTY AND DEMOCRATIC SOLIDARITY [LIBERTAD] ACT OF 1995

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of H.R. 927, which the clerk will report.

The bill clerk read as follows:

A bill (H.R. 927) to seek international sanctions against the Castro Government in Cuba, to plan for support of a transition Government leading to a democratically elected Government in Cuba, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Dole amendment No. 2898, in the nature of a substitute.

The PRESIDING OFFICER. The Senator from North Carolina is recognized.

Mr. HELMS. I thank the Chair. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that further proceedings under the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, I am about 6 minutes late in reaching the Senate floor because of my responsibility of presiding this morning over the Foreign Relations Committee, at which our former Senator Sasser from Tennessee appeared as President Clinton's nominee to serve as U.S. Ambassador to Communist China.

It was good to see so many people from Tennessee, including Senator Sasser's attractive family. I listened with great interest to his testimony.

Mr. President, we now resume consideration of the Libertad bill involving the question of whether the United States will continue to tolerate a Communist tyrant 90 miles off our shore, the tyrant being, of course, Fidel Castro.

We have a lot of friendly activity around this place from time to time, bipartisan some of it, but much of it intensely partisan. But after all is said and done, most of the times those who participate in partisan exchanges leave the Senate Chamber with friendships intact. That is what I so often do with the distinguished Senator from Connecticut [Mr. DODD].

Senator DODD is an interesting gentleman. He is the son of a distinguished U.S. Senator whom I knew. And I think it is fair to say—and I know that CHRIS DODD, the present Senator, would acknowledge the fact—that he and his father differed very sharply in their philosophical views, their views about foreign policy, and so forth. That is certainly the case with respect to the pending legislation, the so-called Helms-Burton bill.

This Libertad bill has already been passed by the House. Yesterday, the distinguished majority leader, Mr. DOLE, made the judgment that it was time for the Senate to act on the Senate version of the bill. They are almost identical. But Senator DOLE realized that the Senate would have to confront another filibuster by our Democrat friends.

Now, our friends across the aisle here have filibustered just about everything that has come up this year. A filibuster is not unusual because it is done by both sides. As a matter of fact, I must confess once or twice at least in my years in the Senate I have raised questions at some length about various pieces of legislation.

But as I listened to Senator CHRIS DODD yesterday while he spoke at some length about the pending Cuban Libertad bill, I frankly could not tell which bill he was talking about. He certainly was not talking about the bill pending at that time, which in fact is pending now, the Libertad Act. He was talking about some imaginary bill that was totally unrecognizable to me. I decided it was mostly tongue-in-cheek on his part. But it is hard to tell.

Anyway, Mr. President, I thought about it last night as I was driving home, and again this morning. I wish that Senator DODD were here now. He may presently be, because he, like me, is a member of the Foreign Relations Committee, and he attended the Sasser hearing this morning.

But, as I listened to Senator DODD's oratory talking about a nonexistent bill, I made the judgment that I would like to join him in opposing the bill that he was condemning—a fictional bill that does not exist, a bill that has nothing to do with the pending legislation which the clerk has just reported.

That said, let us talk about what is before the Senate, the pending Cuban Libertad bill. It goes by various names. The Senate version is known as the Dole-Helms Libertad Act.

When I first introduced my version early this year—with Congressman BURTON offering very similar legislation in the House, it became the Helms-Burton bill.

I don't care whose name is attached to it or who gets the credit for it; I believe that the U.S. Government and the American people had better make clear that we are not going to kowtow to Fidel Castro, a Communist who has murdered literally thousands of his own people, a tyrant who has imprisoned his political enemies for as long as 30 years.

And yet there are some voices in this country, and in this Senate, who say, well, we need to get along with Fidel Castro and we need to trade with Castro. Well, that reminds me of the distinguished Prime Minister of England, Neville Chamberlain, who went over to Munich to meet with Adolph Hitler. Chamberlain returned to London exuberant. Boasting, in effect: "We can do business with this fellow Hitler. We can have peace in our time." And the press in England, the London Times and all the rest, put Lord Chamberlain all over their front pages, praising Chamberlain to the skies.

But there was one patriot who dared to stand up to be counted, who said: "Wait a minute. I will not be a party to this." That voice was Winston Churchill, and as Paul Harvey says, now you know the rest of the story.

Neither the British nor anybody else had peace in their time. Adolph Hitler was a bloody tyrant. World War II put an end to Hitler and Winston Churchill led the free world to victory over tyranny. Winston Churchill has gone down in history as a hero. Neville Chamberlain is all but forgotten.

But what is before this body, Mr. President—let us call it the Dole-Helms Libertad Act—is simply a proposal to perfect and improve a bill that passed the House of Representatives by a margin of 294 to 130 earlier this year.

So what is now before the Senate is a bill that has been improved to reflect the legitimate concerns of the Clinton administration and others who support the pending Libertad Act.

Now, let me try to focus in on some of the details of the pending bill. Title I of the Dole-Helms Libertad Act is designed to be the next logical step in building on the Cuban Democracy Act.

The Cuban Democracy Act was passed by Congress and signed into law in 1992. It was intended to strengthen the U.S. embargo against Castro. It was intended to seek, aggressively, international sanctions against Fidel Castro's repressive regime, and it was intended to support directly the Cuban people who were being brutalized by Fidel Castro and his henchmen.

Mr. President, some of the provisions of the Dole-Helms substitute:

First, to authorize the President, whoever he may be, to furnish assistance to support democracy-building efforts and to assist victims of political repression and to facilitate visits of international human rights monitors;

Second, to prohibit loans, credits or other financing for transactions involving U.S. property that has been confiscated by the Castro thugs;

Third, condition any U.S. aid that may be contemplated to any republics that belonged to the former Soviet Union. Such conditions will be based on whether these former republics are now subsidizing the Castro economy or are benefiting from Cuban intelligence facilities directed against the United States. The Dole-Helms bill authorizes the President to implement a fully reciprocal exchange of news bureaus between the United States and Cuba. Some of these sections already speak to actions the President has already taken. Nothing in the pending bill—nothing—prevents the exercise of lawful Presidential authority. What it does is place the Congress of the United States—the House of Representatives and this Senate—on record as being concerned with the direction of certain executive branch activities.

Now let us get to what is identified as the spending Dole-Helms bill. Title III of the substitute is the most misunderstood part of the bill, and it is the most important section.

What title III does, Mr. President, is protect the interests of U.S. nationals whose property was wrongfully confiscated by Fidel Castro and his henchmen. It does this by making persons or entities that knowingly and intentionally exploit stolen properties—United States properties, that is—in Cuba liable for damages in United States district court.

The intent, of course, is to deter third country nationals from seeking to profit from wrongfully confiscated properties—and to deny Fidel Castro what he needs most to survive: hard cash.

Title III specifically establishes the private civil right of action—that is, a right to sue in U.S. courts—for any U.S. national having ownership of a claim to commercial property confiscated by Castro against a person or entity who is knowingly benefiting from the use of such confiscated property. In other words, making profit off stolen goods. That is the simple term.

The intent of this provision is to create a deterrence so that foreign investors do not unjustly benefit from American property confiscated by Fidel Castro and his henchmen.

But there are a number of conditions that an American claimant must satisfy before he can even get into court. The Libertad Act now pending provides a 6-month period between this provision's enactment and the ability of a claimant to use the remedy. It requires an affirmative duty to notify a potential defendant about the claim to the confiscated property, and it provides treble damages only after an additional notice has been given.

It requires that the claim meet a minimum amount in controversy, a minimum amount of $50,000 exclusive of court costs. It requires service of process in accordance with existing laws and rules, including that any actions brought against a State entity must be in accordance with the Foreign Sovereign Immunities Act. That was the reason I was puzzled by some of the things Senator DODD was saying yesterday, and I am sorry he is not here to discuss them with me.

Finally, it provides that certified claimants who use this right of action are not denied U.S. Government espousal if they do not receive full compensation, but it reduces any responsibility to espouse by the amount of any recovery, and it discharges the United States from responsibility with respect to the certified claim if the claimant receives equal or greater compensation through this right of action.

Now then, I think it is essential to make it clear what title III does not do. It does not require, nor does not authorize, the United States Government to espouse the claims of a naturalized person in any settlement with a future Cuban Government. All sorts of legalistic meanderings have insinuated that this bill does that. Strike it, it does not do that.

Title III is the most important part, in my judgment, of the Libertad Act because, in addition to protecting our own citizens' property rights, it will deny the Castro Government access to the taking of foreign hard cash that Castro has been using to prop up his tottering regime, and to continue his enslavement of the Cuban people.

Oh, yes, I can understand that these thieves in the night, who operate in the dark shadows of international commerce, are upset that our action might end the free ride that they have been enjoying while pocketing a great deal of blood money. But it is time for simple justice; it is a moral duty and responsibility that we do this.

We become a part of what we condone, Mr. President. If we further condone Fidel Castro, we are a part of Fidel Castro's tyranny. And I do not intend to be a part of that. It is time that we serve notice on our principal trading partners that they should be ashamed of themselves—ashamed of themselves—for having anything to do with such activity by any of their own nationals, or to stand idly by without speaking out when it is done by others.

They have a moral duty. We have a moral duty, and that is what this bill is all about.

What it does not do, contrary to what the distinguished Senator from Connecticut was implying yesterday, is, it does not adversely affect, in any way, the rights of any certified American claimants. Not one.

What it does not do is create an open door for voluminous Federal litigation. It will not happen. Henny Penny can quiet down, the skies are not going to fall. What it also does not do is create new burdens for this or any future Cuban Government. The target is international traffickers, and the remedy has been designed to achieve that goal.

Once again, despite insinuations, suggestions, allegations, whatever, that no certified claimants support this bill, the fact is that countless hundreds of them do indeed support the Libertad Act—for example, Procter & Gamble, Colgate-Palmolive, Chrysler, Consolidated Development Corp., and many others.

Frankly, Mr. President, what the Libertad Act also does not do is burden the executive branch of our own Government, in a time of transition, from fashioning effective agreements with a Cuban transition government. It should enhance the ability of the President of the United States to fashion effective remedies, discouraging trafficking in property owned by U.S. citizens.

Now, lest it escape the understanding of anybody, let us be clear about how Castro and his cronies acquired these "confiscated" properties. He stole them. He stole them from their rightful owners, and now that he is desperate for hard currency to sustain his regime, Castro is offering foreign investors a subjugated labor force. He is offering foreign investors a low-cost use of this property, the same stolen properties that belong to American citizens.

If there ever was unjust enrichment at the expense of U.S. citizens, this is it, and it has to stop. We must, in my judgment, as a responsible U.S. Senate, vote to throttle Fidel Castro. That is why the Libertad Act is more important than ever before.

Since the introduction of the Libertad Act, the news media have reported on numerous occasions that foreign investments in Cuba are slowing down because of concerns that the bill will be enacted. The Miami Herald reported in June of this year, "One Canadian firm called off plans to expand its involvement in Cuba, and other investors have slowed down their plans to avoid committing any cash before the fate of Helms-Burton is decided."

In July of this year, 3 months ago, the National Law Journal reported: "The chilling specter of lawyers enforcing the embargo has led more than one foreign investor to conclude that investing in Cuba may not be worth the risk of having their U.S. assets attacked by companies that once did business on the island."

Many foreign investors are leaving Cuba because Castro continues to confiscate property. A German investor wrote an op-ed piece in USA Today in September, saying "My trust in the Cuban marketplace has been severely shattered, and I want to issue a warning to eager potential investors from the United States: In Cuba, you have to learn to live with out-of-control communism. I have learned my lesson."

Mr. President, this German investor was taken by Castro's security agents to their headquarters and was later put on a plane back to Germany. Cuban officials confiscated much of his belongings.

Now, that is the way the Castro regime operates; that is the way it has always operated. It used to be that Americans stood united about this Communist threat 90 miles off our shore. But now we are changing, ala Neville Chamberlain, who went over to Munich and consulted with Adolf Hitler and came back and said, "We can have peace in our time. We can do business with Adolf Hitler." But nobody could do business with Adolf Hitler, and we should not be doing business with Fidel Castro. They are two peas in the same pod.

The Libertad Act is certainly worth the support of every Senator. Every Senator will not support it; but I ask support for this bill, as does Senator DOLE, because it is the right thing to do for America. I ask support for the bill because it is the right thing to do for the Cuban people. Ask the Cubans how they feel about it. The ones still in Cuba, the ones who are in exile in this country and elsewhere.

I have received countless letters of support, Mr. President, from Cubans still in Cuba, pleading for this Senate to enact the Libertad bill into law. Their hope for freedom is at stake. These people are supporting this bill, fully aware that for having done so, they are risking persecution by Fidel Castro.

As far as I am concerned, they are the heroes of the Libertad Act. I think Senators ought to bear that in mind when the time comes, if it comes, to vote.

I yield the floor.

Mr. JEFFORDS. Mr. President, I rise with all due respect to my good friend, the Senator from North Carolina, whom I have worked with over many, many years. And certainly in the days of his chairmanship of the Agriculture Committee, we had many good times working together.

However, I oppose this bill for many reasons. I was in the service of the United States Navy at the time that Fidel Castro assumed control of Cuba and have done everything since that time to try to bring about a change in that government.

I have a strong difference of opinion on the approach which is important for this Nation to take at this time to bring about the change of government there.

For over 30 years, we have maintained an embargo against Cuba with a stated purpose of bringing about the demise of the totalitarian regime. However, our embargo has not brought about the political and democratic change legitimately desired by the Cuban people.

I support the Cuban people in their desire to do that. It is just a question of how you do it. It is not a question of the goal here. It is a question of how we reach that goal. It harms a majority of the Cuban people without affecting the ruling elite, and the Cuban Government is a major impediment to the United States exerting positive pressure for change in Cuba.

Further, Cuba today poses no strategic or political threat to our Nation. We ask ourselves, then, will the provisions of this bill hasten the change we all desire? I think the answer is clearly no.

I believe the provisions of this bill are, in fact, harmful to United States interests. Many of our closest allies—Canada, Great Britain, and Mexico—vehemently oppose the extraterritorial provisions in this bill as infringing on their sovereignty. They oppose this bill even though they share our unstinting commitment to bring democratic change to Cuba.

The bill would have little impact on non-United States investment in trade in Cuba, which is growing despite our embargo.

Mr. President, the provisions of this bill regarding property confiscations set a dangerous precedent, moving far beyond any existing law we have had in the history of this Nation. Under this bill, claimants could sue individual companies or government entities—foreign as well as domestic—regardless of whether the claimants were United States nationals at the time of the alleged confiscation. This bill attempts to confer retroactive rights of suit upon individuals and companies that were not U.S. nationals at the time their Cuban properties were taken.

The ramifications of this in all other situations similar around this world are staggering. This bill would confer a right to sue upon a specific national-origin group, which has never been done before. The United States has never conferred such rights on any such group.

The group that we refer to if this is opened up would be those that lost their property in China and Vietnam, Korea or anywhere else, who now came to this country—that is, those who fled the nations and came here, Vietnamese, too—and now have become United States citizens could go back as United States citizens to make claims. This has never happened before.

This bill would dilute the certified claims. We will talk here about a pot of money, if there ever is one. And what it would do is dilute by so much those legitimate claims under existing law, it would be totally unfair to the legitimate rights of the U.S. citizens at the time.

It would swamp the U.S. courts with thousands upon thousands of lawsuits, causing an explosion of litigation, costing programs billions of dollars. This possibility alone virtually ensures that the measure would be completely unwieldy. Citizens could have a hard time bringing any other matters before the courts.

This measure could also wreak havoc with some of our most important allies and trading partners by exposing their nationals to a flurry of lawsuits in U.S. courts.

The bottom line, Mr. President, is that this bill does nothing for our efforts to promote a democratic Cuba. It does nothing for U.S. economic interests. Most importantly, it does nothing but create a potential benefit for a small group of people at potentially great cost to the American taxpayers.

Therefore, I must say I vehemently oppose this bill as being contrary to the interests of the United States and the citizens of the United States. I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, there are a number of committees meeting now, and I think it might be in the best interest if we recess for a few moments.

ORDER FOR RECESS

Mr. DOLE. Mr. President, I ask unanimous consent that following the remarks of the distinguished Senator from Connecticut, Senator DODD, that the Senate stand in recess until 1:45 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BINGAMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BINGAMAN. Mr. President, our Nation has passed into a new period in our history, out of the cold war and into a time that will be entirely different than what we experienced during the cold war. Children studying history will look in textbooks and see clearly the demarcation between that period of the cold war and what we are now beginning to experience. They will see the breaking point, when the Berlin Wall fell, when the Soviet Union collapsed, when economic strength rather than military might began to define a country's real position in the world.

It seems that just about everyone knows that history is dragging our country forward, that we need to adjust to new circumstances. And everyone seems to know this but those who are, in fact, making decisions in this area that this bill deals with.

The Cuban Liberty and Democratic Solidarity Act, or the Helms-Burton bill, sends us not forward into this new era, but rather back about 30 years. Our Nation's foreign policy is rife with anachronisms, and I cannot personally be supportive of helping to reinforce and to entrench our foreign policy in these outmoded and outdated policies.

The issue we are discussing today is not whether the United States supports a peaceful transition to democracy in Cuba. Everybody here wants to see that occur. That goal is not in question. The means of getting there is what is in question. I feel that the provisions of the Helms-Burton bill will stall rather than help our efforts to get to a democratic regime in Cuba.

About a week ago, the President of the United States announced a plan that received much bipartisan praise. The President promised to more vigorously enforce unlicensed travel to Cuba, but to broaden support for cultural and intellectual in a way that the people of Cuba could encounter more frequently and broadly the benefits of democracy that are at work here in the United States. The President stated that he would license nongovernmental organizations to operate in Cuba, to provide information, to provide on a relief basis, when needed, the necessary infrastructure to help guide Cuba and its people toward democracy in the future.

The President also noted that Cuban-Americans with relatives still in Cuba will be permitted to visit Cuba to tend a family crises, and that these automatic one-time-per-year licenses to visit would not be stymied by the current delays and management problems that frustrate American citizens from getting to Cuba when family emergencies exist.

The President is also instructing that Western Union be licensed to handle wire transfers of funds to families in need on that island.

But do any of these proposed actions by the President strengthen Castro's hand? In my view, they do not. What these provisions do is help bond the people of Cuba to the people of the United States. For 34 years, we have tried to bring Fidel Castro down with heavy-handed tactics. One would think that during such a long period of time we might have figured out that our policy has not been successful.

We need a new direction that must involve building bridges with the Cuban people. They have in them the beginning of a policy that will bring democracy to Cuba. This bill does not help in that process. I do think that the President's plan is an important step in the right direction. The Helms-Burton legislation which we are now dealing with on the Senate floor would injure and alienate ordinary Cubans; it would weaken Cuba's civil society and retard the fledgling efforts to move toward democratization in that country, and the unprecedented effort to impose United States policies on other countries would make it more difficult for the United States Government to cooperate with its allies in fashioning a joint approach toward Cuba.

We cannot endlessly bully our allies around the world on issues related to trade, except when the most severe national interests of our Nation are at stake. We have had 34 years of stalemate with regard to Cuba. Finally, things seem to be indicating some transition is occurring.

Now is not the time to do battle with Europe and with Asia over our relations with Cuba. Now is the time to develop strategies to help this nation as it does move into a new order.

Mr. President, I must also mention the serious concern I have with title III of the bill which creates the right for United States persons who were not United States citizens at the time of property expropriation to sue in United States Federal courts persons who traffic in United States properties in Cuba.

This provision will provide an unfunded mandate on our Federal courts. It will lead to a flood of new lawsuits, costing U.S. taxpayers hundreds of millions of dollars in court expenses. Furthermore, the $50,000 threshold that this bill contemplates in such cases means that we are primarily addressing the needs of relatively wealthy Cubans and neglecting those who were victimized but, in fact, were less well off.

If we are to make decisions of this sort, we should respond to the crimes committed and not to the particular wealth of the individuals who were harmed. Nevertheless, to handle this matter in American courts would certainly impede current U.S. efforts to resolve outstanding property claims disputes. It would impede economic reform efforts by a transition government in Cuba, and it would overburden our already overburdened Federal courts.

In the Inter-American Dialog it was recently reported that used only as an instrument of pressure the embargo that we currently have against Cuba is not effective in promoting reform. It may well have the opposite result of stiffening resistance to change. Constructive use of the embargo requires that the United States open an active dialog with the Cuban Government to foster Cuba's democratization and encourage a range of political and economic reforms.

In closing, Mr. President, I want to add one last caution, as others have stated here on the floor, with regard to this legislation. This bill was not reported out of the Foreign Affairs Committee. It did not go through a markup.

This bill is handling matters that are very consequential for our relations with that nation. In such consequential matters we clearly need to scrutinize what we are doing, act with caution.

I believe we need to follow the normal practice which exists here in the Senate and has for many years. That is, to allow committees to work on legislation, allow committees to revise legislation before that legislation is brought to the full Senate for passage or defeat.

I urge my colleagues not to support this bill as it now stands. I yield the floor.

Mr. DODD. Mr. President, before he departs the floor, let me commend our colleague from New Mexico for a very thoughtful and eloquent statement regarding the pending legislation before the Senate.

I particularly want to highlight his comments with regard to title III of this bill. I mentioned this last evening, Mr. President, but I will reiterate the point that the Senator from New Mexico has raised this afternoon. I urge my colleagues to focus their attention on this particular section.

Under existing law there are some 6,000 claimants—legitimate claimants—under law that has existed for four decades in this country, that says in order to be a bona fide claimant where there has been an expropriation of property in a foreign country and noncompensation for that property, then those people have a right to go to the U.S. claims court.

The U.S. Government acts as their agent, in effect. It is not just access to the court. We then ask our Government to pursue these matters on behalf of U.S. citizens.

This law now expands the universe of claimants from the 6,000 who exist and who were U.S. citizens at the time the expropriation took place to an estimated 430,000 claimants, because the law now says even though you were not a U.S. citizen at the time of the expropriation, if you became one later then you have the right to use the U.S. courts to pursue those claims.

We are carving out an exception—even if my colleagues want to do that, we are carving out an exception—just in the case of Cuba. There are 37 other nations, Mr. President, where we have expropriation matters pending. If we extended that same right to other nationals now in our country, U.S. citizens, you would absolutely overwhelm the U.S. courts.

The average cost to process a claim is $4,500. Just in this case, if the estimates are correct, in excess of 400,000 claims, it will cost the U.S. taxpayers millions and millions of dollars.

If for no other reason—put aside what the bill may or may not do to the government of Fidel Castro—the first question all of us must ask is what are we doing to ourselves? If you analyze this bill in the context of what we are doing to ourselves someone ought to be willing to provide some appropriations here and expand the courts and the personnel in order to handle this tremendous tidal wave of matters that will come before them.

I point out, Mr. President, the 6,000 claimants have expressed their strident opposition to this bill for the legitimate reason that they feel their rightful claims will be overwhelmed as a result of the increased numbers who will be seeking to have their claims adjudicated by the U.S. claims court.

I want to compliment my colleague from New Mexico for raising that particular point in this bill.

I also suggest that we are finding ourselves more and more isolated on this question. It is not a debate about whether or not we want change in Cuba. I do not believe there is any dissension in this body on that issue at all.

The question is whether or not in our response, our emotional response to Cuba, that we are thinking carefully and prudently and wisely in seeking the kind of cooperation and support you need to have if you are going to be effective in those desires.

There are 58 countries doing business in Cuba today whether we like it or not. In fact, it is expanding, not contracting. If you are going to be effective in bringing together the kind of economic pressures you have to have some cooperation internationally. That is not the only reason to do these things.

There was a vote in the United Nations on Cuba. Only one other country joined us—one other country joined the United States, and that was Israel. The irony is Israel does business—businesses do business in Cuba. It puts us in a very awkward untenable position of not only harming ourselves but also having no impact whatever on Cuba itself.

I urge my colleagues to look at this legislation no matter how strongly you may feel. I understand those feelings, about what the Cuban Government has done to the people of Cúba since 1959. We need to be thoughtful about how we are approaching the problem. We are doing business in the People's Republic of China. We just granted diplomatic status to Vietnam. Here we are now going to say that it is all right to do things there to try and effectuate change, but here we are creating a different standard altogether.

Again, my compliments to our colleague from New Mexico. I thank him for his comments and urge my colleagues in the coming hour to take a good hard look at this bill and ask yourself the question, whether or not this legislation is in the best interests of our country. What does it do to those legitimate claimants who are counting on these courts to process those claims so they can be compensated for the expropriation that has occurred?

Mr. SIMON. Would my colleague yield?

Mr. BINGAMAN. I am happy to yield.

Mr. SIMON. I just walked on to the floor, I confess, and heard Senator DODD speaking.

When he asked the question, what are we doing to ourselves —that is really the fundamental question. What is our self-interest?

It so happens earlier today a woman asked me why have we not been in Vietnam getting business? She says the French—she is in an agriculture implement business—the French and Japanese and others are in there getting the business that we should have been getting.

Well, the answer is we should have been there but we have been responding to the national passion rather than the national interest. We have to ask, what is in our own best interest.

Passing this kind of legislation may bring cheers from certain quarters. It does not help the United States of America, and it does not help people in Cuba who want freedom.

I commend my colleagues for standing up on this. We have to send a message to the rest of the world that we are going to work with the rest of the world, including governments we do not like.

I do not like Castro's government. In the area of human rights their record is miserable. But I have to say, so is the record of China. We are working with China. We are cuddling up to China a little more than I like, frankly.

But I do think if China wants to buy a Ford tractor from the United States, we should sell them a Ford tractor.

I think of our relations with Cuba back when there was a Soviet Union. If Moscow and Castro got together and said how can we design U.S. policy to keep Castro in power, they could not have designed a better policy than the one we follow. We have isolated Castro and we have made him a hero among his people for standing up to the big bully, the United States.

This legislation is not in our national interests. I commend my colleague.

Mr. BINGAMAN. Mr. President, let me just commend both my colleagues, the Senator from Illinois and the Senator from Connecticut. They have spoken out on this issue before. Of course, the Senator from Connecticut is the ranking member on the subcommittee which has jurisdiction in this area and does an excellent job in providing leadership to us on these issues.

I do think our policy with regard to Cuba is an anachronism today. This legislation would further entrench that same policy and further harden that policy in a way that I think would result in delaying democracy coming to Cuba. I think that is clearly the end result.

The reference to China reminded me of a cartoon which I enjoyed several years ago. President Reagan was visiting China, and one of the cartoonists had a picture of him on the Great Wall of China speaking to Chou En-Lai at the time, saying, "This wall is terrific. If this does not keep the Commies out, I don't know what will."

That, I think, points up the absurdity of a policy. That is a Communist government in China. It has been a Communist government. We do business with them. We need to do business with them. We need to recognize that they are a real part of this world. Clearly, we have such a contrary policy when it comes to Cuba it needs to be rethought.

This legislation needs to be defeated and certainly we have a chance to do so at this point. I think the President is acting judiciously and properly in beginning to plant some seeds which will encourage democracy to come to that island. That is all that can be done at this point. I think that is an important step forward, and we should not interfere with it. We should not do anything to support this Helms-Burton legislation.

The PRESIDING OFFICER. The Chair recognizes the Senator from Connecticut.

Mr. DODD. Mr. President, I believe the majority leader announced that at the conclusion of my remarks the Senate would stand in recess until 1:45. I ask the Chair, is that not correct?

The PRESIDING OFFICER. That is correct.

Mr. DODD. Let me briefly say that we are going to be on this matter, apparently. I, last night, spoke for an hour or so. The Presiding Officer spoke on this issue last evening. Several have.

My hope would be, unless other Members are going to speak on this issue, we might have an opportunity to talk about some other issues. We have a major problem emerging on the home front here in the next several weeks and that is this so-called reconciliation bill that deals with Medicaid, Medicare, and taxes. It looks as if we are only going to have about 20 hours to debate a domestic issue of far more importance to most people in this country than a policy dealing with Cuba. So

I hope we might—if Members are not going to address this issue, since we are apparently not going to vote on this matter for some time here—we might at least have the opportunity to talk about some of these other issues.

I know in my State people are far more interested in what is going to happen to their Medicare and what is going to happen with Medicaid and the tax breaks that are being proposed to be paid for by the cuts in Medicare. It is a matter of deep, deep concern. We will have had no hearings on those issues; not a single hour of hearings on that. At least we had hearings on Cuba, on this issue, going back a number of weeks ago. We had no markup of the bill on this particular legislation we are going to be discussing. And of course there will be a markup but no hearings on the bill that will be affecting Medicare and Medicaid.

So I am somewhat mystified we would spend this much time on this issue and yet leave Medicare and Medicaid to a status of insignificance by comparison, in terms of the amount of time allocated for discussing it. I think that is wrong. I think it is tragic. I think the American people will respond accordingly.

So my hope is we might at least offer Members the opportunity, if not to discuss particularly this matter, to use the time to talk about some of these other issues. Obviously, that is a matter for those who control the floor to make a decision on, whether or not they will allow that to occur. I hope that will be the case.

I yield the floor.

RECESS

The PRESIDING OFFICER. The Senate will stand in recess until 1:45 p.m.

Thereupon, at 1:05 p.m., the Senate recessed until 1:45 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. MACK).

CUBAN LIBERTY AND DEMOCRATIC SOLIDARITY [LIBERTAD] ACT OF 1995

The Senate continued with the consideration of the bill.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. DOLE. Mr. President, what is the pending business?

The PRESIDING OFFICER. Amendment 2898 of H.R. 927.

Mr. DOLE. Mr. President, the Senate is stuck in a filibuster of the Cuba Liberty and Democratic Solidarity Act of 1995. Unfortunately, some have decided to make this a partisan issue. The White House has unleashed a lobbying barrage. This should not be a partisan issue. The House passed similar legislation with strong bipartisan support. In fact, 67 Democrats joined Republicans in that effort, including Minority Leader RICHARD GEPHARDT. There are Democratic cosponsors of the pending legislation—Senators GRAHAM of Florida, LIEBERMAN, HOLLINGS, ROBB, and REID. I have no doubt that more Democratic Senators would support the bill if we could get to a vote. I hope the minority will allow us to vote.

The legislation before us addresses many of the concerns raised by the administration regarding the House version. At least 10 substantive changes to address administration concerns have been made in the pending Dole-Helms amendment. This bill will have to go to conference, where the administration will have ample opportunity to air additional concerns. I do not know if the White House or Democratic Senators are aware of the changes that have been made in this bill. But I hope they will take a look at the 10 changes.

What I believe the Senate should do is speak on the issue of bringing democratic change to Cuba.

Fidel Castro is watching closely what we do today. I know the last thing any Member wants to do is send Castro a signal of approval for his refusal to change. But we should be clear—many of the opponents of this legislation have always opposed the embargo on Cuba, and have always wanted sanction on Castro lifted. That is not President Clinton's stated policy, and it is not a policy that would receive more than a few votes in this body.

There are legitimate concerns about the legislation. That is why Chairman HELMS has made so many substantive changes in the legislation. Virtually all the issues raised by the White House in the statement of administration policy have already been addressed. I ask unanimous consent that an analysis of the administration's concerns and the modifications in the pending amendment be printed in the RECORD after my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. DOLE. Mr. President, the winds of freedom have been blowing throughout our hemisphere. Dictators have fallen, political prisoners have been freed, and democracies have flourished. Only one country has bucked the democratic tide: Castro's Cuba. Only one country continues to repress its own people in the name of the failed dream of communism: Castro's Cuba.

No one should believe that Castro will change willingly. No one should believe that Castro will respond to eased pressure. After 30 years of totalitarian rule and support for terrorism, it is not the United States that should change its policy—it is Cuba that should change. And Cuba will only change if the United States, the leader of the free world, keeps the pressure on Fidel Castro. I urge my colleagues to oppose the filibuster of this bill, and support democratic change in Cuba.

EXHIBIT 1

RESPONSES TO THE "STATEMENT OF ADMINISTRATION POLICY" ON THE DOLE-HELMS SUBSTITUTE TO H.R. 927

1. "The bill would encroach upon the President's exclusive authority under the Constitution to conduct foreign affairs, or otherwise unduly limit the President's flexibility. . . . Mandatory provisions should be replaced with precatory language in the following sections: . . .

Section (b) [Diplomatic Efforts: The Secretary of State shall ensure that U.S. diplomatic personnel abroad understand and urge cooperation with the embargo]:

The Dole-Helms substitute states that the Secretary of State "should" ensure that U.S. personnel are communicating support for the embargo to their foreign counterparts.

Section 110(b) [Withholding of foreign assistance from countries supporting nuclear plant in Cuba]:

The Dole-Helms substitute contains no similar provision.

Section 111 [The SAP mistakenly refers to a Section 112, which does not exist in H.R. 927] [Expulsion of criminals from Cuba]:

The Dole-Helms substitute contains no similar provision.

Section 201 [Policy toward transition and democratic governments in Cuba]:

The Dole-Helms substitute contains seven policy statements: That it is U.S. policy (1) to support the Cuban people's self-determination, (2) to facilitate a peaceful transition, (3) to be impartial toward any individual selected by the Cubans for their future government, (4) to enter into negotiations with a democratic government on Guantanamo, (5) to consider the restoration of diplomatic relations and support Cuba's reintegration into the inter-American system after a transition government comes to power, (6) to remove the embargo once the President determines that a democratic government exists in Cuba, and (7) to pursue a mutually beneficial trade relationship with a democratic Cuba.

It is difficult to see how any of these policy statements infringe on, or limit, the President's foreign affairs authority.

Section 202(e) [The President shall take the necessary steps to obtain International support to transition and democratic governments in Cuba]:

The Dole-Helms substitute (substitute section 202(c)) states that "the President is encouraged to take the necessary steps" to obtain international support.

Sections 203(c)(1) and 203(c)(3) [transmittal of a presidential determination to Congress that a transition and democratically elected government, respectively, are in power in Cuba]:

Under Title II, implementation of the assistance plan to either a transition or democratic government in Cuba in triggered by a presidential determination, transmitted to Congress, that such a government has come into existence.

In foreign aid authorization and appropriations bills, Congress routinely requires a presidential determination, transmitted to Congress, before it provides for the release of any assistance. The provisions in the Dole-Helms substitute are consistent with existing practice.

In sum, every concern raised by the Administration about H.R. 927 infringing on the President's foreign affairs powers is either addressed by the Dole-Helms substitute or conforms to existing practice.

"The effectiveness of civil penalties as a tool for improving embargo enforcement is greatly

limited by the exemption in section 102(d). . . . Section 102(d) should be amended to address this shortcoming."

The Dole-Helms substitute agrees that civil penalties would be an effective tool in enforcing the embargo. Section 103(d) of the substitute contains the language favored by the Administration.

"Section 103 [prohibition on indirect financing to Cuba] should be amended to make the prohibition of certain financing transactions subject to the discretion of the President."

The Dole-Helms substitute provision on indirect financing (section 104 of the substitute) gives the President the authority to suspend the prohibition upon the determination that a transition government is in power in Cuba. The House bill only allows the President to terminate the prohibition when a democratic government is in power in Cuba.

The substitute also provides that the prohibition shall not apply to financing by the owner of the property or the property claim for activities permitted under existing Treasury regulations. This exception is not in the House bill.

4. "Section 104(b), which would require withholding payments to International Financial Institutions, could place the U.S. in violation of international commitments and undermine their effective functioning. This section should be deleted."

U.S. opposition to Castro's membership in international financial institutions does not violate our obligations. Charter obligations apply to member nations in their relations with the international financial institution and its relations with other IFI member states, not to those nations which are not member-states. Cuba is not a member state and thus is *not eligible* for any type of IFI loan or other assistance.

The objective of the LIBERTAD bill is to deny Castro access to IFI financing, while signaling clear support for Cuban membership in the international financial community once a transition to democracy is underway.

The LIBERTAD's provisions (substitute section 105) are consistent with U.S. obligations and with precedent for opposing and withholding contributions to international financial institutions:

Under Section 29 of the Inter-American Development Bank Act, no funds are authorized for a U.S. contribution to the Inter-American Development Bank for assistance to "non-member countries" such as Cuba.

In 1979, Congress cut the U.S. contribution to the International Development Association (IDA) by $20 million in order to show disapproval of a $60 million IDA loan to Vietnam. At that time, the U.S. contributed one-third of IDA's funds and the $20 million withheld represented the U.S. share of the Vietnam loan.

In 1960, Castro withdrew Cuba's membership from the international financial community; Cuba was *not evicted* from membership. At that time, Castro said there was no reason for Cuba to belong to the World Bank "since the economic policy of that institution is far from being effective in regard to the development and expansion of the Cuban economy." Castro's hostile views haven't changed toward the international financial institutions. This past March, Castro denounced the "irrationality of the system" when referring to the IMF and the World Bank.

5. "Section 106 [Assistance by the independent states of the former Soviet Union for the Cuban government] would undermine important U.S. support for reform in Russia.

For former Soviet states receiving bilateral U.S. assistance, the Dole-Helms substitute signals Congress' disapproval of those countries maintaining a military presence in Cuba, using Cuba as a base from which to conduct espionage activities targeted at the United States, or providing trade to Cuba on terms that the market would not provide (i.e., "nonmarket-based trade").

In November 1994, Russia publicly announced that it provides Cuba with $200 million in credits for the use of intelligence facilities in Cuba.

The Administration claims to share these concerns.

The substitute recognizes that the U.S. has interests in former Soviet states that go beyond their relations with Cuba. As such, it exempts from its restrictions funding for Nunn-Lugar denuclearization programs, humanitarian assistance, political reform programs, and free-market development.

The prohibition may be waived by the President if he determines that aid is in the national security interests of the United States and that Russia has assured the President that it is not sharing intelligence data collected from facilities in Cuba with the Cuban Government.

The provision on nonmarket-based trade states that economic relations between former Soviet states and Cuba should be on commercial terms, not on subsidized terms. This section was originally adopted by the House Foreign Affairs Committee and approved by a Democratically-controlled House of Representatives, and accepted by the Administration, in 1993.

6. "Section 110(b) [withholding of foreign assistance from countries supporting nuclear plant in Cuba] is cast so broadly as to have a profoundly adverse affect on a wide range of U.S. Government activities."

The Dole-Helms substitute contains no similar provision.

7. "Section 202(b)(2)(iii), which would bar transactions related to family travel and remittances from relatives of Cubans in the United States until a transition government is in power, is too inflexible and should be deleted."

This provision is not in the Dole-Helms substitute.

The substitute contains "sense of the Congress" language (section 111) outlining that any resumption of family travel and remittances should be done in response to positive steps by Castro, including allowing Cubans to operate small businesses and freeing political prisoners.

On October 6, the President announced a policy that allows for limited family travel and remittances. The Dole-Helms substitute does not contradict or negate that policy.

8. "Sections 205 and 206 would establish overly-rigid requirements for transition and democratic governments in Cuba that could leave the United States on the sidelines . . . The criteria should be 'factor to be considered' rather than requirements."

The only specific requirements for a transition government in the Dole-Helms substitute are that such a government has (1) legalized political activity, (2) released all political prisoners and allowed for access to Cuban prisons by international human rights organizations, (3) dissolved the state security/police apparatus, (4) agreed to hold elections within two years of taking power, and (5) has committed publicly, and is taking steps, to resolve American property claims (substitute sections 205 and 207).

The substitute contains a list of additional factors that the President is asked to take into account when determining whether a transition or democratic government is in power in Cuba. Except for the requirements outlined above, these are not "requirements" that have to be fulfilled before aid can go to a transition or democratic government.

The President can waive the property conditions (in substitute section 207) if he determines that it is in the vital national interest of the United States to aid either a transition or democratic government.

By outlining factors to be considered rather than specific requirements and by providing waiver authority, the substitute acknowledges that the President needs flexibility in making determinations as to Cuba's political evolution.

9. "By failing to provide stand-alone authority for assistance to a transition or democratic government in Cuba, Title II signals a lack of U.S. resolve to support a transition to democracy in Cuba."

Title II of the Dole-Helms substitute contains unprecedented legislative language written with the express purpose of encouraging a democratic transition in Cuba. The substitute mandates the development of a plan by the United States to respond to a transition process in Cuba. The plan is to include an assessment of the types of assistance that would be required and the mechanisms by which that assistance would be delivered.

The substitute outlines general areas that should be the focus of U.S. assistance, including aid to meet the humanitarian needs of the Cuban people, as well as assistance to revise the Cuban economy through free-market development. (The substitute's premise is that traditional foreign aid is not the solution to Cuba's economic problems, but that private, free-market economic activities are the key to the island's recovery.)

The substitute language does not prohibit the President from submitting and Congress acting on, a support package prior to a change of government in Cuba. It does, however, limit disbursement of any aid to or through the Cuban government until such time as either a transition or democratic government is in power in Cuba.

The substitute does not diminish or otherwise affect the President's existing authorities to reprogram and disburse funds to respond to situations he deems require an emergency response.

10. "Title III, which would create a private cause of action for U.S. nationals to sue foreigners who invest in property located entirely outside the United States, should be deleted."

The "right of action" provision allows U.S. nationals with confiscated properties in Cuba and who have not been compensated for that property to sue those who continue to exploit their confiscated property six months after the bill's enactment.

The property may be located outside the United States, but the holder of legal title to the property is a U.S. citizen. It is well established in both international law and U.S. jurisprudence that domestic courts may reach actions abroad that directly affect our nation. An example is the ability of U.S. courts to have jurisdiction over antitrust conspiracies abroad.

Knowing and intentional torts committed on the property of American citizens, even when the property is situated overseas, is sufficient basis for U.S. court jurisdiction.

This right of action is against the "tort" of unauthorized, unlawful "conversion" of property—essentially the act of "fencing" stolen goods.

Castro's confiscations and continuing exploitation of properties confiscated from

American citizens has a direct impact on the United States.

"Applying U.S. law extra-territorially in this fashion would create friction with our allies . . ."

The remedy sought is a domestic one; the right of action does not seek to be enforced abroad. It is restricted to the jurisdiction of U.S. Courts and those who can be constitutionally reached by our courts.

The LIBERTAD bill has stirred opposition from those foreign entities benefitting from Castro's illegal confiscations at the expense of the rightful American owner. The bills' intent is not to create tensions with allies, but to serve as a disincentive to would-be investors in properties in Cuba confiscated from U.S. nationals.

If a foreign entity is not investing in, or benefitting from, property confiscated by the Castro government from a U.S. national, then there is no liability under the LIBERTAD bill.

". . . would be difficult to defend under international law . . ."

It is well established in international law that a nation's domestic courts may reach actions abroad when those actions directly affect that nation.

"and would create a precedent that would increase litigation risks for U.S. companies abroad."

The right of action is specifically for properties in Cuba. Any other country that seeks to extend this right of action to its citizens would be expected to satisfy the same criteria that are included in the LIBERTAD bill.

Castro's economic exploitation of wrongfully confiscated properties if unchallenged could establish an international precedent that such exploitation, when the legal owner has not been compensated, is appropriate and meets with the approval of the international community, including the United States.

To the extent that this legislation sends the message that "fencing" stolen property carries a cost, it improves the climate for international investment and establishes an incentive for states to resolve confiscation claims.

"It would also diminish the prospects for settlement of the claims of the nearly 6,000 U.S. nationals whose claims have been certified by the Foreign Claims Settlement Commission."

To the contrary, the cause of action should encourage the settlement of claims by providing a disincentive to foreign entities discouraging the sale of American-owned property to foreign-owned businesses whose occupation of the property can only be considered a further complication in an era of transition.

Castro, by encouraging joint ventures and the possibility of ownership in confiscated properties, is encumbering the property by granting rights to that property. To the extent that the right of action serves as a disincentive to would-be investors, it keeps confiscated properties from being subject to further ownership claims.

"Because U.S. as well as foreign persons may be sued under section 302, this provision could create a major legal barrier to the participation of U.S. businesses in the rebuilding of Cuba once a transition begins."

The LIBERTAD bill places the United States firmly behind a democratic transition in Cuba. It does not put in place impediments to rebuilding of a free and independent Cuba nor to U.S. business participation in a post-Castro Cuba.

Once a transition is underway in Cuba, the rightful owners of Cuban property will likely be able to assert their claims in Cuba as any new government will be on notice that good relations with the U.S. include respect for property rights.

11. "Title IV, which would require the Federal Government to exclude from the United States any person who has confiscated, or "traffics" in, property to which a U.S. citizen has a claim, should be deleted."

The Dole-Helms substitute contains no similar provision.

12. Pay-As-You-Go Scoring: "H.R. 927 would affect receipts; . . . OMB has not yet been able to estimate the paygo effect of receipts from filing fees for such lawsuits. (However, discretionary costs to the Government from lawsuits could be significant and could place a heavy burden on the court system.)"

CBO estimates that implementation of the Dole-Helms substitute would cost about $7 million over the next five years. As for the pay-as-you-go effect, CBO "estimates that additional receipts would not be significant, at least through 1998. These impacts on the federal budget all stem from title III."

CBO estimates that "the federal court system would incur about $2 million in additional costs to address cases that actually go to trial. . . . However, [because of the $50,000 threshold], CBO expects the number of additional claims would be quite small and that additional costs to process these claims would not be significant." [CBO Letter to Senator Helms, July 31, 1995]

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. KYL). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mrs. BOXER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. BOXER. I would like to thank Chairman HELMS for his graciousness. I told him I was not intending to speak on the Cuba bill but on other items basically dealing with budget priorities, and since he did not have any other speakers he agreed because under the rules he can object at this point in time due to the Pastore rule. So I just wanted to thank him for that graciousness.

BUDGET RECONCILIATION

Mrs. BOXER. Mr. President, I think it is very important, since we only have 20 hours of debate on the Budget Reconciliation Act, that we take as much time as we can find on the Senate floor to talk about what we believe the future of this country is going to look like once the Congress acts on the budget. I think it is fair to say that the far-reaching impact of the budget bill that has been passed by the Republican Congress is not quite understood because it is very complicated, because there are charges and there are countercharges, but I think at this moment we have to look at what we are facing before it is too late—before it is too late.

The budget bill that is coming out of these various committees—and it seems to me that there is no compromise at this point—is so radical in my view, is so harmful in my view, is so extreme in my view, that reasonable Americans of all political persuasions must know the facts. All too often we are told by politicians: Gee, this is very complicated. Trust me; gee, it is hard to understand this. Trust me; gee, it is all politics and everyone will say one thing and another thing. Just trust me.

I say it is time for the American people to learn the facts, to understand the numbers, and to understand what faces them, if these priorities move forward, if this budget bill moves forward, and if there is no compromise between Republicans and Democrats, which I earnestly hope for and I will earnestly work toward.

So this is where we stand. In the Republican budget bill they are going to cut $270 billion out of Medicare. Now, I said it once and I am going to say it again, they want to cut $270 billion in the next 7 years out of Medicare. And I know if I had a Republican colleague on the floor, they could say, "Senator BOXER, not true. We're just going to reduce the rate of growth of Medicare by $270 billion. Medicare will still grow, but we're just going to reduce the rate of growth."

And I have to tell you, that kind of rationale simply will not fly with people who listen and understand. Why do I say that? Why is it that we have to spend more on Medicare? It is very simple. We are living longer. This is good. This is important—the advances that we are making in the medical field, the fact that prevention has taken hold. We know now about how important it is to do our exercise, to have a high-fiber diet, to have a low-fat diet. And, yes, it is difficult to teach our young about that. But those of us over a certain age get the message. We kind of like to stay around. We want to see our children and our grandchildren. We want to be here with the wisdom of our years.

And so we are beginning to live longer thanks to medicine, thanks to prevention, thanks to education. This is good. So, of course, more people are going on Medicare each and every year. We should celebrate that. And that is why we need more money, because more people are going on Medicare. And that means we have to make some adjustments. Of course we do. And I will talk about that later to make sure that the money is there for all of us who live those golden years.

Why else do we need more money in Medicare? We are not only living longer, we have better technology in the medical field, and we want to give that to our grandmas and grandpas so they can have the benefit of this medical technology. And, of course, we then have to make sure we are not wasting money in Medicare. There is a lot of room for improvement. We must do what we can. And we will.

But this, my friends, this number, makes no sense at all. It is not necessary. There is not one health expert that tells us we must cut $270 billion out of Medicare. Absolutely not. I will tell you later what we must cut out of Medicare, but this number, my friends, is not it. This is a killer. This is a killer. This will kill the program. And I always thought we honored our elderly, and I always thought this was a 30-year-old program that was worth preserving because it works for our seniors.

Is it perfect? No. Can we make it better? Yes. Do we need to cut $270 billion out of it? Absolutely not.

But now I am going to show you another number and tell you why the Republicans are cutting $270 billion out of Medicare. It is really pretty simple when you understand. Guess what? They need $245 billion for a tax cut which will benefit the wealthiest people in America, and they cannot find it in all the other programs. They looked. They will not touch defense.

As a matter of fact, they have increased defense by billions more than the admirals and generals asked us to do. They could not find it there, and they have cut to the bone education, environment, you name it, public transit, dollars to prevent crime. So they had to go to Medicare because they had to find $245 billion for a tax cut.

My friend from North Dakota, who you will hear from, has offered a series of amendments that said, look, let us give a tax cut but let us limit it to the middle class if we are going to have one. And that went down here on a party line vote. They will not limit the breaks of this tax cut to those in the middle class. They will give people who earn over $350,000 a year $20,000 a year back. And I ask you, is that fair? Is that fair when we are asking our senior citizens to be party to the destruction of Medicare, when we are asking our college students, as they are, to pay more for their student loans? Is it fair that they are cutting environmental protection by one-third?

They have to find the money for this $245 billion tax cut. I hope the American people will notice the symmetry between what they need to find for their tax cut, mostly for the wealthy, and this $270 billion they will cut from Medicare.

That is the answer. My friends, this is a funnel approach. I call the Republican Medicare plan a funnel plan. It funnels the money from senior citizens directly into the pockets of the wealthiest among us.

I have absolutely every admiration for those in America who have done well. They have taken advantage of the American dream. They have worked hard. But I do not think those good people want these kinds of priorities. I have spoken with many of them. I have talked to them, and they are embarrassed about it. They say, "Don't give me any tax cut until you balance the budget. And don't kill off Medicare, because my mom likes it and my dad needs it." But oh, no, it is in the contract, the contract for America or with America or on America. I forget what it is called. It is in the contract. And therefore, there is no backing off. There is no compromising, and I only hope that changes.

It will change if the American people wake up and understand this Republican Medicare plan is a funnel plan. The funnel goes from the senior citizens directly into the pockets of the wealthy of America. And guess what? The senior citizens, the average senior citizens, earn under $25,000 a year and pay more than $3,000 a year in out-of-pocket expenses for their medical care already.

Oh, the AMA jumped on board. I think it is important to note that the AMA, the American Medical Association, stood back from the Republican plan until they got a promise that their fees would be OK. They are going to be OK. They are going to be OK. So they jumped on. Remember, the American Medical Association and 97 percent of Republicans opposed Medicare when it was started in 1965.

This is no shock or surprise. A group that never supported Medicare in the first place jumps on board and plans to demolish it, unnecessarily so, to cut $270 billion to give $245 billion to the wealthiest among us.

Now, the Republicans say, "You Democrats, you won't face up to the fact that Medicare is in trouble." This is what they say. They run ads, "Congressman that and Senator that, Democrats don't understand it." We understand it because we are the ones who acted responsibly since 1970 when the trustees started telling us each and every year we had to make adjustments.

For example, in 1970 they said, "We're going to be insolvent in 1972. We have to fix the problem." We fixed it. Almost every year, except a couple times, we were told the Medicare fund had to be made solvent, and every single year we always made it solvent, no problem. As a matter of fact, we just acted in the last Congress to make it solvent. We could not get any Republican help on that. We voted it in in the Democratic Congress.

So they tell you that this is a once-in-a-lifetime problem, and we better act. This has happened year after year after year. The trustees told us the fund was going to be insolvent. Why? Why? Because people are getting older and medical technology is getting better, and, yes, we have to adjust the fund.

So do not be taken in with the argument that Medicare is in desperate trouble and we must cut $270 billion from it. It is not so. It is not so.

How much do we have to cut from Medicare to make it work? We have done it all the time. We fixed the fund continually throughout these years. What is it going to take? We have a number. We know what it is, and that number is $89 billion. That is what we have to find to cut out of Medicare to make it safe, to make it solvent and whole to the year 2006, and then, Mr. President, I say to my friends, we will be doing what we should be doing.

So I guess what I need to sum up with is this: I represent more senior citizens than anyone else in the Senate, except for the senior Senator from California, Senator FEINSTEIN. Why? Because we have 32 million people in our State and they are worried. And they are worried. The average woman over 65 in this country who is on Social Security lives on $8,500 a year, and she is already spending $3,000 out of pocket on her medical care. Is this the way we honor our seniors? Is this the kind of legacy we want to leave?

And if this is not bad enough, you should see their Medicaid plan. Two-thirds of our seniors in nursing homes are on Medicaid. Two-thirds of our seniors. And do you know what the Republicans have voted to do? They have voted to decimate that program. The hospitals in my State and every other State are up in arms, the Governors are up in arms—Republican Governors are up in arms—because on top of these Medicare cuts that I showed you, there is $182 billion of Medicaid cuts, and while they are at it, they have repealed the national standards for nursing homes.

We are going to go back to the dark ages, to the secret tortures of bed sores and sexual abuse and beatings and druggings. Why do you think we have national standards? We did not pass it here for fun. We passed it because of the outrageous things we knew were going on in nursing homes. And do you know what we said? The seniors are a national priority, and we are not going to leave it up to 50 different States.

We have standards for airplanes. We do not leave it up to 50 different States. We have standards for drugs, because we do not want our people poisoned. We do not leave it up to 50 different States. Why on Earth in God's name would we say that we should cancel nursing home standards and leave it up to the States when we know the problems we have and the agonies that our families went through before we had national standards?

Now, look, I am for change as much as anybody else, but I am for good change, I am for positive change, I am for reasonable change. I am not just for change to say I have changed the world.

The House Speaker says he came to bring a revolution—a revolution. Maybe there are some places in our society where we need to have a revolution. I could think of a couple, but I have to tell you, not in the nursing homes of this country do we want to bring a revolution and cancel all the standards and have the secret horrors of the past reappear.

I will tell you, Senator MIKULSKI said she will chain herself to her desk if they try to repeal the spousal impoverishment laws. She can add me to her chain, because I am not leaving this floor if we cancel nursing home standards, and I am not leaving this floor if we now say to the grandpas who put their wives into nursing homes, "We're going after your house, sir, we're going after your car, and you're not going to be able to earn any money, sir. We're taking it all." And once they get through with that, they are going to go after the kids.

That is not a revolution of which I want to be part. That is a revolution of which to be ashamed. That is a revolution that goes back to the dark days of the past. It is like the orphanages. We are going to go back to orphanages, going to go back to secret tortures of nursing homes. What kind of vision is that for our Nation? We must do better than that.

So, yes, we need to act. We can take $89 billion out of Medicare and solve the problem, but we do not have to cut out $270 billion to funnel into a tax cut for the wealthiest among us. We must not go after Medicaid and destroy the program and have a situation where our moms and dads and grandmas and grandpas are in deep, deep trouble, one is thrown into a nursing home, the other is thrown into the poor house. We must do better than that, I say to my friends, and we can if we sit down across the table and work together.

I am from one State that will really bear the brunt of these changes. I am willing to sit with my colleagues on the other side of the aisle from night to the next morning to the next night to the next morning until we reach a compromise.

Back off of that tax cut, limit it to the middle class, and then we will have some dollars that we can offset these cruel and outrageous cuts. Back off your plans to destroy education and environmental protection. If they back off their tax cuts, we can do it, and I hope we can come together and do it.

I look forward to working with my colleagues to ensure that this extreme revolution is rolled back today before it hurts our people. I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

CUBAN LIBERTY AND DEMOCRATIC SOLIDARITY [LIBERTAD] ACT OF 1995

The Senate continued with the consideration of the bill.

AMENDMENT NO. 2915

(Purpose: To express the sense of the Senate regarding consideration of a constitutional amendment to limit congressional terms)

Mr. ASHCROFT. Mr. President, the debate on sanctions against Castro's Cuba is an important one. But so is the issue for which I rise today.

It had been my understanding—and the understanding of most term-limits advocates—that the Senate would be devoting all of today and Friday to the issue of term limits for Members of Congress.

But that is not the case—the debate and vote have been delayed. I believe this delay to be a mistake, and today I look to establish a record of support for term limits through a simply-worded sense-of-the-Senate resolution.

This amendment will state a single, simple idea—that the Senate should pass term limits. It is an important signal that the Senate is a new and different body than it was just 10 months ago.

The results will not be binding, but they will be revealing. This vote will show the American people, who supports term limits and who does not. That is important, for identifying support now is vital to achieving victory later.

Last fall, the American people sent a message as strong as it was clear: They said they wanted politicians to seek fundamental change in the way that Washington works and the way that Washington looks. And they entrusted Republicans to initiate those changes.

No issue is more symbolic of changing Washington than term limits—they are the foundation of the people's agenda. That is why efforts to again delay the first-ever vote on term limits are so disturbing.

The delay on term limits sends the wrong message at the wrong time. With Ross Perot experiencing yet another political rebirth; with trust for Congress at another all-time low; with voter anger at record highs; what the American people want to see are real efforts at reform. This attempted delay signals the admission of defeat before a fight. That is not the kind of message we should be sending.

The American people are expressing serious reservations about our ability to get things done. We must show them that we have not given up.

The American people want us to fight on term limits. As you can see, Americans in 23 States have fought for term limits. Those States can be seen on the map behind me in red. States with more than 100 million people have voted on and passed term limits, surely 100 U.S. Senators can find the time to register their views on this issue.

Why are term limits so important? Because they are our last, best hope to change a fundamentally corrupt system. In this reform, the American people see the possibility of reining in congressional power by restoring competitive elections—franking, fundraising, and so forth; reinstituting congressional accountability—turnover, and so forth; reinvigorating a Congress that's lost touch—new ideas, new people, and so forth.

Unfortunately, the people's clear will is in direct conflict with the National Government's rulings.

A year ago, the Clinton administration argued before the Supreme Court that term limits were unconstitutional.

On May 23, in U.S. Term Limits versus Thornton, the Supreme Court agreed with the Clinton administration and denied the people of America the right to limit congressional terms.

To all of the voters in the States highlighted in red behind me, the Clinton administration and the Court said, "Tough luck, we know better."

Our Nation's executive and judicial branches have spoken—they oppose term limits. The only hope left is our legislative branch—this Congress. And for this Congress, the only option the Court left was a daunting one—a constitutional amendment requiring two-thirds ratification by Congress.

Mr. President, amending the Constitution is never easy, and following the House's rejection of term limits and the Supreme Court's ruling on them, many are saying that the fight is over—that it may be a good political issue for the 1996 election, but a deadend for this Congress.

In fact, many of them have come to me and said "John, we appreciate what you've done, but we have given up on the Congress."

Well, let me just say something to all the advocates across the country whose cause is my concern. I will continue to fight—fight to ensure that the 228 names listed behind me, including mine, are once again subjected to the will of the people; fight for this idea that has become an ideal; and fight to ensure that this Congress will not only vote on term limits, but pass a resolution restoring the American people's right to limit congressional terms.

Mr. President, Lincoln said, "Let us have faith that right makes might, and in that faith, let us, to the end, dare to do our duty as we understand it." Today, the will of the American people stands in direct contrast to the will of the executive and judicial branches of our Government. But I know that they too believe that right makes might and that they are depending on us to dare to do our duty.

I know that this is an issue that makes some of my fellow Senators uncomfortable. One need only look at the endless delay in consideration of term limits to confirm this suspicion. This, however, is an issue of enormous importance to the American people. They will hold us accountable—they will remember.

I made a promise during my campaign last year. A promise that I would pursue certain issues with determination and discipline. Term limits on Members of Congress was one of those issues. And I intend to fulfill my promise.

And so today, I offer a simple sense-of-the-Senate resolution. At issue here is whether the Senate will "pass a constitutional amendment limiting congressional terms." And while the amendment is not binding, Mr. President, it will be revealing.

For an overwhelming majority of Americans want term limits. We shall now see how many in the U.S. Senate share their desire.

I send the amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Missouri [Mr. ASHCROFT] proposes an amendment numbered 2915.

Mr. ASHCROFT. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, add the following:

SEC. . SENSE OF THE SENATE REGARDING CONSIDERATION OF A CONSTITUTIONAL AMENDMENT TO LIMIT CONGRESSIONAL TERMS.

It is the sense of the Senate that the United States Senate should pass, prior to the end of 1995, a constitutional amendment limiting the number of terms Members of Congress can serve.

Mr. ASHCROFT. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 2916 TO AMENDMENT NO. 2915

(Purpose: To express the sense of the Senate regarding consideration of a constitutional amendment to limit congressional terms)

Mr. ASHCROFT. Mr. President, I send to the desk a second amendment regarding a constitutional amendment to limit congressional terms.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Missouri [Mr. ASHCROFT] proposes an amendment numbered 2916 to amendment No. 2915.

Mr. ASHCROFT. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike all after the word "SEC. ." and insert the following:

SENSE OF THE SENATE REGARDING CONSIDERATION OF A CONSTITUTIONAL AMENDMENT TO LIMIT CONGRESSIONAL TERMS.

It is the Sense of the Senate that the United States Senate should pass, prior to the end of the First Session of the 104th Congress, a constitutional amendment limiting the number of terms Members of Congress can serve.

Mr. ASHCROFT. Thank you for this opportunity. I yield the floor.

Mr. DORGAN. Mr. President, I came forward to speak on something else, but I am curious and interested on the term-limit issue. The question being proposed: Should there be term limits? There are term limits in this country. The term limits are 6 years for a U.S. Senator and 2 years for a Member of the U.S. House of Representatives.

Should someone be elected to the House who becomes, from their experience, a slothful, indolent oaf of some sort, voters very quickly in 2 years in the House and 6 years in the Senate can send them into complete and immediate retirement.

There are term limits. I think the question the Senator is proposing is what kind of term limits should exist.

I respectfully say I do not spend a lot of time speaking about this subject, but the retirement of SAM NUNN in the Senate this week ought to remind all of us of something important once again. It is important to remember that you can put a half dozen new people in a basket in this Chamber who have been around 6 months, 9 months, or a year—that would include myself when I came—and you would not have the experience SAM NUNN gained during the final 12 of his 24 years in the U.S. Senate in dealing with international and defense issues.

That is a debate we will have at some later point. I think it does not favor this country to suggest somehow that we should have prohibited this country from the service given by Calhoun, Clay, Webster, and, yes, Goldwater and Humphrey and DOLE and others. These are people who spent a lot of time serving the public interests, amassing a great deal of experience and served this country well.

I do not spend a minute worrying or thinking about term limits. That is up to the American people. If they choose to change the Constitution to limit their choice in a different way, they have every right to do that, and will do that if that is their pleasure.

KEEP BLOCK GRANT MONEY AT HOME

Mr. DORGAN. Mr. President, I came to the floor to speak about another subject. I was here when Senator BOXER from California spoke on Medicare and Medicaid, and I shall not do that except to say this: I am intending at some point to gather together the legislation that we are block granting back to all the Governors in the States. We are doing this under the presumption that somehow the Governors are able to discern better how to spend all this money—Medicaid, a whole range of areas, tens of billions of dollars that will be sent back to the States through block grants.

They will send back less money but block grant it with fewer strings. The presumption is that the money will go from the taxpayers to the Federal Government; we send it to the Governors, saying, "go ahead and spend it."

My theory is, why put miles on all this money? Why send a tax dollar from Bismarck, ND, to Washington, DC, only to send it back to the Governor of North Dakota? Why do you want to send it from California to Washington to send it back to the Governor? Why not keep it at home? Want to block grant? Why collect it and have it run through Washington? That is like passing an ice cube around. Why lose money? Why not say to the Governors, "Look, if you want to do this, God love you, God please you, you do it. You raise the money. You tax the folks in your State, and you spend it."

I tell you, that is the best way to have lack of accountability of Federal funds quickly. That is, for the Federal Government to tax the citizens, get the money and give it to another level of government someplace else and say, "By the way, here is the pot of money. We tied it with a bow. No strings attached. You go ahead and spend it as you wish." Do you want to have horror stories, in 3 years, 5 years, 10 years, about how the taxpayers' money is spent? You just move free money around and have Governors spending money they did not raise.

I am going to offer some legislation here that says whatever it is you are block granting, let us take all of that and reduce the Federal taxes by that amount and say to the Governors: You do it. Raise your own money and spend your own money. It is a far more effective and far more efficient way to do business. That is for another day. But I intend to do that because I do not believe that block grants of the type we are talking about serve the taxpayers' interests. Let them do it at home. Let them raise the money at home and let them also decide how to spend the money at home.

Mr. President, I understand another Senator wishes to speak on the legislation that is on the floor. Because of that, so Senator KASSEBAUM has the opportunity, I would like to take just about 5 or 8 minutes, and I will not extend beyond that, so I can finish. I was intending to speak longer, but I will shorten it so the Senator has an opportunity to speak on the bill.

Will that be acceptable to the Senator from Kansas?

Mrs. KASSEBAUM. Mr. President, that is fine. I will be happy to wait.

THE TRADE DEFICIT

Mr. DORGAN. Mr. President, actually I was here before the Senator from Ohio rose, but I was waiting to speak on the issue of the President of Mexico visiting Washington, DC, and the news reports about that. I want to talk just a bit about it, because here is what is happening.

President Zedillo, of Mexico, visits Washington, DC. There is a state dinner at the White House for the President. I am sure the President of Mexico is a wonderful person. He and President Clinton are talking about trade between our two countries; they are dining together and talking about our mutual interests.

Then we have press stories. This is yesterday's press story. It says, Mexico, in fact, has made a $700 million payment toward the $12.5 billion debt that it owes this country from the loans we gave Mexico. In fact, they made the $700 million payment early, and is that not a wonderful thing, that Mexico paid early?

That is a nice thing. I am pleased about that. But I would like to ask a question of both President Clinton and the President of Mexico. And I will ask a question, because President Clinton and senior trade officials in the administration say that NAFTA, the trade agreement with Mexico, "has created 340,000 jobs in the United States." This says, "The senior U.S. official, who asked not to be identified, said NAFTA, the trade agreement with Mexico, has created 340,000 jobs in the United States."

I can understand why this person did not want to be identified. I can understand why somebody who puts out this kind of nonsense does not want to be identified. But let me remind those who have dinner together and talk about the United States-Mexico relationship, that the year before we had a free trade agreement with Mexico we had nearly a $2 billion trade surplus. In fact, the year before that it was a nearly $6 billion trade surplus with Mexico. When we had NAFTA up for consideration here in the U.S. Senate, the surplus was nearly $2 billion.

Guess what? This year that nearly $2 billion surplus with Mexico is going to go to a $15 billion—some estimates say $18 billion—trade deficit. We pass NAFTA with Mexico, we have a $2 billion trade surplus, and 2 years later we have a $15 to $18 billion trade deficit with Mexico. Then we are told this creates jobs. Are people drinking from the wrong jug someplace? You create jobs when you have an $18 billion deficit? Of course you do not create jobs. You lose jobs.

Here is what we lost. The promise by these economists who flail their arms around was that we would have 220,000 new jobs if we just pass NAFTA—exactly the opposite has happened. We have lost about 220,000 jobs as a result of that trade agreement. So, I say to President Clinton and President Zedillo and others, that when we talk about these trade relationships, let us get the facts straight.

Why does it matter? It matters because this relates to jobs, opportunity, and growth in our country. It is not just Mexico. It is Japan. It is China. It is a whole series of problems we have in trade. We have a $65 billion trade deficit with Japan. It is an outrage. American jobs are moving overseas wholesale. American corporations, as all of us know, have decided we are going to allow our marketplace to be a sponge for Japanese goods and Chinese goods and, yes, Mexican goods.

When these American companies produce to sell elsewhere, they decide to produce in Sri Lanka and Bangladesh and China and Indonesia. Why? Because you can hire cheap labor in those places. So an American company shuts down an American plant, moves the jobs overseas, produces something for pennies an hour—often hiring kids to do it—and then ships the product back to Pittsburgh or Fargo or Denver, and says, "Isn't this wonderful? Our profits are up."

Yes, your profits are up—and our jobs are gone. Then we measure all this. The Nation's leaders measure all this with a thing called gross domestic product, GDP.

It has been a big year for GDP, I tell all these economists. Do you know why its been a big year for GDP? Because we have had all these hurricanes. Do you know, when you have hurricanes, the GDP increases? I bet nobody knows that. Only those folks in the Federal Reserve Board, with thick glasses, who live in concrete bunkers and count all the beans know that. They know you count economic growth by hurricanes. Hurricane Andrew—remember the one that leveled Florida—guess what? All the economists counted that as one-half of 1 percent of economic growth for our country in that year.

Why? Because these economists do not count the damage. They just count the repair. Car accidents are progress; heart attacks, a big deal, at least for economists who count the gross domestic product.

My point is this. Take a look at our economic strategy for trade, and how it relates to jobs leaving America. Take a look at our economic strategy, how we measure economic progress, how we measure growth with the GDP that does not care whether people are better off, a GDP that does not care whether America's standard of living has increased, and then you understand—you have to understand—that we need to change gears in this country.

We need to change the way we think. We need to care about whether an economic strategy works for real people. We need fundamental change in the way we piece together an economic strategy that creates jobs, expanded economic opportunity and growth.

Frankly, our trade strategy is wrong. It is bankrupting this country. Our economic strategy measures the wrong things, and we are not even discussing the right topics. How many people in this Chamber, at a time when this country has the largest trade deficit in the history of civilization—I repeat, the largest in history—how many people have come to the floor of the Senate in the last 6 months to talk about the trade deficit?

The trade deficit is bigger than the fiscal policy budget deficit. There are not three people, four people who come to the floor to talk about it. Those who do are called xenophobic isolationist stooges because either you are a free-trader or one of the nuts who does not understand.

If this country needs to turn its attention to what is fair trade and how we recapture economic opportunity, good jobs that pay decent incomes here at home, responsibility and accountability for corporations. Corporations are the artificial people in our society. What is the responsibility of corporations who access our marketplace but move jobs elsewhere? What is their responsibility in any sense of economic nationalism, to care about what happens to our country?

I promised I would be brief, but I will come later and have printed in the RECORD the first 6 months' trade information in our country that shows the largest merchandise trade deficit in the history of this country. Yes, with Mexico, just as an example, it is in electrical equipment and machinery. It is in vehicles, automobiles. It is in optical, photographic, cinematography, measuring, and so on. It is in high-tech goods. It is exactly the opposite of what we were promised. It is the opposite of what we were told was going to happen with Mexico.

They said Mexico is going to produce the low-skilled goods and ship that in. That is not what happened. That is not where the deficit is. The deficit is in precisely the kind of goods that are produced through well-paying jobs. They were in this country but have since left because we have created a strategy that says, "It is all right, you just take your jobs and go elsewhere. It is just fine with us."

It is not fine with me. We need to care something about this country's marketplace and working people and its standard of living. Our present economic strategy does not do that. With all due respect to this President, whom I support, in my judgment—and he has done some work on trade—the fact is, our trade strategy is wrong. They are wrong about NAFTA and they are wrong about the consequences with Mexico.

With all due respect to a lot of folks on the other side of the aisle who have never seen a free-trade agreement they did not love to death and want to pass quickly, and with all due respect to those folks who are going to try to drag out something called fast track and put it on the floor of the Senate and the House in the reconciliation bill—you are dead wrong.

You do this country a disservice when you take something that is fundamentally undemocratic and use it as a vehicle to try to pole vault trade agreements through this kind of a Chamber. These are trade agreements that, in my judgment, erode this country's economic base.

I will come back at another time and speak at some greater length about what is the remedy for all this. However, I hope one day, one way or another, enough of us will become a critical mass to say these things matter. We need to say that these things are hurting our country, and are issues we must deal with aggressively to put America back on track.

Mr. President, I yield the floor.

Mrs. KASSEBAUM. Mr. President, I appreciate the Senator from North Dakota limiting his remarks. It is a subject, and an important subject that he cares a great deal about.

CUBAN LIBERTY AND DEMOCRATIC SOLIDARITY [LIBERTAD] ACT OF 1995

The Senate continued with the consideration of the bill.

Mrs. KASSEBAUM. Mr. President, I would like to speak on the subject of the legislation before us at this time, which is the Cuban Liberty and Democratic Solidarity Act, and to say that all of us on both sides of the aisle share I believe the same objective—to craft a United States policy toward Cuba that will most effectively encourage a democratic transition in that last stronghold of authoritarian rule in our hemisphere. The question before us today is whether this legislation is the best means of advancing that goal.

If I may speak for just a moment about some of the concerns that I have, in the past, I have argued for a policy of strengthened engagement with the Cuban people. I believe we should take steps to encourage the free exchange of ideas within Cuba and increase news coverage of the island, to support dissident organizations and humanitarian groups in Cuba, and to help lay the groundwork for support of a post Castro government.

These objectives are widely shared. Some of the initiatives announced last week by President Clinton would move us in that direction. Similarly, chapters I and II of the legislation before us take a similar approach.

I want to commend the chairman of the Foreign Relations Committee, Senator HELMS, the majority leader, Senator DOLE, and other colleagues on both sides of the aisle—this is not a partisan issue on this legislation—for their hard work on these sections of the bill.

But to my mind, Mr. President, this legislation still raises very difficult issues, primarily in chapter III of the act before us. That section establishes a cause of action in United States Federal courts against any person or organization, foreign or domestic, who acquires property in Cuba against which a United States national has an expropriation claim.

In part, this approach is designed to help United States nationals to recover damages for the expropriation of their property in Cuba, and that is certainly understandable. Since they cannot recover from the Castro regime, this legislation would let them go after deep-pocket companies that have acquired property that Castro expropriated.

At the same time, this approach has, in my judgment, a broader foreign-policy consequence—to discourage foreign investment in Cuba. It seeks to do so by discouraging companies from acquiring certain expropriated property because of the uncertainty of what litigation may be involved. It is interesting that this legislation would allow any United States citizen who meets its criteria to seek relief through our Federal courts—even if the person is recently naturalized and was a Cuban citizen at the time the Cuban Government expropriated his property or her property.

I believe many questions about this approach remain unanswered, and perhaps they can be answered. But I want to raise them now with issues that are troubling to me, and I have been very appreciative of Senator HELMS and Senator HELMS' staff who have offered to try to help me understand the questions that I have.

What precedent are we setting for use of our Federal courts? I am not convinced that Congress would be wise to decide that our Federal courts should be used as a tool to advance our foreign policy interests. If we use courts to advance our policy objectives in Cuba today, will we be tempted tomorrow to use the courts to advance our interests in China? In Eastern Europe? In Africa? And what if policy objectives that are current today change tomorrow, as they often do in the fluid field of diplomacy and international politics? Will we then change the cause of action we have established in our legal system? What effect will that have on the certainty of the law and the distinction between law and diplomacy?

What will be the practical effect on our court system? Estimates of the number of lawsuits that would be filed under this legislation vary widely, from less than a dozen to tens of thousands.

It is protective, not retrospective. And I understand that. But it could go from less than a dozen to perhaps thousands of cases.

We really do not know. At a time when our courts already are overburdened, it seems to me we should conduct a thorough and thoughtful assessment of what would be required if this legislation were to become law.

Will this approach make us, rather than Castro, the focus of the international Cuban debate? In this bill, we are considering extending the reach of our courts for political purposes, and many of our friends—countries that have businesses that could find themselves hauled into U.S. court under this legislation—have serious concerns about this approach. At a time when we want to marshall our friends to our side in opposition to the Castro regime, we may discover that we have instead driven a wedge between us.

Will this approach spawn a backlash against our companies abroad? Many U.S. companies worry that if we choose to use U.S. courts as a channel to pressure foreign companies to advance political objectives, other countries will do the same. We may well find our companies operating abroad dragged into foreign courts as part of broader policy disputes that do not even involve the United States. I believe we should think very carefully about the precedent we may be setting.

Mr. President, I commend the majority leader and the chairman of the Foreign Relations Committee for their leadership in bringing this important debate before the Senate. But I do think there are serious questions that relate both to our foreign policy and to our judicial system about which we must think very carefully. I know these matters have been discussed at length—certainly people on both sides have made strong arguments to me about their position. The Foreign Relations Committee did conduct a hearing on some of the issues related to this subject. But I am troubled that neither the Foreign Relations Committee nor the Judiciary Committee has given this complex legislation the careful review that it deserves, regarding the judicial structure as laid out in the legislation before us.

Perhaps I am too conservative in my approach to this matter. But it seems to me that we should be hesitant to take steps that may potentially politicize our courts, may put at risk our businesses abroad, and may detract from our efforts to marshal international support for ending the Castro regime, which is what we are all dedicated to addressing here in the U.S. Senate. The Senate should think and act very carefully before taking this precedent-setting step, in my judgment.

Mr. President, I yield the floor.

Mr. THOMPSON addressed the Chair.

The PRESIDING OFFICER. The Senator from Tennessee.

AMENDMENT NO. 2915

Mr. THOMPSON. Mr. President, there has been introduced by the Senator from Missouri, Senator ASHCROFT, a sense-of-the-Senate resolution regarding the consideration of a constitutional amendment to limit congressional terms. His amendment would take the position that it is the sense of the Senate that the Senate should pass prior to the end of the first session of the 104th Congress a constitutional amendment limiting the number of terms Members of Congress can serve.

I would like to address that sense-of-the-Senate resolution for a moment. In the first place, I want to commend Senator ASHCROFT once again. He is one of the leaders. We are original cosponsors of the constitutional amendment provision that came out of the Judiciary Committee with regard to term limits.

So he and I have joined hands together, along with so many of the others, especially some of the newer Members of Congress, to fight strongly for term limits. It has been very high on our agenda for some time.

I must respectfully disagree with him on this matter of tactics. It seems to me that we would be better served if we would wait until we are positioned to have a better chance of winning. It is just that simple. Good friends and good colleagues, even agreeing on the same issue, can disagree on tactics, and we do that. I would like to explain for a moment my reasoning.

I suppose we are making progress because for about 200 years, the Congress, the U.S. Senate, went without even getting a vote on term limits for a constitutional amendment. Now we are debating among ourselves as to when the best time for the vote is. So I really think that is progress.

Ten of the freshmen Members of the U.S. Senate, so many others who have been here for a longer period of time, decided early on in this session that it was going to be a top priority for us.

We came into the U.S. Congress with a little different view. We thought that service in the U.S. Congress should not necessarily be a career, but that it should be an interruption to a career. We thought it was good for people coming to Congress to have done other things, and that they would do some other things in their life later on. This was based on the proposition, not that newer faces were necessarily better than faces that had been around for a while, but that in the long run we would have a better chance of doing the things we are going to have to do in this Nation. Members would make the tough decisions, if we had more citizen legislators who came in being able to take risks, and not having their entire livelihood and their entire fate wrapped up in the next election.

Career politicians, in my opinion, are somewhat averse to taking risks. In order to provide the leadership, this country is going to need to get us over the hurdles we are now facing. Goodness knows we are right in the middle of taking those hurdles right now. We are going to have to have people who are not dependent on the last public opinion poll, but who seriously have talked to the people. And, after having talked with the people who sent them up here, they will have to decide they are going to do some things in different ways and exercise some leadership.

That is the thinking we have and are firmly committed to. So I introduced a bill in the Judiciary Committee for a constitutional amendment. Other people have introduced other bills. It is pretty clear now, after the Supreme Court decision, that term limits will have to be voted on as a constitutional amendment. That is a rather high hurdle, but we are committed to that. I believe we will ultimately succeed in that.

Senator ASHCROFT joined with me, and for the first time, really, I think in the history of the Senate we passed such a bill out of the Judiciary Committee and onto the floor of the Senate. So we feel pretty good about that.

But right now, as I say, we are in the position of taking different views as to where we go from here. I would feel much more comfortable, frankly, to take the floor of the Senate to debate the policy, and I cannot wait until we get into a situation where we can spend a few days debating that policy. There may be a few people in the Chamber who disagree with my position on this as we consider it.

But right now we are talking about tactics. We are in the middle right now, as everyone in this Nation who pays any attention at all knows, of some of the toughest budget negotiations probably in the history of this body. People are talking about train wrecks. People are asking, who is going to blink first? The Government is going to shut down; we are going to exceed the debt limitation. All kinds of terrible things are going to happen. And reporters are rushing from one end of Pennsylvania Avenue to the other end to get briefings almost hourly as to what the positions are going to be and who is going to relent and who is going to be willing to compromise and all of that.

This is important stuff because it is the very crux of the agenda of most of those of us who support term limits so avidly. Many of us who support term limits also came to town with the commitment to balance the budget for the first time in decades in this country, to keep from bankrupting the next generation which we are surely on the road to, committed to saving Medicare, committed to major reform in welfare, committed to tax cuts for the American people.

Those are the things on which the last election was run. Those are the things I think the American people are for. Reasonable people can disagree with all or part of that agenda, but that is the agenda, that is what is before us now.

So, finally, after winning these elections and coming to town and getting our feet under us and having the budget process work its will down to this point, we are in the middle of it. And it is a great day for the Senate because I think those of us who are for those measures will prevail.

But, regardless, they are on the table, they are being debated for the first time in a long time, and they are important to the future of this country. We have been talking about reforming welfare for years and years. We have not done anything. Everybody is for a balanced budget. This is the first time in decades we really have a chance to make the first downpayment toward that end.

These are important matters. My feeling is that in the midst of that, it would be better to wait until we have a better opportunity to focus on the issue of term limits. I think too often we get spread too thin on so many of these issues. Some might say we are doing it for these last few days, maybe the next few days, because we all know what the real battles are going to be about here in the next couple weeks and they have nothing to do with what is being debated here today.

So the question becomes, would it be better to rush to a vote now in the midst of all this and take a few hours and have a vote on term limits? And those of us who are for term limits would get as much time as we could and come in and make an argument and have a quick vote and we would lose, and then we would go on about our business, which is the primary business of this country right now. Or whether it would be better to wait until the first of the year when we will have more time, we will be able to generate more attention and give these groups and these citizens out in this country who are so interested in this issue an opportunity to do their work and focus their attention on these congressional districts and these States that are vitally important.

I think the answer is the latter. Reasonable people can disagree. Some people can say, well, we ought to make folks vote on it now; we know we are going to lose; make folks vote on it so we can go to their States later on and say they voted against it and put the pressure on them to change their votes. Others say let us wait because if a person is not likely for the issue, it might be better for the person to vote with us later on.

Reasonable people can disagree. I think it is the latter. I do not mind fighting a good cause and going down in flames if that is the way it has to be. But I prefer to fight a good cause and win. And if we will not shoot ourselves in the foot, as so many of us who have been pushing so strongly the last few months have the tendency to do in both Houses of Congress, we can ultimately have a victory in this area.

On October 3, I wrote a letter to the majority leader, Senator DOLE, briefly outlining this position and my feeling that it would be better to put the vote off until we could focus on it because we would have a better chance of winning. I was not alone. There were 10 freshman Senators. We did not solicit the signatures of anyone except in the freshman class, and not all were present when we passed the letter, as a matter of fact, but 10 of us signed the letter to the majority leader for this purpose. We may be right; we may be wrong tactically, but those who share our opinion that it would be better to wait until the first of the year include Americans Back in Charge, which is an avid pro term limits organization and doing a lot of good work, the Christian Coalition, the American Conservative Union, the Seniors Coalition, the Council for Government Reform, and Citizens Against Government Waste.

Now, all of those groups which constitute the term limits coalition share our view, or we, the 10 freshman Members, and I would daresay others who are pro term limits in this body, share their view that it would be better to wait, instead of rushing to judgment on this thing, until we have an opportunity to have a real battle, a real debate, and enough time to generate the support necessary to get the job done.

Unfortunately, now the issue has gotten into Presidential politics. As the majority leader knows, I have endorsed someone else in the Presidential race, but I must say this. It is unfair and unfortunate that the majority leader is being attacked as in some way being weak on term limits or deciding unilaterally that he does not want to have a vote on it.

The majority leader committed early on to having a vote on this matter, and we went to him and asked him, based on our understanding of what would be the best tactics and our understanding of what would be the best strategy, to wait until we had a chance to have a real shot at victory.

And the majority leader acceded to that. And we appreciate that. I am not running for President. I am trying to get term limits passed. I do not have any dogs in that particular fight in that regard. I am interested in the best approach to pass term limits. This is what I think ultimately will be the best strategy to get term limits passed.

They can fight about the rest of it among themselves. But I think we ought to be fair and make sure we are not leaving the wrong impression with regard to who is doing what and what the motivations are and accusing people of dragging their feet on term limits when just the contrary is true. Therefore I respectfully oppose the sense-of-the-Senate resolution.

Thank you.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER (Mr. COVERDELL). The Chair recognizes the majority leader.

Mr. DOLE. Mr. President, I know there is some difference of opinion apparently on this side, maybe on the other side too, on when we will have a vote on term limits. I am just trying to accommodate what I thought was a consensus. Apparently it was not a consensus.

Now what I want to do is get consent to have a cloture vote tonight at 8:30. We will have a vote on the sense-of-the-Senate resolution, I assume, as soon as something comes up that we can offer the sense-of-the-Senate resolution. But whether or not we are going to have a vote on term limits this year depends whether it passes or not.

I am sorry that the freshmen I thought were all in agreement are not now in agreement. But in any event, what we need to resolve is that we have a cloture vote tonight at 8:30 on the pending business, which is the Cuban Freedom of Democracy Act. As I understand it there is no objection unless the Senator from Missouri objects. We have got a number of people who want to leave. I think 10 Senators are leaving on a task force that I suggested to go to Bosnia. And we have got five Senators coming back at about 8:30. And it is a very important cloture vote. I do not think we will get cloture the first time around.

We think it is a very important vote. We would like to get consent to do that. I can assure the Senator from Missouri he will have an opportunity to vote. But the Democrats cannot agree if we can have the vote prior to the cloture vote on Tuesday. I will not make a Federal case out of that. The Senator can get his vote almost any time.

Mr. ASHCROFT. Reserving the right to object, I suggest the absence of a quorum for a time of discussion.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. KYL. Mr. President, I ask unanimous consent that further proceedings under the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KYL. Mr. President, I know that the Senator from West Virginia wishes to speak. I am just going to take a moment to agree with the comments from the Senator from Tennessee a moment ago expressed about having the vote on the term limits resolution. Most of us who support term limits want to have that vote at a time when we have the best opportunity to win it. And the reason that we sent a letter to the majority leader asking him to hold the vote until sometime in the future when we thought we had that support or might have that support was precisely because we wanted to have the vote scheduled when we thought we could win it.

There will be more time for the supporters to mobilize support in the interim period of time. And I just wanted to express my appreciation to the majority leader for acceding to the wishes of the majority of those of us who would prefer to have the vote later.

I also want to say however there has not been any greater advocate from term limits than the Senator from Missouri, Senator ASHCROFT, and that if he wishes to have a vote on the sense-of-the-Senate resolution, I naturally would support that. But I just wanted to make it very clear that the only reason that the majority leader would defer the vote on the term-limits proposal itself is because those of us who support it have requested that he do so. I appreciate the willingness of the majority leader to accommodate us in that regard.

I appreciate, Mr. President, the opportunity to speak here for this moment. I would suggest the absence of a quorum.

Mr. ROCKEFELLER addressed the Chair.

The PRESIDING OFFICER. Will the Senator from Arizona withhold?

Mr. KYL. Yes.

The PRESIDING OFFICER. The Chair recognizes the Senator from West Virginia.

FORGETTING THE DISABLED

Mr. ROCKEFELLER. Mr. President, I have just been made aware of something which I think is unprecedented as far as I can remember, in which case and in any event is very shocking. I want my colleagues to be aware of it, that an attempt is now in the process, or may have already been made and accomplished by the Republican leadership, to drop language from an amendment that was passed overwhelmingly in the Senate Finance Committee in its formal and official public markup. I am not sure if this is a violation of Senate rules or of Senate Finance Committee rules but it is a violation of any kind of reasonable practice.

Let me say this again because it is just to me an unbelievable situation. I said that correctly. As I speak, Republican leadership staff is telling reporters—is telling reporters—that language that was voted on, voted on and passed by the vote of 17 to 3, a recorded vote, is going to be dropped.

Now, there is no doubt about what happened. For one, I was among the committee that was there. Second, I am a coauthor of the amendment that was involved. And there is also a transcript of the proceedings of the Senate Finance Committee markup. And there was a rollcall vote. Seventeen Republicans and Democrats voted for the

Chafee-Rockefeller amendment in committee.

Now, this amendment stemmed out of the whole question of what are we going to do with pregnant women, and children and the disabled with respect to turning over all of Medicaid to the States. And there were those of us who felt that pregnant women and children and the disabled ought to be—that guarantee ought to continue because that is so fundamental in American life. So poor children, pregnant women and the disabled, that is what the members of the Finance Committee voted for.

Now, again, some say that this is going to be dropped. No new debate. No new hearing. No new vote. Unprecedented. Just a closed door. A dealing with a closed door. And the disabled get dropped.

Now, I do not know where I am. Is this the U.S. Senate or is this the twilight zone? We are looking through a looking glass of some sort. When votes do not count and history is not history and what was done was not actually done, this is more than a wonderland, it is positively Orwellian.

I do not know whether I participated, therefore, in some kind of a show markup. Was this just a game we were playing? It was a formal session, called to session by Chairman ROTH. It lasted for 3 days. This occurred, I believe, on the last day. But you go to a show markup and then the real results are done later.

Now, there were some deals that were cut behind doors over on the House side the other day, yesterday, which we were informed about last night, some of us, which were pretty shocking. But this is the Senate. And the committee process, which I respect, which I am a part of, is made a sham. And forget the rules, forget the procedures, forget the record.

Now, I am just going to go to two things and I will be finished on it. This was an amendment offered by Senator CHAFEE and myself.

Let me just read the purpose. "To guarantee health care coverage"—this is what was handed out to each Senate Finance Committee member before the discussion of the vote—"To guarantee health care coverage to low-income pregnant women and children"—that happens to be children through the age of 12—"and to individuals with disabilities," verbal emphasis I add.

The words are already there in the description. "At the appropriate place, insert language," et cetera, "coverage for pregnant women and children aged 12 and under, living in families below 100 percent of the Federal poverty level and to individuals with disabilities," verbal emphasis I supply.

The record itself in this discussion, one Senator is saying, "What it would do would be to guarantee health care coverage to low-income pregnant women and children and individuals with disabilities," in explaining the amendment before the Finance Committee members before the vote.

And then shortly thereafter, the same Senator says, "That language be inserted which guarantees coverage"—this is in the debate now—"to pregnant women and children, age 12 and under, living in families below 100 percent of the poverty level and individuals with disabilities."

Very clear to members of the Finance Committee.

Then on the next page, the same Senator indicating, "So we make a little improvement over the current thing, plus individuals with disabilities."

Then later on in the debate, and there was some debate over this, the same Senator: "And I also would point out to everyone here that we are dealing with the disabled as well."

This was the statement that was made immediately prior to the vote. "We are dealing with the low-income pregnant women and children and the disabled, as I mentioned before. So I would like to have a vote," the Senator said.

Another Senator said, "Mr. Chairman, all time has expired on both sides."

The chairman said, "We are trying to proceed. I congratulate the distinguished Senator," et cetera, et cetera, the clerk will call the roll.

The clerk: "Mr. DOLE."

The chairman: "Aye by proxy," and he was represented.

"Mr. Packwood."

No by proxy.

"Mr. CHAFEE."

Aye by proxy.

"Mr. GRASSLEY," and so on it went.

So here we have the amendment, here we have the committee transcript of the hearing itself and now, if the disabled are dropped after they were included in the amendment, voted for in the amendment and the amendment was approved by 17 of the 20 members of the Finance Committee, then how can anybody ever trust anything that goes on in this body? How can anybody trust anything that goes on in the Finance Committee? How can anybody trust anything that goes on as between the two parties within this Chamber?

It is an outrageous situation, Mr. President. It is one which is grossly unfair. It is manipulative of due process, of proper voting and, in fact, of consensus on the Finance Committee.

There are a lot of disabled folks out there. For them to get dropped in some kind of a back-room deal before this bill comes to the Senate, I want to put my colleagues on notice, it is going to be a very interesting discussion.

I thank the Chair, and I yield the floor.

Mr. DODD. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DASCHLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CUBAN LIBERTY AND DEMOCRATIC SOLIDARITY [LIBERTAD] ACT OF 1995

The Senate continued with the consideration of the bill.

UNANIMOUS-CONSENT AGREEMENTS

Mr. DASCHLE. Mr. President, I ask unanimous consent that a cloture vote occur tonight at 8:30 p.m. and that the mandatory quorum under rule XXII be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DASCHLE. Mr. President, I further ask unanimous consent that the second cloture vote, if necessary, occur on Tuesday, October 17, 1995, at a time to be determined by the two leaders, and that the mandatory quorum under rule XXII be waived.

The PRESIDING OFFICER. Is there objection?

Mr. ASHCROFT. Reserving the right to object, and I will not object. I would just like to say I had hoped to get a vote on my amendment, which is the pending business on the Cuba resolution, and I will do whatever I can, wherever I can, to get that amendment an opportunity for a vote, but I do not want to stand in the way of this important resolution. So I will not object at this time to this unanimous-consent request, but will be seeking to get a vote on it in the event that the cloture vote fails, or, in the event that the cloture vote succeeds, I will amend the next business or near next business of the Senate in order to get that vote. I do not object.

The PRESIDING OFFICER. Is there any other objection? Without objection, it is so ordered.

Mr. DASCHLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LEAHY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEAHY. Mr. President, I have listened to some of the debate on the Cuba resolution and, in a way, I almost think I am watching the U.S. Senate scripted by Monty Python. You would think that we have these two huge megacountries at war with each other, trying to see which one can get some kind of an advantage over the other. But the situation as it is involves the most powerful nation in history and an impoverished little island. I do not hold any brief for Mr. Castro and his brand of communism, nor do I hold any brief for the mistakes he has made in his country that have caused suffering among his own people.

But when you hear in this debate suggestions that somehow United States security is at risk if we do not continue to punish Mr. Castro and the people of Cuba, that is ridiculous, Mr. President. It is a bit like the argument we heard about a decade ago that if the Soviet Union were able to have their supporters in Nicaragua, the next thing you know, they would be marching on Galveston, TX. It ignores the reality of the situation and ignores the fact that if they were foolish enough to do that, they would not get very far. The Texas National Guard is stronger than any Central American military force.

Here we have a situation where some are saying we should not even give Fidel Castro a visa to go to the United Nations, as if the United States would turn its back on its own treaty and legal obligations in that regard. Maybe at some point we should acknowledge the reality. The reality is that you have an aging Communist leader, whom time and history and economic realities have left behind, who must realize that himself, and who will not live forever—as none of us do—but a man who poses no threat to the United States ideologically, militarily, economically, or in any other way. But you have an awful lot of people on that little island who do not have medical needs met, nutritional needs met, and so many of their economic needs certainly are not met.

We have the rest of the world looking at the United States and saying, "What are they afraid of?" Our neighbor to the north, Canada, a country with whom we share the longest unguarded frontier in the world, has regular relations with Cuba. I can drive an hour from my home in Vermont to the airport in Montreal and get on a plane to Cuba. They are not threatened by it. But here, in the most powerful nation on Earth, I cannot do that. I would have to have all kinds of special exemptions made and State Department authorization, and on and on and on. You know, at some point, somebody is going to say that we are afraid of our own shadow. I do not think we are. We are too good and too powerful a nation for that.

Let us pay attention to the real foreign policy concerns of our country. Let us ask ourselves, should we not be spending far more time in reasserting the leadership we have not given NATO over the past 3, 4, or 5 years? Let us ask whether we should be doing more to support the emerging democracies of the world. Let us ask what we are doing to expand our markets abroad like the Japanese, Europeans, and others do, at a time when we have huge balance-of-payment deficits, which started about 8 years ago. Let us not continue this absurd obsession with the aging leader of a tiny little island that poses no threat to the United States.

It demeans what we stand for, and it impedes the development of closer relations between our two countries. It is by strengthening those ties, by enabling Americans to travel freely to Cuba and Cubans to come here, that we will eventually see democracy in Cuba, not by continuing to isolate Cuba as if the cold war had never ended and the Soviet Union were still trying to put its missiles there. The times have changed, and it is time we changed with the times.

BIPARTISAN BUDGET SUMMIT NEEDED NOW

Mr. LEAHY. Mr. President, this morning's headline reports that budget negotiations between the President and the Republican congressional leaders have broken down. Instead of working together, the leaders are slinging partisan arrows of blame at each other in today's papers. I think, because of that, it is all the more reason to have a bipartisan summit on the budget.

In fact, this is the third time in the last 2 months and the fourth time this year that I have called for a summit meeting between congressional leaders and the President to resolve their budget differences.

In my earlier speeches, my main concern has been to avoid the costly and unnecessary Government shutdown that some have predicted in the beginning of the fiscal year last week. Fortunately, the President and the Congress have avoided this disaster. We agreed to a continuing resolution that funds the Government for the next 6 weeks. I applaud the bipartisan cooperation displayed to reach this continuing resolution.

But I fear that the President and the Republican congressional leadership are now playing a more serious game of chicken—a high-stakes game over raising the debt limit.

The Government is fast approaching the $4.9 trillion ceiling of Federal borrowing imposed by Congress in 1993. For the Government to keep paying its bills, Congress has to increase the debt limit. I think the deadline is about a month away on November 15, when the Government needs to borrow to meet $25 billion in interest payments, payments due thousands of individuals, businesses, financial institutions, and pension funds that own Treasury securities.

The Republican leaders are now threatening to use the debt limit as a club to beat the President into submission over the budget. Already, 165 Republican Members of the House of Representatives have pledged to refuse to vote for raising the debt limit, unless the President agrees to what they say should be the budget. In 21 years here, I have not seen an action so irresponsible by either Democrats or Republicans. The Speaker of the House, NEWT GINGRICH, is not helping by going along with the ultimatum and saying, "I am with them. I do not intend to schedule the debt limit if they are not met." It sounds almost like a child in a sandbox throwing a tantrum, instead of somebody who leads a great institution and is a leader of a great national political party.

The Speaker says he will use this hard-line approach no matter what, declaring, "I do not care what the price is." Treasury Secretary Rubin responded that the President will not be blackmailed by the use of the debt limit as a negotiating level.

Well, I am one Vermonter who feels that issuing ultimatums is dumb and counterproductive. Raising the debt limit should not be a partisan issue. It is just too important.

Federal Reserve Chairman Alan Greenspan got it right when he said:

> The issue of default should not be on the table. To default for the first time in the history of this Nation is not something anyone should take in a tranquil manner.

In fact, such a default would have serious consequences, indeed.

The nonpartisan Congressional Budget Office, reflecting some of the feelings as Republican Chairman of the Federal Reserve Board recently warned:

> Defaulting on payments have much graver economic consequences than failing to enact discretionary appropriations by the start of the fiscal year * * * even a temporary default—that is, a few days' delay in the Government's ability to meet its obligations—could have serious repercussions in the financial markets. Those repercussions include a permanent increase in Federal borrowing costs * * *.

It is foolish to risk increasing our Federal borrowing costs through a default.

Unfortunately, the United States carries close to a $4.9 trillion debt burden and over 16 percent of our annual budget goes to interest payments on the Federal debt.

Interestingly enough, some of the same people who say that we will not honor this debt today are some of the same Members of Congress who strongly supported the President of their own party who, during the 1980's, tripled the national debt.

One analyst estimated that if the Government's interest rate had been just a 0.01 percentage point higher than the last year, the Government's annual borrowing costs would have increased by $211 million. Those same people say they want a balanced budget are willing to throw away a chance to balance the budget by permanently jacking up the Government's interest costs.

That repercussion of default goes a lot further than just the Government's borrowing costs. It may make some nice political points back home to say, "We do not care; we will just shut down the Government, that mean, nasty old government. We do not need it anyway."

Well, they ought to also tell some of their constituents, if they are a homeowner looking for a mortgage, their mortgage rates will go up. If they are consumers shopping for a new car, the costs of that new car will go up. If they are a small business that wanted to expand, wanted to increase their inventory, wanted to increase their equipment, they will pay more for the money to do that.

To crush the dreams of millions of Americans over this silly game of political poker is totally irresponsible. Some have even suggested that the Treasury Department play games with Government trust funds—including the Social Security trust fund, the Medicare trust fund—in order to postpone default. I believe that also is irresponsible.

Every day Treasury collects billions of dollars for these public trust funds for the payroll taxes. They invest the fund surpluses to pay beneficiaries later on. This year, the Social Security trust fund will run a surplus of $481 billion. The Medicare trust fund will run a surplus of $147 billion. Tapping into these funds allows the Treasury to avoid default, but cashing in the surpluses is morally and fiscally wrong.

We made a commitment to the American people to keep these funds in trust for future generations. Divesting the funds ignores the long-term investment needs to provide the baby-boom generation with Social Security and Medicare benefits in the years to come.

The Republican leadership and the President need to get together. The consequences of a Government default are just too serious to be held hostage by partisan politics. To protect our public trust funds, to keep the Government's and private sector's costs down, and maintain America's creditworthiness, we need a bipartisan budget summit now to avoid a debt limit crisis.

CELEBRATING THE "NEW" OLD NORTH END

Mr. LEAHY. Mr. President, Burlington Vermont's Old North End does not look like the kind of community most people, even most Vermonters, envision when they think of Vermont. It is one of the State's most economically depressed neighborhoods, in a city which is the closet thing to urban you will find in Vermont. But the character of Vermonters, is as evident in the Old North End as it is in every corner of Vermont.

One year ago the resident's of the Old North End requested designation as an enterprise community under President Clinton's new enterprise zone initiative. The State and city government, businesses, schools, nonprofit groups, and residents sat down together and came up with a plan to rebuild the Old North End.

I have never seen so many people, from such different backgrounds work so hard to fulfill their dream. That hard work paid off.

This weekend Vermont's only enterprise community celebrates the beginning of its revitalization and the launching of 70 strategies for renewal. I am honored to have been asked to participate in that celebration.

Today, the dream of a new Old North End is well on its way to becoming a reality. The foundations have already been built with the dedication and commitment of a great many people who have shown all of the best qualities Vermont has to offer. Congratulations are in order for every one of them. Let the celebration begin.

ON MEDICAID

Mr. LEAHY. Mr. President, far too often, in Washington, the human side of Federal programs are forgotten. This year's debate has been more concerned with the bottom line and tax cuts than how best to serve the people. In a recent column in the Burlington Free Press, Barbara Leitenberg put a face on what is at stake in the Medicaid debate. I ask unanimous consent that Ms. Leitenberg's article be printed in the RECORD for my Senate colleagues to read.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Burlington Free Press, Sept. 4, 1995]

SENIORS FEAR HOLES IN MEDICAID NET

(By Barbara Leitenberg)

"It's not a Contract with America; it's a contract with death," says Lyman Deavitt, 65, of Burlington, his blue eyes flashing in anger. "I'd like to meet Newt Gingrich one-on-one."

Deavitt is especially worried about congressional proposals to limit the growth of Medicaid, the ultimate safety net for health-care costs.

He suffers from insulin-dependent diabetes and resulting neuropathy in both legs, two hard-to-treat ancurysms, blood vessel and bowel blockages, cataracts, and infections in his one remaining kidney.

Because of surgery for cancer of the bladder, he must use a device that siphons his urine directly from his kidney to a pouch outside his body.

"I have no way to pay for these things," says Deavitt. "All I have is $704 a month from Social Security. You can understand why I get on a rampage about those jerks in Washington."

Medicaid is a federal/state program, started in 1965, which provides medical and long-term care for people with very low incomes. In Vermont, that means no more than $683 per month, $741 in Chittenden County. A single person must have no more than $2,000 in resources; a married couple, no more than $3,000.

More than 82,000 Vermonters participate in Medicaid: Almost 45,000 are under 18; 28,000 are 18–64; and 9,500 are 65 and older. Medicaid pays for physician and hospital care, and some home health and personal care. It is the payer of last resort for care in nursing homes. Medicaid also has special programs in which people who do not quite meet its strict income and resource eligibility rules can get benefits when they face extraordinary health-care bills.

In its Budget Resolution, passed in June, Congress proposes to cut $182 billion from Medicaid by the year 2002. This would be done by limiting the rate of increase from about 10 percent a year to just below 5 percent. Although Medicaid will still grow at this lower rate, programs will have to be cut because the lower rate does not account for general and medical care inflation and the growth in the eligible population.

Some 7,100 Vermonters would be cut from the Medicaid rolls between 1996 and 2002 if these changes are approved, says the national Long Term Care Campaign in its study, "Some Cuts Never Heal."

Lyman Deavitt was born in Fletcher, one of nine children: five boys and four girls. He attended a one-room schoolhouse and "just missed graduating from high school in Johnson." When he was a young man, his family moved to Essex Junction.

After a series of jobs at the Park Cafe and the old Oakledge Manor in Burlington and after five years working in Boston, he became credit manager at Flanders Lumber Co. in Essex Junction. He stayed there 15 years until his bout with cancer in 1981 and successive disabilities made him unable to work.

"I tried to go back to work at Flanders after my cancer surgery," says Deavitt, "but I could only manage about three hours a day, and they had to let me go. Then I had to spend all of my money on medical care. I was put on disability in 1984."

Deavitt's mother taught him to crochet after his cancer surgery, and he spends a great deal of his time making afghans. The latest one is going to be raffled off at the senior high-rise on St. Paul Street, with the proceeds going to the Burlington Visiting Nurse Association.

If his benefits from Medicaid are reduced, couldn't Deavitt get help from his family? He has a married daughter in Florida and a grown grandson. "There's no way my daughter can help," says Deavitt. "She's very ill. My parents and my brothers are dead. Two of my sisters have no money, like me. The other two are married, and I couldn't ask them. I'd rather be put out on the street. That's what's happening: The politicians are forcing people to live on the street.

"It's terrifying for me to hear all this talk about cuts in Medicaid," says Deavitt. "If they want to start cutting programs, they should leave the elderly out, the people with disabilities, the children. Why don't they stop the space program instead? To me, this is a bad setup."

A NATIONAL CAMPAIGN AGAINST LANDMINES

Mr. LEAHY. Mr. President, earlier today, Save the Children, the Women's Commission for Refugee Women and Children, and others joined together to launch a national campaign to ban the production, use, and transfer of anti-personnel landmines.

They spoke of a 2-week conference that has just ended—actually, more than a conference, a gathering of nations—in Vienna, Austria, to reach agreement on ways to stop the killing and maiming of civilians by these indiscriminate weapons.

At that conference in Vienna, officials from governments from around the world, including our own, made speeches about how terrible landmines are. Many of them spoke of the fact that there are 100 million unexploded landmines in over 60 countries, and every day, every 22 minutes, somebody—often a child—is killed or maimed by these landmines. That is 72 people every day of every week of the year. They went on to say how much they all wanted to get rid of them, but. They each had an exception or loophole so their landmines, or their manner of using them, would not be affected.

President Clinton gave a stirring speech at the United Nations last year, where he called for the eventual elimination of antipersonnel landmines. That was an historic milestone. But in Vienna last week, the United States lagged behind several countries, including several of our NATO allies. While Belgium outlawed landmines and Austria renounced their use and France announced that it would no longer produce them, the United States continued to resist these kinds of dramatic steps.

At least the U.S. Senate, a body that can and should be the conscience of the Nation, voted by a two-thirds majority to impose a 1-year moratorium on the use of antipersonnel landmines and to continue our moratorium on the export of landmines.

We here in the U.S. Senate took a leadership position that has been applauded around the world. Editorials around the world have said how far reaching we were. A number of countries have even gone farther.

Why did Belgium, a country that sends people for peacekeeping missions all the time, ban the use of antipersonnel landmines by its own forces? Because when Belgium sends peacekeepers, even after the fighting has stopped and the guns have been withdrawn, there is one killer that remains behind—the millions of antipersonnel landmines, each one waiting for a peacekeeper or a nurse or a missionary to step on a pile of leaves or some grass or a road or walk by a watering hole and suddenly lose their leg or their arm or their life. The same happens when a child picks up a shiny object thinking it is a toy and loses his or her hands or face or eyes or life. That happens every few minutes in the 60-odd countries that are infested with unexploded landmines.

Mr. President, much could be done if the United States had the courage to adopt as its official policy the moratorium passed by the U.S. Senate, Republicans and Democrats, some of the most conservative and some of the most liberal. It was a vote that spanned the political spectrum. I thank the distinguished Presiding Officer who voted for that.

It is no denigration of any of us that we have differences in political philosophy. We come from different parts of the country and different parties. But we approach this issue with the same humanitarian sense.

This is not a Republican issue or a Democratic issue. The distinguished Presiding Officer knows from his past experience in the past administration—he knows how volunteers from this country, carrying out the highest ideals of this country, volunteers in the Peace Corps, go to countries like Ethiopia, and Nicaragua, and perhaps even Bosnia someday. What is one of the biggest dangers they face? It is not malaria, it is not dysentery, although those diseases are there. It is that when they go into a village to help somebody plant a new variety of corn or wheat or help build an irrigation system or teach a group of children how to play baseball, they may not come back alive because of landmines, probably left there by people who were fighting years ago. But the landmines remain.

I hope our country will take more of a lead, that we will start catching up with some of our NATO allies and others who have experienced firsthand the devastation these insidious weapons cause.

I expect we are going to send troops to Bosnia, to fulfill our commitments to NATO. At a meeting of the bipartisan congressional leadership with the President and his Cabinet the other day I said, "If we do send Americans into Bosnia, into the former Yugoslavia, Mr. President, I hope you will do one thing. I hope you will tell the American people that this is not a risk-free operation. That even if there is a cease-fire, even if there is a cease-fire that holds, the men and women we send in there will face one very grave danger—from landmines. Some estimate over 1.5 million landmines are strewn in Bosnia alone." I learned today that there are another 2 million in Croatia.

We need to tell the American people that their sons and daughters may not be shot by one of the warring sides in the former Yugoslavia, but they may be injured or killed tragically by a landmine left behind. And it is quite possible we will not even know which side put it there.

These are the Saturday night specials of civil wars and guerrilla warfare.

So, I applaud those who came together today to renew a national debate on banning landmines. I thank my colleagues here in the Senate who joined to vote for a moratorium on their use. I commend the President for the position he has taken, as far as it has gone. I commend the Secretary of State, U.N. Ambassador Albright and others who have also, but I urge the administration to redouble its efforts. Only strong leadership, by the world's only superpower, will suffice.

Mr. President, I yield the floor and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LIEBERMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. GORTON). Without objection, it is so ordered.

CUBAN LIBERTY AND DEMOCRATIC SOLIDARITY [LIBERTAD] ACT OF 1995

The Senate continued with the consideration of the bill.

Mr. LIEBERMAN. Mr. President, I rise in support of the substitute Cuban Liberty and Democratic Solidarity Act of which I was privileged to be an original cosponsor, and intend, if I am not, to be a cosponsor of the substitute.

Mr. President, for decades we in America faced down Fidel Castro's threats to our security, and his efforts to spread communism in our hemisphere. The worldwide struggle against communism is over, and democracy and market economies have won. It may be too easy in that global context to simply take Castro and his continued power in Cuba as a curiosity—a harmless relic of a bygone age. But it is much more than that.

His continued governance of Cuba represents the continuation of dictatorship and denial of human rights to the people of Cuba. The valiant struggle of the Cuban people to liberate themselves from the yoke of Castro's Communist regime goes on. We in our turn owe it to them, and to our principles, to remain steadfast in support of their struggle. The Cuban Democracy Act of 1992, of which I was a cosponsor, established a policy, now carried out by the Clinton administration, which is to maintain pressure on the Castro regime for peaceful democratic and market reform.

Mr. President, it is pleasing to note that we are seeing progress as a result of that policy. Without Soviet aid, the Cuban economy continues to deteriorate. With freedom and democracy growing throughout the Western Hemisphere, Castro cannot long silence the voices of the Cuban people in an era marked by a growing wave of self-determination and democracy. The Cuban people will not long be stifled in their desire to realize for themselves the better life that millions and millions more people around the world have achieved within the last decade. So by any reasonable calculus, by any rational predictor of the course of history, the days of the Castro regime are numbered.

The question that the substitute before us poses is should we now relent and allow the Cuban economy to expand? Should we give Castro thereby a new lease on life? Should we leave the Cuban people to suffer longer under what remains as an oppressive regime? Or instead, should we increase our economic pressure on Cuba which is working? Should we renew our commitment to a peaceful transition to democracy and political and economic freedom?

That is the choice we now face. And my answer to the question is to choose the latter course; to increase the economic pressure, and to strongly renew our commitment to a peaceful transition for the Cuban people to economic opportunity and political freedom.

The Cuban Liberty and Democratic Solidarity Act builds on the Cuban Democracy Act of 1992. It is a continuation and a strengthening of a policy that is working. This bill extends the economic sanctions to keep economic pressure on the regime in Cuba. At the same time, it extends a message of hope to the Cuban people by establishing a basis for United States assistance to the democratic Cuba of the future.

Mr. President, the triumph of freedom over communism—the worldwide triumph of freedom over communism—cannot be considered complete while the people of Cuba, our neighbors, remain oppressed by a dictator on their island in our hemisphere.

So I urge my colleagues to vote for this substitute. Changes have been made which I think improve the measure from the original introduced, and which I hope will broaden the base of those in both parties who can support this proposal.

Tonight, if that is when the vote on cloture occurs, I intend to vote for cloture. And I urge my colleagues of both parties to do likewise.

I thank the Chair. I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BUMPERS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUMPERS. Mr. President, what is the parliamentary situation?

The PRESIDING OFFICER. The issue before the Senate is the second-degree amendment of the Senator from Missouri [Mr. ASHCROFT] to a first-degree amendment to the Cuba bill.

Mr. BUMPERS. Mr. President, I ask unanimous consent the amendment be temporarily laid aside that I be allowed up to 10 minutes to speak as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

NOBEL PRIZE WINNERS

Mr. BUMPERS. Mr. President, this is really a very gratifying time for me to speak on this subject because it goes back to the time of my first year in the Senate, 1975.

I was put on the space committee by the Democratic steering committee. I did not request to be put on that committee and I did not want to be on it. We did not have much of anything to do.

And so after I had been here for a few months, I went to the chairman of the committee, Ted Moss, who was the senior Senator from Utah at the time, and I said, "Ted, I don't mind telling you I'm bored around here. I have been Governor, and there is a lot of action in the Governor's office. There is none here for a freshman with no clout."

I said I had been reading a theory that has been publicized by two chemists at the University of California-Irvine, named Rowland and Molina. "They have this theory they say they have worked out in a lab that shows"—and at that time this was how simple the idea was to me—"that the hair sprays we use on our hair in the bathroom in the morning over a period of about 15 years waft their way into the stratosphere and they destroy a three-celled molecule called ozone, and that the ozone layer is what protects us from the ultraviolet rays of the Sun. It seems like an intriguing theory to me, very possibly true, and I would like to be able to chair just some ad hoc hearings and have people come in from around the country to testify for or against the Rowland and Molina theory."

Senator Moss said that was fine, I could do that, but I needed to get a Republican colleague to help me. So I recruited my good friend from New Mexico, Senator DOMENICI, who had not been here much longer than I had. I asked him: "Will you join me and we will hold hearings. We will get some atmospheric scientists from around the country to come in and testify." He said he would be glad to.

So we did. We held nine hearings. We had Dr. Elroy from Harvard, who was considered the premier atmospheric scientist in America. We had Dr. Robert Otten, who was the author of the greenhouse theory. And then finally we had Dr. Sherwood Rowland, who, along with Dr. Mario Molina, developed the theory of ozone depletion.

You can imagine how much publicity it got. Senators do not go to a hearing unless there are a lot of television cameras with their red lights on, and there were no television cameras interested in ozone depletion. So we were pretty lonely holding these hearings. And when it was over, I suggested that we offer a bill or an amendment in this Chamber at the earliest possible time to ban or to phase-out the production of what we call CFC's, chlorofluorocarbons, at the earliest possible time.

Senator DOMENICI did not think the hearings were conclusive enough to do that, and I could understand that because there were a lot of people in the country who were very reticent about accepting this theory.

Well, I heard that my colleague, Senator Packwood, who was on the Environment and Public Works Committee at the time, had an interest in it, so I went to see Senator Packwood. I told him about the hearings. I said I thought he and I ought to team up and see if we could not stop the manufacture of these so-called chlorofluorocarbons and he said he thought that it was a great idea. So we spent several hours talking about it. And then we offered the amendment.

And when it came time to vote, Mr. President, that hallway directly in front of me was so full of chemical industry lobbyists you could not get in here to vote. At that time this was a $2 billion-a-year industry. When I saw that, I did not think we had much chance anyway; but when I saw that crowd out in the hallway, I knew we did not have a chance.

I think we got 32, possibly 35 votes. And believe you me, that was the most liberal Senate I have ever seen. I shudder to think how many votes we would get under a similar situation today.

But the arguments abounded on this floor that this is not conclusive; there is not enough evidence to disrupt this industry. And we were only trying to phase it out; we were not trying to kill it all at one time. And all those industry arguments made about how this was even a conspiracy of the Soviet Union KGB, a disinformation attack by the Soviet KGB to sow seeds of discord in the United States.

My argument was simply this: If it takes 15 years for these chlorofluorocarbons to work their way into the stratosphere, even if we banned all CFC's at that moment, it would be 15 years before we would begin to reverse the damage that had already been done.

And I said, "This is the time, if there ever was a time, to err on the side of caution." These comments are not self-serving. I actually said those things on the floor of the Senate. I said them to everybody I could find to say them to, that I thought our committee hearings had produced enough evidence that the ozone depletion theory was real, that we ought to err on the side of caution and no great damage would be done if we were wrong.

Mr. President, we were not wrong. We were dead right. And the National Academy of Sciences started their studies. And in 1985, thanks to a slightly separate theory by Paul Crutzen, who was also honored yesterday, of the Max Planck Institute for Chemistry, Mainz, Germany we discovered the hole in the ozone layer developing over Antarctica. And it created such a stir in this Nation that we had the big 1987 Montreal Protocol. We agreed to phase out the manufacture of all chlorofluorocarbons—and, incidentally, the principal one being Freon gas in your refrigerators and automobile air conditioners—that we would phase out the manufacture of all of those by this year, 1995, and hopefully we are going to.

So, Mr. President, I really came to the floor to say, No. 1, I told you so—and that will get you about a half of one vote to say, "I told you so"—but more importantly than anything else, to extend my profound and sincere thanks and congratulations to Mario Molina, who was just a postdoctoral fellow working under "Sherry" Sherwood Rowland. Everyone calls him Sherry. Yesterday they were awarded the Nobel prize for chemistry, along with Dr. Crutzen, the three of them.

I cannot tell you how gratifying it is to me that the Nobel committee has chosen two people I feel that I have known all of my public life. As I say, I just came here this afternoon to publicly say on the Senate floor this Nation owes those two men a deep debt of gratitude. I am most grateful that we have people like that in this country.

I yield the floor.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. I might first make a parliamentary inquiry, Mr. President. Is there a consent order about voting today?

The PRESIDING OFFICER. There is a consent order under which a vote on cloture will take place at 8:30 p.m.

Mr. DOMENICI. On the pending matter?

The PRESIDING OFFICER. The Senator is correct.

Mr. DOMENICI. Mr. President, I ask unanimous consent that I be permitted to speak for 5 minutes as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Could I precede that with a remark to my good friend, Senator BUMPERS, after which I will go on in morning business?

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. I say to Senator BUMPERS, I did not get here in time to listen to all of his remarks, but I vividly recall that we served on a little subcommittee. I was on that subcommittee, I might share with my friend and the Chair, because freshmen Senators then did not get very good assignments. And so one of my assignments was to the Public Works Committee, now Environment and Public Works. And that was a top assignment then because the senior Senator from New Mexico, who was a Democrat, was also on that committee, and he was second from the top.

I was not only on the Republican side, but I was the last and brandnew person. And then they gave me a seat on Space, which was being phased out. And it is in one of those subcommittees under the rubric of Space that the Senator and I held hearings on this very strange phenomenon from whence came the Nobel awardees because of their research. I think that little subcommittee was the first to hold a hearing.

Mr. BUMPERS. Absolutely.

Mr. DOMENICI. I am not sure I understood the breadth at that point, but clearly while there are not answers on all of it, there are some very significant answers, and we have done a great deal in the United States against tough odds in reference to the combinations that are occurring out there, some of which we were causing with what we used.

I compliment the Senator on the remarks and compliment the awardees. I do not know them as well as the Senator does. I think it is rather a sensational award, and people ought to continue to do work like that if there are going to be Nobel awards for them for that kind of exciting work.

TRIBUTE TO RACHEL SCHLESINGER

Mr. DOMENICI. Mr. President, on behalf of myself and my wife Nancy and my family, I would like to speak a few moments about Rachel Schlesinger, who died this past Tuesday. For the most part, when we hear the word "Schlesinger" around here, we think of Rachel's husband, Jim Schlesinger, who has held some very high Cabinet posts with both Democratic and Republican Presidents. But I do not want to speak about him today.

I want to just take a few minutes in my way to speak about Rachel Schlesinger, who died this past Tuesday. There are going to be a lot of eulogies for Rachel because there are so many of us who were touched in some special way by this remarkable woman. Let me add a few personal thoughts and sentiments about her.

Rachel, in my opinion, personified what one committed individual can do for those who are less fortunate, those who need special help, and those who cannot always fend for themselves. She was a gentle and unassuming lady. Those of us who saw her in action knew that behind her quiet exterior was a person of great strength and dedication to issues of importance to her and, in many instances, to her family.

Years before the issue of mental illness became as well understood as it is today, Rachel Schlesinger was speaking out and advocating for more research about this disease.

She testified in behalf of the mentally ill. She offered her support to those small, but valiant, organizations who worked so hard to share the message of this dread disease, which we now call mental illness or mental disease.

My wife reminded me how amazed she was that just a few months ago, while suffering her own health battles, she attended a meeting of the National Alliance of the Mentally Ill and was as gracious and friendly as ever, while suffering immensely from the disease that would finally cause her demise.

Rachel always believed more could and should be done to find a cure for mental illness, be it schizophrenia, manic depression, bipolar illness, or any of the dread illnesses that we choose now to call mental illness or mental disease.

She was a strong influential and outspoken communicator about this issue. We appreciate deeply all of her help, her selfless energies in behalf of this cause.

Another example of Rachel Schlesinger's great heart was her concern for the homeless. We remember that she handed out sandwiches from a food wagon. She was one who took time from her own busy schedule to lend a hand to those in need. Today, people say, and we learn this from our young generation, "If you're going to talk the talk, you better walk the walk." Well, Rachel was one of those who really did, she walked the walk.

Let me also mention one other facet of her life that so many people close to her admired, and that was her love of music. As a musician herself, Rachel saw music as a private expression of oneself as well as something that should be nurtured for the community and by the community.

Literally up until a few days before she died, she was a driving force in fundraising for the Arlington Symphony Orchestra. She had founded and for many years she had managed the highly acclaimed Arlington "Pops" concerts. She opened up her home on countless occasions for the orchestra's donor activities. No work or effort was too much to ensure that it survived.

She believed, quite simply, that music was a love that could be shared with others. She could be found wherever and whenever help was needed, and her devotion and great spirit will be forever remembered and missed by all those who benefited from and shared her deep love and passion of this beautiful music that she became so attached to.

Mr. President, some will comment in the days ahead about Rachel Schlesinger's full life, her exciting ventures in far places of the Earth, her wonderful family of eight children and her devoted husband who respected and admired her so deeply. All of these comments will be heartfelt and true. I would just like to close with the thoughts that Rachel was a very special person to those of us who were touched by her, by her enthusiasm and her personal commitment to so many good causes and important issues.

I share my wife Nancy's simple but heartfelt summation: "Rachel was, most of all, a caring person."

To her family and many friends, Nancy and I join you in our thoughts and our prayers and joy in having known a remarkable and wonderful lady, Rachel Schlesinger.

Mr. President, I yield the floor.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1996—CONFERENCE REPORT

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the conference report to accompany H.R. 1976, the agriculture appropriations bill.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 1976) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1996, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all of the conferees.

The Senate proceeded to consider the report.

(The conference report is printed in the House proceedings of the RECORD of September 28, 1995.)

Mr. COCHRAN. Mr. President, I am pleased to report to the Senate that we successfully concluded the conference with the House on September 28 on the Agriculture appropriations bill. We worked out our differences. The other body has adopted the conference agreement, and it is now before the Senate. I urge the Senate to adopt it.

This bill appropriates funds for the Department of Agriculture, the Commodities Futures Trading Commission, the Food and Drug Administration and related agencies for the fiscal year that began October 1.

The funding level in the bill is $63.2 billion. This represents a reduction in spending of $5.8 billion from last year's level. It is less than the President's requested level of funding for these programs for the next year. It is actually a smaller amount than we agreed to when this bill was before the Senate. It is $631 million less than the total appropriated by the Senate-passed bill, but it is $615 million more than the level recommended in the House bill. I am pleased to report that the discretionary spending level is $13.3 billion in budget authority and $13.6 billion in outlays and that these amounts are within the subcommittee's discretionary spending allocations.

There are things that can be said about the fact that we do not have enough funds to provide levels of support that we would like for many areas under the jurisdiction of this committee, but this is a time of constraint, it is a time when we are trying to reduce the overall costs of Government, insist upon new efficiencies in the operation of Government agencies, and this bill is, therefore, consistent with our overall budgetary goals and policy goals.

The committee of conference on this bill considered 160 amendments in disagreement between the two Houses. It was our desire to complete conference on this bill before the start of the new fiscal year and we did that. I would like to thank all members of the conference committee for their support and cooperation in this effort. I believe this conference report reflects a mutually satisfactory resolution of the differences between the two Houses, and does so in a manner which reflects the funding requirements of the many programs and activities covered by the bill within the limited resources available.

Approximately $39.8 billion, close to 63 percent of the total new budget authority provided by this bill, is for domestic food programs administered by the U.S. Department of Agriculture. Excluding the Food Stamp Program reserve, this represents an increase of $1.5 billion above the fiscal year 1995 level for these programs, which include food stamps; commodity assistance; the special Supplemental Food Program for Women, Infants, and Children [WIC]; and the school lunch and breakfast programs.

The $260 million increase above fiscal year 1995 for the Women, Infants, and Children [WIC] Program, as recommended in both the House and Senate bills, remains the single largest discretionary program funding increase provided by this bill.

The conference agreement accepts the House bill proposal to consolidate funding for commodity food assistance programs and provides $166 million for this purpose. It also provides the House recommended level of $65 million, $32 million above the fiscal year 1995 level, for the Food Donations Program on Indian reservations; and maintains the fiscal year 1995 level of $150 million, as proposed by the House, for the Elderly Feeding Program.

The House bill recommended no fiscal year 1996 funding for a Food Stamp Program reserve. The Senate bill provided $1 billion for this purpose. The conferees have resolved this difference by agreeing to provide a $500 million Food Stamp Program reserve. Although this reserve has not been required for a period of years, this amount will assure that sufficient funds are available to cover benefits in the event of an economic downturn or unforeseen event resulting in increased program participation levels.

With respect to rural development programs, the Senate-passed bill consolidated funding for seven rural development loan and grant programs, while the House bill consolidated funding for three programs—water and waste disposal grants and loans and solid waste management grants. The conferees have adopted the House bill position and have provided a total of $487.9 million for this consolidated account. The conferees also have provided $2.9 billion in total rural housing loan authorizations, $415 million more than the House and $42 million less than the Senate bill levels.

I am also pleased to report that the Senate bill's higher levels for farm operating and ownership loans were retained by the conferees. Loan authorizations totaling $2.45 billion are provided for these important farmer assistance programs.

For discretionary conservation programs, the conferees have provided total funding of $857.7 million. The conference agreement also retains the Senate recommendation providing for the enrollment of an additional 100,000 acres in the Wetlands Reserve Program, the same as the fiscal year 1995 level.

In addition, this conference agreement provides $53.6 million for the Commodity Futures Trading Commission. It retains a number of Senate bill provisions, including the provision regarding poultry labeling regulations issued by the USDA, a provision which limits eligibility for the market promotion program, and a provision prohibiting the use of FDA funds for the Board of Tea Exports.

Mr. President, I realize that sacrifices are required of everyone if we are to reduce the Federal budget deficit. However, I regret that the resources required to be allocated in this bill to maintain essential food assistance benefits continues to reduce the remaining portion of the bill allocated to those programs so essential to agriculture and to rural America. These are beneficial programs. They help America's farmers to be competitive both here and abroad; they provide essential services to people in rural towns and communities across this Nation; they work to conserve and protect our Nation's natural resources.

Mr. President, Senate approval of this conference agreement is the remaining step required to send this appropriations bill to the President for signature into law.

I am proud of the work that the committee has done, both in developing the bill to present to the Senate and in conference. I hope the Senate will approve it.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Mr. President, I thank the distinguished Senator from Mississippi for his generous comments and his leadership for making possible the presentation of the conference agreement for the fiscal year 1996 appropriations bill for the Department of Agriculture, the Food and Drug Administration, and related agencies. This has been a very difficult year, but we have been able to reach an agreement with the House which has resulted in this conference report and I urge my colleagues to support it.

This conference report contains $63.2 billion in new budget authority which is $630.5 million below the bill passed by the Senate earlier this year and nearly $5.8 billion below the amount contained in the appropriations bill for fiscal year 1995. I must point out to my colleagues that these reductions have not been taken lightly nor will they be lightly received. For far too long, this subcommittee has seen a dwindling of resources available to us to make the increasingly difficult choices of budget priorities. The programs under the jurisdiction of this subcommittee are often overlooked or misunderstood in their importance to our Nation as a whole and to the specific groups these programs are designed to serve. They do deserve our attention and they deserve our support. I only wish the allocation provided this subcommittee would have allowed us to do more.

The programs funded by this bill are programs that touch upon the lives of nearly every American. These programs range from school lunch and nutrition education for our Nation's children to promoting and enriching the research capacity on the land grant campuses across the country. These programs will enhance soil and water conservation, as well as promote the export of U.S. products, and provide humanitarian assistance in areas of deprivation. Included in this bill are programs designed to provide housing to the poor, a better business climate for companies seeking to locate in rural areas, and better habitat for our Nation's wildlife. The funding included in this bill will protect the capacity of our Nation to produce an abundant and safe food supply for our people and many around the world.

This conference report contains more than $700 million for the Agricultural Research Service and $850 million for activities of the Cooperative State Research and Extension Services. This combined investment of more than $1.5 billion in research and extension will be an important contribution to improve the quality and efficiencies of our Nation's productive capacity and make us more competitive in world markets.

Also provided is nearly $545 million for the Food Safety and Inspection Service. This amount is slightly above the amount provided by the House, but somewhat below the Senate figure. The Government's role in food safety is at a critical juncture as we move away from the organoleptic method toward a more effective microbiological inspection system based on sound science. The importance of the work of this agency must not be underestimated and I am concerned that higher levels of funding may be necessary during the transition of moving toward the updated system. Everyone has a stake in this challenge, including the producer, the processor, the marketer, and ultimately the consumer whose reliance on the integrity of this agency's mission must be without question.

In the area of conservation, this conference report provides $630 million for the Natural Resource Conservation Service's Conservation Operation account to provide technical assistance and guidance to improve water quality, check soil erosion, and better protect our natural resource base. One hundred million dollars is provided to provide watershed and flood prevention services and $77 million is included to enroll an additional 100,000 acres in the Wetlands Reserve Program.

One of the areas in which the Senate was at strong disagreement with the House was that of rural development. To a large extent, the conference agreement more closely resembles the more acceptable funding levels contained in the Senate provisions. The section 502 rural housing program level was maintained at the Senate figure of $2.7 billion, an increase of $450 million above the House level. The water and wastewater programs provided through the Rural Utilities Assistance Program are included with nearly $500 million in new budget authority, an amount more than $50 million higher than that proposed by the House. Also, additional funds may be available for these programs if carryover funds in the WIC Program exceed $100 million.

I do not know if carryover funds in WIC will exceed this amount. WIC is an extremely important program as well, and I hope that the WIC Program will be able to expand in a manner to utilize all available funds. However, if the carryover in this account continues to grow as it has in the past, I can think of no better use of these funds than to provide safe water and sanitary conditions to households which, in many cases, may be WIC recipient households as well.

In the area of nutrition, nearly $8 million in child nutrition programs is provided, $27.6 billion for the Food Stamp Program, and more than $3.7 billion for the WIC Program, an increase of $260 million above last year's level. The amount included in the conference report for domestic food programs exceeds that of all other programs combined, as it has in recent years. The conference report provides $39.8 billion in domestic food programs which is 63 percent of the total amount provided in this Act.

The conference report also provides $125 million for the Foreign Agricultural Service to promote the export of U.S. commodities including an increase for the foreign market development program. The market promotion program is included at the fiscal year 1995 level but with an amendment similar to the Senate provision prohibiting the allocation of Federal funds to large companies for branded advertising. During these times of fiscal constraint when funding is being reduced for rural housing, water and sewer programs, and many other services crucial for human welfare, it is incredible that we have been providing Federal grants to companies—many of which have advertising budgets of their own totalling millions of dollars—to advertise their products. The conference agreement contains a limitation on this program that is a first step in bringing some sanity to this program and helping restore taxpayer confidence in our ability to manage their hard-earned tax dollars.

Mr. President, there are many other important items contained in this conference report that I will not take time to mention here. As I stated earlier, the programs in this act are vitally important to all Americans and I only wish our allocation had been more generous in order for us to provide greater assistance in areas that will otherwise suffer this coming year. I understand there has been some concern that savings were achieved from limitations on mandatory programs and, as former chairman of an authorizing committee, I empathize with those that may feel we should not have realized those savings. I can only respond by restating that this has been a most difficult year and savings from mandatory programs were only achieved when absolutely necessary and in areas where it was understood to cause the least harm. I honestly hope that the allocation process for fiscal year 1997 will not result in the same pressures on our subcommittee as we have seen again this year. I must also honestly admit that I do not hold out much hope that such improvement is likely.

In closing, I want to say again what a pleasure it has been to work with my good friend and colleague from Mississippi, Senator COCHRAN. He has, once again, proved that he has an excellent knowledge of the programs held under the jurisdiction of this subcommittee and that he is extremely fair and thoughtful in the deliberations culminating in the presentation of this conference report.

Mr. President, let me say that this has been a very difficult, difficult year for all of us in trying to start honestly toward a balanced budget by the year

2002. It has been especially difficult for some of us who are totally committed to the viability of America's agricultural system.

I had been out of town and I read a 2-week old Newsweek magazine last night. The article referred to the anger of the middle class. The article contained interviews of several people who expressed their views about Congress, with the usual statements: "Those clowns will never balance the budget." "The place is totally controlled by lobbyists." "I've lost faith in our country and our Government."

In all honesty, I relate and understand their anger and hostility. But I also want to say that I wish I could visit personally with each one of those people who made those remarks about what is going on here.

I would like to point out to them that this budget in this agriculture bill is almost $6 billion—$6 billion—less than last year.

The presiding Senator at this very moment, the chairman of the Interior Subcommittee on Appropriations, has just gone through the same kind of cuts in his subcommittee, and they are painful and they alienate still more people who lose some of their benefits, because it has been a draconian time here.

So I want to just say this bill, in my opinion, protects the things that really must be protected. It cuts where we feel we can afford to cut and, at the same time, provide, as best we can, for a viable agricultural economy in the country.

Mr. President, let me close by saying, despite the trauma of trying to craft a bill with these terrible, really, big cuts, it has been made much easier by working with my good friend, Senator COCHRAN, from Mississippi, whose knowledge of agricultural programs and, particularly, those programs in the agricultural appropriations bill, is legendary. He has been as careful as he could be about the interests of various Senators, but he has also been very realistic with them in telling them the so-called good old days are gone. You cannot accommodate all the requests here, all the interests. And considering the amount of money we had to spend, he has done an absolutely superb job.

Let me make one other comment because it goes without saying that I have always been unalterably opposed to the idea of term limitations. I listened to some of that debate last night. I felt like I was virtually the only one in the country that is opposed to term limits. The American people may favor term limits, but when you do, you lose the institutional memory, the unbelievable knowledge of people like Senator COCHRAN in areas like this. When you lose that, and the integrity and dedication of people like that, you lose something that takes a long time to rebuild.

So it was an honor for me, as ranking member on this committee, to work with him. I think we have come up with a bill that does everything we could possibly do within the limits and the amount of money we had.

I strongly recommend passage of this bill.

Mr. COCHRAN. Mr. President, I am deeply grateful for the kind and generous remarks of my good friend and colleague from Arkansas. His support, assistance, and leadership in developing this bill and help in managing it on the floor of the Senate were greatly appreciated and very important to the final work product that was turned out by the Senate.

I hope that Senators will support the conference report, as recommended by both managers and both sides of the aisle. When this bill passed the Senate, it passed on a record vote, with only three dissenting votes. I think that is a strong statement of support that existed for the passage of our bill, and I am glad to say that much of the compromise that was necessary reflected many of the recommendations the Senate made during the conference. But it was a give and take and a very fair conference in every sense of the word.

I would like to make one further clarification with respect to the conference agreement on this bill. The statement of managers accompanying the conference report inadvertently fails to explain the conference committee's agreement regarding Agricultural Research Service laboratories proposed for closure in the President's fiscal year 1996 budget. The conference agreement provides funding to maintain the El Reno, OK; Sidney, MT; Clemson, SC, and Miami, FL, ARS laboratories. The other locations not transferred to non-Federal ownership, as proposed by both the House and Senate, are to be maintained as ARS worksites. The Houma facility is to be used as a work site of the ARS Center in New Orleans, LA.

Mr. BUMPERS. I was wondering if my colleague would take a moment to reiterate and confirm what is my understanding of the conference committee's actions concerning the Department of Agriculture's fresh poultry labeling rule. I understand that, by including the Senate-passed bill provision in the conference report, the conferees intended to prevent the final rule which was promulgated on August 25, 1995, from taking effect, and also to prevent USDA from using any funds to implement or enforce this regulation as promulgated. Is that my colleague's understanding as well?

Mr. COCHRAN. I appreciate the distinguished Senator from Arkansas raising this question. I would say to my friend that this is my understanding of the effect of the conference committee's action as well. As you may recall, the regulation as promulgated did not reflect the Department's findings in scientific research. It included a misleading label for those products not qualifying to be labeled "fresh" or "frozen." I would also remind my colleague that the Department's final regulation did not include any temperature variance for products. Therefore, the language of this act makes it clear that the rule as published on August 25 shall never go into effect unless the conditions of this statutory language is met. The burden is now upon USDA to submit a regulation to the appropriate committees for approval which resolves these critical issues in a satisfactory manner. I thank my colleague for his inquiry.

Mr. BUMPERS. I would be grateful if Senator BROWN would, for a moment, engage in a colloquy with me to discuss the intent of his amendment on bypass flows. This issue is very complicated. I would like to assure that we are clear on what facilities would be affected. Additionally, the Department of Agriculture is concerned that the amendment does not allow, among other things, its Office of General Counsel to defend litigation concerning administrative decisions of the USDA officials.

Mr. BROWN. I appreciate the opportunity to discuss further the intent of my amendment to the agriculture appropriations bill.

The provision I am speaking of is section 732 of the general provisions title in the conference report dealing with a water issue. After meetings with Secretary Glickman and his staff, we have come to an understanding regarding what this provision does. This amendment does not apply to new facilities. Further, the amendment would not apply to authorizations to expand facilities or their operations. This amendment only applies where the operators of facilities are applying for authorizations to continue operating in the same manner as they have been operating.

This amendment neither addresses the ability of the Department of Agriculture to assert administrative or judicial claims to water or water rights, nor defending proper administrative decisions of USDA officials.

Mr. BUMPERS. I appreciate the clarification.

Mr. DOMENICI. Mr. President, I rise to support the conference report accompanying the Agriculture, Rural Development, and Related Agencies appropriations bill for fiscal year 1996.

The conference report provides $62.6 billion in new budget authority [BA] and $45.6 billion in new outlays to fund most of the programs of the Department of Agriculture and other related agencies.

All of the funding in this bill is nondefense spending.

When outlays for prior-year appropriations and other adjustments are taken into account, the final bill totals $63.2 billion in BA and $52.7 billion in outlays for fiscal year 1996.

The subcommittee is at its 602(b) allocation for both budget authority and outlays.

The Senate Agriculture Appropriations Subcommittee 602(b) allocation totals $63.2 billion in budget authority [BA] and $52.8 billion in outlays. Within this amount, $13.3 billion in BA and $13.6 billion in outlays is for discretionary spending.

For discretionary spending in the conference report, the bill is essentially at the subcommittee's 602(b) allocation for both BA and outlays.

The bill is $1.6 billion in BA and $1.1 billion in outlays below the President's budget request for these programs. It is essentially at the House-passed bill level in BA and $26.5 million below the House bill in outlays. The conference report is $405.7 million BA and $759.4 million in outlays below the 1995 level.

The conference report includes mandatory savings of $389 million in BA and $249 million in outlays which are used to offset discretionary spending. Some of the savings duplicate those in the reconciliation bill.

The Congress is currently working on an omnibus budget reconciliation bill that seeks to achieve a balanced Federal budget by the year 2002. Congress must work to minimize the double counting of mandatory savings in the appropriations bills and the reconciliation bill in order to reach a balanced Federal budget.

Mr. President, I ask unanimous consent that a table displaying the Budget Committee scoring of the final bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AGRICULTURE SUBCOMMITTEE—SPENDING TOTALS—CONFERENCE REPORT

[Fiscal year 1996, in millions of dollars]

	Budget authority	Outlays
Nondefense discretionary:		
Outlays from prior-year BA and other actions completed		3,751
H.R. 1976, conference report	13,310	9,814
Scorekeeping adjustment		
Subtotal nondefense discretionary	13,310	13,566
Mandatory:		
Outlays from prior-year BA and other actions completed	501	3,337
H.R. 1976, conference report	49,277	35,791
Adjustment to conform mandatory programs with Budget:		
Resolution assumptions	64	49
Subtotal mandatory	49,842	39,177
Adjusted bill total	63,152	52,743
Senate Subcommittee 602(b) allocation:		
Defense discretionary		
Nondefense discretionary	13,310	13,608
Violent crime reduction trust fund		
Mandatory	49,842	39,177
Total allocation	63,152	52,785
Adjusted bill total compared to Senate Subcommittee 602(b) allocation:		
Defense discretionary		
Nondefense discretionary		−42
Violent crime reduction trust fund		
Mandatory		
Total allocation		−42

Note.—Details may not add to totals due to rounding. Totals adjusted for consistency with current scorekeeping conventions.

Mr. McCAIN. Mr. President, I want to express my great disappointment with a key provision of the conference report for H.R. 1976, the fiscal year 1996 Agricultural appropriations bill. I deeply regret that important funding for the tribally controlled community colleges in the United States was largely cut from the bill.

During the Senate debate on H.R. 1976, I was successful in offering an amendment which provided $4 million in extension and academic improvement funds to our nations tribal colleges. I was greatly assisted by Senators BINGAMAN, CONRAD, DOMENICI, and INOUYE all joined me in this worthy effort.

While a relatively small amount compared to the over $1 billion that will be spent at other universities throughout the United States, this $4 million appropriation would have been a great boost to our long-neglected tribal colleges. They receive virtually no State or local funding, and are in desperate need of Federal assistance.

This conference report represents an unhealthy dose of the status quo in this regard. There are hundreds of millions of dollars for large State universities, and a few token dollars metered out to Indian colleges and universities.

Of course, the students educated at these tribal colleges, over 20,000 nationwide, are striving to build a future for themselves after growing up in the poorest communities in America. The level of poverty that faces native Americans would astound most of their fellow citizens.

The funds that I and a group of my concerned colleagues were seeking for tribal colleges were fully authorized in 1994 by legislation which gave partial "land grant status to tribal colleges and institutions. This designation was long overdue, for tribal colleges reside in largely rural areas, and Indian reservations are comprised of tens of millions of acres of agricultural land. Agricultural programs at tribal colleges would be a solid investment in Indian students and their communities.

For over a century the U.S. Department of Agriculture has provided large amounts of funding to State land grant colleges and historically black colleges. These funds support agricultural research, education, and extension services. It is time we recognized the vital mission of America's tribal colleges as well. This conference report was a prime opportunity to do so, yet we have faltered again.

Deleting the $2.55 million that the Senate version of H.R. 1976 contained for extension programs at tribal colleges was unfair and unnecessary. It is yet another example of how little attention or concern is often given to the needs of native Americans by this body. At a time when several universities in the United States will receive over $20 million each from the Department of Agriculture—and others have received as much as $40 million in a single year—the managers of this bill cut the extremely modest amount provided to tribal colleges.

Let me make it quite clear that there was no reason for these funds to be revoked, except perhaps for the Senate to maintain its record of consistent inattentiveness to the plight of many native Americans. I oppose the conference report for this unnecessary and harmful deletion of funds. I will renew my efforts to assist our Nation's tribal colleges and Indian students at each appropriate opportunity in the upcoming year.

The PRESIDING OFFICER. Is there further debate?

The question is on agreeing to the conference report.

The conference report was agreed to.

Mr. COCHRAN. Mr. President, I move to reconsider the vote.

Mr. BUMPERS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BUMPERS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GRAHAM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ABRAHAM). Without objection, it is so ordered.

CUBAN LIBERTY AND DEMOCRATIC SOLIDARITY [LIBERTAD] ACT OF 1995

The Senate continued with the consideration of the bill.

AMENDMENT NO. 2898

Mr. GRAHAM. Mr. President, am I correct that the pending business is the amendment offered by Senator DOLE as a substitute to H.R. 927?

The PRESIDING OFFICER. That is correct.

Mr. GRAHAM. I thank the Chair.

Mr. President, it is my purpose today to reiterate my support as an original cosponsor of legislation introduced by Senator HELMS, now the substitute amendment offered by Senator DOLE, to the Cuban Liberty and Democratic Solidarity Act.

I was the Senate sponsor in 1992 of the Cuban Democracy Act.

This legislation reiterated the policy of the United States relative to the Castro regime in Cuba and emphasized that the United States had no ill feeling for the people of Cuba, in fact, that the United States citizens shared in the pain of the people of Cuba and desired to reach out to them in ways that would ease that pain while facilitating a transition from their authoritarian regime.

The Cuban Democracy Act of 1992 was a continuation of the spirit of bipartisanship which has characterized United States policy toward Cuba since the emergence of the dictator, Fidel Castro. Through Democratic and Republican Presidents and Congresses we have had a consistent policy of political and economic isolation of the Castro regime. And particularly since the fall of the Soviet Union and the end of the significant subsidy which the Soviet Union had supplied to the Cuban regime, we have had a bipartisan policy of reaching out directly to the people of Cuba.

The adoption of the Cuban Democracy Act of 1992 sent a clear and concerted message of common purpose with the people of Cuba. The Cuban Democracy Act helped force an economic crisis for Castro's government, a crisis which has reached the point that he has now begun to contemplate economic reforms. There is some evidence that he is beginning to ease some of the restrictions which he holds on the Cuban people.

Unfortunately, it has not resulted in any movement toward liberalization of his political regime in terms of steps toward democratic government, nor has it resulted in any significant improvement in human rights. In fact, in areas such as the treatment of human rights activists, the treatment of journalists, in just the past few months, the Castro regime seems to have increased its attempts to control its people.

This legislation that is before us today continues the two-track policy of restraint on the regime through the embargo, isolation, economically and politically, of the Castro regime and, on the second track, an effort to reach out to the Cuban people. This legislation strengthens the embargo and at the same time indicates our continued admiration and desire to see the day when freedom and democracy will be available to the Cuban people.

This legislation increases the pressure on the Cuban Government by tightening the embargo. It prohibits the Cuban Government from profiting from confiscated property. This legislation has already deterred the flow of foreign capital to the Castro regime as investors who are anxious to enter into business partnerships with the Castro government have been closely monitoring this legislation awaiting action by the United States.

For the Cuban people, this bill reaches out to demonstrate our common purpose. As an example, in the area of strengthening radio and television Marti, this legislation will facilitate the exchange of information from the United States to the Cuban people with the aim of fostering dialog and stimulating activism at the grassroots level.

The Cuban Liberty and Democratic Solidarity Act builds an apparatus for the peaceful transition of a post-Castro Cuba to a free, democratic society. By conditioning United States assistance to Cuba's commitment to change, this legislation helps prevent another dictator from ascending to power in Cuba.

President Clinton's recent actions, actions of just last week, were consistent with the purposes of the Cuban Democracy Act and consistent with the purposes of the bill before us today. The President's actions followed on the two-track approach. It stepped up the enforcement of the embargo by strengthening the Office of Foreign Asset Control both here in Washington and, as the Cuban Democracy Act provided, the Office of Foreign Asset Control in Miami. These offices monitor and enforce the embargo.

As part of the effort to foster democracy at the grassroots level, President Clinton has taken the following actions: He has allowed United States nongovernmental organizations, such as Freedom House, to work in Cuba to promote human rights and democratic actions; he has permitted transfer of communications equipment to Cuban nongovernmental organizations so that they will have an opportunity to communicate among themselves and with the rest of the free world, exchange of news bureaus, authorizing the issuance of licenses for United States news bureaus in Cuba; and permitted travel on a case-by-case basis for humanitarian, religious, and educational purposes. All of those initiatives are part of the effort to demonstrate to the Cuban people our common resolve.

This legislation is a continuation of a consistent, bipartisan Cuban policy and a bold step toward the goal of a democratic, free Cuba. This vote is a measure of our resolve not to aid or abet the government of Fidel Castro. We are unwavering in our commitment to freedom and democracy in the Western Hemisphere. We are anxious for the day when this last holdout of authoritarianism within our own hemisphere is eliminated.

Congress has a great opportunity to send a message, to send a message to Fidel Castro and to the rest of the world, that the United States stands firm in its conviction against totalitarian regimes. We all await with hope the day that a free and independent Cuba will have a normal and friendly relationship with the United States. Until that day, we must firmly let Fidel Castro know that we are not interested in contributing to his oppressive rule and remain vigilant to the threat that he poses.

Thank you, Mr. President. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CRAIG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRAIG. Mr. President, I stand this afternoon in support of the Cuban Liberty and Democratic Solidarity Act of 1995. This is the next step in a long road leading toward releasing Castro's dictatorial ties that have bound the people of Cuba for so many years.

This legislation includes a number of provisions which would strengthen international sanctions against the Castro government in Cuba, develop a plan to support a transition government leading to a democratically elected government in Cuba, and enact provisions addressing the unauthorized use of United States citizen-owned property confiscated by the Castro government.

I agree with the intent of this legislation, which is to help bring freedom and democracy to Cuba. Mr. President, Libertad is a comprehensive bill designed to increase the pressure on Fidel Castro and bring about fundamental political and economic reforms. This is not a case of Americans forcing a solution on Cuba. Instead, it is Cubans who are crying for this assistance to which we are responding.

It is my understanding that 47 dissident leaders who are currently inside Cuba have, at great personal risk, publicly endorsed the Helms bill. This support came in a letter sent to the chairman from Havana and organized by dissident leader Elizardo Sampedro Marin of the Democratic Solidarity Party.

The letter reiterates the need to not only maintain but strengthen the current embargo, and the letter states:

> The economic embargo maintained by subsequent administrations has begun to make its effects felt not against the people, but against those who cling to power. Those effects are felt after the downfall of the socialist camp, which forced the Havana regime to improvise economic moves, waiting for the miracle to pull them out of a very difficult situation.

Mr. President, those who are inside fighting for freedom and democracy in Cuba support the efforts of this legislation and see it as the best path toward democracy for Cuba. In addition, we should address Castro's needs for hard currency to continue to prop up his dictatorship.

It is my understanding that a number of press reports indicate that the mere existence of this legislation and pending passage have had an impact on Castro's efforts to generate that hard currency. His efforts to tempt foreign investors into Cuba by auctioning off properties that were illegally confiscated without compensation from Americans must be curtailed.

To assist the Cuban people to regain their freedom and prosperity is the first goal of this legislation.

The second is to strengthen international sanctions against Cuba. The third is, this bill should provide for the national security of the United States. Fourth is, to encourage free and fair elections in Cuba. Fifth is, to provide a policy framework for United States support to the Cuban people during a transition to democracy. Sixth is, to protect American nationals against confiscatory taking and unauthorized use of their confiscated property.

Mr. President, there has been a great deal of debate on title III of this bill, and, certainly, I have had my own concerns as well. However, I appreciate the efforts of the chairman. He has worked hard at offering this bill and clarifying the intent of the legislation to ensure that certified claimants have priority in all events to assets of the Cuban Government in settling property claims.

In closing, I just add that we must not lose sight of the overall intent of this legislation. Embracing Fidel Castro at this time is not going to lead to freedom and democracy in Cuba. Therefore, I hope my colleagues will support this very important piece of legislation that Chairman HELMS and the committee have labored long and hard at providing.

Would the Senator from North Carolina entertain a question?

Mr. HELMS. I would be glad to respond to the distinguished Senator from Idaho.

Mr. CRAIG. Some of my constituents have raised questions as to whether this legislation will unleash a wave of thousands of lawsuits tying up our courts and establishing, in effect, a new Cuban claims program for Cuban-Americans to the detriment of certified claimants. Are these fears, in any way, justified?

Mr. HELMS. I am very glad the Senator asked that question because it appears that there has been organized fearmongering regarding this legislation by a few who are not content to wait until it is lawful for Americans to deal with a free and independent Cuba. Instead, these people seem intent on cutting their own early deal with the evil dictator, Castro, at the expense of the Cuban people. I have previously said that I am expecting to hear soon that the Libertad bill is the cause of the common cold.

There is nothing in this bill which disadvantages certified American claimants; on the contrary, there is much that enhances their status. And there is nothing in this bill that will result in a wave of lawsuits that will burden our courts.

In the first instance, this bill particularly recognizes and restricts the U.S. Government's espousal responsibilities to certified claimants. The Libertad bill also specifically ties the President's authority to provide foreign assistance or to support international credit to a new government in Cuba to that government's public commitment and initiation of a process to respond positively to the certified claimants' property claims.

The bill advantages certified claimants by restricting the right of action—the right to sue foreigners for compensation—to require that recoveries from traffickers will reduce the amount recovering claimants can otherwise obtain from the U.S. Government's espousal. And it is not as possible to obtain default judgments against the current government in Cuba under this bill, thus assuring that additional claims will not burden the new government.

Title III also protects the settlement amount of all certified claims by denying a claim to, participation in, or interest in any settlement proceeds by: First, those who were not eligible to file under the International Claims Settlement Act of 1949 but did not do so; second, those who were not eligible to file under the International Claims Settlement Act; or third, any Cuban national, including the Cuban Government. Such an exclusive provision does not now exist. The Libertad bill will make it clear, in a statute, who can receive the benefits of any settlement of certified property claims with the Cuban Government. In short, it is the bill's intent that certified claimants have priority to assets of the Cuban Government in settling property claims.

The President is authorized to suspend the right of action when a transition government comes to power, and he is already authorized under existing law to terminate any lawsuits then underway. Thus, this statute will not impede the President's authority to negotiate with a transition Cuban Government.

The right of action is itself an important weapon for certified claimants to assure their property will still be intact when freedom comes.

Let me point out some other reasons why the Libertad bill will not result in a flood of litigation. The bill provides a 180-day grace period, beginning on the bill's date of enactment, for traffickers to stop their violation of our citizen's property rights. There is an additional 30-day notice required before exemplary additional damages can be sought. Furthermore, the jurisdictional requirements mandate that the plaintiff must be a U.S. citizen with a claim to commercial property valued in excess of $50,000 that is being unjustly exploited by a third party. The bill requires that the defendant must be properly found within the jurisdiction of U.S. courts. The bill denies the use of the right of action when a property claim has been traded or transferred into U.S. jurisdiction after the bill's enactment.

As I have previously stated, it also discourages suits against the present government in Cuba and requires that the defendant be proven to have knowingly and intentionally trafficked in the property after the 6-month period following the bill's enactment. The Congressional Budget Office has estimated that only a few cases would qualify under these stringent requirements.

The point of these requirements is to ensure that only commercially significant cases are filed and adjudicated. I hope you will agree that we have accomplished our goal and that this will reassure your constituents that they have been falsely informed regarding what this bill does.

Mr. CRAIG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MEDICARE CUTS IN THE RECONCILIATION BILL

Mr. LAUTENBERG. Mr. President, I rise today to begin some comments on the upcoming reconciliation bill. The Republican reconciliation bill simply, in my view, puts the question to this body: Whose side are you on? I think that is the basic question. Are you on the side of middle-class Americans? I think that is the defining precept. Or are you on the side of our senior citizens, middle-class families who are trying to send their children to college, and lower income working families? Or are you on the side of the wealthy and the special interests?

The Republican reconciliation bill is a bonanza for the well-off and the powerful, while senior citizens, students, and working-class families get stuck footing the bills.

In my view, this is plain wrong. While the Republicans lay down for the wealthy and the special interests, Democrats stand up for the middle-class, working Americans who are struggling to hang on and to build a better life for their children.

The Senate will soon consider the biggest reductions in the history of the Medicare program—reductions in services, that is. Regrettably, the Senate will not have much time to consider these severe cutbacks thoroughly or thoughtfully. The debate on the reconciliation bill is limited to a total of 20 hours. That is quite incredible when you think about it, because reconciliation bill language is kind of arcane for most of our citizens. So, simply put, it is how we balance the books, how we reconcile income with expense. It is a question that families deal with and a question that businesses deal with. And here we have virtually the whole budget for the fiscal year for the Federal Government, and we are going to deal with this in 20 hours—quite incredible. But those are the rules and we have to play by them.

Therefore, I want to take this chance to join with other colleagues on this day to talk about what we see as the faults in the reconciliation bill, before we consider it under such strict time restrictions.

Mr. President, the Republican budget is built around a false premise. The Republicans argue that in order to save Medicare, we have to destroy its fundamental mission. This is simply not true. But our friends on the other side continue to perpetuate this myth. They have their propaganda machinery operating at full speed. They say they are saving Medicare, that they are throwing out a life raft. I have to ask the question: For whom? Who is the life raft for?

The answer comes back very clearly. It is for the well-heeled. It is primarily based on the House bill, and we are talking about a $20,000 tax break for a $350,000 income earner.

I think it is time to call our people and tell them the truth. The first unbelievable statement that Republicans are making is that we need $270 billion to save Medicare. That is the life raft they pretend to throw out. It is simply untrue.

The Republicans are using this $270 billion to finance their $245 billion tax break for the rich folk. We see it here in graphic form on this chart. But we do not see it in the kind of graphics that the average family is going to see it in when they have to pay the bill. It is no coincidence that the Medicare cuts are $270 billion and the tax breaks for the well-off are $245 billion. These figures are remarkably similar because one is being used to finance the other. They are taking from our senior citizens, who paid the bills over the years, signed the contract with their country, weathered the storms in the post-World War II years, and they are giving it back to the wealthy and special interests.

Mr. President, the second Republican claim is that we need to cut $270 billion to make Medicare solvent. That is not true. The chief Health and Human Services Medicare actuary has stated that we only need $89 billion in savings to make Medicare solvent until the end of the year 2006.

The next chart simply lays out the arithmetic. Here $270 billion in GOP-proposed cuts—cuts in growth, cuts, period; $89 billion in savings needed for the trust fund, and that leaves a net sum of $181 billion, a lot of money. Where does that money go? Well, it goes to finance the tax breaks for the upper-income people.

Mr. President, the third inaccuracy I want to discuss is the Republicans' fallacious portrayal of their $135 billion in Medicare part B cuts. The $135 billion in Medicare part B cuts include increased premiums and deductibles for our senior citizens. Those are taxes, in no uncertain terms. But these increases are not being used to save Medicare. I want to repeat that the Medicare part B cuts are not being used to make Medicare part A, the trust fund, solvent. They are two distinctly, separate pots of money.

Our friends, the Republicans, are going around the country claiming that these increases in Medicare part B are being used to save the system. But, once again, it is very clear that that is not the mission. They are being used to finance the tax breaks for the rich.

Mr. President, Medicare is not just a health insurance program. Medicare is a commitment that we made to our citizens. It is 30 years old now. It is a promise for those that if they worked hard during their lives, paid the premium, that one's medical needs would be taken care of when retirement comes.

In the coming weeks, the American people need to hear the truth about Medicare, because the Republicans are going to try to ram through their Medicare cuts, the tax breaks for the wealthy, while they increase taxes on the elderly.

We are going to try and tell the truth. We will tell them their Medicare program is being used as a slush fund for tax breaks for those at the top of the income ladder.

When Americans understand the facts, Mr. President, I do not think they will like what they see.

In confirmation of my statement—I think it sits fairly in front of the American people—I refer today to a story that appeared in the New York Times. It says "Doctors' Group Says GOP Agreed to Deal on Medicare."

Well, if there is any doubt about whether it is the special and the powerful that are getting the better part of this deal at the expense of the elderly and the disabled and others who will have to find ways to pay for programs that they have already paid for, then one simply has to see or hear what is being said in this article:

> Just hours after endorsing the House Republican plan to revamp Medicare, officers of the American Medical Association said today that they had received a commitment from the House Republicans not to reduce Medicare payments to doctors treating elderly patients.

I add what is not being said is they did agree to increase the costs for the senior citizens, to put a tax on the elderly so that they could find the funds not to reduce the Medicare payments.

And then Mr. Kirk Johnson, senior vice president, says: "It's wrong to suggest that the AMA endorsement was contingent upon billions of dollars."

"There isn't a precise figure. We don't know the amount." Well, we know what the mission is; we may not know the specific amount.

It goes on to say, "The House Ways and Means Committee approved the bill today by a party-line vote of 22–14." They identify Representative BILL THOMAS, a California Republican who is chairman of the Ways and Means Subcommittee on Health, who said the concession to doctors would cost no more than $400 million over 7 years.

That is a nice, round figure. Still an awful lot of money. An aide to Speaker NEWT GINGRICH said, "If the doctors are for sale, they come real cheap." Four-hundred million dollars over 7 years, it is not a lot of money; it is only a lot if your income is $25,000 a year, like 75 percent of our senior citizens in this country, or $10,000, like it is for 35 percent of our senior citizens, or it is for 25 percent of our senior citizens who live on nothing more than their Social Security.

I guarantee if they see $400 million and ask where it is going that they will think twice about how they feel about being stuck with the bill as the programs are being cut in front of their faces.

The article goes on:

> Lawmakers and lobbyists scramble today to explain events leading to the association's endorsement of the Republican plan . . . their accounts, though incomplete, open a revealing window on the normally secret negotiations.

Boy, the public has to hear that—secret negotiations between congressional leaders and the high-powered lobby.

> Mr. GINGRICH met AMA leaders on Tuesday and beamed as they announced their support for his handiwork.

I am reading from the reporter's story.

"Mr. THOMAS," formally identified chairman of the Ways and Means Subcommittee on Health, "confirmed that the doctors would be protected against any reduction in Medicare fees in the next 7 years. Under current law, and under the House Republicans' original proposals, fees for many doctors would have declined."

I do not hear anybody saying that they are guaranteeing that fees for the elderly nor fees for the impoverished Medicaid will not go up. They are saying, let them pay. Let them pay. Let their fees increase over $3,000 a person over the next 7 years for elderly people who qualify for Medicare. I assume that is true for the disabled as well.

Let the copayments increase. Let the deductibles increase. Charge them the taxes. Even though they paid the bill, even though the agreement was made, let them pay.

When the American people understand the facts, Mr. President, and that is the mission, I do not think they will like what they see. They will ask the right questions. I only hope that they get honest answers.

I ask unanimous consent that the article in the New York Times be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DOCTORS' GROUP SAYS G.O.P. AGREED TO DEAL ON MEDICARE

(By Robert Pear)

WASHINGTON, Oct. 11—Just hours after endorsing the House Republican plan to revamp Medicare, officers of the American Medical Association said today that they had received a commitment from House Republicans not to reduce Medicare payments to doctors treating elderly patients. But the organization said that it was not for sale and insisted that there was no quid pro quo.

"It's wrong to suggest that the A.M.A. endorsement was contingent on billions of dollars," said Kirk B. Johnson, senior vice president of the association. "There isn't a precise figure. We don't know the amount."

In any event, he said, the money is less important than the overall policy embodied in the Republican bill, which would slow the growth of Medicare and open the program to all sorts of private health plans, including those organized by doctors. The House Ways and Means Committee approved the bill today by a party-line vote of 22 to 14. [Page A20.]

Representative Bill Thomas, a California Republican who is chairman of the Ways and Means Subcommittee on Health, said the concession to doctors would cost no more than $400 million over seven years.

An aide to Speaker Newt Gingrich said, "If the doctors are for sale, they come real cheap."

Lawmakers and lobbyists scrambled today to explain events leading to the association's endorsement of the Republican plan, which is fiercely opposed by Democrats and some consumer groups. Their accounts, though incomplete, opened a revealing window on the normally secret negotiations between Congressional leaders and a high-powered lobby.

Mr. Gingrich met A.M.A. leaders on Tuesday and beamed as they announced their support for his handiwork.

Mr. Thomas, who attended the meeting, confirmed that the doctors would be protected against any reduction in Medicare fees in the next seven years. Under current law, and under the House Republicans' original proposals, fees for many doctors would have declined.

The association denied that it had sold its endorsement for monetary gain. In a telephone interview from his office in Chicago, Mr. Johnson said, "We got assurances that there would not be absolute rollbacks or reductions physician fees." But he said the endorsement was not predicated on those assurances.

The cost of the concessions was a subject of dispute. Mr. Thomas said: "How much is it going to cost us to make the adjustment? Two or three hundred million dollars. I don't know the exact amount."

But independent health policy experts and budget analysts said that the Republicans' assurance to the doctors, if taken literally, could increase Medicare spending by a few billion dollars, beyond the amounts that would be spent under current law in the next seven years. The experts said they could not easily reconcile the Republicans' promise to the doctors with the large savings the House Republicans still expect to achieve.

The Republicans plan to cut projected spending on Medicare by $270 billion, or 14 percent, over the next seven years, and they still intend to get $26 billion of that amount by limiting payments to doctors. The Senate version of the legislation would cut only $22.6 billion from projected spending on doctors' services, and leaders of the A.M.A. said they thought they had received a commitment from some House Republicans to move toward the Senate position on this issue.

The A.M.A. apparently assumes that doctors will control the growth of physician services much better than the Congressional Budget Office expects. The budget office assumes that the volume of such services under Medicare will increase by an average of almost 10 percent a year through 2002.

Mr. Gingrich has been wooing other groups, like the American Hospital Association and the American Association of Retired Persons, in hope of winning their support for the Republican Medicare plan. But they are demanding more than the Republicans can afford to provide. Hospitals are hit much harder than the doctors and are responsible for more of the savings.

Democrats had a field day criticizing the agreement between Mr. Gingrich and the A.M.A.

President Clinton's press secretary, Michael D. McCurry, said, "It appears that the doctors have won at the expense of elderly patients." Representative Henry A. Waxman, Democrat of California, said, "The A.M.A. has taken an extremely narrow view of the interests of doctors."

But Mr. Gingrich dismissed the criticism as "tawdry nonsense" and called the Democrats hypocritical. "When the Democrats offer to spend more money on something, which by the way will go to doctors and hospitals, that's good" in their eyes, he said. "But if it's a Republican idea to send money to doctors and hospitals, then that's a bad idea."

On Medicare, Mr. Gingrich said, the Democrats "don't have a plan, they have no solution, they have no ideas, and all they do is complain."

Cathy Hurwit, legislative director of Citizen Action, a consumer group, said the Republicans "have sought to buy off special interests like the A.M.A. by including provisions that put the financial interests of doctors ahead of the medical needs of their patients."

Mr. Thomas vehemently denied that Republicans had bought the doctors' endorsement. He said leaders of the association were already in "philosophical agreement" with much of the bill, including new limits on medical malpractice lawsuits and changes in the law regarding fraud and abuse in the Medicare program. In addition, he said, doctors like the bill because it would allow them to "control their destiny" by forming their own health plans to serve Medicare patients.

But just last week the association expressed concern about the bill's stringent limits on Medicare payments to doctors. On Oct. 3, James H. Stacey, a spokesman for the association, said the House bill would reduce Medicare fees for some doctors, and as a result, he said, they might be less willing to participate in the program, which serves 37 million people.

The doctors' arithmetic was correct, but they violated a cardinal rule of political etiquette by going public with their concerns while House Republicans were trying to negotiate with them behind the scenes. Republican leaders chided them, but their faux pas might have paid off.

Medicare uses a fee schedule to pay doctors, and the fees are updated each year to reflect increased costs and other factors.

Mr. Thomas said: "The doctors came to us and demonstrated that within the medical profession and between specialties, there were certain instances of an actual negative factor between years, rather than just a slowing of the growth. We examined their materials and came to the conclusion that they were right."

Mr. Thomas described the latest changes as "a fine-tuning, a rather minor adjustment." As a result, he said, "there will be no year in which a medical specialty gets less money than the year before."

Under the Medicare fee schedule, every physician service, from a routine office visit to a coronary bypass operation, is assigned a numerical value, and this number is multiplied by a fixed amount of money, called a dollar conversion factor, to determine how much the doctor is paid for the service. Under current law and under the original House Republican bill, the conversion factor would have declined in the next seven years.

Mr. Johnson of the A.M.A. said today that House Republican leaders had promised to "work with us to prevent the conversion factor from declining." An increase in the conversion factor increases total Medicare costs, and a reduction lowers the cost, assuming no change in the volume of doctors' services.

Mr. LAUTENBERG. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DASCHLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CUBAN LIBERTY AND DEMOCRATIC SOLIDARITY [LIBERTAD] ACT OF 1995

The Senate continued with the consideration of the bill.

Mr. DASCHLE. Mr. President, in a couple of hours, we will be called upon to vote on cloture on the pending measure. Let me say that I know colleagues on this side of the aisle have different views about the substance of the legislation, but I hope that our colleagues could be concerned about process as well as substance in this case. When legislation comes before this body, we usually have ample time to deliberate, ample time to offer amendments, ample time to consider all of the ramifications of the pending legislation.

That is certainly not the case here. I suppose if we had a significant list of legislative items to be considered—a backed up legislative schedule—and we needed to get on with a number of bills before the end of the week or the end of next week, I could understand perhaps expediting consideration of this particular bill in an effort to accommodate that agenda. But that is not the case either. So regardless of how one may feel about the importance of this issue, about the substantive provisions incorporated in the bill, I would urge my colleagues to think carefully about whether or not this is the procedure to which we should subscribe.

Frankly, I do not think it is. I do not think we ought to be rushed into passing this bill. I do not think we ought to be forced to come to closure on this legislation prior to the time we have had ample opportunity to consider some of the complicated issues involved. I personally think there is a lot of merit to some aspects of what the sponsors of the bill are attempting to do. Still, I have some very grave concerns about some of the provisions, especially title 3 as it is written. Of course, addressing such concerns is the whole purpose behind good debate and the opportunity Senators should have to offer amendments.

So I urge my colleagues to vote against cloture at this early stage in the deliberative process. It is important that we be given the opportunity to deliberate in a fair and open way to accommodate the rights of every Senator, whether he or she be Democrat or Republican, so I urge my colleagues to vote no on tonight's cloture motion.

OFFSETTING TAX CUTS

Mr. DASCHLE. Mr. President, I wish to call attention, as other colleagues have done today, to the work just accomplished by the Ways and Means and Energy and Commerce Committees in the House of Representatives. Unfortunately, the legislation these committees produced is every bit as disastrous as we anticipated it would be, and I am concerned not only about the quality of the bill they passed but the process they used to consider this legislation.

The plan they passed heaps tremendous additional costs on seniors across this country. And, in particular, it squeezes dry rural America. I have no doubt whatsoever that it will close hospitals and clinics in many parts of this country including South Dakota, and I believe that it decimates medical research and innovation, all in the name of saving the trust fund.

Yet, as we have attempted to explain over the course of this debate, what was done in the Ways and Means and Commerce Committees over the last several days has nothing to do with saving the trust fund. The actuaries in Health and Human Services have reconfirmed just as late as last week that we only need $89 billion to save the trust fund. Yet, over half of the savings in the Republican plan comes from part B of the Medicare program, which has nothing to do with the trust fund. Of the $270 billion reduction in Medicare spending, over half of the savings comes from part B.

The new costs that are going to be imposed on seniors, cuts in benefits, increases in premiums, increases in deductibles, have absolutely nothing to do with the trust fund. The Republicans decided to cut $270 billion from Medicare before they even saw the trustees' report. In fact, Republicans actually repealed the law, passed in 1993, that dedicated new revenue to help shore up the trust fund.

That is why actuaries in the Health Care Financing Administration say that even with $270 billion in cuts that the Republicans call for, the trust fund is solvent only to the year 2006, the same solvency date as one gets from cutting $89 billion from Medicare. That is amazing to me. Despite the fact that the HCFA actuaries confirm that the $89 billion in Medicare cuts that Democrats have advocated in our Medicare alternative accomplishes exactly the same thing in terms of trust fund solvency as the $270 billion, Republicans are still determined to cut huge amounts from Medicare.

And so, Mr. President, we have a very clear choice—$89 billion in Medicare cuts, presented by the Democrats as a way to address Medicare solvency with real long-term improvements in the infrastructure of the program, following the recommendations of the Health and Human Services actuaries, versus $270 billion in cuts, which achieves exactly the same level of solvency. This choice certainly raises a question about what the additional $181 billion in Medicare cuts contained in the Republican plan will truly be used for.

I think it is as clear as the charts that have been shown on the floor this afternoon. We know what the additional $181 billion is going to be used for. We know that we have to come up with $245 billion in offsets for the Republican tax cut. That is really at the heart of this whole debate.

Republicans are meeting this afternoon here in the Senate to come up with a package of tax cuts, largely dedicated to those who do not need tax relief, in an effort to complete this reconciliation package.

We know they need $245 billion to offset this tax cut, and there is no secret as to where that money is going to come from. It will come from Medicare. It will come from Medicaid. It will come from increases in the cost to working families who will lose benefits from the cut in the earned-income tax credit. It will come from the education budget, and it will come from agriculture. The American people need to understand where the money for the Republican tax cut is coming from.

What is so tragic is that money for the tax cut is coming from people who cannot afford to give it in the first place—impoverished families who have a spouse in a nursing home who will have to sell their farms, sell their homes, sell their businesses in order to ensure that that family member can stay in the nursing home where he or she has been residing. That is just plain wrong. That kind of transfer is not in our best interest and we have got to defeat it when we have the opportunity to do so in the weeks ahead.

The process by which Republicans are trying to pass this bill is as problematic as the substance of the legislation. I want to address that issue for just a moment. As we have made clear over the last several weeks, there have been no hearings, there has been no consultation or real effort to reach out to Democrats to try to accommodate our concerns, no analysis provided, no explanation of how seniors, hospitals, or families are affected, and no legislative language until after the committee vote was taken.

That fact has not been widely reported. There have been votes taken in committee, but no legislative language. Generally when we go through a markup, we take the bills page by page and attempt, as best we can, to modify the legislation through the amendment process in order to accommodate the concerns raised by Senators. None of that happened because nobody had legislative language or sufficient detail to be able to determine how best to amend the bill. In other words, we have had no hearings, no analysis, no explanation, and no legislative language before a vote was taken on major legislation to radically alter important programs upon which seniors and families depend.

But we do know how some of the decisions about this legislation were made. It has been widely reported that the AMA lined up outside the Speaker's office just yesterday and made a decision to cut a deal with the Speaker, and as a result they walked away with the assurance that they would not have to contribute to the Medicare reductions to the extent seniors and other providers would have to.

In other words, doctors now, because they were able to cut their own deal with the Speaker, are not going to be required to contribute to this process to the degree that it was originally proposed. Yet, we also know that the Republicans are holding fast to their determination to cut Medicare by $270 billion. So someone else, seniors or other providers, will have to be hit even harder to make up the additional revenue.

I thought it was all the more revealing when the board chair of the AMA on the 27th of September made reference to these deals and indicated—and I quote—"The bright lights of public scrutiny can only hurt, not help, delicate discussions." The translation is, "Bright lights and public scrutiny are counterproductive to good deals." We are not going to cut a deal if there is public scrutiny and bright lights.

That is not the way this democracy should work. Backroom deals may help doctors, backroom deals may spare them sacrifice; but backroom deals away from the light of day can only hurt seniors and cannot do anything to give us the opportunity that we should have had in the first place through hearings, through a legislative process, through a markup with legislative language, to carefully consider important legislation.

Seniors and their families were not invited into the Speaker's backroom. Rural hospitals were not invited into the Speaker's backroom. We really still do not know what kind of a deal was cut. That is all the more reason many of us are very concerned about backroom deals. We still, a couple days after the fact, do not know exactly what kind of a deal was cut with the physicians.

We are also very concerned about budget gimmicks like lockboxes that supposedly lock in savings from a certain program so they are dedicated only for certain purposes. This is a budget gimmick. We all know all program cuts and all tax decreases come from the same budget. We know in the end they will be able to transfer cuts in benefits to cuts in taxes. Medicare savings will still go to tax breaks for those who do not need it.

We also know that the Republican budget expenditure limit target is a gimmick that will cut more and more in subsequent years from Medicare, and take more and more out of the pockets of seniors.

Seniors know that this legislation means double deductibles, increases in premiums, increases in the eligibility age for Medicare and the elimination of important senior protections that have long been part of this program.

Mr. President, this legislation presents seniors with a series of bad choices—and bad choices are no choices at all. And these bad choices are created in the name of benefits and tax breaks to those who do not need them. We can do better than this. We can do better than backroom deals. We need to open up this legislative process, allow the light of day to shine on our decisionmaking, allow the details of this bill to be examined and carefully considered as it must ultimately be, if this legislation is going to become law. We can do better. And I hope we begin sooner rather than later.

I yield the floor and I note the absence of—I withhold for just a moment.

RECESS UNTIL 7:30 P.M.

Mr. DASCHLE. Mr. President, I ask unanimous consent that the Senate stand in recess until 7:30 this evening, and that when the Senate reconvenes, the time between 7:30 and 8:30 be equally divided in the usual form.

There being no objection, at 6:38 p.m., the Senate recessed until 7:29 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. BENNETT).

The PRESIDING OFFICER. The Chair, in his capacity as a Senator from Utah, suggests the absence of a quorum. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BOND. Mr. President, I rise to address the vote for cloture on the Dole-Helms amendment to the Sanctions Act.

I will be voting for cloture because I wish to see this process move along. This bill has been pending all year, and it is time we addressed it and moved on. In voting for cloture, however, I want to make clear that I do not support this legislation. I think it is a mistake, and I do not believe it will achieve the intended results.

First, this bill will impose trade sanctions on many of our closest allies and trading partners throughout the world. That is not going to help the people of Cuba in any way, but it is going to hurt American companies doing business around the world.

Second, the bill creates an unprecedented right of action for legal claims of former property owners in Cuba. Not only will that impose a severe burden on our court system, it will do so without, in anyway helping the people who need it most—families and small property owners who lost their homes and businesses to the Castro regime. This new right of action will also put us into conflict with some companies headquartered in some of our closest allies who are now operating plants in Cuba.

As a result of both of these problems, the United States will find itself under immediate attack in the World Trade Organization.

This legislation will only add to the already overwhelming misery of the Cuban people. I don't want to do that, and I know none of my colleagues do either. Certainly, we all want to see an end to the Castro regime—a cold war relic whose time has passed. I believe, however, that Castro's days are numbered. Communism has fallen around the world, and it will fall in Cuba as well. We should let it fall of its own weight, and then be there to assist the Cuban people in developing and nurturing a new democratic successor. This bill will not achieve that goal—in fact, it will move in the other direction. I urge Senators to oppose it.

Mr. PELL. I would like to speak for 2 minutes.

The PRESIDING OFFICER. The Senator is recognized for 2 minutes.

Mr. PELL. Thank you.

As I have stated on previous occasions, my usual practice is to always vote for cloture as a matter of principle. Indeed, in my more than 34 years in the Senate, I have cast over 330 votes in favor of cloture and have only voted otherwise very rarely.

The vote tonight is one of those rare occasions, because I feel so strongly about the issue at hand. I believe the best American policy in Cuba will be one of openness and regular relations. My several visits to that island over the years have only fortified my belief that the Communist regime there will wither under the light of expanded contact with the United States.

Having in other periods of life lived under communism, I know that when exposed to freedom and the market economy it dies of its own ineptitude.

The bill before us has just the opposite effect, and extended debate is warranted to make the case against it. So I shall be casting my vote, with some reluctance, against cloture.

Mr. President, I ask unanimous consent that material I have here be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF STATE,
Washington, DC.

LEGAL CONSIDERATIONS REGARDING TITLE III OF THE LIBERTAD BILL

The U.S. Government has long condemned as a violation of international law the confiscation by the Cuban Government of properties taken from U.S. nationals without compensation, and has taken steps to ensure future satisfaction of those claims consistent with international law. Congress recognized the key role of international law in this respect. Title V of the International Claims Settlement Act of 1949, as amended, pursuant to which the Foreign Claims Settlement Commission (FCSC) certified the claims against Cuba of 5,911 U.S. nationals, accordingly applies to claims "arising out of violations of international law."

The State Department, however, opposes the creation of a civil remedy of the type included in Title III of the "Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1995" (the "LIBERTAD bill") currently under consideration by the Congress. The LIBERTAD bill would be very difficult to defend under international law, harm U.S. businesses exposed to copy-cat legislation in other countries, create friction with our allies, fail to provide an effective remedy for U.S. claimants and seriously damage the interests of FCSC certified claimants. It would do so by making U.S. law applicable to, and U.S. courts forums in which to adjudicate claims for, properties located in Cuba as to which there is no United States connection other than the current nationality of the owner of a claim to the property. Specifically, the LIBERTAD bill would create a civil damages remedy against those who, in the language of the bill, "traffic" in property of a U.S. national. The bill defines so-called "trafficking" as including, among other things, the sale, purchase, possession, use, or ownership of property the claim to which is owned by a person who is now a U.S. national.

The civil remedy created by the LIBERTAD bill would represent an unprecedented extra-territorial application of U.S.

law that flies in the face of important U.S. interests. Under international law and established state practice, there are widely-accepted limits on the jurisdictional authority of a state to "prescribe," i.e., to make its law applicable to the conduct of persons, as well as to the interests of persons in things. In certain circumstances a state may apply its law to extra-territorial conduct and property interests. For example, a state may do so in limited circumstances when the conduct has or is intended to have a "substantial effect" within its territory. The Senate version of the bill appears to imply that so-called "trafficking" in confiscated property has a "substantial effect" within the United States. Some have explicitly defended the LIBERTAD bill on this ground.

Asserting jurisdiction over property located in a foreign country and expropriated in violation of international law would not readily meet the international law requirement of prescription because it is difficult to imagine how subsequent "trafficking" in such property has a "substantial effect" within the territory of the United States. It is well established that under international law "trafficking" in these confiscated properties cannot affect Cuba's legal obligation to compensate U.S. claimants for their losses. The actual effects of an illegal expropriation of property are experienced at the time of the taking itself, not at any subsequent point. An argument that subsequent use or transfer of expropriated property may interfere with the prospects for the return of the property would be hard to characterize as a "substantial effect" under international law. Under international law, the obligation with respect to the property is owed by the expropriating state, which may satisfy that obligation through the payment of appropriate compensation in lieu of restitution.

As a general rule, even when conduct has a "substantial effect" in the territory of a state, international law also requires a state to apply its laws to extra-territorial conduct only when doing so would be reasonable in view of certain customary factors. Very serious questions would arise in defending the reasonableness under international law of many lawsuits permitted by Title III of the LIBERTAD bill. The customary factors for judging the reasonableness of extra-territorial assertions of jurisdiction measure primarily connections between the regulating state, on one hand, and the person and conduct being regulated, on the other. Title III would cover acts of foreign entities and non-U.S. nationals abroad involving real or immovable property located in another country with no direct connection to the United States other than the current nationality of the person who holds an expropriation claim to that property. Moreover, the actual conduct for which liability is created—private transactions involving the property—violates no established principle of international law. Another customary measure of reasonableness is the extent to which the exercise of jurisdiction fits with international practice. The principles behind Title III are not consistent with the traditions of the international system and other states have not adopted similar laws.

International law also requires a state assessing the reasonableness of an exercise of prescriptive jurisdiction to balance its interest against those of other states, and refrain from asserting jurisdiction when the interests of other states are greater. It would be very problematic to argue that U.S. interests in discouraging "trafficking" outweigh those of the state in which the property is located, be it Cuba or elsewhere. International law recognizes as compelling a state's interests in regulating property present within its own borders. The United States guards jealously this right as an essential attribute of sovereignty. In contrast, discouraging transactions relating to formerly expropriated property has little basis in state practice.

That international law limits the United States' exercise of extra-territorial prescriptive jurisdiction does not imply that U.S. courts must condone property expropriations in cases validly within the jurisdiction of the United States. Our courts may refuse to give affect to an expropriation where either (i) the expropriation violated international law and the property is present in the United States or (ii) in certain cases, the property has a legal nexus to a cause of action created by a permissible exercise of prescriptive jurisdiction. In fact, generally speaking, our laws prohibit our courts from applying the "Act of State" doctrine with respect to disputes about properties expropriated in violation of international law. If applied the doctrine might otherwise shield the conduct of the foreign state from scrutiny. Indeed, in a number of important cases the Department of State has actively and affirmatively supported these propositions in cases before U.S. courts to the benefit of U.S. claimants, including with respect to claims against Cuba. The difficulty with Title III of the LIBERTAD bill stems not from its willingness to disaffirm expropriations that violate international law, but from its potentially indefensible exercise of extra-territorial prescriptive jurisdiction.

Some supporters of the LIBERTAD bill have advanced seriously flawed arguments in defending the extra-territorial exercise of jurisdiction contemplated by Title III. Some have defended Title III on the deeply mistaken assumption that international law recognizes the wrongful nature of so-called "trafficking" in confiscated property. No support in state practice exists for this proposition, particularly with regard to property either held by a party other than the confiscator or not confiscated in violation of international claims law (if, for example, the original owners were nationals of Cuba at the time of loss.) Many of the suits allowed by Title III would involve "trafficking" in properties of this type, where an internationally wrongful act would seem extremely difficult to establish.

Regrettably, the support in international state practice offered by some for viewing so-called "trafficking" as wrongful has generally confused a state's power to assert jurisdiction over conduct with the "Act of State" doctrine, discussed previously. The unwillingness of our courts to give effect to foreign state expropriations violative of international law in matters over which they have valid jurisdiction under international law, however, does not imply that international law recognizes as wrongful any subsequent entanglement with the property. Others have suggested that general acceptance of domestic laws relating to conversion of ill-gotten property makes "trafficking" wrongful under international law. This argument is extremely unpersuasive as many universally accepted domestic laws, including for example most criminal laws, have no international law status. So-called "trafficking" has no readily identifiable international law status. International law does condemn a state's confiscation of property belonging to a foreign national without the payment of prompt, adequate and effective compensation. In such circumstances the U.S. Government has been largely successful in assuring that U.S. claimants obtain appropriate compensation, precisely because of the protection afforded by international law.

Some supporters have maintained incorrectly, in addition, that Title III is similar to prior extra-territorial exercises of jurisdiction by the United States over torts committed outside the United States. The Alien Tort Statute (ATS) and the Torture Victim Protection Act of 1991 (TVPA) have been cited as examples in this context. The assertion is plainly false and the LIBERTAD bill differs significantly from the examples cited. While the ATS and TVPA do empower U.S. courts to adjudicate certain tortious acts committed outside the United States, they do so only with respect to acts that violate international law. The ATS covers only torts "committed in violation of the law of nations or a treaty of the United States." Similarly, the TVPA creates liability for certain conduct violating fundamental international norms of human rights (i.e. torture and extra-judicial killing). In contrast, as explained previously, supporters of the LIBERTAD bill have failed to identify any basis in international law permitting the use of U.S. courts for the adjudication of suits regarding extra-territorial "trafficking."

Title III of the LIBERTAD bill also deviates substantially from accepted principles of law related to the immunity of foreign sovereign states, as well as their agencies and instrumentalities. Although much of the discussion of the bill has focussed on suits against certain foreign corporations and individuals, in its current form the Senate version of the bill would allow a suit to be brought against "any person or entity, including any agency or instrumentality of a foreign state in the conduct of commercial activity" that "traffics" in confiscated property. Since "trafficking" is defined to include such things as possessing, managing, obtaining control of, or using property, it would appear at a minimum that Title III authorizes suits against many Cuban or other foreign governmental agencies or instrumentalities. To the extent Title III provides for such suits, they would be highly problematic and difficult to defend.

The Foreign Sovereign Immunities Act (FSIA), enacted in 1976 after careful deliberation, is consistent with international law principles of foreign sovereign immunity. To the extent the LIBERTAD bill would permit suits against agencies and instrumentalities of foreign governments it would go far beyond current exemptions in the FSIA. The LIBERTAD bill, unlike the FSIA, would not require the agency or instrumentality to be "engaged in commercial activity in the United States." Moreover, the LIBERTAD bill contemplates suits against agencies or instrumentalities of foreign states for any conduct that constitutes so-called "trafficking"; as defined in the LIBERTAD bill this notion is broader than owning or operating property, the FSIA standard.

Similarly, to the extent the provisions of the LIBERTAD bill permitting suits against "entities" is construed to authorize suits against foreign governments as well, it would go well beyond current exemptions in the FSIA and under international law for claims involving rights in property. Under the FSIA, a foreign state (as distinguished from its agencies and instrumentalities) is not immune only when the "property or any property exchanged for such property is present in the United States in connection with a commercial activity carried on in the United States by the foreign state." The

LIBERTAD bill would appear not to impose those requirements. In addition, suits against "entities" would in these circumstances include those brought against foreign governments other than Cuba that may have acquired confiscated property in violation of no principle of international claims law. These potential expansions of the exceptions from the immunity of foreign states, as well as their agencies and instrumentalities, from the jurisdiction of U.S. courts and their implications for U.S. liability in other countries represent matters of great concern.

Some have suggested that even though the creation of a cause of action such as that contemplated in Title III of the LIBERTAD bill is not currently defensible under international law, the United States should enact these provisions of the bill to promote the development of new international law principles in this area. Suggestions of this sort in this context rest on a dubious premise of how state practice contributes to international law. While the practice of states represents a source of international law, state practice makes law only when it is widespread, consistent and followed out of a sense of legal obligation. The enactment of Title III in the face of serious questions about its consistency with international law, and without the support of the international community, would not contribute positively to international law relating to the expropriation of property.

In addition to being very difficult to defend under international law, enactment of Title III would also undermine a number of important U.S. interests connected to these significant international law concerns. General acceptance of the principles reflected in Title III would harm U.S. business interests around the world. At present and in general, the laws of the country in which the property lies govern the rights to that property, particularly with respect to real property. United States businesses investing all over the world benefit from their ability to rely on local law concerning ownership and control of property. Under the precedent that would be set by Title III, a U.S. business investing in property abroad could find itself hailed into court in any other country whose nationals have an unresolved claim to that property. Such a precedent could increase uncertainties for U.S. companies throughout the world. Perversely, Title III would hurt U.S. businesses most directly in Cuba. U.S. businesses seeking to rebuild a free Cuba once a transition to democracy begins will find themselves easy targets of Title III suits, as U.S. corporations generally are subject to the jurisdiction of our courts.

Congress should expect that the enactment of Title III of the LIBERTAD bill, with its broad extra-territorial application of U.S. law, significant departures from established claims practice and possible contravention of international law, will create serious disputes with our closest allies, many of whom have already voiced their objections. The United States must expect the friction created by Title III to hurt efforts to obtain support in pressing for change in Cuba. Moreover, once the transition to democracy does begin, Title III will greatly hamper economic reforms and slow economic recovery as it will cloud further title to confiscated property.

Perhaps most importantly, Title III of the LIBERTAD bill would not benefit U.S. claimants. The private right of action created by Title III, furthermore, would likely prove ineffective to U.S. claimants. Past experience suggests that countries objecting to the extra-territorial application of U.S. law reflected in Title III, most likely some of our closest allies and trading partners, could be expected to take legal steps under their own laws to block adjudication or enforcement of civil suits instituted against their nationals. Moreover, many foreign entities subject to suit would deem U.S. jurisdiction illegitimate and fail to appear in our courts. Title III would in those circumstances merely produce unenforceable default judgements. In addition, some commentators have estimated potential law suits to number in the hundreds of thousands, so the LIBERTAD bill would also clog our courts and result in enormous administrative costs to the United States. As the lawsuits created under Title III might not result in any increase in or acceleration of compensation for U.S. claimants, these costs would be unjustifiable.

In so far as it departs from widely accepted international claims law, Title III of the LIBERTAD bill undermines widely-established principles vital to the United States' ability to assure that foreign governments fulfill their international obligations for economic injury to U.S. nationals. In doing so, Title III hurts all U.S. citizens with claims against another government. With respect to claims against Cuba specifically, the cause of action contemplated in Title III of the LIBERTAD bill will hamper the ability of the U.S. Government to obtain meaningful compensation for certified claimants. Consistent with our longstanding and successful claims practice, at an appropriate time when a transition to democracy begins in Cuba, the United States will seek to conclude a claims settlement agreement with the Cuban government covering certified claimants, or possibly create some other mechanism to assure satisfaction of their claims. If Title III is enacted into law and U.S. claimants have an opportunity, at least on paper, to receive compensation for claimed properties from third party "traffickers," the Cuban Government may simply refuse to address the claims on the grounds that the claimants must pursue alternative remedies in U.S. courts. Yet, as indicated previously the prospects for broad recoveries in this manner are very poor.

Even if Cuba accepts its international law responsibilities with respect to U.S. claims, the United States can expect that a large quantity of private suits would profoundly complicate claim-related negotiations, as well as subsequent claims payment procedures. Cuba might easily demand that the United States demonstrate that each person holding an interest in any of the nearly 6,000 certified claims, and possibly the tens of thousands of uncertified claims, has not already received compensation via a lawsuit or private settlement. As the United States will not have records of private suits, let alone non-public out of court settlements, doing so would be extremely difficult. In addition, dealing with unpaid judgments in this context would likely prove particularly difficult.

Finally, the Castro regime has already used, and if enacted into law would continue to use, the civil cause of action contemplated by Title III of the LIBERTAD bill to play on the fears of ordinary citizens that their homes or work places would be seized by Cuban-Americans if the regime falls. The United States must make it clear to the Cuban people that U.S. policy toward Cuban property claims reflects established international law and practice, and that the future transition and democratic governments of the Cuban people will decide how best to resolve outstanding property claims consistent with international law.

EXECUTIVE OFFICE
OF THE PRESIDENT,
OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, September 20, 1995.

STATEMENT OF ADMINISTRATION POLICY

(This statement has been coordinated by OMB with the concerned agencies.)

H.R. 927—CUBAN LIBERTY AND DEMOCRATIC SOLIDARITY ACT—(BURTON (R) IN AND 43 COSPONSORS)

The Administration supports the central objective of H.R. 927, i.e., to promote a peaceful transition to democracy in Cuba. However, H.R. 927 contains a number of seriously objectionable provisions that would not advance U.S. interests in Cuba and would damage other U.S. interests. Therefore, the President's senior advisers would recommend that H.R. 927 be vetoed unless the following provisions are deleted or amended:

The bill would encroach upon the President's exclusive authority under the Constitution to conduct foreign affairs, or otherwise unduly limit the President's flexibility, by purporting to require the President or the Executive branch to pursue certain courses of action regarding Cuba. Mandatory provisions should be replaced with precatory language in the following sections: 102(b); 104(a); 110(b); 112, 201; 202(e); 203(c)(1); and 203(c)(3).

The exemption in section 102(d) from civil penalty authority for activities related to research, education and certain other purposes, and the burdensome requirement for an agency hearing for civil penalties in other cases, greatly limits the effectiveness of civil penalties as a tool for improving embargo enforcement. Section 102(d) should be amended to address this shortcoming.

Section 103 should be amended to make the prohibition of certain financing transactions subject to the discretion of the President.

Section 104(a) should be amended to urge U.S. opposition to Cuban membership or participation in International Financial Institutions (IFIs) only until a transition government is in power to enable the IFIs to support a rapid transition to democracy in Cuba. Section 104(b), which would require withholding U.S. payments to IFIs, could place the U.S. in violation of international commitments and undermine their effective functioning. This section should be deleted.

Sections 106 and 110(b), which would deny foreign assistance to countries, if they, or in the case of section 110(b), private entities in these countries, provide certain support to Cuba, should be deleted. Section 106 would undermine important U.S. support for reform in Russia. Section 110(b) is cast so broadly as to have a profoundly adverse affect on a wide range of U.S. Government activities.

Section 202(b)(2)(iii), which would bar transactions related to family travel and remittances from relatives of Cubans in the United States until a transition government is in power, is too inflexible and should be deleted.

Sections 205 and 206 would establish overly-rigid requirements for transition and democratic governments in Cuba that could leave the United States on the sidelines, unable to support clearly positive developments in Cuba when such support might be essential. The criteria should be "factors to be considered" rather than requirements.

By failing to provide stand-alone authority for assistance to a transition or democratic government in Cuba, Title II signals a lack of U.S. resolve to support a transition to democracy in Cuba.

Title III, which create a private cause of action for U.S. nationals to sue foreigners who invest in property located entirely outside the United States, should be deleted. Applying U.S. law extra-territorially in this fashion would create friction with our allies, be difficult to defend under international law, and would create a precedent that would increase litigation risks for U.S. companies abroad. It would also diminish the prospects of settlement of the claims of the nearly 6,000 U.S. nationals whose claims have been certified by the Foreign Claims Settlement Commission. Because U.S. as well as foreign persons may be sued under section 302, this provision could create a major legal barrier to the participation of U.S. businesses in the rebuilding of Cuba once a transition begins.

Title IV, which would require the Federal Government to exclude from the United States any person who has confiscated, or "traffics" in, property to which a U.S. citizen has a claim, should be deleted. It would apply not only to Cuba, but world-wide, and would apply to foreign nationals who are not themselves responsible for any illegal expropriation of property, and thus would create friction with our allies. It would require the State Department to make difficult and burdensome determinations about property claims and investment in property abroad which are outside the Department's traditional area of expertise.

PAY-AS-YOU-GO SCORING

H.R. 927 would affect receipts; therefore, it is subject to the pay-as-you-go requirement of the Omnibus Budget Reconciliation Act (OBRA) of 1990. OMB's preliminary scoring estimate is that receipts would be insignificant. Final scoring of this proposal may deviate from this estimate.

THE SECRETARY OF STATE

Washington, DC, September 20, 1995.

Hon. NEWT GINGRICH,
Speaker, House of Representatives.

DEAR MR. SPEAKER: I am deeply concerned about H.R. 927, the Cuban Liberty and Democratic Solidarity Act, which the House is scheduled to consider this week. The Department of State believes that in its current form this legislation would damage prospects for a peaceful transition in Cuba and jeopardize a number of key U.S. interests around the world. For these reasons, I would recommend that the President veto the bill if passed by the Congress in its current form.

As you know, we share with the sponsors of the bill the goal of promoting a peaceful transition to democracy in Cuba. We have pursued that goal by maintaining a tough, comprehensive economic embargo against the Cuban government while reaching out to the Cuban people through licensing private humanitarian aid and improved telecommunications. This policy, guided by the Cuban Democracy Act, has helped to force the limited but positive economic changes that are taking place in Cuba.

We believe that H.R. 927 would actual damage prospects for a peaceful transition. We have consistently objected to the overly rigid list of more than a dozen "requirements" for determining when a transition or a democratic government is in power. These inflexible standards for responding to what may be a rapidly evolving situation could leave the United States on the sidelines during a transition. Moreover, by failing to provide clear authority to assist even a transition or democratic government that meets the bill's certification requirements, the legislation fails to signal to the Cuban people that the United States is prepared to assist them once the inevitable transition to democracy in Cuba begins.

In addition to damaging prospects for a rapid, peaceful transition to democracy, H.R. 927 would jeopardize other key U.S. interests around the globe. For example, it would interfere with U.S. assistance to Russia and other nations of the former Soviet Union. Other provisions would condition assistance to any country if it — or even a private entity in its territory — participates in the completion of a nuclear power plant in Cuba. This kind of rigid conditioning of assistance can have far-reaching consequences and may interfere with our ability to advance the national interest.

While we are firmly committed to seeking the resolution of U.S. property claims by a future Cuban government, the right created by the bill to sue in U.S. courts persons who buy or invest in expropriated U.S. properties in Cuba, ("traffickers") is a misguided attempt to address this problem. Encumbering property in Cuba with litigation in U.S. courts is likely to impede our own efforts to negotiate a successful resolution of U.S.-citizen claims against Cuba and could hamper economic reform efforts by a transitional government in Cuba. U.S. citizens and corporations with certified claims have publicly opposed these provisions. In addition, these provisions would create tensions in our relations with our allies who do not agree with the premises underlying such a cause of action. This stance would be hard to defend under international law. Furthermore, we know that this provision is already being used by the Castro regime to play on the fears of ordinary citizens that their homes and work places would be seized by Cuban-Americans if the regime were to fall.

Title III will also ultimately prove harmful to U.S. business. First, it sets a precedent that, if followed by other countries, would increase litigation risks for U.S. companies abroad. Second, it will create a barrier to participation by U.S. businesses in the Cuban market once the transition to democracy begins. Because the lawsuits contemplated by the bill may be brought against the United States as well as foreign companies and are not terminated until the rigid requirements for a democratic Cuban government are satisfied, the bill erects an enormous legal hurdle to participation by U.S. business in the rebuilding of a free and independent Cuba.

Finally, the provisions of the bill that would deny visas to "traffickers" in expropriated property, which are global in scope and not limited to Cuba, will create enormous frictions with our allies and be both burdensome and difficult to administer.

In sum, the Department of State believes that while the goals of H.R. 927 are laudable, its specific provisions are objectionable and in some cases contrary to broader U.S. interests, even to the goal of establishing democracy and a free market in the country with active U.S. involvement. Given these considerations, the Department of State can not support the bill and, if it were presented to the President, would urge a veto.

Sincerely,

WARREN CHRISTOPHER.

JOINT CORPORATE COMMITTEE ON CUBAN CLAIMS,

Stamford, CT, October 10, 1995.

DEAR SENATOR: I recently wrote to urge you to oppose Title III of legislation, the "Cuban Liberty and Democratic Solidarity Act," that purports to protect the property rights of U.S. nationals against the confiscatory takings by the Castro regime. At that time, Senator Helms was planning to attach this legislation as an amendment to the then-pending Foreign Operations Appropriations Bill. It is my understanding that this legislation now may be brought to the Senate floor as a free-standing bill as early as Wednesday of this week. I am writing once again to urge you to oppose this legislation insofar as it contains Title III in its present form because it poses the most serious threat to the property rights of U.S. certified claimants since the Castro regime's unlawful expropriations more than three decades ago.

In the rush to pass this legislation and thereby demonstrate our firm resolve against Fidel Castro, the far-reaching domestic consequences of this legislation have received far too little attention. In my letter of September 20th, I wrote of the irreparable harm certified claimants would suffer if Title III of this legislation is passed. For the first time ever and contrary to international law, this legislation would permit a specified national origin group, Cuban-Americans, who were not U.S. citizens at the time their property was confiscated, to file Title III lawsuits against the Government of Cuba for the property losses they suffered as Cuban nationals. Indeed, this legislation even permits Cuban exiles abroad to file lawsuits in U.S. federal courts if they establish a corporation in the United States for the purpose of pursuing any claim they may have against Cuba. The creation of a new right to sue is never an inconsequential matter yet the careful scrutiny such a provision deserves has been disturbingly lacking to date.

We can reasonably expect plaintiffs' attorneys to exploit this newly created lawsuit right to the fullest extent possible, creating a tide of litigation that will all but sweep away the value of the claims currently held by U.S. certified claimants. Each time one of those lawsuits is reduced to a final judgment against Cuba, the injury to U.S. certified claimants increases. Ultimately, the cumulative weight of those judgments will extinguish any possibility the certified claimants ever had of being compensated. A virtually bankrupt Cuba cannot be expected to compensate the U.S. certified claimants, who hold claims valued today at nearly $6 billion, when it is also facing the prospect of satisfying potentially tens of billions of dollars in federal court judgments held by Cuban-Americans, whose claims have been valued as high as $94 billion.

Our already overburdened federal courts will have to deal with the daunting task of adjudicating some 300,000 to 430,000 lawsuits, according to one estimate that has never been refuted. (And that does not even take into account the number of additional claims that we can anticipate will be brought on equal protection grounds by Vietnamese-Americans, Polish-Americans, Chinese-Americans and other national origin groups.) Indeed, a litigation explosion appears to be exactly what the bill's sponsors intend: They hope to enlist an army of lawyers to launch a barrage of federal court lawsuits against Cuba in order to hopelessly entangle the island in lawsuits. In so doing, title to property in Cuba will be clouded for years to come, thus ensuring that every effort at privatization or market-oriented economic reform will be doomed to failure. In a classic case of overkill, however, this endless litigation will not only encumber the current regime, but will impose an onerous burden on a future democratic government that will make normalization of relations with the United States virtually impossible.

Faced with this prospect, the president, as an exercise of executive prerogative in the conduct of foreign affairs, may elect to dismiss those federal court judgments pending against a friendly government in Cuba. However, dismissing those lawsuits may not turn out to be such a simple matter because the U.S. Government may very well find itself liable for tens of billions of dollars in property takings claims to this large class of citizens who were non-U.S. nationals at the time they lost properties in Cuba. In short, if Title III is enacted, we will be left either with the prospect of protracted litigation against Cuba, which will indefinitely delay normalization of relations with a post-Castro Cuban government, or enormous liability to possibly hundreds of thousands of Cuban-Americans should those federal court judgments be dismissed as an incident of normalization.

Amazingly, the Senate is poised to vote on this legislation without the benefit of the Judiciary Committee's views on these and other critical issues that fall within its purview. The Judiciary Committee has held no hearings on Title III, has not reviewed it, nor has it, or the Foreign Relations Committee for that mater, issued any reports on it. It is astonishing that we may be so casually headed toward putting our government, and ultimately U.S. taxpayers, on the line for tens of billions of dollars worth of Cuban-American claims in a foreign land. The only conclusion that can be drawn is that this legislation is being rushed to a vote before these serious issues can be thoroughly considered by the Senate through its normal procedures. Given the profound domestic implications of this legislation beyond the obvious and immediate injury to U.S. certified claimants, I urge you to oppose Title III of this legislation if for no other reason than to ensure that these concerns receive the careful deliberation they warrant.

Sincerely,

DAVID W. WALLACE,
Chairman.

NATIONAL COUNCIL OF THE
CHURCHES OF CHRIST IN THE USA,
September 19, 1995.

DEAR REPRESENTATIVE: I write on behalf of the National Council of Churches of Christ in the USA (NCC) to urge your opposition to the Cuban Liberty and Democratic Solidarity bill, H.R. 927, which is scheduled to be considered on the House floor this week. We believe strongly that contrary to its stated objectives, the bill is likely to provoke a negative response that will harm efforts to achieve peaceful social, economic, and political change in Cuba.

The National Council of Churches and many of its member denominations have maintained a decades-long relationship of pastoral accompaniment with the Protestant churches of Cuba. Through Church World Service (CWS)—our relief, refugee, and development program—the NCC has assisted for more than thirty years in the resettlement in the U.S. of Cuban asylum seekers and refugees. Over the past four years CWS has carried out regular shipments of humanitarian assistance that is administered through the Cuban Ecumenical Council for use in nursing homes and childrens' hospitals.

On numerous occasions the NCC has called on the U.S. and Cuban governments to engage in dialogue aimed at resolving the longstanding conflict between our countries. In particular, we have urged measures that would foster greater communication and understanding between people in the U.S. and Cuba, which we view as key to achieving a more normal relationship.

Our deep concerns about the Cuban Liberty and Democratic Solidarity Act include the following:

1. By incorporating in U.S. policy recognition of property claims of Cubans who became U.S. citizens subsequent to the expropriation of their property, and by subjecting to sanctions anyone who "traffics" in such property, the bill is likely to strengthen hard-liners within the Cuban government and fuel renewed anti-U.S. sentiment among the Cuban population. This provision is likely to be interpreted within Cuba as a move to return to the economic and social situation that existed there prior to the 1959 revolution. There is little or no support for such a move within Cuba, even among the most vehement critics of the current regime.

2. The bill specifies conditions for the expansion of U.S. assistance that are likely to undermine diplomatic efforts to achieve a peaceful resolution of the conflict between the U.S. and Cuba. By linking broader U.S. assistance to Cuba to a highly specific set of conditions, the bill reduces significantly the diplomatic tools available to the Administration. At the same time, the bill fails to broaden humanitarian or exchange programs that foster stronger people-to-people relationships.

3. The bill reinforces regulations promulgated in August 1994 that restrict travel and shipment of goods to family members. These new restrictions have led to serious delays in efforts to secure licenses for travel to Cuba. The ability to travel to Cuba on short notice is particularly important to the pastoral accompaniment of the Protestant churches during this difficult period of transition. [Oscar: other problems resulting from the new regulations?]

The NCC believes that a new approach to U.S.-Cuban relations is long overdue. The Cuban Liberty and Democratic Solidarity Act represents a further deepening of an anachronistic policy in serious need of change. I strongly urge you to oppose H.R. 927 and to support efforts to bring about more normal relations between the U.S. and Cuba.

Sincerely,

JOAN BROWN CAMPBELL,
General Secretary.

MANSFIELD & MUSE,
Washington, DC, September 20, 1995.

Senator W. COHEN,
United States Senate,
Washington, DC.

Re "The Cuba Liberty and Democratic Solidarity Act."

DEAR SENATOR: My client Amstar, along with thousands of other U.S. citizen holders of claims certified against Cuba in the 1960's by the Foreign Claims Settlement Commission, will suffer devastating economic injury if Title III of Senator Helm's bill (formerly S. 381) is passed as an amendment to the Foreign Operations Appropriations Bill. It is for this reason that I am writing.

It is absolutely false that Title III has been revised in ways that make it no longer violative of both international law and the rights and interests of U.S. citizens holding claims certified against Cuba pursuant to the 1964 Cuba Claims Act. As you know, Title III allows lawsuits to be brought in the federal courts against Cuba and private individuals either living in or doing business in that country with respect to properties taken from their owners for the most part thirty-five years ago. Damages are recoverable against Cuba and others foreseeable the current value of those properties. Contrary to international law, it makes no difference under Title III whether a litigant was a U.S. citizen at the time the property in Cuba was taken. Indeed Title III is specifically designed to give subsequently naturalized Cuban Americans statutory lawsuit rights against Cuba of a type that we as a nation have never been before given anyone else—even those who were U.S. citizens at the time of their foreign property losses.

Title III of Senator Helm's amendment will produce the following consequences if enacted in its present form:

Our federal courts will be deluged in Cuba-related litigation. On August 28, 1995 the National Law Journal (attached) reported that 300,000–430,000 lawsuits are to be expected from Cuban Americans if Title III is enacted. According to judicial impact analysts at the Administrative Office of the U.S. Courts each of these suits will average $4,500 in costs, whether they go to trial or not. Therefore the administrative costs to the courts alone of Title III will reach nearly $2 billion.

If we enact Title III those 5,911 claimants certified under the 1964 Cuban Claims Act will see their prospects of recovering compensation from an impoverished Cuba diluted to virtually nothing in a sea of Cuban American claims (To put this matter into context, the Department of State has estimated Cuban American property claims at nearly $95 billion). It is critical that it be understood that a claim certified by the Foreign Claims Settlement Commission constitutes a property interest. If Congress enacts Title III with the foreseeable effect of destroying the value of the $6 billion (according to State Department figures) in claims held by American citizens, it should expect to indemnify those citizens someday, under the Fifth Amendment's "takings clause", to the full amount of their economic injury. If Title III is made law, the American taxpayer will quite probably someday demand an explanation as to how on earth he or she has been forced to step into the shoes of the Cuban government and compensate U.S. companies and individuals for their property losses in Cuba over thirty-five years ago.

If we violate international law and longstanding U.S. adherence to that law by enacting Title III and conferring retroactive rights upon non-U.S. nationals at time of foreign property losses, history tells us that we will not be permitted to stop with Cuban Americans. The equal protection provisions of the Constitution will not tolerate limiting the conferral of such an important benefit as a federal right of action on only one of our many national origin groups whose members have suffered past foreign property losses if, as will surely happen, a former South Vietnamese army officer who is now a U.S. citizen sues in order to gain the same right accorded Cuban Americans to recover damages for property expropriations he suffered, who, if Title III is enacted is prepared to say he should not have such a right? On what principled basis would such a right be denied him if given by Congress to Cuban Americans? What about Chinese Americans, Hungarian Americans, Iranian Americans, Greek Americans, Palestinian Americans, Russian Americans, Polish Americans? Are we going to claim surprise when the courts tell us that the equal protection of laws requirement of the Constitution mandates that each of these national-origin groups receive the same right of action against their former governments that we are proposing to give Cuban Americans by virtue of Title III? How many such suits might we then expect from these others national-origin groups and at what cost to both the national treasury and our relations with the many countries that will end up being sued in our federal courts? It must also be kept in mind that U.S. companies that have invested in various countries where our naturalized citizens have property claims (e.g. Vietnam) will be held liable for so-called "trafficking" in those claimed properties if Title III is enacted and extended constitutionally to other national-origin groups.

The multitude of lawsuits that will be filed pursuant to Title III will over time be converted to final judgments against Cuba, and as such will constitute a running sore problem for the United States. Title III lawsuits are explicitly made nondismissible. The fact of hundreds of thousands of Cuban American judgment creditors against Cuba will make it impossible for us to normalize relations with a friendly government in that country. Aircraft and ships would be seized. Cuban assets in the U.S. banking system would be attached, goods produced in Cuba would be executed upon when they arrive in U.S. ports—all in pursuit of recovery of billions of dollars in federal court awards. The population of Cuba (the majority of whom were not even born when the properties of the Cuban American judgment creditors were taken) will be indentured for decades to come to the judgments entered against their country on our federal court dockets. How is such a state of affairs conducive to a reconciliation between Cubans on the island and the Cuban community of the United States?

The alternative to the permanent estrangement Title III lawsuits will produce between Cuba and the United States would of course be for a U.S. president to dismiss the judgments entered against Cuba. Notwithstanding the prohibition against such executive branch action contained in Title III, it is probable that the courts will ultimately uphold the dismissals as a legitimate exercise of the presidential prerogative to conduct foreign affairs.[2] What then?

The creation of a cause of action by Congress is obviously not a trivial matter. Hundreds of thousands of Cuban Americans will quite properly avail themselves of the right of action to be given them by Title III. These cases will proceed inexorably to final judgments. (There are really no defenses available to Cuba under Title III. It is a strict liability statute). As final federal court judgments they will carry the faith and credit of the United States government, with all the rights and remedies of execution set out in our laws. What will be the consequence of the president extinguishing these judgments and their concomitant rights of execution?

Again, as in the case of certified claimants, a federal court judgment is a property interest protected by the Constitution. If that interest is extinguished by presidential order, the Fifth Amendment "takings clause" with its duty of full compensation will be triggered. If Title III is enacted it should be with full knowledge that Congress may someday be asked by the public to explain how the American people came ultimately to be liable for tens of billions of dollars of damages in recompense to a group of non-U.S. nationals at the time they lost properties in Cuba.[3] In a period of heightened concern for potential governmental liability under the takings clause of the Fifth Amendment, Title III should be approached with the greatest caution and seen for the liability time bomb it is.

A troubling aspect of Title III is its contemptuous disregard of international law. As a nation we and our citizens benefit from international law in a myriad of forms, such as overseas investment and intellectual property protection, the safety of our diplomats and sovereignty over our marine resources. Many other examples of the benefits to the United States of an international rule of law could be given. How can we in the future demand compliance with international law by other nations if we are prepared to violate that very law by enacting Title III? The proponents of this legislation have never satisfactorily answered that fundamental question.

To conclude, certain proponents of Title III from outside the Senate have engaged in a campaign to minimize its significance. Boiled down, their message is that a vote for Title III is an inconsequential thing. For example, they will say that a litigant cannot or will not sue Cuba itself, but rather any actions are limited to "third party traffickers" in confiscated properties. Let there be no mistake on this point. Title III is an unprecedented federal court claims program against the nation of Cuba. Section 302 of Title III is plain and unambiguous in its meaning. It is the inescapable consequences of that meaning that the Senate must address.

JOINT CORPORATE COMMITTEE
ON CUBAN CLAIMS,
September 20, 1995.

DEAR SENATOR: The Joint Corporate Committee on Cuban Claims represents more than thirty U.S. corporations with certified claims against the Government of Cuba stemming from the Castro regime's unlawful confiscation of U.S. property without just compensation. Our member corporations hold more than one-half of the $1.6 billion in outstanding certified corporate claims. On behalf of the Joint Corporate Committee, I am writing to urge you to oppose Title III of legislation Sen. Helms will offer as an amendment to the Foreign Operations Appropriations Bill because it poses the most serious threat to the property rights of the certified claimants since the Castro regime's confiscations more than thirty years ago.

The centerpiece of the Helms legislation is Title III, which creates a right of action that for the first time will allow U.S. citizens—regardless of whether they were U.S. citizens at the time their property was confiscated in Cuba—to file lawsuits in U.S. courts against persons or entities that "traffic" in that property, including the Government of Cuba. In effect, this provision creates within the federal court system a separate Cuban claims program available to Cuban-Americans who were not U.S. nationals as of the date of their injury. This unprecedented conferral of retroactive rights upon naturalized citizens is not only contrary to international law, but raises serious implications with respect to the Cuban Government's ability to satisfy the certified claims.

Allowing Cuban-Americans to make potentially tens if not hundreds of thousands of claims against Cuba in our federal courts may prevent the U.S. certified claimants from ever receiving the compensation due them under international legal standards. After all, Cuba hardly has the means to compensate simultaneously both the certified claimants and hundreds of thousands of Cuban-Americans, who collectively hold claims valued as high as $94 billion, according to a State Department estimate. In addition, this avalanche of lawsuits undoubtedly will cloud title to property in Cuba for years, thereby lessening the prospects for restitutionary approaches in satisfaction of some of the certified claims.

Apart from the injury to the interests of U.S. certified claimants, we can reasonably anticipate that this legislation, by opening our courts to such an expansive new class of claimants, will unleash a veritable explosion of litigation that will place an enormous if not overwhelming burden on our courts. Moreover, the legislation even would allow Cuban exiles abroad to avail themselves of this lawsuit right simply by forming a corporation in the United States, transferring any claim they may have against Cuba into that U.S. corporate entity, and bringing suit in U.S. federal courts. In addition, other similarly situated U.S. nationals of various ethnic origins who have suffered property losses under similar circumstances can be expected to pursue this lawsuit right on equal protection grounds. While it is difficult to predict with any precision the number of lawsuits that will be filed under this legislation, it is not unreasonable to conclude that they will number in the hundreds of thousands.

Finally, we must consider the impact of this lawsuit right on the ability of a post-Castro Cuban government to successfully implement market-oriented reforms. There can be little doubt that the multitude of unresolved legal proceedings engendered by this legislation will all but preclude such reform, which must be the foundation of a free and prosperous Cuba. Even should the President, as an incident of normalizing relations with a democratic Cuban government, ultimately extinguish these claims, if history is a guide, our government could assume tremendous liability to this newly created class of claimants.

In light of the pernicious implications of this legislation for the legal rights of certified claimants, an already overburdened court system, the claims settlement process and the orderly disposition of claims, and the post-Castro investment environment, we urge you to oppose the Helms amendment insofar as it contains Title III in its present form.

Sincerely,

DAVID W. WALLACE,
Chairman.

STATEMENT OF DAVID W. WALLACE, CHAIRMAN, JOINT CORPORATE COMMITTEE ON CUBAN CLAIMS ON S. 381, THE CUBAN LIBERTY AND DEMOCRATIC SOLIDARITY ACT OF 1995

(Submitted to the Subcommittee on Western Hemisphere and Peace Corps Affairs, the Committee on Foreign Relations, United States Senate, June 14, 1995)

Mr. Chairman and Members of the Subcommittee, I appreciate the opportunity to submit this statement expressing the views of the Joint Corporate Committee on Cuban Claims with respect to S. 381, the "Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1995."

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[2] See, Dames & Moore v. Regan, 453 U.S. 654 (1981).

[3] See, Dames & Moore v. Regan, supra, at 688: "Though we conclude that the President has settled petitioner's claims against Iran, we do not suggest that the settlement has terminated petitioner's possible taking claim against the United States." (Emphasis added). Justice Powell, concurring in part and dissenting in part, had this to say: "The Government must pay just compensation when it furthers the nation's foreign policy goals by using as 'bargaining chips' claims lawfully held by a relatively few persons and subject to the jurisdiction of our courts." Id. at 691.

The Joint Corporate Committee on Cuban Claims, of which I serve as Chairman, represents more than thirty U.S. corporations with certified claims against the Government of Cuba stemming from the Castro regime's unlawful confiscation of U.S. property without just compensation. Our member corporations hold more than one-half of the $1.6 billion in outstanding certified corporate claims. Since its formation in 1975, the Committee has vigorously supported the proposition that before our government takes any steps to resume normal trade and diplomatic relations with Cuba, the Government of Cuba must provide adequate compensation for the U.S. properties it unlawfully seized.

Although I am submitting this statement in my capacity as Chairman of the Joint Corporate Committee, I would like to note parenthetically that I also serve as Chairman and Chief Executive Officer of Lone Star Industries, Inc. Lone Star is a certified claim holder whose cement plant at Mariel was seized by the Cuban Government in 1960. Lone Star's claim is valued at $24.9 million plus 6 percent interest since the date of seizure.

On behalf of our Committee, I want to commend the significant contribution you have made to the debate on U.S.-Cuba policy by focusing renewed attention on the Castro regime's unlawful expropriation of U.S. property—an issue that all too often gets lost in the debate over the wisdom of the embargo policy. Recognizing the important role that trade and investment by U.S. businesses will have in Cuba's economic reconstruction and its eventual return to the international community, evidence of concrete steps by the Government of Cuba towards the satisfactory resolution of the property claims issue must be an essential condition for the resumption of economic and diplomatic ties between our nations.

I think it is important to recall the essential reason for which the U.S. government first imposed a partial trade embargo against Cuba in 1960, followed by the suspension of diplomatic relations in 1961 and the imposition of a total trade embargo in 1962. These actions were taken in direct response to the Castro regime's expropriation of properties held by American citizens and companies without payment of prompt, adequate and effective compensation as required under U.S. and international law. This illegal confiscation of private assets was the largest uncompensated taking of American property in the history of our country, affecting scores of individual companies and investors in Cuban enterprises.

These citizens and companies whose property was confiscated have a legal right recognized in long-established international law to receive adequate compensation or the return of their property. Indeed, Cuba's Constitution of 1940 and even the decrees issued by the Castro regime since it came to power in 1959 recognized the principle of compensation for confiscated properties. Pursuant to Title V of the International Claims Settlement Act, the claims of U.S. citizens and corporations against the Cuban government have been adjudicated and certified by the Foreign Claims Settlement Commission of the United States. Yet to this day, these certified claims remain unsatisfied.

It is our position that lifting the embargo prior to resolution of the claims issue would be unwise as a matter of policy and damaging to our settlement negotiations posture. First, it would set a bad precedent by signaling a willingness on the part of our nation to tolerate Cuba's failure to abide by precepts of international law. Other foreign nations, consequently, may draw the conclusion that unlawful seizures of property can occur without consequence, thereby leading to future unlawful confiscations of American properties without compensation. Second, lifting the embargo would remove the best leverage we have in compelling the Cuban government to address the claims of U.S. nationals and would place our negotiators at a terrible disadvantage in seeking just compensation and restitution. We depend on our government to protect the rights of its citizens when they are harmed by the unlawful actions of a foreign agent. The Joint Corporate Committee greatly appreciates the steadfast support our State Department has provided over the years on the claims issue. However, we recognize that the powerful tool of sanctions will be crucial to the Department's ability ultimately to effect a just resolution of this issue.

Apart from the need to redress the legitimate grievances of U.S. claimants, we also should not overlook the contribution these citizens and companies made to the economy of pre-revolutionary Cuba, helping to make it one of the top ranking Latin American countries in terms of living standards and economic growth. Many of these companies and individuals look forward to returning to Cuba to work with its people to help rebuild the nation and invest in its future. As was the case in pre-revolutionary Cuba, the ability of the Cuban government to attract foreign investment once again will be key to the success of any national policy of economic revitalization.

However, unless and until potential investors can be assured of their right to own property free from the threat of confiscation without compensation, many U.S. companies simply will not be willing to take the risk of doing business with Cuba. It is only by fairly and reasonably addressing the claims issue that the Cuban Government can demonstrate to the satisfaction of the business community its recognition of and respect for property rights.

We are pleased that S. 381 does not waver from the core principle, firmly embodied in U.S. law, which requires the adequate resolution of the certified claims before trade and diplomatic relations between the U.S. and Cuban governments are normalized. However, we are concerned with provisions of Section 207 of the revised bill that condition the resumption of U.S. assistance to Cuba on the adoption of steps leading to the satisfaction of claims of both the certified claimants and Cuban-American citizens who were not U.S. nationals at the time their property was confiscated. Notwithstanding the modifying provisions which accord priority to the settlement of the certified claims and give the President authority to resume aid upon a showing that the Cuban Government has taken sufficient steps to satisfy the certified claims, this dramatic expansion of the claimant pool, as a practical matter, would necessarily impinge upon the property interests of the certified claimants.

Even though the claimants who were not U.S. nationals at the time of the property loss would not enjoy the espousal rights that the certified claimants enjoy, the recognition of a second tier of claimants by the U.S. Government at a minimum would necessarily color, and likely make more complicated, any settlement negotiations with Cuba to the detriment of the certified claimants.

Moreover, the fact that the legislation gives priority for the settlement of certified property claims is of little consequence within the context of such a vastly expanded pool of claimants that seemingly defies a prompt, adequate and effective settlement of claims. In addition, once this second tier of claimants is recognized, it would be exceedingly difficult politically for the President to exercise his waiver authority. Finally, this dramatic expansion of the claimant pool would serve as a significant disincentive for a post-Castro Cuban Government to enter into meaningful settlement negotiations with the United States given the sheer enormity of the outstanding claims and the practical impossibility of satisfying all those claims.

In short, while we are sympathetic to the position of those individuals and entities who were not U.S. nationals at the time their property was seized, we believe that U.S. Government recognition and representation of this group of claimants—even falling short of espousal of their claims with a post-Castro Government in Cuba—would harm the interests of the already certified claimants. We believe that the recognition of a second tier of claimants will delay and complicate the settlement of certified claims, and may undermine the prospects for serious settlement negotiations with the Cuban Government.

It is our view, based on well-established principles of international law, that individuals and entities who were Cuban nationals at the time their property was confiscated must seek resolution of their claims in Cuban courts under Cuban law under a future Cuban Government whereby the respective property rights of former and current Cuban nationals may be fairly determined. In taking that position, we categorically reject any notion that a naturalized American has any lesser degree of right than a native-born American. That objectionable and irrelevant notion serves only to cloud the real issue here, and that is simply the question of what rights are pertinent to a non-national as of the date of injury. Simply put, international law does not confer retroactive rights upon naturalized citizens.

Many of the same objections noted above also apply to Section 302 of the revised bill, which allows U.S. nationals, including hundreds of thousands of naturalized Cuban-Americans, to file suit in U.S. courts against persons or entities that traffic in expropriated property. We believe this unrestricted provision also will adversely affect the rights of certified claimants. By effectively moving claims settlement out of the venue of the Foreign Claims Settlement Commission and into the federal judiciary, this provision can be expected to invite hundreds of thousands of commercial and residential property lawsuits. Apart from the enormous, if not overwhelming, burden these lawsuits will place on our courts, this provision raises serious implications with respect to the Cuban Government's ability to satisfy certified claims.

First, allowing Cuba to become liable by way of federal court judgments for monetary damages on a non-dismissible basis necessarily will reduce whatever monetary means Cuba might have to satisfy the certified claims. Second, this expected multiplicity of lawsuits undoubtedly will cloud title to property in Cuba for years, thereby lessening the prospects for restitutionary approaches in satisfaction of some of these claims. Moreover, under this provision, the President would have no power to dismiss these suits as an incident of normalizing relations with a democratically elected government in Cuba once they are commenced.

Consequently, the foreign investment that will be crucial to Cuba's successful implementation of market-oriented reforms will be all but precluded by these unresolved legal proceedings.

In conclusion, we want to commend you for your efforts in raising the profile of the property claims issue and focusing attention on the importance of resolving these claims to the full restoration of democracy and free enterprise in Cuba. We also recognize and appreciate the effort you have made to modify this legislation in response to the concerns expressed by the certified claimant community; however, we hope that you will further consider our continuing concerns regarding the implications of this legislation for the legal rights of certified claimants, an already overburdened court system, the claims settlement process and the orderly disposition of claims, and the post-Castro investment environment.

Mr. PELL. I yield the floor.

Mr. DODD addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, let me first of all commend my dear friend and distinguished colleague from Rhode Island. As all of my colleagues are aware, our friend from Rhode Island has announced he will not be seeking reelection almost a year from now. He has been a wonderful U.S. Senator over these many years representing his State and always keeping in mind the national interest.

He has had a longstanding view on cloture, and it has to be a very unique set of circumstances that would cause someone with more than 30 years of having maintained a very strong philosophical position—much to the chagrin, I might point out, of his colleagues from time to time who have wanted his vote or not wanted his vote on a particular matter—to take this position. So, I respect immensely his decision.

Mr. President, we are going to vote in a couple minutes on this matter. We have had a good opportunity to talk about it over the last day or so. I just want to reiterate, if I could, the underlying concern I have about this bill and why I think that cloture should not be invoked.

True of all matters that we consider in this body, but particularly when it comes to matters affecting the international relations of this Nation, the first test ought to be whether or not what we are going to do is in the best interests of our country; and, secondly, whether or not it is going to help or hinder, depending upon the purpose of the legislation, the country involved.

Before we even get to the second question, the first question must be answered positively. And my concern about this bill that is before us is that, in the first instance, it is not in the self-interest of this country to adopt this bill for the reason that it creates unprecedented new opportunities for a group of people that we have never provided access to the U.S. courts to on claims matters involving the expropriation of property where there has been a lack of compensation.

As my colleagues no doubt are aware, under U.S. claims court rules for the last four decades, more than four decades, in order to sue in a U.S. claims court, you must have been a U.S. citizen that was doing business or had property in the country where there is an expropriation of property at the time. As has been pointed out in the case of Cuba, there were some 6,000 individuals or corporations that held that status in 1959 when the expropriations took place across the board.

What we are doing with this bill, and why I ask my colleagues to read it, look at it, is for the first time in more than four decades we are now saying, in addition to that group, anyone who was a national of Cuba but who subsequently became a U.S. citizen, or even went to some other country, can now file in the U.S. claims court for compensation under the expropriation actions.

That is unprecedented. There are some 37 other countries in the world that have matters of expropriation of properties pending. Were we to apply the same standard we are going to apply, or could apply with this legislation, it would open up in the case of Americans of Polish ancestry, Vietnamese, Chinese, German—the countries, 37 in number—then one could only begin to imagine the kind of overwhelming amount of work that would fall on our United States courts.

It is estimated that each claims action costs some $4,500 to process. Just with the passage of this legislation, we will expand the workload of that court from 6,000 cases, legitimate cases of expropriation, to some 430,000 cases. That is what we have been told is the estimate of the claims. Who is going to pay for that, and what happens to the claimants who have a consistent legitimate right? Yet, that is what we are doing with this bill.

So regardless of how one feels about the government in Cuba, how angry they may be, I just beseech my colleagues to read title III of this bill and then ask themselves whether or not this is something we ought to be doing to ourselves.

This is an unfunded mandate, in effect, for the claims that come before the court. There is another reason, in my view, why it should be rejected. We never voted on it in committee, never had a single vote. The bill is brought to the floor by the chairman of the Foreign Relations Committee who chairs the committee which has jurisdiction.

I hope we do not invoke cloture and that the bill be sent back for further work so it comes back with the kind of provisions in title III that are not, I think, so threatening and dangerous to the country.

Mr. President, I heard the gavel come down. Is there a time limitation?

The PRESIDING OFFICER. The time has been divided and the time on the Democratic side has expired.

Mr. DODD. I ask unanimous consent that my colleague be able to respond.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DORGAN. Mr. President, I was only going to ask a question of the Senator from Connecticut. I am not on the relevant committee. My understanding was this was not subject to a committee markup, and this legislation came to the floor without a markup; is that correct?

Mr. DODD. That is correct. Again, I can understand someone who was in the minority trying to pull that, but if you are in the majority and the chair of the committee and bring a bill out that you did not have a markup on in your own committee, I do not understand the precedent for that, it seems to me.

We had hearings on this issue, in fairness to the chairman of the committee. There are hearings we had about the situation in Cuba, but no markup of this legislation at all.

Mr. DORGAN. This is not an unimportant issue, I agree with the Senator. Since I am not involved in this committee's actions, it seems to me that the approach that would best serve the search for the right policy would be an approach where you have a committee process, where they mark up the bill, debate the bill during markup, write the best bill and then bring it to the floor. This appears not to be the regular order to get the legislation to the floor. I appreciate the Senator's response.

Mr. DODD. Just for the benefit of my colleagues, I point out, as I mentioned earlier, this expands the definition of who is a U.S. claimant to include "any Cuban national presently a United States citizen regardless of citizenship at the time of the expropriation, as well as any person who incorporates himself or herself as a business entity under U.S. law prior to this bill becoming law."

That is, you do not have to be a U.S. citizen today, you can be a foreign national, but if you incorporate yourself as any person, then you can bring an action in U.S. claims court. That is unprecedented, as far as the law has stood for the past 4 decades.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, there will be a vote momentarily. That will be the last vote of the day. It could be the last vote of the week, depending on whether or not we get to appoint conferees to S. 652, the telecommunications bill, tomorrow. I understand there may be an instruction on the other side. If there is an instruction, that could require a vote tomorrow. And we hope to appoint conferees to welfare reform, H.R. 4. The President has asked about expediting that. Others have asked about expediting that. We are prepared to appoint conferees. We hope we can do that tomorrow.

As to Monday, I hope to have an announcement tomorrow whether or not we will be in session at all on Monday, and if we are in session, what we will be about, because as I understand, there is going to be a massive traffic jam on Monday. They tell me thousands of buses are going to be in town, so it might not be possible to get to the Capitol, or, if you get here, it might not be possible to get anywhere else.

I will try to accommodate my colleagues and make that announcement as early as I can tomorrow.

CLOTURE MOTION

The PRESIDING OFFICER. Under the previous order, pursuant to rule XXII, the Chair lays before the Senate the pending cloture motion, which the clerk will state.

The legislative clerk read as follows:

CLOTURE MOTION

We the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the substitute amendment to Calendar No. 202, H.R. 927, an act to seek international sanctions against the Castro government.

Bob Dole, Jesse Helms, Bob Smith, Bill Frist, John Ashcroft, Jim Inhofe, Paul D. Coverdell, Spencer Abraham, Larry E. Craig, Trent Lott, Rod Grams, Frank H. Murkowski, Fred Thompson, Mike DeWine, Hank Brown, Chuck Grassley.

CALL OF THE ROLL

The PRESIDING OFFICER. Under the previous order, the quorum call has been waived.

VOTE

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate on the substitute amendment No. 2898 to H.R. 927, the Cuban Liberty and Solidarity Act, shall be brought to a close?

The yeas and nays are required under the rules. The clerk will call the roll.

The legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Utah [Mr. HATCH] and the Senator from Oregon [Mr. HATFIELD] are necessarily absent.

I also announce that the Senator from Maine [Mr. COHEN] is absent due to a death in the family.

Mr. FORD. I announce that the Senator from Nebraska [Mr. EXON], the Senator from Massachusetts [Mr. KENNEDY], and the Senator from Nevada [Mr. REID] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 56, nays 37, as follows:

[Rollcall Vote No. 488 Leg.]

YEAS—56

Abraham
Ashcroft
Bennett
Bond
Bradley
Brown
Bryan
Burns
Campbell
Chafee
Coats
Cochran
Coverdell
Craig
D'Amato
DeWine
Dole
Domenici
Faircloth
Frist
Gorton
Graham
Gramm
Grams
Grassley
Gregg
Helms
Hollings
Hutchison
Inhofe
Jeffords
Kassebaum
Kempthorne
Kyl
Lautenberg
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Pressler
Roth
Santorum
Shelby
Simpson
Smith
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Warner

NAYS—37

Akaka
Baucus
Biden
Bingaman
Boxer
Breaux
Bumpers
Byrd
Conrad
Daschle
Dodd
Dorgan
Feingold
Feinstein
Ford
Glenn
Harkin
Heflin
Inouye
Johnston
Kerrey
Kerry
Kohl
Leahy
Levin
Mikulski
Moseley-Braun
Moynihan
Murray
Nunn
Pell
Pryor
Robb
Rockefeller
Sarbanes
Simon
Wellstone

NOT VOTING—6

Cohen
Exon
Hatch
Hatfield
Kennedy
Reid

The PRESIDING OFFICER. On this vote, the yeas are 56, the nays are 37. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is not agreed to.

EXPLANATION OF ABSENCE

Mr. BRYAN. Mr. President, I would like to inform the Senate that my distinguished colleague, Senator REID, was called away suddenly due to the death of a lifetime friend of his family. He was unable to be present because of his attendance at funeral services in Nevada. Had he been present today, he would have voted for cloture on the matter presently before the Senate.

APPOINTMENTS BY THE PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The Chair, on behalf of the President pro tempore, pursuant to Public Law 95-521, appoints Thomas B. Griffith as Senate Legal Counsel, effective as of October 24, 1995, for a term of service to expire at the end of the 105th Congress.

The Chair, on behalf of the President pro tempore, pursuant to Public Law 95-521, appoints Morgan J. Frankel as Deputy Senate Legal Counsel, effective as of October 24, 1995, for a term of service to expire at the end of the 105th Congress.

Mr. FORD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KEMPTHORNE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

(During today's session of the Senate, the following morning business was transacted.)

TRIBUTE TO SENATOR GRAMS

Mr. DOLE. Mr. President, as all Senators know, the Senate is a place of traditions. And one tradition we have is honoring those colleagues who preside over the Senate for more than 100 hours a session.

Presiding over the Senate can be very tough duty. There are periods, of course, where absolutely nothing is happening. But there are also periods where rulings from the Chair may change the course of legislation, or of history, itself.

One Senator that has impressed all of us with the knowledgeable and fair way he presides—as well as with the leadership he has shown on a wide number of issues—is Senator ROD GRAMS of Minnesota. And I am pleased to announce that Senator GRAMS has now become the second Senator in this historic Congress to have earned the Golden Gavel Award for presiding over the Senate for 100 hours.

Minnesotans can take great pride in the achievement of Senator GRAMS, and I know all Senators join with me in congratulating him.

RECOGNITION OF NATIONAL SCHOOL LUNCH WEEK

Mr. DASCHLE. Mr. President, October 9 to 13 has been recognized as National School Lunch Week. It is therefore appropriate to congratulate those who work to elevate child welfare and nutrition concerns on the national policy agenda, as it is increasingly apparent that investments in child nutrition programs today will pay rich dividends in terms of the future health and productivity of our Nation.

The National School Lunch Program was signed into law in 1946, not as an act of charity, but as a matter of national security. Shocking numbers of young men had failed their physicals in World War II as a result of preventable, nutrition-related illnesses. The National School Lunch Act was designed to provide access to necessary nutrition for some of our Nation's most vulnerable children.

Next June, we will be celebrating the 50th anniversary of this extremely successful program. Over the years I have enjoyed working with the members of the South Dakota School Food Service Association, and we agree on the importance of child nutrition and the value of the school meals program. I look forward to our continued work in this area.

Last year Congress passed legislation that reauthorized and improved several important nutrition programs under the National School Lunch Act and the Child Nutrition Act. I was pleased to be a cosponsor of this legislation. At my urging, as part of that legislation, Congress directed the Department of Agriculture to bring schools into compliance with specified dietary guidelines by the 1996–97 school year rather than the 1998–99 school year, as originally stipulated by USDA. Among other recommendations, these guidelines establish a 30-percent limit on daily dietary fat, and a 10-percent limit on saturated fat.

In June 1995, USDA updated Federal regulations to require schools meals to meet the dietary guidelines and conform to the legislation. The school meals initiative for healthy children is a significant reform of the program's 49-year history. In support of this policy, USDA also launched Team Nutrition, which provides training and technical assistance, as well as nutrition education to schools as they strive to incorporate the new nutrition standards into their school meals. Team Nutrition's goal is to improve the health and education of children through innovative public and private partnerships.

I'm particularly pleased to recognize a South Dakota school which is leading the way in implementing healthier school meals. Rosholt Elementary School in Rosholt, SD, near my hometown of Aberdeen, is the first Team Nutrition school in South Dakota. Rosholt Elementary will serve as a model as they begin implementation of the healthy school meals policy. Compliance with the dietary guidelines will have a real impact on the health of children who participate in the school meals program, and I commend the Rosholt school and community on its commitment to the health status of its students.

I yield the floor.

MESSAGES FROM THE HOUSE

At 11:46 a.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the Speaker appoints Mr. BORSKI as a conferee in the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 440) to amend title 23, United States Code, to provide for the designation of the National Highway System, and for other purposes; to fill the vacancy resulting from the resignation from the House of Representatives of Mr. Mineta.

The message also announced that the Speaker appoints Mr. OBERSTAR as a conferee in the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 395) to authorize and direct the Secretary of Energy to sell the Alaska Power Administration, and to authorize the export of Alaska North Slope crude oil, and for other purposes; to fill the vacancy resulting from the resignation from the House of Representatives of Mr. Mineta.

At 1:05 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 1976) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and related agencies programs for the fiscal year ending September 30, 1996, and for other purposes.

The message also announced that the Speaker appoints the following Member as an additional conferee in the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4) to restore the American family, reduce illegitimacy, control welfare spending, and reduce welfare dependence: Mr. TANNER.

The message further announced that the House has agreed to the following concurrent resolution, without amendment:

S. Con. Res. 29. A concurrent resolution providing for marking the celebration of Jerusalem on the occasion of its 3,000th anniversary.

At 7:30 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House disagrees to the amendments of the Senate to the bill (H.R. 1868) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1996, and for other purposes, and agree to the conference asked by the Senate on the disagreeing votes of the two Houses thereon; and appoints Mr. CALLAHAN, Mr. PORTER, Mr. LIVINGSTON, Mr. LIGHTFOOT, Mr. WOLF, Mr. PACKARD, Mr. KNOLLENBERG, Mr. FORBES, Mr. BUNN of Oregon, Mr. WILSON, Mr. YATES, Ms. PELOSI, Mr. TORRES, and Mr. OBEY, as the managers of the conference on the part of the House.

The message also announced that the House insists upon its amendments to the bill (S. 652) to provide for a procompetitive, deregulatory national policy framework designed to accelerate rapidly private sector deployment of advanced telecommunications and information technologies and services to all Americans by opening all telecommunications markets to competition, and for other purposes, and asks a conference with the Senate on the disagreeing votes of the two Houses thereon; and appoints the following Members as the managers of the conference on the part of the House:

From the Committee on Commerce: Mr. BLILEY, Mr. FIELDS of Texas, Mr. OXLEY, Mr. WHITE, Mr. DINGELL, Mr. MARKEY, Mr. BOUCHER, Ms. ESHOO, and Mr. RUSH: Provided, Mr. PALLONE is appointed in lieu of Mr. BOUCHER solely for consideration of section 205 of the Senate bill.

As additional conferees, for consideration of sections 1–6, 101–104, 106–107, 201, 204–205, 221–225, 301–305, 307–311, 401–402, 405–406, 410, 601–606, 703, and 705 of the Senate bill, and title I of the House amendment, and modifications committed to conference: Mr. SCHAEFER, Mr. BARTON of Texas, Mr. HASTERT, Mr. PAXON, Mr. KLUG, Mr. FRISA, Mr. STEARNS, Mr. BROWN of Ohio, Mr. GORDON, and Mrs. LINCOLN.

As additional conferees, for consideration of sections 102, 202–203, 403, 407–409, and 706 of the Senate bill, and title II of the House amendment, and modifications committed to conference: Mr. SCHAEFER, Mr. HASTERT, and Mr. FRISA.

As additional conferees, for consideration of sections 105, 206, 302, 306, 312, 501–505, and 701–702 of the Senate bill, and title III of the House amendment, and modifications committed to conference: Mr. STEARNS, Mr. PAXON, and Mr. KLUG.

As additional conferees, for consideration of sections 7–8, 226, 404, and 704 of the Senate bill, and titles IV–V of the House amendment, and modifications committed to conference: Mr. SCHAEFER, Mr. HASTERT, and Mr. KLUG.

As additional conferees, for consideration of title VI of the House amendment, and modifications committed to conference: Mr. SCHAEFER, Mr. BARTON of Texas, and Mr. KLUG.

As additional conferees from the Committee on the Judiciary, for consideration of the Senate bill (except sections 1–6, 101–104, 106–107, 201, 204–205, 221–225, 301–305, 307–311, 401–402, 405–406, 410, 601–606, 703, and 705), and of the House amendment (except title I), and modifications committed to conference: Mr. HYDE, Mr. MOORHEAD, Mr. GOODLATTE, Mr. BUYER, Mr. FLANAGAN, Mr. CONYERS, Mrs. SCHROEDER, and Mr. BRYANT of Texas.

As additional conferees, for consideration of sections 1–6, 101–104, 106–107, 201, 204–205, 221–225, 301–305, 307–311, 401–402, 405–406, 410, 601–606, 703, and 705 of the Senate bill, and title I of the House amendment, and modifications committed to conference: Mr. HYDE, Mr.

MOORHEAD, Mr. GOODLATTE, Mr. BUYER, Mr. FLANAGAN, Mr. GALLEGLY, Mr. BARR, Mr. HOKE, Mr. CONYERS, Mrs. SCHROEDER, Mr. BERMAN, Mr. BRYANT of Texas, Mr. SCOTT, and Ms. JACKSON-LEE.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1485. A communication from the President of the United States, transmitting, pursuant to law, a notice relative to the National Telecommunications and Information Administration (NTIA) Spectrum Reallocation Final Report; to the Committee on Commerce, Science, and Transportation.

EC-1486. A communication from the Assistant Secretary for Communications and Information, the Department of Commerce, transmitting the report of the National Endowment for Children's Educational Television grants for fiscal year 1995; to the Committee on Commerce, Science, and Transportation.

EC-1487. A communication from the Assistant Secretary for Communications and Information, the Department of Commerce, transmitting the report of the Telecommunications and Information Infrastructure Assistant Program grants for fiscal year 1995; to the Committee on Commerce, Science, and Transportation.

EC-1488. A communication from the Chairman of the Federal Trade Commission, transmitting the annual report for fiscal year 1993; to the Committee on Commerce, Science, and Transportation.

EC-1489. A communication from the Secretary of the Interior, transmitting, pursuant to law, the report on matters contained in the Helium Act for fiscal year 1994; to the Committee on Energy and Natural Resources.

EC-1490. A communication from the Acting Commissioner for the Bureau of Reclamation, the Department of the Interior, transmitting, pursuant to law, a modification report of the Scofield Dam Project; to the Committee on Energy and Natural Resources.

EC-1491. A communication from the Deputy Associate Director for Compliance, Minerals Management Service, Royalty Management Program, Department of the Interior, transmitting, pursuant to law, notice of the intention to make refunds of offshore lease revenues where a refund or recoupment is appropriate; to the Committee on Energy and Natural Resources.

EC-1492. A communication from the Deputy Associate Director for Compliance, Minerals Management Service, Royalty Management Program, Department of the Interior, transmitting, pursuant to law, notice of the intention to make refunds of offshore lease revenues where a refund or recoupment is appropriate; to the Committee on Energy and Natural Resources.

EC-1493. A communication from the Assistant Secretary of the Interior (Land and Minerals Management), transmitting a draft of proposed legislation entitled, "The Yakima Firing Center Withdrawal Act"; to the Committee on Energy and Natural Resources.

EC-1494. A communication from the Secretary of Defense, transmitting, pursuant to law, the report of a notice relative to two UH-60 Blackhawk helicopters; to the Committee on Armed Services.

EC-1495. A communication from the Deputy and Acting Chief Executive Officer of the Resolution Trust Corporation and the Executive Director of the Thrift Depositor Protection Oversight Board, transmitting jointly, pursuant to law, the report of unaudited financial statements for the six-month period ending June 30, 1995; to the Committee on Banking, Housing, and Urban Affairs.

EC-1496. A communication from the National Credit Union Administration, transmitting, pursuant to law, the report of flood insurance compliance by insured credit unions; to the Committee on Banking, Housing, and Urban Affairs.

EC-1497. A communication from the Chairman of the Federal Financial Institutions Examination Council, transmitting, pursuant to law, the report on the Riegle Community Development and Regulatory Act of 1994; to the Committee on Banking, Housing, and Urban Affairs.

EC-1498. A communication from the Chairman of the National Transportation Safety Board, transmitting, pursuant to law, a notice regarding agency operations in the absence of appropriations; to the Committee on Commerce, Science, and Transportation.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-328. A resolution adopted by the Military Chaplains Association of the United States of America relative to Medicare; to the Committee on Finance.

POM-329. A petition from a citizen of the State of Connecticut relative to the medical profession; to the Committee on Finance.

POM-330. A resolution adopted by the Greater Miami Chamber of Commerce of the City of Miami, Florida relative to Chile; to the Committee on Finance.

POM-331. A joint resolution adopted by the Legislature of the State of Alabama; to the Committee on Finance.

"HOUSE JOINT RESOLUTION 370

"Whereas, the health insurance benefits of nearly 100,000 retired coal miners, with an average age of 73, are in jeopardy due to pending bills in the United States Congress; and

"Whereas, the coal mining industry is vital to the economy of Alabama and other states threatened by these pending bills; and

"Whereas, these bills, if enacted, could relieve more than 400 corporations and companies from contributing into a health care fund established to replace several financially-troubled funds and would result in severe hardship to retired coal miners, imperil the economic stability of the communities in which these miners live, and would impose additional fiscal burdens on the social service systems of the various states; and

"Whereas, most of the retirees that would be affected worked their entire lives in appallingly dangerous and severe conditions, and to now deny benefits is unthinkable to fair-minded persons throughout the country: Now therefore be it

"*Resolved by the Legislature of Alabama, both Houses thereof concurring*, That we hereby express our strongest opposition to the passage or consideration of any pending bills before the United States Congress that would eliminate or reduce benefits for coal miners and their widows.

"*Resolved further*, That a copy of this resolution be sent to each member of the Alabama Congressional Delegation, and to the Speaker of the U.S. House of Representatives and the President of the U.S. Senate as an expression of our opposition."

POM-332. A concurrent resolution adopted by the Legislature of the State of Texas; to the Committee on Finance.

"HOUSE CONCURRENT RESOLUTION

"Whereas, congressional legislation in 1976 added Section 170(e)(3) of the Internal Revenue Code, offering a tax incentive for donations by corporations to charities serving the ill, the needy, or infants; and

"Whereas, the incentive exists in the form of a charitable contribution deduction equal to half the difference between the donor's cost and the fair market value of the donated product, not to exceed twice the cost; and

"Whereas, in West Texas, which contributes a high percentage of this state's agricultural production, farmers have responded generously to solicitations by providing donations of food for dehydration and distribution to the hungry through the food bank network; and

"Whereas, fairness warrants that noncorporate farmers and any other entities supplying food or other charitable donations be entitled to equal tax treatment and enjoy a similar tax incentive as corporate farmers; and

"Whereas, such an incentive would not only increase the amount of food destined for the needy but would have a positive effect on net farm income and would prevent the destruction of crops that are economically unmarketable due to poor weather conditions, corresponding low yield, or other factors: Now, therefore, be it

"*Resolved*, That the 74th Legislature of the State of Texas hereby respectfully urge the United States Congress to amend the Internal Revenue Code to extend to noncorporate farmers, entities, and individuals the tax incentive for charitable donations; and, be it further

"*Resolved*, That the Texas Secretary of State forward official copies of this resolution to the Speaker of the House of Representatives and President of the Senate of the United States Congress and to all Members of the Texas delegation to the Congress with the request that it be entered officially in the Congressional Record as a memorial to the Congress of the United States."

POM-333. A concurrent resolution adopted by the Legislature of the State of Nevada; to the Committee on Finance.

"SENATE CONCURRENT RESOLUTION NO. 16

"Whereas, persons with disabilities should have the opportunity to achieve the highest possible level of personal independence; and

"Whereas, persons with disabilities frequently require assistance to perform daily tasks that they would normally perform for themselves if they did not have a disability, such as bathing, dressing and preparing meals; and

"Whereas, assistance provided to a person with a disability in his home allows him to maintain his independence; and

"Whereas, if the state could pay a recipient directly for assistance provided to him in his home, the recipient could employ the person of his choice to assist him; and

"Whereas, allowing a recipient the opportunity to employ the person of his choice to assist him with his daily tasks would provide him with additional freedom and independence to manage his own affairs; and

"Whereas, under the current federal law the State of Nevada would lose federal funding if it made direct payments to a recipient for such services; and

"Whereas, under the provisions of the Internal Revenue Code of 1986 and regulations adopted pursuant thereto, the State of Nevada may not, without being considered an employer, provide various administrative, clinical and quality assurance services relating to personal assistants employed by persons with disabilities, including the investigation, recruiting, screening, training, supervision or monitoring of such persons; Now, therefore, be it

"*Resolved by the Senate of the State of Nevada, the Assembly concurring*, That the Nevada Legislature urges the Congress of the United States to amend Title XIX of the Social Security Act (42 U.S.C. §§1396 et seq.) to allow states to make payments for personal assistance services provided in the homes of recipients of Medicaid who have disabilities directly to the recipients of such services under appropriate circumstances; and be it further

"*Resolved*, That the Nevada Legislature urges the Congress of the United States to amend the provisions of the Internal Revenue Code of 1986 to require the Secretary of the Treasury to revise Revenue Procedures 70-6 and 80-4 to allow states or designated agencies of the states to provide, without being deemed an employer, various administrative, clinical and quality assurance services relating to personal assistants employed by recipients of Medicaid who have disabilities, including the investigation, recruiting, screening, training, supervising and monitoring of such assistants; and be it further

"*Resolved*, That the Secretary of the Senate prepare and transmit a copy of this resolution to the Vice President of the United States as the presiding officer of the Senate, the Speaker of the House of Representatives and each member of the Nevada Congressional Delegation."

POM-334. A resolution adopted by the Society For Conservation Biology relative to Cuba; to the Committee on Foreign Relations.

POM-335. A resolution adopted by the Senate of the Legislature of the State of Alaska; to the Committee on Foreign Relations.

"SENATE RESOLUTION NO. 2

"Whereas the International Maritime Organization (IMO), an organization under the auspices of the United Nations, is currently drafting proposals for an international treaty adopting and expanding insurance indemnity provisions for seaborne commodities; and

"Whereas in contrast to existing maritime classifications and the policies and regulations of the United States Department of Transportation and the United States Coast Guard, the IMO proposes classifying coal as a hazardous and noxious material; and

"Whereas there is no rational reason or precedent for classifying coal as a hazardous or noxious material and the current maritime insurance has, without exception, adequately provided insurance indemnity for seaborne coal shipping; and

"Whereas action classifying coal as a hazardous or noxious material could significantly increase insurance rates and the delivered cost of coal to the benefit of competing fuel sources; and

"Whereas this action would dramatically reduce the competitiveness of coal as an import fuel and reduce the amount of exported coal from countries such as the United States; and

"Whereas this action would reduce the potential for the increased export of Alaska coal; and

"Whereas the National Mining Association, the United States Coal Exporters Association, and the Alaska Coal Association, together with labor organizations, adamantly oppose the IMO proposal; and

"Whereas it is critical that United States government representatives to the IMO convention oppose the classification of coal as a hazardous or noxious material;

Be it Resolved That the Senate respectfully urges the United States Senate not to ratify a Hazardous and Noxious Substance Convention proposed by the International Maritime Organization that includes coal as a designated hazardous or noxious material."

POM-336. A joint resolution adopted by the Legislature of the State of California; to the Committee on Foreign Relations.

"ASSEMBLY JOINT RESOLUTION NO. 42

"Whereas, Harry Wu, a United States citizen and resident of Milpitas, California, is an outspoken critic of the Chinese penal system; and

"Whereas, as a young man, Harry Wu was arrested by the Chinese Communist authorities after criticizing the Soviet Union's 1956 invasion of Hungary, and being labeled a 'counterrevolutionary rightist,' and spent 19 years as a political prisoner in a labor reform camp; and

"Whereas, Harry Wu came to the United States in 1985 as a visiting scholar at the University of California, Berkeley, in the Civil Engineering Department; and

"Whereas, Harry Wu is currently a research fellow at the Hoover Institution on War and Peace at Stanford University; and

"Whereas, Harry Wu has completed research and published articles and books reflecting the human rights abuses in China, including 'Laogai—The Chinese Gulag' and 'Bitter Winds: A Memoir of My Years in China's Gulag'; and

"Whereas, Harry Wu is the founder and executive director of the Laogai Foundation, founded to study China's labor camps; and

"Whereas, Harry Wu has worked diligently and risked his freedom to document the human rights abuses and conditions in Chinese gulags, twice returning to China in 1991 to secretly videotape conditions in the Chinese gulag, and has provided documentation on how Chinese officials disguise prison-made products so that American and other Western businesses would not be reluctant to buy them; and

"Whereas, Harry Wu has testified numerous times on Capitol Hill regarding human rights abuses, and most recently testified before the Senate Foreign Relations Committee on the illegal human organ trade that occurs with China's prison camps; and

"Whereas, Harry Wu has gained international attention for his crusade against the Chinese system of prison labor camps and has been instrumental in providing documentary information that has been broadcast in the United States and Great Britain; and

"Whereas, Harry Wu has been nominated for the Nobel Peace Prize for his work on behalf of human rights in China; and

"Whereas, Harry Wu has been detained in China since June 19, 1995; Now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California, jointly*, That the Legislature hereby memorializes the President and Congress of the United States to continue to use all diplomatic avenues available to press the Chinese government for the safe and speedy return of Harry Wu; and be it further

"*Resolved*, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

POM-337. A resolution adopted by the Senate of the Legislature of the Commonwealth of Massachusetts; to the Committee on Foreign Relations.

"RESOLUTION

"Whereas, Harry Wu has dedicated his life to exposing the evil of the Chinese prison camps of which he was a prisoner for nineteen years; and

"Whereas, Mr. Wu has chosen to become an American citizen, fully vested with the rights and freedoms accruing to all American citizens and the protections afforded by the United States Government to all such citizens; and

"Whereas, Mr. Wu has recently been detained by the Chinese Government without access to the United States consular officials for more than twenty days; and

"Whereas, nascent economic relationships, such as those between the United States and the People's Republic of China, grounded in emerging opportunities made possible through significant free market reforms, cannot be maintained with societies that fail to recognize the immutable link between individual liberty and economic freedom; Now therefore be it

"*Resolved*, That the Massachusetts Senate hereby urges the Congress of the United States to take whatever action necessary to secure the immediate release of Harry Wu and to guarantee his safe passage from the People's Republic of China to his home in Milpitas, California in the United States of America; and be it further

"*Resolved*, That a copy of these resolutions be transmitted forthwith by the clerk of the Senate to the presiding officer of each branch of Congress and the members thereof from the Commonwealth."

POM-338. A resolution adopted by the Senate of the Legislature of the State of New York; to the Committee on Foreign Relations.

"SENATE RESOLUTION NO. 1612

"Whereas, the United Nations Convention on the Elimination of All Forms of Discrimination Against Women was adopted by the United Nations General Assembly on December 18, 1979, and became an international treaty on September 3, 1991; and

"Whereas, by March of 1995, 139 nations, including all industrialized members of the United Nations except South Africa and the United States have ratified or acceded to the Convention's provisions; and

"Whereas, the Convention provides a comprehensive framework for challenging the various forces that have created and sustained discrimination based on sex against half the world's population, and the nations in support of the present Convention have agreed to follow Convention prescriptions; and

"Whereas, New York State shares the goals of the Convention, namely, affirming faith in fundamental human rights, in the dignity and worth of the human person, and in the equal rights of women; and

"Whereas, New York State has a history of supporting efforts to end discrimination against women, having prohibited discrimination in employment on the basis of sex in 1964 and having ratified the Equal Rights Amendment to the United States Constitution in 1972; and

"Whereas, it is the belief of this Legislative Body that it is fitting and appropriate to support ratification of the most important international agreement affecting the lives of women throughout the world: Now, therefore, be it

"*Resolved*, That this Legislative Body pause in its deliberations to memorialize the Congress of the United States to ratify the United Nations Convention on the Elimination of All Forms of Discrimination Against Women and support the Convention's continuing goals; and be it further

"*Resolved*, That copies of this Resolution, suitably engrossed, be transmitted to the President of the United States, the President of the Senate, the Secretary of State, the Speaker of the House of Representatives, the Chair of the Senate Foreign Relations Committee and to each member of the New York State Congressional Delegation."

POM–339. A concurrent resolution adopted by the Legislature of the State of Texas; to the Committee on Government Affairs.

"HOUSE CONCURRENT RESOLUTION NO. 30

"Whereas, in response to an Act of Congress approved April 10, 1869, the 12th Legislature of the State of Texas convened in Provisional Session from February 8 to February 24, 1870, and ratified Amendments XIII, XIV, and XV to the United States Constitution; and

"Whereas, those federal constitutional amendments, each ratified by separate joint resolutions of the 12th Legislature on February 15, 1870, solidified some of the most precious rights that have been guaranteed constitutionally to Americans, particularly ethnic minorities who were granted the blessings of equal citizenship and the beginning of an end to their past oppression; and

Whereas, Amendment XIII eliminated forever the practice of slavery, Amendment XIV promised due process and the equal protection of the laws, and Amendment XV prohibited denial of suffrage on the grounds of race, color, or previous condition of servitude; and

"Whereas, over time, copies of the three resolutions regrettably have vanished from the holdings of the Texas state archives, yet others are preserved in Washington, D.C., by virtue of their certification and transmittal to the Secretary of State of the United States and to the presiding officers of the United States Congress; and

"Whereas, the 1995 Regular Session of the 74th Legislature coincides with the 125th anniversary of these historic ratification actions and marks an appropriate time for the conveyance to this state of replicas of the three resolutions so that Texans may view and appreciate a series of documents that have played such an important role in the extension and elaboration of their civil rights: Now, therefore, be it

"*Resolved*, That the 74th Legislature of the State of Texas, Regular Session, 1995, hereby respectfully request the National Archives and Records Administration to make copies of the joint resolutions of the 12th Texas Legislature ratifying Amendments XIII, XIV, and XV to the United States Constitution and transmit those copies to the Texas State Library and Archives Commission for placement in the state archives; and, be it further

"*Resolved*, That the Texas secretary of state forward copies of this resolution to the archivist of the United States at the National Archives and Records Administration, to the vice-president of the United States and speaker of the United States House of Representatives with a request that this resolution be officially entered in the Congressional Record, and to all members of the Texas delegation to the United States Congress, as an official request to the federal government by the 74th Legislature of the State of Texas; and, be it further

"*Resolved*, That if and when such replicas are received from the National Archives and Records Administration, the Texas State Library and Archives Commission be hereby directed to place them in the holdings of the state archives to be available for public viewing and photocopying and in all other respects to be treated as any other material worthy of archival storage and retrieval."

POM–340 A resolution adopted by the Senate of the Legislature of the State of Alaska; to the Committee on Indian Affairs.

"SENATE RESOLUTION NO. 4

"Whereas the State of Alaska entered into the Union on an equal footing with all other states, and the Statehood Compact specifically granted authority over fish and wildlife to the State of Alaska; and

"Whereas the State of Alaska is the only state subject to a federally imposed policy barring the ownership of reindeer based on race; and

"Whereas the Congress and the President of the United States are presently embarking on a campaign to return rights and authority to the states; and

"Whereas federal laws applicable to the Territory of Alaska do not necessarily apply to the State of Alaska; and

"Whereas the Reindeer Industry Act of 1937 was enacted when Alaska was a territory and became ineffective upon statehood;

"*Be it Resolved* That the Alaska State Senate respectfully requests the U.S. Congress to clarify that the Reindeer Industry Act of 1937 does not apply in the State of Alaska."

POM–341. A petition from a citizen of the State of Texas relative to a Constitutional amendment; to the Committee on the Judiciary.

POM–342. A concurrent resolution adopted by the Legislature of the State of Texas; to the Committee on the Judiciary.

"HOUSE CONCURRENT RESOLUTION

"Whereas, the Red River constitutes the boundary between the states of Texas and Oklahoma; and

"Whereas, the exact determination of where the bank of the Red River is located is extremely difficult and subject to widely divergent opinion; and

"Whereas, the bank of the Red River is not a permanent location, but is constantly changing; and

"Whereas, the federal government claims ownership of the south half of the Red River within a 116-mile stretch between the 98th Meridian and the mouth of the North Fork of the Red River; and

"Whereas, the Kiowa, Comanche, and Apache tribes claim entitlement to 62½ percent of the revenues derived from oil and gas production from these lands; and

"Whereas, the changing location of the bank and the difficulty in determining its location at any given time has created problems in the enforcement of laws, collection of taxes, economic development, and the establishment of property ownership; and

"Whereas, it is to the mutual advantage of the states of Texas and Oklahoma to agree on and establish a permanent boundary between both states; Now, therefore, be it

"*Resolved by the 74th Legislature of the State of Texas*, That the Red River Boundary Commission is hereby created; the commission shall consist of not more than 17 members appointed by the governor; the commissioners shall be representative of private property owners, local government elected officials, mineral interests, and the general public; such members shall serve without compensation, except for reasonable travel reimbursement; staffing for this commission shall be provided by the General Land Office, the Office of the Attorney General, and the Texas Natural Resource Conservation Commission; and, be it further

"*Resolved*, That the chairman shall be appointed by the governor; the first meeting of the commission shall be no later than July 15, 1995; and, be it further

"*Resolved*, That it shall be the duty of the commission to confer and act in conjunction with the representatives to be appointed on behalf of the State of Oklahoma for the following purposes:

"(1) to initially make a joint investigation at the joint expense of the two states as to the appropriate method of establishing a permanent location of the common boundary between the two states with respect to the Red River;

"(2) to investigate, negotiate, and report as to the necessity and advisability of a compact between the two states defining and locating a permanent, identifiable state line;

"(3) to hold such hearings and conferences in either of the two states as may be required and to take such action, either separately or in cooperation with the State of Oklahoma or the United States, or both, as may be necessary or convenient to accomplish the purposes of this resolution; and

"(4) to report to the governor and the Legislature of the State of Texas annually no later than January 15 of each year its findings and recommendations concerning joint action by the State of Texas and the State of Oklahoma; and, be it further

"*Resolved*, That the Red River Boundary Commission shall terminate on June 30, 1998; and, be it further

"*Resolved*, That the legislature hereby respectfully request the president and the Congress of the United States to meet and confer with the commission and the representatives of the State of Oklahoma and to assist in carrying out the purposes of this resolution; and, be it further

"*Resolved*, That the governor of the State of Texas be and is hereby empowered and requested to forward a copy of this resolution to the governor of the State of Oklahoma and to request that the governor or legislature of that state appoint representatives of the State of Oklahoma to confer and act in conjunction with the commission for the purposes above specified, with the understanding that each state pay all expenses of its representatives; and, be it further

"*Resolved*, That the Texas secretary of state forward official copies of this resolution to the president of the United States, the speaker of the house of representatives and president of the senate of the United States Congress and to all members of the Texas delegation to the congress with the request that it be officially entered in the Congressional Record as a memorial to the Congress of the United States of America."

POM–343. A concurrent resolution adopted by the Legislature of the State of Oregon; to the Committee on the Judiciary.

"HOUSE CONCURRENT RESOLUTION 3

"Section 1. Total outlays for any fiscal year shall not exceed total receipts for that fiscal year, unless three-fifths of the whole number of each House of Congress shall provide by law for a specific excess of outlays over receipts by a rollcall vote.

"Section 2. The limit on the debt of the United States held by the public shall not be increased, unless three-fifths of the whole number of each House shall provide by law for such an increase by a rollcall vote.

"Section 3. Prior to each fiscal year, the President shall transmit to the Congress a proposed budget for the United States Government for that fiscal year, in which total outlays do not exceed total receipts.

"Section 4. No bill to increase revenue shall become law unless approved by a majority of the whole number of each House by a rollcall vote.

"Section 5. The Congress may waive the provisions of this article for any fiscal year in which a declaration of war is in effect. The provisions of this article may be waived for any fiscal year in which the United States is engaged in military conflict which causes an imminent and serious military threat to national security and is so declared by a joint resolution, adopted by a majority of the whole number of each House, which becomes law.

"Section 6. The Congress shall enforce and implement this article by appropriate legislation, which may rely on estimates of outlays and receipts.

"Section 7. Total receipts shall include all receipts of the United States Government except those derived from borrowing. Total outlays shall include all outlays of the United States Government except for those for repayment of debt principal.

"Section 8. This article shall take effect beginning with fiscal year 1999 or with the second fiscal year beginning after its ratification, whichever is later."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mrs. KASSEBAUM, from the Committee on Labor and Human Resources, with an amendment in the nature of a substitute:

S. 1028. A bill to provide increased access to health care benefits, to provide increased portability of health care benefits, to provide increased security of health care benefits, to increase the purchasing power of individuals and small employers, and for other purposes (Rept. No. 104–156).

By Mr. PRESSLER, from the Committee on Commerce, Science, and Transportation, without amendment:

S. 1318. An original bill to reform the statutes relating to Amtrak, to authorize appropriations for Amtrak, and for other purposes (Rept. No. 104–157).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mrs. KASSEBAUM, from the Committee on Labor and Human Resources:

Seymour Martin Lipset, of Virginia, to be a Member of the Board of Directors of the United States Institute of Peace for a term expiring January 19, 1999.

Eli J. Segal, of Massachusetts, to be a Member of the Board of Directors of the Corporation for National and Community Service for the remainder of the term expiring February 8, 1999.

Marc R. Pacheco, of Massachusetts, to be a Member of the Board of Trustees of the James Madison Memorial Fellowship Foundation for a term expiring October 3, 2000.

Mel Carnahan, of Missouri, to a Member of the Board of Trustees of the Harry S. Truman Scholarship Foundation for a term expiring December 10, 1999.

Chester A. Crocker, of the District of Columbia, to be a Member of the Board of Directors of the United States Institute of Peace for a term expiring January 19, 1999.

Max M. Kampelman, of the District of Columbia, to be a Member of the Board of Directors of the United States Institute of Peace for a term expiring January 19, 1999.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. HATCH:

S. 1314. A bill for the relief of Saeed Rezai; to the Committee on the Judiciary.

By Mr. DOLE (for himself, Mr. MOYNIHAN, Mr. WARNER, Mr. HEFLIN, Mrs. HUTCHISON, Mr. BURNS, Mr. D'AMATO, Mr. DEWINE, Mr. COVERDELL, Mr. COCHRAN, Mr. FAIRCLOTH, Mr. BROWN, and Mr. STEVENS):

S. 1315. A bill to designate the Federal Triangle Project under construction at 14th Street and Pennsylvania Avenue, Northwest, in the District of Columbia, as the "Ronald Reagan Building and International Trade Center"; to the Committee on Environment and Public Works.

By Mr. KEMPTHORNE (for himself, Mr. CHAFEE, Mr. BAUCUS, Mr. REID, Mr. KERREY, Mr. DOLE, Mr. DASCHLE, Mr. WARNER, Mr. SMITH, Mr. FAIRCLOTH, Mr. INHOFE, Mr. THOMAS, Mr. MCCONNELL, Mr. JEFFORDS, Mr. HATCH, Mr. SIMPSON, Mr. DOMENICI, Mr. BURNS, Mr. CRAIG, Mr. BENNETT, Mr. EXON, Mr. CONRAD, Mr. HATFIELD, and Mr. LAUTENBERG):

S. 1316. A bill to reauthorize and amend title XIV of the Public Health Service Act (commonly known as the "Safe Drinking Water Act"), and for other purposes; to the Committee on Environment and Public Works.

By Mr. D'AMATO (for himself, Mr. MURKOWSKI, Mr. DODD, Mr. JOHNSTON, Mr. SHELBY, Mr. MACK, Mr. FAIRCLOTH, Mr. DOLE, and Mr. LOTT):

S. 1317. A bill to repeal the Public Utility Holding Company Act of 1935, to enact the Public Utility Holding Company Act of 1995, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. PRESSLER:

S. 1318. An original bill to reform the statutes relating to Amtrak, to authorize appropriations for Amtrak, and for other purposes; from the Committee on Commerce, Science, and Transportation; placed on the calendar.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. DOLE (for himself and Mr. DASCHLE):

S. Res. 181. A resolution relating to the appointment of Senate Legal Counsel; considered and agreed to.

S. Res. 182. A resolution relating to the appointment of Deputy Senate Legal Counsel; considered and agreed to.

By Mr. KEMPTHORNE (for Mr. DOLE):

S. Res. 183. A resolution making majority party appointments to certain Senate committees for the 104th Congress; considered and agreed to.

S. Res. 184. A resolution making majority party appointments to certain Senate committees for the 104th Congress; considered and agreed to.

By Mr. HELMS (for himself, Mrs. FEINSTEIN, Mr. GRASSLEY, and Ms. SNOWE):

S. Con. Res. 30. A concurrent resolution expressing the support of the United States Congress for the initial efforts of President Ernesto Zedillo of Mexico to eliminate drug-related and other corruption within the political system of Mexico and urging the President of the United States to encourage President Zedillo to continue with reforms, and for other purposes; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HATCH:

S. 1314. A bill for the relief of Saeed Rezai; to the Committee on the Judiciary.

PRIVATE RELIEF LEGISLATION

Mr. HATCH. Mr. President, I rise today to introduce private relief legislation on behalf of my constituents, Mr. Saeed Rezai, and his wife, Mrs. Julie Rezai.

As my colleagues are aware, those immigration cases that warrant private legislation are extremely rare. In fact, it has been nearly 6 years since I last introduced a bill to grant such relief. Indeed, I had hoped that this case would not require congressional intervention. Unfortunately, it is clear that private legislation is the only means remaining to ensure a thorough and comprehensive Justice Department review of a number of specific unresolved questions in Mr. Rezai's case.

I wish to take a moment, Mr. President, to provide something by way of background to this somewhat complicated case and to explain the urgency of this legislation. Mr. Rezai first came to the United States in 1986. On June 15, 1991, he married his current wife, Julie, who is a U.S. citizen. Shortly thereafter, she filed an immigrant visa petition on behalf of her husband. Approval of this petition has been blocked, however, by the application of §204(c) of the Immigration and Nationality Act. Section 204(c) precludes the approval of a visa petition for anyone who entered, or conspired to enter, into a fraudulent marriage. The Immigration and Naturalization Service [INS] applied this provision in Mr. Rezai's case because his previous marriage ended in divorce before the conditions on his residence were lifted. In deportation proceedings following the divorce, the judge was very careful to mention that there was no proof of false testimony by Mr. Rezai, and he granted voluntary departure rather than ordering deportation because, in his words, Mr. Rezai "may be eligible for a visa in the future."

Despite these comments by the immigration judge, the INS has refused to approve Mrs. Rezai's petition. An appeal of this decision is currently pending before the Board of Immigration Appeals [BIA]. In the meantime, Mr. Rezai appealed the initial termination of his lawful permanent resident status in 1990 and the denial of his application for asylum and withholding of deportation. In August of this year, the Tenth Circuit Court of Appeals denied this appeal and granted him 90 days in which to leave the country voluntarily or be deported. Under current law, there is no provision to postpone Mr. Rezai's deportation pending the BIA's ruling on the current immigrant visa petition filed by his wife.

Mr. President, there is no doubt that deportation would be the source of extraordinary hardship to both Mr. and Mrs. Rezai. Throughout all the proceedings of the past 4 years, no one including the INS, has questioned the validity of their current marriage. In fact, the many friends and acquaintances I have heard from have emphatically asserted that their marriage is as strong as any they have seen. Given the prevailing political and cultural climate in Iran, I would not expect that Mrs. Rezai will choose to make her home there. Mr. Rezai's deportation will thus cause either the destruction of their legitimate marriage or the forced removal of a U.S. citizen and her husband to a country unfamiliar to either of them, and in which they have neither friends nor family.

It should also be noted that Mr. Rezai has been present in the United States for nearly a decade. During this time he has assimilated to American culture and has become a contributing member of his community. He has been placed in a responsible position of employment as the security field supervisor at Westminster College where he has gained the respect and admiration of both his peers and his superiors. In fact, I have received a letter from the interim president of Westminster College, signed by close to 150 of Mr. Rezai's associates, attesting to his many contributions to the college and the community. This is just one of the many, many letters and phone calls I have received from members of our community. Mr. Rezai's forced departure in light of these considerations would both unduly limit his own opportunities and deprive the community of his continued contributions.

Finally, Mr. Rezai's deportation would be a particular hardship to his wife given the fact that she was diagnosed earlier this year with multiple sclerosis [MS]. She was severely ill for some time and was taking a number of medications for her condition. Although Mrs. Rezai's health since the initial diagnosis of MS has improved, her physician has stated that severe symptoms may return at any time and that rapid deterioration could ensue as a result of the stress being placed upon her by her husband's immigration proceedings.

Mr. President, I firmly believe that we must think twice before enforcing an action that will result in such severe consequences as the destruction of Mr. and Mrs. Rezai's marriage and the endangering of Mrs. Rezai's already fragile health. At a minimum, the outstanding questions regarding the propriety of the denial of Mr. Rezai's current immigrant visa petition need to be addressed. The legislation I am introducing today will ensure that the necessary information is gathered to address these questions, that the Justice Department will conduct a comprehensive review of Mr. Rezai's case in light of this information and that Mr. Rezai's deportation will be stayed pending the outcome of this review.

By Mr. DOLE (for himself, Mr. MOYNIHAN, Mr. WARNER, Mr. HEFLIN, Mrs. HUTCHISON, Mr. BURNS, Mr. D'AMATO, Mr. DEWINE, Mr. COVERDELL, Mr. COCHRAN, Mr. FAIRCLOTH, Mr. BROWN, and Mr. STEVENS):

S. 1315. A bill to designate the Federal Triangle Project under construction at 14th Street and Pennsylvania Avenue, Northwest, in the District of Columbia, as the "Ronald Reagan Building and International Trade Center"; to the Committee on Environment and Public Works.

THE RONALD REAGAN BUILDING AND INTERNATIONAL TRADE CENTER ACT

Mr. DOLE. Mr. President, earlier today, I was joined by a number of my Senate colleagues, and by Congresswoman ANDREA SEASTRAND of California in announcing the introduction of legislation to designate the Federal Triangle project as the "Ronald Reagan Building and International Trade Center."

Like most who work in Washington, I have enjoyed watching the monthly progress made on the construction of what, upon its completion in 1997, will be an important addition to this city's architectural landscape.

And in my view, Congresswoman ANDREA SEASTRAND had come up with exactly the right name for the project.

President Reagan always believed that Government and the private sector should be partners and not adversaries. And the Federal Triangle project—authorized during the Reagan administration—was constructed in that spirit.

As Senator MOYNIHAN, who is a cosponsor of this legislation, was the driving force behind congressional approval of the project. And he pointed out on the Senate floor in 1987 that the project's construction involved no appropriated Federal funds.

Rather, money was borrowed from the Federal Financing Bank, and will be repaid with revenues derived from leasing office space. It is anticipated that after 30 years, the Federal Government will own the building outright.

It is also fitting to name a building that will house an international trade center after President Reagan, because no one stood stronger for free and fair trade than he did.

While naming a building can certainly not repay the debt America owes to Ronald Reagan, it is a fitting tribute to a man who transformed this city, this country, and the entire world.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1315

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION.

The Federal Triangle Project under construction at 14th Street and Pennsylvania Avenue, Northwest, in the District of Columbia, shall be known and designated as the "Ronald Reagan Building and International Trade Center".

SEC. 2. REFERENCES.

Any reference in a law, map, regulation, document, paper, or other record of the United States to the building referred to in section 1 shall be deemed to be a reference to the "Ronald Reagan Building and International Trade Center".

By Mr. KEMPTHORNE (for himself, Mr. CHAFEE, Mr. BAUCUS, Mr. REID, Mr. KERREY, Mr. DOLE, Mr. DASCHLE, Mr. WARNER, Mr. SMITH, Mr. FAIRCLOTH, Mr. INHOFE, Mr. THOMAS, Mr. MCCONNELL, Mr. JEFFORDS, Mr. HATCH, Mr. SIMPSON, Mr. DOMENICI, Mr. BURNS, Mr. CRAIG, Mr. BENNETT, Mr. EXON, Mr. CONRAD, Mr. HATFIELD, and Mr. LAUTENBERG):

S. 1316. A bill to reauthorize and amend title XIV of the Public Health Service Act (commonly known as the "Safe Drinking Water Act"), and for other purposes; to the Committee on Environment and Public Works.

THE SAFER DRINKING WATER ACT OF 1995

Mr. KEMPTHORNE. Mr. President, just over a decade ago, the Environmental Protection Agency developed a research plan to improve our understanding about cryptosporidium, a tiny disease-carrying microbe that can show up in our drinking water supply. Not much happened with that study plan and cryptosporidium was not regulated by the agency. Unfortunately, the failure to carry out the research necessary to support a regulation led to a failure in public health protection. In the past several years, we have witnessed outbreaks of cryptosporidiosis, which we believe to have been water-borne, in Las Vegas, San Francisco, and Milwaukee. While not terribly harmful to most Americans, the microbe can prove fatal for those with weakened immune system.

This tragedy could and should have been avoided. But the Environmental Protection Agency is not solely responsible for this failure of public health protection. The truth is that the current safe drinking law discourages the Environmental Protection Agency from concentrating its resources on regulating contaminants posing the highest health risks like cryptosporidium, a microbe scientists have known about since the 1970's. Instead of concentrating government resources on microbes causing acute and immediate health effects, the Safe Drinking Water Act requires EPA to regulate a long list of contaminants, regardless of whether or not they pose a threat to public health, regardless of whether they actually occur in drinking water, and oftentimes at the expense of regulating contaminants that pose a more serious and immediate health threat.

After a 2½-year effort to reauthorize the present drinking water statute, I and my colleagues on the committee have come to the conclusion that we need a better, safer, smarter Safe Drinking Water Act. Congress must write a better law that ensures that the water Americans drink is safe, makes wiser use of government resources, corrects the mistakes and unintended consequences of existing law, and anticipates and addresses future drinking water concerns.

Congress must write a law that gives EPA flexibility to set a drinking water standard based on peer reviewed science and the benefits and risks associated with contaminants. Congress must also commit the dollars to carry out the needed research to help identify those contaminants that pose the most serious health concern. Congress must insist on having a public record to educate the American public about the risks they face from a particular contaminant, and the costs to regulate it. Congress must also allow States and local governments to be full and independent partners in the development, implementation, and enforcement of drinking water regulations.

Guided by these goals, supported by Republican and Democratic State and local officials who work every day to provide safe drinking water to their own families, friends, and neighbors, today I introduce legislation to renew and improve the Safe Drinking Water Act.

I am joined in introducing this bill by Senator CHAFEE, the chairman of the Senate Environment and Public Works Committee; Senator BAUCUS, the ranking member of that committee; Senator REID, the ranking member of the Senate Subcommittee on Drinking Water, Fisheries and Wildlife; and Senator KERREY, who has been instrumental in negotiations last year and this year to bring sense into this particular public health statute. For 9 long months we have labored to produce a bill that we think will improve public health protection and is, at the same time, responsive to the need of States and communities across the country to be able to target scarce resources to high priority health risks, and not on trivial risks.

This legislation combines the best provisions of the bill the Senate passed last year with improvements suggested by those responsible for providing safe drinking water. The bill protects public health better than current law, and it will not roll back or weaken existing standards and public health protection.

I would like to touch on some of the highlights of the bill:

First, the bill authorizes the commitment of Federal resources to assure that the Nation's drinking water supply is safe and makes sure that the money is targeted to our most serious problems. One billion dollars is authorized annually for a drinking water State revolving loan fund, which itself will be matched by the States with another 20 percent. The committee recognizes that many communities are financially strapped and cannot afford to install treatment to ensure safe water supplies. This money will help fund compliance with drinking water standards, with special forgiveness provisions for disadvantaged communities.

Second, the bill also authorizes roughly $53 million for health effects research, especially research into the health effects of cryptosporidium, disinfectants and disinfection byproducts, arsenic, and related research on sensitive population groups, like children, elderly, pregnant women, and those with serious illnesses. As I reviewed our progress towards improving the quality of the Nation's drinking water, I was especially dismayed to learn how poor our research efforts have been. Poor research means poor standards, and either poor health protection or over-protection at an unnecessarily burdensome cost. Therefore, we have included in the bill a 10 percent set-aside of the top of the State revolving loan fund that the administrator may use to support essential health effects research.

Third, the bill requires EPA to use the best available peer-reviewed science in identifying and regulating contaminants. It repeals the requirement that the agency regulate 25 new contaminants every 3 years, and sets up a process that will ensure that EPA has the authority and the resources to regulate those contaminants that pose the greatest risk, instead of doing those that pose a trivial risk. Furthermore, to help the agency set priorities, it is required to address only those contaminants that actually occur in drinking water, or have a substantial likelihood of doing so.

Fourth, the bill makes modifications to the current method for setting drinking water standards. Today, the administrator is always required to set a standard at the level that is technologically feasible. In some instances, this does not make sense: The costs can be excessively high in relation to the health benefits. Under this bill, we allow the administrator to set a standard at a different level when it makes sense to do so.

In preparation for setting every new standard, the administrator will conduct a full analysis of the health risk reduction benefits that can be achieved from a maximum contaminant level that is technologically feasible, and other levels that might be appropriate to consider on the basis of risk, or benefit-cost. That analysis will be published for public comment and then becomes the basis for making a decision about whether the technologically feasible level is justified, or whether some other level is appropriate.

If the technologically feasible level is not justified, looking at costs to those public water systems serving over 10,000 people and the costs to those systems that are not likely to get a variance, the administrator may propose a maximum contaminant level that is justified. If justified, however, the administrator will be required to promulgate a standard that is as close to the health goal as is feasible.

Fifth, the bill establishes new deadlines for the issuance of some very important contaminants. These deadlines are consistent with the EPA's desire to have flexibility to focus on higher priority contaminants, and, where necessary, allows the administrator time to carry out critical research to support the standard setting process. The bill also preserves the negotiated rulemaking for disinfectants and disinfection byproducts, which includes cryptosporidium, and it makes clear that the administrator has the authority to consider and balance the risks between the disinfection byproducts and microbial contaminants.

Sixth, the bill provides new authority for the administrator to regulate contaminants on an interim basis where there is an urgent public health concern.

Seventh, the bill strengthens the existing partnership between the Federal Government and State government in the administration and implementation of the Safe Drinking Water Act. It preserves the strong role for the Federal Government in developing drinking water standards and supporting State primacy, but allows States the flexibility to tailor Federal monitoring and other requirements to meet the needs in their States. While the bill makes a few changes in enforcement provisions, the bill retains the current law's emphasis on compliance-oriented strategies to encourage better compliance among public water systems, rather than formal, punitive enforcement actions.

Eighth, the bill establishes a new process by which States may grant variances to small systems, those serving under 10,000, that are unable to comply with Federal drinking water requirements. As part of receiving a variance, a public water system will be required to install appropriate affordable technology that will result in an overall improvement in drinking water quality during the period of the variance. Rather than adjusting the overall national standard to a level that is affordable for the smallest of systems, the committee chose to help these same systems through a new variance provision. The variances must adequately protect public health, and citizens can petition EPA to overturn a variance granted by a State if that statutory requirement is not met.

Ninth, the bill helps small water systems, usually in rural areas, provide safe and affordable drinking water to their communities. Technical assistance, State revolving loan funds, a requirement that EPA identify treatment technologies affordable for small systems, and a new emphasis on helping systems to develop the financial, managerial, and technical capacity to meet Federal drinking water requirements, will do much to encourage the States and EPA to redirect time and attention to the problems and concerns of these smallest water systems.

Finally, I believe the bill looks toward the future, anticipates the drinking water needs and concerns of the 21st century, and establishes a framework to address these issues. In particular, the bill provides for voluntary, locally-driven, incentive based partnerships to provide for the protection of source water. It is crafted to avoid Federal involvement in local land-use planning issues and to allow real source water quality problems to be addressed in a cooperative, non-adversarial process. We have seen great success with local watershed planning initiatives, and I believe empowering local communities to address source water concerns is the right way to go.

Also, the bill recognizes that many public water systems are having trouble meeting Federal requirements. The reasons are many. Sometimes it is a lack of an adequately trained operator for the treatment system, or a lack of skill in capital planning, or an inadequate rate-base to support the costs of compliance. Sometimes the problem is a result of the rapid pace at which new Federal regulations were being promulgated and the difficulties in understanding, financing, and implementing them.

Whatever the reason, the bill includes a new section that asks the States to develop a strategy for helping public water systems meet the demands being made of them, to have the legal authority to prevent new water systems from starting that don't have the financial, technical, and managerial capacity to meet Federal requirements, and to report on those systems that have a significant history of noncompliance. States retain authority over training and certification of public water system operators, but the bill will increase the number of trained and certified operators.

Like source water protection, the capacity development strategy depends largely on nonregulatory, noncommand, and control approaches to addressing a long-term problem. As such, I believe they will break new ground in terms of the Federal-State partnership, and in terms of building local community resources to address drinking water problems.

Mr. President, I urge my colleagues to join Senators CHAFEE, KERREY, BAUCUS, REID, INHOFE, WARNER, FAIRCLOTH, MCCONNELL, SMITH, THOMAS, JEFFORDS, SIMPSON, BURNS, DOMENICI, CRAIG, EXON, and I in sponsoring this bill. It has the strong support of State and local officials and water treatment experts. The National Governors Association, the U.S. Conference of Mayors, the National Conference of State Legislators, the League of Cities, the National Association of Counties, the American Water Works Association, the Association of Metropolitan Water Agencies, the Rural Water Association and the Association of State Drinking Water Administrators have united together to support this bill.

These endorsements are important. Congress ought to listen to those directly responsible for implementing the Drinking Water Act. I have never met a single mayor, Governor, or public water official who would do anything to threaten public health. Not only do their own families drink the water they provide, they know that failure to provide safe water will have repercussions.

In 9 months of discussions with these State and local leaders, two messages emerged. Their first message was that we must recognize the tremendous progress this country has made in providing Americans with safe drinking water. The United States is numbered among those countries of the world that enjoy the safest drinking water. Nowhere else can 243 million people turn on their taps and drink the water with confidence and without fear. We ought to be grateful for that, and proud of America's leadership in assuring that our drinking water is safe and in helping other countries to do the same for their people.

It has not always been that way. There was a time when our grandparents and great grandparents regularly and routinely died of cholera and typhoid contracted through the water they drank. Their journals are filled with the sorrows of untimely deaths that swept through whole communities. In the United States today, that pain and suffering rarely occurs.

But when it does happen, it points out the flaws of the current law, and why it must be reformed. And that leads to the second message from State and local leaders.

State and local governments are overwhelmed by the new and changing administrative requirements imposed by the Federal Government, the rigidity with which they are applied, the lack of financial resources to do the job, and the micromanagement from Federal agencies. While many States, including Idaho, have fought difficult battles to impose fees to cover drinking water program costs in their States, they see the Federal Government constantly increasing their work load and the administrative requirements. At the same time, the Federal financial commitment to the drinking water program, in relation to other environmental programs, is falling.

The irony is that Federal water policy leaders agree with their State and local partners. President Clinton's former Deputy EPA Administrator Robert Sussman bluntly sums up the issue:

> Safe Drinking Water Act implementation has harmed the agency's credibility by becoming a potent symbol of the rigidity and costliness of federal mandates on local governments and the overprotectiveness of the EPA standard-setting process. Reforms in both laws should strive for maintaining environmental protection while achieving more flexibility in priority setting, lower compliance costs, and greater state and local involvement in decision making.

Congress' own watchdog, the General Accounting Office agrees with Mr. Sussman. To quote from two recent reports:

> States often defer or eliminate important elements of their drinking water programs in order to devote resources to developing and implementing a growing list of regulations. "For example, 12 drinking water officials from 16 states noted that they were spending more resources on developing new programs and regulations, as required by the 1986 SDWA amendments, than on conducting vital water system inspections (sanitary surveys) or compliance reviews. These managers expressed concern that, as a result, compliance rates as well as water quality could be suffering.

94% of the state drinking water program officials say that mandatory implementation of new program requirements within federally mandated time frames has caused fiscal stress in their state programs and has caused some state programs to discontinue or reduce activities they consider to be more environmentally significant.

Senators who need further confirmation need only consult water treatment experts in their States. In my own State, McCall, ID, population 2,000, must invest in a new wastewater treatment plant, a new filtration system and make improvements in its infrastructure to deliver drinking water. As one community leader told me the other day, "We've seen a 500-percent increase in our sewer rates, and we're struggling. If we have to go back and raise rates again, or float a bond, or whatever it takes to finance compliance with Federal requirements, we need to know that what we're being asked to do makes sense in terms of public health protection."

Or, as another public utility official told me, every week he meets with residents struggling to afford present utility rates. "When I sit across from a woman with her three small children, trying to find ways to accommodate her limited budget so that she can cover other family necessities, I want to know that when I have to raise rates, I can tell her that it is really necessary to keep her kids from getting sick through the water they drink."

It is getting harder and harder to convince citizens that Federal drinking water regulations make sense. The current law's inflexibility and needless rigidity emphasizes quantity of regulation over quality of regulation. By law EPA must regulate a specific list of 83 contaminants, plus an additional 25 contaminants every 3 years, regardless of whether those contaminants occur in drinking water or pose a threat to public health. EPA is absolutely precluded from concentrating its resources on those contaminants in drinking water that present the highest health risk. If it wants to do that, EPA has to persuade Federal judges and plaintiffs to let them extend their deadlines on lesser priority contaminants. So long as current law remains in place, it does not matter what we as Members of Congress think. It does not matter what the administrator thinks, nor what the mayor of Milwaukee and his residents think.

Furthermore, under current law, it does not matter whether the Federal standard for a particular contaminant is appropriate. It does not allow EPA the time or the money to write regulations based on good, peer-reviewed science and good risk assessments, and EPA must always write the standard based on what is technologically feasible, without considering the benefits and risks of regulating to that strict level. As a result, EPA's credibility as a protector of public health is tarnished. Where the science and the costs do not justify the standard, EPA is forced either to manipulate the process to get a reasonable result, to avoid regulating until it has better information, or to regulate strictly.

These are the problems the legislation being introduced today wants to solve. As I said earlier, this bill takes the best provisions of the bill the Senate passed last year and builds on them. It is a good bill that will improve public health protection. I ask unanimous consent that a section-by-section explanation of the bill be printed in the RECORD.

In conclusion, recent outbreaks of cryptosporidiosis, the experience of our State and local partners, and the responsibility to provide safe drinking water into the 21st century require us to write a better, safer, smarter Safe Drinking Water Act. I look forward to working with all those who share this goal to achieve this goal.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SAFE DRINKING WATER ACT AMENDMENTS OF 1995—SECTION-BY-SECTION ANALYSIS

SECTION 1. SHORT TITLE; TABLE OF CONTENTS; REFERENCES

The bill is entitled the "Safe Drinking Water Act Amendments of 1995".

SECTION 2. FINDINGS

The Congress finds: that a substantial number of public water systems are having difficulty meeting the requirements of the Safe Drinking Water Act because of technical and financial limitations and need greater assistance; that modifications in administration of the program could promote a more productive partnership with the States; that the quality of the science supporting drinking water standards needs improvement; and that risk assessment and benefit-cost analysis are important and useful tools to improve the efficiency and effectiveness of drinking water regulations.

SECTION 3. STATE REVOLVING LOAN FUNDS

The bill establishes a new State Revolving Loan Fund (SRF) program. The Federal Government will provide capitalization grants to State-run SRFs. States will use these funds, along with their own contributions, to make grants and loans to public water systems to facilitate compliance with the Safe Drinking Water Act. The bill includes an authorization of $1 billion per year through 2003 for capitalization grants.

The Administrator may enter into an agreement with a State to provide capitalization grants for a Revolving Loan Fund, if the State establishes a loan fund and agrees to conditions, including providing a 20% State match, use of loans in compliance with an intended use plan, and proper financial management.

All of the States already operate SRFs for wastewater treatment construction under the Clean Water Act. A State may consolidate management of the new drinking water SRF with its existing clean water loan fund, provided that accounting for drinking water loans and repayments remains separate. A Governor of a State may transfer up to 50 percent of the funds provided to the drinking water loan fund each year to the loan fund authorized under the Clean Water Act. An equal amount may be taken from the clean water fund in a State and transferred to the drinking water fund. The authority to establish priorities for loans and grants to public water systems is to remain with the State agency implementing the drinking water program.

In fiscal years 1994 through 1997, funds are allocated among the States based on a grant formula used to allocate funds for Public Water System Supervision (PWSS) grants, a long-standing grant program that provides funds to the States to support administration and enforcement of the existing law. After fiscal year 1998, funds are to be allocated according to a new formula developed by the Administrator based on a survey of drinking water needs in each State. This needs assessment is already underway.

In addition to the allocation for States, 1.5% of the Federal grant funds are reserved for Indian tribes and 0.5% of the funds are reserved for territories. Indian tribes, territories, and the District of Columbia may receive direct grants rather than loans.

Each State is authorized to reserve up to 2 percent of its grant or $300,000, whichever is greater, to provide technical assistance to small water systems. Assistance may include financial management, planning and design, source water protection programs, system restructuring, and other measures for capacity development or water treatment.

Projects eligible to receive loan and grant assistance are capital expenditures for: compliance with national primary drinking water regulations; upgrading of drinking water treatment systems; replacement of private wells where they present a significant health threat; and restructuring of systems and the development of alternative sources of water supply.

Drinking water systems eligible for assistance are community water systems (whether publicly or privately owned) and non-community water systems that are owned by a government or non-profit organization. States may not provide assistance to systems with a history of noncompliance, unless steps are taken to assure that the system will have the capacity to comply with requirements of the Safe Drinking Water Act over the long term.

States may assist disadvantaged communities through grants and forgiveness of loan principal. Each State is to develop its own affordability criteria to determine which public water systems are eligible for grants, rather than loans. States may assist disadvantaged communities by forgiving a part of a loan or by extending the repayment period for a loan to up to 30 years. The total amount of grants and loan forgiveness provided by a State in any fiscal year may not exceed 30% of the amount of its capitalization grant from EPA.

Each State may reserve up to 4% of the capitalization grant for administration of the SRF fund. In addition, a State may use a portion of the capitalization grant to support its Public Water System Supervision program. The State may use up to 10 percent of its annual grant to support programs for source water protection and capacity development.

SECTION 4. SELECTION OF CONTAMINANTS; SCHEDULE

The Safe Drinking Water Act Amendments of 1986 required EPA to issue standards for 83 specific contaminants by not later than 1989. That work has largely been completed, but EPA has yet to issue new standards for arsenic, sulfate, radon and other radionuclides.

The 1986 Amendments also required EPA to establish standards for an additional 25 contaminants every 3 years beginning in 1989. EPA has not issued any standards to comply with this requirement but has proposed regulations for 12 disinfection byproducts and for *Cryptosporidium* in partial fulfillment of this duty. An additional 13 contaminants (Known as the Phase VIb rule) are under study.

The bill repeals the requirement that EPA regulate an additional 25 contaminants every 3 years. EPA is required to complete regulations for 12 disinfectants and disinfection byproducts, the Enhanced Surface Water Treatment Rule and a national primary drinking water regulation for *Cryptosporidium*.

Not later than July 1, 1996, the Administrator is to publish a list of high priority contaminants not currently regulated. EPA is to develop a research plan for each of the listed contaminants to acquire information on health effects and the occurrence of the contaminant sufficient to determine whether the contaminant should be regulated under the Act.

Beginning in the year 2001, EPA is required to make a regulatory decision with respect to at least 5 of the listed contaminants every 5 years. EPA may decide that the contaminant should not be regulated, that there is insufficient information to make a determination, or that a maximum contaminant level or treatment technique for the contaminant should be promulgated under the Safe Drinking Water Act. The Administrator is to establish national primary drinking water regulations for those contaminants that occur at concentration level and at frequencies of public health concern.

SECTION 5. RISK ASSESSMENT, MANAGEMENT AND COMMUNICATION

The bill requires improvements in the scientific foundations for drinking water standards and better public communication of the potential risks of adverse health effects associated with contaminants in drinking water.

The Administrator is to conduct a benefit-cost analysis for each national primary drinking water regulation containing a maximum contaminant level (MCL) or treatment technique before it is proposed. The analysis will also include consideration of alternative MCLs or treatment requirements. The study is to include a determination of the costs and benefits associated with each alternative MCL or treatment technique relative to the other standards under consideration.

The analysis is to incorporate information on risks to subgroups that may be at greater risk than the general population for adverse health effects as the result of exposure to the contaminant. The Administrator is to publish and seek comment on the study and is to use an advance notice of proposed rulemaking to seek comment whenever the costs of the national primary drinking water regulation are expected to exceed $75 million.

SECTION 6. STANDARD-SETTING; REVIEW OF STANDARDS

Standard-setting under the current Safe Drinking Water Act is a two-step process. First, EPA identifies a concentration level for a contaminant below which there will be no adverse effect on human health. This is called the maximum contaminant level goal or MCLG. For cancer-causing substances, the MCLG has always been set at zero.

In a second step, EPA sets the actual enforceable standard, called the maximum contaminant level or MCL, as close to the goal as feasible. Feasible means the level that can be reached using the best available treatment technology that is affordable for large, regional drinking water systems.

This approach to standard-setting is taken because the majority of Americans (80%) receive their drinking water from large systems and economies of scale in treatment technology make safe water very affordable.

On the other hand, this approach to standard setting has caused problems with implementation of the Act. First, standards written under the approach taken by current law can impose very high costs on households served by small systems. Second, for some contaminants that occur at relatively low concentrations and are regulated for their cancer-causing effects with a goal of zero exposure, the current approach has led to high costs per cancer case avoided. And third, treatment techniques employed to reduce the risk from some contaminants may actually increase the health risks posed by other contaminants in drinking water. For instance, chlorination of drinking water to kill pathogenic organisms increases cancer risks from chemicals, called disinfection byproducts, that form in reaction with the chlorine.

To address these problems, the bill provides EPA with discretion to consider the benefits and costs and the potential for offsetting health risks associated with proposed standards. In addition to this standard-setting flexibility, the bill amends the variance provisions of the law to ensure that small systems are not required to employ treatment technologies that are unaffordable for their consumers.

The bill makes the following changes to the standard setting authority of the Safe Drinking Water Act:

1. EPA is authorized to set the maximum contaminant level goal (MCLG) for a contaminant that is a known or probable human carcinogen at a level other than zero, if the Administrator determines that there is a threshold below which there is unlikely to be any increase in cancer risk and the MCLG is set at the threshold level with an adequate margin of safety;

2. At the time that the Administrator promulgates a maximum contaminant level (MCL), the Administrator must also publish a determination as to whether the benefits of the MCL justify the costs;

3. EPA is authorized to set a maximum contaminant level at other than the level that is as close to the goal as feasible, if application of the treatment techniques at the feasible level would increase health risks from other contaminants; this authority may be used to set the MCL or treatment technique for the contaminant and for other contaminants at a level that minimizes the overall health risk;

4. The Administrator is given discretionary authority to establish less stringent standards (than feasible), when the Administrator determines that the benefits of a maximum contaminant level set at the feasible level would not justify the costs to systems that must comply with the standard or the contaminant occurs almost exclusively in small systems; if EPA uses this authority, the standard is to be set at a level that maximizes health risk reduction at a cost that is justified by the benefits;

5. The authority to set less stringent standards based on a benefit-cost determination is not available for the regulation of disinfectants and disinfection byproducts (in Stage I or II) or to address the threat of *Cryptosporidium;* and

6. A determination that the health benefits of a standard do or do not justify the costs can only be set aside by a court, if it finds that the Administrator's determination is arbitrary and capricious.

The requirement in current law that the Administrator periodically review and revise each national primary drinking water regulation is extended from 3 years (in current law) to 6 years. Revision to standards are to maintain or provide for greater protection of human health. Existing standards may only be made less stringent in the future, if new science demonstrates that the current level of health protection can be achieved by a less stringent standard.

SECTION 7. ARSENIC

Arsenic is currently regulated under the Safe Drinking Water Act. The MCL is 50 parts per billion. Although arsenic is known human carcinogen by ingestion, the current standard was not established to address this adverse effect. The 1986 Amendments required the arsenic standard to be revised. EPA has not completed this duty because of substantial scientific uncertainty about the cancer-causing effect of arsenic at very low doses. If the arsenic standard were revised based on current policy, the standard might be set as low as 5 parts per billion. A standard at this level may impose unnecessary compliance costs, if there is a threshold for the cancer-causing effect of arsenic that is substantially above this level.

This bill allows additional time for research to resolve this scientific uncertainty. The deadline for revising the national primary drinking water regulation for arsenic is delayed until January 1, 2001. The Administrator is to adopt a research plan to resolve the outstanding questions with respect to the carcinogenic effects of low levels of exposure to arsenic within 180 days of enactment. Prior to proposing a revised arsenic standard, the Administrator is to conduct a formal review of the research results and consult with the Science Advisory Board.

SECTION 8. RADON

The Safe Drinking Water Act Amendments of 1986 required EPA to promulgate a national primary drinking water regulation for radon by 1989. EPA proposed a standard at 300 picocuries per liter (pC/L) in 1991. Congress suspended action on this regulation pending a review of the costs and benefits of the drinking water standard relative to other risks from radon in the environment.

The bill directs EPA to promulgate a standard for radon not later than 180 days after enactment. The standard is to be established at 3000 pcC/L, a concentration that will reduce the health risks from radon in drinking water caused by inhalation (breathing radon that evaporates from water) to levels commensurate with risks from radon in outdoor air.

Under the provisions of the bill, EPA may subsequently revise the standard, but only if the Administrator determines, and the National Academy of Sciences and the Science Advisory Board concur, that revision is appropriate to address risks from ingestion (swallowing radon in the drinking water). The revised standard is to be no more stringent than necessary to reduce the combined inhalation and ingestion risk from radon to a level equivalent to the inhalation risk from radon in outdoor air at the national average level.

SECTION 9. SULFATE

The 1986 Amendments required EPA to establish a standard for sulfate. EPA has not completed this duty for two reasons. First, scientific information is not sufficient to determine the dose-response relationship for sulfate with a high degree of confidence. Second, because persons become quickly acclimated to sulfate in their drinking water, the adverse health effect from sulfate exposure (diarrhea) is experienced primarily by travelers, new residents and infants. In a rule proposed by EPA in December, 1994, the preferred option to protect these special populations relies on bottled water and public education.

The bill authorizes the Administrator to use public education and alternative water supplies (bottled water), rather than centralized treatment, to reduce the costs of a national primary drinking water regulation for sulfate. The Administrator is directed to complete a rulemaking for sulfate not later than 2 years after enactment.

The maximum contaminant level for sulfate promulgated under the Safe Drinking Water Act is not to be used by the Administrator for ground water remediation decisions under CERCLA or RCRA, unless the Administrator engages in a separate rulemaking under the authority of those statutes to establish a remediation standard for sulfate.

SECTION 10. TECHNOLOGY AND TREATMENT TECHNIQUES; TECHNOLOGY CENTERS

At the time that the Administrator promulgates a national primary drinking water regulation, the bill directs EPA to identify the treatment technologies that are feasible for systems of various sizes, including systems serving: between 3,300 and 10,000 persons; between 500 and 3,300 persons; and between 25 and 500 persons. The list of feasible technologies may also include package units for small systems and point of entry treatment equipment.

The Administrator is directed to make grants to institutions of higher education to establish no fewer than 5 centers that will provide training and technical assistance to small public water systems. Appropriations of $10 million per year through the year 2003 are authorized for this purpose.

SECTION 11. FILTRATION AND DISINFECTION

The 1986 Amendments required EPA to issue rules requiring filtration for all systems served by surface water sources and disinfection by all systems. The Surface Water Treatment Rule implemented the filtration and disinfection requirements for systems served by surface water sources and became effective in 1991. The disinfection requirement for systems served by ground water sources has not been promulgated.

The bill postpones promulgation of rules for the disinfection of drinking water from ground water sources until the Stage II rule for disinfectants and disinfection byproducts is issued. This will ensure that potential risks from disinfection byproducts are balanced with the benefits of disinfecting ground water supplies. The Administrator is authorized, in consultation with the States, to develop criteria to be applied by the States to determine which systems relying on ground water sources are to use disinfection.

The Administrator is directed to publish guidance to accompany the proposal of the Enhanced Surface Water Treatment Rule that identifies filtration technologies that are feasible for public water systems relying on surface water serving fewer than 3,300 persons.

SECTION 12. EFFECTIVE DATE FOR REGULATIONS

Section 1412(b)(1)) of current law is amended to require compliance with national primary drinking water regulations no later than 3 years after promulgation (extended from 18 months under current law). The compliance deadline can be extended for up to 2 years in general (by the Administrator) or for a particular public water system (by a State), if it is determined that additional time is needed for the capital improvement projects that will be necessary to meet new treatment requirements.

SECTION 13. VARIANCES AND EXEMPTIONS

Public water systems may get a variance from a national primary drinking water regulation under current law, if the quality of their source water makes it impossible to comply with the MCL even when best available treatment technology is employed. However, under current law the variance may only be granted after the best available treatment system has been installed and has failed to achieve the standard. This approach does not provide certainty for public water systems, because it forces investments in costly treatment plants, before the system can be assured that the investment will allow the system to come into compliance with the Act. The bill modifies the variance authority allowing public water systems to receive a variance on the condition that they install and operate best available treatment technology.

SECTION 14. SMALL SYSTEMS

The bill also modifies the variance provisions of the Act to authorize variances for small systems that cannot afford to comply with national primary drinking water regulations.

This new variance authority is to be exercised by the States. A State may grant the owner or operator of a public drinking water system serving 10,000 or fewer persons a variance from compliance with a maximum contaminant level or treatment technique of a national primary drinking water regulation if a system cannot afford to comply with the regulation and adequate protection of public health is ensured. The variance is to provide for the use of the best available treatment technology that is affordable for small systems.

A system that applies for a variance from a regulation under this subsection is not subject to enforcement for a violation of the regulation, until a variance is either granted or denied. If a variance is granted, the system has up to 3 years to comply with the terms of the variance. The variance is in effect for 5 years and reviewed every 5 years thereafter. A person who is served by the system seeking a variance may petition the Administrator to object to the granting of a variance, if the provisions of the variance are not in compliance with the Act.

A variance is not available for any contaminant regulated before January 1, 1986 or for an MCL or treatment technique intended to reduce the risks from pathogenic organisms in drinking water.

SECTION 15. CAPACITY DEVELOPMENT; FINANCE CENTERS

There are more than 200,000 public water systems in the United States. Some small systems, most often those owned and operated by groups of homeowners or other nongovernmental entities, do not have the technical, financial or managerial capacity to comply with the requirements of the Safe Drinking Water Act. The bill includes several provisions to assist these systems to improve capacity.

Within 4 years of enactment, each State is to develop and implement a capacity development strategy to assist public water systems that do not have the technical, managerial and financial capacity. The drinking water primacy agency in the State is to report to the Governor 2 years after the strategy is adopted and every 3 years thereafter on progress toward improving the technical, financial and managerial capacity of public water systems in the State.

Each State is to obtain the legal authority or other means to prevent the startup of new public water systems that do not have the technical, managerial or financial capacity to comply with the requirements of the Safe Drinking Water Act. States that have not adopted this authority lose 5% of their SRF grant in 1999, 10% in 2000 and 15% each year thereafter.

Within 1 year, each State is to prepare a list of public water systems that are in significant noncompliance with the requirements of the Safe Drinking Water Act. The State is to report on its efforts to bring such systems into compliance, through capacity development or enforcement actions, 5 years after enactment.

Grants to the existing network of Environmental Finance Centers are authorized at $2.5 million per year through the year 2003. The Centers are directed to establish a capacity development clearinghouse for public water systems.

SECTION 16. OPERATOR AND LABORATORY CERTIFICATION

Each community water system or nontransient noncommunity system receiving assistance from a State Revolving Loan Fund is to be operated by a trained and certified operator. The Administrator is to initiate a partnership with the States to develop recommendations regarding operator certification and to publish information for the States to use in designing training programs. The determination as to the level of training necessary to receive certification is to remain with the States.

If a system that has received assistance is operated by a person who is not certified, the Administrator is to withhold funds from the SRF capitalization grant of the State in an amount equal to the assistance that was provided to the system. Systems receiving assistance for the first time are to make a commitment to train operators before new treatment equipment supported by SRF loans or grants goes into operation.

The Administrator's guidance may also cover certification for laboratories that perform testing to meet the monitoring requirements of national primary drinking water regulations.

SECTION 17. SOURCE WATER QUALITY PROTECTION PARTNERSHIPS

As currently written, the Safe Drinking Water Act focuses principally on monitoring and treatment of drinking water to protect public health. Although the 1986 Amendments added pollution prevention provisions for sole source aquifers and the areas around wellfields for public systems, protecting the quality of source water to avoid the expense of treating contaminated water has not been a major part of the national program. Building on the lessons from the wellhead protection efforts made under the 1986 Amendments, the bill authorizes a new source water quality protection partnership program to encourage the development of locally-driven, voluntary incentive-based efforts by public water systems, local governments and private parties to respond to contamination problems that would otherwise require treatment.

The bill provides for the delineation of source water protection areas for each public water system and, for priority source water areas, vulnerability assessments. The delineations and assessments are to be completed within 60 months, but may be conducted on a priority-based schedule to the extent that Federal funds are insufficient to pay for the delineations and assessments.

States may establish source water quality partnership petition programs. The purpose of a State program is to identify voluntary, incentive-based source protection measures to protect drinking water from contamination and to redirect Federal and State financial and technical assistance to support those measures.

Public water systems and local governments (in partnership with other persons who may be affected by these measures) many submit a petition to the State seeking assistance to carry out the recommendations of the partnership.

Petitions may only address contaminants that are subject to promulgated or proposed regulations and that are detected at levels that are not reliably and consistently below the maximum contaminant level.

State may use up to 10% of their annual SRF grants to provide loans for projects that are recommended by petitions approved under this program.

SECTION 18. STATE PRIMACY; STATE FUNDING

Under the Safe Drinking Water Act, EPA establishes drinking water quality standards that apply to all public water systems. Assuring compliance with these standards is a task achieved almost entirely by the States. Each State that submits a regulation that is no less stringent than the Federal standard is granted primary enforcement responsibility. 49 States have primacy for most regulations that have been issued under the Act.

Under current law, the deadline for submitting State regulations to retain primacy for new or revised drinking water standards is 18 months. That deadline is extended to 24 months. In addition, the bill provides States with "interim" primary enforcement authority during the period after the State regulation is submitted until such time as it is approved or disapproved by the Administrator. The State regulation is effective during this interim period.

EPA makes an annual grant to each State to support its enforcement efforts. The bill reauthorizes the grants for the Public Water System Supervision (PWSS) program at $100 million per year through the year 2003. In addition, States are authorized (under part G) to set aside funds from their SRF grants in amounts up to the amount the PWSS grant to use in administration of the PWSS program.

SECTION 19. MONITORING AND INFORMATION GATHERING

Each national primary drinking water regulation includes monitoring requirements to assure continuing compliance with the maximum contaminant level. These monitoring requirements impose substantial costs on pubic water systems. The bill requires the Administrator to review and revise existing monitoring requirements for not fewer than 12 contaminants within 2 years.

The bill authorizes States to develop and implement their own monitoring regime for each containment. The State requirements may be less stringent than Federal requirements but are to assure compliance and enforcement. This authority takes effect after the first cycle of monitoring under Federal regulations. The authority does not apply to contaminants that are pathogenic organisms. The State program must provide for monitoring at a frequency consistent with Federal requirements in systems where a contaminant has been detected, unless monitoring indicates that the level of the contaminant is reliably and consistently below the maximum contaminant level. The Administrator may act to approve or disapprove a State alternative monitoring program within 180 days of submission or may withdraw a State's authority to establish monitoring requirements, if the State program does not assure compliance and enforcement.

The Administrator or a State may suspend quarterly monitoring requirements applicable to small systems for any contaminant (other than a pathogenic organism or a contaminant that causes an acute effect, or a contaminant formed in the treatment or distribution system) that is not detected during the first quarterly sample in a monitoring cycle.

The Administrator is to establish a program of monitoring for the presence of contaminants which may warrant regulation in the future. The Administrator may list up to 20 contaminants. All systems serving more than 10,000 persons would be required to monitor for these contaminants. Each State would establish monitoring requirements for these contaminants for a representative sample of small systems within the State. An annual appropriation of $10 million is authorized to offset the costs of this monitoring. In addition, the Administrator may set aside $2 million per year of any appropriation for the State Revolving Fund to pay for testing costs associated with monitoring at small systems.

The Administrator is to establish a national database containing information on monitoring for regulated and unregulated contaminants.

SECTION 20. PUBLIC NOTIFICATION

Public water systems are required to notify their consumers when the system violates important public health provisions of the Act. The bill revises these requirements for public notification. The new requirements provide for immediate notification when a violation presents a serious threat to public health; written notification not less often than annually of violations of maximum contaminant levels or treatment technique requirements; and publication by the State of an annual report summarizing the status of compliance with the State.

States are authorized to modify the form and content of public notices to reflect the health threat posed by a violation and to ensure that the public understands the threat.

SECTION 21. ENFORCEMENT; JUDICIAL REVIEW

Enforcement actions to correct violations of the Act can be taken both by EPA and by a State with primary enforcement responsibility. Several modifications to the enforcement authorities of the Act are made by the bill.

The Administrator is directed to notify local elected officials before taking enforcement actions against public water systems in non-primacy States.

The Administrator or a State is authorized to suspend enforcement action with respect to a violation for a period of 2 years, if the violation is to be corrected through a consolidation or a restructuring during that period.

States are to adopt administrative penalties (of at least $1000 per violation for large systems) to facilitate enforcement of the Safe Drinking Water Act.

The maximum amount for an administrative penalty imposed by EPA is increased from $5000 to $25,000 per violation. Penalties in this amount may only be imposed after a full on-the-record hearing.

SECTION 22. FEDERAL AGENCIES

The Federal facilities provision of the Act is amended to clearly waive the sovereign immunity of Federal agencies and to allow citizens and States to seek penalties for all violations of the Act at Federal facilities.

SECTION 23. RESEARCH

The general research authorities are clarified and an authorization of $25 million is provided for each fiscal year to 2003. In addition, the Administrator is authorized to set aside $10 million per year from appropriations for the State Revolving Fund for the research on the health effects of drinking water contaminants with priority given to research on *Cryptosporidium*, disinfection byproducts, arsenic and research on subpopulations at greater risk for adverse effects. The bill includes new research programs for interactive risks of pathogenic organisms and the disinfection and disinfectant byproducts that result from efforts to control the pathogens and for risks to subpopulations that may be more sensitive to particular contaminants than the general population.

SECTION 24. DEFINITIONS

The definition of "public water system" is modified to include some systems that provide water by means other than a piped system (such as irrigation systems). The modification would exclude from regulation those connections to non-piped systems where alternative water supplies or treatment to levels that are equivalent to national primary drinking water regulations is provided before the water is used for drinking or cooking.

Definitions for 'community water system' and 'noncommunity water system' are added to the law and the definitions of 'State' and 'Indian tribes' are modified.

SECTION 25. GROUND WATER PROTECTION

The Administrator is authorized to make grants to the States to support general ground water protection programs. Federal grants may not be used for more than 50% of the cost of the program. The bill authorizations $20 million per year through 2003 for this grant program.

Grants to support State administration of the Underground Injection Control (UIC) program under part C are reauthorized through the year 2003 at $20.85 million per year.

Grants to support the wellhead protection program established by section 1428 are reauthorized through the year 2003 at $35 million per year.

Grants to support the critical aquifer protection program under section 1427 are reauthorized at $20 million per year through 2003. In addition, section 1427 is amended to reopen the grant application period.

The Administrator is to conduct a study of the extent and seriousness of contamination of private sources of drinking water not regulated under this Act and, within 3 years of the date of enactment, provide a report to the Congress describing the findings of the study and recommendations for needed actions.

SECTION 26. LEAD PLUMBING, PIPES AND PUMPS; RETURN FLOWS

Section 1417 is amended to ban the sale of pipe, plumbing fittings and plumbing fixtures that do not meet voluntary standards for lead leaching rates established by the National Sanitation Foundation within 2 years of enactment. If NSF fails to set lead leaching limits and establish testing protocols for these items, the Administrator is authorized to set standards.

Section 3013 of P.L. 102–486 encouraging the use of heat pumps that return water to the distribution lines of public water systems is repealed.

SECTION 27. BOTTLED WATER

The Secretary of Health and Human Services is directed to establish regulations for the quality of bottled water for each contaminant for which a national primary drinking water regulation is issued, unless the Secretary determines that the contaminant is unlikely to present a risk to health through bottled water. The regulations are to be issued within 180 days after the tap water standard and are to be no less stringent than the standards that apply to tap water (drinking water supplied by public water systems).

SECTION 28. ASSESSING ENVIRONMENTAL PRIORITIES, COSTS AND BENEFITS

The Administrator is directed to identify and rank sources of pollution with respect to the relative degree of risk to public health and the environment. The Administrator is to evaluate the public costs associated with each source of pollution and the costs of complying with regulations designed to protect against risks caused by the pollution. The Administrator is to periodically report to Congress on the assessments conducted under this section. The Administrator's rankings and assessments of benefits and costs are to be reviewed by the Science Advisory Board.

SECTION 29. OTHER AMENDMENTS

The Chief of the Army Corps of Engineers is authorized to modernize the Washington Aqueduct that provides drinking water to the District of Columbia and several Virginia cities.

A requirement in section 1450 of current law for an annual report to the Congress on the activities of the Administrator is deleted.

Membership on the National Drinking Water Advisory Council is modified to include 2 members representing small, rural water systems.

Mr. CHAFEE. Mr. President, I am pleased to join with my colleagues to introduce this bill to reauthorize the Safe Drinking Water Act. Enacting this legislation is a high priority for the Environment and Public Works Committee. The bipartisan agreement that supports this bill gives us a great chance to achieve that goal.

We all agree that reform of the Safe Drinking Water Act is necessary. Public health protection has been strengthened by the many new standards that have been issued over the past few years. But the pace of standard setting and the costs of new treatment and monitoring requirements have been a strain for water suppliers, especially smaller communities.

This bill includes many provisions to ease the burden. There is the new grant program for drinking water revolving loan funds that President Clinton first recommended. States are authorized to reduce monitoring costs by developing their own testing requirements tailored to conditions in their region. Under this bill, States may also grant variances to the small systems that cannot afford to comply with the national standard.

That's reform, but we're not rolling back health protection which is now provided. No existing standard will be weakened. And the bill includes many new initiatives that will keep the national program moving forward. In addition to the SRF grants, there are new programs to prevent pollution of source waters used for drinking water supply. There is a program to develop technical capacity at small systems. The bill pushes hard for more and better science, including a research program to determine whether some groups like children or pregnant women or people with particular illnesses are more likely to experience adverse effects from drinking water contaminants. EPA will continue to review new contaminants and to make decisions on the need for national standards.

I want to thank each of my colleagues for the hard work they have put in on this bill. The star of this performance has been Senator KEMPTHORNE. He has spent months going over every detail of the legislation. And Senator BAUCUS blazed the trail for us last year with his bill that passed the Senate with almost unanimous support. My thank you also extends to the Water Office at EPA and to the coalition of State and local drinking water organizations that have worked so long and hard on this bill. Their expertise has been available at every step and has been very helpful.

I look forward to quick action by the committee and by the Senate on this bipartisan bill.

Mr. REID. Mr. President. For several months now there has been tough bipartisan negotiation to find common ground on the Safe Drinking Water Act. We began with S. 2019 which the Senate passed last Congress. Now, however, we have industry and State and local governments expressing in legislative language their need for more local control drinking water systems. I am cosponsoring this bill for two primary reasons.

First, there has been a great deal of compromise on both sides. Not everyone will be happy with some elements in this bill; both sides spent many hours working out the direction and the particulars of this bill. I am convinced that if this deliberative bipartisan process is going to produce legislation then this is how it will be done—through rational discussion and by taking the time to work out the disagreements. Through this process reasonable legislation will be passed out of the Senate.

And second, I am convinced that if we are going to pass a safe drinking water bill this year, then given the process and the bill before us, we need to proceed further in the bipartisan effort. My principle concern is whether there will be safe drinking water in the taps of homes across the country; whether the contaminants will be monitored sufficiently to warn our communities; and whether there will be accountability in a process so essential to the health and well being of our citizens. As I noted, this bill contains a great deal of compromise, but I believe that what we have all been able to maintain is the integrity of the goals and the mechanics of safe drinking water.

The EPA would still have the vital responsibility of regulating contaminants and setting standards while allowing for increased flexibility in implementing the regulations by the state and local water systems. A State revolving fund will be established to assist the States and rural systems. These and other provisions of the bill underscore the very deliberative compromise that has evolved. Perfect should not be an enemy to the good and looking for a perfect bill will not serve our constituents if we pass up a bill that will serve our communities well.

I commend Senators CHAFEE and KEMPTHORNE for their willingness to work together in this vital purpose. I appreciate Senator BAUCUS' leadership as the ranking member of the full Committee on Environment and Public Works.

Mr. BAUCUS. Mr. President, this is a solid bill. It builds on the work that was done, during the last Congress, to reform the Safe Drinking Water Act. It will reduce regulatory burdens while fully protecting public health. And it reflects a careful, bipartisan approach that puts the public interest ahead of partisan politics.

BACKGROUND

The Safe Drinking Water Act has guided Federal, State, and local efforts to assure that the water Americans drink is clean and pure. In the last several years, however, there has been growing concern that some provisions of the act misdirect Federal resources. There also has been concern that the act imposes regulatory burdens that local water systems simply can't comply with, no matter how hard they try. More specifically, critics of the act point to several flaws:

Unlike the Clean Water Act, the Safe Drinking Water Act does not provide federal financial assistance to help local water systems meet environmental mandates.

Small drinking water systems, including many small systems in my home State of Montana, have faced the greatest challenges in complying with the act's numerous and complex mandates.

The limited economies of scale of small systems have caused household water rates to skyrocket in recent years as communities financed drinking water projects.

Contaminant monitoring requirements have been overly prescriptive, and the requirement to regulate 25 new contaminants every 3 years is unrealistic and unnecessary.

The enforcement and public notification provisions are inadequate.

During the last Congress, the Environment and Public Works Committee unanimously reported legislation to reform the Safe Drinking Water Act, and the Senate passed the legislation by a vote of 95 to 3. Unfortunately, the bill was not enacted into law.

THE SAFE DRINKING WATER ACT AMENDMENTS OF 1995

The bill that we are introducing today builds on the solid foundation created by last year's bill. The bill addresses each of the concerns with the Safe Drinking Water Act. The bill expands funding, reduces regulatory burdens, and provides greater flexibility to those trying to provide safe drinking for all Americans—while not only maintaining but increasing public health protection.

To begin with, the bill provides substantial and sustained funding for drinking water projects. The bill authorizes new drinking water loan funds. Moreover, the bill allows a State to use its existing Clean Water Act loan fund to meet drinking water needs and, if appropriate, to use the drinking water loan funds to meet Clean Water Act needs. And, in some cases, the bill allows States to give a public water system a grant rather than a loan. That way, a State can provide special assistance to small, disadvantaged communities that have a particularly hard time providing safe drinking water at an affordable cost.

The bill reduces regulatory burdens, especially for small communities. It does so in several ways. Most significantly, the bill eliminates the requirement that EPA regulate 25 new contaminants every 3 years, whether or not there is a public health need to do so. Instead, EPA will review the health effects of currently unregulated contaminants in drinking water and determine whether, based on sound science, those contaminants pose public health threats and should be regulated. In other words, the bill reforms the Act by allowing EPA to target resources to the greatest threats to drinking water.

The bill increases State flexibility. It authorizes a State to establish its own program for monitoring drinking water quality, and to reduce some monitoring requirements for small drinking water systems that have good compliance records. And it allows a State to take other steps to address the special needs of small communities. In Montana and elsewhere, the operators of small drinking water systems want to comply with the act, but cannot afford the cost of complying with many of the regulations. The bill's variance provision will allow small systems to provide safe, affordable water to their customers.

So the bill reduces regulatory burdens, and increases flexibility, in many ways. But in doing so, it does not relax existing standards or weaken provisions of the Act that are necessary to protect public health. In fact, in addition to allowing EPA, States, and local communities to target resources to the greatest threats, the bill improves the Act's enforcement and compliance provisions. And it improves the important provisions that require water system operators to alert people about drinking water problems in their communities, especially problems that create health threats.

Putting all this together, the bill significantly reduces regulatory burdens and otherwise improves the operation of the Safe Drinking Water Act. At the same time, it not only maintains but increases public health protection.

A BIPARTISAN APPROACH

Mr. President, during this Congress, most debates about the environment have deteriorated into partisan battles. As a result, we have missed the opportunity to develop a consensus, a support of reforms that reduce regulatory burdens while improving environmental protection.

This bill that we are introducing today is a refreshing exception. Republicans and Democrats have worked together, cooperatively. There has been compromise, and nobody got everything that they wanted.

This process has not been an easy one. It has taken time, and it has taken painstaking negotiation. But because we have taken a bipartisan, cooperative approach, we have been able to develop a bill that will attract widespread support and can, I believe, quickly be enacted into law.

I very much appreciate the leadership and hard work of the committee chairman, Senator CHAFEE, the subcommittee chairman, Senator KEMPTHORNE, and the subcommittee ranking member, Senator REID. I look forward to working with them as we move forward to reform the Safe Drinking Water Act.

Mr. KERREY. Mr. President, this moment comes only after hours of hard work by Chairman CHAFEE, Senator KEMPTHORNE, Senator BAUCUS, and Senator REID. I want to take this opportunity to thank them for all of their commitment to this much needed reauthorization. Coming to agreement on this bill has not been easy. It is the product of many different points of view and carries important public health protection while providing reasonable regulatory relief for small communities.

Last year I became involved in the safe drinking water discussion because it is critical to the State of Nebraska. Ninety percent of our public water systems serve communities that are 2,500 or less in population. Those communities need and deserve flexibility to achieve the safest water possible for their citizens. This bill strikes an even balance between providing States with flexibility and the ability to affect decisionmaking; and allowing EPA to provide guidance and regulation.

I am an advocate of cost-benefit analysis which this bill contains. It allows public water systems to allocate their limited resources to those contaminants that will cause the greatest threat to public health. I know the concept is a tough one to write into legislation and I expect there will be some, including me, that want to make small changes. Overall, I have to say the language looks fair and I believe this bill achieves a carefully crafted balance.

For the last 2 years I have led the fight to keep EPA from publishing a drinking water standard for radon. The reason I did this is because the known health threat for radon is through inhalation, not ingestion. The greatest public threat from radon in drinking water is when you're in the shower. If left to the current process for setting standards, EPA would set the level for radon well below the level found in the air outside. The result of that standard would cost Nebraska's communities millions. I am quite pleased to see that the bill includes language that provides a permanent fix for the radon in drinking water issue.

The Safe Drinking Water Act exists to protect public health. In reviewing how EPA sets standards I saw a need to involve the Department of Health and Human Services and the Centers for Disease Control. This bill includes an active role for HHS and I strongly support that. In fact, I would like to see a larger role for HHS and I'm willing to work with the chairman on that point.

Again, I would like to thank Chairman CHAFEE, Senators KEMPTHORNE, BAUCUS, and REID and let them know that I am committed to helping them see this bill pass as quickly as possible. It is important to Nebraskans and all Americans.

By Mr. D'AMATO (for himself, Mr. MURKOWSKI, Mr. DODD, Mr. JOHNSTON, Mr. SHELBY, Mr. MACK, Mr. FAIRCLOTH, Mr. DOLE, and Mr. LOTT):

S. 1317. A bill to repeal the Public Utility Holding Company Act of 1935, to enact the Public Utility Holding Company Act of 1995, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

THE PUBLIC UTILITY HOLDING COMPANY ACT OF 1995

Mr. D'AMATO. Mr. President, today I introduce the Public Utility Holding Company Act of 1995. I am pleased to be joined by my colleagues on the Banking Committee, Senators SHELBY, MACK, FAIRCLOTH, and DODD; the chairman and ranking member of the Energy Committee, Senators MURKOWSKI and JOHNSTON respectively; and Senate Majority Leader DOLE and Majority Whip LOTT as sponsors of the bill.

Mr. President, this bill would repeal the Public Utility Holding Company Act of 1935 ("the 1935 Act") and transfer certain regulatory functions from the Securities and Exchange Commission to the Federal Energy Regulatory Commission and the Public Service Commissions of various States. The bill is supported by the SEC, the energy industry, and Senators on both sides of the aisle.

In June, the SEC published a comprehensive report on the 1935 Act. In that report, "The Regulation of Public-Utility Holding Companies," the division of investment management stated that:

> The 1935 Act had accomplished its basic purpose and that its remaining provisions . . . either duplicated other State or Federal regulation or otherwise were no longer necessary to prevent recurrence of the abuses that led to its enactment.

The SEC Division of Investment Management reviewed the history of the 1935 act and the energy industry along with other subsequent administrative and legislative changes. The report's recommendation suggests that Congress conditionally repeal the act since the current regulatory system imposes significant costs, in direct administrative charges and foregone economies of scale and scope, that often cannot be justified in terms of benefits to utility investors.

In recommending a conditional repeal, the SEC noted that unconditional repeal of the 1935 act could expose consumers to some of the same abuses that it was enacted to prevent. As SEC Chairman, Arthur Levitt, cautions:

> [A]s long as electric and gas utilities continue to function as monopolies, the need to protect against the cross-subsidization of nonutility operations will continue to exist . . . the best means of guarding against cross-subsidization is likely to be thorough audits of books and records and federal oversight of affiliate transactions.

Mr. President, the legislation I introduce today, the Public Utility Company Act of 1995, would maintain the provisions of the 1935 act essential to consumer protection.

This bill would eliminate many of these burdensome and duplicative regulations while maintaining protection for energy consumers and ratepayers. For example, this legislation would allow holding companies to diversify into new business ventures. Diversification into utility or non utility business will increase competition and increase the flow of capital as non utility companies are able to enter into joint ventures with holding companies. Also, the integration requirements of the 1935 act, which prohibit any registered holding company from owning utility companies in more than one State, would be eliminated. Permitting ownership of utility companies in more than one state would allow holding companies to achieve greater efficiencies and lower administrative costs. The resulting savings can be passed on to consumers in lower energy rates.

The Public Utility Holding Company Act of 1995 provides State and Federal regulators with the necessary authority to examine books and records and conduct audits of public utility companies. It is important that the States be given the authority to examine the books and records of public utilities and be given the authority to examine the books and records of public utilities and their affiliates, to make sure that retail electricity rates are set fairly and that the cost of other ventures are not passed on to the captive utility rate payer. To be certain that this burden does not fall on the States alone, the FERC will share this function.

Transferring ratemaking functions to the States and the FERC also eliminates the regulatory gap created by the Supreme Court's Ohio Power decision, which effectively stripped the FERC of its authority to regulate holding company wholesale rate increases.

Mr. President, this bill puts in place the proper consumer safeguards to protect electric and gas utility ratepayers and stockholders from bearing the costs of diversification by registered holding companies.

Mr. President, the Public Utility Holding Company Act of 1935 has achieved the original congressional purpose—it broke up the mammoth holding company structures that existed more than half a century ago. The registration and disclosure requirements of the Securities Act of 1933 and the Securities Exchange Act of 1934 have become effective tools for the SEC to protect investors and ensure the integrity of the market for public utility holding company securities. Further, State Public Service Commissions have become effective retail energy regulators, who can protect their ratepayers.

Presently, only 11 electric utility companies and 9 gas companies are subject to the 1935 act; approximately 100 companies are exempt. The 20 registered utility companies are also regulated by States and the FERC. The same provisions that were originally enacted to protect consumers and investors have become unnecessary impediments to business. For example, to ensure that holding companies do not further abuse power, the 1935 act requires that the SEC give prior approval to all utility acquisitions. However, these acquisitions are subject to FERC and State approval, as well as that of the SEC, and are reviewed to comply with antitrust laws. This duplicative approval system often delays the acquisition of a new company for months or years, while providing no added protection to consumers.

Mr. President, the Banking Committee has consulted the Energy Committee, the SEC and the FERC as well as industry and consumer representatives in crafting this legislation to make sure appropriate regulatory authority is maintained in a new legal framework that allows holding companies to participate in new ventures and diversify without negative consequences to utility customers.

The Banking Committee intends to hold hearings on this legislation in the near future. Although some would like to tie Public Utility Holding Company Act reform to other more controversial energy-related issues, the time for this legislation is now. The repeal of the 1935 act will increase competition in the public utility industry without compromising investor and consumer protection. I urge my colleagues' support.

Mr. MURKOWSKI. Mr. President, I rise to cosponsor Senator D'AMATO's legislation to reform the Public Utility Holding Company Act of 1935.

Mr. President, this legislation is long overdue. The Public Utility Holding Company Act was enacted 60 years ago to curb serious abuses by public utilities that harmed consumers. PUHCA was needed in the 1930's, but now we live in a different world. By limiting activities and restricting corporate structure, PUHCA denies the companies that generate and sell electricity the flexibility necessary to respond to changing consumer needs and market circumstances. This legislation will eliminate unnecessary and costly regulation, retaining only that which is still needed to protect consumers.

Over the past 60 years a comprehensive State-Federal regulatory system has been developed to protect consumers. In a nutshell, State public utility commissions regulate transactions that are intrastate in nature, and the Federal Energy Regulatory Commission regulates those that are interstate in nature.

State public utility commissions perform their regulatory activities pursuant to State law, and the FERC performs its pursuant to the Federal Power Act. With the maturity of both State and Federal utility regulation—along with mature securities regulation by the Securities and Exchange Commission—PUHCA is now redundant at best.

In this connection, it should be noted that in some instances PUHCA is counterproductive, actually interfering with effective utility rate regulation by the FERC. For example, in Ohio Power a Federal court held that the SEC's utility decisions under PUHCA preempt the FERC's authority over utility rates under the Federal Power Act. This legislation addresses that issue by giving the FERC clear and exclusive authority to address matters within its statutory jurisdiction. In short, the streamlining of the regulatory system proposed by this legislation will not diminish needed consumer protection. It will enhance it instead. If the regulatory system created by PUHCA benefitted consumers, then the regulatory burdens it imposes might be justified. But as everyone now acknowledges, PUHCA is no longer needed to protect consumers. There is adequate and comprehensive regulatory authority in other laws. As a result, regulatory costs caused by PUHCA are simply passed on to consumers as higher rates without any offsetting consumer benefits.

Congress and the executive branch have long recognized that PUHCA creates serious regulatory problems, but up to now these problems have been addressed piecemeal. In 1978, the Public Utility Regulatory Policies Act provided an exemption from PUHCA for certain types of electric power generators. In 1992, the Energy Policy Act gave additional exemptions to certain other types of electric power generators. The SEC is loosening its restrictions on non-utility activities as much as it can within the bounds of PUHCA. And the Congress is currently considering PUHCA exemptions to allow registered electric utilities to enter the telecommunications business, just the same as non-registered utilities.

These are all Band-Aid fixes to PUHCA; they help, but they do not address the fundamental problem. The need to legislatively reform PUHCA was recognized by the SEC's July 1995 report "The Regulation of Public-Utility Holding Companies." This legislation is based on its recommendations to Congress.

Complete reform of PUHCA is needed, and it is justified. It is time to streamline and modernize the act. It is for these reasons that I am cosponsoring Senator D'AMATO's legislation.

Mr. President, there may be some who will try to use this legislation as a vehicle to restructure the electric utility industry, possibly to impose retail wheeling or to federally preempt State public utility commissions. I will strenuously resist any such effort. I have received assurances that Senator D'AMATO is of like mind.

This is not the time nor the place to make these kinds of changes. Retail wheeling and other competitive issues are not directly related to PUHCA reform. Moreover, retail wheeling and other Federal Power Act matters are entirely within the jurisdiction of the Committee on Energy and Natural Resources, not the Committee on Banking, Housing and Urban Affairs, to which this legislation will be referred. Electric utility issues are very complex, and they are very significant not only to consumers but also to this Nation's competitiveness and economic well being. These kinds of changes cannot, and will not be made without careful and complete consideration by the Committee on Energy and Natural Resources of all aspects of the issues and questions they raise.

Mr. JOHNSTON. Mr. President, I am pleased today to join my colleagues in introducing the Public Utility Holding Company Act of 1995. This is the first step in changing a law of which I have urged reform for many years. The purpose of this bill is to bring into the 1990's a 60-year-old, now-antiquated law: the Public Utility Holding Company Act of 1935 [PUHCA]. Our goal is to do away with burdensome and duplicative regulation, which stifles our Nation's economic well-being, and yet still provide adequate protection for electricity consumers. In this regard, this bill effectively implements the recommendations of Securities and Exchange Commission Chairman Arthur Levitt.

At the time of its enactment in 1935, PUHCA was clearly necessary. The aim of this New Deal era law was to eradicate the abuses of large, monopolistic public utility holding companies. The holding company structure permitted such companies to deceive investors and obstruct State utility regulation. Importantly, in 1935, Federal regulation of holding companies was nonexistent.

Times have clearly changed. State regulators have the authority to protect retail ratepayers from monopolistic prices, and the Federal Energy Regulatory Commission [FERC] has similar authority with respect to wholesale ratepayers. This proposed bill does away with unnecessary regulation of public utility holding companies by the Securities and Exchange Commission, but augments the authorities of State and Federal utility regulators to do their jobs better.

Times have clearly changed. State regulators have the authority to protect retail ratepayers from monopolistic prices, and the Federal Energy Regulatory Commission [FERC] has similar authority with respect to wholesale ratepayers. This proposed bill does away with unnecessary regulation of public utility holding companies by the Securities and Exchange Commission, but augments the authorities of State and Federal utility regulators to do their jobs better. Specifically, the bill gives FERC and the States augmented authority to review the books, records, and accounts of companies within holding company systems. The bill also gives FERC and State public utility commissions the ability to examine so-called affiliated transactions, that is, the authority to determine whether a public utility company may recover in rates any costs of an activity performed by an associate company, or any costs of goods or services acquired by public utilities from their associate companies.

Although I support the goals of this bill, I wish to make one point clear. I understand that, in a letter to Senator D'AMATO, the Federal Energy Regulatory Commission has raised several concerns regarding the specific provisions of any proposed bill which would reform PUHCA. I am in receipt of FERC's letter to Senator D'AMATO, and am committed to working with the Banking Committee to achieve a resolution of any outstanding issues. Although I believe the bill introduced today goes a long way toward achieving reform of PUHCA, I believe a number of issues must be resolved, particularly, the way in which FERC will carry out its new authorities under the bill as proposed with respect to holding companies which were formerly exempt from PUHCA.

ADDITIONAL COSPONSORS

S. 358

At the request of Mr. HEFLIN, the names of the Senator from North Dakota [Mr. DORGAN], the Senator from Arkansas [Mr. PRYOR], and the Senator from Mississippi [Mr. COCHRAN] were added as cosponsors of S. 358, a bill to amend the Internal Revenue Code of 1986 to provide for an excise tax exemption for certain emergency medical transportation by air ambulance.

S. 490

At the request of Mr. GRASSLEY, the name of the Senator from North Carolina [Mr. HELMS] was added as a cosponsor of S. 490, a bill to amend the Clean Air Act to exempt agriculture-related facilities from certain permitting requirements, and for other purposes.

S. 607

At the request of Mr. WARNER, the name of the Senator from Wisconsin [Mr. FEINGOLD] was added as a cosponsor of S. 607, a bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to clarify the liability of certain recycling transactions, and for other purposes.

S. 881

At the request of Mr. PRYOR, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 881, a bill to amend the Internal Revenue Code of 1986 to clarify provisions relating to church pension benefit plans, to modify certain provisions relating to participants in such plans, to reduce the complexity of and to bring workable consistency to the applicable rules, to promote retirement savings and benefits, and for other purposes.

S. 1086

At the request of Mr. DOLE, the name of the Senator from Pennsylvania [Mr. SANTORUM] was added as a cosponsor of S. 1086, a bill to amend the Internal Revenue Code of 1986 to allow a family owned business exclusion from the gross estate subject to estate tax, and for other purposes.

S. 1108

At the request of Mr. SMITH, the names of the Senator from Colorado

[Mr. BROWN] and the Senator from Arizona [Mr. KYL] were added as cosponsors of S. 1108, a bill to amend the Internal Revenue Code of 1986 to allow individuals to designate that up to 10 percent of their income tax liability be used to reduce the national debt, and to require spending reductions equal to the amounts so designated.

S. 1170

At the request of Mr. PRESSLER, the name of the Senator from Pennsylvania [Mr. SANTORUM] was added as a cosponsor of S. 1170, a bill to limit the applicability of the generation-skipping transfer tax.

S. 1178

At the request of Mr. CHAFEE, the name of the Senator from Tennessee [Mr. FRIST] was added as a cosponsor of S. 1178, a bill to amend title XVIII of the Social Security Act to provide for coverage of colorectal screening under part B of the medicare program.

S. 1271

At the request of Mr. CRAIG, the name of the Senator from Missouri [Mr. BOND] was added as a cosponsor of S. 1271, a bill to amend the Nuclear Waste Policy Act of 1982.

S. 1274

At the request of Mr. LOTT, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 1274, a bill to amend the Solid Waste Disposal Act to improve management of remediation waste, and for other purposes.

S. 1276

At the request of Mr. GRASSLEY, the name of the Senator from Kansas [Mrs. KASSEBAUM] was added as a cosponsor of S. 1276, a bill to permit agricultural producers to enter into market transition contracts and receive loans, to require a pilot revenue insurance program, and for other purposes.

SENATE RESOLUTION 146

At the request of Mr. JOHNSTON, the names of the Senator from Maine [Ms. SNOWE] and the Senator from Missouri [Mr. BOND] were added as cosponsors of Senate Resolution 146, a resolution designating the week beginning November 19, 1995, and the week beginning on November 24, 1996, as "National Family Week," and for other purposes.

AMENDMENT NO. 2815

At the request of Mr. BIDEN the name of the Senator from Nevada [Mr. BRYAN] was added as a cosponsor of amendment No. 2815 proposed to H.R. 2076, a bill making appropriations for the Department of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1996, and for other purposes.

AMENDMENT NO. 2818

At the request of Mr. BIDEN the name of the Senator from Nevada [Mr. BRYAN] was withdrawn as a cosponsor of amendment No. 2818 proposed to H.R. 2076, a bill making appropriations for the Department of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1996, and for other purposes.

SENATE CONCURRENT RESOLUTION 30—RELATIVE TO MEXICO

Mr. HELMS (for himself, Mrs. FEINSTEIN, Mr. GRASSLEY, and Ms. SNOWE) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 30

Whereas the United States and Mexico share a 2,000-mile border and economic relations between the two nations are increasing;

Whereas Mexican President Ernesto Zedillo has stated his commitment to "create a nation of law," combat drug trafficking, investigate political assassinations, and punish official malfeasance;

Whereas President Zedillo's appointed an opposition party member, Antonio Lozano, as Attorney General, the first opposition member in the Cabinet;

Whereas the Government of Mexico has taken steps to end impunity by arresting Raul Salinas, the brother of former President Carlos Salinas, for his involvement in the murder of Jose Francisco Ruiz Massieu, and by requesting the extradition of Mario Ruiz Massieu, former Deputy Attorney General, for his alleged tampering with evidence in the investigation into the murder of his brother and for accepting money from drug traffickers;

Whereas the investigations of the assassinations of the Cardinal Posadas, PRI presidential candidate Luis Donaldo Colosio, and PRI General Secretary Jose Francisco Ruiz Massieu remain unresolved;

Whereas elements of Mexico's bureaucracy are engaged in drug-related and other corruption, including collaborating with drug traffickers who pay for protection, allowing the drug trade to proliferate and threatening United States and Mexican security;

Whereas Mexico is both a major transit point for drugs produced in South America and elsewhere, and a production source of much of the marijuana and heroin shipped into the United States;

Whereas increased drug enforcement efforts in the southeastern United States have achieved some positive results;

Whereas drug smuggling activity has increased along the U.S.-Mexican border;

Whereas, despite President Zedillo's initial efforts, actions by the Government of Mexico have not pursued aggressively President Zedillo's public commitments to eliminate impunity for former and current government officials: Now, therefore be it *Resolved by the Senate (the House of Representatives concurring)*, That

(a) the Congress recognizes the initial steps taken by the Mexican Government of President Ernesto Zedillo to investigate drug-related and other corruption in Mexico.

(b) It is the sense of the Congress that—

(1) the President of the United States should encourage and support President Zedillo's efforts to create an independent Mexican judicial body to evaluate the financial holdings of former and present Mexican officials;

(2) the President of the United States should encourage and support President Zedillo's efforts to investigate to the fullest extent possible corruption and economic malfeasance in an effort to bring about a true democracy in Mexico;

(3) the United States Congress should pursue efforts to strengthen relations with the Mexican Congress;

(4) the Attorney General of the United States should pursue greater cooperation with the Mexican Government to investigate cross-border corruption and to provide protection for those willing to come forward publicly;

(5) the President of the United States and senior United States officials should encourage and support efforts by President Zedillo to investigate vigorously the killings of Cardinal Juan Posadas in May 1993, PRI presidential candidate Luis Donaldo Colosio in March 1994, and PRI Secretary General Jose Francisco Ruiz Massieu in September 1994;

(6) the Government of Mexico should replace and prosecute corrupt regional police commanders;

(7) the Mexican people have the support of the United States in efforts to eliminate illegal drug trafficking on both sides of the United States-Mexico border; and

(8) the interdiction of illegal narcotics should be a top priority for the United States in its management of the U.S.-Mexican border.

SEC. 2. The Secretary of the Senate shall transmit a copy of this concurrent resolution to the President.

Mr. HELMS. Mr. President, the American people have an enormous stake in Mexico—a neighboring country with which the United States shares a 2000-mile border and which is a significant trading partner. Many of Mexico's problems have become our problems, especially drug trafficking fueled by incredible corruption which touches every community in America.

On August 8, the Senate Foreign Relations Committee conducted a hearing on the magnitude of the illegal Mexican drug trade and its affect on United States-Mexican relations. It was startling to hear both United States officials and Mexican experts describe the spreading tentacles of drug trafficking and drug-related corruption threatening to engulf the 10-month presidency of Ernesto Zedillo. The hearing, however, was not limited to the bad news; the witnesses offered several initiatives that could be helpful to President Zedillo and the Mexican people in confronting the drug lords.

This hearing prompted Senator FEINSTEIN and me, working with Senator GRASSLEY as chairman of the Senate Drug Enforcement Caucus, to prepare a resolution I now send to the desk for first reading and appropriate referral.

The enormity of the problem confronting Mexico is such that the Mexican Government's own National Institute for Combating Drugs concluded recently that the increasing power of the drug kingpins could ultimately make Mexico "ungovernable."

All too often, Mr. President, these evil traffickers are aided and abetted by unscrupulous Mexican Government and law enforcement officials. For example, it has been reported that the leader of the so-called gulf cartel, Juan

Garcia Abrego—who also has become a fixture on the FBI's most wanted list—bribes senior Mexican Government officials to the tune of $50 million a month in running his operations.

While United States officials were heaping praise upon former Mexican president Salinas' commitment to fighting drugs, Mr. Salinas' senior drug enforcement officials were on the traffickers' payroll. Two of his three drug enforcement directors have been charged with accepting bribes from drug traffickers. Salinas' Deputy Attorney General, Mario Ruiz Massieu, kept millions of dollars in U.S. bank accounts which the U.S. district attorney for southern Texas alleges are payoffs from drug traffickers.

And in another disturbing revelation, in May, Mexican newspapers published transcripts of phone conversations involving Marcella Bodenstadt, identified as a Garcia Abrego associate and the wife of a cartel money-launderer, and Salinas' Minister of the Presidency, with whom she was having an affair. The Minister of the Presidency, who managed the national security and intelligence apparatus for the Salinas government, claims he knew nothing about Ms. Bodenstadt's drug connections.

This concurrent resolution recognizes that President Zedillo inherited the governmental structure influenced by the drug lords. It acknowledges his initial efforts at reform. And it urges President Clinton to encourage and support President Zedillo's initiatives to create a nation of law, combat drug trafficking, investigate political killings—many of which also are related to the drug trade—and to punish official malfeasance.

It is in Mexico's interest to pursue vigorously the investigations of three high-profile murders linked to drug trafficking. The May 1993 murder of Cardinal Juan Posadas, allegedly by drug traffickers led by the kingpins of the so-called Tijuana cartel, Benjamin and Ramon Arellano Felix, shocked the world. However, 2½ years later, the Arellano Felix brothers are still free, even though they reportedly are seen around town.

Then there was the killing of PRI Presidential candidate Luis Donaldo Colosio in Tijuana in March 1994. Drug traffickers and corrupt police officials have been implicated in the killing and in subsequent efforts to obstruct investigations. Two weeks after Colosio's murder, the local police chief was gunned-down while conducting his own investigation into the assassination. In May 1995, the Governor of Baja California confirmed that the Tijuana police chief had been murdered by a Federal Judicial Police officer.

Mr. President, corruption within the police remains a serious problem. In March 1995, 14 officers of the same Federal Judicial Police—a group known for torture, rape, and drug corruption—were accused of stealing and selling cocaine base. Earlier this year, NBC Nightly News aired film footage of Mexican police helping traffickers unload cocaine. And when President Zedillo's appointed chief of police, Juan Pablo de Tavira, decided to purge the force of corrupt officers, he was mysteriously poisoned hours before a meeting with the Attorney General to implement the cleansing of the police force.

In the case of Mexico, President Zedillo must guarantee that his nation will be governed by law—which has not been the case during the PRI's 66-year one-party rule of Mexico. It is not sufficient to arrest an occasional drug lord who has not paid for protection. A consistently applied standard of punishment against all drug traffickers and corrupt government and law enforcement officials, regardless of position or wealth, is crucial.

U.S. programs to combat drug trafficking are a waste if senior foreign government officials assist drug gangs and policemen are in cahoots with traffickers. The U.S. Government must send the message that we support tough antidrug and anticorruption initiatives. While a few dedicated United States officials daily combat drug trafficking, in diplomatic exchanges with Mexico, drug trafficking and corruption are rarely ever mentioned. It seems that U.S. officials fear that the mere mention of drugs will offend their counterparts and perhaps ruffle cozy diplomatic relationships. This is absurd.

The insidious influence of drug trafficking and political corruption are the greatest threat to both nations' national security. All of us are affected by drugs and crime—much of which is committed by persons under the influence of drugs. We have a responsibility to fight drugs crossing our borders. The lives and well-being of our families, children, and grandchildren are at stake. It is the intent of this resolution to signal our resolve in fighting the scourge of illegal drugs.

SENATE RESOLUTION 181—RELATIVE TO THE SENATE LEGAL COUNSEL

Mr. DOLE (for himself and Mr. DASCHLE) submitted the following resolution; which was considered and agreed to:

S. RES. 181

Resolved, That the appointment of Thomas B. Griffith to be Senate Legal Counsel, made by the President pro tempore this day, shall become effective as of October 24, 1995, and the term of service of the appointee shall expire at the end of the One Hundred Fifth Congress.

SENATE RESOLUTION 182—RELATIVE TO THE DEPUTY SENATE LEGAL COUNSEL

Mr. DOLE (for himself and Mr. DASCHLE) submitted the following resolution; which was considered and agreed to:

S. RES. 182

Resolved, That the appointment of Morgan J. Frankel to be Deputy Senate Legal Counsel, made by the President pro tempore this day, shall become effective as of October 24, 1995, and the term of service of the appointee shall expire at the end of the One Hundred Fifth Congress.

SENATE RESOLUTION 183—MAKING MAJORITY PARTY APPOINTMENTS TO CERTAIN SENATE COMMITTEES FOR THE 104TH CONGRESS

Mr. KEMPTHORNE (for Mr. DOLE) submitted the following resolution; which was considered and agreed to:

S. RES. 183

Resolved, That the following shall constitute the majority party's membership on the following standing committees for the 104th Congress, or until their successors are chosen:

Appropriations: Mr. Hatfield, Mr. Stevens, Mr. Cochran, Mr. Specter, Mr. Domenici, Mr. Bond, Mr. Gorton, Mr. McConnell, Mr. Mack, Mr. Burns, Mr. Shelby, Mr. Jeffords, Mr. Gregg, Mr. Bennett, and Mr. Campbell.

Finance: Mr. Roth, Mr. Dole, Mr. Chafee, Mr. Grassley, Mr. Hatch, Mr. Simpson, Mr. Pressler, Mr. D'Amato, Mr. Murkowski, Mr. Nickles, and Mr. Gramm.

SENATE RESOLUTION 184—MAKING MAJORITY PARTY APPOINTMENTS TO CERTAIN SENATE COMMITTEES FOR THE 104TH CONGRESS

Mr. KEMPTHORNE (for Mr. DOLE) submitted the following resolution; which was considered and agreed to:

S. RES. 184

Resolved, That the following shall constitute the majority party's membership on the following standing committees for the 104th Congress, or until their successors are chosen:

Agriculture: Mr. Lugar, Mr. Dole, Mr. Helms, Mr. Cochran, Mr. McConnell, Mr. Craig, Mr. Coverdell, Mr. Santorum, Mr. Warner, and Mr. Grassley.

Banking, Housing, and Urban Affairs: Mr. D'Amato, Mr. Gramm, Mr. Shelby, Mr. Bond, Mr. Mack, Mr. Faircloth, Mr. Bennett, Mr. Grams, and Mr. Domenici.

Commerce, Science, and Transportation: Mr. Pressler, Mr. Stevens, Mr. McCain, Mr. Burns, Mr. Gorton, Mr. Lott, Mrs. Hutchison, Ms. Snowe, Mr. Ashcroft, and Mr. Frist.

Governmental Affairs: Mr. Stevens, Mr. Roth, Mr. Cohen, Mr. Thompson, Mr. Cochran, Mr. McCain, Mr. Smith, and Mr. Brown.

AMENDMENTS SUBMITTED

THE CUBAN LIBERTY AND DEMOCRATIC SOLIDARITY [LIBERTAD] ACT OF 1995

SIMON AMENDMENTS NOS. 2899–2900

(Ordered to lie on the table.)

Mr. SIMON submitted two amendments intended to be proposed by him to the amendment No. 2898 proposed by Mr. DOLE to the bill (H.R. 927) to seek international sanctions against the Castro government in Cuba, to plan for support of a transition government leading to a democratically elected government in Cuba, and for other purposes; as follows:

AMENDMENT NO. 2899

At the appropriate place in the bill, insert the following:

TITLE __—FREEDOM TO TRAVEL

SEC. __01. SHORT TITLE.

This title may be cited as the "Freedom to Travel Act of 1995".

SEC. __2. TRAVEL TO FOREIGN COUNTRIES.

(a) FREEDOM OF TRAVEL FOR UNITED STATES CITIZENS AND LEGAL RESIDENTS.—The President shall not restrict travel abroad by United States citizens or legal residents, except to countries with which the United States is at war, where armed hostilities are in progress, or where there is imminent danger to the public health or the physical safety of United States travelers.

(b) INTERNATIONAL EMERGENCY ECONOMIC POWERS ACT.—Section 203(b) of the International Emergency Economic Powers Act (50 U.S.C. 1702(b)) is amended—

(1) by striking "or" at the end of paragraphs (2) and (3); and

(2) by amending paragraph (4) to read as follows:

"(4) any of the following transactions incident to travel by individuals who are citizens or residents of the United States:

"(A) any transactions ordinarily incident to travel to or from any country, including the importation into a country or the United States of accompanied baggage for personal use only;

"(B) any transactions ordinarily incident to travel or maintenance within any country, including the payment of living expenses and the acquisition of goods or services for personal use;

"(C) any transactions ordinarily incident to the arrangement, promotion, or facilitation of travel to, from, or within a country;

"(D) any transactions incident to nonscheduled air, sea, or land voyages, except that this subparagraph does not authorize the carriage of articles into a country except accompanied baggage; and

"(E) normal banking transactions incident to the activities described in the preceding provisions of this paragraph, including the issuance, clearing, processing, or payment of checks, drafts, travelers checks, credit or debit card instruments, or similar instruments;

except that this paragraph does not authorize the importation into the United States of any goods for personal consumption acquired in another country other than those items described in paragraphs (1) and (3); or".

(c) AMENDMENTS TO TRADING WITH THE ENEMY ACT.—Section 5(b) of the Trading With the Enemy Act (50 U.S.C. App. 5(b)) is amended by adding at the end the following new paragraph:

"(5) The authority granted by the President in this section does not include the authority to regulate or prohibit, directly or indirectly, any of the following transactions incident to travel by individuals who are citizens or residents of the United States:

"(A) Any transactions ordinarily incident to travel to or from any country, including importation into a country or the United States of accompanied baggage for personal use only.

"(B) Any transactions ordinarily incident to travel or maintenance within any country, including the payment of living expenses and the acquisition of goods or services for personal use.

"(C) Any transactions ordinarily incident to the arrangement, promotion, or facilitation of travel to, from, or within a country.

"(D) Any transactions incident to nonscheduled air, sea, or land voyages, except that this subparagraph does not authorize the carriage of articles into a country except accompanied baggage.

"(E) Normal banking transactions incident to the activities described in the preceding provisions of this paragraph, including the issuance, clearing, processing, or payment of checks, drafts, travelers checks, credit or debit card instruments, negotiable instruments, or similar instruments.

This paragraph does not authorize the importation into the United States of any goods for personal consumption acquired in another country other than those items described in paragraph (4).".

SEC. __3. EDUCATIONAL, CULTURAL, AND SCIENTIFIC ACTIVITIES AND EXCHANGES.

(a) INTERNATIONAL EMERGENCY ECONOMIC POWERS ACT.—Section 203(b) of the International Emergency Economic Powers Act (50 U.S.C. 1702(b)) is amended by adding after paragraph (4) the following new paragraph:

"(5) financial or other transactions, or travel, incident to—

"(A) activities of scholars;

"(B) other educational or academic activities;

"(C) exchanges in furtherance of any such activities;

"(D) cultural activities and exchanges; or

"(E) public exhibitions or performances by the nationals of one country in another country,

to the extent that any such activities, exchanges, exhibitions, or performances are not otherwise controlled for export under section 5 of the Export Administration Act of 1979 and to the extent that, with respect to such activities, exchanges, exhibitions, or performances, no acts are prohibited by chapter 37 of title 18, United States Code.".

(b) TRADING WITH THE ENEMY ACT.—Section 5(b) of the Trading With the Enemy Act (50 U.S.C. App. 5(b)) is amended by adding at the end the following new paragraph:

"(6) The authority granted to the President in this subsection does not include the authority to regulate or prohibit, directly or indirectly, financial or other transactions, or travel, incident to—

"(A) activities of scholars;

"(B) other educational or academic activities;

"(C) exchanges in furtherance of any such activities;

"(D) cultural activities and exchanges; or

"(E) public exhibitions or performances by the nationals of one country in another country,

to the extent that any such activities, exchanges, exhibitions, or performances are not otherwise controlled for export under section 5 of the Export Administration Act of 1979 and to the extent that, with respect to such activities, exchanges, exhibitions, or performances, no acts are prohibited by chapter 37 of title 18, United States Code.".

SEC. __4. FOREIGN ASSISTANCE ACT OF 1961.

Section 620(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2370(a)) is amended by adding at the end thereof the following:

"(3) Notwithstanding paragraph (1), the authority granted to the President in such paragraph does not include the authority to regulate or prohibit, directly or indirectly, any activities or transactions which may not be regulated or prohibited under paragraph (5) or (6) of section 5(b) of the Trading With the Enemy Act.".

SEC. __5. APPLICABILITY.

(a) INTERNATIONAL ECONOMIC EMERGENCY POWERS ACT.—The amendments made by sections __2(a) and __3(a) apply to actions taken by the President under section 203 of the International Emergency Economic Powers Act before the date of the enactment of this Act which are in effect on such date of enactment, and to actions taken under such section on or after such date.

(b) TRADING WITH THE ENEMY ACT.—The authorities conferred upon the President by section 5(b) of the Trading With the Enemy Act, which were being exercised with respect to a country on July 1, 1977, as a result of a national emergency declared by the President before such date, and are being exercised on the date of the enactment of this Act, do not include the authority to regulate or prohibit, directly or indirectly, any activity which under section 5(b)(5) or (6) of the Trading With the Enemy Act (as added by this title) may not be regulated or prohibited.

AMENDMENT NO. 2900

Insert after section 103, the following new section:

SEC. 103A. EXCEPTION TO THE ECONOMIC EMBARGO OF CUBA.

(a) AMENDMENT TO EMBARGO AUTHORITY IN THE FOREIGN ASSISTANCE ACT OF 1961.—Section 620(a)(1) of the Foreign Assistance Act of 1961 (22 U.S.C. 2370(a)(1)) is amended by inserting before the period at the end of the second sentence the following: ", except that any such embargo shall not apply with respect to the export of any food, medicines, or medical supplies, instruments, or equipment."

(b) LIMITAION ON EXISTING RESTRICTIONS ON TRADE WITH CUBA.—Upon the enactment of this Act, any regulation, proclamation, or provision of law, including Presidential Proclamation 3447 of February 3, 1962, the Export Administration Regulations (15 CFR 368–399), and the Cuban Assets Control Regulations (31 CFR 515), that prohibits exports to Cuba or transactions involving exports to Cuba and that is in effect on the date of the enactment of this Act, shall not apply with respect to the export to Cuba of food, medicines or medical supplies, instruments, or equipment.

(c) LIMITATION ON THE FUTURE EXERCISE OF AUTHORITY.—

(1) EXPORT ADMINISTRATION ACT OF 1979.—After the enactment of this Act, the President may not exercise the authorities contained in the Export Administration Act of 1979 to restrict the exportation to Cuba of food, medicines or medical supplies, instruments, or equipment, except to the extent such restrictions would be permitted under

section 5 of that Act for goods containing parts or components subject to export controls under such section.

(2) INTERNATIONAL EMERGENCY ECONOMIC POWERS ACT.—After the enactment of this Act, the President may not exercise the authorities contained in section 203 of the International Emergency Economic Powers Act to restrict the export to Cuba of food, medicines or medical supplies, instruments, or equipment, to the extent such authorities are exercised to deal with a threat to the national security of the United States.

(d) CONFORMING AMENDMENTS.—Section 1705 of Cuban Democracy Act of 1992 (22 U.S.C. 6004) is amended—

(1) by amending subsection (c)(1) to read as follows:

"(1) except to the extent such restrictions—

"(A) would be permitted under section 5 of the Export Administration Act of 1979 for goods containing parts or components subject to export controls under such section; or

"(B) are imposed under section 203 of the International Emergency Economic Powers Act to deal with a threat to the national security of the United States;"; and

(2) by striking subsection (d) and redesignating subsections (e), (f), and (g) as subsections (d), (e), and (f), respectively.

BROWN AMENDMENT NO. 2901

(Ordered to lie on the table.)

Mr. BROWN submitted an amendment intended to be proposed by him to amendment No. 2898 proposed by Mr. DOLE to the bill H.R. 927, supra, as follows:

In the appropriate place, insert a new section as follows:

SEC. . SENSE OF THE CONGRESS.

(a) FINDINGS.—The Congress finds that—

(1) The purpose of the General Agreement on Tariffs and Trade (hereafter in this amendment referred to as the "GATT") and the World Trade Organization (hereafter in this amendment referred to as the "WTO") is to enable member countries to conduct trade based upon free market principles, by limiting government intervention in the form of state subsidies, by limiting nontariff barriers, and by encouraging reciprocal reductions in tariffs among members;

(2) The GATT/WTO is based on the assumption that the import and export of goods are conducted by independent enterprises responding to profit incentives and market forces;

(3) The GATT/WTO requires that nonmarket economies implement significant reforms to change centralized and planned economic systems before becoming a full GATT/WTO member and the existence of a decentralized and a free market economy is considered a precondition to fair trade among GATT/WTO members;

(4) The People's Republic of China (hereinafter referred to as "China") and the Republic of China on Taiwan (hereafter referred to as "Taiwan") applied for membership in the GATT in 1986 and 1991, respectively, and Working Parties have been established by the GATT to review their applications;

(5) China insists that Taiwan's membership in the GATT/WTO be granted only after China becomes a full member of the GATT/WTO;

(6) Taiwan has a free market economy that has existed for over three decades, and is currently the fourteenth largest trading nation in the world;

(7) Taiwan has a gross national product that is the world's twentieth largest, its foreign exchange reserves are among the largest in the world and it has become the world's seventh largest outbound investor;

(8) Taiwan has made substantive progress in agreeing to reduce upon GATT/WTO accession the tariff level of many products, and non-tariff barriers;

(9) Taiwan has also made significant progress in other aspects of international trade, such as in intellectual property protection and opening its financial services market;

(10) Despite some progress in reforming its economic system, China still retains legal and institutional practices that restrict free market competition and are incompatible with GATT/WTO principles;

(11) China still uses an intricate system of tariff and non-tariff administrative controls to implement its industrial and trade policies, and China's tariffs on foreign goods, such as automobiles, can be as high as 150 percent, even though China has made commitments in the market access Memorandum of Understanding to reform significant parts of its import regime;

(12) China continues to use direct and indirect subsidies to promote exports;

(13) China often manipulates its exchange rate to impede balance of payments adjustments and gain unfair competitive advantages in trade;

(14) Taiwan's and China's accession to the GATT/WTO have important implications for the United States and the world trading system.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that—

(1) the United States should separate Taiwan's application for membership in the GATT/WTO from China's application for membership in those organizations;

(2) the United States should support Taiwan's earliest membership in the GATT/WTO;

(3) the United States should support the membership of China in the GATT/WTO only if a sound bilateral commercial agreement is reached between the United States and China, and that China makes significant progress in making its economic system compatible with GATT/WTO principles.

(4) China's application for membership in the GATT/WTO should be reviewed strictly in accordance with the rules, guidelines, principles, precedents, and practices of the GATT.

BUMPERS (AND OTHERS) AMENDMENT NO. 2902

(Ordered to lie on the table.)

Mr. BUMPERS (for himself, Mr. BROWN, and Mr. DORGAN) submitted an amendment intended to be proposed by them to amendment No. 2898 proposed by Mr. DOLE to the bill H.R. 927, supra, as follows:

At the end of the substitute, insert the following new title:

TITLE V—NATIONAL ENDOWMENT FOR DEMOCRACY

(a) Notwithstanding any other provision of law, there are authorized to be appropriated to the Director of the USIA $30 million for fiscal year 1996, $24 million for the fiscal year 1997, $18 million for the fiscal year 1998, $12 million for the fiscal year 1999 and $6 million for the fiscal year 2000 to carry out the National Endowment for Democracy Act (Title V of Public Law 98-164).

(b) Of the funds authorized to be appropriated for the fiscal year 1996, not more than 55%, excluding administrative costs, shall be available only for the following organizations, in equal allotments:

(1) The International Republican Institute.

(2) The National Democratic Institute.

(3) The Free Trade Union Institute.

(4) The Center for International Private Enterprise.

In fiscal years 1997, 1998, 1999 and 2000 all grants awarded by the National Endowment for Democracy to carry out programs in furtherance of the National Endowment for Democracy Act shall be made on a competitive basis.

(c) It is the sense of the Senate that the National Endowment for Democracy should fulfill its original mission by completing the transition from federal funding to private funding by the end of the fiscal year 2000.

DODD AMENDMENTS NOS. 2903-2912

(Ordered to lie on the table.)

Mr. DODD submitted 10 amendments intended to be proposed by him to amendment No. 2898 proposed by Mr. DOLE to the bill H.R. 927, supra; as follows:

AMENDMENT NO. 2903

On page 13 of the pending amendment beginning with line 34, strike all through line 40 on page 14.

AMENDMENT NO. 2904

On page 15 of the pending amendment beginning with line 2, strike all through line 14 on page 16.

AMENDMENT NO. 2905

On page 18 of the pending amendment beginning with line 2, strike all through line 8 on page 21.

AMENDMENT NO. 2906

On page 23 of the pending amendment beginning with line 18, strike all through line 21 on page 24.

AMENDMENT NO. 2907

On page 27 of the pending amendment beginning with line 37, strike all through line 41 on page 28.

AMENDMENT NO. 2908

On page 28 of the pending amendment beginning with line 42, strike all through line 32 on page 32.

AMENDMENT NO. 2909

On page 32 of the pending amendment beginning with line 33, strike all through line 29 on page 40.

AMENDMENT NO. 2910

Strike all after the first word of the pending amendment and insert in lieu thereof the following:

SEC. 1. SHORT TITLE; TABLE OF CONTENTS

(a) Short Title.—This Act may be cited as "Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1995".

(b) Table of Contents.—The table of contents of this Act is as follows:

Sec. 1. Short Title; table of contents.
Sec. 2. Findings.
Sec. 3. Purposes.
Sec. 4. Definitions.

TITLE I—STRENGTHENING INTERNATIONAL SANCTIONS AGAINST THE CASTRO GOVERNMENT

Sec. 102. Authorization of support for democratic and human rights groups and international observers.
Sec. 103. Enforcement of the economic embargo of Cuba.
Sec. 104. Prohibition against indirect financing of Cuba.
Sec. 105. United States opposition to Cuban membership in international financial institutions.
Sec. 106. United States opposition to the termination of the suspension of the Government of Cuba from participation in the Organization of American States.
Sec. 107. Assistance by the independent states of the former Soviet Union for the Government of Cuba.
Sec. 108. Television broadcasting to Cuba.
Sec. 109. Reports on commerce with, and assistance to, Cuba from other foreign countries.
Sec. 110. Importation safeguard against certain Cuban products.
Sec. 111. Reinstitution of family remittances and travel to Cuba.
Sec. 112. News bureaus in Cuba.
Sec. 113. Impact on lawful U.S. government activities.

TITLE II—SUPPORT FOR A FREE AND INDEPENDENT CUBA

Sec. 201. Policy toward a transition government and a democratically elected government in Cuba.
Sec. 202. Assistance for the Cuban people.
Sec. 203. Implementation; reports to Congress.
Sec. 204. Termination of the economic embargo of Cuba.
Sec. 205. Requirements for a transition government.
Sec. 206. Factors for determining a democratically elected government.
Sec. 207. Settlement of outstanding U.S. claims to confiscated property in Cuba.

SEC. 2. FINDINGS.

The Congress makes the following findings:

(1) The economy of Cuba has experienced a decline of approximately 60 percent in the last 5 years as a result of—

(A) the reduction in subsidies from the former Soviet Union;

(B) 36 years of Communist tyranny and economic mismanagement by the Castro government;

(C) the precipitous decline in trade between Cuba and the countries of the former Soviet bloc; and

(D) the policy of the Russian Government and the countries of the former Soviet bloc to conduct economic relations with Cuba predominantly on commercial terms.

(2) At the same time, the welfare and health of the Cuban people have substantially deteriorated as a result of Cuba's economic decline and the refusal of the Castro regime of Cuba's economic decline and the refusal of the Castro regime to permit free and fair democratic elections in Cuba or to adopt any economic or political reforms that would lead to democracy, a market economy, or an economic recovery.

(3) The repression of the Cuban people, including a ban on free and fair democratic elections and the continuing violation of fundamental human rights, as isolated the Cuban regime as the only nondemocratic government in the Western Hemisphere.

(4) As long as no such economic or political reforms are adopted by the Cuban government, the economic condition of the country and the welfare of the Cuban people will not improve in any significant way.

(5) Fidel Castro has defined democratic pluralism as "pluralistic garbage" and has made clear that he has no intention otherwise tolerating the democratization of Cuban society.

(6) The Castro government, in an attempt to retain absolute political power, continues to utilize, as it has from its inception, torture in various forms (including psychiatric abuse), execution, exile, confiscation, political imprisonment, and other forms of terror and repression as most recently demonstrated by the massacre of more than 40 Cuban men, women, and children attempting to flee Cuba.

(7) The Castro government holds hostage in Cuba innocent Cubans whose relatives have escaped the country.

(9) Over the past 36 years, the Cuban government has posed a national security threat to the United States.

(10) The completion and any operation of a nuclear-powered facility in Cuba, for energy generation or other wise, poses an unacceptable threat to the national security of the United States.

(11) The unleashing on United States shores of thousands of Cuban refugees fleeing Cuban oppression will be considered an act of aggression.

(12) The Government of Cuba engages in illegal international narcotics trade and harbors fugitives from justice in the United States.

(13) The totalitarian nature of the Castro regime has deprived the Cuban people of any peaceful means to improve their condition and has led thousands of Cuban citizens to risk or lose their lives in dangerous attempts to escape from Cuba to freedom.

(14) Attempts to escape from Cuba and courageous acts of defiance of the Castro regime by Cuban pro-democracy and human rights groups have ensured the international community's continued awareness of, and concern for, the plight of Cuba.

(15) The Cuban people deserve to be assisted in a decisive manner in order to end the tyranny that has oppressed them for 36 years.

(16) Radio Marti and Television Marti have been effective vehicles for providing the people of Cuba with news and information and have helped to bolster the morale of the Cubans living under tyranny.

(17) The consistent policy of the United States towards Cuba since the beginning of the Castro regime, carried out by both Democratic and Republican administrations, has sought to keep faith with the people of Cuba, and has been effective in isolating the totalitarian Castro regime.

SEC. 3. PURPOSES.

The purposes of this Act are—

(1) to assist the Cuban people in regaining their freedom and prosperity, as well as in joining the community of democratic countries that are flourishing in the Western Hemisphere;

(2) to strengthen international sanctions against the Castro government;

(3) to provide for the continued national security of the United States in the face of continuing threats from the Castro government of terrorism, theft of property from United States nationals, and the political manipulation of the desire of Cubans to escape that results in mass migration to the United States;

(4) to encourage the holding of free and fair democratic elections in Cuba, conducted under the supervision of internationally recognized observers;

(5) to provide a policy framework for United States support to the Cuban people in response to the formation of a transition government or a democratically elected government in Cuba; and

(6) to protect American nationals against confiscatory takings and the wrongful trafficking in property confiscated by the Castro regime.

SEC. 4. DEFINITIONS.

As used in this Act, the following terms have the following meanings:

(1) AGENCY OR INSTRUMENTALITY OF A FOREIGN STATE.—The term "agency or instrumentality of a foreign state" has the meaning given that term in section 1603(b) of title 28, United States Code, except as otherwise provided for in this Act under paragraph 4(5).

(2) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term "appropriate congressional committees" means the Committee on International Relations and the Committee on Appropriations of the House of Representatives and the Committee on Foreign Relations and the Committee on Appropriations of the Senate.

(3) COMMERCIAL ACTIVITY.—The term "commercial activity" has the meaning given that term in section 1603(d) of title 28, United States Code.

(5) CUBAN GOVERNMENT.—(A) The terms "Cuban government" and "Government of Cuba" include the government of any political subdivision of Cuba, and any agency or instrumentality of the Government of Cuba.

(B) For purposes of subparagraph (A), the term "agency or instrumentality" is used within the meaning of section 1603(b) of title 28, United States Code.

(6) DEMOCRATICALLY ELECTED GOVERNMENT IN CUBA.—The term "democratically elected government in Cuba" means a government that the President has determined as being democratically elected.

(7) ECONOMIC EMBARGO OF CUBA.—The term "economic embargo of Cuba" refers to the economic embargo imposed against Cuba pursuant to section 620(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2370(a)), section 5(b) of the Trading With the Enemy Act (50 U.S.C. App. 5(b)), the International Emergency Economic Powers Act (50 U.S.C. 1701 and following), the Export Administration Act of 1979 (50 U.S.C. App. 2401 and following), as modified by the Cuban Democracy Act of 1992 (22 U.S.C. 6001 and following).

(13) TRANSITION GOVERNMENT IN CUBA.—The term "transition government in Cuba" means a government that the President determines as being a transition government.

TITLE I—STRENGTHENING INTERNATIONAL SANCTIONS AGAINST THE CASTRO GOVERNMENT

SEC. 102. AUTHORIZATION OF SUPPORT FOR DEMOCRATIC AND HUMAN RIGHTS GROUPS AND INTERNATIONAL OBSERVERS.

(a) AUTHORIZATION.—The President is authorized to furnish assistance to and make available other support for individuals and nongovernmental organizations to support democracy-building efforts in Cuba, including the following:

(1) Published and informational matter, such as books, videos, and cassettes, on transitions to democracy, human rights, and market economies to be made available to independent democratic groups in Cuba.

(2) Humanitarian assistance to victims of political repression and their families.

(3) Support for democratic and human rights groups in Cuba.

(4) Support for visits and permanent deployment of independent international human rights monitors in Cuba.

(b) Denial of Funds to the Government of Cuba.—In implementing this section, the President shall take all necessary steps to ensure that no funds or other assistance are provided to the Government of Cuba or any of its agencies, entities, or instrumentalities.

(c) Superseding Other Laws.—Assistance may be provided under this section notwithstanding any other provision of law, except for section 634A of the Foreign Assistance Act of 1961 (22 U.S.C. 2394) and comparable notification requirements contained in sections of the annual foreign operations, export financing, and related programs appropriations Act.

SEC. 103. ENFORCEMENT OF THE ECONOMIC EMBARGO OF CUBA.

(a) Policy.—(1) The Congress hereby reaffirms section 1704(a) of the Cuban Democracy Act of 1992, which states the President should encourage foreign countries to restrict trade and credit relations with Cuba in a manner consistent with the purposes of that Act.

(2) The Congress further urges the President to take immediate steps to apply the sanctions described in section 1704(b)(1) of such Act against countries assisting Cuba.

(b) Diplomatic Efforts.—The Secretary of State should ensure that United States diplomatic personnel abroad understand and, in their contacts with foreign officials are communicating the reasons for the United States economic embargo of Cuba, and are urging foreign governments to cooperate more effectively with the embargo.

(c) Existing Regulations.—The President shall instruct the Secretary of the Treasury and the Attorney General to enforce fully the Cuban Assets Control Regulations in part 515 of title 31, Code of Federal Regulations.

(d) Trading With the Enemy Act.—(1) Subsection (b) of section 16 of the Trading With the Enemy Act (50 U.S.C. App. 16(b)), as added by Public Law 102–484, is amended to read as follows:

"(b)(1) A civil penalty of not to exceed $50,000 may be imposed by the Secretary of the Treasury on any person who violates any license, order, rule, or regulation issued in compliance with the provisions of this Act.

"(2) Any property, funds, securities, papers, or other articles or documents, or any vessel, together with its tackle, apparel, furniture, and equipment, that is the subject of a violation under paragraph (1) shall, at the direction of the Secretary of the Treasury, be forfeited to the United States Government.

"(3) The penalties provided under this subsection may be imposed only on the record after opportunity for an agency hearing in accordance with sections 554 through 557 of title 5, United States Code, with the right to prehearing discovery.

"(4) Judicial review of any penalty imposed under this subsection may be had to the extent provided in section 702 of title 5, United States Code".

SEC. 105. UNITED STATES OPPOSITION TO CUBAN MEMBERSHIP IN INTERNATIONAL FINANCIAL INSTITUTIONS.

(a) Continued Opposition to Cuban Membership in International Financial Institutions.—

(1) Except as provided in paragraph (2), the Secretary of the Treasury shall instruct the United States executive director of each international financial institution to use the voice and vote of the United States to oppose the admission of Cuba as a member of such institution until the President submits a determination pursuant to section 203(c).

(2) Once the President submits a determination under section 203(a) that a transition government in Cuba is in power—

(A) the President is encouraged to take steps to support the processing of Cuba's application for membership in any international financial institution, subject to the membership taking effect after a democratically elected government in Cuba is in power, and

(B) the Secretary of the Treasury is authorized to instruct the United States executive director of each international financial institution to support loans or other assistance to Cuba only to the extent that such loans or assistance contribute to a stable foundation for a democratically elected government in Cuba.

(c) Definition.—For purposes of this section, the term "international financial institution" means that International Monetary Fund, the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Multilateral Investment Guaranty Agency, and the Inter-American Development Bank.

SEC. 106. UNITED STATES OPPOSITION TO TERMINATION OF THE SUSPENSION OF THE GOVERNMENT OF CUBA FROM PARTICIPATION IN THE ORGANIZATION OF AMERICAN STATES.

The President should instruct the United States Permanent Representative to the Organization of American States to oppose and vote against any termination of the suspension of the Cuban government from participation in the Organization until the President determines that a democratically elected government in Cuba is in power.

(d) Facilities at Lourdes, Cuba.—(1) The Congress expresses its strong disapproval of the extension by Russia of credits equivalent to $200,000,000 in support of the intelligence facility at Lourdes, Cuba, announced in November 1944.

SEC. 108. TELEVISION BROADCASTING TO CUBA.

(a) Conversion to UHF.—The Director of the United States Information Agency shall implement a conversion of television broadcasting to Cuba under the Television Marti Service to ultra high frequency (UHF) broadcasting.

(b) Periodic Reports.—Not later than 45 days after the date of enactment of this Act, and every three months thereafter until the conversion described in subsection (a) is fully implemented, the Director shall submit a report to the appropriate congressional committees on the progress made in carrying out subsection (a).

(c) Termination of Broadcasting Authorities.—Upon transmittal of a determination under section 203(c), the Television Broadcasting to Cuba Act (22 U.S.C. 1465aa et seq.) and the Radio Broadcasting to Cuba Act (22 U.S.C. 1465 et seq.) are repealed.

SEC. 109. REPORTS ON COMMERCE WITH, AND ASSISTANCE TO, CUBA FROM OTHER FOREIGN COUNTRIES.

(a) Reports Required.—Not later than 90 days after the date of enactment of this Act, and by January 1, each year thereafter, the President shall submit a report to the appropriate congressional committees on commerce with, and assistance to, Cuba from other foreign countries during the preceding 12-month period.

(b) Contents of Reports.—Each report required by subsection (a) shall, for the period covered by the report, contain the following, to the extent such information is available—

(1) a description of all bilateral assistance provided to Cuba by other foreign countries, including humanitarian assistance;

(2) a description of Cuba's commerce with foreign countries, including an identification of Cuba's trading partners and the extent of such trade;

(3) a description of the joint ventures completed, or under consideration, by foreign nationals and business firms involving facilities in Cuba, including an identification of the location of the facilities involved and a description of the terms of agreement of the joint ventures and the names of the parties that are involved;

(4) a determination as to whether or not any of the facilities described in paragraph (3) is the subject of a claim against Cuba by a United States national;

(5) a determination of the amount of Cuban debt owed to each foreign country, including—

(A) the amount of debt exchanged, forgiven, or reduced under the terms of each investment or operation in Cuba involving foreign nationals or businesses; and

(B) the amount of debt owed the foreign country that has been exchanged, reduced, or forgiven in return for a grant by the Cuban government of an equity interest in a property, investment, or operation of the Government of Cuba or of a Cuban national;

(6) a description of the steps taken to assure that raw materials and semifinished or finished goods produced by facilities in Cuba involving foreign nationals or businesses do not enter the United States market, either directly or through third countries or parties; and

(7) an identification of countries that purchase, or have purchased, arms or military supplies from Cuba or that otherwise have entered into agreements with Cuba that have a military application, including—

(A) a description of the military supplies, equipment, or other material sold, bartered, or exchanged between Cuba and such countries,

(B) a listing of the goods, services, credits, or other consideration received by Cuba in exchange for military supplies, equipment, or material, and

(C) the terms or conditions of any such agreement.

SEC. 112. NEWS BUREAUS IN CUBA.

(a) Establishment of News Bureau.—It is the sense of Congress that the President should establish and implement an exchange of news bureaus between the United States and Cuba, if—

(1) the exchange is fully-reciprocal;

(2) the Cuban Government allows free, unrestricted, and uninhibited movement in Cuba of journalists of any United States-based news organizations;

(3) the Cuban Government agrees not to interfere with the news-gathering activities of individuals assigned to work as journalists in the news bureaus in Cuba of United States-based news organizations;

(4) the United States Government is able to ensure that only accredited journalists regularly employed with a news gathering organization avail themselves of the general license to travel to Cuba; and

(5) the Cuban Government agrees not to interfere with the transmission of telecommunications signals of news bureaus or with the distribution within Cuba of any United States-based news organization that has a news bureau in Cuba.

(b) Assurance Against Espionage.—In implementing this section, the President shall take all necessary steps to assure the safety and security of the United States against espionage by Cuban journalists it believes to be working for the intelligence agencies of the Cuban Government.

SEC. 113. IMPACT ON LAWFUL U.S. GOVERNMENT ACTIVITIES.

Nothing in this Act shall prohibit any lawfully authorized investigative, protective, or intelligence activity of a law enforcement agency or of an intelligence agency of the United States.

TITLE II—SUPPORT FOR A FREE AND INDEPENDENT CUBA

SEC. 201. POLICY TOWARD A TRANSITION GOVERNMENT AND A DEMOCRATICALLY ELECTED GOVERNMENT IN CUBA.

It is the policy of the United States—

(1) to support the self-determination of the Cuban people;

(2) to facilitate a peaceful transition to representative democracy and a free market economy in Cuba;

(3) to be impartial toward any individual or entity in the selection by the Cuban people of their future government;

(4) to enter into negotiations with a democratically elected government in Cuba regarding the status of the United States Naval Base at Guantanamo Bay;

(5) to consider the restoration of diplomatic relations with Cuba and support the reintegration of the Cuban government into of the Inter-American System after a transition government in Cuba comes to power and at such a time as will facilitate the rapid transition to a democratic government;

(6) to remove the economic embargo of Cuba when the President determines that there exists a democratically elected government in Cuba; and

(7) to pursue a mutually beneficial trading relationship with a democratic Cuba.

SEC. 202. ASSISTANCE FOR THE CUBAN PEOPLE.

(a) Authorization.—

(1) In General.—The President may provide assistance under this section for the Cuban people after a transition government, or a democratically elected government, is in power in Cuba.

(2) Effect on other laws.—Subject to section 203, the President is authorized to provide such forms of assistance to Cuba as are provided for in subsection (b), notwithstanding any other provision of law, except for—

(A) this Act;

(B) section 620(a)(2) of the Foreign Assistance Act of 1961 (22 U.S.C. 2370(a)(2)); and

(C) section 634A of the Foreign Assistance Act of 1961 (22 U.S.C. 2394) and comparable notification requirements contained in sections of the annual foreign operations, export financing, and related programs appropriations Act.

(b) Response Plan.—

(1) Development of plan.—The President shall develop a plan detailing, to the extent possible, the manner in which the United States would provide and implement support for the Cuban people in response to the formation of—

(A) a transition government in Cuba; and

(B) a democratically elected government in Cuba.

(c) International Efforts.—The President is encouraged to take the necessary steps—

(1) to seek to obtain the agreement of other countries and multinational organizations to provide assistance to a transition government in Cuba and to a democratically elected government in Cuba; and

(2) to work with such countries, institutions, and organizations to coordinate all such assistance programs.

(d) Report on Trade and Investment Relations.—

(1) Report to Congress.—The President, following the transmittal to the Congress of a determination under section 203(c) that a democratically elected government in Cuba is in power, shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate and other appropriate congressional committees a report that describes—

(A) acts, policies, and practices which constitute significant barriers to, or distortions of, United States trade in goods or services or foreign direct investment with respect to Cuba;

(B) policy objectives of the United States regarding trade relations with a democratically elected government in Cuba, and the reasons therefor, including possible—

(i) reciprocal extension of nondiscriminatory trade treatment (most-favored-nation treatment);

(ii) designation of Cuba as a beneficiary developing country under title V of the Trade Act of 1974 (relating to the Generalized System of Preferences) or as a beneficiary country under the Caribbean Basin Economic Recovery Act, and the implications of such designation with respect to trade and any other country that is such a beneficiary developing country or beneficiary country or is a party to the North American Free Trade Agreement; and

(iii) negotiations regarding free trade, including the accession of Cuba to the North American Free Trade Agreement;

(C) specific trade negotiating objectives of the United States with respect to Cuba, including the objectives described in section 108(b)(5) of the North American Free Trade Agreement Implementation Act; and

(D) actions proposed or anticipated to be undertaken, and any proposed legislation necessary or appropriate, to achieve any of such policy and negotiating objectives.

(2) Consultation.—The President shall consult with the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate and other appropriate congressional committees and shall seek advice from the appropriate advisory committees established under section 135 of the Trade Act of 1974 regarding the policy and negotiating objectives and the legislative proposals described in paragraph (1).

(e) Communication With the Cuban People.—The President is encouraged to take the necessary steps to communicate to the Cuban people the plan developed under this section.

(f) Report to Congress.—Not later than 180 days after the date of the enactment of this Act, the President shall transmit to the appropriate congressional committees a report describing in detail the plan developed under this section.

SEC. 203. IMPLEMENTATION; REPORTS TO CONGRESS.

(a) Implementation With Respect to Transition Government.—Upon making a determination that a transition government in Cuba is in power, the President shall transmit that determination to the appropriate congressional committees and should, subject to the authorization of appropriations and the availability of appropriations.

(b) Reports to Congress.—(1) The President shall transmit to the appropriate congressional committees a report setting forth the strategy for providing assistance authorized under section 202 to the transition government in Cuba, the types of such assistance, and the extent to which such assistance has been distributed.

(2) The President shall transmit the report not later than 90 days after making the determination referred to in paragraph (1), except that the President shall consult regularly with the appropriate congressional committees regarding the development of the plan.

(c) Implementation With Respect to Democratically Elected Government.—Upon making a determination, that a democratically elected government in Cuba is in power, the President shall transmit that determination to the appropriate congressional committees and should, subject to the authorization of appropriations and the availability of appropriations, commence to provide such forms of assistance.

(d) Annual Reports to Congress.—Once the President has transmitted a determination referred to in either subsection (a) or (c), the President shall, not later than 60 days after the end of each fiscal year, transmit to the appropriate congressional committees a report on the assistance to Cuba authorized under section 202, including a description of each type of assistance, the amounts expended for such assistance, and a description of the assistance to be provided under the plan in the current fiscal year.

SEC. 204. TERMINATION OF THE ECONOMIC EMBARGO OF CUBA.

(a) Presidential Actions.—Upon submitting a determination to the appropriate congressional committees under section 203(a) that a transition government in Cuba is in power, the President, after consulting with the Congress, is authorized to take steps to suspend the economic embargo on Cuba.

(b) Suspension of Certain Provisions of Law.—In carrying out subsection (a), the President may suspend the enforcement of—

(1) section 620(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2370(a));

(2) section 620(f) of the Foreign Assistance Act of 1961 (22 U.S.C. 2370(f)) with regard to the "republic of Cuba";

(3) sections 1704, 1705(d), and 1706 of the Cuban Democracy Act (22 U.S.C. 6003, 6004(d), 6005);

(4) section 902(c) of the Food Security Act of 1985; and

(5) the prohibitions on transactions described in part 515 of the title 31, Code of Federal Regulations.

(c) Additional Presidential Actions.—Upon submitting a determination to the appropriate congressional committees that a democratically elected government in Cuba is in power, the President shall take steps to terminate the economic embargo of Cuba.

(d) Conforming Amendments.—On the date on which the President submits a determination under section 203(c)—

(1) section 620(a) of the Foreign Assistance Act of 1961 (222 U.S.C. 2370(a)) is repealed;

(2) section 620(f) of the Foreign Assistance Act of 1961 (22 U.S.C. 2370(f)) is amended by striking "Republic of Cuba";

(3) sections 1704, 1705(d), and 1706 of the Cuban Democracy Act (22 U.S.C. 6003, 6004(d), 6005) are repealed; and

(4) section 902(c) of the Food Security Act of 1985 is repealed.

Sec. 301. It is that sense of Congress that—

(1) The wrongful confiscation or taking of property belonging to United States nationals by the Cuban government, and the subsequent exploitation of this property at the expense of the rightful owner, undermines the

comity of nations, the free flow of commerce, and economic development.

(2) It is in the interest of the Cuban people that the government of Cuba respect equally the property rights of Cuban and foreign nationals.

(3) The Cuban government is offering foreign investors the opportunity to purchase an equity interest in, manage, or enter into joint ventures with property and assets some of which were confiscated from United States nationals.

(4) The U.S. State Department has notified other governments that the transfer of properties confiscated by the Cuban government to third parties "would complicate any attempt to return them to their original owners".

AMENDMENT NO. 2911

On page 27 of the pending amendment on line 3 strike all after the word "Cuba" up to the period on line 7.

AMENDMENT NO. 2912

On page 21 of the pending amendment beginning with line 10 strike all through line 34 and insert in lieu thereof the following.

(a) ESTABLISHMENT OF NEWS BUREAUS.—The President should establish and implement an exchange of news bureaus between the United States and Cuba, if—

(1) the exchange is fully-reciprocal;

(2) the Cuban Government allows free, unrestricted, and uninhibited movement in Cuba of journalists of any United States-based news organizations;

(3) the Cuban Government agrees not to interfere with the news-gathering activities of individuals assigned to work as journalists in the news bureaus in Cuba of United States-based news organizations;

(4) the United States Government is able to ensure that only accredited journalists regularly employed with a news gathering organization avail themselves of the general license to travel to Cuba; and

(5) the Cuban Government agrees not to interfere with the transmission of telecommunications signals of news bureaus or with the distribution within Cuba of any United States-based news organization that has a news bureau in Cuba.

(b) ASSURANCE AGAINST ESPIONAGE.—The President should take all necessary steps to assure the safety and security of the United States against espionage by Cuban journalists it believes to be working for the intelligence agencies of the Cuban Government.

MACK (AND OTHERS) AMENDMENT NO. 2913

(Ordered to lie on the table.)

Mr. MACK (for himself, Mr. GRAMM, Mr. LIEBERMAN, Mr. HELMS, Mr. DOLE, Mr. D'AMATO, and Mr. SPECTER) submitted an amendment intended to be proposed by them to amendment No. 2898 proposed by Mr. DOLE to the bill H.R. 927, supra; as follows:

At the appropriate place in the substitute amendment, insert the following new section:

SEC. . CONGRESSIONAL NOTIFICATION OF CONTACTS WITH CUBAN GOVERNMENT OFFICIALS.

(a) ADVANCED NOTIFICATION REQUIRED.—No funds made available under any provision of law may be used for the costs and expenses of negotiations, meetings, discussions, or contacts between United States Government officials or representatives and officials or representatives of the Cuban government relating to normalization of relations between the United States and Cuba unless 15 days in advance the President has notified the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate in accordance with procedures applicable to reprogramming notifications under section 634A of the Foreign Assistance Act of 1961.

(b) REPORTS.—Within 15 days of any negotiations, meetings, discussions, or contacts between individuals described in subsection (a), with respect to any matter, the President shall submit a report to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate detailing the individuals involved, the matters discussed, and any agreements made, including agreements to conduct future negotiations, meetings, discussions, or contacts.

BRADLEY AMENDMENT NO. 2914

(Ordered to lie on the table.)

Mr. BRADLEY submitted an amendment intended to be proposed by him to amendment No. 2898 proposed by Mr. DOLE to the bill H.R. 927, supra; as follows:

At the appropriate place in title I of the amendment, insert the following new section:

SEC. . EXCEPTION TO RESTRICTION ON ASSISTANCE FOR THE INDEPENDENT STATES OF THE FORMER SOVIET UNION.

Chapter 11 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2295 et seq.) is amended by adding at the end the following new section:

"SEC. 498D. EXCEPTION TO RESTRICTION ON ASSISTANCE FOR THE INDEPENDENT STATES OF THE FORMER SOVIET UNION.

"Notwithstanding any other provision of this chapter, assistance under the secondary school exchange program administered by the United States Information Agency is authorized to be provided to the independent states of the former Soviet Union.".

ASHCROFT AMENDMENT NO. 2915

Mr. ASHCROFT proposed an amendment to amendment No. 2898 proposed by Mr. DOLE to the bill H.R. 927, supra; as follows:

At the appropriate place, add the following:

SEC. . SENSE OF THE SENATE REGARDING CONSIDERATION OF A CONSTITUTIONAL AMENDMENT TO LIMIT CONGRESSIONAL TERMS.

It is the sense of the Senate that the United States Senate should pass, prior to the end of 1995, a constitutional amendment limiting the number of terms Members of Congress can serve.

ASHCROFT AMENDMENT NO. 2916

Mr. ASHCROFT proposed an amendment to amendment No. 2915 proposed by him to amendment No. 2898 proposed by Mr. DOLE to the bill H.R. 927, supra; as follows:

Strike all after the word "SEC. ." and insert the following:

SENSE OF THE SENATE REGARDING CONSIDERATION OF A CONSTITUTIONAL AMENDMENT TO LIMIT CONGRESSIONAL TERMS.

Is is the sense of the Senate that the United States Senate should pass, prior to the end of the First Session of the 104th Congress, a constitutional amendment limiting the number of terms Members of Congress can serve.

GRAMM AMENDMENT NO. 2917

(Ordered to lie on the table.)

Mr. GRAMM submitted an amendment intended to be proposed by him to the amendment No. 2913 proposed by Mr. MACK to amendment No. 2898 proposed by Mr. DOLE to the bill (H.R. 927) supra; as follows:

On page 2 of amendment number 2913, strike the 10 and insert in lieu thereof, "of 1961, and, in any event, no funds made available under any provision of law may be used for the costs and expenses of negotiations with officials or representatives of the Cuban government by an official or representative of the United States Government assigned to the United States Interests Section in Cuba.".

BROWN AMENDMENT NO. 2918

(Ordered to lie on the table.)

Mr. BROWN submitted an amendment intended to be proposed by him to amendment No. 2898 proposed by Mr. DOLE to the bill (H.R. 927) supra; as follows:

In lieu of the pending amendment, insert the following:

SEC. . SENSE OF THE CONGRESS.

(a) FINDINGS.—The Congress finds that—

(1) the purpose of the General Agreement on Tariffs and Trade (hereafter in this amendment referred to as the "GATT") and the World Trade Organization (hereafter in this amendment referred to as the "WTO") is to enable member countries to conduct trade based upon free market principles, by limiting government intervention in the form of state subsidies, by limiting nontariff barriers, and by encouraging reciprocal reductions in tariffs among members;

(2) the GATT/WTO is based on the assumption that the import and export of goods are conducted by independent enterprises responding to profit incentives and market forces;

(3) the GATT/WTO requires that nonmarket economies implement significant reforms to change centralized and planned economic systems before becoming a full GATT/WTO member and the existence of a decentralized and a free market economy is considered a precondition to fair trade among GATT/WTO members;

(4) the People's Republic of China (hereinafter referred to as "China") and the Republic of China on Taiwan (hereinafter referred to as "Taiwan") applied for membership in the GATT in 1986 and 1991, respectively, and Working Parties have been established by the GATT to review their applications;

(5) China insists that Taiwan's membership in the GATT/WTO be granted only after China becomes a full member of the GATT/WTO;

(6) Taiwan has a free market economy that has existed for over three decades, and is currently the fourteenth largest trading nation in the world;

(7) Taiwan has a gross national product that is the world's twentieth largest, its foreign exchange reserves are among the largest

in the world and it has become that world's seventh largest outbound investor;

(8) Taiwan has made substantive progress in agreeing to reduce upon GATT/WTO accession the tariff level of many products, and non-tariff barriers;

(9) Taiwan has also made significant progress in other aspects of international trade, such as in intellectual property protection and opening its financial services market;

(10) despite some progress in reforming its economic system, China still retains legal and institutional practices that restrict free market competition and are incompatible with GATT/WTO principles;

(11) China still uses an intricate system of tariff and non-tariff administrative controls to implement its industrial and trade policies, and China's tariffs on foreign goods, such as automobiles, can be as high as 150 percent, even though China has made commitments in the market access Memorandum of Understanding to reform significant parts of its import regime;

(12) China continues to use direct and indirect subsidies to promote exports;

(13) China often manipulates its exchange rate to impede balance of payments adjustments and gain unfair competitive advantages in trade; and

(14) Taiwan's and China's accession to the GATT/WTO have important implications for the United States and the world trading system.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that—

(1) the United States should separate Taiwan's application for membership in the GATT/WTO from China's application for membership in those organizations;

(2) the United States should support Taiwan's earliest membership in the GATT/WTO;

(3) the United States should support the membership of China in the GATT/WTO only if a sound bilateral commercial agreement is reached between the United States and China, and that China makes significant progress in making its economic system compatible with GATT/WTO principles;

(4) China's application for membership in the GATT/WTO should be reviewed strictly in accordance with the rules, guidelines, principles, precedents, and practices of the GATT; and

(5) both Taiwan's and China's accession to the GATT/WTO have important implications for the United States and for the world trading system.

HELMS AMENDMENT NO. 2919

(Ordered to lie on the table.)

Mr. HELMS submitted an amendment intended to be proposed by him to the amendment No. 2900 proposed by Mr. SIMON to the amendment No. 2898 proposed by Mr. DOLE to the bill (H.R. 927) supra; as follows:

Strike all after the word "SEC." and insert the following:

103A. EXCEPTION TO THE ECONOMIC EMBARGO OF CUBA.

(a) AMENDMENT TO EMBARGO AUTHORITY IN THE FOREIGN ASSISTANCE ACT OF 1961.—Section 620(a)(1) of the Foreign Assistance Act of 1961 (22 U.S.C. 2370(a)(1)) is amended by inserting before the period at the end of the second sentence the following: ", except that any such embargo shall not apply with respect to the export of any food, medicines, or medical supplies, instruments, or equipment, if such export would be provided directly to, and would directly benefit, the Cuban people."

(b) LIMITATION ON EXISTING RESTRICTIONS ON TRADE WITH CUBA.—Upon the enactment of this Act, any regulation, proclamation, or provision of law, including Presidential Proclamation 3447 of February 3, 1962, the Export Administration Regulations (15 CFR 368–399), and the Cuban Assets Control Regulations (31 CFR 515), that prohibits exports to Cuba or transactions involving exports to Cuba and that is in effect on the date of the enactment of this Act, shall not apply with respect to the export to Cuba to food, medicines or medical supplies, instruments, or equipment, if such effort would be provided directly to, and would directly benefit, the Cuban people.

(c) LIMITATION ON THE FUTURE EXERCISE OF AUTHORITY.—

(1) EXPORT ADMINISTRATION ACT OF 1979.—After the enactment of this Act, the President may not exercise the authorities contained in the Export Administration Act of 1979 to restrict the exportation to Cuba of food, medicines or medical supplies, instruments, or equipment, except to the extent such restrictions would be permitted under section 5 of that Act for goods containing parts or components subject to export controls under such section.

(2) INTERNATIONAL EMERGENCY ECONOMIC POWERS ACT.—After the enactment of this Act, the President may not exercise the authorities contained in section 203 of the International Emergency Economic Powers Act to restrict the export to Cuba of food, medicines or medical supplies, instruments, or equipment, to the extent such authorities are exercised to deal with a threat to the national security of the United States.

(2), the exportation of food, medicines, or medical supplies, instruments, or equipment may only be made under such paragraph if the export would be provided directly to, and would directly benefit, the Cuban people.

(d) CONFORMING AMENDMENTS.—Section 1705 of the Cuban Democracy Act of 1992 (22 U.S.C. 6004) is amended—

(1) by amending subsection (c)(1) to read as follows:

"(1) except to the extent such restrictions—

"(A) would be permitted under section 5 of the Export Administration Act of 1979 for goods containing parts or components subject to export controls under such section; or

"(B) are imposed under section 203 of the International Emergency Economic Powers Act to deal with a threat to the national security of the United States;"; and

(2) by striking subsection (d) and redesignating subsections (e), (f), and (g) as subsections (d), (e), and (f), respectively.

NOTICE OF HEARING

SUBCOMMITTEE ON OVERSIGHT AND INVESTIGATIONS

Mr. THOMAS. Mr. President, I would like to announce for the information of the Senate and the public that the October 13, 1995 oversight hearing which had been scheduled before the Subcommittee on Oversight and Investigations, Energy and Natural Resources Committee to examine the role of the Council on Environmental Quality in the decisionmaking and management processes of agencies under the Committee's jurisdiction—Department of the Interior, Department of Energy, and the U.S. Forest Service—has been postponed.

The hearing now will take place Thursday, October 19, 1995 at 9:30 a.m. in Room SD–366 of the Dirksen Senate Office Building in Washington, DC.

Those wishing to testify or who wish to submit written statements should write to the Committee on Energy and Natural Resources, U.S. Senate, Washington, DC 20510. For further information, please call Kelly Johnson or Jo Meuse at (202) 224–6730.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be allowed to meet during the Thursday, October 12, 1995, session of the Senate for the purpose of conducting a hearing on S. 1239, the Air Traffic Management System Performance Improvement Act of 1995.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, October 12, 1995, at 10:00 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to hold a business meeting during the session of the Senate on Thursday, October 12, 1995.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be authorized to meet for an Executive Session, during the session of the Senate on Thursday, October 12, 1995, at 9:30 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. DOLE. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Thursday, October 12, 1995 at 3:00 p.m. to hold a closed conference with the House Permanent Select Committee on Intelligence on the fiscal year 1996 Intelligence authorization bill (H.R. 1655).

The PRESIDING OFFICER. Without objection, it is so ordered.

SPECIAL COMMITTEE ON AGING

Mr. DOLE. Mr. President, I wish to announce that the Special Committee on Aging will hold a hearing on Thursday, October 12, 1995, at 9:30 a.m., in room 628 of the Dirksen Senate Office Building. The hearing will discuss health care fraud.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON EAST ASIAN AND PACIFIC AFFAIRS

Mr. DOLE. Mr. President, I ask unanimous consent that the Subcommittee on East Asian and Pacific Affairs on the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, October 12, 1995, at 2 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON INTERNATIONAL FINANCE

Mr. DOLE. Mr. President, I ask unanimous consent that the Subcommittee on International Finance of the Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Thursday, October 12, 1995 to conduct a hearing on the semi-annual report from the Trade Promotion Coordinating Committee.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

PUBLIC UTILITY HOLDING COMPANY ACT OF 1995

• Mr. SHELBY. Mr. President, I am very pleased to see that a bill has been introduced to repeal the Public Utility Holding Company Act of 1935 [PUHCA]. PUHCA has long since outlived its usefulness. It has become duplicative with other regulation, both at the Federal and State levels. The utility industry, both gas and electric, has changed dramatically since PUHCA was first enacted, and particularly the new competitive pressures and State regulation that now exists, makes PUHCA unnecessary. I thank Chairman D'AMATO and my colleagues on the Banking Committee, and the Securities and Exchanges Commission [SEC], which has recommended repeal, for their diligence in bringing this legislation before us.

While the utility industry is changing, there are some who argue that any action on the repeal of PUHCA must be tied to broader changes in the structure of the electric utility industry. I do not accept or support that position, but rather believe that PUHCA can and should be repealed while the debate on the other broader issues matures. The SEC first recommended repeal of PUHCA in 1982, and have more recently, in June, called again for the antiquated law's repeal. We should act accordingly.•

IN PRAISE OF THE HAVERSTRAW ALL-STARS

• Mr. MOYNIHAN. Mr. President, I rise today to wish great congratulations to the Haverstraw Little League Senior League All-Stars.

This outstanding group of 14- and 15-year-olds from Rockland County played some of the best baseball of their young lives this summer. They were winners of the New York State and Eastern Regional Championships, and represented New York in the Little League Senior League World Series in Kissimmee, FL. Indeed, these young men have much to be proud of, as do their families, coaches, and community.

Most fittingly, on October 22, 1995, the team will be honored at a dinner held by the Knights of Columbus in Haverstraw, NY. In recognition of the team's successful season, I ask that the names of the players and coaches of the Haverstraw Little League Senior League All-Stars be printed in the RECORD.

The names follow:

Players: Craig Barton, Andrew Breuninger, Richard Chase, David Delarosa, John Grosso, Junior Lopez, Jorge Maldonado, Mike Persico, Jose Vasquez, Rapheal Cespedes, Chris Granata, R.J. Mackenzie, Joe Sansonetti, and Walter Vega. Manager: Gene Barnum. Coach: Howard Johnson. Coach: Bob Michelitch.•

TRIBUTE TO ROGER CROZIER

• Mr. ROTH. Mr. President, on September 29, 1995, at the Dupont Country Club in Wilmington, DE, the 5th annual Roger Crozier Invitational Golf for Adoption was held. This event benefits the Gladney Center, which places children for adoption throughout the United States, and the National Council for Adoption. It was created by an accomplished athlete, a successful businessman, and a strong advocate for the cause of adoption, Mr. Roger Crozier. During the evening of the event, a special ceremony was held honoring Mr. Crozier for his achievements and efforts on behalf of adoption. The well-known sports writer, Tony Kornheiser, wrote a befitting tribute for the evening and I ask that the tribute by Mr. Kornheiser be printed in the RECORD.

The tribute follows:

REMARKS BY TONY KORNHEISER

Many of you in the audience may be young enough that you are not familiar with the great career Roger had in hockey. So let me fill you in a bit:

He played 14 years in the National Hockey League as a goalie. Of all the sports that I've covered, I think hockey is the toughest to play. You're hardly in motion at all in baseball. You're in motion all the time in basketball—but when you touch somebody in basketball you're called for a foul. In hockey, there is continuous motion and frequent violent hitting. True, the hitting is harder in football, but there is more rest between plays. So I think hockey stands alone in what it asks of you physically.

And of all the sports I've covered, I think playing goalie is the toughest position. The puck is flying at you, frequently at speeds exceeding 100 miles an hour. And often there are people between you and the puck, screening off your vision, so you don't even get a good look at the puck as it hurtles towards you. Sometimes, just before it gets there, just as you have your glove out to snatch it, somebody will nudge it with a stick or a skate, and you have to readjust instantaneously. As a goalie you are asked to be a wizard with your stick and glove, and an acrobat on your skates. And don't you ever forget that every eye in the place is on you. And should that puck trickle through your legs, or skip over your stick, or rip into the net behind you . . . you will hear boos that will make your ears burn. No matter how many pads a goalie wears, he's always naked out there. Sometimes I think goalies wear those masks less for protection from the puck than to hide their faces, so the booing fans won't know who to chase after the game.

Roger Crozier did this for 14 years at the highest level of hockey in the world. Can you imagine the skill and courage and reflexes it took to do it for that long.

You can't be ordinary and last 14 years. They'd have shipped you out long before that.

Roger was very good from the start. He was named Rookie of The Year in his first season in the league; his name is on the Calder Trophy along with people like Bobby Orr, Mario Lemieux and Denis Potvin—giants of the game. In Roger's rookie season a Canadian hockey writer said of Roger, "Few goaltenders have descended on the National Hockey League in the past 10 years with the impact of the acrobatic Crozier. This sprawling, weaving, twisting hockey octopus is a fan's delight."

Later in his career Roger played for Buffalo and Washington, expansion teams where there were so many holes in the defense that a goalie feels he's skating through swiss cheese. When a goaltender gets hot people say, appreciatively, "He stood on his head tonight." Well, with an expansion team even standing on your head can't help. But in those early days with the Detroit Red Wings, Roger played on a team that gave him a chance to strut his stuff. Canadian columnist Red Burnett talked about Roger's goaltending style then, saying, "He usually makes a last second lurch with the speed of a striking rattler to block or glove the puck. Some say he has the fastest catching hand in the business." Roger was in fact so fast and so good that in 1966, even though Detroit lost the Stanley Cup final to Montreal, Roger was named the Most Valuable Player in the playoffs. His name is engraved on the Conn Smythe trophy with Wayne Gretzky, Jean Beliveau and Guy Lafleur. That's very elite company.

Every generation throws another hero up the charts. People my age look back with awe and reverence at athletes like Jerry West, Oscar Robertson, Willie Mays and Mickey Mantle. But my children don't even recognize those names. For them it's Shaquille O'Neal and Ken Griffey Jr. When I go back even further and mention Bob Cousy or Ted Williams they look at me like I must have fought in the Civil War.

So it is that Roger Crozier's deeds on the ice grow a little dimmer with each passing year and each successive crop of wizard goaltenders. But as a sportswriter, and particularly as a grateful adoptive parent, I thought you'd like to know what this fine man did before you knew him.•

BUDGET SCOREKEEPING REPORT

• Mr. DOMENICI. Mr. President, I hereby submit to the Senate the budget scorekeeping report prepared by the Congressional Budget Office under section 308(b) and in aid of section 311 of the Congressional Budget Act of 1974, as amended. This report meets the requirements for Senate scorekeeping of section 5 of Senate Concurrent Resolution 32, the first concurrent resolution on the budget for 1986.

This report shows the effects of congressional action on the budget through October 10, 1995. The estimates of budget authority, outlays, and revenues, which are consistent with the technical and economic assumptions of the 1996 concurrent resolution on the budget, House Concurrent Resolution 67, show that current level spending is below the budget resolution by $4.3 billion in budget authority and above the budget resolution by $2.9 billion in outlays. Current level is $44 million below the revenue floor in 1996 and below by $0.7 billion over the 5 years 1996–2000. The current estimate of the deficit for purposes of calculating the maximum deficit amount is $248.5 billion, $2.9 billion above the maximum deficit amount for 1996 of $245.6 billion.

Since my last report, dated September 12 1995, Congress cleared for the President's signature the Alaska Native Claims Settlement Act, H.R. 402. The Congress also cleared and the President signed the Military Construction Appropriations Act, Public Law 104–32, and the 1996 Continuing Appropriations Act (Public Law 104–31). These actions changed the current level of budget authority and outlays.

The material follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, October 11, 1995.

Hon. PETE DOMENICI,
Chairman, Committee on the Budget, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The attached report for fiscal year 1996 shows the effects of Congressional action on the 1996 budget and is current through October 10, 1995. The estimates of budget authority, outlays and revenues are consistent with the technical and economic assumptions of the 1996 Concurrent Resolution on the Budget (H. Con. Res. 67). This report is submitted under Section 308(b) and in aid of Section 311 of the Congressional Budget Act, as amended.

Since my last report, dated September 11, 1995, Congress cleared for the President's signature the Alaska Native Claims Settlement Act (H.R. 402). The Congress also cleared and the President signed the Military Construction Appropriations Act (P.L. 104-32), and the 1996 Continuing Appropriations Act (P.L. 104-31). These actions changed the current level of budget authority and outlays.

Sincerely,

JAMES L. BLUM
(For June E. O'Neill, Director).

THE CURRENT LEVEL REPORT FOR THE U.S. SENATE, FISCAL YEAR 1996 104TH CONGRESS, 1ST SESSION, AS OF CLOSE OF BUSINESS OCTOBER 10, 1995

[In billions of dollars]

	Budget resolution (H. Con. Res. 67)	Current level[1]	Current level over/ under resolution
ON-BUDGET			
Budget Authority	1,281.2	1,281.2	−4.3
Outlays	1,288.1	1,291.0	2.9
Revenues:			
1996	1,042.5	1,042.5	[2] −0.
1996–2000	5,691.5	5,690.8	−0.7
Deficit	245.6	248.5	2.9
Debt Subject to Limit	5,210.7	4,885.6	−325.1
OFF-BUDGET			
Social Security outlays:			
1996	299.4	299.4	0.0
1996–2000	1,626.5	1,626.5	0.0
Social Security revenues:			
1996	374.7	374.7	0.0
1996–2000	2,061.0	2,061.0	0.0

[1] Current level represents the estimated revenue and direct spending effects of all legislation that Congress has enacted or sent to the President for his approval. In addition, full-year funding estimates under current law are included for entitlement and mandatory programs requiring annual appropriations even if the appropriations have not been made. The current level of debt subject to limit reflects the latest U.S. Treasury information on public debt transactions.

[2] Less than $50 million.

THE ON-BUDGET CURRENT LEVEL REPORT FOR THE U.S. SENATE, 104TH CONGRESS, 1ST SESSION, SENATE SUPPORTING DETAIL FOR FISCAL YEAR 1996, AS OF CLOSE OF BUSINESS

[In millions of dollars]

	Budget authority	Outlays	Revenues
ENACTED IN PREVIOUS SESSIONS			
Revenues			1,042,557
Permanents and other spending legislation	830,272	798,924	
Appropriation legislation	0	242,052	
Offsetting receipts	−200,017	−200,017	
Total previously enacted	630,254	840,958	1,042,557
ENACTED THIS SESSION			
Appropriation bills:			
1995 Rescissions and Department of Defense Emergency Supplements Act (P.L. 104–6)	−100	−885	
1995 Rescissions and Emergency Supplementals for Disaster Assistance Act (P.L. 104–19)	22	−3,149	
Military construction (P.L. 104–32)	11,177	3,110	
Authorization bills: Self-Employed Health Insurance Act (P.L. 104–7)	−18	−18	−101
Total enacted this session	11,081	−942	−101
PENDING SIGNATURE			
Alsaka Native Claims Settlement Act (H.R. 402)			
CONTINUING RESOLUTION AUTHORITY			
Continuing appropriations, fiscal year 1996 (P.L. 104–31)[1]	454,979	282,907	
ENTITLEMENT AND MANDATORIES			
Budget resolution baseline estimates of appropriated entitlements other mandatory programs not yet enacted	184,908	168,049	
Total current level 2	1,281,223	1,290,973	1,042,456
Total budget resolution	1,285,500	1,288,100	1,042,500
Amount remaining:			
Under budget resolution	−4,277		44
Over budget resolution		2,873	

[1] This is an estimate of discretionary funding based on a full year calculation of the continuing resolution that expires November 13, 1995. It includes all appropriation bills except Military Construction, which was signed into law October 3, 1995.

[2] In accordance with the Budget Enforcement Act, the total does not include $3,275 million in budget authority and $1,504 million in outlays for funding of emergencies that have been designated as such by the President and the Congress.

Note.—Detail may not add due to rounding.•

CUTS TO CRIME PREVENTION EFFORTS

• Mr. HARKIN. Mr. President, on September 13, 1994, after 6 years of gridlock, President Clinton signed the toughest, smartest crime bill in American history. Rejecting the stale political debates that doomed earlier efforts, the Violent Crime Control Act [VCCA] offers a balanced approach to fighting crime—one that combines policing, prevention, and punishment.

In 1 year, the VCCA has made a difference. More police are on the beat. "Three strikes and you're out" is the law of the land. Interstate domestic violence, stalking and harassing are Federal offenses. Assault weapons can no longer be manufactured. States and cities have more resources to build boot camps. Law enforcement agencies across America have greater tools to implement drug courts, upgrade criminal record histories, and incarcerate violent offenders and keep them off the streets.

If we keep the promises we made to the American people 1 year ago when the Crime Act was passed, we will continue to have more police on the streets, more prisons to lock up violent offenders, and fewer neighborhoods where the streets remain empty and doors stay shut.

But just as new evidence indicates that violent crime among teenagers and young adults is skyrocketing, this Congress seems ready to break those promises. Unless we act now to stop young people from choosing a life of crime, the beginning of the 21st century could bring levels of violent crime to our communities that far exceed what we now experience. The programs created by the 1994 Crime Act are a critically important component in halting the advance of violence and crime. We need to ask at this critical junction: Will we build on the progress in the fight against crime, or will we let the ground we have gained slip away?

The crime control priorities funded in the fiscal year 1996 Commerce, State, Justice appropriations bill offer the Nation a very mixed message in answer to this question. Token programs are saved, but the majority of proven and effective crime prevention efforts are slashed or eliminated then tossed into a block grant with vague promises of being able to achieve similar levels of crime prevention.

This structure of priorities seems almost hypocritical for a Congress that is bent on reducing spending by eliminating waste in inefficiency. I share that goal, which is why I believe that crime prevention pays. Crime control costs the American people approximately $90 billion a year. Only a small amount of funding on crime prevention goes a long way in reducing incidences of crime and the costs of crime on our society.

On a positive note, the Edward Byrne Memorial State and Local Law Enforcement Assistance Program thankfully survived the slash-and-block attacks on crime control. Law enforcement officials have told me of the success they have had as a result of these funds. Drug enforcement task forces, improved law enforcement technology, the DARE Program, domestic violence intervention and countless other valuable antidrug and anticrime efforts have been possible, in part, through funding available under the Byrne Program. I quote from an officer on the front line in my home State of Iowa, "The assistance we have received by way of the Edward Byrne grants has been the key to our approach in fighting drug violators."

On the other hand, the Office of Community Oriented Policing Services [COPS], the cornerstone of the first year of crime fighting efforts, was eliminated by the committee. Under this funding bill that came to the floor, services provided by the COPS Program would have been forced to compete for scare resources with other crime prevention programs such as programs for delinquent and at-risk youth, gang resistance programs and many other community and school-based initiatives to keep kids from turning to a life of crime. The end result of course, would be less money for all crime prevention efforts.

Perhaps the most tragic aspect of the proposal to eliminate the COPS Program is the loss of local control. Proponents traditionally argue that block grants increase local control. The crime prevention block grant proposed in the Commerce, State, Justice funding bill does no such thing. This initiative replaces a highly successful program that responds to public desire for an increased police presence with a program that merely gives money to State governments that may keep up to 15 percent before distributing the remainder to local governments. Allowed uses for the funding are expanded to include not just additional funding for more cops on the beat, but also for procurement of equipment and prosecution. This is a significant departure from the COPS Program which funneled the funding directly to the local law enforcement agencies.

The COPS Program was created as a Federal-local law enforcement partnership, providing grants to local law enforcement agencies to hire 100,000 new officers. With community policing as its base, the program encourages the development of police-citizen cooperation to control crime, maintain order and improve the quality of life in America.

In less than 12 months, this program is ahead of schedule and on target in funding one quarter of the 100,000 cops promised to the American people. As a block grant under the Commerce, State, Justice bill there would be no requirement that even one officer is hired.

The block grant approach to crime prevention invites the abuse of funds the COPS Program was created to eliminate, as well as doing away with effective crime prevention programs that worked hand in hand with community policing initiatives set up under the COPS Program. The priorities delineated in the committee bill were misplaced, creating an ineffective response to our Nation's war against crime and a sad departure from the successful efforts started under the 1994 Violent Crime Control Act. I am happy that the COPS Program was restored during floor consideration and would urge my colleagues to continue their support for crime prevention efforts throughout the budget process.•

NATIONAL FIRE PREVENTION WEEK

• Mr. HATFIELD. Mr. President, October 8 through 14 marks the observance of National Fire Prevention Week. During this week, the Nation focuses its attention on fire safety awareness and education. These preventive efforts play an important part in the protection of our citizens from the devastation of accidental fire. While education is vital to fire prevention, the indispensable crux of our country's fire prevention efforts is the men and women who risk their lives daily to protect their community from harmful fires. These hard working individuals diligently serve the public despite the risks inherent in their profession.

Sadly, these risks sometimes overtake these public servants. Some may remember the terrible tragedy that occurred near Glenwood Springs, CO last year. On Wednesday, July 6, 1994, 14 elite firefighters died when a wildfire exploded up a mountainside. The Nation grieved that loss and we continued to extend our sympathies to the families and individuals affected.

I am especially saddened for the nine young men and women from Oregon who perished in the fire—Bonnie Holtby, Jon Kelso, Tami Bickett, Scott Blecha, Levi Brinkley, Kathi Beck, Rob Johnson, Terri Hagen, and Doug Dunbar. These fine young men and women represented nearly half of a 20-person crew based in the Central Oregon town of Prineville. But they were not alone; individuals from Idaho, Montana, Georgia, and Colorado also met a tragic fate in the line of duty.

Calling themselves the Hot Shots, these elite firefighters were a special breed. The nine from Prineville came from a region especially susceptible to forest fires. But these Hot Shots were committed to fighting fires all over the country and served in States all over the west, where summer fires can be so dangerous. These young men and women came to Colorado directly from fires in California and Oregon. I know they took pride in being part of a national team and a national effort to protect our homes and communities from the terror of forest fires.

We have lost tremendous potential, hope, and energy with these young firefighters. Nothing can replace the loss of a loved one, but each year in October the Nation pauses to recognize the volunteer and career firefighters who have died in the line of duty. The National Fallen Firefighters Memorial in Emmitsburg, MD serves as a monument to the courage and dedication of these heroic men and women. This weekend families and friends gather together to mourn the loss of these courageous individuals and to commemorate the valiant service of firefighters across the Nation.

As these families collectively grieve, the Nation should share in their grief remembering the sacrifices of firefighters who have lost their lives in the line of duty. As we observe National Fire Prevention week and commemorate the actions of those no longer with us, we should also recognize the courage of our active firefighters who selflessly protect their communities day in and day out. These individuals deserve our recognition, our gratitude, and our highest admiration.•

MAKING MAJORITY COMMITTEE APPOINTMENTS

Mr. KEMPTHORNE. Mr. President, I send two resolutions to the desk making majority committee appointments and ask they be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 183) making majority party appointments to certain Senate committees for the 104th Congress.

A resolution (S. Res. 184) making majority party appointments to certain Senate committees for the 104th Congress.

Mr. KEMPTHORNE. Mr. President, I ask unanimous consent the resolutions be considered and agreed to en bloc, and the motions to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolutions considered and agreed to en bloc are as follows:

S. RES. 183

Resolved, That the following shall constitute the majority party's membership on the following standing committees for the 104th Congress, or until their successors are chosen:

Appropriations: Mr. Hatfield, Mr. Stevens, Mr. Cochran, Mr. Specter, Mr. Domenici, Mr. Bond, Mr. Gorton, Mr. McConnell, Mr. Mack, Mr. Burns, Mr. Shelby, Mr. Jeffords, Mr. Gregg, Mr. Bennett, and Mr. Campbell.

Finance: Mr. Roth, Mr. Dole, Mr. Chafee, Mr. Grassley, Mr. Hatch, Mr. Simpson, Mr. Pressler, Mr. D'Amato, Mr. Murkowski, Mr. Nickles, and Mr. Gramm.

S. RES. 184

Resolved, That the following shall constitute the majority party's membership on the following standing committees for the 104th Congress, or until their successors are chosen:

Agriculture: Mr. Lugar, Mr. Dole, Mr. Helms, Mr. Cochran, Mr. McConnell, Mr. Craig, Mr. Coverdell, Mr. Santorum, Mr. Warner, and Mr. Grassley.

Banking, Housing, and Urban Affairs: Mr. D'Amato, Mr. Gramm, Mr. Shelby, Mr. Bond, Mr. Mack, Mr. Faircloth, Mr. Bennett, Mr. Grams, and Mr. Domenici.

Commerce, Science, and Transportation: Mr. Pressler, Mr. Stevens, Mr. McCain, Mr. Burns, Mr. Gorton, Mr. Lott, Mrs. Hutchison, Ms. Snowe, Mr. Ashcroft, and Mr. Frist.

Governmental Affairs: Mr. Stevens, Mr. Roth, Mr. Cohen, Mr. Thompson, Mr. Cochran, Mr. McCain, Mr. Smith, and Mr. Brown.

SUBSTITUTION OF CONFEREES

Mr. KEMPTHORNE. Mr. President, I ask unanimous consent the following changes be made to majority appropriation conferees: H.R. 1868, foreign operations, Senator BENNETT in lieu of Senator GRAMM; H.R. 2002, Transportation, Senator SHELBY in lieu of Senator GRAMM; H.R. 2020, Treasury, Postal Service, Senator CAMPBELL in lieu of Senator GREGG; and H.R. 2099, VA-HUD, Senator CAMPBELL in lieu of Senator GRAMM.

The PRESIDING OFFICER. Without objection, it is so ordered.

APPOINTMENT OF SENATE LEGAL COUNSEL

Mr. KEMPTHORNE. I ask unanimous consent the Senate proceed to the immediate consideration of Senate Resolution 181, submitted earlier today by Senators DOLE and DASCHLE.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 181) relating to the appointment of Senate Legal Counsel.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. KEMPTHORNE. Mr. President, I ask unanimous consent the resolution be agreed to, the motion to reconsider be laid upon the table, and that any statements relating to the resolution appear at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 181) was agreed to, as follows:

S. RES. 181

Resolved, That the appointment of Thomas B. Griffith to be Senate Legal Counsel, made by the President pro tempore this day, shall become effective as of October 24, 1995, and the term of service of the appointee shall expire at the end of the One Hundred Fifth Congress.

APPOINTMENT OF DEPUTY SENATE LEGAL COUNSEL

Mr. KEMPTHORNE. Mr. President, I ask unanimous consent the Senate proceed to the immediate consideration of Senate Resolution 182 submitted earlier today by Senators DOLE and DASCHLE.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 182) relating to the appointment of Deputy Senate Legal Counsel.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. KEMPTHORNE. Mr. President, I ask unanimous consent the resolution be agreed to, the motion to reconsider be laid upon the table, and that any statements relating to the resolution appear at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 182) was agreed to, as follows:

S. RES. 182

Resolved, That the appointment of Morgan J. Frankel to be Deputy Senate Legal Counsel, made by the President pro tempore this day, shall become effective as of October 24, 1995, and the term of service of the appointee shall expire at the end of the One Hundred Fifth Congress.

ORDERS FOR FRIDAY, OCTOBER 13, 1995

Mr. KEMPTHORNE. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until the hour of 9:45 a.m., on Friday, October 13, 1995, that following the prayer, the Journal of proceedings be deemed approved to date, the time for the two leaders be reserved for their use later in the day, that there then be a period for morning business until the hour of 10 a.m., with Senators permitted to speak for up to 5 minutes each, with the exception of the following: Senator GRASSLEY for 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. KEMPTHORNE. Mr. President, for the information of all Senators, it is hoped that the Senate will be able to appoint conferees to the telecommunications bill as well as the welfare bill during Friday's session. My understanding is that there may be a request on the other side of the aisle for a motion on the telecommunications bill. Therefore, it may be necessary for a rollcall vote if that motion is made.

RECESS UNTIL 9:45 A.M. TOMORROW

Mr. KEMPTHORNE. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in recess under the previous order.

There being no objection, the Senate, at 9:12 p.m., recessed until Friday, October 13, 1995, at 9:45 a.m.

HOUSE OF REPRESENTATIVES—*Thursday, October 12, 1995*

The House met at 10 a.m. and was called to order by the Speaker pro tempore [Mr. LATOURETTE].

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
October 12, 1995.

I hereby designate the Honorable STEVEN C. LATOURETTE to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

With the cluttered agendas of each day and with the demands and duties that mark our time, we pray, O God, that we will also see the glories and the miracles of daily life. With so many obligations that press on every side and the anxieties that mark troubled days, may we experience the abiding peace that Your presence allows. With the temporary fads and the transitory ideas that crowd our existence, we pray, O loving God, that we will cling to the timeless truths and the eternal hopes that are Your gift to us. In Your name, we pray. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from New York [Mr. SCHUMER] come forward and lead the House in the Pledge of Allegiance.

Mr. SCHUMER led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain fifteen 1-minute speeches per side.

NBC STORY ON DAVIS-BACON UNCOVERS FRAUD AND ABUSE

(Mr. BALLENGER asked and was given permission to address the House for 1 minute.)

Mr. BALLENGER. Mr. Speaker, the Davis-Bacon Act has long outlived any usefulness that it may have had. The rationale for the act has never been very persuasive, but it remains law, adding millions to Federal construction costs.

Last night, NBC news highlighted the Davis-Bacon Act as part of their series entitled "The Fleecing of America." NBC reported on an Oklahoma investigation that has uncovered fraud and abuse in the administration of the Federal Davis-Bacon Act.

In three specific cases, the Oklahoma Department of Labor found instances where survey data on phantom projects was submitted and ghost employees were identified, presumably with the intent of inflating prevailing wage determinations. Basing the wages on inflated and perhaps fraudulent data would drive up costs of Government construction projects, wasting limited taxpayer dollars.

Scandals of this nature only further erode public confidence in the Government procurement process. This type of fraud and abuse must be stopped. Join me and the 119 cosponsors of H.R. 500, in supporting repeal of the Davis-Bacon Act.

INS CASHING THE CHECKS AND NOT PROVIDING THE SERVICE

(Mr. GUTIERREZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GUTIERREZ. Mr. Speaker, how would you feel if you walked into a McDonalds, paid $5 for your Big Mac, fries, and a Coke, and were told, "Thanks for your money. We'll give you your food in a year or so."

Would you say, "No problem, I'll wait." No; you would say that is outrageous, unacceptable, scandalous.

Well, today the Immigration and Naturalization Service is currently saying to every citizenship applicant, "Thanks for your $95 application fee. Now wait 16 months and we will see if we get to you."

They are taking the money. They are cashing the check. They just are not providing the service. Let us be clear, at a time when some Members of Congress want to deny basic Government services to permanent residents, this delay is not merely an inconvenience, it is a threat to the very services many people rely on every day.

We have tried to make clear to the INS how urgent this crisis is. No luck. Maybe they do not understand English.

Ustedes han tomado nuestro dinero. Ahora, cumplan su promesa. Hagan su trabajo.

!Hagan a nuestra gente ciudadanos!

EARNED INCOME TAX CREDIT GETS PORKER OF THE WEEK AWARD

(Mr. HEFLEY asked and was given permission to address the House for 1 minute.)

Mr. HEFLEY. Mr. Speaker, the earned income tax credit [EITC], is designed to help workers not poor enough for welfare, and may have been a good idea at first, but it has turned into a bureaucracy out of control.

In hearings last year, both the Treasury Secretary and the IRS Commissioner admitted that the fraud and overpayment rate in the $20 billion program could be as high as 45 percent. Get that: $9 billion in waste. It should come as no surprise that the IRS actually made the problem worse.

The agency's 1992 experiment that gave about $400 million in EITC benefits to those who had not applied but seemed entitled only created a monster: $175 million of erroneous payments. Part of it was poorly recorded paperwork. After all, 90 percent of the benefit checks, up to $2,500 each, go to those who pay no income taxes in the first place—including illegal aliens and prisoners.

For wasting money through a nearsighted bureaucracy, the earned income tax credit get my Porker of the Week Award.

SENIORS LOCKED OUT AND LOCKED UP WHILE THE DOCTORS MAKE A DEAL

(Mr. SCHUMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHUMER. Mr. Speaker, yesterday two contrasting events showed just where the Republican majority wishes to take us on Medicare. On the one hand, Mr. Speaker, Speaker GINGRICH was in the room with the doctors, the AMA, and they were negotiating a deal. On the other hand, Mr. Speaker, a group of seniors who wished to be heard were actually arrested and handcuffed, although the charges were later dropped, for daring to try and speak to one of the committees that has their future in its hands. Simply, the doctors were in a room cutting a deal. I ask, Why weren't the seniors at the table?

☐This symbol represents the time of day during the House proceedings, e.g., ☐1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

All they got, Mr. Speaker, was locked out and locked up.

Mr. Speaker, if the doctors made a deal and got their cut, the only cut the seniors got was to their benefits. This shows what is going on here. Very simply, they are lining up the providers and giving them what they want and telling the beneficiaries, the senior citizens who have worked so hard, "You are going to suffer."

Mr. Speaker, we must stop this Medicare plan. It is unfair, unwise, and unbalanced.

ONLY THE REPUBLICAN PLAN SAVES MEDICARE

(Mr. EWING asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EWING. Mr. Speaker, after languishing for months without a plan to save Medicare, the Democrats have at least finally proposed something, even though it does not address the heart of the problem.

Their plan to find $90 billion in Medicare savings is not about saving Medicare; it's about saving Democrats for the next election. The Democrat plan does nothing but postpone Medicare's bankruptcy for 3 years. Furthermore, under the Democrat plan, when the baby boomers begin retiring in 2010, Medicare will be more than $300 billion in the red.

The Republican plan, on the other hand, makes a real attempt to address what is a long-term problem. Changes will be made in an attempt to make a 1960's program both functional and affordable in the 1990's. And our plan will make Medicare solvent through 2010.

Mr. Speaker, there are two plans to change Medicare. But only one saves it. And it's being offered by the Republican Party.

BACKROOM DEALS BEING MADE WHILE SENIOR CITIZENS GET ARRESTED

(Ms. DELAURO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DELAURO. Mr. Speaker, if you want to understand how the special interests are winning out over the public interest in this Congress, just read today's newspapers. There are two stories about two different groups who came to Washington to protest parts of the Republican Medicare cuts. One group got a private meeting with the Speaker of the House. The other group got arrested.

When the American Medical Association and its high paid lobbyists came to Capitol Hill, they were given a closed-door meeting with Speaker GINGRICH. A backroom, billion-dollar deal was made and the AMA reversed its position and endorsed the Medicare cuts. When the National Council for Senior Citizen's came to Capitol Hill, its members got no meeting with the Speaker, its members got arrested. Yesterday, 15 senior citizens were arrested and taken away in handcuffs. Their crime? Asking to participate in our democracy.

Mr. Speaker, the Republicans are not afraid to listen to the special interests. Why are Republicans afraid to listen to the people?

HOW CAN THIS BE CALLED A CUT?

(Mr. KIM asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KIM. Mr. Speaker, the part A in Medicare is going to be bankrupted which has been financed by FICA payroll taxes. That is not enough. Beneficiary pay half, employer contribute the other half. That is not enough. What we trying to do is trying to fix the bankruptcy part A program without raising taxes of those younger people.

Let us take a look at the part B. This is financed by one-third by beneficiary, two-thirds by the other taxpayers. Used to be half and half. If we do nothing, it is going to end up 10 percent paid by beneficiary, 90 percent by the other taxpayers, which is not fair.

All we are trying to do is maintain the ratio, one-third as is now by beneficiary, and two-third by the other taxpayers. How could my colleagues call that a cut? Is it really cut? We are trying to fix part A and part B from bankruptcy without cutting it. I am tired of this rhetoric.

REPUBLICAN LEVEL OF INTOLERANCE RISES TO NEW HEIGHTS

(Mr. KLINK asked and was given permission to address the House for 1 minute.)

Mr. KLINK. Mr. Speaker, yesterday, October 11, 1995, is a day of infamy as 15 senior citizens were taken prisoner of war in the Republicans' assault on America. These gray-haired ladies in wheelchairs and veterans walking with canes were not mugged in some back alley. They were hauled off in handcuffs from the Committee on Commerce of the U.S. Congress.

Mr. Speaker, 1 week earlier dozens of Republican lobbyists lined up, streamed into our committee, took mailbags full of letters in support of the Republican rape of Medicare, but that was fine because the leadership agreed with that position, and no effort was made to stop them. In fact, even though the letters came from nonexistent senior citizens, that action was endorsed. But when live senior citizens in an orderly manner tried to approach the dais yesterday to ask why no Medicare hearings had occurred on the legislation, they were silenced immediately.

Mr. Speaker, the Republican level of intolerance rose to new heights in a disgraceful show of authority and force to these seniors, and, I repeat, some in wheelchairs, others walking with the aid of canes, were arrested, handcuffed, and taken out of the people's House and taken to the big house.

MORE HEALTH CARE CHOICES

(Mr. KNOLLENBERG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KNOLLENBERG. Mr. Speaker, the new majority plan to save Medicare includes new health care choices for seniors.

I heard something about unfairness over here a moment ago, but currently this is unfair. Medicare recipients are limited to a one-size-fits-all type of contract designed 30 years ago. It is time to expand those options. Why? Because giving seniors the right to choose from a variety of quality health care plans will create competition among health care providers, it will drive down costs, and it will allow seniors to pick a plan that meets their individual health care needs.

My colleagues, our plan is about more choice, not less. More; we do not force seniors to give up their current coverage. If a senior likes the current system, he or she can stay in traditional fee-for-service Medicare. No questions asked. But if a senior wants to try something new, maybe a plan that covers prescription drugs and limits out-of-pocket costs, there is one for him. We provide that option.

Mr. Speaker, more health care choices for seniors, not less. It is that simple.

MONEY BUYS ACCESS—PROTEST GETS YOU ARRESTED

(Mr. MILLER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MILLER of California. Mr. Speaker, today, senior citizens can choose their doctor, their hospital, any kind of medical care they went under current Medicare rules. Why are the Republicans offering more choice; why are the Republicans forcing more choice? Because the Golden Rule Insurance Co. gave $157,000 to GOPAC, the political arm of Speaker GINGRICH, another $45,000 to Speaker GINGRICH's two campaigns. They sponsored Speaker GINGRICH's TV show, and they have given almost $2 million to Republican causes. That is why they want to force senior citizens into medical savings accounts.

Mr. Speaker, I say to my colleagues, if you have money, you have access to the Republican plan for Medicare. The doctors met with Speaker GINGRICH in the middle of the markup of the Medicare bill in the Committee on Ways and Means. They got $3 billion—$3 billion. Golden Rule gives money to campaigns; they got millions of dollars, hundreds of millions of dollars, in businesses.

Senior citizens approached the chairman of the committee yesterday and asked about the future of Medicare. They were arrested. I say to my colleagues, if you have money, you can cut deals. If you need health care, you get arrested.

□ 1015

SAVE, PRESERVE, AND STRENGTHEN MEDICARE

(Mrs. KELLY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. KELLY. Mr. Speaker, yesterday we took a number of positive steps forward in our effort to save, preserve, and strengthen Medicare.

The House Ways and Means Committee passed their portions of the Medicare Preservation Act and the American Medical Association—one of the largest health care providers in the country—endorsed the House Republican plan.

When I first ran for Congress, Mr. Speaker, I ran on the promise of reform—repeal of the status quo and change for the better.

Our Medicare plan delivers on this promise of reform. By increasing seniors control of their health care dollars, providing greater choice of providers and ensuring long-term solvency, we are keeping our word.

There are those who will continue to throw stones at us from the sidelines, but as we enter the final phase of our efforts to save Medicare, I would encourage them to join us.

The American people are sick of the politics-as-usual mentality that they are expressing and want us to save Medicare.

The medical care of 37 million people is on the line, and until the Democrats face up to this fact rather than their own reelections, the American people will continue to discount all that they say and all that they do.

THE REPUBLICAN PLAN IS A MERCY KILLING OF MEDICARE

(Mr. DOGGETT asked and was given permission to address the House for 1 minute.)

Mr. DOGGETT. Mr. Speaker, the bloom is finally off the Republican pay-more-get-less plan. There it is, in all its ugly splendor. Let us look at the real details of the plan. To protect the Medicare trust fund, let us drain 4 years of revenues from the fund. To fight Medicare fraud, cut any fraud law enforcement. To reduce soaring medical costs, let us permit doctors to charge higher fees. That is the only way they will support the plan. To secure last-minute support from one of America's fattest lobbies, let us give them a sweetheart deal that they say will mean billions of dollars for them.

Yes, this is real Republican doctoring of Medicare, doctoring it up so all Americans will know what it is. But the model for that doctoring is Dr. Kevorkian. Our Republican colleagues really have in mind a mercy killing for Medicare. To save Medicare, let us kill it. That is the real Republican pay-more-get-less plan.

DEMOCRATS ARE SCARING SENIOR CITIZENS ON MEDICARE ISSUE

(Mr. CHABOT asked and was given permission to address the House for 1 minute.)

Mr. CHABOT. Mr. Speaker, the Democrats in Congress would like everyone to believe that Republicans are cutting Medicare, allegedly to give tax cuts to the rich. That is garbage and they know it. First of all, we are not cutting Medicare. Our plan will slow the growth, give seniors more options, all in order to save, protect, and preserve Medicare, to keep it from going bankrupt.

Second, our tax cuts in the Contract With America are paid for. They were paid for last April, when we passed our bill on the floor. Who will benefit from these tax cuts? Every family in America. Our $500 tax credit for children is the main part of our tax relief package. Do Democrats think any family with a child is rich? Apparently they do. They seem to think that anybody who has a job in America is a rich person. I do not think that is true.

Mr. Speaker, together we should be working to save Medicare, not just trying to scare our senior citizens, which apparently is what the Democrats are stooping to doing.

CUTS IN MEDICARE WOULD HURT OUR MOST VULNERABLE CITIZENS

(Mr. SANDERS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SANDERS. Mr. Speaker, I rise today to protest as strongly as I can the disastrous cuts the Republicans are proposing for Medicare and Medicaid. In my small State of Vermont, 67,000 senior citizens and disabled Vermonters will have to pay higher premiums and higher deductibles for a weakened Medicare system. Most of those 67,000 Vermonters today are having a hard time paying for their prescription drugs and other health care needs. Cuts in Medicare will be absolutely disastrous for them. To add insult to injury, the Republican Medicaid cuts will be terrible for low-income seniors, for the children, who are the most vulnerable people in our society. In Vermont, at least 20,000 Vermonters, low-income kids, low-income elderly, and low-income disabled, stand at risk of losing their entire Medicaid coverage. That is wrong.

NO AMERICAN SOLDIER SHOULD SERVE UNDER THE UNITED NATIONS HIGH COMMAND

(Mr. FUNDERBURK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FUNDERBURK. Mr. Speaker, last year when American soldiers were killed over Iraq, Vice President GORE told the widows and orphans of those men they died in the service of the United Nations. Mr. Speaker, I cannot think of a more outrageous statement made by any American official in years.

The Clinton administration now has struck again. This time they are considering prosecuting a young American soldier, Specialist Michael New, who refused to put on the blue uniform of the United Nations, and refused to serve in Macedonia under a general from Finland.

Specialist New understands his soldier's oath. He pledged to wear the American uniform and to lay down his life for our country and our Constitution. Nowhere did he swear allegiance to the United Nations Charter or promise to obey the orders of his superiors in the United Nations high command.

Mr. Speaker, I hope they understand that down at the White House before they tell another American family that its husband, father, son, or brother died in the service of the United Nations. I do not believe any American soldier should serve under U.N. command.

TOP 10 REASONS WHY REPUBLICANS REFUSE TO HOLD HEARINGS ON THEIR MEDICARE CUTS

(Mr. ENGEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ENGEL. Mr. Speaker, from the home office in Bronx, NY, the top ten reasons why Republicans refuse to hold hearings on their Medicare cuts:

No. 10. Republicans figure seniors can't hear, so why bother holding hearings?

No. 9. It might interfere with the O.J. press coverage.

No. 8. It's easier to arrest seniors than to listen to them. (At least they can get health care in jail, not under the Republican plan.)

No. 7. The more you know about their plan the sicker you'll get.

No. 6. Republicans would rather give tax cuts to the wealthy than health care to Grandma.

No. 5. They want to keep seniors in the rocking chair, not in the witness chair.

No. 4. Republicans saw a product in the National Enquirer that makes Medicare obsolete.

No. 3. Why hold hearings when a tax break for the rich can buy diamond earrings?

No. 2. Mugging Medicare recipients is easier if you do it in the dark.

No. 1. Ah, who needs a second opinion. There's one side to every story.

NOW WE KNOW WHO IS LYING ABOUT MEDICARE REFORM

(Mr. GENE GREEN of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GENE GREEN of Texas. Mr. Speaker, yesterday the Republicans finally conceded that their so-called Medicare reform plan would extend the Medicare trust fund only to the year 2006 instead of 2010, as they have been claiming. In fact, they claimed on this floor yesterday early in the morning that their plan would extend the Medicare trust fund until the year 2010. Now the Republican majority realizes they only need $90 billion to stabilize the trust fund until the year 2006 and not $270 billion to stabilize to the exact same year.

It is very interesting to note that the Democrats have an alternative plan that would assure the solvency to 2006 by only cutting the necessary $90 billion. What we need is to be asking our friends on the other side, Why are you cutting three times more than you need to stabilize the fund, and you are only stabilizing it to 2006? Be honest about it, it is going to tax cuts. At this point I suppose we should ask the Republican majority, why are you increasing premiums, deductibles, copayments, and making extreme reductions in payments to hospitals to provide a budget-busting tax cut?

There is a country western song in Texas that is popular now. It is called "I Let Her Lie." The people know now who is the one that is doing the lying.

AMERICANS WANT THE WASTE CUT OUT OF MEDICARE

(Mr. STEARNS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STEARNS. Mr. Speaker, as we press ahead with the most important business before this Congress, strengthening Medicare, the American people need to understand just how much waste can be cut out of this program for senior citizens. Last Thursday I was home in my district for a series of town meetings with seniors to discuss the Medicare plan.

At one of these meetings I had a constituent, Mrs. Hill of Ocala, stand to her feet to offer one example of the waste in the system. This is it, right here in my hand. It seems Medicare part B reimbursed beneficiaries no matter how small the cost, in this case 1 cent. What is Mrs. Hill going to do with the check for 1 cent? The time she spent opening the envelope was worth 1 cent. The postage alone to send this check is worth 32 cents, or 32 times its value. I bet the paper and ink used to print this check cost more than 1 cent.

Mr. Speaker, conservative estimates put the amount of waste, fraud, and abuse in Medicare at $20 billion. With stories like Mrs. Hill's it is little surprise. Our seniors demand and deserve that we root out waste, fraud, and abuse for Medicare. They are right, and we should.

ARRESTS ON CAPITOL HILL MAKE A SAD DAY FOR SENIOR CITIZENS

(Mr. PALLONE asked and was given permission to address the House for 1 minute.)

Mr. PALLONE. Mr. Speaker, I was astonished yesterday, as a member of the Committee on Commerce, to watch while a group of about 15 or 20 senior citizens came into the room, asked to speak, were denied the opportunity to speak or say anything about Medicare which is going to affect them so greatly, and then were told that they were going to be arrested, were actually arrested, handcuffed, put into a paddy wagon, and taken down to the Capitol Police to be booked or whatever.

I know the charges were eventually dropped, but it was a very sad day to know there was really no opportunity for these seniors and for America's seniors in general to be heard on an issue so important as Medicare. Then I watched as the Republican leadership on the committee proceeded to mark up a Medicare bill that essentially destroyed Medicare as we know it. What that bill will do is to force most seniors into HMO's or managed care. It will make those who would like to continue to be able to choose their hospital, their doctor, in a traditional fee-for-service program more and more be squeezed out of that program where they have no choice. It is a sad day for America.

REPUBLICANS WILL PRESERVE AND PROTECT MEDICARE

(Mr. TIAHRT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TIAHRT. Mr. Speaker, I want to talk about a credibility gap and a short history lesson. Many remember last spring, right here on the floor of the House, they talked about nutrition programs, and how the Republicans were going to slash nutrition programs and cause children to starve.

I was in the Dodge Edison Elementary School this Monday, and Dr. Larry Reynolds is doing a very fine job of running that institution. None of the children were starving, not one was reported. In fact, ask yourselves, have you heard of any children all across this Nation in public schools starving? The answer is no. That is the credibility problem.

Those who were telling us that there were going to be starving children were wrong, absolutely wrong. Now we hear things like "The Republican plan is going to kill Medicare. There are sweetheart deals, disastrous cuts. Savings are going to pay for tax cuts." The credibility gap rises again. We are going to preserve and protect Medicare for our parents and for our grandparents. We have a specific plan. It is realistic. It is in plain English. It is up front.

Parents will have the right to choose what kind of health care. They will have the right to stay with their current doctor and their hospital. There is no credibility gap in the Republican plan. We delivered growth for nutrition programs. We will preserve and protect Medicare.

HOW MANY SENIOR CITIZENS WILL THE REPUBLICANS ARREST TODAY?

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, after watching what happened in this House yesterday, I feel like taking this well and yelling at the other side: "Hey, hey, what do you say, how many seniors are you Republicans going to arrest today?"

This is supposed to be the people's House. I was totally outraged that people in wheelchairs, that seniors who were frail, that are absolutely no physical threat to anyone, are arrested and taken away because they are asking questions of the people's representatives; imagine, how dare they? That is wrong.

I hope the leadership on the other side of the aisle apologizes to parents. I stand here in the name of my parents, my grandparents, and everyone else. That is not the America they fought for. I think we all ought to stand firm and say, "We want an apology, and we want the elderly of America to know they are welcome here, and they are able to ask questions of elected leaders here, and they should be able to get answers from elected leaders here about this wonderful thing they are supposedly doing for them, not to them."

□ 1030

MEDICARE SHIM-SHAM

(Mr. HASTERT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HASTERT. Mr. Speaker, I have sat here this morning and listened to Member after Member on the other side trying to shim-sham the American people of what happened as far as Medicare. Well, I guess when you do not have a Medicare plan, I guess when you do not have an idea, you try to distort the issue. As a matter of fact, what you try to do is take some poor, innocent, old people and use them as your sham to bring them as a stage prop, to use the director of Information Services for the National Council of Senior Citizens, who gets almost $70 million of their $74 million budget out of the taxpayers' pocket. I guess that is what you do to misinform the American people, to try to distort the issues.

Mr. Speaker, what we are trying to do in Medicare is to preserve the Medicare system that the President's own trust fund said is going broke. What we are trying to do is give the people of this country a choice and to preserve a system, because they deserve a better way.

REPUBLICANS RAMMING THROUGH MEDICARE PLAN

(Mrs. MALONEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mrs. MALONEY. Mr. Speaker, three decades ago the Democrats gave American seniors peace of mind when they created Medicare. Medicare led to a 50-percent drop in the number of seniors living at the poverty level. It led to a 50-percent increase in the number of seniors that have health care. While in control of Congress for 30 years, the Democrats gave life and protection to Medicare.

Yesterday the Republicans arrested seniors that wanted to listen and learn more about Medicare at some of the hearings and meetings that are taking place here. The Democrats giveth, and the Republicans taketh away.

The new majority is ramming through a plan that needlessly slashes $270 billion and doubles Medicare premiums, and those additional premiums are not even going into the Medicare trust fund. The Republicans say they are saving Medicare because it is in a crisis. I say, the only crisis to Medicare is that the Republicans are in power.

TAX AND SPEND OUTDATED

(Mr. SOLOMON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SOLOMON. Mr. Speaker, I stand here this morning in shocked amazement when I ponder the word "responsibility." I have just listened to most of the people on that side of the aisle stand up here and speak. As I look through this National Taxpayers Union Foundation rating of those that spend, spend, spend, and tax, tax, tax, almost every one of those on the other side who have stood up to speak appear on this list as the biggest taxers, the biggest spenders in this Congress.

Mr. Speaker, when I came to this Congress 18 years ago, I came here as a small businessman with the responsibility to meet a payroll for 100 different families. I still have this perspective. I received a phone call sitting in my office at 6:30 this morning from a senior citizen from my district and she said, "JERRY, you have a responsibility to do what is right, to protect the Medicare system."

That is what we are here today to do, to keep it from going bankrupt. My colleagues know it is going bankrupt under its present course. We need to be responsible on this floor. We need to give people the freedom to choose their own doctors, and not to force some bureaucratically approved HMO down on them. Our program gives Americans this choice and saves the system from bankruptcy. My colleagues better start thinking about the word, "responsibility" because people are not going to continue to buy this tax, tax, tax, spend, spend, spend attitude around here any longer.

BACK ROOM DEALS FOR THE WEALTHY

(Mr. BROWN of Ohio asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BROWN of Ohio. Mr. Speaker, 2 days ago the American Medical Association cut a back room deal with Speaker GINGRICH for them for $15 billion out of the Medicare fund because the AMA contributes $1 million to Republican political campaigns. Yesterday an elderly woman came into the Committee on Commerce on which I sit and simply stepped forward, said she wanted to talk about Medicare and was told she could not speak and then she was arrested, taken out of the room with a dozen other senior citizens, handcuffed, fingerprinted at the police station and booked.

Think about it. Lobbyists in the back room cutting a deal with NEWT GINGRICH, senior citizens not even allowed in the committee room simply because they want to talk about Medicare, and they are arrested. Lobbyists in the back room cutting deals with the Speaker, multi-billion-dollar deals, senior citizens in the hearing room arrested because they wanted to talk about something that mattered every day in their lives, all in the name of tax cuts for the wealthy. It is wrong, Mr. Speaker.

THE POWER TO CHOOSE

(Mr. LINDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LINDER. Mr. Speaker, I cannot help but respond to the comments of the gentleman who just spoke before me because I happened to be in that room two nights ago and what he said was simply wrong. I know it is against the rules to call people liars in here, so I shall not do that. I will just say that everything he said is wrong.

Doctors in this country under the new Medicare plan are going to give back in lost revenues about $26.1 billion. They are not happy with that, but they are happy with the overall thrust of the bill, which will, for the first time in 30 years, bring market forces to play for seniors just as well as it has for other people in the health care arena. People who want to keep their own system in Medicare as they have right now have that right. No one is going to be forced to change. But if you want to try something different, something that all the rest of America has been using in the last 20 years in changes in health care delivery, whether it is HMO's, managed care, or high deductible insurance policies, they will have that choice.

The important thing to note is this: They will choose, not a bureaucrat, not a politician in power; they will choose.

REPUBLICANS AND DEMOCRATS CAN WORK IT OUT

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, news reports say that John Wayne Bobbitt, bearing roses and chocolates, went acourting the same woman who tried to steal his family jewels once before. That is right. The same news sources say that ex-wife Lorena says, I quote, "As far as I am concerned, this matter is cut and dried."

Mr. Speaker, the reports say John Bobbitt is not discouraged. He said he will try again. Now, think about this. If the Bobbitts, John Bobbitt specifically, can set his pride aside on the side of the road and try and resolve differences, Democrats and Republicans can work out what differences exist with Medicare. Think about it. In fact, if this couple can resolve their differences, all of America can work out our problems. With that, Mr. Speaker, I yield back the balance of any outstanding matter in this 1-minute.

APPOINTMENT OF CONFEREE ON H.R. 4, PERSONAL RESPONSIBILITY ACT OF 1995

The SPEAKER pro tempore (Mr. LATOURETTE). Without objection, Mr. TANNER is appointed as a conferee on the bill (H.R. 4) to restore the American family, reduce illegitimacy, control welfare spending, and reduce welfare dependence.

There was no objection.

The SPEAKER pro tempore. The Clerk will notify the Senate of the change in conferees.

PERMISSION FOR SUNDRY COMMITTEES AND THEIR SUBCOMMITTEES TO SIT TODAY DURING THE 5-MINUTE RULE

Mr. PACKARD. Mr. Speaker, I ask unanimous consent that the following committees and their subcommittees be permitted to sit today while the House is meeting in the Committee of the Whole House under the 5-minute rule: the Committee on Agriculture, the Committee on Banking and Financial Services, the Committee on Commerce, the Committee on Economic and Educational Opportunities, the Committee on Government Reform and Oversight, the Committee on International Relations, the Committee on the Judiciary, the Committee on Resources, the Committee on Science, the Committee on Small Business, and the Committee on Veterans' Affairs.

It is my understanding that the minority has been consulted and that there is no objection to these requests.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

LEGISLATIVE BRANCH APPROPRIATIONS ACT, 1996—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore. The unfinished business is the further consideration of the veto message of the President on the bill (H.R. 1854) making appropriations for the legislative branch for the fiscal year ending September 30, 1996, and for other purposes.

Mr. PACKARD. Mr. Speaker, I ask unanimous consent that the message, together with the accompanying bill, H.R. 1854, be referred to the Committee on Appropriations.

The SPEAKER pro tempore. Without objection, the veto message of the President on the bill, H.R. 1854, is referred to the Committee on Appropriations.

There was no objection.

GENERAL LEAVE

Mr. PACKARD. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the veto message of the President to the bill H.R. 1854, and that I may include tabular and extraneous material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

CONFERENCE REPORT ON H.R. 1976, AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1996

Mr. LINDER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 235 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 235

Resolved, That upon adoption of this resolution it shall be in order to consider the conference report to accompany the bill (H.R. 1976) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1996, and for other purposes. All points of order against the conference report and against its consideration are waived. The conference report shall be considered as read.

The SPEAKER pro tempore. The gentleman from Georgia [Mr. LINDER] is recognized for 1 hour.

Mr. LINDER. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Ohio [Mr. HALL], pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, House Resolution 235 is a simple resolution providing for consideration of the conference report making appropriations for the Department of Agriculture, Rural Development, the Food and Drug Administration, and Related Agencies for fiscal year 1996. House Resolution 235 waives all points of order against the conference report and against its consideration. I am pleased that the rule was unanimously approved by the Rules Committee.

This was a productive conference and it is important to note that the conference report provides a total of $63.2 billion, which is $4.8 billion less than was appropriated last year. The conference report is also $3.3 billion lower than the amount requested by the Clinton administration, and $630 million lower than the Senate-passed bill.

It is clear that the appropriators have to balance an assortment of concerns and make difficult choices with limited funding at their disposal this year. I want to recognize Chairman BOB LIVINGSTON and Subcommittee Chairman JOE SKEEN for their efforts to keep the appropriations language as close as possible to the provisions included in the original House bill during the conference with the Senate.

The product of their work under extraordinarily tight fiscal constraints will help guarantee that the available funding is spent where it is needed most.

Among the notable appropriations and provisions in the conference report is funding for rural water and waste disposal grants and loan, funding for conservation programs to sustain agricultural productivity, the retention of a provision prohibiting the use of Market Promotion Program funds by the mink industry, and the establishment of priorities for the women, infants and children nutrition program. While the conference report makes its contribution to balance the budget and continue the consolidation of the Department of Agriculture, this bill also effectively maintains functions that are crucial to the health and safety of the American consumer and to the future success of this Nation's farming communities.

I am encouraged to note that the Clinton administration has indicated that it is supportive of this bill. In light of this support, I hope that the President will sign it. I urge my colleagues to support the rule so that we may proceed with debate and consideration of the underlying legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. HALL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to commend my colleague from Georgia, Mr. LINDER, as well as my colleagues on the other side of the aisle for bringing this rule to the floor.

House Resolution 235 makes it in order to consider the conference report on H.R. 1976, the Department of Agriculture and related agencies appropriation bill for fiscal year 1996, and waives all points of order against the conference report. The Rules Committee reported the rule without opposition by voice vote.

The conference report on H.R. 1976 appropriates a total of $63.1 billion. I believe the conferees did a good job of setting priorities under difficult budget constraints and I commend the leadership of Mr. DURBIN and Chairman SKEEN.

I am especially pleased that the bill includes $3.7 billion for WIC. This is one of the most effective Federal anti-hunger programs that provides food and nutrition to low-income women, infants, and children.

I am also pleased with the funding levels for international food aid, which is one of the best U.S. international programs. In my travels to the developing nations such as Bangladesh, Ethiopia, and Peru, I have personally seen

United States grain save the lives of hungry people during times of famine. It is fitting that this bill gives high priority to the title II portion of Public Law 480 which provides food for people threatened by a humanitarian crisis or natural disaster.

Mr. Speaker, I urge adoption of the rule.

□ 1045

Mr. Speaker, I have no requests for time, and I yield back the balance of my time.

Mr. LINDER. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. SKEEN. Mr. Speaker, pursuant to the rule just adopted, I call up the conference report on the bill (H.R. 1976) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1996, and for other purposes.

The Clerk read the title of the bill.

GENERAL LEAVE

Mr. SKEEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and that I be permitted to include tables, charts, and other extraneous material.

The SPEAKER pro tempore (Mr. LATOURETTE). Is there objection to the request of the gentleman from New Mexico?

There was no objection.

The SPEAKER pro tempore. Pursuant to the rule, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of September 28, 1995, at page H9628.)

Mr. OBEY. Mr. Speaker, it is my understanding that since the gentleman from New Mexico [Mr. SKEEN] is in support of the conference report as it now stands, as is the gentleman from Illinois [Mr. DURBIN], the ranking Democratic member on the subcommittee, that the rule provides that the time be allocated with at least one-third being given to a Member who is at this point opposed to the proposal. Given that rule, I would ask that one-third of the time be assigned to me.

The SPEAKER pro tempore. Since the gentleman from Illinois [Mr. DURBIN] does not appear to be present, the Chair is going to assume that the gentleman from Illinois [Mr. DURBIN] is in favor of the conference report because he signed it. Therefore, pursuant to the rule, the time will be allocated 20 minutes to the gentleman from New Mexico [Mr. SKEEN], 20 minutes to the gentleman from Illinois [Mr. DURBIN], and 20 minutes to the gentleman from Wisconsin [Mr. OBEY].

The Chair recognizes the gentleman from New Mexico [Mr. SKEEN].

Mr. SKEEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to bring before the House today the conference report on H.R. 1976 which appropriates funds for fiscal year 1996 for Agriculture, Rural Development, the Food and Drug Administration and related agencies.

The House approved the bill on July 21 by a vote of 313 to 78. The Senate passed its version of the bill on September 20 by a vote of 97 to 3. House and Senate conferees met on September 27 and approved the report which was printed in the CONGRESSIONAL RECORD of September 28 and which is before the House today.

Mr. Speaker, the conference report has an appropriation of $63.1 billion which is $4.8 billion below last year's appropriations bill and $3.8 billion below the fiscal year 1996 request. It is right at the committee's allocation for budget authority for discretionary spending.

There were two limitation provisions against mandatory programs in the House bill. These were agreed to by the authorizing committee. The Senate repeated these two limitations in their bill and added five more. In conference, we persuaded the Senate to drop three of these five new limitations. It was our understanding that the two we kept were not being used for savings by the authorizing committee in fiscal year 1996. Since then the situation for one of these limitations has changed, but it was adjusted so the authorizing committee can still capture $570 million in out year savings.

Before recommending this bill to my colleagues, I want to once again point out that although we always refer to this as the Agriculture appropriations bill, the scope of programs which this bill supports touches and improves the lives of every American, every day. This is a bill for rural America, for urban America, for every constituency represented in this body.

To begin with, this bill supports a system of agriculture which allows less than 2 million farmers and ranchers to deliver an abundant supply of food to 260 million Americans. It also is the basis for an export system that this year is delivering a record $50 billion in sales overseas, supporting jobs in the agriculture, food processing, and transportation industries in every one of our great States, territories and the Commonwealth of Puerto Rico. That same system also continues nearly 50 years of American leadership in delivering food aid to fight hunger and disease in other countries.

Included in this bill are the appropriations for the food safety programs which protect our food supply as well as the Food and Drug Administration's programs to ensure the safety of medicines and medical devices.

The bill continues strong support for the Women, Infants, and Children Feeding Program and food stamps as well as feeding and nutrition programs for preschool and school-age children, the elderly, and the homeless.

I would say to all of my colleagues that during the August recess, many of your offices contacted the subcommittee to express concern about rural housing and development programs, asking us to add money back into these programs if possible. I am pleased to tell my colleagues that we were, in fact, able to do this. The conference report provides for a loan level for section 502 direct housing of $1 billion and $1.7 billion for guaranteed housing loans. This was possible, in part, because the subsidy rate for the section 502 direct loan program has dropped by nearly one third since we first marked up the bill. In addition, we were able to increase the House level of funding for rural water and sewer programs to $488 million.

Finally, the bill continues strong levels of support for research, conservation, and environmental protection throughout the country.

Mr. Speaker, on a personal note, I want to once again thank all my Democratic and Republican colleagues on the subcommittee, each and every one of whom made valuable contributions to this bill. My special thanks go first to the former chairman of the subcommittee and now the ranking member, the distinguished gentleman from Illinois and my good friend, DICK DURBIN. I also extend sincere thanks to our Democratic colleagues MARCY KAPTUR, RAY THORNTON, and NITA LOWEY. And to my Republican colleagues I also want to say thanks for all their help and hard work in getting us here today: JOHN MYERS, JIM WALSH, JAY DICKEY, JACK KINGSTON, FRANK RIGGS, and GEORGE NETHERCUTT.

I would also like to point out that both the distinguished chairman and ranking member of the full committee were active in the work on this bill from subcommittee markup through the conference, and I want to also thank the gentleman from Louisiana [Mr. LIVINGSTON] and the gentleman from Wisconsin [Mr. OBEY] for their efforts.

Mr. Speaker, this is a good, bill. It was created in a bipartisan process and deserves bipartisan support. The White House has indicated that the President will sign this bill. If you support the conference report you can go home and tell your constituents that you did a lot for them for fiscal year 1996 and a lot for them in the future because it does its fair share to reduce the deficit and downsize the Government.

The statement of managers accompanying the conference report inadvertently fails to explain the conference committee's agreement regarding Agricultural Research Service

[ARS] laboratories proposed for closure in the President's fiscal year 1996 budget. The conference agreement provides funding to maintain the El Reno, OK; Sidney, MT; Clemson, SC; and Miami, FL, ARS laboratories. The other locations not transferred to non-Federal ownership, as proposed by both the House and Senate, are to be maintained as ARS worksites. The Houma facility is to be used as a worksite of the ARS center in New Orleans, LA.

The conference report concurs with Senate report language that the Food and Drug Administration not proceed further with a cosmetic hotline. It should, instead, evaluate existing programs to promote the voluntary reporting of serious adverse reactions to cosmetics.

Mr. Speaker, I urge all my colleagues to vote "aye" on the conference report for H.R. 1976.

Mr. Speaker, I reserve the balance of my time.

Mr. DURBIN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to join my chairman, the gentleman from New Mexico [Mr. SKEEN], in saying at the outset that this subcommittee, despite the tremendous challenges which we have had to provide funding for the U.S. Department of Agriculture, the Food and Drug Administration, the Commodity Futures Trading Commission, and other important agencies, despite these challenges and despite the fact that the resources available are so limited, it has been a genuine pleasure to work on this subcommittee.

We have our differences, we have our battles, but I think that the people of this country would be proud of the way that they are handled. Virtually every issue is handled on a bipartisan basis. We strive to find a commonsense solution. Quite honestly, I think that is what people expect of Congress and expect of their elected representatives in both the House and the Senate. It is one of the reasons why I have enjoyed this subcommittee so much over the years, both as chairman and as the ranking minority member.

I want to salute the gentleman from New Mexico [Mr. SKEEN] for his leadership. It has been a tough, tough year. Not only did you have budgetary restraints, the new mantle of leadership puts you in a tougher position than you have seen in the past, and you have handled it so well. It is a great source of satisfaction to you, I am sure, and to all of us to have been part of this process.

I want to salute my colleagues, my Democratic colleagues who have played such an important role on our side of the aisle: the gentleman from Arkansas [Mr. THORNTON], the gentlewoman from New York [Mrs. LOWEY], the gentleman from Wisconsin [Mr. OBEY], and, of course, sitting right next to me during the course of the deliberations, the gentlewoman from Ohio [Ms. KAPTUR]. All of them made a significant contribution.

Let me tell you about the pluses and minuses, and I think the chairman has pointed to them.

I am very happy to report that the level of funding for the Women, Infants and Children supplemental feeding program has been maintained at what I consider a very responsible level at a very tough time. The gentleman from New Mexico and all Members know of my commitment to this program. I honestly believe that if we do not invest our dollars in the women of America who are in fact lower income and disadvantaged and pregnant, that we will pay a very dear price.

We have to make certain that these women are given the very best in medical care and in nutritional care, as well, so that they have a good pregnancy and give birth to a healthy baby. That is the best investment in the future of this country we can make.

This committee is the ag subcommittee but it is also by and large a nutrition subcommittee. When we assign priorities to nutrition in America, there is no higher priority than pregnant women and their small children. The WIC Program takes care of them.

I thank the chairman for taking care of them this year. He has maintained a commitment which we all have the highest respect for in the future of this program. We cannot let up in the future years. We have got to keep this commitment very much alive.

I am concerned that even though we have improved some figures on rural development, we still are far short of what we need. The chairman lives in small town America, as do I, he in the southwestern part of the United States, myself in the Midwest. Small towns in this country are really facing great pressures, economic pressures. They need to make sure that resources are available to modernize their infrastructure and to provide for housing. We help them. Unfortunately, we are not going to help them enough.

I hope we can find creative ways, perhaps with less Government money but with better results in the future, and that is what we are striving to do. I am glad that we were able to restore some of the money for research in this bill, because ag research is so critically important. When you consider that some 17 percent of our gross domestic product comes from the production and sale of food and fiber in America, it is a major industry in the economic fabric of our country. Yet when you look at the research dollars from the Federal level that are dedicated to this industry, they are very small, $1.1 billion roughly given by this Government out of a $1.5 trillion budget for research purposes. Quite honestly, when you look at money invested in the Pentagon or other areas of research, the amount given here is minuscule. What we ask of the people involved in research here is substantial, to come up with new ways to grow crops, to do it in a safe way.

One of the issues that we got involved in in this committee, a debate which was resolved on the floor of the House, was over the new standards for meat and poultry inspection in America. It has been my experience to meet one woman in Chicago who lost her 6-year-old son to contaminated meat. E. coli bacteria, literally in the course of 4 or 5 days, took the life of her son. It is still devastating, this long afterwards, for her to speak of it. But she understands, as all of us must, that modernizing meat and poultry inspection is in the best interests of America.

We have got to get beyond the old days, the 1908 days of Upton Sinclair's jungle where the Federal inspectors stood by and if they did not smell something funny or it did not look odd, they approved the meat. We are in a new era and our meat and poultry inspection has to come of age with it. I am glad we are dedicated to that happening.

Also the market promotion program, that was a big hassle and one that went late into the night. We finally, I think, came to a good conclusion. This is a good program. We are going to dedicate resources where they are needed the most. We have to maintain our competitive edge around the world.

□ 1100

Now there is one provision in the bill which I disagree with, and it relates to chickens, and I do not know if we will get into this debate today over frozen and fresh chickens. If we do, I will have my opportunity to speak to it, but I think quite honestly that we have taken the wrong course when it comes to this important issue.

When a consumer goes in a store in America and sees a chicken labeled as fresh, that consumer should, of course, be confident that they are buying a fresh chicken, but unfortunately the poultry industry has decided that they can freeze a chicken down to zero degrees and still call it fresh.

My colleagues, all of us know by common sense that is not the case. A fresh chicken tastes differently than one that has been frozen, and a fresh chicken may cost a little more than one that has been frozen, but the poultry industry, in order to protect their profit margins, want to continue to basically hoodwink consumers in this country and not tell them the true story about whether or not that poultry product has ever been frozen. Most people, men and women, who work in the kitchen at home know that once a chicken is frozen it is not desirable to refreeze it, it is not a good idea, and yet consumers may not know any better based on how it is labeled.

So, the administration tried to move to a new category, one that I think is fairly bizarre, called hard-chilled, whatever the heck that means, hard enough to be a bowling ball, but they called it hard-chilled. I think it is frozen, and I think we ought to just level with consumers.

Unfortunately, Mr. Speaker, in this bill we basically say we are not going to, we are going to continue to play the game. The poultry people are going to put the label "fresh" on something that has been frozen as hard as a bowling ball, and the consumers will not know any better, and, quite honestly, I think that is a mistake, and I voted against it in committee.

Mr. Speaker, I do not know if that issue will come up today in deliberation, but, if it does, I hope that we have a chance to rectify that.

But, having said that, I will not make of that wart the whole face. I will say that in fact this is a great bill. It is one that was worked on long and hard by staff and Members, and I congratulate my chairman.

Mr. Speaker, I reserve the balance of my time.

Mr. OBEY. Mr. Speaker, I yield myself 7 minutes.

Mr. Speaker, first let me say that, when I left, or when the bill left the House originally, I opposed it because I thought that the reductions that were provided for rural sewer and water and rural housing were very much too deep to reflect a fair share of the required spending reductions in the budget which were assigned to rural America.

Mr. Speaker, I think people often forget there is as much poverty in rural America, in fact more, than there is in urban America, and we, as a society, have a tendency to ignore that.

I want to congratulate the gentleman from New Mexico [Mr. SKEEN] and the gentleman from Illinois [Mr. DURBIN] because I think that they have done probably the best job that was possible to do in restoring some of those unfair reductions and achieving a better balance within the bill in terms of the reductions that are required. And I guess, while I am uncomfortable with some of the reductions, I guess I would have to say that I think people in rural America want spending reductions as much as anybody else, and, if they do, then they have to expect them to be applied to programs that affect rural America just like everybody else.

So, while I still have great misgivings about some of the squeeze that this will put on our rural communities, I cannot really quarrel with the judgments that the committee has made. And I think it is a substantially improved bill, and I really do not want to urge anyone to vote against it because of what I am going to say here this morning. But I am taking the well because I am concerned with the item that was mentioned by the gentleman from Illinois [Mr. DURBIN], and I will have a motion to recommit at the proper time because I think that, while this bill is a reasonable bill in terms of its spending reductions, I think that is unreasonable with respect to the fraudulent labeling of poultry products which it allows to continue.

Mr. Speaker, let me simply summarize what that situation is:

The insane situation that the conference agreement would continue allows poultry to be labeled as fresh if its internal temperature is 1 degree above zero and below 40 degrees Fahrenheit. Only poultry chilled to zero degrees or below would have to be labeled as frozen under the existing situation.

Now it is that existing situation which has led to considerable consumer confusion and to court cases. In fact, in one legal action striking down what was a fairly sensible California State law, Mr. Speaker, a U.S. appeals court wrote the following:

> We affirm this absurdity. Congress has given Federal bureaucrats the power to order that frozen chickens be labeled fresh.

Now to remedy that situation, Mr. Speaker, the Food Safety and Inspection Service has tried to stop that fraudulent labeling. They reviewed some 26,000 comments from the public and from interested parties, and they decided that in the interests of consumer protection and honesty in advertising they decided to require that in order to be labeled fresh, poultry must have an internal temperature not lower than 26 degrees, because 80 percent of the water in a chicken is frozen at that temperature. And they decided as a concession, as a concession to the poultry processing industry, that chicken with temperature greater than zero, but less than 26, would be labeled as hard-chilled rather than frozen.

But even that was not good enough for some of the special interests, Mr. Speaker, and so unfortunately the other body, the Senate, agreed to a proposition, and the conferees in turn agreed to that Senate action, which would continue the present absurdity of letting obviously frozen poultry be labeled as fresh. It will mean that the large special interests in the poultry industry will have won another battle in their ongoing effort to keep the American consumers as uninformed as possible as far as labeling is concerned. Under this turkey of an agreement they will continue to label as fresh, poultry that is chilled down to 1 degree Fahrenheit.

Now why is that important to the special interests? Because they can charge more and get away with it in the marketplace for poultry which is labeled as fresh rather than frozen, and that mislabeling has led consumers to overpay for what they are buying to the tune of up to $1 billion, and so it just seems to me that to allow this rip-off to continue is something which the Congress simply should not do.

Mr. Speaker, I come from a rural area myself, and I want to see as many agriculture products sold as possible around the country, but I do not want to see them sold under false pretenses, and to suggest that a piece of poultry which is chilled to 1 degree above zero is not frozen or at least hard-chilled is to me to revamp the Webster's dictionary definition of what indeed is fresh.

So, Mr. Speaker, I will be offering a motion to recommit which asks the House to reject that specific provision in the conference report so that this conference committee can go back and do what is honest, tell the American public what it is they are buying when they are buying something that is labeled fresh, and, if it is not fresh, for God's sake tell them. I think the Congress would be better off if we take that approach. I think the industry itself would have more credibility and certainly the consumer would be better informed than they would be under this turkey of an arrangement which the committee is bringing us here today.

Mr. Speaker, I reserve the balance of my time.

Mr. SKEEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in opposition to the gentleman's motion, and I appreciate all the great things he said because we had a good working relationship. There is a lot of controversy in dealing with this poultry situation. We had a very interesting exchange of ideas in the conference committee as well, learned more about chickens than I ever really wanted to know. We in the West, if we do not freeze it, we do not eat it, because it is transported such long distances. So I am always amazed at the arguments that we get into. However, if we say it is fresh, and under false pretenses it has been frozen, I really object to that as well. But I will oppose the gentleman's motion for recommittal because the Senate bill, passed bill, included a provision that delays the implementation of a poultry-labeling regulation until legislation is enacted directing the Secretary of Agriculture to promulgate such a regulation or the House and Senate authorizing committees receive and approve a revised proposal. The conference agreement includes this provision, and let me tell my colleagues why.

When we were getting ready to conference with the Senate, we asked both the Department and the poultry industry if there were some alternative or compromise language that could be substituted for the Senate language which everyone could live with. The response from the Department was that they did not have an alternative proposal, and, even though they did not like the Senate language, they could live with it. The poultry industry stated that they did not want to delay the regulations. They just wanted two changes made to the Department's proposed regulations, but deferred to the conferees to negotiate. Since the administration did not seem to think the Senate language was worth a compromise proposal and the industry was unwilling to officially propose an alternative on its own, the original Senate language was retained. I am confident from the statements made before conference from the poultry industry and the Department that a compromise can be reached, a compromise that will be acceptable to the authorizing committee. Therefore, I ask my colleagues to defeat any motion to recommit so that we can move on to the passing of the conference report and would appreciate a "no" vote.

Now I want to thank the gentleman from Illinois and the gentleman from Wisconsin for their kind remarks. It has been great working with both of them. The association has been good. We have got a great committee. We also have a great staff, and I want to give them credit for the hard work they do on both sides and tell them how much we appreciate the time they give and also the guidance they give.

Mr. DURBIN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I do not want to beat a dead chicken, but I do want to try to make clear what this issue is all about. It may strike some people as odd or even amusing that Members of Congress and this great legislative body are talking about frozen chickens today, but what is at stake here is a lot of money.

Mr. Speaker, if a chicken can be sold as fresh, it means a much greater profit for the company that is selling that chicken. I have no objection to people selling fresh chickens as fresh chickens and making the money that might be attendant to that sale. What I object to, what the gentleman from Wisconsin [Mr. OBEY] objects to, what people in the administration object to, is deceptive labeling, deceptive advertising.

Mr. Speaker, if a consumer walks into the supermarket, that consumer ought to be confident that what is labeled on that product is a fact. Today a consumer can walk into the poultry section and see in a plastic bag a chicken which is labeled fresh and not know that that chicken has been frozen as hard as a bowling ball.

Now of course the people who sell the chickens would like us to believe that they are all fresh regardless of how much they have been frozen or to what temperature they have been brought to, but that is not right.

A few years ago Dr. Kessler of the FDA angered some of the food giants who were running around the grocery store and labeling everything "fresh." Bottled spaghetti sauce and canned products were being called "fresh." Mr. Speaker, consumers had a right to be suspicious, and Kessler said:

> Your suspicions are well founded. Make that labeling accurate. When a consumer makes a purchase, let them know that their hard-earned dollars are being spent on something they actually want to purchase.

So he took on some of the giants in the industry on behalf of this administration, and I am glad he did because it meant better labeling, and it made for authentic and more honest labeling, and now when it comes to poultry products, once again we are fighting some of the giants of this country. They want to sell these chickens, mislabel them, call them fresh. They want the consumers to fall for it, pay more, so that they can get more profit out of the sale.

Mr. Speaker, frankly we spend a lot of time in Congress changing laws. We cannot change the laws of physics. The laws of physics tell us water freezes at 32 degrees Fahrenheit and that chickens freeze, because of their water content, at 26 degrees Fahrenheit.

□ 1115

So this administration tried to come up with a reasonable compromise, came up with a bizarre term called hard chilled, something between zero degrees and 26 degrees; I have never quite understood it.

The Chicago Sun Times came up with an editorial a few weeks ago. They thought this was a pretty simple idea. What they said was this: "We can help the bureaucrats and the Congressmen out. If chickens are frozen, let us call them frozen. If they are thawed but used to be frozen, call them previously frozen. If they have never been frozen, call them fresh."

There used to be an old commercial on television about chickens, saying parts is parts. Well, this debate is about whether fresh is fresh, and I will tell the Members, it goes far beyond the chuckling we have had on the floor this morning. There is a lot of money at stake, and what is even more important, what is at stake here is consumer confidence across this country. Our Government is entrusted with the power and authority to regulate advertising so when we walk into the supermarket and see something on the counter and it is labeled, it is labeled honestly and accurately. This is not a buyer beware situation. It is a situation where the consumers have the right to know so their hard-earned dollars are spent on products they actually want to buy and the deception is taken away. I am going to join my friend, the gentleman from Wisconsin [Mr. OBEY], in supporting his motion to recommit on an otherwise very good bill.

Mr. Speaker, I reserve the balance of my time.

Mr. SCHIFF. Mr. Speaker, I yield 2½ minutes to the gentleman from Arkansas [Mr. DICKEY].

Mr. DICKEY. Mr. Speaker, I would like to speak against this motion, and want to stress one thing, that this is not a consumer issue. This issue has come up because of the situation that exists in California, so what I call it is a California market protection motion. What happens is that California cannot raise chickens, process them, and sell them as cheaply as we can in the southern States, in Arkansas, my State, and other States, and ship them out there. So what they want to do, rather than this being a consumer issue on that side, what they want to do is allow them to sell chickens by the pound for a higher amount in California than in other States. We think the consumer wants the price lower. We think the consumer is not harmed by this in any way.

If we had our way, when we first started all this we would not have the Government intrusion. We would say, "Okay, we are not going to label this at all." That is like saying the Government comes in and says, "We are going to label this pretty or not pretty." It is that irrelevant to the issue. Six hundred million pounds of chickens in 1 year's period of time were sent out with an 800 number, an 800 number that says, "If you are dissatisfied with this labeling or with this food or this product in any way, call us." Less than 50 came in in 1 year.

The consumers are not being harmed by this. We need to keep it like it is and not start meddling with it, particularly just to take care of one State's situation, where they want to charge more.

As far as the charges are concerned, I understand chicken is something like $1 a pound, somewhere around there. We are not talking about a great differential if we are sitting there with chicken at that price. We are not talking about a great differential. What we are trying to do is deliver chicken safer, so the retailer cannot have so many shipments in a period of time that it would burden them. They want to be able to hold the chickens so they can put it into the retail market in a safe way. That is what is behind this. It is a matter of Government intrusion, and we should not have done it in the first place, but now that we have it, we need to keep it for the sake of the price of chicken.

Mr. OBEY. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, one of the previous gentlemen on this side of the aisle said this issue is, and I have forgotten what reason he gave, but he indicated this issue was here because people were concerned about bureaucrats. This issue is here for one very simple reason: because Tyson's chicken company and a number of others like them want to sell what is in essence frozen products and label them fresh, and earn extra money because they can charge the fresh rather than the frozen price. That is why this issue is here. They got their friends in the Senate to swallow it and push it down our throats.

Shoppers, I think, know the difference between fresh and frozen. It seems to me it is time that Congress learned that, too. Chickens hard enough to hammer nails are not fresh. They should not be labeled as being fresh. One of the other gentlemen said, "Oh, this is just a California issue." I am not from California, I am from Wisconsin. I believe in legitimate labeling of agricultural products, whether they are chickens or whether they are BGH-laced milk. I want that label to show what the consumer is buying. My farmers do, too. I certainly know my consumers do.

The issue here is very simple. If you think that the consumer ought to know that they are not buying fresh chicken when they purchase chicken that is frozen down to 1 degree, then vote for my motion to recommit. If Members think the industry ought to be able to continue to scam them and continue to deceive consumers into thinking that they are buying fresh chicken when they are not, then stick with the committee. It is just that simple.

Mr. SCHIFF. Mr. Speaker, I think we have let the chicken issue be well thought out, Mr. Speaker.

Mr. Speaker, I yield 2 minutes to the gentleman from Florida [Mr. GOSS].

Mr. GOSS. Mr. Speaker, I thank my distinguished colleague, the gentleman from New Mexico [Mr. SKEEN], chairman of the committee, for yielding me this time.

Mr. Speaker, despite all the hard work by so many on this bill, including the gentleman from New Mexico [Mr. SKEEN], the chairman of the Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies of the Committee on Appropriations, I reluctantly rise to register my disappointment with the Agriculture appropriations conference report, and on a related note, the real lack of progress Congress is making on bringing real reform to agricultural price support and subsidy programs. Despite statements from the leadership that this session would bring genuine reform of Federal agricultural policies, it seems that at the end of the day very little may change with regard to sugar, tobacco, cotton, and other programs. The sugar program is of particular concern to those of us from the State of Florida and, in fact, what compels me to be here today. It is a Federal program that continues the direct involvement of the Federal Government in the marketplace—where it does not belong. In addition, the sugar program has a unique impact on Florida because it artificially supports and encourages farming a crop that is known to damage the Everglades ecosystem and Florida Bay—true national treasures. If this Congress falls short of achieving the repeal of sugar's benefits, I hope the committee will work with the Florida delegation to deal with the consequences of this Federal program for our State—possibly by using dollars from Florida sugar producers to bolster efforts to save the Everglades and Florida Bay. This is the absolute minimum I will accept.

Mr. DURBIN. I yield 2 minutes to the gentleman from New York [Mr. SCHUMER].

Mr. SCHUMER. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise in opposition to this agriculture appropriations bill. In fact, I do not know why we are voting on an agriculture appropriations bill when we have not dealt with major issues of reform of the agriculture program.

The bottom line is a simple one, that many of us, particularly colleagues on the other side of the aisle, were promised that we would have an open debate on an authorization bill. Then we were told it would not be an authorization bill, but we would be allowed to have some input before reconciliation. What we read in the newspapers is all sorts of deals are being cut, so that, for instance, the sugar program, which I think is one that is way out of line, it is socialism if there ever was in America, where we tell people, "This is the price we are going to pay you, this is what you can grow, this is what you cannot grow," we are not even going to have an opportunity to deal with that issue.

In my judgment, it makes no sense to vote for an agriculture appropriations bill unless there is reform. I would say to my colleagues on the other side of the aisle, they come here saying, "Government is the source of all evil," they come here saying, "We have to have less Government," they come here saying that "Government control is the worst thing in America," but when it comes to agriculture, they take a bow, they take a duck. This is the most intrusive area of Government in our entire economy.

If Members are going to be consistent, if they are going to say "Government is no good to build public housing, Government is no good to build our roads, and Government is no good in health care," why the heck, in a program that is more outdated and more antediluvian than any other, do we say, "Oh, no, in agriculture, we leave it alone."

I think it would be a disgrace to pass this bill. I know that all the various agriculture interests are fighting over a more limited pie, but before we appropriate the money, we ought to see what the program is going to be. Is there going to be reform? Are all the promises that, "Oh, yes," as the chairman of the Committee on the Budget promised me, "there is going to be the same reform there as everywhere else," we have not seen one jot of reform. We have not seen any changes. All we have seen is a lot of just the same thing we have seen in Medicare, "Do not do this in public; behind closed doors, maybe we can work something out."

I say to my colleagues, whether they are liberal or conservative, Republican or Democrat, to vote the money on an appropriations bill before we see what measure of reform comes about is stupid from a policy point of view, it is stupid from a political point of view, it makes no sense, and I would urge with all due respect to my good friend who is the ranking member of the subcommittee and ranking member of the committee, as well as the chairpeople of both, that we should not be voting on this kind of bill right now. I would urge my colleagues to defeat it.

Mr. OBEY. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, I would simply like to say that I significantly disagree with the gentleman who just spoke. I do not think people should be confused by the debate that is going on with respect to basic farm programs and this appropriation bill. This appropriation bill has very little to do with that debate.

I would point out the gentleman from New York [Mr. SCHUMER] says if we are going to be cutting housing, that we should not exempt agriculture. I would point out that this is the appropriation for rural America, and it does cut housing in rural America as well. Rural America is not being exempted from these reductions. They are not being exempted from the budget squeeze. In fact, one of my concerns about this bill is that I think that in areas such as rural sewer and water and housing, this bill is not adequate enough. That is not the fault of the subcommittee. They tried to do everything they could within the limitations provided to them.

Mr. Speaker, I would simply hope, as I said earlier, I do not want anyone to vote against this bill because of my comments on the frozen chicken issue, which is a very separate issue. I think this committee has done a fairly balanced job under very difficult circumstances in trying to allocate the budget actions. I do not agree with every action taken in the conference, but I think it is certainly a far better bill than the bill that left the House. I think people need to understand that in fact, rural America is taking a significant hit in the overall budget and in this bill.

Mr. Speaker, I agree with the gentleman that the basic agricultural programs are screwed up, and I would not vote to continue them because, for one example, the milk marketing order system in this country substantially discriminates against small family farmers in my region of the country, and unfairly benefits the same region of the county which is, I think, speaking out the most loudly in favor of this frozen chicken fraud, which the committee is about to perpetrate. I urge with the gentleman that those basic farm programs are screwed up, but that has very little to do with what the committee is doing on the programs in this bill.

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Mr. SKEEN. Mr. Speaker, I yield 2 minutes to the gentleman from Delaware [Mr. CASTLE].

Mr. CASTLE. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, I rise in strong support of the conference report on the Agriculture appropriations bill.

The conference report is almost $5 billion less than the 1995 level, so it is making a significant contribution to reducing spending to get to a balanced budget. These are real cuts.

In making these cuts, I realize Chairman SKEEN and the members of the committee had some very difficult decisions to make. During House consideration of the Agriculture appropriations bill, I and many other Members who represent rural areas expressed concern over the size of the proposed reduction in the section 502 Rural Housing Program. At that time, Chairman SKEEN and Representative DURBIN promised that they would try to provide adequate funding for this program during the conference with the Senate. They have made good on that promise.

In the original House bill, the committee was forced to make almost a 50-percent cut in the 502 Rural Housing Program. Because of the changes made in conference, the bill will now provide $1.2 billion in loans to help low-income Americans in rural areas purchase their own homes. The 502 Direct Loan Program is the only affordable homeownership program that serves low and very-low income families in rural areas.

The typical direct loan borrower is working and is making $15,165 per year. These are hardworking people trying to achieve the American dream of owning their own home. The 502 Direct Program is the most effective program to help them make that dream a reality. This program works. It helps people who would otherwise be unable to afford a home, make the step to homeownership. While these families have very low income, they pay their mortgages.

There is currently a 2- to 3-year waiting list for these loans.

Construction of these homes provides new jobs, an expanded tax base for schools and other investments and increased sales and other tax revenues. A single family 502 direct home generates 1.75 jobs, $50,201 in wages, and $20,560 in annual tax revenues to rural America. In short, the program not only provides homes to low-income rural families, it provides jobs and tax revenues to rural communities.

The conference committee has done a good job in balancing priorities among all our agriculture and rural programs. I strongly support the conference report and urge my colleagues to approve its passage.

Mr. SKEEN. Mr. Speaker, I yield such time as he may consume to the gentleman from Kansas [Mr. ROBERTS].

Mr. ROBERTS. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I rise in admiration and respect for the gentleman from New Mexico [Mr. SKEEN] and his able staff, but in reluctant opposition to the bill.

Mr. Speaker, I rise in reluctant opposition to this bill for several reasons.

Earlier this year the Committee on Agriculture and the Appropriations Committee conducted a series of discussions and meetings with leadership over the issue of mandatory and discretionary spending and which committee should receive credit for any reductions in these accounts.

From these talks an agreement was forged with the Speaker, the Appropriations chairman, the Budget chairman and myself as chairman of the Agriculture authorizing committee, in which the Appropriations Committee pledged, for the purpose of deficit reduction, to stay within the bounds of discretionary accounts and the Agriculture authorizing committee would in turn stay on the mandatory side of the ledger. This was a fair compromise. I am including a copy of that agreement for publication in the RECORD.

This bill before us today is a disappointing violation of the spirit and letter of that agreement. It's not only disappointing for what it will do to the policy reform efforts the Committee on Agriculture is attempting, but also for the precedent it sets for the next 7 years of budget deficit reduction efforts in the Congress.

This bill avoids the tough choices required in budget balancing and it is crafted using accounting gimmickry—the bill merely shifts funds from the mandatory side of the ledger over to the discretionary side—simply put: robbing Peter to pay Paul.

I have no doubts that this bill's supporters can make good justifications for every project and program in this document. Each probably has considerable merit. There is only one very troubling problem: each account that is maintained and increased is done so at the expense of farm commodity and conservation programs. At a time when the Agriculture Committee is laboring to reform outdated New Deal Era farm programs and help farmers and ranchers adapt to a market driven economy, cuts made to mandatory programs will cripple this effort by making it impossible for the Agriculture Committee to make necessary changes.

I am further opposed to this bill because it represents business as usual. First, and foremost, when the other body marked up the 1996 Agriculture Appropriations bill, they added $1.2 billion in spending over the House passed level. Conferees agreed to keep over $600 million of this amount in the bill before us today.

It should be instructive for my colleagues to look at what this bill before us does in terms of additional spending. The bottom line: we are spending $3 million more on special research grants at a time when there is a growing consensus that we should be putting more money into competitive research grants.

To this end we in the Agriculture Committee have been conducting an extensive review of the $1.7 billion we spend on agricultural research and extension each year. We have sent out an extensive set of questions to our Nation's agricultural research community and asked for their input on how to better direct limited research dollars. I believe this $1.7 billion can be spent in a more efficient manner and I will work with the Appropriations Committee next year to coordinate the overhaul of our Nation's research effort.

Equally disappointing is the House's capitulation to the Senate's spending on CSREES buildings and facilities account. Having no compunction about dipping into mandatory accounts to pay for these new university research buildings, the Senate decided it was critical to fund $57 million worth of new buildings.

No less alarming is the level spent in this bill for salaries and expense at the Consolidated Farm Services Agency and the Natural Resources Conservation Service Agency; $1.5 billion, $1.5 billion to administer $7 billion worth of mandatory farm and conservation programs. That's 20 cents for every dollar spent on commodity and conservation programs. We can and should spend less in this area—taxpayers demand nothing less. The Appropriations Committee should look to this and other accounts like it next year before it comes over to the Agriculture Committee's mandatory accounts for its required savings.

The bottom line on this bill is truly found on its bottom line: it spends over $600 million more than the bill we in this body passed over 2 months ago. I urge my colleagues to reject this conference report.

I include for the RECORD a letter from Chairman LIVINGSTON to me, as follows:

HOUSE OF REPRESENTATIVES,
COMMITTEE ON APPROPRIATIONS,
Washington, DC, July 13, 1995.

Hon. PAT ROBERTS,
Chairman, Committee on Agriculture, U.S. House of Representatives, Washington, DC.

DEAR CHAIRMAN ROBERTS: This is to confirm the agreement relating to budget responsibilities in future agriculture appropriations and authorization legislation. We all recognize the need to reform our budget process. A part of that reform should be a review of both mandatory and discretionary spending accounts. We further recognize that there are gray areas—areas where appropriations reductions to mandatory spending can advance our mutual policy and deficit reduction goals.

However, as a general policy it is our intention that beginning in FY 1997 all discretionary spending reductions will be attributed to the Appropriations Committee, and all mandatory spending reductions will be attributed to the Agriculture Committee. Any future situation that deviates from the general policy will require consultation and agreement between the two committees. But as part of an effort to move the FY 1996 Agriculture Appropriations Bill through the House, this agreement will provide a clear basis for managing the federal funds devoted to supporting farmers and the rural sector as we move toward a balanced budget.

Sincerely,
NEWT GINGRICH,
Speaker.
JOHN KASICH,
Chairman, Budget Committee.
BOB LIVINGSTON,
Chairman, Appropriations Committee.

Mr. DURBIN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, several minutes ago I yielded to the gentleman from New York. That was a triumph of courtesy over common sense, because I disagree with him so much and yet respect, of course, his right to express his point of view.

It troubles me for him to take the floor and to criticize this bill because it has not reformed agriculture in America. The bottom line is we have done many things in this subcommittee to bring significant reform in the area of agricultural policy.

Two years ago we made, I think, a significant advance in terms of reforming crop insurance in this country, a program that was costing taxpayers over $200 million a year, and because of provisions in our bill we have pushed forward a reform that will literally save billions of dollars for taxpayers over the life of the program.

Again, in the area of housing which the gentleman from Delaware [Mr. CASTLE] just addressed, because of investigations by this subcommittee, by actions in this subcommittee we have pushed for reforms in the authorizing legislation on housing programs that will mean that the taxpayers' dollars will be more carefully guarded. It also means that, frankly, we will be building more and better housing at a lower cost. You cannot beat that.

The bottom line is, if you want to reform agriculture, you have to go to the Committee on Agriculture. I sincerely hope the gentleman from Kansas [Mr. ROBERTS] who just rose and said he opposed this bill will have second thoughts when it comes to final passage.

We have done our job. We have accepted our responsibility. We were told to pass an appropriations bill. We worked long and hard to do it.

Now I hope his Committee on Agriculture will accept its responsibility. I hope for the first time since Franklin Roosevelt's New Deal, we will not see the Committee on Agriculture drop the ball and fail to write a farm bill. I served on that Committee on Agriculture many years ago. I served on the Committee on the Budget, too.

When I hear people on the Committee on Agriculture saying they are going to let the Committee on the Budget write the farm bill now, I am worried. There are bean growers on the Committee on Agriculture; there are bean counters on the Committee on the Budget. Let us put the farm bill in the hands of the bean growers, the people who understand agriculture, who live in small town America.

I sincerely hope the gentleman from Kansas who takes exception to our bill will roll up his sleeves in his own committee and address real agricultural reform. I think that is only fair. We have tried our best to stay out of any area in this bill that might offend him. I am sure there have been areas where we have crossed the line. It was not intentional.

But I hope that he accepts his responsibility and the responsibility of his Committee on Agriculture. I will join him in that effort. I think all members of the subcommittee will join him in that effort.

Mr. Speaker, I yield back the balance of my time.

Mr. OBEY. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, I am in a position under which, as I said earlier, because of the customs of the House, if I am in a position to offer the motion to recommit to try to correct this outrageous consumer fraud that is going on with respect to frozen chickens, then I really am virtually required to vote against the conference report.

As I have indicated, I do so with great reluctance, because I think that the committee has done a pretty good job in restoring some of the reductions that were originally in this bill for rural sewer and water and housing. I think that responsible folks in rural America recognize that they have to accept their fair share of reductions. So while I do not agree with all of the reductions, I think the committee has done a reasonable job, given the limitations it has been operating under.

I do want to say, Mr. Speaker, that the opposition of the House Committee on Agriculture to this bill reminds me of the old story about Leo Durocher when he managed the New York Giants. Durocher was hitting ground balls to Eddie Stanky and Stanky dropped a couple. So Durocher said, "Stanky, give me a glove. Let me show you how to play second base." He took the glove and went out to play second base, and the very first ball hit to Durocher, he dropped. He turned to Stanky and said, "Stanky, you have second base so screwed up, nobody can play it."

I would suggest right now that agriculture policy has been so screwed up by the House authorizing committee through the years, both in the past and in this session, that nobody can unscrew it. So what we are faced with is a ridiculous situation in which it appears like the Committee on the Budget is going to be writing farm policy, and what a lot of people on the Committee on the Budget know about cows, you can put in your left ear.

It just seems to me that while I think there are good reasons to vote for this recommittal motion, and while I am required, because I am offering the recommittal motion, to vote against the bill, I think that this bill needs to be evaluated fairly in contrast to what is coming out of the House Committee on Agriculture.

All I can say is that I see the chances of anything good for my dairy farmers coming out of the House Committee on Agriculture are slim and none, because we are being given a choice between either swallowing what is essentially on that bill the status quo, which really puts Midwest dairy farmers at a huge economic disadvantage, or else swallowing the idea that we ought to in essence end all farm programs. It seems to me that we ought to be able to do better than that, but obviously we are not going to be given that opportunity.

I just wanted to say that to keep everything in balance before we vote on this turkey of a chicken proposal that is in this committee bill.

Mr. SKEEN. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. WALSH].

Mr. WALSH. Mr. Speaker, I rise in strong support of the conference report on the agriculture appropriations. I would like to congratulate our chairman, the gentleman from New Mexico [Mr. SKEEN], and our ranking member, the gentleman from Illinois [Mr. DURBIN], for the excellent job that they did in conference in holding to most of the House positions. I think they have really worked hard to bring a bill to the floor that even the critics can support, or may have a small problem with, but overall, this is a good, solid bill.

Let me give you some of the reasons why we should vote for this. First of all, it is almost $5 billion below last year's level. It supports the reorganization of the USDA. It consolidates and reduces by 25 percent the funding available for USDA congressional affairs activities. It reforms the market promotion plan, the market promotion program.

It dramatically increases funding from the original bill for rural housing, which is of critical importance to our rural communities, and in New York, where we do have, believe it or not, rural communities, this is a big help. It provides $488 million for rural water and waste disposal grants and loans, which is critical, given the difficulty that small communities have in meeting EPA standards. It provides additional funding for WIC, which is a very important and popular program.

There are so many reasons to vote for this and so few not to. I would really urge a "no" vote on the motion to recommit. This bill is far too important to recommit it back to the conference because of basically a dispute between Arkansas and California chicken farmers. That is really what it comes down to. Please give us the opportunity to pass this on to the President. Vote "no" on the motion to recommit, vote "yes" on final passage.

Mr. OBEY. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. SKEEN. Mr. Speaker, I yield myself the balance of the time.

Mr. Speaker, in closing, I would like to remind all of my colleagues that this bill represents a lot of hard choices and a lot of hard work, as every appropriations bill should. We have to look to the taxpayers who pay for these programs and who use them every day, whether they are urban farmers, such as the gentleman from New York, who shops in the Cheerio basket division, and I have great admiration for him because he is a great cause-promoter, but this is a tough job.

It is one that has to be done, and I think we have done an excellent job. I appreciate the hard work that has gone into the bill, all the effort that was made by everybody on that particular committee, particularly the gentleman from Illinois [Mr. DURBIN] and the gentleman from Wisconsin [Mr. OBEY].

The bottom line is that this bill is a responsible bill and it cuts spending and meets our budget targets. We would not and we could not be here today if it did not do so. At the same time, the bill provides our farmers and ranchers the resources to produce an abundant, safe supply of food, and that is what these folks demand day by day and count on, a safe, adequate supply of food.

There is no place on Earth any better than right here in the United States because of the kind of work that we do on this committee and other committees dealing with agriculture products. We may have our debate, but in the end, that is the essence of what we are doing.

This is an essential bill for women, children, senior citizens, and the poor. It provides shelter and economic opportunity in rural areas and makes sound investments in research, education and the environment for the future prosperity of this great country.

Mr. Speaker, I respectfully ask my colleagues to vote "aye" on this conference report and to vote "no" on the motion to recommit. At this point in the RECORD I would like to insert a table.

FY 1996 AGRICULTURE APPROPRIATIONS BILL (H.R. 1976)

	FY 1995 Enacted	FY 1996 Estimate	House	Senate	Conference	Conference compared with enacted
TITLE I - AGRICULTURAL PROGRAMS						
Production, Processing, and Marketing						
Office of the Secretary	2,770,000	2,886,000	10,227,000	12,801,000	10,227,000	+7,457,000
Executive Operations:						
Chief Economist		4,240,000	3,948,000	3,814,000	3,948,000	+3,948,000
Office of the Assistant Secretary for Economics	540,000					-540,000
World Agricultural Outlook Board	2,498,000					-2,498,000
National Appeals Division		12,166,000	11,846,000	11,846,000	11,846,000	+11,846,000
Office of Budget and Program Analysis	5,795,000	5,899,000	5,899,000	5,899,000	5,899,000	+104,000
Office of Small and Disadvantaged Business Utilization		724,000				
Total, Executive Operations	8,833,000	23,029,000	21,693,000	21,559,000	21,693,000	+12,860,000
Chief Financial Officer	580,000	4,952,000	4,133,000	4,133,000	4,133,000	+3,553,000
Office of the Assistant Secretary for Administration	596,000	616,000	596,000	596,000	596,000	
Agriculture buildings and facilities (USDA)	135,193,000	135,774,000	135,774,000	135,774,000	135,774,000	+581,000
Payments to GSA	(87,957,000)	(89,971,000)	(89,971,000)	(89,971,000)	(89,971,000)	(+2,014,000)
Building operations and maintenance	(18,614,000)	(20,216,000)	(20,216,000)	(20,216,000)	(20,216,000)	(+1,602,000)
Repairs, renovations, and construction	(28,622,000)	(25,587,000)	(25,587,000)	(25,587,000)	(25,587,000)	(-3,035,000)
Advisory committees (USDA)	928,000	885,000	800,000	650,000	650,000	-278,000
Hazardous waste management	15,700,000	15,700,000	15,700,000	15,700,000	15,700,000	
Departmental administration	26,187,000	87,347,000	27,986,000	27,986,000	27,986,000	+1,799,000
Office of the Assistant Secretary for Congressional Relations	1,764,000	1,838,000	3,797,000	1,764,000	3,797,000	+2,033,000
Office of Communications	8,198,000	8,890,000	8,198,000	8,198,000	8,198,000	
Office of the Inspector General	63,418,000	64,739,000	63,639,000	63,639,000	63,639,000	+221,000
Office of the General Counsel	25,992,000	27,860,000	27,860,000	27,860,000	27,860,000	+1,868,000
Office of the Under Secretary for Research, Education and Economics	520,000	535,000	520,000	520,000	520,000	
Economic Research Service	53,936,000	54,665,000	53,131,000	53,526,000	53,131,000	-805,000
National Agricultural Statistics Service	81,424,000	89,837,000	81,107,000	81,107,000	81,107,000	-317,000
Agricultural Research Service	714,689,000	709,810,000	705,610,000	707,000,000	710,000,000	-4,689,000
Human Nutrition Information Service	(10,618,000)					
Buildings and facilities	42,318,000	30,200,000	30,200,000	30,200,000	30,200,000	-12,118,000
Total, Agricultural Research Service	757,007,000	740,010,000	735,810,000	737,200,000	740,200,000	-16,807,000
Cooperative State Research, Education, and Extension Activities:						
Research and education activities	432,387,000	432,212,000	389,172,000	421,622,000	421,929,000	-10,458,000
Native Americans Institutions Endowment Fund		(4,600,000)	(4,600,000)	(4,600,000)	(4,600,000)	(+4,600,000)
Buildings and facilities	60,560,000			57,838,000	57,838,000	-2,722,000
Extension Activities	438,744,000	437,552,000	413,257,000	439,681,000	427,750,000	-10,994,000
Total, Cooperative State Research, Education, and Extension Activities	931,691,000	869,764,000	802,429,000	919,141,000	907,517,000	-24,174,000
Office of the Assistant Secretary for Marketing and Regulatory Programs	605,000	625,000	605,000	605,000	605,000	
Animal and Plant Health Inspection Service:						
Salaries and expenses	44[illegible],651,000	430,279,000	433,664,000	429,379,000	431,921,000	-11,730,000
Special fund, user fees 1/	(96,660,000)	(100,254,000)	(100,254,000)	(100,254,000)	(100,254,000)	(+3,594,000)
Buildings and facilities	4,973,000	12,541,000	12,541,000	4,973,000	8,757,000	+3,784,000
Total, Animal and Plant Health Inspection Service	448,624,000	442,820,000	446,205,000	434,352,000	440,678,000	-7,946,000
Agricultural Marketing Service:						
Marketing Services	56,591,000	50,607,000	46,662,000	46,517,000	46,517,000	-10,074,000
New user fees	(4,452,000)	(3,887,000)	(3,887,000)	(3,887,000)	(3,887,000)	(-565,000)
(Limitation on administrative expenses, from fees collected)	(57,054,000)	(58,461,000)	(58,461,000)	(58,461,000)	(58,461,000)	(+1,407,000)
Funds for strengthening markets, income, and supply (transfer from section 32)	10,309,000	10,451,000	10,451,000	10,451,000	10,451,000	+142,000
Payments to States and possessions	1,200,000	1,200,000	1,000,000	1,200,000	1,200,000	
Total, Agricultural Marketing Service	68,100,000	62,258,000	58,113,000	58,168,000	58,168,000	-9,932,000
Grain Inspection, Packers and Stockyards Administration	23,314,000	23,679,000	23,058,000	23,289,000	23,058,000	-256,000
Inspection and Weighing Services (limitation on administrative expenses, from fees collected)	(42,784,000)	(42,784,000)	(42,784,000)	(42,784,000)	(42,784,000)	
Office of the Under Secretary for Food Safety		580,000	450,000	440,000	440,000	+440,000
Food Safety and Inspection Service	525,820,000	594,889,000	540,365,000	563,004,000	544,906,000	+19,086,000
Lab accreditation fees 2/	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	
Total, Production, Processing, and Marketing	3,181,200,000	3,254,178,000	3,062,196,000	3,192,012,000	3,170,583,000	-10,617,000
Farm Assistance Programs						
Office of the Under Secretary for Farm and Foreign Agricultural Services	549,000	570,000	549,000	549,000	549,000	

FY 1996 AGRICULTURE APPROPRIATIONS BILL (H.R. 1976) — continued

	FY 1995 Enacted	FY 1996 Estimate	House	Senate	Conference	Conference compared with enacted
Consolidated Farm Service Agency:						
Salaries and expenses		811,771,000	788,388,000	805,888,000	795,000,000	+795,000,000
Agricultural Stabilization and Conservation Service, salaries and expenses	790,217,000					-790,217,000
(Transfer from export loans)	(589,000)	(608,000)	(589,000)	(589,000)	(589,000)	
(Transfer from P.L. 480)	(1,036,000)	(745,000)	(745,000)	(745,000)	(745,000)	(-291,000)
(Transfer from ACIF)	(200,227,000)	(214,163,000)	(208,446,000)	(214,163,000)	(208,446,000)	(+8,219,000)
Total, salaries and expenses	(992,069,000)	(1,027,287,000)	(998,168,000)	(1,021,385,000)	(1,004,780,000)	(+12,711,000)
State mediation grants	3,000,000	3,000,000	2,000,000	3,000,000	2,000,000	-1,000,000
Dairy indemnity program		100,000	100,000	100,000	100,000	+100,000
Outreach for socially disadvantaged farmers and ranchers	2,995,000	3,000,000		2,000,000	1,000,000	-1,995,000
Total, Consolidated Farm Service Agency	796,212,000	817,871,000	790,488,000	810,988,000	798,100,000	+1,888,000
Agricultural Credit Insurance Fund Program Account:						
Loan authorizations:						
Farm ownership loans:						
Direct	(78,081,000)	(70,000,000)	(35,000,000)	(60,000,000)	(60,000,000)	(-18,081,000)
Guaranteed	(540,674,000)	(540,687,000)	(550,000,000)	(550,000,000)	(550,000,000)	(+9,326,000)
Subtotal	(618,755,000)	(610,687,000)	(585,000,000)	(610,000,000)	(610,000,000)	(-8,755,000)
Operating loans:						
Direct	(500,000,000)	(542,860,000)	(400,000,000)	(550,000,000)	(550,000,000)	(+50,000,000)
Guaranteed unsubsidized	(1,735,000,000)	(1,700,000,000)	(1,700,000,000)	(1,700,000,000)	(1,700,000,000)	(-35,000,000)
Guaranteed subsidized	(230,000,000)	(200,000,000)	(200,000,000)	(200,000,000)	(200,000,000)	(-30,000,000)
Subtotal	(2,465,000,000)	(2,442,860,000)	(2,300,000,000)	(2,450,000,000)	(2,450,000,000)	(-15,000,000)
Soil and water loans:						
Direct		(2,898,000)				
Guaranteed		(1,422,000)				
Subtotal		(4,320,000)				
Indian tribe land acquisition loans	(1,000,000)	(1,000,000)	(750,000)	(750,000)	(750,000)	(-250,000)
Emergency disaster loans	(100,000,000)	(100,000,000)	(100,000,000)	(100,000,000)	(100,000,000)	
Credit sales of acquired property		(45,000,000)	(22,500,000)	(21,696,000)		
Total, Loan authorizations	(3,184,755,000)	(3,203,867,000)	(3,008,250,000)	(3,182,446,000)	(3,160,750,000)	(-24,005,000)
Loan subsidies:						
Farm ownership:						
Direct	10,983,000	16,373,000	8,187,000	14,034,000	14,034,000	+3,051,000
Guaranteed	20,870,000	19,681,000	20,019,000	20,019,000	20,019,000	-851,000
Subtotal	31,853,000	36,054,000	28,206,000	34,053,000	34,053,000	+2,200,000
Farm operating:						
Direct	56,555,000	74,209,000	54,680,000	75,185,000	75,185,000	+18,630,000
Guaranteed unsubsidized	9,360,000	18,360,000	18,360,000	18,360,000	18,360,000	+9,000,000
Guaranteed subsidized	29,425,000	17,960,000	17,960,000	17,960,000	17,960,000	-11,465,000
Subtotal	95,340,000	110,529,000	91,000,000	111,505,000	111,505,000	+16,165,000
Soil and water loans:						
Direct		608,000				
Guaranteed		30,000				
Subtotal		638,000				
Indian tribe land acquisition	123,000	274,000	206,000	206,000	206,000	+83,000
Emergency disaster	26,290,000	32,080,000	32,080,000	32,080,000	32,080,000	+5,790,000
Credit sales of acquired property		8,226,000	4,113,000	3,966,000		
Negative subsidies	-782,000	-296,000				+782,000
Total, Loan subsidies	152,824,000	187,505,000	155,605,000	181,810,000	177,844,000	+25,020,000
ACIF expenses:						
Salaries and expenses	229,735,000	214,652,000	208,935,000	214,652,000	208,935,000	-20,800,000
Administrative expenses	14,031,000	12,606,000	12,606,000	12,606,000	12,606,000	-1,425,000
Total, ACIF expenses	243,766,000	227,258,000	221,541,000	227,258,000	221,541,000	-22,225,000
Total, Agricultural Credit Insurance Fund	396,590,000	414,763,000	377,146,000	409,068,000	399,385,000	+2,795,000
(Loan authorization)	(3,184,755,000)	(3,203,867,000)	(3,008,250,000)	(3,182,446,000)	(3,160,750,000)	(-24,005,000)
Total, Farm Assistance Programs	1,193,351,000	1,233,204,000	1,168,183,000	1,220,605,000	1,198,034,000	+4,683,000
CORPORATIONS						
Federal Crop Insurance Corporation:						
Federal crop insurance corporation fund	219,107,000	1,263,708,000	1,263,708,000	1,263,708,000	1,263,708,000	+1,044,601,000

FY 1996 AGRICULTURE APPROPRIATIONS BILL (H.R. 1976) — continued

	FY 1995 Enacted	FY 1996 Estimate	House	Senate	Conference	Conference compared with enacted
Commodity Credit Corporation:						
Reimbursement for net realized losses	15,500,000,000	10,400,000,000	10,400,000,000	10,400,000,000	10,400,000,000	-5,100,000,000
Hazardous waste (limitation on administrative expenses)	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	
Borrowing authority (emergency)	1,000,000,000					-1,000,000,000
Total, Corporations	16,719,107,000	11,663,708,000	11,663,708,000	11,663,708,000	11,663,708,000	-5,055,399,000
Total, title I, Agricultural Programs	21,093,658,000	16,151,090,000	15,894,087,000	16,076,325,000	16,032,325,000	-5,061,333,000
(By transfer)	(201,852,000)	(215,516,000)	(209,780,000)	(215,497,000)	(209,780,000)	(+7,928,000)
(Loan authorization)	(3,184,755,000)	(3,203,867,000)	(3,008,250,000)	(3,182,446,000)	(3,160,750,000)	(-24,005,000)
(Limitation on administrative expenses)	(104,838,000)	(106,245,000)	(106,245,000)	(106,245,000)	(106,245,000)	(+1,407,000)
TITLE II - CONSERVATION PROGRAMS						
Office of the Under Secretary for Natural Resources and Environment	677,000	696,000	677,000	677,000	677,000	
Natural Resource Conservation Service:						
Conservation operations	556,062,000	645,735,000	629,986,000	637,860,000	629,986,000	+73,924,000
River basin surveys, investigations, and watershed planning			14,000,000		14,000,000	+14,000,000
River basin surveys and investigations	12,970,000	11,210,000		8,369,000		-12,970,000
Watershed planning	10,546,000	7,542,000		5,630,000		-10,546,000
Watershed and flood prevention operations	70,000,000	100,000,000	100,000,000	100,000,000	100,000,000	+30,000,000
Resource conservation and development, Great Plains conservation program, forestry incentives program, and Colorado River Basin salinity control program			36,000,000			
Resource conservation and development	32,845,000	28,900,000		27,000,000	29,000,000	-3,845,000
Great Plains conservation program	15,172,000	11,000,000				-15,172,000
Forestry incentives program	6,625,000	6,625,000		6,325,000	6,325,000	-300,000
Colorado River Basin salinity control program	4,500,000	2,681,000		2,681,000	2,681,000	-1,819,000
Wetlands reserve program	93,200,000	210,000,000	210,000,000	77,000,000	77,000,000	-16,200,000
Total, Natural Resource Conservation Service	801,920,000	1,023,693,000	989,986,000	864,865,000	858,992,000	+57,072,000
Consolidated Farm Service Agency:						
Agricultural conservation program	100,000,000	50,000,000	75,000,000	50,000,000	75,000,000	-25,000,000
Water quality incentives program	(15,000,000)	(15,000,000)	(11,000,000)	(15,000,000)	(11,000,000)	(-4,000,000)
Emergency conservation program		3,000,000				
Conservation reserve program	1,743,274,000	1,926,370,000	1,781,785,000	1,781,785,000	1,781,785,000	+38,511,000
Total, Consolidated Farm Service Agency	1,843,274,000	1,979,370,000	1,856,785,000	1,831,785,000	1,856,785,000	+13,511,000
Total, title II, Conservation Programs	2,645,871,000	3,003,759,000	2,847,448,000	2,697,327,000	2,716,454,000	+70,583,000
TITLE III - RURAL ECONOMIC AND COMMUNITY DEVELOPMENT PROGRAMS						
Office of the Under Secretary for Rural Economic and Community Development	568,000	586,000	568,000	568,000	568,000	
Rural Community Advancement Program				563,839,000		
Administrative expenses				58,051,000		
Rural Housing and Community Development Service:						
Rural Housing Insurance Fund Program Account:						
Loan authorizations:						
Low-income housing (sec. 502)	(1,200,000,000)	(1,200,000,000)	(550,000,000)	(1,000,000,000)	(1,000,000,000)	(-200,000,000)
Unsubsidized guaranteed	(1,000,000,000)	(1,300,000,000)	(1,700,000,000)	(1,700,000,000)	(1,700,000,000)	(+700,000,000)
Housing repair (sec. 504)	(35,000,000)	(35,000,000)	(35,000,000)	(35,000,000)	(35,000,000)	
Farm labor (sec. 514)	(15,915,000)	(16,482,000)	(15,000,000)	(15,000,000)	(15,000,000)	(-915,000)
Rental housing (sec. 515) 3/	(190,476,000)	(220,000,000)	(150,000,000)	(150,000,000)	(150,000,000)	(-40,476,000)
Site loans (sec. 524)	(632,000)	(632,000)	(600,000)	(600,000)	(600,000)	(-32,000)
Credit sales of acquired property		(75,000,000)	(35,000,000)	(42,484,000)		
Total, Loan authorizations	(2,442,023,000)	(2,847,114,000)	(2,485,600,000)	(2,943,084,000)	(2,900,600,000)	(+458,577,000)
Loan subsidies:						
Single family (sec. 502):						
Direct	227,520,000	251,880,000	115,445,000	209,900,000	145,833,000	-81,687,000
Unsubsidized guaranteed	17,200,000	2,210,000	2,890,000	2,890,000	2,890,000	-14,310,000
Housing repair (sec. 504)	11,690,000	14,193,000	14,193,000	14,193,000	14,193,000	+2,503,000
Farm labor (sec. 514)	7,911,000	9,482,000	8,629,000	8,629,000	8,629,000	+718,000
Rental housing (sec. 515):						
Direct	100,000,000	92,973,000	82,035,000	82,035,000	82,035,000	-17,965,000
Unsubsidized guaranteed	(1,000,000)		(1,000,000)		(1,000,000)	
Credit sales of acquired property		13,073,000	6,100,000	7,405,000		
Total, Loan subsidies	364,321,000	383,811,000	229,292,000	325,052,000	253,580,000	-110,741,000
RHIF administrative expenses	389,818,000	395,211,000	385,889,000	389,818,000	385,889,000	-3,929,000

FY 1996 AGRICULTURE APPROPRIATIONS BILL (H.R. 1976) — continued

	FY 1995 Enacted	FY 1996 Estimate	House	Senate	Conference	Conference compared with enacted
Rental assistance:						
(Sec. 521)	517,108,000	565,583,000	530,000,000	535,000,000	535,000,000	+17,892,000
(Sec. 502(c)(5)(D))	5,900,000	5,900,000	5,900,000	5,900,000	5,900,000	
Total, Rental assistance	523,008,000	571,483,000	535,900,000	540,900,000	540,900,000	+17,892,000
Total, Rural Housing Insurance Fund	1,277,147,000	1,350,505,000	1,151,081,000	1,255,770,000	1,180,369,000	-96,778,000
(Loan authorization)	(2,442,023,000)	(2,847,114,000)	(2,485,600,000)	(2,943,084,000)	(2,900,600,000)	(+458,577,000)
Self-Help Housing Land Development Fund:						
Loan authorization	(603,000)	(603,000)	(603,000)	(603,000)	(603,000)	
Loan subsidy	11,000	31,000	31,000	31,000	31,000	+20,000
Administrative expenses	14,000					-14,000
Community Facility Loans Program Account:						
Loan authorizations:						
Direct 3/	(225,000,000)	(250,000,000)	(200,000,000)		(200,000,000)	(-25,000,000)
Guaranteed 3/	(75,000,000)	(100,000,000)	(75,000,000)		(75,000,000)	
Total, Loan authorizations	(300,000,000)	(350,000,000)	(275,000,000)		(275,000,000)	(-25,000,000)
Loan subsidies:						
Direct 3/	21,375,000	(43,600,000)	34,880,000		34,880,000	+13,505,000
Guaranteed 3/	3,728,000	(4,740,000)	3,555,000		3,555,000	-173,000
Total, Loan subsidies	25,103,000		38,435,000		38,435,000	+13,332,000
Administrative expenses 3/		(11,247,000)	8,836,000		8,836,000	+8,836,000
Very low-income housing repair grants	24,900,000	24,900,000	24,900,000	24,900,000	24,900,000	
Rural housing for domestic farm labor	10,900,000	10,900,000	10,000,000	10,000,000	10,000,000	-900,000
Mutual and self-help housing	12,650,000	12,650,000	12,650,000	12,650,000	12,650,000	
Supervisory and technical assistance grants		2,500,000		1,000,000		
Rural community fire protection grants 3/	3,400,000	(3,400,000)	1,000,000	3,000,000	2,000,000	-1,400,000
Compensation for construction defects	495,000	495,000	495,000	495,000	495,000	
Rural housing preservation grants	22,000,000	22,000,000	11,000,000	11,000,000	11,000,000	-11,000,000
Rural housing performance partnerships program		90,602,000				
Subtotal, grants and payments	74,345,000	164,047,000	60,045,000	63,045,000	61,045,000	-13,300,000
RHCDS expenses:						
Administrative expenses		53,650,000	42,820,000	50,346,000	46,583,000	+46,583,000
(Transfer from RHIF)	(389,818,000)	(382,074,000)	(377,074,000)	(376,860,000)	(377,074,000)	(-12,744,000)
(Transfer from ACIF)		(171,000)	(171,000)	(171,000)	(171,000)	(+171,000)
(Transfer from CFLP)		(11,114,000)	(8,731,000)		(8,731,000)	(+8,731,000)
Total, RHCDS expenses	(389,818,000)	(447,009,000)	(428,796,000)	(427,377,000)	(432,559,000)	(+42,741,000)
Total, Rural Housing and Community Development Service.	1,376,620,000	1,568,233,000	1,301,248,000	1,369,192,000	1,335,299,000	-41,321,000
(Loan authorization)	(2,742,626,000)	(3,197,717,000)	(2,761,203,000)	(2,943,687,000)	(3,176,203,000)	(+433,577,000)
Rural Business and Cooperative Development Service:						
Rural Business and Industry Loans Program Account:						
Loan authorizations:						
Direct 3/		(50,000,000)				
Guaranteed 3/	(500,000,000)	(750,000,000)	(500,000,000)		(500,000,000)	
Total, loan authorizations	(500,000,000)	(800,000,000)	(500,000,000)		(500,000,000)	
Loan subsidies:						
Direct 3/		(3,505,000)				
Guaranteed 3/	4,750,000	(6,825,000)	6,437,000		6,437,000	+1,687,000
Total, Loan subsidies	4,750,000		6,437,000		6,437,000	+1,687,000
Administrative expenses 3/		(19,742,000)	14,868,000		14,868,000	+14,868,000
Rural Development Loan Fund Program Account:						
(Loan authorization) 3/	(88,038,000)	(90,000,000)	(7,246,000)	(37,544,000)	(37,544,000)	(-50,494,000)
Loan subsidy 3/	46,000,000	(53,685,000)	4,322,000	22,395,000	22,395,000	-23,605,000
Administrative expenses 3/	1,476,000	(2,961,000)		1,476,000	1,476,000	
Total, Rural Development Loan Fund	47,476,000		4,322,000	23,871,000	23,871,000	-23,605,000
(Loan authorization)	(88,038,000)	(90,000,000)	(7,246,000)	(37,544,000)	(37,544,000)	(-50,494,000)
Rural Economic Development Loans Program Account:						
Direct loans (limitation on obligations)	(12,865,000)	(14,091,000)	(12,865,000)	(12,865,000)	(12,865,000)	
Direct subsidy	3,077,000	4,085,000	3,729,000	3,729,000	3,729,000	+652,000
Administrative expenses		864,000	584,000	724,000	654,000	+654,000

FY 1996 AGRICULTURE APPROPRIATIONS BILL (H.R. 1976) — continued

	FY 1995 Enacted	FY 1996 Estimate	House	Senate	Conference	Conference compared with enacted
Alternative Agricultural Research and Commercialization						
Revolving Fund	5,000,000	8,000,000	5,000,000	10,000,000	6,500,000	+1,500,000
Loan authorization		(25,000,000)				
Loan subsidy		7,138,000				
Administrative expenses		500,000				
Rural business enterprise grants 3/	47,500,000	(48,000,000)	45,000,000		45,000,000	-2,500,000
Rural technology and cooperative development grants 3/	1,750,000	(3,800,000)	1,500,000	3,000,000	2,300,000	+550,000
Local technical assistance and planning grants 3/		(2,500,000)				
Rural business performance partnerships program		112,315,000				
RBCDS expenses:						
Salaries and expenses 3/	57,294,000	(9,589,000)	9,520,000	9,013,000	9,013,000	-48,281,000
Salaries and expenses, FmHA	37,811,000					-37,811,000
Rural business performance partnerships program		61,874,000				
(Transfer from RBILP)		(19,582,000)	(14,747,000)		(14,747,000)	(+14,747,000)
(Transfer from RDLFP)	(1,476,000)	(2,948,000)		(1,476,000)	(1,476,000)	
(Transfer from RETLP)		(864,000)	(584,000)	(724,000)	(654,000)	(+654,000)
Self-Help HLDF (by transfer)	(14,000)					(-14,000)
RBCDS (by transfer)		(32,119,000)				
Total, RBCDS expenses	(96,595,000)	(117,387,000)	(24,851,000)	(11,213,000)	(25,890,000)	(-70,705,000)
Total, Rural Business and Cooperative Development Service	204,658,000	194,776,000	90,960,000	50,337,000	112,372,000	-92,286,000
(By transfer)	(1,490,000)	(55,513,000)	(15,331,000)	(2,200,000)	(16,877,000)	(+15,387,000)
(Loan authorization)	(588,038,000)	(915,000,000)	(507,246,000)	(37,544,000)	(537,544,000)	(-50,494,000)
Rural Utilities Service:						
Loan authorizations:						
Water and waste disposal facility loans: Direct	(905,523,000)					(-905,523,000)
Loan subsidies:						
Water and sewer: Direct	126,502,000					-126,502,000
Rural Electrification and Telephone Loans Program Account:						
Loan authorizations:						
Direct loans:						
Electric 5%	(100,000,000)	(100,000,000)	(90,000,000)	(90,000,000)	(90,000,000)	(-10,000,000)
Telephone 5%	(54,534,000)	(75,000,000)	(70,000,000)	(70,000,000)	(70,000,000)	(+15,466,000)
Subtotal	(154,534,000)	(175,000,000)	(160,000,000)	(160,000,000)	(160,000,000)	(+5,466,000)
Treasury rate: Telephone	(297,000,000)	(300,000,000)	(300,000,000)	(300,000,000)	(300,000,000)	(+3,000,000)
Muni-rate: Electric	(575,250,000)	(575,250,000)	(500,000,000)	(550,000,000)	(525,000,000)	(-50,250,000)
FFB loans:						
Electric, regular	(300,000,000)	(400,000,000)	(300,000,000)	(300,000,000)	(300,000,000)	
Telephone	(120,000,000)	(120,000,000)	(120,000,000)	(120,000,000)	(120,000,000)	
Subtotal	(420,000,000)	(520,000,000)	(420,000,000)	(420,000,000)	(420,000,000)	
Total, Loan authorizations	(1,446,784,000)	(1,570,250,000)	(1,380,000,000)	(1,430,000,000)	(1,405,000,000)	(-41,784,000)
Loan subsidies:						
Direct loans:						
Electric 5%	9,703,000	23,520,000	21,168,000	21,168,000	21,168,000	+11,465,000
Telephone 5%	3,997,000	14,955,000	13,958,000	13,958,000	13,958,000	+9,961,000
Subtotal	13,700,000	38,475,000	35,126,000	35,126,000	35,126,000	+21,426,000
Treasury rate: Telephone	60,000	60,000	60,000	60,000	60,000	
Muni-rate, electric	46,020,000	62,300,000	54,150,000	59,565,000	56,858,000	+10,838,000
FFB loans: Electric, regular	450,000	3,360,000	2,520,000	2,520,000	2,520,000	+2,070,000
Negative subsidy		-1,715,000				
Total, Loan subsidies	60,230,000	102,480,000	91,856,000	97,271,000	94,564,000	+34,334,000
RETLP administrative expenses	29,982,000	34,385,000	29,982,000	32,183,000	29,982,000	
Total, Rural Electrification and Telephone Loans Program Account	90,212,000	136,865,000	121,838,000	129,454,000	124,546,000	+34,334,000
(Loan authorization)	(1,446,784,000)	(1,570,250,000)	(1,380,000,000)	(1,430,000,000)	(1,405,000,000)	(-41,784,000)
Rural Telecommunication Partnership Loan Program Account:						
Loan authorization		(15,000,000)				
Loan subsidy		594,000				
Administrative expenses		1,110,000				
Total		1,704,000				

FY 1996 AGRICULTURE APPROPRIATIONS BILL (H.R. 1976) — continued

	FY 1995 Enacted	FY 1996 Estimate	House	Senate	Conference	Conference compared with enacted
Rural Telephone Bank Program Account:						
Direct loans (limitation on obligations)	(175,000,000)		(175,000,000)	(175,000,000)	(175,000,000)	
Direct loan subsidy	770,000		770,000	5,023,000	5,023,000	+4,253,000
RTB salaries and expenses	8,794,000		3,541,000	6,167,000	3,541,000	-5,253,000
Distance Learning and Medical Link Grants	7,500,000	15,000,000	7,500,000	7,500,000	7,500,000	
Rural water and waste disposal grants	500,000,000					-500,000,000
Solid waste management grants	2,995,000					-2,995,000
Rural utilities performance partnerships program		785,183,000	435,000,000		487,868,000	+487,868,000
Solid waste management grants, rural water and waste disposal grants, and water and waste disposal facility loans (administrative expenses)			12,740,000		12,740,000	+12,740,000
RUS salaries and expenses		19,627,000	19,211,000	18,449,000	18,449,000	+18,449,000
Electric and telephone loans (by transfer)	(29,982,000)	(34,385,000)	(29,982,000)	(32,183,000)	(29,982,000)	
Rural telephone bank (by transfer)	(8,794,000)		(3,541,000)	(6,167,000)	(3,541,000)	(-5,253,000)
Water and waste disposal loans (by transfer)		(17,790,000)				
Rural Telecommunication Partnership Loan Program Account (by transfer)		(1,110,000)				
Agricultural Credit Insurance Fund Program Account (by transfer)		(318,000)	(318,000)	(318,000)	(318,000)	(+318,000)
Rural partnership (by transfer)			(12,623,000)		(12,623,000)	(+12,623,000)
Subtotal	(38,776,000)	(73,230,000)	(65,675,000)	(57,117,000)	(64,913,000)	(+26,137,000)
Total, Rural Utilities Service	736,773,000	958,379,000	600,600,000	166,593,000	659,667,000	-77,106,000
(By transfer)	(38,776,000)	(53,603,000)	(46,464,000)	(38,668,000)	(46,464,000)	(+7,688,000)
(Loan authorization)	(2,352,307,000)	(1,585,250,000)	(1,380,000,000)	(1,430,000,000)	(1,405,000,000)	(-947,307,000)
(Limitation on obligations)	(175,000,000)		(175,000,000)	(175,000,000)	(175,000,000)	
Total, title III, Rural Economic and Community Development Programs	2,318,619,000	2,721,974,000	1,993,376,000	2,208,580,000	2,107,906,000	-210,713,000
(By transfer)	(430,084,000)	(502,475,000)	(447,771,000)	(417,899,000)	(449,317,000)	(+19,233,000)
(Loan authorization)	(5,682,971,000)	(5,697,967,000)	(4,648,449,000)	(4,411,231,000)	(5,118,747,000)	(-564,224,000)
(Limitation on obligations)	(187,865,000)	(14,091,000)	(187,865,000)	(187,865,000)	(187,865,000)	
TITLE IV - DOMESTIC FOOD PROGRAMS						
Office of the Under Secretary for Food, Nutrition and Consumer Services	540,000	553,000	440,000	540,000	440,000	-100,000
Food and Consumer Service:						
Child nutrition programs	2,202,274,000	2,399,942,000	2,354,566,000	2,354,752,000	2,348,166,000	+145,892,000
Transfer from section 32	5,249,077,000	5,520,492,000	5,597,858,000	5,597,858,000	5,597,858,000	+348,781,000
Total, Child nutrition programs	7,451,351,000	7,920,434,000	7,952,424,000	7,952,610,000	7,946,024,000	+494,673,000
Special milk program	18,089,000					-18,089,000
Special supplemental nutrition program for women, infants, and children (WIC)	3,450,000,000	3,820,000,000	3,729,807,000	3,729,807,000	3,729,807,000	+279,807,000
(By transfer)			(4,000,000)	(4,000,000)	(4,000,000)	(+4,000,000)
Commodity supplemental food program	84,500,000	86,000,000		86,000,000		-84,500,000
Food stamp program:						
Expenses	25,187,710,000	26,119,887,000	25,954,828,000	25,954,828,000	25,954,828,000	+767,118,000
Reserve	2,500,000,000	2,500,000,000		1,000,000,000	500,000,000	-2,000,000,000
Nutrition assistance for Puerto Rico	1,130,528,000	1,143,000,000	1,143,000,000	1,143,000,000	1,143,000,000	+12,472,000
Cattle tick eradication	12,472,000					-12,472,000
Total, Food stamp program	28,830,710,000	29,762,887,000	27,097,828,000	28,097,828,000	27,597,828,000	-1,232,882,000
Food donations programs for selected groups:						
Needy family program	33,154,000	78,639,000	65,000,000	66,000,000	65,000,000	+31,846,000
Elderly feeding program	150,000,000	151,250,000	150,000,000	151,250,000	150,000,000	
Subtotal	183,154,000	229,889,000	215,000,000	217,250,000	215,000,000	+31,846,000
Soup kitchens	40,000,000	40,000,000		40,000,000		-40,000,000
Total, Food donations programs	223,154,000	269,889,000	215,000,000	257,250,000	215,000,000	-8,154,000
The emergency food assistance program	40,000,000	40,000,000		40,000,000		-40,000,000
Commodity purchases - TEFAP	25,000,000					-25,000,000
Commodity assistance program			168,000,000		166,000,000	+166,000,000
Total, The emergency food assistance program	65,000,000	40,000,000	168,000,000	40,000,000	166,000,000	+101,000,000
Nutrition Initiatives:						
Nutrition support		45,526,000				
Nutrition promotion		4,218,000				
Food program administration	106,465,000	141,360,000	108,323,000	107,215,000	107,769,000	+1,304,000
Total, Food and Consumer Service	40,229,269,000	42,090,314,000	39,271,382,000	40,270,710,000	39,762,428,000	-466,841,000
Total, title IV, Domestic Food Programs	40,229,809,000	42,090,867,000	39,271,822,000	40,271,250,000	39,762,868,000	-466,941,000

FY 1996 AGRICULTURE APPROPRIATIONS BILL (H.R. 1976) — continued

	FY 1995 Enacted	FY 1996 Estimate	House	Senate	Conference	Conference compared with enacted
TITLE V - FOREIGN ASSISTANCE AND RELATED PROGRAMS						
Foreign Agricultural Service, direct appropriation	108,880,000	120,201,000	114,547,000	115,802,000	115,802,000	+6,922,000
(Transfer from Commodity Credit Corporation)	(4,914,000)	(5,176,000)	(5,176,000)	(5,176,000)	(5,176,000)	(+262,000)
(Transfer from export loans)	(2,792,000)	(3,137,000)	(2,792,000)	(2,792,000)	(2,792,000)	
(Transfer from P.L. 480)	(1,425,000)	(1,005,000)	(1,005,000)	(1,005,000)	(1,005,000)	(-420,000)
Total, Program level	(118,011,000)	(129,519,000)	(123,520,000)	(124,775,000)	(124,775,000)	(+6,764,000)
Scientific activities overseas (foreign currency program) (limitation on administrative expenses)	(1,062,000)					(-1,062,000)
Public Law 480 Program Account:						
Title I - Credit sales:						
Program level	(320,342,000)	(177,957,000)	(316,342,000)	(316,342,000)	(316,342,000)	(-4,000,000)
Direct loans	(291,342,000)	(161,540,000)	(291,342,000)	(291,342,000)	(291,342,000)	
Ocean freight differential	29,000,000	16,417,000	25,000,000	25,000,000	25,000,000	-4,000,000
Title II - Commodities for disposition abroad:						
Program level	(821,100,000)	(795,703,000)	(821,100,000)	(821,100,000)	(821,100,000)	
Appropriation	821,100,000	795,703,000	821,100,000	821,100,000	821,100,000	
Title III - Commodity grants:						
Program level	(117,442,000)	(50,000,000)	(50,000,000)	(50,000,000)	(50,000,000)	(-67,442,000)
Appropriation	117,442,000	50,000,000	50,000,000	50,000,000	50,000,000	-67,442,000
Loan subsidies	236,162,000	131,833,000	236,162,000	236,162,000	236,162,000	
Debt restructuring		1,500,000				
Salaries and expenses:						
General Sales Manager	1,425,000	1,005,000	1,005,000	1,005,000	1,005,000	-420,000
CFSA	1,036,000	745,000	745,000	745,000	745,000	-291,000
Subtotal	2,461,000	1,750,000	1,750,000	1,750,000	1,750,000	-711,000
Total, Public Law 480:						
Program level	(1,258,884,000)	(1,023,660,000)	(1,187,442,000)	(1,187,442,000)	(1,187,442,000)	(-71,442,000)
Appropriation	1,206,165,000	997,203,000	1,134,012,000	1,134,012,000	1,134,012,000	-72,153,000
CCC Export Loans Program Account:						
Loan guarantees:						
Short-term export credit	(5,000,000,000)	(5,200,000,000)	(5,200,000,000)	(5,200,000,000)	(5,200,000,000)	(+200,000,000)
Intermediate export credit	(500,000,000)	(500,000,000)	(500,000,000)	(500,000,000)	(500,000,000)	
Emerging democracies export credit	(200,000,000)					(-200,000,000)
Loan subsidy	394,393,000	374,347,000	374,347,000	374,347,000	374,347,000	-20,046,000
Salaries and expenses (Export Loans):						
General Sales Manager	2,792,000	3,137,000	2,792,000	2,792,000	2,792,000	
ASCS	589,000	608,000	589,000	589,000	589,000	
Total, CCC Export Loans Program Account	397,774,000	378,092,000	377,728,000	377,728,000	377,728,000	-20,046,000
Total, title V, Foreign assistance and related programs	1,712,819,000	1,495,496,000	1,626,287,000	1,627,542,000	1,627,542,000	-85,277,000
(By transfer)	(9,131,000)	(9,318,000)	(8,973,000)	(8,973,000)	(8,973,000)	(-158,000)
TITLE VI - RELATED AGENCIES AND FOOD AND DRUG ADMINISTRATION						
DEPARTMENT OF HEALTH AND HUMAN SERVICES						
Food and Drug Administration						
Salaries and expenses, direct appropriation	819,971,000	828,999,000	819,971,000	819,971,000	819,971,000	
Prescription drug user fee act	(79,423,000)	(84,723,000)	(84,723,000)	(84,723,000)	(84,723,000)	(+5,300,000)
Mammography clinics user fee	(6,500,000)	(13,000,000)	(13,000,000)	(13,000,000)	(13,000,000)	(+6,500,000)
New user fees		(38,740,000)				
Total, Program level	(905,894,000)	(965,462,000)	(917,694,000)	(917,694,000)	(917,694,000)	(+11,800,000)
Buildings and facilities	18,150,000	8,350,000	15,350,000	8,350,000	12,150,000	-6,000,000
Rental payments	46,294,000	46,294,000	46,294,000	46,294,000	46,294,000	
Total, Food and Drug Administration	884,415,000	883,643,000	881,615,000	874,615,000	878,415,000	-6,000,000
DEPARTMENT OF THE TREASURY						
Financial Management Service: Payments to the farm credit system financial assistance corporation	57,026,000	15,453,000	15,453,000	15,453,000	15,453,000	-41,573,000
INDEPENDENT AGENCIES						
Commodity Futures Trading Commission	49,144,000	59,711,000	49,144,000	54,058,000	53,601,000	+4,457,000
Farm Credit Administration (limitation on administrative expenses)	(40,420,000)	(39,900,000)				(-40,420,000)
Total, title VI, Related Agencies and Food and Drug Administration	990,585,000	958,807,000	946,212,000	944,126,000	947,469,000	-43,116,000
(Limitation on administrative expenses)	(40,420,000)	(39,900,000)				(-40,420,000)

FY 1996 AGRICULTURE APPROPRIATIONS BILL (H.R. 1976) — continued

	FY 1995 Enacted	FY 1996 Estimate	House	Senate	Conference	Conference compared with enacted
Grand total:						
New budget (obligational) authority	68,991,361,000	66,421,993,000	62,579,232,000	63,825,150,000	63,194,564,000	-5,796,797,000
(By transfer)	(641,067,000)	(727,309,000)	(670,524,000)	(646,369,000)	(672,070,000)	(+31,003,000)
(Loan authorization)	(14,567,726,000)	(14,601,834,000)	(13,356,699,000)	(13,293,677,000)	(13,979,497,000)	(-588,229,000)
(Limitation on administrative expenses)	(146,320,000)	(146,145,000)	(106,245,000)	(106,245,000)	(106,245,000)	(-40,075,000)
(Limitation on obligations)	(187,865,000)	(14,091,000)	(187,865,000)	(187,865,000)	(187,865,000)	....
RECAPITULATION						
Title I - Agricultural programs	21,093,658,000	16,151,090,000	15,894,087,000	16,076,325,000	16,032,325,000	-5,061,333,000
Title II - Conservation programs	2,645,871,000	3,003,759,000	2,847,448,000	2,697,327,000	2,716,454,000	+70,583,000
Title III - Farmers Home and Rural development programs	2,318,619,000	2,721,974,000	1,993,376,000	2,208,580,000	2,107,906,000	-210,713,000
Title IV - Domestic food programs	40,229,809,000	42,090,867,000	39,271,822,000	40,271,250,000	39,762,868,000	-466,941,000
Title V - Foreign assistance and related programs	1,712,819,000	1,495,496,000	1,626,287,000	1,627,542,000	1,627,542,000	-85,277,000
Title VI - Related agencies and Food and Drug Administration	990,585,000	958,807,000	946,212,000	944,126,000	947,469,000	-43,116,000
Total, new budget (obligational) authority	68,991,361,000	66,421,993,000	62,579,232,000	63,825,150,000	63,194,564,000	-5,796,797,000

1/ Such sums as available from AQI user fee account for FY 1996.

2/ In addition to appropriation.

3/ On 5/2/95 the Administration amended its FY 1996 request (H.Doc. 104-63). This table reflects the program levels as submitted in the original budget.

Ms. KAPTUR. Mr. Speaker, I rise today to commend our chairman, the gentleman from New Mexico, and our ranking member, the gentleman from Illinois, for their outstanding leadership in shepherding this bill through conference. While I believe this bill provides adequate funding for agriculture programs and continues our support for American farmers which are the most productive in the world, I have serious concerns with two provisions in the conference report.

First, the conference agreement includes language allowing the Secretary of Agriculture to fund all costs for agricultural equine quarantine inspection services in connection with the 1996 summer games. Mr. Speaker, what we are talking about here is using American tax dollars to pay the fees foreign countries would owe a U.S. Government agency [USDA–APHIS] for inspecting horses competing in the equestrian events at the Olympic Games. Let me repeat, this conference report includes language which forgives the fees foreign countries are required to pay for quarantine costs of horses competing in the equestrian competition at the Olympics and then forces U.S. taxpayers to pay the bill. Supporters of this provision in the conference argued that this was a goodwill gesture which will only cost approximately $300,000; $300,000 here, $300,000 there and soon you are talking about real money which can reduce the deficit.

We all know that the days of struggling amateur athletes competing in the Olympic Games are long gone. Individuals often receive government support to compete or have the benefit of corporate sponsorship or endorsement contracts. Why should our taxpayers pay this bill? The Olympic organizers or the corporate sponsors who will make millions on this event should bear this cost.

In addition, I object to the inclusion of language in the conference agreement which prohibits the USDA from enforcing regulations it recently issued, that would have prohibited processors from labeling poultry products chilled to below 26 degrees as fresh. On August 25 USDA issued regulations to take effect 1 year from now which would overturn longstanding USDA policy which allowed chickens that had been chilled to as low as 1 degree Fahrenheit to be labeled as fresh when they are put on sale. Consumers have a right to know whether the chicken they buy is truthfully labeled as fresh and has never been frozen. Everyone agrees that its a bad idea to refreeze thawed chicken. Yet if the Senate language contained in the conference report prevails, consumers will not know if the chicken they are moving from the fridge to the freezer is being handled correctly.

Mr. Speaker, California passed a law which would have prohibited the sale of frozen chickens as fresh. This law was struck down in Federal court. USDA, after 15 months of study, issued rules which give consumers truth in labeling. Under the rule, only chicken 26 degrees and above is labeled as fresh; 0 to 26 degrees must be labeled as hard chilled or previously hard chilled; and chicken at 0 or below must be labeled as frozen or previously frozen. Industry has two concerns, a 2-degree temperature variance is needed in order to ship chickens in extreme climates and that consumers will not buy chickens labeled as hard chilled. I appreciate industry's concerns but common sense dictates that you do not scrap a rule arrived at after 15 months of review and scientific study. Playing politics with food safety is wrong.

Mr. CALVERT. Mr. Speaker, I rise in support of the fiscal year 1996 Agriculture appropriations bill, H.R. 1976. In particular, I would like to thank the conferees for providing an additional $500,000 to the Agriculture Research Service to begin research on a virus that threatens California's citrus industry—Citrus Tristeza Virus [CTV].

California's citrus industry is a $1.5 billion industry. CTV puts at risk the only remaining disease free budwood stock as well as our $485 million export market. The ARS' work on CTV in California will compliment ongoing private sector research in the State. Ultimately, I hope it will give our farmers the tools to eradicate this threat. I believe funding for this research is an investment in the long-term health of California's economy.

Mr. FAZIO of California. Mr. Speaker, I rise in support of the conference report for H.R. 1976, the Agriculture Appropriations bill for fiscal year 1996.

H.R. 1976 is not a perfect bill. Next year's bill continues an alarming trend in cutting important programs for agriculture research, animal and plant inspection, food safety and inspection, conservation programs, and rural housing and development.

Certainly some savings have accrued from the reorganization of the Department of Agriculture and closing of numerous field offices nationwide.

But we must guard against debilitating cuts that prevent these agencies from fulfilling their important missions.

Cuts to research, cuts to inspection, cuts to food safety, cuts to conservation programs—we are shortsighted in cutting back on these investments in this, the most productive sector of our economy.

But, despite my reservations about these cuts, we must judge the conference product against the House version of this bill, and we must judge it against what is possible this year and in this political climate—and based on these comparisons, the conference report is an improved product.

The conference report improves upon the House funding level for research and extension. It improves upon the House funding level for food safety and inspection. It improves upon the House funding level for rural housing and economic development.

I have particular praise for three items of importance to California agriculture and to my district.

First, funds have been included for buildings and facilities construction within the Cooperative State Research Service, including funds for an important integrated pest management research facility at the University of California at Davis and at Riverside.

Although some Members disagree with funding for these facilities, and the House bill contained no funds for this construction program, the conference agreement is the right decision.

It makes sure that our important agriculture research institutions who have worked in good faith over the years are not left high and dry. But it also directs the institutions to provide a specific and verifiable cost-share, and it tells them this is not an unlimited source of funds—it brings fair closure to this account over the next 2 years.

Second, the conferees fought successfully and in defense of the House position for the Market Promotion Program.

There is probably no more important tool for export promotion than MPP.

Agriculture exports, projected to exceed $50 billion this year—up from $43.5 billion for fiscal year 1994—are vital to the United States.

Agriculture exports strengthen farm income.

Agriculture exports provide jobs for nearly a million Americans.

Agriculture exports generate nearly $100 billion in related economic activity.

Agriculture exports produce a positive trade balance of nearly $20 billion.

If U.S. agriculture is to remain competitive under GATT, we must have policies and programs that remain competitive with those of our competitors abroad.

GATT did not eliminate export subsidies, it only reduced them.

The European Union spent, over the last 5 years, an average of $10.6 billion in annual export subsidies—the United States spent less than $2 billion.

The EU spends more on wine exports—$89 million—than the United States currently spends for all commodities under the market promotion program.

MPP is critical to U.S. agriculture's ability to develop, maintain and expand export markets in the new post-GATT environment, and MPP is a proven success.

In California, MPP has been tremendously successful in helping promote exports of California citrus, raisins, walnuts, almonds, peaches, and other specialty crops.

We have to remember that an increase in agriculture exports means jobs: a 10-percent increase in agricultural exports creates over 13,000 new jobs in agriculture and related industries like manufacturing, processing, marketing, and distribution.

For every $1 we invest in MPP, we reap a $16 return in additional agriculture exports. In short, the Market Promotion Program is a program that performs for American taxpayers.

The conferees have wisely held on to this important program in the face of ill-informed and shortsighted action by the Senate.

Third, the conference committee has continued to provide important funding for special research grants in the Cooperative State Research Service while continuing a significant commitment to competitive grants.

The committee, sometimes in the face of significant opposition, has always believed there is a place for both competitive grants and special grants.

Special grants ensure that particular attention is paid to regional needs, temporary needs, and agricultural research where a special project is required. The grants are fully cost-shared and generally leverage efforts that are already underway in many of our land-grant universities and other research institutions. The research projects are of limited duration.

The conference committee has decided correctly to fund special research grants. The

Russian wheat aphid and the viticulture consortium are not burning issues for most Americans. But in California, these represent important research efforts for agricultural commodities that are making significant contributions to our economy.

I know the other special grants enumerated by the conference report are of equal value to other States and regions in addressing special problems, and I commend the conference committee for their support of these initiatives.

In summary, this is not a perfect bill, but the conference report is a fair balancing of the many needs and many issues within the committee's jurisdiction. I commend Chairman JOE SKEEN and ranking Member DICK DURBIN for their efforts in support of American agriculture during the conference committee deliberations, and I urge my colleagues to support the conference report.

Mr. SKEEN. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. LATOURETTE). Without objection, the previous question is ordered.

There was no objection.

MOTION TO RECOMMIT OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the conference report?

Mr. OBEY. Mr. Speaker, at this point I certainly am.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

> Mr. OBEY moves to recommit the conference report on the bill, H.R. 1976 to the committee of conference with instructions to the managers on the part of the House to disagree to the Senate amendment numbered 150.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. OBEY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 158, nays 264, not voting 10, as follows:

[Roll No. 707]

YEAS—158

Abercrombie
Ackerman
Andrews
Baker (CA)
Barrett (WI)
Becerra
Beilenson
Bentsen
Berman
Bilbray
Bonior
Borski
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TN)
Bryant (TX)
Calvert
Cardin
Clay
Clayton
Coleman
Collins (IL)
Collins (MI)
Condit
Conyers
Costello
Cox
Coyne
Cunningham
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Durbin
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Filner
Flake
Foglietta
Foley
Frank (MA)
Frost
Furse
Gallegly
Gejdenson
Gephardt
Gibbons
Gilman
Green
Gutierrez
Harman
Hastings (FL)
Herger
Hinchey
Horn
Hunter
Jackson-Lee
Jacobs
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kildee
Kleczka
Klink
LaFalce
Lantos
Levin
Lewis (CA)
Lipinski
LoBiondo
Lofgren
Lowey
Luther
Maloney
Markey
Martinez
Mascara
Matsui
McDermott
McHale
McKeon
Meehan
Meek
Menendez
Mfume
Miller (CA)
Mink
Moorhead
Moran
Nadler
Neal
Oberstar
Obey
Olver
Orton
Packard
Pallone
Pastor
Payne (NJ)
Pelosi
Pombo
Poshard
Radanovich
Rangel
Reed
Richardson
Rivers
Roberts
Rohrabacher
Roukema
Roybal-Allard
Royce
Rush
Sabo
Sanders
Sawyer
Schiff
Schroeder
Schumer
Seastrand
Serrano
Skaggs
Slaughter
Stark
Stokes
Studds
Thomas
Torres
Torricelli
Towns
Vento
Visclosky
Ward
Waters
Watt (NC)
Waxman
Weldon (FL)
Williams
Woolsey
Wyden
Yates
Zimmer

NAYS—264

Allard
Archer
Armey
Bachus
Baesler
Baker (LA)
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bevill
Bilirakis
Bishop
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Boucher
Brewster
Browder
Brownback
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Camp
Canady
Castle
Chabot
Chambliss
Chapman
Chenoweth
Christensen
Chrysler
Clement
Clinger
Clyburn
Coble
Coburn
Collins (GA)
Combest
Cooley
Cramer
Crane
Crapo
Cremeans
Cubin
Danner
Davis
de la Garza
Deal
DeLay
Diaz-Balart
Dickey
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Forbes
Ford
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Ganske
Gekas
Geren
Gilchrest
Gillmor
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Greenwood
Gunderson
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Hefner
Heineman
Hilleary
Hilliard
Hobson
Hoekstra
Hoke
Holden
Hostettler
Houghton
Hoyer
Hutchinson
Hyde
Inglis
Istook
Jefferson
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (GA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Livingston
Longley
Lucas
Manton
Manzullo
Martini
McCarthy
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKinney
McNulty
Metcalf
Meyers
Mica
Miller (FL)
Minge
Molinari
Mollohan
Montgomery
Morella
Murtha
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Ortiz
Oxley
Parker
Paxon
Payne (VA)
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pomeroy
Porter
Portman
Pryce
Quillen
Quinn
Rahall
Ramstad
Regula
Riggs
Roemer
Rogers
Ros-Lehtinen
Rose
Roth
Salmon
Sanford
Saxton
Scarborough
Schaefer
Scott
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Sisisky
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stearns
Stenholm
Stockman
Stump
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Thompson
Thornberry
Thornton
Thurman
Tiahrt
Torkildsen
Traficant
Upton
Velazquez
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Watts (OK)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wise
Wolf
Wynn
Young (AK)
Zeliff

NOT VOTING—10

Baldacci
Dornan
Fields (LA)
Kennelly
Moakley
Owens
Tejeda
Tucker
Volkmer
Young (FL)

□ 1206

Mrs. JOHNSON of Connecticut, Ms. DANNER, Mr. HILLIARD, Mrs. CHENOWETH, and Messrs. EVERETT, LEWIS of Georgia, and RAHALL changed their vote from "yea" to "nay."

Mr. CONYERS, Mr. PACKARD, Mrs. SEASTRAND, Mr. COX of California, Ms. EDDIE BERNICE JOHNSON of Texas, and Messrs. HORN, CUNNINGHAM, MORAN, and LEWIS of California changed their vote from "nay" to "yea."

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

HON. PAT WILLIAMS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1995

Mr. WILLIAMS. Mr. Speaker, on rollcall vote No. 707, recorded on October 12, 1995, I mistakenly recorded my vote as yes—it was my intention to vote no on this particular measure. Although I recognize this statement does not change my vote I would like the record to reflect my intention.

The SPEAKER pro tempore (Mr. LATOURETTE). The question is on the conference report.

Pursuant to clause 7 of rule XV, the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 288, nays 132, not voting 12, as follows:

[Roll No. 708]

YEAS—288

Abercrombie
Ackerman
Andrews
Armey
Baesler
Baker (CA)
Baker (LA)
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bateman
Bentsen
Bereuter
Bevill
Bilirakis
Bishop
Bliley
Boehlert
Boehner
Bonilla
Bonior
Bono
Boucher
Brewster
Browder
Bryant (TN)
Bryant (TX)
Bunn
Bunning
Burr
Callahan
Calvert
Camp
Canady
Cardin
Castle
Chambliss
Chapman
Christensen
Chrysler
Clayton
Clement
Clinger
Clyburn
Coble
Coburn
Coleman
Collins (GA)
Combest
Cooley
Costello
Cox
Cramer
Cremeans
Cubin
Cunningham
Danner
Davis
de la Garza
Deal
DeFazio
DeLauro
DeLay
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dooley
Doyle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehrlich
Emerson
English
Evans
Ewing
Farr
Fawell
Fazio
Fields (TX)
Filner
Flanagan
Foley
Forbes
Ford
Fowler
Fox
Franks (CT)
Frelinghuysen
Frisa
Frost
Funderburk
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Geren
Gilchrest
Gillmor
Gilman
Gonzalez
Goodling
Gordon
Graham
Green
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefner
Heineman
Herger
Hilleary
Hobson
Hoke
Holden
Horn
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson-Lee
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Jones
Kanjorski
Kelly
Kennedy (RI)
Kildee
Kim
King
Kingston
Klink
Knollenberg
Kolbe
LaFalce
LaHood
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lightfoot
Lincoln
Linder
Lipinski
Livingston
LoBiondo
Longley
Lowey
Lucas
Luther
Manton
Martini
Mascara
Matsui
McCarthy
McCollum
McCrery
McDade
McHale
McHugh
McInnis
McKeon
McKinney
McNulty
Meek
Metcalf
Minge
Mink
Molinari
Mollohan
Montgomery
Morella
Murtha
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Ortiz
Orton
Oxley
Packard
Pallone
Parker
Pastor
Paxon
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Pickett
Pomeroy
Porter
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Rahall
Reed
Regula
Richardson
Riggs
Rivers
Roemer
Rogers
Ros-Lehtinen
Rose
Sabo
Sawyer
Saxton
Schiff
Scott
Seastrand
Shays
Shuster
Sisisky
Skeen
Skelton
Smith (NJ)
Smith (TX)
Solomon
Spence
Spratt
Stenholm
Stockman
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (NC)
Thomas
Thompson
Thornberry
Thornton
Thurman
Torres
Traficant
Visclosky
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Ward
Watt (NC)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wise
Wolf
Wynn
Young (AK)

NAYS—132

Allard
Archer
Bachus
Barrett (WI)
Bass
Becerra
Beilenson
Berman
Bilbray
Blute
Borski
Brown (CA)
Brown (FL)
Brown (OH)
Brownback
Burton
Buyer
Chabot
Chenoweth
Clay
Collins (IL)
Collins (MI)
Conyers
Coyne
Crane
Crapo
Dellums
Dixon
Doggett
Doolittle
Ehlers
Engel
Ensign
Eshoo
Everett
Fattah
Flake
Foglietta
Frank (MA)
Franks (NJ)
Gibbons
Goodlatte
Goss
Greenwood
Gunderson
Hancock
Harman
Hefley
Hilliard
Hinchey
Hoekstra
Hostettler
Johnston
Kaptur
Kasich
Kennedy (MA)
Kleczka
Klug
Lantos
Largent
Lewis (GA)
Lewis (KY)
Lofgren
Maloney
Manzullo
Markey
Martinez
McDermott
McIntosh
Meehan
Menendez
Meyers
Mfume
Mica
Miller (CA)
Miller (FL)
Moorhead
Moran
Nadler
Neal
Oberstar
Obey
Olver
Payne (NJ)
Petri
Pombo
Ramstad
Rangel
Roberts
Rohrabacher
Roth
Roukema
Roybal-Allard
Royce
Rush
Salmon
Sanders
Sanford
Scarborough
Schaefer
Schroeder
Schumer
Sensenbrenner
Serrano
Shadegg
Shaw
Skaggs
Slaughter
Smith (MI)
Smith (WA)
Souder
Stark
Stearns
Stokes
Studds
Stump
Taylor (MS)
Tiahrt
Torkildsen
Torricelli
Towns
Upton
Velazquez
Vento
Waters
Waxman
Williams
Woolsey
Wyden
Yates
Zeliff
Zimmer

NOT VOTING—12

Baldacci
Condit
Dornan
Fields (LA)
Jacobs
Kennelly
Moakley
Owens
Tejeda
Tucker
Volkmer
Young (FL)

□ 1224

The Clerk announced the following pair:

On this vote:

Mr. Baldacci for, with Mr. Dornan against.

Ms. ESHOO changed her vote from "yea" to "nay."

Mr. WATTS of Oklahoma changed his vote from "nay" to "yea."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PROVIDING FOR MARKING THE CELEBRATION OF THE FOUNDING OF THE CITY OF JERUSALEM

Mr. THOMAS. Mr. Speaker, I ask unanimous consent that the Committee on House Oversight be discharged from further consideration of the Senate Concurrent Resolution (S. Con. Res. 29) providing for marking the celebration of Jerusalem on the occasion of its 3,000th anniversary, and ask for its consideration in the House.

The Clerk read the title of the Senate concurrent resolution.

The SPEAKER pro tempore (Mr. LATOURETTE). Is there objection to the request of the gentleman from California?

Mr. GEJDENSON. Mr. Speaker, reserving the right to object, and I will not object, I will yield to the gentleman from California [Mr. THOMAS] for a statement, and then I have a few comments.

Mr. THOMAS. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, the Speaker of the House and the leadership join me in urging all Members to support what is an occasion that I think will allow us to focus on our humanness in a way that we are rarely able to do it.

In the resolution talking about the celebration of Jerusalem in the Rotunda of its 3,000th anniversary, it says: "Whereas Jerusalem, the City of Peace, has held a unique place and exerted a unique influence on the moral development of Western Civilization;" I think Jerusalem plays an even more significant role than that, if that is possible.

I think it is because Jerusalem is one of the places in the world that is truly a crossroads for a majority of people in the world, because when we look at the development and history of religions, those things that have occurred in and around the city of Jerusalem have not only sent fundamental, positive repercussions East and West, but they have somehow been tied to defining developmental periods throughout the history of the world.

Although we have not yet located the center of the universe, I think in terms of man's experience on this planet, the city of Jerusalem, along with very few other places in this world, Jerusalem deserves being placed in that category. I think it is entirely appropriate that the Rotunda of the United States Capitol be used as the place for the recognition of the 3,000 years of inhabitance of the city of Jerusalem.

Mr. GEJDENSON. Reclaiming my time, Mr. Speaker, I join the gentleman in support of the resolution saying this is a year that it is particularly appropriate to be having this celebration. We could not have chosen the 3,000th year, obviously, but as we look at the peace process moving forward, something that I think many of us thought would not happen in our lifetime, this City of Peace may indeed soon be an example for dialogue for the entire globe.

All of us who have worked so hard on issues of peace in the Middle East, while we understand there are tremendous challenges ahead, this is a very exciting time, with hopefully the beginnings of a real peace for that region of the world, something that will not only hopefully bring benefit to the people there, but people around the globe, and open up the holy places to the multiple of religions that see Jerusalem as their center, to give pilgrims from all religions a greater opportunity to visit the holy sites and to spend time in the Middle East.

For those of us who have been to Jerusalem, it is truly a special city. I am privileged to be here with the gentleman from California, urging support of this resolution.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the Senate concurrent resolution, as follows:

S. CON. RES. 29

Whereas the Senate wishes to make the 3,000th anniversary of King David's establishment of Jerusalem as the capital of Israel;

Whereas Jerusalem, the City of David, has been the focal point of Jewish life;

Whereas Jerusalem, the City of Peace, has held a unique place and exerted a unique influence on the moral development of Western Civilization; and

Whereas no other city on Earth is today the capital of the same country, inhabited by the same people, speaking the same language, and worshipping the same God as it was 3,000 years ago: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Architect is directed to make the necessary arrangements for a date in October to be mutually agreed upon by the Speaker of the House of Representatives and the Majority Leader of the Senate, after consultation with the Minority Leaders of the two houses, for the use of the Rotunda for a celebration of the founding of the city of Jerusalem.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. THOMAS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on Senate Concurrent Resolution 29, the concurrent resolution just concurred in.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

COMMUNICATION FROM THE HONORABLE MARTIN FROST, MEMBER OF CONGRESS

The SPEAKER pro tempore laid before the House the following communication from the Honorable MARTIN FROST, Member of Congress:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, October 10, 1995.

Hon. NEWT GINGRICH,
Speaker of the House,
The Capitol, Washington, DC.

DEAR MR. SPEAKER: This is to formally notify you pursuant to Rule L of the Rules of the House that my office has been served with a subpoena issued by the District Court of Tarrant County, Texas.

After consultation with the General Counsel, I have determined that compliance with the subpoena is not inconsistent with the privileges and precedents of the House.

Sincerely,

MARTIN FROST,
Member of Congress.

OMNIBUS CIVILIAN SCIENCE AUTHORIZATION ACT OF 1995

The SPEAKER pro tempore. Pursuant to House Resolution 234 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 2405.

□ 1230

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 2405) to authorize appropriations for fiscal years 1996 and 1997 for civilian science activities of the Federal Government, and for other purposes, with Mr. KINGSTON in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When in the Committee of the Whole House on Wednesday, October 11, 1995, title IV was open for amendment at any point.

Are there any amendments to title IV?

AMENDMENT OFFERED BY MR. WALKER

Mr. WALKER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WALKER.

Page 109, line 10, strike "$8,757,000" and insert in lieu thereof "$86,757,000".

Page 116, lines 19 and 20, strike "Committee on Science" and insert in lieu thereof "Committee on Science and the Committee on Resources".

Page 119, lines 9 through 23, strike paragraphs (1) and (2) and insert in lieu thereof the following:

(1) SERVICE CONTRACTS.—Notwithstanding any other provision of law and subject to the availability of appropriations, the Secretary shall enter into contracts, including multiyear contracts, subject to paragraph (3), for the use of vessels to conduct oceanographic research and fisheries research, monitoring, enforcement, and management, and to acquire other data necessary to carry out the missions of the National Oceanic and Atmospheric Administration. The Secretary shall enter into these contracts unless—

(A) the cost of the contract is more than the cost (including the cost of vessel operation, maintenance, and all personnel) to the National Oceanic and Atmospheric Administration of obtaining those services on vessels of the National Oceanic and Atmospheric Administration;

(B) the contract is for more than 7 years; or

(C) the data is acquired through a vessel agreement pursuant to paragraph (4).

(2) VESSELS.—The Secretary may not enter into any contract for the construction, lease-purchase, upgrade, or service life extension of any vessel.

(3) MULTIYEAR CONTRACTS.—

(A) IN GENERAL.—Subject to subparagraphs (B) and (C), and notwithstanding section 1341 of title 31, United States Code, and section 11 of title 41, United States Code, the Secretary may acquire data under multiyear contracts.

(B) REQUIRED FINDINGS.—The Secretary may not enter into a contract pursuant to this paragraph unless the Secretary finds with respect to that contract that there is a reasonable expectation that throughout the contemplated contract period the Secretary will request from Congress funding for the contract at the level required to avoid contract termination.

(C) REQUIRED PROVISIONS.—The Secretary may not enter into a contract pursuant to this paragraph unless the contract includes—

(i) a provision under which the obligation of the United States to make payments under the contract for any fiscal year is subject to the availability of appropriations provided in advance for those payments;

(ii) a provision that specifies the term of effectiveness of the contract; and

(iii) appropriate provisions under which, in case of any termination of the contract before the end of the term specified pursuant to clause (ii), the United States shall only be liable for the lesser of—

(I) an amount specified in the contract for such a termination; or

(II) amounts that were appropriated before the date of the termination for the performance of the contract or for procurement of the type of acquisition covered by the contract and are unobligated on the date of the termination.

(4) VESSEL AGREEMENTS.—The Secretary shall use excess capacity of University National Oceanographic Laboratory System vessels where appropriate and may enter into memoranda of agreement with the operators of these vessels to carry out this requirement.

Page 119, line 24, strike "(3)" and insert in lieu thereof "(5)".

Page 120, lines 3 and 4, strike ", including activities described in paragraphs (1) and (2),".

Page 121, line 3, insert "(as of September 30, 1996)" after "Observation Buoys".

Page 121, lines 6 through 8, strike paragraph (7).

Page 121, lines 9, 11, 12, 13, and 15, redesignate paragraphs (8), (9), (10), (11), and (12) as paragraphs (7), (8), (9), (10), and (11), respectively.

Page 121, lines 16 through 18, strike paragraphs (13) and (14).

Page 121, lines 19, 20, 22, and 24, and page 122, line 1, redesignate paragraphs (15), (16), (17), (18), and (19) as paragraphs (12), (13), (14), (15), and (16), respectively.

Page 123, line 19, through page 124, line 6, amend section 443 to read as follows:

SEC. 443. TERMINATION OF THE CORPS OF COMMISSIONED OFFICERS.

(a) NUMBER OF OFFICERS.—Notwithstanding section 8 of the Act of June 3, 1948 (33 U.S.C. 853g), the total number of commissioned officers on the active list of the National Oceanic and Atmospheric Administration shall not exceed 358 for fiscal year 1996. No commissioned officers are authorized for any fiscal year after fiscal year 1996.

(b) SEVERANCE PAY.—Commissioned officers may be separated from the active list of the National Oceanic and Atmospheric Administration. In lieu of separation pay, officers so separated shall be eligible only for severance pay in accordance with the terms and conditions of section 5595 of title 5, United States Code, and only to the extent provided in advance in appropriations Acts.

(c) TRANSFER.—(1) Subject to the approval of the Secretary of Defense and under terms and conditions specified by the Secretary, commissioned officers subject to subsection (a) may transfer to the armed services under section 716 of title 10, United States Code.

(2) Subject to the approval of the Secretary of Transportation and under terms and conditions specified by the Secretary, commissioned officers subject to subsection (a) may transfer to the United States Coast Guard under section 716 of title 10, United States Code.

(3) Subject to the approval of the Administrator of the National Oceanic and Atmospheric Administration and under terms and conditions specified by that Administrator, commissioned officers subject to subsection (a) may be employed by the National Oceanic and Atmospheric Administration as members of the civil service.

(d) REPEALS.—(1) The following provisions of law are repealed:

(A) The Coast and Geodetic Survey Commissioned Officers' Act of 1948 (33 U.S.C. 853a–853o, 853p–853u).

(B) The Act of February 16, 1929 (Chapter 221, section 5; 45 Stat. 1187; 33 U.S.C. 852a).

(C) The Act of January 19, 1942 (Chapter 6; 56 Stat. 6).

(D) Section 9 of Public Law 87–649 (76 Stat. 495).

(E) The Act of May 22, 1917 (Chapter 20, section 16; 40 Stat. 87; 33 U.S.C. 854 et seq.).

(F) The Act of December 3, 1942 (Chapter 670; 56 Stat. 1038.

(G) Sections 1 through 5 of Public Law 91–621 (84 Stat. 1863; 33 U.S.C. 857–1 et seq.).

(H) The Act of August 10, 1956 (Chapter 1041, section 3; 70A Stat. 619; 33 U.S.C. 857a).

(I) The Act of May 18, 1920 (Chapter 190, section 11; 41 Stat. 603; 33 U.S.C. 864).

(J) The Act of July 22, 1947 (Chapter 286; 61 Stat. 400; 33 U.S.C. 873, 874).

(K) The Act of August 3, 1956 (Chapter 932; 70 Stat. 988; 33 U.S.C. 875, 876).

(L) All other Acts inconsistent with this subsection.

Following the repeal of provisions under this paragraph, all retirement benefits for the NOAA Corps which are in existence on September 30, 1996, shall continue to apply to eligible NOAA Corps officers and retirees.

(2) The effective date of the repeals under paragraph (1) shall be October 1, 1996.

(e) ABOLITION.—The Office of the National Oceanic and Atmospheric Administration Corps of Operations and the Commissioned Personnel Center are abolished effective September 30, 1996.

Page 4, amend the item in the table of contents relating to section 443 to read as follows:

Sec. 443. Termination of the corps of commissioned officers.

Page 126, line 14, through page 127, line 9, strike section 453.

Page 127, line 10, and page 128, lines 1 and 11, redesignate sections 454, 455, and 456 as sections 453, 454, and 455, respectively.

Page 129, after line 9, insert the following new sections:

SEC. 456. CONVEYANCE OF NATIONAL MARINE FISHERIES SERVICE LABORATORY AT GLOUCESTER, MASSACHUSETTS.

(a) CONVEYANCE REQUIRED.—

(1) IN GENERAL.—The Secretary shall convey to the Commonwealth of Massachusetts all right, title, and interest of the United States in and to the property comprising the National Marine Fisheries Service laboratory located on Emerson Avenue in Gloucester, Massachusetts.

(2) TERMS.—A conveyance of property under paragraph (1) shall be made—

(A) without payment of consideration; and

(B) subject to the terms and conditions specified under subsections (b) and (c).

(b) CONDITIONS FOR TRANSFER.—

(1) IN GENERAL.—As a condition of any conveyance of property under this section, the Commonwealth of Massachusetts shall assume full responsibility for maintenance of the property for as long as the Commonwealth retains the right and title to that property.

(2) CONTINUED USE OF PROPERTY BY NMFS.—The Secretary may enter into a memorandum of understanding with the Commonwealth of Massachusetts under which the National Marine Fisheries Service is authorized to occupy existing laboratory space on the property conveyed under this section, if—

(A) the term of the memorandum of understanding is for a period of not longer than 5 years beginning on the date of enactment of this Act; and

(B) the square footage of the space to be occupied by the National Marine Fisheries Service does not conflict with the needs of, and is agreeable to, the Commonwealth of Massachusetts.

(c) REVERSIONARY INTEREST.—All right, title, and interest in and to all property conveyed under this section shall revert to the United States on the date on which the Commonwealth of Massachusetts uses any of the property for any purpose other than the Commonwealth of Massachusetts Division of Marine Fisheries resource management program.

SEC. 457. CLEANUP OF NOAA FACILITIES.

(a) IN GENERAL.—The Secretary shall clean up landfills, wastes, dumps, debris, storage tanks, property, hazardous or unsafe conditions, and contaminants (including, without limitation, petroleum products and their derivatives), on lands which the National Oceanic and Atmospheric Administration and its predecessor agencies abandoned, quitclaimed, or otherwise transferred, or is obligated to transfer, to local entities or landowners on the Pribilof Islands, Alaska, pursuant to the Fur Seal Act of 1966 (16 U.S.C. 1161 et seq.).

(b) SPECIFIC REQUIREMENTS.—To carry out subsection (a), the Secretary shall—

(1) by December 31, 1995, execute agreements with the State of Alaska, affected local entities and landowners, and in the case of new landfills, the Indian Health Service;

(2) manage the cleanup required in subsection (a) with the minimum possible Federal overhead, delay, and duplication of State and local planning and design work;

(3) receive approval of the State of Alaska for the cleanup plans prepared as a result of the agreements described in subsection (b)(1) where said cleanup is required by State law;

(4) receive approval of affected local entities and landowners before conducting cleanup work on their property, if such approval is not obtained by agreement in accordance with paragraph (5);

(5) to the maximum extent possible, and notwithstanding any other law, carry out duties under this Act and under other Federal laws on the Pribilof Islands through contracts, grants, or cooperative agreements, including agreements on a reimbursable basis, with the local entities and landowners and with residents of the Pribilof Islands; and

(6) not require financial contributions by or from local entities or landowners.

(c) CONTENTS OF AGREEMENTS.—The agreements described in subsection (b)(1) shall—

(1) require the Secretary to clean up all sites referred to in subsection (a), as soon as possible;

(2) specify the Secretary's responsibility to—

(A) contribute to the planning and construction of new or redeveloped landfills;

(B) provide technical and financial assistance and training to the local entities and landowners and residents of the Pribilof Islands; and

(C) to the greatest extent possible, secure their participation in carrying out this section.

(d) DEFINITIONS.—For purposes of this section—

(1) the term "cleanup" means, without limitation, planning and execution of remediation actions for lands described in subsection (a) and redevelopment of landfills to meet regulatory requirements; and

(2) the term "local entities and landowners" means those local political subdivisions and entities that have received or are eligible to receive lands under the Fur Seal Act of 1966 (16 U.S.C. 1161 et seq.).

Page 4, strike the items in the table of contents relating to sections 453 through 456 and insert in lieu thereof the following:

Sec. 453. Eligibility for awards.
Sec. 454. Prohibition of lobbying activities.
Sec. 455. Report on laboratories.
Sec. 456. Conveyance of National Marine Fisheries Service laboratory at Gloucester, Massachusetts.
Sec. 457. Cleanup of NOAA facilities.

Mr. WALKER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WALKER. Mr. Chairman, I offer this amendment on behalf of the managers of the bill at the request of the Committee on Resources to make the following changes in the bill.

What it does is it modifies the NOAA fleet modernization termination language to allow NOAA to use their existing vessels if the Secretary of Commerce determines that using the existing vessels is the most cost-effective option. The language precludes NOAA from engaging in significant repairs to extend the life or upgrade the existing vessels.

It modifies the NOAA Corps elimination language to more closely parallel the Committee on Resources's language. The amendment will terminate the uniformed NOAA Corps at the end of the fiscal year 1996 while also providing corps members with the ability to transfer to the Coast Guard or to the Department of Defense or to NOAA as civilian employees if these agencies determine that their services are required.

I will give an example of that. I think all of us recognize that one of the things that we want to do is keep the hurricane planes flying and this will allow NOAA to transfer the pilots of those airplanes to the agency itself to fly those planes in the future.

It makes some modifications to the termination list. Specifically, the bill will now be silent on the following issues: The National Coastal Research and Development Institute, the Southeast United States Caribbean Fisheries Oceanographic Coordinated Investigations Program, the Sea Grant Oyster Disease Account, and the termination of the Chesapeake Bay buoys, which will be delayed until September 30, 1996.

The amendment also adds language to transfer a fisheries lab from the National Marine Fisheries Service to the State of Massachusetts. This language is identical to the language reported by the Committee on Resources.

The amendment also adds language to strengthen the cleanup requirements for the Pribilof Islands in Alaska. Once again, this language is taken from the resources bill.

The amendment also makes a technical correction to fix a number of numerical errors in the bill, and strikes language that has been identified by the Congressional Budget Office as resulting in direct spending.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. WALKER].

The amendment was agreed to.

The CHAIRMAN. Are there further amendments to title IV?

AMENDMENT OFFERED BY MR. FARR

Mr. FARR. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FARR: At the appropriate place in Title IV insert the following:

SEC. . OCEAN APPLICATIONS BRANCH.

(a) ESTABLISHMENT.—The Secretary of Commerce shall establish and maintain within the Administration a program to be known as the Ocean Applications Branch (in this section referred to as the "Branch").

(b) PURPOSE.—The purpose of the Branch shall be to make oceanographic and other information developed by the Department of Defense Fleet Numerical Meteorology and Oceanography Center available for private, educational, and government use pursuant to agreement between the Secretary of Defense and the Secretary of Commerce. It shall be the goal of the Secretary of Commerce to support the activities of the Ocean Applications Branch through user fees.

(c) LIMITATION ON CLOSURE.—The Secretary of Commerce shall not terminate operation of the Branch, before the Branch fully funds its operations through private sources, including user fees, or fiscal year 1996, whichever comes first.

Mr. FARR (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. FARR. Mr. Chairman, I have an amendment here that was adopted unanimously in the Committee on Resources and I ask that it be inserted into this bill.

Mr. Chairman, the amendment essentially requires NOAA to keep open the Ocean Applications Branch, which is a small office that is moving toward privatization to fully develop its own privatized funding. The Navy's Fleet Numerical Meteorological and Oceanographic Center in Monterey is the leading global marine forecasting center and provides all the military's ocean forecasting data.

The center provides real time oceanographic data from a variety of satellite and terrestrial observation posts. This information is used to generate up-to-the-minute marine analysis and weather forecasting for over 1,000 private and public center users, and I ask that this amendment be adopted.

Mr. Chairman, I think there is no controversy on it. It has been unanimously agreed to in the policy committee.

Mr. ROHRABACHER. Mr. Chairman, will the gentleman yield?

Mr. FARR. I yield to the gentleman from California.

Mr. ROHRABACHER. Mr. Chairman, I would ask the gentleman, is there any authorization that deals with this amendment?

Mr. FARR. Mr. Chairman, I would reply to the gentleman from California, no, as the amendment deleted the authorization. It is in the appropriations bill. It is under the ocean analysis. It does not increase that.

Mr. ROHRABACHER. Mr. Chairman, if the gentleman will yield further, is there a 1-year exemption on closure in this amendment?

Mr. FARR. Yes, there is. The bill is only good for a year, and so as the last sentence in the amendment states, it says that the Department of Commerce shall not terminate it for the fiscal year 1996 or whenever the user fees become successful, whichever comes first.

Mr. ROHRABACHER. Mr. Chairman, we are willing to accept this amendment.

Mr. FARR. Mr. Chairman, I thank the gentleman for accepting the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. FARR].

The amendment was agreed to.

The CHAIRMAN. Are there further amendments to title IV?

AMENDMENT OFFERED BY MR. SAXTON

Mr. SAXTON. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. SAXTON: Page 114, line 19, strike "(a) MARINE PREDICTION RESEARCH.—".

Page 115, strike lines 1 through 17.

Page 122, strike lines 10 through 21 (and redesignate the subsequent subsection accordingly).

Mr. SAXTON. Mr. Chairman, I understand that the gentleman from Pennsylvania [Mr. WALKER], chairman of the committee, has agreed to accept this amendment. It merely adds the Committee on Resources, which shares jurisdiction over the National Oceanic and Atmospheric Administration to the distribution list of a report on NOAA Program terminations authorized by H.R. 2405. On this list there are several programs with resources jurisdictions.

Mr. BROWN of California. Mr. Chairman, I move to strike the last word. The gentleman from New Jersey made the, what I considered unfortunate juxtaposition of the term noncontroversial with the fact that the chairman of the Committee on Science agreed with it. Does that mean that he thinks that whatever the chairman agrees to is noncontroversial?

Mr. SAXTON. Mr. Chairman, if the gentleman will yield, I apologize for that unfortunate use of the word uncontroversial. I certainly did not mean to represent the position of the minority in this matter.

Mr. BROWN of California. I appreciate that consideration. As far as I know, it is noncontroversial.

Mr. ROHRABACHER. Mr. Chairman, I move to strike the requisite number of words. This amendment is acceptable.

Mr. LONGLEY. Mr. Chairman, I rise in strong support of the Saxton amendment to H.R. 2405. I am a member of the Resources Committee, which is the principal authorizing committee for sea grant, as well as a cosponsor of H.R. 1175, the authorizing legislation for this valuable program.

The National Sea Grant College Program is a network of over 300 colleges, universities, secondary and elementary schools, and research institutions throughout the country focused on the wise use of marine resources. Sea grant has proven to be a highly effective Federal-State partnership that responds to local as well as national needs.

Sea grant is the ocean-based corollary to the Land Grant College Program. Sea grant uses high quality, competitive, merit-reviewed science to address critical marine resources issues, and disseminates the results of that work through its education and marine advisory services.

More than half the funding for sea grant comes from non-Federal sources—every dollar we invest in sea grant is matched by its participants. Sea grant is often the seed money for State, local, and private funds to come together to help our Nation utilize more fully its vast publicly owned marine resources.

For example, in my home State of Maine, sea grant technology, products and data have helped create jobs. In particular, as a result of Maine sea grant research on lobster reproduction and growth, the following companies were established:

Dodge Cove Marine Farms, Inc., Newcastle, ME; Great Eastern Mussel Farms, Inc., Tenants Harbor, ME; Island Maid, Beals Island, ME; Lobster Products, Hancock, ME; Maine Lobster Technology, Lamoine, ME; Mook Sea Farms, Damariscotta, ME; Northeast Labs, Winslow, ME.

In short, Mr. Chairman, sea grant deserves our support. The Resources Committee has reported out a comprehensive, responsible sea grant reauthorization measure which has the support of the 30 sea grant colleges and the Sea Grant Association. Certainly, sea grant deserves more than 29 lines in a 152-page bill. Support the Saxton amendment and pave the way for H.R. 1175 to come to the floor.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey [Mr. SAXTON].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. SAXTON

Mr. SAXTON. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. SAXTON: On page 122, line 5, strike "Science" and insert instead "Resources and the Committee on Science".

Mr. SAXTON. Mr. Chairman, I understand that Chairman WALKER has also agreed to this amendment. Like the first amendment, this amendment adds the Committee on Resources to the distribution list for a report, this time on NOAA laboratories. NOAA's labs are used for the support of its resource management activities, including fisheries research, and the Committee on Resources would benefit very much from this information.

Mr. ROHRABACHER. Mr. Chairman, the majority side accepts this amendment.

Mr. BROWN of California. Mr. Chairman, I move to strike the last word. Our side has reviewed the amendment and finds no problems with it and are glad to accept it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey [Mr. SAXTON].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. SAXTON

Mr. SAXTON. Mr. Chairman, I offer one additional amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. SAXTON: On page 128, line 16, strike "Science" and insert instead "Resources and the Committee on Science".

Mr. SAXTON. Mr. Chairman, earlier this year Chairman DON YOUNG of the Committee on Resources introduced legislation to reauthorize the sea-grant program. The Committee on Resources is the primary committee of jurisdiction for the program and has reported the bill to the House. The Committee on Science received a secondary referral on the bill and has also reported the measure. The Committee on Resources agreed in good faith to let the bill we are now considering come to the floor before having worked out a compromise with the Committee on Science on the NOAA provisions over which we share jurisdiction. Unfortunately, the Committee on Science has refused to negotiate on sea grant.

Mr. Chairman, as I said, unfortunately the Committee on Science has not negotiated on sea grant. This bill includes the Committee on Science's version of sea grant, not the version reported by the committee with primary jurisdiction. Therefore, I am offering an amendment to strike the sea-grant provisions from the bill. This will allow H.R. 1175, the bill Chairman YOUNG introduced earlier this year, which has been acted on by both committees of jurisdiction and is now in a position to come to the floor.

The national sea-grant college program is a network of over 300 colleges, universities, secondary, and elementary schools and research institutions throughout the country focused on the wise use of marine resources. For nearly 30 years, the sea-grant program has played an essential role in helping our Nation to utilize more fully its vast publicly owned marine coastal and Great Lakes resources which are vital to the lives of Americans living in the rapidly growing population areas along the coastal areas.

This bill is modeled after the land-grant college concept. Sea grant uses high-quality, competitive merit-reviewed science to address critical marine resources issues and dismantles the results of that work through its education and advisory service activities. Federal funding for sea grant is highly leveraged. Nearly half of the total program cost is derived from non-Federal sources.

H.R. 2405 guts sea grant. H.R. 1175, the bill reported by the Natural Resources Committee, which has primary jurisdiction over sea grant, does not gut the program. Quite to the contrary, it improves it. H.R. 1175 makes significant improvements in sea grant by streamlining the proposal review process, reducing administrative costs, capping the total program costs below services level, and clarifying Federal and university roles in the program. H.R. 1175 is also consistent with the House-passed Commerce appropriations bill which we might add makes appropriations consistent with our bill, H.R. 1175 should be the bill that the House considers. If Members believe, as I do, that the long-term viability of our Nation's marine resources should be maintained for future generations, then I urge they will vote for this amendment.

PERFECTING AMENDMENT OFFERED BY MR. WELDON OF PENNSYLVANIA

Mr. WELDON of Pennsylvania. Mr. Chairman, I offer a perfecting amendment.

The Clerk read as follows:

Perfecting amendment offered by Mr. WELDON of Pennsylvania: Page 115, line 7, strike "$34,500,000" and insert in lieu thereof "$51,000,000".

Page 115, line 12, strike "$1,500,000" and insert in lieu thereof "$2,000,000".

□ 1245

Mr. WELDON of Pennsylvania. Mr. Chairman, the amendment I offer today is in support of the sea-grant program. As the former ranking member of the Oceanography Subcommittee and the Committee on Merchant Marine and Fisheries, and now a member of the Committee on Science, I support the program in its entirety.

I am here today to offer an amendment which I understand Chairman WALKER has agreed to accept, which would in fact raise the authorization level up to the amount that is being offered by my friend the gentleman from New Jersey [Mr. SAXTON]. This removes the dispute in terms of the dollar amount, and also I think takes away what is I think the most egregious item in the Saxton amendment, which is the deauthorization of the whole program.

If the Saxton amendment were to pass today as a part of our science bill, in effect the entire authorization for sea grant would be removed. They are telling us that it would be restored at some future time. That may or may not happen.

What I am proposing is to raise the authorization level up to the exact same amount that my friend from New Jersey is offering today, because I support the program. The chairman has agreed to accept that funding level and to continue the program, and even to work with the Members and the committee individuals who have other changes they would like to make and perhaps would like to see come on a future authorization, which I am prepared to also support as the author of this amendment.

The key thing I am concerned about, Mr. Chairman, and all of our colleagues should be concerned about here today is if the Saxton amendment passes today, the entire program is deauthorized. It is removed from the bill and there is in fact no sea-grant program in the science legislation. That I think would be a mistake.

We have the commitment from Chairman WALKER to work with us. We have the commitment from me, as the author of this perfecting amendment, to work with the members of the Committee on Resources on other concerns in two areas that they feel are important.

I am committing to work with them publicly and to help them bring an authorization bill to the floor to deal with those other concerns. I would hope that our colleagues on the other side would support this effort, because it also allows us in this bill, where we consider the issue in the Committee on Science, to allow this program to be kept intact and increase the dollar amount.

I would have offered this amendment to increase the dollar amount in committee, but the chairman wanted to keep the dollar amount in line with the budgetary number that was given to him, and therefore I did not offer that amendment. I am offering it today, and the chairman has graciously agreed to work with us.

I think for the benefit of this program we ought to put aside the petty politics of the staff members who cannot agree on a common solution, and Members ought to come together and realize that those Members who support the program have a chance to keep the program intact, raise the dollar amount up and to work with the Committee on Resources on the concerns they have raised relative to two other specific parts of the program that they feel are not included in this bill. I would hope our colleagues would support it.

Mr. SAXTON. Mr. Chairman, will the gentleman yield?

Mr. WELDON of Pennsylvania. I yield to the gentleman from New Jersey.

Mr. SAXTON. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, first let me express my appreciation for the movement that the gentleman has shown relative to the level of funding. I do appreciate that. However, I must also say that it is somewhat disingenuous to characterize this amendment as a deauthorizing amendment.

The gentleman knows full well that this program ran out of its authorization time at the beginning of this year and, just like the Endangered Species Act and many other laws which are currently ongoing without an authorization bill, this one is as well. So I think it is a mischaracterization of this process to say that this amendment deauthorizes the act.

What we are trying to do is to put in place a policy statement, through the process that we have been engaged in on a bipartisan basis together, to bring an appropriate bill to the floor. So, once again, I appreciate what the gentleman has done but I strongly disagree with his position.

Mr. WELDON of Pennsylvania. Reclaiming my time, I appreciate the gentleman's comments, but the facts are that when we take the sea-grant program out of this bill, there is no authorization in the science bill for the national sea-grant program. What I am attempting to do is to raise the dollar amount, as well as to work with the Committee on Resources to address those other concerns that they have.

Let me say, Mr. Chairman, and I think we ought to ask for the ruling on this, my understanding is that the Parliamentarian has ruled that this program has exact joint oversight by both committees, both the Committee on Science and the Committee on Resources. What it appears to me is that perhaps staff, not Members but staff is really behind this effort to exert who has the control over it.

That is the worst part of what we are talking about here, because in the end we all agree the sea-grant program is a good program. It deserves to be funded. The chairman of the Committee on Science is accepting the funding level. The chairman of the Committee on Resources has agreed to work with us on the changes that the gentleman from New Jersey [Mr. SAXTON] wants to make. I have agreed to support them and to work with them.

So there really is no issue unless we allow the staff to dominate this debate and have their petty feuding over which staff is going to control the final product to come before this body. I ask my colleagues to support the perfecting amendment.

PARLIAMENTARY INQUIRY

Mr. PALLONE. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. PALLONE. My understanding was that the gentleman from New Jersey [Mr. SAXTON] made a motion to strike and now the gentleman from Pennsylvania's motion relates to the funding level. Is that in order?

The CHAIRMAN. There are two amendments pending. One is a perfecting amendment offered to the bill by the gentleman from Pennsylvania [Mr. WELDON], and then the gentleman from New Jersey [Mr. SAXTON] has an amendment to strike. The Weldon amendment will be voted on first.

Mr. PALLONE. If the Weldon amendment passes, if I could inquire, then is the Saxton amendment still in order?

The CHAIRMAN. The committee would still vote on the Saxton amendment because it would strike that amended language as well as other language of the bill.

Mr. PALLONE. Mr. Chairman, I move to strike the last word to speak on the Saxton amendment.

Mr. Chairman, again I have no problem with raising the funding level, I certainly would support that, but my concern is that this not impact the motion to strike offered by the gentleman from New Jersey [Mr. SAXTON], because I think that that is certainly equally if not more important in the context of the underlying bill. My concern is that the underlying bill not only provides less funding, which now presumably would be corrected with the Weldon amendment, but also has some significant changes in the authorization of what the Sea Grant program would be all about.

I much prefer the Committee on Resources version, which is why I support the Saxton amendment, because the Committee on Resources version essentially is well thought out and continues much of the outreach in education that currently exists in the Sea Grant program. In other words, Sea Grant is not just research. Sea Grant is not just grants that are given to academia or to institutions in order to do research. It is very much an outreach program that provides education and takes that research and translates it into the field.

Let me just give an example. I myself am a former Sea Grant specialist. I worked as part of what we called the Sea Grant Advisory Service. The Sea Grant Advisory Service exists in most if not all the coastal States, and basically what they do is, they go out into the community and they help marine owners and they help fishermen and they help coastal users with various problems that they have on a daily basis.

Sea Grant also is involved in actual educational functions. Some of the people actually teach in the universities. There is a lot of public outreach, which is the reason the Sea Grant has received so much public support. It is a very unique program because the public supports it, because they see the direct results of the research and what is done in the universities transferred into the field.

The problem with the Committee on Science version of this bill is it essentially eliminates marine advisory services, it essentially eliminates the Sea Grant Fellows Program, it eliminates a lot of the education and outreach programs that are an integral part of Sea Grant. For that reason, I support very much the Saxton amendment because the Committee on Resources continues these outreach and educational activities. I have no problem with increasing the funding, but that does not take away in any way from what the Saxton amendment would accomplish.

Mr. ROHRABACHER. Mr. Chairman, will the gentleman yield?

Mr. PALLONE. I yield to the gentleman from California.

Mr. ROHRABACHER. Mr. Chairman, I would ask the gentleman, are the educational aspects that he was just mentioning not peripheral to the central point of Sea Grant? Are we really not supposed to be talking about research and development?

Mr. PALLONE. Reclaiming my time, Mr. Chairman, absolutely not. Let me give an example, if I could.

When I worked at Rutgers University as a Sea Grant extension specialist, many of the people that were there actually had 3 functions. One was what we called research, one was teaching, and one was outreach. I was totally outreach. I used to just go out in the field with the marine owners, the fishermen, whatever, and work with them.

But basically what would happen, there would be people at Rutgers doing research, often that had direct applicability to what was going on in the field. For example, research would be done on how to improve, for example, certain types of fish species or prevent pollution, and then we as extension specialists would go out and apply that research actually with the fishermen. Of course there was also the teaching element, those who would teach at the university.

The unique relationship between those 3 things, extension, research, and academia, was very important. I think if we eliminate the extension, which is one of the things that is in this bill essentially, we are going to really eliminate a lot of the public support as well as why Sea Grant makes sense.

Mr. ROHRABACHER. So the gentleman believes at this time when we are trying to find things in the budget and set our priorities, that helping these fishermen that he is talking about is really an important enough use of the taxpayer's money that we should cut other programs to support this?

Mr. PALLONE. It is not just fishermen Mr. Chairman. It was anyone basically who are coastal users, people who lived at the shore, people involved in commercial cargo activities. I really do not think we should eliminate one aspect of it but perhaps by try to see how money can be used, reduced perhaps but used for all 3 functions rather than eliminate one aspect.

Mr. ROHRABACHER. If the gentleman would yield further, it just seems to me that what he is describing is a program that is very nice. We tried to save the really solid research end of this Sea Grant Program. We tried to trim from it those things that were not essential. From what the gentleman has described today, and I know the people listening have to make their own determination, those are really nonessential items for the Federal Government to be involved in.

Mr. PALLONE. Mr. Chairman, I would disagree with the gentleman completely. I think maybe that is one difference between the Committee on Resources and the Committee on Science. They put the emphasis on the research and the academia. We on the other hand are looking at the practical application of those skills in the field. I would argue just the opposite that those are just as important if not more.

Mr. WALKER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, we have been attempting to work out the situation here with regard to the bill. Obviously there are some differences in the scope of the program between what the Committee on Science action was and what the Committee on Resources action was. I think we are agreed that we need to have a way of deliberating both areas.

I happen to agree with the approach that the gentleman from Pennsylvania [Mr. WELDON] has taken in raising the money up to the appropriation level at this point. That probably is the right course to take at the present time. However, the Committee on Resources feels as though it has some areas that they would like to address, and so what we have agreed to here is to take, as I understand it, the Weldon amendment to the Saxton amendment, pass that as a substitute, and that would raise the money in the bill. Then at a later date the Committee on Resources will bring their own bill affecting this program to the floor that would deal with further authorizations, and it is my understanding, if the gentleman from New Jersey can speak for the chairman of the committee, that we would have an exchange of letters asserting that by us allowing you to bring your bill to the floor independent of a referral to us, that that would not in any way jeopardize any kind of co-equal jurisdiction we have over the program; is that correct?

Mr. SAXTON. If the gentleman will yield, that is essentially correct. I think it is important that we make this move today. I once again appreciate the fact that you are willing to meet us at the appropriate target with regard to funding. I would just point out that during the debate under an open rule as I understand it when H.R. 1175 comes to the floor, that will give us the opportunity to debate the issues that the gentleman from New Jersey [Mr. PALLONE] just spoke about and that are also of concern to me, namely, the Sea Grant Fellows Program, the Marine Advisory Service Program, as well as provisions that are in H.R. 1175 that relate recommendations made by the National Academy of Sciences which help to streamline the program. There may be some other issues involved under that open rule as well.

With that having been said, we agree to accept the Weldon amendment today.

□ 1300

Mr. WALKER. Reclaiming my time, obviously the Committee on Resources at that time can bring anything they want to the floor for further authorization of the Sea Grant Program. What this action would do today is assure the program is authorized at the level of funding that the Weldon amendment anticipates and then we would move toward further potential authorization at a later date.

Mr. SAXTON. That is correct.

Mr. WALKER. As I say, it is my understanding then we would have an exchange of letters to this effect.

Mr. SAXTON. If the gentleman will yield, it is implicit in this the chairman of the Committee on Science, the gentleman from Pennsylvania, will support our effort to bring H.R. 1175 to the floor.

Mr. WALKER. What the gentleman has agreed to is not to hinder your efforts in any way to bring the bill to the floor. The gentleman may have some questions about the provisions of your bill.

Mr. SAXTON. That is OK.

Mr. WALKER. I am certainly not going to hinder you bringing your bill to the floor.

Mr. SAXTON. Just so we have your assurance that you will support our effort to get the bill to the floor.

Mr. WALKER. Sure. That is what we have agreed to.

Mr. BROWN of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, it has been my intention to support the gentleman from New Jersey [Mr. SAXTON] with regard to this matter and for reasons which I will elaborate on.

Actually, I think all of the people who have spoken here have agreed that the Sea Grant Program is a valuable program and one that should be continued. Unfortunately, the authorization for that program expired at the end of fiscal year 1995, and we are now seeking to reinstitute the reauthorization and determine the level of authorized funding.

Again, we all agree that the two committees, Science and Resources, have joint jurisdiction over this program, and in the past we have worked closely in order to resolve any differences that might have occurred as a result of differing attitudes toward the program.

There are some rather sensitive issues involved here which I hesitate to bring up again, but as I indicated at the beginning of the debate on this bill, it does not really matter too much what we do on this bill, since it is not going anywhere. But it does offer an opportunity for some discussion of policy issues which I think are important.

Policy issue No. 1 illustrated here is that two committees now both headed by distinguished Republican Members of this body have some serious differences with regard to what constitutes real research and what constitutes an appropriate role for the Federal Government.

The Committee on Science, under the leadership of the distinguished gentleman from Pennsylvania, takes a dim view of programs which are not real research, not basic research, but which are applied research or technology development.

The Committee on Resources seems to be oriented more toward support for programs which do apply research to the needs of the people of this country, and in this case, the maritime industry, and is quite willing to support these appropriately selected applied research and technology development programs which have obvious economic payoffs to the people of this country.

The distinguished gentleman from California [Mr. ROHRABACHER], has already indicated that he feels that this is not an appropriate role for the Federal Government, and he very eloquently defends that position.

Mr. Chairman, I am happy to yield to the gentleman from California to defend it some more, if he wishes.

Mr. ROHRABACHER. Mr. Chairman, I think, at a time when we are having to make major budget cuts in so many programs, that we do have to make choices and that when we make choices in a situation just like today, and I think this does demonstrate a difference in philosophy, not in morality, not in values, but a difference in philosophy as to what Government should do, but when the Government is involved in helping fishermen or helping people who do coastal work, coastal shipping, or live near the coast, that perhaps other programs are more important than those programs, and perhaps when people are making money in the fishing industry or in the shipping industry, they could pay for those type of activities, especially at a time when our budget is too tight.

Mr. BROWN of California. We do not have a basic disagreement there. I would personally like to see the private beneficiaries of Government research or development pay for as much of it as possible, and if we can just work out a common scheme for doing that, you and I can support that.

The gentleman and I do not want to be overly critical, but he also seems to imply, and this is another one of those delicate issues, that anytime we do not support the language and the numbers in this authorization bill, that we are not really interested in balancing the budget. Now, the gentleman knows that it does not make much difference what we think on this side, but he is raising an argument which the Republican chairmen of the Committee on Appropriations are going to find disturbing because they have already raised the numbers above what is in this bill as any members of the Committee on Appropriations will tell you, and that is all that the amendment offered by the gentleman from New Jersey really seeks to do, is to raise those numbers up, plus eliminating some language that would put restrictions on what could be done under the Sea Grant Program.

Mr. ROHRABACHER. If the gentleman will yield further, some of us on this side of the aisle are even more committed budget cutters than others on this side of the aisle.

Mr. BROWN of California. I understand that. I understand that, and in fact I am trying to accentuate that difference so that since you know it, what I am trying to do, you should seek to resolve that before it becomes something that I will raise on the floor and try and confound you with.

But the real point is, and I have said this over and over again, we are not, in the authorizing committee, bound by the budget resolution. It does not matter what we put in there. I can be 50 percent above what is in the budget resolution, because it is only binding on the Committee on Appropriations, and these numbers are the way the authorizers indicate priorities. We are not spending money. We are indicating priorities.

The interesting think here is you have not been consistent on your side with regard to your approval of raising our numbers in this bill up to the appropriators' level. In this case, the chairman has agreed to do it, and in another case the chairman agreed to do it. There have been four cases.

The CHAIRMAN. The time of the gentleman from California [Mr. BROWN] has expired.

(By unanimous consent, Mr. BROWN of California was allowed to proceed for 2 additional minutes.)

Mr. BROWN of California. Mr. Chairman, in order to entertain this vast audience I have here, in two out of the four cases in which we had amendments to raise the numbers up to the Committee on Appropriations level already approved in both the House and Senate, on your side you agreed to go along with two, on the other two you said, "No, that is a budget buster. It shows we do not care about balancing the budget." I resent those arguments, very frankly. You know they are not true, and I know they are not true. Let us use a little common sense and work out an agreement that represents the best thinking of both sides and see if we cannot get behind it and support it and avoid these fictitious arguments about who is the biggest budget cutter both on your side within your party and between the two of us.

Mr. CALLAHAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I feel like I am in the middle of a jurisdictional dispute, which I am. We are not talking about whether or not the programs are good programs or bad programs. We are talking about a concept of whether or not we ought to bust the budget with this miniscule amount of money that is doing a great deal of good for a great many people in this great country.

Yes, we can talk about budget busters. Yes, we can talk about conservatism. But we have a program that is working, a government program that combines the resources and the capabilities and the talents of the State of Alabama, for example. Under our Sea Grant Program, the universities, the private industry and the Government are working together to make this a better world, to help provide for the future feeding of people in this country and other countries, and to eliminate diseases such as salmonella that are taking place in some seafood problems throughout the world now.

So while we are caught in this jurisdictional problem of who is going to get credit or who is going to have control, let us not lose sight of the fact that we are talking about a very vital program to the people of this country which costs a very small amount of money, and I think at this point we have reached the stage, if I am not mistaken, I say to the gentleman from New Jersey [Mr. SAXTON], I came to speak in favor of your amendment that now the gentleman from Pennsylvania [Mr. WELDON] is introducing a substitute or an amendment to your amendment saying that they are going to fully fund under his authorization bill, and yet fully support you when you come to the floor for the reauthorization level.

I think it is imperative that we do support the Committee on Resources on the full authorization level because we are talking about a 4-year program instead of a 1-year program. So at this point I suppose we are at the stage where we are all going to support you, I say to the gentleman from Pennsylvania [Mr. WELDON], and applaud your efforts to bring the funding levels back up and then get behind the gentleman from New Jersey [Mr. SAXTON] and the Committee on Resources to ensure that this vital program continues.

Mr. WELDON of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. CALLAHAN. I yield to the gentleman from Pennsylvania.

Mr. WELDON of Pennsylvania. Mr. Chairman, that is exactly the point here, and I would just want to add again that the Committee on the Budget, in their deliberations, zeroed out the Sea Grant Program, and those of us on the Committee on Science who went to the gentleman from Pennsylvania [Mr. WALKER] worked with him to raise up an authorization level to put funding back in. It was not what we wanted. It was around $34 million, but it was, in fact, increased funding.

What we have now done is we have increased it to a much higher level, which is a level that the Committee on Resources had in their mark, and I think, as I have said publicly, I am very happy and pleased to work with the gentleman from New Jersey [Mr. SAXTON] and to support the other priorities and concerns he has. So we move ahead, get the program, keep it intact and work with the natural resources bill to support that when it comes to the floor as well.

Mr. BROWN of California. Mr. Chairman, will the gentleman yield?

Mr. CALLAHAN. I yield to the gentleman from California.

Mr. BROWN of California. Mr. Chairman, the gentleman, in his eloquent remarks, presented almost precisely the position that I am taking here, but I think you recognize that we do have a collision basically within your own party as to what the appropriate role of the Federal Government is in supporting the kind of research that is involved in the Sea Grant Program, and that needs to be resolved. I thought it had been resolved under the Reagan and Bush administrations, but now that understanding is no longer holding. We are told that that is not respectable research to cooperate with industry and users and trying to develop programs that benefit the American people, that that should be done by the private sector and that there should be no Federal Government involvement in it.

We need to come to closure on that point. What is the role of the Federal Government? I am not trying to dictate it. But I do not like to be going through these specious arguments all the time because of a difference which does not get fully explicated as to what the appropriate role of the Federal Government is and has been and should be in the future, and I am hoping that the gentleman, with keen insight and common sense, like yourself, will help us to resolve that problem in a constructive way, and I will go along with the gentleman's position.

If the gentleman from Pennsylvania [Mr. WELDON] has worked out something with the gentleman from Pennsylvania [Mr. WALKER], I am not going to object to that as long as it does not obscure the larger debate which is taking place here, which is my purpose in taking up the time.

Mr. CALLAHAN. Reclaiming my time, I will say, that as a member of the Committee on Appropriations, I recognize sometimes the amount of control that the Committee on the Budget would like to impose upon the Committee on Appropriations.

Mr. BROWN of California. If the gentleman will yield on that point very briefly, the gentleman stated the Committee on the Budget had eliminated the Sea Grant Program. What the gentleman means is that in the report of the Committee on the Budget, there was language which assured that the program would be discontinued. The report language is guidance, no more, and the first budget resolution is not binding until it is confirmed by the reconciliation bill in the final action, and the appropriators know that. There has always been tension between appropriators and members of the Committee on the Budget.

The CHAIRMAN. The time of the gentleman from Alabama [Mr. CALLAHAN] has expired.

(At the request of Mr. BROWN of California and by unanimous consent, Mr. CALLAHAN was allowed to proceed for 5 additional minutes.)

Mr. BROWN of California. If the gentleman will yield further, I am enjoying this discourse so much. This is a point that all new Members need to understand particularly, this tension between the Committee on the Budget and the appropriators, to say nothing of the authorizers, is a constant factor here, and the tension over who has the predominant role will always continue in a Congress made up of prima donnas like we have. So to state that the first budget resolution abolished the Sea Grant Program is a slight exaggeration. The final action will depend on what your committee does in terms of funding the program and ultimately what the House as a whole does in terms of confirming the authorization for the program.

Mr. CALLAHAN. Reclaiming my time, as you know, we did not have this particular problem when it was all under the jurisdiction of the Committee on Merchant Marine, which, as we all know, has been abolished, and now you have two sort of separate jurisdictions. But the good theme of what I am hearing here today is that we have almost unanimous agreement that we want to continue to Sea Grant Program. We want to continue it with adequate funding level, without busting the budget, as some might say, because we recognize how valuable these types of programs are and what a contribution they make, what a contribution they make to the betterment of life here in this country.

Mr. MANTON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise today in strong support of the Saxton amendment and the National Sea Grant College Program. For well over 25 years, the Sea Grant Program has worked toward making the United States the world leader in marine research and the sustainable development of marine resources. The cuts proposed by H.R. 2405 would be devastating and make it nearly impossible for this program to continue providing its valuable services.

Despite being a relatively small program, Sea Grant provides significant benefits to the Nation by providing a high return on federal investment through its promotion of economic growth, helping to create private sector jobs, and by educating a skilled work force able to compete in the international workplace.

Mr. Chairman, as a member from the great State of New York, the only State in the country bordering both the ocean and the Great Lakes, I have had the opportunity to see this program focus on protecting and enhancing our environment for ourselves and for future generations. Sea Grant is virtually the only source of funding devoted to marine policy studies and it is making major contributions to the advancement of fisheries management, pollution remediation, seafood safety and marine engineering.

I currently have the privilege of employing a Dean John A. Knauss Sea Grant fellow, Cinnamon Rogers. Her background in marine and coastal policy has been an invaluable asset over the past year.

Mr. Chairman, the United States has the largest jurisdiction over ocean resources in the world. The Sea Grant Program is essential to ensure that these resources are managed responsibly and effectively and to solve national marine resource problems without the need for costly regulation or intrusive government involvement. The cuts proposed by H.R. 2405 would dramatically affect our Nation's ability to maintain the economy of coastal regions, address long-term national needs, ensure survival of threatened habitat and species, and train future marine resource scientists and managers.

I urge my colleagues to support the National Sea Grant College Program by voting in favor of the Saxton amendment.

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The CHAIRMAN. The question is on the perfecting amendment offered by the gentleman from Pennsylvania [Mr. WELDON].

The perfecting amendment was agreed to.

PARLIAMENTARY INQUIRY

Mr. SAXTON. Mr. Chairman, I would like to get a clarification in the from of a parliamentary inquiry here.

My understanding of the situation before the last vote that was just taken was that I had an amendment pending to which the gentleman from Pennsylvania [Mr. WELDON] had an amendment.

The CHAIRMAN. The amendment offered by the gentleman from Pennsylvania [Mr. WELDON] was a perfecting amendment, and it was to the bill, and it would take precedence of an amendment that strikes language from the bill. So the Weldon amendment gets voted on first.

Mr. SAXTON. That is correct, inasmuch as his amendment was an amendment to my amendment.

The CHAIRMAN. His amendment was a perfecting amendment to the language in the bill.

Mr. SAXTON. All right.

So, Mr. Chairman, what I need to do at this point is to ask unanimous consent to withdraw my original amendment; is that correct?

The CHAIRMAN. The gentleman is correct.

Mr. SAXTON. Mr. Chairman, I ask unanimous consent to withdraw my original amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The CHAIRMAN. the amendment offered by the gentleman from New Jersey [Mr. SAXTON] is withdrawn.

Mr. YOUNG of Florida. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I want to thank, first of all, the gentleman from Alabama [Mr. CRAMER] for allowing me to do this ahead of his amendment, and I rise for the purpose of entering into a colloquy with the gentleman from Pennsylvania [Mr. WALKER], and I would like to ask him about the NOAA aircraft, the 14 aircraft that NOAA flies as weather surveillance and hurricane surveillance, and I would ask the gentleman if these aircraft have been eliminated by H.R. 2405.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of Florida. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Chairman, the answer to the gentleman's question is "no."

Mr. YOUNG of Florida. And, if the gentleman would answer, would these aircraft continue to be based where they are presently?

Mr. WALKER. The bill does not alter the bases of specific aircraft.

Mr. YOUNG of Florida. Mr. WALKER, H.R. 2405 terminates the NOAA Corps. Does the termination of the corps prevent NOAA from conducting important hurricane surveillance activities?

Mr. WALKER. I say to the gentleman the answer to his question is "no," it is not the intention of the committee to terminate important hurricane surveillance activities. The committee simply does not believe it requires uniformed NOAA Corps members to fly these planes.

Mr. YOUNG of Florida. One further question, if the gentleman would.

The manager's amendment, which was adopted, includes language which allows members of the NOAA Corps to transfer to the Department of Defense, the Coast Guard or NOAA Civil Service if they are needed. Is this accurate?

Mr. WALKER. That is correct.

Mr. YOUNG of Florida. Mr. Chairman, I thank the gentleman very much, and I thank the members of the committee for their concern about this.

AMENDMENT OFFERED BY MR. CRAMER

Mr. CRAMER. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. CRAMER: Page 108, line 9, through page 109, line 4, amend subsection (g) to read as follows:

(g) WEATHER SERVICE MODERNIZATION.—Title VII of the National Oceanic and Atmospheric Administration Authorization Act of 1992 is amended—

(1) in section 706—

(A) by amending subsection (b)(6) to read as follows:

"(6) any recommendations of the Committee submitted under section 707(c) that evaluate the certification.";

(B) by striking "60-day" in subsection (c)(2) and inserting in lieu thereof "30-day";

(C) by amending subsection (d) to read as follows:

"(d) FINAL DECISION.—If the Secretary decides to close, consolidate, automate, or relocate any such field office, the Secretary shall publish the certification in the Federal Register and submit the certification to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science of the House of Representatives."; and

(D) by amending subsection (f) to read as follows:

"(f) TRANSITION PROGRAM.—The Secretary shall maintain for a period of at least two years after the closure of any weather office a program to—

"(1) provide timely information regarding the activities of the National Weather Service which may affect service to the community, including modernization and restructuring; and

"(2) work with area weather service users, including persons associated with general aviation, civil defense, emergency preparedness, and the news media, with respect to the provision of timely weather warnings and forecasts."; and

"(2) by amending section 707(c) to read as follows:

"(c) DUTIES.—The Committee may review any certification under section 706 for which the Secretary has provided a notice of intent to certify in the plan, including any certification for which there is a significant potential for degradation of service within the affected area. Upon the request of the Committee, the Secretary shall make available to the Committee the supporting documents developed by the Secretary in connection with the certification. The Committee shall evaluate any certification reviewed on the basis of the modernization criteria and with respect to the requirement that there be no degradation of service, and advise the Secretary accordingly.".

Mr. CRAMER. Mr. Chairman, I hope the Members, both present in the Chamber and listening in their offices, will pay close attention to my amendment today because it is indeed a public-safety amendment.

The Weather Service Modernization Act, which was passed in 1992, established procedures for the modernization of the National Weather Service. A critical part of that law was the requirement that no weather office can be closed or automated without a certification that the closure would not result in degradation of service to the affected area.

Now pursuant to that modernization act an implementation plan was passed by the Weather Service that would propose to close many Weather Service offices around this country including my Weather Service office there in north Alabama which also serves southeastern Tennessee as well. There are 300 existing Weather Service offices right now, and, according to the implementation plan, those numbers would be reduced to 118.

Now, under current law, Mr. Chairman, the certification requires a review of local weather characteristics, comparison of weather services within the affected area and, importantly, a review of the weather radar coverage. The process requires a publication in the Federal Register and a period of public comment before a closure takes place. I think the public participation in this process is critical.

Now the bill before the Chamber here today eliminates any certification requirement before the Weather Service can close an office, and let me repeat that. This bill eliminates any certification requirement before the Weather Service can close an office. That means that a bureaucrat can determine by the stroke of a pen which of those Weather Service offices will be closed and when those Weather Service offices will be closed, and this is unacceptable.

Mr. Chairman, that is why I say this is indeed a very critical public-safety argument here in my amendment today. Requiring a certification that there is no degradation of services is a matter of public trust. No Weather Service office should be closed without the guarantee that an area shall receive at least the same kind of Weather Service protection that it has received in the past. There must be some kind of accountability to the process of closing those offices, and a certification requirement provides an accountability.

So what do we do because none of us want a government bureaucrat exercising that kind of authority? We have got to meet some middle ground here, and I think that is what my amendment in fact does. My amendment does not preserve the existing certification process. It is a compromise amendment.

What we are doing with the amendment is currently there is a requirement that each closing certification be published in the Federal Register for 60 days. We reduce that requirement to 30 days. Currently there is a requirement that the modernization transition committee be consulted twice during the certification process. My amendment reduces that to one consultation. And in the third place, Mr. Chairman, currently there is a requirement that the Weather Service maintain a liaison officer in every closed office for 2 years. This is wasteful and not necessary. We eliminate that requirement by this amendment and simply require that the Weather Service maintain a program for 2 years, a program for 2 years that will provide timely information to Weather Service users in the community that is losing the Weather Service office.

Now this amendment, by reaching that kind of compromise, will save $15 million over 5 years and will eliminate redundancies that are currently in the law, but at the same time we will maintain the essential requirement that there be a certification of no degradation of service when a weather office will be closed.

Mr. ROEMER. Mr. Chairman, will the gentleman yield?

Mr. CRAMER. I yield to the gentleman from Indiana.

Mr. ROEMER. Mr. Chairman, I would just like to commend the gentleman from Alabama [Mr. CRAMER] and his aide, I think who will be leaving his office shortly, Mr. John Hay, for their excellent work on this amendment.

Mr. Chairman, we have the most unpredictable weather in the world in the

United States. We appropriate money every year for disasters whether they be hurricanes, tornadoes, severe weather. Certainly for us to have in this bill a guarantee for public safety and public input to certify that a closure of an office warning people about severe weather conditions should not take place unless there is this needed public safety. In this bill we are spending several hundred million dollars on shuttle safety, and we should. We should protect our astronauts when they take off in that shuttle. Certainly we should have a certification process that allows all our citizens in this country the input as to how to make sure that they are adequately warned if they have a severe lake effect coming off Lake Michigan in my district in the State of Indiana that sweeps across the entire northern part of the State.

Mr. Chairman, I think the gentleman's bill does that.

The CHAIRMAN. The time of the gentleman from Alabama [Mr. CRAMER] has expired.

(By unanimous consent, Mr. CRAMER was allowed to proceed for 2 additional minutes.)

Mr. CRAMER. Again I think with this compromise process, as the gentleman and I know brutally well in our separate areas, we have raised concerns within the committee about the modernization process and the fact that we are likely left in gap areas that many studies have determined, and recently we have engaged in jumping through every hoop, crossing every "t" we can cross, in order to fairly preserve this modernization plan to make sure the citizens of our areas are in fact protected. I think this is an additional guarantee that those of us that are concerned about this modernization process are given some protection that before they can close our offices in my case, move the office 100 miles south of my area, and recently my Weather Service office went out because it was struck by lightning, and we were served from this 100-mile-away Weather Service office, and the coverage was disastrous. We were given 2 and 3 minutes notice of tornadoes.

So, Mr. Chairman, I think the gentleman and I have worked very hard, and I congratulate him, as well, for bringing this issue to the floor.

Mr. ROEMER. Mr. Chairman, I thank the gentleman from Alabama [Mr. CRAMER] and say this amendment is doing a real service not just to the people in Indiana and Alabama, but all over the country, insuring that they get adequate warning, insuring that there is public input, and that this streamlines the bureaucratic process and actually saves some money to the taxpayer in the long run as well.

Mr. ROHRABACHER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, in our bill we have eliminated the union-written certification requirements that have stymied efforts to consolidate Weather Service offices from 215 to 118. The Cramer amendment, while not going back to the old certification requirements, offers a new and streamlined version, yes, but a version that will still result in the maintaining of unnecessary Weather Service offices and maintaining a process that is unnecessary. What we are talking about is jeopardizing a $35 million savings over 5 years. The NOAA IG supports our position, and that maintaining the system, even if it is streamlined, is unnecessarily costly, and we are trying to come about and trying to solve a problem.

Mr. Chairman, for years we have had a number of Weather Service offices that were just not necessary. There is legitimate concern which we will hear from several Members in a moment. I am sure that their areas may in some ways be affected detrimentally.

☐ 1330

Let me say for the record that we have noted their concerns, and that there will be a hearing next week on this issue to ensure that each and every one of the people who Members will hear in one moment, supporting the Cramer amendment, that their concerns are dealt with, and that their concerns and their problems that might erupt from the situation, that it is corrected.

There is no reason why we should pass a Cramer amendment in order to solve the problems we are going to hear about in the next couple of minutes. What we need instead is to have an honest approach to the issue, so that we can, if anybody is left out, if there are some gaps in the plan, that they be taken care of, rather than set in law a streamlined process, yes, from what the old process is, but a process that will still result in offices that are unnecessary being left open, and add to the cost of closing offices that are unnecessary, as the NOAA IG has already stipulated.

This amendment was brought up and defeated in committee, and let me again state, the problems that are emerging, in that some areas are not being covered adequately, which we are going to hear in a moment, are being taken care of. There is no reason for us to pass the Cramer amendment. In fact, passing the Cramer amendment will be counterproductive and will cost the taxpayers unnecessary money, because the problems that will arise can be handled in a different way. We are already on the road to handling these problems.

Mr. CRAMER. Mr. Chairman, will the gentleman yield?

Mr. ROHRABACHER. I yield to the gentleman from Alabama.

Mr. CRAMER. Mr. Chairman, I want to take this time and thank the chairman of the committee, and of the Subcommittee on Space and Aeronautics of the Committee on Science, both now and in years past. They have in fact bent over backwards to make sure those of us who were extremely nervous about this modernization plan were given opportunities to question, poke holes, because what we said then and what I say now is, "Do not use our citizens as guinea pigs. Do not, just for the sake of balancing the budget," and this is a small amount of money, I might add, "do not risk out citizens' lives." I have had people sitting in church who were blown away by tornadoes, and I cannot stand here and let the gentleman say this is simply a budget issue.

I wish we had had the hearings the gentleman is talking about before we brought this bill to the floor today. I am glad we are having the hearings next week, but I must again say this is a public safety issue and not a budget issue.

Mr. ROHRABACHER. Reclaiming my time, Mr. Chairman, we did schedule these hearings long before we knew when this bill would be coming to the floor, and as the chairman of the subcommittee, and with the full support of the chairman of the full committee, we are moving forward methodically to make sure that there are no gaps in our reform measures.

The gentleman's proposal, the gentleman's amendment, does indeed come at the problem from a certain way. I am just saying that it is counterproductive and may in the end cost the taxpayers money, where we can solve the problem by looking at it independently and not setting down guidelines that, in the end, will cost the taxpayers money.

I recognize the gentleman's point. He is very concerned about his constituents. Everyone who is going to be speaking here on this issue is concerned about the lives of their constituents and the lives of other citizens of the United States. I just think we can handle it in a better way, and modernization does put—even as we have said, the Doppler radar is going into effect. We have a whole new radar system that we have approved and authorized the money for, so we are very concerned about safety, enough to spend money on this new radar system.

Mr. BROWN of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am in support of the amendment offered by the distinguished gentleman from Alabama [Mr. CRAMER], but again, I want to try and provide a little additional background here.

First, of all, Mr. Chairman, the Committee on Science has not been divided on the issue of modernizing the Weather Service. We have felt that we could provide improved service and less expensive service through updating the equipment to the best in modern radars and so forth, and we have sought to do that.

In any period in which we have a major technological transformation, there are people who are going to be upset, some for causes which are fantasy; that is, they just distrust new technology, maybe; and others for a legitimate reason, that the technology may not work as advertised, it may not be effective, and it may degrade, as has been pointed out here, the level of service for certain particular areas.

However, the general principle is we should move ahead with modernization, we should do it reasonably well, but we should recognize the special problems of the transition. I want to say just a word about that. We wrestled for months and years over how to alleviate this concern for a degradation of service. The provisions that were finally adopted represented, again, a consensus as to how we could protect the interests of the public that was concerned, while we proceeded to go ahead as expeditiously as possible with upgrading the system.

Some of the fears for degradation of service were real, some were imaginary. There were some even here in the Congress who felt that maybe a Republican President would have shut down a weather station in a Democratic district just to maybe get even with somebody. Now that we have a Democratic President, there are Republicans who probably feel that they might be discriminated against by a Democratic President.

We feel that these are more in the realm of fantasy than fact, but the concern about a degradation of service is real. The elimination of the opportunity for public hearings would be a tragedy to due process in this country. We believe that it is important that we move ahead expeditiously; that we, however, allow for a transition period, that we allow for a process of public hearing and review whenever there is a change that is proposed, and that we take into consideration all the factors that would be involved.

It is for this reason, Mr. Chairman, the long history behind this process, which is being improved by the amendment suggested here, as a matter of fact, and saves money, this warrants the adoption of this amendment in the public interest, as well as in helping us to meet the goal of improved efficiency and less cost.

Mr. WAMP. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from Alabama [Mr. CRAMER], as I supported that amendment at the level of the Committee on Science, recognizing that for the folks back home, the Democrats and Republicans are working together on this issue. I commend the Chairman of the subcommittee, the chairman of the full committee, and those on the other side, because we have worked together for a number of years on this issue.

When it comes to health and safety, we are working together to make sure that politics does not enter into this. I do not believe for a second that it has or is entering into this. However, with the potentiality of degradation in some areas of the Weather Service as we transition into a brand new national NEXRAD system, which is coming online, it is important that we do not have soft spots. Let me give a recent example.

In southeast Tennessee, which I represent, which has been identified as one of five vulnerable areas in the country by the National Research Council's findings, which they are now reporting on to the Department of Commerce, we are awaiting, I think, Department of Commerce clarification to make sure that these five areas are potentially degrading areas, so we can actually accommodate through some construction these areas to improve these areas.

As Hurricane Opal last week worked its way up through the Gulf of Mexico right through, I suppose, the district of the gentleman from Alabama [Mr. CRAMER] and my district, we have had our people who have relied on our local Weather Service office for years calling Morristown, TN, some 114 miles to the northeast. Storms do not come from the northeast to the southeast in the southeastern part of the United States, they come from the south. We have to have that service and those reportings coming from a closer area.

The gentleman from Alabama [Mr. CRAMER] very responsibly offered legislation at the committee level to accommodate these soft spots. I commend him for that. The transition, our local Weather Service Office is closing. The calls came from our local media representatives to the Morristown office. We did not have the responsiveness that we have had in recent years as this hurricane came through town. These are critical health and safety concerns that must continue to be addressed.

I commend the gentleman from California [Mr. ROHRABACHER] for the hearings, but again I do think this is a responsible approach. It does not matter where it comes from in this body, from that back corner or this back corner; when it is a responsible approach, we need to all embrace and recognize it. I urge all of our colleagues on both sides of the aisle to support the amendment offered by the gentleman from Alabama [Mr. CRAMER].

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This team worked, saved lives and mitigated millions of dollars in property damage. Furthermore, it enabled Federal officials to control releases from the Central Valley Project dams, thereby avoiding further destruction downstream significantly. During this emergency, the radar in Sacramento which provides primary coverage to the region north of Redding failed to adequately detect precipitation in the mountains where the flooding originated. Had it not been for the heroic efforts of experienced Weather Service personnel in Redding, the devastation would have increased dramatically.

Mr. Chairman, despite the firefighting lessons we learned last spring, the Weather Service is still determined to eliminate the requirement that the service certify that the closures would not degrade services to the region, which could literally place the safety of thousands of people in jeopardy.

Mr. Chairman, this would have ramifications that move far beyond even flood management. It would also severely impact the Weather Service provided to forest fire dispatchers from the Forest Service, BLM and California Department of Forestry, who are housed in the same facility as the Weather Service and who have relied on the forecasting for meteorologists and technicians in the Redding office for over 30 years. Furthermore, it would jeopardize the safety of travelers along the vulnerable Interstate 5 corridor who rely on the accurate storm and snow reports for safe passage between Oregon and California.

Mr. Chairman, the situation in southern California is not unique. There are communities all over the country which are in jeopardy of losing adequate weather service under the present modernization plan. We must reinstate a mechanism to check a potentially dangerous bureaucratic fiat.

Mr. Chairman, this amendment provides that mechanism. I urge my colleagues to vote "yes" on the Cramer amendment.

Mr. DEUTSCH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this is an issue where I think we really get to the heart of Government. We can talk as much as we want about reducing the size of government; government, over the last several years, getting involved in issues that it should not be involved in. The Government's branch and its breadth has taken too much of the private sector in this country.

However, this is an issue that if there is anything that the Federal Government should be doing, is it should be providing a quality weather service for the hundreds of millions of people that live in this country. Every one of our districts are affected by quality weather service.

The standard that presently exists is that through change of service, there has to be a finding that there is no degrading of service to the region. The language in the bill would take that out. It is real simple. What it would allow is that an area of the country, any area of the country, could have a degradation of service.

Let us think about what that means on the practical level, what it means around the country. Let us also talk about Florida, first and then my district, second.

Within the last several weeks, as unfortunately happens, and statistically it is going to continue to happen, we had a devastating, deadly hurricane that came on to the shores of Florida. This particular one landed in the north Florida region, the panhandle of the State. Florida is a large State. That is a less populated area than most of the State of Florida. Several million people evacuated their homes knowing up-to-the-minute reports of the change in that particular storm, again, although it happened the same day as the O.J. verdict, all of us knowing that, it changed very quickly. It changed to a category three storm very quickly. Without really cutting-edge ability, we would have seen probably thousands of lives lost. The Weather Service did its job in that instance.

My district goes from Palm Beach County in Florida to Key West. The Florida Keys is a chain of islands 110 miles long. When you are sitting in Key West, which is a city of 40,000 people where there happens to be a Weather Service station, which provides into the Caribbean weather analysis in terms of potential hurricanes and potential storms that on a day-to-day basis are incredibly valuable to commerce in the keys in terms of fishermen. But really, the ultimate time comes in terms of a hurricane situation.

In the Florida Keys in terms of transmission issues, in terms of being able to acquire information, the Weather Service is actually going through the debate, or going through the analysis right now in terms of trying to close the station in Key West. It is in a very rigorous analysis that they are being forced to go through now, that there will not be a degradation of service, and there is a great deal of debate about that.

Mr. Chairman, as a person who represents those people, 40,000 people in Key West and the 80,000 people who live in the Florida Keys, and the 2.5 million people that live in south Florida, that if something is going to happen to that particular station, that it become an automated station, at least that at a very objective, critical, analytical level, that that station will be evaluated. To say well, we just do not have enough money to do that analysis, we just do not have enough money, that we have to close that station, is beyond me. I mean just absolutely beyond me, that as a society, as a government, as a country, we would be saying that.

Mr. Chairman, we are talking about the most basic, literally the most basic governmental function. I ask my colleagues who are opposed to this amendment to speak up and say, government should not be involved in the Weather Service. Maybe what we ought to do is privatize the Weather Service. You know, have a 900 number that will privatize the Weather Service and maybe the private industry will get into this and they will be out there predicting hurricanes. If you think that there might be a hurricane, you will dial the 900 number or something and get a weather report from this new agency.

I urge my colleagues, because this is critical, not just for Florida, but to every person that lives in this country, to adopt the Cramer amendment.

Mr. TAYLOR of North Carolina. Mr. Chairman, I rise to strike the requisite number of words.

Mr. Chairman, I rise to support the gentleman's amendment. I heard the gentleman from California [Mr. HERGER] a moment ago, and everybody ought to listen to the folks that are speaking on this. Now, the gentleman is a good friend. He has tied his bark on a tree. I am no big spender. We are here supporting the gentleman's amendment, so this is clearly not a situation where we are talking about saving a lot of money. We are talking about public safety, we are talking about the need to pay attention to what the gentleman is saying. He is saying, keep the language, as has been repeated, calling for certification, but before any closure of any station we will determine whether or not there is a degradation of service.

I serve the western part of North Carolina. A few days ago I was catching a plane, sitting on the runway, and we could not go out because of fog. Probably 200 yards down the road it was clear, but we had to sit on the runway because it was too foggy for us to take off. We sat a considerable period of time. I doubt if a station of some distance would have picked that up.

I also know that many times we have squalls, small storms, things that occur in the mountains that the two stations that are going to be handling our area may or may not pick up. Now, I am perfectly willing to see the station close. I am perfectly willing to see the new stations take place. But I am not willing to see that happen until we have certified, until we have determined, whether or not the public safety is being met.

Now, if you believe that the Federal bureaucracy is 100-percent perfect and you are willing to bet your lives and the friends and family on the fact of that perfection, then you do not need to pay any attention to this argument. If you believe as I do, though, and the people of western North Carolina, first of all, the Federal Government will mess up a 1-car funeral in most cases, and there was a recent ABC report just a few days ago that showed that millions of dollars of new technology that was being put into airports was failing a substantial portion of the time, then you will see that the gentleman's amendment is necessary until we see whether or not that new technology works, and whether or not we need to change it before we close the existing service.

Mr. Chairman, that is why I support the gentleman's amendment, and I urge my colleagues to do likewise.

Mr. MCHALE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I join with my colleagues who have previously taken the microphone, Republicans and Democrats alike, liberals, conservatives, and moderates in support of the Cramer amendment to H.R. 2405. Regrettably, the bill in its current form is nothing less than a breach of faith.

The bill before us today repeals sections 706 and 707 of the Weather Service Modernization Act (Public Law 102-567). These sections, and in particular subsection (b) of section 706 requires, pursuant to the implementation of the Weather Service modernization plan "The Secretary (of Commerce) shall not close, consolidate, automate, or relocate any field office unless the Secretary has certified that such action will not result in any degradation of service." For the past 3 years, our constituents have been repeatedly assured that a local weather station would not be closed under any plan to modernize weather service operations, unless there were a certification, as required by law, that the closing of that station would not result in a degradation of service.

Mr. Chairman, we made a promise, and the issue before this House with regard to the Cramer amendment is whether or not we will keep that promise. I have said to my constituents, other Members of this body have said to theirs, we will not close your local weather station unless we can assure you, after careful review, that there will not be a degradation in service and, consequently, no increased threat to public health and safety.

The bill before us today deletes this promise, this requirement of certification of nondegradation prior to the closure of any National Weather Service office. During the Energy and Environment Subcommittee markup of the National Oceanic and Atmospheric Administration Authorization Act of 1995, I offered an amendment to restore the current law language regarding certification, keeping the promise that we have been repeating to our constituents. I now support the Cramer amendment which preserves the core promise made to our constituents and provides a sensible streamlining of certification requirements above and beyond the merit of the legislation itself, beyond the certification contained in the Cramer amendment.

The issue here is one of good faith. Can our constituents trust our promises once they are made? We have here a series of promulgations going back over 3 years based on statutory law that no station will be closed without a thorough review and a certification from the Secretary. The issue here is not about weather; the issue here is about integrity and whether we of this body will keep the promises we have made in prior law.

Mr. Chairman, I urge an affirmative vote for the Cramer amendment.

Mr. POMEROY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, we are in a period of reevaluating that which the Federal Government ought to do and that which it no longer should do. I do not think at a time when weekly we see reports of damage or even loss of life due to severe weather, the American people believe the United States ought to get out of the business of helping Americans understand what is coming at them in light of dangerous or threatening weather.

We are in a period of moving toward greater cost efficiency in weather forecasting. As various communities leave their old systems and move to new systems, they are entitled to the assurance that the quality of weather forecasting in their area will not be jeopardized, will not be diminished, and that is what the certification is all about.

Let me give you a for instance, because I represent an area that has this problem before it right today: Williston, ND. Williston, ND, is scheduled to have its forecasting station come out. Five employees and one meteorologist will be moved.

□ 1400

When this is accomplished, it will be the largest nonobstructed geographic area without radar coverage in the country, and in Williston, ND, let me tell you we have very, very severe weather conditions to deal with.

We have been told that an automatic surface observing system is going to take care of our needs. We have been told that a system with radar 120 miles away in Glasgow, MT, and 130 miles away in Minot, ND, are going to cover the needs for the people living in the Williston area. We have been given this assurance notwithstanding the fact that 95 percent of all tornadoes, perhaps the very most dangerous life threatening circumstance we have to face, will be grossly underdetected by a radar system 130 miles away.

A consulting radar meteorologist for Williston has found that radars over 100 miles away would be grossly inadequate for detection of winter snowstorms, tornado vortex signatures, microbursts, and gust fronts, all of which we have and all of which threaten life.

Good, reliable weather forecasting is critical to everyone. When you live in a rural area that has the types of weather swings and the severity of weather conditions that we experience in North Dakota, it can literally be a matter of life and death. Do you come in from the farm to the city? Do the school buses run? We need reliable weather systems.

If you are going to take from areas like Williston their weather forecasting station, then, by golly, you better be prepared to certify that we are not going to have a degradation of service. That is why I rise in strong support of the amendment before us and urge its adoption.

Mr. WALKER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I suppose it does little good in the emotion of all of this to actually talk about what the experts have to say in these matters, but I am going to try anyhow because I am reminded a little bit of testimony we had today before the committee in which it was being talked about in educational context.

The witness described a situation where back in the 19th century someone by accident designed a jet engine and realized that this jet engine could propel things at a very high speed. But the problem was that they mounted it on a stage coach, and because they had mounted it on a stage coach, it just destroyed the stage coach because they put it on outmoded technology, and so on.

This debate reminds me of that. Here we are, we are in the process of devising and putting in place a modern weather service, a modern radar system that allows us to get good coverage across the country. In fact, it is working. We have had about 100 of these NEXRAD radars that have been installed. They have been commissioned and are operating successfully.

What we have got is a series of people that have come to the floor and basically talked about the weather service that they now have. They say that the weather service they now have is not giving them the kind of forecasts they need and we have lives in danger. That is right. That is the reason we are trying to upgrade the weather service. We are trying to do a job of upgrading it and making safety better.

But what does this amendment do? This amendment gets in the way of having that done. How does it do it? Well, the Department of Commerce, the inspector general says, and I am just quoting from his letter, one of the experts who has actually examined this thing in detail, he says, "We believe that the legislative requirement for certification imposes burdensome and costly restraints on the National Weather Service's ability to modernize and restructure its field offices."

In other words, what is happening here is, what we are about to pass if we pass this amendment will be a process that will undermine our ability to get the new radars that have some opportunity to do something about the degraded weather service that all these folks are talking about.

He goes on and he says further in his letter, "The legislative requirement for certification is an unnecessary and outmoded concept."

This is the stage coach, folks. We have got the jet engine and so on, we are trying to put it in place, in place in a jet airplane so it can actually be used, and what we are doing here is going with an outmoded concept.

I know what the gentlemen coming here are concerned about, and legitimately so. The National Research Council had a recent report in which they talked about the NEXRAD coverage, and we have had a number of people come here and talk about the fact that they were in one of those locations that has a potential for degradation of service under that particular study.

Well, the fact is that the report also provided a process for dealing with those locations. But what we are doing here is, we are trying to figure out a way to deal with what were essentially five locations across the country and keep in place hundreds of unnecessary weather offices.

Let me quote again from the inspector general. He says, "Therefore, any legislative proposal that seeks only to streamline but not to eliminate certification will maintain a process that is both unnecessary and costly."

This is my concern about the amendment. I agree with everybody here who wants to protect their citizens and so on. I certainly want to protect the people in Lancaster and Chester counties from having weather-related problems, but we want to make certain we have good forecasts. Every Member here wants to do that. That is what we are here to do. But the bottom line is, what you are doing is you are putting in place a very costly system that will maintain all of the old structures and prevent us from doing the new structures that actually work in a time-sensitive way.

I guess maybe the old order is something that everybody just kind of clings to because it is what they know. But in all honesty, if we are really going to discuss the health and safety of our American citizens, we ought not do things that undermine the ability to provide those safe modern systems.

The problem with this amendment is it takes an outmoded approach. It goes to a certification approach that the inspector general says is exactly the wrong thing to do. It preserves weather station offices whether or not they contribute anything. The fact is we are going to preserve a lot of outmoded offices that are not in areas that are degraded and we are going to preserve them for months, maybe years, under the certification process. That makes no sense really.

Mr. CRAMER. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Alabama.

Mr. CRAMER. I thank the gentleman for yielding.

Mr. Chairman, I will try to be quick here because I know we are on limited time and the Members are probably weary of this, but I think it is unfair of the chairman to remind the Members that all we are about through this amendment is keeping offices open unnecessarily. In my area, I can accept that I may have to lose my weather service office, but do not let a bureaucrat by the stroke of a pen determine that my office is closed and that the services that I normally would get from that office would now be given to me from 100 miles south of there. I do not think it is fair to argue that that is what this amendment is all about.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. WALKER] has expired.

(By unanimous consent, Mr. WALKER was allowed to proceed for 2 additional minutes.)

Mr. WALKER. Mr. Chairman, I would say to the gentleman I think what I did was argue what the inspector general argued. The inspector general of the Department of Commerce has made the arguments that I made here, and I quoted extensively from his letter. He is the one who is saying that the process the gentleman is proposing is an unnecessary, costly and outmoded process.

Mr. CRAMER. If the gentleman would yield further, I am opposed to his opinion about this. I do not think he has been out there in the field in our districts experiencing the kind of weather impact that we have there and the dependence on those weather service offices, that we have a right to have a process created before they are closed.

Mr. WALKER. I think he has done an extensive study. The point he would make is where there are situations of potential degrading of service, we are going to step in and try to do something about that. In fact, I just talked to the head of NOAA here a few minutes ago, at the end of this month there is to be a meeting where they are going to examine all of the next generation NEXRAD's that they want to put in place, additional NEXRAD's to cover possible degraded areas. So the weather service is entirely sensitive to this but if we pass this amendment, what we are going to do is we are going to prevent a lot of those from getting on line because we are going to be spending the money keeping offices in place that are not now capable of providing the most modern services.

I would tell the gentleman I think the safety argument is against doing that. Why in the world would we get in the way of doing the thing that is going to give us better weather information? That is what we are about to do. We are trying to preserve bureaucracy at the expense of getting better information.

Mr. ROHRABACHER. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from California.

Mr. ROHRABACHER. Is it your position that the Cramer amendment, the end result in all of it would not be more safety but instead would be a waste of the taxpayers' dollars? I believe that is where we are coming from. Because we have already, as the chairman of the subcommittee and chairman of the committee, guaranteed and given our word that we would work and have reached out to work with those people who say they are affected in a detrimental way. But there seems to be a breakdown in communication here.

A moment ago I asked my colleague from North Dakota to yield and what I wanted to ask him was he was saying that the weather stations are going to be this far away and the radar is going to be that far away. I wanted to ask him whether or not he had any technical experts that had told him whether or not that was inadequate.

The fact is today technology permits us to do things in a cost-effective way that used to cost the Government a lot more money, you had to have a lot more stations out there, a lot more people on payroll but now technologically we are capable of doing these things.

Mr. WALKER. I want to thank the gentleman, because the Federal Government is still buying vacuum tubes for the FAA and they are calling this the way in which we maintain safety in the FAA. They are still using technology that relies upon vacuum tubes. Most young people in school today have never seen a vacuum tube because they understand that the way you do things efficiently is with computer chips. There are 3.3 million vacuum tubes on that computer chip.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. WALKER] has again expired.

(By unanimous consent, Mr. WALKER was allowed to proceed for 2 additional minutes.)

Mr. WALKER. Mr. Chairman, the fact is that if we go to upgraded systems, we actually get better systems. I do not think there is anybody that doubts that maybe using this chip is a better way to provide safety in an air traffic control system than using a bunch of these vacuum tubes. But the Government has not gotten around to it. The same thing is happening in the weather service. Because of all the certification requirements, and let us face it, the certification requirement that was put in the 1992 law was designed specifically to make it as difficult as possible to close old weather service offices. As a matter of fact, it was done at the behest of the union that wanted to make certain that they preserved as many jobs as possible by keeping these offices from closing down.

We would be in a process of preserving here today this outmoded concept and doing so I think in a way that degrades our ability to bring on new technology and therefore undermines our ability to provide safe weather forecasting for the American people. I just do not think it makes any sense to do it.

Mr. SOUDER. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Indiana.

Mr. SOUDER. One of the questions, and I agree basically with the new technology. A number of us have problems which you have acknowledged. For example, in Fort Wayne, we have Indianapolis which is more than 100 miles, which is where one of the questions comes on the new radar, from the Indianapolis station, half my district is coming down from Michigan at more than 100 miles. Just to the east in another Member from Ohio's district in a rural area, they are coming up from Cincinnati more than 100 miles and another is coming down. Our EMS services are concerned about having to coordinate four different regions and we have not had a good answer to that. Our weather station is about to close. At the very least, these stations while we know that they are working on trying to upgrade the systems as you are talking about, we will not have protection in this period of coordination of the EMS services.

We have a question in part of Indiana, whether or not Indianapolis, there is a blockage, whether the radar can even pick up some of the tornadoes and severe storms that are coming across. While it is not perfect in the existing system, it is better than being unprotected while NOAA is working through this process. Many of us if we could be assured that we were not going to have a degradation of services in this process would understand your points very much.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama [Mr. CRAMER].

The amendment was agreed to.

The CHAIRMAN. Are there other amendments to title IV?

AMENDMENT NO. 28 OFFERED BY MR. THORNBERRY

Mr. THORNBERRY. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 28 offered by Mr. THORNBERRY: Page 109, after line 4, insert the following new subsection:

(h) NEXRAD OPERATIONAL AVAILABILITY AND RELIABILITY.—(1) The Secretary of Defense, in conjunction with the administrator of the National Oceanic and Atmospheric Administration, shall take immediate steps to ensure the NEXRAD's operated by the Department of Defense that provide primary detection coverage over a portion of their range function as fully committed, reliable elements of the national weather radar network, operating with the same standards, quality, and availability as the National Weather Service-operated NEXRAD's.

(2) NEXRAD's operated by the Department of Defense that provide primary detection coverage over a portion of their range are to be considered as integral parts of the National Weather Radar Network.

Mr. THORNBERRY. Mr. Chairman, following on the last discussion, my amendment attempts to deal with some of the specific problems that have been incurred around the country because of holes that have developed in the National Weather Service radars. I think everyone agrees that modernization is very important. We need to have our people protected by the best technology possible. But what has happened is that some of the radars that are protecting people are managed by the Department of Defense rather than the National Weather Service, and those Department of Defense radars do not necessarily have to meet the same standards that the National Weather Service radars have to meet. As a result of that, sometimes the Department of Defense radars are not doing the job.

As so many of my colleagues who spoke on the previous amendment, we have an example in my district that shows just how serious this question is. On May 27, 1995, a tornado touched down in my district in Vernon, TX, and there was absolutely no warning because there was no radar operating at that time.

□ 1415

As a matter of fact, the backup radar was not operating at that time. All the radars that were covering that area were not operating. Ten minutes after the tornado passed through, as a result of eyewitness accounts, then there was a warning that was issued. Luckily that storm did not cause serious injuries, although it did cause some property damage. But the point is that some of these DOD radars are not operating the way they should.

I want to take a second to thank the chairman of the full committee in particular because he has gone out of his way to work with us in resolving these particular problems, but what we have found in my district is that sometimes the communications line taking the radar signal to the National Weather Service office goes down, sometimes lightning knocks the power out of the radar, and then it takes as much as an hour to get the radar back on line. Several of the previous speakers have mentioned GAO reports and the National Research Council reports which talked about these particular problems with the 15 DOD radars.

The National Research Council recommended that immediate steps be taken to ensure that the 15 NEXRAD's under the control of the Department of Defense function as fully committed elements of the national weather radar network operating with the same standards, same quality and same availability as the National Weather Service NEXRAD's.

Mr. Chairman, that is exactly what my amendment does. It simply says the DOD radars that are an essential part of the system, that are the only thing some people have to rely on, must meet the same standards as the National Weather Service radars. We should not have some people disadvantaged in this new system of new technology because they happen to be covered by a DOD radar rather than a National Weather Service radar. This seems to be the least we can do to take the additional steps, not just require the Secretary to sign a piece of paper that says people will be protected, but make the changes in the field that will make sure people are protected.

I hope my colleagues will support the amendment.

Mr. ROHRABACHER. Mr. Chairman, I move to strike the last word.

We will accept this amendment. It prods the DOD to increase the quality of its portion of the weather modernization system, and we would like to commend my colleague, the gentleman from Texas [Mr. THORNBERRY], for his diligence and hard work on this issue.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. THORNBERRY].

The amendment was agreed to.

The CHAIRMAN. Are there further amendments to title IV?

AMENDMENT OFFERED BY MS. LOFGREN

Ms. LOFGREN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Ms. LOFGREN:

On page 110, after line 5 insert the following new subsection:

"(d) Nothing in this Act shall preclude or inhibit the National Oceanic and Atmospheric Administration from carrying out studies of long term climate and global change."

Ms. LOFGREN. Mr. Chairman, I rise to offer an important amendment to H.R. 2405 to clarify the confusion that exists over NOAA's role in carrying out climate and global change research.

The bill intended to provide $86.7 million for NOAA's overall Climate and Atmospheric Research Program, a reduction of over 27 percent from fiscal year 95 spending levels and 46 percent from the request. This cut is far beyond what other programs in this bill have absorbed.

Within this authorization, the bill does two things that must be regarded as profoundly narrow minded and deserve our special attention. First, the bill singles out climate change for a reduction of $37 million, over a 40 percent cut. Second, in the committee's report language, there is a directive that eliminates the very idea of studying long-term climate change. The intent of the bill, the report states is that climate and global change * * * has been rolled into the interannual and seasonal climate change research line to ensure research is relevant to near-term events. That is, NOAA is no longer permitted to study long-term climate change. It is only authorized to have a program that studies season-to-season changes.

What can be more short sighted than to first cut a program in half, then to dictate the scientific direction of the research such that it is prohibited from finding answers the Republican leadership may not want to know.

We have seen time and again in this Congress the face of extremism. If we define "ignorance" as "the act of ignoring" we can honestly say we have a conspiracy of ignorance in this Congress. Every agency which has been charged by Congress to study and assess the potential for long term climate change has been savaged in this budget cycle. And in the case of NOAA, there has been this additional insult of micromanagement.

I know that most of my colleagues on both sides of the aisle must know that problems do not simply go away if they are not studied. Global warming may or may not occur in the future—there is a legitimate margin of scientific uncertainty that must be narrowed through serious research.

Recently, it was reported that the United Nations-sponsored intergovernmental panel on climate change has reached the conclusion that the weight of evidence now supports the finding that greenhouse warming is occurring. We are told that the subtle changes in the global heat balance will result in a greater incidence of severe weather such as hurricanes, tornadoes and severe winter storms. Certainly this past year should give many pause to wonder.

I do not think it is necessary for my colleagues to decide today whether they accept or do not accept the findings of the IPCC on global warming. What is necessary is that we continue to ask the right questions and make sure we know the answers in plenty of time to take action.

The Reinsurance Association of America has estimated that natural disasters from climate related events have recently risen to losses of $1 billion a week in the United States alone. They have taken a strong position in support of the Federal Climate Change Research Program for a very simple reason—continued research is a wise insurance policy.

More than a third of the GDP in the United States is directly linked to climate conditions in areas such as farming and forestry management, transportation, and public utilities, and real estate. If for no other reason than to provide for our future economic security, it is incumbent on this Congress to continue this vital research.

The amendment I am offering today does not deal with funding levels, although I feel this bill is woefully inadequate. Over the long term, I am hopeful that the appropriations conferees will see the value of this research even in a fiscally restrained environment.

My amendment would reestablish NOAA's mission to carry out long-term climate studies. It would recognize that a balanced research program must include both short-term studies of climate phenomena such as El Nino and long-term phenomena such as global warming. All of these studies, of course, are interrelated and contribute to our overall understanding of our planet. My amendment would remove the irrational directive in the committee's report that seeks to hinder this research by only allowing NOAA to solve half the problem.

Mr. ROHRABACHER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, this amendment is vaguely worded. It is a vaguely worded statement as to not inhibit NOAA from doing climate change research, and this issue was taken up in committee, and our bill received overwhelming bipartisan support.

But let me, just for the record, state that we have not eliminated climate research but instead what we have done in our bill, which it seems, although it is rather vague in the amendment, it seems to be her purpose to change this focus. We have focused the research of NOAA on more important functions, more important phenomena, for example, El Nino, which is vital to the safety and to the prosperity of people on the west coast and actually farmers throughout the United States. We have not in any way, for example, eliminated long-term climate research and, in fact, the bill authorizes long-term climate research at $26 million.

However, in terms of what we believe that NOAA should focus on, if I can read from the report, the committee believes that this restructuring will ensure that climate and global change research will be focused on improving our understanding of near- and mid-term climatic events, and that is really what the crux of this issue is about, whether or not we should be looking and spending our limited resources at phenomena like El Nino that affect the lives of our people, or whether or not we will succumb to what I have called or at least what I believe to be, politically inspired, politically inspired scientific exploration.

I believe that global warming, which is basically what we are talking about hare, was generously funded by the administration over the last few years, and this basically is as a result of political rather than scientific pressures. We plan, by the way, to have hearings into the global warming issue, in which we will have scientists on both sides of the issue to discuss openly and try to have an honest dialog about the issue of global warming.

Unfortunately, when we had our last hearing on the ozone problem, and, by the way, I think it was a good, a very substantial hearing, we had fine representatives on both sides, we were attacked by Vice President GORE and the administration because we had both sides of the argument at our hearing. Well, for far too long what we have gotten is basically PC scientists who basically want to steamroller us on issues like ozone and like global warming, but the fact is that we believe that these issues should be looked at in toto, and we have, as I said, $26 million authorized for long-term climate research. But we basically have combined it with interannual and seasonal climate change studies, which makes sense.

Instead of having basically huge chunks of our budget dedicated to this trendy global warming issue, instead we are going to take a balanced approach, spend $26 million and put it in relationship with other long-term global climate change issues.

So I think that first of all this amendment is vaguely worded. We should not inhibit NOAA from involving itself in this type of research. The fact is that we have tried to focus NOAA on things that are meaningful and things that will affect the lives and property and safety of our citizens and the economy of our farm population, especially on the west coast. So I would strongly oppose the Lofgren amendment.

Ms. LOFGREN. Mr. Chairman, will the gentleman yield?

Mr. ROHRABACHER. I yield to the gentlewoman from California.

Ms. LOFGREN. I would note on page 94 of the committee report, next to the global category, there is a zero. We have zeroed the account out for global research. I am not suggesting that we add additional funding.

Mr. ROHRABACHER. Reclaiming my time, that is because that money was folded into the interannual and seasonal climate change study.

Ms. LOFGREN. That is my point.

Mr. ROHRABACHER. So we have $26 million in there, and that is in the appropriations bill.

Ms. LOFGREN. The point I am about to make, sir, on the preceding pages in the committee report, we say we are limiting study to near and mid-term climatic events. What I am suggesting is it would be inappropriate for us as Members of Congress, not scientists, to impose our judgment on the scientists in that nature.

Mr. ROHRABACHER. Reclaiming my time, we did not limit it. We focused it, and there is a difference between focusing and limiting. So if you say none of the money in here shall be spent for this, that is something else. But by focusing the efforts away from what I consider to be trendy science and a lot of other people believe the global issue is nothing more than trendy science, trendy liberal science, we have permitted people to look into this area, but tried to focus it on the areas that we considered to be responsible and practical and have some effect on our citizens.

Mr. BROWN of California. Mr. Chairman, I move to strike the requisite number of words.

I rise in support of the Lofgren amendment. I would like to ask the distinguished gentleman from California if he sees anything in this bill that would inhibit NOAA from carrying out long-term studies of climate and global change.

Mr. ROHRABACHER. Mr. Chairman, will the gentleman yield?

Mr. BROWN of California. I yield to the gentleman from California.

Mr. ROHRABACHER. Nothing in the bill prohibits NOAA from doing this. It just expresses that we would like it to focus on certain other areas.

Mr. BROWN of California. Nothing in there prohibits it? Why does the gentleman object to an amendment that says nothing in this act shall prohibit it?

Mr. ROHRABACHER. Basically, then, we believe that this amendment is vague and is nonproductive and could cause some confusion, which it already has on this floor.

□ 1430

Mr. BROWN of California. Mr. Chairman, I would argue that the gentleman's own report language is equally vague, and, in fact, it is kind of schizophrenic as a matter of fact, because while he gives on occasion lip-service to the importance of long-term research, he eliminates that category, merging it with short-term research, and makes it very clear in the language that the global change research will be focused on improving our understanding of near and midterm climatic events.

Now, I do not think the gentleman really wants to eliminate the long-term.

Mr. ROHRABACHER. Mr. Chairman, if the gentleman will yield further, this is because we believe that this is where the best use of the money would be, but we do not limit it and restrict it from being used elsewhere.

Mr. BROWN of California. Mr. Chairman, reclaiming my time, that is the point I am making. The gentleman's fuzzy language really does not limit long-term research, but he objects to saying it in the language of the bill. The reasons for that are quite simple. The gentleman has already revealed his feelings, which he has expressed many times, that this long-term global warming stuff is what he calls——

Mr. ROHRABACHER. Liberal clap trap is the expression the gentleman is looking for.

Mr. BROWN of California. Liberal clap trap is one of the things he said. Politically inspired scientific exploration is another. Trendy global warming. I mean, the gentleman makes no secret of the way he feels about this. As I say, I think the gentleman becomes a little schizophrenic here, because he makes no secret of his view that this is not real science or basic research, which the gentleman is thoroughly committed to, is he not?

Mr. ROHRABACHER. Mr. Chairman, if the gentleman will yield further, the gentleman is correct. If I could answer the gentleman's question, there are some times in legislation, as the gentleman is aware, that things are not totally defined because we, during the hearing process, expect to receive a better understanding of an issue.

We have scheduled hearings on the issue of global warming. I expect that perhaps next year we might have a more definitive position. But at this point it has been more beneficial to have a little more open-minded approach than to state it that my beliefs happen to be the law of the land.

Mr. BROWN of California. Mr. Chairman, reclaiming my time, I admire the gentleman's open-minded approach to this issue. His language, of course, indicates how open minded he is on this issue.

There is another little thing I would like to have the gentleman remain open minded on. The gentleman in his discussion of the importance of mid and short-term research is enunciating a policy that this kind of research is very good, because it contributes immediate value. Now, this is how we define applied research. This is how we define cooperative research, with users and industry. This is short-term applied research that helps the economy of this country.

Now, that is blasphemy from the leadership of your committee. This is not something that we want to support. It is the long-term basic research that is real research and that we ought to be devoting our energy and resources to. The gentleman has completely turned that on its head. Does that strike the gentleman as being somewhat incongruous?

Mr. ROHRABACHER. Mr. Chairman, if the gentleman will yield further, this type of research has broad based benefit, rather than benefit that is aimed at one particular interest group. Usually the main thing we have complained about on this side of the aisle, I can just speak for myself, is that quite often when the government is spending money, that it ends up spending money in an area of research that benefits a specific special interest group, and, quite often, who could afford to spend that money on their own. In this case, this type of research has a broad base of benefit.

Mr. BROWN of California. Mr. Chairman, I have here a letter from the Reinsurance Association of America representing all the insurance companies of this great country in which they strongly urge that we continue to support this kind of long-term global warming research. Now, is it the gentleman's view that the combined insurance companies of this great country cannot afford a little money? Are they not a special interest that is benefiting from this sort of thing?

Mr. ROHRABACHER. Mr. Chairman, if the gentleman will continue to yield. I would say that if the gentleman is asking my opinion, it would be that yes, that is a special interest group, and it is benefiting from and believes it might be benefiting from global warming research.

Mr. BROWN of California. They need to know that, because it influences their estimates of losses that they will have and so forth.

The CHAIRMAN. The time of the gentleman from California [Mr. BROWN] has expired.

(By unanimous consent, Mr. BROWN of California was allowed to proceed for 2 additional minutes.)

Mr. BROWN of California. Mr. Chairman, perhaps we can elicit some further wisdom from the chairman of the subcommittee or the full committee. The point I am trying to make here in supporting this is very simple: The chairman has already indicated that he does not intend to preclude long-term research. He does not like it, and he said so vigorously, but he is not trying to preclude it. But he objects to an amendment that says he is not trying to preclude it. I consider that to be somewhat inconsistent.

The gentleman prefers instead to support the view which previously he never supported, that short-term research is real research, because it creates value, which is applicable to a large constituency, and we should be doing that.

The gentleman has not argued that way before. As I indicated very early in this debate, I enjoy pointing these little things out, and I will continue to needle the gentleman about them. I know the gentleman understands that I do it in good spirit.

Mr. ROHRABACHER. I appreciate the role the former chairman is playing.

Mr. WALKER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, we all appreciate the gentleman from California's needling on all of this and so on. At times I do not think he exactly understands the point, but maybe he chooses not to. The fact is that there is nothing inconsistent at all about what we are doing here. What we have said is when you are doing this kind of research, NOAA, you ought to do it with regard to your mission.

I do not know at any time that we have not supported mission-oriented research. It is one of the things that we have said should be done. In fact, we are going to get an argument here in a little while on EPA that suggests that EPA ought to be out doing things for OSHA, and doing all kinds of things all over the Government and so on. We said no, they ought to stick to their mission. We said NOAA ought to stick to its mission.

All the report language said is when you are prioritizing the use of this funding, maybe you ought to do things that really relate to the mission you are doing. That tends to be more near and midterm than long term. We do not preclude the long term. The gentlewoman is exactly correct in suggesting that the language would be fine if it said shall preclude NOAA, but the gentlewoman in her amendment puts a fascinating word in it. She says preclude or inhibit.

Now, we went to look up the word "inhibit." The word "inhibit" is a great little word, speaking of needling. It says inhibit is "consciously or unconsciously suppressing or restraining."

Now, can somebody tell me where in this act we have some unconscious action that is suppressing or restraining?

Ms. LOFGREN. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentlewoman from California.

Ms. LOFGREN. Mr. Chairman, I would suggest, based on the chairman of the subcommittee's earlier comments, that since there is no intention on the part of himself or apparently the committee to preclude or inhibit long-term research, based on the gentleman's comment, that the language on the bottom of page 32 and top of page 33 of the committee report that seems to indicate otherwise would have an inhibiting effect upon the agency, since apparently it is not what the gentleman intended.

Mr. WALKER. Mr. Chairman, reclaiming my time, there is no inhibiting factor on this. What in the world, where in the act is this? The gentlewoman keeps quoting from the report. The report is advisory. Reports are always advisory. Where in the act?

The gentlewoman refers to the act. She says, "Nothing in the act shall preclude or inhibit." She does not talk about the report. She talks about the act. Where in the act is there something that consciously or unconsciously suppresses or restrains? Can the gentlewoman cite me one line in the act?

Ms. LOFGREN. Mr. Chairman, if the gentleman will yield further, the fact we have zeroed out this account, and, I would add, going back to the gentleman's earlier statement on mission-oriented science, I am also interested in whose mission it would be to pursue global warming research, since we have eliminated this active thing in EPA and NOAA and the Department of Energy.

Mr. WALKER. Mr. Chairman, reclaiming my time, the gentlewoman totally misrepresents the situation. NSF is still capable of doing global change. A lot of the university money coming into my area is independent researchers doing work there. The Department of Energy still has the capability of doing that and still does it. EPA will still have the capability of doing this kind of research. NASA has done considerable amounts of work. Most information quoted on global change has come from NASA.

We are not taking away any of that money. In fact, in the bill, if we refer to the act, in the act there is an account for long-term climate and air quality research that is at $26 million. Big money. In fact, in this whole area we only spent $9 million in NOAA in 1989. Now we spend $96.5 million, something like that. We have had over a 1,000-percent increase in about 6 years from this account.

What we said was maybe a 1,000-percent increase in the account is a little more than we can take, if we are going to balance the budget, and maybe what we ought to do is trim it down some. And the way to trim it down is not to take the money away from the researchers, but take the money away from the bureaucrats. So we consolidated some programs to take the money away from some of the bureaucracy, and we consolidated the programs, and we gave it $26 million in just long term.

Now, how is that inhibiting? The gentlewoman seems to be suggesting to me that that is inhibiting. Where is that inhibiting?

Ms. LOFGREN. Mr. Chairman, if the gentleman will yield further, it seems to me there is too much protestation for a group that says they are not opposed to long-term global research. I am not suggesting in my amendment the expenditure of a single penny more than is included in this bill. What I am suggesting, and what I am suggesting here, is that we not make the scientific judgment.

Mr. WALKER. Mr. Chairman, reclaiming my time, nobody is suggesting that the gentlewoman is suggesting more money. Nobody said that. What we suggested was that her amendment has some very confusing wording in it. The word "inhibit," the gentlewoman still has not told me yet where in the bill there is anything that suggests that NOAA is being inhibited. Can the gentlewoman cite me a line, a page anywhere in the bill? Because the gentlewoman says, "Nothing in this act shall inhibit." Where? Where in the act? Why is this amendment necessary? What in the world do we have? We can take the word "preclude," because we do not think there is anything in there. But the word "inhibit," it is just a superflouous, almost ridiculous word. Why in the world is that in there? Is that to tie the hands of NOAA?

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. WALKER] has expired.

(By unanimous consent, Mr. WALKER was allowed to proceed for 1 additional minute.)

Mr. WALKER. Mr. Chairman, again I ask, is there anyplace the gentlewoman can cite me in the act where any language in the act inhibits this kind of research?

MODIFICATION TO AMENDMENT OFFERED BY MS. LOFGREN

Ms. LOFGREN. Mr. Chairman, I ask unanimous consent to remove the words "or inhibit" from the amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The text of the amendment, as modified, is as follows:

Amendment, as modified, offered by Ms. LOFGREN: On page 110, after line 5 insert the following new sub-section:

"(d) Nothing in this Act shall preclude the National Oceanic and Atmospheric Administration from carrying out studies of long term climate and global change."

Mr. WALKER. Mr. Chairman, we accept the amendment.

The CHAIRMAN. The question is on the amendment, as modified, offered by the gentlewoman from California [Ms. LOFGREN].

The amendment, as modified, was agreed to.

The CHAIRMAN. Are there further amendments to title IV?

AMENDMENT OFFERED BY MR. GEKAS

Mr. GEKAS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GEKAS: Page 109, after line 4, insert the following new subsection:

(h) REPORT.—Section 704 of the Weather Service Modernization Act (15 U.S.C. 313 note) is amended by adding at the end the following new subsection:

"(c) REPORT.—The Secretary shall contract with the National Research Council for a review of the NEXRAD Network radar coverage pattern as indicated in the 1996 National Implementation Plan of the National Weather Service for a determination of areas of inadequate radar coverage. In conducting such a review, the National Research Council shall prepare and submit to the Secretary, no later than 6 months after the date of the enactment of this Act, a report which assesses the feasibility of existing and future Federal Aviation Administration Terminal Doppler Weather Radars to provide reliable weather radar data, in a cost-efficient manner, to nearby weather forecast offices.

The Secretary shall report to the Committee on Science of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate, not later than 60 days after receiving the report under this subsection, on recommendations to implement the findings in such report.

Mr. GEKAS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GEKAS. Mr. Chairman, I promise not to inhibit this process any longer than is necessary. This is a very modest amendment that would cause the National Research Council, if the amendment should be passed, to look into the feasibility of using FAA existing implementation of radar for the purposes of filling in the gaps that NEXRAD may have and which has been documented across the country to exist in the various sections of our Nation.

What this would do is simply allow the Research Council to see, without having to spend anymore money for new technology or new implementation, the technology that is now part of NEXRAD for these gaps, but rather to see whether or not existing outposts of FAA can be shifted, can do double duty, for the purpose of filling the gaps that now exist because of the NEXRAD overshoot that exist in many areas.

I have talked this over with the chairman, my colleague, the gentleman from Pennsylvania [Mr. WALKER], and, under threat of personal punishment, he has agreed that the majority will accept the amendment. I hope that the minority feels the same.

Mr. BROWN of California. Mr. Chairman, will the gentleman yield?

Mr. GEKAS. I yield to the gentleman from California.

Mr. BROWN of California. Mr. Chairman, the minority has been following a pretty reasonable rule in this connection, and we will do so again. But I would like to make this point, because I am eager to use every opportunity to make points that I think will expose the majority.

Mr. GEKAS. Mr. Chairman, we will not inhibit the gentleman.

Mr. BROWN of California. We have had a couple of issues for our committee, the committee of the gentleman from Pennsylvania [Mr. WALKER], in which we have sought National Research Council advice. One of these involves the importance of aeronautical engineering research, and another had to do with the validity of the earth observing system which is part of the global warming program on which we are spending quite a bit of money. In both cases the chairman of the committee did not like the results and went ahead and disregarded them. in fact, Mr. Chairman, whenever he does something like this, he has some derogatory things to say about these eggheaded scientists pretending to be able to advise us on important policy decisions.

Now with the understanding that the gentleman from Pennsylvania [Mr. WALKER] would accept the NRC report when it is obtained, I will be glad to support the gentleman's amendment.

Mr. GEKAS. Mr. Chairman, I will force the gentleman to accept it.

Mr. BROWN of California. Will the gentleman force him to do that?

Mr. GEKAS. I will do my best.

Mr. BROWN of California. Then, Mr. Chairman, the gentleman has met all my requirements, and I support the amendment.

Mr. ROHRABACHER. Mr. Chairman, will the gentleman yield?

Mr. GEKAS. I yield to the gentleman from California.

Mr. ROHRABACHER. Speaking for the majority, Mr. Chairman, the gentleman's amendment is accepted.

Mr. GEKAS. Mr. Chairman, I thank the gentleman from California.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. GEKAS].

The amendment was agreed to.

The CHAIRMAN. Are there further amendments to title IV?

The Clerk will designate title V.

The text of title V is as follows:

TITLE V—ENVIRONMENTAL PROTECTION AGENCY

SEC. 501. SHORT TITLE.

This title may be cited as the "Environmental Research, Development, and Demonstration Authorization Act of 1995".

SEC. 502. DEFINITIONS.

For the purposes of this title, the term—

(1) "Administrator" means the Administrator of the Environmental Protection Agency;

(2) "Agency" means the Environmental Protection Agency; and

(3) "Assistant Administrator" means the Assistant Administrator for Research and Development of the Agency.

SEC. 503. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated to the Administrator $490,000,000 for fiscal year 1996 for the Office of Research and Development for environmental research, development, and demonstration activities, including program management and support, in the areas specified in subsection (b), of which—

(1) $321,694,800 shall be for Research and Development; and

(2) $109,263,400 shall be for Program and Research Operations.

(b) SPECIFIC PROGRAMS AND ACTIVITIES.—Of the amount authorized in subsection (a), there are authorized to be appropriated the following:

(1) For air related research, $93,915,200, of which—

(A) $67,111,400 shall be for Research and Development; and

(B) $26,803,800 shall be for Program and Research Operations.

(2) For global change research, $2,385,700, of which—

(A) $2,125,400 shall be for Research and Development; and

(B) $260,300 shall be for Program and Research Operations.

(3) For water quality related research, $21,243,100, of which—

(A) $9,453,100 shall be for Research and Development; and

(B) $11,790,000 shall be for Program and Research Operations.

(4) For drinking water related research, $20,652,400, of which—

(A) $10,376,500 shall be for Research and Development; and

(B) $10,275,900 shall be for Program and Research Operations.

(5) For toxic chemical related research, $11,053,900, of which—

(A) $5,028,600 shall be for Research and Development; and

(B) $6,025,300 shall be for Program and Research Operations.

(6) For lab and field expenses, $73,031,600, all of which shall be for Research and Development.

(7) For headquarters expenses of the Office of Research and Development, $9,254,800, all of which shall be for Research and Development.

(8) For multimedia related research expenses, $158,656,800, of which—

(A) $122,142,900 shall be for Research and Development;

(B) $31,513,900 shall be for Program and Research Operations; and

(C) $5,000,000 shall be for graduate student fellowships.

(9) For program management expenses, $6,399,300, all of which shall be for Program and Research Operations.

(10) For pesticide related research, $13,345,200, of which—

(A) $7,192,800 shall be for Research and Development; and

(B) $6,152,400 shall be for Program and Research Operations.

(11) For oil pollution related research, $2,076,900.

(12) For research related to leaking underground storage tanks, $769,400.

(13) For research related to cleanup of contaminated sites, $56,195,500.

(14) For research related to hazardous waste, $21,020,200, of which—

(A) $10,977,700 shall be for Research and Development; and

(B) $10,042,500 shall be for Program and Research Operations.

(c) LIMITATIONS.—No funds are authorized to be appropriated by this title for—

(A) the Environmental Technology Initiative;

(B) the Climate Change Action Plan; or

(C) indoor air pollution research.

(2) No sums are authorized to be appropriated for any fiscal year after fiscal year 1996 for the activities for which sums are authorized by this title unless such sums are specifically authorized to be appropriated by Act of Congress with respect to such fiscal year.

(3) Notwithstanding any other provision of law, no sums are authorized to be appropriated for fiscal year 1996 for the activities for which sums are authorized by this title unlead such sums are specifically authorized to be appropriated by this title.

SEC. 504. SCIENTIFIC RESEARCH REVIEW.

(a) IN GENERAL.—The Administrator shall assign to the Assistant Administrator the duties of—

(1) developing a strategic plan for scientific and technical research activities throughout the Agency;

(2) integrating that strategic plan into ongoing Agency planning activities; and

(3) reviewing all Agency research to ensure the research—

(A) is of high quality; and

(B) does not duplicate any other research being conducted by the Agency.

(b) REPORT.—The Assistant Administrator shall transmit annually to the Administrator and to the Committee on Science of the House of Representatives and the Committee on Environment and Public Works of the Senate a report detailing—

(1) all Agency research the Assistant Administrator finds is not of sufficiently high quality; and

(2) all Agency research the Assistant Administrator finds duplicates other Agency research.

SEC. 505. PROHIBITION OF LOBBYING ACTIVITIES.

None of the funds authorized by this title shall be available for any activity whose purpose is to influence legislation pending before the Congress, except that this shall not prevent officers or employees of the United States or of its departments or agencies from communicating to Members of Congress on the request of any Member or to Congress, through the proper channels, requests for legislation or appropriations which they deem necessary for the efficient conduct of the public business.

SEC. 506. ELIGIBILITY FOR AWARDS.

(a) IN GENERAL.—The Administrator shall exclude from consideration for awards of financial assistance made by the Office of Research and Development after fiscal year 1995 any person who received funds, other than those described in subsection (b), appropriated for a fiscal year after fiscal year 1995, from any Federal funding source for a project that was not subjected to a competitive, merit-based award process. Any exclusion from consideration pursuant to this section shall be effective for a period of 5 years after the person receives such Federal funds.

(b) EXCEPTION.—Subsection (a) shall not apply to awards to persons who are members of a class specified by law for which assistance is awarded to members of the class according to a formula provided by law.

SEC. 507. GRADUATE STUDENT FELLOWSHIPS.

In carrying out the graduate student fellowship program for which funds are authorized to be appropriated by this title, the Administrator shall ensure that any fellowship award to a student selected after the date of the enactment of this Act is used only to support research that would further missions of the Office of Research and Development in fields in which there exists or is projected to exist a shortage in the number of scientists.

The CHAIRMAN. Are there any amendments to title V?

AMENDMENT OFFERED BY MS. LOFGREN

Ms. LOFGREN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Ms. LOFGREN: On page 133, line 6, "(B) the Climate Change Action Plan;" and renumber accordingly.

Ms. LOFGREN. Mr. Chairman, I offer this amendment to H.R. 2405 to enable EPA to continue to do research in assessment on climate change.

Mr. Chairman, section 503(c) of the bill prohibits EPA from doing research in certain areas that do not match the vision of science in this country held by some. The change in the climate change research areas specifically outlines the work on the climate change action plan. In the broad area of global change research the bill reduces the funding level form $22.5 million to $2.4 million, a 90-percent reduction. The bill directs EPA to terminate its Global Change Research Program on the grounds that it is duplicative in research in other agencies. The only problem with the logic is global change in virtually every other agency is similarly terminated or drastically reduced.

Mr. Chairman, we have seen the intensity of the view of some that environmental research is not what our country needs, but I believe that, and I think many others on the other side of the aisle do too, that we are well advised to know certain things. One of the things we need to know about is whether our climate is changing.

We recently, as I mentioned in our previous amendment, noted that the Nobel Prize committee has recognized that the ability and actually the threat of human activity can indeed have an impact on the globe and on, potentially, climate. This is something that we need to research further so we can go well-armed for the future.

Mr. Chairman, my amendment addresses the provision of the bill which is very dangerous because it ignores a large body of scientific evidence and critical scientific research by simply shutting down this program.

The section 503 tells EPA that they can no longer spend money on an action plan that they have already developed. It says, "Take your report back, get rid of it, pretend it never existed," but that is not a message that we should give to scientists.

The EPA, as well as other agencies such as the Forest Service and DOE, was asked by President Bush to coordinate a strategy for responding to commitments made at the Rio convention several years ago. The whole idea was to make sure that the administration had a coordinated research and policy framework so that there would be no duplication of efforts or ambiguities regarding agency responsibility. There is now a plan which is continuing to be developed. The impact of the prohibition in the bill is to eradicate the plan. The EPA could not even mail the report out, much less continue the policy development process.

Mr. Chairman, my amendment would reinstate the climate action plan as a legitimate planning document and template for the policy actions over the next several years as the research on global changes matures. It is clear that some things can be done easily and cheaply. Others will be enormously expensive and difficult. It makes economic sense to know which is which, how long we can wait before taking any action, and indeed whether action needs to be taken at all.

Mr. Chairman, the committee's prohibition on the climate action plan is not sensible in a very literal sense. It also reveals a deeper problem that I hope we can come to grips with which is direction of scientific research on the basis of our own druthers, on what we hope is true.

The environmental problems that we face may be real. I hope they are not, but they will not go away simply by killing funding or refusing to mail out a report.

Now, hearkening back to our earlier discussion in the last amendment, I was heartened that members of the committee on both sides of the aisle do not intend to preclude long-term global research. The amendment before us would not authorize any additional funds. It would simply, as in the prior discussion, eliminate the prohibition on research in this important activity, and I would urge that we, in a show of bipartisan embrace of our future and planted in the climate, accept this amendment.

Mr. ROHRABACHER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, here we go again. These amendments would restore global warming programs to the Environmental Protection Agency.

Let me just state right off the bat that it is my belief and the belief of the majority that this has nothing to do with the basic mission of the EPA. I mean does really having the EPA studying what will happen to fish after 100 years of global warming, does that really go to the heart of what we want the EPA to do? Is this part of its mission?

The answer is no, it is not. The EPA badly needs to prioritize its funds and to get sound science to determine regulatory process.

Mr. Chairman, the fact is that, if we put the EPA and keep the EPA involved in global warming research, what we have done has a budgetary impact on each and every other area in which the EPA is involved, some of the other things which are part of the core mission of the EPA. Keep the EPA involved in global warming research, and that means the other functions will have less money to spend, and although there is not a specific amount mentioned in the amendment, frankly it has a major impact on the funding of the various parts of EPA.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. ROHRABACHER. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Let us be clear about what the gentlewoman's amendment would be.

EPA does not regulate CO_2 emissions. They do regulate ozone. What we are doing is saying that they ought not be doing work in CO_2 emissions that they do not regulate because that is not the office, but we specifically allow them to do the ozone research and do the stratospheric kind of evaluations.

So what the gentlewoman's amendment would do would be to give them the opportunity at least to divert funding away from that which they do not or do regulate toward things which they do not regulate which undermines the specific mission of the Office of Research and Development, and so we think that we are permitting them to do one of these things that has been regarded as a global warming issue, but to do it in the area where they have the regulation power, to do it related to what they are supposed to be doing over the long term, in stratospheric ozone, and for the life of me I cannot understand why, when we are spending $1.8 billion on global warming across the whole Government, why we feel we have to have everybody doing the same thing over and over.

Mr. Chairman, it seems to me that targeting it toward that where the agency has expertise and regulatory power is exactly the right direction to go. That is what our bill does.

Mr. ROHRABACHER. In fact, Mr. Chairman, these programs that are spread throughout the Federal Government's budget on global warming are a product of basically the Vice President of the United States' zeal for this particular issue. Many of us believe that that zeal is what we would call environmental fanaticism.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. ROHRABACHER. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Was it not the Vice President the other day who criticized our committee for having held a hearing where we actually allowed scientists with a diverse point of view to come in and testify? I mean, in other words, he is so committed, he is so ideologically driven on this, that he does not want any witnesses appearing on Capitol Hill that do not share his point of view and, in fact, criticized the gentleman's subcommittee for actually allowing scientists to come in and testify who did not share his point of view.

Is that not correct?

Mr. ROHRABACHER. That is correct.

Mr. WALKER. It was astounding.

Mr. ROHRABACHER. In fact we will be holding hearings on global warming, and these hearings, I can assure all of my colleagues, will be very balanced, which again will probably raise the fur on the back of the Vice President's neck because we are permitting experts in the area of global warming who disagree with his position to actually testify and have a juxtaposed position with those scientists who agree with the Vice President's position in global warming.

Mr. Chairman, we need to make sure that we handle our appropriations and authorizations with an eye toward focusing the effort in those areas where they can be most effective. Global warming should not be handled in EPA. We have in the last debate suggested that we both agree that long-term climate research is something that should be done in NOAA. In EPA it is out of place, and the gentlewoman's amendment would take funding away from all the other areas of EPA in order to fund something that it should not be doing.

Ms. LOFGREN. Mr. Chairman, will the gentleman yield?

Mr. ROHRABACHER. I yield to the gentlewoman from California.

The CHAIRMAN. The time of the gentleman from California [Mr. ROHRABACHER] has expired.

(By unanimous consent, Mr. ROHRABACHER was allowed to proceed for 2 additional minutes.)

Ms. LOFGREN. The Interagency Task Force on Global Change in EPA was created in 1989 by then President George Bush, as my colleagues are aware, not by Vice President GORE. I did not vote for President Bush, but he was my President, too, and I am glad he started this endeavor. The fruit of his efforts has now been completed. We have a plan that unless this amendment is passed cannot even be distributed. Talk about taking money and flushing it completely away. I think that is foolhardy indeed.

Second, we have talked a lot in this committee and in this Congress about using sound science, about cost-benefit analysis, and part of what we need to do is to have judgments that can be made based on sound science. We have talked about ozone. How do we know the benefit of regulation of ozone if we do not know at least in part the impact on our climate? That may be part of our sound science.

□ 1500

Mr. ROHRABACHER. Reclaiming my time, Mr. Chairman, global warming and ozone are two different issues. For the record, there is nothing in the language of our bill or our authorization that suggests that any work that has already been done by EPA should not be circulated or not be made available to anyone who would like to request it, or who they would like to send it to.

What we are trying to do instead is in the future we would like EPA to focus on those many environmental issues that are significant and that they hold the responsibility for, rather than having this just another one of the many global warming projects within the Federal budget.

Mr. Chairman, I respectfully disagree with my colleague's amendment.

Mr. OLVER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this debate is sometimes a little bit like Alice in Wonderland. It is quite a moving target one has to deal with along the way.

Mr. Chairman, I was in support of the amendment that has been offered by the gentlewoman from California [Ms. LOFGREN] an amendment that strikes language that precludes EPA from spending money on climate change research and action. I would just, at the beginning, say that it seems to me, Mr. Chairman, that this amendment attempts to least to correct the wrongheadedness of the authorization bill that is the underlying legislation here.

The chairman of the subcommittee claims to be a strong fan of risk assessment, and I notice here in this document which is put out by the Environmental Protection Agency, the Science Advisory Board, dated September 1990, a document specifically related to reducing risk and setting priorities and strategies for environmental protection, 1990 being before the time under the previous administration, that on page 13 under the relatively high-risk environmental problems, specifically the EPA and the Science Advisory Board speak of global climate change as one of the high-risk areas of environmental problems that we really need science done on.

It seems to me that at least the Science Advisory Board for EPA has been quite clear on what are the high risks that we ought to be dealing with. I guess I would add that it seems to me that not all scientific issues are clarified by congressional hearings. In fact, I think that quite recently, and I think the one which has already been alluded to and which the Vice President has some unkind words about, I think that one probably mostly further muddied the water and further obfuscated the circumstances.

The chairman of the full committee and the chairman of the subcommittee surely know that the Nobel Prize in chemistry was just given out in the last couple of days to three researchers doing work in ozone, the ozone later.

Mr. BROWN of California. Mr. Chairman, will the gentleman yield?

Mr. OLVER. I yield to the gentleman from California.

Mr. BROWN of California. Mr. Chairman, is it possible that this liberal claptrap that he is complaining about is the creation of the Bush Science Advisory Committee?

Mr. OLVER. It would seem that that might be the case.

Mr. BROWN of California. They agree with that. Good.

Mr. OLVER. It is possible. They agree. In any case, I wonder, it seems to me that this global climate change is very close to the mission of the EPA, to the core mission, which is what the Science Advisory Board of the EPA the previous administration determined. I do not think we should be removing EPA's capacity to work on one of the very functions that it was created to do.

We certainly would not ask the FDA to stop researching whether drugs are safe. We certainly would not ask the Department of Agriculture, the USDA, to stop making sure that the food we eat is safe, although actually, I suppose I maybe should not be asking those questions, since it seems that all too many of the people here are quite willing to do exactly those things.

However, I would ask that this Congress recognize the need for research into our global environment. Particularly during this record-breaking hurricane season, it would be particularly ironic if the Congress were to turn its back on the research necessary to understand climate change.

Mr. Chairman, we have been hearing for some time about the need for good cost-benefit analysis. The problem seems to be the question of analysis. We have to have good data in order to do any kind of analysis at all. Whether Members disagree or agree with the concept of global warming, we ought to be willing to gather the data that are necessary, so we can debate this with an educated viewpoint.

Mr. ROHRABACHER. Mr. Chairman, will the gentleman yield?

Mr. OLVER. I yield to the gentleman from California.

Mr. ROHRABACHER. Mr. Chairman, I would ask the gentleman, are there any, of the 12 agencies that are now involved with global climate change, would he eliminate any of them from that job? Is there any one that the gentleman would agree should refocus their efforts, and perhaps maybe only 11 agencies or 10 agencies should be involved? What agencies would the gentleman agree should not be involved in this?

Mr. OLVER. Mr. Chairman, I am not privy to the list of the 12 agencies, nor do I know exactly what the missions are of each of them. All we have been talking here about is NOAA, and it is clearly a core function of NOAA, by its very name, it is a core function of NOAA, and in terms of environmental protection and risk analysis to environmental risks, then it seems to me it is pretty clearly a core function of EPA. It is not wrong to have some different agencies working on an issue where the core functions do not completely overlap. I am not going to try to defend each of the other 10. I do not know what the other 10 are. These, it seems to me, are core functions for EPA, by its very name, and to NOAA, by its very name.

Mr. ROHRABACHER. I would be very happy to provide the gentleman a list of the 12 agencies in which global warming is a concern.

Mr. OLVER. I would be happy to study the list and give an answer as to whether one or more or several as to which the issue of global warming is not a core function, but these two agencies we have been talking about today, it is a core function.

Mr. TIAHRT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, as I understand this amendment, what we are doing is elimination of or striking the clause where EPA is going to continue or start into global climate change research. It is my understanding of the EPA charter or the scope of their job, that it is to study the environment for regulatory purposes. My concern here is that we already have 12 agencies that are undergoing global warming research to the tune of about $1.8 billion, if my information is correct. I think we probably have a shotgun approach to this already.

Some of these agencies probably, along with EPA, should not be in the business of studying this climate change, doing this research. The Department of Defense may have some arguments for it because of the nature of the business of defending the people of America. The Department of Commerce, I think, is an area where we probably should be redirecting some of this effort, and the Department of the Interior also. Certainly, there are other agencies like NASA and the National Science Foundation that have a direct tie into what we are doing in this research.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. TIAHRT. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Chairman, the gentleman is making an excellent point. I think maybe because it has been indicated that somehow this is the only money being spent in global change research, that not to allow this spending to be done would in fact decimate the global change research program, that we ought to talk a little bit about it.

The Department of Agriculture spends over $60 million a year on global change. The Department of Commerce spends over $135 million a year on global change. The Department of Defense spends $6.5 million on global change. The Department of Energy spends over $120 million on global change. The Department of Health and Human Services spends over $25 million on global change. The Department of the Interior spends over $30 million on global change. The Department of Transportation spends a little less than $1 million on global change. The Environmental Protection Agency spends a little over $25 million on global change. The National Aeronautics and Space Administration spends $1.25 billion on global change. The National Science Foundation spends $170 million on global change. The Smithsonian Institute spends $2.8 million on global change, and the Tennessee Valley Authority spends $1.2 million on global change.

We have a lot of agencies spending a lot of money on global change. To suggest that somehow this amendment is going to do something about the global warming change program becomes somewhat ridiculous.

Mr. TIAHRT. Reclaiming my time, Mr. Chairman, I think the gentleman made a very good point. When we are trying to find a solution to a problem, often we want to have a few diversified groups looking into the problem to see exactly how we can come up with a solution. Perhaps we could get some fresh thoughts and fresh minds looking at new ideas, maybe new concepts.

However, to spread it over 12 agencies to the tune of $1.8 billion, I think we already have that much diversity. I think it probably exceeds common sense in the realm of applying one more agency, the EPA. I think it is probably time to draw back some of the reins on studying climate change, that research, let it concentrate on areas that have a very keen interest and, I might add, a charter for such research, like NASA, perhaps even the Department of Energy, would be better suited that EPA, the Department of Defense.

I think what this amendment does is it just goes beyond the commonsense thought process here, because we already have plenty of agencies looking into climate change, global climate change. I think putting it back in EPA will serve no purpose for the taxpayers.

Ms. LOFGREN. Mr. Chairman, will the gentleman yield?

Mr. TIAHRT. I yield to the gentlewoman from California.

Ms. LOFGREN. I would like to make a couple of comments, Mr. Chairman. I think this is sounding a little like a partisan issue, and I honestly think it should not be. We have all, on both sides of the aisle, discussed our commitment to basic research because that is important to understanding our world, and it is important to the economic vitality of our country. Basic research is mission-driven in a whole variety of agencies throughout the country, because there is value in the diversity of different approaches in basic research. We come up with different answers. That is why we do not have a science czar that directs all scientific inquiry.

I think this is somewhat similar to that. I would just add this. All of us will be grievously distressed and our citizens will be distressed if we fail to take action in an appropriate manner and our country pays a terrible economic price. We are now on the Rs for hurricanes, the first time I think that has ever happened on names.

I am not a scientist. I notice that the Nobel Committee thinks something is going on with climate change. I think it is up to us to put aside our partisanship and to let scientists move forward into a legitimate inquiry in this.

Mr. TIAHRT. I think the gentlewoman made a good point about diversification, but I think 12 agencies and $1.8 billion is excessive.

Mr. WAXMAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. WAXMAN. Mr. Chairman, the issue of global warming is a matter of great concern. I have an editorial from the Washington Post. They said that "There are great uncertainties in how much the temperature will rise and how great any damage will be, but the case for being concerned about global warming is getting stronger. That makes it especially distressing that committees in the House and Senate are slashing funds for programs aimed at protecting the global environment."

That is what is happening in this legislation, we are cutting funds to deal with the problem of the global environment. In a few minutes we are going to have a discussion about the provision of the bill that strikes funds dealing with indoor air pollution. It is almost as if this Congress were anti-science. We act like we belong to the Flat Earth Society. Time after time we are ignoring sound science, we are ignoring sound concerns to our environment, so our response is to cut back funding in understanding the threat and how to deal with it.

Let me put this in perspective. I do think this Congress is more and more anti-science. It is very distressing. An example: this House passed a Clean Water Act, and despite the National Academy of Science's, our Nation's most prestigious scientific organization, recommendations on what would be a sound scientific definition of a wetland, the House of Representatives threw it all out and decided to adopt a scientifically indefensible definition of wetlands that wipes out most of our Nation's wetlands. That is not a decision made on good science.

Another example, ozone depletion. Yesterday Dr. Sherwood Rowland and two other scientists were given a Nobel Prize for their discovery that manmade chemicals are destroying the ozone layer. Their science has been endorsed by virtually every reputable scientific organization in the world. These are Nobel Prize winners. What happens with the House Committee on Science? They do not accept this science. Instead, the committee has been holding hearings that feature eccentric witnesses who argue that there is no ozone hole.

Today we are talking about taking another sad step into the realm of antiscience. We are debating a bill that would defund important, basic scientific research into these key environmental problems. The global warming plan at the Environmental Protection Agency was the result of the work of EPA administrator William Reilly, who was appointed by President Bush. This is not a partisan issue. This should not be a partisan issue.

When we get to indoor air pollution, it is amazing to think that we are not going to be doing the work on indoor air pollution when the EPA, when they were told to come up with some priorities of the threats to human health, put indoor air pollution right at the top.

I think we have to step back and put this all in perspective. Because some industry groups do not like the idea that maybe they are going to face regulation because some scientists have a difference of opinion, that should not mean that we will ignore scientific opinion and not conduct further research to try to implement action plans that can, in a very prudent way, protect us from the results of global warming, should the threat be as severe as we are being led to believe.

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I have a couple of articles that I am going to put into the RECORD. One is an article from the New York Times, September 18, headlined, "Scientists Say Earth's Warming Could Set Off Wide Disruptions." The first paragraph reads, "The earth has entered a period of climactic change that is likely to cause," likely to cause, "widespread economic, social and environmental dislocation over the next century if emissions of heat-trapping gases are not reduced, according to experts advising the world's Governments." We are hearing from most of the scientists about this issue.

Another article which I will insert into the RECORD, September 10. "Experts Confirm Human Role In Global Warming." The article goes on to talk about, "In an important shift of scientific judgment, experts advising the world's governments on climate change are saying for the first time that human activity is a likely cause of the warming of the global atmosphere."

Mr. Chairman, if that is the case, how do you take the Environmental Protection Agency out of this issue? How do you stop their action plan in its tracks from reducing some of these manmade chemicals that are causing this problem?

This is an example of this problem which has led to this amendment. To keep the funds in place, not to cut back, is it seems to me a very shortsighted move, and I believe one that ignores the overwhelming scientific opinions and denigrates it. We do not have certainty, but we ought not to denigrate the mounting evidence and wait to the point where we have a problem that cannot be fixed.

Mr. ROHRABACHER. Mr. Chairman, will the gentleman yield?

Mr. WAXMAN. I yield to the gentleman from California.

Mr. ROHRABACHER. Mr. Chairman, I have two questions for the gentleman from California [Mr. WAXMAN]. From what the gentleman has said, especially about the hearing on the ozone, is it the position of the gentleman that we should not have had a renowned scientist on the other side of the issue?

Mr. WAXMAN. Mr. Chairman, reclaiming my time, absolutely not.

The CHAIRMAN. The time of the gentleman from California [Mr. WAXMAN] has expired.

(By unanimous consent, Mr. WAXMAN was allowed to proceed for 1 additional minute.)

Mr. WAXMAN. Mr. Chairman, I would say to the gentleman, of course not. Scientists are reflecting different opinions. We ought to hear from them, but we ought not to make a decision to vote one way or the other based on which scientist you like and ignore what is turning out to be an overwhelming accumulation of evidence.

Mr. ROHRABACHER. Mr. Chairman, if the gentleman will continue to yield, my colleague does know that the majority of scientists of the day thought the Earth was flat and thought that the Sun went around the Earth, and at times, the scientist order of the day was wrong.

Mr. WAXMAN. Mr. Chairman, reclaiming my time, sometimes the politicians under those circumstances decided to punish the scientists who were coming in with some scientific opinions that they did not like. I do not want us to do the same thing today that the Neanderthals of years past have done. I think we ought to have a free and open inquiry of science. We ought not to prejudge it and defund it because we do not like what they are doing.

Mr. ROHRABACHER. Mr. Chairman, if the gentleman will yield further, just so my colleague will know, one of those scientists that was present to present another view on the ozone situation, contrary to what the current common knowledge is, had been threatened and had been told that she would not receive any more grants if she came to testify. I think the evidence is showing that people who are suppressing information are those who believe ozone is going to destroy us.

Mr. WAXMAN. Mr. Chairman, I include for the RECORD the two articles referred to earlier.

[From the New York Times, September 18, 1995]

GLOBAL WARMING HEATS UP

The evidence mounted last week that manmade gases are causing deterioration of the earth's atmosphere. First came news that a United Nations scientific panel believes it has found, for the first time, evidence that human activities are indeed causing a much-debated warming of the globe. The report, though preliminary, appeared to strengthen the case that governments throughout the world may need to take stronger action to head off potential damage.

Then came an announcement from the World Meterological Organization that a worrisome hole in the earth's protective ozone shield appears to be getting even larger over Antarctica. Such enlargement had been expected because it will take a while for corrective actions already taken by many governments to exert their effect. But the report underscored that the battle to save the ozone layer is not yet safely won.

The U.N.'s global warming report, described by William K. Stevens in the Sept. 10 Times, indicates that man-made global warming is a real phenomenon. It can not be dismissed as unproved "liberal claptrap," as Representative Dana Rohrabacher, Republican of California, who heads a House environmental subcommittee, has derisively suggested.

For years now scientists have been arguing over whether the emission of "greenhouse gases," such as carbon dioxide generated by the burning of fossil fuels, has contributed to a small rise in global temperatures over the past century—and whether such emissions will drive temperatures even higher in coming decades.

Such a change in temperature might, if drastic enough, have serious consequences, as is made clear today in a second article by Mr. Stevens. Global warming could cause a rise in sea level that would flood coastal lowlands, an increase in weather extremes and damage to forests and croplands in some regions. Forestalling truly severe damage might well warrant action to slow the emission of greenhouse gases by reducing the world's reliance on fossil fuels. But that would be a wrenching, costly process that few political leaders are eager to undertake absent compelling evidence that human activities really are driving world temperatures toward dangerous levels.

Now the U.N.'s Intergovernmental Panel on Climate Change, the scientific panel charged with analyzing the problem, has concluded in a draft report that it is seeing signals that man-made global warming is under way. The signals are not in the form of a "smoking gun." Instead, they are found in computer patterns. The computer models that predict rising temperatures seem to be matching up more closely with some of the patterns of climate change actually observed. There are great uncertainties in how much the temperature will rise and how great any damage might be. But the case for being concerned about global warming is getting stronger.

That makes it especially distressing that committees in the House and Senate are slashing funds for programs aimed at protecting the global environment. Steep cuts have been imposed on research to study global climate change, on programs to help reduce carbon emissions and on funds to help developing countries phase out their ozone-destroying chemicals. It is perverse that, as the evidence of global atmospheric harm gets somewhat stronger, the political response to mitigating it gets progressively weaker.

[From the New York Times, Sept. 10, 1995]

Experts Confirm Human Role in Global Warming

(By William K. Stevens)

In an important shift of scientific judgment, experts advising the world's governments on climate change are saying for the first time that human activity is a likely cause of the warming of the global atmosphere.

While many climatologists have thought this to be the case, all but a few have held until now that the climate is so naturally variable that they could not be sure they were seeing a clear signal of the feared greenhouse effect—the heating of the atmosphere because of the carbon dioxide released by burning coal, oil and wood.

Even the string of very warm years in the 1980's and 1990's could have been just a natural swing of the climatic pendulum, the experts have said.

But a growing body of data and analysis now suggests that the warming of the last century, and especially of the last few years, "is unlikely to be entirely due to natural causes and that a pattern of climatic response to human activities is identifiable in the climatological record," says a draft summary of a new report by the Intergovernmental Panel on Climate Change.

The panel's role is to advise governments now negotiating reductions in emissions of greenhouse gases like carbon dioxide under the 1992 treaty on climate change.

The panel's draft summary, although intended for internal use, was recently made available on the Internet. The draft has been through at least one round of scientific review but its wording may change, since it is now being reviewed by governments. Scientists who prepared the full chapter on which the summary statement is based say they do not expect any substantial change in their basic assessment. The chapter has gone through extensive review by scientists around the world.

"I think the scientific justification for the statement is there, unequivocally," said Dr. Tom M.L. Wigley, a climatologist at the National Center for Atmospheric Research in Boulder, Colo., one of the chapter's authors.

The scientific community "has discovered the smoking gun," said Dr. Michael Oppenheimer, an atmospheric scientist with the Environmental Defense Fund, who is familiar with the draft report. "This finding is of paramount importance. For many years, policy makers have asked, 'Where's the signal?' " The intergovernmental panel, he said, "is telling us that the signal is here."

But Dr. Wigley and others involved in the reassessment say it is not yet known how much of the last century's warming can be attributed to human activity and how much is part of the earth's natural fluctuation that leads to ice ages at one extreme and warm periods at the other.

Nevertheless, the panel's conclusion marks a watershed in the views of climatologists, who with the notable exception of Dr. James E. Hansen of the NASA Goddard Institute for Space Studies in New York have until now refused to declare publicly that they can discern the signature of the greenhouse effect.

[From the New York Times, Sept. 18, 1995]

Scientists Say Earth's Warming Could Set Off Wide Disruptions

(By William K. Stevens)

The earth has entered a period of climatic change that is likely to cause widespread economic, social and environmental dislocation over the next century if emissions of heat-trapping gases are not reduced, according to experts advising the world's governments.

The picture of probable disruption, including adverse changes and some that are beneficial, emerges from draft sections of a new assessment of the climate problem by the Intergovernmental Panel on Climate Change and from interviews with scientists involved in the assessment. The panel, a United Nations group of 2,500 scientists from around the world, advises parties to a 1992 treaty that are negotiating reductions in heat-trapping greenhouse gases like carbon dioxide.

The new feature of the assessment—the first in five years by the intergovernmental panel—is that the experts are now more confident than before that global climate change is indeed in progress and that at least some of the warming is due to human action, specifically the burning of coal, oil and wood, which releases carbon dioxide into the atmosphere. Like its predecessors, the forecast depends heavily on uncertain computer simulations of the atmosphere's response to heat-trapping gases.

While some environmentalists and their allies have long believed potentially catastrophic human-induced climate change to be a fact, and some political conservatives and industry groups have been skeptical, experts in the mainstream of climate science have never confirmed either view.

So far, most governments have taken small steps to rein in emissions of greenhouse gases, with the hope of at least avoiding further contribution to the warming problem. But even before the current reassessment, parties to the 1992 treaty had agreed that these steps were inadequate and had opened talks aimed at stronger measures.

According to draft sections of the new forecast, some of the predicted effects of climate change may now be emerging for the first time or with increasing clarity. The possible early effects include these:

A continuing rise in average global sea level, which is likely to amount to more than a foot and a half by the year 2100. This, say the scientists, would inundate parts of many heavily populated river deltas and the cities on them, making them uninhabitable, and would destroy many beaches around the world. At the most likely rate of rise, some experts say, most of the beaches on the East Coast of the United States would be gone in 25 years. They are already disappearing at an average of 2 to 3 feet a year.

An increase in extremes of temperature, dryness and precipitation in some regions. A United States Government study conducted by one of the panel's scientists has shown that these extremes are increasing in America. There is a 90 to 95 percent chance, the study concluded, that climate change caused by the emission of greenhouse gases like carbon dioxide is responsible. The intergovernmental panel forecasts an increase in droughts like the current one in the Northeastern United States, heat waves like the one in Chicago this summer, and more fires and floods in some regions.

A "striking" retreat of mountain glaciers around the world, accompanied in the Northern Hemisphere by as shrinking snow cover in winter. In some semi-arid regions, the panel says, runoff from melting glaciers may increase water resources. But in most places, rivers and streams could be diminished in the summer.

"While there will be some beneficial effects of climate change, there will be many adverse effects, with some being potentially irreversible," says one of the panel's draft summaries.

Beneficial effects, if the panel's forecast is right, would include, for instance, milder winters in northern climes, an increase in rainfall in some regions that need it, and faster crop growth. Grain belts of North America and Russia could expand. Agricultural production worldwide is not expected to decrease much.

But some regions—especially sub-Saharan Africa, South and Southeast Asia and tropical Latin America—could suffer losses in their harvests. Deserts are expected to expand, and the heartlands of continents to become drier. There would be more rain throughout the world. Northern temperate regions would experience more rain and less snow in winter. In summer, water would evaporate faster, drying the soil.

Natural ecosystems, being untended, would be even more vulnerable than cropland. Forest trees could not keep up with shifting climatic zones, and some forests would disappear, the panel says.

Computerized models indicated that if atmospheric carbon dioxide levels double, "one-third of all the forest area of the earth will change," said Dr. Steven P. Hamburg, a forest ecologist at Brown University who is a member of the intergovernmental panel. "But we still don't have a good grasp of what it will look like," he added. Carbon dioxide concentrations are expected to double late in the next century if no further action is taken to limit emissions.

Climate forecasting is a difficult and often controversial science. One major subject of dissension are the computer models on which the intergovernmental panel's report largely depends. The climate experts on the panel believe their models have become increasingly reliable. But skeptics continue to assert that the models fail to simulate the present climate realistically and hence are an unsure guide to future climates.

There is wide agreement among scientists that the average surface temperature of the globe has already risen by about 1 degree Fahrenheit over the last century, with the steepest rise taking place in the last 40 years. But given the natural variability of the earth's climate and the wide fluctuations in temperature known to have occurred in the distant past, climate experts have until now been almost unanimous in saying they could not prove that human emission of greenhouse gases was playing in part in the warming.

Scientific opinion among climatologists is now shifting, and more are prepared to say that human activity is a likely cause of at least part of the climatic change experienced so far.

The human contribution to global warming could range from highly significant to trivial. The scientists say it is not yet possible to measure how much of the warming has been caused by human activity and how much is a result of natural causes.

Computer models are the principal basis for the draft report's forecast that the world's average surface temperature will rise by about 1.5 to 6 degrees Fahrenheit by the year 2100 if no further action is taken to rein in greenhouse gas emissions. Further warming—50 to 70 percent more than what took place by 2100—would take place after that year, the report says. The warming would be somewhat larger if, as appears possible, industry stops emitting sulfate aerosols, which exert a cooling effect by reflecting sunlight and are air pollutants in their own right.

Mr. BROWN of California. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of the Lofgren amendment. Again, I take this time not because of my concern with what will happen to this legislation, because I have already said it is not going anywhere, but to support some issues here, to explore some issues. Some of them involve the views of the gentleman from California [Mr. ROHRABACHER] who I would characterize as an original member of the Flat Earth Society, except that he is on a space committee, so he could not be part of that any more.

Mr. Chairman, the gentleman from California [Mr. ROHRABACHER] has made his position so clear with regard to long-range climate research and other things of that sort, global warming, that we need to explore this. Frankly, I want the gentleman to be the clear leader of those who think that the Reagan-Bush position announced by their Science Advisory Committee was liberal clap trap.

Mr. Chairman, that is going to divide the Republicans on this issue. Of course the true believers like the gentleman from California [Mr. ROHRABACHER] hope they will prevail, and I hope that the liberals like Bush and Reagan will prevail on these kinds of issues.

Now, the gentleman may or may not recall that the Committee on Science in its earlier incarnation first established an environmental subcommittee in 1975. I was the chairman of the subcommittee at that time. Global warming was an issue before us at that time. We did not know what to believe, so we had extensive hearings.

We had scientists who said, there is clear indication of global warming. We had scientists who said, that is malarkey, there is clear indication of global cooling. Then we had scientists in the middle, who said, it is an open question at this point. We need more research. That is a favorite ploy of all scientists. We need more research. The issue was important enough that we funded more research, and we continued to fund it for 20 years.

Today, that curve of those who think it is warming, those who think it is cooling, and those who think we need more information has changed substantially. There are very few who think it is cooling, a lot more who think it is warming, and of course the majority still think we need more information, which is why we fund long-term global climate research. It is important, and we need to continue funding it. I hope that we will continue to do that, although the majority view has gradually grown larger and larger, that global warming is a serious problem.

Now, a point has been made by a number of gentlemen on the other side that we have too many agencies doing global warming research. We have a dozen or so, I think the number was. The Defense Department is studying global warming because it has something to do with our defense posture: If all of the ice caps in the North and South Pole melt, it will affect our strategies. It will affect submarine detection, it will affect other things of that sort.

The Coast Guard is worried, because if it raises the level of the ocean, they have a whole new problem. Where is the coast that they used to be concerned about? It will have changed substantially.

Other agencies like the Energy Department, for example, are interested because it has to do with the energy mix that we use in this country, and what its effects will be. These are legitimate. These relate to the core mission of these agencies.

Now, should we scrap them all and say, we will just have one agency do it, the Weather Service? No. We recognize the complexity of this, and many other issues of a research nature, and in the office of the President, we have a science adviser and we have a Presidential Science Advisory Committee.

We used to have something called a FCCSET Committee, which is an interesting name. It meant the Federal Coordinating Council on Science Engineering and Technology, which was aimed at resolving the respective jurisdictions of the various agencies, cabinet level agencies on complex, interagency science problems.

The problem is not putting everything in one basket and say, nobody else does it. Defense is going to want to do it if it relates to defense and energy if it relates to energy. The problem is making sure they do not waste money on it. That does not necessarily mean they do not lose similar research, but they do not lose money on it, and they get the best science that is possible.

Mr. ROHRABACHER. Mr. Chairman, will the gentleman yield?

Mr. BROWN of California. I yield to the gentleman from California.

Mr. ROHRABACHER. Mr. Chairman, am I incorrect in my assumption that the impact of the amendment would be that all of the other areas of Environmental Protection Agency research would suffer as a result of this amendment because the funds that would have to be spent according to this amendment would be coming from all of those other areas? Is that not what we are talking about here?

Mr. BROWN of California. Mr. Chairman, the gentleman raises an interesting point.

The CHAIRMAN. The time of the gentleman from California [Mr. BROWN] has expired.

(By unanimous consent, Mr. BROWN of California was allowed to proceed for 1 additional minute.)

Mr. BROWN of California. Mr. Chairman, the EPA's research function has already suffered. The gentleman on your side spent the first part of this year emasculating EPA, making sure they went through a lot of hurdles in getting the proper science to justify their regulation. They have so many restrictions on the regulatory process that they are going through, and so many injunctions by using good science, they cannot possibly do it with the seriously eroded budget that you have given them. So they are in real trouble.

Yes, they will be in trouble, they will have to redistribute funding here, but that is a very small part of the total problems that they face at the present time, which will grow greater if you have your way.

Mr. WALKER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I have been enlightened by the discussion a little bit here too. We had the gentlewoman presenting her amendment telling us about the Nobel Prize winners. They got their money out of the Department of Energy and out of NSF; none of it came out of EPA or NOAA that related to the amendment of the gentlewoman from California [Ms. LOFGREN]. That talks about the diversity and the multiplicity of places at which this kind of research is being done. So when we cite the Noble Prize winners, the fact is that they are in accounts where the gentlewoman is not touching.

Mr. Chairman, I was also fascinated by the gentleman from California [Mr. WAXMAN] lecturing us about the Flat Earth Society. The gentleman lectures us about the Flat Earth Society and then criticized this committee for having the audacity to allow scientists to come in who do not agree with his point of view.

Now, the fact is, the reason why the Flat Earth Society was able to stay in place for so long is because there was a consensus among all of the scientists that the Earth was flat. So for centuries we belabored under the opinion, the scientifically confirmed opinion that the Earth was flat, and it was a few nutty scientists who said, no, maybe it is round. Maybe it is round. They were regarded as nuts, they were thrown out of the academy. They were not listened to.

Well, the fact is, diversity is a very important part of science. It is a very good thing to have diverse points of view in science, just as it is a very good thing to have a diverse point of view in politics.

Now, the fact that this committee has made a determination that we are not going to do one-directional scientists, just because there is a consensus, just because everybody believes the earth is flat, we do not think that that is the only people we have to listen to. We think that maybe we ought to listen to people who have differing points of view.

We do not have to agree with them. We do not have to agree with anybody that comes before the committee to testify, but it sure does help to have all of the points of view available to us before we make determinations, particularly policy determinations that can affect us for years to come.

When we are trying to balance a budget, we are looking out 7 years. The decisions that we make here look out 7 years. We would like to know whether or not the things that we are doing are based upon sound science, which gets us to the amendment of the gentlewoman from California [Ms. LOFGREN].

The gentlewoman's amendment is about an agency, the Office of Research and Development at EPA that was designed for one purpose. The one purpose of that particular research agency, its mission, is to assure that EPA regulations follow good science. That is what it is all about. The idea is the fact that what they are supposed to do is give us the good science so that we have good science behind our regulations.

Now, sometimes we ignore that science. Sometimes we spend $100 million to look at clean air and then because we are worried about what the report may look like, we pass a clean air bill before we get the study. We do that around here. Normally we think it is maybe a good idea to look at some good science before we regulate.

Now, that is what we said in our bill. We said that in the whole area that is called global warming, one of the issues that we are looking at is ocean depletion. The fact is, EPA has the jurisdiction to regulate ozone. So, what we have done under our bill is given them the authority to continue their research in this area, this large area known as global change, we have given them the authority to continue to do research in those areas that they regulate; namely, the ozone depletion.

What we have said, however, is, there are other areas that they have been looking at where they have no jurisdiction to regulate. We think it would be better for them to focus their mission, use their money the way it was intended to be used at their agency and let other people with other missions that fit more with the process do the other work.

Now, the gentlewoman from California [Ms. LOFGREN] would have us think, as others have had us think, that somehow there is no other money anywhere in the Government to do this, that the EPA has to do it because there is no other money. The fact is, we are spending $1.8 billion on global change, and at 12 different agencies that I just read off here, spending tens of millions, even hundreds of millions of dollars, this work is going on.

The Nobel Prize winners to which the gentlewoman referred got their money out of the DOE and NSF. We have not done anything to stop DOE and NSF from doing global change.

□ 1530

That is an appropriate place for some of this long-term basic research she talked about. She said there ought to be a consensus on basic research. There should be.

But the fact is the EPA's ORD office is not a basic research office. It is an office designed to do mission-oriented research. It is an office designed to supply the EPA the good science it needs to back up its regulation.

That is what we are trying to do. We are trying to make certain we prioritize moneys in ways that they do the job that they were intended to do. You cannot get to a balanced budget any other way. I would suggest that the right way to proceed here is to reject the gentlewoman's amendment and support the committee.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment offered by my colleague the gentlewoman from California [Ms. LOFGREN].

Once again we find ourselves in the position of cutting and eliminating programs prior to having any hearings to consider their merits and shortcomings. Therefore, I would like to take this opportunity to raise some important issues and to challenge what I believe is a fundamentally flawed assumption providing the underlying actions that are being taken.

The global climate change research has been singled out for significant cuts or outright elimination in all departmental research budgets this year. In Interior it was cut by 7 percent, NASA by 37 percent, NOAA by 21 percent, the Department of Energy, by 57 percent, USDA by 6 percent, and the EPA by 100 percent.

We are told that this is for the purposes of efficiency and to eliminate redundancies in the program. However, there have been little if any examples provided to assure us that only duplicative global research programs are being eliminated or that in fact duplication exists.

USDA has a global change research program so that experts in agriculture and forestry science can determine what, if any, effects changes in temperature, moisture, and regional weather patterns will have on our agriculture and forest systems. The Department of the Interior manages Federal land, such as forests and rangeland and wildlife refuges. They also manage vital water distribution networks in cooperation with Western States. It seems to me we might want to understand what effects the climate might have on these resources as well.

The Department of Energy has responsibility for energy research, fossil fuel energy as well as alternative energy. No one disputes that carbon dioxide is a greenhouse gas, that its atmospheric concentration has increased and continues to do so, and that fossil fuel burning is a primary source for that increase. Understanding the global carbon balance from the perspective of fossil fuel consumption as well as other sources is a role that DOE is best suited to play.

NASA oversees the design, construction, operation, and maintenance of our satellites and it compiles data gathered from them. Without measurements, we are reduced to hand-waving. Perhaps that is all fine in some people's opinion but it seems to me that when we pump billions of dollars into these agencies, we ought to find out what the impact is going to be.

The EPA is the Agency that is charged with the responsibility of protecting our environment. Their role should be to use our knowledge of emission sources and technology to suggest options for mitigating and controlling those greenhouse emissions.

These programs are not duplicative. They are intended to make the best use of the expertise and knowledge base of each agency to ensure that we have comprehensive approaches and assessments of a complex global phenomenon.

I realize that many of my colleagues remain unconvinced that global climate change is a problem, just an example of environmental hysteria. If you are so confident of that, then why stop the research that can prove your point?

Ignorance is not bliss, it is just ignorance. We should support this comprehensive research effort so that if these climate changes create the problems that some believe they will, we will be able to approach the problem with the best possible information. If it is not a problem, we will have proof of that, and we will have extended our knowledge on climate and its impacts on the natural systems on which we depend.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. KENNEDY] has expired.

(On request, of Mr. BROWN of California, and by unanimous consent, Mr. KENNEDY was allowed to proceed for 2 additional minutes.)

Mr. KENNEDY of Massachusetts. I yield to the gentleman from California.

Mr. BROWN of California. Mr. Chairman, I want to acknowledge the excellence of the gentleman's statement. I was trying in my own inadequate way to make some of these points that he has made so well in indicating the core interest of many departments in this overall issue of global warming.

I also want to take just a moment to ask the distinguished chairman of the Committee on Science, who earlier made the statement, and the gentleman from California [Mr.

ROHRABACHER] has repeated it, I think, that EPA's Office of Research and Development only has a mandate to do research in the areas in which it regulates. That does not happen to be the case, and if the gentleman thinks that I am wrong, I would invite him to substantiate his statement, because under both Reagan and Bush ORD was mandated to do research in areas in which they had no regulatory authority, and that has continued under Mr. Clinton. If he has some other understanding, I would like to have that put forward in the record so that the House as a whole can understand the basis for that kind of a statement.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. KENNEDY of Massachusetts. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Chairman, the gentleman simply is going back to the original intent of the EPA. There is no doubt that they have been mandated to do things beyond what was the original intent of the agency, and have done things well beyond the scope of doing regulation. It is one of the reasons why we have had bad regulation, because we have not had good science. One of the things that we are attempting to do is to assure that we do good science pursuant to regulation and use their limited resources in the proper way. That is the point this gentleman is making.

Mr. BROWN of California. The gentleman's actions contradict his words because he has drastically cut in this bill research, basic research, which he would agree is basic research, which would contribute to the good science that is necessary. In fact, that is my main objection to this bill. It guts the science—

Mr. ROHRABACHER. If the gentleman will yield, what are the basic research cuts in this bill?

Mr. KENNEDY of Massachusetts. Reclaiming my time, the fact of the matter is, just to repeat the cuts, you have a 7-percent cut in the Interior Department, a 37-percent cut in the NASA, 21 percent in NOAA, 57 percent in the Department of Energy, USDA by 6 percent, and EPA by 100 percent. The truth of the matter is you are gutting the research capabilities of this country so you can stick your head in the sand. You want to fight the notion that somehow you are in the flat earth society. You are not in the flat earth society, you have got your head stuck in the sand. You are in the ostrich society.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. KENNEDY] has again expired.

(On request of Mr. BROWN of California, and by unanimous consent, Mr. KENNEDY of Massachusetts was allowed to proceed for 2 additional minutes.)

Mr. KENNEDY of Massachusetts. I continue to yield to the gentleman from California.

Mr. BROWN of California. Mr. Chairman, the distinguished gentleman from Pennsylvania voted for in 1990 the Global Change Research Act which authorized EPA to do global change research. Now he is arguing that they have no mandate to do so because it does not involve regulation. I have just asserted that there is no mandate that they only do research that has relationships to regulation. I further state that the gentleman has cut basic research, which he denies, because he has stated over and over that the actual figures are that there is a 1.1-percent increase.

Mr. Chairman, I include for the RECORD the following table which shows that we in the area of basic research, there has been a decrease of 1.3 percent in the budget that the gentleman is proposing:

	Fiscal year		H.R. 2405	Percent change from 1995
	1995	1996		
DOE	$1,648	$1,773	$1,699	+3.1
NSF	1,958	2,107	1,911	−2.4
NASA	1,850	1,822	1,784	−3.6
NIST	40	48	42	+5
EPA	107	120	92	−14
Total	5,603	5,870	5,528	−1.3

Mr. WAXMAN. Mr. Chairman, will the gentleman yield?

Mr. KENNEDY of Massachusetts. I yield to the gentleman from California.

Mr. WAXMAN. Mr. Chairman, I thank the gentleman for yielding.

I think we ought to have an answer from the other side about these important charges, but I want to use this opportunity to say that we do all want a diversification of scientific opinion but if we do not fund the research, we are not going to have researchers doing the work to give those considered opinions.

On the ozone depletion hearings, I do not want us in that area or any other area to find science that is politically correct. It seemed to me that from what I understand about those hearings, scientists who had never published peer review articles were given an elevated status to argue against what hundreds of other scientists around the world had found as a genuine threat in the ozone depletion problem.

I have a history with this issue because in 1977 when we enacted a change in the Clean Air Act, we first started to hear about the hole in the ozone. Of course a lot of people said, "Let's study it, let's study it, let's don't take action." This is one of those rare examples of a scientific issue that moved so quickly that it moved from the theoretical to the measurable.

Mr. ROHRABACHER. Mr. Chairman, if the gentleman would be courteous enough to yield to a question, I held the hearing, the hearings the gentleman was referring to, you were invited to, and I seem to remember you were supposed to be at those hearings. You did not show up. Now you are on the floor complaining about the hearings.

Mr. WAXMAN. I am complaining about a trend in this House and I think those hearings exemplify it, where there is a politically popular, politically correct point of view that seems to be given a spotlight, and I have no problems with having diverse opinions. But let us give spotlights and elevation to views of people that do not have the scientific standing of the hundreds of other scientists that have studied this problem and have raised concerns about it.

Mr. KENNEDY of Massachusetts. Reclaiming my time, I think when all is said and done on this debate, there is a very simple thing that is going on, which is that there is an attempt to protect ordinary citizens from the devastating impact of global warming, and there is a recognition by some that that is going to take an increase in funds for companies to invest in the kinds of technologies to be able to withstand that protection that the ordinary people of this country need. We want to protect the American people. You once again want to protect the wealthy and powerful interests of this country.

Mr. TANNER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I yield to the gentleman from California [Mr. BROWN].

Mr. BROWN of California. Mr. Chairman, this is chapter 10 in the effort to explore a few more of the issues here and this is the one having to do with whether we are cutting or not cutting basic research. We can also call this the battle of the dueling charts because the gentleman from Pennsylvania [Mr. WALKER] has his chart and I have my chart here.

This is the trend in basic R&D. The authorization bill cuts basic R&D. It indicates the agency and the amount of the cuts below the zero baseline.

It does show that there are increases in two areas of R&D. One is defense, basic R&D, and the other is in NIST.

I have the actual numbers here, and I do not ask you to accept these as my word against the gentleman from Pennsylvania [Mr. WALKER]. The gentleman from Pennsylvania [Mr. WALKER] has had his staff use his definitions of basic research and to come up with some figures that show that he is right, that there has been an increase. I am going to use the data which the Federal agencies supplied to OMB pursuant to OMB circular A-11, and the actual numbers for basic research as submitted to OMB by the agencies in accordance with A-11 are as follows:

DOE will have an increase of plus 3.1, that is indicated over here; National Science Foundation, which I think the number of the gentleman from Pennsylvania [Mr. WALKER] shows an increase, the OMB is minus 2.4 percent;

NASA, minus 3.6 percent; NIST, plus 5 percent, and that is because they have eliminated all of the applied research and left just the basic; EPA, minus 14 percent; and the total is minus 1.3 percent according to OMB.

I do not know why sometimes the gentleman from Pennsylvania [Mr. WALKER] is willing to rely on OMB when it agrees with him, sometimes he is not. I am just presenting these as the figures that are the official Government tally of what is happening to basic research under the scenario that we have before us.

☐ 1545

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from California [Ms. LOFGREN].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Ms. LOFGREN. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 199, noes 215, not voting 18, as follows:

[Roll No. 709]

AYES—199

Abercrombie
Ackerman
Andrews
Baesler
Baldacci
Barrett (WI)
Becerra
Beilenson
Bentsen
Berman
Bevill
Bishop
Blute
Boehlert
Bonior
Borski
Boucher
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Cardin
Clay
Clayton
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Conyers
Costello
Coyne
Cramer
Davis
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Durbin
Edwards
Engel
English
Eshoo
Evans
Farr
Fattah
Fazio
Filner
Flake
Foglietta
Forbes
Ford
Fox
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gillmor
Gilman
Gonzalez
Gordon
Greenwood
Gutierrez
Hall (OH)
Hamilton
Harman
Hastings (FL)
Hayes
Hefner
Heineman
Hilliard
Hinchey
Holden
Horn
Hoyer
Jackson-Lee
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kelly
Kennedy (MA)
Kennedy (RI)
Kildee
Kleczka
Klink
LaFalce
Lantos
LaTourette
Lazio
Leach
Levin
Lewis (GA)
Lincoln
Lipinski
LoBiondo
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McDermott
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Mfume
Miller (CA)
Minge
Mink
Montgomery
Moran
Morella
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Pomeroy
Poshard
Rangel
Reed
Richardson
Rivers
Roemer
Rose
Roukema
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Saxton
Schroeder
Schumer
Scott
Serrano
Shays
Skaggs
Slaughter
Smith (MI)
Smith (NJ)
Spratt
Stokes
Studds
Stupak
Tanner
Thompson
Thornton
Thurman
Torres
Torricelli
Towns
Velazquez
Vento
Visclosky
Walsh
Ward
Waters
Watt (NC)
Waxman
Williams
Wilson
Wise
Woolsey
Wyden
Wynn
Yates
Zimmer

NOES—215

Allard
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bliley
Boehner
Bonilla
Bono
Brewster
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Condit
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Ensign
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Fowler
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Geren
Gilchrest
Goodlatte
Goodling
Goss
Graham
Gunderson
Gutknecht
Hall (TX)
Hancock
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoekstra
Hoke
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson, Sam
Jones
Kasich
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
Laughlin
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
Longley
Lucas
Manzullo
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Molinari
Moorhead
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Oxley
Packard
Parker
Paxon
Peterson (MN)
Petri
Pickett
Pombo
Porter
Portman
Pryce
Quillen
Quinn
Radanovich
Rahall
Ramstad
Regula
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Royce
Salmon
Sanford
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shuster
Sisisky
Skeen
Skelton
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stenholm
Stump
Talent
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Tiahrt
Traficant
Upton
Vucanovich
Waldholtz
Walker
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)
Zeliff

NOT VOTING—18

Bilirakis
Chapman
Dornan
Emerson
Fields (LA)
Gibbons
Green
Kennelly
Moakley
Mollohan
Murtha
Roth
Stark
Stockman
Tejeda
Torkildsen
Tucker
Volkmer

☐ 1604

The Clerk announced the following pairs:

On this vote:

Mr. Stark for, with Mr. Dornan against.

Mr. Moakley for, with Mr. Bilirakis against.

Mr. TAYLOR of Mississippi and Mr. GILCHREST changed their vote from "aye" to "no."

Mr. SHAYS, Mr. HALL of Ohio, and Mrs. KELLY changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. GENE GREEN of Texas. Mr. Chairman, I would like the RECORD to show that had I been present for rollcall vote No. 709, I would have voted "aye." I was tied up in traffic and could not make it here in the 17 minutes.

PERSONAL EXPLANATION

Mr. TORKILDSEN. Mr. Chairman, during the last vote I was inadvertently detained while coming from a committee markup. I ask that the RECORD reflect that I would have voted "yes" on rollcall 709 had I been present.

The CHAIRMAN. Are there further amendments to title IV?

AMENDMENT NO. 8 OFFERED BY MR. KENNEDY OF MASSACHUSETTS

Mr. KENNEDY of Massachusetts. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. KENNEDY of Massachusetts: Page 133, line 5, insert "or" after "Technology Initiative,".

Page 133, lines 6 and 7, strike "; or" and all that follows through "pollution research".

Mr. KENNEDY of Massachusetts. Mr. Chairman, take a deep breath—fill up your lungs—but do not assume that you are breathing clean air. The air that is now in your lungs passed through several hundred feet of dark, dusty, dirty ductwork before reaching this room. Nearly 30 different species of fungus have been found to grow in the dank recesses of building ventilation systems.

Viruses and bacteria that thrive in air ducts have been proven to cause influenza, pneumonia, tuberculosis, and dozens of other diseases. In addition to those living dangers, the air we breathe indoors can also contain high concentrations of radon, asbestos, formaldehyde, benzene, carbon monoxide, tobacco smoke, lead, and chlorine.

Every breath you take puts you at risk of exposure to these contaminants. Americans spend an average of 90 percent of their time indoors, and the air we breathe in schools and workplaces can be 1,000 times more toxic than the outdoor air. The right to breathe clean air should not end the moment we walk indoors.

Yet today, the Republicans are telling us that sound science is no science. Yes, folks, believe it or not, the bill that is before us today would eliminate the EPA's nonregulatory indoor air research program. The research that this bill intends to kill is the research that would fuel future discoveries enabling us to prevent illnesses related to indoor air contamination. My amendment would strike out this prohibitive language.

I find this effort to limit research to be an ironic one, as the Congress last year passed the Indoor Air Act—a bill that I have introduced every year since the 100th Congress—with bipartisan support on the suspension calendar. We adjourned at the end of the session before the bill could be signed into law, but support for the concept of increasing indoor air pollution research was clearly validated by this Chamber.

So why now retreat from this commitment? The Republican leadership on the Science Committee would have you believe that the EPA indoor air research dollars are duplicative because the Occupational Safety and Health Administration [OSHA] oversees issues of indoor air pollution as well.

This argument is faulted on several accounts; among them is the fact that exposure to hazardous indoor air pollutants pose significant threats that reach beyond the OSHA-regulated workplace environment. Indoor air quality is also a problem in residential buildings and other institutional settings, such as nursing homes, schools, and hospitals.

This retreat is also odd, considering the fact that the Science Committee explicitly gave EPA the responsibility for carrying out indoor air quality research in title IV of the Superfund Amendments and Reauthorization Act in 1986.

The EPA rightly plays an important role in safeguarding public health—especially for our schoolchildren and senior citizens. Our Federal research dollars spent on indoor air pollution have proven to be a successful investment as a result of the coordination of information between the agencies that have jurisdiction over this issue. The EPA works closely with both OSHA and the National Institute of Occupational Safety and Health [NIOSH] to coordinate research efforts.

The indoor air research conducted at the EPA provides the crucial link needed to solve this problem in a more global sense: by addressing risks outside of the workplace. Though without EPA involvement, not even the workplace is guaranteed to be protected. OSHA's jurisdiction over indoor air quality standards only covers the private sector workplace. Public sector workplace buildings are covered only in the 23 States that have adopted OSHA regulations. Massachusetts, for example, is not an OSHA State and would not be covered. And we certainly have had our share of indoor air quality problems in Massachusetts.

Recently, the registry of motor vehicles in Boston was shut down, and all employees relocated to another site, because of the building's indoor air pollution problems.

Employees in my district at the Suffolk County courthouse suffered ailments connected to indoor air quality problems during building renovation, and a number of offices in the building have been closed.

Students, faculty, and staff at the University of Massachusetts-Boston Harvard campus have suffered nausea, eye irritation, and other illnesses traced to indoor air pollution at the main campus building.

One of the hospitals in my district, Brigham & Women's Hospital, has been plagued by environmental hazards connected to poor indoor air quality. They were forced to shut down the eighth floor, and are doing a floor-by-floor safety review study.

But problems with indoor air quality are not unique to my district. Having sponsored the Indoor Air Quality Act each of the last four Congresses, I regularly receive information from workers, students, parents, and concerned citizens about the problems they are facing with indoor air pollution all over the country—from New York to California. This issue affects us all.

At any moment, 21.2 million Americans are working in 1.4 million offices, schools, factories, and other structures where indoor air quality is a problem. How can we ignore these numbers?

The cost of indoor air pollution is staggering as well. Americans spend an extra $1.5 billion each year in medical bills, and the loss in productivity for businesses translates into tens of billions of dollars more.

Some may say that the argument is centered around limiting unnecessary regulatory burdens. But we are voting today on funds for EPA's research office. This office has no regulatory function.

I can find no reason why this research should be eliminated.

Through this research, the EPA works with private standard-setting bodies to develop ventilation standards and works with industries to develop and test building products which reduce potentially toxic emissions. This program is a voluntary exchange of information for the betterment of consumer health.

Unfortunately, the bill that we have before us today reflects the decision that the best policy is to leave consumers, homeowners, and builders without the scientific information they need to make informed decisions.

While much is known about some indoor air pollutants, scientists know little about sources and exposures in different indoor environments and more research is needed to understand the impact and severity of various health risks.

The health of our citizens mandates that we guard against the irresponsible and foolish choice to eliminate the EPA's ability to conduct indoor air pollution research.

I urge my colleagues to take a deep breath when the yeas and nays are ordered on this amendment—and think hard and fast about the need for clean indoor air before you toss away an invaluable resource for public health protection.

Confirm the need for clean indoor air standards. Vote "yes" on the Kennedy amendment.

□ 1615

Mr. BROWN of California. Mr. Chairman, I move to strike the last word.

Mr. Chairman, at the risk of becoming repetitious I would like to rise in support of the amendment offered by the gentleman from Massachusetts [Mr. KENNEDY].

Mr. Chairman, we have in the bill this one section which puts three limits on what the EPA can do. One was the one which we just dealt with, the elimination of EPA's right to do a climate action plan, a second one is the indoor air pollution research, and a third one, which I will offer an amendment to eliminate, has to do with environmental technology initiatives.

Mr. Chairman, I do not think that most Members recognize that these are key environmental votes. These represent a step backward which is going to be recorded and reported throughout this country.

On the last vote, Mr. Chairman, a couple dozen Republicans apparently were aware of this and chose to vote in support of the amendment. I hope that by calling attention to the matter, pointing out that this represents a concentrated effort that is emasculating this particular paragraph, three significant opportunities for EPA to perform a great public service, we may be able to successfully pass the next two of these amendments.

Now the gentleman from Massachusetts has offered the amendment to eliminate the prohibition against doing indoor air pollution research. Again, I point to the report that was referenced earlier in debate, some more of that liberal claptrap offered by the Science Advisory Board to President Bush in 1990, in which it points out, and I will read this paragraph.

Risks to human health, pollution indoors:

> Building occupants may be exposed to radon and its decay products as well as to many airborne combustion products, including nitrogen dioxide and environmental tobacco smoke. Indoor exposure to toxic agents in consumer products (e.g., solvents, pesticides, formaldehyde) also can cause cancer and a range of non-cancer health effects.

Due to the large population directly exposed to a number of agents, some of which are highly toxic, this problem poses relatively high human health risks.

Now that has been said over and over, the gentleman from Massachusetts [Mr. KENNEDY] said it with great eloquence, and this is what the Bush administration science advisory panel said, presumably the body charged with identifying the areas of most critical research.

Now of course, as we know and as I delight in pointing out, on their side there is a slight division of opinion as to whether this is respectable or not respectable, and I am glad to accentuate that in any way that I can, and I think that my colleagues should all be aware that it was diseases like Legionnaires' disease, for example, which is the result of indoor air pollution coming from the kinds of sources that the gentleman from Massachusetts described so eloquently, fungal products, unknown toxins that come through the air conditioning system. I ask my colleagues, do you want to not have any more information about this? You want to not know what these agents are? Do you prefer to remain ignorant of how to control them? That is what my colleagues are doing with their prohibition against indoor air research.

Now I honestly do not think my colleagues understood that. I think in good faith they felt that this was something that us liberals invented to provide for more Government regulation and greater funding. I see some affirmative nods over here. I would like them to stand up and reflect that because I think this is what the American people are going to want to weigh, and I have faith that the American people will make the right decision when it comes to affirming whether or not they want to abdicate any responsibility for protecting the health of the American people, and that is exactly the position they are putting themselves in, and they are making it very easy for me.

Mr. Chairman, I just delight in pointing this out, and I hope that my colleagues will stand up and offer a rebuttal.

Mr. Chairman, I rise in support of the amendment offered by my colleague from Massachusetts. The chairman has repeatedly stated that this bill provides adequate funds for research. The provision of the bill that my colleague is seeking to change with his amendment is a glaring example that this is not true. Indoor air pollution has consistently been identified as a significant health risk and as an area that needs additional research by EPA's Science Advisory Panel.

The concerns that were expressed in committee by the chairman were regulatory in nature. This program is strictly a research program. It was authorized by the Science Committee under title IV of the Superfund amendments of 1986. For nearly 10 years this program has generated information that has been used to disseminate information to State indoor air programs and to building owners and managers on how to avoid and mitigate indoor air quality problems. EPA also works in conjunction with industry to develop voluntary methods to reduce the health risks associated with indoor air pollution.

This program is not about regulating indoor air in private homes. It is not about regulating at all. This program performs necessary research which has beneficial impacts on human health through nonregulatory means. The question is do we want to have the facts about indoor air quality or not. I urge my colleagues to support knowledge over ignorance by supporting the Kennedy amendment.

Mr. WAXMAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rose reluctantly because I wanted to give the chance for the Republicans to comment on this amendment, and I do not see them rising to their feet, so I want to take this opportunity to strike the last word and speak out in support of the amendment.

It just makes no sense at all to zero out EPA funding for indoor air, and I think my colleague, the gentleman from California [Mr. BROWN] was most eloquent, as was the gentleman from Massachusetts [Mr. KENNEDY], in arguing that we have got to continue funding the research on indoor air pollution. Health experts consistently rank this air pollution problem as one of the greatest environmental threats.

Mr. Chairman, the gentleman from California [Mr. BROWN] indicated it was the Bush administration that set out its priorities for those environmental problems which are the greatest threat to human health, and they ranked the problems of indoor air pollution as one of the highest. EPA research is crucial to understanding this problem, and EPA has already made enormous contributions in the area of indoor air research.

For example, Mr. Chairman, they have done ground-breaking work on environmental tobacco smoke, an issue that we did not know was as serious as it is turning out to be, or radon toxic emissions from carpets, toxic substances from carpets.

Mr. Chairman, in the last Congress this House voted overwhelmingly, recognizing that indoor air pollution is a serious health matter. We passed legislation overwhelmingly with bipartisan support that directed EPA to conduct more studies on indoor air so that we would have the science needed to address these problems.

I cannot believe that the election last November would change the view of almost all the Democrats and Republicans who served in the last Congress to support this research, to now change it to deny the funding to have EPA do this research. I do not think we ought to turn our back on science and on the consensus we had in the last Congress. It would be a terrible mistake. It would certainly be shortsighted.

Mr. OBEY. Mr. Chairman, will the gentleman yield?

Mr. WAXMAN. I yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Chairman, I would like to get this straight.

As I understand it, this bill says in essence that EPA can do no research on indoor air.

Mr. WAXMAN. That is my understanding.

Mr. OBEY. And the argument for that is that OSHA does that research?

Mr. WAXMAN. I have not heard an argument.

If I can reclaim my time, we have not heard an argument. I have waited for the Republicans to stand up and respond to this amendment. Maybe they are going to support it. Maybe they see they are in error.

I further yield to the gentleman.

Mr. OBEY. My understanding is that the rationale for this is that for instance OSHA does this research, but OSHA relies on NIOSH to do its research, and the NIOSH budget, if anyone will bother to look, has been cut drastically in the Labor-HEW bill which has passed this House. I mean it would seem to me that this provision makes about as much sense as, say, passing a new Federal mandate saying people cannot breathe indoors.

Mr. WAXMAN. Reclaiming my time, to rely on OSHA is not sensible when OSHA would have jurisdiction over acting to deal with workplace hazards. Cutting funds on the research at EPA, we are not going to understand the hazards. I guess if we do not know about it, we would not have to take any actions to deal with it.

□ 1630

That does not eliminate the threat, and it does not eliminate the fact that some of the exposures indoors, in the air we breathe, can cause cancer. The cancer rates in this country are at an extraordinarily high level. I cannot fathom how this in any way could be a partisan issue. I do not think it makes sense to take the position that what we do not know will not hurt us, because it certainly will come back to cause serious health threats.

Mr. Chairman, I urge support for the amendment.

Mr. HASTINGS of Florida. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, as a Member in Congress from Florida, in a fairly subtropical type environment, we have come to know a number of hazards, ranging from simple molds all the way to Radon that may be hazardous to individuals. In that sense, I find it absurd that we are here debating something that has not been concluded scientifically, and that is the safety of indoor air. I rise in strong support of the amendment offered by the gentleman from Massachusetts [Mr. KENNEDY].

Mr. KENNEDY of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. HASTINGS of Florida. I yield to the gentleman from Massachusetts.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I thank the gentleman for yielding to me.

Mr. Chairman, I would say to the gentleman from California [Mr. BROWN], I think I have finally figured out why the Republicans are not responding. What has happened here, I think, they have figured out if we actually banned indoor air pollution in this building they would not be able to talk.

The fact of the matter, what we hear from the other side of the aisle is a lot of pollution in this Chamber, a lot of pollution for this country, and a lot of pollution that is going to affect future generations of this land.

All we are trying to do here is that while some people are afraid that this is going to mean that somehow we are going to find out that smoking a cigarette might be hazardous to other people's health, when they are going to find out that the glue on the floor could possibly affect you, when you sit next to a copying machine, that the fumes that come off the copying machine might make you sick. It is no secret to the American people that in many, many buildings that we live and work in, that you get headaches, you get red eyes, you feel bad.

What does your fellow worker, your mother, tell you to do? To go outside, take a walk, get some fresh air. The air we breathe is a thousand times more polluted indoors than it is outdoors. Why do we not research and find out what kinds of contaminants are causing that illness? Why do we not find out what is wrong, and let the American people know?

We have worked with the floor manufacturers, we have worked with the building owners. We got a much tougher bill passed in this Congress last year to try to deal with actually fixing what was broke. Now all we are trying to do is get the basic research done which was a fundamental and important component of the legislation that was passed last year.

Have a heart. Let us just find out what is wrong in this country, find out and do the research, so we can fix and protect our American citizens. That is what this bill will do. That is what I think we ought to have the guts and the courage to go out and find.

I would hope that the people of this Chamber would support the Kennedy amendment and vote for knowledge, vote against the prohibition on gaining more knowledge in research from the EPA for the purposes of indoor air pollution.

Mr. WALKER. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, the gentleman from California and the gentleman from Massachusetts keep referring to last year's Congress. The American people made a fundamental change in Congress because of some of the lousy policies we passed in the past Congress, and in fact, mandated us to do something towards balancing the budget. We are moving in that kind of direction. We think that one of the ways to do that is by rationalizing what agencies do.

EPA is in fact not the place that regulates indoor air; OSHA is. NIOSH is the place that does the research relative to OSHA research, so the fact is that the appropriate place to prioritize this research is in that agency.

Mr. OBEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the last statement I just heard is the greatest exercise in circular logic I have seen in at least an hour in this place. Let me simply say that the gentleman just said, "Well, we do not have to have EPA do this research, because OSHA does it and OSHA is going to be able to use NIOSH." Yet, the Republicans went after NIOSH with a vengeance when it was before this House in the Labor-HEW bill. They have had a longstanding history of trying to chain NIOSH and preventing it from doing much in the way of significant research.

It seems to me it is absolutely ludicrous to use a budget justification for saying that an agency cannot do research which is crucial to public health. There is no area in this country that costs us more dollars each year than preventable diseases, and an awful lot of them are caused by air borne pollutants. The tiny, tiny pittance that EPA would spend on research on indoor air is a tiny fraction of 1 percent of the cost of human diseases caused by polluted air each year.

I have never in my life heard such a Flat Earth justification for an idiotic piece of legislation as I heard just 3 minutes ago.

Mr. BROWN of California. Mr. Chairman, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from California.

Mr. BROWN of California. Mr. Chairman, the gentleman has added substantially to the debate in pointing out the issues that he did, but let me broaden this just a little bit. Actually, this entire bill is intended to implement a 5-year plan to cut one-third or more from all research. The committee does not have jurisdiction over OSHA or NIOSH, so I cannot speak as the gentleman can with regard to what is happening there. But there are cuts within the research areas in our jurisdiction that extend all the way from total elimination of substantial areas to 75 percent cuts, even with agencies which enjoy the public support. And I know that the gentleman does not support it, but NASA is taking a one-third cut in that Republican budget. I hope the gentleman will not support it just because of that.

The point that I am making here is that the Administration, and I will put this in the RECORD, feels that this emasculates our efforts to provide the seed corn, the knowledge necessary to expand the opportunities for our children and our grandchildren; that it is the greatest reduction in U.S. investments in research and development that we have ever had.

Then we get to the point where the other side argues, as they have on several occasions in this bill, that they cannot afford to find it. This is the defense of the teenager who shot his mother and father and then pleaded to the judge that he was an orphan and should not be penalized. They have eliminated the money and then pleaded that they cannot do the research that needs to be done.

Mr. Chairman, we have to face this problem. This is a real problem. We need to understand that R&D can be cut, but should it be cut more on health and safety, like indoor air pollution, than we are cutting in military weapons systems, which are relatively uncut? It is a priority matter. This Congress has to decide what its priorities are, and obviously, this bill reflects one rather restricted set of priorities which I hope will be rejected by the adoption of some of these amendments.

Mr. OBEY. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. KENNEDY].

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. WALKER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 195, noes 218, not voting 19, as follows:

[Roll No. 710]

AYES—195

Abercrombie
Ackerman
Allard
Baldacci
Barcia
Barrett (WI)
Becerra
Beilenson
Bentsen
Bereuter
Berman
Bishop
Blute
Boehlert
Bonior
Borski
Brewster
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Canady
Cardin
Castle
Clay
Clayton
Clement
Clyburn
Coburn
Coleman
Collins (IL)
Collins (MI)
Conyers
Costello
Coyne
Davis
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Doyle
Durbin
Edwards
Engel
English
Eshoo
Evans
Farr
Fattah
Filner
Flake
Foglietta
Foley
Forbes
Ford

Frank (MA)
Frost
Furse
Gejdenson
Gilchrest
Gillmor
Gilman
Gonzalez
Gordon
Green
Greenwood
Gutierrez
Hall (OH)
Hamilton
Hastings (FL)
Hayes
Hefner
Hilliard
Hinchey
Holden
Horn
Hoyer
Jackson-Lee
Jacobs
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kelly
Kennedy (MA)
Kennedy (RI)
Kildee
King
Kleczka
Klink
LaFalce
LaHood
Lantos
Lazio
Leach
Levin
Lewis (GA)
Lipinski
LoBiondo
Lofgren
Longley
Lowey
Luther
Maloney
Manton
Markey
Martinez
Mascara
Matsui
McCarthy
McDermott
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Miller (CA)
Minge
Mink
Molinari
Moran
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Pomeroy
Porter
Portman
Poshard
Rahall
Ramstad
Rangel
Reed
Richardson
Rivers
Roemer
Rose
Roukema
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Schumer
Scott
Serrano
Skaggs
Slaughter
Spratt
Stark
Stokes
Studds
Stupak
Tanner
Taylor (MS)
Thompson
Thornton
Thurman
Torkildsen
Torres
Towns
Velazquez
Vento
Visclosky
Ward
Waters
Watt (NC)
Waxman
Williams
Wilson
Wise
Woolsey
Wyden
Wynn
Yates
Zimmer

NOES—218

Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bevill
Bilbray
Bliley
Boehner
Bonilla
Bono
Boucher
Browder
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Coble
Collins (GA)
Combest
Condit
Cooley
Cox
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Deal
DeLay
Diaz-Balart
Dickey
Dooley
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Ensign
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Geren
Goodlatte
Goodling
Goss
Graham
Gunderson
Gutknecht
Hall (TX)
Hancock
Hansen
Harman
Hastert
Hastings (WA)
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kim
Kingston
Klug
Knollenberg
Kolbe
Largent
Latham
LaTourette
Laughlin
Lewis (CA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Livingston
Lucas
Manzullo
Martini
McCollum
McCrery
McDade
McHugh
McInnis
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Montgomery
Moorhead
Morella
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Oxley
Packard
Parker
Paxon
Peterson (MN)
Petri
Pickett
Pombo
Pryce
Quillen
Quinn
Radanovich
Regula
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Sisisky
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stenholm
Stockman
Stump
Talent
Tate
Tauzin
Taylor (NC)
Thomas
Thornberry
Tiahrt
Traficant
Upton
Volkmer
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)
Zeliff

NOT VOTING—19

Andrews
Bilirakis
Chapman
Dornan
Emerson
Fazio
Fields (LA)
Gephardt
Gibbons
Kennelly
McIntosh
Mfume
Moakley
Mollohan
Murtha
Roth
Tejeda
Torricelli
Tucker

□ 1701

The Clerk announced the following pair:

On this vote:

Mr. Moakley for, with Mr. McIntosh against.

Mr. HUTCHINSON changed his vote from "aye" to "no."

Mr. SPRATT and Mrs. ROUKEMA changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. ROHRABACHER. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. LAHOOD) having assumed the Chair, Mr. KINGSTON, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2405) to authorize appropriations for fiscal years 1996 and 1997 for civilian science activities of the Federal Government, and for other purposes, had come to no resolution thereon.

APPOINTMENT OF CONFEREES ON H.R. 1868, FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 1996

Mr. CALLAHAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 1868) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1996, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

MOTION TO INSTRUCT CONFEREES OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion to instruct conferees.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. OBEY moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill, H.R. 1868, be instructed to disagree to any Senate amendment that would require the Executive Branch to spend more in fiscal year 1996 than fiscal year 1995 for assistance to any country or project.

The SPEAKER pro tempore. The gentleman from Wisconsin [Mr. OBEY] will be recognized for 30 minutes, and the gentleman from Alabama [Mr. CALLAHAN] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. Mr. Speaker, I yield myself such time as I may consume. I doubt that this will take very much time at all.

Mr. Speaker, this amendment simply instructs the conferees to refuse to agree to any Senate amendment that would require the executive branch to spend more in fiscal year 1996 than it did in fiscal year 1995 for assistance to any country or project.

When this bill left this House under the leadership of the gentleman from Alabama [Mr. CALLAHAN], we had very few earmarks. The Senate added some 40. This simply indicates that in an era of declining budgets, we should not be requiring an additional amount of money be spent anywhere.

Mr. Speaker, I reserve the balance of my time.

Mr. CALLAHAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I appreciate the kind comments of the gentleman from Wisconsin. I want to say during this past year it has been a pleasure to work with the gentleman. His vast knowledge of this very complicated foreign policy and foreign operations of this country has been invaluable to me, both from him and from the gentleman from Texas [Mr. WILSON].

With respect to the earmarks as mentioned in your bill or your desire to have a lack thereof of earmarks, the gentleman knows my philosophy there. I totally support that. Therefore, I totally support the gentleman's motion and would encourage its adoption.

Mr. Speaker, I yield back the balance of my time.

Mr. OBEY. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to instruct offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Without objection, the Chair appoints the following conferees: Messrs. CALLAHAN, PORTER, LIVINGSTON, LIGHTFOOT, WOLF, PACKARD, KNOLLENBERG, FORBES, BUNN of Oregon, WILSON, YATES, Ms. PELOSI, Mr. TORRES, and Mr. OBEY.

There was no objection.

GENERAL LEAVE

Mr. CALLAHAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks and that I may include tabular and extraneous material on H.R. 1868.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

COMMUNICATION FROM THE HONORABLE TOM DELAY, MEMBER OF CONGRESS

The SPEAKER pro tempore laid before the House the following communication from the Honorable TOM DELAY, Member of Congress:

HOUSE OF REPRESENTATIVES,
Washington, DC, October 12, 1995.

DEAR MR. SPEAKER, This is to formally notify you pursuant to Rule L (50) of the Rules of the House that Bill Jarrell, my Deputy Chief of Staff, has been served with a subpoena issued by the United States Justice Department. This subpoena relates to his previous employment by a former Member of the House.

After consultation with the General Counsel, I have determined that compliance with the subpoena is consistent with the privileges and precedents of the House.

Sincerely,

TOM DELAY,
Member of Congress.

COMMUNICATION FROM THE HONORABLE SAM M. GIBBONS, MEMBER OF CONGRESS

The SPEAKER pro tempore laid before the House the following communication from the Honorable SAM GIBBONS, Member of Congress:

HOUSE OF REPRESENTATIVES,
Washington, DC, October 12, 1995.

Hon. NEWT GINGRICH,
Speaker, U.S. House of Representatives, Washington, DC.

DEAR MR. SPEAKER: This is to formally notify you pursuant to Rule L (50) of the Rules of the House that my office has been served with a subpoena issued by the United States District Court for the Middle District of Florida.

After consultation with the General Counsel, I have determined that compliance with the subpoena is consistent with the privileges and precedents of the House.

Sincerely,

SAM M. GIBBONS,
United States Congressman.

LEGISLATIVE PROGRAM

(Mr. ARMEY asked and was given permission to address the House for 1 minute.)

Mr. ARMEY. Mr. Speaker, I would like to advise my colleagues in the House that due to the extraordinary effort of cooperation that has been made by the potential conferees on the telecommunications bill and on the appropriations bill we just handled, we will be able to handle this evening the legislative schedule that we had scheduled for tomorrow. In that context, by working a little later this evening, we will be able to avoid having to be here for votes tomorrow.

At this time, and again if I can express my appreciation to the Subcommittee on Foreign Operations of Appropriations and to the Committee on Commerce for their willingness to move up their work to this evening, on behalf of all our membership, we will be able to complete this matter of going to conference on the telecommunications bill now, then return to the science bill, finish our work for the week this evening and be free from the requirement of votes tomorrow.

We will have a further announcement about next week's schedule as the evening progresses. I would like to try to project a time when we could complete our work this evening. At approximately 9 o'clock this evening, we should have then been able to have our last vote of the week.

Mr. SKAGGS. Mr. Speaker, will the gentleman yield?

Mr. ARMEY. I yield to the gentleman from Colorado.

Mr. SKAGGS. Mr. Speaker, is it the leader's intention that we would have even a pro forma session tomorrow?

Mr. ARMEY. We are still checking on the possibility. I can tell you that there will be a pro forma session on Monday, no votes required on Monday. But whether or not there is a pro forma session necessary for tomorrow is something we are still checking on.

TELECOMMUNICATIONS COMPETITION AND DEREGULATION ACT OF 1995

Mr. BLILEY. Mr. Speaker, pursuant to section 2 of House Resolution 207, I call up the Senate bill (S. 652) to provide for a procompetitive, deregulatory national policy framework designed to accelerate rapidly private sector deployment of advanced telecommunications and information technologies and services to all Americans by opening all telecommunications markets to competition, and for other purposes.

The Clerk read the title of the Senate bill.

The text of the Senate bill is as follows:

S. 652

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Telecommunications Competition and Deregulation Act of 1995".

SEC. 2. TABLE OF CONTENTS.

The table of contents for this Act is as follows:

Sec. 1. Short title.
Sec. 2. Table of contents.
Sec. 3. Purpose.
Sec. 4. Goals.
Sec. 5. Findings.
Sec. 6. Amendment of Communications Act of 1934.
Sec. 7. Effect on other law.
Sec. 8. Definitions.

TITLE I—TRANSITION TO COMPETITION

Sec. 101. Interconnection requirements.
Sec. 102. Separate affiliate and safeguard requirements.
Sec. 103. Universal service.
Sec. 104. Essential telecommunications carriers.
Sec. 105. Foreign investment and ownership reform.
Sec. 106. Infrastructure sharing.
Sec. 107. Coordination for telecommunications network-level interoperability.

TITLE II—REMOVAL OF RESTRICTIONS TO COMPETITION

SUBTITLE A—REMOVAL OF RESTRICTIONS

Sec. 201. Removal of entry barriers.
Sec. 202. Elimination of cable and telephone company cross-ownership restriction.
Sec. 203. Cable Act reform.
Sec. 204. Pole attachments.
Sec. 205. Entry by utility companies.
Sec. 206. Broadcast reform.

SUBTITLE B—TERMINATION OF MODIFICATION OF FINAL JUDGMENT

Sec. 221. Removal of long distance restrictions.
Sec. 222. Removal of manufacturing restrictions.
Sec. 223. Existing activities.
Sec. 224. Enforcement.
Sec. 225. Alarm monitoring services.
Sec. 226. Nonapplicability of Modification of Final Judgment.

TITLE III—AN END TO REGULATION

Sec. 301. Transition to competitive pricing.
Sec. 302. Biennial review of regulations; elimination of unnecessary regulations and functions.
Sec. 303. Regulatory forbearance.
Sec. 304. Advanced telecommunications incentives.
Sec. 305. Regulatory parity.
Sec. 306. Automated ship distress and safety systems.
Sec. 307. Telecommunications numbering administration.
Sec. 308. Access by persons with disabilities.
Sec. 309. Rural markets.
Sec. 310. Telecommunications services for health care providers for rural areas, educational providers, and libraries.
Sec. 311. Provision of payphone service and telemessaging service.
Sec. 312. Direct Broadcast Satellite.

TITLE IV—OBSCENE, HARASSING, AND WRONGFUL UTILIZATION OF TELECOMMUNICATIONS FACILITIES

Sec. 401. Short title.

Sec. 402. Obscene or harassing use of telecommunications facilities under the Communications Act of 1934.
Sec. 403. Obscene programming on cable television.
Sec. 404. Broadcasting obscene language on radio.
Sec. 405. Separability.
Sec. 406. Additional prohibition on billing for toll-free telephone calls.
Sec. 407. Scrambling of cable channels for nonsubscribers.
Sec. 408. Scrambling of sexually explicit adult video service programming.
Sec. 409. Cable operator refusal to carry certain programs.
Sec. 410. Restrictions on access by children to obscene and indecent material on electronic information networks open to the public.

TITLE V—PARENTAL CHOICE IN TELEVISION

Sec. 501. Short title.
Sec. 502. Findings.
Sec. 503. Rating code for violence and other objectionable content on television.
Sec. 504. Requirement for manufacture of televisions that block programs.
Sec. 505. Shipping or importing of televisions that block programs.

TITLE VI—NATIONAL EDUCATION TECHNOLOGY FUNDING CORPORATION

Sec. 601. Short title.
Sec. 602. Findings; purpose.
Sec. 603. Definitions.
Sec. 604. Assistance for educational technology purposes.
Sec. 605. Audits.
Sec. 606. Annual report; testimony to the Congress.

TITLE VII—MISCELLANEOUS PROVISIONS

Sec. 701. Spectrum auctions.
Sec. 702. Renewed efforts to regulate violent programming.
Sec. 703. Prevention of unfair billing practices for information or services provided over toll-free telephone calls.
Sec. 704. Disclosure of certain records for investigations of telemarketing fraud.
Sec. 705. Telecommuting public information program.
Sec. 706. Authority to acquire cable systems.

SEC. 3. PURPOSE.

It is the purpose of this Act to increase competition in all telecommunications markets and provide for an orderly transition from regulated markets to competitive and deregulated telecommunications markets consistent with the public interest, convenience, and necessity.

SEC. 4. GOALS.

This Act is intended to establish a national policy framework designed to accelerate rapidly the private sector deployment of advanced telecommunications and information technologies and services to all Americans by opening all telecommunications markets to competition, and to meet the following goals:

(1) To promote and encourage advanced telecommunications networks, capable of enabling users to originate and receive affordable, high-quality voice, data, image, graphic, and video telecommunications services.

(2) To improve international competitiveness markedly.

(3) To spur economic growth, create jobs, and increase productivity.

(4) To deliver a better quality of life through the preservation and advancement of universal service to allow the more efficient delivery of educational, health care, and other social services.

SEC. 5. FINDINGS.

The Congress makes the following findings:

(1) Competition, not regulation, is the best way to spur innovation and the development of new services. A competitive market place is the most efficient way to lower prices and increase value for consumers. In furthering the principle of open and full competition in all telecommunications markets, however, it must be recognized that some markets are more open than others.

(2) Local telephone service is predominantly a monopoly service. Although business customers in metropolitan areas may have alternative providers for exchange access service, consumers do not have a choice of local telephone service. Some States have begun to open local telephone markets to competition. A national policy framework is needed to accelerate the process.

(3) Because of their monopoly status, local telephone companies and the Bell operating companies have been prevented from competing in certain markets. It is time to eliminate these restrictions. Nonetheless, transition rules designed to open monopoly markets to competition must be in place before certain restrictions are lifted.

(4) Transition rules must be truly transitional, not protectionism for certain industry segments or artificial impediments to increased competition in all markets. Where possible, transition rules should create investment incentives through increased competition. Regulatory safeguards should be adopted only where competitive conditions would not prevent anticompetitive behavior.

(5) More competitive American telecommunications markets will promote United States technological advances, domestic job and investment opportunities, national competitiveness, sustained economic development, and improved quality of American life more effectively than regulation.

(6) Congress should establish clear statutory guidelines, standards, and time frames to facilitate more effective communications competition and, by so doing, will reduce business and customer uncertainty, lessen regulatory processes, court appeals, and litigation, and thus encourage the business community to focus more on competing in the domestic and international communications marketplace.

(7) Where competitive markets are demonstrably inadequate to safeguard important public policy goals, such as the continued universal availability of telecommunications services at reasonable and affordable prices, particularly in rural America, Congress should establish workable regulatory procedures to advance those goals, provided that in any proceeding undertaken to ensure universal availability, regulators shall seek to choose the most procompetitive and least burdensome alternative.

(8) Competitive communications markets, safeguarded by effective Federal and State antitrust enforcement, and strong economic growth in the United States which such markets will foster are the most effective means of assuring that all segments of the American public command access to advanced telecommunications technologies.

(9) Achieving full and fair competition requires strict parity of marketplace opportunities and responsibilities on the part of incumbent telecommunications service providers as well as new entrants into the telecommunications marketplace, provided that any responsibilities placed on providers should be the minimum required to advance a clearly defined public policy goal.

(10) Congress should not cede its constitutional responsibility regarding interstate and foreign commerce in communications to the Judiciary through the establishment of procedures which will encourage or necessitate judicial interpretation or intervention into the communications marketplace.

(11) Ensuring that all Americans, regardless of where they may work, live, or visit, ultimately have comparable access to the full benefits of competitive communications markets requires Federal and State authorities to work together affirmatively to minimize and remove unnecessary institutional and regulatory barriers to new entry and competition.

(12) Effectively competitive communications markets will ensure customers the widest possible choice of services and equipment, tailored to individual desires and needs, and at prices they are willing to pay.

(13) Investment in and deployment of existing and future advanced, multipurpose technologies will best be fostered by minimizing government limitations on the commercial use of those technologies.

(14) The efficient development of competitive United States communications markets will be furthered by policies which aim at ensuring reciprocal opening of international investment opportunities.

SEC. 6. AMENDMENT OF COMMUNICATIONS ACT OF 1934.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Communications Act of 1934 (47 U.S.C. 151 et seq.).

SEC. 7. EFFECT ON OTHER LAW.

(a) ANTITRUST LAWS.—Except as provided in subsections (b) and (c), nothing in this Act shall be construed to modify, impair, or supersede the applicability of any antitrust law.

(b) MODIFICATION OF FINAL JUDGMENT.—This Act shall supersede the Modification of Final Judgment to the extent that it is inconsistent with this Act.

(c) TRANSFER OF MFJ.—After the date of enactment of this Act, the Commission shall administer any provision of the Modification of Final Judgment not overridden or superseded by this Act. The District Court for the District of Columbia shall have no further jurisdiction over any provision of the Modification of Final Judgment administered by the Commission under this Act or the Communications Act of 1934. The Commission may, consistent with this Act (and the amendments made by this Act), modify any provision of the Modification of Final Judgment that it administers.

(d) GTE CONSENT DECREE.—This Act shall supersede the provisions of the Final Judgment entered in United States v. GTE Corp., No. 83–1298 (D.C. D.C.), and such Final Judgment shall not be enforced after the effective date of this Act.

SEC. 8. DEFINITIONS.

(a) TERMS USED IN THIS ACT.—As used in this Act—

(1) COMMISSION.—The term "Commission" means the Federal Communications Commission.

(2) MODIFICATION OF FINAL JUDGMENT.—The term "Modification of Final Judgment" means the decree entered on August 24, 1982, in United States v. Western Electric Civil Action No. 82-0192 (United States District Court, District of Columbia), and includes any judgment or order with respect to such action entered on or after August 24, 1982, and before the date of enactment of this Act.

(3) GTE CONSENT DECREE.—The term "GTE Consent Decree" means the order entered on December 21, 1984, as restated January 11, 1985, in United States v. GTE Corporation, Civil Action No. 83-1298 (United States District Court, District of Columbia), and includes any judgment or order with respect to such action entered on or after January 11, 1985, and before the date of enactment of this Act.

(4) INTEGRATED TELECOMMUNICATIONS SERVICE PROVIDER.—The term "integrated telecommunications service provider" means any person engaged in the provision of multiple services, such as voice, data, image, graphics, and video services, which make common use of all or part of the same transmission facilities, switches, signalling, or control devices.

(b) TERMS USED IN THE COMMUNICATIONS ACT OF 1934.—Section 3 (47 U.S.C. 153) is amended by adding at the end thereof the following:

"(gg) 'Modification of Final Judgment' means the decree entered on August 24, 1982, in United States v. Western Electric Civil Action No. 82-0192 (United States District Court, District of Columbia), and includes any judgment or order with respect to such action entered on or after August 24, 1982, and before the date of enactment of the Telecommunications Competition and Deregulation Act of 1995.

"(hh) 'Bell operating company' means any company listed in appendix A of the Modification of Final Judgment to the extent such company provides telephone exchange service or exchange access service, and includes any successor or assign of any such company, but does not include any affiliate of such company.

"(ii) 'Affiliate' means a person that (directly or indirectly) owns or controls, is owned or controlled by, or is under common ownership or control with, another person. For purposes of this paragraph, the term 'own' means to own an equity interest (or the equivalent thereof) of more than 10 percent.

"(jj) 'Telecommunications Act of 1995' means the Telecommunications Competition and Deregulation Act of 1995.

"(kk) 'Local exchange carrier' means a provider of telephone exchange service or exchange access service.

"(ll) 'Telecommunications' means the transmission, between or among points specified by the user, of information of the user's choosing, including voice, data, image, graphics, and video, without change in the form or content of the information, as sent and received, with or without benefit of any closed transmission medium.

"(mm) 'Telecommunications service' means the offering of telecommunications for a fee directly to the public, or to such classes of users as to be effectively available directly to the public, regardless of the facilities used to transmit the telecommunications service.

"(nn) 'Telecommunications carrier' means any provider of telecommunications services, except that such term does not include hotels, motels, hospitals, and other aggregators of telecommunications services (as defined in section 226). A telecommunications carrier shall only be treated as a common carrier under this Act to the extent that it is engaged in providing telecommunications services for voice, data, image, graphics, or video that it does not own, control, or select, except that the Commission shall continue to determine whether the provision of fixed and mobile satellite service shall be treated as common carriage.

"(oo) 'Telecommunications number portability' means the ability of users of telecommunications services to retain, at the same location, existing telecommunications numbers without impairment of quality, reliability, or convenience when switching from one telecommunications carrier to another.

"(pp) 'Information service' means the offering of services that—

"(1) employ computer processing applications that act on the format, content, code, protocol, or similar aspects of the subscriber's transmitted information;

"(2) provide the subscriber additional, different, or restructured information; or

"(3) involve subscriber interaction with stored information.

"(qq) 'Cable service' means cable service as defined in section 602.

"(rr) 'Rural telephone company' means a telecommunications carrier operating entity to the extent that such entity provides telephone exchange service, including access service subject to part 69 of the Commission's rules (47 C.F.R. 69.1 et seq.), to—

"(1) any service area that does not include either—

"(A) any incorporated place of 10,000 inhabitants or more, or any part thereof, based on the most recent population statistics of the Bureau of the Census; or

"(B) any territory, incorporated or unincorporated, included in an urbanized area, as defined by the Bureau of the Census as of January 1, 1995; or

"(2) fewer than 100,000 access lines within a State.

"(ss) 'Service area' means a geographic area established by the Commission and the States for the purpose of determining universal service obligations and support mechanisms. In the case of an area served by a rural telephone company, 'service area' means such company's 'study area' unless and until the Commission and the States, after taking into account recommendations of a Federal-State Joint Board instituted under section 410(c), establish a different definition of service area for such company.

"(tt) 'LATA' means a local access and transport area as defined in United States v. Western Electric Co., 569 F. Supp. 990 (U. S. District Court, District of Columbia) and subsequent judicial orders relating thereto, except that, with respect to commercial mobile services, the term 'LATA' means the geographic areas defined or used by the Commission in issuing licenses for such services: *Provided however*, That in the case of a Bell operating company cellular affiliate, such geographic area shall be no smaller than the LATA area for such affiliate on the date of enactment of the Telecommunications Act of 1995.".

TITLE I—TRANSITION TO COMPETITION

SEC. 101. INTERCONNECTION REQUIREMENTS.

(a) REQUIRED INTERCONNECTION.—Title II (47 U.S.C. 201 et seq.) is amended by inserting after section 228 the following:

"Part II—Competition in Telecommunications

"SEC. 251. INTERCONNECTION.

"(a) DUTY TO PROVIDE INTERCONNECTION.—

"(1) IN GENERAL.—A local exchange carrier, or class of local exchange carriers, determined by the Commission to have market power in providing telephone exchange service or exchange access service has a duty under this Act, upon request—

"(A) to enter into good faith negotiations with any telecommunications carrier requesting interconnection between the facilities and equipment of the requesting telecommunications carrier and the carrier, or class of carriers, of which the request was made for the purpose of permitting the telecommunications carrier to provide telephone exchange or exchange access service; and

"(B) to provide such interconnection, at rates that are reasonable and nondiscriminatory, according to the terms of the agreement and in accordance with the requirements of this section.

"(2) INITIATION.—A local exchange carrier, or class of carriers, described in paragraph (1) shall commence good faith negotiations to conclude an agreement, whether through negotiation under subsection (c) or arbitration or intervention under subsection (d), within 15 days after receiving a request from any telecommunications carrier seeking to provide telephone exchange or exchange access service. Nothing in this Act shall prohibit multilateral negotiations between or among a local exchange carrier or class of carriers and a telecommunications carrier or class of carriers seeking interconnection under subsection (c) or subsection (d). At the request of any of the parties to a negotiation, a State may participate in the negotiation of any portion of an agreement under subsection (c).

"(3) MARKET POWER.—For the purpose of determining whether a carrier has market power under paragraph (1), the relevant market shall include all providers of telephone exchange or exchange access services in a local area, regardless of the technology used by any such provider.

"(b) MINIMUM STANDARDS.—An interconnection agreement entered into under this section shall, if requested by a telecommunications carrier requesting interconnection, provide for—

"(1) nondiscriminatory access on an unbundled basis to the network functions and services of the local exchange carrier's telecommunications network (including switching software, to the extent defined in implementing regulations by the Commission);

"(2) nondiscriminatory access on an unbundled basis to any of the local exchange carrier's telecommunications facilities and information, including databases and signaling, necessary to the transmission and routing of any telephone exchange service or exchange access service and the interoperability of both carriers' networks;

"(3) interconnection to the local exchange carrier's telecommunications facilities and services at any technically feasible point within the carrier's network;

"(4) interconnection that is at least equal in type, quality, and price (on a per unit basis or otherwise) to that provided by the local exchange carrier to itself or to any subsidiary, affiliate, or any other party to which the carrier provides interconnection;

"(5) nondiscriminatory access to the poles, ducts, conduits, and rights-of-way owned or controlled by the local exchange carrier at just and reasonable rates;

"(6) the local exchange carrier to take whatever action under its control is necessary, as soon as is technically feasible, to provide telecommunications number portability and local dialing parity in a manner that—

"(A) permits consumers to be able to dial the same number of digits when using any telecommunications carrier providing telephone exchange service or exchange access service in the market served by the local exchange carrier;

"(B) permits all such carriers to have nondiscriminatory access to telephone numbers, operator services, directory assistance, and directory listing with no unreasonable dialing delays; and

"(C) provides for a reasonable allocation of costs among the parties to the agreement;

"(7) telecommunications services and network functions of the local exchange carrier to be available to the telecommunications carrier on an unbundled basis without any unreasonable conditions on the resale or sharing of those services or functions, including the origination, transport, and termination of such telecommunications services, other than reasonable conditions required by a State; and for purposes of this paragraph, it is not an unreasonable condition for a State to limit the resale—

"(A) of services included in the definition of universal service to a telecommunications carrier who resells that service to a category of customers different from the category of customers being offered that universal service by such carrier if the State orders a carrier to provide the same service to different categories of customers at different prices necessary to promote universal service; or

"(B) of subsidized universal service in a manner that allows companies to charge another carrier rates which reflect the actual cost of providing those services to that carrier, exclusive of any universal service support received for providing such services in accordance with section 214(d)(5);

"(8) reciprocal compensation arrangements for the origination and termination of telecommunications;

"(9) reasonable public notice of changes in the information necessary for the transmission and routing of services using that local exchange carrier's facilities or networks, as well as of any other changes that would affect the interoperability of those facilities and networks; and

"(10) a schedule of itemized charges and conditions for each service, facility, or function provided under the agreement.

"(c) AGREEMENTS ARRIVED AT THROUGH NEGOTIATION.—Upon receiving a request for interconnection, a local exchange carrier may meet its interconnection obligations under this section by negotiating and entering into a binding agreement with the telecommunications carrier seeking interconnection without regard to the standards set forth in subsection (b). The agreement shall include a schedule of itemized charges for each service, facility, or function included in the agreement. The agreement, including any interconnection agreement negotiated before the date of enactment of the Telecommunications Act of 1995, shall be submitted to the State under subsection (e).

"(d) AGREEMENTS ARRIVED AT THROUGH ARBITRATION OR INTERVENTION.—

"(1) IN GENERAL.—Any party negotiating an interconnection agreement under this section may, at any point in the negotiation, ask a State to participate in the negotiation and to arbitrate any differences arising in the course of the negotiation. The refusal of any other party to the negotiation to participate further in the negotiations, to cooperate with the State in carrying out its function as an arbitrator, or to continue to negotiate in good faith in the presence, or with the assistance, of the State shall be considered a failure to negotiate in good faith.

"(2) INTERVENTION.—If any issues remain open in a negotiation commenced under this section more than 135 days after the date upon which the local exchange carrier received the request for such negotiation, then the carrier or any other party to the negotiation may petition a State to intervene in the negotiations for purposes of resolving any such remaining open issues. Any such request must be made during the 25-day period that begins 135 days after the carrier receives the request for such negotiation and ends 160 days after that date.

"(3) DUTY OF PETITIONER.—

"(A) A party that petitions a State under paragraph (2) shall, at the same time as it submits the petition, provide the State all relevant documentation concerning the negotiations necessary to understand—

"(i) the unresolved issues;

"(ii) the position of each of the parties with respect to those issues; and

"(iii) any other issue discussed and resolved by the parties.

"(B) A party petitioning a State under paragraph (2) shall provide a copy of the petition and any documentation to the other party not later than the day on which the State receives the petition.

"(4) OPPORTUNITY TO RESPOND.—A party to a negotiation under this section with respect to which the other party has petitioned a State under paragraph (2) may respond to the other party's petition and provide such additional information as it wishes within 25 days after the State receives the petition.

"(5) ACTION BY STATE.—

"(A) A State proceeding to consider a petition under this subsection shall be conducted in accordance with the rules promulgated by the Commission under subsection (i). The State shall limit its consideration of any petition under paragraph (2) (and any response thereto) to the issues set forth in the petition and in the response, if any, filed under paragraph (4).

"(B) The State may require the petitioning party and the responding party to provide such information as may be necessary for the State to reach a decision on the unresolved issues. If either party refuses or fails unreasonably to respond on a timely basis to any reasonable request from the State, then the State may proceed on the basis of the best information available to it from whatever source derived.

"(C) The State shall resolve each issue set forth in the petition and the response, if any, by imposing appropriate conditions upon the parties to the agreement, and shall conduct the review of the agreement (including the issues resolved by the State) not later than 10 months after the date on which the local exchange carrier received the request for interconnection under this section.

"(D) In resolving any open issues and imposing conditions upon the parties to the agreement, a State shall ensure that the requirements of this section are met by the solution imposed by the State and are consistent with the Commission's rules defining minimum standards.

"(6) CHARGES.—If the amount charged by a local exchange carrier, or class of local exchange carriers, for an unbundled element of the interconnection provided under subsection (b) is determined by arbitration or intervention under this subsection, then the charge—

"(A) shall be

"(i) based on the cost (determined without reference to a rate-of-return or other rate-based proceeding) of providing the unbundled element,

"(ii) nondiscriminatory, and

"(iii) individually priced to the smallest element that is technically feasible and economically reasonable to provide; and

"(B) may include a reasonable profit.

"(e) APPROVAL BY STATE.—Any interconnection agreement under this section shall be submitted for approval to the State. A State to which an agreement is submitted shall approve or reject the agreement, with written findings as to any deficiencies. The State may only reject—

"(1) an agreement under subsection (c) if it finds that the agreement discriminates against a telecommunications carrier not a party to the agreement; and

"(2) an agreement under subsection (d) if it finds that—

"(A) the agreement does not meet the standards set forth in subsection (b), or

"(B) the implementation of the agreement is not in the public interest.

If the State does not act to approve or reject the agreement within 90 days after receiving the agreement, or 30 days in the case of an agreement negotiated under subsection (c), the agreement shall be deemed approved. No State court shall have jurisdiction to review the action of a State in approving or rejecting an agreement under this section.

"(f) FILING REQUIRED.—A State shall make a copy of each agreement approved under subsection (e) available for public inspection and copying within 10 days after the agreement is approved. The State may charge a reasonable and nondiscriminatory fee to the parties to the agreement to cover the costs of approving and filing such agreement.

"(g) AVAILABILITY TO OTHER TELECOMMUNICATIONS CARRIERS.—A local exchange carrier shall make available any service, facility, or function provided under an interconnection agreement to which it is a party to any other telecommunications carrier that requests such interconnection upon the same terms and conditions as those provided in the agreement.

"(h) COLLOCATION.—A State may require telecommunications carriers to provide for actual collocation of equipment necessary for interconnection at the premises of the carrier at reasonable charges, if the State finds actual collocation to be in the public interest.

"(i) IMPLEMENTATION.—

"(1) RULES AND STANDARDS.—The Commission shall promulgate rules to implement the requirements of this section within 6 months after the date of enactment of the Telecommunications Act of 1995. In establishing the standards for determining what facilities and information are necessary for purposes of subsection (b)(2), the Commission shall consider, at a minimum, whether—

"(A) access to such facilities and information that are proprietary in nature is necessary; and

"(B) the failure to provide access to such facilities and information would impair the ability of the telecommunications carrier seeking interconnection to provide the services that it seeks to offer.

"(2) COMMISSION TO ACT IF STATE WILL NOT ACT.—If a State, through action or inaction, fails to carry out its responsibility under this section in accordance with the rules prescribed by the Commission under paragraph

(1) in any proceeding or other matter under this section, then the Commission shall issue an order preempting the State's jurisdiction of that proceeding or matter within 90 days after being notified (or taking notice) of such failure, and shall assume the responsibility of the State under this section with respect to the proceeding or matter and act for the State.

"(3) WAIVERS AND MODIFICATIONS FOR RURAL CARRIERS.—The Commission or a State shall, upon petition or on its own initiative, waive or modify the requirements of subsection (b) for a rural telephone company or companies, and may waive or modify the requirements of subsection (b) for local exchange carriers with fewer than 2 percent of the Nation's subscriber lines installed in the aggregate nationwide, to the extent that the Commission or a State determines that such requirements would result in unfair competition, impose a significant adverse economic impact on users of telecommunications services, be technically infeasible, or otherwise not be in the public interest. The Commission or a State shall act upon any petition filed under this paragraph within 180 days of receiving such petition. Pending such action, the Commission or a State may suspend enforcement of the requirement or requirements to which the petition applies with respect to the petitioning carrier or carriers.

"(j) STATE REQUIREMENTS.—Nothing in this section precludes a State from imposing requirements on a telecommunications carrier for intrastate services that are necessary to further competition in the provision of telephone exchange service or exchange access service, as long as the State's requirements are not inconsistent with the Commission's regulations to implement this section.

"(k) ACCESS CHARGE RULES.—Nothing in this section shall affect the Commission's interexchange-to-local exchange access charge rules for local exchange carriers or interexchange carriers in effect on the date of enactment of the Telecommunications Act of 1995.

"(l) REVIEW OF INTERCONNECTION STANDARDS.—Beginning 3 years after the date of enactment of the Telecommunications Act of 1995 and every 3 years thereafter, the Commission shall review the standards and requirements for interconnection established under subsection (b). The Commission shall complete each such review within 180 days and may modify or waive any requirements or standards established under subsection (b) if it determines that the modification or waiver meets the requirements of section 260.

"(m) COMMERCIAL MOBILE SERVICE PROVIDERS.—The requirements of this section shall not apply to commercial mobile services provided by a wireline local exchange carrier unless the Commission determines under subsection (a)(3) that such carrier has market power in the provision of commercial mobile service.".

(c) TECHNICAL AMENDMENTS.—

(1) Title II (47 U.S.C. 201 et seq.) is amended by inserting before section 201 the following:

"PART I—GENERAL PROVISIONS".

(2) Section 2(b) (47 U.S.C. 152(b)) is amended by striking "sections 223 through 227, inclusive, and section 332," and inserting "section 214(d), sections 223 through 227, part II of title II, and section 332,".

SEC. 102. SEPARATE AFFILIATE AND SAFEGUARD REQUIREMENTS.

(a) IN GENERAL.—Part II of title II (47 U.S.C. 251 et seq.), as added by section 101 of this Act, is amended by inserting after section 251 the following new section:

"SEC. 252. SEPARATE AFFILIATE; SAFEGUARDS.

"(a) SEPARATE AFFILIATE REQUIRED FOR COMPETITIVE ACTIVITIES.—

"(1) IN GENERAL.—A Bell operating company (including any affiliate) which is a local exchange carrier that is subject to the requirements of section 251(a) may not provide any service described in paragraph (2) unless it provides that service through one or more affiliates that—

"(A) are separate from any operating company entity that is subject to the requirements of section 251(a); and

"(B) meet the requirements of subsection (b).

"(2) SERVICES FOR WHICH A SEPARATE AFFILIATE IS REQUIRED.—The services for which a separate affiliate is required by paragraph (1) are:

"(A) Information services, including cable services and alarm monitoring services, other than any information service a Bell operating company was authorized to provide before July 24, 1991.

"(B) Manufacturing services.

"(C) InterLATA services other than—

"(i) incidental services, not including information services;

"(ii) out-of-region services; or

"(iii) services authorized under an order entered by the United States District Court for the District of Columbia pursuant to the Modification of Final Judgment before the date of enactment of the Telecommunications Act of 1995.

"(b) STRUCTURAL AND TRANSACTIONAL REQUIREMENTS.—The separate affiliate required by this section—

"(1) shall maintain books, records, and accounts in the manner prescribed by the Commission which shall be separate from the books, records, and accounts maintained by the Bell operating company of which it is an affiliate;

"(2) shall have separate officers, directors, and employees from the Bell operating company of which it is an affiliate;

"(3) may not obtain credit under any arrangement that would permit a creditor, upon default, to have recourse to the assets of the Bell operating company; and

"(4) shall conduct all transactions with the Bell operating company of which it is an affiliate on an arm's length basis with any such transactions reduced to writing and available for public inspection.

"(c) NONDISCRIMINATION SAFEGUARDS.—In its dealings with its affiliate described in subsection (a) a Bell operating company—

"(1) may not discriminate between that company or affiliate and any other entity in the provision or procurement of goods, services, facilities, and information, or in the establishment of standards;

"(2) may not provide any goods, services, facilities, or information to such company or affiliate unless the goods, services, facilities, or information are made available to other persons on reasonable and nondiscriminatory terms and conditions, unbundled to the smallest element that is technically feasible and economically reasonable to provide, and at just and reasonable rates that are not higher on a per-unit basis than those charged for such services to any affiliate of such company; and

"(3) shall account for all transactions with an affiliate described in subsection (a) in accordance with generally accepted accounting principles.

"(d) BIENNIAL AUDIT.—

"(1) GENERAL REQUIREMENT.—A company required to operate a separate affiliate under this section shall obtain and pay for a joint Federal/State audit every 2 years conducted by an independent auditor selected by the Commission, and working at the direction of, the Commission and the State commission of each State in which such company provides service, to determine whether such company has complied with this section and the regulations promulgated under this section, and particularly whether such company has complied with the separate accounting requirements under subsection (b).

"(2) RESULTS SUBMITTED TO COMMISSION; STATE COMMISSIONS.—The auditor described in paragraph (1) shall submit the results of the audit to the Commission and to the State commission of each State in which the company audited provides service, which shall make such results available for public inspection. Any party may submit comments on the final audit report.

"(3) ACCESS TO DOCUMENTS.—For purposes of conducting audits and reviews under this subsection—

"(A) the independent auditor, the Commission, and the State commission shall have access to the financial accounts and records of each company and of its affiliates necessary to verify transactions conducted with that company that are relevant to the specific activities permitted under this section and that are necessary for the regulation of rates;

"(B) the Commission and the State commission shall have access to the working papers and supporting materials of any auditor who performs an audit under this section; and

"(C) the State commission shall implement appropriate procedures to ensure the protection of any proprietary information submitted to it under this section.

"(e) JOINT MARKETING.—

"(1) A Bell operating company affiliate required by this section may not market or sell telephone exchange services provided by the Bell operating company unless that company permits other entities offering the same or similar service to market and sell its telephone exchange services.

"(2) A Bell operating company may not market or sell any service provided by an affiliate required by this section until that company has been authorized to provide interLATA services under section 255.

"(3) The joint marketing and sale of services permitted under this subsection shall not be considered to violate the nondiscrimination provisions of subsection (c).

"(f) ADDITIONAL REQUIREMENTS FOR PROVISION OF INTERLATA SERVICES.—A Bell operating company—

"(1) shall fulfill any requests from an unaffiliated entity for exchange access service within a period no longer than that in which it provides such exchange access service to itself or to its affiliates;

"(2) shall fulfill any such requests with exchange access service of a quality that meets or exceeds the quality of exchange access service provided by the Bell operating company to itself or its affiliate;

"(3) shall provide exchange access service to all carriers at rates that are just, reasonable, not unreasonably discriminatory, and based on costs;

"(4) shall not provide any facilities, services, or information concerning its provision of exchange access service to the affiliate described in subsection (a) unless such facilities, services, or information are made available to other providers of interLATA services in that market on the same terms and conditions;

"(5) shall charge the affiliate described in subsection (a), and impute to itself or any intraLATA interexchange affiliate, the same rates for access to its telephone exchange service and exchange access service that it charges unaffiliated interexchange carriers for such service; and

''(6) may provide any interLATA or intraLATA facilities or services to its interLATA affiliate if such services or facilities are made available to all carriers at the same rates and on the same terms and conditions so long as the costs are appropriately allocated.

''(g) PROPRIETARY INFORMATION.—

''(1) IN GENERAL.—In complying with the requirements of this section, each Bell operating company and any affiliate of such company has a duty to protect the confidentiality of propriety information relating to other common carriers, to equipment manufacturers, and to customers. A Bell operating company may not share customer proprietary information in aggregate form with its affiliates unless such aggregate information is available to other carriers or persons under the same terms and conditions. Individually identifiable customer proprietary information and other proprietary information may be—

''(A) shared with any affiliated entity required by this section or with any unaffiliated entity only with the consent of the person to which such information relates or from which it was obtained (including other carriers); or

''(B) disclosed to appropriate authorities pursuant to court order.

''(2) EXCEPTIONS.—Paragraph (1) does not limit the disclosure of individually identifiable customer proprietary information by each Bell operating company as necessary—

''(A) to initiate, render, bill, and collect for telephone exchange service, interexchange service, or telecommunications service requested by a customer; or

''(B) to protect the rights or property of the carrier, or to protect users of any of those services and other carriers from fraudulent, abusive, or unlawful use of, or subscription to, any such service.

''(3) SUBSCRIBER LIST INFORMATION.—For purposes of this subsection, the term 'customer proprietary information' does not include subscriber list information.

''(h) COMMISSION MAY GRANT EXCEPTIONS.—The Commission may grant an exception from compliance with any requirement of this section upon a showing that the exception is necessary for the public interest, convenience, and necessity.

''(i) APPLICATION TO UTILITY COMPANIES.—

''(1) REGISTERED PUBLIC UTILITY HOLDING COMPANY.—A registered company may provide telecommunications services only through a separate subsidiary company that is not a public utility company.

''(2) OTHER UTILITY COMPANIES.—Each State shall determine whether a holding company subject to its jurisdiction—

''(A) that is not a registered holding company, and

''(B) that provides telecommunications service,

is required to provide that service through a separate subsidiary company.

''(3) SAVINGS PROVISION.—Nothing in this subsection or the Telecommunications Act of 1995 prohibits a public utility company from engaging in any activity in which it is legally engaged on the date of enactment of the Telecommunications Act of 1995; provided it complies with the terms of any applicable authorizations.

''(4) DEFINITIONS.—For purposes of this subsection, the terms 'public utility company', 'associate company', 'holding company', 'subsidiary company', 'registered holding company', and 'State commission' have the same meaning as they have in section 2 of the Public Utility Holding Company Act of 1935.''.

(b) IMPLEMENTATION.—The Commission shall promulgate any regulations necessary to implement section 252 of the Communications Act of 1934 (as added by subsection (a)) not later than one year after the date of enactment of this Act. Any separate affiliate established or designated for purposes of section 252(a) of the Communications Act of 1934 before the regulations have been issued in final form shall be restructured or otherwise modified, if necessary, to meet the requirements of those regulations.

(c) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the date of enactment of this Act.

SEC. 103. UNIVERSAL SERVICE.

(a) FINDINGS.—The Congress finds that—

(1) the existing system of universal service has evolved since 1930 through an ongoing dialogue between industry, various Federal-State Joint Boards, the Commission, and the courts;

(2) this system has been predicated on rates established by the Commission and the States that require implicit cost shifting by monopoly providers of telephone exchange service through both local rates and access charges to interexchange carriers;

(3) the advent of competition for the provision of telephone exchange service has led to industry requests that the existing system be modified to make support for universal service explicit and to require that all telecommunications carriers participate in the modified system on a competitively neutral basis; and

(4) modification of the existing system is necessary to promote competition in the provision of telecommunications services and to allow competition and new technologies to reduce the need for universal service support mechanisms.

(b) FEDERAL-STATE JOINT BOARD ON UNIVERSAL SERVICE.—

(1) Within one month after the date of enactment of this Act, the Commission shall institute and refer to a Federal-State Joint Board under section 410(c) of the Communications Act of 1934 a proceeding to recommend rules regarding the implementation of section 253 of that Act, including the definition of universal service. The Joint Board shall, after notice and public comment, make its recommendations to the Commission no later than 9 months after the date of enactment of this Act.

(2) The Commission may periodically, but no less than once every 4 years, institute and refer to the Joint Board a proceeding to review the implementation of section 253 of that Act and to make new recommendations, as necessary, with respect to any modifications or additions that may be needed. As part of any such proceeding the Joint Board shall review the definition of, and adequacy of support for, universal service and shall evaluate the extent to which universal service has been protected and advanced.

(c) COMMISSION ACTION.—The Commission shall initiate a single proceeding to implement recommendations from the initial Joint Board required by subsection (a) and shall complete such proceeding within 1 year after the date of enactment of this Act. Thereafter, the Commission shall complete any proceeding to implement recommendations from any further Joint Board required under subsection (b) within one year after receiving such recommendations.

(d) SEPARATIONS RULES.—Nothing in the amendments made by this Act to the Communications Act of 1934 shall affect the Commission's separations rules for local exchange carriers or interexchange carriers in effect on the date of enactment of this Act.

(e) AMENDMENT OF COMMUNICATIONS ACT.—Part II of title II (47 U.S.C. 251 et seq.), as added by this Act, is amended by inserting after section 252 the following new section:

"SEC. 253. UNIVERSAL SERVICE.

''(a) UNIVERSAL SERVICE PRINCIPLES.—The Joint Board and the Commission shall base policies for the preservation and advancement of universal service on the following principles:

''(1) Quality services are to be provided at just, reasonable, and affordable rates.

''(2) Access to advanced telecommunications and information services should be provided in all regions of the Nation.

''(3) Consumers in rural and high cost areas should have access to telecommunications and information services, including interexchange services, that are reasonably comparable to those services provided in urban areas.

''(4) Consumers in rural and high cost areas should have access to telecommunications and information services at rates that are reasonably comparable to rates charged for similar services in urban areas.

''(5) Consumers in rural and high cost areas should have access to the benefits of advanced telecommunications and information services for health care, education, economic development, and other public purposes.

''(6) There should be a coordinated Federal-State universal service system to preserve and advance universal service using specific and predictable Federal and State mechanisms administered by an independent, nongovernmental entity or entities.

''(7) Elementary and secondary schools and classrooms should have access to advanced telecommunications services.

''(b) DEFINITION.—

''(1) IN GENERAL.—Universal service is an evolving level of intrastate and interstate telecommunications services that the Commission, based on recommendations from the public, Congress, and the Federal-State Joint Board periodically convened under section 103 of the Telecommunications Act of 1995, and taking into account advances in telecommunications and information technologies and services, determines—

''(A) should be provided at just, reasonable, and affordable rates to all Americans, including those in rural and high cost areas and those with disabilities;

''(B) are essential in order for Americans to participate effectively in the economic, academic, medical, and democratic processes of the Nation; and

''(C) are, through the operation of market choices, subscribed to by a substantial majority of residential customers.

''(2) DIFFERENT DEFINITION FOR CERTAIN PURPOSES.—The Commission may establish a different definition of universal service for schools, libraries, and health care providers for the purposes of section 264.

''(c) ALL TELECOMMUNICATIONS CARRIERS MUST PARTICIPATE.—Every telecommunications carrier engaged in instrastate, interstate, or foreign communication shall participate, on an equitable and nondiscriminatory basis, in the specific and predictable mechanisms established by the Commission and the States to preserve and advance universal service. Such participation shall be in the manner determined by the Commission and the States to be reasonably necessary to preserve and advance universal service. Any other provider of telecommunications may be required to participate in the preservation and advancement of universal service, if the public interest so requires.

"(d) State Authority.—A State may adopt regulations to carry out its responsibilities under this section, or to provide for additional definitions, mechanisms, and standards to preserve and advance universal service within that State, to the extent that such regulations do not conflict with the Commission's rules to implement this section. A State may only enforce additional definitions or standards to the extent that it adopts additional specific and predictable mechanisms to support such definitions or standards.

"(e) Eligibility for Universal Service Support.—To the extent necessary to provide for specific and predictable mechanisms to achieve the purposes of this section, the Commission shall modify its existing rules for the preservation and advancement of universal service. Only essential telecommunications carriers designated under section 214(d) shall be eligible to receive support for the provision of universal service. Such support, if any, shall accurately reflect what is necessary to preserve and advance universal service in accordance with this section and the other requirements of this Act.

"(f) Universal Service Support.—The Commission and the States shall have as their goal the need to make any support for universal service explicit, and to target that support to those essential telecommunications carriers that serve areas for which such support is necessary. The specific and predictable mechanisms adopted by the Commission and the States shall ensure that essential telecommunications carriers are able to provide universal service at just, reasonable, and affordable rates. A carrier that receives universal service support shall use that support only for the provision, maintenance, and upgrading of facilities and services for which the support is intended.

"(g) Interexchange Services.—The rates charged by any provider of interexchange telecommunications service to customers in rural and high cost areas shall be no higher than those charged by such provider to its customers in urban areas.

"(h) Subsidy of Competitive Services Prohibited.—A telecommunications carrier may not use services that are not competitive to subsidize competitive services. The Commission, with respect to interstate services, and the States, with respect to intrastate services, shall establish any necessary cost allocation rules, accounting safeguards, and guidelines to ensure that services included in the definition of universal service bear no more than a reasonable share of the joint and common costs of facilities used to provide those services.

"(i) Congressional Notification Required.—

"(1) In general.—The Commission may not take action to require participation by telecommunications carriers or other providers of telecommunications under subsection (c), or to modify its rules to increase support for the preservation and advancement of universal service, until—

"(A) the Commission submits to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Commerce of the House of Representatives a report on the participation required, or the increase in support proposed, as appropriate; and

"(B) a period of 120 days has elapsed since the date the report required under paragraph (1) was submitted.

"(2) Not applicable to reductions.—This subsection shall not apply to any action taken to reduce costs to carriers or consumers.

"(j) Effect on Commission's Authority.—Nothing in this section shall be construed to expand or limit the authority of the Commission to preserve and advance universal service under this Act.

"(k) Effective Date.—This section takes effect on the date of enactment of the Telecommunications Act of 1995, except for subsections (c), (d), (e), (f), and (i) which take effect one year after the date of enactment of that Act.".

(f) Prohibition on Exclusion of Areas from Service Based on Rural Location, High Costs, or Income.—Part II of title II (47 U.S.C. 201 et seq.) as amended by this Act, is amended by adding after section 253 the following:

"SEC. 253A PROHIBITION ON EXCLUSION OF AREAS FROM SERVICE BASED ON RURAL LOCATION, HIGH COSTS, OR INCOME.

"(a) The Commission shall prohibit any telecommunications carrier from excluding from any of such carrier's services any high-cost area, or any area on the basis of the rural location or the income of the residents of such area: *Provided*, That a carrier may exclude an area in which the carrier can demonstrate that—

"(1) there will be insufficient consumer demand for the carrier to earn some return over the long term on the capital invested to provide such service to such area, and—

"(2) providing a service to such area will be less profitable for the carrier than providing the service in areas to which the carrier is already providing or has proposed to provide the service.

"(b) The Commission shall provide for public comment on the adequacy of the carrier's proposed service area on the basis of the requirements of this section.".

SEC. 104. ESSENTIAL TELECOMMUNICATIONS CARRIERS.

(a) In General.—Section 214(d) (47 U.S.C. 214(d)) is amended—

(1) by inserting "(1) Adequate facilities required.—" before "The Commission"; and

(2) by adding at the end thereof the following:

"(2) Designation of essential carrier.—If one or more common carriers provide telecommunications service to a geographic area, and no common carrier will provide universal service to an unserved community or any portion thereof that requests such service within such area, then the Commission, with respect to interstate services, or a State, with respect to intrastate services, shall determine which common carrier serving that area is best able to provide universal service to the requesting unserved community or portion thereof, and shall designate that common carrier as an essential telecommunications carrier for that unserved community or portion thereof.

"(3) Essential carrier obligations.—A common carrier may be designated by the Commission, or by a State, as appropriate, as an essential telecommunications carrier for a specific service area and become eligible to receive universal service support under section 253. A carrier designated as an essential telecommunications carrier shall—

"(A) provide through its own facilities or through a combination of its own facilities and resale of services using another carrier's facilities, universal service and any additional service (such as 911 service) required by the Commission or the State, to any community or portion thereof which requests such service;

"(B) offer such services at nondiscriminatory rates established by the Commission, for interstate services, and the State, for intrastate services, throughout the service area; and

"(C) advertise throughout the service area the availability of such services and the rates for such services using media of general distribution.

"(4) Multiple essential carriers.—If the Commission, with respect to interstate services, or a State, with respect to intrastate services, designates more than one common carrier as an essential telecommunications carrier for a specific service area, such carrier shall meet the service, rate, and advertising requirements imposed by the Commission or State on any other essential telecommunications carrier for that service area. A State shall require that, before designating an additional essential telecommunications carrier, the State agency authorized to make the designation shall find that—

"(A) the designation of an additional essential telecommunications carrier is in the public interest and that there will not be a significant adverse impact on users of telecommunications services or on the provision of universal service;

"(B) the designation encourages the development and deployment of advanced telecommunications infrastructure and services in rural areas; and

"(C) the designation protects the public safety and welfare, ensures the continued quality of telecommunications services, or safeguards the rights of consumers.

"(5) Resale of universal service.—The Commission, for interstate services, and the States, for intrastate services, shall establish rules to govern the resale of universal service to allocate any support received for the provision of such service in a manner that ensures that the carrier whose facilities are being resold is adequately compensated for their use, taking into account the impact of the resale on that carrier's ability to maintain and deploy its network as a whole. The Commission shall also establish, based on the recommendations of the Federal-State Joint Board instituted to implement this section, rules to permit a carrier designated as an essential telecommunications carrier to relinquish that designation for a specific service area if another telecommunications carrier is also designated as an essential telecommunications carrier for that area. The rules—

"(A) shall ensure that all customers served by the relinquishing carrier continue to be served, and shall require sufficient notice to permit the purchase or construction of adequate facilities by any remaining essential telecommunications carrier if such remaining carrier provided universal service through resale of the facilities of the relinquishing carrier; and

"(B) shall establish criteria for determining when a carrier which intends to utilize resale to meet the requirements for designation under this subsection has adequate resources to purchase, construct, or otherwise obtain the facilities necessary to meet its obligation if the reselling carrier is no longer able or obligated to resell the service.

"(6) Enforcement.—A common carrier designated by the Commission or a State as an essential telecommunications carrier that refuses to provide universal service within a reasonable period to an unserved community or portion thereof which requests such service shall forfeit to the United States, in the case of interstate services, or the State, in the case of intrastate services, a sum of up to $10,000 for each day that such carrier refuses to provide such service. In determining a reasonable period the Commission or the State, as appropriate, shall consider the nature of any construction required to serve such requesting unserved community or portion thereof, as well as the construction intervals normally attending such construction, and shall allow adequate time for regulatory approvals and acquisition of necessary financing.

"(7) INTEREXCHANGE SERVICES.—The Commission, for interstate services, or a State, for intrastate services, shall designate an essential telecommunications carrier for interexchange services for any unserved community or portion thereof requesting such services. Any common carrier designated as an essential telecommunications carrier for interexchange services under this paragraph shall provide interexchange services included in universal service to any unserved community or portion thereof which requests such service. The service shall be provided at nationwide geographically averaged rates for interstate interexchange services and at geographically averaged rates for intrastate interexchange services, and shall be just and reasonable and not unjustly or unreasonably discriminatory. A common carrier designated as an essential telecommunications carrier for interexchange services under this paragraph that refuses to provide interexchange service in accordance with this paragraph to an unserved community or portion thereof that requests such service within 180 days of such request shall forfeit to the United States a sum of up to $50,000 for each day that such carrier refuses to provide such service. The Commission or the State, as appropriate, may extend the 180-day period for providing interexchange service upon a showing by the common carrier of good faith efforts to comply within such period.

"(8) IMPLEMENTATION.—The Commission may, by regulation, establish guidelines by which States may implement the provisions of this section.".

(b) CONFORMING AMENDMENT.—The heading for section 214 is amended by inserting a semicolon and "essential telecommunications carriers" after "lines".

(c) TRANSITION RULE.—A rural telephone company is eligible to receive universal service support payments under section 253(e) of the Communications Act of 1934 as if such company were an essential telecommunications carrier until such time as the Commission, with respect to interstate services, or a State, with respect to intrastate services, designates an essential telecommunications carrier or carriers for the area served by such company under section 214 of that Act.

SEC. 105. FOREIGN INVESTMENT AND OWNERSHIP REFORM.

(a) IN GENERAL.—Section 310 (47 U.S.C. 310) is amended by adding at the end thereof the following new subsection:

"(f) TERMINATION OF FOREIGN OWNERSHIP RESTRICTIONS.—

"(1) RESTRICTION NOT TO APPLY WHERE RECIPROCITY FOUND.—Subsection (b) shall not apply to any common carrier license held, or for which application is made, after the date of enactment of the Telecommunications Act of 1995 with respect to any alien (or representative thereof), corporation, or foreign government (or representative thereof) if the Commission determines that the foreign country of which such alien is a citizen, in which such corporation is organized, or in which such foreign government is in control provides equivalent market opportunities for common carriers to citizens of the United States (or their representatives), corporations organized in the United States, and the United States Government (or its representative): *Provided*, That the President does not object within 15 days of such determination. If the President objects to a determination, the President shall, immediately upon such objection, submit to Congress a written report (in unclassified form, but with a classified annex if necessary) that sets forth a detailed explanation of the findings made and factors considered in objecting to the determination. The determination of whether market opportunities are equivalent shall be made on a market segment specific basis within 180 days after the application is filed. While determining whether such opportunities are equivalent on that basis, the Commission shall also conduct an evaluation of opportunities for access to all segments of the telecommunications market of the applicant.

"(2) SNAPBACK FOR RECIPROCITY FAILURE.—If the Commission determines that any foreign country with respect to which it has made a determination under paragraph (1) ceases to meet the requirements for that determination, then—

"(A) subsection (b) shall apply with respect to such aliens, corporations, and government (or their representatives) on the date on which the Commission publishes notice of its determination under this paragraph, and

"(B) any license held, or application filed, which could not be held or granted under subsection (b) shall be withdrawn, or denied, as the case may be, by the Commission under the provisions of subsection (b).".

(b) CONFORMING AMENDMENT.—Section 332(c)(6) (47 U.S.C. 332(c)(6)) is amended by adding at the end thereof the following:

"This paragraph does not apply to any foreign ownership interest or transfer of ownership to which section 310(b) does not apply because of section 310(f).".

(c) THE APPLICATION OF THE EXON-FLORIO LAW.—Nothing in this section (47 U.S.C. 310) shall limit in any way the application of the Exon-Florio law (50 U.S.C. App. 2170) to any transaction.

SEC. 106. INFRASTRUCTURE SHARING.

(a) REGULATIONS REQUIRED.—The Commission shall prescribe, within one year after the date of enactment of this Act, regulations that require local exchange carriers that were subject to Part 69 of the Commission's rules on or before that date to make available to any qualifying carrier such public switched network infrastructure, technology, information, and telecommunications facilities and functions as may be requested by such qualifying carrier for the purpose of enabling such qualifying carrier to provide telecommunications services, or to provide access to information services, in the service area in which such qualifying carrier has requested and obtained designation as an essential telecommunications carrier under section 214(d) and provides universal service by means of its own facilities.

(b) TERMS AND CONDITIONS OF REGULATIONS.—The regulations prescribed by the Commission pursuant to this section shall—

(1) not require a local exchange carrier to which this section applies to take any action that is economically unreasonable or that is contrary to the public interest;

(2) permit, but shall not require, the joint ownership or operation of public switched network infrastructure and services by or among such local exchange carrier and a qualifying carrier;

(3) ensure that such local exchange carrier will not be treated by the Commission or any State as a common carrier for hire or as offering common carrier services with respect to any infrastructure, technology, information, facilities, or functions made available to a qualifying carrier in accordance with regulations issued pursuant to this section;

(4) ensure that such local exchange carrier makes such infrastructure, technology, information, facilities, or functions available to a qualifying carrier on just and reasonable terms and conditions that permit such qualifying carrier to fully benefit from the economies of scale and scope of such local exchange carrier, as determined in accordance with guidelines prescribed by the Commission in regulations issued pursuant to this section;

(5) establish conditions that promote cooperation between local exchange carriers to which this section applies and qualifying carriers;

(6) not require a local exchange carrier to which this section applies to engage in any infrastructure sharing agreement for any services or access which are to be provided or offered to consumers by the qualifying carrier in such local exchange carrier's telephone exchange area; and

(7) require that such local exchange carrier file with the Commission or State for public inspection, any tariffs, contracts, or other arrangements showing the rates, terms, and conditions under which such carrier is making available public switched network infrastructure and functions under this section.

(c) INFORMATION CONCERNING DEPLOYMENT OF NEW SERVICES AND EQUIPMENT.—A local exchange carrier to which this section applies that has entered into an infrastructure sharing agreement under this section shall provide to each party to such agreement timely information on the planned deployment of telecommunications services and equipment, including any software or upgrades of software integral to the use or operation of such telecommunications equipment.

(d) DEFINITIONS.—For purposes of this section—

(1) QUALIFYING CARRIER.—The term "qualifying carrier" means a telecommunications carrier that—

(A) lacks economies of scale or scope, as determined in accordance with regulations prescribed by the Commission pursuant to this section; and

(B) is a common carrier which offers telephone exchange service, exchange access service, and any other service that is included in universal service, to all consumers without preference throughout the service area for which such carrier has been designated as an essential telecommunications carrier under section 214(d) of the Communications Act of 1934.

(2) OTHER TERMS.—Any term used in this section that is defined in the Communications Act of 1934 has the same meaning as it has in that Act.

SEC. 107. COORDINATION FOR TELECOMMUNICATIONS NETWORK-LEVEL INTEROPERABILITY.

(a) IN GENERAL.—To promote nondiscriminatory access to telecommunications networks by the broadest number of users and vendors of communications products and services through—

(1) coordinated telecommunications network planning and design by common carriers and other providers of telecommunications services, and

(2) interconnection of telecommunications networks, and of devices with such networks, to ensure the ability of users and information providers to seamlessly and transparently transmit and receive information between and across telecommunications networks,

the Commission may participate, in a manner consistent with its authority and practice prior to the date of enactment of this Act, in the development by appropriate voluntary industry standards-setting organizations to promote telecommunications network-level interoperability.

(b) DEFINITION OF TELECOMMUNICATIONS NETWORK-LEVEL INTEROPERABILITY.—As used in this section, the term "telecommunications network-level interoperability" means the ability of 2 or more telecommunications networks to communicate and interact in concert with each other to exchange information without degeneration.

(c) COMMISSION'S AUTHORITY NOT LIMITED.—Nothing in this section shall be construed as limiting the existing authority of the Commission.

TITLE II—REMOVAL OF RESTRICTIONS TO COMPETITION

Subtitle A—Removal of Restrictions

SEC. 201. REMOVAL OF ENTRY BARRIERS.

(a) PREEMPTION OF STATE RULES.—Part II of title II (47 U.S.C. 251 et seq.), as added by this Act, is amended by inserting after section 253 the following:

"SEC. 254. REMOVAL OF BARRIERS TO ENTRY.

"(a) IN GENERAL.—No State or local statute or regulation, or other State or local legal requirement, may prohibit or have the effect of prohibiting the ability of any entity to provide any interstate or intrastate telecommunications services.

"(b) STATE REGULATORY AUTHORITY.—Nothing in this section shall affect the ability of a State to impose, on a competitively neutral basis and consistent with section 253, requirements necessary to preserve and advance universal service, protect the public safety and welfare, ensure the continued quality of telecommunications services, and safeguard the rights of consumers.

"(c) STATE AND LOCAL GOVERNMENT AUTHORITY.—Nothing in this section affects the authority of a State or local government to manage the public rights-of-way or to require fair and reasonable compensation from telecommunications providers, on a competitively neutral and nondiscriminatory basis, for use of public rights-of-way on a nondiscriminatory basis, if the compensation required is publicly disclosed by such government.

"(d) PREEMPTION.—If, after notice and an opportunity for public comment, the Commission determines that a State or local government has permitted or imposed any statute, regulation, or legal requirement that violates subsection (a) or (b), the Commission shall preempt the enforcement of such statute, regulation, or legal requirement to the extent necessary to correct such violation or inconsistency.

"(e) COMMERCIAL MOBILE SERVICES PROVIDERS.—Nothing in this section shall affect the application of section 332(c)(3) to commercial mobile services providers.".

(b) PROVISION OF TELECOMMUNICATIONS SERVICES BY A CABLE OPERATOR.—

(1) JURISDICTION OF FRANCHISING AUTHORITY.—Section 621(b) (47 U.S.C. 541(b)) is amended by adding at the end thereof the following new paragraph:

"(3)(A) To the extent that a cable operator or affiliate thereof is engaged in the provision of telecommunications services—

"(i) such cable operator or affiliate shall not be required to obtain a franchise under this title for the provision of telecommunications services; and

"(ii) the provisions of this title shall not apply to such cable operator or affiliate for the provision of telecommunications services.

"(B) A franchising authority may not order a cable operator or affiliate thereof to discontinue the provision of a telecommunications service.

"(C) A franchising authority may not require a cable operator to provide any telecommunications service or facilities as a condition of the initial grant of a franchise, franchise renewal, or transfer of a franchise.

"(D) Nothing in this paragraph affects existing Federal or State authority with respect to telecommunications services.".

(2) FRANCHISE FEES.—Section 622(b) (47 U.S.C. 542(b)) is amended by inserting "to provide cable services" immediately before the period at the end of the first sentence.

(c) STATE AND LOCAL TAX LAWS.—Except as provided in section 202, nothing in this Act (or in the Communications Act of 1934 as amended by this Act) shall be construed to modify, impair, or supersede, or authorize the modification, impairment, or supersession of, any State or local law pertaining to taxation that is consistent with the requirements of the Constitution of the United States, this Act, the Communications Act of 1934, or any other applicable Federal law.

(d) EFFECTIVE DATE.—The amendments made by this section take effect on the date of enactment of this Act.

SEC. 202. ELIMINATION OF CABLE AND TELEPHONE COMPANY CROSS-OWNERSHIP RESTRICTION.

(a) IN GENERAL.—Section 613(b) (47 U.S.C. 533(b)) is amended to read as follows:

"(b) VIDEO PROGRAMMING AND CABLE SERVICES.—

"(1) DISTINCTION BETWEEN VIDEO PLATFORM AND CABLE SERVICE.—To the extent that any telecommunications carrier carries video programming provided by others, or provides video programming that it owns, controls, or selects directly to subscribers, through a common carrier video platform, neither the telecommunications carrier nor any video programming provider making use of such platform shall be deemed to be a cable operator providing cable service. To the extent that any telecommunications carrier provides video programming directly to subscribers through a cable system, the carrier shall be deemed to be a cable operator providing cable service.

"(2) BELL OPERATING COMPANY ACTIVITIES.—

"(A) Notwithstanding the provisions of section 252, to the extent that a Bell operating company carries video programming provided by others or provides video programming that it owns, controls, or selects over a common carrier video platform, it need not use a separate affiliate if—

"(i) the carrier provides facilities, services, or information to all programmers on the same terms and conditions as it provides such facilities, services, or information to its own video programming operations, and

"(ii) the carrier does not use its telecommunications services to subsidize its provision of video programming.

"(B) To the extent that a Bell operating company provides cable service as a cable operator, it shall provide such service through an affiliate that meets the requirements of section 252 (a), (b), and (d) and the Bell operating company's telephone exchange services and exchange access services shall meet the requirements of subparagraph (A)(ii) and section 252(c); except that, to the extent the Bell operating company provides cable service utilizing its own telephone exchange facilities, section 252(c) shall not require the Bell operating company to make video programming services capacity available on a non-discriminatory basis to other video programming services providers.

"(C) Upon a finding by the Commission that the requirement of a separate affiliate under the preceding subparagraph is no longer necessary to protect consumers, competition, or the public interest, the Commission shall exempt a Bell operating company from that requirement.

"(3) COMMON CARRIER VIDEO PLATFORM.—Nothing in this Act precludes a telecommunications carrier from carrying video programming provided by others directly to subscribers over a common carrier video platform. Nothing in this Act precludes a video programming provider making use of a common carrier video platform from being treated as an operator of a cable system for purposes of section 111 of title 17, United States Code.

"(4) RATES; ACCESS.—Notwithstanding paragraph (2)(A)(i), a provider of common carrier video platform services shall provide local broadcast stations, and to those public, educational, and governmental entities required by local franchise authorities to be given access to cable systems operating in the same market as the common carrier video platform, with access to that platform for the transmission of television broadcast programming at rates no higher than the incremental-cost-based rates of providing such access. Local broadcast stations shall be entitled to obtain access on the first tier of programming on the common carrier video platform. If the area covered by the common carrier video platform includes more than one franchising area, then the Commission shall determine the number of channels allocated to public, educational, and governmental entities that may be eligible for such rates for that platform.

"(5) COMPETITIVE NEUTRALITY.—A provider of video programming may be required to pay fees in lieu of franchise fees (as defined in section 622(g)(1)) if the fees—

"(A) are competitively neutral; and

"(B) are separately identified in consumer billing.

"(6) ACQUISITIONS; JOINT VENTURES; PARTNERSHIPS; JOINT USE OF FACILITIES.—

"(A) LOCAL EXCHANGE CARRIERS.—No local exchange carrier or any affiliate of such carrier owned by, operated by, controlled by, or under common control with such carrier may purchase or otherwise acquire more than a 10 percent financial interest, or any management interest, in any cable operator providing cable service within the local exchange carrier's telephone service area.

"(B) CABLE OPERATORS.—No cable operator or affiliate of a cable operator that is owned by, operated by, controlled by, or under common ownership with such cable operator may purchase or otherwise acquire, directly or indirectly, more than a 10 percent financial interest, or any management interest, in any local exchange carrier providing telephone exchange service within such cable operator's franchise area.

"(C) JOINT VENTURE.—A local exchange carrier and a cable operator whose telephone service area and cable franchise area, respectively, are in the same market may not enter into any joint venture or partnership to provide video programming directly to subscribers or to provide telecommunications services within such market.

"(D) EXCEPTION.—Notwithstanding subparagraphs (A), (B), and (C) of this paragraph, a local exchange carrier (with respect to a cable system located in its telephone service area) and a cable operator (with respect to the facilities of a local exchange carrier used to provide telephone exchange service in its cable franchise area) may obtain a controlling interest in, management interest in, or enter into a joint venture or partnership with such system or facilities to the extent that such system or facilities only serve incorporated or unincorporated—

"(i) places or territories that have fewer than 50,000 inhabitants; and

"(ii) are outside an urbanized area, as defined by the Bureau of the Census.

"(E) WAIVER.—The Commission may waive the restrictions of subparagraph (A), (B), or (C) only if the Commission determines that, because of the nature of the market served by the affected cable system or facilities used to provide telephone exchange service—

"(i) the incumbent cable operator or local exchange carrier would be subjected to undue economic distress by the enforcement of such provisions,

"(ii) the system or facilities would not be economically viable if such provisions were enforced, or

"(iii) the anticompetitive effects of the proposed transaction are clearly outweighed in the public interest by the probable effect of the transaction in meeting the convenience and needs of the community to be served.

"(F) JOINT USE.—Notwithstanding subparagraphs (A), (B), and (C), a telecommunications carrier may obtain within such carrier's telephone service area, with the concurrence of the cable operator on the rates, terms, and conditions, the use of that portion of the transmission facilities of such a cable system extending from the last multiuser terminal to the premises of the end user in excess of the capacity that the cable operator uses to provide its own cable services. A cable operator that provides access to such portion of its transmission facilities to one telecommunications carrier shall provide nondiscriminatory access to such portion of its transmission facilities to any other telecommunications carrier requesting such access.

"(G) SAVINGS CLAUSE.—Nothing in this paragraph affects—

"(i) the authority of a local franchising authority (in the case of the purchase or acquisition of a cable operator, or a joint venture to provide cable service) or a State Commission (in the case of the acquisition of a local exchange carrier, or a joint venture to provide telephone exchange service) to approve or disapprove a purchase, acquisition, or joint venture, or

"(ii) the antitrust laws, as described in section 7(a) of the Telecommunications Competition and Deregulation Act of 1995.".

(b) NO PERMIT REQUIRED FOR VIDEO PROGRAMMING SERVICES.—Section 214 (47 U.S.C. 214) is amended by adding at the end thereof the following:

"(e) SPECIAL RULE.—No certificate is required under this section for a carrier to construct facilities to provide video programming services.".

(c) SAFEGUARDS.—Within one year after the date of enactment of this Act, the Commission shall prescribe regulations that—

(1) require a telecommunications carrier that provides video programming directly to subscribers to ensure that subscribers are offered the means to obtain access to the signals of local broadcast television stations identified under section 614 as readily as they are today;

(2) require such a carrier to display clearly and prominently at the beginning of any program guide or menu of program offerings the identity of any signal of any television broadcast station that is carried by the carrier;

(3) require such a carrier to ensure that viewers are able to access the signal of any television broadcast station that is carried by that carrier without first having to view advertising or promotional material, or a navigational device, guide, or menu that omits broadcasting services as an available option;

(4) except as required by paragraphs (1) through (3), prohibit such carrier and a multichannel video programming distributor using the facilities of such carrier from discriminating among video programming providers with respect to material or information provided by the carrier to subscribers for the purposes of selecting programming, or in the way such material or information is presented to subscribers;

(5) require such carrier and a multichannel video programming distributor using the facilities of such carrier to ensure that video programming providers or copyright holders (or both) are able suitably and uniquely to identify their programming services to subscribers;

(6) if such identification is transmitted as part of the programming signal, require a telecommunications carrier that provides video programming directly to subscribers and a multichannel video programming distributor using the facilities of such carrier to transmit such identification without change or alteration;

(7) prohibit such carrier from discriminating among video programming providers with regard to carriage and ensure that the rates, terms, and conditions for such carriage are just, reasonable, and nondiscriminatory;

(8) extend to such carriers and multichannel video programming distributors using the facilities of such carrier the Commission's regulations concerning network nonduplication (47 C.F.R. 76.92 et seq.) and syndicated exclusivity (47 C.F.R. 76.171 et seq.); and

(9) extend to such carriers and multichannel video programming distributors using the facilities of such carrier the protections afforded to local broadcast signals in section 614(b)(3), 614(b)(4)(A), and 615(g)(1) and (2) of such Act (47 U.S.C. 534(b)(3), 534(b)(4)(A), and 535(g) (1) and (2)).

(d) ENFORCEMENT.—The Commission shall resolve disputes under subsection (c) and the regulations prescribed under that subsection. Any such dispute shall be resolved with 180 days after notice of the dispute is submitted to the Commission. At that time, or subsequently in a separate proceeding, the Commission may award damages sustained in consequence of any violation of this section to any person denied carriage, or require carriage, or both. Any aggrieved party may also seek any other remedy available under the law.

(e) EFFECTIVE DATES.—The amendment made by subsection (a) takes effect on the date of enactment of this Act. The amendment made by subsection (b) takes effect 1 year after that date.

SEC. 203. CABLE ACT REFORM.

(a) CHANGE IN DEFINITION OF CABLE SYSTEM.—Section 602(7) (47 U.S.C. 522(7)) is amended by striking out "(B) a facility that serves only subscribers in 1 or more multiple unit dwellings under common ownership, control, or management, unless such facility or facilities uses any public right-of-way;" and inserting "(B) a facility that serves subscribers without using any public right-of-way;".

(b) RATE DEREGULATION.—

(1) Section 623(c) (47 U.S.C. 543(c)) is amended—

(A) by striking "subscriber," and the comma after "authority" in paragraph (1)(B);

(B) by striking paragraph (2) and inserting the following:

"(2) STANDARD FOR UNREASONABLE RATES.—The Commission may only consider a rate for cable programming services to be unreasonable if it substantially exceeds the national average rate for comparable cable programming services provided by cable systems other than small cable systems, determined on a per-channel basis as of June 1, 1995, and redetermined, and adjusted if necessary, every 2 years thereafter.".

(2) Section 623(l)(1) (47 U.S.C. 543(l)(1)) is amended—

(A) by striking "or" at the end of subparagraph (B);

(B) by striking the period at the end of subparagraph (C) and inserting a semicolon and "or"; and

(C) by adding at the end the following:

"(D) a local exchange carrier offers video programming services directly to subscribers, either over a common carrier video platform or as a cable operator, in the franchise area of an unaffiliated cable operator which is providing cable service in that franchise area, but only if the video programming services offered by the carrier in that area are comparable to the video programming services provided by the unaffiliated cable operator in that area.".

(c) GREATER DEREGULATION FOR SMALLER CABLE COMPANIES.—Section 623 (47 U.S.C. 543) is amended by adding at the end thereof the following:

"(m) SPECIAL RULES FOR SMALL COMPANIES.—

"(1) IN GENERAL.—Subsection (a), (b), or (c) does not apply to a small cable operator with respect to—

"(A) cable programming services, or

"(B) a basic service tier that was the only service tier subject to regulation as of December 31, 1994,

in any franchise area in which that operator serves 35,000 or fewer subscribers.

"(2) DEFINITION OF SMALL CABLE OPERATOR.—For purposes of this subsection, the term 'small cable operator' means a cable operator that, directly or through an affiliate, serves in the aggregate fewer than 1 percent of all subscribers in the United States and is not affiliated with any entity or entities whose gross annual revenues in the aggregate exceed $250,000,000.".

(d) PROGRAM ACCESS.—Section 628 (47 U.S.C. 628) is amended by adding at the end the following:

"(j) COMMON CARRIERS.—Any provision that applies to a cable operator under this section shall apply to a telecommunications carrier or its affiliate that provides video programming by any means directly to subscribers. Any such provision that applies to a satellite cable programming vendor in which a cable operator has an attributable interest shall apply to any satellite cable programming vendor in which such common carrier has an attributable interest.".

(e) EXPEDITED DECISION-MAKING FOR MARKET DETERMINATIONS UNDER SECTION 614.—

(1) In general.—Section 614(h)(1)(C)(iv) (47 U.S.C. 614(h)(1)(C)(iv)) is amended to read as follows:

"(iv) Within 120 days after the date on which a request is filed under this subparagraph, the Commission shall grant or deny the request.".

(2) Application to pending requests.—The amendment made by paragraph (1) shall apply to—

(A) any request pending under section 614(h)(1)(C) of the Communications Act of 1934 (47 U.S.C. 614(h)(1)(C)) on the date of enactment of this Act; and

(B) any request filed under that section after that date.

(f) Effective Date.—The amendments made by this section take effect on the date of enactment of this Act.

SEC. 204. POLE ATTACHMENTS.

Section 224 (47 U.S.C. 224) is amended—

(1) by inserting the following after subsection (a)(4):

"(5) The term 'telecommunications carrier' shall have the meaning given such term in subsection 3(nn) of this Act, except that, for purposes of this section, the term shall not include any person classified by the Commission as a dominant provider of telecommunications services as of January 1, 1995.";

(2) by inserting after "conditions" in subsection (c)(1) a comma and the following: "or access to poles, ducts, conduits, and rights-of-way as provided in subsection (f),";

(3) by inserting after subsection (d)(2) the following:

"(3) This subsection shall apply to the rate for any pole attachment used by a cable television system solely to provide cable service. Until the effective date of the regulations required under subsection (e), this subsection shall also apply to the pole attachment rates for cable television systems (or for any telecommunications carrier that was not a party to any pole attachment agreement prior to the date of enactment of the Telecommunications Act of 1995) to provide any telecommunications service or any other service subject to the jurisdiction of the Commission."; and

(4) by adding at the end thereof the following:

"(e)(1) The Commission shall, no later than 2 years after the date of enactment of the Telecommunications Act of 1995, prescribe regulations in accordance with this subsection to govern the charges for pole attachments by telecommunications carriers. Such regulations shall ensure that utilities charge just and reasonable and non-discriminatory rates for pole attachments.

"(2) A utility shall apportion the cost of providing space on a pole, duct, conduit, or right-of-way other than the usable space among entities so that such apportionment equals the sum of—

"(A) two-thirds of the costs of providing space other than the usable space that would be allocated to such entity under an equal apportionment of such costs among all attachments, plus

"(B) the percentage of usable space required by each such entity multiplied by the costs of space other than the usable space;

but in no event shall such proportion exceed the amount that would be allocated to such entity under an equal apportionment of such costs among all attachments.

"(3) A utility shall apportion the cost of providing usable space among all entities according to the percentage of usable space required for each entity. Costs shall be apportioned between the usable space and the space on a pole, duct, conduit, or right-of-way other than the usable space on a proportionate basis.

"(4) The regulations required under paragraph (1) shall become effective 5 years after the date of enactment of the Telecommunications Act of 1995. Any increase in the rates for pole attachments that result from the adoption of the regulations required by this subsection shall be phased in equal annual increments over a period of 5 years beginning on the effective date of such regulations.

"(f)(1) A utility shall provide a cable television system or any telecommunications carrier with nondiscriminatory access to any pole, duct, conduit, or right-of-way owned or controlled by it.

"(2) Notwithstanding paragraph (1), a utility providing electric service may deny a cable television system or telecommunications carrier access to its poles, ducts, conduits, or rights-of-way, on a non-discriminatory basis where there is insufficient capacity and for reasons of safety, reliability, and generally applicable engineering purposes.

"(g) A utility that engages in the provision of telecommunications services shall impute to its costs of providing such services (and charge any affiliate, subsidiary, or associate company engaged in the provision of such services) an amount equal to the pole attachment rate for which such company would be liable under this section.".

SEC. 205. ENTRY BY UTILITY COMPANIES.

(a) In General.—

(1) Authorized activities of utilities.—Notwithstanding any other provision of law to the contrary (including the Public Utility Holding Company Act of 1935 (15 U.S.C. 79a et seq.)), an electric, gas, water, or steam utility, and any subsidiary company, affiliate, or associate company of such a utility, other than a public utility company that is an associate company of a registered holding company, may engage, directly or indirectly, in any activity whatsoever, wherever located, necessary or appropriate to the provision of—

(A) telecommunications services,

(B) information services,

(C) other services or products subject to the jurisdiction of the Federal Communications Commission under the Communications Act of 1934 (47 U.S.C. 151 et seq.), or

(D) products or services that are related or incidental to a product or service described in subparagraph (A), (B), or (C).

(2) Removal of SEC jurisdiction.—The Securities and Exchange Commission has no jurisdiction under the Public Utility Holding Company Act of 1935 (15 U.S.C. 79a et seq.) over a holding company, or a subsidiary company, affiliate, or associate company of a holding company, to grant any authorization to enforce any requirement with respect to, or approve or otherwise review, any activity described in paragraph (1), including financing, investing in, acquiring, or maintaining any interest in, or entering into affiliate transactions or contracts, and any authority over audits or access to books and records.

(3) Applicability of Telecommunications Regulation.—Nothing in this section shall affect the authority of the Federal Communications Commission under the Communications Act of 1934, or the authority of State commissions under State laws concerning the provision of telecommunications services, to regulate the activities of an associate company engaged in activities described in paragraph (1).

(4) Commission rules.—The Commission shall consider and adopt, as necessary, rules to protect the customers of a public utility company that is a subsidiary company of a registered holding company against potential detriment from the telecommunications activities of any other subsidiary of such registered holding company.

(b) Prohibition of Cross-Subsidization.—Nothing in the Public Utility Holding Company Act of 1935 shall preclude the Federal Energy Regulatory Commission or a State commission from exercising its jurisdiction under otherwise applicable law to determine whether a public utility company may recover in rates the costs of any activity described in subsection (a)(1) which is performed by an associate company regardless of whether such costs are incurred through the direct or indirect purchase of goods and services from such associate company.

(c) Assumption of Liabilities.—Any public utility company that is an associate company of a registered holding company and that is subject to the jurisdiction of a State commission with respect to its retail electric or gas rates shall not issue any security for the purpose of financing the acquisition, ownership, or operation of an associate company engaged in activities described in subsection (a)(1) without the prior approval of the State commission. Any public utility company that is an associate company of a registered holding company and that is subject to the jurisdiction of a State commission with respect to its retail electric or gas rates shall not assume any obligation or liability as guarantor, endorser, surety, or otherwise by the public utility in respect of any security of an associate company engaged in activities described in subsection (a)(1) without the prior approval of the State commission.

(d) Pledging or Mortgaging Utility Assets.—Any public utility company that is an associate company of a registered holding company and that is subject to the jurisdiction of a State commission with respect to its retail electric or gas rates shall not pledge, mortgage, or otherwise use as collateral any utility assets of the public utility or utility assets of any subsidiary company thereof for the benefit of an associate company engaged in activities described in subsection (a)(1) without the prior approval of the State commission.

(e) Books and Records.—An associate company engaged in activities described in subsection (a)(1) which is an associate company of a registered holding company shall maintain books, records, and accounts separate from the registered holding company which identify all transactions with the registered holding company and its other associate companies, and provide access to books, records, and accounts to State commissions and the Federal Energy Regulatory Commission under the same terms of access, disclosure, and procedures as provided in section 201(g) of the Federal Power Act.

(f) Independent Audit Authority for State Commissions.—

(1) State may order audit.—Any State commission with jurisdiction over a public utility company that—

(A) is an associate company of a registered holding company, and

(B) transacts business, directly or indirectly, with a subsidiary company, affiliate, or associate company of that holding company engaged in any activity described in subsection (a)(1),

may order an independent audit to be performed, no more frequently than on an annual basis, of all matters deemed relevant by the selected auditor that reasonably relate to retail rates: *Provided*, That such matters relate, directly or indirectly, to transactions or transfers between the public utility company subject to its jurisdiction and the subsidiary company, affiliate, or associate company engaged in that activity.

(2) SELECTION OF FIRM TO CONDUCT AUDIT.—

(A) If a State commission orders an audit in accordance with paragraph (1), the public utility company and the State commission shall jointly select within 60 days a firm to perform the audit. The firm selected to perform the audit shall possess demonstrated qualifications relating to:

(i) competency, including adequate technical training and professional proficiency in each discipline necessary to carry out the audit, and

(ii) independence and objectivity, including that the firm be free from personal or external impairments to independence, and should assume an independent position with the State commission and auditee, making certain that the audit is based upon an impartial consideration of all pertinent facts and responsible opinions.

(B) The public utility company and the company engaged in activities under subsection (a)(1) shall cooperate fully with all reasonable requests necessary to perform the audit and the public utility company shall bear all costs of having the audit performed.

(3) AVAILABILITY OF AUDITOR'S REPORT.—The auditor's report shall be provided to the State commission within 6 months after the selection of the auditor, and provided to the public utility company 60 days thereafter.

(g) REQUIRED NOTICES.—

(1) AFFILIATE CONTRACTS.—A State commission may order any public utility company that is an associate company of a registered holding company and that is subject to the jurisdiction of the State commission to provide quarterly reports listing any contracts, leases, transfers, or other transactions with an associate company engaged in activities described in subsection (a)(1).

(2) ACQUISITION OF AN INTEREST IN ASSOCIATE COMPANIES.—Within 10 days after the acquisition by a registered holding company of an interest in an associate company that will engage in activities described in subsection (a)(1), any public utility company that is an associate company of such company shall notify each State commission having jurisdiction over the retail rates of such public utility company of such acquisition. In the notice an officer on behalf of the public utility company shall attest that, based on then current information, such acquisition and related financing will not materially impair the ability of such public utility company to meet its public service responsibility, including its ability to raise necessary capital.

(h) DEFINITIONS.—Any term used in this section that is defined in the Public Utility Holding Company Act of 1935 (15 U.S.C. 79a et seq.) has the same meaning as it has in that Act. The terms "telecommunications service" and "information service" shall have the same meanings as those terms have in the Communications Act of 1934.

(i) IMPLEMENTATION.—Not later than 1 year after the date of enactment of this Act, the Federal Communications Commission shall promulgate such regulations as may be necessary to implement this section.

(j) EFFECTIVE DATE.—This section takes effect on the date of enactment of this Act.

SEC. 206. BROADCAST REFORM.

(a) SPECTRUM REFORM.—

(1) ADVANCED TELEVISION SPECTRUM SERVICES.—If the Commission by rule permits licensees to provide advanced television services, then—

(A) it shall adopt regulations that allow such licensees to make use of the advanced television spectrum for the transmission of ancillary or supplementary services if the licensees provide without charge to the public at least one advanced television program service as prescribed by the Commission that is intended for and available to the general public on the advanced television spectrum; and

(B) it shall apply similar rules to use of existing television spectrum.

(2) COMMISSION TO COLLECT FEES.—To the extent that a television broadcast licensee provides ancillary or supplementary services using existing or advanced television spectrum—

(A) for which payment of a subscription fee is required in order to receive such services, or

(B) for which the licensee directly or indirectly receives compensation from a third party in return for transmitting material furnished by such third party, other than payments to broadcast stations by third parties for transmission of program material or commercial advertising,

the Commission may collect from each such licensee an annual fee to the extent the existing or advanced television spectrum is used for such ancillary or supplementary services. In determining the amount of such fees, the Commission shall take into account the portion of the licensee's total existing or advanced television spectrum which is used for such services and the amount of time such services are provided. The amount of such fees to be collected for any such service shall not, in any event, exceed an amount equivalent on an annualized basis to the amount paid by providers of a competing service on spectrum subject to auction under section 309(j) of the Communications Act of 1934 (47 U.S.C. 309(j)).

(3) PUBLIC INTEREST REQUIREMENT.—Nothing in this section shall be construed as relieving a television broadcasting station from its obligation to serve the public interest, convenience, and necessity. In the Commission's review of any application for renewal of a broadcast license for a television station that provides ancillary or supplementary services, the television licensee shall establish that all of its program services on the existing or advanced television spectrum are in the public interest. Any violation of the Commission rules applicable to ancillary or supplementary services shall reflect upon the licensee's qualifications for renewal of its license.

(4) DEFINITIONS.—As used in this subsection—

(A) The term "advanced television services" means television services provided using digital or other advanced technology to enhance audio quality and video resolution.

(B) The term "existing" means spectrum generally in use for television broadcast purposes on the date of enactment of this Act.

(b) OWNERSHIP REFORM.—

(1) IN GENERAL.—The Commission shall modify its rules for multiple ownership set forth in 47 CFR 73.3555 by—

(A) eliminating the restrictions on the number of television stations owned under subdivisions (e)(1) (ii) and (iii); and

(B) changing the percentage set forth in subdivision (e)(2)(ii) from 25 percent to 35 percent.

(2) RADIO OWNERSHIP.—The Commission shall modify its rules set forth in 47 CFR 73.3555 by eliminating any provisions limiting the number of AM or FM broadcast stations which may be owned or controlled by one entity either nationally or in a particular market. The Commission may refuse to approve the transfer or issuance of an AM or FM broadcast license to a particular entity if it finds that the entity would thereby obtain an undue concentration of control or would thereby harm competition. Nothing in this section shall require or prevent the Commission from modifying its rules contained in 47 CFR 73.3555(c) governing the ownership of both radio and television broadcast stations in the same market.

(3) LOCAL MARKETING AGREEMENT.—Nothing in this Act shall be construed to prohibit the continuation or renewal of any television local marketing agreement that is in effect on the date of enactment of this Act and that is in compliance with the Commission's regulations.

(4) STATUTORY RESTRICTIONS.—Section 613 (47 U.S.C. 533) is amended by striking subsection (a) and inserting the following:

"(a) The Commission shall review its ownership rules biennially as part of its regulatory reform review under section 259.".

(5) CONFORMING CHANGES.—The Commission shall amend its rules to make any changes necessary to reflect the effect of this section on its rules.

(6) EFFECTIVE DATE.—The Commission shall make the modifications required by paragraphs (1) and (2) effective on the date of enactment of this Act.

(c) TERM OF LICENSES.—Section 307(c) (47 U.S.C. 307(c)) is amended by striking the first four sentences and inserting the following:

"No license shall be granted for a term longer than 10 years. Upon application, a renewal of such license may be granted from time to time for a term of not to exceed 10 years, if the Commission finds that the public interest, convenience, and necessity would be served thereby.".

(d) BROADCAST LICENSE RENEWAL PROCEDURES.—

(1) Section 309 (47 U.S.C. 309) is amended by adding at the end thereof the following:

"(k)(1)(A) Notwithstanding subsections (c) and (d), if the licensee of a broadcast station submits an application to the Commission for renewal of such license, the Commission shall grant the application if it finds, after notice and opportunity for comment, with respect to that station during the preceding term of its license, that—

"(i) the station has served the public interest, convenience, and necessity;

"(ii) there have been no serious violations by the licensee of this Act or the rules and regulations of the Commission; and

"(iii) there have been no other violations by the licensee of this Act or the rules and regulations of the Commission which, taken together, would constitute a pattern of abuse.

"(B) If any licensee of a broadcast station fails to meet the requirements of this subsection, the Commission may deny the application for renewal in accordance with paragraph (2), or grant such application on appropriate terms and conditions, including renewal for a term less than the maximum otherwise permitted.

"(2) If the Commission determines, after notice and opportunity for a hearing, that a licensee has failed to meet the requirements specified in paragraph (1)(A) and that no mitigating factors justify the imposition of lesser sanctions, the Commission shall—

"(A) issue an order denying the renewal application filed by such licensee under section 308; and

"(B) only thereafter accept and consider such applications for a construction permit as may be filed under section 308 specifying the channel or broadcasting facilities of the former licensee.

"(3) In making the determinations specified in paragraphs (1) or (2)(A), the Commission shall not consider whether the public interest, convenience, and necessity might be served by the grant of a license to a person other than the renewal applicant.".

(2) Section 309(d) (47 U.S.C. 309(d)) is amended by inserting "(or subsection (k) in the case of renewal of any broadcast station license)" after "with subsection (a)" each place it appears.

(3) The amendments made by this subsection apply to applications filed after May 31, 1995.

(4) This section shall operate only if the Commission shall amend its "Application for renewal of License for AM, FM, TV, Translator or LPTV Station" (FCC Form 303–S) to require that, for commercial TV applicants only, the applicant attach as an exhibit to the application a summary of written comments and suggestions received from the public and maintained by the licensee in accordance with section 73.1202 of title 47, Code of Federal Regulations, that comment on the applicant's programming, if any, characterized by the commentor as constituting violent programming.

Subtitle B—Termination of Modification of Final Judgment

SEC. 221. REMOVAL OF LONG DISTANCE RESTRICTIONS.

(a) IN GENERAL.—Part II of title II (47 U.S.C. 251 et seq.), as added by this Act, is amended by inserting after section 254 the following new section:

"SEC. 255. INTEREXCHANGE TELECOMMUNICATIONS SERVICES.

"(a) IN GENERAL.—Notwithstanding any restriction or obligation imposed before the date of enactment of the Telecommunications Act of 1995 under section II(D) of the Modification of Final Judgment, a Bell operating company, or any subsidiary or affiliate of a Bell operating company, that meets the requirements of this section may provide—

"(1) interLATA telecommunications services originating in any region in which it is the dominant provider of wireline telephone exchange service or exchange access service after the Commission determines that it has fully implemented the competitive checklist found in subsection (b)(2) in the area in which it seeks to provide interLATA telecommunications services, in accordance with the provisions of subsection (c);

"(2) interLATA telecommunications services originating in any area where that company is not the dominant provider of wireline telephone exchange service or exchange access service in accordance with the provisions of subsection (d); and

"(3) interLATA services that are incidental services in accordance with the provisions of subsection (e).

"(b) SPECIFIC INTERLATA INTERCONNECTION REQUIREMENTS.—

"(1) IN GENERAL.—A Bell operating company may provide interLATA services in accordance with this section only if that company has reached an interconnection agreement under section 251 and that agreement provides, at a minimum, for interconnection that meets the competitive checklist requirements of paragraph (2).

"(2) COMPETITIVE CHECKLIST.—Interconnection provided by a Bell operating company to other telecommunications carriers under section 251 shall include:

"(A) Nondiscriminatory access on an unbundled basis to the network functions and services of the Bell operating company's telecommunications network that is at least equal in type, quality, and price to the access the Bell operating company affords to itself or any other entity.

"(B) The capability to exchange telecommunications between customers of the Bell operating company and the telecommunications carrier seeking interconnection.

"(C) Nondiscriminatory access to the poles, ducts, conduits, and rights-of-way owned or controlled by the Bell operating company at just and reasonable rates where it has the legal authority to permit such access.

"(D) Local loop transmission from the central office to the customer's premises, unbundled from local switching or other services.

"(E) Local transport from the trunk side of a wireline local exchange carrier switch unbundled from switching or other services.

"(F) Local switching unbundled from transport, local loop transmission, or other services.

"(G) Nondiscriminatory access to—

"(i) 911 and E911 services;

"(ii) directory assistance services to allow the other carrier's customers to obtain telephone numbers; and

"(iii) operator call completion services.

"(H) White pages directory listings for customers of the other carrier's telephone exchange service.

"(I) Until the date by which neutral telephone number administration guidelines, plan, or rules are established, nondiscriminatory access to telephone numbers for assignment to the other carrier's telephone exchange service customers. After that date, compliance with such guidelines, plan, or rules.

"(J) Nondiscriminatory access to databases and associated signaling, including signaling links, signaling service control points, and signaling service transfer points, necessary for call routing and completion.

"(K) Until the date by which the Commission determines that final telecommunications number portability is technically feasible and must be made available, interim telecommunications number portability through remote call forwarding, direct inward dialing trunks, or other comparable arrangements, with as little impairment of functioning, quality, reliability, and convenience as possible. After that date, full compliance with final telecommunications number portability.

"(L) Nondiscriminatory access to whatever services or information may be necessary to allow the requesting carrier to implement local dialing parity in a manner that permits consumers to be able to dial the same number of digits when using any telecommunications carrier providing telephone exchange service or exchange access service.

"(M) Reciprocal compensation arrangements on a nondiscriminatory basis for the origination and termination of telecommunications.

"(N) Telecommunications services and network functions provided on an unbundled basis without any conditions or restrictions on the resale or sharing of those services or functions, including both origination and termination of telecommunications services, other than reasonable conditions required by the Commission or a State. For purposes of this subparagraph, it is not an unreasonable condition for the Commission or a State to limit the resale—

"(i) of services included in the definition of universal service to a telecommunications carrier who intends to resell that service to a category of customers different from the category of customers being offered that universal service by such carrier if the Commission or State orders a carrier to provide the same service to different categories of customers at different prices necessary to promote universal service; or

"(ii) of subsidized universal service in a manner that allows companies to charge another carrier rates which reflect the actual cost of providing those services to that carrier, exclusive of any universal service support received for providing such services in accordance with section 214(d)(5).

"(3) JOINT MARKETING OF LOCAL AND LONG DISTANCE SERVICES.—Until a Bell operating company is authorized to provide interLATA services in a telephone exchange area where that company is the dominant provider of wireline telephone exchange service or exchange access service, or until 36 months have passed since the enactment of the Telecommunications Act of 1995, whichever is earlier, a telecommunications carrier that serves greater than 5 percent of the Nation's presubscribed access lines may not jointly market in such telephone exchange area telephone exchange service purchased from such company with interLATA services offered by that telecommunications carrier.

"(4) COMMISSION MAY NOT EXPAND COMPETITIVE CHECKLIST.—The Commission may not, by rule or otherwise, limit or extend the terms used in the competitive checklist.

"(c) IN-REGION SERVICES.—

"(1) APPLICATION.—Upon the enactment of the Telecommunications Act of 1995, a Bell operating company or its affiliate may apply to the Commission for authorization notwithstanding the Modification of Final Judgment to provide interLATA telecommunications service originating in any area where such Bell operating company is the dominant provider of wireline telephone exchange service or exchange access service. The application shall describe with particularity the nature and scope of the activity and of each product market or service market, and each geographic market for which authorization is sought.

"(2) DETERMINATION BY COMMISSION.—

"(A) DETERMINATION.—Not later than 90 days after receiving an application under paragraph (1), the Commission shall issue a written determination, on the record after a hearing and opportunity for comment, granting or denying the application in whole or in part. Before making any determination under this subparagraph, the Commission shall consult with the Attorney General regarding the application. In consulting with the Commission under this subparagraph, the Attorney General may apply any appropriate standard.

"(B) APPROVAL.—The Commission may only approve the authorization requested in an application submitted under paragraph (1) if it finds that—

"(i) the petitioning Bell operating company has fully implemented the competitive checklist found in subsection (b)(2); and

"(ii) the requested authority will be carried out in accordance with the requirements of section 252,

and if the Commission determines that the requested authorization is consistent with the public interest, convenience, and necessity. If the Commission does not approve an application under this subparagraph, it shall state the basis for its denial of the application.

"(3) PUBLICATION.—Not later than 10 days after issuing a determination under paragraph (2), the Commission shall publish in the Federal Register a brief description of the determination.

"(4) JUDICIAL REVIEW.—

"(A) COMMENCEMENT OF ACTION.—Not later than 45 days after a determination by the Commission is published under paragraph (3), the Bell operating company or its subsidiary or affiliate that applied to the Commission under paragraph (1), or any person who would be threatened with loss or damage as a result of the determination regarding such company's engaging in the activity described in its application, may commence an action in any United States Court of Appeals against the Commission for judicial review of the determination regarding the application.

"(B) JUDGMENT.—

"(i) The Court shall enter a judgment after reviewing the determination in accordance with section 706 of title 5 of the United State Code.

"(ii) A judgment—

"(I) affirming any part of the determination that approves granting all or part of the requested authorization, or

"(II) reversing any part of the determination that denies all or part of the requested authorization,

shall describe with particularity the nature and scope of the activity, and of each product market or service market, and each geographic market, to which the affirmance or reversal applies.

"(5) REQUIREMENTS RELATING TO SEPARATE AFFILIATE; SAFEGUARDS; AND INTRALATA TOLL DIALING PARITY.—

"(A) SEPARATE AFFILIATE; SAFEGUARDS.—Other than interLATA services authorized by an order entered by the United States District Court for the District of Columbia pursuant to the Modification of Final Judgment before the date of enactment of the Telecommunications Act of 1995, a Bell operating company, or any affiliate of such a company, providing interLATA services authorized under this subsection may provide such interLATA services in that market only in accordance with the requirements of section 252.

"(B) INTRALATA TOLL DIALING PARITY.—

"(i) A Bell operating company granted authority to provide interLATA services under this subsection shall provide intraLATA toll dialing parity throughout that market coincident with its exercise of that authority. If the Commission finds that such a Bell operating company has provided interLATA service authorized under this clause before its implementation of intraLATA toll dialing parity throughout that market, or fails to maintain intraLATA toll dialing parity throughout that market, the Commission, except in cases of inadvertent interruptions or other events beyond the control of the Bell operating company, shall suspend the authority to provide interLATA service for that market until the Commission determines that intraLATA toll dialing parity is implemented or reinstated.

"(ii) Except for single-LATA States and States which have issued an order by June 1, 1995 requiring a Bell operating company to implement toll dialing parity, a State may not require a Bell operating company to implement toll dialing parity in an intraLATA area before a Bell operating company has been granted authority under this subsection to provide interLATA services in that area or before three years after the date of enactment of the Telecommunications Act of 1995, whichever is earlier. Nothing in this clause precludes a State from issuing an order requiring toll dialing parity in an intraLATA area prior to either such date so long as such order does not take effect until after the earlier of either such dates.

"(iii) In any State in which intraLATA toll dialing parity has been implemented prior to the earlier date specified in clause (ii), no telecommunications carrier that serves greater than five percent of the Nation's presubscribed access lines may jointly market interLATA telecommunications services and intraLATA toll telecommunications services in a telephone exchange area in such State until a Bell operating company is authorized under this subsection to provide interLATA services in such telephone exchange area or until three years after the date of enactment of the Telecommunications Act of 1995, whichever is earlier.

"(d) OUT-OF-REGION SERVICES.—Effective on the date of enactment of the Telecommunications Act of 1995, a Bell operating company or its affiliate may provide interLATA telecommunications services originating in any area where such company is not the dominant provider of wireline telephone exchange service or exchange access service.

"(e) INCIDENTAL SERVICES.—

"(1) IN GENERAL.—Effective on the date of enactment of the Telecommunications Act of 1995, a Bell operating company or its affiliate may provide interLATA services that are incidental to—

"(A)(i) providing audio programming, video programming, or other programming services to subscribers of such company,

"(ii) providing the capability for interaction by such subscribers to select or respond to such audio programming, video programming, or other programming services, to order, or control transmission of the programming, polling or balloting, and ordering other goods or services,

"(iii) providing to distributors audio programming or video programming that such company owns, controls, or is licensed by the copyright owner of such programming, or by an assignee of such owner, to distribute, or

"(iv) providing alarm monitoring services,

"(B) providing—

"(i) a telecommunications service, using the transmission facilities of a cable system that is an affiliate of such company, between LATAs within a cable system franchise area in which such company is not, on the date of enactment of the Telecommunications Act of 1995, a provider of wireline telephone exchange service, or

"(ii) two-way interactive video services or Internet services over dedicated facilities to or for elementary and secondary schools as defined in section 264(d),

"(C) providing a service that permits a customer that is located in one LATA to retrieve stored information from, or file information for storage in, information storage facilities of such company that are located in another LATA area, so long as the customer acts affirmatively to initiate the storage or retrieval of information, except that—

"(i) such service shall not cover any service that establishes a direct connection between end users or any real-time voice and data transmission,

"(ii) such service shall not include voice, data, or facsimile distribution services in which the Bell operating company or affiliate forwards customer-supplied information to customer- or carrier-selected recipients,

"(iii) such service shall not include any service in which the Bell operating company or affiliate searches for and connects with the intended recipient of information, or any service in which the Bell operating company or affiliate automatically forwards stored voicemail or other information to the intended recipient, and

"(iv) customers of such service shall not be billed a separate charge for the interLATA telecommunications furnished in conjunction with the provision of such service,

"(D) providing signaling information used in connection with the provision of telephone exchange service or exchange access service to another local exchange carrier; or

"(E) providing network control signaling information to, and receiving such signaling information from, interexchange carriers at any location within the area in which such company provides telephone exchange service or exchange access service.

"(2) LIMITATIONS.—The provisions of paragraph (1) are intended to be narrowly construed. The transmission facilities used by a Bell operating company or affiliate thereof to provide interLATA telecommunications under paragraph (1)(C) and subsection (f) shall be leased by that company from unaffiliated entities on terms and conditions (including price) no more favorable than those available to the competitors of that company until that Bell operating company receives authority to provide interLATA services under subsection (c). The interLATA services provided under paragraph (1)(A) are limited to those interLATA transmissions incidental to the provision by a Bell operating company or its affiliate of video, audio, and other programming services that the company or its affiliate is engaged in providing to the public. A Bell operating company may not provide telecommunications services not described in paragraph (1) without receiving the approvals required by subsection (c). The provision of services authorized under this subsection by a Bell operating company or its affiliate shall not adversely affect telephone exchange ratepayers or competition in any telecommunications market.

"(f) COMMERCIAL MOBILE SERVICE.—A Bell operating company may provide interLATA commercial mobile service except where such service is a replacement for land line telephone exchange service for a substantial portion of the land line telephone exchange service in a State in accordance with section 322(c) and with the regulations prescribed by the Commission.

"(g) DEFINITIONS.—As used in this section—

"(1) AUDIO PROGRAMMING SERVICES.—The term 'audio programming services' means programming provided by, or generally considered to be comparable to programming provided by, a radio broadcast station.

"(2) VIDEO PROGRAMMING SERVICES; OTHER PROGRAMMING SERVICES.—The terms 'video programming service' and 'other programming services' have the same meanings as such terms have under section 602 of this Act.

"(h) CERTAIN SERVICE APPLICATIONS TREATED AS IN-REGION SERVICE APPLICATIONS.—For purposes of this section, a Bell operating company application to provide 800 service, private line service, or their equivalents that—

"(1) terminate in an area where the Bell operating company is the dominant provider of wireline telephone exchange service or exchange access service, and

"(2) allow the called party to determine the interLATA carrier,

shall be considered an in-region service subject to the requirements of subsection (c) and not of subsection (d).".

(b) LONG DISTANCE ACCESS FOR COMMERCIAL MOBILE SERVICES.—

(1) IN GENERAL.—Notwithstanding any restriction or obligation imposed pursuant to the Modification of Final Judgment or other consent decree or proposed consent decree prior to the date of enactment of this Act, a person engaged in the provision of commercial mobile services (as defined in section 332(d)(1) of the Communications Act of 1934), insofar as such person is so engaged, shall not be required by court order or otherwise to provide equal access to interexchange telecommunications carriers, except as provided by this section. Such a person shall ensure that its subscribers can obtain unblocked access to the provider of interexchange services of the subscriber's choice through the use of an interexchange carrier identification code assigned to such provider, except that the requirements for unblocking shall not apply to mobile satellite services unless the Commission finds it to be in the public interest.

(2) EQUAL ACCESS REQUIREMENT CONDITIONS.—The Commission may only require a person engaged in the provision of commercial mobile services to provide equal access to interexchange carriers if—

(A) such person, insofar as such person is so engaged, is subject to the interconnection obligations of section 251(a) of the Communications Act of 1934, and

(B) the Commission finds that such requirement is in the public interest.

SEC. 222. REMOVAL OF MANUFACTURING RESTRICTIONS.

(a) IN GENERAL.—Part II of title II (47 U.S.C. 251 et seq.), as added by this Act, is amended by inserting after section 255 the following new section:

"SEC. 256. REGULATION OF MANUFACTURING BY BELL OPERATING COMPANIES.

"(a) AUTHORIZATION.—

"(1) IN GENERAL.—Notwithstanding any restriction or obligation imposed before the date of enactment of the Telecommunications Act of 1995 pursuant to the Modification of Final Judgment on the lines of business in which a Bell operating company may engage, if the Commission authorizes a Bell operating company to provide interLATA services under section 255, then that company may be authorized by the Commission to manufacture and provide telecommunications equipment, and to manufacture customer premises equipment, at any time after that determination is made, subject to the requirements of this section and the regulations prescribed, except that neither a Bell operating company nor any of its affiliates may engage in such manufacturing in conjunction with a Bell operating company not so affiliated or any of its affiliates.

"(2) CERTAIN RESEARCH AND DESIGN ARRANGEMENTS; ROYALTY AGREEMENTS.—Upon adoption of rules by the Commission under section 252, a Bell operating company may—

"(A) engage in research and design activities related to manufacturing, and

"(B) enter into royalty agreements with manufacturers of telecommunications equipment.

"(b) SEPARATE AFFILIATE; SAFEGUARDS.—Any manufacturing or provision of equipment authorized under subsection (a) shall be conducted in accordance with the requirements of section 252.

"(c) PROTECTION OF SMALL TELEPHONE COMPANY INTERESTS.—

"(1) EQUIPMENT TO BE MADE AVAILABLE TO OTHERS.—A manufacturing affiliate of a Bell operating company shall make available, without discrimination or self-preference as to price, delivery, terms, or conditions, to all local exchange carriers, for use with the public telecommunications network, any telecommunications equipment, including software integral to such telecommunications equipment, including upgrades, manufactured by such affiliate if each such purchasing carrier—

"(A) does not manufacture telecommunications equipment or have an affiliate which manufactures telecommunications equipment; or

"(B) agrees to make available, to the Bell operating company that is the parent of the manufacturing affiliate or any of the local exchange carrier affiliates of such Bell company, any telecommunications equipment, including software integral to such telecommunications equipment, including upgrades, manufactured for use with the public telecommunications network by such purchasing carrier or by any entity or organization with which such purchasing carrier is affiliated.

"(2) NON-DISCRIMINATION STANDARDS.—

"(A) A Bell operating company and any entity acting on its behalf shall make procurement decisions and award all supply contracts for equipment, services, and software on the basis of open, competitive bidding, and an objective assessment of price, quality, delivery, and other commercial factors.

"(B) A Bell operating company and any entity it owns or otherwise controls, or which is acting on its behalf or on behalf of its affiliate, shall permit any person to participate fully on a non-discriminatory basis in the process of establishing standards and certifying equipment used in or interconnected to the public telecommunications network.

"(C) A Bell operating company shall, consistent with the antitrust laws, engage in joint network planning and design with local exchange carriers operating in the same area of interest. No participant in such planning shall be allowed to delay the introduction of new technology or the deployment of facilities to provide telecommunications services, and agreement with such other carriers shall not be required as a prerequisite for such introduction or deployment. A Bell operating company shall provide, to other local exchange carriers operating in the same area of interest, timely information on the planned deployment of telecommunications equipment, including software integral to such telecommunications equipment and upgrades of that software.

"(D) A manufacturing affiliate of a Bell operating company may not restrict sales to any local exchange carrier of telecommunications equipment, including software integral to the operation of such equipment and related upgrades.

"(E) A Bell operating company and any entity it owns or otherwise controls shall protect the proprietary information submitted with contract bids and in the standards and certification processes from release not specifically authorized by the owner of such information.

"(d) COLLABORATION WITH OTHER MANUFACTURERS.—A Bell operating company and its affiliates may engage in close collaboration with any manufacturer of customer premises equipment or telecommunications equipment not affiliated with a Bell operating company during the design and development of hardware, software, or combinations thereof relating to such equipment.

"(e) INFORMATION ON PROTOCOLS AND TECHNICAL REQUIREMENTS.—The Commission shall prescribe regulations to require that each Bell operating company shall maintain and file with the Commission full and complete information with respect to the protocols and technical requirements for connection with and use of its telephone exchange service facilities. Such regulations shall require each such Bell company to report promptly to the Commission any material changes or planned changes to such protocols and requirements, and the schedule for implementation of such changes or planned changes.

"(f) ADDITIONAL RULES AND REGULATIONS.—The Commission may prescribe such additional rules and regulations as the Commission determines are necessary to carry out the provisions of this section, and otherwise to prevent discrimination and cross-subsidization in a Bell operating company's dealings with its affiliate and with third parties.

"(g) ADMINISTRATION AND ENFORCEMENT.—

"(1) COMMISSION AUTHORITY.—For the purposes of administering and enforcing the provisions of this section and the regulations prescribed under this section, the Commission shall have the same authority, power, and functions with respect to any Bell operating company as the Commission has in administering and enforcing the provisions of this title with respect to any common carrier subject to this Act.

"(2) CIVIL ACTIONS BY INJURED PARTIES.—Any party injured by an act or omission of a Bell operating company or its manufacturing affiliate which violates the requirements of paragraph (1) or (2) of subsection (c), or the Commission's regulations implementing such paragraphs, may initiate an action in a district court of the United States to recover the full amount of damages sustained in consequence of any such violation and obtain such orders from the court as are necessary to terminate existing violations and to prevent future violations; or such party may seek relief from the Commission pursuant to sections 206 through 209.

"(h) APPLICATION TO BELL COMMUNICATIONS RESEARCH.—Nothing in this section—

"(1) provides any authority for Bell Communications Research, or any successor entity, to manufacture or provide telecommunications equipment or to manufacture customer premises equipment; or

"(2) prohibits Bell Communications Research, or any successor entity, from engaging in any activity in which it is lawfully engaged on the date of enactment of the Telecommunications Act of 1995, including providing a centralized organization for the provision of engineering, administrative, and other services (including serving as a single point of contact for coordination of the Bell operating companies to meet national security and emergency preparedness requirements).

"(i) DEFINITIONS.—As used in this section—

"(1) The term 'customer premises equipment' means equipment employed on the premises of a person (other than a carrier) to originate, route, or terminate telecommunications.

"(2) The term 'manufacturing' has the same meaning as such term has in the Modification of Final Judgment.

"(3) The term 'telecommunications equipment' means equipment, other than customer premises equipment, used by a carrier to provide telecommunications services.".

(b) EFFECT ON PRE-EXISTING MANUFACTURING AUTHORITY.—Nothing in this section, or in section 256 of the Communications Act of 1934 as added by this section, prohibits any

Bell operating company from engaging, directly or through any affiliate, in any manufacturing activity in which any Bell operating company or affiliate was authorized to engage on the date of enactment of this Act.

SEC. 223. EXISTING ACTIVITIES.

Nothing in this Act, or any amendment made by this Act, prohibits a Bell operating company from engaging, at any time after the date of enactment of this Act, in any activity authorized by an order entered by the United States District Court for the District of Columbia pursuant to section VII or VIII(C) of the Modification of Final Judgment, if such order was entered on or before the date of enactment of this Act.

SEC. 224. ENFORCEMENT.

(a) IN GENERAL.—Part II of title II (47 U.S.C. 251 et seq.), as added by this Act, is amended by inserting after section 256 the following:

"SEC. 257. ENFORCEMENT.

"(a) IN GENERAL.—In addition to any penalty, fine, or other enforcement remedy under this Act, the failure by a telecommunications carrier to implement the requirements of section 251 or 255, including a failure to comply with the terms of an interconnection agreement approved under section 251, is punishable by a civil penalty of not to exceed $1,000,000 per offense. Each day of a continuing offense shall be treated as a separate violation for purposes of levying any penalty under this subsection.

"(b) NONCOMPLIANCE WITH INTERCONNECTION OR SEPARATE SUBSIDIARY REQUIREMENTS.—

"(1) A Bell operating company that repeatedly, knowingly, and without reasonable cause fails to implement an interconnection agreement approved under section 251, to comply with the requirements of such agreement after implementing them, or to comply with the separate affiliate requirements of this part may be fined up to $500,000,000 by a district court of the United States of competent jurisdiction.

"(2) A Bell operating company that repeatedly, knowingly, and without reasonable cause fails to meet its obligations under section 255 for the provision of interLATA service may have its authority to provide any service suspended if its right to provide that service is conditioned upon its meeting those obligations.

"(c) ENFORCEMENT BY PRIVATE RIGHT OF ACTION.—

"(1) DAMAGES.—Any person who is injured in its business or property by reason of a violation of section 251 or 255 may bring a civil action in any district court of the United States in the district in which the defendant resides or is found or has an agent, without respect to the amount in controversy.

"(2) INTEREST.—The court may award under this section, pursuant to a motion by such person promptly made, simple interest on actual damages for the period beginning on the date of service of such person's pleading setting forth a claim under this title and ending on the date of judgment, or for any shorter period therein, if the court finds that the award of such interest for such period is just in the circumstances.

"(d) PAYMENT OF CIVIL PENALTIES, DAMAGES, OR INTEREST.—No civil penalties, damages, or interest assessed against any local exchange carrier as a result of a violation referred to in this section will be charged directly or indirectly to that company's rate payers.".

(b) CERTAIN BROADCASTS.—Section 1307(a)(2) of title 18, United States Code, is amended—

(1) by striking "or" after the semicolon at the end of subparagraph (A);

(2) by striking the period at the end of subparagraph (B) and inserting a semicolon and "or"; and

(3) by adding at the end thereof the following:

"(C) conducted by a commercial organization and is contained in a publication published in a State in which such activities or the publication of such activities are authorized or not otherwise prohibited, or broadcast by a radio or television station licensed in a State in which such activities or the broadcast of such activities are authorized or not otherwise prohibited.".

SEC. 225. ALARM MONITORING SERVICES.

Part II of title II (47 U.S.C. 251 et seq.), as added by this Act, is amended by inserting after section 257 the following new section:

"SEC. 258. REGULATION OF ENTRY INTO ALARM MONITORING SERVICES.

"(a) IN GENERAL.—Except as provided in this section, a Bell operating company, or any affiliate of that company, may not provide alarm monitoring services for the protection of life, safety, or property. A Bell operating company may transport alarm monitoring service signals on a common carrier basis only.

"(b) AUTHORITY TO PROVIDE ALARM MONITORING SERVICES.—Beginning 4 years after the date of enactment of the Telecommunications Act of 1995, a Bell operating company may provide alarm monitoring services for the protection of life, safety, or property if it has been authorized to provide interLATA services under section 255 unless the Commission finds that the provision of alarm monitoring services by such company is not in the public interest. The Commission may not find that provision of alarm monitoring services by a Bell operating company is in the public interest until it finds that it has the capability effectively to enforce any requirements, limitations, or conditions that may be placed upon a Bell operating company in the provision of alarm monitoring services, including the regulations prescribed under subsection (c).

"(c) REGULATIONS REQUIRED.—

"(1) Not later than 1 year after the date of enactment of the Telecommunications Act of 1995, the Commission shall prescribe regulations—

"(A) to establish such requirements, limitations, or conditions as are—

"(i) necessary and appropriate in the public interest with respect to the provision of alarm monitoring services by Bell operating companies and their affiliates, and

"(ii) effective at such time as a Bell operating company or any of its subsidiaries or affiliates is authorized to provide alarm monitoring services; and

"(B) to establish procedures for the receipt and review of complaints concerning violations by such companies of such regulations, or of any other provision of this Act or the regulations thereunder, that result in material financial harm to a provider of alarm monitoring services.

"(2) A Bell operating company, its affiliates, and any local exchange carrier are prohibited from recording or using in any fashion the occurrence or contents of calls received by providers of alarm monitoring services for the purposes of marketing such services on behalf of the Bell operating company, any of its affiliates, the local exchange carrier, or any other entity. Any regulations necessary to enforce this paragraph shall be issued initially within 6 months after the date of enactment of the Telecommunications Act of 1995.

"(d) EXPEDITED CONSIDERATION OF COMPLAINTS.—The procedures established under subsection (c) shall ensure that the Commission will make a final determination with respect to any complaint described in such subsection within 120 days after receipt of the complaint. If the complaint contains an appropriate showing that the alleged violation occurred, as determined by the Commission in accordance with such regulations, the Commission shall, within 60 days after receipt of the complaint, issue a cease and desist order to prevent the Bell operating company and its subsidiaries and affiliates from continuing to engage in such violation pending such final determination.

"(e) REMEDIES.—The Commission may use any remedy available under title V of this Act to terminate and to impose sanctions on violations described in subsection (c). Such remedies may include, if the Commission determines that such violation was willful or repeated, ordering the Bell operating company or its affiliate to cease offering alarm monitoring services.

"(f) SAVINGS PROVISION.—Subsections (a) and (b) do not prohibit or limit the provision of alarm monitoring services by a Bell operating company or an affiliate that was engaged in providing those services as of June 1, 1995, to the extent that such company—

"(1) continues to provide those services through the affiliate through which it was providing them on that date; and

"(2) does not acquire, directly or indirectly, an equity interest in another entity engaged in providing alarm monitoring services.

"(g) ALARM MONITORING SERVICES DEFINED.—As used in this section, the term 'alarm monitoring services' means services that detect threats to life, safety, or property by burglary, fire, vandalism, bodily injury, or other emergency through the use of devices that transmit signals to a central point in a customer's residence, place of business, or other fixed premises which—

"(1) retransmits such signals to a remote monitoring center by means of telecommunications facilities of the Bell operating company and any subsidiary or affiliate; and

"(2) serves to alert persons at the monitoring center of the need to inform customers, other persons, or police, fire, rescue, or other security or public safety personnel of the threat at such premises.

Such term does not include medical monitoring devices attached to individuals for the automatic surveillance of ongoing medical conditions.".

SEC. 226. NONAPPLICABILITY OF MODIFICATION OF FINAL JUDGMENT.

Notwithstanding any other provision of law or of any judicial order, no person shall be subject to the provisions of the Modification of Final Judgment solely by reason of having acquired commercial mobile service or private mobile service assets or operations previously owned by a Bell operating company or an affiliate of a Bell operating company.

TITLE III—AN END TO REGULATION

SEC. 301. TRANSITION TO COMPETITIVE PRICING.

(a) PRICING FLEXIBILITY.—

(1) IN GENERAL.—The Commission and the States shall provide to telecommunications carriers price flexibility in the rates charged consumers for the provision of telecommunications services within one year after the date of enactment of this Act. The Commission or a State may establish the rate consumers may be charged for services included in the definition of universal service, as well as the contribution, if any, that all carriers must contribute for the preservation and advancement of universal service. Pricing

flexibility implemented pursuant to this section for the purpose of allowing a regulated telecommunications provider to respond to competition by repricing services subject to competition shall not have the effect of using noncompetitive services to subsidize competitive services.

(2) CONSUMER PROTECTION.—The Commission and the States shall ensure that rates for telephone service remain just, reasonable, and affordable as competition develops for telephone exchange service and telephone exchange access service. Until sufficient competition exists in a market, the Commission or a State may establish the rate that a carrier may charge for any such service if such rate is necessary for the protection of consumers. Any such rate shall cease to be regulated whenever the Commission or a State determines that it is no longer necessary for the protection of consumers. The Commission shall establish cost allocation guidelines for facilities owned by an essential telecommunications carrier that are used for the provision of both services included in the definition of universal service and video programming sold by such carrier directly to subscribers, if such allocation is necessary for the protection of consumers.

(3) RATE-OF-RETURN REGULATION ELIMINATED.—

(A) In instituting the price flexibility required under paragraph (1) the Commission and the States shall establish alternative forms of regulation for Tier 1 telecommunications carriers that do not include regulation of the rate of return earned by such carrier as part of a plan that provides for any or all of the following—

(i) the advancement of competition in the provision of telecommunications services;

(ii) improvements in productivity;

(iii) improvements in service quality;

(iv) measures to ensure customers of noncompetitive services do not bear the risks associated with the provision of competitive services;

(v) enhanced telecommunications services for educational institutions; or

(vi) any other measures Commission or a State, as appropriate, determines to be in the public interest.

(B) The Commission or a State, as appropriate, may apply such alternative forms of regulation to any other telecommunications carrier that is subject to rate of return regulation under this Act.

(C) Any such alternative form of regulation—

(i) shall be consistent with the objectives of preserving and advancing universal service, guaranteeing high quality service, ensuring just, reasonable, and affordable rates, and encouraging economic efficiency; and

(ii) shall meet such other criteria as the Commission or a State, as appropriate, finds to be consistent with the public interest, convenience, and necessity.

(D) Nothing in this section shall prohibit the Commission, for interstate services, and the States, for intrastate services, from considering the profitability of telecommunications carriers when using alternative forms of regulation other than rate of return regulation (including price regulation and incentive regulation) to ensure that regulated rates are just and reasonable.

(b) TRANSITION PLAN REQUIRED.—If the Commission or a State adopts rules for the distribution of support payments under section 253 of the Communications Act of 1934, as amended by this Act, such rules shall include a transition plan to allow essential telecommunications carriers to provide for an orderly transition from the universal service support mechanisms in existence upon the date of enactment of this Act and the support mechanisms established by the Commission and the States under this Act or the Communications Act of 1934 as amended by this Act. Any such transition plan shall—

(1) provide a phase-in of the price flexibility requirements under subsection (a) for an essential telecommunications carrier that is also a rural telephone company; and

(2) require the United States Government and the States, where permitted by law, to modify any regulatory requirements (including conditions for the repayment of loans and the depreciation of assets) applicable to carriers designated as essential telecommunications carriers in order to more accurately reflect the conditions that would be imposed in a competitive market for similar assets or services.

(c) DUTY TO PROVIDE SUBSCRIBER LIST INFORMATION.—

(1) IN GENERAL.—A carrier that provides local exchange telephone service shall provide subscriber list information gathered in its capacity as a provider of such service on a timely and unbundled basis, under nondiscriminatory and reasonable rates, terms, and conditions, to any person requesting such information for the purpose of publishing directories in any format.

(2) SUBSCRIBER LIST INFORMATION DEFINED.—As used in this subsection, the term "subscriber list information" means any information—

(A) identifying the listed names of subscribers of a carrier and such subscribers' listed telephone numbers, addresses, or primary advertising classifications, as such classifications are assigned at the time of the establishment of service, or any combination of such names, numbers, addresses, or classifications; and

(B) that the carrier or an affiliate has published, caused to be published, or accepted for publication in a directory in any format.

(d) CONFIDENTIALITY.—A telecommunications carrier has a duty to protect the confidentiality of proprietary information of, and relating to, other common carriers and customers, including common carriers reselling the telecommunications services provided by a telecommunications carrier. A telecommunications carrier that receives such information from another carrier for purposes of provisioning, billing, or facilitating the resale of its service shall use such information only for such purpose, and shall not use such information for its own marketing efforts. Nothing in this subsection prohibits a carrier from using customer information obtained from its customers, either directly or indirectly through its agents—

(1) to provide, market, or bill for its services; or

(2) to perform credit evaluations on existing or potential customers.

(e) REGULATORY RELIEF.—

(1) STREAMLINED PROCEDURES FOR CHANGES IN CHARGES, CLASSIFICATIONS, REGULATIONS, OR PRACTICES.—

(A) Section 204(a) (47 U.S.C. 204(a)) is amended—

(i) by striking "12 months" the first place it appears in paragraph (2)(A) and inserting "5 months";

(ii) by striking "effective," and all that follows in paragraph (2)(A) and inserting "effective."; and

(iii) by adding at the end thereof the following:

"(3) A local exchange carrier may file with the Commission a new or revised charge, classification, regulation, or practice on a streamlined basis. Any such charge, classification, regulation, or practice shall be deemed lawful and shall be effective 7 days (in the case of a reduction in rates) or 15 days (in the case of an increase in rates) after the date on which it is filed with the Commission unless the Commission takes action under paragraph (1) before the end of that 7-day or 15-day period, as is appropriate.".

(B) Section 208(b) (47 U.S.C. 208(b)) is amended—

(i) by striking "12 months" the first place it appears in paragraph (1) and inserting "5 months"; and

(ii) by striking "filed," and all that follows in paragraph (1) and inserting "filed.".

(2) EXTENSIONS OF LINES UNDER SECTION 214; ARMIS REPORTS.—Notwithstanding section 305, the Commission shall permit any local exchange carrier—

(A) to be exempt from the requirements of section 214 of the Communications Act of 1934 for the extension of any line; and

(B) to file cost allocation manuals and ARMIS reports annually, to the extent such carrier is required to file such manuals or reports.

(3) FOREBEARANCE AUTHORITY NOT LIMITED.—Nothing in this subsection shall be construed to limit the authority of the Commission or a State to waive, modify, or forebear from applying any of the requirements to which reference is made in paragraph (1) under any other provision of this Act or other law.

SEC. 302. BIENNIAL REVIEW OF REGULATIONS; ELIMINATION OF UNNECESSARY REGULATIONS AND FUNCTIONS.

(a) BIENNIAL REVIEW.—Part II of title II (47 U.S.C. 251 et seq.), as added by this Act, is amended by inserting after section 258 the following new section:

"SEC. 259. REGULATORY REFORM.

"(a) BIENNIAL REVIEW OF REGULATIONS.—In every odd-numbered year (beginning with 1997), the Commission, with respect to its regulations under this Act, and a Federal-State Joint Board established under section 410, for State regulations—

"(1) shall review all regulations issued under this Act, or under State law, in effect at the time of the review that apply to operations or activities of providers of any telecommunications services; and

"(2) shall determine whether any such regulation is no longer necessary in the public interest as the result of meaningful economic competition between the providers of such service.

"(b) EFFECT OF DETERMINATION.—The Commission shall repeal any regulation it determines to be no longer necessary in the public interest. The Joint Board shall notify the Governor of any State of any State regulation it determines to be no longer necessary in the public interest.

"(c) CLASSIFICATION OF CARRIERS.—In classifying carriers according to 47 CFR 32.11 and in establishing reporting requirements pursuant to 47 CFR part 43 and 47 CFR 64.903, the Commission shall adjust the revenue requirements to account for inflation as of the release date of the Commission's Report and Order in CC Docket No. 91-141, and annually thereafter. This subsection shall take effect on the date of enactment of the Telecommunications Act of 1995.".

(b) ELIMINATION OF UNNECESSARY COMMISSION REGULATIONS AND FUNCTIONS.—

(1) REPEAL SETTING OF DEPRECIATION RATES.—The first sentence of section 220(b) (47 U.S.C. 220(b)) is amended by striking

"shall prescribe for such carriers" and inserting "may prescribe, for such carriers as it determines to be appropriate,".

(2) USE OF INDEPENDENT AUDITORS.—Section 220(c) (47 U.S.C. 220(c)) is amended by adding at the end thereof the following: "The Commission may obtain the services of any person licensed to provide public accounting services under the law of any State to assist with, or conduct, audits under this section. While so employed or engaged in conducting an audit for the Commission under this section, any such person shall have the powers granted the Commission under this subsection and shall be subject to subsection (f) in the same manner as if that person were an employee of the Commission.".

(3) SIMPLIFICATION OF FEDERAL-STATE COORDINATION PROCESS.—The Commission shall simplify and expedite the Federal-State coordination process under section 410 of the Communications Act of 1934.

(4) PRIVATIZATION OF SHIP RADIO INSPECTIONS.—Section 385 (47 U.S.C. 385) is amended by adding at the end thereof the following: "In accordance with such other provisions of law as apply to Government contracts, the Commission may enter into contracts with any person for the purpose of carrying out such inspections and certifying compliance with those requirements, and may, as part of any such contract, allow any such person to accept reimbursement from the license holder for travel and expense costs of any employee conducting an inspection or certification.".

(5) MODIFICATION OF CONSTRUCTION PERMIT REQUIREMENT.—Section 319(d) (47 U.S.C. 319(d)) is amended by striking the third sentence and inserting the following: "The Commission may waive the requirement for a construction permit with respect to a broadcasting station in circumstances in which it deems prior approval to be unnecessary. In those circumstances, a broadcaster shall file any related license application within 10 days after completing construction.".

(6) LIMITATION ON SILENT STATION AUTHORIZATIONS.—Section 312 (47 U.S.C. 312) is amended by adding at the end the following:

"(g) If a broadcasting station fails to transmit broadcast signals for any consecutive 12-month period, then the station license granted for the operation of that broadcast station expires at the end of that period, notwithstanding any provision, term, or condition of the license to the contrary.".

(7) EXPEDITING INSTRUCTIONAL TELEVISION FIXED SERVICE PROCESSING.—The Commission shall delegate, under section 5(c) of the Communications Act of 1934, the conduct of routine instructional television fixed service cases to its staff for consideration and final action.

(8) DELEGATION OF EQUIPMENT TESTING AND CERTIFICATION TO PRIVATE LABORATORIES.—Section 302 (47 U.S.C. 302) is amended by adding at the end the following:

"(e) The Commission may—

"(1) authorize the use of private organizations for testing and certifying the compliance of devices or home electronic equipment and systems with regulations promulgated under this section;

"(2) accept as prima facie evidence of such compliance the certification by any such organization; and

"(3) establish such qualifications and standards as it deems appropriate for such private organizations, testing, and certification.".

(9) MAKING LICENSE MODIFICATION UNIFORM.—Section 303(f) (47 U.S.C. 303(f)) is amended by striking "unless, after a public hearing," and inserting "unless".

(10) PERMIT OPERATION OF DOMESTIC SHIP AND AIRCRAFT RADIOS WITHOUT LICENSE.—Section 307(e) (47 U.S.C. 307(e)) is amended by—

(A) striking "service and the citizens band radio service" in paragraph (1) and inserting "service, citizens band radio service, domestic ship radio service, domestic aircraft radio service, and personal radio service"; and

(B) striking "service' and 'citizens band radio service'" in paragraph (3) and inserting "service', 'citizens band radio service', 'domestic ship radio service', 'domestic aircraft radio service', and 'personal radio service'".

(11) EXPEDITED LICENSING FOR FIXED MICROWAVE SERVICE.—Section 309(b)(2) (47 U.S.C. 309(b)(2)) is amended by striking subparagraph (A) and redesignating subparagraphs (B) through (G) as (A) through (F), respectively.

(12) ELIMINATE FCC JURISDICTION OVER GOVERNMENT-OWNED SHIP RADIO STATIONS.—

(A) Section 305 (47 U.S.C. 305) is amended by striking subsection (b) and redesignating subsections (c) and (d) as (b) and (c), respectively.

(B) Section 382(2) (47 U.S.C. 382(2)) is amended by striking "except a vessel of the United States Maritime Administration, the Inland and Coastwise Waterways Service, or the Panama Canal Company,".

(13) MODIFICATION OF AMATEUR RADIO EXAMINATION PROCEDURES.—

(A) Section 4(f)(H)(N) (47 U.S.C. 4(f)(4)(B)) is amended by striking "transmissions, or in the preparation or distribution of any publication used in preparation for obtaining amateur station operator licenses," and inserting "transmission".

(B) The Commission shall modify its rules governing the amateur radio examination process by eliminating burdensome record maintenance and annual financial certification requirements.

(14) STREAMLINE NON-BROADCAST RADIO LICENSE RENEWALS.—The Commission shall modify its rules under section 309 of the Communications Act of 1934 (47 U.S.C. 309) relating to renewal of nonbroadcast radio licenses so as to streamline or eliminate comparative renewal hearings where such hearings are unnecessary or unduly burdensome.

SEC. 303. REGULATORY FORBEARANCE.

Part II of title II (47 U.S.C. 251 et seq.), as added by this Act, is amended by inserting after section 259 the following new section:

"SEC. 260. COMPETITION IN PROVISION OF TELECOMMUNICATIONS SERVICE.

"(a) REGULATORY FLEXIBILITY.—Notwithstanding section 332(c)(1)(A) of this Act, the Commission shall forbear from applying any regulation or any provision of this Act to a telecommunications carrier or service, or class of carriers or services, in any or some of its or their geographic markets if the Commission determines that—

"(1) enforcement of such regulation or provision is not necessary to ensure that the charges, practices, classifications, or regulations by, for, or in connection with that carrier or service are just and reasonable and are not unjustly or unreasonably discriminatory;

"(2) enforcement of such regulation or provision is not necessary for the protection of consumers or the preservation and advancement of universal service; and

"(3) forbearance from applying such regulation or provision is consistent with the public interest.

"(b) COMPETITIVE EFFECT TO BE WEIGHED.—In making the determination under subsection (a)(3), the Commission shall consider whether forbearance from enforcing the regulation or provision will promote competitive market conditions, including the extent to which such forbearance will enhance competition among providers of telecommunications services. If the Commission determines that such forbearance will promote competition among providers of telecommunications services, that determination may be the basis for a Commission finding that forbearance is in the public interest.

"(c) END OF REGULATION PROCESS.—Any telecommunications carrier, or class of telecommunications carriers, may submit a petition to the Commission requesting that the Commission exercise the authority granted under this section with respect to that carrier or those carriers, or any service offered by that carrier or carriers. Any such petition shall be deemed granted if the Commission does not deny the petition for failure to meet the requirements for forebearance under subsection (a) within 90 days after the Commission receives it, unless the 90-day period is extended by the Commission. The Commission may extend the initial 90-day period by an additional 60 days if the Commission finds that an extension is necessary to meet the requirements of subsection (a). The Commission may grant or deny a petition in whole or in part and shall explain its decision in writing.

"(d) LIMITATION.—Except as provided in section 251(i)(3), the Commission may not waive the unbundling requirements of section 251(b) or 255(b)(2) under subsection (a) until it determines that those requirements have been fully implemented.".

SEC. 304. ADVANCED TELECOMMUNICATIONS INCENTIVES.

(a) IN GENERAL.—The Commission and each State commission with regulatory jurisdiction over telecommunications services shall encourage the deployment on a reasonable and timely basis of advanced telecommunications capability to all Americans (including, in particular, elementary and secondary schools and classrooms) by utilizing, in a manner consistent with the public interest, convenience, and necessity, price cap regulation, regulatory forbearance, or other regulating methods that remove barriers to infrastructure investment.

(b) INQUIRY.—The Commission shall, within 2 years after the date of enactment of this Act, and regularly thereafter, initiate a notice of inquiry concerning the availability of advanced telecommunications capability to all Americans (including, in particular, elementary and secondary schools and classrooms) and shall complete the inquiry within 180 days after its initiation. In the inquiry, the Commission shall determine whether advanced telecommunications capability is being deployed to all Americans in a reasonable and timely fashion. If the Commission's determination is negative, it shall take immediate action under this section, and it may preempt State commissions that fail to act to ensure such availability.

(c) DEFINITIONS.—For purposes of this section—

(1) COMMUNICATIONS ACT TERMS.—Any term used in this section which is defined in the Communications Act of 1934 shall have the same meaning as it has in that Act.

(2) ADVANCED TELECOMMUNICATIONS CAPABILITY.—The term "advanced telecommunications capability" means high-speed, switched, broadband telecommunications capability that enables users to originate and receive high-quality voice, data, graphics, and video telecommunications.

(3) ELEMENTARY AND SECONDARY SCHOOLS.—The term "elementary and secondary schools" means elementary schools and secondary schools, as defined in paragraphs (14)

and (25), respectively, of section 14101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801).

SEC. 305. REGULATORY PARITY.

Within 3 years after the date of enactment of this Act, and periodically thereafter, the Commission shall—

(1) issue such modifications or terminations of the regulations applicable to persons offering telecommunications or information services under title II, III, or VI of the Communications Act of 1934 as are necessary to implement the changes in such Act made by this Act;

(2) in the regulations that apply to integrated telecommunications service providers, take into account the unique and disparate histories associated with the development and relative market power of such providers, making such modifications and adjustments as are necessary in the regulation of such providers as are appropriate to enhance competition between such providers in light of that history; and

(3) provide for periodic reconsideration of any modifications or terminations made to such regulations, with the goal of applying the same set of regulatory requirements to all integrated telecommunications service providers, regardless of which particular telecommunications or information service may have been each provider's original line of business.

SEC. 306. AUTOMATED SHIP DISTRESS AND SAFETY SYSTEMS.

Notwithstanding any provision of the Communications Act of 1934 or any other provision of law or regulation, a ship documented under the laws of the United States operating in accordance with the Global Maritime Distress and Safety System provisions of the Safety of Life at Sea Convention shall not be required to be equipped with a radio telegraphy station operated by one or more radio officers or operators. This section shall take effect for each vessel upon a determination by the United States Coast Guard that such vessel has the equipment required to implement the Global Maritime Distress and Safety System installed and operating in good working condition.

SEC. 307. TELECOMMUNICATIONS NUMBERING ADMINISTRATION.

Part II of title II (47 U.S.C. 251 et seq.), as added by this Act, is amended by inserting after section 260 the following new section:

‘‘SEC. 261. TELECOMMUNICATIONS NUMBERING ADMINISTRATION.

‘‘(a) INTERIM NUMBER PORTABILITY.—In connection with any interconnection agreement reached under section 251 of this Act, a local exchange carrier shall make available interim telecommunications number portability, upon request, beginning on the date of enactment of the Telecommunications Act of 1995.

‘‘(b) FINAL NUMBER PORTABILITY.—In connection with any interconnection agreement reached under section 251 of this Act, a local exchange carrier shall make available final telecommunications number portability, upon request, when the Commission determines that final telecommunications number portability is technically feasible.

‘‘(c) NEUTRAL ADMINISTRATION OF NUMBERING PLANS.—

‘‘(1) NATIONWIDE NEUTRAL NUMBER SYSTEM COMPLIANCE.— A telecommunications carrier providing telephone exchange service shall comply with the guidelines, plan, or rules established by an impartial entity designated or created by the Commission for the administration of a nationwide neutral number system.

‘‘(2) OVERLAY OF AREA CODES NOT PERMITTED.—All telecommunications carriers providing telephone exchange service in the same telephone service area shall be permitted to use the same numbering plan area code under such guideline, plan, or rules.

‘‘(d) COSTS.—The cost of establishing neutral number administration arrangements and number portability shall be borne by all telecommunications carriers on a competitively neutral basis as determined by the Commission.’’.

SEC. 308. ACCESS BY PERSONS WITH DISABILITIES.

(a) IN GENERAL.—Part II of title II (47 U.S.C. 251 et seq.), as added by this Act, is amended by inserting after section 261 the following new section:

‘‘SEC. 262. ACCESS BY PERSONS WITH DISABILITIES.

‘‘(a) DEFINITIONS.—As used in this section—

‘‘(1) DISABILITY.—The term ‘disability’ has the meaning given to it by section 3(2)(A) of the Americans with Disabilities Act of 1990 (42 U.S.C. 12102(2)(A)).

‘‘(2) READILY ACHIEVABLE.—The term ‘readily achievable’ has the meaning given to it by section 301(9) of that Act (42 U.S.C. 12181(9)).

‘‘(b) MANUFACTURING.—A manufacturer of telecommunications equipment and customer premises equipment shall ensure that the equipment is designed, developed, and fabricated to be accessible to and usable by individuals with disabilities, if readily achievable.

‘‘(c) TELECOMMUNICATIONS SERVICES.—A provider of telecommunications service shall ensure that the service is accessible to and usable by individuals with disabilities, if readily achievable.

‘‘(d) COMPATIBILITY.—Whenever the requirements of subsections (b) and (c) are not readily achievable, such a manufacturer or provider shall ensure that the equipment or service is compatible with existing peripheral devices or specialized customer premises equipment commonly used by individuals with disabilities to achieve access, if readily achievable.

‘‘(e) GUIDELINES.—Within 18 months after the date of enactment of the Telecommunications Act of 1995, the Architectural and Transportation Barriers Compliance Board shall develop guidelines for accessibility of telecommunications equipment and customer premises equipment in conjunction with the Commission, the National Telecommunications and Information Administration and the National Institute of Standards and Technology. The Board shall review and update the guidelines periodically.

‘‘(f) CLOSED CAPTIONING.—

‘‘(1) IN GENERAL.—The Commission shall ensure that—

‘‘(A) video programming is accessible through closed captions, if readily achievable, except as provided in paragraph (2); and

‘‘(B) video programming providers or owners maximize the accessibility of video programming previously published or exhibited through the provision of closed captions, if readily achievable, except as provided in paragraph (2).

‘‘(2) EXEMPTIONS.—Notwithstanding paragraph (1)—

‘‘(A) the Commission may exempt programs, classes of programs, locally produced programs, providers, classes of providers, or services for which the Commission has determined that the provision of closed captioning would not be readily achievable to the provider or owner of such programming;

‘‘(B) a provider of video programming or the owner of any program carried by the provider shall not be obligated to supply closed captions if such action would be inconsistent with a binding contract in effect on the date of enactment of the Telecommunications Act of 1995 for the remaining term of that contract (determined without regard to any extension of such term), except that nothing in this subparagraph relieves a video programming provider of its obligation to provide services otherwise required by Federal law; and

‘‘(C) a provider of video programming or a program owner may petition the Commission for an exemption from the requirements of this section, and the Commission may grant such a petition upon a showing that the requirements contained in this section would not be readily achievable.

‘‘(g) REGULATIONS.—The Commission shall, not later than 24 months after the date of enactment of the Telecommunications Act of 1995, prescribe regulations to implement this section. The regulations shall be consistent with the guidelines developed by the Architectural and Transportation Barriers Compliance Board in accordance with subsection (e).

‘‘(h) ENFORCEMENT.—The Commission shall enforce this section. The Commission shall resolve, by final order, a complaint alleging a violation of this section within 180 days after the date on which the complaint is filed with the Commission.’’.

(b) VIDEO DESCRIPTION.—Within 18 months after the date of enactment of this Act, the Commission shall commence a study of the feasibility of requiring the use of video descriptions on video programming in order to ensure the accessibility of video programming to individuals with visual impairments. For purposes of this subsection, the term ‘‘video description’’ means the insertion of audio narrative descriptions of a television program's key visual elements into natural pauses between the program's dialogue.

SEC. 309. RURAL MARKETS.

Part II of title II (47 U.S.C. 251 et seq.), as added by this Act, is amended by inserting after section 262 the following new section:

‘‘SEC. 263. RURAL MARKETS.

‘‘(a) STATE AUTHORITY IN RURAL MARKETS.—Except as provided in section 251(i)(3), a State may not waive or modify any requirements of section 251, but may adopt statutes or regulations that are no more restrictive than—

‘‘(1) to require an enforceable commitment by each competing provider of telecommunications service to offer universal service comparable to that offered by the rural telephone company currently providing service in that service area, and to make such service available within 24 months of the approval date to all consumers throughout that service area on a common carrier basis, either using the applicant's facilities or through its own facilities and resale of services using another carrier's facilities (including the facilities of the rural telephone company), and subject to the same terms, conditions, and rate structure requirements as those applicable to the rural telephone company currently providing universal service;

‘‘(2) to require that the State must approve an application by a competing telecommunications carrier to provide services in a market served by a rural telephone company and that approval be based on sufficient written public findings and conclusions to demonstrate that such approval is in the public interest and that there will not be a significant adverse impact on users of telecommunications services or on the provision of universal service;

"(3) to encourage the development and deployment of advanced telecommunications and information infrastructure and services in rural areas; or

"(4) to protect the public safety and welfare, ensure the continued quality of telecommunications and information services, or safeguard the rights of consumers.

"(b) PREEMPTION.—Upon a proper showing, the Commission may preempt any State statute or regulation that the Commission finds to be inconsistent with the Commission's regulations implementing this section, or an arbitrary or unreasonably discriminatory application of such statute or regulation. The Commission shall act upon any bona fide petition filed under this subsection within 180 days of receiving such petition. Pending such action, the Commission may, in the public interest, suspend or modify application of any statute or regulation to which the petition applies.".

SEC. 310. TELECOMMUNICATIONS SERVICES FOR HEALTH CARE PROVIDERS FOR RURAL AREAS, EDUCATIONAL PROVIDERS, AND LIBRARIES.

Part II of title II (47 U.S.C. 251 et seq.), as added by this Act, is amended by inserting after section 263 the following:

"SEC. 264. TELECOMMUNICATIONS SERVICES FOR CERTAIN PROVIDERS.

"(a) IN GENERAL.—

"(1) HEALTH CARE PROVIDERS FOR RURAL AREAS.—A telecommunications carrier shall, upon receiving a bona fide request, provide telecommunications services which are necessary for the provision of health care services, including instruction relating to such services, at rates that are reasonably comparable to rates charged for similar services in urban areas to any public or nonprofit health care provider that serves persons who reside in rural areas. A telecommunications carrier providing service pursuant to this paragraph shall be entitled to have an amount equal to the difference, if any, between the price for services provided to health care providers for rural areas and the price for similar services provided to other customers in comparable urban areas treated as a service obligation as a part of its obligation to participate in the mechanisms to preserve and advance universal service under section 253(c).

"(2) EDUCATIONAL PROVIDERS AND LIBRARIES.—All telecommunications carriers serving a geographic area shall, upon a bona fide request, provide to elementary schools, secondary schools, and libraries universal services (as defined in section 253) that permit such schools and libraries to provide or receive telecommunications services for educational purposes at rates less than the amounts charged for similar services to other parties. The discount shall be an amount that the Commission and the States determine is appropriate and necessary to ensure affordable access to and use of such telecommunications by such entities. A telecommunications carrier providing service pursuant to this paragraph shall be entitled to have an amount equal to the amount of the discount treated as a service obligation as part of its obligation to participate in the mechanisms to preserve and advance universal service under section 253(c).

"(b) UNIVERSAL SERVICE MECHANISMS.—The Commission shall include consideration of the universal service provided to public institutional telecommunications users in any universal service mechanism it may establish under section 253.

"(c) ADVANCED SERVICES.—The Commission shall establish rules—

"(1) to enhance, to the extent technically feasible and economically reasonable, the availability of advanced telecommunications and information services to all public and nonprofit elementary and secondary school classrooms, health care providers, and libraries;

"(2) to ensure that appropriate functional requirements or performance standards, or both, including interconnection standards, are established for telecommunications carriers that connect such public institutional telecommunications users with the public switched network;

"(3) to define the circumstances under which a telecommunications carrier may be required to connect its network to such public institutional telecommunications users; and

"(4) to address other matters as the Commission may determine.

"(d) DEFINITIONS.—

"(1) ELEMENTARY AND SECONDARY SCHOOLS.—The term 'elementary and secondary schools' means elementary schools and secondary schools, as defined in paragraphs (14) and (25), respectively, of section 14101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801).

"(2) UNIVERSAL SERVICE.—The Commission may in the public interest provide a separate definition of universal service under section 253(b) for application only to public institutional telecommunications users.

"(3) HEALTH CARE PROVIDER.—The term 'health care provider' means—

"(A) Post-secondary educational institutions, teaching hospitals, and medical schools.

"(B) Community health centers or health centers providing health care to migrants.

"(C) Local health departments or agencies.

"(D) Community mental health centers.

"(E) Not-for-profit hospitals.

"(F) Rural health clinics.

"(G) Consortia of health care providers consisting of one or more entities described in subparagraphs (A) through (F).

"(4) PUBLIC INSTITUTIONAL TELECOMMUNICATIONS USER.—The term 'public institutional telecommunications user' means an elementary or secondary school, a library, or a health care provider as those terms are defined in this subsection.

"(e) TERMS AND CONDITIONS.—Telecommunications services and network capacity provided under this section may not be sold, resold, or otherwise transferred in consideration for money or any other thing of value.

"(f) ELIGIBILITY OF COMMUNITY USERS.—No entity listed in this section shall be entitled for preferential rates or treatment as required by this section, if such entity operates as a for-profit business, is a school as defined in section 264(d)(1) with an endowment of more than $50,000,000, or is a library not eligible for participation in State-based plans for Library Services and Construction Act Title III funds.".

SEC. 311. PROVISION OF PAYPHONE SERVICE AND TELEMESSAGING SERVICE.

Part II of title II (47 U.S.C. 251 et seq.), as added by this Act, is amended by adding after section 264 the following new section:

"SEC. 265. PROVISION OF PAYPHONE SERVICE AND TELEMESSAGING SERVICE.

"(a) NONDISCRIMINATION SAFEGUARDS.—Any Bell operating company that provides payphone service or telemessaging service—

"(1) shall not subsidize its payphone service or telemessaging service directly or indirectly with revenue from its telephone exchange service or its exchange access service; and

"(2) shall not prefer or discriminate in favor of its payphone service or telemessaging service.

"(b) DEFINITIONS.—As used in this section—

"(1) The term 'payphone service' means the provision of telecommunications service through public or semi-public pay telephones, and includes the provision of service to inmates in correctional institutions.

"(2) The term 'telemessaging service' means voice mail and voice storage and retrieval services, any live operator services used to record, transcribe, or relay messages (other than telecommunications relay services), and any ancillary services offered in combination with these services.

"(c) REGULATIONS.—Not later than 18 months after the date of enactment of the Telecommunications Act of 1995, the Commission shall complete a rulemaking proceeding to prescribe regulations to carry out this section. In that rulemaking proceeding, the Commission shall determine whether, in order to enforce the requirements of this section, it is appropriate to require the Bell operating companies to provide payphone service or telemessaging service through a separate subsidiary that meets the requirements of section 252.".

SEC. 312. DIRECT BROADCAST SATELLITE.

(a) DBS SIGNAL SECURITY.—Section 705(e)(4) (47 U.S.C. 605(e)(4)) is amended by inserting "satellite delivered video or audio programming intended for direct receipt by subscribers in their residences or in their commercial or business premises," after "programming,".

(b) FCC JURISDICTION OVER DIRECT-TO-HOME SATELLITE SERVICES.—Section 303 (47 U.S.C. 303) is amended by adding at the end thereof the following new subsection:

"(v) Have exclusive jurisdiction to regulate the provision of direct-to-home satellite services. For purposes of this subsection, the term 'direct-to-home satellite services' means the distribution or broadcasting of programming or services by satellite directly to the subscriber's premises without the use of ground receiving or distribution equipment, except at the subscriber's premises, or used in the initial uplink process to the direct-to-home satellite.".

TITLE IV—OBSCENE, HARRASSING, AND WRONGFUL UTILIZATION OF TELECOMMUNICATIONS FACILITIES

SEC. 401. SHORT TITLE.

This title may be cited as the "Communications Decency Act of 1995".

SEC. 402. OBSCENE OR HARASSING USE OF TELECOMMUNICATIONS FACILITIES UNDER THE COMMUNICATIONS ACT OF 1934.

(a) OFFENSES.—Section 223 (47 U.S.C. 223) is amended—

"(1) by striking subsection (a) and inserting in lieu thereof:

"(a) Whoever—

"(1) in the District of Columbia or in interstate or foreign communications—

"(A) by means of telecommunications device knowingly—

"(i) makes, creates, or solicits, and

"(ii) initiates the transmission of,

any comment, request, suggestion, proposal, image, or other communication which is obscene, lewd, lascivious, filthy, or indecent, with intent to annoy, abuse, threaten, or harass another person;

"(B) makes a telephone call or utilizes a telecommunications device, whether or not conversation or communication ensues, without disclosing his identity and with intent to annoy, abuse, threaten, or harass any person at the called number or who receives the communications;

"(C) makes or causes the telephone of another repeatedly or continuously to ring, with intent to harass any person at the called number; or

"(D) makes repeated telephone calls or repeatedly initiates communication with a telecommunications device, during which conversation or communication ensues, solely to harass any person at the called number or who receives the communication;

"(2) knowingly permits any telecommunications facility under his control to be used for any activity prohibited by paragraph (1) with the intent that it be used for such activity,

shall be fined not more than $100,000 or imprisoned not more than two years, or both."; and

(2) by adding at the end the following new subsections:

"(d) Whoever—

"(1) knowingly within the United States or in foreign communications with the United States by means of telecommunications device makes or makes available any obscene communication in any form including any comment, request, suggestion, proposal, or image regardless of whether the maker of such communication placed the call or initiated the communications; or

"(2) knowingly permits any telecommunications facility under such person's control to be used for an activity prohibited by subsection (d)(1) with the intent that it be used for such activity;

shall be fined not more than $100,000 or imprisoned not more than two years, or both.

"(e) Whoever—

"(1) knowingly within the United States or in foreign communications with the United States by means of telecommunications device makes or makes available any indecent communication in any form including any comment, request, suggestion, proposal, image, to any person under 18 years of age regardless of whether the maker of such communication placed the call or initiated the communication; or

"(2) knowingly permits any telecommunications facility under such person's control to be used for an activity prohibited by paragraph (1) with the intent that it be used for such activity,

shall be fined not more than $100,000 or imprisoned not more than two years, or both.

"(f) Defenses to the subsections (a), (d), and (e), restrictions on access, judicial remedies respecting restrictions for persons providing information services and access to information services—

"(1) No person shall be held to have violated subsections (a), (d), or (e) solely for providing access or connection to or from a facility, system, or network over which that person has no control, including related capabilities which are incidental to providing access or connection. This subsection shall not be applicable to a person who is owned or controlled by, or a conspirator with, an entity actively involved in the creation, editing or knowing distribution of communications which violate this section.

"(2) No employer shall be held liable under this section for the actions of an employee or agent unless the employee's or agent's conduct is within the scope of his employment or agency and the employer has knowledge of, authorizes, or ratifies the employee's or agent's conduct.

"(3) It is a defense to prosecution under subsection (a), (d)(2), or (e) that a person has taken reasonable, effective and appropriate actions in good faith to restrict or prevent the transmission of, or access to a communication specified in such subsections, or complied with procedures as the Commission may prescribe in furtherance of this section. Until such regulations become effective, it is a defense to prosecution that the person has complied with the procedures prescribed by regulation pursuant to subsection (b)(3). Nothing in this subsection shall be construed to treat enhanced information services as common carriage.

"(4) No cause of action may be brought in any court or administrative agency against any person on account of any activity which is not in violation of any law punishable by criminal or civil penalty, which activity the person has taken in good faith to implement a defense authorized under this section or otherwise to restrict or prevent the transmission of, or access to, a communication specified in this section.

"(g) No State or local government may impose any liability for commercial activities or actions by commercial entities in connection with an activity or action which constitutes a violation described in subsection (a)(2), (d)(2), or (e)(2) that is inconsistent with the treatment of those activities or actions under this section: *Provided, however*, That nothing herein shall preclude any State or local government from enacting and enforcing complementary oversight, liability, and regulatory systems, procedures, and requirements, so long as such systems, procedures, and requirements govern only intrastate services and do not result in the imposition of inconsistent rights, duties or obligations on the provision of interstate services. Nothing in this subsection shall preclude any State or local government from governing conduct not covered by this section.

"(h) Nothing in subsection (a), (d), (e), or (f) or in the defenses to prosecution under (a), (d), or (e) shall be construed to affect or limit the application or enforcement of any other Federal law.

"(i) The use of the term 'telecommunications device' in this section shall not impose new obligations on (one-way) broadcast radio or (one-way) broadcast television operators licensed by the Commission or (one-way) cable service registered with the Federal Communications Commission and covered by obscenity and indecency provisions elsewhere in this Act.

"(j) Within two years from the date of enactment and every two years thereafter, the Commission shall report on the effectiveness of this section.".

SEC. 403. OBSCENE PROGRAMMING ON CABLE TELEVISION.

Section 639 (47 U.S.C. 559) is amended by striking "$10,000" and inserting "$100,000".

SEC. 404. BROADCASTING OBSCENE LANGUAGE ON RADIO.

Section 1464 of title 18, United States Code, is amended by striking out "$10,000" and inserting "$100,000".

SEC. 405. SEPARABILITY.

(a) If any provision of this title, including amendments to this title or the application thereof to any person or circumstance is held invalid, the remainder of this title and the application of such provision to other persons or circumstances shall not be affected thereby.

SEC. 406. ADDITIONAL PROHIBITION ON BILLING FOR TOLL-FREE TELEPHONE CALLS.

Section 228(c)(7) (47 U.S.C. 228(c)(7)) is amended—

(1) by striking "or" at the end of subparagraph (C);

(2) by striking the period at the end of subparagraph (D) and inserting a semicolon and "or"; and

(3) by adding at the end thereof the following:

"(E) the calling party being assessed, by virtue of being asked to connect or otherwise transfer to a pay-per-call service, a charge for the call.".

SEC. 407. SCRAMBLING OF CABLE CHANNELS FOR NONSUBSCRIBERS.

Part IV of title VI (47 U.S. C. 551 et seq.) is amended by adding at the end the following:

"SEC. 640. SCRAMBLING OF CABLE CHANNELS FOR NONSUBSCRIBERS.

"(a) REQUIREMENT.—In providing video programming unsuitable for children to any subscriber through a cable system, a cable operator shall fully scramble or otherwise fully block the video and audio portion of each channel carrying such programming upon subscriber request and without any charge so that one not a subscriber does not receive it.

"(b) DEFINITION.—As used in this section, the term 'scramble' means to rearrange the content of the signal of the programming so that the programming cannot be received by persons unauthorized to receive the programming.".

SEC. 408. SCRAMBLING OF SEXUALLY EXPLICIT ADULT VIDEO SERVICE PROGRAMMING.

(a) REQUIREMENT.—Part IV of title VI (47 U.S.C. 551 et seq.), as amended by this Act, is further amended by adding at the end the following:

"SEC. 641. SCRAMBLING OF SEXUALLY EXPLICIT ADULT VIDEO SERVICE PROGRAMMING.

"(a) REQUIREMENT.—In providing sexually explicit adult programming or other programming that is indecent and harmful to children on any channel of its service primarily dedicated to sexually-oriented programming, a multichannel video programming distributor shall fully scramble or otherwise fully block the video and audio portion of such channel so that one not a subscriber to such channel or programming does not receive it.

"(b) IMPLEMENTATION.—Until a multichannel video programming distributor complies with the requirement set forth in subsection (a), the distributor shall limit the access of children to the programming referred to in that subsection by not providing such programming during the hours of the day (as determined by the Commission) when a significant number of children are likely to view it.

"(c) DEFINITION.—As used in this section, the term 'scramble' means to rearrange the content of the signal of the programming so that audio and video portions of the programming cannot be received by persons unauthorized to receive the programming.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect 30 days after the date of the enactment of this Act.

SEC. 409. CABLE OPERATOR REFUSAL TO CARRY CERTAIN PROGRAMS.

(a) PUBLIC, EDUCATIONAL, AND GOVERNMENTAL CHANNELS.—Section 611(e) (47 U.S.C. 531(e)) is amended by inserting before the period the following: ", except a cable operator may refuse to transmit any public access program or portion of a public access program which contains obscenity, indecency, or nudity".

(b) CABLE CHANNELS FOR COMMERCIAL USE.—Section 612(c)(2) (47 U.S.C. 532(c)(2)) is amended by striking "an operator" and inserting "a cable operator may refuse to transmit any leased access program or portion of a leased access program which contains obscenity, indecency, or nudity".

SEC. 410. RESTRICTIONS ON ACCESS BY CHILDREN TO OBSCENE AND INDECENT MATERIAL ON ELECTRONIC INFORMATION NETWORKS OPEN TO THE PUBLIC.

(a) AVAILABILITY OF TAG INFORMATION.—In order—

(1) to encourage the voluntary use of tags in the names, addresses, or text of electronic files containing obscene, indecent, or mature text or graphics that are made available to the public through public information networks in order to ensure the ready identification of files containing such text or graphics;

(2) to encourage developers of computer software that provides access to or interface with a public information network to develop software that permits users of such software to block access to or interface with text or graphics identified by such tags; and

(3) to encourage the telecommunications industry and the providers and users of public information networks to take practical actions (including the establishment of a board consisting of appropriate members of such industry, providers, and users) to develop a highly effective means of preventing the access of children through public information networks to electronic files that contain such text or graphics,

the Secretary of Commerce shall take appropriate steps to make information on the tags established and utilized in voluntary compliance with this subsection available to the public through public information networks.

(b) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Comptroller General shall submit to Congress a report on the tags established and utilized in voluntary compliance with this section. The report shall—

(1) describe the tags so established and utilized;

(2) assess the effectiveness of such tags in preventing the access of children to electronic files that contain obscene, indecent, or mature text or graphics through public information networks; and

(3) provide recommendations for additional means of preventing such access.

(c) DEFINITIONS.—In this section:

(1) The term "public information network" means the Internet, electronic bulletin boards, and other electronic information networks that are open to the public.

(2) The term "tag" means a part or segment of the name, address, or text of an electronic file.

TITLE V—PARENTAL CHOICE IN TELEVISION

SEC. 501. SHORT TITLE.

This title may be cited as the "Parental Choice in Television Act of 1995".

SEC. 502. FINDINGS.

Congress makes the following findings:

(1) On average, a child in the United States is exposed to 27 hours of television each week and some children are exposed to as much as 11 hours of television each day.

(2) The average American child watches 8,000 murders and 100,000 acts of other violence on television by the time the child completes elementary school.

(3) By the age of 18 years, the average American teenager has watched 200,000 acts of violence on television, including 40,000 murders.

(4) On several occasions since 1975, The Journal of the American Medical Association has alerted the medical community to the adverse effects of televised violence on child development, including an increase in the level of aggressive behavior and violent behavior among children who view it.

(5) The National Commission on Children recommended in 1991 that producers of television programs exercise greater restraint in the content of programming for children.

(6) A report of the Harry Frank Guggenheim Foundation, dated May 1993, indicates that there is an irrefutable connection between the amount of violence depicted in the television programs watched by children and increased aggressive behavior among children.

(7) It is a compelling National interest that parents be empowered with the technology to block the viewing by their children of television programs whose content is overly violent or objectionable for other reasons.

(8) Technology currently exists to permit the manufacture of television receivers that are capable of permitting parents to block television programs having violent or otherwise objectionable content.

SEC. 503. RATING CODE FOR VIOLENCE AND OTHER OBJECTIONABLE CONTENT ON TELEVISION.

(a) SENSE OF CONGRESS ON VOLUNTARY ESTABLISHMENT OF RATING CODE.—It is the sense of Congress—

(1) to encourage appropriate representatives of the broadcast television industry and the cable television industry to establish in a voluntary manner rules for rating the level of violence or other objectionable content in television programming, including rules for the transmission by television broadcast stations and cable systems of—

(A) signals containing ratings of the level of violence or objectionable content in such programming; and

(B) signals containing specifications for blocking such programming;

(2) to encourage such representatives to establish such rules in consultation with appropriate public interest groups and interested individuals from the private sector; and

(3) to encourage television broadcasters and cable operators to comply voluntarily with such rules upon the establishment of such rules.

(b) REQUIREMENT FOR ESTABLISHMENT OF RATING CODE.—

(1) IN GENERAL.—If the representatives of the broadcast television industry and the cable television industry do not establish the rules referred to in subsection (a)(1) by the end of the 1-year period beginning on the date of the enactment of this Act, there shall be established on the day following the end of that period a commission to be known as the Television Rating Commission (hereafter in this section referred to as the "Television Commission"). The Television Commission shall be an independent establishment in the executive branch as defined under section 104 of title 5, United States Code.

(2) MEMBERS.—

(A) IN GENERAL.—The Television Commission shall be composed of 5 members appointed by the President, by and with the advice and consent of the Senate, of whom—

(i) three shall be individuals who are members of appropriate public interest groups or are interested individuals from the private sector; and

(ii) two shall be representatives of the broadcast television industry and the cable television industry.

(B) NOMINATION.—Individuals shall be nominated for appointment under subparagraph (A) not later than 60 days after the date of the establishment of the Television Commission.

(D) TERMS.—Each member of the Television Commission shall serve until the termination of the commission.

(E) VACANCIES.—A vacancy on the Television Commission shall be filled in the same manner as the original appointment.

(2) DUTIES OF TELEVISION COMMISSION.—The Television Commission shall establish rules for rating the level of violence or other objectionable content in television programming, including rules for the transmission by television broadcast stations and cable systems of—

(A) signals containing ratings of the level of violence or objectionable content in such programming; and

(B) signals containing specifications for blocking such programming.

(3) COMPENSATION OF MEMBERS.—

(A) CHAIRMAN.—The Chairman of the Television Commission shall be paid at a rate equal to the daily equivalent of the minimum annual rate of basic pay payable for level IV of the Executive Schedule under section 5314 of title 5, United States Code, for each day (including traveltime) during which the Chairman is engaged in the performance of duties vested in the commission.

(B) OTHER MEMBERS.—Except for the Chairman who shall be paid as provided under subparagraph (A), each member of the Television Commission shall be paid at a rate equal to the daily equivalent of the minimum annual rate of basic pay payable for level V of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including traveltime) during which the member is engaged in the performance of duties vested in the commission.

(4) STAFF.—

(A) IN GENERAL.—The Chairman of the Television Commission may, without regard to the civil service laws and regulations, appoint and terminate an executive director and such other additional personnel as may be necessary to enable the commission to perform its duties. The employment of an executive director shall be subject to confirmation by the commission.

(B) COMPENSATION.—The Chairman of the Television Commission may fix the compensation of the executive director and other personnel without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay for the executive director and other personnel may not exceed the rate payable for level V of the Executive Schedule under section 5316 of such title.

(5) CONSULTANTS.—The Television Commission may procure by contract, to the extent funds are available, the temporary or intermittent services of experts or consultants under section 3109 of title 5, United States Code. The commission shall give public notice of any such contract before entering into such contract.

(6) FUNDING.—There is authorized to be appropriated to the Commission such sums as are necessary to enable the Commission to carry out its duties under this Act.

SEC. 504. REQUIREMENT FOR MANUFACTURE OF TELEVISIONS THAT BLOCK PROGRAMS.

(a) REQUIREMENT.—Section 303 (47 U.S.C. 303), as amended by this Act, is further amended by adding at the end the following:

"(w) Require, in the case of apparatus designed to receive television signals that are manufactured in the United States or imported for use in the United States and that have a picture screen 13 inches or greater in size (measured diagonally), that such apparatus—

"(1) be equipped with circuitry designed to enable viewers to block the display of channels during particular time slots; and

"(2) enable viewers to block display of all programs with a common rating.".

(b) IMPLEMENTATION.—In adopting the requirement set forth in section 303(w) of the Communications Act of 1934, as added by subsection (a), the Federal Communications Commission, in consultation with the television receiver manufacturing industry, shall determine a date for the applicability of the requirement to the apparatus covered by that section.

SEC. 505. SHIPPING OR IMPORTING OF TELEVISIONS THAT BLOCK PROGRAMS.

(a) REGULATIONS.—Section 330 (47 U.S.C. 330) is amended—

(1) by redesignating subsection (c) as subsection (d); and

(2) by adding after subsection (b) the following new subsection (c):

"(c)(1) Except as provided in paragraph (2), no person shall ship in interstate commerce, manufacture, assemble, or import from any foreign country into the United States any apparatus described in section 303(w) of this Act except in accordance with rules prescribed by the Commission pursuant to the authority granted by that section.

"(2) This subsection shall not apply to carriers transporting apparatus referred to in paragraph (1) without trading it.

"(3) The rules prescribed by the Commission under this subsection shall provide performance standards for blocking technology. Such rules shall require that all such apparatus be able to receive transmitted rating signals which conform to the signal and blocking specifications established by the Commission.

"(4) As new video technology is developed, the Commission shall take such action as the Commission determines appropriate to ensure that blocking service continues to be available to consumers.".

(b) CONFORMING AMENDMENT.—Section 330(d), as redesignated by subsection (a)(1), is amended by striking "section 303(s), and section 303(u)" and inserting in lieu thereof "and sections 303(s), 303(u), and 303(w)".

TITLE VI—NATIONAL EDUCATION TECHNOLOGY FUNDING CORPORATION

SEC. 601. SHORT TITLE.

This title may be cited as the "National Education Technology Funding Corporation Act of 1995".

SEC. 602. FINDINGS; PURPOSE.

(a) FINDINGS.—The Congress finds as follows:

(1) CORPORATION.—There has been established in the District of Columbia a private, nonprofit corporation known as the National Education Technology Funding Corporation which is not an agency or independent establishment of the Federal Government.

(2) BOARD OF DIRECTORS.—The Corporation is governed by a Board of Directors, as prescribed in the Corporation's articles of incorporation, consisting of 15 members, of which—

(A) five members are representative of public agencies representative of schools and public libraries;

(B) five members are representative of State government, including persons knowledgeable about State finance, technology and education; and

(C) five members are representative of the private sector, with expertise in network technology, finance and management.

(3) CORPORATE PURPOSES.—The purposes of the Corporation, as set forth in its articles of incorporation, are—

(A) to leverage resources and stimulate private investment in education technology infrastructure;

(B) to designate State education technology agencies to receive loans, grants or other forms of assistance from the Corporation;

(C) to establish criteria for encouraging States to—

(i) create, maintain, utilize and upgrade interactive high capacity networks capable of providing audio, visual and data communications for elementary schools, secondary schools and public libraries;

(ii) distribute resources to assure equitable aid to all elementary schools and secondary schools in the State and achieve universal access to network technology; and

(iii) upgrade the delivery and development of learning through innovative technology-based instructional tools and applications;

(D) to provide loans, grants and other forms of assistance to State education technology agencies, with due regard for providing a fair balance among types of school districts and public libraries assisted and the disparate needs of such districts and libraries;

(E) to leverage resources to provide maximum aid to elementary schools, secondary schools and public libraries; and

(F) to encourage the development of education telecommunications and information technologies through public-private ventures, by serving as a clearinghouse for information on new education technologies, and by providing technical assistance, including assistance to States, if needed, to establish State education technology agencies.

(b) PURPOSE.—The purpose of this title is to recognize the Corporation as a nonprofit corporation operating under the laws of the District of Columbia, and to provide authority for Federal departments and agencies to provide assistance to the Corporation.

SEC. 603. DEFINITIONS.

For the purpose of this title—

(1) the term "Corporation" means the National Education Technology Funding Corporation described in section 602(a)(1);

(2) the terms "elementary school" and "secondary school" have the same meanings given such terms in section 14101 of the Elementary and Secondary Education Act of 1965; and

(3) the term "public library" has the same meaning given such term in section 3 of the Library Services and Construction Act.

SEC. 604. ASSISTANCE FOR EDUCATION TECHNOLOGY PURPOSES.

(a) RECEIPT BY CORPORATION.—Notwithstanding any other provision of law, in order to carry out the corporate purposes described in section 602(a)(3), the Corporation shall be eligible to receive discretionary grants, contracts, gifts, contributions, or technical assistance from any Federal department or agency, to the extent otherwise permitted by law.

(b) AGREEMENT.—In order to receive any assistance described in subsection (a) the Corporation shall enter into an agreement with the Federal department or agency providing such assistance, under which the Corporation agrees—

(1) to use such assistance to provide funding and technical assistance only for activities which the Board of Directors of the Corporation determines are consistent with the corporate purposes described in section 602(a)(3);

(2) to review the activities of State education technology agencies and other entities receiving assistance from the Corporation to assure that the corporate purposes described in section 602(a)(3) are carried out;

(3) that no part of the assets of the Corporation shall accrue to the benefit of any member of the Board of Directors of the Corporation, any officer or employee of the Corporation, or any other individual, except as salary or reasonable compensation for services;

(4) that the Board of Directors of the Corporation will adopt policies and procedures to prevent conflicts of interest;

(5) to maintain a Board of Directors of the Corporation consistent with section 602(a)(2);

(6) that the Corporation, and any entity receiving the assistance from the Corporation, are subject to the appropriate oversight procedures of the Congress; and

(7) to comply with—

(A) the audit requirements described in section 605; and

(B) the reporting and testimony requirements described in section 606.

(c) CONSTRUCTION.—Nothing in this title shall be construed to establish the Corporation as an agency or independent establishment of the Federal Government, or to establish the members of the Board of Directors of the Corporation, or the officers and employees of the Corporation, as officers or employees of the Federal Government.

SEC. 605. AUDITS

(a) AUDITS BY INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS.—

(1) IN GENERAL.—The Corporation's financial statements shall be audited annually in accordance with generally accepted auditing standards by independent certified public accountants who are members of a nationally recognized accounting firm and who are certified by a regulatory authority of a State or other political subdivision of the United States. The audits shall be conducted at the place or places where the accounts of the Corporation are normally kept. All books, accounts, financial records, reports, files, and all other papers, things, or property belonging to or in use by the Corporation and necessary to facilitate the audit shall be made available to the person or persons conducting the audits, and full facilities for verifying transactions with the balances or securities held by depositories, fiscal agents, and custodians shall be afforded to such person or persons.

(2) REPORTING REQUIREMENTS.—The report of each annual audit described in paragraph (1) shall be included in the annual report required by section 606(a).

(b) RECORDKEEPING REQUIREMENTS; AUDIT AND EXAMINATION OF BOOKS.—

(1) RECORDKEEPING REQUIREMENTS.—The Corporation shall ensure that each recipient of assistance from the Corporation keeps—

(A) separate accounts with respect to such assistance;

(B) such records as may be reasonably necessary to fully disclose—

(i) the amount and the disposition by such recipient of the proceeds of such assistance;

(ii) the total cost of the project or undertaking in connection with which such assistance is given or used; and

(iii) the amount and nature of that portion of the cost of the project or undertaking supplied by other sources; and

(C) such other records as will facilitate an effective audit.

(2) AUDIT AND EXAMINATION OF BOOKS.—The Corporation shall ensure that the Corporation, or any of the Corporation's duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of

any recipient of assistance from the Corporation that are pertinent to such assistance. Representatives of the Comptroller General shall also have such access for such purpose.

SEC. 606. ANNUAL REPORT; TESTIMONY TO THE CONGRESS.

(a) ANNUAL REPORT.—Not later than April 30 of each year, the Corporation shall publish an annual report for the preceding fiscal year and submit that report to the President and the Congress. The report shall include a comprehensive and detailed evaluation of the Corporation's operations, activities, financial condition, and accomplishments under this title and may include such recommendations as the Corporation deems appropriate.

(b) TESTIMONY BEFORE CONGRESS.—The members of the Board of Directors, and officers, of the Corporation shall be available to testify before appropriate committees of the Congress with respect to the report described in subsection (a), the report of any audit made by the Comptroller General pursuant to this title, or any other matter which any such committee may determine appropriate.

TITLE VII—MISCELLANEOUS PROVISIONS

SEC. 701. SPECTRUM AUCTIONS.

(a) FINDINGS.—The Congress finds that—

(1) the National Telecommunications and Information Administration of the Department of Commerce recently submitted to the Congress a report entitled "U.S. National Spectrum Requirements" as required by section 113 of the National Telecommunications and Information Administration Organization Act (47 U.S.C. 923);

(2) based on the best available information the report concludes that an additional 179 megahertz of spectrum will be needed within the next ten years to meet the expected demand for land mobile and mobile satellite radio services such as cellular telephone service, paging services, personal communication services, and low earth orbiting satellite communications systems;

(3) a further 85 megahertz of additional spectrum, for a total of 264 megahertz, is needed if the United States is to fully implement the Intelligent Transportation System currently under development by the Department of Transportation;

(4) as required by part B of the National Telecommunications and Information Administration Organization Act (47 U.S.C. 921 et seq.) the Federal Government will transfer 235 megahertz of spectrum from exclusive government use to non-governmental or mixed governmental and non-governmental use between 1994 and 2004;

(5) the Spectrum Reallocation Final Report submitted to Congress under section 113 of the National Telecommunications and Information Administration Organization Act by the National Telecommunications and Information Administration states that, of the 235 megahertz of spectrum identified for reallocation from governmental to non-governmental or mixed use—

(A) 50 megahertz has already been reallocated for exclusive non-governmental use,

(B) 45 megahertz will be reallocated in 1995 for both exclusive non-governmental and mixed governmental and non-governmental use,

(C) 25 megahertz will be reallocated in 1997 for exclusive non-governmental use,

(D) 70 megahertz will be reallocated in 1999 for both exclusive non-governmental and mixed governmental and non-governmental use, and

(E) the final 45 megahertz will be reallocated for mixed governmental and non-governmental use by 2004;

(6) the 165 megahertz of spectrum that are not yet reallocated, combined with 80 megahertz that the Federal Communications Commission is currently holding in reserve for emerging technologies, are less than the best estimates of projected spectrum needs in the United States;

(7) the authority of the Federal Communications Commission to assign radio spectrum frequencies using an auction process expires on September 30, 1998;

(8) a significant portion of the reallocated spectrum will not yet be assigned to non-governmental users before that authority expires;

(9) the transfer of Federal governmental users from certain valuable radio frequencies to other reserved frequencies could be expedited if Federal governmental users are permitted to accept reimbursement for relocation costs from non-governmental users; and

(10) non-governmental reimbursement of Federal governmental users relocation costs would allow the market to determine the most efficient use of the available spectrum.

(b) EXTENSION AND EXPANSION OF AUCTION AUTHORITY.—Section 309(j) (47 U.S.C. 309(j)) is amended—

(1) by striking paragraph (1) and inserting in lieu thereof the following:

"(1) GENERAL AUTHORITY.—If mutually exclusive applications or requests are accepted for any initial license or construction permit which will involve a use of the electromagnetic spectrum, then the Commission shall grant such license or permit to a qualified applicant through a system of competitive bidding that meets the requirements of this subsection. The competitive bidding authority granted by this subsection shall not apply to licenses or construction permits issued by the Commission for public safety radio services or for licenses or construction permits for new terrestrial digital television services assigned by the Commission to existing terrestrial broadcast licensees to replace their current television licenses.";

(2) by striking paragraph (2) and renumbering paragraphs (3) through (13) as (2) through (12), respectively; and

(3) by striking "1998" in paragraph (10), as renumbered, and inserting in lieu thereof "2000".

(c) REIMBURSEMENT OF FEDERAL RELOCATION COSTS.—Section 113 of the National Telecommunications and Information Administration Act (47 U.S.C. 923) is amended by adding at the end the following new subsections:

"(f) RELOCATION OF FEDERAL GOVERNMENT STATIONS.—

"(1) IN GENERAL.—In order to expedite the efficient use of the electromagnetic spectrum and notwithstanding section 3302(b) of title 31, United States Code, any Federal entity which operates a Federal Government station may accept reimbursement from any person for the costs incurred by such Federal entity for any modification, replacement, or reissuance of equipment, facilities, operating manuals, regulations, or other expenses incurred by that entity in relocating the operations of its Federal Government station or stations from one or more radio spectrum frequencies to any other frequency or frequencies. Any such reimbursement shall be deposited in the account of such Federal entity in the Treasury of the United States. Funds deposited according to this section shall be available, without appropriation or fiscal year limitation, only for the operations of the Federal entity for which such funds were deposited under this section.

"(2) PROCESS FOR RELOCATION.—Any person seeking to relocate a Federal Government station that has been assigned a frequency within a band allocated for mixed Federal and non-Federal use may submit a petition for such relocation to NTIA. The NTIA shall limit the Federal Government station's operating license to secondary status when the following requirements are met—

"(A) the person seeking relocation of the Federal Government station has guaranteed reimbursement through money or in-kind payment of all relocation costs incurred by the Federal entity, including all engineering, equipment, site acquisition and construction, and regulatory fee costs;

"(B) the person seeking relocation completes all activities necessary for implementing the relocation, including construction of replacement facilities (if necessary and appropriate) and identifying and obtaining on the Federal entity's behalf new frequencies for use by the relocated Federal Government station (where such station is not relocating to spectrum reserved exclusively for Federal use); and

"(C) any necessary replacement facilities, equipment modifications, or other changes have been implemented and tested to ensure that the Federal Government station is able to successfully accomplish its purposes.

"(3) RIGHT TO RECLAIM.—If within one year after the relocation the Federal Government station demonstrates to the Commission that the new facilities or spectrum are not comparable to the facilities or spectrum from which the Federal Government station was relocated, the person seeking such relocation must take reasonable steps to remedy any defects or reimburse the Federal entity for the costs of returning the Federal Government station to the spectrum from which such station was relocated.

"(g) FEDERAL ACTION TO EXPEDITE SPECTRUM TRANSFER.—Any Federal Government station which operates on electromagnetic spectrum that has been identified for reallocation for mixed Federal and non-Federal use in the Spectrum Reallocation Final Report shall, to the maximum extent practicable through the use of the authority granted under subsection (f) and any other applicable provision of law, take action to relocate its spectrum use to other frequencies that are reserved for Federal use or to consolidate its spectrum use with other Federal Government stations in a manner that maximizes the spectrum available for non-Federal use. Notwithstanding the timetable contained in the Spectrum Reallocation Final Report, the President shall seek to implement the reallocation of the 1710 to 1755 megahertz frequency band by January 1, 2000. Subsection (c)(4) of this section shall not apply to the extent that a non-Federal user seeks to relocate or relocates a Federal power agency under subsection (f).

"(h) DEFINITIONS.—For purposes of this section—

"(1) FEDERAL ENTITY.—The term 'Federal entity' means any Department, agency, or other element of the Federal Government that utilizes radio frequency spectrum in the conduct of its authorized activities, including a Federal power agency.

"(2) SPECTRUM REALLOCATION FINAL REPORT.—The term 'Spectrum Reallocation Final Report' means the report submitted by the Secretary to the President and Congress in compliance with the requirements of subsection (a).".

(d) REALLOCATION OF ADDITIONAL SPECTRUM.—The Secretary of Commerce shall, within 9 months after the date of enactment of this Act, prepare and submit to the President and the Congress a report and timetable recommending the reallocation of the two frequency bands (3625–3650 megahertz and 5850–5925 megahertz) that were discussed but not recommended for reallocation in the Spectrum Reallocation Final Report under section 113(a) of the National Telecommunications and Information Administration Organization Act. The Secretary shall consult with the Federal Communications Commission and other Federal agencies in the preparation of the report, and shall provide notice and an opportunity for public comment before submitting the report and timetable required by this section.

(e) BROADCAST AUXILIARY SPECTRUM RELOCATION.—

(1) ALLOCATION OF SPECTRUM FOR BROADCAST AUXILIARY USES.—Within one year after the date of enactment of this Act, the Commission shall allocate the 4635–4685 megahertz band transferred to the Commission under section 113(b) of the National Telecommunications and Information Administration Organization Act (47 U.S.C. 923(b)) for broadcast auxiliary uses.

(2) MANDATORY RELOCATION OF BROADCAST AUXILIARY USES.—Within 7 years after the date of enactment of this Act, all licensees of broadcast auxiliary spectrum in the 2025–2075 megahertz band shall relocate into spectrum allocated by the Commission under paragraph (1). The Commission shall assign and grant licenses for use of the spectrum allocated under paragraph (1)—

(A) in a manner sufficient to permit timely completion of relocation; and

(B) without using a competitive bidding process.

(3) ASSIGNING RECOVERED SPECTRUM.—Within 5 years after the date of enactment of this Act, the Commission shall allocate the spectrum recovered in the 2025–2075 megahertz band under paragraph (2) for use by new licensees for commercial mobile services or other similar services after the relocation of broadcast auxiliary licensees, and shall assign such licenses by competitive bidding.

SEC. 702. RENEWED EFFORTS TO REGULATE VIOLENT PROGRAMMING.

(a) FINDINGS.—The Senate finds that:

(1) Violence is a pervasive and persistent feature of the entertainment industry. According to the Carnegie Council on Adolescent Development, by the age of 18, children will have been exposed to nearly 18,000 televised murders and 800 suicides.

(2) Violence on television is likely to have a serious and harmful effect on the emotional development of young children. The American Psychological Association has reported that children who watch "a large number of aggressive programs tend to hold attitudes and values that favor the use of aggression to solve conflicts". The National Institute of Mental Health has stated similarly that "violence on television does lead to aggressive behavior by children and teenagers".

(3) The Senate recognizes that television violence is not the sole cause of violence in society.

(4) There is a broad recognition in the United States Congress that the television industry has an obligation to police the content of its own broadcasts to children. That understanding was reflected in the Television Violence Act of 1990, which was specifically designed to permit industry participants to work together to create a self-monitoring system.

(5) After years of denying that television violence has any detrimental effect, the entertainment industry has begun to address the problem of television violence. In the spring of 1994, for example, the network and cable industries announced the appointment of an independent monitoring group to assess the amount of violence on television. These reports are due out in the fall of 1995 and winter of 1996, respectively.

(6) The Senate recognizes that self-regulation by the private sector is generally preferable to direct regulation by the Federal Government.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the entertainment industry should do everything possible to limit the amount of violent and aggressive entertainment programming, particularly during the hours when children are most likely to be watching.

SEC. 703. PREVENTION OF UNFAIR BILLING PRACTICES FOR INFORMATION OR SERVICES PROVIDED OVER TOLL-FREE TELEPHONE CALLS.

(a) FINDINGS.—Congress makes the following findings:

(1) Reforms required by the Telephone Disclosure and Dispute Resolution Act of 1992 have improved the reputation of the pay-per-call industry and resulted in regulations that have reduced the incidence of misleading practices that are harmful to the public interest.

(2) Among the successful reforms is a restriction on charges being assessed for calls to 800 telephone numbers or other telephone numbers advertised or widely understood to be toll free.

(3) Nevertheless, certain interstate pay-per-call businesses are taking advantage of an exception in the restriction on charging for information conveyed during a call to a "toll-free" number to continue to engage in misleading practices. These practices are not in compliance with the intent of Congress in passing the Telephone Disclosure and Dispute Resolution Act.

(4) It is necessary for Congress to clarify that its intent is that charges for information provided during a call to an 800 number or other number widely advertised and understood to be toll free shall not be assessed to the calling party unless the calling party agrees to be billed according to the terms of a written subscription agreement or by other appropriate means.

(b) PREVENTION OF UNFAIR BILLING PRACTICES.—

(1) IN GENERAL.—Section 228(c) (47 U.S.C. 228(c)) is amended—

(A) by striking out subparagraph (C) of paragraph (7) and inserting in lieu thereof the following:

"(C) the calling party being charged for information conveyed during the call unless—

"(i) the calling party has a written agreement (including an agreement transmitted through electronic medium) that meets the requirements of paragraph (8); or

"(ii) the calling party is charged for the information in accordance with paragraph (9); or"; and

(B) by adding at the end the following new paragraphs:

"(8) SUBSCRIPTION AGREEMENTS FOR BILLING FOR INFORMATION PROVIDED VIA TOLL-FREE CALLS.—

"(A) IN GENERAL.—For purposes of paragraph (7)(C), a written subscription does not meet the requirements of this paragraph unless the agreement specifies the material terms and conditions under which the information is offered and includes—

"(i) the rate at which charges are assessed for the information;

"(ii) the information provider's name;

"(iii) the information provider's business address;

"(iv) the information provider's regular business telephone number;

"(v) the information provider's agreement to notify the subscriber of all future changes in the rates charged for the information; and

"(vi) the subscriber's choice of payment method, which may be by direct remit, debit, prepaid account, phone bill or credit or calling card.

"(B) BILLING ARRANGEMENTS.—If a subscriber elects, pursuant to subparagraph (A)(vi), to pay by means of a phone bill—

"(i) the agreement shall clearly explain that charges for the service will appear on the subscriber's phone bill;

"(ii) the phone bill shall include, in prominent type, the following disclaimer:

'Common carriers may not disconnect local or long distance telephone service for failure to pay disputed charges for information services.'; and

"(iii) the phone bill shall clearly list the 800 number dialed.

"(C) USE OF PINS TO PREVENT UNAUTHORIZED USE.—A written agreement does not meet the requirements of this paragraph unless it requires the subscriber to use a personal identification number to obtain access to the information provided, and includes instructions on its use.

"(D) EXCEPTIONS.—Notwithstanding paragraph (7)(C), a written agreement that meets the requirements of this paragraph is not required—

"(i) for calls utilizing telecommunications devices for the deaf;

"(ii) for services provided pursuant to a tariff that has been approved or permitted to take effect by the Commission or a State commission; or

"(iii) for any purchase of goods or of services that are not information services.

"(E) TERMINATION OF SERVICE.—On receipt by a common carrier of a complaint by any person that an information provider is in violation of the provisions of this section, a carrier shall—

"(i) promptly investigate the complaint; and

"(ii) if the carrier reasonably determines that the complaint is valid, it may terminate the provision of service to an information provider unless the provider supplies evidence of a written agreement that meets the requirements of this section.

"(F) TREATMENT OF REMEDIES.—The remedies provided in this paragraph are in addition to any other remedies that are available under title V of this Act.

"(9) CHARGES IN ABSENCE OF AGREEMENT.—A calling party is charged for a call in accordance with this paragraph if the provider of the information conveyed during the call—

"(A) clearly states to the calling party the total cost per minute of the information provided during the call and for any other information or service provided by the provider to which the calling party requests connection during the call; and

"(B) receives from the calling party—

"(i) an agreement to accept the charges for any information or services provided by the provider during the call; and

"(ii) a credit, calling, or charge card number or verification of a prepaid account to which such charges are to be billed.

"(10) DEFINITION.—As used in paragraphs (8) and (9), the term 'calling card' means an identifying number or code unique to the individual, that is issued to the individual by a common carrier and enables the individual to be charged by means of a phone bill for charges incurred independent of where the call originates."

(2) REGULATIONS.—The Federal Communications Commission shall revise its regulations to comply with the amendment made by paragraph (1) not later than 180 days after the date of the enactment of this Act.

(3) EFFECTIVE DATE.—The amendments made by paragraph (1) shall take effect on the date of the enactment of this Act.

(c) CLARIFICATION OF "PAY-PER-CALL SERVICES" UNDER TELEPHONE DISCLOSURE AND DISPUTE RESOLUTION ACT.—Section 204(1) of the Telephone Disclosure and Dispute Resolution Act (15 U.S.C. 5714(1)) is amended to read as follows:

"(1) The term 'pay-per-call services' has the meaning provided in section 228(j)(1) of the Communications Act of 1934, except that the Commission by rule may, notwithstanding subparagraphs (B) and (C) of such section, extend such definition to other similar services providing audio information or audio entertainment if the Commission determines that such services are susceptible to the unfair and deceptive practices that are prohibited by the rules prescribed pursuant to section 201(a).".

SEC. 704. DISCLOSURE OF CERTAIN RECORDS FOR INVESTIGATIONS OF TELEMARKETING FRAUD.

Section 2703(c)(1)(B) of title 18, United States Code, is amended—

(1) by striking out "or" at the end of clause (ii);

(2) by striking out the period at the end of clause (iii) and inserting in lieu thereof "; or"; and

(3) by adding at the end the following:

"(iv) submits a formal written request for information relevant to a legitimate law enforcement investigation of the governmental entity for the name, address, and place of business of a subscriber or customer of such provider, which subscriber or customer is engaged in telemarketing (as such term is in section 2325 of this title).".

SEC. 705. TELECOMMUTING PUBLIC INFORMATION PROGRAM.

(a) FINDINGS.—Congress makes the following findings—

(1) Telecommuting is the practice of allowing people to work either at home or in nearby centers located closer to home during their normal working hours, substituting telecommunications services, either partially or completely, for transportation to a more traditional workplace;

(2) Telecommuting is now practiced by an estimated two to seven million Americans, including individuals with impaired mobility, who are taking advantage of computer and telecommunications advances in recent years;

(3) Telecommuting has the potential to dramatically reduce fuel consumption, mobile source air pollution, vehicle miles traveled, and time spent commuting, thus contributing to an improvement in the quality of life for millions of Americans; and

(4) It is in the public interest for the Federal Government to collect and disseminate information encouraging the increased use of telecommuting and identifying the potential benefits and costs of telecommuting.

(b) TELECOMMUTING RESEARCH PROGRAMS AND PUBLIC INFORMATION DISSEMINATION.—The Secretary of Transportation, in consultation with the Secretary of Labor and the Administrator of the Environmental Protection Agency, shall, within three months of the date of enactment of this Act, carry out research to identify successful telecommuting programs in the public and private sectors and provide for the dissemination to the public of information regarding—

(1) the establishment of successful telecommuting programs; and

(2) the benefits and costs of telecommuting.

(c) REPORT.—Within one year of the date of enactment of this Act, the Secretary of Transportation shall report to Congress its findings, conclusions, and recommendations regarding telecommuting developed under this section.

SEC. 706. AUTHORITY TO ACQUIRE CABLE SYSTEMS.

(a) IN GENERAL.—Notwithstanding the provisions of section 613(b)(6) of the Communications Act of 1934, as added by section 203(a) of this Act, a local exchange carrier (or any affiliate of such carrier owned by, operated by, controlled by, or under common control with such carrier) may purchase or otherwise acquire more than a 10 percent financial interest, or any management interest, or enter into a joint venture or partnership with any cable system described in subsection (b) within the local exchange carrier's telephone service area.

(b) COVERED CABLE SYSTEMS.—Subsection (a) applies to any cable system serving no more than 20,000 cable subscribers of which no more than 12,000 of those subscribers live within an urbanized area, as defined by the Bureau of the Census.

(c) DEFINITION.—For purposes of this section, the term "local exchange carrier" has the meaning given such term in section 3 (kk) of the Communications Act of 1934, as added by section 8(b) of this Act.

MOTION OFFERED BY MR. BLILEY

Mr. BLILEY. Mr. Speaker, pursuant to section 2 of House Resolution 207, I offer a motion.

The Clerk read as follows:

Mr. BLILEY moves to strike out all after the enacting clause of the Senate bill, S. 652, and insert in lieu thereof the provisions of H.R. 1555 as passed by the House, as follows:

S. 652

SECTION 1. SHORT TITLE; REFERENCES; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Communications Act of 1995".

(b) REFERENCES.—References in this Act to "the Act" are references to the Communications Act of 1934.

(c) TABLE OF CONTENTS.—

Sec. 1. Short title; references; table of contents.

TITLE I—DEVELOPMENT OF COMPETITIVE TELECOMMUNICATIONS MARKETS

Sec. 101. Establishment of part II of title II.

"PART II—DEVELOPMENT OF COMPETITIVE MARKETS

"Sec. 241. Interconnection.
"Sec. 242. Equal access and interconnection to the local loop for competing providers.
"Sec. 243. Removal of barriers to entry.
"Sec. 244. Statements of terms and conditions for access and interconnection.
"Sec. 245. Bell operating company entry into interLATA services.
"Sec. 246. Competitive safeguards.
"Sec. 247. Universal service.
"Sec. 248. Pricing flexibility and abolition of rate-of-return regulation.
"Sec. 249. Network functionality and accessibility.
"Sec. 250. Market entry barriers.
"Sec. 251. Illegal changes in subscriber carrier selections.
"Sec. 252. Study.".

Sec. 102. Competition in manufacturing, information services, alarm services, and pay phone services.

"PART III—SPECIAL AND TEMPORARY PROVISIONS

"Sec. 271. Manufacturing by Bell operating companies.
"Sec. 272. Electronic publishing by Bell operating companies.
"Sec. 273. Alarm monitoring and telemessaging services by Bell operating companies.
"Sec. 274. Provision of payphone service.".

Sec. 103. Forbearance from regulation.
"Sec. 230. Protection for private blocking and screening of offensive material; FCC regulation of computer services prohibited.".
Sec. 104. Online family empowerment.
Sec. 105. Privacy of customer information.
"Sec. 222. Privacy of customer proprietary network information.".
Sec. 106. Pole attachments.
Sec. 107. Preemption of franchising authority regulation of telecommunications services.
Sec. 108. Facilities siting; radio frequency emission standards.
Sec. 109. Mobile service access to long distance carriers.
Sec. 110. Freedom from toll fraud.
Sec. 111. Report on means of restricting access to unwanted material in interactive telecommunications systems.
Sec. 112. Telecommunications development fund.
"Sec. 10. Telecommunication development fund.".
Sec. 113. Report on the use of advanced telecommunications services for medical purposes.
Sec. 114. Telecommuting public information program.
Sec. 115. Authorization of appropriations.

TITLE II—CABLE COMMUNICATIONS COMPETITIVENESS

Sec. 201. Cable service provided by telephone companies.

"PART V—VIDEO PROGRAMMING SERVICES PROVIDED BY TELEPHONE COMPANIES

"Sec. 651. Definitions.
"Sec. 652. Separate video programming affiliate.
"Sec. 653. Establishment of video platform.
"Sec. 654. Authority to prohibit cross-subsidization.
"Sec. 655. Prohibition on buy outs.
"Sec. 656. Applicability of parts I through IV.
"Sec. 657. Rural area exemption.".

Sec. 202. Competition from cable systems.
Sec. 203. Competitive availability of navigation devices.
"Sec. 713. Competitive availability of navigation devices.".
Sec. 204. Video programming accessibility.
Sec. 205. Technical amendments.

TITLE III—BROADCAST COMMUNICATIONS COMPETITIVENESS

Sec. 301. Broadcaster spectrum flexibility.
"Sec. 336. Broadcast spectrum flexibility.".
Sec. 302. Broadcast ownership.
"Sec. 337. Broadcast ownership.".
Sec. 303. Foreign investment and ownership.
Sec. 304. Family viewing empowerment.
Sec. 305. Parental choice in television programming.
Sec. 306. Term of licenses.
Sec. 307. Broadcast license renewal procedures.
Sec. 308. Exclusive Federal jurisdiction over direct broadcast satellite service.

Sec. 309. Automated ship distress and safety systems.
Sec. 310. Restrictions on over-the-air reception devices.
Sec. 311. DBS signal security.
Sec. 312. Delegation of equipment testing and certification to private laboratories.

TITLE IV—EFFECT ON OTHER LAWS

Sec. 401. Relationship to other laws.
Sec. 402. Preemption of local taxation with respect to DBS services.
Sec. 403. Protection of minors and clarification of current laws regarding communication of obscene and indecent materials through the use of computers.

TITLE V—DEFINITIONS

Sec. 501. Definitions.

TITLE VI—SMALL BUSINESS COMPLAINT PROCEDURE

Sec. 601. Complaint procedure.

TITLE I—DEVELOPMENT OF COMPETITIVE TELECOMMUNICATIONS MARKETS

SEC. 101. ESTABLISHMENT OF PART II OF TITLE II.

(a) AMENDMENT.—Title II of the Act is amended by inserting after section 229 (47 U.S.C. 229) the following new part:

"PART II—DEVELOPMENT OF COMPETITIVE MARKETS

"SEC. 241. INTERCONNECTION.

"The duty of a common carrier under section 201(a) includes the duty to interconnect with the facilities and equipment of other providers of telecommunications services and information services.

"SEC. 242. EQUAL ACCESS AND INTERCONNECTION TO THE LOCAL LOOP FOR COMPETING PROVIDERS.

"(a) OPENNESS AND ACCESSIBILITY OBLIGATIONS.—The duty under section 201(a) of a local exchange carrier includes the following duties:

"(1) INTERCONNECTION.—The duty to provide, in accordance with subsection (b), equal access to and interconnection with the facilities of the carrier's networks to any other carrier or person offering (or seeking to offer) telecommunications services or information services reasonably requesting such equal access and interconnection, so that such networks are fully interoperable with such telecommunications services and information services. For purposes of this paragraph, a request is not reasonable unless it contains a proposed plan, including a reasonable schedule, for the implementation of the requested access or interconnection.

"(2) UNBUNDLING OF NETWORK ELEMENTS.—The duty to offer unbundled services, elements, features, functions, and capabilities whenever technically feasible, at just, reasonable, and nondiscriminatory prices and in accordance with subsection (b)(4).

"(3) RESALE.—The duty—

(A) to offer services, elements, features, functions, and capabilities for resale at wholesale rates, and

(B) not to prohibit, and not to impose unreasonable or discriminatory conditions or limitations on, the resale of such services, elements, features, functions, and capabilities, on a bundled or unbundled basis, except that a carrier may prohibit a reseller that obtains at wholesale rates a service, element, feature, function, or capability that is available at retail only to a category of subscribers from offering such service, element, feature, function, or capability to a different category of subscribers.

For the purposes of this paragraph, wholesale rates shall be determined on the basis of retail rates for the service, element, feature, function, or capability provided, excluding the portion thereof attributable to any marketing, billing, collection, and other costs that are avoided by the local exchange carrier.

"(4) NUMBER PORTABILITY.—The duty to provide, to the extent technically feasible, number portability in accordance with requirements prescribed by the Commission.

"(5) DIALING PARITY.—The duty to provide, in accordance with subsection (c), dialing parity to competing providers of telephone exchange service and telephone toll service.

"(6) ACCESS TO RIGHTS-OF-WAY.—The duty to afford access to the poles, ducts, conduits, and rights-of-way of such carrier to competing providers of telecommunications services in accordance with section 224(d).

"(7) NETWORK FUNCTIONALITY AND ACCESSIBILITY.—The duty not to install network features, functions, or capabilities that do not comply with any standards established pursuant to section 249.

"(8) GOOD FAITH NEGOTIATION.—The duty to negotiate in good faith, under the supervision of State commissions, the particular terms and conditions of agreements to fulfill the duties described in paragraphs (1) through (7). The other carrier or person requesting interconnection shall also be obligated to negotiate in good faith the particular terms and conditions of agreements to fulfill the duties described in paragraphs (1) through (7).

"(b) INTERCONNECTION, COMPENSATION, AND EQUAL ACCESS.—

"(1) INTERCONNECTION.—A local exchange carrier shall provide access to and interconnection with the facilities of the carrier's network at any technically feasible point within the carrier's network on just and reasonable terms and conditions, to any other carrier or person offering (or seeking to offer) telecommunications services or information services requesting such access.

"(2) INTERCARRIER COMPENSATION BETWEEN FACILITIES-BASED CARRIERS.—

"(A) IN GENERAL.—For the purposes of paragraph (1), the terms and conditions for interconnection of the network facilities of a competing provider of telephone exchange service shall not be considered to be just and reasonable unless—

"(i) such terms and conditions provide for the mutual and reciprocal recovery by each carrier of costs associated with the termination on such carrier's network facilities of calls that originate on the network facilities of the other carrier;

"(ii) such terms and conditions determine such costs on the basis of a reasonable approximation of the additional costs of terminating such calls; and

"(iii) the recovery of costs permitted by such terms and conditions are reasonable in relation to the prices for termination of calls that would prevail in a competitive market.

"(B) RULES OF CONSTRUCTION.—This paragraph shall not be construed—

"(i) to preclude arrangements that afford such mutual recovery of costs through the offsetting of reciprocal obligations, including arrangements that waive mutual recovery (such as bill-and-keep arrangements); or

"(ii) to authorize the Commission or any State commission to engage in any rate regulation proceeding to establish with particularity the additional costs of terminating calls, or to require carriers to maintain records with respect to the additional costs of terminating calls.

"(3) EQUAL ACCESS.—A local exchange carrier shall afford, to any other carrier or person offering (or seeking to offer) a telecommunications service or an information service, reasonable and nondiscriminatory access on an unbundled basis—

"(A) to databases, signaling systems, billing and collection services, poles, ducts, conduits, and rights-of-way owned or controlled by a local exchange carrier, or other facilities, functions, or information (including subscriber numbers) integral to the efficient transmission, routing, or other provision of telephone exchange services or exchange access;

"(B) that is equal in type and quality to the access which the carrier affords to itself or to any other person, and is available at nondiscriminatory prices; and

"(C) that is sufficient to ensure the full interoperability of the equipment and facilities of the carrier and of the person seeking such access.

"(4) COMMISSION ACTION REQUIRED.—

"(A) IN GENERAL.—Within 6 months after the date of enactment of this part, the Commission shall complete all actions necessary (including any reconsideration) to establish regulations to implement the requirements of this section. The Commission shall establish such regulations after consultation with the Joint Board established pursuant to section 247.

"(B) ACCOMMODATION OF STATE ACCESS REGULATIONS.—In prescribing and enforcing regulations to implement the requirements of this section, the Commission shall not preclude the enforcement of any regulation, order, or policy of a State commission that—

"(i) establishes access and interconnection obligations of local exchange carriers;

"(ii) is consistent with the requirements of this section; and

"(iii) does not substantially prevent the Commission from fulfilling the requirements of this section and the purposes of this part.

"(C) COLLOCATION.—Such regulations shall provide for actual collocation of equipment necessary for interconnection for telecommunications services at the premises of a local exchange carrier, except that the regulations shall provide for virtual collocation where the local exchange carrier demonstrates that actual collocation is not practical for technical reasons or because of space limitations.

"(D) USER PAYMENT OF COSTS.—Such regulations shall require that the costs that a carrier incurs in offering access, interconnection, number portability, or unbundled services, elements, features, functions, and capabilities shall be borne by the users of such access, interconnection, number portability, or services, elements, features, functions, and capabilities.

"(E) IMPUTED CHARGES TO CARRIER.—Such regulations shall require the carrier, to the extent it provides a telecommunications service or an information service that requires access or interconnection to its network facilities, to impute such access and interconnection charges to itself.

"(c) NUMBER PORTABILITY AND DIALING PARITY.—

"(1) AVAILABILITY.—A local exchange carrier shall ensure that—

"(A) number portability shall be available on request in accordance with subsection (a)(4); and

"(B) dialing parity shall be available upon request, except that, in the case of a Bell operating company, such company shall ensure that dialing parity for intraLATA telephone toll service shall be available not later than the date such company is authorized to provide interLATA services.

"(2) NUMBER ADMINISTRATION.—The Commission shall designate one or more impartial entities to administer telecommunications numbering and to make such numbers available on an equitable basis. The Commission shall have exclusive jurisdiction over those portions of the North American Numbering Plan that pertain to the United States. Nothing in this paragraph shall preclude the Commission from delegating to State commissions or other entities any portion of such jurisdiction.

"(d) JOINT MARKETING OF RESOLD ELEMENTS.—

"(1) RESTRICTION.—Except as provided in paragraph (2), no service, element, feature, function, or capability that is made available for resale in any State by a Bell operating company may be jointly marketed directly or indirectly with any interLATA telephone toll service until such Bell operating company is authorized pursuant to section 245(c) to provide interLATA services in such State.

"(2) COMPETING PROVIDERS.—Paragraph (1) shall not prohibit joint marketing of services, elements, features, functions, or capabilities acquired from a Bell operating company by an unaffiliated provider that, together with its affiliates, has in the aggregate less than 2 percent of the access lines installed nationwide.

"(e) MODIFICATIONS AND WAIVERS.—The Commission may modify or waive the requirements of this section for any local exchange carrier (or class or category of such carriers) that has, in the aggregate nationwide, fewer than 500,000 access lines installed, to the extent that the Commission determines that compliance with such requirements (without such modification) would be unduly economically burdensome or technologically infeasible.

"(f) EXEMPTION FOR CERTAIN RURAL TELEPHONE COMPANIES.—Subsections (a) through (d) of this section shall not apply to a rural telephone company, until such company has received a bona fide request for services, elements, features or capabilities described in subsections (a) through (d). Following a bona fide request to the carrier and notice of the request to the State commission, the State commission shall determine within 120 days whether the request would be unduly economically burdensome, be technologically infeasible, and be consistent with subsections (b)(1) through (b)(5), (c)(1), and (c)(3) of section 247. The exemption provided by this subsection shall not apply if such carrier provides video programming services over its telephone exchange facilities in its telephone service area.

"(g) TIME AND MANNER OF COMPLIANCE.—The State shall establish, after determining pursuant to subsection (f) that a bona fide request is not economically burdensome, is technologically feasible, and is consistent with subsections (b)(1) through (b)(5), (c)(1), and (c)(3) of section 247, an implementation schedule for compliance with such approved bona fide request that is consistent in time and manner with Commission rules.

"(h) AVOIDANCE OF REDUNDANT REGULATIONS.—

"(1) COMMISSION REGULATIONS.—Nothing in this section shall be construed to prohibit the Commission from enforcing regulations prescribed prior to the date of enactment of this part in fulfilling the requirements of this section, to the extent that such regulations are consistent with the provisions of this section.

"(2) STATE REGULATIONS.—Nothing in this section shall be construed to prohibit any State commission from enforcing regulations prescribed prior to the date of enactment of this part, or from prescribing regulations after such date of enactment, in fulfilling the requirements of this section, if (A) such regulations are consistent with the provisions of this section, and (B) the enforcement of such regulations has not been precluded under subsection (b)(4)(B).

"SEC. 243. REMOVAL OF BARRIERS TO ENTRY.

(a) IN GENERAL.—No State or local statute or regulation, or other State or local legal requirement, may prohibit or have the effect of prohibiting the ability of any entity to provide interstate or intrastate telecommunications services.

(b) STATE AND LOCAL AUTHORITY.—Nothing in this section shall affect the ability of a State or local government to impose, on a competitively neutral basis and consistent with section 247 (relating to universal service), requirements necessary to preserve and advance universal service, protect the public safety and welfare, ensure the continued quality of telecommunications services, and safeguard the rights of consumers.

(c) LOCAL GOVERNMENT AUTHORITY.—Nothing in this Act affects the authority of a local government to manage the public rights-of-way or to require fair and reasonable compensation from telecommunications providers, on a competitively neutral and nondiscriminatory basis, for use of the rights-of-way on a nondiscriminatory basis, if the compensation required is publicly disclosed by such government.

(d) EXCEPTION.—In the case of commercial mobile services, the provisions of section 332(c)(3) shall apply in lieu of the provisions of this section.

"SEC. 244. STATEMENTS OF TERMS AND CONDITIONS FOR ACCESS AND INTERCONNECTION.

"(a) IN GENERAL.—Within 18 months after the date of enactment of this part, and from time to time thereafter, a local exchange carrier shall prepare and file with a State commission statements of the terms and conditions that such carrier generally offers within that State with respect to the services, elements, features, functions, or capabilities provided to comply with the requirements of section 242 and the regulations thereunder. Any such statement pertaining to the charges for interstate services, elements, features, functions, or capabilities shall be filed with the Commission.

"(b) REVIEW.—

"(1) STATE COMMISSION REVIEW.—A State commission to which a statement is submitted under subsection (a) shall review such statement in accordance with State law. A State commission may not approve such statement unless such statement complies with section 242 and the regulations thereunder. Except as provided in section 243, nothing in this section shall prohibit a State commission from establishing or enforcing other requirements of State law in its review of such statement, including requiring compliance with intrastate telecommunications service quality standards or requirements.

"(2) FCC REVIEW.—The Commission shall review such statements to ensure that—

"(A) the charges for interstate services, elements, features, functions, or capabilities are just, reasonable, and nondiscriminatory; and

"(B) the terms and conditions for such interstate services or elements unbundle any separable services, elements, features, functions, or capabilities in accordance with section 242(a)(2) and any regulations thereunder.

"(c) TIME FOR REVIEW.—

"(1) SCHEDULE FOR REVIEW.—The Commission and the State commission to which a statement is submitted shall, not later than 60 days after the date of such submission—

"(A) complete the review of such statement under subsection (b) (including any reconsideration thereof), unless the submitting carrier agrees to an extension of the period for such review; or

"(B) permit such statement to take effect.

"(2) AUTHORITY TO CONTINUE REVIEW.—Paragraph (1) shall not preclude the Commission or a State commission from continuing to review a statement that has been permitted to take effect under subparagraph (B) of such paragraph.

"(d) EFFECT OF AGREEMENTS.—Nothing in this section shall prohibit a carrier from filing an agreement to provide services, elements, features, functions, or capabilities affording access and interconnection as a statement of terms and conditions that the carrier generally offers for purposes of this section. An agreement affording access and interconnection shall not be approved under this section unless the agreement contains a plan, including a reasonable schedule, for the implementation of the requested access or interconnection. The approval of a statement under this section shall not operate to prohibit a carrier from entering into subsequent agreements that contain terms and conditions that differ from those contained in a statement that has been reviewed and approved under this section, but—

"(1) each such subsequent agreement shall be filed under this section; and

"(2) such carrier shall be obligated to offer access to such services, elements, features, functions, or capabilities to other carriers and persons (including carriers and persons covered by previously approved statements) requesting such access on terms and conditions that, in relation to the terms and conditions in such subsequent agreements, are not discriminatory.

"(e) SUNSET.—The provisions of this section shall cease to apply in any local exchange market, defined by geographic area and class or category of service, that the Commission and the State determines has become subject to full and open competition.

"SEC. 245. BELL OPERATING COMPANY ENTRY INTO INTERLATA SERVICES.

"(a) VERIFICATION OF ACCESS AND INTERCONNECTION COMPLIANCE.—At any time after 6 months after the date of enactment of this part, a Bell operating company may provide to the Commission verification by such company with respect to one or more States that such company is in compliance with the requirements of this part. Such verification shall contain the following:

"(1) CERTIFICATION.—A certification by each State commission of such State or States that such carrier has fully implemented the conditions described in subsection (b), except as provided in subsection (c)(2).

"(2) AGREEMENT OR STATEMENT.—For each such State, either of the following:

"(A) PRESENCE OF A FACILITIES-BASED COMPETITOR.—An agreement that has been approved under section 244 specifying the terms and conditions under which the Bell operating company is providing access and interconnection to its network facilities in accordance with section 242 for the network facilities of an unaffiliated competing provider of telephone exchange service (as defined in section 3(44)(A), but excluding exchange access service) to residential and business subscribers. For the purpose of this subparagraph, such telephone exchange service may be offered by such competing provider either exclusively over its own telephone exchange service facilities or predominantly over its own telephone exchange service facilities in combination with the resale of the services of another carrier. For the purpose of this subparagraph, services provided pursuant to subpart K of part 22 of the Commission's regulations (47 C.F.R. 22.901 et seq.) shall not be considered to be telephone exchange services.

"(B) FAILURE TO REQUEST ACCESS.—If no such provider has requested such access and interconnection before the date which is 3 months before the date the company makes its submission under this subsection, a statement of the terms and conditions that the carrier generally offers to provide such access and interconnection that has been approved or permitted to take effect by the State commission under section 244.

For purposes of subparagraph (B), a Bell operating company shall be considered not to have received any request for access or interconnection if the State commission of such State or States certifies that the only provider or providers making such request have (i) failed to bargain in good faith under the supervision of such State commission pursuant to section 242(a)(8), or (ii) have violated the terms of their agreement by failure to comply, within a reasonable period *of time, with the implementation schedule contained in such agreement.*

"(b) CERTIFICATION OF COMPLIANCE WITH PART II.—For the purposes of subsection (a)(1), a Bell operating company shall submit to the Commission a certification by a State commission of compliance with each of the following conditions in any area where such company provides local exchange service or exchange access in such State:

"(1) INTERCONNECTION.—The Bell operating company provides access and interconnection in accordance with subsections (a)(1) and (b) of section 242 to any other carrier or person offering telecommunications services requesting such access and interconnection, and complies with the Commission regulations pursuant to such section concerning such access and interconnection.

"(2) UNBUNDLING OF NETWORK ELEMENTS.—The Bell operating company provides unbundled services, elements, features, functions, and capabilities in accordance with subsection (a)(2) of section 242 and the regulations prescribed by the Commission pursuant to such section.

"(3) RESALE.—The Bell operating company offers services, elements, features, functions, and capabilities for resale in accordance with section 242(a)(3), and neither the Bell operating company, nor any unit of State or local government within the State, imposes any restrictions on resale or sharing of telephone exchange service (or unbundled services, elements, features, or functions of telephone exchange service) in violation of section 242(a)(3).

"(4) NUMBER PORTABILITY.—The Bell operating company provides number portability in compliance with the Commission's regulations pursuant to subsections (a)(4) and (c) of section 242.

"(5) DIALING PARITY.—The Bell operating company provides dialing parity in accordance with subsections (a)(5) and (c) of section 242, and will, not later than the effective date of its authority to commence providing interLATA services, take such actions as are necessary to provide dialing parity for intraLATA telephone toll service in accordance with such subsections.

"(6) ACCESS TO CONDUITS AND RIGHTS OF WAY.—The poles, ducts, conduits, and rights of way of such Bell operating company are available to competing providers of telecommunications services in accordance with the requirements of sections 242(a)(6) and 224(d).

"(7) ELIMINATION OF FRANCHISE LIMITATIONS.—No unit of the State or local government in such State or States enforces any prohibition or limitation in violation of section 243.

"(8) NETWORK FUNCTIONALITY AND ACCESSIBILITY.—The Bell operating company will not install network features, functions, or capabilities that do not comply with the standards established pursuant to section 249.

"(9) NEGOTIATION OF TERMS AND CONDITIONS.—The Bell operating company has negotiated in good faith, under the supervision of the State commission, in accordance with the requirements of section 242(a)(8) with any other carrier or person requesting access or interconnection.

"(c) COMMISSION REVIEW.—

"(1) REVIEW OF STATE DECISIONS AND CERTIFICATIONS.—The Commission shall review any verification submitted by a Bell operating company pursuant to subsection (a). The Commission may require such company to submit such additional information as is necessary to validate any of the items of such verification.

"(2) DE NOVO REVIEW.—If—

"(A) a State commission does not have the jurisdiction or authority to make the certification required by subsection (b);

"(B) the State commission has failed to act within 90 days after the date a request for such certification is filed with such State commission; or

"(C) the State commission has sought to impose a term or condition in violation of section 243;

the local exchange carrier may request the Commission to certify the carrier's compliance with the conditions specified in subsection (b).

"(3) CONSULTATION WITH THE ATTORNEY GENERAL.—The Commission shall notify the Attorney General promptly of any verification submitted for approval under this subsection, and shall identify any verification that, if approved, would relieve the Bell operating company and its affiliates of the prohibition concerning manufacturing contained in section 271(a). Before making any determination under this subsection, the Commission shall consult with the Attorney General, and if the Attorney General submits any comments in writing, such comments shall be included in the record of the Commission's decision. In consulting with and submitting comments to the Commission under this paragraph, the Attorney General shall provide to the Commission an evaluation of whether there is a dangerous probability that the Bell operating company or its affiliates would successfully use market power to substantially impede competition in the market such company seeks to enter. In consulting with and submitting comments to the Commission under this paragraph with respect to a verification that, if approved, would relieve the Bell operating company and its affiliates of the prohibition concerning manufacturing contained in section 271(a), the Attorney General shall also provide to the Commission an evaluation of whether there is a dangerous probability that the Bell operating company or its affiliates would successfully use market power to substantially impede competition in manufacturing.

"(4) TIME FOR DECISION; PUBLIC COMMENT.—Unless such Bell operating company consents to a longer period of time, the Commission shall approve, disapprove, or approve with conditions such verification within 90 days after the date of its submission. During such 90 days, the Commission shall afford interested persons an opportunity to present information and evidence concerning such verification.

"(5) STANDARD FOR DECISION.—The Commission shall not approve such verification unless the Commission determines that—

"(A) the Bell operating company meets each of the conditions required to be certified under subsection (b); and

"(B) the agreement or statement submitted under subsection (a)(2) complies with the requirements of section 242 and the regulations thereunder.

"(d) ENFORCEMENT OF CONDITIONS.—

"(1) COMMISSION AUTHORITY.—If at any time after the approval of a verification under subsection (c), the Commission determines that a Bell operating company has ceased to meet any of the conditions required to be certified under subsection (b), the Commission may, after notice and opportunity for a hearing—

"(A) issue an order to such company to correct the deficiency;

"(B) impose a penalty on such company pursuant to title V; or

"(C) suspend or revoke such approval.

"(2) RECEIPT AND REVIEW OF COMPLAINTS.—The Commission shall establish procedures for the review of complaints concerning failures by Bell operating companies to meet conditions required to be certified under subsection (b). Unless the parties otherwise agree, the Commission shall act on such complaint within 90 days.

"(3) STATE AUTHORITY.—The authority of the Commission under this subsection shall not be construed to preempt any State commission from taking actions to enforce the conditions required to be certified under subsection (b).

"(e) AUTHORITY TO PROVIDE INTERLATA SERVICES.—

"(1) PROHIBITION.—Except as provided in paragraph (2) and subsections (f), (g), and (h), a Bell operating company or affiliate thereof may not provide interLATA services.

"(2) AUTHORITY SUBJECT TO CERTIFICATION.—A Bell operating company or affiliate thereof may, in any States to which its verification under subsection (a) applies, provide interLATA services—

"(A) during any period after the effective date of the Commission's approval of such verification pursuant to subsection (c), and

"(B) until the approval of such verification is suspended or revoked by the Commission pursuant to subsection (c).

"(f) EXCEPTION FOR PREVIOUSLY AUTHORIZED ACTIVITIES.—Subsection (e) shall not prohibit a Bell operating company or affiliate from engaging, at any time after the date of the enactment of this part, in any activity as authorized by an order entered by the United States District Court for the District of Columbia pursuant to section VII or VIII(C) of the Modification of Final Judgment, if—

"(1) such order was entered on or before the date of the enactment of this part, or

"(2) a request for such authorization was pending before such court on the date of the enactment of this part.

"(g) EXCEPTIONS FOR INCIDENTAL SERVICES.—Subsection (e) shall not prohibit a Bell operating company or affiliate thereof, at any time after the date of the enactment of this part, from providing interLATA services for the purpose of—

"(1)(A) providing audio programming, video programming, or other programming services to subscribers to such services of such company;

"(B) providing the capability for interaction by such subscribers to select or respond to such audio programming, video programming, or other programming services; or

"(C) providing to distributors audio programming or video programming that such company owns or controls, or is licensed by the copyright owner of such programming (or by an assignee of such owner) to distribute;

"(2) providing a telecommunications service, using the transmission facilities of a cable system that is an affiliate of such company, and that is located within a State in which such company is not, on the date of the enactment of this part, a provider of wireline telephone exchange service;

"(3) providing commercial mobile services in accordance with section 332(c) of this Act and with the regulations prescribed by the Commission pursuant to paragraph (8) of such section;

"(4) providing a service that permits a customer that is located in one local access and transport area to retrieve stored information from, or file information for storage in, information storage facilities of such company that are located in another local access and transport area;

"(5) providing signaling information used in connection with the provision of telephone exchange services to a local exchange carrier that, together with any affiliated local exchange carriers, has aggregate annual revenues of less than $100,000,000; or

"(6) providing network control signaling information to, and receiving such signaling information from, common carriers offering interLATA services at any location within the area in which such Bell operating company provides telephone exchange services or exchange access.

"(h) OUT-OF-REGION SERVICES.—When a Bell operating company and its affiliates have obtained Commission approval under subsection (c) for each State in which such Bell operating

company and its affiliates provide telephone exchange service on the date of enactment of this part, such Bell operating company and any affiliate thereof may, notwithstanding subsection (e), provide interLATA services—

"(1) for calls originating in, and billed to a customer in, a State in which neither such company nor any affiliate provided telephone exchange service on such date of enactment; or

"(2) for calls originating outside the United States.

"(i) INTRALATA TOLL DIALING PARITY.—Neither the Commission nor any State may order any Bell operating company to provide dialing parity for intraLATA telephone toll service in any State before the date such company is authorized to provide interLATA services in such State pursuant to this section.

"(j) FORBEARANCE.—The Commission may not, pursuant to section 230, forbear from applying any provision of this section or any regulation thereunder until at least 5 years after the date of enactment of this part.

"(k) SUNSET.—The provisions of this section shall cease to apply in any local exchange market, defined by geographic area and class or category of service, that the Commission and the State determines has become subject to full and open competition.

"(l) DEFINITIONS.—As used in this section—

"(1) AUDIO PROGRAMMING.—The term 'audio programming' means programming provided by, or generally considered comparable to programming provided by, a radio broadcast station.

"(2) VIDEO PROGRAMMING.—The term 'video programming' has the meaning provided in section 602.

"(3) OTHER PROGRAMMING SERVICES.—The term 'other programming services' means information (other than audio programming or video programming) that the person who offers a video programming service makes available to all subscribers generally. For purposes of the preceding sentence, the terms 'information' and 'makes available to all subscribers generally' have the same meaning such terms have under section 602(13) of this Act.

"SEC. 246. COMPETITIVE SAFEGUARDS.

"(a) IN GENERAL.—In accordance with the requirements of this section and the regulations adopted thereunder, a Bell operating company or any affiliate thereof providing any interLATA telecommunications or interLATA information service, shall do so through a subsidiary that is separate from the Bell operating company or any affiliate thereof that provides telephone exchange service. The requirements of this section shall not apply with respect to (1) activities in which a Bell operating company or affiliate may engage pursuant to section 245(f), or (2) incidental services in which a Bell operating company or affiliate may engage pursuant to section 245(g), other than services described in paragraph (4) of such section.

"(b) TRANSACTION REQUIREMENTS.—Any transaction between such a subsidiary and a Bell operating company and any other affiliate of such company shall be conducted on an arm's-length basis, in the same manner as the Bell operating company conducts business with unaffiliated persons, and shall not be based upon any preference or discrimination in favor of the subsidiary arising out of the subsidiary's affiliation with such company.

"(c) SEPARATE OPERATION AND PROPERTY.—A subsidiary required by this section shall—

"(1) operate independently from the Bell operating company or any affiliate thereof,

"(2) have separate officers, directors, and employees who may not also serve as officers, directors, or employees of the Bell operating company or any affiliate thereof,

"(3) not enter into any joint venture activities or partnership with a Bell operating company or any affiliate thereof,

"(4) not own any telecommunications transmission or switching facilities in common with the Bell operating company or any affiliate thereof, and

"(5) not jointly own or share the use of any other property with the Bell operating company or any affiliate thereof.

"(d) BOOKS, RECORDS, AND ACCOUNTS.—Any subsidiary required by this section shall maintain books, records, and accounts in a manner prescribed by the Commission which shall be separate from the books, records, and accounts maintained by a Bell operating company or any affiliate thereof.

"(e) PROVISION OF SERVICES AND INFORMATION.—A Bell operating company or any affiliate thereof may not discriminate between a subsidiary required by this section and any other person in the provision or procurement of goods, services, facilities, or information, or in the establishment of standards, and shall not provide any goods, services, facilities or information to a subsidiary required by this section unless such goods, services, facilities or information are made available to others on reasonable, nondiscriminatory terms and conditions.

"(f) PREVENTION OF CROSS-SUBSIDIES.—A Bell operating company or any affiliate thereof required to maintain a subsidiary under this section shall establish and administer, in accordance with the requirements of this section and the regulations prescribed thereunder, a cost allocation system that prohibits any cost of providing interLATA telecommunications or interLATA information services from being subsidized by revenue from telephone exchange services and telephone exchange access services. The cost allocation system shall employ a formula that ensures that—

"(1) the rates for telephone exchange services and exchange access are no greater than they would have been in the absence of such investment in interLATA telecommunications or interLATA information services (taking into account any decline in the real costs of providing such telephone exchange services and exchange access); and

"(2) such interLATA telecommunications or interLATA information services bear a reasonable share of the joint and common costs of facilities used to provide telephone exchange, exchange access, and competitive services.

"(g) ASSETS.—The Commission shall, by regulation, ensure that the economic risks associated with the provision of interLATA telecommunications or interLATA information services by a Bell operating company or any affiliate thereof (including any increases in such company's cost of capital that occur as a result of the provision of such services) are not borne by customers of telephone exchange services and exchange access in the event of a business loss or failure. Investments or other expenditures assigned to interLATA telecommunications or interLATA information services shall not be reassigned to telephone exchange service or exchange access.

"(h) DEBT.—A subsidiary required by this section shall not obtain credit under any arrangement that would—

"(1) permit a creditor, upon default, to have resource to the assets of a Bell operating company; or

"(2) induce a creditor to rely on the tangible or intangible assets of a Bell operating company in extending credit.

"(i) FULFILLMENT OF CERTAIN REQUESTS.—A Bell operating company or an affiliate thereof shall—

"(1) fulfill any requests from an unaffiliated entity for telephone exchange service and exchange access within a period no longer than the period in which it provides such telephone exchange service and exchange access to itself or to its affiliates;

"(2) fulfill any such requests with telephone exchange service and exchange access of a quality that meets or exceeds the quality of telephone exchange services and exchange access provided by the Bell operating company or its affiliates to itself or its affiliates; and

"(3) provide telephone exchange service and exchange access to all providers of intraLATA or interLATA telephone toll services and interLATA information services at cost-based rates that are not unreasonably discriminatory.

"(j) CHARGES FOR ACCESS SERVICES.—A Bell operating company or an affiliate thereof shall charge the subsidiary required by this section an amount for telephone exchange services, exchange access, and other necessary associated inputs no less than the rate charged to any unaffiliated entity for such access and inputs.

"(k) SUNSET.—The provisions of this section shall cease to apply to any Bell operating company in any State 18 months after the date such Bell operating company is authorized pursuant to section 245(c) to provide interLATA telecommunications services in such State.

"SEC. 247. UNIVERSAL SERVICE.

"(a) JOINT BOARD TO PRESERVE UNIVERSAL SERVICE.—Within 30 days after the date of enactment of this part, the Commission shall convene a Federal-State Joint Board under section 410(c) for the purpose of recommending actions to the Commission and State commissions for the preservation of universal service in furtherance of the purposes set forth in section 1 of this Act. In addition to the members required under section 410(c), one member of the Joint Board shall be a State-appointed utility consumer advocate nominated by a national organization of State utility consumer advocates.

"(b) PRINCIPLES.—The Joint Board shall base policies for the preservation of universal service on the following principles:

"(1) JUST AND REASONABLE RATES.—A plan adopted by the Commission and the States should ensure the continued viability of universal service by maintaining quality services at just and reasonable rates.

"(2) DEFINITIONS OF INCLUDED SERVICES; COMPARABILITY IN URBAN AND RURAL AREAS.—Such plan should recommend a definition of the nature and extent of the services encompassed within carriers' universal service obligations. Such plan should seek to promote access to advanced telecommunications services and capabilities, and to promote reasonably comparable services for the general public in urban and rural areas, while maintaining just and reasonable rates.

"(3) ADEQUATE AND SUSTAINABLE SUPPORT MECHANISMS.—Such plan should recommend specific and predictable mechanisms to provide adequate and sustainable support for universal service.

"(4) EQUITABLE AND NONDISCRIMINATORY CONTRIBUTIONS.—All providers of telecommunications services should make an equitable and nondiscriminatory contribution to the preservation of universal service.

"(5) EDUCATIONAL ACCESS TO ADVANCED TELECOMMUNICATIONS SERVICES.—To the extent that a common carrier establishes advanced telecommunications services, such plan should include recommendations to ensure access to advanced telecommunications services for students in elementary and secondary schools.

"(6) ADDITIONAL PRINCIPLES.—Such other principles as the Board determines are necessary and appropriate for the protection of the public interest, convenience, and necessity and consistent with the purposes of this Act.

"(c) DEFINITION OF UNIVERSAL SERVICE.—In recommending a definition of the nature and extent of the services encompassed within carriers' universal service obligations under subsection (b)(2), the Joint Board shall consider the extent to which—

"(1) a telecommunications service has, through the operation of market choices by customers, been subscribed to by a substantial majority of residential customers;

"(2) such service or capability is essential to public health, public safety, or the public interest;

"(3) such service has been deployed in the public switched telecommunications network; and

"(4) inclusion of such service within carriers' universal service obligations is otherwise consistent with the public interest, convenience, and necessity.

The Joint Board may, from time to time, recommend to the Commission modifications in the definition proposed under subsection (b).

"(d) REPORT; COMMISSION RESPONSE.—The Joint Board convened pursuant to subsection (a) shall report its recommendations within 6 months after the date of enactment of this part. The Commission shall complete any proceeding to act upon such recommendations and to comply with the principles set forth in subsection (b) within one year after such date of enactment.

"(e) STATE AUTHORITY.—Nothing in this section shall be construed to restrict the authority of any State to adopt regulations imposing universal service obligations on the provision of intrastate telecommunications services.

"(f) SUNSET.—The Joint Board established by this section shall cease to exist 5 years after the date of enactment of this part.

"SEC. 248. PRICING FLEXIBILITY AND ABOLITION OF RATE-OF-RETURN REGULATION.

"(a) PRICING FLEXIBILITY.—

"(1) COMMISSION CRITERIA.—Within 270 days after the date of enactment of this part, the Commission shall complete all actions necessary (including any reconsideration) to establish—

"(A) criteria for determining whether a telecommunications service or provider of such service has become, or is substantially certain to become, subject to competition, either within a geographic area or within a class or category of service; and

"(B) appropriate flexible pricing procedures that afford a regulated provider of a service described in subparagraph (A) the opportunity to respond fairly to such competition and that are consistent with the protection of subscribers and the public interest, convenience, and necessity.

In establishing criteria and procedures pursuant to this paragraph, the Commission shall take into account and accommodate, to the extent reasonable and consistent with the purposes of this section, the criteria and procedures established for such purposes by State commissions prior to the effective date of the Commission's criteria and procedures under this section.

"(2) STATE SELECTION.—A State commission may utilize the flexible pricing procedures or procedures (established under paragraph (1)(B)) that are appropriate in light of the criteria established under paragraph (1)(A).

"(3) DETERMINATIONS.—The Commission, with respect to rates for interstate or foreign communications, and State commissions, with respect to rates for intrastate communications, shall, upon application—

"(A) render determinations in accordance with the criteria established under paragraph (1)(A) concerning the services or providers that are the subject of such application; and

"(B) upon a proper showing, implement appropriate flexible pricing procedures consistent with paragraphs (1)(B) and (2) with respect to such services or providers.

The Commission and such State commission shall approve or reject any such application within 180 days after the date of its submission.

"(4) RESPONSE TO COMPETITION.—Pricing flexibility implemented pursuant to this subsection shall permit regulated telecommunications providers to respond fairly to competition by repricing services subject to competition, but shall not have the effect of changing prices for noncompetitive services or using noncompetitive services to subsidize competitive services.

"(b) ABOLITION OF RATE-OF-RETURN REGULATION.—Notwithstanding any other provision of law, to the extent that a carrier has complied with sections 242 and 244 of this part, the Commission, with respect to rates for interstate or foreign communications, and State commissions, with respect to rates for intrastate communications, shall not require rate-of-return regulation.

"(c) TERMINATION OF PRICE AND OTHER REGULATION.—Notwithstanding any other provision of law, to the extent that a carrier has complied with sections 242 and 244 of this part, the Commission, with respect to interstate or foreign communications, and State commissions, with respect to intrastate communications, shall not, for any service that is determined, in accordance with the criteria established under subsection (a)(1)(A), to be subject to competition that effectively prevents prices for such service that are unjust or unreasonable or unjustly or unreasonably discriminatory—

"(1) regulate the prices for such service;

"(2) require the filing of a schedule of charges for such service;

"(3) require the filing of any cost or revenue projections for such service;

"(4) regulate the depreciation charges for facilities used to provide such service; or

"(5) require prior approval for the construction or extension of lines or other equipment for the provision of such service.

"(d) ABILITY TO CONTINUE AFFORDABLE VOICE-GRADE SERVICE.—Notwithstanding subsections (a), (b), and (c), each State commission shall, for a period of not more than 3 years, permit residential subscribers to continue to receive only basic voice-grade local telephone service equivalent to the service generally available to residential subscribers on the date of enactment of this part, at just, reasonable, and affordable rates. Determinations concerning the affordability of rates for such services shall take into account the rates generally available to residential subscribers on such date of enactment and the pricing rules established by the States. Any increases in the rates for such services for residential subscribers that are not attributable to changes in consumer prices generally shall be permitted in any proceeding commenced after the date of enactment of this section upon a showing that such increase is necessary to ensure the continued availability of universal service, prevent economic disadvantages for one or more service providers, and is in the public interest. Such increase in rates shall be minimized to the greatest extent practical and shall be implemented over a time period of not more than 3 years after the the date of enactment of this section. The requirements of this subsection shall not apply to any rural telephone company if the rates for basic voice-grade local telephone service of that company are not subject to regulation by a State commission on the date of enactment of this part.

"(e) INTEREXCHANGE SERVICE.—The rates charged by providers of interexchange telecommunications service to customers in rural and high cost areas shall be maintained at levels no higher than those charged by each such provider to its customers in urban areas.

"(f) EXCEPTION.—In the case of commercial mobile services, the provisions of section 332(c)(1) shall apply in lieu of the provisions of this section.

"(g) AVOIDANCE OF REDUNDANT REGULATIONS.—

"(1) COMMISSION REGULATIONS.—Nothing in this section shall be construed to prohibit the Commission from enforcing regulations prescribed prior to the date of enactment of this part in fulfilling the requirements of this section, to the extent that such regulations are consistent with the provisions of this section.

"(2) STATE REGULATIONS.—Nothing in this section shall be construed to prohibit any State commission from enforcing regulations prescribed prior to the effective date of the Commission's criteria and procedures under this section in fulfilling the requirements of this section, or from prescribing regulations after such date, to the extent such regulations are consistent—

"(A) with the provisions of this section; and

"(B) after such effective date, with such criteria and procedures.

"SEC. 249. NETWORK FUNCTIONALITY AND ACCESSIBILITY.

"(a) FUNCTIONALITY AND ACCESSIBILITY.—The duty of a common carrier under section 201(a) to furnish communications service includes the duty to furnish that service in accordance with any standards established pursuant to this section.

"(b) COORDINATION FOR INTERCONNECTIVITY.—The Commission—

"(1) shall establish procedures for Commission oversight of coordinated network planning by common carriers and other providers of telecommunications services for the effective and efficient interconnection of public switched networks; and

"(2) may participate, in a manner consistent with its authority and practice prior to the date of enactment of this section, in the development by appropriate industry standards-setting organizations of interconnection standards that promote access to—

"(A) network capabilities and services by individuals with disabilities; and

"(B) information services by subscribers to telephone exchange service furnished by a rural telephone company.

"(c) ACCESSIBILITY FOR INDIVIDUALS WITH DISABILITIES.—

"(1) ACCESSIBILITY.—Within 1 year after the date of enactment of this section, the Commission shall prescribe such regulations as are necessary to ensure that, if readily achievable, advances in network services deployed by common carriers, and telecommunications equipment and customer premises equipment manufactured for use in conjunction with network services, shall be accessible and usable by individuals with disabilities, including individuals with functional limitations of hearing, vision, movement, manipulation, speech, and interpretation of information. Such regulations shall permit the use of both standard and special equipment, and seek to minimize the need of individuals to acquire additional devices beyond those used by the general public to obtain such access. Throughout the process of developing such regulations, the Commission shall coordinate and consult with representatives of individuals with disabilities and interested equipment and service providers to ensure their concerns and interests are given full consideration in such process.

"(2) COMPATIBILITY.—Such regulations shall require that whenever the requirements of paragraph (1) are not readily achievable, the local exchange carrier that deploys the network service shall ensure that the network service in question is compatible with existing peripheral devices or specialized customer premises equipment commonly used by persons with disabilities to achieve access, unless doing so is not readily achievable.

"(3) READILY ACHIEVEABLE.—The term 'readily achievable' has the meaning given it by section 301(g) of the Americans with Disabilities Act 1990 (42 U.S.C. 12102(g)).

"(4) EFFECTIVE DATE.—The regulations required by this subsection shall become effective

18 months after the date of enactment of this part.

“(d) Private Rights of Actions Prohibited.—Nothing in this section shall be construed to authorize any private right of action to enforce any requirement of this section or any regulation thereunder. The Commission shall have exclusive jurisdiction with respect to any complaint under this section.

“SEC. 250. MARKET ENTRY BARRIERS.

“(a) Elimination of Barriers.—Within 15 months after the date of enactment of this part, the Commission shall complete a proceeding for the purpose of identifying and eliminating, by regulations pursuant to its authority under this Act (other than this section), market entry barriers for entrepreneurs and other small businesses in the provision and ownership of telecommunications services and information services, or in the provision of parts or services to providers of telecommunications services and information services.

“(b) National Policy.—In carrying out subsection (a), the Commission shall seek to promote the policies and purposes of this Act favoring diversity of media voices, vigorous economic competition, technological advancement, and promotion of the public interest, convenience, and necessity.

“(c) Periodic Review.—Every 3 years following the completion of the proceeding required by subsection (a), the Commission shall review and report to Congress on—

“(1) any regulations prescribed to eliminate barriers within its jurisdiction that are identified under subsection (a) and that can be prescribed consistent with the public interest, convenience, and necessity; and

“(2) the statutory barriers identified under subsection (a) that the Commission recommends be eliminated, consistent with the public interest, convenience, and necessity.

“SEC. 251. ILLEGAL CHANGES IN SUBSCRIBER CARRIER SELECTIONS.

“(a) Prohibition .—No common carrier shall submit or execute a change in a subscriber's selection of a provider of telephone exchange service or telephone toll service except in accordance with such verification procedures as the Commission shall prescribe. Nothing in this section shall preclude any State commission from enforcing such procedures with respect to intrastate services.

“(b) Liability for Charges.—Any common carrier that violates the verification procedures described in subsection (a) and that collects charges for telephone exchange service or telephone toll service from a subscriber shall be liable to the carrier previously selected by the subscriber in an amount equal to all charges paid by such subscriber after such violation, in accordance with such procedures as the Commission may prescribe. The remedies provided by this subsection are in addition to any other remedies available by law.

“SEC. 252. STUDY.

“Within 3 years after the date of enactment of this part, the Commission shall conduct a study that—

“(1) reviews the definition of, and the adequacy of support for, universal service, and evaluates the extent to which universal service has been protected and access to advanced services has been facilitated pursuant to this part and the plans and regulations thereunder;

“(2) evaluates the extent to which access to advanced telecommunications services for students in elementary and secondary school classrooms has been attained pursuant to section 247(b)(5); and

“(3) determines whether the regulations established under section 249(c) have ensured that advances in network services by providers of telecommunications services and information services are accessible and usable by individuals with disabilities.”.

(b) Consolidated Rulemaking Proceeding.—The Commission shall conduct a single consolidated rulemaking proceeding to prescribe or amend regulations necessary to implement the requirements of—

(1) part II of title II of the Act as added by subsection (a) of this section;

(2) section 222 as amended by section 104 of this Act; and

(3) section 224 as amended by section 105 of this Act.

(c) Designation of Part I.—Title II of the Act is further amended by inserting before the heading of section 201 the following new heading:

“PART I—REGULATION OF DOMINANT COMMON CARRIERS”.

(d) Sylistic Consistency.—The Act is amended so that—

(1) the designation and heading of each title of the Act shall be in the form and typeface of the designation and heading of this title of this Act; and

(2) the designation and heading of each part of each title of the Act shall be in the form and typeface of the designation and heading of part I of title II of the Act, as amended by subsection (c).

(e) Conforming Amendments.—

(1) Federal-State jurisdiction.—Section 2(b) of the Act (47 U.S.C. 152(b)) is amended by inserting “part II of title II,” after “227, inclusive,”.

(2) Forfeitures.—Sections 503(b)(1) and 504(b) of such Act (47 U.S.C. 503(b)) are each amended by inserting “part I of” before “title II”.

SEC. 102. COMPETITION IN MANUFACTURING, INFORMATION SERVICES, ALARM SERVICES, AND PAY-PHONE SERVICES.

(a) Competition in Manufacturing, Information Services, and Alarm Services.—Title II of the Act is amended by adding at the end of part II (as added by section 101) the following new part:

“PART III—SPECIAL AND TEMPORARY PROVISIONS

“SEC. 271. MANUFACTURING BY BELL OPERATING COMPANIES.

“(a) Limitations on Manufacturing.—

“(1) Access and interconnection required.—It shall be unlawful for a Bell operating company, directly or through an affiliate, to manufacture telecommunications equipment or customer premises equipment, until the Commission has approved under section 245(c) verifications that such Bell operating company, and each Bell operating company with which it is affiliated, are in compliance with the access and interconnection requirements of part II of this title.

“(2) Separate subsidiary required.—During the first 18 months after the expiration of the limitation contained in paragraph (1), a Bell operating company may engage in manufacturing telecommunications equipment or customer premises equipment only through a separate subsidiary established and operated in accordance with section 246.

“(b) Collaboration; Research and Royalty Agreements.—

“(1) Collaboration.—Subsection (a) shall not prohibit a Bell operating company from engaging in close collaboration with any manufacturer of customer premises equipment or telecommunications equipment during the design and development of hardware, software, or combinations thereof related to such equipment.

“(2) Research; royalty agreements.—Subsection (a) shall not prohibit a Bell operating company, directly or through an subsidiary, from—

“(A) engaging in any research activities related to manufacturing, and

“(B) entering into royalty agreements with manufacturers of telecommunications equipment.

“(c) Information Requirements.—

“(1) Information on protocols and technical requirements.—Each Bell operating company shall, in accordance with regulations prescribed by the Commission, maintain and file with the Commission full and complete information with respect to the protocols and technical requirements for connection with and use of its telephone exchange service facilities. Each such company shall report promptly to the Commission any material changes or planned changes to such protocols and requirements, and the schedule for implementation of such changes or planned changes.

“(2) Disclosure of information.—A Bell operating company shall not disclose any information required to be filed under paragraph (1) unless that information has been filed promptly, as required by regulation by the Commission.

“(3) Access by competitors to information.—The Commission may prescribe such additional regulations under this subsection as may be necessary to ensure that manufacturers have access to the information with respect to the protocols and technical requirements for connection with and use of telephone exchange service facilities that a Bell operating company makes available to any manufacturing affiliate or any unaffiliated manufacturer.

“(4) Planning information.—Each Bell operating company shall provide, to contiguous common carriers providing telephone exchange service, timely information on the planned deployment of telecommunications equipment.

“(d) Manufacturing Limitations for Standard-Setting Organizations.—

“(1) Application to Bell Communications Research or manufacturers.—Bell Communications Research, Inc., or any successor entity or affiliate—

“(A) shall not be considered a Bell operating company or a successor or assign of a Bell operating company at such time as it is no longer an affiliate of any Bell operating company; and

“(B) notwithstanding paragraph (3), shall not engage in manufacturing telecommunications equipment or customer premises equipment as long as it is an affiliate of more than 1 otherwise unaffiliated Bell operating company or successor or assign of any such company.

Nothing in this subsection prohibits Bell Communications Research, Inc., or any successor entity, from engaging in any activity in which it is lawfully engaged on the date of enactment of this subsection. Nothing provided in this subsection shall render Bell Communications Research, Inc., or any successor entity, a common carrier under title II of this Act. Nothing in this section restricts any manufacturer from engaging in any activity in which it is lawfully engaged on the date of enactment of this section.

“(2) Proprietary information.—Any entity which establishes standards for telecommunications equipment or customer premises equipment, or generic network requirements for such equipment, or certifies telecommunications equipment, or customer premises equipment, shall be prohibited from releasing or otherwise using any proprietary information, designated as such by its owner, in its possession as a result of such activity, for any purpose other than purposes authorized in writing by the owner of such information, even after such entity ceases to be so engaged.

“(3) Manufacturing safeguards.—(A) Except as prohibited in paragraph (1), and subject to paragraph (6), any entity which certifies telecommunications equipment or customer premises equipment manufactured by an unaffiliated entity shall only manufacture a particular class of

telecommunications equipment or customer premises equipment for which it is undertaking or has undertaken, during the previous 18 months, certification activity for such class of equipment through a separate affiliate.

"(B) Such separate affiliate shall—

"(i) maintain books, records, and accounts separate from those of the entity that certifies such equipment, consistent with generally acceptable accounting principles;

"(ii) not engage in any joint manufacturing activities with such entity; and

"(iii) have segregated facilities and separate employees with such entity.

"(C) Such entity that certifies such equipment shall—

"(i) not discriminate in favor of its manufacturing affiliate in the establishment of standards, generic requirements, or product certification;

"(ii) not disclose to the manufacturing affiliate any proprietary information that has been received at any time from an unaffiliated manufacturer, unless authorized in writing by the owner of the information; and

"(iii) not permit any employee engaged in product certification for telecommunications equipment or customer premises equipment to engage jointly in sales or marketing of any such equipment with the affiliated manufacturer.

"(4) STANDARD-SETTING ENTITIES.—Any entity which is not an accredited standards development organization and which establishes industry-wide standards for telecommunications equipment or customer premises equipment, or industry-wide generic network requirements for such equipment, or which certifies telecommunications equipment or customer premises equipment manufactured by an unaffiliated entity, shall—

"(A) establish and publish any industry-wide standard for, industry-wide generic requirement for, or any substantial modification of an existing industry-wide standard or industry-wide generic requirement for, telecommunications equipment or customer premises equipment only in compliance with the following procedure:

"(i) such entity shall issue a public notice of its consideration of a proposed industry-wide standard or industry-wide generic requirement;

"(ii) such entity shall issue a public invitation to interested industry parties to fund and participate in such efforts on a reasonable and nondiscriminatory basis, administered in such a manner as not to unreasonably exclude any interested industry party;

"(iii) such entity shall publish a text for comment by such parties as have agreed to participate in the process pursuant to clause (ii), provide such parties a full opportunity to submit comments, and respond to comments from such parties;

"(iv) such entity shall publish a final text of the industry-wide standard or industry-wide generic requirement, including the comments in their entirety, of any funding party which requests to have its comments so published; and

"(v) such entity shall attempt, prior to publishing a text for comment, to agree with the funding parties as a group on a mutually satisfactory dispute resolution process which such parties shall utilize as their sole recourse in the event of a dispute on technical issues as to which there is disagreement between any funding party and the entity conducting such activities, except that if no dispute resolution process is agreed to by all the parties, a funding party may utilize the dispute resolution procedures established pursuant to paragraph (5) of this subsection;

"(B) engage in product certification for telecommunications equipment or customer premises equipment manufactured by unaffiliated entities only if—

"(i) such activity is performed pursuant to published criteria;

"(ii) such activity is performed pursuant to auditable criteria; and

"(iii) such activity is performed pursuant to available industry-accepted testing methods and standards, where applicable, unless otherwise agreed upon by the parties funding and performing such activity;

"(C) not undertake any actions to monopolize or attempt to monopolize the market for such services; and

"(D) not preferentially treat its own telecommunications equipment or customer premises equipment, or that of its affiliate, over that of any other entity in establishing and publishing industry-wide standards or industry-wide generic requirements for, and in certification of, telecommunications equipment and customer premises equipment.

"(5) ALTERNATE DISPUTE RESOLUTION.—Within 90 days after the date of enactment of this section, the Commission shall prescribe a dispute resolution process to be utilized in the event that a dispute resolution process is not agreed upon by all the parties when establishing and publishing any industry-wide standard or industry-wide generic requirement for telecommunications equipment or customer premises equipment, pursuant to paragraph (4)(A)(v). The Commission shall not establish itself as a party to the dispute resolution process. Such dispute resolution process shall permit any funding party to resolve a dispute with the entity conducting the activity that significantly affects such funding party's interests, in an open, nondiscriminatory, and unbiased fashion, within 30 days after the filing of such dispute. Such disputes may be filed within 15 days after the date the funding party receives a response to its comments from the entity conducting the activity. The Commission shall establish penalties to be assessed for delays caused by referral of frivolous disputes to the dispute resolution process. The overall intent of establishing this dispute resolution provision is to enable all interested funding parties an equal opportunity to influence the final resolution of the dispute without significantly impairing the efficiency, timeliness, and technical quality of the activity.

"(6) SUNSET.—The requirements of paragraphs (3) and (4) shall terminate for the particular relevant activity when the Commission determines that there are alternative sources of industry-wide standards, industry-wide generic requirements, or product certification for a particular class of telecommunications equipment or customer premises equipment available in the United States. Alternative sources shall be deemed to exist when such sources provide commercially viable alternatives that are providing such services to customers. The Commission shall act on any application for such a determination within 90 days after receipt of such application, and shall receive public comment on such application.

"(7) ADMINISTRATION AND ENFORCEMENT AUTHORITY.—For the purposes of administering this subsection and the regulations prescribed thereunder, the Commission shall have the same remedial authority as the Commission has in administering and enforcing the provisions of this title with respect to any common carrier subject to this Act.

"(8) DEFINITIONS.—For purposes of this subsection:

"(A) The term 'affiliate' shall have the same meaning as in section 3 of this Act, except that, for purposes of paragraph (1)(B)—

"(i) an aggregate voting equity interest in Bell Communications Research, Inc., of at least 5 percent of its total voting equity, owned directly or indirectly by more than 1 otherwise unaffiliated Bell operating company, shall constitute an affiliate relationship; and

"(ii) a voting equity interest in Bell Communications Research, Inc., by any otherwise unaffiliated Bell operating company of less than 1 percent of Bell Communications Research's total voting equity shall not be considered to be an equity interest under this paragraph.

"(B) The term 'generic requirement' means a description of acceptable product attributes for use by local exchange carriers in establishing product specifications for the purchase of telecommunications equipment, customer premises equipment, and software integral thereto.

"(C) The term 'industry-wide' means activities funded by or performed on behalf of local exchange carriers for use in providing wireline local exchange service whose combined total of deployed access lines in the United States constitutes at least 30 percent of all access lines deployed by telecommunications carriers in the United States as of the date of enactment.

"(D) The term 'certification' means any technical process whereby a party determines whether a product, for use by more than one local exchange carrier, conforms with the specified requirements pertaining to such product.

"(E) The term 'accredited standards development organization' means an entity composed of industry members which has been accredited by an institution vested with the responsibility for standards accreditation by the industry.

"(e) BELL OPERATING COMPANY EQUIPMENT PROCUREMENT AND SALES.—

"(1) OBJECTIVE BASIS.—Each Bell operating company and any entity acting on behalf of a Bell operating company shall make procurement decisions and award all supply contracts for equipment, services, and software on the basis of an objective assessment of price, quality, delivery, and other commercial factors.

"(2) SALES RESTRICTIONS.—A Bell operating company engaged in manufacturing may not restrict sales to any local exchange carrier of telecommunications equipment, including software integral to the operation of such equipment and related upgrades.

"(3) PROTECTION OF PROPRIETARY INFORMATION.—A Bell operating company and any entity it owns or otherwise controls shall protect the proprietary information submitted for procurement decisions from release not specifically authorized by the owner of such information.

"(f) ADMINISTRATION AND ENFORCEMENT AUTHORITY.—For the purposes of administering and enforcing the provisions of this section and the regulations prescribed thereunder, the Commission shall have the same authority, power, and functions with respect to any Bell operating company or any affiliate thereof as the Commission has in administering and enforcing the provisions of this title with respect to any common carrier subject to this Act.

"(g) EXCEPTION FOR PREVIOUSLY AUTHORIZED ACTIVITIES.—Nothing in this section shall prohibit a Bell operating company or affiliate from engaging, at any time after the date of the enactment of this part, in any activity as authorized by an order entered by the United States District Court for the District of Columbia pursuant to section VII or VIII(C) of the Modification of Final Judgment, if—

"(1) such order was entered on or before the date of the enactment of this part, or

"(2) a request for such authorization was pending before such court on the date of the enactment of this part.

"(h) ANTITRUST LAWS.—Nothing in this section shall be construed to modify, impair, or supersede the applicability of any of the antitrust laws.

"(i) DEFINITION.—As used in this section, the term 'manufacturing' has the same meaning as such term has under the Modification of Final Judgment.

"SEC. 272. ELECTRONIC PUBLISHING BY BELL OPERATING COMPANIES.

"(a) LIMITATIONS.—No Bell operating company or any affiliate may engage in the provision of electronic publishing that is disseminated by means of such Bell operating company's or any of its affiliates' basic telephone service, except that nothing in this section shall prohibit a separated affiliate or electronic publishing joint venture operated in accordance with this section from engaging in the provision of electronic publishing.

"(b) SEPARATED AFFILIATE OR ELECTRONIC PUBLISHING JOINT VENTURE REQUIREMENTS.—A separated affiliate or electronic publishing joint venture shall be operated independently from the Bell operating company. Such separated affiliate or joint venture and the Bell operating company with which it is affiliated shall—

"(1) maintain separate books, records, and accounts and prepare separate financial statements;

"(2) not incur debt in a manner that would permit a creditor of the separated affiliate or joint venture upon default to have recourse to the assets of the Bell operating company;

"(3) carry out transactions (A) in a manner consistent with such independence, (B) pursuant to written contracts or tariffs that are filed with the Commission and made publicly available, and (C) in a manner that is auditable in accordance with generally accepted auditing standards;

"(4) value any assets that are transferred directly or indirectly from the Bell operating company to a separated affiliate or joint venture, and record any transactions by which such assets are transferred, in accordance with such regulations as may be prescribed by the Commission or a State commission to prevent improper cross subsidies;

"(5) between a separated affiliate and a Bell operating company—

"(A) have no officers, directors, and employees in common after the effective date of this section; and

"(B) own no property in common;

"(6) not use for the marketing of any product or service of the separated affiliate or joint venture, the name, trademarks, or service marks of an existing Bell operating company except for names, trademarks, or service marks that are or were used in common with the entity that owns or controls the Bell operating company;

"(7) not permit the Bell operating company—

"(A) to perform hiring or training of personnel on behalf of a separated affiliate;

"(B) to perform the purchasing, installation, or maintenance of equipment on behalf of a separated affiliate, except for telephone service that it provides under tariff or contract subject to the provisions of this section; or

"(C) to perform research and development on behalf of a separated affiliate;

"(8) each have performed annually a compliance review—

"(A) that is conducted by an independent entity for the purpose of determining compliance during the preceding calendar year with any provision of this section; and

"(B) the results of which are maintained by the separated affiliate or joint venture and the Bell operating company for a period of 5 years subject to review by any lawful authority; and

"(9) within 90 days of receiving a review described in paragraph (8), file a report of any exceptions and corrective action with the Commission and allow any person to inspect and copy such report subject to reasonable safeguards to protect any proprietary information contained in such report from being used for purposes other than to enforce or pursue remedies under this section.

"(c) JOINT MARKETING.—

"(1) IN GENERAL.—Except as provided in paragraph (2)—

"(A) a Bell operating company shall not carry out any promotion, marketing, sales, or advertising for or in conjunction with a separated affiliate; and

"(B) a Bell operating company shall not carry out any promotion, marketing, sales, or advertising for or in conjunction with an affiliate that is related to the provision of electronic publishing.

"(2) PERMISSIBLE JOINT ACTIVITIES.—

"(A) JOINT TELEMARKETING.—A Bell operating company may provide inbound telemarketing or referral services related to the provision of electronic publishing for a separated affiliate, electronic publishing joint venture, affiliate, or unaffiliated electronic publisher, provided that if such services are provided to a separated affiliate, electronic publishing joint venture, or affiliate, such services shall be made available to all electronic publishers on request, on nondiscriminatory terms.

"(B) TEAMING ARRANGEMENTS.—A Bell operating company may engage in nondiscriminatory teaming or business arrangements to engage in electronic publishing with any separated affiliate or with any other electronic publisher if (i) the Bell operating company only provides facilities, services, and basic telephone service information as authorized by this section, and (ii) the Bell operating company does not own such teaming or business arrangement.

"(C) ELECTRONIC PUBLISHING JOINT VENTURES.—A Bell operating company or affiliate may participate on a nonexclusive basis in electronic publishing joint ventures with entities that are not any Bell operating company, affiliate, or separated affiliate to provide electronic publishing services, if the Bell operating company or affiliate has not more than a 50 percent direct or indirect equity interest (or the equivalent thereof) or the right to more than 50 percent of the gross revenues under a revenue sharing or royalty agreement in any electronic publishing joint venture. Officers and employees of a Bell operating company or affiliate participating in an electronic publishing joint venture may not have more than 50 percent of the voting control over the electronic publishing joint venture. In the case of joint ventures with small, local electronic publishers, the Commission for good cause shown may authorize the Bell operating company or affiliate to have a larger equity interest, revenue share, or voting control but not to exceed 80 percent. A Bell operating company participating in an electronic publishing joint venture may provide promotion, marketing, sales, or advertising personnel and services to such joint venture.

"(d) BELL OPERATING COMPANY REQUIREMENT.—A Bell operating company under common ownership or control with a separated affiliate or electronic publishing joint venture shall provide network access and interconnections for basic telephone service to electronic publishers at just and reasonable rates that are tariffed (so long as rates for such services are subject to regulation) and that are not higher on a per-unit basis than those charged for such services to any other electronic publisher or any separated affiliate engaged in electronic publishing.

"(e) PRIVATE RIGHT OF ACTION.—

"(1) DAMAGES.—Any person claiming that any act or practice of any Bell operating company, affiliate, or separated affiliate constitutes a violation of this section may file a complaint with the Commission or bring suit as provided in section 207 of this Act, and such Bell operating company, affiliate, or separated affiliate shall be liable as provided in section 206 of this Act; except that damages may not be awarded for a violation that is discovered by a compliance review as required by subsection (b)(7) of this section and corrected within 90 days.

"(2) CEASE AND DESIST ORDERS.—In addition to the provisions of paragraph (1), any person claiming that any act or practice of any Bell operating company, affiliate, or separated affiliate constitutes a violation of this section may make application to the Commission for an order to cease and desist such violation or may make application in any district court of the United States of competent jurisdiction for an order enjoining such acts or practices or for an order compelling compliance with such requirement.

"(f) SEPARATED AFFILIATE REPORTING REQUIREMENT.—Any separated affiliate under this section shall file with the Commission annual reports in a form substantially equivalent to the Form 10–K required by regulations of the Securities and Exchange Commission.

"(g) EFFECTIVE DATES.—

"(1) TRANSITION.—Any electronic publishing service being offered to the public by a Bell operating company or affiliate on the date of enactment of this section shall have one year from such date of enactment to comply with the requirements of this section.

"(2) SUNSET.—The provisions of this section shall not apply to conduct occurring after June 30, 2000.

"(h) DEFINITION OF ELECTRONIC PUBLISHING.—

"(1) IN GENERAL.—The term 'electronic publishing' means the dissemination, provision, publication, or sale to an unaffiliated entity or person, of any one or more of the following: news (including sports); entertainment (other than interactive games); business, financial, legal, consumer, or credit materials; editorials, columns, or features; advertising; photos or images; archival or research material; legal notices or public records; scientific, educational, instructional, technical, professional, trade, or other literary materials; or other like or similar information.

"(2) EXCEPTIONS.—The term 'electronic publishing' shall not include the following services:

"(A) Information access, as that term is defined by the Modification of Final Judgment.

"(B) The transmission of information as a common carrier.

"(C) The transmission of information as part of a gateway to an information service that does not involve the generation or alteration of the content of information, including data transmission, address translation, protocol conversion, billing management, introductory information content, and navigational systems that enable users to access electronic publishing services, which do not affect the presentation of such electronic publishing services to users.

"(D) Voice storage and retrieval services, including voice messaging and electronic mail services.

"(E) Data processing or transaction processing services that do not involve the generation or alteration of the content of information.

"(F) Electronic billing or advertising of a Bell operating company's regulated telecommunications services.

"(G) Language translation or data format conversion.

"(H) The provision of information necessary for the management, control, or operation of a telephone company telecommunications system.

"(I) The provision of directory assistance that provides names, addresses, and telephone numbers and does not include advertising.

"(J) Caller identification services.

"(K) Repair and provisioning databases and credit card and billing validation for telephone company operations.

"(L) 911–E and other emergency assistance databases.

"(M) Any other network service of a type that is like or similar to these network services and that does not involve the generation or alteration of the content of information.

"(N) Any upgrades to these network services that do not involve the generation or alteration of the content of information.

"(O) Video programming or full motion video entertainment on demand.

"(i) ADDITIONAL DEFINITIONS.—As used in this section—

"(1) The term 'affiliate' means any entity that, directly or indirectly, owns or controls, is owned or controlled by, or is under common ownership or control with, a Bell operating company. Such term shall not include a separated affiliate.

"(2) The term 'basic telephone service' means any wireline telephone exchange service, or wireline telephone exchange service facility, provided by a Bell operating company in a telephone exchange area, except that such term does not include—

"(A) a competitive wireline telephone exchange service provided in a telephone exchange area where another entity provides a wireline telephone exchange service that was provided on January 1, 1984, and

"(B) a commercial mobile service.

"(3) The term 'basic telephone service information' means network and customer information of a Bell operating company and other information acquired by a Bell operating company as a result of its engaging in the provision of basic telephone service.

"(4) The term 'control' has the meaning that it has in 17 C.F.R. 240.12b–2, the regulations promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.) or any successor provision to such section.

"(5) The term 'electronic publishing joint venture' means a joint venture owned by a Bell operating company or affiliate that engages in the provision of electronic publishing which is disseminated by means of such Bell operating company's or any of its affiliates' basic telephone service.

"(6) The term 'entity' means any organization, and includes corporations, partnerships, sole proprietorships, associations, and joint ventures.

"(7) The term 'inbound telemarketing' means the marketing of property, goods, or services by telephone to a customer or potential customer who initiated the call.

"(8) The term 'own' with respect to an entity means to have a direct or indirect equity interest (or the equivalent thereof) of more than 10 percent of an entity, or the right to more than 10 percent of the gross revenues of an entity under a revenue sharing or royalty agreement.

"(9) The term 'separated affiliate' means a corporation under common ownership or control with a Bell operating company that does not own or control a Bell operating company and is not owned or controlled by a Bell operating company and that engages in the provision of electronic publishing which is disseminated by means of such Bell operating company's or any of its affiliates' basic telephone service.

"(10) The term 'Bell operating company' has the meaning provided in section 3, except that such term includes any entity or corporation that is owned or controlled by such a company (as so defined) but does not include an electronic publishing joint venture owned by such an entity or corporation.

"SEC. 273. ALARM MONITORING AND TELEMESSAGING SERVICES BY BELL OPERATING COMPANIES.

"(a) DELAYED ENTRY INTO ALARM MONITORING.—

"(1) PROHIBITION.—No Bell operating company or affiliate thereof shall engage in the provision of alarm monitoring services before the date which is 6 years after the date of enactment of this part.

"(2) EXISTING ACTIVITIES.—Paragraph (1) shall not apply to any provision of alarm monitoring services in which a Bell operating company or affiliate is lawfully engaged as of January 1, 1995.

"(b) NONDISCRIMINATION.—A common carrier engaged in the provision of alarm monitoring services or telemessaging services shall—

"(1) provide nonaffiliated entities, upon reasonable request, with the network services it provides to its own alarm monitoring or telemessaging operations, on nondiscriminatory terms and conditions; and

"(2) not subsidize its alarm monitoring services or its telemessaging services either directly or indirectly from telephone exchange service operations.

"(c) EXPEDITED CONSIDERATION OF COMPLAINTS.—The Commission shall establish procedures for the receipt and review of complaints concerning violations of subsection (b) or the regulations thereunder that result in material financial harm to a provider of alarm monitoring service or telemessaging service. Such procedures shall ensure that the Commission will make a final determination with respect to any such complaint within 120 days after receipt of the complaint. If the complaint contains an appropriate showing that the alleged violation occurred, as determined by the Commission in accordance with such regulations, the Commission shall, within 60 days after receipt of the complaint, order the common carrier and its affiliates to cease engaging in such violation pending such final determination.

"(d) DEFINITIONS.—As used in this section:

"(1) ALARM MONITORING SERVICE.—The term 'alarm monitoring service' means a service that uses a device located at a residence, place of business, or other fixed premises—

"(A) to receive signals from other devices located at or about such premises regarding a possible threat at such premises to life, safety, or property, from burglary, fire, vandalism, bodily injury, or other emergency, and

"(B) to transmit a signal regarding such threat by means of transmission facilities of a Bell operating company or one of its affiliates to a remote monitoring center to alert a person at such center of the need to inform the customer or another person or police, fire, rescue, security, or public safety personnel of such threat,

but does not include a service that uses a medical monitoring device attached to an individual for the automatic surveillance of an ongoing medical condition.

"(2) TELEMESSAGING SERVICES.—The term 'telemessaging services' means voice mail and voice storage and retrieval services provided over telephone lines for telemessaging customers and any live operator services used to answer, record, transcribe, and relay messages (other than telecommunications relay services) from incoming telephone calls on behalf of the telemessaging customers (other than any service incidental to directory assistance).

"SEC. 274. PROVISION OF PAYPHONE SERVICE.

"(a) NONDISCRIMINATION SAFEGUARDS.—After the effective date of the rules prescribed pursuant to subsection (b), any Bell operating company that provides payphone service—

"(1) shall not subsidize its payphone service directly or indirectly with revenue from its telephone exchange service or its exchange access service; and

"(2) shall not prefer or discriminate in favor of it payphone service.

"(b) REGULATIONS.—

"(1) CONTENTS OF REGULATIONS.—In order to promote competition among payphone service providers and promote the widespread deployment of payphone services to the benefit of the general public, within 9 months after the date of enactment of this section, the Commission shall take all actions necessary (including any reconsideration) to prescribe regulations that—

"(A) establish a per call compensation plan to ensure that all payphone services providers are fairly compensated for each and every completed intrastate and interstate call using their payphone, except that emergency calls and telecommunications relay service calls for hearing disabled individuals shall not be subject to such compensation;

"(B) discontinue the intrastate and interstate carrier access charge payphone service elements and payments in effect on the date of enactment of this section, and all intrastate and interstate payphone subsidies from basic exchange and exchange access revenues, in favor of a compensation plan as specified in subparagraph (A);

"(C) prescribe a set of nonstructural safeguards for Bell operating company payphone service to implement the provisions of paragraphs (1) and (2) of subsection (a), which safeguards shall, at a minimum, include the nonstructural safeguards equal to those adopted in the Computer Inquiry-III CC Docket No. 90–623 proceeding; and

"(D) provide for Bell operating company payphone service providers to have the same right that independent payphone providers have to negotiate with the location provider on selecting and contracting with, and, subject to the terms of any agreement with the location provider, to select and contract with the carriers that carry interLATA calls from their payphones, and provide for all payphone service providers to have the right to negotiate with the location provider on selecting and contracting with, and, subject to the terms of any agreement with the location provider, to select and contract with the carriers that carry intraLATA calls from their payphones.

"(2) PUBLIC INTEREST TELEPHONES.—In the rulemaking conducted pursuant to paragraph (1), the Commission shall determine whether public interest payphones, which are provided in the interest of public health, safety, and welfare, in locations where there would otherwise not be a payphone, should be maintained, and if so, ensure that such public interest payphones are supported fairly and equitably.

"(3) EXISTING CONTRACTS.—Nothing in this section shall affect any existing contracts between location providers and payphone service providers or interLATA or intraLATA carriers that are in force and effect as of the date of the enactment of this Act.

"(c) STATE PREEMPTION.—To the extent that any State requirements are inconsistent with the Commission's regulations, the Commission's regulations on such matters shall preempt State requirements.

"(d) DEFINITION.—As used in this section, the term 'payphone service' means the provision of public or semi-public pay telephones, the provision of inmate telephone service in correctional institutions, and any ancillary services.".

SEC. 103. FORBEARANCE FROM REGULATION.

Part I of title II of the Act (as redesignated by section 101(c) of this Act) is amended by inserting after section 229 (47 U.S.C. 229) the following new section:

"SEC. 230. FORBEARANCE FROM REGULATION.

"(a) AUTHORITY TO FORBEAR.—The Commission shall forbear from applying any provision of this part or part II (other than sections 201, 202, 208, 243, and 248), or any regulation of the Commission thereunder, to a common carrier or service, or class of carriers or services, in any or some of its or their geographic markets, unless the Commission determines that—

"(1) enforcement of such provision or regulation is necessary to ensure that the charges, practices, classifications, or regulations by, for, or in connection with that carrier or service are just and reasonable and are not unjustly or unreasonably discriminatory;

"(2) enforcement of such regulation or provision is not necessary for the protection of consumers; or

"(3) forbearance from applying such provision or regulation is inconsistent with the public interest.

"(b) COMPETITIVE EFFECT TO BE WEIGHED.—In making the determination under subsection (a)(3), the Commission shall consider whether forbearance from enforcing the provision or regulation will promote competitive market conditions, including the extent to which such forbearance will enhance competition among providers of telecommunications services. If the Commission determines that such forbearance will promote competition among providers of telecommunications services, that determination may be the basis for a Commission finding that forbearance is in the public interest.

"(c) COMMERCIAL MOBILE SERVICE JOINT MARKETING.—Notwithstanding section 22.903 of the Commission's regulations (47 CFR 22.903) or any other Commission regulation, or any judicial decree or proposed judicial decree, a Bell operating company or any other company may, except as provided in sections 242(d) and 246 as they relate to wireline service, jointly market and sell commercial mobile services in conjunction with telephone exchange service, exchange access, intraLATA telecommunications service, interLATA telecommunications service, and information services.".

SEC. 104. ONLINE FAMILY EMPOWERMENT.

Title II of the Communications Act of 1934 (47 U.S.C. 201 et seq.) is amended by adding at the end the following new section:

"SEC. 230. PROTECTION FOR PRIVATE BLOCKING AND SCREENING OF OFFENSIVE MATERIAL; FCC REGULATION OF COMPUTER SERVICES PROHIBITED.

"(a) FINDINGS.—The Congress finds the following:

"(1) The rapidly developing array of Internet and other interactive computer services available to individual Americans represent an extraordinary advance in the availability of educational and informational resources to our citizens.

"(2) These services offer users a great degree of control over the information that they receive, as well as the potential for even greater control in the future as technology develops.

"(3) The Internet and other interactive computer services offer a forum for a true diversity of political discourse, unique opportunities for cultural development, and myriad avenues for intellectual activity.

"(4) The Internet and other interactive computer services have flourished, to the benefit of all Americans, with a minimum of government regulation.

"(5) Increasingly Americans are relying on interactive media for a variety of political, educational, cultural, and entertainment services.

"(b) POLICY.—It is the policy of the United States to—

"(1) promote the continued development of the Internet and other interactive computer services and other interactive media;

"(2) preserve the vibrant and competitive free market that presently exists for the Internet and other interactive computer services, unfettered by State or Federal regulation;

"(3) encourage the development of technologies which maximize user control over the information received by individuals, families, and schools who use the Internet and other interactive computer services;

"(4) remove disincentives for the development and utilization of blocking and filtering technologies that empower parents to restrict their children's access to objectionable or inappropriate online material; and

"(5) ensure vigorous enforcement of criminal laws to deter and punish trafficking in obscenity, stalking, and harassment by means of computer.

"(c) PROTECTION FOR 'GOOD SAMARITAN' BLOCKING AND SCREENING OF OFFENSIVE MATERIAL.—No provider or user of interactive computer services shall be treated as the publisher or speaker of any information provided by an information content provider. No provider or user of interactive computer services shall be held liable on account of—

"(1) any action voluntarily taken in good faith to restrict access to material that the provider or user considers to be obscene, lewd, lascivious, filthy, excessively violent, harassing, or otherwise objectionable, whether or not such material is constitutionally protected; or

"(2) any action taken to make available to information content providers or others the technical means to restrict access to material described in paragraph (1).

"(d) FCC REGULATION OF THE INTERNET AND OTHER INTERACTIVE COMPUTER SERVICES PROHIBITED.—Nothing in this Act shall be construed to grant any jurisdiction or authority to the Commission with respect to content or any other regulation of the Internet or other interactive computer services.

"(e) EFFECT ON OTHER LAWS.—

"(1) NO EFFECT ON CRIMINAL LAW.—Nothing in this section shall be construed to impair the enforcement of section 223 of this Act, chapter 71 (relating to obscenity) or 110 (relating to sexual exploitation of children) of title 18, United States Code, or any other Federal criminal statute.

"(2) NO EFFECT ON INTELLECTUAL PROPERTY LAW.—Nothing in this section shall be construed to limit or expand any law pertaining to intellectual property.

"(3) IN GENERAL.—Nothing in this section shall be construed to prevent any State from enforcing any State law that is consistent with this section.

"(f) DEFINITIONS.—As used in this section:

"(1) INTERNET.—The term 'Internet' means the international computer network of both Federal and non-Federal interoperable packet switched data networks.

"(2) INTERACTIVE COMPUTER SERVICE.—The term 'interactive computer service' means any information service that provides computer access to multiple users via modem to a remote computer server, including specifically a service that provides access to the Internet.

"(3) INFORMATION CONTENT PROVIDER.—The term 'information content provider' means any person or entity that is responsible, in whole or in part, for the creation or development of information provided by the Internet or any other interactive computer service, including any person or entity that creates or develops blocking or screening software or other techniques to permit user control over offensive material.

"(4) INFORMATION SERVICE.—The term 'information service' means the offering of a capability for generating, acquiring, storing, transforming, processing, retrieving, utilizing, or making available information via telecommunications, and includes electronic publishing, but does not include any use of any such capability for the management, control, or operation of a telecommunications system or the management of a telecommunications service.".

SEC. 105. PRIVACY OF CUSTOMER INFORMATION.

(a) PRIVACY OF CUSTOMER PROPRIETARY NETWORK INFORMATION.—Title II of the Act is amended by inserting after section 221 (47 U.S.C. 221) the following new section:

"SEC. 222. PRIVACY OF CUSTOMER PROPRIETARY NETWORK INFORMATION.

"(a) SUBSCRIBER LIST INFORMATION.—Notwithstanding subsections (b), (c), and (d), a carrier that provides local exchange service shall provide subscriber list information gathered in its capacity as a provider of such service on a timely and unbundled basis, under nondiscriminatory and reasonable rates, terms, and conditions, to any person upon request for the purpose of publishing directories in any format.

"(b) PRIVACY REQUIREMENTS FOR COMMON CARRIERS.—A carrier—

"(1) shall not, except as required by law or with the approval of the customer to which the information relates—

"(A) use customer proprietary network information in the provision of any service except to the extent necessary (i) in the provision of common carrier services, (ii) in the provision of a service necessary to or used in the provision of common carrier services, including the publishing of directories, or (iii) to continue to provide a particular information service that the carrier provided as of May 1, 1995, to persons who were customers of such service on that date;

"(B) use customer proprietary network information in the identification or solicitation of potential customers for any service other than the telephone exchange service or telephone toll service from which such information is derived;

"(C) use customer proprietary network information in the provision of customer premises equipment; or

"(D) disclose customer proprietary network information to any person except to the extent necessary to permit such person to provide services or products that are used in and necessary to the provision by such carrier of the services described in subparagraph (A);

"(2) shall disclose customer proprietary network information, upon affirmative written request by the customer, to any person designated by the customer;

"(3) shall, whenever such carrier provides any aggregate information, notify the Commission of the availability of such aggregate information and shall provide such aggregate information on reasonable terms and conditions to any other service or equipment provider upon reasonable request therefor; and

"(4) except for disclosures permitted by paragraph (1)(D), shall not unreasonably discriminate between affiliated and unaffiliated service or equipment providers in providing access to, or in the use and disclosure of, individual and aggregate information made available consistent with this subsection.

"(c) RULE OF CONSTRUCTION.—This section shall not be construed to prohibit the use or disclosure of customer proprietary network information as necessary—

"(1) to render, bill, and collect for the services identified in subsection (b)(1)(A);

"(2) to render, bill, and collect for any other service that the customer has requested;

"(3) to protect the rights or property of the carrier;

"(4) to protect users of any of those services and other carriers from fraudulent, abusive, or unlawful use of or subscription to such service; or

"(5) to provide any inbound telemarketing, referral, or administrative services to the customer for the duration of the call if such call was initiated by the customer and the customer approves of the use of such information to provide such service.

"(d) EXEMPTION PERMITTED.—The Commission may, by rule, exempt from the requirements of subsection (b) carriers that have, together with any affiliated carriers, in the aggregate nationwide, fewer than 500,000 access lines installed if the Commission determines that such exemption is in the public interest or if compliance with the requirements would impose an undue economic burden on the carrier.

"(e) DEFINITIONS.—As used in this section:

"(1) CUSTOMER PROPRIETARY NETWORK INFORMATION.—The term 'customer proprietary network information' means—

"(A) information which relates to the quantity, technical configuration, type, destination,

and amount of use of telephone exchange service or telephone toll service subscribed to by any customer of a carrier, and is made available to the carrier by the customer solely by virtue of the carrier-customer relationship;

"(B) information contained in the bills pertaining to telephone exchange service or telephone toll service received by a customer of a carrier; and

"(C) such other information concerning the customer as is available to the local exchange carrier by virtue of the customer's use of the carrier's telephone exchange service or telephone toll services, and specified as within the definition of such term by such rules as the Commission shall prescribe consistent with the public interest;

except that such term does not include subscriber list information.

"(2) SUBSCRIBER LIST INFORMATION.—The term 'subscriber list information' means any information—

"(A) identifying the listed names of subscribers of a carrier and such subscribers' telephone numbers, addresses, or primary advertising classifications (as such classifications are assigned at the time of the establishment of such service), or any combination of such listed names, numbers, addresses, or classifications; and

"(B) that the carrier or an affiliate has published, caused to be published, or accepted for publication in any directory format.

"(3) AGGREGATE INFORMATION.—The term 'aggregate information' means collective data that relates to a group or category of services or customers, from which individual customer identities and characteristics have been removed.".

(b) CONVERGING COMMUNICATIONS TECHNOLOGIES AND CONSUMER PRIVACY.—

(1) COMMISSION EXAMINATION.—Within one year after the date of enactment of this Act, the Commission shall commence a proceeding—

(A) to examine the impact of the integration into interconnected communications networks of wireless telephone, cable, satellite, and other technologies on the privacy rights and remedies of the consumers of those technologies;

(B) to examine the impact that the globalization of such integrated communications networks has on the international dissemination of consumer information and the privacy rights and remedies to protect consumers;

(C) to propose changes in the Commission's regulations to ensure that the effect on consumer privacy rights is considered in the introduction of new telecommunications services and that the protection of such privacy rights is incorporated as necessary in the design of such services or the rules regulating such services;

(D) to propose changes in the Commission's regulations as necessary to correct any defects identified pursuant to subparagraph (A) in such rights and remedies; and

(E) to prepare recommendations to the Congress for any legislative changes required to correct such defects.

(2) SUBJECTS FOR EXAMINATION.—In conducting the examination required by paragraph (1), the Commission shall determine whether consumers are able, and, if not, the methods by which consumers may be enabled—

(A) to have knowledge that consumer information is being collected about them through their utilization of various communications technologies;

(B) to have notice that such information could be used, or is intended to be used, by the entity collecting the data for reasons unrelated to the original communications, or that such information could be sold (or is intended to be sold) to other companies or entities; and

(C) to stop the reuse or sale of that information.

(3) SCHEDULE FOR COMMISSION RESPONSES.—The Commission shall, within 18 months after the date of enactment of this Act—

(A) complete any rulemaking required to revise Commission regulations to correct defects in such regulations identified pursuant to paragraph (1); and

(B) submit to the Congress a report containing the recommendations required by paragraph (1)(C).

SEC. 106. POLE ATTACHMENTS.

Section 224 of the Act (47 U.S.C. 224) is amended—

(1) in subsection (a)(4)—

(A) by inserting after "system" the following: "or a provider of telecommunications service"; and

(B) by inserting after "utility" the following: ", which attachment may be used by such entities to provide cable service or any telecommunications service";

(2) in subsection (c)(2)(B), by striking "cable television services" and inserting "the services offered via such attachments";

(3) by redesignating subsection (d)(2) as subsection (d)(4); and

(4) by striking subsection (d)(1) and inserting the following:

"(d)(1) For purposes of subsection (b) of this section, the Commission shall, no later than 1 year after the date of enactment of the Communications Act of 1995, prescribe regulations for ensuring that, when the parties fail to negotiate a mutually agreeable rate, utilities charge just and reasonable and nondiscriminatory rates for pole attachments provided to all providers of telecommunications services, including such attachments used by cable television systems to provide telecommunications services (as defined in section 3 of this Act). Such regulations shall—

"(A) recognize that the entire pole, duct, conduit, or right-of-way other than the usable space is of equal benefit to all entities attaching to the pole and therefore apportion the cost of the space other than the usable space equally among all such attaching entities;

"(B) recognize that the usable space is of proportional benefit to all entities attaching to the pole, duct, conduit or right-of-way and therefore apportion the cost of the usable space according to the percentage of usable space required for each entity;

"(C) recognize that the pole, duct, conduit, or right-of-way has a value that exceeds costs and that value shall be reflected in any rate; and

"(D) allow for reasonable terms and conditions relating to health, safety, and the provision of reliable utility service.

"(2) The final regulations prescribed by the Commission pursuant to paragraph (1) shall not apply to a cable television system that solely provides cable service as defined in section 602(6) of this Act; instead, the pole attachment rate for such systems shall assure a utility the recovery of not less than the additional costs of providing pole attachments, nor more than an amount determined by multiplying the percentage of the total usable space, or the percentage of the total duct or conduit capacity, which is occupied by the pole attachment by the sum of the operating expenses and actual capital costs of the utility attributable to the entire pole, duct, conduit, or right-of-way.

"(3) Whenever the owner of a conduit or right-of-way intends to modify or alter such conduit or right-of-way, the owner shall provide written notification of such action to any entity that has obtained an attachment to such conduit or right-of-way so that such entity may have a reasonable opportunity to add to or modify its existing attachment. Any entity that adds to or modifies its existing attachment after receiving such notification shall bear a proportionate share of the costs incurred by the owner in making such conduit or right-of-way accessible.".

SEC. 107. PREEMPTION OF FRANCHISING AUTHORITY REGULATION OF TELECOMMUNICATIONS SERVICES.

(a) TELECOMMUNICATIONS SERVICES.—Section 621(b) of the Act (47 U.S.C. 541(c)) is amended by adding at the end thereof the following new paragraph:

"(3)(A) To the extent that a cable operator or affiliate thereof is engaged in the provision of telecommunications services—

"(i) such cable operator or affiliate shall not be required to obtain a franchise under this title; and

"(ii) the provisions of this title shall not apply to such cable operator or affiliate.

"(B) A franchising authority may not impose any requirement that has the purpose or effect of prohibiting, limiting, restricting, or conditioning the provision of a telecommunications service by a cable operator or an affiliate thereof.

"(C) A franchising authority may not order a cable operator or affiliate thereof—

"(i) to discontinue the provision of a telecommunications service, or

"(ii) to discontinue the operation of a cable system, to the extent such cable system is used for the provision of a telecommunications service, by reason of the failure of such cable operator or affiliate thereof to obtain a franchise or franchise renewal under this title with respect to the provision of such telecommunications service.

"(D) Except as otherwise permitted by sections 611 and 612, a franchising authority may not require a cable operator to provide any telecommunications service or facilities, other than intragovernmental telecommunications services, as a condition of the initial grant of a franchise or a franchise renewal.".

(b) FRANCHISE FEES.—Section 622(b) of the Act (47 U.S.C. 542(b)) is amended by inserting "to provide cable services" immediately before the period at the end of the first sentence thereof.

SEC. 108. FACILITIES SITING; RADIO FREQUENCY EMISSION STANDARDS.

(a) NATIONAL WIRELESS TELECOMMUNICATIONS SITING POLICY.—Section 332(c) of the Act (47 U.S.C. 332(c)) is amended by adding at the end the following new paragraph:

"(7) FACILITIES SITING POLICIES.—(A) Within 180 days after enactment of this paragraph, the Commission shall prescribe and make effective a policy to reconcile State and local regulation of the siting of facilities for the provision of commercial mobile services or unlicensed services with the public interest in fostering competition through the rapid, efficient, and nationwide deployment of commercial mobile services or unlicensed services.

"(B) Pursuant to subchapter III of chapter 5, title 5, United States Code, the Commission shall establish a negotiated rulemaking committee to negotiate and develop a proposed policy to comply with the requirements of this paragraph. Such committee shall include representatives from State and local governments, affected industries, and public safety agencies.

"(C) The policy prescribed pursuant to this subparagraph shall take into account—

"(i) the need to enhance the coverage and quality of commercial mobile services and unlicensed services and foster competition in the provision of commercial mobile services and unlicensed services on a timely basis;

"(ii) the legitimate interests of State and local governments in matters of exclusively local concern, and the need to provide State and local government with maximum flexibility to address such local concerns, while ensuring that such interests do not prohibit or have the effect of precluding any commercial mobile service or unlicensed service;

"(iii) the effect of State and local regulation of facilities siting on interstate commerce;

''(iv) the administrative costs to State and local governments of reviewing requests for authorization to locate facilities for the provision of commercial mobile services or unlicensed services; and

''(v) the need to provide due process in making any decision by a State or local government or instrumentality thereof to grant or deny a request for authorization to locate, construct, modify, or operate facilities for the provision of commercial mobile services or unlicensed services.

''(D) The policy prescribed pursuant to this paragraph shall provide that no State or local government or any instrumentality thereof may regulate the placement, construction, modification, or operation of such facilities on the basis of the environmental effects of radio frequency emissions, to the extent that such facilities comply with the Commission's regulations concerning such emissions.

''(E) The proceeding to prescribe such policy pursuant to this paragraph shall supercede any proceeding pending on the date of enactment of this paragraph relating to preemption of State and local regulation of tower siting for commercial mobile services, unlicensed services, and providers thereof. In accordance with subchapter III of chapter 5, title 5, United States Code, the Commission shall periodically establish a negotiated rulemaking committee to review the policy prescribed by the Commission under this paragraph and to recommend revisions to such policy.

''(F) For purposes of this paragraph, the term 'unlicensed service' means the offering of telecommunications using duly authorized devices which do not require individual licenses.''.

(b) RADIO FREQUENCY EMISSIONS.—Within 180 days after the enactment of this Act, the Commission shall complete action in ET Docket 93–62 to prescribe and make effective rules regarding the environmental effects of radio frequency emissions.

(c) AVAILABILITY OF PROPERTY.—Within 180 days of the enactment of this Act, the Commission shall prescribe procedures by which Federal departments and agencies may make available on a fair, reasonable, and nondiscriminatory basis, property, rights-of-way, and easements under their control for the placement of new telecommunications facilities by duly licensed providers of telecommunications services that are dependent, in whole or in part, upon the utilization of Federal spectrum rights for the transmission or reception of such services. These procedures may establish a presumption that requests for the use of property, rights-of-way, and easements by duly authorized providers should be granted absent unavoidable direct conflict with the department or agency's mission, or the current or planned use of the property, rights-of-way, and easements in question. Reasonable fees may be charged to providers of such telecommunications services for use of property, rights-of-way, and easements. The Commission shall provide technical support to States to encourage them to make property, rights-of-way, and easements under their jurisdiction available for such purposes.

SEC. 109. MOBILE SERVICE ACCESS TO LONG DISTANCE CARRIERS.

(a) AMENDMENT.—Section 332(c) of the Act (47 U.S.C. 332(c)) is amended by adding at the end the following new paragraph:

''(8) MOBILE SERVICES ACCESS.—(A) The Commission shall prescribe regulations to afford subscribers of two-way switched voice commercial mobile radio services access to a provider of telephone toll service of the subscriber's choice, except to the extent that the commercial mobile radio service is provided by satellite. The Commission may exempt carriers or classes of carriers from the requirements of such regulations to the extent the Commission determines such exemption is consistent with the public interest, convenience, and necessity. For purposes of this paragraph, 'access' shall mean access to a provider of telephone toll service through the use of carrier identification codes assigned to each such provider.

''(B) The regulations prescribed by the Commission pursuant to subparagraph (A) shall supersede any inconsistent requirements imposed by the Modification of Final Judgment or any order in United States v. AT&T Corp. and McCaw Cellular Communications, Inc., Civil Action No. 94–01555 (United States District Court, District of Columbia).''.

(b) EFFECTIVE DATE CONFORMING AMENDMENT.—Section 6002(c)(2)(B) of the Omnibus Budget Reconciliation Act of 1993 is amended by striking ''section 332(c)(6)'' and inserting ''paragraphs (6) and (8) of section 332(c)''.

SEC. 110. FREEDOM FROM TOLL FRAUD.

(a) AMENDMENT.—Section 228(c) of the Act (47 U.S.C. 228(c)) is amended—

(1) by striking subparagraph (C) of paragraph (7) and inserting the following:

''(C) the calling party being charged for information conveyed during the call unless—

''(i) the calling party has a written subscription agreement with the information provider that meets the requirements of paragraph (8); or

''(ii) the calling party is charged in accordance with paragraph (9); or''; and

(2) by adding at the end the following new paragraphs:

''(8) SUBSCRIPTION AGREEMENTS FOR BILLING FOR INFORMATION PROVIDED VIA TOLL-FREE CALLS.—

''(A) IN GENERAL.—For purposes of paragraph (7)(C)(i), a written subscription agreement shall specify the terms and conditions under which the information is offered and include—

''(i) the rate at which charges are assessed for the information;

''(ii) the information provider's name;

''(iii) the information provider's business address;

''(iv) the information provider's regular business telephone number;

''(v) the information provider's agreement to notify the subscriber at least 30 days in advance of all future changes in the rates charged for the information;

''(vi) the signature of a legally competent subscriber agreeing to the terms of the agreement; and

''(vii) the subscriber's choice of payment method, which may be by phone bill or credit, prepaid, or calling card.

''(B) BILLING ARRANGEMENTS.—If a subscriber elects, pursuant to subparagraph (A)(vii), to pay by means of a phone bill—

''(i) the agreement shall clearly explain that the subscriber will be assessed for calls made to the information service from the subscriber's phone line;

''(ii) the phone bill shall include, in prominent type, the following disclaimer:

'Common carriers may not disconnect local or long distance telephone service for failure to pay disputed charges for information services.'; and

''(iii) the phone bill shall clearly list the 800 number dialed.

''(C) USE OF PIN'S TO PREVENT UNAUTHORIZED USE.—A written agreement does not meet the requirements of this paragraph unless it provides the subscriber a personal identification number to obtain access to the information provided, and includes instructions on its use.

''(D) EXCEPTIONS.—Notwithstanding paragraph (7)(C), a written agreement that meets the requirements of this paragraph is not required—

''(i) for services provided pursuant to a tariff that has been approved or permitted to take effect by the Commission or a State commission; or

''(ii) for any purchase of goods or of services that are not information services.

''(E) TERMINATION OF SERVICE.—On complaint by any person, a carrier may terminate the provision of service to an information provider unless the provider supplies evidence of a written agreement that meets the requirements of this section. The remedies provided in this paragraph are in addition to any other remedies that are available under title V of this Act.

''(9) CHARGES BY CREDIT, PREPAID, OR CALLING CARD IN ABSENCE OF AGREEMENT.—For purposes of paragraph (7)(C)(ii), a calling party is not charged in accordance with this paragraph unless the calling party is charged by means of a credit, prepaid, or calling card and the information service provider includes in response to each call an introductory disclosure message that—

''(A) clearly states that there is a charge for the call;

''(B) clearly states the service's total cost per minute and any other fees for the service or for any service to which the caller may be transferred;

''(C) explains that the charges must be billed on either a credit, prepaid, or calling card;

''(D) asks the caller for the credit or calling card number;

''(E) clearly states that charges for the call begin at the end of the introductory message; and

''(F) clearly states that the caller can hang up at or before the end of the introductory message without incurring any charge whatsoever.

''(10) DEFINITION OF CALLING CARD.—As used in this subsection, the term 'calling card' means an identifying number or code unique to the individual, that is issued to the individual by a common carrier and enables the individual to be charged by means of a phone bill for charges incurred independent of where the call originates.''.

(b) REGULATIONS.—The Federal Communications Commission shall revise its regulations to comply with the amendment made by subsection (a) of this section within 180 days after the date of enactment of this Act.

SEC. 111. REPORT ON MEANS OF RESTRICTING ACCESS TO UNWANTED MATERIAL IN INTERACTIVE TELECOMMUNICATIONS SYSTEMS.

(a) REPORT.—Not later than 150 days after the date of the enactment of this Act, the Attorney General shall submit to the Committees on the Judiciary and Commerce, Science, and Transportation of the Senate and the Committees on the Judiciary and Commerce of the House of Representatives a report containing—

(1) an evaluation of the enforceability with respect to interactive media of current criminal laws governing the distribution of obscenity over computer networks and the creation and distribution of child pornography by means of computers;

(2) an assessment of the Federal, State, and local law enforcement resources that are currently available to enforce such laws;

(3) an evaluation of the technical means available—

(A) to enable parents to exercise control over the information that their children receive by interactive telecommunications systems so that children may avoid violent, sexually explicit, harassing, offensive, and other unwanted material on such systems;

(B) to enable other users of such systems to exercise control over the commercial and noncommercial information that they receive by such systems so that such users may avoid violent, sexually explicit, harassing, offensive, and other unwanted material on such systems; and

(C) to promote the free flow of information, consistent with the values expressed in the Constitution, in interactive media; and

(4) recommendations on means of encouraging the development and deployment of technology, including computer hardware and software, to enable parents and other users of interactive telecommunications systems to exercise the control described in subparagraphs (A) and (B) of paragraph (3).

(b) CONSULTATION.—In preparing the report under subsection (a), the Attorney General shall consult with the Assistant Secretary of Commerce for Communications and Information.

SEC. 112. TELECOMMUNICATIONS DEVELOPMENT FUND.

(a) DEPOSIT AND USE OF AUCTION ESCROW ACCOUNTS.—Section 309(j)(8) of the Act (47 U.S.C. 309(j)(8)) is amended by adding at the end the following new subparagraph:

"(C) DEPOSIT AND USE OF AUCTION ESCROW ACCOUNTS.—Any deposits the Commission may require for the qualification of any person to bid in a system of competitive bidding pursuant to this subsection shall be deposited in an interest bearing account at a financial institution designated for purposes of this subsection by the Commission (after consultation with the Secretary of the Treasury). Within 45 days following the conclusion of the competitive bidding—

"(i) the deposits of successful bidders shall be paid to the Treasury;

"(ii) the deposits of unsuccessful bidders shall be returned to such bidders; and

"(iii) the interest accrued to the account shall be transferred to the Telecommunications Development Fund established pursuant to section 10 of this Act.".

(b) ESTABLISHMENT AND OPERATION OF FUND.—Title I of the Act is amended by adding at the end the following new section:

"SEC. 10. TELECOMMUNICATIONS DEVELOPMENT FUND.

"(a) PURPOSE OF SECTION.—It is the purpose of this section—

"(1) to promote access to capital for small businesses in order to enhance competition in the telecommunications industry;

"(2) to stimulate new technology development, and promote employment and training; and

"(3) to support universal service and promote delivery of telecommunications services to underserved rural and urban areas.

"(b) ESTABLISHMENT OF FUND.—There is hereby established a body corporate to be known as the Telecommunications Development Fund, which shall have succession until dissolved. The Fund shall maintain its principal office in the District of Columbia and shall be deemed, for purposes of venue and jurisdiction in civil actions, to be a resident and citizen thereof.

"(c) BOARD OF DIRECTORS.—

"(1) COMPOSITION OF BOARD; CHAIRMAN.—The Fund shall have a Board of Directors which shall consist of 7 persons appointed by the Chairman of the Commission. Four of such directors shall be representative of the private sector and three of such directors shall be representative of the Commission, the Small Business Administration, and the Department of the Treasury, respectively. The Chairman of the Commission shall appoint one of the representatives of the private sector to serve as chairman of the Fund within 30 days after the date of enactment of this section, in order to facilitate rapid creation and implementation of the Fund. The directors shall include members with experience in a number of the following areas: finance, investment banking, government banking, communications law and administrative practice, and public policy.

"(2) TERMS OF APPOINTED AND ELECTED MEMBERS.—The directors shall be eligible to serve for terms of 5 years, except of the initial members, as designated at the time of their appointment—

"(A) 1 shall be eligible to service for a term of 1 year;

"(B) 1 shall be eligible to service for a term of 2 years;

"(C) 1 shall be eligible to service for a term of 3 years;

"(D) 2 shall be eligible to service for a term of 4 years; and

"(E) 2 shall be eligible to service for a term of 5 years (1 of whom shall be the Chairman).

Directors may continue to serve until their successors have been appointed and have qualified.

"(3) MEETINGS AND FUNCTIONS OF THE BOARD.—The Board of Directors shall meet at the call of its Chairman, but at least quarterly. The Board shall determine the general policies which shall govern the operations of the Fund. The Chairman of the Board shall, with the approval of the Board, select, appoint, and compensate qualified persons to fill the offices as may be provided for in the bylaws, with such functions, powers, and duties as may be prescribed by the bylaws or by the Board of Directors, and such persons shall be the officers of the Fund and shall discharge all such functions, powers, and duties.

"(d) ACCOUNTS OF THE FUND.—The Fund shall maintain its accounts at a financial institution designated for purposes of this section by the Chairman of the Board (after consultation with the Commission and the Secretary of the Treasury). The accounts of the Fund shall consist of—

"(1) interest transferred pursuant to section 309(j)(8)(C) of this Act;

"(2) such sums as may be appropriated to the Commission for advances to the Fund;

"(3) any contributions or donations to the Fund that are accepted by the Fund; and

"(4) any repayment of, or other payment made with respect to, loans, equity, or other extensions of credit made from the Fund.

"(e) USE OF THE FUND.—All moneys deposited into the accounts of the Fund shall be used solely for—

"(1) the making of loans, investments, or other extensions of credits to eligible small businesses in accordance with subsection (f);

"(2) the provision of financial advise to eligible small businesses;

"(3) expenses for the administration and management of the Fund;

"(4) preparation of research, studies, or financial analyses; and

"(5) other services consistent with the purposes of this section.

"(f) LENDING AND CREDIT OPERATIONS.—Loans or other extensions of credit from the Fund shall be made available to eligible small business on the basis of—

"(1) the analysis of the business plan of the eligible small business;

"(2) the reasonable availability of collateral to secure the loan or credit extension;

"(3) the extent to which the loan or credit extension promotes the purposes of this section; and

"(4) other lending policies as defined by the Board.

"(g) RETURN OF ADVANCES.—Any advances appropriated pursuant to subsection (b)(2) shall be upon such terms and conditions (including conditions relating to the time or times of repayment) as the Board determines will best carry out the purposes of this section, in light of the maturity and solvency of the Fund.

"(h) GENERAL CORPORATE POWERS.—The Fund shall have power—

"(1) to sue and be sued, complain and defend, in its corporate name and through its own counsel;

"(2) to adopt, alter, and use the corporate seal, which shall be judicially noticed;

"(3) to adopt, amend, and repeal by its Board of Directors, bylaws, rules, and regulations as may be necessary for the conduct of its business;

"(4) to conduct its business, carry on its operations, and have officers and exercise the power granted by this section in any State without regard to any qualification or similar statute in any State;

"(5) to lease, purchase, or otherwise acquire, own, hold, improve, use, or otherwise deal in and with any property, real, personal, or mixed, or any interest therein, wherever situated;

"(6) to accept gifts or donations of services, or of property, real, personal, or mixed, tangible or intangible, in aid of any of the purposes of the Fund;

"(7) to sell, convey, mortgage, pledge, lease, exchange, and otherwise dispose of its property and assets;

"(8) to appoint such officers, attorneys, employees, and agents as may be required, to determine their qualifications, to define their duties, to fix their salaries, require bonds for them, and fix the penalty thereof; and

"(9) to enter into contracts, to execute instruments, to incur liabilities, to make loans and equity investment, and to do all things as are necessary or incidental to the proper management of its affairs and the proper conduct of its business.

"(i) ACCOUNTING, AUDITING, AND REPORTING.—The accounts of the Fund shall be audited annually. Such audits shall be conducted in accordance with generally accepted auditing standards by independent certified public accountants. A report of each such audit shall be furnished to the Secretary of the Treasury and the Commission. The representatives of the Secretary and the Commission shall have access to all books, accounts, financial records, reports, files, and all other papers, things, or property belonging to or in use by the Fund and necessary to facilitate the audit.

"(j) REPORT ON AUDITS BY TREASURY.—A report of each such audit for a fiscal year shall be made by the Secretary of the Treasury to the President and to the Congress not later than 6 months following the close of such fiscal year. The report shall set forth the scope of the audit and shall include a statement of assets and liabilities, capital and surplus or deficit; a statement of surplus or deficit analysis; a statement of income and expense; a statement of sources and application of funds; and such comments and information as may be deemed necessary to keep the President and the Congress informed of the operations and financial condition of the Fund, together with such recommendations with respect thereto as the Secretary may deem advisable.

"(k) DEFINITIONS.—As used in this section:

"(1) ELIGIBLE SMALL BUSINESS.—The term 'eligible small business' means business enterprises engaged in the telecommunications industry that have $50,000,000 or less in annual revenues, on average over the past 3 years prior to submitting the application under this section.

"(2) FUND.—The term 'Fund' means the Telecommunications Development Fund established pursuant to this section.

"(3) TELECOMMUNICATIONS INDUSTRY.—The term 'telecommunications industry' means communications businesses using regulated or unregulated facilities or services and includes the broadcasting, telephony, cable, computer, data transmission, software, programming, advanced messaging, and electronics businesses.".

SEC. 113. REPORT ON THE USE OF ADVANCED TELECOMMUNICATIONS SERVICES FOR MEDICAL PURPOSES.

The Assistant Secretary of Commerce for Communications and Information, in consultation with the Secretary of Health and Human Services and other appropriate departments and agencies, shall submit a report to the Committee on Commerce of the House of Representatives and the Committee on Commerce, Science and

Transportation of the Senate concerning the activities of the Joint Working Group on Telemedicine, together with any findings reached in the studies and demonstrations on telemedicine funded by the Public Health Service or other Federal agencies. The report shall examine questions related to patient safety, the efficacy and quality of the services provided, and other legal, medical, and economic issues related to the utilization of advanced telecommunications services for medical purposes. The report shall be submitted to the respective Committees annually, by January 31, beginning in 1996.

SEC. 114. TELECOMMUTING PUBLIC INFORMATION PROGRAM.

(a) TELECOMMUTING RESEARCH PROGRAMS AND PUBLIC INFORMATION DISSEMINATION.—The Assistant Secretary of Commerce for Communications and Information, in consultation with the Secretary of Transportation, the Secretary of Labor, and the Administrator of the Environmental Protection Agency, shall, within three months of the date of enactment of this Act, carry out research to identify successful telecommuting programs in the public and private sectors and provide for the dissemination to the public of information regarding—

(1) the establishment of successful telecommuting programs; and

(2) the benefits and costs of telecommuting.

(b) REPORT.—Within one year of the date of enactment of this Act, the Assistant Secretary of Commerce for Communications and Information shall report to Congress the findings, conclusions, and recommendations regarding telecommuting developed under this section.

SEC. 115. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—In addition to any other sums authorized by law, there are authorized to be appropriated to the Federal Communications Commission such sums as may be necessary to carry out this Act and the amendments made by this Act.

(b) EFFECT ON FEES.—For the purposes of section 9(b)(2) of the Act (47 U.S.C. 159(b)(2)), additional amounts appropriated pursuant to subsection (a) shall be construed to be changes in the amounts appropriated for the performance of activities described in section 9(a) of such Act.

TITLE II—CABLE COMMUNICATIONS COMPETITIVENESS

SEC. 201. CABLE SERVICE PROVIDED BY TELEPHONE COMPANIES.

(a) GENERAL REQUIREMENT.—

(1) AMENDMENT.—Section 613(b) of the Act (47 U.S.C. 533(b)) is amended to read as follows:

"(b)(1) Subject to the requirements of part V and the other provisions of this title, any common carrier subject in whole or in part to title II of this Act may, either through its own facilities or through an affiliate, provide video programming directly to subscribers in its telephone service area.

"(2) Subject to the requirements of part V and the other provisions of this title, any common carrier subject in whole or in part to title II of this Act may provide channels of communications or pole, line, or conduit space, or other rental arrangements, to any entity which is directly or indirectly owned, operated, or controlled by, or under common control with, such common carrier, if such facilities or arrangements are to be used for, or in connection with, the provision of video programming directly to subscribers in its telephone service area.

"(3)(A) Notwithstanding paragraphs (1) and (2), an affiliate described in subparagraph (B) shall not be subject to the requirements of part V (other than section 652), but—

"(i) if providing video programming as a cable service using a cable system, shall be subject to the requirements of this part and parts III and IV; and

"(ii) if providing such video programming by means of radio communication, shall be subject to the requirements of title III.

"(B) For purposes of subparagraph (A), an affiliate is described in this subparagraph if such affiliate—

"(i) is, consistently with section 655, owned, operated, or controlled by, or under common control with, a common carrier subject in whole or in part to title II of this Act;

"(ii) provides video programming to subscribers in the telephone service area of such carrier; and

"(iii) has not established a video platform in accordance with section 653.".

(2) CONFORMING AMENDMENT.—Section 602 of the Act (47 U.S.C. 531) is amended—

(A) by redesignating paragraphs (18) and (19) as paragraphs (19) and (20) respectively; and

(B) by inserting after paragraph (17) the following new paragraph:

"(18) the term 'telephone service area' when used in connection with a common carrier subject in whole or in part to title II of this Act means the area within which such carrier provides telephone exchange service as of January 1, 1993, but if any common carrier after such date transfers its exchange service facilities to another common carrier, the area to which such facilities provide telephone exchange service shall be treated as part of the telephone service area of the acquiring common carrier and not of the selling common carrier;".

(b) PROVISIONS FOR REGULATION OF CABLE SERVICE PROVIDED BY TELEPHONE COMPANIES.—Title VI of the Act (47 U.S.C. 521 et seq.) is amended by adding at the end the following new part:

"PART V—VIDEO PROGRAMMING SERVICES PROVIDED BY TELEPHONE COMPANIES

"SEC. 651. DEFINITIONS.

"For purposes of this part—

"(1) the term 'control' means—

"(A) an ownership interest in which an entity has the right to vote more than 50 percent of the outstanding common stock or other ownership interest; or

"(B) if no single entity directly or indirectly has the right to vote more than 50 percent of the outstanding common stock or other ownership interest, actual working control, in whatever manner exercised, as defined by the Commission by regulation on the basis of relevant factors and circumstances, which shall include partnership and direct ownership interests, voting stock interests, the interests of officers and directors, and the aggregation of voting interests; and

"(2) the term 'rural area' means a geographic area that does not include either—

"(A) any incorporated or unincorporated place of 10,000 inhabitants or more, or any part thereof; or

"(B) any territory, incorporated or unincorporated, included in an urbanized area, as defined by the Bureau of the Census.

"SEC. 652. SEPARATE VIDEO PROGRAMMING AFFILIATE.

"(a) IN GENERAL.—Except as provided in subsection (d) of this section and section 613(b)(3), a common carrier subject to title II of this Act shall not provide video programming directly to subscribers in its telephone service area unless such video programming is provided through a video programming affiliate that is separate from such carrier.

"(b) BOOKS AND MARKETING.—

"(1) IN GENERAL.—A video programming affiliate of a common carrier shall—

"(A) maintain books, records, and accounts separate from such carrier which identify all transactions with such carrier;

"(B) carry out directly (or through any nonaffiliated person) its own promotion, except that institutional advertising carried out by such carrier shall be permitted so long as each party bears its pro rata share of the costs; and

"(C) not own real or personal property in common with such carrier.

"(2) INBOUND TELEMARKETING AND REFERRAL.—Notwithstanding paragraph (1)(B), a common carrier may provide telemarketing or referral services in response to the call of a customer or potential customer related to the provision of video programming by a video programming affiliate of such carrier. If such services are provided to a video programming affiliate, such services shall be made available to any video programmer or cable operator on request, on nondiscriminatory terms, at just and reasonable prices.

"(3) JOINT MARKETING.—Notwithstanding paragraph (1)(B) or section 613(b)(3), a common carrier may market video programming directly upon a showing to the Commission that a cable operator or other entity directly or indirectly provides telecommunications services within the telephone service area of the common carrier, and markets such telecommunications services jointly with video programming services. The common carrier shall specify the geographic region covered by the showing. The Commission shall approve or disapprove such showing within 60 days after the date of its submission.

"(c) BUSINESS TRANSACTIONS WITH CARRIER.—Any contract, agreement, arrangement, or other manner of conducting business, between a common carrier and its video programming affiliate, providing for—

"(1) the sale, exchange, or leasing of property between such affiliate and such carrier,

"(2) the furnishing of goods or services between such affiliate and such carrier, or

"(3) the transfer to or use by such affiliate for its benefit of any asset or resource of such carrier,

shall be on a fully compensatory and auditable basis, shall be without cost to the telephone service ratepayers of the carrier, and shall be in compliance with regulations established by the Commission that will enable the Commission to assess the compliance of any transaction.

"(d) WAIVER.—

"(1) CRITERIA FOR WAIVER.—The Commission may waive any of the requirements of this section for small telephone companies or telephone companies serving rural areas, if the Commission determines, after notice and comment, that—

"(A) such waiver will not affect the ability of the Commission to ensure that all video programming activity is carried out without any support from telephone ratepayers;

"(B) the interests of telephone ratepayers and cable subscribers will not be harmed if such waiver is granted;

"(C) such waiver will not adversely affect the ability of persons to obtain access to the video platform of such carrier; and

"(D) such waiver otherwise is in the public interest.

"(2) DEADLINE FOR ACTION.—The Commission shall act to approve or disapprove a waiver application within 180 days after the date it is filed.

"(3) CONTINUED APPLICABILITY OF SECTION 656.—In the case of a common carrier that obtains a waiver under this subsection, any requirement that section 656 applies to a video programming affiliate shall instead apply to such carrier.

"(e) SUNSET OF REQUIREMENTS.—The provisions of this section shall cease to be effective on July 1, 2000.

"SEC. 653. ESTABLISHMENT OF VIDEO PLATFORM.

"(a) VIDEO PLATFORM.—

"(1) IN GENERAL.—Except as provided in section 613(b)(3), any common carrier subject to *title II of this Act, and that provides video programming directly to subscribers in its telephone service area, may establish a video platform. This paragraph shall not apply to any carrier to the extent that it provides video programming directly to subscribers in its telephone service area solely through a cable system acquired in accordance with section 655(b).*

"(2) IDENTIFICATION OF DEMAND FOR CARRIAGE.—Any common carrier subject to the requirements of paragraph (1) shall, prior to establishing a video platform, submit a notice to the Commission of its intention to establish channel capacity for the provision of video programming to meet the bona fide demand for such capacity. Such notice shall—

"(A) be in such form and contain information concerning the geographic area intended to be served and such information as the Commission may require by regulations pursuant to subsection (b);

"(B) specify the methods by which any entity seeking to use such channel capacity should submit to such carrier a specification of its channel capacity requirements; and

"(C) specify the procedures by which such carrier will determine (in accordance with the Commission's regulations under subsection (b)(1)(B)) whether such requests for capacity are bona fide.

The Commission shall submit any such notice for publication in the Federal Register within 5 working days.

"(3) RESPONSE TO REQUEST FOR CARRIAGE.—After receiving and reviewing the requests for capacity submitted pursuant to such notice, such common carrier shall establish channel capacity that is sufficient to provide carriage for—

"(A) all bona fide requests submitted pursuant to such notice,

"(B) any additional channels required pursuant to section 656, and

"(C) any additional channels required by the Commission's regulations under subsection (b)(1)(C).

"(4) RESPONSES TO CHANGES IN DEMAND FOR CAPACITY.—Any common carrier that establishes a video platform under this section shall—

"(A) immediately notify the Commission and each video programming provider of any delay in or denial of channel capacity or service, and the reasons therefor;

"(B) continue to receive and grant, to the extent of available capacity, carriage in response to bona fide requests for carriage from existing or additional video programming providers;

"(C) if at any time the number of channels required for bona fide requests for carriage may reasonably be expected soon to exceed the existing capacity of such video platform, immediately notify the Commission of such expectation and of the manner and date by which such carrier will provide sufficient capacity to meet such excess demand; and

"(D) construct such additional capacity as may be necessary to meet such excess demand.

"(5) DISPUTE RESOLUTION.—The Commission shall have the authority to resolve disputes under this section and the regulations prescribed thereunder. Any such dispute shall be resolved within 180 days after notice of such dispute is submitted to the Commission. At that time or subsequently in a separate damages proceeding, the Commission may award damages sustained in consequence of any violation of this section to any person denied carriage, or require carriage, or both. Any aggrieved party may seek any other remedy available under this Act.

"(b) COMMISSION ACTIONS.—

"(1) IN GENERAL.—Within 6 months after the date of the enactment of this section, the Commission shall complete all actions necessary (including any reconsideration) to prescribe regulations that—

"(A) consistent with the requirements of section 656, prohibit a common carrier from discriminating among video programming providers with regard to carriage on its video platform, and ensure that the rates, terms, and conditions for such carriage are just, reasonable, and nondiscriminatory;

"(B) prescribe definitions and criteria for the purposes of determining whether a request shall be considered a bona fide request for purposes of this section;

"(C) permit a common carrier to carry on only one channel any video programming service that is offered by more than one video programming provider (including the common carrier's video programming affiliate), provided that subscribers have ready and immediate access to any such video programming service;

"(D) extend to the distribution of video programming over video platforms the Commission's regulations concerning sports exclusivity (47 C.F.R. 76.67), network nonduplication (47 C.F.R. 76.92 et seq.), and syndicated exclusivity (47 C.F.R. 76.151 et seq.);

"(E) require the video platform to provide service, transmission, and interconnection for unaffiliated or independent video programming providers that is equivalent to that provided to the common carrier's video programming affiliate, except that the video platform shall not discriminate between analog and digital video programming offered by such unaffiliated or independent video programming providers;

"(F)(i) prohibit a common carrier from unreasonably discriminating in favor of its video programming affiliate with regard to material or information provided by the common carrier to subscribers for the purposes of selecting programming on the video platform, or in the way such material or information is presented to subscribers;

"(ii) require a common carrier to ensure that video programming providers or copyright holders (or both) are able suitably and uniquely to identify their programming services to subscribers; and

"(iii) if such identification is transmitted as part of the programming signal, require the carrier to transmit such identification without change or alteration; and

"(G) prohibit a common carrier from excluding areas from its video platform service area on the basis of the ethnicity, race, or income of the residents of that area, and provide for public comments on the adequacy of the proposed service area on the basis of the standards set forth under this subparagraph.

Nothing in this section prohibits a common carrier or its affiliate from negotiating mutually agreeable terms and conditions with over-the-air broadcast stations and other unaffiliated video programming providers to allow consumer access to their signals on any level or screen of any gateway, menu, or other program guide, whether provided by the carrier or its affiliate.

"(2) REGULATORY STREAMLINING.—With respect to the establishment and operation of a video platform, the requirements of this section shall apply in lieu of, and not in addition to, the requirements of title II.

"SEC. 654. AUTHORITY TO PROHIBIT CROSS-SUBSIDIZATION.

"Nothing in this part shall prohibit a State commission that regulates the rates for telephone exchange service or exchange access based on the cost of providing such service or access from—

"(1) prescribing regulations to prohibit a common carrier from engaging in any practice that results in the inclusion in rates for telephone exchange service or exchange access of any operating expenses, costs, depreciation charges, capital investments, or other expenses directly associated with the provision of competing video programming services by the common carrier or affiliate; or

"(2) ensuring such competing video programming services bear a reasonable share of the joint and common costs of facilities used to provide telephone exchange service or exchange access and competing video programming services.

"SEC. 655. PROHIBITION ON BUY OUTS.

"(a) GENERAL PROHIBITION.—No common carrier that provides telephone exchange service, and no entity owned by or under common ownership or control with such carrier, may purchase or otherwise obtain control over any cable system that is located within its telephone service area and is owned by an unaffiliated person.

"(b) EXCEPTIONS.—Notwithstanding subsection (a), a common carrier may—

"(1) obtain a controlling interest in, or form a joint venture or other partnership with, a cable system that serves a rural area;

"(2) obtain, in addition to any interest, joint venture, or partnership obtained or formed pursuant to paragraph (1), a controlling interest in, or form a joint venture or other partnership with, any cable system or systems if—

"(A) such systems in the aggregate serve less than 10 percent of the households in the telephone service area of such carrier; and

"(B) no such system serves a franchise area with more than 35,000 inhabitants, except that a common carrier may obtain such interest or form such joint venture or other partnership with a cable system that serves a franchise area with more than 35,000 but not more than 50,000 inhabitants if such system is not affiliated with any other system whose franchise area is contiguous to the franchise area of the acquired system;

"(3) obtain, with the concurrence of the cable operator on the rates, terms, and conditions, the use of that part of the transmission facilities of such a cable system extending from the last multi-user terminal to the premises of the end user, if such use is reasonably limited in scope and duration, as determined by the Commission; or

"(4) obtain a controlling interest in, or form a joint venture or other partnership with, or provide financing to, a cable system (hereinafter in this paragraph referred to as 'the subject cable system'), if—

"(A) the subject cable system operates in a television market that is not in the top 25 markets, and that has more than 1 cable system operator, and the subject cable system is not the largest cable system in such television market;

"(B) the subject cable system and the largest cable system in such television market held on May 1, 1995, cable television franchises from the largest municipality in the television market and the boundaries of such franchises were identical on such date;

"(C) the subject cable system is not owned by or under common ownership or control of any one of the 50 largest cable system operators as existed on May 1, 1995; and

"(D) the largest system in the television market is owned by or under common ownership or control of any one of the 10 largest cable system operators as existed on May 1, 1995.

"(c) WAIVER.—

"(1) CRITERIA FOR WAIVER.—The Commission may waive the restrictions in subsection (a) of this section only upon a showing by the applicant that—

"(A) because of the nature of the market served by the cable system concerned—

"(i) the incumbent cable operator would be subjected to undue economic distress by the enforcement of such subsection; or

"(ii) the cable system would not be economically viable if such subsection were enforced; and

"(B) the local franchising authority approves of such waiver.

"(2) DEADLINE FOR ACTION.—The Commission shall act to approve or disapprove a waiver application within 180 days after the date it is filed.

"SEC. 656. APPLICABILITY OF PARTS I THROUGH IV.

"(a) IN GENERAL.—Any provision that applies to a cable operator under—

"(1) sections 613 (other than subsection (a)(2) thereof), 616, 617, 628, 631, 632, and 634 of this title, shall apply,

"(2) sections 611, 612, 614, and 615 of this title, and section 325 of title III, shall apply in accordance with the regulations prescribed under subsection (b), and

"(3) parts III and IV (other than sections 628, 631, 632, and 634) of this title shall not apply,

to any video programming affiliate established by a common carrier in accordance with the requirements of this part.

"(b) IMPLEMENTATION.—

"(1) COMMISSION ACTION.—The Commission shall prescribe regulations to ensure that a common carrier in the operation of its video platform shall provide (A) capacity, services, facilities, and equipment for public, educational, and governmental use, (B) capacity for commercial use, (C) carriage of commercial and non-commercial broadcast television stations, and (D) an opportunity for commercial broadcast stations to choose between mandatory carriage and reimbursement for retransmission of the signal of such station. In prescribing such regulations, the Commission shall, to the extent possible, impose obligations that are no greater or lesser than the obligations contained in the provisions described in subsection (a)(2) of this section.

"(2) FEES.—A video programming affiliate of any common carrier that establishes a video platform under this part, and any multichannel video programming distributor offering a competing service using such video platform (as determined in accordance with regulations of the Commission), shall be subject to the payment of fees imposed by a local franchising authority, in lieu of the fees required under section 622. The rate at which such fees are imposed shall not exceed the rate at which franchise fees are imposed on any cable operator transmitting video programming in the same service area.

"SEC. 657. RURAL AREA EXEMPTION.

"The provisions of sections 652, 653, and 655 shall not apply to video programming provided in a rural area by a common carrier that provides telephone exchange service in the same area.".

SEC. 202. COMPETITION FROM CABLE SYSTEMS.

(a) DEFINITION OF CABLE SERVICE.—Section 602(6)(B) of the Act (47 U.S.C. 522(6)(B)) is amended by inserting "or use" after "the selection".

(b) CLUSTERING.—Section 613 of the Act (47 U.S.C. 533) is amended by adding at the end the following new subsection:

"(i) ACQUISITION OF CABLE SYSTEMS.—Except as provided in section 655, the Commission may not require divestiture of, or restrict or prevent the acquisition of, an ownership interest in a cable system by any person based in whole or in part on the geographic location of such cable system.".

(c) EQUIPMENT.—Section 623(a) of the Act (47 U.S.C. 543(a)) is amended—

(1) in paragraph (6)—

(A) by striking "paragraph (4)" and inserting "paragraph (5)";

(B) by striking "paragraph (5)" and inserting "paragraph (6)"; and

(C) by striking "paragraph (3)" and inserting "paragraph (4)";

(2) by redesignating paragraphs (3) through (6) as paragraphs (4) through (7), respectively; and

(3) by inserting after paragraph (2) the following new paragraph:

"(3) EQUIPMENT.—If the Commission finds that a cable system is subject to effective competition under subparagraph (D) of subsection (l)(1), the rates for equipment, installations, and connections for additional television receivers (other than equipment, installations, and connections furnished by such system to subscribers who receive only a rate regulated basic service tier) shall not be subject to regulation by the Commission or by a State or franchising authority. If the Commission finds that a cable system is subject to effective competition under subparagraph (A), (B), or (C) of subsection (l)(1), the rates for any equipment, installations, and connections furnished by such system to any subscriber shall not be subject to regulation by the Commission, or by a State or franchising authority. No Federal agency, State, or franchising authority may establish the price or rate for the installation, sale, or lease of any equipment furnished to any subscriber by a cable system solely in connection with video programming offered on a per channel or per program basis.".

(d) LIMITATION ON BASIC TIER RATE INCREASES; SCOPE OF REVIEW.—Section 623(a) of the Act (47 U.S.C. 543(a)) is further amended by adding at the end the following new paragraph:

"(8) LIMITATION ON BASIC TIER RATE INCREASES; SCOPE OF REVIEW.—A cable operator may not increase its basic service tier rate more than once every 6 months. Such increase may be implemented, using any reasonable billing or proration method, 30 days after providing notice to subscribers and the appropriate regulatory authority. The rate resulting from such increase shall be deemed reasonable and shall not be subject to reduction or refund if the franchising authority or the Commission, as appropriate, does not complete its review and issue a final order within 90 days after implementation of such increase. The review by the franchising authority or the Commission of any future increase in such rate shall be limited to the incremental change in such rate effected by such increase.".

(e) NATIONAL INFORMATION INFRASTRUCTURE DEVELOPMENT.—Section 623(a) of the Act (47 U.S.C. 543) is further amended by adding at the end the following new paragraph:

"(9) NATIONAL INFORMATION INFRASTRUCTURE.—

"(A) PURPOSE.—It is the purpose of this paragraph to—

"(i) promote the development of the National Information Infrastructure;

"(ii) enhance the competitiveness of the National Information Infrastructure by ensuring that cable operators have incentives comparable to other industries to develop such infrastructure; and

"(iii) encourage the rapid deployment of digital technology necessary to the development of the National Information Infrastructure.

"(B) AGGREGATION OF EQUIPMENT COSTS.—The Commission shall allow cable operators, pursuant to any rules promulgated under subsection (b)(3), to aggregate, on a franchise, system, regional, or company level, their equipment costs into broad categories, such as converter boxes, regardless of the varying levels of functionality of the equipment within each such broad category. Such aggregation shall not be permitted with respect to equipment used by subscribers who receive only a rate regulated basic service tier.

"(C) REVISION TO COMMISSION RULES; FORMS.—Within 120 days of the date of enactment of this paragraph, the Commission shall issue revisions to the appropriate rules and forms necessary to implement subparagraph (B).".

(f) COMPLAINT THRESHOLD; SCOPE OF COMMISSION REVIEW.—Section 623(c) of the Act (47 U.S.C. 543(c)) is amended—

(1) by striking paragraph (3) and inserting the following:

"(3) REVIEW OF COMPLAINTS.—

"(A) COMPLAINT THRESHOLD.—The Commission shall have the authority to review any increase in the rates for cable programming services implemented after the date of enactment of the Communications Act of 1995 only if, within 90 days after such increase becomes effective, at least 10 subscribers to such services or 3 percent of the subscribers to such services, whichever is greater, file separate, individual complaints against such increase with the Commission in accordance with the requirements established under paragraph (1)(B).

"(B) TIME PERIOD FOR COMMISSION REVIEW.—The Commission shall complete its review of any such increase and issue a final order within 90 days after it receives the number of complaints required by subparagraph (A).

"(4) TREATMENT OF PENDING CABLE PROGRAMMING SERVICES COMPLAINTS.—Upon enactment of the Communications Act of 1995, the Commission shall suspend the processing of all pending cable programming services rate complaints. These pending complaints shall be counted by the Commission toward the complaint threshold specified in paragraph (3)(A). Parties shall have an additional 90 days from the date of enactment of such Act to file complaints about prior increases in cable programming services rates if such rate increases were already subject to a valid, pending complaint on such date of enactment. At the expiration of such 90-day period, the Commission shall dismiss all pending cable programming services rate cases for which the complaint threshold has not been met, and may resume its review of those pending cable programming services rate cases for which the complaint threshold has been met, which review shall be completed within 180 days after the date of enactment of the Communications Act of 1995.

"(5) SCOPE OF COMMISSION REVIEW.—A cable programming services rate shall be deemed not unreasonable and shall not be subject to reduction or refund if—

"(A) such rate was not the subject of a pending complaint at the time of enactment of the Communications Act of 1995;

"(B) such rate was the subject of a complaint that was dismissed pursuant to paragraph (4);

"(C) such rate resulted from an increase for which the complaint threshold specified in paragraph (3)(A) has not been met;

"(D) the Commission does not complete its review and issue a final order in the time period specified in paragraph (3)(B) or (4); or

"(E) the Commission issues an order finding such rate to be not unreasonable.

The review by the Commission of any future increase in such rate shall be limited to the incremental change in such rate effected by such increase.";

(2) in paragraph (1)(B) by striking "obtain Commission consideration and resolution of whether the rate in question is unreasonable" and inserting "be counted toward the complaint threshold specified in paragraph (3)(A)"; and

(3) in paragraph (1)(C) by striking "such complaint" and inserting in lieu thereof "the first complaint".

(g) UNIFORM RATE STRUCTURE.—Section 623(d) of the Act (47 U.S.C. 543(d)) is amended to read as follows:

"(d) UNIFORM RATE STRUCTURE.—A cable operator shall have a uniform rate structure throughout its franchise area for the provision of cable services that are regulated by the Commission or the franchising authority. Bulk discounts to multiple dwelling units shall not be subject to this requirement.".

(h) EFFECTIVE COMPETITION.—Section 623(l)(1) of the Act (47 U.S.C. 543(l)(1)) is amended—

(1) in subparagraph (B)(ii)—

(A) by inserting "all" before "multichannel video programming distributors"; and

(B) by striking "or" at the end thereof;

(2) by striking the period at the end of subparagraph (C) and inserting "; or"; and

(3) by adding at the end the following:

"(D) with respect to cable programming services and subscriber equipment, installations, and connections for additional television receivers (other than equipment, installations, and connections furnished to subscribers who receive only a rate regulated basic service tier)—

"(i) a common carrier has been authorized by the Commission to construct facilities to provide video dialtone service in the cable operator's franchise area;

"(ii) a common carrier has been authorized by the Commission or pursuant to a franchise to provide video programming directly to subscribers in the franchise area; or

"(iii) 270 days have elapsed since the Commission has completed all actions necessary (including any reconsideration) to prescribe regulations pursuant to section 653(b)(1) relating to video platforms.".

(i) RELIEF FOR SMALL CABLE OPERATORS.—Section 623 of the Act (47 U.S.C. 543) is amended by adding at the end the following new subsection:

"(m) SMALL CABLE OPERATORS.—

"(1) SMALL CABLE OPERATOR RELIEF.—A small cable operator shall not be subject to subsections (a), (b), (c), or (d) in any franchise area with respect to the provision of cable programming services, or a basic service tier where such tier was the only tier offered in such area on December 31, 1994.

"(2) DEFINITION OF SMALL CABLE OPERATOR.—For purposes of this subsection, 'small cable operator' means a cable operator that—

"(A) directly or through an affiliate, serves in the aggregate fewer than 1 percent of all cable subscribers in the United States; and

"(B) is not affiliated with any entity or entities whose gross annual revenues in the aggregate exceed $250,000,000.".

(j) TECHNICAL STANDARDS.—Section 624(e) of the Act (47 U.S.C. 544(e)) is amended by striking the last two sentences and inserting the following: "No State or franchising authority may prohibit, condition, or restrict a cable system's use of any type of subscriber equipment or any transmission technology.".

(k) CABLE SECURITY SYSTEMS.—Section 624A(b)(2) of the Act (47 U.S.C. 544a(b)(2)) is amended to read as follows:

"(2) CABLE SECURITY SYSTEMS.—No Federal agency, State, or franchising authority may prohibit a cable operator's use of any security system (including scrambling, encryption, traps, and interdiction), except that the Commission may prohibit the use of any such system solely with respect to the delivery of a basic service tier that, as of January 1, 1995, contained only the signals and programming specified in section 623(b)(7)(A), unless the use of such system is necessary to prevent the unauthorized reception of such tier.".

(l) CABLE EQUIPMENT COMPATIBILITY.—Section 624A of the Act (47 U.S.C. 544A), is amended—

(1) in subsection (a) by striking "and" at the end of paragraph (2), by striking the period at the end of paragraph (3) and inserting "; and"; and by adding at the end the following new paragraph:

"(4) compatibility among televisions, video cassette recorders, and cable systems can be assured with narrow technical standards that mandate a minimum degree of common design and operation, leaving all features, functions, protocols, and other product and service options for selection through open competition in the market.";

(2) in subsection (c)(1)—

(A) by redesignating subparagraphs (A) and (B) as subparagraphs (B) and (C), respectively; and

(B) by inserting before such redesignated subparagraph (B) the following new subparagraph:

"(A) the need to maximize open competition in the market for all features, functions, protocols, and other product and service options of converter boxes and other cable converters unrelated to the descrambling or decryption of cable television signals;"; and

(3) in subsection (c)(2)—

(A) by redesignating subparagraphs (D) and (E) as subparagraphs (E) and (F), respectively; and

(B) by inserting after subparagraph (C) the following new subparagraph:

"(D) to ensure that any standards or regulations developed under the authority of this section to ensure compatibility between televisions, video casette recorders, and cable systems do not affect features, functions, protocols, and other product and service options other than those specified in paragraph (1)(B), including telecommunications interface equipment, home automation communications, and computer network services;".

(m) RETIERING OF BASIC TIER SERVICES.—Section 625(d) of the Act (47 U.S.C. 543(d)) is amended by adding at the end the following new sentence: "Any signals or services carried on the basic service tier but not required under section 623(b)(7)(A) may be moved from the basic service tier at the operator's sole discretion, provided that the removal of such a signal or service from the basic service tier is permitted by contract. The movement of such signals or services to an unregulated package of services shall not subject such package to regulation.".

(n) SUBSCRIBER NOTICE.—Section 632 of the Act (47 U.S.C. 552) is amended—

(1) by redesignating subsection (c) as subsection (d); and

(2) by inserting after subsection (b) the following new subsection:

"(c) SUBSCRIBER NOTICE.—A cable operator may provide notice of service and rate changes to subscribers using any reasonable written means at its sole discretion. Notwithstanding section 623(b)(6) or any other provision of this Act, a cable operator shall not be required to provide prior notice of any rate change that is the result of a regulatory fee, franchise fee, or any other fee, tax, assessment, or charge of any kind imposed by any Federal agency, State, or franchising authority on the transaction between the operator and the subscriber.".

(o) TREATMENT OF PRIOR YEAR LOSSES.—

(1) AMENDMENT.—Section 623 (48 U.S.C. 543) is amended by adding at the end thereof the following:

"(n) TREATMENT OF PRIOR YEAR LOSSES.—Notwithstanding any other provision of this section or of section 612, losses (including losses associated with the acquisitions of such franchise) that were incurred prior to September 4, 1992, with respect to a cable system that is owned and operated by the original franchisee of such system shall not be disallowed, in whole or in part, in the determination of whether the rates for any tier of service or any type of equipment that is subject to regulation under this section are lawful.".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall take effect on the date of enactment of this Act and shall be applicable to any rate proposal filed on or after September 4, 1993.

SEC. 203. COMPETITIVE AVAILABILITY OF NAVIGATION DEVICES.

Title VII of the Act is amended by adding at the end the following new section:

"SEC. 713. COMPETITIVE AVAILABILITY OF NAVIGATION DEVICES.

"(a) DEFINITIONS.—As used in this section:

"(1) The term 'telecommunications subscription service' means the provision directly to subscribers of video, voice, or data services for which a subscriber charge is made.

"(2) The term 'telecommunications system' or a 'telecommunications system operator' means a provider of telecommunications subscription service.

"(b) COMPETITIVE CONSUMER AVAILABILITY OF CUSTOMER PREMISES EQUIPMENT.—The Commission shall adopt regulations to assure competitive availability, to consumers of telecommunications subscription services, of converter boxes, interactive communications devices, and other customer premises equipment from manufacturers, retailers, and other vendors not affiliated with any telecommunications system operator. Such regulations shall not prohibit any telecommunications system operator from also offering devices and customer premises equipment to consumers, provided that the system operator's charges to consumers for such devices and equipment are separately stated and not subsidized by charges for any telecommunications subscription service.

"(c) PROTECTION OF SYSTEM SECURITY.—The Commission shall not prescribe regulations pursuant to subsection (b) which would jeopardize the security of a telecommunications system or impede the legal rights of a provider of such service to prevent theft of service.

"(d) WAIVER FOR NEW NETWORK SERVICES.—The Commission shall waive a regulation adopted pursuant to subsection (b) for a limited time upon an appropriate showing by a telecommunications system operator that such waiver is necessary to assist the development or introduction of a new or improved telecommunications subscription service or technology.

"(e) AVOIDANCE OF REDUNDANT REGULATIONS.—

"(1) MARKET COMPETITIVENESS DETERMINATIONS.—Determinations made or regulations prescribed by the Commission with respect to market competitiveness of customer premises equipment prior to the date of enactment of this section shall fulfill the requirements of this section.

"(2) REGULATIONS.—Nothing in this section affects the Commission's regulations governing the interconnection and competitive provision of customer premises equipment used in connection with basic telephone service.

"(f) SUNSET.—The regulations adopted pursuant to this section shall cease to apply to any market for the acquisition of converter boxes, interactive communications devices, or other customer premises equipment when the Commission determines that such market is competitive.".

SEC. 204. VIDEO PROGRAMMING ACCESSIBILITY.

(a) COMMISSION INQUIRY.—Within 180 days after the date of enactment of this section, the Federal Communications Commission shall complete an inquiry to ascertain the level at which video programming is closed captioned. Such inquiry shall examine the extent to which existing or previously published programming is closed captioned, the size of the video programming provider or programming owner providing closed captioning, the size of the market served, the relative audience shares achieved, or any other related factors. The Commission shall submit to the Congress a report on the results of such inquiry.

(b) ACCOUNTABILITY CRITERIA.—Within 18 months after the date of enactment, the Commission shall prescribe such regulations as are necessary to implement this section. Such regulations shall ensure that—

(1) video programming first published or exhibited after the effective date of such regulations is fully accessible through the provision of closed captions, except as provided in subsection (d); and

(2) video programming providers or owners maximize the accessibility of video programming first published or exhibited prior to the effective date of such regulations through the provision of closed captions, except as provided in subsection (d).

(c) DEADLINES FOR CAPTIONING.—Such regulations shall include an appropriate schedule of deadlines for the provision of closed captioning of video programming.

(d) EXEMPTIONS.—Notwithstanding subsection (b)—

(1) the Commission may exempt by regulation programs, classes of programs, or services for which the Commission has determined that the provision of closed captioning would be economically burdensome to the provider or owner of such programming;

(2) a provider cf video programming or the owner of any program carried by the provider shall not be obligated to supply closed captions if such action would be inconsistent with contracts in effect on the date of enactment of this Act, except that nothing in this section shall be construed to relieve a video programming provider of its obligations to provide services required by Federal law; and

(3) a provider of video programming or program owner may petition the Commission for an exemption from the requirements of this section, and the Commission may grant such petition upon a showing that the requirements contained in this section would result in an undue burden.

(e) UNDUE BURDEN.—The term "undue burden" means significant difficulty or expense. In determining whether the closed captions necessary to comply with the requirements of this paragraph would result in an undue economic burden, the factors to be considered include—

(1) the nature and cost of the closed captions for the programming;

(2) the impact on the operation of the provider or program owner;

(3) the financial resources of the provider or program owner; and

(4) the type of operations of the provider or program owner.

(f) VIDEO DESCRIPTIONS INQUIRY.—Within 6 months after the date of enactment of this Act, the Commission shall commence an inquiry to examine the use of video descriptions on video programming in order to ensure the accessibility of video programming to persons with visual impairments, and report to Congress on its findings. The Commission's report shall assess appropriate methods and schedules for phasing video descriptions into the marketplace, technical and quality standards for video descriptions, a definition of programming for which video descriptions would apply, and other technical and legal issues that the Commission deems appropriate. Following the completion of such inquiry, the Commission may adopt regulation it deems necessary to promote the accessibility of video programming to persons with visual impairments.

(g) VIDEO DESCRIPTION.—For purposes of this section, "video description" means the insertion of audio narrated descriptions of a television program's key visual elements into natural pauses between the program's dialogue.

(h) PRIVATE RIGHTS OF ACTIONS PROHIBITED.—Nothing in this section shall be construed to authorize any private right of action to enforce any requirement of this section or any regulation thereunder. The Commission shall have exclusive jurisdiction with respect to any complaint under this section.

SEC. 205. TECHNICAL AMENDMENTS.

(a) RETRANSMISSION.—Section 325(b)(2)(D) of the Act (47 U.S.C. 325(b)(2)(D)) is amended to read as follows:

"(D) retransmission by a cable operator or other multichannel video programming distributor of the signal of a superstation if (i) the customers served by the cable operator or other multichannel video programming distributor reside outside the originating station's television market, as defined by the Commission for purposes of section 614(h)(1)(C); (ii) such signal was obtained from a satellite carrier or terrestrial microwave common carrier; and (iii) and the origination station was a superstation on May 1, 1991.".

(b) MARKET DETERMINATIONS.—Section 614(h)(1)(C)(i) of the Act (47 U.S.C. 534(h)(1)(C)(i)) is amended by striking out "in the manner provided in section 73.3555(d)(3)(i) of title 47, Code of Federal Regulations, as in effect on May 1, 1991," and inserting "by the Commission by regulation or order using, where available, commercial publications which delineate television markets based on viewing patterns,".

(c) TIME FOR DECISION.—Section 614(h)(1)(C)(iv) of such Act is amended to read as follows:

"(iv) Within 120 days after the date a request is filed under this subparagraph, the Commission shall grant or deny the request.".

(d) PROCESSING OF PENDING COMPLAINTS.—The Commission shall, unless otherwise informed by the person making the request, assume that any person making a request to include or exclude additional communities under section 614(h)(1)(C) of such Act (as in effect prior to the date of enactment of this Act) continues to request such inclusion or exclusion under such section as amended under subsection (b).

TITLE III—BROADCAST COMMUNICATIONS COMPETITIVENESS

SEC. 301. BROADCASTER SPECTRUM FLEXIBILITY.

Title III of the Act is amended by inserting after section 335 (47 U.S.C. 335) the following new section:

"SEC. 336. BROADCAST SPECTRUM FLEXIBILITY.

"(a) COMMISSION ACTION.—If the Commission determines to issue additional licenses for advanced television services, the Commission shall—

"(1) limit the initial eligibility for such licenses to persons that, as of the date of such issuance, are licensed to operate a television broadcast station or hold a permit to construct such a station (or both); and

"(2) adopt regulations that allow such licensees or permittees to offer such ancillary or supplementary services on designated frequencies as may be consistent with the public interest, convenience, and necessity.

"(b) CONTENTS OF REGULATIONS.—In prescribing the regulations required by subsection (a), the Commission shall—

"(1) only permit such licensee or permittee to offer ancillary or supplementary services if the use of a designated frequency for such services is consistent with the technology or method designated by the Commission for the provision of advanced television services;

"(2) limit the broadcasting of ancillary or supplementary services on designated frequencies so as to avoid derogation of any advanced television services, including high definition television broadcasts, that the Commission may require using such frequencies;

"(3) apply to any other ancillary or supplementary service such of the Commission's regulations as are applicable to the offering of analogous services by any other person, except that no ancillary or supplementary service shall have any rights to carriage under section 614 or 615 or be deemed a multichannel video programming distributor for purposes of section 628;

"(4) adopt such technical and other requirements as may be necessary or appropriate to assure the quality of the signal used to provide advanced television services, and may adopt regulations that stipulate the minimum number of hours per day that such signal must be transmitted; and

"(5) prescribe such other regulations as may be necessary for the protection of the public interest, convenience, and necessity.

"(c) RECOVERY OF LICENSE.—

"(1) CONDITIONS REQUIRED.—If the Commission grants a license for advanced television services to a person that, as of the date of such issuance, is licensed to operate a television broadcast station or holds a permit to construct such a station (or both), the Commission shall, as a condition of such license, require that, upon a determination by the Commission pursuant to the regulations prescribed under paragraph (2), either the additional license or the original license held by the licensee be surrendered to the Commission in accordance with such regulations for reallocation or reassignment (or both) pursuant to Commission regulation.

"(2) CRITERIA.—The Commission shall prescribe criteria for rendering determinations concerning license surrender pursuant to license conditions required by paragraph (1). Such criteria shall—

"(A) require such determinations to be based, on a market-by-market basis, on whether the substantial majority of the public have obtained television receivers that are capable of receiving advanced television services; and

"(B) not require the cessation of the broadcasting under either the original or additional license if such cessation would render the television receivers of a substantial portion of the public useless, or otherwise cause undue burdens on the owners of such television receivers.

"(3) AUCTION OF RETURNED SPECTRUM.—Any license surrendered under the requirements of this subsection shall be subject to assignment by use of competitive bidding pursuant to section 309(j), notwithstanding any limitations contained in paragraph (2) of such section.

"(d) FEES.—

"(1) SERVICES TO WHICH FEES APPLY.—If the regulations prescribed pursuant to subsection (a) permit a licensee to offer ancillary or supplementary services on a designated frequency—

"(A) for which the payment of a subscription fee is required in order to receive such services, or

"(B) for which the licensee directly or indirectly receives compensation from a third party in return for transmitting material furnished by such third party (other than commercial advertisements used to support broadcasting for which a subscription fee is not required),

the Commission shall establish a program to assess and collect from the licensee for such designated frequency an annual fee or other schedule or method of payment that promotes the objectives described in subparagraphs (A) and (B) of paragraph (2).

"(2) COLLECTION OF FEES.—The program required by paragraph (1) shall—

"(A) be designed (i) to recover for the public a portion of the value of the public spectrum resource made available for such commercial use. and (ii) to avoid unjust enrichment through the method employed to permit such uses of that resource;

"(B) recover for the public an amount that, to the extent feasible, equals but does not exceed (over the term of the license) the amount that would have been recovered had such services been licensed pursuant to the provisions of section 309(j) of this Act and the Commission's regulations thereunder; and

"(C) be adjusted by the Commission from time to time in order to continue to comply with the requirements of this paragraph.

"(3) TREATMENT OF REVENUES.—

"(A) GENERAL RULE.—Except as provided in subparagraph (B), all proceeds obtained pursuant to the regulations required by this subsection shall be deposited in the Treasury in accordance with chapter 33 of title 31, United States Code.

"(B) RETENTION OF REVENUES.—Notwithstanding subparagraph (A), the salaries and expenses account of the Commission shall retain as an offsetting collection such sums as may be necessary from such proceeds for the costs of developing and implementing the program required by this section and regulating and supervising advanced television services. Such offsetting collections shall be available for obligation subject to the terms and conditions of the receiving appropriations account, and shall be deposited in such accounts on a quarterly basis.

"(4) REPORT.—Within 5 years after the date of the enactment of this section, the Commission shall report to the Congress on the implementation of the program required by this subsection, and shall annually thereafter advise the Congress on the amounts collected pursuant to such program.

"(e) EVALUATION.—Within 10 years after the date the Commission first issues additional licenses for advanced television services, the Commission shall conduct an evaluation of the advanced television services program. Such evaluation shall include—

"(1) an assessment of the willingness of consumers to purchase the television receivers necessary to receive broadcasts of advanced television services;

"(2) an assessment of alternative uses, including public safety use, of the frequencies used for such broadcasts; and

"(3) the extent to which the Commission has been or will be able to reduce the amount of spectrum assigned to licensees.

"(f) DEFINITIONS.—As used in this section:

"(1) ADVANCED TELEVISION SERVICES.—The term 'advanced television services' means television services provided using digital or other advanced technology as further defined in the opinion, report, and order of the Commission entitled 'Advanced Television Systems and Their Impact Upon the Existing Television Broadcast Service', MM Docket 87-268, adopted September 17, 1992, and successor proceedings.

"(2) DESIGNATED FREQUENCIES.—The term 'designated frequency' means each of the frequencies designated by the Commission for licenses for advanced television services.

"(3) HIGH DEFINITION TELEVISION.—The term 'high definition television' refers to systems that offer approximately twice the vertical and horizontal resolution of receivers generally available on the date of enactment of this section, as further defined in the proceedings described in paragraph (1) of this subsection.".

SEC. 302. BROADCAST OWNERSHIP.

Title III of the Act is amended by inserting after section 336 (as added by section 301) the following new section:

"SEC. 337. BROADCAST OWNERSHIP.

"(a) LIMITATIONS ON COMMISSION RULEMAKING AUTHORITY.—Except as expressly permitted in this section, and consistent with section 613(a) of the Act, the Commission shall not prescribe or enforce any regulation—

"(1) prohibiting or limiting, either nationally or within any particular area, a person or entity from holding any form of ownership or other interest in two or more broadcasting stations or in a broadcasting station and any other medium of mass communication; or

"(2) prohibiting a person or entity from owning, operating, or controlling two or more networks of broadcasting stations or from owning, operating, or controlling a network of broadcasting stations and any other medium of mass communications.

"(b) TELEVISION OWNERSHIP LIMITATIONS.—

"(1) NATIONAL AUDIENCE REACH LIMITATIONS.—The Commission shall prohibit a person or entity from obtaining any license if such license would result in such person or entity directly or indirectly owning, operating, or controlling, or having a cognizable interest in, television stations which have an aggregate national audience reach exceeding 35 percent. Within 3 years after such date of enactment, the Commission shall conduct a study on the operation of this paragraph and submit a report to the Congress on the development of competition in the television marketplace and the need for any revisions to or elimination of this paragraph.

"(2) MULTIPLE LICENSES IN A MARKET.—

"(A) IN GENERAL.—The Commission shall prohibit a person or entity from obtaining any license if such license would result in such person or entity directly or indirectly owning, operating, or controlling, or having a cognizable interest in, two or more television stations within the same television market.

"(B) EXCEPTION FOR MULTIPLE UHF STATIONS AND FOR UHF-VHF COMBINATIONS.—Notwithstanding subparagraph (A), the Commission shall not prohibit a person or entity from directly or indirectly owning, operating, or controlling, or having a cognizable interest in, two television stations within the same television market if at least one of such stations is a UHF television, unless the Commission determines that permitting such ownership, operation, or control will harm competition or will harm the preservation of a diversity of media voices in the local television market.

"(C) EXCEPTION FOR VHF-VHF COMBINATIONS.—Notwithstanding subparagraph (A), the Commission may permit a person or entity to directly or indirectly own, operate, or control, or have a cognizable interest in, two VHF television stations within the same television market, if the Commission determines that permitting such ownership, operation, or control will not harm competition and will not harm the preservation of a diversity of media voices in the local television market.

"(c) LOCAL CROSS-MEDIA OWNERSHIP LIMITS.—In a proceeding to grant, renew, or authorize the assignment of any station license under this title, the Commission may deny the application if the Commission determines that the combination of such station and more than one other nonbroadcast media of mass communication would result in an undue concentration of media voices in the respective local market. In considering any such combination, the Commission shall not grant the application if all the media of mass communication in such local market would be owned, operated, or controlled by two or fewer persons or entities. This subsection shall not constitute authority for the Commission to prescribe regulations containing local cross-media ownership limitations. The Commission may not, under the authority of this subsection, require any person or entity to divest itself of any portion of any combination of stations and other media of mass communications that such person or entity owns, operates, or controls on the date of enactment of this section unless such person or entity acquires another station or other media of mass communications after such date in such local market.

"(d) TRANSITION PROVISIONS.—Any provision of any regulation prescribed before the date of enactment of this section that is inconsistent with the requirements of this section shall cease to be effective on such date of enactment. The Commission shall complete all actions (including any reconsideration) necessary to amend its regulations to conform to the requirements of this section not later than 6 months after such date of enactment. Nothing in this section shall be construed to prohibit the continuation or renewal of any television local marketing agreement that is in effect on such date of enactment and that is in compliance with Commission regulations on such date.".

SEC. 303. FOREIGN INVESTMENT AND OWNERSHIP.

(a) STATION LICENSES.—Section 310(a) (47 U.S.C. 310(a)) is amended to read as follows:

"(a) GRANT TO OR HOLDING BY FOREIGN GOVERNMENT OR REPRESENTATIVE.—No station license required under title III of this Act shall be granted to or held by any foreign government or any representative thereof. This subsection shall not apply to licenses issued under such terms and conditions as the Commission may prescribe to mobile earth stations engaged in occasional or short-term transmissions via satellite of audio or television program material and auxilliary signals if such transmissions are not intended for direct reception by the general public in the United States.".

(b) TERMINATION OF FOREIGN OWNERSHIP RESTRICTIONS.—Section 310 (47 U.S.C. 310) is amended by adding at the end thereof the following new subsection:

"(f) TERMINATION OF FOREIGN OWNERSHIP RESTRICTIONS.—

"(1) RESTRICTION NOT TO APPLY.—Subsection (b) shall not apply to any common carrier license granted, held, or for which application is made, after the date of enactment of this subsection with respect to any alien (or representative thereof), corporation, or foreign government (or representative thereof) if—

"(A) the President determines—

"(i) that the foreign country of which such alien is a citizen, in which such corporation is organized, or in which the foreign government is in control is party to an international agreement which requires the United States to provide national or most-favored-nation treatment in the grant of common carrier licenses; and

"(ii) that not applying subsection (b) would be consistent with national security and effective law enforcement; or

"(B) the Commission determines that not applying subsection (b) would serve the public interest.

"(2) COMMISSION CONSIDERATIONS.—In making its determination under paragraph (1), the Commission shall abide by any decision of the President whether application of section (b) is in the public interest due to national security, law enforcement, foreign policy or trade (including direct investment as it relates to international trade policy) concerns, or due to the interpretation of international agreements. In the absence of a decision by the President, the Commission may consider, among other public interest factors, whether effective competitive opportunities are available to United States nationals or corporations in the applicant's home market. Upon receipt of an application that requires a determination under this paragraph, the Commission shall cause notice of the application to be given to the President or any agencies designated by the President to receive such notification. The Commission shall not make a determination under paragraph (1)(B) earlier than 30 days after the end of the pleading cycle or later than 180 days after the end of the pleading cycle.

"(3) FURTHER COMMISSION REVIEW.—The Commission may determine that, due to changed circumstances relating to United States national security or law enforcement, a prior determination under paragraph (1) ought to be reversed or altered. In making this determination, the Commission shall accord great deference to any recommendation of the President with respect to United States national security or law enforcement. If a determination under this paragraph is made then—

"(A) subsection (b) shall apply with respect to such aliens, corporation, and government (or

their representatives) on the date that the Commission publishes notice of its determination under this paragraph; and

"(B) any license held, or application filed, which could not be held or granted under subsection (b) shall be reviewed by the Commission under the provisions of paragraphs (1)(B) and (2).

"(4) NOTIFICATION TO CONGRESS.—The President and the Commission shall notify the appropriate committees of the Congress of any determinations made under paragraph (1), (2), or (3).

"(5) MISCELLANEOUS.—Any Presidential decisions made under the provisions of this subsection shall not be subject to judicial review.".

(c) EFFECTIVE DATES.—The amendments made by this section shall not apply to any proceeding commenced before the date of enactment of this Act.

SEC. 304. FAMILY VIEWING EMPOWERMENT.

(a) FINDINGS.—The Congress makes the following findings:

(1) Television is pervasive in daily life and exerts a powerful influence over the perceptions of viewers, especially children, concerning the society in which we live.

(2) Children completing elementary school have been exposed to 25 or more hours of television per week and as many as 11 hours per day.

(3) Children completing elementary school have been exposed to an estimated average of 8,000 murders and 100,000 acts of violence on television.

(4) Studies indicate that the exposure of young children to such levels of violent programming correlates to an increased tendency toward and tolerance of violent and aggressive behavior in later years.

(5) Studies also suggest that the depiction of other material such as sexual conduct in a cavalier and amoral context may undermine the ability of parents to instill in their children responsible attitudes regarding such activities.

(6) Studies also suggest that a significant relationship exists between exposure to television violence and antisocial acts, including serious, violent criminal offenses.

(7) Parents and other viewers are increasingly demanding that they be empowered to make and implement viewing choices for themselves and their families.

(8) The public is becoming increasingly aware of and concerned about objectionable video programming content.

(9) The broadcast television industry and other video programmers have a responsibility to assess the impact of their work and to understand the damage that comes from the incessant, repetitive, mindless violence and irresponsible content.

(10) The broadcast television industry and other video programming distributors should be committed to facilitating viewers' access to the information and capabilities required to prevent the exposure of their children to excessively violent and otherwise objectionable and harmful video programming.

(11) The technology for implementing individual viewing choices is rapidly advancing and numerous options for viewer control are or soon will be available in the marketplace at affordable prices.

(12) There is a compelling national interest in ensuring that parents are provided with the information and capabilities required to prevent the exposure of their children to excessively violent and otherwise objectionable and harmful video programming.

(b) POLICY.—It is the policy of the United States to—

(1) encourage broadcast television, cable, satellite, syndication, other video programming distributors, and relevant related industries (in consultation with appropriate public interest groups and interested individuals from the private sector) to—

(A) establish a technology fund to encourage television and electronics equipment manufacturers to facilitate the development of technology which would empower parents to block programming they deem inappropriate for their children;

(B) report to the viewing public on the status of the development of affordable, easy to use blocking technology; and

(C) establish and promote effective procedures, standards, systems, advisories, or other mechanisms for ensuring that users have easy and complete access to the information necessary to effectively utilize blocking technology; and

(2) evaluate whether, not later than 1 year after the date of enactment of this Act, industry-wide procedures, standards, systems advisories, or other mechanisms established by the broadcast television, cable satellite, syndication, other video programming distribution, and relevant related industries—

(A) are informing viewers regarding their options to utilize blocking technology; and

(B) encouraging the development of blocking technologies.

(c) GAO AUDIT.—

(1) AUDIT REQUIRED.—No later than 18 months after the date of the enactment of this Act, the Comptroller General shall submit to Congress an evaluation of—

(A) the proliferation of new and existing blocking technology;

(B) the accessibility of information to empower viewing choices; and

(C) the consumer satisfaction with information and technological solutions.

(2) CONTENTS OF EVALUATION.—The evaluation shall—

(A) describe the blocking technology available to viewers including the costs thereof; and

(B) assess the extent of consumer knowledge and attitudes toward available blocking technologies;

(3) describe steps taken by broadcast, cable, satellite, syndication, and other video programming distribution services to inform the public and promote the availability of viewer empowerment technologies, devices, and techniques;

(4) evaluate the degree to which viewer empowerment technology is being utilized;

(5) assess consumer satisfaction with technological options; and

(6) evaluate consumer demand for information and technological solutions.

SEC. 305. PARENTAL CHOICE IN TELEVISION PROGRAMMING.

(a) FINDINGS.—The Congress makes the following findings:

(1) Television influences children's perception of the values and behavior that are common and acceptable in society.

(2) Television station operators, cable television system operators, and video programmers should follow practices in connection with video programming that take into consideration that television broadcast and cable programming has established a uniquely pervasive presence in the lives of American children.

(3) The average American child is exposed to 25 hours of television each week and some children are exposed to as much as 11 hours of television a day.

(4) Studies have shown that children exposed to violent video programming at a young age have a higher tendency for violent and aggressive behavior later in life than children not so exposed, and that children exposed to violent video programming are prone to assume that acts of violence are acceptable behavior.

(5) Children in the United States are, on average, exposed to an estimated 8,000 murders and 100,000 acts of violence on television by the time the child completes elementary school.

(6) Studies indicate that children are affected by the pervasiveness and casual treatment of sexual material on television, eroding the ability of parents to develop responsible attitudes and behavior in their children.

(7) Parents express grave concern over violent and sexual video programming and strongly support technology that would give them greater control to block video programming in the home that they consider harmful to their children.

(8) There is a compelling governmental interest in empowering parents to limit the negative influences of video programming that is harmful to children.

(9) Providing parents with timely information about the nature of upcoming video programming and with the technological tools that allow them easily to block violent, sexual, or other programming that they believe harmful to their children is the least restrictive and most narrowly tailored means of achieving that compelling governmental interest.

(b) ESTABLISHMENT OF TELEVISION RATING CODE.—Section 303 of the Act (47 U.S.C. 303) is amended by adding at the end the following:

"(v) Prescribe—

"(1) on the basis of recommendations from an advisory committee established by the Commission that is composed of parents, television broadcasters, television programming producers, cable operators, appropriate public interest groups, and other interested individuals from the private sector and that is fairly balanced in terms of political affiliation, the points of view represented, and the functions to be performed by the committee, guidelines and recommended procedures for the identification and rating of video programming that contains sexual, violent, or other indecent material about which parents should be informed before it is displayed to children, provided that nothing in this paragraph shall be construed to authorize any rating of video programming on the basis of its political or religious content; and

"(2) with respect to any video programming that has been rated (whether or not in accordance with the guidelines and recommendations prescribed under paragraph (1)), rules requiring distributors of such video programming to transmit such rating to permit parents to block the display of video programming that they have determined is inappropriate for their children.".

(c) REQUIREMENT FOR MANUFACTURE OF TELEVISIONS THAT BLOCK PROGRAMS.—Section 303 of the Act, as amended by subsection (a), is further amended by adding at the end the following:

"(w) Require, in the case of apparatus designed to receive television signals that are manufactured in the United States or imported for use in the United States and that have a picture screen 13 inches or greater in size (measured diagonally), that such apparatus be equipped with circuitry designed to enable viewers to block display of all programs with a common rating, except as otherwise permitted by regulations pursuant to section 330(c)(4).".

(d) SHIPPING OR IMPORTING OF TELEVISIONS THAT BLOCK PROGRAMS.—

(1) REGULATIONS.—Section 330 of the Communications Act of 1934 (47 U.S.C. 330) is amended—

(A) by redesignating subsection (c) as subsection (d); and

(B) by adding after subsection (b) the following new subsection (c):

"(c)(1) Except as provided in paragraph (2), no person shall ship in interstate commerce, manufacture, assemble, or import from any foreign country into the United States any apparatus described in section 303(w) of this Act except in accordance with rules prescribed by the Commission pursuant to the authority granted by that section.

"(2) This subsection shall not apply to carriers transporting apparatus referred to in paragraph (1) without trading it.

"(3) The rules prescribed by the Commission under this subsection shall provide for the oversight by the Commission of the adoption of standards by industry for blocking technology. Such rules shall require that all such apparatus be able to receive the rating signals which have been transmitted by way of line 21 of the vertical blanking interval and which conform to the signal and blocking specifications established by industry under the supervision of the Commission.

"(4) As new video technology is developed, the Commission shall take such action as the Commission determines appropriate to ensure that blocking service continues to be available to consumers. If the Commission determines that an alternative blocking technology exists that—

"(A) enables parents to block programming based on identifying programs without ratings,

"(B) is available to consumers at a cost which is comparable to the cost of technology that allows parents to block programming based on common ratings, and

"(C) will allow parents to block a broad range of programs on a multichannel system as effectively and as easily as technology that allows parents to block programming based on common ratings,

the Commission shall amend the rules prescribed pursuant to section 303(w) to require that the apparatus described in such section be equipped with either the blocking technology described in such section or the alternative blocking technology described in this paragraph.".

(2) CONFORMING AMENDMENT.—Section 330(d) of such Act, as redesignated by subsection (a)(1), is amended by striking "section 303(s), and section 303(u)" and inserting in lieu thereof "and sections 303(s), 303(u), and 303(w)".

(e) APPLICABILITY AND EFFECTIVE DATES.—

(1) APPLICABILITY OF RATING PROVISION.—The amendment made by subsection (b) of this section shall take effect 1 year after the date of enactment of this Act, but only if the Commission determines, in consultation with appropriate public interest groups and interested individuals from the private sector, that distributors of video programming have not, by such date—

(A) established voluntary rules for rating video programming that contains sexual, violent, or other indecent material about which parents should be informed before it is displayed to children, and such rules are acceptable to the Commission; and

(B) agreed voluntarily to broadcast signals that contain ratings of such programming.

(2) EFFECTIVE DATE OF MANUFACTURING PROVISION.—In prescribing regulations to implement the amendment made by subsection (c), the Federal Communications Commission shall, after consultation with the television manufacturing industry, specify the effective date for the applicability of the requirement to the apparatus covered by such amendment, which date shall not be less than one year after the date of the enactment of this Act.

SEC. 306. TERM OF LICENSES.

Section 307(c) of the Act (47 U.S.C. 307(c)) is amended to read as follows:

"(c) TERMS OF LICENSES.—

"(1) INITIAL AND RENEWAL LICENSES.—Each license granted for the operation of a broadcasting station shall be for a term of not to exceed seven years. Upon application therefor, a renewal of such license may be granted from time to time for a term of not to exceed seven years from the date of expiration of the preceding license, if the Commission finds that public interest, convenience, and necessity would be served thereby. Consistent with the foregoing provisions of this subsection, the Commission may by rule prescribe the period or periods for which licenses shall be granted and renewed for particular classes of stations, but the Commission may not adopt or follow any rule which would preclude it, in any case involving a station of a particular class, from granting or renewing a license for a shorter period than that prescribed for stations of such class if, in its judgment, public interest, convenience, or necessity would be served by such action.

"(2) MATERIALS IN APPLICATION.—In order to expedite action on applications for renewal of broadcasting station licenses and in order to avoid needless expense to applicants for such renewals, the Commission shall not require any such applicant to file any information which previously has been furnished to the Commission or which is not directly material to the considerations that affect the granting or denial of such application, but the Commission may require any new or additional facts it deems necessary to make its findings.

"(3) CONTINUATION PENDING DECISION.—Pending any hearing and final decision on such an application and the disposition of any petition for rehearing pursuant to section 405, the Commission shall continue such license in effect.".

SEC. 307. BROADCAST LICENSE RENEWAL PROCEDURES.

(a) AMENDMENT.—Section 309 of the Act (47 U.S.C. 309) is amended by adding at the end thereof the following new subsection:

"(k) BROADCAST STATION RENEWAL PROCEDURES.—

"(1) STANDARDS FOR RENEWAL.—If the licensee of a broadcast station submits an application to the Commission for renewal of such license, the Commission shall grant the application if it finds, with respect to that station, during the preceding term of its license—

"(A) the station has served the public interest, convenience, and necessity;

"(B) there have been no serious violations by the licensee of this Act or the rules and regulations of the Commission; and

"(C) there have been no other violations by the licensee of this Act or the rules and regulations of the Commission which, taken together, would constitute a pattern of abuse.

"(2) CONSEQUENCE OF FAILURE TO MEET STANDARD.—If any licensee of a broadcast station fails to meet the requirements of this subsection, the Commission may deny the application for renewal in accordance with paragraph (3), or grant such application on terms and conditions as are appropriate, including renewal for a term less than the maximum otherwise permitted.

"(3) STANDARDS FOR DENIAL.—If the Commission determines, after notice and opportunity for a hearing as provided in subsection (e), that a licensee has failed to meet the requirements specified in paragraph (1) and that no mitigating factors justify the imposition of lesser sanctions, the Commission shall—

"(A) issue an order denying the renewal application filed by such licensee under section 308; and

"(B) only thereafter accept and consider such applications for a construction permit as may be filed under section 308 specifying the channel or broadcasting facilities of the former licensee.

"(4) COMPETITOR CONSIDERATION PROHIBITED.—In making the determinations specified in paragraph (1) or (2), the Commission shall not consider whether the public interest, convenience, and necessity might be served by the grant of a license to a person other than the renewal applicant.".

(b) CONFORMING AMENDMENT.—Section 309(d) of the Act (47 U.S.C. 309(d)) is amended by inserting after "with subsection (a)" each place such term appears the following: "(or subsection (k) in the case of renewal of any broadcast station license)".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to any application for renewal pending or filed on or after the date of enactment of this Act.

SEC. 308. EXCLUSIVE FEDERAL JURISDICTION OVER DIRECT BROADCAST SATELLITE SERVICE.

Section 303 of the Act (47 U.S.C. 303) is amended by adding at the end thereof the following new subsection:

"(v) Have exclusive jurisdiction over the regulation of the direct broadcast satellite service.".

SEC. 309. AUTOMATED SHIP DISTRESS AND SAFETY SYSTEMS.

Notwithstanding any provision of the Communications Act of 1934 or any other provision of law or regulation, a ship documented under the laws of the United States operating in accordance with the Global Maritime Distress and Safety System provisions of the Safety of Life at Sea Convention shall not be required to be equipped with a radio telegraphy station operated by one or more radio officers or operators. This section shall take effect for each vessel upon a determination by the United States Coast Guard that such vessel has the equipment required to implement the Global Maritime Distress and Safety System installed and operating in good working condition.

SEC. 310. RESTRICTIONS ON OVER-THE-AIR RECEPTION DEVICES.

Within 180 days after the enactment of this Act, the Commission shall, pursuant to section 303, promulgate regulations to prohibit restrictions that inhibit a viewer's ability to receive video programming services through signal receiving devices designed for off-the-air reception of television broadcast signals or direct broadcast satellite services.

SEC. 311. DBS SIGNAL SECURITY.

Section 705(e)(4) of the Act (47 U.S.C. 605(e)) is amended by inserting after "satellite cable programming" the following: "or programming of a licensee in the direct broadcast satellite service".

SEC. 312. DELEGATION OF EQUIPMENT TESTING AND CERTIFICATION TO PRIVATE LABORATORIES.

Section 302 of the Act (47 U.S.C. 302) is amended by adding at the end the following:

"(e) USE OF PRIVATE ORGANIZATIONS FOR TESTING AND CERTIFICATION.—The Commission may—

"(1) authorize the use of private organizations for testing and certifying the compliance of devices or home electronic equipment and systems with regulations promulgated under this section;

"(2) accept as prima facie evidence of such compliance the certification by any such organization; and

"(3) establish such qualifications and standards as it deems appropriate for such private organizations, testing, and certification.".

TITLE IV—EFFECT ON OTHER LAWS

SEC. 401. RELATIONSHIP TO OTHER LAWS.

(a) MODIFICATION OF FINAL JUDGMENT.—This Act and the amendments made by title I of this Act shall supersede only the following sections of the Modification of Final Judgment:

(1) Section II(C) of the Modification of Final Judgment, relating to deadline for procedures for equal access compliance.

(2) Section II(D) of the Modification of Final Judgment, relating to line of business restrictions.

(3) Section VIII(A) of the Modification of Final Judgment, relating to manufacturing restrictions.

(4) Section VIII(C) of the Modification of Final Judgment, relating to standard for entry into the interexchange market.

(5) Section VIII(D) of the Modification of Final Judgment, relating to prohibition on entry into electronic publishing.

(6) Section VIII(H) of the Modification of Final Judgment, relating to debt ratios at the time of transfer.

(7) Section VIII(J) of the Modification of Final Judgment, relating to prohibition on implementation of the plan of reorganization before court approval.

(b) ANTITRUST LAWS.—Nothing in this Act or in the amendments made by this Act shall be construed to modify, impair, or supersede the applicability of any of the antitrust laws.

(c) FEDERAL, STATE, AND LOCAL LAW.—(1) Parts II and III of title II of the Communications Act of 1934 shall not be construed to modify, impair, or supersede Federal, State, or local law unless expressly so provided in such part.

(2) STATE TAX SAVINGS PROVISION.—Notwithstanding paragraph (1), nothing in this Act or the amendments made by this Act shall be construed to modify, impair, or supersede, or authorize the modification, impairment, or supersession of, any State or local law pertaining to taxation, except as provided in sections 243(e) and 622 of the Communications Act of 1934 and section 402 of this Act.

(d) APPLICATION TO OTHER ACTION.—This Act shall supersede the final judgment entered December 21, 1984 and as restated January 11, 1985, in the action styled United States v. GTE Corp., Civil Action No. 83–1298, in the United States District Court for the District of Columbia, and any judgment or order with respect to such action entered on or after December 21, 1984, and such final judgment shall not be enforced with respect to conduct occurring after the date of the enactment of this Act.

(e) INAPPLICABILITY OF FINAL JUDGMENT TO WIRELESS SUCCESSORS.—No person shall be considered to be an affiliate, a successor, or an assign of a Bell operating company under section III of the Modification of Final Judgment by reason of having acquired wireless exchange assets or operations previously owned by a Bell operating company or an affiliate of a Bell operating company.

(f) ANTITRUST LAWS.—As used in this section, the term "antitrust laws" has the meaning given it in subsection (a) of the first section of the Clayton Act (15 U.S.C. 12(a)), except that such term includes the Act of June 19, 1936 (49 Stat. 1526; 15 U.S.C. 13 et seq.), commonly known as the Robinson Patman Act, and section 5 of the Federal Trade Commission Act (15 U.S.C. 45) to the extent that such section 5 applies to unfair methods of competition.

(g) ADDITIONAL DEFINITIONS.—As used in this section, the terms "Modification of Final Judgment" and "Bell operating company" have the same meanings provided such terms in section 3 of the Communications Act of 1934.

SEC. 402. PREEMPTION OF LOCAL TAXATION WITH RESPECT TO DBS SERVICE.

(a) PREEMPTION.—A provider of direct-to-home satellite service shall be exempt from the collection or remittance, or both, of any tax or fee imposed by any local taxing jurisdiction with respect to the provision of direct-to-home satellite service. Nothing in this section shall be construed to exempt from collection or remittance any tax or fee on the sale of equipment.

(b) DEFINITIONS.—For the purposes of this section—

(1) DIRECT-TO-HOME SATELLITE SERVICE.—The term "direct-to-home satellite service" means the transmission or broadcasting by satellite of programming directly to the subscribers' premises without the use of ground receiving or distribution equipment, except at the subscribers' premises or in the uplink process to the satellite.

(2) PROVIDER OF DIRECT-TO-HOME SATELLITE SERVICE.—For purposes of this section, a "provider of direct-to-home satellite service" means a person who transmits, broadcasts, sells, or distributes direct-to-home satellite service.

(3) LOCAL TAXING JURISDICTION.—The term "local taxing jurisdiction" means any municipality, city, county, township, parish, transportation district, or assessment jurisdiction, or any other local jurisdiction in the territorial jurisdiction of the United States with the authority to impose a tax or fee, but does not include a State.

(4) STATE.—The term "State" means any of the several States, the District of Columbia, or any territory or possession of the United States.

(5) TAX OR FEE.—The terms "tax" and "fee" mean any local sales tax, local use tax, local intangible tax, local income tax, business license tax, utility tax, privilege tax, gross receipts tax, excise tax, franchise fees, local telecommunications tax, or any other tax, license, or fee that is imposed for the privilege of doing business, regulating, or raising revenue for a local taxing jurisdiction.

(c) PRESERVATION OF STATE AUTHORITY.—This section shall not be construed to prevent taxation of a provider of direct-to-home satellite service by a State or to prevent a local taxing jurisdiction from receiving revenue derived from a tax or fee imposed and collected by a State.

SEC. 403. PROTECTION OF MINORS AND CLARIFICATION OF CURRENT LAWS REGARDING COMMUNICATION OF OBSCENE AND INDECENT MATERIALS THROUGH THE USE OF COMPUTERS.

(a) PROTECTION OF MINORS.—

(1) GENERALLY.—Section 1465 of title 18, United States Code, is amended by adding at the end the following:

"Whoever intentionally communicates by computer, in or affecting interstate or foreign commerce, to any person the communicator believes has not attained the age of 18 years, any material that, in context, depicts or describes, in terms patently offensive as measured by contemporary community standards, sexual or excretory activities or organs, or attempts to do so, shall be fined under this title or imprisoned not more than five years, or both.".

(2) CONFORMING AMENDMENTS RELATING TO FORFEITURE.—

(A) Section 1467(a)(1) of title 18, United States Code, is amended by inserting "communicated," after "transported,".

(B) Section 1467 of title 18, United States Code, is amended in subsection (a)(1), by striking "obscene".

(C) Section 1469 of title 18, United States Code, is amended by inserting "communicated," after "transported," each place it appears.

(b) CLARIFICATION OF CURRENT LAWS REGARDING COMMUNICATION OF OBSCENE MATERIALS THROUGH THE USE OF COMPUTERS.—

(1) IMPORTATION OR TRANSPORTATION.—Section 1462 of title 18, United States Code, is amended—

(A) in the first undesignated paragraph, by inserting "(including by computer) after "thereof"; and

(B) in the second undesignated paragraph—

(i) by inserting "or receives," after "takes";

(ii) by inserting ", or by computer," after "common carrier"; and

(iii) by inserting "or importation" after "carriage".

(2) TRANSPORTATION FOR PURPOSES OF SALE OR DISTRIBUTION.—The first undesignated paragraph of section 1465 of title 18, United States Code, is amended—

(A) by striking "transports in" and inserting "transports or travels in, or uses a facility or means of,";

(B) by inserting "(including a computer in or affecting such commerce)" after "foreign commerce" the first place it appears; and

(C) by striking ", or knowingly travels in" and all that follows through "obscene material in interstate or foreign commerce," and inserting "of".

TITLE V—DEFINITIONS

SEC. 501. DEFINITIONS.

(a) ADDITIONAL DEFINITIONS.—Section 3 of the Act (47 U.S.C. 153) is amended—

(1) in subsection (r)—

(A) by inserting "(A)" after "means"; and

(B) by inserting before the period at the end the following: ", or (B) service provided through a system of switches, transmission equipment, or other facilities (or combination thereof) by which a subscriber can originate and terminate a telecommunications service within a State but which does not result in the subscriber incurring a telephone toll charge"; and

(2) by adding at the end thereof the following:

"(35) AFFILIATE.—The term 'affiliate', when used in relation to any person or entity, means another person or entity who owns or controls, is owned or controlled by, or is under common ownership or control with, such person or entity.

"(36) BELL OPERATING COMPANY.—The term 'Bell operating company' means—

"(A) Bell Telephone Company of Nevada, Illinois Bell Telephone Company, Indiana Bell Telephone Company, Incorporated, Michigan Bell Telephone Company, New England Telephone and Telegraph Company, New Jersey Bell Telephone Company, New York Telephone Company, U S West Communications Company, South Central Bell Telephone Company, Southern Bell Telephone and Telegraph Company, Southwestern Bell Telephone Company, The Bell Telephone Company of Pennsylvania, The Chesapeake and Potomac Telephone Company, The Chesapeake and Potomac Telephone Company of Maryland, The Chesapeake and Potomac Telephone Company of Virginia, The Chesapeake and Potomac Telephone Company of West Virginia, The Diamond State Telephone Company, The Ohio Bell Telephone Company, The Pacific Telephone and Telegraph Company, or Wisconsin Telephone Company;

"(B) any successor or assign of any such company that provides telephone exchange service.

"(37) CABLE SYSTEM.—The term 'cable system' has the meaning given such term in section 602(7) of this Act.

"(38) CUSTOMER PREMISES EQUIPMENT.—The term 'customer premises equipment' means equipment employed on the premises of a person (other than a carrier) to originate, route, or terminate telecommunications.

"(39) DIALING PARITY.—The term 'dialing parity' means that a person that is not an affiliated enterprise of a local exchange carrier is able to provide telecommunications services in such a manner that customers have the ability to route automatically, without the use of any access code, their telecommunications to the telecommunications services provider of the customer's designation from among 2 or more telecommunications services providers (including such local exchange carrier).

"(40) EXCHANGE ACCESS.—The term 'exchange access' means the offering of telephone exchange services or facilities for the purpose of the origination or termination of interLATA services.

"(41) INFORMATION SERVICE.—The term 'information service' means the offering of a capability for generating, acquiring, storing, transforming, processing, retrieving, utilizing, or making available information via telecommunications, and includes electronic publishing, but does not include any use of any such capability for the management, control, or operation of a telecommunications system or the management of a telecommunications service. For purposes of section 242, such term shall not include the provision of video programming directly to subscribers.

"(42) INTERLATA SERVICE.—The term 'interLATA service' means telecommunications

between a point located in a local access and transport area and a point located outside such area.

"(43) LOCAL ACCESS AND TRANSPORT AREA.—The term 'local access and transport area' or 'LATA' means a contiguous geographic area—

"(A) established by a Bell operating company such that no exchange area includes points within more than 1 metropolitan statistical area, consolidated metropolitan statistical area, or State, except as expressly permitted under the Modification of Final Judgment before the date of the enactment of this paragraph; or

"(B) established or modified by a Bell operating company after the date of enactment of this paragraph and approved by the Commission.

"(44) LOCAL EXCHANGE CARRIER.—The term 'local exchange carrier' means any person that is engaged in the provision of telephone exchange service or exchange access. Such term does not include a person insofar as such person is engaged in the provision of a commercial mobile service under section 332(c), except to the extent that the Commission finds that such service as provided by such person in a State is a replacement for a substantial portion of the wireline telephone exchange service within such State.

"(45) MODIFICATION OF FINAL JUDGMENT.—The term 'Modification of Final Judgment' means the order entered August 24, 1982, in the antitrust action styled United States v. Western Electric, Civil Action No. 82–0192, in the United States District Court for the District of Columbia, and includes any judgment or order with respect to such action entered on or after August 24, 1982.

"(46) NUMBER PORTABILITY.—The term 'number portability' means the ability of users of telecommunications services to retain existing telecommunications numbers without impairment of quality, reliability, or convenience when changing from one provider of telecommunications services to another, as long as such user continues to be located within the area served by the same central office of the carrier from which the user is changing.

"(47) RURAL TELEPHONE COMPANY.—The term 'rural telephone company' means a local exchange carrier operating entity to the extent that such entity—

"(A) provides common carrier service to any local exchange carrier study area that does not include either—

"(i) any incorporated place of 10,000 inhabitants or more, or any part thereof, based on the most recent available population statistics of the Bureau of the Census; or

"(ii) any territory, incorporated or unincorporated, included in an urbanized area, as defined by the Bureau of the Census as of August 10, 1993;

"(B) provides telephone exchange service, including telephone exchange access service, to fewer than 50,000 access lines;

"(C) provides telephone exchange service to any local exchange carrier study area with fewer than 100,000 access lines; or

"(D) has less than 15 percent of its access lines in communities of more than 50,000 on the date of enactment of this paragraph.

"(48) TELECOMMUNICATIONS.—The term 'telecommunications' means the transmission, between or among points specified by the subscriber, of information of the subscriber's choosing, without change in the form or content of the information as sent and received, by means of an electromagnetic transmission medium, including all instrumentalities, facilities, apparatus, and services (including the collection, storage, forwarding, switching, and delivery of such information) essential to such transmission.

"(49) TELECOMMUNICATIONS EQUIPMENT.—The term 'telecommunications equipment' means equipment, other than customer premises equipment, used by a carrier to provide telecommunications services, and includes software integral to such equipment (including upgrades).

"(50) TELECOMMUNICATIONS SERVICE.—The term 'telecommunications service' means the offering, on a common carrier basis, of telecommunications facilities, or of telecommunications by means of such facilities. Such term does not include an information service.".

(b) STYLISTIC CONSISTENCY.—Section 3 of the Act (47 U.S.C. 153) is amended—

(1) in subsections (e) and (n), by redesignating clauses (1), (2) and (3), as clauses (A), (B), and (C), respectively;

(2) in subsection (w), by redesignating paragraphs (1) through (5) as subparagraphs (A) through (E), respectively;

(3) in subsections (y) and (z), by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively;

(4) by redesignating subsections (a) through (ff) as paragraphs (1) through (32);

(5) by indenting such paragraphs 2 em spaces;

(6) by inserting after the designation of each such paragraph—

(A) a heading, in a form consistent with the form of the heading of this subsection, consisting of the term defined by such paragraph, or the first term so defined if such paragraph defines more than one term; and

(B) the words "The term";

(7) by changing the first letter of each defined term in such paragraphs from a capital to a lower case letter (except for "United States", "State", "State commission", and "Great Lakes Agreement"); and

(8) by reordering such paragraphs and the additional paragraphs added by subsection (a) in alphabetical order based on the headings of such paragraphs and renumbering such paragraphs as so reordered.

(c) CONFORMING AMENDMENTS.—The Act is amended—

(1) in section 225(a)(1), by striking "section 3(h)" and inserting "section 3";

(2) in section 332(d), by striking "section 3(n)" each place it appears and inserting "section 3"; and

(3) in sections 621(d)(3), 636(d), and 637(a)(2), by striking "section 3(v)" and inserting "section 3".

TITLE VI—SMALL BUSINESS COMPLAINT PROCEDURE

SEC. 601. COMPLAINT PROCEDURE.

(a) PROCEDURE REQUIRED.—The Federal Communications Commission shall establish procedures for the receipt and review of complaints concerning violations of the Communications Act of 1934, and the rules and regulations thereunder, that are likely to result, or have resulted, as a result of the violation, in material financial harm to a provider of telemessaging service, or other small business engaged in providing an information service or other telecommunications service. Such procedures shall be established within 120 days after the date of enactment of this Act.

(b) DEADLINES FOR PROCEDURES; SANCTIONS.—The procedures under this section shall ensure that the Commission will make a final determination with respect to any such complaint within 120 days after receipt of the complaint. If the complaint contains an appropriate showing that the alleged violation occurred, as determined by the Commission in accordance with such regulations, the Commission shall, within 60 days after receipt of the complaint, order the common carrier and its affiliates to cease engaging in such violation pending such final determination. In addition, the Commission may exercise its authority to impose other penalties or sanctions, to the extent otherwise provided by law.

(c) DEFINITION.—For purposes of this section, a small business shall be any business entity that, along with any affiliate or subsidiary, has fewer than 300 employees.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title of the Senate bill was amended so as to read: "A bill to promote competition and reduce regulation in order to secure lower prices and higher quality services for American telecommunications consumers and encourage the rapid deployment of new telecommunications technologies."

A motion to reconsider was laid on the table.

APPOINTMENT OF CONFEREES

Mr. BLILEY. Mr. Speaker, pursuant to section 2 of H. Res. 207, I offer a motion.

The Clerk read as follows:

> Mr. BLILEY moves that the House insist on its amendment to the Senate bill, S. 652, and request a conference with the Senate thereon.

The motion was agreed to.

MOTION TO INSTRUCT CONFEREES OFFERED BY MR. DINGELL

Mr. DINGELL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

> Mr. DINGELL moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the House amendments to the bill S. 652 be instructed to insist upon those provisions of the Senate bill and House amendment thereto which open all telecommunications markets to fair competition as expeditiously as possible in order to achieve the goal of maximizing consumer choices and benefits.

The SPEAKER pro tempore. The gentleman from Michigan [Mr. DINGELL] will be recognized for 30 minutes, and the gentleman from Virginia [Mr. BLILEY] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Michigan [Mr. DINGELL].

Mr. DINGELL. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, just prior to our adjournment last August, the House approved H.R. 1555, the Communications Act of 1995. That landmark legislation breaks down the barriers that inhibit competition in the telecommunications industries. I am offering this motion to instruct conferees to ensure that the consumer benefits that will result from the enactment of this bill will occur as quickly as possible.

Mr. Speaker, it should come as no surprise that many of the companies that are currently shielded from competition would like to preserve their privileged position in the marketplace. As long as they are able to limit competition, however, they deprive consumers of the benefits that competition will bring. And these benefits are many: Lower prices, improved products and services, more rapid innovation, and greater sensitivity to consumer needs. We passed H.R. 1555 to expedite the delivery of these benefits to consumers. They should not be held hostage to the interests of companies that would rather compete with their lobbyists instead of in the marketplace.

I urge my colleagues to join me in support of this motion. It is my hope that the House and Senate conferees can resolve their differences quickly, and that we can send the President a bill that he can sign without further delay. To do otherwise would deprive our constituents of the many benefits that competition can bring.

I urge the adoption of the motion.

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Mr. Speaker, I reserve the balance of my time.

Mr. BLILEY. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, I rise in support of the motion to instruct conferees offered by the gentleman from Michigan.

I agree with the gentleman that the core principle of telecommunications reform must be the concept of promoting competition as rapidly as possible. It is competition, and not government-mandated monopolies, which will best serve the public interest.

Our job in crafting legislation of this nature is to ensure that proper guidelines are installed during the transition period as we move towards full and open competition. It is true that the two bodies of Congress have produced slightly different approaches, but these approaches are based on an identical premise—that full competition must be the end result of any attempts at telecommunications reform.

Mr. Speaker, it is also true that bringing about telecommunications policy reform will benefit the American consumer. Telecommunications reform legislation will help increase technological innovation, lower prices for services, increase choices of products and services, create high-quality jobs, and increase the quality of living for our citizens. We should not forget that this bill is intended to promote consumer welfare.

I look forward to working with conferees in producing a bill that the President will sign and I thank my good friend from Michigan, Mr. DINGELL, for his support and help throughout this process.

I urge all Members to support the motion to instruct conferees.

Thank you, Mr. Speaker.

Mr. Speaker, I reserve the balance of my time.

Mr. DINGELL. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Massachusetts [Mr. MARKEY].

Mr. MARKEY. Mr. Speaker, I thank the gentleman from Michigan for yielding me this time.

Working in a bipartisan fashion with the members of the majority, it is our hope that we will be able to craft a historic telecommunications bill which will open all telecommunications marketplaces to full and open competition.

As we all know, each of these marketplaces, from cable to long-distance to local telephone markets, have been subject to historic monopoly practices. This bill will open them wide open and permanently.

We now go with the naming of the conferees to negotiate with the Senate, and it is our full intention that out of this historic negotiation we will be able to produce a bill back out here on the floor of the House within a very short period of time ready for a vote and then presentation to the President of the United States for his signature. That is the sincere, deep-felt conviction on the part of all who have participated in this process, and let us hope that the naming of the conferees today begins a very short process toward the culmination of that proceeding.

The gentleman from Virginia [Mr. BLILEY], the gentleman from Texas [Mr. FIELDS], the gentleman from Michigan [Mr. DINGELL], and I, and all the members of the committee have the full intent of making that the final product of our efforts this year.

Mr. BLILEY. Mr. Speaker, I yield 3 minutes to the gentleman from Texas [Mr. FIELDS], the chairman of the Subcommittee on Telecommunications and Finance, a man who has been totally consumed by this legislation and who has done an outstanding job.

Mr. FIELDS of Texas. Mr. Speaker, I stand up here recognizing that is a watershed, historic moment as we enter this conference, and I want to build upon something that my good friend, the gentleman from Massachusetts [Mr. MARKEY], said just a moment ago. We are here after 2¾ years of very hard work, and I think it is a real tribute to each of the people who are here on the floor, particularly the gentleman from Michigan [Mr. DINGELL], the gentleman from Massachusetts [Mr. MARKEY], our chairman, the gentleman from Virginia [Mr. BLILEY], and others who have labored so hard in a bipartisan way to fashion a piece of legislation that catapults this country into the 21st century, moving us from the industrial age into the information age.

I am proud to say that we have worked trying very hard to keep the playing field level, not to be protelephone, procable, prosatellite, probroadcast, but to be proconsumer. I think that is what this bill really does.

As I understand the thrust of the motion to instruct by my good friend, the gentleman from Michigan [Mr. DINGELL], it talks about consumer choice in competition, and that is really what the promise and the potential of this legislation really holds, the ability of a consumer to have choice, that choice emanating from competition. We think there will be some real benefits.

We think that the consumer will have better and newer technology. We think there will be new applications for existing technology, and we think those benefits will be brought to the consumer at a lower per capita cost. That is the potential of what is there.

There is not a more important piece of legislation that comes before this body. I am convinced that, when we come to agreement with the Senate, when this legislation is taken to the President, a piece of legislation that the President will sign, we will see tens of billions of dollars invested in new infrastructure and new technology. We will see tens of thousands of new jobs created.

So this is important work. This is work that our committee is ready to engage in with the Senate.

Mr. BLILEY. Mr. Speaker, we have no further requests for time, and I yield back the balance of my time.

Mr. DINGELL. Mr. Speaker, we have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. (Mr. LAHOOD). Without objection, the previous question is ordered on the motion to instruct.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to instruct offered by the gentleman from Michigan [Mr. DINGELL].

The motion to instruct was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Without objection, the Chair appoints the following conferees:

Conferees on S. 652, Telecommunications Act:

From the Committee on Commerce, for consideration of the Senate bill, and the House amendment, and modifications committed to conference: Messrs. BLILEY, FIELDS of Texas, OXLEY, WHITE, DINGELL, MARKEY, BOUCHER, Ms. ESHOO, and Mr. RUSH.

Provided, Mr. PALLONE is appointed in lieu of Mr. BOUCHER solely for consideration of section 205 of the Senate bill.

As additional conferees, for consideration of sections 1-6, 101-04, 106-07, 201, 204-05, 221-25, 301-05, 307-311, 401-02, 405-06, 410, 601-06, 703, and 705 of the Senate bill, and title I of the House amendment, and modifications committed to conference: Messrs. SCHAEFER, BARTON of Texas, HASTERT, PAXON, KLUG, FRISA, STEARNS, BROWN of Ohio, GORDON, and Mrs. LINCOLN.

As additional conferees, for consideration of sections 102, 202-03, 403, 407-09 and 706 of the Senate bill, and title II of the House amendment, and modifications committed to conference: Messrs. SCHAEFER, HASTERT, and FRISA.

As additional conferees, for consideration of sections 105, 206, 302, 306, 312, 501-05, and 701-02 of the Senate bill, and title III of the House amendment, and modifications committed to conference: Messrs. STEARNS, PAXON, and KLUG.

As additional conferees, for consideration of sections 7-8, 226, 404, and 704 of the Senate bill, and titles IV-V of the House amendment, and modifications committed to conference: Messrs. SCHAEFER, HASTERT, and KLUG.

As additional conferees, for consideration of title VI of the House amendment, and modifications committed to conference: Messrs. SCHAEFER, BARTON of Texas, and KLUG.

As additional conferees from the Committee on the Judiciary, for consideration of the Senate bill (except sections 1-6, 101-04, 106-07, 201, 204-05, 221-25, 301-05, 307-311, 401-02, 405-06, 410, 601-06, 703, and 705), and of the House amendment (except title I), and modifications committed to conference: Messrs. HYDE, MOORHEAD, GOODLATTE, BUYER, FLANAGAN, CONYERS, SCHROEDER and BRYANT of Texas.

As additional conferees, for consideration of sections 1-6, 101-04, 106-07, 201, 204-05, 221-25, 301-05, 307-311, 401-02, 405-06, 410, 601-06, 703, and 705 of the Senate bill, and title I of the House amendment, and modifications committed to conference: Messrs. HYDE, MOORHEAD, GOODLATTE, BUYER, FLANAGAN, GALLEGLY, BARR, HOKE, CONYERS, Mrs. SCHROEDER, Messrs. BERMAN, BRYANT of Texas, SCOTT, and Ms. JACKSON-LEE.

There was no objection.

MOTION TO INSTRUCT CONFEREES ON S. 652 TELECOMMUNICATIONS BILL

(Mr. CONYERS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CONYERS. Mr. Speaker, I rise in support of this motion to instruct the conferees.

As ranking member of the Judiciary Committee which has jurisdiction over the antitrust laws which lie at the heart of the M-F-J, I believe we in Congress should be doing everything we can to foster fair competition.

I am, therefore, encouraged by the fact that my good friend and Michigan colleague and distinguished ranking member of the Commerce Committee, Mr. DINGELL, agreed to specify in this motion that the conferees support those provisions which promote fair competition in telecommunications.

That means that we should open telecommunications markets only to the extent that we can be sure that monopolies will not abuse the principles of fair and open competition in the marketplace. Such abuse of monopolistic power would surely lead to higher consumer prices.

During the conference I will be doing everything within my power to ensure that the final bill provides for fair competition without the possibility of monopoly abuse. I fought for fair competition in the Judiciary Committee with Chairman HYDE, I fought for fair competition on the House floor, and I hope that as the House and Senate bills are reconciled we can achieve an accommodation providing fair competition for the American people.

If the final legislative product does not achieve such an accommodation, but instead allows monopolies to abuse their market power, this would be a dramatic step backward from the M-F-J. In such an event, I believe it would be preferable for the President to veto the legislation so we can begin work again next Congress.

Finally, I note that nothing in this motion preempts conferees from being very flexible. Nothing prevents the conferees from looking at a whole variety of alternatives that will promote fair competition.

Nothing in this motion should prevent the conferees from engaging in serious discussions with the administration so that a consensus package can be arrived at, and so that we can have meaningful telecommunications reform this year.

I urge a "yes" vote on this motion and a vote for fair competition.

OMNIBUS CIVILIAN SCIENCE AUTHORIZATION ACT OF 1995

The SPEAKER pro tempore. Pursuant to House Resolution 234 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 2405.

□ 1727

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 2405) to authorize appropriations for fiscal years 1996 and 1997 for civilian science activities of the Federal Government, and for other purposes, with Mr. KINGSTON in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose earlier today, the amendment offered by the gentleman from Massachusetts [Mr. KENNEDY] had been disposed of and title V was open for amendment at any point.

Are there further amendments to title V?

AMENDMENT OFFERED BY MR. BROWN OF CALIFORNIA

Mr. BROWN of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BROWN of California: Page 133, line 5, strike subparagraph (A).

Page 133, lines 6 and 7, redesignate subparagraphs (B) and (C) as subparagraphs (A) and (B), respectively.

Mr. BROWN of California. Mr. Chairman, this is the third of three amendments all in one paragraph on page 133, which seeks to strike language which disallows funding for three existing EPA programs which, in our opinion on this side, are vitally important to the improvement of our environment. The previous two have been offered by the gentlewoman from California [Ms. LOFGREN] and the gentleman from Massachusetts [Mr. KENNEDY], dealing with indoor air pollution research and with the climate change action plan.

My amendment would eliminate the paragraph, the line, which deauthorizes funding for the environmental technology initiative. My amendment strikes this because we believe that the philosophy behind the deauthorization is incorrect, and as I indicated earlier, this debate is aimed at exploring philosophical differences rather than any hopes of getting a really good bill.

□ 1750

On the other side, this particular program in environmental technology, which is aimed at providing encouragement and assistance to private industry to develop environmentally safe and benign technologies and to create and exploit markets based upon this, is considered to be a form of corporate welfare.

It is certainly true that the environmental technology industry has grown over the past few decades into a substantial sized industry which, by some estimates, generates $100 billion in revenue annually and also employs about 1 million people and generates a surplus in international trade and involves over 50,000 firms around this country. This is part of our success story in environmental protection, maintaining and improving environmental quality and creating jobs at the same time through exploiting markets in environmental technology.

It is these successes that the administration wanted to promote through its Environmental Technology Initiative. Perhaps if we had held hearings on this topic, Members would have been better informed about the goals of this program. Unfortunately, on these programs which are proposed to be deauthorized, there is not a hearing record and there is no way of knowing what the concerned constituencies feel about it.

EPA is designated as the lead agency in this government-wide program. Other agencies, of course, are involved. The funds available under the Environmental Technology Initiative are primarily used to support regulatory permitting and enforcement reforms and technological verification and demonstration grants.

About one-third of the funds are directed to Federal, State, and tribal government agencies to facilitate activities in four areas: Research and development, demonstration, testing and evaluation of technologies used for monitoring, pollution control and prevention, and remediation is the first of those four areas. Technical assistance for small business is the second. Third, promotion of U.S. environmental technologies overseas and cooperative work with industry to develop international standards for pollution control equipment. And, fourth, identification of environmental technology needs and regulatory barriers to innovation, and the development of more flexible permitting, inspection, and enforcement approaches to achieving environmental quality goals.

Mr. Chairman, I would like to close merely by indicating that this effort to assist American industry to rise to the challenge of developing the technologies, the processes, that will help to clean up the atmosphere, and to make a profit in so doing, has been ongoing for a number of years. That philosophy has been reflected in a number of research articles, magazine articles, and books which have had a tremendous impact on the business community. The leaders in the business community today, instead of resisting environmental regulations, now are seeking ways to make money from it. Example: the development of substitutes for the chlorofluoro carbons which are used in refrigerants.

The CHAIRMAN. The time of the gentleman from California [Mr. BROWN] has expired.

(By unanimous consent, Mr. BROWN of California was allowed to proceed for 2 additional minutes.)

Mr. BROWN of California. Mr. Chairman, this is something which the whole international community has joined in supporting and encouraging. We are now on the verge of developing worldwide markets in these new substitutes, which are environmentally benign. American business is in the lead in capturing this global market because of the foresight that we have had in this country in encouraging this kind of research in the environmental technologies program.

I think it is shortsighted at this particular point to deauthorize this program. It is one which has wide support in the business community. It has produced large amounts of income for American business, and our amendment is solely aimed at maintaining this program.

Obviously it will be at a lower level. This money does not have funding in it to continue at the scale we were before. We are not seeking to change the money, however. We are merely seeking to remove the prohibition against doing this kind of extremely popular and beneficial environmental activity.

Mr. ROHRABACHER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this program is $80 million worth of industrial policy. It is the type of program that Vice President Gore may hold very dear, but the taxpayers of the United States expect us to make some changes here in Washington, DC, that will lead to a balanced budget, and this program has no relationship to science whatsoever. It is supposedly aimed at finding ways to streamline regulations.

Well, giving $80 million to the government to streamline regulations is sort of like having the chickens give money to the foxes in order to protect them from foxes. It just does not make any sense.

Our position was endorsed in the committee by a bipartisan vote of 26 to 16. The bottom line is we do not have to spend $80 million of the taxpayers' money in order to streamline regulations. We can do it, and Congress in fact is already doing it, and that is why we oppose the amendment of the gentleman from California [Mr. BROWN].

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. BROWN].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. BROWN of California. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 189, noes 219, not voting 24, as follows:

[Roll No. 711]

AYES—189

Abercrombie
Ackerman
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Beilenson
Bentsen
Berman
Bevill
Bishop
Boehlert
Bonior
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Cardin
Clayton
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Condit
Conyers
Costello
Coyne
Cramer
Danner
de la Garza
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Durbin
Edwards
Engel
Eshoo
Evans
Farr
Fattah
Filner
Flake
Foglietta
Forbes
Frank (MA)
Franks (NJ)
Frost
Furse
Gejdenson
Geren
Gibbons
Gilchrest
Gonzalez
Gordon
Green
Greenwood
Gutierrez
Hall (OH)
Hall (TX)
Hamilton
Hastings (FL)
Hefner
Heineman
Hilliard
Hinchey
Holden
Horn
Houghton
Hoyer
Jackson-Lee
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kildee
Kleczka
Klink
LaFalce
Lantos
Levin
Lewis (GA)
Lipinski
LoBiondo
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McDermott
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Mfume
Miller (CA)
Minge
Mink
Moran
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Pomeroy
Poshard
Rahall
Rangel
Reed
Richardson
Rivers
Roemer
Rose
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Saxton
Schroeder
Schumer
Scott
Serrano
Skaggs
Skelton
Slaughter
Smith (NJ)
Spratt
Stark
Stenholm
Stokes
Studds
Stupak
Tanner
Thompson
Thurman
Torkildsen
Torres
Towns
Velazquez
Vento
Visclosky
Ward
Waters
Watt (NC)
Weldon (PA)
Wise
Woolsey
Wyden
Wynn
Yates
Zimmer

NOES—219

Allard
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bliley
Blute
Boehner
Bonilla
Bono
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeFazio
DeLay
Diaz-Balart
Dickey
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
English
Ensign
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Fowler
Fox
Franks (CT)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Gillmor
Gilman
Goodlatte
Goodling
Goss
Graham
Gunderson
Gutknecht
Hancock
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoekstra
Hoke
Hostettler
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson, Sam
Jones
Kasich
Kelly
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
Longley
Lucas
Manzullo
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Molinari
Montgomery
Moorhead
Morella
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Oxley
Packard
Parker
Paxon
Petri
Pickett
Pombo
Porter
Portman
Pryce
Quillen
Quinn
Radanovich
Ramstad
Regula
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Salmon
Sanford
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Sisisky
Skeen
Smith (MI)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stockman
Stump
Talent
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Tiahrt
Traficant
Upton
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)
Zeliff

NOT VOTING—24

Bilirakis
Chapman
Clay
Dornan
Emerson
Fazio
Fields (LA)
Ford
Gephardt
Harman
Kennelly
Lincoln
McCollum
Moakley
Mollohan
Roth
Tejeda
Thornton
Torricelli
Tucker
Volkmer
Waxman
Williams
Wilson

□ 1756

Messrs. SAXTON, HEINEMAN, and KLINK changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN (Mr. KINGSTON). Are there further amendments to title V?

If not, the Clerk will designate title VI.

The text of title VI is as follows:

TITLE VI—TECHNOLOGY

Subtitle A—Technology Administration

SEC. 601. SHORT TITLE.

This title may be cited as the "American Technology Advancement Act of 1995".

SEC. 602. AUTHORIZATION OF APPROPRIATIONS.

(a) UNDER SECRETARY FOR TECHNOLOGY.—There are authorized to be appropriated for the Office of the Under Secretary of Commerce for Technology/Office of Technology Policy $5,066,000 for fiscal year 1996.

(b) NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY.—There are authorized to be appropriated the following:

(1) For Scientific and Technical Research and Services of the National Institute of Standards and Technology, $275,579,000 for fiscal year 1996, of which—

(A) $39,628,000 shall be for Electronics and Electrical Engineering;

(B) $19,565,000 shall be for Manufacturing Engineering;

(C) $28,127,000 shall be for Chemical Science and Technology;

(D) $28,082,000 shall be for Physics;

(E) $54,314,000 shall be for Material Science and Engineering;

(F) $13,517,000 shall be for Building and Fire Research;

(G) $30,704,000 shall be for Computer Systems;

(H) $10,964,000 shall be for Applied Mathematics and Scientific Computing;

(I) $19,109,000 shall be for Technical Assistance;

(J) $28,169,000 shall be for Research Support; and

(K) $3,400,000 shall be for the Malcolm Baldrige National Quality Program under section 17 of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3711a); and

(2) for Construction of Research Facilities of the National Institute of Standards and Technology, $62,055,000 for fiscal year 1996.

SEC. 603. NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY ACT AMENDMENTS.

The National Institute of Standards and Technology Act (15 U.S.C. 271 et seq.) is amended—

(1) in section 10(a)—

(A) by striking "nine" and inserting in lieu thereof "15"; and

(B) by striking "five" and inserting in lieu thereof "10";

(2) in section 15—

(A) by striking "Pay Act of 1945; and" and inserting in lieu thereof "Pay Act of 1945;"; and

(B) by inserting "; and (h) the provision of transportation services for employees of the Institute between the facilities of the Institute and nearby public transportation, notwithstanding section 1344 of title 31, United States Code" after "interests of the Government"; and

(3) in section 19, by striking "nor more than forty" and inserting in lieu thereof "nor more than 60".

SEC. 604. STEVENSON-WYDLER TECHNOLOGY INNOVATION ACT OF 1980 AMENDMENTS.

The Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3701 et seq.) is amended—

(1) in section 11(i) (15 U.S.C. 3710(i))—

(A) by inserting "loan, lease," after "department, may"; and

(B) by inserting "Actions taken under this subsection shall not be subject to Federal requirements on the disposal of property." after "education and research activities."; and

(2) in section 17(c) (15 U.S.C. 3711a(c))—

(A) by striking paragraph (2);

(B) by redesignating paragraph (3) as paragraph (2); and

(C) in paragraph (2), as so redesignated by subparagraph (B) of this paragraph, by striking "two" and inserting in lieu thereof "4".

SEC. 605. PERSONNEL.

The personnel management demonstration project established under section 10 of the National Bureau of Standards Authorization Act for Fiscal Year 1987 (15 U.S.C. 275 note) is extended indefinitely.

SEC. 606. FASTENER QUALITY ACT AMENDMENTS.

(a) SECTION 2 AMENDMENTS.—Section 2 of the Fastener Quality Act (15 U.S.C. 5401) is amended—

(1) by striking subsection (a)(4), and redesignating paragraphs (5) through (9) as paragraphs (4) through (8), respectively;

(2) in subsection (a)(7), as so redesignated by paragraph (1) of this subsection, by striking "by lot number"; and

(3) in subsection (b), by striking "used in critical applications" and inserting in lieu thereof "in commerce".

(b) SECTION 3 AMENDMENTS.—Section 3 of the Fastener Quality Act (15 U.S.C. 5402) is amended—

(1) in paragraph (1)(B) by striking "having a minimum tensile strength of 150,000 pounds per square inch" and inserting in lieu thereof "having a minimum Rockwell C hardness of 40 or above";

(2) in paragraph (2)—

(A) by inserting "International Organization for Standardization," after "Society of Automotive Engineers,"; and

(B) by inserting "consensus" after "or any other";

(3) in paragraph (5)—

(A) by inserting "or" after "standard or specification," in subparagraph (B);

(B) by striking "or" at the end of subparagraph (C);

(C) by striking subparagraph (D); and

(D) by inserting "or produced in accordance with ASTM F 432" after "307 Grade A";

(4) in paragraph (6) by striking "other person" and inserting in lieu thereof "government agency";

(5) in paragraph (8) by striking "Standard" and inserting in lieu thereof "Standards";

(6) by striking paragraph (11) and redesignating paragraphs (12) through (15) as paragraphs (11) through (14), respectively;

(7) in paragraph (13), as so redesignated by paragraph (6) of this subsection, by striking ", a government agency" and all that follows through "markings of any fastener" and inserting in lieu thereof "or a government agency"; and

(8) in paragraph (14), as so redesignated by paragraph (6) of this subsection, by inserting "for the purpose of achieving a uniform hardness" after "quenching and tempering".

(c) SECTION 4 REPEAL.—Section 4 of the Fastener Quality Act (15 U.S.C. 5403) is repealed.

(d) SECTION 5 AMENDMENTS.—Section 5 of the Fastener Quality Act (15 U.S.C. 5404) is amended—

(1) in subsection (a)(1)(B) and (2)(A)(i) by striking "subsections (b) and (c)" and inserting in lieu thereof "subsections (b), (c), and (d)";

(2) in subsection (c)(2) by striking "or, where applicable" and all that follows through "section 7(c)(1)";

(3) in subsection (c)(3) by striking ", such as the chemical, dimensional, physical, mechanical, and any other";

(4) in subsection (c)(4) by inserting "except as provided in subsection (d)," before "state whether"; and

(5) by adding at the end the following new subsection:

"(d) ALTERNATIVE PROCEDURE FOR CHEMICAL CHARACTERISTICS.—Notwithstanding the requirements of subsections (b) and (c), a manufacturer shall be deemed to have demonstrated, for purposes of subsection (a)(1), that the chemical characteristics of a lot conform to the standards and specifications to which the manufacturer represents such lot has been manufactured if the following requirements are met:

"(1) The coil or heat number of metal from which such lot was fabricated has been inspected and tested with respect to its chemical characteristics by a laboratory accredited in accordance with the procedures and conditions specified by the Secretary under section 6.

"(2) Such laboratory has provided to the manufacturer, either directly or through the metal manufacturer, a written inspection and testing report, which shall be in a form prescribed by the Secretary by regulation, listing the chemical characteristics of such coil or heat number.

"(3) The report described in paragraph (2) indicates that the chemical characteristics of such coil or heat number conform to those required by the standards and specifications to which the manufacturer represents such lot has been manufactured.

"(4) The manufacturer demonstrates that such lot has been fabricated from the coil or heat number of metal to which the report described in paragraphs (2) and (3) relates.

In prescribing the form of report required by subsection (c), the Secretary shall provide for an alternative to the statement required by subsection (c)(4), insofar as such statement pertains to chemical characteristics, for cases in which a manufacturer elects to use the procedure permitted by this subsection.".

(e) SECTION 6 AMENDMENT.—Section 6(a)(1) of the Fastener Quality Act (15 U.S.C. 5405(a)(1)) is amended by striking "Within 180 days after the date of enactment of this Act, the" and inserting in lieu thereof "The".

(f) SECTION 7 AMENDMENTS.—Section 7 of the Fastener Quality Act (15 U.S.C. 5406) is amended—

(1) by amending subsection (a) to read as follows:

"(a) DOMESTICALLY PRODUCED FASTENERS.—It shall be unlawful for a manufacturer to sell any shipment of fasteners covered by this Act which are manufactured in the United States unless the fasteners—

"(1) have been manufactured according to the requirements of the applicable standards and specifications and have been inspected and tested by a laboratory accredited in accordance with the procedures and conditions specified by the Secretary under section 6; and

"(2) an original laboratory testing report described in section 5(c) and a manufacturer's certificate of conformance are on file with the manufacturer, or under such custody as may be prescribed by the Secretary, and available for inspection,";

(2) in subsection (c)(2) by inserting "to the same" after "in the same manner and";

(3) in subsection (d)(1) by striking "certificate" and inserting in lieu thereof "test report"; and

(4) by striking subsections (e), (f), and (g) and inserting in lieu thereof the following:

"(e) SUBSEQUENT PURCHASER.—If a person who purchases fasteners for any purpose so requests either prior to the sale or at the time of sale, the seller shall conspicuously mark the container of the fasteners with the lot number from which such fasteners were taken.".

(g) SECTION 9 AMENDMENT.—Section 9 of the Fastener Quality Act (15 U.S.C. 5408) is amended by adding at the end the following new subsection:

"(d) ENFORCEMENT.—The Secretary may designate officers or employees of the Department of Commerce to conduct investigations pursuant to this Act. In conducting such investigations, those officers or employees may, to the extent necessary or appropriate to the enforcement of this Act, exercise such authorities as are conferred upon them by other laws of the United States, subject to policies and procedures approved by the Attorney General.".

(h) SECTION 10 AMENDMENTS.—Section 10 of the Fastener Quality Act (15 U.S.C. 5409) is amended—

(1) in subsections (a) and (b), by striking "10 years" and inserting in lieu thereof "5 years"; and

(2) in subsection (b), by striking "any subsequent" and inserting in lieu thereof "the subsequent".

(i) SECTION 13 AMENDMENT.—Section 13 of the Fastener Quality Act (15 U.S.C. 5412) is amended by striking "within 180 days after the date of enactment of this Act".

(j) SECTION 14 REPEAL.—Section 14 of the Fastener Quality Act (15 U.S.C. 5413) is repealed.

SEC. 607. PROHIBITION OF LOBBYING ACTIVITIES.

None of the funds authorized by this title shall be available for any activity whose purpose is to influence legislation pending before the Congress, except that this shall not prevent officers or employees of the United States or of its departments or agencies from communicating to Members of Congress on the request of any Member or to Congress, through the proper channels, requests for legislation or appropriations which they deem necessary for the efficient conduct of the public business.

SEC. 608. LIMITATION ON APPROPRIATIONS.

(a) EXCLUSIVE AUTHORIZATION FOR FISCAL YEAR 1996.—Notwithstanding any other provision of law, no sums are authorized to be appropriated for fiscal year 1996 for the activities for which sums are authorized by this title unless such sums are specifically authorized to be appropriated by this title.

(b) SUBSEQUENT FISCAL YEARS.—No sums are authorized to be appropriated for any fiscal year after fiscal year 1996 for the activities for which sums are authorized by this title unless such sums are specifically authorized to be appropriated by Act of Congress with respect to such fiscal year.

SEC. 609. ELIGIBILITY FOR AWARDS.

(a) IN GENERAL.—The Director shall exclude from consideration for awards of financial assistance made by the Under Secretary for Technology/Office of Technology Policy or the National Institute of Standards and Technology after fiscal year 1995 any person who received funds, other than those described in subsection (b), appropriated for a fiscal year after fiscal year 1995, from any Federal funding source for a project that was not subjected to a competitive, merit-based award process. Any exclusion from consideration pursuant to this section shall be effective for a period of 5 years after the person receives such Federal funds.

(b) EXCEPTION.—Subsection (a) shall not apply to awards to persons who are members of a class specified by law for which assistance is awarded to members of the class according to a formula provided by law.

SEC. 610. STANDARDS CONFORMITY.

(a) USE OF STANDARDS.—Section 2(b) of the National Institute of Standards and Technology Act (15 U.S.C. 272(b)) is amended—

(1) by striking ", including comparing standards" and all that follows through "Federal Government";

(2) by redesignating paragraphs (3) through (11) as paragraphs (4) through (12), respectively; and

(3) by inserting after paragraph (2) the following new paragraph:

"(3) to compare standards used in scientific investigations, engineering, manufacturing, commerce, industry, and educational institutions with the standards adopted or recognized by the Federal Government and to coordinate the use by Federal agencies of private sector standards, emphasizing where possible the use of standards developed by private, consensus organizations;".

(b) CONFORMITY ASSESSMENT ACTIVITIES.—Section 2(b) of the National Institute of Standards and Technology Act (15 U.S.C. 272(b)) is amended—

(1) by striking "and" at the end of paragraph (11), as so redesignated by subsection (a)(2) of this section;

(2) by striking the period at the end of paragraph (12), as so redesignated by subsection (a)(2) of this section, and inserting in lieu thereof "; and"; and

(3) by adding at the end the following new paragraph:

"(13) to coordinate Federal, State, local, and private sector standards conformity assessment activities, with the goal of eliminating unnecessary duplication and complexity in the development and promulgation of conformity assessment requirements and measures.".

(c) TRANSMITTAL OF PLAN TO CONGRESS.—The National Institute of Standards and Technology shall, by January 1, 1996, transmit to the Congress a plan for implementing the amendments made by this section.

SEC. 611. FURTHER AUTHORIZATIONS.

Nothing in this Act shall preclude further authorization of appropriations for the Manufacturing Extension Partnerships program under sections 25 and 26 of the National Institute of Standards and Technology Act (15 U.S.C. 278k and 278l) for fiscal year 1996: *Provided*, That authorization allocations adopted by the Conference Committee on House Concurrent Resolution 67, and approved by Congress, allow for such further authorizations.

The CHAIRMAN. Are there amendments to title VI?

AMENDMENT OFFERED BY MR. WALKER

Mr. WALKER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WALKER:

Page 144, after line 25, insert the following:

"(e) COMMINGLING.—It shall be unlawful for any manufacturer, importer, or private label distributor to commingle like fasteners from different lots in the same container, except that such manufacturer, importer, or private label distributor may commingle like fasteners of the same type, grade, and dimension from not more than two tested and certified lots in the same container during repackaging and plating operations. Any container which contains fasteners from two lots shall be conspicuously marked with the lot identification numbers of both lots.

Page 145, line 1, strike "(e)" and insert in lieu thereof "(f)".

Mr. WALKER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WALKER. Mr. Chairman, when the Science Committee marked up the Fastener Quality Act, I attached an amendment to establish the Fastener Advisory Committee. This committee was to determine if the act would have any detrimental impacts on business.

The Fastener Advisory Committee reported and recommended changes to the act.

Title VI addresses the concerns of the Fastener Advisory Committee: heat mill certification, mixing of like certified fasteners, and minor nonconformance.

Working with this Congress and NIST, the Public Law Task Force, comprised of members from the manufacturing, importing, and distributing sectors of the fastener industry, has worked to improve the law while maintaining safety and quality. The Public Law Task Force represents 85 percent of all companies involved in the manufacture, distribution, and importation of fasteners and their suppliers in the United States. Combined, the Task Force represents over 100,000 employees in all 50 states.

Unfortunately, a provision was inadvertently left out when drafting the original amendment to the Fastener Quality Act.

The language of the amendment I am offering goes back to the original intent of the bill, but is less restrictive regarding commingling of fasteners, as recommended by the Fastener Advisory Committee. This amendment states that manufacturers, importers, and distributors of fasteners under private labels, may mix like-certified fasteners from only two tested and certified lots, and not more, and they must mark such containers accordingly.

This provision is less restrictive on industry. It was brought to our attention by NIST and is recommended and supported by the Fastener Advisory Committee, NIST, and the Public Law Task Force.

This amendment is a good solution. I urge my colleagues to support its adoption.

Mr. BROWN of California. Mr. Chairman, I move to strike the last word.

Mr. Chairman, we understand the chairman's concern with this language. He has been assiduous for a number of years in trying to reach acceptable language in the law with regard to fasteners, which is a rather esoteric but important issue. I intend to support his request with this caveat.

I do not know what is involved in this final corrective language. There have been several mistakes made in trying to correct this before. So I will support this additional effort with the understanding that we can continue to work to make sure that this language will be acceptable and meet both of our goals.

Mr. Chairman, the problems on this side of the aisle with this amendment arise from the fact that we are amending a complex piece of legislation with no time to understand the ramifications. We received this amendment late yesterday; Mr. DINGELL, the author of the original 1989 act was not informed about this amendment or the underlying problem until today.

In 1989, we made mistakes in writing this act despite intensive hearings and markup sessions in two House committees. This year, in committee, without having held hearings, we made a series of corrections recommended by NIST. Now we learn that 3 months ago, NIST's author of its corrections mailed corrections to his corrections to Mr. WALKER's staff.

It is too late to check the accuracy of these corrections. Our initial reading is that the amendment before us is a less than perfect fix to a significant omission from the committee amendment. Also, given past performance, we do not want to simply assume that the author got it right this time.

I understand the chairman's desire to make this correction, and I hope he understands our concerns as well. We will not oppose him today on the understanding that in the coming weeks we will take the time, bipartisanly and jointly with the Committee on Commerce, to perfect the amendment as necessary to make sure that as we work to ease this act's burden on industry we also continue to protect the American public from the threat of catastrophic failure of high strength fasteners.

□ 1800

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. BROWN of California. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Chairman, we will be very happy to work with the gentleman to make certain, if there are any problems here, that we work them out.

Mr. OXLEY. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, let me briefly say to my good friend from Pennsylvania that we are strongly supportive of the efforts on his behalf in regard to the fastener issue. Our committee, the Subcommittee on Oversight and Investigations, then chaired by the gentleman from Michigan [Mr. DINGELL], had several hearings several Congresses ago about that issue. It actually passed legislation in that regard. This amendment tracks very carefully the path that we set out in the Committee on Commerce. This is a positive amendment.

Mr. Chairman, I rise today in support of the gentleman's amendment and this legislation.

The Fastener Quality Act, the result of a 4-year-long Oversight and Investigations Subcommittee investigation by the Committee on Energy and Commerce, requires testing and labeling procedures for certain grades of bolts and fasteners subject to high degrees of stress, such as in military and aerospace applications. The requirements of the Fastener Quality Act were designed to prevent the use of substandard bolts in applications where, if they were to fail, death or injury could occur.

The Commerce Committee and the Science Committee have a long history of working together on this act. After the O&I Subcommittee investigation, our committees worked together to secure passage of this legislation in the 101st Congress and the amendments to the Fastener Act contained in H.R. 2405.

Mr. Chairman, this amendment simply restores the original intent of the Fastener Quality Act. The Committee on Commerce has no objection to this amendment and urges its adoption.

Thank you, and I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. WALKER].

The amendment was agreed to.

The CHAIRMAN. Are there further amendments to title VI?

AMENDMENT OFFERED BY MR. TANNER

Mr. TANNER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TANNER: Page 149, after line 23, insert the following new section:

SEC. 612. AVAILABLE FUNDING.

Nothing in this title prohibits the National Institute of Standards and Technology from using available funds to perform research and development activities relating to environmental technologies, health care, information infrastructure, and construction technologies.

Page 4, after the item in the table of contents relating to section 611, insert the following:

SEC. 612. AVAILABLE FUNDING.

Mr. TANNER [during the reading]. Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. TANNER. Mr. Chairman, I want to reiterate at the outset that in title VI, as in all other titles heretofore discussed, we do not bust the budget in that we are completely consistent with the glide path toward a balanced budget. And we are in title VI as well.

Mr. Chairman, this amendment affirms the ability of the National Institute of Standards of Technology [NIST] to perform its activities in environmental technologies, health care, information infrastructure, and construction technologies. It does not increase funding.

Why am I offering this amendment? Because the committee report implicitly directs NIST not to pursue programmatic research in these areas, because they do not consider them to be related to the core mission of NIST. Why am I concerned? The current language in the bill inhibits NIST from doing activities that support American industry and promote the health and welfare of all Americans.

This language inhibits NIST from developing the measurement standards required for industry to develop chlorofluorocarbon substitutes. In addition NIST environmental technology standards help industry meet pollution emission standards and they provide more than 200 different standard reference materials. The National Center for Industrial and Treatment Technologies puts it succinctly:

> . . . NIST is seen as filling a unique and vital role in the fundamental science and engineering of pollution prevention and clean technology development. It is foolhardy to inhibit our use of these advanced laboratories merely because the outcome of the work might pay an environmental dividend. The health of the American taxpayer and the environment deserve better than that.

NIST health care program supports measurements that are critical to the accurate calibration of diagnostic equipment used in clinical labs around the country. These activities support clinical testing for measuring cholesterol, DNA testing, performing mammograms, and giving radiation treatment for cancer. NIST provides the services and conducts the research that forms the foundation for nationwide safety and quality assurance systems.

Health and Human Services reported that retesting accounts for between 10–25 percent of the total annual health care costs (between 90–220 billion in 1992). Even a 1-percent reduction in wasteful retesting results in savings approaching $1 billion. Measurement technology and standards developed and produced by NIST will improve cost effectiveness by facilitating the development of innovative diagnostic and therapeutical tools to provide for more accurate diagnosis. As a letter from the president of the National Conference of Standards Laboratories states:

> Without backing up the accuracy of this extraordinary number of measurements made in industry and trade, we would be unable to compete in international markets;

> we could not assure proper functioning of products, safety and drugs and pharmaceuticals, and the efficiency of medical services staff.

Report language inhibiting NIST from performing work related to construction standards ignores the fact that NIST is the principle source of technical information for construction and fire safety standards which provide the basis for fire and building codes.

Every product of the work referred to by the committee report affects urgently needed new measurement methods, data, computer-based models or related tools as enabling infrastructure for evaluation of industry produced technologies, or information protocols to facilitate interoperability of industry produced construction products and equipment.

The construction industry endorses NIST efforts regarding on-site automation and building services protocols. Many of these activities are conducted in cooperation with leading construction industry firms such as Bechtel, Caterpillar, Fluor Daniel, Stone & Webster, PlantSTEP Consortium, and BACNET Consortium. As the Portland Cement Association wrote it:

> NIST's construction industry programs would not be viable on a commercial basis because no one company could profit from any technology gains achieved.

Finally, majority report language concerning NIST's information infrastructure is wrong. NIST provides key meteorology support through development of test methods, simulations, and reference prototypes, labs, and testbeds. NIST collaborates with industry to develop test methods, metrics, and tools to measure conformity to standards and interoperability which are key to the national infrastructure.

Contrary to the committee report, these unique activities fall squarely within NIST's mission responsibilities.

This report language cuts at the very heart of NIST's traditional activities which promote American industry's competitiveness and American's health and Welfare.

There is nothing in the transcript of either the subcommittee or full committee markup, hearing testimony or staff reports to support the report language. The report demonstrates a fundamental misunderstanding of key NIST programs.

I urge my colleagues to adopt this amendment.

Mr. Chairman, these activities fall squarely within the core mission of NIST. I was not there the other day and, for example, they are developing an instrument to measure in very minute quantities some of the things that are being miniaturized now, such things that would go into one's body so a doctor can see to operate on one, such things as connected with all of the miniaturization that is going on in the computer world.

There has to be somebody to develop an instrument to measure a standard so we know where we are. This language in the report inhibits that, and our amendment simply does not prohibit NIST from doing this in connection and in conjunction with industry.

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Chairman, I move to strike the last word, and I rise on behalf of this amendment.

Mr. Chairman, the Science Committee has included in the report language which accompanies this bill health care language which could not be further from the truth.

The National Institute of Standards and Technology has not proposed to expand into the development preventive technologies. Rather, NIST has proposed to increase by $2 million the amount it would spend to establish accurate medical measurements to assist with improving our Nation's health care.

This is not a new area for NIST. The institute has been providing this service for decades.

Those in the health care community recognize that NIST is the ultimate authority on literally thousands of measurements which bring certainty to the practice of medicine in this country.

Without NIST, there would be no way to guarantee that a blood pressure or cholesterol measurement performed in Boston would be the same as one taken in Dallas, TX.

For example, Cellmark, the Nation's leader in DNA sciences, has stated that it would go out of business if it could not rely on NIST standards.

The work done by NIST in this area is not duplicative of work done by other agencies. To put it bluntly, other agencies neither understand nor perform this type of important medical work.

Additionally, Mr. Chairman, the report language seeks to forbid NIST from participating in the development of environmental technologies, by stating that the work of NIST is duplicative of the work done by other agencies.

NIST has a proven record of providing measurements and reference materials which are the basis of many environmental technology areas. For example, NIST has been involved in the development of standards for refrigerants and other chemicals covered by the Montreal Protocol. This process affects over $300 billion of refrigeration equipment in the United States.

The programs at NIST are not being carried out by other agencies. DOE and NSF are unable to perform the type of standard-setting work that goes on at NIST.

NIST deals with measurements, standards, reference data and test methods. No other agency has this role.

NIST provides the quality assurance for measurements which are made by other government agencies.

For example, NIST enables other companies and agencies to measure low levels of chemical concentrations by providing more than 200 different environmental reference materials that allow more accurate measurement of pollutants in air, water and soil.

Importantly, NIST does not establish or enforce regulatory standards. The role of NIST is to ensure that these activities are based on sound science and accurate measurements.

In sum, Mr. Chairman, the work being performed by NIST in the crucial areas of health care and environmental technology is of a critical nature, and is work that NIST is uniquely qualified to perform.

The amendment before us today will allow NIST to continue this important work, and I urge my colleagues to support it.

Mr. WALKER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I guess there is a feeling here that if you blow enough smoke on these issues and so on that somehow it will become true. The fact is that there is absolutely nothing in our bill that stops NIST from performing standard setting. That is what we think the core mission of NIST should be.

So in all the areas mentioned in the gentleman's amendment, NIST is still in the business of setting the standards. Any work that they do with regard to setting standards is perfectly appropriate. So the gentlewoman's talk about the fact that we need to have standards, we are all for that. That is the reason why we have sought to preserve the core program at NIST and have fought against those efforts to divert NIST away from its core program.

Now, what this amendment suggests is not just research into setting standards; it suggests the development activities. The development activities are where they have wandered off into doing research that is within the realm of business and industry. And therein lies the problem. We think that there are a whole host of areas here where they have wandered off to do things that are not a part of the standard setting mission of the agency.

□ 1815

We think that it is high time that the real standard setting mission of the agency is done, for exactly the reasons mentioned by the gentlewoman. When the gentleman from Tennessee mentioned the whole host of things that he thinks the agency should do, we looked through the bill. Virtually all of those things can be done under our bill.

The problem with adopting the gentleman's amendment is that what we do is we begin then to deteriorate the ability to do the things that we set out in the bill to emphasize. For example, what the amendment would undermine is the fact that we adopted six of 10 areas which the committee agreed to were a part of the core mission there in terms of broad based development.

That is manufacturing engineering. We increased that by 2 percent. We increased physics by 2 percent. Materials science and engineering was increased by 9 percent. Applied math and scientific computing was increased by 51 percent. Technical assistance activities were increased by 28 percent. Research support was increased by 2 percent.

The amendment offered refers to program activities as to which the President submitted proposals that were deemed to lie outside of NIST's expertise or represent research well advanced in the private sector. Obviously, however, some activities are ongoing in these areas that are authorized which are already within the traditional standards development activities of NIST. Those activities are already included within the authorization. The report language makes this distinction and sets forth the activities not factored into the authorized program levels.

What we have is a discussion here of an amendment that really suggests that we are taking away from NIST's ability to set standards in these areas, and that is absolutely not the case. To suggest that that is the case is just absolutely out of sort with both the bill and the report.

What the gentleman's amendment is doing is undermining the ability of the agency to do some good work in some areas where we have prioritized it, and distinctly not helping at all in the standard-setting process. I would suggest that the amendment is not doing what the two previous speakers have told us it is; that in fact what it is doing is undermining the very core mission that both the speakers have suggested that they want to keep in place.

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentlewoman from Texas.

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Chairman, the question I would like to ask is just for the gentleman to point out to me the specific language that he is referring to, because my intent is to just allow them to, where the gentleman says development, is to keep current on standards. Many things can be changed and updated and reformed for more efficiency, but the standards do not remain current in certain activities. They have to be updated because we have the technology to improve it.

Mr. WALKER. Reclaiming my time, what we are doing in our bill is protecting that core program so that that ongoing standards work can in fact be the concentration of the agency. That is exactly what we are attempting to do. This amendment undermines that particular goal because it takes us away from doing those core programs of ongoing standard settings and moves us off into, and this is what the amendment says, development activities.

The development activities are really industrial policy types of activities, and that is exactly what we are saying, is let us keep the standards as the focus, let us make certain that as new standards are needed that they are adopted.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. WALKER] has expired.

(By unanimous consent, Mr. WALKER was allowed to proceed for 2 additional minutes.)

Mr. WALKER. Mr. Chairman, I want to make certain that we have the ability to set standards in all these areas. That is the reason why we have said from the outset that we were determined to protect the core program at NIST. I am just disappointed to see an amendment that takes us away from doing what we thought we were beginning to accomplish.

Ms. EDDIE BERNICE JOHNSON of Texas. If the gentleman would yield further, I did not hear the specific language, if he would just point that out to me.

Mr. WALKER. The specific language is the authorization for the core program that is in the bill. With regard to health care, what we say is that the proposed nontraditional NIST activities are duplicative of ongoing major government initiatives at other agencies.

We are specifically referring to a $2 million new start that was put into the program. We eliminated the new start but we did not in any way impact on the ability to set the standards in the health area.

Ms. EDDIE BERNICE JOHNSON of Texas. If the gentleman would yield further, could I just follow up with one final question? Let me give an example of what one of my concerns might be.

In my area, there is an environmental area contaminated with lead. It has been there for a while. Years ago, where the standards were at one point, they are very different now. Tests have been done by some of the Federal agencies and a medical school and the results were differently interpreted. But when put by a standard that had been developed by process and updating of information, they had to be brought together.

No agency other than NIST could have done this with authority and neutral information. If we do not allow for updating, we will waste money because we are developing technologies to simplify it all the time.

Mr. WALKER. Once again reclaiming my time, there is nothing in our bill to suggest that they cannot update standards. In fact, we have the core program in place so that they can update the standards.

Ms. EDDIE BERNICE JOHNSON of Texas. What is the objection to the language in this amendment?

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. WALKER] has again expired.

(On request of Mr. BROWN of California, and by unanimous consent, Mr. WALKER was allowed to proceed for 2 additional minutes.)

Mr. WALKER. Mr. Chairman, we are funding the core program so that NIST has the capacity to do work in all of these areas. We suggest across the board that NIST is the premier agency for doing standard setting, and we fund a program that is in line with the President's request for doing that core program. That is what we are doing here. It would certainly allow them to set standards in either updated standards in old areas or new standards. That is what the bill is all about.

Mr. BROWN of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I yield to the gentleman from Tennessee [Mr. TANNER].

Mr. TANNER. Mr. Chairman, I understand what the gentleman from Pennsylvania [Mr. WALKER] is saying, but if we read the report language, on page 24 the adjustments made in these four areas reflect committee assessments that certain existing or proposed program activities are or would have been insufficiently related to the core mission of NIST to justify the fiscal year 1996 requested funding. Those program activities fall into four broad categories: Information infrastructure, environmental technologies, fire research and health care.

I do not recall in any of our committee deliberations anyone coming before our committee talking about the legitimacy of standards in these areas out at NIST, not one person. This is a committee report language conclusion, I guess, and we want to know what is the basis on which the gentleman makes this assumption. What specific activities that NIST has proposed does the gentleman object to?

Finally, if I amend my amendment to say using available funds to perform standards-related research and development, would the gentleman accept that?

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. BROWN of California. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Chairman, as nearly as we can tell, the gentleman is concerned about the amounts of money that are in the chart. The chart refers to the specific items and so on that were taken out, but it does not in any way relate to the fact that there is a core program of research available at NIST which can do work in these areas. We are not taking away from NIST's ability to set standards in the areas that are mentioned in the gentleman's amendment.

Mr. TANNER. What are the committee assessments that certain specific things do not fit into the core mission? We have never on the committee been advised of what the gentleman is talking about here. That is why we have objected to the report language.

Mr. WALKER. Mr. Chairman, the committee adopted the chart.

Mr. TANNER. I ask the gentleman from Pennsylvania again, would he accept an amendment to my amendment to perform standards-related research? He said in the well a minute ago that is what NIST should be doing, and we are perfectly willing to say that in these four areas. This report language is very troubling to us.

Mr. WALKER. Mr. Chairman, the fact is that we are acting on a committee- derived document. The committee in fact passed the chart. The committee action was that they passed the chart.

Mr. TANNER. Mr. Chairman, there was not one iota, we saw a chart at the end with no debate. There was not a witness that came forward on the internal programs of NIST, that I recall, that the committee said, "What are you doing that for? That is not part of your core mission."

There was none of that in our committee, nothing, not one word. What we are saying is this committee report language has a chilling effect on what the gentleman and I both want, and that is standards research out at NIST. We are willing to amend our amendment to say standards-related research and development in these four areas. I do not know how the gentleman could possibly object to standards-related research and development.

Mr. WALKER. If the gentleman would yield further, the fact is that what we were also trying to do was conform to the rescission bill. The 1995 rescission bill took away some of this money. In the 1995 rescission bill, in the chemical accounts for biotechnology, health care, and environmental technology, $7 million was rescinded, so that some of this is included as a part of the rescission bill situation as well. Do I understand the gentleman to say that he is prepared to modify his amendment?

Mr. TANNER. Mr. Chairman, yes, I have made that offer twice.

Mr. WALKER. His modification would be using available funds to perform research relating to——

Mr. TANNER. To perform standards-related research.

Mr. WALKER. For standards-related activities? I do not have a problem with that. I do not believe that that in any way moves us away from where the bill is. We want to be in the position of setting standards. If the gentleman wants to modify his amendment to suggest from using available funds to perform standards-related activities for environmental technologies, for health care, and so on, that is fine, from our standpoint.

MODIFICATION OF AMENDMENT OFFERED BY MR. TANNER

Mr. TANNER. Mr. Chairman, I ask unanimous consent to modify the amendment to reflect standards-related research.

The CHAIRMAN. The Clerk will report the modification.

The Clerk read as follows:

Modification of amendment offered by Mr. TANNER: On line 4 of the matter proposed by the amendment, after "to perform" insert "standards-related".

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

(By unanimous consent, Mr. BROWN of California was allowed to proceed for 45 additional seconds.)

Mr. BROWN of California. Mr. Chairman, I think we have reached an amicable solution to this situation and I appreciate very much the distinguished chairman of the committee being amenable to this modification. I want to assure him that it was not the language in the bill that caused concern. It was the interpretation of the report language. The gentleman knows and has stated on the floor that the report language is not binding. But nevertheless as he well recognized, it is looked to as a means of guidance in the interpretation of the language of the bill.

□ 1830

Mr. WALKER. If the gentleman will yield, I mean, in accepting the language there, I mean, we still stand by the report language. We believe that what this language does is simply emphasizes what we believe is in the report. If it helps you all to understand what the report means, that is fine. That works very well for me.

Mr. BROWN of California. We figured it would help us a great deal, I say to the gentleman from Pennsylvania [Mr. WALKER], and we appreciate the cooperation.

Mr WALKER. Excellent.

The CHAIRMAN. The question is on the amendment, as modified, offered by the gentleman from Tennessee [Mr. TANNER].

The amendment, as modified, was agreed to.

The CHAIRMAN. Are there further amendments to title VI?

If not, the Clerk will designate title VII.

The text of title VII is as follows:

TITLE VII—UNITED STATES FIRE ADMINISTRATION

SEC. 701. SHORT TITLE.

This title may be cited as the "Fire Administration Authorization Act of 1995".

SEC. 702. AUTHORIZATION OF APPROPRIATIONS.

Section 17(g)(1) of the Federal Fire Prevention and Control Act of 1974 (15 U.S.C. 2216(a)(I)) is amended—

(1) by striking "and" at the end of subparagraph (E);

(2) by striking the period at the end of subparagraph (F) and inserting in lieu thereof a semicolon; and

(3) by adding at the end the following new subparagraphs:

"(G) $28,000,000 for the fiscal year ending September 30, 1996, which, notwithstanding subsection (h), includes any amounts appropriated under subsection (h) (3) and (4) for fiscal year 1996; and

"(H) $28,000,000 for the fiscal year ending September 30, 1997.".

SEC. 703. FIRE SAFETY SYSTEMS IN ARMY HOUSING.

Section 31(c)(1)(A)(ii)(II) is amended by inserting ", or in the case of housing under the control of the Department of the Army, 6 years after such date of enactment" after "date of enactment".

SEC. 704. SUCCESSOR FIRE SAFETY STANDARDS.

The Federal Fire Prevention and Control Act of 1974 is amended—

(1) in section 29(a)(1), by inserting ", or any successor standard thereto," after "Association Standard 74";

(2) in section 29(a)(2), by inserting "or any successor standards thereto," after "whichever is appropriate,";

(3) in section 29(b)(2) by inserting ", or any successor standards thereto" after "Association Standard 13 or 13–R";

(4) in section 31(c)(2)(B)(i), by inserting "or any successor standard thereto," after "Life Safety Code),"; and

(5) in section 31(c)(2)(B)(ii), by inserting "or any successor standard thereto," after "Association Standard 101,".

SEC. 705. TERMINATION OR PRIVATIZATION OF FUNCTIONS.

The Administrator of the United States Fire Administration shall transmit to Congress a report providing notice at least 60 days in advance of the termination or transfer to a private sector entity of any significant function of the United States Fire Administration.

SEC. 706. REPORT ON BUDGETARY REDUCTION.

The Administrator of the United States Fire Administration shall transmit to Congress, within three months after the date of the enactment of this Act, a report setting forth the manner in which the United States Fire Administration intends to implement the budgetary reduction represented by the difference between the amount appropriated to the United States Fire Administration for fiscal year 1996 and the amount requested in the President's budget request for such fiscal year. Such report shall be prepared in consultation with the Alliance for Fire and Emergency Management, the International Association of Fire Chiefs, the International Association of Fire Fighters, the National Fire Protection Association, the National Volunteer Fire Council, the National Association of State Fire Marshals, and the International Association of Arson Investigators.

The CHAIRMAN. Are there amendments to title VII?

If not, are there further amendments to the bill?

AMENDMENT OFFERED BY MR. TRAFICANT

Mr. TRAFICANT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TRAFICANT: Page 152, after line 19, insert the following new title:

TITLE VIII—BUY AMERICAN

SEC. 801. BUY AMERICAN.

(a) SENSE OF CONGRESS.—It is the sense of Congress that any recipient of a grant under this Act, or under any amendment made by this Act, should purchase, when available and cost-effective, American made equipment and products when expending grant monies.

(b) NOTICE TO RECIPIENTS OF ASSISTANCE.—In allocating grants under this Act, or under any amendment made by this Act, the Secretary shall provide to each recipient a notice describing the statement made in subsection (a) by the Congress.

Page 4, after the items in the table of contents relating to title VII, insert the following:

TITLE VIII—BUY AMERICAN

Sec. 801. Buy American.

Mr. TRAFICANT (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

Mr. WALKER. Mr. Chairman, reserving the right to object, is this the amendment that was worked out?

Mr. TRAFICANT. If the gentleman will yield, this is the Buy America amendment that had been worked out.

Mr. WALKER. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. TRAFICANT. Mr. Chairman, there being no opposition, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. TRAFICANT].

The amendment was agreed to.

The CHAIRMAN. Are there further amendments to the bill?

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. BROWN OF CALIFORNIA

Mr. BROWN of California. Mr. Chairman, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. BROWN of California:

Strike all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Omnibus Civilian Science Authorization Act of 1995".

(b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents.
Sec. 2. Findings.

TITLE I—NATIONAL SCIENCE FOUNDATION

Sec. 101. Short title.
Sec. 102. Definitions.

Subtitle A—National Science Foundation Authorization

Sec. 111. Authorization of appropriations.
Sec. 112. Proportional reduction of research and related activities amounts.
Sec. 113. Consultation and representation expenses.
Sec. 114. Reprogramming.

Subtitle B—General Provisions

Sec. 121. Annual report.
Sec. 122. National research facilities.
Sec. 123. Eligibility for research facility awards.
Sec. 124. Administrative amendments.
Sec. 125. Indirect costs.
Sec. 126. Research instrumentation and facilities.
Sec. 127. Financial disclosure.
Sec. 128. Educational leave of absence for active duty.
Sec. 129. Science Studies Institute.
Sec. 130. Educational impact.

TITLE II—NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

Subtitle A—General Provisions

Sec. 201. Short title.
Sec. 202. Findings.
Sec. 203. Definition.

Subtitle B—Authorization of Appropriations

PART I—AUTHORIZATIONS

Sec. 211. Human space flight.
Sec. 212. Science, aeronautics, and technology.
Sec. 213. Mission support.
Sec. 214. Inspector General.
Sec. 215. Total construction of facilities authorization.

PART II—LIMITATIONS AND SPECIAL AUTHORITY

Sec. 221. Use of funds for construction.
Sec. 222. Availability of appropriated amounts.
Sec. 223. Reprogramming for construction of facilities.
Sec. 224. Consideration by committees.
Sec. 225. Use of funds for scientific consultations or extraordinary expenses.

Subtitle C—Miscellaneous Provisions

Sec. 231. Purchase of airborne infrared astronomy data services.
Sec. 232. Facilities closing commission.

TITLE III—DEPARTMENT OF ENERGY

Sec. 301. Short title.
Sec. 302. Findings.
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SEC. 2. FINDINGS.

The Congress finds that—

(1) science and technology have been major determinants of the American economy and quality of life and will be of even greater importance in the years ahead;

(2) public support of science and technology should be considered as an investment in the future;

(3) education and training in science, mathematics, and engineering are crucial to America's future;

(4) the Federal Government should continue to support strong research institutions—universities, research institutions, and national laboratories—as part of the Nation's science and technology infrastructure;

(5) the Federal investment portfolio in science and technology must support both basic and applied research, including the development of precompetitive technologies in cooperation with and for the private sector as well as for national needs; and

(6) stability of funding, based on long-range planning, is essential for effective and efficient use of the Federal investment in research and its associated educational function and for enhancing international collaboration.

TITLE I—NATIONAL SCIENCE FOUNDATION

SEC. 101. SHORT TITLE.

This title may be cited as the "National Science Foundation Authorization Act of 1995".

SEC. 102. DEFINITIONS.

For purposes of this title—

(1) the term "Director" means the Director of the Foundation;

(2) the term "Foundation" means the National Science Foundation;

(3) the term "institution of higher education" has the meaning given such term in section 1201(a) of the Higher Education Act of 1965;

(4) the term "national research facility" means a research facility funded by the Foundation which is available, subject to appropriate policies allocating access, for use by all scientists and engineers affiliated with

research institutions located in the United States; and

(5) the term "United States" means the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and any other territory or possession of the United States.

Subtitle A—National Science Foundation Authorization

SEC. 111. AUTHORIZATION OF APPROPRIATIONS.

(a) FINDINGS.—The Congress finds that—

(1) the programs of the Foundation are important for the Nation to strengthen basic research and develop human resources in science and engineering, and that those programs should be funded at an adequate level;

(2) the primary mission of the Foundation continues to be the support of basic scientific research and science education and the support of research fundamental to the engineering process and engineering education; and

(3) the Foundation's efforts to contribute to the economic competitiveness of the United States should be in accord with that primary mission.

(b) FISCAL YEAR 1996.—There are authorized to be appropriated to the Foundation $3,186,000,000 for fiscal year 1996, which shall be available for the following categories:

(1) Research and Related Activities, $2,280,000,000.

(2) Education and Human Resources Activities, $599,000,000.

(3) Major Research Equipment, $70,000,000.

(4) Academic Research Facilities Modernization, $100,000,000.

(5) Salaries and Expenses, $127,000,000.

(6) Office of Inspector General, $4,500,000.

(7) Headquarters Relocation, $5,200,000.

SEC. 112. PROPORTIONAL REDUCTION OF RESEARCH AND RELATED ACTIVITIES AMOUNTS.

If the amount appropriated pursuant to section 111(b)(1) is less than the amount authorized under that paragraph, the amount authorized for each subcategory under that paragraph shall be reduced by the same proportion.

SEC. 113. CONSULTATION AND REPRESENTATION EXPENSES.

From appropriations made under authorizations provided in this title, not more than $10,000 may be used in each fiscal year for official consultation, representation, or other extraordinary expenses at the discretion of the Director. The determination of the Director shall be final and conclusive upon the accounting officers of the Government.

SEC. 114. REPROGRAMMING.

(a) $500,000 OR LESS.—In any given fiscal year, the Director may transfer appropriated funds among the subcategories of Research and Related Activities, so long as the net funds transferred to or from any subcategory do not exceed $500,000.

(b) GREATER THAN $500,000.—In addition, the Director may propose transfers to or from any subcategory exceeding $500,000. An explanation of any proposed transfer under this subsection must be transmitted in writing to the Committee on Science of the House of Representatives, and the Committees on Labor and Human Resources and Commerce, Science, and Transportation of the Senate. The proposed transfer may be made only when 30 calendar days have passed after transmission of such written explanation.

Subtitle B—General Provisions

SEC. 121. ANNUAL REPORT.

Section 3(f) of the National Science Foundation Act of 1950 (42 U.S.C. 1862(f)) is amended to read as follows:

"(f) The Foundation shall provide an annual report to the President which shall be submitted by the Director to the Congress at the time of the President's annual budget submission. The report shall—

"(1) contain a strategic plan, or an update to a previous strategic plan, which—

"(A) defines for a three-year period the overall goals for the Foundation and specific goals for each major activity of the Foundation, including each scientific directorate, the education directorate, and the polar programs office; and

"(B) describe how the identified goals relate to national needs and will exploit new opportunities in science and technology;

"(2) identify the criteria and describe the procedures which the Foundation will use to assess progress toward achieving the goals identified in accordance with paragraph (1);

"(3) review the activities of the Foundation during the preceding year which have contributed toward achievement of goals identified in accordance with paragraph (1) and summarize planned activities for the coming three years in the context of the identified goals, with particular emphasis on the Foundation's planned contributions to major multi-agency research and education initiatives;

"(4) contain such recommendations as the Foundation considers appropriate; and

"(5) include information on the acquisition and disposition by the Foundation of any patents and patent rights.".

SEC. 122. NATIONAL RESEARCH FACILITIES.

(a) FACILITIES PLAN.—The Director shall provide to Congress annually, as a part of the report required under section 3(f) of the National Science Foundation Act of 1950, a plan for the proposed construction of, and repair and upgrades to, national research facilities. The plan shall include estimates of the cost for such construction, repairs, and upgrades, and estimates of the cost for the operation and maintenance of existing and proposed new facilities. For proposed new construction and for major upgrades to existing facilities, the plan shall include funding profiles by fiscal year and milestones for major phases of the construction. The plan shall include cost estimates in the categories of construction, repair, and upgrades for the year in which the plan is submitted to Congress and for not fewer than the succeeding 4 years.

(b) LIMITATION ON OBLIGATION OF UNAUTHORIZED APPROPRIATIONS.—No funds appropriated for any project which involves construction of new national research facilities or construction necessary for upgrading the capabilities of existing national research facilities shall be obligated unless the funds are specifically authorized for such purpose by this title or any other Act which is not an appropriations Act, or unless the total estimated cost to the Foundation of the construction project is less than $50,000,000. This subsection shall not apply to construction projects approved by the National Science Board prior to June 30, 1994.

SEC. 123. ELIGIBILITY FOR RESEARCH FACILITY AWARDS.

Section 203(b) of the Academic Research Facilities Modernization Act of 1988 is amended by striking the final sentence of paragraph (3) and inserting in lieu thereof the following: "The Director shall give priority to institutions or consortia that have not received such funds in the preceding 5 years, except that this sentence shall not apply to previous funding received for the same multiyear project.".

SEC. 124. ADMINISTRATIVE AMENDMENTS.

(a) NATIONAL SCIENCE FOUNDATION ACT OF 1950 AMENDMENTS.—The National Science Foundation Act of 1950 (42 U.S.C. 1861 et seq.) is amended—

(1) by redesignating the subsection (k) of section 4 (42 U.S.C. 1863(k)) that was added by section 108 of the National Science Foundation Authorization Act of 1988 as subsection (l);

(2) in section 5(e) (42 U.S.C. 1864(e)) by amending paragraph (2) to read as follows:

"(2) Any delegation of authority or imposition of conditions under paragraph (1) shall be promptly published in the Federal Register and reported to the Committees on Labor and Human Resources and Commerce, Science, and Transportation of the Senate and the Committee on Science of the House of Representatives.";

(3) by inserting "be entitled to" between "shall" and "receive", and by inserting ", including traveltime," after "Foundation" in section 14(c) (42 U.S.C. 1873(c));

(4) by striking section 14(j) (42 U.S.C. 1873(j)); and

(5) by striking "Atomic Energy Commission" in section 15(a) (42 U.S.C. 1874(a)) and inserting in lieu thereof "Secretary of Energy".

(b) NATIONAL SCIENCE FOUNDATION AUTHORIZATION ACT, 1976 AMENDMENTS.—Section 6(a) of the National Science Foundation Authorization Act, 1976 (42 U.S.C. 1881a(a)) is amended by striking "social," the first place it appears.

(c) NATIONAL SCIENCE FOUNDATION AUTHORIZATION ACT OF 1988 AMENDMENTS.—(1) Section 117(a)(1)(B)(v) of the National Science Foundation Authorization Act of 1988 (42 U.S.C. 1881b(1)(B)(v)) is amended to read as follows:

"(v) from schools established outside the several States and the District of Columbia by any agency of the Federal Government for dependents of its employees.".

(2) Section 117(a)(3)(A) of such Act (42 U.S.C. 1881b(3)(A)) is amended by striking "Science and Engineering Education" and inserting in lieu thereof "Education and Human Resources".

(d) EDUCATION FOR ECONOMIC SECURITY ACT AMENDMENTS.—Section 107 of Education for Economic Security Act (20 U.S.C. 3917) is repealed.

(e) TECHNICAL AMENDMENT.—The second subsection (g) of section 3 of the National Science Foundation Act of 1950 is repealed.

SEC. 125. INDIRECT COSTS.

(a) MATCHING FUNDS.—Matching funds required pursuant to section 204(a)(2)(C) of the Academic Research Facilities Modernization Act of 1988 (42 U.S.C. 1862c(a)(2)(C)) shall not be considered facilities costs for purposes of determining indirect cost rates.

(b) REPORT.—The Director of the Office of Science and Technology Policy, in consultation with other relevant agencies, shall prepare a report analyzing what steps would be needed to—

(1) reduce by 10 percent the proportion of Federal assistance to institutions of higher education that are allocated for indirect costs; and

(2) reduce the variance among indirect cost rates of different institutions of higher education,

including an evaluation of the relative benefits and burdens of each option on institutions of higher education. Such report shall be transmitted to the Congress no later than December 31, 1995.

SEC. 126. RESEARCH INSTRUMENTATION AND FACILITIES.

The Foundation shall incorporate the guidelines set forth in Important Notice No. 91, dated March 11, 1983 (48 Fed. Reg. 15754, April 12, 1983), relating to the use and operation of Foundation-supported research instrumentation and facilities, in its notice of Grant General Conditions, and shall examine more closely the adherence of grantee organizations to such guidelines.

SEC. 127. FINANCIAL DISCLOSURE.

Persons temporarily employed by or at the Foundation shall be subject to the same financial disclosure requirements and related sanctions under the Ethics in Government Act of 1978 as are permanent employees of the Foundation in equivalent positions.

SEC. 128. EDUCATIONAL LEAVE OF ABSENCE FOR ACTIVE DUTY.

In order to be eligible to receive funds from the Foundation after September 30, 1995, an institution of higher education must provide that whenever any student of the institution who is a member of the National Guard, or other reserve component of the Armed Forces of the United States, is called or ordered to active duty, other than active duty for training, the institution shall grant the member a military leave of absence from their education. Persons on military leave of absence from their institution shall be entitled, upon release from military duty, to be restored to the educational status they had attained prior to their being ordered to military duty without loss of academic credits earned, scholarships or grants awarded, or tuition and other fees paid prior to the commencement of the military duty. It shall be the duty of the institution to refund tuition or fees paid or to credit the tuition and fees to the next semester or term after the termination of the educational military leave of absence at the option of the student.

SEC. 129. SCIENCE STUDIES INSTITUTE.

(a) Amendment.—Section 822 of the National Defense Authorization Act for Fiscal 1991 (42 U.S.C. 6686) is amended—

(1) by striking "Critical Technologies Institute" in the section heading and in subsection (a), and inserting in lieu thereof "Science Studies Institute";

(2) in subsection (b) by striking "As determined by the chairman of the committee referred to in subsection (c), the" and inserting in lieu thereof "The";

(3) by striking subsection (c), and redesignating subsections (d), (e), (f), and (g) as subsections (c), (d), (e), and (f), respectively;

(4) in subsection (c), as so redesignated by paragraph (3) of this subsection—

(A) by inserting "science and" after "developments and trends in" in paragraph (1);

(B) by striking "with particular emphasis" in paragraph (1) and all that follows through the end of such paragraph and inserting in lieu thereof "and developing and maintaining relevant informational and analytical tools.";

(C) by striking "to determine" and all that follows through "technology policies" in paragraph (2) and inserting in lieu thereof "with particular attention to the scope and content of the Federal science and technology research and develop portfolio as it affects interagency and national issues";

(D) by amending paragraph (3) to read as follows:

"(3) Initiation of studies and analysis of alternatives available for ensuring the long-term strength of the United States in the development and application of science and technology, including appropriate roles for the Federal Government, State governments, private industry, and institutions of higher education in the development and application of science and technology.";

(E) by inserting "science and" after "Executive branch on" in paragraph (4)(A); and

(F) by amending paragraph (4)(B) to read as follows:

"(B) to the interagency committees and panels of the Federal Government concerned with science and technology.";

(5) in subsection (d), as so redesignated by paragraph (3) of this subsection, by striking "subsection (d)" and inserting in lieu thereof "subsection (c)"; and

(6) by amending subsection (f), as so redesignated by paragraph (3) of this subsection, to read as follows:

"(f) Sponsorship.—The Director of the Office of Science and Technology Policy shall be the sponsor of the Institute.".

(b) Conforming Usage.—All references in Federal law or regulations to the Critical Technologies Institute shall be considered to be references to the Science Studies Institute.

SEC. 130. EDUCATIONAL IMPACT.

(a) Findings.—The Congress finds that—

(1) Federal research funds made available to institutions of higher education often create incentives for such institutions to emphasize research over undergraduate teaching and to narrow the focus of their graduate programs; and

(2) National Science Foundation funds for Research and Related Activities should be spent in the manner most likely to improve the quality of undergraduate and graduate education in institutions of higher education.

(b) Educational Impact.—(1) The impact that a grant or cooperative agreement by the National Science Foundation would have on undergraduate and graduate education at an institution of higher education shall be a factor in any decision whether to award such grant or agreement to that institution.

(2) Paragraph (1) shall be effective with respect to any grant or cooperative agreement awarded after September 30, 1996.

(c) Report.—The Director shall provide a plan for the implementation of subsection (b) of this section, no later than December 31, 1995, to the Committee on Science of the House of Representatives and the Committee on Commerce, Science, and Transportation and the Committee on Labor and Human Resources of the Senate.

TITLE II—NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

Subtitle A—General Provisions

SEC. 201. SHORT TITLE.

This title may be cited as the "National Aeronautics and Space Administration Authorization Act, Fiscal Year 1996".

SEC. 202. FINDINGS.

The Congress finds that—

(1) a balanced civil space program is a critical element of the Nation's investment in research and development that needs to be maintained even as the United States reduces its deficit;

(2) the National Aeronautics and Space Administration will require predictable and adequate funding over the next 5 years in order to carry out a balanced program of initiatives in human space flight and science, aeronautics, and technology;

(3) international cooperation can play a major role in leveraging American investments in space exploration and utilization and should be encouraged; and

(4) the National Aeronautics and Space Administration should continue its efforts to reduce institutional costs, through management restructuring, facility consolidation when appropriate, procurement reform, personnel base downsizing, and convergence with other defense and private sector systems.

SEC. 203. DEFINITION.

For purposes of this title, the term "Administrator" means the Administrator of the National Aeronautics and Space Administration.

Subtitle B—Authorization of Appropriations

PART I—AUTHORIZATIONS

SEC. 211. HUMAN SPACE FLIGHT.

(a) Authorizations.—There are authorized to be appropriated to the National Aeronautics and Space Administration for fiscal year 1996 for Human Space Flight the following amounts:

(1) For Russian Cooperation, $100,000,000.

(2) For the Space Shuttle, $3,171,800,000.

(3) For Payload and Utilization Operations, $315,000,000.

(b) Construction of Facilities.—(1) Of the funds authorized to be appropriated under subsection (a)(2), $7,500,000 are authorized for replacement of the Chemical Analysis Facility, Kennedy Space Center.

(2) Of the funds authorized to be appropriated under subsection (a)(2), $4,900,000 are authorized for replacement of the Space Shuttle Main Engine Processing Facility, Kennedy Space Center.

(3) Of the funds authorized to be appropriated under subsection (a)(2), $5,000,000 are authorized for modernization of the Firex System, Pads A and B, Kennedy Space Center.

SEC. 212. SCIENCE, AERONAUTICS, AND TECHNOLOGY.

(a) Authorizations.—There are authorized to be appropriated to the National Aeronautics and Space Administration for fiscal year 1996 for Science, Aeronautics, and Technology the following amounts:

(1) For Space Science, $1,972,400,000, of which—

(A) $1,154,600,000 are authorized for Physics and Astronomy, including $7,000,000 for the Space Infrared Telescope Facility, $28,700,000 for the Stratospheric Observatory for Infrared Astronomy, and $51,500,000 for the Gravity Probe B Relativity Mission; and

(B) $817,800,000 are authorized for Planetary Exploration, including $20,000,000 for the New Millenium program.

(2) For Life and Microgravity Sciences and Applications, $293,200,000.

(3) For Mission to Planet Earth, $1,283,360,000.

(4) For Space Access and Technology, $520,200,000, of which—

(A) $59,000,000 are authorized for the Reusable Launch Vehicle technology development program, and, to the extent provided in appropriations Acts, the Administrator may utilize up to $100,000,000 from funds otherwise provided to the Department of Defense for the Reusable Launch Vehicle;

(B) $140,500,000 are authorized for Spacecraft and Remote Sensing; and

(C) $22,600,000 are authorized for the Small Spacecraft Technology Initiative.

(5) For Aeronautical Research and Technology, $877,300,000, of which—

(A) $354,700,000 are authorized for Research and Technology Base activities;

(B) $240,500,000 are authorized for High Speed Research;

(C) $163,400,000 are authorized for Advanced Subsonic Technology; and

(D) $65,200,000 are authorized for High Performance Computing and Communications.

(6) For Mission Communication Services, $461,300,000.

(7) For Academic Programs, $102,200,000.

(b) CONSTRUCTION OF FACILITIES.—(1) Of the funds authorized to be appropriated under subsection (a)(2), $3,000,000 are authorized for the construction of an addition to the Microgravity Development Laboratory, Marshall Space Flight Center.

(2) Of the funds authorized to be appropriated under subsection (a)(3), $17,000,000 are authorized for construction of Earth Systems Science Building, Goddard Space Flight Center.

(3) Of the funds authorized to be appropriated under subsection (a)(5), $5,400,000 are authorized for modernization of the Unitary Plan Wind Tunnel Complex, Ames Research Center.

SEC. 213. MISSION SUPPORT.

There are authorized to be appropriated to the National Aeronautics and Space Administration for fiscal year 1996 for Mission Support the following amounts:

(1) For Safety, Reliability, and Quality Assurance, $37,600,000.

(2) For Space Communications Services, $299,400,000, of which $175,800,000 are authorized for the Tracking and Data Relay Satellite Replenishment program.

(3) For Research and Program Management, including personnel and related costs, travel, and research operations support, $2,094,800,000.

(4) For Construction of Facilities, including land acquisition, $166,400,000, of which—

(A) $6,300,000 are authorized for restoration of Flight Systems Research Laboratory, Ames Research Center;

(B) $3,000,000 are authorized for restoration of Chilled Water Distribution System, Goddard Space Flight Center;

(C) $4,800,000 are authorized for replacement of Chillers, various buildings, Jet Propulsion Laboratory;

(D) $1,100,000 are authorized for rehabilitation of Electrical Distribution System, White Sands Test Facility, Johnson Space Center;

(E) $4,200,000 are authorized for replacement of Main Substation Switchgear and Circuit Breakers, Johnson Space Center;

(F) $1,800,000 are authorized for replacement of 15KV Load Break Switches, Kennedy Space Center;

(G) $9,000,000 are authorized for rehabilitation of Central Air Equipment Building, Lewis Research Center;

(H) $4,700,000 are authorized for restoration of High Pressure Air Compressor System, Marshall Space Flight Center;

(I) $6,800,000 are authorized for restoration of Information and Electronic Systems Laboratory, Marshall Space Flight Center;

(J) $1,400,000 are authorized for restoration of Canal Lock, Stennis Space Center;

(K) $2,500,000 are authorized for restoration of Primary Electrical Distribution System, Wallops Flight Facility;

(L) $35,000,000 are authorized for repair of facilities at various locations, not in excess of $1,500,000 per project;

(M) $35,000,000 are authorized for rehabilitation and modification of facilities at various locations, not in excess of $1,500,000 per project;

(N) $3,800,000 are authorized for minor construction of new facilities and additions to existing facilities at various locations, not in excess of $1,500,000 per project;

(O) $10,000,000 are authorized for facility planning and design; and

(P) $37,000,000 are authorized for environmental compliance and restoration.

SEC. 214. INSPECTOR GENERAL.

There are authorized to be appropriated to the National Aeronautics and Space Administration for fiscal year 1996 for Inspector General, $17,300,000.

SEC. 215. TOTAL CONSTRUCTION OF FACILITIES AUTHORIZATION.

Notwithstanding any other provision of this subtitle, the total amount authorized to be appropriated under this title for Construction of Facilities shall not exceed $199,200,000.

PART II—LIMITATIONS AND SPECIAL AUTHORITY

SEC. 221. USE OF FUNDS FOR CONSTRUCTION.

(a) AUTHORIZED USES.—Funds appropriated under sections 211(a), 212(a), and 213 (1) and (2), and funds appropriated for research operations support under section 213(3), may be used for the construction of new facilities and additions to, repair of, rehabilitation of, or modification of existing facilities at any location in support of the purposes for which such funds are authorized.

(b) LIMITATION.—None of the funds used pursuant to subsection (a) may be expended for a project, the estimated cost of which to the National Aeronautics and Space Administration, including collateral equipment, exceeds $500,000, until 30 days have passed after the Administrator has notified the Committee on Science of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate of the nature, location, and estimated cost to the National Aeronautics and Space Administration of such project.

(c) TITLE TO FACILITIES.—If funds are used pursuant to subsection (a) for grants to institutions of higher education, or to nonprofit organizations whose primary purpose is the conduct of scientific research, for purchase or construction of additional research facilities, title to such facilities shall be vested in the United States unless the Administrator determines that the national program of aeronautical and space activities will best be served by vesting title in the grantee institution or organization. Each such grant shall be made under such conditions as the Administrator shall determine to be required to ensure that the United States will receive therefrom the benefits adequate to justify the making of that grant.

SEC. 222. AVAILABILITY OF APPROPRIATED AMOUNTS.

To the extent provided in appropriations Acts, appropriations authorized under part I may remain available without fiscal year limitation.

SEC. 223. REPROGRAMMING FOR CONSTRUCTION OF FACILITIES.

Appropriations authorized under section 211(b), 212(b), or 213(4)—

(1) may be varied upward by 10 percent at the discretion of the Administrator; or

(2) may be varied upward by 25 percent, to meet unusual cost variations, after the expiration of 30 days following a report on the circumstances of such action by the Administrator to the Committee on Science of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate.

The aggregate amount authorized to be appropriated under sections 211(b), 212(b), and 213(4) shall not be increased as a result of actions authorized under paragraphs (1) and (2) of this section.

SEC. 224. CONSIDERATION BY COMMITTEES.

Notwithstanding any other provision of this title—

(1) no amount appropriated to the National Aeronautics and Space Administration may be used for any program for which the President's annual budget request included a request for funding, but for which the Congress denied or did not provide funding;

(2) no amount appropriated to the National Aeronautics and Space Administration may be used for any program in excess of the amount actually authorized for the particular program by part I; and

(3) no amount appropriated to the National Aeronautics and Space Administration may be used for any program which has not been presented to the Congress in the President's annual budget request or the supporting and ancillary documents thereto,

unless a period of 30 days has passed after the receipt by the Committee on Science of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate of notice given by the Administrator containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of such proposed action. The National Aeronautics and Space Administration shall keep the Committee on Science of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate fully and currently informed with respect to all activities and responsibilities within the jurisdiction of those committees. Except as otherwise provided by law, any Federal department, agency, or independent establishment shall furnish any information requested by either committee relating to any such activity or responsibility.

SEC. 225. USE OF FUNDS FOR SCIENTIFIC CONSULTATIONS OR EXTRAORDINARY EXPENSES.

Funds appropriated under section 212 may be used, but not to exceed $35,000, for scientific consultations or extraordinary expenses upon the authorization of the Administrator.

Subtitle C—Miscellaneous Provisions

SEC. 231. PURCHASE OF AIRBORNE INFRARED ASTRONOMY DATA SERVICES.

(a) CONTRACT FOR SERVICES.—The Administrator is authorized to enter into multiyear contracts for the purchase of services to provide infrared astronomical data by airborne platforms. Such contracts may provide for the acquisition of aircraft, instruments, support equipment, and any capital items necessary to meet Government needs, and further, the costs of such items may be amortized over the life of the contract.

(b) TERMINATION LIABILITY.—Any contract entered into pursuant to this section may provide for the payment of contingent liability that may accrue in the event that the Federal Government for its convenience terminates such contracts. Payments made for such liability shall be derived from appropriations for Science, Aeronautics, and Technology which remain unobligated from any fiscal year.

(c) CALCULATION OF TRANSACTIONS.—For the purposes of the Balanced Budget and Emergency Deficit Control Act of 1985, the Congressional Budget Act of 1974, the Budget Enforcement Act of 1990, and scorekeeping guidelines, the Office of Management and Budget and the Congressional Budget Office shall score any contract entered into under this section in the same manner as if the contract had been entered into on September 30, 1990.

SEC. 232. FACILITIES CLOSING COMMISSION.

(a) ESTABLISHMENT.—In the event that the total amount of funds appropriated to the

National Aeronautics and Space Administration for fiscal year 1996 is less than the amount authorized to be appropriated to the National Aeronautics and Space Administration in this title, there shall be established an independent commission to be known as the National Aeronautics and Space Administration Facilities Commission (hereafter referred to in this section as the "Commission"). The Commission shall be constituted and conduct its activities in accordance with a plan provided to Congress by the President within 90 days after the date of the enactment of the Act making such appropriations.

(b) PURPOSE.—The purpose of the Commission shall be to make recommendations for the closure or reconfiguration of National Aeronautics and Space Administration facilities, including research and operations Centers, resulting in cost savings for the overall budget for such facilities.

TITLE III—DEPARTMENT OF ENERGY

SEC. 301. SHORT TITLE.

This title may be cited as the "Energy Research and Development Act of 1995".

SEC. 302. FINDINGS.

The Congress finds that—

(1) Federal support of research and development in general, and energy research and development in particular, has played a key role in the growth of the United States economy since World War II through the production of new knowledge, the development of new technologies and processes, and the demonstration of such new technologies and processes for application to industrial and other uses;

(2) Federal support of energy research and development is especially important because such research and development contributes to solutions for national problems in energy security, environmental restoration, and economic competitiveness;

(3) the Department of Energy has successfully promoted new technologies and processes to address problems with energy supply, fossil energy, and energy conservation through its various research and development programs;

(4) while the Federal budget deficit and payments on the national debt must be addressed through cost-cutting measures, investments in basic research and research and development on key energy issues must be maintained;

(5) within the last two years, the Department of Energy has made great strides in managing its programs more efficiently and effectively;

(6) significant savings should result from these measures without hampering the Department's core missions; and

(7) the Strategic Realignment Initiative and other such efforts of the Department should be continued.

SEC. 303. DEFINITIONS.

For purposes of this title—

(1) the term "Department" means the Department of Energy; and

(2) the term "Secretary" means the Secretary of Energy.

SEC. 304. ENERGY CONSERVATION.

There are authorized to be appropriated to the Secretary for fiscal year 1996 for energy conservation research, development, and demonstration—

(1) $62,700,000 for energy conservation in buildings;

(2) $121,700,000 for energy conservation by industry;

(3) $185,700,000 for energy conservation in the transportation sector;

(4) no funds for energy conservation by utilities;

(5) $36,400,000 for technical and financial assistance; and

(6) $7,000,000 for policy and management activities.

SEC. 305. FOSSIL ENERGY.

There are authorized to be appropriated to the Secretary for fiscal year 1996 for fossil energy research, development, and demonstration—

(1) $114,900,000 for coal;

(2) $81,700,000 for petroleum;

(3) $116,300,000 for gas;

(4) no funds for the Fossil Energy Cooperative Research and Development Program;

(5) $2,000,000 for fuels;

(6) $64,000,000 for program direction and management;

(7) $3,000,000 for plant and capital improvements; and

(8) $16,400,000 for environmental restoration.

SEC. 306. HIGH ENERGY AND NUCLEAR PHYSICS.

(a) AUTHORIZATIONS.—There are authorized to be appropriated to the Secretary for fiscal year 1996 for high energy and nuclear physics activities of the Department—

(1) $665,000,000 for high energy physics activities;

(2) $321,100,000 for nuclear physics activities; and

(3) $9,000,000 for program direction.

(b) REPORT TO CONGRESS.—Before May 1, 1996, the Secretary, after consultation with the high energy and nuclear physics communities, shall prepare and transmit to the Congress a strategic plan for the high energy and nuclear physics activities of the Department, assuming a combined budget of $900,000,000 for all activities authorized under this section for each of the fiscal years 1997, 1998, 1999, and 2000. The report shall include—

(1) a list of research opportunities to be pursued, including both ongoing and proposed activities;

(2) an analysis of the relevance of each research facility to the research opportunities listed under paragraph (1);

(3) a statement of the optimal balance among facility operations, construction, and research support and the optimal balance between university and laboratory research programs;

(4) schedules for the continuation, consolidation, or termination of each research program, and continuation, upgrade, transfer, or closure of each research facility; and

(5) a statement by project of efforts to coordinate research projects with the international community to maximize the use of limited resources and avoid unproductive duplication of efforts.

SEC. 307. SOLAR AND RENEWABLE ENERGY.

There are authorized to be appropriated to the Secretary for fiscal year 1996 for solar and renewable energy research, development, and demonstration—

(1) $263,000,000 for solar energy;

(2) $30,000,000 for geothermal energy;

(3) $25,000,000 for hydrogen energy;

(4) $500,000 for hydropower;

(5) $34,700,000 for electric energy systems; and

(6) $5,200,000 for energy storage systems.

SEC. 308. NUCLEAR ENERGY.

(a) AUTHORIZATIONS.—There are authorized to be appropriated to the Secretary for fiscal year 1996 for nuclear energy research, development, and demonstration—

(1) $161,000,000 for nuclear energy, including $49,740,000 for the Advanced Light Water Reactor program;

(2) $69,700,000 for the termination of certain facilities; and

(3) $25,400,000 for isotope support.

(b) PROHIBITIONS.—None of the funds authorized in this title for any fiscal year may be used for the Soviet Design Reactor Safety Initiative or the Russian Replacement Power Initiative.

(c) NATIONAL ACADEMY OF SCIENCES REPORT.—The Secretary shall enter into an agreement with the National Academy of Sciences for such Academy to conduct a study of the Gas Turbine-Modular Helium Reactor, and report the results of such study to the Congress by December 31, 1995. Such study shall consider the technical feasibility and economic potential of such reactor design.

SEC. 309. CIVILIAN WASTE; ENVIRONMENT, SAFETY, AND HEALTH.

There are authorized to be appropriated to the Secretary for fiscal year 1996 for research, development, and demonstration—

(1) $700,000 for civilian waste; and

(2) $143,900,000 for environment, safety, and health.

SEC. 310. LONG-TERM INITIATIVES.

(a) AUTHORIZATIONS.—There are authorized to be appropriated to the Secretary for fiscal year 1996—

(1) $429,500,000 for biological and environmental research activities;

(2) $275,000,000 for fusion energy research, development, and demonstration, including a fusion research program using the Tokamak Fusion Test Reactor, except that no funds authorized by this title for fiscal year 1996 or 1997 may be used for construction of the Tokamak Physics Experiment; and

(3) $761,000,000 for basic energy sciences research activities.

(b) REPORT TO CONGRESS.—Before May 1, 1996, the Secretary, after consultation with the relevant scientific communities, shall prepare and transmit to the Congress a report detailing a strategic plan for the operation of facilities that are provided funds authorized by subsection (a)(3). The report shall include—

(1) a list of such facilities, including schedules for continuation, upgrade, transfer, or closure of each facility;

(2) a list of proposed facilities to be provided funds authorized by subsection (a)(3), including schedules for the construction and operation of each facility;

(3) a list of research opportunities to be pursued, including both ongoing and proposed activities, by the research activities authorized by subsection (a)(3); and

(4) an analysis of the relevance of each facility listed in paragraphs (1) and (2) to the research opportunities listed in paragraph (3).

SEC. 311. SUPPORT PROGRAMS FOR ENERGY SUPPLY RESEARCH AND DEVELOPMENT.

There are authorized to be appropriated to the Secretary for fiscal year 1996 for support programs for Energy Supply Research and Development—

(1) $1,400,000 for Energy Research Analyses;

(2) $40,000,000 for Laboratory Technology Transfer;

(3) $7,700,000 for advisory and oversight activities;

(4) $25,000,000 for the Multi-Program Energy Laboratory program;

(5) $4,000,000 for policy and management of Energy Supply Research and Development;

(6) $2,000,000 for policy and management of the energy research programs;

(7) $20,000,000 for University and Science Education programs;

(8) $10,000,000 for the Technology Information Management Program;

(9) $2,000,000 for the Technology Partnership;

(10) $15,000,000 for In-House Energy Management; and

(11) $642,000,000 for Civilian Environmental Restoration and Waste Management.

SEC. 312. LIMITATION.

None of the funds authorized by this title shall be used at the Idaho National Engineering Laboratory after June 1, 1996, with the exception of funds authorized by sections 309 and 311(11).

SEC. 313. ADDITIONAL AUTHORIZATIONS.

There are authorized to be appropriated to the Secretary for each of the fiscal years 1997, 1998, 1999, and 2000 $4,342,000,000 for carrying out the activities authorized by this title.

SEC. 314. SENSE OF CONGRESS.

It is the sense of the Congress that $100,000,000 previously appropriated for the Clean Coal Technology Program should be returned to the Treasury, and that $220,000,000 of funds previously appropriated for activities for which funds are authorized by this title, and allocated for a specific location by the Congress, should also be returned to the Treasury.

TITLE IV—NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

SEC. 401. SHORT TITLE.

This title may be cited as the "National Oceanic and Atmospheric Administration Authorization Act of 1995".

SEC. 402. POLICY AND PURPOSE.

It is the policy of the United States and the purpose of this title to—

(1) support and promote continuing the mission of the National Oceanic and Atmospheric Administration to monitor, describe and predict changes in the Earth's environment, protect lives and property, and conserve and manage the Nation's coastal and marine resources to ensure sustainable economic opportunities;

(2) affirm that such mission involves basic responsibilities of the Federal Government for ensuring general public safety, national security, and environmental well-being, and promising economic growth;

(3) affirm that the successful execution of such mission depends strongly on interdependency and synergism among component activities of the National Oceanic and Atmospheric Administration;

(4) recognize that the activities of the National Oceanic and Atmospheric Administration underlie the societal and economic well-being of many sectors of our Nation; and

(5) recognize that such mission is most effectively performed by a single Federal agency with the capability to link societal and economic decisions with a comprehensive understanding of the Earth's environment, as provided for in this title.

SEC. 403. NATIONAL WEATHER SERVICE OPERATIONS AND RESEARCH.

There are authorized to be appropriated to the Secretary of Commerce to enable the National Oceanic and Atmospheric Administration to carry out the operations and research activities of the National Weather Service $483,124,000 for fiscal year 1996.

SEC. 404. NATIONAL WEATHER SERVICE SYSTEMS ACQUISITION.

(a) AUTHORIZATION.—There are authorized to be appropriated to the Secretary of Commerce to enable the National Oceanic and Atmospheric Administration to improve its public warning and forecast systems $90,343,000 for fiscal year 1996. None of the funds authorized under this section may be used for the purposes for which funds are authorized under section 102(b) of the National Oceanic and Atmospheric Administration Authorization Act of 1992 (Public Law 102-567).

(b) CONTRACTOR ACTIVITIES.—Activities of any non-Federal entity, including the purchase, transportation, receipt, and installation of property and materials, on behalf of the National Oceanic and Atmospheric Administration pursuant to the modernization of the National Weather Service as set forth in the Weather Service Modernization Act (title VII of Public Law 102-567), are hereby expressly exempted from taxation in any manner or form by any State, county, or municipality, or any subdivision thereof.

(c) REPEAL.—Section 102(b)(2) of the National Oceanic and Atmospheric Administration Authorization Act of 1992 is repealed.

SEC. 405. WEATHER SERVICE MODERNIZATION.

(a) AMENDMENTS.—The Weather Service Modernization Act is amended—

(1) in section 706—

(A) by striking "60-day" in subsection (c)(2) and inserting in lieu thereof "30-day";

(B) by amending subsection (b)(6) to read as follows:

"(6) any recommendations of the Committee submitted under section 707(c) that evaluate the certification.";

(C) by amending subsection (d) to read as follows:

"(d) FINAL DECISION.—If the Secretary decides to close, consolidate, automate, or relocate any such field office, the Secretary shall publish the certification in the Federal Register and submit the certification to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science of the House of Representatives."; and

(D) by amending subsection (f) to read as follows:

"(f) PUBLIC LIAISON.—The Secretary shall maintain for a period of at least two years after the closure of any weather office a program to—

"(1) provide timely information regarding the activities of the National Weather Service which may affect service to the community, including modernization and restructuring; and

"(2) work with area weather service users, including persons associated with general aviation, civil defense, emergency preparedness, and the news media, with respect to the provision of timely weather warnings and forecasts."; and

(2) by amending section 707(c) to read as follows:

"(c) DUTIES.—The Committee may review any certification under section 706, for which the Secretary has provided a notice of intent to certify, in the plan, including any certification for which there is a significant potential for degradation of service within the affected area. Upon the request of the Committee, the Secretary shall make available to the Committee the supporting documents developed by the Secretary in connection with the certification. The Committee shall evaluate any certification reviewed on the basis of the modernization criteria and with respect to the requirement that there be no degradation of service, and advise the Secretary accordingly.".

(b) SENSE OF CONGRESS REGARDING ADDITIONAL MODERNIZATION ACTIVITIES.—It is the sense of Congress that the Secretary of Commerce should plan for the implementation of a follow-on modernization program aimed at improving weather services provided to areas which do not receive weather radar coverage at 10,000 feet. In carrying out such a program, the Secretary should plan for a procurement of Block II NEXRAD radar units.

SEC. 406. BASIC FUNCTIONS AND PRIVATIZATION OF NATIONAL WEATHER SERVICE.

(a) BASIC FUNCTIONS.—The basic functions of the National Weather Service shall be—

(1) the provision of forecasts and warnings including forecasts and warnings, of severe weather, flooding, hurricanes, and tsunami events;

(2) the collection, exchange, and distribution of meteorological, hydrologic, climatic, and oceanographic data and information; and

(3) the preparation of hydrometeorological guidance and core forecast information.

(b) PROHIBITION.—The National Weather Service shall not provide any new or enhanced weather services for the sole benefit of an identifiable private entity or group of such entities operating in any sector of the national or international economy in competition with the private weather service industry.

(c) NEW OR ENHANCED SERVICE.—If the Secretary determines, after consultation with appropriate Federal and State officials, that a new or enhanced weather service is necessary and in the public interest to fulfill the international obligations of the United States, to enable State or Federal emergency or resource managers to better perform their State or Federal duties, or to carry out the functions of the National Weather Service described in subsection (a), the National Weather Service may provide such new or enhanced service as one of its basic functions if—

(1) each new or enhanced service provided by the National Weather Service will be limited to the level that the Secretary determines necessary to fulfill the requirements of this subsection, taking into account the capabilities and limitations of resources available, scientific knowledge, and technological capability of the National Weather Service; and

(2) upon request, the National Weather Service will promptly make available to any person the data or data products supporting the new or enhanced service provided pursuant to this section, at a cost not greater than that sufficient to recover the cost of dissemination.

(d) FEDERAL REGISTER.—The Secretary shall promptly publish in the Federal Register each determination made under subsection (c).

(e) PRIVATIZATION REVIEW.—The Secretary shall, by February 15, 1996, conduct a review of all existing weather services and activities performed by the National Oceanic and Atmospheric Administration in order to identify those activities which may be transferred to the private sector. Such review shall include a determination that activities identified for privatization will continue to be disseminated to users on a reasonably affordable basis with no degradation of service. The Secretary shall, by March 15, 1996, provide to the Speaker of the House of Representatives and the President of the Senate a plan for transferring these identified services to the private sector.

SEC. 407. CLIMATE AND AIR QUALITY RESEARCH.

(a) AUTHORIZATION.—There are authorized to be appropriated to the Secretary of Commerce to enable the National Oceanic and Atmospheric Administration to carry out its climate and air quality research activities $139,238,000 for fiscal year 1996.

(b) GLOBE.—Of the amount authorized in subsection (a), $7,000,000 are authorized for fiscal year 1996 for a program to increase scientific understanding of the Earth and student achievement in math and science by using a worldwide network of schools to collect environmental observations. Beginning in fiscal year 1996, amounts appropriated for such program may be obligated only to the extent that an equal or greater amount of non-Federal funding is provided for such program.

SEC. 408. ATMOSPHERIC RESEARCH.

There are authorized to be appropriated to the Secretary of Commerce to enable the National Oceanic and Atmospheric Administration to carry out its atmospheric research activities $46,909,000 for fiscal year 1996.

SEC. 409. OCEANS AND GREAT LAKES PROGRAMS.

(a) Marine Prediction Research.—There are authorized to be appropriated to the Secretary of Commerce to enable the National Oceanic and Atmospheric Administration to carry out its oceans and Great Lakes research activities, including Marine Prediction Research, $14,984,000 for fiscal year 1996.

(b) Sea Grant.—Section 212(a) and (b) of the National Sea Grant College Program Act (33 U.S.C. 1131 (a) and (b)) are amended to read as follows:

"(a) The Secretary shall maintain within the Administration a program to be known as the National Sea Grant College Program. The National Sea Grant College Program shall consist of the financial assistance and other activities provided for in this Act, and shall be administered by a National Sea Grant Office within the Administration. The Secretary shall establish long-range planning guidelines and priorities for, and adequately evaluate, this program.

"(b) There are authorized to be appropriated to carry out all aspects of the National Sea Grant College Program, including research directed toward zebra mussel and other aquatic nuisance mitigation, $49,400,000 for fiscal year 1996.".

(c) National Undersea Research.—By February 15, 1996, the Administrator of the National Oceanic and Atmospheric Administration shall submit to the Committee on Science of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate a report setting forth those specific actions taken to ensure that the research activities formerly carried out under the National Undersea Research Program are transferred to and sustained within other existing research programs of the National Oceanic and Atmospheric Administration. In providing for this transfer, the Administrator shall afford the maximum practicable consideration to extending the existing extramural grants and contracts of the National Undersea Research Program. Within the amounts authorized by this title, there are authorized such sums as may be necessary for carrying out the purposes of this subsection.

SEC. 410. SATELLITE OBSERVING AND ENVIRONMENTAL DATA MANAGEMENT SYSTEMS.

(a) Authorization.—There are authorized to be appropriated to the Secretary of Commerce to enable the National Oceanic and Atmospheric Administration to carry out its satellite observing systems activities and data and information services, $357,381,000 for fiscal year 1996. None of the funds authorized in this subsection may be used for the purposes for which funds are authorized under section 105(d) of the National Oceanic and Atmospheric Administration Act of 1992 (Public Law 102-567).

(b) Meteorological Satellite Acquisition Strategic Plan.—By February 15, 1996, the Secretary of Commerce shall submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science of the House of Representatives a strategic plan for the acquisition of meteorological satellite systems which provides options for reducing the annual costs of acquisition. The Secretary shall consider alternative contractual approaches including—

(1) single prime contracts which provide for satellite delivery on orbit;

(2) acquisition of data services rather than hardware procurement; and

(3) Government-private sector cost sharing.

(c) Amendment to the Land Remote Sensing Act of 1992.—Section 101 of the Land Remote Sensing Act of 1992 (15 U.S.C. 5601 et seq.) is amended—

(1) by redesignating subsections (d) and (e) as subsections (e) and (f), respectively; and

(2) by inserting after subsection (c) the following new subsection:

"(d) Authority To Retain Fees.—The Landsat Program Management Member responsible for operation of the Landsat 7 system may retain fees collected from foreign ground stations and from other Landsat 7 data sales to offset the costs of operating the Landsat 7 system.".

(d) Sole Source Contracts.—Of the sums authorized under subsection (a) of this section, $44,561,000 for fiscal year 1996 are authorized to remain available until expended to procure additional Geostationary Operational Environmental NEXT satellites and instruments together with the launch and supporting ground systems for such satellites, to enter through the National Aeronautics and Space Administration into contracts and amendments or modifications of contracts with the developer of previous GOES-NEXT satellites to ensure and facilitate the acquisition of the additional GOES-NEXT satellites and instruments, if the Secretary of Commerce certifies to the Speaker of the House of Representatives and the President of the Senate that the exercise of such authority is necessary to ensure continuous service in geostationary satellite imagery equivalent to that provided by the GOES I-M system.

(e) Interagency Facility Consolidation.—By February 15, 1996, the Secretary, in consultation with the Administrator of the National Aeronautics and Space Administration, shall submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science of the House of Representatives a report assessing the costs and impacts on operations that would result from the consolidation of satellite command and control, and data acquisition and transfer functions now being carried out at the Satellite Operations Control Center and Command and Data Acquisition Centers with functionally compatible facilities located at the Goddard Space Flight Center.

(f) Repeal.—Section 105(d)(2) of the National Oceanic and Atmospheric Administration Authorization Act of 1992 is repealed.

SEC. 411. NATIONAL OCEAN SERVICE OBSERVATION AND ASSESSMENT.

There are authorized to be appropriated to the Secretary of Commerce to enable the National Oceanic and Atmospheric Administration to carry out observation and assessment activities $48,521,000 for fiscal year 1996.

SEC. 412. PROGRAM SUPPORT.

(a) Executive Direction and Administrative Activities.—There are authorized to be appropriated to the Secretary of Commerce to enable the National Oceanic and Atmospheric Administration to carry out executive direction and administrative activities, including management, administrative support, provision of retired pay of National Oceanic and Atmospheric Administration commissioned officers, and policy development, $55,725,000 for fiscal year 1996.

(b) Acquisition, Construction, Maintenance, and Operation of Facilities.—There are authorized to be appropriated to the Secretary of Commerce for acquisition, construction, maintenance, and operation of facilities of the National Oceanic and Atmospheric Administration $52,299,000 for fiscal year 1996.

(c) Marine Services.—There are authorized to be appropriated to the Secretary of Commerce to enable the National Oceanic and Atmospheric Administration to carry out marine service activities, including ship operations, maintenance, and support, $62,011,000 for fiscal year 1996.

(d) Aircraft Services.—There are authorized to be appropriated to the Secretary of Commerce to enable the National Oceanic and Atmospheric Administration to carry out aircraft services activities, including aircraft operations, maintenance, and support, $10,248,000 for fiscal year 1996.

(e) Voluntary Separations and Retirements.—To ease the transition into the civilian workforce of members of the National Oceanic and Atmospheric Administration Commissioned Officer Corps and to facilitate the reduction of active duty officers—

(1) section 1174a of title 10, United States Code, shall apply to the NOAA Corps in the same manner and to the same extent as that provision applies to the Department of Defense, and the Secretary of Commerce shall implement the provisions of that section with respect to the NOAA Corps and apply the applicable provisions of title 33, United States Code, relating to separation of NOAA Corps personnel; and

(2) section 4403(a) and (g) through (i) of the Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484; 106 Stat. 2315) shall apply to the NOAA Corps in the same manner and to the same extent as those provisions apply to the Department of Defense, and the Secretary of Commerce shall implement those provisions with respect to the NOAA Corps and apply the applicable provisions of title 33, United States Code, relating to retirement of NOAA Corps personnel.

SEC. 413. NOAA FLEET MODERNIZATION.

There are authorized to the Secretary of Commerce to enable the National Oceanic and Atmospheric Administration to carry out fleet modernization activities, including repair, construction, acquisition, leasing, charter, or conversion of vessels, including related equipment to maintain and modernize the existing fleet and to continue planning the modernization of the fleet, $5,950,000 for fiscal year 1996.

SEC. 414. EDUCATIONAL PROGRAMS AND ACTIVITIES.

The Secretary of Commerce may conduct educational programs and activities related to the responsibilities of the National Oceanic and Atmospheric Administration. For the purposes of this section, the Secretary may award grants and enter into cooperative agreements and contracts with States, private sector, and nonprofit entities.

SEC. 415. SUBPOENA.

(a) General Rule.—Except as provided in subsection (c), no employee of the National Weather Service shall give testimony or introduce evidence before any court in any proceeding in which the United States is not a party concerning any function of the National Weather Service or any data, information, or record created or acquired by the National Weather Service unless a court of competent jurisdiction determines that—

(1) the evidence is not contained in the official records maintained by the National Weather Service at the National Climatic Data Center and is not otherwise available from any other source; or

(2) the evidence is contained in the official records maintained by the National Weather Service at the National Climatic Data Center but the applicable laws of evidence provide no basis, including stipulation by the parties, under which the requested data, information, or records can be introduced in evidence without the employee's testimony.

(b) COURT ORDER.—No National Weather Service employee shall honor any subpoena to provide testimony or introduce evidence under the circumstances described in this section unless the subpoena is accompanied by the requisite court order.

(c) EXCEPTION.—The National Weather Service may authorize an employee to give testimony or introduce evidence in proceedings in which the United States is not a party if such testimony will further the interests of the National Weather Service or the public.

SEC. 416. WORKING CAPITAL FUND.

(a) ESTABLISHMENT.—The Administrator of the National Oceanic and Atmospheric Administration is authorized to establish a working capital fund (in this section referred to as the "Fund"), to be available without fiscal year limitation, for expenses necessary for the maintenance and operation of such administrative services as the Administrator shall find to be desirable in the interest of economy and efficiency.

(b) TRANSFER FROM FUND.—The Administrator may transfer services out of the Fund upon a determination that centralization of particular services is no longer advantageous.

(c) TRANSFERS TO FUND.—There shall be transferred to the Fund the stocks of supplies, equipment, assets, liabilities, and unpaid obligations relating to the services which the Administrator determines will be performed through the Fund.

(d) APPROPRIATIONS.—Appropriations to the Fund, in such amounts as may be necessary to provide additional working capital, are authorized.

(e) CREDITS TO FUND.—The Fund shall be credited with receipts from the sale or exchange of its property, and receipts in payment for loss or damage to property owned by the Fund.

(f) RECOVERY TO FUND.—The Fund shall recover, from the appropriations and funds for which services are performed, either in advance or by way of reimbursement, at rates which will return in full all expenses of operation, including reserves for annual leave, sick leave used, and the depreciation of real and personal property: *Provided*, That such services shall, to the fullest extent practicable, be used to avoid duplication of separate like services in the National Oceanic and Atmospheric Administration: *Provided further*, That an adequate system of accounts for the Fund shall be maintained on the accrual method and financial records shall be prepared on the basis of such accounts. An annual business type budget shall be prepared for operations under the Fund. The Fund shall be subject to an annual audit to ensure that it is being operated in accordance with all applicable accounting rules.

(g) DISPOSITION OF NET INCOME.—The amount of any earned net income resulting from the operation of the Fund at the close of each fiscal year may be applied to restore any previous impairment of the Fund, and to ensure the availability of working capital necessary to replace equipment and inventories: *Provided*, That any remaining net income after such restoration shall be paid into the General Fund of the Treasury.

(h) DELEGATION.—The Administrator is authorized to delegate the responsibility for the management of the Fund.

(i) EFFECTIVE DATE.—This section shall take effect on October 1, 1995, or the date of the enactment of this Act, whichever is later.

SEC. 417. WEATHER DATA BUOYS.

(a) PROHIBITION.—It shall be unlawful for any unauthorized person to remove, change the location of, obstruct, willfully damage, make fast to, or interfere with any weather data buoy established, installed, operated, or maintained by the National Data Buoy Center. Any person who violates this section may be assessed a civil penalty by the Administrator of the National Oceanic and Atmospheric Administration of not more than $10,000 for each violation. Each day during which a violation continues shall be considered a new offense. Such penalties will be assessed after notice and opportunity for a hearing.

(b) REWARDS.—The Administrator may offer and pay rewards for the apprehension and conviction, or for information helpful therein, of persons violating subsection (a), or for information leading to the discovery of missing National Weather Service property or the recovery thereof.

SEC. 418. REIMBURSEMENT OF EXPENSES.

(a) IN GENERAL.—Notwithstanding section 3302 (b) and (c) of title 31, United States Code, and subject to subsection (b) of this section, all amounts received by the United States in settlement of, or judgment for, damage claims arising from the October 9, 1992, allision of the vessel ZACHERY into the National Oceanic and Atmospheric Administration research vessel DISCOVERER—

(1) shall be retained as an offsetting collection in the Operations, Research, and Facilities account of the National Oceanic and Atmospheric Administration;

(2) shall be deposited in that account upon receipt by the United States Government; and

(3) shall be available only for obligation for National Oceanic and Atmospheric Administration marine services.

(b) LIMITATION.—Not more than $518,757.09 of the amounts referred to in subsection (a) may be deposited into the Operations, Research, and Facilities account pursuant to subsection (a).

SEC. 419. CONSTRUCTION PROJECTS.

(a) WEATHER FORECAST OFFICE.—The Secretary of Commerce is authorized to enter into a contract with Florida State University which shall—

(1) provide the University with appropriated funds to assist in the construction and associated expenses, including parking, of a meteorological sciences building on its Tallahassee, Florida, campus; and

(2) include a space agreement with the University at no cost to the Government, other than for operational expenses, for space in this building for use as the Weather Forecast Office.

(b) OPERATIONS AND RESEARCH CENTER.—The Secretary of Commerce is authorized, subject to the availability of appropriations, to construct, on approximately 10 acres of land at Goddard Space Flight Center, a facility for a National Oceanic and Atmospheric Administration Operations and Research Center.

SEC. 420. ADDITIONAL AUTHORIZATION FOR GAPS IN WEATHER SERVICE COVERAGE.

From sums otherwise provided in this title, up to $7,000,000 may be used to augment National Weather Service coverage for those geographic areas identified in the June, 1995 report of the National Research Council as having potentially degraded service.

TITLE V—ENVIRONMENTAL PROTECTION AGENCY

SEC. 501. SHORT TITLE.

This title may be cited as the "Environmental Research, Development, and Demonstration Authorization Act of 1995".

SEC. 502. DEFINITIONS.

For the purposes of this title, the term—

(1) "Administrator" means the Administrator of the Environmental Protection Agency;

(2) "Agency" means the Environmental Protection Agency; and

(3) "Assistant Administrator" means the Assistant Administrator for Research and Development of the Agency.

SEC. 503. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated to the Administrator $545,637,700 for fiscal year 1996 for the Office of Research and Development for environmental research, development, and demonstration activities, including program management and support, in the areas specified in subsection (b).

(b) SPECIFIC PROGRAMS AND ACTIVITIES.—Of the amount authorized in subsection (a), there are authorized to be appropriated the following:

(1) For air related research, $103,508,800.

(2) For water quality related research, $20,605,800.

(3) For drinking water related research, $21,015,800.

(4) For pesticide related research, $13,190,300.

(5) For toxic chemical related research, $15,025,700.

(6) For research related to hazardous waste, $22,131,400.

(7) For multimedia related research expenses, $282,425,700.

(8) For program management expenses, $7,225,600.

(9) For research related to cleanup of contaminated sites, $57,991,000.

(10) For research related to leaking underground storage tanks, $750,600.

(11) For oil pollution related research, $1,767,100.

(c) LIMITATION.—No funds are authorized to be appropriated for any fiscal year after fiscal year 1996 for carrying out the programs and activities for which funds are authorized by this title.

SEC. 504. SCIENTIFIC RESEARCH REVIEW.

(a) IN GENERAL.—The Administrator shall assign to the Assistant Administrator the duties of—

(1) developing a strategic plan for scientific and technical activities throughout the Agency;

(2) integrating that strategic plan into ongoing Agency planning activities; and

(3) reviewing all Agency research to ensure the research—

(A) is of high quality; and

(B) does not duplicate any other research being conducted by the Agency.

(b) REPORT.—The Assistant Administrator shall transmit annually to the Administrator and to the Committee on Science of the House of Representatives and the Committee on Environment and Public Works of the Senate a report detailing—

(1) all Agency research the Assistant Administrator finds is not of sufficiently high quality; and

(2) all Agency research the Assistant Administrator finds duplicates other Agency research.

SEC. 505. ENVIRONMENTAL TECHNOLOGY INITIATIVE.

(a) AVAILABILITY OF FUNDS.—Of the amount authorized to be appropriated in section 503(b)(7) for multimedia related research expenses, $40,000,000 is available for the Environmental Technology Initiative.

(b) LIMITATIONS.—

(1) EVALUATION PROCESS.—The Administrator may select projects for funding under the Environmental Technology Initiative only through a competitive, merit-based evaluation process.

(2) ELIGIBILITY.—The projects eligible for funding under the Environmental Technology Initiative are only the following:

(A) Projects to provide technical performance verification of environmental technologies and involving, to the extent appropriate, partnerships among Federal, State, local, and tribal agencies and private-sector entities.

(B) Projects to facilitate the demonstration of environmental technologies at appropriate Federal or other sites.

(C) Projects to enhance the capacity of Federal, State, local, and tribal agencies to promote the adoption of environmental technologies through regulatory reforms, technical assistance, improved dissemination of information (domestically and internationally), modifications to environmental permitting processes, and modifications to enforcement processes.

(3) SPECIFIC ENVIRONMENTAL TECHNOLOGIES.—The Administrator may not provide direct financial assistance under the Environmental Technology Initiative to a private-sector entity for the purpose of developing and commercializing a specific environmental technology.

TITLE VI—TECHNOLOGY

SEC. 601. SHORT TITLE.

This title may be cited as the "Technology Administration Authorization Act of 1995".

SEC. 602. AUTHORIZATION OF APPROPRIATIONS.

(a) UNDER SECRETARY FOR TECHNOLOGY.—There are authorized to be appropriated to the Secretary of Commerce for the activities of the Under Secretary for Technology/Office of Technology Policy $9,992,000 for fiscal year 1996.

(b) NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY.—There are authorized to be appropriated to the Secretary of Commerce for the National Institute of Standards and Technology for fiscal year 1996 the following amounts:

(1) For Scientific and Technical Research and Services, $744,200,000, of which—

(A) $330,700,000 shall be for the Advanced Technology Program under section 28 of the National Institute of Standards and Technology Act (15 U.S.C. 278n);

(B) $130,600,000 shall be for the Manufacturing Extension Partnerships program under sections 25 and 26 of the National Institute of Standards and Technology Act (15 U.S.C. 278k and 278l); and

(C) $3,400,000 shall be for the Malcolm Baldrige National Quality Award program under section 17 of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3711a).

(2) For Construction of Research Facilities, $15,000,000.

SEC. 603. NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY ACT AMENDMENTS.

The National Institute of Standards and Technology Act (15 U.S.C. 271 et seq.) is amended—

(1) in section 10(a)—

(A) by striking "nine" and inserting in lieu thereof "15"; and

(B) by striking "five" and inserting in lieu thereof "10";

(2) in section 15—

(A) by striking "Pay Act of 1945; and" and inserting in lieu thereof "Pay Act of 1945;"; and

(B) by inserting "(h) the provision of transportation services for employees of the Institute between the facilities of the Institute and nearby public transportation, notwithstanding section 1344 of title 31, United States Code," after "interests of the Government";

(3) in section 19, by striking "nor more than forty";

(4) in section 25(c)—

(A) by striking "for a period not to exceed six years" in paragraph (1); and

(B) by striking "which are designed" and all that follows through "operation of a Center" in paragraph (5) and inserting in lieu thereof "to a maximum of ⅓ Federal funding. Each Center which receives financial assistance under this section shall be evaluated during its sixth year of operations, and at least once each three years thereafter as the Secretary considers appropriate, by an evaluation panel appointed by the Secretary in the same manner as was the evaluation panel previously appointed. The Secretary shall not provide funding for additional years of the Center's operation unless the most recent evaluation is positive and the Secretary finds that continuation of funding furthers the purposes of this section";

(5) in section 28—

(A) by striking "or contracts" in subsection (b)(1)(B), and inserting in lieu thereof "contracts, and, subject to the last sentence of this subsection, other transactions";

(B) by inserting "and if the non-Federal participants in the joint venture agree to pay at least 50 percent of the total costs of the joint venture during the Federal participation period, which shall not exceed 5 years," after "participation to be appropriate,";

(C) by striking "provision of a minority share of the cost of such joint ventures for up to 5 years, and (iii)" in subsection (b)(1)(B), and inserting in lieu thereof "and";

(D) by striking "and cooperative agreements" in subsection (b)(2), and inserting in lieu thereof ", cooperative agreements, and, subject to the last sentence of this subsection, other transactions";

(E) by adding after subsection (b)(4) the following:

"The authority under paragraph (1)(B) and paragraph (2) to enter into other transactions shall apply only if the Secretary, acting through the Director, determines that standard contracts, grants, or cooperative agreements are not feasible or appropriate, and only when other transaction instruments incorporate terms and conditions that reflect the use of generally accepted commercial accounting and auditing practices."; and

(F) by adding at the end the following new subsection:

"(k) Notwithstanding subsection (b)(1)(B)(ii) and subsection (d)(3), the Director may grant extensions beyond the deadlines established under those subsections for joint venture and single applicant awardees to expend Federal funds to complete their projects, if such extension may be granted with no additional cost to the Federal Government and it is in the Federal Government's interest to do so.";

(6) by redesignating section 31 as section 32; and

(7) by inserting after section 30 the following new section:

"NATIONAL QUALITY PROGRAM

"SEC. 31. A National Quality Program is established within the Institute, the purpose of which shall be to perform research and outreach activities to assist private sector quality efforts and to serve as a mechanism by which companies in the United States, universities and other interested parties, and the Institute can work together to advance quality management programs and to share and, as appropriate, develop manufacturing best practices.".

SEC. 604. STEVENSON-WYDLER TECHNOLOGY INNOVATION ACT OF 1980 AMENDMENTS.

The Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3701 et seq.) is amended—

(1) in section 11(i) (15 U.S.C. 3710(i))—

(A) by inserting "loan, lease," after "department, may"; and

(B) by inserting "Actions taken under this subsection shall not be subject to Federal requirements on the disposal of property." after "education and research activities."; and

(2) by amending section 17(c)(3) to read as follows:

"(3) No award shall be made within any category or subcategory if there are no qualifying enterprises in that category or subcategory.".

SEC. 605. PERSONNEL.

The personnel management demonstration project established under section 10 of the National Bureau of Standards Authorization Act for Fiscal Year 1987 (15 U.S.C. 275 note) is extended indefinitely.

TITLE VII—UNITED STATES FIRE ADMINISTRATION

SEC. 701. SHORT TITLE.

This title may be cited as the "Fire Administration Authorization Act of 1995".

SEC. 702. AUTHORIZATION OF APPROPRIATIONS.

Section 17(g)(1) of the Federal Fire Prevention and Control Act of 1974 (15 U.S.C. 2216(a)(1)) is amended—

(1) by striking "and" at the end of subparagraph (E);

(2) by striking the period at the end of subparagraph (F) and inserting in lieu thereof a semicolon; and

(3) by adding at the end the following new subparagraphs:

"(G) $28,000,000 for the fiscal year ending September 30, 1996, which, notwithstanding subsection (h), includes any amounts appropriated under subsection (h) (3) and (4) for fiscal year 1996; and

"(H) $28,000,000 for the fiscal year ending September 30, 1997.".

SEC. 703. FIRE SAFETY SYSTEMS IN ARMY HOUSING.

Section 31(c)(1)(A)(ii)(II) is amended by inserting ", or in the case of housing under the control of the Department of the Army, 6 years after such date of enactment" after "date of enactment".

SEC. 704. SUCCESSOR FIRE SAFETY STANDARDS.

The Federal Fire Prevention and Control Act of 1974 is amended—

(1) in section 29(a)(1), by inserting ", or any successor standard thereto," after "Association Standard 74";

(2) in section 29(a)(2), by inserting "or any successor standards thereto," after "whichever is appropriate,";

(3) in section 29(b)(2), by inserting ", or any successor standards thereto" after "Association Standard 13 or 13–R";

(4) in section 31(c)(2)(B)(i), by inserting "or any successor standard thereto," after "Life Safety Code),"; and

(5) in section 31(c)(2)(B)(ii), by inserting "or any successor standard thereto," after "Association Standard 101,".

SEC. 705. TERMINATION OR PRIVATIZATION OF FUNCTIONS.

The Administrator of the United States Fire Administration shall transmit to Congress a report providing notice at least 60 days in advance of the termination or transfer to a private sector entity of any significant function of the United States Fire Administration.

SEC. 706. REPORT ON BUDGETARY REDUCTION.

The Administrator of the United States Fire Administration shall transmit to Congress, within three months after the date of the enactment of this Act, a report setting forth the manner in which the United States Fire Administration intends to implement the budgetary reduction represented by the difference between the amount appropriated to the United States Fire Administration for fiscal year 1996 and the amount requested in the President's budget request for such fiscal year. Such report shall be prepared in consultation with the Alliance for Fire and Emergency Management, the International Association of Fire Chiefs, the International Association of Fire Fighters, the National Fire Protection Association, the National Volunteer Fire Council, the National Association of State Fire Marshals, and the International Association of Arson Investigators.

Mr. BROWN of California (during the reading). Mr. Chairman, I ask unanimous consent the amendment in the nature of a substitute be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. BROWN of California. Mr. Chairman, I think this is the last amendment, and I know we look forward to completing this bill as quickly as we can.

Let me briefly indicate the scope of what we are trying to do here.

Mr. Chairman, I rise to offer an alternative to H.R. 2405, which will hopefully bring our Nation's research and development back into line with the reality that is facing us over the next several decades. That is, we must balance the budget while preserving the wise investments that will generate economic growth and offer a better world for our children.

Since the beginning of this year, the American people have been offered two vastly different alternative visions regarding the future direction we will take in Federal research and development. I want to take a few minutes to summarize this important debate.

At the outset, let me stress that there is little or no difference between Republicans and Democrats or between the Congress and the President over the need and the importance of balancing the budget. All have accepted this as a staring point in the debate. The difference has to do with how quickly we can do so without harming rather than stimulating the economy, and which areas we can cut and still deliver the benefits that middle class America wants from their government.

The alternative I am offering is based on the Conservative Coalition Budget that was offered but not approved by the House earlier this year. The Conservative Budget Resolution was intended to achieve a balanced budget without targeting Medicare, student loans, or research and development. The reductions in Federal spending included in the Conservative Budget Resolution had only one purpose—to eliminate the deficit, not to pay for a tax cut for the rich, and, of course, I know that this is a major difference in the 2 parties here.

Thus, the alternative we will consider, this substitute, does reduce spending on R&D by over 4 percent from the fiscal year 1995 levels and I can assure all my colleagues that these cuts are painful. However, it also attempts to preserve the valuable investments we have made in the past and it stops short of the extreme measures taken by the Republican leadership in H.R. 2405.

It is an attempt to maintain a balanced R&D program including both basic and applied research and it preserves a Federal role in such areas as environmental research, energy research, and technology development. It recognizes science for what it is—an investment in the future—not some ideological playground.

Mr. Chairman, I will put the rest of my remarks in the RECORD here. But let me say that this substitute is based upon the alternatives that were offered in the committee and obviously not accepted to each of these sections. It cuts below the 1995 level by 4 percent, as I indicated. It projects a 5-year outlook which will balance the budget within the 7-year period.

I believe very strongly that this substitute is in the best interests of the American people and the American economy. I would like to indicate that this bill before us is one which, in its present condition, is unacceptable to the administration, and I will ask to insert the written statement of the administration with regard to the fact that the President would veto this bill if it came to it. I do not think it will ever get to him, but with my substitute, I think the President might be willing to sign this bill if it ever got to it.

Mr. Chairman, the Republican leadership's view of science and technology would scarcely be recognized by most scientists or most American people. It is premised on the distorted view that applied science and research is in some way evil and must be eliminated. It seems to say that when a researcher gets to the point that he or she can envision how a particular line of research can be applied to another problem, he or she should be cut off. In the Republican view, research should never get to the point that it may become relevant.

In the Republican view there is no room for Government-industry partnerships. There is a narrow minded obsession with the belief that industry can and will increase their investments in R&D as the Government pulls out. Privately owned companies are completely oriented toward maximizing their return on investment. The research needed for America to keep pace with the rest of the world is long term in nature and will take years to mature. This type of investment has become increasingly difficult for most companies to undertake on their own and the past two Administrations have developed cost shared partnership programs that are working. The Republican assertion that there will be some widespread sea change in which American industry begins to change its perceptions is sadly out of touch with reality.

When Republicans attack R&D they are not attacking corporate welfare, they are threatening public health, public safety, the environment, energy security, and education. They are striking at the very heart of the link between the Government and the excellence of our colleges and universities. These are the very benefits middle-class America has valued in their Government.

The Republican plan cuts science and technology 10 percent below fiscal year 1995 levels this year and begins the path toward the 5-year 33 percent decline included in the budget resolution. These cuts affect not only the researchers themselves, they will affect every American. Universities will either have to abandon their roles in research or will have to find additional revenues to take up the slack. This amounts to nothing less than a hidden tax and will inevitably result in higher education costs.

Industry will have to look elsewhere for support to keep abreast of cutting edge technologies. They will, by necessity, need to internationalize. Not only will this change the nature of American competitiveness, it will cause a job loss now and it will undermine job growth in the future.

Mr. Chairman, I will close by restating the choices before us today. The extreme Republican leadership plan or the alternative that will continue the long tradition of unpoliticized, bipartisan support for our Nation's science and technology. I ask support for my alternative.

The CHAIRMAN. The question is on the amendment in the nature of a substitute offered by the gentleman from California [Mr. BROWN].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. BROWN of California. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 177, noes 229, not voting 26, as follows:

[Roll No. 712]

AYES—177

Abercrombie
Ackerman
Baesler
Baldacci
Barcia
Becerra
Beilenson
Bentsen
Berman
Bevill
Bishop
Bonior
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Cardin
Clay
Clayton
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Condit
Conyers
Costello
Coyne
Cramer
Danner
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Durbin
Edwards
Engel
Eshoo
Evans
Farr
Fattah
Filner
Flake
Frank (MA)
Frost
Furse
Gejdenson
Gibbons
Gonzalez
Gordon
Green
Gutierrez
Hall (OH)
Hall (TX)
Hamilton
Harman
Hastings (FL)
Hayes
Hefner
Hilliard
Hinchey
Holden
Houghton
Hoyer
Jackson-Lee
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kildee
Kleczka
Klink
LaFalce
Lantos
Levin
Lewis (GA)
Lincoln
Lipinski
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Martinez
Mascara
Matsui
McCarthy
McDermott
McHale
McKinney
McNulty
Meek
Menendez
Mfume
Miller (CA)
Minge
Mink
Montgomery
Moran
Murtha
Neal
Oberstar
Olver
Ortiz
Orton
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Pickett
Pomeroy
Poshard
Rahall
Rangel
Reed
Richardson
Rivers
Roemer
Rose
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Scott
Serrano
Sisisky
Skaggs
Skelton
Slaughter
Spratt
Stark
Stenholm
Stokes
Studds
Stupak
Tanner
Taylor (MS)
Thompson
Thornton
Thurman
Torres
Towns
Velazquez
Vento
Visclosky
Ward
Waters
Watt (NC)
Waxman
Williams
Wilson
Wise
Woolsey
Wyden
Wynn
Yates

NOES—229

Allard
Andrews
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Bass
Bateman
Bereuter
Bilbray
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Cooley
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
English
Ensign
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Geren
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Goss
Graham
Greenwood
Gunderson
Gutknecht
Hancock
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Horn
Hostettler
Hunter
Hutchinson
Hyde
Inglis
Istook
Jacobs
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
LoBiondo
Longley
Lucas
Manzullo
Martini
McCrery
McHugh
McInnis
McIntosh
McKeon
Meehan
Metcalf
Meyers
Mica
Miller (FL)
Molinari
Moorhead
Morella
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Obey
Oxley
Packard
Parker
Paxon
Petri
Pombo
Porter
Pryce
Quillen
Quinn
Radanovich
Ramstad
Regula
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stockman
Stump
Talent
Tate
Tauzin
Taylor (NC)
Thomas
Thornberry
Tiahrt
Torkildsen
Traficant
Upton
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—26

Barton
Bilirakis
Chapman
Cox
Crane
Dornan
Emerson
Fazio
Fields (LA)
Foglietta
Ford
Gephardt
Kennelly
McCollum
McDade
Moakley
Mollohan
Nadler
Owens
Portman
Roth
Schumer
Tejeda
Torricelli
Tucker
Volkmer

☐ 1855

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

Mr. WALKER. Mr. Chairman, I move to strike the last word.

Mr. HILLEARY. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Tennessee.

Mr. HILLEARY. Mr. Chairman, I rise to encourage the House Members to vote for H.R. 2405, Omnibus Civilian Science Authorization Act. It is a good bill that contains vital programs and helpful language that affects the whole country.

This bill includes a provision to update the language of the Unitary Wind Tunnel Act of 1949 which originally declared that the NASA Administrator and the Secretary of Defense should jointly develop a plan for construction of wind tunnel facilities for the solution of research, development, and evaluation problems in aeronautics at educational institutions within the continental limits of the United States for training and research in aeronautics, and to revise the uncompleted portions of the unitary plan from time to time to accord with changes in national defense requirements and scientific and technical advances.

The field of aeronautics has received many advances since this act was last amended in 1958—almost four decades ago. Unfortunately, as we heard from expert testimony before the Science Committee, the wind tunnel facilities in this Nation are showing their age. The European countries, in a consortium, recently opened a new transonic wind tunnel while is technologically superior to any in the United States. This will have a direct effect on improving the competitiveness of European aircraft in the global market.

Mr. Chairman, the aerospace industry is the second largest exporting industry in this country, second only to agriculture. While just a few short years ago, the Unites States aerospace industry accounted for around 70 percent of the global market, recent reports show that this year we may drop below 50 percent. This loss of market share costs us billions of dollars in our trade deficit and each percentage point of global aerospace market lost by our domestic companies translates into about 44,000 Americans losing their jobs.

A study conducted by the National Research Council [NRC] in 1992 identified that our current wind tunnel facilities are inadequate for maintaining aeronautical superiority into the next century.

In 1994, NASA was directed by Congress to conduct a study of the needs and requirements of a national wind tunnel complex and appropriated $35 million for the study.

The language of this bill calls for no action on the wind tunnel until after the phase 1 study on the current status of our Nation's wind tunnels is complete. I feel confident that the information being gathered will be instrumental in maintaining aeronautical superiority over the rest of the world. With this in mind I encourage my colleagues to vote "yes" for this bill.

Mr. BROWN of California. Mr. Chairman, my good friend from Pennsylvania has recently been citing a GAO report on the Advanced Technology Program as showing that 80 percent of the firms that receive ATP funds would have done the work without Government funding.

I know a little about the GAO report because it was requested by the Democratic members of the Science Committee. The thrust of the GAO's finding was that, in their opinion, NIST officials had overstated the short-term successes of the ATP.

Now if gilding the lily were a great sin, there probably wouldn't be very many of us in this body who would be allowed to speak on the floor. What is ironic in this particular case is that my friend from Pennsylvania has taken some liberties himself with the facts to try to make a better case for his position that ATP should be terminated—the very crime GAO found that NIST had committed.

The relevant portion of the GAO report summarizes the findings from a third-party survey of 26 ATP award winning companies. To set the record straight I would like to briefly read from that survey.

[From Solomon Associates, "The Advanced Technology Program, an Assessment of Short-Term Impacts: First Competition Participants," Feb. 1993]

When asked "with what likelihood their organization would have pursued the development of this technology, without the ATP award" participants responded: 15 percent definitely yes; 38 percent probably yes; 27 percent probably no; 19 percent definitely no.

Asked further to elaborate on whether their organization would have pursued the development of this technology—without the ATP award—at about the same level of effort, with the same ultimate goal, none of the 26 companies interviewed answered "yes," while nearly ¾ of the participants described how the project would have been different without the ATP award. Typical comments made are:

"Would not have done the same thing without ATP—the scale would have been smaller, the timelines slower, and the goal would have been different—not as far-reaching."

"Couldn't afford it. Might have skirted around the edges of it, but not pursued it at the same level of effort with the same resources."

"Probably would have done, but at a much reduced level . . . would have taken 10 times as long to get there and we may never have accomplished what we have to date."

"Ten years down the road, we might have gotten there, but competitors might have gotten there before us."

Mr. WALKER conveniently misquotes only the first part of these findings, pretending that the second half of the findings don't exist. But of course the whole point of ATP is not just to fund the research but to move the research forward in a timely fashion that fits with the research opportunities and rhythms of American firms competing against well-funded companies in other countries.

Doing the research is fine, but doing it in time and in a way that improves a company's competitive standing is far better—better for American jobs, for American companies and for the American economy. My friend from Pennsylvania doesn't understand what anyone in the private sector could tell him.

I hope that from here on out we can try to keep at least this small set of facts straight as we debate these important policy choices.

OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, October 11, 1995.

STATEMENT OF ADMINISTRATION POLICY

(H.R. 2405—Omnibus Civilian Science Authorization Act of 1995, Walker of Pennsylvania and 4 cosponsors)

If H.R. 2405 were presented to the President in its current form, the Secretaries of Commerce and Energy, the EPA Administrator, the Director of the Office of Management and Budget and the President's Science Adviser would recommend that the bill be vetoed because of its unacceptably deep reductions in, and terminations of, Federal investments in science and technology.

This bill would reverse the past fifty years of unwavering, bipartisan commitment to U.S. leadership in science and technology. It would threaten economic growth, job creation, protection of the environment, national security, and improvements in the quality of life for all Americans.

H.R. 2405 would cut authorized FY 1996 appropriations for the Nation's civilian science and technology programs by more than $3 billion below current levels and about $3.3 billion below the President's FY 1996 Budget. The bill would effectively terminate the Advanced Technology Program. This Program promotes high-risk, long-term technology development with economic potential, and is essential to our country's competitiveness. H.R. 2405 would prohibit the use of funds for 42 programs, projects, and activities of the Department of Energy, including science education activities, laboratory technology transfer programs, and efforts to improve the safety of Soviet-designed nuclear reactors. H.R. 2405 would also prohibit the use of funds for EPA's environmental technology initiative and climate change action plan.

The prohibitions on the use of funds authorized by H.R. 2405 to "influence legislation pending before the Congress" except for certain "requests for legislation or appropriations" should be deleted. These overly broad prohibitions, if applied literally, would inappropriately and unnecessarily limit the ability of departments and agencies to advise Congress and the public of their views on pending legislation. These provisions are especially troublesome insofar as they would purport to constrain the constitutional authority of the President to communicate his views, through subordinates, to Congress and the American people. (Sections 129, 254, 310, 455, 505, and 607)

Sections 237 and 309(a) would interfere with the President's constitutional authorities to conduct foreign affairs and should be deleted.

H.R. 2405 also contains numerous provisions that would significantly restrict effective and efficient management decisionmaking or impose excessively burdensome reporting requirements. These include sections 124, 132, 214, 252, 306, 307, 311, 312, and 503.

A further explanation of major objections to H.R. 2405 is contained in the Attachment.

PAY-AS-YOU-GO SCORING

H.R. 2405 would affect direct spending and receipts; therefore, it is subject to the pay-as-you-go (PAYGO) requirements of the Omnibus Budget Reconciliation Act of 1990. The preliminary PAYGO estimate is being developed, but it could be several hundred million dollars in FY 1996. The major direct spending would result from the use of unobligated funds previously appropriated for the Clean Coal Technology Program for termination costs of certain Energy Department programs (section 312). The bill does not contain provisions to offset this increased deficit spending.

ATTACHMENT

Title VI—Technology. The appropriations authorization levels for the Commerce Department's civilian technology programs are unacceptable. These levels would gut initiatives essential to U.S. competitiveness. The FY 1996 authorization of appropriations for the entire National Institute of Standards and Technology (NIST) of $338 million is $685 million less than the President's Budget, a reduction of 67 percent. Such a drastic cut will undermine the NIST labs' ability to provide the scientific and industrial community with the measurement base essential to industrial competitiveness and public health and safety. The authorization for the Under Secretary for Technology/Office of Technology Policy is only $5.1 million compared to the request of $13.9 million, a 63 percent reduction from the President's Budget. This cut will deprive U.S. industry of an effective advocate for technological innovation at a time of fierce global competition.

The bill provides no authorization for the Advanced Technology Program and an authorization for the Manufacturing Extension Program only to the extent that future congressional budget allocations allow. These initiatives are essential components of the Administration's portfolio of civilian technology programs. Without these two programs, the pace of research and technology development will be slowed, and important improvements in U.S. manufacturing and business performance will be curtailed.

Title III—Department of Energy (Civilian Research and Development). The FY 1996 authorization of appropriations for energy research and development activities of $4.25 billion is $1.2 billion below the President's Budget, a reduction of more than 21 percent. The reduction includes termination of funding, or significant reductions in funding, for research in fusion energy, fossil energy, energy conservation, solar energy and renewables, alternative fuel vehicles, and global climate change, as well as for projects to improve the safety of Soviet-designed nuclear reactors and laboratory technology transfer.

Sec. 309(a) would require the Secretary of Energy to negotiate with a consortium of foreign governments with specific instructions concerning a specified international energy project, the Large Hadron Collider. This would interfere with the President's constitutional authority to determine whether and when to enter into negotiations, the content of negotiations, and to whom that authority is delegated.

Title V—Environmental Protection Agency (Office of Research and Development). The FY 1996 authorization of appropriations for environmental research, development, and demonstration activities of $490 million is $139 million less than the President's Budget, a reduction of 22 percent. The reduction includes termination of funding for innovative environmental technologies, the climate change action plan, and indoor air pollution research. The environmental technology initiative is spurring development of new technologies to protect public health, reduce costs, and create new American jobs and export markets. There would also be significant reductions in other critical programs.

In addition to these resource reductions, H.R. 2405 would seriously undermine EPA's flexibility in building a strong environmental science research program. Such a program is needed to ensure policy responses that are based on sound science.

Title IV—National Oceanic and Atmospheric Administration (NOAA). NOAA's operations would be severely harmed by H.R. 2405. The bill would cause unnecessary delays in modernization of the National Weather Service and cutting edge research leading to economically sustainable environmental policies. The FY 1996 authorization of appropriations for NOAA operations, research, and facilities of $1.69 billion is $405 million below the President's Budget, a reduction of 19 percent. The bill would reduce NOAA's satellite funding, thereby increasing the risk of satellite failure and loss of severe weather data. Operations and research funding would be reduced to a level that would cripple NOAA's ability to maintain efforts to safeguard environmental health and safety.

Title II—National Aeronautics and Space Administration. The FY 1996 authorization of appropriations for NASA of $11.55 billion is a reduction of nearly $600 million from the President's Budget request. The reduction includes $324 million for the Mission to Planet Earth program, a reduction of 25 percent below the President's Budget; $35 million for High Performance Computing and Communications, a 50 percent cut; and termination of funding for the Clean Car initiative and the Space Infrared Telescope Facility.

Sec. 237 would impose onerous reporting and certification requirements on the President and the Government of the Russian Federation.

Sec. 249 would deny NASA needed flexibility in transitioning toward the privatization of the Space Shuttle.

Sec. 252 would interrupt important NASA microgravity sciences research and put at risk astronaut training until a commercial operator is certified and ready to begin operations.

Title I—National Science Foundation (NSF). The FY 1996 authorization of appropriations for the NSF of $3.13 billion is a reduction of $234 million below the President's Budget request. The reduction will mean that investments in basic research and education will have to be curtailed.

Mr. PACKARD. Mr. Chairman, as a former member of the Science, Space, and Technology Committee, I know just how important our civilian research efforts are.

This Federal-civilian partnership plays a key role in sponsoring developments in space flight and exploration, environmental protection, energy use and conservation and weather tracking, just to name a few. The scientific value of this legislation cannot be overstated. It is an investment in our future—not just our ability to compete in global technology, but in the quality of our lives in the rapidly approaching 21st century and beyond. The results of our research are not in saleable goods, but in benefits that are readily available to everyone.

I strongly urge my colleagues to support this bill in order to secure our place in the future and the technology necessary for our children and Nation to prosper.

The CHAIRMAN. Are there further amendments to the bill?

If not, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. DICKEY) having assumed the chair, Mr. KINGSTON, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2405) to authorize appropriations for fiscal years 1996 and 1997 for civilian science activities of the Federal Government, and for other purposes, pursuant to House Resolution 234, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. BROWN of California. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 248, nays 161, not voting 23, as follows:

[Roll No. 713]

YEAS—248

Allard
Andrews
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Bass
Bateman
Bereuter
Bilbray
Bliley
Blute
Boehlert
Boehner
Bonilla
Brewster
Brownback
Bryant (TN)
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Condit
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
Deal
DeLay
Diaz-Balart
Dickey
Dooley
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
English
Ensign
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Gallegly
Ganske
Gekas
Geren
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Goss
Graham
Green
Greenwood
Gunderson
Gutknecht
Hall (TX)
Hancock
Hansen
Harman
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
LoBiondo
Longley
Lucas
Luther
Manzullo
Martini
McCarthy
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Minge
Molinari
Montgomery
Moorhead
Morella
Murtha
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Oxley
Packard
Parker
Paxon
Peterson (MN)
Petri
Pickett
Pombo
Porter
Portman
Pryce
Quillen
Quinn
Radanovich
Ramstad
Regula
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Sisisky
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stearns
Stockman
Stump
Talent
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Tiahrt
Torkildsen
Traficant
Upton
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—161

Abercrombie
Ackerman
Baesler
Baldacci
Barrett (WI)
Becerra
Beilenson
Bentsen
Berman
Bevill
Bishop
Bonior
Borski
Boucher
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Bunn
Cardin
Clay
Clayton
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Conyers
Cooley
Costello
Coyne
Cramer
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Doyle
Durbin
Edwards
Engel
Eshoo
Evans
Farr
Fattah
Filner
Flake
Foglietta
Frank (MA)
Furse
Gejdenson
Gibbons
Gonzalez
Gordon
Gutierrez
Hall (OH)
Hamilton
Hastings (FL)
Hilliard
Hinchey
Holden
Hoyer
Jackson-Lee
Jacobs
Jefferson
Johnson (SD)
Johnson, E.B.
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kildee
Kleczka
Klink
LaFalce
Lantos
Levin
Lewis (GA)
Lincoln
Lipinski
Lofgren
Lowey
Manton
Markey
Martinez
Mascara
Matsui
McDermott
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Mfume
Miller (CA)
Mink
Moran
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Pastor
Payne (VA)
Pelosi
Peterson (FL)
Pomeroy
Poshard
Rahall
Rangel
Reed
Richardson
Rivers
Roemer
Rose
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Scott
Serrano
Skaggs
Slaughter
Stark
Stenholm
Stokes
Studds
Stupak
Tanner
Thompson
Thornton
Thurman
Torres
Towns
Velazquez
Vento
Visclosky
Ward
Waters
Watt (NC)
Waxman
Williams
Wilson
Wise
Woolsey
Wyden
Wynn
Yates

NOT VOTING—23

Barton
Bilirakis
Bono
Chapman
Dornan
Emerson
Fazio
Fields (LA)
Ford
Gephardt
Horn
Kennelly
Maloney
McCollum
Moakley
Mollohan
Payne (NJ)
Roth
Schumer
Tejeda
Torricelli
Tucker
Volkmer

□ 1919

Mr. WILSON changed his vote from "yea" to "nay."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. ROTH. Mr. Speaker, as the representative of Congress to the United Nations, I was in New York attending a meeting with Ambassador Albright, and I was forced to miss votes.

Had I been in attendance, I would have voted as follows:

"Yea" on final passage of H.R. 2405, rollcall vote No. 713.

"No" on the Brown amendment to H.R. 2405, rollcall vote No. 712.

"No" on the Brown amendment to H.R. 2405, rollcall vote No. 711.

"No" on the Kennedy amendment to H.R. 2405, rollcall vote No. 710.

"No" on the Lofgren amendment to H.R. 2405, rollcall vote No. 709.

PERSONAL EXPLANATION

Mr. BONO. Mr. Speaker, on October 12, 1995, I was unavoidably delayed and missed rollcall vote No. 713, final passage of the Omnibus Civilian Science Authorization Act of 1995, H.R. 2405. If I were present, I would have voted "aye," in support of final passage.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 2405, OMNIBUS CIVILIAN SCIENCE AUTHORIZATION ACT OF 1995

Mr. WALKER. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill the Clerk be directed to make such technical and conforming changes to reflect the actions of the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

GENERAL LEAVE

Mr. BROWN of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

LEGISLATIVE PROGRAM

(Mr. HOYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOYER. Mr. Speaker, I rise for the purpose of inquiring of the distinguished majority leader the schedule for the coming week.

Mr. ARMEY. Mr. Speaker, will the gentleman yield?

Mr. HOYER. I yield to the gentleman from Texas.

Mr. ARMEY. Mr. Speaker, I would like to just take a moment to thank the members of the Foreign Operations Appropriations Subcommittee, the Committee on Commerce and the Committee on Science on both sides of the aisle for their cooperation that enabled us to complete this week's work tonight and have had now our last vote for the week.

We will be in session tomorrow pro forma only. We will not be in session on Monday. But to get to the point of the question, Mr. Speaker, the House will not be in session on Monday, October 16. There will be no recorded votes on Monday.

On Tuesday, the House will meet at 12:30 p.m. for morning hour and at 2 p.m. for legislative business.

After 1-minutes we pan to take up 10 bills under suspension of the rules. These bills are H.R. 1715, a bill to reverse the Supreme Court decision in Adams versus Barrett; H.R. 1606, the Harry Kizirian Post Office Designation Act; H.R. 1026, the Winfield Scott Stratton Post Office Designation Act; H.R. 587, Biotechnical Process Patents Act; H.R. 1506, Digital Performance Rights in Sound Recordings Act; H.R. 2070, Providing for the United States distribution of the "Fragile Ring of Life" film; H.R. 629, the Fall River Visitor Center Act; S. 268, Collection of Fees for Triploid Grass Carp Certification Inspection; H.R. 1743, Water Resources Research Act Amendments of 1995; and H.R. 2353, Extending Certain Veterans' Affairs Health and Medical Care Expiring Authorities.

Members should be advised that any recorded votes ordered on these suspensions will be postponed until 5 p.m. on Tuesday next.

On Wednesday and Thursday, the House will met at 10 a.m. for legislative business. We plan to complete consideration of H.R. 39, the Fishery Conservation and Management Amendments of 1995, before turning to H.R. 2259, Disapproving Certain Sentencing Guidelines, which will be subject to a rule.

The House will then consider H.R. 2425, the Medicare Preservation Act of 1995, also subject to a rule.

Members should also be advised that conference reports may be brought to the floor at any time.

There will be no recorded votes on Friday, October 20, and we hope to have Members on their way home to their families by 6 p.m. on Thursday.

I thank the gentleman for yielding to me.

Mr. HOYER. Mr. Speaker, I thank the distinguished majority leader for informing us of the schedule next week.

I would ask the gentleman if he knows specifically when the Medicare bill will be going to the Committee on Rules?

Mr. ARMEY. Mr. Speaker, if the gentleman will continue to yield, we will be going to Rules on Wednesday.

Mr. HOYER. Is it the intention to bring the bill up on the floor on Thursday?

Mr. ARMEY. Yes, Mr. Speaker.

Mr. HOYER. So can I ask the gentleman, obviously that will be one day, and we hope to get out by 6. I presume we are going in at 10 on Thursday?

Mr. ARMEY. Yes.

Mr. HOYER. Does the gentleman have any idea as to how much debate will be allowed on the Medicare bill on Thursday? Under the rule?

Mr. ARMEY. Mr. Speaker, at this time I cannot say for certain because the Committee on Rules has not met, but it would certainly be a couple hours at least.

Mr. HOYER. Mr. Speaker, I say in all due respect to my friend, the majority leader, this is a bill that I understand exceeds 450 pages. The bill has not received any days of hearings because it was not drafted. But there were no hearings in the Committee on Commerce.

I say with all due respect to my friend, the majority leader, does the majority leader believe that 2 hours or so of debate on a bill of this magnitude is sufficient to fully inform the Members on all the issues that will be incorporated in the bill?

Mr. ARMEY. Mr. Speaker, yes.

Mr. HOYER. The problem we have on this side is that we do perceive this as a bill which will have very serious impact on millions of people in this country. Obviously, we have had bills on this floor of relatively small consequence which have been debated, frankly, for days on this floor. Is there any possibility that we might get at least a guarantee of maybe 4 hours of general debate on this bill?

Mr. ARMEY. Mr. Speaker, If the gentleman will continue to yield, of course, I can understand the gentleman is interested in such a request. I think the appropriate place to make the request would be before the Committee on Rules. They will write the rules, and I would welcome the gentleman to make his case before the committee.

Mr. HOYER. Well, Mr. Speaker, I will tell the majority leader that we certainly intend to ask the Committee on Rules, and I hope the majority leader and the Speaker who, of course, will advise the Committee on Rules, as we did, as to what they believe to be the appropriate time and rule under which the Medicare bill ought to be considered. But I hope, in all seriousness, that the majority leader and the Speaker would advise the Committee on Rules that a sufficient time be allotted for debate on this bill which gives the Congress the opportunity to fully explore the effects of the legislation on each of its parts on the people of this country and on the budget and on the health care security of our senior citizens.

I would urge the leader to do that this week and next week when we talk to members of the Committee on Rules.

Furthermore, nearly 2 weeks have passed since this body passed a continuing resolution. We have approximately a month remaining until that continuing resolution expires.

To date, only one bill, appropriation bill, has been signed by the President, as we all know, which means that 12 still remain unsigned. The last bill, last week, only one bill has passed the House. As a member of, for instance of the Treasury Postal bill, that bill has been ready, in my opinion, to pass out of conference for the last 15 days. And it is my understanding that the President has indicated, if the bill passes without the Istook amendment, that it will be signed.

Now, it seems to me, the gentleman talked a little bit on NPR this morning about cooperation and about moving ahead on those issues where we could reach agreement. That bill and some other appropriation bills, if they could move forward, we would serve the American public's interest in having their government funded in a timely fashion.

The fiscal year, of course, ended 2 weeks ago. We had no appropriation bills signed by then. And is the majority leader aware of what the plans are to see that appropriation bills move in a timely fashion so that we do not have to be confronted on November 16 with the necessity to pass another continuing resolution?

I know the majority leader in the past has stated his deep concern about continuing resolutions. I tend to share that concern. I am wondering whether or not we have plans to preclude that from happening.

Mr. ARMEY. Mr. Speaker, I thank the gentleman for his observations. Let me just say, we are working on all these bills. We are making good progress. Having just completed foreign operations today, I am pleased to hear that the President has stipulated the conditions under which he might sign one of the other bills. I look forward to hearing from the President on that matter. I am sure he will want to communicate that to me.

Mr. HOYER. Mr. Speaker, I will tell the majority leader that I believe that has been essentially communicated to the committee.

Mr. ARMEY. Mr. Speaker, I will look into it.

Mr. HOYER. I will certainly see if we can get information directly to the gentleman.

Mr. Speaker, I thank the gentleman for his information and would simply again urge him to provide for the opportunity for this House to fully debate a bill on the consequence of the Medicare proposal.

□ 1930

PERMISSION FOR COMMITTEE ON COMMERCE AND COMMITTEE ON WAYS AND MEANS TO HAVE UNTIL MIDNIGHT, MONDAY, OCTOBER 16, 1995 TO FILE REPORTS

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that the Committee on Commerce and the Committee on Ways and Means may have until midnight on Monday, October 16, 1995, to file reports to the House.

The SPEAKER pro tempore (Mr. DICKEY). Is there objection to the request of the gentleman from Texas?

There was no objection.

ADJOURNMENT FROM FRIDAY, OCTOBER 13, 1995 TO TUESDAY, OCTOBER 17, 1995

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that when the House adjourns on Friday, October 13, 1995, it adjourns to meet at 12:30 p.m. on Tuesday, October 17, for morning hour debates.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

THE OTHER AMERICA

(Mr. COLEMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COLEMAN. Mr. Speaker, I know that some of you may have seen the "60 Minutes" report on CBS Sunday night about what was called the other America, a report about the shameful developments along our border known as colonias.

I only wanted to take this time this morning to come before my colleagues on both sides of the aisle and to simply say on behalf of so many men, women, and children who have been helped by the action of this Congress, thank you. It is true that Democrats and Republicans have come together on an issue of extreme importance, and that is to provide water and sewer service, the basic necessities of life to so many in the United States who live along the United States-Mexico border, who are indeed American citizens, but who have been the subject of much greed by developers who sold them land without having dedicated the very basic necessities of life for their future habitation.

Unfortunately, the "60 Minutes" report did cloud the issue somewhat by suggesting that our dollars were going to help the developers. Nothing could be further from the truth. What we have done on both sides of this aisle is to provide the services to the people who really need it, and for that I say thank you.

Some of you may have seen the "60 Minutes" report on CBS Sunday night about the other America—a report about the shameful developments along our border known as colonias.

Throughout my tenure in the U.S. Congress, throughout my public service—I have sought to make the American people aware of the fact that, as the result of the indefensible greed of developers, these communities lack the basic necessities to sustain life—water and sewer services.

The colonias are breeding grounds for deadly diseases most of the United States never sees—cholera, typhoid, tuberculosis, and others that occur mostly in the poorest nations of the world, not, one would think, on our very own border from Texas to California. These diseases and the impoverished communities in which they fester are a threat to every American.

It is for these reasons that I have fought and even pleaded with some of you not to forsake victims of the colonias—thousands of people who risked their financial resources for a small slice of the American Dream that has, all too often, turned out to be an unsantiary patch of desert that has robbed their babies of childhood and them of their hard-earned dollars.

As a result of our efforts to give local communities and the victims of colonias the resources for the basic water and sewer services that any home requires, some $250 million has given thousands of colonias residents not just running water and toilet facilities, but hope.

And it's been worth every penny of it and it's been worth every one of the countless hours I have spent trying to explain the need just to look in the eyes of a colonia child who is healthy today only because of Congress.

And Texas, too, has responded by enacting legislation similar to that I proposed in the Texas Legislature more than 20 years ago to make it impossible to develop more colonias that fail to offer water and sewer services.

Not one penny of America's tax dollars has gone to colonia developers. All of it has gone to help their victims and to help protect all Americans from diseases no American should be exposed to.

Although "60 Minutes" made some of these points and raised the consciousness of viewers about this issue, it made some suggestions it knew to be false—including that I threatened the attorney general of Texas.

Attorney General Morales knows that I never directly or indirectly threatened him in any fashion about this or any other issue, nor participated in any conference call with him about colonias or any other matter. The attorney general knows this and "60 Minutes" and other news media would, too, if they only bothered to investigate.

"60 Minutes" could have helped colonia residents and the public health crisis caused by colonia. Instead, it muddied the water with false charges and innuendos that careful, accurate reporting—or attention to the facts provided it—could have avoided.

Because my intentions with regard to colonias—helping the victims get water and sewer services and putting the developers out of business—has clearly been a matter of public record for 25 years, I ask you, my colleagues, and you, the American people, not to turn your backs on the children and struggling families living along our southern border in the abominations called colonias.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

ISTOOK AMENDMENT TO HAVE FAR-REACHING EFFECTS

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from Colorado [Mr. SKAGGS] is recognized for 5 minutes.

Mr. SKAGGS. Mr. Speaker, today I circulated to my colleagues in the House the following document entitled "The Istook Amendment, New Regulation of Your Business."

One of the myths about the so-called Istook-McIntosh-Ehrlich proposal is that it has only to do with nonprofit organizations. In fact its reach will be much broader than that. I think my colleagues ought to be aware of exactly how extensive and pervasive and perverse that reach would be.

This factsheet outlines what businesses could expect under the regime that would be imposed by the Istook amendment. Many people think it has only to do with grants. Of course grants do go to many businesses. Just to point out a few, Lockheed Martin gets research grants from the Defense Department; Chrysler, Ford, W.R. Grace from the Commerce Department. Thousands of others would be affected by grants.

But because of the other language in this proposal, many, many other companies would also be subjected to its extraordinary regulatory regime. That is because not only do direct payments count but also the receipt of, quote, anything of value.

So, for instance, a farming business that gets irrigation water from the Federal Government would be included, as would, in my part of Colorado, several major businesses who happen to get irrigation water from Bureau of Reclamation projects.

Farmers getting emergency livestock feed during severe weather would be affected, and some other things that you really would not think of initially as a thing of value until you examine carefully.

For instance, publishers of newspapers and magazines getting second class mailing permits, a benefit from what would otherwise be their mailing costs. Broadcasters getting television or radio licenses, companies getting patents, and so on. Many, many things that do not necessarily occur to you right off the bat as being a grant or a thing of value would suck you into the regulations.

How would that affect your business? Well, it would mean that you would be restricted from spending even your private business resources to protect your private business interests whenever the government was involved. Because anything you might do to try to change or influence or reverse any decision by any level of government that might affect your business would be subjected to this restriction against your use of your private money, if you got any grant or thing of value from the Federal Government.

So appealing a State administrative or local administrative decision would count as political activity that would be restricted. Participating in any kind of campaign, even a local referendum affecting the business climate, would be covered.

But much more significantly than that, you would have to find out not only accounting for your own political activity, but you would have to find out about the political activity of anybody with whom you did business, your employees, your vendors, and so forth. Because if they were hyperactive politically, if they happened in 1 year or another to exceed a 15-percent limit, then anything you spent with them would count against your own limit. If you exceeded your own limit, then you would be in violation of the law and, among other things, would be subject to a kind of vigilante lawsuit that is authorized under this bill by incorporating the Federal False Claims Act.

It is much broader, as I say, than just a regulation of the lobbying activities of nonprofits getting Federal grants. That is the mask behind which the proponents of this language wish to hide. In fact, it is entirely likely that the Istook-McIntosh-Ehrlich proposal would affect virtually all businesses in this country in one way or another.

Mr. Speaker, I include the following document for the RECORD:

THE ISTOOK AMENDMENT: NEW REGULATION OF YOUR BUSINESS

To stifle critics of their political agenda, House Republicans have come up with what may be the most intrusive regulatory scheme ever. Although often described as applying just to nonprofit organizations, the "Istook amendment"[1] is written so broadly that it would regulate many (or even all) American businesses.

ARE YOU REGULATED:

With few exceptions, your business will be regulated if it gets money or any "thing of value" from the federal government.

The only relevant exceptions: you wouldn't be regulated for receiving payments for property or services you provide "for the direct benefit or use of the United States," or for receiving "payments of loans, debts, or entitlements."

Does your business get federal grants? Then you're regulated.

Lockheed-Martin (Defense Department research grants); Ball Corporation (NASA); Alcoa, Amoco, Chrysler, Food, General Motors, W.R. Grace & Co., Dow Chemical, and U.S. Steel (all Commerce Department); and thousands of other companies would be regulated.

Other federal payments? You're regulated.

Agricultural exporters in the Market Promotion Program, fishermen compensated when offshore oil and gas drilling reduces their catch, and shipbuilders getting merchant marine subsidies would all be regulated.

Get something tangible from the government? You're regulated.

Getting Bureau of Reclamation water makes your regulated. Besides farmers and ranchers, one project's water users include IBM, Hewlett-Packard, Eastman Kodak, a Chevrolet dealer, a dry cleaner, banks, construction companies, insurance companies, and manufacturers—all examples of the unexpected reach of the amendment.

Farmers getting emergency livestock feed would be regulated.

Something intangible? Apparently you're regulated, too.

An intangible item can be a "thing of value."

Publishers getting second-class mailing permits, broadcasters getting television or radio licenses, and companies getting patents appear to be regulated.

Have a federal loan? You're apparently regulated.

The exemption for "payments of loans" seems to apply only when the federal government repays funds it has borrowed—for example, redeeming a savings bond. Borrowing money from the government doesn't seem to be exempted.

So, businesses getting loans from the Small Business Administration, the Farmers Home Administration, or other agencies would be regulated. Even getting a disaster-assistance loan for rebuilding after the Oklahoma City bombing or Hurricane Opal would get you regulated.

Buy something from the government and pay full price? Believe it or not, even that gets you regulated.

There's an exemption for contractors getting paid for goods and services provided to the federal government "for the direct benefit or use of the United States." But that quoted phrase keeps the exemption from applying to items you receive from the government for your benefit or use, even if fully paid for.

So, the regulations would hit businesses buying or leasing surplus government property, national forest timber, oil or gas on public lands, electricity from the Tennessee Valley Authority, or conceivably even stamps from the U.S. Postal Service.

RESTRICTIONS ON ADVOCACY FOR YOUR BUSINESS INTERESTS

If you're regulated, the amendment restricts how much of your own money you can spend in certain ways—even on your essential business interests.

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[1] The Istook amendment is title VI of H.R. 2127, the House-passed Labor-HHS-Education appropriations bill. House conferees have also proposed it as a conference-committee addition to the Treasury-Postal Service-General Government appropriations bill.

The restrictions apply to your "political advocacy," which includes (1) influencing any federal, state, or local legislation; (2) influencing or appealing any federal, state, or local agency's administrative actions; (3) influencing public opinion on federal, state, or local legislation or agency action; (4) suing federal, state, or local governments; and (5) participating in any campaign for any federal, state, or local office.

This covers everything from seeking a rezoning to opposing tax increases, from applying for a building permit to doing studies to support Food and Drug Administration (FDA) approval of a new medicine, from advising your employees of pending legislation to addressing public concerns about the location of a new office building, and from seeking judicial relief when an agency misapplies the law to posting a campaign sign in your shop window.

The term also includes derivative "political advocacy:" buying goods or services from a person or organization that in the previous year spent over 15 percent of its own funds on "political advocacy."

Derivative "political advocacy" doesn't depend on your activities, but on the activities of those with whom you do business. It can even be triggered by a series of business transactions. Say a start-up pharmaceutical company spent 15 percent of its budget in 1994 on studies to support FDA approval of a new medicine. It's then a "15-percenter," contaminating anybody that buys something from it in the next year. If such a purchase pushes a second company's overall 1995 spending on "political advocacy" over 15 percent and your business buys something from the second company in 1996, that is "political advocacy" by your company.

Of course, compliance would be impossible. As IBM has commented, "We have no way of knowing what the situation might be with the literally thousands of vendors to whom IBM may have made disbursements."

If your business has already received money or something of value from the Federal Government, it can spend no more than one to five percent of its own funds in any one year on "political advocacy." And spending more than that on "political advocacy" makes your business ineligible to get Federal funds or items for the next five years.

The limit would be five percent of a business' first $20 million, and one percent beyond that. So a $1 billion corporation would have a 1.08 percent limit.

A family-farm partnership with a $200,000 budget could spend no more than $10,000 a year, in total, on:

Buying goods or services from businesses that are "15-percenters."

Hiring employees who are "15-percenters."

Suing to challenge an environmental regulation as a "taking" of property.

Applying for crop-price supports. (They are an entitlement, and receiving them doesn't make you regulated; but applying for them is "political advocacy.")

Applying for permits and licenses (such as section 404 clean water permits, building permits, and tractor registrations); doing studies to support them; responding to public criticisms of them; and appealing any denial of them.

Paying dues to a Chamber of Commerce or a farmers' association.

Having any contact with a member of a city council, state legislature, or Congress, or their staff, about land use or farm policies.

Opposing citizen-initiated ballot measures to preserve open space.

Making contributions to candidates for public office.

Informing employees about proposed legislation that would affect them.

In addition, a business receiving Federal funds could not spend any of those funds on "political advocacy."

A defense contractor couldn't use research-grant funds to buy something from a "15-percenter." A company receiving a joint grant with a "15-percenter" firm couldn't make any payments to its partner. The only way out of these situations is if Congress later passes a specific bill to lift the prohibition.

INDIRECT REGULATION OF POSSIBLE "15-PERCENTERS"

Even if your business is not directly regulated, you will be substantially affected if you do business with, or try to do business with, a regulated company.

Under penalty of law, a regulated company has to determine if all organizations and individuals it makes payments to are "15-percenters," so it knows whether to count and report those payments as "political advocacy."

Obviously, regulated companies will try to avoid doing business with "15-percenters," because payments to them count against the spending limits. (This seems to be the intent of the amendment.) There will also be a chilling effect on regulated companies doing business with those claiming they aren't "15-percenters," because if that claim's inaccurate the regulated company is liable.

RECORDKEEPING AND REPORTING REQUIREMENTS

Your business, whether directly regulated or indirectly affected, will have to track its spending on "political advocacy" on the basis of the Federal fiscal year.

All calculations under the Istook amendment must be based on the Federal fiscal year—both for a regulated business to track its compliance with the spending limits, and for a non-regulated business to determine whether it's a "15-percenter."

All employees will have to keep records of the time they spend on "political advocacy."

The appropriate share of payments for salaries and benefits has to be counted as "political advocacy." Again, this is true for both regulated businesses (to comply with the spending limits) and non-regulated businesses (to be able to show whether they are "15-percenters").

Regulated businesses have to follow "generally accepted accounting principles" in tracking funds or items received from the Federal Government.

Even a family farm must follow these standards in accounting for its use of emergency livestock feed or irrigation water.

Regulated businesses are subject to Federal audits.

The audits will be made available to the public, even if they contain information that otherwise would be kept confidential under the Freedom of Information Act.

Regulated businesses will have to file certified annual report describing their "political advocacy" activities and the money spent on them.

Apparently every contact with federal, state, and local government officials, every attempt to influence the opinion of any group on a policy matter, and every purchase from a "15-percenter" will have to be listed, even if no money was spent on it. For those with a cost, the amount of money spent will have to be listed.

These reports will be made available to the public; a national political registry containing all annual reports will go out on the Internet.

All applications for funding or items from the government will be made available to the public.

The applications will be released even if they contain information that would be kept confidential under the Freedom of Information Act.

PRESUMPTION OF GUILT

If your compliance with the law is challenged, you have the burden of proving that you have complied.

This reverses a hallowed American principle: the presumption of innocence.

To prove your innocence, you would have to present "clear and convincing evidence" of your compliance.

This is the toughest standard in civil litigation. This two-part, unprecedented stacking of the legal deck applies even to matters impossible to prove, such as whether another business is a 15-percenter.

HARASSING LAWSUITS

A regulated business can be sued by the federal government or a person acting as a "private attorney general," claiming the business failed to comply.

Anyone found in violation has to repay three times the value of whatever was received from the government, plus fines. A person bringing a "private attorney general" lawsuits gets a share of this money—obviously inviting and even financing harassment lawsuits and vigilantism.

REPEAL THE DAVIS-BACON ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina [Mr. BALLENGER] is recognized for 5 minutes.

Mr. BALLENGER. Mr. Speaker, I hope that my colleagues were able to see the NBC news story last night featuring Davis-Bacon as part of an ongoing series on "The Fleecing of America." For those who missed the story, I am submitting a copy of the transcript for the RECORD. The report covered an investigation into the Davis-Bacon prevailing wage rates for Oklahoma. Survey data listing non-existent projects and ghost employees was submitted to the Department in an apparent effort to inflate the wages paid on Federal construction projects. For example, a Federal wage survey form was submitted to the Department documenting a construction project in Mustang, OK, which was never built, needed, or even proposed.

This is just one example of what may well be a systemic problem with the administration of the Davis-Bacon Act by the Department of Labor. Sixty-three years of artificially high construction costs are enough.

The Davis-Bacon Act should be buried among other legislative antiquities. It is the perfect example of an outdated, expensive and unnecessary law. Whether or not the Davis-Bacon Act was ever really needed is debatable; but today Davis-Bacon remains law, giving some construction workers a bonus at the bargaining table at the taxpayer's expense.

Enacted during the throes of the Depression, the Davis-Bacon Act required contractors on federally funded construction to pay the government mandated "prevailing wage." Over the years, the prevailing wage requirements of the Act have been extended into many other Federal programs, which would not have otherwise been covered by Davis-Bacon. Some $48 billion annually in federal construction spending falls under the Davis-Bacon Act requirements. In effect, the Davis-Bacon Act amounts to a "tax" on construction.

The Congressional Budget Office says that the Davis-Bacon Act raises government construction costs on the order of $1 billion a year. That, however, is probably only a fraction of the cost. Contractors who pay less than Davis-Bacon wages on private construction projects are deterred from bidding on government projects because they fear the disruptive effects of two-tiered pay scales. Many contractors simply refuse to bid on Federal projects because they will have to pay some of their employees more than others for the same work. Thus, Federal work attracts less competition—and higher winning bids.

The act is incapable of equitable administration. There are simply too many judgment calls required, too many indeterminate concepts. As a result, its administration is a mess and its wage rates are arbitrary and inconsistent. Responses to the Department of Labor's wage surveys are voluntary and the Department does not verify any of the data it receives.

The Davis-Bacon Act is demonstrably unnecessary. Labor leaders warn that construction workers would be victimized and exploited without Davis-Bacon. Despite the rhetoric, unionized construction firms do compete effectively in many private markets which are not covered by the Davis-Bacon Act. Moreover, since the enactment of Davis-Bacon in 1931, other labor protection measures have become law, thus giving construction workers the same protections which are afforded to other workers in other industries.

At a time when every American is being asked to sacrifice something in order to protect our children's future, it would be unconscionable to let Davis-Bacon continue to exist. Davis-Bacon may have had its time and purpose, but those are long since past. Now the act is just another expensive governmental burden to the taxpaying citizen. I urge my colleagues to join me in supporting repeal of the Davis-Bacon Act.

Mr. Speaker, I include the following for the RECORD:

[From NBC Nightly News, Oct. 11, 1995]

THE FLEECING OF AMERICA/THE DAVIS-BACON ACT

Tom Brokaw. Time now for our regular Wednesday feature about your money and how your government wastes it. Tonight, how phantom construction projects are driving up the cost of real buildings.

NBC's Robert Hager has details now in this Fleecing of America.

Robert Hager. Mustang, Oklahoma, a rural town in the nation's heartland with a brand new $2 million underground storage tank. But where is it.

Jim Morgan [City Manger]. No, this is not a underground storage tank.

Hager. In fact, the underground tank was never built, needed or even proposed. It only exists in these documents, federal wage survey forms, fraudulently submitted to the U.S. Labor Department, complete with fake salaries and fake jobs, intended to persuade the government to set higher construction wage scales for that area. Remarkably, it worked.

And since until recently by law, Oklahoma had to pay using the same wage scales, the state labor commissioner is furious, saying the fraud is costing taxpayers there millions of dollars.

Brenda Reneau [Oklahoma Labor Commissioner]. The wage rate for this area was based on that non-existent or ghost project.

Hager. A federal law, the Davis-Bacon Act, requires that construction workers on almost all U.S. government projects, be paid the prevailing or going salary for a specific region. Those salaries are set by the wage survey. But critics say many of those surveys are being rubber stamped without any checking.

In Oklahoma, the impact on the state's wage rate is tremendous. A backhoe operator whose salary was 8.40 an hour started getting $22 an hour. A truck driver whose salary was 7.30 got $15 an hour. Total additional taxpayer cost, $21 million.

On Capitol Hill there's concern.

Rep. Cass Ballenger [R-North Carolina]. If they found out in Oklahoma that you could get away with cheating, it's not a secret they must have kept in Oklahoma. It's got to elsewhere in the country.

Hager. And NBC News has learned the FBI is now investigating. Because of this, the U.S. Labor Department says it's limited in what it can say.

Thomas Williamson [Labor Department Attorney]. We take very seriously allegations of fraud that call into question the integrity or accuracy of any wage surveys used by the David-Bacon program.

Hager. In Oklahoma, more fakery. Someone wanted to double pay for asphalt workers, so a form was sent to the U.S. Labor Department claiming asphalt workers had made big wages to resurface a parking lot. But a look today reveals it was never paved with asphalt. Another survey detailed high wages to put up a building at a water treatment plant. But a look today reveals no building to be found, only barbed wire. Now, because of continued abuse, the U.S. Labor Department has withdrawn the prevailing wage rate for Oklahoma.

And because she first raised questions of fraud, the state labor commissioner's life has been threatened. But that's not stopping her.

Reneau. It's fraud. It's fraud at the fullest extent.

Hager. No one has been charged yet, but there's growing concern that the system of setting wages on U.S. government construction projects is so flawed that it's fleecing taxpayers of hundreds of millions of dollars.

Robert Hager, NBC News, Washington.

MEDIA OWNERSHIP AND OTHER ISSUES FACING AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Vermont [Mr. SANDERS] is recognized for 5 minutes.

Mr. SANDERS. Mr. Speaker, as the only Independent in the Congress, what I want to do is take a few minutes to discuss some of the major issues facing this country, issues which often do not get the time and exposure that I think that they need.

The very first issue that I would like to touch upon deals with how the American people get the information that they need in order to formulate intelligent decisions in our democracy. I am increasingly concerned about the rapid concentration of ownership within the media in America today. It should be a real concern to all Americans that all of our major television networks are owned by very, very powerful and wealthy corporations who very clearly have a conflict of interest in terms of what they present on the air. Rupert Murdoch, a multi-billionaire right-wing individual, owns the Fox Television Network. ABC has recently been purchased by Walt Disney whose chief executive officer earns several hundred millions of dollars a year and is one of the wealthier people in America. CBS will now be owned by the Westinghouse Corp. NBC is owned by General Electric. I think what we have got to ask ourselves, are corporations like these going to provide objective information to the American people? I think the answer is very clearly no, and I think the situation in terms of corporate ownership of the media is going from bad to worse. Fewer and fewer large corporations are controlling not only the television, controlling the radio industry, book publishing, newspapers, et cetera.

Mr. Speaker, I would raise a particular concern that recently, just in the last week or so, we learned that the Jim Hightower radio show has been taken off the air by ABC. To my mind, the Hightower show was one of the more provocative and interesting radio talk shows in America. It was a progressive show. I think it was a very good antidote to the Rush Limbaugh and the G. Gordon Liddy types, and I am concerned about its disappearance from the air.

Mr. Speaker, the second issue that I want to talk about which also does not get a whole lot of discussion is the reality that is facing middle-class America and the working people of this country.

☐ 1945

To my mind, the most important economic issue facing this country is that the standard of living of the vast majority of our people has declined since 1973. I get very tired of reading newspapers that tell us about how good the economy is, how the economy is booming, how we are creating new jobs, how the gross national product is going up. All of those figures are fine, but they are irrelevant in terms of what is happening to the average American worker.

The fact of the matter is that since 1973, 80 percent, repeat, 80 percent of American working people have seen either a decline in their real inflation-accounted-for-wages or, at best, economic stagnation. The middle class is shrinking. Poverty has increased significantly over the last 15 years.

On the other hand, what has happened is the very wealthiest the people in this country have seen a tremendous increase in their incomes.

I wonder how many Americans know that right now, today, the United States of America has by far, by far, the most unequal distribution of wealth in the industrialized world. No, it is not Great Britain with their queens and their dukes and their barons and their strong class-based society which has the most unequal distribution of wealth. It is the United States of America.

With the rich growing richer, the middle class shrinking, and the poverty increasing, we now have a situation where the richest 1 percent own more wealth than the bottom 90 percent, which is 1 percent or more wealth than the bottom 90 percent. No matter how you slice it, "That ain't fair." It is not what America is supposed to be.

Very clearly, NEWT GINGRICH's Contract With America, which will give huge tax breaks to the richest people in this country, which will, in effect, do away with taxes for the largest corporations while cutting back on all the needs of working people, low-income people and the middle class, will only make that situation even worse.

Let me very briefly, Mr. Speaker, touch upon some of the areas that I think we have got to move in if we are going to revitalize American democracy, if we are going to increase voter turnout, if we are going to make the American people feel—well, Mr. Speaker, it looks like I am not going to get to those issues. We will try again next time.

INTRODUCTION OF LEGISLATION TO REFORM DAVIS-BACON

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. WELDON] is recognized for 5 minutes.

Mr. WELDON of Pennsylvania. Mr. Speaker, I rise today to discuss an issue that was previously discussed by my friend and colleague, the gentleman from North Carolina [Mr. BALLENGER], dealing with the Davis-Bacon legislation. There are many on my side of the aisle that would like to totally repeal this legislation and put at risk those construction workers across America whose quality of life and skilled craftsmanship directly depends on this important piece of legislation. There are many in the Republican Party who disagree with that premise but who do believe that reform of this rather outdated law in terms of its threshold level needs to be reformed and revised.

Mr. Speaker, with that in mind, over the past several months a group of us have, in fact, come up with a piece of legislation to reform Davis-Bacon. This piece of legislation I introduced today with the cosponsorship of 27 Republicans and the support of organized labor across the country as well as many of the largest contracting corporations in America.

Mr. Speaker, this legislation, in fact, does allow us to reform Davis-Bacon. It allows us to deal with the extremely low threshold of $2,000 and raise that in a significant way. In fact, similar legislation was already introduced in the Senate in the form of S. 1183, which also enjoyed the support of the labor movement in this country.

Like S. 1183, my bill will raise the current $2,000-and-above threshold for applying Davis-Bacon to Federal contracts to $100,000 for contracts for new construction, and $25,000 for renovation and repair work. It will prohibit contract-splitting to avoid Davis-Bacon coverage. It will make provisions for payment of less than prevailing wages to apprentices, trainees, and helpers.

A very important part of reform, Mr. Speaker, is to allow us to continue to develop the apprenticeship programs and the trainees and helpers that are so necessary to the building trades of this country, and, in fact, the construction unions are, in most cases, the organizations that best provide those apprenticeship programs.

The act enforces and provides enhanced enforcement of the act and makes other changes to clarify the scope of coverage of Davis-Bacon. But my legislation differs from the Senate bill in two important ways that I think bring the bill even more to the center.

First of all, where S. 1183 adjusts the threshold for inflation only every 5 years, my bill adjusts the Davis-Bacon threshold on an annual basis so that that threshold goes up each year.

Second, where S. 1183 replaces the current weekly payroll reporting requirements with a monthly requirement which is very onerous for the business community, my bill requires payroll reports only every 3 months, or quarterly, which is a provision very much welcomed by the business community.

Mr. Speaker, there are many who will get up and argue there are abuses of the program, as my friend and colleague, the gentleman from North Carolina [Mr. BALLENGER] did today, and I will not dispute that, and, in fact, there are the appropriate actions that can be taken by the Federal agencies, Department of Labor, to deal with those instances where fraud and abuse occurs. That does not mean we should jeopardize the quality of life of every construction worker in this country, which is what repeal of Davis-Bacon would do. I would like to submit for the RECORD as part of my extraneous material, Mr. Speaker, a series of articles put forth by Peter Cockshaw. Peter Cockshaw publishes the Construction Labor News and opinion articles and newsletter. He has been doing this since 1971 and is one of the most respected construction authors in the country. In his letter that I am going to submit for the RECORD, he points out in the 1960's and 1970's he strongly backed repeal of Davis-Bacon, but as the same article indicates, he says, "My opposition to repeal today is based on a medically changed labor relations climate."

Peter Cockshaw and the Cockshaw report, which owe nothing to anyone and operate independently from both union and nonunion contractors, supports keeping Davis-Bacon in place but making the reforms in line with what I have outlined in my legislation.

In addition, Mr. Speaker, the legislation I have introduced today not only is supported by all the major building and construction trades, but I have here a list that I will also include of 145 contracting companies and associations across America, many of them that frequently support Republican candidates in 20 separate States, who support this legislation and who support reform of Davis-Bacon as opposed to repeal of Davis-Bacon.

Let me further add, Mr. Speaker, that 34 Republican members signed a letter that I circulated to Speaker GINGRICH saying that we did not want Davis-Bacon to be a part of reconciliation and we continue to work to try to pull that out to allow us to have a separate up-or-down vote, hopefully, on my amendment and my bill, which would, in fact, reform the entire Davis-Bacon process.

Mr. Speaker, this is a sound way to approach a difficult issue. It is Republican approach that I know my Democrat colleagues will embrace as well. Labor is behind it. Significant business support is behind it.

I urge my colleagues to join with us in reforming Davis-Bacon is a way that keeps in mind the sensitivity of the American worker.

The material referred to follows:

COCKSHAW'S CONSTRUCTION,
LABOR NEWS+OPINION,
Newton Square, PA, May 4, 1995.

DAN MCGIRT,
Legislative Assistant, Office of U.S. Representative Curt Weldon, Rayburn House Office Building, Washington, DC.

DEAR DAN: As you requested when we talked Wednesday evening, enclosed is our April issue with follow up on the Davis-Bacon "battle" (see page 3).

Among other aspects, the article documents that the use of higher skilled, higher paid tradesmen on federal highway construction over a 14 year period actually was less costly than in the lower wage states. If you have any questions on the piece, or any other Davis-Bacon matter, please don't hesitate to call me.

Also enclosed is a bio and "Newsmaker" reprint which summarizes my 31-year background in construction.

As I indicated, our publication is 100% independent. We accept no advertising or financial support from any organization. The sole source of our revenues is from subscribers and from all types of industry groups I address in speeches (union and non-union employers as well as organized labor).

Finally, as the March article you have notes, I strongly backed repeal of Davis-Bacon in the 1960's and 1970's. But, as the same article indicates, my opposition to repeal today is based on a radically-changed labor relations climate.

Hopefully, this information is useful to you. I would appreciate your forwarding a copy of Curt's letter with the March article when it is sent to the other Members.

And please give my best wishes to Curt.

With warmest personal wishes,

PETER A. COCKSHAW,
National Labor Analyst/Publisher.

[From Cockshaw's Construction Labor News+Opinion, March, 1995]

WILL PREVAILING WAGE LAWS BE REPEALED?

OPPOSING SIDES LAUNCH HIGH STAKES CAMPAIGNS THAT WILL DETERMINE FATE OF DAVIS-BACON ACT

The campaign to repeal the Davis-Bacon Act is shaping up as the most bitter labor relations battle of this decade.

Gauging by the sparks now flying between repeal proponents and opponents, that probably is an understatement.

Encouraged by Republican victories in Congress and many state legislatures last year, repeal advocates see a golden opportunity to ax the Act.

U.S. House and Senate bills H.R. 500 and S. 141 seek to do just that. Repeal supporters also are pushing legislation in several states which have "Little Davis-Bacon" laws.

Leading these efforts is the merit shop Associated Builders and Contractor (ABC). It heads a group called the "Coalition to Repeal the Davis-Bacon Act."

Faced with the repeal threat, opponents are marshaling their forces all over the country. The largest group is the "Contractors' Coalition for Davis-Bacon" comprised of some 18,000 employers, associations and building trades unions.

To influence the outcome, opposing sides have "flooded the airwaves" with a blitz of claims, position papers and studies. Cockshaw's, assisted by respected construction analyst and research William Maloney, has just completed an exhaustive probe into all these arguments — both pro-and-con.

Having done so, we'll now attempt to put the Davis-Bacon debate in sharper focus and offer our views on whether repeal is in construction's best interests.

Let's first examine the key arguments by ABC and others who seek to kill prevailing wage laws at both the state and federal levels.

In making their case, repeal advocates focus on two central issues:

1. That the Davis-Bacon Act inflates the cost of construction, and
2. That it serves to protect the wage and benefit structure of union workers.

(Some also allege that the Act is racially discriminatory — a charge we view too spurious to dignify.)

Before addressing the critical issue of cost, let's dispense with the claim that the act fosters union bias.

This contention was true in the 1960's and '70's. Then the Act did protect union wages because the unions enjoyed a large portion of market share.

However, this is the 1990's where the tremendous growth of the non-union sector has shrunk organized labor's market share to about 20% of all construction.

Moreover, when once a majority of the workforce was organized, only 18.8% of construction workers were union members in 1994, the BLS reports.

Data from the U.S. Labor Department's Wage and Hour Division also illustrate the lessening impact of union rates on prevailing wages.

Last year only 29% of the 12,500 wage decisions were based on union rates.

So arguments that Davis-Bacon protects union compensation packages are no longer relevant.

NOT BATTLE BETWEEN UNION AND OPEN SHOP SECTORS

Industry authority Maloney who heads the University of Maryland's Construction Engineering and Management Program makes another crucial point:

"Although some may see it as such, the fight over Davis-Bacon is not strictly a union vs. non-union struggle.

"Many nonsignatories have as much to lose from repeal as the signatory sector.

"That because astute open shop contractors offer wages and benefits comparable to union signatories—pay needed to recruit and retain qualified workers.

"Absent the Act, cutthroat competitors will steal work from union and non-union employers alike.

"They'll do so by low-balling the bid with lower-paid, lower-skilled workers."

In sum, the current battle is between responsible employers—both union and open shop—on one side and those who win work by shortchanging workers on the other.

COST SAVINGS ARGUMENTS ARE DISPUTED

The disputed argument of those who want to ax Davis-Bacon is that the repeal will save money.

"In making their case," Maloney explains, "opponents have adopted a extremely narrow perspective on the Act's impact.

"They have done this by focusing solely on the value of the construction contract.

"That simplistic approach assumes that wage rates are the main determinant of installed costs.

"It totally ignores the influence of productivity—which is largely influenced by the knowledge and skills of the workforce."

Results of an eye-opening study by three noted economists at the University of Utah support Maloney's contention.

The economists probed the impact of repeal in nine states in which prevailing wage laws were repealed.

Their 82-page study is "Losing Ground: Lessons from the Repeal of Nine 'Little Davis-Bacon Acts'."

Tossing cold water on the cost-savings claims by repeal advocates, the Utah economists found:

"The shift to a less-skilled labor force—lowering labor productivity along with wages—have lessened any possible savings associated with repeal."

On the other hand, repeal proponents repeatedly cite cost savings estimates made by the Congressional Budget Office (CBO).

Last year CBO estimated that repeal would save some $3 billion over five years.

The problem with that projection is that it is based on outdated and dubious methodology compiled from a study done 13 years ago.

This fact was pointed out by the U.S. Labor Department's (DOL) Employment Standards Administration.

In testimony before the Senate Labor and Human Resources Committee last month, Assistant DOL Secretary B.E. Anderson stated:

"Current CBO estimates originate from a 1983 study which used crude savings estimates from a 1982 departmental regulatory impact analysis.

"Changes in the construction industry—including narrowing the gap between union and non-union wages and changes in our administration of the Act—make these estimates unreliable."

The cost issue aside, University of Utah economists cited the impact of repeal on training and safety.

The study found that construction training fell off 40% in the 9 states which repealed the laws. It also noted that occupational injuries rose by 15%.

REPEAL ADVOCATES IGNORE CHANGED CONDITIONS

The biggest problem Cockshaw's has with arguments made by repeal advocates is that they totally ignore current industry conditions.

Most of the claims now being made to kill the Act have validity when applied to the 1960's and 1970's.

But, unlike the high wage climate 20 and 30 years ago, construction today is a low wage industry.

Pay is so lousy the industry no longer can compete for qualified workers and there are skilled shortages most everywhere.

Interestingly, those who lead the drive to repeal the Davis-Bacon Act agree with these points.

In a speech last year, Tommy Knight, president and CEO of ABC member Brown & Root stated:

"None of our challenges is more important than the need to reverse the decline in living standards that our craft employees have suffered over the past decade.

"Since 1983, the purchasing power of the typical construction worker has been reduced by almost 30%.

"Worse, a majority no longer can carry health insurance for their families. They can't afford it.

"Typical teenagers now view a potential career in construction as only slightly more appealing than becoming a migrant farm worker."

Brown & Root's chief executive continued: "It's a small wonder that our average craftsman is more than 40 years old and from a generation that entered the business when a good living could still be made from it.

"If this trend is left unchecked, it won't be long before our industry compromises its ability to fill the needs of our customers and our country."

ABC's executive vice president, Dan Bennet, also sounded the alarm early last year about construction's poor financial incentives.

Then in December he bemoaned the resulting skills shortfalls, noting: "A major part of the problem lies with an aging workforce . . . and the lack of qualified entry level workers to take their place."

Given these views, the ABC's campaign to repeal Davis-Bacon is puzzling.

That's because it is impossible to raise wages when you act to lower them!

And there is solid evidence that this is exactly what will happen if prevailing wage provisions are struck down.

It comes from the same 82-page University of Utah study cited earlier. The authors' key conclusion regarding the impact of repeal in nine states:

"Repeals in the states studied cost construction workers at least an average $1,477 per year in earnings."

Given this evidence, it's crystal clear that scrapping Davis-Bacon will lower wages further and make a construction career even more unattractive.

And skilled labor shortages, which are already increasing at an alarming rate, will worsen.

In summary, there was a time when Davis-Bacon contributed to higher costs and inflation. At that time, in the 60's and 70's, Cockshaw's backed repeal efforts.

But, as we've demonstrated in this article, conditions in construction today are vastly different. For that reason and others we've cited, Davis-Bacon repeal now would be a huge mistake.

Although repeal is not in the industry's best interests, reform of the Act's administration is.

[From Cockshaw's Construction Labor News+Opinion, April 1995]

THE BITTER BATTLE OVER DAVIS-BACON ACT—II

NEW ANALYSIS REVEALS THAT REPEALING LAW WON'T SAVE MONEY

Last month Cockshaw's argued that repeal of the Davis-Bacon Act is not in construction's best interest.

We made a number of points to support that view. One of them attempted to refute claims of those who contend that axing the Act will save taxpayers money.

As respected construction authority William Maloney noted: "In making their cost savings case, repeal advocates have adopted an extremely narrow perspective on Davis-Bacon's impact.

"They have done this by focusing solely on the value of the construction contract.

"That simplistic approach assumes that wage rates are the main determinant of installed costs.

"It totally ignores the influence of productivity—which is largely influenced by the knowledge and skills of the workforce."

To buttress Maloney's argument, we quoted University of Utah economists who probed the impact of repeal in nine states where prevailing wage laws were repealed.

Their conclusion: "The shift to a less-skilled labor force—lowering labor productivity along with wages—have lessened any possible savings associated with repeal."

Now there is more evidence to counter repeal proponents' cost savings claims.

It comes from one of the country's leading statistical analysts and economists, Robert Gasperow.

Gasperow, executive director of the Construction Labor Research Council (CLRC), just completed a review of a study commissioned by the National Alliance for Fair Contracting (NAFC).

EXAMINES THE RELATIONSHIP BETWEEN WAGES, MANHOURS AND FINAL COSTS

Using data compiled by the Federal Highway Administration (FHWA) over 14 years, the study sought to determine the correlation between wages, manhours and highway construction expenditures.

NAFC asked Gasperow to verify that the data and conclusions were based on sound economic principles.

His analysis—including comments about the relationship between wages and final installed costs—is most revealing.

Gasperow stated: "The study's data and findings support NAFC's position that wage rates are but one determinant of highway costs.

"It also documents that there is only minimal correlation between the hourly wage rate paid to labor and the cost of a mile of highway.

"Further, the limited correlation which does exist appears to indicate the relationship is inverse—higher hourly rates tend to equate to lower highway cost per mile."

The veteran economist explains that the amount/cost of any single factor in highway construction—various mixes of equipment, labor, materials and management—reveals little about total cost.

Up to a point, factors are substitutes for each other because they may be exchanged. Similarly, within a factor category, there may be substitutes.

HIGHER SKILLED CRAFTSMEN ARE MORE COST-EFFECTIVE

For example, workers with varying skill levels may be utilized. Although there are higher costs per unit of time for the more highly skilled, these workers require fewer labor inputs.

Therefore, if the gain in output per unit of time exceeds the premium paid to the more highly skilled worker, this becomes a more cost-effective alternative.

The analysis of FHWA data documents the impact on highway costs of utilizing various amounts of labor inputs at varying hourly rates.

Gasperow explains: "It substantiates the lack of correlation between labor inputted into a mile of highway and total cost of project.

"Using higher skilled, higher hourly cost labor substantially lowers the required labor inputs—often to the extent that cost per mile is lower then paying higher hourly labor rates."

The industry analyst's bottom line conclusion: "There is no basis for the contention that lower labor rates result in lower highway costs."

Study data revealed that, in the 26 states accounting for over three-quarters of highway expenditures, the cost per mile is $50,000 less in higher wage states.

This result is despite the fact that rates in higher wage states averaged $17.64 an hour—compared to lower wage states' $9.21 per hour.

The CLRC director noted that a "number of factors" made the FHWA data base "ideal" for this type of analysis.

That's because he rates it as "objective, comprehensive and neutral" (i.e., not designed to evaluate labor costs).

Moreover, the study covers 1980 through 1993 so exceptions and a typical projects reported in a specific state in a specific year have little or no impact upon the findings.

Gasperow's review of the FHWA figures also noted the small portion of highway costs which accounts for labor—21%.

"This suggests," he opines, "that efforts to reduce federal highway expenditures might be better directed toward the other 79% of cost categories."

That aspect aside, Gasperow's analysis, coupled with the evidence Cockshaw's offered last month refutes claims of those who argue that Davis-Bacon repeal will save the taxpayers money.

[From Cockshaw's Construction Labor News+Opinion, May, 1995]

WILL DAVIS-BACON REPEAL SAVE MONEY?

PROBE OF REPEAL ADVOCATES' COST SAVINGS CLAIMS REVEAL THAT STUDY DATA THEY CITE ARE UNRELIABLE

We are constantly amazed at how many in this industry swallow the claims of various groups—hook-line-and-sinker.

That's probably because those who make claims to promote their agenda often contend that a study supports them. Apparently once people hear the word "study," they assume the claims are true.

As Cockshaw's longtime subscribers know, we've exposed many of these "studies" as defective. Some even turned out to be pure fiction.

Now we'll put the spotlight on another study—a 1983 effort by the Congressional Budget Office (CBO). This is the report many continually cite as source for claims that Davis-Bacon Act repeal will reap big cost savings.

For example, in recent testimony before the Senate Labor and Human Resources Committee, Maurice Baskin, general council for the Associated Builders and Contractors (ABC) contended:

"An extremely conservative estimate by the Congressional Budget Office found that the Davis-Bacon Act raises federal construction costs by at least $3.1 billion over five years."

Since most repeal proponents—including many members of Congress—have made similar claims, Cockshaw's asked statistical expert Robert Gasperow to thoroughly scrutinize this government study. He is director of the Construction Labor Research Council (CLRC).

We think you'll find the analysis of Gasperow an eye-Opener. It follows.

COST ESTIMATES MAY BE INCORRECT OR NONEXISTENT

Overall, the 1983 CBO study is a well thought out evaluation of the Act. The problem is that its cost estimates are flawed, Gasperow explains.

In fact, the CBO admits its estimates may be incorrect, or even nonexistent.

But repeal advocates fail to mention this vital point when making their cost savings claims.

Another fact repeal proponents don't reveal is that the study repeatedly notes unquantified benefits of the Act that could offset, or even exceed, perceived costs.

An April 2 CBO update of the cost figures extrapolates the earlier 1983 study's uncertain methodology.

But the update is most revealing for its comments by CBO's Assistant Director for Budget Analysis, Paul N. Van de Water. He admits:

"Any estimate of cost implications of the DBA is uncertain. Very little empirical work has been published on the subject since CBO's 1983 report, and even then there was little consensus as to the precise cost impacts. . . ."

Not only does Van de Water concede that CBO's cost estimates are suspect, he also reveals that "CBO's 1983 report was based on 1979 figures."

Industry analyst Gasperow stresses another fact not cited previously—that the CBO study repeatedly refers to the Act's benefits. For example, the 43-page report's summary section notes:

"The Act's benefits include protecting both the living standards of construction workers and the competitiveness of local firms bidding against transient contractors who might win federal contracts (by paying) lower-then-prevailing local wages.

"Government contracts are especially vulnerable to such practices because they must be awarded to the lowest qualified bidder.

"Further, by excluding bids from contractors who would use lower wage, less-skilled workers, DBA may aid federal agencies in choosing contractors who will do high quality work.

"Finally, by helping to stabilize wage rates in the inherently volatile construction labor market, DBA may aid the industry in recruiting and training workers.

(This would) "help to maintain the long-term supply of skilled labor."

And although it makes no attempt to quantify these benefits, Gasperow explains, the study concedes that they may equal or exceed the Act's costs.

IS REFORM A BETTER OPTION THAN OUTRIGHT REPEAL?

While not recommending a particular course of action, the CBO report indicates that reform of some sort may be a better option than repeal.

The study's summary section advises: "Adoption of any of these options but repeal would preserve the fundamental benefits the Act was designed to offer—while still saving varying amounts of federal outlays."

Also, contrary to critics' claims, the CBO indicates there is no bias as to union rates in Dept. of Labor's wage determinations.

As CBO's report states: "Union rates tend to be issued for geographic areas and types of construction that are relatively heavily unionized. And non-union rates are used in areas where the non-union construction work is dominant."

CBO ADMITS IT DOESN'T HAVE RELIABLE DATA

As the quotes by CBO official Van de Water revealed earlier, cost estimates of DBA are "uncertain." Adds CLRC's Gasperow:

"Again and again, CBO admits that its analysis of the Act is hampered by lack of good data to use in costs evaluation. That's because sources of data are few and those that do exist rely on a small number of wage observations."

Gasperow also notes that the CBO made no effort of its own to perform data collection. And this short-coming applies to data used by the Department of Labor and other sources.

The industry analyst criticizes other aspects of the CBO effort, stating:

"While the study is open about admitting limitations of its cost data, it is misleading in one key respect.

"In general, the report equates wage rates with construction costs. There is not an equal substitution between labor at various wage scales.

"Higher wages can be offset by higher productivity. And more labor hours are required when lower skilled persons are employed."

The analysis by CLRC's Gasperow—coupled with CBO's admission that its cost estimates are "uncertain"—have exposed repeal advocates' savings claims as flawed.

Those who continue to make such claims do themselves and the industry a great disservice.

LIST OF SUPPORTERS OF DAVIS-BACON

CALIFORNIA

Amelco Electric, Gardena, CA; Ball, Ball & Browsmer, Danville, CA; Brutoco Engineering & Construction, Fontana, CA; Construction Employers Association, Walnut Creek, CA; J.R. Filanc Construction, Oceanside, CA; Association Engineering Construction Employers, Sacramento, CA; Berry Construction, Upland, CA; California Alliance for Jobs, Oakland, CA; Dutra Construction Company, Inc.; Rio Vista, CA; John A. Artukovich & Sons, Azusa, CA; K.E.C. Company, Corona, CA; National Electrical Contractors Association Southern Sierras Chapter, San Bernardino, CA; National Electrical Contractors Association—San Diego, San Diego, CA; Roy E. Ladd, Inc., Reading, CA; Top Grade Construction, Livermore, CA; K.L. Neff Construction, Ontario, CA; National Electrical Contractors Association—Santa Clara Valley Chapter, San Jose, CA; Northern California Drywall Contractors Assoc., Saratoga, CA; Scott Company of California, Gardena, CA.

COLORADO

L.O.S.T. Construction, Inc., Louviers, CO.

CONNECTICUT

ABB-CE Services, Inc., Windsor, CT; Lane Construction, Meridan, CT; L.G. Defelice Inc., North Haven, CT.

WASHINGTON

Air Conditioning Contractors of America, Washington, DC; Crane Rental, Washington, DC; Handon Diving, Washington, DC; Lynn-Phill Construction Company, Washington, DC; Macton Construction, Inc., Washington, DC; Sheet Metal & Air Conditioning Contractors National Association, Washington, DC; Temple Construction Company, Washington, DC.

FLORIDA

Union Contractors & Subcontractors Association, Inc., Lakeland, FL.

HAWAII

General Contractors Association, Honolulu, HI.

IOWA

Heavy/Highway Contractors Assoc., Des Moines, IA.

ILLINOIS

Barton Contractors, Inc., South Roxana, IL; Concrete Contractors Association, Deerfield, IL; Excavating and Petroleum Tank Removal, Carbondale, IL; Illinois Valley Paving Company, Winchester, IL; Illinois Valley Contractors Association, La Salle, IL; Kenny Construction, Wheeling, IL; L.J. Keefe Company, Mt. Prospect, IL; Lake County Contractors Association, Waukeegan, IL; Midwest Foundation Corporation, Tremont, IL; Shappert Engineering, Rockford, IL; Underground Contractors Association, Des Plaines, IL.

INDIANA

Associated General Contractors of Indiana, Indianapolis, IN; CCC of Evansville, Inc., Evansville, IN; Crider & Crider Excavation, Bloomington, IN; Hagerman Construction, Ft. Wayne, IN; Kimes Construction, Inc., New Albany, IN; HEC Steel Service, Inc., Owensboro, KY.

MASSACHUSETTS

Perini Corporation, Framingham, MA.

MARYLAND

Associated Builders, Inc., Hyattsville, MD; Bechtel Construction Company, Gaithersburg, MD; Clipper Steel, Elk Ridge, MD; Eastern Steel Construction, Fallston, MD; Gallo Rebar, Capitol Heights, MD; Hickman Construction, Suitland, MD; James Buch & Sons, Laurel, MD; Mechanical Contracting Foundation, Rockville, MD; Mekco, Inc., Laurel, MD; Mid-Atlantic Steel Contractors, Inc., Ellicott City, MD; National Electrical Contractors Association, Bethesda, MD; O'Connell Construction, Inc., Olney, MD; S.C.C.I., Temple Hills, MD; Wood Steel Company, Inc., Bryans Road, MD.

MICHIGAN

Metropolitan Detroit Plumbing & Mechanical Contractors Association, Detroit, MI; Snowden, Inc., Escanaba, MI.

MINNESOTA

Bor-Son Construction, Inc., Minneapolis, MN.

MISSOURI

Bangert Brothers, St. Louis, MO; Heavy Constructors Assoc. of the Greater K.C. Area, Kansas City, MO; Mechanical Contractors Association of St. Louis, St. Louis, MO; National Electrical Contractors Association—St. Louis Chapter, St. Louis, MO; Painting & Decorating Foundation, St. Louis, MO; Site Improvement Association—St. Louis, Maryland Heights, MO.

NEW JERSEY

Associated General Contractors of New Jersey, Edison, NJ; Building Contractors Association of New Jersey, Edison, NJ; Burris Construction Company, Mount Laurel, NJ; Raytheon Constructors, Inc., Lyndhurst, NJ.

NEW YORK

Ashco Contracting Inc., Delanson, NY; Frank L. Ciminelli Construction Co., Inc., Buffalo, NY; General Contractors Association of Greater New York, New York, NY; Grace Industries, Whitestone, NY.

OHIO

Associated General Contractors of Ohio—Cleveland Division, Brooklyn Heights, OH; Cin-Don Inc., Concord, OH; Construction Employers Association, Brooklyn Heights, OH.

PENNSYLVANIA

Allison Park Contractors, Inc., Allison Park, PA; American Bridge, Pittsburgh, PA; Contractors Association, of Eastern Pennsylvania, Philadelphia, PA; IW Employers Association, Pittsburgh, PA; Joseph B. Fay Company, Pittsburgh, PA; Laurel Contractors Association, Ligonier, PA; Master Builders Association, Pittsburgh, PA; Mechanical Contractors Association, Pittsburgh, PA; National Electrical Contractors Association, Western Pennsylvania, Pittsburgh, PA; Osiris Enterprises, Pittsburgh, PA; Philadelphia Builders Chapter (AGC), Philadelphia, PA; Sheet Metal Air Conditioning National Association, Pittsburgh, PA; Sofis Company, Inc., Clinton, PA.

VIRGINIA

Construction Contractors Council AGC Labor Division, Springfield, VA; Dredging Contractors of America, Alexandria, VA; J.W. Wise Reinf. Steel, Manassas, VA; Master Builders' Association, Inc., Greater Metropolitan Washington, D.C. Chapter, AGC, Springfield, Va; National Erectors Assocaition, Arlington, VA; National Association of Plumbing, Heating, Cooling Constractors, UA Task Force, Falls Church, VA; Sullivan Steel Service, Beaverdam, VA; Vanessa General Builders-VA Ltd., Virginia Beach, VA 23462-4402.

WASHINGTON

Associated General Contractors of Washington, Seattle, WA; Fletcher General, Seattle, WA; Max J. Kuney Company, Spokane, WA.

WISCONSIN

Antigo Construction Inc., Antigo, WI; B.R. Amon & Sons, Inc., Elkhorn, WI; C. Jensen & Son, Inc., Superior, WI; Dell Construction Company, Inc., Eau Claire, WI; Dresel Construction Company, Ltd., Chippewa Falls, WI; Duffek Sand and Gravel, Inc., Antigo, WI; Edward Kraemer & Sons, Plain, WI; Edward E. Gillen Company, Milwaukee, WI; Hoeppner Building Corporation, Eau Claire, WI; Hoffman Construction Company, Black River Falls, WI; J.F. Brennan Company, LaCrosse, WI; James Peterson Sons, Inc., Medford, WI; James Cape & Sons Co., Racine, WI; Lunda Construction Company, Black River Falls, WI; Mann Brothers, Inc., Elkhorn, WI; Market & Johnson, Inc., Eau Claire, WI; Mashuda Contractors, Inc., Princeton, WI; Mathy Construction Company, Onalaska, WI; Michaels Pipe Line Construction, Milwaukee, WI; Oscar J. Boldt Construction Company, Appleton, WI; Pagel Construction Co., Inc., Almond, WI; Payne & Dolan, Inc., Waukesha, WI; Reliance Construction Company, Inc., De Pere, WI; Rock Road Companies, Inc., Janesville, WI; Roffers Construction Company, Inc., Ashland, WI; Ruzic Construction Company, Neillsville, WI; Stoehr Grading Company, Inc., New Berlin, WI; Straight Arrow Construction Co., Inc., Cottage Grove, WI; Timme, Inc., Endeavor, WI; Trierweiler Construction & Supply, Marshfield, WI; Vinton Construction Company, Manitowoc, WI; William Beaudoin & Sons, Inc.; Brookfield, WI; Wingra Stone Company, Madison, WI; Yahara Materials, Inc., Waunakee, WI; Constructors' Labor Council of WV, Charleston, WV; West Virginia Heavy/Highway Labor/Management Council, Charleston, WV; West Virginia Construction Council, Charleston, WV.

SOLVING THE MEDICARE CRISIS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Colorado [Mr. McINNIS] is recognized for 5 minutes.

Mr. McINNIS. Mr. Speaker, I would like, during the brief few minutes that I have to address, to talk about Medicare. Obviously, that is the issue of the day. It is obviously the issue of the year. It is an issue that we need to become more acquainted with, if you are not already well acquainted with it.

I would like to very briefly go over the history of Medicare, talk about the question of whether or not Medicare is in trouble, talk about why it is in trouble, talk about what we are doing as far as the solution and what is the best bipartisan solution to do something to solve the Medicare crisis that we have in this country.

Medicare was created in 1965, and it is a product of the Democratic Party, and it was a good product when it was created. Today, if we can reform Medicare, it will return to being a good product.

In 1965, when the Democrats created Medicare, the Republicans helped them. The Republicans voted for it. The Democrats controlled the House.

Is Medicare in trouble today? It is clearly in trouble. There is a nonpartisan group of trustees which oversees Medicare. That group of trustees issued a report in April of this year. By the way, three of those trustees were appointed by President Clinton. That report said in April this year, "If you do not do something about Medicare, this program will be bankrupt in 7 years. This program will cease to exist financially in 7 years. You cannot wait until tomorrow. You cannot wait until next year. You cannot wait until 3 years from now to save this program. You have got to take action today."

Why is it in trouble? There are several reasons, four right off the top: First, people are living longer. In 1965, a 65-year-old gentleman or 65-year-old senior could expect to live 14.9 years more. In just a simple span of 30 years, a 65-year-old person now can expect to live 17.5 years longer.

What is the second reason that Medicare is in trouble? The recipients, the people that benefit from Medicare, are getting more out of the system than they put into the system. On average, an average couple on Medicare draws about $111,000 more out of the system than they put into the system.

We have more retirees than we do in proportion to workers. For example, when Medicare first came about, there were 5.6 workers for every retired person. Today there are only 3.3 workers for every retired person. This spells trouble.

A fourth reason, we have got a lot of fraud in the system, and I can give you examples, and some of the people that are opposing changes in Medicare, if they are honest with you, will also give you examples. The system has grown so massive that fraud is abundant within the system.

Inefficiency is abundant within the system.

We learned in the last few days, and I think it is driven by politics, people that want to maintain the status quo, they want to make all the people of America believe that there is not trouble with Medicare, that we do not need to worry about Medicare, the solution that is being proposed, one is a Republican solution, and they do not talk about bipartisan solutions. It is a Republican solution, and it is going to throw the seniors out in the street.

What a bunch of baloney. Tell those people to get real. Tell them to get their heads out of the sand. We need a solution.

Let me quote from an article called "Medicare Mistake." This is written by a Democrat. Last year he was a Democrat Congressman from Minnesota.

> Today Medicare is facing a financial crisis. Democrats are playing politics instead of coming up with constructive solutions. Democrats in the United States Congress have not only opposed Republican reform initiatives, they have also refused to embrace the savings identified in President Clinton's plans. Democrats moved from being the majority party to being the minority party. This change, however, does not mean that Democrats should also move from being a responsible party to a irresponsible party.

Ladies and gentlemen, if you do not want to help us reform Medicare, you are, in my opinion, being irresponsible. This article was written by a Democratic Congressman from last year.

What I urge all of us in this Chamber to do is join with us next week in this debate. Join with us to find a bipartisan solution, and if you do not have a solution, do not get in the way. Work with us, join with us, and let us save Medicare for every citizen of this generation and let us save Medicare for every citizen of the next generation.

DEVASTATING CUTS IN MEDICARE

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentlewoman from Connecticut [Ms. DELAURO] is recognized for 60 minutes as the designee of the minority leader.

Ms. DELAURO. Mr. Speaker, I am really pleased to be here tonight and to be joined by my colleagues to talk about what we, some of us, have been talking about for the last several months, and specifically in the last several weeks, and that is the issue of the devastating cuts that the Republican leadership in this House would like to inflict on seniors in this country with $270 billion of cuts in Medicare.

I think you need to put this issue into some perspective to understand how the special interests today are winning out over the public interest in this Congress. You really just have to take a look at today's newspapers. There really are two very poignant stories about two different groups who came to Washington, to the people's House, I might add, which is what this body is called. We are not only the House of Representatives, we are known as the people's House.

□ 2000

Well, we have two groups who came this week. One group's members got a private meeting with the Speaker of the House. The other group's members got arrested. Yes, my friends, the other group got arrested. When the American Medical Association and its high paid lobbyists came to Capitol Hill, they were given a closed door meeting with Speaker GINGRICH. And, lo and behold, after the meeting with the AMA, it announced that it would reverse itself and support Republican Medicare cuts.

You will note on Tuesday, October 10, in the report of the New York Times, it said "For months Republican plans to curb Federal health care spending have sailed along on a silent wave of interest group approval. But now cracks are showing. The American Medical Association is starting to complain about the impact on care." That was on October 10 in the New York Times.

Well, they had their closed door meeting with the Speaker of the House, and, guess what? It was a flip-flop. And here you have on Thursday, October 12, "House GOP Medicare bill wins over doctors with hidden enticements and the promise of profits."

When happened behind those closed doors? And I will quote to you the AMA representative, I believe his name is Kirk Johnson, in the paper said, "Doctors were promised billions of dollars more than they would receive under the original plan."

In other words, they were bought off by the Speaker, How were they bought off?

Today in the Wall Street Journal the headline is as shown here, that the House GOP Medicare bill wins over doctors with hidden enticements, promise of profits, and the Journal lays out what they call the Medicare sweeteners. These incentives include a provision to make it easier for doctors to set and profit from their own managed care plans known as provider service networks; a limit on payment of damages to some victims of medical malpractice; they would allow beneficiaries to set up medical savings accounts which would place no restrictions on the fees that doctors could charge those patients; and a promise to trim spending reductions in future fee for service payments by undisclosed amounts.

Together, these provisions, once again, amount to a windfall of billions of dollars that the AMA representative crowed about after his meeting with the Speaker. Am I against doctors making a profit? I do not think anyone is against doctors making a profit, no. But I will tell you what we are against. We are against doctors making a profit while seniors get the shaft.

You see, the $270 billion in the Medicare cuts can only come from providers or from beneficiaries. And every time the Republicans cut a deal with the providers, they have to cut more health care for seniors.

Let me tell you, the American seniors are getting the message. They truly are. They understand this GOP shell game. Again, what I want to tell you is what happened yesterday, because it is equally important to find out about these two groups and what happened to them.

When you take a look at the group that came, the National Council for Senior Citizens, they came to Capitol Hill, they did not quite get the same kind of reception that the AMA did. The seniors got no meeting with the Speaker; they received no concessions, no deals. Instead, they were arrested. That is right, there were 15 senior citizens, some in wheelchairs, some with canes, that were arrested yesterday. They were put in handcuffs and they were taken away in a paddy-wagon.

What was their crime? They asked to speak in the people's House. That is what they were asking for, is an opportunity to participate in our democracy. And we have right here the photographs of those who were taken away. You will hear from some of my colleagues in a few minutes that they were there when this happened. You got here Teresa McKenna, age 68, from Falls Church, VA, with handcuffs being put on her. You have Roberta Saxton right over there, who is from Maryland, and she is 67 years old. There she is being handcuffed.

Let me just say that they simply went, this group of seniors, to ask questions of the Committee on Commerce about the Republican plan, what is in it, what does it mean in terms of our lives, and they came to exercise their right as citizens. But they were turned away. The lights were turned off in the committee room and they were taken out to the paddy wagons.

Let me just say that we found out yesterday that daring to ask a question and asking that question, which is the right of every American citizen, that is punishable by a rest.

Mr. Speaker, I want to conclude my remarks, because I know my colleagues want to join in this debate this evening, but when it comes to the special interests, the Republicans, this Congress and the majority in this Congress, they are all ears for the special interests. But when it comes to the people in this nation, they turn a defense ear. That is not what we should be about.

Ms. EDDIE BERNICE JOHNSON of Texas. If the gentlewoman will yield, I really wonder who the Republicans are listening to, and I would like to hear later from members of that committee. Because as I am reading, a Republican Congressman the gentleman from Iowa, Dr. GREG GANSKE, from the Des Moines Register, said,

> I guarantee you that these reductions will be bad for quality health care. Not just for our senior citizens, but also for working families. If Medicare and Medicaid cuts are too deep, hospitals and doctors will shy away from serving the elderly and poor or will try to push costs to the non-elderly, which could further increase the number of uninsured, or the quality of the whole health care system could decline.

Now, that is a Member of this body, who is a Republican and who is also a doctor.

Then from the New York Times, the American College of Surgeons, the American College of Surgeons said today that the Republican proposals would reduce Medicare payments for all surgical services by 10 to 12 percent next year. Cynthia Brown, manager of the College's Washington office, said these cuts would heavily penalize surgeons.

Maybe that is who they might be listening to, just the persons on the money-making end.

I have high regard for any physician that is attempting to practice good medicine. But I do not believe that even the physicians want to make it uncomfortable for our seniors and rob them of quality care just for a paycheck.

Now, according to a poll that was done by Lou Harris & Associates this month, 86 percent of wealthy Americans oppose Medicare cuts to pay for the tax breaks. Americans across the board overwhelmingly oppose using Medicare as a cash cow to pay for the Republican plan to offer tax breaks to the very wealthy.

A recently released Harris poll suggests that the opposition is even stronger among the wealthiest Americans. When the question was asked "Do you favor or oppose cutting the future costs of Medicare to pay for a tax break," 86 percent of Americans with income of $50,000 or more said they did not favor doing this, while only 83 percent of all Americans said they opposed the plan to cut services for our children and our senior citizens for a tax break for the wealthy.

While the tax break for the wealthy is being given attention, the tax break for the working poor has been taken away. It seems to me that we are not listening. Perhaps there are persons inside listening only to selective voices, but they are not listening to the majority of Americans, and this is a body that is of, by, and for the people.

So who are we hearing these quotes from? Selected persons that are making statements we all agree with, or from those persons that simply want to make a plea for the health of their future, and they get arrested?

They are proposing medical savings accounts. Well, we are talking about 80 percent of these people that have worked all of their working days paying into Social Security with the promise and the contract that when they retire and reach their days on a fixed income, they would have available to them a fund that they have paid into for health care.

While Medicaid was essentially passed as a program for our children, almost 70 percent of those dollars are being paid for long-term care for our seniors. And why is that? It is because our seniors do not have the money now. They are very stretched with what is being offered, and we are about to swipe that away from them.

Who are we listening to? Are we the only persons listening to the people of this Nation? I am hearing desperate voices. Why are the Republicans not listening? Because the polls are not made up by us, it is an independent poll. And I hear the question, we want to save our children's future.

Well, if we want to save our children's future, they must have a healthy present. If we do not provide for our children just the basic health care, they will not have a good future. They are being cheated out of the dollars even set aside for them now, because most of it by necessity is going for the care of our senior citizens.

I want to know who, who are the Republicans listening to. They are not listening to America.

Ms. DELAURO. I would love to have my colleague from Illinois, Mr. DURBIN, join.

Mr. DURBIN. Mr. Speaker, to my colleague, thank you for the special order. It is a shame we have to come here late at night with an almost empty Chamber to talk about an issue which is literally on the minds of every American.

We are in the eleventh month of this Gingrich revolution in the House of Representatives. America remembers when it got started, some of the promises that were made.

Do you recall the promise from the Speaker that every amendment considered on the floor would go right up on the Internet so all across America Americans would know exactly what was being debated? There was to be no effort to put things through without clear scrutiny.

Do you recall the promise of open hearings so that every American would know what was going on in the House of Representatives under this new Gingrich revolution? Do you recall the promise of open rules, so that we could have as many amendments offered and have a healthy debate, a deliberative procedure?

Well, you may remember those promises but, frankly, take a look at what is happening with Medicare and Medicaid. A 421-page bill that has been heard one or two days at the most in committee, destined to come here to the floor of the House of Representatives next week, and we hear tonight from the majority leader, Mr. ARMEY, we are going to be given 2 hours of debate.

Well, one would think surely 2 hours is enough. It cannot be that complicated. For 70 million Americans it is very complicated. Medicare is literally, literally, their lifeline, as to whether or not they can obtain affordable quality health care. For my mother, for parents and grandparents of so many Americans, Medicare is more than just another government program. It is a lifeline.

The Republicans want to cut $270 billion out of this program. You say, well, in Federal terms that cannot have much impact. But it will, in terms of the services that are offered to our parents and grandparents, in terms of the payments to the providers, in terms of the expenses which may be shifted to the families of our elderly when the elderly themselves cannot pay.

On the Medicaid side, the story is even more horrific. Half of the payments to nursing homes across America are made by Medicaid. The Republicans are coming on the floor with a proposal that does not protect families of those in nursing homes from having their own assets attacked once the elderly person in the nursing home runs out of money.

It has got a long Federal term; it is called spousal impoverishment. In the State of Texas they brought it to the vernacular, it was the hock-your-home provision. Once grandma or grandpa is in a nursing home and runs out of money, they go back to the family and say maybe you ought to pay now, since they run out of money. The Federal law protects that from happening today. The Republican proposal does not contain that protection.

Is that an important thing to debate for families across America? Is that worth 2 hours of our time at least? You bet it is. Instead, we are going to have this jammed down our throats. And when senior citizens came to this Capitol building and said they wanted to know what is in this bill, they wanted to know the impact it will have, they were greeted by the Gingrich revolutionaries with handcuffs. Sixty-seven and 68-year-old ladies who come into a committee room, irritate the chairman, and they are escorted out in handcuffs? What has this come to?

Frankly, what we are dealing with here is a fact that has been made known by the gentlewoman from Connecticut. If you are a special interest group, if you have a political action committee, if you have the clout, you get a personal meeting with Speaker GINGRICH and a deal. The doctors got it. I guess we should say God bless the doctors. They know how to work this system. But the seniors, obviously, have not figured it out. They still think this is on the square. They think you walk into a hearing room and learn what is in the bill and debate the bill and ask tough, yes, sir, tough questions. They were escorted out in handcuffs.

Thank goodness, the charges were dropped on them. But consider the embarrassment to these people who took time out of their own busy lives at a point in their lives when they are retired to come to the U.S. Capitol here to be arrested.

Now, the Speaker tells us if he does not get his way on this bill, he is going to shut down the Government. He is going to shut down the Government. Well, I have got a bill that I would like him to consider then if he would like to shut it down. If he wants a train wreck, it is called no budget, no pay. It says if Members of Congress are witnesses and part of a train wreck, then as the train crew, they are not going to get a paycheck.

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That's right. We close down the Federal Government. We close down the paychecks for Members of Congress starting with the Speaker of the U.S. House of Representatives. If we think we can be that irresponsible, to jeopardize critical programs like Medicare and Medicaid in the Federal Government, we do not deserve a paycheck. That is my bill.

I hope Members on the floor tonight, Mr. Speaker, who are joining in this special order will try to address the central theme here, the central question: If the so-called proposal to save Medicare is so good, so right, and so timely, why are the Republicans hiding it? Why will they not bring it out in the public for us to have a hearing? Why can we have no more than 2 hours of debate on the floor?

I will tell my colleagues why. Because these crazy ideas cannot stand the glare of sunlight. They cannot make it in the court of public opinion. And the bottom line is, Americans know, as sure as I am standing here, we are cutting Medicare for a tax cut for the wealthiest people in this country. It is Republican trickle-down economics. It is good news for doctors in big business, but not good news for grandparents.

I thank the gentlewoman for taking the special order.

Ms. DELAURO. Mr. Speaker, I want to thank the gentleman from Illinois, and it is the question of——

Mr. GREENWOOD. Mr. Speaker, would the gentlewoman yield 1 minute?

Ms. DELAURO. What is before the light of day and what are we going to show to the public so that they can have an opportunity to be heard.

I understand that my colleagues want me to yield. I do have folks that want to have an opportunity, and they have been here for a long time to get to speak, so I want to accommodate them and then I will be happy to entertain your comments.

Mr. GREENWOOD. If the gentlewoman would just yield for 15 seconds.

Ms. DELAURO. Mr. Speaker, I yield to the gentleman for 15 seconds.

Mr. GREENWOOD. My recommendation, and I have done this before, is instead of having the taxpayers pay for an hour of one side of the issues is to engage in debate, to have an actual discussion.

The facts presented about the arrest yesterday, if one iota of what has been said tonight was true, we would be joined together. The fact of the matter is, it is completely untrue. If we would share time over the next hour and a half, Americans could learn the truth. If my colleagues do not want to share time, it is sort of like saying they do not want the truth to be known.

Ms. DELAURO. Mr. Speaker, I appreciate my colleague's comments, and I have the highest regards for my colleague, except that those of us on this side of the aisle have been calling for hearings, for debate. We actually had an amendment on this floor of the House where we said let us go for 4 weeks of hearings.

We have had 6 days of hearings on a highway bill, 28 days on Whitewater, 10 days on Ruby Ridge, 10 days on Waco, and yet we were only allowed 1 day of hearings in this body on Medicare, and I might add, on Medicaid, zero hearings. So that I am pleased that my colleague has come down, but the long and the short of it is, it is truly disingenuous to come down and ask for time when this is our time to talk about this issue and we have asked over and over and over again.

I would like to really ask, the gentlewoman from Texas [Ms. JACKSON-LEE], who wants to get involved in this discussion, to make her voice heard on this issue.

Ms. JACKSON-LEE. Mr. Speaker, I thank the gentlewoman from Connecticut for her leadership, and I comment as well on the colleague on the other side of the aisle, with great respect for wanting to air fully a matter that really Democrats have been calling for a full airing for months and months and months.

Be it briefly, I am just going to comment and draw the attention of the American public to what I think visually they saw yesterday. I am a little surprised and taken aback that we can explain everything further than what the cameras visually showed, and that was that an elderly citizen—and I think that we have missed the alphabet. Children, c-h-i-l-d-r-e-n, taken care of by Medicaid. And then our senior citizens, s-e-n-i-o-r-s, seniors who have given to this country. We have missed our learning in school. We have them in handcuffs.

Mr. Speaker, I do not know what more we can explain than that this senior citizen, who was handcuffed in the hearing room, was simply trying to express her opposition to the fact that she would be paying higher premiums; that she would not be able to choose a physician that she had developed a confidence in.

Yesterday and the day before was a slam dunk, not for cancer prevention, but I guess for the proliferation of cancer. When we deny women the opportunity for a mammogram right in the Halls of Congress, where we were trying to attempt to reform health care and provide incentives for Medicare and Medicaid recipients, we slam dunked cancer screening, slam dunked preventive activities by refusing amendments Democrats had offered.

Likewise, while this woman was handcuffed, rather than respond to an amendment by the Democrats that offered opportunities for better rural and urban health care, giving incentives to primary care physicians who went into areas that were little utilized, or provided little service in terms of medical care, that too was slam dunked; that too was refused by the Republicans.

So, Mr. Speaker, we have a situation here where my colleague on the other side of the aisle is claiming that there is an explanation to a lady in handcuffs. I do not understand that, because it clearly shows someone who was trying to express their views on Medicare, the opposition, to the hidden and covert Republican plan, taken away by Gestapo-like tactics.

I am not reflecting on the great policemen we have on Capitol Hill. They were following instructions. But they were taken away when they were simply trying to say give us an understanding, have a hearing and let us have input. Let us not cut $270 billion from Medicare on the basis of giving tax cuts to those making over $100,000.

Mr. Speaker, to the gentlewoman from Connecticut I simply wanted to say to her that this is appalling. This is one that should incense all America. This is not a question of whether we should have a reasonable debate. We had hearings out on the grassy area in front of the Capitol because the doors were closed to Democrats to be able to hear from constituents about these issues.

I think now the point is the Republicans have presented their case under cover of cause. We are here now tonight shedding light and asking the American people to stand up along with us to bring back reality and reason to Medicare reform and health care reform and realize that our children and our seniors, the alphabets, count in America today. And I yield back my time to the gentlewoman from Connecticut.

Ms. DELAURO. Mr. Speaker, I want to thank my colleague from Texas, SHEILA JACKSON-LEE, for her eloquent statement and remarks. She has been very, very active in this area over the last several months.

To shed some further light on what is going on with seniors and the intimidation, I would like to yield time to my colleague, DAVID SKAGGS, from Colorado.

Mr. SKAGGS. Mr. Speaker, I thank the gentlewoman from Connecticut for the chance to participate this evening.

I do not know what may have happened in the hearing room yesterday, it is an unfortunate scene, obviously, but it is, I think, not coincidental that the day before we are to take up floor consideration of this legislation next week, there will be a hearing in a subcommittee of the Committee on Government Reform and Oversight at which the National Council on Senior Citizens has been called to testify.

They have become essentially the favorite whipping group of many who are masquerading a new piece of anti-first-amendment legislation, a gag rule for nonprofits and many other people in this country. The National Council for Senior Citizens have really been the whipping group for their effort to silence people who want to participate in the political life of this country.

Interestingly, the National Council has received a questionnaire, as did previous witnesses called before this subcommittee on the so-called Istook-MicIntosh-Ehrlich proposal, a questionnaire that calls them to account for all of their political activities over the last 5 years, State, Federal, and local, and all of the political activities of any organizations that may be affiliated with them.

Now, Mr. Speaker, just stop and think what that sounds like. At least it brings back memories for me of the early 1950's in this country in which free American citizens were hauled before committees of Congress with the full power and authority, and the chilling effect that that can have if that authority is improperly used, and taken to task for the exercise of their rights, using their time and their resources, their rights under the first amendment to the Constitution of the United States.

Now, we have had a lot of things going on in this place that many of us disagree with this year, but if we start tampering with the lifeblood of this democracy, which is the free flow of information, the full participation in the political life of this country of every American and every group of Americans that has a claim to make, an argument to make, a case to make before their elected representatives in the Congress of the United States, we are in real trouble.

That is the corrective device for this democracy, is the free flow of ideas and information and, yes, indeed, criticism. It can be awkward at times, it can be unpleasant and offensive at times, ideas that we disagree with often are, but when we start to impede that fundamental tenet of free political expression in this country, and that is what is at issue here through the McIntosh-Istook proposal and its application to groups like the National Council of Senior Citizens, we are in trouble. Beware. Stand up for your rights.

Ms. DELAURO. Mr. Speaker, I want to say thank you to my colleague from Colorado, because in this Chamber he has an outstanding reputation for someone who is vigilant about the Constitution and the rights of the people in this Nation. We are all, and everyone should be very, very grateful to him for being that kind of a watchdog.

We cannot really see these constitutional rights erode, because vigorous informed debate and differences in ideas is what makes this Nation great. I share your concern, because for people who are living this every day, the way we have, we are seeing that if the majority does not agree with a point of view, they do not agree with a piece of legislation, it is either not discussed or it is given short shrift, or it is given 1 or 2 hours of debate, or it is taken up in the middle of the night so that there cannot be that free and informed debate on issues that are vital to this Nation's survival.

This in particular, the National Council of Senior Citizens, has been the most vocal group, in fact, about what will happen if we have $270 billion in cuts for Medicare, and $182 billion cuts in Medicaid.

Mr. SKAGGS. Mr. Speaker, if the gentlewoman will yield, it is especially ironic, I think, that a citizens group wanting to present their views, to lobby, if you will, are subjected to this kind of regime and the effort to silence them is being characterized, or caricatured, as lobbying reform. Meanwhile, the real lobbying reform that needs to go on in this place is shunted off as something we simply do not have time for, even though we have already passed it last year twice.

It really gives us reason to stop and think where are the values here? Who is being heard? Whose lobbying is being preferred, I would ask the gentlewoman?

Ms. DELAURO. Mr. Speaker, that is true. We voted that twice last year, and Democrats have brought the issue of lobby reform and gift ban to this House probably five times in the last several months. Each time we are told that there is no time to do it, we cannot take it up. In the one instance where it did come up, it was voted down. It is now going to be postponed until some other time, and when a lobbying group, just in a week, in the face of seniors who were arrested, came in and within 2 days time, within 2 days time, changed their tune and were rewarded for doing that.

Again, Mr. Speaker, I thank my colleague for his vigilance.

Ms. FURSE. Mr. Speaker, if the gentlewoman will yield, not only was I in that committee room, I am a member of this committee and we, the Democrats on that committee, have asked over and over and over again for hearings on the Medicare bill because we are very concerned that there is stuff in there that nobody understands.

We wanted a hearing with the trustees. We hear the Republicans talk about the trustees' report. We asked for a hearing with them. We asked for a hearing with seniors. We thought that maybe we could have the AMA there. We could have everybody there to talk about this bill. But we were refused a hearing.

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Now, yesterday before the markup, the markup on a 400-page bill, of which there have been no hearings on that particular bill, a group of senior citizens came into the hearing room, into the markup room. They had respectfully asked, no, I would say they begged for answers.

They said, What is this bill going to do to our health care? They begged. They said, Just tell us, give us some time, talk to us about what is in the bill. And they were a group, some very, very senior.

I would like you to look at this picture here of this lady. In this picture, that police person is not putting a bracelet on that lady's arms. He is putting handcuffs, handcuffs. Her name is Roberta Saxton. She is age 67.

Now, I am a senior. I understand how frightening that must have been.

Well, what happened in that committee room was quite extraordinary and quite horrifying. All the Republicans left the room. The lights were turned off in that room. It was pitch black, except for the lights of some camera people.

We called for the lights to go on again. This was the people's House. This is the place where things are supposed to be out in the open, out in the sunlight. The lights did go on finally. The Republicans returned to the committee and called for arresting of these seniors, seniors like Roberta. There were two people in wheelchairs. There were some who were 90 years old. These were people asking about their health care.

We then had an extraordinary event. The press were asked to—no, they were told by the police to leave the room.

The press are the eyes and the ears of the American public. They were asked to leave the hearing room. And then the police were told by the chairman, I presume, to begin arresting, arresting these seniors. I and four other Members, Democratic Members, went with the seniors, as they were pushed out in wheelchairs with canes, they were there to ask, tell us what is in the bill. And what did they get? They got arrested.

We went with them, some of the Members, just to see that they were all right. These were old people. These were frightened people. These were people, American people.

Well, we know what is in the bill. There are $272 billion of cuts, $272 billions of cuts. What do those cuts mean? Well, obviously, they are not going to mean huge cuts for the doctors because the doctors got a hearing. They got a hearing. The seniors did not.

Now, is it not interesting, why we did not have a hearing? We were told there was no time for a hearing. And yet today in that same committee we had a hearing, oh, there was a hearing, oh, yes, there was time, on the cellular industry. Well, that is fine. That is very interesting. But the cellular industry does not affect every senior in this country, and Medicare does, except it vitally affects seniors like this lady in the photograph, this lady here. You see the photograph. She came to talk to her representatives. She was arrested.

But the special interests were not arrested. The lobbyists were in the room all through the markup. The AMA got a meeting. Why did not the seniors get a meeting? Why did not the Democratic Members get a meeting? We asked for a hearing. Why was the press removed from that room? Why was the public thrown out? Why were seniors in wheelchairs removed?

Well, as I say, I went with them and other Members went with them, because you know what they were there to do. They were there to do their duty. It is the duty of the American people to come to their elected officials and say, Tell us, tell us what is in here.

Well, I guess in our committee we have found that we have lots of time, lots of time for the special interests. But we have no time for the special people, the seniors of America whose Medicare is being cut every minute we sit here and pass this bill with no hearings.

I thank the gentlewoman for allowing me to tell what happened when I was there, what happened to senior Americans who came to the people's House to ask that their questions be answered and instead they got arrested.

Ms. DELAURO. Mr. Speaker, I thank my colleague from Oregon for the eyewitness account and really for her concern and her compassion in accompanying Theresa McKenna and others who were taken away. It is a gesture of the kind of concern and the kind of individual the gentlewoman is and the kind of representative the gentlewoman is, of the interests of the people that she represents and all people who come here who ought to be treated in a very, very special way. Because without the people who are out there in each of our districts, we do not serve in this people's House. We only serve at their pleasure, and we need to keep that very, very much in mind when we are supposed to be doing the people's business in this House every single day.

Mr. Speaker, I would now like to yield to my colleague, the gentlewoman from North Carolina [Mrs. CLAYTON], to join in this discussion. I thank the gentlewoman for her continued interest.

Mrs. CLAYTON. Mr. Speaker, I thank the gentlewoman from Connecticut and thank her for arranging this opportunity so that our colleagues and the Americans can understand what we are really talking about here today. We are really talking about opportunity for all Americans to have access, to have access to express their views. I think yesterday we understood how democracy worked well for some and not well at all for others.

If you have a lot of money and you are very wealthy and influential, you get a hearing, but also you get a great deal, too. But if you are an ordinary citizen and you have faith in your government and come to express redress, they simply wanted to find out what was going on. They wanted to say to the committee how health care is so important. They wanted to know how that plan would enable them to provide for their health care, because many of them, as you know, are people who receive less than $25,000 a year, average $13,000, because they have to make choices, choices whether they will be able to have food or prescriptions. They simply wanted to have an opportunity to redress.

This is a slippery slope we are going on. It is a dangerous prescription for democracy, if indeed we are going to reward those who are willing to support certain legislation with great deals; and, yet, those who want to express their opposition, we reward them by having them arrested. This is a democracy. We should be outraged at that.

We should really be outraged at that, that the average American, in particular senior citizens, people who are going to be impacted more than anyone else simply wanted to have an opportunity to see their government working, this is democracy at its best and at its worst. It works well if you have money. It does not work so well if you do not have money.

Let me just say one final concluding statement. They would have said, if we had listened to them, that they are not statistics, they are people, they are grandmothers, they are aunts, they are grandfathers, they are people we know. They are people who are struggling. They are families in this country who really want a chance to have just an ordinary life. That is not too much to ask of people. And it is not too much to ask of us as legislators to be responsive to those individuals. In fact, in North Carolina there are 999,000 Medicare patients, 985,000 Medicaid recipients.

If you combine that, North Carolina will lose $15.5 billion over a 7-year period. That is a lot of money to pull out of the infrastructure. That is going to affect a lot of Americans. We have not had hearings on that. We are about to vote on something next week that is going to be very, very dangerous.

I want to thank, again, the gentlewomn from Connecticut who has provided outstanding leadership in bringing the clarity of the issues and the impact.

Mr. Speaker, I will include for the RECORD the remainder of my remarks.

Mr. Speaker, yesterday this Congress punished senior citizens who challenged cuts in Medicare and rewarded physicians who cut a deal on Medicare.

Something is wrong with those priorities.

When those who voice their opposition are silenced and only those who surrender support are promoted, we have a dangerous prescription.

The proposed cuts in Medicare is a glaring example of the politics of division and dual standard.

Mr. Speaker, the seniors who visited the Commerce Committee wanted an opportunity to speak about the plan that we will vote on next week, because many of them will not be able to afford health care, will get less quality care and will lose the security of a system that has served millions of Americans well for 30 years.

That is because the majority wants to cut the funds for Medicare by $270 billion.

These cuts go too far, and would not be necessary, if the majority would simply put off their plan to give a free tax ride of $245 billion to the wealthiest Americans.

The cut that is being proposed is roughly three times higher than any previous cut.

This cut will reduce the overall size of the Medicare program by 25 percent—raising the cost of premiums and copayments to each of North Carolina's 999,000 Medicare beneficiaries by more than $2,000, over the next 7 years.

And, when the Medicare cuts are combined with the cuts in the Medicaid Program, Federal health care dollars coming into North Carolina will be reduced by more than $15 billion.

The Medicaid cuts affect North Carolinians of all ages—the elderly, children, the disabled, the poor. There are some 985,000 Medicaid recipients in our State. We would be forced to eliminate coverage for almost half of those Medicaid recipients.

If we had taken the time to listen to the seniors who visited Congress on Wednesday, they would remind us that these are not just numbers. These are people.

These are grandmothers and grandfathers. These are families, struggling to survive in an ailing economy. These are not just faces in the crowd. These are neighbors—people we know.

The Medicare cuts will be especially painful, since more than 8 out of 10 of all Medicare benefits go to senior citizens with incomes of $25,000 or less!

Those who are pushing these plans fought the creation of Medicare in 1965, and now, in 1995, are seeking to do what they failed to do in 1965—cut the comfort of retirement from our senior citizens.

It is estimated that these plans will cost North Carolinians a loss of over $3,000 for each Medicare recipient in North Carolina between now and the year 2002, and a loss of some $900 for each recipient each year thereafter. And while Medicare support is declining, the population in North Carolina is growing.

This year, we have 6.6 million people. Soon, we will have 7.2 million. Thus, more people will be forced to depend on less money for adequate health care.

Medicare beneficiaries will be forced to pay more and get less and they will have far less choice in their health care providers. These so-called savings that will come from Medicare will actually be paid out of the pockets of seniors and working families in America.

Rural North Carolina, where health care is already behind, will be especially hard hit by these cuts.

Medicare spending in the rural areas of North Carolina will be cut by $3.3 billion—a 20-percent cut in the year 2002 alone. Worse, rural North Carolina will lose some of the limited number of hospitals we have.

Because of poverty, rural hospitals lose money on Medicare, while urban hospitals make a small profit. Medicare accounts for between 50 and 80 percent of the revenue of rural hospitals.

The typical rural hospital, under the majority's plan, will lose some $5 million in Medicare funding, over 7 years. That kind of loss can not be sustained.

Rural hospitals already need 5,084 more primary care physicians to have the same doctor to population ratio as the Nation as a whole.

Yet, with the proposed, severe cuts, according to the American Medical Association, the institution that yesterday made the deal, the cuts "will unquestionably cause some physicians to leave Medicare."

We all support the concept of a balanced budget, and acknowledge that some sacrifices must be made; but we should not place the burden solely on those who can least afford it and let those who can afford it get a free tax ride! Where is the balance in that kind of budget?

During the last Congress, the very people who now seek our trust in their Medicare and Medicaid cutting plan rejected every initiative that would have strengthened the Medicare Trust Fund even further.

The fact is that they are using the trust fund solvency issue as a smoke screen.

They are using the Medicare program as a bank for the best off, so that they can fulfill their campaign promise—a tax cut for the wealthy.

If they dropped the idea of a tax cut for the wealthy, they would not need to make such deep cuts in the Medicare and Medicaid programs.

The so-called looming Medicare bankruptcy is more fiction than fact. It is a very convenient myth, but it is not reality.

The fact is that, with the proposed cuts in Medicare, senior citizens will be seriously hurt, while not one penny would be contributed to the trust fund.

This plan will mean tougher times for families and especially for senior citizens—those who have labored a lifetime under the belief that they truly had a Contract With America. They can barely afford health care now.

When the majority adds $2,400 to their health care costs by the year 2002, many will have to choose between heat and health, a warm coat or a trip to the doctor—many may have to even choose between eating and health.

Something is wrong with those priorities.

Ms. DELAURO. Mr. Speaker, I yield to the gentleman from Michigan [Mr. BONIOR], the chief deputy whip, the minority whip. There are not many words to say what kind of strength and deliberation he has brought to this discussion and of the serious cuts in Medicare.

Mr. BONIOR. Mr. Speaker, I thank my colleague, and I thank my colleague from North Carolina for her words this evening and my friend, the gentleman from Colorado [Mr. SKAGGS], for his thoughts on this important issue, the arresting of the seniors who were trying to express their views on an issue that is critical not only to them but I believe to the rest of the country as well.

I am going to demand an apology from the Speaker and the Republican leadership to these seniors. Nothing short of that is in order. It seems to me that that was one of the most disgraceful exhibitions of thwarting democracy that I have seen in my years in this institution.

I was not shocked and I was not surprised because, quite frankly, this whole experience over the last year has been a narrowing of voices in this institution. It started off at the beginning of this Congress when the Black Caucus was disbanded, the Hispanic Caucus, the Environmental Caucus, the Women's Caucus, and then it continued when they took away our research arm, the Democratic Study Group of the Democratic Party. And then it continued further with closed rules where we could not debate fully the issues at hand. And then it continued further as we took on the most important issue perhaps of this Congress, Medicare and Medicaid both. We got a total of one hearing. There is a narrowing of voices.

Then we read today in the newspaper that the Speaker is going to close the place down because he cannot get his way. He has told the committees to close up shop. I am going to make the deals for you. They are going to come out on the floor of the House with my imprimatur on it or nobody's imprimatur on it.

I would like to talk about a couple back-room deals here this evening, particularly the one that was cut with the AMA, the American Medical Association, recently.

I want to trace that for just a second this evening because it is worth going over. After sharply criticizing the Republican Medicare plan last week for including price rollbacks that will impact on the quality of care, the American Medical Association quickly changed its tune. What caused this change of heart, it was a back-room deal with the Speaker which limits Medicare's planned fee rollback for physicians. In a closed-door meeting which occurred late at night while the committees, by the way, were busy, the Committee on Ways and Means was busy working to pass the Medicare plan, Speaker GINGRICH cut a deal that brought the support, bought the support of the AMA.

The details of this secret deal have remained closed to the public, but according to an AMA official, the deal is worth billions of dollars to doctors. Let me say that again. According to an AMA official, the deal is worth billions of dollars to doctors. In simple terms, the AMA named a price, and the Republicans met it.

Let me trace exactly what happened here over the past week. On Wednesday, the October 4, there was criticism. James Stacey of the American Medical Association is quoted in the New York Times as saying: This Republican Medicare plan causes real problems for the AMA. It would be a major blow to the traditional fee-for-service Medicare program.

Tuesday afternoon, October 10, less than a week later, more criticism. Kirk Johnson, AMA General Counsel, quoted in the New York Times: What we cannot agree to are price rollbacks that will impact on the quality of care.

The reductions were so severe, he said, that they will unquestionably cause some physicians to leave Medicare.

Tuesday afternoon, October 10, the deal is struck. Johnson and the AMA officials meet with the Republican leader in the Speaker's office. The AMA calls the press to the Speaker's office to announce their support for the Republican Medicare plan. On Thursday, October 12, the details emerge. The Wall Street Journal reports on the AMA-Gingrich secret deal. And I quote: "Kirk Johnson, the AMA's general counsel, suggested to several reporters that the improvements would be worth billions of dollars to physicians."

The New York Times quotes Johnson commenting further on the secret deal, and I quote: "It's wrong to suggest that the AMA endorsement was contingent on billions of dollars. There isn't a precise figure. We don't know the amount."

So what we have here is the Republicans and the AMA coming together and refusing to disclose the final details of the deal. What we can be sure of is that doctors got what they wanted while seniors, like the two that we were talking about this evening, were left out in the cold, were taken handcuffed by authorities out of a committee room and were not allowed to speak.

I want to talk about the Speaker's own words, because I think they are instructive here this evening.

□ 2045

On Tuesday, Speaker GINGRICH sealed his backroom deal, as I said, with the AMA, and the deal occurred while the Committee on Ways and Means and the Committee on Commerce were acting on the GOP Medicare plan. But history buffs will no doubt remember these immortal words to live by that were uttered by the Speaker when he appeared before the AMA on March 24, 1993, and I want to quote what the Speaker said. He said, "If I had one plea in mind, it would be for simple honesty. The American people deserve to be told the truth. They deserve to be told the truth by the President. If I had a second plea, it would be for openness." That is what he said. The Speaker said, "It would be for openness. The American people, when you are dealing with their lives, when your dealing with 14 percent of the gross national product, deserve to have an open opportunity to understand who is in the room." Well, Mr. Speaker, the American people did not see what was in the room when you cut the deal that was worth billions of dollars to the docs in the country. They did not see what was in the room when you made a special deal on your medical accounts and, for those who are not familiar with that, these medical savings accounts come at a price as well.

The main advocate for the medical savings account was a gentleman by the name of Mr. Rooney, who has Golden Rule Insurance, and a CBS News analysis of Golden Rule and Rooney and associates' donations to Republican causes are as follows: Gingrich campaign, $45,000; Republican Party, $1,200,000; GOPAC, $157,000. These are the contributions by Mr. Rooney and Golden Rule Insurance Co.

So the deals have been cut. The seniors have been left out in the cold, and as my colleagues have suggested, this is a shameful episode in the history of this Congress.

The thing that just drives me to the wall, quite frankly, is that we are talking about people here who make a very meager amount of money. A report issued a month ago by our Labor Department said that the seniors in this country, 60 percent, I want to repeat this, 60 percent of the seniors in the United States of America have incomes, combined incomes, retirement and Social Security incomes of $10,000 a year or less. Sixty percent of combined incomes of $10,000 a year or less, combined retirement and Social Security.

They are asking, the Republicans are asking those folks to pay an extra thousand bucks out of their pocket while the docs get billions of dollars' worth of deals that have been cut. Mr. Rooney and his insurance company are going to make millions, if not billions, of dollars on this.

Something is wrong in America, ladies and gentlemen, when we are doing that to the most vulnerable of our society, the seniors and the young people who are taking the hit on Medicaid.

Medicaid provides health care for two out of every five children in our country, and that is being cut by $182 billion.

So I thank my friend and colleague, the gentlewoman from Connecticut [Ms. DELAURO], for taking this time and for giving me the opportunity to express my concerns and outrage over what we have seen here in the Capitol in the last several days.

Ms. DELAURO. I want to thank my colleague, the gentleman from Michigan [Mr. BONIOR], for making his comments. Clearly, those children were not in the room. Seniors were not in the room. Working families were not in the room. But Mr. Rooney and the AMA are in the room, and I think you were very clear in delineating how that process has worked here over the last several days.

I might just add one point to what you have said. Our Republican colleagues have said that they are going to save the Medicare Program, and they make reference to the trustees' report of what is needed and what is necessary to save it, and the trustees, what they do not pull out from what the trustees have said is that $90 billion would be the amount of money to take us to the year 2006 and so forth. What is happening with the additional $180 billion?

Mr. BONIOR. It is going to a tax cut that will benefit primarily the most wealthy individuals and corporations in our society.

Ms. DELAURO. Furthermore, what they will say, our colleagues will say, and probably say here this evening, is that we do not have a plan. Well, first of all, Medicare is a plan, if we can fix some portions of it, which we need to and are willing to, without destroying it, and there are a number of suggestions in which to do that.

Second, in the Committee on Ways and Means there was a Democratic alternative that was put forward. It was for $90 billion to cover what the trustees have talked about, and that was voted down, and that gives me an opportunity to have my colleague, the gentleman from Michigan [Mr. STUPAK], join this debate.

Mr. STUPAK. Two points I would like to make, really, three points.

First of all, you say, no plans. Democrats offered two plans in Committee on Commerce last night. Both were shot down on parliamentary rules only. I offered one plan, only 39 pages long, which cuts out fraud and abuse. We can save the system there. Also, the gentleman from California [Mr. WAXMAN] offered a plan. Never a comment on it. We were just ruled out of order. I defeated one of the parliamentary inquiries on my legislation. Then they brought up another one, because I used the word "hospital," hospital trust fund, which is part of Medicare, because I used "hospital," part A. We have jurisdiction over part B. They ruled me out of order and silenced my plan before we could even have a vote.

The other point I would like to make, the gentleman from Michigan [Mr. BONIOR] mentioned the MSA's, medical savings accounts. You know, even Ross Perot says this is dangerous, go slowly, do not do it too quickly. We offered a proposal to do a pilot program on MSA's. Again, that was defeated.

These figures you mentioned, I say to the gentleman from Michigan [Mr. BONIOR], about the payment due in 1996, $3.1 billion, then again a total over 7 years as we are trying to save Medicare, $15.3 billion. Understand, folks, that comes immediately out of the Medicare trust fund. There will not be a bill to the American people. It is a bill to the seniors who have paid into the Medicare trust fund.

As soon as these seniors sign up for the medical savings account, you have to transfer. Here is a trust fund they are claiming is going to go bankrupt, so let us further bankrupt it by taking out these MSA's, medical savings accounts, before anyone even knows if they work. In the private sectors they have not worked.

As I said, even Ross Perot said do not do it, go slowly, you are playing on thin ice here. You can bankrupt, a spiraling bankruptcy, into the Medicare system before it ever even gets going, instead of needing $90 billion to save the system. If the MSA's come out, we will need at least $105 billion plus. They may work, but do we have to throw all of our health care system, the seniors, health care system, to an MSA plan and try to force them into these medical savings accounts without even knowing if it is going to work? Is Medicare not a valuable program that helps our seniors? Do they want us to gamble with their health care system on a system that is not even tried, a system that will immediately start draining the Medicare trust fund? That does not make sense.

Mr. BONIOR. These medical savings accounts, they are for the healthy and the wealthy, basically. These insurance companies are not going to take care of you if you have got a preexisting condition. They cherry-pick. That is how they make their dollars. So we are going to be providing hard-earned Medicare dollars in our trust fund to people who frankly will not use it, will not need it, and the deductible is $10,000 on this thing.

You know, it is something that we ought not to be fooling around with at this time because of its very nature and who it is targeted for. It is not targeted for the average person who needs it, and it benefits a few insurance companies that basically are going to be cherry-picking.

Ms. DELAURO. That point that you made about the $10,000, that is in the very fine print. An insurance company under these medical savings accounts could charge up to $10,000 deductible, and that is truly incredible with what the seniors would have to go through. But once again, you are taking a look at a special interest that would derive real benefit from this effort at the expense of seniors who are on limited incomes.

Mr. STUPAK. You mentioned earlier, you were talking about the incident that happened on the Committee on Commerce. I sit on the Committee on Commerce. I am a former police officer. I spent 12–13 years in law enforcement. In fact, one of my posts was with Michigan State police at the State capital post. We had to go periodically to demonstrations outside the capital hearing rooms, things like that.

I would say in this picture here, you see a police officer putting what we call flexicuffs on this individual. That is a standard operating procedure.

I want to say that Capitol Police who were put in a tough, a very difficult situation, handled themselves very professionally. They were very courteous.

Not only was I at the committee, but I went down to where this photograph was taken in the basement of the Rayburn Building, as they were loading the individuals in the squad cars to take them to the booking station. I went down to the police captain, police headquarters, where these people were being booked, and observed the procedure. Having been a former police officer, needless to say, I was somewhat interested.

I also wanted to go because I had offered my seat on the Committee on Commerce to one of those seniors who was standing there, and when the commotion broke out, the gentleman from Virginia [Mr. BLILEY], the chairman, sort of adjourned the committee, and my Republican friends all left, and then they turned off the lights so everybody was sort of in the dark.

Then a few minutes later, now they abandoned the committee room, they turned off the lights, a few minutes later they come back in, and they are told they will have to sit down and be quiet or face arrest.

Most Members were standing up, so I offered my seat to the lady standing next to me, Barbara, I forget her last name. She was from Maryland. I went with her. She was quite concerned. She had never been arrested. They were fingerprinted, photographed, handcuffed, actually put in a holding room until later that afternoon they were allowed to bond out before a magistrate. You could not just get an appearance ticket like a traffic ticket, which is an acceptable thing, but because this is a bondable offense, they actually had to be held at the District of Columbia court and bond out later that afternoon.

The police officers again did an excellent job under some tough circumstances. But I do not believe in, having been a police officer and having dealt with civil disobedience in government, I do not believe the arrest was necessary, especially after we abandoned the hearing room, the markup room, if you will, turned off the lights, come back, tell them to sit down.

This lady that I assisted did sit down, and then she faced arrest when she sat down in my chair after I gave her permission.

The part that bothers me, the earlier, a week ago, last Monday, we started this so-called markup, the National Council for Senior Citizens came in with mail bags, invited in by the Republicans, dumped 100,000 mailgrams in front of all of us. This gentleman in the group was allowed to make a speech. There were not supposed to be witnesses, but he was allowed to make a speech as they were dumping the mail. Then they grabbed a handful of mailgrams. As what has happened so often in the past, they were false, fictitious, 75 of them my staff and I went through, and again, being a police officer, I was rather curious. I started to go through them. Two were from people who were deceased. Their family members wrote back and said "deceased," and gave the day they were deceased. One died in September 1994, but they counted them as supporting the Republican Medicare plan. Another five were unsigned. One was addressed to "contributor." Apparently, this individual contributed to some campaign or something through this organization. So it was addressed to "contributor."

Three of them had written comments on the back, just destroying the Republican Medicare plan. One of them wrote on there, "I do not want to be forced into managed care." Another one said, "I want the Federal employees' health benefit like you have." Another one said, "Why do you take these pay raises? Give us what you have." They were anything but ringing endorsements of the Republican plan.

I think what is going on here is groups who speak up are subject to silence, either through not allowing the groups to have their voices heard or, when they try to be heard, maybe even face arrest. They bring forth mailgrams which people do not exist, they are unsigned, they are in complete opposition.

I am very concerned about the image that is being put forth that all of these people support it. The only ones we hear from are people who are supportive of the plan, or allegedly supportive of the plan, and the other thing that bothers me is when we did tort reform, started out being medical security reform earlier in the committee, there were actually highly paid lobbyists sitting in the top row of the dais while the hearings were going on. They approved the amendments being offered by both sides. These people came in to have their voices heard are not allowed to sit in the committee room, even in my chair. How could lobbyists be allowed to sit at the top of the dais and review the amendments and give their "yes" or "no"?

We need fairness. We need openness, much like the Speaker said. I would invite him or anyone to have that fairness and openness in all committees. Let us no longer do any legislation without hearings.

I thank you for allowing me to say a few words this evening.

Ms. DELAURO. Our time is just about concluded. I want to thank all my colleagues who came out tonight to engage in this discussion.

The long and the short of it is that this is a serious debate. It is one that all Americans ought to be able to have their voices heard. What we have found out is that only some of the voices have been heard. The voices of seniors, the voices of working families have not been heard in this process, but the voices of special interests have been heard.

We need to have a safe and secure Medicare system.

The Democrats have an alternative. They presented that alternative in committee. It was voted down, and open hearings and open debate on this issue have been curtailed to only those who support the majority position or who have a financial interest in what does finally happen.

□ 2100

THE REST OF THE STORY ON MEDICARE

The SPEAKER pro tempore (Mr. FOX of Pennsylvania). Under the Speaker's announced policy of May 12, 1995, the gentleman from Kansas [Mr. TIAHRT] is recognized for 60 minutes as the designee of the majority leader.

Mr. TIAHRT. Mr. Speaker, it is a pleasure to be here tonight. I would like to start by saying that as you would hear on some radio stations by Paul Harvey or his son, now you will hear the rest of the story.

Very soon we will have a tripod over here, so we will be able to show you some of the charts we have brought along. But, basically, I wanted to say that, in plain English terms, the Republican Party has come up with a plan, a specific plan, that will preserve and protect Medicare for our parents and our grandparents.

What is wonderful about this plan is that it will still balance the budget, which will secure a future for our children. No seniors will be forced from Medicare. Seniors will have the right to alternative choices. They will have the right to stay with their current doctor or hospital.

Over the course of the next hour, we hope to talk about some of the specifics of this plan. We also want to address some of the real needs that have been created by this plan running down the wrong path for some time.

I want to start out with a chart that shows what the President's Social Security Medicare Board of Trustees report has said. There are three members of this Board of Trustees that are from President Clinton's Cabinet, and as you can see in this chart here, it says "The fund is projected to be exhausted in 2001."

That means by the year 2002, Medicare is going to have a very serious problem. What is very good about finding this out at this point in time is that we have time to correct the problem. We do not want to let the train get down the path too far, because it could result in a train wreck. Instead, we are able to change the system, and preserve and protect Medicare for our seniors.

This chart shows part A trust fund, and it shows graphically what is going to happen to the trust fund. It starts over on the left side at approximately 1993 and goes over to 2004. Right in the center here is zero, which indicates the balance of the trust fund. Up here is $150 billion, and the bottom is negative $150 billion. As you see, as the path progresses over time, this red line indicates that we will cross the zero line or, in other words, go bankrupt, by approximately the year 2002, again, conforming what was told to us by the President's Board of Trustees.

Now, part of the plan that we have in the Republican Party, many people have said that there are going to be cuts that are going to be put in place, and that these cuts are going to fund tax breaks given by Republicans to their rich friends.

Nothing could be further from the truth, for several reasons. First of all, I want to tell people there are not cuts to Medicare. There are no cuts in the Republican plan. There is limited growth.

But if you look at this next chart, it shows that we start, today, 1995, seniors receive $4,816. Now, that is what the average recipient gets per year under the current plan. Over the next 7 years, in the Republican plan, that grows 43 percent from $4,800 to $6,734. As the title across the bottom says, where is the cut?

Now, this is going to result in a reduction in growth of about $270 billion. That number is very specific. It was chosen for a reason. It was targeted for a reason. The reason is that is what it is going to take to preserve and protect the program.

Now, there have been some other plans that were put forward by the President and by Members of the Democrat Party that were to save less an amount of money, which just prolonged the agony. It did not reform the system or preserve and protect the choices that elderly people will have, and it did not give them the opportunity for options, for alternative plans.

We will talk a little bit more about this later, but it is a very comprehensive plan. It is one that has been long in the making.

I want to give you some of the sponsors of this plan. We heard a lot about the American Medical Association. They are at the top of the list. They do support the Republican plan to preserve and protect Medicare. I have an ad, a copy of an ad that was run by the American Medical Association, and it has a quote from Lonnie Barstow, president of the American Medical Association. I just want to read four brief quotes from this.

One of the things that he says is "This is a defining moment in Medicare history. No one can act without you. Your voice will be like a petal in a pond." He is talking about people, asking them to respond and support the Republican plan. "It empowers patients so they can make their own health care choices." "It recognizes the extraordinary value of physicians in managing and delivering health care." "It removes the redtape and liability barriers that disrupts the patient-physician relationship."

Some of the problems we have had in Medicare is we have people sit right here within the beltway, in the District of Columbia, not seeing the patients, making medical decisions. We think it is better that decisions remain with the patient and the physician. That is what the Republican plan does.

You can see, we also have some other people that endorse preserving and protecting Medicare. We have the U.S. Chamber of Commerce, the Council for Affordable Health Insurance, the National Federation of Independent Business. We have the National Restaurant Association, we have the Citizens Against Government Waste, and we have the American Small Business Association.

Many groups are concerned about their parents and their grandparents. Really any of us who are going to live longer than seven years need to be concerned about what is happening with Medicare, because it is going to be coming up very soon if we do not do something about it. So that is why we think it is very important that we get this plan in place.

I have some quotes that came out of the Washington Post. Some people do not think the Washington Post is the right newspaper to quote, but on September 15th, this was a lead editorial. It is what the Washington Post has to say about the Republican Medicare plan. These are direct quotes.

"Congressional Republicans have confounded the skeptics," the first one says, meaning we have come up with a plan when they did not think the Republicans could come up with a plan.

"It is credible." You have heard a whole hour before where there is a lack of credibility for this plan. The Washington Post thinks this plan is credible.

"Its gutsy." We are willing to go out and change the problem, preserve and protect the plan.

"It addresses a genuine problem that is only going to get worse." Well, the time to address it is now. I have several others with me here today that are going to be talking with us about the Medicare program, preserving and protecting the Medicare program, and I would like to start with the gentleman from Georgia, Mr. SAXBY CHAMBLISS.

Mr. CHAMBLISS. Mr. Speaker, why are we here doing this today? Why are we talking about Medicare? Why are we talking about reforming Medicare? The reason we are talking about reforming Medicare is because we as a Republican Conference are absolutely, totally and firmly committed to balancing the budget of this country by the year 2002.

It no longer is a question of should we do that; it is simply a question of how we are going to do it, because it is absolutely necessary. It is necessary for our children and our grandchildren, and I say that with particular pride tonight. I talked during my campaign about my daughter and son-in-law, who are trying to live the American dream. They are part of what I came to Washington for, to balance the budget. Tonight I just found out, or late this afternoon, I am going to be a grandfather for the first time. That is exciting to me, to know that I have a more vested interest than ever before in seeing the budget of this country balanced.

One way we have got to do that is to have Medicare reform. As the gentleman from Kansas [Mr. TIAHRT] showed you on this chart up here, and I want to stick this back up for just a second, this is exactly what is going to happen to Medicare. That is not a Republican diagram. That is a diagram that was put forth by the Medicare trustees, the trustees that are in part appointed by President Clinton.

We have a document signed by three Cabinet members of President Clinton's Cabinet that tells us if we do not reform Medicare, that next year, in 1996, the Federal Government will spend more money in Medicare expenses than we take into the Medicare Trust Fund, that in the year 2002, the Medicare Trust Fund will be broke and the only way we are going to be able to pay for current Medicare benefits is out of the general funds of the Treasury.

You can see what it does by the year 2004. If you want your taxes raised by $150 billion in the year 2004, then you ought to be opposed to this plan to reform Medicare. But if you want to protect and preserve Medicare and save it for the senior citizens of this country, then you need to be very aware of the changes that are being proposed and the fact we are going to protect and preserve it.

Now, we have got two choices when it comes to Medicare. Number one, we can put our head in the sand. We can let things go on like they are. We can let this happen to the citizens of this country, or we can reform Medicare. We can make the necessary changes that will protect that system, not only for the folks who currently receive Medicare benefits, but for the senior citizens and junior citizens who will be receiving those benefits down the road.

Now, I was very interested in the comments that our colleagues on the other side have been making for the last hour. They have alluded time after time to the fact that Republicans are not listening. Well, let me tell you, I am not listening in Washington, D.C. I will be honest with you. I am straightforward about that. I am not listening in Washington, DC. I am not holding hearings on the lawn of the Capitol in Washington, DC. I go home every single weekend. I was home all week last week. I was in places like Moultrie, Georgia, like Dolan, Georgia, like Sylvester, like Irwinville, like Willacoochee, like Douglas, talking to senior citizens about their concerns on Medicare and about what we are proposing to do to reform Medicare, to ensure that it is maintained.

I have been sending out questionnaires, not to folks in Maryland and Virginia, but folks in my district, in middle and south Georgia. This is just a sample of the returns that I have gotten from folks in my district that I am talking to on a daily basis, not in Washington, DC, but in places like Macon, Georgia and Tifton, Georgia. And I want to just tell you some of the comments I have heard from those folks.

I picked out just a sampling of the questionnaires. This first one is from Mr. and Mrs. R. J. Otten in Tifton, Georgia. We asked a question about do you understand the Republican plan to reform Medicare and what it does. This is what the Ottens had to say. "This plan would lower the rate of increase for the Medicare budget from 10 percent to 6 percent a year. When the liberal media says Republicans want to cut the Medicare budget, they are lying, plain and simple."

This next response is from Phil and Jo Martin in Lake Park, Georgia, down in Lowndes County. "We will have more options to choose from to provide medical care and save money doing it. It needs to be done and soon," with an explanation point.

This next one is from Dave and Judy Dresner in Macon, Georgia. "It is an honest, credible effort to save a program that is helping folks.

This next one is from Mr. A. K. Garman in Warner Robbins, Georgia. "I believe this problem has been put off for years, and each year of delay only adds to the problem. Get it under control now, or it will never come," exclamation point.

That is the people that I have been listening to. I have been listening to the people in my district who receive Medicare, who are paying funds into the Medicare Trust Fund and who expect to receive those benefits down the road. We have got to do what we are doing, and we are moving in a positive direction.

Now, as these responses indicate, the Republican plan offers several options. Let us make one thing perfectly clear. Anybody, any senior citizen who now is covered by Medicare, will have the right to receive exactly the same benefits they are receiving now under our plan. Pure and simple, if you like what you have got, you can keep it.

If you would rather have something different for those folks who will be moving into the Medicare age over the next several years, you will have an option to choose from several different plans. Those options are going to be there, and without alluding to them, I am going to let my fellow Georgian, Mr. CHARLIE NORWOOD, from the Tenth District of Georgia talk about specifics of the plan, and also I hope he will allude to these arrests that were referred to earlier by our friends on the other side.

Mr. NORWOOD. Well, Mr. Speaker, I indeed thank my friend from Georgia, and I congratulate him on a new grandchild coming, the first I have heard of that tonight. That will be the most important thing in your life over the next few years. I know that for a fact. I know the gentleman is probably already thinking about the fact that that child arrives in this great country owing $187,000 just for his or her part of the interest on the debt. So, yes, do we need to deal with these problems? Of course we do.

I am pleased to join the gentleman. I know that this is really what would be called a discussion rather than a debate. I hate to use any of my time talking about anything but the details of this new Medicare plan, but I feel forced or I am compelled to say a little bit about myself.

□ 2115

I am new to this. I have been in this town 9 months. I have been in this body 9 months. I have never been in politics in my life. I come from what I think is one of the professions that may be one of the most respected professions in the country, and I am saddened to say that I have moved into one of the professions that is least respected in the country, but then I understand more why today than I did a year ago.

Mr. Speaker, I think probably our first vote in this great body should not be for Speaker of the House. We should take an oath here to tell the truth. Having been on the Committee on Commerce, having been on the Subcommittee for Health and the Environment, I have heard more distortion, more mistruths in the last 2 days than I have heard, I believe, in my entire lifetime.

It is unfortunate that the America people will find it so difficult to find the truth when we have one group, the liberal Democrats, who really do not want to solve the problem of Medicare. They want to make darn sure we do not solve it. That is not what we should be about. We should be working together to solve one of the great problems at the end of this century.

Mr. Speaker, I was sitting in the Committee on Commerce meeting room yesterday morning, and we were informed that there were a group of citizens in the lobby that wanted to come in and be heard, wanted to come in and disrupt our committee meeting, the people's business, and would in no way consider leaving unless they were handcuffed.

They did come into the committee, and they were very disruptive, there is no question about it. The lady came right up to the podium. I was standing right there, and she was yelling and screaming. Not interested in what she was saying, only interested in being disruptive as we tried to do the people's business.

Our chairman was very kind, Mr. Speaker, and was very gentle with this lady. He tried every way he knew how to ask them to leave, because that was not the point in time of the government to be disrupted, because we were going through this bill line by line. Finally, they would not leave and the Capitol Police were brought in and very, very, very gently escorted away.

Mr. Speaker, what is so absolutely distressful about this is there was only one point in that, and that was to be disruptive, to get on television, and show blown-up pictures like we saw in this body tonight in order to misrepresent actually what happened.

This was a senior citizens coalition. This was led by a paid lobbyist. This lobbyist is being paid by American citizens tax dollars. The liberal Democrats have funded them for years. Ninety-six percent of their income comes from tax dollars. Their purpose for being there was to be disruptive, to get on television, and allow people to bring in big pictures here tonight to mislead the public about the facts.

Mr. Speaker, in addition to that, I heard tonight, I do not know how many times, that we have had no hearings; that all we have talked about is to special interest groups. Well, this bill is being marked up by the Committee on Commerce and by the Committee on Ways and Means. We have had over 10 hearings in the Committee on Commerce, of the subcommittee. I was there. I know we had those hearings.

It is true, not many of our liberal Democrat friends bothered to come, but we had the hearings and that was their opportunity to be heard. Ways and Means has had over 30. I think 36 hearings. A lot.

And, by the way, Mr. Speaker, I will be delighted to be corrected tonight if I misspeak or have anything wrong, because I am trying to tell the American people the truth as best I know it. So if I misspeak on anything, I hope my colleagues will jump right in and correct me, because we need the truth to come out.

Mr. CHAMBLISS. Mr. Speaker, if the gentleman would yield for a second. The gentleman is talking about these number of hearings, 10 in the Committee on Commerce, 36 in the Ways and Means. Is the gentleman talking about 30 minute hearings, or hour-long hearings?

Mr. NORWOOD. No, Mr. Speaker, and I thank the gentleman for asking, many of those hearings lasted all day. What I noticed most of all was that the loyal opposition failed to come. We have had all summer to discuss this bill, and we have done that.

I know what my other colleague from Georgia has been doing. I am from Georgia, too. We have been going home and talking to our senior citizens, having time after time town hall meetings.

Mr. TIAHRT. Mr. Speaker, reclaiming my time, I would ask the gentleman, Mr. NORWOOD, who were some of the groups that came to the committee and testified in respect to the Medicare preservation plan?

Mr. NORWOOD. We have tried very hard, Mr. TIAHRT, to hear from all people involved in health care. That means the patient, that means groups represented by AARP, that means the hospital and the hospital administrators. They are involved in health care. They should be involved. They should have some input into this great bill. It certainly means the providers of health care, meaning the physicians. They are involved. This bill affects their lives tremendously.

We brought in people and experts to hear what they felt about it. In addition, we also had senior citizens, who are on Medicare, come into the hearings and speak to us.

The other side talks about special interest groups. A special interest group is when President Clinton puts 500 people in a room who will do exactly what he wants to try to determine the health care of this Nation.

Mr. Speaker, I think we have done this right. We have talked to as many people as we possibly could to have their input. The AMA? Sure. They have had input into this. Of course, they should have had input into this, just as AARP should have had input.

We have been very fair with this. We have met with many, many people, and I think that we have come up with a solution to one of the most difficult problems we have to face in the 104th Congress.

Mr. TIAHRT. Mr. Speaker, I hope my colleagues will stick around for a while. I want to involve the gentleman from Pennsylvania [Mr. GREENWOOD] in the discussion.

Mr. GREENWOOD. Mr. Speaker, I want to thank the gentleman from Kansas, and each of the gentlemen for participating in this and organizing this special order on Medicare.

I, with Mr. NORWOOD, sit on the Committee on Commerce, and together, before the hour is out, we will get into a lot of details, hopefully, about Medicare, but I really want to comment about the previous hour and about yesterday's activities, because I have been sitting in my office just boiling over what we have heard from some of the Democrats.

Mr. Speaker, for the past hour, from I guess about eight o'clock to nine o'clock, we had some very entertaining theater on the part of the Democrats. If there were not so much at stake, I guess the American people might shrug this off as bad theater. But the fact is there is a great deal at stake, and what is at stake is something no less precious than the health of our country's elderly.

Members of Congress are not elected to be entertainers. They are not elected to be actors. But it looks like when some Members of Congress cannot accept reality, they figure out how to escape reality and create their own reality by creating their own theater. That is what happened yesterday and today in Washington.

Mr. Speaker, Mr. NORWOOD and I went to our Committee on Commerce meeting scheduled to begin at 10 o'clock. The meeting finally did come to order, and it went until way after midnight, while we took amendment after amendment after amendment on the Medicare bill from the Democrats. But when we got there, the lawyers for the committee informed us that they had been informed that a group of protestors was planning to disrupt the meeting and that they would not leave unless they were handcuffed and arrested.

They did that precisely because they wanted to create for the television cameras a visual image of senior citizens being arrested so that somehow that would reflect on the Medicaid bill.

Mr. NORWOOD. Mr. Speaker, would the gentleman yield?

Mr. GREENWOOD. I sure will.

Mr. NORWOOD. Mr. Speaker, I would ask the gentleman, the lobbyists that organized this, did the gentleman tell me earlier that this lobbyist is the public relations person for the seniors coalition?

Mr. GREENWOOD. Mr. Speaker, it is even worse than that. I will get to that in 1 minute, however, Mr. NORWOOD.

What happened was, we then consulted with the lawyers and with the Capitol Police and said, well, what do we do if when this meeting comes to order a group comes forward and just is disruptive and refuses to abide by the rules of the House? We were told there is a procedure. The procedure is the chairman should ask the parties if they would please have a seat in one of the seats where the rest of the public sits, because this was a markup where we amend the bill.

Then the next procedure, if they refuse to do that, is to recess the committee and everyone is to leave the room, including Members of Congress, and then the Capitol Police come in and clear the room.

So we said, we hope this does not happen, but if it does, we will do that. We sat down, the chairman banged the gavel, and immediately, if you remember, immediately, on cue, a woman who was formerly the full-time paid political relations director for this seniors citizens group, the senior citizens group, by the way, which last year received in excess of $70 million in Federal funds, something like 99 percent of all its funds were Federal funds, she got up with her script, went around to the front of the room, and reading her script began to scream at the chairman.

Mr. Speaker, she did not want to be heard. She did not have a message. She did not want to listen or have a dialogue or have a conversation. She just wanted to scream and scream and scream.

Mr. TIAHRT. Mr. Speaker, I have a couple of questions to ask the gentleman about that, because we heard earlier that these were seniors that came to the hearing asking to be heard in a very polite manner and were mistreated by the chairman of that committee. The gentleman is telling us that was not exactly how it happened. The gentleman was there?

Mr. GREENWOOD. Unfortunately, it was anything but that. It was political theater. It was scripted. It was planned. It is sort of the latest in political guerilla warfare. You create a media event that works for you on television.

Mr. TIAHRT. Excuse me for interrupting, but this is a group, the gentleman said, that received more than $70 million in tax dollars, which is in excess of 95 percent of their budget?

Mr. GREENWOOD. That is correct.

Mr. TIAHRT. So they are, in fact, using the tax dollars from people, in my case, the fourth district of Kansas, and they are trying to disrupt the plans to preserve and protect Medicare. So that is kind of like trying to push the system into bankruptcy. I am having a hard time understanding what motivation one would have to push Medicare into bankruptcy.

Mr. GREENWOOD. The motivation is a political agenda, of course. And that is, as we all know, after 40 years of the Democrats controlling the House. Republicans were elected in the last election, and I think we were elected, frankly, because the country finally said a $5 trillion deficit is serious. A Medicare program spending at inflation rates that are unsustainable is serious. We have to elect a team that is ready to go in and deal with that.

We are dealing with it. It is a big change for the country. The party that is out now wants to come back in, and if it takes cheap political theater to do it, they will.

Mr. Speaker, the worst of what was done was they used political props. The political props were people. They were little old ladies, many in wheelchairs, whom the young professional staff wheeled up to the front of the room for the TV cameras and turned them just right for the TV. I do not think these little old ladies knew where they were, some of them were that frail, and then the paid professionals left the room so they would not get in the camera's view.

We all left the room, the public left the room, and six times the Capitol Police said to the ladies and gentlemen, "Please, you really need to leave. You cannot interrupt a committee of Congress in session." They refused, because they wanted to be arrested, and, ultimately, they were.

Then, act two of this very bad political theater was acted out on the floor of the House tonight, where Member after Member stood up and pretended that this was somehow a spontaneous event in which just average citizens came forward and wanted to be heard and could not.

Mr. Speaker, it was political guerrilla warfare, and I hope for the sake of the country, and I hope for the sake of the Medicare program that the vast majority of Americans watching tonight and watching this play out can see through it, and see it for the desperate, cheap political theater that it is.

Mr. TIAHRT. Mr. Speaker, let me introduce the gentleman from Florida [Mr. WELDON], a physician who is joining us to enter the discussion on Medicare.

Mr. WELDON of Florida. Mr. Speaker, I thank my distinguished colleague for yielding. I did want to inquire of the gentleman from Pennsylvania, and he basically alluded to the reason at the tail-end of his comments, but I think it is something worth stressing, why would the Democrats do this? Why would they stage an event? Why would they stoop so low as to get frail, elderly senior citizens, who may not have even known where they were, and wheeled them into an event like this? Why are they doing this? And the gentleman answered that, really. They are really desperate.

This is really a desperate team, Mr. Speaker. They know they are on the losing end here. The gentleman from Georgia [Mr. NORWOOD], I think clearly made the case, and the gentleman from Georgia [Mr. CHAMBLISS], as well, that the people in our districts, the people in those hometowns, realize the system is broke. They realize something needs to be done, and they are really looking to us to make the changes, to make sure that Medicare is there for their parents, to make sure that Medicare is there for themselves. And we have a plan that makes sense and that is a rational plan.

The gentleman from Kansas [Mr. TIAHRT] was correct when he alluded to the fact that I am a physician. I made a commitment to the voters of my district when I agreed to run and serve and come here, and that is that I would serve for 8 years, and respect Florida's 8 year limit on service, and then I would go back to my hometown. And my plan is to go back to practicing medicine.

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Fully 50 percent of my patients were senior citizens. I had a substantial Medicare practice and, indeed, I have to say, this issue of the importance of Medicare hit home for me in a very personal way about 4 weeks ago, when my father, 75-year-old combat war veteran from World War II, a retired postal worker, had a stroke. Now, fortunately, thank God, it was a small stroke, and he is looking at making a good recovery. But I am very happy that he has a good health insurance plan in the Medicare system and that will be there for him to provide him the coverage that he needs for physicians and for hospital care to see him through this event so that he can get back to home and return to independent living, as he had before.

And this reform plan, this proposal that we have, I think is an outstanding proposal. I am very happy that both of you gentlemen from the Committee on Commerce that have worked so hard on this program are here to talk about it because it is a good plan.

It allows senior citizens the option to stay in standard Medicare. It allows senior citizens who are already in HMOs that they are happy with to stay in that HMO. It allows physicians and communities to set up provider-sponsored networks so that they can form managed care networks if they want. It also has an option in there for medical savings accounts so that seniors who want to set up a medical savings account time option will be able to do that. There is also an option in there for those people who are approaching retirement and they have much like the insurance plan that they currently have with their employer, if that insurance company offers a product for senior citizens, that they can select that option and stay with that plan and stay with those providers in that plan.

So we have a host of options in this. It has been scored by the Congressional Budget Office as realizing the savings necessary to keep the program solvent and it has been declared by the Clinton administration that the program is going to go insolvent. I think this is an excellent plan.

My hat is off to those members of Ways and Means and Commerce, such as the distinguished gentlemen from Georgia and from Pennsylvania, who have worked very hard, very diligently, I believe, on this. And I think when all is said and done and the American public sees the plan, they are going to like the plan. And they are also going to realize how desperate our opposition really was to resort to the kind of cheap tricks like they did yesterday in the Committee on Commerce.

I think it was a sorry day in the annals of Democrat political history that they had to stoop that low, and I think we have got a good plan. I think the plan is going to pass. I think we are going to have Democrats voting for our plan in the end because they know it is a good plan. I think the public is going to support it.

I very much want to compliment you, Mr. TIAHRT, for putting together this discussion to talk about this very important thing, because this is a very important issue. We need to take the time to make sure that this is properly spelled out to the public and they understand it.

Mr. CHAMBLISS. Very briefly, you make an excellent point. The point being that the folks on the other side that are opposing this plan have stooped to an all time low level.

I happened to be in the chair a little bit earlier in the evening when JIM GREENWOOD came down, after sitting in the office and, as you said, boiling for a while, you came down to the floor. You could have sat up there and just turned your TV off, but you did not do that. You wanted the American people to know the truth.

You came to the floor of the House to engage the folks on the other side of the aisle who were not telling the truth about what happened and how it happened. I would like for you to comment on what reaction you got from the folks when you offered to come down here and engage in debate tonight.

Mr. GREENWOOD. I appreciate the gentleman for commenting about that. I was sitting in my office listening to this absurd, sort of UFO show about what happened yesterday. And I said, I have got to go down to the House and straighten this out. They are telling the Americans things that are just not so.

So I took the microphone. I said, we are going to have an hour between 9 and 10. And how about if instead of Democrats doing an hour and have things their way and then the Republicans do an hour and have things our way, why do we not share time and we can have a dialogue back and forth and maybe the American people who are paying for this might actually learn something instead of getting the propaganda approach. I asked for some time and they refused. They yielded me 15 seconds, which was enough to make the request, and then they said they would not do it.

The issue is, why are they so desperate. And the fact, if you look back just a few weeks, after we had 38 hearings in the Committee on Ways and Means on Medicare, another 10 hearings in the Committee on Commerce, 48 hearings on Medicare, countless hours of hearings, we then said, now it is time. We heard from all the senior citizens groups, all the professionals, all the experts, it is time to do the hard work of drafting the bill.

While we were doing that, day after day, sometimes until 2 o'clock in the morning, crafting the bill, the same folks we just heard from were coming down here and telling you, I will tell you what the Republican bill is going to do. It is going to raise the cost of Medicare thousands of dollars for senior citizens. And then they are going to raise their co-pays. Then they are going to raise the deductibles. Then they are going to push them into managed care. Then they are going to lower the quality of care and take benefits away from them. And we would have press conference after press conference. And the Democrats would say, wait until you see this horrendous plan.

We quietly, carefully went to work putting together a plan that, as has been said, does not raise the cost of Medicare for anyone. Co-payments are the same; deductibles are the same, still pay 31 percent of the premium in part D. Taxpayers pick up the rest. Benefits package is exactly the same. If you want to stay where you are, you can stay where you are. New opportunities in managed care and Medisave accounts.

So we got the bill all put together very carefully and introduced it, and the Democratic staff took it and looked at it. And I could just see the Democrats huddling around and saying, OK, all that bad stuff is in here, right? All those horrible things we said they are going to do to seniors, tell us what to say. And the analysts must have said, well, they did not do that. They did not do those terrible things. So now what are we going to do?

The Democrats say, what are we going to do? We have to destroy their plan because if we do not destroy their plan, they will succeed and they will save Medicare and they might get reelected or something and we will not take the House back. So what do they have left? Cheap political desperate theatrics. If Americans fall for that, if Americans cannot see through that kind of ridiculous, childish, adolescent behavior, this country is in trouble. But I do not think it is.

Mr. NORWOOD. Mr. Speaker, we need to talk a little bit about the specifics. I think that, if there is anything good that has come out of the Committee on Commerce markup over the last 2 days, at least we have the Democrats admitting that part A of the trust fund is in fact going bankrupt in 7 years. That is the best we can get out of them.

They will admit that the hospital part of the fund, that paid for by payroll taxes, is doing broke in the year 2002. They say to us, however: Well, you do not need to save $270 billion because part B, which is the part paid basically for physician services, is just great. It is fine. It is doing super.

Well, patients today pay 31.5 percent of their part of the premium in part B. Guess who pays the 68.5 percent? The Treasury, the American people. That is subsidized. We are glad to do that as long as we can. We want to help people as much as the other side does. But, my colleagues, I will have to tell you, the part that comes out of the Federal Treasury, that 68.5 percent, is growing unbelievably out of control.

And think of this: That Treasury that they never considered that this country can ever run out of money, that is the Treasury that owes $5 trillion. This is the Treasury that borrows a trillion dollars every 4 years, if we do not change what they are doing.

We are going to be borrowing a trillion dollars every 3 years when we hit the 21st century. The price of medicine is going to continue to go up as long as we do not go into this program and we rework it, as we have.

So it is not fair to say that the part B part of the trust fund does not have just as serious a problem as the part A part of the trust fund.

Now, I think if I could only have one message go out of here tonight, it would be this: We are going to offer senior citizens many choices and we want to hit all those choices. But the thing I would like for my mother-in-law to hear and remember more than anything else is that, if you like Medicare as it is today, part A, part B, Medigap, messing with HCFA, if you like all of that, you can stay with it. You do not have to do one thing to change that. Is the co-payment going up? No. Is the deductible going up? No. It is going to be exactly next year like it was last year, if you make that choice.

Now, I believe many seniors will look at the different great options that we are going to give them, and some are going to take different choices. But any senior citizen who wants to stay on Medicare precisely as it is today can do so without any increase in cost.

Let me conclude one thought about that. I think that it is wrong for us to stand here and not say to senior citizens, that 31 percent that you pay for your premium in part B, it is going up. It is going to increase.

It has doubled over the last 7 years under the present Medicare plan. It has gone from around 20 bucks up to 46 bucks a month. I will stay here right now and tell anybody who wants to know, it is probably going to go up in the neighborhood of about $90 a month by the year 2002. But that has nothing to do with our reforms. That increase in the part B premium is going to occur whether we reform Medicare or whether we leave it exactly as it is today.

So in general, and I know it is someone else's time, but in general, anybody who wants to keep Medicare as they have it today with no increased cost in part A and an increase in your premium cost in part B because of inflation, then you can stay right there.

Mr. WELDON of Florida. Mr. Speaker, I just want to clarify a couple of the points that the gentleman made. The deductible right now, that stands at $100 per year per beneficiary.

Mr. NORWOOD. Yes.

Mr. WELDON of Florida. That is going to stay the same.

Mr. NORWOOD. That is correct. It is not going to increase.

Mr. WELDON of Florida. Now, the co-pay, that is the 20 percent that Medicare does not cover. So Medicare is going to continue to cover the 80 percent, and it is not going to decrease at all; correct?

Mr. NORWOOD. Exactly as we do it today.

Mr. WELDON of Florida. Now, the premium that we are talking about for the average senior right now I think that is at $46.

Mr. NORWOOD. Per month.

Mr. WELDON of Florida. Okay. The Clinton administration was talking about letting that increase to about $75 per month over the next 5, 6 years, as I understand it, and his attempt to balance Medicare. And what will the Republican proposal be doing?

Mr. NORWOOD. Our proposal increases that $7 a month.

Mr. WELDON of Florida. Only $7 more a month.

Mr. NORWOOD. Seven dollars per month.

Mr. WELDON of Florida. That is as I understand it. I think that is an important point worth stressing here, that we are not going to be raising co-pays, and we are not going to be raising deductibles. Actually what we are planning on doing with the Medicare premium basically is the same thing that our Democrat President over in the White House is proposing doing. That is to let it increase gradually with the cost of inflation.

This is one of the reasons why I think this reform proposal is really an excellent proposal because for those seniors on a limited budget who are very dependent on making sure that they have good quality medical care because they have heart disease, they have arthritis, they have diabetes and they have to make sure they get in to see the doctor every month or every 2 months or every 3 months, they are trying to get by on the Social Security check.

We are not going to be putting increased burdens on those seniors. We are going to be making sure that the resources are available for them so that they can continue to see their physician. We are also going to be giving them that continued freedom of choice so that if they are happy with their practitioner that they will be able to continue to go see the doctor that they have been comfortable with for many years. I think that is extremely important.

I know that in my practice, when I took care of seniors, I knew that it was important to them to be able to know that, if they got sick and they were in the emergency room, that their doctor was going to be there for them and that they were going to have their Medicare to pick up the tab. They were not going to be bankrupted by an excessively large medical bill that they could not afford to pay. Our proposal, the Republican proposal that we are putting forward, preserves that for senior citizens.

□ 2145

I think it is a good plan. I think it is a well-balanced plan. I think it was a real sorry state of affairs to see how desperate our opponents were in trying to score political points to do what they have done with this cheap political shot.

I think the gentleman from Pennsylvania [Mr. GREENWOOD] really revealed something when he came down here to the floor and said, "Let us have an open debate and let us really debate the issues," and I would put forward to members of the minority party who may be watching these proceedings that I would be delighted to appear on the floor of this House with the Members gathered here today and debate those people openly and fairly. Let us have an open hour where we can really exchange issues and really talk about this plan because this is a good plan. This is a plan that I think meets the needs of our seniors. It is a well-balanced plan.

We did take input, as the gentleman from Georgia [Mr. NORWOOD] said. We did take input from the seniors' groups. I know I went back to my district and I met with AARP people three times, and I showed them our product. They were afraid of change. I have to say there was some concern in the room. But they understand that something has to be done to preserve this program, that it is going to be insolvent and that it is starting to go insolvent next year.

So they know some changes need to be made, and they believe that this is a good proposal and it is something they can live with and that will help to make sure Medicare is there for all seniors in the future.

Mr. GREENWOOD. That is the thing that has been so astonishing is the comment that somehow we have not been listening to the seniors on this. I know I have had meeting after meeting after meeting with seniors in all the senior centers. I have had big town meetings for the whole county to come. I have had a senior citizen advisory committee, and despite the fact there is this constant barrage of scare tactics coming out of Washington, we call it "Mediscare," the Democratic Party had a great leader who said, "We have nothing to fear but fear itself." Now we are seeing that they have nothing to offer but fear itself. That is a pretty sad state of affairs.

Despite all the fear-mongering that is going on, everytime I have been able to take our bill and sit down with senior citizens one at a time, five at a time, 200 at a time and walk through what we are offering, they all go, "Oh, that sounds great. You mean I can stay where I am, and you guys are not going to cut Medicare?" They keep saying, "You are going to cut Medicare." The chart shows we are not going to cut Medicare. We are going to increase the expenditures for the average citizen from over $4,800 a year where it is now over the 7 years to $6,700 a year plus for a senior citizen. That is a lot of money. That will buy a lot of health care. That is a 40-percent increase.

What we are not going to do is we are not going to continue to waste money in the program, so the inflation rate is 10 percent a year. If we can hold the inflation rate to 5 percent a year, every senior citizen in the country knows what 5 percent a year, they would like to get that on the CD's back home after all these years. Five percent is a pretty good inflation rate. That is plenty of money.

The theory the other folks keep putting out, you know, if I find a television for sale for $500 and it is in one store, I go to another store, it is $400, I guess I ought to spend $500 for the same TV; otherwise, I am getting cheated out of $100. I think seniors are better shoppers than that.

Mr. TIAHRT. I would like to explore some of the details, and I yield to the gentleman from Georgia to cover some of the details in the Medicare plan that we have to preserve and protect cover Medicare.

Mr. CHAMBLISS. You have been one of the leaders in devising this plan. I sort of know the highlights of it. I would appreciate it if you and the gentleman from Georgia [Mr. NORWOOD] who serve on the committee, would pitch in. As I understand it, what we are going to do, No. 1, we are going to offer every senior citizen the same Medicare program they have got right now. We have mentioned that a couple of times. That is an absolute.

Secondly, we are going to provide what is called a provider service network, where hospitals and physicians will be able to get together and form a group, and they will be able to offer certain services to individuals. They will be able to sell those services to any group out there.

Mr. GREENWOOD. If I may, what will happen, the Medicare program would pay a figure, let us say $5,000, for each senior citizen in that community right to the hospital and doctor network. That would be, we would basically be paying the insurance premium for that. In exchange for that, the hospitals and doctors and surgeons and specialist say, "We will meet all the health care needs of the seniors who sign up in our program." It is a great idea. It is innovative.

You know, the hospitals and doctors like it because they leave the insurance companies out of the deal and save some money that way for them. The insurance companies are not wild about it, but it makes it competitive.

Mr. NORWOOD. The networks may be just a group of physicians who are offering part B. It may be a group just of hospitals that are offering part A. Or it may be a combination of physicians and hospitals who get together and achieve the efficiencies that medicine could have done for years had it not been for the Justice Department up here. It is going to be a great move in the right direction, cut the middle man, lower the costs, and let people be involved in their health care with their doctor, not with HCFA.

Mr. CHAMBLISS. Is that going to cost senior citizens any more money than what they are paying today?

Mr. GREENWOOD. No. it is probably going to save them money. My mom and dad have chosen in our area, where we have managed care programs already, they have chosen to obtain their Medicare benefits through the managed care program. You know what happened to them, they are saving a thousand dollars each a year because they do not have to buy the Medigap policy anymore. They have got a prescription drug program now which seniors know in regular Medicare you do not get, and they have no copays and no deductibles; it is a great deal for them. They like it. They are happy there, and there is going to be an opportunity for seniors, and the other great thing is that we are setting this thing up so the seniors can get into the kind of plan, try it out, if they are happy and love it and their doctors are the best doctors in the community, great. If they decide they do not like it, in any given month——

Mr. NORWOOD. Every 30 days.

Mr. GREENWOOD. They can just walk out and go back to Medicare.

Mr. NORWOOD. Go back to what they have got right now.

Mr. CHAMBLISS. If they like it or try it and do not like it, they can go back. You alluded to HMO's, health maintenance organizations as being in effect right now in your area. Is that another option that we are going to broaden under our plan?

Mr. GREENWOOD. Yes. What we are doing, we are increasing between 5 and 10 percent the financial incentives for the managed care companies to go and aggressively market their product. So what they will be doing is going to the senior centers, advertising on television, saying, "If you come to our plan, get your Medicare through us, we will get you a prescription drug program with maybe a $2 copay. If you come to ours, we will give a membership in the gym." It will be very competitive.

Mr. NORWOOD. The marketplace comes into this. The marketplace is going to bring these costs down.

Mr. WELDON of Florida. What about the issue of fraud and abuse? I know that is a very, very important one for the seniors in my district, many of whom have complained very bitterly about seeing tremendous amounts of that going on, people being billed for hospital stay when they were not in the hospital, people going in for lab tests and being charged twice for that lab test. Do we have some provisions in our bill that will deal with that problem once and for all and get some real, or get a real handle on the fraud and abuse issue?

Mr. NORWOOD. I do not know if once and for all is correct. A crook is a crook and is going to continue to be a crook. But in general, we are tightening that up tremendously.

It was very interesting to me in the markup yesterday that we were talking about that in the Medicare program, 10 percent of that goes to waste, fraud and abuse, and the number is debatable about how much money is lost every year, but is between $18 billion and $20 billion a year, and to me it appears that the operators of HCFA are incompetent. It just set the other side on fire for us to say how dare we call them incompetent.

They have for years let waste, fraud and abuse go ahead at about a 10 percent level. And when asking the director of HCFA, "Well, when are you going to solve this problem," he said, "Well, maybe in another year to two we will come up with a plan." Well, we have come up with a pretty darn good plan now. The gentleman and I will do this together, but we have got a task force being set up that is basically funded by those who abuse the system, and the penalties go back into the system to fund this task force.

I think probably most of all, we are going to involve the patient with their bill. We do not even do that very well. A lot of times they may be charged for that second lab test, but the poor patient does not know it. They do not receive the bill. We are going to insist that HCFA and that crowd send patients a copy of their bill as they pay them.

Can you imagine? I cannot understand why in the world we would never have done that before.

Mr. CHAMBLISS. You do not mean the Federal Government is going to have to respond to the patient?

Mr. NORWOOD. I think they are going to have to tell people what they are spending money for so the patient can have some input into areas that are wrong. Maybe they are honest errors. It does not matter. It is still part of that $20 billion. We have got to root that right out of this system.

Mr. GREENWOOD. The bill raises significantly the penalties for any health care producer that is guilty of fraud. We are going to involve the patients, as the gentleman from Georgia [Mr. NORWOOD] said, because what the Medicare beneficiary gets to do is look at the bill and the Secretary of Health and Human Services is directed to set up a system whereby if the senior finds out that there has been fraud or abuse in the bill, gets to share in it and proves it, and there is a rebate, gets to share in the profits or in the differences.

But what is more important really here is you cannot depend on the Federal bureaucracy to weed out, to look at every single doctor bill for 37 million Americans. As Americans seniors move into these managed care companies, then all of a sudden the managed care companies have a real financial incentive to find the waste, fraud and abuse. If they do not, it is out of their pocket, not Uncle Sam's pocket.

Mr. TIAHRT. One question I would like to approach the group with, I heard the charge earlier in the previous hour the savings we are going to get from the provisions we have to preserve and protect Medicare are going to go toward tax cuts for the wealthy. Have we put provisions in there to prevent the savings from Medicare to go to pay for tax cuts for the wealthy? I do not think that it is true. Could we respond to that?

Mr. NORWOOD. I would very much like to respond to that. Earlier this spring, we had a tax reform tax bill.

In my view, what that was, it was a tax rebate. The 103d Congress raised the largest amount of taxes ever raised in the history of the United States, $260 billion.

What we have said, as the 104th Congress, because the people at home said it to us, "We do not like that tax increase. We think you should cut spending to manage your affairs up there, not keeping taxing us." Our tax reform bill puts $245 billion back into the hands of families for them to keep. None of this discussion yet has anything to do with Medicare. What we are basically saying is that young families who have an income of $25,000 and they have a couple of children at home, their tax liability goes to zero.

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We are saying to families that have an income of $30,000 a year, a couple of children at home their tax liability is cut by 50 percent. Now I am not sure when I am going to get to the rich, you stop me when I get to the rich, but I do not believe I have gotten to the rich yet.

The whole tax reform thing is giving people back their money from the tax increase from the 103d Congress. This money that we are saving, particularly from Part B, is going back into a lockbox. It is going back into the Federal Treasury. That is where the money came from to start with. We are putting it back into the Treasury.

Mr. GREENWOOD. Mr. Speaker, a very important point has to be made here. If we recall in the first 100 days of this Congress, the first three months-plus, we paid for those tax reductions. The way we did it is we reduced by $180 billion over the next seven years the discretionary spending for all of the Federal bureaucracies. That was hard. We made the tough choices, and that is how we funded the tax reduction for the families and so forth.

Then, on top of that, we reduced the cost to the Federal Government of the welfare program in our welfare reform bill. Putting people back to work and making them less dependent, we saved another $80 billion. We saved every penny which we planned to offer back to the American people in tax reductions.

Mr. WELDON of Florida. Let us suppose we did not have our tax cut for families with children. Would the Medicare plan be solvent then?

Mr. GREENWOOD. Absolutely not. The Medicare Part A, the hospitalization, the bigger piece of the pie, is already paid for by wages, a tax paid by employers and employees. Well, today we are in okay shape, because we are going to spend less money today, in October of 1995, than we are going to take in. But beginning next year, we start to spend more than that tax takes in. In seven years, we are out of money. So if we do nothing, even if we do not have the tax break, that does not solve the problem.

Mr. WELDON of Florida. You are saying if we did not give families with children, the most heavily taxed group over the past 40 years in this country, an issue that is contributing to the breakdown in the family in the United States, the heavy tax burden on those young families with kids, if we took that tax break away from them, the Medicare plan would still be insolvent and we would still have to have this bill to try to protect and preserve Medicare?

Mr. GREENWOOD. That is absolutely correct. I think most of those young families want that tax reduction and need it.

This will be the final thing I will say tonight. There are some Americans out there who say "I am not taxed enough. You ought to tax me more, Congress." My answer to them is write a check, put it in an envelope, make it out to the United States Treasury, and send it in. If you do not feel you are paying enough, send some more in. A lot of families are struggling and need help.

Mr. CHAMBLISS. The tax you are referring to, the Medicare tax that currently is in existence, goes into a trust fund. It is a fund that is set aside to solely pay for Medicare benefits and nothing else. That is why there is no relationship between tax reform and Medicare, there is simply no relationship. That is trust money.

Mr. TIAHRT. If we can wrap this up this evening, I would like to say in plain English, we finally have a specific plan that will preserve and protect Medicare for our parents and our grandparents. It is a realistic plan, it is up front, there is no fine print. It allows the right to select alternative options, the right to stay with your current doctor, your current hospital. It attacks waste, fraud and abuse. There is real accountability for physicians. It is a long-term solution, and Medicare is guaranteed to survive. This is not just politics as usual. This is a real plan that is going to work.

I want to thank those who participated tonight, the gentleman from Florida, Mr. WELDON, the two gentlemen from Georgia, Mr. NORWOOD and Mr. CHAMBLISS, and also the gentleman from Pennsylvania, Mr. GREENWOOD.

I think this has been very enlightening for the American public as we have come to a conclusion here, refuting all the arguments that you heard in the first hour. We have a good plan, and we are going forward with it. I thank the American public for the time.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. EMERSON (at the request of Mr. ARMEY) for today after 12:30 p.m., on account of medical reasons.

Mr. BILIRAKIS (at the request of Mr. ARMEY) for today after 1:30 p.m. and the balance of the week, on account of attending his son's wedding.

Mr. BALDACCI (at the request of Mr. GEPHARDT) for today before 4 p.m., on account of personal business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. SKAGGS) to revise and extend their remarks and include extraneous material:)

Mr. SKAGGS, for 5 minutes, today.
Mr. WISE, for 5 minutes, today.
Ms. KAPTUR, for 5 minutes, today.
Mr. OWENS, for 5 minutes, today.
Mr. SANDERS, for 5 minutes, today.

The following Members (at the request of Mr. MCINNIS) to revise and extend their remarks and include extraneous material:

Mr. RIGGS, for 5 minutes, today.
Mr. MCINNIS, for 5 minutes, today.
Mr. WELDON of Pennsylvania, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. SKAGGS) and to include extraneous matter:)

Mr. MARKEY.
Mr. REED.
Mr. OLVER.
Mr. CLEMENT.
Mr. HAMILTON.
Mr. BONIOR.
Mr. BARCIA.
Mr. JOHNSON of South Dakota.
Mr. CONYERS.
Mr. LIPINSKI in two instances.
Mr. MFUME.
Mr. KENNEDY of Rhode Island.
Mr. NEAL.

Mr. POSHARD.
Ms. WOOLSEY.
Mr. DURBIN.
Mr. PALLONE.
Mr. LAFALCE.

(The following Members (at the request of Mr. MCINNIS) and to include extraneous matter:)

Mr. ROTH.
Mr. DUNCAN.
Mr. GILMAN in two instances.
Mr. WELDON of Pennsylvania.
Mr. HYDE.
Mr. RAMSTAD.
Mr. EHRLICH.
Mr. MCKEON.
Mr. FIELDS of Texas.
Mr. GUNDERSON.
Mr. MYERS of Indiana.

(The following Members (at the request of Mr. GREENWOOD) and to include extraneous matter:)

Miss COLLINS of Michigan.
Mr. BENTSEN.
Mr. WARD.
Mr. SAXTON.
Mr. RIGGS.
Mr. BARCIA.

ADJOURNMENT

Mr. GREENWOOD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 2 minutes p.m.), the House adjourned until Friday, October 13, 1995, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1516. A letter from the Secretary of Defense, transmitting notification that the Department of Defense is providing disaster relief assistance to St. Maarten as the result of Hurricane Luis, pursuant to 10 U.S.C. 404(c); to the Committee on National Security.

1517. A letter from the Inspector General, Department of Defense, transmitting a copy of the Army Audit Agency's report of the Superfund financial transactions for fiscal year 1994, pursuant to 31 U.S.C. 7501 note; to the Committee on Commerce.

1518. A letter from the Chairman, Federal Trade Commission, transmitting the Commission's 79th annual report covering its accomplishments during the fiscal year ended September 30, 1993, pursuant to 15 U.S.C. 46(f); to the Committee on Commerce.

1519. A letter from the Director, Defense Security Assistance Agency, transmitting the Department of the Army's proposed lease of defense articles to the United Nations for Rwanda (Transmittal No. 02-96), pursuant to 22 U.S.C. 2796a(a); to the Committee on International Relations.

1520. A letter from the Director, Defense Security Assistance Agency, transmitting notification concerning the accession of Belgium to the project to establish an organization for continuous acquisition and life-cycle support [CALS] within NATO (Transmittal No. 12-95), pursuant to 22 U.S.C. 2767(f); to the Committee on International Relations.

1521. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification that the Department of State intends to provide a physical security training course to Albania under the auspices of the Antiterrorism Assistance Program [ATA], pursuant to 22 U.S.C. 2349aa-3(a)(1); to the Committee on International Relations.

1522. A letter from the Director, Defense Security Assistance Agency, transmitting the Department of the Army's proposed lease of defense articles to the United Nations for use in Rwanda (Transmittal No. 01-96), pursuant to 22 U.S.C. 2796a(a); to the Committee on International Relations.

1523. A letter from the Assistant Attorney General, Department of Justice, transmitting a draft of proposed legislation to allow removal of suits against the United States and its agencies, as well as those against Federal officers, and to allow removal of suits against Federal agencies and officers that are brought in local courts of U.S. territories and possessions; to the Committee on the Judiciary.

1524. A letter from the Secretary of Transportation, transmitting the annual report for 1994 on the relative cost of shipbuilding in the various coastal districts of the United States, pursuant to 46 U.S.C. app. 1123(c); to the Committee on Transportation and Infrastructure.

1525. A letter from the Chairman, National Transportation Safety Board, transmitting a copy of the Board's response to OMB's request for information regarding agency operations in the absence of appropriations, pursuant to 49 U.S.C. app. 1903(c)(7); to the Committee on Transportation and Infrastructure.

1526. A letter from the Secretary of Veterans Affairs, transmitting a draft of proposed legislation to amend title 38, United States Code, to revise the procedures for providing claimants and their representatives with copies of Board of Veterans' Appeals decisions and to protect the right of claimants to appoint veterans service organizations as their representatives in claims before the Department of Veterans Affairs; to the Committee on Veterans' Affairs.

1527. A letter from the Secretary of Health and Human Services, transmitting a report on the results of a demonstration to determine the benefits and costs of establishing and maintaining a uniform cost reporting system for Medicare hospitals, pursuant to Public Law 100-203, section 4007(c)(4) (101 Stat. 1330-54); jointly, to the Committees on Ways and Means and Commerce.

1528. A letter from the Secretary of Energy, transmitting a draft of proposed legislation entitled "The Energy Policy and Conservation Act Amendments Act of 1995"; jointly, to the Committees on Commerce, Resources, and Banking and Financial Services.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. STUMP: Committee on Veterans' Affairs. H.R. 2353. A bill to amend title 38, United States Code, to extend certain expiring authorities of the Department of Veterans Affairs relating to delivery of health and medical care, and for other purposes; with amendments (Rept. 104-275). Referred to the Committee of the Whole House on the State of the Union.

BILLS PLACED ON THE CORRECTIONS CALENDAR

Under clause 4 of rule XIII, the Speaker filed with the Clerk a notice requesting that the following bills be placed upon the Corrections Calendar:

H.R. 782. A bill to amend title 18 of the United States Code to allow members of employee associations to represent their views before the U.S. Government.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. WELDON of Pennsylvania (for himself, Mr. BLUTE, Mr. BOEHLERT, Mr. ENGLISH of Pennsylvania, Mr. FRANKS of New Jersey, Mr. GILMAN, Mr. HORN, Mr. HOUGHTON, Mr. LATOURETTE, Mr. LAZIO of New York, Mr. LOBIONDO, Mr. MARTINI, Mr. METCALF, Mr. MCHUGH, Mr. RIGGS, Mr. SHAYS, Mr. SMITH of New Jersey, Mr. WALSH, Mr. WELLER, Mr. YOUNG of Alaska, Mr. PETRI, Mr. NEY, Mr. LAHOOD, Mr. GILCHREST, Mr. QUINN, Mr. LEWIS of California, Mr. TORKILDSEN, and Mr. REGULA):

H.R. 2472. A bill to amend the act of March 3, 1931 (known as the Davis-Bacon Act), to revise the standards for coverage under the act, and for other purposes; to the Committee on Economic and Educational Opportunities.

By Mr. COYNE:

H.R. 2473. A bill to authorize funding within the Department of the Interior to implement the plan of the Steel Industry Heritage Project, and for other purposes; to the Committee on Resources.

By Mr. DURBIN (for himself, Mr. LEACH, Mr. POSHARD, Mr. LIGHTFOOT, Mr. JOHNSON of South Dakota, and Mr. ROEMER):

H.R. 2474. A bill to amend the Internal Revenue Code of 1986 to provide a 2-year extension of the tax incentives for the use of alcohol as a fuel; to the Committee on Ways and Means.

By Mr. JOHNSON of South Dakota:

H.R. 2475. A bill to amend the Federal Meat Inspection Act to require that imported meat and meat food products containing imported meat be labeled imported, and to require that certain eating establishments serving imported meat inform customers of that fact; to the Committee on Agriculture.

By Mr. STUPAK:

H.R. 2476. A bill to amend title XVIII of the Social Security Act to provide for commonsense reforms of the Medicare Program; to the Committee on Ways and Means, and in addition to the Committees on Commerce, and the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. VUCANOVICH:

H.R. 2477. A bill to designate the Nellis Federal hospital in Las Vegas, NV, as the "Michael O'Callaghan Military Hospital", and for other purposes; to the Committee on National Security.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. METCALF:

H.R. 2478. A bill for the relief of the Sara, Jade, and Jordan Hutchings; to the Committee on the Judiciary.

By Mr. ROSE:

H.R. 2479. A bill for the relief of James A. Strickland; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 29: Mr. Martini.

H.R. 109: Mr. Smith of New Jersey.

H.R. 249: Mr. Ackerman.

H.R. 262: Mr. Torkildsen.

H.R. 263: Mr. Dixon.

H.R. 310: Mr. Torkildsen.

H.R. 351: Mr. Goss and Mr. Sensenbrenner.

H.R. 359: Mr. Goss, Ms. McCarthy, and Miss Collins of Michigan.

H.R. 460: Mr. English of Pennsylvania.

H.R. 491: Mr. Bilbray.

H.R. 497: Mr. Gibbons, Mr. Taylor of North Carolina, Mr. Portman, Mr. Horn, Mr. Castle, Mr. Miller of California, Mr. Blute, Mrs. Morella, and Mr. Kennedy of Massachusetts.

H.R. 528: Mr. Hamilton, Mr. Payne of Virginia, Mr. Funderburk, Mr. Barr, Mr. Whitfield, Mr. English of Pennsylvania, Mr. Hutchinson, Mr. Traficant, Mr. Rogers, Mr. Bachus, Mr. Baesler, Mr. Goodlatte, Mr. Chrysler, Mr. McCrery, Mr. Hilleary, Mr. Buyer, Mr. Solomon, Mr. Ewing, Mr. Foglietta, Mr. Ney, Mr. Linder, Mr. Murtha, Mr. Barcia of Michigan, Mr. Burr, and Mr. Duncan.

H.R. 580: Mr. Heineman.

H.R. 598: Mr. Kim, Mr. Wicker, and Mr. Hansen.

H.R. 739: Mrs. Roukema.

H.R. 911: Mrs. Johnson of Connecticut and Mr. Torres.

H.R. 941: Mr. Menendez and Ms. Jackson-Lee.

H.R. 1078: Mr. Watt of North Carolina.

H.R. 1083: Mr. Young of Alaska.

H.R. 1094: Mr. Miller of California.

H.R. 1114: Mr. Sensenbrenner.

H.R. 1256: Mr. Manton and Mr. Nadler.

H.R. 1279: Mr. Doolittle, Mr. Moorhead, Mr. Hansen, Mr. Hutchinson, Mr. Taylor of North Carolina, Mr. Combest, Mr. Barrett of Nebraska, Mr. Davis, Mr. McKeon, and Mr. Hilleary.

H.R. 1488: Mrs. Vucanovich, Mr. Goodlatte, Mr. Lewis of Kentucky, Mr. Klink, Ms. Danner, Mr. Bunn of Oregon, Mr. McInnis, Mr. Hunter, Mr. Richardson, and Mrs. Cubin.

H.R. 1499: Mr. DeLay, Mr. Ehlers, Mr. Wicker, Mr. Stearns, Mr. Saxton, Mr. Weldon of Pennsylvania, and Mr. Horn.

H.R. 1560: Mr. Pallone.

H.R. 1576: Mr. Franks of New Jersey.

H.R. 1749: Mr. Torkildsen.

H.R. 1756: Mr. Torkildsen.

H.R. 1787: Mrs. Thurman, Mr. Shaw, Mr. Oxley, and Mr. Klug.

H.R. 1889: Mr. Sabo and Mr. Rangel.

H.R. 1946: Mr. Lipinski, Mr. Stenholm, Mr. Ballenger, Mr. Rose, Mr. Burr, Mr. Wolf, Mr. Paxon, and Mr. Funderburk.

H.R. 2026: Mrs. Mink of Hawaii, Mr. Pete Geren of Texas, Mr. Petri, Mr. Hastings of Washington, Mr. Pallone, Ms. Velazquez, Mr. Tate, Mr. Archer, Mr. Stockman, and Mr. Baker of Louisiana.

H.R. 2092: Ms. Rivers, Mr. Torricelli, Mr. Linder, Mr. Bonilla, Mr. Packard, Mrs. Roukema, Ms. Lofgren, Mr. Kim, and Mr. Dixon.

H.R. 2162: Mr. Stockman and Mr. Baker of Louisiana.

H.R. 2182: Mr. Bereuter.

H.R. 2200: Mr. Hansen, Mr. Radanovich, Mr. Deal of Georgia, Mr. Lewis of Kentucky, and Mr. Ward.

H.R. 2205: Mr. Bartlett of Maryland.

H.R. 2216: Mr. Rohrabacher and Mr. Romero-Barcelo.

H.R. 2223: Mr. Ackerman, Mr. Pallone, Mrs. Maloney, Mr. Brown of Ohio, Mr. Andrews, Mr. Hoke, Mr. McNulty, Mr. Rose, Mr. Meehan, Mrs. Lowey, Mr. LoBiondo, Mr. Abercrombie, and Mr. Pickett.

H.R. 2242: Mr. Martini.

H.R. 2244: Mr. Christensen, Mr. Zimmer, Mr. Pomeroy, Mr. Baker of Louisiana, Mr. Inglis of South Carolina, Mr. Ramstad, Mr. Stockman, Mr. Istook, Mr. Sensenbrenner, Mr. Dornan, Mr. Deutsch, Mr. Bonilla, Mrs. Kelly, and Mr. Foley.

H.R. 2245: Ms. DeLauro, Mr. Dellums, and Mr. Olver.

H.R. 2281: Mr. DeFazio.

H.R. 2283: Mrs. Myrick.

H.R. 2310: Mr. Bono and Mr. Mascara.

H.R. 2333: Mr. Collins of Georgia, Mr. Ramstad, Mr. Deutsch, Mr. Zimmer, and Mr. Richardson.

H.R. 2338: Mr. Filner.

H.R. 2341: Mr. Linder.

H.R. 2357: Mr. Roemer, Mr. Leach, Mr. Vento, Mr. Minge, Mr. Lightfoot, Mr. Poshard, Mr. Barrett of Nebraska, and Ms. Danner.

H.R. 2443: Mr. Zimmer and Mr. Torricelli.

H.R. 2468: Mr. Lazio of New York and Mrs. Waldholtz.

H. Con. Res. 26: Mr. Barrett of Wisconsin.

H. Con. Res. 50: Mr. Abercrombie and Mr. Stupak.

H. Con. Res. 60: Mr. McCollum and Mr. McDermott.

H. Con. Res. 79: Mrs. Morella.

H. Con. Res. 91: Mr. Weldon of Pennsylvania and Mr. Royce.

EXTENSIONS OF REMARKS

IRAN FOREIGN OIL SANCTIONS ACT OF 1995

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 12, 1995

Mr. GILMAN. Mr. Speaker, I rise today to introduce H.R. 2458 a bill that would impose sanctions on foreign entities who provide oilfield equipment and technology to Iran. The Iran Foreign Oil Sanctions Act of 1995 declares that Iran's efforts to acquire weapons of mass destruction endanger the security of the United States and its allies and that we should prevent Iran from earning the hard currency they need to purchase these weapons.

By requiring the President to ban United States Government procurement, export licenses and Eximbank assistance to companies providing Iran with assistance in developing its oil fields, this bill will help the United States develop a comprehensive policy designed to deter Iran from supporting international terrorism and developing nuclear weapons and the means to deliver them.

The measure would permit the President to impose additional financial and investment sanctions if he deemed them necessary to accomplish these critically important goals. It would also provide the administration with the flexibility to delay the imposition of any sanctions on foreign companies and would provide for a general waiver in the event that the President determines it is essential to our national security interests.

If enacted, this bill would ensure that Iran does not succeed in circumventing President Clinton's 3-month-old trade embargo against Iran. That embargo ended United States companies' purchases of Iranian crude oil.

As long as our trading partners continue business as usual with this terrorist country, our own embargo will have little longterm effect on its policies. Iran has invited several prominent Japanese and European companies to invest more than $6 billion in 12 new oil and gas projects and will hold a major investment conference in November. Congress can and must ensure that these companies pay a price for their participation.

Perhaps the most eloquent statement endorsing the goals of this legislation was made by Secretary of State Warren Christopher on September 25 in a speech before the 50th session of the United Nations General Assembly. The following is an excerpt from that address:

> States that sponsor terrorists should feel the full weight of sanctions that can be imposed by the international community. Let us not deceive ourselves: Every dollar that goes into the coffers of a state sponsor of terrorism makes its secret quest for weapons of mass destruction even more alarming. We must stand together to prevent Iran from acquiring such threatening capabilities.

I would also like to acknowledge the leadership role of my New York colleague, Senator ALFONSE D'AMATO, in sponsoring a very similar measure in the other body. I would also like to pay tribute to my International Relations Committee colleague, Peter King, for his legislative efforts earlier this year to begin the process of imposing sanctions by the international community against this outlaw State.

At this point, I would request that the full text of my bill be inserted in the RECORD for review by my colleagues:

H.R. 2458

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Iran Foreign Oil Sanctions Act of 1995".

SEC. 2. FINDINGS.

The Congress makes the following findings:

(1) The efforts of the Government of Iran to acquire weapons of mass destruction and the means to deliver them endanger potentially the national security and foreign policy interests of the United States and those countries with which it shares common strategic and foreign policy objectives.

(2) The objective of preventing the proliferation of weapons of mass destruction through existing multilateral and bilateral initiatives requires additional efforts to deny Iran the financial means to sustain its nuclear, chemical, biological, and missile weapons programs.

SEC. 3. DECLARATION OF POLICY.

The Congress declares that it is the policy of the United States to deny Iran the ability to fund the development and acquisition of weapons of mass destruction and the means to deliver them by preventing Iran from acquiring equipment that would enhance Iran's ability to extract, refine, process, store, or transport petroleum, petroleum products, or natural gas.

SEC. 4. IMPOSITION OF SANCTIONS ON FOREIGN PERSONS EXPORTING CERTAIN GOODS OR TECHNOLOGY TO IRAN.

(a) IN GENERAL.—The President shall impose the mandatory sanctions described in section 5(1) and may impose one or more of the discretionary sanctions described in section 5(2), if the President determines that a foreign person has, with requisite knowledge, on or after the date of the enactment of this Act, exported, transferred, or released to Iran, nationals of Iran, or entities owned or controlled by Iran or nationals of Iran any goods or technology identified on the List of Petroleum and Natural Gas-Related Goods and Technology established under section 9 (hereafter in this Act referred to as the "List")—

(1) through the export from the United States of any goods or technology identified in the List, or

(2) through the export from any other country or territory of any goods or technology identified in the List, whether or not the goods or technology is subject to the jurisdiction of the United States.

(b) PERSONS AGAINST WHICH THE SANCTIONS ARE TO BE IMPOSED.—The sanctions described in subsection (a) shall be imposed on—

(1) the foreign person with respect to whom the President makes the determination described in that subsection;

(2) any successor entity to that foreign person;

(3) any foreign person that is a parent or subsidiary of that person if that parent or subsidiary with requisite knowledge engaged in the activities which were the basis of that determination; and

(4) any foreign person that is an affiliate of that person if that affiliate with requisite knowledge engaged in the activities which were the basis of that determination and if that affiliate is controlled in fact by that person.

For purposes of this Act, any person or entity described in this subsection shall be referred to as a "sanctioned foreign person".

SEC. 5. DESCRIPTION OF SANCTIONS.

The sanctions to be imposed on a sanctioned foreign person under section 4(a) are as follows:

(1) MANDATORY SANCTIONS.—

(A) PROCUREMENT SANCTION.—The United States Government shall not procure, or enter into any contract for the procurement of, any goods or services from the sanctioned foreign person.

(B) EXPORT SANCTION.—The United States Government shall not, for a period of 3 years, issue any license or grant any other permission or authority to export any goods or technology to a sanctioned foreign person under—

(i) the Export Administration Act of 1979;

(ii) the Arms Export Control Act; or

(iii) the Atomic Energy Act of 1954.

(C) PROHIBITION AGAINST EXPORT-IMPORT BANK ASSISTANCE FOR EXPORTS TO FOREIGN PERSONS.—The Export-Import Bank of the United States may not guarantee, insure, extend credit, or participate in the extension of credit in connection with the export of any goods or services to any sanctioned foreign person.

(2) DISCRETIONARY SANCTIONS.—

(A) INVESTMENT IN THE UNITED STATES; AUTHORITY TO REVIEW CERTAIN MERGERS, ACQUISITIONS, AND TAKEOVERS.—The President may exercise his authority under section 721(d) of the Defense Production Act of 1950 (50 U.S.C. App. 2170(d)) to investigate and prohibit mergers, acquisitions, takeovers, and other similar investments in the United States by persons engaged in interstate commerce—

(i) if such actions involve any sanctioned foreign person; and

(ii) if the President finds, in addition to the requirements of section 721(e) of such Act, that the participation of any sanctioned foreign person in activities to assist, directly or indirectly, Iran to increase the revenue available to that government by extracting petroleum, petroleum products, natural gas, or engaging in other activities described in section 9(a)(1) threatens to impair the national security and foreign policy interests of the United States.

(B) IMPORT SANCTION.—(i) The importation into the United States of products produced by any sanctioned foreign person may be prohibited.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

(ii) Clause (i) includes application to—

(I) the entry of any finished product or component part, whether shipped directly by the sanctioned foreign person or by another entity; and

(II) the contracting with a sanctioned foreign person for the provision of services in the United States or abroad by United States persons and by foreign persons in the United States.

(C) LOANS FROM UNITED STATES FINANCIAL INSTITUTIONS.—The United States Government may prohibit any United States financial institution from making any loan or providing any credit to any sanctioned foreign person unless such foreign person is engaged in activities to relieve human suffering, within the meaning of section 203(b)(2) of the International Emergency Economic Powers Act (50 U.S.C. 1702(b)(2)).

(D) PROHIBITIONS ON FOREIGN FINANCIAL INSTITUTIONS.—The following prohibitions may be imposed against a sanctioned foreign person that is a financial institution:

(i) DESIGNATION AS PRIMARY DEALER.—Neither the Board of Governors of the Federal Reserve System nor the Federal Reserve Bank of New York may designate, or permit the continuation of any prior designation of, such financial institution as a primary dealer in United States Government debt instruments.

(ii) GOVERNMENT FUNDS.—Such financial institution shall not serve as agent of the United States Government or serve as repository for United States Government funds.

(iii) RESTRICTIONS ON OPERATIONS.—Such financial institutions shall not, directly or indirectly—

(I) commence any line of business in the United States in which it was not engaged as of the date of the determination by the President under section 4(a) leading to the imposition of sanctions; or

(II) conduct business from any location in the United States at which it did not conduct business as of the date of such determination by the President under section 4(a).

SEC. 6. WAIVER AUTHORITY REGARDING SANCTIONS AGAINST IRAN.

The sanctions under section 5 shall not apply if the President determines and certifies to the appropriate congressional committees that Iran—

(1) has substantially improved its adherence to internationally recognized standards of human rights;

(2) has ceased its efforts to design, develop, manufacture, or acquire—

(A) a nuclear explosive device or related materials and technology;

(B) chemical and biological weapons;

(C) missiles and missile launch technology; and

(D) any missile or other delivery system capable of reaching the territory of a country the government of which shares strategic interests with the United States and is engaged in defense cooperation, including the acquisition of items identified in the United States Munitions List, with the United States; and

(3) has ceased all forms of support for international terrorism.

SEC. 7. WAIVER OF SANCTIONS AGAINST FOREIGN PERSONS.

(a) CONSULTATION WITH FOREIGN GOVERNMENTS.—

(1) CONSULTATIONS.—If the President makes a determination described in section 4(a) with respect to a foreign person, the Congress urges the President to initiate consultations immediately with the foreign government with primary jurisdiction over that foreign person with respect to the imposition of the sanctions pursuant to this Act.

(2) ACTIONS BY GOVERNMENT OF JURISDICTION.—In order to pursue such consultations with that government, the President may delay imposition of the sanctions under section 5 for up to 90 days. Following such consultations, the President shall immediately impose sanctions unless the President determines and certifies to the Congress that the government has taken specific and effective actions, including the imposition of appropriate penalties, to terminate the involvement of the foreign person in the activities that resulted in the imposition of sanctions against the foreign person.

(3) ADDITIONAL DELAY IN IMPOSITION OF SANCTIONS.—The President may delay the imposition of sanctions for up to an additional 45 days if the President determines and certifies to the Congress that the government with primary jurisdiction over the foreign person is in the process of taking the actions described in paragraph (2).

(4) REPORT TO CONGRESS.—Not later than 45 days after making a determination under section 4(a), the President shall submit to the appropriate congressional committees a report on the status of consultations with the appropriate foreign government under this subsection, and the basis for any determination under paragraph (3) that such government has taken specific corrective actions.

(b) ASSURANCES FROM FOREIGN PERSONS.—The President may terminate the sanctions against a sanctioned foreign person, if the foreign person provides assurances to the Secretary that the actions that resulted in the determination to impose sanctions have been terminated and has provided specific assurances that it will neither directly nor indirectly, or through any other person, including subsidiaries and affiliates, direct or participate in any activity to provide to Iran items on the List.

(c) EXCEPTIONS.—The President shall not be required to apply or maintain a sanction under section 4(a)—

(1) in the case of procurement of defense articles or defense services—

(A) under existing contracts or subcontracts, including the exercise of options for production quantities to satisfy requirements essential to the national security of the United States;

(B) if the President determines in writing that the person or other entity to which the sanction would otherwise be applied is a sole source supplier of the defense articles or services, that the defense articles or services are essential, and that alternative sources are not readily or reasonably available; or

(C) if the President determines in writing that such articles or services are essential to the national security under defense coproduction agreements;

(2) to products or services provided under contracts entered into before the date on which the President publishes his intention to impose the sanction;

(3) to—

(A) spare parts which are essential to United States products or production;

(B) component parts, but not finished products, essential to United States products or production; or

(C) routine servicing and maintenance of products, to the extent that alternative sources are not readily or reasonably available;

(4) to information and technology essential to United States products or production; or

(5) to medicines, medical supplies, or other humanitarian items.

(d) PRESIDENTIAL NATIONAL SECURITY WAIVER.—(1) The President may waive the requirement in section 4(a) to impose a sanction or sanctions on a foreign person in section 4(b), for an export, transfer, or release of goods or technology that are not subject to the jurisdiction of the United States, 15 days after the President determines and so reports to the appropriate congressional committees that it is essential to the national interest of the United States to exercise such waiver authority.

(2) Any such report shall provide a specific and detailed rationale for such determination, including—

(A) a description of the conduct, including the identification of the goods or technology involved in the violation, that resulted in the determination of a violation or violations;

(B) an explanation of the efforts to secure the cooperation of the government with primary jurisdiction of the foreign person committing the violation to terminate or penalize the activities that resulted in the determination of a violation;

(C) an estimate as to the significance of the goods or technology exported to Iran on that country's ability to extract, refine, process, store, or transport petroleum, petroleum products, or natural gas; and

(D) a statement as to the response of the United States in the event that such foreign person engages in other activities that under this Act would constitute an additional violation.

SEC. 8. TERMINATION OF SANCTIONS.

(a) DURATION OF SANCTIONS.—The sanctions imposed pursuant to this Act shall apply for a period of not less than 12 months following the determination by the President under section 4(a) and shall cease to apply thereafter only if the President determines and certifies to the Congress that reliable information indicates that the foreign person with respect to which the determination was made under section 4(a) has ceased to aid or abet Iran, any national of Iran, or any entity owned or controlled by Iran or nationals of Iran, to acquire goods and technology on the List.

(b) WAIVER.—

(1) CRITERION FOR WAIVER.—The President may waive the continued application of any sanction imposed on any foreign person pursuant to this Act, after the end of the 12-month period beginning on the date on which that sanction was imposed on that person, if the President determines and certifies to the Congress that the continued imposition of the sanction would have a serious adverse effect on United States national security.

(2) NOTIFICATION OF AND REPORT TO CONGRESS.—If the President decides to exercise the waiver authority provided in paragraph (1), the President shall so notify the Congress not less than 30 days before the waiver takes effect. Such notification shall include a report fully articulating the rationale and circumstances which led the President to exercise the waiver authority.

SEC. 9. GOODS AND TECHNOLOGY SUBJECT TO EXPORT CONTROL RESTRICTIONS.

(a) CONTROL LIST.—(1) For purposes of the determinations to be made pursuant to section 4(a), the President, in consultation with the Secretary of State and the Secretary of Energy, and the heads of other appropriate departments and agencies, shall establish and maintain the List of Petroleum and Natural Gas-Related Goods and Technology, consisting of goods or technology (including software and technical data) that the President determines would materially contribute to the extraction, refining, production, storage, or transportation of petroleum, petroleum products, or natural gas and the products thereof in or by Iran, including goods and technology that are required for the development, production, or use of facilities (including the repair, maintenance, or operation of equipment) for the petroleum and natural gas activities described in this subsection.

(2) The President, within 60 days after the date of the enactment of this Act, shall cause the List to be published in the Federal Register, together with any regulations issued with respect thereto. Thereafter, any revisions to the List or amendments to the regulations shall be published in the same manner.

(3) Not less than 30 days in advance of the publication of the List, it shall be provided to the Committee on Banking, Housing, and Urban Affairs of the Senate and to the Committee on International Relations of the House of Representatives. The President shall consult with such Committees regarding the content of the List and shall respond to questions regarding the basis for the inclusion on, or exclusion from, the List of specified goods and technologies.

(4) The President may delegate the functions of this subsection to the Secretary of Commerce.

(b) STATUTORY CONSTRUCTION.—Nothing in this section prevents the inclusion on the List of any goods or technology that may be produced in and traded internationally by persons or entities in countries other than the United States.

SEC. 10. REGULATORY AUTHORITY.

The President may issue such regulations as may be necessary to carry out this Act.

SEC. 11. REPORT REQUIRED.

Beginning 60 days after the date of the enactment of this Act, and every 90 days thereafter, the President shall transmit to the appropriate congressional committees a report describing—

(1) the nuclear and other military capabilities of Iran; and

(2) the support, if any, provided by Iran for acts of international terrorism.

SEC. 12. DEFINITIONS.

As used in this Act:

(1) ACT OF INTERNATIONAL TERRORISM.—The term "act of international terrorism" means an act—

(A) which is violent or dangerous to human life and that is a violation of the criminal laws of the United States or of any State or that would be a criminal violation if committed within the jurisdiction of the United States or any State; and

(B) which appears to be intended—

(i) to intimidate or coerce a civilian population;

(ii) to influence the policy of a government by intimidation or coercion; or

(iii) to affect the conduct of a government by assassination or kidnapping.

(2) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term "appropriate congressional committees" means the Committees on Banking, Housing and Urban Affairs and Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives.

(3) COMPONENT PART.—The term "component part" has the meaning given that term in section 11A(e)(1) of the Export Administration Act of 1979 (50 U.S.C. App. 2410a(e)(1)).

(4) FINANCIAL INSTITUTION.—The term "financial institution" includes—

(A) a depository institution (as defined in section 3(c)(1) of the Federal Deposit Insurance Act), including a branch or agency of a foreign bank (as defined in section 1(b)(7) of the International Banking Act of 1978);

(B) a credit union;

(C) a securities firm, including a broker or dealer;

(D) an insurance company, including an agency or underwriter;

(E) any other company that provides financial services; and

(F) any subsidiary of an entity described in any of subparagraphs (A) through (E).

(5) FINISHED PRODUCT.—The term "finished product" has the meaning given that term in section 11A(e)(2) of the Export Administration Act of 1979 (50 U.S.C. App. 2410a(e)(2)).

(6) FOREIGN PERSON.—The term "foreign person" means—

(A) an individual who is not a United States national or an alien admitted for permanent residence to the United States; or

(B) a corporation, partnership, or other nongovernment entity which is not a United States national.

(7) GOODS AND TECHNOLOGY.—The terms "goods" and "technology" have the meaning given those terms in section 16 of the Export Administration Act of 1979 (50 U.S.C. App. 2415).

(8) IRAN.—The term "Iran" includes any agency or instrumentality of Iran.

(9) NUCLEAR EXPLOSIVE DEVICE.—The term "nuclear explosive device" means any device, whether assembled or disassembled, that is designed to produce an instantaneous release of an amount of nuclear energy from special nuclear material that is greater than the amount of energy that would be released from the detonation of one pound of trinitrotoluene (TNT).

(10) PERSON.—

(A) The term "person" means a natural person, as well as a corporation, business association, partnership, society, trust, any other nongovernmental entity, organization, or group, and any governmental entity operating as a business enterprise, and any successor of any such entity.

(B) In the case of a country where it may be impossible to identify a specific governmental entity referred to in subparagraph (A), the term "person" means—

(i) all activities of the government of the country relating to the development or production of any missile equipment or technology; and

(ii) all activities of that government affecting the development or production of aircraft, electronics, and space systems or equipment.

(11) PETROLEUM PRODUCTS.—The term "petroleum products" means crude oil, residual fuel oil, and any refined petroleum product.

(12) REQUISITE KNOWLEDGE.—The term "requisite knowledge" means situations in which a person "knows", as "knowing" is defined in section 104 of the Foreign Corrupt Practices Act of 1977 (15 U.S.C. 78dd–2).

(13) UNITED STATES OR STATE.—The term "United States" or "State" means the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, American Samoa, Guam, the United States Virgin Islands, and any other territory or possession of the United States.

(14) UNITED STATES NATIONAL.—The term "United States national" means—

(A) a natural person who is a citizen of the United States or who owes permanent allegiance to the United States;

(B) a corporation or other legal entity which is organized under the laws of the United States, any State or territory thereof, or the District of Columbia, if natural persons who are nationals of the United States own, directly or indirectly, more than 50 percent of the outstanding capital stock or other beneficial interest in such legal entity; and

(C) any foreign subsidiary of a corporation or other legal entity described in subparagraph (B).

BIRTH OF STEVEN MICHAEL GAULIN

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 12, 1995

Mr. LIPINSKI. Mr. Speaker, it gives me great pleasure to bring to the attention of my colleagues the birth of a baby. Steven Michael Gaulin was born to Raymond and Paula Gaulin on January 27, 1994. On an occasion such as this, I join with the members of the Gaulin family in wishing Steven all the best for the promising future ahead of him.

I am sure that my colleagues join me in congratulating the proud parents, Raymond and Paula, on this most joyous occasion. With their baby, their lives together will no doubt continue to be an adventure. May this blessed addition to their lives bring them much happiness in the years to come.

TRIBUTE TO THE LATE HAROLD L. SALISBURY

HON. JACK REED

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 12, 1995

Mr. REED. Mr. Speaker, I rise today to honor the memory of Harold L. Salisbury of East Greenwich, RI. Mr. Salisbury was a volunteer firefighter who lost his life in the line of duty earlier this year.

Harold was a man who truly exemplified what volunteer services in this country is all about. Mr. Salisbury dedicated 31 years to the East Greenwich Fire District. He was called upon day and night to be at accidents, to respond to alarms, and to put out fires. He represented the East Greenwich Fire Department with pride and an unending commitment to protecting people from harm.

In addition to his distinguished service as a firefighter, he worked as a service manager for the Mac Truck Co. in Rhode Island. Harold Salisbury is survived by his wife Carole V. Salisbury and three children; Tracy, Todd, and Peter.

On October 15, 1995, the USFS will hold the 14th Annual Fallen Firefighters Memorial Service in Emmitsburg, MD, to remember and honor those men and women who made the ultimate sacrifice for others. Regrettably, more than 100 career and volunteer firefighters from 35 States have lost their lives this year.

Our country is proudly served by just over 1 million firefighters operating out of more than 30,000 fire departments. All of these men and women risk their lives daily to protect the well-being of our Nation. These courageous workers are constantly on call defending their neighbors and property from harm. In fact, public fire departments responded to over 2 million fires in 1994.

Mr. Speaker, on behalf of appreciative citizens from Rhode Island and all over the country, I respectfully ask that my colleagues join me in saluting all of the firefighters like Mr. Salisbury, who have fallen in the line of duty. We owe all of these men and women a sincere debt of gratitude for making our country a safer place to live.

MUSIC LEGEND EDDIE HARRIS

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 12, 1995

Mr. CONYERS. Mr. Speaker, I rise today to honor one of the most outstanding jazz artists of our time, Eddie Harris. As a great musician, he has composed hits such as "Listen Here" and "Exodus," which sold over a million copies. As a distinguished pedagogue, he has written seven books on music and taught in Detroit, Chicago, New Orleans, and throughout Europe.

Eddie Harris was born in Chicago where he discovered his love for music by playing piano and singing with gospel choirs. He soon extended his musical studies to the vibraphone, the clarinet, and the saxophone and later traveled widely with the 7th Army Symphony Band. His saxophone, piano, and experimentalism with synthesizers and trumpets thrust him into international spotlight as an innovative and creative symbol of jazz where he remains today.

Once called a musical Michelangelo, Harris earned a reputation by experimenting with different playing techniques, most notably by exploring the possibilities of electronic saxophone amplification. His interests are as broad as his talents, and he is known for his influence on funk and for the revolutionary impact of his introduction of rock music into jazz fusion. I am pleased that Legends of Jazz is honoring this great musical force who holds well-deserved respect and admiration.

LEGISLATION AMENDING THE FEDERAL MEAT INSPECTION ACT

HON. TIM JOHNSON

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 12, 1995

Mr. JOHNSON of South Dakota. Mr. Speaker, I am pleased today to introduce legislation that would require that imported meat and meat food products containing imported meat be labeled as such and that certain eating establishments serving imported meat inform customers of that fact.

America's livestock producers are proud of their record of producing quality meat and meat food products from American raised livestock. While labeling products from other industries for country of origin is commonplace, imported meat and meat food products containing imported meat are not labeled at all. With the passage of the Canadian Free Trade Agreement, NAFTA, and GATT, we are moving toward more imported meat. Exports of American meat are high quality, value added items that American exporters are proud to advertise as American produced. On the other hand, meat imports into the United States tend to be of lower quality and importers generally do not advertise the country of origin.

I think that American consumers deserve to know the source of their meat and meat food products. Because imported meat tends to be nongrain-fed beef that is lower in quality, it is doubtful that consumers will learn the source of such meat from vendors.

The legislation that I am introducing will allow America's consumers to know the source of their meat and meat food products. Considering that food safety and the wisdom of production systems in other countries are concerns that consumers consistently have, this legislation allows the competitive free market to determine the prices and demand for imported meat and meat food products.

Mr. Speaker, I am certain that you and the rest of my colleagues would agree that it is in the interest of free enterprise to provide solid information to American consumers. I ask my colleagues to join me in making this commonsense change to the Federal Meat Inspection Act.

ALZHEIMER'S PATIENTS NEED FDA REFORM

HON. JOHN J. DUNCAN, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 12, 1995

Mr. DUNCAN. Mr. Speaker, I would like to share with my colleagues an article written by my constituent, Alzheimer's activist George Rehnquist of Knoxville, TN. Mr. Rehnquist is a retired Tennessee Valley Authority engineer and founder of the Families for Alzheimer's Rights Association.

One of the most wasteful, bureaucratic agencies in the Federal Government today is the FDA. They have delayed approval for medicines for sometimes up to years to the detriment of the health of American citizens.

Mr. Rehnquist's personal experience with drug research brings awareness to the needless deaths caused by FDA's senseless delay of approval on vital medicines. I agree that Congress should no longer tolerate this practice.

ALZHEIMER'S PATIENTS NEED FDA REFORM

(By George D. Rehnquist)

If officials of the Food and Drug Administration (FDA) had to take care of an Alzheimer's patient 24 hours a day, 7 days a week, month after month and year after year, the medicine my wife needed would have been approved in record time. As it was, the FDA tied the medicine up in red tape until tens of thousands of Alzheimer's patients who could have been helped by the medicine had died. Congress is considering legislation to reform this agency to make it more responsive to the needs of patients. Hopefully, Congress will stop FDA from playing God with the lives of terminally-ill patients.

My wife, Lucille, was diagnosed with Alzheimer's disease in 1981, but her symptoms began before that, in 1970. She was in her early fifties when she began to get lost on shopping outings. She had to stop playing bridge, because she couldn't remember what cards had been played. She also had to leave her secretarial job at the Tennessee Valley Authority because the work was getting too confusing for her, and she complained that she felt like she was in a continuous daze.

When we got the Alzheimer's diagnosis—at Duke University Medical Center—I was shattered. There was no medicine, no cure. They told me she might not know me in a year, and that I wouldn't be able to take care of her—I'd have to put her in a nursing home.

Determined to help my wife, I took early retirement so I could take care of her in our home. I also read everything I could about the disease, and called up people who were doing research. When I read a report that Dr. William K. Summers was having some success with an experimental intravenous drug called THA, or tetrahydroaminoacridine, I contacted him immediately.

Dr. Summers agreed to treat Lucille, and we flew to California. After four days of treatment, the change was miraculous, Lucille came out of her daze and even baked brownies for Dr. Summers. When she took an orientation test, she got 9 out of 12 answers correct—compared to only one out of 12 before treatment with the drug. She could drive and do housework.

"I'm back to my old self again!" she rejoiced.

Because Lucille couldn't stay in the hospital to continue intravenous treatment, I tried to get the drug in pill form. That was my first battle with the FDA.

Dr. Summers had been trying to get permission to treat people with oral THA for several years, but had no success. After two years of pleading with and cajoling the FDA, interventions by my Congressman, and, finally, a letter to President Reagan, the permission came through for Dr. Summers to give Lucille THA in pill form under a "compassionate IND (investigational new drug)". Lucille was the first patient to get THA in pill form. She continued to improve and we had five good years together before the disease progressed to the point where she had to enter a nursing home.

THA is a palliative—not a cure—for Alzheimer's. But for Alzheimer's patients and their families, THA is the only thing that offers any hope at all. THA gave Lucille and me more than five good years together. That should be all the evidence of effectiveness FDA needs. Patients with terminal diseases should be able to make their own decisions about whether or not a drug works.

Once Lucille entered a nursing home, she had to stop taking the drug. The reason: the nursing home could not give her a drug that hadn't been approved by the FDA. She declined steadily.

Meanwhile—after an article by Dr. Summers was published in The New England Journal of Medicine—the medical community and the families of Alzheimer's patients clamored for the FDA to approve THA. But the FDA kept throwing blockades. The agency bashed Dr. Summers' research and cited danger of liver damage (which was benign and reversible). The agency also claimed that the medicine wasn't effective, although the families of patients who had been helped by it knew better.

Finally, after six years of hearings and red tape, the FDA approved the medicine in late 1993. If the agency had acted more quickly, it could have helped many people and saved millions of dollars by enabling families to take care of Alzheimer's patients at home instead of in nursing homes.

THA, now known by the brand-name Cognex, is now available by prescription and should help many patients have a better quality of life. It is not a cure, but I am concerned that when a cure is finally developed it, too, will get tied up in red tape.

The way drug development and regulation works now, it takes nearly 15 years between the time a drug is developed and the time it is available at the pharmacy. Sick people—particularly people with Alzheimer's disease—can't wait that long. For the sake of people waiting for cures for this and other diseases, Congress must act now to change the way the FDA operates.

In my struggle with the FDA, I have found rude bureaucrats who were arbitrary and capacious. I believe this came from wielding absolute power for too long. I believe that the power of FDA must be reduced, not expanded as President Clinton now desires.

LUTHERAN BROTHERHOOD SERVES COMMUNITIES ACROSS AMERICA

HON. JAMES A. BARCIA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 12, 1995

Mr. BARCIA. Mr. Speaker, today I want to publicly salute and give thanks to Lutheran Brotherhood, which has been doing outstanding work in the area of voluntarism throughout the United States and in Michigan since 1917.

Lutheran Brotherhood is a religious fraternal benefit society that embraces values often ignored in these modern times, but which are essential to creating a society that values people and takes care of one another in our time of need. I am talking about old-fashioned virtues like philanthropy, voluntarism, Christian fellowship, and self-reliance. With over 1 million volunteers nationwide, Lutheran Brotherhood is able to reach millions of individuals at the grassroots level, and make a positive difference in their lives. At this time, I would like to properly acknowledge these volunteers for their incredible enthusiasm and diligence in helping others.

Through its Friends in Deed and Care and Share programs, Lutheran Brotherhood helps the poor and needy find shelter, food, and clothing. The organization is also active in providing disaster relief assistance to communities across the country, including families whose homes were devastated by the river floodings across the Midwest, and in the aftermath of the Oklahoma city bombing.

Finally, Lutheran Brotherhood has found enormous success in its RespecTeen program, which gives young people a healthy and encouraging environment in which to grow and prosper. The RespecTeen service projects work in tandem with the RespecTeen program by encouraging teens to get involved in their communities and perform volunteer work. The Speak for Yourself program, which encourages 8th grade students to learn about and participate in the American political process, is one example of RespecTeen.

Lutheran Brotherhood's Saginaw Valley Branch No. 8186 has been especially active in making our community a better place to live. In particular, they have given their resources to Valley Lutheran High School, Camp Lu Lay Lea and the Lutheran Child and Family Service, among other organizations. In total, Lutheran Brotherhood's financial contributions to the Saginaw area for 1994 reached $30,000. I am very grateful to have such a dynamic and committed group like Lutheran Brotherhood in my district and proud to recognize their achievements today.

THE IRONY OF SRI LANKA

HON. BARBARA-ROSE COLLINS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 12, 1995

Miss COLLINS of Michigan. Mr. Speaker, I rise to point out how ironic it was just this past week, that this House would commend the Sri Lankan Government for its commitment to democracy, and that we would declare our belief that a political solution which guarantees appropriate constitutional structures and adequate protection of minority rights is the best method for resolving their disputes, when at the same time, this very legislative body routinely steamrolls over the rights of minorities, senior citizens, and the poor. The most powerful segments of our society in general run roughshod over those same so-called rights supposedly granted to the minorities of this country under our own Constitution.

Maybe someone should tell the Sri Lankans that even though a democratic, constitutional form of government is probably the best form of government yet devised, it still does not solve the ongoing problem of people with power taking advantage of the power for whatever purpose they choose.

TULLAHOMA REMEMBERS KENNETH DOUGLAS McKELLAR

HON. BOB CLEMENT

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 12, 1995

Mr. CLEMENT. Mr. Speaker, the late Senator Kenneth McKellar touched many lives in Tennessee. Senator McKellar was a strong leader who was deeply respected and fondly remembered by Tennesseans across the State. Mr. Woodrow R. Davidson, a long-time resident of the city of Tullahoma, wanted to share with the American people some of the stories Senator McKellar would tell his constituents from Tullahoma.

KENNETH DOUGLAS MCKELLAR

Kenneth Douglas McKellar was born in Richmond, Dallas County, Alabama but moved to Tennessee in 1892. He returned to Alabama for a law degree at the University of Alabama graduating in 1918. Being a young man and hearing so much about the glitter of gold and women in California, he was headed in that direction.

But California was not to be. His family sent McKellar a ticket for a ride to Memphis, Tennessee. His mother tried to persuade him not to go to California, but to no avail. She made an appointment with a lawyer in Memphis and pushed him into going to see him. This old lawyer had a stand up desk unit in his office with a tilted top for his law books, but he was lying under it with some books under his head when McKellar arrived. Forced to sit on the floor to meet with him, he and the old lawyer talked until he was persuaded to stay and practice law in Memphis.

A few years and a pot of money later, McKellar traveled to Atlantic City for a vacation. One day he was in the lobby of a hotel when a Memphis man showed up at the register desk and told McKellar he had heard the man running for Congress say that the only person who could beat him was McKellar. McKellar turned around, walked over to the telegraph station and sent a wire to his brother in Memphis, telling him to announce him as a candidate. He was elected, and served three terms before moving up to the U.S. Senate.

During all his travels over Tennessee he found many companies in Knoxville and Chattanooga loading barges of products only to have them sit in the river near Muscle Shoals, Alabama waiting for a rain so as to allow the boats down river. He made an appointment with President Woodrow Wilson to discuss the possibility of the U.S. becoming involved in war with Germany, and the resulting need for gun powder. The president talked with his advisors and found this to be a fact. McKellar told him he knew just the place for a dam to produce the necessary gun powder. He told the President about Muscle Shoals, Alabama on the Tennessee River. The dam was built, named Wilson Dam, and accomplished both objectives.

McKellar was so proud of this that he prepared a bill to authorize the construction of other dams along the Tennessee River, which he called the Tennessee Commission. After many years working with Congress he was finally able to pass the Tennessee Valley Commission bill. President Herbert Hoover vetoed the bill. A short time later Governor Franklin Roosevelt of New York was elected President of the United States. Before he took office he called Senator McKellar and invited him to ride down to Wilson Dam with him to make a speech. Senator McKellar accepted the invitation and was given the time and train schedule.

Senator McKellar boarded the President's car along with some other folks. On the way down the President elect moved over to the opposite side of the car and motioned for McKellar to follow. Roosevelt informed him that he did not like the McKellar bill. McKellar responded by beating on his desk. While he was governor, Roosevelt said, New York had passed a seaport authority bill and he liked the word "authority." Roosevelt suggested that the McKellar bill be renamed the "Tennessee Valley Authority" bill, and Senator McKellar agreed.

Roosevelt then told him that Senator George Norris had been soft on him during the last election and he would like to have Norris in his corner next time. Geaorge Norris was a western Senator, and a Republican. Senator McKellar beat on his desk again, but agreed. It was never known how, but Lester Hill of Alabama got ahold of Senator McKellar's bill and changed one thing—the headquarters would be at Muscle Shoals, Alabama. The bill passed, but for some reason the annual reports, though headlined in Muscle Shoals, were always made up and printed in Knoxville, Tennessee. Senator McKellar became carried away with all this, and though all appropriations bills originate in the House of Representatives, he was repeatedly able to add enough to a bill to start another dam or to finish one he had begun the year before.

The President sent word to Senator McKellar to come down to the White House for a conference. There he explained the need for the U.S. to start an endeavor to split the atom. He could not send a request to Congress for fear the enemy would somehow obtain information and start research of their own. Roosevelt felt that as Chairman of the Senate Appropriations Committee McKellar might quietly obtain funds for such a purpose. After some discussion he asked Senator McKellar his opinion of the proposal. The Senator thoughtfully inquired into the proposed location of this work. The President replied "any damn place you want it". Senator McKellar called the Committee together to explain the need for war money without letting information leak out to warn our enemy, and they went along. That was the start of Oak Ridge, Tennessee.

When General Hap Arnold flew back to the United States from the war zone in Europe, he reported to President Truman that the war was about to end in our favor, but he felt we would lose the next one. He calmed the President down by explaining that we had captured some of the enemy territory and found that they were experimenting with wind tunnels. The President called Senator McKellar to the White House for a discussion of the Arnold report and said he would like funds to start testing with wind tunnel facilities of our own. The President advised him about the funds necessary for such a test, and asked McKellar his opinion of the idea and the possibility of obtaining funds for this purpose. McKellar thought for a moment and asked the President where he would build such a facility. The reply . . . "any damn place you want it". Again McKellar called his committee together and advised them of the need to do some testing and about how much money would be needed. They agreed and passed a bill authorizing and appropriating funds for this purpose. That, of course, was the start of the Arnold wind tunnel facility in Tullahoma, Tennessee.

SOCIETY OF THE DIVINE WORD CENTENNIAL

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 12, 1995

Mr. HYDE. Mr. Speaker, on Sunday, October 15, hundreds of religious men and women will gather to celebrate the centennial of the Society of the Divine Word.

It was on October 15, 1895, that Brother Wendelin Meyer arrived in North America to establish a religious order of Catholic priests and brothers. Settling in northern Illinois, Brother Meyer and other missionaries opened a technical school for boys. Successful in its efforts, the Society continued its growth in 1909 with the establishment of the Nation's first seminary dedicated to educating men for work in foreign missions. Encouraged by Pope Pius XI, the mission in 1920 opened St. Augustine's Seminary in Bay St. Louis, MS, to serve the special needs of African-American men who wanted to become priests. Its alumni include nine bishops and at least 40 percent of the African-American clergy ordained in the United States.

Vital, successful and, above all, faithful, the Society continues its mission among America's immigrant Hispanic and Vietnamese populations. Its priests and brothers work among the poor on four continents living and practicing the teachings of the Gospel. With such a record of achievement and a brilliant future to come, the Society may look forward to a second century of unbridled progress.

THE RETIREMENT OF ARCHBISHOP IAKOVOS

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 12, 1995

Mr. GILMAN. Mr. Speaker, it is my sad duty to inform our colleagues of the impending retirement of one of the more outstanding religious leaders of the 20th century.

Archbishop Iakovos, the leader of the Greek Orthodox Church in the Western Hemisphere since 1959, has recently announced that he will be stepping down from office next June 29, on what will be his 85th birthday.

Throughout his 37 year tenure, the archbishop earned the respect and admiration of individuals of all faiths. His message of brotherhood and peace is truly universal, and has been appreciated by all men and women of good will.

Archbishop Iakovos was born in the Turkish island of Imroz in 1911. As a child, the young man then known as Demetrios A. Concouzins worked hard in his father's general store after school, selling everything to his fellow islanders from food staples to religious icons. But from his youngest days, Demetrios had dreams of entering religious life.

At the age of 16, his dreams began to come true. He entered the Halki Theological School, having passed the necessary entrance exams and having saved enough money from his own earnings to enable him to travel to the school. He graduated with high honors in 1934, and having been ordained as a deacon, was assigned to the Metropolitan of Derkon in Turkey. After 5 years in that position, he was assigned to the United States. In 1940, in Boston, MA, he achieved his life ambition by being ordained a priest.

Upon assuming the priesthood, by ancient Greek Orthodox custom, he dropped his given name and adopted a new name: "Iakovos," which is Greek for James.

After many years as a priest, a preacher, and a teacher at various well regarded theological colleges in Massachusetts, New York, and Missouri, Iakovos was appointed bishop of Malta in late 1954. Traveling back to Europe to assume this position, Iakovos took with him a reputation for intellectual integrity, heartfelt compassion, and a master's degree he had earned at Harvard Divinity School in his spare time.

On February 14, 1959, Iakovos was elected archbishop of North and South America by the Holy Synod of the Ecumenical Patriarchate. He returned to America on March 31, and was enthroned the following day at the Cathedral of the Holy Trinity in New York City.

Throughout his tenure, Archbishop Iakovos has made it clear to orthodox worshipers and non-orthodox alike the he is not a typical religious leader, and in fact blazed many trails for leaders of other faiths. He marched with the Rev. Dr. Martin Luther King, Jr., during the 1960's to end racial segregation and prejudice in the United States. He received the "Man of the Year" award from B'nai B'rith in 1962, and was also presented with the national award from the National Council of Christians and Jews that same year. He received a Presidential Citation from President Nixon in 1970 as a Distinguished American in Voluntary Service, and was presented with the Presidential Medal of Freedom, the highest civilian award in our Nation, by President Carter in 1980.

Throughout his tenure as archbishop, this remarkable man, Iakovos, amazed his coreligionists and other citizens of the world alike for his holy and profound philanthropy, through his authorship of books and articles in Greek, French and German, as well as in English, and for his unyielding devotion to the Boston Red Sox. For a time, Archbishop Iakovos was President of St. Basil's Academy in Garrison, NY, directly across the Hudson River from my own 20th Congressional District.

Today, in the United States alone, the Greek Orthodox Church boasts over 1½ million adherents who belong to 555 congregations. These communicants of a church founded nearly a millennium ago had found a true spiritual leader in Archbishop Iakovos: A man who not only personified the creed of Greek Orthodoxy, but who earned for that church the admiration and respect of millions of persons who professed other creeds.

Mr. Speaker, while Archbishop Iakovos will be missed, none can dispute that his impending retirement is certainly well earned. I urge all of our colleagues to join with me in wishing this remarkable religious leader many productive, healthy, and happy years to come.

TRIBUTE TO KEVIN J. KRASNECK

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 12, 1995

Mr. LIPINSKI. Mr. Speaker, I rise today to pay tribute to Kevin J. Krasneck for rescuing two brothers from a fire on August 1, 1994. Alae-Eldeen, 6, and Mohammed, 3, were unconscious in a bedroom of their family's one-story house after fire broke out in their living room. Kevin, an off-duty firefighter, was among the neighbors and others who responded to the scene and attempted a rescue. He entered the house through a window in the bedroom adjacent to the boys' room, and despite intense heat and dense smoke which precluded visibility, crawled into the boys' room. He found Alae-Eldeen, carried him to the window that he had entered, and handed him out to another man. Kevin then returned to the bedroom for Mohammed, whom he also took to the window. After handing Mohammed outside to safety, Kevin exited the house. Alae-Eldeen and Mohammed were hospitalized for treatment of smoke inhalation and burns. Kevin also received hospital treatment for smoke inhalation. Fortunately, all three recovered.

In honor of his extraordinary heroism, Kevin J. Krasneck was awarded the Carnegie Medal. This medal is given to civilians in the United States and Canada who risk their lives to an extraordinary degree while saving or attempting to save the lives of others. Mr. Speaker, I am pleased to recognize Kevin for his bravery, and am sure that my colleagues would like to join me in acknowledging this heroic act.

TRIBUTE TO FORMER POLICE SERGEANT DONALD OLSON

HON. JIM RAMSTAD

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 12, 1995

Mr. RAMSTAD. Mr. Speaker, I rise today to pay tribute to an outstanding public servant, Sgt. Donald Olson, who retired on September 30, 1995, after 32 years with the Minnetonka, Minnesota, Police Department.

Sergeant Olson has represented the highest standards in law enforcement for more than three decades. He started his career in 1963 as a patrol officer and was later assigned to the Investigative Division. Because of his highly commendable performance and well-deserved reputation for absolute integrity, Sergeant Olson was named Acting Chief of Police in 1983.

In 1989 Sergeant Olson was recognized for his many contributions to the law enforcement profession and was selected Minnetonka's Police Office of the Year by the department staff.

Sergeant Olson was promoted to Sergeant in December 1990, and has been assigned to the Patrol Division for the past 5 years. His willingness to coach and guide other officers has made him an invaluable asset to the supervisory team.

Currently, Sergeant Olson serves as president of the Minnesota Law Enforcement Memorial Association, as well as first vice president of the Suburban Law Enforcement Association.

Through his strenuous efforts, a memorial has been built at our State capitol to pay tribute to all police officers who have given their lives in the line of duty.

Sergeant Olson's outstanding service to the community deserves special recognition, and I wholeheartedly salute the career of a great law enforcement officer and dedicated public servant.

On behalf of all the people of our community, I thank Sergeant Olson for his many contributions to making the city of Minnetonka a safer community for all. Our city is a better place to live, work, and raise families because of Sergeant Don Olson.

TRIBUTE TO 104TH FIGHTER GROUP

HON. JOHN W. OLVER

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 12, 1995

Mr. OLVER. Mr. Speaker, I rise to pay tribute to the men and women of the Massachusetts Air National Guard's 104th Fighter Group.

On October 14, 1995, I will be attending welcome home ceremonies for the 104th Fighter Group at Barnes Air National Guard Base in Westfield, MA. Since August 14, 1995, Mr. Speaker, some 509 members and 12 A–10 aircraft from the 104th Fighter Group have been deployed to Aviano Air Base, Italy as part of Operation Deny Flight, the U.N. peacekeeping mission in Bosnia.

Mr. Speaker, during this deployment A–10 aircraft from the 104th Fighter Group flew 351 sorties totalling more than 1,200 hours of flying time as part of a multi-national effort to enforce U.N. no-fly zones over Bosnia and restore peace to that troubled region. More than 200 of those sorties were part of Operation Deliberate Force, NATO's swift and decisive response to the tragic shelling of a Sarajevo marketplace by Serb forces.

During the 3 weeks of Operation Deliberate Force, Mr. Speaker, 104th Fighter Group pilots and crews conducted intensive airstrikes against Serb air defense batteries, radar sites and communication facilities. Their skill and bravery in carrying out these dangerous, round-the-clock missions were critical to the restoration of U.N. safe havens throughout Bosnia and contributed significantly to current strides in the peace process.

The men and women of the 104th Fighter Group have long distinguished themselves as one of the top A–10 units in both the Air National Guard and the Air Force, and their participation in Bosnia has been no exception.

During Operation Deny Fight/Deliberate Force, the 104th maintained an impressive 86 percent mission capability rate and was the Nation's first Air National Guard unit to employ sophisticated night vision equipment in combat. Aircraft from the 104th were also called upon by NATO to participate in the dangerous rescue mission of downed French *Mirage* jet pilots.

Mr. Speaker, on behalf of the people of the First Congressional District, I want to express my sincere pride and thanks to the men and women of the 104th Fighter Group for their brave and distinguished contributions to the cause of peace in Bosnia.

Welcome home and congratulations on a job well done.

TRIBUTE TO DOMESTIC ASSAULT RAPE ELIMINATION SERVICES AND THE WOMEN'S INTERVAL HOUSE

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 12, 1995

Mr. BONIOR. Mr. Speaker, this evening, October 12, 1995, the Domestic Assault Rape Elimination Services [DARES] of Port Huron, MI, and the Women's Interval Home of Sarnia, Canada are sponsoring the Third Annual International Candelight March and Vigil. For the past 3 years these two organizations have sponsored this event to highlight the issue of domestic violence.

We usually think of the family as a safe haven from what is sometimes described as an uncaring and cruel outside world. Sadly, the family is one of the most dangerous places for far too many women and children. As many as 6 million women are victimized by domestic violence in the United States each year. Some 1,500 are killed annually. Thirty percent of women murdered in the United States die at the hands of a close friend or family member. These disturbing statistics illustrate the need for our society to face and address this important issue.

The DARES shelter services of St. Clair County, MI, and the Women's Interval Home of Sarnia, ON have been addressing this issue and compiling their own set of impressive statistics. DARES provided safe haven to nearly 800 adults and children for over 3,800 nights in the past year. The Women's Interval Home provided help to over 1,100 adults and children for over 3,400 nights. Unfortunately, domestic violence knows no international borders. However, the people who work and support the DARES shelter service and the Women's Interval Home remain committed to meeting the needs of those who have no place to turn, regardless of nationality.

There are probably as many myths as there are causes surrounding the nature of domestic abuse. One thing is for sure though, we must recognize this issue as a major social problem and support both the victims and those who provide assistance. I applaud these two groups as they work to treat, prevent, and educate people about domestic abuse.

We all look forward to a day when the needs for DARES and the Women's Interval Home will be unnecessary; but until then, I strongly support their efforts. As the organizers prepare for the Third Candlelight Vigil and March, I urge my colleagues to join me in working toward a future where everyone can feel safe in their home and neighborhood.

CONGRESSIONAL TRAVEL AND TOURISM CAUCUS

HON. TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 12, 1995

Mr. ROTH. Mr. Speaker, as the chairman of the largest caucus on the Hill, the Congressional Travel and Tourism Caucus, allow me to highlight how important the month of October is to the travel and tourism industry.

On October 30 and 31, we will convene the first-ever White House Conference on Tourism. Of course, the caucus is planning a number of special events to coincide with the White House Conference.

I would like to take this opportunity to thank all the members of the caucus, and, in particular, Vice Chairman JIM OBERSTAR and Secretary BARBARA VUCANOVICH for their leadership.

In addition, I urge my colleagues who are not members of the caucus to join us. There are no dues or fees.

I cannot overemphasize the importance of this industry to our economic future. Travel and tourism is the second largest employer in the Nation. And it pumps $417 billion into the economy every year. That is why this caucus is so large.

Following is our latest list of caucus members. If your name is not listed, I hope you will call my office and join us.

1995 CONGRESSIONAL TRAVEL AND TOURISM CAUCUS

Representatives Toby Roth (R-WI), Chair; Jim Oberstar (D-MN), Vice-Chair; Barbara Vucanovich (R-NV), Secretary; Neil Abercrombie (D-HI), Gary Ackerman (D-NY), Robert Andrews (D-NJ), Spencer Bachus (R-AL), Scotty Baesler (D-KY), John Baldacci (R-ME), Cass Ballenger, (R-NC), Richard Baker (R-LA), James A. Barcia (D-MI), Tom Barrett (D-WI), Roscoe Bartlett (R-MD), Charles Bass (R-NH), Herb Bateman (R-VA), Doug Bereuter (R-NE), Howard Berman (D-CA), Tom Bevill (D-AL), Brian Bilbray (R-CA), and Michael Bilirakis (R-FL).

Representatives Sanford Bishop (D-GA), Sherwood Boehlert (R-NY), Sonny Bono (R-CA), Robert A. Borski (D-PA), Bill Brewster (D-OK), Glen Browder (D-AL), Corrine Brown (D-FL), Ed Bryant (R-IN), John Bryant (D-TX), Jim Bunn (R-OR), Dan Burton (R-IN), Sonny Callahan (R-AL), Charles Canady (R-FL), Steve Chabot (R-OH), Saxby Chambliss (R-GA), Helen Chenoweth (R-ID), Bob Clement (D-TN), Bill Clinger (R-PA), James Clyburn (D-SC), Howard Coble (R-NC), Tom Coburn (R-OK), Ronald Coleman (D-TX), Cardiss Collins (D-IL), Mac Collins (R-GA), Jerry Costello (D-IL), Chris Cox (R-CA), William Coyne (D-PA), Bud Cramer (D-AL), and Michael Crapo (R-ID).

Representatives Frank Cremeans (R-OH), Barbara Cubin (R-WY), Duke Cunningham (R-CA), Pat Danner (D-MO), Tom Davis (R-VA), Lincoln Diaz-Balart (R-FL), Jay Dickey (R-AR), Norman Dicks (D-WA), Nathan Deal (R-GA), Peter DeFazio (D-OR), Ronald Dellums (D-CA), Peter Deutsch (D-FL), Mike Doyle (D-PA), Richard Durbin (D-IL), Jennifer Dunn (R-WA), Phil English (R-PA), John Ensign (R-NV), Anna Eshoo (D-CA), Thomas Ewing (R-IL), Eni Faleomavaega (D-AS), Sam Farr (D-CA), Chaka Fattah (D-PA), Harris Fawell (R-IL), Vic Fazio (D-CA), Cleo Fields (D-LA), Bob Filner (D-CA), Michael Flanagan (R-IL), Mark Foley (R-FL), and Michael Forbes (R-NY).

Representatives Tillie Fowler (R-FL), Barney Frank (D-MA), Bob Franks (R-NJ), Gary Franks (R-CT), Victor Frazer (D-VI), Dan Frisa (R-NY), Martin Frost (D-TX), David Funderburk (R-NC), Elizabeth Furse (D-OR), Sam Gejdenson (D-CT), George Gekas (R-PA), Richard Gephardt (D-MO), Pete Geren (D-TX), Sam Gibbons (D-FL), Bob Goodlatte (R-VA), Bill Goodling (R-PA), Bart Gordon (D-TN), Lindsay Graham (R-SC), Jim Greenwood (R-PA), Gil Gutknecht (R-MN), Ralph Hall (D-TX), Mel Hancock (R-MO), Jane Harman (D-CA), J. Dennis Hastert (R-IL), Alcee Hastings (D-FL), James Hayes (D-LA), J.D. Hayworth (R-AZ), Joel Hefley (R-CO), and Wally Herger (R-CA).

Representatives Earl Hilliard (D-AL), Maurice Hinchey (D-NY), David Hobson (R-OH), Pete Hoekstra (R-MI), Tim Holden (D-PA), Steve Horn (D-CA), John Hostettler (R-IN), Amo Houghton (R-NY), Steny Hoyer (D-MD), Duncan Hunter (R-CA), Tim Hutchinson (R-AR), Henry Hyde (R-IL), Ernest Istook (R-OK), Andy Jacobs (D-IN), Sheila Jackson-Lee (D-TX), William Jefferson (D-LA), Nancy Johnson (R-CT), Sam Johnson (R-TX), Tim Johnson (D-SD), Harry Johnston (D-FL), Walter Jones, Jr. (R-NC), Paul Kanjorski (D-PA), Marcy Keptur (D-OH), Sue Kelly (R-NY), Joseph Kennedy (D-MA), Patrick Kennedy (D-RI), Peter King (R-NY), Jack Kingston (R-GA), and Scott Klug (R-WI).

Representatives Jim Kolbe (R-AZ), John LaFalce (D-NY), Ray LaHood (R-IL), Tom Lantos (D-CA), Steve Largent (R-OK), Rick Lazio (R-NY), Jim Leach (R-IA), Jerry Lewis (R-CA), John Lewis (D-GA), Ron Lewis (R-KY), Blanche Lincoln (D-AR), John Linder (R-GA), William Lipinski (D-IL), Bob Livingston (R-LA), Frank Lo Biondo (R-NJ), Zoe Lofgren (D-CA), James Longley (R-ME), Nita Lowey (D-NY), Frank Lucas (R-OK), William Luther (D-MN), Bill McCollum (R-FL), Jim McCrery (R-LA), Joe McDade (R-PA), John McHugh (R-NY), Scott McInnis (R-CO), Michael McNulty (D-NY), Carolyn Maloney (D-NY), Thomas Manton (D-NY), and Don Manzullo (R-IL).

Representatives Bill Martini (R-NJ), Frank Mascara (D-PA), Robert Matsui (D-CA), Martin Meehan (D-MA), Carrie Meek (D-FL), Robert Menendez (D-NJ), Jack Metcalf (R-WA), Jan Meyers (R-KS), Kweisi Mfume (D-MD), John Mica (R-FL), Dan Miller (R-FL), George Miller (D-CA), David Minge (D-MN), Patsy Mink (D-HI), Joe Moakley (D-MA), G.V. Montgomery (D-MS), Carlos Moorhead (R-CA), Jim Moran (D-VA), Constance Morella (R-MD), John Murtha (D-PA), Sue Myrick (R-NC), Richard Neal (D-MA), George Nethercutt (R-WA), Mark Neumann (R-WI), Charlie Norwood (R-GA), John Olver (D-MA), Bill Orton (D-UT), Michael Oxley (R-OH), and Frank Pallone (D-NJ).

Representatives Mike Parker (D-MS), Ed Pastor (D-AZ), Donald Payne (D-NJ), L.F. Payne (D-VA), Nancy Pelosi (D-CA), Collin Peterson (D-MN), Pete Peterson (D-FL), Tom Petri (R-WI), Owen Pickett (D-VA), Glenn Poshard (D-IL), Deborah Pryce (R-OH), Jack Quinn (R-NY), George Radanovich (R-CA), Nick Rahall (D-WV), Jim Ramstad (R-MN), Charles Rangel (D-NY), Jack Reed (D-RI), Bill Richardson (D-NM), Frank Riggs (R-CA), Dana Rohrabacher (R-CA), Carlos Romero-Barcelo (D-PR), Ileana Ros-Lehtinen (R-FL), Charlie Rose (D-NC), Lucille Roybal-Allard (D-CA), Ed Royce (R-CA), Bobby Rush (D-IL), Matt Salmon (R-AZ), Bernard Sanders (I-VT), and Mark Sanford (R-SC).

Representatives Jim Saxton (R-NJ), Joe Scarborough (R-FL), Steve Schiff (R-NM), Dan Schaefer (R-CO), Patricia Schroeder (D-CO), Charles Schumer (D-NY), Robert C. Scott (D-VA), Andrea Seastrand (R-CA), John Shadegg (R-AZ), E. Clay Shaw, Jr. (R-FL), Bud Shuster (R-PA), Norman Sisiky (D-VA), David Skaggs (D-CO), Joe Skeen (R-NM), Ike Skelton (D-MO), Louise Slaughter (D-NY), Christopher Smith (R-NJ), Lamar Smith (R-TX), Mark Souder (R-IN), Floyd D. Spence (R-SC), John Spratt, Jr. (D-SC), Cliff Stearns (R-FL), Charles Stenholm (D-TX), Louis Stokes (D-OH), Steve Stockman (R-TX), Gerry Studds (D-MA), Bob Stump (R-AZ), Bart Stupak (D-MI), and Jim Talent (R-MO).

Representatives John Tanner (D-TN), Randy Tate (R-WA), Billy Tauzin (D-LA), Charles Taylor (R-NC), Frank Tejeda (D-TX), Bennie Thompson (D-MS), Ray Thornton (D-AR), Karen Thurman (D-FL), Peter Torkildsen (R-MA), Robert Torricelli (D-NJ), Edolphus Towns (D-NY), Walter R. Tucker III (D-CA), Robert Underwood (D-GU), Fred Upton (R-MI), Peter Visclosky (D-IN), Bruce Vento (D-MN), Harold Volkmer (D-MO), Enid Waldholtz (R-UT), Robert Walker (R-PA), James Walsh (R-NY), Zach Wamp (R-TX), Mike Ward (D-KY), J.C. Watts (R-OK), Henry Waxman (D-CA), Curt Weldon (R-PA), Dave Weldon (R-FL), Jerry Weller (R-IL), Rick White (R-WA), Edward Whitfield (R-KY), Bob Wise (D-WV), Frank Wolf (R-VA), C.W. Bill Young (R-FL), Don Young (R-AK), and Dick Zimmer (R-NY).

Total—285 members.

SENATE MEMBERS

Senators John Ashcroft (R-MO), Ben Nighthorse Campbell (R-CO), Thad Cochran (R-MS), Bennett Johnston (D-LA), Jon Kyle (R-AZ), Joseph Lieberman (D-CT), Trent Lott (R-MS), Connie Mack (R-FL), Carol Moseley-Braun (D-IL), Frank Murkowski (R-AR), Charles Robb (D-VA), Olympia Snowe (R-ME), Strom Thurmond (R-SC), and Paul Wellstone (D-MN).

INDIANA PROCLAMATION

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 12, 1995

Mr. HAMILTON. Mr. Speaker, the week of October 22 is World Population Awareness Week. The theme of this year's efforts is the promotion of gender equality through the eradication of female illiteracy, full employment opportunities for women, reduction of infant mortality, and universal access to family planning.

Recently, the Governor of Indiana, Evan Bayh, issued a proclamation declaring the week of October 22 as World Population Awareness Week in the State of Indiana. Knowing my colleagues interest in this issue, I include the full text of Governor Bayh's proclamation.

STATE OF INDIANA, PROCLAMATION

TO ALL TO WHOM THESE PRESENTS MAY COME, GREETING

Whereas, world population is currently 5.7 billion and increases by nearly 100 million people each year, virtually all of whom are born in countries that can least afford to accommodate their current populations; and

Whereas, by the year 2015, three billion people (the equivalent of the entire world population as recently as 1960) are projected to reach their reproductive years; and

Whereas, the environmental and economic impact of this level of growth may prevent inhabitants of poorer countries from improving their quality of life and, at the same time, may negatively affect the standard of living in more affluent regions; and

Whereas, the International Conference on Population and Development held last year in Cairo crafted a 20-year Program of Action, approved by 180 nations including the United States, for achieving a more equitable distribution of the world's population relative to its environment and resources;

Now, Therefore, I, Evan Bayh, Governor of the State of Indiana, do hereby proclaim October 22-29, 1995 as, World Population Awareness Week in the State of Indiana.

In Testimony Whereof, I have hereunto set my hand and caused to be affixed the Great Seal of the State of Indiana at the Capitol in Indianapolis on this 29th day of September, 1995.

HAMPSHIRE CHEMICAL CORPORATION HONORED

HON. KEN BENTSEN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 12, 1995

Mr. BENTSEN. Mr. Speaker, I rise to recognize Hampshire Chemical Corp. of Deer Park, TX, which was recently selected by the Deer Park Chamber of Commerce as the Industry of the Year for 1995.

Hampshire Chemical Corp. is an international specialty chemical company with more than 150 employees at its Deer Park plant. This facility opened in 1982 and produces dispersing agents, chelating agents, and glycine. These agents are used in the construction industry, the production of synthetic rubber, and the leather tanning industry. Glycine is utilized in the food and pharmaceutical industries and is used primarily to mask the bitter aftertaste of artificial sweeteners and to add stability to certain essential vitamins.

Hampshire Chemical has long been committed to ensuring the welfare of its employees and the citizens of Deer Park and surrounding areas through the use of safe and environmentally sound work practices in the production of quality goods. More importantly, Hampshire Chemical has maintained an active role in building bridges within the community. As a member of the Deer Park Emergency Planning Committee, the Community Advisory Council, the Houston Corporation Recycle Council, and the Deer Park Rotary, Hampshire Chemical has demonstrated its dedication to improving the quality of life in Deer Park.

Hampshire's participation in the Senior Olympics, Deer Park's parks and recreation summer programs, and area Little League and youth basketball has led to numerous awards, including the Chemical Manufacturers Association Community Outreach Program Award and the Texas Chemical Council Distinguished Service Award.

With all of its previous accolades, I am pleased, but not surprised, that Hampshire Chemical has been selected as the outstanding company in Deer Park for 1995. I hope Hampshire will continue to lead the way in forging partnerships between business and the community in Deer Park and the Houston area, and I wish the company and its employees the best of luck in the future.

DAVIS-BACON: REFORM, NOT REPEAL

HON. CURT WELDON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 12, 1995

Mr. WELDON of Pennsylvania. Mr. Speaker, I am today introducing, along with 19 of my colleagues, the Davis-Bacon Act Reform Amendments of 1995. This is a companion bill to S. 1183, introduced by Senator HATFIELD in the other body.

The Davis-Bacon Act is an important protection for many working families in our country. Davis-Bacon requires contractors to pay the locally prevailing wage on Federal construction and repair contracts. The law seeks to level the playing field without undermining local economies and local employment practices.

Repeal of Davis-Bacon would reduce the standard of living for many working families and force contractors to discontinue training programs, health care, and pensions for their workers. With the result, I might add, that the Federal Government would face the costs of taking over training, paying for indigent health care for workers, and possibly bailing out failed pension plans.

This bill represents an alternative to repeal. We recognize that the threshold triggering Davis-Bacon coverage of contracts has not been adjusted since it was set at $2,000 in the 1930's. This bill raises the threshold to $100,000 for new construction and $25,000 for renovation and repair contracts, and would adjust the threshold annually for inflation.

This bill also prohibits contract splitting to avoid Davis-Bacon coverage, enhances enforcement of the Act, makes provision for the use of helpers, and makes other changes in the law to clarify the scope of coverage of Davis-Bacon.

Our bill is identical to S. 1183 with two exceptions. As I mentioned, we would adjust for inflation annually. S. 1183 makes that adjustment every 5 years.

In addition, S. 1183 replaces the current weekly payroll reporting requirement with a monthly requirement. Our bill requires payroll reports every 3 months, or quarterly.

I believe these modifications strengthen our version of the bill.

Mr. Speaker, we introduced this bill to reform Davis-Bacon in the hopes of expanding the range of options to be considered by the House and to expand the debate beyond repeal versus the status quo. This bill was worked out as a compromise between labor and a coalition of over 14,000 contractors in all 50 States. We hope that what comes out of this process is a reform of Davis-Bacon that all sides can live with.

EXTEND THE ETHANOL TAX INCENTIVE

HON. RICHARD J. DURBIN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 12, 1995

Mr. DURBIN. Mr. Speaker, today I am introducing legislation to extend the excise tax incentive for ethanol use to the year 2002.

This legislation is necessary for two reasons. First, the Ways and Means Committee's recent attempt to kill this important program has created uncertainty about the ethanol tax incentive. The resulting investor hesitation could undermine the growth of this important renewable fuel program.

Second, farmers are being asked to swallow billions of dollars of farm program spending cuts through the year 2002. The ethanol tax incentive provides an important alternative market for their products, but it is set to expire in the year 2000. Farmers should be given a commitment that the ethanol program will also last a full 7 years.

Ethanol is important to the rural economy. A recent analysis by economists at the University of Illinois at Urbana-Champaign found that, because ethanol demand strengthens commodity prices, ethanol use adds more than $2.6 billion per year in market revenues to U.S. farmers. The General Accounting Office estimates that the value to the U.S. Treasury of ethanol use is as much as $6.3 billion over 5 years.

Ethanol strengthens the economy, improves the environment, and decreases our dependence on foreign oil. Moreover, the ethanol tax incentive more than pays for itself. Ethanol production will provide taxpayers a net savings of almost $4 billion over the next 5 years, according to a recent study. The direct cost of the incentive will be more than offset by additional income tax revenues and reduced farm program costs. The Federal Government gains $1.30 for each gallon of ethanol sold in America—more than double the 54-cent-per-gallon cost of the incentive.

Clearly, ethanol is not a favorite of many of the big oil companies. But just as clearly, ethanol use is good for America. Each gallon of ethanol production capacity not built due to uncertainty about ethanol's tax status represents a loss of revenue to the U.S. Treasury as well as to our Nation's farmers. If investors are scared away because of legislative attacks on ethanol, the taxpayer loses.

That is why I am introducing legislation to reaffirm and extend our national commitment to domestic, agriculture-based, renewable fuel program. We need to give this important sector of our economy the stability that will allow it to keep expanding. We need a solid, 7-year commitment to help ensure that the demand for home-grown ethanol continues.

I am pleased to announce that this is a bipartisan measure that includes Mr. LEACH, Mr. LIGHTFOOT, and Mr. POSHARD as original cosponsors. I urge my colleagues to join me in cosponsoring this legislation to send a signal that Congress will keep its commitment to renewable alcohol fuels.

IN HONOR OF NATIONAL BUSINESS WOMEN'S WEEK

HON. MIKE WARD

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 12, 1995

Mr. WARD. Mr. Speaker, I wish to recognize that next week is National Business Women's Week and to honor the BPW/River City which is based in Louisville, KY. BPW/USA was founded in 1919 as a non-profit, non-partisan, non-sectarian, self-governing, member supported organization, whose primary objective is to support the professional development of working women. BPW/River City was founded in 1976 and is the largest local BPW organization in the United States.

National Business Women's Week is held annually to highlight working women's issues and accomplishments in the community through seminars, programs and the presentation of special awards to winners of competitions for Woman of Achievement, Young Careerist and Corporate Excellence.

BPW/River City sponsors numerous programs, including LEADERSHIP BPW, providing networking opportunities in and knowledge of the Louisville community. The individual development program emphasizes members' professional development. The Berea College New Opportunity School Program provides support for Appalachian women receiving training and skill building to assist them in beginning their careers.

I am proud to have the largest BPW organization in my district, their efforts in support of working women are to be commended.

FEDERAL CUTS JEOPARDIZE MARYLAND'S ATTEMPT TO END WELFARE AS WE KNOW IT

HON. KWEISI MFUME

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 12, 1995

Mr. MFUME. Mr. Speaker, my purpose today is to bring to my colleagues' attention an article that was published in the October 7, 1995 edition of The Washington Post.

The State of Maryland has developed a program to end the problem of welfare dependency. The success of the effort has been stymied by the current squeeze on welfare. This article from the Washington Post sheds light on the problem of Congress' rush to seek reform without exploring all reasonable options.

Mr. Speaker, welfare reform should be strong on work, not strong-arming children.

[From the Washington Post, October 7, 1995]

FEDERAL CUTS PUT SQUEEZE ON WELFARE

(By Michael Abramowitz)

Maryland may have to scrap its pilot welfare program and reduce basic grants to welfare recipients as the result of expected federal spending cuts, a task force of top state officials and welfare advocates has concluded.

Gov. Parris N. Glendening (D) said yesterday in an interview that his aides are drawing up plans to cut $25 million to $50 million from the $650 million budget of the Department of Human Resources, which manages the state-federal welfare program in Maryland.

That represents the state's best estimate of the immediate fiscal impact of the welfare overhaul plan approved in both houses of Congress.

"We've got to move very quickly on all these [federal] losses," Glendening said.

State officials said that they had not determined how the cuts will be allocated and that a decision could come by November. But a task force of legislators, Glendening aides, local social, service officials and advocacy groups has drafted a list of recommendations that include requiring welfare recipients to take any job offered and requiring other steps to keep people off welfare to begin with.

Although the idea is not part of their formal recommendations, task force members said the state also was seriously considering trimming the basic monthly welfare grant, which is $373 a month for a family of three. That's already less than the $406 monthly payment people on welfare received before the General Assembly cut grants in 1991 and 1992.

But the group's most controversial recommendation may be to drop the pilot welfare program scheduled to begin in April for 3,000 families in Prince George's and Anne Arundel counties and in Baltimore. Aides said Glendening had not endorsed any of the recommendations yet.

Touted by state officials as a common-sense approach to the problem of welfare dependency, the pilot program would require participants to get a job or perform community service after three months on welfare. It also is designed to cushion the transition from welfare to work by providing more health and child care benefits for participants.

Even though state officials said the plan ultimately would save money, it would cost about $6 million to implement over the next three years in the pilot jurisdictions and $250 million more to put in place statewide.

The Clinton administration approved the pilot plan only two months ago. But the task force concluded that it may not be worth it to spend the money in the wake of welfare spending cuts that will reduce Maryland's federal funds by $200 million over the next five years. Instead, members said, the state simply should incorporate some of the less costly features of the pilot program statewide, such as the tougher work requirements.

Del. Samuel I. Rosenberg (D-Baltimore), a task force member and one of the authors of the state's welfare reform bill, said the "fiscal reality is that you can't do" the pilot program. "We're being asked to do more with less," he said.

Like many other states, Maryland is engaged in furious last-minute deliberations over how to cope with the prospect of massive change in the federal-state welfare program. Both the House and the Senate have approved bills that would end the traditional federal guarantee of financial support to poor people who meet certain eligibility standards. Instead, the federal government would send federal money to the states in the form of block grants and give governors and state legislatures more discretion over how the money is spent. Both bills would cut millions from the funds states were expecting to receive from Washington.

Virginia officials said yesterday that they are confident that they are in better shape than Maryland. For one thing, Virginia already has implemented its own welfare overhaul that is far broader than Maryland's. State officials have estimated that their plan will pare thousands from the welfare rolls, saving as much as $130 million over five years, or more than the Clinton administration's estimate of what Virginia stands to lose in the federal welfare overhaul.

150TH ANNIVERSARY OF BLACKSTONE, MASSACHUSETTS

HON. RICHARD E. NEAL

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 12, 1995

Mr. NEAL of Massachusetts. Mr. Speaker, today I would like to offer my congratulations to the citizens of Blackstone, MA, on their town's 150th anniversary. Blackstone is named after the Blackstone River which flows through the town and is one of the most significant waterways in American history. It was on the banks of this river over 200 years ago that Samuel Slater built the first American factory thus launching the American Industrial Revolution. Blackstone is also located in the center of the Blackstone River Valley National Heritage Corridor Area. This is a town rich in history and tradition and is the embodiment of the New England spirit.

To honor this important milestone, a series of events was held in Blackstone as part of a year-long celebration. Among the events celebrated were a village fair and parade in May, numerous Fourth of July festivities, and most recently on September 24, a parade celebrating the Blackstone Valley heritage homecoming. The parade was a grand affair with 11 neighboring towns participating, featuring Richard T. Moore, Associate Director for Mitigation of F.E.M.A., as the parade's grand marshal. Following the parade a band competition was held at the Blackstone/Millville Regional Junior/Senior High School in Blackstone. The events received rave reviews from the many who attended.

Congratulations to the hardworking members of the Blackstone 150th Anniversary Celebration Committee. The tireless efforts of these citizens over the past year produced several outstanding anniversary events. Their dedication to their town truly epitomizes the kind of citizenry that has made Blackstone an exceptional American town. I am honored to represent such a wonderful community and I join with the citizens of Blackstone in looking ahead, with tremendous optimism, to the next 150 years.

TRIBUTE TO TAIWAN ON HER NATIONAL DAY

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 12, 1995

Mr. PALLONE. Mr. Speaker, on October 10, 1995, the Republic of China on Taiwan celebrated its National Day. This day of celebration marks the occasion of the end of more than 3,000 years of dynastic rule. I salute the great changes that have been undertaken by the people of Taiwan to transform their country into one that respects the right of the individual to participate in democratic self-rule.

While Taiwan's National Day is a happy occasion, we here in the United States must be concerned by the recent heightening of tensions in the region. The People's Republic of China (PRC) has undertaken a program of intimidation toward Taiwan. The PRC has launched missiles less than 100 miles off the coast of Taiwan, staged "Island Landing" military exercises and openly threatened mock naval blockades. All because democratic Taiwan continues to seek greater international recognition.

The United States has an important role to play in this situation. President Clinton will be meeting with PRC President Jiang in New York as part of the celebration of the 50th anniversary of the United Nations. Under the Taiwan Relations Act of 1980, the United States has an interest in promoting a peaceful solution to the Taiwan situation. I do not think the PRC's actions reflect a move toward peace, and our President needs to remind the PRC of our goals.

Taiwan will have open Presidential elections in March 1996. The two primary political parties have nominated their candidates, and even a powerful independent candidate may take the stage. We have promoted the ideal of democracy throughout the world. Now that it is a reality on Taiwan, we must do what we can to maintain it.

Again, I want to congratulate Taiwan on its National Day, and send warm regards to President Lee Teng-hui on his country's amazing success.

PUTTING ETI'S OFF LIMITS TO PRIVATE PENSION FUNDS

HON. JIM SAXTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 12, 1995

Mr. SAXTON. Mr. Speaker, I would like to bring to your attention an excellent article by Stuart Anderson, policy director of the Alexis de Tocqueville Institution. His article in Investor's Business Daily on September 28, 1995, "Beware Politically Correct Investing," explains why the Federal Government should not require or encourage pension funds to make investments based on criteria other than the risk-adjusted rate of return of an investment. This is an important and particularly timely article considering the Clinton administration's current efforts to conscript private pensions assets into so-called economically targeted investments, which are better described as politically targeted investments.

The Alexis de Tocqueville Institution employed data provided by Morningstar, Inc. that compared the annualized returns of 13 "socially conscious" mutual funds that invested in growth funds to the universe of growth funds. The result was that, "Over 3-, 5- and 15-year growth periods, the average growth fund always outperformed the average socially conscious growth fund."

This new report supports the conclusions of a previous report by the Republican staff of the Joint Economic Committee [JEC]. The JEC report, entitled "The Economics of ETIs: Sacrificing Returns for Political Goals," showed how the investment underperformance caused by ETIs would cost an average of $43,298 per private pension plan participant after 30 years.

These findings highlight the need for Congress to keep overzealous political appointees in check. In this case, the concern is Labor Secretary Reich's vocal advocacy of ETI's, even given their dismal record. If ETI's underperform non-ETI's, as numerous private studies have shown, then what possible rationale is there to support their implementation? One possible conclusion is that ETI advocates are more interested in the politically driven projects financed by ETI's than in protecting the pension savings of millions of Americans.

It is simply not possible to reconcile two fundamentally conflicting goals assigned to pension plans by Secretary Reich. Traditionally, pensions have had but one goal: to maximize risk-adjusted rates of return. Secretary Reich, however, has added a second goal to pension plans: to utilize pension assets to achieve some political benefit for persons other than the pension beneficiaries. The Labor Secretary's desire to push such a risky political investment strategy, however, flies in the face of his duty to serve as a trustworthy guardian of the nation's pension system, safeguarding it from, among other things, unnecessary risk of pension losses.

But ETIs are not the first time that Secretary Rich has required Congressional oversight. Earlier this year, Secretary Reich attempted to politicize the long-standing non-partisan status of the Bureau of Labor Statistics as part of his Central Oversight Group [COG]. Despite a public and unambiguous promise to the Congress that no such actions were being taken and that no memos on the subject existed, internal DOL memos surfaced that showed otherwise. At best, Secretary Reich was misleading about his efforts to politicize the Department of Labor in furtherance of a liberal welfare agenda.

In order to strengthen and protect America's pension system, the House of Representatives recently passed a measure that would shut down the Department of Labor's clearinghouse to ecounrage ETIs. Moreover, it would make ETIs off limits for private pension funds. We want to encourage pension funds to make investments that would earn the greatest returns for pensioners. The government should not be encouraging social experiments, particularly ones that, as this article demonstrates, have already proven to produce a lower return on investment. I include the full text of the article by Stuart Anderson and recommend my colleagues read the analysis in it.

BEWARE POLITICALLY CORRECT INVESTING

(By Stuart Anderson)

President Clinton says he wants to protect current and future retirees from Congress' assault on Medicare. But the administration is itself undermining public- and private-sector retirement plans. It is encouraging pension funds to undertake socially conscious investing—a proven loser for the workers such funds are meant to benefit.

In the past, the concept has been criticized even by Clinton Treasury official Alicia Munnell, now a nominee to the Council of Economic Advisers.

A 1983 study by Munnell, then with the Federal Reserve Bank of Boston, looked at public-employee pension funds, which are exempt from ERISA requirements.

She found that state "pension fund managers failed to exact appropriate returns on very standardized investments, in the presence of obvious benchmarks, once they focused on social considerations."

She found that annual returns were about two percentage points lower for "social" investments, a number confirmed by at least two more recent studies.

An analysis by the Alexis de Tocqueville Institution shows that private funds also lose on "social investing."

Employing data provided by Morningstar Inc., we compared the annualized returns of 13 "socially conscious" mutual funds that invested in growth stocks to the returns of all other growth mutuals. Over three-, five- and 15-year periods, the average growth fund always outperformed the average socially conscious growth fund.

Socially conscious funds typically do not invest in defense contractors, tobacco companies or industries at odds with environmental groups.

Of the 13 funds, only Dreyfus Third Century possessed a 15-year track record, and it performed far lower than the average growth fund that did not set social criteria. A $10,000 investment in Dreyfus Third Century would have resulted in $48,759 after 15 years. Meanwhile, the same $10,000 invested in the average "non-social" growth fund would have produced $74,934, or $22,000 more for the investor.

Despite its obvious failings, the Clinton administration has encouraged socially conscious investing.

In June 1994, the California Public Employees' Retirement System added how a company treats its employees to its list of criteria for choosing which companies to invest in Labor Secretary Robert Reich said: "That is a big deal. It's really the first time an institutional investor has explicitly pointed to employer practices as important to its analysis of company performance."

Public pension funds are often defined benefit plans—ones that provide a fixed guaranteed rate. Any shortfall in return forces state and municipal taxpayers to make up the difference. Reich's support for CalPERS' policy could hurt taxpayers around the nation.

Reich is not a lone wolf on this issue. Arkansas Gov. Bill Clinton supported a requirement that pension funds direct 5% to 10% of assets to Economically Targeted Investments.

And Reich hasn't stopped at cheerleading. Federal law—the Employee Retirement Income Security Act—requires a private pension fund manager to "discharge his duties with respect to a plan solely in the interest of the participants and beneficiaries." ERISA names the Labor Department to police this requirement.

But last year, Reich issued an interpretive bulletin that would allow private pension funds to pick investments "selected for their economic benefits apart from their investment return to the employee benefit plan."

In other words, private funds could engage in what are called Economically Targeted Investments—ones in public housing or local infrastructure that have a social or community aim. The administration also decided to set up a clearinghouse to promote ETIs to private pension funds.

Rep. James Saxton, R-N.J., vice chairman of Congress' Joint Economic Committee, has taken the point against this Clinton policy. He led the House to pass a bill to shut down the clearinghouse and put ETIs off limits to private pension funds.

Instead of encouraging private pension funds to act more like public pension funds, the federal government should consider extending ERISA's reach to public pension funds.

In the words of Nucor Corp. CEO Ken Iverson, "The proper role of institutional investors is to watch out first for their investments not to get involved in social programs."

TRIBUTE TO THE MARIN FAMILY SERVICE AGENCY

HON. LYNN C. WOOLSEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 12, 1995

Ms. WOOLSEY. Mr. Speaker, I rise today to pay tribute to an organization that has provided service to the families of Marin County for over 50 years. The Marin Family Service Agency [FSA] has provided critical mental health and social services to Marin County families by functioning as a safety net for families, a lifeline for people in crisis, and a champion of family health.

The Marin FSA began in 1945 with the goal of strengthening families through the teaching of basic skills in parenting, caretaking, and self-sufficiency. Through the years, that goal has expanded to include Marin County's first family counseling program, child sexual abuse treatment programs, family alcoholism treatment programs, and support services for elders. Wherever and whenever families need assistance, the caring and dedicated staff of the Marin FSA are there to help families help themselves.

Perhaps it is because the focus of treatment is the *whole* family, and not just individual family members, that the Marin FSA is such a successful social service provider. Robert Thomas, the current executive director of Marin FSA and a recipient of the United Way's Seaton Manning award for leadership, realized the pervasive and eroding effect that problems like alcoholism, domestic violence, and child sexual abuse have on the entire family as a unit. Robert Thomas and the dedicated staff of Marin FSA know that successful resolution to problems that affect families, is treatment that includes the whole family.

Mr. Speaker, Congress would do well to follow the lead of the folks at Marin FSA. By coordinating our social services, we too could achieve the excellence of care that the Marin FSA provides to the families of Marin County.

IN MEMORY OF MRS. BONNIE WOLF

HON. GLENN POSHARD

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 12, 1995

Mr. POSHARD. Mr. Speaker, I rise to pay special tribute to Mrs. Bonnie Wolf of Pana, IL. Bonnie passed away September 12, and it is with sorrow that I speak here today of this fine woman.

Known throughout Christian County as "Mrs. Democrat," Bonnie faithfully served the people of her community. She was a member of the Christian County Zoning Board, was the first woman alderman in Pana, a member of the Democrat Women's Auxiliary, a former Christian County Democrat chairwoman, and a Democratic precinct committeewoman for 32 years. Her lifetime of service to the people of Christian County, and the Democratic Party, strengthened the belief that one person can make a positive difference in the lives of many.

Bonnie's passing is a great loss to all who knew her, and the community she worked hard to improve. Bonnie Wolf dedicated her life to helping the people of Christian County, and her never ending determination to help her neighbors will not be forgotten. Mr. Speaker, Bonnie was a wonderful woman who will always have a special place in the hearts of those who knew her, and it is with great sadness that I offer my condolences to her family.

CREATIVE APPROACH TO INTERNATIONAL MEDICINE

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 12, 1995

Mr. PALLONE. Mr. Speaker, I rise today to pay tribute to the visiting doctors from Zhong Shan Hospital and welcome them all to the United States. The visit is being celebrated at a reception and dinner on Tuesday, October 17, 1995.

The visit reciprocates the very successful and beneficial visit that representatives from the Robert Wood Johnson University Hospital, the University of Medicine and Dentistry of New Jersey, and the Robert Wood Johnson Medical School made to Shanghai last year. These exchange visits are designated to improve the knowledge and understanding of knowledgeable practitioners of our two countries. It is therefore a sincere pleasure to recognize this visit as an important step in what I believe is the right direction for the future. As globalization of the economy and the environment increase in importance these joint efforts to establish good relationships enabling important scientific research to be shared across borders will be of significant importance to us all in the future. We will all benefit from this initiative establishing this highly successful relationship at such an early stage.

I find this effort to correspond perfectly with the needs of tomorrow's world, and I applaud the cooperation of these sister hospitals in making this joint effort such a success. It is my firm belief that this joint effort by these honorable institutions will contribute not only to my constituents but to many other people across both our countries. I would therefore once again like to welcome these distinguished visitors to our country and ask my colleagues to join me in offering these two hospitals the best of luck for their future cooperation.

RECOGNITION OF THE GLENN L. MARTIN PLANT WORKERS

HON. ROBERT L. EHRLICH, JR.

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 12, 1995

Mr. EHRLICH. Mr. Speaker, I rise today to publicly recognize an outstanding group of individuals who worked for victory in Middle River, MD, during World War II.

During the war, tens of thousands of hard-working men and women converged in Middle River to form one of the first planned communities in America. They toiled diligently at the Glenn L. Martin Plant, where their hard work helped give the United States victory in World War II. Many of these same individuals later helped America fight and win the cold war.

The Middle River plant was started by Glenn L. Martin, a brilliant designer and former stunt pilot. Martin brought his company to Middle River to design and build new warplanes when the United States entered World War II. During the 1930's the Martin plant was one of the foremost in the world, contributing the first modern bombing planes to the U.S. Navy and Army Air Corps. During the war, the Martin Plant workers built more than 7,000 bombers. Without the efforts of these workers, peace may have come at a much higher price—if it came at all.

After the war, many of these workers settled in Maryland and continued their efforts at the Martin Plant and its corporate successor, Martin Marietta. They built planes, missiles, and electronics for our Nation's defense in the cold war. Today, the company, now called Lockheed Martin, employs about 1,000 people in Middle River.

Mr. Speaker, on October 15, 1995, these hard-working men and women will be honored for their efforts during the Glenn L. Martin Victory Celebration. They will once again gather together at the historic hangars at the Martin State Airport to commemorate their 50th anniversary victory in World War II. Americans should take time to remember the role that the Martin workers played in helping to defend their country.

Mr. Speaker, I could not be more proud of the Martin workers and their contributions to democracy and world peace. These diverse men and women came together from all across the Nation with little in common. But together they forged a community and worked side-by-side because of a common purpose. We owe a tremendous debt to this special group of Americans, who sacrificed their time and effort to ensure that this country and the world would have a peaceful future.

THE SCIENCE RESEARCH BILL IS A SHAM

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 12, 1995

Mr. LAFALCE. Mr. Speaker, I rise to express my deep disappointment with the passage today of H.R. 2405, the so-called Omnibus Civilian Science Research Authorization Act of 1995. This bill unfortunately reflects the new realities in Washington, and it shows how far astray the new majority will go in its efforts to feed the insatiable hunger of the far right.

In the name of science, the GOP juggernaut rejected an amendment that would have deleted a provision in the bill prohibiting the EPA from studying indoor air pollution. This amendment wouldn't have added one cent to the amounts authorized in the bill. But the majority apparently wants to micro-manage to the point that it, not scientists, will decide what scientific endeavors will be undertaken.

Another amendment would have removed a prohibition barring the weather service from carrying out studies of long-term climate and global change. The head in the sands majority opted for ignorance and voted to prohibit crucial future studies.

These are just two examples of the medieval thinking that pervades this legislation, Mr. Speaker. While other nations are increasing their research budgets, we are not only slashing funding for it, but actually prohibiting much of it. This is folly, Mr. Speaker, and I deeply regret this sad instance of narrow Neanderthal thinking on the part of the majority in the House of Representatives.

A CRITICAL FLAW IN H.R. 2405

HON. PATRICK J. KENNEDY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 12, 1995

Mr. KENNEDY of Rhode Island. Mr. Speaker I rise today in opposition to what I believe is a critical flaw in HR 2405, the Omnibus Civilian Science Research Authorization Bill.

Title IV of HR 2405 relates to the National Oceanic and Atmospheric Administration. In my view this entire section is abusive to our Nation's need for a comprehensive understanding of our oceans, air, and coastal environments. Title IV does not take into account the economic as well as environmental implications of such massive cuts. In many cases fall well below the funding levels that have already been appropriated for NOAA in 1996. During debate on this section I will be supporting several amendments that seek to restore the integrity of NOAA and many of the programs for which it is responsible. Specifically, I would like to address two issues that have, in my view, fallen prey to the worst of intentions: the Global and Climate Change and Sea Grant Programs.

This bill recommends that the NOAA Climate and Global Change Program be reduced to $53 million which represents an $18 million or 27% reduction in spending from the FY 1995 budget.

This cut-back is short sighted. It ignores the potential savings we could realize from being prepared for severe weather. Rarely do we find a clearer illustration of the old saying "an ounce of prevention is worth a pound of cure."

Weather prediction is by no means an exact science. NOAA, however, is working to remove much of the guess work by developing the ability to anticipate short term climate variations. Improving our climate prediction capabilities would enable communities to prepare changing weather conditions. This bill will cripple our ability to see the clouds on the horizon and prepare for the oncoming storm.

The NOAA Climate and Global Change Program is equally important for our long term economic well-being. NOAA has designed a research program to better understand long term changes in weather patterns that will have profound effects on our economy in the 21st century.

NOAA is studying the roles of atmospheric gases in global warming. In this area ignorance will be costly and dangerous. The value of reducing climate-related uncertainty in the implementation of policies stabilizing greenhouse gas emissions is estimated to be $100 billion for the U.S. between now and 2020.

NOAA is also seeking to understand longer-term climate variations, like those that give rise to persistent drought or recurring flooding over several years. Improving these climate predictions for the long term will enable resource managers in climate sensitive areas such as agriculture, water management, and energy supply to alter strategies and reduce economic vulnerability. Preliminary economic studies estimate potential savings in the U.S. of as mush as $2.7 billion annually in the agriculture sector alone.

In my state of Rhode Island, improved understanding of climate and global change is critical to of our economy. Right now 10% of Rhode Island's Gross Domestic Product is marine related. Much of this business, like commercial fishing, marina and boating activities, oceanographic research, and tourism, is directly effected by atmospheric and oceanographic conditions.

Clearly, as we look to reduce unnecessary federal spending, we should not deny ourselves the opportunity to reduce costs in the long run by taking preventative measures. A perfect example of this in New England was the winter of 1992–93. During that year many municipalities were caught unprepared for an unusually harsh winter and had inadequate supplies of salt or sand for roads, and insufficient fuel and provisions for acquiring additional electricity. The total cost of just one storm in March of that year was over $1.6 billion for New England because we were unprepared.

The following year many counties prepared for a similar winter and stocked up on the provisions that were in demand the previous year. As we all remember, last winter was unusually mild and these resources went to waste. This kind of waste must end.

We need to end our nation's reactionary policy toward global climate change. Rather than passively suffer the effects of changing weather patterns, we should prepare for them through advanced scientific research. Just think about the funds and resources we will save if we know 6 months ahead of time that a winter in the North East will be mild, if the Gulf States will encounter an El Nino, or if we can expect flooding in the Midwest.

The second major flaw in this bill occurred with the Sea Grant College Program. HR 2405 essentially destroys the concept of Sea Grant as the bridge between universities and users in coastal communities, industry, government, and non profit organizations.

The Sea Grant Program is a network of over 300 universities and affiliated institutions in 30 states which conduct research, education and advisory services for our coastal communities. Modeled after the Land Grant concept, Sea Grant uses high quality, competitive, merit reviewed science to address critical marine resource issues. Sea Grant is highly successful as almost half of the total program cost is derived from nonfederal sources.

Unfortunately, while both the Resources and Science Committees have reported out HR 1175, a Sea Grant reauthorization bill, which I cosponsor and enjoys broad bi-partisan support, the Science Committee has chosen to disregard this mandate and abandon the work that has already been accomplished.

Make no mistake, the Science Committee's original version of HR 2405 nullifies the Sea Grant Program. Provisions in the bill remove the education and outreach components which is what makes Sea Grant so successful in the first place.

Sea Grant, which was founded by my colleague Senator Pell from Rhode Island, was designed to create new economic opportunities for the private sector by helping our Nation to utilize more fully its vast publicly-owned marine and coastal resources, which are vital to the lives of America's rapidly growing coastal population. In fact, with over 50% of our nation's population living in coastal environments, these important functions are more critical than ever.

We simply cannot abandon this important mission. I want to commend the actions of several of my colleagues on both sides of the aisle for their dedicated work on this issue and their efforts to raise the authorization levels for Sea Grant. Moreover, I am encouraged by the agreement reached in the Committee of the Whole to bring HR 1175 to the floor under its own authorization. Only then will the true mission of Sea Grant be realized.

In closing, I ask my colleagues to oppose Title IV of HR 2045. Despite the changes to Sea Grant, I cannot support this Title or this bill as it undermines the effectiveness of NOAA and many important programs like Climate and Global Change.

A WEEK WITHOUT VIOLENCE—IMAGINE THE DIFFERENCE

HON. JAMES A. BARCIA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 12, 1995

Mr. BARCIA. Mr. Speaker, one of the great misfortunes of our society is the degree of violence that people experience. It disrupts communities. It disrupts families. It usurps resources that could be better used for other purposes. We need to deal with this situation, and I am pleased to recognize the Young Women's Christian Association—the YWCA—for the efforts that it is making as it celebrates the YWCA Week Without Violence between October 15 and 21, with events throughout the country, including my home town of Bay City, MI.

We need to deal with violence at all levels—between people on the streets, in schools, in the work place, in families. Over 7 days the YWCA will address many of these problems. On Sunday, a day of remembrance will be held, where congregations are being asked to pledge non-violence as an offering. Monday will have its emphasis on protecting children, with an open house at community recreational facilities. Tuesday will concentrate on making schools safe where students will be asked to sign pledges against violence. Wednesday will focus on confronting violence against women, with an information booth at the Bay City Mall, the sale of T-shirts commemorating the event, and a display at the Bay County Women's Center Clothesline Project which concentrates on the terrible problem of spousal and sexual abuse. Thursday confronts the violence facing men. Friday pledges to work toward the elimination of racism and hate crime. Saturday directs our attention toward replacing violence with healthy alternatives with open houses again at community recreation facilities.

Mr. Speaker, in an intelligent, reasonable society, there is no need for violence in our dealings with each other. Responding to momentary impulses has created lifetimes of pain, mandated the expenditure of untold dollars, and done literally nothing to help move toward a constructive resolution of problems. Thousands of people are murdered each year. Millions of children are the victim of child abuse with nearly four children dying each day as a result.

Some of the things that we can all do are so basic. Listen to—don't just hear people. Walk away from anger to find a solution to a problem. Treat people the way we want to be treated. Help change the behavior of others by setting a good example. Don't take fool-hardy risks with strangers, or unfamiliar places.

I want to commend the many civic organizations around Bay City, the religious community, Saginaw Valley State University, Bresnan Communications, WNEM TV 5 and WSGW Radio, the Bay City Police Department, the Michigan State Police, and so many others for supporting this important event. I also congratulate the national YWCA and its national sponsors for working to resolve a problem that is of importance to all of us.

Mr. Speaker, I urge you and all of our colleagues to join me in paying attention to this week without violence, and resolve ourselves to making this week a way of life.

CONGRATULATIONS MARGARET AND GENE BECKHAM—50TH ANNIVERSARY

HON. GLENN POSHARD

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 12, 1995

Mr. POSHARD. Mr. Speaker, I rise today to congratulate Margaret and Gene Beckham on the occasion of their 50th wedding anniversary. Fifty years of marriage is a milestone to be honored, and I appreciate my invitation to join with the Beckham's family and friends in celebrating this special day.

On October 15, 1995, the Beckhams will be honored for their 50 years of life together. The authors of the Special Occasion Book claim that "one reason the celebration of a wedding anniversary is so joyous an occasion is that it shows the rest of us that lasting happiness is indeed attainable, and that it does become the good fortune of some very nice people." Margaret and Gene prove that happiness can be found in loving another, and I am proud to help recognize their Golden Anniversary.

Mr. Speaker, Margaret and Gene have honored the vows they took a half century ago. They have proven that the institution of marriage is alive and well, and it is my privilege to represent this wonderful couple in Congress.

ARS FUNDS FOR CALIFORNIA CITRUS TRISTEZA VIRUS

HON. FRANK RIGGS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 12, 1995

Mr. RIGGS. Mr. Speaker, I would like to reiterate my support for the fiscal year 1996 Agriculture appropriations bill, generally, and particularly with respect to new funding in this bill for research into the California forms of the citrus tristeza virus. This bill takes the first step by providing $500,000 to start research into the suppression/eradication of the particular strains of citrus tristeza virus which are attacking California citrus. At risk, without this needed research, are California's entire $1.5 billion domestic industry, our $495 million citrus export market, and the only remaining disease-free budwood stock which we export throughout the world. There a number of other areas of this bill which I support, but I just wanted to emphasize the critical need of the citrus tristeza virus for California.

TRIBUTE TO THE ANTELOPE VALLEY HOSPITAL

HON. HOWARD P. "BUCK" McKEON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 12, 1995

Mr. MCKEON. Mr. Speaker, I rise today to bring to your attention the over 40 years of dedicated service the Antelope Valley Hospital has provided to the high desert community. This hospital was officially opened to our community on October 12, 1955, after numerous local citizens canvassed door to door and held a carnival to raise money to purchase the land for the hospital.

The Antelope Valley Hospital, since its inception, has provided state-of-the-art health care service to the people of the Antelope Valley. Their modern facilities include the valley's first mental health and coronary care units, the area's only neonatal intensive care nursery, along with many outreach programs designed to meet the needs of this fast growing area. If it wasn't for services such as these, many individuals in the Antelope Valley would not have received the high quality health care they so deserve.

Mr. Speaker, I ask that you join me, along with my colleagues in the House of Representatives, in recognizing Antelope Valley Hospital's 40th anniversary, and commend the hospital in providing four decades of quality health care service to the residents of the Antelope Valley.

SALUTING JIM QUELLO, "DEAN OF THE FCC"

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 12, 1995

Mr. FIELDS of Texas. Mr. Speaker, I would like to take a moment today to salute a dedicated public servant who has given generously of his time and talents to the Federal Communications Commission for the past 21 years: FCC Commissioner James H. Quello.

Before and since I became chairman of the House Telecommunications and Finance Subcommittee, I have enjoyed working with Commissioner Quello, and I have benefited greatly from his unparalleled knowledge of communications issues. It's accurate to say that no one has played a greater role for a longer period of time in our country's and the world's communications revolution than has Jim Quello.

While Jim has impressed me in many ways, I have been particularly impressed with Jim's efforts to reduce regulation, and foster competition, in the telecommunications industry whenever possible. Likewise, I have come to appreciate his principled and consistent defense of the First Amendment at the FCC. Press freedom has no more vigorous ally in the federal government than Jim Quello, and all Americans can take comfort in that fact.

Perhaps the reason that Jim understands broadcasting issues so well is that prior to joining the FCC, he served as vice president and general manager of WJR in Detroit. As a broadcaster, he was recognized for his leading roles in a number of civic and community service projects.

And perhaps the reason that Jim is so universally respected is the fairness and common sense he brings to every issue that comes before him. Jim is a Democrat. But he has been appointed to the FCC four times by Republican presidents and, has been confirmed by the United States Senate on four separate occasions, winning the support of overwhelming and bipartisan majorities.

While serving as station manager at WJR, he served as a member of the Detroit Housing and Urban Renewal Commission for 21 years, having been appointed and reappointed by four different mayors. Similarly, he served for 22 years as a trustee of the Michigan Veterans Trust Fund, having been appointed and reappointed by both Democratic and Republican governors.

Jim has always believed in service to others, and to his country. As a young man, he served in the Army during World War II, spending 33 months overseas in Africa, Italy, France and Germany. During his Army service, he survived six amphibious landings and rose in rank from lieutenant to lieutenant colonel.

A list of awards and honors that have been bestowed upon him would fill many, many pages of the CONGRESSIONAL RECORD, Mr. Speaker. I do want to point out, however, that this list of awards includes the National Association of Broadcasters' highest award, the "Distinguished Service Award;" the Radio and Television News Directors Foundation's "First Amendment Award;" the National Religious Broadcasters Association's "Chairman's Award;" the National Association of Broadcasters' "Award of Honor;" the Community Broadcasters Association's "Lifetime Achievement Award;" and the National Cable Television Association's first "Distinguished Public Service Award."

Those of us who know Jim Quello and who have the privilege of working with him deeply appreciate his hard work at the FCC. His long and distinguished record of service at the FCC—not to mention his awesome tennis prowess—inspire all of us who are interested in the telecommunications industry. For my part, I simply wanted him to know how grateful I am for his public service, for his assistance, his advice and his friendship. I wish him, and his wife of 58 years, Mary, the very best in the years ahead.

Thank you, Mr. Speaker.

HONORING ROBERT WASKIEWICZ

HON. STEVE GUNDERSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 12, 1995

Mr. GUNDERSON. Mr. Speaker, on this day we honor those firefighters who in 1994 gave the ultimate sacrifice to their communities. Robert Waskiewicz, a husband and father of two, served the Augusta-Bridge Creek Fire Department and was killed while fighting an out of control brush fire. His dedication to his job, his family, and his department should not be forgotten. His wife, Sondra, and his sons, Patrick and Charley, can be proud of Robert's bravery and service. His death should be a reminder of the importance of our firefighters and that on a daily basis they put their lives in danger for all of us.

One hundred firefighters died in 1994. Roughly 1 million outdoor fires were started in 1994, like the one in which Robert died. Even one death is one too many, and we must do everything possible to reduce the number of fires and the resulting civilian and firefighter deaths.

My condolences to Robert's family and all of the other firefighters who died in 1994.

PURDUE RECEIVES HEISMAN TROPHY OF COLLEGE BAND AWARDS

HON. JOHN T. MYERS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 12, 1995

Mr. MYERS of Indiana. Mr. Speaker, I rise today and congratulate the Purdue "All-American" Marching Band on receiving the "Heisman Trophy" of college band awards—the 1995 Sudler Trophy.

For over 109 years this collegiate band has won coveted honors and generated excitement at home football games. Look to the Purdue Marching Band for a number of firsts—first band to break ranks and form a letter on the football field (the Block "P") to the first band to place a bandsman, Neil Armstrong, on the moon. Known for its trademark Big Bass Drum and internationally famous Golden Girl, the band has carried its proud heritage throughout the world, through a multitude of televised and worldwide appearances, and 77 consecutive showings as the host band of the Indianapolis 500 Mile Race.

Under the leadership of Band Director David A. Leppla, now in his 8th year at the helm, the band continues a tradition of excellence characterized by creative musical arrangements with no two halftime shows alike. Leppla's innovative talent has persuaded the percussions, rousted the reeds, and hammered the horns to a dazzling display of show tunes, marches, rock and jazz selections.

For many people, the Purdue Marching Band has come to symbolize a part of the American spirit. A spirit that embraces life solely out of sheer enjoyment. Generations of band members have come to Purdue to become part of that spirit—the world's largest permanently organized marching ensemble.

This Saturday as band members march on the Purdue Homecoming field at halftime, let us salute that spirit and watch the Boilermaker band go out on their "highest note" ever enriching the life of the college and instilling a sense of pride in all alums. "Hail, Hail to old Purdue!"